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PROCEEDINGS AND DEBATES OF THE 93^{d} CONGRESS, SECOND SESSION

SENATE—*Monday, September 30, 1974*

The Senate met at 11 a.m. and was called to order by Hon. **James Abourezk**, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, eternal and unchangeable in Thy holiness, justice, and truth, amid all the uncertainties and insecurities of our age, make us sure of Thee—sure of Thy presence, sure of Thy law, sure of Thy judgment. Grant us grace and wisdom to know Thy will and knowing Thy will, help us to do it. May our highest compensation be the knowledge that we have humbly and steadfastly endeavored to do our best in service to our fellow man and in advancing Thy kingdom on Earth.

We pray through Him who came to be servant of all. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. **Eastland**).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., September 30, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. **James Abourezk**, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, September 26, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMEMORATION OF THE 100TH ANNIVERSARY OF THE CABLE CAR IN SAN FRANCISCO

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1122, S. 4037.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 4037) to extend for 2 years the authorization for the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Washington (Mr. **Magnuson**) I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk read as follows:

At the appropriate place in the bill insert the following:

Sec. —. The last sentence of the first section of the Act entitled "An Act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Washington, in 1974", approved December 29, 1973 (Public Law 93–221), is amended by striking out "December 31, 1974" and inserting in lieu thereof "March 31, 1975".

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 4037

An Act to extend for two years the authorization for the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second sentence of the first section of the Act entitled, "An Act to authorize the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco" (Public Law 93–114), approved October 1, 1973, is amended by striking out "December 31, 1974" and inserting in lieu thereof "December 31, 1976".

Sec. 2. The last sentence of the first section of the Act entitled "An Act to provide for the striking of medals commemorating the International Exposition on Environment at Spokane, Washington, in 1974", approved December 29, 1973 (Public Law 93–221), is amended by striking out "December 31, 1974" and inserting in lieu thereof "March 31, 1975".

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

DEPARTMENT OF STATE

The assistant legislative clerk proceeded to read sundry nominations in the Department of State.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Rebecca Switzer, a member of Senator Abourezk's staff, be allowed the privilege of the floor today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SUMMIT ON INFLATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an article by the distinguished economist Mr. Walter Heller, professor of economics at the University of Minnesota, which was published in the Wall Street Journal on September 27, 1974, entitled "Budget Cutting and Inflation."

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Sept. 27, 1974]

Budget Cutting and Inflation

(By Walter W. Heller)

As the month of economic summitry draws to a close and the White House draws from it some guidelines for presidential action, budget-chopping seems to be high on the agenda. But before Mr. Ford and the Congress conclude that the budget is the taproot of today's inflation and decide on budget-cutting as their chosen path out of the inflationary wilderness, they should take a hard look at the "facts" and arguments on which the budget hardliners rely to make their case. A realistic reappraisal will surely assign budget cuts a more modest role in the battle against inflation.

Under the somewhat incendiary heading of "myths," let me examine some of the misapprehensions, dubious assumptions and questionable assertions that seem to underlie the zeal of the budget-cutters. To them, the term "myth" may be a red flag. But it saves space and may serve to organize the mind.

Myth No. 1: Profligate budget expansion has plunged us into this inflation.

Part of the answer to this myth is well known: skyrocketing food, fuel, and commodity prices, coupled with excessive dollar devaluation, accounted for the great bulk of our 1973-74 inflation. Though excess demand compounded the problem in 1973, inflation even then was as much a supply-squeeze and cost-push phenomenon as it was a product of demand-pull. Today, it is rapidly maturing into a self-propelling price-wage spiral.

Less well known, perhaps, is that recent real budget increases are being held to modest levels: the real volume of total federal spending (in constant dollars) is somewhat *lower* today than it was at the end of 1972.

Two perspectives on the "huge" $30 billion spending increase (to $305 billion) in the current year's budget also cut it down to size:

—In high-employment terms, revenues are rising $33 billion this year. Indeed, with normal economic growth plus inflation of only 5% a year, federal revenue increases between now and 1980 would average $44 billion a year, according to Brookings projections.

—Of the $30 billion budget increase this year, $19 billion is mandated under open-ended programs, and another $7 billion is earmarked for boosts in defense and federal pay, leaving only $4 billion for "relatively discretionary domestic programs." Only a 2% increase, far less than the rates of inflation, is projected for social grant programs.

Myth No. 2: Huge federal deficits have poured fuel on the fires of inflation.

That surely was a valid view in the Vietnam inflation, but just as surely is *not* the case in the 1973–74 inflation.

On the contrary. After being very stimulative in 1972, the budget came hard about in 1973–74. Measured in terms of a high-employment economy (and regardless of the requiems being sung for the high-employment budget concept, it remains the best shorthand measure of the budget's economic impact) the budget turned from a $2 billion deficit in fiscal 1973 to a $10 billion surplus in fiscal 1974. And it's heading for a surplus of over $15 billion (annual rate) in the first half of calendar 1975. Even if one prefers to use 4½% unemployment rather than 4% as a measure of high employment, the *shift* toward restraint—and it's the *shift* that counts most in the impact on aggregate demand—would still be over $15 billion.

On a national income accounts basis, the *actual* federal budget deficit has also been shrinking steadily: from $20 billion in fiscal 1972, to $15 billion in 1973, to less than $2 billion in fiscal 1974. Indeed, the NIA budget was in balance by mid-1974.

Granted, a surplus last year would have been even better. But the key point is that even after adjusting for the revenue-boosting impact of inflation, federal fiscal policy *has* been leaning against the inflationary wind.

Myth No. 3: When you add back into the budget the net borrowings of "de-budgeted" agencies (federally sponsored agencies like Fannie Mae and the Home Loan Banks and wholly owned agencies like the Ex-Im Bank and the Postal Service), the "total" federal deficit last year was not $3.5 billion but $21 billion.

But that surely mixes oranges with apples. The Commerce Department quite rightly excludes the credit operations even of the on-budget agencies from its national income account calculations of the federal budget. Why? Because they represent the trading of one asset (cash) for another asset (debt obligations) rather than the purchase of goods and services or transfers of purchasing power.

Federal off-budget credit operations are an important part of total U.S. financial flows—federal agency securities represented 31% of the net increase in all money and capital market securities in 1973. It is obviously desirable to coordinate their borrowing and lending activities with Federal Reserve policy. And the net impact of their credit operations—along with those of thrift insitutions and others—must be weighed in formulating U.S. fiscal policy.

But in effect to single out one set of lenders like FNMA and FHLB and imply that *their* net lending should be matched with increased taxes runs counter to economic logic. Would the advocates of this position have us boost taxes by, say, $15 billion to match their net lending this year and then, if there were a net repayment of $10 billion next year, cut taxes by $25 billion at that time?

Indeed, if one is going to play the budget consolidation game, it would be a good deal less illogical to combine state-local budgets with the federal budget. This consolidated budget shows an *actual* surplus of nearly $4 billion in 1973. I say "less illogical," because recent state-local surpluses are directly related to rapidly growing federal grants that help generate federal deficits. But I do not press the point.

Myth No. 4: Cutting the budget offers us so much anti-inflationary clout that we should move ahead on it and make fiscal policy even more restrictive than it is.

A variety of econometric studies have all come to the same conclusion on this subject: short of brutal budget-slashing, budget cuts do not offer much in the way of relief from inflation. The University of Michigan, IBM and Data Resources models—as well as studies cited by OMB director Roy Ash last June—all conclude that cutting federal spending by 5 billion would save only $0.1% or less off of the rate of inflation. In exchange for this negligible benefit, the cost would be in the range of 100,000 to 200,000 jobs.

Myth No. 5: Since budget-cutting would give the economy a psychological uplift, it would cost far less in lost jobs and lost output than the computer models indicate.

Nothing we know on the basis of commonsense economic analysis or past evidence supports the assertion that cutting the budget will generate a sudden surge of confidence in the stock market and other financial markets, and that the resulting contagion will invigorate rather than subdue the economy. What a budget cut *may* do is to free funds for use in credit-hungry private markets. That indirect effect, not any psychological impact, might provide some offset to the direct demand-weakening effect of the cut.

Myth No. 6: In the fact of raging inflation, budget policy has to be a one-way street, namely, cut, cut, cut. The main contribution the federal government can make to the battle against inflation is to tighten its own belt.

This view fails to recognize that a comprehensive budget policy for "fighting inflation" has to embrace measures to compensate the low and moderate income groups who are bearing the brunt of both inflation and recession. This requires bigger outlays for public service jobs, unemployment compensation, job training, food stamps, housing allowances, and the like. It calls for payroll and income tax relief for the working poor and those of moderate incomes.

In other words, the resources freed by pruning unneeded or wasteful expenditures from the budget—and or removing oil and other tax shelters—can find ready and responsible outlets in redressing the grievances of those groups (and industries like housing) that have been ground under the hobnailed boots of inflation and monetary fiscal austerity.

In passing, one should note that a number of summiteers, especially in the business and financial community, seem to support a different version of budget offsets. They wave the balanced-budget banner and urge expenditure cuts, yet in the next breath press for larger "tax expenditures" in the form of tax cuts on investment income, capital gains, savings, capital spending, and so on. Economic summitary is hardly synonymous with economic symmetry.

Myth No. 7: Surely, out of this year's $305 billion budget, one can readily find savings of $5 billion to $16 billion, a mere 2% or 3% cut.

Granted, many programs are marbled with fat that makes them jucier and tastier without making them more nourising. Granted also, some savings can be achieved in the process of shifting budget priorities. But even with its improved procedures and staff, Congress will find this a slow and painstaking job.

Quite apart from its depressing effect on a sagging economy, a crash program to cut the current budget "below $300 billion" when we are already one-quarter into the fiscal year is likely to be disruptive and inefficient. It will focus on those programs that the government can gets its hands on quickly rather than those that are wasteful and of low priority. Equity and efficiency will be poorly served.

Myth No. 8. Nonetheless, since we must balance the budget in fiscal 1976 and develop surpluses thereafter, it is imperative to get started on budget-cutting now.

A balanced budget *could* be the right economic policy for fiscal 1976 if (a) the economy is well on its way to full employment by then and (b) the Federal Reserve can be relied upon to balance overly tight fiscal policy with an easing of monetary policy. But if these conditions are not satisfied, a balanced Bicentennial budget will be a will-o'-the-wisp—budget cuts that retard recovery and the expansion of tax revenues that goes with it would prove to be self-defeating.

But what of the federal surpluses we will need later in the 1970s to irrigate the capital markets, to help finance the huge capital outlays we will need to meet our energy needs, expand capacity, and apply the latest technology? The requisites of non-inflationary capital spending, as now projected, clearly call for those surpluses. But they do not, of themselves, call for budget cuts.

The Brookings projections already cited indicate that revenues will grow so rapidly that, even with only moderate restraint on the expenditure side, the federal budget will generate large surpluses. Given present budget initiatives and only 3% inflation, these projections show a $39 billion net high-employment surplus by 1980.

Myth No. 9: When all is said and done, the fact is that the 1969–71 "economic game plan"—the lineal ancestor of today's "old-time religion"—was subduing inflation even before Mr. Nixon slapped on the wage-price freeze. Inflation had already receded from the 6%-plus level in 1970 "to the 3½–4% zone by the first half of 1971."

Neither the conclusion nor the numbers stand up under close analysis. Since the alleged effectiveness of fiscal-monetary restraints in 1971 is so central to the argument for budgetary austerity today, it is important to demonstrate how misleading it is:

Although the rise in the CPI slowed down from 6% in 1969–70 to 4½% by mid-1971, two-thirds of that improvement was simply a swing in mortgage interest rates, up 10% in 1969–70 and down 11% by mid-1971. Commodities other than food kept rising at about 4% rate throughout the period.

The wholesale price index showed little change, rising 3.7% from 1969 to 1970 and 3.5% from mid-1970 to mid-1971. The consumption component of the GNP deflator rose 4.3% in 1969–1970 and 4.4% from spring 1970 to spring 1971, with prices of consumer services and durable goods actually rising.

The "chain price index for gross private product," perhaps the best comprehensive index of quarterly price movements, rose 4.8% (annual rate) during the second quarter of 1971, actually a bit more than the 1969–70 increase.

The weight of the evidence led Arthur Burns to conclude in his statement to the Joint Economic Committee in July 1971, that substantial progress had not been made in checking inflation.

The foregoing effort to separate fact from fiction on the budget is not designed to shield the budget from its fair share of belt-tightening and waste-cutting in the face of virulent inflation. Rather, it seems to reduce the twin danger that we will vent our inflationary frustrations in unwise and unwarranted budget cuts and let the zeal for fiscal restraint block the tax and budget relief so urgently needed to temper the wind to the shorn lambs.

THE ECONOMIC SUMMIT CONFERENCE

Mr. MANSFIELD. Mr. President, I wish to make a few comments on the summit meeting which was held in Washington on Saturday last.

First, I commend the President of the United States for taking the time and the trouble to meet with the members attending that conference all day on Friday, when he had other pressing matters to attend to. Despite the serious illness which occurred in his family, he returned to the conference at the windup on Saturday to make known his reaction to what had gone on not only during this conference, but also during the miniconferences held in various parts of the country during the preceding month.

My personal admiration for President Ford has increased tremendously, because of the active and personal interest he has taken in dealing with what he has referred to as public enemy No. 1, a reference with which we would all agree. I am delighted that he has created a number of committees to begin work immediately on various aspects of the problem, that he has indicated an interest in the findings of the various groups, and that he has promised to submit legislation to Congress within 10 days.

Mr. President, my admiration and respect for President Ford has always been high. He is a man of the people who listens to what has to be said. While we differ on matters affecting the national interest, that, I think, is also something which can be, should be, and is understood by the American people and the Members of Congress.

There is nothing petty or mean or small about President Ford. He is a loving man in the best sense; and what he has said and done in relation to his wife's affliction bears out that contention.

The summit itself showed the complex and deeprooted aspects of the problems which confront this Nation and the Western world today. We are all aware of the fact that we are in an inflation-recession period. I believe it is called "stagflation" by Professor Samuelson of MIT, which if I understood correctly indicates that there is stagnation in the economy and inflation in the currency. As far as stagnation in the economy is concerned, even as prices still continue to go up, we face a difficult situation, a situation which, unless attended to, will continue for months to come and increase in gravity in the meantime.

The International Monetary Fund is meeting in Washington today to discuss problems of the economic situation. I am very happy that the finance ministers of the Big 5—West Germany, France, the United Kingdom, Japan, and the United States—have met to consider these problems on a cooperative basis.

The foreign ministers from these five countries have likewise met in recognition of the fact that the difficulties are not confined to economics, but are political to a large extent as well.

But, all in all, this national town meeting—the economic summit—was a good thing. It showed the complexity and the difficulty of the problems which confront us.

As President Ford has said, there are no quick, no easy answers. There is no opportunity for a "quick fix," so to speak. But there is a need, now that the groundwork has been laid, to get down to business and for Congress and the President to work together cooperatively. This is not a time for politics so far as the economic condition of the Nation is concerned.

Inflation and recession affect all of us, regardless of our party label, and if we are going to overcome it, we are all going to have to work together. The times call for sacrifice. People, I think, will be willing to accept sacrifice, provided it is equitably divided among all groups and among all people in relation to need and capacity in achieving equity, we have to give, as the president himself indicated, special consideration to those who are unemployed, those in the low-income groups and the lower middle-income groups. For those who are unemployed, recession, if not depression, is already here.

With those few brief remarks, I ask unanimous consent, Mr. President, that a statement I made before the conference on inflation at the Washington Hilton Hotel on Friday, September 27, 1974, be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks of Senator Mike Mansfield, Democrat of Montana, Before the Conference on Inflation, the Washington Hilton Hotel, Friday, September 27, 1974

There have been mini-meetings of this Conference in Washington and across the land. These meetings have been educational and instructive. They have brought to light many views on the state of the economy. But what thing of value to the people of the nation will come out of these meetings? That is the critical question. As one who was among the first to welcome the President's call for this Summit Conference, I must state in all candor that I am not too optimistic about the results.

This Conference has had the participation of the foremost economists in the country—in and out of government. They have told us what the inflation and recession are all about—in a hundred versions. The talk has been of micro-economics, macro-economics, econometrics and what not. Of these things, of importance to economists, the public knows nothing. Of inflation, the public knows a great deal. Of recession, the public is learning more and more each day. The public knows, too, that little has been done to stem the inflation or to halt the march of recession, anywhere by anyone.

Everyone recognize that petroleum is one of the main sources of the problems which confront us. Yet, today, we are importing 40% of our petroleum needs as compared to 35% a year ago. The price of crude has sky-rocketed and the end is not in sight. In 1972, $4.7 billion was spent on imports; $8.2 billion in 1973; $27 billion plus in 1974. The trend is up, up, up.

For America and many other countries, a major source of inflation lies in these figures, in the manipulated spigot of international petroleum flow. As far as the United States is concerned, the other factor is Viet Nam. Viet Nam is water under the bridge only in the sense that we cannot undo what has already been done. Its terrible cost will extend far into the first half of the next century. It will be paid by the sacrifices of several generations.

Inflation has turned the world of the past two decades upside down. Things that are going up should be coming down and they are not. Retail prices are up by 47% annually. Unemployment is up. Interest rates are up. Medical costs are up by 36%.

Things that are coming down should be going up and they are not. The stock market is down—$500 billion in values have been lost and 31 million people are affected. Real income is down. Our international trade balances have hit a record low. Auto sales are down 22% from a year ago. Unemployment in Michigan stands at 9.3%, compared to 5½% overall in the country. Housing is down 45% and yet in some places, construction wages have been increased by 20%. How can more houses be built and sold when prices are higher, interest rates are higher and construction wages are higher.

I am not an economist and make no pretenses. What is clear to me, however, is that the time for words—micro, macro or whatever is at the end. Words will no longer satisfy the nation. Inflation is social dynamite; walk through any food market in any suburb and take not of the comments. Recession is social dynamite; walk through areas of high unemployment in any city and ask what lies ahead. The divisions among people, among societies, among nations, are on the rise. They will not wait for the "self-adjusting mechanisms" of the economy to self-adjust.

What is the answer? Mostly, we hear talk about the need for a tight Federal budget and tight money. Of course, we need to keep rein on government expenditures, in good times and bad, and especially on the extravagant and the irrelevant. At best, however, the Federal budget is only a fragment of the answer to our difficulties.

It is said, too, the fault lies with the American consumer. Tell that to the grocery-shopper who feeds a family on inflation-eroded wages or a fixed income. Tell it to the home-owner who uses oil to keep out the cold and the worker who uses gasoline to get to work. The fact is that the *laissez faire* application of the laws of demand and supply no longer correct the economic ills of a society already bound in by a massive complex of intervention built up over decades. The clock cannot be turned back to Adam Smith's Eighteenth Century England.

The nation is in an economic emergency. The people expect government to confront that emergency and to act on it in the general interests of the people. We have not done so and even now, seem to lack the capacity to do so.

Take the problem of energy-supply as an example. A year ago, we talked of crash programs to increase our own production and to develop substitutes to reduce the dependency on imported oil. Congress has appropriated vast funds and stands ready to appropriate more for this purpose. But what have we really achieved with this year of grace? What have we really done? We have allowed the self-adjusting mechanisms of the economy to operate quite freely in petroleum. We have let prices find their own level. In a society grown universally dependent on petroleum, that is the cruelest form of rationing. The burden falls heaviest on those with the least income.

The need is for a new action—equitable action—by this Administration in cooperation with the Congress. It exists not only with regard to petroleum but in many other matters. As the President has already been informed, the Senate majority believes that integrated action in seven fields is needed to curb inflation and to halt the recession.

These fields are: (1) budget reductions, (2) wage, prices and profit control, (3) selective monetary credit easement, (4) tax adjustments, (5) positive action to deal with shortages and supplies (6) development of new employment, and (7) readjustment of international policies.

Credit curbs alone are not enough. Budget cutting alone is not enough. Indeed, the budget has already been cut by Congress and will be cut further. But how much inflation can really be squeezed out of the economy by this method and at what price? How much will it cost in lost jobs, lost output, lost public services and business failures?

As for the international economic situation, particularly as it involves petroleum, the Senate and all Americans welcome the call for increased cooperation among consuming nations; and, indeed, there is no reason not to extend the call to the producing nations. We welcome joint policies designed to assure international distribution of essential commodities. The answer will not be found in confrontation with other nations but in cooperation by our own people with others. Some countries like Italy and the United Kingdom face bankruptcy. A whole corridor of humanity spanning the African Continent is starving. Along with petroleum, these and countless other specific situations are all parts of a world-wide whole. International petroleum problems must be dealt with in that context.

There are many areas that must be addressed in regard to our economic predicament. We must addess them candidly and act on their dictates within the framework of this nation's basic tenets. At this time, I offer on my own behalf, for the consideration of this Conference, a nine-point program of Federal action. I do not think we are going to come to grips with the mounting problems of the economy unless we begin to move in the direction of:

1. Establishing, as needed, mandatory wage, price, rent and profit controls;

2. Reviving the Reconstruction Finance Corporation to deal with the credit needs of ailing businesses such as Penn Central, Lockheed and Grumman, Pan American, TWA and many more headed in the same direction; Congress is not the proper forum for specific decisions involving government bail-outs;

3. Restoring Regulation W to require larger downpayments on credit purchases and shorter periods for repayment and allocating credit on a priority basis in the light of the nation's critical needs;

4. Beginning an equitable rationing system for energy and other scarce materials to the end that dependency on foreign sources of petroleum can be reduced and beginning, too, a stringent conservation system including measures to enforce the speed limit and to bring about a reduction of wastage in the utility and other industrial fields;

5. Developing a broader system of indexing to the end that the real incomes of wage earners can be tied to real living costs:

6. Moving without delay to establish a Commission on Supplies and Shortages, legislation for which has already passed the Congress;

7. Curbing excessive profits and controlling the flow of investments abroad through the taxing power while conversely, cutting taxes on Americans hardest hit by inflation, those in low and moderate income categories and those on modest fixed incomes;

8. Creating, without delay, a job-program which puts people to work in public services and elsewhere as necessary, to keep down the level of unemployment;

9. Working with all nations prepared to work with us to deal with cartel-created shortages in petroleum or other commodities, recognizing that petroleum is only one aspect of the larger question of the interrelationship of the economic well-being of all nations and the stability of the world.

Sacrifices are needed across the board if we are going to restore the nation's economy. In my judgment, the people of this nation are prepared to make those sacrifices. They will do whatever must be done, so long as the burdens are borne equitably. That is the job of the President and the Congress—to insure that the sacrifices are fairly distributed. It is time to put aside the evasions and the circumlocutions. The bell is tolling. There is no need to send to find out for whom. It is tolling for all of us.

The ACTING PRESIDENT pro tempore. The Senator from Michigan (Mr. Griffin) is recognized.

Mr. GRIFFIN. Mr. President, once again the distinguished majority leader has demonstrated the kind of statesmanship and leadership that the Nation needs particularly in this hour. I hope very much that others in both political parties and around the country will follow the example that the majority leader has set here in this Chamber today.

Unfortunately, we have become so accustomed to quarreling and fighting—there has been so much division in our country in recent months and years—that many wonder whether the Congress and the administration are capable of working together, pulling together.

As the distinguished majority leader has said, this is no time to be petty, or small, or to think in those terms. Our Nation confronts a challenge—the economic challenge—that requires the cooperation of all of us. President Ford has called for that kind of cooperation and support. Surely, he has demonstrated that his goal—his purpose—is to do what is right and necessary to win the battle against inflation. He deserves and he ought to have the backing and support that will be essential if as a Nation we are going to succeed.

Again, I commend the distinguished majority leader for his very significant contribution this morning to that effort.

Mr. MANSFIELD. Mr. President, I appreciate the remarks made by the distinguished acting Republican leader. I must emphasize that, while there may be differences, and perhaps there should be differences, we can, perhaps, iron out those differences in a responsible and restrained manner and, in that way, meet our responsibilities.

SENATE RESOLUTION 413—EXTENDING TO MRS. BETTY FORD THE SENATE'S BEST WISHES FOR A FULL, COMPLETE, AND SPEEDY RECOVERY AND RETURN TO HER DUTIES AS FIRST LADY

Mr. MANSFIELD. Mr. President, I send to the desk a resolution on behalf of the distinguished Republican leader, the Senator from Pennsylvania (Mr. Hugh Scott), the distinguished assistant majority leader, the Senator from West Virginia (Mr. Robert C. Byrd), and the distinguished assistant Republican leader, the Senator from Michigan (Mr. Griffin), and ask for its immediate consideration.

The resolution (S. Res. 413) was read, considered by unanimous consent, and with its preamble, agreed to as follows:

S. Res. 413

Whereas, the Senate has learned of the hospitalization of the First Lady, Mrs. Betty Ford, and the emergency surgery she underwent last Saturday, and

Whereas, the Senate has been informed of the success of the surgery and the prognosis for her full recovery, be it

Resolved, That the Senate extends to Mrs. Ford its best wishes for a full, complete, and speedy recovery and return to her activities as First Lady, Be it further

Resolved, That the Secretary of the Senate shall transmit a copy of this resolution to Mrs. Ford.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 1129 and 1131.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BILINGUAL COURT PROCEEDINGS

The Senate proceeded to consider the bill (S. 1724) to amend title 28, United States Code, to provide more effectively for bilingual proceedings in certain district courts of the United States, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment on page 1, beginning with line 4, strike out the following:

FACILITIES AND PERSONNEL FOR BILINGUAL PROCEEDINGS

Sec. 2. Section 604(a) of title 28, United States Code (relating to the duties of the Director of the Administrative Office of the United States Courts), is amended—

(1) by redesignating paragraph (12) as paragraph (16); and

(2) by inserting immediately below paragraph (11) the following new paragraphs:

"(12) Determine from time to time, from the best and most current data available, each of those judicial districts in which at least 5 per centum or fifty thousand of the residents of that district, whichever is less, do not speak or understand the English language with reasonable facility, and certify each such district as a bilingual judicial district by certificate transmitted to the chief judge of the district court for that district;

"(13) Prescribe, determine, and certify, for each such certified bilingual judicial district, the qualifications of persons to serve as interpreters in bilingual proceedings (as provided in section 1827 of this title) in that district who have a capacity (A) for accurate speech and comprehension of speech in the English language and in the non-English language, and (B) for the simultaneous translation from either such language to the other;

"(14) Prescribe from time to time a schedule of reasonable fees, at rates comparable to reasonable rates of compensation payable to expert witnesses of substantially the same degree of technical skill and experience, for services rendered by such interpreters;

"(15) Provide, in each such bilingual judicial district, appropriate equipment and facilities for (A) the recording of proceedings before that court, and (B) the simultaneous language translation of proceedings in such court;".

CONDUCT OF BILINGUAL PROCEEDINGS

Sec. (a) Chapter 119 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1827. Bilingual proceedings

"(a) (1) Whenever a district judge determines, upon motion made by a party to a proceeding in a judicial district, which has been certified under section 601(a) of this title to be a bilingual judicial district, that (A) a party to such proceeding does not speak and understand the English language with reasonable facility, or (B) in the course of such proceeding testimony may be presented by any person who does not so speak and understand the English language, that proceeding shall be conducted with the equipment and facilities authorized by section 604 (a) (15) of this title. Any such proceeding or portion of such proceeding (including any translation relating to) shall be recorded verbatim. Such recording shall be made in addition to any stenographic transcript of the proceeding taken.

"(2) After any such determination has been made, each party to the proceeding shall be entitled to utilize the services of the interpreter, certified pursuant to section 604(a) of this title, to provide a simultaneous translation of the entire proceeding to any party who does not so speak and understand the English language and who so speaks and understands such non-English language, or of any portion of the proceeding relating to such qualification and testimony, from such non-English language to English and from English to such non-English language.

"(b) The party utilizing the services of a certified interpreter provided under this section shall pay for the cost of such services in accordance with the schedule of fees prescribed under section 604(a) (14) of this title, except that—

"(1) if the services of an interpreter are utilized by more than one party to the proceeding, such cost shall be apportioned as such parties may agree, or, if those parties are unable to agree, as the court may determine;

"(2) if the United States (including any department, agency, instrumentality, or officer or employee thereof) is a party utilizing the service of an interpreter, the cost or apportioned cost of the United States shall be paid by the Director of the Administrative Office of the United States Courts from funds appropriated to him for that purpose; and

"(3) if the services of an interpreter are utilized by a party determined by the court to be an indigent, the cost or apportioned cost of such party shall be paid by the Director out of funds appropriated to him for this purpose."

(b) The analysis of chapter 119, of title 28, United States Code, is amended by adding at the end thereof the following new item: "1827. Bilingual proceedings.".

APPROPRIATIONS

Sec. 4. There are hereby authorized to be appropriated to the Administrative Office of the United States Courts such sums as may be necessary to carry out the amendments made by this Act.

EFFECTIVE DATE

Sec. 5. The amendments made by this Act shall take effect on the first day of the seventh month beginning after the date of enactment of this Act.

and insert in lieu thereof:

CONDUCT OF BILINGUAL PROCEEDINGS

Sec. 2. (a) Chapter 119 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1827. Bilingual proceedings

"(a) (1) In any criminal action, whenever the judge determines, on his own motion or on the motion of a party to the proceedings, that (A) the defendant does not speak and understand the English language with a facility sufficient for him to comprehend either the proceedings or the testimony, or (B) in the course of such proceedings, testimony may be presented by any person who does not so speak and understand the English language, the court, in all further proceedings in that action, including arraignment, hearings, and trial, shall order an oral simultaneous translation of the proceedings, or an oral simultaneous translation of that testimony, to be furnished by an interpreter in accordance with the provisions of subsection (b) of this section.

"(2) In any civil action, whenever the judge determines on his own motion or on the motion of a party to the proceedings, that (A) a party does not speak and understand the English language with a facility sufficient for him to comprehend either the proceedings or the testimony, or (B) in the course of such proceedings, testimony may be presented by any person who does not so speak and understand the English language, in all further proceedings in that action, including hearings and trial, the court shall order an oral translation of the proceedings to be made by an interpreter in accordance with the provisions of subsection (b) of this section. The judge shall also determine, in the interests of justice, whether the translation shall be simultaneous, consecutive, or summary in nature, except that if a party requests a simultaneous translation, the court shall give the request special consideration.

"(3) In any criminal or civil action, the judge, on his own motion or on the motion of a party to the proceedings, may order all or part of the non-English testimony and the translation thereof to be electronically recorded for us in verification of the official transcript of the proceedings.

"(4) The defendant in any criminal action, or a party in any civil action, who is entitled to a translation required under this section, may waive the translation in whole or in part. The waiver must be expressly made by the defendant or party upon the record and approved by his attorney and by the judge. An interpreter shall be used to explain the nature and effect of the waiver to the non-English-speaking defendant or party.

"(5) The term 'judge' as used in this section shall include a United States magistrate and a referee in bankruptcy.

"(b) (1) The district court in each judicial district shall maintain on file in the office of the clerk of the court a list of all persons in that district who have been certified as interpreters by the Director of the Administrative Office of the United States Courts under section 604(a) (12) of this title.

"(2) In any action where the services of an interpreter are required to be utilized under this section, the court shall obtain the services of a certified interpreter from within the judicial district, except that, where there are no certified interpreters in the judicial district, the court, with the assistance of the Administrative Office of the United States Courts, shall determine the availability of and utilize the services of certified interpreters from nearby districts. Where no certified interpreter is available from a nearby district, the court shall obtain the services of an otherwise competent interpreter."

(b) The analysis of chapter 118, of title 28, United States Code, is amended by adding at the end thereof the following new item: "1827. Bilingual proceedings.".

FACILITIES AND PERSONNEL FOR BILINGUAL PROCEEDINGS

SEC. 3. Section 604(a) of title 28, United States Code, is amended—

(1) by redesignating paragraph (12) as paragraph (13); and

(2) by inserting immediately below paragraph (11) the following new paragraph:

"(12) Under section 1827 of this title, (A) prescribe, determine, and certify the qualifications of persons who may serve as certified interpreters in bilingual proceedings, and in so doing shall consider the education, training, and experience of those persons; (B) maintain an updated master list of all interpreters certified by him, and report annually on the frequency of requests for, and the use and effectiveness of interpreters in bilingual proceedings pursuant to the provisions of this Act; (C) provide, or make readily available to each district court, appropriate equipment and facilities for the translation of non-English languages; (D) prescribe, from time to time, a schedule of reasonable fees for services rendered by such interpreters and, in those districts where the Director considers it advisable based on the need for interpreters, authorize the employment by the court of certified full-time or part-time interpreters; and (E) pay out of moneys appropriated to the judiciary for the conduct of bilingual proceedings the amount of interpreter's fees or costs of recording which may accrue in a particular proceeding, unless the court, in its discretion, directs that all or part of those fees or costs incurred in a civil proceeding in which an interpreter is utilized pursuant to section 1827(a)(2) of this title be apportioned between the parties or allowed as costs in the action;".

APPROPRIATIONS

SEC. 4. There are hereby authorized to be appropriated to the Federal judiciary such sums as may be necessary to carry out the amendments made by this Act.

EFFECTIVE DATE

SEC. 5. The amendment made by this Act shall take effect on September 1, 1975.

Mr. TUNNEY. Mr. President, the passage by the Senate today of the Bilingual Courts Act will mark a major step in the recognition by our Nation of the millions of people who are not fluent in the English language. Although we are all proud of our heritage as a "melting pot" society, continuing immigration and the historical legacy of communities in the Southwest and elsewhere has meant that many people in our land are still not fully fluent in English. But these people are no less a part of our Nation than any others, and our society and our institutions must accept them and serve them fully.

This is the purpose of the Bilingual Courts Act. There can be no experience more frightening and disturbing to almost any American than to be in a courtroom, as a defendant or a party to a civil case. If, in addition, the proceedings are being carried out in a language which you cannot understand, the effect is compounded. Moreover, it is clearly a violation of the Constitution for court proceedings to be carried forward when a defendant cannot understand them.

The Bilingual Courts Act will assure that competent translation services will be available to any defendant or civil party in a Federal courtroom. Also, any testimony in a case by a non-English-speaking witness will be translated by a competent interpreter. These rights are fundamental and inescapable if true justice is to be done in our courts. This legislation will also provide administrative support for the interpreter services through the Administrative Office of the Courts of the United States.

I am proud to be the author of this important legislation. It received unanimous support from witnesses in our hearings, which included judges, lawyers, and representatives of ethnic communities. I hope the House of Representatives will have an opportunity to consider and pass this bill in this session. We have waited too long to secure the rights of non-English-speaking people in our Nation, and I am very pleased that the Senate has taken this step in making the American dream more real for all of our citizens.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

"A bill to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes."

TRANSFER OF MADISON COUNTY, FLA., TO THE NORTHERN DISTRICT OF FLORIDA

The bill (S. 3021) to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 89 of title 28, United States Code, is amended—

(1) by inserting after "Liberty," in the first paragraph of subsection (a) the following: "Madison,"; and

(2) by striking out "Madison," in the first paragraph of subsection (b).

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, are there special orders?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Michigan (Mr. GRIFFIN) is recognized for not to exceed 10 minutes.

Mr. GRIFFIN. Mr. President, I yield that time to the distinguished Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER. Mr. President, I thank the distinguished assistant minority leader for granting me the time assigned to him.

NET WORTH DISCLOSURE

Mr. WEICKER. Mr. President, I should like, if I may, to spend a few minutes on things that I think should be of some concern to my colleagues in the Senate; specifically, our role as Senators in relationship to the duty now being performed by our colleagues on the Committee on Rules and Administration in examining the qualifications of the former Governor of New York, Nelson Rockefeller, insofar as the nomination proceedings are concerned.

A great deal of time has been spent by the Committee on Rules, examining the net worth of Nelson Rockefeller, time that I believe to be well spent and justified by the necessity of ascertaining all the interests of that particular individual so that his actions might be gaged against those interests.

On the other hand, I think it is also worthy of note that those examining Nelson Rockefeller have no such requirement placed on them. We are in a day and age when we are trying, once again, to reestablish the faith of the American people in their elected and appointed representatives. It is my understanding that such a statement of net worth is being considered by the conferees on the campaign spending reform bill.

I think the time has come to address ourselves to this subject in a very simple and direct way, specifically by the passage of legislation which would make it incumbent upon each Representative, each Senator, the President, the Vice President, and other high officials of government to once a year disclose their assets and liabilities, in order that their constituency, be it the United States of America, any particular State, or any district within the State, may be able to judge the actions of the individual as his financial interests.

I, therefore, intend to introduce today what I call the net worth disclosure act. Let me summarize its points very briefly.

Those covered by the act would be the President, the Vice President, Members of the Senate, Members of the House of Representatives, and all employees of the executive and legislative branches receiving compensation at an annual rate of more than $30,000.

What do they have to file? A list of all assets and liabilities over $1,500, on the basis of fair market value as of December 31 of the previous year.

The act would become effective as of January 1975. The time period covered would be the preceding calendar year. Therefore, by February 15 of 1975, all persons covered by this legislation would have to indicate what their net worth was as of December 31, 1974. Anyone who had been appointed or elected in a public election during the course of 1975 would have to file such a statement within 45 days of his election or appointment.

The statements would be filed with the Comptroller General, and any member of the public paying the cost of such report would have access to the information. Any person who willfully failed to file such a report, or knowing and willfully filed a false report, would be fined not more than $2,000 or imprisoned not more than 2 years, or both.

Obviously we consider this matter of financial interest to be of importance, otherwise we would not be spending the time spent already in making such inquiries of a potential Vice President of the United States. There is not one single confirmation hearing that we conduct in the Senate that this is not a key part of the hearing: a statement of assets and liabilities, and the elimination of any assets and liabilities which we demand, where any conflict of interest might arise.

How are we going to get the public to believe that we mean business if this is what we require for those that we pass upon when we do not require it of ourselves? We have some sort of disclosure laws; we make certain disclosures, some of which are filed in sealed envelopes, not available to the public, and some of which are available to the public. It is not a very difficult or complicated matter to set it all down on paper and make sure it is available to our constituencies, and I might add, not only would it inform our constituents, but I believe it would have the effect of protecting elected officials from unfair innuendos by their constituents. I have from time to time heard it said here on this floor, for example, "Well, you know him; he has a big interest in such an intervention." Such financial statements would put such rumors to rest.

I think it is expected of us in this day and age. I think it will make better representations for those Presidents, Vice Presidents, and high-ranking officials; and most importantly of all, it will restore faith in the political process and the politicians to require that process, on the part of the American people, instead of, in effect, saying there are two standards, one for us who make the laws and the other for those who have to live under the laws.

Really, that needs to be done ahead of anything else. It is more important than the disclosure of Nelson Rockefeller's stock and bond holdings, to demonstrate the fact that we are willing to go ahead and make ourselves subject to what we require of others.

Mr. President, I ask unanimous consent that the text of the Net Worth Disclosure Act be printed at this point in the Record.

Mr. President, I yield back the remainder of the time to the distinguished assistant minority leader, and again thank him for his courtesy in extending me the time.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4059

A bill to require the disclosure of the net worth of public officials

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Net Worth Disclosure Act".

Sec. 2. (a) Each individual referred to in subsection (b) shall file annually with the Comptroller General of the United States a full and complete statement of net worth to consist of:

(1) A list of the identity and value of each asset held by him, or jointly by him and his spouse or by him and his child or children, and which has a fair market value in excess of $1,500 as of the end of the calendar year prior to that in which he is required to file a report under this Act.

(2) A list of the identity and amount of each liability owed by him, or jointly by him and his spouse or by him and his child or children, and which is in excess of $1,500 as of the end of the calendar year prior to that in which he is required to file a report under this Act.

(b) The provisions of this Act apply to the President, the Vice-President, each Member of the Senate, each Member of the House of Representatives (including Delegates and the Resident Commissioner from Puerto Rico), and each officer and employee of the United States within the executive and legislative branches of Government receiving compensation at an annual rate in excess of $30,000.

(c) Reports required by this Act shall be in such form and shall contain such information in order to meet the provisions of this Act as the Comptroller General may prescribe. All reports filed under this Act shall be maintained by the Comptroller General as public records, open to inspection by members of the public, and copies of such records shall be furnished upon request at a reasonable fee.

Sec. 3. Each person to whom this Act applies on January 1 of any year shall file the report required by this on or before February 15 of that year. Each person to whom this Act first applies during a year after January 1 of that year shall file the report required by this Act on or before the forty-fifth day after this Act first applies to him during that year.

Sec. 4. Any person who knowingly and willfully fails to file a report required to be filed under this Act, or who knowingly and willfully files a false report required to be filed under this Act, shall be fined not more than $2,000, or imprisoned for not more than two years, or both.

Sec. 5. This Act shall become effective on January 1, 1975.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The assistant minority leader has 1 minute remaining.

Mr. GRIFFIN. Mr. President, I yield back the remainder of the time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from West Virginia (Mr. Robert C. Byrd) is recognized for not to exceed 10 minutes.

Mr. MANSFIELD. Mr. President, from the time allotted to the Senator from West Virginia, I yield the Senator from Nebraska 7 minutes, and he may have more time if he needs it.

Mr. CURTIS. I thank the majority leader.

BIBLE TRANSLATION DAY

Mr. CURTIS. Mr. President, today is Bible Translation Day. Several years ago, the U.S. Senate passed a resolution designating September 30 of each year as Bible Translation Day. Here in Washington, it was observed on an international level yesterday. There was an appropriate meeting at the Lisner Auditorium on the campus of George Washington University, and individuals from many parts of the world were here to observe Bible Translation Day.

There are a number of groups that have, over the years, been interested in translating the Holy Scriptures. It has been a slow process in the past. However, miraculous things have been happening in our time.

It is estimated that there are still 2,000 tribes on Earth who do not have a written language. Someone will have to learn their languages, devise alphabets for them, compose a written language, and then translate the Holy Scriptures. It goes without saying that there would follow the translation of books to provide them with all the learning of the world.

An organization that has done great work in this area is the Wycliffe Bible Translators. Its founder was Dr. William Cameron Townsend. Dr. Townsend was born in the year 1896. He was here yesterday for the celebration, and received some honors that he very richly deserved.

Mr. President, I think it is rather interesting how the Wycliffe Bible Translators came into being. William Cameron Townsend, who is affectionately known as Uncle Cam, left college and went down to Central America selling Bibles in the Spanish language.

An Indian who did not speak Spanish, but spoke his native tongue, came up to young Mr. Townsend and said, "If your God is so great, why doesn't He speak in our tongue?"

That was a challenge to young Mr. Townsend. His next 10 or more years were spent in formulating the language, reducing it to writing, and translating the Holy Scriptures for that particular tribe.

During the lifetime of this man, this work that was started then has so progressed that they have already reached 600 tribes with a written language and, at least, part of the translation of the Holy Bible.

It goes without saying that when tribes who are without a written language are given this much instruction that it is like lifting them out of the stone age into the 20th century.

I daresay that Dr. Townsend, in his lifetime, has done more good to raise the standard of living among the deprived people of the world than all the foreign aid of the U.S. Government.

We live in a day where this work is progressing at an unusual rate because today they are using airplanes and radio. Mechanical devices, electronic devices, computers, every modern device, are being used to aid in this translation. They are recruiting thousands of people in this task, and they expect to reach the remaining 2,000 tribes in this generation.

Mr. President, I ask unanimous consent to have printed in the Record at this point a news release concerning the observance of Bible Translation Day; and also a biographical sketch of Dr. Townsend.

There being no objection, the news release and the biographical sketch were ordered to be printed in the Record, as follows:

BIBLE TRANSLATION DAY

Bible Translation Day, officially set apart as September 30 by the U.S. Senate in a joint resolution seven years ago, was observed this year with special ceremonies in the Nation's Capitol. National and International dignitaries gathered to honor Dr. Cameron Townsend, founder of Wycliffe Bible Translators and pioneer missionary statesman. Additionally, a premier multi-media presentation depicting the past, present and future of Bible translation worldwide was premiered here. Churches throughout North America gave recognition to the work of Bible translation and the need for more Bible translators in services on Sunday, September 29.

"Every person who possesses a Bible shares in some degree in the moral responsibility to provide it for everyone who doesn't," says George M. Cowan, president of Wycliffe Bible Translators. Events and programs centered around Bible Translation Day were planned to demonstrate ways this responsibility can be fulfilled through people involvement and to report on the progress of Bible translation around the world.

September 30 was chosen as Bible Translation Day because it is the date of the death of Jerome, the "father of Bible translation."

Today, many groups besides Wycliffe Bible Translators are at work giving the Scriptures to ethnic groups in their vernacular language. Denominational societies, such as Lutheran Bible Translators, have formed to carry out the unfinished work. With the increasing involvement of national translators working on a language on their homeland, Wycliffe now enters a new language group every two weeks to begin linguistic analysis and eventually, Bible translation.

In mid-1974 Wycliffe reported work in progress in 600 languages in 26 countries. After 17 years in Papua New Guinea, the organization has assigned linguists to work in more than one hundred languages there and already, three New Testaments have been published for peoples of this South Pacific island. The eighth revised edition of *The Ethnologue*, just published by Wycliffe, lists 5,687 languages in the world. Two thousand of these different language groups or approximately 200,000,000 people do not have the Bible in their own language.

Wycliffe's academic arm, the Summer Institute of Linguistics (SIL) has just completed concentrated sessions of linguistic training at three universities and Gordon College in the U.S. Its summer school in Great Britain was attended by more than 200 potential linguists from the United Kingdom and the continent and the course in Germany attracted 35 students. SIL courses in New Zealand and Australia are to be held later this year.

SIL's International Linguistic Center in Dallas, Texas begins its third academic year this fall and expects a full enrollment of students, many of whom are planning to enter Bible translation or literacy work somewhere in the world.

Supporting these linguists are thousands of churches, and individuals and a host of teachers, secretaries, pilots, printers and others. Wycliffe's technical arm, the Jungle Aviation and Radio Service, now operates 52 aircraft and some 450 two-way radios in 13 stations around the world, providing transportation and communication so that Bible translation can be speeded further toward a swift completion.

A practical and continuing application of technology for this Bible Translation Day 1974 event is the commissioning to service of the professional multi-media production, "If Your God Is So Great". A specially built and equipped mobile unit affectionately named "Spirit of Uncle Cam" after the founder of Wycliffe, will tour the U.S. and Canada presenting in churches, schools and service organizations the challenge of Bible translation. This production is designed to inform the public and accelerate recruitment of 6000 personnel needed to complete the Bible translation task. Dr. Townsend's vision and clear purpose has brought progress and hope to thousands of people around the world. He continues to enlist hundred of workers to join the family of 3400 people in Wycliffe working in 600 language groups in 25 different countries.

There is no doubt that Dr. Townsend is serious about completing the Bible translation task in the remaining unreached 2000 language groups in this generation.

BIOGRAPHICAL DATA—WILLIAM CAMERON TOWNSEND

William Cameron Townsend, born on a farm in California in 1896, has spent most of his adult life among Indian tribes in Latin America. When just 21 years of age he left Occidental College (to which he never returned) to serve as a Bible colporteur in Guatemala. While selling Spanish Bibles he realized that the large Indian population of that land could not understand the trade language Scriptures. Soon he felt God's call to work among the Indians and joined the Central American Mission. So convinced was he of the need for giving at least one tribe God's Word in its own language that he spent fourteen years among the Cakchiquel Indians of that country, mastering their tongue with its difficult sounds and complicated grammar and translating the whole New Testament for them. While in Guatamala he had a part in founding five schools, a small hospital and a small printing plant.

Author of the Pyscho-Pnonemic Method of teaching to read, Townsend organized a number of literacy campaigns among the Indians. In 1932, while introducing the recently finished Cakchiquel translation through reading campaigns and Bible conferences, Mr. Townsend contracted tuberculosis and had to return to the U.S., but with the vision and desire to reach other Bibleless tribes. This desire was fired by periodic reports brought to him by Mr. L. L. Legters whom he had met at the first Cakchiquel Bible conference. Mr. Legters, burdened for unevangelized tribes, made periodic trips to Latin America in the interest of pioneer missions. Photographs that Mr. Legters took of primitive Indians deep in the jungles of Brazil made such an impression upon Townsend that he determined by God's grace to pioneer again and give the Word of God to at least one tribe of Amazonia. While recovering his health he learned that more than a thousand tribes in the world had not even one line of the Scriptures in their language. More than ever he wanted to go to South America as soon as his health would permit.

Legters persuaded him to begin closer to home. In November of 1933 they went together to Mexico at the invitation of a distinguished Mexican educator, Professor Moisés Sáenz, who knew from personal observation the character of the Indian work done by Townsend in Guatamala. The visit to Mexico strengthened Townsend's conviction that a course in descriptive linguistics was sorely needed for training missionaries intending to do translation work.

They planned such a course for the following summer. It began in a very humble way with two students in an abandoned farmhouse near Sulphur Spring, Arkansas. From this obscure beginning grew the work which is now known as the Summer Institute of Linguistics and the Wycliffe Bible Translators. God has honored the faith and vision of its founders so that the Summer Institute of Linguistics has grown to include nine linguistic training institutes in five countries: United States, England, Australia, Germany and New Zealand. The combined enrollment now approximates 600 students annually. The more than 6,000 graduates are laboring in at least 25 countries of the world under the auspices of some 25 denominational and interdenominational missionary organizations.

Since Mr. Legters died in 1940 Townsend served as General Director of the growing organizations until 1969 when he resigned from all administrative and directive responsibilities within WBT and SIL so that he could dedicate his time to promotion and advancement of the Wycliffe program into new lands.

The zeal and faith of "Uncle Cam" (as Mr. Townsend is affectionately called by many of the Wycliffe family) was contagious. The group of 12 translators which went to Mexico in 1935 has grown, under God, to include Bible translators and support personnel working among nearly 600 tribes in 26 countries. Translators in half of these lands are served by Wycliffe's Jungle Aviation and Radio Service which Townsend also founded. Wycliffe workers have joined together in a covenant of prayer to God that before the turn of the century He will send forth sufficient workers to complete the translation task which, according to authoritative reports, includes at least 2,000 Bibleless tribes.

Mr. Townsend has taught courses in linguistics at the two oldest universities of the western hemisphere, the National Universities of Mexico and Peru. In 1953 he was decorated for distinguished service by the President of Peru and again in 1962 and 1963. In 1966 a Doctorate *Honoris Causa* was conferred upon Townsend by the University of San Marcos of Lima and in 1967 he received decorations from Brazil and Guatemala. In 1958 he was acclaimed "Spiritual Conqueror of the Jungle" when a decoration for distinguished service was conferred upon him by the Government of Ecuador. In 1972 Mr. Towsend was proclaimed "Benefactor of the Linguistically Isolated Populations of America" by the VII Inter-American Indian Congress.

Most recently Mr. and Mrs. Townsend have made several extended visits to the U.S.S.R. looking into the possibilities of translation work in certain areas of that land.

The Townsends have four children and several grandchildren.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 84–689, appoints the following Senators as delegates to the North Atlantic Assembly, to held in London, England, November 11–16, 1974: Senators Sparkman, Jackson, Mansfield, Pell, Kennedy, Bayh, Nelson, Hollings, Eagleton, Tunney, Bentsen, Johnston, Huddleston, Javits, Stevens, and Buckley.

ORDER OF BUSINESSS

Mr. MANSFIELD. Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. The Senator has 3 minutes remaining.

Mr. MANSFIELD. Mr. President, I yield 3 minutes to the distinguished Senator from South Dakota (Mr. McGovern).

Then I understand we have morning business?

The ACTING PRESIDENT pro tempore. That is correct. The Senator is recognized.

AGAINST MANIPULATION AND DELAY ON FOREIGN AID

Mr. McGOVERN. Mr. President, in recent days, the executive branch has waged a concerted effort to prevent the Senate from taking action on the annual foreign aid bill, which is now pending before the Senate. Employees from the

State Department, the Pentagon, and the Agency for International Development have swarmed about the halls of Congress trying to induce Senators to put off any votes until after the November election. In an unusual action, Secretary Kissinger has exhorted the Democratic and Republican caucuses to postpone action on foreign aid until after the election.

Various congressional leaders have been summoned to the White House in still another effort to wage delay.

Apparently the executive branch believes that Congress will deal less critically with the foreign aid bill once the election is passed. Their assumption seems to be that Senators themselves recognize the merits of foreign aid, but that the American people do not and, therefore, when the election is passed, Senators will feel more inclined to support the program. What executive officials seem unable to comprehend is that a very sizable body of Senators now does not believe that in its present form the foreign aid program deserves support election or no election. I for one—and I know many other Senators including the distinguished Senator now presiding share this view—believe that the foreign aid program proposed by the administration would do very little to serve either the interests of the American people or the interests of the world's poorest people who are most in need of assistance. Instead, the program in its present design is largely a concoction of longstanding and highly dubious activities which originated in the cold war and which have been perpetuated simply by bureaucratic inertia and, I must confess, some inertia here on the part of Congress. There was a time when we could rationalize our support for corrupt military dictatorships around the world on the grounds that such action was necessary to defend the free world. But those arguments were weak at the time, and they have been proven to be weak by the lessons of the past 10 years. What the administration does not seem to understand is that both the American people and their elected representatives are fed up with such negative, wasteful policies, regardless of the November election or its outcome.

This country, Mr. President, has a strong humanitarian tradition, and the time has long since come when our foreign aid activities should either express that tradition or be brought to an end. The foreign aid bill reported to the Senate by the Foreign Relations Committee is pointed in that direction. It is a bill in which sizable reductions have been made in military support for repressive dictatorships, but in which worldwide economic and humanitarian assistance has been provided for at a level which strikes a reasonable balance between the needs of the world's most impoverished people abroad and our own serious economic problems here at home.

I do not believe, Mr. President, that the majority of Senators wish to procrastinate on this bill. I know that is not the leader's position. If the election is only a month away and Senators are now especially conscious of their constituents' wishes, so much the better. It is what we call democracy. President Ford has said that he intends to run an open administration. I say let us run an open Congress. This bill is awaiting action. Many worthwhile amendments have been proposed which deserve consideration and an open vote which I believe will materially strengthen our foreign aid program. So I am hopeful that we can act and act at the present time.

Mr. President, I urge the Senate leadership to put this bill before the Senate without further delay, and I object to any further motion to lay this bill aside, except to make way for the most urgent business in the judgment of the leadership.

I am not directing these remarks in any way, Mr. President, to be critical of the leadership, but simply to draw attention to the fact that there has been heavy pressure from the executive branch who are reluctant to see this matter come to a vote before the November election, and I think we ought to act, and act now.

Mr. President, I yield the floor.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 12:40 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the Speaker has affixed his signature to the enrolled bill (H.R. 16032) to authorize the Secretary of the Treasury to change the alloy and weight of the 1-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, N.Y.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Abourezk).

At 2:25 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 15301) to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes.

The message also announced that the Speaker has appointed Mr. Latta as a member of the U.S. group of the North Atlantic Assembly, vice Mr. Gubser, resigned.

The message further announced that the House insists upon its amendments to the bill (S. 3164) to provide for greater disclosure of the nature and costs of real estate settlement of the nature and costs of real estate settlement services; to eliminate the payment of kickbacks and unearned fees in connection with settlement services provided in federally related mortgage transactions, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Patman, Mr. Barrett, Mrs. Sullivan, Mr. Ashley, Mr. Moorhead of Pennsylvania; Mr. Stephens, Mr. St Germain, Mr. Gonzalez, Mr. Reuss, Mr. Widnall, Mr. Brown of Michigan, Mr. Blackburn, Mr. Rousselot, Mr. Wylie, and Mr. Johnson of Pennsylvania were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Abourezk) laid before the Senate the following letters, which were referred as indicated:

Disposal Plans for Certain Material

A letter from the Chief of Legislative Liaison of the Department of the Army correcting the date of the commencement of disposal plans for 189 tons of agent GB at Rocky Mountain Arsenal as previously reported from September 1976 to September 1974. Referred to the Committee on Armed Services.

Report of the Emergency Loan Guarantee Board

A letter from the Secretary of the Treasury transmitting, pursuant to law, the annual report of the Emergency Loan Guarantee Board for the period August 1, 1973, through July 31, 1974 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Report of the Attorney General

A letter from the Attorney General transmitting a report on voluntary agreements and programs pursuant to section 708(e) of the Defense Production Act of 1950, as amended (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Report of the Small Business Aministration

A letter from the Administrator of Small Business transmitting, pursuant to law, the 1973 report of the Small Business Administration (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Proposed Regulation of the Cost Accounting Standards Board

A letter from the Chairman of the Cost Accounting Standards Board transmitting, pursuant to law, a proposed regulation entitled "Accounting for Costs of Compensated Personal Absence" (with accompanying papers). Referred to the Committee on Banking, Housing and Urban Affairs.

Report of the National Railroad Passenger Corporation

A letter from the vice president of the National Railroad Passenger Corporation transmitting, pursuant to law, its operating report for the month of June 1974 (with an accompanying report). Referred to the Committee on Commerce.

Budget Estimate for 1976 of the Consumer Product Safety Commission

A letter from the Vice Chairman of the Consumer Product Safety Commission transmitting, pursuant to law, a copy of the budget estimate for 1976 for the Commission (with accompanying papers). Referred to the Committee on Commerce.

PUBLICATIONS OF THE FEDERAL POWER COMMISSION

A letter from the Chairman of the Federal Power Commission transmitting copies of two publications entitled "Major Natural Gas Pipelines, June 30, 1974"; and "Volume V of the National Gas Survey, 'Special Reports'" (with accompanying publications). Referred to the Committee on Commerce.

REPORT OF THE BAIL AGENCY OF THE DISTRICT OF COLUMBIA

A letter from the Director of the District of Columbia Bail Agency transmitting, pursuant to law, the annual report of the Bail Agency of the District of Columbia for the fiscal year June 1, 1973, through May 31, 1974 (with an accompanying report). Referred to the Committee on the District of Columbia.

REPORT BY THE SOCIAL SECURITY ADMINISTRATION

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report of the Social Security Administration entitled "Prospective Reimbursement Studies, Experiments, and Demonstrations" (with an accompanying report). Referred to the Committee on Finance.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs of the Department of State transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers). Referred to the Committee on Foreign Relations.

PROPOSED LEGISLATION BY THE EXECUTIVE OFFICE OF THE PRESIDENT

A letter from the Director of the Executive Office of the President transmitting a draft of proposed legislation to reestablish the period within which the President may transmit to the Congress plans for the reorganization of agencies of the executive branch of the Government, and for other purposes (with accompanying papers). Referred to the Committee on Government Operations.

DISPOSAL OF FOREIGN EXCESS PROPERTY

A letter from the Director of the U.S. Information Agency transmitting, pursuant to law, a report for the fiscal year 1974 concerning the disposal of foreign excess property (with an accompanying report). Referred to the Committee on Government Operations.

REPORTS OF THE GENERAL ACCOUNTING OFFICE

A letter from the Comptroller General of the United States transmitting, pursuant to law, a list of reports of the General Accounting Office for the month of August 1974 (with accompanying papers). Referred to the Committee on Government Operations.

REPORTS OF THE COMPTROLLER GENERAL

Six letters from the Comptroller General of the United States, each transmitting, pursuant to law, a report titled as follows: "General Accounting Office Assistance to the Congress in Improving Access and Usefulness to the Congres of Fiscal, Budgetary, and Program-Related Information"; "Improvements Needed in Making Benefit-Cost Analyses for Federal Water Resources Projects"; Numerically Controlled Industrial Equipment: Progress and Problems"; "Employment Opportunities in the Federal Government for the Physically Handicapped"; "The U.S. Magistrates: How Their Services Have Assisted Administration of Several District Courts; More Improvements Needed"; and "Examination of Financial Statements of Student Loan Insurance Fund Fiscal Year 1973" (with accompanying reports). Referred to the Committee on Government Operations.

REPORT OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "United States Economic Assistance to Turkey" (with an accompanying report). Referred to the Committee on Government Operations.

PROPOSED AMENDMENTS TO CONCESSION CONTRACTS AT HOT SPRINGS NATIONAL PARK

A letter from the Deputy Assistant Secretary of the Interior transmitting, pursuant to law, copies of proposed amendments to concession contracts for certain public services at Hot Springs National Park (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

PROPOSED PLAN FOR DISTRIBUTION OF RED LAKE BAND OF CHIPPEWA JUDGMENT FUNDS

A letter from the Secretary of the Interior transmitting, pursuant to law, a proposed plan for the use and distribution of Red Lake Band of Chippewa Judgment funds in docket 189 before the Indian Claims Commission (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

OCTOBER 1974 TERM OF THE SUPREME COURT

A letter from the Chief Justice of the United States stating that the Supreme Court will open the October 1974 term on October 7, 1974. Referred to the Committee on the Judiciary.

ORDERS OF THE IMMIGRATION AND NATURALIZATION SERVICE

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, reports concerning visa petitions which the Service has approved (with accompanying papers). Referred to the Committee on the Judiciary.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the administration of title VIII, nurse training, of the Public Health Service Act (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report for the year 1972 of activities required by section 310B of Public Law 91-515 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

REPORT OF THE U.S. ENVIRONMENTAL PROTECTION AGENCY

A letter from the Assistant Administrator for Planning and Management of the U.S. Environmental Protection Agency reporting, pursuant to law, on the number of employees, in each general schedule grade, employed by the Environmental Protection Agency on June 30, 1973, and on June 30, 1974. Referred to the Committee on Post Office and Civil Service.

REPORT ON A NATIONAL SCENIC HIGHWAY SYSTEM

A letter from the Secretary of Transportation transmitting, pursuant to law, a report entitled "An Assessment of the Feasibility of Developing a National Scenic Highway System" (with an accompanying report). Referred to the Committee on Public Works.

PETITIONS

Petitions were laid down before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ABOUREZK):

Three resolutions adopted by the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators; one supporting the Kennedy-Griffith health security bill; one urging a tax reduction; and one urging tax reform. Referred to the Committee on Finance.

A resolution adopted by the City Council of East Orange, N.J., in support of H.R. 14449, to establish a Community Action Administration in the Department of Health, Education, and Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

On September 27, under the order of the Senate of September 26, 1974, by Mr. PASTORE, from the Committee on Commerce, with amendments:

H.R. 12993. A bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes (Rept. No. 93-1190).

By Mr. HRUSKA, from the Committee on the Judiciary, with an amendment:

S. 3204. A bill to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps (Rept. No. 93-1191).

By Mr. MAGNUSON, from the Committee on Commerce:

S. 4057. An original bill to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes (Rept. No. 93-1192).

By Mr. ERVIN, from the Committee on Government Operations, without amendment:

S. 3957. A bill to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies (Rept. No. 93-1193).

ANNUAL REPORT OF SUBCOMMITTEE ON SEPARATION OF POWERS (REPT. NO. 93-1195)

Mr. ERVIN. Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent to file the annual report of the Subcommittee on Separation of Powers pursuant to Senate Resolution 56, section 17, 93d Congress, 1st session.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBMISSION OF A CONFERENCE REPORT ON THE COMMODITY FUTURES TRADING COMMISSION ACT OF 1974

Mr. TALMADGE submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes, which was ordered to be printed (Rept. No. 93-1194).

ORDER FOR COMMITTEE ON COMMERCE TO REPORT TRANSPORTATION SAFETY ACT OF 1974 UNTIL MIDNIGHT

Mr. MANSFIELD. Mr. President, I ask, on behalf of the Senator from Washington (Mr. MAGNUSON), unanimous consent for the Committee on Commerce to file an original bill to regulate commerce by improving the protections afforded at present against risks connected with the transportation of hazardous materials, and for other purposes, together with its report thereon by midnight Monday, September 30, 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. HARTKE, from the Committee on Veterans' Affairs:

Richard L. Roudebush, of Indiana, to be Administrator of Veterans' Affairs (Exec. Rept. No. 93-33).

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

NOMINATION BY THE COMMISSIONER OF THE DISTRICT OF COLUMBIA

Pursuant to the provisions of section 301(a) of Public Law 376, 93d Congress, approved August 14, 1974, the Commissioner of the District of Columbia, on September 30, 1974, submitted the nomination of Carl H. McIntyre to be Director of Campaign Finance, which was placed on the Executive Calendar.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. FANNIN:

S. 4054. A bill to exclude from gross income the first $1,000 of interest on deposits in savings institutions; and

S. 4055. A bill to amend section 7275 of the Internal Revenue Code of 1954 with respect to airline tickets. Referred to the Committee on Finance.

By Mr. MANSFIELD:

S. 4056. A bill for the relief of Sokhom Hing. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON, from the Committee on Commerce:

S. 4057. An original bill to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes. Placed on the Calendar.

By Mr. TUNNEY (for himself, Mr. Cranston, Mr. Javits, and Mr. Buckley):

S. 4058. A bill to promote the free flow of commerce in wine among the several States, and for other purposes. Referred to the Committee on Commerce.

By Mr. WEICKER:

S. 4059. A bill to require the disclosure of the net worth of public officials. Referred to the Committee on Government Operations.

By Mr. HANSEN:

S. 4060. A bill to amend section 206 of the Federal Water Pollution Control Act in order to authorize reimbursement for the construction of certain sewage treatment works. Referred to the Committee on Public Works.

By Mr. MUSKIE (for himself and Mr. Hathaway):

S. 4061. A bill to amend the Fish and Wildlife Act of 1956 in order to authorize the Secretary of Commerce to make loans to U.S. fishermen to cover the costs of damages to their vessels and gear by foreign vessels. Referred to the Committee on Commerce.

By Mr. KENNEDY (for himself, Mr. Muskie, Mr. Case, Mr. Nelson, and Mr. Mathias):

S. 4062. A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. MONDALE:

S. 4063. A bill for the relief of Benno Otto Walle. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 4064. A bill to amend the Act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes. Referred to the Committee on Commerce.

S. 4065. A bill to prohibit the shipment in interstate commerce of dogs and other animals intended to be used to fight dogs or other animals for purposes of sport, wagering, or entertainment. Referred to the Committee on Commerce.

By Mr. MONDALE (for himself and Mr. Brooke):

S.J. Res. 246. A joint resolution authorizing the Office of Watergate Special Prosecution Force to investigate and report on White House crimes and conferring power to compel testimony and subpena relevant tapes and documents. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WEICKER:

S. 4059. A bill to require the disclosure of the net worth of public officials. Referred to the Committee on Government Operations.

(The remarks of Mr. Weicker on the introduction of the above bill appear earlier in the Record.)

By Mr. HANSEN:

S. 4060. A bill to amend section 206 of the Federal Water Pollution Control Act in order to authorize reimbursement for the construction of certain sewage treatment works. Referred to the Committee on Public Works.

Mr. HANSEN. Mr. President, I am introducing today an amendment to the Federal Water Pollution Control Act Amendments of 1972. When Congress passed the 1972 amendments, it intended that waste treatment projects initiated after June 30, 1966, were to receive not less than 50 percent and as high as 75 percent Federal participation. Despite this intent, many qualified projects have not and will not receive this intended Federal assistance.

Mr. President, I ask unanimous consent that the computer printout I received from the Environmental Protection Agency listing those qualified projects failing to receive the full intended Federal participation be printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HANSEN. Mr. President, to better understand my amendment, I would like to take this opportunity to review the Federal participation provisions for waste treatment plants, and explain why, despite the clear intent of Congress, certain projects have not received the full intended Federal participation.

Section 8(c) of the Federal Water Pollution Control Act as amended, the legislation that preceded the 1972 amendments, provided that States and municipalities were to receive Federal assistance for waste treatment projects. Many projects received assistance under this act. However, because adequate funds were not authorized, many qualified projects did not receive the total amount allowable under the act. As a consequence, Congress, in the 1972 amendments, sought to assure that those previously constructed qualified projects would receive the previously stipulated Federal assistance and, second, that more recently constructed projects would receive increased Federal participation.

In significant part, the 1972 amendments provide as follows:

Section 206(b) provided that projects constructed between June 30, 1956, and June 30, 1966, are to receive the 30 percent Federal participation authorized under the earlier act.

Section 206(b) provides that projects constructed between July 1, 1966, and June 30, 1972, are to receive 50 percent Federal participation.

Section 202(a) provides that projects that receive funds authorized for any fiscal year beginning July 1, 1971, are to receive 75 percent Federal participation.

Section 202(b) also provides 75 percent Federal participation, but is not pertinent to our discussion here, and is mentioned only because it might tend to confuse. The section is not pertinent here because it was directed at assisting only a very narrow special category of projects, principally, if not exclusively, several Long Island, N.Y., projects (see H. Rept. 92-911, p. 89-90).

The congressional intent of the 1972 amendments was to provide a full, consistent, and graduated program of Federal assistance to qualified projects. However, this congressional policy has not been fully implemented.

Projects which received initial limited participation prior to October 1, 1971, under the original legislation, and were not under construction prior to July 1, 1972, have, despite the intent of Congress, failed to qualify for any Federal assistance.

It is my understanding that this hiatus has, in part, occurred because the Environmental Protection Agency did not commence allocating fiscal 1972 project funds until sometime after October 1, 1971. The effect of this action has resulted in many projects, on which construction was initiated after July 1, 1972, but which did not receive postfiscal 1971 funds, to fail to qualify for Federal participation. These projects do not qualify for participation under section 202(a) since they did not receive postfiscal 1971 funds, and they do not qualify for section 206(a) assistance because construction was not initiated until after June 30, 1972. Thus, these projects are caught in hiatus between the funding provisions of sections 202(a) and 206(a).

A factor that has amplified this unintended hiatus has resulted from EPA's adoption of a narrower definition of the term "construction" than provided by the act. Under section 212(1) of the 1972 amendments, "construction" is defined to include any preliminary activity to construction, including planning and feasibility studies. The definition in section 212(1) of the act reads as follows:

> The term "construction" means one or more of the following: preliminary planning to determine the feasibility of treatment works, engineering, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, or other necessary actions, erection, building, acquisition, alteration, remodeling, improvement, or extension of treatment works, or the inspection or supervision of any of the foregoing items.

The EPA has, however, narrowed the definition of "construction" when prefaced by the term "initiated," which is not defined by the act, to require "the issuance of a notice to proceed" or the "execution of a construction contract." (40 Code of Federal Regulations, chapter I, subpart E, section 35.905–3). The effect of this action has increased the hiatus between section 202(a) and 206 (a).

Specifically, under section 206(a), Congress provided 50 percent Federal participation for projects on which construction was initiated during fiscal 1967 through 1972. As defined by the amendment, "construction" would be initiated whenever any preliminary activity to the actual construction commenced. Accordingly the amendments envisioned that any project failing to qualify for section 206(a) assistance because construction was not initiated before July 1, 1972, would be receiving fiscal 1972 funds, thus qualifying for section 202 (a) assistance. Under this anticipated procedure, there would exist no hiatus period between section 206(a) and section 202(a). If a project was funded prior to fiscal 1972, construction would necessarily have been initiated during the same period, and accordingly, the project would qualify for 50 percent funding under section 206(a). If a project was funded after fiscal 1972, it would qualify for 75 percent participation under section 202(a), regardless when construction was initiated. Thus, as Congress envisioned, there would be no period during which a qualified project would fail to receive Federal participation under both section 202(a) and section 206(a), as has in fact occurred.

My bill will remedy this situation by closing the unfortunate hiatus between section 206(a) and section 202(a). My bill provides that qualifed projects are to receive 50 percent Federal participation under section 206(a) not only if, as the 1972 amendments now provide, construction was initiated during fiscal 1967 through 1972, but, additionally, if the project was funded from authorizations from fiscal years 1967 through 1971. With this added language, the hiatus between sections 202(a) and 206(a) will be closed, and all qualified projects will fall within one of the two sections. Accordingly, the construction of these two sections will be as Congress originally intended.

Mr. President, I ask unanimous consent that a copy of my bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4060

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 206 (a) of the Federal Water Pollution Control Act is amended by inserting after "1972," the following: "or constructed with financial assistance appropriated pursuant to the provisions of this Act for any fiscal year beginning July 1, 1966 and ending June 30, 1971,".

EXHIBIT 1

EPA MUNICIPAL WASTEWATER TREATMENT GRANTS AWARDED BEFORE OCT. 1, 1971, NOT UNDER CONSTRUCTION JULY 1, 1972

State and applicant	Project No.	Grant date	Construction date	Eligible cost	EPA grant	Grant percent
Alabama:						
Clayton, town of	020701	1/71		20,000	6,000	30.00
Warrior, city of	021401	9/71		208,500	68,800	32.96
Total				228,500	74,800	62.99
Arizona:						
Navajo Tribal Utility A	011401	9/71		1,857,000	557,100	30.00
Do	010801	9/70	10/72	462,500	152,620	32.99
Do	010101	12/69	11/72	411,100	135,662	32.99
Cold River Jt SS	010301	3/10	1/73	1,657,729	547,050	32.99
Total				4,388,329	1,392,432	128.97
Arkansas: Yellville, city of	028301	4/70	8/72	336,000	100,830	30.00
California: Stockton, city of	045401	1/71		178,682	58,965	32.99
Colorado: Denver Metro SDD No. 1	025501	3/71		64,500	21,280	32.99
Connecticut: Conn. Dept. Mental Health	014501	6/71	4/73	227,600	5,000	2.19
Delaware: New Castle County	005001	7/71	8/72	4,406,000	1,193,545	27.08
Florida:						
Rivera Beach, City of	032801	5/71		1,030,000	339,900	33.00
Dunedin, city of	032201	6/71	8–72	1,600,000	528,000	33.00
South Bay, city of	029501	11/70	8/72	586,700	193,610	32.99
Green Cove Springs	020101	6/71	9/72	655,300	216,240	32.99
Hollywood, city of	033301	12/70	10/72	7,250,000	2,392,500	33.00
Sebring, city of	028901	6/71	11/72	1,212,000	363,600	30.00
Manatee County	033701	4/71	12/72	8,936,000	2,948,880	33.00
Jasper, city of	020201	6/71	1/73	264,790	79,430	29.99
Total				21,534,790	7,062,160	257.97
Georgia:						
Lumpkin, city of	021201	4/71		101,000	33,330	33.00
Homerville, city of	020901	10/70		116,000	38,280	33.00
St. Marys, city of	020801	7/70		495,000	163,350	33.00
Commerce, city of	020401	6/70		810,000	243,000	30.00
Ringgold, city of	020301	6/70		497,000	149,100	30.00
Darien, city of	020201	10/70		176,000	58,080	33.00
Watkinsville, town of	030201	2/71		239,000	78,870	33.00
Kingston, city of	029901	2/71		94,000	31,020	33.00
Milan, city of	029801	2/71		197,000	65,010	33.00
Waycross, city of	029601	6/71		2,344,000	773,520	33.00
Hamilton, city of	029501	2/71		98,000	32,340	33.00
Georgetown, city of	029301	2/71		128,000	42,240	33.00
Whitesburg, town of	029201	2/71		114,000	34,200	30.00
Senoia, city of	029101	2/71		178,000	53,400	30.00
Loganville, city of	029001	2/71		318,000	104,940	33.00
Lexington, city of	028901	2/71		111,000	36,630	33.00
Glennville, city of	028401	1/71		282,000	93,060	33.00
Ailey, city of	028101	1/71		78,000	25,740	33.00
Abbeville, city of	028001	1/71		153,000	50,490	33.00
Talbotton, city of	027901	1/71		166,000	49,800	30.00
Helen, city of	027501	2/71		117,000	38,610	33.00
Bartlow County	027401	4/71		322,000	106,260	33.00
Colbert, city of	026701	12/70		103,000	33,990	33.00
Pulaski, town of	026101	1/71		31,000	10,230	33.00
Lincolntown, town of	025601	12/70		537,970	177,530	32.99
Dallas, city of	025401	12/70		250,000	75,000	30.00
Menlo, city of	025201	12/70		137,000	45,210	33.00
Woodstock, city of	025101	1/71		139,000	45,870	33.00
Smithville, city of	024501	11/70		54,000	16,200	30.00
Alpharetta, city of	024401	3/71		258,000	77,400	30.00
Ball Ground, city of	024101	11/70		117,000	35,100	30.00
Willacoochee, city of	024001	4/71		104,000	34,320	33.00
Eastman, city of	023901	9/70		812,500	268,120	32.99
Newton, city of	023701	9/70		120,000	39,600	33.00
Donalsonville, city of	023601	11/70		397,000	131,010	33.00
Rentz, town of	023501	9/70		23,200	6,700	28.87
Snellville, town of	023301	4/71		477,000	143,100	30.00
Centerville, city of	022701	12/70		304,000	100,320	33.00
Greenville, city of	022501	2/71		247,000	62,400	25.26
Valdosta, city of	022401	12/70		247,000	81,510	33.00
Shellman, city of	022301	3/71		47,000	15,510	33.00
Fort Oglethorpe, city of	020101	6/70	8/72	1,667,000	550,000	32.99
Grantville, city of	021001	10/70	8/72	342,668	113,080	32.99
Augusta, city of	025001	12/70	9/72	2,479,406	818,200	32.99
Hazlehurst, city of	028301	3/71	9/72	385,721	127,280	32.99
Covington, city of	028801	3/71	9/72	1,449,000	478,170	33.00
Warner Robins, city of	028701	4/71	9/72	3,290,440	1,085,840	32.99
Bibb County W. & S.A	025901	1/71	10/72	474,120	156,450	32.99
Fulton County	025701	3/71	11/72	5,983,306	1,974,490	32.99
Conyers, city of	030001	3/71	11/72	1,287,000	424,710	33.00
Macon, city of	030101	3/71	11/72	4,063,200	1,340,850	32.99
Port Wentworth, city of	019201	10/69	11/72	272,317	89,860	32.99
Garden City, city of	019301	10/69	12/72	793,385	261,810	32.99
McDonough, city of	021701	8/70	12/72	535,000	160,500	30.00
Sandersville, city of	029701	2/71	12/72	1,021,621	337,130	32.99
Colquitt, city of	026301	12/70	1/73	374,938	123,720	32.99
Reidsville, city of	028501	2/71	2/73	141,000	46,530	33.00
Thomastown, city of	022201	4/71	2/73	573,000	189,090	33.00
Cairo, city of	021901	9/70	2/73	636,850	210,160	32.99
Brunswick, city of	020001	11/70	2/73	1,911,000	630,630	33.00
Statesboro, city of	028601	3/71	4/73	1,386,000	415,800	30.00

State and applicant	Project No.	Grant date	Construction date	Eligible cost	EPA grant	Grant percent
Floyd County	027201	2/71	4/73	422,000	139,260	33.00
Edison, city of	027601	1/71	4/73	97,000	32,010	33.00
East Dublin, town of	029401	5/71	6/73	258,480	85,290	32.99
Total				41,384,122	13,491,250	2,063.97
Ilinois: Gt Chicago Metro San D	093501	3/71	1/73	4,096,000	1,676,510	40.93
Indiana:						
Cedar Lake, town of	021101	10/65	8/72	1,853,000	637,200	34.38
Grandview, town of	029201	5/71	9/72	221,200	79,090	35.75
Ellettsville, town of	042001	6/71	3/73	404,300	174,000	43.03
Total				2,478,500	890,290	113.16
Kentucky:						
Nicholasville, city of	028101	9/70		58,300	19,230	32.98
Worthington, city of	028801	1/71		30,013	9,904	32.99
Perry County San D No. 1	028501	1/71		297,500	98,170	32.99
Somerset, city of	029101	3/71	8/72	1,780,000	587,400	33.00
Russell Springs, city of	023201	4/67	5/73	598,000	179,400	30.00
Total				2,763,813	894,104	161.96
Louisiana:						
Shreveport, city of	024001	12/69		3,636,000	1,199,880	33.00
New Orleans S. & W. Bd	025601	12/70		1,044,200	344,580	32.99
Franklin, town of	024301	12/70		27,773	8,330	29.99
Total				4,707,973	1,552,790	95.98
Maine: Bango, city of	007101	3/71	7/72	2,156,100	539,020	24.99
Maryland: Anne Arundel County	019101	12/68	5/73	3,560,300	1,570,360	44.10
Massachusetts: Fitchburg, city of	026801			476,800		0
Minnesota: Redwood Falls, city of	051701	1/68		355,505	106,651	29.99
Mississippi:						
Sherman, town of	019301	2/67		78,600	23,580	30.00
Quitman, town of	020901	5/67	9/72	590,000	241,000	40.84
Prentiss, town of	029001	4/70	10/72	601,000	210,010	34.94
Senatobia, city of	028101	11/69	10/72	465,000	153,450	33.00
Shelby, city of	029901	6/70	10/72	171,000	56,430	33.00
Waveland, town of	018001	9/65	2/73	1,838,000	877,260	47.72
Biloxi, city of	028901	12/67	6/73	3,986,000	1,722,900	43.22
Total				7,729,600	3,284,630	262.72
Montana:						
Crow Ind Develop Comm	014401	12/69		439,400	79,950	18.19
Havre, city of	014601	2/70	9/72	850,000	326,800	38.44
Total				1,289,400	406,750	56.63
New Mexico: Bernalillo, town of	015701	6/70		82,600	27,250	32.99
North Carolina: Lake Waccamaw, town of	026801	12/69	11/72	528,872	194,140	36.70
North Dakota: Standing Rock Sioux Trb	023501	3/71		71,800	21,540	30.00
Ohio:						
Seneca County	053101	9/71		36,700	11,010	30.00
Sugarcreek, village of	046001	9/71	9/72	683,300	185,610	29.07
Wayne County	048301	9/70	10/72	146,800	48,440	32.99
Allen County	044901	10/70	10/72	2,118,400	565,090	26.67
Knox County	053901	9/71	10/72	1,008,400	258,900	25.67
Cleveland, city of	055101	9/71	12/72	40,600,000	13,398,000	33.00
Marietta, city of	055401	9/71	1/73	503,800	113,220	22.47
Athens County	038601	3/71	2/73	664,100	229,020	34.48
North Royalton, city of	029001	5/66	6/73	298,700	133,720	44.76
Total				46,015,200	14,943,010	279.11
Oklahoma:						
Heavener, U. A	042301	7/68		10,000	3,300	33.00
Bartlesville, city of	046501	9/70		50,000	16,500	33.00
Chickasha, M.A	046081	8/70		99,600	29,880	30.00
Oklahoma City, city of	050401	2/71	9/72	28,695,900	9,469,640	32.99
Total				28,855,500	9,519,320	128.99
Oregon:						
Wheeler, city of	024301	6/71		278,500	83,550	30.00
Echo, city of	031801	6/71		137,000	41,100	30.00
Astoria, city of	029101	3/71	9/72	8,730,000	2,880,900	33.00
Wallowa, city of	025901	2/70	11/72	212,000	63,600	30.00
Total				9,357,500	3,069,150	123.00
Pennsylvania:						
New Eagle, boro of	028201			476,041		0
McDonald, boro of	030201			548,400		0
Smithon, boro of	034901	8/68		235,000	11,710	4.98
Zelienople, boro of	043301	5/70		190,000	17,530	9.22
Keating, twp of	042301	9/69		68,400	5,270	7.70
Center Twp S.A	041101	8/69		1,643,300	82,100	4.99
Brookhaven Boro	038701	1/69		250,000	11,330	4.53
Allentown A	046201	7/70		136,876	65,730	48.02
Saegertown San D	045201	3/71		502,600	221,140	43.99
Ambridge, Boro of	044701	8/70		624,000	249,600	40.00
Dalton, Boro of	044001	1/70		860,000	175,160	20.36
Cooperstown, M.A	050601	3/71		195,000	78,000	40.00
Bucks County W. & S.A	051401	6/71		500,000	107,250	21.45
Herndon M.A	046701	8/70		169,400	67,760	40.00
Bethlehem A	053701	6/71		6,543,300	2,879,050	43.99
Delaware Twp M.A	053501	6/71		100,000	40,000	40.00
Lower Saucon Twp A	053101	6/71		1,343,300	591,050	43.99
Coopersburg Boro M.A	050701	4/71	7/72	176,400	77,610	43.99
Berlin, Boro of	049101	4/71	8/72	620,900	220,000	35.43
South Fayette, Twp of	043701	6/70	8/72	2,181,000	602,800	27.63
Lemoyne, Boro of	053801	7/71	8/72	3,687,000	1,063,420	28.84
Orbisonia-Rock Hill M.A	029601	3/68	10/72	416,500	183,260	44.00
Cambridge Springs, Boro	052901	6/71	11/72	667,700	287,500	43.05
Carrolltown, Boro of	048901	2/71	1/73	652,800	196,060	30.03
Bucks County W.S.A	051701	6/71	1/73	4,952,000	1,801,800	36.38
Chartiers Twp S.A	030301	9/68	1/73	162,600	6,910	4.24
Upper Allen Twp A	051801	4/71	5/73	3,145,400	793,050	25.21
Manheim Boro A	050301	4/71	6/73	336,000	134,400	40.00
Total				31,383,917	9,969,490	772.02
South Carolina:						
Moncks Corner, town of	021901	4/71		393,600	129,880	32.99
Lamar, town of	019301	3/70	8/72	155,400	51,280	32.99
Myrtle Beach, city of	025201	9/71	10/72	800,000	264,000	33.00
St. George, town of	019201	1/69	2/73	338,000	145,760	43.12
Clinton, city of	023301	9/71	2/73	294,500	124,110	42.14
Branchville, town of	025001	9/71	3/73	73,712	30,560	41.45
Mullins, city of	023201	4/71	5/73	972,000	241,820	24.87
St. Stephen, town of	017601	2/68	5/73	205,000	61,500	30.00
Total				3,232,212	1,048,910	280.56
South Dakota:						
Yankton Sioux Tribe	020201	6/71	8/72	122,000	36,600	30.00
Columbia, city of	020101	8/71	11/72	26,200	5,430	20.72
Total				148,200	42,030	50.72
Tennessee: Roane County	027601			761,000		0
Texas:						
Granger, city of	059901	4/71		42,400	12,720	30.00
Celeste, city of	065101	3/71		22,900	7,550	32.96
Deer Park, city of	078701	7/71	1/73	93,800	30,950	32.99
Total				159,100	51,220	95.95
Utah: Moroni City Corp	012001	3/71	3/73	1,305,100	391,530	30.00
Virginia:						
Weber City, town of	023701			519,900		.06
Wakefield, town of	029601	3/71	7/72	132,700	60,000	45.21
Total				652,600	60,000	45.21
Washington:						
Washtucna, town of	034801	1/71		43,000	12,900	30.00
Milton, town of	034101	11/70	7/72	822,600	271,450	32.99
Pierce County	033801	1/71	7/72	670,700	221,331	33.00
Kelso, city of	033101	12/70	7/72	271,900	89,720	32.99
Concrete, town of	014601	5/70	10/72	290,335	95,810	32.99
North Lake Washington S.D	031601	6/70	12/72	1,915,000	631,950	33.00
Sedro Woolley, city of	031701	6/70	12/72	1,118,600	369,138	33.00
Total				5,132,135	1,692,299	227.97
West Virginia:						
Gassaway, Town of	012601	3/66		391,000	117,300	30.00
Union, town of	016601	4/71		376,500	112,950	30.00
W. Va. Bd. of Education	014501			100,000		.00
Mannington, city of	013401	3/67		1,032,000	340,560	33.00
Moorefield, town of	015101	2/69		139,400	41,820	30.00
Grantsville, town of	015201	3/69	1/73	387,100	145,590	37.61
Raleigh County Auport A	016801	6/71	1/73	312,000	93,600	30.00
Greenbrier P.S.C. No. 1	015501	7/69	3/73	1,063,000	313,590	29.50
Total				3,801,000	1,165,410	220.11
Wyoming: Gillette, city of	008401	5/71	10/72	835,900	275,840	32.99
Puerto Rico: P.R. Aqueduct Sewer Auth	007601	6/71		791,200	343,750	43.44
Grand total				235,476,350	77,136,256	5,899.37

Note: 190 records totaled.

By Mr. MUSKIE (for himself and Mr. HATHAWAY):

S. 4061. A bill to amend the Fish and Wildlife Act of 1956 in order to authorize the Secretary of Commerce to make loans to U.S. fishermen to cover the costs of damages to their vessels and gear by foreign vessels. Referred to the Committee on Commerce.

THE FISHING CLAIMS ASSIGNMENT ACT OF 1974

Mr. MUSKIE. Mr. President, earlier this month, I met with a group of New England fisherman in Kennebunkport, Maine, to discuss some of the most pressing problems facing the U.S. fishing industry. There was unanimous agreement among the participants at the meeting that American fishermen are rapidly losing the livelihood of generations because as a nation we have not responded adequately to global developments in recent years. In their search for food, an increasing number of foreign fishermen have appeared off our coasts, and their numbers now threaten our offshore stocks with extinction. Without exception, the fishermen recommended immediate enactment of legislation extending our management jurisdiction over fish out to 200 miles and I am hopeful that the Senate will soon pass S. 1988, a bill which would extend our fisheries jurisdiction out to 200 miles.

The legislation I am introducing today on behalf of myself and Senator Hathaway, the Fishing Claims Assignment Act of 1974, is designed to deal with a serious problem resulting from this increasing incursion of foreign fleets into our offshore waters—the problem of reimbursement of American fishermen for damage to their vessels or gear caught by foreign fishermen. For many years, fishermen off the New England coast as well as the west coast have suffered serious and often disastrous economic losses as a result of the increasing intrusion by foreign fishermen, while the claims process has been cumbersome and seldom effective. In many cases American fishermen do not even file a claim, since they feel it will be useless.

Mr. President, a Maine gillnetter commonly makes daily trips to his chosen fishing ground, often up to 30 miles offshore, in a vessel of approximately 40 feet in length. He arrives sometime before sunrise at the spot where he placed his nets the previous day. At dawn, he confirms what his radar already indicated—that some 10 or 20 foreign fishing vessels, three to four times the length of his own, are in the vicinity of where he last saw his nets.

The "flag buoys" marking his gear—bamboo poles with metallic radar reflectors rising some 10–15 feet out of the water—are gone or damaged, and with them, his catch and some $3,500 of equipment. The flag buoys, two to a net, are not isolated markers, I am told. Maine's fishermen generally fish together and the appearance of their distinctive buoys is, in their own words, a "bamboo forest." For this reason, it is difficult to believe that a series of gear incidents, taking place on several consecutive days, can be the result of anything other than a deliberate pattern of disregarding the property rights of American citizens.

The chances are that the individual fisherman has not seen the particular vessel which caused the damage. Even if he has, with his smaller boat, he is clearly in no position to take corrective or preventive action. By the time the Coast Guard can respond to a radioed call for assistance, the vessels will have moved off.

Second, this bill would set up within the Department of Commerce a United States Fishing Vessel Claims Commission which would investigate and handle claims filed by American fishermen for destruction of the gear caused by foreign fishermen. We have such a board for the settlement of United States-Soviet fishery claims and plan to set up soon a similar board for the settlement of United States-Polish claims. I see no reason why one such board should not be established to handle all international fishery claims.

At present, faced with a difficult filing procedure and little certainty about repayment of claims, American fishermen frequently conclude that filing claims in vain is hardly worth the time, money, and trouble. And in those rare cases where the filing procedure and investigation prove successful, the individual fisherman is still forced to carry the financial burden for several months or longer.

If this legislation is enacted, the effect would be to have the U.S. Government stand in the place of the fisherman in presenting the claims to foreign governments. Satisfaction of the claim would go to a fisheries loan fund.

Mr. President, assignment of these claims to the Federal Government—rather than to the individual fisherman—makes a great deal of sense to me. American fishermen are suffering enough because the Congress has not had the wisdom to enact 200-mile fish limit legislation on an interim basis. This legislation will not solve all of our fishermen's problems, but it will certainly be a helpful first step.

At this point I ask unanimous consent that the Fishing Claims Assignment Act of 1974 be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4061

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fishing Claims Assignment Act of 1974".

Sec. 2. Section 4 of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c) is amended by inserting at the end thereof the following:

"(f) (1) The Secretary, upon receipt of an application filed with him at any time after the effective date of this subsection by the owner or operator of any vessel of the United States which is documented or certificated as a commercial fishing vessel, and determining that such vessel or its gear was damaged while under the control of such owner or operator in the territorial waters of the United States or in the contiguous fishery zone by the actions of a vessel or vessels (including crew) of a foreign nation shall, within 30 days, make a non-interest-bearing loan to such owner or operator out of the fisheries loan fund in an amount equal to the replacement value of the damaged property and the market value of fish caught before damage to such vessel or gear and lost or spoiled as the result of such damage. Any such loan shall—

(A) be conditional upon assignment to the Secretary of any rights to recover for such damages,

(B) be subject to other requirements of this section with respect to loans which are not inconsistent with this subsection, and

(C) be subject to other terms and conditions which the Secretary determines necessary for the purposes of this subsection.

(2) The Secretary of Commerce shall establish within the Department of Commerce a United States Fishing Vessel Claims Commission and through such Commission shall within 180 days—

(A) investigate each incident as a result of which a loan is made pursuant to paragraph (1), and

(B) upon determining in any such case that the damage involved was not principally attributable to the actions of the owner or operator receiving such loan, cancel repayment of such loan and refund any principal paid thereon prior to such cancellation

(3) The Secretary of Commerce shall, with the assistance of the Attorney General pursuant to the provisions of title 28 of the United States Code, make a determination on any claim assigned to him under the provisions of clause (A) of paragraph (1). Amounts collected pursuant to this paragraph on any such claim shall (A) if such loan was cancelled pursuant to paragraph (2), be paid into the fisheries loan fund to the extent of the amount so cancelled, (B) if not so cancelled, be applied to the repayment of such loan, and (C) to the extent not used pursuant to clause (A) or (B), be paid to the owner or operator assigning such claim.

(4) This section shall apply with respect to damages or destruction of vessels of the United States occurring on or after January 1, 1972.

(5) There are authorized to be appropriated for this Section such sums as may be necessary."

Mr. MUSKIE. This summer, there have been a series of incidents damaging the fixed gear of fishermen off the Maine coast. These incidents of wanton and apparently deliberate destruction leave our fishermen with little but uncertain claims against nameless perpetrators. Under the existing procedures, the most likely result of recovery efforts is nothing more than lost income, lost equipment, and added frustration.

It is bad enough that we are allowing foreign fishermen to deplete our offshore stocks and to threaten the health of the U.S. fishing industry. We must not continue to allow foreign fishing vessels to destroy the gear of American fishermen without providing adequate and immediate financial reimbursement for our fishermen.

The bill I am introducing today is designed to meet this problem. Very simply, this legislation would do two things.

First, it would require the Federal Government within 30 days to assume financial responsibility for losses to fishermen caused by foreign vessels, pending international negotiations to recover the loss from the foreign governments involved. Government responsibility would be retroactive, covering damage caused by foreign vessels since January 1, 1972, since much of the most serious damage has been done to fishermen's gear in Maine and elsewhere in the United States in the past 3 years.

By Mr. KENNEDY (for himself, Mr. Muskie, Mr. Case, Mr. Nelson, and Mr. Mathias):

S. 4062. A bill to establish administrative practices, procedures, and standards under which court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground, and for other purposes. Referred to the Committee on the Judiciary.

FREEDOM FROM SURVEILLANCE ACT OF 1974

Mr. KENNEDY. Mr. President, I introduce today (with Mr. Muskie, Mr. Case, Mr. Nelson, and Mr. Mathias) the Freedom from Surveillance Act of 1974. This bill would require a court order to be obtained before any wiretapping or electronic surveillance could be conducted on grounds of "national security" or on any other ground.

Earlier this year, the Subcommittee on Administrative Practice and Procedure, which I chair, together with the Subcommittee on Surveillance, chaired by the distinguished Senator from Maine (Mr. MUSKIE), and the Subcommittee on Constitutional Rights, chaired by the distinguished Senator from North Carolina (Mr. ERVIN), held 6 days of joint hearings on the subject of warrantless wiretapping and national security. Our hearings uncovered a number of abuses that have taken place in this area and a number of problems which we felt required a legislative remedy. The bill which I introduce today is the product of those hearings and of the continuing study which has been made in this area by members of both the Judiciary and Foreign Relations Committees.

The purpose of the bill is to establish administrative practices, procedures, and standards under which prior court authorization must be obtained for any interception of wire or oral communications conducted on grounds of national security or on any other ground. Our hearings earlier this year demonstrated that far too often the rubric of "national security" has been used as a justification for wiretapping that often had no relation to legitimate concerns of national security and which may have violated the constitutional rights of American citizens. The cases of the wiretapping of 17 Government officials and newsmen, which we explored at our hearings, are in point. Our hearings revealed that there are no written guidelines or regulations used by the executive branch for the conduct of warrantless electronic surveillance, and there has been no comprehensive attempt to appraise the value of the information obtained from national security surveillances.

Ever since *United States* v. *Katz*, 389 U.S. 347 (1967), it has been recognized that wiretapping and bugging constitute searches and seizures within the meaning of the fourth amendment. In *United States* v. *United States District Court*, 407 U.S. 297 (1972), the Supreme Court held that electronic surveillance of domestic organizations or individuals is unconstitutional unless the Government first obtains a court order authorizing such surveillance. The Court expressly left open the question whether warrantless electronic surveillance of a foreign power or a foreign agent may be constitutional. What is disturbing is that the Executive branch seems to have interpreted this decision to affirmatively authorize such wiretapping and bugging without a court order on "national security" grounds, when in fact the Court left the question open. The issue is currently in litigation, and the Government has just announced that it will not oppose Supreme Court review of the third circuit's decision in the Ivanov case.

Electronic surveillance is a particularly intrusive type of search. The subject of the surveillance does not know that a search has taken place, as well he might if his house had been burglarized. Perhaps even more disturbing, the person making the search—the wiretapper or bugger—cannot restrict the search to cetrain conversation. He will inevitably listen to many innocent conversations that have nothing to do with the information or evidence sought. Moreover, the wiretap or bug may intercept the communications of innocent third parties who have no connection with the activity that is the subject of the surveillance.

For these reasons, even more stringent safeguards should be placed upon the conduct of electronic surveillance than upon other searches and seizures because of the particularly intrusive, secret, and indiscriminate nature of the invasion of privacy.

I am pleased that among the cosponsors of the bill are the distinguished Senator from Maryland (Mr. MATHIAS) and the distinguished Senator from Wisconsin (Mr. NELSON), who have previously introduced bills which I have cosponsored to require warrants for national security wiretaps.

The bill which I introduce today would make clear the congressional intent that such wiretapping should take place only with prior court authorization. In addition, the bill establishes rigorous standards and procedures to be followed for any electronic surveillance conducted on grounds of "national security."

To begin with, the bill would replace the term "national security" with the term "military security or national defense of the United States." Such a phrase is considerably more specific and would indicate the congressional intent that a court order should be issued only where there is a direct threat to the military security or national defense of the United States, rather than to any other security interest of this country.

The bill establishes several limitations on the persons who can be made targets of such electronic surveillance. Wiretaps could be authorized by a court only against a foreign power, a citizen of a foreign nation who is an employee of a foreign power, or a person who is engaged in activities that are intended to serve the interests of a foreign power and to undermine the military security or national defense of the United States and that are also substantially organized, directed, and financed by a foreign power. In addition, the judge would have to find that there is probable cause to believe that the surveillance is necessary to obtain information: First, which is necessary to protect the Nation against attack or other hostile acts of a foreign power; second, which is foreign intelligence information that is essential to the military security or national defense of the United States; or third, which is necessary to protect military security or national defense information against foreign intelligence activities.

Moreover, the judge would have to determine that a warrant based on probable cause of a crime under the existing provisions of title III of the Omnibus Crime Control and Safe Streets Act of 1968 could not be obtained.

The President would be required personally to sign each application for a military security or national defense electronic surveillance that is presented to the court. This provision would centralize executive responsibility and political accountability for national security wiretaps at the highest level of our Government and would also provide for foreign affairs expertise to be brought to bear.

The bill would prohibit evidence or fruits derived from national security wiretaps from being used in any trial or other proceeding, with limited exceptions. This provision, together with the requirement that the court find that a title III warrant based on probable cause of a crime could not be obtained, would insure that the Government could not use a national security wiretap to gather evidence for a criminal prosecution.

The U.S. District Court for the District of Columbia would designate three judges, each of whom would be authorized to hear and rule on applications for warrants for national security electronic surveillances. The judge who would hear a particular application would be selected at random and would not be known to the applicant in advance. The same judge would hear all subsequent proceedings or applications involving the same target. These provisions would centralize responsibility for ruling on these taps in one district court, which is important for maintaining the secrecy of sensitive materials and for establishing a uniform body of law. They would also prevent "judge-shopping" by providing procedures for the selection of a particular judge to hear each application.

The bill would allow the President personally to authorize the electronic surveillance in a case of a serious emergency threat to the military security or national defense of the Nation, but only if a court order is applied for as soon as possible, and in any event within 48 hours. If the court does not approve the surveillance, a full disclosure of the interception would have to be made to all parties overheard within 90 days.

The bill provides generally that all identifiable persons overheard would be informed of the surveillance within 90 days after its termination under court supervision. However, the judge could postpone the disclosure for 90-day periods if he makes specific findings of facts and circumstances indicating that such disclosure will endanger the military security or national defense of the United States.

Under the bill, the judge would have to find that a "national security" electronic surveillance would not violate the international obligations of the United States. Testimony before our Administrative Practice and Procedure Subcommittee earlier this year raised questions regarding the application of the Vienna Convention on Diplomatic Relations, ratified by the Senate in 1965, to electronic surveillance of foreign powers in this country. The bill would provide for an authoritative judicial resolution of this issue.

The bill requires the judge to find that specific steps will be taken to minimize the overhearing and disclosure of conversations not of the type authorized to be intercepted. Moreover, if the Government applied for an extension of a warrant, it would have to demonstrate that a successful minimization effort had taken place during the preceding term of the interception, and that the surveillance had yielded significant information of the type authorized. If the judge denies an application for an order or for a renewal, the Government would have to present new and previously unavailable information in support of any subsequent application for electronic surveillance directed against the same target.

The bill would restrict all "national security" wiretapping to the Federal Bureau of Investigation, and the existing criminal provisions of section 2511 of title 18 would apply to surveillance conducted by an employee of any other Federal department or agency. In addition, the bill would require a telephone company or other communication common carrier to obtain and have on file a copy of a court order authorizing electronic surveillance before any officer or employee could assist in carrying out the surveillance. It would require that a record be maintained of all assistance provided. The criminal provisions of section 2511 of title 18 would apply to violations of this provision.

Several provisions in the bill would establish a framework for effective congressional oversight of national security electronic surveillance. The Attorney General would be required to report detailed information concerning the number, duration, and cost of national security surveillances every 3 months to the Committees on the Judiciary and Foreign Relations of the Senate and to the Committees on the Judiciary and on Foreign Affairs of the House of Representatives. Moreover, every executive department, agency, or unit would be required to supply any information covering the electronic surveillances covered by the bill requested by any of these Committees within 30 days. These requirements are intended to enable Congress to exercise the effective oversight necessary to prevent future abuses in this area and to insure that statutory and regulatory guidelines are followed.

The Attorney General would be required to devise regulations establishing standards and procedures covering recordkeeping, filing, and indexing and the disclosure or the dissemination of information derived from these electronic surveillances within the Government. This provision would establish uniform internal practices and guidelines in these areas.

Mr. President, legislating increased safeguards in the area of electronic surveillance would provide an important response to the increasing national concern over invasions of the right to privacy. The degree of public concern in this area is indicated by a recent survey showing that 75 percent of the American people feel that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy."

Hearings on this bill and other wiretap legislation have been scheduled later this week by the Subcommittee on Criminal Laws and Procedures. I commend the distinguished Senator from Arkansas (Mr. McClellan) for responding to the concern of the public and the Congress by scheduling legislative hearings in this area. As a member of the subcommittee, I intend to play an active role in the hearings. It is my hope that they will provide the basis for the speedy enactment of legislation in this vital area.

Mr. President, I ask unanimous consent that the bill, together with a section-by-section analysis, be printed in the Record at this point.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 4062

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Freedom from Surveillance Act of 1974".

Sec. 2. The Congress hereby finds and declares that:

(a) The conduct of electronic surveillance on grounds of national security without adequate administrative and judicial controls has been seriously abused and is subject to further abuse by persons acting under cover of law.

(b) Electronic surveillance conducted on grounds of national security and undertaken without court authorization endangers the constitutional rights of American citizens and of foreigners in this country guaranteed under the first, fourth, fifth, sixth, and ninth amendments to the Constitution of the United States.

(c) Electronic surveillance conducted on grounds of national security and undertaken without court authorization constitutes an unreasonable search and seizure and in any event should not take place.

(d) Any constitutional duties of the President to protect the national security of the United States would not be impeded by a requirement of prior court authorization for any electronic surveillance undertaken on grounds of national security.

(e) The requirement of court authorization would not prevent the President from exercising any of his constitutional powers; rather, it would insure that any such powers would be exercised with appropriate and constitutionally mandated safeguards.

(f) It is the purpose of this Act to provide administrative practices, procedures, and standards under which prior court authorization must be obtained for any electronic surveillance conducted on grounds of national security or on any other ground.

Sec. 3. (a) Section 2510(10) of title 18, United States Code, is amended by deleting after "Code;" the following: "and".

(b) Section 2510(11) of title 18, United States Code, is amended by inserting after "directed" the following: "; and".

(c) Section 2510 of title 18, United States Code, is amended by inserting immediately after section (11) thereof the following new subsections:

"(12) 'foreign agent' means—

"(a) a citizen of a foreign nation who is an employee of a foreign power; or

"(b) a person who is engaged in activities that are—

"(i) intended to serve the interests of a foreign power and to undermine the military security or national defense of the United States; and

"(ii) substantially organized, directed, and financed by a foreign power.

"(13) 'target' means the individual whose or the place where oral or wire communications are sought to be intercepted."

Sec. 4. (a) Section 2511(2)(a)(ii) of title 18, United States Code, is amended by deleting the period at the end thereof and inserting the following: ": *Provided,* That said communication common carrier shall first have obtained and have maintained a duly certified copy of the court order currently authorizing or approving the interception of said wire or oral communication. Every such copy of a court order shall be maintained indefinitely by such communication common carrier following its receipt: *Provided further,* That a record be maintained indefinitely by such communication common carrier of every instance of any information, facilities or technical assistance being provided by or requested of an officer, employee, or agent of said communication common carrier by or to an investigative or law enforcement officer authorized to intercept a wire or oral communication."

Sec. 5. Section 2511(3) of title 18, United States Code, is repealed.

Sec. 6. Section 2515 of title 18, United States Code, is amended by inserting subsection number "(1)" immediately before the word "Whenever" and by inserting immediately after the word "chapter." the following new subsection:

"(2) Notwithstanding any other provision of this chapter, no part of the contents of any wire or oral communication intercepted pursuant to the provisions of section 2518A of this chapter, and no evidence derived therefrom, may be received in evidence or otherwise disclosed in any trial, hearing, or other proceeding in or before any federal or state court, except in civil proceedings against foreign agents and in civil suits authorized by section 2520 of this chapter and as required pursuant to a request made under section 2519(5) of this chapter."

Sec. 7. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2516 thereof the following new section:

"§ 2516A. Authorization for interception of wire or oral communications relating to military security or national defense

"The President may, in writing, authorize an application to a judge of the United States District Court for the District of Columbia designated pursuant to section 2518A (1)(a) of this chapter for, and such judge may grant in conformity with section 2518A of this chapter, an order authorizing or approving the interception of wire or oral communications of a foreign power or a foreign agent by the Federal Bureau of Investigation, when such interception will not be inconsistent with the international obligations of the United States and when there is probable cause to believe that such interception is necessary to obtain information which is—

"(1) necessary to protect the Nation against actual or potential attack or other hostile acts of a foreign power;

"(2) foreign intelligence information that is essential to the military security or national defense of the United States; or

"(3) necessary to protect military security or national defense information against foreign intelligence activities.

Such authorization of an application to a judge provided for in this section shall be made by the President personally and shall not be delegated."

Sec. 8. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2518 thereof the following new section:

"§ 2518A. Procedure for interception of wire or oral communications relating to military security or national defense.

"(1)(a) The United States District Court for the District of Columbia shall designate three judges of that court, each of whom shall be authorized to hear applications for an order authorizing or approving the interception of wire or oral communications made pursuant to section 2516A of this chapter. The United States District Court for the

District of Columbia shall establish procedures according to which each such application shall be heard by one of the three designated judges, chosen on a random basis and without advance notice to the applicant. Such procedures shall include provision for selecting an alternate judge at random from among the three designated judges if the judge originally selected according to the procedures is unavailable.

"(b) As far as is possible and practicable, if an application for an order authorizing or approving the interception of wire or oral communications is made pursuant to section 2516A of this chapter, the same judge shall hear all subsequent applications for an order or an extension of an order authorizing or approving the interception of wire or oral communications against the same target made pursuant to section 2516A or section 2516 of this chapter.

"(2) Each application for an order authorizing or approving the interception of wire or oral communications made pursuant to section 2516A of this chapter shall be made in writing upon oath or affirmation to the judge designated pursuant to subsection (1) (a) of this section. Each application shall include the following information:

"(a) a full and complete statement of the facts and circumstances relied upon by the applicant to justify his belief than an order should be issued, including:

"(i) a particular description of the nature and location of the facilities from which or the place where the communication is to be intercepted;

"(ii) a description, with as much particularity as possible, of the communications sought to be intercepted; and

"(iii) the identity of the person, if known, whose communications are to be intercepted;

"(b) a full and complete description of the facts and circumstances supporting the applicants belief that the target is a foreign agent;

"(c) a full and complete description, with as much particularity as possible, of the communications likely to be intercepted which are not of the type sought to be intercepted, and a full and complete statement of the procedures that will be taken to ensure that such communications will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(d) a full and complete statement as to whether or not other investigative procedures have been tried and failed or why they reasonably appear to be unlikely to succeed if tried or to be too dangerous;

"(e) a statement of the period of time for which the interception is sought to be maintained. If the nature of the investigation is such that the authorization for interception should not automatically terminate when the described communications have been first obtained, a particular description of facts establishing probable cause to believe that additional communications of the type sought will occur thereafter;

"(f') a full and complete statement of the facts concerning all previous applications known to the applicant, made to any judge for authorization to intercept, or for approval of interceptions of, wire or oral communications involving any of the same persons, facilities, or places specified in the application, and the action taken by the judge on each such application;

"(g) a full and complete statement of the reasons supporting the applicant's belief that an order authorizing or approving the interception of wire or oral communications pursuant to sections 2516 and 2518 of this chapter could not be obtained;

"(h) where the application is for the extension of an order, a full and complete statement setting forth—

"(i) the information and results thus far obtained from the interception;

"(ii) the communications not of the type sought to be intercepted that were intercepted and the persons to whom such communications were disclosed or disseminated;

"(iii) the practices and procedures taken to minimize the interception and the disclosure or dissemination of communications not of the type sought to be intercepted;

"(iv) the specific facts and circumstances relied upon by the applicant to justify his belief that a continuation of the interception for an additional period of time will yield additional information of the type sought to be obtained in the original application; and

"(i) a full and complete statement of the reasons supporting the applicant's belief that an order authorizing or approving the interception of wire or oral communications will not be inconsistent with the international obligations of the United States.

"(3) The judge may require the applicant to furnish additional testimony or documentary evidence in support of the application.

"(4) Upon such application the judge may enter an ex parte order, as requested or as modified, authorizing or approving interception of wire or oral communications of a foreign power or a foreign agent within the territorial jurisdiction of the United States, if the judge determines on the basis of the facts submitted by the applicant that—

"(a) there is probable cause for belief that such interception is necessary to obtain information serving one of the purposes set forth in section 2516A of this chapter;

"(b) there is probable cause for belief that particular communications yielding information serving one of the purposes set forth in section 2516A of this chapter will be obtained through such interception;

"(c) normal investigative procedures have been tried and have failed or reasonably appear to be unlikely to succeed if tried or to be too dangerous;

"(d) there is probable cause for belief that the facilities from which, or the place where, the wire or oral communications are to be intercepted are being used or are about to be used by the target of the interception;

"(e) specified procedures will be followed to insure that wire or oral communications which are not of the type authorized or approved to be intercepted will be intercepted, disclosed, and disseminated only to the minimum degree possible and practicable;

"(f) an order authorizing or approving the interception of wire or oral communications of the same target could not be obtained pursuant to sections 2516 and 2518 of this chapter;

"(g) such interception will not be inconsistent with the international obligations of the United States; and

"(h) where the application is for the extension of an order, that—

"(i) the interception has yielded significant information of the type authorized or approved;

"(ii) there is probable cause for belief that a continuation of the interception will yield additional information serving one of the purposes set forth in section 2516A of this chapter;

"(iii) there has been a successful effort to minimize, to the degree possible and practicable, the interception of wire or oral communications not of the type authorized or approved;

"(iv) there is no information that justifies a termination of the interception.

"(5) Each order authorizing or approving the interception of any wire or oral communication shall specify—

"(a) the identity of the person, if known, whose communications are to be intercepted;

"(b) the nature and location of the communications facilities as to which, or the place where, authority to intercept is granted;

"(c) a description, with as much particularity as possible, of the type of communication authorized or approved to be intercepted;

"(d) the period of time during which such interception is authorized, including a statement as to whether or not the interception shall automatically terminate when the described communication has first been obtained; and

"(e) a particular description of the procedures to be followed to insure that the interception of communications not of the type authorized or approved to be intercepted, and the disclosure or dissemination of such communications, will be minimized.

"(6) No order entered under this section may authorize or approve the interception of any wire or oral communication for any period longer than is necessary to achieve the objective of the authorization, nor in any event longer than thirty days. Extensions of an order may be granted, but only upon application for an extension made in accordance with subsection (2) of this section and upon the court making the findings required by subsection (4) of this section. The period of extension shall be no longer than the authorizing judge deems necessary to achieve the purposes for which it was granted and in no event for longer than thirty days. Every order and extension thereof shall contain a provision that the authorization to intercept shall be executed as soon as practicable, shall be conducted in such a way as to minimize the interception of communications not otherwise subject to interception under this chapter, and must terminate upon attainment of the authorized objective, or in any event in thirty days.

"(7) If the court has previously denied an application made pursuant to section 2516A of this chapter for an order or an extension of an order authorizing or approving the interception of wire or oral communications, the court may not enter an order directed against the same target in response to a subsequent application made pursuant to section 2516A of this chapter unless, in addition to the other requirements of this section, the court determines that significant new information in support of the application, which was unknown and unavailable to the applicant at the time the previous application was made, is contained in the application.

"(8) Whenever an order authorizing interception is entered pursuant to this chapter, the order shall require reports to be made to the judge who issued the order showing in detail what progress has been made toward achievement of the authorized objective and the need for continued interception. Such reports shall be made at such intervals as the judge may direct, and in any event prior to the expiration of the period of the order or extension thereof.

"(9) Notwithstanding any other provision of this chapter, if the President determines that—

"(a) an emergency situation exists with respect to activities of a foreign power or a foreign agent which poses a substantial threat to the military security or national defense of the United States and that requires a wire or oral communication to be intercepted before an order authorizing such interception can with due diligence be obtained, and

"(b) there are grounds upon which an order could reasonably be entered under sections 2516A and 2518A of this chapter to authorize such interception, the President may in advance and in writing authorize the interception of such wire or oral communication by the Federal Bureau of Investigation if an application for an order approving the interception is made in accordance with this section and section 2516A as soon as possible and in any event within forty-eight hours after the interception begins to ocurr. Any such authorization to intercept shall be made by the President personally and shall not be delegated. In the absence of an order, such interception shall immediately terminate when the communication sought is obtained or when the application for the order is denied, whichever is earlier. In the event such application for approval is denied, or in any other case where the interception is terminated without an order having been issued, the contents of any wire or oral communication intercepted shall be treated as having been obtained in violation of this chapter, and an inventory shall be served as provided for in subsection (11) of this section on the person named in the application and on all identifiable parties whose communications were intercepted.

"(10) (a) The contents of any wire or oral communication intercepted by any means authorized by this chapter shall, if possible, be recorded on tape or wire or other comparable device. The recording of the contents of any wire or oral communication under this subsection shall be done in such a way as will protect the recording from editing or other alterations. Immediately upon the expiration of the period of the order, or extensions thereof, such recordings shall be made available to the judge issuing such order and sealed under this directions. Custody of the recordings shall be wherever the judge orders. They shall not be destroyed except upon an order of the issuing or denying judge and in any event shall be kept for ten years.

"(b) All applications, orders granting or denying applications, reports made pursuant to subsection (8) of this section, findings, rulings, and all other documents and transcripts of testimony furnished in connection with any application made pursuant to section 2516A of this chapter shall be sealed by the judge, and custody of them shall be wherever the judge directs. They shall not be destroyed except upon an order of the issuing or denying judge and in any event shall be kept for ten years.

"(c) Any violation of the provisions of this subsection may be punished as contempt of the issuing or denying judge.

"(11) Notwithstanding any other provision of this chapter, within a reasonable time but not later than ninety days after the filing of an application for an order of approval under section 2518A(9) which is denied or the termination of the period of an order entered under this section or extensions thereof, the issuing or denying judge shall cause to be served, on the persons named in the order or application and on all reasonably identifiable persons whose communications were intercepted, an inventory which shall include notice of—

"(a) the fact of the entry of the order or the application;

"(b) the date of the entry and the period of authorized, approved, or disapproved interception, or the denial of the application; and

"(c) the fact that during the period wire or oral communications of such person were or were not intercepted.

The judge, upon the filing of a motion, shall make available to such person or his counsel for inspection a copy of each court order, extension, and application under which such interception was authorized or approved, and a complete and accurate transcript or other record of the intercepted communications of such person and other parties to such communications: *Provided*, That upon application of the President, the judge may postpone the filing of an inventory and the disclosure of the interception for ninety days if the judge makes specific findings of facts or circumstances indicating that there is probable cause to believe that such disclosure will endanger the military security or national defense of the United States; and the judge may grant additional postponements for periods of ninety days upon making the same findings: *Provided further*, That notwithstanding any other provision of this chapter, such filing of an inventory and disclosure of the interception must be made if an application for an order of approval for an interception conducted under section 2518A(9) has been denied.

"(12) (a) Notwithstanding any other provision of this chapter, any aggrieved person in any trial, hearing, or proceeding in or before any court, department, officer, agency, regulatory body, or other authority of the United States, a State, or a political subdivision thereof, may move to suppress the contents of any intercepted wire or oral communication, or evidence derived therefrom, on the grounds that—

"(i) the communication was unlawfully intercepted;

"(ii) the order of authorization or approval under which it was intercepted is insufficient on its face;

"(iii) the interception was not made in conformity with the order of authorization or approval; or

"(iv) such suppression is required by section 2515(2) of this chapter.

Such motion shall be made before the trial, hearing, or proceeding unless there was no opportunity to make such motion or the person was not aware of the grounds of the motion. If the motion is granted, the contents of the intercepted wire or oral communication, or evidence derived therefrom, shall be treated as having been obtained in violation of this chapter.

"(b) In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion to suppress made under paragraph (a) of this subsection, or the denial of an application for an order of approval, if the United States attorney shall certify to the judge or other official granting such motion or denying such application that the appeal is not taken for purposes of delay. Such appeal shall be taken within thirty days after the date the order was entered and shall be diligently prosecuted."

Sec. 9. Section 2519 of title 188, United States Code, is amended by inserting at the end thereof the following new subsections:

"(4) In January, April, July, and October of each year, the Attorney General shall report to the Committees on the Judiciary and on Foreign Relations of the Senate and the Committees on the Judiciary and on Foreign Affairs of the House of Representatives the following information with respect to interceptions of wire or oral communications made during the preceding three months pursuant to applications made under section 2516A and orders and extensions granted or denied under section 2518A of this chapter:

"(a) the number of such extensions applied for during the preceding three months;

"(b) the number of such orders and extensions granted;

"(c) the number of such orders and extensions denied;

"(d) the maximum and minimum numbers of such interceptions in place at any time during the preceding three months;

"(e) the number of such interceptions terminated during the preceeding three months;

"(f) the duration of all such interceptions in place on the day of the report;

'('g) the duration of all such interceptions terminated during the preceding three months;

"(h) the status of all interceptions made under the provisions of section 2518A(9) of this chapter within the preceding three months; and

"(i) the monetary and other costs of all such interceptions during the preceding three months.

"(5) The President, the Attorney General, and all departments and agencies of the Government shall supply to any of the Committees named in subsection (4) of this section, upon request of such Committee, any information regarding any interception of wire or oral communications made or applied for pursuant to section 2516A or section 2518A of this chapter, within thirty days of the receipt of such request."

Sec. 10. Chapter 119 of title 18, United States Code, is amended by inserting immediately after section 2520 thereof the following new section:

"§ 2521. Standards for Record-Keeping and Dissemination

"Notwithstanding any other provision of law, within 90 days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register proposed regulations concerning:

"(1) the maintaining of records, files, and indexes regarding wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter; and

"(2) the disclosure, distribution, or dissemination of information derived from wire or oral communications intercepted pursuant to sections 2516A and 2518A of this chapter among employees of departments and agencies of the Government, including:

"(a) to whom, by whom, and under what procedures such information may be disclosed, distributed or disseminated;

"(b) what type of such information may be disclosed, distributed, or disseminated; and

"(c) what use may be made of such information. Following public hearings, and within 180 days after the effective date of this section, the Attorney General shall issue and cause to be published in the Federal Register regulations concerning the subjects described in subsections (1) and (2) of this section."

Sec. 11. (a) The analysis of chapter 119 of title 18, United States Code, is amended by inserting immediately after the item "2516. Authorization for interception or wire or oral communications.", the following new item:

"2516A. Authorization for interception of wire or oral communications relating to military security or national defense.".

(b) Such analysis is further amended by inserting immediately after the item "2518. Procedure for interception of wire or oral communications.", the following new item:

"2518A. Procedure for interception of wire or oral communications relating to military security or national defense.".

(c) Such analysis is further amended by inserting immediately after the item "2520. Recovery of civil damages authorized.", the following new item:

"2521. Standards for Record-Keeping and Dissemination.".

S. 4062—The Freedom From Surveillance Act of 1974

SECTION-BY-SECTION ANALYSIS

Section 1—S. 4062 would be entitled the "Freedom from Surveillance Act of 1974."

Section 2—Contains the findings and declarations of Congress.

Subsection (a) notes that under present law, the interception of oral or wire communications on the basis of national security is the subject of little judicial or administrative supervision, see 18 U.S.C. § 2511(3), and that as a result claims of national security have been used to justify unlawful electronic surveillances. See, *e.g., United States* v.

United States District Court, 407 U.S. 297 (1972).

Subsection (b) reflects the view that the right of privacy and other rights which are protected from governmental intrusion by the First, Fourth, Fifth, Sixth, and Ninth Amendments to the United States Constitution, *NAACP* v. *Alabama,* 357 U.S. 449 (1958); *Katz* v. *United States,* 389 U.S. 347 (1967); *Boyd* v. *United States,* 116 U.S. 616 (1886); *Griswold* v. *Connecticut,* 381 U.S. 479 (1965); *Roe* v. *Wade,* 410 U.S. 113 (1973), *Massiah* v. *United States,* 377 U.S. 206 (1964) is a right which should be afforded to all within the territorial jurisdiction of the United States regardless of their nationality.

Subsection (c) articulates the fact that the interception of wire or oral communications on the grounds of national security without judicial supervision may be contrary to the demands of the Fourth Amendment, *cf., United States* v. *United States District Court, supra; United States* v. *Butenko,* 494 F.2d 593 (3d Cir. 1974), and is contrary to sound legislative policy.

Subsections (d) and (c) make it clear that Congress has concluded that prior judicial approval for the interception of wire or oral communications conducted for the purpose of protecting national security not only does not encumber the Chief Executive in the exercise of his authority but negates the possibility that his constitutional power will be abused in the name of national security, *United States* v. *United States District Court, supra; Youngstown Sheet & Tube Co.* v. *Sawyer,* 343 U.S. 579 (1952); *United States* v. *Nixon,* ——— U.S. ——— (1974).

Subsection (f) declares it to be the intention of Congress in enacting the Freedom from Surveillance Act of 1974 to provide administrative practices, procedures and standards for that narrow classification of cases in which the interception of wire or oral communications by public officials is permitted under judicial supervision.

Section 3—Would amend 18 U.S.C. § 2510, which defines the terms used in the federal statute which regulates the interception of wire or oral communications, 18 U.S.C. §§ 2510–2520, by adding definitions of the terms "foreign agent" and "target." The significance of these definitions is discussed in connection with the analysis of other amendments to 18 U.S.C. §§ 2510–2520.

Section 4—Would amend 18 U.S.C. § 2511 (2) (a) (ii). As presently worded, this section immunizes communication carrier employees and agents who assist law enforcement officials authorized to intercept wire or oral communications. Under existing law, communication carrier assistance to those engaging in the interception of wire or oral communications is further encouraged by a provision which permits those who secure judicial approval or authorization for such interceptions to obtain a court order directing the cooperation of the communications carrier, 18 U.S.C. § 2518(4). Section 4 of the Freedom from Surveillance Act of 1974 would amend 18 U.S.C. § 2511(2) (a) (ii) to require communications carriers to obtain a certified copy of the court order authorizing or approving the interception before rendering any assistance to those seeking to intercept wire or oral communications. It would also require the communications carrier to maintain a permanent record of such assistance. Failure to comply with either of these requirements would subject those responsible to criminal and/or civil liability under the provisions of 18 U.S.C. §§ 2510–2520. The purpose of these amendments is to limit the availability of assistance from the communications carrier to those instances where interception of wire or oral communications is to be conducted under judicial supervision and to provide litigants with a source of evidence of interception. It is important to note that these amendments apply to *all* interceptions conducted under judicial supervision, including those which are based on national security grounds and those which are not.

Section 5—Would repeal 2511(3). That subsection currently provides:

> Nothing contained in this chapter or in section 605 of the Communications Act of 1934 (48 Stat. 1143; 47 U.S.C. 605) shall limit the constitutional power of the President to take such measures as he deems necessary to protect the Nation against actual or potential attack or other hostile acts of a foreign power, to obtain foreign intelligence information deemed essential to the security of the United States, or to protect national security information against foreign intelligence activities. Nor shall anything contained in this chapter be deemed to limit the constitutional power of the President to take such measures as he deems necessary to protect the United States against the overthrow of the Government by force or other unlawful means, or against any other clear and present danger to the structure or existence of the Government. The contents of any wire or oral communication intercepted by authority of the President in the exercise of the foregoing powers may be received in evidence in any trial hearing, or other proceeding only where such interception was reasonable, and shall not be otherwise used or disclosed except as is necessary.

United States v. *United States District Court, supra,* held that this subsection was not a Congressional authorization to conduct such activities. Repeal of the section and the other provisions of the Freedom from Surveillance Act of 1974 would make it clear that such conduct is subject to judicial supervision under 18 U.S.C. §§ 2510–2520, *cf., United States Butenko, supra.*

Section 6—Would amend 18 U.S.C. 2515 (prohibition of use as evidence of intercepted wire or oral communications) by adding a new subsection (2). 18 U.S.C. § 2515(2) would prohibit any federal or state judicial, administrative, or legislative proceeding from receiving any evidence obtained directly or indirectly from the interception of wire or oral communications conducted under the authority of 18 U.S.C. § 2518A (Procedure for interception of wire or oral communications relating to military security or national defense), except in a civil action authorized by 18 U.S.C. § 2520 (Recovery of civil damages authorized) or in civil proceedings against foreign agents. "Foreign agent" would only include "(a) a citizen of a foreign nation who is an employee of a foreign power" or "(b) a person who is engaged in activities that are—(i) intended to serve the interests of a foreign power and to undermine the military security or national defense of the United States; and (ii) substantially organized, directed, and financed by a foreign power." 18 U.S.C. § 2510(12). Evidence so secured would not be admissible in criminal proceedings, since 18 U.S.C. § 2518A is clearly limited to intelligence gathering and protection from attack and interceptions conducted as part of an investigation into acts of espionage, sabotage and treason can and must be authorized under 18 U.S.C. §§ 2516–2518.

Section 7—Would amend chapter 119 of title 18 of the United States Code (Wire interception and interception of oral communications) by adding a new section 18 U.S.C. § 2516A. This new section would permit the President, under the procedures to be established by 18 U.S.C. § 2518A, to authorize application for judicial approval of the interception of wire or oral communications. In addition to the restrictions that would be established by 18 U.S.C. § 2518A, the judge to whom the application is made may authorize or approve interception only (a) where the communications to be intercepted are those of a foreign power or a foreign agent as defined in 18 U.S.C. § 2510(12), (b) where such interception is not inconsistent with the international obligations of the United States, and (c) where "there is probable cause to believe that such interception is necessary to obtain information which is (1) necessary to protect the Nation against actual or potential attack or other hostile acts of a foreign power; (2) foreign intelligence information that is essential to the military security or national defense of the United States; or (3) necessary to protect military security or national defense information against foreign intelligence activities." Like the provisions of 18 U.S.C. § 2516 which require the personal attention of high Justice Department officials for authorization of interceptions conducted as part of a criminal investigation, 18 U.S.C. § 2516A would require the personal authorization of the President in writing; his authority under this section is not delegable; compare *United States* v. *Giordano,* — U.S. — (1974).

Interceptions conducted under the authority of 18 U.S.C. §§ 2516A, 2518A may only be conducted by the FBI; they may not be conducted by the Central Intelligence Agency, the Secret Service, or any other state or federal law enforcement agency. The purpose of this restriction is two-fold. First, it is the belief of Congress that such interceptions conducted within the territorial jurisdiction of the United States would be inconsistent with the mission of those agencies. Second, it is the intent of Congress that this type of interception be narrowly confined and that executive responsibility should be ultimately limited to the President.

The requirement that such interceptions be consistent with the international obligations of the United States is imposed in recognition of its authority and responsibility with respect to regulating foreign commerce and to raise and support the Armed Forces of the United States, among others, see U.S. Const., Art. I, § 8, cls. 3, 11, 12, 13, 14, and 18; *Youngstown Sheet & Tube Co.* v. *Sawyer, supra,* and the Vienna Convention on Diplomatic Relations, which was ratified by the Senate in 1965. The type of information which may be the object of such interceptions would be narrowly confined to prevent a recurrence of past abuses, compare, *United States* v. *Butenko, supra,* with, *Zweibon* v. *Mitchell,* 363 F. Supp. 936 (D.D.C. 1973).

Section 8—Would amend chapter 119 of title 18 of the United States Code by adding a new section, 18 U.S.C. § 2518A (Procedure for interception of wire or oral communications relating to military security or national defense).

Subsection (1) would provide that only three judges of the District of Columbia District Court, specifically designated by that court, could receive applications and issue orders approving or authorizing the interception of wire or oral communications on the basis of military security or national defense. The judges would be selected on a random basis and without advance notice to the applicant. The District of Columbia District Court would be given authority to promulgate regulations governing the processing of these applications. If at all possible, the same judge would handle all requests for orders and extensions under 18 U.S.C. 2516A and 2516 associated with the same application. The practice of permitting the court to designate certain judges to receive applications for approval or authorization of the interception of wire or oral communications is employed by a number of state statutes regulating wiretapping and electronic surveillance by state law enforcement officials, e.g., Conn. Gen. Stat. Ann. § 54–41a(7); Del. Code Ann. tit. 11 § 757(a); N.J. Stat. Ann. § 2A; 156A–2(i). This method of selection was chosen to avoid the appearance of "judge shopping" in connection with military security and national defense interception orders or of executive participation in the selection. The problems anticipated under circumstances where an investigation involves orders under both **§ 2518 and § 2518A are minimized by the requirement that the same** judge supervise all the orders associated with the investigation, where at all possible. These procedures were also adopted to avoid inconsistent rulings on applications for orders on essentially the same matter.

Subsection (2) would enumerate the necessary content of all applications for orders approving or authorizing the interception of wire or oral communications on the basis of military security on national defense and are generally comparable to the provisions of 18 U.S.C. § 2518(1) governing the content of similar applications sought in connection with criminal investigations. Applications would have to be submitted in writing and under oath or affirmation. The demands of 18 U.S.C. § 2518A(2)(A) concerning the description of the facilities, communications and individuals that would be the subject of the order are taken verbatim from 18 U.S.C. § 2518(1)(b), except that the requirement of the latter with respect to the crime(s) under investigation would be omitted as inapplicable. Here and wherever the Freedom from Surveillance Act of 1974 employs the language of 18 U.S.C. §§ 2510–2520 the original intent of Congress with respect to the meaning of that language has been preserved.

See. S. Rep. No. 1097, 90th Cong., 2d Sess. 101(1968).

Subsection 2(b) would require "a full and complete description of the facts and circumstances supporting the applicant's belief that the target is a foreign power or a foreign agent." As noted earlier, 13 U.S.C. § 2510 would be amended to define "foreign agent" and "target." For purposes of 18 U.S.C. § 2518A, "target means the individual or place whose oral or wire communications are sought to be intercepted." 18 U.S.C. § 2510 (13).

Subsection 2(c) is designed minimize the amount of conversation not subject to the interception order but which is intercepted in execution of the order. It provides that a full and complete description be included in the application as to the innocent conversations that is likely to be intercepted and the steps taken to minimize the interception of such innocent communications.

Subsection 2(d) is identical to 18 U.S.C. § 2518(1)(c).

See S. Rep. 1097, 90th Cong., 2d Sess. 101 (1968). However, this subsection would have to be read in conjunction with subsection (g), which requires the applicant to show why the use of the more ordinary order under 18 U.S.C. §§ 2516, 2518 could not be obtained.

Subsection (2)(e) would be the same as 18 U.S.C. § 2518(d), which requires a statement of the period of time during which the interceptions are to be made.

See S. Rep. No. 1097, 90th Cong., 2d Sess. 101(1968).

Subsection (2)(f) would use the same language found in 18 U.S.C. § 2518(e), which "requires a full and complete statement of the facts concerning all previous applications known to the individual authorizing and making the application, made to any judge for authorization to intercept, or for approval of interceptions of, wire or oral communications involving any of the same persons, facilities, or places specified in the application, and the action taken by the judge on each such application." S. Rep. No. 1097, 90th Cong., 2d Sess. 102(1968). Compliance with this requirement would be easier and more effective under the provisions of the Freedom from Surveillance Act, since as noted earlier only the President may authorize an application, and applications involving the same matter will ordinarily be filed with the same judge, see 18 U.S.C. §§ 2516A, 2518A(1)(b).

As noted earlier, subsection (2)(g) would require the applicant to provide a full and complete statement as to why a more conventional interception order under 18 U.S.C. §§ 2516, 2518 would be unavailable. This section would be reinforced by 18 U.S.C. § 2518A (4)(f), which would prohibit issuance of an order authorizing or approving the interception of wire or oral communications on the grounds of military security or national defense in cases where an interception order under 18 U.S.C. §§ 2516, 2518 would be obtainable.

Subsection (2)(h) would require applications for extensions of existing orders to be accompanied by a full and complete statement as to the results of the interception, the conversations not sought which had been intercepted and the practices and procedures employed to minimize interception of such conversations, and the justification for extending the order. The requirement in an extension application as to the protective measures taken to minimize the interception of conversations which were not sought demands not only a description of the steps taken in executing the original order but those additional steps proved necessary by the amount of innocent conversations intercepted in the execution of that order.

Subsection (2)(h) would be similar to 18 U.S.C. § 2518(f) but its provisions are more demanding with respect to the interception of communications not sought.

Subsection 2(i) provides that the application must demonstrate that the order requested would not be inconsistent with the international obligations of the United States.

Like 18 U.S.C. §2518(2), 18 U.S.C. §2518A(3) would permit the judge considering the application for an order approving or authorizing the interception of wire or oral communications to require that the applicant support his petition with additional testimonial or documentary evidence. In this connection, the Senate Report accompanying the bill which originally contained 18 U.S.C. § 2518(2) observed. "The additional testimony need not be in writing, but it should be under oath or affirmation and a suitable record should be made of it. The use of a court reporter would be the best practice." S. Rep. No. 1097, 90th Cong., 2d Sess. 102(1968). In view of the nature of such evidence likely to be found in applications based on military security or national defense, alternative methods of preserve the record might well be advisable in cases under 18 U.S.C. § 2518A. *United States* v. *United States District Court, supra.*

Subsection (4) provides the criteria to be used by the court in issuing an order under 18 U.S.C. § 2518A and reflects the requirements imposed on applications under that section. As in the case of the application requirements, subsection (4) would use the same language as is found in 18 U.S.C. § 2518, with additional provisions to cover the special concern of (1) minimizing the interception of communications other than those sought in the order, (2) denying orders under 18 U.S.C. §§ 2516A, 2518A when orders under 18 U.S.C.§§ 2516, 2518 would be obtainable, and (3) continued recognition of the international obligations of the United States.

Subsection (5) would be a verbatim reproduction of 18 U.S.C. § 2518, except that the identity of the agency conducting the interception need not be included in the order since only the FBI can conduct interceptions under 18 U.S.C. § 2518A, see 18 U.S.C. § 2516A, and that special provision is made for minimizing the interception of conversations other than those sought.

See S. Rep. No. 7097, 90th Cong., 2d Sess. 102–103(1968).

Subsection (6) would be the same as 18 U.S.C. § 2518(5) except that it contains special provisions to minimize the interception or disclosure or dissemination of conversations which were not sought in the order.

See S. Rept. No. 1097, 90th Cong., 2d Sess. 103 (1968).

Subsection (7) would provide that where an application for an order under either 18 U.S.C. § 2518 or 18 U.S.C. § 2518A had been denied, a subsequent application could not be granted against the same target, defined in 18 U.S.C. § 2510(13), unless the subsequent application contained information unknown and unavailable to the applicant at the time the denial occurred. This provision is designed to encourage more complete applications and to avoid repeated reapplications once a petition is denied.

18 U.S.C. § 2518(6) permits the issuing judge to require progress reports. Subsection (8) would require such reports. The language of 18 U.S.C. § 2518A(8) and 18 U.S.C. § 2518(6) would otherwise be identical.

Subsection (9) would permit the interception of wire or oral communications on the basis of military security or national defense without prior court approval in limited emergency situations. Where the President personally determined that grounds for an order under 18 U.S.C. §§ 2516A, 2518A existed and that an emergency situation existed posing a substantial threat to military security or national defense and requiring interception before an order under 18 U.S.C. §§ 2516A, 2518A could be obtain interception without prior court approval would be permitted. Compare *United States* v. *Butenko*, 494 F.2d 593 (3d Cir. 1974).

It is contemplated that this provision will not be used unless none of the three designated judges is available to hear an application for a court order.

With the exceptions for duplicate copies and other disclosure contained 18 U.S.C. § 2518(8), Subsection (10) would be the same as 18 U.S.C. § 2518(8)(a)–(8)(c).

See S. Rept. No. 1097, 90th Cong., 2d Sess. 104–105 (1968). Because of their very nature, cases under 18 U.S.C. §§ 2516A, 2518A, would call for the upmost confidentiality, and as a result knowledge of the fact that an interception occurred may be necessary to prevent abuse. See section 4 of this Act and 18 U.S.C. §§ 793, 794, 798.

While similar to 18 U.S.C § 2518(8)(d) in many respects, subsection (11) has several distinctive features. The subsection provides for post-interception notification of those mentioned in an application or order and those whose conversations were intercepted. It would include notice of entry of the order, the date of its entry, the period when interceptions were authorized, and whether any interceptions took place. Notice would be required within 90 days after the termination of an order or extension or the denial of an application following an emergency interception. It would require that the application and any order or extensions to made available for inspection. Except in the case of an emergency exception, the court may postpone this notice, inventory and inspection for ninety-day intervals upon an application by the President showing probable cause to believe that such disclosure would endanger the military security or national defense of the United States.

Subsection (12) is the same as 18 U.S.C. § 2518(10) except that it would provide for suppression of evidence as would be required by 18 U.S.C. § 2515(2)—see section 6 of this

Act—and need not provide for inspection because of the provisions of subsection (11).

See S. Rep. No. 1097, 90th Cong., 2d Sess. 106–107(1968).

Section 9—Would amend 18 U.S.C. § 2519 (Reports concerning intercepted wire or oral communications) by adding two new subsections, 18 U.S.C. § 2519(4) would require the Attorney General to report every three months to the House and Senate Judiciary Committees, to the Senate Foreign Relations Committee and to the House Foreign Affairs Committee as to the extent to which the authority under 18 U.S.C. §§ 2516A, 2518A was being used. The report would have to include the number of orders and extensions granted and denied, the number of interceptions terminated, the maximum and minimum number of interceptions in place at any one time during the reporting period, the duration of interceptions in place on the day of the report and of those terminated during the reporting period, the status of all interceptions during the reporting period, and the costs of all interceptions during the reporting period.

Under the provisions of 18 U.S.C. § 2519 (5), the House and Senate Judiciary Committees, the Senate Foreign Relations Committee and the House Foreign Affairs Committee would be entitled to any information concerning the use of 18 U.S.C. §§ 2516A, 2518A within 30 days after it was sought from the President, Attorney General or any department or agency of the United States. It is contemplated that such information would be supplied under conditions that would protect the privacy of persons whose communications were overheard to the maximum degree practicable.

Section 10—Would amend chapter 119 of title 18 of the United States Code by adding a new 18 U.S.C. § 2521 (Standards for recordkeeping and dissemination). This section would require the Attorney General to issue proposed regulations on the maintenance and availability of records, files and indexes regarding the interception of wire or oral communications under the authority of 18 U.S.C. §§ 2516A, 2518A, and the disclosure or dissemination of information derived from such interceptions, within 90 days of the effective date of the Freedom from Surveillance Act of 1974. It would also require promulgated regulations on the same subject within 180 days of the effective date of the Act and after public hearings.

Section 11—Would amend the table of analysis appearing at the beginning of chapter to conform with the new legislation.

WARRANTLESS WIRETAPPING

Mr. MUSKIE. Mr. President, I am delighted to cosponsor the Freedom From Surveillance Act of 1974. Jointly with two judiciary subcommittees, the Foreign Relations Subcommittee on Surveillance, of which I am chairman, held hearings this spring and summer to explore the balance between our legitimate national security needs and the rights of individuals in cases of wiretapping for national security purposes. As a result of our investigations, we found that there was a clear need to closely define and sharply limit the Executive authority to order wiretaps or other means of electronic surveillance—both because of past abuses and because of the potential for future abuse.

In our democracy, a decision to invade the privacy of an American citizen or of anyone living in America must be made with a full regard for the constitutional rights which could thus be jeopardized. Such a decision should not be made lightly or arbitrarily by the Executive.

Three of the first four constitutional amendments in our Bill of Rights deal directly with our freedom to be safe in our homes, thoughts, and persons. They are freedoms from Government intrusion into our lives.

Congress dealt with the problem of domestic surveillance in the Omnibus Crime Control and Safe Streets Act of 1968. But similar invasions of privacy with a national security justification were not covered. And it has become evident that the national security argument can be and has been used as a cloak for actions far afield of our legitimate national security interests.

As reasonable men, we had put our faith in the reasonable use of power. That faith has been abused, and we offer this legislation to check the unreasonable power now vested in the President to order actions in the name of national security.

Essentially, the bill forbids wiretapping or other means of electronic surveillance without a court order. And under the warrant procedure which would be established, there would be very strict safeguards and specific limits on the wiretaps.

In order to limit not only the purposes of wiretaps, but also the authority to seek them, an application for court order would have to be signed by the President. It would then be heard by one of three judges to be selected by the U.S. District Court in Washington, D.C., and the Government would not know in advance which judge would hear the request.

In order to issue a warrant, the court would have to identify and specify the precise information sought by the wiretap, make certain of the national security justification, and determine that eavesdropping on innocent conversations would be minimized.

National security warrants could only be obtained to intercept the communications of a foreign power, or an employee of a foreign power, or a person whose activities are intended to benefit a foreign power or undermine the American national defense or security.

Warrants would be limited to 30 days, unless a finding was made that the wiretap yielded significant information and would continue to do so. The information obtained from the wiretaps would not be admissible in any trial or hearing, except in civil suits challenging the legality of the wiretap or in suits against foreign agents. All agencies of Government except the FBI would be prohibited from conducting national security wiretaps.

In an extreme case, where a judge could not be located, the President could order a wiretap of 48-hours duration, but a warrant must be sought within that period. If a warrant is not issued, or if the wiretap is terminated, the contents of all overheard conversations would have to be disclosed to the affected parties within 90 days.

The bill would also impose recordkeeping requirements on the telephone company and on the Government, and provides disclosure of the number, duration, and cost of all national security wiretaps every 3 months. As an extra safeguard, all American citizens overheard on such a wiretap would be notified of the tap within 90 days, unless a judge found that disclosure would endanger our national security.

Mr. President, it is Government's first responsibility to safeguard the rights and liberties of its citizens. The bill we offer today provides a needed check on the Government's power to violate those rights.

And as we continue the hearing process on this issue, I am certain a consensus will emerge which will strike that balance I have spoken of between our legitimate national security interests and our obligation to protect the constitutional rights of individuals.

By Mr. MAGNUSON:

S. 4064. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment treatment of certain animals, and for other purposes. Referred to the Committee on Commerce.

ANIMAL WELFARE ACT AMENDMENTS

Mr. MAGNUSON. Mr. President, today I am introducing a bill similar to one introduced in the House by my friend and colleague from the Fifth District of the State of Washington, Representative Thomas Foley. Known as the "Animal Welfare Act Amendments of 1974," this legislaton is designed to improve the conditions of animals in transit. Mr. Foley's bill also contains a prohibition against the shipment of dogs in commerce for use in fights conducted for sport and wagering. I plan to introduce separate legislation today dealing with this subject matter.

The need for national legislation to protect animals in transit has been proven during hearing conducted by several congressional subcommittees, most recently at hearings held by Congressman Foley's Subcommittee on Livestock and Grains of the House Agriculture Committee. Witness after witness has recounted the neglectful and inhumane handling of pets and laboratory animals during commerical shipment. During transit by flight, for instance, there is often no way to control the temperature or other environmental conditions of the compartment in which animals are carried. And some have suggested that the most dangerous time for animals in transit is not actually during shipment from one terminal to another, but after they have arrived at the second terminal and before they are either picked up or delivered to their final destination. For instance, a recent shipment of laboratory mice bound for NIH, having survived the plane ride, was subsequently roasted to death when the crates in which they were shipped were left out on the airport runway under a blazing sun for several hours. One need only travel across the Potomac to Washington National Airport to witness the crowded and substandard conditions which exist for animals in transit—conditions common at many airports and other terminals throughout the country.

The present Federal Laboratory Animal Welfare Act provides standards for the case and housing of animals in laboratories and other facilities through regulation of animal dealers, exhibitors, and research facilities. That law does not provide standards for the case of animals by the common carriers and intermediate handlers who transport the animals to the dealers or researchers. The "Animal Welfare Act Amendments of 1974," which I introduce today, will rectify this situation and bring common carriers and intermediate handlers under the purview of the Animal Welfare Act. To facilitate enforcement of the act, all common carriers and intermediate handlers who deal in animal shipments will be required to register with the Secretary of Agriculture and keep such records as are required by the Secretary. The act directs the Secretary to promulgate standards for the care of animals in transit, including standards for containers, feed, water, ventilation, temperature, and veterinary care. The bill also requires the issuance of a veterinary certificate prior to the shipment of an animal certifying that the animal is healthy enough to withstand the shipment. It prohibits, in most instances, the shipment of dogs and cats younger than 8 weeks, and permits the Secretary of Agriculture to make similar rulings for other animals.

The need for this legislation is obvious. Consideration of the Animal Welfare Act Amendments of 1974 will be high on the list of priorities of the Senate Commerce Committee during the remainder of this Congress and during the next Congress. Mr. President, I ask unanimous consent that the text of the bill be inserted into the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4064

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Animal Welfare Act Amendments of 1974".

Sec. 2. The Federal Laboratory Animal Welfare Act of August 24, 1966 (80 Stat. 350, as amended by the Animal Welfare Act of 1970, 84 Stat. 1560; 7 U.S.C. 2131–2155) is hereby further amended by adding the following at the end of the first section thereof: "The Congress hereby finds that animals and activities which are regulated under this Act are either in interstate or foreign commerce or substantially affect such commerce or the free flow thereof, and that regulation of such animals and activities as provided in this Act is necessary to prevent and eliminate burdens upon such commerce, to effectively regulate such commerce, and to carry out the objectives of this Act.

Sec. 3. Section 2 of such Act is amended by deleting paragraph (d) defining "affecting commerce"; and by amending paragraph (c) defining "commerce" by changing the last clause to read "or within any State, territory, possession, or the District of Columbia.".

Sec. 4. Such Act is further amended by deleting the term "affecting commerce," from paragraphs (e) and (f) of section 2 and sections 4, 11, and 12, wherever the quoted term appears therein, and by substituting therefor the term "in commerce,"; and by deleting, from paragraph (h) of section 2, the phrase "or the intended distribution of which affects commerce, or will affect commerce," and substituting therefor the phrase "or are intended to be moved in commerce,".

Sec. 5. Section 2 of such Act is further amended by adding thereto two new paragraphs to read:

"(i) The term 'intermediate handler' means any person, other than a dealer, research facility, exhibitor, any person excluded from the definition of a dealer, research facility, or exhibitor, an operator of an auction sale, or a common carrier, who is engaged in any business in which he receives custody of animals in connection with their transportation in commerce.

"(j) The term 'common carrier' means the operator of any airline, railroad, shipping line, or other enterprise, which is engaged in the business of transporting any animals for the public, for hire.".

Sec. 6. Section 6 of such Act is amended by inserting after the term "research facility", a comma and the term "every intermediate handler, every common carrier,".

Sec. 7. Section 9 of such Act is amended by inserting after the term "Section 12 of this Act,", the term "or an intermediate handler, or a common carrier,", and by deleting the term "or an operator of an auction sale as well as of such person" at the end of section 9 and substituting therefor the following term: "operator of an auction sale, intermediate handler, or common carrier, as well as of such person.".

Sec. 8. Section 10 of such Act is amended to read as follows:

"Sec. 10. Dealers, research facilities, intermediate handlers, common carriers, and exhibitors shall make and retain for such reasonable period of time and on such forms as the Secretary may prescribe such records with respect to the purchase, sale, transportation, identification, receiving, handling, delivering, and previous ownership of animals as the Secretary may prescribe. Such records shall be made available at all reasonable times for inspection and copying by the Secretary.".

Sec. 9. Section 13 of such Act is amended by designating the provisions thereof as paragraph (a) and by adding, after the second sentence therein, a new sentence to read: "The Secretary shall also promulgate standards to govern the transportation in commerce, and the handling, care, and treatment in connection therewith, by intermediate handlers, air carriers or other common carriers, of animals consigned by any dealer, research facility, exhibitor, operator of an auction sale, or other person, or any department, agency, or instrumentality of the United States, for transportation in commerce. The standards shall include such requirements with respect to containers, feed, water, rest, ventilation, temperature, handling, adequate veterinary care, and other factors as the Secretary determines are relevant in assuring humane treatment of animals in the course of their transportation in commerce.".

Sec. 10. Section 13 of such Act is further amended by adding at the end thereof new paragraphs (b), (c) and (d) to read:

"(b) No animals shall be delivered by any dealer, research facility, exhibitor, operator of an auction sale, or department, agency, or instrumentality of the United States, to any intermediate handler or common carrier for transportation in commerce, or received by any such handler or carrier for such transportation from any such person, department, agency, or instrumentality, unless the animals are accompanied by a certificate issued by a veterinarian licensed to practice veterinary medicine, certifying that the animals when so delivered are sound, healthy, and in such condition that they may reasonably be expected to withstand the rigors of the intended transportation without adverse effects. Such certificates received by the intermediate handlers and the common carriers shall be retained by them as provided in section 10 of this Act.

"(c) No dogs or cats, or additional kinds or classes of animals designated by regulation of the Secretary, shall be delivered by any person to any intermediate handler or common carrier for transportation in commerce if they are less than eight weeks of age, or such other age as the Secretary may by regulation prescribe. The Secretary shall designate additional kinds of classes of animals and may prescribe ages different than eight weeks for particular kinds or classes of dogs, cats, or designated animals, for the purposes of this section, when he determines that such action is necessary or adequate to assure their humane treatment in connection with their transportation in commerce.

"(d) No intermediate handler or common carrier involved in the transportation of any animal in commercial shall participate in any arrangement or engage in any practice under which the cost of such animal or the cost of the transportation of such animal is to be paid and collected upon delivery of the animal to the consignee.".

Sec. 11. Section 15 of such Act is amended by inserting after the term "exhibition" in the first sentence, a comma and the term "or administration of statutes regulating the transportation in commerce or handling in connection therewith of any animals", and by adding the following at the end of the sentence: "No standard governing the air-transportation and handling of animals in connection therewith shall be made effective without the approval of the Secretary of Transportation who shall have the authority to disapprove any such standard if he finds that changes in its provisions are necessary in the interest of flight safety.".

Sec. 12. Paragraph (a) of section 16 of such Act is amended by inserting the term "intermediate handler, common carrier," in the first sentence after the term "exhibitor," each time the latter term appears in the sentence; by inserting before the period in the third sentence, a comma and the term "or (5) such animal is held by an intermediate handler or a common carrier" and by deleting the term "or" before the term "(4)" in the third sentence.

Sec. 13. Section 19 of such Act is amended by adding at the end thereof the following new paragraph (d):

"(d) Any intermediate handler or common carrier that violates any provision of section 13 of this Act or any standard promulgated thereunder may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. Each violation shall be a separate offense. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to the alleged violation, and the order of the Secretary assessing a penalty shall be final and conclusive unless the affected person files an appeal from the Secretary's order with appropriate United States court of appeals. Such court shall have exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of the Secretary's order, and the provisions of sections 2341, 2343 through 2350 of title 28, United States Code, shall be applicable to such appeals and orders. Any such civil penalty may be compromised by the Secretary. Upon any failure to pay the penalty assessed by a final order under this section, the Secretary shall request the Attorney General to institute a civil action in a district court of the United States or other

United States court for any district in which such person is found or resides or transacts business, to collect the penalty, and such court shall have jurisdiction to hear and decide any such action.".

Sec. 14. Section 24 of such Act is amended by inserting a comma and the term "intermediate handlers, and common carriers" after the term "dealers" in the third sentence; and by adding a comma and the following provisions before the period at the end of the first sentence: "except that the regulations relating to intermediate handlers and common carriers shall be prescribed no later than nine months from the date of enactment of the 'Animal Welfare Act Amendments of 1974' "; and by inserting ", except section 26," immediately after "provisions of this Act" in both the second and third sentences.

Sec. 15. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to issue regulations to assure the humane handling of livestock (as excluded in section 2(f) of the Act of August 24, 1966, as amended) by any person having custody thereof in the course of their transportation by railroad, motor carrier, airline, or other common carrier from one State or territory or the District of Columbia into or through another State or territory or the District of Columbia. Such regulations may impose more stringent requirements than are otherwise prescribed in this or any other Act. Any person who violates any such regulation shall be liable for and forfeit and pay a penalty as provided in sections 3 and 4 of the Act of June 29, 1906 (45 U.S.C. 71–74).

Sec. 16. If any provision of this Act or of the amendments made hereby or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the remaining amendments and of the application of such provision to other persons and circumstances shall not be affected thereby.

By Mr. MAGNUSON:

S. 4065. A bill to prohibit the shipment in interstate commerce of dogs and other animals intended to be used to fight dogs or other animals for purposes of sport, wagering, or entertainment. Referred to the Committee on Commerce.

ANTI-ANIMAL-FIGHTING BILL

Mr. MAGNUSON. Mr. President, today I am introducing legislation to end the practice of using cocks, dogs, and other animals in bloody fights conducted for purposes of sport and wagering. This is a cruel and inhumane activity that is growing throughout the country.

Dogfighting was recently brought to the attention of the American public by two articles in the New York Times, as well as by the appearance on the NBC "Today Show" of Mr. Roger Caras, executive vice president of the Humane Society of the United States—HSUS. The Times articles, based on investigations conducted by the American Dog Owners' Association—ADOA—and the Humane Society indicate that the practice is growing.

Dogfighting is a terrible thing. A young puppy destined for a life in the fight ring is "fed" a score or more of cats and younger dogs to hone its blood instincts. As the puppy develops a trained appetite for blood and killing, it is physically attuned and "conditioned" for fighting. The training period ends and the animal is brought to the ring to face other dogs of similar size and weight. These matches are barbaric. A match will last anywhere from 30 minutes to 2½ hours. The dog will attack various parts of its opponent's body, such as the ears, legs, or throat, and chew incessantly. The match ends when one dog dies or "curs out"—turns away and refuses to fight any longer.

Money, as well as blood, flows freely at these matches. The Times claims admission costs run between $3 and $10, and the average bets at a big fight equal around $500. Sometimes these fights are turned into degrading family affairs, with children as well as adults attending. Lookouts are posted to watch for interlopers, especially the law, since these activities are illegal in all 50 States, generally under State anticruelty to animal statutes. Nevertheless, according to the Humane Society and American Dog Owners Association investigators, penalties are often minimal and therefore fail to serve as a deterrent against future violations.

Violence victimizes not only the dogs, but often the observers at these matches. Investigations reported in the Times have linked prostitution rings, illegal drug and liquor sales, and even shootings and murders with these matches.

My good friend and colleague from the State of New Jersey, Senator Williams, has recently introduced legislation which would prohibit the shipment of dogs in commerce for use in these activities. I support the concept of that bill, and was pleased to cosponsor it. But more comprehensive legislation is needed. Organized cockfighting is just as cruel and even more pervasive than organized dogfighting, according to ADOA investigators. Other animals, such as raccoons and bears, are also pitted against each other for sadistic entertainment. The legislation which I will introduce today is designed to prevent the use of all animals in these barbaric affairs. In addition, my bill would ban the manufacture and shipment of any equipment or devices such as spurs or gaffs used in these fights. It would make it illegal to organize, participate in, or observe these fights, The bill would be administered by the Department of Agriculture, which would have the authority to draw up regulations under the act, and would be jointly enforced by the Departments of Agriculture and Justice.

Mr. President, our society is subjected to enough cruelty and violence without these scurrilous activities. This situation demands immediate national legislative attention.

I ask unanimous consent that the New York Times articles of September 16 and August 15, as well as the text of my bill, be inserted into the Record.

There being no objection, the bill and articles were ordered to be printed in the Record, as follow:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that this Act may be cited as the "Animal Fighting Prohibition Act."

FINDINGS

Sec. 2. The Congress hereby finds (1) that the practice of promoting, instigating, or otherwise conducting, for purposes of sport, wagering, or entertainment, any show, exhibition, program, or other activity involving a fight between animals, including animals which were captured, bred, or trained for such purpose, is cruel and inhumane treatment of such animals; and (2) that the movement in commerce of animals for any such activity or the movement in commerce of equipment and devices used in connection with any such activity adversely affects and burdens commerce.

DEFINITIONS

Sec. 3. As used in this Act—

(1) the term "commerce" means commerce between a point in any State or posession of the United States (including the District of Columbia and the Commonwealth of Puerto Rico) and any point outside thereof, or between points within the same State or possession of the United States (including the District of Columbia and the Commonwealth of Puerto Rico) but through any place outside thereof, or within the District of Columbia, or from any foreign country to any point within the United States.

(2) the term "animal" means any mammal of the order Mammalia or any bird of the order Aves.

PROHIBITED ACTS

Sec. 4. It shall be unlawful for any person to—

(1) capture, breed, or train, for sale, shipment, transport, delivery, or movement in commerce any animal for use in any show, exhibition, program, or other activity featuring or otherwise involving a fight between such animal and any other animal for the purpose of sport, wagering, or entertainment;

(2) sell or offer for sale, ship, transport, or otherwise move, or deliver or receive for movement, in commerce, any animal which such person knows or should know has been captured, bred, or trained, or will be used, to fight another animal, for the purpose of sport, wagering, or entertainment;

(3) manufacture for sale, shipment, transportation, delivery, or movement in commerce any device or equipment for use in any show, exhibition, program, or other activity featuring or otherwise involving a fight between two or more animals for purposes of sport, wagering, or entertainment;

(4) sell or offer for sale, ship, transport, or otherwise move, or deliver or receive for movement, in commerce any equipment or device which such person knows or should know is intended for use in connection with any show, exhibition, program, or activity featuring or otherwise involving a fight between two or more animals for purposes of sport, wagering, or entertainment;

(5) promote, conduct, carry on, observe, or participate in, for purposes of sport, wagering, or entertainment, any show, exhibition, program, or other activity involving a fight between two or more animals, if any one or more of such animals, or any equipment or devices used in connection therewith, was moved in commerce; or

(6) make available any site, structure, or facility, whether enclosed or not, which such person knows or should know is intended to be used for the purpose of conducting any show, exhibition, program, or other activity involving a fight between two or more animals, if one or more of such animals or such site, structure, or facility or any part thereof was moved in commerce.

REGULATIONS

Sec. 5. The Secretary of Agriculture, who shall be responsible for the administration of this Act, is authorized to promulgate, in accordance with section 553 of title V, United States Code, such regulations as are necessary to carry out effectively the provisions of this Act.

PENALTIES AND ENFORCEMENT

SEC. 6. (a) Any person guilty of violating any provision of section 4 of this Act or any regulation issued under this Act shall be punishable by a fine of not more than $25,000 or imprisonment for not more than one year, or both.

(b) The Secretary of Agriculture or the Attorney General is authorized to prosecute any person violating any of the acts prohibited under section 4 of this Act or any regulation issued under this Act.

[From the New York Times, Sept. 16, 1974]

TEXAS A MAJOR U.S. CENTER FOR ILLEGAL DOGFIGHTING AND GAMBLING

(By Wayne King)

DALLAS.—If it can be said that there is a capital of dogfighting, the illegal, usually organized, gamblers' game that is growing from coast to coast, then it is probably in Texas.

On any given weekend, up to a dozen fights might be held in and around Dallas, Austin, San Antonio or at other well-guarded locations elsewhere in the state.

A clandestine dogfighters' magazine, Pit Dog Reports, with a secret mailing list, is published near Dallas, several big pit dog breeders live in the state, and some of the biggest matches—called "conventions" are held here, an inquiry by The New York Times has found.

Moreover, dogfighting here, as well as in some other areas, is not simply the weekend diversion of a handful of men with their own special idea of sport. There is high stakes gambling, prostitution, illegal liquor sales, suggestions of drug sales and allegations by a participant of payoffs to the rural police for protection.

MANY SPECTATORS ARMED

Violence is not uncommon; many spectators at fights carry pistols, and there have been two gangland-style assassinations of well-known dogfighters within the last year.

"If you consider the general level of fighting itself, the number of fights, the number of breeders, the level of peripheral activities such as prostitution, then Texas would probably be No. 1," said Duncan Wright, executive director of the American Dog Owners Association, which has been investigating dogfighting.

"Moreover," Mr. Wright added, "it would probably be the focal point of this kind of activity across the entire southwestern United States."

Frank McMahon, chief investigator for the Humane Society of the United States, agrees that the state is an important link in a nationwide network of dogfighters and gamblers. Mr. McMahon visited Texas recently to look into the situation.

In Massachusetts, Don Lambert of the State Society for the Prevention of Cruelty to Animals, noted that an investigation in the Boston area that led to the arrest and conviction of two important dogfighters had turned up evidence of close links to Texas breeders and fighters.

Despite this, the majority of law-enforcement officials here seem for the most part unaware of the extent of dogfighting and related illegal activity, or not particularly interested.

At the moment, according to several confidential sources, dogfighting has slackened considerably because of recent public exposure of the activity and because of police interest in the two slayings.

The bodies of the two men were found last Dec. 30, on the bank of the Trinity River outside Dallas in the town of Farmers Branch. Their hands were tied behind their backs, and both had been shot through the head.

The two, Lewis Richard Halliburton and William Marshall Reed, had appeared prominently in two underground dogfighting publications, the Texas Pit Dog Reports, and Pit Dogs, published in Florida.

According to the police, the two men were last seen attending a cockfight in Farmers Branch the night before their bodies were found. Their hands had been tied with neckties taken from the house where the fight was held. Many of the participants in dogfighting are also involved in cockfighting.

Sources gave two reasons for the killings. One version holds that the two men were killed because they had stolen someone else's fighting dog; another that one or both had provided information about a dogfight that was raided.

Yet another account, given to the police by a prominent dogfighter, was that the men were involved in a hijacking unrelated to the fights and were killed in a squabble over the proceeds.

SETTINGS DESCRIBED

In any case, although some matches or conventions are family affairs, with men, women and children present amid something of a carnival atmosphere, participants say that others are settings for barely subdued violence.

A young Austin man who had been involved in fighting—until his winning dog was mysteriously shot to death—said that quarrels were common and he had been present at a fight at which there had been a shooting.

In Dallas, the owner of a champion fighting dog agreed to an interview on condition of anonymity.

"I'll tell you one thing that I always see at these fights, and that's pistols," he said.

Asked how fights were set up, he said: "Well, the first thing you do is buy the law. They give [a local law-enforcement official] $500 to act as a protector" to warn the participants if there is to be a raid.

"If there is going to be a raid by the state cops," he said, "the fighters will get the word."

The source said that participants in the bigger meetings often traveled some distance to take part, with those involved in the fights themselves bringing from one to 10 dogs. He said they came from California, Utah, Oklahoma, Mississippi, Wisconsin, Massachusetts and Indiana, among other states, where fighting is said to be common.

ORGANIZING A MEETING

The dog owner gave the following description:

For the bigger meetings, with up to a dozen matches, participants rent a block of motels and arrive as a group in campers and in trucks with dog cages on the back.

Word of a convention is sent out by mail from a well-guarded list, giving only the day of the meeting and the city where it is being held. The precise time and location could be discovered only by word of mouth or by telephone among dogfighters, some of whom use code words for identification.

A big fight might draw from 300 to 400 persons, although many smaller ones, involving possibly only a few participants, are held constantly. One fight was held in a bedroom of a home.

At the big fights, however, admission costs, collected by the promoter, range from $3 reported by the Texas source to $9 or $10 reported elsewhere.

The average bet in the big Texas fights is about $500, the source said, although it sometimes ranges much higher. Smaller contests might involve bets as low as $5 or $10, "but that's friendly hometown stuff," he said.

Food and beer is usually sold at the bigger fights—at $1 a can—and occasionally whisky, he disclosed. Asked about prostitution, the source said, "yes, there always seemed to be a lot working the crowd."

However, he said, there was no evidence of drug sales, although Pit Dogs magazine, in an editorial deploring the shootings of the two Texas men, said that drugs and related activities were giving dogfighting "a bad name."

As for the fights themselves, the source said the dogs were weighed and then usually washed thoroughly to insure that their coats had not been treated with anything that would poison the opposing animal when it bit. Then, he said, the dogs were placed in the pit, usually a portable plywood affair, and the fight conducted until one dog was defeated or killed, a finale that might take from 30 minutes to more than two hours.

Normally, the dogs, usually specially bred pit bulls, will have been fed a high protein diet that keeps their weight down and, the source said, given little or no water before the fight to dehydrate the animals somewhat, this is said to reduce bleeding.

Although some dogs are killed, most fights end when a dog "curs out" or "turns" in a fight—refuses to fight any longer.

"You can always tell when a dog is going to cur out," the source said, "because his tail hangs down, or he tucks it under. When he's fighting, it's straight up."

Col. Wilson E. Speir, head of the Texas Department of Public Safety, said that except for a raid last year on a fight in the Fort Worth area, there had been little action against dogfighters.

Most other law enforcement officials said they were unaware that dogfighting was going on, although some said they knew of cockfights.

[From the New York Times, Aug. 15, 1974]

DOG FIGHTING: ILLEGAL, BRUTAL, GROWING IN UNITED STATES

(By Wayne King)

CHICAGO.—Pat Podzianowski is a construction worker by trade, a burly, ponderous man about 40 years old, with a great stomach. His bare upper body, across the chest and back and over the arms, is covered with tattoos.

There are two naked women spinning a spider web, a fiery serpent with a human torso in red, green and black, flaming fighting cocks and, on one shoulder, a pair of dogs, their jaws open, fighting with fangs and straining muscles.

They look very much like those in Mr. Podzianowski's back yard in the Chicago suburb of Tinley Park. Mr. Podzianowski is a breeder of fighting dogs, Staffordshire terriers, one of an estimated 40 to 50 such breeders around the country.

They are part of a collection of men—as many as 5,000 by the best-informed estimate—who regularly meet clandestinely at locations across the country to take part in an illegal and apparently growing activity: pitting one dog against another and betting on fights that last up to several hours and often leave one or both dogs dying or dead.

"There is no question that this has gotten bigger," says Duncan Wright, executive director of the American Dog Owners Association, "In the past few years it has quadrupled. Ten years ago, you wouldn't have organized rings, now you do. It's getting bigger and nobody is noticing."

1,000 MATCHES A YEAR

Mr. Wright said his investigators estimated that 1,000 matches a year were held in the United States.

The matches are held secretly not only because they are illegal under various state humane laws, but also because the fights are always accompanied by heavy betting.

There are enough practitioners to support two publications. The larger of the two is called "Pit Dogs," which has about 30 pages per issue. The magazine dedicates most of its space to accounts and pictures of fights. A subscription can be obtained only upon the recommendation of an existing subscriber. It is published in Starke, Fla.

The other publication, a newsletter, is published in New York.

For his own part, Mr. Podzianowski prefers to advertise his dogs in a regular dog fanciers publication, and a small ad simply offers American Staffordshires "for any purpose."

"People get the idea," he says. "You do get these people who call up and say, 'You fightin' them dogs?' I don't even answer. But if somebody comes out here and looks at the dogs, all them scars on 'em, they know."

LONGTIME BREEDER

Mr. Podzianowski says he has been breeding fighting dogs for 19 years. He has also raised fighting cocks. On a recent summer Saturday, however, the dogs commanded all his attention.

There are fights scheduled on this day, two of the dogs are out of his line of breeding, and he is to be the referee for the two fights.

About half of those who will attend the fights gather first at Mr. Podzianowski's home; others will join the group later.

Some are local men from around Chicago, others have come some distance. There is a strong contingent of Southerners, "some boys from Nashville," the only introduction that is made, all that is customary. A few are from Texas, one is a Canadian.

For the most part, they are in their 20's and 30's, although there are a few older men. One is a reporter, although the others do not know that.

Some matches are family affairs, men, women and children, but this meeting attracts only men. Beer is passed around, there is reminiscence about other fights, in Texas, Mississippi, Florida, in Chicago, Milwaukee, Cleveland and other places, talk of dogs with names like Raw Jaw, Tony the Tiger, Wild Woman, and Mr. Podzianowski's famous Cassius Clay, a 17-fight winner.

One lanky man recalls a recent fight in which one of the dogs was "messed up pretty bad; he passed his insides after the fight." The dog had to be killed.

This generates talk of the best way to dispose of a badly injured dog—Mr. Podzianowski says he favors an icepick thrust into the heart as the cleanest way—and some instructions from him to a novice on how to train a puppy for fighting, develop its blood instincts and teach it to parry.

"Now, you don't want to throw a kitten in there with the puppy right away for it to kill, it'll just go crazy for more. What you want to do is get yourself one of those cats and put it in an onion bag and string it up on a rope from the top of the garage. Use a spring, you know, like a front-door screen spring, and hang that cat up there so its paws are out through the onion bag. You want to get yourself some clippers and clip the claws offs.

"LET THE DOG KILL IT"

"Then you let the puppy at it, the cat'll bob up and down and the dog'll go after it. Pretty soon, the dog gets tired and sweaty, and you pull it off and drag it back to the corner and hold it against the wall. It'll be hell to hold, but you hold it and then turn it around and—hyaaaah!—you let it go back at it.

"If the cat gets pretty mauled up in the bag, just take it down and keep it till the next day and then throw it in and let the dog kill it."

According to Mr. Wright of the Sacramento-based Dog Owners Association, a fighting dog in training might be "fed" a score or more of cats or younger dogs to hone its blood instincts before it is pitted against another dog. Mr. Wright has been conducting an investigation into dog fighting on behalf of his association for more than two years, during which time, he reports, he attended 18 fights on an undercover basis, compiling an extensive list of participants.

In some states, the pitting of any animal against another is specifically outlawed by statute. In others, it falls under general humane laws related to the mistreatment of animals. In no state is dog fighting legal, according to Mr. Wright.

Although there have been some arrests for dog fighting in the last 18 months—a total of five raids in California, Oklahoma, Massachusetts and North Carolina—most fights are known only to the participants.

Even when arrests are made, fines are not high—$875 and probation in a recent Massachusetts case—and only the organizers, not the spectators, are normally booked. Moreover, enforcement is difficult.

The men attending the Chicago match met first at Mr. Podzianowski's, then drove north some 25 miles to another meeting place at a skating rink in Brookfield, where they were joined by others, then south again a few miles to the little exurban community of Countryside, the site of the fight.

LOOKOUTS POSTED

The contingent by this time includes 52 men, who file into a construction supply warehouse and pay $10 each to a barrel-chested young man as an admission fee. Lookouts are posted at the door. Once inside, no one leaves until the fights are over.

Several men quickly erect the 15-foot-square "pit," laying down an old red carpet topped with a tarpaulin and enclosing this with blood-spattered plywood walls some three feet high.

All four dogs to be pitted are Staffordshire terriers, medium-sized quick dogs known for their staying power and strength of jaw—the most powerful of any breed.

According to Mr. Wright of the Dog Owners Association, most fighting dogs are specially bred "cur fighters," normally mixed breeds. He also reports use of purebreds such as Dobermans, German shepherds, St. Bernards, Siberian huskies and Alaskan malamutes.

For the most part, drugs are not given to dogs before fights. However, says Mr. Wright, "There is a highly organized ring operating in the six southwestern states and using drugs.

DRUGS AND CATTLE PRODS

"They fight every week-end night, each night in a different location. They fight only untrained purebred dogs they acquire from dog pounds, killing about 30 a weekend. Because the dogs are untrained, they use injected drugs and cattle prods.

"Admission is $9 and gambling is against the house. There is prostitution, illegal selling of liquor and probably other things as well."

Mr. Wright estimated that in a weekend of such activity, as much as $90,000 changed hands.

At the Chicago match, the first two dogs to be pitted were females, a red one called Lady and a somewhat larger black and white dog called Dolly, both leashed and wearing studded collars.

They appear emaciated, ribs like washboards, but this is deceptive. The dogs are not starved, they are fed red meat, but are exercised on treadmills and the like, sweated down to fighting weight.

They are weighed—35 and 37 pounds—and placed in the pit, held by their owners in opposite corners.

A man in sandals holds up a fistful of bills and calls out, "I got a hundred and fifty on the black-and-white!" Someone shouts, "I'll take a hundred," another asks for 3-to-2 odds, still others mill about arranging what are called "side bets." There is almost always a prearranged bet between the dog owners, although the exact amount in this case was not learned. Bets of $500 or more are fairly common.

With the betting still going on, the dogs are released.

Without a sound, not the faintest growl, and the dogs leap toward each other and rear, lips rolled back, clashing fangs in the center of the pit. Still there is no sound other than the scratch of claws on the tarp, crunching sounds as one dog or the other seizes a leg, choked gurgling as a dog grabs the throat.

TACTICS OF THE FIGHTERS

In dog-fighting parlance, dogs are said to "work the stifle" (favor throat holds), or to "work the legs," or "work the ears."

"A good ear dog," Mr. Podzianowski observes, "is hard to beat."

The fights normally last from about 30 minutes to 2½ hours and more, during which time the dogs inflict continual punishment on each other, slashing, choking, chewing on ears and legs, breaking bones and inflicting invisible internal injuries.

Some of the dogs die not in the pit, but after the fight, dehydrated from the exertion, suffering unseen injuries.

In this fight, the spotted dog gains an early advantage, throwing the smaller red dog to the canvas, chewing alternately at the throat, the ears, the legs.

The owners are both lithe, well-muscled men in their 30's, remarkably similar, although one is light, the other dark. One wears a black sleeveless T-shirt, the other an identical red one. Each wears a tattoo of fighting dogs on one shoulder. In the crowd, two or three other men sport the same tattoo.

Both owners are in the pit with their dogs, often down on their hands and knees, inches away from the working fangs, whispering encouragement with urgent intimacy. "Come on Red Lady, come on sweetheart," "That's right, girl, atta girl. . . ."

For 10 minutes, the larger dog holds the red to the mat, chewing ears and legs, although she has herself been cut several times on the head, on both eyelids and on the body.

Suddenly the red dog wrenches free and is on her feet. She is cut on the chest—"Get it, get it, there's blood." There is a crunching pop that sounds like breaking bone. "Is it a break," someone asks, "did she break it?"

No, instead the dogs have clashed fangs. The man in red picks up a broken tooth from the mat. Before the match is over, there will be two or three more to pick up.

BLACK AND PINK

There is new betting, new odds. Still the two dogs fight, soundlessly, never turning away. There is a strong odor of sweat, and of blood. Both dogs have flecked the mat with pink slaver. The black and white dog has become black and pink, smeared with blood from nose to haunches.

Suddenly the red dog whirls away, apparently in terror, and attempts to leap the side of the pit.

Mr. Podzianowski shouts, "It's a turn!" In a turn, one dog turns away, running, refusing to fight any longer, and it signals the key juncture in the match, called a "scratch."

The red dog, which has turned (or "scratched"), is taken to a corner; the black and white is held in its corner. The red is released and must within a few seconds redeem itself and show its courage by again attacking the other dog. The red does not, and the match is over.

The quality of ferocity is so highly prized that a losing owner is entitled to ask that the winning dog demonstrate its ferocity through a "courtesy scratch"—that is, that the winning dog demonstrate its willingness to go on by again attacking the loser (which might be dead).

THE STORY OF PEACHES

Mr. Podzianowski likes to tell of a dog of his named Peaches. After a fight in Mississippi, which Peaches won by killing the other dog, the loser asked for a courtesy scratch.

"Her front leg was broke and sticking through the skin at two places. It would jab holes in the canvas when she walked. The guy said, hell, she couldn't make it over the line again, so I let her go. That dog didn't know what was wrong, she tried to run at the other dog and that stub of a leg would hit the floor and she'd tumble. She finally turned almost a flip into the board and landed under that dog and dug in. You tell me that dog didn't have heart?"

The second fight of the Chicago match continued for over a half-hour before it ended with one owner conceding. The owner, apparently genuinely concerned, feared his dog would die.

Not so the owner of Lady, the loser of the first fight. He would, he said, take her home and kill her. No use wasting food, he said.

By Mr. MONDALE (for himself and Mr. BROOKE):

Senate Joint Resolution 246. A joint resolution authorizing the Office of Watergate Special Prosecution Force to investigate and report on White House crimes and conferring power to compel testimony and subpena relevant tapes and documents. Referred to the Committee on the Judiciary.

Mr. MONDALE. Mr. President, I make the following statement on behalf of myself and the distinguished Senator from Massachusetts (Mr. BROOKE).

Because of the agreement between former President Richard Nixon and the General Services Administration regarding White House tapes and documents, there is a possibility that the American people and the Congress may never be able to reach a final judgment on the extent of the involvement of Mr. Nixon and others in Watergate and related incidents.

Under the terms of this agreement, the former President is given total control over the Presidential papers and tapes, subject only to subpenas issued by courts of law. And he is given the right to destroy the tapes after 5 years. In our judgment such an arrangement may prevent the full story of Watergate from ever being told.

We fully support legislation soon to come before the Senate to abrogate the agreement between Mr. Nixon and the GSA. But even under this legislation, access to crucial evidence may be limited to subpenas obtained through the criminal justice process.

The Watergate cover-up trial will provide some of the facts. But only part of the story will emerge, for a criminal trial involving certain individuals must be confined to those issues that relate to the guilt or innocence of those particular individuals. Thus, no matter how much we learn from the trial, we will never know how much remains concealed.

And this would be tragic. Ours is, as Lincoln said, a government "of the people, by the people, and for the people." And for the people to judge the extent of wrongdoing and the measures needed to prevent the recurrence of this tragic episode, they must know all the facts.

We strongly believe that the truth must come out—to meet the people's right to know, and in a way that allows the President and the Congress the opportunity to refocus their energies and attentions on the serious and pressing problems that now beset our Nation.

And therefore we are introducing today legislation authorizing and directing the Special Prosecutor to conduct a thorough investigation of the involvement of former President Richard Nixon and others in Watergate and related incidents and to issue a public report containing the material evidence, together with such findings, conclusions, and recommendations as he finds appropriate.

In addition, our bill will confer on the Special Prosecutor the power, through the courts, to compel testimony and to subpena tapes and documents relevant to his inquiry. There is ample authority for such a legislative grant of authority. Similar powers were conferred on the Warren Commission—which, like the Office of the Special Prosecutor, was created by Executive order—by Congress.

We believe our approach has distinct advantages over other proposals that have been advanced:

Unlike proposals for congressional inquiries, our approach removes the investigation from the political arena, and leaves Congress and the President free to concentrate on today's problems;

By putting the inquiry in the Special Prosecutor, our approach avoids the risk of jeopardizing trials with ill-timed publicity, and takes advantage of the expertise accumulated by Mr. Jaworski and his staff;

And finally, by placing this critical responsibility in the hands of the respected Special Prosecutor and his excellent staff, our approach avoids devisive argument over who should serve on any new national commission.

We applaud the efforts of members of the Senate Committee on the Judiciary to secure the kind of inquiry and final report from the Office of Special Prosecutor envisioned in the bill we proposed today. And we believe the additional legal authority to compel production of documentary evidence and testimony provided in our bill would prove most important to the conduct of such an inquiry and report.

It should be made clear that, under our bill, the Special Prosecutor will have complete control over the timing of the investigation and report. Obviously he will place his prosecutorial responsibilities first. And our bill also provides for additional staff so that, to the extent he considers it appropriate, the two functions can proceed side-by-side.

We hope that this important legislative initiative will receive widespread support. Such support would help remove the Watergate debate from the political arena and place the search for truth in the context of an independent investigation—where it belongs.

The time has come, at long last, to explain fully the Watergate tragedy, and to move the attention of the Congress and the President from Watergate to the urgent economic and other problems facing the country.

AMENDMENTS SUBMITTED FOR PRINTING

DEVELOPMENT OF A FAIR WORLD ECONOMIC SYSTEM—H.R. 10710

AMENDMENT NO. 1938

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 10710) to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes.

AMENDMENT NO. 1947

(Ordered to be printed and to lie on the table.)

Mr. LONG submitted an amendment intended to be proposed by him to the bill (H.R. 10710), supra.

AMENDMENT TO PROVIDE COMMUNITY ADJUSTMENT ASSISTANCE

Mr. LONG. Mr. President, I am today submitting an amendment to establish a program of adjustment assistance for communities adversely affected by import competition. This amendment is offered to the Trade Reform Act (H.R. 10710), which is now pending before the Committee on Finance.

Since 1962 our laws have authorized the Federal Government to provide adjustment assistance to workers and firms injured by imports. At the present time, however, there is no comparable program of assistance for communities whose economies have been injured by import competition. The amendment I offer today would create such a program.

Much attention has been directed to the plight of workers and firms injured because of the negative side of their government's trade policies. Adjustment assistance should be made available to communities as well, for the economic dislocation occasioned by imports frequently falls heaviest upon communities, particularly smaller communities. When the Federal Government adopts a trade policy which undermines the economic bases of localities throughout the country, it owes those communities a special duty to repair the damage. My amendment would fulfill that duty by authorizing the executive branch to make available specialized assistance, both technical and financial, to communities whose local economies are dependent upon industries adversely affected by imports. Areas which are certified by the Secretary of Commerce would become eligible for the development assistance of the Economic Development Administration.

In addition, my amendment proposes a

loan guarantee program which is linked to general revenue sharing. The program would work as follows: The Secretary of Commerce would be authorized to extend up to $500 million in loan guarantees to qualified applicants to acquire, construct, or modernize plant facilities or for such other purposes as the Secretary determines are likely to attract new investment and create new long-term employment opportunities within the area. The loan guarantees would be made available to qualified applicants upon the approval of the Secretary of Commerce under a joint security agreement with the Governor of the State in whose jurisdiction the affected labor area lies. In order for the loan guarantee to be extended, the Governor of the State would sign a commitment pledging such a portion of the State's next entitlement of general revenue-sharing funds as necessary to cover up to 50 percent of the amount defaulted.

In the event of a default, the Secretary of Commerce would certify the amount and circumstances of the deficiency to the Secretary of Treasury; the Secretary of Treasury would reduce the State's entitlement for the subsequent year by an amount equal to 50 percent of the guaranteed amount. The remaining 50 percent of the deficiency would be satisfied out of the general revenues of the Treasury.

Mr. President, as we proceed with trade legislation, it is essential that we take steps to assist the workers, firms, and communities whose livelihoods will be injured. This amendment seeks to provide that assistance to communities. I commend it to the attention of my colleagues in the Senate and on the Finance Committee.

SUSPENSION OF DUTY ON CATALYSTS OF PLATINUM AND CARBON—H.R. 13370

AMENDMENT NO. 1939

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY submitted an amendment intended to be proposed by him to the bill (H.R. 18970) to suspend until June 30, 1976, the duty on catalysts of platinum and carbon used in producing caprolactam.

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENTS NOS. 1940 AND 1941

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted two amendments intended to be proposed by him to the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

SOCIAL SECURITY RECIPIENTS FAIRNESS ACT OF 1974—S. 3952

AMENDMENT NO. 1942

(Ordered to be printed and referred to the Committee on Finance.)

Mr. SCHWEIKER. Mr. President, I am introducing an amendment to S. 3952, the "Social Security Recipients Fairness Act of 1974," which I cosponsored with Senator PELL, to include black lung benefits among those programs covered by the bill, providing for the speedy replacement of lost, stolen or delayed benefit checks, and for the reform of the disability insurance appeals process.

Delays in processing black lung benefit claims are a national disgrace. Mr. President, the Social Security Administration must speed up processing of black lung benefit cases so the thousands of eligible, needy recipients can receive their long overdue black lung benefits. I have in my office literally hundreds of cases from people who have asked my assistance in expediting the tortuously long process of applying for black lung benefits. It is unusual for a claim to be processed in less than 4 months, and common for a claimant to wait for a full year for a final decision. This is totally unacceptable to me, and highly unfair to miners, their families, and widows who have been burdened by black lung.

The black lung benefit program is one of our Nation's most deserving programs, but it has become a paperwork nightmare. My amendment would speed up black lung benefit procedures so that the average citizen, who desperately needs these benefits, will no longer be the one who gets hurt.

Mr. President, I ask unanimous consent that my amendment be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1942

At the end of the bill, add the following new title:

TITLE III—EXPEDITED PAYMENT OF BLACK LUNG BENEFITS; AND EXPEDITED HEARINGS AND DETERMINATIONS RESPECTING SUCH BENEFITS

SEC. 301. (a) Section 413(b) of the Federal Coal Mine Health and Safety Act of 1969 is amended by striking out "and (l)" and inserting in lieu thereof "(q), and (l)".

(l) The amendment made by subsection (a) shall be effective in the case of applications filed and written requests filed, under part B of title IV of the Federal Coal Mine Health and Safety Act of 1969, on and after the first day of the first calendar month which begins more than sixty days after the date of enactment of this Act.

SEC. 302. The Secretary of Health, Education, and Welfare, in the administration of part B of title IV of the Federal Coal Mine Health and Safety Act of 1969, shall, with respect to hearings and determinations on claims thereunder, establish procedures for the expediting of such hearings and determinations which are, to the maximum extent feasible, patterned after and consistent with the objectives of section 1124 of the Social Security Act.

DUTY-FREE ENTRY OF TELESCOPE AT MAUNA KEA, HAWAII—H.R. 11796

AMENDMENT NO. 1943

(Ordered to be printed and referred to the Committee on Finance.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (H.R. 11796) to provide for the duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii telescope project at Mauna Kea, Hawaii.

AMENDMENT OF THE JURY SELECTION AND SERVICE ACT—S. 3265

AMENDMENT NO. 1944

(Ordered to be printed and to lie on the table.)

Mr. SCHWEIKER. Mr. President, on behalf of Senators METZENBAUM, MONDALE, BIDEN, MCCLURE, and myself, I submit an amendment to S. 3265, to provide for protection for jurors.

My amendment is identical to S. 3776, which I introduced on July 18, and it will guarantee every person serving on a jury in the United States the right to return to his or her prior employment when jury service is completed. S. 3776 is cosponsored by Senators METZENBAUM, MONDALE, BIDEN, and MCCLURE.

My amendment has the following major provisions:

First. Any employee—except a temporary worker—who applies for reemployment within 15 days after completion of jury duty must be rehired with his former seniority, status, and pay, provided he receives a certificate from the court verifying his service.

Second. Any employee so restored to his position shall be considered to have been on furlough or leave of absence during his jury service for purposes of insurance and other employment benefits, and such employee cannot be discharged without cause for a 1-year period thereafter.

Third. Original jurisdiction is created in the Federal district courts to grant money damages under this measure, regardless of the amount of controversy, and the Federal district courts are required to give precedence to recovery actions filed under this bill.

Fourth. The U.S. attorney is required to act as attorney for any person seeking relief under this measure, and no attorney fees or court costs may be charged.

I commend Senator NELSON and the Judiciary Committee for their prompt action on S. 3265, and I think the inclusion of my amendment would insure that American citizens who accept their civic duty of jury service are not penalized economically.

ESTABLISHMENT OF A FEDERAL PRIVACY BOARD—S. 3418

AMENDMENT NO. 1945

(Ordered to be printed and to lie on the table.)

JOINT COMMITTEE OF CONGRESS ON INDIVIDUAL RIGHTS AND GOVERNMENT SURVEILLANCE

Mr. NELSON. Mr. President, more than 20 years ago, Supreme Court Justice Felix Frankfurter described the evolution of tyrannical power in the executive branch:

> The accretion of dangerous power does not come in a day. It does come, however, slowly, from the generative force of unchecked disregard of the restrictions that fence in even the most disinterested assertion of authority.

Unfortunately, Justice Frankfurter's observation does much to explain why individual liberty has been eroded by an ever-expanding web of snooping conducted at all levels of government. For many years now, the Government has used both simple and sophisticated techniques to exercise almost unlimited power over the individual. The Government installs wiretaps, plants electronic bugs, uses computerized information to assemble dossiers on individuals, and engages in other surveillance activities which make a mockery of the individual freedoms guaranteed by our Constitution.

Such activities make clear the need for congressional controls of Government spying. To this end, Senator JACKSON and I are introducing an amendment to S. 3418 which would establish a bipartisan joint committee of Congress to oversee all Government surveillance activities. At least once each year, representatives of the FBI, the IRS, and every governmental agency that engages in surveillance activities would be required to testify before the joint committee under oath about the full scope and nature of their respective agency's spying activities.

The joint committee, moreover, would be entitled to all relevant information concerning those activities and practices. There is only one narrowly defined exception to the committee's broad jurisdiction over Government surveillance: those cases involving foreign powers who are engaged in unlawful activities which endanger this country's security.

As part of its responsibilities, the joint committee would be obligated to report to the full Congress as often as it deems necessary, but in any event, at least once a year. The report would include the committee's findings as to whether the Government is complying fully with the law, whether the courts are exercising their review powers diligently, and whether additional legislation is needed to protect the right to privacy and other fundamental liberties from Government snooping.

The importance of this proposal can be appreciated best by reference to a few recent abuses of Government snooping:

On April 14, 1971, it was revealed that the FBI had conducted general surveillance of those who participated in the Earth Day celebrations in 1970. These celebrations involved tens of thousands of citizens, State officials, representatives of the Nixon administration, and Members of Congress. As the one who planned that first Earth Day, I cannot imagine any valid reason for spying on individuals exercising their constitutional rights of speech and assembly in a peaceable manner. There is still no satisfactory explanation of the surveillance. Nor is there any guarantee it will not be repeated in the future.

A 1973 Senate subcommittee report detailed the extensive spying secretly conducted by 1,500 agents of the U.S. Army on more than 100,000 civilians in the late 1960's. This surveillance was directed principally at those suspected of engaging in political dissent. No one in the Congress knew about this spying. No one in the executive branch would accept responsibility for it. Again, there is no guarantee that this sorry episode will not be repeated. In fact, a Senate committee learned recently that in the last 3 years—after the administration assured the public that the military would no longer spy on individuals—the U.S. Army has maintained numerous surveillance operations on civilians in the United States. And an article in The New Republic magazine of March 30, 1974, detailed the U.S. Army's use of wiretaps, infiltrators, and other surveillance techniques to spy on American citizens living abroad who supported the presidential candidacy of GEORGE MCGOVERN. The Army's spying was reportedly so extensive that it even intercepted a letter from a college librarian in South Carolina who requested information about a German publication.

Innumerable Government officials, including President Lyndon Johnson, Supreme Court Justice William O. Douglas, Congressman Hale Boggs, and Secretary of State Henry Kissinger, believed that their private telephones had been secretly wiretapped. These concerns coincide with known facts regarding other citizens. In May 1969, for example, the White House secretly authorized wiretaps on 17 Government officials and newspapermen without first obtaining an approving judicial warrant. The purported basis on these "taps" was a concern that these individuals were involved in "leaks" of sensitive information. The Government allegedly believed that publication of this information did or would jeopardize "national security." There is still no public evidence to justify that belief. Indeed, there is no public evidence to demonstrate that all of the individuals tapped even had access to the information leaked.

The Justice Department still maintains a practice of installing warrantless wiretaps on American citizens and others when it feels "national security" is involved. This practice violates the plain language of the 4th amendment—which requires a judicial warrant based on probable cause before the Government can invade an individual's privacy. There is no public information concerning the number of warrantless wiretaps installed in the last year or presently maintained. Incredibly enough, the department has refused to provide this information—even in executive session—to legislative subcommittees of the House and Senate.

The Senate Watergate and Senate Judiciary Committees received evidence that in 1969 the White House established a special unit in the Internal Revenue Service to provide the administration with secret access to the confidential tax records of thousands of its "enemies." The release of these private records was so flagrant and so widespread that one investigating Senator likened the IRS to a public lending library.

These examples are only the tip of the iceberg. And yet they are sufficient to demonstrate what should be clear to everyone: uncontrolled Government snooping is a dangerous assault on the constitutional liberties which are the cornerstone of our democratic system. A society cannot remain free and tolerate a government which can invade an individual's privacy at will.

Government snooping is particularly dangerous because often it is executed without the knowledge or approval of those officials who are accountable to the public. This, in turn, increases the probability that Government invasions of individual privacy, as well as other fundamental constitutional liberties, will be accomplished by illicit means and for illegitimate purposes.

The break-in of Daniel Ellsberg's psychiatrist's office provides a clear and dramatic illustration of the problem. This illegal act was perpetrated in September 1971 by members of the "plumbers," a special unit established within the White House and ultimately accountable to the President himself. After the break-in was publicly exposed, the "plumbers" claimed that they were acting under the explicit authority of the President in an effort to protect "national security." But available public evidence suggests that Mr. Nixon did not give his approval to the break-in. Indeed, the White House transcripts indicate that President Nixon did not learn of the break-in until March 1973—18 months after it occurred.

He stated on numerous occasions, moreover, that he would have disapproved of the break-in if his prior authorization had been requested. In short, a blatant criminal act—which included the violation of one doctor's privacy—was perpetrated by Government agents because those with ultimate responsibility had no procedure to insure that Government activities be conducted by lawful means and for legitimate purposes.

The central question is how many other incidents of illegal spying by the Government remain undisclosed? And how many more such incidents must be disclosed before Congress recognizes the need for immediate action?

There is no question, however, that those sensitive to civil liberties have long understood the need for congressional action to end the dangers of Government snooping. As early as 1971 I introduced legislation for that purpose. Now the public at large has also awakened to the need for legislation to protect their rights against Government snooping. Numerous opinion polls indicate that the people's principal concern today is the preservation of their freedom—freedom which is too easily and too often taken for granted. These polls, including some conducted by Louis Harris, have made the following findings:

Fifty-two percent of the public believes that "things have become more repressive in this country in the past few years";

Seventy-five percent of the public believes that "wiretapping and spying under the excuse of national security is a serious threat to people's privacy";

Seventy-seven percent of the public believes Congress should enact legislation to curb government wiretapping";

Seventy-three percent of the public believes Congress should make political spying a major offense.

On the basis of these and other findings, pollster Harris drew two basic conclusions. First, "Government secrecy can no longer be excused as an operational necessity, since it can exclude the participation of the people in their own Government, and, indeed, can be used as a screen for subverting their freedom." Second, "The key to any kind of successful future leadership must be ironbound integrity."

The message of these opinion polls is clear: Congress must enact legislation to end abusive Government surveillance practices which violate the fundamental rights and liberties guaranteed by our Constitution. The Government should not be able to use wiretaps and other electronic devices to eavesdrop on citizens without first obtaining a judicial warrant based on probable cause. The Government should not be able to use income tax returns and other computerized, confidential information for political purposes. The Government should not be able to conceal its illicit activities by involving "national security" or the need for secrecy. In a word, the Government should not be able to escape its obligation to adhere to the Constitution and the rule of law. Otherwise, we shall find that unrestrained Government power has replaced liberty as the hallmark of our society.

By creating a joint committee of Congress to oversee all Government surveillance within the United States, this amendment would do much to prevent the erosion of individual liberty. One does not have to attribute malevolent motives to Government officials in order to realize the need for such legislation. Good intentions are not the criteria for judging the lawfulness or propriety of Government action. In fact, the best of intentions often produce the greatest dangers to individual liberty. As Supreme Court Justice Brandeis once observed:

> Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasions of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

Relying on this historical judgment, the Supreme Court held in the 1972 Keith case that the Government cannot wiretap American citizens for "domestic security" purposes without court authorization. In issuing this decision, the court declared, as a matter of constitutional law, that the Government's self-discipline is inadequate to protect the individual freedoms guaranteed by the fourth amendment. The Court's judgment was not premised on the malicious dispositions of those who inhabit the executive branch. Rather, the judgment flowed from the conflicting interests which the Government is required to serve. Speaking for a unanimous Court, Justice Lewis Powell examined the evolution and contours of the freedoms protected by the fourth amendment. He then stated:

> These Fourth Amendment freedoms cannot properly be guaranteed if domestic security surveillances may be conducted solely within the discretion of the executive branch. The Fourth Amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility is to enforce the laws, to investigate and to prosecute. . . . The historical judgment, which the Fourth Amendment accepts, is that unreviewed executive discretion may yield too readily to pressure to obtain incriminating evidence and overlook potential invasion of privacy and protected speech.

In this context, a congressional oversight committee would be a two-edged sword in the effort to end the abuses of Government snooping. On the one hand, this committee could provide assurances to the public that Government surveillance activities are limited to those conducted by lawful means and for legitimate purposes. On the other hand, the oversight committee could help the executive branch to insure that Government agents do not misuse the public authority entrusted to them. Fulfillment of these two functions by the oversight committee would do much to eliminate illegal and unethical Government spying.

The need for this congressional oversight committee, then, should not be underestimated. The individual's right to privacy is one of our most cherished liberties. It is fundamental to the concept of democratic self-government where each individual's private thoughts and beliefs are beyond the reach of Government. Without that right to privacy, the individual's freedom to participate in and guide his Government is jeopardized. Government then becomes a monster to be feared rather than a servant to be trusted.

As Justice Stephen Field stated in 1888:

> Of all the rights of the citizen, few are of greater importance or more essential to his peace and happiness than the right of personal security, and that involves not merely protection of his person from assault, but exemption of his private affairs, books and papers from the scrutiny of others. Without enjoyment of this right, all others would lose half their value.

A right so vital to individual liberty and, indeed, to our constitutional system deserves rigorous protection by Congress—the people's chosen representatives. The amendment being offered today provides a timely opportunity to establish that protection and assure the American public that individual freedom is still the foundation of our political system.

Mr. President, I ask unanimous consent to insert in the RECORD the text of the amendment I submit today.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1945

At the end of the bill, add the following new title:

TITLE IV—JOINT COMMITTEE ON GOVERNMENT SURVEILLANCE AND INDIVIDUAL RIGHTS

ESTABLISHMENT

SEC. 401. (a) There is hereby established a Joint Committee on Government Surveillance and Individual Rights (hereinafter referred to as the "joint committee") which shall be composed of fourteen members appointed as follows:

(1) seven Members of the Senate, four to be appointed by the majority leader of the Senate and three to be appointed by the minority leader of the Senate; and

(2) seven Members of the House of Representatives, four to be appointed by the majority leader of the House of Representatives and three to be appointed by the minority leader of the House of Representatives.

(b) The joint committee shall select a chairman and a vice chairman from among its members.

(c) Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as in the case of the original appointment.

FUNCTIONS

SEC. 402. (a) It shall be the function of the joint committee—

(1) to make a continuing study of the extent and the method of investigation or surveillance of individuals by any department, agency, or independent establishment of the United States Government as such investigation or surveillance relates to the right to privacy, the authority for, and the need for such investigation or surveillance, and the standards and guidelines used to protect the right to privacy and other constitutional rights of individuals;

(2) to make a continuing study of the intergovernmental relationship between the United States and the States insofar as that relationship involves the area of investigation or surveillance of individuals; and

(3) as a guide to the several committees of the Congress dealing with legislation with respect to the activities of the United States Government involving the area of surveillance, to file reports at least annually and at such other times as the joint committee deems appropriate, with the Senate and the House of Representatives, containing its findings and recommendations with respect to the matters under study by the joint committee, and, from time to time, to make such other reports and recommendations to the Senate and the House of Representatives as it deems advisable; except that nothing in the foregoing provisions shall authorize the joint committee, or any subcommittee thereof, to examine lawful investigative or surveillance activities related to the defense or national security of the United States conducted within the territorial boundaries of the United States citizens. For purposes of this subsection, lawful investigative or surveillance activities related to the defense or national security of the United States means: investigative or surveillance activities carried on by duly authorized agencies to obtain information concerning unlawful activities directed against the Government of the United States which are substantially financed by, directed by, sponsored by, or otherwise involving the direct collaboration of foreign powers.

(b) Nothing in this title shall give the joint committee, or any subcommittee thereof, jurisdiction to examine any activities of agencies and departments of the United

States Government conducted outside the territorial boundaries of the United States.

REPORTS BY AGENCIES

SEC. 403. In carrying out its functions, the joint committee shall, at least once each year, receive the testimony, under oath, of a representative of every department and agency of the Federal government which engages in investigations or surveillance of individuals, such testimony to relate to the full scope and nature of the respective agency's or department's investigations or surveillance of individuals, subject to the exceptions provided for in subsections 402 (a) (3) and 402 (b).

POWERS

SEC. 404. (a) The joint committee, or any subcommittee thereof, is authorized, in its discretion (1) to make expenditures, (2) to employ personnel, (3) to adopt rules respecting its organization and procedures, (4) to hold hearings, (5) to sit and act at any time or place, (6) to subpena witnesses and documents, (7) with the prior consent of the agency concerned, to use on a reimbursable basis the services of personnel, information, and facilities of any such agency, (8) to procure printing and binding, (9) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (10) to take depositions and other testimony. No rule shall be adopted by the joint committee under clause (3) providing that a finding, statement, recommendation, or report may be made by other than a majority of the members of the joint committee then holding office.

(b) (1) Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by such chairman, when authorized by a majority of the members of such committee, or subcommittee, and may be served by any person designated by any such chairman or member.

(2) Each subpena shall contain a statement of the committee resolution authorizing the particular investigation with respect to which the witness is summoned to testify or to produce papers, and shall contain a statement notifying the witness that if he desires a conference with a representative of the committee prior to the date of the hearing, he may call or write to counsel of the committee.

(3) Witnesses shall be subpenaed at a reasonably sufficient time in advance of any hearing in order to give the witness an opportunity to prepare for the hearing and to employ counsel, should he so desire. The chairman of the joint committee or any member thereof may administer oaths to witnesses.

(c) The expenses of the joint committee shall be paid from the contingent fund of the Senate from funds appropriated for the joint committee, upon vouchers signed by the chairman of the joint committee or by any member of the joint committee authorized by the chairman.

(d) Members of the joint committee, and its personnel, experts, and consultants, while traveling on official business for the joint committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

(e) (1) The District Court of the United States for the District of Columbia shall have original jurisdiction, without regard to the sum or value of the matter in controversy, of any civil action heretofore or hereafter brought by the joint committee to enforce or secure a declaration concerning the validity of any subpena heretofore or hereafter issued by such joint committee, and the said District Court shall have jurisdiction to enter any such judgment or decree in any such civil action as may be necessary or appropriate to enforce obedience to any such subpena.

(2) The joint committee shall have authority to prosecute in its own name or in the name of the United States in the District Court of the United States for the District of Columbia any civil action heretofore or hereafter brought by the joint committee to enforce or secure a declaration concerning the validity of any subpena heretofore or hereafter issued by such committee, and pray the said District Court to enter such judgment or decree in said civil action as may be necessary or appropriate to enforce any such subpena.

(3) The joint committee may be represented by such attorneys as it may designate in any action prosecuted by such committee under this title.

On page 3, line 23, after "Act", insert "(other than title IV)".

On page 4, line 6, after "Act", insert "(other than title IV)".

On page 6, line 9, immediately after "of", insert "titles I, II, and III of".

On page 6, line 12, after "under", insert "titles I, II, and III of".

On page 7, line 1, immediately before "this", insert "titles I, II, and III of".

On page 7, line 2, immediately before "this", insert "title I, II, or III of".

On page 12, line 9, immediately before "this", insert "title I, II, or III of".

On page 16, line 13, immediately before "this", insert "titles I, II, and III of".

On page 18, line 3, immediately before "this", insert "title I, II, or III of".

On page 18, line 14, immediately before "this", insert "title I, II, or III of".

On page 18, line 23, immediately before "this", insert "title I, II, or III of".

On page 19, line 1, immediately before "this", insert "title I, II, or III of".

On page 19, line 21, immediately before "this", insert "title I, II, or III of".

On page 20, line 2, immediately after "Act" insert "(other than title IV)".

On page 20, line 6, immediately before "this", insert "titles I, II, and III of".

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1850

At the request of Mr. ABOUREZK, the Senator from New Hampshire (Mr. Mc-country should give us a good notion of amendment No. 1850, cutting off aid to Turkey, intended to be proposed to the bill (S. 3394), the Foreign Assistance Act of 1974.

AMENDMENT NO. 1922

At the request of Mr. ABOUREZK, the Senator from Wisconsin (Mr. PROXMIRE) was added as a cosponsor of amendment No. 1922, prohibiting use of funds by any U.S. agency to violate or encourage the violation of U.S. laws or the laws of the country in which said agency is operating, intended to be proposed to the bill (S. 3394), the Foreign Assistance Act of 1974.

NOTICE OF HEARING

Mr. JACKSON. Mr. President, I wish to announce an open oversight hearing on the Wilderness Act of 1964, relating to various policies which have been and are being formulated to implement its provisions.

The hearing will be held on October 9, beginning at 10 a.m. in Room 3110, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

CASTRO'S DIATRIBE

Mr. McCLURE. Mr. President, the United States has been kicked in the teeth again. The dictator of Cuba took the opportunity of a visit by two U.S. Senators to issue a diatribe against this Nation which would have been routine if it had not been showcased by their presence.

Castro undermined the alleged purpose of the visit, which was the exploration of improving relationships between the two countries.

I say alleged because the Cuban dictator could not possibly consider calling a country's actions dirty, illicit, and criminal a prelude to friendship. He could not think that blaming world inflation on our Nation's "deplorable imperialist policies" would be conducive to improving relations, not even if he has read every word of detraction published about this country and its citizens both here and abroad.

His Foreign Minister Raul Roa gave the U.S. Senators the clear idea that Cuba was prepared to work toward a more normal relationship with the United States. The fact that Castro then used the opportunity of their visit to deliver a 45-minute denunciation of our country should give us a good notion of what in the Communist Cuban mind constitutes normal relationships.

I think that one thing has been made clear. Cuba's notion of cooperation is to use the good will of other nations in an effort to undermine them.

I would also like to express my concern to those colleagues in this body. They were badly used.

FOREIGN POLICY: MEN OR MEASURES?

Mr. CHURCH. Mr. President, in the October issue of the Atlantic, Thomas L. Hughes, president of the Carnegie Endowment for International Peace, writes an article worthy of the thoughtful attention of every Member of the Congress.

I ask unanimous consent that the article, entitled "Foreign Policy: Men or Measures?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

II. FOREIGN POLICY: MEN OR MEASURES?

(By Thomas L. Hughes)

On Wednesday, July 17, President Nixon assured the American people through Rabbi Baruch Korff: "A resignation of the President would, in my view, have devastating consequences in terms of our foreign policy, would jeopardize the structure of peace in the world. . . . I must, of course, as everybody knows, refuse to resign. . . . I owe an obligation to continue the work that I have begun in the field of foreign affairs."

The next day, Secretary of State Kissinger happened to share the rostrum at a business-executives conferences in Washington, and said to his platform colleague: "In the last speech of yours, I remember, you proposed that I fire the President." His interlocutor replied that the recommendation had made good sense six months earlier and now made more sense than ever. "But I now understand," the Secretary continued, "that you also want *me* to stay." He associate responded that he had never advocated Kissinger's leaving, and therefore could only ponder the implications of the Secretary's own threats to resign.

Three weeks later Kissinger had withdrawn the latter and had been instrumental in arranging the President's resignation, Mr. Nixon's last historic first. It was the denouncement of a breathtaking succession of events commingling foreign and domestic politics at levels of intensity unique in American history.

For months the President's own purposes had been painfully obvious. While the case of the *United States* v. *Nixon* consumed the courts and the Congress, spurious national-security arguments, designed to excuse domestic illegalities and to thwart impeachment vied with compulsive presidential jetting wherever, and however hastily, summits could be contrived.

"The President was literally mobbed day and night by thousands of French nationals, who literally begged him with tears in their eyes to remain on the job," General Alexander Haig told the Republican Women's Federal Forum following President Pompidou's funeral. After seeing President Sadat's placards in Egypt saying "We Trust Nixon." General Haig commented in Cairo: "Unquestionably this will help Nixon in the United States." In Saudi Arabia King Faisal cooperated at the airport: "Anybody who stands against you, Mr. President, in the United States or outside, stands against us." After the Moscow summit, General Haig again volunteered that President Nixon had returned from the Kremlin "intellectually and spiritually invigorated with a reinforced determination to stay."

The claims of foreign-policy indispensability were shamelessly thrust into the forefront of our escalating constitutional crisis. A summit a day kept impeachment away, especially if it carried an extracontinental dateline. According to this simple formula, Mr. Nixon, clinging to office, kept his travel agents busy. As late as midsummer, when the gathering storm clouds were rolling rapidly toward Götterdämmerung, the Imperial President was still trying to crank up state visits in the autumn to London or Tokyo, visits reportedly delayed in the end by the British Queen and the Japanese Emperor themselves.

But judged by what we saw and heard of Mr. Kissinger's behavior, his objectives appeared more complicated than Mr. Nixon's. Indeed, the summer of 1974 was full of rich material illustrating the use and abuse of foreign policy in the contrasting deportment of what were then our two-and-only foreign-policy personalities. For while the President was struggling to stay, the Secretary of State was threatening to leave. While the antihero stubbornly refused to resign until he actually did so, the hero openly contrived various resignation options, only to remain after all. Whatever Kissinger's actual intentions, the objective realities in midsummer were that the Secretary of State had staked out for himself a conservative way to leave (press harassment), a liberal way to leave (détente), a pro-Nixon way to leave (exhaustion), and an anti-Nixon way to leave erosion of authority). As the most sophisticated of public figures, however, Kissinger knew that no matter how the cover stories might have read, his own volitional resignation would in fact have been seen as an anti-Nixon move with probable effects on the latter's own scramble to stay.

The desperate determination of the President to remain contrasted with the studied indetermination of the Secretary. In prior years, their paranoias had been mutually reinforcing; this summer, that sustenance was no longer there. Mr. Nixon, whose normal instincts, everyone knew, were flexible enough, was now no longer free to play across the foreign-policy field with the agility and surprise to which he was once accustomed. Instead he was preoccupied with assuring the old-line conservative votes necessary for his retention in office. In the process he deprived the Secretary, who also gets A+ for flexibility, of his customary executive-branch authority as well as his normal room for maneuver. The growing dichotomy of their respective interests and situations was bound to affect their relationship. The President, who had feet of clay, was ineluctably being separated from the Secretary, who exhibited the fastest footwork in the business.

So the President's anti-impeachment tactics overlapped and interacted with the Secretary's threatened-resignation tactics. And yet for two reasons the latter were not for real.

First, there may have been very good reasons for threatening resignation publicly, something which Kissinger had done repeatedly in private throughout his career, and they were not to be confused with reasons for actually resigning. Second, considering Mr. Ford's extravagantly repeated guarantees to reappoint him on opening day, a Kissinger resignation would never in a sense have been seen as real, but as a temporary Clausewitzian continuation of the struggle by other means.

Kissinger had simultaneously demanded that the Congress endorse his "integrity' (an absolution, incidentally, which he would surely want to interpret as extending beyond wiretapping to validate his basic diplomatic method, itself increasingly under criticism for its deviousness). In so doing, he was also accomplishing the 1974 political equivalent of the Tenure of Office Act by which Congress forbade President Andrew Johnson to fire Secretary of War Stanton, the major issue of America's other impeachment crisis a century ago. The difference was that while Stanton clearly wanted to stay, Kissinger might on balance have decided to leave, depending on unfolding impeachment events.

At any rate these two processes of manipulation were in play for much of the summer, the rumors of conflict being amplified by staff leaks and press speculation. By any ordinary criteria, the Secretary occupied the stronger position, the President the weaker one, except for his formal right to fire. Incomprehensible as Kissinger's dismissal might seem, it could have happened. The jangling effects of two such concurrent high-wire performances, with all their upstaging and cutting down, produced dissonant vibrations that temporarily made almost anything possible.

To the outside observer Mr. Kissinger had always appeared, like Job, to bear his multiple burdens patiently. Indeed, unlike Job, he had always appeared to enjoy them hugely until this summer, when the strains began to show. The strains were understandable. This had turned out to be one of those rare times in history when the hero had been called upon to support his antihero on an hour-by-hour basis. The Supersecretary was required to rescue the sinking President, and admirers were asked to applaud the effort that went into this capricious assignment. With all the diversions, distortions, and deceptions that such arrangements had to entail, here was a burden which no heavily laden foreign policy should have been asked to sustain and no Supersecretary required to serve. Not since Charles Blondin walked across the tightrope at Niagara Falls with a man on his back had a high-wire performer had to carry such an unnecessary extra load. It was hard to know what to admire the most: the feat of skill which accepted the capacious morality which accepted the assignment.

In the late spring Kissinger had ordered a trusted member of his State Department entourage to prepare another one of his disavowable secret studies. This one was to be an assessment of the probable foreign-policy implications of a long and indecisive impeachment crisis—a comprehensive rundown of the likely international consequences of a collapse of moral authority in the White House, of leaderlessness and irresolution in Washington, of the temptation to fill vacuums around the world. It would be material of possible use, if needed, when the time came.

In the final weeks before the August avalanche, the Secretary introduced a new note. In contrast to his repeated public statements that Watergate had had no effect on the conduct of foreign policy, he now increasingly intruded foreign policy into the impeachment debate, presumably in Mr. Nixon's defense. Thus in mid-July Kissinger was confiding to the press in background interviews that Watergate had weakened the United States in the strategic arms talks with the Soviets. By the end of July Vice President Ford was publicy using the theme that efforts to "undercut" Mr. Nixon "could have an adverse impact on foreign policy." But the foreign-policy argument this time turned out to be double-edge. The same arguments which failed to deflect the impeachment forces in Congress aided in persuading the President to step aside.

In the end Mr. Nixon was twice trapped by forces which he himself had set in motion. Publicly, his tapes brought him down. Privately, foreign policy helped provide the coup de grace. The same foreign-policy primacy which, Nixon once argued, made it indispensable for him to stay, now helped make it indispensable for him to go. Literally spending hour after hour with Mr. Nixon during his last four days in office, Kissinger turned the foreign-policy rationale around to become one of the final convincing arguments for the President's resignation. By then, of course, Kissinger was working with history and not against it. Still, he knew the Nixon stubbornness as few others knew it, and at the end of his round-the-clock diplomatic services inside the beleaguered White House weighed heavily in the decision.

Ironically, on August 6 Kissinger's and Nixon's crosscutting dramas converged on Capital Hill with the caving of Nixon supporters on impeachment and the simultaneous clearing of Kissinger's role in the wiretapping by the Senate Foreign Relations Committee. Overnight Kissinger withdrew his own resignation threat, and within hours Nixon himself resigned. The king departed and the captain remained. No one with his priorities and proportions in good order ever really wanted Kissinger to leave, and Mr. Ford, in his televised remarks minutes after his predecessor's resignation speech, not only confirmed Kissinger's retention but gave nearly equal billing to the continuing Secretary and the departing President.

When the ex-President flew off to California, the overpersonalized presidency went with him. And just in time. For the growing personalization of foreign policy had, by then, become a disservice to rational policymaking. Summitry was becoming guilty by association with Richard Nixon, just as wiretapping was becoming acceptable by association with Henry Kissinger. Issues deserving of close inspection and full debate had been obfuscated by personalism. An honest analysis of measures was deflected by an excessive attention to men.

Even so grave a matter as détente had become a prominent case in point. Considering the conceptual breakthroughs that had come to naught, the excessive claims that had been shown up, the much vaunted momentum that was no longer detectable, détente, too, had had a hard summer. Once their mutual pride and joy, détente had become divisive, President Nixon leaving it more and more as a slogan without substance as he retrenched to bolster his conservative support, the Secretary suddenly sounding, *mirabile dictu*, like a confirmed arms-controller. His midsummer idea of holding a genuine national debate on détente in the midst of the existing impeachment debate passed comprehension. But the summer's cumulative sensations had thrown into bold relief the many-sided dilemma of personalism and foreign policy and the distortions that come with it. However much we tried to look at the issues, the men got in the way. The wild cards of personalism became the ascendant factors, not only in the conduct of our foreign policy but in the exaggerated claims asserted on behalf of foreign policy on the clarity and rationality of our decision-making processes. Men and measures, power and predictability, realpolitik and personalism—old dilemmas and old debates—were raised to new heights in our democratic experience. Now, at the beginning of a new Administration, it is appropriate to re-examine them, to consider where we are and whither we are tending.

THE MISSING MEASURES AND THE MISSING MEN

Men or measures? It was already a celebrated question a century ago, an argument which had erupted at the highest levels of British and American politics from Chesterfield to Goldsmith to Burke to our Founding Fathers.

The very persistence of the argument is one excuse for reviving it today. Over the years the argument itself has taken many forms. It has pointed up the contrast between personalities and parties, between politicians and doctrine. It has distinguished the bureaucratic man of practice from the intellectual man of theory. It has highlighted the tension between office-holders and office-seekers. It has been used affirmatively to distinguish the supposed conservative affinity for men from the supposed liberal affinity for measures. But it has also been applied critically to both conservatives and liberals—to those conservatives who are unable to articulate their major premises attractively or wish to hide them and therefore stress the appeal of a prominent personality; to those liberals who are adept at campaigning for measures but who forget them in office or lack the ability to carry them out. Sometimes the slogan has simply underlined the difference between men of action and men of ideas.

At other times the distinction has embodied skeptical propositions with awkward moral overtones. "Great men are almost always bad men," said Lord Action, and he used to refer to Walpole's dictum that "no great country was ever saved by good men." A prominent American political tradition from Jefferson to Lincoln to Wilson always stressed the opposite. Wilson even presumed to advise Latin America to "elect good men," by which he meant honest men publicly committed to measures for which they could be held accountable.

For "measures" connoted a shared responsibility for steps deliberately planned, proposed, and discussed. Focusing on measures suggested a purposeful investment in a persistent viewpoint, not a blank-check vote of confidence in an unpredictable man with all the negative nuances that would carry for institution-building and architectural creativity in foreign and domestic policy alike. An ongoing consistency was contemplated—an affinity for certain means, as well as an identification with certain ends. *Men*, capable of acting privately, perhaps irresponsibly, and alone, contrasted with *measures*, whose advocacy afforded an opportunity and obligation for coherent public understanding and even participation.

In the life cycle of ideas in action, the alternating currents supporting first men and then measures persist. They tend to be inconclusive and seasonal in nature. Nevertheless, one can stop short of moralizing about motives, and well short of imputing straight-line philosophical or political presuppositions in areas where they don't belong, and still not recall any time when the gap between what men in office were saying and what was actually happening—the gap between the presence of men and the absence of measures—was as great as it has recently been.

In part this is because we live in a time when much that used to be obvious no longer is. Landmarks, borders, and sovereignties have disappeared. A growing number of the world's new problems are beyond us emotionally. When we think what turbulence lies just ahead in the last quarter of this century, it is easy to identify the global issues for which measures are urgently needed. Yet the perceptions of men are changing on all of them: defense, deterrence, and détente; money, markets, and inflation; resources, raw materials, and energy; pollution, ecology, and weather modification; population and urban congestion; inequality and unemployment; famine prevention, poverty, and food production; genocide, discriminatory violence, and human degradation; drugs and terrorism; the world's $200 billion annual arms expenditure; nuclear power; the oceans and outer space.

Yet far from focusing on the question of how 100 percent of the world's population can get at 100 percent of the world's resources, most of us do not even admit the legitimacy of the question. With one sixteenth of the world's population, we Americans devour one third of the world's resources. Far from lining up with the ascendant forces of human history, we fitfully try to apply the brakes. Far from addressing the tasks of analysis, allocation, and adjudication, or of the regulation, monitoring, and management of these enormous political, economic, and social issues, we avert our gaze. The actively imaginative actors among us turn out to be multinational corporations jumping national jurisdictions to avoid constraints. We are directionless and frustrated.

Imaginative measures await imaginative men to devise, produce, expound, and implement them. Yet nations flounder in the midst of a giant paradox; the conventional wisdom acknowledges the need for new measures to ameliorate the human predicament at the same time that most of the world's recent leaders posture, pontificate, and disappear.

For not only are the measures missing, but so, increasingly, are the men. Not long ago Secretary Kissinger created an uproar by telling the congressional wives a tale about European governments being "very rarely legitimate." His statement would have read more accurately as "very rarely lasting," because recently the mortality rate of European governments has been staggering. Since May, 1973, there has been a new head of government in every one of the thirteen NATO capitals in Western Europe: the Netherlands last May, Italy in July, Norway in October, Greece in November and again in July, Denmark in December, Turkey in January, Britain in March, Belgium in April, Portugal, Germany, and France in May, and Iceland in July. Never before has there been such a clean sweep in the leadership of NATO Europe. And this trend exists, or is imminent, in the Eastern and Southern hemispheres as well.

Against this bleak background of missing men and missing measures, the glare of publicity has thrown into lurid relief America's extraordinary recent flirtation with personalism. Here, after all, is a curious phenomenon. Contemporary America, the nation which had just emerged from a decade of demands for participatory democracy, expressly not exempting foreign policy, had now paradoxically lurched into a love affair with personalism in foreign policy on a scale unparalleled in its entire history. In a total world situation which would normally invite, indeed require, from 200 million Americans the dedicated application of many men and many measures, we have made instead an exceptional overinvestment in one exceptional man—Henry Kissinger—who has made some exceptional gains of uncertain durability. In the process, our national priorities have perforce become his preferences. Our national interests have become whatever he has time for at the moment.

Meanwhile, for months the ceremonial foreign-policy chieftain, an unindicted co-conspirator in an other affair, lingered on in a strikingly anomalous situation. The public was treated to the minimum possible discussion of measures and the strangest possible deployment of men. A foreign-policy government of two consisted of a discredited ex-hero in the White House and an ascendant superhero in the State Department—when he was there.

The conquering Secretary and the cornered President reversed all traditional notions of the master-servant relationship. Mr. Nixon said plaintively last spring: "Foregn policy is no longer made by foreign ministers. It is made by heads of state." But by then, he was the only one who thought so. The message failed to get through.

It was Kissinger who topped the polls and whose popularity extended as far as Manila, where the sixty-six Miss Universe contestants recently named him their runaway choice as "the greatest person in the world today." It was Kissinger who was idolized as a "miracle worker" by the Egyptians, as a "magician" by the Israelis, and as "Alexander the Great but not so beautiful" by *The Economist*. Everyone admired his intellect, irony, and articulation, his charm and wit, his energy, dexterity, and, until Salzburg, sure stage sense. He aroused alarm in the spring when he told a group of senators on an airplane that he would resign if the House voted impeachment, and relief when, after the story reached the press, he hastened to call Mr. Ford to say that he would not, after all, abandon the country. He astounded the country with his Salzburg ultimatum, but public, press, and Congress hastened to appease him. Few disagreed that he was the best Secretary of State imaginable under the circumstances It was the circumstances themselves, domestic and foreign, that were so distasteful.

In the changed circumstances of the newly depersonalized presidency, Kissinger survives as the world's leading personality. Secure in the knowledge that he is secure, perhaps we may at last risk inquiring about the rest of those things we have always wanted to know about personalism and foreign policy but have been afraid to ask. It is pertinent to recapitulate where personalism has taken us and inquire whether we wish to project these recent aberrations into a long-term norm.

POWER AND PREDICTABILITY: THE SEEDS OF THE SIXTIES

It is only fair to begin with the foreign-policy men and measures of the 1960s viewed from a special perspective—the conflict between power and predictability in our democratic society. For the ironies of the 1960s were poignant: the educational and communications explosion created ever more insatiable public demands on the official power-holders for predictable behavior just at the time when world realities seemed to them to require precisely the opposite—that is, maximum room for maneuver, another way of saying unpredictability.

From May, 1960, when the U–2 incident shot down both the Eisenhower-Khrushchev summit meeting and White House credibility, to May, 1970, when President Nixon ordered the invasion of Cambodia, the practicing instincts of all four Presidents—perhaps in ascending order—regularly ran in the direction of unpredictability on decisive issues of war and peace. From Eisenhower and Nixon planning the Bay of Pigs invasion to Kennedy and ineptly carrying it out; from Johnson's headstrong escalations to his frenetic search for peace; from Nixon's summit mining and Christmas bombing to his belated withdrawal from Vietnam—none of these Presidents could be said to be following predictable courses of action appropriate, say, to the public expectations which they themselves had created in their foreign-policy campaign speeches.

These instincts toward unpredictability in a foreign-policy crunch were fortified throughout the sixties by a spate of intellectually coherent doctrines which supported presidential primacy, open options, and nondisclosure patterns, which themselves were said to protect security, tactical flexibility, covert operations, and diplomatic poker hands. The predilections of presidential advisers bolstered the behavior of the presidential power-holders. Together they made unpredictability another presidential prerogative. Part of the rationale was simply the politics of surprise. Another part was the techniques of bluff and brinkmanship. Still another was ordinary cynicism—an extrapolation of Dean Acheson's latter-day phrase: "there are moral problems and real problems," and his prescription for dealing with the latter, which featured the "moral autonomy of the strategic approach."[1]

But there were more complicated reasons too, and sometimes even commendable ones, why unpredictability became a consciously valued asset. The more diabolical the problems confronting the President, the more he leaned toward a stance of unpredictability. Often this turned out to be the same thing as *being* unpredictable. Arming himself with ambiguity as successive occasions demanded, he went out to confront his multiple domestic and international audiences, trusting to inconsistent nuances—in effect, fooling some of the people all of the time and most of the people some of the time.

The pattern repeatedly came through; unpredictability was valuable one way or another, in creating room for maneuver over the Congo, Berlin, Cuba, the Middle East, Cambodia, Laos, and of course, Vietnam.

The insiders' arguments for unpredictability were politically powerful. Unpredictability exerted an irresistible attraction on self-styled empiricists and pragmatists, and there were plenty of them around. And when an important insider like a President was on the defensive and his policies under attack, the gravitational pull toward unpredictability naturally became greater than ever.

Inevitably power and unpredictability became the handmaidens of presidential personalism. Many who lived close to JFK and LBJ have no trouble in finding the seeds of the cult of personality in both those Administrations. (Can anyone who experienced it easily forget encounters like the airport scene between the President and the staff sergeant who, seeing LBJ start off toward the wrong helicopter, said, pointing, "Mr. President, *that* is your helicopter over there," only to be embraced by the enormous Texan and advised, "Son, they are *all* my helicopters.") However, even the hyperbolic Johnson, domineering as he was, was saved from sheer personalism by his lines of communication to the Congress, the Cabinet, the bureaucracy, and the press. Johnson's foreign policy on occasion was conducted by a government of two hundred, and rarely by fewer than a government of twenty. It was never a government of two.

The personalism was not unbridled or undiluted. Prominent men around the President still jockeyed for position, which itself represented some splintering of power. And in the end the Johnson Administration, though weakened and wearied by Vietnam, still utilized major executive-branch resources. The best and the brightest, with all their well-advertised faults, were still around the President and represented some semblance of corporate responsibility. Openness had disappeared, the barricades were up, and hard lines were being drawn. But the personalism was held under control, albeit erratically. Summits were not available at the time they were desired. Vain men could not dispose of events, but were imprisoned by them. The China overture was still impracticable, the Soviet one unavailing. Alliance relationships, frayed though they were, still set the ambience within which policy moved. Assistant Secretaries of State still had responsibilities; so did their staffs. The civilian side of the intelligence community was relatively free to write what it pleased. In places in the government even a certain esprit de corps could still be found. For better or worse, there was no overlapping of the bounds within which policy had been set for more than a decade, and this was often beneficial and limited damage.

For their successors in the early Nixon Administration who cast themselves in the role of deescalators and extricators, unpredictability seemed even more appealing. In 1969–1970, how could one champion withdrawals and negotiations simultaneously? A serious negotiatory process could be wrecked by clarifying concessions along the way. Public ambiguity and private manipulation would be essential if negotiations were to succeed. The same men would have different measures in mind "out front" (to use the transcript phrase) and behind the scenes.

This new American thrust toward presidential unpredictability would have been accepted as the conventional wisdom by traditional European diplomats. By contrast, it would have been instinctively rejected by President Nixon's Quaker mother, by the American Society of International Law, and for that matter, by almost the entire heritage of the organized, programmatic, world-affairs activity in this country, whether inside or outside the government. Making a virtue of unpredictability was bound to be profoundly perturbing for a moral, legal, and bureaucratic tradition devoted to rational discourse, clarity of positions, and the orderly consideration and explicit elucidation of national interests. In that tradition the more given factors and the less ambivalence, the better. There was a high premium on continuity and consistency, on minimizing surprise.

A decent democratic dialogue on the most fateful foreign police is always depended—and still does—on gratifying certain minimum expectations of greater policy reliability. A decent institutional dialogue within the executive branch is desirable for the same reasons. But both were increasingly missing in the system. The reservation of presidential power implicit in keeping many options open, and most positions reversible, increasingly collided wtih a widespread insistence on a larger reliability factor.

At some point democracy and unpredictable government were fated to collide. The antithetical seeds of power and predictability were well sown in the sixties, and the occupant of the presidency, whoever he might be, was certain to be increasingly crowded by his fellow countrymen to declare himself. Not only was this bound to restrict his freedom to conduct nineteenth-century diplomacy in the 1970s, but the penalties for this noncompliance were lurking close to the surface of events. All it took was heavy new doses of private government to make the situation acute. All it took was Watergate to convert this concern over unpredictability into outrage over deception.

REALPOLITIK AND PERSONALISM: THE HARVEST OF THE SEVENTIES

Power and predictability, to their mutual detriment, contested unevenly in the 1960s, thereby laying a shaky foundation for the unexpectedly bountiful harvest of realpolitik and personalism to follow:

The decade of the seventies opened with President Nixon rather boldly comparing himself to Disraeli. Certain flaws in this comparison sprang quickly to mind. Nevertheless, it was clear that the President yearned for the kind of patriotic support which the British public often still gives to British foreign policy. Count Sforza, the interwar Italian statesman, once paid tribute to this phenomenon. "The British," he declared, "had a previous gift bestowed by divine grace . . . the simultaneous action in those islands, when a great British interest is at stake, of statesmen and diplomats cooly working to obtain some concrete political advantage and on the other side, and without previous base secret understanding, clergymen and writers eloquently busy showing the highest moral reasons for supporting the diplomatic action which is going on in Downing Street."[2]

But Disraeli's Britain turned out to be light-years away from Nixon's America. In May, 1970, having ordered the invasion of Cambodia, the President went to the Lincoln Memorial at midnight, where he spoke to some students about Churchill and football. But to no avail. The next day the campuses were in flames, the clergymen and writers were eloquently busy showing the highest moral reasons for *not* supporting the White House, while inside the latter, many of his own best staffers were writing out their resignations. His Secretaries of State and Defense had opposed the invasion. All in all, one could have read the situation as an early warning of the potential unrealities of realpolitik. However, apparently undaunted, the President stonewalled.

Realpolitik and unpredictability came together again with full force in Setpember, 1970, with the Jordanian civil war. Newsmen were briefed on the contingent possibility of a U.S.-Soviet confrontation, and President Nixon personally and emphatically made the point that it was of the highest importance that the United States should avoid giving the Soviets the impression that we would always act rationally. "The real possibility of irrational American action is essential to the U.S.-Soviet relationship." Mr. Nixon said in Chicago on September 16. The other side should not be confident of our reaction. They should be kept guessing about even an *irrational* response. Success on the ground in Jordan stifled the arguments between those who accepted this proposition on its merits and those who found it to be a self-evident recipe for instability.

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[1] Amherst College, December 9, 1964.

[2] Quoted in *Moral Man and Immoral Society* by Reinhold Niebuhr (1932).

Ahead were the triumphs of summitry and the belabored negotiations on Vietnam. Once more the men and the measures were manipulated with little public awareness of the process and wide public satisfaction with the apparent success. Relationships with Moscow, Peiping, and Hanoi were precisely those where realpolitik could be indulged in with maximum assurance of public acceptance. Secrecy was defendable, deception understandable, deviousness expected. The need for mystery and even stealth could be explained. The choice of three Communist capitals as the priorities for emphasis was truly congenial: no one doubted their importance; the techniques of realpolitik were widely accepted as appropriate for them, the obvious personal benefits would be well timed and undeniable.

Personalism accompanied realpolitik, promoted it, and was said to be required by it. Realpolitik magnified to the extreme the personal satisfactions of its two chief participants. The Nixon candidacy of 1972 was inextricably involved in the summit pageantry arranged by his nominal subordinate. The time and orchestration were superb.

As the two heroes of 1972—the President and his national security adviser—moved from triumph to triumph, Mao and Brezhnev and Le Duc Tho were translated into solid votes at home by the Committee to Re-elect. Nixon and Kissinger cemented détente with doses of *Schrecklichkeit* visited upon the North Vietnamese in order to pacify our ally in the South. Thus American history's most breathtaking exhibition of high politics seemed to be vindicated by the apparent successes in Peking, Moscow, and Hanoi, and by Nixon's in November, 1972.

Thereafter, it was all downhill for the President, while Kissinger continued to soar, nearly dizzy with success. It was a painful paradox for the President, but somewhere en route, America's chief realpoliticians catastrophically misjudged the political realities at home and Realpolitician Number One had to confront the consequences. How this happened is a story which is still unfolding. Why realpolitik was attempted in Moscow, Peking, and Hanoi is clear enough. Why it was allowed to burst its bounds and infect nearly all of our other relationships at home and abroad is harder to understand.

At first the casualties lay practically unnoticed: the almost complete noninvolvement of the American people, the American Congress, the executive's own bureaucracy, and the nongovernmental foreign-affairs community. These losses were probably counted as gains from the outset. At home opposition would be splintered or smothered. Realpolitik would reduce foreign policy to a spectator sport for all those except the two chief players. Successes with the Communists, if spectacular enough, would carry their own reward, turning the spectators into cheering fans.

In the meantime, public discussion of world affairs and citizen dialogue with officialdom would both fall into the public relations area which the White House called "theater." A nonaccountable foreign-policy process—invisible, unlocatable, nontestifying—would give *Lebensraum* for backstage brilliance. Dostoevskian dashes of miracle, mystery, and authority would help deflect injuries about what really went on backstage. If skeptics raised questions about the process—about the habit of deceit it inculcated and the conspiratorial attitudes of mind it engendered—quiet reassurances or humorous turnoffs would do.

The probable costs of choosing these priorities and ignoring others was also well known in advance. Our official lack of interest in the rest of the world would increasingly be seen to be just that. The implications of our concentration on Moscow, Peking, and Hanoi would not be lost on others.

Abroad there predictably would be some unraveling of alliances and a general devaluation of America's reputation as the world's chief engine for humanitarian policies. But Vietnam had already diminished those relations, and would-be Disraelis were never much interested in them anyway. The constant new public emphasis on America's national interest would not make America as interesting to others as it had always been hitherto, but that too was judged an acceptable loss. Rhetorical cosmetics could still be applied in the occasional speech at the UN. In the meantime, everyone knew that ideology had died, and if national interests sounded like less than human interests, we could live with it.

Climbing down from the inflated phrase, realpolitik would give America a pragmatic, nondifferentiated reputation. Such an America could do things without its previous embarrassments—without moral constraints. Ancillary benefits for our relations with colonialists, juntas, and other exploitative regimes of ill repute would be eased under cover of the new realism. Any latent qualms about General Pinochet's executions in Chile, General Khan's genocide in East Pakistan, General Ioannides' jailings in Greece, or General Park's repression in South Korea could be stifled under the same rubric. Too tough-minded to be bothered by Rhodesian racism or Brazilian torture, realpolitik would release American foreign policy-making from the normal discipline of meeting or failing to meet external standards, in favor of the self-discipline, or lack of it, of the foreign-policy manager of the moment.

Realpolitik would also have the estimable effect of enhancing the personal roles of the realpoliticians. Personalism would infect the subject matter; the news would become biographical, social, or stylistic. As one of my colleagues has written, it would be more like covering Marilyn Monroe.

Against a background of burgeoning global problems, increasing demands for multilateral action, and actual transnational relationships which increasingly bypass governments, the last true believers in the declining nation-state would, of course, be those holding highest office under it. Presidents in particular have recently had a supreme personal stake in the mysteries of foreign policy. Ordering out the B–52's was always the ultimate evidence of actually disposable presidential power. Thus on December 18 1972, during the post-election Christmas bombing, Mr. Nixon said that he "did not care if the whole world thought he was crazy in resuming the bombing," according to columnist Richard Wilson's notes after a private White House dinner that night with Nixon, Kissinger, and Admiral Moorer. "If it did, so much the better. The Russians and Chinese might think they were dealing with a madman and so had better force North Vietnam into a settlement before the world was consumed in a larger war. . . . Kissinger interjected that he was not among the fainthearted, as then reported, who opposed the bombing." Realpolitik combined power and unpredictability in a soul-satisfying way for the holders of high authority. Its payoffs were undeniable.

But high payoffs carry high risks. It would seem elementary for the practitioners of realpolitik to have taken care to keep it carefully compartmentalized. Its very definition, in the Bismarckian sense, meant the careful weighing of limits, the balancing of interests, the manipulation of animosities, all within recognized boundaries and with due proportion. Unbridled, the spirit of realpolitik can be infectious. Unfortunately, in our recent foreign policy of two, we now know that Number One allowed his whole operation, domestic as well as foreign, to move beyond realpolitik to Realpolitik Unlimited

Eventually, of course, the assessment of history may reduce the enormous gulf which now separates the public reputations of these two realpoliticians. Depending on one's taste and preference, the conventional wisdom may one day regard Kissinger as a successful Nixon, and Nixon as an unlucky Kissinger—men of contrasting popularity and personal appeal, but whose core aspirations and methodologies were not so dissimilar after all—thus taking at face value a claim they both have repeatedly made. But life is unfair, and it is far easier to stay with the current public verdicts and treat them as they are now seen—at the negative and positive poles of personalism.

With the cascading Watergate disclosures of 1973, this split image of America's top team began to carry consequences that became devastating for one while still exhilarating for the other. In terms of their diverging concentrations as well as reputations, the President and the Secretary were seen to operate on different levels.

The former became earthbound, compelled to take the low road and grudging self-defense while the signposts of disclosures and exposures pointed toward judgment for the high crimes and misdemeanors of Realpolitik Unlimited. The latter, rarely earthbound, operated on the high road of Personalism Unlimited, shuttling tirelessly back and forth as ringmaster of the greatest show on earth and dealer in the only winning game in town.

REALPOLITIK UNLIMITED: WATERGATE AND THE WATER'S EDGE

The water's edge was traditionally the place where domestic politics was supposed to stop. Watergate will not go down in history as the symbol of realpolitik overflowing the domestic dikes to flood the American political system with the techniques, the cynicism, the fraud, the covert activism, the wiretappings, the forgeries, even the hirelings themselves—many of them imported from the more odious side of our foreign operations. Even with the Nixon Administration's sensitivity to tariffs, nobody's instinct for protectionism was up to the task of keeping this foreign import from contaminating the domestic market. On the contrary, the adulteration was ordered by highest authority. As J. K. Galbraith recently wrote:

"Nothing growing out of the Watergate episode has been more salutary than its advertisement of the banality, ineptitude and general unattractiveness of the people who, released from foreign employment, sought to bring the darker arts nutured by our recent foreign policy to domestic purposes. . . . A foreign policy that needs E. Howard Hunt can't be right."

Ironically, few have put it better than E. Howard Hunt himself, ghostwriting a book in the early sixties for Allen Dulles, *The Chief of Intelligence:*

"Free peoples everywhere abhor government secrecy. There is something sinister and dangerous, they feel, when governments 'shroud' their activities. It may be an entering wedge for the establishment of an autocratic form of rule, a cover-up for their mistakes."

In the same book Dulles and Hunt warn us:

"Forgery is not available to Western intelligence in peacetime, for, quite apart from ethical considerations, there is too much danger of deceiving and misleading our own people. . . . In totalitarian systems the intelligence function is often combined with internal security operations. . . . There have been many instances in which dictators have converted authentic intelligence services into private gestapos for maintaining their rule. . . . This country certainly wants no part of an organization like the NKVD of Stalin or the KGB of Khrushchev. The very nature of our government under the Constitution and the Bill of Rights would outlaw such organizations as these. . . . It can't happen here."

A few years later Hunt was complaining that John Dean simply did not understand the routine practice of our foreign clandestine services, otherwise he would have seen clearly that Hunt's demand for $120,000 was not blackmail but normal family support.

The glimpse given the American public, through the prism of Watergate, of what goes on in the covert underworld of foreign policy carries its own heavy negative implications for American foreign policy generally, and for realpolitik in particular, if it can't keep its manipulations outside the continental limits. The distinctions themselves are hard to handle; that lying at home is criminal, but lying abroad is patriotic; that breaking and entering is illegal, but not if it is a foreign embassy; that the same act which merits jail if "unauthorized" might win one the Distinguished Service Cross if done in the name of national security. In addition to the other reasons for the contemporary disaffection from foreign policy, there is this new one: if graduates of the seamy side of foreign policy are now to get early retirement and pump their talents of prevarication back into the mainstream of American domestic life, then that is just an additional reason for copping out of foreign policy.

The revelations that nobody even tried to keep these matters separate—to keep the Watergate mentality safely on the other side of the water's edge—are shocking enough. But then we learn something worse—that these were not sins of omission but commission. Deliberate efforts were made to confuse foreign and domestic jurisdictions well before Mr. Nixon's fateful tape of June 23, 1972. Again there were seeds well planted in the sixties. But this time John Mitchell himself was appointed by the President to serve on Henry Kissinger's 40 Committee—the National Security Council's foreign covert operations group. It was there he probably first heard the phrase "plausible deniability." This base allowed Mitchell, the national security adviser, the wiretapping enthusiast, the once-and-future campaign manager, and the chief law enforcement officer, to roam for years across all jurisdictions with precautions and protections thrown to the wind. When sitting down with the same set of ITT officials, it is hard to espouse one set of values at the 10 a.m. meeting on Chile, another at the 11 a.m. meeting on the antitrust merger, and still another at the 12 noon meeting on financing the Republican convention. Nobody expected the Big Enchilada to behave differently from the way he did.

Here we confront the covert test of presidential predictability: the murky, protected area where the President is a free agent, where the customary restrictions on men and measures don't apply, where the man's inner boundaries are his chief restraint. Here is the ultimate private test of presidential accountability: what covert measures the man requests and what measures he rejects.

If realpolitik has to operate under a democratic handicap, so much the better for democracy. If personalism carries penalties as well as satisfactions, that's life. Our brief experience indicates that men with the requisite inner boundaries are hard to combine with Realpolitik Unlimited. In such a context, slippery men seek slippery measures, and odious measures seek odious men—a fateful combination destructive of democracy.

THE PENALTIES OF PERSONALISM

With debacles of personalism fresh in his mind, Secretary Kissinger, the Great Survivor of the wreckage of the Nixon Administration, might well begin to contemplate the probable penalties of Personalism Unlimited because they might prospectively apply even to his own spectacular case. Last year when he joined the State Department, he promised to institutionalize foreign policy. He could do worse than review that commitment today after more than a year of nonimplementation.

For here is a burden which is self-imposed. It requires only his own thoughtful determination to resolve. Unless he really starts thinking about lessening his load, his critics charge—that personalism has gone to his head—will seem more and more plausible. From the outset he has been confronted with resignations and vacancies at the undersecretary and assistant secretary levels immediately below him in the State Department. Those who have departed have regularly complained of lack of access and of nothing being left for them to do. Yet apart from his proprietary interests and the time he has available for them, there is just about everything left to do, if he would only let others do it.

We know his distaste for the bureaucracy. We notice his apparent inability to free even his own major appointees from their consignment to fringe roles. We hear about the deliberate wheel-spinning, the enforced inactivity, and the frustrating waste of talent. Yet he has surrounded himself with personal appointees. Why not turn this supporting cast to useful pursuits in the vast areas of neglect which cry out for policy attention?

If he is bored by economics—arguably our most critical and pervasive priority—why not find someone who likes it? If he doesn't care for Africa, why not put somebody in charge who does? If he has no time for Latin America beyond Acapulco, why not let competence rise in the field? If he has no taste for the day-to-day cultivation of alliance relationships across either the Atlantic or the Pacific, there are many who can do it well. If he prefers to forget about the frustrations of the Fourth World, they nevertheless present a picture full of foreboding for the one billion poor persons involved.

Traveling and telephoning by the Secretary must be bolstered by persistent and tangible effort across many networks in Washington and around the world. Otherwise, someday, intimidation will prove less magnetic inside the State Department, charm will prove less enduring to the press corps, and the next act under the Big Tent will cease to captivate even the fee-paying public as much as the last one. When that happens, personalism will begin to peter out, and its fuller consequences will appear.

Ultimately, especially in a democracy, personalism carries the seeds of its own destruction. Personalism breeds fragility in relationships generally. The ties of personalism begin to disappear when the men themselves begin to disappear. Last year's Western leaders are gone today; today's leaders of the Communist world will be gone tomorrow.

It is poignant, even now, to recall the summer summit in Moscow. In his opening toast at Brezhnev's Kremlin banquet, Mr. Nixon said: "Because of our personal relationship . . . there is no question about our will to keep these agreements." Having had more experience than the rest of us have had with the cult of personality, the men in Moscow considered these references unacceptable and deleted them in the official Russian translation. Undeterred, Mr. Nixon returned to the theme a few days later in his closing toast, once more praising "the personal relations and the personal friendship that had been established." Mr. Brezhnev replied impersonally, stressing instead the "feelings of respect and friendship of Russians for Americans."

If we must take seriously the proposition that incremental progress in U.S.-Soviet relations merits full-time tending, and that otherwise nuclear war lies in the balance, then the shuttle service between Washington and Moscow is all there is to foreign policy and all there needs to be. But what if those incremental advances are mostly public relations? Or what if they are really not solidly based in mutual advantage? Or what if "arms control" agreements stimulate the arms race? Or what if it turns out to be true that one country less prepared than America to meet and come to grips with the significant nonstrategic global issues is the Soviet Union, and that devotion to that particular relationship constitutes an easy and mutual opting out of the world's work for the rest of this century?

For personal relationships can invite misunderstandings as well as understandings, false expectations as well as reasonable ones. The risks of nonperformance and subsequent retribution can mount, often in direct proportion to the personal stakes invested in the outcome. Irreversibility becomes reversible. Personalism breeds weakness in eroding its dependable support. Major tradeoffs leave little room for institutionalized loyalties in the executive branch, the Congress, or the country. Foreign policy considered only as a spectator sport may assure that cheers today sound hollow tomorrow. The troops may not be where they are supposed to be when they are called.

Personalism, therefore, often tends to prefer the superficial and the transitory over the deep and fundamental. Personalism has a short-term timetable. It is tempted to take benefits now and leave the unknown costs to its successors. The more intractable the problem and far-reaching the measures required to meet it, the more a narrow leadership will be tempted to indulge in psuedo-solutions for appearances' sake. Personalism tends to deal with the thin crust of affairs, to concentrate on personal arrangements for the moment rather than partnership arrangements for the future.

Personalism gives priority to other personalisms, often gravitating to personal counterparts who can always be found on the authoritarian side of the East-West agenda. It tends to filter out the larger galaxy of the public issues of North-South and West-West relations. Thus our policy toward genocide, militarism, and self-determination in the vast Indian subcontinent becomes a simple function of a decrepit Pakistani government's willingness to facilitate our first secret trip to Peking. Thus personalism pulls us into personal embraces with authoritarian personalities in Madrid and Lisbon while praising their "moral courage" literally hours or days before they are assassinated, expelled, or overthrown. Every sheikh on the Persian Gulf insists on nothing less than the Secretary's personal attention.

Consequently, personalism has to become fastidiously restrictive in determining how a small entourage spends its time in a narrowly chosen field. Personalism breeds selectivity of an often idiosyncratic kind. The greater the selectivity, the greater the other issues which are ignored, short-circuited, suppressed, or bypassed. However vital the issues chosen for the great man's concentrated attention, his whims are determining, and a host of other issues pile up on his desk or enter the dustbin of history. Usually these will be the vital longer-term global issues that require many men and measures—the complex economic, cultural, social, institutional issues which do not lend themselves easily to the high drama of high-wire acts.

Faced with unfulfillable requirements, personalism naturally prefers the episodic over the continuing, the specialized over the comprehensive, the spasmodic over the consistent, the urgent over the pervasive. Unless somehow compensated for, personalism promotes a bureaucratic reversion to sullenness, a political reversion to cynicism, and a popular reversion to isolationism—all of them penalties for noninvolvement and manipulation.

The institutional chaos left in the wake of Kissinger's triumphs of personalism has been hidden, but it is equally dazzling. Foreigners want him to be desk officer for everywhere. We are left asking, Why do those with contempt for institution feel compelled to seek institutional leadership? Why do they insist on pre-empting control over policies toward nations and continents they are determined to ignore?

It is precarious for any society to find itself for long in this fix, doubly so for the United States with its Constitution and democratic ethos, and triply so considering our philosophic rejection of elitism and widespread demands for greater public participation.

Most of us know instinctively that genuine solo performances, good ones and bad ones alike, eventually come to a close. They are the least likely thing in the world to be institutionalized. Meanwhile millions of Americans interested in foreign affairs in and out of government are unlikely to have an indefinite capacity for being manipulated as the passive partners of real politik. They will tire of playing out the bit parts and nonroles assigned them by Central Casting. This is true on Capitol Hill. It is true inside the State Department. It is true in communities across America. However glamorous the personality, and however long the success lasts, the self-discipline of enforced indifference will eventually be hard on the spectators—especially hard on an American public already impatient with the insider mentality. Their impatience will widen the pervasive gap which already exists between those few sitting uncomfortably in the seats of power and the multitude sitting equally uncomfortably on the sidelines of events. As the euphoria diminishes, the onlookers will begin to distinguish between our foreign policy as it has recently been perceived and our foreign policy as it has actually been pursued. The omissions, costs, and contradictions will come to the fore.

When the era of personalism ends, the search will resume for reliable new links between men and measures. It will not be easy to begin the painful process of restoration for a nation wrung dry and manipulation and the collapse of public rectitude. Indeed, the only route we can take is consciousness-raising and confident-building—increasing the proportionate attention we pay to measures in our national life, while weaving them into the fabric of human commitments, sympathies, mandates, institutions, bureaucracies, and legislation.

But the test of a people has often been what they will do when they are tired. America is tired now. Beyond the fates of those who have deprived the nation in so many ways of its reputation, its credibility, and its capacity to function, we again confront an issue more enduring than the men: how to break free from the politics of exclusion and reinvest constructively in the politics of inclusion once more.

VISIT TO CUBA BY SENATORS JAVITS AND PELL

Mr. GOLDWATER. Mr. President, over the weekend I was extremely distressed to learn that two of our colleagues, both Members of the Senate Foreign Relations Committee, had traveled to Communist Cuba to explore the possibilities of returning to normal relations with that country.

The reason I object to the trip taken by Senators JAVITS of New York and PELL of Rhode Island has to do with my firm belief that relations with foreign countries should be left up solely to the President and the Secretary of State. It also is related to my growing suspicion that the well publicised visit of our colleagues played into the hands of Fidel Castro. It was almost like an exercise in entrapment.

No sooner had Senator JAVITS conferred with Cuban Foreign Minister Raul Roa and declared that it was his clear impression that Cuba was prepared to discuss a more normal relationship with the United States, than Castro delivered a 45-minute attack on President Ford and almost all of the policies of this Nation. While the American Senators watched on television, Castro encouraged the Arab nations to disregard President Ford's appeal for a lowering of oil prices. He also made some of the harshest comments he has delivered in recent years in alluding to President Ford's recent defense of the CIA in the affairs of Chile.

Mr. President, it is hard for me to convince myself that the two events—the visit of the U.S. Senators and Castro's intemperate blast—were unrelated incidents. I believe Castro wanted to demean the United States before the entire world by making it appear that the visit of the American Senators showed the United States was overanxious to come to terms with his Communist government.

Mr. President, regardless of how the trip was described, it still had the effect of placing this Government in an embarrassing position. In the long run it could easily make trouble in the Middle East where the economic problems of the West, combined with Arab oil and Soviet meddling may easily place Israel in a more perilous position than she has ever known before.

Mr. President, all the good intensions in the world still need a factor of judgment. In other words, I believe no such trip should have been undertaken unless it was undertaken by Dr. Kissinger or somebody in the executive branch of the Government with the expertise to understand affairs in Communist Cuba.

So long as Castro performs as he is at present, and so long as Cuba remains under tight Communist control, I believe the United States should steer clear. If there is to be any easing of tension I personally want to see the initiative come from the man who erected those tensions in the first place—Fidel Castro. We should not be sending unofficial delegations to Cuba. If they are so interested in improving relations they should be sending delegations to Washington.

MORE THAN A MEAL

Mr. CHURCH. Mr. President, I was especially pleased that the Senate approve legislation on Tuesday to designate September 23 through September 27 as "Meals-on-Wheels Week."

In this regard, I wish to commend the chairman of the Select Nutrition Committee (Mr. McGOVERN) for his leadership in this effort.

As chairman of the Senate Special Committee on Aging, I am very familiar with the many benefits of the meals-on-wheels program for the homebound elderly. Under title VII of the Older Americans Act, many aging Americans have been given a nutritional as well as a social boost by the visiting volunteer who personally delivers the meal to their home. The visitor also performs many other helpful services, including serving the meal to the elderly person, checking upon his health, or referring him to other services.

This program is of particular importance today because of the staggering increase in food prices. The elderly throughout the country now must skimp on food as it is the easiest item in their budgets to cut. Rent and utilities must be paid, and health care is a must. Therefore, the aging person's food budget is reduced to its bare limits. As a result, many are forced to live on a "tea and toast" diet.

But, meals-on-wheels is proving to be very effective. And I only hope that we can extend its effectiveness by expanding the title VII program. I join with my colleagues in recognizing the endeavors and interest of those volunteers all over the country who have put in many hours to serve those in need of such a meal. In my own State of Idaho many meals-on-wheels programs effectively serve the elderly and others from a base at a hospital, church or school.

With food prices continuing to rise, the meals-on-wheels program becomes all the more important. It can enable the elderly, blind and handicapped to live independently—instead of being institutionalized at a much higher public cost.

For these reasons, I reaffirm my support of Senate Resolution 409, which designates September 23 through September 27 as "Meals-on-Wheels Week."

PIN-STRIPED DESK HOPPER

Mr. HARRY F. BYRD, JR. Mr. President, the Farm Journal, a publication which addresses itself to the needs of the American farmer, ran an excellent article on a new threat to the agricultural economy.

The farmer has been hit by inflation, consumer boycotts, drought, floods, and now he faces an invasion of the "Pin-Striped Desk Hopper."

The author of this fine piece has his tongue planted firmly in his cheek, but a message of value lies between the lines.

I ask unanimous consent to print the article in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Farm Journal, June–July, 1974]

PEST INVADES FARM COUNTRY

(By Gene Logsdon)

The Pin-Striped Desk Hopper is on the loose. Long contained in its breeding areas around Washington, D.C., the two-legged parasite began migrating across the country several years ago, establishing itself first around state capitols and then spreading into the countryside, slowing food production.

"We're not sure how the parasite managed to spread so fast into every state," says Reginald Flyswat, chief of the Interstate Pest Patrol, "but it seems highly likely the Hopper has been hitching rides on the coattails of governors returning from Washington with federal funds."

A versatile fellow, the Pin-Striped Desk Hopper has no particular life cycle like other pests, although it does spend its entire larval stage behind desks. Once it pupates, it will go anywhere a government regulation sends it—that's everywhere.

"We can't get anything done," complains

a Minnesota dairyman. "Yesterday a Pin Stripe fell into the bulk tank looking for antibiotics and held up the milking for an hour. Last week two of them landed on a tractor my boy was driving, and he had to stop until he could prove he was my son and not affected by labor regulations. There's two of them buzzing around in my field now, trying to figure out if I've got too much erosion."

"You can't get rid of them," says a Texas cattle feeder. "We've redesigned our feedlot three times, and they still won't leave."

"You think that's bad, look at me," moans a local butcher in Speevy, Ill. "A whole swarm of them settled on my shop last week and closed me down because my floor was wet where it was supposed to be dry and dry where it should be wet."

"That's nothing," responds a Wisconsin veal feeder. "A bunch of them burrowed into my last load of calves and regulated them off the market because they found a residue in the livers which they couldn't identify.

Like the Gypsy Moth, the Pin-Striped Desk Hopper is an import from Europe where it was called the Left-Winged Office Butterfly and, in its larval stage, the Red-Banded Bureau Worm. Its amazing ability to consume large amounts of paper and exude endless webs of red tape were long known and appreciated by socialist dictatorships.

Then in the 1930s, an obscure political scientist in our State Department, Elias Feathernest, persuaded the government to turn some Office Butterflies loose in Washington. His argument: If the parasite could spin its web efficiently enough, all the Americans who were out of work because of the depression could again be employed, disentangling, classifying and selling the red tape. (Lately, they even erase it.)

So complete was the parasite's acclimation, that the species interbred with its native (but harmless) cousin, the Civil Service Sloth Bug and thus changed its appearance by the addition of a suit and tie to become the feared Pin-Striped Desk Hopper. After that, even its natural predators, the Blue-Beaked Graftcatcher and the Sharp-Toothed Budget Watcher couldn't always tell a Desk Hopper from an ordinary citizen.

Scientists are working night and day to develop a pesticide to control the Desk Hopper.

"We've tried a promising formulation experimentally for two years," says Dr. John Workhouse of Purdue. As a systemic or contact spray, it will dull the ability to dream up new rules and regulations, while at the same time activating the adrenal glands to more productive work.

"Trouble is, the Desk Hopper develops immunity very fast. Worse than that, the chemical causes problems with ordinary citizens who get a dose of it. It dulls their ability to circumvent the rules and regulations the Desk Hoppers dream up."

Continues Workhouse: "The chemical also causes the Blue-Beaked Graftcatchers to lay infertile eggs. And look what's happened to the Sharp-Toothed Budget Watcher—there's not been one around Washington in years."

CUBA

Mr. BUCKLEY. Mr. President, during the course of the past several months, there has been widespread speculation that there would soon be a major change in U.S. policy toward Cuba. If this possibility is real, and there is every reason to believe it is, then I think it is of the utmost importance that any such change be arrived at only after the most careful examination and debate. It is for this reason that I was delighted that the Senator from Virginia (Mr. HARRY BYRD, JR.), contributed so thoughtful a statement on the subject last week.

In my judgment, such an examination should begin with the firm understanding that a reversal by the Organization of American States of its long-standing position in favor of a political and economic embargo against Cuba places no obligation, moral or otherwise, on member states to change their own policies in this respect. In other words, the debate that should precede any change in existing U.S. policy vis-a-vis Cuba should be conducted on the basis of our own assessment of our security interests.

It should be understood at the outset that any moderation in the attitudes of other countries in the Western Hemisphere toward Cuba does not reflect a moderation in the internal practices or external intentions of the Castro regime. After 15 years under Fidel Castro, Cuba continues to be as despotic a state as the hemisphere has known. The regime has maintained its control over the populace through techniques of political repression in the classic tradition of the Gulag Archipelago. It is a tyranny from which 800,000 Cubans have fled, often at great risk to their lives. This is a rather awesome statistic, Mr. President. It means that 1 out of 10 Cubans—the equivalent of more than 20 million Americans—have elected to abandon their homes and families and friends and possessions—all they have known and loved—rather than continue to live in the workers' paradise imposed upon them by Fidel Castro. Moreover, there has been no moderation in the police state repression that has caused so massive an exodus. According to recent estimates, Cuba today holds between 80 and 100,000 political prisoners in Soviet-style forced labor camps.

Finally, when Fidel Castro may have moderated his flamboyant revolutionary rhetoric in recent years; while he is now "pragmatically" concerned with the need to legitimize his regime and bolster his economy through hemispheric recognition and trade, he has by no means abandoned his interest in exporting revolution. He has merely turned down the decibals while continuing to aid and abet the political disruption of other Latin American states.

What I would like to discuss today, however, is not the character of the regime now in control of Cuba nor even that country's individual contribution to revolutionary movements and terrorist activities elsewhere in the hemisphere. Rather, I would like to discuss two aspects of the present Cuban-Soviet alliance that pose the most serious obstacles to any normalization of relationships between the United States and Cuba. I speak of the alliance between the two countries that has transformed Cuba from the status of an insular tyranny with a limited independent capacity for trouble making into a forward base available for military and political exploitation by the Soviet Union. The alliance with Cuba, in other words, provides the Soviets with a foothold in the Western Hemisphere that the Monroe Doctrine was designed to prevent.

One consequence of this alliance has been the construction, with Soviet help, of a deep water naval base at Cienfuegos that is visited periodically by Soviet submarine tenders. As a result of a private understanding with the United States, the Soviets have thus far limited the use of these tenders to the support of conventional, diesel powered submarines rather than nuclear powered ballistic missile launching submarines. The existence of this tender facility, however, provides the Soviets with the ability to expand their submarine presence in the Caribbean on very short notice, an ability whose strategic significance—especially in a period of crisis—has gone virtually unnoticed in the United States.

At the present time, Soviet nuclear powered submarines, including those of the *Yankee* and *Delta* classes, tend to have restricted patrols because of the lack of convenient forward basing. The capacity necessary for the basing of these classes of submarines in the Caribbean, however, can be provided through a relatively simple augmentation of Soviet tendering facilities based in Cuba. This would be achieved through the deployment of Soviet merchant vessels to provide the additional facilities required for reprovisioning Soviet nuclear powered submarines. In terms of military impact, the effect of such an augmentation of forward basing capacity would be equivalent to doubling the size of the Soviet submarine force—which is already larger than that of the United States—and this could all be accomplished in a period of less than 60 days.

The threat to the security interests of the United States that would be posed by such an abrupt expansion of Soviet forces in the Western Atlantic is self-evident, and it is a potential threat that is the direct consequence of the special relationship now existing between Cuba and the Soviet Union.

The second element of this relationship that should be of major concern to every nation of the Western Hemisphere is the intimate connection between Cuban intelligence organizations and the Soviet Committee on State Security, better known to countless millions in Soviet labor camps as the KGB. Cuban intelligence activities are largely financed by the Soviets, who have converted the Cuban apparatus into a de facto Western Hemisphere branch of the KGB. The intimate link between the two countries' intelligence organizations was formalized in an agreement signed in 1968.

One result of this arrangement has been a change in the pattern of the subversive operations we tended to associate with Cuba in the 1960's. I speak of such things as Che Guevara's special brand of personal diplomacy, and the clandestine landings of armed guerrillas on isolated shores. Today, Cuba is being exploited by Soviet intelligence organizations for the purpose of directing or encouraging political subversion in major nations of the Western Hemisphere. The spate of leftist-oriented political kidnapings in Argentina and to a lesser extent in Uruguay, Brazil, and Mexico, are supported by Soviet intelligence representatives in Havana who operate through a network of Cuban nationals in Latin America. The confirmed presence of Soviet-organized intelligence and subversive operatives in Peru, Ecuador, Chile, and Argentina in the recent past emphasizes the extent of the effort being made by Soviet intelligence authorities to undermine and overthrow constituted regimes. This pervasive "Cuban Connection" was underscored when the 13 recently captured Mexican guerrillas—who had kidnaped the father-in-law of the Mexican President—revealed 2 weeks ago that they had been trained for their task in Cuba. It might be noted at this point that Mexico has been Castro's staunchest friend in the Western Hemisphere, having steadfastly refused to join in any sanctions against his regime.

Once again, the intimate relationship between the KGB and the Cuban intelligence apparatus is made possible by an explicit alliance between Cuba and the Soviet Union.

Mr. President, these are serious matters. They directly affect the security and stability of the nations of the Western Hemisphere. The Soviet-Cuban partnership constitutes a form of "interposition" in the affairs of American states by a European power that President James Monroe warned against when he formulated his famous doctrine a century and a half ago. It may well be that the best way to remove the Russian presence from Cuba is by relaxing existing sanctions so that the Cubans can be weaned of their economic dependence on the Soviet Union. It can be argued that as the sanctions have failed to bring about the collapse of the Castro regime, and as we are not prepared to help bring about that collapse by force, we must accept the reality of a Communist enclave in the Caribbean, and accommodate our policies accordingly.

These are arguments whose force I can understand and whose consequences I am prepared to accept; but only if we condition any change in our policy toward Cuba on a change in Cuba's policy toward the Soviet Union. To be specific, if we are to consider any lifting of current economic and political sanctions against the Castro regime, we must as a first condition require that Cuba renounce its alliance with the Soviet Union, order the withdrawal of Soviet military technicians and intelligence operatives, and deny the use of Cuban territorial waters and basing facilities to the Soviet navy.

To do otherwise would be to cooperate in relieving the Soviet Union of the high cost of subsidizing the Cuban economy without in any way diminishing the Soviet presence in this hemisphere.

There are other conditions, Mr. President, that I would also impose as a condition to the lifting of existing political and economic sanctions against Cuba. We should, for example, insist on the unhampered movement of newsmen and information between our two countries. In this and perhaps other ways, we may be able to open small windows to the free world, and to that extent mitigate the effects of a consolidation of Castro's iron grip on the Cuban people that would inevitably flow from a restoration of normal relations between our countries.

As I stated at the outset, Mr. President, any change in our existing policy should be preceded by a full examination of every aspect of the Cuban situation. We may have opportunities in the months ahead to shape events in the Caribbean. We cannot afford to squander them through hasty or ill-considered concessions. There is too much at stake.

KEITH JONES WINS BAYLOR UNIVERSITY NATHAN BURKE MEMORIAL COMPETITION

Mr. McGEE. Mr. President, the American Society of Composers, Authors, and Publishers each year sponsors competitions at all accredited law schools for papers on the subject of the copyright law and related matters.

This year's winner at Baylor University is a Wyoming man, Keith R. Jones of Jelm, Wyo. Mr. Jones wrote his paper on the subject "Characters and the Copyright Clause—Is a Character a Writing?"

For this first place paper, Mr. Jones received a cash award of $250. He also received national recognition, both through this statement and the society's own efforts to recognize these winners across the Nation.

We in Wyoming are proud of this young man. Keith is the son of Mr. and Mrs. Troy F. Jones, also of Jelm. He received his bachelor of arts degree in political science from Baylor in 1969. At the Baylor University School of Law, Keith was comments editor for the Baylor Law Review and editor-in-chief of the school newspaper, the Baylor Barrister. He was a member of both the Harvey M. Richey Moot Court Society and Phi Delta Phi fraternity.

Mr. President, I salute Keith Jones for his achievement, and ask unanimous consent that the letter informing me of his effort from Stanley Adams, president of the society, be placed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN SOCIETY OF COMPOSERS,
AUTHORS AND PUBLISHERS,
New York, N.Y., September 10, 1974.

Re Keith R. Jones, El Rancho Pequeno, Jelm, Wyo.

Subject: Award of First Prize, Nathan Burkan Memorial Competition, Baylor University, School of Law.

Hon. GALE W. MCGEE,
U.S. Senate,
Washington, D.C.

MY DEAR SENATOR MCGEE: With the thought that you might like to extend your personal congratulations to Mr. Jones, we take pleasure in advising you that he has been awarded the First Prize for a paper submitted by him in the Nathan Burkan Memorial Competition held at the Baylor University School of Law. Mr. Jones' paper is entitled "Characters and the Copyright Clause—Is a Character a Writing?"

This Competition, in which the law schools of all accredited universities in the country are invited to participate, is sponsored by our Society to enhance interest in the impartial study and analysis of copyright and related laws. Awards of $250 and $100 are made for the two best papers submitted in each of the participating law schools.

The Competition is conducted entirely subject to the jurisdiction of the Dean of each law school and under such rules as he may promulgate.

In 1969, Mr. Jones received a Bachelor of Arts degree in Political Science from Baylor University. At the Baylor University School of Law, he was Comments Editor for the Baylor Law Review and Editor-in-Chief of the school newspaper, The Baylor Barrister. Mr. Jones was a member of both the Harvey M. Richey Moot Court Society and Phi Delta Phi Fraternity.

The son of Mr. and Mrs. Troy F. Jones, also of Jelm, Mr. Jones is single.

Desiring to give these winners every possible recognition, in addition to the monetary award, it is our policy to inform interested public officials so that in each case the student may be impressed by the reaction of leaders of a democracy toward scholars who demonstrate exceptional ability in their studies.

We hope that you will extend your personal congratulations to Mr. Jones.

Sincerely yours,

STANLEY ADAMS,
President.

THE DEATH OF BONY HAMPTON PEACE, JR.

Mr. THURMOND. Mr. President, a distinguished citizen of South Carolina, Bony Hampton Peace, Jr., who spent his life in the newspaper and broadcast business, died September 5, 1974, at the age of 68.

At the time of his death, he was honorary chairman of the board of the Greenville News-Piedmont of Greenville, S.C., honorary chairman of Multimedia Broadcasting, and a director of Multimedia, Inc., and the Asheville Citizen-Times Co. of Asheville, N.C.

During the past half century, Mr. Peace had served nearly every department in the Greenville newspaper organization and was president of WFBC Radio for many years. Throughout his outstanding career, he proved to be an astute businessman and civic leader. He and his brothers, Roger C. Peace and Charlie Peace, expanded their father's business, Peace Printing Co., into the highly successful News-Piedmont operation. Later, they developed radio and television stations and other newspapers as part of their business enterprise and merged their total communications network into an organization known as Multimedia, Inc. At the time of his death, Mr. B. H. Peace, Jr., was the last member of his family to hold an official position with the company, his brothers having died several years ago.

Despite a very busy business career, Mr. Peace devoted himself to a number of worthwhile community activities. He was always generous with his time and finances in benefiting educational and civic projects of merit. In recognition of his exceptional service to those around him, Furman University, his alma mater, presented to him its highest alumni award last April. Mr. Peace had rendered distinguished service as a member of the Furman Advisory Council and had long been a supporter of the institution and its programs.

Mr. Peace attended the public schools of Greenville and was graduated from Porter Military Academy in Charleston, S.C., and Furman University. He was a member of the First Baptist Church of Greenville and numerous civic, charitable, cultural, and social organizations to which he made prominent contributions of time, energy, and resources. He will surely be missed by his many friends and colleagues.

Mrs. Thurmond joins me in extending deep sympathy to the family of this eminent man. Surviving are his wife, Mrs. Dorothy Julia Pedrick Peace; three daughters, Mrs. Elizabeth Peace Stall, of Greenville; Mrs. Judy Peace Hart, of Laurinburg, N.C.; Mrs. Estelle Peace McClary, of Greenwood; a son, Bony Hampton Peace III, of Murrells Inlet; and 12 grandchildren.

Mr. President, at the time of his death a number of newspaper accounts about Mr. Peace appeared around our State. I ask unanimous consent that one such representative article which appeared in the Greenville News on September 6, 1974, entitled "B. H. Peace, Jr., News-Piedmont Executive, Dies," be printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

B. H. PEACE, JR., NEWS-PIEDMONT EXECUTIVE, DIES

Bony Hampton Peace Jr., honorary chairman of the board of The Greenville News-Piedmont Co. and long associated with newspapers and the broadcast industry, died Thursday in a Georgetown hospital after undergoing surgery. He was 68.

Peace devoted more than a half century to the newspaper field, starting as a carrier while still a youth, delivering The Greenville News to soldiers at Camp Sevier during World War I.

He and his brothers, the late Roger C. Peace and Charlie Peace, developed their father's commercial printing enterprise into The Greenville News-Piedmont Co., merging the two papers with other newspapers, radio and television properties into what is now Multimedia, Inc., a communications firm with interests in several states in the Southeast.

Surviving are his wife, the former Dorothy Julia Pedrick; four children, Mrs. Elizabeth Peace Stall of Greenville; Mrs. Judy Peace Hart of Laurinburg, N.C.; Mrs. Estelle Peace McClary of Greenwood and Bony Hampton Peace III of Murrells Inlet; and 12 grandchildren.

Funeral services will be at 11 a.m. Saturday at The Mackey Mortuary. The body is at the mortuary.

At one time or another Peace had been connected with practically every department of The News. He was the last member of his family to serve as an official in the company. His newspaper career started in the press room, after serving as a carrier, and from there he moved to the circulation department. Later Peace worked in the newsroom, the composing room, and the advertising department.

As a young boy he worked as a bookbinder and ledger liner operator for his father's Peace Printing Co. when B. H. Peace Sr. became business manager of The News in 1916 and purchased the paper a few years later.

Peace attended the public schools of his native Greenville, Porter Military Academy in Charleston and Furman University. During summer vacations he worked for the newspaper company.

In the early 1930s Peace became president of WFBC Radio, owned by The News-Piedmont Co., and held that position until a new company was organized to include television and radio operations. At that time Peace was in the exceutive department of The News-Piedmont Co., where he served as secretary, vice president and executive vice president. Roger C. Peace succeeded his father and was publisher until his death in 1968. The other brother, Charlie Peace, was general manager of the newspapers until his death in 1958.

Furman University last April honored B. H. Peace Jr. with its highest alumni award. Dr. Gordon Blackwell, Furman president, cited him for "exceptional achievement and meritorious service" to the university as he presented Peace the Bell Tower Award on behalf of Furman trustees. Peace was a member of the Furman Advisory Council and long supported Furman through personal service and financial resources.

One of several contributions to Furman was a $33,000 fund given in 1971 to permanently endow an athletic scholarship. He made the gift in memory of his mother, Mrs. Laura Estelle Chandler Peace.

Peace was honorary chairman of the board of Multimedia Broadcasting and was a director of Multimedia, Inc., and the Asheville Citizen-Times Co.

He was a member of the First Baptist Church of Greenville. He was a 32nd degree Mason and an Elk, and was a member of numerous civic, social and cultural organizations in the area.

Peace, who lived at 119 Byrd Boulevard, Greenville, was a world traveler. He and Mrs. Peace had visited nearly every country on the globe. He owned a home at Pawleys Island, where he spent much time during summer months.

SUPERTANKERS

Mr. ABOUREZK. Mr. President, some months ago the House-passed legislation (H.R. 10701) which authorized construction of deepwater ports. These ports are currently designed to accommodate the so-called very large crude carriers—VLCC, and ultimately ultra large crude carriers—ULCC. These ships range in size from 200,000 deadweight tons on up.

Recent experience with these enormous ships demonstrates that they are extremely difficult to maneuver—especially in narrow straits—and that, because of economizing on their construction costs, they are also subject to dangerous structural and operational failure.

A few months ago the New Yorker carried a series of two lengthy articles by investigative reporter, Noël Mostert. Mostert's articles point out that these giant supertankers are being constructed without adequate operational and environmental safeguards.

In the past few weeks there have been some accidents involving these giant supertankers. One accident occurred in mid-August when the 209,000-ton tanker *Al Foutas*, in attempting to maneuver into position, broke off a coupling, spilling about 500 tons of oil. According to the Journal of Commerce, the accident "put out of commission the country's—Germany's—single oil terminal capable of taking tankers of up to 250,000 tons."

On September 11, the Wall Street Journal ran a story about a 206,000-ton tanker owned and operated by the Royal-Dutch Shell Oil Co. The tanker, stranded in the Strait of Magellan, has already leaked "a least 9 million gallons of oil." The Coast Guard estimates that about 14.3 million gallons have already been spilled.

Before the Senate considers legislation to construct deepwater ports, it might be helpful to reflect on the awful conseqences of accidents, even far offshore, involving these giant ships.

Mr. President, I ask unanimous consent that the above-mentioned articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal,
Sept. 11, 1974]

TANKER THAT SPILLED MILLIONS OF GALLONS OF OIL STILL STRANDED

NEW YORK.—An oil tanker, known to have leaked at least nine million gallons of oil, remains stranded in the stormy Strait of Magellan at the tip of South America.

The oil spillage from the mishap "potentially is bigger" than what occurred when the Torrey Canyon oil tanker broke up and later was sunk off the coast of England in March 1967, according to a consultant to the U.S. Coast Guard. He has just returned from the site of the grounded tanker.

A spokesman for a unit of the Royal Dutch-Shell Group said that nine million to 11 million gallons of oil have leaked from the 206,000-ton tanker Metula, owned by a Curacao, Netherlands Antilles, subsidiary of Shell Transport & Trading Co., London, England. But U.S. Coast Guard sources allege that by latest count about 14.3 million gallons of oil have been spilled from the ruptured Metula.

The Shell spokesman here said that the spillage has occurred in a "virtually uninhabited area" and that Shell's prime concern is to prevent pollution of the area. The $35 million Metula was stranded in the strait Aug. 9 about 75 miles from the nearest town, Punta Arenas, Chile.

Shell says it has many pollution-control experts at the site and a special environmental report will be made by Shell International Marine Ltd. A Shell tanker, the 18,989-ton Harvella, has unloaded part of the oil from the Metula and another tanker, the 90,000-ton Bergeland chartered by Shell, has more recently began similar operations.

But snowstorms and 50-knot winds have hampered them. The captain and eight key crew members have remained aboard the Metula but the rest of the crew was removed from the stricken vessel and flown back to the Netherlands weeks ago.

A special eight-member pollution control "strike force" from the U.S. Coast Guard has been on the scene for several weeks. They brought with them, by C-130 cargo jetplane, special high-speed pumps that were taken to the Metula by tugboats.

A Shell spokesman believes the Metula can be salvaged. One observer said about half the Metula's 15 cargo tanks and four fuel oil tanks "have problems." She was hauling 190,000 tons of crude oil.

There are three Chilean Navy tugs assisting in the operations plus three salvage company tugs that hope to tow the Metula free.

[From the Journal of Commerce,
Aug. 20, 1974]

GERMAN OIL DELIVERY HINDERED BY TANKER ACCIDENT

WILHELMSHAVEN, GERMANY—The ramming here in mid-August of a fixed discharge coupling by the 209,000 ton tanker "Al Foutas" out of Kuwait has put a serious crimp in the delivery of oil to Germany.

The accident occurred in broad daylight while the tanker was maneuvering into position to discharge its cargo. It broke off the coupling, spilling some 500 tons of oil in the deep waters of the lower Jade, which promptly drifted ashore, spoiling, for the time at least, the resort beaches of the area.

More seriously, for Germany's supply of oil, it put out of commission the country's single oil terminal capable of taking tankers of up to 250,000 tons, from which runs the main north-south pipeline connecting the North Sea with the big refinery centers around Cologne and Gelsenkirchen. British Petroleum, Esso, Veba and Union Rheinische Braunkohlen all have refineries in those areas.

LARGE SHIPS REROUTED

With this connection out of commission, the size of ships now able to discharge at Wilhelmshaven Terminal will be limited to 150,000 tons. Larger ships enroute to Wilhelmshaven will have to be rerouted to Rotterdam, from which the delivery of oil to the German refineries will be slower and more expensive. It is generally agreed that the newly completed terminal should and will be repaired, but the job will take at least nine months and will cost some DM15 million ($5.8 million), including the cleaning up of the beaches.

This incident has reagitated in Germany the question that is bothering the rest of the world as to the largest practical size of tankers and in what areas they should be allowed to operate. Higher prices of oil have increased the pressure to build ever-bigger tankers to carry it at lower prices, and many of the smaller ones are hard pressed to find profitable business.

Following the successful maiden voyage of the 483,000 ton "Globtik Tokyo" in November, Shell ordered three ships of 540,000 tons from the French shipyard Chantier de l'Atlantique Saint-Nazaire. Now plans are being laid for ships in the 1,000,000 ton class, which both Japanese and Swedish yards are capable of producing.

A technical analysis of such tankers prepared by the American marine architect Kent C. Thronton showed that they would be about 1,600 feet long, 260 feet wide and would draw over 100 feet of water. For a 15.5 knot speed, two turbines of 100,000 horse power each would be required, and to boost the speed to 18.5 knots would require a doubling of the engine capacity. Stopping such a monster when under way would be even more of a problem than driving it forward.

Navigation and steering would have to be taken out of human hands, and the whole business entrusted to computers as in the most advanced fighter planes.

It would be impractical to operate such unwieldly ships in the crowded English Channel, and even the deep harbors of Rotterdam and the planned outer harbor at the mouth of the Elba at Neuwerk-Scharhoern, with only slightly more than 100 feet of water, would prove hazardous going.

Added to the problems of finding sealanes uncongested enough for these super-tankers to sail in, and harbors deep enough to float them, insurance costs could be the factor to spell the end to the whole dream. One of Lloyd's actuaries calculated that the minimum premium would be at least $1 million a year, and estimates that it would be extremely difficult to organize a syndicate to take on such a risk.

All these factors, plus the enormous ecological risks of a "Torrey Canyon Tapy" disaster or an explosion at sea, have led a German marine analyst writing in the newspaper, die Welt, to suggest that the world may soon be willing to settle for the higher price but greater convenience and safety of shipping oil in more manageable-sized tankers.

[From the New Yorker, May 13, 1974]

SUPERTANKER—I

For most of us, the old Cunard Queens Elizabeth and Mary still provide the handiest basis for comparison in judging the size of ships. During two generations, they symbolized the ultimate achievement of marine engineering, and most seamen predicted that nothing bigger would ever be built. They were right, in a sense. In terms of visual bulk, nothing will ever equal the Queens, because the days of the passenger liner, which as a class gave us our towering ships, are fast coming to an end. The Queen Mary now lies permanently moored as a museum and tourist hotel at Long Beach Harbor, in California; the Queen Elizabeth, one thousand thirty-one feet from bow to stern and once the largest liner afloat, was apparently sabotaged by fire in Hong Kong Harbor in 1972, and is now being demolished where she lies. In any event, when big ships such as the Queen Elizabeth 2 are built today, advanced technology allows them to carry about the same number of passengers within more modest dimensions. What the marine prophets failed to imagine, however, was a cargo carrier on the scale of the old Queens. And oil tankers surpassed that scale in the early sixties.

To compare a supertanker to the old Cunard Queens is a somewhat tricky business. While a giant passenger liner mounts into the sky, an oil tanker spreads below the water, rather on the principle of the iceberg. Eighty per cent of the ship is below the surface when she is fully loaded. All ships designate their size in terms of tonnage, and any comparison between the Queens and supertankers is further confused by the fact that tankers always describe themselves in deadweight tonnage, while passenger ships do so in gross tonnage. Gross tonnage is a ship's enclosed cubic capacity, a gross ton being equal to a hundred cubic feet of permanently enclosed space; this is the usual measure for a passenger ship, whose gross tonnage rises rapidly with each cabined deck added to her superstructure. Deadweight tonnage, which excludes the weight of the ship itself, is the weight in tons of the cargo, fuel, stores, and ballast that a ship can carry before submerging her load line, or Plimsol mark. Since fuel, stores, and ballast make only a small difference in how deep a tanker sits in the water, deadweight becomes a rough description of how much oil she can carry. Laid alongside the old Queen Elizabeth, the S.S. Ardshiel, a more or less typical British supertanker, on which I have sailed from Europe to the Persian Gulf and back, would be thirty-three feet longer and thirty-nine feet wider. She has a deadweight measurement of 214,085 tons, and her gross tonnage may be reckoned at 119,678 tons, against the 83,673 tons of the Queen Elizabeth. The Elizabeth normally drew thirty-nine and a half feet of water; the Ardshiel, fully laden, draws sixty-three. It is when supertankers ride high in ballast, however, that they truly match the old Cunarders. When the Ardshiel is empty of cargo, her hull sides are virtually as high as those of the Queen Elizabeth were: a smooth steel cliff, the more foridable for being unbroken by portholes and embarkation ports. And, big as she is, the Ardshiel is less than half the size of the world's largest tanker, the S.S. Globtik London, which has a deadweight measurement of 476,292 tons.

The evaluation of the supertankers has proceeded at an astonishing pace. When the Second World War ended, the largest tankers had a deadweight measurement of 18,000 tons. In 1950, a 28,000-ton ship was considered important enough to be launched by Princess Margaret. By 1956, tankers of 45,000 tons were sailing the seas, and plans for a 100,000-tonner had been announced. In the early sixties, the first ships in the latter class were being saluted with all manner of superlatives, and these were extended, in turn, to the tankers of 150,000, 170,000, 200,000, and 250,000 tons, which followed fast upon each other. The consequence was that by 1968, when the first of six 326,000-tonners entered service on charter to Gulf Oil, all exclamations of amazement had grown weak from repetition. The novelty was over. There was a weary concession that anything was now possible at sea. Moreover, public wonder had by then turned to consternation as a result of the wreck of the Torrey Canyon, a 118,285-ton Liberian-registered supertanker, which, fully laden, ran herself onto rocks off the Scilly Isles early in 1967, with devastating results for the adjacent coasts of the English Channel, and which has become the symbol of the environmental threat all supertankers represent.

The title of biggest ship in the world has become as ephemeral as that of Miss America. Even now, who of those who ever saw them could forget the Aquitania, the Berengaria, the Leviathan, the Normandie, the Rex, the Bremen, and the Conte di Savoia as supremely big ships, though it is decades since their demise? Supertankers, unhappily, have no true distinction to preserve them from anonymity once the mere novelty of their size has worn off. I doubt if you would find any tanker sailor who could recite the successive titleholders since the first 100,000-tonner hit the water. On the other hand, I would bet that any able-bodied seaman on the Queen Mary in 1939 would, if pressed, have been able to give a pretty accurate summary of competition for the Atlantic Blue Ribbon—awarded for the fastest passage between the Ambrose Lightship and the Bishop Rock—since 1907, when the Lusitania and the Mauretania began the big-ship and high-speed era. Be that as it may, when the 366,813-ton Nisseki Maru succeeded the 326,000-ton Gulf ships as the biggest vessel in the world in 1971, the event passed virtually without remark, and the launching of the 476,025-ton Globtik Tokyo a year later was an event noticed mainly by the industry. The Globtik Tokyo itself fell back in line when the Globrik London was launched the following year, and it will be superseded when several 540,000-tonners now ordered are completed. Globrik London's owners have announced that eventually they intend to build a tanker of more than 700,000 tons. Until science provides an alternative source of energy, or until all heavily industrialized nations attain self-sufficiency in oil, neither of which is immediately in prospect, oil will continue to be the principal cargo on the seas, and tankers presumably will continue to increase in size. Japanese and British shipbuilders have been busy for some time with feasibility studies and dockyard preparations for a million-tonner—they call it the megaton tanker—and some shipping men already have started talking about a 1,250,000-tonner.

The fate of much of mankind has often been affected by ships of various kinds, usually fighting ones, and the survival of individual nations occasionally has been dependent upon shipping as a whole, as Britain's was for periods during the Second World War, but never before has the continuation of life itself for millions in every segment of the globe been so inextricably linked to the daily passage of any one class of merchantmen. Without oil tankers, as recent events have forced us to realize, much of the world would simply stop. The world tanker fleet at the end of 1973 stood well over two hundred million deadweight tons. Ships scheduled for delivery in 1974 amount to more than forty-five million tons—the equivalent of the entire world oil fleet in 1957. An organization of the United States shipping companies that register ships in Liberia and Panama has estimated that an international fleet of three hundred and fifty million tons deadweight could be necessary by 1980 to handle the world's oil shipments, including those to the United States. Undoubtedly, the new ships would all be supertankers. Not having developed the necessary deep-water ports, the United States has not so far imported any petroleum directly in tankers of 100,000 tons or more. Each year, about half of the United States' imports has consisted of refined products brought in small tankers from the Caribbean, and of the crude oil that has been imported some thirty-eight per cent has arrived by pipeline from Canada. Now that the oil embargo has been lifted, plans are being made for supertankers to crowd into North American waters in large numbers, and if they do they will surely bring with them their many special problems, and, at some point, disaster.

Supertankers, by and large, have assumed a look of such brutal and uncompromising functionalism that they strike the observer as being not so much ships designed to carry oil as mere tank barges fitted with engines and a place in which men can bunk and steer. Until the early sixties, tankers as big as 100,000 tons still had their bridges amidships. The crew and the engineers lived aft, above the engines, and the master and the other navigating officers lived in the midships structure below the bridge. In effect, the ship consisted of two communities connected by a catwalk. Although being segregated aft with the crew meant being conveniently near the machinery, the engineering officers on the old tankers felt that the living arrangements simply enhanced the deck officers' traditional sense of higher caste and over-all superiority. It was a quarrel as old as steam propulsion. Then, in the early sixties, the bridge and everything else in the midships structure were moved to the stern, and now the captain peers forward over a fifth of a mile of deck to the water breaking on his bow. Whatever the all-aft principle of construction (introduced for economy, and because it was felt to be safer in the event of explosions) has done to aesthetics, it has entirely changed the social structure of tankers, putting the engineers and the navigators together, with the chief engineer and the ship's captain finally and unequivocally accorded equal status and space on the same deck.

Automation has carried these changes even further. Where once there were only two castes of officers, the navigators and the engineers, there is now a third, the electronics men. Only a decade ago, the ship's electrician was a petty officer who changed the light bulbs and fixed the fuses. He is now called the electrical-engineer officer, and approaches the master's and the chief engineer's level of seniority. There are supertankers in operation today on which the navigation, the cargo loading and discharge, the engine operation, the crew's wages, and even the medical reports and histories are handled by computer. The computer receives a ship's position from satellites; the computer avoids collision by monitoring the radar's reports of surrounding ships. Though such installations are too costly to be general, they represent the trend. The unmanned ship sailing the seas by remote control may not be seen for some time, but within a decade ships could be run by teams of technician-navigators which would be no larger than the flight crews of 747s, and, like flight crews, would depend upon navigational instructions from the terminals they are approaching. I have heard that one British company, whose ships are being run by committees consisting of navigation, engineering, and electrical officers, has already dropped the title of captain, and is calling the ship's master the manager. Even the word "ship" seems to be going out of style. Tankers of between 200,000 and 400,000 tons are called V.L.C.C.s, or Very Large Crude Carriers, and those of more than 400,000 tons U.L.C.C.s, or Ultra-Large Crude Carriers.

Offering so little charm in their profile and practically no speculation about their purposes, the supertankers have brought monotony and a feeling of loss to the maritime horizons as they have come plodding past in endless procession; they dim the seaward imagination. I live above the Strait of Gibraltar, with a view over this passage from Tangier's Vieille Montagne, and if I scan the sea there through my glasses there is a good chance that at any given moment every vessel of the twelve to twenty in sight will be a tanker. I do this many times a day when I am home, and I feel elated when the sweep of the deeply laden or ballasted and high-riding oil carriers reveals in its midst an old "three-island" merchantman, at least thirty years old, moving imperceptibly, at eight or ten knots, and blowing smoke in such quantities that one knows her to be a coal-burner. (A three-island ship is one with the traditional balance of a forecastle, a midships bridge and officers' living quarters, and a poop.) The ship I might see would very likely be Spanish, but she could be Portuguese, Greek, Turkish, Cypriot, Maltese, or Algerian—hand-me-down tonnage that was probably built on the Clyde or the Tyne, holds five or six changes of name to her credit at Lloyd's, has tramped at one time or another through every trade in the world, and is now reduced to casting at an arthritic pace in the Mediterranean, with Casablanca, Lisbon, and the Canaries as the limits of her endurance beyond. Such a vessel does at least open every sort of conjecture. She *looks* like a ship, sits upon the sea as though fitted to it, and is adaptable to all its caprices, because, for one thing, she has sheer, meaning that her lines flow with an upward slope at both stem and stern, and she also has rake, in the nicely calculated angle at which her two tall masts and single funnel lie from the perpendicular. Rake, where it still exists (most elderly passenger liners and freighters have it), is the steamship age's last, lingering inheritance from sail; the rake of the great masts of a square-rigger helped diminish the tremendous strains put upon the hull by full canvas and the pitch and lurch of the ship. In composing the raked balance of the masts and funnels of the passenger liners of the North Atlantic, marine architects often achieved a memorable beauty, and one has only to return to photographs of ships such as the old Cunarders Mauretania (1907) and Aquitania (1914) to confirm this. When these or any of the big liners of the thirties used to sail down the Hudson and then slowly stand out on their course for the Narrows, they went with a stateliness and serenity that seemed strangely poignant for such vast and powerful structures. Passing before the arrogant uprightness of the skyscrapers, the delicate slant of their masts and funnels implied a healthy acceptance of the essential fallibility of all man's works, a graceful concession to their element. So when I see one of these three-island relics dawdling through the Strait of Gibraltar, what I am really admiring is the aesthetic qualities that were possessed not so long ago by practically all ships, from the grandest to the humblest.

Of rake and sheer the V.L.C.C.s and U.L.C.C.s have almost none. Just about the only lines these ships have are straight ones. The bow may have a slight protective upward tilt for taking the seas, but the hull runs back to the stern like a wide, solid steel pier.

The stern itself, instead of gracefully closing off the hull with some form of curve or fold, is often flattened, as though sawed off. The lofty, slanting masts of yesteryear are replaced by some type of steel tower atop or abaft the bridge; it is intended mainly for aerials and radar scanners, which do the job once left to the man in the crow's nest, that lonely lookout barrel that was set halfway up the mainmast.

The two routes for which supertankers were principally designed—between Europe and the Persian Gulf via the Cape of Good Hope, and between the Persian Gulf and Japan, through the Strait of Malacca—are long ones. The distance between Rotterdam and Ras Tanura, in the Gulf, is 11,170 miles, so fetching a cargo from there means a round trip roughly equal to a circumnavigation of the globe. It is, moreover, a painfully slow trip, because a modest speed—usually something between fourteen and sixteen knots—is the most economical one for these ships. (The most illustrious clipper of all, Cutty Sark, often ran seventeen knots and did fifteen, and could have outflown a V.L.C.C., as she occasionally did some steamships of her day; most modern freighters average eighteen to twenty knots, and the last Blue Riband holder, the S.S. United States, has been said to be capable of forty knots and possibly more. She won the Blue Riband by hitting an average of 35.59 knots.) For a supertanker, a round-trip voyage between Europe and the Gulf requires at least two months, sometimes more. The voyage to North America is of approximately the same duration.

During the voyage, supertankers stop nowhere. Mail and fresh supplies are taken aboard at the Cape, but either they are delivered by a helicopter, which drops its packages onto the deck while the ships steams at slow speed, or they are brought by launch to a rendezvous point twelve miles off Cape Town Harbor. When a ship reaches the Gulf, the loading usually takes place from sea rigs miles offshore. It is all done in twelve to twenty-four hours, and the ship starts the long haul back to its European destination, which may change several times during the voyage, depending upon the prevailing pattern of European demand. Such changes of orders are of only brief interest to the crew, for it scarcely makes any difference to those on board whether they wind up in Bantry Bay, Eire, or Taranto, Italy—unless, of course, they are getting off and going home on leave. If they are not, the activity of discharge is too brief and intense to offer much chance of getting ashore. There would probably be nowhere to go anyway, the tanker berths being, as a rule, the farthest reach of any port. An increasingly common practice, in Europe as well as the Persian Gulf, is to moor tankers to offshore pipeline buoys, fifteen or twenty miles out, so that a ship travelling constantly between these two areas is forever at sea and removed from the shore.

Supertankers, like jet aircraft, are too expensive to keep idle. Until recently, there was a rough assumption that a ship spent a third of her time in port, loading or discharging or waiting, and the rest at sea. A tanker spends less than ten per cent of her time in port. (Estimated costs of tanker operation are based on the ship's being at sea three hundred and forty to three hundred and fifty days a year.) Strenuous efforts are made to increase even this where it is possible, and tanker masters must account for literally every minute of delay; Shell International Marine once calculated that cutting one hour in port from the fourteen thousand or so port calls made by its tankers could save five million dollars a year. It costs from thirty to fifty thousand dollars a day to operate a V.L.C.C., whose profit can be as much as three or four million dollars on a voyage; such profitability alone makes any idleness an anxious matter.

What all this means as far as the tanker sailor is concerned is that once aboard the ship he seldom gets off until his immediate period of service on the vessel is over; men have stayed on board ship for a year without setting foot on land, and I have heard of even longer periods. The chief engineer aboard a Shell tanker on which I sailed in 1966 told me that he had been twice around the world—through the Mediterranean, to the Far East, across the Pacific to Fiji, through Panama to Curacao, South America, and to all sorts of other exotic and interesting places—and "seen nowt of the lot of 'em, nowt but the bloody engines and the bloody bulkheads of me cabin, and the back of the old man's gin bottle." On some ships, officers may have their wives and children aboard, and all scrupulous tanker operators make a great effort to give their supertanker crews a fixed rotation of service and leave. But few sailors expect to do less than two consecutive voyages, and that means four and possibly six months on board. The leave period is from six weeks to two months—then back for another bout. In 1971, three young British tanker sailors were sent to jail for trying to set fire to their ship, the British Hussar, while she was discharging at Trieste. They were said by the prosecutor to be so fed up with life on the ship that they had planned to set her on fire in the hope that the crew would be paid off and flown back to Britain. They, at least, got their wish.

Navigation of these huge ships is virtually a new skill. Conning them requires a revised set of reflexes and judgments concerning what such a long, wide vessel can and cannot do in harbor or in an emergency. Esso and other companies train their masters and pilots aboard miniature exact-scale models of V.L.C.C.s on an eight-acre lake near Grenoble, France; the facilities include scale models of piers, sea berths, loading buoys, and typical narrow channels. At Delft, Holland, tanker senior masters and mates can be trained in a simulator, which is on the order of the simulators used for flight crews but in this case is the facsimile bridge of a 250,000-ton ship. It is supposed to reproduce the exact experience of taking a supertanker into shallow coastal waters while preparing to enter a harbor in all sorts of weather and tidal conditions, as well as of coping with various situations that might arise on the open sea. Usually, only masters who work for the big oil companies are sent to Grenoble or Delft to train. Other V.L.C.C. masters have to learn on the job.

Even on the open waters, supertankers need plenty of sea room. It takes more than three nautical miles and twenty-one minutes to stop a 250,000-ton tanker going sixteen knots, and there is a strong sidewise slip for a tanker that is stopping. Anchors don't stop these ships; where an ordinary merchantman would drop its anchors in an attempt to hold its motion, putting down anchors to stop a supertanker that was even slightly under way would simply cause the cables to be wrenched from the deck. Experiments with braking flaps, and even with underwater braking parachutes, have not produced any practical solution to the problem.

Trying to stop or maneuver a V.L.C.C. or a U.L.C.C. on the open sea is tricky enough, but in confined, crowded, or shallow waters it is infinitely more so, and is sometimes impossible. Supertankers, like all ships, sail according to an international set of rules of the road which are substantially an inheritance from the nineteenth century. These rules served shipping well until the present era, but for tankers they are often impractical, or even downright dangerous. The master of a 200,000-ton tanker passing through the Strait of Dover could (as recently happened) find that none of the prescribed procedures do him any good in a collision situation, because he is unable to stop in time and the only alternative, putting the helm over, would take the long hull out of its depth and put it hard aground. So he is dependent upon the courtesy and vigilance of the oncoming vessel. The collision regulations have been revised, and this will help supertankers, but the new rules are not to become effective until January 1, 1976, at the earliest. There are also to be new regulations concerning navigation lights, which identify a vessel and its course at night. Many instances have been reported of smaller ships trying to steer between the forward and after lights of a supertanker, on the natural assumption that the distance between the two indicated two different ships.

Supertankers enter shallow waters at great risk. Fully laden, U.L.C.C.s cannot enter the Baltic at all, and V.L.C.C.s have to be taken with extreme delicacy along some of the passages they most frequently use, such as the North Sea, the Strait of Malacca, and the Strait of Dover. These and other shallow waters have always been a worry to sailors, but the deep hulls of the big supertankers have extended subsurface navigational requirements to depths that had previously been the concern only of submarine captains. In some areas, particularly the Strait of Dover, supertankers sometimes sail with a clearance of as little as two feet above the sea floor. The danger is compounded by the fact that supertankers tend to squat by the bow, and in ships over 200,000 tons the difference can amount to as much as four feet even at reduced speed; moreover, the squat is increased by quite ordinary wave effects, tidal surges, or currents.

Shell International Marine, the single largest owner and charterer of tankers, declared in 1967 that its policy was to allow a minimum clearance of two feet for its ships. Commenting on this in an article written for the June, 1971, issue of a maritime monthly, *Safety at Sea International*, Commander M. B. F. Ranken, a British marine engineer and maritime consultant, remarked, "While this may be sufficient in well-maintained dredged channels with a sand or mud bottom, it certainly is not in open sea conditions, more especially if the bottom is rock or coral, if there are any wrecks in the area, if the weather is stormy, or if there have been few chances for accurate position-fixing."

The Hydrographic Department of the British Navy estimates that there are thirty-five hundred known wrecks in the English Channel alone. Seabeds are also well strewn with submarine cables. But the most disturbing new element in the situation is the discovery, as a result of a closer scrutiny of the seabed, of huge sand waves moving along the bottom in certain areas; they are often as high as twenty feet, and can even reach fifty feet. Large expanses of mobile undersea dunes have been found in the English Channel and the North Sea, at least three of them athwart the main tanker routes; the master of a 250,000-tonner has reported to the Admiralty that his ship touched bottom where the charts indicated that he had twenty feet of water below him.

Merely getting these huge ships into port and alongside a pier has become a serious problem in seamanship. The normal procedure in a port is to put a ship parallel to the pier and then to nurse it alongside with tugs and the use of the vessel's engines. This requires the minimum motion, which is extremely hard for a master or a pilot to judge when he is standing a hundred feet above the water and a fifth of a mile from the bow of the ship. If a V.L.C.C. hits a pier with an impact speed of only a quarter of a knot—that is, twenty-six and a half feet per minute—both ship and pier are certain to be badly knocked about, with the chance of either oil leakage or an explosion. Some tankers have been equipped with lateral thrusters to help maneuver them, and some piers have been banded with strong shock-absorber devices to catch and deflect the weight of the ship. In some ports, sonic mooring devices have been installed. These measure movement down to four feet a minute and measure the distance off the pier down to two feet. At Rotterdam, traffic signals of red, amber, and green help give immediate visual warning of the diminishing or accelerating approach speed of a supertanker.

When they were first emerging from the yards, V.I.C.C.'s were ships virtually without havens. Even now, fewer than a dozen ports in the major oil-consuming nations of the world can accommodate ships drawing more than sixty feet, as is required for a loaded 200,000-tonner. Supertankers forced a new pattern of port development wherever they sailed. The Dutch have spent many hundreds of millions of dollars deepening the North Sea and providing facilities at Rotterdam, which is today the biggest oil port in the world. Once undertaken, such effort becomes virtually ceaseless as the size of supertankers increases. After the Dutch prepared for drafts of nearly sixty feet and then of sixty-two, channels had to be deepened to accommodate ships drawing sixty-five feet, and work is now under way to allow ships drawing seventy-five feet to enter Rotterdam. This *must* be the limit, because the North Sea's approaches to Rotterdam won't accommodate ships sitting much deeper in the water. As it is, vessels of this draft must go all the way around Britain, passing north of Scotland, to make their approach. The French undertook to deepen channels at Le Havre, and they are now digging and dredging to bring in the new race of 500,000-tonners. Another solution has been to build new ports at places where sea commerce would never otherwise have been expected. Deep water influences the choice of site, and since in Europe deep inshore water often goes with some of the most spectacular scenery—the bays of Ireland, the lochs of Scotland, the fjords of Norway—that is where one must now expect to see the supertankers. Gulf chose Bantry Bay, one of the most beautiful places in Ireland, as a terminal for its six 326,000-tonners. Bantry Bay is, in effect, an oil-transit port; from there the crude is reshipped in 100,000-tonners to refineries in Wales, Denmark, Holland, and Spain. This entrepot concept has become central to all plans for handling the very biggest ships—anything above 300,000 tons. It has also been applied to the initial installations for V.L.C.C.'s in North American waters. Supertankers of V.L.C.C. size have been built in the United States, but at present no United States port can handle V.L.C.C.'s when loaded. On the east coast, deep inshore waters starts at Maine and is amply provided along the shores of the Canadian provinces of New Brunswick, Nova Scotia, Quebec, and Newfoundland. As in Europe, these deeps lie beside some of the finest scenery and most unspoiled country. The first sizable tanker oil spill in North American waters came on February 4, 1970, when the Liberian tanker Arrow, crawling through poor weather toward the V.L.C.C. terminal at Port Hawkesbury, Nova Scotia, ran aground in Chedabucto Bay and lost ten thousand tons of oil. The Arrow was a small, old-fashioned tanker, but the spillage from her wreck gave a chilling indication of what might have been had it happened to one of the V.L.C.C.'s for which the Port of Hawkesbury installation was built.

Attempts to build V.L.C.C. ports at Portland and Eastport, Maine, have run into strong resistance so far. In the latter case, the Canadian government has opposed the project, because the approaches are through narrow, tricky waters that lie mainly within Canadian jurisdiction. But if America is to meet its energy requirements during the rest of the decade, there is sure to be great pressure to accommodate these huge ships. By European standards, the United States is already eight or ten years behind in planning for the reception and handling of supertankers. John I. Jacobs & Company, Ltd., a British firm that publishes specialist studies and statistics on tanker operations, has predicted that the lack of deepwater facilities on the United States Atlantic Seaboard will compound the problems of "unprecedented traffic congestion" by the nineteen-eighties, with all the consequent environmental risks. Too many ships will be fighting for berths in too few ports or circling aimlessly, and dangerously, until they can get in. The pattern of most new port facilities in the Persian Gulf may be adopted for North American waters—a string of man-made single-point moorings could be established in deep water far off-shore, probably about fifteen miles off, where the depth runs to a hundred feet or more. These would keep the tankers away from the coast, and facilitate distribution, since the moorings could be spotted offshore at intervals down the east coast.

But, wherever the terminals are to be, one problem that cannot be solved is the damage that any form of tanker-unloading is bound to cause. A three-year research program undertaken by an oil-pollution research unit of Britain's Field Studies Council found that small quantities of oil escaping from refineries during normal operations cause greater long-term damage to the ecology of the shore than one major inundation from a wrecked tanker. The main trouble, the report said, comes from apparently insignificant traces of oil discharge in refinery effluent and from small amounts splashed overboard from time to time during loading and unloading. This chronic pollution causes long-term damage to marine life, and even causes deterioration of the sand and silt in which marine organisms live. The deepwater ports where supertankers tie up will inevitably be the most severely affected, but the persistence of slicks around any man-made moorings will certainly harm sea life in the immediate vicinity or upon adjacent shores.

The limited access of supertankers to the shore has complicated the business of repairing them when they break down. An ordinary ship simply goes into drydock, but there are only seventeen drydocks in the world that can accommodate a 300,000-ton ship, and most of these are the ones in which such ships were actually built. On the long haul between the Persian Gulf and Europe, crippled supertankers have practically no refuge. Cape Town, the principal point of succor on that route, can handle only V.L.C.C.s riding light—and, in any event, can't take in anything bigger than 260,000 tons. Even where there are drydocks, ports often refuse to let tankers in if they are leaking. Damaged tankers can find themselves knocking at door after door, begging to be let in, and dirtying the sea as they go. In 1971, a 200,000-toner suffered collision damage in the Persian Gulf and had to be towed to the Far East. The port to which she was towed refused to let her in, because of her leaking tanks, and she spent more than sixty days being dragged from place to place before she finally found a haven. What will happen when a deep-laden V.L.C.C. is crippled off Maine or Nova Scotia in winter? No drydock on the east coast will be able to take her in. If she remains afloat, she may have to be lightened at sea and then towed across the North Atlantic, which is famous for its battering winter gales.

The richest men in the world these days, starting with J. Paul Getty, are nearly all operators of oil tankers. And the biggest fortunes have been made in supertankers since the Middle East Six-Day War, in June, 1967, when the Suez Canal closed down. The new tycoons include the Hong Kong magnates C. Y. Tung (who owned the Queen Elizabeth when she burned) and Y. K. Pao, the Norwegian Hilmar Reksten, and the Indian Ravi Tikkoo. But it was primarily three men who pushed the oil business into supertankers. These were the Greek Aristotle Onassis; Stavros Niarchos, another Greek, who has been Onassis's fierce rival in the business; and the American Daniel K. Ludwig, founder and owner of National Bulk Carriers, who probably has more tanker tonnage than any other individual in the world.

All three men were operating ships of from 40- to 50,000 tons in 1955, but in that year Ludwig ordered an 85,515-tonner, the Universe Leader, which, as the true prototype of the supertankers, gives him reasonable claim to be the real pioneer of the very big tankers. The Universe Leader was scarcely in the water when, in mid-1956, Onassis ordered the first two 100,000-tonners. Niarchos topped this by ordering a 106,000-tonner, and Ludwig outdid them both by asking for five 100,000-tonners. They might have remained a trio of eccentric gamblers on big ships if it had not been for the first Suez crisis, in 1956, and the general political instability of the Middle East in the years that followed, for their experiment was regarded skeptically by much of the shipping world, including other tanker owners.

The temporary closing of the Suez Canal after the Anglo-French landings of November, 1956, demonstrated the risk to European economies of their total dependence on getting oil from the Middle East through the canal. But sending a year's supply of oil around the Cape meant almost doubling tanker capacity, because the distance was nearly twice that of the route through the canal. The choice was to build a great many more small ships or a few big ones, on the model provided by Onassis, Niarchos, and Ludwig. A 100,000-ton shop would be far cheaper to build and to run than four 25,000-tonners or three 33,000-tonners, but the shipping world was still dubious. In March, 1957, five months after the Suez closing the shipping correspondent of the London Times, commenting on the advent of the 100,000-tonners, wrote, "These vessels will never form more than a small proportion of the world ship-building programme, and, with perhaps three or four exceptions, British yards might be wiser to leave them to others to build." Basin Mavroleon, chairman and managing director of London & Overseas Freighters, Ltd., a major independent company, concurred in this view in a subsequent letter to the Times: "Quite apart from the scarcity of dry docking facilities . . . the potential cost and loss of earning time could be enormous if a long tow proved necessary from the scene of a major breakdown or mishap to the nearest dry dock. On the other hand, one 25,000-tonner out of four being put of action in similar circumstances could be more quickly restored to service at a port near by, and while the ship was under repair the other three ships would continue trading." Furthermore, the biggest supertankers could not get through the Suez Canal at all unless it was greatly widened and deepened. But the closing of the canal after the Six-Day War in 1967 settled the question once and for all.

While the economic advantages of one 100,000-tonner over a fleet of four 25,000-tonners were considerable, the best result of all appeared when designers began working with multiples of 100,000 tons. The model that most operators settled for was one in the 200,000-to-250,000-ton range. This is what tankermen and oil companies now refer to as the plateau in supertanker construction. In recent years, more supertankers have been built in this class than in any other; they now accounnt for more than a quarter of the tanker tonnage afloat. In 1967, it cost three dollars and twenty-nine cents per ton of oil in an 80,000-tonner to make the round trip from Rotterdam to Kuwait, at the head of the Persian Gulf, going through the Suez Canal both ways. (A 200,000-tonner could carry the same oil between the same points but via the Cape for less than two dollars and forty cents a ton, making the longer route considerably cheaper than the traditional shorter one, and raising questions about the future of the Suez Canal even when it does reopen.)

Shipbuilding costs don't rise in proportion to size. An increase of twenty-five per cent in dimensions provides an increase in capacity of something like ninety-five per cent, and the sixty-three-foot draft of a 200,000-ton ship is only ten to fifteen feet more than the draft of a 100,000-tonner, so the weight of steel used for each ton of cargo carried is much less with the bigger ship. The capital cost of machinery falls as well. And because of the hydrodynamics of the bigger ship, which moves more easily through the water, it requires relatively less propulsive power. A big tanker requires no more crew than a small tanker, sometimes less. On top of it all, one ship instead of two or three saves on port charges, pilotage, and general administration.

It is nonetheless doubtful whether supertankers would have become the phenomenon they now are without the promotion and almost frenzied dedication of the Japanese, whose commitment to these ships was one of the most powerful factors in their development. Tankers would certainly have got bigger, but at a far more modest pace, and they might well have settled down to a range of from 60,000 (the largest ship able to navigate the Suez fully loaded in the nineteen-sixties) to 100,000 tons, with an occasional giant built by one of the independents. The Japanese, however, shared with Onassis, Niarchos, and Ludwig—all of whom had built small supertankers in Japan before 1956—a conviction that ever larger ships were inevitable. The growing Japanese dependence upon oil and the long route between Japan and the principal source naturally helped convince them, but they had also been searching, as they recovered from the war, for major technological and industrial opportunities, and had settled upon shipbuilding as one, with an emphasis on supertankers. Some of the early 100,000-tonners were built in the United States, but the Japanese thereafter made the construction of supertankers practically a national skill and resource. Since the late sixties, Japan has accounted for about half the new tonnage built every year throughout the world. In an ordinary year, the yards of Mitsubishi Heavy Industries and Ishikawajima-Harima Heavy Industries together build more than the combined output of such heavy-shipbuilding nations as Sweden, West Germany, France, and Spain. Japan built the first 200,000-tonner and most of its sisters, and it built the 326,000-tonners, the 370,000-tonners, and the 470,000-tonners—though France is building the first 540,000-tonners.

To build the big ships at the speed and the price at which they were offered required new formulas and a new technology, and these were produced under great pressure. For the actual creation of the ships, the Japanese shipbuilders adapted the prefabrication and welding techniques that they had devised under pressure during the war. These were advanced by what the Americans had taught them during the Occupation—techniques that had been developed in the United States during the war, when vessels such as the Liberty ships were delivered with steam up ten days after their keels were laid. The Japanese method is to build the vessel in huge welded sections—such as the whole of the stern, the whole superstructure, and various whole tanks—which are then assembled inside a drydock, having been placed there by giant cranes; after the sections are welded together, the dock is filled and the ship floats out for her outfitting and trials. It took twenty-one months and about eleven million rivets to build the basic, unequipped steel shell of the Normandie; Mitsubishi Heavy Industries takes seven months from laying the keel to produce a 260,000-ton supertanker ready for her maiden voyage.

As other nations followed Japan into giant tankers, they introduced their own variations on these principles of prefabrication. The idea was always to turn a ship out as fast as possible and as cheaply as possible, and, as might have been expected, supertankers, no matter where they were built or by whom, began to reveal unusual stresses and strains and a high and dangerous rate of structural failure. For one thing, the long hulls showed a great deal less than their estimated strength. They had a propensity for buckling and cracking under certain pressures, sometimes even in dock or on the slipway while they were still under construction. Some incurred serious damage when they were launched, and others have returned from their trials or their first commercial voyages with their internal strengthening members bucked. Numbers of tankers have simply torn apart in heavy seas—a misfortune reminiscent of the tendency of some mass-produced

American ships travelling in the cold waters of the North Atlantic and the Arctic to break up during the Second World War. Those ships sometimes cracked their hulls at a rate of five thousand feet per second and vanished as swiftly as though expunged by explosion. About two millions tons of shipping was lost in this manner. It was the price paid for haste and innovation in an emergency. Yet it seems to have made no impression upon the architects and builders of the first truly mammoth tankers, even though they were dealing with a grossly enlarged, infinitely more complex version of the techniques that produced those wartime ships.

Haste and innovation, so characteristic of the development of supertankers, have always been alien to the seagoing experience. Before the advent of the supertankers, ships evolved at such a gradual pace that they remained recognizably the same from age to age, century after century: vessels comfortably shaped to sit upon or between the waves. The ships of Trafalgar were not so very different from those of the Armada. The shift from sail to steam was so gradual that—except for Brunel's Great Eastern, which was an isolated freak—there was no point during that whole epochal century of maritime transition and overlap when anyone could say that the ships of his generation were remarkably different in appearance or behavior from those of the generation before. The Queen Mary, set upon the drawing boards in the late nineteen-twenties, was the natural descendant of Samuel Cunard's Britannia, of 1840. At the beginning of this century—six decades after the first steam crossing of the Atlantic—quite sizable steamers were still equipped with sail-bearing yards on their mainmasts, in case of engine breakdown. Even in the nineteen-twenties, there were freighters similarly fitted, and commercial square-rigged vessels were still being launched. This meant that until quite recently the commanders in steam were still largely sail-trained. They kept their old cautions and inculcated them in their juniors, who form our present senior generation of mariners. Steam thus naturally extended the sea's continuity of outlook and habits. Ships, however massive and powerful, were still vulnerable, and the sailor's demeanor before his element could therefore be only the abiding one of humility. Any deviation from this, any scornful overconfidence of the sort indispensable to the landsman's vision of progress, would soon exact some retributive balance, as Captain Edward J. Smith of the Titanic might have affirmed as he regarded the sudden fateful slope of his warmly lighted and apparently impregnable decks. The Titanic was probably better run than most ships afloat today, but despite the presumptions of her shorebound owners and operators, who were responsible for her design and routing, she was not unsinkable. To seamen, her loss demonstrated with renewed vigor the need for deference and humility in facing the temper and unpredictability of the sea.

That these precepts remained valid even for the Titanic's mighty successor the 83,673-ton Queen Elizabeth was made clear when she came close to an appalling tragedy during the Second World War. Off Greenland, with thousands of troops on board, she was very nearly overwhelmed by seas in a manner all too reminiscent of the days of sail, during which ships were simply swept under when immense solid masses of water fell on top of them. The Queen Elizabeth incident is as illustrative as anything can be of the power and surprise of the sea. As she was moving through a bad storm, her bows dropped into the trough below a gigantic wave, which fell upon them, burying them deep. A second huge wave piled atop the first, shoving the bows even deeper, so that the ship seemed to be set virtually upon her nose—to such a degree, indeed, that an officer staring from the bridge toward where the bow should have been found himself gazing obliquely down toward the bed of the ocean. Such an experience upon what was the biggest ship in the world might have been considered beyond belief if it were not that the thick plate-glass windows of the bridge, ninety feet above the waterline, were shattered by the torrent, which washed the quartermaster from the wheel as though he had been on the open poop of a wool clipper rounding the Horn, and washed another sailor from the wheelhouse itself out to the wing of the bridge. The Queen Elizabeth's staff captain, shaving in his cabin, immediately below the bridge, was knocked down by a block of plate glass from his own shattered window, and, dazed, found himself sitting waist-deep in water. The ship's foredeck had been hammered six inches below its normal level, and all equipment there was out of action; her anchors were jammed.

It is against this background that the hasty evolution of the supertankers must be considered. Sixteen months of tests with models in tanks were undertaken merely to determine the hull form of the Normandie. For the Queen Mary, there were more than eight thousand tests, using twenty-two and models, which travelled a distance of more than a thousand miles up and down the testing tank of her builders—John Brown's yard, on the Clyde. The stresses upon the huge supertanker hulls were at first calculated theoretically, on the basis of the measurements and the basic hull design that had served reliably for tankers since the construction of the Glückauf, in 1886. [Furthermore, before the behavior of the ships was fully experienced or understood, widespread attempts were made to economize even on these hulls by building lighter structures, in order to use less steel, which is the costliest item in such enormous craft.]

It was soon discovered that building a bigger ship by simply enlarging the dimensions of a smaller one wasn't good enough; to have structural integrity, it had to be a different ship altogether, with compensation for the weak points created by new stresses. Structural analysis carried out by computer has helped strengthen succeeding generations of tankers, but the sea has no pattern to its moods, and its caprice is generally so variable that the fullest strain and stress upon a new form of hull or gear may not be properly assessed for many years. It took ten years of intensive postwar research to discover why the American war-built ships cracked. It may take much longer, despite computer analysis, to know the true limits of the biggest of the supertankers. The total bending stress of the Queen Elizabeth's hull had been designed for the worst conditions possible for her anticipated route. The chances of the ship's meeting such seas as those which nearly swamped her had been considered remote, but from time to time wartime precautions sent the Cunard Queens along northerly tracks that they would not normally have used. They also carried a human load more than five times that for which they were designed. There can be no doubt that a ship of lesser strength would have fared very much worse, and, indeed, might not have survived the huge wave.

Supertankers are now laying course through the one area of the world's seas where such huge waves are endemic. These waters, off the Cape of Good Hope and along the South African coast, are among the most dangerous in the world, and they have taken a dismal toll of tankers since the 1967 closing of the Suez Canal. Ships cracked; some vanished without a trace. One of those that broke apart and sank was the 46,434-ton World Glory, once the pride of the Niarchos fleeet; when built, in 1954, by the Bethlehem Steel Corporation at Quincy, Massachusetts, her principal dimensions were exceeded by only five passenger liners in the world—the two Queens, the United States, the Liberté, and the Ile de France. She snapped in two in a storm off the South African coast in June, 1968; sparks from the splintering steel touched off an explosion, which further shattered the vessel and left her remnants blazing. She was only one of many tankers either lost or severely damaged in those waters during the first seasons of navigating the Cape; countless tankers have since been smashed, disabled, or lost.

Possibly the most astonishing aspect of all this is that during the southern winter every fully loaded tanker rounding the Cape is violating one of the oldest and, in *all* other circumstances, most rigorously applied precepts of marine safety: that a ship should be loaded according to the climate of the seas through which she will sail. If she is too heavily loaded for winter seas, a vessel can strain her plates and frames, spring a leak, and start to sink, break up, or capsize. The world's seas, accordingly, are divided into tropical, summer, and winter load zones, the tropical seas allowing the heaviest loads, the winter ones the least heavy.

On a voyage from the Persian Gulf to Europe starting in the northern summer, a tanker would pass into tropical conditions, then into winter ones, back to tropical, and on back to summer. The winter passage is a matter of five days or so, as the ship rounds South Africa, and, technically, for this brief portion of the journey any vessel should be down only to her winter marks. In the case of a tanker, this would mean that she would have to load less at the outset to comply. In the case of a 200,000-ton supertanker, for example, this could mean loading about five thousand tons of oil less—a lot of oil and a lot of profit to sacrifice. In July, 1968, one year after Suez closed, in the middle of the southern winter, a crucial regulation was amended by the Intergovernmental Maritime Consultative Organization to permit tankers to round the Cape on their summer marks; moreover, it was done after big tankers had already been given sanction to load deeper than had formerly been considered safe. In this state they have sailed ever since and, because the suspension was put into effect by international law, will continue to sail indefinitely, thereby offering the alarming paradox of a load-line convention suspended at the point of greatest danger. South African marine surveyors, knowing their waters, have protested strongly. They, at least, are convinced that many of the accidents to loaded tankers during winter weather are attributable to the suspension of the rule concerning winter load lines, and that some very bad slicks in the area are caused by ships dumping oil to lighten themselves when they appear to be losing buoyancy in bad weather.

Ships have always been liable to break down, either from the shattering force of the weather upon their hulls and means of propulsion or because of mechanical failure, but probably no class of ship since the age of steam began has been more systematically prone to breakdown than supertankers. Nor has any class of vessel, whether in the age of sail or of steam, been less able in the face of disaster to make do, mend itself a little, and get to where it is going through patchwork and improvisation.

In the days of sail, artifice could always make something new of what was available. In effect, the sailmaker and the carpenter were the most important men aboard after the master and the mate. The sailmaker had to patch or remake sails torn and shredded by the winds. On a bad voyage, the ship might have to have an entirely new suit of sails, and just one of those sails of brutally heavy canvas could hold as many as two million stitches. If his ship was dismasted or otherwise damaged, a carpenter could hammer a manageable rig or steering gear from splinters, so to speak; improvisation was navigation's complementary art. It had to be, for such a vessel was entirely cut off, alone in its own unbeseechable eternity.

The age of steam and its mechanical breakdowns often required even greater resourcefulness from sailors. Lacking radio, early steamships sometimes drifted for days, even weeks, while repairs were made to engines or steering gear. When, for example, the 5,000-ton British tramp steamer Titania lost her propeller during heavy gales in the South Atlantic in 1900, the ship's head was held to the wind and sea by a sea anchor, the forward holds were flooded to raise the stern, and, with the ship lurching and pounding in this dangerous position, the spare propeller was swung outboard by cargo winches, guided onto the wildly gyrating tail shaft, threaded onto it, and then sealed in place by a locknut. The whole business took several days, and was supervised by the ship's master, suspended outboard in a bos'n's chair, which alternately swung him across the skies and plunged him into the crests. Lloyd's awarded him its Medal for Meritorious Service.

It would be difficult to imagine many such feats, or even opportunities for resourcefulness, on the part of the crews of supertankers. The mere size of the ship always emerges as one of the main restrictions upon the ingenuity of any supertanker sailor, however good he might be in an old-fashioned sense. If a supertanker loses a propeller, for example, it is virtually inconceivable that the spare, which is carried forward on the main deck, could be maneuvered aft, as it was on the Titania, and set in place. It weighs thirty tons. There is no practical means of handling such a weight for a distance of a fifth of a mile outboard along the ship's side, or even over the decks. It is there simply to avoid delay in a dockyard if a replacement should be necessary. On a loaded V.L.C.C., in any event, the propeller shaft is about forty feet under the water. Diving gear, not a bos'n's chair, would be required for any master who wished to supervise the task.

The mere fact that supertankers were so big and different and unmanageable in conventional terms, together with the fact that the actual vulnerabilities of size remained unknown, might suggest that their design would have employed the fullest compensation where it was possible to do so—that no penny would have been spared to render them safe and dependable. For one thing, nearly all ships of V.L.C.C. size have been built with single screws. (No passenger liner would be without twin, triple, or quadruple screws, and modern cargo liners are, by and large, considered inadequate without twin screws.)

Multiple propeller shafts are naturally more expensive to buy, install, and maintain, but they insure command of the hull as well as extra thrust. No single-screw supertanker having rudder trouble at sea—and this has happened often—can get herself out of trouble in a hurry or into port by steering with her engines. Such an outlandish hull maneuvered by one propeller and a single rudder is, on the face of it, ludicrous. Relatively low drag allows supertanker hulls to slip easily through the water, so the system is adequate for thrust, but is wholly inadequate for emergencies, for braking the considerable momentum of the ship by taking her astern in a hurry. The advantages of a stronger system were proved by the Gulf 326,000-tonners, which were given twin rudders and twin screws. As a result, according to a Gulf official, these ships showed on their trials that they could crash-stop from full power ahead to full astern in about the same distance as a 50,000-tonner—some two miles—and that their maneuverability and directional stability using twin rudders and twin screws were certainly as good as those of the smaller tankers, and possibly better. Yet these ships are almost alone among V.L.C.C.s in being thus equipped.

There is an accepted life span for every ship, a period at the end of which the vessel is considered to have no further commercial usefulness—to have paid for itself, earned profits, and contributed to the corporate-tax position and its own replacement value through depreciation—and may finally bring in some money through its scrap or resale value. The write-off life of most supertankers is ten years. This is about half of what was considered normal for tankers in the past, and most ships have gone on for much longer. It is not uncommon for passenger liners to go on well beyond their fortieth birthday. The record is probably held by the 3,167-gross-ton Cunard liner Parthia, of 1870, whose passenger accommodations were finally removed in 1941, although the ship continued sailing along the Alaskan coast until 1952. In 1954, its hull was converted into a barge, which may well still be plodding faithfully up and down in those parts. In 1963, I sailed along the North African coast in a sixty-seven-year-old Spanish liner, the J. J. Sister, which had been built at the end of the nineteenth century for the Italians as the Galileo Galilei. At the time I boarded her, she was undoubtedly the oldest passenger ship in the world, and her master was justifiably proud of her. "Hombre! Todavia fuerte!" he protested when we set off from Ceuta and I expressed misgivings about the power of the engines against the strength of the Levanter gale outside. He was right, of course; she was "still strong," and we reached Melilla and, finally, Almeria, on the Spanish coast opposite, at precisely the hours the schedule had said we would.

Cargo ships used to go on even longer than passenger ships, and until recently it was not unusual to find steamships of seventy or eighty years still trading around European coasts. It was superb engineering and the marvelous engines it created, with immaculate workmanship, sound materials and no cutting of corners, that gave that sort of stalwart service. Endurance and dependability were the qualities presupposed for ship's machinery. The shell and the fabric of the ship had to be sound enough to deal with all that sea strain might impose upon them, and the engines had to be built for performance as well as strain. They had to give the maximum efficiency under the worst conditions, and they had to be able to do it for years, with as little trouble as possible.

Engines are the single most expensive installation in a ship, and for shipowners the choice of machinery for their vessels has always been a difficult one. In practical terms, the choice is between motor ships and steamships. The diesel internal-combustion engines used in motor ships are by far the most economical form of marine propulsion to install, but they can prove less attractive in other ways. They require a great deal more maintenance than steam, which is not only more compact but less fussy, and therefore easier to look after, and also be automate. For supertankers, these were the economies that seemed to matter.

Steamships make steam in their boilers, from which it is delivered to the propulsion unit—the turbines, which drive the ships—and to the alternators, which provide the ship's electrical power. The whole apparatus depends upon two water systems, salt and fresh. The boilers use fresh water of absolute purity. A particular quantity of this water is continuously circulated through an arrangement of pipes. The furnaces in the boilers turn this water to steam, which goes into the turbines, propels them, and then, exhausted, is delivered to the condensers, where it becomes water again, and the water is delivered back to the boilers for another cycle. The cooling process in the condensers is achieved by cold salt water, which is drawn into the ship through an injection inlet well below the waterline and is circulated in tubes enclosed in a large condenser chamber. After the steam to be condensed has passed through this chamber, the salt water is ejected. It is often when leaks or troubles occur in one or both of these two closed water circuits that tankers get into serious mechanical difficulty.

In February, 1971, off Cape Agulhas, a condenser intake pipe began to leak aboard the 70,000-ton American-owned Liberian tanker Wafra, and as the leak grew worse all control of the incoming salt water was lost. The pressure of the water outside the hull forced seawater in through the broken pipe at a rate faster than the ship's pumps could handle it. It was the equivalent of a hole suddenly punctured in the ship's side below the waterline. In this type of accident, water can rush in so fast that by the time the leak is noticed the area around it is flooded to the point where the task of sealing the break, or even finding it, is difficult, if not impossible. Abroad the Wafra, mattresses and planks were brought from all over the ship and piled against the break, but the water rose steadily, and as it did it drowned the ship's propulsion and power, and, helpless, she drifted onto a reef. If a ship's tanks are empty, she will stay afloat, because of the great buoyance of the hull, but if they are full she can sink; salt water is heavier than oil, and a large engine room filled with seawater may constitute sufficient weight to drag the vessel down. If the ship is in deep water off a shore, sinking is probably the best thing that could happen; otherwise, as occurred with the Wafra, she's likely to go aground, rupture tanks, and pollute the coast. Half her cargo was spilled. In November, 1972, the 50,000-ton Greek tanker Gallant Colocotronis similarly flooded her engine room north of Durban and went aground on the Mozambique coast. Such flooding is a particularly frightening accident—sudden, unexpected, and inexplicable; like a heart attack in a man apparently fit and well, it cripples swiftly, and often, as in these two instances, fatally. The main cause of it is believed to be the vibrations set up by the long hull, which may not be at the same frequency as the vibrations of the engines.

Serious trouble with the pure-water system of the boilers is far more frequent than injection-pipe failure, and cripples far more tankers. Boiler failure is an ailment as old as steam itself, but in supertankers it is a new and special tribulation, quite terrifying during its occurrence and in its consequences. In the past few years, it has disabled dozens of V.L.C.C.'s in the 200,000-to-250,000-ton class, not to speak of scores of lesser vessels, and time after time has put large oil cargoes in peril, especially in the South Atlantic and Indian Oceans. It would be a very rare occasion at Cape Town or Durban these days when there was not a cluster of tankers of various sizes—always including some of the biggest—undergoing boiler repairs of suffering some damage resulting from boiler failure.

(Over the years, boilers have become increasingly complex, but insurance against trouble always used to be provided by having several boilers in a ship, so that if one failed there was another to keep the ship and its systems going.) Ordinary merchantmen have seldom been fitted with fewer than two boilers, and they have often had six or eight. Passenger liners, with their demand for speed and their huge domestic power requirements, carry many more. The Queen Mary had twenty-four boilers for her main engines and three auxiliaries for her domestic services. Until the mid-fifties, most tankers had two boilers and sometimes three, but many giant tankers, especially Japanese-built ones, have only one high pressure boiler. (This practice is one of the economies that helped make the original price of these ships so attractive to their buyers.) But if that one boiler starts to fail, the ship is in a desperate situation. Without steam, the engines go, and all electrical power as well. The electronic complexity of a supertanker is wholly dependent upon the main propulsive unit. As steam dwindles and the propeller stops turning, the lights fail, and so do radar, echo sounders, and the other modern navigating paraphernalia that determines the course and prevents collision. The arrows flicker to zero, and the screens, one by one, gather their intelligence into a single, fast-receding pinpoint of light and go dark.

The fundamental precaution necessary aboard a supertanker to prevent this state of affairs is to insure that the boiler is never short of its fixed supply of distilled water for making steam. Without this water, the ship stops. The battle to maintain the supply is a ceaseless one, even in comparatively new ships; in older vessels it is a herculean task, for the development of steam leaks is steady and insidious. I have been told that it is the practice aboard some ships to stop once every four months and lie idle at sea for a whole day simply to repair accumulated leaks. In ships whose masters are less conscientious, the leaks after a while become so numerous that the atmosphere in the engine room is one of permanent steam fog. There are evaporators to distill fresh water from seawater, but sometimes they cannot keep up with leaks and a ship's other needs for water. "If you can't distill enough water to make up for what you're losing, then there's nowhere else you can get it," a supertanker engineer told me. "If you haven't got the water, you can't flash the boiler. If you can't flash the boiler, you haven't got the steam for the engines, or for the alternators, which make the electricity. This is the chain reaction that leads to complete disaster. If there's not enough water on this ship, the ship stops. It must stop. You've got no power, because you can't make steam, and that's the end of it. You end up with a tug towing you in. Or worse."

There is absolutely nothing that can be done with a supertanker in which every flicker of mechanical life has died. Nor is there much that can be done with a vessel whose weakening mechanical pulse is insufficient to control the vast inertial forces of its hull. The one-boiler ships often have a small auxiliary for emergencies, but its power is laughable, considering what it may be called upon to do. It is just strong enough to give the ship headway in fine weather, but incapable of doing so in the vile gales it might meet off Good Hope or in the North Atlantic. An official at Lloyd's Register of Shipping told me that he'd received a letter from a ship's master informing him that his vessel had actually been blown backward while using her auxiliary. At least one of the major oil companies, British Petroleum, has resolutely refused to have one-boiler ships in its fleet. "I wouldn't have it. It's not worth the risk, for such a relatively small added cost," a senior executive told me recently.

Such vulnerability is ironic when one considers the apparent ultra-sophistication of the supertankers' automated technology. Their wonderful unmanned engine rooms, with self-driving devices, vigilant, all-seeing electric eyes, and instantly triggered alarms, are often held to be great advances, as though this informational equipment could of itself make a vessel intrinsically better, sounder. This automation is another economy. "Although the shipowner is going to spend a lot of money putting the equipment in, he hopes to get some of it back by cutting down on manpower, which is what automation is for, essentially," another engineering officer told me. From the point of view of safety, all that the automation can do is to sound an alarm, and it often does that too late, and without indicating precisely what has gone wrong. The same engineer described to me an incident that had occurred aboard a 200,000-ton supertanker on its first night at sea outbound from Japan after the ship was accepted from its builders. "The engine room was switched to automatic control, and everyone went to bed. About two in the morning, the general alarm went. All the engineers bounded down there. The failure that the signals recorder had printed out was that the main boiler had tripped—which, in turn, trips the main engine. When the boiler trips, the fires go out, so it's not generating any more steam. Whatever steam is left is used for the alternators, and gives them about twenty minutes of running time—of providing electrical power. That means you've got about twenty minutes before a blackout. The boiler had gone and the main engine had gone, and we hunted high and low to find out why the boiler had tripped, but we couldn't find anything. We got the boiler flashed again, so we had steam, and we had the engines back and no blackout.

But we still hadn't found out what had actually caused the boiler to trip. After six hours, we eventually found the reason. It turned out that a half-inch-wide rubber diaphragm on a forced-draft fan had split, which dropped the pressure just momentarily off the outlet dampers, as we call them. This, in turn, signalled to the boiler that the forced-draft fans had stopped, which immediately put the fires out, which stopped the engine, and the ship. A half-inch rubber diaphragm had immobilized us. No one could have foreseen that happening, and the computer couldn't tell us what had actually happened, or where it had happened. All it could do was to stop the ship and leave it up to us to find out for ourselves. It took six hours of hard detective work. If we had not been able to flash the boiler before an electrical blackout, we'd have been helpless. If you're in busy waters, or off some coast, a situation like that is horrible."

It is, of course, far more horrible if automation sounds its alarm too late, or not at all. In November, 1972, the 226,579-ton British tanker Fina Britannia broke down off the East African coast while returning to Europe fully laden from the Persian Gulf. The alarms had failed to warn of various electrical and mechanical defects that had occurred. A chain of overlapping faults led to a furnace explosion that damaged the boiler, and the ship eventually had to be towed down to Cape Town for extensive repairs. Fortunately, the Fina Britannia was well off the coast and could safely drift until a salvage tug arrived.

At five years old, many supertankers are at the halfway point of their writeoff lives. The first generation of very big ships, the early 200,000- and 250,000-tonners, is either already at that stage or about to reach it. It is mainly these ships that are now travelling across the Bay of Fundy to the Canadian terminals that already serve them in these waters and it is these ships that will dominate the American terminals if they are built. Holding such a ship together beyond the five-year point can be onerous, but doing so after ten years could be nightmarish. That is when the supertankers will start changing hands. Inevitably, they will pass on to some flag-of-convenience owner, who would not be buying them if his standards were strict. As the present generation of tankers deteriorates, there will be an accelerating rate of injection-pipe failure and of boiler and power failure. The accidents that are already commonplace wherever these ships sail will become even more frequent off Maine and the Maritime Provinces of Canada, whose waters are not hospitable either to bad navigation or to helpless, drifting ships.

The means that tankers have of causing havoc upon the sea are many, and range from spectacular mishaps such as the Torrey Canyon's to the insidious cumulative effect of constant leaks, spills, and irresponsible dumping of tank slops at sea. Every tanker, however well managed, drops some of its oil into the sea in some form or other; badly managed ships are ceaseless polluters, and, like garden snails, can often be followed by the long iridescent trail of their waste. The seas are poisoned, of course, by an enormous variety of effluents going into them from rivers and from coastal towns and cities, which indiscriminately dump all sorts of noxious commodities, including municipal garbage and industrial chemicals. Oil, however, remains the single biggest pollutant of the seas, and tankers are the single biggest dispenser of it.

There have been many warnings during the last few years about the depletion and ruin of the oceans, and among the most forceful was one issued by Jacques Piccard, the Swiss oceanographer, on the eve of the first United Nations Conference on the Human Environment, held at Stockholm in 1972. Piccard said that many experts now believe life in the seas can be extinguished within the next twenty-five or thirty years unless man stops polluting them. His estimate was that five to ten million tons of petroleum products were going into the oceans every year, with tanker dumping responsible for more than a million tons. Phytoplankton, the marine plants that recycle at least three-quarters of the world's oxygen, floats near the surface. "All you need to do to fatally disrupt the marine cycle," Piccard said, "is to knock out the phytoplankton with oil skin." Considering how badly the Atlantic plankton is polluted already, the process appears to be well under way.

The salt seas have always seemed to offer assurance of an accessible freshness and cleanness, and I suppose there is in this the remnants of an atavistic instinct defensive of our remote origins, a much needed conviction that whatever other havoc we wreak, however deeply we pile the ashes, the seas will still rise and fall and safely breathe in their depths. But the Mediterranean in the area where I live deteriorates perceptibly season after season. There are whole stretches of the shore where I will no longer enter the water. The Moroccan coastline east of Point Malabata has some of the best beaches in the world, but now I often find the sands and rocks blackened by oil, or see a miles-long slick moving on the currents like an endless loathsome serpent seeking a place to slip ashore and leave its offal. These slicks usually come from a new Spanish refinery near Gibraltar. There are times when the water appears to be of that full blackness which promises to be our ultimate reward: a viscous shroud spread along every shore and reaching to all horizons. If this seems far-fetched, consider that when a million-tonner is built one ship could spill in one place within a few hours what Piccard now estimates the world's tankers and other vessels spill throughout the oceans over an entire year.

The Norwegian explorer Thor Heyerdahl reported by radio in 1970 from his papyrus-reed boat Ra II that "at least a continuous stretch of fourteen hundred miles of the open Atlantic is polluted by floating lumps of solidified, asphalt-like oil." In 1970, the British yachtsman Sir Francis Chichester wrote this letter to the London Times: "I have just returned from a 4,600-mile try-out sail in my Gipsy Moth V to the Mediterranean and back. Time after time, we sailed through patches or slicks of oil film on the surface. Seas coming aboard the yacht left clots of black oil on the deck and stained the sails. I noticed signs or effects of oil at intervals all the way from the Solent to Gibraltar and in the Mediterranean itself between Gibraltar and Majorca. I mention this because I think it is probably more noticeable from a small low yacht than from a steamer. Does it mean that in time, if it continues to increase, the oil effect will kill life in the sea?"

The Advisory Committee on Oil Pollution of the Sea reported in 1973 that in the previous year the proportion of the British coastline polluted by oil had increased by a quarter. Twenty-one slicks came ashore in the area near the Strait of Dover in 1971. Lancashire's coastline was hit by thirty-one slicks in 1972. Probably most such slicks come from the flushing out of ships' tanks as they head east to fetch another cargo. Some ships wait until they get to the deeper ocean. Many don't. One might well ask what difference it makes in the long run. After the Torrey Canyon disaster, there was a sharp increase in reports of ships seen discharging oil in the English Channel off the British and French coasts, even though it was an offense punishable by a fine of up to a thousand pounds (the amount has since been raised to fifty thousand pounds); at the time, the British coastal authorities believed that these were all ships taking advantage of the disaster, in the hope that the Torrey Canyon would be blamed for their sludge. There is no effective international, or even national, means of dealing with such a problem. Enough crude oil can cling to the sides and gather in pools on the bottom of a ship's tanks after they have been emptied to form a half of one per cent of the cargo—in the case of a 200,000-tonner, one thousand tons of oil. When the tanks are washed, this oil should go into so-called slop tanks with the water that cleaned it off. But unscrupulous masters might flush all this into the sea, and without question they often do.

The steady dumping of oil in British offshore waters has caused great anxiety over the future of British seabirds; a breeding survey financed in 1970 by the Torrey Canyon Appeal of the World Wildlife Fund and the Royal Society for the Protection of Birds found that guillemots, razorbills, and puffins are threatened by extinction around British coasts unless something is done to prevent further oil pollution. The steady pollution of the southern seas off the Cape of Good Hope since tankers stopped using the Suez Canal has threatened the extinction of at least one species of penguin, the jackass penguin. (Tens of thousands of penguins and seals and seabirds belonging to species that breed in the rich feeding grounds off the South African coasts have been wiped out by steady oil spillage.)

There is no enforceable international law against dumping oil at sea, although there is one against pumping it out off coastlines. The only international organization with any sort of maritime jurisdiction is the Intergovernmental Maritime Consultative Organization, generally known as IMCO, which is a United Nations agency with headquarters in London. Achieving international law on these matters is complex and confusing. A diplomatic conference is called, usually of IMCO members. All U.N. states can ask for membership, although not all do. Nor do all IMCO members attend the conferences that make the laws, which are the work of those who do; for their decision to become international law, it must be ratified by domestic legislation in their respective countries—a painfully slow process. And even when such a law is finally passed, there is no effective means of enforcing it upon the seas. Any strength it possesses depends upon the zeal of individual members. In 1954, IMCO suggested to its members that a ban be imposed upon the dumping of sludge or any other form of oil within fifty miles of any coast. It took eight years to get this ratified. By that time, the major oil companies had voluntarily introduced a simple system called "load on top" to eliminate most of the oily sludge left in their ships' tanks without emptying it into the sea. In this system, the seawater that has been used for washing all the tanks is pumped into slop tanks, where the oil eventually rises to the surface. The residual water is pumped out to sea, and a new cargo of oil is loaded on top of the old oil. Even this residual water, of course, will contain some oil. A proposal has been made by IMCO that it should never be of a strength greater than one hundred parts of oil to one million parts of water, and that it should never be dumped at a rate of more than sixty litres of oil per mile or contain oil constituting more than a fixed fraction of a ship's cargo-carrying capacity. Given the rate of increase in world oil consumption, IMCO officials feel that even this proposal is inadequate, and they hope by the end of the decade to have in effect a complete ban on putting any oil whatever into the sea. So far, only twenty of IMCO's members have ratified the residual-water proposal.

All British ships keep an oil-record book, in which every bit of oil on board, whether fuel or cargo, must be fully accounted for to Department of Trade inspectors. The United States Coast Guard runs air patrols off the coast to watch for offenders, whom they can easily trace by following a slick right up to the wake of the ship. If an offender puts into port, it can be penalized under national laws, but if it is spotted dumping oil at sea and moves on into international waters the only recourse is to make a complaint to the nation whose flag it flies. IMCO rules specify that the owner nation must levy penalties. But a large proportion of the world's tankers fly one or another of the so-called flags of convenience, and the masters of any of these ships who choose to dump oil sludge are probably not much concerned about punishment at their home ports—in Panama, Honduras, Lebanon, or Cyprus. Their tankers probably never put into their home ports anyway.

Most oil spillage in the seas of the world is deliberate, but there is always the danger of catastrophic accidents. So far, the world has seen no bigger tanker spill than the Torrey Canyon's, although there have been many devastating smaller ones. The V.L.C.C.s and U.L.C.C.s have escaped involvement in a major pollution disaster despite their unhappy record of breakdowns and accidents, at least one of which came very close to creating the terrible precedent that everyone fears. In the fall of 1970, the British V.L.C.C. Esso Cambria, with 241,045 tons of crude oil in her tanks, ran ashore in the Persian Gulf as a result of negligent navigation by her chief officer. She fortunately ran onto a sandy shoal instead of rocks; even so, two of her tanks were broken and she spilled fifteen hundred tons of oil.

Most of the accidental oil spills that have occurred since the loss of the Torrey Canyon have come from ships that have collided or gone aground. Every year, roughly fifteen hundred seagoing ships, or about seven per cent of the world's total, are involved in collisions. In a detailed study of fifty ship accidents which was published at the end of 1972, the British Chamber of Shipping found that most of the collisions among these were attributable to appalling seamanship and could have been avoided if alertness and prudence had been shown, and that all the groundings were directly attributable to bad navigation. Shell International Marine, in a detailed study of forty serious tanker accidents that involved pollution, found one common link—that "people made silly mistakes."

A very large number of mistakes seem to be made by ships flying one or other of the flags of convenience. Thirty-five to forty per cent of Liberian tonnage is American-owned, and an additional ten per cent is American-financed—a situation that helps explain the steady decline of the American merchant fleet since the end of the Second World War. According to law, ships flying the American flag must be built in the United States, and if American seamen are available must be manned by Americans, whose wages are significantly higher than those elsewhere. (American oil companies that fly flags of convenience—and they include Gulf, Exxon, Texaco, Getty, and Union—have argued that they do so not for convenience but from necessity.)

Flag-of-convenience operators often say that their ships, and especially many of those flying the Liberian flag, are among the largest, best-equipped, and most modern in the world. This may be true. But ships are only as good as the men who run them, and here the record is not impressive. Throughout the world, oil cargoes are being delivered by improperly trained and uncertified officers aboard ships navigating with defective equipment. After the Liberian tanker Arrow ran ashore in Chedabucto Bay, a three-member commission of inquiry, led by Dr. P. D. McTaggart-Cowan, executive director of the Science Council of Canada, found that the ship, which was owned by Aristotle Onassis, had been "operating with almost none of its navigation equipment serviceable." The radar had ceased to function about an hour before the ship struck, the echo sounder had not been in working condition for at least two months, and the gyro compass had a permanent error of three degrees west. The officer on watch at the time of the accident, the ship's third officer, had no license. The commission of inquiry said none of the crew had any navigational skills except the master—"and there are even doubts about his ability." In its report, the commission said, "We are well aware of the fact that no form of transportation can be 100 per cent safe but from the record available to us the standard of operation of the world's tanker fleets, particularly those under flags of convenience, is so appalling and so far from the kind of safety which science, engineering, and technology can bring to those who care, that the people of the world should demand immediate action."

Even where well-qualified men are commanding ships of the highest standard, as was the case with the Torrey Canyon, the masters' judgment, responsibility, and seamanship can be impaired in the long run by terms of service that would not be tolerated on any ship flying the American flag or the flag of any of the other major maritime powers. When the Torrey Canyon was driven aground off the Scilly Isles, the ship's master, an Italian, who had an outstanding record and reputation as a seaman, had already served an unbroken period of three hundred and sixty-six days on board. As the British and French governments discovered when they sought to find someone who could be held responsible for the accident, the task of trying to pin down a flag-of-convenience ship within any accessible frame of legal jurisdiction is well-nigh impossible. (The Torrey Canyon was owned by the Barracuda Tanker Corporation, a subsidiary of the Union Oil Company of California, which leased the ship and had, in turn, subleased it to British Petroleum Trading, Ltd., a subsidiary of the British Petroleum Company. The ship, built in the United States and rebuilt in Japan, was registered in Liberia, insured in London, and crewed by Italians.) For an international lawyer, any suit involving such a vessel must, one assumes, be the stuff that dreams of eternal litigation are made on. The British and the French, however, took a simple course. They pretended they weren't looking, and as soon as one of the Torrey Canyon's sister ships, the Lake Palourde, ambled into a port where the law was held to be firm, they pounced and had her detained until the insurers, the only accessible body with responsibility, paid up seven million five hundred thousand dollars as a settlement for damage.

In addition to deliberate dumping and accidental crashing into the shore, oil tankers have been involved in the two biggest ship collisions in history. In October, 1970, two fully laden supertankers, the 77,648-ton

Pacific Glory, owned by a Nationalist Chinese, and the 100,108-ton Allegro, Greek-owned, both flying the Liberian flag and carrying 170,215 tons of crude oil between them, ran into each other off the Isle of Wight. The Pacific Glory suffered three violent explosions and was burned out; fourteen of her crew died. Most of the tanks of both ships fortunately remained intact. On both, the third officers were on watch at the time; the Allegro's third officer, a Greek, had no certificate whatever. Two of her engineers, also Greek, had no certificates, and neither did two of the Pacific Glory's engineers. This was, at the time, the biggest maritime collision on record, but it lost this distinction in August, 1972, when two Liberian-flag supertankers, the 95,608-ton American-owned Oswego Guardian, fully laden, and the 100,613-ton Greek-owned Texanita collided east of Cape Town, in the Indian Ocean. The Texanita, which was empty, exploded with a violence that rocked buildings and woke people forty miles inland from the coast, which was twenty-three nautical miles distant from the accident. The ship broke in two and vanished within minutes. Thirty-two men died with the Texanita, and one man was killed aboard the Oswego Guardian. Both ships were travelling at full speed through fog so dense that the master of the Texanita, who survived to report the fact, couldn't see the masts of his own ship. Although the two vessels had observed each other on radar, neither reduced speed. The Texanita made only two attempts to plot the course of the approaching ship—the second when it was only four miles off—and the Oswego Guardian made no attempt whatever to plot the other ship's course. Immediately after the collision, the master of the Oswego Guardian ordered his ship away from the scene at full speed. There was no attempt to pick up survivors; they owed their lives to other vessels in the area. The first SOS call gave a wrong position, and the error was not discovered until six hours after the accident; and, at that, no correction was ever sent out. The Texanita's master had his license suspended for eighteen months, while the master of the Oswego Guardian had his revoked.

Nearly half the ship collisions in the world take place in the area bounded by the Elbe and the English Channel. A majority of them are head-on, and a very great majority of them occur in or near the Strait of Dover, where at any given moment some forty ships are usually moving. Dodging about among the ships, as well as among the many wrecks and sandbanks in the area, has been one of the worst nightmares for all supertanker masters. Between October, 1970, and April, 1971, ten tankers carrying some 300,000 tons of crude oil among them were involved in serious accidents in the Channel area. Half of them—including the Pacific Glory and the Allegro—were Liberian. On March 2, 1971, the Liberian-registered tanker Trinity Navigator, carrying 32,000 tons of crude oil, ran aground off Berry Head, England, and was refloated after five hours by a British Channel pilot, who later said the ship's radar was out of order and that she had no Very High Frequency radio for local communication. The Chinese crew, in any event, spoke no English—the international language of the sea, as of the air. Coastguards and a pilot boat had signaled to the ship by lamp to inform her that she was on a dangerous course and got no reply. On March 30, 1971, the Liberian tanker Panther, carrying 25,000 tons of oil, grounded on the Goodwin Sands and was freed five days later by tugs. Her radar was reported defective by the pilot who boarded her. A Trinity House pilot, Master Mariner W. L. D. Bayley, writing in the November-December, 1969 issue of *Safety at Sea International*, said that tankers with faulty VHF or radar were so numerous that Channel pilots had ceased to report them.

The menace of such vessels and their substandard operation was one of the principal reasons for the introduction of traffic lanes in sixty-six busy maritime areas throughout the world at the beginning of this decade. Ships are now expected to move in one of two lanes when laying a course through areas such as the English Channel, San Francisco and New York Harbors, the Baltic, and the Strait of Gibraltar. It was felt that this system would at least help decrease the risks to heavily laden supertankers. Unfortunately, the lanes are ignored by many ships, and the results can be tragic. On January 11, 1971, a 12,000-ton Peruvian freighter, the Paracas, entered the English Channel and, instead of using the northbound lane off the French coast, took the shorter and more convenient southbound lane along the English coast. She struck the Panamanian tanker Texaco Caribbean, and the resulting explosion shattered windows in Folkestone, five miles away. The only fortunate thing about the accident was that the Texaco Caribbean, which went down with nine men, was a small ship. The British coastal authorities immediately marked the spot with two lighted buoys and anchored a lightship nearby which displayed three vertical green lights as a wreck warning.

The following day, a German freighter, the Brandenburg, outbound for South America, hit the wreck and sank, with the loss of all but eleven of her thirty-two-man crew. The British added three more light buoys to the site, but on February 28th a Greek freighter, the Niki, struck one of the two ships and went down, taking her entire crew of twenty-three. A second lightship and nine more buoys were added to the collection over the wrecks, yet on March 16th an unidentified tanker ignored a barrage of rockets and flashing lamps from the guard ships, ran through two rows of buoys, and, to everyone's surprise, got away with it and vanished. Within a two-month period, sixteen ships were reported by British coastal authorities for having ignored the elaborate arrangement of lights and signals and entered the area of the wrecks.

One of the most terrifying tanker accidents involved the Polycommander, a 50,380-ton Norwegian vessel. In May, 1970, carrying a full cargo of crude oil, she ran aground and burst into flames at Mexico Point, near Vigo, on the Spanish Atlantic coast. The oil spillage amounted to about sixteen thousand tons, or a third of her cargo; it started burning on the sea, and the flames were so fierce that they caused a fire storm—a heat disturbance of such intensity that it raised winds of hurricane force in the immediate vicinity of the stricken ship. The winds whirled aloft a huge amount of oil as a fine mist, and bore it up to high altitudes. The mist condensed into drops, and some days later a black rain began to fall upon farmlands and upon the villages of Panjón and Bayona, on the coast. The damage to homes, gardens, and crops was extensive, and cattle died of eating oil-covered grass. Fortunately, most of the black rain fell on uninhabited bush and hill country. The Polycommander was a small ship compared to the general run of tankers these days, and the damage, conservatively calculated to be in the region of four hundred and eighty thousand dollars, was scarcely comparable to the devastation caused by the Torrey Canyon three years earlier, but the fire added a new dimension to the general concern about tanker disasters. We must now try to visualize the consequences of a fire storm rising from a broken ship ten, twenty, or even thirty times larger than the Polycommander. The risks can only get worse as the size and tonnage of tankers increase.—Noël Mostert.

[From the New Yorker, May 20, 1974]

SUPERTANKERS—II

Supertankers are the biggest self-propelled vehicles ever built by man, and also the most dangerous. A fully laden 200,000-ton oil tanker has aboard as much hydrogen thermal energy as a two-megaton hydrogen bomb, and to most people the ships seem dangerous because of their inflammable cargo. But an experienced sailor feels quite safe when he is on a tanker brimming with oil. If its cargo tanks aren't breached and remain securely sealed, flames could actually sweep a laden tanker and gut its living and work areas without touching off the cargo. A notable instance was the spectacular collision between the 77,648–ton Pacific Glory and the 100,108-ton Allegro off the Isle of Wight in October, 1970; the Pacific Glory was torn by engine-room explosions and ravaged by a fire that destroyed her superstructure and spread across the surrounding sea, yet she kept nearly all of her cargo of crude oil intact, and it eventually reached its destination in Europe.

What explodes is not the oil but the vapor given off by it. This is hydrocarbon vapor, which has a very low flash point; it will burn or explode at temperatures as low as forty degrees below zero. It lies in dense possession of the tanks after the oil cargo has been discharged, and tankers are most dangerous to their crews when they are empty, travelling in ballast. The hydrocarbon vapor is not easily controlled or got rid of. It is so potent that mere puddles of oil can generate a hazardous atmosphere, and an empty supertanker has a great deal more than puddles inside her hull. After the cargo has been discharged, pools of thick residue lie at the bottom, where the main pumps can't reach, like dregs in a gigantic cup, and the walls of the tanks are covered by a thin layer of an oil-wax mixture. If a film one millimetre thick covered all the steelwork in the tanks of a 200,000-tonner, it could amount to some two thousand tons; normally, tank cleaning retrieves at least twelve hundred tons of oil. (Tanks have to be cleaned not only to free them from the dangers of vapors but also to prevent the buildup of sludge and to allow maintenance of valves and fittings.) Until the tanks are cleaned, all of the residue continues to exude vapor, which can be touched off by the faintest spark, the risk naturally being greatest when any sort of activity occurs in or near the tanks. Cleaning itself involves innumerable possibilities of sparking the vapor and blowing the ship apart. The tanks are sealed and fiercely hosed by high-pressure water jets. Like immense garden sprays, they spurt water with an eccentric motion, flinging lumps of water the size of buckets against every surface, crevice, beam, and strut. It takes about eight hours for these jets to clean one of the main central tanks.

A nonexplosive atmosphere would obviously eliminate most of the risks that attend empty tankers before and during the cleaning process. Hydrocarbon vapor can't explode if it is "overrich"—that is, so dense that there is insufficient oxygen present to sustain combustion. Nor can it explode if it is too "lean"—the vapor having been so widely dissipated by air that it cannot ignite. In the past, tanker operators have assumed that an overrich atmosphere persisted naturally for several days after a cargo had been discharged. A lean atmosphere can be created by blowing air into the tanks. Unfortunately, no equipment has yet been devised to insure the stability of either of these atmospheres. In each case, there is constant danger that somehow the balance will be upset and the atmosphere will become explosive. Cleaning inevitably reduces the density of an overrich atmosphere, and as the oil is washed away there is always a moment when the vapor level inside the tanks falls into the upper explosive range. The overrich atmosphere makes empty tankers doubly vulnerable in a collision, for the impact may tear open an overrich tank, upsetting its atmosphere by an inflow of air, and then sparks from the crash may touch off an explosion. The stability of a lean atmosphere can be equally unpredictable, because if an unsuspectedly large amount of oil has been left behind from the cargo, the high-velocity washing jets could churn loose sufficient vapor to raise the atmosphere into the dangerous range.

A third atmosphere, which can be created for cleaning tanks if the right equipment is available, is now generally regarded as the safest. It involves use of the flue gases from the ship's engines. These are the so-called inert gases, such as nitrogen and carbon dioxide, which are noncombustible. They are drawn from the ship's funnel, cooled and purified, and pumped into the tanks as the oil is being pumped out, so that, theoretically, there should at no stage be an explosive mixture in the tanks. The system is costly to install, and in the past it was the least commonly used in cleaning tanks, but it is now being put into most new tankers with a capacity of more than 200,000 deadweight tons.

Whatever system is used, it is clear that an explosion needs a source of ignition, and the art of tanker safety, therefore, lies not only in maintaining an atmospheric balance at a safe level in the tanks but also in avoiding any chance of a spark's reaching the tanks if the level should become unsafe. It seems on the face of it implausible that a spark so faint as to be all but invisible could blow up a 200,000-ton ship, but I have heard tankermen say that they have nightmares about a worn wire rubbing against another, or the switch of an ordinary flashlight, or even the static of a nylon shirt. No smoking is ever allowed on deck, of course. On at least one line I know, decks are chipped only when a ship is loaded, and even then only when all sand and grit have been washed off them and there is a wind of at least five miles an hour.

Despite all precautions, oil tankers have been blowing up since the earliest days of their existence. The first major inquiry into a ship lost by presumed tank explosion was held in 1905. During the last fifteen years, there have been fourteen explosions a year, on the average, many of them fatal to both ship and crew. Most of them have passed without notice, but during one seventeen-day period in December, 1969, a chain of three tanker disasters, all of which took place while tanks were being cleaned, drew widespread attention to the dangers of hydrocarbon vapor. On December 12, 1969, the 206,000-ton Shell tanker Marpessa, travelling in ballast, sank off Senegal on her maiden voyage, after a tank explosion that killed two men. She was the biggest ship that had ever foundered. On December 29th, a sister ship, the Mactra, 206,885 tons, also owned by Shell, suffered an equally violent tank explosion in the Mozambique Channel, again killing two men. And the same day, off the west coast of Africa, the 219,000-ton Norwegian tanker King Haakon VII was torn open by a tank explosion. The Mactra and the King Haakon managed to reach port, having suffered less critical weakening of their structures than the Marpessa. One such explosion might have been accepted as just a deplorable accident, two might have passed for coincidence, but three suggested something more, and the maritime world has always regarded this sequence as one disaster, especially since the consequences included increases of twenty-five per cent and more on insurance premiums for supertankers. Insurance premiums amount to about a third of the costs of operating an average supertanker.

The explosions affected international shipping as a collective trauma—the more severe because in the six months before the triple disaster two 100,000-tonners had exploded at sea under similar circumstances. The possibility that these huge ships had been pushed too far too fast, technologically speaking, had already been ominously suggested by the fact that many of them had experienced serious buckling before or after launching, or on sea trials. Now a suspicion began to grow that an entirely new and incalculable set of fire-and-explosion hazards made them fatally flawed as a type. Shell called an international symposium in London in January, 1970, to discuss the accidents on its ships and to canvass ideas and speculation, and the meeting was attended by the chief executives and technical experts of practically every major supertanker-operating management in Europe, America, and Asia. It was apparent to all those present that profound gaps remained in their knowledge of the workings of hydrocarbon vapor and the mechanics of tank cleaning inside such vast structures. And that conviction grew throughout the shipping world. At a special meeting convened by Lloyd's in 1970, Andrew Sinclair, senior technical adviser to the Salvage Association (which advises underwriters), declared himself skeptical of the big ships' safety and expressed his own belief that there was a direct link between size and the explosions.

But it was unthinkable that the new supertankers could be written off. Sixty-three tankers of 200,000 tons and over were already in service, and, in the biggest shipbuilding boom in history, at least three hundred were under construction in various parts of the world, most notably Japan. A hundred or so more were in the planning stage. Three ships, furthermore, represented the economic equation whereby Europe, Japan, and other places dependent upon large, long-range imports would get oil in the future and not only at a pace commensurate with their needs but at low and stable delivery prices. There was no practical alternative to supertankers that anyone could imagine—or, rather, was prepared to imagine—yet every supertanker afloat, under construction, or projected had to be recognized as a potential bomb of terrifying power. (In the Mactra's case, it was estimated that about 4,400,000 cubic feet of vapor exploded, to wrench the deck open almost the width of the ship for a distance of nearly half her length.) If supertankers were going to continue blowing up at such a rate, no one would be prepared to finance them, insure them, or even have them in port. No one would wish to serve on them, and, alas, the brightest prospects of maritime profit ever entertained would be shattered.

Probably far more cash and time were subsequently spent on unravelling the mystery of the explosions than had been spent on models, experiments, and general research before the prototype supertankers were built. It was the first serious attempt ever made to understand the nature and character of these ships. Elaborate experiments were conducted ashore and afloat; research programs were sponsored at universities in Japan and the United States; the National Aeronautics and Space Administration provided data on static electricity by shooting rockets through clouds; international conferences and symposiums were held, including one, in Sweden, that brought together the world's leading experts on static electricity. Huge sums were spent by the big oil companies as well as by individual governments and shipping organizations. Shell alone has spent about two and a half million dollars on its supertanker research. The official British inquiry into the Mactra explosion, which ran from October 11, 1971, to March 23, 1972, was eleven days longer than the Titanic's, the longest on record up to then.

The origin of the fatal spark was discussed at great length. The most popular theory was that the spark originated with the cleaning process, and Shell, which used several supertankers for experiments, studied two main possibilities—that the strength of the water jets forced parts of the giant nozzles to break loose and fall to the tank bottom, causing a spark, or that the jets of water themselves cause an electrostatic field. According to this second theory, what had happened inside the tanks of the Marpessa and the Mactra was rather similar to the creation of thunderstorm conditions. The idea was that the lumps of water, in their brief flight from nozzles to tank sides, could become as highly charged as thunderclouds and, striking some metal projection, were capable of producing a flash somewhat like lightning. This theory is now widely accepted by supertanker operators, but it is by no means conclusive.

While practically everybody else searched for a spark, Gulf Oil sought to study the nature of an explosive atmosphere inside tanks. It used its own fleet of 326,000-ton supertankers for its investigations, and what it found was a shock to its personnel, for the experiments showed that a safely overrich atmosphere, which Gulf had assumed existed in the tanks after cargo discharge, was present in only about a third of the tanks, while another third were actually lean and the remainder were explosive. As a result of these studies, Gulf now uses the inert-gas system while tank cleaning on all of its ships. There have been no explosions on ships equipped with this system. Ninety per cent of all new supertankers are being equipped with it, and insurers are offering reduced rates on the vessels that have it.

The three supertanker explosions were a frequent subject of conversation aboard the SS. Ardshiel, a British supertanker with a capacity of more than 200,000 tons of crude oil, on which I once sailed from Europe to the Persian Gulf and back. After unloading her cargo at Rotterdam and the Gironde estuary, in France, Ardshiel cleaned her tanks, by the inert-gas method, as we slipped down toward and into the tropics. The work took six days; it began off the Canaries, and it finished the day we crossed the equator.

After each tank was cleaned, it had to be inspected, and this task, rather than the cleaning itself, is the one in which tankermen feel the most acute sense of personal danger. Although vapor may not remain in explosive quantities after a tank has been cleaned, enough of it may still be present to kill people. Even in a scoured and ventilated tank, pockets of vapor can be floating around the bottom, like invisible balloons, and if they should be punctured by a man's passage they could overcome him; or he might stir a lethal cloud of hydrocarbon vapor into the atmosphere merely by walking through sludge that hadn't been washed away. If the concentration of vapor is very high, only two or three inhalations will render a man unconscious. Sensations are blunted; the skin becomes numb and movements clumsy. A feeling of elation follows, and then, as the vital centers of the brain become affected, drowsiness and sleep. It is all horribly swift. Once a man is overcome, he has to receive oxygen within about four minutes or his brain will be permanently damaged. A minute or so more and he could be dead. If a man is overcome at the bottom of a tank ninety feet deep, he will not have much chance unless a warning is sounded the moment he is seen to stumble, and a rescue party is waiting with full equipment on the deck immediately above.

On Ardshiel's previous voyage, a group of men had been briefly lost and presumed missing at the bottom of Center Tank No. 4, one of the largest tanks in the ship. The group had consisted of the first officer, an engineering officer, a cadet, and a Pakistani seaman. After an accident was suspected and the alarm sounded, the rescue attempt was delayed, for a number of reasons. Things weren't where they should have been, and misunderstanding compounded the trouble. The first officer's wife was on board, and her agony, though brief, was intense and terrible—that of a coal miner's wife, seaborne. Summoned to the bridge by the emergency signals, she saw the rescuers running up the long deck toward the aperture through which her husband had descended just a short while before; she knew that if he had been gassed he was almost certainly dead, or beyond recovery. The misery over the confusions that had delayed the rescuers in their attempt to reach their companions; the bitterness and guilt they felt even as they struggled to carry out the rescue, realizing that in all likelihood their efforts were too late; their shame in knowing that the first officer's wife was desperately watching and depending upon them; and their own frank fears about descending into the fumes—all these things still obsessed the rescuers many months after the men they had feared lost were seen emerging from the tank. They talked about it often. What they were expressing, I sensed, was the true dread aboard these ships: that, unsuspecting, in a matter of moments, one could be turned into a vegetable or snuffed out. There was no particular fear of the ship itself, or even of the gas as an explosive power—only of this spectre lurking in its caves.

The mate and his small party had gone down into the tank (which was right forward) to inspect various valves. The four men made the long descent together as far as a last ladder, near the tank bottom, which was ninety feet down. There the engineering officer was to stay with a portable VHF radio. A system of whistle signals had been arranged between the mate and the engineer to indicate when valves were to be opened and shut in the cargo control room, and the engineer was to relay these orders by radio to the control room. Another cadet was to be on watch on the deck immediately above the tank. The first officer and his two companions continued down the last ladder and vanished into the gloomy depths of the tank. Recounting the experience later, the engineer said, "The cadet who had been left on deck, William Roscoe, had orders to keep the chief officer's party in sight by following them from manhole to manhole. But after they'd gone I smelled gas and got a bit worried, so I radioed Roscoe to lower a fresh-air breathing apparatus. He did so, and then went back along the deck to spot the chief officer's party, but he radioed back to me to say that he couldn't see them through any of the manholes. Then I heard a lot of whistling and shouting inside the tank. When you're inside one of those tanks, sound gets distorted out of all proportion. I couldn't make out what it was about. It didn't sound like the signals we'd agreed upon. I couldn't see them, of course, and I couldn't move, because my oxygen line wasn't long enough. Those tanks are so huge and inaccessible anyway that you just can't get around them. I always feel fear down there, and I did then—a lot—because I couldn't understand their signals, and because of the gas all around me. So I sounded the alarm. It was one of the worst moments of my life. I could hear the alarm going on the ship's horn and on the VHF. I moved down to the bottom of the tank to be out of the way when the emergency party came down. I knew that those people were going to have to run from aft all the way up forward and that by the time they got to the tank top they would be out of breath. And the men they were going to rescue weren't at the bottom of the ladder with me—they were way over in some silly corner of the tank. The rescue party was going to come hurtling down that ladder, ninety feet, and then go searching through all those halls and bays, and over all those girders, to wherever the men were. It had never occurred to me how hopeless the whole business really was. The worst feeling was to stand there thinking all this and not be able to help those blokes in the same tank. It was a terrible feeling of helplessness. I got an awful feeling in my stomach. I was alone in that big tank, all alone with three dead men, or dying men, waiting for the emergency party to come—waiting and waiting."

The man who led the emergency party had been in the engine-room control room when the alarm went off. "I was the second one into the emergency headquarters, after Alfie Hattrell," he said. "Hattrell was just shooting out the door, and I said, 'What's the matter, Alf?' He said, 'I think the mate's gassed down in the tank.' There was no contact on the VHF sets, and the panic started then. We didn't know what the hell was going on down there. I ran, up to the tank top and looked down. Hattrell was shouting down. There was no answer, just echoes. It was bloody awful. You knew for a fact that you just weren't going to get anybody out of that tank alive. What made it worse was that there was a fearful bloody tangle in trying to get the necessary gear. I had told a cadet to get out the Draeger gear, which is the large-pack breathing apparatus the emergency team uses for going down into a gas-filled area. It was down in the pump room, unfortunately. So we had to go all the way aft for it. When we eventually got the Draeger gear to the tank top, we couldn't get the darn thing connected up. There was an extension piece missing. I ran back to get a breathing apparatus—one you can strap on your back. I was going to go down myself with the resuscitator. I was thinking all the time how hopeless it all was. Even if I'd had a portable breathing apparatus right at the tank and gone down at once, it would have been a hopeless try. In the tank itself, the transverse sections are so huge that you can't get over them—you have to crawl through a hole a foot and a half high and a little bit less wide. You can get through by yourself wearing a boiler suit, but that's all—not with a breathing apparatus on your back. You've got to take it off and throw it through or drag it through and then put it on again, and all that time you're breathing the tank atmosphere, which might be all gas. Then, if you find your man, you've got to *bring* him back the same way. There's about twenty huge bays in a tank like that, and you might have to go through half of them before you found the gassed man, and then back again dragging or pushing him through. Anyway, when I got back to the tank top with my portable breathing apparatus, I found it was all over. What had happened was that the mate had wanted a piece of equipment lowered to him from the deck and had been trying to attract the attention of the man on the deck. The mate was very upset when he realized the panic they'd caused. But it was a good thing, in a way. We had a full inquiry on the ship. The episode had exposed the weakness of the whole system. We'd done a lot of training for tank rescues and that stuff, but it had all fallen down when it came to the real thing. Now the equipment is always at the tank top, thoroughly checked, before any men go down. We never have two working parties in gas areas, as we had that day. And when a party goes down we have somebody at every manhole—or Butterworth plate, as we call it—keeping them in sight all the time. But I think it's a terrible thing myself, on these ships, to go down there—that they make us go down when they know for a fact they can't guarantee that a tank's gas-free, and that they can't get anybody out of one. For us, that day, there were four corpses down in that tank, and that's the way we still remember it."

Approaching the equator, we were at the same point in the voyage at which the incident had occurred. As each great tank was cleaned, it was cleared of its inert gas, and an inspection party, led by the first officer—a new man on this voyage, named Alan Ewart-James—went down to examine the equipment and the steelwork. As soon as an inspection was finished and the party had returned to the deck the tank was refilled with inert gas. Ardshiel's owner, the Peninsular & Oriental Steam Navigation Company, better known as the P. & O. Line, had been one of the pioneer users of inert gas, well before the triple supertanker explosions, and this, of course, was one reason the explosive power of the tanks aroused comparatively little concern among my companions. "We feel it is absolutely safe—well, at any rate, safer than anything else available," Ewart-James said on the morning he was to make his final tank inspection, on which I was going to accompany him. "As soon as we start discharging cargo, the inert-gas system goes into operation; it blows into the tank as the oil goes out. The only time that an empty tank is not inerted is when we go down to have a look, as we are now about to do."

I had met him in his office, where he had laid out a boiler suit, Wellington boots, and gloves for me. When I was dressed, we went down to the cargo control room, and were joined by the other members of the party, Chief Engineer James Jackson and Second Engineer Harvey Phillips. As the four of us walked up the main deck, Ewart-James remarked that one of the things he looked forward to was the day when, as master of a ship, he would no longer have to go down into the tanks. It was a job he detested as much as everybody else did, he said, and he could not understand why anyone had to go down at all, since he couldn't see that much was accomplished by it: it was impossible to make a thorough examination of a place the size of a cathedral on such a cursory visit. On some supertankers, he said, they carried a rubber dinghy, and as the tanks were slowly filled with water the inspection teams rowed around inside examining the steelwork. (That made better sense, he said. And one major oil company, British Petroleum, did not send anyone into the tanks unless maintenance was required.)

It was a warm, sunny tropical day, with the wind fresh across the main deck, and we had a long, pleasant walk forward to Center Tank No. 1, into which the descent was to be made. When we got there, the fumes rising from the open tank struck me as unpleasantly strong, but the apprehension I felt—and it was considerable—was mostly for the actual journey down to the bottom; at that moment, the gas seemed decidedly less intimidating than the height, for which I've never had a strong head. The tank opening was large enough to take only one person at a time. Ewart-James went first. I followed, then Harvey Phillips. James Jackson remained on deck, watching us. A short ladder took one down through the constricted opening to a small platform, ninety feet above the ship's bottom, and from there a narrow ladder with handrails flew out across space and then down; the narrowness of the ladder and the lack of protection between the steps and that thin handrail, all of it hanging in the air, I found terrifying.

Architecturally, the tank was a surprise. A hollow steel compartment capable of holding eighteen thousand tons of oil, it was full of strange and interesting compositions—a place for imagists. Illumination was provided by the open Butterworth plates, neat portholes of natural light, diminishing in size as we descended until they shone far above the lower darkness like a firmament of moons. In this faint light, we began passing the washing machines, which rose twenty feet from the bottom, like weird pyramidal stalagmites. From the bottom itself, with the light falling in shafts from above, the impression of height and size was far greater than it had been from the entrance at the top. I hadn't expected such a mass of detail, of elaborate patterns of pipes and valves, so many flights of other ladders, so many beams and struts, platforms, nooks, crannies, and crevices. Most impressive of all were the upper transverse beams thrusting out into the huge emptiness above our heads halfway up to the deck, creating transepts.

There had been a slight sea movement on deck, but here at the bottom it was dead still and—what was eerier—dead quiet. No ship sounds, no faint noise of sea strain or stress or creaking—just the clear, matter-of-fact voices of the two men and the unhurried scuff of our boots on the steelwork. Although we were virtually at the bottom, the pipes and transverse frames were so huge that our path, which lay across the top of them, still carried us at a considerable height—perhaps twelve to fifteen feet—above the ship's plates. Huge bays were formed by the frames of the ship's hull.

When we reached the center of a particular bay, the two men climbed down a series of handgrips to the lowest level, where they worked quickly by the light of special gas-tight flashlights. Standing on what I assumed to be the rider plate of the ship's keelson—the reinforcing steel stringer that normally runs the length of a ship's keel—I could understand the immense difficulties of trying to reach a man lying gassed somewhere in this complex gloom. An oxygen mask had been lowered through one of the Butterworth plates, and I had been told to stand as close to it as possible—an injunction that I selfishly appreciated and unhesitatingly obeyed. Actually, we were at a point easily visible from above and were being closely watched, but it was quite evident that to save someone lying unconscious in one of the remoter regions of the tank, lost from sight, would be like starting from the dome of a darkened cathedral and descending an eighteen-inch-wide ladder pinned to its walls to find, somewhere at the bottom, among the bays, chapels, colonnades, and apses, a senseless form that had to be brought back up to the dome, all within four minutes.

Returning up the ladders to the main deck, I was struck by the anomaly that in these steel ships the ascent and descent of great heights on foot is a recurrent routine to a degree that hasn't been known since the days of sail. (On ordinary ships, masthead painting or repair is usually done with the aid of a bos'n's chair, and most modern ships dispense with a mainmast in favor of a steel structure for radar, radio aerials, and signal halyards abaft the bridge or funnel.) The ladders we descended into Center Tank No. 1 ran in stages, angled at varying degrees, all of them steep, and in some tanks the descent is perpendicular. There the comparison ends. The sailing men went aloft into the sky, with exhilaration in fine weather and with a fierce sense of elemental combat during bad. Tank descent, on the other hand, involves removal from all that, into a black hole in the sea.

The tropics vanished overnight, and the ship entered a different mood, another sea. The time was late June. We were rapidly moving into the southern winter. The wind was rising, and we began to roll. An order book had been set out in the wardroom for those who wanted something or other from Cape Town. The orders were to be telegraphed to the P. & O. agent at the Cape, and the goods would be sent out by tender together with the mail and the ship's supplies. Ardshiel's own shop was thoroughly stocked with almost everything a man could want, and the order page had remained blank. Now, suddenly, everyone wanted something. Men hung over the book thoughtfully, pencil in hand, reflecting upon whim. None of what they finally ordered seemed truly necessary. The list for chocolate cakes was a long one, even though the ship's baker made cakes as good as any; but this was contact with the shore.

The master of the ship, Basil Thomson, a large man in his mid-fifties who had risen through the ranks over nearly four decades of service with the P. & O. Line, sat talking in the wardroom after dinner one evening about an incident on a recent voyage when Ardshiel had broken down and drifted helplessly off the South African coast. The breakdown seemed to be much on Thomson's mind as his ship approached those waters again. Ardshiel had been on her way to the Persian Gulf to load. Off Port Elizabeth, the ship's power began to fail, because of salt-water contamination in her boilers. She was nine miles off the coast, and Thomson had promptly warned all shipping that his vessel was having difficulties and asked everyone to stay clear of her. For four days, she struggled to cover the distance to Durban. Ardshiel's engineers managed to keep the engines turning, with just sufficient power to keep her moving through the water. It was clear that if she broke down completely, her position would be perilous, and Thomson had taken care also to warn the South African authorities of his difficulties.

The high incidence of tanker breakdown off the South African coast since the closing of the Suez Canal has made it worthwhile for salvage tugs to station themselves permanently in those waters, with their radios tuned to the passing traffic. The only tug available to the Ardshiel in the event that she broke down completely was then lying in Durban Harbor, and after listening to the Ardshiel's reports of distress, she called Thomson and asked whether he wanted her services. Commissioning salvage tugs is a costly business, and is usually regarded by owners as a final, desperate resort; the salvage awards, calculated on the value of the ship as well as her cargo, can be enormous. A master must therefore have good reason for summoning a tug. Thomson, on the assumption that the tug would still be at her post if he finally did need her, declined the offer. To his surprise, however, the tug suddenly hove in sight some time later, and as she passed within hailing distance of the crippled tanker the tug master advised Thomson that he was steaming south to undertake a commission on the coast below and that if the Ardshiel required his assistance now was the time to say so. Bluff or fact? The Ardshiel's chances of making Durban under her own power seemed reasonable, although she had been stopping and starting. If the weather got bad, however, the ship would not have enough power against a heavy sea, and if she broke down completely anyway, as she might yet do, she would be helpless.

Thomson's dilemma was whether to take a gamble on the frail engines and the weather or accept a tow that might involve a claim for eighty per cent of the value of the ship. "What was I to do?" Thomson asked bleakly. "The weather was deteriorating, and there, disappearing over the horizon, was the only tug that could help me if I needed help. Perhaps that tug master was bluffing, but how was I to know? If I'd let him go and then found that I needed him, I would have been blamed. As it was, I was censured for calling him back. But what else could I have done?"

Normally at this hour, over coffee, Thomson might have been telling an anecdote about life in the P. & O. in the old days, and as he did so he would have been leaning well back in his chair, satisfied, with his hands slamming the arms of the chair for emphasis. But now he held his hands folded over his cup, his elbows resting on his knees, and he spoke slowly and heavily, as though his words held a weight of oppression. "I was prejudged before I got to London," he said. "I got a letter of exoneration later, but it didn't make up for what I felt when I got to the office knowing that the issue had been decided against me in most people's minds. How can anybody really know the pressures and the circumstances of a thing like that if they aren't there at the time? I've never forgotten a board of inquiry on which I once sat. A British India Line master was up before us. His ship had been in a collision. They asked him why he'd given the orders he did when he saw the danger he was in, and he simply said, 'I had thirty seconds in which to make up my mind, and I did at that moment what I thought was best.' There was no answer to that, and they let him go. When you've got half a minute, you can't weigh up alternative courses of action—you just do there and then what you think is best, and you probably know that whatever you do isn't going to make much difference in all likelihood. Well, I myself had longer than thirty seconds, but it comes to the same thing. It's always easier later, when you've got all the facts and figures and can decide at leisure during an inquiry what should have been done. But when the thing is actually happening—well, it's all very different."

It was winter when I climbed to the bridge from the darkness of the lower decks at dawn the following day. Alan Ewart-James and a cadet named Davis stood on the port wing, their throats muffled against the chill. The sea looked very wide and cold and blue, and its surface was massively creased by a huge regular swell, whose violent effect upon the ship had awakened me. Around us lay mountains of cloud bank; the clouds rose from the dark base of the sea at the horizon, but their peaks touched a clear and unblemished sky. Davis was taking a bearing on a small point of light that shone faintly in a still black corner of the sea. "She's also on course for the Cape," Ewart-James said. "About the same speed, so we'll be keeping each other company for a while." As the dawn spread over the water, the single light became a ship, which, as so often happens, seemed far less of a presence upon the visible sea than her light had been upon the dark. We held steady, companionable course together, and sailed past the foot of the range of clouds, as though under the lee of an island, and on into a powerfully different ocean.

The quality of light, the smell and tone of the air, the dense flocks of seabirds, and the cold, high-moving look of the sea itself were already indisputably "Cape," though we still were fourteen hundred miles northwest of Good Hope. We were in the great South Atlantic, which has a character all its own. As you sail south, the impact of the South Atlantic is always pronounced, because you enter it so suddenly from the tropics, where sea and sky melt together for days, with no clearly defined horizon; when you wake one morning to this fresher air, the sudden definition of sea and sky makes the ocean look immensely wider. It is widened still further by the swell, which, like dunes in the desert, gives the eye its rhythmic measure of spaced and infinite distance.

These waves are known as "Cape rollers," and they gain their size and momentum during their long journey up from the seas of Antarctica—the Southern Ocean, which is the main influence upon the South Atlantic. The Southern Ocean not only sends rollers into the South Atlantic but folds into it its own icy currents, making the South Atlantic a cold sea under a hot sun, and so adding to its perversity and richness: enabling it to bring right to the tropics many of the curious creatures of the Antarctic waters, including seal, penguin, and a host of cold-sea birds, along with the whale and the albatross, which were so much of the symbolic preoccupation of the early sailors in these waters.

Hundreds of seabirds rode the wind as it flowed silently and unfelt around us. An albatross floated motionless beside the ship, like a stuffed bird inexplicably pinned upon the living sky—so close to the rail that one could read the color of his fierce pink eyes. His wings, stretched to their fullest span, nine or ten feet, cast long shadows upon the sea. The wandering albatross has the largest wingspan in the entire bird kingdom, often measuring more than eleven feet. The body is four feet long, but the whole bird is marvelously light, usually weighing about fifteen pounds, and this helps him stay in the air day after day: the albatross doesn't fly so much as float upon the updrafts created by wind striking the surface of the sea. He glides from one airwave to the next, and gets sufficient buoyancy to maintain flight with minimal effort. The albatross belongs to neither land nor sea, really; he is in the air ninety per cent of the time, settles on shore only long enough to breed, and stays off the water for days on end. Dr. William Beebe has told of one bird, specifically watched, that was known to have stayed in the air at least six days without landing on the water, and has also given an instance of a bird that followed one ship for three thousand miles. It is said that the coming of the steamship saved the albatross from extinction, since ships no longer lay becalmed for days, their sailors bored, idle, and wanting diversion. Toward the end of the days of sail, the birds were killed in particularly large numbers by sailors, who caught them cruelly on baited hooks, sometimes just for sport but also for gain: the webbing of the feet was used for making pouches then, the bones were sold for pipestems, the down was sold in Europe, and the meat, though tough, provided a change of diet. The beauty of these birds is so moving that it is hard to believe that anyone could ever have wished to kill them, or mock and tease them. But this is the cruelty that Baudelaire observed on his voyage around the Cape, and put into his poem on the albatross. True, the bird, as one watches him, seems easier to admire than to love. One feels a shiver: those pink eyes, so large, steadfastly alongside and effortlessly suspended above the sea, unceasingly watching! For those earlier seamen, the perpetual baleful scrutiny of their brutal struggles with cord and canvas upon precarious decks from such an aloof point of ease must sometimes have touched off rage and resentment. Perhaps that's why, when they got an albatross on deck and saw its helplessness there (it could not take off from a ship's deck), they felt moved to do what Baudelaire saw them do: "One of the sailors torments his beak with a pipe, another mimics, limping, the cripple who used to fly." At least when it was helpless and floundering on deck, the bird had no supernatural power, and got weary like the rest of them.

Frigid currents under a hot sun also account for dense fogs that unexpectedly descend upon a day whose fierce sun has heated all the surfaces of the sea and sky to a coppery brightness. Steaming through such an ostensibly inviolate light, a ship suddenly finds herself in an impenetrable mist; her decks grow wet, and the deep chill of the seawater rises all around. It is an uncanny experience, even on a large passenger liner, to stand peering into such a thick fog for the vanished sea and sunlight. How easy it is, therefore, to understand the impact of this ocean upon the imagination of the earliest seamen, credulous and superstitious men groping their way toward Asia, who knew only that these smooth rollers they met so soon after crossing the line were the messengers of gale-driven seas farther south, through which they shortly had to pass to "run their easting down." Once they had rounded Good Hope, their course took them straight on into the Southern Ocean, the only ocean that completely encircles the globe unhampered by an intervening landmass. The fierce westerlies that constantly blow over it provided the legendary gales that punished the nineteenth-century grain and wool clippers. The seas of the Southern Ocean have unrestricted freedom to build their power and size, and are the most terrible on earth, with reported storm heights south of the Cape of Good Hope of sixty-five feet, against forty-eight feet in the North Atlantic. Farther south, waves as high as a hundred feet have been reported. Cutty Sark encountered such conditions, and her master, Captain Woodget, wrote in his log, "An immense sea rolled up right aft. When I looked at it, towering up so steep, in fact, like a cliff, it looked as if it was about to drop down over our stern and completely bury the ship." Captain Woodget later told Basil Lubbock, the ship's historian, who gives an account of the incident in "The Log of the Cutty Sark," that the ship ran down the advancing wall of water with her stern at an angle of forty-five degrees, "whilst her bows split the side of the monstrous wave with a roaring hiss; the Cutty Sark . . . probable never went faster in her life than she did on that sea."

Nowhere else is there such a sense of the primordial rage of the earth when all is covered by a rushing sea. Nowhere else could the legend of the Flying Dutchman be quite as credible. Captain Vanderdecken cursed that ocean and, in punishment for his blasphemy, was damned to sail eternally the waters off the Cape. Whether Vanderdecken existed or not, he was real enough to sailors for nearly three hundred years, the martyr and symbol of their inexpressible experience. The ghost ship has been described by many, including Queen Elizabeth II's grandfather King George V, who, in his published diary of a cruise aboard H.M.S. Bacchante in July, 1881, wrote, "The lookout man on the forecastle reported her as close to the port bow, where also the officer of the watch clearly saw her . . . a strange red light as of a phantom ship all aglow, in the midst of which light the mast, spars, and sails of a brig two hundred yards distant stood out in strong relief as she came up." The validity of the apparition was confirmed for those on board by the fate of the ordinary seaman who had first sighted it and hailed the officer of the watch: he fell to his death from the crosstrees twelve hours later.

If I have disgressed, it is, in the first place, because I spent my boyhood and adolescence at the Cape, often under sail on the South Atlantic, and especially that Cape fringe of it which lies brother to the Southern Ocean. I knew the Indian Ocean coasts northeast of Cape Point equally well, and regarded them far more joyously, because of their white sands, their sensual warmer waters, and their buoyant mood. But where the Indian Ocean was pleasure, the South Atlantic was experience. I am therefore concerned that its extraordinary qualities should remain intact, and by that I really mean its rich bird and marine life. The oil ships have already done great damage—in some instances, perhaps, irremediable damage—and in doing it they may be damaging the resources of the Antarctic seas to a degree that we do not yet understand.

More oil has probably been leaked, spilled, dumped, and slopped into the waters off and around the Cape than in any other single area of the world. If man were to assess all the points in all the oceans that are upon this earth to decide which might be the one to guard with all his might from pollution and damage because of the larger consequences to man himself, then this one should be it—or, if not, then only Cape Horn, I am prepared to say, could tie with the Cape of Good Hope as such a point. The modern curse of Good Hope is that every tanker that goes from the west to the Persian Gulf must pass that way twice. Before Suez closed, an average of sixty-two tankers rounded the Cape every month. The average now is between five hundred and six hundred a month—half of them fully loaded, of course. A total of more than two thousand ships pass the Cape every month, and ordinary merchantmen make their own contribution to the pollution of its seas by dumping their bilge sediments and oily ballasts, but the major havoc is created by tankers, and it is an appalling story of wreck, breakdown, collision, torn and leaking tanks, foundering, and wanton dumping. The worst mischief, naturally, occurs during the southern winter, when tankers are bashed and battered by the Cape seas. Every winter season has its one or two major accidents, but the persistence of unaccountable slicks is more fearsome than the known accidents. Every year sees some further conspicuous diminishment of the sea life there, and this cannot be regarded as a local matter, because all of it is intimately involved and interdependent with the still largely unknown ecology of Antarctica, whose seas are the richest on earth in marine flora and fauna.

The world's oceans are not uniformly productive. The major portion of the deeps, like terrestrial savanna, is relatively unproductive. The true richness of the sea's life is concentrated in a very few areas—flourishing pastures, if you like—where the density and variety of living matter are hugely in excess of what they are elsewhere. The Southern Ocean contains some of the biggest, most abundant, and most important of these pastures. And the biological riches of the South Polar region extend up the west coast of South America in the Humboldt Current and along the southwest African coast in the Benguela Current. Those currents are so lavishly fruitful that they make it worthwhile for trawler fleets to steam from as far as the Soviet Union and Japan to the fishing grounds off Peru and South-West Africa. Most of the catch taken from the Humboldt and Benguela Currents is processed into fish meal, for use in fertilizers and animal feed. It would be difficult to say how many of the world's millions depend, directly or indirectly, upon these fisheries, but it is easy to see that there would be serious consequences if they began to fail. If, as we are frequently told, the seas are earth's last untouched resource, its final frontier and a possible source of much of the food and nourishment that our overcrowded planet will need, then it would be unfortunate indeed if we allowed what is perhaps the most fruitful and important sea of all to be irreparably damaged, or even destroyed, in its biological functions.

Nature herself has facilitated pollution of the Southern Ocean through an unusually strong current, the Mozambique, which flows down the east coast of Africa. For one thing, savage weather is normal in the waters that run parallel to the coast between Cape Tow and Durban. It can break the strongest ships, and, needless to say, tankers have been the principal victims in recent years. Another pertinent characteristic of the Mozambique Current is that after flowing down the east coast along a line that brings it close inshore as far as Cape Agulhas it suddenly turns away from the coast, virtually doubles back on itself, and stands out to sea, eastward. At this point, it becomes known as the Agulhas Current, and its course takes it toward the Southern Ocean's circulating eastward course of wind and current. The speed of the Mozambique-Agulhas Current, up to five knots, is also important. What it grips it tends to hold, all the way south. The current in effect acts as a funnel down to the Southern Ocean, and swirls any oil flung into the sea off the east coast of southern Africa straight into the larger circuit of the West Wind Drift. There the oil starts navigating the Antrarctic Circumpolar Current. About half the food manufactured by the earth's plants occurs in the seas, and one of the richest sources is in the Southern Ocean. Oil damage to such an area and to its role in the interdependent association of fauna and flora in the south could obviously be critical.

The worst damage to those waters, however, is done by less spectacular spills. There are leaks from ships whose hulls have cracked or whose tanks have ruptured for one reason or another, perhaps as the result of the ships' going aground or striking submerged objects. There is callous dumping by ships whose masters believe that the swift currents will remove any chance of their being found out, or by ships that lighten their cargoes in an emergency. (After especially bad weather off the Cape, it is common to find large oil slicks, many of which are assumed to have come from ships whose masters feared for the safety of their vessels and, to provide better buoyancy or to prevent the hulls from cracking, simply ditched portions of their cargoes.) Finally, and by no means least, there is the general dumping by all shipping, ordinary merchantmen as well as tankers, of oily bilge water and oily ballast water.

Oil leakage goes on all the time inside any ship's machinery and bunkering spaces. Lubricating and hydraulic oils drip from worn gaskets and areas of heavy lubrication. Fuel oil can leak from valves and connections of the lines that carry it from the bunkers to the machinery. All this accumulates in the bilges, along with whatever water has leaked into the ship, and the lot has to be pumped out from time to time. Any master whose ship is sluggish, and perhaps even hazardous, from heavy bilges and who has been putting off the job of clearing them is inclined to wait no longer if he is facing the prospect of heavy weather off the Cape. So out it goes—at night, because there now are heavy penalties—into the Mozambique, Agulhas, and Benguela Currents.

It is the same story with the seawater ballast taken in after fuel tanks have been drained of their contents on a voyage. The fuel itself serves as ballast at the outset; as the voyage progresses and tank after tank is emptied of its bunker oil, salt water is brought in as substitute ballast. This means that when a ship approaches a port where she must bunker, the seawater ballast, which has meanwhile mixed with the sludge and cleaned off the residue from the sides of the tanks, is discharged into the sea. On the long voyage to the Gulf, Southeast Asia, the Far East, or the Antipodes via the Cape, the South African ports have become a natural bunkering point, and, inevitably, their approaches have become a place of discharge for these thousands of tons of oily ballast water.

The United States Environmental Protection Agency has estimated that half of one per cent of the bunker fuel remains in a fuel tank after it has been emptied. A large modern freighter might easily bunker two thousand tons at the Cape, so if it dumps its ballast it has put some ten tons of oil into the sea. If, making a conservative estimate, one figured that in any given month a hundred callers at South African ports took this amount of bunker fuel and made the equivalent discharge off the coasts, it would mean a thousand tons of oil a month. A United Nations estimate published in 1970 said that one and a half million metric tons of oil were going into the sea every year as a result of bilge and ballast operations, and that two hundred thousand tons of it came from general shipping, the rest from tankers. With more than two thousand ships rounding the Cape every month, it cannot be idle speculation that Good Hope's waters see a very handsome share of this.

The international regulations framed and approved by the Intergovernmental Maritime Consulative Organization (IMCO) make it a punishable offense to discharge oil in any area within fifty miles of land, or within a hundred miles of special areas particularly vulnerable to pollution (the South Atlantic and the Southern Ocean are not among these). But prosecution can be carried out only in the country of the ship's registry—unless, of course, she puts in at a port of the country whose seas she has polluted. In August, 1970, a British ship, the 11,281-ton Huntingdon, carrying cargo from Quebec to New York, was inside the Canadian fifty-mile zone when a slick four thousand yards long trailing in her wake was spotted by a Canadian patrol aircraft. Her master was subsequently prosecuted at the Old Bailey for discharging a mixture of bilge water and oil, and was fined two hundred and fifty pounds; the owners of the vessel were fined twenty-five hundred pounds, the maximum penalty being fifty thousand pounds. The defense counsel in the case said that there had been "no deliberate desire" to pollute. The captain had assumed that he was outside the prohibited area because a buoy marking the sea lanes had been removed. The Huntingdon's captain was simply unlucky, in that he was spotted. Even if the entire sea were to become a prohibited area, there would be little chance of stopping this sort of thing. To police all merchantmen in a busy seaway such as that off the Cape is impossible; in the end, all that one can count on is conscience, and, to judge from the amount of slick in those waters, there has not been very much of that since Suez closed.

Several tankers have gone down in the area of the Mozambique-Agulhas Current, the largest of which have been the 46,434-ton World Glory, owned by Stavros Niarchos and registered in Liberia; the 70,000-ton Getty ship Wafra; and the 100,613-ton Greek-owned, Liberian-registered Texanita. When the World Glory broke up, she was loaded with 46,000 tons of crude from Iraq en route to Spain, and she created a slick sixty miles long and sixty miles wide, which travelled steadily down the coast and, since it didn't come ashore, presumably funnelled straight into the Agulhas Current and continued south. The Wafra spilled more oil; its slick, though only thirty-five miles long and five miles wide, was denser than World Glory's, and it, too, was borne away by the Agulhas Current. After the Texanita collided with the Oswego Guardian, also registered in Liberia, the latter jettisoned about seven thousand tons of her cargo, which, togeher with four thousand tons of bunker oil that had been lost, and oil from the sunken Texanita, formed a slick sixty-five miles long and about ten miles wide at its widest; the slick eventually broke into a number of smaller slicks, and most of them also vanished, like muck down a drain, into the Agulhas Current.

Apart from the immediate damage done to the sea's surface at the time of accident, sunken ships, if they take a lot of oil down with them (and the Wafra still has more than thirty thousand tons inside her), do far more in the long run by slowly leaking from the seabed as they break up from the action of currents and sea movement or disintegrate with time. The German cruiser Blucher, sunk in the Oslo Fjord in April, 1940, for example, began leaking oil from her huge bunkers only in June, 1969. After the Wafra had been hauled off a reef, she was sunk by South African bombers in deep water off the coast; as her tanks gradually collapse, slicks will be fed steadily into the Agulhas Current, flowing directly above her. The Texanita, which also lies under the Agulhas Current, was empty when she went down, but she had several thousand tons of bunker fuel aboard. Slicks have been consistently forming on the surface above her.

A slick kills as it goes, often doing some of its worst damage far from the scene of the disaster. Oil from the Arrow, which went aground in Chedabucto Bay, off Nova Scotia, in February, 1970, killed seabirds—forty-eight hundred of them—as far away as Sable Island, a hundred and ten miles out in the Atlantic from the wreck. The damage a slick does as it travels is comprehensive, destroying, both the very foundation of sea life, the plankton, and the highest reach of it, the birds in the air. Phytoplankton, the tiny plants responsible for photosynthesis and for the primary production of more than ninety per cent of the living material in the seas, must function in the upper levels of the oceans, where light penetrates. Fish feed on it, and the fish attract the birds. Because of this cycle, all these creatures are victims of oil spills; also destroyed are the surface-floating fish eggs and fry.

Sometimes one sees schools of discolored fish in polluted areas, but the most visible horror of oil on the sea is what it does to birds. The smothering of the oxygen-recycling phytoplankton and of the zooplankton upon which multitudes of fish feed is, of course, invisible, but the cycles of the sea are so interdependent that the destruction of plankton kills birds just as surely as an actual coating of oil upon individuals. Without sustenance, they die in great numbers, and, as in famine on land, whole generations can be destroyed and the breeding cycle severely shaken.

In the wild, inaccessible waters of South Africa and sub-Antarctica, a census of seabird populations is difficult to take, but the destruction that has been visible is dreadful, and its implications are alarming. There are good grounds for supposing that the role of the sub-Antarctic birds in the balance of life is a significant one; by depredation, they maintain various ecological checks and balances within the fish and marine life there, and through sheer numbers their fertilizing of the sea is believed to be vital. The world seems to have forgotten that the Southern Ocean has been, indirectly, an indispensable source of fertilizers for more than a century. Guano is the dried excrement left by millions of guano birds (mainly penguins, cormorants, and gannets) on their breeding grounds, most of which are tiny rock outcroppings and islets scattered along the west coasts of South Africa and South America. Guano provided the base for the mass manufacture of the fertilizers that nineteenth-century agriculture required in order to improve production and feed the rising populations of Europe and America. Though whaling and sealing were the first big plunder that Western man drew from the Southern Ocean and its related waters, guano probably brought the most profit. At the time the guano deposits on those various rocky islets were discovered, they often lay twenty-five feet deep.

Claims to the guano on South Atlantic islands were staked like gold claims in the Klondike. Off Ichaboe Island, six hundred miles northwest of Cape Town, as many as four hundred ships were recorded riding to anchor on a single day in the eighteen-forties. Their crews fought deadly skirmishes over claims, and their bodies, mummified by the guano, are found in a perfect state when sometimes exposed in their coffins by gales and high winds. In the nineteen-thirties, Ichaboe's gannet population was roughly estimated at forty million. The birds still arrive in millions, and still provide the guano, the recovery of which is now regulated by the South African government. (The deep deposits have long since been borne away.)

The excreta of the jackass penguin has been a particularly rich fertilizer in these waters; plankton thrived on it. The whole penguin family, however, may be the first, the biggest, and the most distinguished casualty of the southern oil slicks. Already the jackass penguin (so named because its call sounds like the bray of a jackass) is threatened by extinction in the waters off South Africa, to which it is unique. Before the war, it was found in millions in the area. The numbers are now down to an estimated forty thousand, and the majority of these penguins breed on Dassen Island, a spot that has been hit repeatedly by big slicks and is constantly assaulted by smaller bilge and ballast slicks. The jackass, in common with other penguins, ranges far, swimming in search of food, and is thus doubly vulnerable, because it is likely to encounter travelling slicks upon the open sea. In any event, oil-crippled penguins are constantly coming ashore along the Cape coasts, even when no major oil inundation is known to have taken place on or off the South African shores.

The intensive assault upon all southern seabirds began as soon as Suez closed, in 1967, and it soon reached critical proportions. A sequence of major tanker disasters began in February of 1968, when the 83,487-ton French tanker Sivella ran aground outside a Cape Town suburb, a few miles from the harbor and practically in front of the principal lighthouse in the area. Nine weeks later, the 50,897-ton German tanker Esso Essen struck a submerged object near Cape Town. Her tanks were pierced, and twelve thousand to fifteen thousand tons of oil flooded out onto the sea. This is estimated to have cost the lives of between fourteen and nineteen thousand penguins of various species—especially Dassen Island birds. Thousands of other seabirds died. Even as the Esso Essen's oil was floating ashore, a fully laden 16,222-ton Greek tanker, the Andron, fighting a storm off the Cape, began to leak severely from cracks in her hull. She finally foundered seven hundred miles north of Cape Town, and continued to release large slicks from the point where she lay, in the middle of the South-West African fishing grounds. And while the Esso Essen's oil was causing a disturbance in Cape Town and the Andron was fighting for her life to the north, a third tanker, unidentified, was spotted pumping oil upon the sea off Dassen Island, presumably to lighten her overloaded tanks. Thousands more penguins and other birds died on Dassen Island as a result. Five weeks later, the World Glory broke up and went down northeast of Durban, and sent her own slick south to the Agulhas Current.

In that same year, a tanker slick wiped out the entire penguin population of Dyer Island, near Cape Agulhas, estimated at eight thousand; like Dassen Island, Dyer Island is an important penguin breeding area. Thousands more penguins and other birds were killed by sludge from the 46,765-ton Kuwaiti tanker Kazimah when she went aground in Table Bay in November, 1970. The Wafra, three months later, killed fewer penguins than had at first been expected, because the South African authorities evacuated about a thousand of them that had reassembled at Dyer Island. The loss to Dyer Island and the species must nevertheless have been severe, for the Wafra disaster occurred during the breeding season; although comparatively few adult birds died, their eggs and hatching chicks were abandoned. By the time the Texanita-Oswego Guardian disaster occurred, in the same area, in 1972, the South Africans had built fences around Dyer and other penguin islands off the coast, with gates to allow the birds access to the sea. After the collision, gates on all the islands were hurriedly closed, but the thousands of birds foraging in the sea were hit, and hundreds of them came ashore, oil-soaked, along a stretch of coast several hundred miles long.

After the first round of havoc, in 1968, women in Cape Town formed an organization they called the South African National Foundation for the Conservation of Coastal Birds, which established rescue centers along the Cape coast where birds could be delivered. The constant pollution of those waters means that birds arrive continually, but during major disasters the numbers are overwhelming. The rescue stations are patterned after the ones that were established along the British coasts after the Torrey Canyon disaster, and they have at least provided first-class observation posts for studying the effects of oil on seabirds. Penguins suffer dreadfully from the oil. It affects the sense of balance when it enters their ears, and they stagger drunkenly or find it impossible to stand at all. Their eyes are infected or blinded. The diesel and other refined oils that are thrown out with the bilge water burn the penguins' skin and their stomach lining and also affect their lives. There is usually little that can be done for them when they are in this state. Oil destroys the natural waterproofing on the skin and feathers of all seabirds which insulates them from the cold and wet. The birds' ability to float properly and to catch fish is therefore affected; if they aren't poisoned by swallowing oil when they preen themselves, they are likely to die of pneumonia in those cold seas.

Thousands of penguins and other seabirds have been restored to health by these rescue centers, but the usefulness of rescuing the birds, cleaning them, and returning them to the environment has been questioned by some British ornithologists. In 1971, Dr. K. G. Gregory, director of the Oiled Seabird Research Unit of Newcastle upon Tyne University's Department of Zoology, said, in announcing the development of an effective method of cleaning oil from seabirds without damaging their feathers, that his unit still had to establish that the cleaned birds were able to return to a normal life; there was a possibility that the oil they had swallowed could still poison them or have long-term effects on their breeding. Doubtless this is also the fate of penguins of the Cape. After the Torrey Canyon wreck, many British bird experts concluded that the best course in the event of oil pollution was to discard sentiment and kill all badly oiled birds outright, because they had little chance of surviving when they were returned to their environment. John Barrett, of the Dale Fort Field Centre, in Pembrokeshire, told the London *Sunday Times*, "These bird-rescue centres have been established because we have not had the guts to say there is nothing we can do. It is only a public-relations exercise."

International concern about pollution at sea is already fifty years old. The contamination of the seas by oil during the First World War disturbed the United States government so much that it proposed an international conference, which was held in 1926. The Torrey Canyon disaster may have initiated the first intensive study and concern about the effects of oil pollution, but it also brought confusion to the matter, because the detergents used for cleaning up the seas and coasts on the British side of the Channel may have caused as much damage as the oil itself. There is not enough data to permit accurate assessment of the effects of pollution, because we haven't yet begun to explore the full range of its interactions in the sea. We do know that all crude oils are poisonous to all marine organisms, but we need to get better information about the degree to which they are poisonous to various flora and fauna, and, above all, about their long-term consequences.

A number of studies of oil pollution have been made in recent years, but the results, some predicting worldwide ecological cataclysms and some managing to be comparatively optimistic, are conflicting and indeterminе. Crude oil is one of the most complicated natural chemical mixtures on earth; moreover, its components vary from locality to locality. It has so many chemical and physical properties, so many agents of solubility, volatility, and toxicity, that its interactions with the sea's own abundant range of salinity, temperature, and other variables pose seemingly limitless possibilities. What we do know is bad enough. Oil coats, taints, poisons, smothers, burns. It is also suspected of starting carcinogenic processes in sea animals, affecting reproduction and causing genetic change; it affects the respiratory organs and clogs the filtering mechanisms of fish; it affects, as we have seen at the Cape, the equilibrium of a bird such as the penguin; it causes imbalance in the cycles of plant life, when it doesn't kill plant life altogether; its degrading process consumes large quantities of dissolved oxygen, which is vital to the life in the sea.

No methods that could be called truly effective have been found for dealing with slicks at sea. Practically all attempts to deal with oil spillage have concentrated on handling it on beaches, offshore, or on reasonably accessible areas of the sea. None of these are fully effective, either. When the Canadians were working on the Arrow spill, they found that on the beaches and in the shallows peat moss served as the best and safest absorbent. On the water, the device they found most useful was what they called the Slick Licker, a sort of conveyor belt that literally licks up the oil from the surface. The use of these contraptions is limited by weather and circumstances, and it would take an awful lot of licking to remove from the sea's surface a slick such as the Wafra's which was thirty-five miles long, five miles wide, and several inches thick. All manner of other devices have been invented or improvised for damming, scooping, or otherwise getting rid of spilled oil, but each has its limitations, and none would be of any practical use on a major slick on the open sea, least, of all on a troubled sea like that around the Cape, or off Nova Scotia and Maine in winter.

One technique is to burn a slick, but oil floating on rough or choppy water picks up large quantities of seawater, and there is little hope of burning slicks that have been exposed to weather for more than a few hours. Another idea now under investigation is to provide bacteria that feed on oil and die when they have consumed it all. Until some effective means of dealing with oil on the sea is developed, no one can afford to feel grateful that a polluting slick has vanished seaward under propulsion of wind and tide. If the beaches are saved, what else is doomed?

Of the whole range of maritime follies that have attended the development of supertankers, the one that emerges paramount seems unquestionably to be the decision by the Intergovernmental Maritime Consultative Organization to allow oil tankers to load deeper than was formerly thought safe, and to change the traditional winter load limits in Cape waters. The new rule became effective in July, 1968, just as ships diverted from Suez encountered their first full southern winter.

Every ship has its Plimsoll mark, or loading line. As a ship discharges her cargo, the line rises until—especially in the case of tankers, which when loaded lie deeper than other ships—it stands high above the sea. The ship is riding high, as sailors say. This line was largely the result of efforts by Samuel Plimsoll, an Englishman born in 1824, who made improvement of conditions at sea his lifework. His principal target was the flagrant nineteenth-century habit of sending unseaworthy and overloaded but heavily insured ships to sea in the hope that they would sink and the owners could collect on them. But even when owners were not hoping for disaster, their ships were likely to be lost because of overloading, so common was the practice. Plimsoll, who was elected to Parliament in 1868, fought a long hard, and frustrating campaign there for legislation establishing the mark that eventually took his name, and it was enacted in 1875. This was subsequently incorporated in the Merchant Shipping Act of 1890, which still largely sets the standards for the British merchant marine; it penalized unseaworthy vessels and declared that every British ship must have a permanent load line painted on the hull to indicate the depth to which it could be loaded.

The original load lines were worked out from tables provided by the chief surveyor of Lloyd's Register. British shipowners had feared that the mark would put them at a disadvantage with foreign competitors, but the requirement was so sensible and so desperately needed that by the time Plimsoll died, in 1898, it had become universal. It enables every marine inspector in every port in the world to tell whether a ship is abusing its stability and whether its freeboard is safe in the sea into which it will be venturing. The points for winter and summer loading are diagrammatically marked on every ship. In 1930, Plimsoll's line and other safety measures were incorporated into an International Load Line Convention, and, with periodic additional modifications, these have served as the international guide for the safe management of ships at sea. It seemed unthinkable that responsible maritime powers would ever do anything but strengthen them. In 1966, however, confronted with the age of the supertankers, which would use the Cape route instead of Suez, the responsible maritime nations proceeded to amend the Convention to allow heavier loading. The argument, in effect, was that it was really unreasonable to demand that a ship carry a lot less oil than it could just because five days out of a thirty-five-to-forty-day passage might require a lighter load.

Among the shipping men whose advice IMCO accepted, there was general agreement that no risk was involved. Yet the sort of weather these five days might bring was precisely what made the rules necessary. To toss them away at the Cape, the point of greatest danger, has made a mockery of the very idea of marine safety. Many of the independent and flag-of-convenience operators break enough rules as it is, without being given official license to break one of the most vital. Yet the request that the rules be amended was swiftly acceded to, not only by the governments of principal maritime nations but by the insurers, the classification societies, and the seamen's unions as well. [Formal approval took only one year, whereas the adoption of any measure to reduce oil pollution seems to take IMCO from four to six years.]

At that point, no one really knew the handling characteristics and the response of big tankers in the sort of weather that is normally encountered off South Africa in the bad season. The closing of Suez brought to the Cape route hundreds of tanker masters who were accustomed to the fair-weather route through the canal and the Mediterranean. Many of them had passed round the Cape during the first Suez crisis, in 1956, but that had been brief and had occurred during the southern summer. The ships that came after 1967 included the new and bigger generation of tankers that had begun replacing the old tanker fleets during the fifties. The captains may have thought that their occasional encounters with Atlantic or Biscay storms had provided them with sufficient judgment of the soundness of their ships, but they soon learned otherwise.

The Africa Pilot, an Admiralty guide that every ship navigating along that continent's coasts should have aboard, describes the serious trouble that waits for shipping south of Durban, on the east coast. "In the event of meeting a south-westerly gale off this part of the coast, a very dangerous sea will be experienced at or outside the edge of the 100-fathom line," the *Pilot* says. Even ships sailing quite close in to the shore suddenly find themselves flung at the foot of an apparent tidal wave of anything from forty-five to sixty feet in height. The wave effect is precisely that which threatened to bear down the Queen Elizabeth off Greenland during the war—and did flood her bridge ninety feet above the sea. But a wave condition that elsewhere might be considered a once-in-twenty-five-years stress is common in the African waters.

It was undoubtedly this sort of wave that broke up the World Glory. Just a few weeks before we in the Ardshiel passed up from Cape Town toward Durban, a British passenger liner, the 13,345-gross-ton City of Exeter, had met such a sea. The impact was so violent that, apart from damage to the ship, twenty passengers received injuries, ranging from severe lacerations to broken ribs and a broken collarbone. In the southern winter of 1973, a large and powerful British refrigerated cargo carrier, the 14,650-ton Bencruachan, was nearly lost when one of those freak waves broke her back. The ship suddenly tilted forward, as though over an abyss, and the wave that loomed above this trough smashed down upon her decks with such force that it broke the hull near the bow. The Bencruachan fortunately didn't sink, and was taken in tow to Durban. Back in 1909, the 9,000-ton British liner Waratah disappeared in this area. She sailed from Durban, and that evening, within sight of the South African coast, spoke by lamp to a passing freighter. A violent southwesterly gale was rising, and the liner vanished into its murk. No trace of the ship or of her two hundred and eleven passengers and crew was found, but it seems most probable that she was overwhelmed by a wave like the one that descended upon the Bencruachan.

These monstrous waves are created by the peculiar combination of winds, currents, and seabed in that area. The continental shelf ends abruptly a short distance offshore with a cliff-like edge above great deeps. The Agulhas Current passes along the edge of this undersea escarpment and, with its speed of between four and five knots, creates a surge similar to that of a gigantic flow of rapids. During the winter, the westerlies from the far south blow around the corner of Good Hope and become southwesterly up the coast, sending their own huge seas, with a force accumulated over the long distance they have travelled, onto the continental shelf and into the surge of the Agulhas Current. This powerful collision frequently creates a wave of extraordinary height and power at whose base lies an abrupt deep gulf. A ship lurches into this, and then receives upon its back the immensity of water towering above.

These waves are at their worst along the hundred-fathom line, which generally coincides with the edge of the offshore shelf and with the main flood of the current. The hundred-fathom line runs offshore at a distance varying from eleven to twenty-two miles, which means that vessels getting into difficulties in the maelstrom there find themselves confronted as well by a perilous shore. "The wild coast" is the phrase that local sailors use in describing the peculiar malevolence of the seas there; the original name was Cape of Storms.

For a time, ships travelling along that coast were separated into two traffic lanes, as they are in other busy waters of the world. This traffic-separation scheme was provisionally introduced by IMCO early in 1971. Because it put loaded tankers on the inside lane, closer to the coast, it caused a lot of unhappiness at the Cape after the Wafra accident. The loaded ships, it was felt, should be running farther out to sea. What especially alarmed the South African maritime authorities was the fact that the lane for loaded ships ran close to the hundred-fathom line. It is, unhappily, the route that the shipowners themselves prefer. The Agulhas Current represents a major economy for loaded ships: extra speed for two or three days at no extra cost. The two shipping lanes were between one and two miles apart, but, bad as that whole stretch of water is, the seas at the heart of the race of the current are always visibly worse. Professor J. K. Mallory, the head of the Oceanographic Department of the University of Cape Town, told a local newspaper, the *Argus,* in an interview published in April, 1971, two months after the Wafra disaster, "By standing farther offshore tankers would still benefit from the Agulhas Current; they would be less likely to encounter freak seas and would have little extra mileage to cover." The South African Minister of Economic Affairs, S. L. Muller, responding to agitation about tanker routing, said that South Africa had accepted the zoning with reluctance, having, according to the *Argus,* "had little choice in the matter in view of the overwhelming majority of ships in favor of this rezoning." In the past two years, however, the South Africans have taken a much stronger stand in trying to keep tankers away from the hundred-fathom line.

Storms in those waters do not come only in winter. In December, 1969, the middle of the southern summer, Captain L. J. Trap brought the 96,000-ton Swedish tanker Artemis through a storm while she was travelling, loaded, down the wild coast. One wave, he later told the *Argus,* struck the ship and came rolling down the deck at such a height that it hit the wheelhouse, five decks up, and flooded it. "A ship of this size acts like a pear, unable to ride the swells," he said "There are tremendous pressures."

A few weeks later, on January 9, 1970, George Young, the shipping editor of the *Cape Times,* wrote, "Two tankers have had to make a South African port with grave risk of their bows collapsing. In strong head-seas, the buff-bowed ships suffered failure of frames in the forepeak which were proved by the elements to be entirely inadequate to withstand strain inflicted upon them. Longitudinals either fractured at the junction with verticals or buckled. And since strength of a hull is composed of the composite framing throughout its length, one weak sector can imperil a ship. A big Swedish tanker which put into Durban not only had internals buckled and broken by pounding into a head-sea, but the shell plating, after parting to the weight of the sea, disintegrated and fell off so that the watertight bulkhead separating the first oil tank was withstanding full weight of the sea. Another Liberian tanker, rounding the Cape in a gale, had the bows fail in a similar way. There was an empty space between the stem plating and the first tank, so that 45 ft. depth of water was consistently being thrown against a blunt structure behind which was nothing but a series of steel frames."

Characteristically, there is nothing that can be done about such an accident aboard a supertanker, no way in which the damage can be temporarily repaired or shored up. Even getting to the bow is impossible. There is no interior access, and no man would survive the journey forward over the deck in bad weather. The officers may not even be aware that their ship has been badly damaged. "You never know what's happening," Alan Ewart-James told me. "I was in a 60,000-ton ship that suffered severe structural damage off Durban. She must have hit a freak wave, but we didn't know it. We didn't realize the damage until maybe two days later. Quite considerable damage. The bow was pushed in by about four inches, and the deck was set down. The bow was concertinaed upward. I believe that when she went to drydock at the end of that trip, they dismantled the bow and rebuilt it." Part of the trouble with supertankers is that they cannot ride a hugh wave and must slam through it, and this is often done at full speed, with a few knots added by the Agulhas Current. "We were doing about twelve to thirteen knots at the time we hit that wave," Ewart-James said. "In any ship in very heavy seas, it's always advisable to slow down. A lot of masters and officers don't. They just push through these Cape waves. Sitting all the way back here, about a fifth of a mile from where the waves are breaking over the bow, they feel as though nothing's happening, that everything's all right. But you can't push through these waves like that."

The day the Ardshiel sailed from Rotterdam, I had sat in my cabin reading George Young's latest batch of reports, which were no more than a few days old and concerned a storm that had been raging off the east coast of South Africa. "The weather along the South African coast has not changed, but the rules governing loading of vessels have," he wrote. In the gale that had just passed, the 61,464-ton Texaco Venezuela had been totally disabled south of Durban. Electrical blackout had immobilized the ship, and she had been battered by the weather until she was taken in tow by a salvage tug. A P. & O. bulk carrier, the Grafton, had suffered hull damage and was making for Durban. The 19,695-ton British tanker Blyth Adventurer had had a particularly harrowing time of it. She had been in the same area as the two other ships, and the storm, when it appeared on radar, had seemed to be a rain squall. When it struck, "the wind increased rapidly to hurricane force, and enormous cross seas and swell thundered down on the heavily burdened tanker." Speed was reduced, but "even at three-quarters power the ship could make only steerageway of four knots." Electrical cables were ripped from their mountings by the force of water, and half the ship was plunged into darkness. "The living accommodation was without power or light, and the navigation bridge had to rig oil lamps. . . . The forecastle deck fractured under the weight of sea, and pipeguards were buckled and swept away," and so were the covers on ventilators. "Two important factors emerge from the experience of the Blyth Adventurer," Young concluded. "Firstly, the ship was on the recommended route along the seaboard which took her between 15 and 20 miles off the land which, some mariners feel, puts her right into the wildest weather. Secondly, the winter load line having been suspended round these parts, the tanker was a half-tide rock in the wild weather. If the ship's steering had failed through electrical failure and she had turned beam-on to the seaway, it is conceivable that she would have been lost from mountainous seas pressing down on her."

The world's seas are going to suffer vastly more damage if the majority of oil ships continue to be built and operated and sailed by standards of the sort that now prevail. If supertankers have been built with design faults that could have been foreseen, it may be because the rapid amortization of these ships appears to make them more expendable than any other merchant vessels in history—even when they cost, as a 410,000-tonner now does, something like seventy-five million dollars. As for the way they are operated, one is inclined to place most of the blame on the flags of convenience. By removing themselves from accountability, operators who register their ships under flags of convenience have virtually put themselves beyond the law of the sea, and diminished the oldest concept of international collaboration and responsibility in the world.

Any British, American, Japanese, or Scandinavian seaman knows that his errors, if they have resulted in mishap, must be accounted for to a formal board of inquiry and that they could cost him his ticket, or put a permanent stain upon it; but he also knows that that inquiry will be impartial and incorruptible. Liberia, after years of flag operation during which many ships vanished, sank, or incurred serious mishap with few consequent inquiries, has finally instituted courts of inquiry, at least for its major disasters, where public accountability is unavoidable. And in 1971 Liberia established its own marine-survey-and-inspection service to check on vessels flying its flag. This was the first practical gesture it had made toward the sort of legal stringency that governs safety, maintenance, crew training, officer certification, and working and living conditions in American, British, Japanese, and most European merchant fleets. What the effect will be remains to be seen. But within a year of the announcement a Liberian tanker, the 18,750-ton Tien Chee, collided in the estuary of the River Plate with the 7,113-gross-ton Royston Grange, a British passenger and refrigerated-cargo ship, which was incinerated in a blaze similar to the one that made black rain fall upon the Spanish towns of Panjón and Bayona after the small Norwegian tanker Polycommander caught fire and created a fire storm in 1970. Eighty-one persons died in the Tien Chee-Royston Grange disaster, and, because of the heavy loss of life, the circumstances were never completely clear; among the facts the Liberian inquiry did reveal, however, was that four officers aboard the Tien Chee lacked Liberian licenses.

These questions become of increasing concern as the Liberian and other flag-of-convenience fleets continue to grow; the Japanese, with the second-largest merchant fleet in existence, have begun to advance the same arguments as the Americans for putting their ships under the Liberian flag. Moreover, the danger that oil tankers have brought to the seas is now being enlarged by ships carrying poisonous substances and liquefied gas of various kinds. There would seem to be an obvious need for some international authority to which all tankers, regardless of what flag they fly, are accountable. If any ship breaks existing laws of the sea as established by IMCO, which is the only international organization now dealing with matters of the sea, it is reported to the government whose flag it flies. Accountability is still a national concern, and punishment depends entirely on local law and local zeal in enforcing it. This arrangement, as far as one's fears for the present and future of the sea are concerned, is next to useless. There is no law on earth at present that can be effective in preventing pollution and destruction out upon the deep sea.

Before it is too late, some way must be found to insure that the men who profit from the big ships are held accountable for making them as safe as possible, that they are also held accountable for the health and standards and efficiency of the crews, and that they are held accountable for every drop of oil that goes on board. No future supertanker of as much as 200,000 tons should be built without twin screws, twin rudders, a double bottom, segregated ballast tanks, and a major auxiliary boiler of sufficient power and independence to handle the ship's entire electrical and automatic system as well as its engines. [No supertanker of the present generation should be allowed to change hands in the future (the very act of sale can be assumed to be an admission of advanced deterioration and costly upkeep) and then be accepted in operation on the seas unless it has been surveyed by the most exacting standards, especially for hull corrosion and the condition of its engines.] No master should take command of a supertanker without intensive simulator training of the sort airline pilots are given. And if airline pilots are compelled to undergo health examinations, why not the officers of supertankers?

Some of the people who have become concerned about the problems of supertankers have pleaded for the establishment of an international court of marine justice, with jurisdiction over standards and codes in all marine matters. Such a court, they believe, should be founded under the auspices of IMCO. The plan is a worthy one, but it is a pipe dream. Only somebody supremely wishful could believe in the establishment of an effective international authority within the foreseeable future. Time is running out. Only ruthless and arbitrary unilateral action can save the seas. Nothing else can possibly be effective. Such unilateral action would be relatively simple, because the major tanker terminals are in comparatively few countries, and principally in the main consuming areas—North America, Europe, and Japan. If tankers were required by the nations that buy their cargoes to maintain rigorous standards of safety, operation, and crew health, at risk of being severely penalized, or even shut out of the ports they serve, there can be no doubt that they would comply. Tankers could be made subject to scrupulous examination upon their arrival to unload their cargoes. They should then be compelled to discharge their tank washings under supervision, as tankers using the west-coast route from Alaska will do when Alaskan oil starts being shipped south in a few years' time.

Inspectors for the United States or Canadian Coast Guard, or the British Department of Trade, or equivalent, should check the survey and safety certificates of the ships, the state of all essential equipment, and the certification and the conditions of service of the crew, with authority to impose summary fines or other penalties for obvious delinquencies and shortcomings. We already insist upon such examinations to prevent the entry of human, animal, and agricultural disease that may damage the national health, livestock, or crops. Why not do so as well for the prevention of damage to the coasts and coastal waters, and their wealth of vegetation?

There is another powerful precedent for this sort of unilateral action. At the urging of the United States, IMCO approved a new and severe code of structural and safety requirements for the prevention of fire aboard passenge liners a few years ago. Without waiting for other nations to ratify the amendments, the United States passed a law requiring that a liner calling at an American port to pick up American passengers had to conform to the IMCO standards. There was much consternation among foreign ship operators, but it was a question of either complying or pulling their ships off the North American run. In effect, because the American market is so important to passenger tonnage, the United States forced worldwide compliance with IMCO standards. Every new passenger ship that was built fully incorporated the new standards. Tankers, like cruise liners, are switched from route to route as business requires. Any code imposed by one major oil importer would soon make its impact felt upon all new tankers, and upon all older tankers that justify the expense of reconstruction. If the United States could make such a demand from shipping on behalf of American tourists—a comparatively small group—then the same demand on behalf of its coastal population would surely be warranted.

The Canadians have already embarked upon such a unilateral course. Their Arctic Waters Pollution Prevention Act set a precedent in extending Canadian regulations to the waters of the Arctic, where ships are being required to offer themselves and their standards of operation for examination according to Canadian regulations. Nothing less than such action on a broad scale will make the tanker operators part with some of their profits to give their ships the sort of over-all safety and seaworthiness that they should have had in the first place. And it goes without saying that if such measures, strenuously enforced, can bring a respite for the coasts and inshore waters, then they will help save the deeps as well.

The oil is running out; as a resource, it is finite, and always was. The seas were infinite, and should have remained so. We may find an alternative to oil for lighting our lamps and turning our wheels. The seas we shall not replace. Over the past two decades, we have undone much of the structural work of the aeons; the present decade may destroy a great deal more—perhaps more than we can possibly suspect at present. Why should we allow this unspeakable depredation, when so much of it is necessary only to the dedicated greed of a few men and corporations? There is no reason. For those on shore, shipwreck was once a not unwelcome event; it drew plunderers from far and near. It was talked about for generations, with wistful recollection of the drama and the spoils. But shipwreck, once feared principally by those on board, has become in our own time a dread more solemn for those on shore. Helicopters get the sailors off, we clean up the muck. For the first time, we on land have more to lose, and nothing to gain. That is why the responsibility for ships is no longer the sailor's alone, and has become ours.—Noël Mostert.

IN MEMORIAM: BILL JOHNSON

Mr. PROXMIRE. Mr. President, word has reached us from Honolulu of the death of William Summers Johnson, who served Government well.

I knew him when he was staff director of the Congressional Joint Economic Committee.

His long service to the executive and to the Congress made him valuable as an advisor to State and local government in Hawaii.

Bill Johnson had a prolonged illness and untimely death. He is missed here. He will be missed in Hawaii. He was a professional.

Mr. President, I ask unanimous consent that an editorial and obituaries from Honolulu newspapers be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

By the Way Collected Notes and Comment

OUR POLITICAL LETTERS CUTOFF

(By John Griffin)

This coming Saturday, a week before the election, is the last day we'll be printing pre-primary political letters in The Advertiser.

Naturally, we'll resume printing political letters right after the primary. But for now it's felt a week's hiatus will help everyone's head to clear.

Any exceptional communication—points making corrections, etc.—will be handled by the Ombudsman or in news stories.

Meanwhile, Dick Larsh, who handles most of our letters, enjoys reading many and suffers through others, asks a reminder of some of the rules:

All letters must be signed with the writer's real name. Pen names are allowed when the writer indicates a reason for not using his or her correct name. No pen names are allowed on letters that attack or praise anyone—and that's especially so with political letters now.

We don't require writers to use typewriters. But it should be obvious that staff limitations mean priority will go to those letters that arrive typed or neatly printed, double-spaced on one side of the paper, uncluttered with capitalized words, underlining or exclamation—and which try to stay well under the suggested 250-word limit.

We try to make the above the only way we discriminate in which letters get used fastest.

He Saw Today's Issues

It's always sad when someone you like dies, but that's all the more so when you haven't told him of your feelings during his long illness.

That's the way I feel about William Summers Johnson, the former City finance director and onetime State economist who died Thursday. While he wasn't a close friend, I admired him as a straight-shooter and an old pro who came here in the mid 1960s after some big jobs in Washington and proceeded to do a lot toward getting many of us thinking about the problems facing Hawaii.

Bill was knocked out of action by a stroke over two years ago. But at times since I have thought how right he was long before that when he talked about the danger of Hawaii growing too fast, about being more selective in our development, about quality instead of just quantity tourism, about a tourist tax to help such ends.

Now some who criticized him then are, in effect, running for office on his platform. Which is probably something Johnson would have noted, since, if nothing else, he called 'em as he saw 'em.

Former Finance Director Johnson Dies

Former City Finance Director William Summers Johnson, an outspoken, tough-minded economist respected as a "pro" by others in his profession, died today in the Convalescent Center of Honolulu, 1900 Bachelot St. He was 61.

Mr. Johnson suffered a stroke July 30, 1972, and was in Kaiser Hospital until Oct. 10 that year, when he was moved to the Convalescent Center. He died of complications resulting from the stroke.

He had been able to sit in a wheelchair, and attended a political rally at the center Sept. 4, according to a nurse there. Although he was unable to speak, she said "he was quite aware of what was going on."

Mrs. Ruth Johnson said her husband's body will be cremated and the ashes scattered at Waimanalo Beach "because he loved that beach so much."

Borthwick Mortuary has charge of funeral arrangements, to be announced later.

Mrs. Johnson asked that flowers be omitted, but said contributions may be made to the American Cancer Society or the Heart Association.

City Budget Director James Sakai took over Mr. Johnson's duties as City finance director when he was stricken two years ago.

Johnson came to Hawaii in 1965 to become State economist in the Department of Planning and Economic Development, and the department director, Shelley Mark, called him a "pro."

He served in that $16,800-a-year position on a contract through October 1968, surveying the State's economy and its trends.

He never hesitated to say what he saw in the future, despite the fact that bank and university economists, as well as businessmen and government officials, often refused to believe him.

He resigned the State post in 1968 when Mayor Frank F. Fasi appointed him City finance director. On June 10 last year, he submitted his resignation from the $23,500-a-year post over apparent disagreements with the Mayor. He changed his mind and rejoined the City the next day.

Despite the fact that his economic views were often discounted, time proved him correct or led others to agree with him.

For example:

In 1967 when tourism was riding the waves of prosperity, Johnson said that increased tourism would create a serious strain on revenues to pay for such capital improvements as expansion at the airport, streets and sewers.

He told a 1967 meeting of the Hawaii State Federation of Labor, AFL–CIO, that labor should work for the reinstatement of wage and price guideposts because labor has great power. With this great power came the responsibility for curbing inflation, Johnson said.

Again in 1967, he told residents that they ought to buy insurance policies from companies which invest the premiums in Hawaii industry rather than on the Mainland.

In January 1967, he said hotel room taxes, a control of land through zoning and limiting unrestricted resort growth by imposing permit controls could achieve selectivity in resort development and on the kinds of tourist coming here. He warned against the "cracker-and-cheese" tourists as opposed to the middle and upper income visitors, the "carriage trade."

In February 1968, he suggested tax reforms which would encourage the use of open space and good urban design.

Johnson was born in Thomasville, Ga. He was a graduate of the University of Georgia. From 1956 until he came to Hawaii, he was frequently a lecturer in graduate economics at George Washington University.

His career was based in the nation's capital until he moved to Hawaii. From 1940 to 1944, he was an economist and statistician for the War Production Board. He was staff economist for the Federal Trade Commission for seven years. During the Korean War, he was on loan for five months to the Small Defense Plants Administration as acting deputy administrator.

From 1955 to 1959, he was chief economist of the House Select Committee on Small Business. During the 1961–62 congressional sessions, he was executive director of the U.S. House-Senate Joint Economic Committee—Congress' chief economic adviser. Then he was staff director of the House Committee on Banking and Currency where he directed a nationwide survey of commercial banking problems.

Always active in Democratic party politics, Johnson advised then-Sen. John F. Kennedy on economic matters during the latter's successful presidential campaign in 1960.

In 1964, President Lyndon B. Johnson sent the economist to Pennsylvania to coordinate the presidential campaign in that key state.

Because of his years in Congress, Johnson was on a first-name basis with the Democratic leaders in both the House and the Senate.

Although long associated with the Democratic party's establishment, in 1972 he backed Sen. George S. McGovern for the presidential nomination.

Johnson is survived by his widow, his mother of Atlanta, Ga., and three brothers, all living on the Mainland.

[From the Honolulu Advertiser, Sept. 20, 1974]

Ex-Finance Director Dies

William Summers Johnson, former City finance director and former State economist, died yesterday in the Honolulu Convalescent Home. He was 61.

The family home is at 240 Makee Road.

Private services, by invitation, will be held over the ashes tomorrow in Waimanalo. The ashes will be scattered at sea afterward.

The family suggests that, instead of flowers, contribution be made to the American Cancer Society or the Heart Fund.

A doctor said Mr. Johnson died of complications resulting from a stroke in August 1972. Mr. Johnson had never fully recovered from the stroke.

Mayor Frank F. Fasi, who appointed Mr. Johnson finance director when he took office in 1969, said "The people of Honolulu have lost one of their quiet champions—a man who worked vigorously and effectively behind the scenes on their behalf."

Fasi said Mr. Johnson "will be sorely missed and warmly remembered."

Mr. Johnson was a highly respected and sometimes controversial economist.

He came to Hawaii in 1965 after serving in Federal posts in Washington. After working with the War Production Board during World War II and the Federal Trade Commission, he served as chief economist of the

House Select Committee on Small Business from 1955 to 1960.

He also served as a staff director of the House Committee on Banking and Currency and during 1961 and 1962 was the executive director of the House-Senate Joint Economic Committee.

When he was named State economist for Hawaii in 1965, he was described by one State official as "one of the real pros in the business. He is knowledgeable, competent, experienced and personable."

Mr. Johnson's cautious view of Hawaii's tourist growth, however made him an occasional center of controversy.

In the 1968 Legislature, he charged that the Hawaii Visitors Bureau was constantly underestimating the visitor industry boom and its effects on the Islands' economy. His criticism of HVB testimony drew an angry demand for his resignation from then Sen. William E. Fernandes, who was chairman of the Committee on Economic Development, Tourism and Transportation.

In recent years Mr. Johnson had advocated a hotel tax to support Waikiki improvements.

"We can turn tourists away and still have them running out of our ears," he told legislators. He added that tourists "are not paying their fair share of taxes."

In January 1969, Mr. Johnson accepted appointment as City Finance Director.

In May 1971, Mr. Johnson became indirectly involved when it was learned that H.I.C. box office manager Elroy Runnels was $63,000 short of the amount owed to promoters.

Immediately after the H.I.C. incident, Mr. Johnson's relationship with the City Administration and especially the corporation counsel became increasingly strained.

During a misunderstanding involving personnel assignments in his department in June 1971, he resigned. But after conferring with Fasi the next day, he decided to remain on the job.

Johnson is survived by his wife, Ruth F.; mother, Eleanor S. of Georgia; brothers, Albert of Raleigh, N.C., Frank of Cordele, La., and Joseph of Alexandria, Va.

CHILE AND THE CIA

Mr. THURMOND. Mr. President, in recent days there has developed considerable controversy over the role that the Central Intelligence Agency might have played in Chile during the rise, the reign and the downfall of Salvador Allende. Criticism has been leveled at the American Government and its chief intelligence operation.

There have been cries for abolishing the United States intelligence mission and its concern with events outside our borders. However, history teaches us the folly of such critics. We live in a world where outside events do weigh on our own welfare and future well-being.

Mr. President, an editorial in the Washington Star-News of September 19, 1974, entitled "The CIA's Chilean Connection," makes a solid case for American concern over Chile and our intelligence mission in that nation and around the world.

In these times of international strife which can be exported to all the nations of the world, America must not only be interested in world events but also must add its influence within the bounds of global political limits. Positive actions by this Government can, indeed, influence the events of other nations.

Mr. President, the aforementioned editorial makes the point quite well and I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The CIA's Chilean Connection

In the best of all possible worlds, nations would not intervene in the domestic affairs of other nations. Unfortunately, we do not live in such a world, our ancestors did not and it is highly unlikely that our descendants will.

Indeed, in the interdependent world in which we live the distinction between domestic affairs and foreign policy is blurred. And it can be argued that there is no such thing as nonintervention, since the failure to intervene is itself a form of intervention with its own probable consequences.

Intervention has two faces, positive and negative. Did we not intervene in the domestic affairs of India, to the detriment of the opposition parties, when we poured billions of dollars worth of aid into the governments controlled by the ruling Congress Party? Is not West Germany intervening in the domestic affairs of Italy by granting a $2-billion loan that is perhaps the last chance of preserving democracy in Italy?

In the Chilean affair, there has been a leak of secret testimony from CIA Director William Colby to the effect that the agency poured $11 million into Chile to prevent the election of Marxist President Salvador Allende and to "destabilize" his government after he became president.

One does not have to approve of the military regime that seized power in Santiago last year—and we do not—to recognize that Allende was a friend neither of this country nor of democracy. Nor has much been said by Harrington or other foes of the CIA about the arms and money Cuba was pouring into Chile with the apparent intention of ultimately subverting that country's democratic institutions.

Nor was there any obligation on the United States to provide a regime inimical to its interests with soft loans from the World Bank, the Inter-American Development Bank and the Export-Import Bank. The fall of the Allende government was due as much to its narrow political base, incompetence and excesses as to any covert American political action taken against it.

This does not mean that the procedures for congressional oversight of the CIA do not require overhauling and strengthening. It does not mean that agency officials have a right to lie to or mislead congressional committees, although the leaking of secret testimony by congressmen can only encourage such officials to be something less than candid.

But we have to recognize that we live in a tough neighborhood and that the gang down the street is not exactly squeamish in the means it uses to attain its ends and to frustrate ours.

The present regime in Chile is an authoritarian one. But it is not totalitarian in the sense that Castro's Cuba is: the possibility and the means of a return to democracy still exists in Chile. Had Allende and his foreign backers had their way, that option might have been foreclosed. Over the long term, that $11 million may turn out to have been a good investment, not for the copper companies or even for the United States but for the Chilean people and the cause of democracy.

SENATOR SYMINGTON'S POSITION ON S. 3585

Mr. SYMINGTON. Mr. President, in that this year I am a delegate to the United Nations General Assembly, it was necessary for me to miss a vote on the Beall amendment which was a substitute for the committee bill, S. 3585, the Health Professionals Educational Assistance Act. If here, I would have voted for said amendment, also for final approval by the Senate, which passed 81 to 7.

FARMERS AND RANCHERS DO NOT SELL FOOD; THEY SELL WHEAT, NOT BREAD; CATTLE, NOT HAMBURGER

Mr. HRUSKA. Mr. President, recently the Washington Star-News newspaper ran a series of three articles on the current difficulties of several segments of the agriculture industry. I commend them to my colleagues as an excellent and informative commentary on the price-cost squeeze that many farmers and ranchers are presently experiencing.

It is encouraging to this Senator to see this series of articles appear in a Washington, D.C., newspaper. Too often the eastern press and news media focus only on the problems of the urban consumer and rising prices in the supermarket. But we are all consumers—city-dwellers and rural Americans alike. The problems of the food-producing industry of this country affect us all.

Constant reminder is in order that the farmer and rancher do not sell food or meat. They produce and sell grain, cotton, livestock on the hoof, and so forth. There is a difference between the product in its original form and the final product resulting from processing, which is ready for the consumer.

The series of articles point to a number of specific and documented events in the past year which have contributed to rising food costs and also to the financial difficulties of farmers, ranchers, and other producers. Most of these problems are outside the control of farmers and ranchers.

For example, the drought conditions of this past summer in many parts of the Midwest and Southwest United States, including my home State of Nebraska, reduced available feed grains and sent the price of hay to $50 a ton and higher. The prices of fuel, seed, barbwire, fence posts, and so forth, soared.

The price of fertilizer doubled and nearly tripled due to natural gas shortages. In short, production costs soared, and consumer demand dropped as production decreased and prices rose.

In addition, there were many conditions, man-made in character, and principally Government-made which injected themselves into the picture.

There were new limits imposed on the price the cattleman could get for his fattened cattle.

The consumer beef boycott imposed one ceiling. Then the Cost of Living Council imposed another.

When the price was right, the truck strike prevented the feeder from getting his product to market.

Then the Food and Drug Administration decided that DES should be banned and ordered it to be removed from the market. The drug is a known cancer-causing agent and experimental data showed that traces had begun showing up in meat, the agency reported.

The ruling was later withdrawn after a court challenge and the FDA was sent back to gather more evidence. Troubles galore.

Mr. President, it is plain that the problems of the past year have had a sudden and adverse impact on America's agricultural production. These problems will continue to be with us in the coming months in the form of higher prices to consumers. This is most unfortunate. But, I believe these articles succeed in part to explain to the urban consumer why prices are up and why the farmer and rancher have their backs to the wall in an effort to continue to produce high-quality foods at a reasonable cost.

Mr. President, I ask unanimous consent that the three articles from the Washington Star-News of September 16–18, 1974 on the problems of farmers and ranchers be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Mother Nature Kills Hopes for Record Corn Crop

(By John Fialka)

Otoe County, Nebr.—The seemingly endless rows of corn that line the country roads here have a healthy green color. Bulging ears protrude here and there, giving the casual observer the impression of another bumper crop.

It is another irony in what may be a year of terrible ironies for some Midwest farmers and most American consumers: there are no kernels on the corn cobs inside the ears.

The midsummer drought cooked the pollen-filled tassels on the corn before the plant could fertilize itself. The fields are really almost barren.

A failure in what was supposed to have been a record corn crop is no small thing. Together, the people in American agriculture represent the nation's largest and most efficient industry.

Their biggest product line is corn; they produce more of it than all of the rest of the world's farmers combined. The corn becomes a major component of our food chain. It is the principal livestock feed and is used in hundreds of thousands of food products.

Falling short of corn, then, is to the food chain something like General Motors running low on steel.

Here, if it is any consolation, America's vaunted farm technology almost made it. The eerie, life-like green comes from expensive, high-powered fertilizer. The impeccably weed-free fields are a product of herbicides. The dense stands of corn, plants growing sometimes less than nine inches apart, are a result of new, super hybrids.

But mother nature was still needed to complete this chain of technology and, for once, she did not cooperate.

"It wouldn't help this corn if it rained from now till Christmas," said Harvey J. Harms Jr. as he bounced alongside his fields in a pickup truck.

The rains that broke the drought in the corn belt last month have cut the dust and have even produced mudholes where the land had cracked open in July. But by then, the damage was done, damage that will reverberate for months and play havoc with government plans to contain inflation.

So Harms has already cut down 30 acres of his corn and buried it in a pit that is covered by a black plastic sheet weighed down by old automobile tires. It is a homemade silo and there will be thousands of these burial pits in Nebraska and western Iowa this fall.

Harms will use the resulting sweet-smelling silage to feed his cattle, but it will not do much toward protecting him from the losses caused by the drought.

Like most of a dozen farmers interviewed recently, Harms had little idea how much his final losses might be because, like the nation's consumers, he may be looking at only a glimmer of the damage that is yet to come.

Although the Agriculture Department has said little about it, it is the frost that will be the final arbiter of damage in this calamitious year in agriculture.

The latest 30-day forecast calls for abnormally cool weather over most of the Midwest through September. For Harms, who has already taken one blow from the weather, it is a bad omen.

"That frost has got to hold off," he says as the pickup truck jounces past his other fields, planted in soybeans, and past some of his neighbor's grain sorghum. These crops survived the heat and are being revived by the rains.

Both plants have a capability of protecting themselves during a severe dry spell by going dormant, stopping growth for a while to wait for moisture. As a result, substantial areas of as yet undamaged crops in Nebraska, Iowa, South Dakota and Kansas are as much as two weeks late and thus vulnerable to an early killing frost.

Unusually cool nights early this month have already brought a light frost to parts of Iowa, Minnesota, South Dakota and Nebraska. The damage was believed to be slight, but it was not a good omen.

"The specter of frost damage also hangs over the more fertile eastern end of the corn belt. In Indiana and Illinois as much as 20 percent of the corn crop was washed out by heavy spring rains and had to be replanted, delaying it for several weeks.

In the middle of Iowa, where farmers got both the spring rains and the drought, the soil first became soupy and then was baked to a bricklike hardness, strangling the corn.

That resulted in a queer notation on some of the thousands of damage estimate forms that are now making their way toward Washington: "Damage due to excess moisture and drought."

Last month, Agriculture's Agricultural Stabilization and Conservation Service, which receives the damage reports conducted a survey of the drought damaged areas and came up with an estimate of $500 million.

More recently, ASCS officials have admitted that the possibility of frost damage and other imponderables may make the $500 million estimate a premature figure. "That estimate was very shallow on facts," said Glenn A. Weir, associate administrator of ASCS. "We may have missed it by a country mile."

All of this is unsettling to both Agriculture and the Office of Management and Budget. Agriculture Secretary Earl Butz encouraged farmers to plant heavily this year in order to reduce major crop subsidy payments to zero for the first time in many years. OMB, currently grasping for ways to reduce federal spending to ease inflation, must find money to pay farmers for a portion of their losses under a law passed last year.

But the disaster payments are only one part of a triple whammy that the crop damage will deliver to the anti-inflation effort.

Last spring Agriculture announced that this year's corn crop could be as much as 12 percent bigger than our biggest previous bumper crop. It would be big enough, Butz reasoned, to keep food prices low. Using their slide rules, food marketers had visions of corn selling for $2 a bushel.

After the drought, Agriculture's estimators decided that the corn crop was going the other way. It would be 12 percent smaller than last year's bumper crop. Corn hit an unheard of $4.00-a-bushel price in some cash markets during August.

The plan for lower food prices was then jettisoned by Agriculture, which had predicted food costs would "flatten out" in the fall and begin declining by early winter. Instead, consumer food prices would climb another three or four percentage points, the department advised.

Agriculture had also projected a bin-busting crop as the prime way to solve the nation's balance of trade problems. The original scenario was to offset the inflationary oil bills by hustling more international grain deals.

By late August though, Secretary Butz was hustling in the other direction, trying to convince Common Market buyers not to buy as much of our corn as they wanted.

It was the start of a strange, new game for American agriculture. The surplus crops, which represented a huge cushion against potential adverse weather conditions in the 1960s, had been sold. The nation's stocks of feed grain (corn, and grain sorghum) had slumped to the lowest point in over 20 years.

Thus, this year's corn crop was not going to be just another bumper crop. It had to be a record crop to make Agriculture's plans come out right.

The failure of such grand strategy emerged slowly out of an almost euphoric spring in Nebraska. Farmers in other states had had their problems with heavy rain, but the weather in this southeastern corner of the state was ideal for planting.

There would be a bumper crop, said Washington, and Nebraska farmers were planting heavily. They could see the market for all that corn would be there. The steel storage bins that once dotted the Nebraska landscape were gone.

The bins were once the government's way of housing surplus corn. Early this spring the government emptied the last of them here. They contained corn that was 17 years old. But it was still good and found ready buyers.

Then the bins were sold at auction. Nebraska corn farmers engaged in some sharp bidding for them because they would be needed to house the enormous fall harvest.

Corn planters were adjusted to plant the corn closer together and, although fertilizer was in short supply and high priced, prodigious quantities were applied.

"You had to shoot for all out," said Harms, who asserted that farmers faced with increasingly high prices for their supplies and equipment had to gamble that corn would be this year's big money crop.

And in early June, when the sea of young green plants appeared on the land, it was a heady sight indeed. Floyd W. Bohlken of nearby Nemaha County has farmed since the dust bowl in the 1930s. He remembers getting off his cultivator one day in June and looking at his fields.

If Bohlken had been fortunate enough to produce a corn yield equal to the projected national average, he would have made somewhere around $3.50 a bushel, or about $345 an acre.

As it stands, he will make about $30 an acre under the Federal Crop Insurance program and probably a similar amount under Agriculture's crop disaster payment program. The combined payments will probably not cover the costs of the seed, fertilizer and herbicide he has put in the ground.

Still Bohlken is one of the lucky ones. Only about one in 11 farmers paid premiums for Federal Crop Insurance. Most Nebraska farmers will only be eligible for the second program, the crop disaster aid program, which will pay farmers in this area about 46 cents a bushel for their losses, based on their average yields from past years.

As yet, it is difficult to see the extent to which the farmers' losses will impact on the economy of Nebraska, or on the nation as a whole.

According to local ASCS officials, the losses will have a geometric impact on farm communities because each dollar created in income by the farmer initiates about $8 worth of business before it leaves the state.

"Farmers are famous for spending what they make," he adds, noting that the average Nebraska farmer must have about $250,000 worth of land and capital equipment to farm. "This year they will have no income, some of them, but there are still bills to pay and mortgage payments to make."

Farm equipment does not come cheap. A small tractor can cost $16,000. A small combine can run $40,000. A rear tire on a tractor is a $300 item.

After the drought of the 1930s, farmers had to cut their seared corn with their corn knives and bring it into the barn to be chopped into feed. This year they will pull chopping machines into the field that can quickly reduce whole acres of promising-looking corn into green mush to feed to the cows.

"I said to myself that I've never seen things look so good," he recalls. "It was so good I began to wonder if something wasn't going to happen."

By that time the drought had already begun. The rains had stopped in May, but the damage did not become obvious until mid-July when the temperature rose to over 100 degrees for a dozen days in a row.

During the day the heat was accompanied by searing, dry winds. At night the humidity dropped so low that not even the dew was there to aid the scorched fields in the morning.

Ministers in country churches all across eastern Nebraska and western Iowa began praying for rain every Sunday and farmers like Bohlken began hoping "well, maybe it will rain tomorrow."

But corn does not hold up under such stress, especially if it comes during the crucial time of pollination. Bohlken knew this, but he kept on hoping until one day in late July when he went out to dig some potatoes.

The ground was too hard to dig. Bohlken discovered he could stick the 18-inch blade of his corn knife into some of the cracks that had opened between the corn rows without touching bottom.

The time had come to look at the corn. "I always thought it looked nice 'till I got to walking around. There were so many of those ears with nothing on them," he recalls.

One night in early August it rained. It poured as much as three inches on the fields in a few hours. Farmers can almost pinpoint the moment the drought was broken because the rain came the same evening President Nixon gave his resignation speech.

But by that time nothing could help or hurt much of the eastern Nebraska corn. Thousands of Nebraska farmers were already applying for federal crop disaster payments.

Paul Holecheck heads one of the many teams of federal crop adjusters who are now walking the corn fields, estimating damage. Often, as the late summer turns increasingly wet and cool, the men have had to don wading boots to get through the muddy black gumbo soil.

Holechek believes that this year the heavy fertilization and dense planting may have aggravated the damage. "Some corn fields that weren't fertilized and are planted on the thin side, they've got some corn."

Holechek, who works for the Federal Crop Insurance Corp., spends his days picking corn in small, measured sample areas of a given field. Then he weighs the corn on a device that looks much like a baby scale to determine how many bushels the field might yield per acre.

At one point this spring, Agriculture estimated that the nation's average yield would be 97 bushels of corn per acre. Some parts of Bohlken's fields will now produce about 5 bushels per acre, a yield that Holechek says is relatively good compared to many fields he has seen which have had to be written off as total losses.

High technology farming may mask some of the hardship of the drought. Secretary Butz and other Agriculture officials in Washington may ease some of the apprehension by pointing out that "there is no need for panic," and that this year's crop may still be the fourth largest on record.

But nobody denies that the weather is now master of the men who farm on the plains. There are a number of people who feel that, despite the continued, sanguine predictions, the full damage has yet to surface.

"No man living today can predict within 500 million bushels how large the actual 1974 corn crop will be," asserts Walter Goeppinger, board chairman of the National Corn Growers Association.

"It all depends on the timing of the first killing frost."

Goeppinger's group believes the probable size of the crop will be in a range running from just slightly above Agriculture's most recent 4.99 billion bushel estimate to a possible low of 4.5 billion.

And Goeppinger, whose group has an interest in sustaining high corn prices, asserts that Butz is putting a "rosy" picture on the situation because he is trying to "jawbone" his way out of a problem.

Pointing out there are now believed to be no major surplus grain supplies anywhere in the world, Goeppinger argues further that "any new unexpected demand or shrinkage of output anywhere in the world could change the picture overnight, putting much more pressure on the American crop.

"We're not the only country that could have an early frost," he added. "Canada and Russia have planted grain late this year."

Frost is just one of the threats the weather poses, now that the long era of crop surpluses is over and, as Goeppinger puts it, "the supply string is now stretched to the limit."

According to Lyle Denny, a meteorologist for Agriculture's weather service, the midsummer dryness has robbed the soil of the moisture it will need to sustain a winter wheat crop.

Planting of the crop will soon be under way in Nebraska and other Plains states. If there is a major deficit in this crop, it will be known by December and put still further upward pressure on basic food prices.

Prospects for winter wheat are, according to Denny, a "tossup affair." Rains have restored moisture to the fields of the Texas panhandle, where the drought started, but the fields of central and southwest Kansas have not recovered.

If the frost holds off and the winter wheat crop comes through, there is still the knotty question of whether the dryness of the summer of 1974 was the start of another drought cycle.

For the last 100 years, droughts have recurred in the high plains area west of the Missouri River and east of the Rockies every 20 years.

It is a stunning phenomenon to the nation's meteorologists who are now divided over whether the cycle is reasserting itself again. If it is, it means that the nation may look forward to not just one dry year, but probably four in a row.

Denny asserts that this year's dryness does not yet qualify as a drought and belives that the 20-year patterns have been largely coincidence. "We feel from the outset that such things are of random occurrence."

Dr. Murray Mitchell, senior research climatologist for the Department of Commerce's Environmental Data Service, is more impressed with the evidence of a drought cycle.

The dust bowl ran from 1932 to 1936 and extended from the mountains as far east as Ohio. Droughts recurred in 1952, beginning in Arizona and extending over widespread areas in the Midwest, he pointed out.

Since then, he notes "we have had an extraordinary run of good crop weather in the U.S. It's been about 16 years running. Normal weather is much more variable."

The odds against such a string continuing, he believes, are now "very high." "Frankly it makes me very nervous," he adds.

But the mechanics of American agriculture in this new age of low-surplus, high technology farming must go on. Bills must be paid. Mouths must be fed.

Recently Secretary Butz urged farmers to "go all out" next year and plant another record crop.

Soon Harvey Harms will clear the corn stubble from his land and prepare the fields for winter wheat.

Last year was a good year and next year might be another, reasons Harms.

"Gamblin'," he shrugs. "Always gamblin'."

Four Dollar Corn Hits Broiler Crop

(By John Fialka)

Easton, Md.—While news of the drought's impact on the 1974 corn crop has sent tremors through the nation's entire food production chain, the first real earthquake is happening here.

This is chicken country. The Delmarva peninsula is the birthplace of the American broiler chicken, believed to be the world's most automated animal. He is a creature of our technology—fed by computers, raised by machinery and protected by wonder drugs and vitamins in climate-controlled houses.

But he is vulnerable to one natural predator: high-priced corn. And when the economic turmoil is over out here, this vulnerability will have been passed on to the consumer in the form of a shorter supply of high-priced poultry products.

Raising poultry has been an increasingly shaky business since the summer of 1972, when the Russian wheat deal sent the price of chicken feed upward.

So this year, when the Agriculture Department predicted that the nation was about to produce a record corn crop, poultry men thought they saw an end to their difficulties.

"We thought at one point we were looking at a 6.7 billion bushel corn crop and maybe $2 a bushel corn," says Ed Covell Jr., president of Bayshore Foods, Inc., a company which normally has about 7 million beaks to feed.

Now, largely because of the drought in the Midwest, Agriculture has had to revise its estimate downward to 4.9 billion bushels and Covell and the rest of his industry are looking at a new phenomenon in the chicken business: the $4 bushel of corn.

Corn at that price is a kind of economic monster. It is about three times what livestock men have been used to paying for it. At the moment, the entire American meat industry is grasping for new ways to use less corn.

Some producers have options. Cattlemen, for instance, are feeding their animals lots more grass and are even experimenting with such things as treated chicken manure as a new, low-cost feed ingredient.

But chickens cannot be put out to pasture. Their regimen is fixed by automation. It begins with corn from day one. Since the market price for broilers is, according to poultry men, not high enough to pay for his feed, the industry is stuck. It has no option other than to cut its flocks.

The diminution of the nation's chicken population is now under way and it will continue until the market price goes high enough to pay for the corn.

Covell's company is in the process of cutting back its flock by about 15 percent, roughly a million birds. Its huge, three-story growing houses, where one man can grow up to 100,000 birds at a time, will be vacant for longer periods of time.

The number of eggs set to become broilers dropped last month by 12 percent, measured against a year ago. "There has never been a drop like that that I can think of," commented one government poultry expert.

The number of egg-laying hens now being culled out and targeted for chicken soup is up by a whopping 17 percent. Eggs that might have been hatched into broilers are now being sent to "breaker plants," where they wind up as ingredients in cake mixes and other processed foods. Breaker plant activity, according to a Agriculture spokesman, is "up sharply."

All of this is being closely watched by hog and cattlemen because they, too, will soon face the same problem. The growing cycles of their animals are longer, however, so the impact of cuts in production will take longer to reach the supermarket.

But a fuzzy chick takes only eight weeks to turn into drumsticks, so what the poultry men are doing is likely to hit the consumer sometime this fall.

The price of eggs, which have a still shorter production cycle, already has jumped a dime a dozen during August on the key New York wholesale markets.

The broiler industry has never had a major cutback in production since it began booming shortly after World War II. It has always tried to solve its economic problems by scaling up. Bigger is better. If a two-story chicken house won't pay, build a three-story one.

Recently one major Maryland broiler production facility, owned by Otis Esham of Parsonsburg, Md., went into bankruptcy. Esham does not want to talk about it. "It all happened so quickly that I'm not sure what went wrong," he told a reporter.

According to George B. Watts, president of the industry's major trade association, the National Broiler Council, three other major companies have had to close down major parts of their plants for lack of operating funds.

Watts calls the sudden decline in Agriculture's estimate of the corn crop a "catastrophe" that the industry had not been prepared for and one that gives it almost no room to maneuver.

Paul Davis, president of Empire Farms, a major egg production facility near Atlanta, Ga., put it another way:

"Corn is the basic, it is the meat and potatoes of chickens. I don't know of anything in the world we could substitute to any greater extent."

The vulnerability of the business to price fluctuation is illustrated by the scale of Davis's operation, which is in the upper medium range of egg production plants.

He has half a million laying hens. Every week, rain or shine, drought or no drought, Davis' machinery is programmed to deliver them a small mountain of corn, 10,500 bushels. And every week his completely automated equipment picks up 1,160,000 eggs in tribute.

The hens are packed four to a cage in gigantic laying houses, one of which contains 120,000 birds. Food and water automatically appear in front of the cages, so the hens never leave during their year-long laying cycle.

It takes four pounds of feed to make a dozen eggs. Roughly 60 percent of the feed must be corn, the other ingredients may be fishmeal or soybean meal or other types of feed, depending on market prices. Davis, like most high volume operators, depends on a computer that remembers market prices and programs a ration that will produce eggs at the least possible cost.

The feed is made up in the farm's own mill. The eggs, when they appear, slide down a chute onto a belt. The belt moves the eggs onto a cross belt which takes them to a machine that packs them and crates them.

"Nobody touches them unless there's something wrong with a machine or something," said Davis.

Each of his hens will lay up to 240 eggs a year. No part of the operation can be cut back very much. "You've got to keep the feed mill and the egg plant moving at a high volume because you've got everything geared up to do a certain job."

Bigness creates leverage. "You can drive all over the country around here and you'll very seldom see a farm house that's got chickens any more. They can't do it. It'll cost them more to produce those eggs if they keep up with it than they can go to the store and buy 'em," Davis asserted.

But leverage can also work against you. Four weeks ago Davis began buying $4.03 a bushel corn, the highest price he has ever seen in 22 years of business. Every dozen eggs that came rolling out cost him over 50 cents to produce, he estimates, while the wholesale market price for them was 43 cents a dozen.

By the first week in September the market price had reached an average of 55 cents a dozen, about the point where Davis believes he can begin breaking even. "We're going to have to get that kind of average from now on," he said. Davis' operation is relatively simple compared to a broiler operation.

Covell's Bayshore Foods is one of 175 "factories" that produce the 3 billion broilers that America eats every year. They too suffer from reverse leverage.

It all began with a Delaware woman, Mrs. Wilmer Steele, whom the industry reveres as the "Henry Ford of chickens." In 1923, when she began her experiments, chicken was a luxury item, selling for as much as $1 a pound.

They were traditionally raised in the barnyard in the spring and hit the market around the Fourth of July, hence their name: "spring chicken."

Mrs. Steele ordered 50 chicks, but the hatchery sent her 500 by mistake. She was a determined woman, however, and found that with the right feed you could raise chickens indoors on a year-round basis.

That called for corn, which supplies some of the nutrients that the chickens got from sunlight. Later feed companies enhanced the mixture with such things as artificial amino acids, antibiotics and vitamin D.

Feed prices went up, but the growers always stayed ahead of the costs by finding ways to reduce costs through automation. As a result, the price of the broiler kept going down.

By the late 1950s, the industry seemed to hit its stride. Growing houses contained acres of chickens, packed together so they didn't waste calories running around.

Automatic feeders supplied water and feed. Use of hybrid birds cut the growing cycle from 13 weeks to 8 weeks. High-powered feed meant that where it formerly took 4 pounds of feed for a pound of chicken, it now took 2 pounds of feed.

All of this added up to chicken at 29 cents a pound. Covell grows wistfully when he thinks about it. "Gee, that was kind of magic number. We sold chickens at that during the late 1950s and all through the sixties. But you can see those days are over."

It now costs Bayshore 45 cents a pound to grow a chicken and send it to New York, where the wholesale price on the day Covell was interviewed was 39 cents a pound.

When you deal in 7 million chickens at a crack, a loss of 18 cents per bird is nothing to sneeze at. And, for once, there seems to be now new technical innovations on the horizon.

"We've gotten to the bottom of the barrel now and our costs are accelerating faster than we can increase our efficiency. You see you get so efficient after a while where there's not much more you can get and we're at that point," asserts Covell.

A 12 percent reduction in eggs that are hatched to become broilers means 23 million pounds of chicken that will not be coming to market each week, according to Watts.

According to Agriculture figures, the cutback has been at that level throughout August. And the cutback in the flocks that lay the eggs for hatching has been even sharper. Once the laying flocks are cut, it takes about 18 months to re-establish the cycle.

Thus, a drought over eastern Nebraska is quickly translated into smaller chicken flocks. It is delivering a jolt that will throw the nation's most automated animal food business out of its normal cycle for months.

That will, in turn, probably mean that the consumer will pay more for his chicken and eggs, but the farmer, the man who grew the $4 bushel of corn, may have to pay too.

When it is running at full tilt, the chicken industry consumes a prodigious amount of corn. As one poultry man ruefully put it: "If they grow a bumper crop next year, there ain't going to be a whole lot of birds around to eat it."

Lean Years Ahead for Steak Lovers

(By John Fialka)

Kuner, Colo.—There are lean years ahead for lovers of that most venerated item of American cuisine, the tender, juicy steak.

The people who developed the awesome technology that stands behind the American steak are preparing for a basic jolt to their business, a jolt that eventually will transform the average consumer's dinner menu with smaller portions of his favorite meat at increasingly higher prices.

Kuner is the site of a "steak factory," one of two enormous feed lots operated by Monfort of Colorado, a company which, in normal times, can turn 500,000 scrawny yearlings into delicious beefy animals each year by stuffing them with cornbased feed.

The cattle are here, as always, standing patiently in pens extending about a half mile in all directions from this pungent-smelling crossroads about an hour northeast of Denver. They are waiting for the trucks to come by with their next computer-prepared meal.

But these are not normal times for Monfort or anyone else in the cattle feeding business, which claims to have lost as much as $2 billion during the turmoil of recent months, turmoil capped off by a drought which cut about 1.8 billion bushels out of this year's expected corn crop.

The drought has sent the price of cattle feed soaring. It is completing a grim scenario of events that beef people have been anticipating for some weeks.

The scenario begins with an illusion for the nation's shoppers. A huge supply of cheaper beef, primarily hamburger, cold cuts, wieners and the like will begin appearing in supermarkets this fall.

The deluge of cheap beef probably will drive the nation's per capita consumption of beef—higher than for any other meat and highest in the world—still higher. The supply will give the impression that the age of the cheap hamburger will be with us forever.

But that does not appear to be the case.

Market forces already at work will end the wave of plenty sometime in 1976. Beef prices may then begin to escalate to unheard-of levels and supplies will suddenly drop sharply. Both movements probably will continue for at least two years after that.

The first signs of this scenario are already apparent. The Department of Agriculture's meat experts, looking at preliminary data from the month of August, believe that more cattle were killed last month than in any other month in the nation's history.

Included in the data, which will be announced at the end of this month, are indications that the slaughter of calves may be up as much as 70 percent over last year. The slaughter of cows also is believed to be up sharply.

The cows and their calves of what might have been a continuing age of plenty for beef consumers are coming to market early.

The impact of this slaughter will be delayed because about two years are required to bring a steer to market—the longest growing cycle of any major food products.

The cycle used to take longer than that, but in the late 1930s, Warren H. Monfort hit on an idea that probably has changed American life as profoundly as have some of its technological inventions.

Cattle used to be fed entirely on grass. Animals that were rounded up by cowboys for the trip to market were often over three years old, and their meat was often stringy and tough. There were some good steaks, but cattlemen could not produce them with mass-production consistency.

Younger consumers might find it hard to believe, but people used to be willing to pay more for pork than for beef. Even chicken sold at a premium compared to beef.

Monfort and other pioneer cattlemen, however, saw the flaw in the old system and turned the market completely around. Cattle spent too much time running around, the cattlemen decided, and could be brought to market sooner at a heavier weight if they were confined in pens.

During their confinement, their diet should consist not of grass or hay but primarily of corn, Monfort decided. Corn produces the marbling, the fat and the texture of what we recognize today as the steak.

The winters here, just east of the Rockies, are mild. And Monfort was able to take the seasonal element out of the market by fattening cattle year-round.

By World War II, he had scaled up to a size that amazed the industry, feeding 3,500 animals at one time. By 1960, he could feed 32,000 head.

The new 1,200 pound animal on his way to market was barely an adolescent, 24-months old. Sometimes it was just a calf, weighing about 400 lbs when it was put on a feedlot to be stuffed with a mixture of corn, sugar beets, soybean meal and other delicacies never found out on the range.

But the cattle feeding business had just begun to scale up. Somebody came up with the astounding discovery that a synthetic hormone, diethylstilbestrol, would make penned cattle gain weight faster on less corn.

Cattlemen began mixing the drug, known familiarly as DES, with an animal's feed or implanting it as a tiny pellet in its ear. The upshot was that the feeding cycle was shortened by as much as 20 days, saving all that corn for the next batch of animals.

At present, the average feedlot stay for an animal is 150 days. In new automated feedlots, such as the one here and another being built nearby Farr Farms Inc., a Monfort competitor, these are days of leisure.

Antibiotics placed in cattle feed have reduced the animals' mortality rate and there is little for them to do except to mill around the crowded pens until the next feed truck rolls by, dumping its heated, specially mixed ration into the concrete troughs as it goes.

Each pen's ration and feeding time is remembered by a computer, which also remembers feed prices and mixes the ration according to the least cost for a given amount of nutrition. Machinery has, by and large, replaced the cowboy. The Farr Farms lot, when full, will have 35 employees feeding 40,000 cattle.

This method has meant money for Monfort, which drew up plans to feed 250,000 cattle at a time and added its own packing house on the end of the production line.

Monfort of Colorado now sits at the apex of an industry that feeds as much as 75 percent of all the cattle that are slaughtered. About a third of the industry is composed of big companies with feeding units of 16,000 head or more.

Bigness begat bigness. The tremendous demand for beef set the plans two years ago for the country's largest cattle herd in history. Approximately 138.3 million cattle are walking the nation's ranges or its feedlots.

And bigness often has been its own reward. Feeders who feed animals by the thousands have been able to buy cheaper feed—only the beginning of the benefits of scale.

Consider the example of just one of Monfort's feed lots. It produces 500,000 tons of manure a year.

That small mountain of manure is scraped from the pens by highway-sized road scrapers and piled and compacted by bulldozers. The manure is sold to farmers for fertilizer. Soon, however, Monfort and a group of scientists will build a $5 million plant to convert the manure to methane, or pipeline quality natural gas, by bacterial action.

The gas from the manure will be fed into a nearby pipeline owned by a company which will pay the going market rate. Carbon dioxide, a byproduct, will be compressed into dry-ice pellets which are used by Monfort in the packaging of its frozen steaks. The manure residue left over from the process will, according to experimental data, have better fertilizer properties than the original.

But something happened in the last few months that began to tarnish what had been a continually brightening picture for cattle feeders. Some cattlemen say it was the Russian wheat deal that caused basic cattle feed prices to begin moving upward.

Others blame a tax loophole which allowed outside investors to take a shot at the big money in cattle feeding.

Some cattle feeding operations thrived on this type of business. An outside investor would become a paper partner in a feeding business. Even if he lost money, he could come out ahead by paying for large amounts of feed in advance, thus shifting taxable income from one year to another.

Last year, according to cattle feeders, was a year of grief. The price of feed, barbed wire, fence posts and fuel began to send the overhead of the business soaring. And there were new limits imposed on the price he could get for his fattened cattle.

The consumer beef boycott imposed one ceiling. Then the Cost of Living Council imposed another. When the price was right, the truck strike prevented the feeder from getting his product to market.

Then the Food and Drug Administration decided that DES should be banned and ordered it to be removed from the market. The drug, the agency pointed out, is a known cancer-causing agent and experimental data showed that traces had begun showing up in meat. (The ruling was later withdrawn after a court challenge and the FDA was sent back to gather more evidence.)

Curiously, the basic cost of the industry, the market price of feeder cattle, the young animals the feeders bought for their pens, did not reflect these fluctuating forces. It moved steadily upward, from $50 per hundredweight in January of 1973 to an unprecedented $74.72 in August.

Some people think that the scale of the business demanded mass production at any cost. Some cattle feeders argue that it was not the scale but the influx of outside money—the dentist from New Jersey who had discovered cattle feeding as a tax shelter and bought cattle regardless.

"Amazingly, the feeder cattle price did not drop for a long time," explained Kenneth Monfort, who has now taken over the reins of the company from his father.

"You see there was so much 'outside money,' Wall Street investors, tax gimmick people in the business, that it just couldn't drop. They simply had to own a lot of cattle on January 1, 1974 . . . that had to have prepaid feed and interest, they had made money feeding cattle or knew someone else that had and where else in town could you find a game like this . . .?"

The forces driving the costs up coincided with the mass of beef hitting supermarkets at the end of the price freeze, driving down the retail price.

Then, cattle feeders say, they began losing $100 a head. Small operators went under. Outside investors withdrew what money they had left and looked for tax shelters elsewhere. (The Internal Revenue Service attempted to close this loophole, but was later forced to withhold the ruling by a court challenge, which is still pending.)

But it was difficult for cattlemen to go elsewhere or even to slow down. They had built huge, capital-intensive plants, complete with cement feeding troughs and automatic feeding systems.

William D. Farr, of Farr Farms Inc., feeds about 100,000 cattle a year, and is second in size only to Monfort in Colorado.

He put his problems to a reporter this way: "So I subsidized you as a consumer for eight months to the tune of about $100 a head . . . Now then I'm damn near broke. I've had to mortgage farms which I've never done in my life in order to stay in the business."

Currently, Farr, Monfort and a number of other feeders are doing what might have been unthinkable in the business up to a year ago. They've stopped buying cattle. Farr's feedlots are two-thirds empty and Monfort's are down by about a third.

"We're being stubborn. We've lost so much money for so many *months that* we cannot afford to take the extra risk at the moment until we can buy cattle and be sure we can make some money, so we're just going to quit feeding cattle. We'll let the plant sit idle. It's cheaper to pay the overhead and taxes," Farr explained.

This non-buying is designed to shift the losses to sellers of feeder cattle, ranchers who normally shift animals off the range and into the feedlots before winter.

Prices for feeder animals suddenly have gone into a tailspin, down $40 from the high of $72 a hundredweight and may go lower before winter.

The ranchers, Farr believes, will have to sell yearlings at a loss or rent space in feedlots and pay for the high-priced feed themselves. The result, he believes, will fill up the feedlots once again.

Referring to the record number of animals now "out there in the sagebrush," Farr adds, "They're either going to have to stay out there and wait their turn or die in the winter, one of the two."

Sam Addoms, vice president in charge of finance for Monfort, claims the company has lost almost $5 million during the last 9-month period by buying high and selling low. He sees the future in equally cold-blooded terms:

"The ranchers is next in line to get the shaft and he is going to respond by being a reluctant seller. First he's going to cull his cow herd. He's going to cull older cows. Then he'll have to decide whether he will sell his heifers or his remaining cows and my guess is it'll be some of both."

Cow meat, according to Addoms, is tougher because it is older and it does not look good under cellophane in supermarket meat cases. "Hamburger prices will really be depressed and should really be a bargain. You'll be buying hamburger made out of cow."

Thus, according to the scenario, cow hamburger will soon be raining on consumers as a result of the bloody economic battle between cattle feeders and ranchers.

The younger liquidated cattle, being sent to slaughter by the ranchers right from the ranges, will probably be sold as veal or "baby beef."

Sometime, perhaps by late 1976 or 1977, the nation's great record cattle herd will be cut to a fraction of its former size.

What happens next? "In 1977 and 1978 the price will begin to escalate dramatically," explains Addoms, "and nobody will be able to do a damn thing about it because there's no way to respond immediately."

Ranchers will see the price moving rapidly upward and hold back some of their young cows to rebuild their herds. "That'll accelerate the price even more. O.K.? And then we're into another cycle," Addoms says.

How the consumer will respond to the cycle is a part which Addoms finds "really interesting."

"I don't know how he's going to come out. Is he going to cut out potato chips and convenience foods and go back to the old-fashioned concept of can your own foods?

"You're certainly going to see the consumer's expenditures for food exceed the 16 or 17 percent Mr. Butz (Secretary of Agriculture Earl Butz) has predicted. It's going to go to 20 and 21 and 22 percent and, more than that, you're going to see consumer pricing be much more volatile than we have seen it in the past, much more cyclical," Addoms says.

Farr see the Americans' per capita beef consumption dropping from around 116 pounds per year to somewhere in the 90s as part of the "new ballgame" taking shape for 1976.

"The public just hasn't paid the cost of it. What the market says is that the desire is there but not enough to get people to produce it."

Meanwhile, the whole beef feeding movement has turned around. It's back to grass for those animals who are not culled out of the herds this fall.

A proposed new Department of Agriculture meat grading system, favored and championed by the cattle feeders, places less emphasis on corn-produced fat in the meat. The system will shorten the feedlot cycle.

Cattle feeders also have turned to buying range-fed animals at 700 pounds or heavier to shorten further the animals' feeding time on expensive corn.

According to Farr, once the consumer gets over the dent the new beef will take out of his pocketbook, he will find no taste difference. Steaks will still be juicy and rare if the animal from which they are cut has spent some time lounging in a feed lot.

And so it will be, according to men who know the nation's beef business as well as anyone, that the impact of the drought of the summer of 1974 and other events will not reach the "queen of meats" until 1976.

But by that time, if inflation has not been mastered, a lot of the other "fat" will have been removed from the American lifestyle and the lean, new beef in meat cases may fit into it more neatly.

"God put a cow on this earth with his four stomachs to eat leaves and grass and hay," Farr points out, "and we've got to utilize the animal for what it was meant for and put on as little weight as possible with this high-priced grain."

HONORING L. B. J. AND THE 10TH ANNIVERSARY OF THE CIVIL RIGHTS ACT OF 1964

Mr. HUMPHREY. Mr. President, it was my privilege to attend the groundbreaking ceremony last Friday for the Lyndon Baines Johnson Memorial Grove on the Potomac.

This beautiful grove of trees, flowers and shrubs, located on the west bank of the Potomac in the Lady Bird Johnson Park, is more than just a memorial to a great President. Totally funded by private contributions, the grove is designed for public use. When finished, it will include hike and bike trails, picnic tables and benches. It will be a living monument, not only to the great accomplishments of the late President Johnson, but also to the continuing good works of his wonderful wife, Lady Bird.

The L. B. J. Young Democratic Club of Chapel Hill, N.C., has asked me to include in the Record a resolution which was introduced by Col. Robert Markham Pace before the Durham County Democratic Convention and passed by acclamation. The resolution honors Lyndon Baines Johnson and commemorates the 10th anniversary of his landmark legislation, the Civil Rights Act of 1964.

Mr. President, at this time when we are appropriately paying tribute to the legacy of this great man and his initiatives on behalf of all Americans, I ask unanimous consent that the resolution adopted by the Durham County Democratic Convention be included at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

A Resolution Commemorating President Lyndon Baines Johnson and the 10th Anniversary of the Civil Rights Act of 1964

(Introduced by Robert Markham Pace)

Whereas; the pledge and the affirmation of America is "one nation, under God, indivisible, with liberty and justice for all", and

Whereas; this noble ideal is rooted and grounded in the Declaration of Independence and the Judaic-Christian heritage of the Common Law, and

Whereas; the Constitution of the United States set forth and guarantees this ideal with its rights nad privileges to all citizens, and

Whereas; imperfection and error belong to mankind and to governments composed of men, even the best of men and of governments, and

Whereas; this the greatest of nations and governments has advanced oftentimes too slowly toward the fulfillment of equal rights and opportunities for all Americans, and

Whereas; while many names brighten the pages of American history—the names of Woodrow Wilson, Franklin D. Roosevelt, Harry S Truman, and John F. Kennedy to cite a few—one name shines brightest along the pathway of equality for all Americans, the name of LYNDON BAINES JOHNSON, and

Whereas; a landmark and a highlight of this pathway was and is the Civil Rights Act of 1964 enacted under the leadership of and signed into the law of the land by President Lyndon Baines Johnson, and

Whereas; President Johnson now serves in the higher calling of the God of men and of nations, and

Whereas; Lady Bird Johnson continues to hold forth the example and ideals of her late husband with whom she truly worked as a co-partner, and

Whereas; it is appropriate that Americans, and especially Democrats, should take due recognition of this the Tenth Anniversary of the Civil Rights Act of 1964 and the President whose courage and leadership brought this Act to fruition: Therefore, Be It

Resolved by the Democrats of Durham County in Convention Assembled:

That we express appreciation for the life and service of President Lyndon Baines Johnson.

That we acknowledge the Civil Rights Act of 1964 as one of the greatest achievements of the Johnson Administration.

That we extend and convey to our former First Lady, Mrs. Lyndon Baines Johnson, our affectionate greetings.

That this Resolution be presented to the Democrats of North Carolina in Convention assembled and distributed to appropriate individuals and to the press.

MILK HEARINGS

Mr. HUMPHREY. Mr. President, the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices of the Senate Committee on Agriculture and Forestry conducted hearings on the dairy industry and milk price support levels on September 30.

The list of witnesses consisted mainly of dairy farmers. Their story was one of wildly escalating costs of production while the prices they receive for milk have dropped sharply over the last half year.

The Department of Agriculture witnesses appeared to be aware of these conditions and the likely prospect that many farmers will be facing liquidation because of severe losses. It was equally clear that the Department is not willing to take any action to improve the market, at least for manufacturing milk.

It also was evident that the Department is not taking a long-range view of the steps needed to keep dairy production at a level adequate to meet anticipated future needs. The 1973 law required that the Department of Agriculture, in setting price supports and establishing milk marketing orders, must set a level which would "meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs."

There is no one who denies the rapid cost increases of producing milk, and yet the administration has been unwilling to act until its recent announcement of hearings on fluid milk.

It also was noted in the hearings that $7 paid to the dairy farmer for his milk translates into $50 at the consumer level. The witnesses and subcommittee members agreed that the FTC study on this price spread should be moved ahead more quickly.

The same story was told time and time again. Action is needed now to recognize the costs of production so that our farmers can continue to produce.

Mr. President, I ask unanimous consent that my statement and that of two Minnesota producers, Don Slinden and Jim Lefebore be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement by Senator Hubert H. Humphrey on Dairy Price Support Hearings

Mr. Chairman, I want to commend you for calling these hearings. I have been pointing out for some time the plight of our dairy farmers in trying to stay in business.

Hearings have already been held by the House on September 24–25, and the Department has announced that hearings on price supports for fluid milk will be held on October 8.

I am hopeful that constructive steps can be taken to save our dairy industry. And these steps should include manufacturing as well as fluid milk.

Our urban consumers have taken inexpensive food and dairy products for granted for many years. The recent increases in food costs are not understood generally, and the American farmer, unfortunately, has been linked by the Administration to the oil producing countries as a major villain in the struggle against inflation.

The dairy farmer has been fighting to meet increased production costs while his milk prices have been going down. It is not generally known, outside agriculture, how serious the problem has become.

One young Clearwater, Minnesota dairy farmer stated recently, "Where are you going to be able to buy milk, butter, cheese and ice cream, and what will be the price if it is available, when all of us dairy farmers have been driven out of business"? The same farmer also indicated, "I am paying 14 cents per pound for the feed I must give my cows, and I am receiving only 6.7 cents per pound for the milk they produce and I sell."

I am told by dairy people that more dairy farmers would be selling off their herds if the present slaughter prices were not so low.

Recent reports from the Minnesota Department of Agriculture indicate that the slaughter of cows is 10 percent above normal, and the slaughter of sows is 7 to 9 percent above normal.

There are so many things wrong for the dairy farmer today that one hardly knows where to start in detailing them. Usually, one can find one or two bright spots, but this year there just aren't any.

Even the weather hasn't cooperated.

Last spring, for example, USDA projected a corn crop of 6.7 billion bushels. By September 1 this had been reduced to just under five billion bushels. And that projection was a little bit "iffy." If certain conditions continued, production would stay at that level.

Since then, however, conditions have changed—and for the worse. On September 2 we had a bad frost in Minnesota, and on September 21 and 22 there was a killing frost through most of the upper midwest. This is going to hit particularly hard because corn was late being planted last spring (due to wet weather) in much of that area, and it needed a late fall to mature. But it didn't get it.

So, the next corn production figure is going to be down even more.

The result is that feed costs will go even higher. Private estimates of the corn crop are now coming in at the 4.6 to 4.8 billion bushel level.

This is fine for the farmer who raises feed, and I'm all for his getting a good return for his product. But if the dairy farmer is to buy that feed, he needs a good return too.

And he's just not getting it.

According to USDA figures, all types of milk sold in the United States this past August averaged $7.57 a hundred pounds. Last March it averaged $8.94.

By contrast, the dairy farmer's *costs* are *higher* than a year ago. Everything the dairy farmer buys is up—some items as much as 300 percent and 400 percent. Costs of production for agriculture in general are estimated to have gone up from 15 to 20 percent in the last year. For dairy farmers, the Minnesota Department of Agriculture estimates that production costs have gone up 39 percent in the past year.

The National Milk Producers Federation has asked farmers from throughout the United States to give them comparisons of farm costs. While figures differed slightly around the country, there was a common pattern among all of them. Costs are up from last year, and they are going to be even higher in 1975.

Superphosphate fertilizer which sold for $125 a year ago is now around $170 (if one can find any) and is expected to hit $250 next year.

Baler twine cost $7–$8 a bale in 1973, is now $33, and is expected to be $50 in 1975.

Diesel fuel cost 23 cents in October 1973. Today it is 39 cents and may reach 60 cents by this time next year.

Tractors which cost $11,000–$12,000 last fall now command $15,000–$16,000.

Labor, according to one of these farm sources, is 15.5 percent above a year ago.

Sixteen percent dairy ration feed has gone from $70 in September 1972, to $120 in September 1973, to $170 this month.

Let's take a further look at that dairy ration cost. Because it is such an important part of the cost of producing milk, there is a definite relationship between what a farmer should get for his milk and what he should pay for his feed. It is known as the milk-feed price ratio and is published each month by the Department of Agriculture.

For a farmer to operate profitably, it is generally accepted that he should be able to buy 170 pounds of feed from the sale of 100 pounds of milk. Some contend that just to break even, he should be able to buy 150 pounds of feed.

In August (according to official USDA figures), the ratio is 1.1 to 1.0. He can buy only 110 pounds of feed with that 100 pounds of milk. This is the worst it has been since August, 1947.

And in some parts of the country, including my own state of Minnesota, farmers tell me that they can't even buy a 100-pound bag of feed from 100 pounds of milk. The ratio is less than even.

In providing the material to the National Milk Producers Federation, some of the producers provided cost figures to produce 100 pounds of milk as determined from official records in their state or from records kept for their own farms. Because of different accounting methods, these are not completely comparable one with another, but they are close enough to show a basic pattern.

Here are some current cost production figures for all classes of milk:

South Carolina	$11.45
Washington	9.66
Colorado	9.71
Texas-Oklahoma	10.08
Wisconsin	8.61
California	8.41
North Central Minnesota	8.00
Iowa	10.77

Though the figures differ from area to area, there was a common conclusion among them. Farmers in that area are receiving $1.50 to $2.00 per hundred pounds of milk *less* than these cost of production figures.

The California farmer—with an $8.41 cost—received $6.84. The Minnesota farmer received $6.25 against his $8.00 cost.

I mention these two specifically because the situation reported by farmers in those states was so bad that even their local bankers were commenting about it.* The Bank of America out in California concurred. In a sampling they made very recently of 182 dairy accounts it was indicated that "approximately 50 percent of the Grade B and 25 percent of the Grade A producers in our area will be unable to continue in business another 12 months if trends continue."

Farmers are selling out. Wisconsin lost 3,200 dairy farms last year. It is estimated that Minnesota has lost 1,500 so far this year. AMPI, the nation's largest dairy cooperative, had 916 of their members sell out in their North Central region, which is basically Iowa and Minnesota, this past year.

But even with all of these negative factors (poor crops, greatly increased costs, reduced milk income), a farmer must still make a hard decision if he wants to sell out because of the great decline in what he can get for his cattle. He has a Hobson's choice of keeping on milking and losing money or selling out and losing money on his sale. Cull cows which a year ago were bringing 40 cents a pound are today returning about half of that. Veal calves which brought 68 cents a pound in July 1973 are today selling at 27 cents a pound.

During the course of this hearing, I am sure we will be hearing similar statements from the farmers who will be testifying.

This cost-price problem isn't the only one we are calling to USDA's attention. Let's take a look, too, at dairy imports.

Let me tell you what's happened to those imports. Remember how we kept pointing out that all of these imports weren't needed—that in the end they were substituting for our own U.S.-produced milk and that eventually some of our production would end up in storage? That's exactly what happened. And USDA's own figures prove it.

This year they tell us that they will import about three billion pounds of milk in the form of manufactured dairy products. As far as imports are concerned 1972 was a fairly representative year, when we imported 1.7 billion pounds of milk equivalent. So this year we are going to import 1.3 billion more pounds than two years ago.

USDA estimates that this year CCC will acquire 1.2 billion pounds of milk products. It means an almost perfect trade-off: Increase imports by 1.3 billion pounds so that the government can take over 1.2 billion pounds.

And, as if that isn't bad enough, after doing that, they tell the American dairy farmer that they can't raise support prices because the government is buying dairy products!

Prior to 1973, the law said that dairy support prices were to be established based on an adequate supply of dairy products on the day they set the support level (normally April 1).

But in 1973, when we wrote the new farm act, we changed that. When it came to price supports and to milk marketing orders, we required that the level be set at a point where it would "meet current needs, reflect changes in the cost of production, and assure a level of farm income *adequate to maintain productive capacity sufficient to meet anticipated future needs.*"

It's about time they live up to that law over in the Department of Agriculture. They haven't adjusted the price support level since last April 1. Based on changes in cost of production, they should do so immediately.

The statement by the Department of Agriculture that they do not need to adjust these figures now because we have an adequate supply of milk will not suffice. It's time USDA started to listen to the farmers and recognize what will happen unless the Department acts promptly.

I have recommended that the price support levels be raised to 90 percent of parity, and I continue to support that position.

I also suggest that consideration be given to having hearings on a quarterly schedule or the establishment of an escalator clause relating prices paid to farmers to production costs.

We cannot ignore the rapid production cost increases and assume that our dairy farmers can continue to absorb them. I have attached further tables to show what has been happening on the production costs. Mr. Chairman, I ask that they be made a part of the record of this hearing.

Attachment 1

Citizens Bank of New Ulm,
New Ulm, Minn.

Mr. Robert F. Griebel
R#2, New Ulm, Minn.

Dear Bob: We in the agricultural segment of banking have become increasingly concerned with the dairy cost-price squeeze.

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*See Attachment 1.

We find it very difficult to work with the young farmer who needs to borrow to start a dairy operation or who needs to purchase replacement cows. Operating costs have gone up rapidly, his dairy income has gone down; placing him in the untenable position of having nothing left to service his loan. In many cases his costs are higher than his gross return, at the present time.

He needs an operating profit or the young dairyman is going to be out of business. I believe that the older small herd operator, who owns his herd, will also be forced out under existing conditions. Too high an overhead for the size of his present operation will force him out rather than to make additional investment, which would not be profitable at present.

Sincerely,

DICK PENGILLY,
Ag. Rep.

ATTACHMENT 2

MILK PRICES RECEIVED BY FARMERS

[In dollars per hundredweight]

	All sold to plants			Manufacturing grade		
	1972	1973	1974	1972	1973	1974
January	6.12	6.56	8.89	5.10	5.40	8.09
February	6.13	6.59	8.92	5.09	5.49	8.14
March	6.02	6.55	8.94	5.06	5.53	8.11
April	5.86	6.43	8.86	4.99	5.57	7.95
May	5.97	6.40	8.25	4.93	5.58	6.93
June	5.72	6.40	7.88	4.89	5.60	6.50
July	5.80	6.56	7.55	4.92	5.67	6.33
August	5.99	7.17	7.57	5.00	6.24	6.41
September	6.21	7.84	------	5.10	6.86	------
October	6.38	8.30	------	5.28	7.42	------
November	6.52	8.65	------	5.44	7.70	------
December	6.54	8.81	------	5.53	7.97	------
Annual average	6.07	7.13	------	5.08	6.16	------

Source: USDA Dairy Situation, May 1974. USDA Agricultural Prices.

ATTACHMENT 3

MILK-FEED PRICE RATIO

	1972	1973 (pounds)	1974
January	1.81	1.55	1.48
February	1.80	1.54	1.46
March	1.77	1.52	1.49
April	1.71	1.52	1.56
May	1.69	1.37	1.48
June	1.66	1.22	1.41
July	1.68	1.29	1.28
August	1.72	1.18	1.10
September	1.75	1.47	----------
October	1.77	1.54	----------
November	1.75	1.61	----------
December	1.64	1.53	----------
Annual average	1.73	1.44	----------

Source: USDA Dairy Situation, May 1974. USDA Agricultural prices.

ATTACHMENT 4

FEED COSTS—14 PERCENT DAIRY FEED

	1972	1973	1974
January	73.00	88.00	127.00
February	73.00	90.00	127.00
March	72.00	92.00	131.00
April	73.00	91.00	129.00
May	73.00	94.00	126.00
June	73.00	99.00	123.00
July	73.00	98.00	125.00
August	73.00	112.00	143.00
September	74.00	113.00	----------
October	76.00	116.00	----------
November	78.00	118.00	----------
December	83.00	122.00	----------
Annual average	74.50	102.75	----------

Source: USDA Agricultural Prices.

ATTACHMENT 5

FEED COSTS—ALFALFA HAY

[Dollars per ton]

	1972	1973	1974
January	40.00	45.80	65.20
February	41.40	46.90	64.90
March	41.10	48.70	65.20
April	40.70	47.70	64.50
May	40.20	45.60	62.40
June	39.10	45.20	60.70
July	38.00	48.10	60.80
August	38.10	51.70	61.90
September	39.40	55.50	----------
October	39.60	59.10	----------
November	40.70	62.60	----------
December	43.50	62.90	----------
Annual average	40.15	51.65	----------

Source: USDA Agricultural Prices.

ATTACHMENT 6

FEED COSTS—SOYBEAN MEAL

[Dollars per hundred pounds]

	1972	1973	1974
	1972	1973	1974
January	5.74	10.40	11.90
February	5.79	11.50	11.40
March	5.94	12.60	10.60
April	6.14	12.10	9.80
May	6.27	15.40	8.75
June	6.32	19.60	8.33
July	6.53	17.00	8.29
August	6.65	18.60	11.40
September	6.80	14.90	----------
October	6.91	13.30	----------
November	7.39	11.20	----------
December	8.95	11.90	----------
Annual average	6.62	14.04	----------

Source: USDA Agricultural Prices.

ATTACHMENT 7

Indices of prices paid by farmers for various items

(1910–14=100)

Commodities and Service interest taxes and wage rates:

1972:	
January	420
February	422
March	423
April	427
May	428
June	432
July	433
August	433
September	437
October	440
November	443
December	449
1972 Average	433
1973:	
January	458
February	465
March	472
April	480
May	488
June	499
July	499
August	516
September	512
October	514
November	518
December	524
1973 Average	495
1974:	
January	538
February	545
March	549
April	562
May	564
June	567
July	573
August	590

ATTACHMENT 8

PRICES RECEIVED BY FARMERS

[Dollars per bushel]

	Corn			Soybeans		
	1972	1973	1974	1972	1973	1974
January	1.09	1.39	2.59	2.92	4.10	5.87
February	1.09	1.35	2.76	3.00	5.49	6.07
March	1.10	1.37	2.68	3.20	6.05	5.96
April	1.13	1.42	2.41	3.37	6.14	5.15
May	1.15	1.61	2.45	3.35	8.27	5.21
June	1.13	1.99	2.57	3.32	10.00	5.13
July	1.14	2.03	2.91	3.34	6.69	6.10
August	1.15	2.68	3.37	3.36	8.99	7.55
September	1.22	2.15	------	3.26	5.81	------
October	1.19	2.17	------	3.13	5.63	------
November	1.17	2.18	------	3.38	5.14	------
December	1.42	2.39	------	3.95	5.65	------
Annual average	1.17	1.89	------	3.30	6.50	------

Source: USDA Agricultural Prices.

STATEMENT OF DON SLINDEN, DAIRYMAN AND DIRECTOR LAND O'LAKES, INC., PRESENTED BEFORE THE SENATE SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING, & STABILIZATION OF PRICES, SEPTEMBER 30, 1973

My name is Donald Slinden and I am a dairyman from Grove City, Minnesota where I farm with my two sons, and I have been farming my entire life.

I am also Secretary-Treasurer of our local creamery at Atwater and a director of both the First District Association of Litchfield, Minnesota, and Land O' Lakes, Inc. which has its main office in Minneapolis.

The three Co-ops that I mentioned, handle, process, and market our dairy products and also supply us with related agricultural inputs.

Our farm is a diversified operation, but we rely heavily on the dairy to take care of our living and operating expenses. We sell manufacturing grade, or B milk. This is the predominant type of dairy operation in my area and in the entire State of Minnesota. Of the 34 thousand dairymen in Minnesota, about three-fourths are Grade B producers, and one-fourth are Grade A.

With this brief background, I will now tell why I came to Washington, D.C., which incidentally is my first time before a congressional committee.

The economic climate for dairy farmers is in an unhealthy state of affairs at this time, and there are three apparent causes for this.

1. Large dairy imports at the time the normal production cycle was rising.
2. High feed costs.
3. Low support prices.

None of these problems were brought on by dairy farmers themselves. We did not ask that a flood of subsidized dairy products be brought into this country. In fact, we have been saying for years that foreign subsidies amount to unfair competition for American dairymen, and that the law on countervailing duties should be enforced. We especially didn't need these imports at a time when runaway inflation was driving up our costs of production. Last year we badly needed higher milk prices, but millions of pounds of imports were brought in to hold the price down.

Dairy farmers did not cause high feed prices. In fact, many of us are buying less feed than usual because we cut back on the number of cows being milked, or cut down on the amount of feed we give each cow. The biggest factor in high feed prices, up to now, has been big exports sales, which we badly need, with help and encouragement from the government. I am in favor of these export sales because grain farmers need a decent income, and our country certainly needs the export business. Now, however, feed stocks are dangerously low with a poor harvest getting underway. Feed prices are not going to come down.

Dairy farmers did not ask for low support prices. A lot of dairymen have written letters to Senators and Congressmen and to the Administration explaining the desperate need for higher supports. We feel that if the export sales that our economy needs were helping to increase feed prices and the government was holding down milk prices by expanding imports, it should also help us survive financially by setting the dairy support price at a decent level.

What dairymen did do over the past two years as things have gone from bad to worse is cut back. In August, Minnesota had 42 thousand less dairy cows than two years ago. That is a drop of more than one cow for each dairyman in the state. If milk prices stay down and production costs stay up, we have to cut our losses as best we can, and that means more cows going to market, less production per cow, some farmers getting out of dairying, and less milk production.

Let me give you some examples of how my costs have gone up. In one year, the price I pay for gasoline has gone up 51 percent and diesel fuel is up 71 percent. Feed has doubled. Machinery prices are rising so fast that it is difficult to get a dealer to even quote a price.

My operating expenses on the farm have gone up, but I also know that the operating expenses of the cooperatives who process and market my milk have gone up. For example, one of our plants reports that operating costs are up 23 percent over a year ago. That means that unless we can get more out of the market for butter, powdered milk and cheese, I get less money on the farm for my milk. The same is true of hauling. My hauler has to pay the same high fuel, equipment, and labor costs that I do, so he needs more to stay in business. I pay 16 percent more for hauling this year than last year. I end up with less money for my milk with which to pay my farm expenses.

All this would be bad enough if last winter's milk price had held at more than $8.00. But as you know, the bottom fell out of milk prices during April, May, and June, and there is little hope of any big improvement. In July, Minnesota Grade B producers averaged only $6.24 per hundredweight. Last March they got $8.01. All of that drop comes out of my pocket.

This set of circumstances adds up to one thing—no profits and big losses. The economists at Land O'Lakes estimate the average Grade B producer is losing almost a dollar a hundredweight at August costs and prices, and that is before he pays himself a cent for his own labor and management.

A lot of things have worked against dairy farmers over the past year or two, but now it seems that Mother Nature herself is against us. Most of the Midwest had a bad crop year due to a wet spring, late planting, and summer drought. Minnesota had these same things, but not quite as bad as places like Iowa or Illinois. Wet weather delayed spring planting in my area to some extent. Then a hot, dry July left a short hay supply and a poor quality oats crop. Corn was not hurt too badly, but it was slow to develop. Then, on September 2 we had a killing frost over a large area of the Midwest. According to the Crop and Livestock Reporting Service, the chance of such an early frost in my area is zero. But we did get frost and it did kill the growing corn, soybeans, and other fall crops. The Crop and Livestock Reporting Service estimates that over 30 percent of the crops were damaged in Central Minnesota.

Needless to say, I am discouraged and so are my neighbors who hope to make a living in the milk business. We know that we are in trouble, and we know that the government has the means to help us out. But it looks to us as though nobody in government cares what happens to us. I hope that is the wrong impression.

The main form of help we need is relief under the dairy price support program. Ninety percent of parity would help and would not generate huge profits to dairymen. This is true because the parity index represents the combination of costs experienced by all farmers. Dairy farmers experience a different combination of costs. The main difference is feed which represents only about 12% of the parity index but accounts for over half a dairyman's production costs.

Ninety percent of parity will benefit all milk producers—Grade A and B producers. This form of relief could be granted immediately by the Administration.

Also dairy farmers would like some guarantee that dairy imports do not hang over them, like a dark threatening cloud, to be allowed into this country again if prices should rise to profitable levels.

We need the help of you gentlemen to get these things done, So far our appeals to the Administration have fallen on deaf ears.

It is important for us to keep the dairy industry in a healthy economic climate, so that we keep and attract young farm boys into it. Dairy farming is hard, demanding work with long hours. There must be a profit incentive or at least enough to cover our cost of production so as to provide some stability to the industry in order to provide an adequate supply of milk to consumers.

I appreciate very much the opportunity you have given me to present our problems. I know I speak for thousands of dairy farmers as I share these concerns with you. I see the picture very plainly and clearly in my community, and I hope that you have been able to understand me and can help us with the solution.

(Testimony of Mr. Jim Lefebvre)

Mr. Chairman, I am Jim Lefebvre of Route 2, Box 355, Elk River, Minnesota. When I returned from the service in 1958 my wife Rita and I formed a partnership with my father in his farm. I purchased his share in 1968 when he retired, in fact, I represent the third generation of farming. My great-grandfather moved here before the turn of the century. I am farming the farm my grandfather moved on in 1900.

We presently own 200 acres and rent another 500 acres of crop land. Our dairy herd presently has 56 cows of which 48 are milking. We have 50 additional head of calves and heifers. We have a family of 5 boys and 1 girl. The three oldest boys are doing the chores and milking so I would be able to be here today. We live about 30 miles northwest of Minneapolis.

Dairying in our area has been declining in the number of dairy farms for the last several years so that today on the road past our place there are only two farms with cows where not too long ago there were seven. And only two of these farms have changed hands. It seems that we dairymen are not doing a very good job of replacing ourselves. I'm not sure that this is relevant to what we are here for today but I feel it is important if we are to be able to continue to supply the consumer with the volume and quality of dairy products he is accustomed to.

The year of 1974 started out as a very bright year for dairymen in Minnesota and Wisconsin. We had just harvested a bumper crop and milk prices were good. Most dairymen in our area produce all or most of the feed for their cows. But as we started to prepare for the new crop year we found prices for fertilizers and seeds had doubled and in some cases tripled. After a cold wet spring our crops were off to a very late start. With a drier than normal July, the crops were even more delayed so that by Labor Day most of the corn was two to three weeks from maturity. At that time we were hit with a severe frost throughout most of Minnesota and Western Wisconsin. A great deal of the corn will not be able to be used for grain but only silage. I estimate my loss of crop at from 20 to 30%. I will not really know until I have finished harvest. This means then that a dairyman who normally raises enough corn for grain to feed his cows will be forced to buy corn which will probably be very high. At any rate it looks as if we've been dealt a double blow of high imput cost in our crops which returned us a poor crop as a result of bad weather forcing us to buy high-priced feed. Another possibility we have, and I know many dairy farmers are considering, is to sell our cows and market the grain rather than to feed the grain to the cows and sell milk. In recent days, since our record frost, the Minneapolis market has moved up steadily until now the current price for corn delivered to the farm is about $3.50 per bushel. Soybean prices have followed about the same pattern causing the price of soybean meal to increase in price very rapidly. Soybean meal is a basic source of protein for dairy cows.

Perhaps I can illustrate better how our imputs increased from 1973 to 1974 with some price comparisons. Fertilizer in 1973 cost $92.00 per ton. In 1974 the same analysis cost $163.00 per ton. Nitrogen fertilizer of which corn is a big user in 1973 cost 5.75 cents per lb.; in 1974 it cost 14 cents per lb. Alfalfa seed, in 50 lb. bags, cost $49.50 in 1973 and in 1974 it cost $93.00. Diesel fuel in July of 1973 was 19.2 cents per gallon and in 1974 it cost 34.2 cents per gallon. Dicalcium phosphate, a feed ingredient I use in my cow feed, went from $6.70 per 100 lb. in 1973 to $10.20 in 1974. Hay price in our area went up during the summer from $40 to $60 per ton when normally it should go down. You can easily see the squeeze that we are in with milk prices declining so rapidly.

Being a member of the Dairy Herd Improvement Association gives me access to a great deal of information about my herd. One point of information is feed cost per 100 lbs. of milk. In July of 1973 feed cost per 100 lbs. of milk was $2.11. By July of 1974 it had risen to $4.27. At the same time the price of milk per 100 lbs. had decreased 5 cents from $6.75 to $6.70 in 1974. This left me with only $2.43 per 100 lbs. to pay all my other expenses such as electricity, taxes, interest, veterinary and maintenance. I had very little left to pay myself any wages or receive any return on my investment.

Many dairymen use the sale of bull calves as a source of additional income. Last year a 125 lb. calf would bring $100.00 and more at a local sales barn. Today this same calf would have a hard time to bring $15.00. Perhaps one thing that kept milk production up through the summer as prices fell was the cheap price dairymen received for cull cows. Many dairymen kept these cows in the milking herd. However, with the cows coming off pasture this fall and a short supply of feed most of these cows will be sold and probably a few extra, unless milk prices improve very soon.

DAIRY FARMERS IN MINNESOTA WHO HAVE QUIT DAIRYING IN 1974

Darrell Shequen, Bertha, Minn., Dorothy Wells, Verndale, Minn., Russell Shequen, Leader, Minn., William Lehman, Eagle Bend, Minn., John Talbott, Bertha, Minn., Paul Van Buren, Staples, Minn.

Caroline Swiontek, Breckenridge, Minn., Bernard Loeks, Campbell, Minn., Raymond Aas, Fergus Falls, Minn., Richard Swiontek, Wahpeton, Minn., George Mikulecky, Ulen, Minn., Chester A. Less, Benson, Minn., Wesley Mierding, Elbow Lake, Minn.

Clifford Nordby, Elbow Lake, Minn., T and H Dairies, Minneapolis, Minn., Perry Roorda, Ypsilanti, Minn., James Schultz, Fergus Falls, Minn., Robert Holzheimer, Fergus Falls, Minn., Mrs. Orvin Hilde, Ulen, Minn., Edwin Putikka, Sebeka, Minn.

Bud Wallenberg, Bertha, Minn., Kenneth Kugler, Erhard, Minn., James Beyer, Kent, Minn., Elmer Olson, Benson, Minn., Donald Lambert, Clinton, Minn., Oscar Swenson, Ponsford, Minn., Delroy Schultz, Appleton, Minn.

Frank & E. Salic, Winnebago, Minn., Howard Simmering, Welcome, Minn., Clifford P. Johnson, Sherburn, Minn., Arnold Deleske, Welcome, Minn., Roland Tietje, Ceylon, Minn., Donald Tietje, Fairmont, Minn., Les Svoboda and Sons, Jackson, Minn., C. J. Fiesen, Mountain Lake, Minn.

Harold Conlin, Jackson, Minn., Robert Olson, Alpha, Minn., Larry Bortvit, Dunnell, Minn., Robert E. Voss, St. James, Minn., Arthur W. Bremer, Fairmont, Minn., Norman Odegaard, Ceylon, Minn., Sell Farm Acct., St. James, Minn., Steven K. Teksten, Odin, Minn.

Gerald Moeller, Welcome, Minn., Donald Vagle, Sherburn, Minn., John L. Reineking, Winnebago, Minn., Raymond Herrndickson, Winnebago, Minn., Connie & Peirson, St. James, Minn., Vincent Flatau, St. James, Minn., Richard Tomlinson, Granada, Minn.

Marland Strusse, Sherburn, Minn., W. Eisenmenger, Welcome, Minn., Dietrich Detert, Dunnell, Minn., Elmer Koehler, Ceylon, Minn., Lawrence Wehner, Fairmont, Minn., Richard Tietje, Ceylon, Minn., Luella Fischer, Granada, Minn.

Adolph Brekken, St. James, Minn., Arthur Fischer, Sleepy Eye, Minn., Mrs. R. Hillesheim, Sleepy Eye, Minn., Meinrad Domeier, New Ulm, Minn., Edwin A. Boeder, Gibbon, Minn., Joseph Hauser, Sleepy Eye, Minn.

Wallace Mecklenberg, New Ulm, Minn., Theo Fluegge, New Ulm, Minn., Joseph Dummer, Gibbon, Minn., Willard Gluth, New Ulm, Minn., Emly Larsen, Winthrop, Minn., Mark Sandag, New Ulm, Minn., John Sondag, New Ulm, Minn.

Ray Holm, New Ulm, Minn., Myron Berg, Winthrop, Minn., Norbert Hauser, Winthrop, Minn., Marvin Karau, St. James, Minn., Elmer Besemer, New Ulm, Minn., Peter Meyer, New Ulm, Minn., Pete De Vlaeminck, Winthrop, Minn., Edwin Braulick, Sleepy Eye, Minn., Bernard Lang, Sleepy Eye, Minn.

Ben Sullivan, Morton, Minn., Marvin Wegner, Lewisville, Minn., Franklin Wirth, Claremont, Minn., Ronald Ross, Claremont, Minn., Schiroo Bros. Dairy, Cosmos, Minn., Russell Olson, Becker, Minn., Bert Wurm, Chaska, Minn.

Glen Benike, Glemco, Minn., Richard & J. Knoll, Cokato, Minn., Reuben Luebke, New Germany, Minn., A and B Sorenson, Northfield, Minn., Eva & Leo Graff, Dundas, Minn., Arthur Groth, Hastings, Minn., Mrs. Marie Dicke, Red Wing, Minn.

Ray Berning, St. Michael, Minn., W or C Giese, Loretto, Minn., Edmund Gold, Minneapolis, Minn., Ronald & H Zummach, Hutchinson, Minn., Leroy Bahrke, Lester Prairie, Minn., Donald Sturges, Hutchinson, Minn., Edwin Henning, Maple Plain, Minn., Milan Hlavacek, Hutchinson, Minn., Edwin Kohls, Hutchinson, Minn., E or G Schultz, Belle Plaine, Minn.

L or D Grambart, Osseo, Minn., Walter Hawkins, Rogers, Minn., J and L Bull, Dundas, Minn., Walter Sorenson, Dennison, Minn., Martin or R. Eberhard, St. Paul, Minn., Burton Bode, Goodhue, Minn., Elmer Johnson, Goodhue, Minn.

Blanche Kallis, Little Falls, Minn., Allen Stritesky, Hutchinson, Minn., H and L Heinecke, Buffalo Lake, Minn., Lulu Vassar, Howard Lake, Minn., John Moss, Maple Lake, Minn., W or M Neumann, Buffalo, Minn., Catherine Rother, Hampton, Minn., Allen Sorteberg, Anoka, Minn., Raymond Kennen, Rush City, Minn., F. M. or F. Voelker, Stillwater, Minn., A & H Graupman, Clencoe, Minn., Ronald Swanson, Browerville, Minn., Clarence Kittleson, Goodhue, Minn., Eldon Roth, Stewart, Minn., Clarence Bodin, Waverly, Minn., Melroy Olson, Zumbrota, Minn.

David Buck, Zumbrota, Minn., Leonard Bleck, Rockford, Minn., Harvey Dahlheimer, Anoka, Minn., Donald Ludeman, Buffalo, Minn., Donald Anderson, Hutchinson, Minn.

Stanley Piasecki, Brainerd, Minn., Wm. Berthiaume, Montrose, Minn., Ernst Pulkrabek, Hutchinson, Minn., A and M Schutte, Osseo, Minn., A or D Graff, Northfield, Minn., P or V Strand, Lindstrom, Minn., Edward Schiltgen, Lake Elmo, Minn.

Frank Altrichter, Randall, Minn., Harold Schroeder, Hutchinson, Minn., Clayton Fobbe, Buffalo, Minn., Palmer Flaaen, Zumbrota, Minn., Ms. W. Spillman, Dennison, Minn., Wallace Henry, Lakeville, Minn., Robert Torbenson, Northfield, Minn., Fred C. Lau, Princeton, Minn., Mrs. A. Senlycki, Little Falls, Minn., Donald Lowe, Little Falls, Minn., Wm. Kurowski, Little Falls, Minn., Alex Stay, Little Falls, Minn.

Harlan Harries, Sherburn, Minn., Kent Allison, Albert Lea, Minn., Gary E. Johnaon, Hayward, Minn., William Walton, Glenville, Minn., C. D. Jones, Hollandale, Minn., Ben Tukua, Alden, Minn., Alek G. Broskoff, Albert Lea, Minn.

Martin T. Hanson, Hayward, Minn., Lamoyne Hiedemann, Albert Lea, Minn., Homer C. Johnson, Austin, Minn., Albert Ebsen, Albert Lea, Minn., Bowman, Degn & Bowman, Hollandale, Minn., Arnold Bangert, Glenville, Minn.

DEPRESSED DAIRY AND LIVESTOCK PRICES

Mr. HUMPHREY. Mr. President, I have become extremely concerned over the plight of our dairy and livestock farmers in trying to make a living and simply stay in business.

Our urban consumers have taken inexpensive food for granted for many years. The recent increases in food costs are not understood generally, and the American farmer, unfortunately, has been linked by the administration to the oil producing countries as a major villain in the inflation struggle.

Meanwhile, the costs of production for the farmer have increased on a rough average from 15 to 20 percent during the past year. For dairy farmers, the percentage increase has been estimated at 39 percent during the past year.

Hearings have been held by the House this week on dairy price supports, the Senate will hold hearings on September 30, and the Department has announced hearings for October 8.

We need price relief for our farmers which takes account of their increased costs of production. As one young Clearwater, Minn., dairy farmer stated recently:

> Where are you going to be able to buy milk, butter, cheese and ice cream, and what will be the price if it is available, when all of us dairy farmers have been driven out of business?

The same farmer also indicated:

> I am paying 14 cents per pound for the feed I must give my cows, and I am receiving only 6.7 cents per pound for the milk they produce and I sell.

I am told by dairy people that more dairy farmers would be selling off their herds if the prices for beef were not so low.

Reports from the Minnesota Department of Agriculture indicate that the slaughter of cows is 10 percent above normal, and the slaughter of sows is 7 to 9 percent above normal.

Mr. President, the facts are not generally known, and we must do a better job of educating the public on these issues. I ask unanimous consent that two news releases from the Minnesota Department of Agriculture and an article from Minnesota Agriculture, "Milk Production Drops to 26-Year Low; Milk Feed Ratio Worst in Years," be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

News Release on the Dairy Industry, Minnesota Department of Agriculture

The problems of America's dairy industry have been far more disastrous for Minnesota's $1.5-billion dairy industry than earlier estimated, and combined with recent weather disasters of unprecedented scope, threatens calamity for that vital industry, Agriculture Commissioner Jon Wefald charged today.

He reported that an official mid-year inventory of Minnesota dairy farms just completed showed that the state was down to an all-time low of 34,198 milk producing farms and revealed the loss of 3,188 such farms in the past fiscal year. A month ago Commissioner Wefald had unofficially estimated the loss of dairy farms at 1,500.

The survey was two months in process by the State-Federal Crop and Livestock Reporting Service, based on actual producer records of every dairy firm buying milk during June from Minnesota farmers.

Commissioner Wefald said the numerical loss of dairy farms in fiscal 1974 was the worst since 1971 and the 8.5% loss it represented was the worst ratio since fiscal 1969. Since mid-1965—just nine years—Minnesota has lost nearly half its dairy farms.

He pointed out that the record date for the inventory minimizes the impact of the summer drought and hail damage on dairy farmer decisions to quit operation. Evaluation of crop losses did not begin until mid-July and have mounted since.

"With the exception of about six months, the last quarter of 1973 and first quarter of 1974, the price farmers have been receiving for milk production has been too low to make a decent living for most of the past 25 years."

"Production costs are skyrocketing out of sight for the dairy farmer right now, because of significant midwest wide weather damage to feed grains and other crops. Reports we are receiving currently from all over Minnesota reflect the sad personal tragedy that is taking place."

"One most recent graphic example," Commissioner Wefald cited, "was the bitter letter from a 21-year old Clearwater dairy farmer whose case is unfortunately typical of practically every young dairy farmer getting started under heavy debt. . . . "He wrote, 'where are you going to be able to buy milk, butter, cheese and ice cream, and what will be the price if it is available, when all of us dairy farmers have been driven out of business?"

Commissioner Wefald said that all consumers should give that young farmer's challenging question serious consideration. Every urban resident whose job is related to the transportation, processing, packaging and distribution of dairy products should give the question strong consideration, too, he added.

The young Clearwater farmer also provided a graphic insight into his problem and that of most other Minnesota dairy farmers at the bottom of the nation's federal milk price index: "I am paying 14 cents per pound for the feed I must give my cows, and I am receiving only 6.7 cents per pound for the milk they produce and I sell."

Commissioner Wefald said that even under normal conditions the dairy farmer is looking at increasing feed costs to maintain milk production through the winter season.

"But the weather has made this fall anything but a normal situation. Between mid-July and mid-August the average Minnesota price for dairy ration jumped 25%, the price the farmer gets for his milk a feeble 1%."

"During the first eight months of 1974 the price of corn increased 40%, oats by 23% and the cost of hay by 42%, while the price the farmer received for milk dropped by 21.5%," Commissioner Wefald quoted official state price average statistics.

A sharp and still developing increase in commercial slaughter of vital milk and meat production resources is writing a new chapter in the 1974 disaster story of livestock producers, Agriculture Commissioner Jon Wefald reported today.

He said that a special survey of industry and federal officials revealed that the Minnesota cow slaughter is 10% above normal and sow slaughter is 7 to 9% above normal. "Cows and sows by and large are the brood stock for future production," he emphasized, adding, "this sell-off is not by choice, but is forced by the unbearable loss situation."

"These examples of the economic crisis our livestock industry is experiencing are bound to have some future impact upon consumer supplies and prices for milk and meat products," Commissioner Wefald stated.

"Dairy and beef cow kill in Minnesota has moved just in two weeks from a normal average of about 30% of the total cattle slaughter to about 40%. Sow slaughter for pork for the week ended September 14th was 20% of the total hog kill, compared to a 13% ratio a year ago, according to actual federal statistics.

"However, the sow kill actually is much stronger than that, according to one federal spokesman—realistically probably about 22% of the total hog slaughter, because a significant volume of light sows actually were counted as butcher hogs. "This is a real problem," Commissioner Wefald suggested, "when you consider that each sow is normally capable of producing 10 to 12 pigs per litter for future pork production."

Commissioner Wefald said that one of the midwest's major packers specializing in the slaughter of dairy cows too large for average commercial plants—generally Holsteins—advised that the increased slaughter marketings of dairy cows is "sharp".

Published federal slaughter statistics do not provide breakouts of separate figures for dairy cows, but combine dairy and beef cows in the same total.

MILK PRODUCTION DROPS TO 26-YEAR LOW; MILK-FEED PRICE RATION WORST IN YEARS

Sixteen Minnesota dairy farmers are part of the National Farmers Union Fly-In this week seeking to impress Washington officials with the urgency of the situation of dairy producers and cattle raisers.

The Minnesotans boarded the Farmers Union plane at Rochester Monday morning and are returning this afternoon (Thursday).

Altogether, some 106 dairymen and livestock producers from 12 states are in the national capital.

In a session at the U.S. Department of Agriculture Tuesday afternoon, the Fly-In Group met with J. Dawson Ahalt, of the U.S.D.A. staff economists group, Keister Adams of ASCS, Herbert L. Forest of the U.S.D.A. Dairy Division; Robert R. Miller, Dairy Economist in the Economic Research Service, and Bob McMillan of the U.S.D.A. Liaison staff.

Just prior to the U.S.D.A. session, it became known that the department has announced that a nationwide hearing to review Class I milk prices would be held in the near future. This was regarded by observers as a diversionary tactic to show that U.S.D.A. was doing something about the dairy situation. One U.S.D.A. official at the Farmers Union session said it was more than a coincidence that the announcement happened at a time when the Farmers Union dairymen were in the city.

At press time, Wednesday afternoon, a select group of 14 farmers was presenting the case at the White House, meeting with Dr. Norman E. Ross, Jr., Associate Director for Agriculture and Human Affairs on the U.S. Domestic Council.

Leading the White House delegation were Roy Holman, Pres. of Utah-Idaho Farmers Union; Jack Rose, President of the Ohio Farmers Union; and Vincent Ritter; vice President of Minnesota Farmers Union.

Earlier in the day, the Minnesota group met with members of the U.S. House from Minnesota and at separate sessions at the offices of Senator Hubert H. Humphrey and Senator Walter F. Mondale.

Armed with profit-and-loss figures from their own operations, the NFU members stressed the difficulties they are having due to inflation and high input costs.

On the dairy side, they posed the real prospect of milk shortages in the months ahead as dairymen are driven out of operation.

Already, it is apparent that U.S. milk production for the year will drop below 114 billion pounds and will be the lowest in 26 years—since 1948.

At the same time that milk prices have sagged, feed costs have advanced and milk-feed ratio has become still more unfavorable.

For August, the return to dairymen on a pound of milk will buy only 1.1 pounds of feed concentrate, down from a figure of 1.29 in July and the worst in several years.

Minnesotans on the Fly-In are:

Jerry Hanlon, Belle Plains; Merle Judes, Sauk Centre; Bert Schwinghammer, Albany; Tom Henrich, Browerville; Knute Nelson, Milica; Jim Hoffman, Milaca; Donald Patnode; Milaca; J. R. Larson; Milaca; Ed Bzdok, Little Falls; Charles Waldo, Winona; Vince Ritter, Chokio; Dennis Larsen, Randall, Gordon MacVey, Barnum; Verner Anderson, New York Mills; and Arlan Kenyon, New York Mills.

THE DEATH OF DR. SAM ORR BLACK

Mr. THURMOND. Mr. President, Dr. Sam Orr Black of Spartanburg, S.C., an eminent man of medicine and a distinguished South Carolinian, died July 23, 1974, at the age of 84.

His long and outstanding service to his community and to his fellow man has benefited the thousands who have sought his help and the rewards of his work and vision will survive for generations yet to come. He and his father and his brother built and operated the Mary Black Hospital in Spartanburg which is today one of the important medical institutions of the area.

While Dr. Black was widely known for his skill as a physician and surgeon and as a great humanitarian, he also was noted civic leader and devoted sportsman. As a dedicated alumnus of Wofford College he served that fine institution in numerous ways. However, one of his most memorable services to Wofford was his annual position as team physician to the football squad. In that capacity, he is well remembered for his sideline duties during games and his demonstrated enthusiasm for the success of his players.

"Dr. Sam," as he was affectionately known, was long recognized for his interest in bird dogs and the field trial competitions which he won throughout this country and in Canada. In that capacity he was recognized among outdoorsmen all over America for the quality of the bird dogs which he raised, trained, and handled in farflung competition.

Although his interests in life were many, he was chiefly a physician who practiced the healing arts and sciences with consummate skill. He was an active member of the South Carolina Medical Association, American College of Surgeons, American Medical Association; and he was a past first vice president of the Southern Medical Association and was a past president of both the Tri-State Medical Association and Surgeons of the Southern Railway.

Since 1971, he had served as president-emeritus of the Mary Black Memorial Hospital medical staff, after his many years of active direction of that outstanding staff.

Dr. Black was born at Wellford, near Spartanburg, a son of the late Dr. Hugh Ratchford Black and Mrs. Mary Louisa Snoddy Black. After graduation from Wofford College in 1911, he was graduated with honors from Jefferson Medical School in Philadelphia. Subsequently, he did postgraduate work at Jefferson Hospital and at the Mayo Clinic in Rochester, Minn.

After military service in World War I, Dr. Black returned to Spartanburg to begin the medical practice which was to mean so much to so many. In joining the family medical team which included his father and brother, the late Dr. Hugh S. Black, the foundation was laid for the outstanding hospital they were to develop.

Mr. President, this was a man of dedication, talent, and compassion. All who knew him or sought his medical service prospered by his expertise in matters of health and in the human understanding with which he conducted himself. He was a man who enjoyed life and participated in it to the fullest while aiming for the goals of worthy achievement. It is an example for each of us to follow.

It is too seldom that people of Dr. Black's caliber and character come along. He will be sorely missed.

Mrs. Thurmond joins me in extending deep sympathy to the family. Surviving are his wife, Mrs. Sallie Marvil Black; a son, Dr. Sam Orr Black, Jr. of Spartanburg; a daughter, Mrs. C. B. Barre, of Campobello, S.C.; a brother, Paul Black of Spartanburg; and two sisters, Miss Rosa Black of Spartanburg, and Mrs. G. Phillips of Dallas, Tex.

Mr. President, at the time of his death a number of articles and editorials appeared in many publications. I ask unanimous consent that four such representative accounts be printed in the RECORD at the conclusion of my remarks, as follows: " 'Dr. Sam' Is Dead; Services Here Today," the Spartanburg Herald, Spartanburg, S.C., July 24, 1974; "Dr. Sam Orr Black Is Dead," the American Field magazine, August 3, 1974; "Dr. Sam Orr Black, Sr.," WSPA-TV, Spartanburg, S.C., July 25, 1974; and "Dr. Black, Sr., An Institution," the Spartanburg Herald, Spartanburg, S.C., July 24, 1974.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Spartanburg Herald, July 24, 1974]

"DR. SAM" IS DEAD; SERVICES HERE TODAY

Dr. Sam Orr Black, Sr., 84, of 516 Sherwood Circle, a practicing physician-surgeon in Spartanburg County since 1919, died Tuesday morning at 4 in Mary Black Memorial Hospital after a long illness.

A native of Wellford, Dr. Black was the son of the late Dr. Hugh Ratchford Black and Mary Louisa Snoddy Black.

He was educated at Sewanee Military

Academy and the Wofford Fitting School, graduated from Wofford College in 1911; and in 1915 graduated with honors from the Jefferson Medical School in Philadelphia.

He received a gold medal for his work in genito-urinary diseases, and another in surgery.

He did post-graduate work at Jefferson Hospital and at the Mayo Clinic where he was personal assistant to Dr. Charlie Mayo.

Dr. Black left the Mayo Clinic to enter military service in World War I, and after the war returned to Spartanburg and began private practice with his father and his brother, the late Dr. Hugh S. Black.

"Dr. Sam," as he was affectionately known to his colleagues and patients, served as medical director of the Spartanburg General Hospital until 1925 when, with his father and brother, he built and operated the Mary Black Hospital on E. Main Street at Oakland Avenue.

The hospital remained in operation there until May 1, 1968, when patients were transferred to the new Mary Black Memorial Hospital on Skylyn Drive. He served as a lifetime member of the Board of Trustees of the hospital.

In 1934, Dr. Black was appointed to the City Board of Health where he served as chairman. He was a member of First Presbyterian Church, Phi Beta Kappa, Wofford Alumni Association, S. C. Medical Association, American College of Surgeons, and the American Medical Association.

He was co-founder and past president of the Wofford Eleven Club; past member of the Board of Trustees of Wofford; past president of the Wofford Alumni Association; past first vice president of the Southern Medical Association; past president of Tri-State Medical Association and Surgeons of Southern Railway.

In 1971, Dr. Black was named president emeritus of the Mary Black Memorial Hospital medical staff.

Surviving are his wife, Mrs. Sallie Marvil Black; Dr. Sam Orr Black Jr. of Spartanburg; daughter, Mrs. C. B. Barre of Campobello; brother, Paul Black of Spartanburg; sisters, Miss Rosa Black of Spartanburg and Mrs. John G. Phillips of Dallas, Tex.

Services 4 today at First Presbyterian Church by Dr. Fred Poag and the Rev. Henry Keating; burial in Greenlawn Memorial Gardens.

Pallbearers: Lou Caggiano, Henry Mitchell Sr., Richard E. Mitchell, Dr. William Bonner, Elton Dixon Crenshaw Jr., Conley Snidow, Bernells Demo, Earle Hormell; honorary escort will be members of the Board of Trustees of Mary Black Memorial Hospital, and Johnny Epps, Johnny Beatty and Arnette Jackson.

Body in church at 3.

In lieu of flowers, memorials may be made to Mary Black Memorial Hospital.

Floyd's Greenlawn Chapel.

[From the American Field magazine, Aug. 3, 1974]

Dr. Sam Orr Black Is Dead

Dr. Sam Orr Black, 85, of Spartanburg, S.C., died at 4:00 A.M. on Tuesday, July 23, The celebrated medico and eminent sportsman had suffered spells of illness, but his passing will be mourned deeply by a community he advanced in many ways and by all his innumerable friends.

Dr. Black, distinguished in appearance, exuding a physical attractiveness and mental alertness, had the gratification of having his son follow in his M.D. footsteps, and the Mary Black Memorial Hospital, a monument to Dr. Sam's mother, will continue to serve Spartanburg as it has for many years. Some readers may recall that there was a big renovation and expansion program for the hospital a few years ago, and it is one of the most modern medical centers in the Southeast.

Dr. Black was a dyed-in-the-wool field trialer, prominent in the bird dog game over a long span of years. His fellow townsman, Robert Z. Cates, also played a big role over several decades, though not so active recently.

Dr. Sam, as he was affectionately known, was an outstanding figure in AFTCA affairs, not so much from an official standpoint as competing in the leading events, wherein he enjoyed a share of success. It is recalled that he won the National Amateur Quail Championship in 1945 with Dr. Sam's Titania. She was from the famous Air Pilot Sammy—Titan's Girl litter. He bred and owned a goodly number of winners and enjoyed handling them himself in amateur competition.

Safari is perhaps the best known of the noted performers which Dr. Black owned. He sold her as a Derby to S. H. Vredenburgh and, as all know, Safari went on to win ten Open championships. Dr. Black was fond of telling why he decided to let Mr. Vredenbergh have "Judy." Because the full details were published previously, it may be said briefly that because Dr. Black had the ill fortune to lose several extraordinary prospects at an early age, he was afraid that his ownership might jinx Safari in one way or another and reluctantly agreed with John S. Gates to let Mr. Vredenburgh have her. But the Spartanburg surgeon never lost his keen interest in and fondness for "Judy."

Deepest condolences are extended to the bereaved family. Funeral services were from the First Presbyterian Church in Spartanburg at 4:00 P.M. on Wednesday, July 24. *Requiescat in pace.*

Dr. Sam Orr Black, Sr.

The passing of Dr. Sam Orr Black, Senior, removes from the Spartanburg scene one of its most gifted citizens and one who made many contributions to the betterment of life in the Piedmont area.

The Mary Black Memorial Hospital stands as a monument to his foresight and to his dedication in providing medical service. Without federal aid he and his associates built a modern facility designed to provide the best and most efficient hospitalization facility available. It was his crowning achievement that he could do this without taxpayers' money.

Next to the hospital, Wofford College was his greatest love. Those who attended the football games at Snyder Field will always remember Dr. Sam on the sidelines administering to the Wofford players who had been hurt and cheering those on the field.

Dr. Sam was a sportsman in the true sense of the word. Bird hunters far and wide knew of his bird dogs who won him many field trials in the United States as well as Canada.

David Lawrence, the noted columnist and publisher spent some time in Spartanburg with his wife whose mother was at the Mary Black Memorial Hospital. Upon returning to Washington, Mr. Lawrence had this to say:

"Dr. Sam Black made my stay in Spartanburg a most enjoyable one despite the sadness of the occasion of my visit. I shall always remember his kindness, his friendliness, and his broad knowledge of what was going on in the world, all of which along with his engaging personality, made him a most enjoyable person to visit."

Those who knew Sam Black knew what David Lawrence was talking about.

[From the Spartanburg Herald, July 24, 1974]

Dr. Black Sr., an Institution

Dr. Sam Orr Black Sr.'s name is closely associated with important institutions in this community.

He, his father and his brother established and nurtured Mary Black Memorial Hospital. Its impressive new facilities are testimony to his vision and dedication.

Wofford College was another beneficiary of his devotion. He was a past member of its Board of Trustees and served as president of the Wofford Alumni Association.

Dr. Black was appointed to the City Board of Health in 1934 and became its long-time chairman and guiding light. He remained chairman until changed needs and functions brought about a merger into the County Health Department in the 1950's.

Through such institutions he served—and, in a real sense, Dr. Black was himself an institution.

Many Wofford football fans will remember his pacing the sidelines, year after year, ministering to the players with fatherly gentleness and urging them to victory.

Countless patients and many others knew him with affection as "Dr. Sam."

He was a man firmly faithful to his beliefs and dedicated to their fulfillment.

THE GENOCIDE CONVENTION AND THE FUTURE

Mr. PROXMIRE. Mr. President, the Genocide Convention is not a move to strengthen the United Nations or any factions within the U.N. at the expense of sovereign, legitimate governments. It is a humane move by decent men and women who cherish humanity and want to provide the necessary protection and safeguards so that all racial, religious, and ethnic groups may exist free of Nazi-type aggression.

The use of genocide by leaders determined to destroy a group of people is a clear threat to world peace. Hitler's attempted extermination of the Jewish people led to a devastating world war. More recently, the alarming starvation tactics of the Nigerian government in Biafra again challenged world stability, although without actually leading to wide-scale warfare involving other nations.

The absense of laws to prevent the immoral conduct of Nazi Germany and Nigeria was strikingly apparent. Unless we support legislation outlawing such barbarous conduct, Mr. President, what recourse shall we have in the future?

I believe that it is imperative that we act now, before it is too late, to ratify the Genocide Convention Accords of 1949.

JOHN J. STARVISH, MASTER SILVERSMITH AND PEWTER CRAFTSMAN

Mr. McINTYRE. Mr. President, during this era of commuters and computers we often forget that our modern business technology has not always been with us. In contrast to today's white collar world our United States has relied on the common working man for its strength. Our early history is a tribute to the small businessman and the individual craftsman.

Their dedication to quality and hard work, and their love of God and country have helped to make America strong throughout its 200 year history. It is always beneficial to stop and look back on these more simple beginnings and honor the men who still cherish this ethic.

I am taking this occasion today to recognize one of these American craftsmen—Mr. John J. Starvish, of Hampton Falls, N.H. Mr. Starvish is a renowned master silversmith and pewter craftsman.

Since age 14, Mr. Starvish has been

developing and learning his craft. And now after 50 years his skills have won for him the deserved acclaim as "the Nation's foremost authority on the restoration of antique pewter" by the Pewter Collectors Club of America.

John Starvish holds a unique position in New Hampshire's and our country's heritage. He is an American craftsman. The artistry and workmanship he displays simply as a matter of personal pride is a wonderful tribute to America's earlier pioneer spirit.

This life style he professes and represents is a glorious and honorable one. New Hampshire is proud to recognize him as a native son.

It gives me great pleasure to honor this gentle and God-fearing man.

Mr. President, in honor of Mr. Starvish I ask unanimous consent to print in the Record these two articles found in the September 25, 1974, Hampton Union, and the September 21, 1969, New Hampshire Sunday News.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Master Pewterer—Hampton Falls Man Proven Expert

(By Bruce Stott)

Hampton Falls.—Up a dirt lane off Drinkwater Road is an old white farmhouse becluttered with artifacts of days gone by. Old cars, rusting farm machinery, aged chicken coops, sheep, cats, and a half a dozen barking German shepherds to scare the bravest. It's the obscure and fascinating home of master pewter and silver repairer John Starvish.

John Starvish invited me in and was a friendly man of 67 with a humble but talkative air. I wandered in and was lost in artifacts and antiques. The rooms were filled, the shelves were filled and the cases were filled with pewter silver and copperpieces. It was the repair shop and retail store for the miraculous Starvish. The shop appeared cluttered, but Starvish with more work than he can handle knew where each piece was and what had to be done to repair it.

In his shop there are silver candlestick holders, goblets, flaggons, a 100 year old pewter church wine mug to hold about two quarts, cruets, spoons, platters, creamers and porringers in glass cases all over the shelves and cabinets.

He mostly repairs and refinishes pewter and silver. When there is time he will "spin" many a lovely pewter stein, spoon or pitcher. Inside the dimly lit shop is a maze of hammers to tap the metal, oddly shaped handmade sticks to remove dents, anvils and more things than I could name.

"Money isn't everything," he said, "it's just the riches of knowledge that come first and then the rest comes along but remember live good, do the best you can, have compassion and charity and you will have peace of mind."

Starvish receives letters and pewter pieces from collectors, or someone with a family heirloom, museums and historians from all over the world. Ledlie Laughlin, a noted connoisseur who has written two books on the subject, sent his collection to Starvish for identification and repair. Laughlin hails him as does the Pewter Collector's of America as the most knowledgeable man on pewter restoration available in the nation.

The miraculous Starvish who lives there with his wife Tessie and has two sons, Chester and John Jr., has been in the business for 45 years. Pewter and silver from any era is not beyond his capability. His vast knowledge of the art combined with literature enable him to work on any piece. He said he had just finished dating and repairing some pewter from 1710 by Samuel Ellis and that in the past he had worked on pieces by Paul Revere.

One fascinating, ornate 200 year old Spanish galleon captured my eye. The silver ship was complete with masts, crew, cannon, halyards and wheels to roll on. He said it took the unknown craftsman years to complete.

Besides making all of his tools with small exceptions, Starvish's other trades are plater, jeweler, clock repairer, shoemaker, and a smith of pewter, brass, copper, silver and gold.

"I'm from the old school," he said, "because I make all my own tools and have all my life. Anyone could do my trade if they set their mind to it, but there isn't a piece I can't do."

At the age of 12 he was using dynamite with his father to clear rocky land or cutting cord on cord of oak with a two man crosscut saw; certainly a man's task not to be scoffed at."

"In 1921, I left school at 14 years old," he said. "That was to clean and fill a Crompton and Knowles nine shuttle loom for $18 a week. Six weeks later I was weaving 12 shuttle curtain cloth for the goodly salary of $28 to $32 a week."

Starvish had always wanted to be a silversmith and at 15 he left weaving for his first chance to be a silversmith for 15 cents an hour or $4.85 a week. He went to the H. L.. Rogers Company for his first chance and his speed and cleverness won him a $2.50 raise a month for the next six months. He weighed 122 pounds, and had to learn quickly while working amidst bigger men.

Starvish was a "90 day wonder" even before the term was coined. After leaving the Rogers Company he went to work between two of the best European silversmiths for the Gorham Silver Co. At the end of 90 days he could do practically everything they could do.

He related a story about a race he won soldering 257 bottoms on "sugarers" per hour. The bets were going back and forth in the gallery behind him and he was the underdog being smaller. By hour's end he had beat the competition by seven and won a five dollar bet.

Right off, he led me through the long history of pewter and I found my imagination marching with the Roman Legions to the mines of Cornwall in early England to discover tin for pewter. Or I became a guild apprentice in the 1300s guarding the "mystery and well kept secret of pewter."

The master would live upstairs over the shop with his apprentices and work in the back of the shop during the day with the curtains closed.

Six varieties of workers perfected their trade in the guilds then. A hammerer to hammer and harden a cast piece, a hollow ware man to work and shape vessels and goblets, a sadware man to make plates and a trifle man who by the sense of the word made little items like buttons and buckles. Lastly there was the spoon maker who made spoons and then forks which evolved in 1380.

According to Starvish, pewter was 80 percent tin and 20 percent lead in the old days. The lead was used to darken and harden a piece. In the early days pewter was heavy cast and soft and an old piece today would be thin with wear.

Pewterers used to cast the pewter in sand and wood and even melted cannon balls for moulds. With a wealth of knowledge, Starvish talked of Shakespearian times when lead substituted with brass or copper to mix with tin. Pewter made by the guilds in the 1300s was professional and was never below 80 percent tin. Today pewter is 90 percent tin and 10 percent lead or all tin and hardened with antimony.

If I wasn't traveling through history of pewter, I was laughing and enjoying his vivacious talk.

"I had platinum gold hair and all the girls were after me and my hair," he said. "I couldn't take that for long so I prayed to God to change the hair color and stop the pestering. Sure enough, it started to change and I was safe."

The saving grace for him, he says is his undying belief and faith in God. He claims to have seen many miracles in his life.

"There are miracles in God, young man, and in the power of the Holy Spirit," he said.

As I left thinking over the whole intriguing conversation he waved saying "keep the faith."

Learned 35 Trades by Age 19:—NH Man Is Master Craftsman in Silver and Pewter

(By George Michael)

Tucked away on a side road in Hampton Falls is perhaps one of New Hampshire's most competent craftsmen. His work is done on a national scale in the fields of pewter and silver, both in the repair and cleaning of it, and also in the making of it. John Starvish is a native of Fall River, Mass., where as a boy, one in a family of 12 children, he soon learned he was clever with his hands and turned this talent to the profession he enjoys today.

John started out to earn his living as a young lad as a weaver of cloth as this was the work that paid best at that time. He earned $25 a week, due to his ability to work much faster than those around him. One night after a trip to a theatre to see one of our early Westerns he stopped at the front of a jewelry store on the way home. Fascinated by what he saw in the windows, he determined then to give up his loom in favor of a hammer and soldering iron; a decision which has led him to do work for some of this country's best known collectors and antiquarians.

He was a master of 35 trades before age 19, and says he could earn his living at any one of them today. In 1921, he approached the Rogers Silver Co. in Taunton and did his first commercial work there in the field of metals. Later, he went to the Gorham Silver Co. in search of more pay. During his first six months at Rogers he was paid at the rate of 15c an hour or $4.85 per week, quite a comedown from his weaving days. At Gorham, they challenged his ability to produce, so he asked to be put between their two best silver workers to learn what he had to do, and he would show them. He did; in 90 days he was outproducing both of them with work on a par, if not better.

As a kid in knee pants, standing just 5'1'', at age 19, he boarded the Fall River Line Steamer one night and made his way to New York to work for Bernard Rice and Sons, Silversmiths. Cocktail shakers were a big item, then, and he was taught to solder on the spouts and handles. The regular rate for workers was to finish 35 to 37 shakers in an hour. John soon was turning out more than 40 an hour. For this effort, they paid him 10c an hour more than the other workers, which was a company secret.

Eventually, he worked for 38 different companies, experimenting with new techniques, making jewelry, and still working with his first love, silver and pewter. He became an expert in plating, sand bobbing, hand raising, finishing and rebuilding. Soon he worked for the love of his craft with less thought to the money he made from it. The day when he finally went on his own, and began doing private work for such collectors as Ledlie Laughlin, who has written a two-volume treatise on pewter, and Carl Jacobs who was considered at one time to be the biggest pewter collector in our country.

The oldest piece on which he has worked is a piece made by Dolbert, in this country; it was dated 1690. It was brought from Chicago for restoration and cleaning. Another important piece on which he has worked is a teapot which has been owned by John Hancock. Its restoration took three days, as it was engraved, and in cleaning, all the sharp lines must be left intact, so great care was taken.

METAL CONTENT

The old pewter was composed generally of 90 per cent tin; 5 to 7 percent lead and the remainder in other alloys, such as copper and antimony. The French and Dutch used more lead, hence the duller color of the metal. In repairing a piece, John has to judge the quality and content of the old metal and make some up according to his estimated formula, so it will look like the old.

As the piece is neglected through the years, it will pit and corrode, and it is in this condition that he often receives it for his expert care. He recommends if a piece is old and valuable that it be cared for professionally. Certain harsh acids and other ingredients are necessary for proper cleaning, and it is not advisable for just anyone to use them. Regular pewter cleaning compounds do nothing for the old scale and corrosion.

His feeling is that the pewter of today is not of as good quality as it was years ago, and cautions, as long time collectors know, that if the word pewter is spelled out on a piece it is not old enough to be an antique collectible.

PLATING METHODS

Mr. Starvish does his own plating of silver, and revealed some interesting sidelights about this craft. The triple and quadruple plating which was done years ago is no longer a practice of the profession. This was done years ago before sophisticated electric plating equipment was invented.

Roberts Brothers pioneered in electroplating between 1845 and 1850; the technique having been learned in England. This would have to be dipped into the electrified solution several times to build up the silver coating on a piece slowly, as leaving it in too long would create an improper buildup, so it had to be taken out three or four times and scratch brushed between each plating. Today, as during the 1880–1885 period when rheostats came into use, silvermakers dip the piece in but once, controlling the flow of electricity which in turn controls the buildup of silverplate.

Some think that only white metal was silver plated, but Mr. Starvish disproves this by saying that many pieces were brass or copper which were first nickel plated and then done with silver. For documentation, he suggests good books which have the hallmarks and touchmarks which make indentification fairly easy.

BUS AS WORKSHOP

Back in 1956, Mr. Starvish experienced a disastrous fire, which nearly put him out of business as he had no insurance. Needing a building in which he could work he purchased an old bus at auction, and converted it to a workshop. Gradually, other buildings followed, and now he is very much in business taking care of the nation's best pewter. He is busy making his own items and has developed his own touchmark for future antiquarians to study.

Though this is a craft with not too much monetary reward, it is one which will keep anyone fully employed at all times, which might serve as inspiration to younger people who feel there are too few fields of personal endeavor which they can master. The world will beat a path to the door of a fine craftsman—Mr. Starvish is living proof of that.

ANNUAL BLESSING OF THE FLEET: ST. CLEMENTS ISLAND

Mr. MATHIAS. Mr. President, St. Clements Island in the Potomac River is the place where the founders of Maryland first landed in 1634 after their voyage across the Atlantic in the *Ark* and the *Dove*. Yesterday, September 29, it was my pleasure to visit St. Clements with Mrs. Mathias and our sons, Charlie and Rob, in company with Governor and Mrs. Marvin Mandel, Representative and Mrs. ROBERT BAUMAN and Attorney General and Mrs. Francis Burch.

The occasion was the annual blessing of the fleet which was preceded by a Mass celebrated by the Most Reverend Thomas W. Lyons, Auxiliary Bishop of Washington. The program featured an historical presentation recalling the landing of the colonists. The proceedings were conducted by Mr. William Kemp, president of the Optimist Club of the Seventh District. The invocation was offered by the Reverend Joseph McDowell, Rector of All Saints' Episcopal Church in Oakley, Md. Music for the occasion was provided by the Chopticon High School and the Esperanza Middle School.

The credit for the arrangements must be given to the Optimist Club of the Seventh District which has undertaken the sponsorship of the ceremony for a number of years. In carrying out this responsibility, the Optimist Club has accomplished several important goals. It has brought national attention to the history of St. Mary's County which is not only the mother county of Maryland but also the first home of religious toleration in America. The Optimist Club has also provided an opportunity for thousands to enjoy a unique experience at this historic spot.

Beyond all that, the ceremony on St. Clement's Island has given the island itself a new lease on life. After being inhabited for 300 years, the island is seriously threatened with erosion. Through their efforts the Optimists are helping to renew interest in the island and in the fight to protect it against the effects of weather and of erosion.

St. Clement's is a place of beginnings. It was there that the State of Maryland began. The Mass celebrated there Sunday carried the message, as does all religion, of course, that man is given the privilege of making new beginnings wherever he is prepared to do so. Just as this is true of the fishing vessels assembled at St. Clement's which make a new beginning with each voyage, so it is true of both our State and our Nation which just now seemed to be in need of a new beginning. The lessons learned at St. Clement's Island are valuable everywhere.

I ask unanimous consent to have printed in the RECORD "A History of St. Clement's Island" by Edwin W. Beitzell, which was included as part of the program published by the Optimist Club of the Seventh District.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A HISTORY OF ST. CLEMENT'S ISLAND

(By Edwin W. Beitzell)

". . . . . Then on the 3 of March, 1634 we came into Chesapeake bay, at the mouth of Patomecke. This baye is the most delightfull water I ever saw, between two sweet landes, with a channell 4:5:6:7: and 8 fathoms deepe, some 10 leagues broad, at time of yeare full of fish, yet it doth yeeld to Patomecke, wch we have made St. Gregories. This is the sweetest and greatest river I have seene, so that the Thames in England is but a little finger to it, but solid firme ground, with great variety of woode, not choaked up with undershrubs, but commonly so farre distant from each other as a coach and fower horses may travale without molestation." Thus wrote Father Andrew White, S. J., in his "Relatio Itineris in Marylandiam" (commonly called Father White's Brief Relation) of the settlement of Maryland in 1634. In this relation Father White described the first voyage of settlers coming from England into Lord Baltimore's newly established colony, Terre Mariae, which 142 years was to become the state of Maryland. In 1634, the Potomac River had been explored by only a few white men and no settlement of colonists had yet been made upon its shores. Into the great river sailed two ships, the Ark and the Dove, carrying about twenty gentlemen, some three hundred laboring men, and two Jesuit priests and a lay-brother of the Jesuit Order. Father White's Relation continues as follows: "At our first comeing we found (as we were told) all in armes: the king of Pascatoway had drawne together 500 bowmen, great fires were made by night over all the Country, and the biggnesse of our ship made the reporte, we came in a Canow as bigg as an Island, with so many men, as trees were in a wood, with great terrour unto them all. Thus we sailed some 20 leagues up the river to Herne-Island, so called for infinite swarmes of hernes (herons) theron. This we called St. Clements, here we first came ashoare; here by the overturning of a shallop we had allmost lost our mades which wee brought along. The linnen they went to wash was much of it lost, which is no small matter in these partes. The ground is heare, as in very many places, covered with pokiberries (a little wilde walnut hard of shell, but with a sweet kernell), with ackhornes, black walnut, cedar, saxafras, vines, sallad-herbes, and such like. It is not above 400 acres. (Due to erosion over the years, the Island now contains only about 40 acres), and therefore too little to seat upon for us: therefore they have designed it for a fort to Command the river, meaning to raise another on the maine land against it, and soe to keep the river from foreigne trade, here being the narrowest of the river. In this place on our b: (lessed) Ladies day (March 25, 1634), in lent, we first offered (the sacrifice of the mass), erected a crosse, and with devotion tooke solemne possession of the Country."

Undoubtedly, as part of the ceremonies in taking formal possesstion of the land, and as was the custom of the times, Lord Baltimore's instructions dated November 13, 1633, were read to the colonists at this time. The first article reads: (Narratives of Early Maryland by Clayton C. Hall.)

"His Lopp requires his said Governor (Leonard Calvert) and Commissioners (Jerome Hawley and Thomas Cornwaleys) that in their voyage to Maryland they be very carefull to preserve unity and peace amongst all the passengers on Shipp-board, and that they suffer no scandall nor offence to be given to any of the Protestants, whereby any just complaint may heereafter be made by them . . . . . and that for that end, they cause all Acts of Romane Catholique Religion to be done as privately as may be, and that they instruct all the Romane Catholiques to be silent upon all occasions of discourse concerning matters of Religion; and that the said Governor and Commissioners treate the Protestants with as much mildness and favor as Justice will permitt. And this to be observed at Land as well as at Sea."

In a pamphlet, "A Relation of Maryland," published in London in 1635 (also attributed to Father White or based on his original account), the first landing on St. Clement's Island is described in the following words: ". . . They sayled up the (Patowmeck River), till they came to Heron Island, which is about 14 leagues, and there came to an Anchor under an Island neere unto it, which they called S. Clements where they set up a Crosse, and took possession of this Country for our Saviour, and for our Soveraigne Lord the King of England. Heere the Governor thought fit for the ship to stay, until hee had discovered more of the Countrey. . . . Whilest the Governor was abroad, the neighbouring Indians, where the ship lay, began to cast off fears, and to come to their Court of guard, which they kept night and day upon Saint Clements Ile, partly to defend their barge, which was brought in pieces out of England, and there made up; and partly to defend their men which were imployed in felling of trees and cleaving pales for a Palizado, and at last they ventured to come aboard the ship."

In Father White's Relation this passage reads: "Whilest our governor was abroad, the Indians began to loose feare and come to our coart of guarde and sometimes aboard our shipp, wondering where that tree should grow, out of which so great a canow should be hewen, supposing it all of one peeec, as their canows used to be. They trembled to heare our ordinance thinking them fearefuller then any thunder they had ever heard."

After the permanent settlement was established on the St. Mary's River, Lord Baltimore, under the date of August 8, 1636, granted St. Clement's Island to Thomas Gerard as a part of a 1,030 acre Manor of St. Clement's on the mainland. The deed was confirmed and issued on November 3, 1639, and reads in part as follows: "Cecilius—By the Grant of our Sovereign Lord, Charles, . . . do Grant and Confirm unto the said Thomas Gerard, his heirs and assignees forever, all that tract of land lying over against St. Clement's Island, in the River Potomac and enclosed by the said river on the south side, St. Patrick's Creek on the north, St. Catherines Creek (White's Neck Creek) on the west, and all the line drawn from the head of St. Catherines Creek, through the woods to the nearest bank of St. Patrick's Creek and likewise the said Island, over against the said creek, called St. Clements Island. The said neck and island containing 1,030 acres. . . . (See genealogy of the Gerard and Cheseldine Families by Edwin W. Beitzell.)

Thomas Gerard, a physician, became very prominent in the Maryland colony and was a member of Lord Baltimore's Council for many years. He continued to acquire land and at the time of his death in 1673, his Manor of St. Clement's extended from the head of St. Clement's Bay over to the Wicomico River and comprised about 20,000 acres of land. In addition he owned Basford and Westwood Manors in St. Mary's County and a 3,500-acre estate in the Northern Neck of Virginia. Three of his daughters married prominent Marylanders and four, likewise, married prominent Virginians in the Northern Neck.

In 1669, Gerard's daughter, Elizabeth, married Nehemiah Blackistone and she was given as Dowry St. Clement's Island, Longworth Point (now known as Colton Point) and Dare's Neck (about 400 acres of land).

On March 20, 1639, Lord Baltimore erected St. Clement's Hundred and appointed Thomas Gerard the Conservator of the Peach within the Hundred. Included in his powers was the provision to punish ". . . any offendors against our said rights and specially such as shall destroy or disturb our game of herons upon Heron Island, by unlawful taking either of the fowl or eggs or by shooting upon or near the said Island." This was undoubtedly the first game conservation law in Maryland.

There are many descendants of Thomas Gerard still living on both sides of the Potomac River. He had a family of three sons and at least seven daughters and the family was independent, prolific, active and noisy—so much so that St. Clement's Manor became known as "Bedlam Neck," an appellation that continues even today, with good reason.

East of St. Clement's Island lies Heron Island, a sand bar, mentioned together with St. Clement's Island by Father White. Heron Island continues to be about as it was in 1634. Most of it is invisible at high tide. It is a favorite spot for herons, swan, geese, ducks and gulls. It is a good clam, oyster and fishing ground.

Father White mentioned in his Relation that the ". . . men were employed in felling trees and cleaving pales for a pallisade . . ." and that they had ". . . designed it (the island) for a fort to command the river . . ." If the fort was completed, the same fate overtook this fort as happened in St. Mary's River and any guns left there must now be in fairly deep water, a considerable distance from the shore. It is interesting to note that an ancient record in the Maryland Jesuit archives states that Father White established a mission at White's Neck (probably named for him) which is northwest of St. Clement's Island in St. Katherine's Sound, a few miles away. It was from here, and the nearby creeks of St. Patrick's and Canoe Neck, that the Indians first came to visit the Pilgrims on the Island. All of this area is now in the confines of Holy Angels Parish.

Although one cannnot be certain, it is likely that St. Clement's Island was inhabited from early times and it has been included in the tax records since 1793 and perhaps earlier. Richard Ingle and his freebooters were anchored at the Island at the time of his traitorious utterances against the King during the time of Cromwell and the Civil War in England. Thomas Gerard and his son-in-law, William Hardidge, testified aganst him. Gerard was amply repaid by Ingle later when he burned Gerard's home at Longworth Point and made off with most of his possessions. The Island undoubtedly provided Ingle with an excellent base of operations until he had completely subdued the colony.

During the Revolutionary War, the Island was used by the British as a base of operations. One account of the British depredations along the Potomac River waterfront states that on June 13, 1781, a Brig with two schooners appeared off the mouth of St. Clement's Bay, and landed two barges loaded with men at Mr. Nehemiah Herbert Blackistone's House (at Longworth Point) which they burned, and that they carried Mr. Blackistone away with them. In this war, as in the War of 1812, the British blockaded the Chesapeake, the Patuxent and the Potomac and continued to burn, sack and loot the waterfront plantations to feed their crews and enrich themselves. These seamen, the scum of the European waterfronts, who often could not be controlled by their officers, gave our Tidewater people a very miserable time, to say the least.

During the War of 1812, a newspaper of the times (Daily National Intelligence) reports that on July 21, 1813, several British ships had taken possession of Blackistone's and Cheseldine's (St. Katherine's) Islands where they had sunk wells for water. There is little doubt that they continued to use these natural fortresses until the end of the war. It was from here on August 27, 1814, that Admiral Cockburn, with 1,200 marines and 40 sailors landed on the farm of John Kilgour at the mouth of St. Clement's Bay and systematically sacked the whole area.

Admiral Cockburn recorded in the ship's log that he proceeded up St. Clement's Bay and at one point was fired upon from a farm house. He returned the fire, landed and burned the place. The writer has in his possession a small cannonball which was found several years ago on his place about 3 miles up St. Clement's Bay. It is believed that this was one of Admiral Cockburn's cannonballs. These barges, used for landing, were armed with small cannon which could outshoot the Militia's muskets so that the British had little difficulty in landing where they pleased.

St. Clement's Island remained in possession of the Blackistone Family for 162 years when John Blackistone sold it to Richard H. Miles on August 2, 1831, who in turn sold it to John M. Goldsmith on April 27, 1836. Goldsmith remained in possession of the Island until 1850 when it was sold on February 6 to satisfy his debts. The purchaser was Benjamin G. Harris, who was in possession for only a month when he traded it to Dr. Joseph L. McWilliams on March 7, 1850 for a tract of land called White Plains, in lower St. Mary's County. Over the many years that the Island was owned by generations of the Blackistone Family it came generally to be called Blakistone Island, but about 1960 the U.S. Coast and Geodetic Survey restored the original name of St. Clement's on the charts of the Potomac River (Deed Records, Court House, Leonardtown Maryland Libers J. H. No. 9 f. 119; and No. 10 f. 482; W. J. M. No. 2 f. 206, 209.)

Dr. McWilliams married Eliza Susanna Alvey and raised a family of eleven children. He seems to have practiced medicine very little after coming to the Island except for handling an emergency case now and then. He kept a very complete diary during the years 1868 to 1875 which gives an excellent picture of life in St. Mary's County after the Civil War (published in the Chronicles of St. Mary's, the official monthly of the St. Mary's County Historical Society).

On August 14, 1848, the U.S. Congress appropriated $3,500 to erect a lighthouse on the south end of the Island and on April 25, 1850 Dr. McWilliams sold 2 3/5 acres of ground for the site. (See Deed Record, W. J. M. No. 2, f. 211). The lighthouse was completed and the light first shown on November 13, 1851. The Keepers of the St. Clement's Island lighthouse were as follows:

1851—Isaac Wood.
1853—George Goddard.
1855—George Hackett.
1859—Jerome L. McWilliams.
1868—Dr. Jos. L. McWilliams.
1875—Mrs. Josephine McW. Freeman.
1912—William M. Freeman, Jr.
1913—Leonard H. Staubly.
1917—F. E. Butterfield, Jr.
1918—Wm. Simpson.
1919—Wm. Yeatman.
1920–1932—Leonard H. Staubly.

Jerome McWilliams and Mrs. Josephine Freeman were the son and daughter of Dr. McWilliams. It appears that while Jerome and the Doctor drew the pay checks ($140 per quarter in 1870), the ladies of the household did most of the light-keeping and the men were busy on other matters. Josephine Freeman has the distinction of being one of the few lady lighthouse keepers on the Potomac and perhaps had the longest tenure in the service, some 37 years. She also kept an interesting diary during the years 1903–1905 and 1910–1911.

Mrs. Mary Butterfield, wife of Frank E. (John) Butterfield, has said she loved her life on the Island (1916–1928) but her year of living in the lighthouse was one of her less desirable experiences as the quarters were cold and drafty in winter and somewhat noisy when the fog bell was in operation. She, like other wives did quite a bit of the keeper's chores.

Mr. Leonard H. Staubly, during his service on the Island in 1917 and in the absence of his family, whiled away some of the hours by writing the words to the song "I'll Go Back With You, My Loved One, To Your Dear Old Southern Home", which were set to music by E. S. S. Huntington. A copy of the song is in the Archives of the 7th District Optimist Club.

During the War Between the States the Confederates raided the Island on May 19, 1865 with the intent of destroying the lighthouse. There is considerable variance between the stories of Captain John W. Goldsmith, a former owner of the Island, who led the raid and Commander Foxhall A. Parker of the Federal Potomac Flotilla. Commander Parker, of course, minimized the damage and probably Captain Goldsmith maximized a bit so that the truth is somewhere in between. In any event, Goldsmith, who was a St. Mary's Countian, and whose home, Enfield, was located on St. Patrick's Creek (now owned by the Kopel Marina) had crossed the Potomac and joined the Confederate Service.

On the night of May 19, 1864, in a 30 foot sailboat, "The Swan", Goldsmith landed on the Island, destroyed the lens and the lamp and made off with the oil. It had been his intention to dynamite the lighthouse, but the keeper's wife, Mrs. Jerome McWilliams, was expecting a baby and her time was near. Jerome, who knew Goldsmith, pleaded his wife's condition and that her life would be endangered if moved, so Goldsmith abandoned this part of the plan.

A story is told that Goldsmith proposed to take McWilliams away as a prisoner of war but was frustrated by Mrs. McWilliams, who insisted that he take her too. The story goes on to relate that after the Confederates had left the Island, Mrs. McWilliams, with the assistance of her sister-in-law, Emily McWilliams, placed a lamp in the tower until the Federal forces were able to repair the light. Mr. Roy McWilliams, a grandson of the Doctor, states that Emily was the real keeper of the light during the years that her fater was in charge. He also says that after Goldsmith wrecked the light, several white Union guardsmen were put on the Island, but they were so unruly and troublesome, they were replaced by a guard unit of blacks.

Times were difficult in St. Mary's County following the Civil War, when most of the Planters were bankrupt and without slaves to work the land. Dr. McWilliams was hard put to support his household of about 20, people including grandchildren, a housekeeper, a nurse, and several black workers. In 1868 with the aid of his sons, Jerome, Ecklistone and Clinton, he built a steamboat wharf on the north end of the Island and several of the River Steamers stopped there, notably the Express which was lost in the hurricane of 1878 near Point Lookout, with considerable loss of life (see Chronicles of St. Mary's, Vol. 13, No. 10). With the steamboats he soon had a number of "summer boarders", enlarged his home, built a bath house, dining hall and several cottages and this business thrived. He also entertained many hunters during the winter months and had duck blinds on both ends of Heron Island Bar. He and his sons farmed the Island raising tobacco, corn, oats, sweet and irish potatoes and they had a peach orchard of over 1,000 trees. Much of this produce was shipped out by steamer. Each of the sons had a sail boat and Jerome, a sloop, the Mary Ann. They oystered and often would sail a sloop load of oysters to Washington. In season, they fished gill nets and hauled a seine and shot geese, swan and ducks for market, again utilizing the steamers to get their products to market in Baltimore and Washington. Jerome got an occasional job as a River pilot and completed his own home on the Island in 1874.

In 1883 Doctor McWilliams subdivided the Island into 34 sections of about 7 lots each and put them up for sale through Charles C. Lancaster, an attorney in Washington, D.C. The plan was quite pretentious—streets were laid out running from West to East with such names as Dukehart, St. George, McWilliams, Lancaster, Plowden, Bretton, Morgan, and Phillips. The center of the Island was designated as Washington Park, and the avenues, running from North to South, were named Wicomico, St. Clement's, Patuxent, St. Mary's, Potomac, and Patapsco. A brick hotel was built, run by a Mr. Delahay (who later lived on Bretton Bay), and more cottages were built and people from Baltimore and Washington flocked to the Island for some years. The Abner Drury Brewing Company operated perhaps in Washington Park. The Brewing a beer garden there (pieces of china bearing the name have been found on the west shore Company promoted excursions from Washington and beer, boating, swimming, fishing, steamed crabs and oyster scalds were enjoyed.

Although Dr. McWilliams rented a number of concessions on the Island and sold off a few lots his efforts to develop the Island were unsuccessful and the property was mortgaged. Some years after his death, Robert C. Combs, Mortgagee, sold the Island on default to Fenton A. Dennison of Washington, D.C., for $3,200 in 1896. At this time a survey showed that the Island contained something over 100 acres, although earlier tax records had shown only 90 acres.[1] Excepting some lots, the main portion of the Island, 91½ acres, was owned successively by Mary E., and Charles A. Swann from 1898 to 1903, and by Edward S. and Annie Chase of Rahway, N.J. from 1904 to 1909, who sold the Island to Mrs. Katie E. Butterfield, wife of Frank E. Butterfield Sr. of Washington, D.C. The Island contained some 97½ acres at this time.

Because the old McWilliams' homes and cottages had deteriorated Mr. Frank E. Butterfield built a new home and three new cottages on the Northeast end of the Island. A new barn and outbuildings also were built and a small tomato canning factory near the wharf was operated by the Butterfield Family. (see sketch) In between the Butterfield home and the houses of Dr. Rauterberg stood the home of the Edgertons, whose son, James C. Edgerton, flew the first airmail from Philadelphia to Washington on May 15, 1918.

The Island was sold to the United States in 1919, pursuant to an Act of Congress dated April 26, 1918. Capt. "John" (F. E.) Butterfield, Jr., had farmed the Island and ran a very fine machine shop there for many years. His services were always in great demand by the Rivermen. After the sale of the Island to the Government, Capt. Butterfield became an employee of the Navy Department and part of his duties included looking after the Island. He and his family continued to live on the Island until 1928 when they moved to the mainland on Colton Point. During the later years he maintained a flock of sheep on the Island, Mrs. Mary Butterfield states that when she went to live on the Island as a bride in 1916 the foundation of the old hotel was clearly discernible and an old house, perhaps one of the McWilliams homes, was then partly over the east bank and later disappeared. When the Government took over they destroyed the fine fruit orchard of the Butterfields, and many other trees and filled the pond in order to make a landing field on the Island. This, undoubtedly hastened the erosion that so greatly reduced the size of the Island in a few years. She has very kindly furnished a picture of some old houses on the east bank and drawn a sketch of the buildings on the Island about 1916.

Dr. McWilliams recorded in his diary the making of gravel and oyster shell roads in 1870. Today not a trace of these roads or any of the many buildings remains. There are many entries in the diary of Mrs. Josephine McWilliams Freeman in 1905 in which she records walking up to the old home from the Light House. Possibly one of the houses pictured on this page was her old home, built by Dr. Joseph L. McWilliams.

In 1934 on the 300th Anniversary of the founding of Maryland, Governor Albert C. Ritchie, dedicated the 40 foot commemorative cross on the Island. The event was appropriately observed at St. Mary's City and in Baltimore.

During both World Wars I and II the Navy Department utilized the Island for Naval purposes in protecting the Potomac River approach to Washington, and also in connection with the gun testing program conducted by the Dahlgren Naval Proving Grounds. Mr. Robert D. Blackistone, a direct descendant of the first Nehemiah Blackistone, leased old St. Clement's from the Navy for several years after World War II. Mr. Blackistone was motivated in securing the lease to preserve this, our most historic landmark, until action could be taken to assure its continued preservation.

At the time of the sale, in 1919, the Island, including the lighthouse site, totaled 66 acres. It is doubtful that more than 40 acres remain today. In 1932 the Government discontinued the use of the lighthouse. On July 18, 1956, the old lighthouse was destroyed by fire. Some say that lightning caused the fire but others say it was the deliberate act of a vandal. Later, because of the hazard to picnickers on the Island, the Navy dynamited the bricks walls of the charred shell, which was a great pity since it would have been possible to restore it.

For almost twenty years, interested members of the St. Mary's County Historical Society endeavored to save historic St. Clement's Island from disappearing through erosion. In March 1962, their efforts were rewarded when the U.S. Government returned the Island to the State of Maryland.

On July 24, 1963 representatives of the St. Mary's County Historical Society and of the Maryland Department of Inland Fish and Game met on the Island and it was agreed that approximately twelve acres of ground surrounding the Cross would be set aside for the memorial area under the temporary jurisdiction of the Historical Society. A path, approximately 30 feet in width also is provided from the wharf and landing on the north side of the Island, extending along the east bank to the memorial area on the south. On this visit an Indian burial site was discovered on the eroded east bank. Subsequent investigation by scientists from the Smithsonian Institution disclosed that this burial was "pre-Colombian". The remains had been protected by several feet of oyster shells placed in the grave. The bones, potsherds and other relics were removed to the Smithsonian. It is probable that there are other Indian burials on the Island.

In 1964, through the continued efforts of the Historical Society the State spent $101,000 on erosion control on the south and southwest shores of the Island in the vicinity of the 40 foot commemorative cross held on the Island to honor the founding of Maryland and the establishment of religious toleration in America. When the work of erosion control was begun in 1964, the great cross was only 30 paces from the south bank. In 1966 an additional $101,000 was spent by the State to prevent further erosion on the east shore.

In 1968, again due to the efforts of the Historical Society, $80,000 was voted by the

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[1] Land records, Leonardtown, Maryland, Court House, Liber J. F. F., 7 f. 116; E. B. A., 3, f. 405; J. J. G. 4 f. 133 and 5, f. 120.

Maryland Assembly for work on the west shore. On October 8, 1968, the first annual "Blessing of the Fleet," sponsored by the Optimist Club of the Seventh District was held on St. Clement's Island. Shortly thereafter the Optimist Club of the Seventh District joined in the fight to save the Island since no further action had been taken to stop the erosion since the work done in 1966. During the 1970 ssesion of the Maryland Assembly, a delegation from the Club gave a color-slide presentation of the plight and the importance of the Island before the Assembly's Environmental Matters Committee. The Honorable John Hanson Briscoe, Delegate from St. Mary's County, was then Chairman of this committee. As a result of this action over $200,000 in additional funds was appropriated and the project was completed in 1970.

Today, good Father White, the historian of the Maryland settlement would be shocked by the fact that historic St. Clement's Island has been reduced to 1/10th of its area when he first saw it and was in danger of disappearing; that although a great commemorative cross has been erected, the Island has not, as yet, been made Maryland's first shrine; that the great virgin forests he so admired have disappeared, with little or no thought of perpetuating a few trees for future generations, and that the "sweetest and greatest river," in its upper reaches is so polluted as to become a cesspool, and is in danger of becoming likewise throughout its course; and the silted channel will no longer permit our great ships to reach its tidal head waters. He would be pleased, however, to learn that the great blue heron continus, unmolested, to make his home in the area.

REPORT OF THE CALIFORNIA CONFERENCE ON INFLATION

Mr. CRANSTON. Mr. President, in preparation for the National Conference on Inflation held this past weekend in Washington, D.C., I convened earlier this month a California conference on inflation.

I held the conference as a member of the Senate committee on the budget after consulting with Chairman Ed Muskie and my State's two Representatives on the House committee on the budget, Bob Leggett and Del Clawson. I am deeply appreciative of the support Ed Muskie gave to the conference. I also wish to thank the California economists, labor leaders, businessmen and concerned citizens who gave of their time to participate in the conference.

The conference proved highly informative. Over the course of 3 days of discussion on the economic situation we face, I heard much that was deeply disturbing. California has one of the highest rates of unemployment in the Nation. The rate of unemployment in California is expected to be well above 8 percent for all of next year. This rate will be from 1 percent to 2 percent higher than the national rate projected for next year.

Inflation has wiped out the $10.5 billion gain in personal income of Californians made during 1974. When translated into terms of real buying power, Californians have actually lost income this year.

While inflation can be controlled only through a long range policy aimed at restoring confidence and certainty to the economy, we must take immediate steps to alleviate the hardships brought on by the recession-inducing policies of tight money and the erratic responses from the Nixon administration. These policies have hit hardest those least able to bear the burden, the poor and the elderly living on fixed incomes, and have fallen disproportionately on certain sectors of the economy, such as housing and small business.

My recommendations for these problems are detailed in my letter to President Ford, which I shall ask to be included in the Record.

Briefly, I urge prompt enactment of an expanded public service employment program to provide at least 465,000 new jobs. The costs of this program will be offset in large part by reduced welfare and unemployment payments, increased tax revenues and the stimulation of more jobs in the private sector of the economy.

The housing industry must be rescued from its depression-sized slump. I am most pleased that S. 3979, The Home Purchase Assistance Act, which I have introduced with Senator Brooke, has been ordered reported by the Banking and Currency Committee. The bill will encourage the sale of 350,000 more homes by providing $10 billion in 8¾-percent mortgages through the Department of Housing and Urban Development. Revitalizing the housing industry will result in 300,000 more jobs in an industry hit hard by unemployment.

It is also clear to me that we cannot hope to control inflation until we solve the energy problem. I have urged the President to implement a national energy conservation program with an immediate goal of cutting the annual rise in the rate of fuel consumption by at least 50 percent.

The impact of the energy problem is not limited to the high, administered, prices of oil. Of equal impact will be the capital requirements of the energy industry. Planned expansion programs of electric utilities to meet the projected requirements of customers will require over $300 billion in the next 10 years. The impact of this borrowing activity by utilities will keep interest rates high no matter what the Federal Reserve does to ease monetary restraints or Congress does to balance the budget. In addition, the estimates of the capital needs of Project Independence run as high as a trillion dollars.

Lastly, I support cuts in the budget. It appears that we can balance this year's budget if we reduce spending to $297 billion. This money can be taken from the billions we spend to maintain troops overseas not essential to our defense and from aid to foreign dictatorship.

Some savings must be achieved in the delivery of social programs, but I am convinced that cuts in social programs funded by the Federal Government will not be true savings to the taxpayer. The California government administrators who talked with me at the California Conference on Inflation explained that cuts by the Federal Government in social programs merely result in those costs being transferred to State and local governments where the programs must be financed by the regressive property tax.

My greatest disappointment during the day and a half I spent attending the sessions of the National Conference on Inflation was the failure of participants to focus on unnecessary military spending as a target for substantial reductions in the Federal budget this year as well as next.

Mr. President, I ask unanimous consent that copies of my letter to President Ford transmitting the Report on the California Conference on Inflation and the report be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., September 26, 1974.

Hon. Gerald R. Ford,
The White House,
Washington, D.C.

Dear Mr. President: As part of my responsibilities as a member of the Senate Committee on the Budget, and in anticipation of the upcoming summit conference on inflation, I have prepared the enclosed report of the California Conference on Inflation which I am pleased to submit to you.

I convened the California Conference on Inflation to discuss with California economists, labor leaders, businessmen, consumers and concerned citizens possible ways of meeting the problems afflicting our economy today. Six sessions of the conference were held in Los Angeles on September 3 and 4 and one in San Francisco on September 7.

The conference proved highly informative. Over the course of three days of discussion on the economic situation we face, I heard much that was deeply disturbing. The cost of living continues to climb. High interest rates and lack of capital have virtually halted the construction industry in California. Second-tier corporations and small businesses are literally without sources of capital except at exorbitant rates or by selling out to major foreign and domestic corporations—as a result, a vital well-spring of creativity and competition in our economy is in great danger of drying up. Commodities continue in short supply and the summer drought has frustrated our hopes that plentiful harvest this year would bring about a lowering of food prices.

California has one of the highest rates of unemployment in the nation, so we are deeply concerned about national economic policies which affect employment. The rate of unemployment in California is projected to be well above 8 percent for all of 1975—a rate which is from 1 percent to 2 percent higher than the national estimated unemployment next year. I strongly oppose any proposals which would fight inflation simply by increasing unemployment. That idea is not acceptable to most Californians and especially the 700,000 who already are out of work.

Inflation, however, is the immediate economic problem facing California. Total personal income of Californians is expected to reach $122.1 billion in 1974, a gain of $10.5 billion, or 9.4 percent, from 1973. This gain has been wiped out. Real buying power of individuals has been reduced to such an extent that 1974's personal income gain will be translated into a loss after adjusting for price increases.

I came away from the conference with a clearer picture of what we must do to combat inflation. While inflation can be controlled only through a long term policy based on actions that will restore confidence and certainty to the economy, there are several immediate steps which I believe must be taken now to alleviate some of the hardships brought about by the present recession-causing policies now being used to fight inflation on certain sectors of the economy, such as housing, and on those groups of people least able to bear the burden of inflation. These steps will cost money, but I believe the investment will improve our capability for dealing with inflation.

It is clear to me that we cannot hope to control inflation until we solve the energy problem. I completely agree with your warnings to the OPEC members that pursuing the present OPEC pricing and production policies distort the world enconomy, run the risk of worldwide depression and threaten the breakdown of world order and safety.

I urge that you back up your warning to the OPEC members by exerting the full power and persuasion of the federal government to cut the annual rise in the rate of fuel consumption in the United States by 50 percent. We can save 340,000 barrels of oil a day, which at current inflated prices comes to nearly $4 million a day, by using oil, gas and electricity more wisely.

I urge you to use your influence to prompt action in the House of Representatives on the Senate's $20 billion, 10-year energy research and development bill.

A National Conservation Program to save energy and recycle scarce resources must be implemented. Key elements of such a program should include:

1. Efforts to cut down on use of electricity.

Planned expansion programs of public utilities to meet projected needs of consumers will require over $300 billion, most of which will have to be borrowed. The impact of this borrowing will keep interest rates, as well as utility rates, high no matter what the Federal Reserve accomplishes in easing monetary restraints or Congress does to balance the budget.

A major effort to achieve a permanent reduction in the utilization of electricity will enable utilities to stretch out their planned expansion programs at great savings to the consumer and the general economy. Demand for electric power already has been reduced measurably during the past year. This effort should be continued. In addition, utilities must be encouraged or required to shift away from promotional pricing (lower unit rates for greater volume) to a cost-based peak-load system of pricing electricity. Such a shift in pricing would provide stimulus to large industrial users to install proven, successful, power management systems to cut back on the use of the electricity.

2. Reinstitute last winter's fuel savings programs.

Our gains in reducing consumption of gasoline, petroleum, and gas have slipped during the spring and summer months. The 55 mph speed limit must be enforced. This one measure not only has saved gasoline but thousands of lives as well. At the same time we must continue to carry out a policy of reducing reliance on the private motor vehicle for unnecessary forms of car travel, such as short shopping trips and commuting, through graduated excise taxes on automobiles based on gas consumption, and efficient public transportation systems.

3. Review existing government powers to cut down on wasteful consumption of energy.

Regulations issued by FHA and VA on minimum property standards should include stricter insulation requirements. GSA should step up its electricity-fuel savings programs in the federal facilities it owns and manages.

4. Recycle non-renewable commodities.

Recycling non-renewable commodities can ease shortages and reduce costs. Rather than attempt a massive and expensive recycling program of all items, we should select two or three which will return substantial savings to the economy and which are easy for the public to recycle. Newspapers and aluminum cans are two examples.

I was repeatedly urged by business, labor and bankers to ask for prompt Administration action to rescue the housing industry from its depression-sized slump and to help thousands of families who have been priced out of home ownership by inflation, tight money and high interest rates.

Two actions which can be taken now are prompt enactment of the Home Purchase Assistance Act, which I have introduced with Senator Brooke, to encourage the sale of 350,000 more homes over the next 12 months. The bill directs the Department of Housing and Urban Development to lend $10 billion in 8¾ percent mortgages. Revitalizing the housing industry will result in 300,000 more jobs in an industry suffering from heavy unemployment.

I also request that you commit as soon as possible $1.2 billion in housing assistance for lower income families provided by Congress in the Housing and Community Development Act of 1974.

Such a program should also include the following items, some of which should be immediate Congressional initiatives:

Bringing the fiscal 1975 budget into balance and cutting federal expenditures down to $297 billion from the record $305.4 billion originally requested by President Nixon.

We can cut the budget without unfairly reducing domestic programs or jeopardizing national defense. Congress this week has slashed $4.5 billion from the bloated defense budget without cutting into the muscle of America's military.

Further easing of the Federal Reserve Board's tight money policy which can drive us into a depression in a futile effort to stem inflation by high interest rates.

Boosting tax revenues to counter-balance increased spending of tax relief that may be necessary to help the hardest-hit victims of inflation-recession: the unemployed, the elderly, people on fixed incomes and young veterans.

We could raise at least $4 billion in additional revenues by plugging unfair tax loopholes for special interests like the oil industry, raising taxes on large corporations and setting a minimum tax for the very rich.

Granting tax relief to those in the low and middle income brackets through larger personal exemptions, enactment of a "work bonus" to reduce Social Security payroll deductions for low-income workers, and increasing retirement income credit.

Bringing down prices by increasing production and competition.

I agree with Federal Reserve Board Chairman Arthur J. Burns that there should be tougher anti-trust enforcement by the Justice Department and the Federal Trade Commission, and harsher penalties for offenders.

We should review every agency and every law that drives up prices by artifically restricting competition and production:

Helping those thrown out of work by the inflation-recession crunch by extending and increasing unemployment benefits, and by tripling the current $1 billion emergency public service employment program.

The emergency public service employment program, which will provide about 155,000 additional state and local government jobs by this winter, is grossly inadequate in a nation with 4.9 million people out of work.

With a national unemployment rate of 5.4 percent, we should have $3 billion going into this program right now, enough to provide at least 465,000 jobs in such fields as health, public safety, education, pollution control and veterans counseling.

The program cost is largely offset by reduced welfare and unemployment compensation payments, increased tax revenues and the stimulation of higher employment in private industry.

My list does not cover all possible recommendations which ought to be considered such as major tax reform and replacement of our costly health services system with comprehensive Health Insurance. Our nation also stands to gain greatly from legislation to promote lower public transportation costs by taxing large automobiles, reenacting the automobile excise tax and shifting funds from the highway trust fund to pay for public transportation systems. The list does outline the basic steps which I believe we ought to take now and are feasible to take now.

Finally, we should emphasize the opportunities which emerge from our present economic crisis. We possess great capacity for change. Instead of merely figuring out ways of keeping the old machinery clanking along a little bit better, we should concentrate our energies on releasing the stored-up vitality and innovative strengths of our people to overhaul and streamline the entire system for the betterment of all.

During the conference, I was strongly impressed by the desire of Californians to participate in the fight against inflation. Both the impending national summit conference and the newly constituted budget committees of Congress must seek ways to involve people directly in developing solutions to inflation.

When I asked citizens and consumers what they wanted me to say to you, they said, "Do something about the totally negative attitudes. We need a different kind of spirit. Things can be done."

I'd like to end on that note. I look forward to participating in the White House Conference on Inflation. You will have my full cooperation in working to bring about stability and fairness in our economy.

Sincerely,

ALAN CRANSTON.

REPORT OF THE PROCEEDINGS OF THE CALIFORNIA CONFERENCE ON INFLATION

(By Senator ALAN CRANSTON)

The California Conference on Inflation was called to give me an opportunity to meet with California economists, labor leaders, businessmen, consumer groups and concerned citizens on the problems of our national economy. Three sessions of the conference were held in Los Angeles on September 3 and 4 and one in San Francisco on September 7.

The conference proved highly productive. Over the course of three days, I heard much discussion on the causes of inflation and the dimensions of the economic situation we currently face. Much of what I heard was deeply disturbing. The cost of living continues to soar, high interest rates have virtually stopped the construction industry dead in its tracks and threaten to dry up sources of capital for business. Commodities continue in short supply. The summer drought has frustrated our hopes that heavy harvests this year would bring about a lowering of food prices. Unemployment threatens to reach extremely serious proportions in California early next year. The list of maladies of our economy is long and complex.

I came away from the conference with a clearer picture of the factors which must be considered in designing a national policy to combat inflation. More importantly, I came away with an increased conviction that we can indeed make substantial inroads into the problem, if our efforts are focused on the long run, rather than the short run, and that the Senate Budget Committee should play a key role in developing any total solution to the problem of inflation.

I was strongly impressed by the desire of people to participate in the solution to inflation, instead of merely sitting in the bleachers. The national summit conference on inflation is an important part of the problem-solving process. I think, however, that members of the Senate's Budget Committee also can make a significant contribution to the solution of our nation's economic troubles. It would be a distinct service to the nation if the Committee members periodically met in local regions of the country to hear the views of economic and budgetary experts, businessmen, labor leaders, consumer groups and concerned citizens on the vital issues before the Budget Committee and the summit conference.

I asked participants in the California Conference on Inflation to address themselves to six questions:

1. Should we cut the budget, and if so, by how much and where?

2. How should we hold the line on rising unemployment?

3. How can we assure economic fairness so that the burden of fighting inflation does not fall unevenly on certain sectors of the economy and on those persons least able to bear the burden?

4. What should Congress do to encourage productivity and to ease shortages?

5. Should monetary restraints be eased? Are there any steps Congress should take in this area?

6. How should we conduct our international trade and agricultural policies to control inflation?

BUDGET CUTS

A majority of economists and business leaders who met with me strongly recommended cuts in the federal budget. All agreed that cutting the budget, even by $10 billion, will not have much effect on reducing the rate of inflation in the short run. But those who urged budget cuts felt that cuts were necessary in order to reduce the federal debt on which the payment of interest, now running $31 billion, represents a substantial transfer of income from all taxpayers into the hands of a few individuals and institutions.

They feel, too, that federal competition in the money market to finance the debt drives up interest rates and diverts available money from productive purposes in the private sector.

All agreed that cutting the budget will increase unemployment in excess of the national estimates of 6.5% for 1975 and the California estimate of 8.3% for 1965.

Virtually all agreed that budget cuts alone will not prove to be a successful tool in controlling inflation. Without exception, those chief economists of major California banks who participated in the conference urged that budget cuts be accompanied by an easing of monetary policy.

Cutting the budget, it was pointed out, by slowing down economic activity generally has the consequence of reducing federal revenues. If revenues decline as a result of budget cuts, our efforts to balance the budget could fall short.

State and local government budget experts advised against an across-the-board cut in the federal budget.

They believe this would result only in front-end savings, not permanent reductions in federal spending which can be brought about only by reordering priorities through selective cuts.

Strong support was expressed for cuts in the $30 billion we now spend overseas to maintain troops which are not essential to our national defense and for an end to the $5.7 billion in aid to foreign dictatorships. These expenditures, it was agreed, are inflationary, are a drain of dollars, a weakening of our balance of payments and hence the dollar, and do not represent a productive expenditure of American taxpayers' money.

UNEMPLOYMENT

Californians expressed serious concern about the rate of unemployment forecast for 1975. California's present unemployment rate of 7.8% is well above the national rate of 5.3%. Dr. Robert Parry, Vice President and Chief Economist of Security Pacific Bank in Los Angeles, projects an unemployment rate of 8.3% for California in 1975.

Labor leaders and citizens groups told me that people appear to lack confidence that things will work out. Many fear a severe recession or a 1930's type depression. There is a desire to see tangible plans by government to combat unemployment which may result from deflating the economy.

As one participant put the issue, "people want to know what their government plans to do about unemployment."

Labor leaders warned of "more and longer" strikes if workers do not get wage increases to offset the rise in the cost of living. Working people are suffering the most from inflation and are being made the scapegoat for high prices. Labor leaders were opposed to maintenance of high interest rates. They urged Congressional action against "unconscionable" profiteering by oil companies and others reaping windfall profits.

One labor spokesman suggested that workers might accept wage restraints if, and only if, prices were held down firmly, even rolled back in certain areas, and if businesses were required to plow back earnings into capital investments to create more jobs and any excess profits severely taxed.

The basic solutions for unemployment offered by participants were:

1. Ease monetary restrants and take other steps, including exempting interest on savings accounts from taxation and enactment of programs to assist homebuyers to obtain financing at interest rates below the market rate, to get the housing industry back on its feet. A loosening of interest rates also would help small businesses who are the principal employers of persons living in barrios and inner-city areas.

2. Expand public works and public employment programs and provide additional standby authority ready for implementation if unemployment rates rise.

3. Provide incentives to industry to maintain jobs and to create more jobs.

INCREASING PRODUCTIVITY

To increase productivity and ease shortages, the following actions were recommended to me by participants:

1. Abuse of monopoly power should be stopped promptly by vigorous enforcement of anti-trust laws. The Chairman of the Board of a major corporation pointed out that some corporations are too big and abuse their economic power.

2. Anti-competitive regulations promulgated by federal regulatory agencies should be reviewed and, wherever possible, rescinded.

3. Tax policy should be directed toward encouraging greater capital investment through personal savings, the securities markets and other means.

Certain sectors of the economy are in a state of severe recession due to lack of capital. Most prominent is the present condition of the housing industry which, it is predicted by participants in the conference, will be in a state of "depression" in California by next spring. Small business also has been hit severely by high borrowing costs and disappearance of venture capital. Participants recommended easing of high interest rates by the Federal Reserve, subsidizing middle income mortgage rates, exempting from taxation the first $1,000 in interest earned from personal savings, and providing a tax credit for home loans made below the federal discount rate in the amount of the interest difference.

There was general agreement that monetary policy should be loosened to give the business community a sign that interest rates will not soar even higher. This action would have the effect of encouraging long-term investments so necessary to private enterprise and to the general health of the economy.

MONETARY POLICY

The views of economists participating in the California Conference on Inflation on the Federal Reserve Board monetary policy are similar to those of the economists taking part in the pre-summit meeting in Washington, September 5.

1. Fourteen of the 16 economists and bankers who participated in the California Conference on Inflation felt that the Federal Reserve's policies were too restrictive and had pushed interest rates too high.

Walter Hoadley, Vice President and Chief Economist of the Bank of America, argued that high interest rates were having the exact opposite effect from the one desired by the Federal Reserve. He suggested the business community and the public have decided that the need to have money is a more important consideration than the cost of money. Consequently, the higher the Federal Reserve forces interest rates, the greater the pressure on people to pay more for loans. Borrowing costs continue to be bid up, the Federal Reserve acts to raise the discount rate, and the upward spiral continues.

2. Former Federal Reserve Board member Sherman Maisel argued for credit controls. It is his view that controls and allocation of credit would direct investment into critical areas of need more efficiently than an overall lowering of interest rates.

3. Professor G. L. Bach of Stanford University, however, argued that the Federal Reserve should continue its present course of action. He felt that it is not clear that present interest rates are inhibiting productivity.

All participants, while disagreeing about the effects of monetary policy, did agree that the Federal Reserve had gone about as far as it could in carrying the burden of controlling inflation and that other tools—fiscal restraint, tax policy, monitoring of the economy, accompanied by government actions to hold down unemployment and to increase productivity—are necessary.

INTERNATIONAL TRADE AND AGRICULTURAL POLICY

The California economy is distinguished by the strength of its participation in two sectors of the nation's economy—trade and agriculture. Agriculture, which earned $7.2 billion for California in 1973, is still the leading industry in California. The prosperity of agriculture is tied directly to a favorable climate for the tremendous amount of trade with other nations—up 71% over last year in California—that takes place in our state.

The San Francisco session of the California Conference of Inflation focused on the particular problems of international trade and their relation to inflation. A consensus on the following points was produced:

1. Strong support was given for enactment of the Trade Reform Act pending in the Senate Committee on Finance.

2. Trade experts suggested that our foreign and trade policies should be more closely coordinated.

3. The U.S. balance of payments should not be improved at the expense of our foreign trading partners, such as Italy, who are in grave danger of financial collapse under the pressure of oil payments being out of balance and severe inflation.

PETROLEUM AND INTERNATIONAL INFLATION

The trade experts and representatives of the oil industry who participated in the San Francisco session of the California Conference on Inflation agreed that oil payments represent a very serious problem in the field of international finance, but they warned against an effort by the U.S. to go it alone.

These major points were brought out in discussion:

1. The world has ample supplies of oil. The issues of price and distribution are political questions, not ones of production and natural resources reserves.

2. The OPEC cartel has successfully frustrated the bargaining efforts of private oil companies to obtain lower prices for oil. It is no longer feasible to attempt to persuade OPEC members that a worldwide glut of oil will force prices down. The environmental and economic obstacles to Project Independence virtually assure that the U.S. will not become self-sufficient in energy for many years, if at all.

3. Opinion was expressed by some trade experts that the U.S. has failed to bring in third world nations with other oil consuming nations in dealing with OPEC members.

4. The U.S. should encougrage the establishment of an international oil financing facility to protect OPEC members against currency devaluation by oil-consuming nations. The facility also would offer investment opportunities for OPEC members.

5. Emphasis was given to Project Independence. But the capital requirements of petroleum and other energy producers are great and will exceed $450 billion in the next 10 years. By bidding up the price of money, energy producers are contributing to higher interest rates and corresponding price increases across the board. Although the conference did not give detailed attention to ways of reducing the capital requirements of energy producers, one suggestion was offered with respect to bidding procedures for drilling rights on public lands. If bids emphasized royalty payments rather than front-end bids, the amount of capital tied-up in lease costs as well as drilling costs could be reduced considerably. This change also would enable smaller companies to compete for drilling rights on public lands.

CONSUMERS GROUPS AND CITIZENS

The mood of consumers groups and concerned citizens expressed at the conference was one of frustration and anger. One consumer group representative commented that there should be an equality of sacrifice and people feel there is none.

Consumers express the following points:

1. Controlliing prices is the only way to do something about inflation.

2. Monopoly interests should be curbed by strict enforcement of anti-trust laws.

3. The public should not be urged to take energy and commodity conservation measures unless pricing structures are revised so that actual savings are passed on to the consumer.

One spokesperson stated, "What is the point of using candles if you only receive a larger electric bill at the end of the month?"

4. Wherever possible gasoline and energy prices should be rolled back.

5. State and federal agricultural policies which encourage food dumping practices as a quality control or price-maintenance device should be repealed or changed.

6. National leadership should emphasize what can be done to hold the line on unemployment and to solve our economic problems.

SUMMARY

Despite the constructive contributions of participants in the conference, there remains a depressing view of the economy. All economists participating predict things will get worse before they get better. Seven of the economists and business leaders participating in the San Francisco session think we are threatened with the worst recession of the post-war era.

They believe the Federal Reserve must ease monetary policy promptly. The consensus was the budget should be cut, but selectively. The Senate Budget Committee should emphasize shifting our priorities, by defining what we can afford to do without, rather than recommending across-the-board budget cuts. Necessary legislation to assure adequate public employment programs and to put a floor under the housing industry should be enacted this session, if possible.

PANELISTS AND PARTICIPANTS

Tuesday, September 3—Los Angeles

Panel No. 1—Economists

Dr. Larry J. Kimbell, School of Management, UCLA.

Mr. Neil H. Jacoby, School of Management, UCLA, former member of Council of Economic Advisers during President Eisenhower's Administration.

Dr. Roger Noll, Economics Department, Cal Tech.

Dr. Robert Clower, Economics Department, UCLA.

Dr. Robert Russell, Economics Department, University of California at San Diego.

Dr. Robert Parry, Vice President and Chief Economist, Security Pacific National Bank.

Dr. Michael Intrilligator, Economics Department, UCLA.

Mr. William Ahern, Rand Corporation.

Dr. James Quirk, Economics Department, Cal Tech.

Panel No. 2—Labor

Mr. J. J. Rodriguez, President, Los Angeles County Federation of Labor, AFL–CIO.

Mr. Sigmund Arywitz, Los Angeles County Federation of Labor, AFL–CIO.

Mr. J. A. Cinquemani, Los Angeles County Building and Construction Trades Council.

Mr. James Peck, Joint Council No. 42, Teamsters.

Mr. Hal Shean, International Association of Machinists.

Mr. Henry Fiering, Director, Los Angeles County Council, American Federation of State, County, and Municipal Employees.

Panel No. 3—Business

Mr. Burt F. Raynes, President, Rohr Industries, Inc.

Mr. Raymond A. Watt, Chairman of the Board, Watt Industries Inc.

Mr. Stuart Davis, Chairman of the Board and Chief Executive Officer, Great Western Savings and Loan Association.

Dr. Raymond Jallow, Senior Vice President and Chief Economist, United California Bank.

Mr. W. F. Booth, Senior Vice President for Finance and Administration, Rockwell International Corporation.

Mr. Ernest Loebbecke, California Chamber of Commerce.

Panel No. 4—Government Administrators

Dr. Jarvey Gilbert, City Councilman, City of Burbank.

Mr. John L. Vickerman, Chief Deputy Analyst, Legislative Budget Committee, California Legislature, Sacramento.

Mr. William R. McCarley, Office of Los Angeles City Administrative Officer.

Messrs. Chapman L. Bone and Lynn Kirkhofer, Administrative Office, County of Los Angeles.

Wednesday, September 4—Los Angeles

Panel No. 5—Consumer and Citizen Groups

Mr. John W. Abbott, Executive Director, California Tomorrow, San Francisco.

Dr. Yang-Ping Chen, Economics Department, UCLA.

Ms. Lucy Fried, Committee for Economic Survival, Los Angeles.

Ms. Shirley Goldinger, Consumer Federation of California.

Panel No. 6—Small Business

Mr. George J. Burger, Jr., Assistant to the President, National Federation of Independent Businesses, Inc., San Mateo.

Mr. Renard Vine, President, Minority Contractors Association of Los Angeles County.

Mr. Robert Verala, Executive Director, Lincoln Heights Economic Development Corporation.

Mr. Gil Vasquez, President, Spanish-speaking Certified Public Accountants, Member, Board of Directors, First National Bank of Los Angeles.

Mr. Charles Hertzberg, Assistant Regional Director for Finance and Investment, SBA, San Francisco.

Mr. Clifford Ryan, Assistant Regional Director for Procurement, SBA, San Francisco.

Mr. George Quist, Partner, Hambrecht and Quist Company, San Francisco.

Mr. James J. Gibbons, Executive Director, National Association of Manufacturers' Agents.

Mr. Clarence Lofton, President, Black Businessmen's Association of Los Angeles.

Saturday, September 7—San Francisco

International Trade and Agriculture

Mr. William M. Roth, former Ambassador to the Kennedy Administration to the general agreement on trade and tariffs negotiations.

Dr. Sherman Maisel, former member of the Federal Reserve Board and Director of National Bureau of Economic Research West at University of California at Berkeley.

Dr. G. L. Bach, Professor of Economics at Stanford University. Author of several books on the economics of inflation.

Mr. Walter Hoadley, Executive Vice President and Chief Economist of the Bank of America.

Dr. Ezra Soloman, Professor of Business at Stanford University and former member of the Council of Economic Advisors under Lyndon Johnson.

Dr. James N. Boles, Dean of the Giannini School of Economics at the University of California at Berkeley.

Dr. John J. Balles, President of the Federal Reserve Board in San Francisco.

Mr. George Ballou, Senior Vice President of Standard Oil of California for Public Affairs.

Mr. Dorman Commons, President of Natomas Corporation.

Mr. Henry Schact, President of the California Canners and Growers Association.

Dr. Harold Carter, Dean of the UC Agricultural Economics Department.

Mr. Robert E. Gompertz, President of the California Council on International Trade.

Mr. Martin Drobac, Vice President for International Affairs for Kaiser Industries.

Mr. J. H. Crispin, Vice President and Manager of Investment for Bechtel Corporation.

Mr. Adolph P. Schuman, President of Lilli Ann Corporation. Former advisor to the Johnson Administration on international trade.

Dr. Al Fishlow, Professor of Economics at UC Berkeley.

Mr. John Parkany, Vice President and Senior International Economist at Wells Fargo Bank.

CATTLE FACTS SPEAK FOR THEMSELVES

Mr. TALMADGE. Mr. President, the economic plight of our cattle producers is pathetic. In this period of rapidly increasing costs, they have experienced sharp price declines for their cattle, creating a vicious price-cost squeeze that threatens the economic viability of the industry.

I know all sectors of our economy have suffered serious problems over the past couple years, but for most sectors the problem is relative as incomes have been rising slower than costs. Cattlemen, however, have seen their incomes fall while their costs have gone up, making their problems even more severe.

Mr. Sam Hopkins, in a recent article in the Atlanta Constitution, has clearly illustrated the problems cattle producers face. In addition, he relates these problems to people, reminding us that we must look beyond the statistics to individuals. It also points out that we must be aware of what policies and trends mean to people, not just national income accounts.

Mr. President, I ask unanimous consent to have printed in the Record this excellent article from the Atlanta Constitution of September 26, 1974.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Cattle Sellers' Lament: It's "Robbery"

(By Sam Hopkins)

JACKSON.—It was a buyer's market at the big cattle auction here Wednesday. And the buyers were hanging loose, feeling confident, laughing and joking with each other and generally enjoying themselves.

But the great majority of the faces of the nearly 300 people packed around the small sawdust-covered arena told a different story.

They were the sellers. They were quiet and dejected. Many of them were bitter. Their mood matched the dismally wet overcast weather outside the Middle Georgia Livestock Co.'s auction barn.

The reason was simple.

The cattle farmer was getting less than half the price he was getting for the same type animal a year ago. But that's not the whole story. Since last year the price of fertilizer has more than doubled. Cattle can't grow fat on grass if there's not fertilizer to make the grass grow.

Charles Rivers, a young farmer from Fayettville, was typical of many unhappy people who had to watch their cattle sell for "ridiculous" prices Wednesday.

"Somebody's just robbing the cattle farmer," he declared.

"Last year I was getting 53 to 62 cents a pound for my cattle," Rivers said. "Day before yesterday I got an average bid of only 26 cents a pound for 58 head. That's giving them away, just about."

"And fertilizer's gone so high I don't know how any of us are going to make a living," he added. "Last year I was paying $55 a ton and now it's $115 a ton."

He has 600 acres of pasture land—160 of which are leased—and if he had the money he ought to be putting 400 to 500 pounds of fertilizer per year on each acre.

That amounts to a minimum requirement of $13,800 a year for fertilizer for his pastures.

"I didn't use much fertilizer this year because I couldn't afford it," Rivers said.

"This year is the least I've ever made from cattle and I've been fooling with them for more than 30 years," said Euell Henderson, 74, of Rte. 4, Rome. "I don't know what we're going to do."

Auctioneer J. B. Armistead, whose rapid-fire chant was disposing of big, healthy-looking cattle for as little as 20 and 22 cents a pound Wednesday, shook his head in sympathy for the cattle farmers.

"It's really getting pitiful," he said. "This is the cheapest cattle I've ever sold in my life. Some of the cattle selling last year for $450 and $475 are going for as little as $200 today....

"And a lot of the farmers can't hold off and hope the price will go up. They need the money now."

Mr. Frances Ezzard of Atlanta was one of the angry sellers.

"I don't know who's making the money," she declared, "but someone between here and the grocery stores is really mopping up. I just can't understand how you can go in the grocery stores and see some beef for more than $3 a pound and then bring your cattle to auction and get only 20 cents a pound."

Mrs. Ezzard was among some of the sellers who refused to let their cattle go for the low bids.

"I brought 12 head and only sold five," she said. "I'm going to take the others back home and hold on to them. You can't make a profit on these prices."

Bill Wheeler, president of the Middle Georgia Livestock Co., agreed with the cattle farmers.

"Prices are rougher than a cob," he said. "I can remember that some cattle were going for as high as 90 cents a pound last year. Now if you get over 30 cents you're lucky."

Wheeler said one problem is that the big feedlots in the Midwest—which buy young cattle to fatten up—have cut back drastically on the number of animals they're buying.

"Corn and other feed prices are so high the feedlot people can't afford to pay for it," Wheeler said. "Even if you gave them a 400-pound calf to fatten up in the feedlots until it weighed 1,100 pounds, they'd lose money on it."

He added, "So there's an oversupply of these young cattle on the market and it's forced the price down."

One buyer from out of state, who did not want to be quoted by name, charged that the "chain stores have got a little monopoly going that's keeping the retail price on beef up. They've got the customer over a barrel."

ENFORCER SHOULD BE TESTED

Mr. PROXMIRE. Mr. President, significant sentiment has developed for a flight test of the Enforcer aircraft.

Late in July, five Senators sent a letter to Secretary of Defense James R. Schlesinger asking that the Enforcer be tested. That letter noted that the Enforcer was a cheap, reliable aircraft developed without a dime of taxpayers' money. It appears to be a very effective close support plane.

A recent article in Aviation Week and Space Technology dealing with the Enforcer provides details about the aircraft's technology and capabilities. It shows just how versatile the Enforcer can be in varying environments.

Mr. President, I again call on Secretary Schlesinger to take immediate steps to test fly the Enforcer and clear away bureaucratic and parochial service opposition. The time has come to think of the Nation's needs before service biases.

Mr. President, I ask unanimous consent that the Aviation Week and Space Technology articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

Flight Test Program Sought for Enforcer

(By Clarence A. Robinson, Jr.)

WASHINGTON.—Flight test program and new military evaluation of the Cavalier/Piper Enforcer derivation of the World War 2 North American Mustang fighter is being sought by the developer of the aircraft, who claims it to be an effective close-support aircraft available at a reduced cost. The Enforcer previously was studied by the Defense Dept.

The Defense Dept. completed its study of the Enforcer in February, concluding the aircraft's performance characteristics were as claimed by its developer, David B. Lindsay. The Pentagon estimated the aircraft unit cost at $1.13 million, but Lindsay said it would cost $760,000 per copy based on production of 250 aircraft.

The Pentagon's study included the percentage of the aircraft susceptible to a kill by enemy fire from six angles and was based on Soviet-made weapons fired directly at it. The weapons included:

14.5-mm. anti-aircraft gun system.

23-mm. ZSU-23-SP with four guns mounted on an armored vehicle and fired together.

57-mm. towed radar-controlled S-60, and the ZSU self-propelled version with two guns in the turret. Fire power is 240 rounds/min.

SA-7 heat seeking Grail Missile.

Defense officials emphasize the study assessed individual areas of the Enforcer to determine how much of the aircraft's area is vulnerable to a single-round kill. On this basis, the aircraft with the smallest overall area is the least vulnerable. The study did not investigate survivability—the capability of the aircraft to take a number of hits and return to base.

Two key selling points Lindsay uses on the Enforcer are its small profile and low in-flight noise level, permitting high-speed, low-level approaches with little warning to enemy forces.

Flying low altitude for weapons delivery would help the aircraft avoid radar detection, he claims.

The Enforcer as proposed to the Pentagon would be powered by an Avco Corp. Lycoming Div. T55-L-9 gas turbine engine now in production for Iran's procurement of Boeing Vertol CH-47 Chinook helicopters. The engine develops 2,445 eshp.

Lockheed-Georgia had a production option on the Enforcer that expired Aug. 2, but Lindsay, who has been serving as an unpaid consultant, said he has company assurances the option will be extended.

Because of government loan guarantees to Lockheed, the company has been precluded from acquiring the Enforcer from Piper Aircraft Corp., which bought the rights from Lindsay. Lockheed instead signed an option to produce the aircraft if orders materialized from the Pentagon or from several foreign governments that have expressed an interest in the aircraft for the attack/reconnaissance role.

Lindsay became interested in the Mustang when he purchased his first F-51D. He formed his own company, Cavalier Aircraft, and began rebuilding and improving the Mustang for the civilian aviation market. Lindsay said that at Air Force's request he built a number of advanced F-51s known as Cavalier Mustangs for the military assistance program. He mentioned Indonesia as an example, and said that nation is still flying the Cavalier Mustangs provided by the Air Force.

Lindsay said other Asian nations have expressed an interest in procuring the Enforcer with its new turboprop engine and expanded ordnance capability. In addition to Indonesia, the nations of Malaysia and the Philippines and several South American countries are seeking information on the aircraft. Lindsay said the Philippines would like to produce the aircraft or components in that country.

Pentagon officials charge the Enforcer is a step backward in aircraft development because the military services want a pure jet attack aircraft for the close-support mission.

Both the Air Force, which is now testing the Fairchild Industries A-10 aircraft for close air support, and the Marine Corps, which uses the forward-located Hawker Siddeley AV-8A Harrier vertical/short take-off and landing aircraft, oppose test flying the Enforcer.

The technical analysis of the Enforcer by the Pentagon was the same as for any aircraft proposed by a contractor, a Defense official said. He added that in this case it meets the contractor's claims, but there is no service willing to sponsor the aircraft for testing and possible development. "The question is whether or not the aircraft has any military utility and can survive against armor. It looks attractive to the Congress because of the costs as compared to other attack aircraft," the official added.

The services believe the aircraft is of no use to them and does not have the lethality needed for the attack mission, a Pentagon official said, a reference to claims by the Air Force that the Enforcer cannot carry enough ordnance on its stations and provide sufficient loiter time to be as effective as the A–10.

Lindsay said the Enforcer has been cleared by the Air Force's Armament Development and Test Center, Eglin AFB, Fla., to carry up to six Hughes AGM–65A Maverick missiles used by USAF to destroy tanks and other armored vehicles. Lindsay has a wiring diagram for adapting the aircraft for Maverick use and plans for cockpit avionics for the missile system.

The aircraft has 10 ordnance stations under the wings and a maximum gross takeoff weight of 15,500 lb. The Enforcer can carry 5,840 lb. of ordnance under its wing, plus six .50-cal. internal guns and 2,000 rounds of ammunition internally, Lindsay said.

The Enforcer, Lindsay said, has been qualified in both daylight and night operations during USAF's Pave Coin tests (AW&ST May 24, 1971, p. 23) for a variety of weapons that would be used in the close-support role. These include:

Two 1,000-lb. canisters of thinned napalm.
Two flare pods, each containing 16 flares.
Mk. 82 general purpose od Snakeye bombs.
LAU–3A 19-round rocket launcher pods.
800-lb. category cluster bomb units located on the six inboard stations.

In addition to having the aircraft qualified for a variety of USAF ordnance, Lindsay holds a patent for placing a recoilless rifle on the aircraft. He filed about three years ago on his idea for firing a 106-mm. recoilless rifle from the aircraft and a wingtip plate used to mount the weapon and avoid its back blast.

The Marine Corps has been test-flying an Army Mustang used at Edwards AFB, Calif., as a chase plane for the canceled Lockheed Cheyenne helicopter program and has successfully fired the 106-mm. recoilless rifle from the aircraft. The aircraft the Marines are testing has a piston engine and was modified and repaired by Lindsay's company. Marine officials stress it is not an Enforcer and that the 106-mm. test firing has nothing to do with Lindsay's aircraft (AW&ST Aug. 5, p. 18).

The project at China Lake's Naval Weapons Center is to develop a new repeating recoilless rifle that can be fired from the center line station on an aircraft, not to perfect use of the 106-mm. recoilless rifle. The test firing with the rifle is only to determine accuracy with a recoilless flat-trajectory weapon, Marine officials said.

Lindsay said he can see why the Marine Corps and Navy would want to disassociate their services from the Enforcer because it has become politically sensitive.

The wings on the aircraft the Marines are using to test fire the recoilless rifle are not as rigid as those proposed for the Enforcer according to Lindsay. He put two spars and extra stringers into the wing when overhauling the Mustang for Marine use. The modifications were made to accommodate 120-gal. wingtip tanks and provide the capability for mounting the recoilless rifle.

The main spar and secondary rear spar go through the tip tanks, and they are bolted on the edge of the wing outboard. This system enables an attachment plate to be bolted onto the wing and recoilless rifles or missiles can be mounted.

"My patent," Lindsay said, "encompasses a rigid wing which won't flex in turbulence and in extending it you can point the gun [recoilless rifle] at the tip of the spars or mount a wingtip tank spar through the tank and mount the gun outboard."

Lindsay claims to have obtained the Army F–51 Mustang aircraft the Marines are flying with the recoilless rifle and the 106mm. rifles from the Army, and because he holds the patent, he has been to China Lake to confer with project officials at his own expense, he said.

The Marine Corps view on flight-test of the Enforcer was expressed by the Marine Commandant, Gen. Robert E. Cushman, who told Congress during Fiscal 1975 budget hearings that an earlier offer to test-fly the aircraft was contingent on the Enforcer being in flyable condition and that the flight test would be at no cost to the Government.

DEMONSTRATION PROGRAM COST

The minimum flight demonstration program recommended to the Navy by Lockheed would cost $4.47 million, Gen. Cushman said, and that would provide only 80% of the aircraft's flight envelope. The figure now estimated for a full flight test is about $6 million, according to Lockheed officials. The Pentagon believes it to be closer to $8 million.

The Enforcer prototype aircraft used in the Pave Coin tests is hangared by Lockheed and would need to be refurbished after being stored for two years.

"While the existing Enforcer was reported to be in flying condition," Gen. Cushman said, "Lockheed-Georgia has stated that the existing Enforcer prototype cannot safely demonstrate the full mission performance capability of the aircraft as a Marine Corps weapons system due to inadequate longitudinal stability and control characteristics. The aircraft is not safe and would require redesign."

Gen. Cushman said the Marine Corps does not have a requirement for the aircraft in the close-air-support system. "In fact, we have gone the V/STOL route, and I believe we should continue that way," he said. The commandant said he estimated a full-fledged, full-flight envelope, preproduction program would cost $30 million.

"We feel it is too slow, too vulnerable and it would have to be made compatible with aircraft carriers and tactical airfields ashore, and it really does not warrant the expense," Gen. Cushman said.

SPEED ADVANTAGE

Lindsay pointed out the Pentagon agrees with his claim the top speed of the Enforcer is over 400 kt., faster than the maximum speed of USAF's A–10. He also claimed the Mustang of World War 2 was carrier qualified during the Okinawa campaign, and the Enforcer would have over twice the engine horsepower and a new beefed up landing gear. As for operating from small unimproved airfields ashore, Lindsay said the Enforcer with a 14,000-lb. gross weight on a standard day at sea level can take off in 1,100 ft. With a 50-ft. obstacle at the end of the runway it can take off and clear it in 1,680 ft.

One reason Lindsay has proposed using the recoilless rifle is its armor piercing capability. Another is that a 106-mm. round costs about $75 to kill a tank as opposed to missiles that range in costs from $22,000 to $100,000 per unit. Admittedly, the recoilless rifle is a single shot weapon under present conditions, Lindsay said, but so is a missile. Lindsay proposes landing the Enforcer near front line units to pick up extra rounds for the recoilless rifle.

STANDARD WEAPONS SYSTEM

The 106-mm. recoilless rifle is a standard Army and Marine Corps anti-tank weapons system.

Lindsay believes that he has been treated shabbily by the Pentagon in not getting approval for flight-testing the Enforcer. He claims he was assured by Deputy Defense Secretary William P. Clements, Jr., that to completely evaluate the aircraft it would have to be flight-tested. "Clements told me 'computers can only go so far,' indicating to me that the aircraft would be given a flight test," Lindsay said.

Clements in an April letter said his staff and the services had undertaken a study to determine what the Enforcer's utility might be. "Its findings show that there is little question that the Enforcer aircraft can meet the general performance claims made by its offerer," Clements said.

He added that cost estimates of the aircraft are within 25% of those Lockheed postulated.

Clements added that neither the Air Force nor Marine Corps has a role for the Enforcer in combat. "These reports clearly state that neither service questions the performance claimed for the aircraft . . .," Clements said.

Lindsay has been proposing the Enforcer for use as a helicopter escort aircraft for Army inventory, but the service, which has backed the Air Force's procurement of the A–10, has yet to express any official interest in the aircraft. The Army would like to avoid any roles-and-missions squabble with the Air Force over the Enforcer even though it could get the Army back into the fixed-wing, close-support business, a Defense official said.

The official added the Army Chief of Staff, Gen. Creighton Abrams, has taken the position that the Army's close-support will be provided by the Air Force. The Army does not even refer to its helicopter gunships in close air support terms to avoid rankling USAF.

One Defense official said that, if for no other reason, the Pentagon should procure and test fly four of the Enforcer aircraft to determine fuel savings from a turboprop aircraft operating in close-support at low altitudes, an area Defense Dept. is investigating because of the fuel crisis.

The armor that Lindsay proposes could also be a beneficial fallout from the Enforcer flight tests, one official said, assuming the armor is evaluated against Soviet weapons in tests similar to those conducted with the A-10's titanium armor system, firing multiple shots into it at point blank range.

Ceramic glass fiber composite molded armor plate developed by Bristol Composite Materials Engineering, Ltd., a subsidiary of Rolls-Royce, would be used to protect the pilot, engine and other critical areas of the Enforcer from heavy automatic weapons fire.

Lindsay claims that the armor can withstand hits from Soviet-built 57-mm. shells without a spalding effect, and also that the armor used in plates can be repaired in the field by unskilled personnel in a short time.

CERAMIC ARMOR PRAISED

The ceramic armor, in the estimation of some Defense officials, is one of the best features of the Enforcer, and it could be used with other U.S. aircraft.

The armor as presently envisioned for the standard Enforcer use would weigh about 1,500 lb.

The armor has been extensively tested against a variety of projectiles at the company's range as well as the British navy, army and airforce ranges against rounds from small caliber to 38-mm. armor piercing, 2.5-in. and 57-mm. high-explosive anti-tank ammunition.

The Bristol armor is about half the weight of conventional steel armor and much lighter than aluminum or titanium alloy armors with the same level of protection, according to Bristol officials. It has multi-hit capability and can withstand closely spaced hits without degrading its ballistic performance, they said.

Little degradation in strength and stiffness is experienced after ballistic attack, they added, and unlike metals, the ceramic armor experiences no plastic deformation and will not distort under excessive loads.

The Enforcer would have more armor per pound of airframe weight than any other U.S. aircraft, Lindsay said, adding that an air survivability study completed earlier this year by the Joint Test Coordinating Group rates the Enforcer one of the two least vulnerable aircraft in the world. The other is the A–10.

The Air Force and Fairchild, despite the Defense Dept.'s position that Lindsay's claims are accurate, have responded to many of Lindsay's claims for the Enforcer's capabilities, stating they are not accurate.

Lindsay has long talked against the A–10 and believes his aircraft could better it in a flyoff. The last thing USAR officials want now—after winning a flyoff against the Northrop A–9 and LTV Aerospace A–7—is another flyoff.

Congress would like to see the Enforcer at least flight-tested. "We do not believe it could ever replace the A–10 for close-support, but it might be able to offer an attractive mix in the low end of the force structure similar to the high-low [cost] mix in fighter aircraft," one senior senator said.

Right now the Enforcer is an aircraft whose performance characteristics the Pentagon agrees to but a weapons system no service really wants.

MODIFICATIONS PLANNED FOR ENFORCER

WASHINGTON.—Lockheed-Georgia plans to enlarge the span of the horizontal stabilizer on the Cavalier/Piper Enforcer aircraft being proposed to Defense Dept. for close air support from its present 12.6 ft. to 16 ft.

The company also plans to add a hydraulic aileron boost system. An Army/North American F-51 Mustang, a fighter modified by Cavalier Aircraft for test-firing a 106-mm. recoilless rifle, developed some minor structural problems after firing the weapon while airborne over China Lake, Calif.

Cracks occurred where the rudder points attach to the vertical stabilizer, Marine officers said. They added that the damage was slight, similar damage has occurred when firing weapons from other aircraft and that it is not considered a major problem.

The Enforcer being proposed by David B. Lindsay, who represents Lockheed-Georgia, would be produced from entirely new tooling and much of the aircraft has been redesigned by Lindsay, who holds some patents on the changes. They include:

All aluminum alloy construction.

Stretched acrylic windshield and canopy.

Self-sealing foam-protected fuel tanks. Engine hot section is forward of all flammable liquids. No fuel is carried in the fuselage. The engine offers a low infrared signature.

Solid state avionics.

Zero/zero pilot extraction system.

Automatic fuel and power control for the Avco Lycoming T55-L-9 gas turbine engine, which weighs 795 lb.

Power and pitch control levers.

Fuel system with selective sequencing, inverted stand pipe, tip tank dump, jettisonable drops, empty warning lights and tanks that all use gravity feed.

Redundant controls.

According to Lindsay and Lockheed officials, the Enforcer's turn radius at 9,100-lb. combat weight at sea level is:

800 ft. at 150 kt. with 2. g.
1,200 ft. at 250 kt. with 4.1 g.
2,000 ft. at 300 kt. pulling 3.8 g.

Average bank angle for the turn radius is 75 deg.

Strike response for the Enforcer includes a drag index of 150 wth a gross weight of 13,170 lb. including 1,336 lb. of fuel and 4,100 lb. of ordnance. Responses are:

150 naut. mi. in 26 min.
100 naut. mi. in 17.4 min.
50 naut. mi. in 9 min.

The design load factor is 8 g at 11,500 lb. and 6 g at 14,000 lb., according to Lindsay and Piper Aircraft. The wing area for the Enforcer ie 252 sq. ft.

Maximum speed at 15,000 ft. with 11,000 lb. is 403 kt. Speed range begins at 78 kt. The aircraft's time of climb from sea level to 20,000 ft. at a weight of 14,000 lb. is 8.5 min. Rate of climb from sea level weighing 11,000 lb. is 4,792 fpm.

Mission radius is based on taking off with a gross weight of 14,000 lb., including 3,166 lb. of fuel with a 10% reserve and 3,120 lb. of ordnance. The aircraft could fly 579 naut. mi., and loiter on target for 15 min. at 130 kt., and provide combat runs for 10 min. at sea level before breaking off. The outbound leg of the mission would be flown at 25,000 ft. at 281 kt., and the return at the same altitude at 267 kt.

HOUSE UNIT TO URGE ENFORCER FLIGHT TEST

WASHINGTON.—House Armed Services research and development subcommittee will meet this week to consider pressing the Pentagon to test fly the Cavalier Enforcer based on the North American Mustang fighter. There are growing signs that the issue could prompt reopening of the roles and missions agreements between the Army and USAF.

Members of the subcommittee and a number of other House members are ready to send a letter to the Defense Dept. demanding that the Enforcer aircraft be flight tested either by the Directorate of Defense Research and Engineering (DDR&E) with support of all the services or by the Air Force. David B. Lindsay is the developer of the aircraft which Lockheed-Georgia would produce (AW&ST Aug. 12, p. 50).

A similar letter by five ranking members of the Senate went to the Pentagon requesting flight tests in July for the close-support Enforcer.

In addition to House interest in testing the aircraft, members of the White House staff and the Office of Management and Budget have been delving into Lindsay's claims for the aircraft. The President's assistant for legislative affairs, William E. Timmons, has been gathering material on the Enforcer.

The Air Force in the past several weeks has reversed an earlier position it had taken on the aircraft and has established a team to reexamine Lindsay's claims for the Enforcer. USAF officials earlier told Congress the Enforcer could not perform as a previous Pentagon study said it could.

The USAF team to investigate the Enforcer was formed at the Aeronautical Systems Div., Wright-Patterson AFB, Ohio, and is headed by Fred T. Rall, technical director for ASD engineering. The team visited Lockheed-Georgia Sept. 9 to study engineering designs.

Some members of the team later traveled to Vero Beach, Fla., where a prototype Enforcer is hangared.

The team is scheduled to report its findings by mid-October to Air Force Chief of Staff, Gen. David C. Jones. Gen. Jones formed the team after an Aug. 17 meeting in the Pentagon with Lindsay.

Defense Dept. officials said that the team, which USAF officials have told House members is taking a fresh approach in looking at the Enforcer, is really seeking to determine facts about the aircraft in relation to testimony earlier to Congress by USAF's Gen. W. J. Evans, who was then head of research and development.

Rep. William L. Dickinson (R.-Ala.), a member of the R&D subcommittee, told Aviation Week & Space Technology that he has talked to Air Force officials about the Enforcer and that he believes that the Air Force will flight test the aircraft.

Rep. Dickinson said USAF officials told him the prototype may not be in flightworthy condition. He said that he and other representatives believe that if it is not, additional prototype aircraft should be produced and test flown.

Unless the Air Force is willing to test fly the Enforcer, Rep. Dickinson said, he intends to contact the Army about testing it. He added that he and other members of the House will delve into roles and missions between the Army and Air Force.

It could mean putting the Army back into the fixed wing business again, Congressional staffers said.

Rep. Melvin Price (D.-Ill.), chairman of the R&D subcommittee, said members of the subcommittee are urging a letter calling for flight tests. He said he has been in touch with the services and that no requirement for the aircraft exists. Rep. Price said he believes it is hard to support a letter asking for flight tests when no requirement exists. He is holding back, he said, waiting to hear from the Air Force team on its study.

Rep. Otis G. Pike (D.-N.Y.) said he will support a House letter to the Pentagon asking for tests of the Enforcer.

Pentagon officials believe that the Defense Dept. already has decided that if enough House members ask for flight testing the Enforcer in addition to earlier Senate pressure, the tests will be conducted.

"Congress believes that there is a mission for the aircraft and that it is not viewed as a competitor for the A–10 [Fairchild Industries close-support aircraft]," a Defense Dept. official said, "and it looks like we will test it, dragging our feet all the way."

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF TO BE DEDICATED ON SATURDAY, OCTOBER 5, 1974—SENATOR RANDOLPH EXPLAINS VALUABLE WORK BEING CARRIED FORWARD

Mr. RANDOLPH. Mr. President, the dedication of the new National Technical Institute for the Deaf will occur on October 5, 1974. It is appropriate to bring to the attention of this body the completion of the new building complex on the campus at the Rochester Institute of Technology in upstate New York.

Those of us who share sponsorship of the bill introduced on April 1, 1965, have personal satisfaction in noting that the legislation has come to fruition. We are delighted that Mrs. Lyndon B. Johnson, wife of the former President of the United States, will be the speaker at the dedication ceremonies. It was President Johnson who signed the law that created the Institute.

I am gratified that President Paul Miller, of Rochester Institute of Technology, the sponsoring institution, and formerly of West Virginia University will be working with Dr. Robert Frisina, Director of the National Technical Institute for the Deaf. They will labor to carry forward the provisions of the law that established this unique technical and vocational program.

I share with my colleagues an overview of the National Technical Institute for the Deaf. Congress, in an attempt to update prospects for deaf employment in the United States, established the Institute for the Deaf in 1965. It was the first major assault on deaf employment which historically had been characterized by underemployment and unemployment.

The postsecondary program was placed on the upstate New York campus of

Rochester Institute of Technology, a college that had a long history of success in technical education. As the only national postsecondary technical and vocational program, NTID also represents an attempt to educate a large number of deaf students on the same college campus with hearing students.

Since NTID opened its doors in 1968, it has sent some 300 deaf graduates to productive technical jobs in 31 States. "Our mission is to provide deaf students with the technical, personal, social, and communication skills needed to compete in the hearing world of work," said Dr. Robert Frisina, director of NTID.

The enrollment of deaf students has grown from 70 in 1968 to 450 students in 1974. With completion of a new $27.5 million complex this past summer, enrollment will expand to 750 deaf students, representing every State in the Nation.

NTID offers special training leading to certificates, diplomas and associate degrees in business technologies—office practice and procedures, data processing, accounting—visual communications, technologies—applied photography, printing technology, applied art—engineering technologies—architectural technology, civil technology, electromechanical technology—and technical science—medical lab technician, medical record technician—and baccalaureate degrees through Rochester Institute of Technology.

Advisory committees, comprised primarily of representatives from business and industry, help keep NTID programs in concert with the needs of industry. "Many NTID staff members come from industry and bring a wealth of practical experience," Dr. Frisina states.

The educational programs are established at the certificate, diploma and associate degree level to allow multiple exit points to direct employment. "We place our emphasis on the student," said Dr. Jack Clarcq, assistant dean for technical education. "We attempt to mold our training programs to the needs of the particular student, more than conventional educational goals which cater to the average student."

For the deaf student who has an interest and qualifies, all of the other eight colleges within Rochester Institute of Technology are accessible through cross-registration. Rochester Institute of Technology has internationally reknowned programs in its College of Graphic Arts and Photography and College of Fine and Applied Arts.

Unlike the conventional educational programs, extensive support services of interpreting, tutoring and notetaking help deaf students succeed. In addition, there are preparatory programs in English, math and science that help deaf students overcome the educational lags caused by deafness. Since NTID also is accountable for placing its graduates on jobs, it has an extensive job placement program.

Dr. Frisina said:

> Unlike most colleges and universities, NTID cannot afford to leave employment to chance, but our placement will only be as good as our preparation. Job history of the deaf and other disadvantaged groups asserts that anything short of a comprehensive program will not succeed.

NTID has a highly individualized job placement program. It means matching the right student to the right job based on his or her personal skills. The office of occupational liaison and research develops a detailed skills profile on each student prior to graduation.

NTID employment specialists then work closely with the employer in the initial stages of employment and maintain a liaison with the company thereafter.

Dr. Frisina states:

> Since our students come from virtually every State, our placement contacts are both broad and complex. We feel we have a valuable resource in our skilled deaf students, but business and industry must make a personal commitment to hire our graduates. Someone must open the door.

Mr. President, the doors of industry are being opened. Of the 193 graduates through 1973, 96 percent seeking jobs were employed, and 94 percent of those were hired in their area of training and paid at a level commensurate with their skills. Ms. Buller, who graduated from the medical record technician program, is the first known deaf person to pass the national art accreditation examination. Ann Daltry, who graduated from the medical lab technician program, is employed at the Manatee Memorial Hospital in Bradenton, Fla., and is the first deaf person to pass a State medical laboratory technician examination. Other NTID graduates are on the tax rolls as draftsmen, engineers, accountants, and photographic and printing technicians.

We congratulate President Miller, Dr. Frisina, and his staff on an excellent beginning. It is our hope that National Technical Institute for the Deaf will become a model of excellence in technical and vocational training and opportunity for deaf Americans.

INDEPENDENCE DAY IN BOTSWANA

Mr. HARTKE. Mr. President, today, September 30, we salute the Republic of Botswana, a country in Southern Africa celebrating their Independence Day.

Botswana has a population of 600,000 and a population density of 2.9 people per square mile, which makes it one of the least populated areas of the world.

In the early 19th century, the Europeans made contact with the inhabitants of the area now known as Botswana. The ancestors of these inhabitants had settled the land around 1700 A.D.

At the end of the 19th century, intermitting wars with Boers from South Africa caused the Botswanas to appeal to the British for assistance. In 1885, the British declared the whole of Bechvanaland to be under the protection of the British Government.

In 1966, the colony of Bechvanaland became Botswana, a free and independent country.

The economy of Botswana has been based on agriculture until very recently when the mineral resources began to be exploited. Two large mining companies, the Anglo-American and American Metal Climax, are spearheading the development of the mining areas. Anglo-American's diamond mine at Orapa is producing about 2.4 million carats of diamonds per year.

Mr. President, I take this opportunity to congratulate the President, Sir Seretse Khama, the Government, and the people of Botswana on their Independence Day.

THE SOURCES OF CHROME

Mr. HARRY F. BYRD, JR. Mr. President, the House of Representatives is expected to take up the issue of Rhodesian chrome in the near future.

This question was debated in the Senate in 1971, 1972, and 1973.

In 1971 the Senate and the House both approved the Byrd amendment—section 503 of Public Law 92–156—which provided that there could be no ban on the importation of a strategic material from a free world country if the same commodity were being imported from a Communist country.

The principal effect of the legislation was to exempt Rhodesian chrome from the across-the-board sanctions on trade with Rhodesia. These sanctions had been imposed by unilateral action of former President Johnson pursuant to a resolution of the United Nations Security Council.

In 1972 an effort was made in the Senate to repeal the Byrd amendment. It was defeated.

Last year a further attempt was made, in the form of S. 1868, a bill which in effect would reimpose the sanctions on Rhodesian chrome. This effort was successful, and S. 1868 is the legislation which the House is expected to act upon in the near future.

Throughout the debates on Rhodesian chrome, one of the questions most extensively debated has been the importance of Rhodesian chrome to essential American industry.

The most important single fact to bear in mind in this controversy is that Rhodesia has two-thirds of the world's reserves of metallurgical chrome ore.

The distribution of reserves, in rounded-out percentages, is as follows:

Rhodesia, 67.

South Africa, 22.

U.S.S.R. and other Communist countries, 6.

Turkey, 2.

Rest of world, 3.

Metallurgical grade chrome ore is the ore which is used in production of stainless steel. It is the need for stainless steel, vital for defense and essential industries, which makes chrome a strategic commodity.

Therefore in reimposing the embargo on Rhodesian chrome, we would be taking a most serious step: Cutting off the United States from two-thirds of the world's known metallurgical chrome ore reserves.

Advocates of reinstituting the Rhodesian chrome sanction maintain that Rhodesia is not a major source of chrome for the United States because only about 11 percent of our imports of metallurgical grade chromite—ore—come from that country. This is a misleading statement, because much of the chrome coming into the United States today comes not as ore but as a processed alloy called ferrochrome.

Rhodesia has become a major exporter of ferrochrome. Like other developing nations with rich mineral resources, Rhodesia is anxious to earn additional foreign exchange by processing its raw materials on its own shores, thus enhancing the value of its exports.

This trend is reflected in the U.S. import figures. Between 1970 and 1973, American imports of chromite were cut nearly in half—from 703,000 tons to 383,000 tons—while imports of ferrochrome almost quadrupled—from 26,000 tons to 100,000 tons.

If we look at total chromium imports, including both chrome ore and ferrochrome, the percentage coming to the United States from Rhodesia rises from 11 to 19 percent—nearly one-fifth.

Moreover, Rhodesia's share is bound to increase if sanctions are not reimposed. The reason for this is that industrial nations which have historically imported ore and processed it for export to others as ferrochrome are getting out of this business—partly because the source countries are doing their own processing, and partly because the domestic demands of the industrial countries are rising rapidly.

From all of this it is clear that Rhodesia's importance to the United States as a supplier of chrome is significant and increasing.

Advocates of reimposing the Rhodesia embargo claim that assured supplies are available from other nations. Let us look at the alternate sources of supply.

South Africa, like Rhodesia, is increasing ferrochrome exports and decreasing exports of ore. Its grade of ore is lower than that of Rhodesia, and in fact it makes use of Rhodesian ore for processing. And from a foreign policy standpoint, it is doubtful that the racial policies of the South African Government are more acceptable than those of Rhodesia.

Russia has the next largest supply of chrome, after South Africa.

Surely no one will assert that Russia is a reliable source or a friendly country.

As to reliability, we need only to recall that the Soviets doubled the price of chrome exports when the United States was observing the Rhodesian chrome embargo. And just last year, for a 5-month period, the Soviet Union embargoed its own chrome exports in an effort to drive up the price.

More fundamentally: What kind of logic can support increasing the dependence of the United States upon Russia for a commodity vital to national defense? The great bulk of our defense budget—$82 billion this year—is imposed upon the taxpayers of the United States because of the policies of the Soviet Union.

Furthermore, if one wishes to couch the argument in moral terms, it would certainly be absurd to cut off the flow of chrome from Rhodesia because of Rhodesia's racial policies while at the same time increasing and encouraging trade with Russia, which may very well have the most repressive government in the world.

Russian justice? Russian freedom? Ask Solzhenitsyn. Ask Sakharov. Ask the Soviet Jews. Ask anyone who dares to speak out against the all-powerful regime in the Kremlin.

After Russia, in the list of chrome sources, we come to Turkey.

Turkey has smaller reserves than Russia, and far smaller than Rhodesia or South Africa, and much of its output is tied up in long-term contracts for delivery to Japan.

Finland, Brazil, and Pakistan have reserves far too small to replace the amounts imported from Rhodesia.

So it is clear that if we are to be able to produce sufficient stainless steel for American defense and industry, we must have access to the reserves of Rhodesia.

Some have contended that we must cut off all trade contacts with Rhodesia for fear of offending her black African neighbors. It has been contended that if the Byrd amendment stands, the nations of black Africa will deny us their mineral resources.

I think this is a gross underestimation of the intelligence of the black African leaders. I do not believe that they will cut their own countries off from the world's richest market because of their dislike of Premier Ian Smith.

This view of mine is shared by an expert observer, Mr. Bruce Otis, Washington correspondent of African Report magazine.

During an interview on WETA radio in Washington, on September 9, 1974, Mr. Otis was asked about the possibility of a boycott of the United States by the black African nations.

This was his reply:

> You raise the spectre of some kind of boycott, perhaps, by Africa or the third world of the United States, in terms of minerals exports, over some Southern African issue such as the current Rhodesian thing. It is theoretically possible, but the U.S. will have to really be quite Neanderthal to drive it to that extreme. Most African governments are quite pragmatic in terms of their own exports.

Quite pragmatic, indeed. Of course they are. They are developing countries. They need foreign exchange. They need foreign sales. They are not going to commit economic suicide.

Moreover, the black African leaders should realize that the sale of chrome to the United States provides only a tiny fraction of Rhodesia's income from foreign trade. Most of Rhodesia's income is derived from a burgeoning trade with sanction-busting nations all over the world, including Great Britain—the instigator of the U.N. boycott—Japan, and West Germany.

One final point needs to be made with regard to sources of chrome for the United States, and that is that the American stockpile cannot be both a strategic reserve and a substitute for Rhodesian ore and ferrochrome.

If the stockpile is used to implement a dubious foreign policy, obviously it will not be there when a real emergency arises.

In addition, there can be no further releases from the stockpile without the assent of the Congress—and neither Senator HOWARD CANNON of Nevada nor Representative CHARLES E. BENNETT of Florida, chairmen of the subcommittees which pass on stockpile releases, has indicated approval of the chrome release or scheduled hearings on the subject.

I feel sure that the opposition to releases from the stockpile will be even stronger if the United States cuts itself off from Rhodesian chrome. And well it should be, for combining a Rhodesian boycott with a stockpile release would be like trying to have one's cake and eat it, too—and burning down the bakery.

The commonsense of this should be obvious: if you consume most of an emergency reserve, it is not an emergency reserve any more.

No combination of non-Rhodesian foreign sources and stockpile releases is going to give the United States a secure source of chrome. We must have access to the Rhodesian source—and that means we must keep the Byrd amendment on the books.

THE FRANCHISE GAME—VI

Mr. HARTKE. Mr. President, the franchise arrangement has proven most beneficial to many small businessmen who wished to operate their own enterprise. Indeed, many franchise operations have returned sizable profits on investments to people who successfully turned a service or a product into a well-known entity.

The sixth article in an investigative series published by the Chicago Tribune discusses the many positive aspects of the franchise business. The essence of the franchise idea as the general manager of one major franchising company discussed it is, "We want owner-operators, not investors." The series indicates that those who have been lucky enough to be associated with an interested parent company have found success with hard work. For many, the franchise has meant access to opportunities which would otherwise not have been within their grasp.

But ventures with such appealing prospects for success are also fair game for unscrupulous manipulators, as shown by the earlier articles in the Tribune series which I have inserted in the RECORD.

It is to protect the legitimate operations while guarding against abuses that I have introduced legislation, S. 2467, that would provide for regulation of business franchises, require full disclosure to prospective buyers and ensure fair competition in the negotiation of franchise agreements. I hope my colleagues will agree that this excellent series of investigative reports clearly points up the need for early hearings on my legislation.

Mr. President, I ask unanimous consent that the sixth and final article in the Tribune series be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO EASY MONEY, BUT LOTS OF WORK IN FRANCHISING

"It's better than McDonald's," the promise goes.

To hear the shady franchise salesmen of this country tell it, every two-bit scheme is going to be better than the most successful franchising venture in America's history.

But even tho that hollow promise has become the big lie of franchise sales, it holds a humorous irony. And no one feels that irony more than the owner-operator behind the hamburger stand's counter.

The fact is, it's just not all that easy, even when you invest your money with the more solid companies in the franchising field.

"With a McDonald's you have the vehicle to take you where you want to go, but you can't just stand back and watch it go. It won't go alone."

The speaker was John Perry, 38, who has learned there is "no fast money, no quick honest buck" in the McDonald's franchise at 550 E. 103rd St. that has taken most of his time and all of his concentration for the last two years.

"I went to McDonald's because I wanted to go with a winner," he said. "But I'll never forget how disappointed I was when I drove up."

The franchise Perry was being offered was "one of those small carry-out stores more than 10 years old" in a changing neighborhood. But Perry, a black man, thought that the restaurant could be built into a thriving business, and was willing to put in the time to do it.

"That was two years ago, and I still have a lot of work to do," he said. "The building and lot are now in perfect condition, and we have added a dining room."

Perry worked 14- to 16-hour days six or seven days a week on his new enterprise. He got a loan from the Small Business Administration to help get the franchise and repair the parking lot and building.

"Now a field representative stops by once a week, and if there's any need I call him, and he's here day or night," Perry said. "They keep trying to service their franchises; they want us to succeed."

Perry reflects the feelings of many men and women who have prospered, tho they certainly haven't become rich, from America's franchising boom. Most tell a story of hard work, lots of worries, and perseverance.

And in most cases the work began long before the franchise was even purchased. William Strickland, for example, worked without pay during evenings and on weekends for months so that he would know what he was doing when the Midas Muffler Shop he wanted became available.

"By then I had no illusions that going into business was easy," he said. "I had studied the franchise for about 8 to 10 months."

And Strickland, 39, had saved his money, built a solid background as a research engineer in stress analysis, and knew he would be able to convince Midas he could handle the job.

He already knew that, unlike the shady franchisers who will take money from anyone, Midas would take a long look at him and his ability.

"We want to be sure they are the kind of person we want," said William R. Strahan, general manager of Midas Franchise Operations. "We want owner-operators, not investors."

But Strickland had done his homework and was convinced the effort would pay off. His preparation and his investment gave him a partnership with a company that can offer more than just a good product and sound advice.

"It would have taken three times as long for a man starting out in this business if he didn't have the Midas name," he said. "We are dealing with an apprehensive public, especially when it involves their automobiles. They are careful about putting their car in just anyone's hands, so the Midas trademark means much to them."

And the same is true about a certain quality of hamburger or crispy chicken the buyer can expect from any franchise shop in the country.

"The owner of a Kentucky Fried Chicken franchise will do $10,000 to $15,000 in volume the first week," Col. Harland Sanders said about the chain he started years ago. "I bore the brunt of the mistakes when I started out, and the new fella now can take advantage of that."

That uniformity of product and service is the franchiser's bread and butter, and the franchise buyer finds himself pressed to great lengths to insure he will not drop the ball.

Perry spends more than the required 250 hours at McDonald's Hamburger University and in on-the-job training in other restaurants. Others have had the benefit of similar schools for everything from root beer stands to industrial cleaning businesses.

But despite the variety of help the major franchisers offer, everything does not always go well for the fledgling franchisee. Sometimes he finds himself alone and must depend on his ingenuity to get out of a tight spot.

Ralph Gormon, 44, bought an Alfie's franchise to sell fish and chips in Downers Grove, but found the parent company bankrupt within two years after he went into business. Other Alfie's franchisees took the financial loss. Gormon chose to go it alone.

"I started to add a new menu," he said. "I added good chicken and specialties like oysters and lobster. I worked 80 hours a week, and I've never taken a vacation.

"We finally started making money last year."

Still, Gormon has no illusions about how well he could have done in the business if he simply had started from scratch.

"Franchising is a good vehicle to get into business," he said. "I left a good job and took a chance, but it was worth it. I doubt I had the awareness of the business to start out alone."

So, he concluded, he learned enough to get started, even tho the company eventually left him to his own devices. In the franchising world, even the soundest companies get abandoned by franchisees.

Franchisers argue that their greatest service is in getting the business off the ground, and complain that the franchisee may stop being grateful after a while.

"The trouble is," said Frank Crowley, president of the Dog 'n' Suds franchise chain, "we set a guy in a business, he's making it big the first year or so, and then he says: 'Hey, what do I need you guys for?' You build the business for him, and then he tells you to go scratch."

Anthony Mango, for one, has told Dog 'n' Suds to "go scratch." Mango simply has taken down his Dog 'n' Suds sign over his Joliet restaurant and named it after his wife: it's now Shirley's West Side Drive-In. And he refuses to pay royalty fees or advertising fees.

Other franchise holders, however, don't share his view. They see the advertising done by the national organization as one of their greatest assets.

One franchisee joined the organization long before the advertising fee was first assessed, and therefore never has been required to pay it. Still, he pays it voluntarily, because he thinks the money is well spent.

"And the company doesn't require me to buy supplies from them, either," he said. "I do it anyway, because I want to help the company."

It is that attitude that the franchiser likes to see develop within his organization—the feeling that the franchisee and the franchiser are in it together.

"Franchising is a partnership," Crowley said about his Dog 'n' Suds chain. "Like a partnership, it has its strengths and weaknesses. It's awkward, but not impossible."

On the contrary, the system has become so possible and so lucrative that the world of solid franchises now ranges from the corner Ben Franklin store in a small midwestern town to the Chicken Unlimited fast-food store on a city block, altho each has its unique characteristics.

The Ben Franklin chain, for instance, started in 1927 calling itself a "voluntary chain" of small stores affiliated so that they could compete with the bigger chains in buying power. It was built from a core of already independent businessmen.

The fact is that scores of legitimate businesses are being franchised, and the buyer can find them and recognize them if he moves carefully and slowly. And they do not all go for prices out of reach for the small investor.

Tho a big name hamburger franchise might cost $150,000 and a steak shop might cost $39,000, there are others in franchising on sound financial footing and selling for a lot less. The careful investor can find a solid cleaning business for $1,195 or a franchised tax service for $1,000.

"There are good and bad opportunities at high prices, and there are good and bad opportunities at low prices," said A. L. Tunick, founder of Chicken Delight and founder and first president of the International Franchise Association. "You just have to look beyond the price."

But in any discussion of franchising, the men who built the concept and made it work will come back to the same point—a sort of creed of franchising.

"Without franchising," said Jerry H. Opack, executive vice president of the International Franchise Association, "thousands of small businessmen would never have had the opportunity of owning their own business."

THOUGHTS ON THE ANNUAL MEETINGS OF THE IMF AND THE WORLD BANK

Mr. TAFT. Mr. President, I plan to introduce tomorrow a sense-of-the-Senate resolution expressing support for the efforts of the International Monetary Fund, the World Bank, and others to promote international approaches of minimizing world economic disruption caused by the dramatic transfer of wealth to oil-producing countries. My action coincides with the extremely important 1974 annual meeting of the Board of Governors of the International Monetary Fund and World Bank group, which are likely to be dominated by concerns of this nature.

More specifically, the resolution expresses the sense of the Senate that the present economic situation demands increased international economic cooperation; that the IMF should continue its efforts to discourage protectionist economic actions detrimental to the world economy, through such means as its guidelines for government management of floating currencies and its promotion of a voluntary agreement not to take actions distorting trade unless IMF determines that they have balance-of-payments justification; that IMF should make an urgent review of the adequacy of present and proposed facilities for recycling funds to financially troubled oil deficit countries; that the meetings should recognize the devastated economic situation of some of the less developed countries; and that pursuit of other means to alleviate the present economic upheaval through international cooperation should continue vigorously.

Tomorrow I understand that the Senate will consider a resolution offered by my colleague from Ohio, Senator METZENBAUM, in support of President Ford's efforts to negotiate lower oil prices. I am a cosponsor of that resolution and I believe that this goal, however difficult, should remain a crucial objective of economic and foreign policy.

However, in view of both the considerable disruption caused by the $60 billion transfer of wealth already effected and the probability that the impact of high oil prices will continue to be severe, it is necessary to supplement this strategy immediately with all reasonable steps to facilitate necessary financing by oil deficit countries and thus minimize the oil deficit-related threat to international economic stability.

More generally speaking, one of the most important lessons of the 1930's was the necessity for international economic cooperation rather than trade-restrictive or distortive protectionist policies during times of economic stress. Efforts by a country to shift unemployment or inflation to its trading partners through restrictive or distortive actions often have resulted in detrimental effects to the countries involved. Yet, it is precisely in troubled economic times that countries are most likely to be tempted to invoke such policies. The unprecedented magnitude of today's balance-of-payments problems unavoidably creates such temptations.

The two major steps I mentioned which the IMF has taken to discourage such actions, its guidelines for government management of floating currencies and its promotion of the voluntary declaration on trade measures, deserve our wholehearted support. However, in addition to discouragement of action likely to have negative effects on the international economy, positive action is needed to assure that the financing of oil deficits occurs with the minimum possible disruption and hardship .

The adequacy of the present financial institutional framework for accomplishing this goal is certainly debatable. The first "investments" of surplus oil profits in European banks were of an extremely short-term nature, while the prevailing financing needs require medium-term and long-term lending. Obviously, the banks cannot maintain that lending pattern for long without greatly increased risk or a sizable curtailment of lending volume relative to assets on hand.

It is argued that increased longer-term investment of oil profits and adoption of more innovative financing techniques will improve the situation and alleviate strain on the banks. However, it is impossible to state with certainty that these developments will occur promptly enough and in great enough magnitude to overt serious financing problems in the near future, or that the locations of the investments made will correspond closely with countries' urgent needs for capital.

At first glance it may appear that the International Monetary Fund-related facilities for assisting countries with balance-of-payments difficulties are adequate with $3.4 billion in borrowings from the oil exporting countries; the IMF has already created a small "oil facility" to provide 7 percent loans of up to 7 years' duration for defraying the initial impact of oil deficits. An "extended fund facility," in which the fund would lend its reserves at slightly lower interest rates and longer terms than usual to countries with "structural" balance-of-payments problems, has also been approved. The Treasury Department argues further that sizable amounts are available through the Fund's regular borrowing facilities—which were meant for more short-term needs than the present situation requires—and swap agreements.

Those who are skeptical of the immediate need for additional financing facilities, notably the Treasury Department, point to these resources and the fact that not all oil facility funds have been committed—during its short life thus far although indications are that these funds will be committed in the next several months. Their case should, of course, be evaluated fully. However, in light of the transfer of resources so staggering that oil producing nations' reserves will be in the magnitude of approximately $200 billion by the end of 1976, we should not be complacent about the adequacy of the facilities.

Furthermore, the apparent magnitude of resources available is extremely deceptive, since neither the funds' regular lending facilities nor the swap agreements can be utilized at nearly the maximum volumes sometimes quoted.

The question immediately arises as to the source of any additional financing deemed necessary. Whether the oil exporting countries would support a higher level of oil facility funding through borrowing at interest rates anywhere near 7 percent is unknown and there may be valid foreign policy reasons for minimizing financial reliance on these countries, although their funds obviously are desperately needed. The capability of the oil importers to improve the recycling of funds among themselves through better executed and innovative financing techniques must be examined fully, but this capability may be limited.

My resolution draws special attention to the needs of some of the world's poorest countries because the oil price explosion, the explosion in the price of necessary food commodities such as rice and wheat, the fertilizer price explosion and the fertilizer shortage have combined to have a devastating effect. The World Bank now estimates that to achieve even a modestly acceptable rate of economic growth, these countries will need an additional $2.6 billion in long-term external capital in 1974, $6.8 billion in 1975, $10 billion in 1978 and $27 billion in 1980. We must come to grips with the extent to which without further assistance, some of these countries will not be able to fulfill the most basic needs of their citizens. In view of their huge surpluses, the oil producers naturally appear to be in a position to supply further assistance.

As I have indicated and as the resolution emphasizes, efforts to ease the immediate financial impact of the oil deficits must not detract from pursuit of other forms of international cooperation which would improve the world economic situation significantly. Let me emphasize again that the most important goal in this regard is a negotiated major decrease in oil prices. In addition, the recent agreement upon a plan for sharing of oil resources during emergency periods is a positive example of international economic cooperation. With passage of the Trade Reform Act, intense negotiations could begin with the aim of establishing further safeguards against protectionist and self-serving governmental actions which would result in international economic shrinkage.

In view of this resolution's timeliness and the overwhelming importance of the problems it addresses, I am hopeful that the Senate will act upon it quickly. I ask unanimous consent that a copy of the resolution be printed in the RECORD, as follows:

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Expressing the sense of the Senate regarding the 1974 Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group.

Whereas world economic stability is presently threatened by the drastically increased transfer of wealth to oil producing nations and by other international economic developments;

Whereas these developments could have devastating effects on some of the world's less developed nations;

Whereas disruptive flows of monetary reserves threaten to imperil world financial institutions and to overwhelm international capital markets;

Whereas the present governmental and private financial institutions may not be able to recycle funds to oil importing nations in a manner which minimizes the economic impact of increased oil import prices;

Whereas government policies designed to mitigate the effects of international economic problems in a particular nation often worsen the economic situation in other nations, ultimately to the detriment of the nations involved; and

Whereas possible methods of alleviating these problems will be a major topic of the 1974 Annual Meetings of the Boards of Governors of the International Monetary Fund and the World Bank Group: Now, therefore, be it resolved that it is the sense of the Senate that:

(1) The present economic situation demands greatly increased international economic cooperation among nations;

(2) The International Monetary Fund be supported in its efforts to discourage unilateral economic actions which could affect other nations' economic situations adversely, including its guidelines for government management of floating exchange rates and its promotion of the Voluntary Declaration on Trade Measures;

(3) The Annual Meetings should give urgent and detailed consideration to the adequacy of present and proposed international facilities for providing necessary financing to oil importing nations, in view of both the short-term and long-term econome prospects of these nations;

(4) The Annual Meetings should recognize fully the emergency needs of the poorest oil importing nations;

(5) Other types of international cooperation to help alleviate the present economic situation should continue to be pursued vigorously.

CURRENT ECONOMIC PROBLEMS

Mr. THURMOND. Mr. President, the attention of the Nation is now focused on the economic problems of inflation and unemployment which are steadily eroding our strength as a sovereign state and the prosperity of our people. President Ford has taken a very wise course of action, I think, in convening a series of summit conferences in which knowledgeable leaders from all segments of our economy will address these most serious probelms.

Many skeptics have ridiculed these economic summit meetings as nothing more than political gimmickry and rhetoric. However, I think it is imperative that we recognize the need for a thorough airing of our economic problems and a full exchanging of ideas on how to confront our economic dilemma. These meetings alone will not halt the inflationary spiral, but, hopefully, out of these discussions will come proposals that are effective in bringing in a new era of prosperity without inflation.

Any reasonable suggestion that might be effective in helping our Nation out of the current economic dilemma should be thoroughly and thoughtfully considered. Recently, a small town newspaper in South Carolina carried an excellent editorial dealing with shortages of goods. This editorial, published in the September 16 issue of the Union Daily Times of Union, S.C., is certainly not small in its thinking. I would commend its message to all of us who are concerned about our economic problems, and I ask unanimous consent that this editorial be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, the editorial clearly points out one of the real dangers of the expanded Government welfare and related social programs. Granted these programs do help many truly needy Americans. However, many of these Government handout programs are also highly inflationary.

When Government assumes responsibility for the total economic welfare of individuals without receiving any productive contribution from those individuals in return, then the long-run economic consequences are problematic. Persons who are receiving their basic needs from the taxpayers do create an expanded demand for goods. However, so long as these persons are unemployed, they add nothing to productivity. Indeed, the more individuals who depend on Government handouts, the less there are available for productive jobs in business and industry. Increased buying power, when not accompanied by increased productivity, inevitably leads to shortages of goods, thus resulting in higher prices and further compounding the problems of inflation.

Mr. President, as our Nation reassesses our economic problems, I would urge that we strongly consider the impact of expanded social welfare programs. If we continue down the road we are presently traveling, we will find our Nation's strength continually undermined by the problems of inflation. Even worse, we may come to the point that we simply do not have enough persons in our productive work force to pay the taxes to support all those who are living on Government handouts.

Exhibit 1

One Answer for Shortages of Goods

The bewildered consumer, in addition to having to pay inflationary prices for the goods he must buy for survival, faces a number of other problems. One which is more and more commonplace is shortage—and it becomes more difficult to know whether certain shortages are genuine or created.

Whatever the reason, it is often difficult for the consumer to understand why products cannot be purchased or, if they are not on the shelf, why they can't be ordered in a reasonable period of time.

Consequently, merchants are finding it more and more difficult to operate their businesses for they are at a loss to explain the whys. And the customer, perplexed by it all, more often than not unloads his wrath on the businessman who in fact has no more control over the situation than the person desiring to make the purchase.

One businessman, who experienced difficulty in obtaining a certain product for which there was no obvious reason for its being in short supply, finally wrote the manufacturer and asked for an explanation.

The answer he received perhaps gets down to the basic root of the cancer that is eating viciously at the economy of this country.

In the answer, the manufacturer first recognizes that the demand for the particular product is heavy—"far greater than any time we have seen in some 40 years. . . ."

This, by itself, would indicate that things are pretty good. Demand is what has made this system of free enterprise what it is, because demand brings about productivity and productivity turns the wheels of business and industry.

But the manufacturer didn't stop there. He added this: "I will also add, I hope our new president will stop feeding people without work. We are simply unable to get enough labor to operate our plant."

The more that join the ranks of the government's utopian society of getting all our basic needs fulfilled without labor, the less there are to turn the wheels of business and industry. When there are no workers, there is no production. Soon there are shortages.

We're seeing this demonstrated now—and it's growing by leaps and bounds.

The ultimate step is for everybody to have free living—but, alas, this is only a pipe dream of some in Washington who have been so carried away by their visions of utopia that they haven't realized who'll pay the bill if nobody works.

Shortages and high prices ought to be warning signals that this sickness needs immediate treatment. And if it is not in the making soon, our economic conditions are headed for destruction.

WATER SUPPLY CONTRACTS FROM NAVAJO RESERVOIR FOR PROPOSED COAL GASIFICATION PLANTS

Mr. ABOUREZK. Mr. President, the Federal Power Commission will soon make a decision on two petitions submitted by El Paso Natural Gas Co. These companies are seeking approval to transport and sell in interstate commerce volumes of synthetic—coal—gas for resale which has been commingled with natural gas already flowing in the system. The proposals have been approved by the Administrative Law judge, and Senators McGovern and Metcalf, along with myself, have asked for right of intervention in this decision before it reaches the full Commission.

This decision will be a landmark decision for all coal gasification projects in the United States in that it will fix procedural practices for consumer pricing, contracting for resources, and water use patterns for the lower Colorado River Basin. Therefore, I think that before this case reaches the full Commission, certain issues which will have long-reaching effects on the consumer and the environment must be addressed.

The first issue concerns the FPC's decision to certify coal gasification cases only at the point where synthetic—coal—gas is mixed with natural gas. This will allow companies to substitute high priced synthetic gas for available and cheaper natural gas. In a previous decision the Commission ruled that under provisions of the Natural Gas Act it did not have jurisdiction over unmixed synthetic gas, the transportation of this gas prior to being mixed with natural gas, or the construction and operation of facilities needed for transportation. In other words, the FPC defined its authority over the production and sale of synthetic gas in the most narrow manner. This apparently arbitrary decision is beginning to have adverse effects on the Nation's gas consumers—namely by forcing the consumer to pay costly synthetic gas produced by wholly owned nonjurisdictional subsidiaries who are opposed to Federal regulation.

Furthermore, in these two cases the companies have requested that the costs of this synthetic gas be rolled into the consumer base rate despite the fact that it should be marketed on a full incremental basis; the home user must pay a higher rate and is forced to subsidize the bulk user who can take advantage of a lower rate.

The second issue concerns the proposed technology. Currently, the high Btu coal gasification process—Methanation—is inefficient and has not yet been proven. Yet, if the FPC approves these proposals, consumers will be saddled with an excess of $600 million in costs whether or not a single million cubic feet of pipeline gas is ever produced. The consumer will have to pay for research and development of a project with an unknown price tag, which has no history of success.

Another issue not adequately dealt with is the load factor—production efficiency. For example, if the proposed plants are only able to achieve an overall load factor of 50 percent, the price of synthetic gas will increase 100 percent.

Thirdly, there is the question of what other alternatives these companies have available to them. It appears that not only do they have alternatives, but the alternatives would be far less expensive. Currently, the intrastate market is receiving anywhere from 70 cents to 80 cents per thousand cubic feet for natural gas. These gasification proposals would sell gas for $1.51 per thousand cubic feet, a price clearly excessive and unreasonable within the standards of the Natural Gas Act. There is every reason to believe that there will be a substantial price increase even before the completion of the project. For example, the per unit cost of the proposed gasified coal has already increased by over 25 percent since the original filing.

And finally, there is the question of water availability from the San Juan River. There is strong evidence to indicate that this river is already overappropriated. And yet the FPC in their wisdom chose not to require environmental impact statements prior to approval of these petitions, as they are required by the Environmental Policy Act of 1969. The tribes who depend on this water for their very lifeblood may very well be left with next to no water to even survive if these projects are implemented. I have commissioned a study by the Library of Congress which raises a number of questions about the future of the entire lower Colorado system if these projects are allowed to go on. I ask unanimous consent that a paper prepared by CRS concerning water supply contracts for proposed gasification plants be inserted.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WATER SUPPLY CONTRACTS FROM NAVAJO RESERVOIR FOR PROPOSED COAL GASIFICATION PLANTS

(By Howard A. Brown, analyst in environmental policy)

MAY 17, 1974.

To Hon. JAMES ABOUREZK.

Attention: Bob Alvarez, Sherwin Brodhead.

From: Howard A. Brown, Analyst, Environmental Policy Division.

Subject: Water Supply Contracts from Navajo Reservoir for Proposed Coal Gasification Plants

The enclosed paper has been prepared to meet your interest in the water supply situation with regard to the proposed coal gasification plants near Farmington, New Mexico. After you have had a chance to review the report, I would be happy to provide additional assistance, if needed. I have requested additional material from the Upper Colorado River Commission which may prove useful.

At the present time, two corporations are planning to build coal gasification plants in the vicinity of Farmington, New Mexico. One of the problems relating to the proposed plants is water supply. As planned both plants would draw their water supply from the Navajo Reservoir on the San Juan River. One of the firms has a contract for water from Navajo Reservoir, the other has made application. The authorizing legislation for the Navajo Reservoir (P.L. 87-483) stipulated that no long-term contracts for water from the Reservoir could be made unless approved by Congress. This approval is to be made upon determination by the Secretary of the Interior that sufficient water would be available for use in the State of New Mexico under the terms of the Upper Colorado River Basin Compact. Determination of New Mexico's entitlement to water from the Upper Colorado River system is a complex procedure based on legal interpretations and hydrologic assumptions. The case is strong however, for a finding that there is not sufficient water to permit the granting of contracts for the coal gasification plants.

THE PROPOSED PLANTS

The El Paso Natural Gas Company holds a 40,000 acre coal lease on the Navajo Indian Reservation in San Juan County, New Mexico. The Company has applied to the Federal Power Commission for a license to operate a coal gasification plant of 250,000 million cubic feet per day capacity and to the Bureau of Reclamation for water supply from Navajo Reservoir. The proposed plant would require 28,250 acre feet of water annually. Consumption would be quite high, on the order of 90 percent. This is only for the plant process itself and does not include water needed for associated facilities or for reclamation of the mine area.

A second plant is planned jointly by the Transwestern, Pacific and Western Coal Gasification Companies. It would be of similar size and have similar water requirements as the El Paso plant. The coal would come from expansion of the Navajo Mine which now supplies the Four Corners Powerplant. Both the mine and the required water supply for the gasification plant are held by Utah International, Inc. The water rights are by contract from Navajo reservoir and were obtained by Utah Construction and Mining Company for use at planned additional units of the Four Corners Powerplant. (Utah Construction and Mining is presumably a subsidiary of Utah International.)

Both El Paso and Transwestern have expressed interest in eventually building three additional units each. This would mean a complex of 2,000,000 MCF/Day gas production capacity requiring about 225,000 acre feet of water per year.

ALLOCATION OF COLORADO RIVER WATER

The 1928 Colorado River Compact apportioned to each the Upper and Lower Colorado River Basins a consumptive use of 7,500,000 acre feet annually. The Upper Basin was required to allow 75,000,000 acre feet to flow to the Lower Basin for every 10 year period. The Lower Basin was given the right to increase its consumption by 1,000,000 acre feet (if available). If obligations were made to Mexico and they could not be met by surplus waters the obligation was to be shared by the Upper and Lower Basins.

The 1944 Mexican Water Treaty guaranteed 1,500,000 acre feet of water annually to Mexico. Under extreme conditions, Mexico would share shortages proportionately with U.S. users. This would seem to increase the Upper Basin's obligation at the compact point to an average flow of 8,250,000 acre feet per year though there seems to be some lack of agreement on this.

The 1949 Upper Colorado River Basin Compact apportioned among the Upper Basin states the use of water remaining after meeting obligations to the Lower Basin and Mexico. Arizona is to receive 50,000 acre feet per year and the other states the following percentages of the remainder: Colorado—51.75, New Mexico—11.25, Utah 23, and Wyoming 14. The consumptive use of the San Juan River was apportioned in such a way that New Mexico could obtain its full entitlement under the Compact from the San Juan River.

In 1956 Congress authorized construction of the Colorado River Storage Project, including Navajo Reservoir on the San Juan River. In 1962 Congress authorized the Navajo Indian Irrigation Project and San Juan-Chama Project, Initial Stage, as participating units of the Colorado Storage Project. 508,000 acre feet per year would be drawn from Navajo Reservoir for the Navajo Indian Irrigation Project and an average of 135,000 acre feet per year for the San Juan-Chama Project, Initial Stage would be diverted upstream from the Reservoir. The legislation made provision for sharing shortages and restricted long-term contracts for delivery of water from Navajo Reservoir or the San Juan River for purposes other than Navajo Irrigation or San Juan-Chama projects. Such contracts could not be made until the Secretary of the Interior has determined that sufficient water is reasonably likely to be available for use in New Mexico under its allotment by the Upper Colorado River Basin Compact.

1968 CONTRACTS

The granting of water supply contracts from the Navajo Reservoir for use in New Mexico (the planned gasification plants would be in New Mexico) would seem to be contingent upon determination of New Mexico's allotment of Upper Colorado water and determination of how much of that allotment is already being used. In 1967 the Department of the Interior transmitted to Congress three contracts for water supply from Navajo Reservoir together with determination that sufficient water was available and recommended approval. The following contracts were approved by Public Law 90-272, enacted 22 March 1968:

	Water diversion (acre-feet)	Estimated water depletion (acre-feet)	Proposed uses
Public Service Co. of New Mexico.	20,200	16,200	Thermal electric generation.
Southern Union Gas Co	50	50	Pump cooling.
Utah Construction & Mining Co.	44,000	35,300	Thermal-electric generation.
Total	64,250	51,550	

The determination that sufficient water was available as follows:

HYDROLOGIC DETERMINATIONS[1]

Determinations as to the availability of water under long-term service contracts for municipal and industrial uses from Navajo Reservoir involve a projection into the future of estimated water uses and water supplies. On the basis of such hydrologic studies, water depletions under municipal and industrial contracts could reasonably be allowed to use to 100,000 acre-feet annually through the year 2005.

To avoid a critical compact interpretation, we assume that the upper basin will be obligated to deliver 75 million acre-feet of water every 10 years at Lee Ferry, plus 750,000 acre-feet annually toward Mexican treaty deliveries. This would require an average annual water delivery at Lee Ferry of at least 8,250,000 acre-feet. This assumption is not to be considered as an interpretation of the upper basin obligation for water delivery at Lee Ferry under the Colorado River compact. It represents, rather, a practical and conservative approach for the purpose of the present determination required by section 11(a).

In August 1965, we provided the Congress with the following water data in connection with the proposed Lower Colorado River project:

	Year of development—acre-feet	
	2000	2030
Estimated normal annual depletion in upper basin	5,430,000	5,800,000
Estimated annual Lee Ferry regulated delivery	8,600,000	8,250,000

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[1] Senate Bill Report Number 821, 90th Congress on S.J. Res. 123.

Water deliveries at Lee Ferry, in the absence of depletions under proposed long-term municipal and industrial contracts, would in all probability be at least 8,500,000 acre-feet annually through year 2005. Contracts involving a depletion of up to 100,000 acre-feet would leave more than enough water to meet the 8,250,000 acre-feet estimated annual delivery requirement even in year 2030. On this basis, we conclude that the expansion of water uses now envisioned in the upper basin by 2005, including deliveries under long-term contracts involving 100,000 acre-feet depletions, would not impair the upper basin's ability to meet its water delivery obligation at Lee Ferry.

As to water use in the upper basin, subsection (b) of article III of the Upper Colorado River Basin compact permits New Mexico or any other upper basin State to use waters in excess of its percentage allotment, provided such excess use does not prohibit any of the remaining States from utilizing its respective allotment. Thus, the availability of Navajo Reservoir water for municipal and industrial purposes in New Mexico through year 2005 depends upon the extent of water use in the entire upper basin during that period as well as upon the physical availability of water in Navajo Reservoir.

Hydrologic studies based on repetition of the 1928–65 water runoff period, which includes the severest drought period of record, and with water depletions anticipated during the 38 years prior to the year 2005, indicate with reasonable certainty the availability of a sufficient amount of water from Navajo Reservoir for the proposed municipal and industrial water delivery contracts, with reasonable shortages to be borne at times by all diverters from Navajo Reservoir. Pertinent data from the operation study on the shortages are summarized below.

	Navajo Indian irrigation project	Hammond project	M. & I. contracts
Number of years of study	38	38	38
Number of years of full supply	35	35	35
Average shortage (percent of normal diversion requirement):			
1938	10	10	10
1956	40	40	40
1964	26	26	26
Average for 28 years	2	2	2

We, therefore, conclude that water deliveries specified in the proposed municipal and industrial contracts can be provided from Navajo Reservoir with reasonable shortages.

CRITIQUE

The determination submitted by the Secretary of the Interior for approving the 1969 contracts can be criticized for several reasons. First of all, projections of future Upper Basin depletions is tenuous. In a water scarce region such as the Southwest, expected future water use is very highly influenced by anticipated supply. If there is excess dependable supply, there will almost certainly be demand for its use. In June 1971, a comprehensive framework study of water resources of the Upper Colorado Region was published. The study was prepared at the direction of the Water Resources Council, which is chaired by the Secretary of the Interior. The framework study made projections to the year 2020. In addition to the framework plan three "State Alternatives" for on site water depletions were identified: (1) if allowed 6.5 million acre feet depletion, the same as the framework plan and the maximum allowable to meet obligations to the Lower Basin, (2) if allowed 8.16 million acre feet, the amount which would be allowable if the Upper Basin were relieved of its obligation to Mexico, and (3) if allowed full use of water physically available at the project site without regard to political or legal restrictions. Under the first two restrictions, the States' projections were for the full allowable depletions 6.5 and 8.16 million acre feet respectively. Limited only by water physically available at project site, the projected depletion was 9.44 million acre feet. Clearly then the use of 5.8 million acre feet in 2030 [6.46 million acre feet if 660,000 acre feet projected main stem reservoir evaporation is added so as to be comparable to the framework study projections] projected by the Secretary of Interior in determining water availability for the 1968 contracts did not reflect full demand for water in the basin. Rather it reflected institutional limitations on water supply. It is also clear that on the basis of projected demand for water to 2020 or 2030 there would not be a surplus of 100,000 acre feet. Rather there would be a deficit on the order of 3 million acre feet or more.

LEGAL REQUIREMENT

The second problem with the determination submitted for the 1968 contracts is that it did not address the legally required criteria. The law (P.L. 87–483) requires that ". . . sufficient water to fulfill said contract is reasonably likely to be available for use in the State of New Mexico during the term thereof under the allocations made in articles III and XIV of the Upper Colorado River Basin Compact, . . ." The determination submitted by the Secretary of the Interior does not calculate New Mexico's allocation. Instead subsection (b) of article III of the Upper Colorado River Basin Compact is cited as allowing a state to use more than their allocation so long as that use does not prevent another state from using its allocation. Therefore, it is reasoned, New Mexico's allocation does not limit water use for the short term (40 years), so long as total Upper Basin usage does not reach the limit of the total basin allotment. The determination simply asserts that, "Water deliveries at Lee Ferry, in the absence of depletions under proposed long term municipal and industrial contracts, would in all probability be at least 8,500,000 acre feet annually through year 2005." This is, of course, the same circular argument of water use projections which are affected by the lack of supply.

Something the determination did not cite was Article IV of the Upper Colorado Compact which provides for the apportionment of shortages. Section B of that article reads as follows:

* * * * *

For New Mexico to exceed its allocation would be of more consequence than the determination seemed to attach. If New Mexico were to build up an accumulation of use beyond its allocation the state could be severely taxed in the event of a drought year or by the other Upper Basin states using their full allocations.

REASONABLENESS OF SHORTAGES

The Secretary's determination went on to project shortages for Navajo Reservoir users based upon repetition of previous water supply patterns. Shortages would have occurred in three of the thirty eight years; the extent would have been 10, 40, and 26 percent. There is a good possibility that users of Hammond and Navajo Indian irrigation project water would not consider 40 percent a reasonable shortage. Damage to an irrigated crop would likely be quite severe. Again these shortages are based on projections of use which necessarily reflect the shortage of supply.

WATER SUPPLY

The first step in determining New Mexico's entitlement to use of Upper Colorado River Basin water is assessment of the water resource of the Upper Colorado. The 1967 submission of the Secretary of the Interior implies that the Upper Colorado Basin has a dependable supply of 14 million acre feet of water per year, to leave 5.8 million acre feet of water for use after meeting obligations to the Lower Basin. Using these figures would result in an allocation to New Mexico of just under 650,000 acre feet per year. There seems to be some room for dispute on these figures, however. In 1968, the House Interior and Insular Affairs Committee held hearings on the proposed contracts. [22 January, 5, 22 February; these hearings were not published and similar hearings were not held on the Senate side] During the House hearings, Chairman Aspinall disputed the figures submitted by the Secretary of the Interior. He contrasted those figures which indicated New Mexico's allocation to be 671,000 acre feet per year to those of the Tipton Report which indicated New Mexico's allocation to be only 529,000 acre feet per year. The Tipton Report was a consultant study prepared in 1965 for the Upper Colorado River Commission. The primary difference between the Interior data and the Tipton Report is the period of analysis. The Interior data starts in 1906 while the Tipton Report does not start until 1922. The gage at Lee Ferry did not begin operation until 1922 but on the basis of other gage records, flow at Lee Ferry can be estimated for the period 1906–1922 as the Interior Department did. Runoff for that 1906–1922 period, however, was much higher than it has been since. Assuming the estimates made for the early time period to be reliable, the question becomes whether or not they should be used. As a general rule, the longer the period of analysis the better; and this is the way the Department of the Interior reasoned. In this case however, a very clear pattern exists rather than random variation. Runoff since 1922, or even more clearly since 1930, has been consistently less than the early period. Conceivably a period of heavy rainfall such as 1906–1922 could occur in the near future, but having had a 30 or 40 year pattern of lower runoff it would seem unrealistic to expect any different. Inclusion of the 1906–1922 data makes the average runoff reflect conditions which do not seem to exist in the present time period.

INDIAN WATER RIGHTS

A critical issue relating to water supply for the Upper Colorado Basin, which was not addressed by the determination submitted by the Secretary of the Interior for the 1968 contracts (nor apparently by any other study) is the significance of Indian water rights. The 1908 Supreme Court case, *Winters v. United States* established that the creation of Indian reservations could have carried with it the creation of water rights. Since these water rights would date to the creation of the various reservations, they would have priority over most water rights under state laws. Before any definitive determination of water availability can be made it would be necessary to assess the extent of Indian water rights under the Winters doctrine. Since these rights are separate from and prior to those under state laws, they should probably be subtracted from the total Upper Basin supply before allocation among the states, rather than being taken from the individual states' allocations.

CONCLUSION

Of the two proposed coal gasification plants, one has a water supply from Navajo Reservoir secured under a 1968 contract with the Bureau of Reclamation. The other plant has applied for a contract for water supply from Navajo Reservoir. Such a contract would require Congressional approval; that approval would have to be based upon determination by the Secretary of the Interior that sufficient water would be available to New Mexico under the Upper Colorado River Basin Compact. At the present time, the Bureau of Reclamation has a moratorium on industrial water supply contracts. Because of the high priority granted to coal gasification under "Operation Independence," however, there may be considerable pressure for contract approval. Analysis of the determination submitted by the Secretary of the Interior for the 1968 contracts, indicates that a similar determination would be inadequate for approval of new water supply contracts from Navajo Reservoir and that indeed there might be sufficient grounds to contest the contracts made in 1968.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The ACTING PRESIDENT pro tempore. Is there further morning business? If there be no further morning business, the period for the transaction of routine morning business is now closed.

FURTHER CONTINUING APPROPRIATIONS, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to the consideration of House Joint Resolution 1131, which the clerk will state by title.

The assistant legislative clerk read, as follows:

A resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The Senate proceeded to consider the resolution which had been reported from the Committee on Appropriations with amendments on page 2, line 4, after "Turkey", strike out "until the President certifies to the Congress that substantial progress toward agreement has been made regarding military forces in Cyprus" and insert in lieu thereof "unless and until the President determines and certifies to the Congress that the Government of Turkey is making good faith efforts to reach a negotiated settlement with respect to Cyprus".

On page 2, beginning with line 10, insert:

SEC. 4. The fourth unnumbered clause of section 101(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is amended by striking out all that follows "as amended" and inserting in lieu thereof a semicolon.

SEC. 5. Such joint resolution is amended by adding at the end thereof the following new section:

"SEC. 112. Notwithstanding any other provision of this joint resolution or any other Act, the President is authorized to use funds made available for foreign assistance by this joint resolution but not to exceed $15,000,000, to provide, on such terms and conditions as he may determine, relief, rehabilitation, and reconstruction assistance in connection with the damage caused by floods in Honduras and Bangladesh and by the civil strife in Cyprus".

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield to me without losing his right to the floor.

Mr. McCLELLAN. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, the Senator from Arkansas has the floor under the agreement.

Mr. McCLELLAN. For what purpose does the Senator seek recognition?

Mr. CRANSTON. A unanimous-consent request for staff.

Mr. McCLELLAN. I have no objection.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Ellen Frost, Everett Engstrom, and Murray Flander of my staff may have privileges of the floor during consideration of continuing appropriations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Will the Senator from Arkansas yield to me without losing his right to the floor?

Mr. McCLELLAN. I yield.

SENATE RESOLUTION 414—SALUTE TO AL KALINE FOR HIS ACHIEVEMENTS AND CONTRIBUTIONS TO BASEBALL

Mr. GRIFFIN. Mr. President, on behalf of the senior Senator from Michigan (Mr. HART) and myself, I send a resolution to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 414) saluting Al Kaline for his achievements and contributions to baseball.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRIFFIN. Mr. President, this resolution would recognize a milestone in baseball history achieved last week by Al Kaline of the Detroit Tigers, who was hailed and saluted yesterday in Detroit at a special Al Kaline Day. Senator HART and I believe it would be most appropriate for the Senate to adopt this resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 414) was unanimously agreed to.

The resolution, with its preamble, reads as follows.

S. RES. 414

Whereas on September 24, 1974, in his home town of Baltimore, Maryland, Albert William Kaline of the Detroit Tigers achieved his career goal of 3,000 hits; and

Whereas Al Kaline thus became the first American League player in 49 years and only the 12th player in major league history to achieve this milestone; and

Whereas Al Kaline during his distinguished career received 12 Golden Glove awards for excellence in fielding, was the youngest player in baseball history to win a batting championship, was a member of 14 All-Star teams and ranks 16th among all players in history in career home runs; and

Whereas Al Kaline has exemplified outstanding sportsmanship in his 22 years with the Detroit Tigers and has been a "team player" for the Tigers and for his community throughout his illustrious career, motivating youth to personal fulfillment and leadership: Therefore be it

Resolved, That the United States Senate salutes Albert William Kaline for his outstanding achievements on and off the baseball field and extends to him the congratulations, esteem and affection of the Senate.

Mr. GRIFFIN. I thank the majority leader.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum with the same stipulation that the chairman of the committee, the distinguished Senator from Arkansas, retains the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

Mr. McCLELLAN. Mr. President, we have before us today a further continuing resolution (H.J. Res. 1131) to extend the current continuing resolution (Public Law 93–324) which expires today, September 30, 1974.

Immediate passage of this resolution without delay or crippling amendments thereto is absolutely essential to avoid interruption of continuing governmental functions pending final approval of certain appropriations acts for fiscal 1975.

The pending joint resolution extends the current continuing resolution until sine die adjournment of the 2d session of the 93d Congress.

As of today, 9 of the 13 annual appropriations bills, plus the special energy research and development appropriation bill, have cleared Congress and have been sent to the President for his signature.

Of the remaining four bills, Labor-HEW is now in conference. Agriculture-environment and consumer protection was vetoed and a new bill is expected to pass the House this week. Appropriations hearings have been concluded on the foreign assistance and military construction bills but action on these measures has been delayed due to a lack of legislative authorization.

It is expected that the military construction bill will be reported to the House in the near future. In addition, a supplemental appropriations bill that is composed largely of items deferred, because of a lack of authorization at the time the regular bills were considered, is expected to also pass the House this week. In the absence of authorizing legislation, however, the outlook for a foreign assistance appropriation bill is very uncertain at this time.

I am sure that the Members are familiar with the provisions of the pending resolution which are explained in detail in the committee report.

The committee has recommended

three amendments to the pending joint resolution as passed by the House.

One is a modification of a House-adopted amendment suspending military aid to Turkey "until the President certifies to the Congress that substantial progress toward agreement has been made regarding military forces in Cyprus." The committee recommends that the House language be amended to read that military aid to Turkey be suspended "unless and until the President determines and certifies to the Congress that the Government of Turkey is making good faith efforts to achieve a negotiated settlement with respect to Cyprus."

In another amendment, the committee recommends a reduction in the annual rate for grant of military assistance funded in the foreign assistance appropriation bill from $800 to $450 million. The rate proposed by the committee equals the amount of new obligational authority voted last year. The reduction of $350 million equals the so-called drawdown authority—$250 million, and the Laotian assistance program—$100 million—which was funded in the Department of Defense bill in fiscal year 1974. This reduction will prevent a rate of spending under the continuing resolution that would "box in" both the authorizing and appropriating committees in establishing a final fiscal year 1975 appropriation level for the military assistance program.

In this regard, I would like to recall that in fiscal year 1973, acting under authority of a similar continuing resolution, the Department of Defense, by December 18 drew from the Treasury and obligated $500 million for the military assistance program—$150 million more than the Senate ultimately approved in the annual appropriation bill.

Mr. President, I ask unanimous consent to have reprinted at this point in my remarks a table illustrating how this abuse of the fiscal year 1973 continuing resolution thwarted the judgment and will of the Senate in the annual bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATUS OF FISCAL YEAR 1972 MILITARY ASSISTANCE FUNDING

[In millions of dollars]

Date	State Department approval (cumulative)	CRA Treasury warrants (cumulative)	MAP order funding (cumulative)
July 1, 1971		374	
July 9, 1971	250.3		
July 26, 1971			168.2
Aug. 3, 1971	322.3		
Aug. 30, 1971			233.7
Sept. 27, 1971			268.5
Oct. 25, 1971			279.7
Nov. 4, 1971	432.0		
Nov. 5, 1971		432	
Nov. 25, 1971			431.2
Dec. 18, 1971		500	
Dec. 20, 1971			424.6
Jan. 31, 1972			431.5
Feb. 10, 1972	544.3		
Feb. 15, 1972			499.4

Mr. McCLELLAN. Our action on the current continuing resolution is designed to prevent reoccurrence of such an incident, the recurrence of disregarding the will of Congress.

The third amendment by the committee that I shall mention authorizes the President to use $15 million of funds made available under this resolution for emergency disaster relief and reconstruction in Honduras, Bangladesh, and Cyprus.

In conclusion, Mr. President, I wish to stress the compelling need for immediate action upon this resolution. We must refrain from imposing new legislation or initiating new programs on this measure nor should we attempt to use it to halt ongoing programs. We must refrain from turning it into a vehicle for a host of amendments—although they may be good and desirable—that properly belong on other legislation or on the regular appropriations bills.

We must refrain from bypassing or shortcircuiting the authorizing committees of the Senate.

I would hope that no amendments other than perfecting amendments would be offered to this resolution. It is urgent that we do not get bogged down in controversial amendments which should be given thorough committee study and consideration before being brought to the floor for action.

So, Mr. President, I urge that we move promptly on this resolution, and I most respectfully appeal to all Members to withhold amendments until the time when the proper legislative vehicle is being considered on the floor under regular procedure.

Mr. President, as chairman of the Appropriations Committee, I wish to impress upon my colleagues the urgency, the urgent necessity, of getting this joint resolution enacted into law, thereby extending certain appropriations until enactment of the pending appropriation measures or until sine die adjournment of this Congress. If it is loaded down with amendments that are highly controversial, even as the measure is passed, it will be impossible—certainly, impractical, and I would think impossible—to have a conference on this measure late this afternoon with the House and reach agreement on all these controversial issues.

So what we are going to do is to let the expenditure of funds in such departments as Labor and HEW expire as of midnight tonight, and there will be no authority for dispensing those funds after midnight tonight unless this resolution is enacted into law. I hope my colleagues will keep that in mind as we consider this measure.

There are things we would like to do; sometimes it may be right that we do them. But it makes it very difficult and works a hardship on the Committee on Appropriations to try to insist that these things be done on an appropriation bill, on a continuing resolution, at the 11th hour of the time for action to carry on the normal functions of Government.

Mr. President, I am glad to yield to my friend, the ranking member of the Committee on Appropriations, the distinguished Senator from North Dakota (Mr. YOUNG).

Mr. YOUNG. I thank the Senator.

Mr. President, I concur in the remarks of the chairman of the Committee on Appropriations, the Senator from Arkansas (Mr. McCLELLAN).

We have always attempted to pass these continuing resolutions without amendments, without major amendments. A supplemental appropriation bill will be coming to the floor of the Senate shortly, on which almost any amendment could be attached; so I do not see any urgency with respect to attaching amendments to this continuing resolution.

The House did adopt an amendment concerning Turkey, Greece, and Cyprus under which, according to the State Department, it would be very difficult for that Department to operate. The amendment adopted by the Appropriations Committee, I think would resolve this problem. At least, it can be taken to conference, where new language, if necessary, can be adopted. That entire issue will be in conference when this measure goes to conference with the House.

Mr. President, I urge again that no amendments—certainly no far-reaching amendments—be adopted on the floor of the Senate, so that we can take this continuing resolution to conference as promptly as possible.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the joint resolution as amended be regarded for the purpose of amendment as original text, provided that no point of order shall be waived by reason of agreement to this request.

The **PRESIDING OFFICER** (Mr. HATHAWAY). Is there objection?

Mr. ABOUREZK. Mr. President, reserving the right to object, I should like to ask the chairman of the committee this question: Is the committee amendment on which he is asking for agreement the so-called Brooke version of the Turkey amendment?

Mr. McCLELLAN. The request I have made includes all amendments in the pending joint resolution—there are three amendments, I believe—as reported by the Appropriations Committee, and they appear in italic in the printed joint resolution before us.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER** (Mr. STENNIS). The Senator from Arkansas has the floor. Does the Senator from Arkansas yield for the purpose of the Senator from South Dakota suggesting the absence of a quorum?

Mr. McCLELLAN. I yield for that purpose.

The **PRESIDING OFFICER.** The Senator from Arkansas still has the floor.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, I withdraw my objection.

Mr. McCLELLAN. Mr. President, I renew my request. I ask unanimous consent that the committee amendments be agreed to en bloc and that the joint resolution as thus amended be regarded for the purpose of amendment as original text, provided that no point of order shall be waived by reason of agreement to this request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CHURCH. Mr. President, I send an amendmement to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> At the end of the bill, insert the following:
>
> SEC. 6. None of the funds herein made available shall be obligated or expended for aid or assistance of any kind (whether on a grant, loan, or reimbursable basis) or for sales of agricultural commodities or of defense articles and services (whether for cash or by credit, guaranty, or any other means) to the Governments of Abu Dhabi, Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and Venezuela. This restriction may be suspended with respect to any enumerated country when the President has certified to the Congress in writing that such country is making a good faith effort to substantially lower the world market price of petroleum.

The PRESIDING OFFICER (Mr. McGEE). The question is on agreeing to the amendment.

Mr. CHURCH. Mr. President, I am mindful of the problem that faces the distinguished chairman of the Committee on Appropriations with respect to many amendments that might be offered to this continuing resolution. I have listened carefully to his admonition against amendments. I am acquainted with the deadline we face in passing this particular continuing resolution.

Nevertheless, Mr. President, I would argue that the amendment I am offering is one that is likely to attract strong support, I should think, both in the Senate and in the House, and that its adoption would not occasion the kind of problem in conference that other amendments might entail. For that reason, I am hopeful that, upon a discussion of this amendment, it may be possible for the distinguished chairman and manager of the bill to accept this amendment and take it to conference. Indeed, it is possible that the House would accept it without the need for conference.

In any case, Mr. President, I submit that the argument for the adoption of the amendment is a very compelling one.

It was a week ago today when President Ford and Secretary of State Kissinger, in speeches made, respectively, at the World Energy Conference in Detroit and at the United Nations, delivered a double-barreled warning to the oil-producing and exporting countries—known in common parlance as OPEC—that the global economic strain caused by the extortionist price of oil, as mandated by OPEC, threatens to engulf us all in a general depression.

In the 3-month period between October 1, 1973, and January 1, 1974, the OPEC cartel increased the posted price of crude oil from $3.02 to $11.65 per barrel, or a 300-percent increase. According to Prof. Richard Cooper of Yale University, the fourfold increase in the price of oil "is probably the most severe single economic shock that the world economy has had to absorb since the Second World War." And, states Hobart Rowen:

> In the United States alone, the oil bill this year will be $15 billion higher than last year, the equivalent of a 10 percent personal income tax surcharge—all of which goes out of the country.

But if the financial consequences for the United States of these extortionate prices imposed by the OPEC are serious, they are shattering for the countries of Western Europe, Japan and the developing countries, those without rich natural resources of their own. Thus, assuming austerity in oil consumption by these countries, between 1972 and 1975, the cost of imported oil for Western Europe is estimated to rise from $11 and $55 billion, for Japan from $4 to $18 billion and for the other non-Communist oil importing countries from $2 to $12 billion.

The development consequences of this financial incapacity are devastating: Thus, Lewis M. Simons observed in an article published in the Washington Post Outlook section that India's "Green Revolution" was fading, primarily because India no longer has the ability to pay for imports of necessary crude oil:

> Perhaps nothing is more crucial than diesel fuel. Farmers rely on it to power the pumps which draw water out of wells needed to irrigate the fields of sensitive hybrid wheat plants. It powers tractors, threshers and combines which harvest the crops.
>
> A half dozen years ago the progressive farmers of the Punjab gave up their bullock-powered irrigation systems, and put their beasts of burden out to pasture.
>
> Now India cannot afford to pay for enough imported crude.

The converse, of course, of this massive financial hemorrhage from the oil importing non-Communist world is a massive buildup of financial resources in the OPEC countries. Using the same assumptions as above, for the Middle East producers alone, revenues are estimated to climb between 1972 and 1975 from $9 to $60 billion; for Saudi Arabia, Kuwait and Abu Dhabi, alone, the increase is from $5 to $23 billion.

In other words, we are in the midst of revolutionary—not evolutionary—changes in international financial relationships. The administration was tardy in recognizing this basic fact. The sudden expression of alarm by administration spokesmen about the economic consequences of OPEC-imposed jacked-up crude oil prices is a confession of the bankruptcy of past policy. As late as August 5, in hearings before the Senate Foreign Relations Subcommittee on Multinational Corporations, which I chair, Secretary of the Treasury Simon assured us that the operation of supply and demand and the emergence of a crude oil surplus of 2 to 4 million barrels a day would bring down the price of crude oil; that the end of the Arab oil embargo would contribute to a resolution of the problem; that Saudi Arabia would evidence its moderation by maintaining production at a high level and auctioning crude oil at "market" prices which would be lower than the artificially rigged posted prices.

The administration now confesses, however, Mr. President, that the operation of supply and demand cannot begin to meet the challenge of artificially rigged OPEC cartel imposed prices; that the United States was far too complacent in believing that the end of the Arab oil embargo and progress in a Middle East settlement would be directly translated into reduced oil prices; and that dependence upon Saudi Arabian "moderation" was no more substantial than a desert mirage.

Indeed, Mr. President, the immediate response of the OPEC countries to President Ford's strong words in Chicago and the Secretary of State's warning at the United Nations was simply to throw those words back in their faces. This will continue to be the response of the OPEC countries, as long as they are convinced that such strong words are for the domestic consumption of the American people and are not intended seriously by the Government of the United States.

I would have been more than willing to forget the skepticism expressed by myself and members of the subcommittee at the time Secretary Simon revealed the administration's so called oil "strategy," and welcome the new realism represented by the speeches of the President and Secretary of State. But this would be premature. For when we seek the substance behind the rhetoric of the administration pronouncements, we search in vain. We now have before us a proposed joint resolution to continue a foreign aid program which includes for fiscal year 1975, in excess of $270 million in foreign assistance for the countries which are members of this OPEC cartel. Thus, not only does OPEC pick our pockets through extortionate oil pricing but we propose to reward them with a cornucopia of economic and military assistance, military sales, and Public Law 480 agricultural sales. Indeed, on Thursday of last week Secretary of Defense Schlesinger is reported as having said, "it would seem to be inappropriate to use the extent of military sales as a lever in negotiations" with the oil producing countries. In other words, Secretary Schlesinger was arguing against any possible cutback in military sales to those nations at this time.

I point out, Mr. President, that my amendment would not affect ordinary commercial sales or cash sales of military equipment to any of these countries if these sales are not subsidized by appropriated funds contained in this bill. In other words, the object of my amendment is simply to bring an end to further American aid, financed by the American taxpayer, and directed towards those countries that have rigged the price of oil, that have increased it by 300 percent, with wildly inflationary consequences on the economies of the Western world, consequences which, in the words of the Secretary of State, "threaten to bring us to the brink of depression."

It makes no more sense to me that, in these circumstances, we should continue to allocate over a quarter of a billion dollars in our money to these countries than it would make for one to be caught by the throat by an assailant and stuff money in his pocket while being choked to death.

I agree with President Ford that sovereign nations cannot allow their fate to be decided by artificial rigging of world commodity markets. But if these are to be more than empty words, they must be backed up by action. Based upon the hearings that we have held, the Subcommittee on Multinational Corporations now has under consideration a comprehensive set of proposals to deal with this problem. However, it requires no extensive consideration to see that there is no logic in continuing to appropriate foreign assistance funds, or to subsidize military and agricultural sales to precisely those countries which have brought the world economy to the brink of disaster.

I do not contend that the amounts involved in our foreign assistance programs to these OPEC countries are of such a magnitude that, by themselves, they constitute sufficient leverage to lower the price of crude oil. Yet I must point out that $270 million is not an inconsequential sum, particularly when one considers the state of the present Federal deficit and the double-digit inflation with which we are presently faced.

Rather, the significance of this cutoff is in the message we would be sending to OPEC: "The U.S. Government means what it says."

That is the message that would be broadcast to the OPEC countries if this amendment were adopted. "The U.S. Government means what it says, and this action will be followed by other measures if the price of crude oil does not begin to come down."

Moreover, I am convinced that it is time for plain speaking to the oil-importing countries. They have uncritically endorsed the political ambitions of the Arab States. I refer here, Mr. President, not only to the large industrial countries of Western Europe, but to the poor, the impoverished countries of the third world, that lack any rich deposits of raw materials of their own. I refer to Mr. Castro's address of yesterday, about which we read in the papers this morning, as typical of an attitude being adopted by the poorest countries of the world, the very countries that are the most victimized by the consequences of these extortionist prices—prices, incidentally, that bear no relation whatever to the economics of oil, but are imposed for political purposes by this cartel of oil-producing governments.

Nevertheless, many of these poor countries, which are the most victimized by this action, have uncritically endorsed the political ambitions of the Arab States, and that endorsement has contributed to the conviction on the part of these states that they can get away with anything. Yet these countries, even though they have embraced Arab ambitions, have not received any special price consideration from the Arab oil exporting nations. Why, then, should the OPEC countries not feel secure in their belief that the world is their oyster, when both the spokesmen for the industrialized countries and the underdeveloped countries assiduously avoid coming to grips with the new realities created since October 1973 by the OPEC price?

Mr. President, I was encouraged to read that France took the lead in fighting soaring fuel prices, cutting back oil imports by 10 percent in the strongest action so far by a Western industrial country to reduce energy bills. I say it is time for the United States to begin to do something, too. Here is a place we could begin.

If we do not, these OPEC countries will know that our words are empty and we lack the resolve to take the kind of action that would back up those words.

In my opinion, Mr. President, this amendment is germane to the proposed continuing resolution. Under the various applicable rules and precedents, it seeks to terminate expenditures provided for under the previously passed continuing resolution, to which the present resolution is an amendment.

As Senators know, House Joint Resolution 1131 contains a provision terminating military aid to Turkey, until and unless the President determines and certifies to the Congress that the Government of Turkey is making good faith efforts to reach a negotiated settlement with respect to Cyprus. So, as this resolution comes to us, it is amended with legislative language. That is the condition of the resolution on which we are now asked to act. My amendment is equally germane, when compared with the language already contained in the resolution. And I would hope that the Senate would so hold it germane, in view of the legislative language that the resolution already contains. In my opinion, there is every precedent for holding the amendment that I have offered germane, and I would hope that for that reason it would not be made the subject of a point of order.

Mr. President, it is time to stop subsidizing the very countries which today pose the most serious immediate threat to the security and stability of all the Western World, as well as to the poorest nations of the third world. Indeed, the present price of petroleum makes a mockery of the whole aid effort, because that price in itself wipes out the developmental impact of the money that we are asked to continue to appropriate for the aid program.

So, Mr. President, I would hope that the Senate would see fit to support this amendment, and that the distinguished manager of the bill, the chairman of the Appropriations Committee, would see fit to accept it.

Mr. ABOUREZK. Mr. President, first of all, I would like to say that I am in agreement with the amendment that the Senator from Idaho has offered with respect to providing U.S. taxpayers' money to any country that has no need for our money, and that is producing enough revenue of its own to provide its people with humanitarian assistance, disaster relief assistance, or whatever they might need. I am one of those Members of the Senate who believes that U.S. foreign aid money ought to go only to those people in any country who are in desperate need of that kind of assistance.

I do not think that any country that is producing oil and selling it at any price, and is making a profit on it ought to receive U.S. taxpayers' money, and I want to indicate my support of that concept.

I wonder if I might have the attention of the Senator from Idaho in order to ask a couple of questions about the amendment. I have a concern that many Members of Congress, both in the Senate and House are rushing to stand up on the floor of Congress, to denounce the Arab countries. I have a concern that what we might be doing is not just doing the sensible thing by merely shutting off money to nations that do not need it, but what we might be doing is worsening our own situation—operating against the interests of the American people by virtue of either proposing or trying to enact a food embargo against the Arab countries or by using inflammatory rhetoric for the benefit of some of our constituencies which might, in the long run, injure the United States by either initiating another oil embargo or for political reasons, as the Senator from Idaho said, drive imported oil prices up further in an effort by the oil exporting nations to retaliate against this kind of inflammatory rhetoric.

I would like to ask the Senator, first of all, does this amendment apply to the sale of food products or agricultural commodities to any of these countries mentioned in the amendment?

Mr. CHURCH. First of all, let me say to the Senator that this amendment does not select out the Arab governments alone. This amendment applies to all oil-producing governments which are members of the OPEC organization. It is through their agreement within the OPEC organization that the price has been elevated 400 percent, and it is through their agreement that the price is maintained at that level.

It has been made clear that the law of supply and demand will not be permitted to operate. If the present production levels that the members of OPEC have set exceed demand to the point where the normal market would bring down the price, then by common agreement among them, they will cut back on production to maintain the price at this rigged level.

So we are faced, let no one misjudge the situation, by what we would normally call, here in the United States, a monopoly. It is a cartel of governments that determines the price for political reasons, and maintains the price regardless of the normal functioning of the free market.

I mention that to the Senator simply to underscore the fact that my purpose is not to single out Arab countries.

Mr. ABOUREZK. Excuse me, if the amendment does not, the Senator's statement does, and that is the reason I mentioned that.

Mr. CHURCH. If it did then, let me clarify that I meant my remarks to apply to all members of OPEC, because all members of OPEC are presently conspiring within the cartel to maintain this price at artificial levels, artificially high—in fact, extortionate—levels.

So I thank the Senator for pointing this up to me. I intend for the amendment to apply evenhandedly to all members of the OPEC cartel.

Second, with respect to food, the amendment does not in any way affect the commercial sale of food to any foreign country, nor does it in any way impose an embargo against any country, including the OPEC countries. All that the amendment does is to eliminate our subsidy, the use of our money in aid programs to these countries, as long as they refuse to cooperate in the international effort to bring down the price of crude oil.

Mr. ABOUREZK. I think the Senator's amendment ought to be stronger, then, in that respect because I believe that we ought not to provide U.S. taxpayers' money to any country, without regard to whether or not they are lowering the price of oil. In effect, what we ought to do, is not just say that this is going to be conditioned on anything. We just ought to shut it off because we ought not to be providing that kind of assistance.

Mr. CHURCH. As the Senator knows, I think that most of the assistance we continue to provide through the foreign aid program, whether it be economic or military, is no longer justified, and cannot be reconciled with what I regard to be the best interests of the United States. I am against this program as it is presently administered. I will vote against this resolution, and should the Senate bring the foreign aid bill up following the resolution, I will vote against it, as I have for the past 4 years.

But I recognize that there are severe limitations on the kind of an amendment that can be proposed to an appropriation measure. This amendment has been designed simply to reach those funds that would be appropriated between now and the end of the session, as they relate to the countries that are members of OPEC, as long as those governments continue to refuse to cooperate in a bona fide way in an effort to bring down the price of oil.

Mr. ABOUREZK. I wonder if I might further just make a comment or two about the Senator's statement. Part of what I see is a sort of headlong rush in Congress, as the Senator from Idaho said, for political reasons, for political purposes, to curry favor with supporters of Israel by taking a gratuitous poke at the Arabs Natoins.

The Senator is a ranking member on the Foreign Relations Committee and he knows very well that the inception of the Arab oil embargo and the dramatic increase in prices of oil from the OPEC countries, including the Arab countries, was precipitated by the unlimited, unhindered American aid to Israel at a time when the Arab countries were pleading with the United States to do a little less tilting toward Israel, and to provide some kind of even-handedness in our foreign policy.

Of course, we knew, we had warnings well ahead of time. The State Department had been warned by the Arabs, and the oil companies that extract oil from the ground over there have testified that they had also warned our State Department, and the officials of our Government. The warnings and the pleadings were unheeded; and so, for political reasons, we, in effect, turned our own oil spigot off, knowing well in advance that is exactly what we would accomplish.

Now, my reading of the situation is this: That while the oil embargo was precipitated by our unven and unbalanced foreign policy vis-a-vis Israel and the Arab countries, the increase in prices came as a result of the sudden awareness on the part of the Arab countries of the great dependence upon their oil by the powers of the West. I do not know of any evidence that would show that there had been a plan to increase oil at this level, at least prior to the October war of 1973. So, in effect, what we did—when I said we turned off our own spigot—we also provided the knowledge, the wherewithal, and the information to the Arab countries of how to hold back production. Our multinational oil companies, our domestic oil monopoly, the majors, taught them how to do that. They learned how to raise their prices by virtue of either cutting back, or shutting off oil production total.

In addition to that, the Senator commended President Ford, Secretary Kissinger and Secretary Simon on their statements, which were interpreted in the Middle East as a threat of war—in some parts of the Middle East as a threat—and I just want to ask now, in that regard, one more question.

In the Senator's statement he said that the United States is going to have to do something, to take some action—I cannot read back the exact words to the Senator. Now I am confident that the Senator from Idaho does not mean that the United States should go to war to get oil prices down, and I know that he does not want to do that, but his statement could very easily be misread.

Mr. CHURCH. If the Senator would read my statement the action I call for is passage of this amendment not a declaration of war, not intervention by the military forces of the United States.

We face an economic attack or, if you please, an economic offensive on the part of these OPEC countries against the Western world and, indeed, against the third world, the poorest countries, which are suffering very severely as a result of this jacked-up price of oil.

Facing this economic offensive, I am calling for some economic measures of our own for the purpose of backing up our words.

This is such a serious matter to the economic stability and well-being of the Western World, and of the poorest countries that constitute the bulk of the third world, that we cannot be satisfied with jawboning alone.

If Congress lacks the resolution to take some action backing up these words to signal the OPEC countries that we are determined to bring down these extortionist prices, then the words will fall on deaf ears, as indeed they have thus far, for then the OPEC countries will know that we are not serious and the words are really meant only for American ears.

Mr. CRANSTON. Will the Senator yield?

Mr. CHURCH. Yes, but let me say one word further to the distinguished Senator from South Dakota.

I do not want to engage in an argument here on the floor today as to what all the causes may have been for the action that the Arab governments took in imposing an embargo against the United States in the period following the so-called Yom Kippur war.

However, I would point out to the Senator that my Subcommittee on Multinational Corporations has conducted the most extensive inquiry into international oil that has ever been undertaken in Congress, and this inquiry established without—as the saying goes—a peradventure of doubt that the price of oil was going up prior to the war and that the OPEC cartel had been formed years before the war itself broke out, that the cartel was learning how to function effectively to boost the price of oil; and that it had actually reached the point where it was in the dominant position with respect to the great oil companies.

The price of oil was going up very significantly in the months prior to the outbreak of the war between Egypt and Syria on the one hand and Israel on the other.

So I do not agree with the Senator that the war itself is the single cause of the Arab oil-producing exporting countries' actions.

I am convinced, based upon the record prior to the war, that, even had that conflict not occurred, we would today be faced with substantially higher petroleum prices.

Mr. ABOUREZK. That may be true, but not to the extent——

Mr. CHURCH. Now, I grant the Senator the war had an exacerbating effect and prices went even higher than they might otherwise have gone, but nevertheless, whatever the reasons or combination of reasons, we are faced today with a crisis.

When the President of the United States and the Secretary of State speak in terms of being drawn to the brink of a depression, they are talking about the terrible collapse of 1929 and 1930, and we must take an equally serious view of this crisis.

My amendment is the first step toward implementing the words of the President, the words of the Secretary of State, by broadcasting a message to the OPEC countries that we are serious.

Furthermore, I cannot see how we can possibly justify pouring out another $270 million of our own aid money to the countries that are imposing these inflated prices and putting the whole prosperity of the Western world in jeopardy.

Mr. ABOUREZK. Now the objective of the Senator from Idaho, as I take it from his statement and his further remarks, is to try to bring down the price of oil with this amendment, is that essentially correct?

Mr. CHURCH. I have two objectives, Mr. President. One is that it would give some backing to the words of the President and the Secretary of State and thus, I think, lead the OPEC countries to view more seriously the intentions of this Government, all of which I believe would have a salutary effect. The other objective is just the commonsense objective of stopping the giving of our money to countries that do not need it.

Mr. ABOUREZK. Well, I agree with that, I think we ought to do that, no matter what.

Mr. CHURCH. No matter what.

Mr. ABOUREZK. Yes.

Mr. CHURCH. Then on the basis of one objective or the other, I would hope the distinguished Senator from South Dakota would support the amendment.

Mr. ABOUREZK. Well, I have already indicated I would support that concept.

Mr. CHURCH. Yes.

Mr. ABOUREZK. But I just want to try to clarify, really, what else the Senator is saying and what he is getting at because if the Senator's objective is truly to bring down the price of oil, which I think should be brought down, of course, it has not really that much effect on the United States itself because we import from all of the nations of the world, OPEC and non-OPEC, a total of only 15 percent of our total energy needs.

I know the Senator is aware of that fact. Part of that, one-third of the 15 percent, about 5 percent of our total energy needs, comes from Canada which is a non-OPEC country.

So it really does not have that much direct effect on the United States itself. That is what really disturbs me about all the rhetoric we hear, that I am convinced is aimed toward the Arab countries, simply because there are an awful lot of supporters of Israel, who would just as soon see the United States have only one friend in the Middle East, and that would be Israel.

I think we are, once again, shutting off our own oil spigot in engaging in this kind of rhetoric, by taking actions that are intended not to serve the interest of the United States, as I think this kind of amendment would, but the rhetoric that goes along as we have heard it in the past few weeks, a tremendous amount of rhetoric that is directed, really, toward a certain part of the American audience.

That is doing us no good at all, because I am convinced that eventually what that will do is bring about more of the kind of threats we heard from President Ford and Secretary Kissinger.

It is not only a rule of diplomacy, but a rule of everything in everyday life, if one is going to threaten somebody, one had better make sure that one can back it up.

To be very honest with the Senator, I am not sure we want to back up the kind of threats that were implied in the President's statement and in the Secretary's statement, because eventually what it will do is result in American troops landing in the Middle East to protect what we believe is our best interest in bringing down the price of oil, and it may very well bring about another nuclear confrontation with Soviet Russia simply because if Soviet Russia feels itself threatened, as it did in October, we would come a lot closer to confrontation than we did in October. Who can predict how the leaders of our Nation, the people who handle our security affairs, and the leaders of the security affairs of Russia, will react when that time comes about? I think it is a very, very dangerous thing. I believe we ought to try in some other way to bring the price of oil down. We truly do need to reduce the price of oil, both in the United States and in countries that are exporting to this Nation.

I believe that perhaps the best signal we could give to the Arabs that we mean business, instead of negotiating stalemates as we have done in 1973 and 1974, is to negotiate a durable peace in the Middle East. To me, that would be the best message we could send to the Arab countries.

In addition, I would suggest that that would do more than any other single thing to bring down the price of world oil.

I thank the Senator for yielding.

Mr. CHURCH. I thank the distinguished Senator from South Dakota. As he understands, this amendment does not single out the Arab countries. It refers to the OPEC cartel and the members thereof. I believe it would not have apocalyptic consequences and can be easily justified on the grounds alone that the United States should not be giving further aid money to countries that do not need it, especially in view of our own economic condition.

Mr. FULBRIGHT. Will the Senator yield?

Mr. CHURCH. I promised to yield to the Senator from California.

Mr. CRANSTON. I express my support for the amendment offered by the Senator from Idaho.

I attended the conference on the economy convened by President Ford on Friday and Saturday. It was apparent that there is great confidence that if the President, Congress, and the country will now unite upon a series of agreed steps to deal with inflation, unemployment, and recession, we have an excellent opportunity to slowly turn the economy around. It is understood that there is no single answer. It is understood that there is no immediate answer. But it was the consensus of the conference that if we take decisive action, we can prevent a decline into a depression.

However, the view was widely expressed and felt in the conference that there is one wild card that makes the whole situation utterly unpredictable and virtually out of control. That is the situation imposed upon our economy and the world economy by the OPEC nations, and what they have done to the price of oil.

Therefore, I feel that the Senator from Idaho is providing leadership on one of the most important economic problems confronting our country and confronting the world, a problem which, if not dealt with effectively and swiftly, can plunge us into a nightmarish depression the results of which are frightening to contemplate.

The Senator from Idaho is also dealing with another very important aspect of our economic difficulties. That relates to the excessive sums that we are spending on foreign expenditures of one sort or another, sums which unbalance our budget, provide an inflationary impact upon our economy, and divert money from long-neglected domestic programs. I, therefore, strongly support the Senator's initiatives, and I hope that will also be the response of the Senate.

Mr. FULBRIGHT. Will the Senator yield?

Mr. CHURCH. Yes. First of all, I thank the distinguished Senator from California for his support. I agree with him that we must somehow become aware of the enormous and catastrophic consequences that we are likely to face in the Western World if something is not done about moderating the price of oil. We are so accustomed to thinking of foreign relations in terms of geopolitics and the balance of power, that we sometimes blind ourselves to the fact that by far the more serious dimension of our foreign policy today is economic.

I cannot think of anything that would be more devastating to the stability of the political system, as well as to the livelihood of people in the Western World, than a runaway inflation or another economic collapse of the kind we experienced in 1929 and 1930.

I cannot think of anything except possibly a full-blown nuclear war that could be more disastrous.

So we must begin to recognize that economics has a lot to do with foreign policy and that the men who run foreign policy better face up to this soon.

Mr. CRANSTON. Mr. President, will the Senator yield so that I may ask one question?

Mr. CHURCH. Yes.

Mr. CRANSTON. I totally agree with the Senator that the only worse disaster than that which we potentially face in our economy would be the utter catastrophe of atomic warfare.

I would like to ask one question: How much money is in the present plan, unless the Senator's amendment is successful, for Iran?

Mr. CHURCH. For Iran there is $1,569,000. It is not a great deal.

Mr. CRANSTON. Is it not true that the Shah of Iran, who is incredibly wealthy, presently owes us far more than that amount?

Mr. CHURCH. Yes, the Senator is correct. Based upon previous aid programs, there is a large obligation due the United States from the Government of Iran. But, of course, that money will be repaid over a long period of years.

Mr. CRANSTON. Perhaps.

Mr. CHURCH. I assume that it will because Iran has so much money now, as a result of these new prices, that it has purchased a quarter interest in Krupp in Germany and has lent $1,400,000,000 to the Government of the United Kingdom, to enable the Government of the United Kingdom to buy more of their oil.

Mr. CRANSTON. That is exactly why I wonder why they need more from the American taxpayer.

Mr. CHURCH. This kind of recycling which is presently being advocated by our own Government leaders can only dig the hole deeper for the Western World in the long run.

Mr. CRANSTON. That is correct.

Mr. CHURCH. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. With regard to what the Senator is talking about in aid, I think there is a misapprehension. There is nothing but token sums in these.

Are we speaking now of the proposed program for fiscal 1975? Is that what we are speaking of?

Mr. CHURCH. We are speaking of all the proposed programs that would be covered by this resolution, the various aid programs for fiscal year 1975.

That would include, I say to the Senator, the bilateral programs, both military and economic, and it would include the Public Law 480 programs, the Peace Corps, all of those different spigots through which we give aid, in one form or another.

Mr. FULBRIGHT. Except for Indonesia, there is no substantial aid of any kind here, and I do not consider that aid. These cash sales of military equipment, which have been vigorously solicited by our Defense Department for reasons of our own in Iran, in Kuwait, in Saudi Arabia, are the only substantial amounts.

Take countries like Abu Dhabi. There is not one penny, if my information is correct, in any category.

In Algeria there is $1.4 of Public Law 480, in an ongoing program. I do not think that the Algerians would miss it at all. We did it for humanitarian purposes originally, and it is an ongoing program.

The only one of consequence is Indonesia.

In Iran, there is $613 million of cash sales to benefit our arms manufacturers. I do not approve of the overall policy of arming all these people in the Persian Gulf, but they are responding to very vigorous solicitation by our own arms sales to purchase from us. They are going to take cash. There is no aid.

Mr. CHURCH. If I may respond to the Senator's observation——

Mr. FULBRIGHT. Let me finish and then respond.

In Iran there is not one penny of any kind. In Kuwait there is not one penny of any kind, again, except for the sale of arms for cash.

In Lybia there is not a penny of anything from anybody for any purpose.

In Nigeria there are just token amounts of $3.7 and $2.3. This grows largely out of the trouble Nigeria had before in their internal revolution. Great sympathy was developed in this country. To cut that off I think would be cutting your nose off to spite your face. I do not believe Nigeria would mind.

In Ghana there is not one penny. In Saudi Arabia, which is the main and most important of all the countries, there is nothing but $395 of arms. I grant that the Senator's purpose is right. Everybody agrees we ought to bring down the price. I would say what he is doing would make it more difficult rather than easier to negotiate a reduction in price, or even a stabilization of price.

I think his amendment would be counterproductive, or against the interests of reducing prices, if that can at all be brought about in the Middle East.

The Senator from South Dakota pointed out a moment ago that the one precondition to negotiations is the settlement of the war, particularly with regard to the implementation of Resolution 242.

The Senator says that we have to live up to our words. Our words were repeated time and again, that it was our policy.

I think the effect of this amendment simply would be a slap in the face, without any substantial financial problem to anyone except Indonesia. Indonesia is in a class by itself. We went all-out in aid to Indonesia. The biggest item there is Public Law 480. I am against this whole aid bill because of the distortions it has brought about. However, so long as we are going to have one, I think that to put in this amendment would make it much more difficult for our Government to negotiate any reasonable settlement of the war in the Middle East and the possibility of lowering the prices.

I do not see what substantive harm the Senator is going to do to anybody by cutting off cash sales. It only deprives our own manufacturers of the opportunity to sell them. Granted, I do not approve of this great arms program all over the world.

Mr. CHURCH. First, in response to the Senator's observation, I think that he and I share a common skepticism about the aid program as a whole. As I said earlier, I will vote against the continuing resolution, as I intend to vote against the foreign aid bill, because I think it has become a monstrous distortion of what it was originally intended to be, and I think that, in the main, it can no longer be justified.

However, I disagree with the Senator in his remarks about the amendment I have offered. First of all, it will not affect cash sales.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. CHURCH. I shall yield in a moment.

Cash sales that are unsubsidized would not be affected. It would only relate to denying funds in the bill—appropriated money—insofar as that money is used to subsidize these sales. Cash sales that stand on their own, that do not involve an element of public subsidy, would not be covered by the amendment.

Mr. FULBRIGHT. Except for Indonesia, there is nothing but token amounts or almost nothing at all. Does the Senator have any special reason to cut off Indonesia?

Mr. CHURCH. Mr. President, I disagree with that assessment. I do not regard $20 million to Venezuela as a token amount, nor do I think we can afford to dismiss it as inconsequential. There is nearly $11 million here for Ecuador, and there is $221 million for Indonesia.

The Senator is correct in observing that the aid to Indonesia takes the form of food, to a large degree. But Indonesia, like the other members of this OPEC cartel, is now acquiring a source of enormously lucrative income from the sale of oil at these artificial, politically imposed price levels.

I cannot see how we can justify continuing to extend our aid in face of the terrible threat posed by this OPEC cartel.

Our previous hearings before the Subcommittee on Mutinational Corporations revealed that the only way you can break a cartel is to begin to reach individual members. That is how this cartel broke the oil companies—by reaching one company and then another, forcing higher prices on one company, and then the others had to break and accept those prices.

Unless we begin to deal with this OPEC cartel in a similar way, we will not break it.

So far as the President's words and his possibilities for negotiating a price are concerned, I should think that reaction to those words that we have read in the newspapers in the last 2 or 3 days indicate how feeble that hope is.

The only thing that I believe will help is an indication that this country is sufficiently concerned and sufficiently serious about the challenge posed to the stability and, indeed, the solvency of the economies of the Western world to back up these Presidential words and these Secretarial words with some indication of action in Congress. This would be the first indication of action, and it could be followed by other actions, if necessary. Surely, it would demonstrate our seriousness of purpose.

Mr. ABOUREZK. Is there any reason why the Senator has not included Canada? They are selling oil to us at the same price as the OPES cartel.

Mr. CHURCH. The reason is that Canada is not a member of the OPEC cartel. The price level of oil today has been same price as the OPEC cartel.

Mr. ABOUREZK. But Canada is charging the same price, so I think Canada probably ought to be included in the amendment—as well as any other non-OPEC country.

Mr. CHURCH. I do not think it would be appropriate to reach beyond OPEC, because the price level has been established by the OPEC countries. Other oil-producing countries fall into line with the OPEC countries.

Mr. ABOUREZK. Could not Canada reduce its price unilaterally?

Mr. CHURCH. The Government could reduce its price unilaterally, but then it would be forced to explain to the Canadian people why it was not getting the world price for oil. It would be exceedingly difficult political action for the Canadian Government to take.

Mr. ABOUREZK. Would that not be true for Venezuela, in the same regard? The Senator has said that Canada would have a hard time explaining to the Canadians why it reduced its oil price unilaterally. Would not the same thing be true for Venezuela?

Mr. CHURCH. The difference is that Venezuela is a member of the OPEC cartel. Venezuela's vote and influence within the cartel has contributed to the establishment of this price.

I am recognizing the facts of life. We are faced with a political price. The various members of OPEC have joined, have united, to forge that price, and they intend to hold it against the operation of the marketplace. They have said that, even though production may exceed demand so that, under normal rules of the free market, the price would come up, they will combine together to prevent this from happening by reducing their level of production in order to maintain the price.

Therefore, I think that we should confine this amendment to those who are responsible for establishing the price, those who actually participate as members of this cartel.

Mr. ABOUREZK. By keeping its price up, Canada, in effect, has voted to keep the price high. I am convinced that if Canada or any other nation decided unilaterally to lower its price, it would have a tremendous impact on the other nations.

Mr. CHURCH. I say to the Senator that the second reason for not including Canada is that Canada does not receive any aid from the United States.

Mr. ABOUREZK. Well, it should not. Neither do most of the other countries on the Senator's list.

Mr. CHURCH. Oh, yes. $270 million worth is not inconsequential.

Mr. ABOUREZK. There is a discrepancy between what the Senator says and what the chairman of the Committee on Foreign Relations has said.

Mr. CHURCH. No, there is no discrepancy. The largest amount goes to Indonesia, $221 million. But altogether, there is $270 million worth of aid going to these very countries that have lifted the price of oil 400 percent, that have combined together in a conspiracy against the free market, and have done it blatantly and openly, regardless of the dire consequences it may have on the solvency of the industrialized nations, and the disastrous impact it is bound to have on the poorest nations in the world.

If we are going to take this and then, at the same time, pay out another $270 million of our money in the coming year to these very countries, well, go ahead and do it, and go back and explain it to the people of your States. But I do not think that the American people would ever approve of such an action on our part.

Mr. ABOUREZK. As I said, I agree that none of the countries, as far as I know, really need the taxpayers' money from this country. The only point that I am trying to make is that if our objective is really to lower world oil prices, I am not sure that the rhetoric that accompanies this amendment is going to be very beneficial in regard to achieving that objective. I sincerely hope that the Senator and all of our colleagues and the administration might do something that will really be effective in lowering those prices.

If the Senator will permit me just to repeat myself briefly, I do not think that threats and inflammatory rhetoric, threats of the nature that the President and part of his Cabinet have delivered, are going to do any good in that regard. I think it is going to make things tougher.

As the chairman of the Committee on Foreign Relations said, we really do need to try to combat higher oil prices, both for domestic and imported oil, by doing something beneficial and sensible. I am just not sure that the language that the Senator has used will accomplish that. I wish there were some other way to do that and still pass his amendment. I want to do that. But if there were some other way to do that, rather than further infuriate the exporting nations against this country, I would much prefer that.

The Senator is a student of history. He knows the very distasteful colonial experience with the West that all of those nations have had at one point or another. The kind of rhetoric that has been coming out of the Government of the United States, both the legislative and the executive branches, really does nothing to mollify their feelings in that regard. It is more of a psychological problem—I think the Senator realizes that—than it is political or economical. It is just that they have had very bad experience with the colonial powers of the West, and now they see there are more and more efforts to try to muscle and threaten and so on.

I just do not think it is good for the people of this country. I know the Senator does not want to be responsible for higher oil prices and for another Arab oil embargo. I know he does not want to do that.

Mr. CHURCH. I thank the Senator. Of course, I have no desire to see another oil embargo imposed on the United States. At the same time I recognize that it is within the power of these governments to impose an embargo whenever it suits their pleasure.

As far as inflammatory rhetoric is concerned, I have avoided, or tried to avoid, any words other than those that accurately describe the present cartel. If we cannot speak of the facts without offending feelings, then we are muzzled, indeed. If one wants to look at inflammatory rhetoric, I suggest that he look at some of the words that have been used in castigating the United States by the heads of the governments in the Middle East. They are not at all reluctant to condemn the United States. I think it is time for this Government to begin to look out for the interests of the American people.

Mr. ABOUREZK. Will the Senator yield at that point?

Mr. CHURCH. I wish to complete my response to the Senator's remarks.

It may be that we may have to face another embargo. I do not know. I hope that that does not occur. But we are going to have to make some choices, hard choices, and this is what I do not think is appreciated fully in this Chamber: unless something is done to cope with this present situation by measures much tougher than anything that has been suggested today—I mean economic measures, let me make that clear—we may, 6 months from now, face a collapse of the largest banks in Europe and some of the largest in this country, as well. We may see runaway inflation displaced by another economic collapse as serious as the Great Depression in 1929 and 1930.

Now, to the extent that the inflated oil price contributes to this danger, we had better face up to it now and begin to make our choices. The last embargo imposed on us was not pleasant, but we lived through it. We can live through another one. However, I am not sure that we can live through the disastrous consequences of another economic collapse in this country, knowing what such disasters have done to other countries. Nor am I certain that our institutions of free government could withstand the consequences of such an economic disaster.

Thus, we are going to have to make some choices. Here is a place, right here, right now, for us to pass an amendment that, at least, for the first time, says that the Congress is willing to back up the words of the President and the Secretary of State; that they were not really just meant for domestic consumption; and that we are prepared to follow through, in order to find an answer to this problem.

I think that would be a very salutary thing to do, and I believe that if the Senate fails to adopt this amendment, the message will go out that we are really not serious at all, despite the brave words of the President of the United States and his Secretary of State.

Mr. ABOUREZK. With regard to what the Senator said, that it is time that we did something in the interest of the people of the United States, I should like to make just a brief comment. Last October, when our Government had forewarning of an Arab oil embargo, which certainly is against the interests of the people of the United States, it proceeded anyhow, and the Senate and House of the United States voted almost overwhelmingly to provide $2.2 billion in military aid to Israel, in spite of the fact that we knew what the consequences would be so far as shutting off oil to this country.

I wonder if that might not be considered as being against the interests of the United States. I certainly, for one, think that is what happened.

Second, if we want to try to resurrect something that might be in the interests of the United States, would it not be better to use our tremendous influence on Israel to reach some kind of an accommodation in the Middle East, so that we would be over this hump of political oil embargoes, political price increases, and so on? It seems to me that would be the most wise thing we could do, and would truly be in the interests of the people of the United States.

Mr. CHURCH. I agree with the Senator wholeheartedly, and I do believe that we are making a genuine effort at using the good offices of the United States to achieve a diplomatic settlement of this struggle between the people of Israel and their Arab neighbors which has brought on four wars within the past 25 years.

Yes, I concur wholeheartedly that this could be extremely helpful. But I point out to the Senator that there are countries presently members of OPEC, that have had much to do with inflating the price of oil to the present level, that are not directly connected with the problem that exists between the Arab countries and Israel.

I am speaking of Iran, for example, which is not an Arab nation. I am speaking of Venezuela, here in the Western Hemisphere. These are countries that are not directly concerned with the outcome of present negotiations in the Middle East, and yet they have had a great deal to do with lifting the price of oil to its present height.

I simply suggest to the Senator that these problems are separable, and although a settlement in the Middle East would be extremely helpful for many reasons, including such ameliorating effect as it might have on the price of oil, I am afraid that the OPEC countries as a whole have now tasted the fruits of profiteering. They have increased the price out of reach, and they have gotten away with it. They have choked it down our throats; and they now know that the Western world is so dependent on their oil that they can get away with it. They have formed a cartel that enables them to do it. We have to wake up to this reality, because if we do not, we will be badly disappointed in our expectation that the price of oil will come down once a settlement is reached in the Middle East.

Mr. BUCKLEY. Mr. President, the Church amendment uses a shotgun approach for a situation that requires a rifle. In the first place, the major producers who have forced the price of oil to present levels should not be receiving foreign aid under any circumstances. They certainly are not in need and are not in fact recipients. The principal victim of the Church approach would be Indonesia who in fact resisted the price increases. This is not the way to apply pressures, as those most vulnerable have lost influence.

Mr. ABOUREZK. Mr. President, I yield to the Senator from Arkansas, who has been waiting patiently.

Mr. FULBRIGHT. Mr. President, first I ask unanimous consent to have printed in the RECORD as a part of my remarks a table prepared by the staff, setting out the amount of foreign aid, military sales, and Public Law 480 assistance programs for OPEC countries for fiscal year 1975.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOREIGN AID, MILITARY SALES, AND PUBLIC LAW 480 ASSISTANCE PROGRAMED FOR THE OPEC COUNTRIES—FISCAL YEAR 1975

[In millions]

Country	AID	Public Law 480	Military grants	Military sales	
				Cash	Credit
1. Abu Dhabi					
2. Algeria		1.4			
3. Gabon	0.3				
4. Indonesia World Bank Consortium	71.5	120.9	28.9	4.1	
5. Iran				613.0	
6. Iraq					
7. Kuwait				268.7	
8. Lybia					
9. Nigeria	3.7	2.3			
10. Qatar					
11. Saudi Arabia			0.2	395.0	
12. Venezuela			.7	10.0	17.0
13. Ecuador	2.0	3.3	.4	.4	12.5

Mr. FULBRIGHT. I again point out that the principal countries of the Middle East received nothing of any consequence whatever, other than the right to buy, for cash, arms. As a matter of fact, we have ourselves solicited them to buy those arms.

One country that is involved in a substantial way is Indonesia. The program of continuing Public Law 480 aid and economic aid to that country is really the consequence of a distortion that was developed at the time of the transition from the old Sukarno regime to the Suharto regime, when we and other countries were concerned about the stability of Indonesia.

Venezuela has some credit sales of $17 million, although there were $10 million in cash sales there, and there is no Public Law 480, no AID, and the military grant is only $700,000, which I believe is primarily for training.

That is at our own request. This is a part of the ongoing program of our own military to try to bring to this country officers from other countries. This gives them the feeling that they can help control and influence the policies of the other countries. Really, it is more for our benefit than it is that of the recipient countries, in my opinion.

What the Senator's amendment, if it is adopted, would do would be nothing substantially to injure any of the countries in the Middle East. It would only serve to throw fuel on the fire of their resentment at our unwillingness to bring to a close the policy which we are now implementing. Resolution 242 of 1967.

Ever since the war last fall, those who feel as the Senator from Wyoming apparently feels about the relative merits of the controversy between the Arab states of the Middle East and Israel, simply divert attention from the real cause, the principal and No. 1 cause of the failure to settle that conflict, which is the unwillingness of Israel to abide by resolution 242, which she subscribed to, which we subscribed to, and which all during last winter, during the negotiations by the Secretary of State, was announced as the policy of this country.

The Senator speaks of the words of the United States being lived up to, that our actions should be consistent with our words. Clearly our actions have not been consistent in many respects with our words with regard to that implementation.

If the Senator wants to be effective about bringing about a settlement of the war, he should offer an amendment to withhold any aid to Israel until she has agreed to return Jerusalem to the same status it was, or to the status provided for them by the original resolution which created Israel in 1948, and to make adjustments to her borders.

That involves a substantial amount of grant aid. It runs into many billions of dollars—far more, more than 10 times as much as contemplated by all of the figures involved in this aid. If the Senator is serious about promoting a settlement of the war and bringing down prices through negotiation, he ought to offer an amendment to cut off the aid there unless they make a settlement.

Of course, I am quite sure the Senator is not about to do that. But that is the sticking point at the moment, as a preliminary to negotiations, particularly with the largest of the oil producers, which is Saudi Arabia.

Saudi Arabia is not receiving any assistance of any consequence whatever under the military aid program. Its sales of $395 million are cash sales, and if the Senator wants to call off our military from doing it, they are quite able and willing to buy from the French, the British, the Russians, or anyone else who is willing to sell it to them. Any day they could buy it in commercial channels for money. They do not need the assistance of the military.

As a matter of fact, our own military establishment is very anxious to supervise and conduct these sales. They go about with the most effective and persuasive arms salesmen the world has ever seen, and peddle these arms all around the world, particularly to Saudi Arabia, because they have the money to pay for them.

But it is no favor to Saudi Arabia to accept their money in payment for those arms. Saudi Arabia has been one of the long-term friends of this country, is probably more anxious than any of the rest of those countries to be friendly with this country, for its own reasons, and is extremely interested in settling the war.

The main consideration in the mind of the king of Saudi Arabia is the status of Jerusalem. I am speaking of Old Jerusalem. He has made this very clear on many occasions, and all he is asking, in effect, is that the Mosque of Omar, which the good Mohammedans believe is the place from which Mohammed ascended to Heaven, and which is sacred to them, should not be under the exclusive sovereignty of Israel.

That is not of strategic importance. It is an emotional matter. It is emotional on both sides, of course. It is true that the Israelis have a highly emotional attitude toward it, too.

But the resolution creating Israel in the United Nations provided for a special status for Jerusalem, and they anticipated this could be a problem of great difficulty, because of its deep religious significance.

It seems to me that is very little to ask of Israel as a price to begin negotiations to bring down the price of oil which, with all of its consequences, the Senator from Idaho has already outlined.

I agree with him we are in a serious situation. I disagree with him as to the right way to deal with it.

Mr. President, in order that there be no misapprehension, it would be my purpose, if I am allowed to do so, at the proper time to move to table this amendment because I do not think it is a good amendment and it should not be on this continuing resolution because I think it is grossly misunderstood. I think many of the people of the Senate will believe that it actually does do some harm to the Arab countries against whom the Senator from Idaho directs most of his criticism. It will in no way seriously injure any of them, and yet it has enough emotion involved that it might pass, and it would create a further serious hindrance to the Secretary of State's efforts to bring about a negotiated settlement in the Middle East.

So I think it would have a bad effect, and I would like to move to table it. I understand that under the agreement we cannot vote on anything before 4 o'clock.

Mr. McCLELLAN. Mr. President, will the Senator withhold that motion at the present time. There may be other amendments offered to the amendment of the Senator from Idaho that I would like to have considered before any tabling motion is offered, if the Senator will agree.

Mr. FULBRIGHT. Yes.

Mr. ABOUREZK. Mr. President, will the Senator yield?

Mr. McCLELLAN. The tabling motion, of course, can be made at 4 o'clock when we go to vote on whatever condition the amendment will be at that time.

Mr. FULBRIGHT. I was just giving notice so that the Senator from Idaho will not be caught by surprise.

Mr. McCLELLAN. Very well.

The PRESIDING OFFICER. Without objection, the vote on the motion to table by the Senator from Arkansas will be included in the votes to be taken after 4 o'clock.

Mr. ABOUREZK. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

On page 1, line 7, after "Qatar," insert the following: "Israel," and beginning with "This restriction" on line 8 strike the rest of the language to be inserted.

Mr. ABOUREZK. Mr. President, by way of very brief explanation, I want to ask the Senate to not only stop spending U.S. taxpayers' money unnecessarily, but, I think, we ought to try to bring the price of oil down, and I think the best way to do that is to, first of all, include Israel as part of this amendment, and keep all the other countries in the list; and, secondly, I do not think there ought to be any proviso in the amendment with regard to bringing down world oil prices.

I think we can try to do that best by negotiation and through the best efforts of cooperation that we can muster. But I think primarily we ought to be concerned about saving the U.S. taxpayers' money, and that is the reason for offering the amendment as I have.

Mr. CHURCH. Mr. President, I appreciate the courtesy of the Senator from South Dakota in offering this amendment.

Mr. ABOUREZK. As I just said, I wanted to help the Senator from Idaho.

Mr. CHURCH. I would say we have already covered the ground earlier in our debate when the Senator raised the question of why I had not included Canada in the amendment. I said to him with respect to Canada what I will now say to him with respect to Israel. The objective of the amendment is to reach those countries that are members of the oil-producing cartel that have conspired together to raise the present price of oil way above economic levels, with all the disastrous consequences this has entailed to the economy of the Western World.

If the Senator's purpose is simply to cut back on the cost of foreign aid, then I should suggest to him that he should not only add Israel but he should add all of the other 60 or 70 foreign governments to which we are now giving aid.

I would suggest to him that he oppose the resolution and the foreign aid bill when it comes before the Senate later this week.

But the purpose of my amendment is to deal with those countries that have formed a cartel, that have raised the price of oil to these extortionate levels, and that have told us that they intend to keep it that way regardless of the action we may take.

They have already replied to the President of the United States and to the Secretary of State in language that makes it clear that they do not believe the United States is prepared to back up the words of its Chief Executive.

Furthermore, Mr. President, I would say to those who believe that a settlement of the war or the struggle between Israel and its Arab neighbors in the Middle East would bring down the price of oil, I just suggest to them to wait and see, because they are in store for a big surprise. That price has gone up with staggering result so that a transfer of international capital in monumental proportions is now taking place. These countries have become instantly rich. Saudi Arabia and Kuwait are the two richest countries in the world today. We can scarcely calculate the billions of dollars they will accumulate in this coming year in surplus revenues.

Saudi Arabia is in fair shape to choke to death on its profits. It is struggling now with the best experts it can hire from the Western world to find out where it can invest, what big chunks of the Western world it can buy with these profits, and our governmental leaders are meeting in emergency sessions trying to figure out what we are going to do about it, how we can absorb these huge profits, how we can rotate them around in various banks so that the banks do not begin to collapse, one after another.

Our own Government leaders are at a loss to know what to do about the inflationary consequences of these acts that have been taken over by the OPEC. So this amendment would make no sense whatever, were the amendment offered by the distinguished Senator from South Dakota adopted.

The amendment must be confined to the OPEC that have caused this problem. It must be a message to them that we are prepared to back up our words, and this is the first of a whole series of steps that could be taken, if necessary, to cope with the economic problems that have been dumped in our laps by what some historians have called the most irresponsible single decision to occur in this century with respect to the economy of the world.

Mr. ABOUREZK. I only have one comment in response to the Senator from Idaho. He said that, with regard to whether a settlement of the Middle East war would bring oil prices down, his response was wait and see; and the only comment I have is that, with regard to this amendment, if all he wants to do is bring oil prices down, then he should wait and see, because I believe that the settlement of the war in the Middle East would have a much greater effect on the lowering of world oil prices than this amendment, and the accompanying rhetoric, which will have only an adverse effect upon the countries that he is talking about in the Middle East that were involved in the war with Israel, either directly or indirectly.

Mr. President, I ask unanimous consent that the vote on this amendment be put off until 4 o'clock, just prior to the tabling motion.

Mr. CHURCH. Mr. President, in that connection, if I could have the attention of the floor managers of the bill—and reserving the right to object——

Mr. McCLELLAN. Yes.

Mr. CHURCH. I am not averse to putting off the vote until 4 o'clock, but I want to do it——

Mr. McCLELLAN. I think we have to do that under the agreement.

Mr. CHURCH. I do hope to do it under a unanimous-consent agreement that would fully protect my right to get a vote on the merits.

Now, I understand if a motion to table is made that that would be in order. If that motion were to fail, then I would hope we could go to a vote on the merits of the amendment itself.

But I ask the distinguished chairman of the Appropriations Committee this, could we have a unanimous-consent agreement that would eliminate points of order or other procedural questions that might be raised?

Mr. McCLELLAN. I do not know how I could bind the Members of the Senate on that. As far as I am concerned I am trying to expedite this joint resolution. I am not advocating or opposing a motion to table. As the Senator may know, that is a prerogative of my colleagues, or any other Senator who may desire to do it.

I would assume, if the motion is made to table at 4 o'clock and the motion is defeated, then the resolution is still open to further amendments and discussion. I cannot do anything about that.

At this time, I do not want to agree on any limitations because I do not know what is going to be offered to this joint resolution.

As the Senator knows, I am trying to expedite it, but we could get something up here that would be fatal.

Mr. CHURCH. Let me ask the Senator this, I do not want to press unreasonable requests upon him, I appreciate his position, but——

Mr. McCLELLAN. I am not trying to be obstinate.

Mr. CHURCH. Yes, but I want to be assured of this, that if the motion to table fails and if a point of order is then raised——

Mr. McCLELLAN. I have no intention, I can say to the Senator, of raising a point of order to the Senator's amendment.

Mr. CHURCH. I understand.

Mr. McCLELLAN. I cannot speak for other Members of the Senate.

Mr. CHURCH. I understand.

Mr. McCLELLAN. Personally, I am willing to let the Senator have a vote, and anyone who wants to move to table have a vote on that, if that fails then have a vote on the Senator's amendment up and down.

Mr. CHURCH. I understand the Senator's position. I hope the Senate itself will support me. But in the event some other Senator were to raise a point of order, then I want to advise the Chair that it will be my intention under rule XVI to raise the question of germaneness. I advise the Chair and ask for the opportunity, in the event that a point of order is raised against this amendment, to raise the question of germaneness, which under the rule may be raised prior to a ruling of the Chair on a point of order and which, if raised, goes to the Senate without debate for decision by majority vote.

Mr. McCLELLAN. I understand.

Mr. CHURCH. I do that to protect the matter, really.

Mr. McCLELLAN. I understand.

Mr. CHURCH. And understanding, I have no objection to putting over the vote.

Mr. McCLELLAN. Very well.

Is this amendment the pending amendment?

The PRESIDING OFFICER. The Senator, may ask unanimous consent, to be recognized at that point.

Mr. CHURCH. For what purpose?

The PRESIDING OFFICER. To raise the germaneness question.

Mr. CHURCH. Then I ask unanimous consent that, if a point of order is raised, I may be recognized to raise the question of germaneness as provided under rule XVI of the rules of procedure.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. I have no objection.

Mr. ABOUREZK. Mr. President, reserving the right to object, I have a request pending that needs to be decided first.

The PRESIDING OFFICER. The Senator has an amendment.

Mr. McCLELLAN. Mr. President, a point of inquiry on the Senator's request.

Mr. ABOUREZK. That the vote on my amendment come up at 4 o'clock prior to any motion, vote on the motion to table, I intend at that time to ask for the yeas and nays.

The PRESIDING OFFICER. The Chair will inform the Senator, the Senate is voting on a treaty at 4 o'clock.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. There is no agreement as to when any vote will take place on anything in connection with this joint resolution except that no rollcall vote on it, or any amendment thereto, or motion thereon, shall occur before 4 o'clock.

The PRESIDING OFFICER. The Senator is correct.

Mr. McCLELLAN. That clears everything.

Mr. President, I understand there can be no rollcall vote until 4 o'clock.

The PRESIDING OFFICER. There shall be no rollcall vote, the Senator is correct.

Mr. McCLELLAN. We will have to have a rollcall vote.

Mr. CHURCH. Mr. Chairman, after the rollcall vote that is pending——

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. After the question of germaneness is raised, is the amendment subject to further amendment?

The PRESIDING OFFICER. There is an amendment pending to the amendment at the present time.

Mr. McCLELLAN. I understand, but that amendment——

The PRESIDING OFFICER. There can be further amendment.

Mr. McCLELLAN. If rejected or adopted, the amendment can be open to further amendment?

The PRESIDING OFFICER. Yes.

Mr. McCLELLAN. It will be open to further amendment.

The PRESIDING OFFICER. Yes, at points not touched by the prior amendment.

Mr. McCLELLAN. I have no objection to getting a vote on the germaneness of it, but I do not want to be precluded from offering any other amendments to it.

Mr. CHURCH. Then, Mr. President, I ask unanimous consent that when the amendment offered by the Senator from South Dakota has been disposed of by a vote of the Senate, I may then raise a question of germaneness on my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object——

Mr. CHURCH. I wonder why——

Mr. McCLELLAN. Reserving the right to object, I have a question.

Mr. GRIFFIN. I object.

The PRESIDING OFFICER. Objection has been heard to the unanimous consent.

Mr. McCLELLAN. I did not hear it.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLELLAN. Will the Senator yield to me for a moment?

Mr. CHURCH. Yes, I yield.

Mr. McCLELLAN. If I understand the Senator, he does not intend to bar or preclude cash sales that have been discussed here by my colleague with reference to——

Mr. CHURCH. With reference to the OPEC countries, that is correct.

Mr. McCLELLAN. Yes, countries named in the Senator's amendment.

I had it here before me awhile ago and then my colleague from Arkansas discussed with the Senator certain sales.

Mr. CHURCH. Yes.

Mr. McCLELLAN. These sales, military cash sales, identified in the table that Senator FULBRIGHT, my colleague, placed in the RECORD awhile ago, total some $1,200,000,000.

These are cash military sales. Some countries are not included in the Senator's amendments, some countries are not involved, but there are four countries that are mentioned, has the Senator added Ecuador to his list?

Mr. CHURCH. Yes, Ecuador is one.

Mr. McCLELLAN. There are $4.1 million to Indonesia, $613 million to Iran, $268.7 million to Kuwait, Saudi Arabia $395 million, Venezuela $10 millon, and Ecuador $400,000 apparently.

These sales, as I have said, add up to some $1.2 billion. Will the Senator modify his amendment so as to make certain that it does not apply to these cash sales? I suggested an amendment to the Senator a while ago. I do not have it before me, but I believe the Senator has it before him.

Mr. CHURCH. I would be amenable to amending the language so as to expressly exclude cash sales. The only purpose of the amendment, I may say to the Senator, is to prohibit the use of aid money in one form or another, it would not be covered as the amendment now stands. But if, in the judgment of the Senator from Arkansas, some additional language would be desirable to make that plain, I would not be adverse to including that language.

Mr. McCLELLAN. As I have expressed earlier, I had hoped that we could get this joint resolution disposed of without having a lot of amendments added to it that will hinder us in reaching agreement in conference and possibly delaying it to the point where we stop the functioning of Government and certain agencies of Government that have not yet been funded but are operating under the current continuing resolution which expires today.

I would not want to support an amendment, and I would want to protest it and oppose it in every way I could, which would prevent this country from making cash sales to any of these countries, even of military goods. These oil countries have the money. They are going to get the goods somewhere. We would simply be doing something to spite our own country.

We would be further impairing the balance of payments. We would be putting people out of jobs in this country, and so forth. In other words, it would do us more harm than the countries named in this amendment. I want to make certain, I say to my good friend, that we do have language which makes it clear and unequivocal that such cash sales can be made.

Mr. CHURCH. I am perfectly amenable to the Senator's suggestion.

Mr. McCLELLAN. Will the Senator mind if we work on language to that effect?

Mr. CHURCH. I would be happy to do so.

Mr. McCLELLAN. I would also like us to be able to continue our Public Law 480 program. I would hate to have that jeopardized by this amendment. I may say to the Senator I think he knows that I have not voted for any of this foreign aid since 1954. This is not a new position I am taking. My attitude is not being changed. I am being consistent with the position I have had. I would hope that the Senator would consider the amendment that I have suggested, and we will talk about it a little later.

In the meantime, the Senator has the floor.

Mr. AIKEN. Will the Senator yield?

Mr. CHURCH. I yield the floor.

Mr. McCLELLAN. I yield to the distinguished Senator from Vermont.

Mr. AIKEN. The Senator from Arkansas has been discussing military sales to these countries and to the world in general. I am more familiar with the agricultural sales than I am the other type.

Last year we sold to other countries something over $21 billion worth of agricultural commodities, of which only about $1 billion came under the Public Law 480. The rest of it went for cash or for short-term payments. There was $21 billion in exports and Western Europe was our best customer, and Canada and Japan the next best customers. Beyond that, of the countries involved which are named in the amendment of the Senator from Idaho, I do not know how much sales to those countries amounted to, but I am sure they ran into the billion dollar bracket, and well above that, too.

As has been pointed out, some of the countries paid cash, and we can use the cash.

Of course we are displeased because the price of oil went up. We used to get it for $5 a barrel, and then it went up to $7, $8, and I guess now it is higher than that.

We also used to sell them wheat for $1.80 a bushel. The price of wheat has gone up, up, until I am sure last year many countries must have paid us $6 or more per bushel for the wheat, which is about the same percentage of increase as the Arab States increased the price of oil. I think we would make a very grievous mistake if we try to use this method as a way to try to reduce foreign oil prices.

I know that not all States would be adversely affected by cutting down agricultural sales or exports.

My own State of Vermont does not export much in the way of agriculture. I know the State of Idaho only exports about $165 million worth of agricultural commodities a year. But if you take the Dakotas, Iowa, Nebraska, Kansas, Illinois, and other States, it runs into a tremendous amount.

Mr. McCLELLAN. Will the Senator yield at that point?

Mr. AIKEN. I yield.

Mr. McCLELLAN. My State of Arkansas last year exported over $1 billion in agricultural products, practically double what it had been exporting. That is due largely to the increased demand for rice and soybeans, and the increased price of those products.

Mr. AIKEN. That is right. It is the same all through the Middle West and the Mississippi Valley. When you get to the Mountain States it does not amount to much, $100 million or so. It is less than $1 billion.

Mr. McCLELLAN. I think we are confronted, too, are we not, with a deficit in payments, and an imbalance in payments this year, running at the rate now of about $7 billion or $8 billion?

Mr. AIKEN. Except for the argicultural exports from this country, we would be in disastrous financial straits. I certainly do not want to cut down on them.

Mr. McCLELLAN. Those are the two things. Other than that, so far as giving them aid, giving them assistance and subsidizing them in any way, other than for cash sales and for the public law 480 program, I am willing to cut it all out.

Mr. AIKEN. As far as military supplies go, we might consider denying sales to all countries, particularly in the Eastern Mediterranean at this time.

Mr. McCLELLAN. The only trouble with that is—and I do not like it a bit to even sell to them—that they are going to get it. They will go somewhere.

Mr. AIKEN. They will go to some of the more, shall we say, "peace-loving" countries and get it.

Mr. McCLELLAN. The so-called peace-loving countries.

Mr. AIKEN. I know. That is what they call them.

The approval of this amendment would be a classic example of cutting off our nose to spite our face.

Mr. McCLELLAN. That is what I wanted to try to make sure of.

The Senator's amendment in large degree appeals to me because I have never favored the giveaway program very much. I just want to make certain that we get the wording of this amendment changed so it will not do these things that we should not do.

Mr. AIKEN. After we established public law 480 in the mid-1950's it used to cost us about $2 billion for the first year or two. Our sales to other countries amounted to only about $3 billion. Now the cost of Public Law 480 is approximately $1 billion a year and our sales went up last year to something over $21 billion. I expect they will be equally high this year.

Mr. McCLELLAN. I thank the distinguished Senator.

Mr. EAGLETON. Mr. President, is there an amendment pending before the Senate?

The PRESIDING OFFICER. There are two amendments pending.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. The fact that amendments are pending does not preclude other amendments from being discussed, as I understand it, but there can be no vote before 4 o'clock.

Mr. EAGLETON. Mr. President, from a parliamentary point of view, would it be permissible to move that the Church amendment with the Abourezk amendment pending thereto be temporarily laid aside, to be called up at 4 o'clock, subject to the yeas and nays being requested, so that I can call up for discussion my amendment at this time. It, too, will be laid aside and a vote thereon will occur after the Church-Abourezk votes?

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Reserving the right to object, as I understand it, first of all a 4 o'clock agreement has already been entered into that a vote on the treaty will take place.

The PRESIDING OFFICER. The Senator is correct.

Mr. GRIFFIN. I would further want it understood that if this matter were laid aside and we returned to it following the vote on that treaty, the agreement would not preclude any other amendments or motions or points of order that might otherwise be raised, if we continue with the debate at this time.

Mr. McCLELLAN. Together with further debate thereon.

Mr. GRIFFIN. Together with further debate thereon.

Mr. McCLELLAN. That would be my understanding.

The PRESIDING OFFICER (Mr. ROTH). As the unanimous-consent request was stated, it would not preclude any of the matters to which the Senator from Michigan referred.

Mr. GRIFFIN. With that understanding, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I ask unanimous consent that Steven Bryan be permitted the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

In lieu of the committee amendment to section 3 of the bill, insert the following:

On page 2, line 3, beginning with "to the Government" strike out all down through the period in line 9, and insert in lieu thereof the following: "or for the transportation of any military equipment or supplies to any country which uses such defense articles or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, or any agreement entered into under such Acts."

Mr. EAGLETON. Mr. President, at a later time, more proximate to 4 p.m., I will ask unanimous consent that the names of certain Senators be added as cosponsors of the amendment. The offices of several Senators have indicated that as soon as the Senators arrive in Washington, they wish their names to be added as cosponsors. I will postpone that request until later today.

Mr. President, the committee amendment regarding military aid to Turkey represents an effort to write into law a major exception to the provisions which govern the use of American arms by foreign countries. As such the language contained in the bill has far-reaching implications. It is clearly new legislation which is being improperly tacked on to an appropriations bill without the benefit of careful deliberation.

If Congress enacts this language—meaning the committee language—tying the question of military assistance to a Presidential determination that "the Government of Turkey is making good faith efforts to reach a negotiated settlement," we will override the provisions of current law. We will be creating a special exception for Turkey which no other country receiving American arms enjoys. And we will effectively negate the legal controls Congress has placed over the use of American weapons by foreign countries.

That is a dangerous, unwise, precedent-setting decision. It is a decision which sacrifices the collective wisdom of this body for the policy judgment of a single man. In that sense, it will be potentially the most dangerous delegation of authority by Congress in the post-Vietnam era.

Mr. President, we find ourselves in a difficult position today, not because we have a statute requiring that we take a certain action, but because our policymakers have arrogantly placed themselves above the law. The State Department's deliberate procrastination in fulfilling a legal requirement has placed the United States in a most regrettable position. It will now be exceedingly difficult to avoid the appearance of choosing sides between two NATO allies, whatever course we follow.

But now that our law is very much a part of the Cyprus equation, it is no longer possible to ignore the legal obligations of our Government. If we seek to get around our obligations by making exceptions to our laws, then we venture onto new and evermore-dangerous turf. Such action will inevitably be perceived as provocative—by Greece—or Turkey—or both.

The substitute amendment I proposed should not even be necessary, for it is simply a restatement of current American law. But since that law is not being applied in the case of Turkey, there is not other recourse but to tie the statutes governing American military assistance to a strict prohibition of funds made available by this continuing resolution.

This amendment is simply a reaffirmation of a statutory penalty applicable to any nation using American arms for other than the purposes for which they have been granted. Today that penalty would clearly apply to Turkey, but if Greece—or Jordan—or Pakistan were to use American weapons in violation of the provisions governing our assistance, those nations, too, would be immediately ineligible for further assistance.

Mr. President, I am convinced that if the requirements of law are diplomatically explained and dispensed, we can avoid the emotional reactions which sometimes accompany discretionary policy choices. We clearly do not want to lose a close ally, but it is unrealistic to assume that the Turkish Government would fail to understand a nondiscretionary legal obligation of the U.S. Government. Turkey may not like what we have to do, but I cannot believe that an obviously reluctant cutoff of aid to a NATO ally would be taken as positive provocation.

On the other hand, if we equip the President today with discretionary authority he does not now have—authority to decide when a nation is or is not acting in good faith—then we risk the emotional reaction of both sides. If he allows military aid while Turkey remains on Cyprus, we will provoke the retaliation of Greece. And if the President cuts off military aid because he, President Ford, does not believe Turkey is acting in good faith, we will only provoke an emotional response from Turkey.

There is simply no need to venture into that gray area of executive discretion. Certainly, the judgment demonstrated to date in handling the Cyprus situation does not inspire sufficient confidence to warrant a change in existing law.

By far, the safest course to follow, for Congress and the Nation, is to adopt a Cyprus policy which follows the letter of the law. Within the bounds of that law, our diplomats will have considerable flexibility to utilize their negotiating skills. And I am confident that when their talent is finally directed fully toward a solution on Cyprus rather than at the Congress of the United States, progress will be made.

Mr. President, I cannot conclude my remarks today without acknowledging the person whose unrelenting persistence has instigated this debate—Secretary of State Henry Kissinger.

Secretary Kissinger is one of the most able negotiators the world has known. History may well rank him as one of the great Secretaries of State.

Mr. Kissinger, quite naturally, desires maximum flexibility to deal with the Cyprus matter. But in a democratic system, it is not always possible to give carte blanche to our diplomats. Those who represent the United States at the bargaining table must operate within framework of the Constitution and within the constraints of American law.

For more than a month now, Secretary Kissinger has seen fit to ignore the advice of his State Department legal staff and, as a result, he has ignored the dictates of law. The Secretary has been warned that the letter and the spirit of American law require an immediate cutoff of military assistance to Turkey, which nation, more than 2 months ago, violated its bilateral arms agreement with the United States by using American weapons to intervene in Cyprus.

We are here today debating a prohibition on aid to Turkey because the Secretary of State has told the President and the leaders of Congress that following the law in this instance would be inimical to American interests. And because Mr. Kissinger is revered, he is believed.

I have a great deal of respect for the Secretary of State, but his stature, as great as it is, can never place him above the law.

We must bear in mind that a good many of the problems we experience today in Cyprus stem from unimaginative and erroneous policies.

We must, therefore, ask ourselves whether it is wise to change a law simply to accommodate Dr. Kissinger's personal plan for finding a solution.

If the Congress of the United States is going to fulfill its responsibilities, it must withstand the temptation to mold the law to fit the moment. There are bad laws, but we cannot perfect them by creating, willy nilly, a series of exceptions. Such an approach can only undermine the entire legal process.

Mr. President, the principle behind the laws governing our military assistance programs is one of control. Recipient nations must understand that American weapons cannot be used to wage war with American allies. If we waver here and fail to demonstrate this point, then we can expect that the proliferation of conventional arms will be matched by a proliferation of conflicts wherein the United States will constantly occupy the uncomfortable middle-man role trying to arbitrate between friends. I urge my colleagues to support my amendment and thereby avoid the pitfalls of precipitously tampering with our laws.

Mr. CRANSTON. Will the Senator yield?

Mr. EAGLETON. I am pleased to yield to my colleague from California.

Mr. CRANSTON. I wish to express my admiration for the leadership which the Senator has offered to the Congress, and to the country in introducing this extremely important amendment. I think it is outrageous that the law is, once again, being ignored by the executive branch in dispensing American taxpayers' money to foreign lands.

I have very grave reservations about all the military aid, which we distribute to so many nations around the world, with such lack of concern for the impact upon the American economy and the American taxpayer. I am very concerned, and I know countless other people are equally concerned, that the United States by giving such vast amounts of military aid to so many nations, serves no one's best interest, certainly not our own.

Since the end of World War II, we have given military aid to both sides in a number of conflicts. Such is the case with Greece and Turkey. That is an intolerable situation, and must be changed.

Existing law is absolutely clear—the Foreign Assistance Act of 1961 and the Foreign Military Sales Act declare that defense articles sold by the United States shall be used solely for internal security and for legitimate self-defense, and that any government which uses American-supplied defense articles for other purposes, "shall be immediately ineligible for further assistance."

Majorities in the House and here in the Senate have clearly indicated by their votes that in the view of Congress, Turkey is guilty of using American aid for improper purposes—first, by launching an invasion of the sovereign state of Cyprus, and now by continuing their military occupation of the island. Aid should be stopped. The law demands it.

Yet the committee language allows the administration to skirt the law simply by certifying that the Turks are making "good faith" efforts to negotiate a Cyprus settlement.

That language does not go far enough. The law is unequivocal—the improper use of American supplies by Turkey is clear.

To opt for language which allows the law to be skirted—simply because Secretary Kissinger wants it that way—is to weaken the law itself.

I think it is time we demanded that the administration obey the law with regard to military assistance to Turkey. I strongly urge the Senate to adopt the Eagleton-Abourezk amendment.

Mr. EAGLETON. Mr. President, I very much thank my distinguished colleage from California, because, in but a few but well-chosen words, and in but a few but important minutes, he has succinctly summed up my, and thus our, position.

The law is eternal, Mr. President, until changed by the duly constituted legislative process. The law is above us all and is to be applied with evenhandedness across the board. It is not subject to the whim or the caprice of any one individual, however prestigious that individual may be, or however prestigious the title he may hold, even including the title of Secretary of State.

Mr. CASE. Mr. President, the Senate Appropriations Committee has modified language already passed by the House on continued U.S. military assistance to Turkey. The purpose of that modification was and is to give the President adequate flexibility to work, along with our NATO allies, toward a fair resolution to the Cyprus crisis.

The junior Senator from Missouri today offers substitute language that would restate the substance of the 1961 Foreign Assistance Act and have the effect of immediately terminating military aid to Turkey and, possibly Greece—if it is conceded that Greek military forces, however few, acted to overthrow the legitimate Cyprus Government and led to the Cyprus crisis.

The Senator criticizes both the House and Senate resolutions in a letter to his colleagues, saying that "Congress will be venturing onto new ground—onto dangerous policymaking ground—if we undermine the law by trying to mold it to fit the current situation."

There are two questions at hand: First, to what extent does the House proposal and the Senate proposal differ in respect to the laws currently on the books; second, what is the appropriate policy to follow both to assure progress in reaching a settlement on the Cyprus situation and to safeguard American interests—and European interests—in NATO.

Without a doubt it is within the power of Congress to interpret the law by new lawmaking when it is necessary to do so.

It appears to me that neither the Senate resolution nor the House resolution in the continuing appropriation leave the law as it is untouched or unravished.

Under the existing law aid should have been cut off to Turkey "immediately," and in my own opinion, it should have been cut off to Greece as well, for it was the Greek military government and its agents on Cyprus that provoked this crisis.

The Congress as a whole has not passed any binding act requiring that the President immediately terminate assistance either to Greece or Turkey. The House-passed resolution, itself, cuts off aid to Turkey until the President "certifies to Congress that substantial progress has been made regarding military forces in Cyprus." The Senate Appropriations Committee resolution would halt military aid to Turkey "unless and until the President determines and certifies to the Congress that the Government of Turkey is making a good faith effort to reach a negotiated settlement." Both resolutions skirt the direct strictures of the Foreign Assistance Act of 1961, and for good reason. Each resolution seeks to give the President some freedom of action, although the Senate resolution, in my view, is the more realistic in light of events and circumstances.

So I doubt very much, as regards the 1961 Foreign Assistance Act, that the House of Representatives or, I hope, the Senate, would require "immediate termination" of military assistance without qualification.

In any case, legal problems aside, there remains the question of what is the appropriate American policy to follow toward Greece, Turkey and Cyprus. I believe we all agree that to the extent possible a Cyprus not occupied by foreign troops or agents of any kind—except for NATO related defense activities—is the ideal, provided that the rights of all people on Cyprus, whatever their national origin, are safeguarded. It was, after all, the direct threat that rights would be violated that led to the present crisis.

There has been some small progress between the adversaries in working toward a solution. But trust between the parties adequate for a complete settlement comes hard. Both the new Greek Government—and the Turkish Government—have a long road to travel to gain the confidence of even their own people in a settlement acceptable to all, especially to the Cypriot people.

It is my hope that the United States can, with its NATO allies, provide whatever assistance it can in developing the necessary trust and confidence.

Obviously it will take time to get things right on Cyprus. Meanwhile it is apparent to me that the displaced people of Cyprus cannot wait for a solution. They need immediate help. In this regard the United States should not be a neutral party. Our Government should do what it can directly and in concert with its allies and with the United Nations to relieve the human suffering and anguish on the island of Cyprus.

The Secretary of State should make it his stated purpose to provide whatever humanitarian relief is needed as quickly as possible. Thousands need help—understandably thousands of Greek and Turkish Americans are deeply concerned about the plight of their families and friends on the island.

I am sure that Congress will act promptly to provide whatever assistance is necessary as requested by the President and the Secretary of State.

Mr. JACKSON. Mr. President, when Congress authorized and funded the various military assistance programs, it established unambiguous statutory guidelines for the implementation of those programs by the President. The Senate, in supporting the Eagleton amendment to the Export-Import Bank reauthorization legislation, expressed its view that continued military assistance to Turkey was not within the scope of the law when this assistance is used for military intervention in Cyprus.

Since that vote on the 19th of September, it has become clear that the executive branch still wishes to evade its legal responsibilities, seeking not to enforce the law, but devising, instead, elaborate verbal formulas to allow the administration to get around it. Today, Senator EAGLETON's amendment to the foreign assistance continuing resolution is a necessity, and I am happy to join with him as a cosponsor.

The people of Cyprus, who have long had to live under the shadow of Turkish military power, are today paying the price for the failure to restrain Turkish military adventurism. Even as the administration has been ignoring the urgent situation on Cyprus, people are being displaced from their homes, communal relations are being poisoned, and years of effort at economic development are being swept away. The damage is already too great and no further delay—at least as far as American policy is concerned—can be warranted.

At this late date—when the obligations imposed on the President by the statutes are plain for everyone to see—it is disappointing that we are asked to consider proposals which would in effect negate the laws governing this matter. The basic law does not state that aid can be provided for aggressive purposes so long as the President thinks a "good faith" effort is being made to correct the error. Nor does the basic law empower the President to continue such programs when he detects "substantial progress" toward ending the use of American military equipment for aggressive purposes.

We ought not to be drawn into an elaborate debate as to the proper extent of Presidential discretion in matters of this sort. If in fact the Congress wishes to grant the President the authority to waive the relevant provisions of the statutes, it should do so straightforwardly; it should change the basic law in question, rather than allowing the law to be repealed by some de facto act of the President.

The Eagleton amendment is the soundest approach to this problem. It is a clear rejection of administration doubletalk. It is an amendment which reinforces both the rule of law and Congress' lawmaking responsibility. I know of no responsible legal authority who maintains that the use of American military assistance in military adventures which pit one ally against another is allowable under the basic law. But if any such ambiguity exists in anyone's mind, the clear and succinct language of the Eagleton amendment will clear up all doubts.

The administration seeks to compound a fundamentally unwise policy by perverting the laws governing the administration of American military assistance. I urge the Senate to support the Eagleton amendment, so that American policy in the eastern Mediterranean is placed on a sounder strategic and legal footing.

Mr. EAGLETON. Mr. President, I

know not whether any other Senator desires to speak, either for or against this amendment. I know not what other amendments may be pending to this bill. But I am prepared, if no other Senator desires to speak, either for or against it, to request that it be temporarily laid aside and, pursuant to the previous unanimous-consent order, be taken up again some time after 4 o'clock.

Mr. McCLELLAN. Mr. President, I understand that there will be those who will want to speak against this amendment. I probably shall have some remarks about it at the proper time, after others have discussed it. In the meantime, I hope that if it is laid aside, of course, it will be subject to being called up and further discussion and all rights of amendment and parliamentary questions about it will be reserved.

The PRESIDING OFFICER. That will be the case.

Mr. McCLELLAN. In the meantime, I should like to move along and see how many amendments we can get.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. I do that, and ask unanimous consent that it be temporarily set aside, subject to the comments of the Senator from Arkansas.

Mr. McCLELLAN. I should like to ascertain if there are any other amendments. We might get them all before us and have them available so that, at 4 o'clock we can take them up somewhat in order, I assume, and try to dispose of them.

Mr. CRANSTON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the joint resolution insert the following new section:

Sec. 6. Such joint resolution is further amended by adding at the end thereof the following new section:

"Sec. 113. The amounts which may be obligated under this joint resolution during any month beginning after October 31, 1974, are hereby reduced by a percentage equal to 10 percent of the amount which would apply under this joint resolution but for the provisions of this section, multiplied by the number of calendar months which have elapsed after September 30, 1974."

Mr. CRANSTON. Mr. President, I am delighted that the Senator from Missouri (Mr. Eagleton) has joined me as a cosponsor of this amendment. I shall speak very briefly now and hope there will be an opportunity later for further discussion. Let me explain briefly what this amendment does. It imposes a 10-percent reduction per moonth, commencing in the month of October, in overall foreign aid spending under the continuing resolution. This 10-percent reduction will apply for as long as the Senate does not act on the foreign aid bill.

The administration, opposed to the more restrictive provisions of the new foreign aid bill reported by the Committee on Foreign Relations, has deliberately decided to stall for time and to delay action on the bill. This amendment to the continuing resolution is designed to thwart that maneuver. We should not allow delay after delay to frustrate the enactment of the many reforms that the Committee on Foreign Relations has wisely put into the bill it has reported. The effect of any prolonged delay, will be to reduce steadily the amount made available for foreign aid under the continuing resolution. It will provide considerable incentive to those who might be inclined to delay action on the foreign aid bill, to resolve the entire matter by prompt consideration of the bill reported out by the Committee on Foreign Relations.

There seems to be some suggestion that both the Senate and the House, might vote differently after the election than before. I question that very deeply. I think it is rather insulting to the Members of this body and the other body to suggest that they will vote in differently before an election than after. At any rate, this amendment will, if adopted, insure that there will not be a long delay and that we shall quickly come to grips with the real issues involved in foreign economic and military assistance.

The Senate should vote on the Committee's bill without further lengthy delay. If adopted, this amendment will assure, I believe, that those who favor and those who do not favor what the Committee has recommended, will at least agree to come to grips with the matter, and make our decisions in full view of the American people.

I ask unanimous consent, as did the Senator from Missouri, that the amendment may now be laid aside for consideration and debate at a later and more appropriate time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I do not have a copy of the amendment offered by the distinguished Senator from California.

Mr. CRANSTON. I will send it right down.

Mr. McCLELLAN. I have had no opportunity to study it. The matter was not before the committee, and I simply, for the moment, ask that it be accorded the same treatment as the other two amendments that have been offered this afternoon, and let it take its course, and that after 4 o'clock, when the vote on the treaty will start, there be further discussion of and possibly some votes on amendments to this measure.

But in the meantime, I would have to give this amendment by Senator Cranston and Senator Eagleton some scrutiny and study before I would be in a position to consider it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Bartlett). Without objection, it is so ordered.

REVISING AND AMENDING THE PRICE-ANDERSON INDEMNITY PROVISIONS OF THE ATOMIC ENERGY ACT OF 1954—CONFERENCE REPORT

Mr. PASTORE. Mr. President, I submit a report of the committee of conference on H.R. 15323, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Hathaway). The report will be stated by title.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15323) to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of August 20, 1974, at p. 29393.)

Mr. PASTORE. Mr. President, I have discussed this matter with Mr. Aiken, who is agreeable to this action being taken at this time.

Mr. President, this bill has been reported out of conference essentially as it passed the Senate on August 8. There is only one change of any significance. That is the amendment proposed by the distinguished Senator from Connecticut (Mr. Ribicoff). I have explained to Mr. Ribicoff why that is so. I agreed to take that amendment to conference and see what could be worked out, with the understanding that the views of the insurance industry would be sought by Senator Ribicoff before the disposition of the amendment was determined.

The nuclear insurance pools expressed reservations about the feasibility of the provision, as did the AEC. Their opinion was that detailed study was required. Accordingly the conferees agreed to delete the amendment and to call for a study of the subject with a report to Congress by early next year.

No other substantive changes were made in the bill as passed by this body. The House conferees accepted the other amendments we made, with the exception of a technical wording change which has no substantive impact.

The House has now adopted the conference report. By our action in doing likewise we can complete the legislative process on this important measure. We will have extended the essential public protection provisions of the Price-Anderson Act, including the no-fault mandatory insurance, the prompt payment features, and others which make up this comprehensive regulatory structure. At the same time we will have provided for the orderly transfer of responsibility to the nuclear industry, in a manner which does not create uncertainties which might hinder the further development of that industry. And finally, we will have provided numerous assurances to those who have doubts regarding the safety of nuclear reactors that that issue will be fully examined in the next few months.

The draft of the Rasmussen study is now available. We held briefings on the study to which all Members of Congress were invited. Public comment has been solicited. The final report should be issued early next year, and will be the subject of hearings and a report to Congress by the joint committee.

A full airing of the conclusions of this important study will, I believe, establish that the remarkable safety record of the nuclear industry is no fluke, but the product of the extreme care that has been exercised by the industry and the Atomic Energy Commission, under the watchful eye of the joint committee.

I urge the adoption of the conference report so that the extension and reform of Federal nuclear insurance law can go forward as the dialog on the Rasmussen study progresses.

Mr. President, I ask unanimous consent to have printed in the Record a letter from me to the chairlady of the Commission, letters from me to Mr. Ribicoff, and a letter to me from the chairlady of the commission.

The being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Atomic Energy Commission,
Washington, D.C., September 13, 1974.
Hon. John O. Pastore,
Vice Chairman, Joint Committee on Atomic Energy, Congress of the United States.

Dear Senator Pastore: Thank you for your letter of September 4, 1974, concerning a projected examination of the problems involved in the inclusion under the Price-Anderson Act of nuclear incidents resulting from diversion of nuclear materials from AEC licensed or contractor activities that are covered by the Act. As you noted, the Commission suggested, in its comments on an amendment to H.R. 15323 offered by Senator Ribicoff, that the problem should be examined and a report submitted to the Joint Committee by early next year.

The matter of timing has been considered and we have concluded that a Commission report on the subject could be provided to the Joint Committee by March 1, 1975.

Sincerely,

Dixy Lee Ray,
Chairman.

September 23, 1974.

Hon. Abraham Ribicoff,
U.S. Senate,
Russell Office Building,
Washington, D.C.

Dear Senator Ribicoff: You recently should have received your copy of Dr. Dixy Lee Ray's letter of September 13 to me, which confirms that the AEC will examine the issues of compensation for nuclear incidents arising from illegal diversion of special nuclear materials.

I consider the March 1, 1975 date set by Dr. Ray for the Commission's report to be realistic and acceptable, and wish to reassure you of the Joint Committee's intention to afford you a full opportunity to be heard, once we all have digested the report.

Sincerely,

John O. Pastore,
Vice Chairman.

September 4, 1974.

Hon. Abraham Ribicoff,
U.S. Senate,
Washington, D.C.

Dear Senator Ribicoff: As we discussed prior to the Senate-House conference on H.R. 15323, I have asked the Atomic Energy Commission to conduct a study of the problem of insurance and indemnity protection for nuclear incidents resulting from the diversion of nuclear materials, and to report to the Joint Committee on Atomic Energy with recommendations by early next year. I am forwarding a copy of my letter to the Commission for your information.

I will keep you informed as the study develops. With highest regards.

Sincerely,

John O. Pastore,
Vice Chairman.

September 4, 1974.

Dr. Dixy Lee Ray,
U.S. Atomic Energy Commission,
Washington, D.C.

Dear Dr. Ray: As a result of comments by the Commission and by the two nuclear liability insurance pools to the effect that the question of inclusion under the Price-Anderson Act of nuclear incidents resulting from illegal diversion of nuclear materials was a complex one that requires careful study, the Senate-House Committee of Conference on H.R. 15323 agreed to delete the amendment to that bill offered by Senator Abraham Ribicoff and accepted by the Senate, which was intended to provide for such inclusion. It was the opinion of the Committee that this problem should be examined by the Commission and a report should be submitted to the Joint Committee, together with recommendations, by early next year.

I would appreciate it if you would provide me in the near future with your estimate as to when the report could be completed.

Sincerely

John O. Pastore,
Vice Chairman.

Mr. RIBICOFF. Mr. President, I am disappointed that this bill has been reported before the Senate and House conferees had an opportunity to consider a compromise proposal which I transmitted in a letter on August 21 to the distinguished Senate cochairman of the Joint Committee on Atomic Energy.

This compromise would have delayed for 3 years implementation of my amendment, which extends the no-fault liability provisions of Price-Anderson to protect the public from the financial consequences of nuclear theft as well as from those of a nuclear powerplant accident.

Right now, according to a study performed for the AEC by a team of outside consultants, safeguards are "entirely inadequate" to prevent the theft of plutonium and weapons-grade uranium from the nuclear power industry, and the subsequent fashioning of terrorists' atomic bombs. This finding in the Rosenbaum report has been confirmed by the Regulatory Division of the AEC, a high official of which has termed the inadequacy of nuclear safeguards "a clear and present danger."

While there are not yet enormous quantities of weapons-grade materials in the nuclear power industry, there are still 1 million pounds of plutonium and enriched uranium presently authorized by the AEC—about half of it of weapons grade. By 1980, nuclear powerplants will be generating 66,000 pounds of plutonium each year, and by the year 2000 the annual output will reach 660,000 pounds—enough to produce thousands of crude but devastating atomic bombs or deadly dispersal devices.

The point is that if the public is to be safe from all potential consequences of nuclear power, it must be adequately protected from nuclear thefts as well as from nuclear accidents. My amendment would have made the nuclear industry financially accountable, within the dollar limits set in Price-Anderson, for nuclear thefts as well as nuclear accidents. It provides a real incentive for the nuclear industry to upgrade safeguards because insurance companies will write policies covering nuclear theft only if safeguards to prevent theft are adequate.

The two pools of nuclear insurers split over my amendment—each expressing concern that it may not be possible for them to assume any of the risk of nuclear theft at the present time. As it turns out, one group, which writes 75 percent of nuclear accident insurance, supported my amendment, and the other, smaller group opposed it—both for essentially the same reasons.

I ask unanimous consent that at the conclusion of my remarks, the letters from the two groups explaining their respective positions be printed in the Record, followed by the text of my letter to Senator Pastore, his letter of response to me—including a copy of his letter to AEC Chairman Ray, and Chairman Ray's response to Senator Pastore.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. Mr. President, the AEC recently released the long-awaited draft of the Rasmussen report, which found nuclear power reactors to be safe and the chances of death or injury from an accident to be negligible. Assuming that these findings withstand scrutiny by outside experts and appear in the final draft of the report, they represent reassuring news to my constituents and those of all Senators whose States now have a heavy commitment to nuclear power.

But the Rosenbaum report finds that the present chances of nuclear theft are high and warns that an explosion of stolen nuclear material would cause far greater harm than any plausible nuclear powerplant accident. This is very disturbing news because it represents the Archilles heel of what may be an otherwise safe nuclear industry.

I appreciate the joint committee's decision to order a study by the AEC of the safeguards insurance problem and then to hold hearings on the results. I wonder whether the distinguished cochairman would also agree to arrange for the study to be completed by January 1, 1975, with hearings to promptly follow, and for submission of all drafts of the AEC study to the joint committee, where they can be reviewed by interested Members of the Senate and House and of the general public. Such an arrangement, in lieu of my amendment, would go far toward marshaling the high-priority attention that nuclear safeguards now requires.

Of course, the study may very likely be carried out by the AEC's successor regulatory agency, the Nuclear Safety and Licensing Commission, as provided in the Energy Reorganization Act, which has passed both Houses and is awaiting a Senate-House conference. I assume that the reorganization will not delay the study, because the individuals who will conduct it are now in the AEC's regulatory division and will be transferred to the NSLC.

I commend the distinguished cochairman for his untiring efforts to promote the safety and security of the nuclear industry and to make all appropriate facts available to the public.

Exhibit 1

The Hartford Insurance Group,
August 14, 1974.
Re Ribicoff Amendment—Price Anderson Extension.
Hon. Abraham Ribicoff,
U.S. Senate, Senate Office Building,
Washington, D.C.

Dear Senator Ribicoff: Without having had the opportunity to bring the questions raised in your letter formally before the Governing Committee of the Nuclear Energy Liability Insurance Association (NELIA), I believe on the basis of conversations with a number of its members that the following would be representative of the attitude of NELIA's membership.

Insurers would generally support the idea that the public should be protected against the financial consequences of extraordinary nuclear occurrences arising out of the theft of nuclear material.

The amendment does raise, however, a serious public policy question. Should private industry be held liable without fault for thefts which might require the marshalling of substantial private protective forces that might, even then, not be sufficient to guarantee safe passage? Insurers would be inclined to feel that the Government should be prepared to assume the major responsibility for affording the public protection against thefts, including indemnification from any resulting injury or damage.

Answering your questions more specifically, we believe that our members would consider the amendment acceptable with the understanding that it does not compel the insurance industry to write exposures it would not otherwise write and that the substance of your remarks in the Congressional Record of August 8 would apply; that is "The AEC should not read this amendment to require the insurance industry to write policies covering both risks, or no policies at all."

Our members would give very careful consideration to the possibility of covering the strict liability which would be imposed by this amendment, but we cannot state positively that insurance would be available. Insurers would have to be satisfied as to the special precautions taken with respect to shipments of nuclear materials and might then find it necessary to attach special limitations on the amount of their liability and special conditions for the coverage.

In the absence of full availability of private insurance, we would favor an approach which would provide for government indemnification of private industry upon compliance with reasonable safeguard regulations.

I understand Mutual Atomic Energy Liability Underwriters will respond separately to your questions.

Very truly yours,
Richard A. Schmalz.

American Mutual
Insurance Alliance,
Washington, D.C., August 14, 1974.
Re H.R. 15323.
Senator Abraham A. Ribicoff,
Old Senate Office Building,
Washington, D.C.

Dear Senator Ribicoff: The Alliance is the voluntary association representing the mutual insurance companies in the property and casualty insurance business. In this instance, we write on behalf of our members who are organized as "Mutual Atomic Energy Liability Underwriters".

We are opposed to your amendment which was adopted when this bill was passed by the Senate on August 8. Although we appreciate your very proper concern with the problems arising from the theft of nuclear materials which you have graphically described, we believe the subject as embodied in your amendment is extremely complex and will require detailed consideration by the insurance industry before it can consider insuring against the hazard involved. For example, study must be given to the magnitude of the risk, the potential losses involved, the security requirements to be borne by insured, insurers or the government, the legislative and insurance policy language to be employed and the precise extent of the insurance coverage desired.

Consequently, we hope your amendment will be dropped in conference, and that the committee will consider this subject after the issues have been fully developed.

However, since the problem you have presented merits study, giving consideration to the respective roles of government and private industry, we are willing to meet with you or your staff to discuss the matter.

Yours very truly,
Bert M. Thompson,
General Attorney, Federal Affairs.

U.S. Senate,
Washington, D.C., August 21, 1974.
Hon. John O. Pastore,
U.S. Senate.

Dear John: I am pleased to forward to you the comments and positions of the two pools of nuclear insurers on my amendment to the Price-Anderson Act. I ask that the Joint Committee on Atomic Energy consider the enclosed letters as it resumes resolving the differences between the Senate- and House-passed bills.

As you can see, the two insurance groups are split on the issue of whether the consequences of nuclear theft should be covered by the strict liability requirements of Price-Anderson.

The Nuclear Energy Liability Insurance Association considers the amendment acceptable with the understanding that it does not compel insurers to write exposures it would not otherwise write. The group agrees that "the public should be protected against the financial consequences arising out of the theft of nuclear materials". It also states: "In the absence of full availability of private insurance, we would favor an approach which would provide for government indemnification of private industry upon compliance with reasonable safeguard regulations". I, of course, agree with the Association's position and believe that it represents persuasive support of the amendment.

The Mutual Atomic Energy Liability Underwriters states its opposition to the amendment and recommends that it be dropped in conference. It explains that "the subject . . . is extremely complex and will require detailed consideration by the insurance industry before it can consider insuring against the hazard involved". I agree that the question of whether to write no-fault insurance covering nuclear theft will require an extensive review of safeguard problems, but I disagree that the need for such a review justifies opposition to an amendment that compels the insurers to do nothing but *consider* writing such a policy—and then only if risks are acceptably low.

As you know, the basic intent behind my amendment is to ensure that the nuclear industry pays its fair share of protecting the public from the financial consequences of nuclear theft. If safeguards are adequate, the nuclear industry would have only to pay a premium comparable to the modest one it now pays for no-fault accident coverage (the industry-wide premium is about $8 million). If safeguards are inadequate, the nuclear industry will have to upgrade them to a level acceptable to insurers or be financially accountable for the private share of indemnity required in Price-Anderson.

I urge the Joint Committee to consider the indemnification requirements of Price-Anderson as a legitimate incentive for the nuclear industry to upgrade commercial safeguards beyond their present level, which the Rosenbaum Report found to be "entirely inadequate". Of course, the government is the ultimate insurer against a serious nuclear incident stemming from a theft or an accident. I believe it is in the public interest to make the nuclear industry financially accountable for a reasonable portion of *each* risk, in the interest of both equity and vigilence.

The enclosed letters indicate that insurers may not be prepared to write no-fault, nuclear theft insurance, given the present level of safeguards. If so, this is the most important reason for retaining my amendment in conference. I can think of no better way to ensure the upgrading of safeguards than to hold the industry partially accountable for their adequacy.

If it is felt that a reasonable time is needed to modify the present safeguards system in keeping with the needs of insurers, I am agreeable to making my amendment effective on August 1, 1977—the date when the present Price-Anderson provisions would otherwise expire.

I appreciate your thoughtful consideration of my amendment. I trust you will furnish these views and the attached correspondence to the other members of the Joint Committee.

With all good wishes,
Sincerely,
Abe Ribicoff.

Congress of the United States,
Washington, D.C., September 4, 1974.
Hon. Abraham Ribicoff,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.

Dear Senator Ribicoff: As we discussed prior to the Senate-House conference on H.R. 15323, I have asked the Atomic Energy Commission to conduct a study of the problem of insurance and indemnity protection for nuclear incidents resulting from the diversion of nuclear materials, and to report to the Joint Committee on Atomic Energy with recommendations by early next year. I am forwarding a copy of my letter to the Commission for your information.

I will keep you informed as the study develops. With highest regards.

Sincerely,
John O. Pastore,
Vice Chairman.

Congress of the United States,
Washington, D.C., September 4, 1974.
Dr. Dixy Lee Ray,
U.S. Atomic Energy Commission,
Washington, D.C.

Dear Dr. Ray: As a result of comments by the Commission and by the two nuclear liability insurance pools to the effect that the question of inclusion under the Price-Anderson Act of nuclear incidents resulting from illegal diversion of nuclear materials was a complex one that requires careful study, the Senate-House Committee of Conference on H.R. 15323 agreed to delete the amendment to that bill offered by Senator Abraham Ribicoff and accepted by the Senate, which was intended to provide for such inclusion. It was the opinion of the Committee that this problem should be examined by the Commission and a report should be submitted to the Joint Committee, together with recommendations, by early next year.

I would appreciate it if you would provide me in the near future with your estimate as to when the report could be completed.

Sincerely,

John O. Pastore,
Vice Chairman.

U.S. Atomic Energy Commission,
Washington, D.C., September 13, 1974.
Hon. John O. Pastore,
Vice Chairman, Joint Committee on Atomic Energy, Congress of the United States.

Dear Senator Pastore: Thank you for your letter of September 4, 1974, concerning a projected examination of the problems involved in the inclusion under the Price-Anderson Act of nuclear incidents resulting from diversion of nuclear materials from AEC licensed or contractor activities that are covered by the Act. As you noted, the Commission suggested, in its comments on an amendment to H.R. 15323 offered by Senator Ribicoff, that the problem should be examined and a report submitted to the Joint Committee by early next year.

The matter of timing has been considered and we have concluded that a Commission report on the subject could be provided to the Joint Committee by March 1, 1975.

Sincerely,

Dixy Lee Ray,
Chairman.

Mr. PASTORE. Mr. President, I will be happy to answer any questions, if there are any.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PASTORE. I yield.

Mr. AIKEN. Mr. President, as usual, the statement of the Senator from Rhode Island is correct. This report should be approved without delay.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

AMENDMENT OF THE EMERGENCY DAYLIGHT SAVING TIME ENERGY CONSERVATION ACT OF 1973

Mr. MANSFIELD. Mr. President, I would like to have the attention of the distinguished Senator from Arkansas to hear what I have to say.

It is my understanding that an agreement has been reached, and I see the distinguished Senator from California in the Chamber, by means of which Senator Cranston and Senator Tunney, who are interested in the amendment on Thursday last, have come to a conclusion that their amendment can be handled in another way, and therefore, the agreement made should be abnegated, and I would hope with the approval of the Senators concerned to call up H.R. 16102 at this time and pass it.

Mr. McCLELLAN. Is that the daylight saving bill?

Mr. MANSFIELD. Yes, it is just daylight saving.

Mr. McCLELLAN. I understand the amendment of the distinguished Senator is withdrawn.

Mr. CRANSTON. Yes, I am delighted to say to the distinguished Senator from Arkansas that Senator Tunney and I have agreed to withdraw the amendment so that there will be no blockage of the decision on the merits of a different matter, daylight saving, and we will seek in another way to deal with our problems concerning California wine discrimination.

Mr. McCLELLAN. I have no objection if the amendment is withdrawn to the immediate passage of the bill.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 16102, the Emergency Daylight Saving Time Energy Conservation Act of 1973.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 16102) to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October 1974 through the last Sunday in February 1975.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the wine amendment offered by Senator Tunney and myself be withdrawn from the daylight saving bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NUNN. Mr. President, I support the amending of the Emergency Daylight Saving Time Energy Conservation Act of 1973 to provide relief from year-round daylight saving time during the 4 darkest months of winter: November, December, January, and February.

As I indicated previously, I would prefer that 6 months be exempted from year-round DST, but feel that any shortening is better than keeping it year-round.

The recent Department of Transportation study indicated that very little energy was saved by the imposition of year-round DST.

For this reason, and because it is inherently dangerous to have so many young children going to school in the dark of winter, I am happy to support this compromise measure of eliminating the 4 darkest months from daylight saving time. However I continue to support legislation I cosponsored earlier this year that would impose DST only between Memorial Day and September 30.

I am pleased that the Senate is acting on this 4-month exemption before the winter months arrive and thousands of school-age children are forced to wait in the dark for buses that will take them to school.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 16102) was ordered to a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

UNANIMOUS-CONSENT REQUESTS

Mr. MANSFIELD. Mr. President, I am about to propound a series of unanimous-consent requests.

Pending the approval of the distinguished Senator from South Dakota (Mr. Abourezk) I ask unanimous consent that his amendment be voted on immediately after the vote on the treaty, the vote on which shall occur approximately at 4 o'clock, or a little thereafter.

Mr. GRIFFIN. Mr. President, reserving the right to object, that would preclude, as I understand it, a motion to table the Abourezk amendment?

Mr. MANSFIELD. It would not preclude a motion to table any amendment on the basis of the unanimous-consent request I am making. That is in order. That is a prerogative of any individual Senator.

Mr. GRIFFIN. I would like to be sure that that is understood.

The PRESIDING OFFICER. The Chair would observe, as stated, it would preclude a motion to table.

Mr. MANSFIELD. Mr. President, I ask that motions to table be considered in the agreement.

Mr. CRANSTON. Mr. President, reserving the right to object, and I shall not object, I want to suggest that it might be appropriate to allocate 5 minutes to a side so that the people here will know exactly what the amendment does.

Mr. MANSFIELD. Very well. Mr. President, I ask unanimous consent that there be a time limit of 10 minutes to be equally divided between the sponsor of the Abourezk amendment and the managers of the bill prior to the vote.

Mr. McCLELLAN. Mr. President, reserving the right to object, how do we know we have an agreement or not, when we say, subject to the——

Mr. MANSFIELD. I am trying to get things going rather than have a recess and waste time. After all, we are looking forward to a recess beginning on the 11th, that will very likely call for a session this Saturday, and all the floor managers can do is try to bring some order out of a situation which has created little interest among the Members at this time.

Mr. GRIFFIN. Mr. President, further reserving the right to object, I feel somewhat as the distinguished chairman of the committee does. I know, for example, Senator JAVITS has a very deep interest in this particular amendment and would oppose the amendment of the Senator from South Dakota.

Mr. MANSFIELD. May I say, if the Senator will yield, that Senator JAVITS and Senator PELL are both back in the city, I understand.

Mr. GRIFFIN. Yes.

Mr. MANSFIELD. Because a meeting has been called of the Foreign Relations at 4 o'clock.

Mr. McCLELLAN. They are here.

Mr. MANSFIELD. Now Mr. President, I repeat my request, with the consent of the distinguished Senator from South Dakota: That in addition, there be a 10-minute period for explanations, the time to be equally divided between the manager of the bill and the sponsor of the amendment.

Mr. GRIFFIN. If the majority leader will permit me, I still am not satisfied that I am adequately protecting the rights of the Senator from New York (Mr. JAVITS) in allowing only 5 minutes to oppose the Abourezk amendment, which would cut off aid to Israel, as I understand it.

Mr. MANSFIELD. Does the Senator have a suggestion?

Mr. GRIFFIN. Since we are making the agreement subject to the approval of the Senator from South Dakota earlier, I wonder if we could not allow the Senator from New York some time, 20 minutes, or something, which he could waive if he did not use it or desire it.

Mr. MANSFIELD. Not to exceed 20 minutes to the Senator from New York, and 5 minutes to the Senator from South Dakota.

Mr. McCLELLAN. May I have 5 minutes over here?

Mr. MANSFIELD. And 5 minutes to the manager of the bill.

Mr. ABOUREZK. Reserving the right to object——

Mr. McCLELLAN. I only want 5 minutes.

Mr. ABOUREZK. I do not need more.

Mr. McCLELLAN. Senator JAVITS might want to talk.

The PRESIDING OFFICER. Is there objection? No objection is heard, and it is so ordered.

Mr. MANSFIELD. Now, Mr. President, I understand that the distinguished chairman of the committee, the Senator from Arkansas (Mr. McCLELLAN), if the Abourezk amendment is defeated intends to offer an amendment to the Church amendment. I ask unanimous consent——

Mr. McCLELLAN. Whether it is defeated or not. It is not connected with it, but I do have an amendment. If the Church amendment is not tabled, then I will want to offer an amendment to it.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limit of 40 minutes attached thereto, to the upcoming McClellan amendment, the time to be equally divided between the manager of the bill and the minority leader, or whomever he may designate.

Mr. ABOUREZK. Mr. President, reserving the right to object, if there is going to be a motion to table, and I am advised that there will be—I do not know if the request includes this or not—it might be better if the motion to table were voted upon before my amendment were voted upon, to save the time of the Senate. Then if the Church amendment is tabled, there is no need——

Mr. GRIFFIN. Mr. President, reserving the right to object, I would like also to speak to the same point. Earlier, I raised the question whether or not the agreements we were entering into would in any way affect the right to make a motion to table. Of course, if a motion were made to table the Church amendment at any point, it would take with it, as I understand it, the Abourezk amendment, if it were pending at that time.

I would like to be sure that in this agreement we are not taking away or precluding a Senator from making a motion to table the Church amendment at any time.

Mr. CHURCH. Mr. President, reserving the right to object, I want to cooperate in every way with the distinguished majority leader in working out a unanimous consent. I am not asking for any inordinate length of time, but I would want to be protected in my right to defend the amendment against a tabling motion. Any time reserved for that purpose should be done so in such a fashion that the tabling motion would not cut off that right.

In other words, I do not want to be preempted from such time as is allocated to a discussion of my amendment by a premature tabling motion.

Mr. GRIFFIN. I believe it is understood that the tabling motion would come at the end of the period of debate.

Mr. CHURCH. If that is understood, I have no objection to the proposal.

Mr. MANSFIELD. That is the usual procedure. Under the rules of the Senate, once an agreement is reached, before a final vote, tabling or otherwise occurred, all time has to be used or yielded back.

Mr. JAVITS. Mr. President, reserving the right to object, may I ask the Chair what is being requested, or ask the majority leader?

Mr. MANSFIELD. Go ahead. That is what you are paid for. [Laughter.]

The PRESIDING OFFICER. A unanimous-consent request has been made by the majority leader on the amendment by Senator McCLELLAN to the Church amendment that the time be limited to 40 minutes, 20 minutes on each side. The question was raised by the Senator from Michigan as to whether or not that might preclude a tabling motion at that point. The majority leader said it would not.

Mr. JAVITS. A tabling motion is in order?

The PRESIDING OFFICER. A tabling motion would be in order.

Mr. JAVITS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is the rule of germaneness applicable to these amendments? Is this an appropriation bill?

Mr. MANSFIELD. As far as I am concerned, I do not care whether they are or not because I will vote against the bill anyway.

The PRESIDING OFFICER. The rule of germaneness can always be raised.

Mr. JAVITS. Mr. President, may I inquire as to the attitude of the Appropriations Committee on the Church amendment?

Mr. McCLELLAN. If it is not tabled, I will be seeking an amendment to it. My attitude will be determined somewhat by that. My original attitude is that I did not want this joint resolution amended. I would like to go into conference with a comparatively clean resolution so we could dispose of this matter. But I cannot control Senators offering amendments.

Mr. JAVITS. We do not know at this time whether the committee is against the Church amendment?

Mr. McCLELLAN. No. It was not before the committee. There is no way for me to know. I can say this, that I certainly cannot vote for it in its present form. I do not intend to vote for it, frankly, because I want to try to keep a clean resolution.

If there are no other amendments, and I could get it amended like I want to, I would be willing to take it to conference. But if there are a lot of other amendments, I will not open up a floodgate to amendments.

Mr. JAVITS. Is the Senator's amendment to the Church amendment of knowledge to us?

Mr. McCLELLAN. I can advise the Senator what it is. The Senator from Idaho (Mr. CHURCH) would preclude in his amendment any form of aid, including cash sales to certain countries he has named, oil producing countries. I would want to amend that so as to exclude cash sales, where we have $1,200,000,000 in contemplation in cash sales in military supplies to these countries. I would want to exclude also Public Law 480 sales, because that means a great deal to our economy. Those two things I would want excluded.

I understand the distinguished Senator from Idaho would be willing to accept the first as to the cash sales to the military, but does not want to accept a provision with respect to Public Law 480.

Did I state it correctly?

Mr. CHURCH. I just wanted to add, for the information of the Senator from New York, that my amendment goes to all forms of aid. As presently written it does not, in my opinion, exclude cash sales, but it would include subsidy sales or any other form of aid for which appropriated funds would be used. With that clarification, I agree with the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. YOUNG. If I could express the views of the minority of the Appropriations Committee, I believe they are against adding amendments to the bill. We are trying to get a clean bill if possible.

Mr. MANSFIELD. That is correct.

Mr. JAVITS. So, Mr. President, it is unlikely that this amendment would be accepted by the committee, even if amended, if the minority objected, is that correct?

Mr. YOUNG. That is correct.

Mr. JAVITS. Does this in any way deal with the Abourezk amendment, which is to a special country?

Mr. MANSFIELD. That is the first amendment as to which agreement has already been reached, 20 minutes to the Senator from New York, 5 minutes to the Senator from Arkansas, and 5 minutes to the Senator from South Dakota.

Mr. ABOUREZK. I have 10 minutes.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. If I might respond to the Senator from New York, the Abourezk amendment to the Church amendment is to include Israel and take out the proviso that this aid shall not go to countries unless they are lowering the price of oil.

Mr. JAVITS. And that amendment has been agreed to? A unanimous consent has already been agreed to?

Mr. McCLELLAN. On time.

Mr. JAVITS. I gather the allocation to me of the time is simply what the majority leader is doing right now.

Mr. MANSFIELD. No. The Senator has 20 minutes at the instigation of the distinguished acting Republican leader, who was looking after his interest while he was elsewhere.

Mr. JAVITS. I was just downstairs.

Then with the understanding that on the Church amendment, which would carry with it the Abourezk amendment, a motion to table will be in order, I have no objection.

Mr. FULBRIGHT. Reserving the right to object, Mr. President, I inquired earlier about the right to move to table the Church amendment some time ago, about 12 o'clock, and I was told that I would have that right. I believe I was told by the Chair.

Mr. MANSFIELD. That is correct, and it has been reiterated since.

Mr. FULBRIGHT. I did not understand that that meant after all kinds of other amendments had been put on it. I thought I would have the right to move to table the Church amendment in the beginning, when it was offered.

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. The Senator could move to table the Church amendment between now and 4 o'clock, if he desired.

Mr. FULBRIGHT. With all these amendments being threatened on it, I want to move to table the Church amendment.

Mr. CHURCH. Mr. President, reserving the right to object, I point out to the Senator that my amendment is not the pending amendment. The pending amendment is the Abourezk amendment to the Church amendment. Therefore, I question that a motion to table would lie until after the Senate has disposed of the Abourezk amendment.

Mr. JAVITS. Mr. President, if the Senator will yield for a parlimentary inquiry, is it possible for the Abourezk amendment, which is an amendment to the church amendment, to be pending if the church amendment is not pending?

Mr. CHURCH. The Church amendment is pending, but the Abourezk amendment has been offered to it.

Mr. JAVITS. A motion to table is in order at any time. Is that not correct?

The PRESIDING OFFICER. The Church amendment would be pending.

Mr. FULBRIGHT. If it is in order, I move to table the Church amendment.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the tabling motion occur after the vote on the treaty.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, may I make an announcement to the Senate.

I had anticipated that it might be possible to bring up Calendar No. 1123, Senate Resolution 399; Calendar No. 1125, S. 4016; and Calendar No. 1126, Senate Joint Resolution 240 immediately following the disposition of the continuing resolution. However, I find that that is not possible because of circumstances over which I have no control. I wish to announce to the Senate that in view of this, as soon as the continuing resolution is disposed of, the Senate will return to the consideration of Calendar No. 1083, S. 3394, a bill to amend the Foreign Assistance Act of 1961.

May I say, further, that the Senate may well face a Saturday session.

May I say, further, that the recess of the Senate will depend upon clearing the calendar of the three tape measures, of the foreign aid bill, of the continuing resolution—because I think all those are pertinent and should be attended to—and, hopefully, the nomination of Nelson Rockefeller to be Vice President of the United State, if it is reported by the Rules Committee.

Could the distinguished acting Republican leader give the Senate some information on that?

Mr. GRIFFIN. Mr. President, it would be more appropriate, as the majority leader realizes, if the question were addressed to the majority whip, who also serves on the committe and perhaps could speak for the chairman of the committee, Mr. CANNON.

It is my understanding that the committee has completed its hearings, that the FBI report is in, and that the Internal Revenue Service audit is in. But certain income tax information has been referred to the Joint Committee on Internal Revenue. I do not know why it would take a long time for that joint committee of Congress to send up its report. We are awaiting the report, as I understand it. Perhaps the majority whip can add to that.

Mr. ROBERT C. BYRD. I cannot add anything.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. MANSFIELD. I yield.

Mr. JAVITS. With respect to S. 4016, which is the tapes and Presidential papers bill, which the majority leader mentioned, quite properly, as being an urgent matter—I believe that I am the only member of the Government Operations Committee in the Chamber at the moment—would the majority leader have any idea where it would follow? Is that one of the measures that is bogged down for any reason?

Mr. MANSFIELD. Mr. President, on the basis of the situation which has developed, it will be impossible to bring it up before Thursday. It would be my intention at the first opportunity to bring it up, once the foreign aid bill is disposed of.

I wish there would be no delay in the consideration of foreign aid; but if there is, it would be my intention to go on a two-track system, and in that way take foreign aid early in the morning, early afternoon, and then take up the tapes measure.

We are going to have to face up to this, and we might as well do it now.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

Mr. CRANSTON. Mr. President, in order to expedite the business of the Senate, Senator EAGLETON and I are eager to agree to unanimous-consent agreements on our amendments at this time.

Mr. MANSFIELD. How much time?

Mr. CRANSTON. Senator EAGLETON's amendment is first.

Mr. EAGLETON. A half hour—15 minutes to a side.

Mr. GRIFFIN. Mr. President, reserving the right to object, as Senators realize, Senator BROOKE has a strong interest in the amendment proposed by Senator EAGLETON. Unfortunately, he cannot be here today. He is on the committee. The language in the resolution as reported is the language, as I understand it, of the Senator from Massachusetts (Mr. BROOKE).

It would be acceptable if we could go ahead with some agreement concerning voting on the amendment of Senator CRANSTON tonight, and, hopefully, hold over the Eagleton amendment vote until tomorrow.

Mr. MANSFIELD. Mr. President, we are faced with a deadline on the continuing resolution. May I say that when a Senator submits an amendment and he knows that it will be a subject for discussion and debate, when he has had plenty of notice, I think that the institution of the Senate collectively ought to go ahead.

So far as I am concerned, I am prepared to oppose the Eagleton amendment and to do what I can in behalf of the

Brooke amendment. This is the issue which I think should be faced up to today, not tomorrow; because beginning tomorrow we will have a lapse so far as all Government payments, salaries, and the like are concerned.

We have a very sizable representation of the Senate in attendance today. Many Senators came back because they knew there were going to be votes, and it was stated publicly that the first vote would not occur before 4 o'clock. So nobody really has any excuse.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I am going to defer to the ranking member on the full committee and on the subcommittee to make the judgment which I think should be made.

Mr. MANSFIELD. Who likewise, I think, supported and pushed that particular amendment, if I am not mistaken.

Mr. CASE. Mr. President, I have discussed this matter with our ranking member on the full committee, Senator YOUNG, and he and I feel that in all the circumstances, while we would like to have the Senator from Massachusetts here, we did join him in the committee, as did the majority leader. We feel that the exigencies of the situation and the requirements of passing this resolution before the previous one expires override other considerations, and we would be prepared to go ahead with a reasonable agreement today.

Mr. MANSFIELD. Would the Senator care to set a reasonable period of time?

Mr. YOUNG. A half hour on our side.

Mr. McCLELLAN. I do not know how much time anyone wants.

Mr. MANSFIELD. The issue is pretty clear.

Mr. McCLELLAN. I think Senator EAGLETON suggested 15 minutes on each side, but he talked about 15 minutes today. I suggest that the opposition should have 30 minutes.

Mr. CASE. There might be amendments.

Mr. McCLELLAN. Ten minutes on any amendment thereto.

Mr. MANSFIELD. A half hour on the amendment and 10 minutes on an amendment to the amendment.

Mr. McCLELLAN. I am not sure I understand.

Mr. MANSFIELD. Thirty minutes on the Eagleton amendment. Ten minutes on any amendments to amendments, motions, or appeals thereto, the time to be equally divided between the manager of the bill and the sponsor of the amendment or the amendment to the amendment.

Mr. McCLELLAN. I had suggested 30 minutes to a side, and I will compromise on 20.

Mr. MANSFIELD. I change it. On the Eagleton amendment——

Mr. McCLELLAN. Ten minutes on any amendment thereto.

Mr. MANSFIELD. I change my unanimous-consent request accordingly. Forty minutes on the Eagleton amendment and 10 minutes on motions, appeals, and amendments to the amendment, the time to be equally divided on the same basis.

Mr. GRIFFIN. Mr. President, reserving the right to object, is it understood, as it was with regard to the previous agreement, that motions to table are not precluded?

Mr. MANSFIELD. That is included in all my unanimous-consent requests.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the same agreement apply to the Cranston amendment, on the same basis.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be 1 hour on the Kennedy amendment, the time to be equally divided between the manager of the bill and the sponsor of the amendment, with a minimum of 10 minutes, equally divided, on the same basis, for any amendments to the amendment, motions, or appeals.

Mr. McCLELLAN. Mr. President, reserving the right to object, I do not know why that amendment should be given special favor over the others.

Mr. MANSFIELD. I will change that, and I will try to convince the Senator from Massachusetts that it be 40 minutes and 10 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. COTTON. Reserving the right to object, I merely wish to make sure of what the rules are.

We have, by unanimous consent, already agreed to handle various amendments to these continuing resolutions. Some of us are very frank to say that we do not want any amendments or continuing resolutions.

We have always been told that the Senate can do anything it wants to by unanimous consent. I am not sure that I quite understood the majority leader whether he said that under the rules, a motion to table would be out of order until the time had been used or surrendered, or whether he was simply saying that customarily, that is done and his unanimous-consent request was made with that contemplation.

Mr. MANSFIELD. No.

Mr. COTTON. I thought that under the rules, any Member of the Senate, regardless of time limitation or anything else, could move to lay on the table.

Mr. MANSFIELD. The Senator is correct, except that if unanimous consent is agreed to, covering the time limitation, the Chair has ruled time and again that that time has to be used up or given back before a vote may take place.

The motion to table is in order.

Mr. COTTON. Eventually, but it cannot be exercised until all the time has been either used or surrendered.

Mr. MANSFIELD. That is right, except that I understand that the distinguished Senator from Arkansas (Mr. FULBRIGHT) is going to offer a motion to table the amendment, which has been held in abeyance temporarily.

Mr. FULBRIGHT. I have already offered the motion.

Mr. MANSFIELD. That has been held in abeyance, temporarily.

Mr. CHURCH. Apparently there will be no time given to the Church Amendment owing to the fact that the Senator from Arkansas has already made the motion.

Mr. MANSFIELD. He will make the motion.

Mr. CHURCH. I think he has made it.

Mr. MANSFIELD. If he had made the motion, we could not be talking about it, so it is being held in abeyance.

Mr. CHURCH. If it is being held in abeyance, then I hope that the Senator from Arkansas will at least give the proponents of the Church amendment an opportunity, as has already been given on other amendments, for a reasonable time for discussion.

Mr. FULBRIGHT. We debated it at length this morning. I do not know why the Senator thinks any more people will be here.

I am ready to vote now.

Mr. CHURCH. Mr. President, all I am asking is the same length of time that others have been given in connection with their amendments.

Mr. MANSFIELD. Mr. President, if the Senator will yield just temporarily, I ask unanimous consent that there be a half hour on the Church amendment, the time to be equally divided between the Senator from Idaho and the manager of the bill, the Senator from Arkansas (Mr. FULBRIGHT), or whoever they may designate, and that debate on the Church amendment conclude at not later than 10 minutes to 4, so that a quorum call may occur to prepare for a vote on the treaty.

Then, after that vote is concluded, the vote will immediately occur on the tabling motion of the Senator from Arkansas to the Church amendment.

If I may have the attention of the distinguished Senator from Michigan, the acting Republican leader, I ask if it is possible at this time, in view of the votes which might be piling up, to have, after the first 15-minute vote, a 10-minute limitation? There is one Senator he should contact, but if he will get that, we shall try to make that request later.

Mr. GRIFFIN. We can go ahead.

Mr. McCLELLAN. Reserving the right to object.

Mr. MANSFIELD. I ask unanimous consent that, after the first 15-minute vote beginning at 4 o'clock or thereabouts, all votes thereafter be limited to 10 minutes.

The PRESIDING OFFICER (Mr. WEICKER). Is there objection?

Mr. McCLELLAN. Reserving the right to object, I should like to ask a parliamentary question.

I have no objection to the 10-minute vote, and I shall so state. I should like to inquire of the Chair if I am correct that we have already agreed upon 3 hours and 40 minutes of debate on the resolution and the amendment thereto? There is no agreement on the resolution itself as to time as yet, but 3 hours and 40 minutes, if I am correct.

The PRESIDING OFFICER. In replying to the distinguished Senator from Arkansas, there is, of course, no time limit on the bill. We have a definite 120 minutes allocated to three amendments, but, of course, we do not know what motions or appeals will occur. Therefore, I do not agree that there are definitely 3 hours and 40 minutes.

Mr. McCLELLAN. I think the Chair omitted one 40-minute agreement. Was the Kennedy amendment included?

The PRESIDING OFFICER. That is one of the 3 40-minute periods to which the Chair has referred.

Mr. McCLELLAN. And I have four 40-minute periods here.

According to my figures, we have 3 hours and 40 minutes, which does not include any voting time, nor does it include any 10-minute limits on amendments.

The PRESIDING OFFICER. That is correct.

Mr. McCLELLAN. So we have something over 4 hours here at least.

The PRESIDING OFFICER. Without objection, the request of the distinguished Senator from Montana is agreed to on the matter of 10-minute votes after the vote of 15 minutes.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, before I yield to the distinguished Senator from Indiana (Mr. HARTKE), I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I yield to the Senator from Indiana.

VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974

Mr. HARTKE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 12628.

The PRESIDING OFFICER (Mr. WEICKER) laid before the Senate the amendments of the House of Representatives to the amendment of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, as follows:

In lieu of the matter proposed to be inserted by the Senate engrossed amendment to the text of the bill, insert: That this Act may be cited as the "Vienam Era Veterans' Readjustment Assistance Act of 1974".

TITLE I—VOCATIONAL REHABILITATION AND EDUCATIONAL AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

SEC. 101. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by inserting in section 1501(2) a comma and "all appropriate individualized tutorial assistance," after "counseling";

(2) by striking out in section 1502(a) all after "if such disability" and inserting in lieu thereof "arose out of service during World War II or thereafter."; and

(3) by amending the table contained in section 1504(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$201	$249	$293	$21
Three-quarter-time	151	188	221	17
Half-time	100	125	147	11
Farm cooperative, apprentice, or other on-job training:				
Full-time	175	212	245	17".

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by striking out in the last sentence of section 1677(b) "$220" and inserting in lieu thereof "$260";

(2) by amending the table contained in section 1682(a) (1) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$270	$321	$366	$22
Three-quarter-time	203	240	275	17
Half-time	135	160	182	11
Cooperative	217	255	289	17"

(3) by striking out in section 1682(b) "$220" and inserting in lieu thereof "$260";

(4) by amending the table contained in section 1682(c) (2) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$217	$255	$289	$17
Three-quarter-time	163	191	218	13
Half-time	109	128	145	9";

and

(5) by striking out in section 1696(b) "$220" and inserting in lieu therof "$260".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a) (1) to read as follows:

"(a) (1) The educational allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate prescribed in section 1682(a) (1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.";

(2) by striking out in section 1732(a) (2) all after and including "of (A)" and inserting in lieu thereof "prescribed, in section 1682(b) (2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.";

(3) by striking out in section 1732(b) "$177" and inserting in lieu thereof "$209"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of $260 per month. If the charges for tuition and fees applicable to any such course are more than $82 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $82 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $8.69 that the special training allowance paid exceeds the basic monthly allowance.".

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1786(a) (2) "$220" and inserting in lieu thereof "$260";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$189	$212	$232	$9
Second 6 months	142	164	184	9
Third 6 months	95	117	137	9
Fourth and any succeeding 6-month periods	47	70	90	9";

and

(3) by amending section 1787(b) (2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.".

SEC. 105. (a) The Administrator shall carry out directly a thorough study and investigation of the administrative difficulties and opportunities or abuse that would be occasioned by enactment of some form of variable tuition assistance allowance program, with reference to such difficulties and abuses experienced by the Veterans' Administration after the end of World War II in carrying out the provisions of Veterans' Regulation Numbered 1(a), relating to the payment of tuition and related expenses for veterans of World War II pursuing a program of education or training under the Servicemen's Readjustment Act of 1944, and to any such difficulties and abuses presently being experienced by the Veterans' Administration in carrying out existing tuition assistance programs under title 38, United States Code, including chapter 31 vocational rehabilitation, correspondence courses, flight training and PREP, and of ways in which any such difficulties and abuses could be avoided or minimized through legislative or administrative action so as to ensure an expeditious, orderly, and effective implementation of any tuition assistance allowance program.

(b) In carrying out the study and investigation required by subsection (a), the Administrator shall consult with and solicit the views and suggestions of interested veterans' organizations, educational groups and associations, persons receiving assistance under chapters 31, 34, 35 and 36 of title 38, United States Code, other Federal departments and agencies, and other interested parties.

(c) The Administrator shall report to the Congress and the President not later than one year after the date of enactment of this Act on the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a)(3) of title 38, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof "unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).".

SEC. 202. Section 1673 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character"; and

(3) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title.".

SEC. 203. Section 1682 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has 'already qualified,' a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in parttime assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veteran's field of employment during and since the period of such veteran's active military service.

"(2) a Veteran pursuing refresher training under this subsection shall be paid on educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

"(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.".

SEC. 204. Section 1685 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) all of that portion of the second sentence preceding "during a semester" and inserting in lieu thereof "Such work-study allowance shall be paid in the amount of $625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours";

(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid $250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours."; and

(3) by striking out in subsection (c) "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 205. Section 1692(b) of title 38, United States Code, is amended as follows:

(1) by striking out "$50" and inserting in lieu thereof "$60";

(2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and

(3) by striking out "$450" and inserting in lieu thereof "$720".

SEC. 206. Section 1723 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character";

(3) by striking out in subsection (c) "any course of institutional on-farm training"; and

(4) by striking out in subsection (d) "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 207. Section 1732 of title 38, United States Code, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c)(1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' progrm consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents."

SEC. 208. Section 1780(a)(2) is amended by inserting "(or customary vacation periods connected therewith)" after "holidays".

SEC. 209. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by amending section 1774(a) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursble under this section:	Allowable for administrative expense
$5,000 or less	$550.
Over $5,000 but not exceeding $10,000	$1,000.
Over $10,000 but not exceeding $35,000	$1,000 for the first $10,000 plus $925 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$6,050.
Over $40,000 but not exceeding $75,000	$6,050 for the first $40,000 plus $800 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$12,000.
Over $80,000	$12,000 for the first $80,000 plus $700 for each additional $5,000 or fraction thereof.";

and

(2) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 34 or 35 of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable."

SEC. 210. Section 1788(a) of title 38, United States Code, is amended as follows:

(1) by striking out in clause (1) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(2) by striking out in clause (2) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(3) by striking out in clause (6) "below the college level" and inserting in lieu thereof "not leading to a standard college degree"; and

(4) by adding at the end of such subsection the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.".

SEC. 211. (a) Chapter 36 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

"§ 1796. Limitation on certain advertising, sales, and enrollment practices

"(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

"(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

"(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.".

(b) The table of sections at the beginning of chapter 36 of such title is amended by inserting

"1796. Limitation on certain advertising sales, and enrollment practices."

below

"1795. Limitation on period of assistance under two or more programs.".

SEC. 212. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

"§ 219. Evaluation and data collection

"(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

"(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.

"(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

"§ 220. Coordination of other Federal programs affecting veterans and their dependents

"The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title."

(b) The table of sections at the beginning of chapter 3 of such title is amended by adding

"219. Evaluation and data collection.

"220. Coordination of other Federal programs affecting veterans and their dependents."

below

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.".

SEC. 213. Subchapter IV of chapter 3 of title 38, United States Code, is amended as follows:

(1) by inserting in section 241 "in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons)" after "outreach services";

(2) by inserting in clause (2) "to eligible veterans and eligible dependents" after "information" the first time it appears;

(3) by striking out in section 242(b) "may implement such special telephone service" and inserting in lieu thereof "shall establish and carry out all possible programs and services, including special telephone facilities,";

(4) redesignating sections 243 and 244 as 244 and 245, respectively, and adding the following new section after section 242:

"§ 243. Veterans' representatives

"(a)(1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical secretarial support, to each educational institution (as defined in section 1652 (c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

"(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans' affairs counseling, outreach, and other related veterans' services.

"(3) The functions of such veterans' representatives shall be to—

"(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

"(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

"(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

"(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

"(E) coordinate Veterans' Administration matters with, and provide appropirate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as 'V.C.I. institutions');

"(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

"(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

"(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

"(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office, shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

"(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

"(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that the activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title."; and

(5) amending section 244 (as redesignated by clause (4) of this subsection) of such title by—

(A) striking out "may" and inserting in lieu thereof "shall"; and

(B) inserting "and provide for" after "conduct" in paragraph (5).

(b) The table of sections at the beginning of such chapter is amended by striking out

"243. Utilization of other agencies.
"244. Report to Congress."

and inserting in lieu thereof

"243. Veterans' representatives.
"244. Utilization of other agencies.
"245. Report to Congress.".

TITLE III—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

SEC. 301. Chapter 41 of title 38, United States Code, is amended as follows:

(a) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) new paragraph (2) as follows:

"(2) The term 'eligible person' means—

"(A) the spouse of any person who died of a service-connected disability,

"(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued hereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (1) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

"(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.".

(b) Section 2002 is amended by (1) inserting "and eligible persons" after "eligible veterans" and (2) inserting "and persons" after "such veterans".

(c) Section 2003 is amended by—

(1) striking out in the first sentence "250,000 veterans" and inserting in lieu thereof "250,000 veterans and eligible persons";

(2) striking out in the fourth sentence "veterans' " and inserting in lieu thereof "veterans' and eligible persons' ";

(3) inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence "and eligible persons" after "eligible veterans" each time the latter term appears in such clauses;

(4) inserting in clause (3) of the fifth sentence "or an eligible person's" after "eligible veteran's"; and

(5) inserting in clause (4) of the fifth sentence "and persons" after "such veterans".

(d) Section 2005 is amended by inserting "and eligible persons" after "eligible veterans".

(e) The last sentence of section 2006(a) is amended by striking out "veterans" and inserting in lieu thereof "eligible veterans and eligible persons".

(f) Section 2007 is amended by—

(1) inserting in subsection (a)(1) "and each eligible person" after "active duty,";

(2) redesignating subsection (b) as subsection (c) and inserting the following new subsection (b):

"(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section."; and

(3) striking out in the second sentence of subsection (c) (as redesignated by clause (2) of this subsection) "and other eligible veterans" and inserting in lieu thereof "other eligible veterans, and eligible persons".

SEC. 302. Chapter 42 of title 38, United States Code, is amended as follows:

(1) by inserting in the first sentence of section 2012 (a) "in the amount of $10,000 or more" after "contract" where it first appears, by striking out ", in employing persons to carry out such contract," in such sentence, and by striking out "give special emphasis to the employment of" and inserting in lieu thereof "take affirmative action to employ and advance in employment" in such sentence;

(2) by striking out in the third sentence of section 2012(a) "The" and inserting in lieu thereof "In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the"; and

(3) by striking out in the first sentence of section 2012(b) "giving special emphasis in employment to" and inserting in lieu thereof "the employment of".

SEC. 303. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 2014. Employment within the Federal Government

"(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

"(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

"(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions, and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

"(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

"(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

"(f) Notwithstanding section 2011 of this title, the terms 'veteran' and 'disabled veteran' as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

"2014 Employment within the Federal Government.".

SEC. 304. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"CHAPTER 43—VETERANS' REEMPLOYMENT RIGHTS

Sec.
"2021. Right to reemployment of inducted persons; benefits protected.
"2022. Enforcement procedures.
"2023. Reemployment by the United States, territory, possession, or the District of Columbia.
"2024. Rights of persons who enlist or are called to active duty, Reserves.
"2025. Assistance in obtaining reemployment.
"2026. Prior rights for reemployment.

"§ 2021. Right to reemployment of inducted persons; benefits protected

"(a) In the case of any person who is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service), and (2) makes application for reemployment within ninety days after such person is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

"(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, of the District of Columbia, such person shall—

"(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;

"(B) if such position was in the employ of a State, or political subdivision thereof, or a private employer, such person shall—

"(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

"(b)(1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

"(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment, or reemployment.

"(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

"(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

"§ 2022. Enforcement procedures

"If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021(a), (b)(1), or (b)(3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carriers out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

"§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

"(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

"(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

"(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term 'agency in the executive branch of the Government' means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the United States Postal Service and the Postal Rate Commission).

"(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

"(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

"§ 2024. Rights of persons who enlist or are called to active duty; Reserves

"(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all of the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years and the total of any service, additional or otherwise, performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

"(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided for by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation proivding for the involuntarily induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

"(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

"(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

"(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted to return to such employee's position in accordance with the provisions of subsection (d) of this section.

"(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 206, 301, 309, 402, or 1002 of title 37, is considered inactive duty training.

"§ 2025. Assistance in obtaining reemployment

"The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

"§ 2026. Prior rights for reemployment

"In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed."

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof

"43. Veterans' Reemployment Rights.. 2021".

SEC. 305. Section 9 of the Military Selective Service Act is amended by—

(1) repealing subsections (b) through (h); and

(2) redesignating subsections (i) and (j) as subsections (b) and (c), respectively.

TITLE IV—EFFECTIVE DATES

SEC. 401. Title I of this Act shall become effective on September 1, 1974.

SEC. 402. Title II and III of this Act shall become effective on the date of their enactment.

Resolved, That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and concur in the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the House bill, insert: "An Act to amend title 38, United States Code, to increase vocational rehabilitation assistance allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes."

Mr. HARTKE. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives and request a further conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Indiana (Mr. HARTKE).

The motion was agreed to and the Presiding Officer appointed Mr. HARTKE, Mr. TALMADGE, Mr. RANDOLPH, Mr. HUGHES, Mr. CRANSTON, Mr. HANSEN, Mr. THURMOND, Mr. STAFFORD, and Mr. MCCLURE conferees on the part of the Senate.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The PRESIDING OFFICER. The Senate will now revert to debate on the amendment, the time to be divided between the distinguished Senator from Idaho (Mr. CHURCH) and the distinguished Senator from Arkansas (Mr. FULBRIGHT), the chairman of the committee, or whomever he may designate. Who yields time?

Mr. McCLELLAN. Mr. President, how much time do we have on this amendment?

The PRESIDING OFFICER. The Senator from Arkansas has 15 minutes on his side, and 15 minutes to the proponent.

Mr. McCLELLAN. And if I offer my own amendment, I will have 10 minutes on that; am I correct?

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. What is the pending business, and what time is allocated for it?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Idaho, to which 30 minutes has been allocated, 15 minutes to the Senator from Arkansas and 15 minutes to the Senator from Idaho.

Mr. McCLELLAN. A further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. If I offer an amendment to it, will I have 10 minutes on that?

The PRESIDING OFFICER (Mr. WEICKER). Will the Senator from Arkansas suspend for a moment, while the Chair discusses the matter with the Parliamentarian?

The Chair responds to the inquiry of the Senator from Arkansas that the time allotted for debate on the amendment of the Senator from Idaho would include in it the time for debate on the motion to lay on the table, because the motion to lay on the table will be voted on immediately after the vote on the treaty. Therefore, the present time limitation of 30 minutes would include all debate on this matter, the debate on the amendment, and the debate on the motion to lay on the table. That is the time that is allotted.

Mr. McCLELLAN. Well, I really do not know where we are. Does my colleague from Arkansas wish to speak on the motion to lay on the table?

Mr. FULBRIGHT. Mr. President, everyone to whom I spoke with this morning is here now. I have already told everyone that I think this amendment ought to be tabled, including the Senator from Idaho.

The amendment, as the Senator described this morning, is intended to bring pressure to bear upon the OPEC countries that produce the oil. The trouble is, it does not affect any of the important ones except Indonesia. It has no effect on Saudi Arabia, Kuwait, Abu Dhabi, Iran, or Libya. It affects Venezuela slightly, and only slightly. The only important effect would be on Indonesia, and the Indonesia program grew out of a consortium years ago, during the transition from the Sukarno to the Suharto government. This is an old matter, which has implications far beyond the oil crisis.

I simply make the point that I think it is a very ill-advised amendment. It would interfere with the opportunity of the administration, if there should be any opportunity, to bring about a negotiated settlement in the Middle East. I think it would be very unwise for us to agree to this amendment. It would have no substantial effect, but would be a slap in the face of the people with whom we would like to negotiate a settlement in the Middle East, including, of course, those who do produce oil, but do not take aid from us now. I think it is a very ill-advised amendment, and that it would clear the air if the matter were laid on the table.

If it is not tabled, and other amendments are attached to it, it would involve great confusion that would be very difficult for us to explain to any of the foreign people.

Mr. CASE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. CASE. I concur with the statement of the Senator from Arkansas I think it would be unfortunate on every ground to adopt this amendment.

In the first place, this is a continuing resolution and ought to be kept as clean and simple as possible. There are a thousand things that could be added to any continuing resolution. All the desirable legislation in the world could be put on it, and there is every reason, therefore, to take a general position against extraneous amendments of this sort.

Then, on the substance of it, this is a very partial, very limited, very unbalanced kind of attack on the oil problem, and really it is no attack at all.

Mr. FULBRIGHT. And it would do no harm.

Mr. CASE. It would do harm, and it would clutter up the situation it would seek to remedy, pro tanto; not much, perhaps, but to some extent. As far as it had any effect at all, it would unbalance our attack on the problem, and give some people the false feeling that something had been done when, in fact, it had not.

I think it is a most unfortunate amendment, and I hope it will be defeated.

Mr. FULBRIGHT. The Senator is quite correct. The only reason I wanted it voted on before we spend a lot of time on a lot of other amendments to it, is that we would finally have to table it anyway, because I believe it will be tabled. It needs to be understood. Unfortunately, there are not many here to understand it at the moment, but I depend on the leadership to instruct them as to what it means.

I can see no reason why the amendment should be agreed to, and I shall move to table it at the right time, which is at 4 o'clock, as I understand it.

Mr. CHURCH. Mr. President, I feel very much like the distinguished Senator from Arkansas; we have covered this ground earlier today, and those who were in attendance at that time are still in attendance now. So my remarks will be relatively short.

I do not know how the Senate, as a whole, will vote on the motion to lay on the table, but I do know in my bones how the American people would vote if they had the opportunity. They would not be moved by these arguments made against the amendment. They would vote overwhelmingly for it, because it simply makes good commonsense.

There is no possible argument that anyone could make to the American people that would justify parceling out some $270 million worth of aid in the coming year to members of the OPEC organization which has conspired to increase the price of petroleum 400 percent. No one argues that this is anything but a political price imposed upon the West as a punishment. No one argues that the consequences of this price are not so grave that we are today faced with runaway inflation in every Western country, and our Secretary of State warns that we may be pressed over the brink of a depression as serious and as destabilizing to the Western World as that which occurred in 1929 and 1930.

The President of the United States and his Secretary of State have made the most forceful demands upon these OPEC countries to reduce the price of oil. The finance ministers of the major industrialized countries sit in emergency sessions behind closed doors, trying to determine how the banks of the Western World can be fortified against the short-term deposits that are now being made by these OPEC countries, and the possibility that the withdrawal of these deposits will bring these banks down.

Mr. President, nothing much is being accomplished in these urgent meetings behind closed doors, and nothing much will, be accomplished, because everyone knows that the only answer to the present crisis is to bring the price of crude oil down. Yet the OPEC countries have made it plain that the forces of the free market will not be permitted to work. We can sit here and talk niceties from now until the end of the session, but as long as the OPEC countries are convinced that this Congress is unwilling to back up the statements of President Ford and the Secretary of State, with actions consistent with them, there is no reason why the OPEC countries should take these statements seriously.

It is plain already that they have flung the words of the President right back in the President's face.

I do not contend, Mr. President, that this amendment alone will force the OPEC nations to lower crude oil prices. Of course, it will not. But it will be the first legislative action taken consistent with the demands that have been made by the President and the Secretary of State. It will be the first message broadcast to the OPEC countries that Congress is prepared to take legislative steps demonstrating the seriousness of purpose of our own Government.

I, therefore, believe that the passage of this amendment will be a good signal, and one that will prove helpful in bringing about further steps that can lead to a reduction in the price of crude oil.

The other reason why I support the amendment, and strongly urge its adoption, is the commonsense reason that we ought not to be giving $270 million of our aid to countries that have lifted the price of oil so high that they are no longer in need of aid. I do not know by what reasoning we can justify any amount of aid to these particular countries even if we were to lay aside the question of the possible effect of this amendment upon the reduction of the price of oil. There is no excuse for continuing to permit American aid money to flow into these countries under the present circumstances, and everybody knows that.

It may be that there are certain ongoing programs that will be interrupted. So be it. It is about time we interrupted them. It is time we made plain that we are prepared to act in the Congress, that the exhortations of the President and the Secretary of State are not meant for the American people but that they are seriously intended for, and they ought to be heeded by, the OPEC governments. This amendment will broadcast that message and, I think, it will have a highly salutary effect.

Lastly, Mr. President, the amendment, as drafted, is not meant to include, nor do I think it does include, cash sales. The amendment relates to the money appropriated under the continuing resolution in the various categories of aid that we are here concerned with. That includes economic aid, military aid, both the grant and the credit sales under our bilateral foreign aid program. It includes Public Law 480 aid to the extent that it is subsidized by congressionally appropriated funds. Finally, the amendment would cover Peace Corps aid for which public funds are also used. However, it would not include commercial cash sales which do not involve any element of public subsidy. I think that should be made plain before the vote.

Mr. President, I suggest that those who believe that the price of oil will come tumbling down once a settlement has been reached in the Middle East are, in my judgment, engaging in purely wishful thinking. The countries that compose the OPEC cartel are not confined to those Arab nations immediately concerned with a settlement in the Middle East. Iran and Venezuela are far removed from that particular conflict, and they have tasted, as have the other members of the OPEC cartel, the fruits of these high prices.

Furthermore, because of the effectiveness of the cartel and its capacity to obstruct the free market, its demonstrated ability to set and maintain a purely political price for oil, vast quantities of surplus earnings are now pouring into the treasuries of these countries. Having once become accustomed to revenues of such magnitude, do not for a moment believe that the OPEC countries are going to willingly lower the price of oil even if a settlement is reached in the Middle East.

Mr. President, other actions must be taken by the western world in order to bring home to the OPEC countries the necessity of reducing crude oil prices, lest OPEC bring on a catastrophe so great that the OPEC countries themselves will be consumed in it.

It is time, Mr. President, for us to take some action. Failure to do so will signal to these countries that the words of our own President and our own Secretary of State are not to be taken seriously because Congress is unprepared to back them up with legislative action.

For these reasons, Mr. President, I hope the Senate will reject the motion to table this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. Mr. President, does anybody like to have time?

Mr. YOUNG. I yield, Mr. President.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. The Senator from North Dakota said I could have a little time.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. It pains me to find myself in disagreement with the Senator from Idaho. It is my custom to agree with him, my custom to collaborate with him in matters of importance, and I know that this temporary deviation from the norm is going to be only temporary. We share the objective that he urges here, that he holds high. He does not hold it as high this afternoon as in some of his higher oratorical efforts. The reason is because it is a rather poor thing, this amendment, and this is said without in any way implying that the author is a poor person. He is a great person. Sometimes he is running for election and sometimes he is not, and this has nothing to do, of course, with his activities on the floor.

But, seriously, as I indicated before, Mr. President, this is not the way to get at the oil problem. We will succeed in meeting the crisis with regard to the price of oil and its availability when we have demonstrated to the world that we really mean business.

By that I mean just one simple thing, that is, that we are not going to buy any more oil at these prices, and I mean not buy any more oil at these prices.

We can only do it by putting behind these verbal statements we are now making clear evidence by action of limitation of our consumption. Once that is done, this whole thing is going to be over, and it cannot be done short of that.

I do believe that it may take a little time for the people of this country to accept the necessity for that, and for the administration and for Congress, Republicans and Democrats alike, to accept that necessity and then to act on it, but until that is done we are going to continue with the problem.

My main objection to the amendment of the Senator from Idaho is that it may encourage even a few people to think that drastic action of the sort I have indicated is not necessary and it would, therefore, postpone our realization of the needs of the situation, and if it only postpones it for a day, that is too long.

So I am most hopeful that this amendment will be tabled because it is, I think, positively injurious to the accomplishment of the objective which it seeks and which all of us aspire to accomplish.

If my chairman would like to say another word or two in his most inimitable style, we have too few days left in which we can hear from the gentleman from Arkansas, will he not speak for the next

10 minutes or so and fill the time until the quorum call which is scheduled at 10 minutes of 4?

I am happy to yield such time as he may desire.

Mr. FULBRIGHT. Well, I do not wish to occupy the time if the Senator from Idaho wishes to talk.

I said earlier this morning most of what I wish to say about it. I think the amendment would be provocative without being productive in any way.

It would provoke those people who are so greatly interested in this, but it would not in any way substantially injure any of them, other than Indonesia, which is not the one that the Senator from Idaho believes is the principal mover in the OPEC organization.

While they are members, they do not play a leading role, they are not one of the major producers, such as the Middle East.

I have said this morning, I will say again, that I think the implementation of resolution 242 is still, in the minds of the Middle East countries, of great importance and they believed as a result of the Secretary of State's negotiations that that was our objective.

He stated as our objective that resolution was signed by practically all the members, if not all the members, perhaps not Syria but all the other members who were involved in the controversy in the Middle East, and if that resolution could be implemented fully with only, as the Secretary said, unsubstantial alterations, there would be a good chance for some negotiations.

I do not mean by that that automatically the price of oil will drop back to what it was before the war. In fact, I do not think that will ever happen.

The truth of the matter is that long before the outbreak of the war the price of oil was gradually working up because oil had been out of relation to the price of other fuel, such as coal and natural gas.

Natural gas was held artificially at a lower price in this country by law than it should have been and it caused great distortion in our economy, it caused many people to use natural gas that should not have used it, that should have been using coal all along, but by law and certainly against my views and against my efforts we held this price of natural gas so low that many people became dependent upon it.

Now we are running out of gas, now oil is coming in, there is a great demand for energy, the price of our energy is going to remain high.

The difficulty has been this enormous increase over such a short period that it has dislocated the economies of all countries, all industrialized countries, including our own. What we need is a period of adjustment at the very least.

What I think might be possible, I do not say it is by any sense assured, is that if the terms of the resolution 242 were implemented, and above all if Israel would be willing to allow old Jerusalem to be given the status which was mentioned in the original resolution which created Israel, this would go a long way toward enabling our negotiators to persuade the leading members of the OPEC countries to at least give time for the adjustment to higher prices for oil.

That is what we need. If we had 5 or 8 or 10 years, we could make the transition to coal and other alternative fuels without disrupting our economies, the world's economies.

I think there is a great deal riding upon this solution and I have very much regretted that the Secretary had been unable to make any progress whatever in dealing with the problem of Jerusalem.

It is such a highly sensitive question no one likes to raise it, but since this debate precipitated this, it seems to me it is a proper time to mention the subject, at least, that while we have done a great deal, we have certainly given Israel enormous amounts of money and arms, that it is not too much to expect of her to be willing to return Old Jerusalem to some form of international status.

There have been many ways to describe that. I am not dogmatic about it being an international city. Some have suggested it be under the jurisdiction of the United Nations, some said it should be similar to the Vatican where all people have equal access to it, but it would not be under the exclusive jurisdiction of the State of Israel.

I merely throw that in as a subject which I think deserves attention and is much more likely to bring about negotiations that are useful than the kind of resolution that is submitted here by the Senator from Idaho.

The PRESIDING OFFICER. The remaining time belongs to the distinguished Senator from Idaho.

Mr. FULBRIGHT. I will conclude, I do not think it will do anything to promote our objectives.

Mr. CHURCH. Mr. President, first of all, I want to say to my gracious friend from New Jersey that I think he is quite right that before we are finished, very strenuous measures will have to be taken to deal with the problems created by the extortionist level of the present price for oil.

His own suggestion may very well be the final action required. But if we cannot muster enough votes to take a first step in the direction of making it clear to the OPEC countries that we are serious in our demand that the present price of crude oil be brought down, if we cannot pass an amendment which simply cuts off further aid to these countries—countries which are precipitating an economic catastrophe—then I doubt very much that we will ever reach the point where Congress would be willing to support much more emphatic measures.

Indeed, we have serious troubles in the Foreign Relations Committee to get a bill moving which would give the Government authority to pass judgment upon long-term oil contracts which establish new price levels between multinational oil companies and the governments of these OPEC countries. I anticipate that hearings on this bill will be part of a long, drawn-out legislative process.

So I say, here is the place to start. If we do not start here, there is really no expectation that we will ever get the job done on more strenuous measures later on.

ORDER FOR YEAS AND NAYS ON TREATY

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the treaty to be voted on at 4 o'clock.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, for the information of the Senate, the vote will be on Calendar No. 4, Executive A (93d Congress, 2d Session) the Consular Convention Between the United States of America and the Czechoslovak Socialist Republic.

REFERRAL TO THE COMMITTEE ON ARMED SERVICES OF S. 1988, EMERGENCY MARINE FISHERIES PROTECTION ACT

Mr. MANSFIELD. Mr. President, after talking to the distinguished chairman of the Committee on Commerce and the distinguished chairman of the Committee on Armed Services, I ask unanimous consent that Calendar No. 1115, S. 1988, the Emergency Marine Fisheries Protection Act, be referred to the Committee on Armed Services, with instructions to report back not later than November 15.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. STENNIS. Mr. President, I thank the distinguished majority leader for working out this matter by a unanimous-consent agreement.

I have already invited the Senator from Washington (Mr. MAGNUSON) to appear before our committee as the first witness. We will get these hearings moving.

EXECUTIVE SESSION—CONSULAR CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE CZECHOSLOVAK SOCIALIST REPUBLIC

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, under the previous order, the Senate will go into executive session for the purpose of voting on Executive A, 93d Congress, 2d session, Consular Convention between the United States of America and the Czechoslovak Socialist Republic.

The question is, will the Senate advise and consent to the resolution of ratification on Executive A. 93d Congress, 2d session, the Consular Convention between the United States of America and the Czechoslovak Socialist Republic? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi

(Mr. Eastland), the Senator from Alaska (Mr. Gravel) the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. Ribicoff), the Senator from Alabama (Mr. Sparkman), the Senator from Illinois (Mr. Stevenson), and the Senator from New Jersey (Mr. Williams), are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. Metzenbaum), the Senator from Connecticut (Mr. Ribicoff), the Senator from Illinois (Mr. Stevenson), and the Senator from South Carolina (Mr. Hollings) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), the Senator from Alaska (Mr. Stevens), are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) and the Senator from Oregon (Mr. Hatfield) would each vote "yea."

The yeas and nays resulted—yeas 78, nays 0, as follows:

[No. 427 Ex.]

YEAS—78

Abourezk
Aiken
Allen
Baker
Bartlett
Beall
Bennett
Bible
Biden
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Curtis
Domenici
Eagleton
Ervin
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Young

NAYS—0

NOT VOTING—22

Bayh
Bellmon
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Hollings
Inouye
Metzenbaum
Moss
Packwood
Pearson
Ribicoff
Sparkman
Stevens
Stevenson
Williams

The PRESIDING OFFICER (Mr. McClure). On this vote the yeas are 78 and the nays are 0. Two-thirds of the Senators present and voting have voted in the affirmative, the resolution of ratification is agreed to.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to.

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The PRESIDING OFFICER (Mr. McClure). The question is on agreeing to the motion to lay on the table the amendment of the Senator from Idaho (Mr. Church). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), the Senator from Illinois (Mr. Stevenson), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. Bayh), the Senator from Ohio (Mr. Metzenbaum), and the Senator from South Carolina (Mr. Hollings) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "yea."

The result was announced—yeas 36, nays 43, as follows:

[No. 428 Leg.]

YEAS—36

Abourezk
Aiken
Baker
Bartlett
Beall
Bennett
Case
Cotton
Curtis
Domenici
Fannin
Fong
Fulbright
Goldwater
Griffin
Hansen
Hart
Hathaway
Hruska
Hughes
Humphrey
Javits
Kennedy
Mansfield
McClellan
McGee
Muskie
Percy
Roth
Scott, Hugh
Stennis
Taft
Thurmond
Tower
Tunney
Young

NAYS—43

Allen
Bible
Biden
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Gurney
Hartke
Haskell
Helms
Huddleston
Jackson
Johnston
Long
Magnuson
Mathias
McClure
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, William L.
Stafford
Symington
Talmadge
Weicker

NOT VOTING—21

Bayh
Bellmon
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Hollings
Inouye
Metzenbaum
Moss
Packwood
Pearson
Sparkman
Stevens
Stevenson
Williams

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question now occurs on the amendment offered by the Senator from South Dakota (Mr. Abourezk) upon which there is a time limitation of 30 minutes.

Who yields time?

Mr. ABOUREZK. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will please be in order. The Senator will not proceed until there is order in the Chamber. Senators conducting conversations will please refrain. The Senator will not proceed until the Senate is in order.

The Senator from South Dakota.

Mr. ABOUREZK. Mr. President, my amendment will strengthen the Church amendment in the sense that it will achieve more quickly the objective which the Senator from Idaho is attempting to achieve, and that is to lower oil prices.

The amendment cuts off any U.S. foreign aid to all of the OPEC countries, as well as Israel. It says nothing—it puts no precondition on it—with regard to whether or not they make a good faith effort to lower oil prices, because I believe that we ought not to be using the U.S. taxpayers' money to give any of these countries for the reason that most of them do not need U.S. taxpayers' money.

So far as aid to Israel is concerned, the more military aid we give to Israel, the less chance there is of peace in the Middle East and, therefore, the more chance that oil prices will go higher and higher and higher.

I wish to reserve the balance of my time. The Senator from New York has indicated he would like to speak on this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I believe I control time in opposition.

The PRESIDING OFFICER. The Senator has 20 minutes.

Mr. JAVITS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I yield myself 5 minutes because I think the Senate ought to understand just exactly what is going on here in order to vote appropriately in respect of this particular amendment.

The amendment which has been proposed by Senator ABOUREZK really, in part, deals with the Church amendment and, in part, does not. It deals with the Church amendment insofar as it eliminates the authority to suspend the restriction if the President tells Congress that a good faith effort is being made to lower the world market price of petroleum. That is one-half of it, and that is a very clear modification of Senator CHURCH's idea. Personally I am against it. I shall vote against it. But that part of it is very understandable.

As to the other part, our colleague seeks to throw Israel into the category of the Arab States which produce and sell oil and materially affect the world price.

That is not true of Israel. It does not produce, it is not that kind of oil producer. Indeed, it does not have enough for its own requirements, and it imports oil. So the only justification for including Israel in this prohibition is simply to include an area and not just a given number of Arab States in an area.

To include Israel obviously in this way simply abrogates a long-standing policy of the United States, reiterated time and again, sustained by enormous majorities here and in the House, that we believe that it is in the national interest of the United States to preserve the State of Israel. That has been argued very extensively in really a great series of debates which took place in this Chamber with Senator Flanders of Vermont, one of our very distinguished Members who, in a long series of analyses sought to bring us to that view, which we then rejected, after very studious and very careful debate on both sides.

We have had this debate on other occasions. No more distinguished Senator in this Chamber than Senator FULBRIGHT, has also raised those issues, which have been very, very seriously debated.

To throw it in with this particular proposition is, in my opinion, really trying to deal in rather the most shorthanded way—I was going to say superficial, but I do not wish—I greatly respect my colleague—in any way to cast any reflection on the architecture of this amendment—but really to try to deal with that issue on a continuing resolution in this fashion within the context of our deep feeling about the OPEC countries and the trust which they organized, which could very well break the world, which is what I gather Senator CHURCH has in mind, I think is really not the way we would wish to legislate with the deliberation and respect for an issue of this consequence, which we have all shown since 1948.

So, Mr. President, I make a parliamentary inquiry: Is this amendment divisible?

The PRESIDING OFFICER. The Chair rules that the amendment is divisible. The first part seeks to add the word to the amendment, and the second part seeks to strike a portion of the amendment.

Mr. CHURCH. Mr. President, before the Senator makes that request would he hear my argument against it?

Mr. JAVITS. Against the amendment?

Mr. CHURCH. Against dividing the amendment.

Mr. JAVITS. Of course.

Mr. President, I reserve the remainder of my time. As a matter of fact, I yield a few minutes to Senator CHURCH.

Mr. CHURCH. I thank the Senator very much.

Mr. President, I would hope very much the distinguished Senator from New York would not feel it necessary to urge a division of this amendment. It is within his rights to do it, but the amendment has been carefully drawn to accomplish two purposes.

First of all, as the Senator has correctly pointed out, it is addressed to those countries who belong to the OPEC organization. Earlier in the day, when Senator ABOUREZK first raised the issue of including Canada, Canada being a big oil-producing country, I replied that the amendment was properly confined to those oil producers which were members of this OPEC cartel, because it has been through the collaboration of the members of this cartel that the price of petroleum has been increased 400 percent in the course of a little less than a year's time.

Without the cartel, we would not be faced with these jacked-up oil prices today. The price has nothing to do with the workings of the free market. It has nothing to do with the economics of oil. It is presently possible to raise a barrel of oil in Saudi Arabia for 25 cents, but the posted price under the OPEC arrangement is now $11.65.

We have had extensive hearings on oil before my Subcommittee on Multinational Corporations and every witness agreed this price is unrelated to the economics of oil. It is made possible because of the combination represented by the OPEC cartel.

That is the reason that the amendment is designed in this fashion, otherwise we would include other oil-producing countries, but they are not responsible for the price of oil today.

Second, as the Senator from New York rightly points out, Israel is not an oil-producing country in this sense, it does not export oil, it does not belong in the group, it would make no sense to include it in the group.

Finally, the amendment has been drafted in such a way as not to tie the President's hands. It would give him some flexibility, and if he certifies that a given country that is a member of OPEC is, in his judgment, making a good faith effort to bring down the price of oil, then the restriction would not apply to that country.

I think this gives the President sufficient flexibility to deal with his problems in negotiating with these countries. It does not tie his hands. It is limited to the countries that have joined this cartel and boosted these prices to the present extortionate level.

The President, himself, and his Secretary of State, have said these prices are leading the Western World to the threshold of depression.

So this amendment would accomplish the objective of cutting off aid to the countries that are responsible for this political price, this extortionate price for oil, but it would do so in such form as to give the President the necessary flexibility to deal with the problem.

I would hope, for that reason, that the Senator would not insist on dividing the amendment into two parts.

I believe it is a good amendment and that the Senate will reject the amendment offered by the Senator from South Dakota.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

I do not think Senator CHURCH has understood me. I do not intend to divide his amendment. I intend to divide the Abourezk amendment. I am not actually doing it yet, and I respect my colleague, but that is what I intend to do, to divide the Abourezk amendment because it does deal with two very separate issues and Members may have different views on these issues.

I voted to table the Church amendment because I believe we still ought to afford the administration yet another chance to try to negotiate this thing with many factors, not just this factor, and I thought that was a stronger position, but I would find it very hard if we vote, substantively, to vote against the Church amendment, but I certainly would find it very easy to vote against it if we struck out this particular saving clause. But as to Israel, that is really way out in left field.

So, Mr. President, at the appropriate moment, and again I respect Senator ABOUREZEK, in the interest of hearing his argument, I shall insist on division of the question.

Mr. ABOUREZK. I yield myself 3 minutes.

The Senator from Idaho has conceded in earlier colloquy that his intention is to bring down oil prices; secondly, he has conceded that the intent of his amendment is not to insult the oil-producing nations; and thirdly, he concedes that the only nation that is really affected is Indonesia.

Now, the Arab oil-producing states of course, neither get very much of our money nor do they need any of our money. I do not think we ought to give them any of our taxpayers' money.

If the Senator from Idaho, who has proposed the original amendment, concedes these things, then there really is no reason for that amendment so far as with direct reference, at least, to the bringing down of oil prices.

I have offered to join the Senator from Idaho in shutting off all U.S. aid to these countries, but minus the gratuitous slap in the face that I sincerely believe will make it tougher for the United States to lower oil prices. If the Senate wants to lower oil prices, we ought to do it in the proper way. We ought to do it with negotiation, with cooperation, but we ought not do it with gratuitous pokes in the nose, and that is exactly what that amendment does.

If we really want to lower oil prices, I would suggest that what we do is first of all, take care of this shutoff of aid. I think we ought to do that.

Second, we ought to do something to influence Israel to make a compromise settlement in the Middle East, which I am convinced will do more than any one single thing to bring oil prices down because the Arab countries really are the majority voices in that cartel, and I think we will get them down at that point, but certainly not if we start poking them in the nose gratuitously.

Mr. JAVITS. Mr. President, I yield 3 minutes to the Senator from Texas.

Mr. TOWER. Mr. President, the debate going on, the amendment proposed, I think underscores the foolhardiness of our trying to intrude ourselves into the conduct of diplomacy.

Certainly, the aim of the Senator from South Dakota is farfetched, but in my view, so is the aim of the Senator from Idaho.

If the Senator really wants an honest amendment aimed at doing something about Arab countries, why not include no trade as well as no aid with Arab countries, not sell them anything, and then we can really cut off our noses to spite our faces because there is $80 billion overhanging in petro dollars that has to be recycled and we are going to get absolutely nowhere by publicly slapping the Arabs in the teeth. We do not hurt them.

Should we proscribe aid to OPEC countries, who would be hurt? Venezuela, Indonesia, that is about it; not the Arab countries.

Let us understand what we are doing here. We are acting on a whim of emotion, in my estimation, and I cannot conceive of this as responsible action on the part of the U.S. Senate and I do not mind saying so.

I know that we are not supposed to say that the Senate ever acts irresponsibly, because, of course, it never does, but it will in this instance, in my estimation, if the amendment of the Senator from Idaho is agreed to, and even more so if the amendment of the Senator from South Dakota is agreed to.

Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator from Pennsylvania.

Mr. HUGH SCOTT. We are in a competition as to what is farfetched and what is father fetched. That merely illustrates, I think, how far afield we are in a simple continuing resolution. As I understood the distinguished Senator from South Dakota, he was making the point that Israel is to be blamed for the increased price of oil. I think I will leave it there. I think the statement, itself, ought to be sufficient evidence as to why a vote should be cast against the amendment of the Senator from South Dakota.

Mr. JAVITS. Mr. President, I yield myself 1 minute.

Mr. President, having considered the matter and consulted with other colleagues, it would be my purpose, when the time has expired or has been yielded back, to move to table the Abourezk amendment to the Church amendment rather than to seek a vote.

I am ready to yield back the remainder of my time, if the Senator from South Dakota is.

The PRESIDING OFFICER. Is all time yielded back?

Mr. ABOUREZK. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining. The Senator from Arkansas has 5 minutes on this amendment.

Mr. ABOUREZK. He has 10 minutes. He has not used any yet.

The PRESIDING OFFICER. The Chair advises it was 10 minutes total, equally divided.

Mr. ABOUREZK. I yield to the Senator from Arkansas (Mr. FULBRIGHT).

Mr. FULBRIGHT. Mr. President, I have already said that I thought the original Church amendment was the same as the Senator from Texas has said. I think it is a very ill-advised amendment. I was pleased to note that the Senator from New York also said he voted to table it, because it injects into this continuing resolution suggestions that I think will be inimical to the negotiation of a settlement in the Middle East.

I would hope that we will have an opportunity, upon reconsideration, while it was not tabled, maybe to defeat it when it comes to the vote. I know that many Members were not here when the merits of the amendment were argued this morning. However, the vote was passed and it was not tabled.

With regard to this amendment, if the amendment of the Senator from Idaho is to be adopted, and if it is taken seriously as a serious means to bring about a settlement——

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. McCLELLAN. I yield the Senator 2 minutes.

Mr. FULBRIGHT. Then I think the Abourezk amendment, at least to a certain extent, brings back into it this even-handedness with which our Government and many other governments have said we should approach this question of the Middle East. So it has that merit.

I hope, I still hope, that in the final analysis the Senate understands the full implication of the church amendment with or without the amendment of the Senator (Mr. ABOUREZK) and that it will be defeated.

I submit that if you are going to seriously consider taking this position on the Middle Eastern countries, none of whom receive any substantial aid, this is simply a statement which would be very provocative to them. It has a material effect only upon Indonesia. As has been said, it does not affect Canada, which also gets the same price for oil as others, and any other exporting nation that is not a member of OPEC.

This has gotten us into, I think, a rather ridiculous situation. I shall support it not because I think it ought to be passed, but because I also think the Church amendment should not be passed. If it should be passed, there should be at least something to take the edge off the insulting character of the Church amendment.

Mr. MANSFIELD. Will the Senator yield to me for 1 minute?

Mr. McCLELLAN. I yield.

Mr. MANSFIELD. Mr. President, I am opposed to this amendment, as I am opposed to the Church amendment. This gives the indication of being even-handed. There is no oil in Israel that I know of. As far as this amendment and the Church amendment are concerned, it will not bring one more drop of oil into this country, and may well bring about a decrease in production, and an increase in problems. I hope both amendments are defeated.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

Mr. ABOUREZK. I ask unanimous consent that the vote be limited to 10 minutes.

The PRESIDING OFFICER. That has already been ordered.

The Senator from Minnesota.

Mr. HUMPHREY. I surely will oppose the amendment of the distinguished Senator from South Dakota. It does not belong in this particular bill. This is a continuing resolution.

While I can understand the deep concern of the Senator from Idaho on his amendment, it was originally intended for the Foreign Assistance Act that was reported by the committee. In that act there is aid that is directed towards the countries of the Middle East.

As the chairman of the committee has said, the distinguished Senator from Arkansas (Mr. FULBRIGHT), there is very little or no aid in the continuing resolution insofar as the Arab countries are concerned. But be that as it may, it complicates the diplomacy, as has been said.

Second, if there are any two countries that we ought to be showing some interest in, one is Indonesia and the other is Nigeria. Indonesia is one of the larger countries of the world. It is a friendly country to the United States. It is desperately trying to make a comeback from the days of Sukarno. Its government has shown great friendship for the United States. For us to single them out I think is a tragedy.

Nigeria is one of the great countries of Africa. We need the resources from that country. We need their friendship. We need their friendship as much as any other country in the world today.

I would hope that we would realize that we may very well be putting a dagger, literally, into the hearts of potential friends. We cannot afford to do that.

Mr. MANSFIELD. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. MANSFIELD. Also include Latin America.

Mr. HUMPHREY. Indeed.

Mr. MANSFIELD. What country is missed?

Mr. HUMPHREY. Venezuela has been a friend of this country for years and years, and is one of our great customers in Latin America. As has been said, this will be interpreted in that part of the world as a slap at them.

Mr. PASTORE. Will the Senator yield for a question?

Mr. HUMPHREY. Yes.

Mr. PASTORE. I agree with everything that has been said, but I have one question that concerns me. It has just been said that they have $90 billion in recycle.

Mr. HUMPHREY. $80 billion.

Mr. PASTORE. Why do we give foreign aid to countries that have $80 billion in recycle?

Mr. HUMPHREY. I am not for giving them any foreign aid. They do not need it.

Mr. PASTORE. That is what he is trying to do.

Mr. HUMPHREY. The only countries involved in foreign aid are Indonesia and one other country that was really involved in foreign assistance under the continuing resolution.

Mr. FULBRIGHT. Nigeria for a small amount.

Mr. HUMPHREY. What is it?

Mr. FULBRIGHT. Indonesia is the only one with a substantial amount, and Nigeria a little amount of $3.7 million of aid and Public Law 480.

Mr. HUMPHREY. And much of that was technical assistance.

Mr. FULBRIGHT. That is correct. The rest do not get any.

Mr. HUMPHREY. If I may say to the Senator from Rhode Island, in the foreign assistance bill there is some $250 million for Egypt, which is not an OPEC country; and there is $100 million set aside, or some sum in that bill, in the President's discretion that could relate to Syria. But I think it is important to note that there is basically no foreign assistance, as such, to the OPEC countries. There are, however, the Inter-American Development Bank loans, which are repayable, and Asian Development Bank loans.

Mr. PASTORE. I would hope that the Senator from Idaho would explain that.

The PRESIDING OFFICER. All time has expired.

Mr. CHURCH. Is there time on the bill during which I could respond to these charges?

Mr. MANSFIELD. There is no time on the bill.

Mr. JAVITS. Mr. President, I move to table the amendment of the Senator from South Dakota, and I ask for the yeas and nays.

Mr. MANSFIELD. Will the Senator withhold that for a half minute?

Mr. JAVITS. I do not have time.

Mr. McCLELLAN. I yield to the Senator.

Mr. MANSFIELD. I would point out what we are doing, in effect, is declaring economic war against the oil-producing countries, and if you really want to get involved in something which would put us in a morass, vote for the Abourezk amendment, vote for the Church amendment, and I shall vote against both.

Mr. CHURCH. I object, Mr. President, if debate is to continue, while I have no chance to enter the debate.

Mr. MANSFIELD. I ask unanimous consent that, as long as I have had a half minute, the Senator from Idaho have a half minute.

Mr. McCLELLAN. Have I time left?

The PRESIDING OFFICER. No.

Mr. MANSFIELD. I repeat my request for a half minute to the Senator from Idaho.

Mr. CHURCH. This amendment relates just to the cartel countries. It is based on the statements of the President and the Secretary of State that prices must come down.

There is $20 million in this continuing resolution for Venezuela and $11 million for Ecuador. As for Indonesia, there is $221 million, and that country's revenues have gone up 400 percent. The cost of Indonesian oil to the United States is $741 million this year alone under the new pricing system.

The PRESIDING OFFICER. All time has expired. The question is on the motion to table. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM), the Senator from Indiana (Mr. BAYH), and the Senator from South Carolina (Mr. HOLLINGS) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Kansas (Mr. PEARSON), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 75, nays 5, as follows:

[No. 429 Leg.]

YEAS—75

Aiken
Allen
Baker
Bartlett
Beall
Bennett
Bible
Biden
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Curtis
Domenici
Eagleton
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stennis
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—5

Abourezk
Fulbright
McClure
Metcalf
Scott,
William L.

NOT VOTING—20

Bayh
Bellmon
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Hollings
Inouye
Metzenbaum
Moss
Packwood
Pearson
Sparkman
Stevens
Stevenson

So the motion to table Mr. ABOUREZK's amendment was agreed to.

Mr. DOMINICI. Mr. President, I ask unanimous consent that Bruce Pasternak of my staff be granted floor privileges for the remainder of the deliberations on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, what is the pending order of business pursuant to the unanimous-consent request?

Mr. McCLELLAN. Mr. President, I have an amendment.

The PRESIDING OFFICER (Mr. TUNNEY). The Senator from Arkansas (Mr. McCLELLAN) has an amendment to the Church amendment. There are 40 minutes equally divided, on the amendment.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Is a motion to table the Church amendment again in order at this time?

The PRESIDING OFFICER. Under the precedents, a second motion to table could occur after a reasonable length of time. According to the precedents, a reasonable length of time has not yet elapsed.

Mr. McCLELLAN. I asked that question because some had inquired of me about it. I have an amendment that I wish to offer, but I shall defer to them, if it is in order, and if it would not preclude me from offering my amendment.

Mr. CASE. Will the Senator yield so that I may make this motion and ask the Chair whether it is in order?

Mr. McCLELLAN. I should like to find out beforehand.

Mr. President, I do not care what arrangement is made; I do not want to lose the opportunity to offer this amendment, providing it is not tabled.

Mr. CHURCH. Mr. President, I understood that the Chair had already ruled that another motion to table will not be in order at this time.

The PRESIDING OFFICER. Unless the amendment is amended. Then a motion to table would lie, because it would not be the same amendment. It would be a different question.

Mr. HUMPHREY. Will the Senator from Arkansas yield?

Mr. McCLELLAN. Mr. President, I ask unanimous consent that this not be taken out of any time. Let us settle the parliamentary situation.

Mr. MANSFIELD. Mr. President, I understand that the Chair has already ruled that the next time a motion to table would be in order would be once the McClellan amendment is adopted, if it is adopted.

Mr. HUMPHREY. No, Mr. President; that is not my understanding of the ruling. The ruling, under the precedent, as I recall, is that a motion to table is in order following a reasonable period of time between the first motion and the second.

Is that correct?

The PRESIDING OFFICER. Which precedents define as 3 days.

Mr. HUMPHREY. Which the precedents define as 3 days? When was that precedent established? Even in the Senate, that is unreasonable.

[Laughter.]

It seems to me as if we have been here a month.

Mr. McCLELLAN. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The clerk will state it.

The assistant legislative clerk read as follows:

> At the end of line 4 after the word "Services" insert the following:
>
> ", except such sales as may be made for cash and also such sales as may be made under the P.L. 480 program."
>
> And strike the following: on line 5 "(whether for cash or by credit, guaranty, or any other means)".

Mr. McCLELLAN. Mr. President, I yield myself 10 minutes. I want to know what I think we are doing, if we adopt this amendment in its present form.

I am offering this amendment to correct what I think is a fatal defect in the Church amendment as it is now. Follow me as I read this.

First, let me point out to the Senators that there is $1,200,000,000 worth of sales, military sales, projected for these countries within the next fiscal year. The question is, do we want to make those sales? I do not care, except to say that if we do not make them, someone else will. They are going to get their weapons. They can get them somewhere else. What effect will that have, then, on the balance of payments if we do not make them?

Another thing: We cannot, under this amendment, further operate the Public Law 480 program in any of these countries. I wish to read the original amendment to Senators. This is what we did not table, and this is what we are going to vote on, whether we are going to keep it as it is or amend it as I have suggested:

> None of the funds herein made available shall be obligated or expended for aid or assistance of any kind (whether on a grant, loan or reimbursable basis) or for sales of agricultural commodities or of defense articles and services (whether for cash or by credit, guaranty, or by any other means).

I contend that that absolutely precludes these sales and will stop completely the Public Law 480 program in these countries.

Therefore, I propose this amendment: to state, after the word, "services" in line 4, "except such sales as may be made for cash and also such sales as may be made under the Public Law 480 program."

Do we want to cut out these sales? The author of the amendment, I think, argues that it would not, but I do not know how we can make it more specific than he does in his amendment, when he states:

> Extended for aid or assistance of any kind . . . or for sales of agricultural commodities or of defense articles and services (whether for cash or by credit, guaranty, or any other means).

I simply wish to make it possible for these sales that are anticipated to go forward. If they do not, it will have that much impact on the balance of payments, which are already running at a heavy deficit.

It will have a further impact on unemployment in this country, and, as some have said already, this whole thing is cutting off our nose to spite our face. Do we want to do it, the people who represent the farming sections in this country? Do we want to cut out the Public Law 480 program in these countries? If we do, here is the opportunity to do it. But unless this amendment is amended somewhat, at least as I have suggested, these sales will be prohibited. If that is what we want to do, let us know what we are doing.

I yield back the remainder of my time.

Mr. CHURCH. Mr. President, I respectfully disagree with the interpretation laid upon the amendment by the distinguished chairman of the Committee on Appropriations. The amendment relates only to the funds made available through the passage of this continuing resolution. The opening words of the amendment make that clear:

> None of the funds herein made available shall be obligated or expended for aid or assistance. . .

I concur that there is a question whether or not the policy of selling large quantities of modern, sophisticated arms to this part of the world is wise. However, these countries are going to obtain these weapons from Western Europe or from other sources, if they do not obtain them from the United States.

I have not sought in that amendment to cut off cash sales. Cash sales do not involve any funds "herein made available for aid and assistance."

Cash sales entail no subsidies and no utilization of public money appropriated under the terms of this bill. Therefore, while I am not in disagreement with the argument made by the Senator from Arkansas that we ought not to preclude cash sales, I submit, on the basis of the language of this amendment, that it does not do so. It relates only to aid, to the money that we put out in assistance, in one form or another, under the categories of aid that are covered by the continuing resolution.

This is the real question, whether we want to cut off this aid to these countries that have combined together to impose this disastrous price upon the western world, or whether we do not. This is the question.

The money in this program for the OPEC countries comes to $270 million. That is not an insubstantial sum. It is true that Indonesia would receive the largest part of this money. It is also true that under the new price, we will be paying Indonesia four times as much for oil, already three-quarters of a billion dollars this year alone, and that before the year is over we will likely be paying Indonesia more than a billion dollars for oil because of this contrived price.

There is no man in this Chamber for whom I have greater respect than the majority leader. He said that by passing this amendment we would be declaring economic war.

I say to the Senate economic war has been declared. It was not declared by us. It was declared by the OPEC countries against us. I say to the Senate that the consequences of this OPEC war, or this economic war, have already been heralded by none other than the President of the United States and the Secretary of State, who say that unless these oil prices come down, the Western World is being pushed toward the chasm of economic collapse.

By what token is war measured? By what standard is it judged? Do we sit here with our eyes closed, and not recognize that a serious economic war has been declared upon the Western World, and indeed upon the poorest countries of the world besides, by the decision taken by this cartel? Is our response to say we shall do nothing, that we shall not even lend substance to the words of our own President by following up with appropriate legislative action?

I hope we do not send out any such message. I hope, Mr. President, that our message is broadcast loud and clear to the OPEC countries, that we are serious, that we are prepared to wage whatever defense is necessary as long as they insist upon waging economic war against us. Until we are ready to take that step, we will not bring down the price of international oil.

Several Senators addressed the Chair.

Mr. CHURCH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. CHURCH. I yield to the Senator from Wyoming.

Mr. McGEE. Mr. President, I would like to ask my colleague from Idaho, if I understand this correctly, what the totals are with which we are fighting this war? If we do leave out Indonesia, which gets most of it, as just noted by the Senator from Idaho, or if we leave out Nigeria, which has not been accused of increasing oil prices, what goes to Saudi Arabia, Kuwait, Abu Dhabi, Iran, and Libya?

Mr. CHURCH. Approximately $50 million goes to OPEC countries apart from Indonesia.

Mr. McGEE. How much of that goes to the particular governments who have had the most to do with the pricing of oil?

Mr. CHURCH. I will answer the Senator's question, but I first must tell him that the question itself suggests a proposition that I cannot accept.

I have been chairman of the subcommittee that has conducted the most thorough investigation of international oil that has ever been conducted in Congress. We have looked into the methods of the big global oil companies as they have dealt with the various producing countries in years past.

When the companies had the upper hand, they were able to play off one producing government against another. When the producing governments got the upper hand, they were able to play off one company against the other. If we are ever going to deal with this cartel, we have got to be prepared to move against those individual countries with which we have the most leverage to try to break up their unity.

I suspect that if we deny Indonesia its $220 million, other large oil-producing countries like Saudi Arabia and Kuwait may very well make up that amount in order to maintain a united front, but at least if they do that, the money will be coming from them and not from us. In the long run, if we take this step and follow it up with others that may be necessary, we may be able to bring enough pressure to bear to break this cartel. Until we do, we are the victims of the most serious economic war that has been declared in this century. That is why I say this is a most important first step in a course of action for dealing with the cartel that has set these prices and maintains them, regardless of the economics of oil, and tells the world every day it intends to continue to do so.

Several Senators addressed the Chair.

Mr. McGEE. Mr. President, it seems to me I have not received an answer to my question. Again my question is: What are we giving to Saudi Arabia, Iran, and the other larger oil producing countries in the cartel?

I am concerned lest we really spite ourselves in Indonesia, Nigeria, or Venezuela, or in the parts of the world which still make a great deal of difference to us.

Mr. CHURCH. As I said before, there is about $50 million given to various OPEC countries outside of Indonesia. It is true that Saudi Arabia is not getting much money—$220,000; it is true that Iran is not getting much money—$1.5 million. But this is a first-step amendment. When the foreign aid bill comes up, I would hope to apply the same principle to the multilateral banks, to which we have given the major portion of their capital.

Let us look at them, to see where we are going.

From the International Bank, Iran has received $414.5 million between 1972 and 1974. Other major producers have also received very substantial sums of money.

So I would say to the Senator that I wish he would not judge this effort solely on the basis of what is contained in this amendment. This amendment will send a message that needs to be sent, but I think we should follow up, if necessary, with the multilateral agencies that have loaned such substantial sums to these countries.

Several Senators addressed the Chair.

Mr. McGEE. I would feel much better about the Senator's answer if he did not keep shifting to some other program and some other bill at some other time.

We are concerned about this continuing resolution.

Several Senators addressed the Chair.

Mr. CHURCH. Mr. President, I have the floor.

Mr. LONG. Mr. President, will the Senator yield?

Mr. CHURCH. Let me respond to the Senator from Wyoming. I would be glad to address that point if it were possible to do so. We have a continuing resolution before us. I can only address the amendment to the funds contained in the continuing resolution. When the foreign aid bill comes up, I will expand the amendment still further, but I cannot do so under the rules of the Senate, because we have here a continuing resolution, and I have to confine the amendment within the limits of that continuing resolution.

Mr. LONG. Mr. President, if the Senator will yield on that point, let me say to the Senator that we on the Finance Committee have already voted to say that the assistance we give to the less-developed nations does not apply to anyone who is a member of a cartel and shakes the rest of the world down. So the Finance Committee has already taken that position.

So, while we do not intend to be the aggressor, I think it would be well to let those people feel a little less secure that the U.S. Navy and the U.S. Air Force are prepared to defend that oil for them, if we have to pay exorbitant prices to buy it.

Mr. CHURCH. I thank the Senator. Believe me, if we do not take this action today, a very different message will go out.

Mr. LONG. Otherwise, they will think we do not mean business, we are just talking.

Mr. CHURCH. Exactly; that is what they think right now. Did the Senator see the scornful words they used to reply to the President of the United States? They are not taking him seriously. They think he is talking to Americans, not them. Unless we back those words with action, they will continue to think that.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. FULBRIGHT. We do not send anything to Iran, other than the Peace Corps.

We do not give anything at all to Abu Dhabi, and nothing whatever to Kuwait, to Qatar, to Saudi Arabia; to all of the important ones it does not apply at all.

Libya gets not a penny. We are only penalizing Indonesia and Nigeria, and a very small amount to Ecuador, which is just now becoming an oil-producing state.

Mr. CHURCH. What is the Senator's question?

Mr. FULBRIGHT. I mean the Senator says $50 million, he keeps on saying $50 million. But I do not know where the Senator saves the $50 million if we exclude those and do not exclude the Peace Corps or any of these; they are not really aid in the normal sense.

Mr. CHURCH. Well, this includes all forms of aid that will be covered by the resolution. That includes the Peace Corps, it includes Public Law 480. It includes economic and military aid in its various forms.

Mr. FULBRIGHT. I understand the Senator to say that if we exclude Indonesia there would still be $50 million of noncash or non-Public Law 480 savings. I do not see where the Senator gets that figure.

Mr. CHURCH. No, I do not exclude Public Law 480.

Mr. FULBRIGHT. That is the amendment offered.

Mr. CHURCH. That is the amendment offered by the Senator from Arkansas. But under my amendment even if we exclude Indonesia there is still $50 million of aid in this bill that goes to other OPEC countries.

Mr. FULBRIGHT. I do not find that if we exclude also the cash, all the cash, well, that credit account to Venezuela will certainly pay for those credit sales, and so will Ecuador. Those are not grants by any means.

Mr. CHURCH. There is a little difference between the commercial cash sales and concessional credit sales. There is an element of public subsidy in the latter but not in the former.

Mr. HUMPHREY. Mr. President, will the Senator yield? May I ask for the time.

Mr. McCLELLAN. Mr. President, how much time do I have?

The PRESIDING OFFICER. Fifteen minutes remaining.

Mr. McCLELLAN. I yield 5 minutes to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I just want to follow up what the distinguished chairman of the Foreign Relations Committee has said.

Abu Dhabi—who knows where Abu Dhabi is? It is not getting one thin dime of aid, but it is still listed in the amendment.

Algeria, $1.4 million under Public Law 480, and that is humanitarian aid.

Gabon, a little country down on the west coast of Africa, is getting $300,000 in aid.

Indonesia, a total of something around $230 million, including aid, Public Law 480, military grants, and military cash sales.

Iran, not a thin dime in aid, not a dime in Public Law 480, not a dime in military grants, but $613 million in military cash sales.

Iraq, nothing, not a dime.

Kuwait, nothing under aid; Public Law 480 nothing, military grants nothing, but military cash sales $268 million.

Libya not a thin dime under any category.

Nigeria, $3.7 million under aid, $2.3 million under Public Law 480, nothing else, $6 million for one of the largest countries in Africa.

Qatar not a dime in any category.

Saudi Arabia, $200,000 in the military grants, for training, and $395 million for military cash sales.

Venezuela, aid nothing; Public Law 480 nothing; military grants $700,000; and the cash sales $10 million; credit sales $17 million.

We are picking out countries in Asia,

Africa, in South America, and this certainly is economic warfare. And if Senators think that the President in his speech to the United Nations and at Detroit was talking about warfare, I think they misread the President's speech.

What he was laying out was the whole broad picture of what confronts not only us but the rest of the world as well unless something is done.

If Senators think they can achieve their aim by economic warfare or any other kind of warfare they are mistaken. I hope both the McClellan amendment and the Church amendment are defeated.

Mr. HUMPHREY. Mr. President, will the Senator from Arkansas yield to me?

Mr. McCLELLAN. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. I will not take over a minute.

I was just reading the AP news, and noted that President Robert McNamara has asked the oil-producing countries, these same countries at which this proposed amendment is aimed, to provide $36 billion to aid the World Bank in helping the underdeveloped countries of the world over the next 5 years.

It seems to me that if we approve this amendment we are not supporting aid to the developing countries of the world very much. Besides that, I do not think we want to interfere with or break down any part of the $20 to $30 billion worth of agricultural commodities which we export to other countries every year now.

That is all I have.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. McCLELLAN. I yield 3 minutes.

Mr. HUMPHREY. Mr. President, I want to say the majority leader, I think, has sounded the note that we need to take seriously, namely, that economic warfare is what we ought not to be engaged in.

I understand fully what the distinguished Senator from Idaho is concerned about, namely, the jacking up of these oil prices, which does bring upon the world a serious financial situation which could be catastrophic.

The Senator's concern is to be taken very seriously because it is the most serious problem before us. But let us assume for the minute that we are going to have a little economic warfare. I suggest we do not send a boy scout troop against a nuclear force, and that is really what we are doing here.

What kind of warfare is this? First of all, we have not had any planning. There are other nations in the world that are involved in this that are much more seriously involved than we are—all Western Europe, Japan, other countries; indeed many of the under- or the less-developed or the developing or underdeveloped countries, call them what we may, if we are going to declare an economic struggle, let us put it that way, we are going to get economic power and, at the most, we are going to put in $50 million against what, against billions and billions and billions. That is no way. If we are going to have a struggle we ought to plan it. We ought to be talking to somebody about it.

Over this weekend there was a meeting at Camp David with the ministers, foreign ministers and finance ministers, and our Secretary of State, our Secretary of the Treasury, at the instructions of the President.

I do not know what progress they made, but I know that is more sensible than trying to legislate from the floor today something as sensitive and as critical as this.

I happen to think we have got to do something about this oil situation, including severe conservation. We may very well have to enter into a rationing system. We may very well have to do many things, but we ought to do it in concert with others, and not try to do it this way.

The Senator from Montana has made it clear that what we are really doing, even where we cut off the aid, if we leave out Indonesia, is really cutting off technical assistance and cutting off humanitarian assistance.

I do not think that would be the way we show our strength. As a matter of fact, that is the strength of a mouse, and surely not even the roar of a lion. Maybe we ought to do like Teddy Roosevelt said, speak softly and carry the big stick. What we are doing here is speaking loudly, a $50 million bang, and no stick. I do not think it leads us anyplace.

I want to say that I think the Senator from Idaho can come in here with a program from the results of his hearings, as a result of his hearings, that can tell us a great deal.

His effort is sincere, it is directed toward the proper objective of trying to do something about the oil cartel.

But really, I ask my colleagues what are we doing? The most that we are doing is expressing a Senate resolution. We pass them and they are a dime a dozen around here, and we pass a Senate resolution that says we are not going to give any aid to Iraq.

Well, they have not had any. Nobody is planning on giving any. We are not going to give any aid to Libya. They have not had any. We are not going to give aid to Saudi Arabia. Listen, we need their aid. We are trying to get them to deposit money in our banks. We are trying to get them to pick up the tab in the World Bank, and we are saying we are not going to give them any aid. Well, the last thing they did for us was to buy $395 million from us of military supplies.

We are not going to give any aid to Iran we say. Well, we have not given them any. The last thing they did for us was to buy $613 million of materials from the United States. So we are not hurting anybody, and if we are going to hurt anybody I suggest that we plan it a little better than that rather than just hoping that it works.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Do we have any more time?

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. McCLELLAN. I yield back the remainder of my time.

Mr. CHURCH. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment——

Mr. CHURCH. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. CHURCH. I call for the yeas and nays on this very important amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The question is on agreeing to the amendment of the Senator from Arkansas (Mr. McCLELLAN) to the amendment of the Senator from Idaho (Mr. CHURCH). The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Illinois (Mr. STEVENSON), are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. HOLLINGS) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "nay."

The result was announced—yeas 56, (Mr. HATFIELD) would vote "nay."

[No. 430 Leg.]

YEAS—56

Aiken
Allen
Baker
Bartlett
Beall
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cotton
Curtis
Domenici
Fannin
Fong
Fulbright
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hruska
Huddleston
Humphrey
Javits
Johnston
Kennedy
Magnuson
McClellan
McGee
McIntyre
Metcalf
Montoya
Muskie
Nunn
Pastore
Pell
Percy
Randolph
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Young

NAYS—23

Abourezk
Bible
Biden
Burdick
Church
Clark
Cranston
Eagleton
Ervin
Hughes
Jackson
Long
Mansfield
Mathias
McClure
McGovern
Mondale
Nelson
Proxmire
Ribicoff
Schweiker
Weicker
Williams

NOT VOTING—21

Bayh
Bellmon
Bennett
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Hollings
Inouye
Metzenbaum
Moss
Packwood
Pearson
Sparkman
Stevens
Stevenson

So the amendment of the Senator from Arkansas (Mr. McCLELLAN) to the amendment of the Senator from Idaho (Mr. CHURCH) was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I move to lay on the table the Church amendment, as amended.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the Church amendment, as amended. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Illinois (Mr. STEVENSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana (Mr. BAYH), and the Senator from South Carolina (Mr. HOLLINGS) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Massachusetts (Mr. BROOKE), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Oregon (Mr. PACKWOOD), the Senator from Kansas (Mr. PEARSON), and the Senator from Alaska (Mr. STEVENS) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 46, nays 33, as follows:

[No. 431 Leg.]

YEAS—46

Abourezk
Aiken
Baker
Bartlett
Beall
Buckley
Case
Cotton
Curtis
Domenici
Fannin
Fong
Fulbright
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Javits
Johnston
Kennedy
Mansfield
McClellan
McClure
McGee
Muskie
Pastore
Pell
Percy
Roth
Scott, Hugh
Stafford
Stennis
Symington
Taft
Thurmond
Tower
Tunney
Williams
Young

NAYS—33

Allen
Bible
Biden
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Goldwater
Helms
Jackson
Long
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Nelson
Nunn
Proxmire
Randolph
Ribicoff
Schweiker
Scott,
William L.
Talmadge
Weicker

NOT VOTING—21

Bayh
Bellmon
Bennett
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Hollings
Inouye
Metzenbaum
Moss
Packwood
Pearson
Sparkman
Stevens
Stevenson

So the motion to lay on the table Mr. CHURCH's amendment, as amended, was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the Eagleton amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the Eagleton amendment: Senators ABOUREZK, STEVENSON, ALLEN, BAYH, CRANSTON, McGOVERN, McINTYRE, RANDOLPH, RIBICOFF, MONDALE, MONTOYA, TUNNEY, PASTORE, and GOLDWATER.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I shall be brief.

This amendment is the logical follow-on to the vote of the Senate a week or so ago on the sense of Congress resolution cutting off further military aid to Turkey. Under existing law, Turkey has been in violation of the Foreign Military Sales Act from the time it used American military equipment in its invasion of a neutral nation; to wit, Cyprus. The Foreign Military Sales Act is clear and unequivocal. It leaves no alternative to the President and his Secretary of State to terminate any further military aid to the offending nation; to wit, Turkey.

This amendment would ratify that act, would make the rule of law supreme, would make no exceptions to the rule of law, and would terminate aid to Turkey since it is in violation of that act.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield 5 minutes to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, there seems to be a madness throughout the land. We are looking for short answers, quick answers. We think that by doing certain things, we can establish a quick fix to a problem which will take a long time to heal.

I point out, in all candor, that the situation which developed in Cyprus was because of a corrupt, dictatorial government which we supported, on the Greek mainland—the so-called Colonel's Clique. Then they ran up against a proposition with which they could not cope. They tried to put in an ex-gangster as the chief of state of what remained of the Republic of Cyprus. It did not work.

In retaliation, the Turks came in. They overreacted, in my opinion, and they took over much of the territory of the Republic of Cyprus and carried their reaction to an extreme.

So I would hope that we would look at the broad picture of what the situation is in the Middle East and in the Aegean.

The adoption of this amendment is not going to force the Turks out of Cyprus, in whole or in part. The adoption of this amendment is going to undermine the efforts of Secretary Kissinger, if he is called upon to do so, to act as a mediator between the Greeks and the Turks.

May I say, parenthetically, that I think the policy followed by this administration in relation to the situation which has developed in Cyprus has been the right one. For once, we did not try to intervene. For once, we did not try to interfere, as we did in Vietnam, as we came pretty close to doing in the Middle East.

We have enough to do to look after our own affairs. It is not up to us to become involved, with our manpower and our treasure—what remains of it—in every conflagration which starts in any place throughout the globe. Maybe we have learned our lesson.

There is a treaty, signed in 1960, and the guarantors of the Republic of Cyprus are the United Kingdom, Greece, and Turkey—not the United States. If we adopt an amendment aimed directly and specifically at Turkey, what might be the result? For one thing, we might see a tilt on the part of Turkey toward the Soviet Union. They have a thousand-mile frontier, and within that area they have nuclear warheads and U.S. installations—our warheads and our installations.

Up to now, Turkey has maintained a hands-off attitude so far as the Middle East is concerned. But the Turks are a Moslem people. Perhaps there might be a tilt on the part of Turkey toward what we call the Middle East. Perhaps that will have a decided effect, too.

What about NATO? I have wanted to cut down NATO concentrations of U.S. troops and dependent personnel for years. But that does not mean that I do not believe in NATO, because I do. I think it is our first line of defense. But Greece is out of NATO now. Are we going to go ahead and force Turkey out of NATO?

Think about it. Think what it means to this country in our relationship with the North Atlantic Treaty Organization, and think of what it will mean to Greece.

If we are going to bring about a settlement, we have to find some way to get Turkey to withdraw from parts of the Republic of Cyprus. If we think this amendment is going to force the Turks out of Cyprus, we had better take another guess because it will, perhaps, solidify their position there, and they occupy too much of that island already.

What about Greece? Where is the government of Karamanlis—a good man, a man who never should have been forced out of Greece, a man in whom we have every confidence and whom we support, as do the Greek people, but a man who is beset on the one hand by the right, the old colonels, and their group—they want to come back—and on the left by the far left, the ones who want to go the way of the Communists.

Here we have a man fighting for his existence, and what we are doing if we pass this resolution is weakening the position of Karamanlis. I do not care how many telegrams we get from organizations in this country asking us to vote for the Eagleton amendment. What I am telling you is the fact, and what I want to do is help the Karamanlis government. What I want to do is see it remain in power.

I do not want the right to come in again—the dictators, the colonels, the people who never think of people; and I do not want the left to come in again, either, because it was the left which caused this country to inaugurate the Greek-Turkish assistance program in 1948.

So my advice, my fellow Senators, is if we have the welfare of Greece at heart, we will support the administration in the position of Kissinger, who is trying to undertake a procedure which will benefit Greece in the long run; which will bring about a withdrawal, at least partial, of the Turkish forces from Cyprus; which will give some sustenance, some substance, and some strength to Karamanlis, who faces elections, I believe, around October 10.

Do we want to strengthen his hand in his own country, or do we want to weaken it?

Do we want to allow the situation which has developed to continue, with the Turks occupying the greater portion of the Isle of Cyprus? Or do we want something done to get the Turks to withdraw, to give the Cypriots, both Greek and Turkish, a chance to settle their own affairs?

This has been a horrible mess, but this is a time, I think, for statesmanship—not that I am exhibiting any—so that people downtown, Mr. Kissinger and others, can do something to bring about a rectification of the difficult situation, with bad blood on both sides, to the end that Cyprus will once again be reborn as a republic; so that Karamanlis can be retained in office; and so that Greece can achieve some of what it has lost—not through its own fault, not through the fault of Karamanlis or the people of Greece but through the fault of the dictatorial colonels' clique, which thought it could do anything and get away with it, unfortunately all too often with the support of the United States.

I hope we shall look at reality. I hope this amendment will be defeated, and I hope that out of it will come a triumphant Greece, a democratic Greece, and that we shall continue to have a man like Karamanlis—a man of great integrity, great ability, great understanding, and great statesmanship—remaining as the head of state in Athens.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, I yield 2 minutes to the distingushed Senator from Rhode Island (Mr. PASTORE).

Mr. PASTORE. Mr. President and colleagues, of course, the majority leader is a very persuasive man, for whom I have the highest respect, not only for his integrity but for his good judgment and wisdom. The fact still remains that here we are dealing with a very delicate situation.

The American people are a little fed up with taxpayers' money being used to feed bullets on both sides to people who are using these bullets to kill one another. I think that the time has come when we have to put a stop to it. We went through this with Pakistan and India and had the same thing happen.

All we are saying here is that, for the time being, what we ought to do is stop giving guns and bullets to people who are killing allies of the United States of America. That is all it amounts to. I think the time has come for us to call a halt, and that it what this amendment is all about.

We are not anti-Turkey. We are not anti-Greece. We are not pro-Turkey. We are not pro-Greece. It is not a matter of telegrams and how many are being received or how many Hellenic people live in the United States or in the State of Rhode Island. That is not the question at all. The time has come when America has to stop giving bullets to two adversaries who are using American bullets to kill one another. I understand that that is the intent of this amendment—not for the past, but for the future.

I think we ought to negotiate this and bring about peace in Cyprus. I understand that. But I think that sometimes we get a little bit too excited about the sensitivity of other people. I am afraid that American taxpayers' dollars cannot be used to ally those sensitivities.

I hope that this amendment will carry.

The PRESIDING OFFICER. Who yields time?

Mr. CASE. Will the Senator yield?

Mr. McCLELLAN. I yield 2 minutes to the distinguished Senator from New Jersey.

Mr. CASE. Mr. President, I think no one could add anything to what the majority leader said earlier. His speech embraced a historical situation; it covered the present situation. He is absolutely right.

I think that true friendship for Greece and true friendship for Turkey indicate that this amendment ought not to be passed. If we want to keep reasonable prowestern elements in control of the situation in Turkey, as we do, we will not do what this amendment would do; put them at a disadvantage in their own country.

This is the kind of interference in internal affairs which is deeply resented, and for us to take this action at this time would be most unfortunate.

The same is true as far as the Greeks are concerned. Naturally, they are concerned. There are relatives of many Americans, Greek-Americans, on the island of Cyprus, and they fear for their safety. And we fear for their safety.

But are we doing the wise and right and useful thing by adopting this amendment? Mr. President, I say "No," a thousand times, we are not doing the right thing.

As the Senator from Rhode Island indicated just now, the only way to end this situation is by negotiation and by agreement.

We can help agreement only if we do our best to keep the reasonable elements in both the Turkish and Greek Governments in control of their governments, in control of the negotiations with our help. I hope the amendment will be defeated.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the distinguished Senator from Texas.

Mr. TOWER. Mr. President, it has all been said by the distinguished majority leader. I will just add one note by saying we would seriously weaken the defense perimeters of the United States, and we would not be acting in the best interests of the Greeks in Cyprus, if we passed this amendment.

Furthermore, why does not this sanction apply to Israel, when Israel makes what we consider to be illegal attacks on Jordan? If we are insisting on conforming with the law, we should insist that this sanction be universally applied. I think the majority leader is eminently right in his statement when he says that the times dictate a flexible response. Let us use a flexible response here today.

Mr. TAFT. Mr. President, will the Senator yield to me?

Mr. EAGLETON. Mr. President, I yield 3 minutes to the Senator from Ohio.

Mr. TAFT. Mr. President, I think this is a very difficult issue. I have been concerned about the policies of Turkey. I voted on the drug question against them.

But I feel I ought to raise a question with the majority leader and others as to whether the best interests of the Greeks and others would be served by the passage of this amendment. I do not think it is going to happen either way, because I do not believe the amendment does what the Senator from Missouri thinks it would do. I think the amendment needs a great deal more study if it is to be brought up.

The only reference to aggression, which is what the Senator is talking about, that I have been able to come across in our research is to be found in title XXII, section 2370, of the United States Code annotated, in subsection (i). The prohibition there applies only when the aggressive action is taken, as I understand it, against another nation receiving aid from the United States. That is not the action that was taken in this case. I have consulted with the State Department, and they do not believe it would apply in this case in any event. The action was taken on the island of Cyprus, which is no recipient of any aid from the United States whatever.

I think the amendment should be defeated, because it would be totally ineffective, and would just alienate and aggravate a situation that is difficult as it is, and we would be enacting a meaningless amendment. I cannot see any purpose at all to be served by passing it.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the amendment: Messrs. JACKSON, CLARK, MOSS, PROXMIRE, ROTH, METZENBAUM, SCHWEIKER, and CHILES.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. EAGLETON. I yield.

Mr. JAVITS. I think the record ought to be made clear as to the question asked by the Senator from Texas (Mr. TOWER), because it is a fact that heretofore this issue has been decided on a named-country basis, to wit, Turkey. This amendment is generic.

Mr. EAGLETON. The Senator is correct.

Mr. JAVITS. I think the Senator should explain to the Senate whom it will affect, as he understands the amendment.

Mr. EAGLETON. The Senator from New York poses a very good question. The amendment is generic; it is not specific and aimed by name at Turkey. Being generic, it does nothing more than enforce what is already on the books, a generic law that prohibits American military aid from being used for the invasion of a neutral country.

I must disagree with the Senator from Ohio, because he is disagreeing with the predominant opinion of the legal division of the State Department. The legal division advised Secretary Kissinger that he is in violation of the law and has been in violation of the law for 2 months because he continues to give American military aid to Turkey.

That is the advice of his own attorneys. That is the predominant view, to use Dr. Kissinger's words, of his legal advisers. Yet he desires to continue to be, as it were, above the law.

The distinguished majority leader says this is a time for statesmanship, and in most instances I agree with the foreign policy attitudes of the majority leader; but first and always, this is a time for the rule of law. The rule of law is always statesmanship, Mr. President. When the law is enforced, that is statesmanship.

If we are worried amout Mr. Karamanlis, let us tell Mr. Karamanlis that the United States, Greece's long time ally, is not going to create an exception for Turkey. If we had it the way of the majority leader, and Turkey violates the law with our consent, will that strengthen Mr. Karamanlis? By continuing to give military aid to his adversary, the Turkish Government, for terrorizing the Cypriots.

Will that strengthen this freedom-loving man Karamanlis?

Never, Mr. President. We will bring down the Karamanlis government if this U.S. Government goes on record in favor of continuing aid for Turkey, in violation of existing American statutes.

Back in 1964, when Turkey threatened the invasion of Cyprus, President Johnson said to the Turks, "If you use American military equipment to invade Cyprus, we will invoke, as we must, the Foreign Military Sales Act, and terminate forthwith all aid to Turkey."

What happened? Turkey did not invade. They backed off. This time we are going on giving more aid, and more people are being slaughtered and subjugated.

Mr. President, if we do not back the rule of the law to Turkey, what are we saying to other countries receiving American aid? Would the law apply to Jordan if they used American military equipment to invade Israel?

Mr. TOWER. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. TOWER. What if Irsael invades Jordanian country?

Mr. EAGLETON. It will apply to any country.

Mr. TOWER. Israel has already broken that law; so the Senator would impose sanctions against Israel?

Mr. EAGLETON. As the Senator from Texas knows, I believe in the rule of law, as does he.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. BUCKLEY. Mr. President, I can understand the concerns expressed by the State Department over congressional action requiring a termination of U.S. military aid to Turkey while Turkish troops occupy a substantial portion of Cyprus. I can understand the fact that the art of diplomacy requires some room for maneuver, for adjustment, for accommodation.

The facts remain, however, that the legislation authorizing the aid in the first instance contained conditions that were clear and explicit, and that must have been understood by both the Turkish authorities and our own State and Defense Departments. Perhaps these restrictions and conditions were ill advised, perhaps they should have been less explicit. Nevertheless, they are the law and it is incumbent upon this and any other administration to obey the law.

In this context, the action now being taken by the Congress in underscoring its intention to see that the law is in fact obeyed ought not to be interpreted as a hostile act or one designed to embarrass the administration in its efforts to use its good offices to help the interested parties resolve the Cyprus situation while maintaining the integrity of the NATO alliance.

If the restrictions in existing law are inappropriate to the current demands of international diplomacy, then let the administration send recommendations to the Congress for amending the operative foreign aid statutes. I will examine the administration's arguments for a less rigid approach with a completely open mind. In the meantime, however, I will cast my vote in favor of the Eagleton amendment requiring compliance with existing law.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. EAGLETON. I yield.

Mr. MANSFIELD. Perhaps I should have used the word "diplomacy" instead of "statesmanship."

Mr. EAGLETON. Diplomacy cannot be equated with violation of the law. That might have been the kind of diplomacy we exercised in Chile. Was that diplomacy?

Mr. MANSFIELD. No, the Senator is going far afield. I was talking about the Aegean.

Mr. EAGLETON. In both situations it seems that Dr. Kissinger believed the law should not apply to him. If the rule of law is to be applied, it should apply equally to 212 million American citizens. Dr. Kissinger is to be treated no differently.

Mr. NUNN. Mr. President, will the Senator yield for a further question on the point made by the Senator from Texas?

Mr. EAGLETON. I yield.

Mr. NUNN. Does the Senator from Missouri think the law as written now applies to Israel under present conditions, as well as to both Jordan and Egypt?

Mr. EAGLETON. No, it does not apply to Israel.

Mr. NUNN. Will the Senator explain why it does not?

Mr. EAGLETON. The law that is on the books only applies when a sovereign nation that is a recipient of our military largess uses that largess to subjugate and invade a third nation.

Mr. NUNN. Did not Israel occupy a third nation?

Mr. EAGLETON. Only after an aggressive act against them. As the law states "for legitimate self-defense."

Mr. NUNN. Have we not had a lot of aggressive acts between Israel and Jordan?

Mr. EAGLETON. Pursuant to an aggressive action, by the same token as that which applies to the Cambodian situation.

Mr. NUNN. It seems to me exactly the same situation the Senator is describing with reference to Turkey. Will the Senator explain why it does not apply to Israel?

Mr. EAGLETON. It does not apply when another nation invades Israel and Israel retaliates, any more than it would apply to the interpretation of the State Department at the time we went into Cambodia.

Mr. NUNN. Who makes the determination of what is retaliation? Do we have some kind of world court that makes this determination?

How can we determine whether it is retaliation?

Mr. EAGLETON. By the same determination Lyndon Johnson made in 1964, when he said to Turkey, "If you invade Cyprus, your aid will be terminated forthwith."

Mr. NUNN. I think the Senator from Texas has made a telling point. I think this would apply to Israel right now.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

Mr. PASTORE. Regular order, Mr. President.

Mr. McCLELLAN. Does anyone wish time in opposition to the amendment before we vote?

The Chair hears no request for time and, therefore, I yield back the remainder of the committee time.

Mr. EAGLETON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time has been yielded back The question is on agreeing to the amendment of the Senator from Missouri (Mr. Eagleton). The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the distinguished junior Senator from Illinois (Mr. Stevenson). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. BAKER (after having voted in the negative). On this vote I have a pair with the distinguished junior Senator from Oregon (Mr. Packwood). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. GRIFFIN (after having voted in the negative). On this vote I have a pair with the distinguished senior Senator from Oregon (Mr. Hatfield). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from Illinois (Mr. Stevenson), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), and the Senator from Alaska (Mr. Stevens) are necessarily absent.

The result was announced—yeas 57, nays 20, as follows:

[No. 432 Leg.]

YEAS—57

Abourezk
Allen
Bartlett
Beall
Bible
Biden
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cotton
Cranston
Domenici
Eagleton
Fannin
Fulbright
Goldwater
Hart
Hartke
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGovern
McIntyre
Mondale
Montoya
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stafford
Symington
Talmadge
Tunney
Weicker
Williams

NAYS—20

Aiken
Case
Curtis
Ervin
Fong
Gurney
Hansen
Haskell
Hruska
McClellan
McClure
McGee
Metcalf
Nunn
Scott, Hugh
Stennis
Taft
Thurmond
Tower
Young

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—3

Baker, against.
Griffin, against.
Mansfield, against.

NOT VOTING—20

Bayh
Bellmon
Bennett
Bentsen
Brock
Brooke
Cook
Dole
Dominick
Eastland
Gravel
Hatfield
Inouye
Metzenbaum
Moss
Packwood
Pearson
Sparkman
Stevens
Stevenson

So Mr. Eagleton's amendment was agreed to.

Mr. EAGLETON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CRANSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FULBRIGHT. Mr. President, I am pleased that the Committee on Appropriations amended the continuing resolution to reduce the spending level allowed for foreign military aid to the amount appropriated for the last fiscal year.

Under the current continuing resolution spending for foreign military aid had been allowed at an annual rate of $802 million. But Congress only appropriated $450 million for this program for the 1974 fiscal year. Thus, the current rate is 80 percent more than Congress appropriated last year. This distortion of the traditional criteria followed in continuing resolutions came about by including two items in the calculation of the military aid rate which should not have been included.

First, the current rate includes $250 million, which the value of military materials taken from Department of Defense stocks under the authority of section 506 of the Foreign Assistance Act and given to Cambodia. Section 506 is not spending authority. It is merely authority to draw on Defense stocks for supplemental military aid in emergency situations. The cost of the stocks that are drawn, using the authority, must then be paid back to the Department of Defense out of subsequent appropriations for military aid. The authority to draw from the Defense stocks has in the past normally been extended by Congress in the annual foreign aid authorization bills. It is not permanent authority but must be extended from year to year. Because there was no foreign aid authorization bill for the 1973 fiscal year, the drawdown authority was not available in that year.

For the fiscal year 1974 Congress authorized the drawdown of up to $250 million. All of that authority was used to provide additional aid to Cambodia. There is no authority to draw on defense stocks during the current fiscal year.

The executive branch's foreign aid bill requested authority to draw on Department of Defense stocks under 506 pending congressional action on an authorization bill. If approved, this would have automatically extended the drawdown authority into the new fiscal year while Congress was still working on a foreign aid authorization bill for that year. This, in effect, is what the old continuing resolution allowed.

The Committee on Foreign Relations not only rejected the executive branch request for automatic extension of the drawdown during the period when the foreign aid program was covered by a continuing resolution but it also voted to repeal the basic authority of section 506. This entire section will be repealed by section 8 of S. 3394, which is now before the Senate. To allow an additional $250 million in annual spending for military aid, based on expired transfer, not spending, authority which is being repealed in pending legislation would undercut both the authorizing and appropriating processes. By eliminating this item from the calculation for military aid, the Senate Appropriations Committee has again upheld the traditional legislative process.

The second item eliminated by the committee was that for $111,700,000 in military aid to Laos which was funded out of Department of Defense appropriations during the 1974 fiscal year. It would not be proper, in my view, to allow a program conducted under funds of the Department of Defense last year to be included in the calculation of stop-gap spending allowed under an entirely different appropriations category.

In addition, the spending rate of $111,700,000 which has been allowed so far is $26,500,000 more than the administration requested for military aid to Laos in the foreign aid program submitted to Congress. And it is $56,700,000 more than the amount recommended by the Foreign Relations Committee in S. 3394.

Mr. President, foreign aid legislation faces an uncertain future. We do not know whether an authorization bill will pass or not. Or, if it does, what authorization and appropriation levels will ultimately be agreed upon. The use of continuing resolutions to keep this controversial program alive when Congress will not fund it through the regular legislative process has, in the past, subverted normal legislative procedure and has undermined one of the major roles Congress carries out in the formulation of foreign policy, control of the purse strings. Through continuing resolutions the executive branch has gotten the money it wanted for a highly controversial program without being subjected to the restraints that Congress normally imposes through these bills.

I would personally like to see only salaries and necessary expenses allowed under the continuing resolution. But I realize that this may not be possible, under the circumstances.

The committee's amendments help to hold the executive branch's feet to the fire and discourage any temptation for the administration to undercut the Congress further by pushing for a continuing resolution into the next Congress. The Senate Appropriations Committee has again acted to support the traditional legislative process.

I ask unanimous consent to have

printed in the Record a copy of my letter to the chairman of the committee, dated September 23, 1974.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Foreign Relations,
Washington, D.C., September 23, 1974.
Hon. John L. McClellan,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: It has come to my attention that the spending level allowed for the foreign military assistance program under the continuing resolution is at an annual rate of $802,100,000.

As you know, Congress appropriated only $450,000,000 for this program for FY 1974. The foreign assistance authorization bill, S. 3394, due to come up for debate in the Senate this week, contains an authorization of $550,000,000 for the program. Under the criteria usually followed in continuing resolutions, the amount appropriated last year should be the rate allowed, since it is lower than the budget request.

The additional $352,100,000 in annual spending authority, above the FY 1974 appropriation, results from including in the spending level $250,000,000 in Department of Defense stocks provided to Cambodia in FY 1974 under the "drawdown" authority of Section 506 of the Foreign Assistance Act of 1961 and $111,700,000 in military aid provided to Laos last year from Department of Defense funds. Section 506, which expired on June 30, 1974, did not provide for spending authority but only authority to draw materials from Defense stocks for foreign aid purposes. The pending foreign assistance bill repeals this section of the Foreign Assistance Act to insure that all foreign military aid is authorized and appropriated in the regular way. To allow the value of the materials used under the expired authority of Section 506 to be included in calculating the rate of operations allowed under the continuing resolution subverts the authority of both the authorizing and the appropriations committees. Also, I hope that your Committee will not allow inclusion of the Laos item from the FY 1974 Defense program in the continuing resolution rate for foreign military aid.

Foreign aid legislation still faces on uncertain future in Congress. It is impossible to predict the amount that may be finally appropriated for the military assistance program, if authorization and appropriations bills are approved. The rate allowed for this program under the continuing resolution should be the lowest under normal criteria for such stop-gap measures in order to preserve maximum flexibility for the regular appropriations process. You know how the Congress has often been faced with arguments that items in the regular appropriation bills cannot be cut because high levels of spending have been permitted under a continuing resolution. The Executive Branch gets Congress over a barrel by these tactics.

There are signs that the Executive Branch may be aiming for a continuing resolution for the entire fiscal year in order to avoid the policy restrictions and money levels in the pending authorization bill. The spending rate allowed under the continuing resolution should be kept at a low level in order to avoid any such temptation.

The Senate Appropriations Committee has traditionally acted to support the normal legislative process. I hope that it will again do so by adopting the enclosed amendment to delete these two items from the rate allowed for the military assistance program.

Sincerely yours,

J. W. Fulbright,
Chairman.

H.J. Res. 1131

At the end of the joint resolution, add the following new section:

Sec. 3. The fourth unnumbered clause of section 10(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is amended by striking out all that follows "as amended" and inserting in lieu thereof a semicolon.

Mr. MANSFIELD. Mr. President, there will be no further votes or action tonight, but if I am correct, the pending business is the Cranston amendment.

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. And there is a 40-minute time limitation on that amendment.

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. To be followed by the Kennedy amendment on which there is a similar limitation.

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 1946

Mr. CRANSTON. Mr. President, I shall take just a few moments.

Mr. President, I ask unanimous consent that Jon Steinberg may have the privilege of the floor tomorrow during the consideration of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I also ask unanimous consent that I may send to the desk a modified version of my original amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of joint resolution insert the following new section:

Sec. 6. Such joint resolution is further amended by adding at the end thereof the following new section:

"Sec. 113. The amounts which may be obligated under this joint resolution for activities, programs, projects, or other operations funded by the Foreign Assistance and Related Programs Appropriations Act of 1974 during any month beginning after October 31, 1974, are hereby reduced by 10 percent of the monthly amount which would apply under this joint resolution but for the provisions of this section, multiplied by the number of calendar months which have elapsed after July 31, 1974."

Mr. CRANSTON. Mr. President, I would like just briefly to state that I believe that the chairman of the Committee on Appropriations will not feel, as he has felt in regard to some other amendments, that my amendment is not relevant to the continuing resolution.

It is only relevant to the continuing resolution in that it is designed to cut by increasing amounts the sums available each month for military and foreign assistance as long as we operate under a continuing resolution.

The cut would start with 30 percent in November, and the formula would add 10 percent to the amount cut each month.

Spending authority for October 1974 would not be affected, so as to allow some leadtime for planning the cuts in the first month.

These monthly reductions will apply as long as Congress does not act on the foreign aid bill.

The reason for this amendment is this, those who oppose the more restrictive provisions of the new foreign aid bill have, apparently, deliberately decided to stall for time and to delay action on the bill.

Apparently they think that some Senators and Representatives will vote one way before the election, but a different way after the election.

This amendment is designed to thwart this maneuver by placing increasing pressure on those opposed to provisions in the foreign aid bill so as to induce them to come to grips with and resolve the issues in that bill by joining in considering that bill on the Senate floor.

The foreign aid bill will follow the pending continuing resolution on the Senate floor.

The Senate should vote on the foreign aid bill as soon as possible.

My amendment would make that possible.

ORDER FOR RECOGNITION OF SENATOR HARRY F. BYRD, JR., AND SENATOR ROBERT C. BYRD TOMORROW AND FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that after the joint leadership has been recognized tomorrow, the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) be recognized for not to exceed 15 minutes; that the distinguished assistant majority leader, the Senator from West Virginia (Mr. Robert C. Byrd), be recognized for not to exceed 15 minutes; and that there then be a 15-minute period for the conduct of morning business with a time limitation of 3 minutes on statements therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MANSFIELD. Mr. President, I would anticipate that there is a possibility that the first vote may occur somewhere around the hour of 10:15, so Senators would be on notice.

After the Senate disposes of the continuing resolution tomorrow, it is the intention of the leadership to then go back to the unfinished business, which will be a bill to amend the Foreign Assistance Act of 1961.

It is anticipated that on Wednesday there will be three conference reports having to do with the Big Thicket, the Little Cyprus, or the Cyprus refuge, and one other to be taken up.

For the information of the Senate, the leadership on this side, at least, serves notice that it is very likely that we will begin to consider the three resolutions dealing with the tapes on a two-track basis beginning tomorrow or Wednesday or Thursday.

So I give that notice just to put the Senate on notice and also to raise the possibility that there may well be a Saturday session this week because it is the intent of the joint leadership to do everything in its power to bring about a recess beginning at the close of business Friday, October 11.

UNFINISHED BUSINESS TEMPORARILY LAID ASIDE TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid aside on a temporary basis tomorrow, as was the case today, until we dispose of the continuing resolution on appropriations.

The PRESIDING OFFICER. Without objection, it is so ordered.

PENDING BUSINESS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of morning business, the continuing resolution of the appropriations again be laid before the Senate and made the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON CALENDAR NO. 1121, H.R. 10337 RELATING TO SURFACE RIGHTS IN THE JOINT USE AREA OF THE 1882 EXECUTIVE ORDER HOPI RESERVATION

Mr. MANSFIELD. Mr. President, after discussing the agreement which I am about to propound with the distinguished Senator from Arizona (Mr. GOLDWATER) and the distinguished Senator from South Dakota (Mr. ABOUREZK), as well as the distinguished acting Republican leader, the Senator from Michigan (Mr. GRIFFIN), I ask unanimous consent that when Calendar No. 1121, H.R. 10337, is called up, which will be after the recess, that there be a time limitation of 2 hours on the bill, 1 hour on amendments; one-half hour on amendments to amendments, motions and appeals; that the time equally divided between the Senator from Arizona (Mr. GOLDWATER) and the Senator from South Dakota (Mr. ABOUREZK), and that rule XII be waived.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object, and I shall not object, I would want it understood, of course, that while the time arrangements are agreeable when the bill is brought up, there is disappointment, of course, that this matter is not being called up earlier, and that it cannot be before the recess. But insofar as the limitations on debate, it is my understanding that they are agreeable with Mr. GOLDWATER, and I assume they would be agreeable with Mr. FANNIN, who also has an interest in this as the manager of the bill.

Mr. MANSFIELD. They discussed it.

I would change the control of the time from Mr. GOLDWATER to his colleague (Mr. FANNIN).

Mr. HRUSKA. I do not know if he has been consulted.

Mr. MANSFIELD. Yes, by Mr. GOLDWATER.

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is ordered.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and at 7:05 p.m. the Senate adjourned until tomorrow, Tuesday, October 1, 1974, at 9 a.m.

DISTRICT OF COLUMBIA COMMISSIONER NOMINATION

Nomination received by the Senate September 30, 1974, from the Commissioner of the District of Columbia:

DIRECTOR OF CAMPAIGN FINANCE

Pursuant to the provisions of section 301 (a) of Public Law 376, 93d Congress, approved August 14, 1974, the following-named person for appointment as Director of Campaign Finance:

Carl H. McIntyre, Esquire, effective immediately upon appointment.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 30, 1974:

DEPARTMENT OF STATE

William D. Rogers, of Virginia, to be an Assistant Secretary of State.

Edward S. Little, of Ohio, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chad.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Monday, September 30, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Ask and it shall be given you; seek and ye shall find; knock and it shall be opened unto you.—Matthew 7: 7.

O God, from whom all holy desires, all good counsels, and all just works do proceed, give to us that peace which the world cannot give and which the world cannot take away that our hearts may be set to obey Thy commandments, to live in Thy love, and to walk in Thy ways.

Help us to keep open the windows of our souls to Thee that we may find our strength renewed and through the clamor and complexity of daily life may possess something of the peace of those whose mind is stayed on Thee. Grant that we the people may live in the sphere of the Spirit and by being faithful may bear fruit in gracious living for the good of all.

May Thy Spirit flow through the beloved wife of our President, healing her and giving her strength for these days.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 16032. An act to authorize the Secretary of the Treasury to change the alloy and weight of the one-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, N.Y.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 15301. An act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes.

The message also announced that the Senate had passed bills of the following title, in which the concurrence of the House is requested:

S. 2233. An act to establish the Hells Canyon National Recreation Area in the States of Idaho, Oregon, and Washington, and for other purposes; and

S. 2752. An act for the relief of North Central Educational Television, Inc.

The message also announced that Mr. HUGHES was appointed as an additional conferee on H.R. 14214, Health Revenue Sharing and Health Services Act of 1974.

APPOINTMENT OF CONFEREES ON S. 3164, RELIEF FOR CONSUMERS IN REAL ESTATE SETTLEMENT CHARGES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3164) to provide for greater disclosure of the nature and costs of real estate settlement services, to eliminate the payment of kickbacks and unearned fees in connection with settlement services provided in federally related mortgage transactions, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs.

Patman, Barrett, Mrs. Sullivan, Messrs. Ashley, Moorhead of Pennsylvania, Stephens, St Germain, Gonzalez, Reuss, Widnall, Brown of Michigan, Blackburn, Rousselot, Wylie, and Johnson of Pennsylvania.

RAILROAD RETIREMENT ACT OF 1937

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 15301) to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 15, line 2, strike out "mouths." and insert "months—".

Page 41, line 24, after "increase" insert "(converted to a decimal fraction)".

Page 53, line 7, strike out "of" and insert "on".

Page 61, line 3, strike out "'COMPENSATION" and insert "'COMPUTATION".

Page 64, line 12, after "tions" insert "in".

Page 65, line 6, strike out "subsection" and insert "subsections".

Page 75, line 1, strike out "months," and insert "month,".

Page 80, line 9, strike out "payments" and insert "payment".

Page 93, line 21, after "Disability" insert "Insurance".

Page 93, line 24, strike out "II," and insert "II".

Page 103, line 21, after "those" insert "of".

Page 113, line 22, strike out "4(1)" and insert "4(l)".

Page 114, line 14, strike out "(f)" and insert "(g)".

Page 115, line 7, strike out "4(1)" and insert "4(l)".

Page 116, line 11, strike out "206(a)(3)," and insert "206(3),".

Page 116, line 13, after "(C)" insert "such amount as the Board determines, on an estimated basis, is equal to the excess of (i) the interest which such account will actually earn in the fiscal years 1976 through 2000 over (ii) the interest which such account would have earned in such fiscal years if the provisions of subsection (e) of this section were identical to the provisions of section 15(c) of the Railroad Retirement Act of 1937.".

Page 116, lines 14 and 15, strike out "one-half of 1 percent of taxable payroll for each such fiscal year.".

Page 116, line 15, after "shall," insert "at the time of each actuarial valuation made prior to the fiscal year 2000 pursuant to the provisions of subsection (g) of this section".

Page 116, lines 15 and 16, strike out "during fiscal years 1979, 1984, 1989, 1994, and 1999".

Page 121, line 6, strike out "subsection" and insert "section".

Page 125, line 8, strike out "206(a)(3)," and insert "206(3),".

Page 130, line 17, strike out "as" and insert "or".

Page 133, line 22, strike out "(a)".

Page 134, line 6, strike out "subsection—" and insert "section—".

Page 135, line 11, strike out "subsection," and insert "section,".

Page 136, line 12, strike out "subsection" and insert "section".

Page 135, line 11, strike out "subsection," and insert "section".

Page 137, line 11, strike out "subsection" and insert "section".

Page 137, line 21, strike out "subsection" and insert "section".

Page 141, line 9, strike out "206(a)," and insert "206,".

Page 142, line 9, strike out "206(a)," and insert "206,".

Page 142, line 16, strike out "206(a)" and insert "206".

Page 143, line 6, strike out "202(1)" and insert "202(l)".

Page 144, strike out lines 17 and 18.

Page 144, line 19, strike out "(2)" and insert "(1)".

Page 144, line 22, strike out "(3)" and insert "(2)".

Page 145, line 1, strike out "(4)" and insert "(3)".

Page 147, strike out lines 1 and 2.

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the Record. They are purely technical.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF THE DEATH OF THE HONORABLE JOHN R. HANSEN OF IOWA

(Mr. SCHERLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHERLE. Mr. Speaker, I would like to request permission to address the House for 1 minute to announce with regret the passing on September 23, of my predecessor, the Honorable John R. Hansen. I also request permission for all Members to have 5 legislative days to revise and extend their remarks on the life and service of the late Representative Hansen.

Born in 1901, John Hansen was a native of Manning, Iowa. He attended the town grade school and high school, and in 1919 he left to further his education at the University of Iowa in Iowa City. Before coming to Washington, D.C., he served with distinction on the Iowa Board of Control of State Institutions, the Governor's Executive Council on Alcoholism, the Manning General Hospital Board, and the Iowa Commission for Intrastate Affairs. He also headed the Dultmeier Manufacturing Co. in his hometown as its president and general manager for many years. From 1962 to 1964, he held the post of western Iowa manager of the Savings Bond Division of the U.S. Treasury.

John was elected in 1964 to represent the old Seventh Congressional District which stretched through 19 counties in southwestern Iowa. After one term, in which he served on the House Banking and Currency Committee, he returned to Iowa and was appointed to the State highway commission. He retired in 1969 after 2 years of meritorious service. He lived in Winterset, Iowa, until he passed away in Des Moines' Mercy Hospital last Monday night. Funeral services were held at the United Methodist Church of Manning on Thursday morning.

I know my colleagues will want to join me in mourning the passing of John Hansen who devoted so much of his life to the service of his State and his country. Our sympathies are sincerely extended to his wife, Dorothy, his sons, Robert and Jack, and the other members of his family. We can assure them that his years of hard work, his industriousness and his fine contributions to his Government and his community will not be forgotten.

Mr. CULVER. Mr. Speaker, this week Iowa lost one of its most beloved senior public figures. John R. Hansen, our colleague in the 89th Congress, died Monday at the age of 73. A native of Manning and a graduate of the University of Iowa, John Hansen was a successful businessman before he retired in 1962 to devote most of his remaining career to public service. In addition to his term from what was then the Seventh District in the House of Representatives, he also served the State of Iowa on its board of control and on the highway commission. He also participated in a multitude of voluntary and community activities.

There are still many in the House who remember John Hansen with affection and respect. His sturdy character and convictions, his devotion to his constituents, friends, and family, and his clear vision and eternal freshness of outlook leave all who shared his friendship with a sense of loss but also of a life filled with accomplishment.

GENERAL LEAVE

Mr. SCHERLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the life, character, and public service of the late John R. Hansen.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PROPOSED INCREASE IN GAS TAX WILL PLACE BURDEN ON WORKING POOR

(Mr. WRIGHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WRIGHT. Mr. Speaker, in the wake of the economic summit some administration officials again are seriously suggesting a 10-cent-per-gallon tax on gasoline as a means of curbing inflation and conserving fuel.

At least one spokesman has even suggested a 20-cent-per-gallon tax.

Such a plan would be harshly inequitable. It would place the heaviest burden upon those least able to pay it—upon those who simply must use their cars daily to get to work or to perform their business responsibilities. The cost would be borne principally by wage earners and small business people.

These are the people who already have been most cruelly ravaged by inflation. To ask them now to bear a high additional cost seems almost unthinkable.

Such a plan would not deter the wealthiest among us from wasting gasoline in pleasure yachts and high horsepower automobiles.

But it would place a burden of considerable dimensions upon the working poor—those who already have suffered the most from high prices.

For most Americans, inflation is nothing more nor less than the high cost of living. Assuredly we do not cure it by deliberately adding to their cost of living.

PROPOSED COMMITTEE REFORM AMENDMENTS OF 1974

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, the so-called Bolling proposal will be before this body today. By very adroit public relations the members of that panel have had the membership believing that all righteousness and justice belongs upon their side.

The hard facts of the matter are that there are a large number of public interest organizations which are strongly opposed. I sent to the membership by a "dear colleague" letter this morning a letter signed by representatives speaking on behalf of the Sierra Club; the Environmental Policy Center; the Consumer Federation of America; the Environmental Action; the Public Citizen's Congress Watch, which is the Ralph Nader organization; and Friends of the Earth, in strong opposition to the so-called Bolling proposal, House Resolution 988, which we will be considering today.

I would point out there are many public interest groups which are violently opposed to this outrageous proposal because it is unwise in its conception and extremely destructive of good conservation and environmental values.

The letter to the Speaker is as follows:

Hon. CARL ALBERT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: We wish to express our concern over the present state of efforts to achieve House reform in the 93rd Congress. We endorse many of the structural and procedural Changes recommended by both the Select Committee and the Hansen Committee. But as representatives of national organizations concerned with legislation relating to the issues of health, natural resources, environmental protection, competition, and consumer protection, as they relate to national energy policy, we view the energy and environment committee proposed in H. Res. 988 as a devastating blow to the public interest.

The creation of a monolithic committee with jurisdiction over all energy and environment issues (except research and development) will not facilitate the rational consideration of national energy policy so much as it will enable the oil-coal-utility lobbies to capture one committee to serve their proposes. Public interest advocates, on the other hand, will be deprived of the opportunity of appealing to the broad-based constituency of Representatives who are now involved with energy issues. Moreover, because the energy and environment committee will be an exclusive membership committee, it will be susceptible to domination by members who represent energy production interests, particularly if the Ways and Means Committee continues to double as the Committee on Committees.

An early draft by the Hansen Committee included an approach to energy jurisdiction that made substantial improvements over the existing arrangement and at the same time avoided the dangers of H. Res. 988. The final Hansen Committee proposal, however, essentially maintains the status quo with respect to energy jurisdiction. While this is not reform, it is preferable to H. Res. 988. Yet the early work of the Hansen Committee illustrates that improvements are possible in the energy area.

Because of the complexity of committee jurisdiction and also because of the inflamed state of the House over this issue, we are not optimistic about improving either H. Res. 988 or the Hansen proposal on the floor of the House. Indeed, we fear that a floor battle at this time will result in the worst possible configuration of energy jurisdiction. Consequently, we believe that the public interest will best be served if an opportunity for further study and accommodation on the energy issue is provided before bringing the issue of reform to the floor of the House.

Sincerely,

Linda M. Billings, Washington Representative, Sierra Club; Joe Browder, Environmental Policy Center; Carol Tucker Foreman, Executive Director, Consumer Federation of America; Peter Harnik, Coordinator, Environmental Action; Mark H. Lynch, Public Citizen's Congress Watch; Ann Roosevelt, Legislative Director, Friends of the Earth.

COMMITTEE REFORM AMENDMENTS OF 1974

(Mr. HOLIFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOLIFIELD. Mr. Speaker, the Bolling resolution which will be before us today affects in a very damaging way two committees on which I serve. It absolutely guts the House side of the Joint Committee on Atomic Energy. It ignores the basic atomic energy statute that was passed by both the House and the other body and which by virtue of that fact became joined together like Siamese twins into the statute, and under the excuse that the Constitution permits the House to change its rules the legislation absolutely changes the function of the House side of the joint committee.

Mr. Speaker, this might be by interpretation considered a constitutional right, but I want to say this: That it is a slap in the face at the other body and their committee which is also established by the same statute as the House. It leaves dangling in the wind many important things not related to atomic energy directly but related to international arrangements and other types of legislation where the statute plainly says that the matter has to be referred to the joint committee of the House and the Senate.

In the case of the Committee on Government Operations, Mr. Speaker, it loads it down with extraneous duties which will make it incapable of action and puts embarrassing duties of oversight over the other committees of the House in their attempts to oversee, which is impractical. It would be obnoxious to any committee chairman and the Members of any other committee in the House. If one committeee of the House were to be given power to interfere with the procedures and functions of its sister committees to oversee their mandated oversight duties—to have the right to intrude into the text of their reports and to receive a priority in offering amendments. They would become the most hated committee in the House.

THE 55-MILE-PER-HOUR LIMIT

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, yesterday in driving down the Ohio and Pennsylvania turnpikes and trying to maintain the 55-mile-per-hour speed limit, I was almost pushed into the city of Washington.

I frankly think there are some ways we can enforce the 55-mile-an-hour speed limit, particularly on the turnpikes, if the coupons which indicate the time of entry on the turnpike and the time of departure were simply divided into the miles traveled. It would instantly point out the host of violators of the 55-mile-per-hour rule. I would say that of the 232,000 people yesterday who drove both turnpikes, I would estimate that over 200,000 were people who completely ignored the 55-mile-per-hour speed limit.

If we are to provide for fuel economy, if we are to reduce the demand for imported fuel, I think it is imperative that we enforce the 55-mile-per-hour speed limit in the various States.

I therefore recommend that the Nation's turnpikes adopt a speeding surcharge at the tollgate exits on all who disregard the 55-miles-per-hour speed limit. Of the 223,408 motorists who yesterday used the Ohio and Pennsylvania Turnpikes, I would estimate that 200,000 exceeded the posted limit. A $5 speeders tax would produce slower driving and millions of dollars in added revenue for the turnpike system while substantially reducing our gasoline consumption. This tax on speeders should amplify but not substitute for enforcing highway safety.

AMENDMENTS TO HOUSE RESOLUTION 1248 OFFERED BY MR. BENNETT

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, in the matter of reform in the House, there is an amendment which I have suggested before and which I plan to offer to the Bolling resolution and also to the Hansen of Washington resolution.

It provides:

> No Member shall serve as chairman of any standing committee for more than three full terms: *Provided,* That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution.

Mr. Speaker, in the case of the Bolling amendment this comes at page 39, line 18.

In the case of the Hansen of Washington amendment, it occurs at page 14, line 4.

Mr. Speaker, in the extension of remarks that I have already asked for in the Extensions Remarks of the RECORD, I will give my reasons behind this amendment.

RESIGNATION OF MEMBER OF NORTH ATLANTIC ASSEMBLY

The **SPEAKER** laid before the House the following resignation from the North Atlantic Assembly:

WASHINGTON, D.C.,
September 26, 1974.

Hon. CARL ALBERT,
Speaker's Office,
Washington, D.C.

DEAR MR. SPEAKER: I regret that I find it necessary to resign from the delegation to the NATO Assembly to which you so kindly appointed me.

Thanking you, I am,
Yours sincerely,
CHARLES S. GUBSER,
Member of Congress.

The **SPEAKER.** Without objection, the resignation will be accepted.

There was no objection.

APPOINTMENT AS A MEMBER OF NORTH ATLANTIC ASSEMBLY

The **SPEAKER.** Pursuant to the provisions of section 1, Public Law 689, 84th Congress, the Chair appoints a member of the U.S group of the North Atlantic Assembly the gentleman from Ohio (Mr. LATTA) to fill the existing vacancy thereon.

CALL OF THE HOUSE

Mr. **GROSS.** Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. **O'NEILL.** Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 543]

Abdnor
Addabbo
Anderson, Ill.
Andrews, N.C.
Aspin
Badillo
Barrett
Beard
Blatnik
Brasco
Broomfield
Burke, Calif.
Carey, N.Y.
Chisholm
Clark
Clay
Conyers
Crane
Davis, Ga.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Derwinski
Dickinson
Donohue
Dorn
Drinan
Eckhardt
Edwards, Ala.
Evans, Colo.
Fish
Fisher
Fraser
Gettys
Giaimo
Gibbons
Gray
Griffiths
Gubser
Guyer
Hanna
Hansen, Idaho
Hawkins
Hébert
Heckler, Mass.
Hillis
Huber
Jarman
Johnson, Colo.
Jones, Okla.
Ketchum
Kyros
Lent
McClory
McCloskey
McKinney
McSpadden
Madigan
Mann
Mayne
Mills
Minshall, Ohio
Mollohan
Moorhead, Caif.
Moorhead, Pa.
Murphy, N.Y.
Podell
Powell, Ohio
Price, Tex.
Rangel
Rarick
Rees
Reid
Rhodes
Riegle
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Roy
Runnels
Sandman
Shipley
Snyder
Spence
Steiger, Ariz.
Stokes
Symms
Tiernan
Towell, Nev.
Treen
Ware
Whitten
Young, Alaska
Young, Ga.
Young, S.C.
Zion

The **SPEAKER.** On this rollcall, 336 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE REFORM AMENDMENTS OF 1974

Mr. **BOLLING.** Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1395 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1395

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives. After general debate, which shall be confined to the resolution and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Select Committee on Committees, the resolution shall be read for amendment under the five-minute rule. Immediately after the reading of the first paragraph of H. Res. 988, it shall be in order to consider the text of the resolution H. Res. 1248 if offered as an amendment in the nature of a substitute for H. Res. 988. At the conclusion of the consideration of H. Res. 988 for amendment, the Committee shall rise and report the resolution to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the resolution or to the amendment in the nature of a substitute made in order by this resolution. The previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The **SPEAKER.** The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. **BOLLING.** Mr. Speaker, I yield 30 minutes to the gentleman from Nebraska (Mr. MARTIN), and pending which I yield myself 5 minutes.

Mr. Speaker, this resolution makes in order House Resolution 988, which is the resolution reported out of the select committee, which I have the privilege of chairing, a bipartisan 10-member select committee, which made its report in March.

After the first paragraph of that resolution is read, the resolution reported out by the Hansen committee of the Democratic Caucus will be in order as a substitute. That is the rule which was directed by the Democratic Caucus, and that is the rule that the Committee on Rules granted, with five Republicans voting for the rule and three Democrats voting for the rule, and with five Democrats voting against it and two Democrats not present.

This is a resolution which will give every Member of the House, regardless of his views, an opportunity to be heard on all the subject matter. It is a wide open rule. It will make it possible for every person who is interested to express his or her views, and it will treat fairly everybody who has a view.

I had thought that there might be very serious opposition to the adoption of this rule, and I had planned to go into the matter extensively. I still will if opposition develops, but at the moment I find myself with only one request for time. Since it seems to me unthinkable that the House of Representatives would not consider this matter, I do not propose to debate it more fully. A vote against the rule is a vote to say that we will not even consider a matter which has not been treated by the House of Representatives for 28 years. Twenty-eight years ago is the last time that the House reorganized itself. I do not believe that there is a Member here, no matter how much he may disagree with the content of this resolution, who does not agree that there needs to be a reorganization. Consequently I shall reserve the balance of my time, and will speak later if there are additional requests for time on my side by Members who wish to oppose the rule. I urge that the rule be adopted.

Mr. **MARTIN** of Nebraska. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, as the gentleman from Missouri has explained, House Resolution 1395 provides for a completely open rule with 4 hours of general debate on House Resolution 988, the resolution reported out of the Select Committee on Committees in regard to revising rules 10 and 11 of the House.

In addition, it makes in order as an amendment in the nature of a substitute House Resolution 1248, a resolution introduced by the gentlewoman from Washington (Mrs. HANSEN).

This resolution was reported out of the Select Committee on Committees over 6 months ago. We have had a great deal of delay that has been brought about to the consideration of this resolution on the floor of the House and, in fact, in the Committee on Rules, primarily by the actions of the Democratic Caucus, by the actions of outside influences outside of the Congress itself, and also it is due to the work of some of the Members of this body.

When we were able finally to hold hearings in the Committee on Rules on this matter—and they extended over the past 2 weeks—it seemed strange but true that the number of witnesses continued to increase day by day. I think we had a total of between 20 and 25, and of course they all did not show up, but it continued to increase nonetheless. Some stated very frankly that it was their purpose in testifying before us to hold up any action on this resolution in this Congress. Some were very frank about it in their statements. Others called obviously were attempting to do the same thing, but did not so state.

Let me quote some of the arguments that these people made to the Committee on Rules, as to why this should not be considered: First, that by changing the jurisdiction of some of our committees that we would lose the expertise that has been built up over a number of years by the Members of Congress who serve on those committees presently. Second, we would lose the expertise acquired by the staff over the years.

Back in 1946, Mr. Speaker, we had 48 committees in the House, and the Reorganization Act of 1946 reduced that to 19 House committees. The same argument was made back in 1946. A good many committee chairmen lost their committee chairmanships in 1946 when there was a reduction from 48 committees to 19.

We are going to maintain the same number of committees, according to the recommendations of House Resolution 988. This is simply a fallacious argument to postpone any action and continue operating as we are today.

Then the argument was made by the chairman of one committee that the Members of the House had not had adequate time to consider this resolution. Let me point out to the Members that when this committee was created on January 31, 1973, the 10 members of this bipartisan committee who were selected by the Speaker met, and each of us took approximately 42 or 43 names of other Members of the House, and we attempted to visit informally with each one of those on our list to get informally any suggestions or ideas that the Members might have in regard to the problems and the work that confronted us in future months. We did not get everyone seen, but we attempted to do that and saw a vast majority of the Members of the House.

Then a letter was sent out to all 435 Members of this body inviting them to come in and testify before us. Every single Member received that letter.

We had lengthy testimony 5 days a week for many weeks, and many of the Members did come and testify.

Then on December 7 the committee reported out in capsule form a brief statement—a preliminary statement, not a final statement—of some of the ideas that we had promulgated and brought together for the benefit of the Members themselves to know the channels in which our thinking was going. This went out on December 7 of last year.

Then early this year the select committee sent out a letter to every Member of the House inviting each Member to submit a statement as to what should or should not be included in our recommendations. Not too many Members answered that request for information.

So the Members have had ample opportunity to include their input and their thinking, along with the work of the select committee, into our final report.

One other item I want to mention that was brought up in the testimony before the Committee on Rules by one or two Members is in regard to the amount of money that was authorized in the original resolution adopted on January 30, 1973, of $1½ million. I can report to the Members—this is public information and I get these figures every month which the chairman sends over to me—as to how much money has been spent and how much is still to be expended.

Let me give the Members the figures up to September 1 of this year. We do not have them yet for September. The committee still has, of $1½ million authorized, $896,807.25. This is for about 19 or 20 months of operation, so the Members can see that the select committee has been frugal and careful in the expenditure of their funds.

There will be a substantial amount of this $1½ million that will be turned back and will not be expended.

Mr. Speaker, this is an open rule, as I explained. Every Member will have an opportunity to work his or her will as to the final package to be adopted. It is of tremendous significance and importance that we should adopt a resolution to change rules X and XI of the House as outlined by the select committee's work.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, it seems to me that the type of jurisdictional adjustment envisioned in this reform legislation is long overdue. I cannot understand the feeling by some Members that they want to oppose as eminently fair a rule as this.

The proposed rule would permit the House to work its will. I think most of us have reservations about one or another jurisdictional matters embodied in the legislation. This is part of the process of our working our will, that we try to bring about adjustments in that respect. The rule in no way prevents this.

It seems to me the work of the distinguished gentleman in the well and the distinguished gentleman from Missouri has been long and diligent. I compliment them on their effort.

Mr. Speaker, I urge strong support of this rule today.

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, I thank the gentleman from New York for his remarks.

I would like to call to the attention of this body the report of the Louis Harris poll which was published this morning in the Washington Post in regard to the confidence of the people in the various branches of the Federal Government. In regard to the Congress of the United States, Mr. Harris reports that as of a week ago when this poll was taken confidence was at an all-time low. Only 18 percent have confidence in the Congress of the United States. This is a drop from last year when it was 29 percent, in 1972 it was down to 21 percent, and in 1964 it was at a high of 42 percent.

So, Mr. Speaker, we are at the lowest percentage, 18 percent, according to Mr. Harris' poll, of those who have confidence in the Congress of the United States, which makes it doubly imperative that the House, this body, take action on reform.

Mrs. SULLIVAN. Mr. Speaker, I would like to take just a few minutes to discuss my views with respect to House Resolution 988, the Select Committee on Committee's reform proposal, and House Resolution 1248, the proposal from the Committee on Organization, Study, and Review. This discussion will explain my opposition to the rule granted by House Resolution 1395, which is now up for consideration.

In its original proposal on December 7, 1973, the select committee recommended that the Merchant Marine and Fisheries Committee be abolished. We, of course, opposed the elimination of our committee with all the weapons at our command. We were joined in this opposition by the constituent interests served by our committee, such as the spokesmen for the merchant marine, the oceanography and Panama Canal interests, the conservationists, and the environmentalists.

The select committee in House Resolution 988, introduced on March 19, 1974, reversed to a certain extent its previous unpopular recommendation and partially retained the Merchant Marine and Fisheries Committee with its juridisction over merchant marine, the Coast Guard, and the fisheries. It stripped away a substantial portion of our important and contemporary jurisdictions. In fact, the select committee recommendation took away our jurisdiction over oceanography Panama and interoceanic canals, deep water ports, coastal zone management wildlife and wildlife refuges, and our responsibility over national environmental policy. This stripping away of approximately 60 percent of our historic and traditional jurisdictional responsibilities was totally unacceptable and we continued the fight against this recommendation. We have not wavered in our belief that the transfer of these responsibilities from our committee is a grave error and certainly is not in the best interests of the work of the Congress, or the Nation.

I am convinced that this fracturing of the integrated jurisdiction of the Merchant Marine and Fisheries Committee is wrong. In this same vein, I am as equally convinced that the decisions of the select committee with respect to the other jurisdictional committee areas are misconceived and incorrect. I am totally opposed to the splitting of the Education and Labor Committee. I do not agree with taking the traditional transportation out of the Committee on Interstate and Foreign Commerce. I think it is a mistake to eliminate the Post Office and Civil Service and the Internal Security Committees, and I do not understand the emasculation of the Ways and Means Committee by the provisions of House Resolution 988.

Aside from the committee jurisdictional aspects of House Resolution 988, I found many problems and dangers inherent in the proposed procedural changes in House Resolution 988 in many instances. For example, it appears to be a subtle instrument to transfer power in the House, and there are many other objectionable features, such as the so-called one-track system which would require one Member, one major committee membership. I do not agree with the elimination of proxy voting and the substantial increase in staffing as required by both reform proposals. Also, I have questions and misgivings with respect to the new oversight provisions which would be required by House Resolution 988.

On May 17, 1974, I sent a 13-page memorandum to the Honorable Julia Butler Hansen, chairman of the Committee on Organization, Study, and Review. In this memorandum, I set out clearly my objections to the jurisdictional changes and the procedural aspects of House Resolution 988. I do not want to take the time to go into all of those views set out in that memorandum, and I have already indicated some of the areas of concern in House Resolution 988. Suffice it to say that I had questions and misgivings concerning almost every change recommended by the Select Committee on Committees.

I think all the Members realize that

I have spoken out against House Resolution 988 in every forum available to me and I have submitted a series of articles in the CONGRESSIONAL RECORD setting out my objections to this dangerous attempt to change in the House under the guise of reform.

It is my firm conviction that many, many of the provisions of House Resolution 988 are not well thought-out and are misconceived. I am convinced that if House Resolution 988 were to prevail in its present form, or in any state resembling its present form, it would be a disaster to the operations of the House of Representatives and would tear the membership of the House apart, Democrat and Republican alike, because the Members, as well as the staffs and the constituent interests of the committees, all will be at sea and not know where to go. I think this change, masquerading as reform, will result in one huge mixup operationally in the House to such an extent that we will not be able to legislate, not only properly, but at all, in many areas. It should also be borne in mind that operating in the context of this legislative confusion will be a considerable number of new Members who certainly will be confused and disadvantaged by the chaos resulting from ill-conceived House reform.

For these reasons, Mr. Speaker, I oppose the provisions of House Resolution 988. If we must have reform at this time, I would support something along the lines of House Resolution 1248, which is certainly a much more moderate and sensible reform proposal.

In light of the position I have just stated on this general attempt to change in the jurisdictions and procedures of the House of Representatives, I will vote against House Resolution 1395 and hope that the rule is defeated.

Mr. FRENZEL. Mr. Speaker, I urge the adoption of this open rule so the House can begin work on the necessary job of jurisdictional reform.

A vote against this rule is a vote for no reform at all, or rather its a vote in support of our obsolete structure in which both we and the general public, if polls are to be believed, have little confidence.

A vote for the rule lets us begin the vital debate on reform. I strongly support House Resolution 988 as essential reorganization, but I even more strongly support the rule which will give us a chance to begin the debate and be recorded as to our enthusiasm to improve our structure and capabilities.

Mr. GUNTER. Mr. Speaker, I rise in support of the adoption of the Rule to House Resolution 988, the reform and reorganization plan for the House of Representatives proposed by the Select Committee on Committees.

This is a long day coming.

But it is a day when we will take that final step to answer a question I have heard many times in the past year-and-a-half: "Just how serious is Congress about reform?"

There have been good signs from the 93d Congress.

It now takes a majority vote of Members present to close committee meetings.

We have strengthened the roll of the caucus on matters of committee assignments and policy positions.

And, most importantly, we have created a new Budget Committee and Congressional Budget Office which is an historic step toward a return to fiscal responsibility by the Congress.

The 93d Congress has, in effect, taken actions which may one day give it the reputation as the Congress that reformed.

But we must complete that task.

What we do in the debate today and in the days ahead will decide such fundamental questions as whether this House is more concerned with preserving legislative fiefdoms than organizing itself in human needs.

I trust, therefore, that those who support the other two main alternatives to the recommendations of the select committee will nonetheless support the granting on this rule lest its rejection be interpreted as a vote against reform.

I, too, have some questions regarding aspects of the bill reported by my distinguished colleague, RICHARD BOLLING, and the other members of the committee and staff which worked with dedication to report its recommendations.

For example, I am not certain that we need or want to split the Education and Labor Committee. Many useful programs, such as vocational education and training, cross both ways.

Nor do I want to see, as some environmental groups seem to fear, the creation of an Energy and Environment Committee that could become dominated by the big oil companies.

It is my own intention to offer two amendments.

The first, the "Sunshine amendment," patterned after legislation adopted and successfully implemented in Florida, would prohibit secret meetings where public business is discussed. My amendment would prohibit all such committee meetings except in narrowly defined instances involving national defense or individual privacy. Even in those few cases, a majority vote of Members present would be required.

A second amendment will be to create a Select Committee To Investigate the Oil and Gas Industries. People in my State and throughout the country, Mr. Speaker, are outraged by two statistics that seem to rise in tandem: Fuel prices and oil profits. A long, hard congressional investigation is overdue.

My point is that these amendments, changes, and modifications can all be discussed and approved or rejected during consideration of House Resolution 988. If a majority of the House then finds that it disagrees with the amended bill, we might then consider a substitute.

We have come too far down the road to congressional reform to reject a rule, Mr. Speaker.

Let us adopt the rule and get down to business.

Mr. CLEVELAND. Mr. Speaker, as a long-time supporter of procedural and structural reforms to strengthen the Congress and to improve our ability to do the job entrusted to us, I rise in support of the rule.

A vote to clear the way for debate, amendment, and action on both the Bolling-Martin and Hansen resolutions offers this body at long last an opportunity to undertake a critically urgent piece of unfinished business.

We haxe opened our proceedings by restricting closed rules and providing for open markup of legislation. We have curbed the warmaking powers of the executive branch. We have established a long overdue process for development of a congressional budget. We have instituted an impeachment inquiry which led to the resignation of a President, partly on grounds of abuse of power. And we have passed a version of campaign finance legislation, to reform the process whereby Members are elected to office in the first place.

This has been done in the name of asserting congressional authority and responsibility, curbing abuses and rebuilding public confidence in our institutions. But their total effect will be severely undercut if we balk at the final, most painful act of putting our own house in order.

If we defeat this rule, we throttle further progress toward reform. And if the reform proposals are blocked, not on their own merits but by a procedural device, we will negate the effects of some of our earlier reforms. Thus by this vote we either move forward or backward. There is no in-between.

There is absolutely no justification for defeating this rule. The Bolling-Martin reform package has been developed over more than a year and a half through an open process. Members have had ample opportunity to contribute and make their views known. It has been aired extensively before the Committee on Rules and in the Democratic Caucus.

The opponents bear a special burden, particularly in view of the action of the Democratic caucus in delaying consideration of the Bolling-Martin package and referring it to an unsympathetic subcommittee for the drafting of a watered-down alternative. In the process, the opposition has deprived itself of any argument for a defeat of the rule.

Those who are aware of our actions here today—alas not many—won't be deceived by any strategem or subterfuge, business as usual or politics as usual.

The continuing energy crisis is a constant reminder of the inability of the Congress to deal with major problems. We still are forced to deal with inflation piecemeal. Recommendations will come before us demanding rational constructive and doubtless controversial action. We are not equipped to deal with them in a coordinated and comprehensive fashion. What is more, we lack the public confidence to generate the nationwide support any successful attack on inflation will demand.

The Harris survey reported today that—

> Congress has now fallen in public confidence to a new low, despite public appreciation for the way it handled the impeachment proceedings.

The Supreme Court, the academic

community, the Military Establishment, the media and business now outrank us in public esteem.

There is great need for congressional reform, as has been apparent to me from my service on the Republican task force on the subject in the mid-1960's and since on the Joint Committee on Congressional Operations.

I urge my colleagues to support the rule and move on to enactment of meaningful reforms. Any other outcome would be a disgraceful spectacle of dog-in-the-manger obstructionism which would further erode public confidence in the Congress as an institution.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legslative days in which to revise and extend their remarks on House Resolution 1395.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, I have no further request for time, and I move the previous question on the resolution.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HOLIFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The vote was taken by electronic device, and there were—yeas 326, nays 25, not voting 83, as follows:

[Roll No. 544]

YEAS—326

Abzug
Adams
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Wis.
Dellums
Dennis
Dent
Devine
Diggs
Downing
Drinan
Dulski
du Pont
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Fascell
Findley
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Hogan
Holt
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCollister
McCormack
McDade
McEwen
McKay
Madden
Mahon
Mallary
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mitchell, N.Y.
Mizell
Moakley
Montgomery
Morgan
Mosher
Murphy, Ill.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zwach

NAYS—25

Alexander
Ashbrook
Brooks
Chamberlain
Clark
Davis, S.C.
Dingell
Duncan
Evins, Tenn.
Ford
Gross
Hébert
Holifield
Kuykendall
Landgrebe
McFall
Macdonald
Mink
Moss
O'Hara
Passman
Staggers
Sullivan
Waggonner
Young, Tex.

NOT VOTING—83

Abdnor
Addabbo
Anderson, Ill.
Andrews, N.C.
Barrett
Beard
Blatnik
Brasco
Carey, N.Y.
Chisholm
Crane
Davis, Ga.
de la Garza
Delaney
Dellenback
Denholm
Derwinski
Dickinson
Donohue
Dorn
Eckhardt
Edwards, Ala.
Evans, Colo.
Fish
Fisher
Gettys
Giaimo
Gray
Griffiths
Gubser
Guyer
Hanna
Hansen, Idaho
Hawkins
Hillis
Hosmer
Huber
Jarman
Johnson, Colo.
Jones, Okla.
Ketchum
McClory
McCloskey
McKinney
McSpadden
Madigan
Mann
Mayne
Mills
Minshall, Ohio
Mitchell, Md.
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Murphy, N.Y.
Nix
Podell
Powell, Ohio
Price, Tex.
Rarick
Reid
Rhodes
Riegle
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Roy
Runnels
Sandman
Shipley
Snyder
Spence
Steiger, Ariz.
Stuckey
Symms
Towell, Nev.
Treen
Whitten
Wyatt
Young, Alaska
Young, Ga.
Zion

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Murphy of New York with Mr. Reid.
Mr. Rhodes with Mr. Rarick.
Mr. Moorhead of Pennsylvania with Mr. Dorn.
Mr. Rooney of New York with Mr. Hanna.
Mr. Fisher with Mr. McSpadden.
Mr. Barrett with Mr. Gray.
Mr. Mitchell of Maryland with Mr. Podell.
Mr. Young of Georgia with Mr. Blatnik.
Mr. Carey of New York with Mr. Zion.
Mr. Addabbo with Mr. Hansen of Idaho.
Mr. Mollohan with Mr. Hosmer.
Mr. Denholm with Mr. Roy.
Mr. Delaney with Mr. McCloskey.
Mrs. Chisholm with Mr. Davis of Georgia.
Mr. Roncalio of Wyoming with Mr. Dickinson.
Mr. Shipley with Mr. Minshall of Ohio.
Mr. Hawkins with Mrs. Griffiths.
Mr. de la Garza with Mr. Beard.
Mr. Donohue with Mr. McKinney.
Mr. Evans of Colorado with Mr. Abdnor.
Mr. Jarman with Mr. Fisher.
Mr. Jones of Oklahoma with Mr. Crane.
Mr. Riegle with Mr. Gubser.
Mr. Rogers with Mr. Anderson of Illinois.
Mr. Runnels with Mr. Edwards of Alabama.
Mr. Nix with Mr. Dellenback.
Mr. Eckhardt with Mr. Hillis.
Mr. Whitten with Mr. Guyer.
Mr. Andrews of North Carolina with Mr. Huber.
Mr. Gettys with Mr. Madigan.
Mr. Mann with Mr. Mayne.
Mr. Mills with Mr. Moorhead of California.
Mr. McClory with Mr. Price of Texas.
Mr. Sandman with Mr. Snyder.
Mr. Towell of Nevada with Mr. Spence.
Mr. Roncallo of New York with Mr. Steiger of Arizona.
Mr. Young of Alaska with Mr. Symms.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. BOLLING. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives.

POINT OF ORDER

Mr. DINGELL. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. DINGELL. Mr. Speaker, I make a point of order against consideration of House Resolution 988 and against the report. At this point it is being violative of the provisions of rule XIII, clause 3, also known as the Ramseyer rule, which reads, in part, in the following way:

> 3. Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof it shall include in its report or in an accompanying document—
>
> (1) The text of the statute or part thereof which is proposed to be repealed; and
>
> (2) A comparative print of that part of the bill or joint resolution making the

amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions proposed to be made.

Mr. Speaker, referring now to the Ramseyer portions of the rule, I read with regard to the one Committee on Energy and Environment and I come on down and read:

> The legislative jurisdiction of which shall include (1) energy and resources, including energy regulation, energy conservation, and allocation, non-military aspects of nuclear energy, other than research and development and energy power administration.

I refer most specifically to the conferring of jurisdiction over "non-military aspects of nuclear energy."

Mr. Speaker, I refer to the provisions of the United States Code, title 42, sections 2251, 2252, 2253, 2254, 2255, 2256, and 2257.

In the case of section 2251: There is established by statute still in force and effect, and I read as follows:

> "There is established a Joint Committee on Atomic Energy to be composed of nine Members of the Senate to be appointed by the President of the Senate, and nine Members of the House of Representatives to be appointed by the Speaker of the House of Representatives.

Coming down to section 2252, I quote:

> Authority and duty.
>
> The Joint Committee shall make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy.

Going further down in the same section, I find this language:

> All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Commission or to the development, use, or control of atomic energy shall be referred to the Joint Committee. The members of the Joint Committee who are Members of the Senate shall from time to time report to the Senate, and the members of the Joint Committee who are Members of the House of Representatives shall from time to time report to the House, by bill or otherwise, their recommendations with respect to matters within the jurisdiction of their respective Houses which are referred to the Joint Committee or otherwise within the jurisdiction of the Joint Committee.

Coming down now, Mr. Speaker, to section 2254, I find the following language:

> In carrying out its duties under this chapter, the Joint Committee, or any duly authorized subcommittee thereof is authorized to hold such hearings or investigations, to sit and act at such places and times, to require, by subpena or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths."

And so forth and so on.

Coming on down, we find the provisions with respect to the power of subpena, the utilization of Federal departments and agencies, armed protection, classification of information, and records.

Mr. Speaker, I trust the Chair has before him a copy of the committee report and the Ramseyer rule. I note, for the benefit of the Chair, that nowhere in the Ramseyer report or the Ramseyer section, referring most specifically to pages 148 and 149, can we find any reference to the Atomic Energy Act nor can we find any reference to the sections cited which would be amended by the language which I have referred to in the Ramseyer portion of the proposed rules, but, rather, on the other side of the page we find reference to the Committee on Interior and Insular Affairs. No reference do we find whatsoever to the Joint Committee on Atomic Energy.

These proposed rules would set up sections which contravene the requirements of the Atomic Energy Act and which do not comply with the statutes or, rather, which do not comply with the Ramseyer rule which I have cited, which is rule XIII, clause 3.

It is very plain, Mr. Speaker, from a reading of the report and from a reading of the language of the resolution before us, that nowhere does the resolution refer in any fashion to the Atomic Energy Act, nor in any fashion does it refer to repeal, alteration, or amendment—and I leave that to the judgment of the Chair—of the Atomic Energy Act or the changes, amendments, alterations, repeals, or impingements upon the prerogatives of the Joint Committee on Atomic Energy, as set forth by statute.

So here we have the provisions of the resolution before us, House Resolution 988, actually amending a statute duly enacted by the Congress, properly signed by the President, duly published in the revised statutes in the United States Code, which has been cited by me, and which would be amended by the proposed rules, since it would purport to set up a committee which would have responsibilities which would compete with and which might subtract from the powers of the Joint Committee on Atomic Energy.

It, therefore, is an attempt in point of fact, if not in language, to alter or amend or repeal a statute of the United States.

Mr. Speaker, I would point out that the Bolling committee, after a million and a half dollars expended and untold numbers of staff personnel hired, has not been able to comply with the rules of the House.

The Ramseyer rule requires automatic and immediate recommittal to the committee of jurisdiction, and it would be my prayer that in recommitting that, the committee might then read the Ramseyer rule, comply therewith, and bring us a bill indicating clearly the statutes which are amended, altered, or changed in conformity and in accordance with the requirements of rule XIII, clause 3.

I, therefore, Mr. Speaker, demand and insist upon my point of order, since the committee with legislation before us has not cited the statutes which are being altered, repealed, or amended by the resolution before us.

Mr. BOLLING. Mr. Speaker, I desire to be heard on the gentleman's point of order.

The SPEAKER. The Chair will hear the gentleman.

Mr. BOLLING. Mr. Speaker, the rule cited by the gentleman from Michigan (Mr. Dingell) is rule XIII, clause 3, and I would like simply to read the first few words of that: "Whenever a committee reports a bill or a joint resolution repealing or amending" and so forth.

What is before the House is a simple resolution, and therefore, the rule does not apply to it.

In further explanation of the procedure pursued by the Select Committee, we very carefully relied on the Constitution of the United States, which says:

> Each House may determine the Rules of its Proceedings.

We recognize that we did not deal neatly with the problem of the Joint Committee on Atomic Energy, but we thought we dealt with it effectively in terms of the House of Representatives.

I thank the Speaker.

The SPEAKER. The Chair is ready to rule.

The clause to which the gentleman relates is clause 3 of rule XIII, and it reads:

> Whenever a committee reports a bill or a joint resolution repealing or amending any statute or part thereof it shall include in its report or in an accompanying document—

The specific language of clause 3 of rule XIII pertains to a bill or to a joint resolution which must be acted upon by both Houses of the Congress.

The pending matter before the House is House Resolution 988. It is neither a joint resolution nor a statute. Therefore the provisions of clause 3, rule XIII are inapplicable and the Chair overrules the point of order.

The question is on the motion offered by the gentleman from Missouri (Mr. Bolling).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. Res. 988), with Mr. Natcher in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Missouri (Mr. Bolling) will be recognized for 2 hours, and the gentleman from Nebraska (Mr. Martin) will be recognized for 2 hours.

The Chair recognizes the gentleman from Missouri (Mr. Bolling).

Mr. BOLLING. Mr. Chairman, before taking the floor to discuss the resolution I would like to work out a problem that we have, or that I have, and it is a problem of an informal arrangement.

In the Committee on Rules, when we were discussing the rule, some point was made that the gentlewoman from Washington (Mrs. Hansen) should be given some time. It was agreed that Mrs. Hansen would be allocated 1 hour, one-half hour from the time of the gentleman from Nebraska, Mr. Martin's 2 hours, and one-half hour from the time of the gentleman now speaking.

Subsequent to that I learned that Mrs. Hansen's committee sought one-half of the full time. In other words, 2 hours.

I thought the gentleman from Nebraska was doing nobly by the Democrat causes when he yielded half an hour, and I did not feel that I was in any position to call on him for much more time. But that left me in a position, in order to guarantee the gentlewoman from Washington (Mrs. HANSEN) half the time, of giving up an hour and a half of the 2 hours allocated to the majority. I am prepared to do that if necessary, but I gather from some informal conversation with the gentlewoman from Washington that the gentlewoman is willing to agree to another arrangement. I would like to know what we can work out so that I will know how much time the chairman of the committee representing the majority has to yield to majority Members, because I intend to honor the spirit of the agreement if the gentlewoman requires an hour and a half from me. I am sure many Members will be unhappy with me, but I intend to honor that hour and a half.

Mrs. HANSEN of Washington. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I will be glad to yield to the gentlewoman from Washington.

Mrs. HANSEN of Washington. Mr. Chairman, the gentleman from Missouri poses a very difficult problem because literally the only opposition to House Resolution 988, per se, is in House Resolution 1248, which will be offered as an amendment and, automatically, under the 5-minute rule, it could take an endless amount of time upon that. However, in the interest of trying to be reasonable I would just like to point out that there are really three resolutions that are being discussed, House Resolution 1321, which was introduced by the distinguished gentleman from Nebraska (Mr. MARTIN), House Resolution 988, which was the major resolution, and House Resolution 1248, which was prepared at the direction of a majority of the Congress, introduced by myself and other Members of the House.

It would seem reasonable that since we are split three ways that there be approximately one-third of the time used for the presentation of House Resolution 1248.

I do not like to be unreasonable or demanding. However, I understand there will be a great many questions asked, and the debate may be rather strenuous, I imagine, at certain points. I am sure the gentleman from Missouri understands exactly what I am talking about, so this is the reason, in the interest of fairness, that we have at least approximately the proper amount of time that the opposition has within the majority party to some portions of House Resolution 988.

Mr. BOLLING. Mr. Chairman, I would say to the committee and to the gentlewoman that that seems to me a reasonable request. The gentleman from Nebraska has agreed to make available to the gentlewoman 30 minutes; in order to see to it that she has a third of the time, I will make available 50 minutes. That will leave the majority side approximately 1 hour and 5 minutes from this moment on. I think that we can adequately divide that up. That seems to me a reasonable arrangement which I can make without calling on my distinguished friend from Nebraska for further sacrifices. So we will proceed under that arrangement.

I will see to it that the gentlewoman from Washington (Mrs. HANSEN), has 50 minutes from this side. The gentleman from Nebraska has agreed to 30 minutes, and that will leave me a little bit less than 1 hour and 10 minutes, and the gentleman from Nebraska will have 1 hour, 30 minutes. We will allocate the time in accordance with that agreement.

Mr. Chairman, I now yield myself 15 minutes.

Mr. BOLLING. Mr. Chairman, I have been a long time getting here, but I am very grateful to the House and to the Democratic Caucus and to the Committee on Rules for giving us an opportunity on behalf of the House to present a proposition which is very controversial.

There are three different kinds of opposition. I am not going to name any names or mention any people or any groups. But there are some people who honestly and sincerely believe that this product of the select committee is in serious error and is a gross mistake. On the basis of listening patiently to those who have criticized the proposal, I have come to the conclusion that that group represents a relatively small number.

The one that disturbs me most of all of that group, and the one who gives me the most pause—and I am going to mention one name because I want to make it very clear to him and to the committee that I believe absolutely in his sincerity—is my very old friend, the gentleman from California (Mr. HOLIFIELD). I know his opposition is absolutely based on his conviction that it is not the best thing for the country. There are others who fall in that category.

Then there is a second group whose attitude is perfectly understandable. They are people who feel very strongly that what is done is unwise, but they have, at least to a degree, a considerable amount of that normal human concern for their own fate and their own futures. And there is nothing wrong with that. We all have a concern about our political careers and our places in this institution but it is in a different category of concern. It is conceivable that those two kinds of concerns can be mixed. I have no argument with anybody who has that feeling.

But there is very clearly a third element involved in this, and it is neither particularly concerned about what is good for the country except as that element sees what is good for the country as what is good for the element, nor is it concerned about its own career.

There are people with whom I have worked for many years in many good causes who for some reason or another have arrogated to themselves the right to decide or who have sought to arrogate to themselves the right to decide what the institution was going to do about its own internal affairs. They are various. They come from all segments of the society but the largest effort has come from a part of the labor movement.

I think it is terribly important to recognize the different elements of opposition because none of us on the committee has the arrogance to suggest that we have produced a perfect product. We have thought since March that we have produced a good enough product that it deserved consideration and that is all we have thought. We are now for the first time having the opportunity to begin to present our case. The opportunity is here.

I do not want to go into all the details. I do not want to take a great deal of time. I am well aware that I have become the lightning rod in this matter. I am well aware that this has become something that it is not: the Bolling resolution. Nothing could be further from the truth. This is a resolution of a committee of ten supported by a staff of great qualifications and even brilliance which did, as did the Committee on the Judiciary, come together and become a committee. We started out as a group of 10 men, 5 Republicans, some of them conservative, and 5 Democrats, some of them liberal. We ended up with a unanimous report, with not any detail of which all ten of us agree, but we ended up with a proposal on which there was a decision to report something we considered worthy of going to the House.

I am not going to go into the details. I was not on the drafting committee. The drafting committee consisted of the gentleman from Maryland (Mr. SARBANES) and of the gentleman from Wisconsin (Mr. STEIGER).

The result of their effort was presented to the full committee in open session, in open markup, which I believe lasted about 135 hours, after we had preliminarily made a tentative proposal to the House on the 7th of December. The open markup concluded in the middle of March and the report became available to every Member on the 19th and 21st of March.

All we sought to do was to give every Member of this institution a fair opportunity to examine what we did and make up their own minds. I have never sought to speed the process up until the very last weeks. When Members wanted more time for the caucus, I acquiesced. When they wanted later caucuses, I acquiesced. When Members wanted to postpone scheduled meetings of the Committee on Rules, I acquiesced. It was only in the later stages when we either had the opportunity for it to be considered or not that I began to press.

Now, I do not think it is too much to ask that the House carefully consider for the first time in 28 years a serious proposal to reorganize its work. I, least of all, expect the Members of this institution to rubberstamp any committee's proposal which affects this institution, which affects their careers, which affects the welfare of the country, casually. I would not want to take the full responsibility for any mistakes. I want the full responsibility to be shared by us all, as the Constitution requires that it be.

Now, what did we do, in very, very general terms? We sought to find a way in which the Members of this institution might be better able to perform their duties under the Constitution. We anticipated the value of a group of Members constituted in committee inundating themselves in an issue.

We sought to set up a one-track system. That has been one of the most controversial of our proposals. What we hope Members will understand is that we came to that after a very bitter discussion—bitter is the right word, the feelings were very strong. It is much easier to propose a two-track system, then everybody can have all the committees they want. Everybody can have whatever they have got.

The one-track system has the unique virtue of saying to a Member, "You are not going to be interrupted. You are not going to have triple and quadruple demands on your time. You are going to have an opportunity to work on this great issue, whatever it may be."

The effect of that kind of an opportunity given to a group of conscientious men of utterly different views, the 38 members of the Committee on the Judiciary, works. Maybe that is the only time it will work in American history, but it also worked in the select committee. When men and women have a common experience in knowledge, they change in their attitudes toward issues. I have been here long enough to see that happen a number of times.

I think it is terribly important that it happen in our committees; but in order to make that possible we have to try to equalize among the committees, so that each Member would have an honorable assignment.

We set up 15 A-track committees—not important committees, because the B-track includes the all-important Budget Committee as well as many others. Then, we tried to do four or five other things of very great importance.

We tried to concentrate four jurisdictions: Environmental, energy, health, and transportation, all critical issues that need to be considered as a whole. Fifth, we proposed to move from the Committee on Ways and Means, the tax committee, to the Committee on Foreign Affairs, the foreign affairs committee, the foreign economic policies of the Nation—trade. In very broad brush, that is the thrust.

There are dozens, if not hundreds and perhaps thousands, of relatively small shifts of great importance to individuals. There is going to be adequate opportunity, if I have my way, to see that everybody is heard for a reasonable time so that we come to the very best conclusion, because what we do here today and in the few days in the future may make the difference between whether the process itself survives.

There was in the paper today a poll showing the low repute, still, in which the people hold the Congress. It seems to me that we deserve better now. I know we can do a better job than we have. I hope that we will cautiously, energetically, and sincerely undertake this common task. The end result that I care about is that it be, not a consensus, but a majority view of the House, and that it be taken now; not with some excuse that we will do better in another time. This kind of task is never timely. One always wants to postpone the supremely difficult.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I am sure the committee gave very serious thought to one thing, but I wish the gentleman would take one minute to comment on the grandfather clause. It seems to me that if we adopt anything, whatever we adopt, the grandfather clause would cure so many ills.

Mr. BOLLING. Mr. Chairman, I tell my friend from Texas reluctantly that we spent a vast amount of time on that, in private and in public, and we finally concluded that it would do more harm than good. But, we always were aware of how much it would ease the personal pain and the difficulty of passing the legislation. I have always had mixed feelings about it, but I concluded, with the majority, that it would do so much damage to the result that we had in mind that it probably would do more harm than good.

Mr. TEAGUE. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I include the following additional material which I feel should be of help to the Members:

HIGHLIGHTS OF HOUSE RESOLUTION 988: COMMITTEE REFORM AMENDMENTS OF 1974

House Resolution 988, the Committee Reform Amendments of 1974, was reported unanimously by the Select Committee on Committees in March 1974. The bipartisan package—often called the Bolling Committee report—was then considered in the House Democratic Caucus which sent it to a Caucus unit (the Hansen Committee) for further study. The Hansen group reported its recommendations back to the Caucus in July. After two days of discussion, the Caucus instructed the Rules Committee Democrats to provide an open rule moving H. Res. 988 to the floor with the Hansen proposal to be offered as a substitute.

H. Res. 988 marks the first effort to restructure committee jurisdiction since 1946. In the intervening period, committee alignment has become obsolete. As a result, in 1973, Speaker Carl Albert and then Minority Leader Gerald Ford backed the establishment of a Select Committee to undertake a comprehensive review of the committee system. At the end of a year and a half of study and deliberation, the Select Committee recommendations were presented to the House in H. Res. 988.

This summary highlights the major provisions of the Select Committee report designed to make the House a more effective legislative body.

COMMITTEE JURISDICTION

Agriculture and Forestry

This committee will play the major role in developing agricultural policy. In addition, all forest jurisdiction is grouped here so that decisions about this important natural resource can be made by one committee.

Appropriations

No real change to this committee is made by H. Res. 988. However, its role will be modified somewhat by the newly enacted budget control bill.

Armed Services

National defense matters will continue to be referred to this committee. Special oversight functions for military and foreign intelligence and military R&D would, however, be shared with other committees.

Banking, Currency and Housing

Banking, currency and housing are the main focus of this committee. Its traditional role in setting national economic policy as well as in decisions affecting housing and urban development is maintained.

Budget

This committee was recently created by the Budget Reform Act of 1974. Technical amendments may be offered to incorporate its provisions with respect to the House committees when H. Res. 988 is considered.

Commerce and Health

H. Res. 988 recognizes the critical need to coordinate better health matters and creates a powerful committee able to handle both commerce and health matters effectively. Its role in health is enhanced by significant new jurisdiction while its position as the focus for commercial matters is maintained with jurisdiction over securities and exchanges, insurance, consumer protection and communications.

District of Columbia

This committee's jurisdiction is practically unchanged.

Education

National education needs require one committee where educational policy can be decided and assessed on a full time basis. This Committee will also be responsible for provisions relating to the arts and humanities and the elderly.

Energy and Environment

Energy and environment are two areas of public policy that have received major attention in recent years. H. Res. 988 provides that these areas, presently fragmented in numerous committees, will be handled in one committee. The proposal adds the scattered elements to the Interior Committee which has experience and present jurisdiction for the public lands where many questions of resource use and environmental protection arise. By putting energy resources, undeveloped petroleum and oil shale reserves, energy regulation, and energy conservation together with environmental protection and other key environmentally related jurisdiction, an attractive major committee is created which has the balance to propose legislation on these issues.

Foreign Affairs

Highly important trade jurisdiction has been added to the jurisdiction of this committee under H. Res. 988. This change places international economic affairs, a cornerstone of foreign policy, in the committee which already has expertise in international political affairs, thereby greatly increasing the power, prestige and responsibility of the committee.

Government Operations

The committee will gain new powers equipping it for an active and exciting role as the watchdog for federal programs. Oversight will thereby be elevated to a major concern in the House. In addition, the committee acquires internal security jurisdiction. H. Res. 988 gives the initiative to this committee to examine any program area and puts teeth into its recommendations.

House Administration

Major matters affecting the internal administration and organization of the House are consolidated in this committee. Legislative matters involving campaign financing and elections are transferred elsewhere.

Judiciary

This committee continues its responsibilities for the federal judicial system and the administration of justice. H. Res. 988 gives the committee specific jurisdiction over impeachment and vice presidential confirmations under the 25th Amendment. In the main, however, the Committee's jurisdiction would remain much as at present.

Labor

In response to testimony that the jurisdiction of this committee not be too narrow, the broad new jurisdiction proposed goes far beyond labor-management relations. It includes unemployment compensation (non-tax aspects), the postal service and civil service, pensions, job safety, and manpower. In this way an important committee with broad gauge jurisdiction is created.

Merchant Marine and Fisheries

Maritime affairs remain the prime concern of this committee. Fishing matters become a principal focus with the gain of international fishing agreement jurisdiction.

Public Works and Transportation

For the first time, all transportation jurisdiction, with the exception of the merchant marine, is placed together in one committee. This placement of new jurisdiction with the present public works jurisdiction over highways and roads makes it possible to develop overall public policy in a field which has been sorely lacking in coordination. Also, the committee retains its traditional role of legislating for construction and development of public works.

Rules

The committee keeps its present functions and is also authorized to hear appeals on bill referrals from other committees. It loses jurisdiction for investigative resolutions. The new referral procedure is designed to provide a way to work out jurisdictional disputes before committees perform extensive work or move into new jurisdictional areas without coordinating policymaking for the long run.

Science and Technology

This committee assumes a major policymaking role for research and development across the board, including non-military nuclear energy. The proposal builds on the committee's present expertise in R&D and scientific matters.

Small Business

This new committee gives small business its own legislative committee. The proposal assures more attention for this vital area in our economy.

Standards of Official Conduct

The committee is strengthened with the addition of campaign financing and elections. Created to protect the public interest against unethical conduct, its added responsibilities are further guarantees that the public interest rather than private interests are protected.

Veterans

The committee is retained in its present form.

Ways and Means

The proposal unburdens the taxing committee of its peripheral chores so that it can devote full attenion to tax policy, Social Security and welfare and related matters of financing. These subject areas demand full-time attention and should not have to compete for consideration with such other issues as trade and health.

REFERRAL OF LEGISLATION

At present, the Speaker refers all bills and resolutions in accord with established committee jurisdictions and precedents. He cannot split bills or refer them to one committee after the other in sequence. Amendments to legislation are always referred to the committee which authored the original legislation even if another committee would be more competent to deal with the subject matter. Floor appeals are limited to cases where there is a clear error in reference.

H. Res. 988 remedies this situation by enhancing the discretion of the Speaker in the bill referral process and specifically authorizing joint, split and sequential referrals. It also provides that the Speaker may ask the Rules Committee to make a determination in complicated referral cases that may require a hearing or thorough review. Additionally, the various committees may appeal a referral ruling by the Speaker to the Rules Committee. Final appeal would be to the House floor.

OVERSIGHT

The Select Committee devoted considerable attention to the present inability of the Congress to do effective oversight. It therefore proposes a significant number of procedural and jurisdictional steps to further the potential for review of governmental programs and policies. Among these are the following:

Government Operations role: This committee would be upgraded to a major responsibility for its Members. In addition to the role in preparation of oversight agendas, Government Operations would be able to include its findings in the reports of the other committees. It would have privileged status for floor amendments derived from its investigations.

Increased oversight funding: Costs of oversight hearings and meetings, including transscripts and stenographic services, would be paid by the House and not charged against the committee budget as at present. This will end the current situation where committees cannot respond to oversight needs which develop during a Congress because all committee funds have been committed to other projects.

Increased oversight jurisdiction: Each committee would be permitted to conduct oversight hearings and investigations of any matter within their legislative jurisdiction even if another committee is studying the same or a similar matter. At present, a committee may not investigate an area if another committee is doing even the most casual investigation of its own.

Tax policy oversight: Each committee is granted new power to conduct studies and investigations of the way tax policy affects subjects within their jurisdiction. This can make coordination of tax and nontax policy issues relating to the same area of national policy a reality.

Oversight subcommittees: Each committee (other than Appropriations) would be required to establish a separate subcommittee to conduct oversight and futures research.

COMMITTEE SIZE

The Select Committee proposes committees of not more than 35 Members, except for Appropriations. The exact number of Members per committee would be left to negotiation between the Party leaderships, as is now the case. H. Res. 988 provides that the committees, in so far as practical, should be of equal size. This would help to equalize each Members role and opportunity for participation in committee work.

A key factor in holding down committee size is the number of assignments each Member is authorized to hold. Under H. Res. 988, each Member would be limited to one of 15 major committees. Only seven additional committees could be taken on as a second assignment. By thus reducing the number of assignments available, committee size can be held down to a manageable number.

COMMITTEE PROCEDURE CHANGES

H. Res. 988 adjusts various procedural provisions of existing rules to make the committees subject to equal treatment insofar as possible. It also makes important changes with respect to proxies and subpena power as follows:

Proxies: At present, limited proxies are permitted at the discretion of each committee. H. Res. 988 would ban the use of proxies entirely so that only those members attending a meeting could vote.

Subpenas: The Select Committee was concerned about protecting individuals from unwarranted use of subpenas while assuring that committees have the information they need to conduct their inquiries. It therefore proposes new rules for the issuance of subpenas which require a majority vote of a committee before any subpena can be issued. Appropriations, Government Operations and Standards of Official Conduct would not have to seek House approval to issue their subpenas as at present, but other committees would have to present subpena resolutions in the House providing authority for one or more investigations to be undertaken by the committee in the course of a Congress.

COMMITTEE STAFFS

Present rules limit permanent committee staff to six professionals and six clericals with the minority party entitled to select two of the professionals and one clerical. This small number of permanent staff is supplemented by "investigative" staff funded by resolutions which must be reported to the House from the House Administration Committee each year. This method of funding accounts for more than one-half of the present committee staff.

H. Res. 988 seeks to put more committee staff on a permanent basis while allowing adequate staff support to the minority party. It proposes 18 professionals and 12 clericals for each committee, with the minority entitled to up to one-third of those staffers. Additional "investigative" staff could still be authorized by House Administration resolutions, but the increase in permanent staff positions to reflect more accurately current needs should severely curtail this practice. Since investigative staff are not subject to the same restrictions as permanent staff in such important areas as restrictions on outside employment, the Select Committee considered a shift to more permanent positions desirable.

H. RES. 988	H. RES. 1248 (HANSEN RESOLUTION)	H. RES. 1321 (MARTIN RESOLUTION)
	AGRICULTURE AND FORESTRY	
Retains most of its present jurisdiction. Loses food stamps, school food programs, agricultural colleges and nondomestic aspects of P.L. 480. Gains new public lands and forestry jurisdiction and the Commodity Credit Corp.	Would remain Agriculture Committee; would gain Commodity Credit but would not gain new public lands jurisdiction. Also would keep food stamps.	Same as H. Res. 988.
	APPROPRIATIONS	
Gains rescission authority for previous fiscal years and transfer authority.	Same as H. Res. 988.	Same as H. Res. 988 (except technical amendments contained in Budget Act of 1974 are added.)
	ARMED SERVICES	
Retains its present jurisdiction with the exception of losing naval petroleum reserve #4 and oil shale reserves and military dependent's education. Gains special oversight for arms control and disarmament.	Same as H. Res. 988, except would not lose naval petroleum reserve #4; would receive oversight over military dependents' education.	Same as H. Res. 988 except Armed Services retains Naval petroleum reserve #4.

H. RES. 988—Con.	H. RES. 1248 (HANSEN RESOLUTION)—Con.	H. RES. 1321 (MARTIN RESOLUTION)—Con.
	BANKING, CURRENCY AND HOUSING (FORMERLY BANKING & CURRENCY)	
Retains most of its present jurisdiction but loses (1) urban mass transit (2) export controls and international trade, (3) Commodity Credit Corp., (4) nursing home construction and (5) small business. Gains renegotiation.	Similar to H. Res. 988 but retains small business legislative jurisdiction.	Same as H. Res. 988.
	COMMERCE AND HEALTH (FORMERLY INTERSTATE AND FOREIGN COMMERCE)	
Retains its jurisdiction over securities and exchanges, insurance, consumer protection, health and communications. It loses transportation, environment and energy jurisdiction as part of the realignment. Gains new jurisdiction for health care, including non-tax aspects of medicare, biomedical research, and nursing home construction.	Differs from H. Res. 988 in that Commerce would not lose railroads, energy regulation or environmental matters. Splits medical care by transferring medicaid, but not Medicare or health insurance, from Ways and Means.	Retains railroads, the ICC, and air transportation. Would not gain health care jurisdiction from Ways and Means. Would gain oversight over health care.
	DISTRICT OF COLUMBIA	
Retains its present jurisdiction. Gains St. Elizabeths hospital and Robert F. Kennedy Stadium.	Same as H. Res. 988, except does not gain Robert F. Kennedy Stadium.	Same as H. Res. 988.
	EDUCATION (FORMERLY PART OF EDUCATION AND LABOR)	
Splits the present committee into two committees and aggregates most education jurisdiction as well as food programs for children. Also gains college housing. For education programs not aggregated, the committee is given special oversight. Legal services and St. Elizabeth's hospital are transferred to other committees.	Education and Labor would not be split. In education area would gain some items transferred under H. Res. 988, including food for children in schools, Indian education and education for dependents of military and civilian employees. Also gets "coordination" of education programs.	Same as H. Res. 988.
	Precedents	
No similar provision (statutory provision in Legislative Reorganization Act of 1970).	Speaker directed to complete compilation of precedents by Jan. 1, 1977, and update every 2 years.	Same as H. Res. 1248, except that responsibility placed on Parliamentarian.
	Updating committee jurisdiction	
House members of Joint Committee on Congressional Operations charged with job of updating.	Same as H. Res. 988, except House members would be instructed to work with Senate.	Same as H. Res. 988.
	Effective date	
Parts of resolution dealing with committees, jurisdiction, procedures, effective before noon on Jan. 3, 1975, most of remainder effective on passage.	Would be effective at beginning of 94th Congress, except for early organization which would be effective upon passage. This differs from H. Res. 988.	Same as H. Res. 988.
	ENERGY AND ENVIRONMENT (FORMERLY INTERIOR AND INSULAR AFFAIRS)	
Retains its present jurisdiction including public lands jurisdiction of resource development and management and loses Indians and Indian education, Territories, and forests, grazing and farming. Gains new jurisdiction for environmental policy including clean air, clean water, coastal zones, and solid waste disposal. Gains all of energy jurisdiction including regulation licensing except for R&D and military nuclear energy. Also gains parks in D.C. and special oversight for energy and environmental R&D, flood control and TVA.	Would remain Interior and Insular Affairs with jurisdiction basically as at present. Would receive parks in D.C. and special oversight but not legislative jurisdiction over Indian programs and over non-military nuclear energy and R&D.	Same as H. Res. 988, except would not receive naval petroleum reserve No. 4.
	FOREIGN AFFAIRS	
Retains its present jurisdiction except for international fishing agreements and international financial and monetary organizations. Gains important trade and international trade jurisdiction as well as export controls and international commodity agreements, interoceanic canals, and foreign aspects of P.L. 480. It also receives legislative review of tariffs and customs measures reported from Ways and Means.	Same as H. Res. 988, except would *not* receive trade or legislative review over tariffs and customs, interoceanic canals, or oversight over intelligence. Would receive international education.	Same as H. Res. 988.
	GOVERNMENT OPERATIONS	
Retains all its present jurisdiction. Gains (1) general revenue sharing, (2) territories, (3) the Hatch Act, (4) census, (5) National Archives, (6) Indians, and (7) Holidays and Celebrations.	Would retain its present jurisdiction . . . gain general revenue sharing, and the National Archives.	Same as H. Res. 988.
	HOUSE ADMINISTRATION	
Retains matters affecting internal administration and organization, but loses campaign finance, elections and the Hatch Act. Gains select committees on restaurant, parking and beauty shop.	Keeps Federal elections and campaign financing.	Same as H. Res. 988 but keeps federal elections and campaign financing.

H. RES. 988—Con.	H. RES. 1248 (HANSEN RESOLUTION)—Con.	H. RES. 1321 (MARTIN RESOLUTION)—Con.
	INTERNAL SECURITY	
Committee disbanded, jurisdiction transferred to Government Operations.	Would shift internal security jurisdiction to Judiciary.	Same as H. Res. 988.
	JUDICIARY	
Retains almost all its present jurisdiction but loses OCS leasing, holidays and celebrations, and working conditions under public supply contracts. Gains specific jurisdiction over impeachment and confirmation under the 25th amendment, as well as legal services.	Would gain internal security; would not lose outer continental shelf minerals and leasing, nor receive specific jurisdiction over impeachments or Vice Presidential confirmations.	Same as H. Res. 988.
	LABOR (FORMERLY PART OF EDUCATION AND LABOR)	
Labor gets the labor judisdiction from the predecessor committee, including manpower and vocational education. Gains the non-tax aspects of unemployment compensation, postal service, civil service and work incentive programs.	Labor would remain part of Education and Labor Committee with labor jurisdiction substantially the same. The committee would receive the work incentive program (WIN) and working conditions under public contracts, and lose St. Elizabeth's Hospital.	Same as H. Res. 988, except would not receive non-tax aspects of unemployment compensation.
	MERCHANT MARINE AND FISHERIES	
Retains all merchant marine matters while losing environmental jurisdiction, oceanography and the Panama Canal. Gains international fishing agreements.	Would retain its present jurisdiction and receive international fishing agreements.	Same as H. Res. 988.
	POST OFFICE AND CIVIL SERVICE	
Committee disbanded, jurisdiction transferred to Labor, Government Operations and Standards.	Would retain its jurisdiction and receive the Hatch Act, holidays, population and demography, intergovernmental personnel. Would lose national archives.	Same as H. Res. 988.
	PUBLIC WORKS AND TRANSPORTATION (FORMERLY PUBLIC WORKS)	
Retains its present jurisdiction with the exception of water quality, water power and parks within D.C.	Same as H. Res. 988, except Commerce would keep railroads, and railroad pensions (ICC portion dealing with railroads and Amtrak) and would retain its clean water jurisdiction.	Would not receive aviation and surface transportation. Would suffer same losses as under H. Res. 983.
	RULES	
Retains its present jurisdiction but loses investigative resolutions. Gains jurisdiction over bill referral and appeal.	Loses right to report out legislation referred to another committee and not yet reported by it. Rules Committee bypass provision allows Speaker to call up matters without a rule. Also loses investigative resolutions.	Same as H. Res. 988 (except does not include related section concerning Rules jurisdiction to deal with amendments reported by other committees which may encroach on other committees' jurisdiction).
	SCIENCE AND TECHNOLOGY (FORMERLY SCIENCE AND ASTRONAUTICS)	
Receives almost all non-military R&D and oceanography. Gains special oversight for other R&D: agriculture, bio-medical, military and water.	Similar to H. Res. 988, but would not receive nuclear energy R&D, oceanic and atmospheric sciences, sea grant programs, or oversight over military R&D.	Same as H. Res. 988.
	SMALL BUSINESS	
Gains legislative jurisdiction over small business financial assistance, and its role in federal procurement and government contracts.	Would retain a Select Committee on Small Business without any legislative jurisdiction.	Same as H. Res. 988.
	STANDARDS OF OFFICIAL CONDUCT	
Gains federal elections, franking and campaign financing, and expenditures.	No change in jurisdiction.	Would not receive federal elections or campaign financing as under H. Res. 988; would receive franking.
	VETERANS' AFFAIRS	
No change from present jurisdiction.	Same as H. Res. 988.	Same as H. Res. 988.
	WAYS AND MEANS	
Loses trade, non-tax aspects of health and unemployment compensation, general revenue sharing, WIN and renegotiation. Gains food stamps.	Loses general revenue sharing, WIN, renegotiation and health care supported from general revenues.	Loses trade, general revenue sharing, WIN, renegotiation. Gains food stamps.
	BUDGET	
To be added by technical amendment conforming to the Congressional Budget and Impoundment Control Act.	Language to create Budget Committee contain in resolution; other modifications needed as result of creation of Budget Committee not included.	Contained in H. Res. 1321 as established by Budget Act of 1974. Not in H. Res. 988 since Budget Act approved after H. Res. 988 was reported.
	Committee structure	
15 exclusive, 7 nonexclusive committees.	No similar provision.	Same as H. Res. 988.
	Committee size	
Committees limited to 35 members (except Appropriations) and should be equal in size, so far as practical.	No similar provision.	Same as H. Res. 988.
	Committee membership	
Members limited to membership on one exclusive committee.	No similar provision. Adds requirement that House selects committees from nominations submitted by party caucuses.	Same as H. Res. 988.

H. RES. 988—Con.	H. RES. 1248 (HANSEN RESOLUTION)—Con.	H. RES. 1321 (MARTIN RESOLUTION)—Con.
	Transitional provisions	
Expresses sense of House that Members should be able to continue serving on an exclusive committee they now serve, even if size would temporarily be more than 35, or should be able to follow jurisdiction to another committee.	No similar provision.	Same as H. Res. 988.
	Subcommittees	
No similar provision.	Requires committees with membership of over 15 to establish 4 subcommittees.	Requires committees with membership of over 15 to establish 3 subcommittees.
	Bill referral	
Speaker to refer bills to more than one committee jointly, in parts, or sequentially; or to ad hoc committee with approval of the House.	Same as H. Res. 988.	Same as H. Res. 988.
Allows Speaker to request Rules Committee to refer; allows appeals to Rules Committee over Speaker referrals; allows final appeals to House; allows point of order against amendments based on lack of committee jurisdiction.	No similar provisions.	Similar to H. Res. 988, but leaves out points of order which can be raised against amendments based on lack of committee jurisdiction.
Requires factual description up to 100 words to accompany bills introduced, to be printed on first page and in Record.	Requires description not over 100 words prepared *after* introduction, to be printed in Record and Digest of Public Bills.	Same as H. Res. 988.
	Oversight	
Each committee (except Appropriations), would be required to create an oversight subcommittee.	No similar provision.	Same as H. Res. 988.
Committees would include in reports on legislation any timely Government Operations and oversight subcommittee findings and recommendations.	Permits a *summary* of Government Operations findings in report.	Same as H. Res. 988.
Government Operations may offer privileged amendments on legislation where its findings and recommendations are included in report on legislation.	No similar provision.	Same as H. Res. 988.
	Staffing	
Increases permanent committee professional staff from 6 to 18, clerical staff from 6 to 12, and provides that one-third the statutory staff may be appointed by the minority. One-third of the funds for investigative staff would also be reserved for minority.	Continues present practice of very small professional staffing with bulk of funds coming for staff via House Administration investigative resolutions; would provide each subcommittee chairman and ranking minority member a staff position (up to $27,000) for up to 6 subcommittees per committee.	Same as H. Res. 988.
	Conferences	
Requires majority of House conferees be those who support House position, as determined on principal issues in disagreement.	Requires majority of conferees support House position, but omits stipulation that supporters be determined on principal issues in disagreement.	Same as H. Res. 988.
No similar provision.	Provides that Resident Commissioners and Delegates may be named conferees.	No similar provision.
	Proxy voting	
Bans proxy voting in committees and subcommittees.	Allows proxy voting under limited circumstances.	Same as H. Res. 988.
	Commissions	
Creates 2 Commissions with specific mandates for the study of House needs for Information and for Administrative Services and Facilities.	Creates a Commission on Information and Administrative Services controlled by the House members of the Joint Committee on Congressional Operations.	Same as Hansen.
	Legislative classification system	
Creates a procedure to link authorizations and appropriations to program data.	Same as H. Res. 988.	Same as H. Res. 988.
	Subpenas	
Subpena power retained for Appropriations, Government Operations, and Standards of Official Conduct, as at present.	Provides committees have subpena authority across-the-board under House Rules. To issue subpena, must be authorized by majority of committee.	Adopts H. Res. 1248 approach, adds requirement that chairman or committee designee must sign.
	Early organization	
Provides procedures for early organization after election during period Nov. 15 to Dec. 20.	Same as H. Res. 988, except period for early organization meetings would be between Dec. 1 to Dec. 20.	Same as H. Res. 988.

The CHAIRMAN. The Chair now recognizes the gentleman from Nebraska (Mr. MARTIN).

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the resolutions which this committee are considering today are probably of greater significance and more importance than anything that the 93d Congress has done or accomplished, except perhaps for the establishment of the Budget Committee.

I would like to call to the attention of the Members, Mr. Chairman, that this work goes hand in hand with the legislation which established a budget committee to set up a legislative budget, versus the budget from downtown, in regard to future expenditures of the Federal Government.

The resolution that we have before us is roughly composed of two parts: the jurisdictional realinement of committees and the nonjurisdictional sections. I am not going into all the details of the jurisdictional realinement. That will be handled by another speaker from the Select Committee on Committees in a few moments.

I would like to address myself, however, for just a moment, to one jurisdictional change that has been proposed in House Resolution 988 and with which I agree, and which has brought forth a great deal of comment, at least from the witnesses who appeared before the Rules Committee in the last 2 years, and that is concerning the proposed new Committee on Energy and Environment. It is pretty much the present Interior and Insular Affairs Committee.

The last time that the House was reorganized was in 1946, over a quarter of a century ago. Energy and environment were not a problem. It was not a national problem at that time. At least, it was not recognized as such. The space program was not recognized. We had no inkling of atomic energy and the developments in this field.

As a consequence, we now find our-having set up any jurisdiction in 1946 because we were not aware of the problems at that time—we now find ourselves with at least a dozen different committees of the House claiming some sort of jurisdiction over energy environment problems. We in the Rules Committee, particularly, are aware of this problem, not only in this area but in other areas because of conflict between committees in regard to who has jurisdiction.

I would like to call to the attention of the Members to the remark of Senator HUMPHREY, in addressing the Economic Conference on Saturday morning, in which he called for a "national energy policy." Shortly thereafter, after Senator HUMPHREY spoke and made that statement, President Ford addressed the conference, and President Ford called for a "coherent national energy plan."

Mr. Chairman, two of the leaders of our great parties in this country called for concentrating on this great problem which exists today and which must be solved in the interest of our taxpayers and of our economy in future years. It is absolutely essential that we set up a committee in regard to energy and environment to which these problems can be addressed.

In regard to transitional provisions, which was brought up by the gentleman from Texas in the colloquy with the gentleman from Missouri, the Select Committee recommends that any Member—I am reading from the report—of the 93d Congress who served on two or more committees considered as exclusive under the select committee's proposals should be permitted to retain membership on whichever committee he or she chooses. Temporary deviations would be allowed from the recommended size of exclusive committees of 35 members except for Appropriations.

And, second, any Member who served during the 93d Congress on the committee, a significant portion of whose jurisdiction is transferred to another committee, should be permitted to join the other committee if he or she chooses.

In the transfer, recognition should be given to the length of the Member's service on the former committee, as well as in the House, and any former status as chairman or ranking minority member.

It has been charged, incorrectly, that all committees would have to have 35 members. This is completely fallacious.

Mr. Chairman, the resolution provides, except for the Appropriation Committee, that the committee shall have not more than 35 members.

The Committee on Ways and Means could still have 25; the Committee on Rules, 15; the Committee on Standards of Official Conduct, 12. It does not state that the committee must have 35 members.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I will be glad to yield to the gentleman from Michigan.

Mr. O'HARA. Does it not also say that they shall be of equal size?

Mr. MARTIN of Nebraska. I do not have the resolution in front of me. I did not bring it before me, but I am reading from a summary of the resolution, and I believe that is correct. It states: "Not more than 35 members."

Mr. O'HARA. On page 405 of this report, page 39 of the bill, it states:

> Insofar as practicable the standing committees shall be of equal size.

Ahead of it it says:

> No standing committee . . . shall have more than 35 members.

Mr. MARTIN of Nebraska. That is correct. It says: "Not more than 35," as the gentleman in the well explained. That means not more than 35 members, but it does not say that every committee has to have 35 members.

Mr. O'HARA. It says that they shall be of equal size.

Mr. MARTIN of Nebraska. It is the intent of the Select Committee that the Committee on Rules and the Committee on Standards for Official Conduct and other committees which do not have that number of members continue to operate with the same number.

Let me talk to you for a moment in regard to another nonjurisdictional area of the Select Committee's report, and that is in regard to oversight.

Every one of the recommendations of the Select Committee in this regard, in the nonjurisdictional areas, came about after listening very, very carefully to all the witnesses, the Members of the House themselves, the outside witnesses from the labor organizations, from business and management, from the academic world, and from additional papers and testimony from other House Members later on. It was pointed out time and time again by the Members of the House that our committee structure was not functioning properly in regard to oversight, in regard to following up programs that had been enacted by the Congress to see how the programs are operating downtown, whether or not they are following the intent of the Congress, whether they should be expanded, whether they should be contracted, or done away with.

The committees literally fall on their face in this area, and it was emphasized time and time again, that every committee of the House, except for Appropriations, should have at least one subcommittee to function in the area of oversight. Also, we greatly strengthened Government Operations in regard to oversight.

In regard to staffing, it was also brought out time and time again that our committees did not have sufficient professional staffs with which to do an adequate job. Therefore, after a great deal of deliberation, thought, and discussion among the Members of the Select Committee, we have recommended that the professional staff of our committees be increased from 6 to 18 and the clerical staff, from 6 to 12, with the minority having one-third of the entire staff.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I will be glad to yield briefly.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. MARTIN of Nebraska. I yield myself 2 additional minutes and yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I have the honor of being chairman of the Committee on Science and Astronautics. I think we have a great staff.

Of that staff, I know the politics of only one man, and that is the staff director. On the day he was hired, he came into my office and said: "There is something you ought to know before you hire me." He said, "I am a registered Republican."

There is not any other member of that staff, that I know of, who has ever asked or tried to find out the politics of other staff members. How would the gentleman divide that up or work it out?

Mr. MARTIN of Nebraska. Mr. Chairman, that would be up to the gentleman's committee and in the framework of the agreement between the majority and minority members of the committee as to how this would be worked out.

Mr. TEAGUE. In other words, it is not mandatory?

Mr. MARTIN of Nebraska. That would be something for the committee itself to work out.

Mr. TEAGUE. But it is not mandatory in this legislation?

Mr. MARTIN of Nebraska. As it is written, yes, it is, that the minority have one-third of the staff funds, if they so desire.

Mr. TEAGUE. Mr. Chairman, I think that provision is wrong. I say that it does the committees a great disservice. There has never been any politics in this committee, and there never have been any in the Committee on Veterans' Affairs. To make this provision mandatory is wrong.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. Mr. Chairman, I might be incorrect in my statement.

I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, if the minority does not want a partisan staff, it does not have to ask for it. They can have a staff that is completely nonpartisan. If a majority of the minority asks for a share of the staff, then it would be required that the majority let them have it.

However, there is no compulsion on the minority to demand a staff. Obviously that is the situation that prevails in the gentleman's committee.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I wish to direct the attention of the gentleman from Texas to the provisions contained in the resolution, as found on pages 65 and 66. It says on page 65, as follows:

"The minority party on any such standing committee is entitled, upon request of a majority of such minority, * * *" and so forth.

On page 66 of the resolution, it says:

> Notwithstanding the provisions of subparagraph (1), a committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party * * *.

Mr. Chairman, I think it ought to be quite clear to this committee, and specifically to the gentleman from Texas, that it is not a mandatory requirement, and that in fact there are staffs—the staffs of the Committee on Science and Astronautics, and the Committee on Armed Services are two that come to mind with which we dealt—that are not divided along partisan lines. They are nonpartisan staffs, by agreement between the majority and the minority.

So I hope that the gentleman from Texas would not in any way read the requirements of H. Res. 988 as mandating a requirement on his committee, the Committee on Science and Astronautics, to have a majority staff and a minority staff. They do not have to do that.

Mr. Chairman, I thank the gentleman for yielding.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I will yield very briefly. I would like to have time to complete my statement, however.

The CHAIRMAN. The time of the gentleman from Nebraska (Mr. MARTIN) has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself an additional 2 minutes, and I yield to the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Chairman, in reply to the gentleman from Wisconsin and the gentleman in the well, I would just like to say that since I have been chairman of my committee, I have never asked any man I have brought in as to what his politics is. I have asked if they are competent and if they will serve both parties.

I think, as the gentleman from Texas has said, if we divide this up and do this on the basis of politics, we are going to have a split in our committees, and that will never work.

I have never had one complaint from the minority members on my committee, not one complaint from any member. I have had compliments at all times for all the staffs we have had.

Mr. Chairman, I think this is making a political issue to our committees that ought not to be there. The gentleman talks about reform, but in this way we are going to take us back a hundred years if we do this.

Mr. MARTIN of Nebraska. There is another point I would like to make, Mr. Chairman, with respect to the nonjurisdictional areas of the organization of the House.

The select committee reports a provision, with the approval of the Speaker and the majority and the minority leaders, that the leaders may call the newly elected and reelected Members of the House back sometime between November 15 and December 20 for early organization on a party basis.

This is tremendously important. It is done to speed up the work of the House by at least 60 days, in getting underway in the new Congress. The Hansen committee recommended from December 1 until December 20. This was at first considered by the select committee, but it was called to our attention by one of the Democrats on the select committee that their party is going to have in the off-Presidential election year a mini-national convention in the first week of December.

So in deference to that, we extended the date and made it between November 15 and December 20, rather than the December 1 date, as included in the Hansen committee report.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, during the course of further discussion and debate on this issue other Members will go into detail on the report of the Select Committee. I intend also to go into some of the details of House Resolution 1321, a resolution which I have introduced as a compromise between the resolution of the Select Committee and the Hansen committee resolution.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the very distinguished gentlewoman from Washington (Mrs. HANSEN) which is all she has requested at this time.

Mr. TEAGUE. Mr. Chairman, will the gentlewoman from Washington yield to me for one question, and then I will try to keep my mouth shut?

Mrs. HANSEN of Washington. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, the last gentleman who spoke mentioned oversight. I think that one of the most important responsibilities of every committee of this Congress is oversight. I think we have a number that do not do their job, but in the Committee on Science and Astronautics the committee staff does 10 times the work they do otherwise on oversight, and the same is true with the Veterans Committee. I do not believe we need to have such an oversight committee to do our work on oversight.

Mr. HOLIFIELD. Mr. Chairman, will the gentlewoman yield?

Mrs. HANSEN of Washington. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Chairman, under House Resolution 988 the Committee on Government Operations is not only given the oversight authority over all of the committees of the House, but it is mandated at the beginning of the year to come in with a committee report upon what the other committees are doing or going to do on overseeing. So, if they do that it will become the most hated committee in the House.

Just imagine me going to any committee or committee chairman of the House, and saying that I want to look into what they are doing on oversight. And also I want to have a right, which is given under House Resolution 988, to have their agenda for the year. I also want to be given the right to put my recommendation in their report on legislation. I also want to have the right to have my amendments—and listen to this—to have my amendments given priority over all of the other Members of the House, when it comes to the consideration of this legislation.

Now, that is what it is, and I will stand on this. I have had it analyzed very carefully. That is what it does on oversight. They have a proposal on oversight, and they are trying to create a situation that if the Committee on Government Operations tries to do what the Bolling resolution tells it to do it will as I said become the most hated committee in the House, and I will not be here to be the hated chairman of that most-hated committee in the House.

Mr. GIBBONS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-eight Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The gentlewoman from Washington (Mrs. HANSEN) is now recognized, and the gentlewoman has 8 minutes remaining.

Mr. DENT. Mr. Chairman, will the gentlewoman yield?

Mrs. HANSEN of Washington. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I just want to get something clear in my mind. As I understand the matter now, the oversight jurisdiction will be taken away from the legislative subcommittees of a committee and all the oversight will be put into one oversight subcommittee. Does anyone in this House believe we ever would have had a reform of pensions if this had been the situation? My committee studied 7 years formally and 4 years informally and it has brought relief in the matter of pensions with this legislation to the workers of America and the executives of this country. Does anyone believe that under the proposed system the subcommittee on oversight could take over all the issues that have come before the most controversial committee in this Congress, the Committee on Labor, and could take those issues on wages and pension reforms and hourly pay and all the dozens of other jurisdictional questions in this matter and handle that adequately?

The consumption of time in the committee on oversight is just exactly as the gentleman from Texas has said. It is the most serious part and it is at the seat of much of our legislation. It was only when the Congress exercised the oversight authority through its subcommittees that we started to move forward on legislation that had been lying back for a long time because there was no way to tackle it.

Oversight is not only oversight over the departments that have jurisdiction but it is also oversight dealing with all the matters and methods by which legislation is dealt with and on all matters which come before this House.

Does the Hansen committee proposal have anything along that line in its provisions?

Mrs. HANSEN of Washington. Mr. Chairman, if the gentleman will yield, may I say this is one of the sharpest contrasts in our report. The so-called Hansen committee and I realize that oversight is necessary, but we feel that within the standing legislative committees there should be either an oversight subcommittee or the subcommittee charged with legislative jurisdiction should be given that oversight responsibility.

In addition, we provide one further step, that the chairman of the Committee on Government Operations or his designate should come to the chairman of the Legislative Committee or the chairman of the oversight subcommittee and work out a program for oversight to be done by the Committee on Government Operations, if it is mutually agreed upon.

We think in this way we feel to put that impact on one committee alone and that we do make our committees more responsible.

Mr. DENT. I thank the gentlewoman very kindly. With the provision, as I understand it, the oversight authority of the Committee on Ways and Means and the oversight authority of our subcommittee combined to iron out probably the most difficult problem of the entire session of this year, that is the pension reform.

Mrs. HANSEN of Washington. Mr. Chairman, first, I would like to express my appreciation to those coauthors of House Resolution 1248, which will be offered as a substitute for House Resolution 988.

At the direction of the Democratic Caucus, members of the Caucus Committee on Organization, Study and Review worked extremely hard and in a relatively short time to review House Resolution 988 and to prepare our alternate draft, House Resolution 1248.

I am not one of the members who views the Democratic participation as subversive. I think it is entirely proper for all Members of this House to discuss and participate in discussions relative to any bill before the House. It makes for a more knowledgeable debate.

Members of our caucus committee talked personally with interested colleagues and carried their impressions into our deliberations. Early in our review we solicited comments and suggestions from all Democratic members and had communications from dozens of people who represent the general public. Some of these were groups and some individuals. As a result, House Resolution 1248 is a product of many minds, and is a bill which will add to the quality of this House discussion.

Without question, House Resolution 1248 also reflects the diligent work of the Select Committee on Committees. The basic research and findings of the Select Committee are part and parcel of our conclusions.

I would like to commend the splendid leadership in this field of the gentleman from Missouri (Mr. BOLLING). He and his members laid the groundwork for meaningful improvements and provided a hearing record of excellence. Because there is a disagreement among Members does not signify that this select committee did not indeed contribute to the overall knowledge of the House of Representatives' operations. The caucus committee, using this preparatory material as a base, began their discussions in a thoughtful and constructive way.

As we approached the material we used two concepts:

First, change is not necessarily reform; and

Second, change to be effective must increase the efficiency of the House, open the public operation of Congress, and expedite legislative and parliamentary procedure.

Even after we reported out House Resolution 1248—exactly within the time frame which the caucus allowed—the Committee on Organization, Study and Review continued to evaluate the rule changes. We recognize that our country is a rapidly changing society and that Congress also must be dynamic; what was applicable last spring may not be needed today. An example of this is the advent of the new Budget Committee—which is recognized in House Resolution 1248, but was not in existence when House Resolution 988 was introduced.

House Resolution 1248, as it stands, makes changes which are true reform. It meets the tests of openness in Government and strengthens the House of Representatives. House Resolution 1248 certainly includes many of the valid strong points of House Resolution 988 such as:

First, early organization;

Second, increased oversight;

Third, a strengthening of committee staffs;

Fourth, a commission to study future administrative and informational needs of Congress;

Fifth, the publication of factual, 100-word descriptions of bills; and

Sixth, increased flexibility by the Speaker for bill assignments allowing even multiple referral of legislation.

However, neither of our committees came to grips with one of the most thorny problems facing Congress. That is the matter of absenteeism during even-numbered years because of the great variance in primary election dates among the States. From the March 19 primary in Illinois to the October 1 primary runoff in Florida—Members are faced with the problem of campaigning for reelection at staggered periods of time. If we are to truly increase the efficiency of Congress during election years—then this Nation must move toward standard primary election dates, at least on a regional basis. In effect, there are 8 months of every other year when it is entirely impractical to expect full attendance. If we had standard primary dates, timely recesses would allow Members to effectively campaign without detracting from attendance and the efficiency of the House.

The very good and progressive parts of House Resolution 988—which are included in House Resolution 1248—are worthy of enactment by this House, and will improve the operation of the 94th and succeeding Congresses. Additionally, House Resolution 1248 adds important new procedural elements and improves upon several aspects of House Resolution 988.

As to committee realinement, House Resolution 1248 does not recommend the massive and sweeping changes contained in House Resolution 988. We believe strongly that there must be continuing review of jurisdictions and make changes when necessary. However, this must be coordinated with the Senate and carefully designed to correspond rationally with executive organization. While the House certainly has the power and right to organize in any fashion it desires—there should be a sense of rational coordination with the rest of Government. Therefore, we have directed that the Joint Committee on Congressional Operations undertake a study and report to both Houses on committee jurisdiction.

With the new Budget Committees now coming into play, we feel that the need for stability among other committees is underscored. The 94th Congress will open with a budget which will fund the Government for a 15-month "fiscal year." We are all aware of the other decisive and mandatory actions provided under the Budget and Impoundment Control Act of 1973.

Beyond question, the first session of the 94th Congress stands to rank among the most tumultuous in history. The sheer burdens of meeting and understanding the new obligations of the Budget and Impoundment Control Act will test the patience and understanding of every Member of the new Congress. This legislation is major reform and deserves an opportunity to be brought into play without other massive new jurisdictional realinements. The timing is poor for a major revamping of committees.

In reviewing committee alinements in House Resolution 988, I am puzzled by the infusion of health into the Commerce Committee. One of the great issues remaining before this Congress and this Nation is national health insurance. While there are great problems in health care delivery, the greater challenge is financing health care. I believe this question will be prudently solved within the Ways and Means Committee.

It would appear that the Ways and Means Committee, which would be required to form subcommittees under House Resolution 1248, certainly will have a subcommittee on health—because the question of health insurance is an issue of finance and taxation.

Our committee has taken a strong position against the creation of a Committee on Energy and Environment because that is a case of throwing the sheep in with the wolves. This Nation has made great environmental strides during the past decade under the present alinement of committees. With the bulk of energy decisions being made in the private sector, Congress can have only limited influence on the matters most crucial to the energy needs of our Nation. And, as I listen to the oil lobby, they seem to believe that tax credits and depletion allowance are the matters most basic to their needs. As for energy research, I believe this Congress had acted responsibly and effectively under current committee arrangements.

We also are opposed to reducing the jurisdiction and fine ability that now exists in our Merchant Marine and Fisheries Committee. Nations of the world have just concluded the Law of the Seas Conference in Caracas—seeking global answers to the challenges and problems of the oceans. It is extremely untimely for the U.S. House of Representatives to strike out in the other direction—and virtually destroy the committee most experienced in maritime affairs and opportunities of the ocean. Also, our Nation has the longest coastline of any country in the world. Our merchant marine, oceanic, fisheries, and related problems and challenges deserve the attention of a top-flight committee. Having seen the great job just completed by the Merchant Marine and Fisheries Committee as related to deep water ports—I am deeply puzzled by the Select Committee's decision to tear apart such a fine congressional arm.

With the great problems of the Postal Service and even the prospect of a total breakdown in U.S. mail deliveries—the time is improper to abolish the Post Office and Civil Service Committee. In fact, under House Resolution 1248, we properly increase that committee's jurisdiction to include the Hatch Act, holidays, population and demography, and intergovernmental personnel.

The paradox of House Resolution 988 is that certain subjects are rounded up and placed into a cluster—while existing committees serving a common interest are ripped apart—their jurisdiction spread across the other committees. There is rational sense in developing expertise and having monolithic committees. However, the alinements we reach today should have the flexibility to meet the rising and unpredictable issues of tomorrow. Our committee unanimously agreed that House Resolution 988 failed to meet that criteria of flexibility. Rather than improve—it simply changed jurisdictions and often for little apparent reason.

And, may I add, Indians and territories have no place in Government Operations. While Congress' performance in these areas leaves much to be desired, there is no assurance that Government Operations would do any better.

Also, I am strongly opposed to moving the Naval Petroleum Reserve No. 4 and the Naval oil shale reserves away from the Armed Services Committee. This could well be the first step toward opening up those reserves for use by Sunday afternoon drivers—at the peril of future national defense needs.

Of course, a main thrust of House Resolution 988 is to split Education and Labor. Those of us who are interested in developing the human resources of our Nation—and offering quality education and good jobs for Americans—should remain steadfast behind the Committee on Education and Labor.

Of course, as I said, House Resolution 988 effects massive changes in all committee jurisdictions. House Resolution 1248, under a test of logic in revamping, would switch fewer jurisdictions and call for all future changes to be coordinated with the Senate.

Far less controversial—yet most important—are procedural changes in the bills.

Our committee report contains a 24-point summary of procedural changes. Highly important in both House Resolution 988 and House Resolution 1248 is increased oversight—Congress exercising its power to review and look ahead into the various arms of the Federal Government. The two bills take different approaches to gain that objective—I believe ours is clearly superior.

House Resolution 988 requires the establishment of an oversight subcommittee in each standing committee. Our proposal recommends that the oversight responsibility of the standing committees be upgraded but allows flexibility so that each standing committee can either establish a special subcommittee or require each subcommittee to fulfill that responsibility. Additionally, each committee must have the power to subpena witnesses, when necessary.

House Resolution 988 requires that each committee come to the House to be granted subpena power for each investigation or series of investigations. This would substantially reduce the ability of committees to secure information in a timely manner or at least permit the executive branch or other to cause a delay in the proceedings. We recommend that the subpena power be granted to each committee upon adoption of the rules of the House and that the subpena be authorized by a majority of the members of each committee.

House Resolution 988 recommends that the oversight findings of the oversight subcommittees and of the Committee on Government Operations be included in any report on legislation submitted by a standing committee of the House. Our committee requires that a summary of such findings and recommendations be included when those findings were submitted to the appropriate legislative committee in a timely fashion to allow consideration during the committee's deliberation on the matter but does not permit use of this rule to delay registration.

House Resolution 988 grants the Committee on Government Operations a privileged status to offer amendments implementing the oversight findings when the legislation of other committees was on the floor of the House. Our bill deletes this provision.

Our committee felt that the legislative review functions recommended by House Resolution 988, which would give a privileged status to certain amendments from other committees than the committee reporting the bill, would result in so many delays and so much confusion as to offset any advantages and therefore deleted it.

House Resolution 988 grants special oversight responsibility to certain committees where jurisdictional shifts were recommended. Our bill recommends this procedure and adds additional special oversight responsibility for the Interior Committee with regard to Indians and nonmilitary nuclear energy and R. & D., including disposal of nuclear waste.

Our committee, in general, attempted to increase the power of the Speaker while the Committee on Committees moved toward a more powerful Rules Committee. This includes a provision authorizing the Speaker, at his discretion, to recognize the chairman or a member at the direction of a committee, to consider any bill or resolution pending on the House or Union Calendar. In order to make this request, our rule required that a full committee vote on bypassing the Rules Committee be taken on a day separate from the day the bill was reported. The House certainly should accept this change.

Our proposal prohibits the Rules Committee from reporting a rule which requires the consideration of business that is the subject of the rule or which requires the Speaker to recognize a member for the purpose of bringing up such business, an issue ignored by House Resolution 988.

House Resolution 988 grants to the Speaker discretionary power with regard to the referral of legislation to the various committees in the House. We concur in this recommendation but do not concur with the suggestion that the Committee on Rules also have the authority to arbitrate this bill referral process. This is the responsibility of the House and there are methods which have worked. We simply strike the authority of the Rules Committee to arbitrate jurisdictional disputes.

We also modify the restriction of appointment of conferees by clarifying the Speaker's authority. Additionally, we make clear that the Speaker may appoint the Resident Commissioner from Puerto Rico and the Delegates from the District of Columbia, the Virgin Islands, and Guam to any conference committee that is considering legislation reported from a committee on which they serve.

We add the requirement that the Speaker shall complete the compilation of the Precedents of the House by January 1, 1977, and shall update such precedents every 2 years thereafter.

In several places throughout House Resolution 988, the Committee on Standards of Official Conduct was given privileged status to deal with the rights of a Member to his or her seat. There was almost a universal opposition to this shift and we recommend that these matters remain within the jurisdiction of the Committee on House Administration.

We recommend that the rules of the House reflect the current practice that elections of membership to committees be based on nominations submitted by the respective party caucuses and deletes the requirement of House Resolution 988 that no major committee except Appropriations should exceed 35 members and that such standing committees be of equal size. These matters are properly on the jurisdiction of the caucuses and not the Rules of the House and depend upon the ratio of Republicans versus Democrats in the House. Also, it was not felt that the Rules Committee should be the same size as other major committees.

As I mentioned earlier, we added the requirement that each standing committee of the House with more than 15 members must establish at least four subcommittees.

House Resolution 988 requires as a condition precedent to the introduction of a bill that a 100-word factual description prepared or approved by the Congressional Research Service accompany this bill. This would inevitably lead to delays in introduction of bills and could be used to cause a log jam at a crucial time. We modify this requirement so that the summary will be prepared as soon after introduction as possible and such summary shall be published in the RECORD and in the Digest of Public Bills.

House Resolution 988 provides an early organizational meeting beginning on or after the 15th of November. We suggest this date be on or after the 1st of December as some contested elections may not be settled by November 15.

House Resolution 988 created two commissions, one on information and one on Administrative Services and Facilities to be composed of both Members of Congress and members of the general public. We recommend a single commission composed of Members of the Congress to be augmented by an advisory council appointed from experts outside of the Congress. The functions of this single commission are substantially similar to the two commissions established under House Resolution 988.

There is considerable concern about the issue of staffing. Republicans now have about 20 percent of committee staffs. I believe that our long-range goal should be toward fully professional staffs—such as exist in Armed Services and Appropriations. Ideology, politics and views should be reserved for members and their personal staffs. Committee staffs should handle drafting, research, technicalities and arrangements for witnesses and members. Experience reflects that when staffs are split into ideological proportions, there is less harmony and progress.

House Resolution 988 grants the minority up to one-third of the funds provided pursuant to the investigating resolution. We recommend that in lieu of this provision each subcommittee chairman and each ranking minority party member be given the authority to hire and compensate one staff person, but this provision would apply to a maximum of six subcommittees on each committee. Additional staffing would remain as in the past.

House Resolution 988 increases the statutory staff members for committees from 6 to 18 and increases the minority share from 2 to 6. We recommend that the rules do not change with regard to statutory staff.

House Resolution 988 recommends that the clerical staff be increased from 6 to 12 and the minority receive 4 of those instead of 1. We keep the existing rule.

Some have argued that minority staff members would then work solely on ideology and politics while the main functions of arrangements, correspondence and other yeoman chores would be inherited by the majority staffers. In effect, under this view, the minority would actually be the philosophical majority.

House Resolution 1248 provides that—in addition to present committee staffs—each subcommittee chairman and each ranking minority member of some 132 subcommittees be allowed to personally hire a committee staff assistant. Our committee feels that much of the hard work of the House is performed by the subcommittees. Therefore, it is logical that additional help be provided for these majority and minority members. By simple arithmetic, we find that such staffing has nearly the same dollar-for-dollar impact as the one-third staffing provisions of House Resolution 988.

However, our committee certainly wants minority Members of Congress to have sufficient staff, and we would entertain complete discussion of the problem. Our committee has an open-minded approach to developing improvements to House Resolution 1248 in this respect.

House Resolution 988 prohibits proxy voting by committee members. The right of the proxy—like the absentee ballot—is basic throughout representative democracy. Like the absentee ballot—the mechanics of proxy voting must be closely guarded and strictly enforced. But the plight of the busy Congressman is no different from the voting citizen who may be overseas in military service or a businessman traveling away from home. Any past abuses do not justify abolition of either the proxy or the absentee ballot—only better safeguards are justified. When Members of Congress vote absentee, it must be noted in the record, as our bill provides. Under terms of our committee recommendation, the privilege is carefully defined and abuses are only remotely possible. It is a fallacy to believe that—because a person is absent—he is uninformed or indifferent. Quite the opposite, often times, many who are so busy that they are absent are greatly concerned, and may have staked out a thoughtful position long in advance of the vote. The proxy is a basic privilege of all Members. To deny the proxy denies that Member an important tool in representing his constituents and his views. Therefore, House Resolution 1248 provides a strictly controlled proxy.

Since House Resolution 1248 was drafted by a caucus committee, we are unrecognized as a committee and are without the privilege of offering committee amendments.

However, certain technical corrections will be offered by members of our committee to correct cross references and printing errors. These represent no substantive change in House Resolution 1248 and should be considered merely as technical amendments. I am placing these technical amendments in the RECORD at this point.

I hope the House will enact House Resolution 1248, and I believe the 94th Congress will be enriched by this compromised version of House reform made possible through House Resolution 1248.

The amendments follow:

AMENDMENTS TO HOUSE RESOLUTION 1248

The following amendments are technical corrections, changes of internal cross references and the correction of printing errors that occurred when H. Res. 1248 was initially introduced. They represent no substantive change in the resolution and should be considered merely technical amendments.

On page 3, line 10, after the word "subcommittees" insert ",".

On page 3 at the end of line 12 add the following: "the establishment of oversight subcommittees shall in no way limit the responsibility of the subcommittees with legislative jurisdiction from carrying out their oversight responsibilities."

On page 4, line 7, strike the words "along with" and insert in lieu thereof: "and".

On page 4, line 14 after the words "clause 1" add "and 3"

On page 5, line 9 strike the words "Energy and Natural" and on line 10 strike the word "Resources" and insert in lieu thereof: "and Insular Affairs".

On page 7, line 18, strike the words "clause 1, 2, 3, or 4" and insert in lieu thereof: "clause 1, 2, or 3".

On page 8, line 22, after the word "authorized" insert in lieu thereof: ";".

On page 12, line 17, after the words "paragraph (a) and insert in lieu thereof: "and (b)".

On page 14, line 22, strike "rule XI" and insert in lieu thereof: "Rule XI,".

On page 13, line 24, after the word "Appropriations" insert in lieu thereof: ",".

On page 24, line 24, after the word "clause" strike "(2)" and insert in lieu thereof: "2".

On page 25, line 3, after the word "clause" strike "(2)" and insert in lieu thereof: "2".

On page 26 strike line 15 and insert in lieu thereof "measure or matter."

On page 28 strike the period at the end of line 8.

On page 52, line 5, after the word "clause" strike "(2)" and insert in lieu thereof: "(2)".

On page 52, line 7, after the word "time" insert in lieu thereof: ",".

On page 52, line 9 after the word "therein," insert in lieu thereof the word "and".

On page 53, line 15, strike "4, and 5" and insert in lieu thereof: "and 4".

On page 53 strike line 18 and insert in lieu thereof the following: "to clause 5) be referred to such committees, as follows:".

On page 57 strike line 14 and insert in lieu thereof the following: "(other than transportation).

"(8) International Financial and Monetary organizations."

On page 59, line 10, strike "(e)" and insert in lieu thereof: "(f)".

On page 60, line 8, strike "(f)" and insert in lieu thereof: "(g)".

On page 61, line 1, strike "(g)" and insert in lieu thereof: "(h)".

On page 62, line 6, strike "(h)" and insert in lieu thereof: "(i)".

On page 62, beginning on line 24, strike all that follows through line 25 and insert in lieu thereof: "(12) United Nations Organizations."

On page 63, after line 5, insert:

"(16) Trading with the enemy."

"(17) International education."

On page 62, line 16, strike "(i)" and insert in lieu thereof: "(j)".

On page 64, line 10, strike "(j)" and insert in lieu thereof: "(k)".

On page 64, line 17, strike "16(d)" and insert in lieu thereof: "1(p)(4)".

On page 64, line 24, strike "16(d)" and insert in lieu thereof: "1(p)(4)".

On page 66, line 3, strike "(k)" and insert in lieu thereof: "(l)".

On page 66, lines 19 and 20, strike "Hawaii, Alaska, and".

On page 67, line 23, strike "(l)" and insert in lieu thereof: "(m)".

On page 69, line 3, strike "(m)" and insert in lieu thereof: "(n)".

On page 70, line 4, insert after "Academies" the following: ", and State Maritime Academies".

On page 70, line 9, strike "(n)" and insert in lieu thereof: "(o)".

On page 71, line 1, strike "(o)" and insert in lieu thereof: "(p)".

On page 72, line 14, strike "(p)" and insert in lieu thereof: "(q)".

On page 73, line 1, strike "(q)" and insert in lieu thereof: "(r)".

On page 73, line 23, after the words "respect to all" insert "non-military".

On page 74, line 3, strike "(r)" and insert in lieu thereof: "(s)".

On page 74, line 10, strike "(s)" and insert in lieu thereof: "(t)".

On page 75, line 9, strike "(t)" and insert in lieu thereof: "(u)".

On page 76, line 3, strike "(u)" and insert in lieu thereof: "(v)".

On page 76, after line 12, insert the following: "(8) Tax exempt foundations and charitable trusts."

On page 76, line 13, strike "8" and insert in lieu thereof: "9".

On page 84, line 4, strike "seven" and insert in lieu thereof: "two".

On page 86, line 15, after the word "effective" strike all that follows through line 16 and insert in lieu thereof: "just prior to noon on January 3, 1975."

Mr. Chairman, in order to highlight the differences between House Resolution 988 and House Resolution 1248, I am today inserting in the RECORD a series of amendments to House Resolution 988 which would bring that legislation into conformity with House Resolution 1248.

With this publication, each of these amendments then would become eligible for consideration as amendments to House Resolution 988.

While I am confident that the House will enact House Resolution 1248, I believe it is of value to the membership to understand the areas of differences between the two bills.

The amendments follow:

AMENDMENTS TO HOUSE RESOLUTION 988

Amends House Resolution 988 to conform the Agriculture Committee to reflect only those changes made by the Hansen Resolution:

On page 2, line 12 delete "and Forestry".

On page 2, line 16 after the word "chemicals," insert "education".

Page 3 beginning on line 7 strike all that follows through line 10 and insert in lieu thereof the following:

"(8) Forestry in general and forest reserves other than those created from the public domain.

"(9) Commodities exchanges."

Amends House Resolution 988 by restoring to the Armed Services Committee jurisdiction over naval petroleum reserve No. 4:

On page 4, line 20 strike "reserves 1, 2, and 3." and insert in lieu thereof "and oil shale reserves."

Page 4, line 25, after the word "disarmament" insert the following: "and military dependents education".

Amends House Resolution 988 to conform the Banking and Currency Committee to the Hansen Resolution:

Page 5, after line 16 insert the following:

"(8) International financial and monetary organizations."

Amends House Resolution 988 to conform the Commerce and Health Committee to the Hansen Resolution:

On page 6 beginning on line 1 strike all that follows through line 9 and insert in lieu thereof the following:

"(4) Railroad labor and railroad retirement and employment, except revenue measures relating thereto.

"(5) Civil aeronautics.

"(6) Related transportation regulatory agencies.

"(7) Public health and quarantine.

"(8) Health and health facilities except supported by payroll deductions and including other health care, health insurance and medical assistance programs; health service training; health standards for drinking water; and biomedical research and development.

"(9) Consumer affairs and consumer protection.

"(10) Travel and tourism."

Amends House Resolution 988 to combine the Education and Labor Committee in the same fashion as does the Hansen Resolution:

On page 7, line 1 after the word "Education" insert the following: "and Labor".

Page 7, line 6, strike "agriculture".

Page 7, line 7, strike "colleges;".

Page 7, line 13, strike "(except age discrimination)".

Page 7, after line 17 insert the following:

"(9) Labor and employment generally including labor standards, wages and hours, workmen's compensation, and pensions.

"(10) Employment and economic opportunities and employment practices (including equal employment).

"(11) Manpower, including work incentive programs.

"(12) Occupational safety and health (including health and safety of miners).

"(13) Mediation and arbitration of labor disputes.

"(14) Labor statistics.

"(15) Regulation or prevention of importation of foreign laborers under contract; the entry of goods made by convicts into interstate commerce."

Page 7, line 22, after the words "respect to" insert "domestic".

Amends House Resolution 988 to eliminate the Energy and Environment Committee:

On page 8 beginning on line 1 strike all that follows through line 4 on page 9.

Amends House Resolution 988 to conform the jurisdiction of the Foreign Affairs Committee to that granted by the Hansen Resolution:

On page 9 beginning on line 20 strike all that follows through line 22 and insert in lieu thereof:

"(4) international education".

On page 10 beginning on line 8 strike all that follows through line 9 and insert in lieu thereof: "(11) trading with the enemies."

On page 10, line 14 strike "tariffs and customs administrations, foreign and".

On page 10, line 15 strike the words "military intelligence," and insert in lieu thereof: "customs administration,".

On page 10, line 13 strike "clause 3(d)" and insert in lieu thereof: "clause 3(c)"

Amends House Resolution 988 to conform the jurisdiction of the Government Operations Committee to that granted in the Hansen Resolution:

On page 11 beginning on line 3 strike all that follows through line 17 and insert in lieu thereof:

"(5) National Archives."

On page 11, line 22 strike "clause 5(b)" and insert in lieu thereof: "clause 4(b)".

Amends House Resolution 988 to conform the jurisdiction granted to the House Administration Committee with that granted under the Hansen Resolution:

On page 11 beginning on line 25 strike all that follows through page 12, line 20 and insert in lieu thereof the following:

"(1) Appropriations from the contingent fund.

"(2) Auditing and settling of all accounts which may be charged to the contingent fund.

"(3) Employment of persons by the House, including clerks for Members and committees, and reporters of debates.

"(4) Except as provided in clause 1(p)(4), matters relating to the Library of Congress and the House Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"(5) Except as provided in clause 1(p)(4), matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"(6) Expenditure of contingent fund of the House.

"(7) Matters relating to printing and correction of the Congressional Record.

"(8) Measures relating to accounts of the House generally.

"(9) Measures relating to assignment of office space for Members and committees.

"(10) Measures relating to the disposition of useless executive papers.

"(11) Measures relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; and Federal elections generally.

"(12) Measures relating to services to the House, including the House Restaurant, parking facilities and administration of the House Office Buildings and of the House wing of the Capitol.

"(13) Measures relating to the travel of Members of the House.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the function of performing the duties which are provided for in clause 4(c)."

Amends House Resolution 988 to conform the jurisdiction of the Judiciary Committee with that granted under the Hansen Resolution:

On page 13 beginning on line 20 strike "(including confirmation of Vice Presidential nominees under the Twenty-fifth Amendment)".

Page 13, line 23, strike "(12) Impeachments" and renumber the succeeding subparagraphs accordingly.

Amends House Resolution 988 to establish a Committee on Interior and Insular Affairs with the same jurisdiction as granted to the Hansen Resolution:

On page 12, after line 25, insert the following:

"(M) COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, the legislative jurisdiction of which shall include—

"(1) Forest reserves and national parks created from the public domain.

"(2) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

"(3) Geological Survey.

"(4) Interstate compacts relating to apportionment of waters for irrigation purposes.

"(5) Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects, and acquisition of private lands when necessary to complete irrigation projects.

"(6) Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

"(7) Measures relating generally to the insular possession of the United States, except those affecting the revenue and appropriations.

"(8) Military parks and battlefields; national, cemeteries administered by the Secretary of the Interior, and parks within the District of Columbia.

"(9) Mineral land laws and claims and entries thereunder.

"(10) Mineral resources of the public lands.

"(11) Mining interests generally.

"(12) Mining schools and experimental stations.

"(13) Petroleum conservation on the public lands and conservation of the radium supply in the United States.

"(14) Preservation of prehistoric ruins and objects of interest on the public domain.

"(15) Public lands generally, including entry, easements, and grazing thereon.

"(16) Relations of the United States with the Indians and the Indian tribes.

In addition to its legislative jurisdictions under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(d) with respect to all programs affecting Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste."

Amends House Resolution 988 to eliminate a separate Labor Committee:

On page 14 beginning on line 8 strike all that follows through line 9 on page 15.

Amends House Resolution 988 to continue the Post Office and Civil Service Committee with the same jurisdiction granted under the Hansen Resolution:

Page 16, after line 2 insert the following:

"(o) Committee on Post Office and Civil Service, the legislative jurisdiction of which shall include—

"(1) Census and the collection of statistics generally.

"(2) All Federal Civil Service, including intergovernmental personnel.

"(3) Postal-savings banks.

"(4) Postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.

"(5) Status of officers and employees of the United States, including their compensation, classification, and retirement.

"(6) Hatch Act.

"(7) Holidays and celebrations.

"(8) Population and demography."

Amends House Resolution 988 to continue the Merchant Marine and Fisheries Committee with the same jurisdiction as granted under the Hansen Resolution:

On page 15 beginning on line 10 strike all that follows through line 2 on page 16 and insert in lieu thereof the following:

"(n) Committee on Merchant Marine and Fisheries, the legislative jurisdiction of which shall include—

"(1) Merchant marine generally.

"(2) Oceanography and Marine Affairs, including coastal zone management.

"(3) Coast Guard, including lifesaving service, lighthouses, lightships, and ocean derelicts.

"(4) Fisheries and wildlife, including research, restoration, refuges, and conservation.

"(5) Measures relating to the regulation of common carriers by water (except matters subject to the jurisdiction of the Interstate Commerce Commission) and to the inspection of merchant marine vessels, lights and signals, lifesaving equipment, and fire protection on such vessels.

"(6) Merchant marine officers and seamen.

"(7) Navigation and the laws relating thereto, including pilotage.

"(8) Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and interoceanic canals generally.

"(9) Registering and licensing of vessels and small boats.

"(10) Rules and international arrangements to prevent collisions at sea.

"(11) United States Coast Guard and Merchant Marine Academies and State Maritime Academies.

"(12) International fishing agreements."

Amends House Resolution 988 to conform the Public Works and Transportation Committee to the jurisdiction granted under the Hansen Resolution:

On page 16, beginning on line 14, strike all that follows through line 19 and insert in lieu thereof the following:

"(3) Measures relating to the construction or maintenance of roads other than appropriations therefor; but it shall not be in order for any bill providing general legislation in relation to roads to contain any provision for any specific road nor for any bill in relation to a specific road to embrace a provision in relation to any other specific road."

Page 17, after line 5 insert the following:

"(8) Oil and other pollution of navigable waters.

"(9) Water power.

"(10) Roads and the safety thereof.

"(11) Water transportation subject to the jurisdiction of the Interstate Commerce Commission.

"(12) Urban mass transit.

Amends House Resolution 988 to conform the jurisdiction of the Rules Committee to that granted under the Hansen Resolution:

On page 17, beginning on line 14, strike all that follows through line 21 and insert in lieu thereof the following:

"(3) The Committee on Rules is authorized to sit and act whether or not the House is in session."

Amends House Resolution 988 to grant the Science and Technology Committee the same jurisdiction as is granted under the Hansen Resolution:

On page 17 beginning on line 24 strike all that follows through page 18, line 18, and insert in lieu thereof the following:

"(1) Astronautical research and development, including resources, personnel, equipment, and facilities.

"(2) Bureau of Standards, standardization of weights and measures and the metric system.

"(3) National Aeronautics and Space Administration.

"(4) National Aeronautics and Space Council.

"(5) National Science Foundation.

"(6) Outer space, including exploration and control thereof.

"(7) Science Scholarships.

"(8) Scientific research and development.

"(9) Civil aviation research and development.

"(10) Environmental research and development.

"(11) All energy research and development except nuclear research and development.

"(12) National Weather Service.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(e) with respect to all nonmilitary research and development."

Amends House Resolution 988 to delete the legislative jurisdition of the Select Committee on Small Business:

On page 18 beginning on line 19 strike all that follows through line 4 on page 19 and insert in lieu thereof the following:

"(s) The Select Committee on Small Business is a permanent select committee of the House without legislative jurisdiction except to make investigations and reports."

Amends House Resolution 988 to conform the jurisdiction of the Committee on Standards of Official Conduct to that granted under the Hansen Resolution:

On page 19 beginning on line 17 strike all that follows through line 20.

Page 19, line 23, strike ", and investigation of campaign expenditures".

On page 19, line 25 strike "(6) Measures relating to the franking privilege."

Amends House Resolution 988 by making a technical amendment to the Veterans Committee jurisdiction:

On page 20, line 5 strike all that follows the word "clause" through line 6 and insert in lieu thereof "4(d)".

Amends House Resolution 988 to restore the Ways and Means Committee jurisdiction to that granted under the Hansen Resolution:

On page 20 beginning on line 22 strike all that follows through line 16 on page 21 and insert in lieu thereof the following:

"(1) Customs, collection districts, and ports of entry and delivery.

"(2) Reciprocal trade agreements.

"(3) Revenue measures generally.

"(4) Revenue measures relating to the insular possessions.

"(5) The bonded debt of the United States.

"(6) The deposit of public moneys.

"(7) Transportation of dutiable goods.

"(8) Tax-exempt foundations and charitable trusts.

"(9) National social security, except (A) health care and facilities programs that are supported from general revenues as opposed to payroll deductions and (B) work incentive programs."

Amends House Resolution 988 to Allow Committees Flexibility in the Way They Carry Out Their Oversight Responsibility:

On page 23, line 7, strike the sentence beginning with the word "Each" and insert in lieu thereof the following: "Each such committee having fifteen or more members shall establish an oversight subcommittee, or require its subcommittees, if any, to conduct oversight in the area of their respective jurisdiction, to assist in carrying out its responsibilities under this subparagraph. The establishment of such oversight subcommittee shall in no way limit the responsibility of subcommittees with legislative jurisdiction from carrying out their oversight responsibilities."

On page 23, line 21, after the word "Congress," insert "an appropriate representative thereof".

Amends House Resolution 988 to grant the Armed Services Committee special oversight over programs involving education of military dependents:

On page 24, line 15, insert after "disarmament" the following: "and the education of military dependents in schools".

Amends House Resolution 988 to clarify the special oversight responsibility of the Committee on Education and Labor:

On page 24, beginning on line 16, strike all that follows through line 21 and insert in lieu thereof the following:

"(b) The Committee on Education and Labor shall have the function of reviewing, studying, and coordinating, on a continuing basis, all laws, programs, and Government activities dealing with or involving domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees."

Amends House Resolution 988 to conform with the elimination of the Energy and Environment Committee:

On page 24 beginning on line 22 strike all that follows through line 2 on page 25.

Amends House Resolution 988 to delete from the Foreign Affairs Committee special oversight over foreign and military intelligence:

On page 25, line 6 beginning with the word "or" strike all that follows through the word "agreements." and insert in lieu thereof "or involving customs administration, international financial and monetary organizations, and international fishing agreements."

Amends House Resolution 988 to grant the Science and Technology Committee special oversight over nonmilitary research and development:

On page 25, line 12 after the word "involving" strike all that follows through the word "development" and insert in lieu thereof "non-military research and development".

Amends House Resolution 988 to provide the Committee on Interior and Insular Affairs special oversight over Indians and nonmilitary, non-nuclear energy research and development:

On page 25 beginning on line 14 strike all that follows through line 16 and insert in lieu thereof the following:

"(d) The Committee on Interior and Insular Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and government activities dealing with Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste."

Amends House Resolution 988 to eliminate the provision for legislative review among committees of the House:

On page 25 beginning on line 17 strike all that follows through line 8 on page 27 and renumber the succeeding clauses.

Amends House Resolution 988 to delete a new point of order against a reported bill, that being lack of jurisdiction:

On page 30 beginning on line 9 strike all that follows through line 23 and renumber the succeeding sections accordingly.

Amends House Resolution 988 to eliminate the authority of the Rules Committee to arbitrate jurisdictional disputes and also eliminates the requirement that a 100-word description accompany every bill upon its introduction:

On page 33 beginning on line 13 strike all that follows through line 16 and renumber the succeeding subparagraphs accordingly.

On page 35 beginning on line 13 strike all that follows through line 19 on page 38 and insert in lieu thereof the following:

"(d) After the introduction in the House of each bill or resolution the Congressional Research Service of the Library of Congress shall prepare a factual description of the subject involved therein not to exceed one hundred words; such description shall be published in the Congressional Record and the Digest of Public General Bills and Resolutions as soon as possible after introduction."

Amends House Resolution 988 to delete the requirement that all committees have thirty five members and the requirement that fifteen members be exclusive committees:

On page 38, line 21 strike "Limitation on Committee Service;".

On page 39, beginning on line 1 strike all that follows through line 7 and renumber the succeeding subparagraphs.

On page 39, beginning on line 19 strike all that follows through line 2 on page 40.

Amends House Resolution 988 to require each standing committee of the House with more than fifteen members to establish at least four subcommittees:

Page 40, after line 2 insert the following:

"(c) Each standing committee of the House of Representatives that has more than fifteen members shall establish at least four subcommittees."

Amends House Resolution 988 to clarify the authority of the Speaker with regard to the appointment of conferees:

On page 40, line 9 after the word "who" strike all that follows through the word "disagreement" and insert in lieu thereof the following: "generally supported the House position as determined by the Speaker".

Page 40, after line 10 insert the following:

"(f) The Speaker may appoint the Resident Commissioner from Puerto Rico and the Delegate from the District of Columbia, Virgin Islands, and Guam to any conference committee that is considering legislation reported from a committee on which they serve.

"(g) For the purpose of paragraph (j) of clause 6 of Rule XI (1) there shall be no more than six standing subcommittees of each standing committee of the House, except for the Committee on Appropriations and (2) no Member shall appoint more than one staff person pursuant to such provisions."

Amends House Resolution 988 to require all select and joint committees to publish their rules in the RECORD:

On page 42, line 7, after "year." insert the following: "Each select or joint committee shall comply with the provisions of this paragraph unless specifically prohibited by law."

Amends House Resolution 988 to allow proxy voting in committees under a strictly worded, tightly controlled authority:

On page 44, line 21 strike the word "prohibited".

On page 44, line 24 before the period insert the following:

"unless the committee, by written rule adopted by the committee, permits voting by proxy and requires that the proxy authorization shall be in writing, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. The records of the committee or any subcommittee on all roll-call votes shall indicate when a member's vote has been cast by proxy"

Amends House Resolution 988 by deleting the requirement that witnesses pay for the copy of their transcript:

On page 48, line 11, delete "upon payment of the cost thereof, a" and insert in lieu thereof "A".

Amends House Resolution 988 to conform to the oversight changes made by the Hansen resolution:

On page 49, line 20, delete "of the oversight subcommittee of such committee established" and insert in lieu thereof "required".

Amends House Resolution 988 by requiring that a summary of oversight findings be inserted in a committee report only if they have been submitted in a timely fashion to the legislative committee:

On page 49, line 23, after the word "the" insert the following: "a summary of".

On page 50 strike lines 1 through 3 and insert in lieu thereof the following: "whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure."

Amends House Resolution 988 by deleting the authority that the Rules Committee may file at any time a resolution making in order the consideration of a bill:

On page 51 beginning on line 9, strike all that follows through line 11.

Conforms House Resolution 988 to the Hansen Resolution by deleting from the Committee on Standards of Official Conduct the right to resolve election disputes:

On page 51 beginning on line 15, strike all that follows through line 17 and insert in lieu thereof "other order of business) shall".

On page 60, line 22, strike "the right of a member to his or her seat, and".

Amends House Resolution 988 to grant each standing committee of the House power to issue a subpoena when authorized by a majority of that committee:

On page 52, line 23, strike "paragraph (i) of this cause and".

On page 53, beginning on line 14, strike all that follows through line 23 and insert in lieu thereof "activities, only when authorized by a majority of the members of the committee."

On page 54, beginning on line 3, strike all that follows through line 8.

On page 61 beginning on line 4, strike all that follows through line 8 and renumber the succeeding clauses.

Amends House Resolution 988 to prohibit the Rules Committee from granting a rule that requires the immediate consideration of a bill or resolution:

On page 61, line 25, insert before the period the following:

": nor shall it report any rule or order which shall require the consideration of the business which is the subject of the rule or order or which shall require the Speaker to recognize a Member for the purpose of bringing up such business".

Amends House Resolution 988 to delete the authority of the Committee on Government Operations from offering privileged amendments to implement their oversight findings:

On page 62, beginning on line 24, strike all that follows through line 8 on page 63 and renumber the succeeding paragraph.

Amends House Resolution 988 to delete the requirement that the minority be provided upon their request one-third of the funds provided in each investigating resolution:

On page 65 beginning on line 18, strike all that follows through line 13 on page 66.

Amends House Resolution 988 to return the numbers of professional and clerical staff to those granted under the current Rules:

On page 67, line 13 strike "eighteen" and insert in lieu thereof "six".

On Page 67, line 21, strike "six" and insert in lieu thereof "two".

Page 69, line 2, strike "twelve" and insert in lieu thereof "six".

Page 69, line 17, strike "four persons" and insert in lieu thereof "one person".

Page 69, line 19, strike "positions" and insert in lieu thereof "a position".

Page 70, line 1, strike "other persons" and insert in lieu thereof "any other person".

Page 71, line 23, strike "seven" and insert in lieu thereof "two".

Page 72, line 16, strike "six" and insert in lieu thereof "two".

Page 72, line 17, strike "four or more" and insert in lieu thereof "one".

Amends House Resolution 988 to provide each chairman of a standing subcommittee and each ranking minority member on a standing subcommittee the right to appoint one staff person:

On page 73, after line 2, insert the following:

"(j) In addition to the staff appointed pursuant to paragraph (a) and (b) of this clause—

"(1) The chairman of each standing subcommittee of a standing committee of the House is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

"(2) The ranking minority party member of each standing subcommittee on each standing committee of the House shall appoint one staff person who shall serve at the pleasure of the ranking minority party member.

"(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of this clause or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph."

And renumber the succeeding paragraphs.

Amends House Resolution 988 to change the beginning of the early organization from November 15 to December 1:

On page 73 beginning on line 18 strike "the fifteenth day of November" and insert in lieu thereof "the first day of December".

Amends House Resolution 988 to express the sense of the House that the Joint Committee on Congressional Operations should work to rationalize the jurisdiction of the committees of both House and Senate

On page 87, line 16, insert after the period the following: "It is the sense of the House of Representatives that the House members of the Joint Committee on Congressional Operations should work with the Senate members of such joint committee in an effort to rationalize the committee jurisdiction between the Houses."

Amends House Resolution 988 to consolidate the two commissions created therein into a single commission with essentially the same function:

On page 79 beginning on line 3 strike all that follows through line 13 on page 83 and insert in lieu thereof the following:

"THE HOUSE COMMISSION ON INFORMATION AND FACILITIES

"SEC. 403. (a) There shall be in the House of Representatives a Commission on Information and Facilities (hereinafter in this section referred to as the "Commission"), which shall be composed of nine Members of the House appointed by the Speaker, including the House Members of the Joint Committee on Congressional Operations, no more than five being members of the same political party.

"(b) To assist the Commission in carrying out its functions, the Speaker shall establish an Advisory Council composed of six members as follows:

"(1) Two members who are representatives of public affairs institutions or groups,

"(2) Two members who have demonstrated ability in space utilization, and

"(3) Two members of the general public.

The members of such Advisory Council shall receive compensation at the daily rate provided by law for persons in grade GS-18, for each day actually engaged in the performance of the Commission's functions; and shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

"(c) It shall be the function of the Commission to conduct a thorough and complete study of—

(1) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate, and

"(2) with respect to the facilities and space requirements of the Members and committees of the House, including space utilization, parking and the organization, responsibility, and supervision to provide adequate, efficient, and economical space utilization, and

"(3) the staff required to provide the House legislative counsel with the capability to fully meet the needs of the Members of the House.

"(d) The study conducted by the Commission pursuant to subsection (b)(1) shall include (but need not be limited to)—

"(1) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective or ineffective;

"(2) information management, collection, and dissemination for the House;

"(3) resources outside the Congress for information and their utilization;

"(4) methods for setting up and organizing the flow of information from and to the Executive;

"(5) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

"(6) the creation of a congressional staff journal or other process for communication.

"(e) The Commission shall make an annual progress report to the Speaker, and shall make such additional reports as may appear appropriate or as may be directed by the Speaker, incorporating interim and final recommendations and drafts of legislation to carry out such recommendations. The final report of the Commission shall be submitted no later than January 2, 1977. The study conducted pursuant to paragraph (b)(3) shall be completed no later than January 1, 1976.

"(f) In carrying out its functions, the Commission may meet at such times and places as it deems necessary. A majority of the members of the Commission shall constitute a quorum for the transaction of business.

"(g) Members and staff of the Commission shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

"(h) The Commission shall utilize the staff of the Joint Committee on Congressional Operations to the maximum extent possible and shall appoint and provide for the compensation of such other staff as may be necessary for the performance of its functions.

"(i) The contingent fund of the House is made available to carry out the purposes of this section."

And renumber the succeeding sections accordingly.

TECHNICAL AND CONFORMING AMENDMENTS TO HOUSE RESOLUTION

On page 84, line 8 insert after "form," the following: "separately stated,".

On page 88 beginning on line 1 strike "clause 6 of Rule X (as amended by Section 201 of this resolution)" and insert in lieu thereof the following: "clause 5 of Rule X (as amended by Section 102 of this resolution)".

On page 88, line 4 strike "301" and insert in lieu thereof "401".

Amends House Document 988 to allow the Speaker to recognize the Chairman of a standing committee to bring up a bill or resolution that has been reported from his committee without going to the Rules Committee:

Page 90, after line 14 insert the following:

"SEC. — Rule XVI, clause 9, is amended by adding at the end thereof the following: 'At any time after the reading of the Journal but not before the consideration of motions permitted by the first sentence of this clause, the Speaker may, in his discretion, recognize the chairman of a standing committee or a member of such committee if either is acting at the direction of that committee (such direction having been given by a separate vote on a day following the day the measure was ordered reported from the committee) to move that the House resolve itself into a Committee of the Whole for the purpose of considering a bill or resolution reported by the chairman's committee and on the House or Union Calendar subject to the provisions of clause (2)(1)(5) of Rule XI. Such motion shall specify the number of hours, and the division and control of such time for general debate in the Committee of the Whole on the bill or resolution to be considered therein, is not debatable and may not be amended. If such motion is adopted, at the conclusion of consideration to the Committee of the Whole of the bill or resolution specified in the motion, the Committee shall rise and report the bill or resolution to the House with such amendments as may have been adopted in the Committee of the whole to the bill or resolution. The previous question shall be considered as ordered on the bill or resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.' "

Amends House Resolution 988 to authorize the Speaker to complete the Compilation of Precedents of the House by January 1, 1977:

Page 90, after line 14 insert the following:

"SEC. — The Speaker is authorized and directed to complete the Compilation of the Precedents of the House of Representatives by January 1, 1977, and prepare an updated compilation of such precedents every two years thereafter. Copies of the Compilation of Precedents shall be printed in sufficient quantity to be available to every Member and the standing committees of the House of Representatives."

Amends House Resolution 988 to conform the Rules of the House to the current practice that membership of committees are elected based on the respective party nominations:

On page 38, line 25 insert after the word "Congress" the following ", from nominations submitted by the respective party caucuses".

On page 39, line 12 after the word "House" insert the following: "from nominations submitted by the majority party caucus,"

Mr. Chairman, House Resolution 1321 has been introduced as a separate form of revising the procedures and committee jurisdictions of the House. Since this could be considered as an alternative to House Resolution 1248, I am today including in the RECORD a series of amendments to House Resolution 1321 which, if enacted, would bring the two resolutions into agreement.

With this publication, each of these amendments become eligible for consideration as an amendment to House Resolution 1321 should House Resolution 1321 be introduced as a substitute for House Resolution 1248 or House Resolution 988.

While I am confident that the House will enact House Resolution 1248, I believe the membership is entitled to know the differences between the bills and it should be in order for each point of difference to be considered as an amendment should House Resolution 1321 come before this House.

The amendments follow:

AMENDMENTS TO HOUSE RESOLUTION 1321

Amends House Resolution 1321 to conform the Agriculture Committee to reflect only those changes made by the Hansen Resolution:

On page 2, line 12 delete "and Forestry".

On page 2, line 16 after the word "chemicals," insert "education".

Page 3 beginning on line 7 strike all that follows through line 10 and insert in lieu thereof the following:

"(8) Forestry in general and forest reserves other than those created from the public domain.

"(9) Commodities exchanges."

Amends House Resolution 1321 by restoring to the Armed Services Committee jurisdiction over naval oil shale reserves;

On page 5, line 4, after the word "reserves" insert the following: "and oil shale reserves".

Page 5, line 9 after the word "disarmament" insert the following: "and military dependents education".

Amends House Resolution 1321 to conform the Banking and Currency Committee to the Hansen Resolution:

Page 5, after line 25 insert the following:

"(8) International financial and monetary organizations."

Amends House Resolution 1321 to conform the Commerce and Health Committee to the Hansen Resolution:

On page 7 beginning on line 6 strike all that follows through line 8 and insert in lieu thereof the following:

"(4) Health and health facilities except supported by payroll deductions and including other health care, health insurance and medical assistance programs; health service training; health standards for drinking water; and biomedical research and development."

On page 7 beginning on line 12, strike all that follows through line 17.

Amends House Resolution 1321 to combine the Education and Labor Committee in the same fashion as does the Hansen Resolution:

On page 7, line 1, after the word "Education" insert the following: "and Labor."

Page 8, line 16, strike "agriculture".

Page 8, line 17, strike "colleges;".

Page 8, line 23, strike "(except age discrimination)".

Page 9, after line 3 insert the following:

"(9) Labor and employment generally, including labor standards, wages and hours, workmen's compensation, and pensions.

"(10) Employment and economic opportunities and employment practices (including equal employment).

"(11) Manpower, including work incentive programs.

"(12) Occupational safety and health (including health and safety of miners).

"(13) Mediation and arbitration of labor disputes.

"(14) Labor statistics.

"(15) Regulation or prevention of importation of foreign laborers under contract; the entry of goods made by convicts into interstate commerce."

Page 9, line 8, after the words "respect to" insert "domestic".

Amends House Resolution 1321 to eliminate the Energy and Environment Committee:

On page 9, beginning on line 11, strike all that follows through line 14 on page 10.

Amends House Resolution 1321 to conform the jurisdiction of the Foreign Affairs Committee to that granted by the Hansen Resolution:

On page 11, beginning on line 5, strike all that follows through line 7 and insert in lieu thereof: "(4) international education".

On page 11, beginning on line 18, strike all that follows through line 19 and insert in lieu thereof: "(11) trading with the enemies."

On page 12, line 1, strike the words "military intelligence," and insert in lieu thereof: "customs administration,".

Amends House Resolution 1321 to conform the jurisdiction of the Government Operations Committee to that granted in the Hansen Resolution:

On page 12 beginning on line 15 strike all that follows through line 4, page 13 and insert in lieu thereof: "(5) National Archives."

Amends House Resolution 1321 to conform the jurisdiction granted to the House Administration Committee with that granted under the Hansen Resolution:

On page 13, beginning on line 12, strike all that follows through page 14, line 20, and insert in lieu thereof the following:

"(1) Appropriations from the contingent fund.

"(2) Auditing and settling of all accounts which may be charged to the contingent fund.

"(3) Employment of persons by the House, including clerks for Members and committees, and reporters of debates.

"(4) Except as provided in clause 1(p)(4), matters relating to the Library of Congress and the House Library; statutory and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"(5) Except as provided in clause 1(p)(4), matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"(6) Expenditure of contingent fund of the House.

"(7) Matters relating to printing and correction of the Congressional Record.

"(8) Measures relating to accounts of the House generally.

"(9) Measures relating to assignment of office space for Members and committees.

"(10) Measures relating to the disposition of useless executive papers.

"(11) Measures relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; and Federal elections generally.

"(12) Measures relating to services to the House, including the House Restaurant, parking facilities and administration of the House Office Buildings and of the House wing of the Capitol.

"(13) Measures relating to the travel of Members of the House.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1), the committee shall have the function of performing the duties which are provided for in clause 4(c)."

Amends House Resolution 1321 to establish a Committee on Interior and Insular Affairs with the same jurisdiction as granted to the Hansen Resolution:

On page 14, after line 20 insert the following:

"(m) COMMITTEE ON INTERIOR AND INSULAR AFFAIRS.—The legislative jurisdiction of which shall include—

"(1) Forest reserves and national parks created from the public domain.

"(2) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

"(3) Geological Survey.

"(4) Interstate compacts relating to apportionment of waters for irrigation purposes.

"(5) Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects, and acquisition of private lands when necessary to complete irrigation projects.

"(6) Measures relating to the care, education, and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

"(7) Measures relating generally to the insular possession of the United States, except those affecting the revenue and appropriations.

"(8) Military parks and battlefields; national cemeteries administered by the Secretary of the Interior, and parks within the District of Columbia.

"(9) Mineral land laws and claims and entries thereunder.

"(10) Mineral resources of the public lands.

"(11) Mining interests generally.

"(12) Mining schools and experimental stations.

"(13) Petroleum conservation on the public lands and conservation of the radium supply in the United States.

"(14) Preservation of prehistoric ruins and objects of interest on the public domain.

"(15) Public lands generally, including entry, easements, and grazing thereon.

"(16) Relations of the United States with the Indians and the Indian tribes.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(d) with respect to all programs affecting Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste."

Amends House Resolution 1321 to conform the jurisdiction of the Judiciary Committee with that granted under the Hansen Resolution:

On page 15, beginning on line 15, strike "(including confirmation of Vice Presidential nominees under the Twenty-Fifth Amendment)".

Page 15, line 18, strike "(12) Impeachments" and renumber the succeeding subparagraphs accordingly.

Amends House Resolution 1321 to eliminate a separate Labor Committee.

On page 16 beginning on line 3 strike all that follows through line 23.

Amends House Resolution 1321 to continue the Merchant Marine and Fisheries Committee with the same jurisdiction as granted under the Hansen Resolution:

On page 16, beginning on line 24, strike all that follows through line 16 on page 17 and insert in lieu thereof the following:

"(n) Committee on Merchant Marine and Fisheries, the legislative jurisdiction of which shall include—

"(1) Merchant marine generally.

"(2) Oceanography and Marine Affairs, including coastal zone management.

"(3) Coast Guard, including lifesaving service, lighthouses, lightships, and ocean derelicts.

"(4) Fisheries and wildlife, including research, restoration, refuges, and conservation.

"(5) Measures relating to the regulation of common carriers by water (except matters subject to the jurisdiction of the Interstate Commerce Commission) and to the inspection of merchant marine vessels, lights and signals, lifesaving equipment, and fire protection on such vessels.

"(6) Merchant marine officers and seamen.

"(7) Navigation and the laws relating thereto, including pilotage.

"(8) Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and the interoceanic canals generally.

"(9) Registering and licensing of vessels and small boats.

"(10) Rules and international arrangements to prevent collisions at sea.

"(11) United States Coast Guard and Merchant Marine Academies and State Maritime Academies.

"(12) International fishing agreements."

Amends House Resolution 1321 to continue the Post Office and Civil Service Committee with the same jurisdiction granted under the Hansen Resolution:

Page 17, after line 16 insert the following:

"(o) Committee on Post Office and Civil Service, the legislative jurisdiction of which shall include—

"(1) Census and the collection of statistics generally.

"(2) All Federal Civil Service, including intergovernmental personnel.

"(3) Postal-savings banks.

"(4) Postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but; excluding post roads.

"(5) Status of officers and employees of the United States, including their compensation, classification, and retirement.

"(6) Hatch Act.

"(7) Holidays and celebrations.

"(8) Population and demography."

Amends House Resolution 1321 to conform the Public Works and Transportation Committee to the jurisdiction granted under the Hansen Resolution:

Page 18, after line 16, insert the following:

"(8) Oil and other pollution of navigable waters.

"(9) Water power.

"(10) Water transportation subject to the jurisdiction of the Interstate Commerce Commission.

Amends House Resolution 1321 to conform the jurisdiction of the Rules Committee to that granted under the Hansen Resolution:

On page 18, beginning on line 25, strike all that follows through line 5, page 19, and insert in lieu thereof the following:

"(3) The Committee on Rules is authorized to sit and act whether or not the House is in session."

Amends House Resolution 1321 to grant the Science and Technology Committee the same jurisdiction as is granted under the Hansen Resolution:

On page 19, beginning on line 8, strike all that follows through page 20, line 2, and insert in lieu thereof the following:

"(1) Astronautical research and development, including resources, personnel, equipment, and facilities.

"(2) Bureau of Standards, standardization of weights and measures and the metric system.

"(3) National Aeronautics and Space Administration.

"(4) National Aeronautics and Space Council.

"(5) National Science Foundation.

"(6) Outer space, including exploration and control thereof.

"(7) Science Scholarships.

"(8) Scientific research and development.

"(9) Civil aviation research and development.

"(10) Environmental research and development.

"(11) All energy research and development except nuclear research and development.

"(12) National Weather Service.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(e) with respect to all nonmilitary research and development."

Amends House Resolution 1321 to delete the legislative jurisdiction of the Select Committee on Small Business:

On page 20, beginning on line 3, strike all that follows through line 13 and insert in lieu thereof the following:

"(s) The Select Committee on Small Business is a permanent selection committee of the House without legislative jurisdiction except to make investigations and reports."

Amends House Resolution 1321 to conform the jurisdiction of the Committee on Standards of Official Conduct to that granted under the Hansen Resolution:

On page 21, line 1, strike "(6) Measures relating to the franking privilege."

Amends House Resolution 1321 to restore the Ways and Means Committee jurisdiction to that granted under the Hansen Resolution:

On page 21, beginning on line 22, strike all that follows through line 12 on page 22 and insert in lieu thereof the following:

"(1) Customs, collection districts, and ports of entry and delivery.

"(2) Reciprocal trade agreements.

"(3) Revenue measures generally.

"(4) Revenue measures relating to the insular possessions.

"(5) The bonded debt of the United States.

"(6) The deposit of public moneys.

"(7) Transportation of dutiable goods.

"(8) Tax-exempt foundations and charitable trusts.

"(9) National social security, except (A) health care and facilities programs that are supported from general revenues as opposed to payroll deductions and (B) work incentive programs."

Amends House Resolution 1321 to Allow Committee Flexibility in the Way they Carry Out Their Oversight Responsibility:

On page 24, line 6 strike the sentence beginning with the word "Each" and insert in lieu thereof the following: "Each such committee having fifteen or more members shall establish an oversight subcommittee, or require its subcommittees, if any, to conduct oversight in the area of their respective jurisdiction, to assist in carrying out its responsibilities under this subparagraph. The establishment of such oversight subcommittee shall in no way limit the responsibility of subcommittees with legislative jurisdiction from carrying out their oversight responsibilities."

On page 24, line 24 after the word "Congress," insert "an appropriate representative thereof".

Amends House Resolution 1321 to grant the Armed Services Committee special oversight over programs involving education of military dependents:

On page 25, line 18 insert after "disarmament" the following: "and the education of military dependents in schools".

Amends House Resolution 1321 to strike special oversight over Health from Commerce and Health:

On page 26 beginning on line 1 strike all that follows through line 6.

Amends House Resolution 1321 to clarify the special oversight responsibility of the Committee on Education and Labor:

On page 26, line 7 strike all that follows through line 12 and insert in lieu thereof the following:

"(b) The Committee on Education and Labor shall have the function of reviewing, studying, and coordinating, on a continuing basis, all laws, programs, and Government activities dealing with or involving domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees."

Amends House Resolution 1321 to conform with the elimination of the Energy and Environment Committee:

On page 26 beginning on line 13 strike all that follows through line 18.

Amends House Resolution 1321 to delete from the Foreign Affairs Committee special oversight over foreign and military intelligence:

On page 26 line 22 beginning with the word "or" strike all that follows through the word "agreements." and insert in lieu thereof "or involving customs administration, international financial and monetary organizations, and international fishing agreements."

Amends House Resolution 1321 to grant the Science and Technology Committee special oversight over nonmilitary research and development:

On page 27, line 3 after the word "involving" strike all that follows through the word "development" and insert in lieu thereof "non-military research and development".

Amends House Resolution 1321 to provide the Committee on Interior and Insular Affairs special oversight over Indians and nonmilitary, non-nuclear energy research and development:

On page 27 beginning on line 5 strike all that follows through line 7 and insert in lieu thereof the following:

"(d) The Committee on Interior and Insular Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste."

Amends House Resolution 1321 to eliminate the provision for legislative review among committees of the House:

On page 27 beginning on line 8 strike all that follows through line 3 on page 28 and renumber the succeeding clauses.

Amends House Resolution 1321 to eliminate the authority of the Rules Committee to arbitrate jurisdictional disputes and also eliminates the requirement that a 100-word description accompany every bill upon its introduction:

On page 36 beginning on line 1 strike all that follows through line 17 on page 39 and insert in lieu thereof the following:

"(d) After the introduction in the House of each bill or resolution the Congressional Research Service of the Library of Congress shall prepare a factual description of the subject involved therein not to exceed one hundred words; such description shall be published in the Congressional Record and the Digest of Public General Bills and Resolutions as soon as possible after introduction."

Amends House Resolution 1321 to delete the requirement that all committees have thirty-five members and the requirement that fifteen committees be exclusive committees:

On page 39, line 9 strike "Limitation on Committee Service;".

On page 39 beginning on line 14 strike all that follows through line 20 and renumber the succeeding subparagraphs.

On page 41 beginning on line 1 strike all that follows through line 8

Amends House Resolution 1321 to require each standing committee of the House with more than fifteen members to establish at least four subcommittees:

Page 41, line 13 strike "three" and insert in lieu thereof the following: "four"

Amends House Resolution 1321 to clarify the authority of the Speaker with regard to the appointment of conferees:

On page 41 line 18 after the word "who" strike all that follows through the word "disagreement" and insert in lieu thereof the following: "generally supported the House position as determined by the Speaker".

Page 41, after line 19 insert the following:

"(f) The Speaker may appoint the Resident Commissioner from Puerto Rico and the Delegate from the District of Columbia, Virgin Islands, and Guam to any conference committee that is considering legislation reported from a committee on which they serve.

"(g) For the purpose of paragraph (j) of clause 6 of Rule XI (1) there shall be no more than six standing subcommittees of each standing committee of the House, except for the Committee on Appropriations and (2) no Member shall appoint more than one staff person pursuant to such provisions."

Amends House Resolution 1321 to require all select and joining committees to publish their rules in the Record:

On page 43, line 24, after "year." insert the following: "Each select or joint committee shall comply with the provisions of this paragraph unless specifically prohibited by law."

Amends House Resolution 1321 to allow proxy voting in committees under a strictly worded, tightly controlled authority.

On page 46, line 12 strike the word *"prohibited"*.

On page 46, line 15 before the period insert the following: "unless the committee, by written rule adopted by the committee, permits voting by proxy and requires that the proxy authorization shall be in writing, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that a member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. The records of the committee or any subcommittee on all rollcall votes shall indicate when a member's vote has been cast by proxy."

Amends House Resolution 1321 by deleting the requirement that witnesses pay for the copy of their transcript:

On page 50, line 8, delete "upon payment of the cost thereof, a" and insert in lieu thereof "A".

Amends House Resolution 1321 to conform to the oversight changes made by the Hansen resolution:

On page 51, line 18, delete "of such committee established" and insert in lieu thereof "required".

Amends House Resolution 1321 by requiring that a summary of oversight findings be inserted in a committee report only if they have been submitted in a timely fashion to the legislative committee:

On page 51, line 20, strike the word "the" and insert the following: "a summary of".

On page 51 strike lines 23 through 25 and insert in lieu thereof the following: "whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure."

Amends House Resolution 1321 by deleting the authority that the Rules Committee may file at any time a resolution making in order the consideration of a bill:

On page 53 beginning on line 8, strike all that follows through line 10.

Conforms House Resolution 1321 to the Hansen Resolution by deleting from the Committee on Standards of Official Conduct the right to resolve election disputes:

On page 53 beginning on line 15, strike the word "the" and all that follows through "Rule X)" on line 17 and insert in lieu thereof "other order of business)"

Amends House Resolution 1321 to prohibit the Rules Committee from granting a rule that requires the immediate consideration of a bill or resolution:

On page 63, line 20, insert before the period the following: ": nor shall it report any rule or order which shall require the consideration of the business which is the subject of the rule or order or which shall require the Speaker to recognize a Member for the purpose of bringing up such business".

Amends House Resolution 1321 to delete the authority of the Committee on Government Operations from offering privileged amendments to implement their oversight findings:

On page 64 beginning on line 19, strike all that follows through line 3 on page 65 and renumber the succeeding paragraph.

Amends House Resolution 1321 to delete the requirement that the minority be provided upon their request one-third of the funds provided in each investigating resolution:

On page 67 beginning on line 14, strike all that follows through line 9 on page 68.

Amends House Resolution 1321 to return the numbers of professional and clerical staff to those granted under the current Rules:

On page 9, line 9 strike "eighteen" and insert in lieu thereof "six".

On page 69, line 17, strike "six" and insert in lieu thereof "two".

On page 70, line 24, strike "twelve" and insert in lieu thereof "six".

On page 71, line 14, strike "four persons" and insert in lieu thereof "one person".

On page 71, line 16, strike "positions" and insert in lieu thereof "a position".

On page 71, line 23, strike "other persons" and insert in lieu thereof "any other person".

On page 73, line 22, strike "seven" and insert in lieu thereof "two".

On page 74, line 16, strike "six" and insert in lieu thereof "two".

On page 74, line 17, strike "four or more" and insert in lieu thereof "one".

Amends House Resolution 1321 to provide each chairman of a standing subcommittee and each ranking minority member on a standing subcommittee the right to appoint one staff person:

On page 75, line 2, insert the following:

"(j) In addition to the staff appointed pursuant to paragraphs (a) and (b) of this clause—

"(1) The chairman of each standing subcommittee of a standing committee of the House is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

"(2) The ranking minority party member of each standing subcommittee on each standing committee of the House shall appoint one staff person who shall serve at the pleasure of the ranking minority party member.

"(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of this clause or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph."

And renumber the succeeding paragraphs.

Amends House Resolution 1321 to change the beginning of the early organization from November 15 to December 1:

On page 75 beginning on line 18 strike "the fifteenth day of November" and insert in lieu thereof "the first day of December".

Amends House Resolution 1321 to express the sense of the House that the Joint Committee on Congressional Operations should work to rationalize the jurisdiction of the committees of both House and Senate:

On page 88, line 14, insert after the period the following: "It is the sense of the House of Representatives that the House members of the Joint Committee on Congressional Operations should work with the Senate members of such joint committee in an effort to rationalize the committee jurisdiction between the Houses."

Amends House Resolution 1321 to allow the Speaker to recognize the Chairman of a standing committee to bring up a bill or resolution that has been reported from his committee without going to the Rule Committee.

Page 91, after line 20 insert the following:

"SEC.— Rule XVI, clause 9, is amended by adding at the end thereof the following: "At any time after the reading of the Journal but not before the consideration of motions permitted by the first sentence of this clause, the Speaker may, in his discretion, recognize the chairman of a standing committee or a member of such committee if either is acting at the direction of that committee (such direction having been given by a separate vote on a day following the day the measure was ordered reported from the committee) to move that the House resolve itself into a Committee of the Whole for the purpose of considering a bill or resolution reported by the chairman's committee and on the House or Union Calendar subject to the provisions of clause (2) (1) (5) of Rule XI. Such motion shall specify the number of hours, and the division and control of such time for general debate in the Committee of the Whole on the bill or resolution to be considered therein, is not debatable and may not be amended. If such motion is adopted, at the conclusion of consideration in the Committee of the Whole of the bill or resolution specified in the motion, the Committee shall rise and report the bill or resolution to the House with such amendments as may have been adopted in the Committee of the Whole to the bill or resolution. The previous question shall be considered as ordered on the bill or resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions."

Amends House Resolution 1321 to conform the Rules of the House to the current practice that membership of committees are elected based on the respective party nominations.

On page 39, line 13 insert after the word "Congress" the following ", from nominations submitted by the respective party caucuses".

On page 40, line 19 after the word "House" insert the following: "from nominations submitted by the majority party caucus,".

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin (Mr. STEIGER), a member of the committee.

Mr. STEIGER of Wisconsin. Mr. Chairman, it has been a long time while the House has waited and waited to ascertain whether or not a rule could ever be granted to debate House Resolution 988 and the various proposals which would be coming to it. May I say at the outset that I want to pay particular tribute to both the distinguished chairman, the gentleman from Missouri (Mr. BOLLING), and the distinguished vice chairman, the gentleman from Nebraska (Mr. MARTIN), for the intelligence, perseverance, patience, and integrity with which they have approached this select committee's important recommendations, and also to pay tribute to what I think has been an extraordinarily capable staff, some of whom, like Spencer Beresford and Roger Davidson, are no longer with us. The staff did a superb job.

The procedure through which the select committee has gone and the procedure with which each of us, as Members of this institution of the House of Representatives must now view the work of the select committee, is important.

The gentleman from Missouri, in his opening statement, brushed briefly over what, with the permission of the chairman, I would like to deal with somewhat more explicitly.

How did the select committee arrive at its decisions, in terms of jurisdiction? What kinds of processes did we go through in attempting to make an analysis of how we were doing, where we were going, where we were wrong, and how better could the House as an institution respond?

I think it would be fair to say there were a number of steps through which we went, and those steps, in my judgment, are important in terms of the views the House must have as it attempts to delineate the work of the select committee. And may I say, with all due regard and respect for the gentlewoman from Washington (Mrs. HANSEN), if we look also at the work product of the Hansen committee, it falls so appallingly short in terms of any meaningful change of jurisdiction. I say that not as a Republican, but one simply interested in major reform in the committees of the House.

Basically, the process we went through—there were something like 12 distinct plans that were given to us, either by the staff or by the members. Those 12 plans ranged from one and that had basically about 8 major committees, with no minor committees at all, on which every Member of the House would serve on any one of the 8, and the 8 committees would have incredibly complex jurisdiction, all the way up to a two-track system, one that the gentleman from Maryland (Mr. SARBANES) and I wrestled with at some length as to whether or not instead of a single track you ought to have, in effect, let us say, 30 committees of the House, each of which have some substantive jurisdiction. Some recommend that the House should structure committees parallel to the other body or the executive branch. Both concepts were rejected.

When we got all through with all of those plans, all of those proposals, and all of those ideas, we basically had a commitment saying that the committees of the House could serve the institution better if, one, they were a one-track system; secondly, that they were broad enough in their range so as to be meaningful to the Members who serve in a single-track system, on the 15 so-called A-track committees.

Third, we thought it was important that the House also be able, within those committees, to have diversity of geography, diversity of ideology, and, yes, diversity of interests in terms of the viewpoint and the perspective with which each Member approaches the task that he or she is asked to do as a member of that committee.

We thought that it made no sense for the House of Representatives to have the kind of fragmentation that exists now in House committees, to have manpower, health, energy, environment, transportation, and any one of a number of lists of major substantive items be considered on a fragmented basis so that the House would not be able to come up with anything which could be called a comprehensive, cohesive, rational public policy discussion and debate about the issues facing each of us as Members of this House of Representatives.

We also thought that the committee jurisdictions ought to try to be designed to attract differences, not just the geographic or ideological differences, but the differences in view that come from taking a look at a subject other than just with respect to a single aspect. The Clean Air Act of 1970 is a classic example of the present myopia.

Thus, Mr. Chairman, what we find in the work product of House Resolution 988, as it came through is, first, the tentative proposals, then what modifications of those tentative proposals there are, and then as a part of the work of this committee, as presented to the House in March of 1974, we have what I think could be fairly characterized as the most historic effort since 1946 to deal with the problems of the House of Representatives as they exist today, problems which would clearly demand and deserve this House to work its will.

The vote on the rule is a tribute, I think, at least on the surface, to the willingness of the Members of this House to debate this thorny, tough, complex issue. I take some pride in the fact that that rule was adopted by the overwhelming vote that it was.

Thus, Mr. Chairman, if you went through each of these 15 committees, the A-track committees, I think you would find within them the basic ingredients of what we tried to do. Each of them is substantive. Each of them is within the characteristic of balance and a drawing from different segments and sectors of our society and different interests on the part of the Members within this society.

Each of those 15 committees is important enough and meaningful, enough to attract and to hold the kind of talent and expertise that we as legislators should be able to give and, yes, each of them changes and modifies and shapes significantly the existing committee structure, with at least two specific goals in mind: one, to make it possible for this House to deal with at least some of the issues on a rational, cohesive basis. Those issues, Mr. Chairman, were energy, environment, transportation, health, manpower, and trade, and our foreign policy.

Second, I think we also tried to make sure that the House knew, in what it did, that no matter what changes we made in jurisdiction, no matter what package the Members adopt, be it the Hansen or Martin or Bolling-Martin, modified or as is, no matter what we did nothing will make sure that we have done it correctly unless there is a mechanism to correct our jurisdictions in the future.

I think it is fairly clear that with all of the attention and all of the argument and with all of the debate about the specific aspects of House Resolution 988 today, the most important part of this resolution is not in the jurisdictional changes at all, but in what we have done to create a mechanism to make sure that future Congresses, future Houses, are not as hidebound as we are today.

When I get all said and done, Mr. Chairman, then I think it ought to be quite clear to the Members of this House that I support House Resolution 988, not in every aspect, of course. But I think the work product is one that we can be proud of, and I think it does what we set out to seek to do: to rationalize the present totally irrational jurisdiction of the House of Representatives, to make it possible for Members to come together on substantive committees, to devote their full attention to those committees in terms of their jobs as legislators, and to know that instead of the present system where there are some five committees which have major environmental legislation, where there are some 12 House committees that have responsibility for energy legislation, where there are at least two major committees in the manpower field today, and where there are at least four or possibly five major committees on transportation, we would have the opportunity as an institution to bring these together in terms of the kind of A-track committees that are involved in House Resolution 988.

I recognize, Mr. Chairman, that there are some aspects of this which I do not agree with. We kept the Committee on Merchant Marine and Fisheries, and I think, frankly, that is absurd. It makes no sense to me to do what we have done in creating a Public Works and Transportation Committee, and then to pick out of it the merchant marine aspects. However, the politics of the House as an institution and the pressure of those outside this institution made it impossible for that position to be retained.

I do not think it makes any sense, Mr. Chairman, for us to be arguing, as the Hansen committee does, that we ought to keep a Committee on Education and Labor. I can think of nothing more wrong with the Hansen committee, if I were to pick only one part of its work out, than to say that there is no justification in 1974 for retaining a Committee on Education and Labor.

When we created the Committee on Education and Labor out of a Committee on Education and a Committee on Labor in 1946, which was somewhat before my time, we did so because the House of Representatives and the Federal Government had almost no programs in existence on education. Now we are dealing with something like $5 billion worth of educational authorizations that come out of the Committee on Education and Labor.

Thus, I think it makes no sense to retain that kind of a joint committee, in contrast to what has been done with all the other committees.

I do not think it makes any sense, Mr. Chairman, to do what the Hansen committee does or what the resolution of the gentleman from Nebraska (Mr. MARTIN) would do, to continue the fragmentation of manpower. That is the reason the select committee's recommendations say that manpower legislation, including the important legislation on employment service that came out of the Committee on Ways and Means, ought to be a part of a Committee on Labor, so that then we would have the opportunity to deal with the whole realm of manpower legislation. And clearly the employment service is an integral part of our service to the unemployed. That is not now an integral part of what the House can do when it deals with the Comprehensive Employment and Training Act—CETA, as we call it—that was just passed by this House and by the other body and signed by the President not long ago.

UNEMPLOYMENT COMPENSATION

The select committee's proposal gives the new Labor Committee jurisdiction over "labor and employment generally," "manpower," and "the nontax aspects of unemployment compensation." The Committee on Ways and Means retains jurisdiction over the "tax aspects of unemployment compensation," and, in addition, is referred any legislation reported from the Labor Committee relating to unemployment compensation "for a time certain" which would be determined by the Speaker in his referral.

In my view the committee has accomplished its goal of rationalizing manpower policy by placing the employment service and the policy issues relating to unemployment insurance together in the Labor Committee. Under this proposal, the taxing function is continued in the Committee on Ways and Means; that is, the employer tax and unemployment compensation trust fund.

A basic element in understanding the select committee proposals is considering how "tax aspects" are to be treated. All revenue-raising jurisdiction is retained in the Ways and Means Committee under the Bolling proposal. Tax programs found in the code which are not revenue raising do not have to be retained in that committee for it to have all its revenue-raising jurisdiction. There are a number of requirements in the tax code and in the Social Security Act which relate to the employment program, even though they do not relate directly to the level of the Federal tax.

The select committee, after careful study, feels that it has clarified this distinction in the field of unemployment compensation. The Committee on Ways and Means cannot, under the proposal, take the tax code which they rightly and properly retain jurisdiction over, and use it to achieve nontax objectives in the field of manpower and employment.

The unemployment compensation trust fund is financed entirely by user taxes; that is, taxes paid by the employer, and the benefits are presently determined by the States. The UI fund and its operation to make benefit payments is not the subject of jurisdictional realinement, but rather the employment service which is funded by the Federal share of the Federal Unemployment Tax Act.

Under House Resolution 988, the unemployment compensation jurisdiction in the Labor Committee will permit it to view this aspect of manpower services as part of the total package, something that is very hard to get a handle on at the present time.

At the same time, the Labor Committee would have jurisdiction over manpower and employment generally. At this point let me say it is important to distinguish the extended benefits which have been added to the UI program and are paid from State accounts and the emergency employment act which was also added to the UI program. The extended benefits program is 50 percent federally financed, while the emergency unemploymnt compensation program is 100 percent federally financed.

The emergency unemployment legislation was adopted by the House in 1971. In debate Mr. Byrnes took the floor in opposition to the conference report because the general funds were tapped for an "advance" on the unemployment trust fund. He said:

> I am amazed that the Chairman of the Committee is supporting this proposal. I have heard him say time after time that he would never agree to paying money out of the general fund *without* a needs test.

If the select committee's jurisdictional proposals were adopted it would be clear that money out of the general fund, would, in all foreseeable matters, be under the jurisdiction of the Labor Committee for employment purposes.

Under the select committee's plan the tax code and the power to change the levels of Federal revenue very properly rest with the Committee on Ways and Means, and the policy which is related to labor and manpower, including unemployment compensation, rests with the Labor Committee. Thus, if there is the need to create a new emergency employment program, which would not use the tax code as the method of financing, that jurisdiction would rest with the Labor Committee. If conditions and changes in operational standards are proposed which do not raise or lower the level of Federal tax, they too would be in the Labor Committee.

Moreover, the select committee has provided that the Committee on Ways and Means, which may wish to look to the benefit side of the equation, can do so under our proposals for "legislative review." We have written the rule so that they can consider the reported legislation from the Labor Committee for a time certain, which permits them time to review nontax legislation without bottling it up, and then to make their views known. The charge has been made that this is creating confusion and chaos, but I take the opposite view. We have proposed a workable solution in an area that is now highly confused and murky because of the legislative ingenuity which has kept legislators and others from coming to grips with the interrelated problems of manpower and unemployment.

The CHAIRMAN. The time of the gentleman from Wisconsin (Mr. STEIGER) has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 2 additional minutes to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me additional time.

Mr. Chairman, I hope this might give the House at least this one Member's perspective of the kind of work we went through and the kinds of thoughts that the select committee had as it attempted to deal with this problem of jurisdiction.

There are three other matters that I might mention just briefly, because I think they deserve some consideration by the House.

Mr. Chairman, I will include with my remarks additional material as a part of my remarks, a more complete discussion of unemployment compensation and its role in manpower.

Second, I wish to call the attention of the Members to section 405 of House Resolution 988, which is the establishment of a Law Revision Counsel. I might note, Mr. Chairman, that the American Bar Association, at its meeting in August of 1974, adopted a resolution, and I will read that resolution, as follows:

> Be it *resolved,* That the American Bar Association express its approval in an appropriate manner to the Speaker of the House of Representatives of Section 405 of House Resolution 988, 93rd Congress, 2nd Session to establish the office of Law Revision Counsel designed to develop and keep current an official and positive codification of the laws of the United States.
>
> Be it further *resolved,* That the president or his designee is authorized to present the substance of the foregoing resolution to the Speaker of the House of Representatives or appropriate committees of congress or both.

That resolution of approval by the American Bar Association to establish a Law Revision Counsel is deeply gratifying to me as one Member who has been most deeply involved in this aspect of House Resolution 988:

LAW REVISION COUNSEL

An office of the Law Revision Counsel with a professional staff to revise and codify the U.S. Code is recommended in the resolution. The principal function of the office is to undertake the massive task of completing the positive codification of the laws of the United States. To accomplish this function the office is to work on the U.S. Statutes, title by title, with the goal of enacting the entire body of Federal statutes as positive law. After a title is prepared for enactment it will be presented to the Judiciary Committee which retains the legislative jurisdiction for the revision and codification of laws.

The office will also have the additional functions of: (1) Examining the public laws and making recommendations to the Committee on the Judiciary for the repeal of obsolete, superfluous, and superseded provisions, (2) preparing and publishing periodically a new edition of the U.S. Code and the D.C. Code, with annual cumulative supplements, (3) placing new enactments in their proper place in the code, and (4) keeping the codified titles updated and current.

The Reorganization Act of 1946 placed the jurisdiction of the House Committee on the Revision of Laws in an enlarged Judiciary Committee where the jurisdiction remains today. Since 1946 a specialized staff of two men has worked on revision of the laws, generally under Subcommittee No. 3. Under the Judiciary Committee's 1973 reorganization, the staff is not assigned to a subcommittee.

Under its jurisdiction for "revision and codification of the Statutes of the United States" the Judiciary Committee has: (1) Prepared a new edition of the U.S. Code every 6 years,[1] (2) prepared annual cumulative supplements to code for newly enacted laws,[2] (3) determined publication of the statutes at large[3] and where the newly enacted slip laws go in the persent code; (4) prepared drafts of a bill to enact a title of the Code into positive law; as, for example, "Transportation"; (5) prepared revision bills to clear up the codified titles; and (6) prepared the D.C. Code and annual cumulative supplements.[4] The committee also states that it is charged with the responsibility for the brochures on Federal Rules of Civil Procedure, Federal Rules of Criminal Procedure, Federal Rules of Appellate Procedure, as well as the Constitution of the United States.

The above description of committee work under its revision jurisdiction is to be distinguished from the work of the Judiciary Subcommittee on Criminal Justice which is working on an update to the criminal code. This subcommittee's work is more than codification or revision—it is a substantive revamping and rethinking of what exists in the present criminal laws.

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[1] 1 U.S. Code § 202(c).

[2] 1 U.S. Code. § 202(a).

[3] 1 U.S. Code § 203.

[4] 1 U.S. Code § 201.

To assist in the Judiciary Committee's codification and revision work the West Publishing Company has, for some 50 years, more or less donated its services to the committee. It works to help prepare a new edition of the Code every six years and the annual supplements, and assist in assigning code sections to the already enacted slip laws and other clean-up work (the cost to the committee is $1,500 per year for the cumulative supplements and $35,000 every six years for the new additions).

The basic law is found in the statutes at large in which the public laws are set forth chronologically. The job of the revision of staff is to take those public acts which are permanent and general and classify them by title and section in the U.S. Code.

Therefore, although the U.S. Code represents itself to be a logical classified statement of the law of the United States it is a reorganized presentation of the statutes at large except for the 19 volumes which are codified.

There is a need for an official and positive codification of the laws of the United States. As Judge John Paul of the Western District of Virginia said in 1945, "The task of codifying the Federal statutes and keeping such codification up-to-date is, of course, much more comprehensive than exists in any State, but there is no reason why it cannot be done, and the need for it is very great."[5]

SOME QUESTION ABOUT THE PRESENT REVISION PRACTICE

How do States do it?

State practices vary but most have a revision capability and employ a small staff located in a revisor of statutes bureau. Wisconsin was the first State to adopt this practice (1909). Its revisor is placed under the supervision of the joint committee on legislative organization.

Why is the Revisor responsibility under the Judiciary Committee?

At the time of the 1946 Act several related committees were included under Judiciary, including the Revision of Laws. The chairman of the committee, Keogh, testified on the importance of the committee's work and urged the creation of an Office of the Law Revision Counsel, to assist the Congress in revision and codification. No explanation of the reason for the shift could be found by examining the 1946 hearings and report.

Is there a problem with the present system?

Only 19 of the 49 titles of the Code are enacted as positive law (codified). Many of the larger titles have not been codified. At the present time Title 49, Transportation, is being worked on under the supervision of the Judiciary Committee's Law Revision Counsel. The Transportation title codification began in 1967 after the Transportation Act setting up the Department of Transportation required it.

Why has so little work been done?

The committees with jurisdiction over the subject matter found in the titles generally do not regard revision work as a priority item. Their heavy agendas and other pressing matters usually precede work on codification and revision. One title was codified after a large effort by the Defense Department which put together a team of 52 lawyers, of whom no more than 20 were working at any one time, and budgeted roughly $3 million to prepare the bill for the codification of Title 10, Armed Forces.

What does the Senate do?

A subcommittee of the Senate Judiciary Committee has jurisdiction but appears not to initiate any product. It relies on what the House has done.

In addition, Mr. Chairman, I want to call special attention to the selection of members to conference commitees procedures contained in House Resolution 988:

SELECTION OF MEMBERS TO CONFERENCE COMMITTEES

A bicameral legislature requires some means to resolve disagreements over legislation. Conference committee serve that function for the Congress. Their importance stems from two other factors: (1) decisions reached in conference are usually accepted by each house; and (2) the most important bills [for example, appropriations, taxes, and defense] usually involve conferences.

Since the First Congress, the Speaker has appointed Members to conference committees. The first rules of the House provided that the "Speaker shall appoint [all] committees, unless it be determined by the House that the committee shall consist of more than three members, in which case the appointment shall be by ballot of the House."[1] Later, on January 13, 1790, the House adopted a rule "that all committees shall be appointed by the Speaker, unless otherwise directed by the House. . . ."[2] In 1890, the appointment of conferees by the Speaker was formalized in Section 2 of House Rule X: "He [the Speaker] shall also appoint all select and conference committees which shall be ordered by the House from time to time." The report presented by the Committee on Rules in regard to this change stated: "As a 'conference committee' is neither a standing nor select committee, the Committee deem this provision necessary and proper."[3] In the 52nd and 53rd Congress, the provision authorizing the Speaker to name conferees was deleted from this rule. No explanation was provided for this action. The Speaker, however, still named conferees. In the 54th Congress (1895–97), the provision was restored to Section 2 of Rule X, and no change regarding the Speaker's formal authority to appoint conferees has occurred since that time.

Although the Speaker formally appoints conferees under Rule X, in actual practice the chairman of each committee, usually in consultation with the ranking minority member, selects them. Several committees have formalized this practice in their committee rules. For example, Rule 20 of the Committee on Education and Labor provides:

"Whenever in the legislative process it becomes necessary to appoint conferees, the chairman shall recommend to the Speaker as conferees the names of those members of the subcommittee which handled the legislation in order of their seniority upon such subcommittee and such other committee members as the chairman may designate. In making assignments of minority members as conferees the chairman shall consult with the ranking minority member of the committee."

Three other practices guide the conferee selection process. First, conferees are usually named from the committee or subcommittee of jurisdiction; second, both major parties are represented on conference committees; and, third, at least a majority of the conferees are expected to represent the majority will of the chamber. In most cases, the appointment of conferees is a routine matter. Occasionally, however, differences develop, particularly on controversial measures, because a majority of the conferees may not actually reflect the majority view of the House.

Long-standing precedents of the House indicate that conferees are expected to represent their chamber's position in conference. As an example, on April 28, 1900, the Chair said in response to a parliamentary inquiry concerning the probable results of a conference between the two houses:

"The practice of the House is to appoint conference committees on the part of the House to uphold its position. That has been repeatedly done in this House—notably in the case, which the gentleman from Vermont will remember, of the library question. In the present case, if the House should amend the Senate bill so as to send this whole business to the Court of Claims, it would be the duty of the Chair, being bound by no rule except courtesy and the practice of the House, to appoint a committee of conference which would stand by the action of the House."

Two years later, Speaker David Henderson (Iowa) responded to an inquiry about the principles governing the appointment of conferees this way: "The Chair will say, in answer to the gentleman, that, in the opinion of the Chair, the [conference] committee should be made up to represent the views of the House on this question."[4] Later precedents reiterate this view. However, controversy has sometimes arisen as to whether these precedents are being followed.

During its hearings the Select Committee on Committees received testimony on this particular issue. One Representative stated that "too often I feel that the Members who are appointed [as conferees] by the Speaker do not share the position of the House in its final determination," and recommended that the Rules of the House be changed to require conferees to represent the will of the House.[5] A question, however, that has never been fully answered is what criteria shall determine whether a Representative has supported the majority position of his chamber?

The usual practice has been that a Member's vote on final passage is indicative of his overall position on a measure. Hence, a Member's position on final passage outweighs any antecedent vote on a particular amendment(s). Often, however, the key issues in dispute are reflected in votes on amendments rather than on final passage; thus, a Representative's vote on final passage may not actually reflect his overall position on the bill in question. To help resolve this problem, the select committee recommends that the following italicized language be added to Section 2 of Rule X:

"The Speaker shall appoint all select and conference committees which shall be ordered by the House from time to time. *In appointing Members to conference committees, the Speaker shall appoint no less than a majority of Members who supported the House position, as determined by the Speaker on the principal issues in disagreement.*"

This language formalizes the practice that a majority of conferees should support the House position, and authorizes the Speaker to select conferees according to their stand on the principal matters of disagreement between the two houses. In effect, a Member's vote on final passage need not be determinative of his or her support for a measure as adopted by the House. The Speaker may assess how Members voted on different parts of a bill and determine which parts of a measure are the most crucial. Thus, this rule change reflects the following sentiment: "Some day the House rules ought to be changed, and I hope that will be soon, to provide that a majority of the House conferees ought to be those who are in favor of the House position and will try to sustain the House position in conference."[6]

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[5] The Joint Committee on the Organization of Congress, Hearings, 1945, p. 138.

[1] *Annals*, 1st Congress, 1st session, p. 103 (April 7, 1789).

[2] *Ibid*., p. 1091 (January 13, 1790).

[3] *Rules of the House of Representatives, Fifty-First Congress*, House Rept. No. 23, 51st Congress, 1st session, p. 24.

[4] *Hinds' Precedents*, V, Sec. 6338.

[5] *Committee Organization in the House*, 93rd Congress, 1st session, Volume 3, Part 1, p. 96.

There is, Mr. Chairman, one last point that I might make. As we go down the road and we begin the amending process on this resolution I hope that the Members of the House will keep in mind that each of us can have a different perspective on the substance of any single amendment that may be offered but, on balance—and I repeat, on balance, Mr. Chairman—the work of House Resolution 988, the work of the select committee can be taken as a major and historic effort by the House of Representatives to undertake the most difficult and comprehensive job of attempting to bring the House into the 20th century.

I hope it is adopted.

Mr. BOLLING. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. Mr. Chairman, Jefferson, who drafted the original set of rules by which the House conducts its business, also believed very strongly, as the Members well know, that periodic institutional renewal was a necessity. He stressed that in his writings. And I want to stress here this afternoon at the outset of the debate that the House has not made significant changes in committee alinements and jurisdictions since the Legislative Reorganization Act of 1946, some 28 years ago. This is the case despite Jefferson's admonishment and despite the fact that today we face new problems which require new perspectives to be foremost in the minds of the Members of this body; perspectives which ought to be reflected in the committee structure of this House.

I do not think there is much argument over the proposition that Congress does its basic legislative work in its committees. I doubt very much that any Member of this body would quarrel with that. It is as true today as it was when Woodrow Wilson wrote late in the 19th century that "Congress in session is Congress on public exhibition, whilst Congress in its committee-rooms is Congress at work."

Therefore the committee structure and jurisdictions and committee procedures are central to the ability of the Congress to function effectively. It is imperative to recognize that better organization will strengthen the ability of Congress to fulfill its constitutional duties.

Let us look for a moment at the charge which the select committee was given by this House in House Resolution 132. Included in that charge was the responsibility to examine the jurisdictions of the committees; to consider whether they were appropriate to today's needs, what changes ought to be made, and in what respects the jurisdictions made it more difficult for this body to come to grips with the substantive problems facing the country. We undertook to carry out that responsibility.

I would ask each Member of this body in judging the work of the select committee to examine carefully the jurisdictional proposals that have been put forth. They have been set out in flow charts to enable Members to follow better the proposals and their interrelations. The select committee reviewed carefully the numerous problems of jurisdiction, analyzed them, and then developed a comprehensive proposal for the rational reorganization of the House committee structure.

I regret that some have perceived this proposal in personal terms. I want to assure the House that the farthest thing from the minds of the members of the select committee in considering the matter of committee jurisdiction was an approach on personal terms. The select select committee rather sought to develop an interrelated structure that would improve present jurisdictional arrangements for dealing with substantive policy issues.

It is imperative, of course, to recognize that when you undertake to revise jurisdictions you are faced with a difficult problem of interrelationships. There are certain jurisdictional areas which can be moved from one committee to another without upsetting the overall balance. However, generally speaking, when you rearrange jurisdictional areas you must fit them together according to certain criteria much like the pieces of a puzzle. If you reject a particular arrangement it is then necessary to put the jurisdictional areas together in a different way, one that makes sense, again according to criteria that are reasonable and logical.

We tried to develop a committee arrangement whereby each Member of the House would have a major committee assignment, and in which the jurisdictions of the major committees would comprise the significant substantive policy areas.

The select committee thought that this approach would achieve a responsible assignment of roughly equal importance and equal workload for each Member, that it would concentrate and focus Members' energies and attention thereby enabling them to work in a significant way on important substantive problems, and that it would minimize the scheduling conflicts about which we have heard complaint after complaint.

These complaints are familiar: From Members stating it is impossible to be in two or three places at one time; from subcommittee and committee chairmen stating it is impossible to obtain a quorum. More important than these complaints of the Members' efficiency however is the question whether we can in a sensible manner bring together under the committee tents—and it is there that the basic legislative work is done—the jurisdictional groupings that are a necessary prerequisite to focusing squarely some of our most significant national problems.

Let me give a few specific examples. I will not try to comment on all the proposed jurisdictional changes. That is not possible in the time allocated to me and I therefore commend to the Members a careful examination of the charts in the report which set the jurisdictional proposals in full detail.

Would anyone disagree with the proposition that the Congress of the United States ought to be able to come to grips in a meaningful manner at the committee level, where the basic legislative work is done, with the national problem of transportation, and to utilize that structural arrangement to develop a national transportation policy? Yet what do we have today? We have one committee with jurisdiction over urban mass transit; another committee with jurisdiction over highways and roads; and yet a third committee with jurisdiction over rail and air. Where are these components of a national transportation policy to be considered together so that Members can face the difficult substantive issues involved in rationalizing competing forms of transportation? It is for this reason that the select committee recommended a Committee on Public Works and Transportation to group together the component elements of a national transportation policy.

I would hope Members would turn and look at the chart for the Committee on Energy and Environment and carefully examine the jurisdiction that is drawn into what was formerly the Committee on Interior and Insular Affairs. Examine in particular from whence comes the energy jurisdiction and the environmental jurisdiction.

The first thing that will be immediately apparent is that both of those subject areas are drawn from a number of different committees and subcommittees. Those two policy areas, energy and environment—and I do not think anyone in this body would differ with the proposition that they are of enormous national importance—those two jurisdictions are currently fragmented throughout the committees of this House preventing any overall policy consideration. The committee went a step further and grouped energy and environment together in the belief that the conflict between these interests within a committee's deliberations would result in the development of proper and balanced substantive legislation.

Let me give a couple of other examples. I think that the committee structure of this House ought to permit the simultaneous consideration of a number of important national issues—tax policy, social security, welfare policy, trade, health care, and unemployment compensation—rather than having such subjects all grouped in one committee where they are considered seriatum.

Those are all matters which under the present arrangements come under the jurisdiction of the Ways and Means Committee. I would like to suggest to the Members that what has happened is the committee's jurisdiction over taxes has been used as the basis for expanding into nontax substantive areas of policy about which jurisdiction a very good argument can be made that it more properly belongs with some other committee. It is for this reason that House Resolution 988 recommends that trade be placed under the jurisdiction of the Committee on Foreign Affairs so that the committee will have not only foreign political considerations but also foreign economic considerations under its jurisdiction. For the same reason it is sought to create a Committee on Commerce and Health into which would be drawn all the substantive health policy matters, so that there would be a committee that was really responsible for developing national health policy.

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[6] *Ibid.*

There have been other changes in jurisdictions which are most important. Research and development has been brought together in the Science and Technology Committee in recognition of the importance of that area for the future of this country. I am very frank to say that I believe many greatly underestimate the significance of that jurisdiction and what a properly strengthened Science and Technology Committee could do in anticipating the problems that are facing the Nation down the road.

Let me conclude by making this point. There is a great deal of apprehension about some of these proposals and I can appreciate such feelings because the recommendations do change existing arrangements. They change the arrangements within this institution. They change the arrangements between the Members of this institution and groups outside of the institution. But I implore Members to consider the pressing necessity for jurisdictional arrangements which will enable this House to face squarely the substantive issues about which the American people are so deeply concerned. In the last analysis what House Resolution 988 is seeking to do is to provide the tools, to provide the instruments with which this House can do its work.

This proposal alone will not guarantee to the American people that we will meet and solve those substantive problems about which we hear every time we go home. But this proposal in my judgment will give to this House an institutional structure, institutional arrangements, and institutional procedures which will enable us to move forward to face those problems squarely.

The CHAIRMAN. The Chair now recognizes the gentleman from Nebraska (Mr. Martin).

Mr. MARTIN of Nebraska. Mr. Chairman, in accordance with the previous agreement I yield 10 minutes to the gentleman from Missouri (Mr. Ichord).

Mr. BOLLING. Mr. Chairman, in accordance with the same agreement I yield 5 minutes to the gentleman from Missouri (Mr. Ichord).

The CHAIRMAN. The gentleman from Missouri is recognized for 15 minutes.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Forty-one Members are present, not a quorum.

The Chair announces that he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Chair now recognizes the gentleman from Missouri (Mr. Ichord) for 15 minutes.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I rise in support of House Resolution 988 and the amendment that will be offered by the gentleman in the well.

Mr. Chairman, this Congress—as well as others before us—has been criticized for slow, awkward motion. Frequently we have been criticized for no motion. Too often the criticism is brought about by asinine jurisdictional disputes between committees.

We cannot blame the administration for everything that is wrong with our Government today. Some of it rightfully can be directed toward the Congress.

With new leadership now in the White House, the focus of the people of the country and the media of the country may well turn on this legislative body for scrutiny.

Certainly, no one seriously doubts the need for reform of our committee structures. If we are gut-honest with ourselves, it is undeniable.

Furthermore, this Congress can be the first Congress to move beyond the talking stage and do something about it.

The Bolling bill is a good bill.

With the new committee structures, we will eliminate the comingling lines of authority which now exist. We can estabish a sensible system of coping with this Nation's problems.

With the new committee structures, we will eliminate duplication of effort—a multitude of old political-feudal squabbles—and break up some personal powerhouses that have stymied needed legislation for years.

And with the new committee structures, we will have one committee to deal with transportation—another for science—another for foreign relations—another for energy—all vital to the interest of this Nation.

Naturally, lobbyists do not like this bill because it is going to cause them more work. Old connections will be broken. They will have to meet with a new committee, learn new people. They will be dealing with new organizations.

Looking at it another way, they are going to have to convince new people who are not handicapped by old ideas or old ties.

Unfortunately, there are some Members of Congress who feel they will be hurt. As a low-ranking freshman, I may be one of them. Some committees will have some of their "sacred cows" taken away in the reform. Some will have their power lessened. On the other hand, their power may also simply be shifted to a new area. They will have the opportunity of taking a new look—with no old ties.

If we are responsible legislators, we are also responsible representatives of the people of this Nation. Therefore, we must put aside our personal selfish interests. We must pursue what is best for the United States, for the people in our districts, and for the governmental system under which we operate.

My colleagues—we need this reform. If we are to try to do business in the 20th century—then we need to reform—to refine our system of dealing with legislation.

I sincerely believe that with the approach taken by my distinguished colleague from Missouri, we will have a practical and sensible system of tackling this Nation's problems.

By broadening coverage, but narrowing the general area of interest, committee staffs can work more efficiently.

Our people at home complain about bureaucratic redtape. Indeed, they should. But, as we all know, the administrative bureaucrats have nothing on us. The jurisdictional lines of authority within this House are nothing short of chaos.

When we have to go through five or six committees to deal with a transportation problem or an energy problem, that is not at all unlike the "redtape' found in our administrative bureaucracy. Indeed—our own chaos is often the explanation for administrative redtape.

To cut through this tangle—I would urge my colleagues to support the Bolling bill.

I would urge this House to put its own affairs in order.

I would urge this 93d Congress to be the first Congress since the 1940's to practice what it preaches—committee reform. To quit talking and do something about it.

I believe there are many of us who would be delighted to go home to our constituents and be able to tell them, "We have moved from the age of antiquity into the age of modern legislation. We have taken the first step toward practicing lawmaking 20th-century style.

I urge you to vote "yea" for the Bolling bill.

Mr. ICHORD. Mr. Chairman, my remarks will relate to those provisions of House Resolution 988, at page 11, which assign jurisdiction to the Government Operations Committee over "Communist and other subversive activities affecting the internal security of the United States." They also apply to those provisions of House Resolution 1248, at page 28, which would assign "internal security" functions to the Judiciary Committee. Both resolutions are silent concerning the existing Committee on Internal Security of which I am chairman and would, therefore, have the obvious effect of abolishing it.

I have studied the proposals as objectively as I can to determine if the provisions of either resolution would actually satisfy the stated goal of the Select Committee on Committees, namely, "to insure the continued effectiveness of the committee structure in the House." If they did so, I would not oppose them, but they do not, as far as the work in Internal Security is concerned.

Keep in mind that House Resolution 988 and House Resolution 1248 do not provide that the House should abandon internal security work. To the contrary, they say that the work should be continued but that either the Committee on Government Operations or the Judiciary Committee should do it. The only conclusion one can draw which is consistent with the stated goal of the select committee is that this would result in more efficient work—a laudable objective but one which needs further examination.

First, there is no guarantee whatsoever that the Government Operations Committee would, if assigned the jurisdiction, do anything positive with it. Indeed, as the transfer of jurisdiction attaches no other obligation, it need do no more than accept any bills relating to internal security.

The select committee report says it is "likely" that the investigative role of the Committee on Internal Security would be continued by the Committee on Government Operations. I say it is "unlikely" and I say so because the leadership of the Committee on Government Operations has not indicated any interest in receiving the jurisdiction. House Resolution 988 contains no assurance that the work will be done. In fact, Mr. HOLIFIELD, chairman of the Committee on Government Operations, strongly opposed the transfer of the jurisdiction of the House Committee on Internal Security to the Committee on Government Operations in this testimony before the Rules Committee.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ICHORD. I yield to the distinguished gentleman from California at this time.

Mr. HOLIFIELD. Mr. Chairman, the gentleman has stated correctly my attitude on this matter.

I want to say, of course, that I will not be the chairman of that committee next year; the gentleman from Texas (Mr. BROOKS) will be the chairman. However, I have talked with the gentleman from Texas (Mr. BROOKS) about this matter, and neither that gentleman nor I feels that the Committee on Government Operations could take this jurisdiction over, in addition to the other duties involved.

It is not that the work is not necessary or anything like that, but as a matter of fact the loading down of the Committee on Government Operations with matters of revenue sharing and the other important functions of the gentleman's committee puts an additional load on the committee, with no assignment of staff. It would almost double the requirements for the staff we have now, and we have about 56 on the staff now. If we take over the committee's staff and the staff that is devoted to revenue sharing, to Indian affairs, and to all the other functions that would be given to us, I will say this: They would be unwelcome guests in our house. We do not have the time nor the space for it. If we had the time, we do not have the space for an additional staff at this time.

Mr. ICHORD. Mr. Chairman, I will say to the gentleman from California that if the Committee on Government Operations were to take over the work, that committee in order to do the work effectively would require at least 40 additional staff members.

Of course, I will point out also, as did the distinguished gentleman from Missouri (Mr. BOLLING), that the gentleman from California and I do have different views on this matter. They are, of course, honest differences of opinion.

I oppose both resolutions, but my preference would be, coming from my experience with the work in the field of internal security, that the Committee on Government Operations would be a better committee than the Committee on the Judiciary for this purpose if the transfer had to be made.

Mr. HOLIFIELD. Mr. Chairman, if the gentleman will yield further, I am willing to confirm what the gentleman has said, but I do not want to take up his time further. We could proceed to engage in a long discussion on this matter, but I will not presume to do that.

Mr. ICHORD. Mr. Chairman, further evidence of at least partial sentiment in the Government Operations Committee toward receipt of the internal security jurisdiction is the fact that 9 of the 41 members of that committee have introduced resolutions in the 93d Congress to abolish the Committee on Internal Security. In the Judiciary Committee, which House Resolution 1248 says should receive the internal security jurisdiction, 11 of the 38 members of that committee introduced resolutions in the 93d Congress to abolish the Committee on Internal Security.

Let me ask if you seriously believe that the Committee on Government Operations—which does not want the jurisdiction—would have produced the hearings, studies, and reports which the Committee on Internal Security has produced in this Congress. I cite its report on the involvement of revolutionary groups in prison unrest, its study on political kidnapings, its study on the Symbionese Liberation Army—hundreds of copies of which were eagerly sought by Members of the House—and a study just produced on worldwide terrorism and its effects in the United States.

And do you really think that any other committee would have had the foresight, expertise, interest, and ability to produce what has become a landmark study on the statutory jurisdiction of the FBI in the domestic intelligence field and gone forward, as we have, with hearings involving the internal security work of the FBI and other Federal agencies—not from the standpoint of chilling these efforts, but from the standpoint of insuring that this work is being continued in the executive branch vigorously, intelligently, and legally, thus insuring the continued internal security of the United States? I seriously doubt if they would have been produced and this House, this Government, and the people would have been the losers.

I say to you that based upon my lengthy experience the internal security work in the House cannot be done without adequate staff, numbering at least 40 persons. This is so because there are no experts on the staff of the Library of Congress, or available from the executive branch, to prepare studies and reports such as those prepared for other congressional committees. The Internal Security Committee must carry its own experts, do its own research, and conduct its own field investigations. Is it realistic to believe that the Government Operations Committee, which now operates with seven subcommittees—none of which has more than seven employees—is willing to staff a new Internal Security Subcommittee with at least 40 employees? I think not.

The Bolling Committee report based its decision to propose transfer of internal security jurisdiction to Government Operations on the belief that "the relatively small jurisdiction of the Committee on Internal Security does not warrant full committee status" and on the fact that the committee's "legislative workload is light." Now compare the relatively small jurisdiction of the Committee on Internal Security with the equally small jurisdiction of the Committees on Merchant Marine and Fisheries, District of Columbia, Standards of Official Conduct, Small Business and Veterans Affairs which House Resolution 988 provides should be retained as standing committees. Is there not some inconsistency here?

Is it true that the Committee on Internal Security legislative workload is light? Yes, in terms of numbers of bills, but nothing is said of the complexity of the subject matter. I expect, for example, to move ahead with two bills in the 94th Congress to strengthen the Federal civilian employees loyalty-security programs. These will be the result of several years of involved hearings which would hardly have been described as light by those committee members who heard the testimony. Furthermore, the Speaker cautioned the select committee on the first day of its hearings that rearrangement of the jurisdiction of committees is a matter which he does not consider "susceptible to pure statistical analysis based upon the number of bills, pages of testimony," etc. We need quality, not quantity, in internal security legislation.

To expand further on this point, let me mention that in June this year I had occasion to review the legislative efforts of the House related to prison reform. I found that about 40 bills on this subject had been introduced in the House in the 93d Congress to that date, and referred to the Judiciary Committee. Only two pieces of legislation resulted. One permits Federal prison authorities to grant furloughs for humanitarian reasons to Federal prisoners and the other amends the Omnibus Crime Control and Safe Streets Act to include "rehabilitation" as one of its purposes and to provide for grants to aid in narcotics and alcoholism treatment programs. Now the work the Committee on Internal Security did in this field did not result in legislation but it did result in a positive program being established by the FBI which will aid in reducing the causes of prison unrest. It is possible we could have contrived some legislation to accomplish this purpose but legislation was not necessary as the objective could be accomplished by firm oversight action. I think the work the Committee on Internal Security did on this subject is of equal value, at least, with the above legislative work.

This emphasis of the select committee on legislative productivity misrepresents the legislative function of the committee by comparing it with other committees which have no investigative authority and conduct no investigations. It ignores the fact that a principal function of the Committee on Internal Security is its investigative function which is intended to serve all committees of the House. These investigations occupy a substantial portion of the committee's time.

Then, too, great emphasis has properly been placed in the 93d Congress on the oversight work of the committees which is certainly an aspect of the legislative function. In this respect I think the Committee on Internal Security has a respectable record so that I am not at all embarrassed by what appears superficially as a light legislative workload.

I note that a public opinion survey of voting age citizens in April 1974 by the Opinion Research Corp. on the question of the proposed abolition of the House Committee on Internal Security and the transfer of its jurisdiction to the Government Operations Committee resulted in 45 percent of those polled disagreeing, 26 percent agreeing and 29 percent being undecided. This is ample evidence of the existing committee's credibility and ability to reach those who need to be alerted concerning the activities of revolutionary groups in the United States.

Internal security problems have not abated. They change character from time to time but they do not disappear. They are indeed increasing. FBI annual reports show continued activity by revolutionary groups requiring Government investigation, and I think it is reasonable to say that the public expects the House not to downgrade its internal security work, particularly when polls have shown no change in the public attitude on communism and subversion in the past 20 years.

On March 6, 1974, Director Kelley of the FBI testified before a House Appropriations Subcommittee to justify the 1975 fiscal year funding for the FBI. The following is a summary of his testimony in connection with internal security matters and demonstrates the continued existence of problems in this field. Mr. Kelley said:

> Contributing to the heavy workloads in the internal security field is the continuing rise in the number of Soviet-bloc and People's Republic of China official personnel in the United States. There has always been a direct relationship between the number of communist-bloc official personnel in the United States and the number of communist intelligence agents here. . . . Also contributing to the FBI's work are sabotage and violence related to an increase in activity by Puerto Rican pro-independence groups; the real threat of violence by terrorists and dissident elements; and the continuing activities of revolutionary activists and racial extremists.

In the course of his testimony Director Kelley specifically named the following revolutionary and extremist organizations as presently in existence and under active investigation by the FBI:

August Seventh Guerrilla Movement;
Black Liberation Army;
Blank Panther Party;
Black Panther Party-Cleaver Faction;
Nation of Islam;
African People's National Liberation Front—umbrella-type group;
Stokely Carmichael's attempts to organize blacks in the United States into an international political party to destroy capitalism and liberate Africa;
United Klans of America and other Klan groups;
National Socialist White People's Party—American Nazi Party;
National States Rights Party;
Worker Student Alliance;
The Weatherman;
Socialist Workers Party;
Workers League;
Spartacist League;
Workers World Party;
Venceremos Brigade;
Progressive Labor Party; and
Puerto Rican Independence Movement.

It is popular now to describe the Communist Party, U.S.A., as no longer a threat to the internal security of the country. In this connection it is interesting to note Director Kelley's observation:

> As long as the CPUSA is subservient to the Soviet Union and supports its policies and international activities, it will constitute a threat to the internal security of the United States.

Remember also that the House has no reliable source of information on the subject of internal security other than its own Committee on Internal Security. Detailed information from the files of the FBI are not available to the House. For example, the FBI recently testified before the Committee on Internal Security that 52 organizations of a subversive nature were then under investigation by that agency and that 21 of them were considered terrorist groups by the FBI. The FBI could not, however, in order to protect the confidentiality of its investigations, identify all of those groups to the committee and this work must be done independently by the committee staff. Public disclosure by the FBI of its investigative activities in the internal security field has always been limited to the general information furnished to the Appropriations Subcommittee, such as that cited above.

It goes without saying that you do not need a standing committee, or even a subcommittee, on internal security if you do not have problems of sufficient magnitude to justify its existence.

Later in these remarks I will address myself in detail to the legislative problems in the internal security field which need attention but first I will note some of the problems which require the attention of the Internal Security Committee under its responsibility to investigate the activities of revolutionary groups and inform the Congress.

"Issue exploitation" on the part of revolutionary groups is of course a perennial problem and one about which the Congress and the public need to be informed. The Committee on Internal Security, as a result of its constant review of the activities of revolutionary groups, is singularly equipped to respond to the demand for such information. For example, some of the issues currently being exploited by revolutionary organizations are those involving U.S. veterans, the American Indian movement, and amnesty for deserters and Selective Service Act fugitives. There are continued efforts by the People's Bicentennial Committee, in collaboration with Marxist-Leninist groups, to discredit the official U.S. Bicentennial celebration.

The National Caucus of Labor Committees, an especially violent Marxist-Leninist organization, has made Vice Presidential nominee Rockefeller a principal target of its virulent propaganda. This is a matter of concern to me because, as I have often noted, there is a causal relationship between words of incitement and action and if a public figure is constantly portrayed in the propaganda of a revolutionary group as an enemy of the people, there is always the possibility that a fanatical adherent of the group could commit an act of terrorism directed at him.

Attempts are being made by revolutionary groups and their supporters to expose Federal domestic and foreign intelligence efforts which in the national interest must remain confidential.

Taking advantage of diplomatic movements to improve relations between the People's Republic of China and the United States, domestic Marxist-Leninists of the Maoist persuasion are active to improve the image of Maoism in the United States, principally through organizations such as the United States-China Friendship Association and various China study groups.

Keeping in mind that the CPUSA acts in the United States as the official arm of the CPSU, which is in fact the government of the Soviet Union, continued study of the activities of the CPUSA are, of course, necessary.

Director Kelley of the FBI has expressed his concern over the steady increase in the number of official representatives of the Soviet and other Communist governments in the United States and has noted that a large proportion of them are known to be intelligence agents. The question the Congress and the public should have answered, what are they after? Should not the Congress and the public know at least their primary military, industrial, and political targets?

A matter of special concern to me is the adverse effects of the Freedom of Information Act as it is being applied to disclosure of executive branch internal security information. The trend toward disclosure of internal security matters, which in the interests of the country should not be disclosed, is a subject which I daresay could by itself occupy the attention of the Internal Security Committee for some time.

There is an increase in activity and membership of paramilitary, neo-fascist vigilante groups intent on using their influence and, in some instances, violence to "protect" the U.S. Government and its citizenship from alleged external and internal threats to the operation of the Government, according to their ideals and standards.

Established extremist organizations have been attempting to contact urban gangs to exploit and utilize the potential force they possess. Membership in some gangs is in the thousands, and these gangs are well armed, well organized, and fully capable of terrorizing any community when they decide to mobilize. These gangs frequently engage in violence purely for thrills and status.

Recently there have been several large thefts of automatic, semiautomatic and crew-served weapons from U.S. armories throughout the United States. There are strong indications these weapons are being stolen and stockpiled by urban guerrilla elements for distribution and use at the "opportune time."

Anti-U.S. revolutionary Pan-African doctrine is being disseminated widely among U.S. black communities and student groups by dedicated black revolutionaries with international ties. These revolutionaries have also been establishing contacts and cadres throughout the United States.

Although Klan membership has declined, Klan members and leaders have in the recent past been involved in violence and atrocities, and have engaged in activities seeking to deny others their constitutional rights. Some efforts have been, and are being made, to unify Klan groups.

These are just some of the subject matters to which the Committee on Internal Security will give its attention.

As I told the gentleman from Missouri (Mr. BOLLING), I had been hopeful that his select committee could find a better way to do internal security work in the House because I am not foolish enough to believe that the way we are doing it now is the only way or the best way, but the select committee has not even come close to suggesting a practical improvement. The alternative it does suggest would result in abolition of the work for all practical purposes. This is not the will of the House which has repeatedly voted 3 to 1 to fund the Internal Security Committee. Nor do I believe it is the will of the vast majority of our citizens. It is not my view either and I therefore oppose most vigorously the provisions of House Resolution 988 and House Resolution 1248 affecting the Committee on Internal Security, and I will offer when the resolutions are read for amendment under the 5-minute rule amendments to either or both resolutions which will restore to the House Committee on Internal Security a standing with precisely the same authority and jurisdiction it now has.

I propose these amendments to continue the existence of the Committee on Internal Security, for it seems clear to me that this is not the appropriate time for the Congress to abandon the important work in which the committee is engaged and which it performs as an agent of the House. The protection of our Nation against internal subversion remains a continuing, and indeed an increasingly pressing, problem.

Thus at the beginning, with a view toward the protection and preservation of the Nation and its constitutional system, there was necessarily imposed upon the Government a duty and authority to provide for the "common defense," and we were explicitly charged in the terms of our oath of office with a duty to protect and defend the Constitution. And so today, because of this continuing necessity, the House Committee on Internal Security performs the duties committed to it by the Congress.

It is in light of the related but separable concepts of Nation and Constitution that the committee's particular role may be best understood. A nation comprehends a union of persons sharing a common history, and common interests and ideals, and is conceived as maintaining an identity distinct from, and in many respects independent of, other social or sovereign units. On the other hand, the constitution, which reflecting in great degree the character of a nation, is essentially a political arrangement which establishes the ground rules for regulating an individual's intercourse with others within the society of which he is a member, and with his government. Both evolved from the perennial struggle of man in society and in the continuing tension between concepts of individual freedom and totalitarian control.

With the recognition that changes take place in the social, economic, and political institutions of mankind, our Founding Fathers, in the creation of our constitutional system, have established a pragmatic base for the peaceful resolution of processes of change by the rule of a majority. It was thus clearly not the intent of our founders to fasten upon posterity such social and economic institutions as were to admit of no change. But it is equally clear that all change is not progress. In any event, the Constitution by which we are united has provided that such changes as are to take place shall be consistent with the will of the majority: that it is contemplated that the process of change must be orderly and peaceful within a framework of a system of majority rule which had been established by our forebears. It is with the protection and preservation of this process that the Committee on Internal Security is uniquely and principally concerned.

Over the course of our history, the threats to our national institutions have taken different forms. In this historic period the character of the threat is in great degree unique. It stems principally from what may be broadly and loosely described as the revolutionary Socialist movement of which the Communist is a part. Having its origin abroad in the industrial revolution, its impact upon world society was earlier manifested in Europe. Within the United States the ramifications of the movement and the dangers it posed to our constitutional system became more apparent at the turn of the century. The common thread binding the movement's adherents is a belief in the necessity for the destruction of the system of private property. A substantial and increasing number of our citizens in diverse ways and means participate in, or give support to, this movement. Other ideologies, some not unaffected by the Marxist, advancing variable concepts, and others having racial overtones, have also within recent years been a subject of concern.

While under our constitutional system social, economic, and political issues are freely debatable, it is the methodology—that is, the means—evolved and applied by individuals and groups seeking to accomplish their ultimate purposes that can and must be of concern to us. Many of the diverse groups and individuals within the Marxist-Socialist movement, as well as in other ideological systems, are committed to achieving a transformation of our society by means which are in opposition to our concept of majority rule and in defiance of our constitutional processes. It is with this methodology and such ideological doctrines that we are properly concerned.

Within recent decades this revolutionary threat to our constitutional system and its peaceful processes has excited the interest both of the State legislatures and of Congress, and has led to extensive inquiry. It was such inquiry which, when challenged, had prompted Judge Prettyman to say:

> We think that inquiry into threats to the existing form of government by extra-constitutional processes of change is a power of Congress under its prime obligation to protect for the people that machinery of which it is a part, and inquiry into the desirability *vel non* of other forms of government is a power of Congress under its mandate to initiate amendments if such become advisable. [*Barsky* v. *United States*, 167 F. 2d 241 (1948), cert. denied, 334 U.S. 843, rehearing denied, 339 U.S. 971 (1950).]

Curiously enough it was not the Congress but the State legislatures which earlier addressed themselves to the question of meeting this revolutionary threat to our national institutions, both by way of investigation and legislations. In some respects this is not surprising. In our constitutional system the police power has been largely reserved to the States, and only that was committed to the Federal Government which was considered essential to its Federal responsibilities. It was only when the extent and nature of the threat as an international movement was more clearly understood, and when its essential character as an attack upon the Nation and its constitutional system was more fully perceived, that Congress became later and more deeply involved. No doubt rapidly developing facilities of communication and transportation have also made their contribution to the expanding Federal interest. The already increasing involvement of the Federal Government with the more traditional aspects of the exercise of the police power had earlier in this century been reflected in *Hoke* v. *United States*, 227 U.S. 308, 322 (1913), which had sustained the familiar "White Slave Act."

Nevertheless, it was not until 1940, in the enactment of the Smith Act, that the Federal Government in this period first sought to penalize individuals "advocating" the overthrow of Government by force or violence or by the assassination of public officers. The three initial paragraphs of the Smith Act were, in fact, modeled upon a New York statute which had long before, in 1902, been adopted following the assassination of President McKinley by an anarchist. It was typical of the host of similar statutes enacted subsequently throughout the Nation. This statute, reenacted in 1919 upon the codification of the laws of New York, contained the following comparable provisions:

> SEC. 160. *Criminal anarchy defined.* Criminal anarchy is the doctrine that organized government should be overthrown by force or violence, or by assassination of the executive head or of any of the executive officials of government, or by any unlawful means. The advocacy of such doctrine either by word of mouth or writing is a felony.
>
> SEC. 161. *Advocacy of criminal anarchy.* Any person who:
>
> 1. By word of mouth or writing advocates, advises or reaches the duty, necessity or propriety of overthrowing or overturning organized government by force or violence, or by assassination of the executive head or of any of the executive officials of government, or by any unlawful means; or
>
> 2. Prints, publishes, edits, issues or knowingly circulates, sells, distributes or publicly displays any book, paper, document, or written or printed matter in any form, containing or advocating, advising or teaching the doctrine that organized government should be overthrown by force, violence or any unlawful means; or
>
> * * * * *
>
> 4. Organizes or helps to organize or become a member of or voluntarily assembles with any society, group or assembly of persons formed to teach or advocate such doctrine,
>
> Is guilty of a felony and punishable by imprisonment for not more than ten years, or by a fine of not more than five thousand dollars, or both.

Similarly, in 1919, the State of California enacted its "Criminal Syndicalism Act" which contained provisions substantially the same as those contained in the New York statute and later adopted in the Federal Smith Act of 1940. Its pertinent provisions were as follows:

> SECTION 1. The term "criminal syndicalism" as used in this act is hereby defined as any doctrine or precept advocating, teaching or aiding and abetting the commission of crime, sabotage (which word is hereby defined as meaning willful and malicious physical damage or injury to physical property), or unlawful acts of force and violence or unlawful methods of terrorism as a means of accomplishing a change in industrial ownership or control, or effecting any political change.
>
> SEC. 2. Any person who: . . . 4. Organizes or assists in organizing, or is or knowingly becomes a member of, any organization, society, group or assemblage of persons organized or assembled to advocate, teach or aid and abet criminal syndicalism . . .
>
> Is guilty of a felony. . . .

It thus appears that the early manifestations of the revolutionary Socialist movement with which such statutes were designed to cope, were then characterized principally in terms of criminal "anarchy" or criminal "syndicalism." They were originally devised to combat a waive of "anarchist" terrorism which plagued this country at the turn of the last century. The Chicago Haymarket riots of 1886, the attempted murder of the industrialist Frick, attacks on State officials, bombings and violent strike activity for the advancement of the political objectives of anarchist doctrine, appear to have been the fruits of its teachings, culminating in the assassination of President McKinley in 1901.

Leon F. Czolgosz, the assassin of President McKinley, had joined a Socialist group and is known to have met with anarchist leaders in Cleveland and Chicago. He admitted that he was influenced by the teachings of Emma Goldman, a leader of the anarchist movement in the United States who was ultimately deported to the Soviet Union in 1919, but who, disliking the Soviet Union, left it and died in Toronto in 1940. In the confession which was extracted from him following his arrest, he declared that the President was "an enemy of the good working people." There seems little doubt that he believed himself to be an anarchist at the time he shot the President.

Similar beliefs apparently prompted Giuseppe Zangara's attempted assassination of President Franklin D. Roosevelt. He actually succeeded in killing Mayor Cermak of Chicago who rode with the President. That Zangara voiced definitely recognizable anarchist or nihilist attitudes is implicit in his remarks when, following his arrest, he is reported to have said:

> I'm sorry I didn't kill him. I want to kill all presidents—all officers.
>
> I don't know whether I shot Mr. Roosevelt or not but I want to make it clear, I do not hate him personally. I hate all Presidents, no matter where they come from, just like I hate all officers and everybody who's rich.
>
> I am sore at government—because as a kid I had to work instead of going to school, and I'm sick now because I had to work.
>
> I am a member of no party. I believe bolshevism is all right.
>
> I have done my own thinking and I reached this decision by myself.
>
> I have always hated the rich and powerful. When I read . . . the President-elect was coming to Miami I determined to kill him. I hoped I would have better luck than I had ten years ago, when in Italy I bought a pistol to kill King Emmanuel.

While in prison, he concluded his biography, which he had scribbled in three notebooks, by saying:

> I go content because I go for my idea. I salute all the poor of the world.

Then, at the time of his execution, he expressed disappointment that there were no newspaper photographers to record the event. He is reported to have said:

> Lousy capitalists! No picture! Capitalists! No one here to take my picture. All capitalists lousy bunch of crooks.

More recently, Torresola and Callazo, who attempted to assassinate President Truman, were associated with the Puerto Rican Nationalist Party, led by Albizu Campos, who appears to have directed the assassination attempt. This organization was supported by Communists in Puerto Rico. It was reported, moreover, that the two Blair House assassins had worked closely with a Communist cell in Mexico and with Communist elements in the New York Puerto Rican colony. Similarly, Oswald, the assassin of President Kennedy, had been involved with Communist organizations within this country and had contacts with the Soviet Union. Such episodes led to the enactment in 1965 and 1971, respectively, of statutes making Presidential and congressional assassination, kidnaping and assault punishable as Federal offenses.

Assassinations, conspiracies, plots, bombings, sabotage, insurrections, and violent demonstrations are thus conceived in large part as propaganda weapons, a means of directing attention to what socialist revolutionaries conceive as the "truth" and for the purpose of recruiting adherents to their cause. Normally such aggressive acts are accompanied by statements descrying "exploitation" by the "capitalist" system, concepts which are essentially socialist in origin, derogatory in implication, and which flow from, and are inherent in, the basic ideological concept of class struggle. Effectively enunciated by Piscane, a Proudhonian socialist, who said that "the propaganda of the idea is a chimera," and that "ideas result from deeds," the concept of "propaganda by deed," introduced into the international anarchist movement in the latter part of the last century, passed into the literature of subversion. Its principal proponents were Cafiero and Malatesta. Succinctly stated by Malatesta, who observed that "the insurrectionary deed, destined to affirm socialist principles by act, is the most efficacious means of propaganda," its product was a rash of assassinations and bombings throughout Europe which were later reflected in the imitative practices of groups and individuals within the United States.

Having their origin in the peculiar historic, political, and social context of Europe, such ideological concepts were implanted initially within the United States largely by immigrants who had been either associated with, or sympathetic to, radical groups abroad or were subjected to the influence of persons or groups advocating such doctrines. They are said to have come into prominence within the United States following the 1880 split between revolutionaries and reformists in the Socialist Labor Party, a party which consisted mostly of theoretical Marxists. The socialist revolutionaries in this group entered the anarchist camp.

The strength of the movement is largely attributed to the leadership of Johann Most, the publisher of Die Freiheit, an anarchist publication which had its base in New York, who was committed to the advocacy of violence to a degree that rivaled the Russian nihilist, Nechayev. So committed, he secretly founded an explosives factory in Jersey City and published a manual on the making and use of bombs.

In this period the total American membership in the international anarchist movement reportedly numbered about 6,000. Chicago was the center of immigrant anarchism in the United States with adherents there numbering about 3,000 whose strength and influence is suggested by the circulation of anarchist journals to subscribers in excess of 30,000. At the second congress of the Anarchist International which was held in Pittsburgh, Pa., in 1883, Chicago sent more delegates than any other city. The widespread acceptance of anarchist doctrine is suggested by the fact that the revolutionary syndicalist—anarchist—congress held in Berlin in 1922 was attended by delegates from 12 countries representing organizations claiming more than 1 million members.

Among the larger groups there represented were the Unione Sindicale Italiana, with 500,000 members; the Federacion Obrera Regional Argentina, with 200,000 members; the Portuguese Confederacao General de Trabalho, with 150,000 members; and the German Freie Arbeiter Union, with 120,000 members. Smaller organizations in attendance had their bases in Chile, Denmark, Norway, Mexico, Holland, and Sweden, whose Sveriges Arbetares Central, claimed more than 30,000 members. The French Comite de Defense Syndicaliste Revolutionnaire, representing 100,000 anarcho-syndicalists, and the 30,000 Paris building workers, which sent a separate delegation, were also in attendance, together with representatives of exiled Russian anarcho-syndicalists. (George Woodcock, Anarchism, the World Publishing Co., Cleveland, Ohio, 1962, page 271.)

Thus having possibly reached its high point, the anarchist movement later fell away, although some of its appendages have remained. Many of its adherents moved into the Communist movement, with which we are now principally preoccupied. Unlike the anarchists, communists had recognized that an established government in control of modern technology cannot be overthrown by force until it is about ready to fall of its own weight. To Communists, concerted uprising is to await that contingency and, hence, revolution is viewed by them not as a sudden episode, but as the consummation of a long process of preparation.

Although a doctrine of extreme individualism, anarchist doctrine shared much with the Marxist, and was the product of the same ferment which led to the promulgation of Marx's Communist Manifesto of 1848. The underlying nature and contents of its doctrines, and its various schools, whether syndicalist or communo-anarchist, had evolved in that period when nihilists, and many socialists and Marxists, had reached the conclusion that violence was the necessary means of overcoming "class rule" and to accomplish the destruction of the so-called "capitalist" system. Having reached that conclusion, their basic weakness, later remedied by the Communists, was a failure of devising appropriate organizational doctrines and techniques for accomplishing this objective.

While anarchists had frequently collaborated with socialists and other Marxists, with whom they had met to establish the First International in the 1860's under the program authored by Karl Marx, they broke with the Marxists after the Hague Congress of the International in 1872, in a split over issues between Marx and Bakunin, who held a position of leadership in the anarchist movement. Seeking to gain a footing in the socialist Second International, the anarchists were ejected in 1896. Their efforts to form a purely anarchist international were ultimately frustrated, although for a short time they found an alliance with communists and other revolutionary socialists in the Red International of Labor Unions, a "united front" or "mass" organization known as the "Profintern", which was formed by the Bolshevik-controlled Central Alliance of Russian Trade Unions at a Congress which met at Moscow in 1921.

It was indeed the seizure of power in Russia by the Communist Party of the Soviet Union which had the result of bringing some unity to the radical movement. While Marx had developed the basic ideology of class struggle, it was Lenin who had later evolved organizational doctrines which the anarchists and other revolutionary socialists had lacked. The conception of the Communist Party as a secret conspiratorial group of professional revolutionaries who will lead the struggle toward achieving the socialist transformation of society was Lenin's particular contribution and by which was accomplished the initial seizure of the powers of government in Russia in 1917.

From this base the Communist Party of the Soviet Union succeeded in organizing the movement throughout the world and early established satellite or fraternal parties in over 80-odd states of the world, uniting them under its control through the Third or Communist International which it established in 1919. A section of this International, the Communist Party of the United States, was formed in that year. Brought into it were diverse groups of radicals within the United States. Notably among them were the later chairmen of the U.S. Communist Party, Willam Z. Foster, Earl Browder, and Elizabeth Gurley Flynn, who had previously been members of, and active participants in, anarchist or syndicalist organizations.

It was following this period of organization that the movement more particularly stimulated extensive State and congressional interest. The investigation of the joint legislative committee of the State of New York, and the report it published in 1920, entitled "Revolutionary Radicalism," is one of our earliest and most significant contributions to an understanding of the subject. But it is a fact that Congress did not commence the systematic study of subversive activities and the means of controlling them until the 1930's. By this time it had become increasingly evident that extreme elements in the socialist movement had largely organized and brought within their control a substantial segment of hitherto loosely organized socialist and anarchist groups within the United States and throughout the world, with a most powerful base in the state whose government they had first captured in 1917. A special committee, chaired by Hamilton Fish, was thus established by the House in 1930 to inquire into the American section of this international apparatus, the Communist Party, U.S.A., which had some years before explicitly affiliated itself with the Communist International.

While necessarily retaining its interest in the serious threats which the Communist movement continues to pose, both to our national and internal security, the Congress from time to time has been impelled to divide its energies in the examination of other movements equally at war with our constitutional system which have made their appearance. The investigations of the McCormack-Dickstein Committee, created in 1934 as a special committee to investigate "Nazi and subversive propaganda" activities, resulted in the enactment of two principal statutes based upon the recommendations which that committee had made—the Foreign Agents Registration Act of 1938 and the Smith Act of 1940.

Investigations on these subjects were resumed in 1938 on the creation of the Dies Committee, also a special committee whose mandate was renewed in each Congress thereafter. Perhaps its most notable achievements were the thorough exposure of the existence of subversive movements within the United States and a resulting enactment in 1939 of an amendment to the Hatch Act. This amendment, which prohibited the employment of persons having membership in organizations advocating the overthrow of our constitutional form of government, is generally regarded as the inception of the present Federal civilian employee loyalty-security program.

In recognition of the continuing need for inquiry, the Dies Special Committee was ultimately, in 1945, established as a standing committee on Un-American Activities. The enactment of the Internal Security Act of 1950, which sought to establish a system for the public disclosure of Communist organizations, reflects the first effort by the Congress to legislate in a more comprehensive way upon the subject of Communist subversion. That committee, as you may know, was dissolved in 1969 when the present Committee on Internal Security took its place.

Doubtless, both State and congressional investigations have contributed to a more widespread understanding and recognition of the issues which, in turn, has stimulated action both in the governmental and private sectors. Not the least important of the beneficial results flowing from such State and congressional investigation has been the fact that the exposure of the threat has in substantial degree laid the basis for the recognition of the need for, and the public acceptance of, a large body of legislation and executive orders underlying the development, expansion, and organization of undertakings by the State and national governments commensurate with the attainment of the Nation's security interests, both in their national defense and internal security aspects.

Over the years, there was consequently enacted a large body of both penal and regulatory statutes intended to cope with the multiplicity of threats which subversive movements have posed to the public safety and to what Mr. Justice Frankfurter described as "the effective, free functioning of our national institutions." (*Communist Party* v. *SACB*, 367 U.S. 1, 97 (1961).) Accordingly, we see upon the statute books of the States of the Union enactments to secure the loyalty of State officers and employees, teachers' loyalty, the exclusion of subversives from the bar and from the elective process, the disclosure and registration of subversives, and in many instances the "outlawing" of "the Communist Party." Similarly, the Federal Government has enacted a large body of legislation, both penal and regulatory, to which I have already briefly adverted. Without doubt the wide array of Federal statutes and executive orders enacted on this subject, covering such areas as sedition, sabotage, espionage, immigration, the loyalty of public officers and employees, industrial, port, and vessel security, passports, labor, the postal service, communications, social benefit programs, and the intelligence program, have been influenced and stimulated by congressional investigations.

Now I do not suggest that this legislation has been enacted wholly without controversy or that all of it has withstood judicial scrutiny. Some of it, ill-conceived or hastily enacted in periods of crisis, has proved impractical or has been struck down when it came under attack in the courts. Much of it has not been adequately enforced. Nevertheless, neither the propriety of congressional inquiry, nor the basic objectives sought to be achieved by such legislation, has been questioned or denied by the courts. It is moreover clear that it is by such means—inquiry and legislation—that we have hitherto, to a large extent, I believe, served to minimize, and have brought within control, those determined and continuing attacks upon our constitutional system and our national institutions which have threatened both the domestic tranquillity and their continued existence. Thus, our failures and our successes have their lessons. We were accordingly led to recognize the necessity for continuing exertions in this difficult and vital field of endeavor.

Each generation, as I have said before, must embark anew upon the educational process. This process is an intensely personal and individual commitment. A democracy is not preserved solely by the enactment of penal or even of regulatory measures. The stability of our institutions must rest on the firm foundation of an enlightened self-discipline. This, in turn, is in great measure the product of the informing process. It is a process which also lays the basis for that public support and acceptance of necessary legislation which is essential to its enforcement.

In the field of subversion, as in others, the Congress is therefore necessarily involved in the informing or educational process which must continue so long as the threat remains. Laws, moreover, become obsolete or inapplicable to existing circumstances. Their retention may prove unwise, or even dangerous. Some are struck down because of technical deficiencies or by reason of changes in personnel in our judicial system. Others are not duly enforced. Programs previously established may thus be inadequate to respond to the threats which they were designed to control, or to the changing nature of the threat. This, as I shall note, has occurred. Thus in the field of legislation, our investigative, legislative, and oversight functions continue to be pertinent.

It now appears that our reliance upon State action in the field of subversion must undergo reexamination. The significant contribution, both investigative and legislative, which the States had made in partnership with the Federal Government, has been seriously undercut. This followed particularly upon a 1956 decision of the Warren Court in *Pennsylvania* v. *Nelson*, 350 U.S. 497, by which the States have been largely, if not wholly, put out of this important business. In reversing a State court conviction of Steve Nelson—an admitted member of the Communist Party and, in World War II, deeply involved in atomic espionage—for violation of the Pennsylvania Sedition Act, an act which contained provisions similar to the Federal Smith Act of 1940, the U.S. Supreme Court took the position that the Federal Government had preempted the field. Noting that Nelson was convicted on evidence demonstrating an alleged sedition against the United States, it was held that the scheme of Federal regulation was so pervasive as "to make reasonable the inference" that Congress left no room for the States to supplement it. Following that, and subsequent lower Federal court decisions which took that lead, State investigation and legislation on the subject of subversion has within recent years notably atrophied, if it has not, in most States, been altogether abandoned. This interest must be revived.

Now, it cannot be doubted that the States have obviously an identity of interest with the national government in the continued maintenance, and in the protection and preservation, of our constitutional system. The threat which seditious activities pose are necessarily to institutions of the State as well as of the Federal Government. It was, moreover, the conception of our Founding Fathers that the police power be largely reserved to the States. It is also a fact that it is within their boundaries that both criminal and seditious activities must largely take place. It has long been our policy and our fondest hope that any expansion of the Federal police forces be confined to a minimum. It is evident that if this objective is to be secured, State cooperation in this, as in other fields of criminal activity, must be encouraged. This is one of the serious issues with which we are faced today and to which we hopefully propose to give the increasing attention it deserves.

Having taken the States out of the business of enforcing Smith Act-type statutes by its decision in Nelson, it was only a year later, in *Yates* v. *United States*, 354 U.S. 298, that the Court again departed from prior holdings and severely restricted Federal action in such cases by enunciating more rigid standards in the prosecution of Communists for Smith Act violations. In the period following the enactment of the Smith Act in 1940 until the time of this 1957 decision, the Department of Justice had prosecuted 146 leading Communist Party functionaries for alleged violations of the act. Of this number, 109 party members were convicted at trial in the U.S. district courts of the Nation, but of this total, only 38 convictions were sustained on appeal or certiorari. The bulk of the convictions were later reversed as a consequence of the principles enunciated in this case, and there has been no Smith Act prosecutions.

If anything was thought to have been left of the Smith Act after this decision in *Yates*, any such optimism was, in 1969, finally exploded in *Brandenburg* v. *Ohio*, 395 U.S. 444, by which the Court now explicitly overruled the decision in *Whitney* v. *California*, 274 U.S. 357 (1927), a prior landmark decision in which the Court had earlier and unanimously upheld the California Criminal Syndicalism Act to which I have previously referred. Now reversing itself, the Court struck down the State court conviction of a leader of a Ku Klux Klan group who had been convicted under the Ohio Criminal Syndicalism Act of "advocating" the duty, necessity, or propriety of unlawful methods of terrorism as a means of accomplishing industrial or political reform, and of voluntarily assembling with a group of persons formed to teach or advocate the doctrines of criminal syndicalism. In doing so, the Court now held that a State may not forbid or proscribe "advocacy" of the use of force or of law violation except where such advocacy, as it said, "is directed to inciting or produces imminent lawless action and is likely to incite or produce such action."

Previously in *Whitney*, both Holmes and Brandeis had made the point that the concept of "incitement" to imminent or present action may be discarded when the conduct aimed at by the statute is preparation. Miss Whitney's conviction had been sustained on the following operative facts which had been established at her trial: She had been a member of the Socialist Party and a delegate to its National Convention in 1919, a meeting at which the split occurred between left and right wing socialists which laid the foundation of the present Communist Party of the United States, to which I have previously adverted. Adhering to the left-wing group, she went into another hall. There was formed the Communist Labor Party of America which adopted a constitution and set forth a party program by which it was declared that this group adhered to principles of communism as laid down in the Manifesto of the Second International in Moscow; that it was the purpose of the party to organize the workers in a "revolutionary class struggle," to conquer the "capitalist" state, and to establish the dictatorship of the proletariat. To this end the platform advocated "mass action" in the organization of "revolutionary industrial unions," recommended strikes as political weapons, and urged that propagandists and organizers should be mobilized to teach and put into practice "the principles of revolutionary industrial unionism and communism." Mr. Justice Brandeis, in a concurring opinion in which he was joined by Mr. Justice Holmes, made clear that "the accused is to be punished, not for attempt, incitement, or conspiracy but for a step in preparation, which, if it threatened the public order at all, does so only remotely."

In wholly departing from principles which it had also only recently asserted in ***Dennis* v. *United States*, 341 U.S. 494** (1951), in which the Court had upheld the conviction of top Communist leaders charged with conspiracy to advocate the violent overthrow of the Government as speedily as circumstances would permit, the Court has now by its latest pronouncement literally nullified any attempt to apply the Smith Act toward controlling the growth and expansion of the Communist Party and related groups who are preparing and organizing themselves for future unlawful action when the circumstances are deemed propitious. If the Court now means, as it appears to say, that it is confining the expression, "advocacy," to words of incitement in the nature of a passionate appeal to a milling mob gathered on some street corner to undertake an immediate assault on the White House, any such limitation on the construction of the Smith Act would make it clearly inapplicable to groups formed or forming to give effect to the basic program and objectives of the Communist movement and those associated with it. Hence it must be said of this test of "advocacy," what Mr. Justice Jackson had said in Dennis of the "clear and present danger" test, that—

> If applied as it is proposed here, it means that the Communist plotting is protected during its period of incubation; its preliminary stages of organization and preparation are immune from the law; the Government can move only after imminent action is manifest, when it would, of course, be too late.

With the demise of the Smith Act, now laid at rest not by the Congress which had enacted it but by the Judiciary which an eminent jurist—Judge Hand—has described, perhaps aptly, as the "third chamber" of the Congress, we have been deprived of one of our major weapons in the armory of law enforcement for coping with that threat to our constitutional system which is posed, not by the lone agitator in the public square, but by the vast organizational apparatus of an international movement avowedly hostile to our Nation and to its institutions. As a consequence of the foregoing decisions, there is nothing now on the statute books which would provide a comprehensive base for the application of the strong, punitive arm of the criminal law or which would serve materially to prevent or deter the growth of what are essentially paramilitary groups in the service of a movement which has literally declared war upon our society.

Such groups may now freely recruit, indoctrinate, organize, and prepare their cohorts for what they regard as the ultimate confrontation. Accordingly, within recent years we have seen the disturbing signs, here and abroad, of the proliferation of groups in the movement and the emergence of a vast array of ultrarevolutionary organizations united in pursuit of the common Marxist goal of achieving a revolutionary transformation of our own and other societies of the world. If we cannot overcome the hurdle which the court interposes toward the application of penal statutes of the Smith Act-type in our effort to curb the preparatory activities of such revolutionaries, it may well be that the time has come when we shall be obliged to give consideration to appropriate constitutional amendments. Certainly if we are to fulfill the urgent expectations of the overwhelming majority of our citizens, which cannot be ignored without grave damage to our political and social fabric, we shall have to give serious attention toward strengthening this aspect of the Federal program.

Some years ago, perhaps out of a sense of frustration, and in the face of a determined public outcry for action following the Communist incursion in Korea, and as an aftermath of serious public disclosures of an alleged penetration by Communists of the Federal Government itself, the Congress had rather naively approached these issues by what appears as an effort to apply a long obsolute concept of "outlawry" resurrected from the early common law. With the overwhelming vote of the Congress, and with support from sources which in light of subsequent events must now appear quite surprising, the Congress then, on the basis of a bill which had its origin in the Senate, enacted the Communist Control Act of 1954 by which it purportedly sought to "outlaw" the "Communist Party." Finding and declaring the Communist Party of the United States to be in fact an instrumentality of a conspiracy to overthrow the Government of the United States, the act declared that the Communist Party "should be outlawed," and to that end it was provided that—

> The Communist Party of the United States, or any successors of such party . . . are not entitled to any of the rights, privileges and immunities attendant upon legal bodies created under the jurisdiction of the laws of the United States or any political subdivision thereof; and whatever rights, privileges and immunities which have hithertofore been granted to said parties and any subsidiary organization by reason of the laws of the United States or any political subdivision thereof are hereby terminated. . . .

It appeared to some, as it did to Mr. Celler, who for the majority then led the floor debate in the House on the measure, that one effect of the bill was to deny the Communist Party a standiing on the ballot, but it is apparent that whatever other effect the measure was to have was not then, nor has it since, become clear. Although the Supreme Court has had two opportunities to respond to Constitutional challenges made to the act, it has thus far avoided passing on the issue while adverting to the "vagueness" of the act.

First coming before the Supreme Court in *Communist Party* v. *Catherwood*, 367 U.S. 389 (1961), the Court was called upon to review the judgment of the New York Court of Appeals which had upheld the action of the State of New York in terminating, upon the basis of this Federal enactment, the present party's registration as an employer under the New York State unemployment insurance laws. Following what the Court aptly referred to as "the familiar rule" that decisions of constitutional questions should be avoided, when "fairly possible," it determined that the language of the statute fell "far short of compelling" an interpretation that the Communist Party should be barred from the coverage of State and Federal unemployment insurance systems. Then, in 1970, in the case of ***Mitchell* v. *Donovan*, 398 U.S. 427,** when called upon to review the action of the State of Minnesota which had applied the Communist Control Act of 1954 as a basis for its refusal to place Communist Party candidates on the ballot, the Court again avoided the issue on the ground that it had become moot in view of the fact that the lower Federal Court, pending disposition of the contest, had ordered the names of the party's candidates to be placed on the ballot for the year in question.

Since that time the act has been largely ignored, and for all practicable purposes has had no other effect than as a showpiece and must be regarded as a nullity. While the passage of the measure undoubtedly demonstrated commendable zeal in the effort to cope with a serious evil, it also seems to stand as a monument of what was generally a condition then existing in some quarters, and which may now persist, of the failure to understand the precise nature and organization of the revolutionary movement and even perhaps of that specialized body of constitutional law which has evolved in this esoteric field of legislation.

While then the most prominent organization within the Communist movement, the "Communist Party of the United States," which the act alone embraced within its terms, was not the only "Communist Party" in existence. It was but one tip or one ridge of the exposed part of an iceberg. Moreover, from the constitutional standpoint, it should also have been apparent that this was a proscription of a specifically named and identified organization which was but a part of a movement, and thus, at the outset, contained the seeds of its own invalidation as a "bill of attainder." Hence later, in ***United States* v. *Brown*, 381 U.S.** 437 (1965), it was this point which was grasped by the Court to invalidate those provisions of the Labor-Management Reporting and Disclosure Act of 1959, by which the Congress, falling into the same trap as in 1954, had made it a crime for "a member of the Communist Party" to serve as an officer or, except in clerical or custodial positions, as an employee of a labor union.

It should be emphasized that within the Communist movement itself there are a multiplicity of communist parties. In recent testimony before the Committee on Internal Security, the FBI has informed us that there are presently operating and in existence at least 23 separately identified Communist parties. Pursuing Leninist forms and doctrines, they also maintain a number of "fronts." The FBI has further informed us that the Moscow-controlled Communist Party, USA, which is but one such party in the "movement," presently operates not less than 100 such front organizations. While the "splintering" of the Communist movement has become more notable in recent years, particularly following the break between the leadership of the Communist Party of the Soviet Union and the Communist Party of China, and although we have since witnessed the emergence of an increasing diversity of parties or groups in the movement, it should be observed that splinter groups have always existed within it, many of them evolving as a result of personality conflicts and tactical differences within the leadership of the national parties.

As within the Christian movement, whose adherents also share a common belief—the Christian—but within which there are a variety of churches and degrees of participation, so within the Communist movement there is the concept of an orthodox leadership on the one hand, and divergent sects on the other. There are those who belong to a particular "church" or denomination; that is, "party" and there are others who do not. Identified as the "vanguard" party, which has long dominated the movement, the Communist Party of the Soviet Union heads what Moscow conceives as the "orthodox" faith. It achieved its leadership by reason of the fact that it was the first Communist Party to seize the powers of Government and thus had a most powerful base in the Soviet Union. From this base, the Communist Party of the Soviet Union organized the movement throughout the world and early established satellite or "fraternal" parties now in over 80-odd states of the world. There was thus organized that to which Moscow refers as "the world Communist movement." which it prefers to view as those principal party organizations throughout the world which follow its leadership. The organization which styles itself the Communist Party, USA, is a section of this international apparatus.

Together with this "orthodox" grouping within the Communist movement, there are other party groups which, while adhering to the Marxist-Leninist doctrine and cooperating generally toward the movement's international and domestic objectives, yet do not explicitly recognize Moscow "control." Of a wide variety, they have formed from time to time. Principally among them are those described as Trotskyist. The major Trotskyist groups, like the Moscow-controlled portion of the movement, are also organized on an international scale, and they meet periodically abroad as the Fourth International, to coordinate the strategy and tactics of the movement. Representative of this grouping within the United States is the Socialist Workers Party, which is affiliated with the Fourth International, and was formed in the United States by James Cannon, following the death of Lenin.

A former head of the Moscow-controlled Communist Party, USA, but caught in the ensuing power struggle on Lenin's death as a supporter of Trotsky, Cannon was expelled from the leadership of the American party by Stalin who succeeded to the leadership of the Communist Party of the Soviet Union. He then formed the Socialist Workers Party, a party which later, in turn, has splintered into factional groups.

In enacting the Internal Security Act of 1950, the Congress evolved a more sophisticated approach and endeavored to cope on a more comprehensive basis with what it correctly described as the "world Communist movement." When enacted at the inception of the Korean war, it consisted of two titles, each separately cited, title I, as the Subversive Activities Control Act of 1950, and title II, as the Emergency Detention Act of 1950. It is only with the first that we are concerned. The latter, as you know, was repealed by the Congress in 1971, and I shall not now dwell upon it. Nor shall I refer to the provisions of title II which were enacted in 1964, following our predecessor committee's investigation into the circumstances surrounding the defection to the Soviet Union of two employees of the highly secret National Security Agency. This important measure, which regulates and strengthens personnel security procedures in that critical agency, is still in effect.

It was in the provisions of title I that Congress addressed itself toward coping with the then predominant Moscow-controlled movement and evolved novel concepts to that end. Departing from the exclusively penal approach of the Smith Act of 1940, which, if fully applied and enforced, would more effectively have "outlawed" the Communist Party, USA, and similar groups, the proponents of the Internal Security Act appear to have taken a position inconsistent with the former and earlier enactment by accepting the "coexistence" of such parties within our system, while at the same time applying a limited concept of "outlawry" in the act's regulatory aspects by which certain disabilities were imposed upon membership in Communist organizations.

Conceived essentially as a regulatory act, it principally established a system of public disclosure and identification of Communist organizations categorized as "action" and "front." By a 1954 amendment the act was extended to embrace Communist "infiltrated" organizations. The Subversive Activities Control Board, a quasi-judicial agency created by the act, was assigned the function of making determinations, on petition of the Attorney General, of the character of organizations so categorized, and whose determinations would vitalize the act's regulatory provisions, which were buttressed by penal sanctions.

It was a theory of the act that the public hearings of the Board and the public record of organizations which it determined to be Communist would serve a dual purpose. The first was to inform the public of the identity, purpose, and mode of operation of Communist groups and by this means to cope with the Communist strategy of secrecy and deceit which was fundamental to the successful attainment of the Communist Party's recruitment and propaganda objectives. At the same time the act's regulatory provisions, which would be triggered by the Board's determinations, were designed to forestall the penetration by Communists of sensitive areas of our society. The act accordingly contained provisions regulating the employment of Communists by the Federal Government, with labor organizations, and in industrial defense facilities. It regulated the issuance of passports to them. It denied tax deductions for Federal income tax purposes for contributions to Communist organizations, and denied to such organizations any exemption from Federal income tax. It required a disclosure by such organizations of the fact of their determination as communist in publications transmitted by them in the mails, and in broadcasts over radio and television stations. It made punishable the communication of classified information to members of such organizations.

Indeed, by subsequent amendments to other laws, and on the basis of the Board's determinations under the act, this regulatory technique was expanded to embrace other areas of activity. Thus, the determinations of the Board were made applicable to the purpose of denying the admission of aliens under the provisions of the Immigration and Nationality Act, the application for payments or loans from funds available under the National Defense Education Act, the receipt of gratuitous benefits under the Veterans' Administration eligibility for benefits under the Social Security Act, and the availability of scholarships or fellowships under the National Science Foundation Act.

Nevertheless, as we know, whatever was left of this elaborate structure after years of litigation came tumbling down when ultimately the President, in February of 1974, failed to include the Subversive Activities Control Board in his proposed budget for the fiscal year 1974. Although the act has never been repealed, by thus removing the keystone upon which the entire structure of the act was reposed, that result was by indirection effectively accomplished. This history is fresh in your minds; moreover, it has only recently been thoroughly reviewed in the extensive hearings of the Committee on Internal Security. I shall therefore not reiterate the unhappy litany of failures to which the administration of the act was exposed, variously because of deficiencies in its technical composition, as a result of decisions of the courts which punched holes in it, and in the failure of enforcement of its provisions by the Attorney General. Conjointly they led to the reduction and limitation by Congress of the appropriations necessary for the act's continued enforcement and finally to the Presidential action in totally excluding the Board from the budget.

This nullification of the product of many years of extensive inquiry and consideration has created a legislative vacuum which must invite the continued attention of Congress. The failure, however, is instructive. It seems obvious that in the evolution of a more comprehensive, effective, and relevant program, the Congress will have to enlarge its horizon. Hitherto both State and Federal legislation has in large part appeared to focus principally upon the Communist Party, U.S.A., and its controlled organizations.

This has undoubtedly proved a serious point of weakness in the legislative base. This weakness, which was shared by the Internal Security Act of 1950, although in lesser degree, was a consequence of the findings and definitions of this act.

Having correctly found and declared the existence of a "world Communist movement," the Congress defined a "Communist-action organization" as any organization within the United States controlled by the foreign government or organization controlling the "world Communist movement." In hearings before the Subversive Activities Control Board, on petition of the Attorney General, with a view toward determining initially the character of the Communist Party, USA, as a Communist-action organization which the Attorney General had alleged it to be, the foreign power controlling the "world Communist movement" was identified as the Soviet Union, a determination which was upheld in *Communist Party* v. *SACB*, 367 U.S. 1 (1961). A "Communist-front organization" was defined as an organization controlled by the aforesaid action organization and operated for the purpose of giving aid and support to it, or to a Communist foreign government, or to the world Communist movement. It was thus a necessary consequence that the coverage of the act and its regulatory provisions, which I have hereinbefore briefly noted, were confined only to present members of the Communist Party of the United States and its fronts. Since the Moscow-controlled movement maintains but one Communist Party within each Nation—for by Leninist theory the Party is conceived as the leading and controlling force of the movement within the national social unit—it later became obvious that what we were covering by the act was essentially the operation of one party, its members, and fronts—thus covering one party among several which were not covered.

While clearer today than previously, we must recognize that the Communist Party, USA, and its numerous fronts do not stand alone in advancing the revolutionary Socialist movement. Their numbers and efforts are swelled with the broad spectrum of other Marxist-Leninist parties, and additionally with other Marxist Socialists—leftwing groups, which while not always operating strictly through Leninist forms, are nevertheless in agreement on issues consistent with the attainment of Marxist goals, and are committed to the propriety of the ultimate use of force or violence for the attainment of the Marxist objective. The threat is thus that of combined action which presents a formidable force for disruption. This has hitherto been a neglected but dangerous fact. It is hence too simplistic to speak of the Communist threat, or to isolate but one party embraced within the Communist movement, or to isolate either from other groups within the leftwing Socialist movement. The validity of this observation, I believe, is becoming increasingly clear.

Illustrative of the diverse involvement within the overall leftwing Socialist movement is the so-called New American Movement. Recently (in a theoretical journal titled, "Socialist Revolution," with reported subscribers in excess of 5,000, the authors of a leading article, titled "Revolution and Democracy," urge the development of organizational forms which they think appropriate to achieve revolution in the United States. Critical of Socialists who seek to apply, as they say, Leninist organizational forms and practices within the United States—that is, a tightly controlled, secret, cell-type, highly disciplined, and selective revolutionary group—they advocate for present conditions a looser form of organization which they describe as collectives to gain a broader base of public support. But like Communists, they reject the strategy of a purely electoral route to socialism, although they concede that Socialist electoral activity should be seen as a tactic that can further their concept of a popular nonelectoral movement.

Thus, also like Communists, they distinguish between "strategy" and "tactics." Strategy is related to the "main blows" to be delivered at a given stage of the revolution, while tactics regulate the choice of targets and the disposal of forces in the preliminary or less decisive stages of the struggle. Thus, at the present time, they clearly rule out tactics of violence but reserve such violence for the strategic or main blows, and make clear that any such organization as they envisage must ultimately be prepared to apply violence. Accordingly, in their assessment, the amount of violence that will be involved in the revolution is impossible to predict in advance, but will largely depend on the extent of popular support before any final "confrontation" takes place.

Now Moscow, of course, seems clearly to have a purpose of manipulating the world Communist and socialist movements in support of its own expanding interests. They have recognized the strong bases for cooperative action between them and other Socialists. At the last World Congress of Communist Parties, held in Moscow in 1969, the national Communist parties there represented, including the Communist Party, U.S.A., subscribed to the main document in which was memorialized the adoption for the period ensuing of a "united front" tactic of cooperative action with Socialists and social democrats to achieve their ultimate revolutionary purpose. Their success in applying this tactic during the course of the Vietnam war is now a matter of history. This tactic, as applied in the conduct of agitational activities within the United States, was clearly revealed in this committee's investigation of the National Peace Action Coalition. We have seen this tactic also applied as an electoral path to power of Allende in Chile. It was employed by Communists in the recent French election. Today we see this tactic unfolding in Portugal.

Recent reports, indeed, bring to our attention evidence of the existence within the Portuguese Army of active Communist and Socialist collectives which seek to capture control of the Portuguese Government in contention with the army's more moderate leadership. We are thus reminded of the process applied toward the almost total disintegration of the Czarist forces which preceded the initial seizure of power by the provisional Kerensky government—Socialist—which was accomplished by a coalition of Communist and Socialist forces. Prior to this seizure, the Bolsheviks—Communist—had early realized the importance of creating an organization inside the Czarist army. By June of 1917, a wide network of Communist and Socialist collectives had been developed by them and the Mensheviks—Socialists—both in front and rear units of the Imperial Army. Their effort was first directed toward undermining army discipline by encouraging insubordination through "democratic" demands of the most extreme nature, a tactic reminiscent of that now applied by Communists and revolutionary socialists in their effort to influence and penetrate our own Armed Forces during the current period.

Indeed, I should further pause to observe that considerable evidence of the application of this tactic was adduced in the committee's investigation of subversive efforts within our own Armed Forces during the Vietnam war. During the Kerensky regime, the Bolsheviks had also organized a parallel military apparatus—the Red Guards, which the Provisional Government was unable to disarm and which was the armed might behind the Bolshevik coup d'etat. The Red Guards, numbering about 20,000, which were organized through factory and shop committees, and under the control of the Central Committee of the Communist Party, thus wrested power from the Socialists.

Within the United States today, as throughout the world, one must recognize that there is a deep ferment within the Marxist-Socialist movement, which is reflected in what one may observe as an increasing fluidity in the movement of persons and concepts within the broad spectrum of the Socialist Right and Left. This will continue to pose serious issues, not only to our domestic security but in our relations with foreign nations and in the conduct of foreign policy. It appears to me that there is also some convincing evidence within the United States of the increasing radicalization of the Socialist Right-Wing, which has generally rejected doctrines of class struggle. Likewise abroad, there is portentous evidence of the increasing penetration of Right-Wing Socialist governments by Left-Wing elements. In reports from Britain, for example, the growing influence of Left-Wing elements within the Right-Wing socialist government headed by Wilson, appeared to be a matter of concern and is frankly discussed in segments of the press. This problem exists in West Germany and among the leading countries of Europe. The potential consequences of such developments are frightening to contemplate.

Here at home one must also observe the increasing and serious involvement of a substantial number of our youth, many of whom, under the spell of such doctrines and ideologies, have become impatient with the more cautious tactics employed by many old-line Communist parties and socialist groups. Immature and inexperienced, they evidence a tendency to move into more radical formations and to employ more radical procedures to hasten what they regard as the ultimate confrontation. Many have thus adopted tactics of political terrorism. It is one of the most urgent problems of our day. Our committee, indeed, is involved in extensive hearings on the subject.

The most highly publicized of such terrorist groups is, of course, the Symbionese Liberation Army which was involved in the Hearst kidnaping. Describing itself as a federated group of members of different races of peoples and socialist political parties, the group, in one of its programmatic statements, has frankly avowed that its purpose is to "declare revolutionary war against the Fascist capitalist class," and that its objective is to achieve "by force of arms" the "self-determination and independence within the United States" of all so-called oppressed peoples and races. These semantics are obviously Marxist. Similarly the Weathermen, a splinter from the initially formed rightwing Socialist Students for a Democratic Society, have claimed credit for numerous incidents of violence and bombings, and now describes itself as "Communist." In the course of our recent inquiry into the adequacy of the Government's domestic intelligence operations, we were shocked to learn that there are now in existence, and under investigation by the FBI, not less than 21 separate terrorist groups with whom are associated about 15,000 persons.

As an indication of the extent to which violent activities are undertaken within the United States by such terrorist groups for so-called political ends, the Assistant Director, Intelligence Division, FBI, has informed us in recent hearings that during the years 1971 through 1973 there was a total of 573 incidents of violence attributed to terrorists. This figure was broken down into 114 firebombings, 21 arsons, 45 snipings, 114 shootings, 23 ambushes, 27 other physical attacks, 59 incidents of weapons stockpilings, 43 criminal acts in support of terrorist endeavors, and 127 bombings other than firebombings. During this same period, police officers continued to be a primary target of terrorist and subversive elements engaged in urban guerrilla-type activity during which terrorists were known to be responsible for 152 police woundings and 43 deaths, as well as 53 civilian woundings and 22 civilian deaths.

Traditionally we have associated disloyalty principally with a preference for another country over our own. Moreover, in dealing with the conventional spy, saboteur, and traitor within our midst, we have been accustomed to focus upon such underlying factors and motivations as greed, debt, drunkenness, drug addiction, mental imbalance, and such other character and personality defects as render an individual vulnerable to persuasion, influence, blackmail, or coercion. These problems will remain, and so long as the world retains its present relation of state systems traditional concepts of loyalty to the "country" will remain highly relevant. However, the Marxist ideology has introduced antithetical concepts which teach loyalty to an international or nonnational class, described by Communists as the proletarian, however artificial the concept may be. In the present-day ideological, systemic struggle, we must thus be prepared to cope with more sophisticated concepts. It is indeed a question the committee has recently fully explored in connection with its inquiry into the operation and administration of the Federal civilian employee loyalty and security program.

The attack is thus also essentially internal. It is directed against our national institutions, against our system of freedom. But to the extent that the movement is foreign controlled or influenced, the threat of conventional or interstate warfare must remain over our heads like the sword of Damocles. To the extent that the movement has or gains adherents within the United States, it will continue to pose a serious threat of revolutionary or what is sometimes described as unconventional warfare and intrastate conflict, in all of its forms, including guerrilla and partisan warfare.

Now it is apparent that I have barely skimmed the surface of this vast and complex subject. Having observed and studied these subversive movements over the years, both as chairman of this and as a member of the predecessor committee, I must confess that I am deeply alarmed. I am not, however, pessimistic. Our most formidable enemy from within can be indifference and ignorance, and indeed, ignorance is often the father of indifference. In my view we have the capacity—moral, intellectual, and material—to wrestle with this threat and to down it. I believe that congressional investigations, and particularly those of this committee, can continue to make a material contribution toward dispelling that ignorance and, hence, that indifference, which, in the long run could prove fatal to our institutions.

NOTICE OF PROPOSED AMENDMENTS BY MR. ICHORD ON CONSIDERATION OF HOUSE RESOLUTION 988

Mr. Chairman, in accordance with the provisions of House rule XXIII, clause 6, I hereby give notice of amendments which I propose to offer in debate on the consideration of House Resolution 988. These include amendments to House Resolution 988; to the text of the resolution, House Resolution 1248, if offered as an amendment in the nature of a substitute for House Resolution 988; and to the provisions of House Resolution 1321 if offered as a substitute. They are as follows:

Amendments to House Resolution 988 Offered by Mr. Ichord

Page 11, strike out lines 12 and 13.

Page 11, line 14, strike out "(9)" and insert in lieu thereof "(8)".

Page 11, line 15, strike out "(10)" and insert in lieu thereof "(9)".

Page 11, line 16, strike out "(11)" and insert in lieu thereof "(10)".

Page 12, immediately after line 25, insert the following:

"(m) Committee on Internal Security, the legislative purisdiction of which shall include—

"(1) Communist and other subversive activities affecting the internal security of the United States.

"(2) The Committee on Internal Security, acting as a whole or by subcommittee, is authorized to make investigations from time to time of (A) the extent, character, objectives, and activities within the United States of organizations or groups, whether of foreign or domestic origin, their members, agents, and affiliates, which seek to establish, or assist in the establishment of, a totalitarian dictatorship within the United States, or to overthrow or alter, or assist in the overthrow or alteration of, the form of government of the United States or of any State thereof, by force, violence, treachery, espionage, sabotage, insurrection, or any unlawful means, (B) the extent, character, objectives, and activities within the United States of organizations or groups, their members, agents, and affiliates, which incite or employ acts of force, violence, terrorism, or any unlawful means, to obstruct or oppose the lawful authority of the Government of the United States in the execution of any law or policy affecting the internal security of the United States, and (C) all other questions, including the administration and execution of any law of the United States, or any portion of law, relating to the foregoing that would aid the Congress or any committee of the House in any necessary remedial legislation. The Committee on Internal Security shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable.

Page 13, line 1, strike out "(m)" and insert in lieu thereof "(n)".

Page 14, line 8, strike out "(n)" and insert in lieu thereof "(o)".

Page 15, line 10, strike out "(o)" and insert in lieu thereof "(p)".

Page 16, line 3, strike out "(p)" and insert in lieu thereof "(q)".

Page 17, line 6, strike out "(q)" and insert in lieu thereof "(r)".

Page 17, line 22, strike out "(r)" and insert in lieu thereof "(s)".

Page 18, line 19, strike out "(s)" and insert in lieu thereof "(t)".

Page 19, line 5, strike out "(t)" and insert in lieu thereof "(u)".

Page 20, line 7, strike out "(u)" and insert in lieu thereof "(v)".

Page 20, line 20, strike out "(v)" and insert in lieu thereof "(w)".

Page 39, line 22, immediately after "the Committee on House Administration," insert "the Committee on Internal Security,".

Page 53, line 20, immediately after "Operations," insert "the Committee on Internal Security,".

Amendment Offered by Mr. Ichord to the Substitute, House Resolution 1248

Page 67, immediately after line 19, insert the following:

Sec. 314. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(l) Committee on Internal Security.

"(1) Communist and other subversive activities affecting the internal security of the United States.

"(2) The Committee on Internal Security, acting as a whole or by subcommittee, is authorized to make investigations from time to time of (A) the extent, character, objectives, and activities within the United States of organizations or groups, whether of foreign or domestic origin, their members, agents, and affiliates, which seek to establish, or assist in the establishment of, a totalitarian dictatorship within the United States, or to overthrow or alter, or assist in the overthrow or alteration of, the form of government of the United States or of any State thereof, by force, violence, treachery, espionage, sabotage, insurrection, or any unlawful means, (B) the extent, character, objectives, and activities within the United States of organizations or groups, their members, agents, and affiliates, which incite or employ acts of force, violence, terrorism, or any unlawful means, to obstruct or oppose the lawful authority of the Government of the United States in the execution of any law or policy affecting the internal security of the United States, and (C) all other questions, including the administration and execution of any law of the United States, or any portion of law, relating to the foregoing that would aid the Congress or any committee of the House in any necessary remedial legislation. The Committee on Internal Security shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable."

And renumber the following sections accordingly.

Page 67, line 23, strike out "(l)" and insert in lieu thereof "(m)".

Page 68, strike out line 24.

Page 69, line 3, strike out "(m)" and insert in lieu thereof "(n)".

Page 70, line 9, strike out "(n)" and insert in lieu thereof "(o)".

Page 71, line 1, strike out "(o)" and insert in lieu thereof "(p)".

Page 72, line 14, strike out "(p)" and insert in lieu thereof "(q)".

Page 73, line 1, strike out "(q)" and insert in lieu thereof "(r)".

Page 74, line 3, strike out "(r)" and insert in lieu thereof "(s)".

Page 74, line 10, strike out "(s)" and insert in lieu thereof "(t)".

Page 75, line 9, strike out "(t)" and insert in lieu thereof "(u)".

Page 76, line 3, strike out "(u)" and insert in lieu thereof "(v)".

AMENDMENT OFFERED BY MR. ICHORD TO THE SUBSTITUTE, HOUSE RESOLUTION 1321, OFFERED BY MR. MARTIN

Page 12, strike out lines 24 and 25.

Page 13, line 1, strike out "(9)" and insert in lieu thereof "(8)".

Page 13, line 2, strike out "(10)" and insert in lieu thereof "(9)".

Page 13, line 3, strike out "(11)" and insert in lieu thereof "(10)".

Page 14, immediately after line 20, insert the following:

"(m) Committee on Internal Security, the legislative jurisdiction of which shall include—

"(1) Communist and other subversive activities affecting the internal security of the United States.

"(2) The Committee on Internal Security, acting as a whole or by subcommittee, is authorized to make investigations from time to time of (A) the extent, character, objectives, and activities within the United States of organizations or groups, whether of foreign or domestic origin, their members, agents, and affiliates, which seek to establish, or assist in the establishment of, a totalitarian dictatorship within the United States, or to overthrow or alter, or assist in the overthrow or alteration of, the form of government of the United States or of any State thereof, by force, violence, treachery, espionage, sabotage, insurrection, or any unlawful means, (B) the extent, character, objectives, and activities within the United States of organizations or groups, their members, agents, and affiliates, which incite or employ acts of force, violence, terrorism, or any unlawful means, to obstruct or oppose the lawful authority of the Government of the United States in the execution of any law or policy affecting the internal security of the United States, and (C) all other questions, including the administration and execution of any law of the United States, or any portion of law, relating to the foregoing that would aid the Congress or any committee of the House in any necessary remedial legislation. The Committee on Internal Security shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable.

Page 14, line 21, strike out "(m)" and insert in lieu thereof "(n)".

Page 16, line 3, strike out "(n)" and insert in lieu thereof "(o)".

Page 16, line 24, strike out "(o)" and insert in lieu thereof "(p)".

Page 17, line 17, strike out "(p)" and insert in lieu thereof "(q)".

Page 18, line 17, strike out "(q)" and insert in lieu thereof "(r)".

Page 19, line 6, strike out "(r)" and insert in lieu thereof "(s)".

Page 20, line 3, strike out "(s)" and insert in lieu thereof "(t)".

Page 20, line 14, strike out "(t)" and insert in lieu thereof "(u)".

Page 21, line 7, strike out "(u)" and insert in lieu thereof "(v)".

Page 21, line 20, strike out "(v)" and insert in lieu thereof "(w)".

Page 41, line 4, immediately after "the Committee on House Administration," insert "the Committee on Internal Security,".

The CHAIRMAN. The time of the gentleman has expired.

Mr. ICHORD. Mr. Chairman, at the proper time I shall ask unanimous consent to place in the Record following my remarks the amendments which I will offer.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee (Mr. Kuykendall).

Mr. KUYKENDALL. Mr. Chairman, there has been a great deal of very high level, very thoughtful, very intelligent debate thus far today and in previous committee sessions about the different choices of reform legislation. There has been a great deal of emphasis placed on the way this committee is to be restructured, the way this particular activity is to be either combined or divided, and so forth. In other words, there has been a great deal of rhetoric about organization and not enough rhetoric about people. Nothing works if there is not someone responsible to make it work, as we have all found out in either short or long careers in this body. And there is no plan that the wrong man cannot foul up either by action or inaction.

I am not even going to try to make a statesmanlike speech because I am not here to be a statesman. I am here to talk to the Members about something very specific and, if I may, very personal, and that is the Subcommittee on Transportation and Aeronautics of which I am a ranking member and on which I served for 8 years.

This committee will be either partially or totally abolished, as part of the Committee on Interstate and Foreign Commerce if the Bolling resolution is passed unamended, and partially abolished by the Hansen amendment if not amended.

The Commerce Committee of the United States was the first of the legislative committees to be formed in the late 1700's that still exists and the first thing placed in the Commerce Committee was transportation. I could see some sense—in fact, I would have encouraged the idea—had the select committee created an entirely separate committee on transportation. This would have been fully justified, by the fact that the third largest department of the executive branch, so far as civilian employees are concerned and so far as budget is concerned, is the Department of Transportation. But no. The select committee chose to ignore the size and magnitude of this great task of transportation and chose to put this entire function in a committee with limited, if any, experience in practically all of the fields involved.

Certainly the Committee on Public Works has done a commendable job during its history. It is responsible for most of the inland waterways on which the barge lines ply their trade. It built the highways of the great Interstate Highway System. It struggled from time to time to try to decide how long and how wide and how fast and how heavy the trucks in this country are going to go and be and weigh, but the committee does not seem to have had much success in accomplishing any of those things.

So to take away the function of the Subcommittee on Aviation and Transportation, a subcommittee, Mr. Chairman, which has brought to this floor and has had passed with an absolute minimum of amendments some of the most comprehensive and complex legislation of this decade, such as the Railroad Retirement bill; the Aircraft Antihijacking bill, which in conjunction with the Justice Department reinstitutes what we think will be a constitutional death penalty; the entire Northeastern Railroad Reorganization; the Airport and Airways Trust Fund, in which we jointly presented a bill with Ways and Means; the Surface Transportation Act which was just passed from the full committee and which the Rules Committee will be hearing shortly; the Barge Mixing Rule; and Amtrak, when most people thought surface rail transportation was a thing of the past.

It has been said that one of the marks of a good committee and a good subcommittee is whether or not the legislation it brings out has to be rewritten on the floor. I suggest the Members go back and check the minimum number of amendments.

So, Mr. Chairman, sometimes the other body in conference will bring a whole staff to conference, as most of the Members know, and one Member with a pocketful of proxies in order to have a conference. But not so the House because the individual House Members along with their staff provide the expertise.

Mr. Chairman, I ask every member of this committee to consider the amendment that I shall offer to the Hansen amendment, and if that is not successful then the amendment I shall offer to the Bolling resolution which will reestablish the Committee on Aviation and Transportation so that the combined expertise of men such as the chairman, the gentleman from Oklahoma (Mr. Jarman), and the gentleman from Washington (Mr. Adams), and the gentleman from Michigan (Mr. Dingell), and the gentleman from Illinois (Mr. METCALFE), and the gentleman from Kansas (Mr. SKUBITZ), and the gentleman from Montana (Mr. SHOUP), as well as others, which has been accumulated all these years will not be lost or dispersed. And no matter how hard we try, Mr. Chairman, there is no way that the Members' expertise can be accumulated in any other committee that will be up to the needs of this Nation's transportation system for at least a decade. We will be wasting our resources in a most wasteful way.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I thank the gentleman for yielding.

The resolution, House Resolution 1321, which I have introduced, as the gentleman knows, restores jurisdiction to the Committee on Interstate and Foreign Commerce in regard to surface and air transportation.

Mr. KUYKENDALL. I wish to ask the pardon of the gentleman from Nebraska for not having mentioned that. I shall definitely support the Martin substitute because it does again reestablish the use of this resource for this Nation. I thank the gentleman for his interjection.

Mr. BOLLING. Mr. Chairman, I yield 10 minutes to the gentleman from Washington (Mr. MEEDS).

Mr. MEEDS. Mr. Chairman and Members of the Committee, I do not intend to iterate the length of time spent in the committee in the consideration of the markup hearings of the Congress and many of the other matters which will be covered by other Members. I will say that I think this is a comprehensive and valuable piece of legislation in terms of making this House more relevant to the problems of today. These other matters will be covered by other Members.

I intend to apply myself to five specific areas: referral of legislation, solving of jurisdictional disputes, the special commissions, the staff provisions, and the continuing review provided by House Resolution 988.

The major problem of the present referral of legislation is that there is no provision for referral to more than one committee. This results in limiting the scope of legislation, in fragmenting the approach to major problems of the day and in limiting the expertise of the House on certain matters before the House.

As much as we might want to believe, the problems of the Nation do not fit themselves into the neat little niches that we have made in our jurisdictional alinements. There is no provision under present rules for taking a complex piece of legislation and assigning it to one committee because it infringes upon the jurisdiction of other committees. Therefore, we go on in our piecemeal approach.

An illustration of the limiting of the expertise is a matter before us right now. A very comprehensive Indian Health Bill is before the Committee on Interior and Insular Affairs, the Indian Affairs Subcommittee. I think it would be an excellent situation if the expertise of the gentleman from Florida (Mr. ROGERS) and others could also be applied to that same legislation; but under the present rules of the House, that is impossible.

Once legislation has been referred, there is no formal method for rectifying improper referral of bills.

Now, it is true that there is a method of resolving jurisdictional disputes under a rule called erroneous referral, but that takes unanimous consent. This is almost never used. Instead, we go about, as the Speaker testified before the committee dealing with this problem on a piecemeal basis, the Speaker in testifying said, "Committee chairmen generally who want bills in their committees try to bring the bills in a manner that would cause them to be referred to their committee, even though other committees might have some jurisdiction. We get a lot of complaints about that."

So we have the spectacle of drafting bills to fit committees, rather than trying to shape the committees and shape referrals to fit the problems of the Nation.

I do not need to remind this Committee about the problem of the deep-water port siting bill in which jurisdiction was lodged in three different committees through this Congress.

In the 93d Congress alone, pension reform was probably delayed for almost 2 years because of a jurisdictional conflict. We have the same problem with energy policy.

So the testimony, the evidence before the Committee on Committees, was replete with illustrations such as those I have given.

We adopted and we have before us in the form of this resolution a method whereby the Speaker can refer to more than one committee.

He could refer simultaneously to two or more committees for concurrent or sequential consideration by those committees. He could divide the bill and refer parts to different committees. He could refer legislation to special ad hoc committees composed of the members of the committees having jurisdiction of the specific legislation; this with the express approval of the House. He can take such other methods of assignment as he deems appropriate.

The Rules Committee has the same power if the Speaker does not wish to exercise it. Let us not make any mistake, that power does not lodge in the Rules Committee unless the Speaker does not want to exercise it. In the procedure we adopted and which is before the House for resolving conflicts of the jurisdiction, the committee chairman or person designated by the majority may request a review of the assignment made by the Speaker. He does this within 7 days of the assignment.

The Rules Committee, after giving an opportunity to those interested to be heard—and they must act within 5 days of the request—then decides the jurisdictional question, and the same or other persons may then appeal to the floor of the House, by resolution, the decision of the Rules Committee. That, then, is resolved on the floor of the House.

What this really does is allow us, in a rational manner, to consider jurisdictional conflicts before they arise, rather than afterwards. The Rules Committee today is really resolving these jurisdictional conflicts after the fact.

After days and days of markup and witnesses and much of the energy and resources of the House being expended, the committee comes before the Rules Committee and asks for a rule, and that rule might be refused because of the jurisdictional impact on other committees. Therefore, all of that work is for naught.

What we are really saying now is that this dispute can be resolved beforehand rather than after the fact. Every Member of this House will have an opportunity to vote upon that question if it is raised by the persons having the direct interest.

Mr. Chairman, I turn now to staffing. The proposal before the Members will increase the professional staff of the committees from 6 to 18, and the clerical staff from 6 to 12. It will raise the ceiling to level 5, which I think represents about a $2,000 increase in the ceiling, but the ceiling is also now affected by the problems of salaries of Members of Congress.

It allows—does not require—allows the minority party to select one-third of the clerical staff, one-third of the professional staff, and to have control of one-third of the funds on the committee expenditure resolutions, the special resolutions which we consider for investigative staff.

Again, this is not mandatory. If the gentleman from Texas were here, I would be delighted to tell him, as I will tell the Members, that if the minority does not wish to exercise this, if it wishes to enter into the type of agreement he has on his committee, that is perfectly permissible. This does not mandate one-third of the staff.

We also undertook a study of the resources of the House. The problems are known by all the Members. The House, I think, depends in terms of research and information on several groups and many sources for information; the Congressional Reference Service, the GAO, the Library of Congress, and many others. Information gathering and the environment in which we work, the staffs, how we work, are some of the most important matters facing this body. We get a lot of information, as we all know; we are deluged with it daily, but it is often not in the form we can use. Sometimes, indeed, it is too much.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. BOLLING. Mr. Chairman, I yield 2 additional minutes to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, very briefly, we felt that this was almost as complex as the entire matter with which we were charged, and therefore we proposed selection of two commissions, one to study the matter of information and one to study the matter of space and environment in which we work.

We finally provided for a review of committee jurisdiction. The jurisdiction of 1946 is not relevant today, and we do not expect that the proposal we are making, if it is adopted in 1974, will be relevant in 2008. Therefore, we request there be a continuing review by the House Members of the Joint Commission on Congressional Operations.

The matters I have mentioned are just a small part of the overall proposal of the select committee, but they are matters which improve the ability of the House to be more responsive and responsible to this Nation and to ourselves. We, above all, recognize that they are not perfect. But they do contain the mechanics for a continuing change and updating. As we undertake the transition from the relevancy of 1946 to the relevancy of 1974, institutionalizing change is particularly essential. These proposals are the vehicle of change in a rapidly changing world. Reform of the magnitude of this proposal is painful and difficult. Indeed, it strikes at the basic question of whether democratic institutions can evolutionize rationally.

This bill represents an honest effort to do that. The ultimate question must be answered honestly by all of the Members of this body.

Mr. BOLLING. Mr. Chairman, on behalf of Mrs. HANSEN, I yield 10 minutes to the distinguished gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Chairman, during my service in Congress, commencing in 1942, I have been a member of various committees, but on each of two committees I have served continuously for 28 years. One is the Committee on Government Operations, formerly called the Committee on Expenditures in the Executive Departments. The other is the Joint Committee on Atomic Energy. In each case, I am a charter member, so to speak, having served on the Joint Committee since its inception in 1946, and on the Committee on Government Operations, which received its current charter in the Legislative Reorganization Act of 1946. The present chairman of the committee is Congressman MEL PRICE. He is the only other charter member. Therefore, I can speak with some knowledge and experience about these committees and what would happen to them if the pending resolution—House Resolution 988—is passed.

In these remarks, I will not address every issue which concerns me. My position on the pending resolution, reported by the Select Committee on Committees, is well known. I have appeared before the Democratic Caucus and the Committee on Rules. I have presented materials to the Committee on Organization, Study, and Review of the Democratic Caucus, known as the Hansen committee. I have made statements on the subject which appear in the CONGRESSIONAL RECORD.

First, I will refer to the problems which House Resolution 988 creates for the Committee on Government Operations.

GOVERNMENT OPERATIONS BECOMES A CATCH BASIN

Under the select committee's reorganization scheme, our Committee on Government Operations loses no jurisdiction but gains numerous legislative responsibilities. In fact, our committee becomes a sort of catch basin for jurisdictional odds and ends which fall out of the proposed committee reorganization. It seems as though there were jurisdictional leftovers which had to be put somewhere, and the Committee on Government Operations became the receptacle.

Thus, the committee gains census and national archives from the Post Office and Civil Service Committee—which is to be abolished under the select committees' resolution; holidays and celebrations from the Judiciary Committee; the Hatch Act from the Committee on House Administration; territories and Indians from the Committee on Interior and Insular Affairs; general revenue sharing from the Committee on Ways and Means; and all the functions of the Committee on Internal Security—which again, is to be abolished under the resolution.

In referring to some of these increments as odds and ends, I do not mean to diminish their importance. Certainly, general revenue sharing is a very important subject. Certainly, the administration of our territories and the whole range of problems associated with Indian affairs are very important. And internal security, whether or not it justifies separate committee status, is something that always must concern the Congress.

DOUBLING OF SUBCOMMITTEES AND STAFF REQUIRED

But, taken together, the jurisdictional add ons to the Committee on Government Operations probably will require a doubling of staff and of subcommittees, so that the committee will need to have on its payroll approximately 130 persons and 12 or 14 subcommittees. We have serious problems of members' attendance now in our committee, with its seven subcommittees, so you can imagine what will happen were the committee to assimilate all these additional functions, which collectively generate between 500 and 1,000 bills each session.

If this doubling of subcommittees and staff does not take place, then the committee resources and membership will be stretched so thin that the committee will not be able to perform effectively. If this doubling does take place, then of course we will have a massive committee operation, with so many new legislative chores that our investigation and oversight functions necessarily will suffer.

OVERSIGHT COORDINATION IS UNWORKABLE

The select committee's resolution is helpful in making clear that the Committee on Government Operations, as the general investigative agency of this House, ought not to be challenged by other committees on jurisdictional grounds whenever it undertakes an investigation. However, the resolution burdens the committee with what I believe is an unworkable requirement: That it have meetings and consultations with other committees and develop an oversight agenda for submittal to the House early in each new Congress.

I recognize that oversight is the big thing these days, but my belief is that each committee will tend to resent outside direction or suggestions and will tend to include everything it can think of in its oversight agendas to discourage other committees from invading its field. The consequence will be inflated committee agendas, with actual oversight limited to what any given committees decide to do as the congressional session develops.

It is very difficult, in any case, to stick to agendas prepared 2 years in advance. The committees' oversight interests inevitably will gravitate to what emerges and becomes politically interesting. I fear that the oversight coordination role proposed for the Committee on Government Operations will lead to much paperwork and possibly much resentment but will not make much difference to the ways the committees go about their business. This language in House Resolution 988 should be eliminated.

IMPORTANCE OF JOINT COMMITTEE ON ATOMIC ENERGY

I will comment on a serious problem in this legislation which affects the Joint Committee on Atomic Energy. That committee, by law, has jurisdiction over all matters affecting nuclear energy. Its statutory charter mandates it to "make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy." Further, the law states specifically:

> All bills, resolutions, and other matters in the Senate or House of Representatives relating primarily to the Commission or to the development, use, or control of atomic energy shall be referred to the Joint Committee.

And the Atomic Energy Commission is required, by the same law, to keep the Joint Committee fully and currently informed of its activities.

The Joint Committee has exercised, through the years, a continuous monitoring function and has held important hearings and investigations. It also authorizes, on an annual basis, the military and civilian nuclear programs; and reviews, for the Congress, proposed cooperative agreements with other nations or international bodies relating to nuclear technology.

One of my book cabinets is filled with the hearings of the Joint Committee, nearly 200 bound volumes; and I can say, without exaggeration, that I sat in committee perhaps 70 or 80 percent of the time devoted to those hearings. The Joint Committee has been one of the most productive and constructive instrumentalities in our Congress, not only for recurring functions of authorization and oversight, but in helping to shape broad national policies of nuclear development both in the weapons field and in civilian applications—power, medical, industrial, and others.

JOINT COMMITTEE JURISDICTION IS UNDERCUT

What sorely troubles and, frankly, displeases me is that the pending resolution undercuts the jurisdiction of the Joint Committee on Atomic Energy. If you look at House Resolution 988, you will find no mention of the Joint Committee. The Select Committee on Committees had no jurisdiction over joint committees, which are a joint creation of the

House and Senate. That fact or circumstance did not prevent the select committee from recommending, through its resolution, the transfer of legislative jurisdiction over nonmilitary nuclear program activities from the Joint Committee to two new House committees—the Committee on Energy and Environment and the Committee on Science and Technology. The Committee on Energy and Environment would acquire nonmilitary aspects of nuclear energy other than research and development, whereas the Committee on Science and Technology would acquire the research and development aspects of nuclear energy in the civilian sector.

In the select committee scheme, the Armed Services Committee acquires jurisdiction over "scientific research and development" in support of the armed services. One could make the argument that since military nuclear energy, in large part, is encompassed in the term "scientific research and development," the Committee on Armed Services acquires jurisdiction over the military part of nuclear energy, in which case the Joint Committee would remain a completely hollow shell. I do not assume that the select committee intended any transfer of nuclear energy to the Armed Services Committee, but that implication could be drawn and argued. It illustrates the general fuzziness of some of the select committee's jurisdictional transfers. One cannot tell clearly which functions go, and which remain.

JURISDICTIONAL SPLIT CREATES PROBLEMS

Let me cite an example: Admiral Rickover's naval reactor program, under the aegis of the Atomic Energy Commission, essentially consists of two categories: One, oriented to the advancement of nuclear propulsion systems and fuel for nuclear submarines; and the other concerned with research and development on civilian nuclear power plants and related nuclear fuels. Under House Resolution 988, the second category of this naval program presumably would become subject to the legislative jurisdiction of the Committee on Science and Technology. Legislative jurisdiction of the first category, related to the common defense and security, may or may not be intended to remain with the Joint Committee on Atomic Energy; House Resolution 988 is obscure in this regard.

If one were to try to separate military and nonmilitary nuclear energy developments, he would have great difficulty, because many such activities are supported and conducted without that kind of distinction in the AEC's national laboratories. This distinction is not particularly useful where the results of the research and development have both military and civilian application. It is even more difficult to distinguish nonmilitary nuclear energy as between that which is research and development and that which is not. The AEC is preeminently a research and development agency. Consequently, I cannot understand how nonmilitary nuclear energy would be divided between the Committees on Energy and Environment and Science and Technology, just as I cannot conceive how the separation between so-called military and nonmilitary nuclear functions could be made without serious adverse consequences.

NO EXPLANATION OF SELECT COMMITTEE'S MANEUVER

Now, on what basis does the select committee justify the proposed transfer of nonmilitary nuclear energy from the Joint Committee to these two new committees? You will find no discussion of this matter in the committee report beyond two passing references. One is that:

> Under the select committee's plan, the Energy and Environment Committee assumes jurisdiction over . . . the non-military nuclear program activities previously in the Joint Committee on Atomic Energy.

The other reference is to the effect that the general jurisdiction of the Committee on Science and Technology over scientific research and development will include "nonmilitary uses of atomic power"—House Report No. 93-916, part II, pages 36, 44.

How can the select committee sidestep an act of Congress—the Atomic Energy Act—and truncate or destroy the Joint Committee on Atomic Energy when it has no jurisdiction over joint committees? The answer must be that the select committee consulted with its legal counsel and was advised that under article I, section 5, clause 2 of the Constitution, "Each House may determine the rules of its proceedings"; and that the Constitution is superior to statutory law. The Constitution is the higher law.

Now, I am not one to dispute that self-evident and generally accepted proposition. Whether it applies squarely in this instance as a legal or parliamentary proposition, I very much doubt. Whereas the House precedents suggest that the power of the House to make it own rules may not be impaired or controlled by a statute of a prior Congress, there is also precedent for the proposition that a joint committee, created by statute, is not susceptible to control by one House, and its duties may not be enlarged or diminished by either House acting independently—Hinds Precedents, volume VII, section 2164.

That is exactly what has happened here. The pending resolution would diminish the functions of the Joint Committee. And, apart from the legal or parliamentary status of the proposition, the select committee can be criticized for the manner in which this issue is brought to the floor of the House—no explanation as to the consequences for the Joint Committee on Atomic Energy, a committee established by law; no consideration of whether the split of the non-military nuclear energy functions between two committees is workable or useful; and certainly no consideration as to the problem that will confront the Speaker in deciding how to refer bills dealing with nuclear energy.

The select committee would give the Speaker authority to split bills and make multiple referrals—a practice which can lead to much mischief if not used with restraint. In any case, this authority, if conferred, hardly would help the presiding officer decide when a bill on nuclear energy should go to the Committee on Energy and Environment or the Committee on Science and Technology; and if the Committee on Rules acquires the jurisdiction to arbitrate jurisdictional conflicts, as the select committee also proposes, it will find no easier path than the Speaker in resolving bill referrals in the nuclear energy field under the proposed jurisdictional splits.

NO CONSIDERATION FOR OTHER BODY

If the select committee gives no consideration in its report to the matters I have mentioned, what shall we say with respect to the impact on the other body? A joint committee, like Siamese twins, means that the House and Senate are joined together in a single committee for the purposes assigned by law. The select committee would perform a surgical operation leaving the Senate half of the committee, and some remains from the House half, just hanging there and bleeding without any assurance of continued vitality.

In our rules and practices, we give proper deference to the other body, whatever our personal thoughts and feelings about some of its legislative practices. For this House by unilateral action to split a joint committee without amending the organic law, which is a product of both houses, is an insult to the other body. It is not the kind of procedure we should follow.

THERE IS A BETTER ALTERNATIVE

I fail, for the life of me, to see how any reform is effected by undercutting the Joint Committee on Atomic Energy. If the select committee supposes, or represents to this House, that its objective is to establish a primary committee to centralize energy affairs largely in a single committee, it has failed of this purpose. As I have explained, energy functions, in the select committee's scheme, are distributed among several committees; and nonmilitary nuclear energy is divided in an unworkable, if not an incomprehensible, way.

A better rationale for giving more coherence to energy affairs in the Congress would be to broaden the base of the Joint Committee on Atomic Energy and change it to a Joint Committee on Energy. This would be in keeping with pending legislation for the reorganization of energy functions in the executive branch, whereby an Energy Research and Development Administration is to be created, encompassing both nuclear and nonnuclear energy functions. Since that legislation—H.R. 11510—now in conference, would transform the AEC into a broad-based energy agency, the logical counterpart action in Congress would be to create a Joint Committee on Energy. That could be accomplished by separate legislation, not before us today.

AMENDMENTS TO BE OFFERED

I intend to offer or support amendments to House Resolution 988 to preserve the integrity of the Joint Committee on Atomic Energy. If and when the Hansen substitute—House Resolution 1248—becomes the order of business, I will offer or support a minor amendment for the same purpose.

It is my intention to support and vote for the Hansen substitute—House Resolution 1248. If the substitute is voted down, I will offer or support an amendment to House Resolution 988 to roll back the jurisdiction of the Committee on Government Operations to its present status and to relieve it of the burden of coordinating the oversight functions of all the standing committees of the House.

Mr. Chairman, through the years I have been an advocate of congressional reform. There are always better ways to do things, and I have always championed more efficient and more effective procedures and practices in the House of Representatives. Every change is not a reform, of course, and in deciding how the House should conduct its business—the vital business of our democracy—in the years to come, we must distinguish what is change for the better and change for the worse.

Mr. Chairman, I want to say this: The Joint Committee on Atomic Energy, in the 28 years of its existence—and the gentleman from Illinois (Mr. PRICE) and I are the two charter members left—has done a magnificent job. We took an infant nuclear technology for weapons, and we developed it into the most powerful force for the protection of the United States and the free world that exists.

We developed the peacetime application of atomic energy, and we have something between 2,000 and 3,000 peacetime applications.

We have over 1,000 industrial applications. We have over 100 medical, therapeutic, and diagnostic methods which we have developed under that committee. One person out of four who goes into a hospital today gets either diagnostic treatment with radioactive isotopes or therapeutic treatment.

Does this committee stand charged with dereliction of its duty? I challenge any committee in the House to show a greater record of accomplishment. This House has, by overwhelming votes in each instance, confirmed by the House in different appropriation bills and authorization bills produced by this committee.

There have never been charges brought against the Joint Committee on Atomic Energy which have been sustained or which would discredit this committee. It is a creature of both the House and the Senate by virtue of the McMahon Act and the 1954 Atomic Energy Act, as amended. It is a "siamese twin," from the standpoint of committee structure and jurisdiction with the Senate counterpart.

How can we cut off one-half of that twin? How can we scatter—and I do say, "scatter"—the functions of the Joint Committee on Atomic Energy which we would do, both in the international field, I will say to the gentlemen who are so interested in the international field, and in the civilian field, as well as in the corelated fields of research and development of atomic energy.

So we have done a good job. Was there any thought given to strengthening the Atomic Energy Committee and making it a Joint Committee on Energy? No, there was not. At least we heard nothing about it.

But they have taken two committees which have done practically nothing in the field of energy and given them the jurisdiction. I am going to document that statement by saying that over $500 million has been spent by the Committee on Interior and Insular Affairs on coal research, put in the Bureau of Mines and in the Office of Coal Research, and they have not yet found out how to burn coal without throwing 300 pounds of pollutants to the ton into the air.

Mr. Chairman, let us take the Committee on Space and Technology. We might just like to put this all on the table. What work in energy have they done?

They have done some work on solar energy and geothermal energy. And God save the mark if either one of those two functions gives to this country within the next 10 years 1 percent of its needs. If it does, and if I am still here, I will buy a steak dinner for every Member of the House. Yet we are giving research and development in the nuclear field to them, and they know nothing about nuclear energy.

We are giving legislative jurisdiction on atomic energy to the Committee on the Interior, renamed the Committee on Energy and Environment, and they know nothing about it. This is the horrible thing that is being done.

Mr. Chairman, do the Members know that every estimate that has been made by a reputable authority on energy has been to the effect that by the year 2000, this country will have to have 50 percent of its electrical energy derived from nuclear energy? Illinois today has about 30 percent of its State requirements in nuclear energy. They are producing electricity from the atom cheaper than any fossil fuel fired plant.

Nuclear energy production from the atom is far ahead of any official estimate that the Joint Committee has ever made. Nuclear energy and coal are the two greatest domestic fuel resources. Yet this jurisdiction is being taken away from the Joint Committee, the committee has the expertise to do it and it is being put into two committees that do not know how to do it.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I begin with some trepidation because the gentleman from California (Mr. HOLIFIELD), a senior member of the Joint Committee on Atomic Energy, has given a very eloquent defense of the accomplishments of that committee. The Select Committee's recommendations surely should not be taken as any derogation of the achievements of that joint committee. The gentleman's remarks, however, do demonstrate the difficulty of trying to modernize the jurisdiction of House committees.

I might say that the jurisdiction of the Select Committee did not include the creation, strengthening or modification of joint committees. Our suggestions regarding atomic energy were an attempt to spell out certain responsibilities to be assumed by House committees.

Admittedly these responsibilities until now have been the concern of the Joint Committee on Atomic Energy. It may be that the device of a joint committee would be appropriate to help Congress to focus on national problems to a greater degree than it presently does. I would have thought, as a normal rule, that joint committees would be unlikely to get results, and yet the Joint Committee on Atomic Energy proves that a lot can be accomplished by that device.

Like the gentleman from California (Mr. HOLIFIELD) I will not be a Member of the 94th Congress. I have no ax to grind.

I would like to begin by saying that I have served as a member of the Select Committee on Committees with great pride. I have found it an exciting, and I hope a significant, experience. We have been dealing with a need which I would guess every Member of this House recognizes is real. That is, when the select committee was set up, we recognized we needed to take a look at the way in which the House does its business. Alternatively I might say we decided at that time to explore the way in which Congress sometimes fails to do its business, because of the lack of an appropriate focus of responsibility in certain major areas.

This year I have also, by coincidence, the responsibility of serving on a commission which has even broader responsibilities. This experience has also provided me with perspective on the nature of the problems which Congress faces with respect to national problems. The commission I serve on is the Commission on the Organization of the Government for the Conduct of Foreign Policy. That commission has the responsibility of taking a look at the way in which the whole Government faces the problems of foreign policy, the organization of the executive branch, the organization of the legislative branch, the relationship between the House and the Senate, and the relationships between the Congress and the executive branch. This is an awesome task, and I have no idea what we are going to come up with. All I know is that it is good for us both in Congress and in Government generally, to take a look at ourselves. We need to search for what might be done to improve the way in which things get done, or do not get done.

I have been one of those who has been most unhappy about the delay of over 6 months in giving the House an opportunity to consider the pros and cons of any reorganization proposal. The injection of what looked like a partisan note developed when the majority party in the House decided to refer the whole matter of the recommendations by a bipartisan committee to a subcommittee of the Democratic caucus. The gentlewoman from Washington (Mrs. HANSEN) says that there was no intention in her subcommittee to be subversive in their recommendations. I do not know anyone who has made such a suggestion. But why was the Hansen committee needed at all? I would have thought that it would have been possible to come up with the kinds of recommendations that the Hansen committee is making without waiting for 6 long months.

In any event, I hope we all recognize that the need for reform and reorganization is real and that time is running out. I hope also that we resist the tendency to say let us do nothing. In too many cases, it seems to me, Congress gives the appearance, and maybe there is substance behind the appearance, of being unwilling or unable to focus on important problems.

What our select committee recommendations seek to do is to develop a focus in two areas. One area is the machinery of the House. We propose modifications in the jurisdiction of committees and the elimination of certain committees.

There has been disagreement among the select committee on what should be done in that area. This was natural enough. For example, I agree with the gentleman from Wisconsin that there really is no basic justification for the continuation of the Committee on Merchant Marine and Fisheries, but the decision was made not to recommend its elimination.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. I yield 5 additional minutes to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding additional time.

We did decide that it was important to make changes in the House machinery, changes that would affect not only the existing jurisdiction of committees but to develop a more equitable sharing of responsibility to get committees of relatively equal importance. We sought also to propose committees which are diverse in their responsibilities. That was the basic rationale, for example, behind the establishment of a Committee on Energy and Environment. Quite understandably there may be some instant reaction against a proposal which seems to put together two quite different kinds of responsibilities. However, it is our hope that we will develop committees which will have not only major responsibility, but which will gain strength from the fact that the individual Members will have a variety of responsibilities.

The gentleman from California has suggested that a transfer of certain jurisdiction away from his committee may give responsibility to a committee that may not be capable of coping with problems. It is our hope that by increasing the responsibility of certain committees and making them more significant that we will develop a greater awareness on the part of the Members that they can make a significant contribution. In many cases today the jurisdiction over a major problem is so divided that there is a distribution of responsibility over a great many committees with no primary responsibility anywhere.

In addition—and I think this is important—we have tried to make proposals which will make better use of Members' time. I say this with some feeling because I served when I first came to Congress as a member of the Committee on Veterans' Affairs and the Committee on Education and Labor, and in 10 years' time I was the ranking Republican on the Committee on Education and Labor. As a member of that committee, I should say, I never saw any basic reason why those two legislative responsibilities should be joined, and I had assumed that there was general recognition that there would be substantial benefits to be developed if there should be a split of the House Education and Labor Committee.

When I was a senior member of the Committee on Education and Labor I became also a member of the Committee on Foreign Affairs. I learned then that it is difficult for a Member to be serving conscientiously on two major, active committees. Because of that experience I personally came down strongly on the side of the so-called one-track system, where the focus is on a Member devoting his time and responsibility to a single committee. I think this is important.

On another subject—this is somewhat controversial, and I say this, of course, as a member of the Committee on Foreign Affairs—I should like to discuss briefly the merit of the proposal to transfer responsibility for trade policy to the Committee on Foreign Affairs.

If we have learned anything these last few years, we have learned that subjects as energy and minerals policy and food policy have a direct bearing on our relationship with foreign powers. Quite understandably, the members of the Committee on Ways and Means are reluctant to lose jurisdiction in any direction. They are an important committee, and they are accustomed to their way of doing things. But I do not think I am exaggerating when I suggest that there is at least occasionally some constipation of results so far as the Committee on Ways and Means is concerned. This is not only because they have no subcommittees but because they physically do not have the time to engage their full attention on such widely disparate responsibilities.

In addition, I think it would be good for the Committee on Foreign Affairs to be given what is a thoroughly logical responsibility. It would enhance our prestige. It would make us do more homework than, perhaps, we feel obliged to do now. I should think that most Members, although perhaps not members of the Committee on Ways and Means, would see there would be real value in divesting the Committee on Ways and Means of their present responsibility.

This does not mean that committees do not share an interest in many of these major subjects. In the case of trade, it is appropriate that the Committee on Foreign Affairs should have primary responsibility, and the Committee on Ways and Means necessarily will have secondary responsibility.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. DENNIS. I am generally sympathetic, I would like to say to the gentleman, with what the committee is attempting to do. I am a little bit concerned philosophically about the idea of writing it in as an ironclad rule of the House that no Member could ever serve on two major committees. It seems to me there are Members, or there ought to be Members, who have broad interests and who might even like to be generalists to a certain extent. I wonder if it is right to write it down as the laws of the Medes and the Persians that election to this House has got to mean that, as time goes on, one will know more and more about less and less and will be completely unable to take any intelligent or active part in some other field in which he may be concerned.

Mr. FRELINGHUYSEN. I thank the gentleman for his comments. I might say I wish he had been successful in his effort to become a member of the Foreign Affairs Committee. I think the gentleman would have been an excellent addition to that committee. However, I think the problem basically for most Members is that we are too often grasshoppers. We tend to jump from one thing to another and as a result we often do not have expertise in any one area.

Mr. BOLLING. Mr. Chairman, I intend to recognize a Member but in the meantime I yield myself a minute before I do so.

The gentleman I am about to recognize I think probably has as early as any Member of this House felt very strongly the jurisdiction of the committees of the House needed to be examined and I am sure the select committee came into being because of his very real efforts. He sent a letter to the Speaker and made it very clear and very succinctly clear that it was urgent the jurisdictions of the House be reexamined and reorganized.

Therefore it gives me a very great deal of pleasure to recognize a man who made great contributions to the select committee's work, my friend the gentleman from Iowa (Mr. CULVER).

Mr. MARTIN of Nebraska. Mr. Chairman, before the gentleman yields, may I ask a question. I am happy to yield additional time to the spokesmen for Mrs. HANSEN's committee, but other than the gentleman from Pennsylvania (Mr. DENT), whom I do not see on the floor, I do not have any other names, so if the gentleman will provide me with them I will be glad to yield the time as soon as the time of the gentleman from Iowa (Mr. CULVER) has expired.

Mr. BOLLING. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa (Mr. CULVER).

Mr. CULVER. Mr. Chairman, I thank the gentleman very much for yielding.

I appreciate the very kind remarks of the gentleman.

Mr. Chairman, in the debate we begin this afternoon we are setting the stage for an historic decision by the House of Representatives. This week the House has a rare opportunity for self-renewal and for accommodating its processes to the surge and shock of change which we have been undergoing at an ever accelerating pace. In the lifetime of many of us—indeed during the period of service of some in this body—there has been more change, more technological development, more invention and discovery than in all previous recorded history.

I have been a Member of Congress for 10 years. In that span alone a whole new array of issues have come into prominence and more are becoming visible on the horizon. All of us have an awareness of issues such as the environment, energy, national growth policy which lacked a clear profile a decade ago. Yet during that time—and for some years before that—Congress has made only marginal accommodations to that sweep of change. Structurally the House of Representatives is little different from what it was after the adoption of the Reorganization Act of 1946. Duplications and overlap have spread; important new areas of public policy have not been brought into the mainstream of congressional activity and attention. While many other institutions of society such as universities, churches, local governments have been trying to meet the imperatives of change, the House has allowed itself to sit for a still-life portrait. Improvisation has triumphed over reasoned reform.

At the same time, as the administrative structure of the executive branch has grown and as a medley of new public policies have been set in motion, we have done little to modernize and adapt the mechanisms of oversight and institutional foresight. Few outside observers and few Members truly believe that the Congress is fulfilling this primary aspect of its legislative role. Instead we too often fasten our attention on the role of particular personalities and on frozen accommodations so that the broader public interest becomes obscured and our larger purposes diluted.

In my judgment, the proposals made by the select committee on oversight and foresight constitute some of its most significant recommendations. I should like to elaborate their importance for a few moments.

In testimony before the select committee, Member after Member stated that inadequate oversight was being done by most congressional committees. They pointed out that very often committees do not systematically oversee the programs and agencies under their jurisdiction. Moreover, they often lack the ability to evaluate and relate their review activities to an overall national policy or program. Finally, there are numerous occasions where, although excellent oversight work is done, the findings and recommendations are not effectively integrated into the legislative work product of the House.

The select committee took heed of Member observations regarding the importance of oversight and has, through a series of related and coordinated proposals, attempted to underscore and elevate the importance of the oversight function. After all, committees must make oversight an integral part of their activities if they are to review in any meaningful way the administrative, fiscal, futures, and program consequences of their legislation.

Toward this end, the select committee has proposed that committee oversight be strengthened by:

First. Requiring each standing committee other than Appropriations to establish a separate subcommittee on oversight.

Second. Enhancing the role of the Committee on Government Operations by: Requiring the committee to assemble an oversight agenda for the House at the beginning of each year; permitting the committee to conduct investigations in areas where other committees are studying similar subjects, a practice not now permitted; granting privileged status on the floor to those amendments offered by Government Operations that are based on their oversight findings; and requiring other committees to include in their reports pertinent oversight findings of the Government Operations Committee.

Third. Authorizing the standing committees of the House to review and study the impact of tax policy affecting subjects within their jurisdiction.

Fourth. Permitting six standing committees to conduct nonlegislative special oversight, that is, oversight of policy areas for which they have a logical responsibility but which in part and by necessity are found within the legislative jurisdiction of other committees.

Fifth. Authorizing that each standing committee have a "foresight" responsibility, which function will probably be assigned to the oversight subcommittee. By providing that committees should engage in the long-range study of our national and international problems, it is hoped that the House will become more responsive to national needs, anticipating problems before they become crises.

In the time allotted me, let me speak to several of these points, starting first with oversight subcommittees. Oversight subcommittees are not meant to preclude that oversight which is already done by the committees and subcommittees in the normal conduct of their legislative business. Review subcommittees are meant to supplement and complement the oversight that has traditionally been the responsibility of every standing committee. More specifically, I foresee the following beneficial results from their creation:

First. They will provide on each committee a specific entity to give consistent attention to legislative review. No longer will committees be able to say they lack the time for oversight if review subcommittees have this as their first and only priority.

Second. They will facilitate the sharing of review information among committees, for each committee would have a specific entry that would serve as a focus for receiving and evaluating studies that affect programs and agencies under their committee's jurisdiction.

Third. They can help coordinate the work of the standing committees and help establish with their colleagues review priorities within and among them.

Fourth. They could assist the foresight work of the committees, and thereby help avoid the too often recurring situations where problems, such as the recent energy shortage, appear almost overnight to overwhelm our legislative and executive policymakers.

And, Mr. Chairman, I should observe that with members from the legislative subcommittees serving on the oversight unit, the cross-fertilization of ideas and approaches would help insure that all committee members would be aware of the oversight subcommittee's investigative findings and that those findings would be considered by other legislative subcommittees.

We have also heard from various Members, Mr. Chairman, that there is a lack of adequate cooperation and coordination among the committees and subcommittees as they carry out their oversight activities. Moreover, Mr. Chairman, we also know that the House has never established in a systematic and coordinated fashion what the review priorities ought to be. The select committee has attempted to deal with those problems by directing the Committee on Government Operations to prepare an oversight report to be submitted within 60 calendar days following the convening of a new Congress.

Some Members, Mr. Chairman, have stated that this responsibility would make Government Operations a "czar" over other standing committees, dictating to them what oversight they shall do. That, however, is an inaccurate perception of what this new function involves. Le me be specific. The oversight report would be developed—not in a vacuum as some people seem to assume—but only after consultation by representatives of the Government Operations Committee with appropriate committee and subcommitte leaders. Moreover, the Speaker and minority leader would also be consulted as to their views on the oversight priorities of the House. Consultation and coordination, Mr. Chairman, not dictation, is the hallmark of this process.

The oversight report is a minimal recommendation only, and would represent an important effort to see priority problems in their totality. It would be a cooperative undertaking to insure the most effective utilization of House resources in this critical responsibility.

Finally, Mr. Chairman, some Representatives have said that House Resolution 988 attempts to pit one committee against another, with legislative jurisdiction in one committee and oversight authority in another. Nothing could be further from the truth. All standing committees have review responsibility of those programs and agencies under their jurisdiction. House Resolution 988 does not change that. Oversight is and always has been a continuing function of the standing committees.

I should note, Mr. Chairman, that six standing committees are authorized under House Resolution 988 to exercise "special" oversight of matters of direct concern to their responsibilities, but were within the jurisdictions of other standing committees. Special oversight involves no grant of legislative authority. It only involves the review and study of programs and agencies that cut across the jurisdictional lines of several committees. Hence, legislative committees are not pitted against each other or are programs and agencies subject to special review exempt from oversight by the committees of primary jurisdiction. Special oversight simply grants six committees the right to consider matters that fall outside their legislative mandate but which nevertheless impact on the ability of those committees to conduct comprehensive oversight.

Mr. Chairman, let me recall what a colleague said several years ago about the House's capacity to conduct oversight:

> At times, one feels a sense of desperation that we are not really doing our duty. We vote all these programs and we vote all this money and we do not follow through carefully enough to see what the impact of our actions is.

Given the adoption of the oversight proposals of the select committee, I am confident that the House and its committees will better exercise critical review of a Federal bureaucracy that affects the lives of all our citizens.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 15 minutes to the gentlewoman from Missouri (Mrs. Sullivan).

Mrs. SULLIVAN. Mr. Chairman, I rise in support of House Resolution 1248, the reform package coming from the Committee on Organization, Study, and Review, chaired by the Honorable Julia Butler Hansen. I realize that Mrs. Hansen's time is severely limited in commenting on House Resolution 1248, especially in relation to the time available to the opposition, so I will only take a few minutes.

As everyone must know, I have opposed the recommendations of the Select Committee on Committees in every forum available to me over the last almost 2 years. I have done so because I felt that the recommendations of the select committee would tear asunder the fabric of the House and lead to confusion and a great deal of lasting bitterness. I did not agree with most of the procedural changes recommended by the select committee and I did not agree with the select committee's recommendations regarding committee jurisdiction.

I was, of course, most concerned with their recommendations which originally would have abolished the Merchant Marine and Fisheries Committee, and the subsequent provisions of House Resolution 988, which would leave a truncated committee having jurisdiction solely over the merchant marine, the Coast Guard, and the fisheries. House Resolution 988 would divest our committee of its jurisdiction over oceanography, wildlife conservation, deepwater ports, Panama and interoceanic canals, and our environmental responsibility. I believe that this stripping of our committee jurisdiction is misconceived and incorrect since these jurisdictions originated in the Merchant Marine and Fisheries Committee, have traditionally been there, and form a unified, interrelated, interacting ocean-oriented jurisdiction. I believe it is wrong to fracture this cohesive ocean-oriented jurisdiction, as House Resolution 988 would do, and disperse these interrelated jurisdictions to a number of other committees where they would operate apart from their related ocean-oriented subject matters. I have pressed this point continually in every forum available to me and in a series of articles set out in the Congressional Record.

It is, of course, a critical fact that all the ocean-oriented jurisdictions of our committee tie in together to form a unified whole. For example, the merchant marine jurisdiction relates to marine safety and to marine vessel and personnel safety responsibilities of the Coast Guard, as well as to the Coast Guard's vessel traffic safety and pollution responsibilities. The Panama Canal is an important link in the worldwide marine transportation network and is an extension of the marine traffic, pilotage and safety responsibilities of the committee.

The fisheries stocks spend 70 percent of their time in the coastal zone regions, indicating the integration of the fisheries to the coastal zone aspects of oceanography. Tied in with the coastal zone and oceanography aspects are the committee's fish and wildlife conservation responsibilities.

This interrelationship is further demonstrated by the committee's consideration in the last Congress of the problem of ocean pollution. To regulate and control ocean pollution it is fundamentally necessary to understand ocean phenomena, including the impact of winds and currents, the biological food chain of the ocean, the intermixing of water and atmosphere, and bottom topography as it affects water movements along the ocean floor. At the same time it is necessary to evaluate the effects of pollutants on the fisheries resources themselves. Because of this intertwined relationship, the problem was jointly considered by the Subcommittee on Oceanography and the Subcommittee on Fisheries and Wildlife Conservation and the Environment, and the legislation, the Marine Protection, Research, and Sanctuaries Act of 1972, resulted from that joint consideration under the parent Merchant Marine and Fisheries Committee.

Oceanography concerns itself generally with the oceans and their phenomena. It isolates problem areas which need attention and seeks solutions based on ocean understanding. It deals with ocean components, ocean movements, the ocean's role in weather effects, and its status as the last frontier to which mankind may look both for knowledge and as a means to insure mankind's future survival. An understanding of ocean phenomena is necessary for the best utilization of marine transportation, reliance upon which made this country great and the future support of which is absolutely necessary for the Nation's continued existence. Such an understanding is also necessary for the proper development and utilization of the nonliving resources which are so abundant in the oceans, but which we are not yet prepared to utilize. And finally, such an understanding is absolutely mandatory if we are rationally and fully to develop and manage one of the major sources of food proteins which the world so desperately needs, its fisheries.

By whatever name we call it, oceanography plays a mandatory part in our total need to protect, to utilize, and to manage the abundance of resource opportunities which the oceans represent. As such, it belongs in the Merchant Marine and Fisheries Committee, together with its counterparts, concerned with ocean and marine affairs and resources generally.

Impacting on all the jurisdictions of the committee, such as merchant marine, the Coast Guard, oceanography, deepwater ports, and canals, is the environmental work and responsibility of the committee. I refer to the ocean integration of our committee responsibilities to show how they all exist together and form one unified ocean jurisdiction. You cannot separate out the various parts, such as the reform proposals do, so that coastal zone management is divorced from the fisheries and marine mammals separated from the merchant marine and Coast Guard, and coastal zone management and marine mammals separated from oceanography itself.

As I am sure the Members understand, the Merchant Marine and Fisheries Committee is one unified ocean-oriented jurisdiction, with all the various marine and maritime jurisdictional entities superimposed one on the other and interacting on each other. It does not make any sense to tear apart this ocean-oriented fabric which already exists and replace it with disparate ocean-related jurisdictional responsibilities which can only lead to chaos and confusion as far as the increasingly important ocean interests of the Nation are concerned.

I have supported House Resolution 1248, the so-called Hansen reform package, which originated in the Committee on Organization, Study, and Review. House Resolution 1248, of course, retains the Merchant Marine and Fisheries Committee with all its present historic and traditional jurisdictions and adds international fishing agreements. This is a sound and sensible position with respect to the jurisdictions of our committee. In addition, House Resolution 1248 is obviously a much more sensible and moderate reform package.

The recommendations of the select committee embodied in House Resolution 988 and the resolution introduced by Mr. Martin will result in considerable bitterness between the Members of the House. It is my belief that provisions of these reform proposals will lead to legislative chaos and confusion since Members will not know where they will end up, and since the formal, logical lines of legislative and jurisdictional continuity will be broken and dislocated. Above all else, though, Mr. Chairman, I am convinced that the very essence of this attempt at House change, or reform, if you will, is divisive. Long after we are into the 94th Congress, there will be a legacy of bitterness and acrimony affecting our work.

I wish that this would not be so, but too many of us have put too many years into this institution to have it all torn apart and upset by so-called reformers, some of whom will not even be with us in the next Congress.

If the Members do feel that we must have some House reform, for whatever reasons, I urge that we not act in haste here on the floor, that we consider carefully our actions, and that we attempt to come up with a moderate and reasonable set of proposals which will allow us to continue to function without rancor, conflict and confusion, but in harmony, and responsibly. With these ends in mind, I urge the support of House Resolution 1248, or some other acceptable, moderate and sensible proposal.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. Dent).

Mr. DENT. Mr. Chairman, I want to start out by saying that none of us, I believe, ever really proposes reform. The trouble with reform is that it takes on the character of those that propose it and very seldom do we respect the opinion of those who may oppose that particular type of reform. Reform of itself, of course, always has to have some reformers behind it. It is good for the Nation and good for any business or other endeavor to have reform every now and then; but the question of how do we reform, do we reform on what might be considered the best for the common cause, as such, or the best for those who have special interests?

First of all, let me say that I just cannot understand how anyone could conceive of a worse feature at this time than creating a special, or having it mandatory that there be special oversight committees which would have the authority, jurisdictional, over the oversight of the whole full committee.

No Member who has ever had the meaningful landmark type of legislation which comes under certain committees here would ever hope to be able, during a single session of Congress, to work out all of the problems that are entailed in such legislation as minimum wage, aid to education, general aid to education, pension reform legislation, mine safety law and all these things. Many of them took years. I started first on the pension matter in 1961 with the first bill introduced, and it took 13 years to get to it.

Now, if it is reform, then it has to go all the way to reform. For instance, I noticed something in the legislation which goes contrary to what the President has asked for; that is, we have all got to tighten our belts. If we pass this legislation the way it is written, the headlines would have to read, "Congress Wants Tightening of Belts for Everybody but the Congress Itself."

When we start putting up the possibility of $1,140,000 for each committee of this House to spend, with 30 members of the so-called permanent staff at $38,000 a year each, and then that same committee has to come before the House Administration Committee and ask for those funds for the clerical work to service these specialty permanent employees, because we all know the permanent employees in very few cases can tap a typewriter or write shorthand—they are the ones that have to do the thinking, and the slave girls and the rest have to do the work on the typewriter.

If we increase that from 12 to a committee to 30, no matter how we have divided it up, this just increases the staff in proportion to whatever it has now. If anyone thinks the chairman of a subcommittee today has a worthwhile jurisdiction, if they are going to be able to find that by going before the House Administration Committee and asking money for their subcommittees over and above what is given to the full committee, they are out of their heads, because the House Administration Committee cannot possibly add another $1,027,000,000 either, because that is what it is going to cost.

Whether that is handed as a sop to the chairmen in order that they would fall in line with this legislation, it does not appear to me to be reform because I like employment in my office as much as anyone else, and as many people as I can get.

But, I doubt if there is any committee chairman who can honestly say—if there is and he can prove it, I will apologize—we are understaffed in the Congress.

We have not got room for them to sit, no room for them to park, and hardly room to walk around spelling each other while they go to lunch downstairs or to a coffee break. This is what we are going to add, 500-some-odd people in the highest bracket who will be pushing the little people out of the offices, and there will be stenographers sitting in the hall as they did at one time when I came here.

So, what reform are we talking about? I like reform, and I think the gentleman from Missouri (Mr. Bolling) likes it, but I do not think he would go for any bill I would probably introduce as reform, because the first thing I would reform is the Rules Committee.

I would say that it must give equal time to the pros and cons on legislation on this floor to come down here. They did at one time give me an hour, but I should have had more because they had six more against me.

A Member cannot come on this floor and oppose a piece of legislation when both sides divide the time equally and both are either pro or con, and anyone who opposes that has to beg for 5 minutes or get up under the 5-minute rule. Most of the time, there is no one on the floor. If they pay attention at all, they pay attention only during the time there is general debate. We are talking about one of the major pieces of legislation.

Mr. BOLLING. Mr. Chairman, I yield 7 minutes to the distinguished gentleman from Georgia (Mr. Stephens).

Mr. STEPHENS. Mr. Chairman, I am a member of the select committee. I have worked with these gentlemen that have brought to the House the recommendations that we have been listening to here. As I said before, when we had an opportunity to discuss this in the Democratic caucus, this bill is not the product of one mind, it has not been dominated by one person. It is the composite workmanship of 10 members of the committee. Every single one of us had an opportunity and took advantage of that opportunity, to make some input into this measure. I would like to ask the Members to consider that we are not legislating to take care of next year alone, nor are we supposed to be legislating to take care of the present membership of the House on this and various sundry committees. What we are supposed to be doing, and what I think we have done in the recommendations of the select committee, is to propose legislation that will last for the next 2 years, the next 4 years, the next 6 years, the next 10 years. This kind of legislation we are proposing is not like the authorization of an appropriation which we know should be for a short term. This is the way that the House is supposed to do its work. We are trying to get it done so that the House can do its work more efficiently.

Everyone who is opposed to this bill, as the chairman of the committee, the gentleman from Missouri (Mr. Bolling), said, has a good reason in their mind. But let me point out to you that all of the people who are affected by this bill, all of the people who would lose a subcommittee chairmanship or who would lose membership on two committees, are not opposed to this bill. I know of two Members—I am one of the two—on the select committee itself that, under the proposal, will have to get off of a committee and will have to lose a subcommittee chairmanship.

When I say we are proposing legislation to take care of the future and not for people who are presently here, let me give the Members an idea that they can turn over in their mind. We are approaching in the Congress an era when Members are not going to be here for very long terms as they have in the past. I will give an explanation. I have been in the House now for 14 years. Out of the 435 Members who came in January 1961, there are less than 100 Members who are here now. At the same time, in the U.S. Senate there are less than 25 out of the 100 who were here in 1961. So we have to consider that we are legislating for the future, not necessarily for ourselves and for the sitting Members.

Let me point out another thing to the Members. I think that this is genuinely a reform bill. To show that the reform bill of 1946 was a genuine reform bill, we have not really and truly, in our recommendation, damaged whatsoever those 1946 reforms that have been in effect and have been the rules of the House for many years, since 1946. We take away from some of the committees that have been long established some of their jurisdiction. We add some jurisdiction. There are bound to be changes that need to be made that are necessary because of changes in time and demands from our constituents.

Let me point out something else to you. There are a lot of people who say that this Congress has not been doing anything. The Watergate hearings and the impeachment hearings on television have given the American public the idea that all we have been doing is sitting up here for the last year and looking at television and seeing what seven Members of the Senate have been doing; that all we have been doing up here is listening to 35 Members of the Committee on the Judiciary on impeachment and that we have not been doing anything else.

Let me give you some figures that bear out the fact that we have been working and that we need to do something for ourselves to show the American public that we know that we might not have been operating as efficiently as we should, and this bill would be one of those that we could point to with pride.

Let me point out something to the Members that is important so far as our recommendation that each Member have only one committee.

I had compiled the figures for the two committees and eight subcommittees that I served on during the first part of this year from January until July 31. The Committee on Interior and Insular Affairs, and the four subcommittees I am on, have met 168 hours and 51 minutes up to July 31. This select committee this year has met 134 hours. The Committee on Banking and Currency, and the four subcommittees that I belong to, have met 134 hours and 45 minutes. The House of Representatives, from January to July 31, has met 481 hours and 19 minutes.

That is 936 hours and 54 minutes that I was supposed to be either on the floor of the House or at the various committees. It was impossible for me to attend every subcommittee meeting because almost every time we had a subcommittee meeting, I had a conflict with another subcommittee meeting.

Therefore, Mr. Chairman, I think it is highly important for us to revamp the subcommittee system and to revamp the committee system and to require a person to be on one committee only so that he can concentrate on that and do an efficient job without having to be called back and forth from one subcommittee to another or being asked to give a proxy here or a proxy there and not know what the subcommittee is doing.

It is hard enough to find out what the House is doing, and it is even harder sometimes to find out what eight subcommittees are doing, when one has a responsibility to discharge to the people who elected him to be here in the Congress.

Therefore, I think it is necessary for us to forget our individual personal kingdoms. I think it is important for us to streamline the work of the House of Representatives and to pass the bill that has been recommended by the select committee.

Mr. Chairman, I thank the Members.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, I would like to read in part, and will submit in the RECORD the balance if I do not complete the reading of it, a letter addressed to the Speaker from Ralph Nader.

However, before I read this letter, I would like to have my own views on this matter noted.

I think the chairman of the Select Committee (Mr. BOLLING) and the members of his committee deserve the commendation of all of us because they were certainly handed a charter that at best is a very difficult one to fulfill. I think they have made a number of useful suggestions in the area of changing jurisdictions and a number of suggestions in that respect with which I thoroughly disagree.

I lament to note that in all too many respects their procedural suggestions not only fall wide of the mark, but lamentably, represent great steps backward in the democratizing of the processes of the House.

In any event, Mr. Chairman, I would like to read this letter which is addressed to the Speaker of the House from Mr. Nader. The letter is as follows:

SEPTEMBER 30, 1974.

The Honorable CARL ALBERT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: As the House prepares to act on reform of its organization and procedures, it should be clear that with respect to energy and environment jurisdiction, the Hansen Committee proposal will serve the public interest better than the Select Committee proposal. Both plans suffer from an underlying failure to attack the seniority system by adopting mandatory rotation between committees. Given this limitation, the essentially status quo approach to energy jurisdiction of the Hansen Committee is preferable to the Select Committee's proposal for a monolithic energy committee.

Under a rule of exclusive membership on major committees and without mandatory rotation, the fate of a consolidated energy committee will be domination by representatives of energy production interests who are contemptuous of the issues of public health, environmental protection, resource conservation, free competition, and consumer protection that are intertwined with energy policy. This problem is particularly acute in view of the fact that the majority members of the Ways and Means Committee will continue to function as the Committee on Committees and thus determine committee assignments for new members. The Hansen proposal, on the other hand, allows the formation of coalitions to protect the public interest on an issue by issue basis from among the wide number of Representatives on the several committees dealing with energy related matters. If jurisdiction is consolidated, this advantage will be lost, and the leverage of the oil, coal, and utility lobbies increased.

The overriding energy issue is, of course, nuclear power. The Select Committee proposes to strip the Joint Committee on Atomic Energy of all jurisdiction over nonmilitary nuclear energy. But it is doubtful that this result can be achieved without an act of the whole Congress to repeal Chapter 17 of the Atomic Energy Act of 1954 which requires that all atomic energy matters be referred to the JCAE. The Hansen Committee proposes to give special oversight over nonmilitary nuclear energy to the Interior Committee. This is a modest beginning to the redistribution of responsibility over nuclear energy and appears to be as far as the House can go without action by the Senate.

It is regrettable that the current round of House reorganization activity has not brought forth more fundamental reforms to the operation of the committee system. Yet many of the structural and procedural proposals by both the Select Committee and the Hansen Committee will be useful improvements. However, the Select Committee's proposed energy and environment committee presents a grave danger to the public interest and should be rejected by the House.

Sincerely,

RALPH NADER.

Mr. Chairman, I urge my colleagues, not only those who are here this afternoon but those who hopefully will read the RECORD before our deliberations tomorrow, to listen with great care to the more explicit and detailed discussions with reference to the Hansen committee proposals. I think the Hansen committee proposals benefit from building upon some of the suggestions in the Bolling report. I think the Hansen committee proposal is relevant to the changes that this House should consider. I think it wisely does not err on the side of excess where caution is in order. I think with its adoption we will build a sound foundation to improve the processes of this House and the manner in which we deliberate and deal with legislation.

Mr. Chairman, there is one particular point in the Bolling report that particularly concerns me. That particular suggestion is taking the Committee on Rules, which in my view has entirely too much power, and turning it into a "committee of czars," a committee that, if it improperly utilizes its new authority, will literally have the power to strangle legislation which comes out of any of a variety of our policy committees.

I submit that, that one suggestion of its own will do much to render any hopeful reform contained in the Bolling proposal nugatory by the unjustified repositing of excessive influence and authority in one committee of the House.

Mr. BOLLING. Mr. Chairman, on behalf of the gentlewoman from Washington (Mrs. HANSEN), I yield 5 minutes to the distinguished gentleman from Michigan (Mr. O'HARA).

Mr. O'HARA. Mr. Chairman, there are a number of features in the Hansen proposal which I think are clearly superior to the Bolling-Martin proposal.

One of them has to do with the Committee on Rules, which my friend, the gentleman from California (Mr. PHILLIP BURTON), just mentioned.

Can you imagine a "reform" of the House committee structure that does nothing to the Committee on Rules except to give it more power? Yet that comes to us in the Bolling-Martin resolution in the guise of a reform of the committee structure.

There are a number of other aspects of the Bolling-Martin proposal that not only do not represent progress but are steps backward.

However, Mr. Chairman, most of all, I rather resent—and I would imagine that other Members of this body also resent—the patronizing way in which some proponents of the report have treated those of us who oppose it for one reason or another. Our motives are characterized as being guided by self-interest.

We are treated as willful children who do not really know what is good for us. "Papa knows best" we are assured.

Mr. Chairman, self-interest did not get into this operation when people started opposing it. Whatever self-interest there is was there from the beginning. I think that there is no more self-interest being demonstrated by the opponents of the report than there is by those who have sponsored and are proponents of the report. I would hope that the future debate can take place without suggesting that those who oppose the report are doing so for selfish reasons, or that the outside groups who are opposing the reports are doing so for selfish reasons, while not questioning the motives of those inside Congress or outside, who are for the report.

Mr. Chairman, I would hope very much that when we meet to consider the bill under the 5-minute rule the Members of the House will carefully examine the two principle proposals. I believe that when they do they will agree with those of us who worked very hard to bring forth the Hansen proposal. I consider it a very definite improvement on the proposal that came to us from the select committee.

Mr. BOLLING. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, committee reform is one of the long overdue priorities of the House. Since our committee structure was last realined in 1946, there have been major changes in the patterns of American life, changes which the Congress in many instances has recognized by creating new executive agenices, but in many others has taken no action at all to recognize.

It seems to me the urbanization of America is the predominant social development in this country in modern times with fully 74 percent of our population now considered to be urban dwellers.

The pattern is strikingly demonstrated in a breakdown of congressional districts by types of constituencies.

Today 104 Congressmen represent largely constituencies which are 50 to 100 percent urban; 131 districts are more than 50 percent suburban, and 65 others exceed 50 percent urban and suburban combined. Only 135 of the 435 members of the House now represent districts that are more than 50 percent nonmetropolitan, or rural.

Recognizing that the urban centers are becoming the focus of their success or failure in office, Governors of many States have established urban departments, and urban policy offices as part of their staffs. Congress itself in 1965 created the Department of Housing and Urban Development to oversee and coordinate the increasingly complex Federal involvement with the country's major cities. Yet despite the growing awareness of the necessity of dealing with urban concerns at other levels of government, the House of Representatives has no permanent committee addressing itself on a functional basis to the important urban centers of America.

It is my conviction, Mr. Speaker, that the creation of a standing Committee on Urban Affairs in the House would be a rational and meaningful reform that would attune our deliberations to the realities of contemporary American society. Consequently I intend to offer an amendment to create such a committee to whichever committee reform proposal the House adopts during this debate.

My amendment would give the new Committee on Urban Affairs jurisdiction over private and public housing, urban development, urban mass transportation, relocation assistance, and, most importantly, for regional planning for matters of major concern to the cities which also impact on neighboring suburbs and towns, or reach across State boundaries.

I do not mean to suggest that we would ignore the problems of the rural areas, but I think the Members know that in the area of housing, for example, some of the techniques that have been developed in the Committee on Banking and Currency have been found to have application to rural America as well. Similarly, the initiative of an urban-based committee would undoubtedly be applicable to many of the problems of rural America as well.

What I do mean to point out is that a Committee on Urban Affairs which could begin the necessary task of developing regional solutions to the overlapping problems of the cities and their neighboring jurisdictions, is an important committee to have as part of this committee reform. I think that we can see this when we consider, for example, the question of controlling air pollution in New York City. It makes no sense for us to have in the city of New York a very comprehensive air pollution control program when we cannot control the air that comes over from New Jersey in the morning, and which may return to them in the afternoon. Unless we can find a way to insure that nature is willing to follow political boundaries, the solution to this kind of problem requires a committee which will be able to function on a regional basis. An urban committee examining regional problems in cases such as transportation and environment on a geographical basis rather than by categories as proposed in the committee reform resolution, could address itself as well to the problems of urban and suburban sprawl which are so desperately in need of regional solutions.

But most importantly, a major congressional committee such as I propose could begin the formulation of a national urban policy, something which does not exist today in either the executive or legislative branch of the Federal Government despite the pervasive problems of blight and economic decline afflicting our metropolitan centers.

Nobody is more aware of the absence of a national urban policy than the local and State officials who must wrestle with the problems of the cities on a day-to-day basis. In seeking support for my proposed Urban Affairs Committee, I have received an enthusiastic response from mayors of such diverse cities as Honolulu, Rochester, Omaha, New Haven, Louisville, and Denver, as well as from Governors of Arkansas, Delaware, New Mexico, and Utah. I believe that the time has come for the House to provide a forum for the development of that policy and for the airing of those concerns. A coalition of metropolitan Congressmen, working through the committee structure as rural Members do through the Committee on Agriculture for their national constituency, would give fresh urgency to the task of restoring America's urban centers and improve the quality of life from the city to the countryside. Ours is an increasingly urban world. The procedures of the House should reflect that reality.

Mr. Chairman, the text of my amendment is as follows:

Page 20, after line 6, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

"(u) Commitee on Urban Affairs, the legislative jurisdiction of which shall include—

"(1) Public and private housing.

"(2) Urban development.

"(3) Urban mass transportation.

"(4) Relocation assistance.

"(5) Regional planning for urban affairs, including environmental protection, economic development, residential patterns, and other matters which have a related or simultaneous impact on a large metropolitan center and adjoining suburbs or nearby cities and towns."

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight functions under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(g) with respect to urban planning and the impact of government programs on major urban centers.

Page 5, line 1, strike out "Banking, Currency, and Housing" and insert in lieu thereof "Banking and Currency".

Page 5, strike out lines 9 and 10 (and redesignate the succeeding subparagraphs accordingly).

Page 16, line 16, strike out "urban mass transportation,".

Page 16, strike out line 20 (and redesignate the succeeding subparagraphs accordingly).

Page 25, add a new section beginning on line 17:

"(g) The Committee on Urban Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities having a substantial impact on major urban centers.

Mr. BOLLING. Mr. Chairman, I yield 5 minutes to my friend, the gentleman from New Jersey (Mr. THOMPSON).

Mr. THOMPSON of New Jersey. I should like to reiterate, Mr. Chairman, my admiration for and gratitude to my friend, the gentleman from Missouri (Mr. BOLLING) and the members of the select committee on both sides. I studied very, very carefully their proposals and find in them considerable merit.

I am in a rather unique position, assuming that my party retains control of the House. If this proposition is adopted, should my peers in caucus elect me, I would become chairman of a major committee, the Committee on Labor. But I do not think it to be in the best interests of the education community or the labor community to divide the two because of my deep conviction of their interrelationship.

I should like to devote the rest of the time that I have to a discussion of the question of minority staffing. I doubt that any Member in the House has had more experience with it than I, having been on the Committee on House Administration for 20 years, and having been the chairman of the Subcommittee on Accounts for 4 years. In every instance when the committees appear with their money request before the subcommittee, the majority and minority members, the chairmen and the ranking members appear, and in every instance they have been satisfied, although they have not demanded, nor have they gotten one-third of the staffing.

The Hansen proposal would work out to virtually the same percentage but in a much more constructive way in that it would provide the statutory staff person to each subcommittee chairman and the ranking member of each subcommittee at a top rate of $28,000. The mass of the work of the House of Representatives, we all know, is in the subcommittees, and if there is to be beefing-up of the staff of the minority, it certainly should be done in a professional way at the subcommittee level with the present statutory arrangement of 9 and 3 for the majority and the minority, plus such investigative staff as they can establish they need.

This is really and truly, if we want to proceed to man the minority in a responsible and professional way, the best way to do it. Otherwise under the Bolling proposition the chairman and the ranking minority member will have in many instances, in most instances complete control over the hiring and firing of the statutory staff members without having to come to the Committee on House Administration for that money. The fact that committees are not required to come to the House Administration Committee for the existing statutory staff does not bother me in the slightest.

I might point out that some of the committees over the years have increased their statutory staff so that one committee I can think of has not less than 24 members on the statutory staff right now. It certainly seems to me to be infinitely more fair, and if Members please, to spread the responsibility and authority evenly and fairly to give the subcommittee chairmen and the ranking minority members the right to select their own staff persons at a rate not to exceed 75 percent of the maximum allowable for a top professional on the staff.

I will address myself further to this subject at a later time.

I quite agree with the gentleman from Michigan whose remarks related to the power of the Committee on Rules. I think they are reasonable. I think also that we might reconsider or take a second look at that which the Hansen committee did on the subject of rules, but others will bear that burden and not I.

I hope Members will give serious consideration to the proposition that the Committee on Education and Labor be split because it is my sincere conviction it should be.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Chairman, for my criticism of the Bolling resolution, while I will not be particularly parochial, I will limit to the concerns of the Ways and Means Committee and particularly two areas: they are the area of unemployment compensation and the transfer of jurisdiction of the benefits and the tax powers relating to national health insurance.

I think the Martin substitute, in commenting on the transfer of the unemployment jurisdiction, sums it up well by saying to attempt to divide the unemployment compensation between two committees or between tax and nontax aspects is like trying to unscramble eggs. It is not only difficult conceptually but as a practical matter will severely undermine the program that has successfully provided protection against the risks of unemployment for American workers for nearly four decades.

The same thrust and the same approach applies as to the division of power on national health insurance between the benefits and the tax functions.

The Bolling committee report purports to have a one-stop procedure with reference to the nonfragmentation of jurisdiction. Now, this jurisdiction of power, of fiscal responsibility, by making one group of individuals responsible for meeting the demands for the benefits, while requiring another committee to impose a payroll tax, if necessary, to finance these benefits, further complicates our whole approach to the problem. There will be no fiscal rein or restraint in determining the limits of future benefits.

My very serious concern in this area, as far as the Bolling committee report goes, is limited largely to these two problems. At some time tomorrow I hope at the proper time amendments will be proposed with regard to these two issues so that we may act in these two areas in a responsible way.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield the gentleman 1 additional minute and ask that he yield to me.

Mr. SCHNEEBELI. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I point out that House Resolution 1321, the resolution which I introduced as a compromise, does restore completely the jurisdiction which the committee of the gentleman has at the present time in regard to unemployment compensation and in regard to health and research.

Mr. SCHNEEBELI. Yes, it does, I state to the gentleman from Nebraka. He has brought forth a very thoughtful approach to this problem and I agree with him wholeheartedly. In this area the Martin report has the proper approach. I hope the House tomorrow will sustain this approach insofar as it applies to these particular two areas. I think these should be retained within the Committee on Ways and Means, where they have been dealt with properly. I think a division would provide additional problems.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, in these moments I will address myself primarily to the Committee on Education and Labor. I favor the split of education and labor. I have for a long time. I recognize it would take some jurisdiction away from our committee and, therefore, I suppose power from a Member who has reached a senior position; however, in the times since 1946 when the Education and Labor Committee was established, the workload on the education side has dramatically increased. The Federal Government's involvement in education has dramatically increased. If my crystal ball is any good, it is going to increase even further in the years ahead. I think this kind of consolidation of some education programs into an education committee would be wise on our part. A separation into two committees would, I believe, be better for education.

Now, just as it is with many other people here, the Bolling-Martin recommendation is not perfect from my point of view. I would like to see us reform even further. I noticed in the comments made earlier that that view was expressed by Members of the select committee that it was not exactly 100 percent to their liking, either; but they got together and unanimously agreed to it. I think, on balance, it is a good reform step we ought to take now.

There would be one change I would like to see us make in the language establishing the Committee on Labor. My own feeling is that manpower ought to be over on the education side, but I recognize that was also the position of a minority on the select committee, but it was not the majority point of view; however, there is a provision in the bill as it regards unemployment insurance that provides that the bill would then go over to the Committee on Ways and Means on the jurisdiction affecting taxation.

May I quickly turn to the labor provisions of the bill. It says on page 15, line 6:

> Any bill or resolution relating to unemployment compensation, upon being reported by the committee, shall be referred (in accordance with clause 6(a)) to the Committee on Ways and Means for review as provided in clause 4(b).

Since manpower programs do interrelate with education programs, especially as the training part of manpower relates to vocational education, I think it would be wise if that same specific provision was made for manpower legislation, to have that joint referral, authority for which is given broadly in the Bolling-Martin proposal anyway, which I think is good.

Evidence of the need for reform of this nature was the difficulty we had of getting out a pension bill this year. If we had the rules to operate under that are now being proposed, it would have been much easier for this Congress to write pension legislation and it would have come much earlier.

The gentleman from Pennsylvania, ranking member of the Ways and Means Committee was indicating some opposition to what is being proposed here. However, we should bear in mind presently that the Public Works Committee has the jurisdiction of highway legislation financed by the trust fund, but the tax portions of that program go to the jurisdiction of Ways and Means Committee and they make the decisions with regard to that.

The same is true with the Interstate and Foreign Commerce Committee and Airports and Airways Trust Fund. That is jointly dealt with by the two committees, so that proves it is possible in a more straightforward manner under the specific old rules and I believe it would be wise for us to give the broad authority of House Resolution 988 and the specific language I just referred to.

When we look at some of the responsibilities of the Committee on Education, wise transfers are proposed. We handle some of the school food programs in Education and Labor now and the Agriculture Committee handles some of them; we ought to have them together under one committee. International education should be all within our committee.

Prisoner education, Government dependents, agricultural colleges, these are programs that we keep moving into and are always so concerned that we are stepping on the toes of the jurisdiction of another committee. I believe that the main education policy ought to be determined by one committee, the Education Committee, to do that. I think that the responsibilities could be handled in a much more effective and efficient way as proposed by House Resolution 988.

I just want to make one last point, and that is the oversight responsibilities. We have, as a Congress, neglected our responsibilities in oversight. The requirements on the Education Committee to conduct oversight not only over programs which we have jurisdiction over but all other education programs as well, I think will enable this Congress to much more effectively conduct the business of this Government and keep the executive branch in line.

We just have not done our work in keeping track of the executive branch and seeing that they follow the intent of the Congress. If we are going to fulfill our responsibilities as Congressmen, we need the adequate staff to assume that responsibility to provide timely oversight that will be required of us under House Resolution 988.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman yielding to me. I remember so well that as we began our hearings, two Members, particularly the gentleman in the well, the gentleman from Minnesota (Mr. QUIE), and the gentleman from Georgia, a former member of the Committee on Education and Labor, both of who made really extensive presentations to the select committee about the problem of the present Committee on Education and Labor, and both recommended that it be split.

Part of what we tried to do, as the gentleman in the well knows, is to establish something which we have not up to now had, and that is special oversight. I welcome the support of the gentleman from Minnesota for House Resolution 988 and what it has done.

If I might indicate, his concern was about two things, one, the review of tax policy oversight contained in House Resolution 988, and also the special oversight committees contained in House Resolution 988 on educational programs and conclusions and programs of student assistance not found within the jurisdiction the Education Committee recommended under House Resolution 988.

As I recall, two of the biggest programs in education are social security system for dependents and veterans' education, neither of which are recommended to be transferred to the Committee on Education, but both of which pretty clearly play a profound role in terms of education.

Mr. QUIE. The gentleman is absolutely correct. When the Education Amendments of 1972 was enacted, we tried to do our best with student assistance. One of the things we really did not have a good grip on was education assistance made available for veterans coming out of the Veterans' Affairs Committee.

It has been of tremendous importance to veterans ever since World War II. The other education program was the social security benefits that are made available to a family if a dependent goes on to school beyond 18 years of age.

If our committee had been doing its work on oversight and had been completely knowledgeble of all of these other aspects of education outside the responsibility of our committee, I think we would perform our duty better and I think the policy that must be set for the United States, the education policy, could be better established even in the other committees, as well.

Mr. BOLLING. Mr. Chairman, I yield 6 minutes to the gentleman from Illinois (Mr. ANNUNZIO).

Mr. ANNUNZIO. Mr. Chairman, I rise in support of House Resolution 1248, the Hansen proposal, but I also would like to pay tribute to the members of the Bolling committee for the job they have done. The Members of this House appropriated some $1.5 million in order to get this job done. As I talk to the Members this afternoon, I would like the RECORD to show that, on this Earth-shaking reform we are all talking about, there are less than 100 Members on the floor, that we are on the eve of the 1974 elections, and that as we go back home every weekend we find that our people are concerned with the problems of inflation, we find that our people are concerned about the problems of the housing market, where in 1 year housing starts have dropped 50 percent, we find that our people are concerned about the high interest rates, and less than 100 Members are discussing an issue that does not concern the welfare, as far as I am concerned, of the people that I am privileged to represent in the 11th District of Illinois.

We have wasted so much time in this body on emotional issues. Every time busing comes up we take up five or six votes on every bill we can attach a busing amendment, or an abortion amendment. I am hoping, at least, that by tomorrow when we begin to amend these resolutions, that the Members who are not here will read the RECORD of this debate.

I want to ask the chairman of the committee, Mr. BOLLING, some questions that I have been asked. As I understand, under the Bolling provision, a Member of Congress can serve on only one major committee; is that correct?

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman.

Mr. BOLLING. That is correct.

Mr. ANNUNZIO. We have on the Committee on Banking and Currency several members who are members of the Government Operations Committee. Now, must these members leave one of these committee assignments?

Mr. BOLLING. If House Resolution 988 is adopted, the Government Operations would be an A-track committee and would be exclusive, as would the Committee on Banking and Currency.

Mr. ANNUNZIO. Therefore, they must leave one of the other committees.

I want to point out that these members of the Committee on Banking and Currency are senior members of the Committee on Banking and Currency who are now subcommittee chairmen of the Subcommittee on Government Operations.

I have not talked to each of these members, but I know that if the particular resolution carries, they will come back to the Committee on Banking and Currency. I am sure they will have questions when they do come back.

Will they be eligible for a subcommittee chairmanship on Banking and Currency, because they have the seniority?

Mr. BOLLING. That, of course, is a question I cannot answer; and I am certain that the gentleman from Illinois knows that I cannot answer it. That would be a matter for a variety of other places to decide rather than the House; first, the Democratic Caucus, I assume, and then the Committee on Banking and Currency.

Mr. ANNUNZIO. Mr. Chairman, I want every Member of the House to look into his own situation since I am talking about practical organizational matters.

Mr. Chairman, I ask the gentleman from Missouri (Mr. BOLLING) what happens to those members who presently are subcommittee chairmen—and my good friend, the gentleman from Georgia (Mr. STEPHENS) is one? Does he lose his subcommittee chairmanship on Banking and Currency? Further, if these other members retain their seat on Banking and Currency who are senior to him, and if they gave up their subcommittee chairmanship on Government Operations, what happens?

Under the Hansen committee proposals as adopted by our caucus, one can only become chairman of one subcommittee. I want all the Members to listen carefully as to what is in store for them.

Mr. BOLLING. I think very clearly the gentleman from Georgia (Mr. STEPHENS) would be a better person to answer that than can I, because no one would accuse him of any lack of self-interest in the situation. In any case, clearly, that would not be a matter that the House could control.

Mr. ANNUNZIO. Mr. Chairman, I ask the gentleman from Missouri (Mr. BOLLING), where do the people from Post Office and Civil Service get placed? On the new Committee on Labor, how will seniority be determined when Post Office and Civil Service people go over to the Committee on Labor?

Mr. BOLLING. I am glad that the gentleman is a member of the Hansen committee, since he has asked me these questions, because it seems to me that it is very interesting that the Hansen committee, which is the committee of caucus, did not bring back recommendations on this specific matter. Because only the caucus can deal with them, obviously, the House could not, and the caucus would have to.

Mr. ANNUNZIO. Under the Hansen

proposal, the Committee on Labor and Education remains the same and we do not abolish it by establishing two committees. Therefore, we would not have the senior members being frustrated.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. ANNUNZIO. I yield to the gentleman from California (Mr. HOLIFIELD).

Mr. HOLIFIELD. Mr. Chairman, I would like the gentleman to ask the Republican Members of this House how their Members are going to be apportioned next year when they perhaps will have a few less here than they have now. How are they going to apportion them between the A's and B's, when the number is restricted to 35?

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I think the answer to that question is self-evident, but the numbers on the majority and minority sides are determined primarily by the Speaker, in cooperative work with the minority leaders and the Members on each side of the aisle. Then the Democratic Caucus assigns their members and the Republican Conference may assign their members.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in strong support of House Resolution 988, the Bolling-Martin resolution embodying the recommendations of the Select Committee on Committees. House Resolution 988 brings to the House the minimum in reorganizational recommendations.

The jurisdictional changes have been the subject of much criticism, particularly from committees which will have reduced jurisdiction if House Resolution 988 is passed. It is true that committees will lose some jurisdiction, but the changes are absolutely essential.

Many private interests object to House Resolution 988 for perfectly understandable reasons. Environmentalist groups do not like their special interest area to be included with energy. Big labor, by opposite reasoning, does not want its special interest area separated from education. Chairmen of committees and subcommittees, members of more than one committee, and members of committees which lose jurisdiction are also understandably opposed. None of this opposition need be suspect, or harmful. Responsible opposition will clarify the issue, and present the choices more vividly.

For me the choices are vivid enough now. Our structure and organization is so confused and our jurisdiction so scattered, that the House's effectiveness is sharply reduced. It would be terribly unfortunate if the House had to continue working under its outmoded and obsolete system of jurisdiction, which right now causes multiple jurisdictions in terribly important areas like health care, energy, environment, and foreign trade.

Congress must organize itself so that it can unify its programs and policies in these important areas rather than continue to work on these problems in an uncoordinated and often counterproductive way.

Besides jurisdictional reform, the most important feature of House Resolution 988 is the establishment of a single-track system; that is, a committee system in which each Member has but one committee assignment. We have all seen the difficulties caused when quorums cannot be achieved in so-called minor committees. It is acknowledged that the single-track system will mean that some Members will have to give up committee assignments which they handle very well, and which they deem important to their constituencies. Nevertheless, it is more important to the overall effective functioning of the House of Representatives that we each accept one primary committee assignment and carry it out well. A single-track system with balanced committee jurisdiction will be more effective, more fair, and it will use the personnel resources of the House better.

I am one Member who suffers under both of these changes. My principal committee loses jurisdiction which I enjoy, and on which I have worked hard. I will, in addition, lose a second committee assignment which I value most highly. But I believe that House Resolution 988 will give the House a more effective organization for itself and, therefore, I support it wholeheartedly despite personal disappointments.

I also am enthusiastic about the mandate for one-third staffing for the minority party. This feature was guaranteed by the Reorganization Act and unfairly withheld by the rules adopted by the majority group here. Minority staffing is an important concept of any democratic assembly and should be a part of any reorganization bill. I am also enthusiastic about the oversight emphasis.

Other reforms are also important, some of which are included in the bill, and some absent from it. I do not consider that the Bolling-Martin resolution is perfect, but I do intend to support it, because it is the best of the two and possibly three alternatives that will be before us. One conspicuously absent reform is a provision which would allow Members to return to their districts for 1 week of each month, making up the lost work week by a full schedule on the other Mondays and Fridays of the month. This is a simple thing that could be done merely by rearranging our schedules, but, like other changes that threaten to improve the House, has been avoided like the plague by our leadership.

On the vote between House Resolution 988 and the so-called Hansen substitute, which I believe can be more aptly described as the "harmless substitute," this House is going to be measured for size. We have a chance to show the people of this country whether we want to structure this body for businesslike, effective work, or whether we want to protect the private domains, private jurisdictions, and personal assignments of a number of our Members. I believe that those Members who vote to protect the status quo or to protect their own committee assignments are going to have great difficulty in explaining that vote to their constituents.

There has not often been as clearcut a choice between progress and self-interest since I have become a Member of the House.

A vote for House Resolution 988 is a vote for a structure unanimously recommended by a select committee to improve the effectiveness of Congress in the area of jurisdiction where we have been shown glaringly to be weak and ineffective. A vote for the "Harmless substitute" or against House Resolution 988 is a vote to continue down the old calf-path of personal privilege and ineffectiveness.

A vote for House Resolution 988 is a vote for responsiveness and responsibility. Should the select committee's report not be adopted, this House will be judged to be absolutely incapable of reforming itself.

Let us prove that those who say Congress cannot reform itself or that the system cannot work are wrong. I urge that House Resolution 988 be adopted.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Chairman, I support the thrust of this legislation. I rise in some sorrow because of the fact that I cannot support it in complete detail.

Of course, all of us have had a personal experience in this House that has led us to conclusions about the jurisdictions of our own committees. I do not believe that is a matter of self-interest as much as it is a matter of expertise in most cases, because in the case of my own committee, the Committee on Ways and Means, I would be frank to acknowledge that it has too much jurisdiction and that its jurisdiction probably should be reduced in some way.

However, as I read the Bollin-Martin committee report as it affects the Committee on Ways and Means, I think the approach of the jurisdictional change has been quite unfortunate. It would be far preferable in my view either to remove elements of that jurisdiction or leave them alone. To compromise them results not only in confusion but comprises, I believe, a blueprint for a jurisdictional dispute in the future where there was none in the past.

Mr. Chairman, let me give specific examples of what has occurred with respect to the jurisdiction of the Committee on Ways and Means, examples that I think should not be allowed to stand in whatever jurisdictional form legislation finally passes this House. With respect to the issue of trade, which I think is quite properly in the jurisdiction of the Committee on Ways and Means at this point and which I would like to see left there, we have had in fact a division of the jurisdiction. International trade agreements are given to the Committee on Foreign Affairs, but tariffs are retained in the Committee on Ways and Means.

Now, one might come to the conclusion, because of the fact that many of our obstacles are nontariff barriers in world trade today, that it was considered that such obstacles would be dealt with more appropriately by the Committee on Foreign Affairs. However, the way that we deal with nontariff barriers is that we normally convert them to their economic equivalent on the tariff side and then try to negotiate a mutual withdrawal with our trading partner, whoever has the original nontariff barrier. This clearly is going to result in a sharing of the jurisdiction which previously was handled entirely by the Committee on Ways and Means.

Now, I say that I would like to see that left in the Committee on Ways and Means, primarily because I think somebody should have jurisdiction over such a central economic responsibility as international trade, and I think the Committee on Ways and Means is probably the best equipped by experience and by its other jurisdictions to handle economic matters.

However, be that as it may, I would cheerfully accept a decision to eliminate all trade responsibility from the Committee on Ways and Means. I cannot accept the compromise of it in the manner which the Bolling-Martin committee report recommends.

Mr. Chairman, the same thing can be said about health programs, where the benefits have been in effect shifted to another committee while the payroll taxes on which they are based are left with the Committee on Ways and Means. Quite frankly, I do not think we can afford to load up payroll taxes any more. Perhaps that is part of the reason why this has been done. As long as we have substantial medical programs based on payroll taxes, I think it is inviting a jurisdictional dispute to give the benefits to one committee and the manner of financing them to another.

The same thing can be said about unemployment insurance, where the Committee on Labor will have the benefits, but the Committee on Ways and Means retains once again the financing mechanism, which gives that committee the last say and which insures that there will be a division of jurisdiction and an opportunity for a jurisdictional dispute and, I am afraid, trouble where there was no trouble before. I assume there will be efforts to correct this condition as we go along, as well they should be.

I hope the House as a whole will pay close attention to these matters, and will use as its criterion for accepting or rejecting amendments the elimination of jurisdictional disputes and jurisdictional overlapping, and not changes which insure increased controversy among the committees of the House. It seems to me unseeming that we spend our time in jurisdictional disputes more and more. I feel quite strongly that the purpose of this legislation should be to reduce jurisdictional disputes and not otherwise.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLLING. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana (Mr. WAGGONNER). I understand that that will fulfill my commitment to the gentlewoman from Washington (Mrs. HANSEN). I also understand that the gentleman from Nebraska (Mr. MARTIN) will yield time to the gentleman from Louisiana.

Mr. MARTIN of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana, and I understand that that fulfills my commitment.

The CHAIRMAN. The gentleman from Louisiana (Mr. WAGGONNER) will be recognized for 9 minutes.

Mr. WAGGONNER. Mr. Chairman, the Members seem not to have learned the one necessary lesson: To be successful as legislators requires that we practice the art of gradualism.

The Bolling proposal, House Resolution 988, is far too drastic, and far too abrupt. It is going to produce disruption in this House which defies description.

Some of the Members think that people are interested in reform, and yet who is here on the floor of the House right now except the members of the Bolling committee and the members of the Hansen committee and several others? This is not the issue with the people of this country that some Members think it is. Oh, you can get the League of Women Voters to send a telegram, and say that we should support this or that, but, by and large, the League of Women Voters and the other groups who usually respond to these kinds of things have no idea what they are asking us to support with regard to detail.

If any reform proposal is going to succeed, if we are going to produce legislation that benefits this country, then we have got to coordinate what is done with the body on the other side of this Capitol. There is absolutely no way that we can provide for a coordinated legislative effort and not coordinate significantly and jurisdictionally with what we do with the other body; with the U.S. Senate. We cannot have successful conferences unless we do this.

The Speaker himself has said over and over again—and the Speaker will admit that time does not remain between now and the convening of the 94th Congress to make this transition to this proposal. It cannot be done. So it is foolish for us to try it.

Without any idea of any priority order, just with the little time that remains, I just want to go through the bill and pick out portions of the proposal and I will tell you more about them in detail when we reach the amending stage.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, the gentleman from Louisiana just got through saying that it does not make any sense for us to do this unless we relate it to the other body.

Why?

Mr. WAGGONNER. How are we going to hold a successful conference if we do not have counterpart committees?

Mr. STEIGER of Wisconsin. Well, may I say to my friend——

Mr. WAGGONNER. Just answer that question. If we do not have counterpart committees over there doing the same thing, how can we have a successful conference?

Mr. STEIGER of Wisconsin. We do not have them now.

Mr. WAGGONNER. We do for the most part and we have several years to work out the details as major problem areas.

Mr. STEIGER of Wisconsin. On what basis?

Mr. WAGGONNER. The 1946 Reorganization Act provided for it.

I am not going to argue any more about it. I want to spend the rest of my time telling the Members how bad this resolution is in fact.

Mr. STEIGER of Wisconsin. I am waiting for an answer, and a response.

Mr. WAGGONNER. I do not yield any further.

The CHAIRMAN. The gentleman from Louisiana refuses to yield further to the gentleman from Wisconsin.

Mr. WAGGONNER. The Committee on Ways and Means jurisdictionally is left the burden of providing for increased taxes for social security, for medical care, for other health taxes, for unemployment compensation, but somebody else deals out the benefits. You have got a Santa Claus, and you have got the bad guys in the black hats who have to raise the taxes. Who is foolish enough to think that the Committee on Ways and Means, or any Committee on Ways and Means, is going to accept the burden of raising taxes to pay for all these goodies, and somebody else is going to decide what people ought to have, and they do not have to shoulder the burden for paying for them?

These are the facts of life. That is the way human nature works, and that is the only way this Congress is going to work.

Then let us just turn over here to another little item, which is probably the worst thing in the resolution if one wants orderly legislation. It is the language which has to do with the referral of bills, resolutions, and other matters, to committee. The Committee on Rules will have the authority to review and modify referrals by the Speaker, and any committee chairman upon his or her request, or on motion, or at the direction of a majority of the committee, can request a review of the referral made by the Speaker, and do you know that the Committee on Rules then can concur in the original referral? They can separate that legislation, they can divide that legislation, they can send that legislation to one, two, three, or more committees if they so wish.

Does anyone think that is going to produce orderly legislation in this Congress? Certainly not.

Let us look at another aspect of it. Let us look over at proxies as an example. How many Members truthfully believe that they can operate on a two-track system—and this legislation provides for a two-track system? How many Members believe that they can get attendance and operate without proxies? It just depends on which foot the shoe is on, I suppose, when this question occurs. The Members know we have got to have proxies. What is wrong with a man stating his opinion for action in one committee if he is in another?

Now let us think about some other aspects of this legislation. The people elected the Members of this House of Representatives to make decisions with regard to the actions of this House of Representatives. But House Resolution

988 provides for a House Commission on Information and for a House Commission on Administrative Services and Facilities, and the membership in part is to be from the public, those public interest sectors who are to have a vote to tell us what we are supposed to do about our actions here.

If one is not big enough to shoulder responsibility, if he cannot do what Harry Truman said, if he cannot take the heat, then get out of the kitchen and let somebody else have this elective seat.

I do not think we have reached the point where we want our decisions on information, on administrative practices, to in part at least be made by representatives of the public sector. But the situation is worse than this. Think about committee sizes, for example. The resolution says no standing committee except the Committee on Appropriations shall have more than 35 members, and insofar as practicable the standing committees shall be of equal size, except that this provision shall not apply to another subparagraph, and they list Track B, the secondary committees so to speak.

But, Mr. Chairman, that means, if we follow it, that every committee, the Committee on Rules and any other number of committees—the Committee on Standards of Official Conduct or anything else: if we restore internal security—would have 35 members on the committees. It is not workable. It simply is not workable. There is not any way to provide 35 members for all these committees. There is not any way to provide 35 members for all committees of the House. But it says "insofar as practicable." Who is going to make the determination about what is practicable? The only exception is the Committee on Appropriations.

I guess I should not do it right now, but there is one real potential for stopping Government in this legislation. If we look over on page 5 of House Resolution 988, line 17, makes provision for the Committee on the Budget. The Committee on the Budget does not get the debt ceiling. That is left with the Committee on Ways and Means. Did anyone ever stop to think about where we could be in this country if we had just a majority of the Committee on Ways and Means who said, No, we are not going to raise taxes; we are not going to raise debt ceilings?

"We are not going to do any of these things any more. You people have spent the money. We are going to bring this Government to a screeching halt." That is the way to stop spending, because the debt ceiling is left with the Committee on Ways and Means. It is not with the Committee on the Budget where it ought to be.

Do Members think the Committee on Ways and Means is going to take directions from the Committee on the Budget when the Committee on the Budget at the end of the year is required as the legislation specifies to make some adjustments for variances with their initial projects about revenues and expenditures? Do Members think the Committee on Ways and Means is going to say "OK" if they are told to raise the taxes this year to pay the deficit we projected? No, they probably are not going to do roll over and rubberstamp anything. But that committee is not going to work anyhow, because that committee cannot function.

These are only a few of the issues that create problems for this House. Why should we in the closing days of this Congress engage in this self-inflicted disaster?

Mr. MARTIN of Nebraska. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, all legislation is a matter of compromise. The Select Committee on Committees reported out House Resolution 988 over 6 months ago. There has been a great deal of discussion both formally and informally in regard to the provisions of House Resolution 988. After taking a careful reading of the sentiment of the Members of the House in regard to House Resolution 988, I thought that some compromises should be included in another resolution. As a consequence of that determination I introduced House Resolution 1321 a couple of weeks or so ago.

Let me very quickly outline some of the differences between my resolution, the committee resolution, and the Hansen committee resolution. I have taken some of the sections from the Hansen committee resolution and have retained most of the provisions and the sections of the committee resolution:

First. In regard to Ways and Means and its jurisdiction, the Ways and Means Committee under House Resolution 1321 would retain the nontax aspects of both health care and unemployment compensation which House Resolution 988 removes from that committee;

Second. The Interstate and Foreign Commerce Committee would not lose jurisdiction over aviation nor surface transportation. They would be retained by that committee. It is lost to them in House Resolution 988;

Third. The Armed Services Committee would not lose jurisdiction over the Naval Petroleum Reserve Unit No. 4 in Alaska. The other three naval petroleum reserve areas that they have had for a long time would remain within their jurisdiction. In order to make this logical I have restored from the provisions of House Resolution 988 back to the Armed Services Committee the Petroleum Reserve No. 4 in Alaska; and

Fourth. The House Administration Committee would not lose jurisdiction over the Federal elections and campaign financing as is set forth in House Resolution 988.

Many of these provisions are also in the Hansen committee resolution.

Now for four other points I have taken from the Hansen committee resolution and included them in House Resolution 1321.

First of all, we would require all committees with over 15 members to establish at least three subcommittees. We debated this at some length in the select committee. The Hansen commitee has reported out this feature except they would require four subcommittees. I stayed with the three subcommittees which we had initially debated in our select committee.

Second, my resolution would create one Commission on Information and Administrative Services, instead of the two as reported out in House Resolution 988.

Third, my resolution would grant to all committees of the House subpena power, the same as the Hansen committee resolution.

Fourth, the Parliamentarian is directed to complete compilation of precedents by January 1, 1977, and thereafter to update everything he has. This is not included in House Resolution 988. It is slightly different from the Hansen resolution, because under the Hansen resolution wording it provides what the Speaker shall update the precedents of the House. The Parliamentarian is the one that does the work and, as a consequence, I assigned this duty and responsibility to the Parliamentarian. I simply wanted to call attention of the Members this afternoon to some of these changes in House Resolution 1321 as they relate to House Resolution 988.

Mr. ANDERSON of Illinois. Mr. Chairman, at the appropriate time during consideration of House Resolution 988, the Committee Reform Amendments of 1974, I intend to offer two amendments to broaden public access to records of committee action and permit any member in a committee to demand a rollcall vote on any question. At this point in the RECORD I include the text of a "dear colleague" letter I am sending out tonight along with the texts of each of these amendments as they would apply to each of the three pending resolutions, Bolling, Martin, and Hansen. The materials follow:

OCTOBER 1, 1974.

URGENT: COMMITTEE REFORM AMENDMENTS

DEAR COLLEAGUE: At the appropriate time during consideration of the "Committee Reform Amendments" (H. Res. 988) I intend to offer two amendments to increase committee visibility and accountability.

My first amendment is aimed at providing greater public access to the records of committee action. At present, clause 27(b) of Rule XI (which is clause 2(e)(1) in H. Res. 988 and the Martin and Hansen substitutes), requires that committees keep a complete record of all committee action, and that the rollcall votes portion of the record be available for public inspection. My amendment would broaden this to require that the entire record of committee action be open for public inspection, except for such information which the committee determines should not be made public for national security or personal rights reasons. Moreover, my amendment further specifies that the record shall include information on all votes taken (not just rollcall votes).

My second amendment would insert a new subparagraph 2(f) in H. Res. 988 (or the substitutes) on "roll call votes." This amendment would require that a rollcall vote on any question in committee may be demanded by any Member of the committee. At present, only five of our 21 standing committees provide in their rules that a single Member may demand a rollcall; most others require a rollcall demand by one-fifth of those present, or one-fifth of a quorum.

As most of the work in the House is done by the committees, the people should be entitled to know just what transpires during these important deliberations and how their representatives vote on key issues. Public access to the records of such action should be guaranteed, regardless of whether the sessions were open or closed (and in this regard, I urge your support of the Brown-

Gunter amendment to require open committee "meetings" as is now the case with "hearings"). When you consider that we guaranteed public access to the records of government agencies with the enactment of the Freedom of Information Act back in 1966, there can be no justification for maintaining a double standard with respect to our own committee deliberations. I urge your support for these two committee "sunshine" amendments.

Very truly yours,
JOHN B. ANDERSON,
Member of Congress.

An amendment offered by Mr. ANDERSON of Illinois to House Resolution 988: On page 44, beginning at line 3, strike all of subparagraph (e) (1) and insert in lieu thereof the following new subparagraph (e) (1):

"COMMITTEE RECORDS

"(e) (1) Each committee shall keep a complete record of all committee action which shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee, except for such information, the disclosure of which, the committee determines would endanger the national security or would violate any law or rule of the House of Representatives. Such record shall include a record of every vote on any question, whether by voice, division or rollcall. Information on any vote on any question shall include a description of the amendment, motion, order or other proposition, and, in the case of rollcall votes, the name of each Member voting for and each Member voting against such amendment, motion, order or proposition, and the names of those Members present but not voting."

Technical, conforming amendment: on page 48, subparagraph (k) (7) is amended by striking the period and adding the following: "consistent with the provisions of subparagraph (e) (1) of this clause."

An amendment offered by Mr. ANDERSON of Illinois to the Hansen amendment in the nature of a substitute to House Resolution 988: On page 18, beginning at line 23, strike all of subparagraph (e) (1) and insert in lieu thereof the following new subparagraph (e) (1):

"COMMITTEE RECORDS

"(e) (1) Each committee shall keep a complete record of all committee action which shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee, except for such information, the disclosure of which, the committee determines would endanger the national security or would violate any law or rule of the House of Representatives. Such record shall include a record of every vote on any question, whether by voice, division or rollcall. Information on any vote on any question shall include a description of the amendment, motion, order or other proposition, and, in the case of rollcall votes, the name of each Member voting for and each Member voting against such amendment, motion, order or proposition, and the names of those Members present but not voting."

Technical, conforming amendment: on page 23, at line 8, subparagraph (k) (7) is amended by striking the period and adding the following: "consistent with the provisions of subparagraph (e) (1) of this clause."

An amendment offered by Mr. ANDERSON of Illinois to the Matrin substitute to the Hansen amendment in the nature of a substitute to House Resolution 988: On page 45, beginning at line 19, strike all of subparagraph (e) (1) and insert in lieu thereof the following new subparagraph (e) (1):

"COMMITTEE RECORDS

"(e) (1) Each committee shall keep a complete record of all committee action which shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee, except for such information, the disclosure of which, the committee determines would endanger the national security or would violate any law or rule of the House of Representatives. Such record shall include a record of every vote on any question, whether by voice, division or rollcall. Information on any vote on any question shall include a description of the amendment, motion, order or other proposition, and, in the case of rollcall votes, the name of each Member voting for and each Member voting against such amendment, motion, order or proposition, and the names of those Members present but not voting."

Technical, conforming amendment: on page 50, subparagraph (k) (7) is amended by striking the period and adding the following: "consistent with the provisions of subparagraph (e) (1) of this clause."

An amendment offered by Mr. ANDERSON of Illinois to House Resolution 988: On page 44, after line 20 insert the following new paragraph (f) and redesignate succeeding paragraphs accordingly:

"ROLLCALL VOTES

"(f) A rollcall vote on any question in committee may be demanded by any Member of the committee."

An amendment offered by Mr. Anderson of Illinois to the Martin substitute to the Hansen amendment in the nature of a substitute to House Resolution 988: On page 46, after line 11, insert the following new paragraph (f) and redesignate succeeding paragraphs accordingly:

"ROLLCALL VOTES

"(f) A rollcall vote on any question in committee may be demanded by any Member of the committee."

An amendment offered by Mr. Anderson of Illinois to the Hansen amendment in the nature of a substitute to House Resolution 988: On page 19, after line 15, insert the following new paragraph (f) and redesignate succeeding paragraphs accordingly:

"ROLLCALL VOTES

"(f) A rollcall vote on any question in committee may be demanded by any Member of the committee."

Mr. CLEVELAND. Mr. Chairman, I rule in support of House Resolution 988, the Bolling-Martin Select Committee on Committees' resolution for restructuring committee jurisdictions and other procedural changes, as the one genuine reform package before us.

No combination of fundamental and far-reaching reforms of this nature, produced by an open process of compromise, can be perfect or even wholly satisfactory to a majority of Members in every respect. I, for one, have cosponsored amendments which will be offered, and intend to offer one with my friend from Illinois (Mr. MICHEL). At the same time, the Bolling-Martin resolution is far preferable as a point of departure than the product of the Democratic Caucus.

Now is not the time for half-way measures, which unfortunately is the only way to characterize the caucus version. We should draw a lesson from campaign reform, enacted only 3 years ago and dramatically demonstrated to be inadequate in the first campaign to which it applied. It was back to the drawing boards.

Of course, this year we have acted in the aftermath of Watergate in the area of campaign reform. Do we need a disaster of comparable magnitude in the area of congressional operations as a similar spur to action? If so, let me suggest that we have already come pretty close. The inability of the Congress to deal with energy alone in a comprehensive and coordinated way is at the root of the continuing crisis in this area. While this represents sins of omission rather than commission, the results are pretty much the same.

As a ranking member of a principal committee, Public Works, I can readily recognize the reluctance of senior Members of both sides of the aisle to relinquish jurisdiction over critical and complex areas of public policy.

By years of work and study we have achieved a grasp of vast volumes of information and some degree of influence and hence an ability to shape legislation as the facts seem to dictate. A good example is the area of water pollution under the jurisdiction of the Committee on Public Works. It can legitimately be argued that only a long and continuing association with an area of federal activity, backed by continuing legislative oversight, can equip a committee and its members to legislate wisely and assure that the law is being carried out as the Congress intended. Yet, in the interests of thorough restructuring of the entire House committee system, I would yield jurisdiction in this area.

Bolling-Martin would vest jurisdiction over all environmental matters in the same committee in charge of energy. While there are arguments for giving separate committees responsibility for energy and the environment, I see most merit in a focusing of responsibility for both in the same committee. Meanwhile, total transportation jurisdiction except for maritime affairs would shift to Public Works, which is equally logical.

In sum, Mr. Speaker, I would suggest that similar rationalization of committee jurisdictions is a guiding principle of Bolling-Martin. One proposal with which I take exception is the abolition of the Committee on Internal Security and transfer of its jurisdiction to the Committee on Government Operations.

As to procedure, I find that Bolling-Martin is superior to the Hansen substitute also in the area of legislative oversight, calling again and more loudly for establishment of an oversight or investigating subcommittee on each standing committee and a strengtened role for Government Operations. This is absolutely vital to the performance of the basic function of assuring that our laws are carried out as intended. Less glamorous than enactment of new legislation, it is nonetheless of equal importance.

Regarding staffing, Bolling-Martin appears preferable in its provision for expanded statutory staffing for both the majority and the minority. The Hansen subcommittee recommendation for minority staffing would be a welcome improvement, however, over the current shortchanging of the minority under current rules and practice.

Mr. LEHMAN. Mr. Chairman, having examined the proposals put forth by the Select Committee on Committees, the Hansen Committee, and my colleague from Nebraska (Mr. MARTIN), I rise in support of the Hansen committee report.

Numerous substantive modifications are contained in all three reports, and I won't take the time of my colleagues in listing all of my specific preferences among them. However, I would like to address myself to a few of these differences.

First, only the Hansen report would maintain the Education and Labor Committee as a single body. Both the Bolling report and the Martin substitute would split the committee in two. I strongly believe that education and labor are not as separable as the Bolling and Martin suggestions would make it appear.

The line between education and labor is becoming increasingly blurred. Labor programs include training in many cases. For example, according to a recent status report on the Comprehensive Employment and Training Act, administered by the Department of Labor, title I prime sponsors are using approximately 30 percent of their funds for classroom training. Similarly, the Job Corps, likewise administered by DOL, has just awarded more than $3.25 million in contracts to train Job Corps youths.

Adult education, vocational education, vocational rehabilitation, manpower training—all of these programs over which the Education and Labor Committee has jurisdiction are a blend of the concepts of education and labor.

Second, I approve of the Hansen report requirement that each committee form at least four subcommittees. It is no secret to which committee this recommendation particularly applies. I am disappointed that we still have no national insurance program, and that the time is growing late for a tax reform measure to be enacted before the end of this Congress. I believe this requirement would result in legislation moving along more quickly.

Third, the Hansen report does not move all energy and all environment jurisdiction to one super Energy and Environment Committee. My objection to the Bolling and Martin reports in this respect is the underlying assumption that energy and environment are, in a sense, natural enemies. The creation of such a committee would tend, I believe, to put too great an emphasis on the compromises necessary between energy and environment considerations, and at the same time deemphasize the other ramifications of energy policies in the economy, employment, patent policies, and the like.

Mr. Chairman, although I have addressed myself to only three modifications suggested by these reports, there are, of course, others that deserve attention. However, in the interests of time, I would simply like to reiterate my support for the Hansen committee report.

Mr. **HANSEN** of Idaho. Mr. Chairman, in order to correct what I consider to be a deficiency in the Hansen committee resolution, I am today introducing two amendments to that resolution that will provide for recognition of the needs of the small business sector of our economy.

Small business is often referred to as the backbone of our country and the foundation of our system of free enterprise. It constitutes over 96 percent of our business community, supports the daily lives of over 100 million Americans and accounts for almost 40 percent of our gross national product. Yet, its needs and interests are not properly or adequately represented in the House.

The Bolling committee's recommendations for legislative reorganization and reform, House Resolution 988, recognize this inequity and make provision for its elimination; those contained in the Hansen substitute, House Resolution 1248, do not. To insure that this much-needed reform is part of whatever package passes the House, I believe it is important to amend House Resolution 1248 to include language setting up a legislative Small Business Committee.

WHY DOES THE HOUSE NEED A COMMITTEE ON SMALL BUSINESS AND IMPROPER TRADE PRACTICES?

The most compelling reason for the creation of this committee is the massive size and economic impact of the small business community—96 percent of all U.S. business establishments, 60 percent of all private, nonagricultural employment, 43 percent of our GNP and over 20 percent of all business taxes.

Small business is a separate, distinct entity whose unique needs are smothered by the present committee system. Its special problems can only be solved by direct access to the system. Nothing but a standing committee can possibly treat its needs adequately and equitably.

Member interest is the key to solving the small business dilemma. A standing committee is the only way to create the level of interest needed to accomplish this.

Creation of a standing committee would be the successful culmination of an unmistakable congressional effort to give more and more recognition to the needs and interests of small business.

A Committee on Small Business and Improper Trade Practices is needed to protect both the small businessman and the consumer from the evils of economic concentration. Monopolistic power used to restrain trade is a danger to society in general, but it can mean the loss of savings, livelihood, and future to the small businessman.

The House must generate more activity and interest in antitrust enforcement and related areas. A Standing Committee on Small Business and Improper Trade Practices would accomplish this. The two jurisdictions are complementary—they go hand in glove together—and they would generate interest in each other.

WHY WOULD SUBCOMMITTEE STATUS NOT BE ACCEPTABLE?

It would be inequitable. A subcommittee would be completely out of proportion to the massive economic impact of the small business community.

It would be inadequate. Small business has diverse interests and needs. They are too broad for the narrow jurisdiction of a subcommittee.

It would completely ignore the evidence of history, and the rationale behind the creation of the select committee and SBA, which were purposefully separated from Commerce.

It would downgrade the status of small business in the House and reverse the congressional trend toward greater recognition of its uniqueness.

It would strip small business of its separate identity and lump its special problems with uncomplementary or even antagonistic jurisdictions.

It would waste the valuable experience, talent and expertise of those most familiar with small business.

WHY WOULD NOT THE CONTINUATION OF THE SELECT COMMITTEE BE PREFERABLE TO THE CREATION OF A STANDING COMMITTEE?

It would lack the legislative authority needed to maintain Member interest and adequately meet the needs of small business.

It would mean the unnecessary continuation of the jurisdictional split that has cause duplication and confusion.

It would mean the continuation of a system that has simply failed to function properly.

Congress has long recognized that the small business community is a separate and distinct economic entity with its own special problems and needs, and it created the Small Business Administration and its own select committees to look after these interests. It has even made special provisions for small firms in many of its recent enactments.

When the economic health and well-being of small business has been seriously threatened, Congress has moved vigorously, if sometimes belatedly, to its assistance. Unfortunately, as in the case of the impact of the Wholesome Meat Act, this aid was too late for many marginal firms, causing unnecessary economic dislocation and job destruction.

I believe that a Small Business Committee with legislative authority could have prevented this wasteful destruction and that a standing committee is needed to guard against a recurrence of this in the future.

ECONOMIC IMPACT VERSUS REPRESENTATION

The sheer size and impact of the American small business community is staggering. This, by itself, would seem to merit greater recognition by Congress.

Many argue that small business is adequately represented within the present committee system. Yet, it is fairly common knowledge that the most important committees, from the small business viewpoint, are dominated by the interests of either labor or big business. If the latter were not true, there would be no need for the continued existence of the select committee.

Small, independent business needs more effective representation in the House. It should be accorded the same degree of attention as agriculture, labor, and banking.

Mr. Speaker, at a time when the economy as a whole is troubled, the small business sector is particularly vulnerable to perturbation and economic trauma. This sector needs and deserves the representation that would result from the adoption of my amendments to the Hansen substitute.

The text of my amendments follows:

Amendment Offered to the Substitute by Mr. Hansen of Idaho

Page 74, strike out lines 3 through 6 and insert in lieu thereof the following:

"(r) Committee on Small Business.

"(1) Assistance to and protection of small business, including financial aid.

"(2) Participation of small-business enterprises in Federal procurement and Government contracts.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the commtitee shall have the special oversight function provided for in clause 3(f) with respect to the problems of small business."

AMENDMENT OFFERED TO THE SUBSTITUTE BY MR. HANSEN OF IDAHO

On page 5, after line 18, insert the following new paragraph:

"(f) The Committee on Small Business shall have the function of studying and investigating, on a continuing basis, the problems of all types of small business.

Mr. BROOKS. Mr. Chairman, I intend to offer some amendments to House Resolution 988 for the purpose of deleting certain jurisdiction that would be transferred to the Government Operations Committee under that proposal. These amendments would give jurisdiction over Indian affairs and territories to the Committee on Energy and Environment, which was formerly the Interior and Insular Affairs Committee and jurisdiction over political activities by Federal employees to the Committee on House Administration:

Amendment to House Resolution 988 offered by Mr. Brooks: Page 11, strike out lines 5 through 11; and redesignate the succeeding subparagraphs accordingly.

Amendment to House Resolution 988 offered by Mr. Brooks: Page 8, after line 23, insert the following new subparagraphs:

"(7) Relations of the United States with Indians and Indian tribes generally; measures relating to Indians, Indian lands, and claims which are paid out of Indian funds.

"(8) Measures relating generally to the territories and insular posessions of the United States, except those involving revenues and appropriations.

Amendment to House Resolution 988 offered by Mr. Brooks: Page 7, line 6, strike out the words "Indian education and".

Amendment to House Resolution 988 offered by Mr. Brooks: Page 11, strike out lines 16 and 17.

Amendment to House Resolution 988 offered by Mr. Brooks: Page 12, after line 20, insert the following new subparagraph:

"(6) Political activities by Federal officers and employees.

Mr. DRINAN. I am pleased to rise in support of House Resolution 988, the Committee Reform Amendments of 1974. The Select Committee on Committees, ably chaired by the gentleman from Missouri (Mr. Bolling), held extensive hearings in reviewing the committee jurisdiction and procedures of the House of Representatives. In issuing their recommendations, the Bolling committee proposed widespread changes which amount to the most major committee realinement since the Legislative Reorganization Act of 1946. While some of the changes suggested have been criticized by some Members of the House, I feel that the select committee's resolution represents a major step forward in attempting to streamline the workings of this body, and the committee should be congratulated for its efforts and diligence.

Since 1946, Mr. Chairman, many changes and shifts in congressional priorities have occurred to make the present committee system obsolete. In a number of vital fields, the subject matter jurisdiction of committees is confusing and illogical. In areas such as energy and transportation, for example, jurisdiction is fractured among numerous committees and subcommittees, with the result that conflicting legislation and programs emerge on the House floor. Another problem is that the major legislation before the Congress is not evenly distributed among committees, but rather, is often concentrated in several overworked bodies. The Ways and Means Committee represents a panel whose broad responsibilities encompassing tax, health, social security, welfare, and trade matters have prevented prompt consideration of many timely bills. With a more equitable distribution of committee responsibilities, this problem could be avoided.

While I am generally in support of House Resolution 988, Mr. Chairman, there are certain areas in the resolution proposals which I find troublesome. The select committee has formed a new Energy and Environment Committee, and though the rationale for such a jurisdiction is persuasive, I can foresee definite problems arising. I fear that placing all energy jurisdiction in the same committee that also deals with the environment could bring about adverse consequences for environmental considerations. At the present time we are already witnessing how the energy interests are dominating at the expense of the environment, and it is certainly conceivable that the present proposal for a combined Energy and Environment Committee would further exacerbate the problem.

There are other difficulties which exists with respect to the Bolling committee reforms, but on the whole, I do feel that House Resolution 988 presents a meaningful step in the right direction. All legislative bodies like the Congress must periodically review their rules, procedures and committee jurisdictions to insure the efficiency and effectiveness of their operations, and the time has now come for the House of Representatives. The world has changed greatly since 1946, and basic structural changes which are proposed in House Resolution 988 should be enacted.

Mr. BOLLING. Mr. Chairman, I have no further requests for time.

Mr. MARTIN of Nebraska. Mr. Chairman, if the gentleman will yield, I have no further requests for time.

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Natcher, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives, had come to no resolution thereon.

GENERAL LEAVE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the general debate on this resolution.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

Mr. STEIGER of Wisconsin. Mr. Speaker, reserving the right to object, under the gentleman's request do all Members have the right to include extraneous material?

Mr. BOLLING. No; the gentleman did not make so broad a request.

Mr. STEIGER of Wisconsin. Would the gentleman be willing to do that?

Mr. BOLLING. I would be delighted to do that if the gentleman so wishes.

Mr. STEIGER of Wisconsin. I do, and I withdraw my reservation of objection.

Mr. BOLLING. Mr. Speaker, I now do ask unanimous consent that all Members may include extraneous material in their statements on the resolution just debated.

The **SPEAKER.** Is there objection to the request of the gentleman from Missouri?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

Mr. WRIGHT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 545]

Abdnor
Adams
Anderson, Ill.
Andrews, N.C.
Aspin
Blackburn
Blatnik
Brasco
Broomfield
Brotzman
Burke, Calif.
Carey, N.Y.
Chisholm
Clark
Conyers
Crane
Davis, Ga.
Denholm
Derwinski
Dickinson
Diggs
Dorn
Drinan
Eckhardt
Edwards, Ala.
Evans, Colo.
Fish
Fisher
Fraser
Frey
Fulton
Gettys
Goldwater
Gray
Griffiths
Gubser
Guyer
Hansen, Idaho
Harsha
Hawkins
Hébert
Heinz
Holifield
Horton
Hunt
Jarman
Johnson, Colo.
Jones, Okla.
Ketchum
Kuykendall
Long, Md.
McClory
McCloskey
Madigan
Mann
Mathis, Ga.
Mayne
Mills
Minshall, Ohio
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Murphy, N.Y.
O'Neill
Passman
Patman
Podell
Powell, Ohio
Price, Tex.
Rangel
Rarick
Reid
Rhodes
Riegle
Roberts
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Roy
Runnels
Shipley
Shuster
Snyder
Spence
Steele
Steiger, Ariz.
Stuckey
Symms
Teague
Thomson, Wis.
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Vander Jagt
Whitehurst
Whitten
Wilson, Charles H., Calif.
Wyatt
Young, Alaska
Young, Ga.
Zion
Zwach

The **SPEAKER.** On this rollcall 330 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROPOSAL TO CONSIDER SUPPLEMENTAL APPROPRIATIONS BILL

(Mr. MAHON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks and include extraneous material.)

Mr. MAHON. Mr. Speaker, I have taken this time to state to the Members that I am going to propose to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the supplemental appropriations bill. This bill totals $8.2 billion. Most of the funds are for housing, health, and education, items which were deferred in the regular appropriation bills due to a lack of authorization.

The other body is supposed to mark this bill up this week. If we do not have the bill handled in the House by midweek there seems to be no possibility that it could pass the Senate, clear conference, and be sent to the President before the 11th of October. So I would like to proceed with the bill for a while, finish general debate, and probably continue a little further, not beyond 8 o'clock, in order that we may make some progress on this bill. Then we could bring it up sometime tomorrow or the following day. Otherwise we will probably not be able to send this bill to the White House by October 11, the date of the proposed recess.

That is what I am going to propose to do. There is no hope that we can finish the bill tonight. There are two controversial items in it, one having to do with education and one having to do with transition funds for President Nixon; otherwise the bill contains few items of major controversy.

PROPOSED CONSIDERATION OF SUPPLEMENTAL APPROPRIATIONS BILL

(Mr. CEDERBERG asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. CEDERBERG. Mr. Speaker, it is my understanding from what the distinguished chairman, the gentleman from Texas, (Mr. MAHON), has just said, that we would dispose of general debate today, and not vote on any amendments; is that correct?

Mr. MAHON. It would be my hope that we could go into the reading of the bill. Actually, what I am trying to do is to get this important bill moving so that it can be passed by the House, acted upon by the Senate and agreed to in conference so that it can be sent to the President before the election recess.

Mr. CEDERBERG. When the gentleman from Texas says we will go into a reading of the bill, do I understand correctly that we will not be considering any amendments; but just going into the reading of the bill?

Mr. MAHON. I would like to get into the amendment stage. The point is I think we must begin consideration of the bill.

Mr. CEDERBERG. Mr. Speaker, I think the situation is that we have a very complex bill here. Some sections, of course, are not controversial at all, but there are some sections that are very controversial. First of all, the elementary and secondary education package is in here, and history shows that that takes a long time itself.

I have serious reservations about going into this kind of legislation at this time of night. Probably it would have been better if we could have gone along with a couple of more hours of further debate on the reform bill which has been pending for some 6 months.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Speaker, I wonder if we could have a meeting of the minds, so that we could handle as much of the bill as we can by 7:30, and move that the Committee rise at 7:30. Would it be satisfactory to do what business we can in that time?

Mr. CEDERBERG. I would ask the gentleman from Texas how much time the gentleman is going to ask for general debate?

Mr. MAHON. I would ask for 1 hour of general debate, but I do not anticipate the whole hour would be taken.

Mr. CEDERBERG. I would respectfully say that such a limitation would not be sufficient to handle the number of requests that I have for time.

The SPEAKER. Does the gentleman from Texas desire to make a unanimous-consent request to that effect?

Mr. MAHON. Mr. Speaker, if the gentleman will yield further, in view of the problem before the House, I believe that we can go into the consideration of this measure, but I will agree not to proceed beyond general debate. Therefore, we would anticipate finishing general debate by about 7 o'clock.

SUPPLEMENTAL APPROPRIATION BILL, 1975

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 16900, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the supplemental appropriation bill for 1975 that is before us tonight totals $8.2 billion, and it is composed nearly entirely of education, health, and housing items which the Members of the Congress and the people at home feel are very important items. These items would have been appropriated in the regular appropriation bills at an earlier date, but they were deferred due to a lack of authorization when we passed the regular bills. The authorization bills for the appropriation items I refer to in this bill have now been passed. It was for that reason that the bill was scheduled for consideration this week, and it was for that reason that we are undertaking to spend some time considering it here this evening.

In fact, what could be termed the "ordinary" supplemental items comprise only 6 percent of the total of the bill and most of this is retirement.

The major items in the bill include the following: $2,179,625,000 for the new community development block grant program; $1,800,000,000 in 1975 and $1,900,000,000 in advance funding for 1976 for disadvantaged student grants—title I, ESEA; $70,000,000 for bilingual education; $593,416,000 for school assistance in federally affected areas, impacted aid; $159,609,000 in 1975 and $70,000,000 in advance 1976 funding for education for the handicapped; $63,319,000 in 1975 and $63,319,000 for 1976 for adult education; $99,600,000 for nutrition for the elderly; $56,775,000 for economic development assistance programs; $73,576,000 for retirement funds for the Civil Service Commission; $285,000,000 for reimbursement to the retirement fund for the Postal Service Corporation; $1,000,000 for operation of the Council on Wage and Price Stability; $398,000 for transition expenses and pension and allowances for former President Nixon; $50,569,661 to pay claims and judgments against the United States.

The bill contains a net increase in new budget authority in the bill of $78,061,000. This figure is largely accounted for by increases of $253 million for the "B" part of the impacted school aid program and $32 million for the State grant program for handicapped education and by various decreases throughout the bill.

Mr. Chairman, even though this bill is slightly above the budget, the overall total of appropriation bills will be under the budget by between $5 and $6 billion in new budget authority.

STATUS OF REMAINING APPROPRIATION BILLS

Mr. Chairman, in its action on appropriation bills to date, the House has passed 11 of the 13 regular appropriation bills and the special energy research and development bill. Remaining to be considered are military construction and foreign assistance, both of which have been delayed due to a lack of legislative authorization. The committee currently plans to report the military construction bill on Thursday.

In addition the committee has reported to the House a revised version of the vetoed agriculture-environmental and consumer protection bill which should be considered this week.

The conference committee on the Labor-HEW appropriations bill is meeting today and may conclude its work then.

Also today, the Senate has before it the continuing resolution. It will be essential to go to conference as quickly as possible on this measure, as the current continuing resolution expires tonight at midnight.

At this point in the RECORD and under leave to extend, I offer a summary table by chapters reflecting the budget requests and amounts recommended by the committee in the bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

SUMMARY

Chapter No.		Budget estimates	Recommended in bill	Bill compared with estimates
I	Housing and Urban Development, Space, Science, and Veterans: New budget (obligational) authority	$2,179,625,000	$2,179,625,000	
II	Labor, and Health, Education, and Welfare:			
	New budget (obligational) authority:			
	1975	3,075,564,000	3,215,263,000	+$139,699,000
	1976	2,323,537,000	2,343,537,000	+20,000,00
	Total	5,399,101,000	5,558,800,000	+159,699,000
III	Legislative: New budget (obligational) authority	334,000	334,000	
	Public Works: New budget (obligational) authority	[1] 73,000,000		−73,000,000
IV	State, Justice, Commerce, and Judiciary: New budget (obligational) authority	57,033,500	57,033,500	
V	Transportation: New budget (obligational) authority	8,345,000	4,170,000	−4,175,000
VI	Treasury, Postal Service, and General Government: New budget (obligational) authority	360,753,000	356,290,000	−4,463,000
VII	Claims and judgments: New budget (obligational) authority	50,569,662	50,569,662	
	Total: New budget (obligational) authority:			
	1975	5,805,224,162	5,863,285,162	+58,061,000
	1976	2,323,537,000	2,343,537,000	+20,000,000
	Grand total: New budget (obligational) authority	8,128,761,162	8,206,822,162	+78,061,000

[1] Authorization had not been provided for this request at the time it was considered by the committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, do I understand the gentleman is taking money from the handicapped to use for impacted school aid?

Mr. MAHON. The committee was of the opinion that the House would not tolerate a reduction below last year for impacted aid and the funds were added for the B part of the impacted aid program. We are hoping that this bill will be sufficiently moderate that it will not encounter a veto. No funds were cut in the education for the handicapped program; in fact, $12.5 million was added for 1975 and $20 million for 1976.

Mr. OBEY. Mr. Chairman, will the gentleman yield for a short clarification?

Mr. MAHON. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, the gentleman from Iowa asked about whether or not funds for the handicapped had been taken to provide money for impacted aid. That is not quite correct. The subcommittee cut funds for title I which is for the disadvantaged. In the amendment which will be coming up later which I will offer I will seek to restore it. The subcommittee cut $85 million from the disadvantaged and added that to the amount which the subcommittee added for impact aid. What my amendment will seek to do will be to take $65 million out of that money which was taken from title I for the disadvantaged and put it in impact aid and put it back in title I and put $20 million into the handicapped.

Mr. MAHON. I will say to the gentleman we increased the budget estimate by about $12.5 million in 1975 and $20 million in 1976 for the handicapped, so we did not cut the handicapped education program for the purpose of helping someone else.

Mr. Chairman, I do not yield further at the moment.

The CHAIRMAN. The gentleman from Michigan is recognized for 30 minutes.

Mr. CEDERBERG. Mr. Chairman, I yield 15 minutes to the gentleman from New York (Mr. ROBISON).

Mr. ROBISON of New York. Mr. Chairman, this supplemental appropriation bill carries a total in new budget authority of over $8.2 billion.

The two included items which I am required to speak to—because of their controversy—add up to only $398,000; in the bill before us and, clearly, we will neither sink the economic ship-of-state by accepting that figure in full, nor steady it very much by rejecting it even in its entirety.

Thus, the amount of time I am required to devote to these two items—and the amount of time the committee will now devote to them tomorrow—is indicative of one thing: The near total obsession we still have with Watergate, and with the tragic figure of its major victim, Richard Nixon.

To summarize, again, the two authorities upon which the subcommittee's tentative recommendation of $398,000 is based are: The Former Presidents Act of 1958—to which I will hereafter refer as "FPA"—and the Presidential Transition Act of 1963—to which I will similarly hereafter refer as "PTA."

Benefits in the form of office space, staff and equipment, plus whatever Congress deems necessary in the way of travel and communications expenses, are extended to an out-going President by the PTA, whose purpose is "to promote the orderly transfer of executive power" when a President has left office and a new President has taken over. Such a transition has now taken place—and the so-called transition period of 6 months during which benefits under the PTA may be extended for the use of Richard Nixon, as an outgoing President, will expire on next February 9.

The PTA authorizes a maximum of $900,000 in such benefits, on a shared basis as between an outgoing and an incoming President. In this instance, however, President Ford waived any part of his such share and requested, instead, the full $450,000 in benefits for Mr. Nixon.

For reasons already touched upon, our subcommittee has reduced that request—again on a tentative basis—to $245,000 and, although I know full well that the force of what seems to be public opinion is running strongly against even that amount, I urge my colleagues' objective and favorable consideration of that amount.

A number of questions occur.

In light of the unprecedented manner of Richard Nixon's leaving office, is he eligible for assistance under the PTA?

On the strength of an opinion rendered by the Attorney General's office, in which the Comptroller General concurs, the answer would seem to be "Yes."

Nevertheless, some Members argue that it must have been the intent of Congress, in this regard, to extend such benefits only to out-going Presidents who have served honorably.

The same argument can—and probably will—be made as to benefits which might be extended to Mr. Nixon under the FPA, to a discussion of which I will proceed in a moment.

However, while it seems clear that, in enacting both the PTA and the FPA, Congress gave no thought to the possibility of a Presidential resignation, particularly under the threat of impeachment, it is a fact that both statutes are silent when it comes to the question of eligibility as between good or bad former Presidents.

We can, of course, indirectly amend both such acts by attempting to so evaluate the Nixon Presidency in deciding how much, if anything, in the way of benefits thereunder we wish to vote for his use.

We can—and perhaps we will—do just that despite our awareness that there is good and bad in each of us, and not just in those chosen few who serve us as Presidents; plus enough that was good in the Nixon Presidency to at least weigh off against some of that which, in the end, appeared evil enough in his record as to merit, if need be, his removal from office through the process of impeachment.

We can, Mr. Chairman—and perhaps we will—decide to go that route. From the immediate political point of view, that is the easiest—and safest—route to follow.

But I, for one, would hope that, instead, we would consider as objectively as possible how much assistance both Mr. Nixon and, indirectly at least, President Ford need under the authority of the PTA between now and February 9, as well as how much assistance Mr. Nixon, alone, may need under the FPA between next February 9 and June 30, the end of the present fiscal year.

What is President Ford's stake in the Nixon benefits under the PTA—since this is a matter that has been hardly touched upon in such public discussions of this issue as there have been to date?

Briefly, as I understand it, while the "Nixon papers" as they might be called are in the custody—for now, at least—of the Ford administration, in accordance with the longstanding historical tradition they are still subject to Mr. Nixon's ownership and control. President Ford's access to such of those papers as may be important in assuring continuity of our government during this transition period thus depends, to a certain extent, on the work of certain individuals—Miss Rose Mary Woods, for one—who, though carried on the Ford payroll, have been detailed to the service of Mr. Nixon under the authority of section 4 of the PTA. Although I seriously doubt that there is similar authority to detail Mr. Nixon's former valet and maid, or military drivers, to his service, to the extent noted many, if not most, of the other temporary details—whether still here in Washington or at San Clemente—would seem to be provided not just for Mr. Nixon's comfort and convenience, as has been alleged, but to serve a valid national purpose recognized by enactment of the PTA.

In the opinion of the GAO, whatever the cost of such, proper "nonreimbursable detailees," it is not subject to the monetary limitation—the $450,000 for an outgoing President—set by the PTA. Nevertheless, in considering the original request, our subcommittee took notice of the substantial number of details made available to the former President in arriving at our recommendation of $245,000—a reduction of $205,000 below the request.

Is that still too much?

Is it an unreasonable amount?

Our colleagues, Messrs. ADDABBO, and ROYBAL, say "Yes," and will probably offer an amendment to reduce the recommendation to $100,000.

But remember, please, whatever the final figure that—apart from the services provided by detailees—it is all the help Mr. Nixon will have, under existing authorities, by way of staff, travel, postage and communications in winding-up his Presidential affairs between now and next February 9th.

If you wish to leave him high and dry, so to speak, that is your privilege; and, at $100,000 you would be doing just about that, since postage, alone, needed to acknowledge the some 400,000 communications he has received since leaving office will cost an estimated $40,000.

What about comparisons?

Obviously, only one other out-going President—Lyndon Johnson—received benefits under the PTA.

Whereas Mr. Johnson had some 9 months to prepare for leaving the White House, Mr. Nixon's departure therefrom was as precipitate as it was unprecedented.

Whereas Mr. Johnson drew upon the services of White House staff and other agencies during that 9-month span—receiving Archives liasion services valued at $244,000—and had most of his records sorted, crated, and shipped to Austin, Tex., before he left office, the greater share of that task still confronts Mr. Nixon, or someone in his, or the Nation's behalf.

Nonetheless, the sum of $375,000 was appropriated for Mr. Johnson's use under authority of the PTA after he left office; and another $75,000 was provided Hubert Humphrey, as outgoing Vice President, under the same authority and for the same purposes.

Mr. Chairman, I submit the subcommittee's recommendation of $245,000 is both justified, and reasonable, under the circumstances.

Now, briefly, as to the second item, no benefits can become available to Mr. Nixon under authority of the FPA until next February 9—or 6 months after he left office.

President Ford requested $400,000 for Mr. Nixon—including the maximum $96,000 allowable for staff under the FPA, and eleven-twelfths of the former President's annual pension, or $55,000.

The subcommittee's recommendation is $153,000—a reduction of $247,000 below the request, the subcommittee having disallowed in its entirety the sum of $110,000 that had been included toward construction by GSA of a vault, and guard services for the same, at a Federal facility near San Clemente, to temporarily house the classified portion of the Nixon papers.

We deleted that item because, as the report indicates, members of the subcommittee almost unanimously shared many of the same concerns that have been elsewhere expressed about the effect—and justification—of the agreement dated September 6, 1974, as between Mr. Nixon and Arthur Sampson, as Administrator of GSA. As the report further indicates, the subcommittee—and now the full committee—directs that at least the "sensitive'" portion of the Nixon papers and tapes shall be maintained at their present locations here in Washington until the Special Prosecutor and the courts have concluded their inquiries relative to Watergate.

In my judgment, this is a proper area for legislative correction—and I am a sponsor of one of the several bills now pending which would make Presidential, and other "official" papers public, rather than private, property.

Having said that, though, I would argue that the aforementioned agreement between Mr. Nixon and Mr. Sampson is not really at issue in considering, now, how much to allot the former President under the FPA.

Our recommendation of $153,000 includes Mr. Nixon's pro rata pension, this year, of $55,000. It therefore leaves him with only $98,000 for staff, postage and other expenses as contemplated by the FPA for the period between next February 9th and the following June 30th.

That, surely, is not much. By comparison, in fiscal 1972—his last full year of benefits under the FPA—Lyndon Johnson received in FPA benefits a total of $206,599. So I would argue it is a reasonable figure, under the prevailing circumstances, unless this body wishes to further "punish" Mr. Nixon for his alleged sins by reducing our figure still further, or even by eliminating all funds but his $55,000 pension.

Let me conclude, Mr. Chairman, with these words from columnist Vermont Royster, on that question of "punishment" of Richard Nixon. As Royster recently wrote:

> The simple truth is that Richard Nixon has been punished for his transgressions, with a punishment no man can feel who has not been President of the United States. He did not merely lose an office. His life has been destroyed, his place in history sullied, his 40 years of public service smashed. He wears already the stigma of the outcast; the shame must haunt him forever. That he brought it on himself makes it no less a punishment.

Mr. Chairman, we can further "punish" this man, if we wish to so bow in the direction of a certain segment of public opinion, by our action on these two items.

I am a realist, so I know that, in the end, that may be what we will decide to do.

But, if that is the result, in my judgment we will not thus have brought credit to this House of Representatives.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. ROYBAL) a member of the Committee on Appropriations.

Mr. ROYBAL. Mr. Chairman, it is my intention to offer an amendment at the proper time that would increase the total amount recommended by the committee by $198.6 million. The largest portion of the full amount, or $76 million, would be added to title I. The $48 million of total restoration would go to part A to extend State formula grants. The remaining $28 million would reinstate in part special grants to urban and rural schools serving highly concentrated low income areas.

The second addition to be proposed is $5 million more than provided by the committee for title II of the Elementary and Secondary Education Act of 1965 as amended in fiscal year 1975. This program is designed to serve all children in the elementary and secondary schools of the country by providing an essential tool to every school in the form of a library and media center. It costs an average of $400,000 to set up an elementary school library media center serving up to 1,000 students. The $5 million we ask be added, therefore, would permit the establishment of 12½ libraries more than would the committee figure. In 1973, the Congress appropriated $100 million for title II. The committee, however, recommended $90.250 million, the same as provided in 1974. We are requesting $95.250 million which is $5 million less than appropriated by the Congress in 1973.

My amendment would further provide $62.6 million more than the committee recommended for Public Law 874 "B" pupil funding, thus bringing payments on behalf of children whose parents live or work on Federal property up to about 69 percent of the amounts they are entitled to under the authorizing statute as recently amended and reformed by the enactment of H.R. 69. The committee amount would provide about 58 percent of entitlement under the law.

The fourth category in which we seek an increase over the committee's recommendation is in the State grant program serving the special and costly educational needs of handicapped children. The budget recommendation was for $47.5 million and the committee raised this by $60 million. Our amendment would increase it by $25 million, bringing the total amount to $85 million in fiscal year 1975. We are also requesting an increase of $30 million above the committee recommendation of $70 million for 1976, which would bring the program for 1976 to the full funding level.

The full amount requested in the amendment is $198.6 million above the amounts recommended by the committee. As to the inflationary effects of either the committee amounts or the additions we propose in our trillion dollar economy, we must take into consideration the fact that the Director of the Office of Management has stated that to reduce the inflationary rate two-tenths of 1 percent would require a reduction of $6 billion in Government spending. If we were to reduce in its entirety all of the education programs of HEW from this budget, that is what the inflationary impact of a cut of that magnitude would entail.

The truth of the matter is that one would have to use the economic equivalent of an electron microscope to measure the inflationary impact of the increase to this budget which I am proposing.

This amendment, Mr. Chairman, has the bipartisan support here in the peoples' House. It is supported also by the National Education Association, the National School Board Association, the American Federation of Teachers, the AFL–CIO, UAW, the American Library Association, American Association of School Administrators, Council for Exceptional Children, the Committee for Full Funding of Educational Programs, the Council of the Great City Schools, Council of Chief State School Officers, and the Association of American Publishers.

Mr. VEYSEY. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from California.

Mr. VEYSEY. I thank the gentleman for yielding.

Mr. Chairman, I am very happy to join with my distinguished colleague from California and a member of the Committee on Appropriations in offering this amendment to the bill before us.

I think he has very correctly identified the areas in education which appropriately need additional funding at this time. He has correctly pointed out the impact of inflation in eroding the substance from our schools, and we have a very real responsibility to provide relief in that matter.

Also, I think he has correctly identified that additions of this type in the educational program cannot be considered inflationary. They do not consume scarce fuel or steel or copper or aluminum or food. It is cost-push pressures on these scarce commodities which is causing over inflation, and we should look most carefully at appropriations which consume these scarce commodities.

I certainly join in support of the amendment, which follows:

Roybal-Veysey Amendment

On page 5, strike out the paragraph beginning on line 17 extending down through line 11 on page 6 and substitute in lieu thereof:

"For carrying out, to the extent not otherwise provided, Part A of title I ($3,743,300,000), Part C of title I ($28,000,000), title III ($125,000,000), title IV, Parts B ($137,330,000) and C ($172,888,000), title V, Parts A and C ($39,425,000), and title VII of the Elementary and Secondary Education Act; sections 822 and 823 of Public Law 93–380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III–A ($15,000,000) of the National Defense Education Act of 1958, $4,264,643,000: *Provided*, That of the amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Part A ($1,898,750,000) and title IV Part B ($137,330,000), and Part C ($172,888,000) of the Elementary and Secondary Education Act and section 417 (a) (2) of the General Education Provisions Act ($1,250,000). For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $656,016,000, of which $573,416,000, including $43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 70 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools: *Provided further*, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act. For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, $284,609,000: *Provided*, That of this amount $100,000,000 for part B shall become available July 1, 1975, and shall remain available through June 30, 1976. For carrying out, to the extent not otherwise provided, the Adult Education Act of 1966, except section 309A, $126,638,000: *Provided*, That of this amount $63,319,000 shall become available for obligation on July 1, 1975 and shall carrying out title II of the Elementary and remain available through June 30, 1976. For Secondary Education Act, $95,250,000."

Mr. MICHEL. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. Talcott).

Mr. TALCOTT. Mr. Chairman, chapter I of this bill has three provisions. The first is important because of the urgency involved.

Recently we passed the new Housing Act which completely revises the grant program for the local communities. The new grant program goes into effect on January 1, less than 100 days from today. We have included $2,129,625,000 which when added to funds already appropriated equals the budget request for $2.5 billion for grants to the communities and for the special transitional fund required by the Secretary of Housing and Urban Development.

Only last Friday the Secretary assured good news, because the influx of these the Nation at the Economic Summit that he will have this new grant program in operation before January 1. That is funds will help boost the economy in the already distressed housing industry.

Our committee has very carefully examined the budget request and we have determined that we cannot cut this request without harming the smaller communities across America. This is because the statutory "hold-harmless" entitlements and the formula grants for urban areas and communities within SMSA's comes right off of the top of the appropriation.

The first $1.8 billion appropriated goes to the urban areas and only what is left over after that can be split among the smaller communities. Therefore, the big cities, which have long since been renewed, and in many cases re-renewed, will escape any cuts which might be made in this appropriation. But the smaller communities, and particularly the rural communities which most need the funds, will have to bear the full suffering of any cuts which are made.

The second provision in chapter I does not appropriate any new funds, but it is very important to one of the segments of our population hardest hit by inflation. The elderly, most of whom are living on fixed incomes, have found their buying power eroded, and their standard of living lowered by inflation. One of the most serious problems they face is finding adequate housing at reasonable cost. We have provided authority for the Secretary of Housing and Urban Development to use remaining balances to continue section 202 housing for the elderly or handicapped. We estimate that this will make nearly $115,000,000 available for loans in the current fiscal year under the revised section 202 program.

Section 202 is one of the best and most effective housing programs ever established by the Congress. It is aimed at meeting the special needs of the elderly and the handicapped, and it has done remarkably well in meeting that goal. Unlike many discontinued housing programs, section 202 has been remarkably free of scandal and default. It is our most appreciated Federal housing program.

This program, which allows direct loans to nonprofit organizations for the construction of housing for the elderly, has been revised to meet current economic pressures. The old 3-percent rate on loans is gone, and the new rate will be based on the current Treasury borrowing rate plus the administrative costs. Through the years this program has been a first class investment of the tax dollar. Our Nation must meet its obligation to the elderly to provide them with decent, safe housing, and this program is one of the best means of meeting that obligation.

The final provision in chapter I does not make any new appropriation. It merely allows the National Science Foundation to transfer up to $5 million in already appropriated funds to the National Aeronautics and Space Administration and the Department of Housing and Urban Development. This provision is necessary for development of demonstration projects of solar heating and cooling systems, and for the preparation of comprehensive plans authorized by the Solar Heating and Cooling Demonstration Act of 1974.

Many of those who participated in the economic summit pointed out that the energy crisis the Nation is facing has had a major effect on current double-digit inflation. Until we are truly independent of energy imports to meet our own domestic needs we will face the prospect of inflationary pressures being brought on by price changes made at the whims of foreign exporters. When we successfully harness solar energy the United States will have made a major step toward the era of energy independence.

I urge the approval of title I.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the chairman of the Subcommittee on Treasury, Post Office, and General Government, the gentleman from Oklahoma (Mr. STEED).

Mr. STEED. Mr. Chairman, I rise to make some comment on the matter of the very controversial Presidential transition items that are contained in the bill.

It happened that the subcommittee of which I am chairman had the responsibility of dealing with this matter.

I want the House to know that I am eternally grateful to every member of that subcommittee for the fact that they all attended all sessions, and they all participated in the very detailed hearings. I am immensely proud of the record we made on this subject. That record is in the printed hearings.

Mr. Chairman, I will say that any Member who really wants to hear the whole story of the PTA and the FPA items in this bill, I am sure, can find all the pertinent information he wants in our hearings and in the report on this bill. This was made possible because of the fine spirit of cooperation I enjoyed from all the members of the subcommittee, and especially from the ranking minority member, the gentleman from New York (Mr. ROBISON), who addressed the House a few moments ago.

I want to express my appreciation publicly to all of them for working so faithfully and so well, particularly in view of the very bitter and controversial matter involved. It is one that is highly emotional. It is connected with a public opinion angle that could mean some penalties to be invoked on some of the members in the election that is to come up in a few weeks.

Mr. Chairman, this controversy was not one of our making. I think we have dealt with it in the fairest and most objective way possible. If it had not been for the sacrifices of my colleagues and the cooperation I was able to receive from my colleagues on the committee, we would not be able to present this matter here today in this form—and this is a credit, I think, to the House—and makes it possible for the House to work its will on this matter.

We think we have complied with the mandate of the two acts of Congress under which these items are presented.

I think one of the proudest things that has happened to the country during all the years I have been chairman of this subcommittee has been the treatment we have given in the matter of Presidential transition, Presidential libraries, and national archives for the preservation of the historic and priceless records of our many Presidents. I think that anybody who has ever visited a Presidential library or who has ever had occasion to search its records and the files of former Presidents will say that this has been a wonderful and fine investment in the public welfare, and that the Congress was very wise and very farsighted when it passed the laws that made this possible.

Mr. Chairman, I think the very fact that the President we are now discussing in a matter of such controversy will make the papers that he leaves behind probably more important, more valuable, and more to be sought after than those of some other Presidents.

I hope that the Members of the House will keep in mind that we are here really basically dealing with not a matter involving the man, but a matter that involves a public equity in a period of history. It was estimated that there are about 42 million pages of material to be treated if this matter is to be properly dealt with. There is no way that the true value of these documents can be preserved for posterity unless we have the cooperation of the man who created them.

There are a number of other items that are being legislated on in this supplemental bill, and all of these things will be answered in due time, but I am sure that the best way to make sure that all of this works in a way that all of my colleagues in the House would prefer would be to approve what the committee has suggested here today. I think that this will be the fairest answer with which to live, and I believe that it is one that every Member of the House can live with. It is one that I believe will take care of the public equity and need in a very difficult situation.

I have no election problems myself, and if I could I would shoulder all of the burden and penalty of this controversy that must be borne by any of my colleagues, and I would do so gladly because I think that this is a correct and equitable way for the American people to deal with these items. To do otherwise, I think, would be to make a serious mistake, and one that might humiliate us, and our remembrances in the future, if we were to fail to understand and see what is involved here.

I think, too, that the recent publicity throughout the country resulting from the public hearings of the committees in the House and Senate has straightened out a lot of these issues in the minds of the public. I think my colleagues can take some comfort in the fact that the whole Nation has highly appreciated what we are doing in dealing with an individual so that they will better react to our actions if we do what is suggested here.

I also want to commend my friend, the gentleman from New York, on his remarks concerning this very controversial matter.

I know my colleagues will agree on what is the best thing to do, and I urge that they adopt the course recommended by the committee.

Mr. Chairman, I think it might be helpful to Members of the Congress as well as to the general public, to include as a part of my remarks, the language contained in the committee's report which summarizes the basis of the committee's recommendation to the House on this highly emotional and controversial matter:

GENERAL SERVICES ADMINISTRATION

EXPENSES, PRESIDENTIAL TRANSITION

The Committee recommends an appropriation of $245,000, a reduction of $205,000 below the request. These funds were requested under authority of the Presidential Transition Act of 1963 (3 U.S.C. 102 note.)

The funds under the Presidential Transition Act of 1963 were requested for an 11-month period rather than the 6-month period specified in the Act. The Committee pro-rated this request and limited the availability of the funds to six months (to remain available until February 9, 1975), and allowed six-elevenths of the amount requested.

The Committee took cognizance of the fact that the Presidential Transition Act of 1963 authorizes the detail (for not exceed six months) of personnel from any agency of government to a former President, with or without reimbursement to such agency. The Committee was informed that twenty-one persons are now on detail to former President Nixon and that no arrangements have been agreed upon concerning reimbursement to the detailing agencies. While the Committee is not aware of the length of these details, it is understood that the total annual salaries of these persons is in excess of $440,000.

The Committee understands that the following agencies have detailed to former President Nixon the numbers of personnel indicated: White House Office—13; Department of Defense—5; Department of the Interior—2; General Services Administration—1.

Funds appropriated to this account will not be available to the former President for his personal use. These funds are appropriated to the General Services Administration and that organization will provide services and facilities to the former President for the purpose of winding down the affairs of his office.

The principal items authorized by the Presidential Transition Act of 1963 to be made available to a former President by the Administrator of the General Services Administration are listed below:

(1) Suitable office space, appropriately equipped and furnished;

(2) Compensation of members of office staff;

(3) Payment of expenses for procurement of services of experts and consultants;

(4) Payment of travel expenses and subsistence allowances;

(5) Payment of communications, postage, printing and binding expenses.

The Committee was informed by the Administrator of General Services that all funds obligated under this appropriation would be reviewed by a GSA certifying officer to insure that such expenditures were in accordance with the Act and such expenditures would again be reviewed by the Administrator of General Services himeslf. All expenses will be subject to further review by the General Accounting Office and a detailed accounting of all obligations will be reported to the Committees on Appropriations of the House and Senate.

These funds will be used in sorting out the former President's papers, and handling the correspondence and other communications following him from the White House. The papers of the former President must be screened for confidentiality and national security, classified, cataloged, and decisions made concerning historical value. The Committee was informed that approximately forty-two million pages of such material must be processed. In addition, the Committee was also informed that over 350,000 letters are awaiting response.

Finally, it must be noted that this appropriation is on a one-time basis and the funds available under this appropriation are available for a period of only six months following the end of a President's term of office.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

The Committee recommends an appropriation of $153,000, a reduction of $247,000 below the request.

These funds were requested under the authority of the Former Presidents Act of 1958, as amended (3 U.S.C. 102).

This appropriation provides $55,000 for the pension for former President Nixon for the remaining 11 months of this fiscal year. This amount will be transferred to the Secretary of the Treasury who is responsible for making payments under the law.

The Committee disallowed in its entirety the $110,000 requested for construction of a vault and related security. The Committee felt that the circumstances surrounding the papers and tapes have not at this time been clarified sufficiently to determine what should be done by way of providing permanent storage and security. When the Special Prosecutor and the courts have concluded their requirements for and interest in the tapes and papers of former President Nixon, the Congress could at that time determine the question of storage and security. The Committee feels that the papers and tapes should be maintained at their present locations with such security as may be appropriate until the Special Prosecutor and the courts have concluded their inquiries.

The Committee was assured that none of the funds appropriated under this act would be used to pay for legal representation in any legal proceedings in which the former President may be involved.

The funds provided under this authority will become available under the Former Presidents Act of 1958 six months after the President left office on August 9, 1974, and will remain available until June 30, 1975.—[H. Report No. 1378, September 25, 1974]

Mr. MICHEL. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. VEYSEY).

Mr. VEYSEY. Mr. Chairman, I thank the gentleman from Illinois for yielding to me. I take this time to engage in a brief colloquy with the distinguished chairman of the subcommittee, the gentleman from Pennsylvania (Mr. FLOOD), relating to language in the report on page 11 where it refers to funds in title I, ESEA, included for evaluation and special studies required by the new law.

I am sure that the gentleman from Pennsylvania (Mr. FLOOD), will recall that one portion of the new law added by an amendment which I proposed, included a set-aside of one-half of 1 percent of title I funds for evaluation purposes. I want to make that matter entirely clear, that it is the intention of the committee in this language to set aside funds within this appropriation for the evaluation required in section 151 and other sections of Public Law 93-380.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, what the gentleman says is true. We thought the language that was inserted in the report would make that clear, but if the gentleman out of an overabundance of caution wants that to be clarified, let me say that that is the intention; it is the intention of the Committee on Appropriations to have the evaluation studies.

Mr. VEYSEY. I thank the gentleman from Pennsylvania for that clarification.

Then, Mr. Chairman, let me very quickly direct attention to two very significant and commendable points in this bill with respect to education, the committee has forward-funded the educational funding for next year. I am sure this will bring relief and much rejoicing on the part of every local educational agency in the public schools in the United States. These institutions have labored for a number of years in the past in trying to outguess us in the Congress to determine what their appropriations would in fact be as the year wore on without an appropriation offer. We did not get an appropriation for education into law until midyear or later. This will make it possible for schools to use the money more effectively and more rationally.

And then last, I would like to commend the subcommittee for including $11.6 million additional for bilingual education. This is a very important program in my portion of the country where the numbers of Spanish speaking run high. I have been involved in bilingual education since its inception. I think it is a magnificent program with fine results. I appreciate very much the committee funding it in that additional way.

Mr. MICHEL. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, I take this time to ask the chairman of the Committee on Appropriations about the item on page 3 under the title National Science Foundation, and the transfer of $5 million from the National Science Foundation for the Solar Heating and Cooling Act of 1974. Where did the National Science Foundation get $5 million that could be grabbed and put into another program?

Mr. MAHON. If the gentleman will yield, I should like to point out that early in the year the gentleman will remember we passed a special Energy Appropriation bill. We put together the energy items that were in various departments of the Government, and put them in a single bill. The total was in excess of $2 billion. This provides that $5 million from those funds, which we provided in the earlier appropriation bill, may be utilized for solar energy demonstrations that are authorized by the Solar Heating and Cooling Demonstration Act of 1974.

As the gentleman knows, the gentleman from Massachusetts (Mr. BOLAND), is chairman of the subcommittee recommending this item.

Mr. GROSS. Before my time runs out, what did the committee do—just overstuff by $5 million the National Science Foundation?

Mr. MAHON. If the gentleman will yield further, this is all research money, and this makes it available for the purposes of the new law.

Mr. GROSS. It does not make any difference what the purpose. What did the committee do—give them $5 million too much?

Mr. MAHON. No.

Mr. GROSS. Evidently they did, if the gentleman can justify reaching in and giving $5 million away.

Mr. MAHON. The purpose of these funds is to develop solar and other forms of energy. The language in the bill enables funds to be utilized as authorized by new legislation.

Mr. GROSS. It does not make any difference; the committee gave them $5 million. Obviously they gave them $5 million more than they needed because the gentleman is reaching in now taking $5 million away.

Mr. MAHON. It is a matter of priorities.

Mr. GROSS. The transfer is not authorized; is it?

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Indiana.

Mr. ROUSH. I thank the gentleman for yielding.

The Solar Heating and Cooling Demonstration Act of 1974 specifically authorizes the use of $5 million by HUD and $5 million by NASA for solar demonstration purposes. This language merely implements that particular section of that law. We are not providing additional funds; we are providing for the transfer of $5 million to NASA and HUD from the $50 million provided earlier for solar energy research. This will facilitate the most efficient usage of available funds.

Mr. GROSS. That may be, but obviously they have $5 million more than they needed, or the gentleman would not reach in and take it away from them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, I yield to the gentlewoman from New York (Ms. Holtzman) for a question.

Ms. HOLTZMAN. I appreciate the distinguished chairman's courtesy. I wish to ask him at this time whether there are any funds in this supplemental appropriation bill dealing with or for the use of the CIA.

Mr. MAHON. There are no funds in this bill for the Central Intelligence Agency. Those funds are carried in other legislation.

Ms. HOLTZMAN. I thank the chairman.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin (Mr. Obey), a member of the committee.

Mr. OBEY. Mr. Chairman, I doubt that I will take the 3 minutes. I just want to outline very briefly the contents of the amendment I will offer tomorrow. The gentleman from California (Mr. Roybal) has already outlined an amendment which he will offer which is similar to mine, with a couple of exceptions.

Let me just explain what the committee did. The committee decided to raise Impact B funding to the tune of $253 million. They financed it in part by taking $85 million out of the budget.

My amendment will do two very simple things. It will take $85 million of the increase for Impact B and put $65 million of that right back into title I again where it came from in the first place, title I, for disadvantaged kids. In addition we will add $20 million in this fiscal year for State grant programs for educating handicapped kids and in fiscal year 1976 we will add an additional $30 million for handicapped kids.

The difference between this and the Roybal amendment is that I stay within the fiscal 1975 budget. He does not. He will add, as I understand it, more money above the committee level for impact aid. I reduce it somewhat and give that portion of the money back to the disadvantaged and handicapped children.

I would say I would perhaps agree with the gentleman from California (Mr. Roybal) and those who are offering his amendment at any other time, but I think I am a realist and being a realist I recognize if this bill goes $2 billion or $3 billion above the budget this year it will not get a Presidential signature, and I think it is more important to get real dollars out for local school districts than for us to pass a bill which we might prefer but which will not see the light of day.

Mr. MICHEL. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I am reminded of the remarks of the gentleman from New York (Mr. Robison) at the beginning of this debate having to do with the $398,000 of money involved in the transition of the former President and the relationship of that very small amount to the total $8 billion or more we are considering here in a supplemental appropriation bill. It is rather ridiculous to be making any comments here because they will get so little publicity in tomorrow's newspapers. I am reminded earlier in the year that when we had $32 billion in the HEW appropriation bill on the floor here, there was not one line in the Washington Post the following morning about the expenditure of $32 billion, but the second day there was a story with respect to the abortion amendment and busing and nothing about money. So it is a little bit discouraging when one really goes to the heart of what we are talking about, the $8 billion when we know full well the general American public will get nothing by way of publicity other than what they read in the Congressional Record.

I would like to address myself to a few of those items that do have something to do with other than the transition money and a few other extraneous issues.

We have money for health purposes and provisions, student loans, and we added $3 million in that item and in nursing student loans we added $3 million, offset with $3 million reductions in two items, so that we held pretty well to our budget level in the health services area.

The gentleman from California (Mr. Veysey) in his remarks a few moments ago made mention of the forward funding provided for in this bill, and the other day in a colloquy with the gentleman from Iowa (Mr. Gross), who is alarmed at the size and magnitude of this supplemental, I made the point that we were in this supplemental funding all of the items in the Elementary and Secondary Education Act that were not authorized by law until the President signed the new law, and the new law did provide, as did the budget, for not only appropriations for this coming year in the elementary and secondary education field but also a year advanced funding. I think that is good.

There are some who have advanced the argument that maybe to make their budget picture look better this year we ought to defer that item and go through the traces again next year, but that would be false economy. My own personal feeling would be if we had our "druthers" we ought to be voting out on education bills separately earlier in the year, apart from the health and welfare and other activities, so the education community would know how much money they are going to have further in advance of the fall session just beginning.

This supplemental now does provide for funding in the current fiscal year, plus the next fiscal year. I have a problem personally with the additional amount of money we put in here for impacted aid, because my personal feelings would be against adding any money for impacted aid and if there were any increases maybe deserving, it would be in the area of title I.

I would have hoped, for example, that with the new legislation we would have had a transition kind of figure phasing out the impacted aid and then taking up where the new legislation goes on; but that was not the case.

I think the subcommittee, supported by the full committee, was just being very practical, knowing of the many Members in this House who themselves have impacted aid districts and funds coming to their districts, who would roll up on the floor here if we held to that budget figure; so notwithstanding there being several hundred millions of dollars over the budget, I think it is justifiable in view of the practical situation that confronts us.

I might say, too, that when we get to this area of education, let us not forget what the States and local communities are doing by way of general revenue sharing funds that have gone out to the States.

I checked just recently and in the first year and a half State and local communities have obligated $687 million from their general revenue-sharing funds in the field of education and this ought to be taken into account.

Some have expressed some concern over the level of bilingual education of $70 million; but do not be too distressed about that figure of $70 million as being too low. I have made the point time and time again when the regular bill was on the floor of the House, we have a number of other programs all written throughout this bill that have to do in some form with bilingual education.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICHEL. Mr. Chairman, I will yield myself whatever balance of time I have.

The CHAIRMAN. The gentleman from Illinois has 4 additional minutes remaining.

Mr. MICHEL. Mr. Chairman, I will yield myself that amount of time.

Mr. Chairman, as I recall, we have as of last year in the different items in this bill some $108 million or $109 million having to do with bilingual education, so I am not too concerned about the fact in this particular bill under that title it only shows an item of $70 million.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Iowa.

Mr. GROSS. History tells us that in the years gone by in this country when it was open for development, the immigrants came to this country, rolled up their sleeves and went out and developed this country, or at least contributed very largely and substantially to it. I do not suppose there was one single dime appropriated by the Federal Government on bilingual programs, yet they learned to speak English.

Mr. MICHEL. Well, I know exactly what the gentleman is talking about. I came from a family in which both German and French were spoken; one of my parents having come to this country from the old country and making the point time and time again that if he wanted to be an American, he would have to learn English, the language that was accepted in this country.

We have had a spirited argument in the committee, particularly the gentleman from Massachusetts (Mr. CONTE) inquiring as to why if bilingual education has to be taught, why do we not treat the Italians the same and the Mexicans and the Spanish. Now we have court decisions having to do with those of Chinese ancestry.

I think the gentleman makes a good point, but we are just at that stage in this country where we look at the figures and many of those find themselves in low-income brackets because they have not been able to assimilate the language.

Therefore, it is a program that the Congress has authorized, and I guess we are going to have to fund it to the best of our ability.

In the area of education for the handicapped, I think it should be mentioned that we have a significant increase here of $12½ million, and that for the future funding aspect of this item, we will be increasing the budget amount by another $10 million.

Mr. Chairman, there are several unique factors which should be taken into account in considering the requests for funds to cover expenses associated with the unprecedented nature of the transition.

First, Nixon's resignation was sudden and unplanned in contrast to President Johnson's termination from office in which he had 9 months—March 1968–January 1969—to prepare for an orderly transition.

Before leaving office, L. B. J. had an office especially designed and fully equipped at a cost of $776,000. Nixon's office at San Clemente cost $723,000.

Most of Mr. Johnson's records were sorted, packaged, crated, and transported to Austin before he left office. Archives liaison costs during the 9-month period are estimated at $244,000, compared to about $102,000 for the 9 months before President Nixon's resignation.

Johnson was able to draw on resources of White House staff and the agencies within his administration.

With all this, Johnson still received $375,000 in Presidential transition funds.

Second, there were numerous expenditures for former President Johnson which were covered in other accounts, but were requested in the $850,000 amount prepared by GSA for former President Nixon.

In the first 18 months of President Johnson's transition, $136,000 was for supplies, equipment, and communications expenses which was budgeted under the now defunct appropriation for "Operating Expenses, Public Buildings Service."

President Johnson was provided use of military aircraft which were assigned at Bergstrong AFB and included a small jetstar-type aircraft, a Convair jet, and helicopter support.

Third, the unprecedented circumstances concerning President Nixon's termination from office have created many additional requirements above those faced by former President Johnson. While the full dimensions of these requirements have yet to be determined, the evidence to date suggests substantial increases—even setting aside increased prices.

During Johnson's 18-month transition period, about 115,000 pieces of incoming mail were received, compared to 500,000 already on hand for Mr. Nixon.

The Johnson papers totaled about 31 million pages, compared to 42 million for Mr. Nixon.

The workload, both in terms of quantity of papers and mail and the need for immediate attention, is well above that faced by former President Johnson. For example, mail received by former President Nixon is already considerably above that received during the entire 18 months of the Johnson transition. The volume of records is up 30 percent.

Mr. Chairman, I think that just about covers the remarks the gentleman from Illinois has to make.

Mr. ANDREWS of North Dakota. Mr. Chairman, educators in North Dakota are absolutely opposed to any reduction in funding for title III of the National Defense Education Act. They are at a point now in the acquisition of audio-visual equipment and materials where schools need more money to improve instructional methods—not less.

To demonstrate the dimension of those needs, here is a letter I received from the North Dakota Department of Public Instruction deploring the proposed $13.5 million reduction in title III funding for fiscal 1975:

> While all are in accord that every effort should be made to support the President's efforts to slow down the rate of inflation, the approaches, measures, and actions should be fair and equitable. Action such as proposed by the (House Labor-HEW) Subcommittee at this time is in no manner justifiable.

The letter points out that if the reduction in the appropriation to $15 million is permitted to stand, North Dakota will receive only $64,236 in fiscal 1975. This compares with a 1974 allotment of $122,043. Moreover, the Department of Public Instruction has projected a need for a Federal allotment of $340,000 in fiscal 1975—almost five times what it will receive if the House Appropriations Committee version of H.R. 16900 is enacted into law.

I regard the reduction in funding to be a very serious blow to the educational requirements of North Dakota, if not to the schools of the entire Nation. I support all efforts to fund the program at $28.5 million as proposed in the recently submitted fiscal year 1975 budget by President Ford.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, I want to address a point that really has not been touched upon in terms of the moneys involving the Presidential Transition Act. Most of the efforts to reduce those sums have been directed at moneys other than the pension that is to be paid the President for his service as the President.

I will introduce an amendment directed only at the moneys that have been set aside to reward the President for his service during the years he served as the President. A pension, in my understanding, is to be awarded as a result of a recognition of meritorious and honorable service. I would ask every Member of this House, if he or she had been confronted with a vote upon impeachment, how he or she would have voted. Those who would have said that they would have voted to impeach the President, I would think, should they have come to a judgment that his service was not meritorious, neither was it honorable, and therefore the condition precedent to a pension did not exist.

I would further ask, would the Members in fact vote a pension for honorable service to a President who had committed felonious criminal acts during the terms of his presidency? I would think the answer would universally be, "No, of course we would not vote a pension to a President who had committed criminal acts while a President of the United States."

Yet, there is no question that this President committed criminal conduct while he was President of the United States, and it was for that reason that the present President extended him a pardon and that he accepted it. There was a recognition on both of those parties' part that criminal conduct had been committed by Richard Nixon while he was President of the United States. That would seem to me to preclude his being awarded a pension.

We in this House of Representatives will be accorded only this one opportunity to present our judgment on record as to what we think of the nature of the service that Richard Nixon rendered as President of the United States. There will be no other opportunity to cast a vote on that subject unless someone introduces a resolution of impeachment.

It is my belief that those of us who believe that this President should have been impeached, and that those of us who agree that the pardon was an unwarranted act, are to be almost committed to a vote to deny the President a pension for meritorious and honorable service as a President of the United States. His conduct and his service was not meritorious. It was unworthy. It was not honorable; it was dishonorable, and we ought to reflect our judgment on that aspect by this vote, because history will record the President's judgment as his not having been involved in such conduct. I think our opinion would only be given in this one instance.

Mr. MAHON. Mr. Chairman, as has been pointed out, this bill provides for appropriations in excess of $8 billion. It is large because earlier in the year we did not have the necessary authorization in order to provide for certain items in the normal manner in the regular annual appropriation bills.

Most of the money provided in this bill has been handled through the subcommittee headed by the gentleman from Pennsylvania (Mr. Flood) and relates to health, education, and welfare.

Large sums of money are involved in the bill which relate to the work of the subcommittee which has jurisdiction over programs of the Department of Housing and Urban Development, headed by the gentleman from Massachusetts (Mr. Boland). Other subcommittees dealt with other important subjects in the bill.

Tomorrow, or whenever the bill is read for amendment, these matters will be, of course, discussed in some detail, and we are aware that certain amendments are pending and will be offered.

Available to all of the Members are the committee report and hearings. I am hopeful that this general debate will be adequate under all of the circumstances, because of the urgency of time. We have to get this bill to the other body if there is going to be a chance for a markup and passage by the other body and a conference, so that we can send this bill to the President for signature before October 11.

Mrs. SCHROEDER. Mr. Chairman, I rise in support of the amendment offered by Representatives Roybal and Veysey to increase by $198.6 million five programs authorized under the Elementary and Secondary Education Act.

We have heard much talk in recent days about the need to exercise fiscal restraint in the fight against inflation. There is merit in this suggestion, but we must be selective in our task. We simply cannot afford to cut programs such as education which in a real sense are an investment in our Nation's future. Indiscriminate, across-the-board cuts which fall with equal weight on all programs without regard to their demonstrated need will not cure inflation, but they will destroy the very programs that are necessary to keep our Nation functioning while we find comprehensive solutions to our economic problems. Unfortunately, the economic crisis is being used by many—both within the administration and without—as an excuse for cutting back on vital social programs. The budget does need to be cut, but the cuts must come in wasteful and unproductive areas. I am sure my colleagues will agree that there are many. For example, in the fiscal year 1975 defense appropriations bill we have just given the Pentagon $320.6 million for F-11 and A-7D airplanes that even the Defense Department said they did not want. This one unchallenged item in the bloated defense budget makes the $198.6 million we are asking here for the education of our children seem puny indeed.

The Roybal-Veysey amendment calls for a $48 million increase in the title I compensatory education program, $28 million for the important part C grant program to schools serving areas with the highest concentration of children from low-income families. The committee bill provides no funds for the part C program. Part B impact aid, whose entitlement was drastically reduced by the committee, is increased by $62.6 million to bring funding up to 69.9 percent of the entitlement level. Title II school library services are increased by $5 million. Finally, the State grant program of education for the handicapped is increased by $55 million, with $25 million earmarked for fiscal year 1975 and $30 million for fiscal year 1976.

U.S. Office of Education statistics show that although there has been a 400,000 decline in student enrollment since last year, inflation has driven up the total cost of running the Nation's schools by $11 billion. These skyrocketing costs are forcing many districts to cut back on student-faculty ratios and teacher salaries, programs for students with special needs, book purchases, and even heating. With our schools in such straits, we cannot renege on our Federal commitment to assist education.

I would like to bring to my colleagues attention the following Newsweek article which describes the bleak situation faced by school districts throughout the country.

High Cost of Schooling

If any rusty pipes turn up in the public schools of Los Angeles this year, they simply won't be replaced. "We're on a breakdown program," sighs George McMullen, director of the city's school budget. "We'll count on those rusty pipes not leaking for another twelve months." Education officials in Jackson, Miss., will go ahead with repairs on faulty building roofs, but it will cost them $400,000—nearly double the estimates they were given last year. Shoppers at Chicago-area retail stores are finding that the prices of school supplies have risen as much as 50 per cent since last September; even a mundane plastic protractor now costs 29 cents, up a full dime. In Pembroke, Mass., Mary Teeven's nine children all wanted new school clothes this year, but they—like thousands of others— will live with thrift-shop bargains. "They've just had to do without," says Mrs. Teeven sadly.

As millions of children across the nation went back to school last week, administrators, parents—and taxpayers—were confronted in vivid terms with the skyrocketing cost of education. School districts everywhere face whopping increases in their most basic costs—from maintenance services to teachers' salaries. For parents, the price of schooling mirrors with disturbing accuracy the steady surge in the cost of living; the barest necessities of a schoolchild's existence—clothes, pencils and paper—are suddenly far more expensive than ever before. This week, the U.S. Office of Education released statistics that should confirm the most pessimistic taxpayer's worst suspicions: even though enrollment in the nation's schools has declined by 400,000 since last year, the total cost of educating the 58.6 million now in class will come to $11 billion more (graph).

Virtually everything is more expensive this year. The American Pad and Paper Co. reports that last year's 69-cent notebooks now cost $1.08 each, and that ruled filler paper is up to $1.76 from $1.02. School officials in Prince Georges County, Md., have found that the price of their heating oil has risen from 13 cents to 31 cents a gallon. The Wagner Elementary School in suburban Chicago will pay $10.50 for its daily fifteen dozen half pints of milk this year—as compared to $6 last year. In McComb, Miss., where the school district purchases paper in bulk for its classrooms, last year's supply cost $3,000; this year, the same amount costs $9,400.

Pruning: In a desperate effort to reduce their costs without cutting quality, some districts are pruning school "frills"—and even some basic services. Los Angeles officials have cut back janitorial functions so far, says budget chief McMullen, "that the halls may not be so clean and the sixth-grade classroom just may not get swept out at the end of each day—it's very sad." The Atlanta school board has simply merged one of its five districts into the others—saving an estimated $100,000 in administrative and staff salaries. And until New York City came up with $45.8 million in emergency funds for its schools last week, authorities were seriously considering elimination of the jobs of many assistant principals, a curtailment of after-school activities and a drastic cutback in the number of remedial reading teachers, guidance counselors and gym teachers on their payrolls.

Other school districts have been less lucky. Education officials in Detroit, for example, frankly describe this year's finances as a "suicide budget." They are unable to fund any experimental programs at all, and they have had to cut their book-buying budget from a 1971 high of $7.2 million to only $4.5 million this year. In Washington, D.C., where the average cost of educating a public-school pupil has risen by $110 (to $1,336) since last year, the squeeze has meant the end of special education for handicapped children. The drop in students might have been expected to free extra money, says budget director Ed Winter, "but as fast as we get ahead on students, we fall behind on costs."

Many of the schools' financial officers are convinced that costs will be even higher next year. Some districts are reluctantly planning to close down neighborhood schools where declining enrollment has made merger feasible; others are simply trying to find more money. The Milwaukee board of education is currently at work on its budget for next year, and expects to seek a tax increase near 30 percent to keep the schools viable. "This," says board president Ronald San Felippo, "is simply the worst fiscal outlook we have ever faced."

Mr. DINGELL. Mr. Chairman, with regard to the establishment of an appropriation level for the 202 program for elderly housing, I have read the committee report with great interest. I assume from this that loans from this previously appropriated revolving fund are to be made at 3 percent, the statutory interest rate which was applicable at the time this money was appropriated.

Certainly it was not the intent of Congress to affect the already appropriated revolving fund when it authorized additional appropriations of $800 million for the 202 housing program. Congress intended for HUD to lend the existing revolving fund, which contains at least $115 million, at 3 percent interest per annum without any further appropriation action by Congress. This interpretation of the 1974 Housing Act is further buttressed by Judge Waddy's recent decision in Co-operative Services, Inc. against HUD in the U.S. district court here in the District of Columbia where he rejected HUD's argument that the 1974 Housing Act precluded HUD from spending this previously appropriated revolving fund.

Mr. Chairman, I insert in the Record at this point, Judge Waddy's order of September 20; HUD's motion to dismiss and Cooperative Services, Inc.'s opposition to it:

[U.S. District Court for the District of Columbia, Civil Action No. 74-831]

COOPERATIVE SERVICES, INC., et al., Plaintiffs versus U.S. DEPARTMENT of HOUSING AND URBAN DEVELOPMENT, et al., Defendants.

Order

Upon consideration of defendants' motion to dismiss, and the memoranda of points and authorities in support thereof and in opposition thereto, and it appearing that the enactment of the Housing and Community Development Act of 1974, Public Law 93-383 (August 22, 1974) does not moot or otherwise foreclose this Court's duty to determine the merits of plantiffs' claims and that plaintiffs' complaint states a claim upon which relief can be granted, it is by the Court this 20th day of September, 1974,

ORDERED that defendants' motion to dismiss be, and the same hereby is, denied.

Joseph C. Waddy,
U.S. District Judge.

[U.S. District Court for the District of Columbia, Civil Action No. 74-831]

Cooperative Services, Inc., et al., Plaintiffs, versus U.S. Department of Housing and Urban Development, et al., Defendants.

Motion To Dismiss

Come now the defendants by and through their attorney, the United States Attorney for the District of Columbia, and move the Court to dismiss this complaint for its failure to state a claim upon which relief can be granted in that plaintiff seeks relief directly contrary to the recently enacted Housing and Community Development Act of 1974, Public Law 93-383, signed into law by the President on August 22, 1974.

A copy of the Act, pertinent pages of the Conference Report, a memorandum of points and authorities in support of this motion, and a proposed order are attached hereto.

Earl J. Silbert,
U.S. Attorney.
Arnold T. Aikens,
Assistant U.S. Attorney.
Paul M. Tschirhart,
Assistant U.S. Attorney.

[U.S. District Court for the District of Columbia, Civil Action No. 74-831]

Memorandum of Points and Authorities in Support of Motion To Dismiss

Cooperative Services, Inc., et al., Plaintiffs, versus U.S. Department of Housing and Urban Development, et al., Defendants.

Defendants' motion to dismiss the complaint for the failure to state a claim, filed pursuant to Rule 12(b) Federal Rules of Civil Procedure, should be granted for the following reasons:

I. Defendants Are Prohibited By Law From Making Loans Under Section 202 Of The Housing Act.

Plaintiffs herein seek declaratory and injunctive relief against defendants' alleged refusal to process, approve, implement and fund applications for section 202[1] of the Housing Act ("the Act"). Plaintiffs acknowledge the limitation imposed by Congress as to "the full amount of funds authorized and appropriated by the Congress." (Complaint, prayer for relief p. 14)

Section 202(a)(4)(c) of the Housing Act of 1959, as amended by section 210(d) of the Housing and Community Act of 1974, Public Law 93-383, signed by the President on August 22, 1974, reads:

"Amounts in the fund shall be available to the Secretary for the purpose of making loans under this section and for paying interest on obligations issued under subparagraph (B). The aggregate loans made under this section in any fiscal year shall not exceed the limits on such lending authority established for such year in appropriation Acts."[2]

Thus the Department of Housing and Urban Development (HUD) is prohibited from making loans under section 202 until the HUD appropriation act for fiscal year 1975 is enacted and the limit on HUD's lending authority under section 202 is established. Since neither of these events has occurred, HUD is without authority to make the loans which plaintiffs seek.[3]

Further illustration of the intent of Congress to limit the amount of loans in HUD's appropriations acts is provided by the pertinent section of the Conference Report, H. Rep. No. 93-1279, 93d Cong. 2d Sess. (August 12, 1974) a copy of which is enclosed as Defendants' Exhibit 2. Congress must authorize an aggregate amount for loans made in any fiscal year under the revised Act. Thus irrespective of the merits or lack thereof in plaintiffs' suit, the Court should not compel defendants to take action in excess of their Congressionally delegated authority.

II. The Court Should Apply The Law In Effect At The Time Of Its Decision.

That plaintiffs filed suit prior to the Act's amendment does not affect the duty of the Court to apply the law now in effect. It is well-established that Congress' intent is to be carried out in pending cases absent statutory direction or legislative history to the contrary. *Bradley* v. *School Board of City of Richmond*, 42 L.W. 4703 (May 15, 1974); *Thorpe* v. *Housing Authority of the City of Durham*, 293 U.S. 268, 281 (1968); *United States* v. *La Franca*, 282 U.S. 568, 576 (1931). This rule was first enunciated by Chief Justice Marshall in *United States* v. *Schooner Peggy*, (Branch 103, 110 (1801), as follows:

"[If] subsequent to the judgment and before the decision of the appellate court, a law intervenes and positively changes the rule which governs, the law must be obeyed, or its obligation denied. If the law be constitutional . . . I know of no court which can contest its obligation."

Another exception to the rule requiring new Acts to be given immediate effect on pending cases arises when such application would work a manifest injustice. This exception has been construed to obtain only where a right to benefits under prior law had matured or become unconditional. Thus, in *Bradley, supra*, the Supreme Court held that an award of attorney's fees would be based on a statute enacted after services were rendered and while the propriety of the award was pending in the appellate court. The Court in considering whether retrospective application of the statute would constitute "manifest injustice" stated at page 4710:

"The second aspect of the Court's concern that injustice may arise from retrospective application of a change in law relates to the nature of the rights affected by the change. The Court has refused to apply an intervening change to a pending action where it has concluded that to do so would infringe upon or deprive a person of a right that had matured or become unconditional. (citations omitted). We find here no such matured or unconditional right affected by the application of § 718. It cannot be claimed that the publicly elected School Board had such a right in the funds allocated to it by the taxpayers. These funds were essentially held in trust for the public, and at all times the Board was subject to such conditions or instructions on the use of the funds as the public wished to make through its elected representatives."

An applicant for a loan under Section 202 of the Housing Act of 1959 likewise has no matured or unconditional right to funds appropriated for the purposes of this Act. Accordingly, there is no manifest injustice in applying the amended act in the instant case. In addition, since plaintiffs do not have any matured or unconditional rights to be affected, application of the amended act to pending applications does not even constitute retrospective application of the statute. See *Lohf* v. *Casey*, 330 F. Supp. 356 (D. Colo. 1971) *aff'd*, 466 F. 2d 618 (10th Cir. 1972).

Wherefore, defendants pray that their motion to dismiss be granted.

Earl J. Silbert,
U.S. Attorney.
Arnold T. Aikens,
Assistant U.S. Attorney.
Paul M. Tschirhart,
Assistant U.S. Attorney.

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[1] Plaintiffs also seek relief against supposed recriminations against any of their number, a completely speculative prayer without basis in fact or law.

[2] A copy of this section of the Act is enclosed as Defendants' Exhibit 1.

[3] The HUD 1975 appropriation bill, H.R. 15572, was passed by Congress on August 22, 1974 but as of this date has not been signed by the President. The bill contains no additional appropriation for section 202. Also, since the lending limit prescribed by Public Law 93-383 is not contained in this bill, HUD remains without authority to make loans under the Act.

[U.S. District Court for the District of Columbia, Civil Action No. 74-831]

Cooperative Services, Inc., et al., Plaintiffs, v. U.S. Department of Housing and Urban Development, et al., Defendants.

Plaintiffs' Opposition to Defendants' Motion To Dismiss

This suit was brought to challenge the impoundment of funds for the Section 202 program (to house the elderly and handicapped). At the time the suit was brought, the Section 202 revolving fund in the United States Treasury was credited with more than 100 million dollars—all of which had been made available by the Congress for Section 202.

In August 1974, the Congress passed and the President signed into law the Housing and Community Development Act of 1974, which makes some changes in Section 202. The 1974 Act eliminates the need for future annual appropriations for Section 202; it authorizes the Secretary of HUD to borrow $800,000,000 from the Treasury to create a new fund from which to make Section 202 loans. The 1974 Act specifies that loans made from the $800,000,000 fund "in any fiscal year shall not exceed the limits . . . established for such year in Appropriation Acts."

Using these facts, defendants argue that this suit should be dismissed. That argument is entirely without merit.

Defendants' argument assumes that the only money now available for Section 202 is the $800,000,000 and urges that the suit is premature as to that because Congress has not established a limit on the authority to lend that money. Even if defendants were right in focusing on the $800,000,000, they would be wrong in considering this suit premature. The first stumbling block in the path of anyone seeking a 202 loan is HUD's expressed refusal to make 202 loans; this suit asks the Court to rule on the legality of that refusal. In similar situations, courts have determined the illegality of a refusal to spend even where subsequent action would be required to make the spending possible.[1]

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[1] In this respect, this case is much like Local 2677, A.F.G.E. v. Phillips, 358 F. Supp. 60, 66-67 (1973), where Judge Jones held:

"Courts do not require that an injury be complete before they will adjudicate the issues. The present case is no abstract disagreement over policies which have not as yet affected the plaintiffs in a concrete way. The controversy is so concrete that a delay in judicial consideration would work extreme hardship on plaintiffs."

Thus, even if this suit concerned only the 1974 Act fund it would not be premature.

But the shortest answer to the motion to dismiss is that the 1974 Act on which it is based is irrelevant to the $100,000,000 in the pre-existing Section 202 Loan Fund.[2] That

It is probable that this language was included in the Act because of § 401 (a) of the Congressional Budget Act of 1974, Pub. L. 93-344 (July 12, 1974), which specifies that:

"It shall not be in order in either the House of Representatives or the Senate to consider any bill . . . which provides new spending authority is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts."

money had accumulated in the years 1969–1974 because of HUD's refusal to make any 202 loans. We ask the Court to declare the illegality of that refusal, and direct that that fund be used in accordance with the intention of Congress, to provide housing which the elderly desperately need.[3]

For the foregoing reasons, defendants' motion to dismiss should be denied.

Florence Wagman Roisman,
Attorney for Plaintiffs.
Arnold C. Sternberg,
Of Counsel.

Mr. REUSS. Mr. Chairman, with regard to the establishment of an appropriation level for the 202 program for elderly housing, I agree with the gentleman from Michigan (Mr. Dingell). I assume from the report that loans from previously appropriated revolving funds will continue to be made at 3 percent, the statutory interest rate which was applicable at the time this money was appropriated.

Certainly it was not the intent of Congress to affect the already appropriated revolving fund when it authorized additional appropriations of $800 million for the 202 housing program. Congress intended for HUD to lend the existing revolving fund, which contains at least $115 million, at 3 percent interest per annum without any further appropriation action by Congress. This interpretation of the 1974 Housing Act is further buttressed by Judge Waddy's recent decision in *Cooperative Services, Inc.* v. *HUD* in the U.S. District Court here in D.C. where he rejected HUD's argument that the 1974 Housing Act precluded HUD from spending this previously appropriated revolving fund.

Mr. BADILLO. Mr. Chairman, I am pleased to note the $70 million for bilingual education, double the administration's original budget request, in the supplemental appropriation we are considering today.

After having advocated over the years a vastly expanded Federal role in this important program, I was deeply disturbed when the administration submitted its budget for fiscal 1975 with only $35 million in bilingual education funds. That same level of funding allowed only 110,000 children to participate in federally supported title VII classes in 1973 out of an estimated total of 5 million children in this country's schools with serious deficiencies in English.

Hoping to focus attention on this abysmally inadequate budget request, we held oversight hearings in the general Subcommittee on Education in March during which a succession of witnesses testified to the plight of those children who fail in school—and often in life—because of inability to understand the language of instruction. After 5 days of persuasive testimony, HEW Under Secretary Carlucci testified on the final day of the hearings that the Department would seek to double its original budget and that it would also attempt to obtain $5 million for civil rights enforcement and advisory services in connection with implementation of bilingual education programs.

Though $70 million for the program and $5 million for enforcement still fall far short of the need, Mr. Speaker, it is significant that we were able to reverse an executive tendency to downgrade the program and begin to work for an annual expansion of Federal support for bilingual/bicultural education in the interests of equal opportunity for all of America's young people.

Mr. QUIE. Mr. Chairman, I plan to vote for the Obey amendment but if that does not prevail indicating that this body wants to add $198.6 million to the supplemental appropriation bill by supporting the Roybal-Veysey amendment, I shall offer an amendment which would transfer the $62.6 million proposed for import aid over and above last year's appropriation to part B of the Handicapped Act. It is my belief that a far greater need exists for increased appropriations for those suffering from physical, mental, and emotional handicaps than for the children of Federal employees who pay taxes in their local communities—the category B students.

The amendment is as follows:

Amendment Offered By Mr. Quie
CHAPTER II

On page 6 line 16, amend to read as follows: "$593,416,000, of which $573,416,000, including $43,000,000"

On page 7, lines 21 and 22, amend to read as follows:

"the Education of the Handicapped Act $318,109,000: Provided, That of the amount $110,000,000 for part B shall"

Mr. BOLAND. Mr. Chairman, this chapter contains $2,179,625,000 for the new community development grant program authorized by the recently passed Housing Act. When this amount is added to the $320,375,000 provided in the 1975 HUD appropriation bill for model cities and urban renewal programs, a total of $2,500,000,000 will be available to implement the new community development program.

This is the full amount requested for both community development grants and special transition funds. It is our hope that when the new block grant program gets under way next January 1, it will meet the legislative objective of providing communities with a flexible funding mechanism to put this money to work where it is most needed.

The new housing bill also reestablished the section 202 housing for the elderly program. The new law requires the approval of lending limits in an appropriation act. To meet this requirement, the committee has recommended language that will, in effect, authorize previously appropriated funds to be used to implement the new legislation. It is estimated that the elderly and handicapped fund currently has approximately $115,000,000 available for lending purposes.

The section 202 housing for the elderly program has always been strongly endorsed by this committee. We have repeatedly urged that it be resumed. The language recommended in this bill will permit HUD to go ahead with a revised program without further delay.

Finally, the committee has recommended language in this chapter authorizing the National Science Foundation to transfer up to $5,000,000 to NASA and HUD to implement the recently enacted Solar Heating and Cooling Demonstration Act. The special energy appropriation bill provided $101,800,000 for a NSF-sponsored direct energy research program, including $50,000,000 for solar research. These funds are sufficient to inaugurate the early work required to get this vital solar demonstration program under way, and the language recommended in the bill provides the necessary vehicle to make use of the special energy appropriation for this purpose.

Thank you Mr. Chairman.

Mr. MAHON. I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Wright, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include tables and other extraneous material on the bill just debated.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMUNICATION FROM THE DOORKEEPER—SUBPENA DUCES TECUM IN CASE OF COMMON CAUSE, ET AL., VERSUS E. T. KLASSEN, ET AL.

The SPEAKER laid before the House the following communication and subpena from the Doorkeeper of the House, which was read and ordered to be printed:

Washington, D.C., *September 12, 1974.*

Hon. Carl Albert,
The Speaker,
U.S. House of Representatives.

Dear Mr. Speaker: A subpoena duces tecum issued by the United States District Court for the District of Columbia naming Mr. Eli S. Bjellos, Chief, House Publications Distribution Service, of the Office of the Doorkeeper of the U.S. House of Representatives, was received by certified mail (No. 773579) on September 10, 1974 and signed for by Mr. Frank Bechtel, an employee of the Office of the Doorkeeper of the U.S. House of Representatives, commanding Mr. Bjellos to appear in the office of Mr. Kenneth J. Guido, Jr., Common Cause, 2030 M Street, Washington, D.C. 20036 on October 3, 1974 at 1:00 p.m. to testify in the case of Common Cause et al., v. E. T. Klassen, et al. in Civil Action No. 1887–73 and to bring all documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the monthly work units of the Publications Distribution Service from January 1, 1967 through the date of this subpoena. Also to bring all documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the Publications Distribution Service for the period from December 1, 1973 to the date of this subpoena, and to bring all documents, correspondence, memoranda, and other writings or copies thereof, which relate to or reflect the manner of, or handling of mass mailed matter, including, but not limited to instructions on the handling of Congressional newsletters for the period from December 1, 1973 to the date of this subpoena. The subpoena was issued on application of Mr. Kenneth J. Guido, Jr., for plaintiff, Common Cause.

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[2] The critical language of § 210 (d) of the 1974 Act is:

"The aggregate loans made under section in any fiscal year shall not exceed the limits on such lending authority established for such year in appropriation Acts."

[3] This need is illustrated by the attached affidavits of the individual plaintiffs.

The subpoenaed material that Mr. Bjellos is commanded to bring are records of the U.S. House of Representatives.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

William M. Miller,
Doorkeeper,
U.S. House of Representatives.

[U.S. District Court for the District of Columbia, Civil Action No. 1887–73]

Common Cause, et al., Plaintiff, Versus E. T. Klassen, et al., Defendant

To: Eli S. Bjellos, Chief, House Publications Distribution Service, B–241 Longworth House Office Building, Washington, D.C. 20515

You are hereby commanded to appear in (this court) (the office of Kenneth J. Guido, Jr., Common Cause, 2030 M Street, N.W., Washington, D.C. 20036) to give testimony in the above-entitled cause on the 3 day of October, 1974, at 1:00 o'clock p.m. (and bring with you) all letters, records, correspondence, documents, communications or other writings described in the attachment to this subpoena *duces tecum*, unless turned over to Plaintiffs' counsel prior to deposition.

James F. Davey,
Clerk.

Attachment

1. All documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the monthly work units of the Publications Distribution Service from January 1, 1967 through the date of this subpoena.

2. All documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the Publications Distribution Service for the period from December 1, 1973 to the date of this subpoena.

3. All documents, correspondence, memoranda, and other writings or copies thereof, which relate to or reflect the manner of, or handling of mass mailed matter, including, but not limited to instructions on the handling of Congressional newsletters for the period from December 1, 1973 to the date of this subpoena.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT—SUBPENA DUCES TECUM IN CASE OF COMMON CAUSE, ET AL. VERSUS E. T. KLASSEN ET AL.

The SPEAKER laid before the House the following communication and subpena from the chairman of the Committee on Standards of Official Conduct, which was read and ordered to be printed:

Washington, D.C., *September 12, 1974.*

Hon. Carl Albert,
The Speaker,
U.S. House of Representatives.

Dear Mr. Speaker: A subpena duces tecum issued by the United States District Court for the District of Columbia naming Mr. John M. Swanner, Staff Director, Committee on Standards of Official Conduct of the U.S. House of Representatives, was received by certified mail (#773584) on September 10, 1974 and signed for by Mr. William F. Arbogast, an employee of the Committee on Standards of Official Conduct of the U.S. House of Representatives commanding Mr. Swanner to appear in the office of Mr. Kenneth J. Guido, Jr., Common Cause, 2030 M Street, Washington, D.C. 20036 on October 10, 1974 at 1:00 p.m. to testify in the case of Common Cause et al., v. E. T. Klassen, et al. in Civil Action No. 1887–73 and to bring:

All complaints concerning possible violation of the franking statute, and attachments thereto, or copies thereof, brought to the attention of the Committee and all memoranda or other writings or copies thereof which relate to or reflect the disposition of these complaints.

All advisory opinions and attachments thereto, or copies thereof, which relate to the mailing or contemplated mailing of franked mail, issued to any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing persons, or other House of Representatives officials, their agents or employees.

All letters, memoranda or other writings, and attachments thereto, or copies thereof, which relate to or reflect information, guidance, assistance, advice or counsel given in connection with the mailing or contemplated mailing of franked mail.

All formal or informal correspondence, or copies thereof received by the Committee requesting information, guidance, assistance, advice or counsel in connection with the mailing or contemplated mailing of franked mail.

All informal opinions and attachments thereto, or copies thereof, issued by the Committee concerning use of the franking privilege.

All regulations or proposed regulations or copies thereof, governing the proper use of the franking privilege by any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing, or other House of Representatives official, entitled to send mail as franked, or any employee or agent of any and all of the foregoing persons.

The material subpoenaed constitutes the official records and papers of the Committee on Standards of Official Conduct, a duly constituted standing Committee of the U.S. House of Representatives.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

Melvin Price,
Chairman, Committee on
Standards of Official Conduct.

[U.S. District Court for the District of Columbia, Civil Action No. 1887–73]

Common Cause, et al., Plaintiff, Versus E. T. Klassen, et al., Defendant

To: John M. Swanner, Staff Director, House Committee on Standards of Official Conduct, 2360 Rayburn House Office Building, Washington, D.C. 20515.

You are hereby commanded to appear in (this court) (the office of Kenneth J. Guido, Jr. Common Cause, 2030 M Street, N.W., Washington, D.C. 20036) to give testimony in the above-entitled cause on the 10th day of October, 1974, at 1:00 o'clock p.m. (and bring with you) all letters, records, correspondence, documents, communications or other writings described in the attachment to this subpoena *duces tecum*, unless turned over to Plaintiffs' counsel prior to deposition.

James F. Davey,
Clerk.

Attachments

1. All complaints concerning possible violation of the franking statute, and attachments thereto, or copies thereof, brought to the attention of the Committee and all memoranda or other writings or copies thereof which relate to or reflect the disposition of these complaints.

2. All advisory opinions and attachments thereto, or copies thereof, which relate to the mailing or contemplated mailing of franked mail, issued to any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing persons, or other House of Representatives officials, their agents or employees.

3. All letters, memoranda or other writings, and attachments thereto, or copies thereof, which relate to or reflect information, guidance, assistance, advice or counsel given in connection with the mailing or contemplated mailing of franked mail.

4. All formal or informal correspondence, or copies thereof received by the Committee requesting information, guidance, assistance, advice or counsel in connection with the mailing or contemplated mailing of franked mail.

5. All informal opinions and attachments thereto, or copies thereof, issued by the Committee concerning use of the franking privilege.

6. All regulations or proposed regulations or copies thereof, governing the proper use of the franking privilege by any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing, or other House of Representatives official, entitled to send mail as franked, or any employee or agent of any and all of the foregoing persons.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMISSION ON CONGRESSIONAL MAILING STANDARDS—SUBPENA DUCES TECUM IN CASE OF COMMON CAUSE, ET AL. VERSUS E. T. KLASSEN, ET AL.

The SPEAKER laid before the House the following communication and subpena from the chairman of the Commission on Congressional Mailing Standards, which was read and ordered to be printed:

Washington, D.C.,
September 16, 1974.

Hon Carl Albert,
The Speaker, U.S. House of Representatives,
Washington, D.C.

Dear Mr. Speaker: A subpoena duces tecum issued by the United States District Court for the District of Columbia naming Mr. Victor C. Smiroldo, Staff Director and Counsel, House Commission on Congressional Mailing Standards, was received by certified mail (No. 773587) on September 10, 1974, and signed for by Mrs. Patty Purdue, an employee of the Committee on Post Office and Civil Service of the U.S. House of Representatives commanding Mr. Smiroldo to appear in the office of Mr. Kenneth J. Guido, Jr., Common Cause, 2030 M Street, NW, Washington, D.C. 20036, on October 17, 1974 at 1:00 p.m. to testify in the case of Common Cause, et al. v. E. T. Klassen, et al, in Civil Action No. 1887–73 and to bring:

All complaints concerning possible violation of the franking statute, and attachments thereto, or copies thereof, brought to the attention of the Commission and all memoranda or other writings or copies thereof which relate to or reflect the disposition of these complaints.

All advisory opinions and attachments thereto, or copies thereof, which relate to the mailing or contemplated mailing of franked mail, issued to any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing persons, or other House of Representatives officials, their agents or employees.

All letters, memoranda or other writings, and attachments thereto, or copies thereof, which relate to or reflect information, guidance, assistance, advice or counsel given in connection with the mailing or contemplated mailing of franked mail.

All formal or informal correspondence, or copies thereof received by the Commission requesting information, guidance, assistance, advice or counsel in connection with the mailing or contemplated mailing of franked mail.

All informal opinions and attachments thereto, or copies thereof, issued by the Commission concerning use of the franking privilege.

All regulations or proposed regulations or copies thereof, governing the proper use of the franking privilege by any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing, or other House of Representatives official, entitled to send mail as franked, or any employee or agent of any and all of the foregoing persons.

The material subpoenaed constitutes the official records and papers of the House Commission on Congressional Mailing Standards, a duly constituted special Commission of the U.S. House of Representatives.

The subpoena in question and the check representing statutory fees therefor are forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

MORRIS K. UDALL,
Chairman, Committee on Congressional Mailing Standards.

[U.S. District Court for the District of Columbia, Civil Action No. 1887–73]

COMMON CAUSE, ET AL., PLAINTIFF, VERSUS E. T. KLASSEN, ET AL., DEFENDANT

To: Victor C. Smiroldo, House Commission on Congressional Mailing Standards, 207 Cannon House Office Building, Washington, D.C. 20515.

You are hereby commanded to appear in the office of Kenneth J. Guido, Jr., Common Cause, 2030 M Street, N.W., Washington, D.C. 20036, to give testimony in the above-entitled cause on the 17 day of October, 1974, at 1:00 o'clock p.m. (and bring with you) all letters, records, correspondence, documents, communications or other writings described in the attachment to this subpoena duces tecum, unless turned over to Plaintiffs' counsel prior to deposition.

JAMES F. DAVEY,
Clerk.

ATTACHMENT

1. All complaints concerning possible violation of the franking statute, and attachments thereto, or copies thereof, brought to the attention of the Commission and all memoranda or other writings or copies thereof which relate to or reflect the disposition of these complaints.

2. All advisory opinions and attachments thereto, or copies thereof, which relate to the mailing or contemplated mailing of franked mail, issued to any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing persons, or other House of Representatives officials, their agents or employees.

3. All letters, memoranda or other writings, and attachments thereto, or copies thereof, which relate to or reflect information, guidance, assistance, advice or counsel given in connection with the mailing or contemplated mailing of franked mail.

4. All formal or informal correspondence, or copies thereof received by the Commission requesting information, guidance, assistance, advice or counsel in connection with the mailing or contemplated mailing of franked mail.

5. All informal opinions and attachments thereto, or copies thereof, issued by the Commission concerning use of the franking privilege.

6. All regulations or proposed regulations or copies thereof, governing the proper use of the franking privilege by any Member of the House of Representatives or Member-elect, surviving spouse of any of the foregoing, or other House of Representatives official, entitled to send mail as franked, or any employee or agent of any and all of the foregoing persons.

COMMUNICATION FROM THE OFFICE OF THE MAJORITY LEADER—SUBPENA DUCES TECUM IN CASE OF COMMON CAUSE, ET AL. VERSUS E. T. KLASSEN, ET AL.

The SPEAKER laid before the House the following communication and subpena from the Office of the Majority Leader, which was read and ordered to be printed:

WASHINGTON, D.C., *September 16, 1974.*

Hon. CARL ALBERT,
The Speaker, U.S. House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: A subpoena duces tecum issued by the United States District Court for the District of Columbia naming Dr. David Ramage, House Majority Clerk, House Majority Room of the U.S. House of Representatives, was received by certified mail (#773589) on September 10, 1974 and signed for by Mr. Ramage, commanding him to appear in the office of Mr. Kenneth J. Guido, Jr., Common Cause, 2030 M Street, Washington, D.C. 20036 on October 23, 1974 at 1:00 p.m. to testify in the case of Common Cause, et al., v. E.T. Klassen, et al., in Civil Action No. 1887–73 and to bring all documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the printing or preparation of Congressional Newsletters or News Releases by the House Majority Room from December 31, 1973 through the date of this subpoena. Also, to bring all documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the House Majority Room in printing or preparing Congressional Newsletters or News Releases provided between December 31, 1973 and the date of this subpoena. The subpoena was issued on application of Mr. Kenneth J. Guido, Jr., for plaintiff, Common Cause.

The subpoenaed material that Mr. Ramage is commanded to bring are records subject to the control of the House of Representatives.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

THOMAS P. O'NEILL, Jr.

[U.S. District Court for the District of Columbia, Civil Action No. 1887–73]

COMMON CAUSE, ET AL., PLAINTIFF VS. E. T. KLASSEN, ET AL., DEFENDANT

To: David Ramage, House Majority Clerk, House Majority Room, Rayburn House Office Building, New Garage WA29, Washington, D.C.

You are hereby commanded to appear in (this court) (the office of Kenneth J. Guido, Jr., Common Cause, 2030 M Street, N.W., Washington, D.C. 20036) to give testimony in the above-entitled cause on the 23 day of October, 1974, at 1:00 o'clock p.m. (and bring with you) all letters, records, correspondence, documents, communications or other writings described in the attachment to this subpoena duces tecum, unless turned over to Plaintiffs' counsel prior to deposition.

JAMES F. DAVEY,
Clerk.

ATTACHMENT

1. All documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the printing or preparation of Congressional Newsletters or News Releases by the House Majority Room from December 31, 1973 through the date of this subpoena.

2. All documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the House Majority Room in printing or preparing Congressional Newsletters or News Releases provided between December 31, 1973 and the date of this subpoena.

COMMUNICATION FROM THE MINORITY LEADER OF THE HOUSE—SUBPENA DUCES TECUM IN THE CASE OF COMMON CAUSE, ET AL., VERSUS E. T. KLASSEN, ET AL.

The SPEAKER laid before the House the following communication and subpena from the office of the minority leader which was read and ordered to be printed:

WASHINGTON, D.C., *September 18, 1974.*

Hon. CARL ALBERT,
The Speaker,
House of Representatives.

DEAR MR. SPEAKER: A Subpoena duces tecum issued by the United States District Court for the District of Columbia naming Mr. Thomas J. Lankford, House Minority Clerk, House Minority Room of the U.S. House of Representatives, was received by certified mail (#773588) on September 12, 1974 and signed for by Mr. Russell J. Fillion, an employee of the House Minority Room of the U.S. House of Representatives, commanding Mr. Lankford to appear in the office of Mr. Kenneth J. Guido, Jr., Common Cause, 2030 M Street, Washington, D.C. 20036 on October 25, 1974 at 1:00 p.m. to testify in the case of Common Cause, et al. vs. E. T. Klassen, et al., in Civil Action No. 1887–73 and to bring all documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the printing or preparation of Congressional Newsletters or News Releases by the House Minority Room from December 31, 1973 through the date of this subpoena. Also, to bring all documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the House Minority Room in printing or preparing Congressional Newsletters or News Releases provided between December 31, 1973 and the date of this subpoena. The subpoena was issued on application of Mr. Kenneth J. Guido, Jr., for plaintiff, Common Cause.

The subpoenaed material that Mr. Lankford is commanded to bring are records which are under the control of the U.S. House of Representatives.

The subpoena in question is forwarded herewith and the matter presented for such action as the House in its wisdom wishes to take.

Sincerely,

JOHN J. RHODES,
Minority Leader,
U.S. House of Representatives.

[U.S. District Court for the District of Columbia, Civil Action No. 1887–73]

COMMON CAUSE, ET AL., PLAINTIFF VERSUS E. T. KLASSEN, ET AL., DEFENDANT

To: Thomas J. Lankford, House Minority Clerk, House Minority Room, Rayburn House Office Building, New Garage WA26, Washington, D.C.

You are hereby commanded to appear in (this court) (the office of Kenneth J. Guido, Jr., Common Cause, 2030 M Street, N.W., Washington, D.C. 20036) to give testimony in the above-entitled cause on the 25th day of October, 1974, at 1:00 o'clock p.m. (and bring with you) all letters, records, correspondence, documents, communications or other writings described in the attachment to this subpoena *duces tecum*, unless turned over to Plaintiff's counsel prior to deposition.

JAMES F. DAVEY,
Clerk.

ATTACHMENT

1. All documents, correspondence, memoranda, worksheets and other writings, or copies thereof, which reflect or relate to the printing or preparation of Congressional Newsletters or News Releases by the House Majority Room from December 31, 1973 through the date of this subpoena.

2. All documents, correspondence, memoranda, and other writings, or copies thereof, including but not limited to books, records or receipts, which relate to or reflect a bill or payment for services provided by the House Majority Room in printing or preparing Congressional Newsletters or News Releases provided between December 31, 1973 and the date of this subpoena.

CONVEYING PHOSPHATE INTERESTS IN LAND IN POLK COUNTY, FLA., TO JOHN CARTER AND MARTHA B. CARTER—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 93–363)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H.R. 10626, a bill that directs the Secretary of the Interior to convey all phosphate interests of the United States in approximately 40 acres in Polk County, Florida to John Carter and Martha B. Carter upon payment of administrative costs and the fair market value of the phosphate interests.

Present law provides that phosphate interests of the United States shall be disposed of under a leasing system. The Congress and the Executive Branch have developed an alternative policy of selling phosphate and other mineral interests when the surface is not owned by the United States and when at least one of two criteria is met. The criteria are that the mineral interests have no value or that they interfere with development of the surface that is more beneficial than mineral development. This policy is carried out through private legislation on a case-by-case basis, and it is solely for the benefit and convenience of surface owners.

The instant case meets neither of the two criteria. The land is prospectively valuable for phosphates, and we know of no proposed use of the surface with which the mineral interest would interfere. The land is presently being used for grazing cattle.

At least six private bills have been enacted to convey reserved mineral interests in the 93rd Congress, and every one of them has met one of the criteria. There are presently several private bills still pending before this Congress. Also pending is the Administration's proposed "National Resource Lands Management Act", and a similar Senate-passed proposal, S. 424, which would give the Secretary of the Interior general authority to convey mineral interests to surface owners when one of the criteria is met. It is therefore clear that enactment into law of H.R. 10626 would conflict with established policy and would confuse our action on similar proposals in the future.

For these reasons I feel that the approval of H.R. 10626 would not be desirable.

GERALD R. FORD.

THE WHITE HOUSE, *September 30, 1974.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the message, together with the accompanying bill, be referred to the Committee on Interior and Insular Affairs, and ordered to be printed as a House document.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

NATIONAL HISTORICAL PUBLICATIONS ON PRESIDENTIAL AND OTHER PUBLIC DOCUMENTS

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, at a meeting on Friday, September 20, the National Historical Publications Commission, of which I am a member, adopted two resolutions concerning the disposition of official records and papers, including those of Presidents.

The NHPC, which is composed of the Archivist of the United States—who is a nonvoting member—the Librarian of Congress, one Senator, one Member of the House of Representatives, one member of the judicial branch of the Government, one representative of the Department of State, the Department of Defense, and two members of the American Historical Association, and two members appointed by the President of the United States, was established for the purposes of promoting the collection and publication of papers of outstanding citizens of the United States and other documents which may be important for the understanding and appreciation of the history of the United States.

Mr. Speaker, this morning, September 30, the Subcommittee on Printing of the Committee on House Administration held hearings on H.R. 16902, a measure I introduced with the distinguished gentleman from Idaho (Mr. HANSEN) on September 26, 1974, which would establish a special Commission to undertake a comprehensive study of the disposition and preservation of records and documents of both elected and appointed Federal officials.

During his testimony this morning, Dr. James B. Rhoads, Archivist of the United States, was asked to include the text of these resolutions in the hearing record. Because this is a matter of great interest to all of us, I insert in the RECORD at this point the text of these resolutions:

The first resolution adopted by the NHPC is as follows:

> The Commission urges the establishment by law of an independent national commission to make a careful and objective study of the disposition of the records and papers of elected and appointed officials of the Federal Government and to make appropriate recommendations to the President and the Congress with respect to this subject.

The second resolution reads:

> The National Historical Publications Commission states and affirms its continuing position that the other governmental units and the papers of present and former government officials having continuing value for research should be retained and maintained for the benefit of all who study the history of the United States.
>
> The Commission holds that official records and papers include handwritten and typewritten documents, motion pictures, television tapes and recordings, magnetic tapes, automated data processing documentation in various forms, and other records that reveal the history of the nation.
>
> In this regard, the Commission views with alarm the unprecedented provision contained in the agreement announced by the President on September 8, 1974, which requires the destruction of magnetic tapes or other materials of value for historical research, and calls for remedial action with respect to the aforementioned agreement.

GOLDEN JUBILEE FOR OUR LADY OF POMPEI PARISH

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, in Syracuse, N.Y., this weekend, a Catholic parish will celebrate its golden jubilee—50 years of involvement and contribution to the community. Our Lady of Pompei Parish, in the center of the city's largely Italian north side, is noted among other things for the enthusiastic theatrical productions of the "Pompeian Players" and for its Irish pastor of 42 years, Msgr. William L. Walsh.

Few milestones in life are as significant as a golden anniversary. It imparts a feeling of maturity and achievement and a firm confidence to face the future.

The buildings that comprise Our Lady of Pompei Church are a tribute to nearly three generations of parishioners. It was on April 19, 1924, that 1200 families of Italian ancestry were organized to form the original parish. The original pastor, Rev. John B. Robotti, led a drive which constructed a combination church and grammar school, costing over $135,000. In 1926, Father Filomeno Geremia began to organize the social and fiscal affairs of the young parish until the Depression in 1929, when even the interest payments on the mortgage were difficult to meet.

This period also saw the beginnings of a parish entertainment group, which has evolved into one of the most captivating amateur theater groups in the Northeast, the Pompeian Players. Assigned as an assistant 2 years earlier, Father William L. Walsh returned from graduate study in Washington, D.C., to assume the pastorate in 1932. His fluent Italian, his sympathy and understanding instilled in the parishioners a new sense of pride.

A highlight of his tenure was the huge banquet attended by more than 1,500 parishioners in 1945 to celebrate burning of the original mortgage.

In recognizing the achievements of this vital religious community, one group deserves special mention, the St. Anthony Society. Actually, this was a predecessor of the parish itself. In 1915, a group of concerned Catholic women and teachers took a special interest in the children of the newly arriving Italian immigrants. With the Patron Saint of Padua as their guide, these dedicated women volunteered their time to provide schooling and athletic activities for these children, relinquishing this role after the school was built, but still serving in many parish functions.

And through it all, Monsignor Walsh continued his quiet, effective spiritual leadership with the aid of a host of memorable assistants. Regardless of how long their tenure at Pompei, each felt that special feeling of togetherness and oneness with the people. Each felt completely at home there. This has always been that kind of parish.

LEGION COMMANDER ADDRESSES ISSUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER. Mr. Speaker, the new commander of the American Legion, James M. Wagonseller of Lancaster, Ohio, recently delivered an address before the New Jersey American Legion Convention which dealt with some of the issues facing our Nation today.

Commander Wagonseller's comments are timely and thought provoking. His speech includes comments on some of the legislative actions of the U.S. Congress and it spells out the position of the 7.5-million-member American Legion on issues relevant to the concerns of those we represent.

I enter this address into the RECORD so that we might have the opportunity to draw upon the American Legion's thoughts while we debate legislation before the Congress:

ADDRESS BY JAMES M. WAGONSELLER

My fellow American Legionnaires of the great department of New Jersey, it is good to be with you here in the Garden State at convention time for your new department leadership and the national commander seem to start our year of American Legion service almost together.

That spirit of togetherness is what I want to see throughout the American Legion this year as we seek to pull together, to work together and to stand to "be counted again for America," and for the American Legion.

I think all of America needs to pull together at this moment in our Nation's history for we have been divided for all too long, first over the long and costly war in Vietnam and more recently over the scandals, revelations and allegations that shook the Government.

Shaken though our Government was, it did not topple. There was no rioting in the streets, no bloodshed, no alerting of the armed forces, no military coup. In short, there was a dignified and orderly transition of power as provided by the Constitution and by the law of the land. This transition took place under unprecedented circumstances and it involved the highest office in the land and probably the most powerful position in the world.

To those, at home and abroad, who belittle our system of government and question its workability, I say take a look at the events of the past several months and show us a system that works better.

Too many people in these great United States seem bent on tearing down rather than building up, and I feel it high time we came to a turning point and put these wonderful United States of America back on the path of greatness. I believe it is a part of the destiny of the American Legion to help provide leadership for this resurgence of patriotism and of love of country, which is so essential to America today.

Former Soviet Premier Nikita Khrushchev once told us, the United States of America, that our grandchildren would live under communism. An undermining of American morale and the sapping of America's economic strength could be just as deadly as the destruction of America's armed might in making such a prediction come true.

The American Legion is dedicated to the proposition that this shall never happen. We propose to be in the forefront of those who labor to bring this great Nation out of the darkness of despair into the bright newness of tomorrow. We call not only upon American Legionnaires and auxiliary members, but upon all Americans, to unite firmly behind our new President—not in any partisan political endeavor, but in an all-American endeavor—to restore the faith and confidence of America's friends throughout the world and to renew the respect of our potential enemies.

As I told the delegates to our national convention in Miami Beach, possibly the most important element of national survival is the need to restore the national spirit of America. I see this as one of the American Legion's greatest challenges in the year ahead. I see the American Legion as being equal to the task.

This rebirth of the spirit of Americanism and of patriotism is not going to be accomplished by any one great dramatic stroke from the national level. The problem is far too complex for that and if it were to be accomplished that way, it would have been done long ago. This is going to have to be a grass roots movement that begins in the home communities served by local posts.

This is not a problem of today alone. It is a problem that has been with us since the founding days of the republic. The answer lies with the people, and patriots are made, not born.

Abraham Lincoln, whose presidency was during the most troubled period of American history, and as he toiled with the problems of his day and sought the answer to the question just who is the custodian of freedom and "what constitutes the bulwark of our liberty and independence," he answered himself this way:

"It is not our frowning battlements, our bristling seacoasts—our reliance is in the love of liberty which God has planted in us. Our defense is in the spirit which prized liberty as the heritage of all men."

And so I say to you today that the collective spirit of this country is the custodian of our present and of our future as a nation. Our President and our Government are only reflections of that spirit. It is you and me. It is our next door neighbor. It is the couple across the street. It is the sum total of what you and I, and he and she, and they, are doing by way of personal stewardship of the spirit of patriotism and love of country.

I have great faith in that future for I am surrounded by American Legionnaires and auxiliary members whom I know to be men and women who love this land and who dare to live for it—as we and our comrades once dared to die for it. Take this spirit into your home communities and make it live. From 16,000 sparks, that represent the 16,000 local posts of the American Legion, there will be rekindled the bright flame of patriotism that will insure the future of America—her ideals and her institutions—not just for our lifetimes, but for those of our children and our children's children.

As you know, we have just recently concluded our 56th annual national convention, and by convention resolution, more than 500 of them in various areas of American Legion interest and concern, we have reaffirmed our faith to the basic principle for which the American Legion was founded—for service to God and country.

We noted from the platform of that convention that another of the great challenges facing America and the American Legion in the period immediately ahead is that of maintaining the military strength of this country.

The clamor for cutting national defense spending comes from all sides, as does the call for a just and lasting peace. We of the American Legion believe these cries, coming from the same quarters, to be somewhat paradoxical. We who have known war, and we who are guided by the lessons of history, believe the best method of achieving peace is by maintenance of a reasonable degree of preparedness. Our convention addressed itself to that problem in no uncertain terms.

We reaffirmed our support of the triad concept which deals specifically with the modernization and readiness of our strategic forces and which, in brief, calls for the rapid development and procurement of the B-1 bomber, the improvement of Minuteman missile by replacement of Minuteman I and Minuteman II with Minuteman III, and development and production of the Trident submarine system.

This total system we believe to be necessary to provide an adequate American response to Soviet strategic arms developments, and we need them now.

It was a disappointment to the American Legion to see the 5-billion dollar slash in the defense budget by the United States Senate. We heartily agree with the comment of Senator John McClellan, chairman of the Senate Appropriations Committee, when in protesting further proposed cutting of defense spending, he said, "the $5-billion cut we've already made is not modest and not insufficient unless we're entered into a process of disarmament where we'll be a second rate power.

"We are living in a world of reality. The dangers are real, not fancied," the senator added.

We trust there will be no more cutting of defense expenditures and would even dare to hope that a House-Senate conference committee might restore some of the funds already deleted from the defense proposals which started from the administration as an $87.1-billion request, was pared by the House to $83.4-billion and more recently was reduced by the Senate to $82.1-billion.

If we can't afford to defend ourselves, and I mean against any eventuality, we can't afford anything.

We would be the first to concede that expenditures in all areas, from Federal Government spending to our own family budgets, are practically out of sight. Yet, there just has to be some "musts" on our shopping list and while these are food and shelter for the family, national security should, in our view, command equal priority on the Government's shopping list.

If we don't have our freedom, my friends, nothing else is worth having. America simply cannot afford to become a second rate power and the American Legion is as concerned as anyone about the rising costs of defense and everything else.

We see increasing manpower costs for the armed forces as being one of the areas of sharpest increase and we have endorsed the total force policy and urge the armed forces of the United States to fully implement that policy, not merely to pay lip service to it.

The total force concept visualizes making the reserve and national guard forces a part of our total combat ready force in being, and to do that we must see that the force is fully manned, completely equipped with modern weaponry, and trained to take their place along with elements of the active forces at a moment's notice.

This is one way we can realize a real economy in the maintenance of our armed forces and every economy is essential to insure that we are getting a dollar's worth of defense for every defense dollar expended.

Looking further to the maintenance of our armed forces should the present system prove incapable of keeping the manpower of the services at authorized levels, the American Legion calls for the retention of the selective service system so that it might be immediately available in time of national need.

The all-volunteer armed force is an ideal objective, but we don't want to be caught short with an ideal that didn't materialize in the event the need should ever again materialize.

While we concern ourselves with America's needs for adequate defenses, we also concern ourselves with the needs of America's defenders. We always have, and we always will be, concerned with a program of adequate benefits for America's veterans.

We were disappointed in the tactics used by the House of Representatives in utilizing a technicality to set aside the Senate-House conference committee version of a revised G.I. Bill of Rights for the Vietnam era veteran. This new bill would have provided the nearest thing to comparable benefits to those of World War II veterans for Vietnam era veterans seeking to further their education.

Our 1974 national convention adopted a resolution pledging our continuing support of the concept of tuition assistance for the Vietnam era veteran which we believe to be justified on the basis of experience with the original G.I. bill. That bill, as you will recall, has seen the cost of educational benefits returned to the Government many times over in increased taxation derived from the greater earning power of World War II veterans who had advanced educational opportunity.

We will continue to seek an equitable solution to the problem of the older veteran on a fixed income and caught up in the inflationary increases in the cost of living.

We shall continue our all out effort to insure that the Veterans Administration will be held inviolate "to care for him who shall have borne the burden of battle and for his widow and his orphan." We will, and you have my solemn pledge, continue to serve the cause of the American veteran as effectively in the days ahead as we have in days gone by.

We will bend every effort this year to reestablish the pattern of American Legion membership growth so we may maintain and improve upon the numerical strength we need to accomplish our objectives. Certainly we are not now weak but, as with every other organization which seeks to serve, we can always use added strength.

As you probably know from the extensive press coverage, I visited President Ford at the White House the other day. The President wanted to know where the American Legion stands today on the subject of amnesty for deserters and draft evaders, and said that our advice was sought to help him formulate a national policy concerning these individuals. I told the President that the American Legion does not seek revenge. What we do want is justice. We will not accept proposals for blanket amnesty being advocated in some quarters. We want a case by case determination by the appropriate military or civilian court concerning the guilt or innocence of those who would return to the mainstream of American life, and the penalties decreed by law meted out accordingly. This is our stand on amnesty—and to settle for anything less would be a gross insult to those who served.

As I asked the delegates in Miami, I now ask you to stand with me and "be counted again for America" in these and other ways in the year ahead.

Let us enter into this American Legion year, veterans of four wars united under the banner of the American Legion, pledged that together we shall have concern where there is lack of concern. We shall be committed where there is no commitment. We shall lead where there is no leadership.

AMENDMENT TO COMMITTEE REFORM BILL

The SPEAKER pro tempore. Under a previous order the House, the gentleman from Florida (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Speaker, on July 23 of this year, I announced on page 24809 of the CONGRESSIONAL RECORD that I along with my distinguished colleague from Pennsylvania, Mr. HEINZ, will offer an amendment to House Resolution 988 to establish a permanent Select Committee on Aging in the House.

In order to refresh my colleagues' memories as to the nature and substance of this amendment, I am once again publishing it, with the hope that it will receive the support of the House. The amendment will be offered to the Hansen substitute, House Resolution 1248, the Martin substitute, and to the select committee bill, House Resolution 988, as follows:

AMENDMENTS OFFERED BY MR. YOUNG TO H. RES. 988

Page 40, immediately after line 10, insert the following new paragraph:

"(f) There shall be in the House the permanent Select Committee on Aging, which shall not have legislative jurisdiction but which shall have jurisdiction—

"(1) to conduct a continuing comprehensive study and review of the problems of the older American, including but not limited to income maintenance, housing, health (including medical research), welfare, employment, education, recreation, and participation in family and community life as self-respecting citizens;

"(2) to study the use of all practicable means and methods of encouraging the development of public and private programs and policies which will assist the older American in taking a full part in national life and which will encourage the utilization of the knowledge, skills, special aptitudes, and abilities of older Americans to contribute to a better quality of life for all Americans;

"(3) to develop policies that would encourage the coordination of both governmental and private programs designed to deal with problems of aging; and

"(4) to review any recommendations made by the President or by the White House Conference on Aging relating to programs or policies affecting older Americans."

CONCERNING FACILITIES AND PAYMENTS APPARENTLY BEING MADE AVAILABLE TO RICHARD NIXON

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. HOLTZMAN) is recognized for 10 minutes.

Ms. HOLTZMAN. Mr. Speaker, I am introducing today a privileged resolution directing President Ford to inform the Congress about the nature and extent of governmental services, facilities and payments that are currently being made available to Richard Nixon, our ex-President, at taxpayers expense.

President Ford has asked the Congress to appropriate $850,000 to permit Richard Nixon to accomplish his transition to private life with a minimum of personal hardship and discomfort, and to enjoy the perquisites of a former President. Despite the fact that Congress has not yet approved any appropriation for Mr. Nixon, we have been receiving widespread and continuous reports from the press that Mr. Nixon has been the beneficiary of substantial and costly governmental largesse at the expense of the taxpayers.

In evaluating President Ford's request for $850,000 for Mr. Nixon, it seems to me imperative that the Congress know the nature and extent of all other governmental expenditures that have been made and are being made for Mr. Nixon's benefit. It is my understanding that complete information has not been made available to us.

For instance, we ought to know whether the White House, as has been reported, is donating personnel to Mr. Nixon whose salaries at an annualized rate amount to $340,000.

We ought to know whether the Government is paying Mr. Nixon's top aides an additional $40 per day in expenses.

We ought to know whether a personal maid and valet have been put at Mr. Nixon's disposal through the courtesy of the National Park Service.

We ought to know the extent to which Government planes and vehicles are being made available at no cost to Mr. Nixon or his family for personal use.

We ought to know whether our Defense Department is providing chauffeurs for Mr. Nixon's personal use.

We ought to know whether the office complex on Coast Guard property—formerly known as the "Western White House"—is being made available to Richard Nixon for his personal use without any charge and whether the maintenance and operational expenses of this office complex are being paid for by the taxpayers.

My resolution also asks for information regarding decisions to continue or to discontinue any of the services, benefits or facilities presently being made available to Richard Nixon at the taxpayers' expense and without congressional approval.

My resolution also requests information as to whether the Government will seek the return of the many valuable items belonging to the United States, which Mr. Nixon utilized or acquired while President and which are still in his possession. For example: the U.S. Government paid approximately $17,000,000 for improvements to Richard Nixon's properties at Key Biscayne and San Clemente. Many of these improvements may be removable. There are also recent reports that gifts from foreign countries enhance the rooms of Mr. Nixon's homes. Is the Government going to seek the return of these gifts?

We are all concerned about the problem of inflation and the need to trim excessive or unnecessary Federal expenditures. President Ford has expressed a strong desire to cut back the budget, particularly in the area of social programs. The American taxpayer is struggling under the burden of inflation and we must try our hardest to appropriate wisely in full knowledge of how much money is presently being spent.

In light of the fact that Mr. Nixon left office in disgrace and under the threat of certain impeachment, I do not think that he should be allowed to benefit at the expense of the overburdened American taxpayer, except to the minimum extent absolutely required by law. I, therefore, think it appropriate that we direct President Ford to make all the information requested available to Congress as soon as possible so that we may take it into account in considering appropriations for Mr. Nixon.

THIRTY YEARS OF OUTSTANDING SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Flood) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, this Sunday, October 6, one of the most outstanding clergymen in my congressional district will be honored by his congregation for 30 years of impressive service to his church and community.

I have known Rev. Jule Ayers for many years and I can attest to the many contributions he has made to both his church and the Wyoming Valley area. He has been a great help to me on numerous occasions. I consider him as a friend and a leader in our community.

All of us can be proud of Dr. Ayers because it is people like him that cement and bring a community together in search of better and more constructive lives.

I fully expect to join with his congregation this Sunday in honoring this fine gentleman and I also join with them and our community in wishing Dr. Ayers many more years of service in his ministry and to continue his fine works for the betterment of his fellowmen. At this point, Mr. Speaker, I include an article on Dr. Ayers that appeared in the Wilkes-Barre Times Leader and Record of September 26, 1974:

Congregation To Honor Rev. Dr. Jule Ayers

Rev. Dr. Jule Ayers, pastor of First Presbyterian Church, will be honored by the congregation at a reception October 6 at 11:30 a.m. immediately following the Sunday morning worship service.

Members of the congregation and Dr. Ayers's friends in the community are invited to attend the gathering to celebrate his 30th anniversary in the church and in the community.

Dr. Ayers came to Wilkes-Barre in 1944 after serving as an Army Air Force chaplain in World War 2. He has distinguished himself by his service to the church and the community, and to the state and national governing bodies of the Presbyterian Church. He has been a leader in the ecumenical movement in Wyoming Valley and received the Brotherhood Award of National Conference of Christians and Jews.

His personal ministry extends far beyond his own church and has earned him a wide reputation as friend and adviser. He gave hundreds of hours of work to the flood relief effort in Wyoming Valley after the 1972 flood in which his own church and home were inundated. Through his "Dialogue" program on local television he is known and listened to by a wide audience.

During the 30 years of his ministry he has guided the church in an enlarging and cooperative role in denominational and ecumenical activity. He serves actively on a number of church and community boards such as Ecumenical Enterprises, Inc., of which he is chairman: Osterhout Free Library, Meals on Wheels and Dial-A-Driver, and is vice moderator of Synod of the Trinity (Pennsylvania and West Virginia).

He has served as president of Family Service Association of Wyoming Valley, president of Wilkes-Barre Kiwanis Club, chairman of Citizens Advisory Committee for the Selection of a City Manager, and president of Wyoming Valley Council of Churches.

CONGRESSMAN BRADEMAS PRAISES SENATE VOTE TO HALT ILLEGAL U.S. AID TO TURKEY

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, on September 24, by an overwhelming bipartisan vote of 307 to 90, the House of Representatives approved an amendment to cut off all U.S. military aid or sales to Turkey until "substantial progress toward an agreement has been reached regarding military forces in Cyprus."

The amendment to the continuing appropriations resolution, was offered by our distinguished colleagues, the gentleman from New York (Mr. Rosenthal) and the gentleman from Delaware (Mr. du Pont).

Mr. Speaker, I am highly gratified to note that today, September 30, 1974, the Senate, by a similarly overwhelming bipartisan vote, approved a similar amendment to halt all U.S. military aid or military sales to any country which uses such supplies or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, or any agreement entered into under such acts.

Mr. Speaker, the purpose of the Senate amendment, which was offered by the distinguished Senator from Missouri, Senator Eagleton, is, like the Rosenthal-du Pont amendment, to make clear to the Department of State, with respect to its present policy of continuing U.S. military aid and sales to Turkey, which has used such supplies and services for aggressive purposes in Cyprus, that the law should be obeyed.

At the present time, the Department of State is in violation of those provisions of the Foreign Assistance Act and the Foreign Military Sales Act which make immediately ineligible for further U.S. military aid or sales countries which use such materials and services for other than defensive purposes, as Turkey is now doing in Cyprus.

Mr. Speaker, the question before the House and Senate on this matter has been whether or not Congress will permit the law of the land to be violated by the Department of State.

I am confident that when this matter comes back to the House of Representatives for further consideration the House will again insist on the rule of law, will again insist that the law, even if inconvenient to the Secretary of State, be obeyed.

Mr. Speaker, I congratulate the Senate on this significant action today.

Mr. Speaker, at this point in the Record I include several editorials on the subject of my remarks:

[From the Washington Post, Sept. 26, 1974]

Enforcing the Law on Aid to Turkey

The Ford administration is in an absolutely intolerable position in refusing to cut off military aid to Turkey. The Foreign Assistance Act requires such a cutoff if aid is used for other than defensive purposes. Majorities in both Houses of Congress believe, correctly, that Turkey has used American aid for improper purposes in conducting an invasion of Cyprus and in continuing a military occupation there, and that aid should therefore be halted. By Secretary of State Henry Kissinger's own admission, State Department lawyers accept this reading. Yet the Ford administration refuses to enforce the law. "It will have very adverse foreign relations consequences for an important ally," Dr. Kissinger lately explains, as though he were free to pick and choose among laws before deciding which of them it was convenient to observe at any given time.

The administration argues, of course, that whatever the legal merits, it would be a policy disaster to cut aid off. But here its case becomes soggier by the day. When the Turkish landing force finally rolled to a halt some six weeks ago, it may have made some sense to hope that the mere implied threat of an aid cutoff would push those troops back. There is no sign, however, that the administration wielded such a threat, or that the Turks understood one. Rather, the Turks seem to have gotten the idea that they could throw their weight around on Cyprus without fear of incurring any real American challenge. That is precisely why things have come to the present impasse. Dr. Kissinger said Monday at the United Nations that the real need on Cyprus is for a reduction of "armed forces." Quite true. He neglected only to add that one good way to bring this about is to follow U.S. law and turn off the aid with which these "armed forces" are sustained.

Having heard Dr. Kissinger's defense of administration law-winking, the House voted 307 to 98 to suspend aid until "substantial progress" toward a Cyprus settlement has been made. The vote came on an amendment to a veto-proof appropriations bill. The Senate, where sentiment is equally sharp on the issue, is about to vote on the same amendment. Dr. Kissinger protests that a mandated aid cutoff will undercut the American effort to facilitate a negotiated settlement. He would do better to turn the cutoff to diplomatic use as a lever in his conversations with the Turks. He should explain that the Congress regards Turkey as a valuable ally and NATO partner, and sympathizes with Turkey's legitimate interest in safeguarding the rights of the Turkish minority on Cyprus, but that the Congress cannot allow its own duly enacted legislation to be ignored at the whim of the Secretary of State and/or the President.

[From the New York Times, Sept. 26, 1974]

Toward Cyprus Peace

The overwhelming (307-to-98) approval by the House of a biasing cutoff in military aid to Turkey until "substantial progress" is made toward a Cyprus settlement dramatizes American revulsion against the massive Turkish aggression on the island. This action was also aimed at forcing Administration compliance with laws that mandate such a cutoff when a recipient country misuses American military assistance.

Secretary of State Kissinger warned Congress that this move would be "destructive" of his efforts to advance a solution for Cyprus, but the exact opposite seems more plausible. Washington will now find it very difficult to maintain anything like the normal flow of military aid unless Turkey—currently the strongest party by far in the dispute—will demonstrate greater willingness to order the troop and territorial withdrawals that will make fruitful negotiations possible. Mr. Kissinger is now in a stronger position to make that point than he was before the House voted.

One hopeful development is an indication from the Turks that the negotiations between leaders of the two Cyprus communities should move on from the agreement on prisoner exchange and strictly humanitarian matters to issues of political substance. These talks can continue even while Greece and Turkey are preoccupied with their election campaigns.

Prospects for a Cyprus settlement and solutions for other combustible Greek-Turkish questions—including those involving oil drilling rights, territorial waters and air space in the Aegean—will be greatly enhanced if both countries emerge from the elections with strong majority governments. Each will then be in better position to make essential concessions.

Mr. Kissinger is again offering "any direct involvement," if necessary, to help produce a Cyprus solution. But the most useful function he can perform at present is not that of mediation. Greece could not accept him in that role. Instead, he should try, quietly but incessantly, to persuade Turkey not merely to avoid any further provocation, but to make a start toward reconciliation by pulling out some troops and by ordering at least a limited withdrawal from the 40 per cent of Cyprus it now occupies.

[From the New York Times, Sept. 14, 1974]

Turkey Is Ineligible

Cutting off American military aid to Turkey may, as Secretary of State Kissinger contends, be "ineffective and counterproductive" so far as getting the Turks to roll back their occupation of Cyprus is concerned; but it is mandatory under the law. In pretending for nearly a month to be studying this question, the State Department is clearly stalling, as it has stalled at every point since the outset of the Cyprus tragedy when action was called for to demonstrate this country's disapproval of aggression.

The relevant laws cite specific purposes for which American military assistance may be used by recipient countries, including internal security, legitimate self-defense, regional and collective defense activities consistent with the United Nations Charter or undertaken under U.N. authorizations. They provide that any country employing aid for other purposes "shall be immediately ineligible for further assistance."

A Library of Congress analysis of pertinent legislation, inserted in the Congressional Record by Representative John Brademas of Indiana, supports the contention of Mr. Brademas and three colleagues in a letter to Mr. Kissinger that the cutoff in aid to Turkey "is not discretionary as a matter of policy, but is mandatory under the terms of the Foreign Assistance Act. . . ."

Senator Thomas F. Eagleton of Missouri charges that President Ford is being deliberately kept "uninformed" of the mandatory cutoff for Turkey "in order to protect erroneous policy judgments made by the foreign affairs bureaucracy." But it has been not so much the State Department bureaucracy that has so bungled American policy in the Cyprus crisis as Mr. Kissinger himself.

The stalling on the aid cutoff, in violation of the laws, is of a piece with Washington's earlier unwillingness to condemn Greece's disintegrating junta for the coup against the legal Government of Cyprus—a reluctance that encouraged Turkey to intervene on the island. It is also consistent with Washington's refusal to condemn Turkey's subsequent massive occupation of a third of Cyprus in flagrant breach of solemn cease-fire pledges.

Senator Eagleton, Representative Brademas and their colleagues are to be applauded for persisting in their demand for an end to Mr. Kissinger's illegal appeasement of Turkish aggression.

[From the New York Times, Aug. 27, 1974]

How To Lose an Ally

(By Graham Hovey)

Secretary of State Kissinger still seems oblivious to the dimensions of the disaster sustained by United States foreign policy in the Cyprus tragedy and insensitive to the hurt of people who feel let down by Washington.

How else explain his ill-timed offer to mediate the Cyprus crisis and his bland invitation to a harried Greek Premier to come to Washington to talk things over—at a time when Turkey was grabbing the northern third of Cyprus and drawing only a wrist tap from the State Department?

Did Mr. Kissinger really believe that Greece's Premier Caramanlis or Foreign Minister Mavros could accept a summons to Washington at that point and survive? As former United States Under Secretary of State George Ball said, the Kissinger mediation offer in that context exhibited "an insensitivity beyond belief."

And at whom was Mr. Kissinger aiming his warning of last week that "a foreign government must not expect that every time there is a crisis, the Secretary of State will come rushing into the area and spend all his time settling that particular crisis"? Was anyone asking for what he grandly calls "the personal shuttle diplomacy of the Secretary of State"?

Mr. Kissinger did promise that in any negotiation, Washington would "take into full account Greek honor and dignity," but he felt it necessary to add a warning that this country would "not be pressured by threat of withdrawal from the [NATO] alliance" nor by unjustified anti-American demonstrations.

But the Secretary surely misreads the political signals from Athens if he regards the pullout of Greek forces from NATO and the anti-American demonstrations merely as ploys by the Caramanlis Government, rather than reflections of utter disillusionment with an alliance and a superpower ally that could not prevent Turkey's blitz and Greece's humiliation on Cyprus.

In fact, Mr. Kissinger's trouble from the onset of the Cyprus crisis has been a lack, in dealing with allies, of the sensitivity that was an ingredient of his success in the Middle East and Vietnam negotiations, as well as in the initiatives that led to President Nixon's visits to China and the Soviet Union.

The United States is not omnipotent and, as Mr. Kissinger reminds us, cannot stop "every local war between smaller nations." No one can prove that any feasible Washington effort this time would have halted Turkey's invasion of Cyprus.

One is forced to recall, however, that President Johnson twice got Turkey to call off a scheduled invasion of Cyprus: in 1964, with a tough letter to Premier Inonu; in 1967, through a skillful, even-handed negotiating job by envoy Cyrus Vance.

Once a shaky military regime in Athens had staged a putsch against President Makarios, clearly aimed at *enosis*—the union of Cyprus with Greece—there was only one way to prevent Turkish intervention: to demonstrate that Greece would not be allowed to get by with it. Washington could have made the point by backing Britain in refusing to recognize the new Cyprus regime and in demanding that Athens recall the Greek officers who had directed the coup.

Instead, the United States gave Turkey and the world every reason to believe it accepted the coup. Washington refused to pin responsibility for it on the Greek dictatorship and even hinted that on Cyprus it preferred the swaggering murderer, Nikos Sampson, to the devious Makarios.

Turkey's initial invasion of July 20 was the inevitable result. This at least accomplished the salutary secondary results of blasting out of power both Sampson and the Athens junta. At that point the imperative was to persuade Turkey to go no further.

Ankara had made its point: it would not accept *enosis* and it intended at any cost to protect the Turkish Cypriote minority. The Turks could now negotiate from strength. They could expect American and British backing for constitutional revisions to give the Turkish Cypriotes a large measure of autonomy.

But the invasion had been heady wine for Turkey and Washington again seemed to blow a timid trumpet. At the showdown in Geneva, Turkey presented a drastic plan for division of Cyprus as an ultimatum, refusing to give the Greeks and Greek Cypriotes even a 36-hour recess to consult.

Turkey's blitz killed hundreds, displaced some 200,000, sowed new seeds for protracted intercommunity strife, provoked Greece into pulling its forces out of NATO, and increased instability in the eastern Mediterranean and the Middle East. It also dealt a heavy blow at United States credibility and the reputation of Henry A. Kissinger. More's the pity that he seems not to understand why.

PRAYERS FOR BETTY FORD—A "MANHATTAN PROJECT" FOR CANCER RESEARCH

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it was with particular sadness that I heard the news on Saturday that Betty Ford had cancer. I know that my feelings were shared by many Americans throughout the country. In the few short weeks she has been our First Lady, Betty Ford has captured the affection of the Nation's people. During the course of the weekend, many people came up to me and articulated a common feeling: "I feel so bad about Mrs. Ford."

Betty Ford exhibited great spirit in going into her operation, and I am sure that that same spirit will continue to reign and see her through to recovery. She surely will have the prayers and support of Americans throughout this land in the coming weeks and months.

Mr. Speaker, the country should also take this time to redouble its determination and efforts to solve the cancer problem. In 1970, a National Panel of Consultants on the Conquest of Cancer urged that we undertake a major program to identify the causes and cure of cancer. As a result, the National Cancer Act of 1971 was passed. While the program did increase expenditures in cancer research, appropriations since 1971 have not met authorizations. For instance, instead of spending the authorized $640 million in fiscal year 1974, we spent only $551 million; similarly, the appropriations for fiscal year 1975 probably will be approximately $100 million less than the authorization. It is my hope that the conference committee now meeting on the Labor-HEW appropriations bill, which includes the budget for the National Cancer Institute and its programs, will be moved to fully fund the program to the $803.5 million authorized level.

TWO-CENT CANCER RESEARCH TAX ON CIGARETTES

In addition, I would propose that we tap an additional source of revenue—that which can be raised by increasing the Federal tax on cigarettes. In 1973, some 29.2 billion packs of cigarettes were sold in the United States. Currently, they are taxed by the Federal Government at a rate of 8 cents per pack.

If we were to place an additional 2-cent tax on cigarette packs, this would provide an additional $500 to $600 million a year. I would propose that this tax be levied and specifically earmarked for a centrally coordinated cancer research project similar to what was done by the Manhattan Project over 30 years ago for the development of the atom bomb. This funding would supplement, not replace, what is already appropriated under the Labor-HEW bill.

Cigarette smoking is a leading cause of cancer. The National Panel of Consultants on the Conquest of Cancer estimated that 15 percent of all cancer deaths could be eliminated if people stopped smoking. Even so, cigarette smoking continues to increase, as does the incidence of lung cancer. Perhaps an additional excise tax on cigarettes would help to discourage people from smoking; and at least those most immediately affected would be supporting research on ways to combat cancer. I am forwarding my recommendations to Chairman WILBUR MILLS for inclusion in the committee's consideration on tax reform.

Most every American has known the tragedy of cancer personally or through a family member or close friend. It is a disease that we have let baffle us for too long. Admittedly, the cancer riddle cannot be solved by money alone. But, money can enable us to put together a massive, coordinated effort in which the best brains in the field are put to work in answering the questions posed by cancer. This is not being done at this time. While we have the National Cancer Institute, we have yet to put into motion a centrally directed project giving national coordination and impetus to our cancer research. As a nation that over 30 years ago undertook the Manhattan Project and successfully unleashed the secrets and power of the atom, surely today we can undertake a similar project to solve the mystery of cancer.

WAITING AND WAITING, BUT NOT FOR NAUGHT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, a constituent and friend, Dorothy Rodgers, has written an article which appeared recently on the "op ed" page of the New York Times. The article describes in beautiful detail and with great insight, one person's contact with a medicare office—the kindness and callousness therein. I would like to bring it to the attention of our colleagues.

The article follows:

WAITING AND WAITING, BUT NOT FOR NAUGHT

(By Dorothy Rodgers)

Knowing that I would have to apply for Medicare three months before I reached the marvelous date of becoming 65 years old, I telephoned the Social Security office for information.

I learned that I would have to produce myself in person together with some documents: a photostat of my birth certificate, a W-2 tax form showing Social Security payments made by me and my employer, and an application form which they agreed to mail.

Since I'm self-employed (no one pays any Social Security for me), I didn't have a W-2 form, but I did have two 1099 miscellaneous forms sent me by McCall's and The Ideal Toy Company showing the amount of income I had earned in 1973. I hoped that would do, especially as I wasn't applying for Social Security for the excellent reason that I don't qualify for it.

Armed with these official documents and a book to help pass the time, I set off on a terribly cold morning for the midtown branch of our Department of Health, Education and Welfare where applications for welfare, Social Security and Medicare are processed.

The office is at 1657 Broadway, a building that looks as if it shouldn't be allowed out in daylight.

Next to the entrance was an empty store with double gates stretched across its front, padlocked to protect God knows what inside.

The sidewalk was littered with remnants of stuff people use when they wait a lot: cigarette butts, chewing-gum, and candy wrappers and crushed paper cups. People were milling around the entrance and I soon found out why. Three polite but firm cops just inside the doors wouldn't let anyone upstairs.

"Social Security?" one of them asked me.

"No," I said, "Medicare."

"Same thing," he said. "Get on the bus."

"What bus? I'm not going anywhere!"

"Lady," he said, "go sit in the bus. It's a waiting room. You'll get a number."

I turned and looked where he was pointing and there were three buses lined up against the curb right in front of the building, so I climbed aboard the first one, which was almost empty.

I took the aisle seat in the second row and watched the bus fill up rapidly with all kinds of people: young, old, mothers with cranky children, children with cranky mothers, people who were obviously ill, blacks, whites, one stoned and at least a few eccentrics.

The bus was soon totally filled and people were being directed to the other buses. Everyone waited unquestioningly and with complete resignation. At last, one of the policemen approached the bus. He gave us all slips of paper with numbers on them and told us to wait.

"Wait" was clearly the name of the game. However, after only a few minutes, the cop came back and told ten people in the front of the bus to get off and go to the second floor.

The second floor was enormous. A whole open space was covered by desks at which applicants were being interviewed. Fluorescent lights in the ceiling provided the only relief from the vast gray areas. Immediately in front of the elevators there were two waiting rooms. A girl sat at a desk between them. We were told to find seats in the left section and wait for the guard to call our numbers. Mine was 297 and number 258 had just been called.

Although I came expecting to wait, an hour and a half had already passed and I realized I was going to be late for my next appointment. I certainly didn't want to leave and have to go through the whole performance all over again another day, so I decided to make a phone call and explain why I'd be late. I got up, tripped over a chair and landed flat on the floor.

People were extraordinarily concerned. "Did you hurt yourself?" came at me from applicants and officials in varying accents. Fortunately, I hadn't and, gathering my book, bag, gloves, coat and dignity, I went up to a woman who seemed to be in charge and asked her where the phone booth was. "Downstairs," she answered.

"But if I go downstairs, I might lose my place."

"I'm so glad you didn't hurt yourself! Use my phone." It was kind and unbureaucratic, and I was grateful. Having completed the phone call, I returned to my old seat and moved my legs to make way for a small black woman of indeterminate age who sank into the chair next to mine and gave a great sigh.

I looked at her face; it wasn't black, it was green. She said: "I like to drop dead out there in the cold—buses all filled up. The policeman said for me to come up and sit where it's warm. I got asthma and I got sugar, I can't work and I'm sick. I can't work—I'm 93—oh, I mean 63."

She talked on unintelligibly for a while. All I could do was to make sympathetic sounds. I felt desperately sorry for her, but there was no way I could help solve her overwhelming problems.

Just then the cop called out 279 and I jumped up, dropping my gloves on the floor. Somebody cried: "Lady, wyn'cha put 'em in your pocket so you don't lose 'em?"

I felt like six going on 65—especially as my number was 297, not 279.

I went back to my chair and the woman resumed her talk until at last my number was called. I wished her luck and told her that I hoped things would work out for her.

The next step took me to the girl at the desk. She asked my name, why I was there, and waved me in the direction of the other waiting room where I was to wait until my name was called. After a relatively short time, someone called my name and I was led to a Mr. Wolfe's desk.

He was young and, like everyone else, pleasant and courteous. He went over my papers, took them to be photostated and returned—all in a matter of about five minutes. That was it. I could leave.

I looked around at everyone—the people being quietly interviewed at the desks, the applicants sitting and waiting, waiting with infinite patience.

Undemanding and submissive, confused and afraid to ask questions, sick or destitute—or merely over 65—they wait, in the cold or on the bus or in the dreary waiting rooms. Wait for Lady Bountiful to hand out our Thanksgiving turkey. Only it isn't Lady Bountiful. It's our own friendly Uncle Sam and it's not a handout. It's a right paid for by the same people, over many years.

No one had been pushed around; no one had been rude or unkind. I went over to the woman who had allowed me to use her phone to tell her how remarkable I thought it was. She said, "We try."

AUTOMOBILES VERSUS MASS TRANSIT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the Council on the Environment of New York City has issued a paper entitled "Automobiles versus Mass Transit" which is an extremely lucid and concise explanation of the advantages of mass transit. I offer it for the review of my colleagues, in the hope that the Congress will enact stronger mass transit legislation than it has to date.

The paper follows:

AUTOMOBILES VERSUS MASS TRANSIT: A POLLUTION-ENERGY FACT SHEET

AIR POLLUTION

Transportation contributes 77% of the carbon monoxide, 55% of the hydrocarbons, 51% of the nitrogen oxides, 4% of the particulates, and 3% of the sulfur oxides emitted into the nation's air. The great bulk of this comes from private automobiles. In New York City, for example, of the transportation-caused carbon monoxide, 83% is from private cars, 7% from taxis, 6% from trucks, and 4% from buses. Buses do emit 19% of the nitrogen oxides, but when their high occupancy rates are considered they are not much worse than autos for this pollutant—and far better for all the others.

Subways pollute indirectly, through sulfur oxides and particulates from electric power plants. The New York City subways consume about 6% of Consolidated Edison's power sales. But the plants tend to be located away from the most congested parts of cities, unlike auto traffic; and the pollution is emitted from tall stacks, while motor vehicles emit at ground level and hence have more effect on people. Even though motor vehicles are not noted for these types of pollutants, sulfur dioxide from motor vehicles is still 20 times that attributable to subways, and for particulates it is 260 times, according to Con Ed.

Subways also release tiny metal filings into the underground atmosphere, but this problem does not appear to be worse than the rubber and asbestos particles emitted from the wearing down of auto tires and brakes (and which often make their way into subway ventilation systems).

Cities with little or no mass transit have high per capita pollution emissions. For carbon monoxide emissions from transportation, for example, the St. Louis metropolitan area has a yearly per capita emission rate of .44 tons per year; Los Angeles, .41; San Francisco, .40; Washington, D.C., .36; Boston, .35; New York, .34; and Chicago, .32. This is also reflected in higher levels of carbon monoxide in the blood, which aggravates heart and other diseases. Some 76% of all nonsmokers tested in Los Angeles had excessive carbon monoxide levels, in their blood, compared to 35% for New York.

ENERGY EFFICIENCY

Mass transit is a major energy conserver. In a large city like New York, a bus requires 2,300 British Thermal Units (Btu) per passenger mile travelled, a commuter railroad 2,600 Btu, and a subway 3,100. But a private automobile requires 6,500 Btu, or 2.1 times a subway's energy requirements; a taxi (because of time spent cruising without passengers) requires 15,000 Btu per passenger mile, or 4.8 times a subway; and an airline takes 11,300 Btu, or 3.6 times. Due mostly to its mass transit system, New York City has a per capita energy consumption 45% below the national average, even though per capita income is higher; for the same reason, New York was able to survive the winter 1973–1974 energy shortage with less disruption than most cities.

Compared to the number of person/miles moved in the New York region, buses consume only 34% of their share of the energy; railroads, 44%, and subways, 46%. In contrast, automobiles consume 97% of their share of energy for the travel they serve, taxis 221%, and airlines 169%.

Since transportation directly consumes about one-quarter of the nation's energy demand, savings through mass transit are vital. Their importance is further increased by the fact that electric subways and railroads within a few decades may be operated by such alternative energy sources as solar, oil shale, or fusion power (via electric generating stations) while the day that motor vehicles will be able to operate on substitutes for petroleum seems much further away.

NON-FUEL ENERGY AND RESOURCE CONSUMPTION

For every 10 gallons of gasoline that go into an automobile gas tank, the energy equivalent of another 6.8 gallons is required indirectly—for producing and refining the gasoline; building and maintaining the car; providing roads and parking; and other necessary services and materials. Motor vehicles consume 15.9% of total U.S. steel consumption, 51.2% of the malleable iron, 29.0% of the zinc, 69.2% of the natural rubber, and 62.1% of the synthetic rubber.

Cities with extensive public transit systems save the nation this enormous drain on scarce resources. In the New York City metropolitan area, where 47% of the workers use transit to get to work, only 55% of the households have autos; in Los Angeles where 6% use transit to get to work, 85% of the households own cars.

THE EFFECT OF HIGHER FARES

Fare increases have been demonstrated to reduce transit ridership. When the New York transit fare went from 20c to 30c in 1970, bus ridership dropped 6.7%. A small decrease in transit ridership can lead to a major increase in traffic congestion, because a few sparsely occupied buses and trains lead to hundreds of additional cars on the road. At rush hours, an express bus lane carries 35,000 people an hour and a subway more than 50,000 people an hour; but a single lane of limited highway with only private cars can carry less than 3,500 at current occupancy rates.

The effect of loss of transit service was shown dramatically in the paralysis New York City suffered during its 1966 subway strike, and more recently in August, 1974, when a bus strike in Los Angeles—which relies very little on buses—led to major increases in highway congestion. Conversely, when new express bus service was instituted on I–495 from New Jersey into the Lincoln tunnel, the vehicles-carrying capacity of the road was increased by 40%. A new bus zone on Manhattan's Third Avenue led to a 24% reduction in travel time for all traffic.

SAFETY

Some 33,500 people riding in passenger automobiles were killed in accidents in 1973 in the United States. This compares to 5,700 occupants of trucks, 170 of taxis, 170 of buses, 3,130 of motorcycles and motorbikes, 200 of commercial aircraft, 1,340 of private aircraft, and 1,600 of boats and ships (including many recreation-related drownings). For all railroads and for those subway systems for which statistics are compiled, only six passengers died (not counting suicides and trespassers); if all the systems were included, the number would still not exceed 15, or 0.04% of those killed in auto. In New York City in 1972, 980 people were killed (and 248,434 injured) in or by automobiles, while only one subway passenger was killed. More than 57% of all people killed in New York traffic accidents in 1972 were pedestrians.

EMPLOYMENT

A shift to mass transit would create jobs. Economists at the Center for Advanced Computation at the University of Illinois at Urbana-Champaign, using input-output analysis, have calculated that diverting the projected 1975 highway trust fund ($5 billion) to railroad and mass transit development would create a net of 8,250 jobs nationwide.

Mass transit also saves localities the high costs of building and maintaining highways. Per capita expenditures for this purpose in the New York City metropolitan area are $20.67, compared to $33.17 each for Boston and Philadelphia, $33.20 for Chicago, $39.83 for Detroit, $41.83 for Los Angeles, and $45.40 for St. Louis, and $46.67 for San Francisco.

PROPOSED AMENDMENTS TO HOUSE RESOLUTION 988, HOUSE RESOLUTION 1248, AND/OR HOUSE RESOLUTION 1321 TO BE OFFERED BY MR. HOLIFIELD

(Mr. HOLIFIELD asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HOLIFIELD. Mr. Speaker, I include at this point in the RECORD a series of amendments which I propose to offer, as indicated in each case, to House Resolution 988 and House Resolution 1248 and/or House Resolution 1321, at the appropriate time when the aforementioned House resolutions are considered in the Committee of the Whole House on the State of the Union:

AMENDMENTS TO HOUSE RESOLUTION 988 OFFERED BY MR. HOLIFIELD

Page 8, lines 5 and 6, strike out "nonmilitary aspects of nuclear energy (other than research and development),".

Page 18, line 6, strike out "nonmilitary nuclear energy,".

Page 21, after line 16, insert the following new section:

SEC. 102. Nothing in this resolution, or in Rule X of the Rules of the House as amended by this title or title II, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy.

Amendments Offered by Mr. Holifield to the Hansen Substitute, House Resolution 1248

Page 5, lines 12 through 14, strike out "and nonmilitary nuclear energy and research and development including the disposal of nuclear waste".

Page 67, lines 17 through 19, strike out "and nonmilitary nuclear energy and research and development including the disposal of nuclear waste".

Page 76, after line 16, insert the following new section:

Sec. 324. Nothing in this resolution, or in rule X of the Rules of the House as amended by title I and this title, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy.

Amendments Offered by Mr. Holifield to the Martin Substitute, House Resolution 1321

Page 9, lines 15 and 16, strike out "nonmilitary aspects of nuclear energy (other than research and development),".

Page 19, line 14, strike out "nonmilitary nuclear energy,".

Page 22, after line 12, insert the following new section:

Sec. 102. Nothing in this resolution, or in rule X of the Rules of the House as amended by this title or title II, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy.

Amendments to House Resolution 988 Offered by Mr. Holifield

Page 11, lines 1 and 2, strike out ", and general revenue sharing".

Page 11, strike out lines 5 through 13.

Page 11, line 14, strike out "(9)" and insert "(6)".

Page 11, strike out lines 15 through 17.

Page 8, after line 23, insert the following new subparagraphs:

"(7) Relations of the United States with Indians and Indian tribes generally; measures relating to Indians (except Indian education), Indian lands, and claims which are paid out of Indian funds.

"(8) Measures relating generally to the territories and insular possessions of the United States, except those involving revenues and appropriations.

Page 12, after line 20, insert the following new subparagraph:

"(6) Political activities by Federal officers and employees.

Page 14, after line 7, insert the following new subparagraphs:

"(19) Communist and other subversive activities affecting the internal security of the United States.

"(20) Holidays and celebrations.

Page 21, after line 12, insert the following new subparagraph:

"(7) General revenue sharing.

Page 23, strike out line 21 and all that follows down through page 24, line 6; and redesignate the succeeding paragraph accordingly.

Amendments Offered by Mr. Holifield to the Martin Substitute, House Resolution 1321

Page 12, lines 13 and 14, strike out ", and general revenue sharing".

Page 12, strike out lines 17 through 25.

Page 13, line 1, strike out "(9)" and insert "(6)".

Page 13, strike out lines 2 through 4.

Page 10, after line 8, insert the following new subparagraphs:

"(7) Relations of the United States with Indians and Indian tribes generally, measures relating to Indians (except Indian education), Indian lands, and claims which are paid out of Indian funds.

"(8) Measures relating generally to the territories and insular possessions of the United States, except those involving revenues and appropriations.

Page 13, after line 15, insert the following new subparagraph:

"(8) Political activities by Federal officers and employees.

Page 16, after line 2, insert the following new subparagraphs:

"(19) Communist and other subversive activities affecting the internal security of the United States.

"(20) Holidays and celebrations.

Page 22, after line 8, insert the following new subparagraph:

"(7) General revenue sharing.

Page 24, strike out line 24, and all that follows down through page 25, line 9; and redesignate the succeeding paragraph accordingly.

Amendments to House Resolution 988 Offered by Mr. Holifield

Page 65, strike out line 18 and all that follows down through page 66, line 13, and insert in lieu thereof the following:

"(c)(1) At least one-half of the funds provided for the appointment of committee staff pursuant to a primary or additional expense resolution adopted for any standing committee shall be used for nonpartisan staff to be selected and appointed by majority vote of the committee.

"(2) Of the remainder of funds so provided—

"(A) up to two-thirds may be used for staff to be selected by a majority of the majority party on the committee and assigned to such committee business as the majority party members of the committee consider advisable, and

"(B) up to one-third may be used for staff to be selected by a majority of the minority party on the committee and assigned to such committee business as the minority party members of the committee consider advisable.

The committee shall appoint any person selected under the preceding sentence whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the members of the selecting party may select other persons for appointment by the committee to the staff until such appointment is made.

Page 67, strike out line 18 and all that follows down through page 68, line 10, and insert in lieu thereof the following:

"(2)(A) At least one-half of the professional staff members of any standing committee shall be nonpartisan staff, to be selected and appointed by majority vote of the committee.

"(B) Subject to paragraph (f) of this clause, of the remainder of the professional staff members of the committee (except in the case of the Committee on Standards of Official Conduct)—

"(i) up to two-thirds may be selected by a majority of the majority party on the committee and assigned to such committee business as the majority party members of the committee consider advisable, and

"(ii) up to one-third may be selected by a majority of the minority party on the committee and assigned to such committee business as the minority party members of the committee consider advisable.

The committee shall appoint any person selected under the preceding sentence whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the members of the selecting party may select other persons for appointment by the committee to the staff until such appointment is made.

Page 69, strike out line 14 and all that follows down through page 70, line 9, and insert in lieu thereof the following:

"(2)(A) At least one-half of the clerical staff members of any standing committee shall be nonpartisan staff, to be selected and appointed by majority vote of the committee.

"(B) Of the remainder of the clerical staff of the committee (except in the case of the Committee on Standards of Official Conduct)—

"(i) up to two-thirds may be selected by a majority of the majority party on the committee, to handle committee correspondence and stenographic work for the members of that party on the committee and for any members of the professional staff selected by that party under paragraph (a)(2)(B) on matters related to committee work, and

"(ii) up to one-third may be selected by a majority of the minority party on the committee, to handle committee correspondence and stenographic work for the members of that party on the committee and for any members of the professional staff selected by that party under paragraph (a)(2)(B) on matters related to committee work.

The committee shall appoint any person selected under the preceding sentence whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the members of the selecting party may select other persons for appointment by the committee to the staff until such appointment is made.

Page 71, strike out the sentence beginning in line 8 and insert in lieu thereof the following:

If a selection and request for the appointment of a majority or minority professional or clerical staff member under paragraph (a)(2)(B) or (b)(2)(B) is made when no vacancy exists to which that appointment may be made, the committee nevertheless shall appoint, under such paragraph, the person so selected and acceptable to the committee.

Page 71, strike out the sentence beginning on line 22 (and ending on page 72, line 2) and insert in lieu thereof the following:

If when such vacancy occurs more persons have been selected for and appointed to the position involved than the number authorized for such appointments by the applicable provisions of paragraph (a)(2)(B) or (b)(2)(B), a majority of the members of the selecting party shall designate which of those persons shall fill that vacancy.

Page 72, strike out lines 3 through 7 and insert in lieu thereof the following:

"(g) Each majority or minority staff member appointed under paragraph (a)(2)(B) or (b)(2)(B) of this clause, or under paragraph (c)(2) of clause 5,

Page 72, strike out "by" in line 15 and all that follows down through line 21, and insert in lieu thereof the following:

by the majority or minority members of that committee if the full number of such staff members authorized by paragraph (a)(2)(B) or (b)(2)(B) who are satisfactory to a majority of the members of the requesting party on the committee are otherwise assigned to assist the members of such party.

Pages 72 and 73, strike out paragraph (i).

Page 73, line 3, strike out "(j)" and insert in lieu thereof "(1)".

THE JOINT COMMITTEE ON ATOMIC ENERGY—28 YEARS OF LEGISLATIVE EXPERIENCE

(Mr. PRICE of Illinois asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PRICE of Illinois. Mr. Speaker, the Members of this body know well the true meaning of President Woodrow Wilson's remarks made many years ago—

> Congress in its committee rooms is Congress at work.

The responsibility of the Congress to represent the American public in this modern, industrial age calls for specialized study in the many areas of government, industry, and social activity.

The entire Congress does and should act finally on the creation of new laws and the modification of existing laws. But the intensive study of the merits of proposed legislation can only be done effectively by the committees of jurisdiction. Those members participate in comprehensive hearings, question the proponents and the opponents of the bill, and ultimately render the committee report which explains the need for the legislation, recommends its substance and form, and provides the cogent information upon which the Congress bases its final action.

In 1946, the full Congress saw fit to create a committee with unparalleled legislative responsibility—the Joint Committee on Atomic Energy. This action was part of the same action which created the Atomic Energy Commission, an executive agency intended to provide civilian rather than military control over the newly discovered force of the atom. The Joint Committee on Atomic Energy is the only joint committee in Congress having legislative responsibility, as well as oversight functions.

In 1953, this committee foresaw the need to restructure the organization and the responsibility of the Atomic Energy Commission in order that this country might exploit the potential of the peaceful uses of atomic energy—applications in electric power, medicine, agriculture, space, and other fields. The proposed changes were debated extensively, both within the committee and on the floor of both Houses. The Atomic Energy Act of 1954 emerged. Since that time, our nuclear arsenal has grown, a nuclear Navy has been built—and thereby our national defense posture strengthened—we have also seen tremendous advances in research, development, and demonstration in nuclear electric power, nuclear space activities, and a field unrecognized by many until their personal lives are affected—nuclear medicine. All of these developments have been studied, funded and encouraged under the watchful eye of this congressional committee.

Over the years, I have been told many times by Members, some of them now participating in today's debate—

> I'm glad you fellows are handling atomic energy legislation and oversight—it's too complicated a field unless one devotes 100% of his time to it.

My distinguished colleague, CHET HOLIFIELD, like myself, has served on this committee since its inception. For many years, CRAIG HOSMER, JOHN ANDERSON, and many others have given unstintingly of their time to this work—with little or no expectation that their efforts would gain any direct political advantage.

From time to time, many Members of the House have taken greater detailed interest in, and been quite vocal regarding special aspects of nuclear programs. They have raised questions concerning committee recommendations. This is their right and privilege, inherent in the responsibility of the office they hold. They represent the people. And they must do their utmost to assure that the conclusions reached by this body are in the best interest of our national welfare.

Well, let us take a brief look at the stewardship of this committee. How has the Joint Committee performed? Would it be in the national interest to reassign or fragment its responsibilities?

The record shows that in its 28 years of existence, this committee has held over 1,900 committee meetings. It has published information in over 400 volumes for the benefit of the Congress and the public. Fifteen more volumes will soon be published as a result of this session's activities.

We have always sought the testimony, advice, and counsel of the most knowledgeable persons in the fields or activities under review. We have listened to and questioned any and all persons who, it appeared, could contribute to a fuller understanding of the issues before us.

All of America has been kept informed of the principal issues—such as the H-bomb, the nuclear submarine—later nuclear surface ships—the demonstration of nuclear electric power, and beneficial applications of radioisotopes. We are receiving scientific data right now from the Moon by radio powered by nuclear energy. Issues in these and many other areas were exhaustively examined by the Joint Committee, and in a number of key areas the judgment of the committee was contrary to the recommendations of the executive branch; the committee's recommendations were largely endorsed by the Congress. At various times this committee has been instrumental in cutting off funding for ongoing research and development programs when it became evident that this was the responsible action to take. Examples are a special liquid metal cooled nuclear reactor for space power, the nuclear ramjet, various reactor concepts such as sodium graphite, organic cooled and moderated, a nuclear superheat reactor concept, et cetera. The committee also canceled certain military projects, including nuclear warhead projects.

What are the decisions of the present and the future? The breeder reactor, safeguards and diversion of fissionable materials, development of fusion reactor systems and beyond.

Do my colleagues in this body wish to dissipate the expertise which has been acquired and dilute the authority and responsibilities now defined by statute? It is within your power. But would it be in the interest of this body and our Nation to choose this course? It is your decision; I urge you to consider it carefully.

I include in this RECORD, subject to objection, some detailed comments on the Joint Committee's consideration of important issues reviewed, including the development of a completely new source of energy, national security, health, and safety, et cetera.

I am also providing copies of the amendments I will introduce to assure that the statutory provision of the Atomic Energy Act pertaining to the Joint Committee on Atomic Energy are not affected by House Resolution 988 and the alternative House resolutions.

NUCLEAR POWER PROGRAM

The joint committee has actively worked toward bringing in a wholly new source of energy—nuclear power. In the early 1960's, the committee conducted a comprehensive review of our energy needs and potential resources; determined that our domestic oil and gas resources were limited; and concluded that nuclear power had to be developed to supplement our large coal resources. In light of this conclusion, the committee, in cooperation with the executive branch, developed a well-laid out program of pilot plants and demonstration plants along with supporting R. & D. to move this technology from scientific feasibility to commercial viability. This was a long and difficult effort—requiring substantial sums of money. But the effort was well worth it; the basic technology for commercial nuclear power plants—which are safe, reliable, and economic—is now available to this country. Such plants are now providing about 6 percent of the Nation's electricity. By the year 2000, nuclear power will be providing over 50 percent of the electricity. With breeders, nuclear power offers an essentially unlimited source of clean energy. The use of nuclear power is essential to our Nation's program to achieve domestic energy self-sufficiency. Each nuclear power plant saves about 12 million barrels of precious oil each year. By the year 1980, nuclear power plants will be saving about 1 billion barrels of oil per year—worth about $10 billion at the current price.

It is, in my opinion, very unlikely that this accomplishment could have been realized if the Congress had not been organized on the special basis of a joint committee. Only in this way was it possible to provide the direct leadership and continuous support such an effort requires to be successful.

NUCLEAR POWER FOR NAVAL WARSHIP PROPULSION

The Joint Committee on Atomic Energy, contrary to the desires of the military in numerous instances, insisted on the development of nuclear power plants for naval warships. The joint committee throughout the years added funding authorizations to the Atomic Energy Commission's request to carry out the naval reactor development program. When the Defense Department would not fund the first seagoing nuclear propulsion warships, the joint committee added funds for the construction of the nuclear propulsion system for the first two nuclear submarines to the AEC's program. As a consequence, the United States became first in the use of nuclear power for warships. It is now well recognized that no first-line Navy is possible without nuclear propulsion. Without the joint committee's efforts and the actions of the Congress, the United States would not have had leadership in this critical field.

SAFETY OF NUCLEAR PROGRAM

The joint committee has always insisted that the health and safety of workers and the general public be the foremost consideration in the nuclear program—both in the Government and private sectors. As a result, nuclear technology has been almost unique with respect to the planning and efforts that have gone into providing for public safety. Unlike most other technologies, the nuclear program did not wait for serious accidents to occur before imposing rigid safety controls. This is not to say that the record has been perfect—since men make mistakes in every endeavor. But certainly every effort has been made to minimize the possibility and consequences of accidents.

The Atomic Energy Commission, since its inception, has conducted comprehensive programs of research on safety and environmental effects. These programs have been actively supported and funded by the committee. For reactor safety alone, it is estimated that the committee has authorized over $600 million over the last 20 or so years. Extensive research has been conducted in the field of radiation and its effects on man and the biosphere. Radiation is thus by far the most widely understood environmental effect. As a byproduct, the development of nuclear technology has resulted in a substantial gain in our understanding of such important environmental fields as ecology, geology, hydorlogy, and meteorology.

To govern activities in the private nuclear field, the committee established a comprehensive regulatory system. This system provides for extensive participation by the public through public hearings and other meetings. The committee also specifically established a separate Advisory Committee on Reactor Safeguards—ACRS—to provide an independent review of reactor safety. The committee has authorized essentially all the funds requested by the AEC to conduct its regulatory activities; all told this has amounted to about $300 million. Over the past 5 years, this support has grown from a level of about $10 to $70 million, and AEC regulatory staff has grown from about 500 to 1,800—reflecting the growth in the industry. The committee has also actively encouraged the AEC and industry to place greater emphasis on quality assurance and standardization as a means of improving the safety, reliability, and economics of nuclear powerplants.

To help the public better understand the safety considerations of nuclear power, the committee in late 1971 requested that the AEC prepare a comprehensive report. This report—WASH 1250—was published in July 1973. More recently, the Commission has published a draft report—WASH 1400—which provides a quantitative assessment of the probabilities and consequences of major powerplants. This study concludes that the consequences of potential reactor accidents are no larger, and in many cases much smaller, than those of nonnuclear accidents. This study, which is now undergoing extensive review by the scientific community, is another pioneering effort in terms of trying to set down the risks of a new technology. It should be noted that the committee has had extensive hearings on these two reports, as well as on other safety and environmental matters.

Finally, while concerns have been raised by some, the actual record to date of the AEC and the nuclear industry from a safety standpoint has been excellent—far superior to other activities. While there have been minor incidents, so far no member of the public has been killed or injured as a result of an accident with a commercial nuclear powerplant. This can be attributed to the great care taken—which has been insisted upon by the Joint Committee on Atomic Energy.

I am submitting with my remarks a group of amendments I will offer during consideration of this legislation tomorrow:

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

On page 8, in (1)(1), strike "nonmilitary aspects of nuclear energy (other than research and development)," in lines 5 and 6, and at the end of the present text in line 7 strike the period and add "excluding nuclear matters."

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

On page 17, in (r), insert "(excluding nuclear matters)" after the word "include" in line 23.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

On page 18, in (r), strike "nonmilitary nuclear energy," in line 6.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

On page 24, in (c), insert the word "nonnuclear" before the word "energy" in line 25.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

On page 25, in (e), delete the period at the end of the present text in line 13, and insert ", other than nuclear areas."

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 988

Add the following new section 202, on page 40:

"Sec. 202. Nothing in this resolution, or in the Rules of the House as amended herein or in other Titles of this Resolution, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy."

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1321

On page 9, in (i)(I), strike "nonmilitary aspects of nuclear energy (other than research and development," in lines 15 and 16, and at the end of the present text in line 17 strike the period and add "excluding nuclear matters".

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1321

On page 19, in (r), insert "(excluding nuclear matters)" after the word "include" in line 7.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1321

On page 19, in (r), strike "nonmilitary nuclear energy," in line 14.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1321

On page 26, in (e), insert the word "nonnuclear" before the word "energy" in line 16.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1321

On page 27, in (g), delete the period at the end of the present text in line 4, and insert ", other than nuclear areas."

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1248

On page 41, add the following new section 202:

"Sec. 202. Nothing in this resolution, or in the rules of the House as amended herein or in other titles of this resolution, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy."

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1248

On page 5, in (d), strike out "and nonmilitary nuclear energy and research and development including the disposal of nuclear waste" in lines 12 through 14.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1248

On page 5, in (e), insert "and nonnuclear" before "research" in line 18.

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1248

On page 67, strike "and nonmilitary nuclear energy and research and development including the disposal of nuclear waste".

Amendment Intended To Be Proposed by Mr. Price of Illinois to House Resolution 1248

On page 76, after line 16, insert the following new section 324:

"Sec. 324. Nothing in this resolution, or in the rules of the House as amended herein or in other titles of this resolution, shall alter or affect the jurisdiction, membership, powers, functions, or procedures of the Joint Committee on Atomic Energy."

CONFERENCE REPORT ON COMMODITY FUTURES TRADING COMMISSION ACT OF 1974

Mr. POAGE submitted the following conference report and statement on the bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes:

Conference Report (H. Rept. No. 93-1383)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Commodity Futures Trading Commission Act of 1974".

TITLE I—COMMODITY FUTURES TRADING COMMISSION

SEC. 101. (a) Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended—

(1) By inserting "(1)" after the subsection designation.

(2) By striking the last sentence of section 2(a) and inserting in lieu thereof the following new sentence: "The words 'the Commission' shall mean the Commodity Futures Trading Commission established under paragraph (2) of this subsection."

(3) By adding at the end thereof the following new paragraphs:

"(2) There is hereby established, as an independent agency of the United States Government, a Commodity Futures Trading Commission. The Commission shall be composed of a Chairman and four other Commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. In nominating persons for appointment, the President shall seek to establish and maintain a balanced Commission, including, but not limited to, persons of demonstrated knowledge in futures trading or its regulation and persons of demonstrated knowledge in the production, merchandising, processing or distribution of one or more of the commodities or other goods and articles, services, rights and interests covered by this Act. Not more than three of the members of the Commission shall be members of the same political party. Each Commissioner shall hold office for a term of five years and until his successor is appointed and has qualified, except that he shall not so continue to serve beyond the expiration of the next session of Congress subsequent to the expiration of said fixed term of office, and except (A) any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (B) the terms of office of the Commissioners first taking office after the enactment of this paragraph shall expire as designated by the President at the time of nomination, one at the end of one year, one at the end of two years, one at the end of three years, one at the end of four years, and one at the end of five years.

"(3) A vacancy in the Commission shall not impair the right of the remaining Commissioners to exercise all the powers of the Commission.

"(4) The Commission shall have a General Counsel, who shall be appointed by the Commission and serve at the pleasure of the Commission. The General Counsel shall report directly to the Commission and serve as its legal advisor. The Commission shall appoint such other attorneys as may be necessary, in the opinion of the Commission, to assist the General Counsel, represent the Commission in all disciplinary proceedings pending before it, represent the Commission in courts of law whenever appropriate, assist the Department of Justice in handling litigation concerning the Commission in courts of law, and perform such other legal duties and functions as the Commission may direct.

"(5) The Commission shall have an Executive Director, who shall be appointed by the Commission, by and with the advice and consent of the Senate, and serve at the pleasure of the Commission. The Executive Director shall report directly to the Commission and perform such functions and duties as the Commission may prescribe.

"(6) (A) Except as otherwise provided in this paragraph and in paragraphs (4) and (5) of this subsection, the executive and administrative functions of the Commission, including functions of the Commission with respect to the appointment and supervision of personnel employed under the Commission, the distribution of business among such personnel and among administrative units of the Commission, and the use and expenditure of funds, shall be exercised solely by the Chairman.

"(B) In carrying out any of his functions under the provisions of this paragraph, the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

"(C) The appointment by the Chairman of heads of major administrative units under the Commission shall be subject to the approval of the Commission.

"(D) Personnel employed regularly and full time in the immediate offices of Commissioners other than the Chairman shall not be affected by the provisions of this paragraph.

"(E) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining the distribution of appropriated funds according to major programs and purposes.

"(F) The Chairman may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, or administrative unit under his jurisdiction of any functions of the Chairman under this paragraph.

"(7) No Commissioner or employee of the Commission shall accept employment or compensation from any person, exchange, or clearinghouse subject to regulation by the Commission under this Act during his term of office, nor shall he participate, directly or indirectly, in any contract market operations or transactions of a character subject to regulation by the Commission.

"(8) The Commission shall, in cooperation with the Secretary of Agriculture, establish a separate office within the Department of Agriculture to be staffed with employees of the Commission for the purpose of maintaining a liaison between the Commission and the Department of Agriculture. The Secretary shall take such steps as may be necessary to enable the Commission to obtain information and utilize such services and facilities of the Department of Agriculture as may be necessary in order to maintain effectively such liaison. In addition, the Secretary shall appoint a liaison officer, who shall be an employee of the Office of the Secretary, for the purpose of maintaining a liaison between the Department of Agriculture and the Commission. The Commission shall furnish such liaison officer appropriate office space within the offices of the Commission and shall allow such liaison officer to attend and observe all deliberations and proceedings of the Commission.

"(9) (A) Whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit copies of that estimate or request to the House and Senate Appropriations Committees and the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry.

"(B) Whenever the Commission transmits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit copies thereof to the House Committee on Agriculture and the Senate Committee on Agriculture and Forestry. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, or testimony, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress. In instances in which the Commission voluntarily seeks to obtain the comments or review of any officer or agency of the United States, the Commission shall include a description of such actions in its legislative recommendations, testimony, or comments on legislation which it transmits to the Congress.

"(10) The Commission shall have an official seal, which shall be judicially noticed.

"(11) The Commission is authorized to promulgate such rules and regulations as it deems necessary to govern the operating procedures and conduct of the business of the Commission."

(b) Section 12 of the Commodity Exchange Act, as amended (7 U.S.C. 16), is amended by striking such section and inserting in lieu thereof the following:

"SEC. 12. (a) The Commission may cooperate with any Department or agency of the Government, any State, territory, district, or possession, or department, agency, or political subdivision thereof, or any person.

"(b) The Commission shall have the authority to employ such investigators, special experts, Administrative Law Judges, clerks, and other employees as it may from time to time find necessary for the proper performance of its duties and as may be from time to time appropriated for by Congress. The Commission may employ experts and consultants in accordance with section 3109 of title 5 of the United States Code, and compensate such persons at rates not in excess of the maximum daily rate prescribed for GS–18 under section 5332 of title 5 of the United States Code. The Commission shall also have authority to make and enter into contracts with respect to all matters which in the judgment of the Commission are necessary and appropriate to effectuate the purposes and provisions of this Act, including, but not limited to, the rental of necessary space at the seat of Government and elsewhere.

"(c) All of the expenses of the Commissioners, including all necessary expenses for transportation incurred by them while on official business of the Commission, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Commission.

"(d) There are hereby authorized to be appropriated to carry out the provisions of this Act such sums as may be required for the fiscal year ending June 30, 1975, for the fiscal year ending June 30, 1976, for the fiscal year ending June 30, 1977, and for the fiscal year ending June 30, 1978."

SEC. 102. (a) Section 5314 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(60) Chairman, Commodity Futures Trading Commission."

(b) Section 5315 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraph:

"(100) Members, Commodity Futures Trading Commission."

(c) Section 5316 of title 5 of the United States Code is amended by adding at the end thereof the following new paragraphs:

"(135) General Counsels, Commodity Futures Trading Commission.

"(136) Executive Director, Commodity Futures Trading Commission."

SEC. 103. The Commodity Exchange Act, as amended, is amended—

(a) By striking the word "Secretary" and the words "Secretary of Agriculture" whereever such words appear therein (except where the words "Secretary of Agriculture" first appear in section 5(a) (7 U.S.C. 7) or where said words would be stricken by subsection (b), (c), or (d) of this section) and by inserting in lieu thereof the word "Commission".

(b) By striking the words "the Secretary of Agriculture or" wherever they appear in the phrase "the Secretary of Agriculture or the Commission".

(c) By striking the words "the Secretary of Agriculture, who shall thereupon notify the other members of" from section 6(a) thereof (7 U.S.C. 8).

(d) By striking "the Secretary of Agriculture (or any person designated by him)," from section 6(b) thereof (7 U.S.C. 15).

(e) By striking the word "he", "his", or "He" wherever such word is used therein to refer to the Secretary of Agriculture, and by inserting in lieu thereof the word "it", "its", or "It", respectively.

(f) By striking the words "United States Department of Agriculture" and "Department of Agriculture" wherever they appear therein and by inserting in lieu thereof the word "Commission".

(g) By inserting in section 5(a) (7 U.S.C. 7) after the words "Secretary of Agriculture" where the same first appear therein the words "or the Commission".

Sec. 104. All of the personnel of the Commodity Exchange Authority, property, records, and unexpended balance of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with administration of the Commodity Exchange Act shall be transferred to the Commodity Futures Trading Commission upon the effective date of this Act.

Sec. 105. Section 8 of the Commodity Exchange Act, as amended (7 U.S.C. 12, 12–1), is amended by adding at the end thereof the following new paragraphs:

"The Commission shall submit to the Congress a written report within one hundred and twenty days after the end of each fiscal year detailing the operations of the Commission during such fiscal year. The Commission shall include in such report such information, data, and recommendations for further legislation as it may deem advisable with respect to the administration of this Act and its powers and functions under this Act.

"The Comptroller General of the United States shall conduct reviews and audits of the Commission and make reports thereon. For the purpose of conducting such reviews and audits the Comptroller General shall be furnished such information regarding the powers, duties, organizations, transactions, operations, and activities of the Commission as he may require and he and his duly authorized representatives shall, for the purpose of securing such information, have access to and the right to examine any books, documents, papers, or records of the Commission except that in his reports the Comptroller General shall not include data and information which would separately disclose the business transactions of any person and trade secrets or names of customers, although such data shall be provided upon request by any committee of either House of Congress acting within the scope of its jurisdiction."

Sec. 106. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

"Sec. 14. (a) Any person complaining of any violation of any provision of this Act or any rule, regulation, or order thereunder by any person registered under section 4d, 4e, 4k, or 4m of this Act may, at any time within two years after the cause of action accrues, apply to the Commission by petition, which shall briefly state the facts, whereupon, if in the opinion of the Commission, the facts therein contained warrant such action, a copy of the complaint thus made shall be forwarded by the Commission to the respondent, who shall be called upon to satisfy the complaint, or to answer it in writing, within a reasonable time to be prescribed by the Commission.

"(b) If there appear to be, in the opinion of the Commission, any reasonable grounds for investigating any complaint made under this section, the Commission shall investigate such complaint and may, if in its opinion the facts warrant such action, have said complaint served by registered mail or by certified mail or otherwise on the respondent and afford such person an opportunity for a hearing thereon before an Administrative Law Judge designated by the Commission in any place in which the said person in engaged in business: *Provided*, That in complaints wherein the amount claimed as damages does not exceed the sum of $2,500, a hearing need not be held and proof in support of the complaint and in support of the respondent's answer may be supplied in the form of depositions or verified statements of fact.

"(c) After opportunity for hearing on complaints where the damages claimed exceed the sum of $2,500 has been provided or waived and on complaints where damages claimed do not exceed the sum of $2,500 not requiring hearing as provided herein, the Commission shall determine whether or not the respondent has violated any provision of this Act or any rule, regulation, or order thereunder.

"(d) In case a complaint is made by a nonresident of the United States, the complainant shall be required, before any formal action is taken on his complaint, to furnish a bond in double the amount of the claim conditioned upon the payment of costs, including a reasonable attorney's fee for the respondent if the respondent shall prevail, and any reparation award that may be issued by the Commission against the complainant on any counterclaim by respondent: *Provided*, That the Commission shall have authority to waive the furnishing of a bond by a complainant who is a resident of a country which permits the filing of a complaint by a resident of the United States without the furnishing of a bond.

"(e) If after a hearing on a complaint made by any person under subsection (a) of this section, or without hearing as provided in subsections (b) and (c) of this section, or upon failure of the party complained against to answer a complaint duly served within the time prescribed, or to appear at a hearing after being duly notified, the Commission determines that the respondent has violated any provision of this Act, or any rule, regulation, or order thereunder, the Commission shall, unless the offender has already made reparation to the person complaining, determine the amount of damage, if any, to which such person is entitled as a result of such violation and shall make an order directing the offender to pay to such person complaining such amount on or before the date fixed in the order. If, after the respondent has filed his answer to the complaint, it appears therein that the respondent has admitted liability for a portion of the amount claimed in the complaint as damages, the Commission under such rules and regulations as it shall prescribe, unless the respondent has already made reparation to the person complaining, may issue an order directing the respondent to pay to the complainant the undisputed amount on or before the date fixed in the order, leaving the respondent's liability for the disputed amount for subsequent determination. The remaining disputed amount shall be determined in the same manner and under the same procedure as it would have been determined if no order had been issued by the Commission with respect to the undisputed sum.

"(f) If any person against whom an award has been made does not pay the reparation award within the time specified in the Commission's order, the complainant, or any person for whose benefit such order was made, within three years of the date of the order, may file a certified copy of the order of the Commission, in the district court of the United States for the district in which he resides or in which is located the principal place of business of the respondent, for enforcement of such reparation award by appropriate orders. The orders, writs, and processes of such district court may in such case run, be served, and be returned anywhere in the United States. The petitioner shall not be liable for costs in the district court, nor for costs at any subsequent state of the proceedings, unless they accrue upon his appeal. If the petitioner finally prevails, he shall be allowed a reasonable attorney's fee, to be taxed and collected as a part of the costs of the suit. Subject to the right of appeal under subsection (g) of this section, an order of the Commission awarding reparations shall be final and conclusive.

"(g) Any order of the Commission entered hereunder shall be reviewable on *petition of* any party aggrieved thereby, the United States Court of Appeals for any circuit in which a hearing was held, or if no hearing was held, any circuit in which the appellee is located, under the procedure provided in paragraph (b) of section 6 of this Act. Such appeal shall not be effective unless within 30 days from and after the date of the reparation order the appellant also files with the clerk of the court a bond in double the amount of the reparation awarded against the appellant conditioned upon the payment of the judgment entered by the court, plus interest and costs, including a reasonable attorney's fee for the appellee, if the appellee shall prevail. Such bond shall be in the form of cash, negotiable securities having a market value at least equivalent to the amount of bond prescribed, or the undertaking of a surety company on the approved list of sureties issued by the Treasury Department of the United States. The appellee shall not be liable for costs in said court. If the appellee prevails, he shall be allowed a reasonable attorney's fee to be taxed and collected as a part of his costs.

"(h) Unless the registrant against whom a reparation order has been issued shows to the satisfaction of the Commission within fifteen days from the expiration of the period allowed for compliance with such order that he has either taken an appeal as herein authorized or has made payment in full as required by such order, he shall be prohibited from trading on all contract markets and his registration shall be suspended automatically at the expiration of such fifteen-day period until he shows to the satisfaction of the Commission that he has paid the amount therein specified with interest thereon to date of payment: *Provided*, That if on appeal the appellee prevails or if the appeal is dismissed the automatic prohibition against trading and suspension of registration shall become effective at the expiration of thirty days from the date of judgment on the appeal, but if the judgment is stayed by a court of competent jurisdiction the suspension shall become effective ten days after the expiration of such stay, unless prior thereto the judgment of the court has been satisfied.

"(i) The provisions of this section shall not become effective until one year after the date of its enactment: *Provided*, That claims which arise within nine months immediately prior to the effective date of this section may be heard by the Commission after such one year period."

Sec. 107. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

"Sec. 15. The Commission shall take into consideration the public interest to be protected by the antitrust laws and endeavor to take the least anticompetitive means of achieving the objectives of this Act, as well as the policies and purposes of this Act, in issuing any order or adopting any Commission rule or regulation, or in requiring or approving any bylaw, rule, or regulation of a contract market or registered futures association established pursuant to section 17 of this Act."

TITLE II—REGULATION OF TRADING AND EXCHANGE ACTIVITIES

Sec. 201. Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended—

(a) By striking after the word "eggs," the word "onions,".

(b) By striking the period at the end of the third sentence of the section and substituting therefor the following: ", and all other goods and articles, except onions as provided in Public Law 85–839, and all services, rights, and interests in which contracts for future delivery are presently or in the future dealt in: *Provided*, That the Commission shall have exclusive jurisdiction with respect to accounts, agreements (including any transaction which is of the character of, or is commonly known to the trade as, an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', or 'decline guaranty'), and transactions involving contracts of sale of a commodity for future delivery, traded or executed on a contract market designated pursuant to section 5 of this Act or any other board of trade, exchange, or market, and transactions subject to regulation by the Commission pursuant to section 217 of the Commodity Futures Trading Commission Act of 1974: And provided further, That, except as hereinabove provided, nothing contained in this section shall (i) supersede or limit the jurisdiction at any time conferred on the Securities and Exchange Commission or other regulatory authorities under the laws of the United States or of any State, or (ii) restrict the Securities and Exchange Commission and such other authorities from carrying out their duties and responsibilities in accordance with such laws. Nothing in this section shall supersede or limit the jurisdiction conferred on courts of the United States or any State. Nothing in this Act shall be deemed to govern or in any way be applicable to transactions in foreign currency, security warrants, security rights, resales of installment loan contracts, repurchase options, government securities, or mortgages and mortgage purchase commitments, unless such transactions involve the sale thereof for future delivery conducted on a board of trade."

Sec. 202. Section 2(a) of the Commodity Exchange Act, as amended (7 U.S.C. 2, 4), is amended by adding at the end of paragraph (1) the following new sentences: "The term 'commodity trading advisor' shall mean any person who, for compensation or profit, engages in the business of advising others, either directly or through publications or writings, as to the value of commodities or as to the advisability of trading in any commodity for future delivery on or subject to the rules of any contract market, or who for compensation or profit, and as part of a regular business, issues or promulgates analyses or reports concerning commodities; but does not include (i) any bank or trust company, (ii) any newspaper reporter, newspaper columnist, newspaper editor, lawyer, accountant, or teacher, (iii) any floor broker or futures commission merchant, (iv) the publisher of any bona fide newspaper, news magazine, or business or financial publication of general and regular circulation including their employees, (v) any contract market, and (vi) such other persons not within the intent of this definition as the Commission may specify by rule, regulation, or order: *Provided*, That the furnishing of such services by the foregoing persons is solely incidental to the conduct of their business or profession. The term 'commodity pool operator' shall mean any person engaged in a business which is of the nature of an investment trust, syndicate, or similar form of enterprise, and who, in connection therewith, solicits, accepts, or receives from others, funds, securities, or property, either directly or through capital contributions, the sale of stock or other forms of securities, or otherwise, for the purpose of trading in any commodity for future delivery on or subject to the rules of any contract market, but does not include such persons not within the intent of this definition as the Commission may specify by rule or regulation or by order."

Sec. 203. The Commodity Exchange Act, as amended, is amended by inserting after section 4i (7 U.S.C. 6i), the following new section:

"Sec. 4j. (1) The Commission shall within six months after the effective date of the Commodity Futures Trading Commission Act of 1974, and subsequently when it determines that changes are required, make a determination, after notice and opportunity for hearing, whether or not a floor broker may trade for his own account or any account in which such broker has trading discretion, and also execute a customer's order for future delivery and, if the Commission determines that such trades and such executions shall be permitted, the Commission shall further determine the terms, conditions, and circumstances under which such trades and such executions shall be conducted: *Provided*, That any such determination shall, at a minimum, take into account the effect upon the liquidity of trading of each market: *And provided further*, That nothing herein shall be construed to prohibit the Commission from making separate determinations for different contract markets when such are warranted in the judgment of the Commission, or to prohibit contract markets from setting terms and conditions more restrictive than those set by the Commission.

"(2) The Commission shall within six months after the effective date of the Commodity Futures Trading Commission Act of 1974, and subsequently when it determines that changes are required, make a determination, after notice and opportunity for hearing, whether or not a futures commission merchant may trade for its own account or any proprietary account, as defined by the Commission, and if the Commission determines that such trades shall be permitted, the Commission shall further determine the terms, conditions, and circumstances under which such trades shall be conducted: *Provided*, That any such detremination, at a minimum, shall take into account the effect upon the liquidity of trading of each market: *And provided further*, That nothing herein shall be construed to prohibit the Commission from making separate determinations for different contract markets when such are warranted in the judgment of the Commission, or to prohibit contract markets from setting terms and conditions more restrictive than those set by the Commission."

Sec. 204. (a) The Commodity Exchange Act, as amended, is amended by adding the following new section:

"Sec. 4k. (1) It shall be unlawful for any person to be associated with any futures commission merchant or with any agent of a futures commission merchant as a partner, officer, or employee (or any person occupying a similar status or performing similar functions), in any capacity which involves (i) the solicitation or acceptance of customers' orders (other than in a clerical capacity) or (ii) the supervision of any person or persons so engaged, unless such person shall have registered, under this Act, with the Commission and such registration shall not have expired nor been suspended (and the period of suspension has not expired) or revoked, and it shall be unlawful for any futures commission merchant or any agent of a futures commission merchant to permit such a person to become or remain associated with him in any such capacity if such futures commission merchant or agent knew or should have known that such person was not so registered or that such registration had expired, been suspended (and the period of suspension has not expired) or revoked: *Provided*, That any individual who is registered as a floor broker or futures commission merchant (and such registration is not suspended or revoked) need not also register under these provisions.

"(2) Any such person desiring to be registered shall make application to the Commission in the form and manner prescribed by the Commission, giving such information and facts as the Commission may deem necessary concerning the applicant. Such person, when registered hereunder, shall likewise continue to report and furnish to the Commission such information as the Commission may require. Such registration shall expire two years after the effective date thereof, and shall be renewed upon application therefor unless the registration has been suspended (and the period of such suspension has not expired) or revoked after notice and hearing as prescribed in section 6(b) of this Act: *Provided*, That upon initial registration, the effective period of such registration shall be set by the Commission, not to exceed two years from the effective date thereof and not to be less than one year from the effective date thereof."

(b) Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended by inserting after the words "futures commission merchant" each time those words appear, the following: "or any person associated therewith as described in section 4k of this Act,".

(c) Section 8a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 12a(1)), is amended by inserting after the words "futures commission merchants" the following: "and persons associated therewith as described in section 4k of this Act,".

Sec. 205. (a) The Commodity Exchange Act, as amended, is amended by adding the following new sections:

"Sec. 4l. It is hereby found that the activities of commodity trading advisors and commodity pool operators are affected with a national public interest in that, among other things—

"(1) their advice, counsel, publications, writings, analyses, and reports are furnished and distributed, and their contracts, solicitations, subscriptions, agreements, and other arrangements with clients take place and are negotiated and performed by the use of the mails and other means and instrumentalities of interstate commerce;

"(2) their advice, counsel, publications, writings, analyses, and reports customarily relate to and their operations are directed toward and cause the purchase and sale of commodities for future delivery on or subject to the rules of contract markets; and

"(3) the foregoing transactions occur in such volume as to affect substantially transactions on contract markets.

"Sec. 4m. It shall be unlawful for any commodity trading advisor or commodity pool operator, unless registered under this Act, to make use of the mails or any means or instrumentality of interstate commerce in connection with his business as such commodity trading advisor or commodity pool operator: *Provided*, That the provisions of this section shall not apply to any commodity trading advisor who, during the course of the preceding twelve months, has not furnished commodity trading advice to more than fifteen persons and who does not hold himself out generally to the public as a commodity trading advisor.

"Sec. 4n. (1) Any commodity trading advisor or commodity pool operator, or any person who contemplates becoming a commodity trading advisor or commodity pool operator, may register under this Act by filing an application with the Commission. Such application shall contain such information, in such form and detail, as the Commission may, by rules and regulations, prescribe as necessary or appropriate in the public interest, including the following:

"(A) the name and form of organization, including capital structure, under which the applicant engages or intends to engage in business, the name of the State under the laws of which he is organized; the location of his principal business office and branch offices, if any; the names and addresses of all partners, officers, directors, and persons performing similar functions or, if the applicant be an individual, of such individual; and the number of employees;

"(B) the education, the business affiliations for the past ten years, and the present business affiliations of the applicant and of his partners, officers, directors, and persons performing similar functions and of any controlling person thereof;

"(C) the nature of the business of the applicant, including the manner of giving advice and rendering of analyses or reports;

"(D) the nature and scope of the authority of the applicant with respect to clients' funds and accounts;

"(E) the basis upon which the applicant is or will be compensated; and

"(F) such other information as the Commission may require to determine whether the applicant is qualified for registration.

"(2) Except as hereinafter provided, such registration shall become effective thirty days after the receipt of such application by the Commission, or within such shorter period of time as the Commission may determine.

"(3) All registrations under this section shall expire on the 30th day of June of each year, and shall be renewed upon application therefor subject to the same requirements as in the case of an original application.

"(4) (A) Every commodity trading advisor and commodity pool operator registered under this Act shall maintain books and records and file such reports in such form and manner as may be prescribed by the Commission. All such books and records shall be kept for a period of at least three years, or longer if the Commission so directs, and shall be open to inspection by any representative of the Commission or the Department of Justice. Upon the request of the Commission, a registered commodity trading advisor or commodity pool operator shall furnish the name and address of each client, subscriber, or participant, and submit samples or copies of all reports, letters, circulars, memorandums, publications, writings, or other literature or advice distributed to clients, subscribers, or participants, or prospective clients, subscribers, or participants.

"(B) Unless otherwise authorized by the Commission by rule or regulation, all commodity trading advisors and commodity pool operators shall make a full and complete disclosure to their subscribers, clients, or participants of all futures market positions taken or held by the individual principals of their organization.

"(5) Every commodity pool operator shall regularly furnish statements of account to each participant in his operations. Such statements shall be in such form and manner as may be prescribed by the Commission and shall include complete information as to the current status of all trading accounts in which such participant has an interest.

"(6) The Commission is authorized, without hearing, to deny registration to any person as a commodity trading advisor or commodity pool operator if such person is subject to an outstanding order under this Act denying to such person trading privileges on any contract market, or suspending or revoking the registration of such person as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or suspending or expelling such person from membership on any contract market.

"(7) The Commission after hearing may by order deny registration, revoke or suspend the registration of any commodity trading advisor or commodity pool operator if the Commission finds that such denial, revocation, or suspension is in the public interest and that—

"(A) the operations of such person disrupt or tend to disrupt orderly marketing conditions, or cause or tend to cause sudden or unreasonable fluctuations or unwarranted changes in the prices of commodities;

"(B) such commodity trading advisor or commodity pool operator, or any partner, officer, director, person performing similar function or controlling person thereof—

"(i) has within ten years of the issuance of such order been convicted of any felony or misdemeanor involving the purchase or sale of any commodity or security, or arising out of any conduct or practice of such commodity trading advisor or commodity pool operator or affiliated person as a commodity trading advisor or commodity pool operator; or

"(ii) at the time of the issuance of such order, is permanently or temporarily enjoined by order, judgment or decree of any court of competent jurisdiction from acting as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or as an affiliated person or employee of any of the foregoing, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of commodities or securities; or

"(C) any partner, officer, or director of such commodity trading advisor or commodity pool operator, or any person performing a similar function or any controlling person thereof is subject to an outstanding order of the Commission denying trading privileges on any contract market to such person, or suspending or revoking the registration of such person as a commodity trading advisor, commodity pool operator, futures commission merchant, or floor broker, or suspending or expelling such person from membership on any contract market.

"SEC. 4o. (1) It shall be unlawful for any commodity trading advisor or commodity pool operator registered under this Act, by use of the mails or any means or instrumentality of interstate commerce, directly or indirectly—

"(A) to employ any device, scheme, or artifice to defraud any client or participant or prospective client or participant; or

"(B) to engage in any transaction, practice, or course of business which operates as a fraud or deceit upon any client or participant or prospective client or participant.

"(2) It shall be unlawful for any commodity trading advisor or commodity pool operator registered under this Act to represent or imply in any manner whatsoever that he has been sponsored, recommended, or approved, or that his abilities or qualifications have in any respect been passed upon, by the United States or any agency or officer thereof: *Provided*, That this section shall not be construed to prohibit a statement that a person is registered under this Act as a commodity trading advisor or commodity pool operator, if such statement is true in fact and if the effect of such registration is not misrepresented."

(b) Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended by inserting immediately before the words "or as floor broker" each time those words appear, the following: "commodity trading advisor, commodity pool operator,".

"(c) Section 8a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 12a(1)), is amended by inserting immediately before the words "and floor brokers" the following: "commodity trading advisors, commodity pool operators,".

SEC. 206. The Commodity Exchange Act, as amended, is amended by adding the following new section:

"SEC. 4p. The Commission may specify by rules and regulations appropriate standards with respect to training, experience, and such other qualifications as the Commission finds necessary or desirable to insure the fitness of futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers. In connection therewith, the Commission may prescribe by rules and regulations the adoption of written proficiency examinations to be given to applicants for registration as futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers, and the establishment of reasonable fees to be charged to such applicants to cover the administration of such examinations. The Commission may further prescribe by rules and regulations that, in lieu of examinations administered by the Commission, futures associations registered under section 17 of this Act or contract markets may adopt written proficiency examinations to be given to applicants for registration as futures commission merchants, floor brokers, and those persons associated with futures commission merchants or floor brokers, and charge reasonable fees to such applicants to cover the administration of such examinations. Notwithstanding any other provision of this section, the Commission may specify by rules and regulations such terms and conditions as it deems appropriate to protect the public interest wherein exception to any written proficiency examination shall be made with respect to individuals who have demonstrated, through training and experience, the degree of proficiency and skill necessary to protect the interests of the customers of futures commission merchants and floor brokers."

SEC. 207. Section 5 of the Commodity Exchange Act, as amended (7 U.S.C. 7), is amended by adding after subsection (f) thereof the following new subsection:

"(g) When such board of trade demonstrates that transactions for future delivery in the commodity for which designation as a contract market is sought will not be contrary to the public interest."

SEC. 208. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended—

(a) By inserting after the word "purposes" in subsection (7) the following: ": *And provided further*, That this subsection shall apply only to futures contracts for those commodities which may be delivered from a warehouse subject to the United States Warehouse Act".

(b) By striking out "and" at the end of subsection (8).

(c) By striking out the period at the end of subsection (9) and inserting in lieu thereof a semicolon.

(d) By adding at the end of subsection (9) thereof the following new subsection:

"(10) permit the delivery of any commodity, on contracts of sale thereof for future delivery, of such grade or grades, at such point or points and at such quality and locational price differentials as will tend to prevent or diminish price manipulation, market congestion, or the abnormal movement of such commodity in interstate commerce. If the Commission after investigation finds that the rules and regulations adopted by a contract market permitting delivery of any commodity on contracts of sale thereof for future delivery, do not accomplish the objectives of this subsection, then the Commission shall notify the contract market of its finding and afford the contract market an opportunity to make appropriate changes in such rules and regulations. If the contract market within seventy-five days of such notification fails to make the changes which in the opinion of the Commission are necessary to accomplish the objectives of this subsection, then the Commission after granting the contract market an opportunity to be heard, may change or supplement such rules and regulations of the contract market to achieve the above objectives: *Provided*, That any order issued under this paragraph shall not apply to contracts of sale for future delivery in any months in which contracts are currently outstanding and open: *And provided further*, That no requirement for an additional delivery point or points shall be promulgated following hearings until the contract market affected has had notice and opportunity to file exceptions to the proposed order determining the location and number of such delivery point or points;".

Sec. 209. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by adding a new subsection (11) as follows:

"(11) provide a fair and equitable procedure through arbitration or otherwise for the settlement of customers' claims and grievances against any member or employee thereof: *Provided*, That (i) the use of such procedure by a customer shall be voluntary, (ii) the procedure shall not be applicable to any claim in excess of $15,000, (iii) the procedure shall not result in any compulsory payment except as agreed upon between the parties, and (iv) the term 'customer' as used in this subsection shall not include a futures commission merchant or a floor broker; and".

Sec. 210. Section 5a of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by inserting the following new subsection (12) as follows:

"(12) except as otherwise provided in this subsection, submit to the Commission for its approval all bylaws, rules, regulations, and resolutions made or issued by such contract market, or by the governing board thereof or any committee thereof which relate to terms and conditions in contracts of sale to be executed on or subject to the rules of such contract market or relate to other trading requirements except those relating to the setting of levels of margin. The Commission shall approve, within thirty days of their receipt unless the Commission notifies the contract market of its inability to make such determination within such period of time, such bylaws, rules, regulations, and resolutions upon a determination that such bylaws, rules, regulations, and resolutions are not in violation of the provisions of this Act or the regulations of the Commission and thereafter the Commission shall disapprove, after appropriate notice and opportunity for hearing, any bylaw, rule, regulation, or resolution which the Commission finds at any time is in violation of the provisions of this Act or the regulations of the Commission. The Commission shall specify the terms and conditions under which a contract market may, in an emergency, as defined by the Commission, adopt a temporary rule dealing with trading requirements without prior Commission approval. In the event of such an emergency, as defined by the Commission, requiring immediate action, the contract market by a two-thirds vote of its governing board may place into immediate effect without prior Commission approval a temporary rule dealing with such emergency if it notifies the Commission of such action with a complete explanation of the emergency involved. The Commission may adopt a regulation exempting enumerated types of contract market operational and administrative rules from the requirement that they be submitted to the Commission for its approval."

Sec. 211. The Commodity Exchange Act, as amended, is amended by inserting the following new section immediately after section 6b (7 U.S.C. 13a):

"Sec. 6c. Whenever it shall appear to the Commission that any contract market or other person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of this Act or any rule, regulation, or order thereunder, or is restraining trading in any commodity for future delivery, the Commission may bring an action in the proper district court of the United States or the proper United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such act or practice, or to enforce compliance with this Act, or any rule, regulation or order thereunder, and said courts shall have jurisdiction to entertain such actions: *Provided*, That no restraining order or injunction for violation of the provisions of this Act shall be issued ex parte by said court. Upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond. Upon application of the Commission, the district courts of the United States and the United States courts of any territory or other place subject to the jurisdiction of the United States shall also have jurisdiction to issue writs of mandamus, or orders affording like relief, commanding any person to comply with the provisions of this Act or any rule, regulation, or order of the Commission thereunder, including the requirement that such person take such action as is necessary to remove the danger of violation of this Act or any such rule, regulation, or order: *Provided*, That no such writ of mandamus, or order affording like relief, shall be issued ex parte. Any action under this section may be brought in the district wherein the defendant is found or is an inhabitant or transacts business or in the district where the act or practice occurred, is occurring, or is about to occur, and process in such cases may be served in any district in which the defendant is an inhabitant or wherever the defendant may be found. In lieu of bringing actions itself pursuant to this section, the Commission may request the Attorney General to bring the action. Where the Commission elects to bring the action, it shall inform the Attorney General of such suit and advise him of subsequent developments."

Sec. 212. (a) Section 6 of the Commodity Exchange Act, as amended (7 U.S.C. 8, 9, 13b, 15), is amended—

(1) By substituting a comma for the period at the end of the fourth sentence in paragraph (b) and adding thereafter the following: "and may assess such person a civil penalty of not more than $100,000 for each such violation."

(2) By adding in the sixth sentence in paragraph (b), a comma after the word "petition" and inserting thereafter and before the word "praying" the following phrase; "within fifteen days after the notice of such order is given to the offending person,".

(3) By adding after paragraph (c) thereof the following new paragraph:

"(d) In determining the amount of the money penalty assessed under paragraph (b) of this section, the Commission shall consider, in the case of a person whose primary business involves the use of the commodity futures market—the appropriateness of such penalty to the size of the business of the person charged, the extent of such person's ability to continue in business, and the gravity of the violation; and in the case of a person whose primary business does not involve the use of the commodity futures market—the appropriateness of such penalty to the net worth of the person charged, and the gravity of the violation. If the offending person upon whom such penalty is imposed, after the lapse of the period allowed for appeal or after the affirmance of such penalty, shall fail to pay such penalty the Commission shall refer the matter to the Attorney General who shall recover such penalty by action in the appropriate United States district court."

(b) Section 6b of the Commodity Exchange Act, as amended (7 U.S.C. 13a), is amended to read as follows:

"Sec. 6b. If any contract market is not enforcing or has not enforced its rules of government made a condition of its designation as set forth in section 5 of this Act, or if any contract market, or any director, officer, agent, or employee of any contract market otherwise is violating or has violated any of the provisions of this Act or any of the rules, regulations, or orders of the Commission thereunder, the Commission may, upon notice and hearing and subject to appeal as in other cases provided for in paragraph (a) of section 6 of this Act, make and enter an order directing that such contract market, director, officer, agent, or employee shall cease and desist from such violation, and assess a civil penalty of not more than $100,000 for each such violation. If such contract market, director, officer, agent, or employee, after the entry of such a cease and desist order and the lapse of the period allowed for appeal of such order or after the affirmance of such order, shall fail or refuse to obey or comply with such order, such contract market, director, officer, agent, or employee shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $100,000 or imprisoned for not less than six months nor more than one year, or both. Each day during which such failure or refusal to obey such cease and desist order continues shall be deemed a separate offense. If the offending contract market or other person upon whom such penalty is imposed, after the lapse of the period allowed for appeal or after the affirmance of such penalty, shall fail to pay such penalty, the Commission shall refer the matter to the Attorney General who shall recover such penalty by action in the appropriate United States district court. In determining the amount of the money penalty assessed under this section, the Commission shall consider the appropriateness of such penalty to the net worth of the offending person and the gravity of the offense, and in the case of a contract market shall further consider whether the amount of the penalty will materially impair the contract market's ability to carry on its operations and duties."

(c) Section 6(c) of the Commodity Exchange Act, as amended (7 U.S.C. 13b), is amended by deleting the words "not less than $500 nor more than $10,000" and substituting therefor the words "not more than $100,000".

(d) Section 9 of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended as follows:

(1) Subsection (a) is amended by striking "$10,000" and substituting therefor "$100,000".

(2) Subsection (b) is amended by striking "$10,000" and substituting therefor "$100,000".

(3) Subsection (c) is amended by striking "$10,000" and substituting therefor "$100,000".

Sec. 213. Section 8a of the Commodity Exchange Act, as amended (7 U.S.C. 12a), is amended by striking subsection (7) and inserting in lieu thereof the following new subsection:

"(7) to alter or supplement the rules of a contract market insofar as necessary or appropriate by rule or regulation or by order, if after making the appropriate request in writing to a contract market that such contract market effect on its own behalf specified changes in its rules and practices, and after appropriate notice and opportunity for hearing, the Commission determines that such contract market has not made the changes so required and that such changes are necessary or appropriate for the protection of persons producing, handling, processing, or consuming any commodity traded for future delivery on such contract market, or the product or byproduct thereof, or for the protection of traders or to insure fair dealing in commodities traded for future delivery on such contract market. Such rules, regulations, or orders may specify changes with respect to such matters as:

"(A) terms or conditions in contracts of sale to be executed on or subject to the rules of such contract market;

"(B) the form or manner of execution of purchases and sales for future delivery;

"(C) other trading requirements, excepting the setting of levels of margin;

"(D) safeguards with respect to the financial responsibility of members;

"(E) the manner, method, and place of soliciting business, including the content of such solicitations; and

"(F) the form and manner of handling,

recording, and accounting for customers' orders, transactions, and accounts; and".

SEC. 214. Section 8a of the Commodity Exchange Act, as amended (7 U.S.C. 12a), is amended by adding the following new subsection (8):

"(8) to make and promulgate such rules and regulations with respect to those persons registered under this Act, who are not members of a contract market, as in the judgment of the Commission are reasonably necessary to protect the public interest and promote just and equitable principles of trade, including but not limited to the manner, method, and place of soliciting business, including the content of such solicitation; and".

SEC. 215. Section 8a of the Commodity Exchnage Act, as amended (7 U.S.C. 12a), is amended by adding the following new subsection (9):

"(9) to direct the contract market whenever it has reason to believe that an emergency exists, to take such action as, in the Commission's judgment, is necessary to maintain or restore orderly trading in, or liquidation of, any futures contract. The term 'emergency' as used herein shall mean, in addition to threatened or actual market manipulations and corners, any act of the United States or a foreign government affecting a commodity or any other major market disturbance which prevents the market from accurately reflecting the forces of supply and demand for such commodity: *Provided*, That nothing herein shall be deemed to limit the meaning or interpretation given by a contract market to the terms 'market emergency', 'emergency', or equivalent language in its own bylaws, rules, regulations, or resolutions."

SEC. 216. The Commodity Exchange Act, as amended, is amended by inserting the following new section immediately after section 8b (7 U.S.C. 12b):

"SEC. 8c. (1)(A) Any exchange or the Commission if the exchange fails to act, may suspend, expel, or otherwise discipline any person who is a member of that exchange, or deny any person access to the exchange. Any such action shall be taken solely in accordance with the rules of that exchange.

"(B) Any suspension, expulsion, disciplinary, or access denial procedure established by an exchange rule shall provide for written notice to the Commission and to the person who is suspended, expelled, or disciplined, or denied access, within thirty days, which includes the reasons for the exchange action in the form and manner the Commission prescribes. Otherwise the notice and reasons shall be kept confidential.

"(2) The Commission may, in its discretion and in accordance with such standards and procedures as it deems appropriate, review any decision by an exchange whereby a person is suspended, expelled, otherwise disciplined, or denied access to the exchange. In addition, the Commission may, in its discretion and upon application of any person who is adversely affected by any other exchange action, review such action.

"(3) The Commission may affirm, modify, set aside, or remand any exchange decision it reviews pursuant to subsection (2), after a determination on the record whether the action of the exchange was in accordance with the policies of this Act. Subject to judicial review, any order of the Commission entered pursuant to subsection (2) shall govern the exchange in its further treatment of the matter.

"(4) The Commission, in its discretion, may order a stay of any action taken pursuant to subsection (1) pending review thereof.

SEC. 217(a). No person shall offer to enter into, or confirm the execution of any transaction for the delivery of silver bullion, gold bullion, or bulk silver coins or bulk gold coins, pursuant to a standardized contract commonly known to the trade as a margin account, margin contract, leverage account, or leverage contract contrary to any rule, regulation, or order of the Commodity Futures Trading Commission designed to insure the financial solvency of the transaction or prevent manipulation or fraud: *Provided*, That such rule, regulation, or order may be made only after notice and opportunity for hearing. If the Commission determines that any such transaction is a contract for future delivery within the meaning of the Commodity Exchange Act, as amended, such transaction shall be regulated in accordance with the provisions of such Act.

(b) The provisions of section 9(c) of the Community Exchange Act, as amended, shall be applicable with respect to persons who violate the provisions of this section.

TITLE III—ENABLING AUTHORITY FOR CREATION OF NATIONAL FUTURES ASSOCIATIONS

SEC. 301. The Commodity Exchange Act, as amended, is amended by adding the following new section:

"SEC. 17. (a) Any association of persons may be registered with the Commission as a registered futures association pursuant to subsection (b) of this section, under the terms and conditions hereinafter provided in this section, by filing with the Commission for review and approval a registration statement in such form as the Commission may prescribe, setting forth the information, and accompanied by the documents, below specified:

"(1) Data as to its organization, membership, and rules of procedure, and such other information as the Commission may by rules and regulations require as necessary or appropriate in the public interest; and

"(2) Copies of its constitution, charter, or articles of incorporation or association, with all amendments thereto, and of its bylaws, and of any rules or instruments corresponding to the foregoing, whatever the name, hereinafter in this section collectively fererd to as the 'rules of the association'.

"(b) An applicant association shall not be registered as a futures association unless the Commission finds, under standards established by the Commission, that—

"(1) such association is in the public interest and that it will be able to comply with the provisions of this section and the rules and regulations thereunder and to carry out the purposes of this section;

"(2) the rules of the association provide that any person registered under this Act, contract market, or any other person designated pursuant to the rules of the Commission as eligible for membership may become a member of such association, except such as are excluded pursuant to paragraph (3) or (4) of this subsection, or a rule of the association permitted under this paragraph. The rules of the association may restrict membership in such association on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest and to carry out the purpose of this section. Rules adopted by the association may provide that the association may, unless the Commission directs otherwise in cases in which the Commission finds its appropriate in the public interest so to direct, deny admission to, or refuse to continue in such association any person if (i) such person, whether prior or subsequent to becoming registered as such, or (ii) any person associated within the meaning of 'associated person' as set forth in section 4k it appropriate in the public interest so to becoming so associated, has been and is suspended or expelled from a contract market or has been and is barred or suspended from being associated with all members of such contract market, for violation of any rule of such contract market;

"(3) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall be admitted to or continued in membership in such association, if such person—

"(A) has been and is suspended or expelled from a registered futures association or from a contract market or has been and is barred or suspended from being associated with all members of such association or from being associated with all members of such contract market, for violation of any rule of such association or contract market which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade; or

"(B) is subject to an order of the Commission denying, suspending, or revoking his registration pursuant to section 6(b) of this Act (7 U.S.C. 9), or expelling or suspending him from membership in a registered futures association or a contract market, or barring or suspending him from being associated with a futures commission merchant; or

"(C) whether prior or subsequent to becoming a member, by his conduct while associated with a member, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such member, and in entering such a suspension, expulsion, or order, the Commission or any such contract market or association shall have jurisdiction to determine whether or not any person was a cause thereof; or

"(D) has associated with him any person who is known, or in the exercise of reasonable care should be known, to him to be a person who would be ineligible for admission to or continuance in membership under clause (A), (B), or (C) of this paragraph.

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest so to approve or direct, no person shall become a member and no natural person shall become associated with a member, unless such person is qualified to become a member or a person associated with a member in conformity with specified and appropriate standards with respect to the training, experience, and such other qualifications of such person as the association finds necessary or desirable, and in the case of a member, the financial responsibility of such a member. For the purposes of defining such standards and the application thereof, such rules may—

"(A) appropriately classify prospective members (taking into account relevant matters, including type or nature of business done) and persons proposed to be associated with members.

"(B) specify that all or any portion of such standard shall be applicable to any such class.

"(C) require persons in any such class to pass examinations prescribed in accordance with such rules.

"(D) provide that persons in any such class other than prospective members and partners, officers and supervisory employees (which latter term may be defined by such rules and as so defined shall include branch managers of members) of members, may be qualified solely on the basis of compliance with specified standards of training and such other qualifications as the association finds appropriate.

"(E) provide that applications to become a member or a person associated with a member shall set forth such facts as the association may prescribe as to the training, experience, and other qualifications (including, in the case of an applicant for membership, financial responsibility) of the applicant and that the association shall adopt procedures for verification of qualifications of the applicant.

"(F) require any class of persons associated with a member to be registered with the association in accordance with procedures specified by such rules (and any application or document supplemental thereto required by such rules of a person seeking to be registered with such association shall, for the purposes of subsection (b) of section 6 of the Act, be deemed an application required to be filed under this section).

"(5) the rules of the association assure a fair representation of its members in the adoption of any rule of the association or amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs.

"(6) the rules of the association provide for the equitable allocation of dues among its members, to defray reasonable expenses of administration.

"(7) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, in general, to protect the public interest, and to remove impediments to and perfect the mechanism of free and open futures trading.

"(8) the rules of the association provide that its members and persons associated with its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or being suspended or barred from being associated with all members, or any other fitting penalty, for any violation of its rules.

"(9) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and persons associated with members and the denial of membership to any person seeking membership therein or the barring of any person from being associated with a member. In any proceeding to determine whether any member or other person shall be disciplined, such rules shall require that specific charges be brought; that such member or person shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include—

"(A) a statement setting forth any act or practice in which such member or other person may be found to have engaged, or which such member or other person may be found to have omitted.

"(B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation.

"(C) a statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade.

"(D) a statement setting forth the penalty imposed.

In any proceeding to determine whether a person shall be denied membership or whether any person shall be barred from being associated with a member, such rules shall provide that the person shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial or bar which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial or bar is based.

"(10) the rules of the association provide for a fair and equitable procedure through arbitration or otherwise for the settlement of a customer's claims and grievances against any member or employee thereof: *Provided*, That (i) the use of such procedure by a customer shall be voluntary, (ii) the procedure shall not be applicable to any claim in excess of $5,000, (iii) the procedure shall not result in any compulsory payment except as agreed upon between the parties, and (iv) the term 'customer' as used in this subsection shall not include a futures commission merchant or a floor broker.

"(c) The Commission may, after notice and opportunity for hearing, suspend the registration of any futures association if it finds that the rules thereof do not conform to the requirements of the Commission, and any such suspension shall remain in effect until the Commission issues an order determining that such rules have been modified to conform with such requirements.

"(d) In addition to the fees and charges authorized by section 8a(4) of this Act, each person registered under this Act, who is not a member of a futures association registered pursuant to this section, shall pay to the Commission such reasonable fees and charges as may be necessary to defray the costs of additional regulatory duties required to be performed by the Commission because such person is not a member of a registered futures association. The commission shall establish such additional fees and charges by rules and regulations.

"(e) Any person registered under this Act, who is not a member of a futures association registered pursuant to this section, in addition to the other requirements and obligations of this Act and the regulations thereunder shall be subject to such other rules and regulations as the Commission may find necessary to protect the public interest and promote just and equitable principles of trade.

"(f) Upon filing of an application for registration pursuant to subsection (a), the Commission may by order grant such registration if the requirements of this section are satisfied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration.

"(g) A registered futures association may, upon such reasonable notice as the Commission may deem necessary in the public interest, withdraw from registration by filing with the Commission a written notice of withdrawal in such form as the Commission may by rules and regulations prescribe.

"(h) If any registered futures association takes any disciplinary action against any member thereof or any person associated with such a member or denies admission to any person seeking membership therein, or bars any person from being associated with a member, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within thirty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (k) of this section unless the Commission otherwise orders, after notice and opportunity for hearing on the question of a stay (which hearing may consist solely of affidavits and oral arguments).

"(i)(1) In a proceeding to review disciplinary action taken by a registered futures association against a member thereof or a person associated with a member, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant—

"(A) finds that such member or person has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and

"(B) determines that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association, the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission determines that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

"(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member or person associated with a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

"(3) If any proceeding to review the denial of membership in a registered futures association or the barring of any person from being associated with a member, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, determines that the specific grounds on which such denial or bar is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant to membership therein, or to permit such person to be associated with a member.

"(j) Every registered futures association shall file with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest, copies of any changes in or additions to the rules of the association, and such other information and documents as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (a) of this section. Any change in or addition to the rules of a registered futures association shall be submitted to the Commission for approval and shall take effect upon the thirtieth day after such approval by the Commission, or upon such earlier date as the Commission may determine, unless the Commission shall enter an order disapproving such change or addition; and the Commission shall enter such an order unless such change or addition appears to the Commission to be consistent with the requirements of this section and the provisions of this Act.

"(k)(1) The Commission is authorized by order to abrogate any rule of a registered futures association, if after appropriate notice and opportunity for hearing, it appears to the Commission that such abrogation is necessary or appropriate to assure fair dealing by the members of such association, to assure a fair representation of its members in the administration of its affairs or effectuate the purposes of this title.

"(2) The Commission may in writing request any registered futures association to adopt any specified alteration or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested, or with such modifications of such alteration or supplement as it deems necessary if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary to appropriate in the public interest or to effectuate the purposes of this section, with respect to—

"(A) the basis for, and procedure in connection with, the denial of membership or the barring from being associated with a member or the disciplining of members or persons associated with members, or the qualifications required for members or natural persons associated with members or any class thereof;

"(B) the method for adoption of any change in or addition to the rules of the association;

"(C) the method of choosing officers and directors.

"(1) The Commission is authorized, if such action appears to it to be necessary or appropriate in the public interest or to carry out the purposes of this section—

"(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to revoke the registration of a registered futures association, if the Commission finds that such association has violated any provisions of this title or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this Act;

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered futures association any member thereof, or to surpend for a period not exceeding twelve months or to bar any person from being associated with a member thereof, if the Commission finds that such member or person—

"(A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder; or

"(B) has willfully violated any provision of the Commodity Exchange Act, as amended, or any rule, regulation, or order thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule, regulation, or order.

"(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer or director of a registered futues association who, the Commission finds, has willfully failed to enforce the rules of the association, or has willfully abused his authority.

"(m) The Commission shall include in its annual reports to Congress information concerning any futures associations registered pursuant to this section and the effectiveness of such associations in regulating the practices of the members."

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Section 9 of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended by adding the following new subsections:

"(d) It shall be a felony punishable by a fine of not more than $10,000 or imprisonment for not more than five years, or both, together with the costs of prosecution, for any Commissioner of the Commission or any employee or agent thereof, to participate, directly or indirectly, in any transaction in commodity futures or any transaction of the character of or which is commonly known to the trade as an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', 'decline guaranty', or for any such person to participate, directly or indirectly, in any investment transaction in an actual commodity: *Provided*, That such prohibition against any investment transaction in an actual commodity shall not apply to a transaction in which such person buys an agricultural commodity or livestock for use in his own farming or ranching operations or sells an agricultural commodity which he has produced in connection with his own farming or ranching operations nor to any transaction in which he sells livestock which he has owned at least three months. With respect to such excepted transactions, the Commission shall require any Commissioner of the Commission or any employee or agent thereof who participates in any such transaction to notify the Commission thereof in accordance with such regulations as the Commission shall prescribe and the Commission shall make such information available to the public.

"(e) It shall be a felony punishable by a fine of not more than $10,000 or imprisonment for not more than five years, or both, together with the costs of prosecution—(1) for any Commissioner of the Commission or any employee or agent thereof who, by virtue of his employment or position, acquires information which may affect or tend to affect the price of any commodity futures or commodity and which information has not been made public to impart such information with intent to assist another person, directly or indirectly, to participate in any transaction in commodity futures, any transaction in an actual commodity, or in any transaction of the character of or which is commonly known to the trade as an 'option', 'privilege', 'indemnity', 'bid', 'offer' 'put', 'call', 'advance guaranty', or 'decline guaranty'; and (2) for any person to acquire such information from any Commissioner of the Commission or any employee or agent thereof and to use such information in any transaction in commodity futures, any transaction in an actual commodity, or in any transaction of the character of or which is commonly known to the trade as an 'option', 'privilege', indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', or 'decline guaranty'."

Sec. 402. Section 4c of the Commodity Exchange Act, as amended (7 U.S.C. 6c), is amended—

(a) by inserting "(a)" after "Sec. 4c.".

(b) By striking paragraph (B) in its entirety and inserting in lieu thereof the following:

"(B) if such transaction involves any commodity specifically set forth in section 2(a) of this Act, prior to the enactment of the Commodity Futures Trading Commission Act of 1974, and if such transaction is of the character of, or is commonly known to the trade as, an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', or 'decline guaranty', or".

(c) By adding at the end thereof the following new subsection:

"(b) No person shall offer to enter into, enter into, or confirm the execution of, any transaction subject to the provisions of subsection (a) of this section involving any commodity regulated under this Act, but not specifically set forth in section 2(a) of this Act, prior to the enactment of the Commodity Futures Trading Commission Act of 1974, which is of the character of, or is commonly known to the trade as, an 'option', 'privilege', 'indemnity', 'bid', 'offer', 'put', 'call', 'advance guaranty', or 'decline guaranty', contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission shall prescribe within one year after the effective date of the Commodity Futures Trading Commission Act of 1974 unless the Commission determines and notifies the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture that it is unable to prescribe such terms and conditions within such period of time: *Provided*, That any such order, rule, or regulation may be made only after notice and opportunity for hearing: *And provided further*, That the Commission may set different terms and conditions for different markets."

(d) By striking the last sentence of subsection (a) as designated by this section.

Sec. 403. Section 4a(1) of the Commodity Exchange Act, as amended (7 U.S.C. 6a), is amended by inserting, following the word "straddles" in the last sentence of such paragraph the words "or 'arbitage'" and by ading the following new sentences at the end of such paragraph: "The word 'arbitrage' in domestic markets shall be defined to mean the same as a 'spread' or 'straddle'. The Commission is authorized to define the term 'international arbitrage'."

Sec. 404. Section 4a(3) of the Commodity Exchange Act, as amended (7 U.S.C. 6a), is amended by deleting the period at the end of the first sentence and adding "as such terms shall be defined by the Commission within ninety days after the effective date of the Commodity Futures Trading Commission Act of 1974 by order consistent with the purposes of this Act."; and by deleting, effective immediately on enactment of this Act, the remainder of paragraph (3): *Provided*, That notwithstanding any other provision of law, the Secretary of Agriculture, immediately upon the enactment of the Commodity Futures Trading Commission Act of 1974, is authorized and directed to promulgate regulations defining bona fide hedging transactions and positions: *And provided further*, That until the Secretary issues such regulations defining bona fide hedging transactions and positions and such regulations are in full force and effect, such terms shall continue to be defined as set forth in the Commodity Exchange Act prior to its amendment by the Commodity Futures Trading Commission Act of 1974.

Sec. 405. Section 4b of the Commodity Exchange Act, as amended (7 U.S.C. 6b), is amended—

(a) By deleting the word "cotton" where it appears in the last full paragraph of such section, and inserting in lieu thereof the words "a commodity".

(b) By striking the period at the end of such section and adding the following: ": *And provided further*, That such transactions shall be made in accordance with such rules and regulations as the Commission may promulgate regarding the manner of the execution of such transactions."

Sec. 406. Section 5a(6) of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended by deleting the semicolon at the end of said subsection and inserting in lieu thereof the following: "and adopted by the Commission;".

Sec. 407. Section 5a(8) of the Commodity Exchange Act, as amended (7 U.S.C. 7a), is amended—

(a) By deleting the words "not been disapproved by the Secretary of Agriculture pursuant to paragraph (7) of section 8a" and inserting in lieu thereof the words "been approved by the Commission pursuant to paragraph (12) of section 5a".

(b) By deleting the word "so", and inserting the words "by the Commission" immediately before the semicolon at the end of such subsection.

Sec. 408. Section 6(b) of the Commodity Exchange Act, as amended (7 U.S.C. 9), is amended—

(a) By striking in the second sentence "a referee" and inserting in lieu thereof "an Administrative Law Judge".

(b) By striking the word "referee" each other place it appears and inserting in lieu thereof "Administrative Law Judge".

Sec. 409. Section 9(c) of the Commodity Exchange Act, as amended (7 U.S.C. 13), is amended by inserting after "section 4i" the following: "section 4k, section 4m, section 4o,".

Sec. 410. Section 5108(c) of title 5 of the United States Code is amended by adding after paragraph (11) thereof the following new paragraph:

"(12) The Commodity Futures Trading Commission, subject to the standards and procedures prescribed by this chapter, may place an additional twenty positions in GS-16, GS-17, and GS-18 for purposes of carrying out its functions."

Sec. 411. All operations of the Commodity Exchange Commission and of the Secretary of Agriculture under the Commodity Exchange Act, including all pending administrative proceedings, shall be transferred to the Commodity Futures Trading Commission as of the effective date of this Act and continue to completion. All rules, regulations, and orders heretofore issued by the Commodity Exchange Commission and by the Secretary of Agriculture under the Commodity Exchange Act to the extent not inconsistent with the provisions of this Act shall continue in full force and effect unless and until terminated, modified, or suspended by the Commodity Futures Trading Commission.

Sec. 412. Pending proceedings under existing law shall not be abated by reason of any provision of this Act but shall be disposed of pursuant to the applicable provisions of the Commodity Exchange Act, as amended, in effect prior to the effective date of this Act.

Sec. 413. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Sec. 414. The Commodity Exchange Act, as amended, is amended by adding the following new section at the end thereof:

"Sec. 16. (a) The Commission may conduct regular investigations of the markets for goods, articles, services, rights, and interests which are the subject of futures contracts, and furnish reports of the findings of these investigations to the public on a regular basis. These market reports shall, where appropriate, include information on the supply, demand, prices, and other conditions in the United States and other countries with respect to such goods, articles, services, rights, interests, and information respecting the futures markets.

"(b) The Commission shall cooperate with the Department of Agriculture and any other Department or Federal agency which makes market investigations to avoid unnecessary duplication of information-gathering activities.

"(c) The Department of Agriculture and any other Department or Federal agency which has market information sought by the Commission shall furnish it to the Commission upon the request of any authorized employee of the Commission. The Commission shall abide by any rules of confidentiality applying to such information.

"(d) The Commission shall not disclose in such reports data and information which would separately disclose the business transactions of any person and trade secrets or names of customers except as provided in section 8 of this Act."

Sec. 415. Section 4g of the Commodity Exchange Act, as amended, is amended by inserting "(1)" after the section designation and by adding the following new subsections:

"(2) Every clearinghouse and contract market shall maintain daily trading records. The daily trading records shall include such information as the Commission shall prescribe by rule.

"(3) Brokers and futures commission merchants shall maintain daily trading records for each customer in such manner and form as to be identifiable with the trades referred to in subsection (2).

"(4) Daily trading records shall be maintained in a form suitable to the Commission for such period as may be required by the Commission. Reports shall be made from the records maintained at such times and at such places and in such form as the Commission may prescribe by rule, order, or regulation in order to protect the public interest and the interest of persons trading in commodity futures.

"(5) Before the beginning of trading each day, the exchange shall, insofar as is practicable and under terms and conditions specified by the Commission, make public the volume of trading on each type of contract for the previous day and such other information as the Commission deems necessary in the public interest and prescribes by rule, order, or regulation.

"(6) Nothing contained in this section shall be construed to prohibit the Commission from making separate determinations for different clearinghouses, contract markets, and exchanges when such determinations are warranted in the judgment of the Commission."

Sec. 416. The Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new section:

Sec. 18. (a) The Commission shall establish and maintain, as part of its ongoing operations, research and information programs to (1) determine the feasibility of trading by computer, and the expanded use of modern information system technology, electronic data processing, and modern communication systems by commodity exchanges, boards of trade, and by the Commission itself for purposes of improving, strengthening, facilitating, or regulating futures trading operations; (2) assist in the development of educational and other informational materials regarding futures trading for dissemination and use among producers, market users, and the general public; and (3) carry out the general purposes of this Act.

"(b) The Commission shall include in its annual reports to Congress plans and findings with respect to implementing this section."

Sec. 417. The Commodity Futures Trading Commission shall submit to the Congress, not later than June 30, 1976, a report respecting the need for legislation insuring owners of commodity futures accounts and persons handling or clearing trades in such accounts against loss by reason of the insolvency or financial failure of a futures commission merchant carrying such accounts. The report shall contain the recommendations of the Commission concerning the form and nature of any such legislation.

Sec. 418. (a) Except as otherwise provided specifically in this Act, the effective date of this Act shall be the 180th day after enactment. The Commission referred to in section 101 is hereby established effective immediately on enactment of this Act. Section 102 and 410 shall be effective immediately on enactment of this Act. Activities necessary to implement the changes effected by this Act may be carried out after the date of enactment and before as well as after the 180th day thereafter. Activities to be carried out after the date of enactment and before the 180th day thereafter may include, but are not limited to the following: designation of boards of trade as contract markets, registration of futures commission merchants, floor brokers, and other persons required to be registered under the Act, approval or modification of bylaws, rules, regulations, and resolutions of contract markets, and issuance of regulations effective on or after the 180th day after enactment; appointment and compensation of the members of the Commission; hiring and compensation of staff; and conducting of investigations and hearings. Nothing in this Act shall limit the authority of the Secretary of Agriculture or the Commodity Exchange Commission under the Commodity Exchange Act, as amended, prior to the 180th day after enactment of this Act.

(b) Funds appropriated for the administration of the Commodity Exchange Act, as amended, may be used to implement this Act immediately after the date of enactment of this Act.

And the Senate agrees to the same.

W. R. Poage,
Frank A. Stubblefield,
Thomas S. Foley,
Bob Bergland,
William C. Wampler,
Robert Price,
Charles Thone,
Managers on the Part of the House.

Herman E. Talmadge,
George McGovern,
Hubert H. Humphrey,
Dick Clark,
Carl T. Curtis,
Robert Dole,
Henry Bellmon,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13113) to amend the Commodity Exchange Act to strengthen the regulation of futures trading, to bring all agricultural and other commodities traded on exchanges under regulation, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report. The differences between the House bill and the Senate amendment and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying, and technical changes:

(1) NATURE OF COMMISSION

The *House* bill creates a five-man regulatory Commission with certain ties to the Department of Agriculture. The Commission would consist of four public members and the Secretary of Agriculture or his designee. The four public members of the Commission would be appointed by the President from the general public and confirmed by the Senate. Any of the five members of the Commission could be separately nominated by the President as Chairman of the Commission, although such nomination would be subject to separate Senate approval. The four public members would serve on a part-time basis. They would be compensated at Executive Level IV on a per diem basis for the time they spend in the performance of their official activities. The Commission would be allowed to utilize the facilities and services of the Department of Agriculture, at cost, including adequate office space if available. The Commission would be required to meet as often as necessary, but not less than one regular meeting per month. Additional meetings could be called by the Chairman or any two members of the Commission. The Commission would have a General Counsel, an Executive Director, and a Secretary.

The *Senate* amendment creates a five-man independent regulatory Commission consisting of a Chairman and four other Commissioners. In nominating persons for appointment, the President is to seek to establish and maintain a balanced Commission that will include—but not be limited to—persons of demonstrated knowledge in futures trading or its regulation and persons of demonstrated knowledge in the production, merchandising, processing, or distribution of the goods, articles, services, rights, and interests covered by the Act. The Chairman would be the chief administrative officer and compensated at Executive Level III. The other Commissioners would be compensated at Level IV. The Commission would have a General Counsel and an Executive Director, but no Secretary. Both the General Counsel and the Executive Director would be subject to Senate affirmation. They would be compensated at Executive Level V.

The *Conference* substitute adopts the *Senate* provision with an amendment. Under the

Conference substitute, the Secretary of Agriculture will appoint a liaison officer, who shall be an employee of the Department of Agriculture, for the purpose of maintaining liaison between the Commission and the Department. The Commission shall furnish the liaison officer with appropriate office space and clerical help, and he shall have the right to attend and observe all deliberations and proceedings of the Commission. Likewise, the Commission shall establish a separate office within the Department of Agriculture to be staffed with employees of the Commission for the purpose of maintaining liaison between the Department and the Commission. The Secretary shall take such steps as may be necessary to enable the Commission to obtain information and utilize such services and facilities of the Department as may be necessary in order to maintain effectively such liaison.

Under the *Conference* substitute, the Commission would appoint the General Counsel and the Executive Director. Only the Executive Director would be subject to Senate confirmation. Both would serve at the pleasure of the Commission.

The *Conference* substitute includes the *House* provision that vacancy in the Commission would not impair the right of the remaining Commissioners to exercise the powers of the Commission. Thus, during the period of transition between the date of enactment and the effective date of the bill, it will be possible for the Commission to function when three of the Commissioners have been appointed and have qualified.

The *Conference* substitute also provides that whenever the Commission submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit copies of that estimate or request to the House and Senate Agriculture Committees and the House and Senate Appropriations Committees. Likewise, whenever the Commission submits any legislative recommendation, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit copies thereof to the House and Senate Agriculture Committees.

(2) REPARATIONS PROCEDURE

Under the *Senate* amendment, a person would have three years instead of nine months, as provided in the *House* bill, to make a complaint to the Commission.

Judicial review of the Commission's findings and order would under the *House* bill be de novo, except that the findings of fact and orders of the Commission would be prima facie evidence of the facts therein stated. Under the *Senate* amendment, the findings would be reviewable only for purposes of determining if they are supported by substantial evidence.

Under the *House* bill, the period of time for a person to comply with or appeal a reparations order entered against him is five days. Under the *Senate* amendment, the period of time is extended to 15 days.

Under the *Conference* substitute, a person would have two years to make a complaint to the Commission. In lieu of the *House* and *Senate* provisions, judicial review of the Commission's findings and order would on appeal be in the Court of Appeals pursuant to the procedure provided in section 6(b) of the Commodity Exchange Act. Under section 6(b) of the Act, the findings of the Commission, as to the facts, would, if supported by the weight of the evidence, be conclusive. The *Conference* substitute retains the *Senate* provision that the period of time for a person to comply with or appeal a reparations order entered against him is 15 days.

(3) ANTITRUST LAWS

Under the *House* bill, the Commission—in issuing any order, rule, or regulation or in requiring or approving any bylaw, rule, or regulation of a contract market—is to take into consideration the public interest to be protected by the antitrust laws.

The *Senate* amendment retains this provision, and, in addition, requires the Commission to endeavor to take the least anticompetitive means of achieving the objectives of the Commodity Exchange Act.

The *Conference* substitute adopts the *Senate* amendment with only a technical change. However, the requirement that the Commission endeavor to take the least anticompetitive means of achieving the objectives of the Commodity Exchange Act is not intended to constitute any procedural roadblock to the Commission in regulating the futures trading industry, and separate proceedings to consider antitrust and anticompetitive matters are not required by the Commission in issuing any order, adopting any Commission rule or regulation, or in requiring or approving any bylaw, rule, or regulation of a contract market.

(4) JURISDICTION OF THE COMMISSION

The *House* bill provides for exclusive jurisdiction of the Commission over all futures transactions. However, it is provided that such exclusive jurisdiction would not supersede or limit the jurisdiction of the Securities and Exchange Commission or other regulatory authorities.

The *Senate* amendment retains the provision of the *House* bill but adds three clarifying amendments. The clarifying amendments make clear that (a) the Commission's jurisdiction over futures contract markets or other exchanges is exclusive and includes the regulation of commodity accounts, commodity trading agreements, and commodity options; (b) the Commission's jurisdiction, where applicable, supersedes State as well as Federal agencies; and (c) Federal and State courts retain their respective jurisdictions.

In addition, the *Senate* amendment provides that interbank trading of foreign currencies and specified financial instruments is not subject to Commission regulation.

Also, the *Senate* amendment provides that the Commission's authority in section 217 of the bill to regulate transactions for the delivery of silver bullion, gold bullion, or bulk silver coins or bulk gold coins pursuant to standardized margin or leverage contracts is exclusive.

The *Conference* substitute adopts the *Senate* amendment, including the provision in section 402(d) of the bill which strikes the last sentence of section 4c of the Commodity Exchange Act. The language being struck provides that "Nothing in this section [section 4c] or section 4b shall be construed to impair any State law applicable to any transactions enumerated or described in such sections."

Under the exclusive grant of jurisdiction to the Commission, the authority in the Commodity Exchange Act (and the regulations issued by the Commission) would preempt the field insofar as futures regulation is concerned. Therefore, if any substantive State law regulating futures trading was contrary to or inconsistent with Federal law, the Federal law would govern. In view of the broad grant of authority to the Commission to regulate the futures trading industry, the Conferees do not contemplate that there will be a need for any supplementary regulation by the States.

(5) FITNESS REQUIREMENTS FOR FLOOR BROKERS, FUTURES COMMISSION MERCHANTS, AND PERSONS ASSOCIATED WITH THEM

The *Senate* amendment provides in section 206 that the Commission may exempt floor brokers, futures commission merchants, and persons associated with them, from any written proficiency examinations, if they have previously demonstrated the required proficiency and skill necessary to protect the interests of customers.

The *Senate* amendment strikes a similar provision in section 204 of the *House* bill which would be applicable only with respect to persons associated with futures commission merchants.

The *Conference* substitute adopts the Senate provision.

(6) CONTRACT MARKET DESIGNATION (ECONOMIC JUSTIFICATION)

The *House* bill requires a board of trade, before designation as a contract market, to demonstrate (a) that the prices involved in transactions for future delivery in the commodity for which such designation is sought, are, or reasonably can be expected to be, generally quoted and disseminated as a basis for determining prices to producers, merchants, or consumers of such commodity or the products or byproducts thereof or (b) that such transactions are, or reasonably can be expected to be, utilized by producers, merchants, or consumers engaged in handling such commodity or the products or byproducts thereof in interstate commerce as a means of hedging themselves against possible loss through fluctuations in price.

The *Senate* amendment strikes the *House* provision and substitutes therefor the requirement that the board of trade demonstrate that transactions for future delivery in the commodity for which designation as a contract market is sought will not be contrary to the public interest.

The *Conference* substitute adopts the *Senate* provision. The Conferees note that the broader language of the *Senate* provision would include the concept of the "economic purpose" test provided in the *House* bill subject to the final test of the "public interest".

(7) DELIVERY POINTS

The *Senate* amendment would give contract markets 75 days, instead of 60 days as specified in the *House* bill, to make changes in delivery points as deemed necessary by the Commission.

In addition, the *Senate* amendment eliminates any requirement that warehouse receipts issued under the United States Warehouse Act be accepted in satisfaction of futures contracts where such a requirement is totally inappropriate.

The *Conference* substitute adopts the *Senate* provision.

(8) VOLUNTARY ARBITRATION OF CUSTOMERS' CLAIMS

Under the *House* bill, a contract market's voluntary arbitration procedure is limited to claims not in excess of $5,000.

The *Senate* amendment increases this amount to $15,000.

The *Conference* substitute adopts the *Senate* provision.

(9) COMMISSION APPROVAL OF EXCHANGE BYLAWS, RULES, REGULATIONS, AND RESOLUTIONS

The *Senate* amendment retains the provision of the *House* bill that a contract market submit for Commission approval bylaws, rules, regulations, and resolutions which relate to the terms and conditions of futures contracts or other trading requirements.

The *Senate* amendment provides that the Commission is to approve or disapprove such bylaws, rules, regulations, and resolutions within 30 days unless the Commission determines that a longer period of time is necessary for such determination and so notifies the contract market. In addition, the *Senate* amendment (a) authorizes contract markets to adopt rules in an emergency without prior approval by the Commission, and (b) permits the Commission to exempt contract market operational and administrative rules from the requirement that they be submitted to the Commission for approval.

The *Conference* substitute retains the *Senate* provision with an amendment providing that the Commission shall specify the terms and conditions under which a contract market may, in an emergency, adopt a temporary rule dealing with trading requirements without prior Commission approval.

Under section 213 of the bill, the Commission retains its authority and flexibility to alter or supplement previously-approved exchange bylaws, rules, regulations, and resolutions.

(10) RESTRAINING ORDERS, INJUNCTIONS, AND WRITS OF MANDAMUS

The *House* bill provides that whenever it shall appear to the Commission that any contract market or other person has engaged, is engaging, or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule, regulation, or order thereunder, or is in a position to effectuate a squeeze or corner or otherwise restrain trading in any commodity for future delivery, the Commission is permitted to notify the Attorney General, and the Attorney General is permitted to bring a court action to enjoin such act or practice, or to enjoin the continued maintenance of such a position, or to enforce compliance with the Act, or any rule, regulation, or order thereunder.

The *Senate* amendment authorizes the Commission to go directly into court itself—without going through the Attorney General—to enjoin any contract market or other person from violating the Act or restraining trading in any commodity for future delivery. The *Senate* amendment retains the authority for the Commission to seek injunctions with respect to persons "about to engage" in violations of the Act, but deletes the authority to seek injunctions with respect to persons "in a position to" effectuate a squeeze or corner. Under both the *Senate* amendment and the *House* bill, no restraining order, injunction, or writ of mandamus will be issued ex parte.

The *Conference* substitute adopts the *Senate* provision with an amendment providing that, in lieu of bringing actions itself, the Commission may request the Attorney General to bring action. Where the Commission elects to bring the action, it shall inform the Attorney General and advise him of subsequent developments.

(11) EMERGENCY POWERS

The *House* bill authorizes the Commission to direct any contract market, "whenever [the Commission] has reason to believe that the amount of deliverable supplies, the number of open contracts, the relative size of individual traders' positions, the amount and direction of price movements in cash and futures markets, the impact of government edicts and regulations, the existence of a market emergency, or any other such market factor creates a condition which threatens orderly trading in, or liquidation of, any futures contract, to take such action as in the Commission's judgment is necessary to maintain or restore orderly trading in, or liquidation of, any futures contract." The *House* bill specifies examples of actions that the Commission may take.

Under the *Senate* amendment, the Commission will have authority to act only in "emergency" situations and direct a contract market to take such action as is necessary to maintain or restore orderly trading. The term "emergency" is defined as meaning—in addition to threatened or actual market manipulations and corners—any act of government affecting a commodity or any other major market disturbance which prevents the market from accurately reflecting the forces of supply and demand. In addition, the "emergency" itself must—in the Commission's judgment—have a greater adverse impact on the market than the action the Commission proposes to take.

The *Conference* substitute adopts the *Senate* provision with an amendment deleting the language that the "emergency" must, in the Commission's judgment, have a greater adverse impact on the market than the action the Commission proposes to take. At the outset of an emergency, it might not be practicable for the Commission to reach such a judgment.

However, the Conferees do not intend that the emergency powers section be used to prescribe a remedy more severe than the malady sought to be cured. The effective use of the emergency powers requires the careful exercise of expert and impartial judgment by the Commission.

Under the *Conference* substitute, the Commission may take, but is not limited to, all of the emergency actions specified in the *House* bill.

(12) DISCIPLINARY PROCEDURES

The *Senate* amendment (a) authorizes the Commission to discipline exchange members if the exchange fails to act and (b) permits a member who is disciplined by an exchange to appeal to the Commission. The provision does not require any person to submit to the appeal procedure of the Commission and it does not deny any person the right to seek relief in the courts. Nor does it limit the liability of any person in any suit by a State or Federal agency.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment under which review by the Commission of exchange disciplinary action would be discretionary and, if allowed, in accordance with such standards and procedures as the Commission deems appropriate. The *Conference* substitute deletes the *Senate* provision stating that nothing therein (a) requires any person to submit to the appeal procedure of the Commission, (b) prohibits any person from seeking relief in the courts, or (c) limits the liability of any person in any suit by a State or Federal agency. The appeal procedure, under the *Conference* substitute, is discretionary. While as a matter of primary administrative jurisdiction, courts may defer to any review afforded by the Commission, the availability of such review procedure will not affect rights that are otherwise available to persons adversely affected by exchange action.

(13) LEVERAGE CONTRACT REGULATION

The *Senate* amendment requires the Commission to regulate leverage transactions for the delivery of silver bullion, gold bullion, or bulk silver coins or bulk gold coins. Under the *Senate* amendment, if the Commission determines at any time that such transactions are futures contracts within the meaning of the Act, they would be regulated accordingly.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision. If the Commission determines that any leverage transaction is a contract for future delivery within the meaning of the Commodity Exchange Act, all of the requirements in the Act would be applicable to trading in such transaction.

(14) FUTURES ASSOCIATIONS

Title III of the *House* bill provides enabling authority at the discretion of the Commission for persons registered under the Commodity Exchange Act and in the commodity trading business to establish voluntary associations for regulating the practices of the members.

The *Senate* amendment strikes title III of the *House* bill and requires the Commission to investigate the need for legislation providing for the registration of futures associations. The Commission is to report its findings to Congress within two years.

The *Conference* substitute adopts the *House* provision with an amendment providing that the Commission's annual reports to the Congress are to include information concerning the futures associations registered pursuant to title III and the effectiveness of such associations in regulating the practices of the members. Thus, Congress will be in a position to make a continuing review of the effectiveness of any futures association registered by the Commission.

(15) INSIDER TRADING

The *Senate* amendment makes technical changes in the *House* section on insider trading. In addition, it modifies the *House* prohibition against insider trading in *actual commodities*. The *Senate* amendment prohibits trading in actual commodities only if the insider is using "information acquired by virtue of his employment or position" to do such trading.

The *Senate* amendment would also make it a felony for any person to *acquire* information from an insider and *use* such information for futures trading, options trading, and trading in actual commodities.

The *House* bill does not impose any sanctions against person *acquiring* information from insiders.

The *Conference* substitute deletes the *Senate* provision requiring that, for a crime to be committed under the new section 9(d), a Commissioner of the Commission or employee or agent thereof engaging in a transaction in an actual commodity must be proven to have used "information acquired by virtue of his employment or position". The Conferees wished to make it clear that the deletion of this requirement should not be construed to mean that a Commission or other employee or agent of the Commission would be prohibited from engaging in *any* transaction in an actual commodity (*e.g.*, the purchase of butter or other commodities for his own use). The *Conference* substitute, therefore, adds the word "investment" to define the type of actual transaction sought to be prohibited. This makes clear that the purchase of commodities for one's own use and consumption is not prohibited. In addition, the Conferees added language refining the "excepted transactions" language to permit "purchase" as well as sale of actual commodities and livestock in connection with farming and ranching operations of a Commissioner, employee or agent.

The *Conference* substitute retains the *Senate* provision making it a felony for any person to acquire and use insider information.

(16) OPTIONS TRADING

The *House* bill continues the ban now contained in section 4c of the Act on trading in options (privileges, indemnities, bids, offers, puts, calls, advance guaranties, and decline guaranties) in the now-regulated commodities, but permits trading in options in all other commodities *if* not done contrary to any rule, regulation, or order of the Commission prohibiting any such transaction or allowing any such transaction under such terms and conditions as the Commission may prescribe. The Commission could promulgate such an order, rule, or regulation only after notice and opportunity for hearing. The Commission may set different terms and conditions for different markets.

The *Senate* amendment retains the *House* provision, but provides that the Commission is to prescribe the regulations governing such options trading within one year after the effective date of the bill.

The *Conference* substitute adopts the *Senate* provision with an amendment providing that the period for issuing regulations governing such options trading may be extended if the Commission determines, and notifies the Senate Committee on Agriculture and Forestry and the House Committee on Agriture, that it will be unable to promulgate such regulations within the one-year period.

(17) ARBITRAGE

The *House* bill authorizes the Commission, in fixing trading and position limits, to exempt "arbitrage" transactions, and defines the word "arbitrage" as meaning the same as a "spread" or "straddle".

The *Senate* amendment retains such exemption but limits the definition to arbitrage in domestic markets and authorizes the Commission to define "international arbitrage".

The *Conference* substitute adopts the *Senate* provision.

(18) HEDGING

The *House* bill deletes the definition of "bona fide hedging transactions or positions" now contained in the Act and allows the Commission to define that term "by order consistent with the purposes of this Act." However, until the Commission issues regulations defining what constitutes bona fide hedging transactions and positions under the Act and such regulations are in full force and effect, such terms will continue to be defined as set forth in the Act prior to its amendment by the bill.

The *Senate* amendment allows the Commission to define hedging, as would the *House* bill, but requires that the Commission allow the hedging of "contract" bushels of seed and extend anticipatory hedging privileges to persons such as bakers who use products (for example, flour) of traded commodities rather than the commodity itself. Under the *Senate* amendment, the new definition must be issued by the Commission within 90 days after the effective date of the bill.

The *Conference* substitute adopts the *House* provision, with an amendment. The Conferees recognize that the language of the *House* bill accommodates the *Senate* provision requiring the Commission to allow hedging by users of products of traded commodities as well as hedging by seed companies of the contract bushel equivalent of anticipated seed production. The Conferees intend that such hedging be allowed by the Commission. Further, with respect to this change in existing law which allows bakers to be deemed legitimate hedgers for purpose of exceeding the speculative limits provided under the Act, the Conferees intend that the right of such hedging on products of traded commodities be extended to all persons similarly situated—*i.e.*, to all legitimate businessmen seeking to offset an existing cash risk in a product of a traded commodity—unless otherwise provided by the Commission. Therefore, the Commission retains control over potential abuse, if any, of this provision through its general authority to refine the mandate intended by the Conferees by order consistent with the purposes of the Act.

Immediately upon the enactment of the bill, the Secretary of Agriculture is to issue regulations defining bona fide hedging transactions to allow hedging by the persons described above. Such regulations would, of course, only be applicable with respect to the now-regulated commodities. The new Commission would issue hedging definitions for the other commodities within 90 days after the effective date of the bill.

(19) SEPARABILITY

Both the *House* bill and the *Senate* amendment preserve the validity of the remainder of the bill if any portion is held invalid.

The *Senate* amendment strikes that part of the *House* bill which would preserve any section of the Commodity Exchange Act in its applicability to any person or circumstance if such section is amended by any provision of the bill which is held invalid.

The *Conference* substitute adopts the *Senate* provision.

(20) MARKET REPORTS

The *Senate* amendment authorizes the Commission to investigate markets for goods, articles, services, rights, and interests which are the subject of futures contracts, and publish regular market reports. The Commission would be required to cooperate with other Federal agencies to avoid unnecessary duplication of information-gathering activities. Other agencies would be required to furnish market information to the Commission, which would in turn be subject to any rules of confidentiality applying to the information. The Commission could not disclose the names of individual companies.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment providing that, except as provided in section 8 of the Act, the Commission shall not disclose in the market reports data and information which would separately disclose the business transactions of any person and trade secrets or names of customers.

(21) DAILY TRADING REPORTS

The *Senate* amendment requires every clearinghouse to deliver a daily report to the Commission, specifying for each trade made on the exchange that day, the time, the subject, the number of contracts, the price, the delivery month, and the identification of the traders. The Commission would be authorized to require additional information in such reports, and to prescribe the form and manner of such reports. The Commission would be permitted to disclose such reports or information from them if it determines that disclosure furthers the regulation of futures trading. Exchanges would be required to publish daily reports of the volume of trading on each type of contract. The Commission would be authorized to require exchanges to include additional information in such daily reports.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision with an amendment authorizing the Commission to determine the type of trading records and the type and frequency of trading reports to be required of clearinghouses and contract markets. In carrying out the *Conference* substitute, the Commission may obtain whatever information is needed for the effective enforcement of the Commodity Exchange Act, including—but not limited to—the items specified in the *Senate* amendment. If, for example, the Commission determines that it needs the time of each trade made on the exchanges and the identification of the traders involved in each trade, it can require that a record be kept of this information and that it be reported to the Commission by the clearinghouse and contract market. In lieu of the daily reporting requirement in the *Senate* amendment, if the Commission requires that reports be made, the frequency of such reports is to be determined by the Commission. However, reports shall be submitted on a daily basis, if in the Commission's judgment, this is necessary. Whatever records are required by the Commission shall be maintained by the clearinghouses and contract markets in order to avoid the necessity of the Commission going to the individual clearing members to obtain such information. Under the *Conference* substitute, the Commission's authority to make the reports available to the public would be governed by the provisions of section 8 of the Commodity Exchange Act.

(22) INVESTOR PROTECTION

The *Senate* amendment makes it unlawful for a futures commission merchant to accept a futures contract order from any person, or for a commodity trading advisor to advise any person to buy or sell a futures contract, without first obtaining a statement from such person that he understands the risks involved.

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* provision.

(23) RESEARCH AND INFORMATION PROGRAMS

The *Senate* amendment requires the Commission to establish and maintain research and information programs to investigate new technology and the feasibility of its use for improving, strengthening, facilitating or regulating futures trading; to assist in developing materials for educating producers, market users, and the general public about futures trading; and to carry out the general purposes of the Act. Annual reports of such programs would be required.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision.

(24) FORWARD CONTRACTING INSURANCE PROGRAM

The *Senate* amendment requires the Commission to encourage and assist private insurers to establish a pool to provide insurance to protect the parties to any forward contract from financial loss resulting from failure of the other party to comply with the terms of the contract for future delivery.

The *House* bill contains no comparable provision.

The *Conference* substitute deletes the *Senate* provision.

(25) COMMODITY FUTURES ACCOUNT INSURANCE

The *Senate* amendment requires the Commission to investigate and report to Congress, not later than June 30, 1976, on the need for legislation providing insurance against losses caused by the financial failure of futures commission merchants.

The *House* bill contains no comparable provision.

The *Conference* substitute adopts the *Senate* provision.

(26) EFFECTIVE DATE

Both the *House* bill and the *Senate* amendment provide that the bill is effective 180 days after enactment. Activities necessary to implement the changes made by the bill may, however, be carried out after the date of enactment and before the effective date.

The *Senate* amendment provides, in addition to the items specified in the *House* bill, that activities to be carried out after the date of enactment and before the effective date shall include the necessary steps to regulate futures trading in silver immediately on the effective date of the bill.

The *Conference* substitute adopts new language relating to the effective date of the new Act for that contained in section 414 of the *House* bill and section 321 of the *Senate* amendment. This language is intended to clarify the interim authority between the date of enactment and 180 days after enactment, the date on which the new law will become fully operational.

In order that it may be prepared to begin full operation on the effective date of the Act, the Commission may, prior to the effective date, make such studies, conduct such hearings, and require such reports as are authorized to carry out the purposes of the Act and may issue and publish in the Federal Register such proposed regulations and notices as it deems appropriate. The fact that the detailed activities specified in this provision remain permissive as provided in the *House* bill is not intended to deter their implementation. The Conferees fully expect that implementing activities under this Act shall begin as soon as practicable in order that the Commission is fully operational at the end of 180 days.

In addition, the Conferees intend that the new Commission take the necessary steps to regulate effectively futures trading in all commodities, including silver, immediately on the effective date of the Act. The Conferees believe that current conditions on the silver futures market particularly require the most effective and informed regulation as soon as feasible but are persuaded that the earliest feasible time is the effective date.

W. R. POAGE,
FRANK A. STUBBLEFIELD,
THOMAS S. FOLEY,
BOB BERGLAND,
WILLIAM C. WAMPLER,
ROBERT PRICE,
CHARLES THONE,
Managers on the Part of the House.

Herman E. Talmadge,
George McGovern,
Hubert H. Humphrey,
Dick Clark,
Carl T. Curtis,
Robert Dole,
Henry Bellmon,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Young of Georgia (at the request of Mr. O'Neill), for this week, on account of illness.

Mr. Mann (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Derwinski (at the request of Mr. Arends), for today and the balance of the week, on account of official business.

Mr. Guyer (at the request of Mr. Arends), for today, on account of official business.

Mr. Ketchum (at the request of Mr. Arends), for today, on account of official business.

Mr. Young of Alaska (at the request of Mr. Arends), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Sarasin) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 20 minutes, today.

Mr. Don H. Clausen, for 30 minutes, today.

Mr. Miller, for 5 minutes, today.

Mr. Hansen of Idaho, for 5 minutes, today.

Mr. Young of Florida, for 5 minutes, today.

Mr. Robison of New York, for 5 minutes, today.

(The following Members (at the request of Mr. Breckinridge) and to revise and extend their remarks and include extraneous matter:)

Ms. Holtzman, for 10 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Alexander, for 5 minutes, today.

Mr. Yatron, for 5 minutes, today.

Mr. Seiberling, for 5 minutes, today.

Mr. Mitchell of Maryland, for 30 minutes, on October 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend their remarks was granted to:

Mr. Brooks in the Committee of the Whole House during general debate on House Resolution 988.

Mr. Price of Illinois to extend his remarks in the body of the Record and have printed therewith a series of amendments which he proposes to offer to House Resolution 988 and House Resolution 1248 and House Resolution 1321.

Mr. Bennett, to extend his remarks in two instances and include extraneous matter.

Mr. Perkins and to include extraneous matter.

Mr. Dingell and to include extraneous matter in five instances.

Mr. Holifield to revise and extend his remarks in the body of the Record and to include a series of amendments to be offered to House Resolution 988, House Resolution 1321, and/or House Resolution 1248 and to revise and extend his remarks and include extraneous matter during general debate on House Resolution 988 and related proposals.

Mr. Bolling, to include extraneous matter in his remarks made in Committee today.

Mr. Veysey, to insert the text of the Roybal-Veysey amendment immediately after the remarks of Mr. Roybal and Mr. Veysey on general debate on H.R. 16900, in the Committee of the Whole today.

(The following Members (at the request of Mr Sarasin) and to include extraneous material:)

Mr. Gilman in two instances.

Mr. Kuykendall.

Mr. Brown of Ohio in two instances.

Mr. Kemp in two instances.

Mr. Widnall.

Mr. Steiger of Wisconsin in two instances.

Mr. Biester.

Mr. Armstrong.

Mr. Shoup in two instances.

Mr. McDade.

Mr. Wyman in two instances.

Mrs. Holt in two instances.

Mr. Bauman.

Mr. Peyser in two instances.

Mr. Clancy.

Mr. Broomfield.

Mr. Heinz.

Mr. Hosmer in two instances.

Mr. Gude.

Mr. Cleveland.

Mr. Bell.

Mr. Young of Florida in two instances.

Mr. Quie.

Mr. Ashbrook.

Mr. O'Brien.

Mr. Anderson of Illinois.

Mr. Froehlich in five instances.

(The following Members (at the request of Mr. Breckinridge) and to include extraneous matter:)

Mr. Jones of Tennessee.

Mr. Bolling.

Mr. Edwards of California.

Mr. Natcher.

Mr. Hamilton.

Mr. Morgan.

Mr. Leggett in two instances.

Mrs. Sullivan in three instances.

Mr. Annunzio in six instances.

Mr. Rarick in three instances.

Mr. Gonzalez in three instances.

Mr. Gunter in 10 instances.

Mr. McSpadden.

Mr. Clay.

Mr. Drinan.

Mr. Macdonald.

Mr. Dingell in two instances.

Mrs. Grasso.

Mr. Biaggi in five instances.

Mr. Henderson.

Mr. Rodino.

Mr. Carney of Ohio in two instances.

Mr. Brinkley.

Mr. Eilberg in 10 instances.

Mr. Bingham in five instances.

Mr. Stokes in three instances.

Mr. Ford.

Mr. Owens in five instances.

Ms. Abzug.

Mr. Brademas.

Mr. Harrington.

Mr. Anderson of California in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2233. An act to establish the Hells Canyon National Recreation Area in the States of Idaho, Oregon, and Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2752. An act for the relief of North Central Educational Television, Inc.; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 16032. An act to authorize the Secretary of the Treasury to change the alloy and weight of the one-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, New York.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on September 26, 1974, present to the President, for his approval, bills of the House of the following titles:

H.R. 5507. An act to authorize the conveyance to the city of Salem, Illinois, of a statute of William Jennings Bryan;

H.R. 11559. An act to place certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes;

H.R. 15404. An act making appropriations for the Departments of State, Justice and Commerce, the Judiciary and related agencies for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 16243. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1975, and for other purposes.

ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Tuesday, October 1, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2798. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on negotiated contracts for experimental, developmental, test or research work, or industrial mobilization in the interest of national defense, covering the period January-June, 1974, pursuant to 10 United States Code 2304(e); to the Committee on Armed Services.

2799. A letter from the Administrator of General Services transmitting drafts of proposed legislation (1) to authorize the disposal of tin from the national stockpile and the supplemental stockpile; (2) to authorize the disposal of lead from the national stockpile and the supplemental stockpile; and (3) to authorize the disposal of silver from the national stockpile; to the Committee on Armed Services.

2800. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal financial assistance to States for civil defense equipment and facilities during the quarter ended June 30, 1974, pursuant to section 201(i) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2281(i)]; to the Committee on Armed Services.

2801. A letter from the Director, Defense Civil Preparedness Agency, transmitting a report on Federal contributions to States for civil defense personnel and administrative expenses during fiscal year 1974, pursuant to section 205(f) of the Federal Civil Defense Act of 1950, as amended [50 U.S.C. App. 2286(f)]; to the Committee on Armed Services.

2802. A letter from the Commissioner of Education, Department of Health, Education, and Welfare; transmitting proposed modifications in the previously submitted schedule of family contributions for use in the basic educational opportunity grants program during the 1975–76 academic year; to the Committee on Education and Labor.

2803. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals; to the Committee on Foreign Affairs.

2804. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee and insurance transactions supported by Eximbank to Yugoslavia, Romania, the U.S.S.R., and Poland during July 1974; to the Committee on Foreign Affairs.

2805. A letter from the Assistant Administrator for Legislative Affairs, Agency for International Development, Department of State, transmitting the Agency's annual report for fiscal year 1974 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

2806. A letter from the Administrator, Federal Energy Administration, transmitting a report on hydroelectric generating facilities, pursuant to section 24 of Public Law 93–275; to the Committee on Government Operations.

2807. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for establishment of the Father Marquette National Memorial in St. Ignace, Mich., and for other purposes; to the Committee on Interior and Insular Affairs.

2808. A letter from the President, Communications Satellite Corporation, transmitting the 11th annual report of the Corporation, pursuant to section 404(b) of the Communications Satellite Act of 1962; to the Committee on Interstate and Foreign Commerce

2809. A letter from the Vice President for Public and Government Affairs, National Railroad Passenger Corporation, transmitting a report for the month of August 1974, on the average number of passengers per day on board each train operated, and the on-time performance to the final destination of each train operated, by route and by railroad, pursuant to section 308(a)(2) of the Railroad Passenger Service Act of 1970, as amended [45 U.S.C. 548(a)(2)]; to the Committee on Interstate and Foreign Commerce.

2810. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the Act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

2811. A letter from the Administrator of General Services, transmitting a prospectus proposing the lease acquisition of space to be occupied by the Federal Energy Administration in Washington, D.C.; to the Committee on Public Works.

2812. A letter from the Acting Administrator of Veterans' Affairs, transmitting reports on the activities of the Veterans' Administration during fiscal year 1974 for programs of exchange of medical information and sharing of medical resources, pursuant to 38 U.S.C. 5057; to the Committee on Veterans' Affairs.

RECEIVED FROM THE COMPTROLLER GENERAL

2813. A letter from the Comptroller General of the United States, transmitting a report on problems in providing education overseas for dependents of U.S. military personnel; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Omitted from the Record of Sept. 26, 1974*]

[*Pursuant to the order of the House on Sept. 26, 1974 the following report was filed on September 27, 1974*]

Mr. POAGE: Committee of Conference. Conference report on H.R. 13113 (Rept. No. 93–1383). Ordered to be printed.

[*Submitted September 30, 1974*]

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 15067. A bill to prevent reductions in pay for any officer or employee who would be adversely affected as a result of implementing Executive Order 11777; with amendment (Rept. No. 93–1384). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee on Armed Services. H.R. 871. A bill to amend section 1124(c) of title 10, United States Code, to remove the restriction that a member of the Armed Forces must be on active duty to be eligible for the payment of a cash award for a suggestion, invention, or scientific achievement (Rept. No. 93–1385). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee on Armed Services. H.R. 5056. A bill to provide for crediting service as an aviation midshipman for purposes of retirement for nonregular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code (Rept. No. 93–1386). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON. Committee on Armed Services. H.R. 12860. A bill to amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial service expenses in the case of members of the Armed Forces whose remains are not recovered (Rept. No. 93–1387). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee on Armed Services. S. 3906. An act to amend title 10, United States Code, by repealing the requirement that only certain officers with aeronautical ratings may command flying units of the Air Force (Rept. No. 93–1388). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 13364. A bill to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes; with amendment (Rept. No. 93–1389). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13791. A bill to amend section 2 of title 14, United States Code, to authorize icebreaking operations in foreign waters pursuant to international agreements, and for other purposes (Rept. No. 93–1390). Referred to the Committee of the Whole House on the State of the Union.

Mrs. Sullivan: Committee on Merchant Marine and Fisheries. H.R. 15972. A bill to amend title 14, United States Code, to provide a subsistence allowance for members of the Coast Guard officer candidate program (Rept. No. 93–1391). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. S. 1353. An act to deduct from gross tonnage in determining net tonnage those spaces on board vessels used for waste materials; with amendment. (Rept. No. 93–1392). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADAMS (for himself, Mr. Diggs, Mr. Fraser, Mr. Dellums, Mr. Fauntroy, Mr. Breckinridge, Mr. Stark, Mr. Gude, and Mr. McKinney):

H.R. 16919. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide a People's Counsel in the Public Service Commission; to the Committee on the District of Columbia.

By Mr. BROOMFIELD:

H.R. 16920. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. DON H. CLAUSEN:

H.R. 16921. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

H.R. 16922. A bill to provide for the duty-free entry of softwood barrels made in Canada for use in processing or shipping salmon; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Perkins, Mr. Thompson of New Jersey, Mr. O'Hara, Mr. Hawkins, Mr. Ford, Mr. Meeds, Mr. Gaydos, Mrs. Grasso, Mr. Sarasin, Mr. Anderson of California, Mr. Badillo, Mr. Burgener, Mr. Brown of California, Mr. Conyers, Mr. Cronin, Mr. Donohue, Mr. Edwards of California, Mr. Eilberg, Mr. Harrington, Mr. Helstoski, Mr. Koch, Mr. Luken, Mr. Metcalfe, and Mr. Moakley):

H.R. 16923. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment; to the Committee on Education and Labor.

By Mr. DOMINICK V. DANIELS (for himself, Mr. MURPHY of New York, Mr. O'NEIL, Mr. PEPPER, Mr. PIKE, Mr. REES, Mr. RODINO, Mr. ROE, Mr. ROYBAL, Mr. SEIBERLING, Mr. JAMES V. STANTON, Mr. STARK, Mr. UDALL, Mr. CHARLES H. WILSON of California, Mr. WINN, and Mr. YOUNG of Georgia):

H.R. 16924. A bill to amend the Comprehensinve Employment and Training Act of 1973, to provide additional jobs for unemployed persons through programs of public service employment; to the Committee on Education and Labor.

By Mr. DIGGS:

H.R. 16925. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide for a People's Counsel at the Public Service Commission, to make technical amendments to the act relating to police and firemen's salaries, and for other purposes; to the Committee on the District of Columbia.

By Mr. ESCH:

H.R. 16926. A bill to amend the Comprehensive Employment and Training Act of 1973, to authorize an additional program of public service employment for unemployed persons; to the Committee on Education and Labor.

H.R. 16927. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY:

H.R. 16928. A bill to exclude from gross income the first $1,000 of interest on deposits in savings institutions; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 16929. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 16930. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. GROVER:

H.R. 16931. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GUNTER:

H.R. 16932. A bill to establish a Foreign Investment Regulatory Commission to monitor and regulate certain foreign investments in the United States and for activities having significant impact on the integrity and independence of the economy of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 16933. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. JONES of Alabama:

H.R. 16934. A bill providing that certain State medical officers and employees are deemed to be Federal officers or employees for purposes of section 1346(b) and chapter 171 of title 28, United States Code; to the Committee on the Judiciary.

By Mr. KING:

H.R. 16935. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with, and for other purposes; to the Committee on Armed Services.

By Mr. KYROS (for himself, Mr. ASPIN, Mr. REUSS, Mr. YATES, Mr. DERWINSKI, Mr. BROWN of California, Mr. FUQUA, Mr. HORTON, Mr. HAMMERSCHMIDT, Mr. HELSTOSKI, Mr. DULSKI, Mr. GUNTER, Mr. GROVER, Mr. HINSHAW, Mr. PEPPER, Mr. GIBBONS, Mr. KEMP, Mr. SLACK, Mr. CHARLES WILSON of Texas, Mr. MARTIN of North Carolina, Mr. FRASER, Mr. DUNCAN, Mrs. GREEN of OREGON, Mr. GAYDOS, and Mr. FRENZEL):

H.R. 16936. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

By Mr. KYROS (for himself, Mr. FINDLEY, Mr. WINN, Mr. COLLIER, Mr. CEDERBERG, Mr. QUIE, Mr. BENITEZ, Mr. STEIGER of Wisconsin, Mr. O'BRIEN, Mr. ASHLEY, Mr. SARBANES, Mr. CAREY of New York, and Mr. HARRINGTON):

H.R. 16937. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

By Mr. LEGGETT (for himself, Mr. BROWN of California, Mr. CONYERS, Mr. EILBERG, Ms. HOLTZMAN, Mr. MOSS, Mr. RIEGLE, Mr. ROSENTHAL, Mr. STARK, Mr. WON PAT, and Mr. ANDERSON of California):

H.R. 16938. A bill to define the terms "former President" and "former Vice President" to exclude those who have not faithfully discharged the obligations and duties of their offices; to the Committee on Post Office and Civil Service.

By Mr. LENT:

H.R. 16939. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.R. 16940. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. PATMAN (for himself and Mr. BERGLAND):

H.R. 16941. A bill to amend title 38 of the United States Code so as to entitle veterans of the Mexican border period and of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively, and to increase pension rates; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.R. 16942. A bill to amend title 5, United States Code, to provide that individuals be apprised of records concerning them that are maintained by Government agencies; to the Committee on Government Operations.

By Mr. COCHRAN:

H.R. 16943. A bill to amend the Internal Revenue Code to allow an additional exemption for taxpayer who is deaf, and for other purposes; to the Committee on Ways and Means.

By Mr. COHEN:

H.R. 16944. A bill to amend the Fish and Wildlife Act of 1956 in order to authorize the Secretary of Commerce to make loans to U.S. fishermen to cover the costs of damages to their vessels and gear by foreign vessels; to the Committee on Merchant Marine and Fisheries.

By Mrs. GRASSO:

H.R. 16945. A bill to exclude from gross income the first $1,000 of interest on deposits in savings institutions; to the Committee on Ways and Means.

By Ms. HOLTZMAN:

H.R. 16946. A bill relating to intervening in and influencing the political affairs of foreign countries or political subdivisions thereof; to the Committee on the Judiciary.

By Mr. KYROS:

H.R. 16947. A bill to amend the Fish and Wildlife Act of 1956 in order to authorize the Secretary of Commerce to make loans to U.S. fishermen to cover the costs of damages to their vessels and gear by foreign vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. LAGOMARSINO:

H.R. 16948. A bill to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes; to the Committee on House Administration.

By Mr. MATSUNAGA:

H.R. 16949. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mrs. MINK:

H.R. 16950. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and nonuse of energy and materials, and for other related educational purposes; to the Committee on Education and Labor.

By Mr. MITCHELL of Maryland (for himself, Ms. CHISHOLM, Mr. HOWARD, Ms. BOGGS, Mr. STOKES, Mr. HAWKINS, Ms. ABZUG, Mr. FULTON, and Mr. HOGAN):

H.R. 16951. A bill to provide for the monthly publication of a Consumer Price Index for the Elderly and to provide for studies to be made with regard to utilizing such index in determining cost-of-living adjustments authorized in certain Federal programs for individuals who are at least 62 years of age; to the Committee on Education and Labor.

By Mr. MOSHER:

H.R. 16952. A bill to amend the Merchant Marine Act of 1936 to establish a nuclear vessel construction program; to the Committee on Merchant Marine and Fisheries.

By Mr. ROBISON of New York:

H.R. 16953. A bill to provide Federal assistance for rural health and sanitation programs; to the Committee on Interstate and Foreign Commerce.

By Mr. SEIBERLING:

H.R. 16954. A bill to provide for the preservation of public records received, held, prepared, or originated by or for the President or Vice President of the United States; to the Committee on House Administration.

By Mr. STEIGER of Wisconsin (for himself, Miss HOLTZMAN, Mr. MAYNE, and Mr. ANDREWS of North Dakota):

H.R. 16955. A bill to amend the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. MACDONALD:

H.J. Res. 1149. Joint resolution expressing the sense of the Congress in favor of continued legal action against Richard M. Nixon and in favor of a test of the legality of the pardon granted him; to the Committee on the Judiciary.

By Mr. MITCHELL of New York:

H.J. Res. 1150. Joint resolution authorizing and requesting the President to issue a proclamation designating October 6–12, 1974 as "Newspaper Week" and also designating October 12, 1974, as "Newspaper Carrier Day"; to the Committee on the Judiciary.

By Mr. TALCOTT:

H.J. Res. 1151. Joint resolution to require the Special Prosecution Force to make available to the public a report on all admissible evidence it has involving Richard M. Nixon in offenses against the United States; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.J. Res. 1152. Joint resolution to require the Watergate Special Prosecution Force to make available to the public a report on all information it has concerning Richard M. Nixon in offenses against the United States; to the Committee on the Judiciary.

By Mr. DON H. CLAUSEN:

H. Con. Res. 651. Concurrent resolution expressing the sense of the Congress with respect to the banning of high seas netting for salmon; to the Committee on Merchant Marine and Fisheries.

By Mr. FROEHLICH (for himself, Mr. DERWINSKI, and Mr. ROUSSELOT):

H. Res. 1397. Resolution to amend the House rules to require that the report of each House committee on each public bill or joint resolution reported by the committee shall contain a statement as to the inflationary impact on the national economy of the enactment of such legislation; to the Committee on Rules.

By Ms. HOLTZMAN:

H. Res. 1398. Resolution directing the President to provide to the House of Representatives information relating to certain services, facilities, and payments provided by the United States to Richard M. Nixon and members of his immediate family; to the Committee on Government Operations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

541. By the SPEAKER: A Memorial of the Legislature of the State of California, relative to rapid transit financing; to the Committee on Appropriations.

542. Also, memorial of the Legislature of the State of California, relative to gasoline allocations; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Ms. ABZUG:

H.R. 16956. A bill for the relief of Harold Alston Dindial, his wife Bernice, and their children Neil Michael, Myrtle Sharon, and Jill Carol; to the Committee on the Judiciary.

By Mr. PHILLIP BURTON:

H.R. 16957. A bill for the relief of David M. Recalde-Martorella; to the Committee on the Judiciary.

H.R. 16958. A bill for the relief of Paz A. Norna; to the Committee on the Judiciary.

H.R. 16959. A bill for the relief of Luz A. Ruiz de Vargas; to the Committee on the Judiciary.

By Mr. HORTON:

H.R. 16960. A bill for the relief of Carl B. Malcolm; to the Committee on the Judiciary.

H.R. 16961. A bill for the relief of Antonio Di Maria; to the Committee on the Judiciary.

H.R. 16962. A bill for the relief of Joseph P. Mahady; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

521. By the SPEAKER: Petition of the Board of Directors, Appalachian Regional Center for the Healing Arts, Johnson City, Tenn., relative to local health planning; to the Committee on Interstate and Foreign Commerce.

522. Also, petition of Michael A. Turley and Charles Hudson, Reidsville, Ga., relative to redress of grievances; to the Committee on the Judiciary.

523. Also, petition of the Council of the California Library Association, Sacramento, relative to the use of the new Library of Congress building; to the Committee on Public Works.

EXTENSIONS OF REMARKS

PROPOSED AMENDMENTS TO HANSEN SUBSTITUTE FOR HOUSE RESOLUTION 988

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. FROEHLICH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following amendments proposed to be offered by me to the Hansen substitute for House Resolution 988:

AMENDMENT OFFERED BY MR. FROEHLICH TO THE HANSEN SUBSTITUTE FOR HOUSE RESOLUTION 988

On Page 25, immediately following line 8, insert the following paragraph:

"(4) Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy."

On page 50, immediately following line 5, insert the following new section:

"205.(a) There is hereby created a select committee to be composed of eleven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

"(6) The committee is authorized and directed to conduct a full and complete study of the constitutional basis of the January 22, 1973, United States Supreme Court decisions on abortion, the ramifications of such decisions on the power of the several States to enact abortion legislation, and the need for remedial action by Congress on the subject of abortions.

"(c) For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the 94th Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or had adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The committee or any subcommittee thereof authorized by the committee to hold hearings shall publish reports of the hearings, and shall have authority to report legislation to the Congress.

"(d) The committee shall report to the House within nine months after January 3, 1975, the results of its study, together with such recommendation as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

THE 4-H PROGRAM CONTINUES TO SERVE

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. NATCHER. Mr. Speaker, 4-H Clubs throughout this country have set aside the week of October 6 to October 12 as their national week and have adopted as this year's theme, "4-H—We Can Make It Happen."

Mr. Speaker, I know the 4-H members in the Second Congressional District of Kentucky. I know what they have accomplished and I would not question their theme for 1 minute. When our 4-H'ers tell us that they can make something happen, we know that they will. Their record speaks for itself.

4-H has made it happen since the early 1900's. As our Nation faced periods of varying needs and priorities so, too, did the 4-H program. Perceived originally as an organization to serve rural youth, today more than 40 percent of the 5 million 4-H participants reside in urban areas. Members of 4-H and their leaders accepted the challenge of change. Realizing that today a single farmer can produce enough food to feed 50 people, projects of interest to the young people on our farms were not shunted aside. Rather they were strengthened and updated as new projects to involve the young women and young men in the towns were initiated.

In Kentucky we are proud of our 3,627 4-H Clubs and special 4-H groups. Last year over 147,000 youth and 35,000 volunteer leaders took part in the 4-H program. Projects such as animal science and production, foods and nutrition, clothing, and personal development were popular choices. Other Kentucky members chose ornamental horticulture, home furnishings, or conservation while with other 4-H'ers the preference was for fruit and vegetable gardening or career exploration.

This year more young people will be drawn to 4-H, bringing with them new ideas and interests. The program as it has done in the past, will expand to meet their needs.

Last year, in the bluegrass and Mammoth Cave areas of our State, the extension agent for 4-H set up an opportunity camp for deserving youngsters. This remarkable undertaking not only gave 100 boys and girls between the ages of 10 to 13 a chance they might not have had otherwise to enjoy organized group camp; it brought officials and residents of the area together in a common experience. Opportunity camp is but one example of responsible citizenship—a prime goal for all 4–H'ers, young and old.

There were other examples: 4–H'ers served on local and State community development committees; 4–H'ers studied, campaigned, and organized projects such as sanitary landfills, and paper and glass recycling; 4–H'ers worked to establish community centers and helped in the restoration of historical sites; 4-H'ers it seems, were everywhere—serving in the tradition of 4–H.

Thus for most of this century the 4–H opportunity to learn by doing. It has given a like opportunity to practice what has been learned. That we have been well served by the results of this training is unquestioned for 33 million alumni reflect the influence of 4–H principles. Today, as 4–H'ers move toward their national week, I offer not only my congratulations, but my respect and my best wishes for continued success.

AMENDMENT TO HOUSE RESOLUTION 988

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. KUYKENDALL. Mr. Speaker, to the bill, House Resolution 988, I plan to introduce the following amendment:

Page 6, immediately after line 9, insert the following:

"(8) Civil aeronautics.

"(9) Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.

"(10) Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission.

Page 16, line 3, strike out "and Transportation".

Page 16, strike out lines 14 through 19.

Page 16, line 20, strike out "(4)" and insert in lieu thereof "(3)".

Page 16, line 21, strike out "(5)" and insert in lieu thereof "(4)".

Page 16, line 22, strike out "(6)" and insert in lieu thereof "(5)".

Page 16, line 24, strike out "(7)" and insert in lieu thereof "(6)".

Should House Resolution 1248 be adopted, I will offer the following amendment:

Page 59, strike out lines 15 through 17, and insert in lieu thereof the following:

"(4) Civil aeronautics.

"(5) Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.

"(6) Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission.

Page 59, line 18, strike out "(5)" and insert in lieu thereof "(7)".

Page 59, line 20, strike out "(6)" and insert in lieu thereof "(8)".

Page 59, line 23, strike out "(7)" and insert in lieu thereof "(9)".

Page 59, line 24, strike out "(8)" and insert in lieu thereof "(10)".

Page 59, line 25, strike out "(9)" and insert in lieu thereof "(11)".

Page 60, line 1, strike out "(10)" and insert in lieu thereof "(12)".

Page 60, line 2, strike out "(11)" and insert in lieu thereof "(13)".

Page 60, line 4, strike out "(12)" and insert in lieu thereof "(14)".

Page 71, line 1, strike out "and Transportation".

Page 72, strike out lines 2 through 10.

DON'T JUST DO SOMETHING, STAND THERE

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ARMSTRONG. Mr. Speaker the Mobil Oil Corp. has recently published a series of advertisements underscoring the basic absurdity of this Nation's energy policies.

One of the most interesting of these ads is the following essay entitled, "Don't Just Do Something, Stand There." I commend it to my colleagues' attention:

Don't Just Do Something, Stand There

The story goes that a movie director coined this malapropism in exasperation with an actor who didn't understand his scene and tried to hide his confusion by walking around the set. Today, many people are confused, but they want to do *something, anything* so energy problems won't recur.

Congress is a good example. Legislators are proposing all manner of "answers" to the U.S. energy problem. Trouble is, many of the energy bills under consideration wouldn't increase domestic energy supply, which is what we really need. And some of Congress' ideas would worsen the problem, which is what we don't need.

Here are a few:

"Answer". Extend natural gas price regulation to crude oil.

Result. Shortages of gasoline and heating oil as bad as today's severe and worsening shortage of natural gas. When the Federal Power Commission began setting natural gas prices in 1954, the United States had 22 years of natural gas reserves. Now we have 11, because the FPC's very low prices have stimulated demand while discouraging investment to find new reserves. The policy that made us short of gas is hardly the answer to increasing oil supplies.

"Answer". Roll back U.S. crude oil prices.

Result. This would bring down profits, all right. But it would increase our dependence on imported oil. Is that what people really want?

"Answer". Create a federal oil and gas corporation.

Result. Expenditure of billions in taxpayers' dollars and almost certainly a lengthening of the energy shortage. The proposed government company would have first choice, free of charge, of 20 percent of all federal lands put up for lease, though this land certainly could be developed faster and more efficiently by private producers. It would need two or three years to start up and it would drain talent and drilling equipment from the private companies, hampering their production. Because it would be subsidized by tax dollars, it would be meaningless as a yardstick for the private sector.

"Answer". Expand government regulation of pipelines.

Result. This needless regulation is based on the false premise that small producers are being squeezed out of the nation's pipelines by the major producers, who built and own most of the lines. The fact is that 909 companies shipped petroleum products through 51 of the country's 55 product pipelines last year. And 806 of these shippers had no ownership in the lines.

"Answer". Refuse to allow any but small producers to bid jointly for exploration rights to government lands.

Result. Less competition and lower bonuses to the government. The premise here is wrong, too. In three recent federal offshore lease sales, non-majors were successful in obtaining interests in about 68 percent of the tracts offered. By bidding jointly with larger companies they can participate in every expensive acreage they couldn't otherwise afford.

Think we're reaching for some of these examples? Believe it or not, they were all contained in *just* one of over 3000 bills now before the Congress which would adversely affect the oil industry. It's called the Consumer Energy Act of 1974, but anyone can see it is intended more to punish oil companies than to help the consumer. If passed as written, this bill could hobble the entire industry, but the real victim would be energy supplies—and the consumer.

We think there's a lot to the saying, "If there's no need to legislate, there's a need *not* to legislate." We also think there are actions Congress can take to help solve the energy shortage. But they demand cool thinking—not action for action's sake. And the end should be to produce more energy—not less.

TRIBUTE TO FRANK BRASCO

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, the retirement of Frank Brasco symbolizes more than the loss of a distinguished colleague to me but the departure of a good and loyal friend as well.

Frank Brasco has served the residents of the 11th Congressional District in Brooklyn for the last 8 years. During his years in Congress, he has served as one of the ranking members of both the Post Office and Civil Service Committee as well as the House Banking and Currency Committee.

Frank Brasco will be remembered as a true friend of the Government and Postal employee. He was one of their foremost spokesmen on the committee and his efforts have helped bring about significant improvements in wages and working conditions that these millions of American workers enjoy today.

While on the Banking and Currency Committee, Frank Brasco became one of the first advocates of providing cities with mass transit operating subsidies. It is fitting that in Frank Brasco's final year in the House a comprehensive mass transit bill has been passed and will soon be signed into law.

Frank Brasco loved Brooklyn and its people, and chose a career in service to them. Prior to being elected to Congress, Brasco had been a noted attorney and civic leader in Brooklyn, and despite his many time consuming duties in Congress, he kept active in the affairs of his beloved Brooklyn.

With his distinguished career in the House coming to a close, it is only fitting that we his friends and colleagues take the time to pay tribute to FRANK BRASCO for his years of dedicated service.

As a friend, I will especially miss FRANK BRASCO. He was a friend in the truest sense of the word, always handy with a kind word, or a piece of sound advice. He was a warm and compassionate man, dedicated to serving the needs of all his constituents.

The people of the 11th Congressional District are grateful to FRANK BRASCO for his years of service to them, and I too am grateful for the privilege of serving with FRANK BRASCO.

AMENDMENT TO HOUSE RESOLUTION 1321

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, in the event the text of House Resolution 1321 is offered as a substitute to House Resolution 988, the following amendment is intended to be offered by myself and Mr. BROWN of Ohio:

AN AMENDMENT TO BE OFFERED TO H. RES. 1321 BY MR. GUNTER, OF FLORIDA, AND MR. BROWN OF OHIO

On page 46, strike out lines 17 through 25, and on page 47, strike out lines 1 through 24, and insert in lieu thereof the following:

"(g) (1) Each meeting of each standing, select, or special committee or subcommittee, including meetings to conduct hearings, shall be open to the public: *Provided*, That a portion or portions of such meetings may be closed to the public if the committee or subcommittee, as the case may be, determines by vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(A) will probably disclose matters necessary to be kept secret in the interests of national security or the confidential conduct of the foreign relations of the United States;

"(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(C) will tend to jeopardize the present or future legal rights of any person or will represent a clearly unwarranted invasion of the privacy of any individual."

"(D) will probably disclose the identity of any informer or law enforcement agent or any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(E) will disclose information relating to trade secrets or financial or commercial information pertaining specificially to a given person where—

"(i) the information has been obtained by the federal government pursuant to an agreement to maintain confidentiality of such information."

"(ii) a Federal statute requires the information to be kept confidential by Government officers and employees; or

"(iii) the information is required to be kept secret in order to prevent undue injury to the competitive position of such person. A separate vote of the committee shall be taken with respect to each committee or subcommittee meeting that is closed to the public pursuant to this paragraph, and the committee shall make available within one day of such meeting, a written explanation of its action. The vote of each committee member participating in each such vote shall be recorded and published.

"(2) Each standing, select, or special committee or subcommittee shall make public announcement of the date, place, and subject matter of each meeting (whether open or closed to the public) at least one week before such meeting unless the committee or subcommittee determines by a vote of a majority of the committee that committee business requires that such meeting be called at an earlier date, in which case the committee shall make public announcement of the date, place and subject matter of such meeting at the earliest practicable opportunity.

"(3) A complete transcript, including a list of all persons attending and their affiliation, shall be made of each meeting of each standing, select, or special committee or subcommittee meeting (whether open or closed to the public) in addition to the record required by paragraph (e) (1). Except as provided in paragraph (D), a copy of each such transcript shall be made available for public inspection within seven days of each such meeting, and additional copies of any transcript shall be furnished to any person at the actual cost of duplication.

"(4) In the case of meetings closed to the public pursuant to subparagraph (1), the committee or subcommittee may delete from the copies of transcripts that are required to be made available or furnished to the public pursuant to subparagraph (3) any portions which it determines by vote of the majority of the committee or subcommittee consist of material specified in subdivision (A), (B), (C), (D) or (E) of subparagraph (1). A separate vote of the committee or subcommittee shall be taken with respect to each transcript. The vote of each committee or subcommittee member participating in each such vote shall be recorded and published. In place of each portion deleted from copies of the transcript made available to the public, the committee shall supply a written explanation of why such portion was deleted and a summary of the substance of the deleted portion that does not itself disclose information specified in subdivision (A), (B), (C), (D), or (E) of subparagraph (1). The committee or subcommittee shall maintain a complete copy of the transcript of each meeting (including those portions deleted from copies made available to the public) for a period of at least one year after such meetings.

"(5) A point of order may be raised against any committee or subcommittee vote to close a meeting to the public pursuant to subparagraph (1), or against any committee or subcommittee vote to delete from the publicly available copy a portion of a meeting transcript pursuant to subparagraph (4), by committeee or subcommittee members comprising one-fourth or more of the total membership of the entire committee or subcommittee. Any such point of order must be raised before the entire House within five legislative days after the vote against which the point of order is raised, and such point of order shall be a matter of highest privilege. Each such point of order shall immediately be referred to a Select Committee on Meetings consisting of the Speaker of the House of Representatives, the majority leader, and the minority leader. The select committee shall report to the House within five calendar days (excluding days when the House is not in session) a resolution containing its findings. If the House adopts a resolution finding that the committee vote in question was not in accordance with the relevant provision of subparagraph (1), it shall direct that there be made publicly available the entire transcript of the meeting improperly closed to the public or the portion or portions of any meeting transcript improperly deleted from the publicly available copy.

"(6) The Select Committee on Meetings shall not be subject to the provisions of subparagraph (1), (2), (3), or (4).

WILL FORD'S FOREIGN POLICY FOLLOW THE MUDDY TRACKS OF NIXON AND JOHNSON?

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. LEGGETT. Mr. Speaker. I regret that President Ford has, within the past 10 days, taken two steps which bode ill for the future of his administration.

On September 8, he pardoned Richard Nixon in advance of indictment, thereby disfiguring the Nation's achievement in returning to constitutional Government despite Richard Nixon's determined efforts to the contrary. But while the pardon was wrong, ill-advised, and badly received, at least we could say it was a case of good honest intentions marred by bad judgment.

But just as his September 8 pardon raised questions about his judgment, so his September 16 press conference has cast a shadow over the reputation for directness and honesty he had previously maintained.

This is the question and answer that is disturbing:

> Q. Mr. President, recent Congressional testimony has indicated that the C.I.A., under the direction of a committee headed by Dr. Kissinger, attempted to destabilize the Government of Chile under former President Allende. Is it the policy of your Administration to attempt to destabilize the governments of other democracies?
>
> A. Let me answer in general—I think this is a very important question.
>
> Our Government, like other governments, does take certain actions in the intelligence field to help implement foreign policy and protect national security.
>
> I am informed reliably that Communist nations spend vastly more money than we do for the same kind of purposes.
>
> Now, in this particular case, as I understand it and there's no doubt in my mind, our Government had no involvement in any way whatsoever in the coup itself.
>
> In a period of time, three or four years ago, there was an effort being made by the Allende Government to destroy opposition news media, both the writing press as well as the electronic press. And to destroy opposition political parties.
>
> And the effort that was made in this case was to help and assist the preservation of opposition newspapers and electronic media and to preserve opposition political parties.
>
> I think this is in the best interest of the people in Chile, and certainly in our best interest.

President Ford's answer contained one statement that cannot be construed as anything but an outright and deliberate falsehood.

We were not responding to "efforts

being made by the Allende government to destroy opposition news media, both the writing press as well as the electronic press. And to destroy opposition parties."

While Allende did exercise considerable and deplorable economic pressure against the leading opposition newspaper, and in fact closed it down for 6 days, it was reopened by an appeals court, and Chile enjoyed one of the most free and uninhibited presses in the world right up to the day of the coup.

While there may have been some attempt to throttle opposition parties, they must have been so subtle as to be invisible. The Christian Democrats controlled the Congress during the Allende regime, and both they and the Conservatives freely opposed and criticized Allende. There was a congressional election a few months before the coup in which all parties participated freely and honestly.

If it was our policy to support freedom of the press and of political opposition in Chile, our failure has been spectacular. Freedom of the press is no longer questionable; it is outlawed. Opposition papers are permanently closed and all others are censored in the best Soviet style. No political parties or political activity of any kind is allowed. The Congress, which as I have pointed out did not support Allende, has been abolished. So if the purpose of our covert operations is to preserve freedom and democracy we should now be working 10 times as hard to overthrow the present dictatorship.

Of course we are not, because our operations had nothing to do with supporting a free press. CIA Director William Colby has bluntly told us his efforts were directed toward "destabilizing" the Allende government. He has told us money was authorized not to support opposition parties but to bribe Chilean congressmen.

After the press conference, when reporters attempted to learn more about our Jeffersonian efforts, neither the White House nor the State Department could offer a shred of evidence in support of President Ford's claim. It appears we are once again following the sad sick pattern of Presidents Johnson and Nixon, who also resorted to fabrications as they attempted to defend indefensible policies.

The offenses have not stopped with the act itself. The deliberate deception of the Senate Foreign Relations Committee by former CIA Director Richard Helms constitutes a major assault on the U.S. Constitution. Consider the following testimony given by Helms under questioning by Senator Symington on February 7, 1973:

> Symington. Did you have any money passed to the opponents of Allende?
>
> Helms. No, sir.
>
> Symington. So that the stories that you were involved in that are wrong entirely?
>
> Helms. Yes, sir. . . .

Now we find, according to Mr. Helms' successor, William Colby, that we did pass large sums of money to the opponents of Allende for the specific purpose of bringing about his downfall. This obvious case of perjury should be pursued to conclusion.

I insert in the Record at this point a column by Tom Wicker, from the New York Times of September 20, 1974.

Was Ford Conned on Chile?

(By Tom Wicker)

Washington.—The disclosure that the Central Intelligence Agency financed the series of strikes that preceded the overthrow of President Allende in Chile ought to make Gerald Ford hide his face. Either he has been conned by the C.I.A. into grossly misleading the American people and giving his approval to international gangsterism, or he did it on his own.

Mr. Ford, confirming at his recent news conference that the C.I.A. had carried out covert operations in Chile, suggested that it happened "three or four years ago" and that it was merely an attempt to "assist the preservation of opposition newspapers and electronic media and to preserve opposition political parties."

The facts are that the Allende Government did not try, as Mr. Ford charged it did, "to destroy opposition news media . . . and to destroy opposition political parties." The parties continued to function throughout the Allende regime. No Government censorship of the press was established. A one-day shutdown of an opposition paper, El Mercurio, was made possible by a libel law passed in the previous regime of Eduardo Frei, who was supported by the C.I.A.

Even that one-day shutdown did not occur until June 22, 1973, just a few months before the military coup that overthrew Mr. Allende. The Interamerican Press Association said then that the shutdown was the "first deliberate attempt to silence or intimidate" El Mercurio. Mr. Allende had been elected in 1970.

The Ford statement was misleading in every particular. Whatever pressures Mr. Allende occasionally brought on the opposition press, he imposed no censorship and made no attempt to "destroy" it. He did not try to destroy opposition parties. The C.I.A. intervention was not "three or four years ago." It was by no means limited to support for opposition press and parties, as the latest disclosures make clear.

Even if any part of Mr. Ford's statement had been true, the plain fact is that the United States supports any number of regimes where press and politics are harshly repressed—South Vietnam, South Korea, until recently Greece, just to name a few. But when the Chilean military junta, its path paved by the "destabilization" paid for and fomented by the C.I.A., took power, it immediately silenced both the press and the political parties, murdered thousands of Chileans and jailed thousands more.

Aside from misleading the American people, Mr. Ford's statement was one of the most unfortunate ever made by the head of a supposedly law-abiding government. It claimed the right of this nation to go clandestinely into others and "take certain actions in the intelligence field to help implement foreign policy and protect national security." That is a beautified way of saying "to subvert legitimate governments by bribery, trickery and violence."

Mr. Ford then justified his claim by saying Communist governments did the same thing, and that other countries did too. He took this to the ultimate length of saying that, in the case of Chile, the subversion had been in the "best interest" of the Chilean people. Who gave the United States the right to make such a judgment in opposition to a free Chilean election?

The "candor" of Mr. Ford's remarks, far from being praiseworthy, had the effects not just of admitting that international subversion goes on, but of giving it public, official approval, and from the President of the United States, What does this tell us about a man who in pardoning Richard Nixon said he believed that "right makes might" and who has just called in the United Nations for a cooperative world order based on "accommodation, moderation and consideration of the interests of others"?

It probably tells us that Gerald Ford has been sold a bill of goods by the C.I.A. and Secretary of State Kissinger, who presided over the national security body that authorized the C.I.A. interventions in Chile. Inexperienced in foreign affairs, no doubt intimidated by the "experts" at his elbow, unwilling to reverse long-standing policies of previous Presidents, politically dependent on Mr. Kissinger at home and abroad, Mr. Ford—an instinctive hawk anyway—no doubt said what they wanted him to say in their best interest.

And that tells us further that if the wings of the C.I.A. are to be clipped any time soon, and if Mr. Kissinger's responsibility for the reprehensible events in Chile is to be clarified. Congress will have to do it, with no help from the White House.

CHAIRMAN OF HOUSE JUDICIARY SUBCOMMITTEE ADDRESSES FEDERAL LAWYERS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. RODINO. Mr. Speaker, on September 3–7, the Federal Bar Association, representing over 14,000 lawyers in the Federal Government, met in convention in Washington, D.C.

One of the high spots of the week was an address by our colleague Bill Hungate of Missouri, chairman of the Subcommittee on Criminal Justice of the House Judiciary Committee, who spoke on the new rules of criminal procedure promulgated by the U.S. Supreme Court in April 1973.

Representative Hungate has demonstrated his legal scholarship by research for the American Bar Foundation on criminal justice, and by his authorship of the lead article in the Federal Bar Journal in autumn 1972 on the new criminal rules. His leadership in the legal profession is evidenced by a Bicentennial Award from the Bar Association of St. Louis and a Distinguished Service Award from the Capitol Hill Chapter of the Federal Bar Association. He served as that association's president in 1971–72.

The forum was arranged by the Capitol Hill Chapter of the FBA, under its President Marion Herring, formerly of the Library of Congress, and the program chairman, Herbert Spira of the professional staff of the Senate. Lawyers from across the country gained the benefit of hearing Representative Hungate's analysis of the new rules which change about 20 percent of the content of the Federal criminal rules. Those rules affect not only judges, prosecutors, and defendants but improve the overall quality of our system of criminal justice.

In order that Representative Hungate's remarks receive wider circulation.

I am inserting them in the RECORD at this point:

REMARKS OF HON. WILLIAM L. HUNGATE

We've all been very aware recently of conflict between the branches of our Government. The impeachment inquiry brought into focus a conflict between Congress and the President, and a possible conflict between the courts and the President. Fortunately, the latter conflict was avoided when the President agreed to comply with the 8-0 ruling of the U.S. Supreme Court. The legislative-executive conflict was resolved by Richard Nixon's resignation as President.

Today, I would like to address myself to what appears to be a conflict between Congress and the judiciary. The situation, happily, does not threaten the orderly functioning of our Government. In fact, the conflict is more apparent than real. The issues revolve around the making of rules of "pleading, practice and procedure."

Last April 22, the Supreme Court, with Mr. Justice Douglas dissenting, promulgated a series of amendments to the Federal rules of criminal procedure. They were promulgated pursuant to Federal statutes known as the "Rules Enabling Act," which empowers the Supreme Court to promulgate rules of "pleading, practice and procedure."

The Supreme Court's amendments were in reality the work of the two committees of the judicial conference; namely, the Advisory Committee on Criminal Rules, presently chaired by Judge J. Edward Lumbard, and the Standing Committee on Rules of Practice and Procedure, presently chaired by Judge Albert B. Maris. These committees submitted their final product to the Supreme Court, which then promulgated the proposed amendments. This procedure in part gave rise to Mr. Justice Douglas' dissent. Justice Douglas also dissented because he believes the Supreme Court is not constitutionally authorized to design such rules. I will return to these considerations later on.

The Judicial Conference Committees are composed of outstanding and able judges, practitioners and law professors. These people put in many, many hours of hard work. Some of the proposed amendments were under consideration for over four years. The people who served on these committees deserve commendation for their public service.

In their final form as promulgated by the Supreme Court, the amendments make changes in ten presently existing rules and add three new rules to the Federal rules of criminal procedure. In purely quantitative terms, the amendments change approximately 20 per cent of the present rules. Some of the amendments are relatively minor or noncontroversial, while others have provoked some criticism. Hearings on the proposed rules will begin September 17th, and without giving any indication of my own views because the subcommittee consists of able and independent-minded members who will reach their own conclusions, I do wish to point out some comments we have received in the hope of drawing more widespread attention to these proposals for change in an important area of the law.

I just returned from my rural Missouri district, and was reminded of the study of criminal law and criminal rules of procedure while there. I even saw a bumper sticker which said "crime doesn't pay—and neither does farming."

A good part of the controversy surrounds sentencing practices.

The membership of the subcommittee on criminal justice consists of Representatives Edwards, Kastenmeier, Mann, Holtzman; and Smith, Dennis, Mayne, and Hogan. This membership assures thorough deliberation.

As to the substance of the new rules: Rule 11 provides the defendant may plead not guilty, guilty, or nolo contendere. To plead nolo contendere he must have the court's consent. The court must advise the defendant of the nature of the charge, its mandatory minimum and possible maximum, and insure the plea is voluntary. The defendant may plead guilty to a lesser or related offense. The prosecutor may dismiss other charges without the judge's participation. The prosecutor may also agree not to oppose a certain sentence.

However, if the prosecution and defense agree on a plea of guilty with the understanding that a specific sentence is to be imposed, they would have to notify the court and the court may accept or reject this in open court. The court may accept it or impose a lesser sentence; however, if the court wishes to impose a more severe sentence, the judge must afford the defendant a chance to change his plea to not guilty. If he wishes, the judge may defer the original sentencing until he sees a pre-sentence report, where it can be made available. And if a plea of guilty is withdrawn, then the plea discussions are inadmissible.

Some critical comments are: the U.S. attorney—actually his assistants, some of whom are not career civil servants—would not have benefit of a pre-sentence report, nor for that matter the experience and expertise of district judges. Often U.S. attorneys are concerned with statistics, or the number of convictions, rather than proper sentences in light of all circumstances.

A U.S. attorney in a Metropolitan area may have time only for a superficial review, leaving the task to young assistant U.S. attorneys with 1 to 4 years of experience (and perhaps no particular expertise, experience, or judgment) to make reasonable recommendations. In fact, he may have already reduced the charged offense to a lesser or related offense with a lesser penalty. This should be sufficient bargaining power for any U.S. attorney seeking to induce a guilty plea.

The administration of justice is more important than the accumulation of statistics on convictions. The judge may become a party to plea agreements and, if so, critical comment and public misunderstanding will increase. This practice occasionally is O.K., but generally it has odious connotations.

First the judge will be unwilling in most cases to accept a plea agreement at the time it is offered because of insufficient knowledge of the defendant and his prior history. A conditional acceptance may be possible on defendant's agreement to waive his rights under rule 32C, so the court may obtain and read the pre-sentence report before deciding to accept the plea, probably 6-8 weeks later. If the judge rejects the plea agreement then allows a plea withdrawal, the defendant may request the reassignment of another judge, or the judge may be disqualified. This provides a ready means of judge shopping, to assure the defendant won't receive a sentence in excess of that negotiated.

About the only legitimate argument is that it helps the prosecution dispose of more cases, but the cost in the form of human suffering bothers some. "A lousy way to run a railroad," says one Federal judge.[1]

If adopted as drafted now, it is suggested that the district judge would not often reject disposition of a case negotiated by the government. The judge would be under heavy pressure not to add to heavy dockets. A practical result is the transfer of sentencing power in large part to the U.S. attorney and removal from district judges. The wisdom of such policy is debatable, and some judges consider it an invasion by the executive branch of the judicial function. In a number of districts the judges will not permit the U.S. attorney to make recommendations as to disposition of a case except in rare instances when the court might request such recommendations.[2]

If the results of plea bargaining must be made known in open court where news media are present to publicize it, its acceptance or rejection may put the judge in a difficult position. The U.S. attorney may recommend a heavier penalty than the judge wishes to impose. If the judge reduces the sentence, he is then considered a "soft judge." If he refuses to accept the sentence, then he is in a bad light in the eyes of the defendant, who considers the judge most unfair since even the prosecution recommended a lesser sentence.

Lastly, publicity of the rejection of the lesser sentence might make it difficult to select juries when a plea is refused in open court and the defendant is forced to go to trial. One judge urges plea bargaining only by consent of the court, to be presented to the court only in chambers.

It is unwise for a U.S. attorney to make any promises to a defendant as to what sentence will be imposed. Proposed rule 11 would appear to permit the U.S. attorney to invade the province of the court and dictate sentences without the benefit of pre-sentence reports or other sentencing tools available to the court. Some believe it will only cause an unneeded delay in sentencing.[3]

Some U.S. attorneys believe it will make the prosecution of a crime more difficult and time consuming, with no improvement whatsoever in the administration of justice in their district.[4] A simple example is a case where disposition apparently heavily favoring a defendant may be welcomed by the prosecution because it eliminates the need to disclose the identity of an informant, yet the trial judge will not know this, and for the prosecution to explain it to the court will result in the very thing which the prosecution seeks to avoid.[5]

Some public defenders urge adding a provision that a court may not reject a plea of guilty solely because the defendant does not admit his guilt.[6] Most pleas of guilty consist of both a waiver of trial and the express admission of guilt. The latter may not be a constitutional requirement to the imposition of criminal penalties. An individual accused of crime may voluntarily, knowingly and understandingly consent to the imposition of a prison sentence, even if he is unwilling or unable to admit his participation in the act constituting the crime.[7]

Neither the defendant, whose sole interest is in getting off lightly, nor the prosecution, whose principal interest is in obtaining a conviction, has the objectivity of the judge in appraising how society's interest in rehabilitation and/or deterrence can best be served. The proposed rule re plea bargaining, while well intentioned, is philosophically in error.[8] In medicine, one does not permit the patient to prescribe his cure. No less in law should the defendant have a say in his punishment, even by plea bargaining.[9]

Rule 32 provides that subject to certain exceptions, a pre-sentence report may be made available to a defendant, his attorney, and the prosecutor. Some suggest this is unwise, and would destroy the confidential nature of the pre-sentence report, which is its principal advantage; and where the court declines to reveal the pre-sentence report, this may be a source of further litigation.

The pre-sentence investigation report on the request of the defendant or his counsel may be read by the defendant or his counsel unless it contains diagnostic opinions which might seriously disrupt certain situations. This exception will not be easy to determine, nor will the rule of disclosure be easy to apply. Some suggest it is better to

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Footnotes at end of article.

permit reading by counsel or the defendant when in the judge's discretion such a reading is justifiable.

Rule 16 on discovery may add a host of unnecessary pretrial issues and procedures to federal criminal prosecutions, increasing the demands on prosecutorial and judicial resources far out of proportion to the legitimate benefits to be conferred on defendants.[10]

The Department of Justice (through the attorney general) has objections to rule 16 which would mandate disclosure of names and addresses or government witnesses and make discovery mandatory upon request, rather than controlled by court's discretion invoked by motion.[11]

Rule 15 gives the prosecution the right to use depositions in criminal cases. It may seriously impair a defendant's right to a jury trial, since the mere reading of a deposition into evidence thwarts a jury's ability to pass on the credibility of a witness, his demeanor and appearance as he testifies. The right of confrontation under the 6th and 14th amendments to the U.S. Constitution may be infringed. The trial could evolve into simply reading to the jury a cold, flat statement without any means to evaluate credibility, possibly an entire case presented by depositions.[12]

Rule 12 requires that except "for good cause shown" a defendant must notify the prosecution before trial if he seeks to file a motion to suppress or to rely on alibi or mental condition as a defense. Does requiring a defendant claiming an alibi defense to notify the government where he was when the crime was committed violate the privilege against self-incrimination? It may nibble away at adversary theory of law to a defendant's disadvantage.[13]

If the defendant notifies the prosecution of an alibi defense, the government shall inform the defendant of the time, place, and date where the alleged offense was committed. If a bank robbery, perhaps no problem. Probably in a conspiracy case, the defendant would get a good idea of who the government witnesses are, when and where he participated in the conspiracy, something he does not get now. For example, in a bank robbery case, the time, date and place requirement equals what? A bank robbery case, defendants A and B, 10 A.M., 1/2/74, D.C. A defendant gives notice of alibi. Query: Must the government show B was at the bank? Perhaps yes. But the evidence on A is that he bought a mask and gun on January 1, 1974, which was used by B on January 2nd, and A is thereby responsible as aider and abbetor? As to the alibi defense rule, both government and defense attorneys have expressed dissatisfaction.[14]

Rule 4 would bring about a fundamental change in the law of arrest. On finding probable cause that an offense was committed, a summons would issue, unless a "valid reason" is shown for issuance of an arrest warrant rather than a summons, or unless the defendant first fails to answer a summons. Would this procedure foster fugitivity by warning a defendant the law has closed in on him? Would professional criminals hide, or destroy evidence? There may be problems of "valid reason" determinations by the judge and not the police. For example, would arrest not for "valid reason" bar prosecution and suppress a defendant's presence in court? Should "valid reason" definition be written into the statute?

Rule 43 specifies defendant shall be treated as having waived his right to be present at a trial whenever he engages in conduct such as to justify his being excluded from the courtroom.[15] Should the rule provide "if the defendant persists in behavior which obstructs the progress of the trial after having been warned that such disruptive conduct will cause him to be removed from the courtroom"?

And should defendants, at least in misdemeanor and perhaps in felony cases as well, not be granted a right through counsel to waive appearance at arraignment, at least where arraignment is only for the purpose of entering a not guilty plea? For example, an attorney cited a case where he represented an impecunious defendant from Nova Scotia who would have significantly benefited had counsel been able to enter a not guilty plea for him at arraignment, without his having to appear.[16]

It is not very often that a crowd gathers to hear an address on federal rules of procedure. I am pleased to be able to talk with you on this subject of importance not only to federal lawyers but to our criminal justice system which affects every citizen of our Nation.

FOOTNOTES

[1] "Commentary: Proposed Amendments, Federal Rules of Criminal Procedure" at 3 (hereinafter cited as "Commentary").

[2] "Commentary" at 22–23.

[3] "Commentary" at 34.

[4] "Commentary" at 36.

[5] "Commentary" at 41.

[6] "Commentary" at 51.

[7] Ibid. *North Carolina* v. *Alford*, 400 U.S. 25, 37 (1970).

[8] "Commentary" at 47.

[9] "Commentary" at 43.

[10] "Commentary" at 36.

[11] "Commentary" at 1.

[12] "Commentary" at 20.

[13] "Commentary" at 30.

[14] "Commentary" at 42.

[15] *Illinois* v. *Allen*, 397 U.S. 337, (1970).

[16] "Commentary" at 60.

AMENDMENT TO HOUSE RESOLUTION 988

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, I intend to offer an amendment this week to establish a House select committee to investigate the oil industry. In order to afford timely notice, I herewith publish the text of the amendment I intend to offer to House Resolution 988:

On page 40, immediately after line 10, insert the following new section:

SELECT COMMITTEE TO INVESTIGATE THE OIL AND GAS INDUSTRY

8. (a) There is hereby created a select committee to be composed of seven members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

(b) The committee is authorized and directed to conduct a full and complete investigation and study of the role of the oil and gas industry in contributing to the recent energy crisis, in determining the current availability, allocation and pricing of energy, and in determining the future availability, allocation and pricing of energy.

(c) For the purpose of carrying out this section the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

(d) The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

DIME BOX ACTS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. PICKLE. Mr. Speaker, a banker who believes "it is time to do something constructive and creative rather than just sit back and lament" has received the national recognition he deserves.

Mr. Frank Head, owner of the First State Bank of Dime Box, Tex., lowered its prime interest rate from 12 to 11.5 percent a full week before major lending institutions followed suit last Tuesday. Dime Box is a picturesque community in my congressional district and it is as colorful and delightful as its name implies.

His leadership and forthright approach to one of the toughest national issues facing us today was noted in a special article in the Sunday New York Times yesterday.

Although Mr. Head's bank is a small one, with assets of about $2 million, his actions have shown his spirit and his comprehension of our national problems are large.

While others pondered, Mr. Head bit the bullet. It is time for all of us to take up this action call.

I commend Mr. Head for his astuteness and would like to reprint the article in the RECORD at this time:

[From the New York Times, Sept. 29, 1974]

TEXAS BANK SETS EXAMPLE FOR UNITED STATES

DIME BOX, TEX., September 28.—The 315 citizens here are pleased that the big banks in New York and across the country got their message about fighting inflation.

The message was that the prime interest rate should be dropped.

The First State Bank of Dime Box, with assets of about $2 million, lowered its prime rate from 12 to 11.5 per cent a week before major lending institutions followed suit last Tuesday. Most smaller banks followed the lead of New York banks on Wednesday.

Frank W. Head, who owns the bank here and six other rural Texas banks as well, decided two weeks ago that his Dime Box financial house should set an example for other banks to follow.

Mr. Head, a conservative Houstonian, seldom makes rash moves. The ratio of loans to deposits in his Dime Box bank is only 52 per cent, while many lending institutions lend up to 100 per cent of deposits.

He concluded that "it is time for bankers to do something constructive and creative rather than just sit back and lament."

Although many bankers across the country may not have known that the First State Bank of Dime Box set a national financial trend involving billions of dollars, Mr. Head was certain his message would get through.

REPRESENTATIVE ROBISON INTRODUCES THE RURAL HEALTH ASSISTANCE ACT

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ROBISON of New York. Mr. Speaker, for many years a good deal of my legislative effort has focused on meeting our continuing need for a clean and plentiful supply of drinking water. I am by no means alone in seeking this objective, since the country's public and private drinking water systems have long worked toward the same goal and, in large measure, today's widely shared confidence in our drinking water is testimony to the conscientiousness of those who plan, manage and operate our local drinking water systems. They have put away the fear of water-borne epidemic—still prevalent in some areas of the world—and they have successfully met the water needs of our growing metropolitan areas.

In fact, drinking water has become so plentiful, and so cheap, for most of us that it has been easy to presume that everyone is equally served by good water. So complete is this belief that our foreign aid program has attempted to export our good fortune by devoting over a billion dollars to the water supply needs of less-developed nations.

Yet, at the high water mark of these foreign aid expenditures, in the summer of 1970, national confidence in drinking water was challenged by the federally-sponsored "community water supply study," which surveyed 969 community water systems throughout the country and found that 41 percent of them fell short of the very rudimentary set of Federal drinking water standards established in 1962. Further, 2 percent of the study population was found to be drinking potentially dangerous water. On the basis of that sampling, it can be projected that up to 3.2 million persons use contaminated water, out of a total of 160 million consumers served by public systems.

Recent Federal census data and surveys conducted by the Farmers' Home Administration and the Environmental Protection Agency indicate that more than 35 million Americans are not served by organized public or private water systems. By far, the largest percentage of this group use individual or multifamily wells for their household water, but in many cases—as many as 40 percent according to EPA—these wells are contaminated. The remainder of those who do not have access to public or private systems use cisterns, springs or any other available water source; 1970 census data indicated that there were 1.3 million households in this category.

In 1970, the Farmers Home Administration estimated that there were 17,476 communities which needed a central water-supply system. All of these communities had less than 5,500 population, and most were under 1,000. FHA is able to assist many of these localities through its grant and loan program—when funds are made available—yet some small communities have found themselves ineligible for FHA support because they do not possess sufficient collateral, or they cannot demonstrate satisfactorily the capability to operate and maintain a central water system over the working life of the system.

Where State and local government cannot direct financial or technical support, small communities have sought to organize themselves into water development corporations with the help of federally funded health and development programs. One privately operated development organization, the National Demonstration Water Project, has been particularly effective in providing technical assistance to such communities, while helping the community to seek State and Federal funding support.

My Rural Drinking Water Assistance Act introduced early in this Congress, was aimed at these communities with its proposed incentive funding for community development corporations and its suggestion that increased FHA construction funds be made available to such communities. Another section of that bill calls for a "rural water survey"—a proposal since made part of the Safe Drinking Water Act—to determine how many Americans have no household water supply at all.

Without such a rural water survey, we have only educated guesswork on the number of citizens who carry their drinking-water home. These persons may number 3 million or more, but the fact that they often live beyond the pale of community services and Federal census takers makes that figure highly speculative. Sufficient on-the-ground investigation has been done in enough locales, however, to verify that there are an unconscionable number of families in this category. Like the populations of those nations which were the recipients of the billion dollar aid program for water supply, these Americans use whatever water is close enough to be carried. For such families, the proximity of water is a more fundamental consideration than the possibility of its contamination.

To quote from one study of a five-county area where such conditions were found:

> Yet the facts are that a sizable percentage of the citizens of this county cannot so operate. The facts are that many of our people cannot do the simple routine acts listed above. The facts are that many people cannot clean their food adequately, cannot flush their wastes, cannot clean their homes or their bodies, cannot prevent chronic gastro-intestinal disorders. These people do not have adequate supplies of safe, potable water.

It is clear from such reports that a lack of adequate drinking water is frequently linked to serious health and sanitation problems. The end result is that those who have the greatest distance to go to improve their living conditions are often the least fit to do so. Bad or insufficient water frequently translates into sickness and disease. And, in a vicious circle, illness translates into loss of motivation and wages, and leaves its victims helpless and without hope.

Through my work on the Safe Drinking Water Act and the Rural Drinking Water Assistance Act, I have been confronted with the pathetic reality that significant numbers of Americans live in conditions most often associated with undeveloped countries. Just as it is hard for a lot of us to believe that there are those who exist in this country without what the rest of us would term "the basic necessities of life," it is also hard to isolate many of the relevant facts. For instance, it seems that most of the people I refer to live in rural areas—although certainly these conditions exist in major metropolitan areas. Many of us are familiar with urban problems of this nature, but I seriously doubt that the great majority of us who have never lived without interior plumbing can imagine that there are pockets of Americans—some within a few miles of us here—who still do not even have their own drinking water.

If the rural water survey portion of the Safe Drinking Water Act is carried out, we will ultimately know how many people live in such a condition and where they are located. For now, there can be no doubt that a serious loophole exists in the "American promise." There is a population of lost Americans, spread throughout the country, who have never seen what we like to call American prosperity, and who are never likely to see it unless a commitment is made to them.

For the past few years, I have talked with many individuals and officials who are concerned with the situation I describe, and I have sought ways in which effective response can be made. I do not believe the answer necessarily lies here in Washington, and many who are actively working to help the lost Americans I speak of insist that it does not. What is needed in Washington, however, is a far better understanding that we do have such a problem on a nationwide scale.

As a legislator, I have naturally looked for a legislative solution. And, for the past few months, I have circulated the outline of an intended bill to a number of health professionals, university experts, and local health workers in an attempt to find some consensus on how the Federal Government might best participate in meeting the needs of those who are without sufficient drinking water. The many thoughtful responses have not been unanimous on the solution, but nearly so in commenting on the extent of the problem. For the most part, I have been encouraged to continue my present course; and so today I will introduce the Rural Health Assistance Act, which I hope will focus new attention on water and sanitation needs still waiting to be addressed.

Just as the problem is so basic, the solutions may be very straightforward. There is some agreement among rural health workers that better diagnostic tools are needed, particularly for allied health workers whose training and experience may be limited. This seems particularly true when speaking of pesticide-related illness, both as conveyed through water supplies, and as experienced by those who must come into direct contact wtih pesticides.

Although my primary concern here has been with inadequate water supplies, I have necessarily come into contact with the health effects of pesticides in water. From discussions with those who work in migrant labor health programs, and from a few readings, I find there has been frequent misdiagnosis of pesticide-induced illness, which can sometimes resemble flu or a cold. Although by no means the complete solution, it appears that this area of medicine might particularly benefit from a diagnositc manual written for those doctors and health workers who are likely to treat pesticide-related sickness.

There is a new agency of the Federal Government which is uniquely qualified to look into the health considerations of water and pesticide related health problems. The National Institute of Environmental Sciences of the Department of HEW possesses a specific competence in such problems; and I have proposed in the Rural Health Assistance Act that the Institute be charged with authoring two new diagnostic manuals. One of these would identify water-borne diseases commonly found in the rural areas of the United States, and the other would similarly compile known pesticide-induced illnesses. These manuals would be written for the readership of both physicians and allied health workers and would be revised on a yearly basis.

Second, the Rural Health Assistance Act proposes a small, new block-grant program for public health, which would allow State agencies to conduct a variety of local health and sanitation activities. Among those guidelines offered in the bill is the suggestion that States devote their funding to a Rural Health Volunteer Corps, which might assist State and local health agencies in performing a variety of treatment and survey functions.

It is also proposed that the block-grant funding be used for statewide surveys of the prevalence and location of water-borne and pesticide-related illness; and that the States sponsor their own training programs for paraprofessional rural health workers who might bolster the resources of local agencies.

It is obvious to me that the design of my proposal needs to be improved or, perhaps, even completely revised. However, I am quite sure that there is a serious need here to which most of us have managed to remain oblivious. Since I am soon to retire as the representative of the 27th District of New York, my effort today can only frame a discussion which might proceed during the next Congress.

It may be that the galloping growth of Federal programs during the last two decades, and the increases in Federal spending caused by those programs, have now biased my colleagues against any new attempt to involve the Federal Government in seeking solutions to local problems. Yet, the failure of some of the "Great Society" programs to deliver their initial promise should not preclude fair consideration of the successes achieved by other federally sponsored programs—the Rural Electrification Administration is one good example—nor an appreciation of the wide areas of competence and expertise found in the Federal Government.

Whatever the Federal Government's role in meeting needs, we should not squander the capabilities of Federal agencies when they can make a contribution to pressing social problems. In the Rural Health Assistance Act, I propose that the expertise of the National Institute of Environmental Sciences can be directly applied to existing water and sanitation needs. I hope, Mr. Speaker, that my suggestion will prod others to seek out better answers than are presently available.

FOREIGN INVESTMENT REGULATORY COMMISSION

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, today, in recognition of the alarming prospect of a staggering amount of investments into the U.S. economy by the oil producing nations of the world at any early date, I have introduced legislation to establish a Foreign Investment Regulatory Commission with immediate power to regulate certain foreign investments having significate impact on the integrity and independence of the economy of the United States.

The legislation I introduced is a draft under discussion and preparation for some months. While many improvements in detail are no doubt possible, the key element is the establishment of such a commission with immediate power to act where U.S. interests are required.

It has been introduced in recognition of the fact that the scale of investments by foreign oil producing nations now contemplated for both the immediate and long-range future are of such monumental proportions that previous legislation recently before Congress to establish a 2- to 3-year "study" of foreign investments in the United States is no longer adequate to protect American economic interests. So vast are the amounts expected to be invested within that time, and before such a study could properly be concluded, and then acted upon, that it is essential an earlier and more effective mechanism be created to exercise prompt scrutiny and, where necessary in the national interest, exercise regulatory power. Badly needed, well-conceived and an important step at the time it was originally conceived, legislation calling for a study of such investments has been as quickly surpassed by events as have foreign oil profits grown.

According to the World Bank, the Arab oil-producing nations could have more than $1 trillion to invest in the United States and other countries by 1985. As has been noted, that amount exceeds by 10 times the total $100 billion book value of current U.S. investments overseas and 100 times the value of all the gold held by the U.S. Government.

More immediately, Government officials have recently noted that the oil producing bloc's net trade balance by 1980 could be something on the order of $485 billion—sufficient to own 80 percent of the companies in the New York Stock Exchange. The impact is expected to be felt long before 1980, however, given the billions of dollars already accumulated by the oil powers for investment, and the energetic efforts of Secretary Simon and others to lure them into investments in the United States. The implications for the independence and integrity of U.S. economic, and ultimately foreign policy, are too momentous to ignore.

I urge my colleagues to join as cosponsors of this legislation, which I intend to reintroduce shortly, in hopes that widespread, bipartisan support by all in the House who share my concern can guarantee early, thorough and prompt hearings on this critical matter, and early action to create a mechanism to preserve control over foreign oil country investments in the economy of the United States.

AMENDMENT ON TENURE OF CHAIRMEN

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BENNETT. Mr. Speaker, previously today, I spoke briefly on an amendment to the Bolling and Hansen reform proposals now before the House. At that time I did not anticipate that House Resolution 1321 might be the vehicle for House reform. Since this may well be the case, I give notice that I plan to offer the following amendment to House Resolution 1321:

AMENDMENTS TO HOUSE RESOLUTION 1321 TO BE OFFERED BY MR. BENNETT

Page 40, line 18, insert "(1)" after "(b)".

Page 40, after line 25, insert the following new suparagraph:

"(2) No Member shall serve as chairman of any standing committee for more than three full terms: *Provided*, That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution.

AMENDMENTS TO HOUSE RESOLUTION 1321

HON. DAVID N. HENDERSON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. HENDERSON. Mr. Speaker, I was one of the co-signers of the "Dear Colleague" letter that was sent out last Friday, September 27, urging the support of Members to retain the Committee on Post Office and Civil Service as a standing committee of the House of Representatives when the reform resolutions are open for amendment.

As pointed out in that letter, the magnitude of the legislation and the legislative oversight involved in civil service and postal service matters justifies the retention of the Post Office and Civil Service Committee as a standing legislative committee.

Mr. Speaker, the amendments I propose to offer will retain the Post Office and Civil Service Committee as a standing committee with the identical jurisdiction it has under the current House rules, plus jurisdiction over the Hatch Act matters.

In order to be assured of an opportunity for the appropriate amendments to be offered, I am offering for printing in the Congressional Record, in accordance with clause 6 of House Rule XXIII, the amendments which I propose to offer, either to the Bolling resolution, House Resolution 988, or to any amendment to the Bolling resolution which may propose to include the provisions of the Martin resolution, House Resolution 1321.

Mr. Speaker, my amendments are as follows:

House Resolution 988—Section 101

(Committee Jurisdiction)

Section 101 of H. Res. 988 is amended as follows:

(1) On page 11, strike out subparagraphs (5), relating to the census, (9), relating to National Archives, and (11), relating to political activities, or paragraph (k) and renumber the remaining subparagraphs accordingly:

(2) On page 14, strike out subparagraphs (5), relating to civil service, and (6), relating to the Postal Service, of paragraph (n) and renumber the remaining subparagraphs accordingly:

(3) On page 16, immediately below line 2 insert a new paragraph to read as follows:

"(p) Committee on Post Office and Civil Service, the legislative jurisdiction of which shall include—

"(1) Postal Service.

"(2) Postal Rate Commission.

"(3) Measures relating to the franking privilege.

"(4) Federal Civil Service generally.

"(5) Status of officers and employees of the United States, including their compensation, insurance programs, retirement, classification, and other benefits and privileges.

"(6) Political activities of officers and employees.

"(7) Census and the collection of statistics generally.

"(8) National Archives.";

(4) Redesignate paragraphs (p), (q), (r), (s), (t), (u), and (v) as paragraphs (q), (r), (s), (t), (u), (v), and (w), respectively; and

(5) On page 19, strike out subparagraph (6), relating to the franking privilege.

House Resolution 988—Section 201

(SERVICE ON MORE THAN ONE COMMITTEE)

On page 39, line 23, amend clause 7(c) by inserting "the Committee on Post Office and Civil Service," immediately before the words "the Committee".

House Resolution 988—Section 201

(COMMITTEE JURISDICTION)

Section 101 of H. Res. 1321 is amended as follows:

(1) On pages 12 and 13, strike out subparagraphs (5), relating to the census, (9), relating to National Archives, and (11), relating to political activities, of paragraph (k) and renumber the remaining subparagraphs accordingly;

(2) On page 16, strike out subparagraphs (5), relating to civil service, and (6), relating to the Postal Service, of paragraph (n) and renumber the remaining subparagraphs accordingly;

(3) On page 17, immediately below line 16 insert a new paragraph to read as follows:

"(p) Committee on Post Office and Civil Service, the legislative jurisdiction of which shall include—

"(1) The Postal Service.

"(2) The Postal Rate Commission.

"(3) Measures relating to the franking privilege.

"(4) The Federal Civil Service generally.

"(5) The status of officers and employees of the United States, including their compensation, insurance programs, retirement, classification, and other benefits and privileges

"(6) Political activities of officers and employees.

"(7) Census and the collection of statistics generally.

"(8) The National Archives.";

(4) Redesignate paragraphs (p), (q), (r), (s), (t), (u), and (v) as paragraphs (q), (r), (s), (t), (u), (v), and (w), respectively; and

(5) On page 21, strike out subparagraph (4) relating to the franking privilege.

House Resolution 1321—Section 201

(SERVICE ON MORE THAN ONE COMMITTEE)

On page 41, line 5, amend clause 7(c) by inserting "the Committee on Post Office and Civil Service," immediately before the words "the Committee".

CLEARING THE INNOCENT

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GROVER. Mr. Speaker, in recent years jurists have noted a dangerous deterioration of due process in our American jurisprudence. The historic protection of the accused by the secrecy of grand jury proceedings has bowed to freedom of the press, and it is common knowledge among lawyers that a prosecutor can bring an indictment out of a grand jury without supporting evidence.

Often is the case in which characters are besmudged and careers ruined by abuse of judicial process. But a dramatic reversal of this unjust and inequitable state of affairs has been undertaken by the district attorney of Suffolk County, the Honorable Henry G. Wenzel.

District Attorney Wenzel points out that the Canons of Ethics require a prosecuting attorney to work to clear the innocent with the same professional zeal with which he must work to indict and convict the guilty. His commendable program to achieve even-handed justice includes publication of findings of innocence which too often have been sealed away in grand jury minutes and letters to those found innocent.

Mr. Speaker, the right to privacy, the freedoms from search and seizure, the constitutional protections of the Bill of Rights suggest that Mr. Wenzel's project not be just a good example for other prosecutors to follow, but rather that it be legislated in this Congress and in every State House in the land.

PROPOSED AMENDMENTS TO HOUSE RESOLUTION 988

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. FROEHLICH. Mr. Speaker, under leave to extend my remarks in the Record, I include the following amendments proposed to be offered by me to House Resolution 988:

Amendment Offered by Mr. Froehlich to House Resolution 988

On page 40, immediately following line 10, add the following new subsection:

"(f)(1) There is hereby created a select committee to be composed of eleven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

"(2) The committee is authorized and directed to conduct a full and complete study of the constitutional basis of the January 22, 1973, United States Supreme Court decisions on abortion, the ramifications of such decisions on the power of the several States to enact abortion legislation, and the need for remedial action by Congress on the subject of abortions.

"(3) For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the 94th Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or had adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary; except that neither the committee nor any subcommittee thereof may sit while the House is meeting unless special leave to sit shall have been obtained from the House. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The committee or any subcommittee thereof authorized by the committee to hold hearings shall publish reports of the hearings, and shall have authority to report legislation to the Congress.

"(4) The committee shall report to the House within nine months after January 3, 1975, the results of its study, together with such recommendation as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

On page 50, immediately following line 3, insert the following paragraph:

"(4) Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy."

POW–MIA'S

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. JONES of Tennessee. Mr. Speaker, I would like to take this opportunity to include in the RECORD, an article from the Paris, Tenn., Post-Intelligencer. The article concerns the more than 1,300 Americans, prisoners of war or missing in action, who are still unaccounted for in Southeast Asia.

Mrs. Janice Wood of Paris, Tenn., recently spoke to the Civitan Club of Paris on the subject. Mrs. Wood's husband, Air Force Capt. William C. Wood, Jr., has been missing for 2 years. Jan is very active in POW–MIA organizations, and is regional coordinator of Dallas Cares, a national organization of concerned citizens. The text of the article follows:

POW–MIA'S

More than 1,300 Americans—prisoners of war or missing in action—are still unaccounted for in Southeast Asia and appear to have been "virtually forgotten" by their government, the Civitan Club was told Tuesday.

The speaker was Mrs. Janice Wood, whose husband, Air Force Capt. William C. (Bill) Wood Jr. of Paris, has been missing in Asia for two years.

Mrs. Wood, who has become active in POW-MIA organizations since her husband's plane was reported shot down over Laos, is regional coordinator for Dallas Cares, a national organization of concerned citizens. The group is currently conducting a four-month campaign to promote public awareness, entitled "We Think It's Important."

Addressing a Civitan ladies' night audience at the Avalon Restaurant, Mrs. Wood urged her audience to write letters to congressmen and ask their friends to do the same.

"The concern of the American people must be brought to the attention of our government," she said. "Most Americans currently hold the misconception that the Missing in Action-Prisoner of War situation in North Vietnam was resolved on March 29, 1973, when the POWs were returned by North Vietnam.

"Unfortunately, this is not true. Some 1,300 servicemen did not come home, and even worse, no one knows what happened to them. Hanoi has repeatedly ignored all requests for information pertaining to missing Americans."

As part of the "We Think It's Important" campaign, the group is suggesting that citizens mail a pinch of American soil to Hanoi to demonstrate that Americans want an accounting.

Only a few grains of soil should be used, the group says. Postal regulations require that the envelope of soil be placed inside a second envelope and that both be sealed with tape. The address: Ministry of Foreign Affairs, Democratic Republic of Vietnam, Hanoi, North Vietnam. The postage rate is 26 cents per half-ounce.

Under the Paris peace agreement of 1973, a Four Party Joint Military Team with delegations from the United States, South Vietnam, North Vietnam and the Viet Cong was established to arrange for exchange of information on MIAs and the recovery of remains of the deceased.

But after 18 months, the negotiations are at a standstill because of a boycott by North Vietnamese and Viet Cong over side issues.

The chief of the U.S. delegation, Col. William W. Tombaugh, says the boycott concerns "issues that are not within the purview of the FPJMT."

"We have been informed by the DRV (North Vietnam) as well as the PRG (Viet Cong) that they have information about the U.S. dead and missing on many occasions—but they totally and abjectly refused to give us any of this information," he said.

After Mrs. Wood's presentation, Civitans voted unanimously to send a letter, over the signature of all club members, to Tennessee Senators Howard Baker and Bill Brock and to Rep. Ed Jones. The club urged other civic organizations here to do the same and pointed out that Mrs. Wood is available to speak to any interested group.

At the meeting Mr. and Mrs. Jerry Scarbrough were guests and club members sang "Happy Birthday" to Alfred Mathenia. The next Civitan meeting date is Oct. 1.

SENIORITY REFORM

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BENNETT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

I expect to offer the following amendment to the Bolling resolution (House Resolution 988) and to the Hansen substitute (House Resolution 1248):

No member shall serve as chairman of any standing committee for more than three full terms: *Provided*, That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution.

Specifically the amendment to House Resolution 988 to be offered by me would read:

Page 39, line 11, insert "(1)" after "(b)".

Page 39, after line 18, insert the following new subparagraph:

"(2) No Member shall serve as chairman of any standing committee for more than three full terms: *Provided*, That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution.

Specifically the amendment to House Resolution 1248 to be offered by me would read:

Page 13, line 21, insert "(1)" after "(b)".

Page 14, after line 4, insert the following new subparagraph:

"(2) No Member shall serve as chairman of any standing committee for more than three full terms: *Provided*, That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution.

This amendment is designed to eliminate defects in the system of always giving the chairmanship to the senior member. At the same time it would preclude objectionable features to be expected in electing chairmen in any real political contest.

The worst defect of the present system is that it fails to provide the American people with the fresh and new leadership needed to produce constructive changes in changing times. The next worst thing about the present system is that it discourages many able persons from staying in Congress or from coming here in the first place.

Election of chairmen has been suggested as a reasonable alternative to strict seniority, but this has been available now for several years and it has had no results for various reasons.

First among the reasons is that to deprive a chairman of his chair would be almost tantamount to impeachment in the minds of many of the public and in Congress. With such a heavy implication of wrongdoing or incompetence. Congressmen can be expected to go on reelecting the most senior members without exception except in cases of wrongdoing or incompetence. Under these circumstances, reform by election offers no real reform at all.

Even if real elections became feasible in fact, it might well be that palace guard politics and log rolling might bring about worse results than anything we now experience. Lobbying interests might see an opening here they have not had before and the defects of such a system might far exceed anything now thought of or presently experienced.

I think I have offered a reform proposal that is practical and helpful. It would hurt nobody. It would strengthen Congress as a tool and servant of the American public.

In limiting the term of a chairman to 6 years, this would give each chairman a reasonable time and a concrete challenge to use these 6 years for constructive leadership.

It would give others, just less senior, adequate time to prepare for such leadership in the future.

It would tend to retain able men in Congress because of giving them a reasonable chance for future effective leadership opportunities.

PUBLIC LAW 480—UP IN SMOKE

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. PEYSER. Mr. Speaker, next week the appropriations bill for the agriculture-environmental and consumer protection programs will be on the floor. I will be offering an amendment to prohibit the exportation of tobacco under the food for peace program.

The Public Law 480 program, since its inception 20 years ago, has aided poor and starving nations of the world. While providing food and other essential commodities to these areas, the United States has also attempted to establish markets for domestic tobacco in these impoverished parts of the world. I have attached several facts for the consideration of my colleagues and hope you will support my efforts to terminate the outrageous tobacco exports under the Public Law 480 program.

First. In addition to supplying food to needy areas, one of the goals of the Public Law 480 program is to develop and expand export markets for U.S. agricultural commodities.

Second. In the past 20 years the United States has exported over $500,000,000 of tobacco under the Public Law 480 program. The recipient of the largest amount of this commodity has been the Far East specifically Vietnam which has received almost 200,000,000 pounds since 1954.

Third. This year it is anticipated that $30 million of tobacco will be exported under Public Law 480. The recipient countries will probably be Vietnam, Egypt, and Korea, Cambodia and the Philippines.

Fourth. Tobacco is the only nonagricultural commodity exported as part of the food for peace program.

My amendment will read as follows; On page 19 line two after the period add the following:

> "None of the funds contained in this appropriation shall be made available to purchase or export tobacco under the Agricultural Trade Development and Assistance Act of 1954, as amended.

RESERVE RETIREMENT BILL

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BRINKLEY. Mr. Speaker, I have just been given a letter relating to the proposed new Reserve retirement bill. The writer is a thoughtful and dedicated reservist and I submit his letter for the consideration of our colleagues:

RESERVE RETIREMENT BILL

The attached article concerning the overhaul of Title III retirement law, contains some long overdue improvements for the non-active duty reservist and guardsmen, particularly the vested interest in lump sum payment for survivors after completion of twenty years as well as the early (age 50) optional retirement.

As a career reservist with 30 years service it is my confirmed belief that the current DOD proposal leaves much to be desired and that both the House and Senate should be aware of inequities that still currently exist. I would like to preface by pointing out the most important inequities that should be taken into consideration prior to arriving at a finalized version of Title III retirement benefits. This letter represents a consensus of opinion of many other reservists here at Robins.

Reservists have sacrificed their time both from their civilian positions, and their families to dedicate themselves to being prepared to defend our country at any time, under any circumstances on minimal notice. Participation in reserves often involves losing employment status and although allegedly protection is given under the Selective Service Act, this does not always work to the individuals benefit had he stayed on the job instead of giving himself in total to the defense of his country. In many cases a loss in pay occurred while in service. Many have lost businesses upon being recalled and had to start over being several years older. Their personal and business life suffered, not only monetarily, but personally for some did not return.

Recently the DOD made tens of thousands of mailings of a program called Employer Support Program. This was under the able guidance of Mr. Roche, Chairman of General Motors Corporation. This alone illustrates that employers have not in past years supported employees in reserve participation, and in fact have discouraged it, and have penalized persons taking part in it, primarily by not promoting them. Some reservists (this term includes guardsmen) have served most of their careers without pay, and traveled many miles to assignments, spent many hours doing correspondence school work to keep current and improve their value to a particular service. These are dedicated, unselfish, loyal Americans who truly feel their obligation to our great country and have gone thru recalls, family upsets, business set-backs to serve their country, and if they died prior to age 60 their dependents had absolutely nothing for their loyal efforts.

Finally it is recognized that Title III should be changed, and I wish to point out what I and others still consider gross inequities, that both the house and the Senate Armed Forces Committees should consider as amendments to the current proposed bill:

1. Retirement should be full benefits at any combination totaling 80 i.e., 55 plus 25.

2. Optional retirement at age 50 should be allowed at a reduced annuity, but why penalize these people 70% to retire at age 50. While on active duty you only accumulate 2½% per year, i.e 20 years=50%, and 30 years=75% of base pay. Why should a reservist have to give up for an early retirement more than he earns if recalled for an emergency? If a civil servant retires early he gives up 2% per year. This high penalization figure will not accomplish what early retirement is intended to do, make room at the top for younger people to move up, and keep our Reserve Forces, which is highly praised, and for which such an urgent need exists, with younger people, continually progressing to make a more viable fighting force. A fairer percentage seems to be 2½% per year which would give 75% of pay at age 50, 87½% at age 55, etc.

3. Finally, the vested interest for the dependent should not necessarily be in a lump sum, but they should have the option of taking it in monthly installments if they wish, thus the government would pay out less money in many instances if the dependent optioned for a monthly figure and passed on prior receiving the full amount, a savings would result. But the survivor should have this option.

I urge you to review this proposal keeping these points in mind, and try to give to the reservist some of the rewards he so richly deserves, rather than simply see how much money can we save. This program will save money overall, but certainly every reasonable effort should be made to give sufficient benefits to achieve both DOD and the individuals goals, as well as our country's goal of a strong, young, well trained, viable fighting force.

GREENE URGES AUSTERITY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. YOUNG of Florida. Mr. Speaker, one of my constituents has delivered some telling warnings of the results of inflation, and I would like to bring his statements to the attention of my colleagues in the House.

Mr. Raleigh W. Greene, president of the Florida Federal Savings & Loan Association of St. Petersburg, and a national savings and loan industry leader, spoke recently of the sad plight of the U.S. housing industry caused by inflation. He strongly recommended serious cuts in the Federal budget as a means of stemming inflation, a move which I have repeatedly supported.

I draw the attention of my colleagues to an article from the St. Petersburg Times reporting Mr. Greene's thoughtful recommendations on fighting inflation:

GREENE URGES AUSTERITY

(By CLAYTON REED)

The U.S. housing industry is in a state of collapse and faces "liquidation" as a result of government anti-inflation efforts that have not worked, Raleigh W. Greene declared Thursday.

Greene, who is president of Florida Federal Savings & Loan Association in St. Petersburg and a national S&L-industry leader, said in two speeches 500 miles apart that S&Ls as well as homebuilders are threatened as things stand.

Furthermore, "Unless the housing needs of 220 million Americans are given top-level priority in the economic 'summit' meetings currently being held, there cannot be any long-term solution of our economic problems," Greene said.

The St. Petersburg executive addressed the National Association of Building Manufacturers in Hilton Head, S.C., Thursday and then flew home to deliver similar warnings at a Clearwater meeting of the Florida West Coast Producers' Council Thursday night.

If the government is serious about licking inflation, Greene said, it must cut the $305-billion federal budget not by $5 billion, as has been proposed, but by $20 billion.

"We have increased our national debt in the last five years by $68 billion," he said. "The interest paid by you and me—by the taxpayers of America—just to sustain this debt was approximately $115 billion during that same five-year period."

That interest-payment sum alone, he said, "would have built 2 million $40,000 homes over the five years." And interest payments, already the second-largest item in the federal budget, are due to rise 25 per cent more this year, he added.

Inflation stemming from deficit spending has driven the price of homes higher and the Federal Reserve Board's attempt to subdue inflation by means of scarce loan money and high interest rates have crippled the S&L and housing industries, said Greene.

"Housing became the whipping boy. We were the red meat fed to the hungry wolves of inflation. Yet the wolves continued hungry. This controlling action, which has today produced a 40 per cent reduction in housing starts, did not deflate deflation. To the contrary it acted, ironically, as an impetus."

Nevertheless, Greene said that considering political realities he wasn't optimistic that the budget will be balanced.

But if it isn't, the nation faces the need for an austerity program such as it hasn't seen in many years, he warned. As starters he proposed:

A return to excess profit taxes on all business and a surcharge on individual income taxes.

The reinstitution of consumer restrictions used in earlier emergencies that required high down-payments on autos, washing machines, TV sets and other major household items.

As an immediate step, he said, the government should stop issuing $1,000 Treasury notes at 9 per cent rates—these have served to drain S&Ls of savings needed to finance housing.

AMENDMENT TO HOUSE RESOLUTION 988

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, in order to afford timely notice of an amendment to be offered this week by myself and Mr. BROWN of Ohio, providing for mandatory open committee meetings except in narrowly defined circumstances, I am publishing the text of the amendment to be offered to House Resolution 988. The text follows:

AN AMENDMENT TO BE OFFERED TO HOUSE RESOLUTION 988 BY MR. GUNTER, OF FLORIDA, AND MR. BROWN OF OHIO

On page 45, strike out lines 2 through 23, and on page 46, strike out lines 1 and 2, and insert in lieu thereof the following:

"(g) (1) Each meeting of each standing, select, or special committee or subcommittee, including meetings to conduct hearings, shall be open to the public: *Provided,* That a portion or portions of such meetings may be closed to the public if the committee or subcommittee, as the case may be, determines by vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(A) will probably disclose matters necessary to be kept secret in the interests of national security or the confidential conduct of the foreign relations of the United States;

"(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(C) will tend to jeopardize the present or future legal rights of any person or will represent a clearly unwarranted invasion of the privacy of any individual."

"(D) will probably disclose the identity of any informer or law enforcement agent or any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(E) will disclose information relating to trade secrets or financial or commercial information pertaining specifically to a given person where—

"(i) the information has been obtained by the federal government pursuant to an agreement to maintain confidentiality of such information."

"(ii) a Federal statute requires the information to be kept confidential by Government officers and employees; or

"(iii) the information is required to be kept secret in order to prevent undue injury to the competitive position of such person.

A separate vote of the committee shall be taken with respect to each committee or subcommittee meeting that is closed to the public pursuant to this paragraph, and the committee shall make available within one day of such meeting, a written explanation of its action. The vote of each committee member participating in each such vote shall be recorded and published.

"(2) Each standing, select, or special committee or subcommittee shall make public announcement of the date, place, and subject matter of each meeting (whether open or closed to the public) at least one week before such meeting unless the committee or subcommittee determines by a vote of a majority of the committee that committees business requires that such meeting be called at an earlier date, in which case the committee shall make public announcement of the date, place and subject matter of such meeting at the earliest practicable opportunity.

"(3) A complete transcript, including a list of all persons attending and their affiliation shall be made of each meeting of each standing, select, or special committee or subcommittee meeting (whether open or closed to the public) in addition to the record required by paragraph (e) (1). Except as provided in paragraph (D), a copy of each such transcript shall be made available for public inspection within seven days of each such meeting, and additional copies of any transcript shall be furnished to any person at the actual cost of duplication.

"(4) In the case of meetings closed to the public pursuant to subparagraph (1), the committee or subcommittee may delete from the copies of transcripts that are required to be made available or furnished to the public pursuant to subparagraph (3) any portions which it determines by vote of the majority of the committee or subcommittee consist of material specified in subdivision (A), (B), (C), (D) or (E) of subparagraph (1). A separate vote of the committee or subcommittee shall be taken with respect to each transcript. The vote of each committee or subcommittee member participating in each such vote shall be recorded and published. In place of each portion deleted from copies of the transcript made available to the public, the committee shall supply a written explanation of why such portion was deleted and a summary of the substance of the deleted portion that does not itself disclose information specified in subdivision (A), (B), (C), (D), or (E) of subparagraph (1). The committee or subcommittee shall maintain a complete copy of the transcript of each meeting (including those portions deleted from copies made available to the public) for a period of at least one year after such meetings.

"(5) A point of order may be raised against any committee or subcommittee vote to close a meeting to the public pursuant to subparagraph (1), or against any committee or subcommittee vote to delete from the publicly available copy a portion of a meeting transcript pursuant to subparagraph (4), by committee or subcommittee members comprising one-fourth or more of the total membership of the entire committee or subcommittee. Any such point of order must be raised before the entire House within five legislative days after the vote against which the point of order is raised, and such point of order shall be a matter of highest privilege. Each such point of order shall immediately be referred to a Select Committee on Meetings consisting of the Speaker of the House of Representatives, the majority leader, and the minority leader. The select committee shall report to the House within five calendar days (excluding days when the House is not in session) a resolution containing its findings. If the House adopts a resolution finding that the committee vote in question was not in accordance with the relevant provision of subparagraph (1), it shall direct that there be made publicly available the entire transcript of the meeting improperly closed to the public or the portion or portions of any meeting transcript improperly deleted from the publicly available copy.

"(6) The Select Committee on Meetings shall not be subject to the provisions of subparagraph (1), (2), (3), or (4).

"SONNY" USILTON: THE PASSING OF A TRUE EASTERN SHOREMAN

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BAUMAN. Mr. Speaker, the largest part of my congressional district is composed of nine counties known as "the Eastern Shore" of Maryland. Because of the Shore's geographic separation from the remainder of the State there has always been a special breed of independent and self-reliant individual known as the "Eastern Shoreman." The traits of the Eastern Shoreman since colonial times have included a strong individualism, a hearty skepticism of anything or anyone not from the Eastern Shore, and a great love of nature which abounds in its most perfect forms in our area.

In recent years a new breed of Eastern Shoreman has arisen embodying most of these older qualities, but also a progressive spirit willing to change with the times and offer leadership in our local communities.

Such a young man was Ralph H. Usilton, known to me and his many friends as "Sonny." On September 24, Sonny died in an accident while on assignment in his capacity as editor of the Kent County News.

His tragic passing is lamented by me, his many friends, and certainly, most of all by his wife and young children. To them and to his mother and family. Mrs. Bauman and I wish to extend our greatest sympathies. Sonny will be missed, but his life and work will be remembered.

I include at this point in my remarks several articles from newspapers on the Eastern Shore which embody the thoughts of many of those who knew Sonny:

[Article from the Kent County News]

EDITOR RALPH H. USILTON KILLED ON ASSIGNMENT; FUNERAL HELD TODAY

Funeral services were held today for Ralph Hines Usilton, Editor of the Kent County News, from Emmanuel P.E. Church, Chestertown, at 2 p.m. Interment was at Chester Cemetery.

Ralph Usilton was born January 5, 1937 at the Kent and Queen Anne's Hospital, the son of the late Ralph H. Usilton, and Mrs. William S. Collins. Mr. Usilton died when his son was 18 months old. His wife married William S. Collins, Editor of the Kent Couny News, in 1951.

Known by everyone as "Sonny," he attended Chestertown Elementary School in the building that has become the County Office building on High Street, from 1942–

1948. That September he entered McDonogh School. Six years later, in 1954, he graduated from the Baltimore military school.

He entered Washington College in September and was a member of Lambda Chi Alpha fraternity, the Elm and Pegasus staff and earned his varsity letter in track as a hurdler. In early 1958 he interrupted his college career entering the U.S. Army. He became a lab technician and was stationed in this country and in Germany.

He was released from active duty in 1960 and returned to Washington College, where he received a B.A. degree in history in June 1961.

In the summer of 1962 he became a full-time employee of the Kent County News. He had worked there during the summer and on a part-time basis since 1954.

He was appointed Associate News Editor under the late Harry S. Russell in 1964 and in 1967 when Harry Russell became Editor of the Kent County News, he was named Associate Editor. In December 1972 when Harry Russell died suddenly he was appointed editor.

Ralph Usilton's contributions to the area were many and varied. He was an avid sailor, racing Jersey Crickets and Hamptons while in his teens.

He later became Commodore of the Chester River Yacht and Country and at one time was also Vice Commodore of the Rock Hall Yacht Club. He was active on many race committees, helped to establish a perpetual trophy for the annual Down River Race, and created the Chesapeake Bay Log Canoe races sponsored by the Chester River Yacht and Council Club.

He was a past member of the Board of Governors of the Chester River Yacht and Country Club. He held an active membership in the Chestertown Lions Club since 1965 and was a director in 1971–72.

In 1966 he took over the responsibilities of recording secretary of the Historical Society of Kent County. He was elected vice president in 1972 and was serving his third term, having twice turned down becoming president.

Ralph was a member of the board of the Kent and Queen Anne's Hospital.

In 1967 he helped launch the first Chestertown Tea Party Festival as publicity chairman and as a member of the executive committee. This past May he was co-chairman of the event and had been elected chairman for 1976. He was also vice chairman of the Kent County Bicentennial Committee.

In addition to his mother, he is survived by his wife, the former Darlene Fishbach, a daughter, Heidi Lisbeth, 4, and a son, Lewin Willis, 3. He is also survived by an uncle, H. Willis Usilton of Baltimore.

The active bearers were Richard S. Barrol, H. Hurtt Deringer, W. Porter Ellington, Allen L. Grimes, W. Thomas Patrick and Kent S. Price. Honorary bearers were Francis M. Connolley, David Blackiston, Laurence B. Russell, L. Dudley Reed, John B. Spry, III, Charles W. White and William B. Usilton, and members of the Kent Publishing Company.

Services were conducted by the Reverend Robert Kurtz.

[Editorial from the Kent County News]

1937–74: RALPH HINES USILTON—"SONNY"

The good humor, enthusiasm and spirit that marked Ralph Hines Usilton is no longer with us.

"Sonny" Usilton died Monday doing what he liked best—being a newspaperman.

An early riser, he had been in his editor's seat five hours—stories written, headlines fashioned, cutlines honed—when he responded to a rush assignment at the scene of an automobile accident near Chestertown. An accomplished photographer, his camera was at his side. His parting words were "I'll cover it."

"Sonny" Usilton died 15 minutes later, the victim of what only can be termed a bizarre accident.

Why, one asks himself? Why one so full of life, bounding with enthusiasms, ready to tackle any chore, especially when it dealt with one great love—the Eastern Shore of Maryland. Whether it be Chesapeake Bay Log Canoes, the Chestertown Tea Party Festival, the Candlelight Tour, Sonny Usilton's affection for this one small place, the "Shore," in this immense universe was great. He was concerned that change and progress not alter the flavor and character of this special world.

To describe him only in terms of his many projects and accomplishments, however, is to miss the point of the man. We were constantly affected, often awed by his sheer energy, natural exuberance, and talent for facing a person or a problem head-on.

New leaders can be found, but Sonny's humor and energy will never be replaced.

None will replace Sonny Usilton in the hearts of those that knew him, whether it be here at the Kenty County News, in a goose pit, sailing on the Chester River, or on the streets of Chestertown.

His loss came at a time when he was becoming accustomed to the responsibilities that come with being an editor of a newspaper. He joined the Kent County News in 1962 and assumed the editorship ten years later at 35 upon the death of mentor Harry S. Russell.

Monday, September 23rd, one of the longest and saddest days in the history of the Kent County News began in the morning with an editor, young and alive at 37.

At midday tragedy struck in the life of a newspaperman.

He would have wanted us to say simply "he was on an assignment" and to carry on.

We will, but before we go—we bid a hearty farewell and pledge that we will do our best.

[Editorial from the Queen Anne's County Record Observer, Centreville, Md.]

A GREAT LOSS

Ralph H. Usilton was a giant of a man. You couldn't miss him in a crowd, and he was usually surrounded by a crowd, whether it be at a party, a political gathering, or a meeting of one of the many civic organizations with whom he worked.

A career journalist, "Sonny" had a down-to-earth touch that made him a successful county newspaper editor. Witty and at times unpredictable at social gatherings, he never failed to bring a smile to your face. Where modern man is known to reject non-conformity. "Sonny" stepped right in, donning colonial garb for the Chestertown Tea Party, acting the old salt at regattas, rounding up support for cultural events such as the annual Candlelight Tour and the town band concerts in the park.

We are deeply saddened by his death, and extend sincere sympathy to his family and close associates.

[Editorial From the Bay Times, Stevensville, Md.]

LOSS TO SHORE

The editor of the Kent County News, Ralph H. "Sonny" Usilton, was a big happy man who was whisked out of life at the time when he was coming to enjoy it completely.

He was always as much a part of a party as the eye is of a hurricane. And he was becoming more and more an accurate reflection of the Eastern Shore qualities that we all enjoy.

Chestertown and Kent County have suffered a big loss and the whole Eastern Shore will miss a lot for his not being here.

But "Sonny" was a big man and his spirit will far outlive the life he might have lived under more normal circumstances.

BURN PREVENTION AND TREATMENT

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. FORD. Mr. Speaker, I would like to take this opportunity to briefly comment on burn prevention and treatment. September has been proclaimed "State Burn Prevention—Burn Treatment Month" by the Michigan State Legislature.

The burn problem has long been one of the country's large, but hidden, problems. More than 2 million Americans are burned every year, 75,000 of them severely enough to require hospitalization. Burns kill and cripple more children every year than polio did at its peak in 1954.

In Michigan alone, the people suffering from burns every year would fill the University of Michigan football stadium. There are 100,000 of them, 3,200 of them must be hospitalized, and almost half of the 400 people in Michigan that die of burns every year are children.

Currently, only 5 of 200 hospitals in the State offer specialized burn treatment—hardly a number adequate to the State's burn problem. Those five simply cannot admit and treat the 3,200 burn accident victims requiring hospitalization each year.

To solve this problem, we must improve burn prevention education and burn medicine.

Currently, the National Institute for Burn Medicine is working to resolve the burn problem. Dr. Irving Feller, president of the National Institute for Burn Medicine, also founder and director of the University of Michigan Burn Center, believes resolution of the problem can be achieved through NIMB programs within 10 years.

The Michigan effort marks the beginning of the 10-year, $125 million NIMB campaign. Many civic groups throughout Michigan will be raising money for the campaign, including the Gibraltar Jaycees who have proclaimed September 23 through 28 as Burns Awareness Week in Gibraltar. A goal of $3,000 has been set to donate to the National Institute for Burn Medicine in Ann Arbor.

Another major effort in treating burn victims, particularly children, has been made for a number of years by the Shriners, who maintain three burn institutes in North America.

Treatment is free for all children under 15. Results of their research are available to other facilities and to physicians throughout the world.

The Shriner-sponsored institute in Boston has inaugurated a frozen skin bank for emergency treatment and has pioneered in the development of burn serum.

All the Shriners' facilities—with a $30 million annual budget—are operated without Government subsidy, and are financed by voluntary contributions from Shrine members throughout the world.

I rise in support of actions taken by these organizations and through their contributions we will increase our knowledge of burn medicine and provide adequate treatment for the 2 million persons annually in the United States.

TOM FRAWLEY, PRESIDENT, RADIO-TELEVISION NEWS DIRECTORS ASSOCIATION

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BROWN of Ohio. Mr. Speaker, Tom Frawley, vice president for news of Cox Broadcasting Corp., was recently elected president of the Radio Television News Directors Association during the association's annual convention in Montreal.

I have known Tom for many years. At one time we were competitors in the news business—he as news director of WHIO Radio-TV in Dayton, Ohio, and I as a newspaper editor. A tougher competitor than was Tom is hard to find. But it is also difficult to recall a fellow journalist who displayed greater fairness, honesty, and sense of true public service and responsibility in seeing the facts dug out, put together and accurately delivered to the public. Those qualities stand out in Tom Frawley today and will serve the membership of the RTNDA well under his leadership in the coming year. I commend the association for its selection of Tom as president and offer my sincere congratulations and best wishes to him in his new office.

Tom's impact on journalism is not limited to his new office, however. He is also president-elect of the Associated Press Broadcasters Association, a member of the Board of Directors of the Washington Journalism Center, and a member of the Senate-House Radio-TV Gallery, the White House Correspondents Association, and Sigma Delta Chi. It was my pleasure to administer the Sigma Delta Chi oath to him when I was the president of the Central Ohio Professional Chapter.

He is also past president of the Ohio Associated Press Broadcast Association. He has in the past, and currently, served on various boards and committees of most of these groups and has been a thoughtful and respected spokesman for the news profession. His activities have also included terms as president of the Dayton President's Club and Dayton Exchange Club, and secretary of the Montgomery County, Ohio, Chapter of the American Cancer Society.

Tom is a native of Stillwater, Minn., and attended Winona State College. While still in high school at the age of 16, he got his first job in radio at a small station in Winona, Minn. The pay was not the attraction—the manager told him:

> I'll pay you $1 an hour, 45 cents in cash and 65 cents in experience.

But it was an opportunity to get into broadcasting and fulfill a boyhood dream and Tom took it.

In 1951, Tom joined the Air Force and served for the following 4 years as a motion-picture writer-director. It was that service which first took him to Dayton, where he left active Air Force service in 1955 and became assistant chief of Air Force motion-picture production at Wright-Patterson Air Force Base. In 1957, he went to work for WHIO Radio-TV in Dayton, where he served as news director until 1969, building one of the highest-rated and respected local radio-TV news operations in the Nation—a position it still retains.

The Cox Broadcasting Corp., however, had decided that its audiences throughout the Nation would be even better served by establishing a Washington news bureau, and Tom was selected in 1969 to come to Washington to open it. Under his direction, the bureau has provided millions of Cox station viewers and listeners with a new insight into events in Washington that have local impact on their own lives.

In 1970, Tom's duties with Cox Broadcasting were expanded, with his election as vice president for news, while continuing as Washington bureau chief.

Mr. Speaker, I expect that Tom Frawley will continue to have an impact on the journalism profession for many years, and as such, will influence many of our lives as public officials and those of many citizens who demand the highest form of responsibility and service from our free press in the public's need to know what Government is doing and how it is doing it. As president of RTNDA and through his other offices and activities within his profession, I am confident the Nation will be well-served.

AMENDMENT TO HOUSE RESOLUTION 1321

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, if House Resolution 1321 is offered as a substitute to House Resolution 988 this week, I intend to offer the following amendment establishing a House select committee to investigate the oil and gas industry:

> On page 41, immediately after line 19, insert the following new section:
>
> SELECT COMMITTEE TO INVESTIGATE THE OIL AND GAS INDUSTRY
>
> "8. (a) There is hereby created a select committee to be composed of seven members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.
>
> (b) The committee is authorized and directed to conduct a full and complete investigation and study of the role of the oil and gas industry in contributing to the recent energy crisis, in determining the current availability, allocation and pricing of energy, and in determining the future availability, allocation and pricing of energy.
>
> (c) For the purpose of carrying out this section the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.
>
> (d) The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

RACIAL DISCRIMINATION

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. HOLT. Mr. Speaker, in recent months, the Federal Office of Civil Rights of the Department of Health, Education, and Welfare has undertaken an investigation of broad allegations of racial discrimination within the Anne Arundel County, Md., school system.

The investigation started on three specific complaints of racial discrimination in the application of discipline, which was the excuse, but not the reason for the exercise.

Anne Arundel County has, in fact, become a target for an investigation of what Federal bureaucrats describe as "second generation discrimination," which apparently refers to what happens in schools after they are desegregated.

With the assistance of my staff and the full cooperation of Dr. Edward J. Anderson, superintendent of Anne Arundel County schools, I have been kept informed of the activities of the Federal agency and the information it was receiving from the school administration.

As for the three specific complaints, Dr. Anderson was anxious to review the cases personally to determine whether racial discrimination had, in fact, been present in the application of discipline. He is totally committed to the cause of fair and impartial treatment of all students, regardless of race.

After his personal review of the specific cases, he has concluded that the complaints can only be described as "vague, superficial, and having no basis in fact."

Formal charges have not been filed against the Anne Arundel County school system. The investigators have spent many hours conducting interviews with persons whose chief problem is an inability to perceive the justice in rules and regulations that all must live by.

The staff of the school system has been questioned at great length and produced several pounds of reports, statistics, regulations, and other documents for the perusal of the investigators. Dr. Anderson and his staff have cooperated to the very limits of tolerance.

On September 16, Dr. Anderson wrote to Peter E. Holmes, Director of the Office of Civil Rights in Washington, to advise that—

> In the absence of any formal charges, we consider the matters referred to in this letter now closed.

Dr. Anderson said that—

> The facts do not justify further interruption of the day-to-day operations of this school system, nor the further expenditure of valuable staff time by your agency and ours.

If I thought that racial discrimination was being practiced by the Anne Arundel County school system in any of its activities, I would tell you so.

To the contrary, there is abundant evidence that the Anne Arundel County school system labors diligently to provide equal educational opportunity to all children. The Anne Arundel County school system has an excellent record of desegregation and full compliance with all Federal mandates against discriminatory practices.

Desegregation was effected many years ago without trouble. The school system has been committed to good education for all, and the discipline necessary to provide an environment for education.

But the Office of Civil Rights is apparently not interested in that excellent record. It is interested in making some kind of case.

I refer you to testimony given by Mr. Holmes, the Director, last May 21 before the Subcommittee on Equal Opportunity of the House Education and Labor Committee.

He emphasized discipline cases, and he referred to a school system where the percentage of black students involved in serious discipline cases was higher than the black percentage of the school population.

Holmes spoke of "pilot" investigations. He said:

> The purpose of the reviews is to develop techniques of investigation that will lead to making cases based on sound evidence.

Holmes said:

> We need to learn for ourselves just how to make a case.

Anne Arundel County is one of the target areas. The investigators are here to learn how to make a case, and they intend to stay until they find something to hang a case on. It is a fishing expedition.

Their investigation is not an exercise directed at finding the truth. It is the tactic of a bureaucracy determined to perpetuate itself and expand its jurisdiction.

At a meeting with ranking administrators of Dr. Anderson's staff on September 12, one of the Federal investigators continually badgered the staff members with accusatory questions and statements that exposed his preconceptions and his intent.

Let me remind you of the serious consequences that can result from this kind of situation. If any school system finds that it cannot discipline the students of one race without harassment from Federal investigators, then good order in the schools will collapse and education will become impossible.

Dr. Anderson will not let that happen, and we should all fight like fury in the Congress to prevent that from happening.

Congress never authorized the Office of Civil Rights to manufacture cases, and it is time that we started to investigate the investigators.

If the Office of Civil Rights has one bona fide case of racial discrimination in Anne Arundel County schools, then let us hear about it now so that justice may be done.

Continuing harassment of the school system cannot be tolerated. Dr. Anderson and his staff must be free to get on with the business of education.

There is more to this situation than discipline. There have been allusions to racially identifiable classes and racially identifiable course enrollments.

The Office of Civil Rights recently submitted a form to the superintendent's office. It asks for elaborate racial statistics on a variety of functions of each school in Anne Arundel County. Many days of staff work will be required to complete this form for every school.

Dr. Anderson advises me that the Anne Arundel County school system spends at least $500,000 every year to conduct surveys and make reports required by the Federal and State education bureaucracies. Bureaucracy is consuming education at great cost to the taxpayers.

Education should be a local responsibility, and secondarily a State responsibility. The Federal Government should have no authority for school or class or course assignments, or for discipline in local school systems.

The immediate issue in Anne Arundel County is whether the Federal Office of Civil Rights is running our schools, or is Dr. Anderson running our schools? It is an issue that should concern the whole Nation, for the Office of Civil Rights has identified Anne Arundel County as the test area.

I am standing by Dr. Anderson, and I will be fighting by his side until the abuse of Federal power is stopped.

NEUTRALIZE INDIAN OCEAN

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BINGHAM. Mr. Speaker, I have been among those Members of Congress who have suggested that the Shah of Iran has been unwise in espousing OPEC's oil price increase policy which today threatens much of the non-Communist world with economic disaster.

Our difference with the Shah in the matter of oil prices, however, should not prevent us from looking favorably on other proposals the Shah may have occasion to make from time to time.

Last week, while in Australia, the Shah suggested that nations in the Indian Ocean area agree on a collective security arrangement for the area. This, the Shah indicated, would permit these nations to ask both the United States and the Soviet Union to keep their ships out of the area.

This strikes me as a most promising idea. If such an agreement could be arrived at, an expensive and destabilizing race between the United States and the Soviet Union for naval superiority or parity in the area could be avoided. What a relief for all concerned that would be!

Following is the New York Times article reporting on the Shah's initiative:

> SHAH OFFERS PLAN FOR INDIAN OCEAN
>
> TEHERAN, Iran, September 28.—The Shah of Iran has proposed some kind of military understanding among the nations in the Indian Ocean area, including Iran and Australia.
>
> The proposal marked the first time Shah Mohammed Riza Pahlevi has suggested a collective-security arrangement among the countries of the area. Previously he had proposed only that the area be declared a "zone of peace" and that nations in it consider economic cooperation that could lead to a Common-Market-style arrangement.
>
> The Shah's proposal was made in Canberra, Australia, which he visited in the middle of the most extensive tour he has ever made to nations east of his kingdom. In Canberra, the Shah attracted attention with his refusal to lower oil prices unless oil-consuming nations reduced prices on their exports to Iran and other oil-producing nations.
>
> The full text of the Shah's Canberra remarks was published here today.
>
> VIEWED AS IMAGE-BUILDING
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> The collective-security proposal, though the Shah gave few details of how it would be carried out, seemed designed to build Iran's image as a nation whose growing military strength and new economic power were leading her to seek more influence in an ever-widening geographical area.
>
> The Shah has said he expects Iran to become a world power of the stature perhaps of West Germany within 25 years.
>
> The Shah made it clear that the purpose of a "military understanding" would be to reduce the presence in the Indian Ocean of the United States and the Soviet Union, replacing their naval power with that of such nations as Iran and Australia.
>
> The Shah gave no timetable for reaching such an understanding, but said that Indian Ocean nations should meet and discuss his idea with a view toward asking Washington and Moscow to withdraw their ships from the area.
>
> ECONOMIC AND POLITICAL FIRST
>
> Asked what sort of organization of Indian Ocean area countries he forsaw, the monarch said, "Well, the easiest one is the economic and eventually the political, but it must be followed up by some kind of military understanding.
>
> "In the sector of security, I think that we have got to do that before we have world disarmament in order to keep outside countries from pretending that they have got to

be here because their interests are threatened by the region being insecure."

The Shah reiterated his acquiescence to United States plans to enlarge its naval presence in the Indian Ocean to compete with the Soviet presence there.

Asserting that there was considerable Soviet naval activity in the ocean, he said, "How could we tell the Americans to keep away? But we could ask both of them to keep away from the Indian Ocean simultaneously."

"But in my opinion, he continued, "we could ask this if beforehand we had met, discussed and come to an agreement among the riparian states of the Indian Ocean and Australia."

Referring to his economic and political proposals for the area, the Shah said that "if we have a zone of peace and collaboration—I am not going to put a name on that collaboration, such as Common Market or commonwealth of nations of that part of the world—if we have that kind of collaboration, we shall have stability, peace and security."

The Shah, who has been seeking to expand Iran's influence in the Middle East and South Asia, as well as the broader Indian Ocean-southeastern Pacific area, added that "probably peace could best be established in the world if all countries kept their influence, their power, within the limits of their territory."

"That is one way," he said, "of marching towards world disarmament. This is one way of making people understand that to live better in this present world, not only do you not have to fight, not only do you not have to transgress over other people's independence and interests, but you have to confront the very grave dangers menacing the world towards the end of this century: that is, famine, malnutrition, illiteracy, lack of medical care and so on."

USDA RULE WOULD BAR FOOD STAMPS FOR UNDESERVING COLLEGE STUDENTS

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ANDERSON of Illinois. Mr. Speaker, I have sent a letter to the Secretary of Agriculture Earl L. Butz, commending his department on proposing a new regulation banning food stamps for undeserving college students.

The proposed regulation, published in the September 16 Federal Register, would disqualify from participation in the food stamp program, any student claimed by his parents as a tax dependent—that is, dependent on his parents for over half his support—provided the parent household is ineligible for food stamps.

This rule is identical to an amendment I offered to the agriculture appropriations bill last June. The amendment was adopted by a vote of 195 to 123 House vote and was retained in the final version which was vetoed by President Nixon.

In my letter to Secretary Butz I commended the USDA on taking this rulemaking initiative before being required to do so by law. I would like to think that the decisive action taken by the Congress in eliminating this abuse of the food stamp program was instrumental in prompting this action by USDA. I have endorsed the rule as proposed by USDA and hope it is finally approved and implemented in its present form after comments have been received and evaluated. Whether future congressional action may be necessary to address such abuses will depend both on the final form of the regulation and how effective it is in eliminating these abuses.

At this point in the RECORD I include my letter to Secretary Butz along with a description and text of the proposed rule:

SEPTEMBER 19, 1974.

Hon. EARL L. BUTZ,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: I read with interest in the September 16 *Federal Register* USDA's proposed new food stamp eligibility regulations for college students.

As the author of a nearly identical amendment to the FY '75 Agriculture Appropriations bill, I wish to commend your department on exercising its rulemaking authority to eliminate abuse of the food stamp program by undeserving college students.

The proposed USDA rule, like my amendment, would make ineligible for food stamp benefits those students whose parents claim them as tax dependents—that, is, students who are still dependent on their parents for more than half their support—provided the parent household is not eligible to participate in the food stamp program.

I am especially pleased that the USDA had decided to take action against student food stamp abusers before being required to do so by law. I am sure you will agree with me that the extent to which the food stamp program is tightened administratively to eliminate such abuses, the greater the opportunites for assisting the most deserving families and for realizing a reduction in program costs. I commend you on this initiative and would ask that you file this letter with the Food Stamp Division as my official letter of endorsement of the proposed regulations.

With all best wishes, I am

Very truly yours,

JOHN B. ANDERSON,
Member of Congress.

FOOD AND NUTRITION SERVICE

[7 CFR Part 271]

[Amdt. No. 34]

FOOD STAMP PROGRAM

Eligibility of Households for Participation

Pursuant to the authority contained in the Food Stamp Act of 1964, as amended (78 Stat. 703, as amended; 7 U.S.C. 2011–2026), notice is hereby given that Food and Nutrition Service, Department of Agriculture, intends to amend Part 271 of its regulations governing eligibility of households for participation in the Food Stamp Program (7 CFR 271). The proposed amendment would make ineligible an individual who: (1) is at least 18 years old; (2) is enrolled in an institution of higher education; and (3) is a properly claimed tax dependent of a person who is not a member of an eligible household. Only the individual would be ineligible; the remainder of the household in which he resides may participate in the Food Stamp Program, if otherwise eligible. In addition, the individual would have an opportunity to demonstrate that he is not a "properly claimed" tax dependent and, therefore, may be eligible.

Interested persons may submit written comments, suggestions, or objections regarding the proposed amendment to P. Royal Shipp, Acting Director, Food Stamp Division, Food and Nutrition Service, U.S. Department of Agriculture, Washington, D.C. 20250 not later than October 16, 1974. All comments, suggestions, or objections received by this date will be considered before the final regulation is issued.

Comments, suggestions, or objections will be open to public inspection pursuant to 7 CFR 1.27(b) at the Office of the Director during regular business hours (8:30 a.m.–5 p.m.) at 500 12th Street SW., Washington, D.C., Room 650.

The proposed revision is:

PART 271—PARTICIPATION OF STATE AGENCIES AND ELIGIBLE HOUSEHOLDS

§ 271.3 is amended to add a new paragraph (e) reading as follows:

§ 271.3 Household eligibility.

* * * * *

(e) *Tax dependency.* (1) No individual shall be considered a household member for Food Stamp Program purposes if such individual: (i) has reached his 18th birthday; (ii) is enrolled in an institution of higher education; and (iii) is properly claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household.

(2) *Definitions.* For the purpose of this paragraph, the following definitions shall apply:

(i) "Institution of higher education" means an institution providing post-high school education including, but not limited to, colleges, universities, and vocational and technical schools at the post-high school level.

(ii) "Property claimed" means that the dependent child is claimed by a taxpayer who provides such child with more than half of his or her support during the calendar year in which the taxable year of the taxpayer begins.

(iii) "Eligible household" means a household certified as being eligible for participation in the Food Stamp Program or Food Distribution Program; or one which can demonstrate that it would be eligible to participate in the Food Stamp Program based on the income and resource standards applicable to nonassistance households.

(3) Notwithstanding any other provisions of this subchapter, the income and resources of an individual who is not considered a household member under paragraph (e)(1) above and who resides with eligible household members or elderly persons, shall not be considered available to the household members or elderly persons, nor shall his presence be considered in determining the household coupon allotment.

(4) Notwithstanding any other provision of this subchapter, verification of whether or not the household of the taxpayer is an eligible household will be required for all applicant households containing a tax dependent meeting the criteria in paragraph (e)(1) (i) and (ii) above. In addition, verification of the tax dependency status of a member or members of an applicant household will be required whenever such status is questionable. Because the household of the taxpayer is ordinarily the best source of this information, the failure of the taxpayer to respond to the request for verification will be grounds for considering the tax dependent as not being a household member, although the remainder of the household in which the tax dependent resides may be certified, if otherwise eligible. However, the tax dependent shall, through the fair hearing procedures under § 271.1(o), have an opportunity to demonstrate that he is not properly claimed and many, therefore, be eligible to participate as a household member.
(78 Stat. 703, as amended; 7 U.S.C. 2011–2026)

(Catalog of Federal Domestic Assistance Programs, No. 10.551, National Archives Reference Services)

RICHARD L. FELTNER,
Assistant Secretary.

SEPTEMBER 11, 1974.

[FR Doc.74–21346 Filed 9–13–74;8:45 am]

TRIBUTE TO OFFICER GAIL COBB, FIRST POLICEWOMAN TO BE KILLED IN THE LINE OF DUTY IN U.S. HISTORY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, on September 20, in our Nation's Capitol, a tragic milestone in the annals of law enforcement history was reached with the death of Patrolwoman Gail Cobb of the Metropolitan Police Department, the first policewoman in U.S. history to be killed in the line of duty.

According to accounts, Officer Cobb observed two fellow officers in pursuit of two individuals who had earlier pulled a gun on the officers. Miss Cobb joined the pursuit and chased the suspects into a parking garage, and close to the point of apprehension, one of the suspects pulled a gun and fired two shots at Officer Cobb before she even had a chance to pull her gun. She died less than 1 hour later.

Patrolwoman Cobb's promising career in police work came to a brutal and abrupt end. She was only 24 years old and had been a member of the Washington Police Department for less than 1 year. She had only recently begun her on-the-street training, after completing her term at the Police Academy.

In recent years the role of women in police departments has been expanding. While women have been employed by departments since 1911, it has only been in the last 10 years that they have been accorded more importance and recognition, and as a result, there are close to 7,000 women currently serving our law enforcements units across this Nation.

Patrolwoman Cobb's death points out once again the precarious existence which police officers face daily in the exercise of their duties. Thus far in 1974, more than 90 law enforcement officers have been killed in the line of duty, and if the present pace continues, the 1974 figures are likely to eclipse the old record of 128 officers killed which was established just last year.

I have spoken out on numerous occasions on the plight which police men and women face in this Nation today. While representing the symbol of authority in this Nation, they have also become the targets of the anarchistic elements in our society who have no respect for the law, and instead know the language of violence. Law enforcement officers deserve and urgently need the best protection which this Nation can provide. Crime cannot be effectively controlled when those who are responsible for its control are instead becoming its victims.

The Congress of the United States has been grossly deficient in passing meaningful legislation to aid our law enforcement personnel. Their needs are equally as important as any other group in this Nation, yet the legislative accomplishments on their behalf are far less numerous or noticable. One prime example is the continuing dilemma between the House and the Senate over the public safety officers death benefits bill. This legislation has been tied up somewhere in the Senate for the past 4 months and now threatens to be ignored until next year. On behalf of Officer Cobb's survivors as well as the hundreds of other survivors of police killed in action, I call again on the House and Senate leadership to pass this vitally needed legislation.

Mr. Speaker, a promising young career in law enforcement has been snuffed out. I join with the members of the Washington, D.C., Police Department in mourning the loss of one of their colleagues, and I pledge to them as well as all other police officers that my efforts in the Congress will continue toward bringing about better protection for all men and women who serve our Nation in the law enforcement field.

MIXED-UP FLYER PROVES VALUE OF CONTROLLER

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. SHOUP. Mr. Speaker, earlier this year Congress in its wisdom continued the operation of this flight service station. Without a doubt if the station had been automated, a death would have occurred. I am very proud of Glenn Raney, the flight controller mentioned in this article.

The article follows:

[From the Livingston Enterprise, Aug. 14, 1974]

MIXED-UP FLYER PROVES VALUE OF CONTROLLER

(By Mike Peluso)

The Flight Service Station at Mission Field east of Livingston has been hanging in limbo ever since the Federal Aviation Administration started proposing to close the facility.

Under the proposal, flight services provided at the local FSS would be re-routed to Bozeman's Gallatin Field through a "remoting" system, the idea being to cut costs by eliminating virtually all personnel in Livingston. Congress had disallowed use of Department of Transportation funds for the program for the present fiscal year, but the FAA could propose the plan again next year.

One of the main objections to the plan has been what critics say would be a significant drop in aviation safety. Flight controllers must be on the ground here, they say, to handle flight emergencies in this area.

An inexperienced pilot proved early last week in Livingston what flight controllers on the ground can do.

Late last Monday evening, Federal Aviation Administration flight controller Glen Raney received an urgent radio message addressed to "anyone." Raney made contact with the plane, a single-engine Piper Cherokee, and within "a matter of a few seconds" determined the pilot was hopelessly lost.

The pilot, Raney recalled later, said he was on his way from Great Falls to Billings, finally calling for help when he was somewhere between Big Timber and Livingston.

"It was his first mountain flying," Raney said of the South Dakotan, "and it was the first time he'd flown at night."

No cause for alarm yet. Raney said Livingston flight controllers frequently get calls from errant planes, fix the position of the craft, and quickly send the pilot off in the right direction. Besides, the Piper had three hours of fuel on board.

But the pilot, Raney said, wouldn't listen to instructions.

The pilot's speech and halting responses to Raney's questions betrayed the onset of panic.

"Either that or he was unfamiliar with his aircraft and his instruments," Raney said.

Raney placed quick calls to Billings and Salt Lake City, but neither were able to pick up the plane on radar. Raney was able to fix the plane's position himself, though, using the radio strength of the pilot's calls and the position of the setting sun and the moon relative to the aircraft.

"I was able to establish his position as 15 to 25 miles north-northeast of Livingston," Raney said. He gave the pilot a compass heading to get to the Livingston airport at Mission Field.

But the pilot became more confused and frightened.

"The pilot was certain his instruments were inoperative," Raney said, "and his magnetic compass was of no use because apparently he couldn't read it."

The flyer was able to describe some of the landmarks in the gathering dark, but "his descriptions were useless." Raney said. "He could only say he was surrounded by mountains, and every cluster of lights was an airport."

By this time Raney would have liked to let the pilot land almost anywhere, just to get him out of the air.

"I had to keep him away from the city, though, so he wouldn't think it was the airport."

The pilot was extremely panicky, accusing Raney of trying to kill him by crossing him up with instructions. "All I could do was keep him talking and assure him I knew where he was and that he was okay.

"I felt by this time he had passed Livingston, so using the moon as a reference, I gave him a heading to get to Bozeman," Raney said. He instructed the pilot to switch his landing lights off and on, at the same time advising Bozeman flight controllers to watch for the plane.

Bozeman officials saw the plane and coaxed the pilot into coming below his 11,000-foot perch to land.

The pilot got down in one piece, Raney said, but not before giving Bozeman flight controllers a scare by using the entire runway on his landing.

"If he hadn't landed at Bozeman he would have just flown in circles until he ran out of fuel and crashed into a mountain," Raney said.

From the time Raney picked up the plane east of Livingston until the pilot landed at Bozeman, just over an hour had elapsed. Much of that time the pilot spent flying in circles in the Livingston area, Raney said.

"It was the hardest one I've ever had to handle," he said "The only thing the guy did right was get altitude because he was afraid of the mountains."

Federal Avition Administration officials in Helena hurried to Bozeman the next morning to investigate the incident, but the unflapped flyer had already climbed back into the sky to continue his trip east.

"They'll catch up to him when he gets back to South Dakota, though," Raney predicted. He said the pilot would probably get his license yanked," if he had one in the first place.

THE TECHNOLOGY OF MEDICINE

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. PICKLE. Mr. Speaker, I have been very interested in how best to spend our money to provide the best health care. The problems presented in the different ways of treating disease are very lucidly explained in the following article by Lewis Thomas.

I think we should all remember that, while modern medicine is making great strides, a lot of these accomplishments are founded on basic research originating in the quiet laboratories of our great universities. Hopefully, these laboratories will continue to have breakthroughs that contribute to what Mr. Thomas calls the "third type of technology"—the technology of medicine that is able to provide for immunization.

Considered by Thomas the highest form, or goal, of medical technology, immunization has meant that diptheria, pertussis, and the childhood virus diseases are really under control. The capacity to deal effectively with syphilis and tuberculosis, as a result of antibiotics for bacterial infections, has resulted in the closing of our tuberculosis hospitals—not to mention the saving in the lives of potential victims.

The compelling argument for basic research is that it will continue to provide us with the decisive technology of modern medicine—it is ultimately the least expensive way to conquer disease.

I would like to reprint this exerpt from the book, "The Lives of a Cell," by Lewis Thomas, in the Record at this time:

The Technology of Medicine

Technology assessment has become a routine exercise for the scientific enterprises on which the country is obliged to spend vast sums for its needs. Brainy committees are continually evaluating the effectiveness and cost of doing various things in space, defense, energy, transportation, and the like, to give advice about prudent investments for the future.

Somehow medicine, for all the $80-odd billion that it is said to cost the nation, has not yet come in for much of this analytical treatment. It seems taken for granted that the technology of medicine simply exists, take it or leave it, and the only major technologic problem which policy-makers are interested in is how to deliver today's kind of health care, with equity, to all the people.

When, as is bound to happen sooner or later, the analysts get around to the technology of medicine itself, they will have to face the problem of measuring the relative cost and effectiveness of all the things that are done in the management of disease. They make their living at this kind of thing, and I wish them well, but I imagine they will have a bewildering time. For one thing, our methods of managing disease are constantly changing—partly under the influence of new bits of information brought in from all corners of biologic science. At the same time, a great many things are done that are not so closely related to science, some not related at all.

In fact, there are three quite different levels of technology in medicine, so unlike each other as to seem altogether different undertakings. Practitioners of medicine and the analysts will be in trouble if they are not kept separate.

1. First of all, there is a large body of what might be termed "nontechnology," impossible to measure in terms of its capacity to alter either the natural course of disease or its eventual outcome. A great deal of money is spent on this. It is valued highly by the professionals as well as the patients. It consists of what is sometimes called "supportive therapy." It tides patients over through diseases that are not, by and large, understood. It is what is meant by the phrases "caring for" and "standing by." It is indispensable. It is not, however, a technology in any real sense, since it does not involve measures directed at the underlying mechanism of disease.

It includes the large part of any good doctor's time that is taken up with simply providing reassurance, explaining to patients who fear that they have contracted one or another lethal disease that they are, in fact, quite healthy.

It is what physicians used to be engaged in at the bedside of patients with diphtheria, meningitis, poliomyelitis, lobar pneumonia, and all the rest of the infectious diseases that have since come under control.

It is what physicians must now do for patients with intractable cancer, severe rheumatoid arthritis, multiple sclerosis, stroke, and advanced cirrhosis. One can think of at least twenty major diseases that require this kind of supportive medical care because of the absence of an effective technology. I would include a large amount of what is called mental disease, and most varieties of cancer, in this category.

The cost of this nontechnology is very high, and getting higher all the time. It requires not only a great deal of time but also very hard effort and skill on the part of physicians; only the very best of doctors are good at coping with this kind of defeat. It also involves long periods of hospitalization, lots of nursing, lots of involvement of nonmedical professionals in and out of the hospital. It represents, in short, a substantial segment of today's expenditures for health.

2. At the next level up is a kind of technology best termed "halfway technology." This represents the kinds of things that must be done after the fact, in efforts to compensate for the incapacitating effects of certain diseases whose course one is unable to do very much about. It is a technology designed to make up for disease, or to postpone death.

The outstanding examples in recent years are the transplantations of hearts, kidneys, livers, and other organs, and the equally spectacular inventions of artificial organs. In the public mind, this kind of technology has come to seem like the equivalent of the high technologies of the physical sciences. The media tend to present each new procedure as though it represented a breakthrough and therapeutic triumph, instead of the makeshift that it really is.

In fact, this level of technology is, by its nature, at the same time highly sophisticated and profoundly primitive. It is the kind of thing that one must continue to do until there is a genuine understanding of the mechanisms involved in disease. In chronic glomerulonephritis, for example, a much clearer insight will be needed into the events leading to the destruction of glomeruli by the immunologic reactants that now appear to govern this disease, before one will know how to intervene intelligently to prevent the process, or turn it round. But when this level of understanding has been reached, the technology of kidney replacement will not be much needed and should no longer pose the huge problems of logistics, cost, and ethics that it poses today.

An extremely complex and costly technology for the management of coronary heart disease has evolved—involving specialized ambulances and hospital units, all kinds of electronic gadgetry, and whole platoons of new professional personnel—to deal with the end results of coronary thrombosis. Almost everything offered today for the treatment of heart disease is at this level of technology, with the transplanted and artificial hearts as ultimate examples. When enough has been learned to know what really goes wrong in heart disease, one ought to be in a position to figure out ways to prevent or reverse the process, and when this happens the current elaborate technology will probably be set to one side.

Much of what is done in the treatment of cancer, by surgery, irradiation, and chemotherapy, represents halfway technology, in the sense that these measures are directed at the existence of already established cancer cells, but not at the mechanisms by which cells become neoplastic.

It is a characteristic of this kind of technology that it costs an enormous amount of money and requires a continuing expansion of hospital facilities. There is no end to the need for new, highly trained people to run the enterprise. And there is really no way out of this, at the present state of knowledge. If the installation of specialized coronary-care units can result in the extension of life for only a few patients with coronary disease (and there is no question that this technology is effective in a few cases), it seems to me an inevitable fact of life that as many of these as can be will be put together, and as much money as can be found will be spent. I do not see that anyone has much choice in this. The only thing that can move medicine away from this level of technology is new information, and the only imaginable source of this information is research.

3. The third type of technology is the kind that is so effective that it seems to attract the least public notice; it has come to be taken for granted. This is the genuinely decisive technology of modern medicine, exemplified best by modern methods for immunization against diphtheria, pertussis, and the childhood virus diseases, and the contemporary use of antibiotics and chemotherapy for bacterial infections. The capacity to deal effectively with syphilis and tuberculosis represents a milestone in human endeavor, even though full use of this potential has not yet been made. And there are, of course, other examples: the treatment of endocrinologic disorders with appropriate hormones, the preventon of hemolytic disease of the newborn, the treatment and prevention of various nutritional disorders, and perhaps just around the corner the management of Parkinsonism and sickle-cell anemia. There are other examples, and everyone will have his favorite candidates for the list, but the truth is that there are nothing like as many as the public has been led to believe.

The point to be made about this kind of technology—the real high technology of medicine—is that it comes as the result of a genuine understanding of disease mechanisms, and when it becomes available, it is relatively inexpensive, relatively simple, and relatively easy to deliver.

Offhand, I cannot think of any important human disease for which medicine possesses the outright capacity to prevent or cure where the cost of the technology is itself a major problem. The price is never as high as the cost of managing the same diseases during the earlier stages of no-technology or halfway technology.

If a case of typhoid fever had to be managed today by the best methods of 1935, it would run to a staggering expense. At, say, around fifty days of hospitalization, requiring the most demanding kind of nursing care, with the obsessive concern for details of diet that characterized the therapy of that time, with daily laboratory monitoring, and, on occasion, surgical intervention for abdominal catastrophe, I should think $10,000 would be a conservative estimate for the illness, as contrasted with today's cost of a bottle of chloramphenicol and a day or two of fever. The halfway technology that was evolving for poliomyelitis in the early 1950s, just before the emergence of the basic research that made the vaccine possible, provides another illustration of the point. Do you remember Sister Kenny, and the cost of those institutes for rehabilitation, with all those ceremonially applied hot fomentations, and the debates about whether the affected limbs should be totally immobilized or kept in passive motion as frequently as possible, and the masses of statistically tormented data mobilized to support one view or the other? It is the cost of that kind of technology, and its relative effectiveness, that must be compared with the cost and effectiveness of the vaccine.

Pulmonary tuberculosis had similar episodes in its history. There was a sudden enthusiasm for the surgical removal of infected lung tissue in the early 1950s, and elaborate plans were being made for new and expensive installations for major pulmonary surgery in tuberculosis hospitals, and then INH and streptomycin came along and the hospitals themselves were closed up.

It is when physicians are bogged down by their incomplete technologies, by the innumerable things they are obliged to do in medicine when they lack a clear understanding of disease mechanisms, that the deficiencies of the health-care system are most conspicuous. If I were a policymaker, interested in saving money for health care over the long haul, I would regard it as an act of high prudence to give high priority to a lot more basic research in biologic science. This is the only way to get the full mileage that biology owes to the science of medicine, even though it seems, as used to be said in the days when the phrase still had some meaning, like asking for the moon.

PREPARE IN TIME AN ASYLUM FOR MANKIND—TOM PAINE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. CLAY. Mr. Speaker, as this country approaches its 200th anniversary we all tend to reflect on our beginnings. Ernest Calloway, an assistant professor of urban affairs at St. Louis University, has written a series of articles for the St. Louis American newspaper on the "Architects of an Unfinished Dream." The one I would like to share with my colleagues is about the life and accomplishments of an itinerant British immigrant, Thomas Paine. We all know him well as the author of "Common Sense"—the radical publication which paved the way for our independence. But most of us probably do not know much more than that about Paine. Calloway's article is detailed and enlightening, tracing Paine from his arrival in the American colonies to 1809 when he died an almost forgotten man. The article, "Prepare in Time an Asylum for Mankind—Tom Paine," follows:

ARCHITECTS OF AN UNFINISHED DREAM: PREPARE IN TIME FOR AN ASYLUM FOR MANKIND—TOM PAINE

(By Ernest Calloway)

Very seldom in history has one small pamphlet changed the whole course of human events so quickly and fundamentally as the 18th century American Manifesto "Common Sense" by Tom Paine, an itinerant English immigrant of two years.

Written in the white heat of the impending American Revolution—six months before the Declaration of Independence—the historic timing of "Common Sense" was perfect. Its wisdom was sharp and in full focus, its language was moving and inspiring, its tone was angry and evangelical, its denunciations cut deep into the flesh of British colonial rule, and its central idea struck a mighty responsive chord in the hearts of the colonial dispossessed and quickly dissolved all doubt as to the course the American colonies must take in striking the chains of imperial English rule.

In pleading the cause of unequivocal independence and freedom this early American Manifesto said:

"The sun never shined on a cause of greater worth . . . Tis not the concern of a day, a year or an age; posterity are virtually in the contest, and will be more or less affected to the end of time . . . Freedom hath been hurt around the globe. Asia and Africa long expelled her. Europe regards her like a strangler, and England hath given her warning to depart. O! receive the fugitive and prepare in time an asylum for mankind"

CALL TO ACTION

The pamphlet became the trumpet call for the Radicals of the American Revolution. It shifted immeasurable popular support behind the radical minority led by Sam Adams, Richard Henry Lee, Patrick Henry, Tom Jefferson and John Hancock. In August of 1775 the British Crown had issued a proclamation declaring the colonies to be in a state of rebellion, and in December, 1775 Parliament forbade all trade with the colonies.

The British had played into the hands of the colonial Radicals, and the pamphlet "Common Sense", released one month after Parliament had forbidden all trade, called on all Americans to proclaim their independence. It was read throughout the colonies, and in the minds of the small merchants, artisans, workingmen and frontiersmen, independence became the noble and challenging alternative to the arrogance of the colonial Tories or the timid notions of colonial reform and reconciliation with England as pursued by the colonial Whigs and other moderates in this crisis.

THE DECLARATION

The new and invigorating mood of freedom and independence created by the pamphlet reached such an intense point that in June in 1776 the Radical Richard Henry Lee of Virginia arose in the Continental Congress and proposed that "these United Colonies, are, and of right ought to be free and independent states; that they are absolved from all allegiance to the British Crown; and that all political connection between them and the State of Great Britain is, and ought to be totally dissolved."

His motion failed to be adopted, but time and the new mood working furiously. One month later, a quickly written Declaration by Jefferson rooted in the "natural right" philosophy of John Locke was adopted by the Continental Congress on July 4, 1776. The Radicals had prevailed, the colonies had declared their independence, and "Common Sense", the small thin pamphlet written by a labor agitator from England, had fulfilled its historic and enduring mission.

TOM PAINE

While this could easily be just the story of an American document that has secured a hallowed niche in our history of political ideas, it is also the story of a most unique, controversial, most hated in his time, most ignored in other times personality in American history. Tom Paine is a personality that has not fared well in the hands of American historians and politicians. We have absorbed most of his contributions, but in our national guilt we have rejected this unique personality.

Paine was devoted to the cause of American independence. He was so deeply involved that he refused to accept pay for "Common Sense" which was being sold in great volumes throughout the colonies.

JOINS WASHINGTON

When fighting broke out he joined General George Washington at a time when the Americans were at their lowest after suffering a number of defeats. He marched and shared the misery and came to know the Americans. Many of the soldiers were losing confidence and returning home to their plows and other occupations.

At the request of General Washington, Tom Paine went back to the pen. Again he gave meaning to freedom. He gave meaning to the sacrifices, the misery and the dying. This was the beginning of the historic Crisis papers, which exceeded "Common Sense" in its popularity. Again from the heart of one common man it makes its appeal to other common men. The first Crisis paper, written in the early winter of 1776 when all was apparently lost in the face of the superior British might, Paine exhorted the tired, defeated, rag-tail colonial armies:

"These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it NOW, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolidation with us, that the harder the conflict, the more glorious the triumph. What we obtain too cheap, we esteem too lightly; it is clearness only that gives everything its value. Heaven knows how to put a proper price upon its goods; and it would be strange indeed if so celestial an article as FREEDOM should not be highly rated."

These Crisis pamphlets became another call to action. A week later, after the first, colonial forces won the needed victory at Trenton. It is reported that General Washington had the Crisis papers read regularly to his troops and in other cases they were placed on trees for all to read. They were magnificent morale builders among the soldiers and played a significient role in winning the Revolutionary War.

PAINE THE AGITATOR

Tom Paine was born in England in 1737 at Tedford. His father was a Quaker and in his early years Tom became a Quaker. Paine went to work at 13 and his schooling was somewhat meager. His father was a farmer and a corsetmaker. Young Paine also worked as a corset-maker, but he found it not to his liking. He became an exciseman. Here he was chosen by the excisemen to represent them in their agitation for higher wages. He was finally discharged for "unionization". It is said by many historians that Paine lacked an education, but he was once offered a position in an English school.

A chance meeting between Paine and Benjamin Franklin in England changed Paine's whole life. Franklin suggested to Paine that he go to America. He wrote a letter of recommendation to a friend suggesting Paine for a position teaching in a girl's seminary.

PAINE COMES TO AMERICA

Paine came to America on the eve of the American Revolution. He came to these shores as a failure, but was transformed into a propaganda genius as a result of the pregnant times and opportunity. Tom Paine emerges in our history as an exhorter, a pamphleteer and revolutionary propagandist.

Tom Paine, the author of "Common Sense," the Crisis Papers, "The Rights Of Man" and the "Age of Reason" was an intinerant hunter of 18th century social revolutions. He was a restless nomad who thrived on social controversy. Upon his arrival in America, Paine quickly picked up the scent of change in the colonies. He immediately tuned in on the deepening crisis between the colonies and England. Paine possibly could have ended up a third-rate educator, but he went to work on a political document shaping the issues and marshalling the arguments for independence. He attacked the divine right of kings, ridiculed the principles of a hereditary monarchy, attacked the British constitutional system and made the notion of an American Revolution both a practical and meaningful enterprise. No other pen approached the power of Paine's. His pamphlets had been as mighty as armies in the field.

RETURNS TO ENGLAND

Paine, like many of the other Radicals of the Revolution maintained convictions that went deeper than political separation from England. He saw the issue also in terms of up-rooting the structure of colonial society which denied fundamental rights to large sections of the population. These attitudes put him—along with Sam Adams—among the most hated by the Tories of America as well as Europe.

After the American Revolutions Tom Paine returned to England. He continued his attacks upon the monarchy and the "aristocratical tyranny of the King and the House of Lords. A great deal of this is done through his new political treatise, "The Rights of Man." Here he charged the British government and its ruling classes with corruption and proposed many charges.

Paine considered himself a citizen of the world, a tribune for those in search of social change. He is perhaps our first true internationalist. In England Paine finally was charged with seditious libel against the British government. He was brought to trial and convicted—but in absentia—for at the time he had moved on to a new social and political crisis—the French Revolution.

JOINS FRENCH REVOLUTION

During the French Revolution, Paine was elected a member of the Convention. He was not a Jacobin, but rather a Girondist and strongly supported the idea of a French Republic. However, when he pleaded for the life of the French king he was thrown into prison by Robespierre. Gouverneur Morris, then U.S. Minister in Paris, who despised democracy and had an equal hatred for the author of "Common Sense", refused to lift a finger in Paine's behalf with the French revolutionary leaders.

It was while waiting to face the guillotine that Paine wrote "The Age of Reason," a treatise on Deism. He was finally released from prison through the work of James Monroe, who succeeded Gouverneur Morris as ambassador to France. Paine left prison wrecked physically and to ease the pain he took to the habit of brandy-drinking. Consequently, his old bitter enemies—the Tories and now the Federalists—denounced him as a "sot".

AIDED BY JEFFERSON

President Thomas Jefferson, when he learned that Paine had a desire to return to America, extended him an invitation to return on one of the nation's ships. This act of offering sanctuary to the man whose pen had galvanized the colonial armies into action, brought a deluge of poison pen letters and insulting editorials from the conservative Federalists upon Jefferson.

The Federalists (Tories of the Revolution) were anti-democracy, anti-republican and had accused Paine's treatise "The Age of Reason" of being anti-God.

Exclaimed the Courant: "The President has publicly, in the light of day, cordially, nay affectionately, invited the most infamous and depraved character of this or any other age to take refuge in our country."

The New England Palladium called Tom Paine that disgrace and opprobium of human nature. "Why should Jefferson wish to take to his bosom that old battered bellwether of Jacobinism and infidelity? Why insult the sense and virtue of the country by professions of affectionate attachment in a man so offensive to decency, so smitten with the leprosy of scorn, the natural enemy of every virtue."

FEDERALIST LYNCH MOB

The Federalist sought to create a lynch atmosphere against Tom Paine as well as Tom Jefferson. However, all had not forgotten Paine (some 25 years after the revolution) Old Sam Adams could not forget. He wrote Paine that he had frequently reflected "on your services to my native land," Adams pointed out that "Common Sense" and "The Crisis" had awakened the public mind and led the people loudly to call for a declaration of our national independence. Adams pointed out to Paine that he had always looked upon him as a warm friend of liberty and the lasting welfare of the human race.

Jefferson invited Paine to dinner in Washington and it was truly a great moment in time when the author of the Declaration of Independence met again the author of "Common Sense, the two American manifestos upon wish so much of our freedom is based.

But the wolves of reaction continued to hunt Paine in packs. He was accused of being an atheist, a drunkard, a seducer and was hung in effigy in many towns. He died almost forgotten in 1809 in a land he had helped to free. But not until his work was done to make him one of the great architects of the unfinished American dream.

THE 125TH ANNIVERSARY OF ST. DOMINICS PARISH

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. EILBERG. Mr. Speaker, my city, Philadelphia, has often been called "a city of neighborhoods." Our neighborhoods are areas where the people know each other and care about each other.

Very often adults decide to live in the same neighborhood where they grew up so they can be near their friends and family.

Along with the people the strength and character of the neighborhood comes from its institutions, the schools, recreation centers, and places of worship.

In my district, the churches and synagogues play a very important part in the life of the community, and one St. Dominics, has been a mainstay of the neighborhood for more than a century.

This year St. Dominics will be 125 years old. The proud history of its growth and accomplishments is almost identical to the history of the community it serves in Northeast Philadelphia.

At this time I enter into the RECORD a history of St. Dominics Parish:

HISTORY OF ST. DOMINICS PARISH

When he was directed by William Penn to select a site for the City of Philadelphia, Thomas Holme chose the sylvan area surrounding the Pennypack Creek. One would be hard put to find a more beautiful or picturesque setting for a new city. The crystal waters of the Pennypack flowed gently through the wooded setting into the nearby Delaware.

If not for the fact that many settlers had already built their homes along Dock Creek, which then existed in what is now center city, Holmesburg could well have been the hub of Philadelphia. Because he was taken with the beauty of the area, Thomas Holme settled south of the creek and it became known as Holmesburg.

The northern portion of what is now Saint Dominics Parish was known as Collegeville, because of the proximity of Lower Dublin Academy, which was founded in 1723 on the Bristol Turnpike (Frankford Avenue) and Academy Road.

The Reverend John C. Flanagan, chaplain of the Academy of the Sacred Heart at Eden Hall, celebrated the first mass in the area in 1847. Recognizing the spiritual needs of the people, Father Flanagan moved into Holmesburg in the home of the Murray family. He set up an altar there and said mass regularly for the few Catholic families of Holmesburg.

It was because of Father Flanagan's work on behalf of these early parishioners that the decision was made by Bishop Kendrick to form a parish in Holmesburg. This was in the year of 1849.

To carry on the arduous task of organizing and constructing the parish and church, Bishop Kendrick selected the Reverend John Dominic Berrill. O.P. Father Berrill immediately began his work, setting up an altar and scheduling a regular Sunday celebration of Mass. For this purpose he chose to use what was then, and for years after, known as "the little stone house in the fields". The inevitable collection basket was placed on a table under a buttonwood tree. As the number of worshipers grew, the little house became cramped for space and some of the people attending mass had to stand outside the door.

In one of the first collections at Mass, John Cashman contributed $25.00, but it was in stone, not in cash. This too was accepted gladly, for it was a start toward the dream.

Father Berrill, being a thrifty man, decided to be his own architect and construction superintendent and to have the people do the actual work of building the church. Together with Father Flanagan, he drew up the plans one Sunday at the home of Mrs. Kelly. A carpenter shop was constructed, and there Mass was said on Sundays. On windy days the drafts blowing through the humble structure would snuff out the candles, so they were placed in little wooden boxes. Many times too, the pipe to the stove would blow down. In spite of all this, the little parish prospered.

Work was begun in the Spring of 1849 and continued on through the Summer. By the fall of that year the foundations were nearly completed. The priest and his flock labored on through the Winter.

By the Spring of 1850 the church was nearly completed. At least it was weather and wind proof. From that time on Mass was celebrated in the new church. The cornerstone had been placed on September 9, 1849, and the Very Reverend Francis X. Gartland, Vicar General of the Diocese officiated at the ceremony.

The church, soon finished, was named in honor of Father Berrill's patron Saint, Dominic, the founder of Father Berrill's order. Also that year, Father Berrill built a small stone house for the priest's residence. This building later became the first convent. Father Berrill was transferred in October of 1855. He did not long survive his transfer. He died May 11, 1856.

A LISTING OF THE PASTORS SUCCEEDING THE FOUNDER

The Reverend Matthew A. McGrane, 1855—1867.

The Reverend Patrick A. Lynch, 1867—1870.

During his time at Saint Dominic's, Father Lynch had the steeple built and the bell hung which was donated by Mr. Harvey.

The Reverend Thomas W. Power, 1870—1872.

Father Power refurbished the church and paid off the entire debt on the property.

The Right Reverend James O'Connor, D.D. 1872—1876.

Father O'Connor started the first school in a building of frame construction, formerly occupied by Father Berrill. The school was staffed by lay teachers, Miss Mary McCafferty, followed by Kate Kane, Marie Daly, Miss Malone and Miss Holmes.

The Reverend Lawrence J. Wall, 1876–1926.

Of all the early pastors, Father Wall left the deepest impression of any upon the parish. He served as assistant under Fathers Power and O'Connor, succeeding the later as rector on October 8, 1876.

Father Wall completely redecorated the church and made needed improvements and additions. He also built a new rectory to replace the old one which had become inadequate. He next purchased the necessary acreage for the parish cemetery. The cemetery was blessed in 1905. Next needed were school and convent facilities. In 1884 the old frame rectory was refurbished as a permanent convent. In 1892, a new school was erected.

The year 1896 would prove to be a momentous year. One of tragedy and triumph. Due to the rapid growth of the parish, Father Wall began to consider enlarging the church to meet the needs of the burgeoning population.

In the quiet of the early morning, at 2:30 a.m., on Ascension Thursday, 1896, Father Richard F. Cowley awoke and discovered the church engulfed in flames. He quickly altered those in the convent and in the rectory to the emergency and then hastened to sound the fire alarm at the local box. Finding the box to be out of order, the harried messenger was forced to proceed on foot to the nearest fire house, Engine Company 36, a distance of nearly a mile. Help was also summoned from the Tacony Fire Co., and from the Upper Frankford Fire Co. over half an hour had elapsed between the time of the discovery of the fire and the arrival of the first fire company. By this time the interior of the church was totaled involved, a massive inferno. The huge stained glass windows were exploding from the tremendous heat, and fanned by the winds the fire gained headway.

As if to taunt the just arrived firemen, the massive roof of the structure collapsed with a roar. By this time, unable to save the church, the men bent their efforts to save the rectory and the convent which were several times ignited by sparks but saved by constant wetting down.

The steeple began to burn fiercely, it's slate shingles crackling and flying off in showers of sparks. The blast furnace flames finally weakened the iron supports of the massive bell which weighed 1400 pounds. Like some unstoppable juggernaut, it came crashing through the interior framework of the steeple all the way to the cellar of the church, carrying with it the stairs of the steeple. The only parts of the steeple remaining intact were the iron supporting rods of the great copper cross which, from its pinnacle gave mute witness to the terrible holocaust of the long night past. It was long after eight o'clock before the beaten firemen were certain that the fire had been brought under control.

Only the main walls of the church remained erect. The only items of importance that were saved were the sacred vessels, in the steel tabernacle safe, this having been dug up quickly from the ruins, seared and blackened, but with the contents, including the blessed sacrament, intact.

All else was gone!!

Undaunted, Father Wall said Mass that very morning in the school hall. The parishioners rallied and a rebuilding committee was formed. At the first meeting of this committee, $8,785.00 was raised. In addition, Father Wall gave $2,000.00 which he had received for his silver jubilee just a few weeks previous. Two prominent non-catholics donated $1000.00, and $500.00, respectively, to the fund. With this amount on hand, plans were drawn for the new church. Michael Kilcoyne began the preliminary work on the site. In the course of this work, the old cornerstone was discovered. It contained a box, which, unopened, was placed beside the new cornerstone between the two main entrances. The old bell, melted and destroyed in the fire, was re-cast, and hung in the new tower, which soared 150 feet toward the sky. The first stone of the new church was put in place on August 4, 1896, the feast of Saint Dominic. On September 13, 1896, the cornerstone was dedicated by Archbishop Ryan. By winter, the building was under roof, and the interior plastered. Monday, March 31, 1897, was another bright day in the parish: the last stone was placed in the steeple, and the church was finished. On June 20th of the same year, the new bell joyously summoned the people to the dedication of the church. Again, Archbishop Ryan officiated.

With customary vigor, Father Wall continued his service to God and the people of Saint Dominic's and the years passed rapidly. Father Wall died on July 16th, 1926.

The Reverend Henry I. Connor, 1926–1939.

Father Connor built a new convent in April of 1927. He also made improvements to the school and cemetery. During Father Connor's Pastorate, a fine commercial school was inaugurated for girls. Father Connor died on October 21st, 1939.

The Reverend Daniel S. Coonahan, 1939–1953.

On the death of Father Connor, Father Coonahan was transferred from Saint Callistus to Saint Dominic's to serve as pastor, on November 3rd, 1939. Father Coonahan's most notable achievement as pastor was the erection of the Lawrence J. Wall Annex to the school.

The Reverend Henry J. McCarty, Ph.D., 1953–1957 pastor pro-tem; 1957–1960 pastor.

Father McCarty was named as administrator of Saint Dominic's with the failure of Father Coonahan's health, in 1953, and succeeded him as pastor, upon his death. Father McCarty enlarged and renovated the church, and added an annex to the convent during his stay at Saint Dominic's. He also planned the new rectory before he was transferred to Saint Stephen's in 1960.

The Reverend John F. Foody, 1960–.

Father Foody was appointed to Saint Dominic's Church as pastor on September 22nd, 1960, by Bishop McShea. He saw as his first task, the completion of the new rectory. Accomplishing this in short order, he immediately proceeded with the construction of our beautiful Marian Hall.

Rapidly following these accomplishments was the construction of a multi-purpose hall, located on the second floor of the old building, a double addition to our new school building, which now had an enrollment of over 1900 students, enlargement of the parish cemetery, and ever mindful of the comfort of his parishioners, air conditioning of the church. As all of these projects were reaching fruition, Father Foody completely eradicated the parish debt, which was no easy task. With costs rising at a staggering rate over the past several years, it has been indeed an arduous task to keep a parish of this size operating efficiently and free of debt, while fostering its spiritual growth.

Among the many accomplishments was our well-remembered "Super Sunday", March 7, 1972, which saw the dedication of our parish library/meeting room. On the same date, another first happened at Saint Dominic's—an adult education program, which ran for eight consecutive Sunday nights, and was extremely well attended. This same month of March, 1972, gave birth to another parish function, which was destined to become an annual event—our Parish day of Renewal. Another accomplishment of which Father Foody can be justly proud is the parish C.C.D. Program, staffed, for the most part, by a dedicated group of lay people, who are ably assisted by several of our good Sisters. The number of students currently involved in this program is approximately 250. This year, for the first time, the C.C.D. program included a preschool level, which was well attended, and thoroughly enjoyed, both by the teachers, and the students. The unique feature of the parish C.C.D. program is the fact that it is staffed by both men and women, lay and religious, teenagers and adults.

In 1968, visualizing the need for increased lay participation in the affairs of our parish school, Father Foody, following a Diocesan-wide directive, started our first Home and School Association. During the six years of its existence, the "H.A.S.A." organization has provided many of those essential accoutrements to the school that, because of legislative and legal entanglements, did not come our way from any governmental source.

In addition to the aforementioned organizations, Saint Dominic's enfolds many other active programs: C.Y.O., Boy Scouts, Girls Scouts, Cub Scouts, Brownies, Boys' Basketball, Girls' Basketball, Senior Citizens, Women's Club, Cardinal's Commission on Human Relations Food Drive, Bowling League, Finance Committee, Ushers Society, Lectors and Choir. All of these organizations and programs benefit from Father Foody's pastoral guidance and constant encouragement.

THE CRITICAL LAW OF THE SEA CONFERENCE IN CARACAS, VENEZUELA, POINTS UP THE FOLLY OF THE BOLLING SELECT COMMITTEE HOUSE RESOLUTION 988 IN DISMANTLING THE UNIFIED JURISDICTION OF THE HOUSE MERCHANT MARINE AND FISHERIES COMMITTEE WITH RESPECT TO OCEANOGRAPHY, FISHING, AND CONSERVATION RESPONSIBILITIES

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. SULLIVAN. Mr. Speaker, the so-called Law of the Sea Conference was held in Caracas, Venezula, from June 20 to August 29, 1974. Practically no issue of the newspapers has been published since June 20 without some reference to the crucial Law of the Sea Conference, at which some 5,000 delegates from 150 nations met in Caracas to attempt to iron out the many pressing ocean-related problems confronting the nations of the world.

Beginning with the subject matter of peaceful uses of the deep seabed, various other ocean issues have been incorporated into the ultimate conference agenda and a broad spectrum of ocean problems is facing the conference for its resolution. These include the establishment of an international regime related to the resources of the seabed and ocean floor, the regimes of the high seas, the Continental Shelf, the territorial sea, international straits, the contiguous zone outside the territorial sea, conservation of the living resources of the high sea—including the question of preferential rights of coastal States; the preservation of the marine environment—including the prevention of pollution; and scientific research in the high seas area.

It is obvious from the number of issues just mentioned that a solution acceptable to the vast majority of nations will be extremely difficult to attain. It seems reasonably clear, however, from the lengthy discussions and exchanges of views in the preparatory seabed committee, that the ultimate treaty package, if, indeed, one is agreed upon, will most probably contain a 12-mile territorial sea, broad coastal State control over both living and nonliving resources beyond the territorial sea, and some form of international machinery related to the deep seabed resources. In these three major areas alone, there are many key issues which must be satisfactorily resolved. It is paradoxical and ironic, and indeed tragic, that when nations of the world, including the major marine nations, are meeting in an international forum to attempt to reach agreement on these many vexing marine issues, the Select Committee on Committees resolution, House Resolution 988, would fragment and splinter the House Merchant Marine and Fisheries Committee which has dealt with all these ocean-oriented problems within one unified and interrelated jurisdictional entity.

In late March and early April, I put a series of articles in the Congressional Record showing how House Resolution 988 split apart the various unified jurisdictional entities of the Merchant Marine and Fisheries Committee so that they would be treated in a haphazard and uncoordinated way by other unrelated committees. Through the years, all fisheries and wildlife matters, oceanography and environmental considerations have operated together within the ambit of the Merchant Marine and Fisheries Committee. House Resolution 988 would put fisheries in one place, wildlife in another place, international fishing agreements in still another place; deep seabed mining would go to one area, oceanography to another committee, sea grant colleges in another area, marine mammals to another committee, and deepwater ports and coastal zone management in another unrelated place. The United Nations, for all its divisive propensities and differing views, at least has enough sense to realize that all these ocean-oriented matters belong in one place and must be considered together in one international forum. Unfortunately, the framers of House Resolution 988 completely failed to grasp the necessity of having one ocean-oriented committee in the House of Representatives responsible for all the various problems and issues relating to the various aspects of the oceans. For this reason, I oppose House Resolution 988 and I hope my colleagues will instead support the reform package coming from the Hansen Committee on Organization, Study, and Review.

As I mentioned earlier, there have been numerous newspaper articles in the last several months keeping readers abreast of developments in Caracas. I am inserting into the Record for the Members' information a succinct article appearing on the editorial page of the Daily News, Longview, Wash., with respect to the importance of the Law of the Sea Conference in Caracas, Venezuela. This article appears as follows:

Preserving Fishery

A United Nations' Conference on Law of the Sea in Caracas, Venezuela, may seem far removed from the problems of Southwest Washington residents, but it is not.

If you fish—for a living or for sport—or like to eat fish, then what happens at the Law of the Sea conference is of major importance to you.

The reason is the invasion of the Pacific Northwest's coastal fishery by the Russians, Japanese, Poles, and others. Huge Russian trawlers have been operating just outside the three mile American territorial limit, scooping up millions of pounds of fish. They say they are not getting salmon and steelhead, but American commercial fishermen dispute the Russians and say they are sweeping sections of the sea almost clean of fish.

Oregon's Legislature became so concerned about the invasion of American waters by foreign fishing fleets, it passed a law declaring Oregon's territorial limit extends 50 miles to sea. Columbia and Ecuador in South America have extended their territorial claims to 200 miles.

The American government has announced it will press for a 12 mile territorial limit and a secondary zone in which a country could claim control over living and non-living resources. Ships could pass freely over the secondary zone. The U.S. has not taken a position on the width of the secondary zone.

The problem the U.S. faces is getting other nations to agree to its idea. And territorial limits are among 100 separate items on the conference agenda.

Even so extension of territorial limits is a must item for the U.S. If this country is to maintain a commercial fishery at all, the big foreign fleets must be moved farther away from our coastline.

And if the Northwest is to preserve its famous salmon and steelhead runs for sports fishermen as well, the territorial limits must be moved seaward farther than 12 miles.

The Law of the Sea conference might not have any impact on the salmon you want to catch next week or next year. But five or 10 or perhaps more years, it could easily have an influence on whether there are enough fish for you to catch.

PROPOSED AMENDMENTS TO THE MARTIN SUBSTITUTE FOR HOUSE RESOLUTION 988

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. FROEHLICH. Mr. Speaker, under leave to extend my remarks in the Record, I include the following amendments proposed to be offered by me to the Martin substitute House Resolution 988.

Amendment Offered by Mr. Froehlich To the Martin Substitute for House Resolution 988

On page 51, immediately following line 25, insert the following paragraph:

"(4) Each report of a committee on each bill or joint resolution of a public character reported by such committee shall contain a detailed analytical statement as to whether the enactment of such bill or joint resolution into law may have an inflationary impact on prices and costs in the operation of the national economy."

AMENDMENTS TO HOUSE RESOLUTION 988, HOUSE COMMITTEE REFORM AMENDMENTS OF 1974

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. DINGELL. Mr. Speaker, I herewith insert by permission previously granted a listing of the amendments I will offer to House Resolution 988, the House Committee Reform Amendments of 1974:

Amendment to House Resolution 988 as Reported by Mr. Dingell of Michigan

Page 2, line 5, strike "1. There" and insert in lieu thereof the following: "1. At the earliest moment after the convening of the 94th Congress, the House shall, with the exception of the Members of the Committee on Ways and Means, reassign all Members of all committees to new committee responsibilities on the standing committees created hereunder. In such reassignment of Members of committees, the House shall give due consideration to seniority, previous service on committees and subcommittees and any chairmanship or status as ranking member in connection with placement of such members on the committees. There"

Amendment to House Resolution 988, as Reported by Mr. Dingell of Michigan

Page 18, strike all of line 19 and all that follows down through the end of line 22, and insert in lieu thereof:

(s) The Select Committee on Small Business is a permanent select committee of the House without legislative jurisdiction except to make investigations and reports.

Amendment to House Resolution 988, as Reported by Mr. Dingell of Michigan

Page 30, strike line 9 and all that follows down through page 30, line 23. (Eliminates power of Rules Committee to re-refer bills because of lack of committee jurisdiction.)

Amendment to House Resolution 998, as Reported, Offered by Mr. Dingell of Michigan

Page 35, strike all of line 13 and all that follows down through page 38, line 13.

Renumber succeeding paragraphs.

(This eliminates Rules Committee intrusion into the Speaker's bill referral authority which appears to be working well.)

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 39, after line 18 insert a new paragraph as follows: (c) No Member of the Committee on Rules shall serve on any other standing committee, joint committee, special committee, select committee, or commission.

Renumber succeeding paragraphs.

(Amendment limiting service upon the Committee.)

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 53, line 14, strike the word "activities" and all that follows through the end of line 23 and insert in lieu thereof: "activities."

Renumber succeeding paragraphs.

(Subpoena note: may possibly want to strike through end of of line 2, page 54.)

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 73, after line 13 add a new section as follows:

Sec. 401. "Rule I of the Rules of the House of Representatives shall be amended by adding at the end of clause 4 thereof the following: He shall have the precedents of the House made current and published at the end of each session of Congress and he shall permit no use of any precedent from any previous session not published and available to the House and the public."

Renumber succeeding sections.

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 76, strike line 1 and all that follows down through page 79, line 2.

(Eliminates the Legislative Classification Office.)

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 79, line 7, strike the word "nine" and insert in lieu thereof the word "five."

Page 79, strike lines 11 through 13.

Page 79, line 14, strike "The Speaker shall designate" and insert in lieu thereof: "The members of the Commission shall elect."

Page 81, line 5, strike lines 5 through the end of line 12.

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 81, line 23, strike the word "Thirteen" and insert in lieu thereof the word "Seven".

Page 81, line 25, strike the words "House, and" and insert in lieu thereof, "House."

Page 82, strike lines 1 through the word "Chairman.", at line 5, and insert in lieu thereof: "The members of the Commission shall select one of their members Chairman.

Page 83, strike lines 1 through the end of line 8.

Amendment to House Resolution 988, as Reported, Offered by Mr. Dingell of Michigan

Page 88, strike lines 3 through 13 inclusive.

AMENDMENT TO HOUSE RESOLUTION 1248

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, if House Resolution 1248 is offered as a substitute to House Resolution 988 this week, I intend to offer the following amendment establishing a House select committee to investigate the oil and gas industry:

On page 15, immediately after line 2, insert the following new section:

SELECT COMMITTEE TO INVESTIGATE THE OIL AND GAS INDUSTRY

"7. (a) There is hereby created a select committee to be composed of seven members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

(b) The committee is authorized and directed to conduct a full and complete investigation and study of the role of the oil and gas industry in contributing to the recent energy crisis, in determining the current availability, allocation and pricing of energy, and in determining the future availability, allocation and pricing of energy.

(c) For the purposes of carrying out this section the committee, or any subcommittee thereof authorized by the committee to hold hearings, is authorized to sit and act during the present Congress at such times and places within the United States, including any Commonwealth or possession thereof, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

(d) The committee shall report to the House as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

REFLECTIONS ON THE 200TH ANNIVERSARY OF THE FIRST CONTINENTAL CONGRESS: OUR CAPACITY FOR THE PRESERVATION OF INDIVIDUAL LIBERTIES MUST BE AS ADEQUATELY DEMONSTRATED TODAY AS IT WAS IN 1774

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. KEMP. Mr. Speaker, last week the House of Representatives commemorated the 200th anniversary of the First Continental Congress, an assemblage of colonists seeking the preservation of their just rights as free men. It was my privilege to have cosponsored the resolution that led to the celebration in these Chambers of that historic event.

That first Congress met in Philadelphia from September 5 through October 26, 1774, and on October 14 adopted the declaration and resolves of the Congress, which stand both as one of the final chapters in the colonists' attempts at reconciliation with the Mother Country and as one of the first chapters in their willingness to pursue actual separation as the possible final action requisite to the recovery of their rights.

It is important, as we now return to the affairs of state, to be ever mindful that our present actions must be consonant with the intentions of that First Continental Congress, summarized, most accurately, as "the recovery of our just rights."

In that day and time—1774—we sought a restoration of rights usurped by the Crown, an usurpation condoned and even abetted by the Parliaments then sitting. In this day and time—1974—we seek the restoration of our individual liberties from a government grown too all-encompassing, too expensive to maintain in its present scope, and too prone to attain increasing control over the people's lives—policies condoned, even fostered, by the Congress.

Last week's special ceremony is now history, but the Bicentennial of that—and other events associated with that era—has just begun.

We must never forget, in the day-to-day functioning of this Congress and in the day-to-day interaction between government and the people—as 205 million individuals—that our principal task—above all others—is the preservation of liberty. Taken to the bare fundamentals of why government exists, freedom—the preservation of inherent rights, is the only justification for the existence of politics.

The point has been advanced that 1974 bears striking parallels to 1774. That is true in great part; certainly, as I have indicated, our tasks as a Congress remain essentially the same. But, one must be careful in using this analogy, for it does have pitfalls.

That the Presidency of the United States, as some assert, can be analogous to George III obscures the wisdom of the framers of our Constitution and of the past 200 years of national existence. Those framers gave us a process for the removal from office of the head of state, a process unavailable to Englishmen of the 18th century. That is a world of difference.

That today's political climate is conducive only to revolution, as others assert, misses the mark too. The events of 1776–82 were not as much those of an "American Revolution"—a term which grew into popular use only during this century—as they were of an "American war of independence." The efforts of the colonists to free themselves of arbitrary and capricious rule from the King's court was an effort to recover those rights which had been taken from them or infringed upon. It was not an effort to attain new rights, except as to self-government, although the "continuing American revolution" has led to that over the past two centuries. It most certainly was not a radical restructuring of society along utopian lines as became associated with the French revolution.

That the leadership of the Continental Congress and the constitutional conventions which were to follow were motivated, for the most part, by economic interests belies the facts. We hear so very much about the wealth of some—by far not all—of those men, but we seldom hear about the wealthy who supported the Crown, those Tories who chose loyalty to the Crown instead of adherence to the ideals which underlay the efforts for independence. When those first Congressmen and framers pledged their lives, their fortunes, and their sacred honor, they knew exactly what they were doing: They were putting their all—literally their necks—on the line that in the end freedom would triumph.

For that and their subsequent efforts at carrying through the colonists' cause to independence and the creation of a new republic, these men ought to be praised as one of those rare "gathering of eagles" which history shows to surface in times of great crises, a group of men capable of and willing to preserve freedom.

Let me speak for a few moments on what parallels there really are between our day and those of the First Continental Congress. This is important for only when we perceive accurately what are the basic problems of our time can we then proceed to resolving them.

THE DISORDERS OF OUR TIMES

Before anyone begins to call attention to the disorder which exists in our society, I think he owes it to his audience to set forth a conclusion which is too often overlooked: The "times" are always in a state of disorder. It is merely the degree of that disorder which is transient. If we do not believe this, we need look simply to the recorded history of all other times.

How, then, is the disorder of our day and age different from that of any other period of our Nation's history?

The very meaning of disorder presupposes a value or set of values—a hypothetical order—from which standpoint we assess our state of affairs.

Until recently, there seemed to be a rough consensus on these values and ideals in American life, even when we differed on the program, political parties, and means to achieve them. That consensus was expressed principally as a commitment to the democratic process and its procedural mechanisms of registering freely given consent—a consent freely given because it included the right to dissent. It was a commitment to the rights of individuals, and where rights conflicted—as they always do—to their resolution in the light of the common good—collectively, through the legislative process, and, individually, through the judicial process.

The disorder of our time is largely the consequence of the gradual erosion of our basic values and ideals, and the inescapable and resulting consequence of abandoning the rational processes of debate and reform, the resort to means that subvert the moral and legal ends of a free society, and the emergency not only of violence but of attitudes that encourage resort to violence and to threats of same.

Relativism is borne from a search for relevance itself, and in a quest to be relevant, too many in our age have succumbed to the greatest irrelevancy of all—being irrelevant in the name of relevance. What more appropriate example could be cited than our age's constant struggle to aright those easily perceived imbalances which are no more than fleeting results of our problems, totally failing in the process to address themselves to the real causes of our long-term problems. People who suffer from this malady are so busy fighting the problems of the moment—from their desire to be relevant—that they fail to solve the basic, long-term problems giving rise to those problems of the moment.

One of the principal causes for the misdirection and misemphasis of these souls is their failure to comprehend adequately the realities of human existence.

At any given time, there is always a disparity between worthy moral and social ideals and the status quo, between our goals and our achievements—particularly if we have raised our sights in the course of our struggle toward those goals and ideals.

This should not be criticized, but rather understood, for this phenomenon is simply the difference between aspirations and attainment, the future and the present, the ideal and real. As this shows itself in the actions of people, it similarly shows itself in the actions of society itself.

If an unhistorical approach—the focusing of attention solely on the ideal—is taken, one becomes fixated with how far society has fallen short, disregarding in the process the great progress already made and being made. The mind set then focuses on the negative, not the positive, and from this fixation comes despair, discouragement, and disspiritment. And, when that collective depression is given voice to a wide audience, such depression is spread.

There is nothing wrong with being idealistic—without it, we would be in even more severe trouble—but there is something wrong with an inability to have a balanced focus between ideal and real, and, second, to spread carelessly a discouraging word to all from one's own inabilities to cope with reality.

Those without historical perspective too often think in terms of either-or not more-or-less. Thus, the all-important direction of the progress of change, and its mechanics, can be lost, for impatience with attainment of the ideal can easily lead to an abandoning of the processes for such attainment. The processes of a free society become short circuited; that is when the sparks fly. And, unfortunately, history's lessons tell us that progress is lost, not gained, by such short circuiting.

The eminent professor, Sidney Hook, has written that "with respect to every major area and institution in American life, an historical approach will show that incremental reforms have carried us closer to the ideals to which this Nation was originally dedicated than has been the case in the vaunted revolutionary regimes" of any other nation, or, for that matter, the revolutionary intellectual radicalism of American society. Such a recognition can be no cause for complacency, argues Dr. Hook, but it does help the young idealist from crossing the line into irrational and unproductive radicalism. I agree with Dr. Hook's observations.

Why does this problem concern me so much?

To the degree that we permit the demoralization of our spirit, we tend to acquiesce in the continuation of those wrongs which ought to be addressed, because that demoralization diminishes our resolve to insure that good does ultimately triumph. The results should be obvious: We weaken further the fiber of our society. We weaken the resolve of those placed in positions to have significant impact upon our problems. We weaken the resolve of the people to buttress those committed to such courses of action.

It becomes a downward spiral of despair and wrong, feeding upon each other as they descend.

WHAT ARE WE TO DO?

I believe strongly that the American people have both the patience and the fortitude to face up to any problem, once they understand the nature of the problem.

That is one of the wonders of a free society: Given the facts and based upon accurate premises, a free society has an innate capability to come to the right conclusions. Where this characteristic can be thrown asunder is where that society is not given all the facts, or acts from improper premises. For this reason alone, a press which reports information fully, accurately, and in a balanced manner is essential to a free society. If a large number within the press has a bias, they can distort the perceptions of truth and cause the formulation of an erroneous conclusion.

The choice before us in our time is between further powers of the State on the one hand or a growing of the self-discipline of a responsible people on the other. It is a dichotomy central to the questions facing not only our Nation but our sister Western democracies as well. And freedom is not the easier of the two disciplines. Quite to the contrary, history shows that periods of true freedom are rare. Why? Probably because men put security ahead of freedom; letting "Uncle Sam" or whomever make the decision is a lot easier than having to make it for oneself. History shows that freedom is lost when too many—or too few, strategically placed—opt for security and are unwilling to bear the self-discipline requisite to freedom's preservation.

We need also to look at the strengths of our political system. In these days of disclosure of wrongdoing by men in government or in political parties, it is easy to conclude that our system is not working.

Nothing could be further from the truth, for the very fact that disclosures of wrongdoing are being publicly made shows that our system is working. When such wrongdoing goes undetected or when detected, it goes undisclosed, then, at that point, not now, such a conclusion that our system is not working would be valid.

Justice, in practice, is not an end product of the 100-percent triumph of good over evil. Rather, justice is the process through which a society determines the relative weight it wants to give between good and evil, truth and untruth. Thus, when there is evil, it is because that society is not sufficiently committed to the eradication of evil. Our task, therefore, is to insure the movement of society toward the placing of greater resolve upon that side of the scale known as good or truth.

As a foundation for this resolve, we must shore up our ethical convictions. From an ethical standpoint, one must never remain silent when permissiveness, hypocrisy, or corruption threaten to weaken or destroy our system. And, one of the most prevalent and frightening attitudes today is the absence of deep convictions on anything among many, or an increasing lack of conviction among others, giving glory to compromise and approval to passivity. Yet, it is a fact that whenever people become noncommittal, they open the door to manipulation of their lives and their destinies by the few who seek power and dominion over others.

It seems that at other times and in other places, other civilizations that advanced far failed to make it to the next step of human achievement because they were unwilling to discipline themselves and to dedicate themselves to purposes of the spirit. When ethics, honesty, integrity, and self-discipline perish, the inevitable result is imposed discipline—we know that as totalitarianism. This we must never permit to happen.

Mr. Speaker, I am optimistic about the future. I am concerned about our present crisis, but I am not dismayed by it. I see the future as a challenge to our Nation, a challenge to restore the optimism that pervaded the original Spirit of 1776.

As we approach our 200th anniversary, let each of us pledge to himself and to his fellow citizens that the spirit of our next 100 years will be borne with the same dedication to tomorrow that prevailed at Independence Hall.

GILMAN OPPOSES NEW GAS TAX

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GILMAN. Mr. Speaker, today's report that the administration is once again considering imposition of an additional tax on gasoline purchases is highly disturbing.

Any increased gas tax would only serve to accelerate the inflationary spiral, driving the working man and woman closer to financial ruin.

Due to the inadequacy of mass transit systems, it is estimated that 78 percent of our citizens now depend on their cars to get to and from work. For these people, gasoline is a necessity, not a luxury. Our consumers already face burdensome gas prices in the neighborhood of 60 cents a gallon and more. They simply cannot be expected to bear an even greater fiscal strain.

Until we have adequate mass transportation systems, let us not impose any additional burdens on those who must depend on their vehicles for commuting.

I am joining the gentleman from New York (Mr. PEYSER) and a number of my colleagues in protesting this proposal in a letter to the President and I request that the full text of our letter be printed in this portion of the RECORD.

DEAR MR. PRESIDENT:

We strenuously object to the proposal which has surfaced in the form of a trial balloon to impose an additional 10¢ a gallon Federal excise tax on gasoline.

A tax of this nature would only have the effect of reinforcing the spiral of inflation and would push the already strained working man and working woman past the financial breaking point.

It has been suggested that such a tax would encourage greater reliance on mass transportation. An admirable goal, but impractical in view of the fact that 78 per cent of the public already is forced to rely on private automobiles to get to and from work because of inadequate mass transit. There is no question that the burden of this tax would have to be borne on the shoulders of those least able to bear it.

Mr. President, we stand ready as your copartners in government to fight the battle of inflation and restore a healthy economy. However, we do not think this proposal is the right answer.

THE PARDON

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my Washington Report newsletter concerning President Ford's pardon of former President Nixon:

WASHINGTON REPORT

(BY CONGRESSMAN LEE HAMILTON)

THE PARDON

At a time when things seemed to be calming down, President Ford's decision to pardon former President Nixon and to consider pardons for all alleged Watergate conspirators ignited fresh controversy.

The decision caused President Ford's approval rate in the public opinion polls to plummet from 71 to 49 percent. After only 30 days in office, his press secretary resigned in protest, he said, "as a matter of conscience." The decision to pardon met a largely hostile reaction from the nation's press and from most Members of Congress. It interrupted, if not shattered, a period of good feelings, reactivated partisan divisions, and raised questions about the President's credibility. At the second press conference of his administration, 14 of 21 questions dealt with the pardon. Even the President has acknowledged surprise at the popular reaction to his decision.

In my view, the reasons for the general public disapproval were several. Americans, who have a natural sense of justice, perceive the law as the means by which justice is achieved. This sense of justice was fortified by the experience of Watergate, which prompted a new and powerful concern for justice among Americans and a desire to see the law administered impartially. Their attitude, as I understand it, is that the truth about the misdeeds of the former President should be determined in a court of law by the same procedures that apply to all other Americans. In their view, equal justice under the law requires that the processes of the law run their course. It offended their sense of equity to see one kind of justice dispensed to the agents of the President and another kind to the former President, and it offended their desire for a conclusive determination to have a pardon leave unresolved the question of whether any or all criminal charges against the former President could be made to stick. They want and deserve to know the full Watergate story and the role of Mr. Nixon in it. If allowed to run its course, the law would have established his guilt or innocence.

Another reason for the reaction to the pardon decision was that President Ford did what he implied he would not do. At a time when the nation had been repeatedly dismayed by acts of intrigue and deceit, the people rejected what they perceived to be the politics of secrecy and surprise. When asked a year ago, then Vice-President-designate Ford indicated to Congress that the public would not stand for a pardon for President Nixon. In his news conference a week prior to the pardon, President Ford, although not ruling out the ultimate exercise of a pardon said he would let the legal processes run their course before he made a decision. President Ford certainly did not invent the politics of Presidential secrecy, but for the present, his decision has undermined his own reputation for candor. Already he has acknowledged that he will seek wider consultation in the future. The speed and manner of this decision, coupled with the fact that it controverted his previous statements, made it appear that the decision was made impulsively and without adequate consultation.

Another aspect of the pardon which contributed to the reaction was the agreement with former President Nixon on the handling of the tapes and papers accumulated during his Presidency. The agreement abandoned control and access by the government and the public to these materials. In response to strong objection from many sources, President Ford has apparently suspended the agreement and is considering it further. The initial agreement struck with President Nixon was based on the assumption that the records of the Presidency are the President's personal property to keep, donate, and dispose of as he likes, and there is ample precedent for that view. But such an agreement could result in the destruction or suppression of important parts of the historical record. My view is that public papers of elected United States officials should be the property of the government and should not be taken away at the end of a term of office. The public's interest in these materials is paramount and apparent.

Former President Nixon, of course, has acknowledged misperceptions and errors of judgment, but he has not stated that his actions were either wrong or illegal. Obviously he rejects the unanimous view of the House Judiciary Committee members that he violated his Constitutional duty faithfully to execute the office of President and obstructed the administration of justice.

President Ford called the evidence of former President Nixon's guilt of an impeachable offense "very persuasive," but he has vigorously defended his pardon of the former President because it would end the "turmoil and divisiveness in American society." He also pointed out that President Nixon has suffered enough and that a fair trial would be difficult to achieve.

Any new President comes to office with a reservoir of good will, and he must use it sparingly. President Ford has spent much of his good will with the decision to pardon. My hope is that he has learned his lesson and that he will scrupulously respect the people's sense of justice and law, that he will seek wider consultation before making major decisions and that he will not use the politics of secrecy again.

AMENDMENT TO THE SUPPLEMENTAL APPROPRIATIONS ACT OF 1974, H.R. 16900

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. HARRINGTON. Mr. Speaker, I will propose the following amendment to the Supplemental Appropriations Act of 1974 (H.R. 16900): Page 12, strike out lines 15 through 26.

THE PRESIDENT'S AMNESTY PROGRAM

HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIESTER. Mr. Speaker, several of the newspapers serving my congressional district have recently editorialized on the subject of President Ford's amnesty program for Vietnam draft evaders and deserters.

I enter them in the RECORD for the benefit of my colleagues:

[From the Philadelphia Bulletin, Sept. 18, 1974]

VIETNAM CLEMENCY—MR. FORD'S FAIR TERMS

President Ford's program of clemency for Vietnam War draft resisters and deserters is both fair and conciliatory, despite criticism it has drawn from people on opposing sides of the issue.

Attacks on the President's clemency move by resisters, veterans groups or, in some cases, parents of young men who fought and died in Vietnam do not mean that Mr. Ford's offer—unlike his pardon of former President Nixon—is either flawed or foolish.

On the contrary, the President has rightly chosen to extend a reconciling hand to Vietnam resisters while recognizing that he cannot possibly satisfy fully and completely everyone whose feelings are touched by his clemency actions—and that means just about all of us.

President Ford sought to respect all the viewpoints represented in the usually bitter divisions over how, or whether, to invite home thousands of young Americans who chose exile and alienation rather than serve in Vietnam. He is offering measured clemency—not a blanket amnesty—within the bounds of military and civilian law and precedents set by past presidents.

Mr. Ford reopened America's doors to many conscientious young men the nation should not want to lose as it puts the Vietnam conflict behind it.

The President is not forgetting the vast majority of young men who felt a duty to serve in an undeclared, unpopular war, who could not square resistance with their own consciences.

He is not excusing those who balked by decreeing for them a sweeping erasure of past turbulence and national torment. But neither is the President exacting harsh, demeaning penalties from resisters who want to come home.

Individuals who accept Mr. Ford's clemency terms—and it is as individuals that all the young men involved must decide—will be required to comply with the same obligations of alternative service that are placed by the Selective Service System on recognized conscientious objectors. No more, but no less either.

Beyond the President's clemency proclamation itself, Mr. Ford's compassionate intentions toward men who have already been tried and convicted of draft evasion or desertion were indicated by his appointment of former U.S. Senator Charles E. Goodell of New York as chairman of the presidential clemency board, and the Rev. Theodore Hesburgh of Notre Dame as one of its members.

Both Senator Goodell and Father Hesburgh were outspoken opponents of the Vietnam War. Both have sympathy toward young men who were caught up in the war-spawned conflicts of values and beliefs.

Diehard resisters will contend that Mr. Ford's terms are a sham, that the hardships they have undergone for their beliefs and idealism entitle them to full vindication. Similarly, citizens who placed patriotism and duty first will assert that clemency is unwarranted.

But the nation's need is neither for apologies nor vengeance. Absolute equity will always be elusive. President Ford has not let that keep him from trying to deal wisely with young men whose lives, even if by their own choice, were also torn asunder by Vietnam.

The fact that the hard-liners on each side of the "amnesty" issue dislike President Ford's proposal could be proof that it is a moderate and workable approach to an awfully difficult human problem. It will not be easy to implement. It deserves acceptance and support. It deserves a fair chance.

[From Today's Spirit, Sept. 18, 1974]

CLEMENCY: A FAIR PROPOSAL

President Ford's proclamation clearing the way for conditional amnesty—actually clemency—for Vietnam-era draft evaders and deserters is a reasonable attempt to resolve this controversial issue. It is obviously not satisfactory to all—and could not hope to be—but is an honest effort to heal with mercy, without establishing a dangerous precedent.

President Ford could hardly be expected to grant unconditional amnesty—no matter how disposed to forgiveness he might be—because of what it would mean if the need ever arose again to call young men to war. But to require an expression of allegiance and work of up to 24 months in public service jobs of those who evaded service in Vietnam is a fair compromise aimed at salvaging something positive for the country from this divisive experience.

Our first concern here must be the best interests of the country, not the narrow self-interests of vengeance or personal interpretations of what constitutes an "illegal and immoral" war. And if any of these young men are willing to come back and make a positive contribution to the country—in place of the duty they had been asked to give—we would only be depriving ourselves if we insisted on punishing them instead by keeping them out.

A sense of vengeance, no matter how righteously placed in honor and duty to country, appeals to our worst instincts. With a reasonable sense of compassion, Ford instead is appealing to the best in us. That there is room in his vision of what America can be for those who put their own conscience or instinct above its law is tribute to his determination to preside over a united country, with a common bond strong enough to tolerate differences among us.

There will always be those who sincerely believe that those who refuse to serve their country in a time of war have no right to forgiveness or mercy, no matter how positively oriented the conditions of amnesty, and that to do so weakens the country. But to require alternative service means that they will have completely escaped their obligation to their country, and will have an opportunity to fulfill it in ways compatible with their consciences.

Most of those potentially affected are rejecting the offer, still insisting that they did nothing wrong in opposing the war they glibly dismiss as "illegal and immoral" and that they should not have to accept any terms which imply guilt. Obviously the Vietnam war was controversial, and its "morality" was surely not as clearly defined as in other wars, but the argument would be more persuasive if the courts or Congress had ever officially held it to be "illegal and immoral." Although there was plenty of noise to that effect, particularly in Congress, the official acts continued to justify the war right up to the peace settlement.

The war resisters and the veterans will surely carry on the controversy, but President Ford has offered a reasonable plan for clemency consistent with the traditions of compassion in this country, and in the best interests of providing a positive conclusion to this stormy period.

[From Bucks County Courier Times, Sept. 22, 1974]

LET'S LOOK AT AMNESTY

The question of amnesty for those who did not serve in Vietnam is bugging us again because of President Ford's forthright stand on the issue.

It is a difficult, contentious question that, in the, first flush of outrage at the decision, has not drawn the nation together again.

The basic problem here is that we approach this issue, almost every one of us, emotionally and not logically.

If we served in that conflict, or in almost any of the wars this nation has fought this century, we take one attitude, we have one set of preconceived conclusions.

If we have relatives or friends who are now in exile, in Canada or elsewhere, we adopt or have adopted a set of contrary preconceived notions. And in either case we seek not reason but whatever we can seize upon to bolster those preconceptions.

The question really is whether we should forgive those who left this nation rather than accept military service during the conflict in Vietnam, or demand the full pound of flesh from each one.

Or should we do as President Ford has suggested, and review each case with an eye toward compassion?

One trouble with the arguments that are being advanced is that they are based upon generalities. Everyone who left the country over this issue, some of us say, did so because they were afraid—every one, without exception. And if we look at the question honestly and sincerely, this generality is ridiculous.

We simply do not know how every one of them felt and we cannot know until each one is examined—which, incidentally, is one of the planks in the President's amnesty platform.

The opposite is that every one who left the country sincerely believed that the war was illegal and immoral—what war is not immoral?—and that flight was the only proper recourse.

And that generality, too, is absurd.

There is no case brought before the courts under our system which deals in generalities alone. Each case must narrow down to the particular acts and individuals involved.

We should do no less on the matter of amnesty.

There are other points involved, too. Those who resisted the draft but did not flee, accepting their punishment. Those who did not leave Vietnam or who are disabled as a result of that war.

Here is where we should have compassion—and we should remember, too, that our courts have compassion when they resolve a case. They are not after the full penalty of the law each and every time; they do not consider each and every accused person as a definite danger to society who must be incarcerated as long as the statutes allow.

But they do not overlook the fact, when it arises, that a law has been broken and that it cannot be up to the individual to pick and choose the laws he will obey and those he will disobey. That way lies the dissolution of justice and of the nation.

President Ford believes that we should welcome back these expatriates but that they should react in the same way they would have been asked to react had they pleaded originally that they were conscientious objectors.

They are to put in a minimal amount of time doing something of benefit for their country and their government and their neighbors. That is all.

Those who have been in jail should go before the new Clemency Board individually; the board will not be vindictive or permissive.

Those who already have served jail terms for refusing to be drafted—how about them? How do they feel about their contemporaries who escaped prison and escaped service, too, by fleeing?

These ex-prisoners, or those among them who have spoken out have in the main asked for compassion.

That is what the President is asking, compassion, not complete forgiveness, repatriation, not continued exile to avoid jail.

Let us forget our preconceptions and accept this program. It is a good one.

LIMITING HANDGUNS

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. DRINAN. Mr. Speaker, I attach herewith a very perceptive article by the Police Commissioner of Boston, Mr. Robert J. di Grazia.

This article, published in the New York Times on September 26, 1974, takes the firm stand that "private ownership of handguns must be banished from this country." Mr. Di Grazia states very categorically that:

> I am saying that no private citizen, whatever his claim, should possess a handgun. Only police officers should.

I commend this article on handguns in the New York Time:

Limiting Handguns

(By Robert J. di Grazia)

Boston.—We buried Donald Brown in May. He was murdered by three men who wanted to rob the supermarket manager he was protecting. Patrolman Brown was 61 years old, six months from retirement. He and his wife intended to retire to Florida at the end of the year. Now there will be no retirement, and she is alone.

Donald Brown was the second police officer to die since I became commissioner here on Nov. 15, 1972.

The first was John Schroeder, a detective shot in a pawnshop robbery last November. John Schroeder was the brother of Walter Schroeder, who was killed in a bank robbery in 1970. Their names are together on the honor roll in the lobby of Police Headquarters.

John Murphy didn't die. He was shot in the head last February as he chased a robbery suspect into the Washington Street subway station. He lived, but he will be brain-damaged for the rest of his life, unable to walk or talk.

At least two of these police officers were shot by a handgun, the kind one can buy nearly everywhere for a few dollars. Those who don't want to buy one can steal one, and half a million are stolen each year. There are forty million handguns circulating in this country; two and a half million are sold each year.

Anybody can get a gun. Ownership of handguns has become so widespread that the gun is no longer merely the instrument of crime; it is now a cause of violent crime. Of the eleven Boston police officers killed since 1962, seven were killed with handguns; of the seventeen wounded by guns since 1962, sixteen were shot with handguns.

Police officers, of course, are not the only people who die. Ten thousand other Americans are dead at the price of our promiscuous right to bear arms. Gun advocates are fond of saying that guns don't kill, people do. But guns do kill.

Half of the people who commit suicide do so with handguns. Fifty-four percent of the murders committed in 1972 were committed with handguns. Killing with handguns simply is a good deal easier than killing with other weapons.

Rifles and shotguns are difficult to conceal. People can run away from knife-wielding assailants. People do die each year by drownings, bludgeonings and strangulation. But assaults with handguns are five times more likely to kill.

No one can convince me, after returning from Patrolman Brown's funeral, after standing in the rain with hundreds of others from this department and others, that we should allow people to own handguns.

I know that many people feel deeply and honestly about their right to own and enjoy guns. I realize that gun ownership and self-protection are deeply held American values. I am asking that people give them up.

I am committed to doing what I can to take guns away from the people. In my view, private ownership of handguns must be banished from this country. I am not asking for registration or licensing or outlawing cheap guns. I am saying that no private citizen, whatever his claim, should possess a handgun. Only police officers should.

POLITICAL PRISONERS IN UKRAINE

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. WIDNALL. Mr. Speaker, I call the attention of my colleagues to the plight of Ukrainian political prisoners in Ukraine and elsewhere in the Soviet Union, many of whom are being subjected to inhuman treatment and torture by Soviet prison authorities.

It is reported that in the period between 1970 and 1973 over 560 Ukrainian intellectuals have been arrested and sentenced in secret trials to severe terms of imprisonment under the pretext of conducting "anti-Soviet propaganda and agitation." In actuality, these young men and women criticized the unbridled persecution of the Ukrainian people, the arbitrary terror of the KGB—Soviet secret police—and the unrestrained Russification of the Ukrainian language, culture and national traditions, and above all they were punished for their demand for the implementation of human rights in Ukraine.

Among these prisoners are Valentyn Moroz, a 38-year-old Ukrainian historian, and Leonard Plyushch, a 34-year-old mathematician, who are being tortured and driven to insanity.

Valentyn Moroz, sentenced for the second time, to 9 years of imprisonment and 5 years of exile, went on a hunger strike on July 1, 1974, and said that he will continue to refuse food until he is transferred to a concentration camp. His fate is unknown. The New York Times of September 7, 1974, reported that Moroz was dying. This information was supplied by Moroz's wife, Raissa Moroz, to V. S. Fritchett, president of P.E.N. International, the writer's association.

Prof. Andrei D. Sakharov, noted Soviet nuclear scientist, appealed to Prime Minister Pierre E. Trudeau of Canada, asking him to ascertain through official channels the fate and health of Valentyn Moroz.

Leonid Plyushch, another Ukrainian intellectual, has been confined since January 1972, in a psychiatric ward in Dnipropetrovsk, where he has been administered large doses of haloperidol which contributed to the rapid deterioration of his health. He is described as "near death." More than 900 mathematicians who took part in an international congress in Vancouver, British Columbia recently, have sent petitions to Premier Aleksei N. Kosygin requesting the immediate release of Leonid Plyushch.

I urge my colleagues in both Houses of Congress to appeal to President Ford, and through him to the governments of the free world, to intervene on behalf of these two martyred Ukrainian intellectuals. This is not a political matter, but a case of humanity and justice.

SYLVA ZALMANSON FREED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, it is with great joy and relief that I learned of the release of Sylva Zalmanson, one of the first of the Jewish prisoners of conscience who had been serving a 10-year sentence in a hard labor camp, for her role in the abortive Leningrad plane hijack attempt of 1970.

Although Sylva was freed and given permission to emigrate to Israel, the heroic 30-year-old champion of her people refused to leave unless Soviet authorities would permit her husband and two brothers to depart for Israel as well. All three men were sentenced by the Soviet authorities in relation to the same hijack attempt. Indeed, her husband Eduard S. Kuznetsov had been sentenced to death but after worldwide protests, Moscow reduced the sentence to one of 15 years in a prison camp.

Upon her release, Sylva expressed "endless thanks" for the international appeals on her behalf. Israel, she noted, "is the aim of my life and I cannot envisage my future outside Israel."

Mr. Speaker, as one who journeyed to the Soviet Union last year in an effort to secure the release of Jewish prisoners of conscience, I am elated that Sylva can now journey to the land of her people. According to reports from informed sources, while in prison Sylva developed tuberculosis and an ulcer. She was given heavy work assignments and was periodically punished.

Clearly, Sylva and other Jews released by the Kremlin are only accorded freedom because of the Soviet Union's wish to spur trade with the West. Hopefully, the protests which were voiced for Sylva will continue until the Kremlin frees her family members now imprisoned. As the Jewish New Year shortly approaches, men of good will pray that Sylva and her relatives will be resettled in Israel so that they may experience finally the "shalom" and tranquillity which they abundantly earned.

GI EDUCATION BILL

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. SHOUP. Mr. Speaker, the following letter was received from one of my constituents. He asked that his views be made known to the Members of Congress and that they be made a part of the RECORD.

The letter follows:

AUGUST 23, 1974.

U.S. CONGRESS:

Yesterday, August 24, 1974 you reduced the GI education bill and sent it back to the Senate. I disagree with this decision, and feel you were very unfair to many of us attending vocational schools.

I am a GI and a vet of 20 years' service. My situation is not as bad as those who are younger and living strictly on what the Government gives them. Many times we older vets have to speak up for them, because they will just sit back and suffer.

In my own case, after 20 years of service, I have to change my vocation, because the work in this area requires a change.

So I do know the situation!

First: You decided that a GI who wasn't going to college is not as good or important as the one who was, so you trimmed the payment to those vets by 5 percent, from 23 to 18 percent. This is discrimination in the highest form. I do not consider those GI's that are going to college any better or more deserving than we who are attending vocational schools. You have wronged us, and I protest.

Second: The 18% you would award us, and/or the 23% you would award those important college GI students, is a very low increase.

You must remember that you politicians, both Houses have been promising and working on this bill for a year or more. When you first promised action, 18% was enough, now it is not.

Your preoccupation with Watergate and other investigations has terribly slowed much needed legislation. As a matter of fact, if you had spent less on these investigations, you could have increased GI benefits.

I say again, you have been unfair to us.

You are all at fault for you did this trimming and passing to the tune of 386–0. And now you have recessed for Labor Day. So in your hurry you did a hell of a lot of us school going vets an injustice.

This bill should have been passed as it was, with the 23% hike and the increase in months. It also should have been retroactive back to January 1974, when it originally should have passed.

In writing to Sen. Mansfield I voiced an opinion, and will share it with you.

"When cuts in the budget are needed politicians always look to the Military, the GI's, or the serviceman."

Once again this cut, to us, in this bill is another indication of that opinion.

I will write to my Senator and tell him to send that bill back so you can recorrect it, and hope that it gets done before this time next year.

WILLIAM BLAKE,
U.S. Navy, retired.

JEWISH NEW YEAR 5735

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, it gives me great pleasure to extend sincere and warm New Year wishes to my constituents and friends of the Jewish faith. Rosh Hashana, the Jewish New Year of 5735, falls on our own calendar on September 17 and 18. Jews throughout the world will pray in their synagogues for peace, health, happiness, and prosperity, the goals of men of all religious persuasions.

The shofar or ram's horn which is sounded in synagogues on Rosh Hashana stems back to the Biblical account of Abraham's intention of sacrificing his son Isaac as commanded by God. Because Abraham, founder of the Jewish faith, showed in this act his supreme belief in God, the Lord told Abaham to sacrifice a ram in Isaac's place. The ram's horn marks this occasion.

But in addition, the piercing sound of the shofar proclaims the sovereignty of God and serves as a reminder to Jews that on the New Year the Lord weighs their behavior of the year past as an indication of the type of the year they will have in the future. The shofar is a call to judgment.

The year ahead presents many basic challenges to Jewish well-being and destiny. Whether or not the hundreds of thousands of Jews in the Soviet Union who seek to emigrate to Israel will be permitted to do so will probably be decided in the year 5735. I visited the U.S.S.R. in 1973 and saw the desperate hope that the dissidents have that they will be allowed to lead free lives in a Jewish state. Both before and after the trip to the Soviet Union, I have made the fate of Soviet Jews one of my main concerns.

The New Year will also see the future of the ceasefire in the Middle East. Will the Soviet Union continue to arm the Arabs unremittingly and prevent any steps toward peace, or will that region experience the tranquility in the future that it deserves? The economic hardships in absorbing tens of thousands of refugees from the U.S.S.R. is also a matter which Israel must resolve in the future. In this regard, let us hope that the persecuted Jews in Syria will be allowed to emigrate to Israel.

At home, the plight of the Jewish aged, the precarious future of many established Jewish neighborhoods beset by crime, the cancer of quotas which discriminates against qualified Americans of all backgrounds, the problems of the urban Jewish poor—these are all problems which require attention in the year ahead. I have spoken out in past years unequivocally on the above issues and will continue to express myself on them in the future.

May we all be enscribed in the Book Of Life in the Year 5735 and may the year, above all else, be one of shalom—peace—for Jews and all mankind.

THE "SUPER PLANT"—FOOD FOR THE FUTURE

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. SEIBERLING. Mr. Speaker, in order to meet the world's future food needs, we are going to have to develop a new food technology capable of doubling current production levels. Researchers at the International Corn and Wheat Improvement Center in Mexico are working toward this goal by trying to develop a "super plant" which combines the desirable characteristics of a variety of plants, including resistance to drought, insects, and disease, high yield and food value, and self-fertilizing ability. The following article from the September 5, 1974, New York Times describes their work in further detail.

Research like this is essential to avert worldwide hunger and malnutrition in the years ahead. The Food Research and Development Act of 1974 which I recently introduced would insure that such research continues and is applied to our practical food needs.

The article follows:

SCIENTISTS SEEK TO BREED A "SUPER PLANT" TO GUARANTEE FOOD SUPPLY

EL BATAN, MEXICO.—Plant breeders have long dreamed of combining the most desirable characteristics from a variety of agricultural crops into a single "super plant" that could resist insects, survive droughts and still produce large yields of highly nutritious food.

Until recently the biological forces that prevent one species from mating with another—barriers without which the present diversity of species could never have evolved as distinct lineages—have prevented this.

Now, however, researchers at the International Corn and Wheat Improvement Center here are developing techniques to overcome some of these barriers. They have already created strange new kinds of food plants that could be the forerunners of wholly new crops that an expanding population may have to rely upon in the next century.

SUCCESSFUL DRUG USE

One hypothetical superplant that has not yet been developed but that exemplifies the long-range goal would combine the drought tolerance and disease resistance of barley, the self-fertilizing root system of the soybean and the high yield and food value of wheat.

Because such plant species are not closely related, conventional hybridizing methods do not work. The scientists have found, however, that injections of the same drugs used to combat rejection of transplanted organs make it possible to overcome the biological barriers.

Although the research is still in a very early stage, the usefulness of the technique has already been demonstrated. If further experiments uphold the promise, the center's scientists say the method, called wide crossing, could be of major significance in further increasing food production 20 to 30 years from now.

By that time, it is expected, additional yields to be gained from further plant breeding within existing species will have been exhausted.

"Some people consider this work too futuristic," said Dr. Armando Campos, who is conducting the research at CIMMYT, the acronym from the center's name is Spanish, Centro Internacional de Mejoramiento de Maiz y Trigo.

"It is futuristic," Dr. Campos added. "If there's a payoff, it won't come for many, many years but I know this: many, many years from now we are going to need to increase our food production still more. We must start now if we are going to be ready then."

The conventional way to cross two varieties of the same species is to remove the male-organs from the normally bi-sexual flowers of the plant, thus preventing pollination of the variety by itself, and to dust pollen from another variety over the remaining female organs.

INJECTIONS INTO LEAF

If the two varieties are of differing species, the pollen fails to fertilize the ova within the female organs. The exact nature of the barrier to fertilization is not well understood but one theory is that it might be analogous to the immune mechanism in animals that prevents grafting of foreign tissue onto a host.

Working on this theory, Dr. Lynn S. Bates of Kansas State University experimented with a number of drugs used to suppress the rejection phenomenon in organ transplants. He injected them into the leaf enclosing a wheat spike for a number of days as the flowers emerged.

When the female organs were dusted with pollen from a barley plant, the fertilization was successful and an embryonic plant formed to become the germ of the resulting seed.

Working in cooperation with Dr. Bates, Dr. Campos has adapted the techniques for use at CIMMYT and improved the methods for growing the wide-cross seed into an adult plant. In the early days, many of the embryos died before the seed could be planted.

Dr. Campos developed a method of cutting the embryo away from the starchy portion of the seed and placing it in a test tube of sterile nutrient whereupon the embryo develops tiny leaves and roots. At this stage the plantlet is transplanted to a flowerpot and grown to maturity.

This method has led to a much higher proportion of surviving wide crosses, not only of wheat with barley but of barley and rye, wheat and rye, wheat and a wild grass, corn and a wild cornlike species that is resistant to drought, and many others.

Because the resulting hybrid plant contains one set of chromosomes from one species and a nonmatching set from another species, the plant is usually sterile and of no immediate use. Dr. Campos has overcome this difficult by treating the young plantlet with colchicine, a chemical that causes the chromosomes in each cell to duplicate themselves. This gives cells the matching sets of chromosomes necessary to become fertile and able, through self-pollination, to produce their own new generation of fertile seeds.

RON DELL, POST COMMANDER OF AMERICAN LEGION

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. FINDLEY. Mr. Speaker, as a member of the American Legion and as an American, it makes me doubly proud to note that Ron Dell, perhaps the first Vietnam veteran to become an American Legion Post Commander has been installed in that position in Pittsfield, Ill., my hometown.

I believe that the Legion deserves tremendous credit for being one of the first organizations recruiting Vietnam-era veterans at a time when they are sometimes looked on as somehow different and unacceptable for their experiences in Southeast Asia.

It is true that many of those who served in Vietnam came back changed. Some are addicted to drugs, others are angry and bitter, and some were injured and will carry the scars of war for the rest of their lives.

But these are not reasons to cast them out. Rather, they are the very basis for offering a helping hand and a smile of welcome.

The American Legion knows this, and the Pittsfield post has set an admirable example by the installation of Dell. It would be good for the rest of the country to follow the Legion's lead and bring these men into the mainstream of American society.

I fervently hope that this is only the beginning of a period in which a new generation is welcomed not only into veteran groups and other organizations, but into all of society.

SOCIAL SECURITY SAGS UNDER LOAD

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. EDWARDS of California. Mr. Speaker, the following editorial from the San Jose News indicates the continuing inability of social security offices to adequately serve social security and supplemental security income recipients. The Social Security Administration began planning many months before the SSI program started so that they would be prepared for the heavier workload. Now, 9 months since the SSI program began, local offices are still incapable of efficiently and effectively handling the new application. I fully agree with this editorial that we must move to improve this serious situation.

The editorial follows:

SOCIAL SECURITY SAGS UNDER LOAD

For years the Social Security administration was held up as an example that government bureaucracy could work. Critics might argue about the financing, but the paper work was well handled.

As a result, more and more jobs have been piled on the Social Security apparatus. The breaking point may have been reached when a portion of the welfare load was shifted from county departments to the Social Security offices.

Applications are misplaced. Checks fail to show up. Aged and disabled people are forced to perch for long periods in an office while they struggle to cut through the red tape.

Mrs. Laverne Saxbury, regional Social Security director for Santa Clara County, admits waiting time is measured now in hours rather than minutes.

Agency officials are sympathetic but claim they lack the staff and facilities to regain the former Social Security standard of service.

A spokesman for the agency's Baltimore headquarters says progress is being made but "at the expense of good service to the public."

We cannot say whether the answer is more staffing, more automation or a major reorganization.

Congress, however, must demand some answers right now and then see that effective measures are taken to correct this situation.

REMARKS OF HON. ALBERT H. QUIE AT THE SUMMIT CONFERENCE ON INFLATION

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, at the recent Conference on Inflation, there were many eloquent statements.

One of those making a presentation was our colleague, Al Quie. Since his concise, thoughtful remarks were among the best, I want to share them with all readers of the Record:

REMARKS OF HON. ALBERT H. QUIE AT THE SUMMIT CONFERENCE ON INFLATION

Mr. President, the four Rapporteurs have fairly represented the very lively discussions during the HEW Conference on Inflation. I would like to share here three of the observations and three of the conclusions I personally came to as a result of my own experience in that Conference.

My first observation is that each segment of society is convinced that it is much more the *victim* of inflation than one of its *causes*. Therefore, most don't believe they have a personal responsibility to be a part of the *solution*.

Second, I observed a general suspicion toward government which many carried into the HEW Conference—and I can't say I blame them. But some individuals reflected outright hostility. They felt they were "being used." This attitude—while understandable to some degree—often detracts from free and open discussion. This *preconceived* distrust only builds barriers to constructive decision-making. Many are becoming experts at interest group advocacy but inflation plus our need for problem solving calls us to develop the capacity for reconciliation.

Third, the case was dramatically made for a greater national sensitivity to the human problems of those within the HEW constituency. I hope every one, in government and outside, hears the message that came out of this particular minisummit. Inflation does hurt us all. It is a problem that no one can escape. But some elements of society suffer *more* relative to others. There is little room to measure *relative* suffering among the poor, the disabled and the educationally disadvantaged. Their suffering is absolute.

Now, for three conclusions. First, holding back federal expenditures will *not*, by itself, solve inflation. But a non-inflationary budget is a high priority with me and with most of my colleagues in the Congress.

Second, some aspects of the budget affect inflation more than others. Those who suffer the most from inflation should not be asked to suffer more in order to solve inflation. As total expenditures for social service programs increase—and they will increase—preference should be given to those in greatest need. To do this, better evaluation is necessary and the effectiveness of the programs must be increased.

Finally, this kind of national forum is

good. I have listened and I have learned. We should continue to expand this idea of free and frank exchange. Although Washington has slowly accumulated unquestioned power, it has not accumulated unquestioned wisdom. We in government must listen to you. And when you perceive a consensus, you must also provide leadership.

RICE FOR THE HUNGRY

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ALEXANDER. Mr. Speaker, in today's New York Times, there appeared an editorial which objectively appraised the decision facing Congress with regard to this country's food policy. In this time of inflation, hunger, and economic instability, can we afford not to act openly in deciding whether or not to change an outmoded agricultural policy? I insert the editorial in the RECORD, as follows:

RICE FOR THE HUNGRY

The Rules Committee of the House of Representatives is reconsidering its refusal to let the full House vote on a bill that would lower the cost of rice to a hungry world. The bill, which would lift much of the restriction on rice growing, would benefit not only the poor consumer in America's cities but also those Arkansas and Mississippi farmers who would gladly substitute rice for more economically uncertain crops but cannot do so because of present Government-imposed limitations. That explains the bill's unusual combination of support from Congressmen so rarely in tandem as Representatives Rangel of New York and Whitten of Mississippi.

Beyond its direct beneficiaries, the bill would provide additional hope for literally millions of hungry people in a world in which food production must rise by at least 2 per cent a year just to keep pace with the mounting population. Ironically, on the same day that the Rules Committee, by a tie vote, appeared to doom the Rice Act of 1974, President Ford was telling the United Nations of his desire to export more American food to the poorer countries of the world.

No one is overtly in favor of limiting food supply in a world of malnutrition, starvation, ever-rising prices and—as a consequence of these—severe social unrest. But indirectly that is the effect of pressures from the rice-growers of California, Texas and Southwest Louisiana. Having known hard times and the harsh effect of surplus crops on their own fortunes, many are leery of unregulated production. They are satisfied with their allotments under the present law and rely on the crutch of price supports should it be needed. They do not want to exchange these for an increased competition, which presumably would lower prices. In a world of growing food scarcity, super-protection for the few becomes unconscionable at the price of life itself for millions of others. Such is the demand for rice today that the price would not in any case sink to a degree that would seriously damage the producers of that commodity. Indeed, about all that anyone hopes is that the price may finally be stabilized for rice consumers, who have already seen the cost of this filing substitute for more expensive foods double in the last year.

The Rice Act should by all means be reported out favorably—and in time to allow a vote in both houses before the Congressional session expires. There is little doubt as to how that vote would go.

BILINGUALISM AND THE MELTING POT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, Friday's Washington Post carried a column by Stephen S. Rosenfeld which deserves thoughtful study and consideration by all Members of Congress.

His topic: Bilingualism. As H.R. 69 was passed recently, one of the more far reaching and little discussed aspects of that act was our major expansion and redefinition of bilingual education.

In an effort to contribute to a more careful policy discussion of the Rosenfeld article and the profound issues raised in it, I want to include it at this point. This matter deserves discussion and debate.

BILINGUALISM AND THE MELTING POT

(By Stephen S. Rosenfeld)

With practically no one paying heed, the Congress has radically altered the traditional way by which immigrants become Americanized. No longer will the public schools be expected to serve largely as a "melting pot," assimilating foreigners to a common culture. Rather, under a substantial new program for "bilingual" education, the schools—in addition to teaching English—are to teach the "home" language and culture to children who speak English poorly.

This $170 million-a-year program, written into the just-signed 1974 Education Act, is justified by its sponsors and supporters for its promise of enhancing the ethnic self-respect, and thereby the educability, of an estimated five million school children. Most speak Spanish; others speak Chinese, French and American Indian languages.

The purposes of bilingualism sound noble, but some of the possible personal effects and political implications strike me as extremely disturbing. That, according to sponsors, the bilingualism provision was enacted without *any* public challenge only deepens my apprehension.

Bilingualism rode into law on a tide of widespread—and uncontested—awareness that children who arrived in school speaking English poorly tended to do poorly in school.

According to the traditional melting pot theory, the remedy would be to improve the programs intended to help kids learn English and, generally, to help kids keep up and catch up. All previous immigrant children were subjected to this discipline.

The bilingualism program that won the day, however, calls for use of both English and the native language as mediums of instruction in the basic school curriculum. It includes the study of the history and culture associated with the native language.

This seems to me objectionable on two grounds.

First, it is not clear how educating children in the language and culture of their ancestral homelands will better equip them for the rigors of contemporary life in the United States. I do not understand why, in the copious material presented to the Congress in support of bilingualism, there was not the faintest suspicion expressed that the program might make kids even less competent and less motivated to deal in a competitive English-speaking society.

Let us concede that bilingualism will do everything its supporters claim to foster a child's pride in his family roots, to narrow the gap between his home and school, and to reinforce his personal self-esteem. Will it not also distract his attention from learning English and the social skills that accompany the learning of English, or give him an excuse for not buckling down hard on English?

The other objection is more subtle but in its way no less serious. Bilingualism springs from a very different idea of America than what the public institutions of this country have accepted in the past.

As a "nation of immigrants," in John Kennedy's phrase, we have long accepted the idea of "Americanization," a concept involving not only the mastering of a common language and the achievement of a common culture of sorts but—in Nathan Glazer's words—a commitment to common political values and "the sense of the United States as a country dedicated from its birth to distinctive and great ideals."

In an article, entitled "Ethnicity and the Schools," in the latest Commentary, Glazer raises a profound question. Is "the current wave of ethnic feeling which seems now to be sweeping over America"—the wave which carried billingualism into public policy—weakening this common American glue and aggravating ethnic tensions and differences?

Glazer, a leading and longtime student of the problem, acknowledges that the assimilationist ideology of the melting pot is under strain, and he is frankly alarmed.

The other side of his anxiety is well represented by the certainty of Sen. Alan Cranston (D-Calif.), who introduced the original billingualism bill. The measure "clearly rejects the idea that the prime objective of the school is to wipe out all differences in style, heritage, and language backround," he declares. "This is the route that schooling in America has traveled historically, and it reflects an *anti-minority tradition* in American public education (italic added)."

One does not have to condone all the flaws in American culture and education to realize that Cranston is rushing past a vast and valuable realm of the American experience. To dismiss the complexities of group relations and ethnic diversity in the United States so lightly does a disservice to the larger issues involved.

The billingualism law describes its own goal as producing "a child with a full understanding of his cultural heritage." But I think the proper and prior goal of the public schools should be to inculcate a full understanding of the child's American inheritance. This is something worth a great deal more public debate than it has so far received.

H.R. 16032

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, I rise in support of H.R. 16032, legislation which will authorize additional funding to allow continued operations of Eisenhower College and for other purposes.

Eisenhower College was accepted by the 90th Congress as a "living memorial" to the former President, and was done with General Eisenhower's support. In its brief history, Eisenhower College has been remarkably succesful in terms of matriculating students to pursue careers in the science of politics. The college graduated its first 4-year class in 1972, and received full accreditation in December of that same year, a remarkable accomplishment which was achieved in less than 5 years. Today Eisenhower College's student body hails from 31 States as well as 15 foreign nations.

Yet all that Eisenhower College has accomplished in the past, as well as its bright promises for the future, stand in jeopardy due to a severe lack of funds. Traditionally colleges rely on alumni contributions to maintain themselves, but due to the newness of Eisenhower College she has been unable to tap this important resource for assistance. While it is true that they have received many private donations, these have represented but a dent in the overall financial needs of the institution.

What this legislation seeks to do is authorize up to 9 million dollars in additional funding for the college contingent on the number of proof Eisenhower silver dollars which are sold by the U.S. Mint.

Failure to approve this legislation may represent the last gap for Eisenhower College as a viable institution of higher education. It would mean further that there would be no effective method of fulfilling the personally expressed wishes of General Eisenhower that Eisenhower College not only be established in his honor, but it survive as well.

Dwight David Eisenhower served his Nation with distinction and honor both as President and as a general in the successful European campaigns of World War II. The U.S. people deserve not only to have a lasting remembrance of the late President, but a memorial which will allow his memory to live on. As a cosponsor of the bill, as well as a member of the subcommittee which considered this legislation, I was impressed by the students who currently attend Eisenhower College, who came to eloquently testify on its behalf. They too deserve our support today, as they have the potential to contribute much to America's future welfare.

I hope that my colleagues will join me this afternoon in supporting the continued funding of Eisenhower College. We will not be making the college rich by any means, rather we will be giving her students the opportunity to reach their academic fulfillment. Therefore on behalf of preserving the memory of a great American statesman as well as insuring the continued educational growth of our youth, I urge passage of this bill today.

MEXICAN INDEPENDENCE

HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. O'BRIEN. Mr. Speaker, this year marks the 164th anniversary of Mexican independence and September 16 is a day as significant in Mexican history as July 4 is here in our United States. It is a day when Mexicans and all people of Mexican descent reflect with pride on the stirring events that led to the overthrow of Spanish rule in that country.

In the late 1700's New Spain, as Mexico was then known, was oppressed by the heavy taxes, despotism, wornout policies, and political uncertainties brought on by Spanish rule. The seeds of discontent blew across the country and a progressive movement against Spain began to take root.

Slowly the movement grew and a leader emerged. He was Miguel Hidalgo, a Mestizo and Creole parish priest in Dolores. Encouraged by news of political turmoil back in Spain and inspired by the democratic ideals and liberal rebellions of neighboring countries, the scholar and philosopher began organizing a revolution. At first, he rallied friends and servants but his cause soon attracted upper "caste" professionals who were dedicated to creating a new republic, ending slavery, educating the poor, and revitalizing the arts and sciences.

On September 15, 1810, one of the conspirators denounced the plot, but loyal followers managed to get word of the treachery to Hidalgo the next day. He immediately launched his attack on the still unready Spanish administrators with the cry "Long live Mexico" and "Long live our independence." This famous phrase became known as the Cry of Dolores.

Thousands rallied behind him and for the first time in centuries, mestizoes, creoles, and natives fought side by side as one.

Although at first they were heavily outnumbered, the liberators grew swiftly in number and after 11 years of long, bloody warfare, the Spanish were overthrown. The despised name of "New Spain" was discarded and replaced by the name "Mexico," chosen to honor the courageous Aztec or Mejica warriors who had fought against the Spanish long ago. The final triumph came with the ratification of the new constitution in 1822.

Earlier this month I had the great pleasure of joining the Mexican-American community in Joliet, Ill., to celebrate Mexican Independence Day. It was a delightful and inspiring fiesta culminating in a banquet sponsored by the Organizaciones Hispano Americans.

It was the third time I had had the pleasure of participating in this gala event. Once again, I was impressed by the immense warmth and vitality within the Spanish-speaking community. Their devotion to their families and friends, their traditions and their deep religious convictions, are the qualities that helped make this Nation great and helped to mold young people into good citizens.

I would like to take this opportunity to thank everyone who worked so hard to make the Fiestras Patrias a success. In particular, I would like to congratulate Senor Navor Rodriguez and his charming wife, Margarita, on the excellent job they did in organizing the fiesta.

NEW PROGRAM USES OF AUDIO-VISUAL MEDIA TO HELP THE DEAF

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. CONTE. Mr. Speaker, we are proud to have in my district the Northeast Regional Media Center for the Deaf, at the University of Massachusetts in Amherst. The center is responsible for generating new and better ways to help hearing-impaired and deaf students in our schools.

Among the new approaches coming from the center is the visual communications program "designed to teach middle-school-aged deaf students how to communicate specific information to their peers using visual media such as graphics, photography and videotape."

The first test of the program reveals "that students consistently completed objectives at very high levels of proficiency—teacher reactions to the program were strongly positive—many of the teachers who participated in the field test are planning to integrate the NRMCD visual communications program into their standard school curricula."

The ultimate success will depend, in part, on a couple of important things which involve the Congress: First, our continued strong support for education in general and aid for the education of the handicapped in particular, and second, our continued funding of title III, National Defense Education Act—NDEA III—which gives our elementary and secondary schools the matching money teachers need to carry out programs for the deaf. NDEA III helps schools which are trying to include education of the deaf in regular curricula. It takes money to install the audio-visual equipment and materials required for an adequate visual literacy program. As a member of the Labor-HEW Appropriations Subcommittee, I am proud that over the years we have recognized this fact.

Mr. Speaker, I insert at this point in the CONGRESSIONAL RECORD "A Visual Literacy Program for Deaf Students," by Jill C. Dardig, Audiovisual Instruction, October 1974:

A VISUAL LITERACY PROGRAM FOR DEAF STUDENTS

(By Jill C. Dardig)

The generation of students presently in our educational system are growing up in a unique environment—they have had continuous and overwhelming exposure to visual media and messages through television, film, photography, graphics, and other manifestations of the current technology. Outside of school, these media have been ever-present influences in their lives. But, for most students, their relationship to the media both in and out of school has remained a passive one. They customarily have been in the position of being the recipients in a one-way process; of watching but not participating. In recent years, the recognition of the one-sidedness of this situation has lead many educators to express their concern that communication through the visual media should be a two-way process with students taking an active role.

The teachers, media specialists, and researchers who have been involved in the visual literacy movement are showing their concern in a practical way by developing programs which teach students to actively manipulate the tools of technology for educational purposes. Although the majority of visual literacy programs have been designed for use with average school populations, the potential for extending their use to benefit students with special educational needs is beginning to be explored.

One such special population, hearing

impaired and deaf students, is particularly dependent on visual communication skills for learning about their environment and for sharing their responses with their teachers, parents, and peers. Educators of the deaf are acutely aware that visual clues are crucial to the deaf child's development of communication skills, and that the deaf child needs continuous visual stimulation and training in order to develop this sense to its fullest utility.

Teachers, media personnel, and others have long sought to improve the quality and effectiveness of education of the deaf by using mediated visual means. But although mediated as well as non-mediated visual language instruction forms the dominant segment of a deaf child's classroom experience, deaf children have an extremely difficult time acquiring both receptive and expressive functional language and communication skills. An additional problem, low levels of student interaction, is an outgrowth of the language deficit.

A visual literacy approach, which allows students to express those things which they may not be able to verbalize using visual means, is one way of starting to deal with some of the language and communication problems which are common with deaf children. However, despite the fact that media have long been an integral part of education of the deaf, there has been a noticeable lack of visual literacy programs and materials geared especially for deaf students.

In response to this lack of visual literacy materials for deaf students, the Northeast Regional Media Center for the Deaf (NRMCD) developed a Visual Communications Program designed to teach middle-school aged deaf students how to communicate specific information to their peers using visual media such as graphics, photography, and videotape. In addition to teaching specific visual communication skills, the program was designed to facilitate high levels of student interaction and participation, and to function as a set of stimulus materials for language development.

Receptive and expressive visual communication skills are shaped in this program using a set of 42 curricular objectives and activities described in a teacher's guide. These are supplemented by corresponding materials which include 68 overhead transparencies, 20 black-and-white photographs, 10 color slides, and assorted commercial materials. The program was specially designed to incorporate the following features:

OBJECTIVE-BASED

The NRMCD Visual Communication Program is objective-based. That is, the entire curriculum is guided by a set of behavioral objectives keyed to sets of activities, suggested teaching procedures, and materials which are designed to facilitate the attainment of each corresponding objective. Objectives range from expressing emotions and communicating environments using drawings and collages, to telling a simple story using a series of photos, to creating an animated film to convey a particular theme.

SUCCESSFUL COMMUNICATION

The important question, "How will we know if visual communication is successful" is a major concern of this program. In order to determine to what extent each student project, no matter how simple, has met the stated objective by communicating the student's intended message to his/her peers, a "successful communication" test is used. For the purpose of the NRMCD program, "successful communication" is operationally defined as "the information presented is correctly identified by at least one-half of the class." After completion of the projects suggested by each objective, each student presents his/her work to the class, which tries to identify the intended message. Thus, successful communication is determined by the relative criterion of peer response rather than by any predetermined and abitrary standards.

The application of this test is critical for the success of the program because through this vehicle students are able to immediately evaluate their own efforts and to obtain useful feedback on how to make improvements. The program is structured so that students are likely to succeed in completing the majority of objectives.

FOCUS ON ENVIRONMENT

Most of the activities require children to become involved with their in- and out-of-school environments, both as observers and as communicators of information. This focus on the child's environment serves to stimulate active student responses using new channels of communication based on a content area with which the student is already familiar.

INDIVIDUALIZATION

This program relies on the individual teacher to adapt the program—both in presentation of and response to the materials—to the level of each particular class. Several strategies are used for this purpose. The lower portions of all transparencies are left blank, allowing the teacher to clarify or extend the concepts presented whenever necessary; the teacher is encouraged to re-order, omit, or add objectives of his/her own choosing; and a section of each objective worksheet designated as "Individualization Strategies" includes alternative activities and procedures for implementing each objective.

For these reasons, the ages and achievement levels of participating students can span a wider range than if the program did not encourage this kind of flexibility.

ACTIVE STUDENT RESPONSE

Activities and visual stimulus materials are designed to promote active response on the part of the students. Channels are continuously provided for each student to respond in a variety of visual and verbal modes including writing, oral and/or total communication, and mediated communication. This particular feature of the program is built in so that the teacher can continuously monitor student progress toward the completion of objectives; student interest can be more easily maintained through active participation; and students, who have long been passive recipients of mediated messages via print advertisements, television, and film, can begin to take an active role in the media communication process.

INTERACTION

Since this curriculum is concerned with shaping new and useful communication skills, peer interaction is an important component of the program. Classroom activities are structured so that there are constant opportunities for students to exchange ideas in a variety of different sized groups through discussions, cooperative group activities and projects, and in using the "successful communication" test procedure.

The field test and evaluation of the prototype version of the NRMCD Visual Communications Program involved approximately 100 students aged 9–20 years in 13 classes for the deaf in 12 different schools during the spring of 1974. The results of the evaluation showed that the students consistently completed objectives at very high levels of proficiency. In fact, the majority of students successfully completed objectives at an average rate of 85–88 percent. In addition, teacher reactions to the programs were strongly positive. Many reported that students showed improvements in written and oral or sign language, especially in terms of variety, sequence, and fluency of response; higher rates of student interaction; and high levels of student interest and participation. The evaluation also served to pinpoint several areas which might be the focus of further research.

Many of the teachers who participated in the field test are planning to integrate the NRMCD Visual Communications Program into their standard school curricula. The program is currently being revised and is being considered by the National Center for Educational Media and Materials for the Handicapped for distribution this fall.

VIETNAM: LESS U.S. MONEY, FEWER VIETNAMESE DEATHS OR HOW TO BUY A DOVE AT CUT-RATE PRICES

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. LEGGETT. Mr. Speaker, for many years I and an increasing number of my colleagues have advocated a lower level of spending for war in Vietnam. It has been our contention that less money would not only reduce the level of violence, it would also force the ARVN to be more efficient both in their operations and in consumption of their materials.

I am gratified to report that the evidence appears to bear out this position. A recent article in the Washington Star-News reports that both American and Vietnamese officials agree that the reduced funding level mandated by Congress has had an entirely salubrious affect on the ARVN. Vietnamese forces are coping well with the less extravagant amounts of money at their disposal and, in the process, are becoming much more effective. A most welcome side effect of smaller military firepower will undoubtedly lead to a lowering of the noncombatant casualty rate.

This is precisely the stated policy of the United States. In cutting the MASF budget we cut no muscle; what we did was to cut away the fat that was forcing the muscle into advancing atrophy. It is quite possible that our own Armed Forces could benefit from some of the same sort of surgery. It is obvious from this experience that inventiveness and ingenuity seem to leave the military inversely in proportion to excess money becoming available. We could benefit greatly from some positive creativeness and ingenuity in our own military establishment; perhaps the way to acquire this is to be a little more parsimonious with our defense dollars in coming years.

The article from the September 20, 1974, Washington Star-News follows:

Cut U.S. Aid Held Sufficient for Saigon Forces

(By Tammy Arbuckle)

Saigon.—The $700 million in American military aid to South Vietnam is sufficient for the South Vietnamese army to stop the Communists, and indeed this reduction in U.S. military aid may, in the long run, make the South Vietnam army more effective, informed military sources say. Some middle level South Vietnam military agree.

The sources base their view on a combination of two circumstances. These are a new look at, and reshuffle of, logistic priorities by the United States, and a change in South Vietnam army tactics with a drift to less conventional warfare. Informed military sources qualify their assessment that $700 million is sufficient with the condition that these two things should continue to go ahead successfully.

This assessment would seem to run counter to other reports from Saigon that proposed congressional military aid cuts will put the South Vietnamese in deep trouble. Many of these reports are based on U.S. embassy reports to newsmen that fuel already is cut by 50 percent, planes are not flying, shells are insufficient and so forth.

It seems, however, all those public complaints by U.S. officials in Saigon are a final attempt to stave off congressional cuts. But underneath the furor, U.S. officials expect these reductions and are revamping logistics to suit the funds they expect to be available, informed sources say. Americans privately confirm this.

The sources point to the record of U.S. Gen. Homer Smith, the new Saigon defense attache. Smith's background is logistics from lieutenant on up. Experts consider him the right man for the job ahead.

Describing what is ahead, sources said the cuts in fuel and other supplies recently made public by U.S. officials is a reaction to American overspending in South Vietnam in the first quarter of fiscal 1975. The U.S. Embassy was basing its expenditures on hoped for military funds of up to $1 billion.

They anticipated going ahead with the war on a continuing resolution basis.

Sources said there is no doubt there is sufficient ammunition and fuel in South Vietnam to prosecute the war but conservation is the U.S. order of the day while logistics are reconsidered and overhauled.

Military experts described the nature of the problem facing the United States in this way. In Vietnam there is a great deal of expensive ammunition including bombs which cost $1,500 each and helicopters which need expensive fuel to fly. But when those expensive items are used they are also expensive to replace. Sources suggest that what might happen is, rather than spend money on bombs the United States will opt to spend the money on very large numbers of mortar shells which are cheap and many military men consider them more effective than big bombs. The South Vietnamese air force may have to mothball most of its 800 helicopters, but this would effectively force Vietnamese commanders to spend more time in the field with their troops instead of passing their time in expensive restaurants in the cities.

Unless there is a changeover to less expensive engines of war, sources warn, the South Vietnamese may find themselves with the costly items they now need less and a shortage of bread-and-butter items such as bullets and mortar shells.

U.S. officials here say no decisions have been made on these matters pending definite information on funds but that the matter is being closely considered. The reductions of jets and fuel are seen, however, as the start of a trend to avoid costly items. The South Vietnamese army for tactical reasons has already been moving to less conventional forms of fighting. It has been little publicized, but South Vietnamese long-range Special Forces teams have already been creating havoc in Communist areas of control in South Vietnam. A few months ago these small special action groups ripped up part of the North Vietnamese oil pipelines near the Laos border. Several North Vietnam supply depots in Communist territory in South Vietnam have been hit successfully. In bigger actions, some of the better South Vietnam units are adapting to night infantry attacks. Airborne troops, for example, at Thung Duc Valley are gaining a 100 yards each night toward the recapture of that district capital near Da Nang. By this method it's argued that the move towards the essential cheaper infantry weapons will reinforce the newborn tendency of the South Vietnamese to, as they put it, use Vietnamese tactics. Yet there should still be sufficient funds, it is estimated, to pay for the artillery and armor still necessary for likely major conventional actions against the even more conventional terrain-grabbing North Vietnamese forces.

It is said by Military sources here that artillery shells were fired much too frequently and uselessly by both U.S. and South Vietnamese forces and that reductions in money will force the South Vietnamese to save their shells and use them only when they are really needed. The greater use of infantry rather than massive and expensive bombing and shelling undoubtedly will lead to a considerable increase in South Vietnamese casualties. The massive bombing and shelling policies were left over from the unwillingness of previous U.S. administrations to risk a political outcry in the United States which would have resulted from any high U.S. casualties. The Americans listed 46,000 killed in nine years of combat in Vietnam.

The South Vietnamese combat formula for coming months if the military aid figure rests at $700 million—as is almost certain since U.S. Senate-House conferees have approved the relevant defense appropriations bill—is therefore likely to be larger use of infantry, more night fighting, and some guerrilla pressure on North Vietnamese and Viet Cong held areas.

For big actions which are seen likely to occur against an increasingly conventional Communist force, armor and artillery with the A37 Dragonfly aircraft for air strikes, a less expensive and more accurate aircraft, will be available.

Military sources see the Communists as fighting for terrain now, tying down some of their own forces in defense, and therefore becoming vulnerable to lighter South Vietnamese forces except in the big battles.

"LADY PEARL" MITCHELL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. STOKES. Mr. Speaker, I wish to direct the attention of my colleagues to the recent decease of a great humanitarian, and one of the first women pioneers of the civil rights movement. On Tuesday, September 10, 1974, I joined Mr. Roy Wilkins and Mr. Gloster Current in the privilege of serving as an honorary pallbearer at the Cleveland funeral of Miss L. Pearl Mitchell. I will forever remember Miss Mitchell, affectionately known to many of us as "Lady Pearl," as one of the people I have most admired and one of the most positive influences on my life and political career. She was honored and revered among us as one who consecrated her life to the cause of promoting human dignity. Most of her adult years were devoted to Christian service and the fight for equal opportunity. She gave unstintingly of her time and talents to the NAACP, the Alpha Kappa Alpha national sorority, and her beloved place of worship, the Mount Zion Congregational Church of Cleveland, Ohio. My brother, former Cleveland mayor Carl Stokes and I treasured "Lady Pearl" for her sterling example of civic responsibility and devotion to public service. We also valued her support for everything we have tried to accomplish for our city. It meant so much to me to hear from Miss Mitchell many times throughout my years in office. She would write constantly with words of praise and encouragement. On one occasion Miss Mitchell sent me a very special poem which she hoped would bolster my courage in times of adversity. For years I have carried this little poem in my wallet. Since it has helped me so much, I want to submit this inspirational message for the benefit of my colleagues:

RIGHT

[From "Leaves of Gold"]

The world is a different world indeed
And the people are hard to suit
And the man who plays on the violin
Is a bore to the man with a flute
And I myself have often thought
How very much better t'would be
If every one of the folks that I know
Would only agree with me.
But since they will not, the very best way
To make the world look bright
Is never to mind what others say,
But do what you think is right.

I trust we may all benefit from the inspiration of this poem, and of Miss Pearl Mitchell's exemplary life of service to the brotherhood of man.

CYPRUS ISSUE DELICATE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. DULSKI. Mr. Speaker, the Cyprus situation is an emotion-charged issue with right and wrong on both sides. Although I am one of many Members of Congress sponsoring the resolution to halt all aid to Turkey until Turkish forces are withdrawn from Cyprus, I was among the 90 Members of the House who voted against adding that amendment to the continuing appropriations bill last week.

I would like to insert an editorial from the Buffalo Evening News of September 26, 1974:

HOUSE MEDDLES IN CYPRUS ISSUE

The House has acted emotionally and rashly in voting to cut off military aid to Turkey until "substantial progress" is made toward settlement of the Cyprus crisis. The Cyprus issue is fraught with the emotions of ancient feuds and modern politics and is now the subject of delicate negotiations between Secretary of State Kissinger and the foreign ministers of Greece and Turkey. In this situation, which calls for the delicacy of a fencing foil, the congressmen have moved in with a meat ax.

While the Turks have undoubtedly taken advantage of the Cyprus strife to move in with an overwhelming force in order to dominate the situation, it was the now-fallen Greek military government that began the crisis by plotting to annex Cyprus to Greece. The United States, which could be faulted for doing too little to restrain the Greeks at the outset, could also be blamed for not doing enough in the end to restrain the Turks from overrunning the island. But having maintained a low profile throughout, it would be unwise for the U.S. to take as heavy-handed a position against Turkey as the House action calls for.

Greece and Turkey are both NATO allies. The fury of the Greeks over the Turkish victory in Cyprus has already caused them to pull out militarily from NATO. Cutting off aid to Turkey at this late date would be likely to also alienate Turkey without doing much to restore our ties with Greece. Adding to the confusion is the fact that

> Turkey is now embroiled in a Cabinet crisis, with an early election likely.
>
> In this situation, the State Department was putting it mildly when it said that the House move to cut off aid would be "very disruptive of negotiations." Hopefully, the Senate can be persuaded to reject this rigid provision that binds the hands of Mr. Kissinger in the continuing sensitive negotiations.

The President has made a personal appeal for Congress to refrain from cutting off the aid during negotiations. My negative vote last week was in response to that appeal; however, I will have no hesitation in supporting the cutoff requirement should diplomatic negotiations prove fruitless.

In the meantime, the President, Secretary of State, and congressional leaders have worked out a compromise amendment under which the President would have to certify that Turkey is making good faith efforts to reach a military settlement on Cyprus. I strongly urge my colleagues to agree to accept this compromise wording in the conference.

AGAINST THE GAS TAX INCREASE

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. GRASSO. Mr. Speaker, any increase in the Federal levy on gasoline would work an unconscionable burden on Americans in Connecticut and throughout the Nation, who are already shouldering the heavy burden of record price increases for food, fuel, and other essentials.

Published reports indicate that the Ford administration is seriously considering such an increase. I have consistently opposed any such proposal in the past, and will continue to do so. Moreover, I pledge to vote against any increase should it reach the floor of the House, and to urge my colleagues to do likewise.

It has been estimated that a 1-cent-a-gallon increase in the gas tax would cost Americans some $1 billion annually in added costs for gasoline. The administration's proposal for a 10- to 20-cent-a-gallon increase would therefore mean $10 to $20 billion a year in added gas expenses for our citizens.

In fact, in my State of Connecticut alone, such an increase would mean some $140 to $280 million annually in added costs for drivers.

Gasoline prices have already skyrocketed. In the past year the national average price for gasoline has shot up almost 17 cents a gallon—an increase of over 44 percent. High prices have cut into demand for gasoline, which is just about even with last year, after rising 5 to 6 per cent annually for many years.

There seems to be little question that a large percentage of the people now buying gasoline need this vital fuel to run their cars to work in the morning and home at night. In States like my own the auto commuter lacks viable alternatives to the car, for necessary transportation. These are the Americans who will be hardest hit by a gas tax increase.

Moreover, an increase in the gasoline tax would cause rises in the cost of transporting food and other essential materials. It would result in a "rippling effect" that would devastate our already inflation-ridden economy. People would be forced to pay even more for needed items than they are now paying.

The American people have already suffered too much from inflation. Any increase in the Federal gasoline tax—which would make matters worse—is totally unacceptable at this time. It must not be allowed.

INHUMANE TREATMENT IN SOVIET UNION

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BROOMFIELD. Mr. Speaker, in July I related to my colleagues the tragic story of the Yichil Kutchuks and their attempts to emigrate to Israel from the Soviet Union.

The Kutchuks were to leave in April to join their son in Israel, but 3 hours before their scheduled departure their bags were confiscated by the police and Mr. Kutchuk was arrested and imprisoned. For more than 3 months no one was allowed to visit Mr. Kutchuk and no formal charges were made.

Upon learning of this travesty of justice I wrote to the Soviet Embassy asking for an explanation and received a one-line reply stating that my letter had been referred to the proper Soviet authorities. I have had no further response.

I have, however, received disheartening news from the Kutchuk relative who first informed me of their plight, Rev. Shabtai Ackerman of the Beth-Abraham Hillel congregation in Birmingham, Mich.

Reverend Ackerman received a letter from the Kutchuk's son stating that the investigation of his father's case has ended and Mr. Kutchuk has been accused of being a black marketeer.

The KGB claims to have found parts of a textile machine and a bankbook with 65,000 rubles in Mr. Kutchuk's baggage. Mr. Kutchuk is certain these items were planted in his baggage after it was confiscated from him. When he asked to see the bankbook that is being used as evidence against him, Mr. Kutchuk was informed it was none of his business.

During the hearing, Mr. Kutchuk was denied the opportunity to defend himself, and each time he attempted to say something in his behalf he was strong-armed. Despite this physical harrassment he refused to sign a confession that the police attempted to force on him.

A trial has been set for the near future in the city of Kishinev, although it is a foregone conclusion that Mr. Kutchuk will be found guilty of this bogus charge and will be subject to 10 years in prison. In the meantime, Mrs. Kutchuk is in Kishinev awaiting the trial, penniless and disheartened. Their son sent her $200 3 months ago but she never received it.

Mr. Kutchuk's lawyer says he is helpless and has stated the only hope for Mr. Kutchuk is the pressure of public opinion in the United States.

Mr. Speaker, we must not let the Kutchuks and thousands like them down. We must raise our voices loud in protest of this inhumane treatment, and increase our demands for fair and just treatment for Soviet Jews. We must bring the pressure of public outrage over these actions to bear in our relations with the Soviet Union. We cannot and must not tolerate the persecution of Soviet Jews in the name of improved United States-Soviet relations.

Improved United States-Soviet relations will have little meaning if they come at the expense of those people who look to us as their only hope against the continuing tyranny of oppression—the Soviet Jews.

OPPOSITION TO INCREASED FEDERAL TAX ON GASOLINE

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. YOUNG of Florida. Mr. Speaker, I have today written President Ford expressing my strong opposition to any move which would increase the Federal tax on gasoline. Following is the full text of my letter, and I urge other Members of Congress to make a similar appeal to President Ford in opposition to increased Federal taxes on gasoline.

The letter follows:

> SEPTEMBER 30, 1974.
>
> Hon. GERALD R. FORD,
> *Office of the President, The White House, Washington, D.C.*
>
> DEAR MR. PRESIDENT: I would like to take this opportunity to express my strong opposition to any move which would increase the federal tax on gasoline.
>
> It is my sincere belief that higher prices and stiffer taxes on the purchase of fuel and oil for automobiles and homes is not the answer to curbing the rate of inflation. The price of gasoline and home heating oil have been increasing rapidly as it is. If such prices go any higher, it will be especially unfair to those Americans who live on limited and fixed incomes. They will be the ones who suffer the most.
>
> Mr. President, in my own State of Florida [which has a significant population of retired older Americans], the people have already been severely affected by increases in the price of crude oil and electric rates. Some have already been deprived of many necessities of life in order to meet spiraling costs. Quite frankly, I don't know how much more they can stand in the way of higher prices and taxes.
>
> There are and always have been those in our Government who advocate more spending and higher taxes as a solution—no matter what the problem. This approach has seldom been right in the past, for this philosophy invariably magnifies the problem rather than easing it.
>
> I'm absolutely convinced that such a policy would be wrong, and I sincerely hope that you will place the strength of the Office of the

Presidency against any move to increase the federal tax on gasoline.

With best wishes and warm, personal regards, I am

Very truly yours,
C. W. BILL YOUNG,
Member of Congress.

CROSS CREEK WATERSHED PROJECT

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. MORGAN. Mr. Speaker, on September 24, I presented the following testimony in support of the Cross Creek Watershed Project before the Subcommittee on Water Resources of the House Committee on Public Works. I have worked with my constituents on this project for a considerable period of time and am pleased the subcommittee has acted expeditiously.

The testimony follows:

REMARKS OF HON. THOMAS E. MORGAN

Mr. Chairman, and distinguished members of this subcommittee, I am appearing today to express my strong support for the Cross Creek Watershed Project, which has been recommended for approval by the Soil Conservation Service of the Department of Agriculture. I especially appreciate the prompt review of the work plan and environmental statement recently submitted to the committee by the Office of Management and Budget.

The Cross Creek Watershed Project is located in my congressional district and is sponsored by the Washington County Soil and Water Conservation District, Washington County, Cross Creek Township, and Independence Township Municipal Authority, in conjunction with the Soil Conservation Service. Just recently, I received a petition signed by 1,200 residents of Washington County endorsing the Cross Creek Project. Community leaders and citizens have united to express strong support for the project, and I would like to commend my constituents for their active and effective participation in civic affairs.

Basically, this request for $1,903,000 in Federal assistance is for watershed resource protection, flood prevention, water supply, and recreational purposes. The project involves soil conservation and treatment measures to be implemented by landowners and the Washington County Soil and Water Conservation District, as well as three single purpose flood prevention structures and one multiple purpose reservoir for water supply storage, water-oriented recreation, and the alleviation of flood damage. The improvements should be completed within a seven-year period.

Mr. Chairman, improved land management, forestry practices, and conservation measures will contribute to the reduction of erosion and sedimentation and will improve farm productivity and water quality in Cross Creek. The communities of Avella, Browntown, and Studa will be protected, and economic development in Washington County will very likely result from the assurance of a dependable water supply. In addition, the project will greatly improve water recreation facilities in western Pennsylvania and for the 2,000,000 people who live within a fifty-mile radius of the area.

Thus, it is evident that the Cross Creek watershed project will be a significant contribution to Pennsylvania's continuing viability as a commercial and recreational center. I would like to commend the members on the water resources subcommittee for your continuing support and expeditious scrutiny of this project. It is a pleasure to join with my consistuents in strongly supporting the Cross Creek watershed project, and I urge its approval.

TEAR GAS SAFETY ACT OF 1974

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BINGHAM. Mr. Speaker, there is a growing new trend in personal armament in this country that is extremely dangerous. I speak of the profusion of tear gas cartridges and guns now being marketed through direct solicitation to unsuspecting citizens as a means of self-defense, and to others who might use them for illegal purposes. The dangers of these weapons are well documented. In the hands of those who are untrained in their use, tear gas is dangerous to both the user and the intended target. In the hands of those who would use them or convert them for illegal purposes, the danger is even greater.

The proliferation and danger posed by tear gas weapons, which resemble .22 caliber handguns, was first brought to my attention by Mike Horowitz, a reporter from the Co-Op City News, a local Bronx newspaper. Mike sought my aid in stopping a flood of solicitations for tear gas and tear gas guns to constituents in the 22d District. Efforts to secure action by local and State officials as well as Federal agencies have only revealed the limitations of existing law and the necessity of enacting a more potent law at the Federal level.

The Constitution of the United States provides that the Congress shall regulate commerce among the States. It is therefore incumbent upon the Congress to consider the need to regulate and indeed prohibit the interstate movement of tear gas and tear gas weapons, because of their potential for violence. To accomplish that end, I have introduced the Tear Gas Safety Act of 1974, which would prohibit the transportation or manufacture for shipment of tear gas or tear gas guns in interstate commerce, except for military and law enforcement purposes.

Clearly tear gas cartridges and tear gas gun are dangerous weapons that do not protect the general public but are a danger to it. Passage of the Tear Gas Safety Act of 1974 would be a responsible action on the part of the Federal Government to protect the citizens of the United States.

I include herewith the text of my bill:

H.R. 16849

A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of tear gas, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tear Gas Safety Act of 1974."

SEC. 2. The first section of the Act entitled "An Act to prohibit the introduction or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes," approved August 12, 1958 (15 U.S.C. 1241), is amended by adding at the end thereof the following:

"(c) The term 'tear gas' means any lacrimator, sternutator, or screening smoke, or any device, container, or article designed to emit, spray, discharge, or otherwise spread any lacrimator sternutator, or screening smoke."

SEC. 3. Sections 2 and 3 of such Act (15 U.S.C. 1242 and 1243) are amended—

(1) by adding "or tear gas" after "switchblade knife" whenever such term appears; and

(2) by striking out "$2,000" whenever such phrase appears and inserting in lieu thereof in each case "$5,000".

SEC. 4. Section 4 of such Act (15 U.S.C. 1243) is amended to read as follows:

"SEC. 4. Sections 2 and 3 of this Act shall not apply to—

"(1) any common carrier or contract carrier, with respect to any switchblade knife or tear gas shipped, transported, or delivered for shipment, in interstate commerce in the ordinary course of business, except that sections 2 and 3 of this Act shall apply where such a carrier knew, or had reason to know, that any such knife or tear gas was being shipped, transported, or delivered for shipment, by such carrier;

"(2) the manufacture, sale, transportation, distribution, possession, or introduction into interstate commerce, of switchblade knives or tear gas pursuant to contract with the Armed Forces and, in the case of tear gas, pursuant to contract with any law enforcement agency of the United States, or of any State or political subdivision thereof; and

"(3) the Armed Forces or any member or employee of any law enforcement agency of the United States or of any State or political subdivision thereof."

SEC. 5. The seventh paragraph of section 1716 of title 18, United States Code, is amended to read as follows:

"All knives having a blade which opens automatically (1) by hand pressure applied to a button or other device in the handle of the knife, or (2) by operation of inertia, gravity, or both, and tear gas, as defined in the second section of the Tear Gas Safety Act of 1974, are nonmailable and shall not be deposited in or carried by the mails or delivered by any officer or employee of the Postal Service. Such knives may be conveyed in the mails, under such regulations as the Postal Service shall prescribe—

"(1) to civilian or Armed Forces supply or procurement officers and employees of the Federal Government ordering, procuring, or purchasing such knives or tear gas in connection with the activities of the Federal Government;

"(2) to supply or procurement officers of the National Guard, the Air National Guard, or militia of a State, a territory, or the District of Columbia, ordering, procuring, or purchasing such knives or tear gas in connection with the activities of any such organization;

"(3) to supply or procurement officers or employees of the municipal government of the District of Columbia or of the government of any State or territory, or any county, city or other political subdivision of a State or territory, ordering, procuring, or purchasing such knives or tear gas in connection with, and use by, any law enforcement agency of any such entity; and

"(4) to manufacturers of such knives or tear gas, or bona fide dealers therein, in connection with any shipment made pursuant to an order from any person designated in paragraphs (1), (2), and (3).

The Postal Service may require, as a condition of conveying any such knive or tear gas in the mails, that any person proposing to mail such knife or tear gas explain in writing

to the satisfaction of the Postal Service that the mailing of such knife or tear gas will not be in violation of this section."

A TRIBUTE TO FELIX GAY

HON. CLEM ROGERS McSPADDEN

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. McSPADDEN. Mr. Speaker, a few are allowed special time, special talents and special compassion and understanding to reach out in their life time and touch the minds and lives of others. Such is Mr. Felix Gay, superintendent of the Foyil, Okla., public schools. Largely self-educated, Mr. Gay in 1974, is now in his 64th year as an educator. We have tried through various educational associations to determine if this is a record. Unsuccessful in determining this, we did decide that it is of no matter: Mr. Gay's association with thousands of students through those 64 years and through his extracurricular activities, are not immeasurable. With your permission, I would like to pay this special tribute to Felix Gay, an educator without peer and a humanitarian; a great American:

Felix Gay, superintendent of schools at Foyil, Okla., began his teaching career in 1911, and this current year will make a total of 64 years teaching experience—17 years after retirement age of 65.

He was born in the Appalachian Mountains of Kentucky, at Dry Hill, in 1893, the second of nine children. He did not start to school until he was 12 years old, but he was very eager to learn, and a few years later had an opportunity to buy a trunk full of books, which contributed much to his education.

Mr. Gay began teaching at age 18 in a country school, Wildwood, in Leslie County, Ky., after taking a teacher's examination and receiving a certificate. The school was only 6 months in length at that time, and he taught school for 6 months and went to school the other 6 months. He attended Witherspoon College at Buckhorn, Perry County, Ky., which was a private Presbyterian school. Although he had not attended high school previously, many of the courses taken here were later accepted for college credit by accredited colleges.

After 3 years teaching in county schools, he went to Witherspoon College for the entire term, teaching part time and attending school part time. He then came back to Leslie County and was principal of the Hyden High School which he got accredited, the first high school accredited in the county.

From there, he went to Goodman, Mo., as superintendent for 2 years, then back to Grant County, Ky., at Mason, where he spent 5 years. He attended school in the summers and received his A.B. degree from Berea College, Berea, Ky., in 1925, the first person from his home county of Leslie to receive a college degree.

He went back to Witherspoon College for 3 years as a teacher and counselor. He felt that the college had given him an opportunity to do something with his life, and he had told the president when he previously left that he would come back and spend a few years to help pay that debt. But the West had gotten into his blood, so he came back to Goodman, Mo., for 2 years, then on west to Oklahoma in 1930, where he has remained.

He continued his education, taking graduate work at the University of Kentucky, the University of Arkansas, and Oklahoma State University, where he received his Master of Arts degree in 1937. He has a life certificate in Oklahoma to teach all subjects from grades 1 through 12, issued in 1930; also, an administration certificate for superintendent, high school principal, and elementary principal. Probably no other person in Oklahoma has as much certification qualifications.

He has been superintendent of schools at Adair, Cleora, Lenapah, Helena, Cleo Springs, Minco, Chelsea, and Foyil. He was superintendent at Chelsea for 12 years and retired in 1962. It took only 3 months to realize that retirement was not for him, so he got a job as classroom teacher at Big Cabin for 3 months. He then went to Strafford, Mo., for 2 years as elementary principal, coming home on week ends.

The next year Foyil school board looked him up and said they were in dire financial trouble and needed him to help them out, and he has been there for the past 10 years.

Mr. Gay's three strongest qualities are probably school finance, building, and concern for people. In practically all of the schools where he has been, the districts have been in very difficult financial conditions, and he has not failed to bring them out in good condition.

He built new gymnasiums at Adair and Lenapah under the WPA back in the 1930's, and had building programs at Cleo Springs, Minco, Chelsea, and Foyil.

When Mr. Gay went to Chelsea, the school district valuation was only $990,000. Through a good public relations program and maintaining a good school, many of the surrounding dependent districts were encouraged to annex with Chelsea, increasing the school valuation to more than $2,000,000. No buildings had been built since 1912, and during the 12 years Mr. Gay was there they built a high school building, an elementary building, and a gymnasium.

A tough job has always been a challenge to Mr. Gay. When he came to Foyil, the school was deeply in debt and the enrollment was so low there was danger of losing their high school. Through careful planning, community cooperation, and State and Federal help, he increased the school personnel from 12 to 32, built one of the best auto mechanics buildings in the State, a new gymnasium, added elementary classrooms, and made many other improvements. He established the first Headstart in the area and has the only Headstart program in the county, which is considered one of the best in the State.

Mr. Gay has concern for people, and particularly those less fortunate. He spends a great deal of his time counseling, and is instrumental in helping a number of persons of low income continue their education and others to become self-supporting. He helps more people get jobs than any person in the area.

He has a genuine interest and faith in people. Whether it be student, teacher, or school board member, he helps them build their self-image and confidence until they can do nothing but succeed.

Mr. Gay has always been active in community affairs. When everyone was discouraged and chances seemed pretty slim for the Foyil Water District No. 3 getting approved, he was elected chairman of the group. Although it was tough sledding, he got the project approved, and Foyil community has rural water.

He belongs to the chamber of commerce, and was president of the organization 2 years ago. He is chairman of manpower board, district 1, which covers 7 counties. He has been a member of the community action since its inception in 1966, and was chairman for 3 years. He is a member of the United Methodist Church, is chairman of the administrative board, and teaches a Sunday school class.

He has three sons and two daughters, all of whom have college degrees. He and his wife, Vera, live in their country home east of Chelsea where they raise cattle, grow a garden each summer and enjoy country living.

RIGHT TO READ PROGRAM CUT

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. PEYSER. Mr. Speaker, funding for one of the most important programs directly aiding the instructions of school pupils is being reduced to a trickle under the provisions of H.R. 16900. I refer to the $15 million allocated to title III of the National Defense Education Act.

Two years ago, when the budget for NDEA III was $50 million, local schools in New York received more than $2.5 million for the purchase of instructional equipment and materials. Last year, when the budget was reduced to $28.5 million, New York's share was $1.6 million. Under the terms of H.R. 16900, the State would receive only $864,000 in fiscal 1975—about one-third of the fiscal 1973 allotment. There are a number of reasons why I oppose this reduction.

Many of the Members, I am sure, are aware of the Office of Education's Right to Read program which is employing many innovative techniques in the grade schools to improve the reading skills of pupils. The program is funded in part by title II of the Elementary and Secondary Education Act.

What is not so well known is that a great many of these Right to Read projects could not be carried out without the assistance of NDEA title III funds to procure necessary equipment and materials.

For example, a right to read project was launched in 1971 in my old district to develop a model for reading instruction in Rockland County. The project included establishment of a diagnostic center for screening reading deficiencies, and inservice training for administrators, reading supervisors and teachers. A great variety of audio-visual materials and equipment were screened in this project in an effort to initiate a number of different reading programs that would serve pupils with different needs.

The project has developed reading instructional methods for more than 34,000 public and 9,000 private elementary school pupils by informing teachers how to use modern audio-visual techniques—and how to evaluate them. The project's cost was $72,000, including $19,000 in title III funds.

This illustration of two programs working in concert bears out the key role NDEA title III is playing to help improve the quality of education in our schools. It also illustrates why I believe Congress should adequately fund NDEA title III in line with President Ford's budget request for $28.5 million and override the cutback to $15 million proposed by the Appropriations Committee.

CONGRATULATIONS TO STUDENT STRUGGLE FOR SOVIET JEWRY

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, 10 years ago an organization was formed in New York which has made for itself a proud and decisive achievement in the history of modern Jewry—Student Struggle for Soviet Jewry. While in 1964, only the most informed Americans followed the injustices and persecutions of Soviet Jewry, the SSSJ, as it is known, increased public awareness of the plight of Soviet Jews to the extent that this issue has become one of the main human rights concerns in this Nation.

It has been my pleasure to know the inspired leaders of SSSJ, Jacob Birnbaum, originally from England, and Glen Richter, his young colleague. Having visited the Soviet Union last year and met leading Jewish dissidents such as Dr. Benjamin Levitch, I can personally testify to the value of the protest activity, all carried on in the American legal framework, of SSSJ and similar groups which have arisen to meet the need.

One cannot accurately measure the effect of various influences on political movements, particularly the situation of Soviet Jews, when a group in one country, such as the SSSJ, tries to persuade the government of another country, in this case the U.S.S.R. Nevertheless, it is clear that the SSSJ had a definite and powerful role in the changed Soviet policy which now has permitted tens of thousands of Jews to leave for Israel where they can enjoy a fuller life as Jews.

The greatest compliment and wish that the SSSJ's admiring supporters can pay to this group is that the situation of Soviet Jews would be eased to the extent that they would be allowed to live in freedom and that the persecution which necessitated the formation of SSSJ would disappear.

"IMPLYING THAT INDUSTRIAL DISEASE IS CAUSED BY CIGARETTE SMOKING IS LIKE TRYING TO HIDE AN ELEPHANT BEHIND A COCKER SPANIEL"

HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. PERKINS. Mr. Speaker, 2 years ago last February I expressed concern to the Consumer Subcommittee of the Senate Committee on Commerce as to why it was so difficult for one branch of the Department of Health, Education, and Welfare to find that coal dust causes black lung disease while it was so easy for another branch of the Department to find that smoking caused emphysema. I observed that this inconsistent approach adversely affects Kentuckians in two ways—it deprives coal miners who have worked in the mines for many years of black lung benefits and at the same time seeks to eliminate the tobacco grower of cash for his crop.

This same point is made, Mr. Speaker, in a statement of the Tobacco Workers International Union, AFL–CIO, September 17, 1974, to the public hearing on arsenic exposure conducted by the OSHA Committee Management Office of the U.S. Department of Labor.

I submit for the information of my colleagues this statement signed by Rene Rondou, president; Homer Cole, secretary-treasurer; and Wallace A. Mergler, first vice president of the Tobacco Workers International Union:

TOBACCO WORKERS
INTERNATIONAL UNION,
Washington, D.C., September 17, 1974.

Ms. J. FERRONE,
OSHA Committee Management Office, U.S. Department of Labor, Washington, D.C.
For Submission to Public Hearing on Arsenic Exposure:

Our purpose in submitting this statement is two-fold. First, we want to set the record straight about the involvement of cigarette smoking in the Dow Chemical Company report. Secondly, we want to illustrate how cigarette smoking is apparently being used as a red herring to divert and delay government action to clean up the work environment.

Pages 10 and 11 of the Dow Chemical Company report contains a paragraph that is a gem of subtle innuendo and misleading implication. This passage states that:

"Until the early 1950's, arsenical pesticides had been sprayed on tobacco crops in the United States. The use of these products has led to contamination of cigarettes with arsenic."

Entirely omitted is any mention of arsenical pesticides being used on a host of other crops and leading to their contamination at that time. Are we to believe that such pesticides were sold only to tobacco farmers?

In fact the use of these products on tobacco ended more than twenty years ago and therefore so did the alleged contamination.

The report goes on to say that:

"Satterlee summarized the problem in 1956. The arsenic content of cigarettes has risen from 12.6 micrograms per cigarette in 1932 to 42 micrograms in 1950–51. These levels could lead to rather high concentrations of arsenic in the lung during smoking."

Once again by omitting later data, the implication is left that the 1950 arsenic level has persisted for decades. Also omitted is the quantity of arsenic actually concentrated in the lung during smoking, or if in fact such measurements were made at all.

The next sentence goes on to say that:

"In recent years, arsenic levels in American cigarettes have declined to an average of 7.7 micrograms per gram of tobacco."

The information comes from a study published in 1969 but the Dow authors fail to specify when the arsenic level dropped below the 1932 figure. They imply it happened only recently. Strangely, they fail to tell us, as they did with the earlier high levels, whether this new low level could lead to rather low concentrations of arsenic in the lungs during smoking.

Finally, the Dow report is very informative about Peruvian tobaccos, saying that "Arsenic levels were found to be 22 micrograms per cigarette as recently as 1966." Unless numerous Americans travel all the way to Peru for their cigarettes, this reported fact has no relevance.

But there are more serious and disturbing omissions. And these raise serious and disturbing questions.

Why, for example, is there no mention of the conclusion of the 1964 Surgeon General's Report on Smoking and Health? This definitive review of scientific knowledge said:

"It seems unlikely that the amount of arsenic derived even from unfiltered cigarettes is sufficient to present a health hazard."

Why is there omission of the conclusion of the 1962 Royal College of Physicians study of smoking and health? That British review of the evidence stated:

"The arsenic content of cigarettes is now infinitesimal . . . There has never been enough arsenic in tobacco for this to be likely to cause cancer by itself."

Why are we not told that the 1972 Surgeon General's Report fails even to include arsenic in a list of "harmful constituents of cigarette smoke"?

Could it be for the same reason that the Dow authors did not tell us about the smoking histories of workers exposed to arsenic. This data, they say, was incomplete and unremarkable."

The Dow Chemical Company report is remarkably incomplete in dealing with tobacco. Favorable data is ignored; unfavorable data is promoted.

Could it be that insertion of cigarette smoking in such a report is an attempt to set up a defense against workers who are the victims of an unhealthy work environment? This classic tactic of blaming the victim is a widely used diversion. And unfortunately it is successful in too many instances.

Paul Brodeur, author of *Expendable Americans*, details the story of how tens of thousands of American workers die each year of preventable industrial disease. He describes the failure of government action to protect them, as being due in part to the existence of a medical-industrial complex. If indeed such a group exists, the use of cigarette smoking to obscure the issue of occupational exposure would appear to be tailor made for its purpose.

By the same token there exists in this country an anti-smoking establishment which portrays cigarette smoking as the cause of almost all health problems. It is therefore not too difficult to see that they are joining forces with industry and in so doing assisting industry in its efforts to escape the responsibility of an unsafe workplace.

Asbestos workers at Pittsburgh Corning's notorious Tyler, Texas, plant were told their problem was due to cigarette smoking. Coal miners were told that the primary cause of their black lung problem was cigarette smoking. Uranium miners are cautioned to give up smoking. And so it goes in occupation after occupation.

In this time of inflation, tight money, recession, and budget slashing, it is seductive and inexpensive to blame cigarette smoking for occupational disease.

They hide the fact that it would take OSHA, as it is now staffed, more than 100 years to inspect the country's four million work places. They just hang up the no smoking sign.

They hide the fact that Federal Standards exist for only 500 of an estimated 20,000 toxic chemical substances now used. They just hang up a no smoking sign.

They hide the fact that research funds for occupational health studies are grossly inadequate. They just hang up a no smoking sign.

Blaming cigarettes for industrial disease is like blaming the Johnstown flood on a leaky faucet in Altoona.

The TWIU firmly maintains that the "Smoking and Health Question" can only be resolved through intensive research of product components. It is unlikely that a meaningful solution can be found by substituting innuendo for research. And, implying that industrial disease is caused by cigarette smoking is like trying to hide an elephant behind a cocker spaniel.

Sincerely yours,

Rene Rondou,
President.
Homer Cole,
Secretary Treasurer.
Wallace A. Mergler,
First Vice President.

NESTOR CHYLAK—NO. 1 UMPIRE IN BASEBALL

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. McDADE. Mr. Speaker, my excellent friend, Jimmy Calpin, writing in his "Lookin Em Over" sports column in the Scranton Tribute of September 28, 1974, reports what all of us in the 10th Congressional District have maintained all along, but has only now been confirmed by scientific polling—Nestor Chylak is the finest umpire in major league baseball today.

The polling was done by the most responsible possible group you could pick for such a task—the Major League Baseball Players Association. The people polled were the ones who would know best—the players on the major league teams whose careers revolve so much around completely fair and competent umpiring.

Rating the umpires on judgment behind the plate and on the bases; attitude; hustle; appearance; language; positioning, and other factors—they found Nestor Chylak easily the best umpire in the majors. What is also interesting is the fact that an official of the American League quickly confirmed the findings with his own endorsement. He remarked that if Nestor is the highest paid umpire in the big leagues, he is worth every penny he is paid. He also noted that if assignments were given on the basis of ability, Nestor Chylak would work the world series every year. However, the umpires have agreed among themselves on a rotation system that gives every man an opportunity to get into the series.

Nes is a native son of Olyphant, and an adopted Dunmorean, both in my congressional district. He has to be one of the most friendly and delightful men you could ever meet. When the Senators performed at R. F. K. stadium here in Washington, before they took off for Texas, Nestor would drop by my office, or call when he was in town, to invite my staff out to the ballgame. And it was a delight to see him calling them "like they were."

With a little luck, we may see Nestor Chylak calling them in the forthcoming world series. And if it turns out to be "One, two, three strikes, you're out," you can be sure that it is being called by the best umpire in the "Old Ball Game."

A NEW LIFESAVING TECHNIQUE

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. CLANCY. Mr. Speaker, a Cincinnati doctor has discovered and proposed a lifesaving technique which has already saved many lives and which promises to save the lives of thousands who might otherwise choke to death every year.

The technique is called the "Heimlich maneuver" after Dr. Henry Heimlich, director of surgery at Jewish Hospital, Cincinnati, Ohio. The maneuver consists of standing behind a choking victim, gripping both arms around the victim's waist above the belt line, one hand grasping the other wrist. The method is to rapidly and strongly press the other hand formed in a fist, into the victim's diaphragm just below the ribs.

In the instances where this method has been used, it has sharply compressed the lungs and expelled the matter which was choking the victim. In all known cases since Dr. Heimlich announced the method last June in Emergency Medicine magazine, all potential victims have survived. Nearly 4,000 persons die annually by choking on substances caught in their throats, the sixth largest cause of accidental deaths.

Dr. Heimlich developed the technique with research on beagles at Jewish Hospital's Esophagus Center. He published his findings in an article entitled "Pop goes the cafe coronary," because most chokings seem to occur at a dining table and resemble a heart attack. Also, when the method is applied, the obstruction often pops out like a cork from a bottle.

Numerous reports of lives saved have come from such addresses as Chicago, Seattle, Kansas City, Tennessee, Elmhurst, Ill., Belchertown, Mass., Washington, D.C. Republic of Korea, and Albuquerque.

I would like to take this opportunity to commend Dr. Heimlich for developing this lifesaving method and encourage wide distribution and publicity so that it may be added to emergency first aid systems to save lives.

PROPOSAL FOR A NATIONAL INTERMEDIATE CREDIT BANK

HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUDE. Mr. Speaker, the current debate over inflation has produced a great variety of proposals reflecting a wide spectrum of economic thinking. Much of the concern over the causes of inflation has centered around growth of the money supply and the supply of credit, and this concern has been reflected in many of the proposals put forth.

One interesting proposal for a National Intermediate Credit Bank has come to my attention recently. It has been developed by John S. Atlee, director of the Institute for Economic Analysis. The proposal contains some interesting ideas, although as has been pointed out to Dr. Atlee, it also poses some important political and social problems. I insert it in the Record at this point because it is a somewhat different approach worthy of my colleagues' attention. Further information on the concept can be obtained from Dr. Atlee at the Institute for Economic Analysis, 1346 Connecticut Avenue, room 916, Washington, D.C. 20036. The statement follows:

A Basic New Approach to Anti-Inflation and Stabilization Policy

(By Dr. John S. Atlee)

Although there is increasing recognition that the present restrictive monetary policy risks financial chaos and/or serious recession, many people still passively accept it on the grounds that spiralling inflation is also extremely dangerous, and in the false belief that economists haven't anything better to offer.

Now, however, there *is* a better way, if we are deeply enough alarmed to try a genuinely new approach—and somewhat sooner than the 28 years which passed between the initial publication of Keynesian theory in 1936 and the ill-timed tax-cut of 1964.

Thirteen years ago, the prestigious Commission on Money and Credit suggested that the potentially most effective approach to stabilization policy would be *"automatic" stabilization tax adjustments (STA's)* controlled by some mathematical formula which would ensure that they are precisely appropriate in both timing and amount—without having to depend on economic forecasts, Presidential attention or Congressional politics.

Of special relevance to the present crisis, these formula-controlled STA's would make possible, for the first time, precise and continuous coordination of our monetary and fiscal policy—with stable growth of the money supply keyed to the long-term growth trend of full-employment GNP, combined with an effective guarantee against any inflationary *excess* credit expansion.

This *formula flexibility* approach (as the Commission called it) has so far received little professional or political attention because there seemed to be no satisfactory basis for the formula. But extensive research with the Flow-of-Funds system of national economic accounts has recently suggested a basically new approach.

Conceptually, the most appropriate basis for STA's is a precise measure of the national balance between the overall supply and demand for credit—so that "compensatory" changes in federal *borrowing* (*not* spending!) will offset any tendency towards inflationary or recessionary imbalance. (In the Flow-of-Funds perspective, credit flows precisely *complement* the familiar income and spending flows of the National Income Accounts, but are much smaller in amount and in many other ways are more appropriate as a basis for stabilization policy.)

In our economy, the best way to obtain the necessary credit data is through the establishment of a new type of financial institution which would serve, in effect, as a "central wholesale credit pool" for all short-term marginal credit flows—a function now performed mainly by the diffuse "money-market" for treasury bills, certificates of deposit, commercial paper and federal funds.

This new institution, which we shall call here the *National Intermediate Credit Bank* (*NICE*), would probably operate as an agency of the Federal Reserve System. It would accept interest-bearing deposits of "surplus" funds from all of the main financial institutions (banks, insurance companies, savings and loan associations, etc.), and would make loans to any which have a demand for their credit greater than their current inflow of savings. To induce maximum use of the NICB as a central credit pool, loans and deposits should probably have the same interest rate.

This "marginal" flow of credit through the NICB would be only a small fraction of the total national flow of credit, but the *balance* between NICB loans and deposits would tend to correspond very precisely to the *balance between* the total national *demand* for credit from businesses, households and governments, and the total *supply* of credit from financial saving and the normal planned increase in the money supply. This balance would provide the basis for the STA formula, in the following manner (somewhat oversimplified here for brevity):

If demand for loans from the NICB should exceed its deposits by, say, $2 billion during some month, this excess would be financed initially by NICB "credit creation"—i.e. by an increase in the money supply above its planned growth rate. To bring the demand for credit back into balance with supply—and the money supply growth rate back to normal—the STA formula would call for a $2 billion *tax surcharge* to reduce federal borrowing (or increase the surplus) by this amount.

Conversely, if NICB deposits should exceed the demand for loans by $2 billion, the STA formula would call for a *tax reduction* to increase federal borrowing by the $2 billion needed to bring total credit demand back into balance with supply—and the growth rate of the money supply back to normal.

The STA would take effect initially through withholding tax deductions, since these would have the most immediate complementary effect on consumer spending. A monthly letter from the U.S. Treasury to all employers with computerized payrolls would say, in effect: "Take X dollars (or X%) more (or less) out of everyone's paycheck this month." The same proportionate adjustment would of course be applied in other people's estimated income tax payments and all annual returns, although the monthly adjustments might often cancel each other out over a whole year.

Because these tax adjustments would be so precisely appropriate in both amount and timing, they would usually be very small, particularly after a year or two of reasonable economic stability has again been achieved.

The NICB/STA system would make possible the ultimate in "fine tuning" of economic growth and balance—comparable to the adjustments made by an airplane's automatic pilot, or the adjustments made to your steering wheel when driving a relatively straight road. But it could also compensate for major administrative or legislative miscalculations in such fiscal changes as the institution of an income maintenance program or a shift to the value-added tax—or for the financial distortions caused by inflation.

If it were also adopted by other industrial countries and coordinated with the International Monetary Fund, it could help greatly to facilitate international financial readjustments such as the "recycling" of Arab oil profits.

The NICB/STA system could make three major contributions to stopping the present inflation and preventing a new round a couple of years from now:

(1) By assuring stable full-employment growth of the economy beyond the present crisis, it would tend to reduce the fluctuations of business investment which have played such a key role in causing the present inflationary shortages of supply—a condition which the present tight-money/recession policy would inevitably tend to repeat when the economy is allowed to recover again, about 1976. This assurance of stability and balance would also provide labor with a credible basis for continued restraint in wage demands.

(2) By assuring an adequate supply of credit for housing it would prevent the development of a future housing shortage, with its resultant inflationary effect on housing prices and rents. Likewise, it would facilitate the financing of increased capacity in public utilities and other key industries that depend largely on credit.

(3) By providing an adequate supply of credit at any given interest rate (if necessary by "tax-forced saving"—which could take the more paletable form of "tax credit certificates"), interest rates could very quickly be rolled back, if desired, to pre-Vietnam (or even pre-1955) levels. Since 1965, rising interest rates have been a key factor in the inflationary spiral, and a dramatic rollback now could be a key factor in breaking this spiral. It would also help to offset any STA-induced reduction in after-tax income.

But the present inflation is too serious to be cured by any one measure, however powerful. We need a fully coordinated program of measures similar to those that so successfully rolled back inflation during the last two years of the Korean War—including: (1) selective credit controls to divert funds from relatively non-essential uses to areas which are most vital to expansion of our productive capacity and continued full-employment growth of the economy; (2) measures to increase competitive pressure on consumer prices; (3) tax measures to recapture some of the windfall profits of the few who are unavoidably getting rich from the inflation; (4) *well-administered* price and wage controls and allocations in areas where supply is still critically short but not quickly increased by higher prices.

FREEDOM FOUNDATION MEMORIALIZES MEDAL OF HONOR HOLDERS

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. HOLT. Mr. Speaker, among the more worthwhile projects planned for the celebration of our Nation's 200th anniversary is the development of a Medal of Honor Grove at Valley Forge.

The Freedom Foundation has set aside 52 acres of land at Valley Forge, 1 acre for each of our 50 States plus 1 acre each for the District of Columbia and for Puerto Rico, to memorialize the gallant and courageous men who have been awarded the Medal of Honor.

The Freedom Foundation has asked each State to raise $10,000 to develop and maintain the acre assigned to that State. The National Sojourners have dedicated themselves to the task of raising the funds.

Mr. Speaker, I am delighted to say that two of my constituents are leading the drive for funds in Maryland. The chairman of this effort is Capt. George T. Steele, USAR, retired, of 1080 Baldwin Drive, Millersville, and the treasurer is Maj. John A. Ritner, AUS, retired, of 5615 Lansing Drive, Camp Springs, Md.

I believe we should actively encourage contributions to this worthy program, and we should commend the National Sojourners for their work on this important phase of the celebration of our country's 200th birthday.

MERCHANT MARINE AND FISHERIES COMMITTEE—VICTIM OF SELECT COMMITTEE REFORM PROPOSAL, HOUSE RESOLUTION 988

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. SULLIVAN. Mr. Speaker, recently there have been a number of newspaper articles urging passage of House Resolution 988, the Select Committee on Committees so-called reform proposal. I hope that the Members of the House of Representatives will not be stampeded by this publicity into any unfortunate and incorrect decisions affecting the internal structure of the House of Representatives. I think we are all for necessary change, but let us not be bamboozled into accepting a questionable package which can only result in chaos and confusion in the 94th Congress.

Recently, one of these articles characterized House Resolution 988 as a "workable plan." Anybody who has analyzed House Resolution 988 with any care, has come to the realization that one of the problems with this effort at change in the House structure is that unfortunately it is not at all workable. On March 21, 25, 26, and on April 1 and 4, 1974, I inserted articles in the Congressional Record showing precisely how unworkable House Resolution 988 was as it applied to the jurisdictional responsibilities of the House Merchant Marine and Fisheries Committee. On April 24, 1974, I inserted another article into the Record, delineating the almost complete inability of the provisions of House Resolution 988 to deal with the dislocation of Members and staff which would occur as a result of the Select Committee on Committees' proposals. In fact, this so-called workable plan makes practically no provision whatsoever for the dislocation of Members and staff, which goes to the very heart of House change as proposed by House Resolution 988.

Some newspaper accounts shilling for so-called House reform push the idea that House Resolution 988 "would abolish some outdated committees and streamline others." The original recommendations of the Select Committee on Committees, dated December 7, 1973, called for the outright abolition of the House Merchant Marine and Fisheries Committee, together with the elimination of several other committees. The conservationists and environmentalists, together with the merchant marine, oceanography and Panama Canal interests, spoke in one unified voice against the proposed abolition of the committee and the mindless dispersion of its unified jurisdictional responsibilities. As a result, the select committee, in its final instrument, House Resolution 988, introduced March 19, 1974, reversed, to a certain extent, its previous unfortunate and unpopular recommendation and partially retained the Merchant Marine and Fisheries Committee with jurisdiction over merchant marine, Coast Guard and fisheries. It stripped away a substantial portion of our important and contemporary oriented jurisdictions such as oceanography, deepwater ports, Panama and interoceanic canals, wildlife conservation and our environmental responsibilities.

Far from being outdated or requiring streamlining, the Merchant Marine and Fisheries Committee has been, and is, one of the most progressive and contemporary-issue-oriented committees in the House of Representatives. The veracity of this statement is demonstrated by the record of the Merchant Marine and Fisheries Committee's work and accomplishments.

The landmark and definitive environmental statute, the National Environmental Policy Act of 1969, came out of the House Merchant Marine and Fisheries Committee. In a recent editorial, the New York Times stated:

> The National Environmental Policy Act of 1969—NEPA—is perhaps the most important single piece of environmental law now on the statute books.

As I say, NEPA originated in the Merchant Marine and Fisheries Committee, and I do not think anyone can deny the importance and impact of this statute on contemporary American life. The Merchant Marine and Fisheries Committee was responsible for Public Law 91-190 which created the Council on Environmental Quality, with its broad and independent overview of current and long-term trends in the quality of national environment. The Merchant Marine and Fisheries Committee was responsible for protecting endangered species by legislating, for the first time Endangered Species Acts—Public Law 91-135 and Public Law 93-205. The Merchant Marine and Fisheries Committee again acted on a contemporary issue resulting in the Marine Mammal Protection Act—Public Law 92-522—to prohibit the harassing, catching, and killing of marine mammals by U.S. citizens within the jurisdiction of the United States unless taken under the authority of a permit issued by an agency of the Federal Government.

Perhaps one of the committee's most progressive and important contemporary oriented activities resulted in the Coastal Zone Management Act—Public Law 92-125—which established a national policy and developed a national program for the management, beneficial use, protection and development of water and land resources of the Nation's coastal and estuarine zones. Another forward-looking piece of legislation sponsored by the Merchant Marine and Fisheries Committee was the so-called Ocean Dumping Act—Public Law 92-532—covering the subject of waste material transportation and disposal into the oceans, Great Lakes or internal tidal waters. In addition, the committee has recently progressively legislated in such important contemporary areas as game management, conservation and rehabilitation programs on Federal lands; implementation of a shrimp fishing agreement with Brazil; prohibiting the hunting of animals from aircraft; illegal seizures of U.S. fishing vessels at sea; some five laws dealing with various wildlife refuges throughout the United States; the National Sea Grant College and Program Act of 1966; the Merchant Marine Act of 1970; the Towboat Licensing Act, the Federal Boat Safety Act of 1971; and the Port and Waterways Safety Act of 1972.

Our Subcommittee on Fisheries and Wildlife Conservation and the Environment has, over the past several years, held two separate sets of hearings on the problem of "growth and the environment." We have a report ready to be printed and distributed to the various Members of the House of Representatives and the Senate on this subject. I doubt if there is any other committee on the Hill which has delved into this important and critical matter of growth and its impact on our lives and the environment. This is truly a progressive legislative endeavor. Just 2 weeks ago, the Subcommittee on Coast Guard held hearings on the problem of recreational boat hijackings and the connection of these episodes to drug traffic into the United States. In the same vein, along with its duties concerning the maintenance and operation of the Panama Canal, the Panama Canal Subcommittee has held hearings concerning drug traffic through Panama to the United States, and has held hearings in the Canal Zone with respect to the problem of discrimination in the Canal Zone and in the operations of the Panama Canal Co.

The committee has been heavily involved in such current problems as a 200-mile zone of control at sea and the harvesting of seabed minerals. We have been involved in these matters in international forums and with proposed domestic legislation. The committee participated in the recent Law of the Sea Conference in Venezuela and at the same time this summer conducted hearings on all the Nation's seacoasts on unilateral legislation to establish a 200-mile zone.

These are just some of the examples, Mr. Speaker, of the contemporary oriented activities of the Merchant Marine and Fisheries Committee. It has been, unfortunately, abundantly clear that the continued existence of the Merchant Marine and Fisheries Committee and its jurisdictional integrity have been one of the prime targets of the framers of the so-called Select Committee on Committees and its House Resolution 988. All these months, we have been faced with the incorrect conclusions and recommendations of the select committee it is especially galling to find the suggestion in the newspapers that these ill-conceived changes should be accepted by the House Members in the name of reform and to eliminate "outdated committees," and to "streamline others," when in fact this is not so.

I submit, Mr. Speaker, that on the basis of the record partially set out above, and as evidenced by the legislation produced by the Merchant Marine and Fisheries Committee, that our committee is probably one of the most progressive committees in the House with respect to the content of its work and one of the most contemporary oriented. After all these months, I still cannot understand the reasoning of the select committee in its original recommendation to completely abolish our committee and I am equally at a loss to understand the provisions of House Resolution 988, which would strip us of approximately 60 percent of our existing jurisdiction and take away the very areas in which we have been the most productive and possess the necessary staff, experience and expertise. In previous articles I inserted in the CONGRESSIONAL RECORD, I think I demonstrated quite clearly how the provisions of House Resolution 988 would splinter our present unified jurisdictions in the areas of oceanography, fish and wildlife conservation and the environment.

I cannot tell what will happen with respect to House Resolution 988 or House Resolution 1321. This latter document was introduced by Mr. MARTIN of Nebraska on Auugst 15, 1974, and is a slight modification of House Resolution 988. I cannot fathom the purpose of House Resolution 1321, but I sincerely hope the leadership will not allow this to be used as a parliamentary maneuver on the floor to prevent the Members from amending House Resolution 988, should it ever come to that. Obviously, I favor House Resolution 1248, the so-called Hansen reform package, since it quite correctly retains our committee intact and is a much more sensible reform proposal.

I truly hope, Mr. Speaker, that if these reform proposals do come before the House Membership for a vote, that the leadership and the Members will not permit the Merchant Marine and Fisheries Committee to be stripped of its important jurisdictions, since it has been very active in these areas and has produced quality legislation. By every dictate of fairness, reason and justice, the Merchant Marine and Fisheries Committee should not be decimated by House Resolution 988, and should be allowed to continue to function with all its present jurisdictional responsibilities.

ONE OF WORLD'S WEALTHIEST MEN—ROCKEFELLER—IS EXPERT IN DEFICIT SPENDING

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. EVINS of Tennessee. Mr. Speaker, when Nelson Rockefeller, the Vice-Presidential nominee, first ran for Governor of New York in 1958, he roundly criticized his opponent for "deficit spending" and pledged to restore "fiscal integrity."

Sixteen years later when Rockefeller left the Governor's office, the accumulated indebtedness for the State of New York had increased from $879 million to $11.5 billion—an escalation that defies definition by percentages. These facts are contained in a recent article which appeared in the Nashville Banner written by **Mr. William Ringle of Gannett** News Service.

As Governor, Nelson Rockefeller developed deficit spending into a way of fiscal life in New York and also gave other States and the Nation some lessons in backdoor spending and borrowings from the Treasury. In establishing State public authorities which did not come before the legislature for appropriations, Rockefeller was able to fund various projects and programs which built up collective deficits of $8.13 billion.

When Mr. Rockefeller took office as Governor, State taxes averaged $93 per year in New York—when he left office, taxes averaged $447 per person.

Certainly Mr. Rockefeller developed deficit financing and backdoor spending into an art. He seems to be a rather unusual choice for Vice President at a time of high inflation and in what has been described as a conservative Republican administration.

Because of the interest of my colleagues and the American people, I place in the Record herewith the article by Mr. Ringle from the Nashville Banner.

The article follows:

[From the Nashville Banner, Sept. 20, 1974]

(By William Ringle)

Washington.—If government spending and debt cause inflation—as President Ford advises—the nation would acquire an expert in creating it in the man Ford chose as his vice president.

Nelson A. Rockefeller first entered the political scene in 1958, taking the hide off New York Gov. W. Averell Harriman for "deficit spending." He vowed to "restore fiscal integrity" and put the state on "pay as you go."

New York's debt then was $879 million.

Sixteen years later when Rockefeller—with "pay as you go" a dim memory—left the governor's office, the debt was $11.5 billion.

Only $3.4 billion of it had been approved by the voters. The other $8.13 billion had been run up by a number of public authorities, of which more will be said later.

In Harriman's final year the per capita state debt in New York, as the federal Census Bureau measures it, was $128. By Rockefeller's last year it was $646, or 381 per cent higher.

For six long years, before he finally admitted abandoning the "pay as you go" concept, Rockefeller lectured the state's voters on how borrowing money was wrong, an "imprudent policy." In a typical statement, he said it "Would have to be paid back, of course, and at a rate of $1.50 for every dollar borrowed. . .

"We are in fact mortgaging the future and dumping onto the shoulders of our children the burdens which we ourselves should bear. . . . In my judgment it is both financially costly and morally irresponsible for us to add to their burdens by evading our own."

By the time he left office, bonds were being sold for one of his pet projects—the billion-dollar-plus South Mall in Albany—under a system that would place on the shoulders of the taxpayers' children roughly $1.70 for every dollar's worth of construction they got.

Some of the state's fiscal footwork is widely attributed to New York City bond lawyer John N. Mitchell, who later became U.S. attorney general and still later one of the Watergate coverup defendants.

Whoever devised it, it was a factor in the decision of three private organizations that rate state credit for bond buyers to lower New York's quality by a notch. Such a change usually means that the state or its agencies must pay higher interest to borrow money.

What Rockefeller did, in essence, was to spin off considerable state spending and debt onto a number of semi-independent state agencies. These are known in government circles as "authorities," or "public benefit corporations." When one of these borrowed money—and the borrowing was in the billions—this did not appear as state debt, although the state had a tacit, or moral, responsibility for much of it.

"He got much of New York's debt off his own balance sheet," as one Wall Street bond expert summed it up.

For Rockefeller, whether he intended it or not, this had four distinct benefits.

One was political. It enabled him, in the early days when he was a national presidential candidate, to tell audiences in other states that he was undertaking a $1 billion doubling of the State University, or building $300 million worth of new mental hospitals, without adding to state taxes or debt. This gave him the aura of some kind of administrative miracle-worker, an aura that clings today outside New York.

Inside the state he was able to make an end run around the cumbersome borrowing process. He was able to embark on projects that, however worthy, might not have survived the scrutiny of either the voters or the legislature.

Like most states, New York has a clause in its constitution forbidding the state to go into debt. If the state wants to borrow to build roads, State University buildings or mental hospitals, the constitution must be changed. This requires approval by two separately elected legislatures, as well as by the state's voters. When voters are on an anti-spending kick, commendable projects occasionally get shot down.

Rockfeller's system bypassed all that.

For example, the state Housing Finance Agency was created in 1960. It borrows money by selling bonds. Technically, these become a debt of the authority, not the state.

In this way, the HFA has raised $1.5 billion which it has turned over to another authority, the State University Construction Fund. The SUCF has used the money to construct buildings usually not dormitories, which is done by still another, pre-Rockefeller authority on the State University's 30 campuses.

Besides this, the HGA has sold another $1.5 billion of bonds for housing and $567 million more for mental hospitals this money is turned over to still another authority, the Health and Mental Hygiene Facilities Improvement Corporation, hospitals and nursing homes.

A third benefit is an obvious one: authority borrowing, like any borrowing, postpones the day when bills come in. "It allows capital projects buildings, roads, bridges to be undertaken without substantial immediate use of tax resources," as the state Department of Audit and Control remarked.

For example, the $1 billion-plus South Mall project in Albany is substantially complete. About $600 million worth of bonds have been sold, mostly in batches of $70 millions. These will be repaid, in installments, over 23 to 24 years. Furthermore, actual dollars to repay bond-holders on any of these did not begin to go out until 1967, three years after construction began. The rest of the money was raised through bond anticipation notes, which will eventually result in further bond issues.

The final benefit is that authorities are freewheeling agencies—"streamlined" is the word used in official pronouncements—combining the flexibility of a private business with the power of the state. They can get things done without the involved tangle of regulations, chains of command and hiring requirements that bedevil ordinary government agencies.

In its true form, an authority is designed to be self-supporting. Usually it is set up to borrow money so it can build and run a single facility—a bridge, a highway, or a port or airport between two different bodies of government. Fees or tolls are charged, and those charges go to repay the money borrowed, usually through bond sales.

To maintain this appearance of self-support for his enterprises, Rockefeller earmarked to State University construction the fees and tuition charged the students. For mental hospitals it was the patients' fees and later federal Medicaid and Medicare payments to the patients.

Ordinarily, such money would have gone into the state treasury with all other income. Earmarking it for the use of the authorities meant that the legislature had to replace it in the state's general funds with tax money.

Thus, in a roundabout way the taxpayers' money was going to pay off bonded debt. Yet Rockefeller trumpeted the idea that these were "self-liquidating." Inevitably, this increased debt was reflected in ballooning state taxes. These rose 381 per cent in the Rockefeller era. Not only did Rockefeller increase existing taxes, such as New York's formidable income tax, but he also laid on a statewide sales tax.

When he took office, state taxes per person were $93 a year, says the Census Bureau. When he left they were $447.

The number of state employes also soared, and in several directions, by 62 per cent. The payroll was up 325 percent—from $42.5 million monthly to $180.6 million. And the number of state workers for each 10,000 residents had climbed by 47 per cent—from 69 to 102.

Two bond credit-rating organizations spotted the trend very early, at a time when Rockefeller still said the state was on "pay as you go."

In a May 10, 1963 report, Dun & Bradstreet warned:

". . . The state, in a shower of politically oriented slogans, is resorting to borrowing through special agencies and is increasingly earmarking revenues for this new debt. . . . A continuation of these policies could eventually affect the state's credit standing. . . ."

Moody's Investors Service issued a similar alert.

The following year, in even more strongly worded reports, the two municipal bond-rating organizations—who have since become one—dropped New York from the highest possible rating to the second-highest. Eight years later the other major credit rating organization, Standard & Poor's, also reduced the state's rating.

MORE WARNINGS ON SPREAD OF NUCLEAR WEAPONS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Ms. ABZUG. Mr. Speaker, as the United States rushes into contracts to sell nuclear reactors to other countries, we should be aware that we are thereby encouraging the proliferation of nuclear weapons.

John R. Redick warns us in today's Washington Post that Argentina is about to become the seventh nuclear nation. There is a disturbing similarity, he says, to the Indian method of becoming a nuclear power. He reminds us that India's recent nuclear explosion was "primarily a spinoff of a highly successful nuclear power program initiated in 1969 with a small U.S. enriched uranium reactor" subsequently accelerated by Canadian reactors.

Argentina's reactor was constructed by a West Germany company. I might add that the United States has been selling nuclear reactors to West Germany since 1957. Thus do we aid in proliferating nuclear technology and know-how.

Mr. Redick points out that we still have "a genuine if fleeting opportunity for creative diplomacy" by giving full support to the complete military denuclearization of the Latin American area. The Treaty for the Prohibition of Nuclear Weapons in Latin America already exists but is largely ignored, due to military factions here and abroad. It is past time for studying these alternatives—we must act to implement them before it is too late. I would like to insert Mr. Redick's article into the Record:

(By John R. Redick)

Greatly obscured in the global attention generated by India's detonation of an underground nuclear device in May 1974 was a subsequent announcement of an Indian-Argentine agreement for the peaceful utilization of nuclear energy. An Argentine spokesman stated that the agreement could contribute to the construction of the nation's third nuclear power plan. Although both nations stressed that cooperative efforts would be restricted to the peaceful uses of nuclear energy, the Indian example has caused such assertions to be taken far less seriously by the international community. Moreover, the Argentine nuclear energy program demonstrates a disturbing similarity to the now familiar Indian method of becoming the world's sixth nuclear power.

India, the most advanced third world nation in nuclear technology, utilized plutonium produced by a Canadian built research reactor for its explosive device. However, the needed technological expertise was primarily a spinoff of a highly successful nuclear power program initiated in 1969 with a small U.S. enriched uranium reactor and greatly accelerated through the purchase of two small Canadian natural uranium reactors (which utilized India's own uranium reserves). India has now sufficient experience, through cooperation in the construction and operation of the two Canadian units, to have nearly completed a third natural uranium power reactor which will, as matters currently stand, produce considerable quantities of plutonium not falling under international safeguards.

The similarities between the Indian and Argentine nuclear energy programs are apparent. As is true with India, Argentina has an excellently trained cadre of nuclear specialists—a fact which has contributed to making it the most advanced in nuclear technology in Latin America (the first Brazilian nuclear power reactor is scheduled to commence operation in 1977). In addition, the Argentine nuclear energy program has remained relatively insulated from internal political turmoil. However, the most striking and significant similarity is in a common choice of natural uranium fuel powered reactors, rather than those utilizing enriched uranium (and generally supplied by the U.S.).

Argentina's first such reactor, constructed by a West German company, began operation in January 1974; a second Canadian unit is under construction, and a third in negotiation. Natural uranium reactors involve significantly higher capital outlays than enriched reactors. However, natural uranium reactors have certain distinct advantages that the Argentines have readily acknowledged, including the utilization of domestic uranium reserves (Argentina has ample supplies) thereby avoiding dependence on foreign (i.e. U.S.) enrichment services.

What is not discussed by Argentine spokesmen is that natural uranium reactors lend themselves far more readily to military objectives because of the greater quantity of plutonium produced and the comparative ease of insertion and removal of fuel rods without shut-down of the pile. Argentina also possesses a small fuel fabrication facility and is expanding its capacity dramatically. Currently, Argentina has Latin America's only plutonium separation plant and is developing the ability to produce heavy water domestically—both essential elements for a totally independent program (peaceful or military).

Like the Indians, the Argentines appear to be building a trained cadre of experts and a sufficient body of experience, through cooperation with foreign expertise and purchase of natural uranium power reactors until that point when they need no longer be dependent on foreign technology. Bilateral cooperation with India is undoubtedly envisioned by Argentina as a means of guaranteeing continued access to advanced nuclear technology, even as their traditional source (U.S. Canada, West Germany) further tighten requirements for cooperation. Yet technical factors are not themselves ingredients in a sure receipe for nuclear weapons production, and currently plutonium produced by Argentina's five U.S. type research reactors and its power reactor are subject to the safeguard accounting procedures of the International Atomic Energy Agency (IAEA).

Further, Canada, stung by its Indian experience, is demanding explicit assurances that no Canadian supplied equipment will be utilized in the development of a nuclear explosive device. However, it is difficult to escape the conclusion that each step of the Argentine civilian nuclear program has been designed to lend itself more easily to weapons development than other methods which may have been followed.

Is Argentina destined to follow India's example? Quite possibly. Like India (and Brazil), Argentina has refused to sign the Non-Proliferation Treaty of 1968 and has also defended (although less vigorously than its vocal neighbor to the north) its right to detonate so-called peaceful nuclear devices. Nor is it likely that Argentina will sign the Non-Proliferation Treaty as it shares India's and Brazil's interpretation as to the treaty's discriminatory nature.

Yet there does exist a regional alternative which could provide the legal and political framework for containment of the growing military potential of Latin American nuclear energy programs. The Treaty for the Prohibition of Nuclear Weapons in Latin America (Treaty of Tlatelolco) signed in 1967 and currently in force for eighteen Latin American nations (excluding Argentina, Brazil and Chile) provides for the complete military denuclearization of the Latin American area. The Treaty's machinery—the Organization for the Prohibition of Nuclear Weapons in Latin America (OPANAL) with a small secretariat, permanently resides in Mexico City. Four of the five nuclear weapons powers (excluding only the USSR) have signed Additional Protocols of respect.

The denuclearization agreements has taken root for a variety of reasons, including the lack of fundamental and irreconcilable divisions among the Latin American nations, the relatively low great power pressure on the region, and the hitherto low level development of Latin American nuclear energy programs. The latter situation is changing—a fact which has contributed to the lack of support for the Tlatelolco Treaty demonstrated by Argentina and Brazil. Argentina signed the Treaty in 1967, but has all but ignored it from the outset.

Argentine spokesmen privately admit that the failure to adhere can be largely attributed to opposition of the miltiary. Thus far, U.S. support for the Tlatelolco Treaty has been of a negative nature—constricted by the Pentagon—thereby making the agreement appear woefully one sided, particularly to the Soviet Union. Yet an objective study of this remarkable and underrated agreement reveals potential opportunities for congruence of Latin American national interests and those of the international community at large.

The Tlatelolco Treaty represents a genuine if fleeting opportunity for creative diplomacy to constrain a potentially destructive technological momentum with legal and political norms. U.S. policy makers should carefully consider means and methods to support this unique effort at regional nuclear arms control in the Americas. We should not neglect this opportunity to influence those Latin American nations, such as Argentina, with a growing nuclear capacity—which may not have made up their minds as to the final fateful step.

TRIBUTE TO HON. HENRY SMITH III

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, I know I am joined by many of my colleagues in expressing good wishes to my distinguished colleague from New York, Henry Smith III who has announced his intention to retire at the end of the session.

For the past 10 years, Henry Smith has served as the Representative from the 36th Congressional District in upstate New York. In his decade of service, Henry has served with distinction as a member of the House Judiciary Committee and District of Columbia Committee.

Henry Smith brought with him to the Congress a distinguished judicial career which included a term as the Niagara county judge. This prior experience served him admirably in his work as the ranking member of the Subcommittee on Criminal Justice.

Henry Smith has been accorded a number of distinguished honors and awards in his years in Congress, including being named a member of the United States-Canada Interparliamentary Group, as well as being named the recipient of the "Watchdog of the Treasury" award. He has also been chosen twice by the House to be one of its representatives at the International World Peace through Law Conferences.

Indeed, HENRY SMITH has had an impressive career in the House, a record for which he deserves to be proud. As he contemplates his return to private life, let me extend to him my best wishes for a successful retirement and the hope that his successor will serve with the same dedication and distinction which made HENRY SMITH one of our most distinguished Members.

FINDING OUR AMBASSADORS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ROSENTHAL. Mr. Speaker, the appointment of Gen. Alexander Haig to command NATO forces and U.S. forces in Europe raises two kinds of questions: First, the wisdom of the Haig appointment itself, and second, the way our country selects presidential emissaries whether or not these emissaries are formally titled ambassadors. For General Haig will be, in political terms, the President's ambassador to the NATO military structure and through that structure to the political-military leadership of every NATO country.

Former U.S. Ambassador J. Robert Schaetzel, who represented Presidents Johnson and Nixon at the European Community in Brussels from 1966 to 1972, has written a perceptive criticism of both the Haig appointment and its basis in presidential practice. I commend this article to my colleagues:

THE HAIG APPOINTMENT

(By J. Robert Schaetzel)

The appointment of General Alexander M. Haig Jr. to be NATO's Supreme Allied Commander (SACEUR) is offensive on two counts. The first concerns the appointment itself. The second concerns what it reveals about Washington's approach to high-level diplomatic appointments. If the full implications of the Haig appointment can be appreciated, especially at this time of intensive awareness of governmental deficiencies, they may serve as the catalyst to produce the long-needed reform in the way we go about this aspect of our international affairs.

The quality of the previous SACEURs was notable—Eisenhower, Ridgeway, Gruenther, Norstad, Lemnitzer, Goodpaster—and only emphasizes Haig's weakness: lack of command experience, innocence of Alliance affairs, the taint of Watergate. It is one more episode in the dreary history of Americans being assigned abroad for every reason but relevant knowledge or experience. Without reservation we send an owner of parking lots to The Hague, a publisher of "TV Guide" to London. This complaint should not be construed as a plea for ambassadorial positions to be the exclusive preserve of the Foreign Service. Left to its own devices the career service is entirely capable of naming incompetents who are the match of those from private life. And the Foreign Service would be hard-pressed to equal men of the quality of David Bruce or Edwin Reischauer.

We are accustomed to the political use of comfortable ambassadorial assignments for purposes of canceling a debt or resolving an awkward party problem. The President and the Republican leaders are repaying an obligation to Haig. He had sensitively gone out of his way to advise and assist Ford as Vice President, a decency to be rewarded. The conservative Republican leaders felt indebted to Haig for his role in Nixon's resignation. Hence, a place for him had to be found. Certainly the military were not about to accept back gracefully the 1969 colonel turned instant four-star general (Rtd.). We have had a spate of these cases: the fight against inflation meant that Rush had to be eased out of town and thus to Paris; Bush, of all things, to Peking; and, where political obligations are obscure, Flanigan, to aid the Spanish transition.

An essential adjunct to this peculiar, self-serving practice is American indifference to foreign sensibilities or foreigners' resentment of the individuals imposed upon them. The fact that our allies have been discrete should not be interpreted as contentment with the Haig nomination. For years Americans and Europeans devoted to NATO affairs have sought to make SACEUR an "Alliance" commander, not merely an American commander in Europe to take charge of European mercenaries in time of military crisis. The Greek-Turkish confrontation and the pressure to reduce American troops abroad make the Alliance connotation more urgent. In justification the administration responds. "But the Europeans did not protest; they welcomed the Haig appointment." For good reason. Our allies have discovered that, if frustrated in such matters, Washington can be exceedingly nasty. Overwhelming European reservations to Haig were a piece of cake. The trick was first to line up the Germans. They have the greatest stake in NATO—geographic vulnerability, plus the fact that they make the principal contribution of men and money and are most threatened by the prospect of American troop withdrawal. Bonn's acquiescence collapsed any chance of organized European resistance to Haig. Grudging, unanimous agreement was achieved, but at a price. The episode adds credibility to those Europeans who see in the Alliance not evidence of an Atlantic partnership, but rather of an American abuse of power.

One should be able to assume that the State Department, in exercising its responsibilities for foreign relations, with respect to senior appointments overseas, would insist on competent candidates and, conversely, would protest unqualified nominees where foreign displeasure could be anticipated. In fact, Kissinger has yet to spend any of his fund of political capital to block bad appointments. As he places no stock in the institutions of foreign affairs or, specifically, in the utility of overseas missions, he would see no reason for concern over European unease at the Haig appointment. If the Secretary of State cares little about the foreign reaction, no one can expect the White House to take seriously adverse Allied opinion.

I have lost the capacity for surprise, if not for embarrassment, at the callousness with which the government treats its own people. Without a word General Goodpaster is thrown from the end of the sleigh. Years of distinguished public service, many of them as aide to Eisenhower, in which he earned the admiration of the allies and the Congress stimulated only proforma White House acknowledgement of our national debt to this extraordinary officer. This all too typical, graceless neglect says unpleasant things to foreigners about the American government's values.

Vietnam, Cambodia and now Chile have provoked congressional huffing and puffing about Executive Branch license in foreign affairs. Yet in the area of presidential appointment, where the Senate's collateral, constitutional prerogatives, are explicit, to look for content in the exercise of "advise and consent" is like waiting for Godot. Legislative posturing and condemnation of Executive excesses are easier than perusing efforts to excuse responsibility. The Haig appointment, as several senators have pointed out, obliges the Congress to examine critical questions: the separation of the military from civilian activity, the matter of qualifications, the question of whether Haig would advance American interests abroad. But then, senatorial laxity should come as no surprise when one recalls the docile acceptance of Firestone for Belgium, for example, or Farkas for Luxembourg.

The American practice regarding diplomatic assignment is bizarre and in stark contrast with the procedure of both ally and foreign adversary. Others choose their envoys from professional diplomatic ranks, only occasionally bending this practice to name an ex-minister or distinguished parliamentarian. If we are disinclined to take these overseas missions seriously, then why accept the expense as well as the embarrassment to other countries which our practice engenders?

If the Foreign Relations Committee were interested in fulfilling the Senate's constitutional responsibilities, content could be put into those words "advise and consent." With a procedure derived from the American Bar Association's informal appraisal of proposed nominations to the judiciary, the Committee could establish a senior, nonpartisan panel of private experts to review presidential nominations prior to consideration by the Committee. The panel would be expected to advise the Committee whether the candidates met minimum qualifications for confirmation. The first act of such a panel could be to develop in cooperation with the committee the criterion to be used in judging the nominations. The mere establishment of such a procedure would have an ennobling effect on both the Senate and the President, constraining the President from the habit of employing diplomacy as the easy way of solving irksome political personnel problems.

SELECT COMMITTEE ON COMMITTEES' DISCOMFORT IN DEALING WITH THE FISHERIES AND WILDLIFE JURISDICTIONS OF THE HOUSE COMMITTEE ON MERCHANT MARINE AND FISHERIES

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mrs. SULLIVAN. Mr. Speaker, on March 21, 25, and 26, and on April 1, 4, and 24, 1974, I inserted articles in the RECORD in which I discussed the misconceptions and incorrect decisions of the Select Committee on Committees with respect to its proposals to transfer various existing Merchant Marine and Fisheries Committee jurisdictions to other existing and proposed committees. I also discussed the select committee's feeble treatment of the dislocations of Members and staff resulting from their so-called reform proposals. Today, I would like to comment on the select committee's treatment of our fisheries and wildlife jurisdictions which has been as faulty and erroneous as their analysis and decisions concerning the stripping away of our other proper jurisdictions.

Mr. Speaker, in deciding how to carve

up the responsibilities of the Committee on Merchant Marine and Fisheries, the Select Committee on Committees has never been comfortable in dealing with fisheries and wildlife issues. As it surfaced on December 7 of last year, its original proposal was to assign all fisheries and wildlife matters to the Committee on Agriculture. This proved to be a matter of considerable controversy, and the select committee rapidly discovered that the conservation and environmental community was uniformly opposed to the move. The grounds for opposition to the proposal were that the Agriculture Committee had traditionally been production oriented, whereas the wildlife needs were more conservation oriented.

The next proposal which received tentative approval within the select committee was to reassign the responsibilities for wildlife and for sports fisheries to the redesignated Committee on Energy and Environment. By this time, the select committee had reluctantly agreed that the Committee on Merchant Marine and Fisheries should be allowed to continue its existence, but shorn of certain key areas of concern. Accordingly, it was proposed to assign commercial fisheries to this committee.

Following this determination, a number of contacts were made at the staff level to allow the select committee to determine just where and how one might legitimately distinguish commercial from sports fisheries.

The point was made to the select committee staff that it would be difficult indeed to distinguish between the two: That in fact the administration had made the same effort in splitting the Bureau of Commercial Fisheries away from the Bureau of Sports Fisheries and Wildlife at the time of its Reorganization Plan No. 3 of 1970. Ever since that date, the different departments have been attempting to achieve a rational split of responsibilities and a coordination of effort, and to this date, they have not been successful in their efforts, in spite of considerable work by conscientious and competent individuals on both sides.

It was pointed out to the staff of the select committee that a similar split on the congressional level, at a time when the administration had proposed that the two areas be reintegrated in a Department of Energy and Natural Resources, would be a step backward. It was also pointed out that any such split would be arbitrary in nature, and would inevitably produce new and divisive conflicts in the jurisdictional process—for no good reason other than the arbitrary decision that the areas should be somehow divided.

Apparently, the message got through, in at least garbled fashion. The final proposal of the select committee is to take all fisheries matters and assign them to the Committee on Merchant Marine and Fisheries, and to assign all other wildlife matters to the proposed Committee on Energy and the Environment.

Once again, the select committee has ignored reality in the interests of perceived expediency. It is a biological fact that fish are only one kind of wildlife, and that their needs and their management are inextricably bound up with the needs of other kinds and classes of wildlife.

It is for this precise reason that the development of fish and wildlife legislation has taken place at the same time and in the same manner. The Fish and Wildlife Act of 1956, and the Fish and Wildlife Coordination Act took account of this fact of life, and dealt with these animals as different parts of one natural system. The recent Endangered Species Act of 1973, signed into law only last December, handles the matters in the same way.

In its report on the proposed resolution, the select committee continues to ignore this basic factor. On the one hand, it assigns responsibilities for "fisheries in general" to the Committee on Merchant Marine and Fisheries—page 113—but on the other it assigns "all conservation jurisdiction from the Merchant Marine and Fisheries Committee" to the Committee on Energy and the Environment—page 108.

This, it seems to me, poses the essential quandary into which the select committee places the House: It will either require all conservation legislation which impacts upon fish or fisheries—which is most conservation legislation—to be referred to both committees, or it divorces all fisheries legislation which is conservation legislation and sends that to the Committee on Energy and the Environment. One alternative is impossibly cumbersome, and the other is impossibly divisive, providing the illusion that the Merchant Marine and Fisheries Committee retains management control over fisheries, when, in fact, it retains no such thing.

I would submit that there is no sound reason why the House should be put to this kind of question. I am not aware that we have been criticized as unresponsive to proper conservation requirements at any time. On the contrary, our conservation record has been successful and has been recognized as such. We are being asked to destroy an adequately working arrangement for the handling of these matters, and the benefits of that destruction are invisible, because they are nonexistent.

This is but one more example of the consequences of the ill-considered proposals of the Select Committee on Committees. Other examples abound, but they generally show the same pattern: The House is being asked to buy, at great cost, an ugly pig in a poke whose dimensions cannot be seen. It is for this reason that I am compelled to oppose the proposed resolution, House Resolution 988.

CHOICE OF DONALD RUMSFELD AN EXCELLENT ONE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. DULSKI. Mr. Speaker, many of us were very pleased last week when President Ford announced the appointment of Donald Rumsfeld as assistant to the President to coordinate White House activities.

I have known Mr. Rumsfeld since he first came to Congress in 1963, and have great respect for his capabilities. The following editorial from the Buffalo Evening News of September 26, 1974, sums up my feelings:

Rumsfeld a Fine Choice

In Donald Rumsfeld, young (42), energetic and experienced, President Ford has chosen an excellent successor-of-sorts to Alexander Haig as White House chief of staff. A kind of reform-minded conservative, Mr. Rumsfeld worked well with Mr. Ford when both were House members. He later headed the antipoverty agency and the Cost-of-Living-Council staff under President Nixon before getting an overseas assignment after running into problems with former Nixon aides H. R. Haldeman and John Ehrlichman.

White House sources say President Ford will employ a less tightly organized, more diffused, staff structure than his predecessor, allowing broader access for more advisers. "All senior advisers are equal," a spokesman said.

We hope so, and we hope that will include Cabinet officers too. A President in reviewing policy options needs exposure to a variety of proposals and arguments from numerous thoughtful, independent people. As an administrator, Mr. Rumsfeld will help manage "the best use of the President's time." In doing that, he can benefit the President and the nation by keeping the routes of access to Mr. Ford consistently more open for Cabinet members and other advisers than did either Messrs. Haig or Haldeman.

AMENDMENT TO HOUSE RESOLUTION 1248

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. GUNTER. Mr. Speaker, in the event the text of House Resolution 1248 is offered as a substitute to House Resolution 988, the following amendment is intended to be offered by myself and Mr. Brown of Ohio:

An Amendment To Be Offered to House Resolution 1248 by Mr. Gunter, of Florida, and Mr. Brown, of Ohio

On page 20, strike out lines 9 through 25, and on page 21, strike out lines 1 through 7, and insert in lieu thereof the following:

"(g)(1) Each meeting of each standing, select, or special committee or subcommittee, including meetings to conduct hearings shall be open to the public: *Provided*, That a portion or portions of such meetings may be closed to the public if the committee or subcommittee, as the case may be, determines by vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(A) will probably disclose matters necessary to be kept secret in the interests of national security or the confidential conduct of the foreign relations of the United States;

"(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(C) will tend to jeopardize the present or future legal rights of any person or will represent a clearly unwarranted invasion of the privacy of any individual."

"(D) will probably disclose the identity of any informer or law enforcement agent or any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(E) will disclose information relating to trade secrets or financial or commercial information pertaining specifically to a given person where—

"(i) the information has been obtained by the federal government pursuant to an agreement to maintain confidentiality of such information."

"(ii) a Federal statute requires the information to be kept confidential by Government officers and employees; or

"(iii) the information is required to be kept secret in order to prevent undue injury to the competitive position of such person.

A separate vote of the committee shall be taken with respect to each committee or subcommittee meeting that is closed to the public pursuant to this paragraph, and the committee shall make available within one day of such meeting, a written explanation of its action. The vote of each committee member participating in each such vote shall be recorded and published.

"(2) Each standing, select, or special committee or subcommittee shall make public announcement of the date, place, and subject matter of each meeting (whether open or closed to the public) at least one week before such meeting unless the committee or subcommittee determines by a vote of a majority of the committee that committee's business requires that such meeting be called at an earlier date, in which case the committee shall make public announcement of the date, place and subject matter of such meeting at the earliest practicable opportunity.

"(3) A complete transcript, including a list of all persons attending and their affiliation shall be made of each meeting of each standing, select, or special committee or subcommittee meeting (whether open or closed to the public) in addition to the record required by paragraph (e)(1). Except as provided in paragraph (D), a copy of each such transcript shall be made available for public inspection within seven days of each such meeting, and additional copies of any transcript shall be furnished to any person at the actual cost of duplication.

"(4) In the case of meetings closed to the public pursuant to subparagraph (1), the committee or subcommittee may delete from the copies of transcripts that are required to be made available or furnished to the public pursuant to subparagraph (3) any portions which it determines by vote of the majority of the committee or subcommittee consist of material specified in subdivision (A), (B), (C), (D) or (E) of subparagraph (1). A separate vote of the committee or subcommittee shall be taken with respect to each transcript. The vote of each committee or subcommittee member participating in each such vote shall be recorded and published. In place of each portion deleted from copies of the transcript made available to the public, the committee shall supply a written explanation of why such portion was deleted and a summary of the substance of the deleted portion that does not itself disclose information specified in subdivision (A), (B), (C), (D), or (E) of subparagraph (1). The committee or subcommittee shall maintain a complete copy of the transcript of each meeting (including those portions deleted from copies made available to the public) for a period of at least one year after such meetings.

"(5) A point of order may be raised against any committee or subcommittee vote to close a meeting to the public pursuant to subparagraph (1), or against any committee or subcommittee vote to delete from the publicly available copy a portion of a meeting transcript pursuant to subparagraph (4), by committee or subcommittee members comprising one-fourth or more of the total membership of the entire committee or subcommittee. Any such point of order must be raised before the entire House within five legislative days after the vote against which the point of order is raised, and such point of order shall be a matter of highest privilege. Each such point of order shall immediately be referred to a Select Committee on Meetings consisting of the Speaker of the House of Representatives, the majority leader, and the minority leader. The select committee shall report to the House within five calendar days (excluding days when the House is not in session) a resolution containing its findings. If the House adopts a resolution finding that the committee vote in question was not in accordance with the relevant provision of subparagraph (1), it shall direct that there be made publicly available the entire transcript of the meeting improperly closed to the public or the portion or portions of any meeting transcript improperly deleted from the publicly available copy.

"(6) The Select Committee on Meetings shall not be subject to the provisions of subparagraph (1), (2), (3), or (4)."

UNITED STATES-SOVIET TRADE SHOULD BE RECONSIDERED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. ASHBROOK. Mr. Speaker, there has been much euphoria about increasing trade with the Soviet Union. Liberal spokesmen have raised the hope of changing the Soviet Union by making that country dependent on us for technology and manufactured goods. This theory holds that trade will mellow the Soviet Union. The only problem with it is that it is historically false. In the 1930's we traded with Japan. We received back some of our scrap iron and technology at Pearl Harbor and throughout the Pacific. Unfortunately, trade does not lead to peace.

The Soviets want and need our advanced technology. They are busy trying to surpass us in every area. Their navy is now superior to our own. In other areas of weaponry they are going full speed ahead.

Astronaut John L. Swigert, Jr., has raised some serious questions about trade with the Soviets. He asks, "Will our present course come back to haunt us 15 years from now? Will the one-way transfer of technology deprive American workers of jobs because of international Soviet competition?"

At this point I include in the RECORD the article "The High Risks of Selling U.S. Technology to U.S.S.R." by Astronaut John L. Swigert, Jr., in the September 7, 1974, issue of Human Events:

THE HIGH RISKS OF SELLING U.S. TECHNOLOGY TO U.S.S.R.

(By Astronaut John L. Swigert, Jr.)

Detente is a synonym for a new era of increased communication with the Soviet Union and the Chinese. The door is opening to a new era of trade with the Soviet Union. Soviet negotiators are actively seeking American goods. But there has been little hint in the American press of some of the extensive preconditions with which Soviet negotiators have qualified their prospective purchases.

Before we continue euphorically into wholesale auction of advanced technology, the American people, detente notwithstanding, are entitled to answers to questions about the long-term effects of such technology transfer on our own security and economy.

Question No. 1: Is the flow of technology a one-way street?

So far, the answer seems to be yes. Last year when the Soviets were hungry and had a crop failure, we sent them wheat. This year, when we faced an energy crunch, they helped shut off our oil.

Russia needs help in advanced computer technology. Today Russia has operating at a nuclear research facility in Dubna, near Moscow, a second-generation Control Data Corporation 1604 system, installed in 1963, and has acquired a third-generation CDC 6200 series at the same facility.

What has Russia gained? Fifteen years, according to a CDC executive who helped negotiate the sales. For that is how far Russia has been behind us in this field.

A recent press release from Tass ended with the words that "Talks are underway on the sale of a high-speed cyber electronic computer. A sensitive topic, cyber is a very high-speed, large-volume, third-generation scientific computer."

The computer processes a phenomenal 94 million bits of information per second. Only eight to 10 such installations exist. The Atomic Energy Commission and the National Security Agency use it. The question is simple: How long do we have to wait for traffic to flow both ways? And who benefits in the meantime?

Question No. 2: Does Russia have technology that we need and will we get it?

Hearings held before the Armed Services Committee determined: "Important U.S. leads are in computer technology, integrated circuits, telecommunications, ships and submarine quieting techniques, and some kinds of very strong fiber reinforced material. Important Soviet leads are in chemical warfare defense technology, high-performance integral rockets and ramjets, capability of land vehicles to cope with Arctic conditions and difficult terrain, and aircraft maintainability."

Of the five areas where U.S. technology leads, three are somewhat oriented to the private sector, thus available for export—and they are being exported: computer technology, integrated circuits and telecommunications. But all four areas where there are important "Soviet leads" represent clear-cut military technology, the kind we wouldn't export, and which the Soviet Union isn't about to. So while there is Russian technology we need, the odds are four to zero we won't get it.

According to Dr. John S. Foster, former director of Research and Engineering of the Department of Defense, "Soviet scientists are quite capable of matching their U.S. counterparts in generating and incorporating militarily significant technological innovations in weapons systems." And there is ample evidence of this.

The Soviet tanks used in the Korean conflict, later in Indochina and more recently in the Middle East conflict have a Christie-type suspension system. The Soviets bought it from the U.S. Wheel Track Layer Corp. Christie was an American inventor.

In 1972 the Soviet Union was finally able to purchase 146 highly sophisticated machines from the Bryant Grinding Co. for the manufacture of precision miniature ball bearings, precision to 64 millionths of an inch, all imperative to the guidance mechanism used for MIRVs. In the U.S. we have only 70 such machines operational, today.

This and the transfer of American and British computer technology, according to government sources, advanced the Soviet MIRV's operational readiness by two to four years. It goes without saying that this technology transfer has grave implications on the security of the U.S. [For more on this subject, see Human Events, July 20, 1974, page 8.]

The Soviet Union indeed needs equipment for its air traffic control industry, and they are now negotiating with U.S. companies to buy our sophisticated, modern equipment. But with the previous examples, one must question the wisdom in selling to the Soviets a modern air traffic control system that has an easy adaptation to air defense warning, or a missile control system.

Question No. 3: If we don't sell our advanced technology to Russia, will Russia simply buy someone else's?

On the surface, the answer seems a simple yes. But I wonder if we aren't selling short what we uniquely have to offer. The advanced technology Russia wants most to buy comes largely from our aerospace industry: air traffic control systems, avionics, computers, integrated circuits technology.

The Soviet Union wants U.S. help to build a commercial jet aircraft complex in Russia that would employ over 80,000 people, three times the commercial airplane labor force at Boeing or McDonnell-Douglas. Export of American know-how to build a multi-plant Russian complex is one of several conditions laid down by Soviet negotiators as a prerequisite for buying up to 30 wide-bodied U.S. jet transports, a sale U.S. firms are generally anxious to make.

Russian negotiators have pegged the annual output of proposed new Soviet plant at over 100 planes. This would equal almost half of all commercial transports built by the U.S. in 1972, and more than a third of all large U.S. jet transports delivered last year.

Will there be thousands of U.S. aerospace workers unemployed 15 years from now as a consequence of such a decision?

Question No. 4: Is there a focused debate in the councils of government on the benefits and risks of high-technology exports to the Soviet Union?

It doesn't appear that one exists. Senior intelligence officials are concerned that the Soviet Union can use to military advantage our technology in computers and integrated circuitry, and technologies in areas where we have no real international competition, but sell our manufacturing know-how.

The risk is that by selling on bargain basement terms our best technology for Russia's growing consumer needs and economic growth, we free their engineers to solve more military instead of social problems, whereas most of our engineers already work in the private sector.

The long-term effects of such technology transfer need to be analyzed. But if there is a debate within our councils of government, it is well hidden and not well coordinated. It seems almost that there is a party line: "Don't rock détente."

In summary, I ask: Will our present course come back to haunt us 15 years from now? Will the one-way transfer of technology deprive American workers of jobs because of international Soviet competition?

Will we have to spend more on future weapons systems to provide national security because of the technology that we are selling today—when we need those funds for domestic programs for our needy?

I would like to see these issues debated in the councils of our government. I would like to see the American people made aware of the long-term risks of the asymmetry in the transfer of our high technology to the Soviet Union in the present course of trade.

CONGRESSIONAL REFORM

HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. CLEVELAND. Mr. Speaker, on tomorrow, October 1, my colleague from Illinois (Mr. Michel) and I will cosponsor an amendment to pending congressional reforms to assure to the minority a meaningful role in investigations.

Basically, it provides that when both the executive and legislative branches are under the control of the same political party, a select committee in the House under the control of the minority party be automatically created, funded, and vested with wide-ranging investigatory authority.

We believe this proposal is consistent with both the objectives of the structural and procedural reforms proposed by the Select Committee on Committees and the larger effort to strengthen the Congress and curb excessive Executive power. In fact, we are convinced that this proposal is imperative if the other reforms are to achieve their full potential.

Though a substantial departure from current practice, the concept is not altogether new. It is rooted in the self-evident truth that no administration can be relied upon to investigate itself. Nor can the majority party in the Congress be relied upon to investigate an administration of that same party. Whatever the competence, commitment, and integrity of those carrying out investigative responsibilities, independence from the subject of their investigation is critical to the confidence of the public in their findings.

Such independence is implicit in our constitutional system of checks and balances. At present, the principle is reflected in the performance of the Special Prosecutor to investigate the Watergate affair and support—by Common Cause and others—for an independent body to enforce compliance with election laws under campaign reform legislation.

Nor is it new in practice. In 1923, when the administration and both Houses of the Congress were under control of the Republican Party, Democratic Senator Thomas J. Walsh of Montana was prevailed upon by Republican Sen. Robert La Follette to take charge of the Teapot Dome investigation. Walsh was persuaded that the Republican members of the Public Lands Committee had little relish for the task, and accordingly took informal command of the committee.

Finally, it is now new as an organizational proposal. President Ford, while a House Member in 1965, proposed in a speech before the National Press Club that when both branches are under control of the same party, the Government Operations Committees of both houses be under the control of the minority. Said President Ford at the time:

> Here would be a genuine vehicle to assure that the voice of the minority would be heard, that the majority would be constantly on notice that its actions or inactions were subject to effective and critical review. Here would be assurance that the public through (the press) would know that any cover-up or wrongdoing would be improbable if not impossible.

This proposal was incorporated in my testimony before the Joint Committee on the Organization of Congress on May 24, 1965, and in Bob Michel's legislation, H.R. 9252, introduced on June 21, 1965. It has been reintroduced in succeeding Congresses, the most recent version being H.R. 793, January 3, 1973. It also was the basis for the Michel chapter in "We Propose: A Modern Congress," the report of the House Republican Task Force on Congressional Reform and Minority Staffing under Cleveland chairmanship.

Members will note, however, that we are proposing a Select Committee on Investigations rather than minority control over the Government Operations Committee. Such a body would assert the principle of a strong minority role in investigations without creating an anomalous situation whereby the minority would control the traditional legislative functions of the Committee on Government Operations. Thus, our revised approach would not conflict with the select committee's proposals to expand the legislative jurisdiction of the Government Operations Committee in the process of restructuring the functional alinement of all standing committees.

Such a separate investigating committee, indeed, was proposed by former Representative Florence Dwyer of New Jersey on the basis of her observations of the conduct of the Government Operations Committee, of which she was ranking minority member, in its investigation of the Billie Sol Estes scandal. Largely responsible for prodding the committee into undertaking the probe, Mrs. Dwyer was never satisfied that the investigation, albeit a protracted one, was pursued with sufficient vigor. Here was an instance of a majority party in Congress investigating an administration of the same party.

Arguing in support of her proposal on July 26, 1966, Mrs. Dwyer said:

> The problem exists regardless of the party in power. It is unrealistic to expect the congressional members of a political party—again, regardless of the party—to subject executive branch officials of the same party to the kind of complete and searching scrutiny required for the proper exercise of congressional oversight authority.
>
> While it is understandable in human terms that majority party Members of Congress—whatever the party—should be reluctant to expose their opposite numbers in the executive branch to serious political embarrassment, the integrity and constitutional authority of Congress cannot be allowed to be compromised by inaction, however understandable, when abuse of authority, incompetence, inefficiency, or wrongdoing may be involved.

Such skepticism was also inspired by the performance of the Senate in 1964, when proposals to expand the Bobby Baker investigation were opposed by the majority by votes ranging from overwhelming to near unanimous.

Our colleague from Illinois (Mr. Crane) has performed a useful service in calling to Members' attention last July his analysis of seven key votes, including one to block any broadening of the probe to Senators and Senate employees concerning "any financial or business interests or activities, including activities involving the giving or receiving of campaign funds under questionable circumstances." It is significant to note that majority party members, including the leadership and members later to become presidential candidates, and the current majority membership of the Watergate Committee exhibited a determined disinclination to pursue the path from the office of the former Secretary to the majority wherever it led. This raises serious questions as to whether the Watergate Committee would have been established at all, much less performed with such conspicuous zeal, had the administration under investigation been of the same party.

It can hardly be contended that abuses of the 1972 campaign were a unique creation of the administration then in office. In his February 20 testimony before the Joint Committee on Congressional Operations, Senator MONDALE spoke of the arrogance of power in the executive branch reflected in Watergate:

> This arrogance is not a phenomenon only of this Administration, but is the culmination of a trend which began decades ago. Unless we end the misuse of executive power and gain public respect for and understanding of Congress' role in increasing the accountability of government, we will never reverse the loss of confidence which the polls are now reflecting.

To its credit, the Congress has recently enacted many reforms to redress the imbalance of power between the Executive and the Legislature, including those under consideration by this select committee, war powers legislation, budget reforms, and curbs on impoundment. We think it significant that many measures proposed or under active consideration were advocated in some form by the Republican Task Force on Congressional Reform. The fascination with Presidential government has gone out of fashion. The Vietnam conflict and Watergate have played a role in highlighting the dangers of excessive Executive authority. But it is not unreasonable to suggest that a change of administrations in 1969 contributed to the evolution of majority sentiment in this area. This is not to attribute the drive for reform to excessive partisanship. To the extent that it is based on an adversary relationship between the congressional majority and the White House, it is the positive product of our two-party system. Our proposal is merely intended to preserve and strengthen this relationship by lending it organizational standing in the hope that, regardless of who controls the two branches, a momentum for reform will be maintained.

Procedurally, the proposal fits in well with the objective of strengthening the oversight function which the Select Committee has rightly identified as a critical need. While expanding the scope of the Government Operations Committee's jurisdiction, the Bolling-Martin proposal calls also for creation of a subcommittee of each standing committee to perform oversight functions and undertake more long-range planning and anticipation of problems. The existence of a separate investigating body under the control of the minority could well serve as a spur to the functioning of these subcommittees.

As noted in the Michel chapter on minority investigations in "We Propose," such an arrangement "may do much to restore the moral force otherwise lacking and thus secure public acceptance of the fairness and justice of congressional actions. The existence of minority control would be a constant reminder to the official that excessive actions risk legislative inquiry and reversal." For further discussion of the principle in the context of a Government Operations Committee performing the role, see the full Michel chapter on the subject. "We Propose," though published in 1966, remains available in sufficient quantity for the committee's examination.

A concluding note. We would support language assuring that the majority party in the Congress, in its minority role on the Select Committee on Investigations, be afforded up to one-third of the funds provided for the appointment of committee staff, such personnel being assigned for duties at the committee minority's discretion.

THE CYPRUS CRISIS: AMERICAN FOREIGN POLICY'S DARKEST HOUR

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 30, 1974

Mr. BIAGGI. Mr. Speaker, for the past 10 weeks, the American Nation and the world have watched with horror and alarm the events on the island of Cyprus. It has now been almost 2 months since Turkey invaded Cyprus and little has been done to rectify this situation. I would like to examine in close detail the current situation on Cyprus, with particular reference to the failure of American foreign policy to bring about an end to the fighting on Cyprus as well as the removal of Turkish forces from the island.

July 20, 1974, will be the day that history will record as the start of the war on Cyprus. It was on this date that the nation of Turkey unleashed its forces in an illegal, ruthless, and unprovoked invasion of the island of Cyprus. It was following this brazen act of aggression that full-scale war between Greece and Turkey began over their territorial rights on Cyprus.

Now 2 months later, the effects of the Turkish invasion and subsequent occupation of Cyprus are becoming startingly clear. Almost one-third of the island's population have been displaced, the Cypriot economy is in a state of virtual paralysis, and the future survival of Cyprus is now in serious doubt.

Shocked and alarmed by this illicit incursion by Turkey and astounded by the lack of response by our Government, I called immediately upon the President to take all necessary steps to bring about a cessation of the fighting and help restore the territorial independence of Cyprus. I recommended that high-level negotiations led by Secretary Kissinger be immediately commenced; and in the event that these failed, then I was the first to call upon this Nation to exercise its rights under the Foreign Assistance Act and suspend all forms of economic and military aid to Turkey until a total withdrawal of her troops was achieved. At that time, I represented an almost solitary voice in a wilderness of silence and inaction by the administration.

As full-scale war between Greece and Turkey continued unabated, and as the ramifications of this war began to be felt far beyond the borders of Cyprus, I strongly reiterated my call for the U.S. Government to take the lead in bringing the warring factions to the bargaining table. Yet once again my pleas fell on deaf ears as the State Department chose to continue its policy of inaction. These policies began to instill new feelings of bitterness among Greeks who saw their brethren being slaughtered at the hands of the Turkish invaders. They felt a sense of betrayal, as the United States remained silent in the face of these brutal acts against Greek Cypriots. They were left wanting by the same Government to which many professed years of loyalty and service. These feelings reached their fateful climax with the brutal killing of U.S. Ambassador to Cyprus Roger Davies. Violence of any sort cannot be condoned, yet the policy of the State Department contributed immensely to the emotions which were exhibited that day by Greek Cypriots.

Despite all of these events, the State Department refused to take the necessary initiatives to halt the hostilities on Cyprus. It struck me as reprehensible that our Government did not consider a war between two Western nations, with the entire Mediterranean region, as well as the future of NATO at stake, serious enough to dispatch the Secretary of State directly to the troubled area. This inaction takes on even more significance when one recalls that the Secretary of State in the gallant pursuit of peace in the Middle East personally chose to visit several nonallied Arab nations.

Fortunately the Congress has responded to this crisis in a more decisive fashion. Legislation has been enacted by both Houses, which I cosponsored on the House side, which will cut off all economic and military aid to Turkey until a satisfactory agreement can be reached on Cyprus. It is now apparent that in the absence of direction from this administration, this legislation represents the only viable vehicle we have to convince the Turks to abandon their policies in Cyprus and allow peace and independence to return to this troubled land. It is my hope that the stronger language contained in the House-passed version will prevail in the final form of this legislation.

We must not fear to take strong actions to deal with Turkey in light on her wanton disregard for the concept of international law and the rights of humanity on Cyprus. Turkey historically has demonstrated her total unreliability as an ally of our Nation. She has instead chose to play the role of an international prostitute, allowing her alliances to be chosen by her whims. Her actions with respect to Cyprus, as well as her recent decision to resume production of the opium poppy, which is responsible for more than 80 percent of the illegal heroin which enters our shores further indicate Turkey's irresponsibility as an allied nation.

In contrast Greece has traditionally been one of our most steadfast allies and friends. Her citizens who emmigrated to our shores have contributed much to the strength of our Nation. They have fought to defend us in times of adversity, and have contributed to many of our successes as a nation. Yet as they saw their brethren on Cyprus being driven out mercilessly, they became despondent about why the U.S. Government would not even attempt to bring about a cessation in the fighting.

We in the Congress must now turn to attempting to rebuild the war ravaged nation of Cyprus. I intend to offer an amendment to the Foreign Assistance Act which will provide $25 million in emergency assistance to Cyprus to try and help restore economic stability to the island.

The destruction and devastation on Cyprus which has occurred as a result of the war, is staggering and dictates the urgent need for this Nation to come to her rescue.

In addition to the problem of the 200,000 refugees Turkey, controls close to 70 percent of the island's productive resources. The tourism trade which is so critical to a healthy Cypriot economy has been reduced to virtually nothing. Cyprus has been forced to forfeit some $3 million worth of factory production daily, with rampant unemployment accompanying this reduced production. It is further estimated that without a quick solution to the Cyprus question, the average income of a Cypriot citizen will be cut in half in 6 months.

All of these facts, as well as the prospect for additional economic hardships, clearly demonstrates the need for the U.S. Government to come immediately to the aid of Cyprus. The $25 million I am proposing could provide housing, medical services, and other equally important services to the Cypriot people.

We have a moral obligation to assist Cyprus when we consider that it was our military aid to Turkey which was used to both kill her citizens and ruin her land. We must place our entire aid policies under closer scrutiny, and by providing aid to Cyprus we will be better fulfilling the mandate of the Foreign Assistance Act.

These past 2 months have represented a sorry chapter in the history of U.S. foreign policy. We have allowed an unprovoked and illegal invasion by a nation using our military aid to go virtually unnoticed. We have alienated millions of loyal Greek-American citizens who have viewed with justifiable bitterness the seeming indifference and callousness of this Nation to the plight of the Greek Cypriot citizens as well as our failure to react to Turkey's invasion.

We have allowed the security of NATO as well as the entire Western Alliance to be placed in a most precarious position. We have turned our backs to the suffering and misery being endured by the Cypriot people. And we have even placed the security as well as the morale of our own diplomatic personnel in jeopardy by attempting to make them the scapegoats for their superiors' failure to act in this crisis.

We cannot afford a continuation of our present policies with respect to Cyprus. Unless we respond and take the lead in establishing the road to peace, grave doubts are bound to be raised about how those same persons who chose to remain silent can be expected to bring about a meaningful peace in Cyprus. Historically political solutions to crises by the United States have resulted in years of unrest as we see in Korea and Vietnam. We must work to restore the territorial independence of Cyprus, we must free her from the bonds of oppression currently being practiced by the illegal Turkish invaders. We must work to regain the friendship of the Greek people. These are challenges which will require a great deal more action than has thus far been evident from the administration. I fervently hope that our past errors can be eradicated, and the establishment of peace for Cyprus can be its replacement.

SENATE—*Tuesday, October 1, 1974*

The Senate met at 9 a.m., and was called to order by Hon. HAROLD E. HUGHES, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, unto whom all hearts are open and all desires known, our need is our prayer. Our weakness seeks Thy strength. Our humanity longs for divinity. Thou has put within us a hunger for righteousness and truth. Assure us of Thy presence while we pray and as we work. Take this day unto Thy keeping. Overrule our mistakes. Control our thoughts and feelings. Direct our energies. Instruct our minds. Conform our wills to Thy will. Make this a day of service to Thee, a day of joy and peace, a day when the kingdoms of this world become more nearly Thy kingdom.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 1, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. HAROLD E. HUGHES, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, September 30, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MATTERS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 1124, 1128, and 1130.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSFER OF CERTAIN ARCHIVES AND RECORDS TO THE STATE OF ALASKA

The joint resolution (S.J. Res. 234) transferring to the State of Alaska certain archives and records in the custody of the National Archives of the United States, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, is as follows:

Whereas the archives and records of the Office of the Territorial Governors of Alaska, 1884–1958, were transferred to the Federal Archives and Records Center, Seattle, Washington, in 1958 as part of a records management improvement program and because of a lack of proper archival facilities in Alaska; and

Whereas it was agreed by officials of the General Services Administration and the State of Alaska at that time that legislation would be requested to return these archives and records to the custody of the State of Alaska at such time as a State archival agency should be prepared to receive them; and

Whereas the State of Alaska will complete construction of a State archival facility in the near future; and

Whereas Federal records created by territorial governments pertaining to territorial activities have traditionally been transferred to the successor State government when a State enters the Union: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the official archives and records of the Territorial Governors of Alaska, 1884–1958, now deposited with the National Archives of the United

States at the Federal Archives and Records Center, Seattle, Washington, shall be transferred to the State of Alaska at the expense of the United States: *Provided*, That the State of Alaska makes provisions for the safekeeping, repair, and preservation of such archives and records in fireproof, air-conditioned storage space under professional archival direction: *Provided further*, That the Administrator of General Services shall determine that the condition imposed above has been met prior to his release of such archives and records for transfer to the State of Alaska.

DISPOSITION OF OFFICE EQUIPMENT AND FURNISHINGS

The Senate proceeded to consider the bill (H.R. 9075) to authorize the disposition of certain office equipment and furnishings, and for other purposes, which had been reported from the Committee on Government Operations with amendments on page 1, in line 8, strike out "the office space" and insert in lieu thereof "an office".

On page 2, in line 8, after "such", strike out "regulations." and insert "regulations, but in no instance less than the fair market value of such items.".

On page 3, in line 6, strike out "the office space" and insert in lieu thereof "an office".

On page 3, in line 20, after "such", strike out "regulations." and insert "regulations, but in no instance less than the fair market value of such items.".

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

GOLDEN GATE NATIONAL RECREATIONAL AREA

The Senate proceeded to consider the bill (H.R. 10834) to amend the act of October 27, 1973, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with amendments as follows:

On page 1, in line 9, strike out "003 D" and insert in lieu thereof "003–F".

On page 1, in line 9, strike out "1973" and insert in lieu thereof "1974".

On page 2, at the end of line 10, strike out "287.47 acres: *Provided*, That the Secretary is authorized to acquire such interest as he deems reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection," and insert in lieu thereof "235.14 acres".

On page 2, beginning in line 16, strike out "(8) Leonard property, Stinson Beach, 8.25 acres,".

On page 2, in line 17, strike out "(9)" and insert in lieu thereof "(8)".

On page 2, in line 17, after the comma, strike out "4" and insert in lieu thereof "3.94".

On page 2, beginning with line 18, strike out "(10) State of California, Department of Transportation, 120 acres".

On page 2, in line 22, strike out "10" and insert in lieu thereof "10.03".

On page 2, at the end of line 23, strike out "40" and insert in lieu thereof "40.65".

On page 3, beginning with line 1, strike out:

"Sec. 2. Section 5(b) of the Act of October 27, 1972 (86 Stat. 1299), is amended to read as follows:

"'(b) The Commission shall be composed of sixteen members appointed by the Secretary for terms of three years each. At least one of the members appointed to the Commission shall be a member of the Marin County Planning Commission, Marin County, California, who is familiar with the purposes and facilities of the Golden Gate National Recreation Area and the Point Reyes National Seashore and is a resident of the area known as West Marin located in Marin County, California."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 10834) was read the third time, and passed.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

VETERANS' ADMINISTRATION

The second assistant legislative clerk read the nomination of Richard L. Roudebush, of Indiana, to be Administrator.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I am pleased to rise in support of the confirmation of my good friend, Richard L. Roudebush, to be Administrator of Veterans' Affairs.

First of all, I want to congratulate Mr. Roudebush on the honor which the President has paid him. This nomination was the first major agency appointment which President Ford made after assuming the Presidency.

Mr. President, for many years, Richard Roudebush has been an outstanding leader in the field of veterans' affairs. He represented the 6th, 10th, and 5th Districts of Indiana for 10 years in the U.S. House of Representatives. During this time, he served on the House Veterans' Affairs Committee.

Prior to his election to the Congress, he served as chairman of the Indiana Veterans Commission, and for 7 years as Veterans of Foreign Wars service officer in Indiana. He has been commander of the VFW in Indiana, and in 1957 was chosen national commander in chief of the Veterans of Foreign Wars of the United States.

Since January 1971, he has served in the Veterans' Administration, first as Assistant Deputy Administrator, and since January 18 of this year, as Deputy Administrator.

Mr. President, Richard Roudebush has always worked hard for our veterans both in his official capacity and through his membership and active participation in the veterans' service organizations. He has shown his courage in speaking up for our veterans.

As a combat veteran of World War II, he knows the problems of our veterans and their families. He has committed himself to a course of action as chief spokesman and advocate for veterans of all periods of service.

Mr. President, I am satisfied that Richard Roudebush will be an excellent Administrator of Veterans' Affairs, and urge my colleagues to support his nomination.

Mr. HANSEN. Mr. President, I rise in support of confirmation of Mr. Richard L. Roudebush as Administrator of the Veterans Affairs Administration.

He is one of the most competent individuals in the field of veterans' activities that it has been my privilege to know. He has an excellent background and many years of dedicated service.

Serving his Nation honorably during World War II, and returning home with multiple injuries, he was employed by the Veterans of Foreign Wars. From there, he sought nomination in that organization at both the State level in Indiana and the national level, and served as National VFW Commander in Chief in 1957.

He was then nominated and elected as a U.S. Representative from the State of Indiana and, because of reapportionment, served several congressional districts.

He was appointed Administrative Assistant at the Veterans Administration and was later elevated to Deputy Administrator.

I urge my colleagues to join in confirming Mr. Roudebush to this position of responsibility. I am satisfied he will continue to represent the veterans of this country in a forthright and diligent manner.

It is my privilege to endorse Richard Roudebush wholeheartedly and to urge his confirmation as VA Administrator.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. Harry F. Byrd, Jr.) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken from the time to be assigned, to the Senator from West Virginia (Mr. Robert C. Byrd).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. MANSFIELD. Mr. President, before the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1117, S. 3378.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3378) to provide assistance for the developmentally disabled, establish a bill of rights for the developmentally disabled, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Developmentally Disabled Assistance and Bill of Rights Act".

DEFINITIONS

SEC. 2. For purposes of title I of this Act—

(1) "Construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of any such buildings (including medical transportation facilities).

(2) "Cost of construction" means the amount found by the Secretary to be necessary for the construction of a project, including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

(3) "Design for implementation" means a document prepared by the appropriate State agency or agencies outlining the implementation of the State plan as developed by the State planning council. The design for implementation shall include details on the methodology of implementation, priorities for spending, a detailed plan for the use of funds provided under this Act, specific objectives to be achieved, a listing of those programs and resources to be utilized, and a method for periodic evaluation of its effectiveness in meeting State plan objectives.

(4) "Developmental disability" means a disability which is—

(A) attributable to mental retardation, cerebral palsy, epilepsy, autism, or to a specific learning disability; or

(B) attributable to any other condition of an individual found to be closely related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals, which disability (i) originates before such individual attains age 18, (ii) has continued or can be expected to continue indefinitely, and (iii) constitutes a substantial handicap to such individual's ability to function normally in society.

(5) "Institution of higher education" has the meaning given it in section 122(c) of the Education Amendments of 1972.

(6) "Nonprofit facility for persons with developmental disabilities", or "nonprofit private institution of higher learning" mean a facility for persons with developmental disabilities, and an institution of higher learning which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(7) "Nonprofit private agency or organization" means an agency or organization which is a nonprofit corporation or association or which is owned and operated by one or more of such corporations or associations.

(8) "Poverty area" has the meaning given it in regulations of the Secretary.

(9) "Satellite center" means a facility of an agency or agencies associated with a university affiliated facility that functions as a community or regional extension of such university affiliated facility in the delivery of training, services, and programs to the consumers or their representatives, the designated State delivery system agency, and other service or program delivery units.

(10) "Secretary" means the Secretary of Health, Education, and Welfare.

(11) "Services for persons with developmental disabilities" means specialized service or special adaptations of generic services directed toward the alleviation of a developmental disability or toward the social, personal, physical, or economic habilitation or rehabilitation of an individual with such a disability, and such term includes diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation, counseling of the individual with such disability and of his family, protective and other social and legal services, information and referral services, follow-along services, and transportation services necessary to assure delivery of services to persons with developmental disabilities.

(12) "Specific learning disability" means a disorder in one or more of the basic processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations, and such disorder may include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, or developmental aphasia, but such term does not include learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, or emotional disturbance, or of environmental disadvantage.

(13) "State" includes the several States, Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

(14) "State planning council" means a council established in a State pursuant to section 115 of this Act.

(15) "Title", when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the annual rental does not exceed 4 percent of the value of the land) as the Secretary finds sufficient to assure for a period of not less than 50 years undisturbed use and possession for the purposes of construction and operation of the project.

AUDIT

SEC. 3. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

OFFICE OF DEVELOPMENTAL DISABILITIES

SEC. 4. There is established in the Office of Secretary an Office of Developmental Disabilities headed by a Director to carry out the purposes of this Act.

ADVANCE FUNDING

SEC. 5. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether the same appropriation Act or otherwise) of two separate appropriations one for the then current fiscal year and one for the succeeding fiscal year.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 6. As a condition of providing financial assistance under this Act, the Secretary shall insure that each recipient of such assistance shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, the applicable provisions of the Rehabilitation Act of 1973 (87 Stat. 355) relating to employment of handicapped individuals by State rehabilitation agencies and rehabilitation facilities and under Federal contracts and subcontracts.

TITLE I—ASSISTANCE FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

DECLARATION OF PURPOSE AND FEDERAL SHARE

SEC. 100. (a) The purpose of this title is to improve and coordinate the provision of services to persons with developmental disabilities through (A) grants to assist the several States in developing and implementing a comprehensive and continuing plan for meeting the current and future needs of persons with developmental disabilities; (B) the renovation and modernization of university-affiliated facilities which aid in demonstrating the provision of specialized services for persons with developmental disabilities, through support of demonstration and training programs at institutions of higher education; (C) the development of regional community programs for services to persons with developmental disabilities; (D) the support of activities which will contribute to improving the condition of persons with developmental disabilities, including but not limited to grants for demonstrating exemplary services to persons with developmental disabilities who are especially disadvantaged; (E) technical assistance in the establishment of services and facilities for persons with developmental disabilities, including assistance in State and local planning or administration; (F) training of specialized personnel needed for the provision of services for persons with developmental disabilities; and (G) developing or demonstrating new or improved techniques for the provision of services to persons with developmental disabilities.

(b) The Federal share with respect to any project assisted under part A of this title may not exceed 70 percent of the necessary cost thereof as determined by the Secretary.

(c) The Federal share with respect to any project assisted under part B of this title may not exceed 70 percent of the necessary cost thereof as determined by the Secretary, except that with respect to a project of any facility or agency which provides, or will upon completion of a project assisted under such part B provide, services to a poverty area, the Federal share may not exceed 90 percent of the necessary cost thereof.

(d) (1) The non-Federal share of the cost of any project assisted under this title shall be provided in cash and not in kind.

(2) Payments of grants under this title shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

(3) For the purpose of determining the Federal share with respect to any State, expenditures by a political subdivision thereof or by nonprofit private agencies, organizations, and groups shall, subject to such limitations and conditions the Secretary may by regulation prescribe, be deemed to be expenditures by such State.

Part A—Demonstration and Training Grants for University Affiliated Facilities and Renovation and Construction of Facilities

RENOVATION AND CONSTRUCTION

Sec. 101. (a) For the purpose of making grants under subsection (b) there is authorized to be appropriated $6,500,000 for the fiscal year ending June 30, 1975, and for each of the next four succeeding fiscal years.

(b) Amounts appropriated pursuant to subsection (a) shall be used only for project grants for (1) renovation or modernization of a university affiliated facility which is carrying out a program under section 102(a) or (2) renovation and modernization of a facility to be operated as a satellite center (as defined in section 2(9)) of a university affiliated facility. Amounts appropriated pursuant to subsection (a) shall be used only with respect to facilities which after renovation and modernization meet standards adopted pursuant to the Architectural Barriers Act of 1968 (82 Stat. 718).

(c) The Secretary in making grants for the purposes of subsection (b) (2) of this section shall give a priority to those applicants utilizing existing facilities.

DEMONSTRATION, TRAINING, AND OPERATIONAL GRANTS

Sec. 102. (a) (1) The Secretary shall, in accordance with the provisions of this part, make grants to university affiliated facilities to pay part of the cost of administering and operating demonstration facilities and interdisciplinary training programs for personnel needed to render specialized services to persons with developmental disabilities, with emphasis upon the ability and commitment of such programs to provide services not otherwise available under other laws to persons with developmental disabilities in programs of community care as alternatives to such services being provided in institutional settings.

(2) Each recipient of a grant made under paragraph (1) (if funds are available in accordance with paragraph (3)) shall conduct a study and submit to the Secretary (not later than six months after the date of receipt of such grant) a full report which includes—

(A) an assessment of the need for the provision of alternative community care services for persons with developmental disabilities in each State not now served by such recipient in the general geographical area in which such institution is located, and

(B) a feasibility study of ways in which such recipients, singly or together with other such recipients, could establish and operate satellite centers in areas described in subparagraph (A) to provide such services in accordance with demonstration facilities and interdisciplinary training programs assisted under paragraph (1).

(3) Assessments and studies required under the provisions of paragraph (2) shall be carried out in consultation with the State planning council for the State where the recipient is located and where the satellite center would be established, and may be carried out jointly with one or more recipients under paragraph (1). The Secretary, subject to the availability of funds, shall include in the grant made under paragraph (1) an additional amount (not in excess of $25,000) necessary to pay all of the cost of any such assessment and study.

(b) (1) The Secretary may, in accordance with the provisions of this part, make grants to university affiliated facilities to pay part of the costs of establishing, administering, and operating satellite centers meeting the specifications developed in the assessments and studies carried out under paragraph (2) of subsection (a) of this section. Any recipient of assistance under this subsection may provide, by contract, for the operation of any satellite center assisted under this subsection by a qualified public or nonprofit private agency or organization. The non-Federal share for a grant under this subsection shall be provided by the State in which the satellite center will be located.

(2) For the purposes of this subsection only, the term "university affiliated facility" means a facility constructed under funds authorized by Public Law 88-164 to promote interdisciplinary training of personnel to serve developmentally disabled individuals, or a successor facility as designated by the Secretary to perform the functions of such facility.

(c) For the purpose of making grants pursuant to this section, there is authorized to be appropriated for the fiscal year ending June 30, 1975, and for each of the four succeeding fiscal years, $25,000,000, of which in the fiscal year ending June 30, 1975, amounts appropriated in excess of $4,250,000 and not in excess of $4,975,000 (or such lesser amount as the Secretary may determine to be necessary) shall be made available only for the purposes of carrying out assessments and studies under paragraph (2) of subsection (a) of this section. With respect to amounts appropriated for the fiscal year ending June 30, 1976, and for the subsequent fiscal years, $4,250,000 shall be available only for grants under paragraph (1) of subsection (a) of this section, and of amounts appropriated in excess of $4,250,000 for each such year, 50 per centum shall be available only for grants under subsection (b) of this section.

APPLICATIONS

Sec. 103. (a) The Secretary may approve an application for a grant under this part only if the application contains or is supported by reasonable assurances that—

(1) the proposal for such renovation or modernization is consistent with the appropriate State plan established pursuant to section 114, and that the applicant will provide the services and training required by such State plan or plans as appropriate;

(2) the facility is associated, to the extent prescribed in regulations by the Secretary, with an institution of higher learning medical center (including affiliated health or education facilities), or with part of such an institution of higher education;

(3) the plans and specifications for such renovation or modernization are in accord with regulations prescribed by the Secretary under section 119;

(4) title to the site for the project is or will be vested in the State in which it is located, or in one or more of the agencies or institutions making the application, or in a public or nonprofit agency or institution which is to operate the facility;

(5) the non-Federal share will be available for renovation or modernization of the project and adequate funds will be available for its maintenance and operation when completed;

(6) the facility will comply with regulations of the Secretary relating to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with standards adopted pursuant to the Architectural Barriers Act of 1968 and with regulations of the Secretary of Labor relating to occupational health and safety standards); and

(7) any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5); and the Secretary of Labor shall have, with respect to the labor standard specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(b) (1) In considering applications for such grants under this part, the Secretary shall require that such applications demonstrate that the grant application has been reviewed and commented on by the State planning councils established under section 115, and with respect to grants to university affiliated facilities, give priority to any application which shows that the applicant has made arrangements, in accordance with regulations of the Secretary, for a junior college or other community-based educational or health facility to participate in the programs for which the application is made.

(2) In the event that a State planning council fails to complete its review and comment within 30 calendar days after the submission of such application to the council under this subsection, the applicant may submit directly to the Secretary a request to approve its application. If the Secretary finds that the failure by such council is arbitrary, capricious, or unwararnted, he may approve such application without further action by such council. In a case where the findings of the Secretary do not meet the criteria of the preceding sentence he shall return such application to the State planning council for action.

(c) Applications for assistance under this part shall establish as priority goals—

(1) deinstitutionalization of persons with developmental disabilities including prevention of institutionalization, normalization outside of institutions, development of community-based programs including placement, and follow-up services;

(2) early screening, diagnosis, and evaluation of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training);

(3) counseling, client program coordination, follow-along services, protective services, and personal advocacy on behalf of developmentally disabled adults; and

(4) normalization of institutional life.

RECOVERY

Sec. 104. If any facility with respect to which Federal assistance has been provided under this part shall, at any time within 20 years after the completion of construction, renovation or modernization—

(1) be sold or transferred to any person, agency, or organization which is not qualified to file an application under this part, or

(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. The Secretary, in accordance with regulations prescribed by him, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

MAINTENANCE OF EFFORT

Sec. 105. Applications for grants under this part may be approved by the Secretary only if the application contains or is supported by reasonable assurances that the grants will not result in any decrease in the level of State, local, and other non-Federal funds for services for persons with developmental disabilities and training of persons to provide such services which would (except for such grant) be available to the applicant, but that such grants will be used to supplement, and, to the extent practicable, to increase the level of such funds.

Part B—Grants for Planning, Provision of Services, and Construction and Operation of Facilities for Persons With Developmental Disabilities

AUTHORIZATION OF APPROPRIATION

Sec. 111. For the purpose of making grants to carry out this part, there are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1975, $85,000,000 for the fiscal year ending June 30, 1976, $95,000,000 for the fiscal year ending June 30, 1977, $100,000,000 for the fiscal year ending June 30, 1978, and $110,000,000 for the fiscal year ending June 30, 1979; and there is further authorized to be appropriated for such purpose for each such fiscal year such additional sums as the Congress may deem necessary.

STATE ALLOTMENTS

Sec. 112. (a) (1) From the sums appropriated pursuant to section 111 for each fiscal year, other than amounts reserved by the Secretary for projects under subsection (e) of this section, the several States shall be entitled to allotments determined, in accordance with regulations, on the basis of (A) the population, (B) the extent of need for services and facilities for persons with developmental disabilities, and (C) the financial need, of the respective States; except that the allotment of any State (other than the Virgin Islands, American Samoa, Guam, and Trust Territory of the Pacific Islands) for any such fiscal year shall be not less than $200,000 (except that no State shall receive less than the amount such State received for the fiscal year ending June 30, 1974, under section 132(a) (1) of the Mental Retardation Facilities Construction Act (84 Stat. 1317) and the allotment of the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands shall be not less than $50,000 plus, for each fiscal year ending after June 30, 1975, for which appropriations exceed $50,000,000, an amount which bears the same ratio to $200,000 (or in the case of the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands, $50,000) as the difference between the amount so appropriated for each fiscal year and $50,000,000 bears to $50,000,000.

(2) In determining, for purposes of paragraph (1), the extent of need in any State for services and facilities for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services specified, pursuant to section 114(b), in the State plan of such State approved under this part.

(3) Sums allotted to a State for a fiscal year and designated by it for construction, renovation, or modernization which are unobligated at the end of such year shall remain available to such State for such purpose for the next fiscal year and for such year only, in addition to the sums allotted to such State for such fiscal year.

(b) Whenever a State plan is approved in accordance with section 114 which provides for participation of more than one State agency in administering or supervising the administration of designated portions of such plan, the State may apportion its allotment among such agencies in a manner which is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of this part subject to the approval of the Secretary. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be expended for other purposes, provided the purposes of this part will receive proportionate benefit from the combination.

(c) Whenever a State plan approved in accordance with section 114(c) provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies and States involved.

(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which it is allotted shall be available for reallotment, by the Secretary on such date or dates as he may fix (but not earlier than 30 days after he has published notice of his intention to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

(e) Of the sums appropriated pursuant to section 111, such amount as the Secretary may determine, but not more than 10 percent thereof, shall be available to the Secretary who, after consultation with the National Council established pursuant to section 113, may (notwithstanding the provisions of subsection (c) of section 100) make grants to States and public or nonprofit private agencies to pay up to 90 percent of the cost of projects which in his judgment are of special national significance. Such projects shall include—

(1) integrated service model projects for services to the developmentally disabled population,

(2) public awareness and public education programs to assist in the elimination of attitudinal and environmental barriers confronted by individuals with developmental disabilities, and

(3) demonstration projects to coordinate and utilize all available community resources,

in meeting the needs of persons with developmental disabilities (especially the disadvantaged), or will demonstrate new or improved techniques for the provision of services for such persons, or are otherwise specifically significant for carrying out the purposes of this part.

(f) The Secretary shall administer grants under this part in accordance with policies used generally to administer grants throughout the Department of Health, Education, and Welfare.

NATIONAL COUNCIL ON SERVICES AND FACILITIES FOR THE DEVELOPMENTALLY DISABLED

Sec. 113. (a) (1) Effective 30 days after the date of enactment of this Act, there is established in the Office of the Secretary a National Council on Services and Facilities for the Developmentally Disabled (herein referred to as the "National Council"), whose membership shall include the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Disease and Stroke, the Director of the National Institute of Mental Health, 3 other representatives of the Department of Health, Education, and Welfare selected by the Secretary, and 16 members, who are not full-time employees of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service.

(2) The Secretary shall from time to time designate 1 of the 16 appointed members of the National Council to serve as Chairman thereof.

(3) The 16 appointed members of the National Council shall be selected from advocates in the fields of service to persons with developmental disabilities, including leaders in State or local government, in institutions of higher education, and in organizations which have demonstrated advocacy on behalf of consumers of such services. At least 5 such members shall be representatives of State or local public or nonprofit private agencies responsible for services to persons with developmental disabilities, and at least 5 other such members shall be consumers of such services or the parents or guardians of such consumers.

(b) Each appointed member of the National Council shall hold office for a term of 4 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. A former member may only be reappointed to the National Council after a period of 1 year has elapsed from the end of his appointed term. The Secretary shall fill all vacancies resulting from the expiration of members' terms on the National Council within 10 calendar days of the occurrence of such vacancies.

(c) The National Council shall meet at least twice a year, and shall hold its initial meeting within 90 days after the date of enactment of this Act.

(d) It shall be the duty and function of the National Council to—

(1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him in the implementation of this title;

(2) study and evaluate programs authorized by this title to determine their effectiveness in carrying out the purposes for which they were established;

(3) monitor the development and execution of this title and report directly to the Secretary any delay in the rapid execution of this title;

(4) review grants made under section 112 (e) and advise the Secretary with respect thereto;

(5) review grants and contracts entered into pursuant to section 121, including re-

view of the final evaluation system and advise the Secretary with respect thereto; and

(6) submit to the Congress annually an evaluation of the efficiency of the administration of this title.

(e) The National Council is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the National Council such secretarial, clerical, and other assistance and such statistical and other pertinent data prepared by or available to the Department of Health, Education, and Welfare as it may require to carry out such functions.

(f) Members of the National Council, while attending meetings or conferences thereof or otherwise serving on the business of the National Council, shall be entitled to receive compensation at rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS–18 of the General Schedule for each day of such service (including traveltime), and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(g) A member of the National Council created pursuant to section 133 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970 whose term has not expired by July 1, 1974, shall continue to serve as a member of the National Council established in this section until the date such term would have expired had such Act remained in effect after July 1, 1974.

(h) There are authorized to be appropriated to carry out the purposes of this section $100,000 for the fiscal year ending June 30, 1975 and for each of the four succeeding fiscal years.

(i) The National Council shall cease to exist as of June 30, 1979.

STATE PLANS

SEC. 114. (a) For each fiscal year in which a State makes application to participate in programs under this part it shall, within 180 days after the date of enactment of this Act, develop, submit, and obtain the approval of the Secretary of, an annual State plan which is a specific goal oriented plan, which shall include provisions designed to—

(1) reduce and eventually eliminate inappropriate institutional placement of persons with developmental disabilities;

(2) improve the quality of care, habilitation, and rehabilitation of persons with developmental disabilities for whom institutional care is appropriate;

(3) provide early screening, diagnosis, and evaluation of developmentally disabled infants and preschool children (including maternal care, developmental screening, home care, infant and preschool stimulation programs, and parent counseling and training);

(4) provide counseling, client program coordination, follow-along services, protective services, and personal advocacy on behalf of developmentally disabled adults;

(5) support the establishment of commodity programs as alternatives to institutionalization, designed to provide services for the care and habilitation of persons with developmental disabilities, which programs utilize, to the maximum extent feasible, the resources and personnel in related community programs to assure full coordination with such programs and to assure the provision of appropriate supplemental health, educational or social services for persons with developmental disabilities;

(6) protect the human rights of all persons with developmental disabilities, especially those without familial protection; and

(7) provide for interdisciplinary intervention and training programs for multihandicapped individuals.

(b) Before the Secretary may approve a State plan under section (c) of this section, the appropriate state planning council shall approve the design for implementation (including its plan for expenditure of funds) contained within such State plan. A State plan for the provision of services and facilities for persons with developmental disabilities shall—

(1) designate—

A) the State agency or agencies (except as provided in clause (B)) which shall administer and supervise the administration of the State plan, and if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise); and

(B) a single State agency as the sole agency for administering or supervising the administration of grants for construction, renovation, or modernization under the State plan;

(2) describe the quality, extent, and scope of services being provided or to be provided to meet the goals specified in subsection (a) of this section;

(3) describe (A) the quality, extent, and scope of services being provided, or to be provided, to persons with development disabilities under such other State plans for federally assisted State programs as may be specified by the Secretary, which shall in any case include education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health plans, and (B) how funds allotted to the State in accordance with section 112 will be used to complement and augment rather than duplicate or replace services and facilities for persons with developmental disabilities who are eligible for Federal assistance under such other State programs;

(4) provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 (87 Stat. 394) and other appropriate voluntary organizations;

(5) set forth policies and procedures for the expenditure of funds under the plan, which, in the judgment of the Secretary, are designed to assure effective continuing State planning, evaluation, and delivery of services (both public and private) for persons with developmental disabilities;

(6) contain assurances satisfactory to the Secretary that (A) the funds paid to the State under this part will be used to make a significant contribution toward strengthening services for persons with developmental disabilities in the various political subdivisions of the State in order to improve the quality, scope, and extent of such services; (B) part of such funds may be made available to other public or nonprofit private agencies, institutions, and organizations; (C) such funds will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available for the purposes for which the Federal funds are provided and not to supplant such non-Federal funds; and (D) there will be reasonable State financial participation in the cost of carrying out the State plan;

(7) provide that services and facilities furnished under the plan for persons with developmental disabilities will be in accordance with standards prescribed by regulations of the Secretary pursuant to this title and title II of this Act;

(8) provide such methods of administration, including methods relating to the establishment and maintenance of personnel standards and selection and advancement of personnel on a merit basis, as are found by the Secretary to be necessary for the proper and efficient operation of the plan (except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods);

(9) provide assurances that the State planning council is assigned adequate personnel, in order to insure that such council has the capacity to fulfill its responsibilities in the areas of planning, resource development, and program evaluation;

(10) provide that the State planning council shall periodically, but not less often than annually, review and evaluate the State plan and submit appropriate modifications to the Secretary for his approval;

(11) provide that the State agencies designated pursuant to paragraph (1) of this subsection will make such reports, in such form and containing such information, as the Secretary or the State planning council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports;

(12) provide that special financial and technical assistance shall be given to areas of urban or rural poverty in providing services and facilities for persons with developmental disabilities who are residents of such areas;

(13) describe the methods to be used to assess the effectiveness and accomplishments of the State in meeting the needs of persons with developmental disabilities in the State;

(14) specify the maximum amount of, and the per centum of the State's allotment under section 112 for any year which is to be devoted to construction, renovation, or modernization of facilities, which per centum shall be not more than 10 per centum of the State's allotment or such lesser per centum as the Secretary may from time to time prescribe;

(15) if Federal funds are allotted for construction, renovation, or modernization under this part, outline a program of construction, renovation, or modernization of facilities for the provision of services for persons with developmental disabilities which—

(A) is based on a statewide inventory of existing facilities and survey of need;

(B) sets forth the relative need, determined in accordance with the regulations prescribed by the Secretary for the several projects included in the construction, renovation, or modernization program; and

(C) assigns priority to the construction, renovation, or modernization of projects, to the extent that financial resources available therefor and for maintenance and operation permit such priority, in the order of relative need, taking into account the requirement that any such construction, renovation, or modernization complies with any standards prescribed pursuant to the Architectural Barriers Act of 1968;

(16) provide for an opportunity for hearing before the State agency to every applicant for a construction, renovation, or modernization project;

(17) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursements of, and accounting for, funds paid to the State under this part in accordance with regulations the Secretary shall prescribe;

(18) provide for the implementation of an evaluation system compatible with the system developed under section 121 of this Act, within 30 months after the date of enactment of this Act;

(19) provide, to the maximum extent feasible, an opportunity for prior review and comment by the State planning council of all State plans in the State which relate to programs affecting persons with developmental disabilities;

(20) provide that personnel assigned to the State planning council shall be solely responsible to such council;

(21) provide that all relevant information concerning any programs which may affect persons with developmental disabilities shall be made available by projects and State agencies to the State planning council; and

(22) contain such additional information and assurances as the Secretary may determine to be necessary to carry out the provisions and purpose of this part.

(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b) of this section. The Secretary shall not disapprove a State plan unless he has provided reasonable notice and opportunity for a hearing to the State.

STATE PLANNING COUNCILS

Sec. 115. (a) Each State which receives assistance under this title shall establish a State Planning Council which shall serve as advocate for persons with developmental disabilities, and whose members shall be appointed by the Governor of each such State.

(b) The State Planning Council shall—

(1) develop and prepare the State plan required by section 114;

(2) approve, monitor, and evaluate the implementation of such State plan and submit to the Governor and the State legislature an annual report on such implementation;

(3) establish priorities for the distribution of funds for programs for persons with developmental disabilities within the State;

(4) review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

(5) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request.

(c) Each State receiving assistance under this title shall provide for the assignment to the State Planning Council of personnel adequate to insure that such council has the capacity to fulfill its responsibilities in the areas of planning, resource development, and program evaluation, except that funds provided for such council personnel shall be at least at a level of 20 per centum of the amount of the State's allotment under section 112, but no more than 30 per centum of such amount.

(d) Each State Planning Council shall at all times include in its membership representatives of the principal State agencies, local agencies, and nongovernmental agencies, and groups concerned with services to persons with developmental disabilities, including a representative of an institution of higher education receiving a grant under this title and servicing a facility within that State; and at least one-third of the membership of such council shall consist of consumers of such services, or their parents or guardians, who are not officers of any organization, or employees of any State agency, or other agency or facility, which receives funds or provides services pursuant to this Act.

(e) The State agency or agencies designated under section 114(b)(1)(A) shall submit to the State planning council for its approval the design for implementation, including a detailed plan for the disbursement of all funds under this part (except as otherwise provided by this part).

(f) The Secretary shall insure that each State planning council has access to all other State plans submitted to him under section 114, as well as any relevant statistical and fiscal information relating to persons with developmental disabilities.

APPROVAL OF PROJECTS FOR CONSTRUCTION, RENOVATION, OR MODERNIZATION

Sec. 116(a) Any State or political subdivision thereof or a public or nonprofit private agency shall, with respect to any project for construction, renovation, or modernization authorized under this part, submit an application therefor to the Secretary, through the State agency designated pursuant to section 114(b)(1)(B) (herein in this part referred to as the "State agency"). An application for a project to be completed by two or more political subdivisions or public or nonprofit private agencies, or by a combination thereof, may be submitted by one such agency on behalf of all of them. Such application shall set forth—

(1) a description of the site for such project;

(2) plans and specifications thereof, in accordance with regulations prescribed by the Secretary;

(3) satisfactory assurances that title to such site is or will be vested in one or more of the agencies filing the application or in a public or nonprofit private agency which is to operate the facility;

(4) satisfactory assurances that the non-Federal share of financial support will be available for the construction, renovation, or modernization of the project and for its maintenance and operation when completed;

(5) a certification by the State agency of the Federal share for the project;

(6) satisfactory assurances that the project, facility, or activity, in connection with which such determination is made, does, or when completed or put into operation, will serve the needs of the residents of the area;

(7) a certification by the State agency that the project will comply with any standards prescribed pursuant to the Architectural Barriers Act of 1968; and

(8) satisfactory assurances that such construction, renovation, or modernization will conform to the requirements of section 103(b)(7) of this Act.

(b) The Secretary shall approve an application under this section if sufficient funds to pay the Federal share of the cost of such project are available from the allotment to the State, and if the Secretary finds that the application—

(1) sets forth, to his satisfaction, the information required in subsection (a),

(2) is in conformity with the State plan approved under this part, and

(3) has been approved and recommended by the State agency and is entitled to priority over other projects within the State in accordance with the State's plan for persons with developmental disabilities and in accordance with regulations prescribed by the Secretary.

(c) No application shall be disapproved until the Secretary has afforded the State agency adequate notice and an opportunity for a hearing.

(d) Amendment of any approved application shall be subject to approval in the same manner as the original application.

WITHHOLDING OF PAYMENTS

Sec. 117. (a) Whenever the Secretary, after reasonable notice and opportunity for hearing to a State planning council and a State agency or agencies designated pursuant to section 114(b)(1) finds—

(1) that any such State agency or agencies are not complying with the provisions required by section 114(b) to be included in the State plan, or with regulations of the Secretary;

(2) that a State, State agency, or State planning council are not in compliance with the provisions of section 115;

(3) that any requirement set forth in an application submitted under section 114 and approved by the Secretary is not being or cannot be carried out with respect to the project for which such application was submitted;

(4) that there is a substantial failure to carry out plans and specifications related to construction, renovation, or modernization approved by the Secretary, under section 116; or

(5) that adequate funds are not being provided annually for the direct administration of the State plan,

the Secretary may forthwith notify such State council and State agency or agencies that—

(A) no further payments will be made to the State for construction, renovation, or modernization from allotments under this part; or

(B) no further payments will be made from allotments under this part for any project or projects designated by the Secretary as being affected by the action or inaction referred to in paragraph (1), (2), (3), (4), or (5) of this subsection as the Secretary may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments for construction, renovation, or modernization projects may be withheld, in whole or in part, until the Secretary is satisfied that the State has corrected any deficiencies under this subsection or, if such correction is impossible, until the State repays or arranges for the repayment of Federal moneys to which the State was not entitled because of such deficiencies.

(b) Whenever the State planning council finds that a State agency administering funds pursuant to the implementation design is failing to comply with such design, the State planning council shall notify the Governor and the Secretary, who may provide notice, conduct a hearing, and withhold payments pursuant to subsection (a) of this section.

PAYMENTS TO THE STATES FOR PLANNING ADMINISTRATION AND SERVICES

Sec. 118. (a) From each State's allotment for a fiscal year under section 112, the State shall be paid the Federal share of its expenditures, other than expenditures for construction, renovation, or modernization, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

REGULATIONS

Sec. 119. (a) The Secretary, not later than 90 days after the date of enactment of this Act, shall prescribe general regulations in final form applicable to all the States to carry out the purposes of this title.

(b)(1) Regulations promulgated by the Secretary may be waived upon approval of an application submitted by a State for a project to be completed by two or more political subdivisions or public or nonprofit private agencies, or by a combination thereof, which is consistent with applicable law and regulations promulgated by the Secretary for such purposes to provide services to persons with developmental disabilities by combining funds received from other Federal, State, or local programs to the extent that such regulations would without such waiver impede the implementation of such project. Such waivers shall be reviewed annually by the Secretary and issued on a case-by-case basis and for a specified period of time, but in no case longer than thirty-six months. Renewal of such waivers may be granted only after a full evaluation of the impact of such waivers by the Secretary. The Secretary shall submit his justifications for any renewal of such waivers in a report to the appropriate committees of the Congress.

(2) The Secretary shall publish in the Federal Register the fact that an application

for waiver under paragraph (1) has been submitted by a State, and he shall not approve or disapprove such application for a period of not less than 60 nor more than 90 days after the date of such publication.

NONDUPLICATION

SEC. 120. (a) In determining the amount of any payment for the construction, renovation, or modernization of any facility under a State plan approved under this part, there shall be disregarded (1) any portion of the costs of such construction, renovation, or modernization which are financed by Federal funds provided under any provision of law other than this part, (2) the amount of any non-Federal funds provided under any provision of law other than this part, and (3) the amount of any non-Federal funds required to be expanded as a condition of receipt of such Federal funds.

(b) In determining the amount of any State's Federal share of expenditures for planning administration, and services incurred by it under a State plan approved under this part, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than this part, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

EVALUATION OF DEVELOPMENTAL DISABILITIES SERVICES

SEC. 121. (a) The Secretary, in consultation with the National Council created pursuant to section 113 of this Act, shall develop and transmit to the appropriate committees of Congress, within 18 months after the date of enactment of this section, an evaluation system and plan for implementation of such system which shall provide a model for the development of State evaluation systems for all services delivered within the States to persons with developmental disabilities.

(b) The evaluation system required by subsection (a) shall be designed to—

(1) assess the adequacy of all education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation services, and all other services or assistance to persons with developmental disabilities under laws administered by the Secretary; and

(2) develop specific criteria designed to provide objective measurement of the developmental progress of persons with developmental disabilities, which may be utilized by public agencies, residential facilities, and community-based facilities and agencies to evaluate the effectiveness of the services provided to such persons.

(c) In developing such evaluation system the Secretary shall insure that such system is consumer oriented and that the system will—

(1) evaluate the effects of services on the lives of consumers, utilizing information and data obtained from individualized written habilitation plans as required under section 211 of this Act (when applicable) or other comparable individualized data,

(2) evaluate the overall impact of State and local programs for the developmentally disabled,

(3) provide and evaluate the cost-benefit ratios of particular service alternatives, and

(4) provide that evaluation of program quality shall be performed by individuals not directly involved in the delivery of such services to the program being evaluated.

(d) The Secretary, in consultation with the National Council established pursuant to section 113, may make grants to, and enter into contracts with, private nonprofit organizations or individuals to conduct feasibility studies to assist in developing the evaluation system required under subsection (a), except that such grant or contract shall not be entered into with groups or individuals who have any financial or other direct interest in the program being evaluated.

(e) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 for the fiscal year ending June 30, 1975, and $1,000,000 for the fiscal year ending June 30, 1976.

GRANTS FOR SPECIAL PRODUCTS FOR SERVICES TO PERSONS WITH DEVELOPMENTAL DISABILITIES

SEC. 122. (a) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $17,500,000 for the fiscal year ending June 30, 1975, $20,000,000 for the fiscal year ending June 30, 1976, $22,500,000 for the fiscal year ending June 30, 1977, $25,000,000 for the fiscal year ending June 30, 1978, and $27,500,000 for the year ending June 30, 1979.

(b) The Secretary, after consultation with the National Council established pursuant to section 113, shall make grants to States and public or nonprofit agencies and organizations to pay part or all of the cost of special projects and demonstrations (and research and evaluation in connection therewith) for establishing programs which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped). Such projects and demonstrations shall include, but not be limited to, parent counseling and training, early screening and intervention, infant and preschool programs, seizure control system, legal advocacy, and community based counseling, care, housing and other services or systems necessary to maintain a person with developmental disabilities in the community.

(c) The Secretary shall insure that any such special projects are approved by the appropriate State planning council within 30 days after such council receives the application for review.

(d) Projects, or a component of any project funded under this section, shall not be eligible for funding under section 304 of the Rehabilitation Act of 1973 (87 Stat. 381).

REPEAL

SEC. 123. Effective 90 days after enactment, parts B and C of the Developmental Disabilities Services and Facilities Construction Act are repealed.

TITLE II—BILL OF RIGHTS FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

STATEMENT OF PURPOSE

SEC. 200. The purpose of this title is to establish standards to assure the humane care, treatment, habilitation, and protection of mentally retarded and other persons with developmental disabilities who are served by residential and community facilities and agencies; to establish a method to assess compliance with such standards; and to minimize in appropriate admissions to such facilities and agencies, through the establishment of a method for assuring that the standards affecting the health, safety, personal dignity, and human and civil rights of persons with developmental disabilities are being complied with by such facilities or agencies; and through (1)(A) the use of procedural criteria set forth in part B of this title and performance based criteria developed by the Secretary pursuant to section 210 of this Act; (B) compliance and minimum standards set forth in section 215; and (C) such additional specific criteria that the Council and the Secretary may deem necessary; or (2) compliance with standards set forth in parts C and D of this title.

PART A—GENERAL PROVISIONS FOR RESIDENTIAL AND COMMUNITY FACILITIES AND AGENCIES SERVING MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

DEFINITIONS

SEC. 201. For the purposes of this title—

(1) "adaptive behavior" means the effectiveness or degree with which the individual meets the standards of personal independence and social responsibility which is normal in relation to his age and social and cultural environment;

(2) "agency" means a public or nonprofit organization that provides services to persons with mental retardation and other developmental disabilities, or to their families, but which need not limit its services to developmentally disabled persons, and may provide services to developmentally disabled persons as part of services provided to the general public;

(3) "body image" means the concept that each person has of his or her own body as an object in space, independent of and apart from all other objects, including one's attitudes, perceptions, and feelings toward his or her body and its parts;

(4) "client", "person", "disabled person", or "disabled" means a person or individual who is mentally retarded or otherwise developmentally disabled, and who needs some form of specialized or generic service related to his mental or physical impairment;

(5) "client program coordinator" means an individual who is responsible for the implementation of the client's individual program plan, and who participates in the regular evaluation, revision, and redirection of the individual program plan;

(6) "community" means a general population having a common interest or interdependency in the delivery of services to mentally retarded or other persons with developmental disability;

(7) "cross-disciplinary approach" means a method of delivering services in which one or two members of an interdisciplinary team serve as team facilitators to implement the program plan between regularly scheduled reevaluation sessions by the team, and in which other members of the team teach and share their specialized professional skills with, and release their intervention role to, such facilitators during such implementation, while maintaining their professional (or credentialed) accountability on behalf of the person and his family;

(8) "culturally normative" means that which is normal, typical, or usual for a given culture, including the attitudes, performances, or behavior ordinarily displayed by, or expected of, most individuals within a given culture;

(9) "family" means parents, brothers, sisters, foster parents, advocates, guardians, surrogates, and others who perform the roles and functions of natural family members in the lives of persons;

(10) "generic services" means services offered or available to the general public, as distinguished from specialized services that are intended only for mentally retarded or other developmentally disabled persons;

(11) "governing board", "board of trustees", "board of directors", or "board of governors" means the group of individuals that constitutes the governing body of an agency or facility;

(12) "governing body" means the policymaking authority, whether an individual or a group, that exercises general direction over the affairs of an agency or facility and that establishes policies concerning its operation and the welfare of the persons that it serves;

(13) "guardian" means an individual (other than a guardian ad litem) who has legal control and management of the person, or of the property or estate, or of both the person and the property, of a ward;

(14) "guardian of the person" means a guardian appointed to see that the ward has proper care and protective supervision in keeping with his needs;

(15) "guardian of the property" means a guardian appointed to see that the financial affairs of the ward are handled in his best interests;

(16) "legal guardian" means a guardian appointed by a court;

(17) "natural guardian" means a parent lawfully in control of the person of his or

her minor child, and such natural guardianship terminates when the child attains his or her majority;

(18) "plenary guardian" means a guardian who has full guardianship of both the person and the property of the ward;

(19) "public guardian" means a public official empowered to accept court appointment as a legal guardian;

(20) "testamentary guardian" means a guardian designated by the last will and testament of a natural guardian;

(21) "guardian ad litem" means an individual appointed to represent a ward in a particular legal proceeding, without control over either the ward's person or his estate;

(22) "indigenous leadership" means leadership that is derived from within the community or group in which it is exercised, as, the parents or friends of the person;

(23) (A) "informed consent" means the consent of a person, or his guardian or legal representative, as appropriate, to a procedure, operation, research, demonstration, or experiment, so situated as to enable such person, or through his guardian or legal representative to exercise free power of choice, without the intervention of any element of force, fraud, deceit, duress, or other form of constraint or coercion, and the information to be given to such person or such guardian or legal representative shall include, in order to assure such informed consent, the following basic elements in all but exceptional cases;

(i) a fair explanation of the procedures to be followed, including an identification of any which are experimental;

(ii) a description of any attendant discomforts and risks reasonably to be expected;

(iii) a description of any benefits reasonably to be expected;

(iv) a disclosure of any appropriate alternative procedures that might be advantageous for the subject;

(v) an offer to answer any inquiries concerning the procedures; and

(vi) an instruction that such person is free to withdraw his consent and to discontinue participation in the project or activity at any time;

and in addition, any agreement, written or oral, entered into by such person or his guardian or legal representative, shall include no exculpatory language through which such person is made to give, or to appear to waive, any of his legal rights, or to release the institution or its agents from liability for negligence. Any organization which initiates, directs, or engages in programs of research, development, or demonstration which require informed consent shall keep a permanent record of each such consent and the information provided such person and shall develop appropriate documentation and reporting procedures as an essential administrative function;

(B) "exceptional cases", as used in this section, are cases where it is not feasible to obtain a person's consent or the consent of his representative, or where, as a matter of professional judgment exercised in the best interest of a particular person under care, it would be contrary to that person's welcome to obtain his consent as the communication of information to obtain consent would seriously affect the person's disease status and the physician has exercised a professional judgment that under the particular circumstances of this person's case, the person's best interests would suffer if consent were sought;

(24) "interdisciplinary approach" means an approach to diagnosis, evaluation, and individual program planning in which professional and other personnel participate as a team, and in which each participant, utilizing whatever skills, competencies, insights, and perspectives his or her particular training and experience provide, focuses on identifying the developmental needs of the person and devising ways to meet them, without constraints imposed by assigning particular domains of behavior or development to particular disciplines only, and participants share all information and recommendations, so that a unified and integrated habilitation program plan is devised by the team;

(25) "multidisciplinary approach" means an approach to diagnosis, evaluation, and individual program planning in which each representative of a particular discipline or program views the person only from the perspective assigned to his discipline or program; in which particular domains of individual development and behavior are often held to be the sole responsibility or perquisite of particular professions or programs; and in which each representative of a discipline separately reports his or her findings and the recommendations that he or she proposes to implement as a result, more or less independently of the findings and recommendations reported by other representatives;

(26) "mapping" means one's ability to move safely, effectively, and comfortably from one place to another within his or her immediate environment by using cues such as size, shape, odor, and landmarks;

(27) "mental retardation" means general intellectual functioning which is two or more standard deviations below the existing concurrently with deficiencies in adaptive behavior, and manifested during the developmental period;

(28) "mobile nonambulatory" means an inability to walk independently, without assistance;

(29) "nonambulatory" means an inability to walk independently, without assistance;

(30) "normalization principle" means the principle of helping mentally retarded and other developmentally disabled individuals to obtain an existence as close to the normal as possible, particularly through the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible;

(31) "orientation" means the establishing of awareness of one's position in relation to the environment and significant objects within the environment;

(32) "program" means a structured set of activities to achieve specific objectives, relative to the developmental needs of the clients served by an agency;

(33) "residential facility" means a facility that provides 24-hour programing services, including residential or domiciliary services, directed to enhancing the health, welfare, and development of persons with mental retardation or other developmental disabilities;

(34) "service delivery system" means the total array of service components, specialized and generic, that is directed toward meeting the general and extraordinary needs of developmentally disabled persons;

(35) "advocate" means an individual, whether a professional employed by a private or public agency, or a volunteer, who acts on behalf of a resident to secure both the services that the resident requires and the exercise of his or her full human and legal rights;

(36) "ambulatory" means able to walk independently, without assistance;

(37) "chief executive officer" means the individual appointed by the governing body of a facility to act in its behalf in the overall management of the facility. Job titles may include, but are not limited to, superintendent, director, and administrator;

(38) "developmental disability" means a disability—

(A) attributable to mental retardation, or cerebral palsy, or epilepsy, or autism, or specific learning disability; or

(B) attributable to any other condition of an individual found to be related to mental retardation as it refers to general intellectual functioning or impairment in adaptive behavior or to require treatment similar to that required for mentally retarded individuals,

which disability (i) originates before such individual attains age eighteen, (ii) which has continued or can be expected to continue indefinitely, and (iii) which constitutes a substantial handicap to such individual's ability to function normally in society;

(39) "direct-care staff" means individuals who conduct the resident-living program;

(40) "legal incompetence" means the legal determination that a resident is unable to exercise his or her full civil and legal rights, and that a guardian is required;

(41) "living unit" means a resident-living unit that includes sleeping, dining, and activity areas;

(42) "nonmobile" means unable to move from place to place;

(43) "public financial support programs" include, but are not limited to, services for crippled children; and to the disabled; old-age, survivors, and disability insurance; and other benefits available under the Social Security Act and those benefits of the Veterans Administration;

(44) "resident" means an individual who receives service from a residential facility, whether or not such individual is actually in residence in the facility, and includes individuals who are being considered for residence in a facility, individuals who were formerly in residence in a facility, and individuals who are receiving services other than domiciliary from a facility;

(45) "resident-living" means residential or domiciliary services provided by a facility;

(46) "rhythm of life" means a normal pattern of behavior during the day (in respect to arising, getting dressed, participating in play and work activities, eating meals, retiring, and so forth), or the week (differentiation of daily activities and schedules);

(47) "surrogate" means an individual who functions in lieu of a resident's parents or family; and

(48) "time out" means a period outside the time for positive reinforcement in which, contingent upon the emission of undesired behavior, the resident is removed from the situation in which positive reinforcement is available.

NATIONAL ADVISORY COUNCIL ON STANDARDS FOR RESIDENTIAL AND COMMUNITY FACILITIES FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

SEC. 202. (a) Effective 90 days after the date of enactment of this Act, there is established a National Advisory Council for Residential and Community Facilities (hereinafter in this title referred to as the "Council"), which shall consist of 15 members who are not regular full-time employees of the United States, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive civil service. The Secretary shall designate one of the members of the Council to serve as Chairman thereof. The members of the Council shall be selected from appropriate public agencies providing services to individuals with developmental disabilities, and professional and voluntary associations representing developmentally disabled persons. At least one-third of the membership of the Council shall be consumers of services, including parents or guardians of persons receiving services from publicly operated and publicly assisted residential and community facilities and agencies for mentally retarded or developmentally disabled persons.

(b) It shall be the duty and function of the Council to (1) advise the Secretary with respect to any regulations promulgated or proposed to be promulgated by him for the implementation of the provisions of this title and of the standards established under parts C and D of this title, (2) study and evaluate such provisions and standards, including site visits and other appropriate methods with a view of determining their effectiveness in carrying out the purposes for which they were established, and (3) assist the Secretary in developing performance criteria to evaluate alternate standards pursuant to part B and section 121 of this Act in lieu of standards under parts C and D of this title.

(c) Based upon studies, evaluations, and other appropriate review mechanisms (including onsite visits), the Council shall submit to the Secretary all recommendations for changes, revisions, modifications or improvements in the standards established under parts C and D of this title which in its judgment would strengthen or upgrade such standards.

(d) Members of the Council while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive compensation rates fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate provided for GS-18 of the General Schedule for each day of such service (including traveltime), and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(e) Appointments to fill vacancies on such Council shall be made no less than 30 days after a vacancy occurs.

(f) The Council shall employ such experts and consultants as it may require, in accordance with section 3109 of title 5, United States Code.

(g) There are authorized to be appropriated to carry out the purposes of this section such sums as may be necessary.

ASSESSING COMPLIANCE WITH STANDARDS

SEC. 203. (a) In determining whether any federally assisted facility or agency within its jurisdiction is in compliance with the standards specified in this title, a State shall provide assurances to the Secretary within 1 year after the date of enactment of this title that each such facility or agency has established a plan for achieving compliance no later than 5 years after the date of enactment of this title, and—

(1) is actively pursuing a program to comply with standards set forth in parts C and D of this title, or

(2) meets the requirements set forth in part B of this title.

In order to further demonstrate compliance with the standards set forth in this title, a State shall submit to the Secretary a plan based upon the combined plans of all such facilities and agencies which sets forth detailed procedures for compliance and under which such State agrees to meet such provisions for compliance reviews as the Secretary may require pursuant to subsection (d) of this section.

(b) Each State plan for achieving compliance required under subsection (a) shall—

(1) provide a detailed analysis of the steps each residential or community facility or agency will take to comply with standards under part B, or parts C and D;

(2) set forth a detailed schedule for compliance with such standards based on the analysis submitted pursuant to clause (1);

(3) demonstrate the need for continuing residential services and provide detailed assurances that residential facilities for individuals with developmental disabilities will complement and augment rather than duplicate or replace other community services and facilities for individuals with developmental disabilities which meet the requirements of this title;

(4) designate a single State agency to oversee compliance by facilities and agencies within its jurisdiction;

(5) provide that such State plan has been submitted to the State planning council established under section 115 of this Act for review and comment and has been found to be in conformance with the State plan required under section 114(b) of this Act;

(6) set forth a schedule of costs to achieve compliance with the standards established under part B or parts C and D of this title;

(7) demonstrate procedures adopted by the State to assure that primary emphasis will be given to placing each individual in the least restrictive program and living environment commensurate with that individual's capabilities and needs, and that any assistance available pursuant to State or Federal law under which services are provided to persons with developmental disabilities will be utilized to foster the carrying out of such procedures;

(8) set forth the detailed performance criteria to be used in assessing the quality of treatment, care, training and habilitation services, provided that such criteria conform to criteria developed by the Secretary under section 210;

(9) provide an explanation of the system to be used for gathering, analyzing and interpreting information and data for compliance review; and

(10) provide assurances that all subjective judgments concerning the quality of services rendered will be made by qualified individuals who are not employed by, or financially obligated to, the agency responsible for operating the programs for persons with developmental disabilities.

(c) The Secretary shall approve a plan which sets forth a reasonable time, subject to the provisions of section 206, for compliance with the standards established under this title, and shall not finally disapprove a plan except after reasonable notice and opportunity for a hearing to such State.

(d)(1) Each State shall enter into an agreement with the Secretary under which the services of the State agency designated pursuant to paragraph (4) of subsection (b) will be utilized on his behalf for the purpose of determining whether a residential or community facility or agency is in compliance with standards established under part B or parts C and D of this title. Such determination shall be made on the basis of onsite surveys conducted by the State agency. Any State agency which has such an agreement may furnish to such facilities and agencies such specialized consultation services as may be needed to meet one or more of the standards established under this title. Any such services furnished by the State agency shall be deemed to have been furnished pursuant to such agreement. Within 90 days following the completion of each survey, the Secretary shall make public in readily available form the findings of each such survey.

(2) In order to assure compliance with the standards under part B or parts C and D and the performance criteria developed and established pursuant to section 210, the Secretary shall conduct a statistically valid, independent compliance survey of facilities and agencies within each State to determine the accuracy of information and data submitted pursuant to subsection (b) and paragraph (1) of this subsection.

(3) The Secretary shall submit annually to the appropriate committees of the Congress an annual report summarizing—

(A) the number and types of facilities and agencies, by State, found to be in compliance with the standards specified in part B, or parts C and D of this title;

(B) the number and types of facilities and agencies, by State, found not to be in compliance with the standards specified in part B, or parts C and D of this title;

(C) the reasons for noncompliance and the steps being taken by each State to assure that such facilities and agencies comply in the future with such standards;

(D) the findings of validation surveys conducted or commissioned by the Secretary in accordance with paragraph (1);

(E) the number and types of facilities and agencies, by State, which have been found by the Secretary to be ineligible for Federal assistance because of failure to comply with standards under this title; and

(F) recommendations for alterations in the compliance review system (including changes in performance criteria developed and established pursuant to section 210) and the supporting evidence for such alterations or change.

GRANTS TO ASSIST COMPLIANCE

SEC. 204. (a) The Secretary is authorized to make grants to assist States in bringing publicly operated and federally assisted residential or community facilities and agencies into compliance with the appropriate standards established under this title.

(b) For the purpose of making grants under this section, there are authorized to be appropriated for each fiscal year such sums as may be necessary.

(c) Any State applying for a grant under this section shall provide detailed information to the Secretary which shows how such grant will assist in meeting the standards established under this title.

(d)(1) The total of the grants with respect to any project under this part may not exceed 75 percent of the necessary cost thereof as determined by the Secretary.

(2) Payments of grants under this part shall be made in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

MAINTENANCE OF EFFORT

SEC. 205. (a) In any fiscal year the Secretary may make Federal assistance payments authorized under any Federal law, to any publicly operated or publicly assisted facility for the developmentally disabled only if such facility provides specific evidence that such payments have not resulted in, or will not result in, any decrease in the per capita State and local expenditures for services for individuals with developmental disabilities which would otherwise be available to such facility. Such evidence shall include a detailed fiscal report, containing such information and in such form as the Secretary may specify after consultation with the Director of the Office of Management and Budget, on the residential facility's expenditures, by category and source, during the base year and the fiscal year immediately preceding such base year.

(b) For purposes of this section, the term "base year" means the most recent fiscal year for which reliable fiscal data is available.

(c) The Secretary shall submit an annual report to the appropriate committees of the Congress summarizing (1) the number and types of residential facilities, by State, which have complied with the provisions of subsection (a) of this section and the data upon which such decisions were based, and (2) the number, types, and names of all residential facilities, by State, which have failed to comply with the provisions of subsection (a) of this section, the data upon which such decisions were based in each instance, and the steps which have been taken to withhold Federal assistance from such residential facilities.

WITHHOLDING OF GRANTS

SEC. 206. (a) After December 31, 1979, no residential facility or program of community care for individuals with developmental disabilities shall be eligible to receive payments either directly or indirectly under any Federal law, unless such residential facility meets the standards promulgated under parts C or D of this title or has demonstrated to the Secretary for a reasonable period of time that it has actively implemented the requirements of part B.

(b) The funds to which any individual would otherwise be entitled to have paid on his behalf to any vendor of residential services or program of community care, public or private, shall be reserved for him and administered by the Social Security Administration in the same manner as benefits under title II of the Social Security Act would be administered on his behalf were he entitled to same.

EVALUATION AND PERFORMANCE CRITERIA

SEC. 207. (a) The Secretary of Health, Education, and Welfare, in consultation with the Council established pursuant to section 202 of this title, shall develop and transmit to the appropriate committees of Congress within 18 months after the date of enactment an evaluation system and plan for implementation of such system designed to:

(1) assess the adequacy of all education and training, habilitation, rehabilitation, early childhood, diagnostic and evaluation services, or any other services or assistance under all laws administered by the Secretary; and

(2) develop specific criteria designed to provide objective measurement of the development progress of a developmentally disabled individual, which may be utilized by public agencies, residential facilities, and community based facilities and agencies to evaluate the effectiveness of the services provided to such individual.

(b) In developing such evaluation system the Secretary shall insure that such system is consumer oriented and is designed to—

(1) evaluate the effects of services on the lives of consumers, utilizing information and data obtained from individualized written habilitation plans as required under section 211,

(2) evaluate the overall impact of State and local programs for the developmentally disabled,

(3) provide and evaluate the cost-benefit ratios of particular service alternatives, and

(4) provide that evaluation of program quality shall be performed by individuals not directly involved in the delivery of such services to the program being evaluated.

(c) The Secretary, in consultation with the Council established pursuant to section 202, make grants and enter into contracts to conduct feasibility studies to assist in developing the evaluation system required under subsection (a) except that such grant or contract shall not be entered into with groups or individuals who are directly related to the program being evaluated.

(d) There are authorized to be appropriated to carry out the purposes of this section $1,000,000 each for the fiscal year ending June 30, 1975, and for the succeeding fiscal year.

PART B—ALTERNATE CRITERIA FOR COMPLIANCE IN LIEU OF STANDARDS FOR RESIDENTIAL AND COMMUNITY FACILITIES AND AGENCIES

PERFORMANCE CRITERIA

SEC. 210. (a) The Secretary shall specify detailed performance criteria for measuring and evaluating the developmental progress of a person with developmental disabilities who is receiving direct service in a residential or community based facility or agency and minimum compliance levels for such criteria which shall be applicable to residential and community facilities and agencies. Such performance criteria shall be developed pursuant to section 203 and shall be considered, along with minimum compliance levels, as required standards under this part.

(b) Prior to approving any compliance plan submitted under section 203, the Secretary shall obtain adequate assurance of compliance with the performance criteria developed under such section.

INDIVIDUALIZED WRITTEN HABILITATION PLAN

SEC. 211. (a) The Secretary shall insure that an individualized written habilitation plan is developed and modified at frequent intervals on behalf of each developmentally disabled person who is in a residential facility or community facility and agency for which standards have been established under this Act or under any other federally assisted State or local program specified by the Secretary.

(b) Each individualized written habilitation plan shall be developed jointly by a representative or representatives of the facility or agency primarily responsible for delivering or coordinating the delivery of services to the developmentally disabled person in a residential facility or community facility and agency and the developmentally disabled person (or, in appropriate cases, his parents or guardians). In any case in which such developmentally disabled person is receiving services from two or more distinct service agencies, the agency primarily responsible for delivering or coordinating the delivery of such services will also be responsible for insuring that all services are made part of the individualized written habilitation plan.

(c) Each individualized written habitation plan shall be reviewed at least annually by the agency primarily responsible for delivering or coordinating the delivery of services referred to in subsection (b) at which time the developmentally disabled person (or, in appropriate cases, his parents or guardians) will be afforded an opportunity to review such plan and jointly redevelop its terms. Such plan shall include but not be limited to (1) a statement of long-term habilitation goals for the developmentally disabled person and intermediate habilitation objectives related to the attainment of such goals, (2) a statement of specific habilitation services to be provided, (3) the projected date for the initiation and the anticipated duration of each service, and (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved.

(d) Each individualized written habilitation plan shall conform to the following basic criteria:

(1) the initial plan shall be developed upon the person's application for service;

(2) such plan shall reflect the use of assessment data in at least the following areas:

(A) sensor-motor development;

(B) communicative development;

(C) social development;

(D) affective development;

(E) cognitive development;

(3) the objectives of such plan shall be developed with the participation of:

(A) the person;

(B) the person's family or guardian;

(C) all relevant agency staff members; and

(D) staff of other agencies involved in serving the person;

(4) the objectives of such plan shall be—

(A) stated separately;

(B) stated in sequence with specific time periods; and

(C) expressed in behavioral terms that provide measurable indices of progress;

(5) such plan shall describe the conditions, activities, or barriers that interfere with the achievement of the objectives;

(6) such plan shall specify modes of intervention for the achievement of the stated objectives;

(7) such plan shall identify agencies which will deliver the services required;

(8) such plan shall identify a designated focus of responsibility for utilizing and coordinating services provided by different practitioners or agencies;

(9) such plan shall include a specification of proposed day-to-day training activities designed to assist in attaining the stated objectives.

(10) such plan shall be written in functional terms that are understandable to the person, and, as appropriate, his or her parents or guardians;

(11) such plan shall be reviewed at least quarterly in order to—

(A) measure the person's progress;

(B) modify the objectives of the plan as necessary;

(C) determine the services that are needed; and

(D) provide guidance and remediation techniques to modify barriers to growth; and

(12) such plan shall include a written agreement that specifies the role and objectives of each party to the implementation of the individualized written habilitation plan.

(e) The Secretary shall also insure that, in developing and carrying out each individualized written habilitation plan, primary emphasis will be given to placing the person in the least restrictive program and living environment commensurate with his capabilities and needs.

(f) The Secretary shall specify detailed performance criteria for measuring and evaluating the developmental progress of developmentally disabled persons attained through the use of such individualized written habilitation plans.

PROGRAM COORDINATION

SEC. 212. (a) Each person served by an agency shall be assigned by such agency a program coordinator responsible for implementing the person's individual written habilitation plan. The program coordinator's service to a person shall be terminated only when responsibility for service to the person has been effectively assumed by another agency, at which time a new program coordinator shall be assigned by the agency assuming responsibility.

(b) Each agency shall insure that—

(1) the person or his family shall participate in the selection of the program coordinator and the program coordinator shall be identified to the person, to his family, and to appropriate staff members;

(2) the program coordinator shall attend to the total spectrum of the person's needs, including, but not limited to, housing, family relationships, social activities, education, finances, employment, health, recreation, and records. In respect to these areas the program coordinator shall determine whether the person's needs are being met and how such needs are being met;

(3) the program coordinator shall provide supportive services to the person and his family;

(4) to keep the individual written habilitation plan up to date, the program coordinator shall secure relevant data from other agencies providing service;

(5) the program coordinator shall provide documentation relevant to the review of the individual written habilitation plan as required by section 211; and

(6) the program coordinator, or another agency staff member, shall assist the person, his or her family, or his or her guardian, in planning for and securing living arrangements that are adapted to the person's needs.

PROTECTIVE AND PERSONAL ADVOCACY

SEC. 213. (a) The Secretary shall insure that a system of protective and personal advocacy is established in each State to monitor programs and services and protect the human and legal rights of each developmentally disabled person served by residential facilities or programs of community care within the State.

(b) The Secretary shall insure that for each such system an agency or entity is designated which (1) is independent of any agency providing services directly or indirectly, (2) is capable of providing protective and personal advocacy services, and (3) shall be responsible for monitoring and auditing the individualized programs of persons to insure that they receive all of the benefits, services, and rights to which they are entitled under any law or program thereunder.

(c)(1) Such system shall include the establishment of an independent entity which has the authority to receive all complaints regarding the infringement of rights, or denial of benefits, or the failure to provide services necessary to assure the human and legal rights of all developmentally disabled persons within the State.

(2) Each entity established pursuant to paragraph (1) shall be empowered to render a decision with respect to any complaint, including an order to provide services or such other remedy which may be deemed appropriate, and such decision shall be final and binding. Prior to the issuance of any order or decision rendered pursuant to this paragraph, any party which may be affected by such order or decision may request a hearing, which shall be held within 60 days after a complaint is received, and such order or decision shall be rendered within 60 days atfer such hearing is concluded. Such order or decision shall be subject to appropriate judicial review.

RECORD REQUIREMENTS

SEC. 214. (a) The residential and community facilities and agencies shall keep such records as the Secretary or the State may deem appropriate to evaluate the effectiveness of performance and compliance with the provisions of this part.

(b) Each residential and community facility and agency shall identify the number of developmentally disabled persons rejected for services by such facility or agency, and the reasons for each such rejection, and report such information every 6 months to the Secretary and the State.

MINIMUM STANDARDS FOR USE WITH THE ALTERNATE PROCEDURE

SEC. 215. Each residential and community facility and agency desiring to use the alternative procedures of this part in lieu of compliance with parts C and D of this title shall insure—

(1) that close relatives shall be permitted to visit a person at any reasonable hour and without prior notice: *Provided*, That the privacy and rights of the other residents and person are not infringed thereby;

(2) the implementation of advocacy for all residents and persons;

(3) that no individual whose needs cannot be met by the residential facility or agency shall be admitted to it;

(4) that the number of persons admitted as residents or persons to the residential facility or agency shall not exceed—

(A) its rated capacity; and

(B) its provisions for adequate programing;

(5) that there is a regular, at least annual, joint review of the status of each resident or person by all relevant personnel, including personnel in the living unit with program recommendations for implementation, to include—

(A) consideration of the advisability of continued residence and alternative programs, and

(B) at the time of the resident's or person's attained majority, or if he becomes emancipated prior thereto:

(i) the resident's or person's need for remaining in the residential facility;

(ii) the need for guardianship of the resident or person; and

(iii) the protection of the resident's or person's civil and legal rights;

(6) that mistreatment of resident and persons shall be strictly prohibited, that any such mistreatment shall be reported immediately by the facility or agency to the State, that—

(A) all alleged incidents of mistreatment be thoroughly investigated;

(B) the results of such investigation are reported to the chief executive officer, or his designated representative, within 24 hours of the incident; and

(C) appropriate sanctions are invoked when the allegations of mistreatment are substantiated;

(7) that living unit personnel shall train residents and persons in activities of daily living and in the development of self-help and social skills;

(8) that living unit personnel shall be responsible for the development and maintenance of a warm, family or homelike environment that is conducive to the achievement of optimal development by the resident or person;

(9) that the rhythm of life in the living unit shall resemble the cultural norm of the resident's or person's nonretarded or nondevelopmentally disabled age peers, unless a departure from this rhythm is justified on the basis of maximizing the resident's or person's human qualities;

(10) that residents and persons shall be assigned responsibilities in the living unit commensurate with their interests, abilities, and developmental plans; in order to enhance feeling of self-respect and to develop skills of independent living, and that multiple-handicapped and non-ambulatory residents or persons shall—

(A) spend a major portion of their waking day out of bed;

(B) spend a portion of their waking day out of their bedroom areas; and

(C) have planned daily activity and exercise periods;

(11) that residents and persons shall be provided with systematic training to develop appropriate eating skills utilizing adaptive equipment where it serves the developmental process;

(12) that, in accordance with the normalization principle, all professional services to mentally retarded and other persons with developmental disabilities shall, to the extent feasible, be provided in the community, rather than in a residential facility, and where provided in a residential facility, such services must be at least comparable to those provided in the community;

(13) that educational services (defined as deliberate attempts to facilitate the intellectual sensorimotor and effective development of the individual) shall be available to all residents and persons regardless of chronological age, degree of retardation, or accompanying disabilities or handicaps, and for residents or persons of legal school age the State shall insure that the State educational agency provides educational services equivalent to those provided to the nonhandicapped population; and

(14) that special attention shall be given those residents and persons, without active intervention, are at the risk of further loss of function, including—

(A) early diagnosis of disease;

(B) prompt treatment in the early stages of disease;

(C) limitation of disability by arresting the disease process;

(D) prevention of complications and sequelae; and

(E) rehabilitation services to raise the resident or person to his greatest possible level of function in spite of his or her handicap, by maximizing the use of his or her existing capabilities;

(15) that the civil rights of all residents are assured;

(16) that no physical restraint shall be employed unless absolutely necessary. Restraint shall not be used as punishment or substitute for program, and a written policy available to the public shall govern any use of restraint. Orders for restraint shall not be in force for periods of longer than twelve hours. Residents placed in restraint shall be checked at least every thirty minutes by trained staff. Mechanical restraints shall be designed to ensure the least discomfort. Opportunity for motion and exercise shall be provided for not less than fifteen minutes during each two hours when restraint is employed. Totally enclosed cribs and barred enclosures shall be considered restraints;

(17) that chemical restraint shall not be used excessively, or as punishment or substitute for program or in quantities that interfere with habilitation programs;

(18) that a nourishing, well-balanced diet shall be provided all residents;

(19) that medical and dental services shall be provided to all residents and shall include—

(a) preventive health services;

(b) evaluation, diagnosis, consultation, and treatment; and

(c) infections and contagious disease control;

(20) that adequate fire and safety standards as promulgated in regulations by the Secretary shall be met, and such standards shall include—

(a) adequate and alternate exits and exit doors;

(b) exit ramps with nonskid surfaces and slopes not to exceed one foot in twelve;

(c) handrails on stairways;

(d) unencumbered aisles and exits and uncluttered floors; and

(e) proper storage and other adequate safeguards for flammable materials;

(21) that paint used in facilities shall be lead free; and

(22) that there shall be adequate sanitation and waste disposal procedures to protect the health of the residents.

PART C—STANDARDS FOR RESIDENTIAL FACILITIES FOR MENTALLY RETARDED AND OTHER PERSONS WITH DEVELOPMENTAL DISABILITIES

CHAPTER 1.—ADMINISTRATIVE POLICIES AND PRACTICES

Subchapter I—Philosophy, Location, and Organization

SEC. 220. (a) The ultimate aim of the residential facility shall be to foster those behaviors that maximize the human qualities of the resident, increase the complexity of his or her behavior, and enhance his or her ability to cope with his or her environment.

(b) The residential facility shall accept and implement the principle of normalization, defined as the use of means that are as culturally normative as possible to elicit and maintain behavior that is culturally normative as possible, taking into account local and subcultural differences.

(c) The names of residential facilities, the labels applied to their users, and the way these users are interpreted to the public should be appropriate to their purposes and programs and services should not emphasize "mental retardation" or "deviancy".

(d) Residents should not be referred to as "patient" except in a hospital-medical context; as "kids" or "children" if they are adults; or as "inmates"; or as "clients".

SEC. 221. (a) The residential facility should be located within, and conveniently accessible to, the population served, so as to have access to necessary generic community services.

(b) The residential facility should not be isolated from society or community by factors such as:

(1) difficulty of access, due to distance or lack of public transportation;

(2) architectural features;

(3) socio-cultural or psychological features; and

(4) rules, regulations, customs, and habits.

(c) Protection devices (such as fences and security windows), where necessary, should be inconspicuous, and should preserve as normal an environmental appearance as possible, so as to permit the pursuit of normal activities.

(d) The residential facility should be in scale with the community in which it is located.

(e) The residential facility and the surrounding community should be encouraged to share their services and resources on a reciprocal basis.

(f) The community in which the residential facility is located should be capable of meeting the needs of the residential facility's residents for generic and specialized services.

(g) The community in which the residential facility is located should be capable of absorbing, and encouraged to absorb, into its cultural life those residents capable of participation in that life.

(h) The residential facility shall have available a current descriptive director of community resources.

SEC. 222. (a) Residents should be integrated to the greatest possible extent with the general population. To this end, generic and specialized community services, rather than residential facility services, should be used extensively or, if possible, completely. The residents should, including but not limited to—

(1) attend (special) classes or programs in regular schools;

(2) attend religious instruction and worship in the community;

(3) utilize medical, dental, and all other professional services located in the community;

(4) use community rather than residential facility recreation resources, such as bowling alleys, swimming pools, movies, and gymnasia;

(5) shop in community stores, rather than in industrial facility stores and canteens; and

(6) work in as integrated a fashion as possible: sheltered employment should be in regular industry, and among nonretarded workers; sheltered workshops should be in the community; and work that must be on the campus of the industrial facility should afford maximal contact with nonretarded persons.

There shall be evidence of professional and public education to facilitate the integration of residents, as above set forth.

(b) The residential facility should be divided into groupings of program and residence units, based upon a rational plan to meet the needs of the residents and fulfill the purposes of the residential facility.

SEC. 223. The residential facility shall to the maximum extent feasible move residents from—

(1) more to less structured living;

(2) larger to smaller residential facilities;

(3) larger living units to smaller living units;

(4) group to individual residence;

(5) dependent to independent living; and

(6) segregated to integrated living.

Subchapter II—General Policies and Practices

SEC. 224. (a) The residential facility shall have a written outline of the philosophy, objectives, and goals it is striving to achieve, that is available for distribution to staff, consumer representatives, and the interested public, and that shall include but need not be limited to:

(1) its role in the State comprehensive program for the mentally retarded and other individuals with developmental disabilities;

(2) its concept of the rights of its residents;

(3) its goals for its residents;

(4) its concept of its relationship to the parents of its residents, or to their surrogates;

(5) its concept of its relationship to the community, zone, or region from which its residents come;

(6) its concept of its responsibility (through research, training, and education) for improving methods, understanding, and support for the mental retardation and developmentally disabled field.

(b) The residential facility shall have a plan for evaluation and modification to maintain:

(1) the consistency of its philosophy, objectives, and goals with advancements in knowledge and professional practices; and

(2) the consistency of its practices with its philosophy, objectives, and goals.

(c) The residential facility shall have a manual on policies and procedures, describing the current methods, forms, processes, and sequence of events being followed to achieve its objectives and goals.

(d) The residential facility shall have a written statement of policies and procedures concerning the rights of residents that—

(1) assure the civil rights of all residents;

(2) are in accordance with general and special rights of the mentally retarded and other individuals with developmental disabilities as defined by the Secretary in accordance with section 201 of this title; and

(3) define the means of making legal counsel available to residents for the protection of their rights.

SEC. 225. (a) The residential facility shall have a written statement of policies and procedures that protect the financial interests of residents and that provided for—

(1) determining the financial benefits for which the resident is eligible;

(2) assuring that the resident receives the funds for incidentals and for special needs (such as specialized equipment) that are due him or her under public and private financial support programs; and

(3) when large sums accrue to the resident, providing for counseling of the resident concerning their use, and for appropriate protection of such funds.

(b) Procedures in the major operating units of the residential facility shall be described in manuals that are current, relevant, available, and followed.

(c) The residential facility shall have a summary of the laws and regulations relevant to mental retardation and other developmental disabilities and to the function of the residential facility.

(d) The residential facility shall have a plan for a continuing management audit to insure compliance with State laws and regulations and the effective implementation of its stated policies and procedures.

SEC. 226. (a) A public residential facility shall have documents that describe the statutory basis of its existence, and describe the administrative framework of the governmental department in which it operates.

(b) A private residential facility shall have documents that include its charter, its constitution and bylaws, and its State license.

SEC. 227. (a) The governing body of the residential facility shall exercise general direction and shall establish policies concerning the operation of the residential facility and welfare of the individuals served.

(b) The governing body shall establish appropriate qualifications of education, experience, personal factors, and skills for the chief executive officer. The chief executive officer shall have had training and experience in the administration of human services. The chief executive officer shall have administrative ability, leadership ability, and an understanding of mental retardation and other development disabilities. Where the chief executive officer is required also to have had training in a professional service discipline, such training shall be in a discipline appropriate to the residential facility's program.

(c) The governing body shall employ a chief executive officer so qualified, and shall delegate to him or her authority and responsibility for the management of the affairs of the residential facility in accordance with established policies.

(d) The chief executive officer shall—

(1) designate an individual to act for him or her in his or her absence;

(2) make arrangements so that some one individual is responsible for the administrative direction of the residential facility at all times;

(3) when an assistant chief executive officer is employed, the qualifications required for this position shall be in compliance with those stated above for the chief executive officer; and

(4) there shall be on the premises of the residential facility at all times a person designated by the chief executive officer, or the person acting for him or her, to be responsible for the supervision of the residential facility.

SEC. 228. (a) The residential facility shall be administered and operated in accordance with sound management principles.

(b) The type of administrative organization of the residential facility shall be appropriate to the program needs of its residents.

(c) The residential facility shall have a table of organization that shows the governance and administrative pattern of the residential facility.

(d) The table of organization shall show the major operating programs of the residential facility, with staff divisions, the administrative personnel in charge of the programs and divisions, and their lines of authority, responsibility, and communication.

(e) The organization shall provide for the judicious delegation of administrative authority and responsibility among qualified members of the staff, in order to distribute the administrative load of the residential facility and to accelerate its operating efficiency.

(f) The organization shall be such that problems requiring ongoing decisionmaking regarding the welfare of the resident are handled primarily by personnel on the lowest level competent to resolve the problem.

(g) The organization shall provide for the utilization of staff with different levels of training by using those with more adequate training to supervise and train those with lesser training.

(h) The organization shall provide effective channels of communication in all directions.

(i) The residential facility shall have a plan for improving the quality of staff and services that shows how the staff functions by programmatic responsibilities in establishing and maintaining standards of quality for services to residents. The plan shall show how the residential facility's organizational structure enables the following functions:

(1) determination of standards for quality of services to the residents;

(2) establishment of qualifications for personnel;

(3) recruitment of qualified personnel;

(4) initiation of preservice and inservice training and staff development programs;

(5) work with administrators, supervisors, and staff of the administrative units of the residential facility to secure and design qualified personnel to such units;

(6) annual evaluation of staff performance;

(7) continuous evaluation of program effectiveness; and

(8) development and conduct of appropriate research activities.

SEC. 229. (a) The administration of the residential facility shall provide for effective staff and resident participation and communication. Staff meetings shall be regularly held. Standing committees appropriate to the residential facility, such as records, safety, human rights, utilization review, research review, and infection and sanitation, shall meet regularly. Committees shall include resident participation, whenever appropriate. Committees shall include the participation of direct-care staff, whenever appropriate.

(b) Minutes and reports of staff meetings, and of standing and ad hoc committee meetings shall include records of recommendations and their implementation, and shall be kept and filed. Summaries of the minutes and reports of staff and committee meetings shall be distributed to participants and to appropriate staff members. Various forms of communication (such as meetings, minutes of meetings, directives, and bulletins) shall be utilized to foster understanding among the staff, among the residents, between staff and residents, and between residential facility, community, and family.

Sec. 230. (a) The facility shall designate a percentage of its operating budget for self-renewal purposes, including but not limited to:

(1) development of operational data records;

(2) research on its own programs;

(3) evaluation of qualified persons who are not part of the residential facility;

(4) elicitation of feedback from consumers of the residential facility's services, or from their representatives; and

(5) staff education.

(b) The findings generated by the foregoing activities shall be actively and broadly disseminated to:

(1) all members of the residential facility's staff; and

(2) consumer representatives, when appropriate.

(c) The residential facility shall have a continuing system for collecting and recording accurate data that describe its population, in such form as to permit data retrieval and usage for description, programing of services, and research. Such data shall include, but need not be limited to:

(1) number by age-groups, sex, and race;

(2) number grouped by levels of retardation (profound, severe, moderate, mild, and borderline), according to the appropriate nationally recognized professional association on mental deficiency's manual on terminology and classification in mental retardation;

(3) number grouped by levels of adaptive behavior, according to the appropriate nationally recognized professional association on mental deficiency classification;

(4) number with physical disabilities;

(5) number ambulatory and nonambulatary (mobile and nonmobile);

(6) number with sensory defects;

(7) number with oral and other communication handicaps; and

(8) number with convulsive disorders, grouped by level of seizure control.

Sec. 231. The residential facility shall have a description of services for residents that is available to the public and that includes information including but not limited to:

(1) groups served;

(2) limitations concerning age, length of residence, or type or degree of handicap;

(3) the plan for grouping residents into program and living units;

(4) preadmission and admission services;

(5) diagnosis and evaluation services;

(6) means for individual programing of residents in accordance with need;

(7) means for implementation of programs for residents, through clearly designated responsibility;

(8) the therapeutic and developmental environment provided the residents; and

(9) release and follow-up services and procedures.

Sec. 232. (a) The residential facility shall provide for meaningful and extensive consumer-representative and public participation, by the following means:

(1) the policymaking or governing board (if any) shall include consumers or their representatives (for example, parents), interested citizens, and relevantly qualified professionals presumed to be free of conflicts of interest;

(2) when a residential facility does not have a governing board, its policymaking authority shall actively seek advice from an advisory body composed as described above;

(3) the residential facility shall actively elicit feedback from those consumers of its services (and their representatives) who are not members of the aforementioned governing or advisory bodies;

(4) there shall be an active program of ready, open, and honest communication with the public. In structuring visits to the residential facility by persons not directly concerned with a resident, however, steps shall be taken both to encourage visiting and to consider the sensibilities and privacy of the residents. Undignified displays or exhibitions of residents shall be avoided, and normal sensibility shall be exercised in speaking about a resident;

(5) personnel shall be permitted to communicate their views about a resident and his needs and program to his relatives. Personnel shall be trained to properly and competently assume this responsibility;

(6) the residential facility shall maintain active means of keeping residents' families or surrogates informed of activities related to the residents that may be of interest to them;

(7) communications to the residential facility from residents' relatives shall be promptly and appropriately handled and answered;

(8) close relatives shall be permitted to visit at any reasonable hour and without prior notice. Steps shall be taken, however, so that the privacy and rights of the other residents are not infringed by this practice;

(9) parents and other visitors shall be encouraged to visit the living units, with due regard for privacy. There shall be residential facilities for visiting that provide privacy in the living unit (but not special rooms used solely for visiting);

(10) parents shall be permitted to visit all parts of the residential facility that provide services to residents;

(11) frequent and informal visits home shall be encouraged, and the regulations of the residential facility shall encourage rather than inhibit such visitations;

(12) there shall be an active citizens' volunteer program; and

(13) the residential facility shall acknowledge the need for, and encourage the implementation of, advocacy for all residents.

(b) A public education and information program should be established that utilizes all communication media and all service, religious, and civic groups, and so forth, to develop attitudes of understanding and acceptance of the mentally retarded and other individuals with developmental disabilities in all aspects of community living.

Subchapter III—Admission and Release

Sec. 233. No individual whose needs cannot be met by the residential facility shall be admitted to it. The number admitted as residents to the residential facility shall not exceed—

(1) its rated capacity; and

(2) its provisions for adequate programing.

Sec. 234. (a) The laws, regulations, and procedures concerning admission, readmission, and release shall be summarized and available for distribution. Admission and release procedures shall—

(1) encourage voluntary admission, upon application of parent or guardian or self;

(2) give equal priority to persons of comparable need, whether application is voluntary or by a court;

(3) facilitate emergency, partial, and short-term residential care, where feasible; and

(4) utilize the maximum feasible amount of voluntariness in each individual case.

(b) The determination of legal incompetence shall be separate from the determination of the need for residential services, and admission to the residential facility shall not automatically imply legal incompletence.

Sec. 235. (a) The residential facility shall admit only residents who have had a comprehensive evaluation, covering physical, emotional, social, and cognitive factors, conducted by an appropriately constituted interdisciplinary team.

(b) Initially, service need shall be defined without regard to the actual availability of the desirable options. All available and applicable programs of care, treatment, and training shall be investigated and weighed, and the deliberations and findings recorded. Admission to the residential facility shall occur only when it is determined to be the optimal available plan. Where admission is not the optimal measure, but must nevertheless be recommended or implemented, its inappropriateness shall be clearly acknowledged and plans shall be initiated for the continued and active exploration of alternatives.

(c) The intended primary beneficiary of the admission shall be clearly specified as—

(1) the resident;

(2) his or her family;

(3) his or her community;

(4) society; and

(5) any combination of the above.

(d) All admissions to the residential facility shall be considered temporary, and, when appropriate, admissions shall be time limited. Parents or guardians shall be counseled, prior to admission, on the relative advantages and disadvantages and the temporary nature of residential services in the residential facility. Prior to admission, parents or guardians shall, and the prospective resident should, have visited the residential facility and the living unit in which the prospective resident is likely to be placed.

Sec. 236. (a) A medial evaluation by a licensed physician shall be made within 1 week of the resident's admission. Upon admission, residents should be placed in their program groups, and they should be isolated only upon medical orders issued for specific reasons.

(b) Within the period of 1 month after admission there shall be:

(1) a review and updating of the preadmission evaluation;

(2) a prognosis that can be used for programing and placement;

(3) a comprehensive evaluation and individual program plan, made by an interdisciplinary team;

(4) direct-care personnel shall participate in the aforementioned activities;

(5) the results of the evaluation shall be recorded in the resident's unit record;

(6) an interpretation of the evaluation, in action terms, shall be made to:

(A) the direct-care personnel responsible for carrying out the resident's program;

(B) the special services staff responsible for carrying out the resident's program; and

(C) the resident's parents or their surrogates.

(c) There shall be a regular, at least annual, joint review of the status of each resident by all relevant personnel, including personnel in the living unit, with program recommendations for implementation. This review shall include—

(1) consideration of the advisability of continued residence and alternative programs;

(2) at the time of the resident's attaining majority, or if he becomes emancipated prior thereto:

(A) the resident's need for remaining in the residential facility;

(B) the need for guardianship of the resident;

(C) the exercise of the resident's civil and legal rights;

(3) The results of these reviews shall be:

(A) recorded in the resident's unit record;

(B) made available to relevant personnel;

(C) interpreted to the resident's parents or surrogates;

(D) interpreted to the resident, when appropriate; and

(4) parents or their surrogates shall be involved in planning and decisionmaking.

Sec. 237. A physical inspection for signs of injury or disease should be made in accordance with procedures established by the residential facility:

(A) within 24 hours prior to a resident's leaving residential facility for vacation, placement, or other temporary or permanent release; and

(B) within 24 hours following a resident's return to the residential facility from such absence.

SEC. 238. (a) At the time of permament release or transfer, there shall be recorded a summary of findings, progress, and plans.

(b) Planning for release shall include provision for appropriate services, including protective supervision and other follow-up services, in the resident's new environment. Procedures shall be established to that—

(1) parents or guardians who request the release of a resident are counseled concerning the advantages and disadvantages of such release; and

(2) the court or other appropriate authorities are notified when a resident's release might endanger either the individual or society.

(c) When a resident is transferred to another residential facility there shall be—

(1) written evidence that the reason for the transfer is the welfare of the resident; and

(2) a transfer process that shall insure that the receiving residential facility will meet the needs of the resident.

(d) Except in an emergency, transfer shall be made only with the prior knowledge, and ordinarily the consent, of the resident and his or her guardian.

SEC. 239. (a) In the event of any unusual occurrence, including serious illness or accidents, impending death, or death, the resident's next of kin, or the person who functions in that capacity (a guardian or citizen advocate) shall be notified promptly and in a compassionate manner. When appropriate, the wishes and needs of the resident, and of the next of kin, concerning religious matters shall be determined and, insofar as possible, fulfilled.

(b) When death occurs:

(1) with the permission of the next of kin or legal guardian, an autopsy shall be performed;

(2) such autopsy shall be performed by a qualified physician, so selected as to be free of any conflict of interest or loyalty;

(3) the family shall be told of the autopsy findings, if they so desire; and

(4) the residential facility shall render as much assistance as possible in making arrangements for dignified religious services and burial, unless contraindicated by the wishes of the family.

(c) The coroner or medical examiner shall be notified of deaths, in accordance with State law.

Subchapter IV—Personnel Policies

SEC. 240. (a) Adequate personnel services shall be provided by means appropriate to the size of the residential facility. If the size of the residential facility warrants a personnel director, he shall have had several years of progressively more responsible experience or training in personnel administration, and demonstrated competence in this area.

(b) The residential facility's current personnel policies and practices shall be described in writing:

(1) The hiring, assignment, and promotion of employees shall be based on their qualifications and abilities, without regard to sex, race, color, creed, age, irrelevant disability, marital status, ethnic or national origin, or membership in an organization.

(2) Written job descriptions shall be available for all positions.

(3) Licensure, certification, or standards such as are required in community practice shall be required for all comparable positions in the residential facility.

(4) Ethical standards of professional conduct, as developed by appropriate professional societies, shall be recognized as applying in the residential facility.

(5) There shall be a planned program for career development and advancement for all categories of personnel.

(6) There shall be an authorized procedure, consistent with due process, for suspension and/or dismissal of an employee for cause.

(7) Methods of improving the welfare and security of employees shall include:

(A) a merit system or its equivalent;

(B) a salary schedule covering all positions;

(C) effective grievance procedures;

(D) provisions for vacations, holidays, and sick leave;

(E) provisions for health insurance and retirement;

(F) provisions for employee organizations;

(G) opportunities for continuing educational experiences, including educational leave; and

(H) provisions for recognizing outstanding contributions to the residential facility.

(c) A statement of the residential facility's personnel policies and practices shall be available to all its employees.

(d) All personnel shall be initially screened to determine if they are capable of fulfilling the specific job requirements. All personnel shall be medically determined to be free of communicable and infectious diseases at the time of employment and annually thereafter. All personnel should have a medical examination at the time of employment and annually thereafter. Where indicated, psychological assessment should be included at the time of employment and annually thereafter.

(e) The performance of each employee shall be evaluated regularly and periodically, and at least annually. Each such evaluation shall be—

(1) reviewed with the employee; and

(2) recorded in the employee's personnel record.

(f) Written policy shall prohibit mistreatment, neglect, or abuse of residents. Alleged violations shall be reported immediately, and there shall be evidence that—

(1) all alleged violations are thoroughly investigated;

(2) the results of such investigation are reported to the chief executive officer, or his or her designated representative, within 24 hours of the report of the incident; and

(3) appropriate sanctions are invoked when the allegation is substantiated.

SEC. 241. (a) Staffing shall be sufficient so that the residential facility is not dependent upon the use of residents or volunteers for productive services. There shall be a written policy to protect residents from exploitation when they are engaged in productive work. A current, written policy shall encourage that residents be trained for productive, paid employment. Residents shall not be involved in the care (feeding, clothing, bathing), training, or supervision of other residents unless they—

(1) have been specifically trained in the necessary skills;

(2) have the humane judgment required by these activities;

(3) are adequately supervised; and

(4) are reimbursed.

(b) Residents who function at the level of staff in occupational or training activities shall—

(1) have the right to enjoy the same privileges as staff; and

(2) be paid at the legally required wage level when employed in other than training situations.

(c) Appropriate to the size and nature of the residential facility, there shall be a staff training program that includes:

(1) orientation for all new employees, to acquaint them with the philosophy, organization, program, practices, and goals of the residential facility;

(2) induction training for each new employee, so that his skills in working with the residents are increased;

(3) inservice training for employees who have not achieved the desired level of competence, and opportunities for continuous inservice training to update and improve the skills and competencies of all employees;

(4) supervisory and management training for all employees in, or candidates for, supervisory positions;

(5) provisions shall be made for all staff members to improve their competencies, through means, including but not limited to—

(A) attending staff meetings;

(B) undertaking seminars, conferences, workshops, and institutes;

(C) attending college and university courses;

(D) visiting other residential facilities;

(E) participation in professional organizations;

(F) conducting research;

(G) publishing studies;

(H) access to consultants;

(I) access to current literature, including books, monographs, and journals relevant to mental retardation and developmental disabilities;

(6) interdisciplinary training programs shall be stressed;

(7) the ongoing staff development program should include provisions for educating staff members as research consumers;

(8) where appropriate to the size and nature of the residential facility, there shall be an individual designated to be responsible for staff development and training, and such individual should have—

(A) at least a master's degree in one of the major disciplines relevant to mental retardation or other developmental disability;

(B) a thorough knowledge of the nature of mental retardation and other developmental disabilities, and the current goals, programs, and practices in this field;

(C) a knowledge of the educational process;

(D) an appropriate combination of academic training and relevant experience;

(E) demonstrated competence in organizing and directing staff training programs; and

(9) appropriate to the size and nature of the residential facility, there should be adequate, modern educational media equipment (including but not limited to: overhead, filmstrip, motion picture, and slide projectors; screens; models and charts; and video tape systems) for the conduct of an inservice training program.

(d) Working relations should be established between the residential facility and nearby colleges and universities for the following purposes:

(1) making credit courses, seminars, and workshops available to the residential facility's staff;

(2) using residential facility resources for training and research by colleges and universities; and

(3) exchanging of staff between the residential facility and the colleges and universities for teaching, research, and consultation.

CHAPTER 2.—RESIDENT LIVING

Subchapter I—Staff-Resident Relationships and Activities

SEC. 242. (a) The primary responsibility of the living unit staff shall be to devote their attention to the care and development of the residents as follows:

(1) each resident shall receive appreciable and appropriate attention each day from the staff in the living unit;

(2) living unit personnel shall train resi-

dents in activities of daily living and in the development of self-help and social skills;

(3) living unit personnel shall be responsible for the development and maintenance of a warm, family- or home-like environment that is conducive to the achievement of optional development by the resident;

(4) appropriate provision shall be made to ensure that the efforts of the staff are not diverted from these responsibilities by excessive housekeeping and clerical duties, or other non-resident-care activities; and

(5) the objective in staffing each living unit should be to maintain reasonable stability in the assignment of staff, thereby permitting the development of a consistent inter-personal relationship between each resident and one or two staff members.

(b) Members of the living unit staff from all shifts shall participate with an interdisciplinary team in appropriate referral, planning, initiation, coordination, implementation, followthrough, monitoring, and evaluation activities relative to the care and development of the resident.

(c) There shall be specific evaluation and program plans for each resident that are—

(1) available to direct care staff in each living unit; and

(2) reviewed by a member or members of the interdisciplinary program team at least monthly, with documentation of such review entered in the resident's record.

(d) Activity schedules for each resident shall be available to direct care staff and shall be implemented daily as follows:

(1) such schedules shall not permit "dead time" of unscheduled activity of more than 1 hour continuous duration; and

(2) such schedules shall allow for individual or group free activities, with appropriate materials, as specified by the program team.

(e) The rhythm of life in the living unit shall resemble the cultural norm for the residents' nonretarded or nondevelopmentally disabled age peers, unless a departure from this rhythm is justified on the basis of maximizing the residents' human qualities. Residents shall be assigned responsibilities in the living unit commensurate with their interests, abilities, and developmental plans, in order to enhance feelings of self-respect and to develop skills of independent living. Multiple-handicapped and nonambulatory residents shall—

(1) spend a major portion of their waking day out of bed;

(2) spend a portion of their waking day out of their bedroom area;

(3) have planned daily activity and exercise periods; and

(4) be rendered mobile by various methods and devices.

(f) All residents shall have planned periods out of doors on a year-round basis. Residents should be instructed in how to use, and, except as contraindicated for individual residents by their program plan, should be given opportunity for freedom of movement—

(1) within the residential facility's ground; and

(2) without the residential facility's grounds.

Birthdays and special events should be individually observed. Provisions shall be made for heterosexual interaction appropriate to the residents' developmental levels.

(g) Residents' view and opinions on matters concerning them should be elicited and given consideration in defining the processes and structures that affect them.

(h) Residents should be instructed in the free and unsupervised use of communication processes. Except as denied individual residents by team action, for cause, this should typically include—

(1) having access to telephones for incoming and local outgoing calls;

(2) having free access to pay telephones, or the equivalent, for outgoing long distance calls;

(3) opening their own mail and packages, and generally doing so without direct surveillance; and

(4) not having their outgoing mail read by staff, unless requested by the resident.

(i) Residents shall be permitted personal possessions, such as toys, books, pictures, games, radios, arts and crafts materials, religious articles, toiletries jewelry and letters.

(j) Regulations shall permit normalized and normalizing possession and use of money by residents for work payment and property administration as for example, in performing cash and check transactions, and in buying clothing and other items, as readily as other citizens. In accordance with their developmental level—

(1) allowances or opportunities to earn money shall be available to residents; and

(2) residents shall be trained in the value and use of money.

(k) There shall be provision for prompt recognition and appropriate management of behavioral problems in the living unit. There shall be a written statement of policies and procedures for the control and discipline of residents that is—

(1) directed to the goal of maximizing the growth and development of the residents;

(2) available in each living unit; and

(3) available to parents or guardians.

(l) Residents shall participate, as appropriate, in the formulation of such policies and procedures. Corporal punishment shall not be permitted. Residents shall not discipline other residents, except as part of an organized self-government program that is conducted in accordance with written policy.

(m) Seclusion, defined as the placement of a resident alone in a locked room, shall not be employed.

(n) Except as provided in subsection (p), physical restraint shall be employed only when absolutely necessary to protect the resident from injury to himself and to others, and restraint shall not be employed as punishment, for the convenience of staff, or as a substitute for program. The residential facility shall have a written policy that defines the uses of restraint, the staff members who may authorize its use, and a mechanism for monitoring and controlling its use. Orders for restraints shall not be in force for longer than 12 hours. A resident placed in restraint shall be checked at least every 30 minutes by staff trained in the use of restraints, and a record of such checks shall be kept. Mechanical restraints shall be designed and used so as not to cause physical injury to the resident, and so as to cause the least possible discomfort. Opportunity for motion and exercise shall be provided for a period of not less than 10 minutes during each 2 hours in which restraint is employed. Totally enclosed cribs and barred enclosures shall be considered restraints.

(o) Mechanical supports used in formative situations to achieve proper body position and balance shall not be considered to be restraints, but shall be designed and applied—

(1) under the supervision of a qualified professional person; and

(2) so as to reflect concern for principles of good body alinement, concern for circulation, and allowance for change of position.

(p) Chemical restraint shall not be used excessively, as punishment, for the convenience of staff, as a substitute for program, or in quantities that interfere with a resident's habilitation program.

(q) Behavior modification programs involving the use of time-out devices or the use of noxious or aversive stimuli shall be:

(1) reviewed and approved by the residential facility's research review and human rights committees;

(2) conducted only with the consent of the affected resident's parents or surrogates;

(3) described in written plans that are kept on file in the residential facility;

(4) restraints employed as time-out devices shall be applied for only very brief periods, only during conditioning sessions, and only in the presence of the trainer; and

(5) removal from a situation for time-out purposes shall not be for more than 1 hour, and this procedure shall be used only during the conditioning program, and only under the supervision of the trainer.

Subchapter II—Food Services

SEC. 243. (a) Food services shall recognize and provide for the physiological, emotional, religious, and cultural needs of each resident, through provision of a planned, nutritionally adequate diet. There shall be a written statement of goals, policies, and procedures that—

(1) governs all food service and nutrition activities;

(2) is prepared by, or with the assistance of, a nutritionist or dietitian;

(3) is reviewed periodically, as necessary, by the nutritionist or dietitian;

(4) is in compliance with State and local regulations;

(5) is consistent with the residential facility's goals and policies; and

(6) is distributed to residential facility personnel.

(b) When food services are not directed by a nutritionist or dietitian, regular, planned, and frequent consultation with a nutritionist or dietitian should be available. Records, of consultations and recommendations shall be maintained by the residential facility and by the consultant. An evaluation procedure shall be established to determine the extent of implementation of the consultant's recommendations.

(c) A nourishing, well-balanced diet, consistent with local customs, shall be provided all residents. Modified diets shall be—

(1) prescribed by the resident's program team, with a record of the prescription kept on file;

(2) planned, prepared, and served by persons who have received adequate instruction; and

(3) periodically reviewed and adjusted as needed.

(d) Dietary practices in keeping with the religious requirements of residents' faith groups should be observed at the request of parents or guardians. Denial of a nutritionally adequate diet shall not be used as a punishment. At least three meals shall be served daily, at regular times, with—

(1) not more than a 14-hour span between a substantial evening meal and breakfast of the following day, and

(2) not less than 10 hours between breakfast and the evening meal of the same day.

(e) Resident's mealtimes shall be comparable to those normally obtaining in the community. Provision should be made for between meal and before bedtime snacks, in keeping with the total daily needs of each resident. Food shall be served—

(1) as soon as possible after preparation, in order to conserve nutritive value;

(2) in an attractive manner;

(3) in appropriate quantity;

(4) at appropriate temperature;

(5) in a form consistent with the developmental level of the resident; and

(6) with appropriate utensils.

When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value.

(f) All residents, including the mobile nonambulatory, shall eat or be fed in dining rooms, except where contraindicated for health reasons, or by decision of the team responsible for the resident's program. Table service shall be provided for all who can and will eat at a table, including residents in wheelchairs. Dining areas shall—

(1) be equipped with tables having smooth,

impervious tops or clean table coverings may be used;

(2) be equipped with tables, chairs, eating utensils, and dishes designed to meet the development needs of each resident;

(3) promote a pleasant and home-like environment that is attractively furnished and decorated, and is of good acoustical quality; and

(4) be designed to stimulate maximum self-development, social interaction, comfort, and pleasure.

(g) Dining arrangements shall be based upon a rational plan to meet the needs of the residents and the requirements of their programs. Dining and serving arrangements should provide for a variety of eating experiences (for example, cafeteria and family style), and, when appropriate, for the opportunity to make food selections with guidance. Unless justified on the basis of meeting the program needs of the particular residents being served, dining tables should seat small groups of residents (typically four to six at a table), preferably including both sexes.

(h) Dining rooms shall be adequately supervised and staffed for the direction of self-help eating procedures, and to assure that each resident receives an adequate amount and variety of food. Staff members should be encouraged to eat with those residents who have semi-independent or independent eating skills. For residents not able to get to dining areas, food service practices shall permit and encourage maximum self-help, and shall promote social interaction and enjoyable experiences.

Sec. 244. (a) Residents shall be provided with systematic training to develop appropriate eating skills, utilizing adaptive equipment where it serves the development process.

(b) Residents with special eating disabilities shall be provided with an interdisciplinary approach to the diagnosis and remediation of their problems, consistent with their developmental needs.

(c) Direct-care staff shall be trained in and shall utilize proper feeding techniques. Residents shall eat in an upright position. Residents shall eat in a manner consistent with their developmental needs (for example, infants should be fed in arms, as appropriate). Residents shall be fed at a leisurely rate, and the time allowed for eating shall be such as to permit adequate nutrition, to promote the development of self-feeding abilities, to encourage socialization, and to provide a pleasant mealtime experience.

(d) Effective procedures for cleaning all equipment and all areas shall be followed consistently. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work areas.

Subchapter III—Clothing

Sec. 245. (a) Each resident shall have an adequate allowance of neat, clean, fashionable, and seasonable clothing.

(b) Each resident shall have his or her own clothing, which is, when necessary, properly and inconspicuously marked with his or her name, and he or she shall use this clothing. Such clothing shall make it possible for residents to go out of doors in inclement weather, to go for trips or visits appropriately dressed, and to make a normal appearance in the community.

(c) Nonambulatory residents shall be dressed daily in their own clothing, including shoes, unless contraindicated in written medical orders.

(d) Washable clothing shall be designed for multihandicapped residents being trained in self-help skills, in accordance with individual needs.

(e) Clothing for incontinent residents shall be designed to foster comfortable sitting, crawling and/or walking, and toilet training.

(f) A current inventory should be kept of each resident's personal and clothing items.

(g) Residents shall be trained and encouraged to:

(1) select and purchase their own clothing as independently as possible, preferably utilizing community stores;

(2) select their daily clothing;

(3) dress themselves;

(4) change their clothes to suit the activities in which they engage; and

(5) maintain (launder, clean, mend) their clothing as independently as possible.

Sec. 246. Storage space for clothing to which the resident has access shall be provided. Ample closet and drawer space shall be provided for each resident. Such space shall be accessible to all, including those in wheelchairs.

Sec. 247. The person responsible for the residential facility's resident-clothing program shall be trained or experienced in the selection, purchase, and maintenance of clothing, including the design of clothing for the handicapped.

Subchapter IV—Health, Hygiene, and Grooming

Sec. 248. (a) Residents shall be trained to exercise maximum independence in health, hygiene, and grooming practices, including bathing, brushing teeth, shampooing, combing and brushing hair, shaving, and caring for toenails and fingernails.

(b) Each resident shall be assisted in learning normal grooming practices with individual toilet articles that are appropriately available to that resident.

(c) Teeth shall be brushed daily, with an effective dentifrice. Individual brushes shall be properly marked, used, and stored. Dental care practices should encourage the use of newer dental equipment, such as electric toothbrushes and water picks, as prescribed.

(d) Residents shall be regularly scheduled for hair cutting and styling, in an individualized, normalized manner, by trained personnel.

(e) For residents who require such assistance, cutting of toenails and fingernails by trained personnel shall be scheduled at regular intervals.

(f) Each resident shall have a shower or tub bath at least daily, unless medically contraindicated. Resident's bathing shall be conducted at the most independent level possible. Resident's bathing shall be conducted with due regard for privacy. Individual washcloths and towels shall be used. A bacteriostatic soap shall be used, unless otherwise prescribed.

(g) Female residents shall be helped to attain maximum independence in caring for menstrual needs. Menstrual supplies shall be of the same quality and diversity available to all women.

(h) Every resident who does not eliminate appropriately and independently shall be engaged in a toilet training program. The residential facility's training program shall be applied systematically and regularly. Appropriate dietary adaptations shall be made to promote normal evacuation and urination. The program shall comprise a hierarchy of procedures leading from incontinence to independent toileting. Records shall be kept of the progress of each resident receiving toilet training. Appropriate equipment shall be provided for toilet training, including equipment appropriate for the multiple handicapped. Residents who are incontinent shall be immediately bathed or cleansed, upon voiding or soiling, unless specifically contraindicated by the training program in which they are enrolled, and all soiled items shall be changed. Persons shall wash their hands after handling an incontinent resident.

(i) Each living unit shall have a properly adapted drinking unit. Residents shall be taught to use such units. Those residents who cannot be so taught shall be given the proper daily amount of fluid at appropriate intervals adequate to prevent dehydration. There shall be a drinking unit accessible to, and usable by, residents in wheelchairs. Special cups and noncollapsible straws shall be available when needed by the multiple handicapped. If the drinking unit employs cups, only single-use, disposable types shall be used.

(j) Procedures shall be established for:

(1) monthly weighing of residents, with greater frequency for those with special needs;

(2) quarterly measurement of height, until the age of maximum growth;

(3) maintenance of weight and height records; and

(4) every effort shall be made to assure that residents maintain normal weights.

(k) Policies and procedures for the care of residents with infections and contagious diseases shall conform to State and local health department regulations.

(l) Orders prescribing bed rest or prohibiting residents from being taken out of doors shall be reviewed by a physician at least every 3 days.

(m) Provisions shall be made to furnish and maintain in good repair, and to encourage the use of, dentures, eyeglasses, hearing aids, braces, and so forth, prescribed by appropriate specialists.

Subchapter V—Grouping and Organization of Living Units

Sec. 249. (a) Living unit components or groupings shall be small enough to insure the development of meaningful interpersonal relationships among residents and between residents and staff. The resident-living unit (self-contained unit including sleeping, dining, and activity areas) should provide for not more than 16 residents. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served. To maximize development, residents should be grouped within the living unit into program groups of not more than eight. Any deviation from this size should be justified on the basis of meeting the program needs of the specific residents being served.

(b) Residential units or complexes should house both male and female residents to the extent that this conforms to the prevailing cultural norms. Residents of grossly different ages, developmental levels, and social needs shall not be housed in close physical or social proximity, unless such housing is planned to promote the growth and development of all those housed together. Residents who are mobile-nonambulatory, deaf, blind, or multihandicapped shall be integrated with peers of comparable social and intellectual development, and shall not be segregated on the basis of their handicaps.

(c) The living unit shall not be a self-contained program unit, and living unit activities shall be coordinated with recreation, educational, and habilitative activities in which residents engage outside the living unit, unless contraindicated by the specific program needs of the particular residents being served. Each program group should be assigned a specific person, who has responsibility for providing an organized, developmental program of physical care, training, and recreation.

(d) Residents shall be allowed free use of all living areas within the living unit, with due regard for privacy and personal possessions. Each resident shall have access to a quiet, private area where he can withdraw from the group when not specifically engaged in structured activities.

(e) Outdoor active play or recreation areas shall be readily accessible to all living units.

Subchapter VI—Resident-Living Staff

SEC. 250. (a) There shall be sufficient, appropriately qualified, and adequately trained personnel to conduct the resident-living program, in accordance with the standards specified in this section. Resident-living personnel shall be administratively responsible to a person whose training and experience is appropriate to the program. The title applied to the individuals who directly interact with residents in the living units should be appropriate to the kind of residents with whom they work and the kind of interaction in which they engage. The personnel who staff the living units may be referred to by a variety of terms, such as attendants, child care workers, or cottage parents. The term "psychiatric aid" may be appropriate for a unit serving the emotionally disturbed, but not for a cottage of well-adjusted children. The title of "child care worker" may be appropriate for a nursery school group, but not for an adult unit. Nurses' aides are appropriate for units serving sick residents but not well ones.

(b) The attire of resident-living personnel should be appropriate to the program of the unit in which they work, and consistent with attire worn in the community.

(c) When resident-living units are organized as recommended in subchapter V, and designed as stipulated in subchapter VII, the staff-resident ratios for 24-hour, 7-day coverage of such units by resident-living personnel, or for equivalent coverage, should be as follows:

(1) for medical and surgical units, and for units including infants, children (to puberty), adolescents requiring considerable adult guidance and supervision, severely and profoundly retarded or developmentally disabled moderately and severely physically handicapped, and residents who are aggressive, assaultive, or security risks, or who manifest severely hyperactive or phychotic-like behavior—

(A) first shift, 1 to 4;

(B) second shift, 1 to 4;

(C) third shift, 1 to 8; and

(D) overall ratio (allowing for a 5-day work week plus holiday, vacation, and sick time), 1 to 1;

(2) for units serving moderately retarded or developmentally disabled adolescents and adults requiring habit training—

(A) first shift, 1 to 8;

(B) second shift, 1 to 4;

(C) third shift, 1 to 8; and

(D) overall ratio, 1 to 1.25;

(3) for units serving residents in vocational training programs and adults who work in sheltered employment situations—

(A) first shift, 1 to 16;

(B) second shift, 1 to 8;

(C) third shift, 1 to 16; and

(D) overall ratio, 1 to 2.5.

(d) Regardless of the organization or design of resident-living units, the overall staff-resident ratios should be as stipulated above. Regardless of the organization or design of resident-living units, the overall staff-resident ratios for the categories defined above shall not be less than 1 to 2, 1 to 2.5, and 1 to 5, respectively.

Subchapter VII—Design and Equipage of Living Units

SEC. 251. (a) The design, construction, and furnishing of resident-living units shall be—

(1) appropriate for the fostering of personal and social development;

(2) appropriate to the program;

(3) flexible enough to accommodate variations in program to meet changing needs of residents; and

(4) such as to minimize noise and permit communication at normal conversation levels.

(b) The interior design of living units shall simulate the functional arrangements of a home to encourage a personalized atmosphere for small groups of residents, unless it has been demonstrated that another arrangement is more effective in maximizing the human qualities of the specific residents being served. There shall be a minimum of 80 square feet of living, dining, or activity space for each resident. This space shall be arranged to permit residents to participate in different kinds of activities, both in groups and singly. Furniture and furnishings shall be safe, appropriate, comfortable, and homelike.

(c) Bedrooms shall:

(1) be on or above street grade level;

(2) be outside rooms.

(3) accommodate from one to four residents;

(4) provide at least 60 square feet per resident in multiple sleeping rooms, and not less than 80 square feet in single rooms;

(5) partitions defining each bedroom shall extend from floor to ceiling;

(6) doors to bedrooms—

(A) should not have vision panels;

(B) should not be lockable, except where residents may lock their own bedroom doors, as consistent with their program;

(7) there shall be provision for residents to mount pictures on bedroom walls (for example, by means of pegboard or cork strips), and to have flowers, artwork, and other decorations;

(8) each resident shall be provided with—

(A) a separate bed of proper size and height for the convenience of the resident;

(B) a clean comfortable mattress;

(C) bedding appropriate for weather and climate;

(9) each resident shall be provided with—

(A) appropriate individual furniture, such as a chest of drawers, a table or desk, and on individual closet with clothes racks and shelves accessible to the resident;

(B) a place of his or her own for personal play equipment and individually prescribed prosthetic equipment; and

(10) space shall be provided for equipment for daily out-of-bed activity for all residents not yet mobile, except those who have a short-term illness, or those very few for whom out-of-bed activity is a threat to life.

(d) Suitable storage shall be provided for personal possessions, such as toys, books, pictures, games, radios, arts and crafts materials, toiletries, jewelry, letters, and other articles and equipment, so that they are accessible to the residents for their use. Storage areas shall be available for off-season personal belongings, clothing, and luggage.

(e) Toilet areas, clothes closets, and other facilities shall be located and equipped so as to facilitate training toward maximum self-help by residents, including the severely and profoundly retarded of developmentally disabled and the multiple handicapped as follows:

(1) water closets, showers bathtubs, and lavatories shall approximate normal patterns found in homes, unless specifically contraindicated by program needs;

(2) toilets, bathtubs, and showers shall provide for individual privacy (with partitions and doors), unless specifically contraindicated by program needs;

(3) water closets and bathing and toileting appliances shall be equipped for use by the physically handicapped;

(4) there shall be at least one water closet of appropriate size for each six residents;

(A) at least one water closet in each living unit shall be accessible to residents in wheelchairs;

(B) each water closet shall be equipped with a toilet seat;

(C) toilet tissue shall be readily accessible at each water closet;

(5) there shall be at least one lavatory for each six residents and one lavatory shall be accessible to and usable by residents in wheelchairs;

(6) there shall be at least one tub or shower for each eight residents;

(7) there shall be individual racks or other drying space for washcloths and towels; and

(8) larger, tilted mirrors shall be available to residents in wheelchairs.

(f) Provisions for the safety, sanitation, and comfort of the residents shall comply with the following requirements:

(1) each habitable room shall have direct outside ventilation by means of windows, louvres, air-conditioning, or mechanical ventilation horizontally and vertically;

(2) each habitable room shall have at least one window, and the window space in each habitable room should be at least one-eighth (12½ percent) of the floor space;

(A) each resident unit of eight shall have at least one glazed area low enough so that a child in normal day activities has horizontal visual access to the out of doors;

(B) the type of glass or other glazing material used shall be appropriate to the safety needs of the residents of the unit;

(3) floors shall provide a resilient, comfortable, attractive, nonabrasive, and slip-resistant surface. Carpeting used in units serving residents who crawl or creep shall be nonabrasive;

(4) temperature and humidity shall be maintained within a normal comfort range by heating, air-conditioning, or other means. The heating apparatus employed shall not constitute a burn hazard to the residents;

(5) the temperature of the hot water at all taps to which residents have access shall be controlled, by the use of thermostatically controlled mixing valves or by other means, so that it does not exceed 110 degrees Fahrenheit. Mixing valves shall be equipped with safety alarm that provide both auditory and visual signals of valve failure;

(6) emergency lighting of stairs and exits, with automatic switches, shall be provided in units housing more than 15 residents;

(7) there shall be adequate clean linen and dirty linen storage areas for each living unit. Dirty linen and laundry shall be removed from the living units daily; and

(8) laundry and trash chutes are discouraged, but if installed, such chutes shall comply with regulations prescribed by the Secretary.

CHAPTER 3.—PROFESSIONAL AND SPECIAL PROGRAMS AND SERVICES

Subchapter I—Introduction

SEC. 252. (a) In addition to the resident-living services otherwise detailed in this title, residents shall be provided with the professional and special programs and services detailed in this section, in accordance with their needs for such programs and services.

(b) The professional and special programs and services detailed herein may be provided by programs maintained or personnel employed by the residential facility, or by formal arrangements between the residential facility and other agencies or persons, whereby the latter will provide such programs and services to the residential facility's residents as needed.

(c) In accordance with the normalized principle, all professional services to the mentally retarded and other individuals with developmental disabilities should be rendered in the community, whenever possible, rather than in a residential facility, and where rendered in a residential facility, such services must be at least comparable to those provided the non-retarded in the communtiy.

(d) Programs and services provided by the residential facility or to the residential facility by agencies outside it, or by persons not employed by it, shall meet the standards for quality of service as stated in this section. The residential facility shall require that services provided its residents meet the standards for quality of services as stated in this section, and all contracts for the provision of such services shall stipulate that these standards will be met.

Sec. 253. (a) Individuals providing professional and special programs and services to residents may be identified with the following professions, disciplines, or areas of service:

(1) audiology;

(2) dentistry (including services rendered by licensed dentists, licensed dental hygienists, and dental assistants);

(3) education;

(4) food and nutrition (including services rendered by dietitians and nutritionists);

(5) library services;

(6) medicine (including services rendered by licensed physicians, whether doctors of medicine or doctors of osteopathy, licensed podiatrists, and licensed optometrists);

(7) music, art, dance, and other activity therapies;

(8) nursing;

(9) occupational therapy;

(10) pharmacy;

(11) physical therapy;

(12) psychology;

(13) recreation;

(14) religion (including services rendered by clergy and religious educators);

(15) social work;

(16) speech pathology;

(17) vocational rehabilitation counseling; and

(18) volunteer services.

(b) Interdisciplinary teams for evaluating the resident's needs, planning an individualized habilitation program to meet identified needs, and periodically reviewing the resident's response to his program and revising the program accordingly, shall be constituted of persons drawn from, or representing, such of the aforementioned professions, disciplines, or service areas as are relevant in each particular case.

(c) Since many identical or similar services or functions may competently be rendered by individuals of different professions, the standards in the following subsections shall be interpreted to mean that necessary services are to be provided in efficient and competent fashion, without regard to the professional identifications of the persons providing them, unless only members of a single profession are qualified or legally authorized to perform the stated service. Services listed under the duties of one profession may, therefore, be rendered by members of other professions who are equipped by training and experience to do so.

(d) Regardless of the means by which the residential facility makes professional services available to its residents, there shall be evidence that members of professional disciplines work together in cooperative, coordinated, interdisciplinary fashon to achieve the objective of the residential facility.

Sec. 254. Programs and services and the pattern of staff organization and function within the residential facility shall be focused upon serving the individual needs of residents and should provide for—

(1) comprehensive diagnosis and evaluation of each resident as a basis for planning programing and management;

(2) design and implementation of an individualized habilitation program to effectively meet the needs of each resident;

(3) regular review, evaluation, and revision, as necessary, of each individual's habilitation program;

(4) freedom of movement of individual residents from one level of achievement to another, within the facility and also out of the residential facility, through training, habilitation, and placement; and

(5) an array of those services that will enable each resident to develop to his maximum potential.

Subchapter II—Dental Services

Sec. 255. (a) Dental services shall be provided all residents in order to maximize their general health by—

(1) maintaining an optimal level of daily oral health, through preventive measures; and

(2) correcting existing oral diseases.

(b) Dental services shall be rendered—

(1) directly, through personal contact with all residents by dentists, dental hygienists, dental assistants, dental health educators, and oral hygiene aides, as appropriate to the size of the residential facility; and

(2) indirectly, through contact between dental staff and other personnel caring for the residents, in order to maintain their optimal oral health.

(c) Dental services available to the residential facility should include—

(1) dental evaluation and diagnosis;

(2) dental treatment;

(3) comprehensive preventive dentistry programs;

(4) education and training in the maintenance of oral health;

(5) participation, as appropriate, by dentists and dental hygienists in the continuing evaluation of individual residents by interdisciplinary teams, to initiate, monitor, and follow up individualized habilitation programs;

(6) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) other residential facility services and personnel;

(7) participation on appropriate residential facility committees; and

(8) planning and conducting dental research; cooperating in interdisciplinary research; and interpreting, disseminating, and implementing applicable research findings.

(d) Comprehensive diagnostic services for all residents shall include—

(1) a complete extra and intraoral examination, utilizing all diagnostic aids necessary to properly evaluate the resident's oral condition, within a period of 1 month following admission;

(2) provision for adequate consultation in dentistry and other fields, so as to properly evaluate the ability of the patient to accept the treatment plan that results from the diagnosis; and

(3) a recall system that will assure that each resident is reexamined at specified intervals in accordance with his needs, but at least annually.

(e) Comprehensive treatment services for all residents shall include—

(1) provision for dental treatment, including the dental specialties of pedodontics, orthodontics, periodontics, prosthodontics, endodontics, oral surgery, and oral medicine, as indicated; and

(2) provision for emergency treatment on a 24-hour, 7-day-a-week basis, by a qualified dentist.

(f) Comprehensive preventive dentistry programs should include—

(1) fluoridation of the residential facility's water supply;

(2) topical and systematic fluoride therapy, as prescribed by the dentist;

(3) periodic oral prophylaxis, by a dentist or dental hygienist, for each resident;

(4) provisions for daily oral care, as prescribed by a dentist or dental hygienist, including:

(A) toothbrushing and toothbrushing aids, such as disclosing wafers;

(B) tooth flossing;

(C) irrigation;

(D) proper maintenance of oral hygiene equipment;

(E) monitoring the program to assure its effectiveness; and

(5) provision, wherever possible, of diets in a form that stimulates chewing and improvement of oral health.

(g) Education and training in the maintenance of oral health shall include:

(1) continuing inservice training of living-unit personnel in providing proper daily oral health care for residents;

(2) providing dental health education to direct-care personnel;

(3) a dental hygiene program that includes:

(A) discovery, development, and utilization of specialized teaching techniques that are effective for individual residents;

(B) importing information regarding nutrition and diet control measures to residents and staff;

(C) instruction of classroom teachers and/or students in proper oral hygiene methods;

(D) motivation of teachers and students to promote and maintain good oral hygiene;

(E) instruction of residents in living units in proper oral hygiene methods; and

(4) instruction of parents or surrogates in the maintenance of proper oral hygiene, where appropriate (as in the case of residential facilities having day programs, or in the case of residents leaving the residential facility).

(h) A permanent dental record shall be maintained for each resident. A summary dental progress report shall be entered in the resident's unit record at stated intervals. A copy of the permanent dental record shall be provided a residential facility to which a resident is transferred.

(i) When the residential facility has its own dental staff, there should be a manual that states the philosophy of the dental service and describes all dental procedures and policies. There shall be a formal arrangement for providing qualified and adequate dental services to the residential facility, including care for dental emergencies on a 24-hour, 7-days-a-week basis. A dentist, fully licensed to practice in the State in which the residential facility is located, shall be designated to be responsible for maintaining standards of professional and ethical practice in the rendering of dental services to the residential facility. Where appropriate, the residential facility should, in addition, have available to it, and should utilize, the program-development consultation services of a qualified dentist who has experience in the field of dentistry for the retarded and other individuals with developmental disabilities.

(j) There shall be available sufficient, appropriately qualified dental personnel, and necessary supporting staff, to carry out the dental services program. All dentists providing services to the residential facility shall be fully licensed to practice in the State in which the residential facility is located. All dental hygienists providing services to the residential facility shall be licensed to practice in the State in which the residential facility is located. Dental assistants should be certified by an appropriate nationally recognized professional association or should be enrolled in a program leading to certification. Dental health educators shall have a thorough knowledge of—

(1) dental health; and

(2) teaching methods.

(k) Oral hygiene aides, who may supplement and promote the proper daily oral care of residents, through actual participation and development of new methods in the toothbrushing program, or in the dissemination of oral hygiene information, should be—

(1) thoroughly trained in current concepts and procedures of oral care; and

(2) trained to recognize abnormal oral conditions.

(l) Supporting staff should include, as appropriate to the program—

(1) receptionists;

(2) clerical personnel to maintain current dental records;

(3) dental laboratory technicians certified by the appropriate nationally recognized professional association;

(4) escort aides; and

(5) janitorial or housekeeping personnel.

(m) All dentists providing service to the residential facility shall adhere to the code of ethics published by the appropriate nationally recognized professional association.

Sec. 256. (a) Appropriate to the size of the residential facility, a continuing education program shall be provided that is designed to maintain and improve the skills and knowledge of its professional dental personnel, through means including but not limited to:

(1) preceptor or other orientation programs;

(2) participation in seminars, workshops, conferences, institutes, or college or university courses, to the extent of at least 60 clock hours annually for each dental professional, in accordance with the standards of the nationally recognized professional dental association and its component societies;

(3) study leave;

(4) participation in the activities of professional organizations that have as their goals the furtherance of expertise in the treatment of the handicapped;

(5) access to adequate library resources, including current and relevant books and journals in dentistry, dental hygiene, dental assisting, mental retardation, and developmental disabilities;

(6) encouragement of dentists to qualify themselves for staff privileges in hospitals; and

(7) sharing of information concerning dentistry in its relationship with mental retardation and developmental disabilities as by publication.

(b) To enrich and stimulate the residential facility's dental program, and to facilitate its integration with community services, the residential facility with, and provide educational experiences for the dental-career students of, dental schools, universities, colleges, technical schools, and hospitals, whenever the best interests of the residential facility's residents are thereby served.

(c) There shall be adequate space, facilities, and equipment to meet the professional, educational, and administrative needs of the dental service. General anesthesia facilities for dental care shall be available. The services of a certified dental laboratory shall be available. Appropriate dental consultation shall be employed in the planning, design, and equipage of new dental facilities, and in the modification of existing facilities. All dental facilities shall be free of architectural barriers for physically handicapped residents.

Subchapter III—Educational Services

Sec. 257. (a) Educational services, defined as deliberate attempts to facilitate the intellectual, sensorimotor, and effective development of the individual, shall be available to all residents, regardless of chronological age, degree of retardation, or accompanying disabilities or handicaps. There shall be a written statement of educational objectives that are consistent with the residential facility's philosophy and goals. The principle that learning begins at birth shall be recognized, and the expertise of early childhood educators shall be integrated into the interdisciplinary evaluation and programing for residents.

(b) Educational services available to the residential facility shall include but not be limited to—

(1) establishment and implementation of individual educational programs providing:

(A) continuous evaluation and assessment of the individual;

(B) programing for the individual;

(C) instruction of individuals and groups;

(D) evaluation and improvement of instructional programs and procedures;

(2) participation in program development services, including those relating to:

(A) resident habilitation;

(B) staff training;

(C) community activities;

(3) consultation with, or relating to:

(A) other programs for residents and staff;

(B) parents of residents;

(C) administration and operation of the residential facility;

(D) the community served by the residential facility; and

(4) research relating to educational programs, procedures, and techniques; and the interpretation, dissemination, and application of applicable research findings.

(c) Where appropriate, an educator shall be a member of the interdisciplinary teams or groups concerned with—

(1) the total programing of each resident; and

(2) the planning and development of the residential facility's programs for residents.

(d) Individual educational evaluations of residents shall:

(1) commence with the admission of the resident;

(2) be conducted at least annually;

(3) be based upon the use of empirically reliable and valid instruments, whenever such tools are available;

(4) provide the basis for prescribing an appropriate program of learning experiences for the resident;

(5) provide the basis for revising the individual prescription as needed;

(6) the reporting and dissemination of evaluation results shall be done in such a manner as to—

(A) render the content of the report meaningful and useful to its intended recipient and user; and

(B) promptly provide information useful to staff working directly with the resident.

(e) There shall be written educational objectives for each resident that are—

(1) based upon complete and relevant diagnostic and prognostic data;

(2) stated in specific behavioral terms that permit the progress of the individual to be assessed; and

(3) adequate for the implementation, continuing assessment, and revision, as necessary, of an individually prescribed program.

(f) There shall be evidence of educational activities designed to meet the educational objectives set for every resident. There shall be a functional educational record for each resident, maintained by, and available to, the educator.

(g) There shall be appropriate programs to implement the residential facility's educational objective. Wherever local resources permit and the needs of the resident are served, residents should attend educational programs in the community. Educable and trainable residents shall be provided an educational program of a quality not less than that provided by public school programs for comparable pupils, as regards:

(1) physical facilities;

(2) qualifications of personnel;

(3) length of the school day;

(4) length of school year;

(5) class size;

(6) provision of instructional materials and supplies; and

(7) availability of evaluative and other ancillary services.

(h) Educational programs shall be provided severely and profoundly retarded or developmentally disabled residents, and all other residents for whom educational provisions may not be required by State laws, irrespective of age or ability.

(i) Appropriate educational programs shall be provided residents with hearing, vision, perceptual, or motor impairments, in cooperation with appropriate staff.

(j) Educational programs should include opportunities for physical education, health education, music education, and art education, in accordance with the needs of the residents being served.

(k) A full range of instructional materials and media shall be readily accessible to the educational staff of the residential facility.

(l) Educational programs shall provide coeducational experiences. Learning activities in the classroom shall be coordinated with activities of daily living in the living units and with other programs of the residential facility and the community. The residential facility shall seek reciprocal services to and from the community, within the bounds of legality and propriety. An educational program operated by a residential facility shall seek consultation from educational agencies not directly associated with the residential facility.

Sec. 258. (a) There shall be available sufficient, appropriately qualified educational personnel, and necessary supporting staff, to carry out the educational programs. Delivery of educational services shall be the responsibility of a person who is eligible for—

(1) certification as a special educator of the mentally retarded or other individuals with developmental disabilities; and

(2) the credential required for a comparable supervisory or administrative position in the community.

(b) Teachers shall be provided aides or assistants, as needed. The residential facility's educators shall adhere to a code of ethics prescribed by the Secretary. Appropriate to the nature and size of the residential facility, there shall be an ongoing program for staff development specifically designed for educators. Staff members shall be encouraged to participate actively in professional organizations related to their responsibilities.

(c) To enrich and stimulate the residential facility's educational program, and to facilitate its integration with community services, opportunities for internships, student teaching, and practicum experiences should be made available, in cooperation with university teacher-training programs, whenever the best interests of the residents are thereby served.

Subchapter IV—Food and Nutrition Services

Sec. 259. (a) Food and nutrition services shall be provided in order to—

(1) insure optimal nutritional status of each resident, thereby enhancing his or her physical, emotional, and social well-being; and

(2) provide a nutritionally adequate diet, in a form consistent with developmental level, to meet the dietary needs of each resident.

(b) There shall be a written statement of policies and procedures that—

(1) describes the implementation of the stated objectives of the food and nutrition services;

(2) governs the functions and programs of the food and nutrition services;

(3) is formulated and periodically reviewed by professional nutrition personnel;

(4) is prepared in consultation with other professional staff;

(5) is consistent with the residential facility's goals and policies;

(6) is distributed and interpreted to all residential facility personnel; and

(7) complies with State and local regulations.

(c) Whenever appropriate, the following services should be provided—

(1) initial and periodic evaluation of the nutritional status of each resident, including—

(A) determination of dietary requirements and assessments of intake and adequacy through—

(i) dietary interview;

(ii) clinical evaluation;

(iii) biochemical assessment;

(B) assessment of food service practices;

(C) assessment of feeding practices, capabilities, and potential;

(2) maintenance of a continuing and periodically reviewed nutrition record for each resident;

(3) incorporation of recommendations drawn from the nutrition evaluation into the total management plans for the resident;

(4) periodic review of implementation of recommendations and of need for modification;

(5) participation in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

(6) provision of—

(A) counseling services to the individual resident;

(B) reciprocal consultation with residential facility staff and students;

(C) counseling service to residents' families or their surrogates;

(D) nutrition education, on a continuing basis, for residents, families or surrogates, staff, and students, and development of such programs in coordination with various education programs within the residential facility and the community;

(7) coordination of nutrition programs between the residential facility and the community, including—

(A) development of awareness of available programs in nutrition;

(B) development of needed nutrition programs;

(C) encouragement of participation of professionals and students in nutrition programs for the mentally retarded and developmentally disabled; and

(8) development, coordination, and direction of nutrition research, as well as cooperation in interdisciplinary research.

(d) Food services shall include—

(1) menu planning;

(2) initiating food orders or requisitions;

(3) establishing specifications for food purchases, and insuring that such specifications are met;

(4) storing and handling of food;

(5) food preparation;

(6) food serving;

(7) maintaining sanitary standards in compliance with State and local regulations; and

(8) orientation, training, and supervision of food service personnel.

(e) The food and nutrition needs of residents shall be met in accordance with the recommended dietary allowances of the food and nutrition board of the national research council, adjusted for age, sex, activity, and disability, through a nourishing, well-balanced diet. The total food intake of the resident should be evaluated, including food consumed outside of as well as within the residential facility.

(f) Menus shall be planned to meet the needs of the residents in accordance with subsection (e). Menus shall be written in advance. The daily menu shall be posted in food preparation areas. When changes in the menu are necessary, substitutions should be noted and should provide equal nutritive values. Menus shall provide sufficient variety of foods served in adequate amounts at each meal, and shall be: (1) Different for the same days of each week; (2) Adjusted for seasonal changes. Records of menus as served shall be filed and maintained for at least 30 days. At least a 1-week supply of staple foods and a 2-day supply of perishable foods shall be maintained on the premises. Records of food purchased for preparation shall be filed and maintained for at least 30 days. A file of tested recipes adjusted to appropriate yield should be maintained.

(g) Foods shall be prepared by methods that—

(1) conserve nutritive value;

(2) enhance flavor; and

(3) enhance appearance.

(h) Food shall be prepared, stored, and distributed in a manner that assures a high quality of sanitation. Effective procedures for cleaning all equipment and work areas shall be followed consistently. Dishwashing and panwashing shall be carried out in compliance with State and local health codes. Handwashing facilities, including hot and cold water, soap, and paper towels, shall be provided adjacent to work area.

(i) When food is transported, it shall be done in a manner that maintains proper temperature, protects the food from contamination and spoilage, and insures the preservation of nutritive value. Food storage procedures shall meet State and local regulations. Dry or staple food items shall be stored at least 12 inches above the floor, in a ventilated room not subject to sewage or waste water backflow, or contamination by condensation, leakage, rodents, or vermin. Perishable foods shall be stored at the proper temperatures to preserve nutritive values. Food served to residents and not consumed shall be discarded.

(j) There shall be a sufficient number of competent personnel to fulfill the objectives of the food and nutrition services, including—

(1) nutritionists or dietitians;

(2) other food service personnel;

(3) clerical personnel;

(4) depending upon the size and scope of the residential facility, food and nutrition services shall be directed by one of the following—

(A) a dietitian who is eligible for membership in the appropriate professional dietetic association and preferable eligible for registration by such association, or a nutritionist who has a master's degree in foods, nutrition, or public health nutrition, who is eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by the association, and who unless employed by a residential facility that also employs a dietitian, has had experience in institutional food management;

(B) a food service manager who has a bachelor's degree in foods, nutrition, or a related field, and who receives consultation from a dietary consultant;

(C) a responsible person who has had training and experience in meal management and service, and who receives consultation from a dietary consultant; and

(D) the person responsible for food and nutrition services should have had training or experience in providing services to the mentally retarded, and other individuals with developmental disabilities and should be sensitive to their needs;

(5) the dietary consultant shall—

(A) be eligible for membership in the appropriate professional dietetic association, and preferably eligible for registration by such association;

(B) serve on a regularly scheduled and frequent basis when no full-time dietitian is available; and

(6) every person engaged in the preparation and serving of food in the residential facility shall have a valid food handler's permit, as required by State or local regulations. No person who is afflicted with a disease in a communicable stage, or who is a carrier of a communicable disease, or who has an open wound, shall work in any food service operation. Every person engaged in the preparation and serving of food in the residential facility shall annually be medically determined to be free of any disease in a communicable stage. All dietitians and nutritionists shall adhere to the code of ethics of the appropriate professional dietetic association.

(k) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to improve and maintain the skills of its food and nutrition services staff, through means such as—

(1) seminars, workshops, conferences, and institutes;

(2) college and university courses;

(3) participation in professional organizations;

(4) participation in interdisciplinary groups;

(5) visitations to other residential facilities; and

(6) access to adequate library resources, including current and relevant books and journals in nutrition and mental retardation.

(l) Opportunities should be provided, in cooperation with university and other training programs, for students to obtain practical experience, under appropriate supervision, whenever the best interests of the residents are thereby served.

(m) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, administrative, operational, and research needs of the food and nutrition services. Dining areas and facilities for food storage, preparation, and distribution shall be—

(1) designed in cooperation with a dietitian and, when appropriate, with assistance from a qualified food service and equipment consultant;

(2) adequate for the storage and preservation of food;

(3) in compliance with State and local sanitation and other requirements;

(4) adequate for the preparation and serving of food; and

(5) adequate for sanitary storage for all dishes and equipment.

Subchapter V—Library Services

SEC. 260. (a) Library services, which include the location, acquisition, organization, utilization, retrieval, and delivery of materials in a variety of media, shall be available to the residential facility, in order to support and strengthen its total habilitation program by providing complete and integrated multimedia information services to both staff and residents. Library services shall make available to the residential facility the resources of local, regional, State, and National library systems and networks. Library services shall be available to all residents, regardless of chronological age, degree of retardation, level of communication skills, or accompanying disabilities or handicaps.

(b) Library services to residents shall be rendered—

(1) directly, through personal contact between library staff and residents;

(2) indirectly, through contact between librarians and other persons working with the residents, designed to—

(A) maintain an atmosphere that recognizes the rights of the resident to access to information and to personal use of library materials appropriate to his level of development in communication skills or to his desire to conform to peer groups; and

(B) enhance interpersonal relationships between direct-care workers and residents, through the mutual enjoyment of written, recorded, or oral literature appropriate to the resident's level of development and preference.

(c) Library services available to residents should include—

(1) assistance in team evaluation and assessment of the individual's level of development in communication skills, such as listening, comprehension, reading, and ability to respond to stimuli in a wide range and variety of media;

(2) provision of informational, recreational, and educational materials appropriate to individual residents at all stages of development in communication skills, including media to stimulate sensory development, both in the library and in the living unit. Such materials should include, but need not be limited to—

(A) books, including picture, juvenile, adult, high interest-low vocabulary, large print, and talking books;

(B) magazines, including juvenile, adult pictorial, and magazines on talking books;

(C) newspapers;

(D) audiovisual media, including films, filmstrips, slides, video tapes, audio tapes, and records, and appropriate equipment;

(E) graphics;

(F) experiant materials, toys and games, realia, and animals;

(3) development of programs for individual or group enjoyment, for development of communication skills, for encouragement and satisfaction of natural human curiosity about anything, including sex and the facts of life, and for general enhancement of self-image. These programs should include, but need not be limited to—

(A) storytelling, with listener participation through games or other activities;

(B) reading aloud, including "reading" pictures;

(C) film or filmstrip programs;

(D) listening to recorded media;

(E) media discussion groups;

(F) library clubs;

(G) touching, browsing, exploring, or naming sensory stimuli;

(H) creative writing, including group composition through dictation, tape recording, etc.;

(I) puppetry, including the making of puppets;

(J) creative dramatics;

(4) opportunities to visit, and make use of, community library services and facilities in the same manner, and on the same terms, as any resident of the community;

(5) referral services to the community library most convenient to place of residence or employment, when the resident leaves the residential facility; and

(6) active participation in, and encouragement of, library programs related to the educational and habilitative services of the residential facility, including the supplementation, support, and reinforcement of school programs.

(d) Librarians providing service to residents should act as advocates on their behalf if residential facility policies or community library policies interfere with the retarded or developmentally disabled person's freedom to read materials of his own choosing or if they deny or abrogate his right to information or access to library services of any kind, in accordance with the standards adopted by the appropriate professional library association.

(e) Library services to staff should include—

(1) selection, acquisition, organization, classification, cataloging, procurement through interlibrary loan, and dissemination of informational, educational, and instructional library materials and audiovisual equipment;

(2) provision of reference and bibliographic materials and services, literature searches, bibliography compilation, indexing and abstracting services, and other guides to the literature relevant to mental retardation and developmental disabilities;

(3) acquisition of materials for evaluation for purchase;

(4) provision of a current awareness program to alert staff to new materials and developments in their fields;

(5) orientation to library services and functions, including continuing instruction and assistance in the use of informational sources, and participation in general orientations to the residential facility;

(6) provision of written and oral translation services; and

(7) cooperation in inservice training programs by working with subject specialists and by recommending, providing, or producing materials in various media.

(f) Library services to the residential facility may include—

(1) provision of informational materials about the residential facility and mental retardation developmental disabilities in general, through an organized collection of resources;

(2) assistance with such public relation functions as preparing brochures, program statements, annual reports, writing news releases and feature stories, and offering editorial and research assistance to staff preparing professional books and papers; and

(3) assistance in preparing grant applications and report writing.

(g) When library services are provided in the residential facility—

(1) there shall be a written statement of objectives that make possible a well-conceived, comprehensive, long-range program of library development, consistent with the overall goals of the residential facility, adapted to the needs and aptitudes of the residents, and designed to be modified as the program of the residential facility changes;

(2) there shall be a separate budget, adequate to carry out the program in accordance with stated goals and objectives;

(3) library services shall be placed within the organizational structure of the residential facility in such a way as to be available to, and maximally utilized by, all relevant services and programs;

(4) there shall be written policies covering the library's day-to-day activities, and the coordination of these activities with those of other services of the residential facility and with related activities in the community;

(5) there shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the program in accordance with stated goals and objectives;

(6) a qualified librarian shall be responsible for all library services. Where the level of need for services does not require the full-time employment of a professional librarian, coverage may be through the use of consultant service or supervisory personnel, through the pooling of resources and the sharing of services by two or more residential facilities in a geographic area, or through service supplied through a regional library system;

(7) the librarian shall participate, when appropriate, in the interdisciplinary planning, development, and evaluation of residential facility programs;

(8) the librarian should coordinate the purchasing of all print and nonprint materials for the residential facility, and act as the residential facility's informed agent in initiating the purchase of print and nonprint materials, and the library should serve as a clearinghouse for such holdings;

(9) librarians should participate in—

(A) educating appropriate members of the community, concerning the library needs of residents;

(B) planning, with community librarians, the utilization of library resources to optimize resident adjustment;

(C) developing appropriate expectancies and attitudes within community libraries that residents will use;

(10) appropriate relationships with other libraries and community agencies shall be established to more effectively accomplish the library's service functions;

(11) appropriate to the size of the residential facility, there should be a staff development program designed to maintain and improve the skills of library services staff through means such as—

(A) staff meetings and inservice training;

(B) seminars, workshops, conferences, and institutes;

(C) college and university courses;

(D) professional organizations;

(E) participation in interdisciplinary groups;

(F) visits to other residential facilities;

(G) access to relevant professional literature;

(12) whenever appropriate, the library should provide training for beginning librarians, further the orientation and training of library assistants, technicians, or volunteers, and serve as a training center for library institutes or workshops;

(13) library services should be located so as to be convenient and accessible to all users;

(14) all library functions should be integrated within a centralized location, whenever this does not act as a barrier to accessibility for any group;

(15) space, physical facilities, and equipment shall be adequate to carry out the program, and shall comply with the standards for library services in health care institutions published by the appropriate professional library association of hospitals and institutions of the appropriate professional library association;

(16) the hours during which the library is open should meet the requirements of the majority of the library's users, and should be as generous as possible; and

(17) users of library services shall participate in the planning and evaluation of library programs, by means such as advisory committees.

(h) If library services are provided outside the residential facility, there shall be a formal agreement that stipulates lines of communication, areas of responsibility, and kinds of service.

(i) The individual responsible for maintaining standards of professional and ethical practice in the rendering of library services to the residential facility—

(1) shall have a master's degree in library science from a school accredited by the recognized national professional library association; and

(2) should have preparation in a field relevant to work with the mentally retarded and other individuals with developmental disabilities.

(j) Individual rendering library services, including librarians, media specialists, library and media technicians, supportive staff, and volunteers, shall have qualifications appropriate to their responsibilities and duties.

Subchapter VI—Medical Services

SEC. 261. (a) Medical services shall be provided in order to—

(1) achieve and maintain an optimal level of general health for each resident;

(2) maximize normal function and prevent disability; and

(3) facilitate the optimal development of each resident.

(b) Medical services shall be rendered—

(1) directly, through personal contact between physicians and residents; and

(2) indirectly, through contact between physicians and other persons working with the residents, which is designed to maintain an environment that recognizes and meets the health, hygiene, sanitary, and nutritional needs of the residents.

(c) Medical services available to the residential facility should include—

(1) evaluation and diagnosis;

(2) treatment;

(3) program development services, including those relating to—

(A) residential habilitation;

(B) staff training;

(C) community participation;

(4) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) the administration and operation of the residential facility;

(5) medical and ancillary staff training; and

(6) preventive health services for residents and staff.

(d) The services of medical and surgical hospitals that are accredited by the recognized national appropriate joint commission on accreditation of hospitals shall be available to residents. Only pathology, clinical laboratory, and radiologic services that meet the hospital accreditation standards of such joint commission on accreditation of hospitals shall be utilized. Electroencephalographic services shall be available as necessary. There shall be evidence, such as may be provided by a record of the deliberations of a utilization review committee, that such hospital and laboratory services are utilized in accordance with proper professional standards.

(e) Physicians shall participate, when appropriate—

(1) in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs; and

(2) in the development for each resident of a detailed, written statement of—

(A) case management goals, encompassing the areas of physical and mental health, education, and functional and social competence; and

(B) a management plan detailing the various habilitation or rehabilitation modalities that are to be applied in order to achieve the specified goals, with clear designation of responsibility for implementation.

(f) The management plan shall ordinarily include, but not necessarily be limited to—

(1) the resident's day-to-day activity program;

(2) physical rehabilitation to prevent and correct deformity, to enhance mobility, and to facilitate training in self-help skills;

(3) provision for adaptive equipment necessary to the rehabilitation plan;

(4) an educational program;

(5) a vocation and occupational program;

(6) stated intervals for review of the management plan; and

(7) short- and long-term goals, including criteria for release.

(g) Statement of treatment goals and management plans shall be reviewed and updated—

(1) as needed, but at least annually; and

(2) to insure continuing appropriateness of the goals, consistency of management methods with the goals, and the achievement of progress toward the goals.

(h) Special attention shall be given those residents who, without active intervention, are at risk of further loss of function, by means that include—

(1) early diagnosis of disease;

(2) prompt treatment in the early stages of disease;

(3) limitation of disability by arresting the disease process;

(4) prevention of complications and sequelae; and

(5) rehabilitation services to raise the affected individual to his or her greatest possible level of function, in spite of his or her handicap, by maximizing the use of his or her remaining capabilities.

(i) Preventive health services to resident shall include—

(1) means for the prompt detection and referral of health problems, through adequate medical surveillance, periodic inspection, and regular medical examination;

(2) annual physical examinations, that include—

(A) examination of vision and hearing;

(B) routine screening laboratory examinations, as determined by the physician, and special studies when the index of suspicion is high;

(3) maintenance of a graphic record of height and weight for each resident, in a form that permits ready reference to standardized norms;

(4) immunizations, using as a guide the recommendations of the United States Public Health Service Advisory Committee on Immunization Practices and of the appropriate committee on the control of infectious diseases of the appropriate medical specialty association;

(5) tuberculosis control, in accordance with the recommendations of the appropriate medical specialty association as appropriate to the residential facility's population; and

(6) reporting of communicable diseases and infections in accordance with law.

(j) Preventive health services to staff shall include—

(1) preemployment physical examinations; and

(2) surveys for the detection and prevention of communicable diseases.

(k) There shall be a formal arrangement for qualified medical care for the residential facility, including care for medical emergencies on a 24-hour, 7-days-a-week basis. A physician, fully licensed to practice medicine in the State in which the residential facility is located, shall be designated to be responsible for—

(1) maintaining standards of professional and ethical practice in the rendering of medical services in the residential facility; and

(2) maintaining the general health conditions and practices of the residential facility and/or system of health services.

Each resident shall have a personal (primary) physician, who maintains familiarity with his state of health and with conditions within the residential living unit that bear on his health. Qualified medical specialists of recognized professional ability shall be—

(1) available for a broad range of specialized care and consultation; and

(2) appropriately used.

(l) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the medical skills of its physicians and their knowledge of development disabilities, through methods such as staff seminars, outside speakers, attendance at professional medical meetings, and informational exchanges with universities and teaching hospitals.

(m) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, and administrative needs of the medical service.

Subchapter VII—Nursing Services

SEC. 262. (a) Residents shall be provided with nursing services, in accordance with their needs, in order to—

(1) develop and maintain an environment that will meet their total health needs;

(2) foster optional health;

(3) encourage maximum self-care and independence; and

(4) provide skilled nursing care as needed.

(b) There shall be a written statement of nursing philosophy and objectives that are consistent with the purpose of the residential facility and that give direction to the nursing program. Nursing personnel shall be responsible for the formulation, review, and revision of the philosophy and objectives. The philosophy and objectives shall be—

(1) distributed to all nursing personnel; and

(2) made available and interpreted to all other personnel.

(c) Nursing services should be provided through—

(1) direct nursing intervention;

(2) instruction and supervision of residential facility staff rendering nursing care;

(3) supporting, counseling, and teaching the resident, his or her family, and his or her direct-care staff, at the residential facility or in the home;

(4) consultation and followthrough in the interest of the resident; and

(5) participation on appropriate residential facility committees.

(d) Nursing services to residents shall include, when appropriate—

(1) professional nurse participation in—

(A) the preadmission evaluation study and plan;

(B) the evaluation study, program design, and placement of the resident at the time of admission to the residential facility;

(C) the periodic reevaluation of the type, extent, and quality of services and programing;

(D) the development of discharge plans;

(E) the referral to appropriate community resources;

(2) services directed toward the promotion of health, including—

(A) observation and assessment of the developmental function of the resident, within his or her environment;

(B) training in habits of personal hygiene;

(C) family life and sex education;

(D) safety education;

(E) control of communicable diseases and infections, through—

(i) identification and assessment;

(ii) reporting to medical authority;

(iii) implementation of appropriate protective and preventive measures;

(F) development of a written plan for nursing action, in relation to the total habilitation program;

(G) modification of the nursing plan, in terms of the resident's daily needs, at least annually for adults and more frequently for children, in accordance with developmental changes;

(3) participation in the prevention of disability for all residents, with special attention to those residents who exhibit the lowest level of functional development, including—

(A) nursing assessment of the functional level of development;

(B) development, implementation, and coordination of a plan to maintain and encourage optimal level of function, with written provision for direct and indirect nursing intervention; and

(4) planned, intensive nursing care for every resident who is medically determined to be acutely ill.

(e) A professional nurse shall participate, as appropriate, in the planning and implementation of training of residential facility personnel. Direct-care personnel shall be trained in—

(1) detecting signs of illness or dysfunction that warrant medical or nursing intervention;

(2) basic skills required to meet the health needs and problems of the residents; and

(3) first aid in the presence of accident or illness.

(f) Qualified nurses shall be encouraged to become involved in—

(1) initiating, conducting, and evaluating nursing research;

(2) evaluating and applying relevant research findings for the benefit of residents;

(3) formulating the policies governing research in the residential facility; and

(4) serving as resource persons to schools of nursing, and to public health nursing and related agencies.

(g) There shall be available sufficient, appropriately qualified nursing staff, which may include currently licensed practical nurses and other supporting personnel, to carry out the various nursing service activities. A registered professional nurse shall be designated as being responsible for maintaining standards of professional, legal, and ethical practice in the delivery of nursing services according to the needs of the residents. The individual responsible for the delivery of nursing services—

(1) should have at least a master's degree in nursing; and

(2) shall have knowledge and experience in the field of developmental disabilities.

(h) Nursing service personnel at all levels of experience and competence shall be—

(1) assigned responsibilities in accordance with their qualifications;

(2) delegated authority commensurate with their responsibility; and

(3) provided appropriate professional nursing supervision.

(i) Organized nursing services and professional nurse practitioners should have recourse to qualified and appropriate consultation as needed. All professional nurses shall be familiar with, and adhere to the code of ethics published by the appropriate nationally recognized professional nurses' association.

(j) Appropriate to the size of the residential facility, there shall be an educational program designed to enhance the clinical competencies and the knowledge of developmental disabilities of its professional nursing staff, through means, including but not limited to—

(1) staff meetings and inservice training;

(2) seminars, workshops, conferences, and institutes;

(3) college and university courses;

(4) participation in professional organizations;

(5) participation in interdisciplinary groups;

(6) visits to other residential facilities; and

(7) access to relevant professional literature.

(k) To enrich and stimulate the residential facility's nursing program, and to facilitate its integration with community services, educational experiences for students of all types of professional and vocational nursing schools shall be encouraged and defined by a contractual agreement, whenever the best interests of the residents are thereby served.

(l) There shall be adequate space, facilities, and equipment to fulfill the professional, educational, and administrative needs of the nursing service. Professional nursing consultation shall be included in the design and modification of areas and residential facilities that will be used by the ill and the physically handicapped.

Subchapter VIII—Pharmacy Services

SEC. 263. (a) In order to contribute to improved resident care and to promote optimal response to drug therapy by the residents, through the full utilization of the knowledge and skills of the pharmacist, pharmacy services shall be provided under the direction of a qualified pharmacist. There shall be a formal arrangement for qualified pharmacy services, including provision for emergency service, by means appropriate to the residential facility. Such means may include the services of a pharmacist in a local community or hospital pharmacy that meets the standards listed herein, as well as the operation of its own pharmacy by the residential facility. There shall be a current pharmacy manual that—

(1) includes policies and procedures, and defines the functions and responsibilities relating to pharmacy services; and

(2) is revised annually to keep abreast of current developments in services and management techniques.

(b) There shall be a formulary system, approved by the responsible physician and pharmacist, and by other appropriate residential facility staff. Copies of the residential facility's formulary and of the nationally recognized American hospital formulary service shall be located and available, as appropriate, to the residential facility.

(c) Upon admission of the resident, a medication history of prescription and nonprescription drugs used shall be obtained, preferably by the pharmacist, and this information shall be entered in the resident's record for the information of the staff. The pharmacist shall—

(1) receive the original, or a direct copy, of the physician's drug treatment order;

(2) review the drug regimen, and any changes, for potential adverse reactions, allergies, interactions, contraindications, rationality, and laboratory test modifications, and advise the physician of any recommended changes, with reasons and with an alternative drug regimen;

(3) maintain for each resident an individual record of all medications (prescription and nonprescription) dispensed, including quantities and frequency of refills;

(4) participate, as appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs;

(5) participate in any of the following activities that are undertaken in the residential facility:

(A) drug research;

(B) drug utilization review;

(C) infection and communicable disease committee;

(D) safety committee;

(E) patient care incident review; and

(6) establish quality specifications for drug purchases, and insure that they are met.

(d) The pharmacist should—

(1) prepare a drug treatment plan, as prescribed by the attending physician, for inclusion in the resident's record and for use by the staff, that includes—

(A) the drug product, dosage form, route of administration, and time of administration, including, when appropriate, the time with respect to meals, other drugs, and activities;

(B) a schedule of laboratory tests necessary to detect adverse reactions;

(C) nothing of any potential adverse reactions for the staff's information;

(2) regularly review the record of each resident on medication, and have contact with selected residents with potential problems, noting in the residents' records and reporting to physicians any observations of response to drug therapy, and of adverse reactions and over or underutilization of drugs;

(3) provide instructions and counseling on the correct use of his or her drugs, as prescribed by the attending physician, to each resident on home visit and discharge, and/or to his or her parents;

(4) provide education and counseling to residents in independent living units on the correct use of their drugs, as prescribed by the attending physician, and on the results expected from correct use and from over or underuse;

(5) participate in programs for sex education and drug abuse education;

(6) provide information on the resident's drug regimen to the receiving residential facility pharmacist, when the resident is transferred, and, with the approval of the resident or his or her guardian, to the resident's community pharmacist, his or her private physician, and/or the community mental retardation or developmental disability service when the resident is discharged from the residential facility, so as to insure continuity of care;

(7) participate in inservice education programs for professional and direct-care staff;

(8) orient and teach students in pharmacy and other professions, regarding pharmacy's services to the residents and regarding drugs and their uses; and

(9) participate in public educational and informational programs on mental retardation and developmental disabilities.

(e) Where appropriate to the residential facility, there shall be a pharmacy and therapeutics committee, that includes one or more pharmacists, to develop policy on drug usage in the residential facility, and to develop and maintain a current formulary. This committee shall meet not less than once every 3 months. Minutes of the committee meetings shall be kept on file.

(f) Written policies and procedures that govern the safe administration and handling of all drugs shall be developed by the responsible pharmacist, physician, nurse, and other professional staff, as appropriate to the residential facility. The compounding, packaging, labeling, and dispensing of drugs, including samples and investigational drugs, shall be done by the pharmacist, or under his direct supervision, with proper controls and records. Each drug shall be identified up to the point of administration. Procedures shall be established for obtaining drugs when the pharmacy is closed.

(g) The unit dose or individual prescription system of drug distribution should be used. Wherever possible, drugs that require dosage measurement shall be dispensed by the pharmacist in a form ready to be administered to the patient.

(h) There shall be a written policy regarding the administration of all drugs used by the residents, including those not specifically prescribed by the attending practitioner. There shall be a written policy regarding the routine of drug administration, including standardization of abbreviations indicating dose schedules. Medications shall not be used by any resident other than the one for whom they were issued. Only appropriately trained staff shall be allowed to administer drugs.

(i) There shall be a written policy governing the self-administration of drugs, whether prescribed or not.

(j) Drugs shall be stored under proper conditions of sanitation, temperature, light, moisture, ventilation, segregation, and security. All drugs shall be kept under lock and key except when authorized personnel are in attendance. The security requirements of Federal and State laws shall be satisfied in storerooms, pharmacies, and living units. Poisons, drugs used externally, and drugs taken internally shall be stored on separate shelves or in separate cabinets, at all locations. Medications that are stored in a refrigerator containing things other than drugs shall be kept in a separate compartment with proper security. A perpetual inventory shall be maintained of each narcotic drug in the pharmacy, and in each unit in which such drugs are kept, and inventory records shall show the quantities of receipts and issues and the person to whom issued or administered. If there is a drug storeroom separate from the pharmacy, there shall be a perpetual inventory of receipts and issues of all drugs by such storeroom.

(k) The pharmacist should review the drugs in each living unit monthly, and should remove outdated and deteriorated drugs and drugs not being used. Discontinued and outdated drugs, and containers with worn, illegible, or missing labels, shall be returned to the pharmacy for proper disposition.

(l) There shall be automatic stop orders on all drugs. There shall be a drug recall procedure that can be readily implemented. Medication errors and drug reactions shall be recorded and reported immediately to the practitioner who ordered the drug. There shall be a procedure for reporting adverse drug reactions to the Federal Food and Drug Administration. The pharmacist shall be responsible for the storage and dispensing of investigational drugs. The pharmacist shall provide the residential staff with pharmacological and other necessary information on investigational drugs, including dosage form, dosage range, storage, adverse reactions, usage, and contraindications.

(m) There shall be an emergency kit—

(1) readily available to each living unit; and

(2) constituted so as to be appropriate to the needs of its residents.

(n) Pharmacy services shall be—

(1) directed by a professionally competent and legally qualified pharmacist who is a graduate of a school of pharmacy accredited by the American Council on Pharmaceutical Education, or its equivalent, and who serves on a full-time or part-time basis, as the activity of the service requires;

(2) staffed by a sufficient number of competent personnel, consistent with the residential facility's needs and including—

(A) pharmacists necessary to provide comprehensive pharmacy services;

(B) technicians and clerical personnel to relieve the pharmacist of nonprofessional and clerical duties;

(3) pharmacists should have had training and/or experience in providing services to the mentally retarded and other individuals with developmental disabilities, and should be sensitive to their needs; and

(4) all pharmacists shall be familiar with, and adhere to, the code of ethics of the nationally recognized professional pharmaceutical association.

(o) Appropriate to the size of the residential facility, there should be a staff development program, designed to maintain and improve the skills of its pharmacy staff through means, including but not limited to:

(1) staff meetings and inservice training;

(2) seminars, workshops, conferences, and institutes;

(3) college and university courses;

(4) participation in professional organizations;

(5) participation in interdisciplinary groups;

(6) visits to other residential facilities; and

(7) access to relevant professional literature.

(p) The pharmacy serving the residential facility shall—

(1) have sufficient space for necessary compounding, dispensing, labeling, and packaging functions;

(2) have the equipment necessary for compounding, dispensing, issuing, storing, and administrative functions;

(3) be clean and orderly; and

(4) contain current pharmaceutical reference material to provide adequate information concerning drugs.

(q) Space for the storage of drugs in the storeroom, pharmacy, and living units shall be sufficient to prevent crowding of the drugs. There shall be adequate drug preparation areas, that are—

(1) properly secured;

(2) well lighted; and

(3) located so that personnel will not be interrupted when handling drugs.

(r) If the residential facility operates its own pharmacy, there should be—

(1) an office for the pharmacist; and

(2) a private area for instructing and counseling residents and/or parents on the correct use of drugs.

Subchapter IX—Physical and Occupational Therapy Services

SEC. 264. (a) Although this subsection combines standards for physical and occupational therapy, each is a discrete service that complements the other in a manner similar to their relationship with all other health and medically related services. Both services, therefore, shall be provided, or made available to, residents on a continuing basis, as needed. Physical and occupational therapy services shall be provided in order to—

(1) prevent abnormal development and further disability;

(2) facilitate the optimal development of each resident; and

(3) enable the resident to be a contributing and participating member of the community in which he resides.

The residential facility shall have a written statement of its physical therapy and occupational therapy objectives for its residents, consistent with—

(1) the needs of the residents;

(2) currently accepted physical therapy and occupational therapy theories, principles, and goals;

(3) the philosophy and goals of the residential facility; and

(4) the services and resources provided.

Physical and occupational therapy services shall be provided—

(1) directly, through personal contact between therapists and residents;

(2) indirectly, through contact between therapists and other persons involved with the residents, to:

(A) create and maintain an atmosphere that recognizes the physical and psychosocial needs of residents and is conducive to the development and maintenance of optimal physical and psychological functioning;

(B) maximize the effectiveness of all programs for residents, through the application of knowledge concerning the development and maintenance of motor performance and behaviors; and

(C) implement programs for the improvement of physical and psychosocial functioning in all environmental settings.

Physical and occupational therapists shall have a responsibility for organizing and implementing programs to achieve physical and occupational therapy goals throughout the resident's daily activities.

(b) Physical and occupational therapy services available to the residential facility should include—

(1) screening and evaluation of residents;

(2) therapy with individuals and groups;

(3) program development services, including those relating to—

(A) resident habilitation;

(B) inservice training of professional, direct-care, and other staff;

(C) community participation;

(4) consultation with, or relating to—

(A) residents;

(B) families of residents;

(C) medical, dental, psychological, educational, nursing, and other services;

(D) the administration and operation of the residential facility;

(E) the community served by the residential facility;

(5) training of therapy staff;

(6) training of physical and occupational therapy graduate and/or undergraduate students, interns, supportive staff, and volunteer workers;

(7) assessment of program effectiveness; and

(8) conduct of, or participation in, research, and dissemination and appropriate application of research findings.

(c) Therapists should screen residents, in order to—

(1) determine the characteristics of the residential facility's population;

(2) identify resident needs and establish program priorities; and

(3) determine the administrative, budgetary, and personnel requirements of the service.

(d) Evaluation of individual residents by physical and occupational therapists should include—

(1) observing and testing performance and motivation in sensorimotor, perceptual, behavioral, and self-care activities;

(2) assessment and analysis of findings, to determine level of function and to identify deviations from accepted norms;

(3) providing information for interdisciplinary staff use, in determining diagnosis, functional capacities, prognosis, and management goals; and

(4) physical and occupational therapists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs.

(e) Physical therapy and occupational therapy staff shall provide treatment-training programs that are designed to—

(1) preserve and improve abilities for independent function, such as range of motion, strength, tolerance, coordination, and activities of daily living;

(2) prevent, insofar as possible, irreducible or progressive disabilities, through means such as the use of orthotic and prosthetic appliances, assistive and adaptive devices, positioning, behavior adaptations, and sensory stimulation;

(3) the therapist shall function closely with the resident's primary physician and with other medical specialists;

(4) treatment-training progress shall be—

(A) recorded regularly;

(B) evaluated periodically; and

(C) used as the basis for continuation or change of the resident's program.

(f) Evaluation results; treatment objectives, plans, and procedures; and continuing observations of treatment progress shall be—

(1) recorded accurately, summarized meaningfully, and communicated effectively;

(2) effectively used in evaluating progress; and

(3) included in the resident's unit record.

(g) Consumers and their representatives, including residents, families, other disciplines, and community groups, shall be utilized in the planning and evaluation of physical therapy and occupational therapy services. There shall be available sufficient, appropriately qualified staff, and supporting personnel, to carry out the various physical and occupational therapy services, in accordance with stated goals and objectives. Physical and occupational therapists shall be—

(1) graduates of a curriculum accredited by the appropriate nationally recognized association;

(2) if a physical therapist, eligible to practice in the State in which the residential facility is located; and

(3) if an occupational therapist, eligible for registration by the appropriate nationally recognized association.

(h) A physical therapist and an occupational therapist shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of their respective therapy services in the residential facility. Each such therapist shall be qualified as in subsection (g) and, in addition, shall—

(1) have had 3 years of professional experience, 2 years of which should have been in working with the mentally retarded and other individuals with developmental disabilities;

(2) have demonstrated competence in administration and supervision, as appropriate to the residential facility's program; and

(3) preferably have a master's degree, in an area related to the program

(i) Therapy assistants shall—

(1) be certified by the nationally recognized professional occupational therapy association or be graduates of a program accredited by the nationally recognized professional physical therapy association; and

(2) work under the supervision of a qualified therapist.

(j) Therapy aides shall—

(1) be provided specific inservice training; and

(2) work under the supervision of a qualified therapist or therapy assistant.

(k) Physical and occupational therapy personnel shall be—

(1) assigned responsibilities in accordance with their qualifications;

(2) delegated authority commensurate with their responsibilities; and

(3) provided appropriate professional direction and consultation.

(l) Physical and occupational therapy personnel shall be familiar with, and adhere to, the ethical codes and standards of practice promulgated by their respective nationally recognized professional organizations.

(m) Physical therapy and occupational therapy services operated by a residential facility shall seek consultation, at periodic intervals, from experts in physical therapy and occupational therapy who are not directly associated with the residential facility. Appropriate to the nature and size of the residential facility and to the physical and occupational therapy services, there shall be a staff development program that is designed to maintain and improve the skills of physical and occupational therapy personnel, through methods, including but not limited to:

(1) regular staff meetings;

(2) an organized inservice training program in physical and occupational therapy;

(3) visits to and from the staff of other residential facilities and programs;

(4) participation in interdisciplinary meetings;

(5) provision for financial assistance and time for attendances at professional conferences;

(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation work schedules;

(7) career ladders and other incentives to staff recruitment and development;

(8) workshops and seminars;

(9) consultations with specialists; and

(10) access to adequate library resources, which include current and relevant books and journals in physical and occupational therapy, mental retardation, developmental disabilities, and related professions and fields.

(n) Space, residential facilities, equipment, supplies, and resources shall be adequate for providing efficient and effective physical and occupational therapy services, including, but not necessarily limited to—

(1) residential facilities for conducting administrative aspects of the program;

(2) residential facilities for conducting screenings and evaluations;

(3) residential facilities for providing treatment and training for individuals and groups;

(4) such other space, staff, and services as are essential to support and maintain effective programs; and

(5) appropriate physical and occupational therapy consultation shall be employed in the design, modification, and equipage of all physical and occupational therapy areas and residential facilities required to meet the specific goals of physical and occupational therapy services.

Subchapter X—Psychological Services

SEC. 265. (a) Psychological services shall be provided, in order to facilitate, through the application of psychological principles, techniques, and skills, the optimal development of each resident. Psychological services shall be rendered—

(1) directly, through personal contact between psychologists and residents;

(2) indirectly, through contact between psychologists and other persons involved with the residents, designed to—

(A) maintain an atmosphere that recognizes the psychological needs of residents and that is conducive to the development and maintenance of constructive interpersonal relationships; and

(B) maximize the effectiveness of all programs for residents, through the application of knowledge concerning the understanding and change of behavior.

(b) Psychological services available to the residential facility should include but not be limited to:

(1) evaluation and assessment of individuals and programs;

(2) therapy with individuals and groups;

(3) program development services, including those relating to—

(A) resident habilitation;

(B) staff training;

(C) community participation;

(D) resident, staff, and community motivation;

(4) consultation with, or relating to—

(A) residents;

(B) parents of residents;

(C) the administration and operation of the residential facility;

(D) the community served by the residential facility;

(5) psychology staff training; and

(6) conduct of research, consultation on research design, and dissemination of research findings.

(c) Psychologists shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents, for the purposes of initiation, monitoring, and followup of individualized habilitation programs—

(1) psychologists shall conduct evaluations necessary to—

(A) meet legal requirements;

(B) meet research needs; and

(C) provide data for biostatistical reporting;

(2) methods of data collection employed in evaluation and assessment shall include, as appropriate—

(A) standardized tests and techniques;

(B) observations in natural and experimental settings, using standardized or generally accepted techniques;

(C) interviews with—

(i) the resident (or prospective resident);

(ii) members of the resident's family and other informants; and

(D) review of all pertinent records, including the comparison of current and previous status;

(3) collation, analysis, and interpretation of data shall—

(A) be performed in accordance with standards generally acceptable in professional psychology;

(B) provide, as appropriate, both intra- and interindividual comparisons, by reference to normative data; and

(C) utilize appropriate equipment, which is made available for the purpose;

(4) the reporting and dissemination of evaluation results shall be done in such a manner as to—

(A) render the content of the report meaningful and useful to its intended recipient and user;

(B) enhance clinical understanding of the individual;

(C) promptly provide information useful to staff working directly with the resident;

(D) facilitate use of data for research and professional education;

(E) facilitate use of data for statistical reporting; and

(F) maintain accepted standards of confidentiality;

(5) there shall be developed and maintained for each resident a continuing evaluation record that is frequently updated and that includes, but is not limited to, psychometric data.

(d) Psychologists shall participate, when appropriate, in the development of written, detailed, specific, and individualized habilitation program plans that—

(1) provide for periodic review, followup, and updating;

(2) are designed to maximize each resident's development and acquisition of—

(A) perceptual skills;

(B) sensorimotor skills;

(C) self-help skills;

(D) communication skills;

(E) social skills;

(F) self direction;

(G) emotional stability;

(H) effective use of time (including leisure time);

(I) basic knowledge;

(J) vocational-occupational skills; and

(K) socioeconomic values relevant to the community in which he lives.

(e) Psychologists should provide individual, and/or groups of, residents with therapy designed to develop, modify, and maintain behavior and attitudes that are rewarding and effective in meeting the demands of their intrapersonal and interpersonal situations. Psychologists should provide consultation and training services to program staff concerning:

(1) principles and methods of understanding and changing behavior, to the end of devising maximally effective programs for residents;

(2) principles and methods of individual and program evaluation, for the purposes of assessing resident response to programs and of measuring program effectiveness;

(3) psychologists should participate in the development of incentive systems designed to maximize motivation and to optimize, by means of provision for feedback, performance, and learning on the part of—

(A) residents enrolled in habilitation programs;

(B) staff engaged in resident habilitation programs; and

(C) personnel involved in resident habilitation resources in the community.

(f) Psychologists should provide assistance and/or consultation relative to—

(1) developing and conducting evaluations designed to select and maintain appropriate and effective staff;

(2) developing job analyses;

(3) psychological problems of staff, including the making of appropriate referrals;

(4) data concerning staff, and reports of evaluations of staff, shall—

(A) be provided in appropriate form, and only to clearly appropriate supervisory staff;

(B) enable data to be used for classification and reporting purposes;

(C) enable data to be used for research purposes; and

(D) maintain acceptable standards of confidentiality.

(g) Psychologists should participate in—

(1) educating appropriate members of the community, concerning the domiciliary, vocational, and recreational needs of residents who return to the community;

(2) planning with community officials the adaptation of domiciliary, vocational, and recreational resources, to optimize resident adjustments; and

(3) developing appropriate expectancies and attitudes within the community into which residents go.

(h) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various psychological service activities, in accordance with the needs of the following functions:

(1) psychological services to residents, including evaluation, consultation, therapy, and program development;

(2) administration and supervision of psychological services;

(3) staff training;

(4) research;

(5) the residential facility should have available to it the services of at least one doctoral-level psychologist who is—

(A) a diplomate of the nationally recognized board of professional psychology, or is licensed or certified by a State examining board, or is certified by a voluntary board established by a qualified State professional psychological association;

(B) knowledgeable and experienced in the area of mental retardation or developmental disabilities;

(6) a psychologist, qualified as specified in subsection (h)(5) shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of psychological services in the residential facility;

(7) all psychologists providing service to the residential facility shall—

(A) possess the educational and experiential qualifications required for membership in the nationally recognized professional psychological association;

(B) have demonstrated knowledge in the area of mental retardation and developmental disabilities;

(8) all psychological technicians, assistants, and clerks employed by the residential facility shall work under the direct supervision of a psychologist who is qualified as specified in subsection (h)(8);

(9) all members of the psychological services staff shall have and be familiar with, the ethical standards of psychologists and the nationally recognized casebook on ethical standards of psychologists, published by the nationally recognized appropriate professional psychological association, and all shall adhere to the ethical standards stated therein;

(A) all new psychology service employees shall receive this material, and be familiarized with it, as a part of their orientation; and

(B) the application of the ethical standards to practice with the mentally retarded and developmentally disabled in residential facilities shall be emphasized.

(i) Appropriate to the size of the residential facility, an ongoing inservice training program shall be conducted that is designed to maintain and improve the skills of its psychology staff, through methods, including but not limited to—

(1) staff seminars;

(2) outside speakers;

(3) visits to and from the staff of other residential facilities;

(4) attendance at conferences;

(5) participation in interdisciplinary groups;

(6) informational exchanges with universities, teaching hospitals, community mental health and mental retardation centers, and other community resources; and

(7) adequate library resources, including current and relevant books and journals in psychology and mental retardation and developmental disabilities shall be available.

(j) The training of interns and graduate students in psychology shall be encouraged, and appropriate supervision shall be provided. There shall be appropriate space and equipment for psychological services, including—

(1) offices for professional and clerical staff;

(2) testing and observation rooms;

(3) interviewing, counseling, and training/treatment rooms;

(4) play therapy rooms;

(5) access to conference rooms; and

(6) access to research and data analysis facilities.

Subchapter XI—Recreation Services

SEC. 266. (a) Recreation services should provide each resident with a program of activities that—

(1) promotes physical and mental health;

(2) promotes optimal sensorimotor, cognitive, affective, and social development;

(3) encourages movement from dependent to independent and interdependent functioning; and

(4) provides for the enjoyable use of leisure time.

(b) The residential facility shall have a written statement of its recreation objectives for residents, consistent with—

(1) the needs of its residents;

(2) currently accepted recreation principles and goals;

(3) the philosophy and goals of the residential facility; and

(4) the services and resources the residential facility offers.

(c) Recreation services available to the residential facility should include—

(1) recreation activities for the residents;

(2) recreation counseling;

(3) individual and group instruction of residents in recreation skills, to achieve maximum proficiency and develop leadership potential;

(4) therapeutic recreation;

(5) education and consultation; and

(6) research and evaluation.

(d) Recreation activities available to the residents should include, as appropriate to the size and location of the residential facility, and as adapted to the needs of the residents being served—

(1) excursions, outings, and other trips to familiarize the residents with community facilities;

(2) spectator activities, such as movies, television, sports events, and theater;

(3) participation in music, drama, and dance, such as rhythmics, folk dancing, community sings, group music sessions in the living units, performance in music or dramatic productions, performance in choral or instrumental groups, and informal listening to records or tapes;

(4) outdoor and nature experiences, including activities such as camping, hiking, and gardening;

(5) team sports and lead-up activities;

(6) individual and dual sports, such as bowling, archery, badminton, horseshoes, miniature golf, bicycling and shuffleboard;

(7) hobbies, such as collecting, photography, model building, woodworking (including use of power tools), cooking, and sewing;

(8) social activities, such as clubs, special interest and discussion groups, social dancing, cookouts, parties, and games;

(9) service clubs and organizations, such as leaders clubs, scouting, 4–H, Junior Red Cross, Junior Chamber of Commerce, Hi-Y, Tri-Hi-Y, resident councils, and senior citizens clubs;

(10) aquatics, including waterplay, swimming, and boating;

(11) arts and crafts, including a wide range of activities from simple to complex, from reproductive to creative, and consistent with activities found in the community;

(12) physical fitness activities designed to develop efficient cardiovascular and cardiorespiratory functions, strength, endurance, power, coordination, and agility, sufficient for both usual and extra demands;

(13) library services for reading, listening, and viewing, such as looking at books, listening to records and tapes, and viewing film strips and slides;

(14) celebration of special events, such as holidays and field days;

(15) winter activities, including snow sculpture, snowplay, games, and sports;

(16) opportunities to use leisure time in activities of the resident's own choosing in an informal setting under minimal supervision, such as a "drop-in center";

(17) frequent coeducational experiences, to promote acceptable social behavior and enjoyment of social relationships; and

(18) activities for the nonambulatory, including the mobile and nonmobile.

(e) Maximum use should be made of all community recreation resources. Recreation counseling should be a continuous process that provides for—

(1) modification of resident's recreation behaviors;

(2) guidance to residents on how to find, reach and utilize community recreation resources;

(3) family counseling in relation to recreation activities; and

(4) interpretation of residents' needs and abilities to community agencies.

(f) Therapeutic recreation, defined as purposive intervention, through recreation activities, to modify, ameliorate, or reinforce specific physical, emotional, or social behaviors, should include, as appropriate—

(1) participation on an interdisciplinary team, to identify the habilitation needs and goals of the resident;

(2) determination of appropriate recreation intervention, to achieve the stated habilitation goals;

(3) a written plan for implementing the therapeutic recreation objectives, consistent with the recommendations of the evaluation team; and

(4) evaluation of the effectiveness of such interventions, and subsequent redefinition of the resident's habilitation needs and goals.

(g) Education and consultation services should include—

(1) provision of stimulation, leadership, and assistance with recreation activities, conducted by the direct-care staff;

(2) staff training and development;

(3) orientation and training of volunteers;

(4) training of interns and students in recreation;

(5) consultation to community agencies and organizations, to stimulate the development and improvement of recreation services for the retarded and other developmentally disabled individuals; and

(6) public education and information, to encourage acceptance of the retarded and other developmentally disabled individuals in recreation activities.

(h) Recreational services shall be coordinated with other services and programs provided the residents, in order to make fullest possible use of th residential facility's resources and to maximize benefits to the residents. Activities in health, music, art, and physical education shall be coordinated with recreation activities relevant to these areas.

(i) Records concerning residents should include—

(1) periodic surveys of their recreation interests;

(2) periodic surveys of their attitudes and opinions regarding recreation services;

(3) the extent and level of each resident's participation in the activities program;

(4) progress reports, as appropriate;

(5) reports on relationships among peers, and between residents and staff; and

(6) evaluations conducted by personnel at all levels and, where appropriate, by staff from other services.

(j) Established procedures for evaluating and researching the effectiveness of recreation services, in relation to stated purposes, goals, and objectives, should include—

(1) utilization of adequate records concerning residents' interests, attitudes, opinions, participations, and achievements;

(2) time schedules for evaluation that are appropriate to the service or program being evaluated;

(3) provision for using evaluation results in program planning and development;

(4) provision for disseminating evaluation results in professional journals and in public education and information programs; and

(5) encouragement of recreation staff to initiate, conduct, and participate in research studies, under the supervision of qualified personnel.

(k) There shall be sufficient, appropriately qualified recreation staff, and necessary supporting staff, to carry out the various recreation services in accordance with stated goals and objectives.

(1) Scheduling of staff shall provide—

(A) coverage on evenings, weekends, and holidays; and

(B) additional coverage during periods of peak activity.

(2) Recreation personnel shall be—

(A) assigned responsibilities in accordance with their qualifications;

(B) delegated authority commensurate with their responsibility; and

(C) provided appropriate professional recreation supervision.

(3) Personnel conducting activities in recreation program areas shall possess the following minimum educational and experiential qualifications:

(A) a bachelor's degree in recreation, or in a specialty area, such as art, music, or physical education; or

(B) an associate degree in recreation and one year of experience in recreation; or

(C) a high school diploma, or an equivalency certificate; and 2 years of experience in recreation, or 1 year of experience in recreation plus completion of comprehensive inservice training in recreation; or

(D) demonstrated proficiency and experience in conducting activities in one or more program areas.

(4) Personnel performing recreation counseling or therapeutic recreation functions should possess the following minimum education and experiential qualifications, and should be eligible for registration with the appropriate nationally recognized therapeutic recreation society at the appropriate therapeutic recreation specialist level:

(A) a master's degree in therapeutic recreation and 1 year of experience in a recreation program serving disabled persons; or

(B) a master's degree in recreation and 2 years of experience in a recreation program serving disabled persons; or

(C) a bachelor's degree in recreation and 3 years of experience in a recreation program serving disabled persons; or

(D) a combination of education and experience in recreation serving disabled persons that totals 6 years.

(5) Education and consultation functions in recreation should be conducted by staff members, in accordance with their education, experience, and role in the recreation program.

(l) Appropriate to the size of the recreation program, there shall be a staff development program that provides opportunities for professional development, including—

(1) regular staff meetings;

(2) an organized inservice training program in recreation;

(3) access to professional journals, books, and other literature in the fields of recreation, therapeutic recreation, rehabilitation, special education, and other allied professions;

(4) provisions for financial assistance and time for attendance at professional conferences and meetings;

(5) procedures for encouraging continuing education, including educational leaves, direct financial assistance, and rearrangement of work schedules;

(6) provision for workshops and seminars relating to recreation, planned by the recreation and other professional and administrative staff; and

(7) provision for staff consultation with specialists, as needed, to improve recreation services to residents.

(m) Recreation areas and facilities shall be designed and constructed or modified so as to—

(1) permit all recreation services to be carried out to the fullest possible extent in pleasant and functional surroundings;

(2) be easily accessible to all residents, regardless of their disabilities;

(3) appropriate recreation consultation shall be employed in the design or modification of all recreation areas and facilities;

(4) toilet facilities, appropriately equipped in accordance with the needs of the residents, should be easily accessible from recreation areas; and

(5) appropriate and necessary maintenance services shall be provided for all recreation areas and facilities.

(n) Indoor recreation facilities should include, as appropriate to the residential facility—

(1) a multipurpose room;

(2) a quiet browsing room;

(3) access to a gymnasium;

(4) access to an auditorium;

(5) access to suitable library facilities;

(6) access to kitchen facilities;

(7) adequate and convenient space for storage of supplies and large and small equipment; and

(8) adequate office space for the recreation staff.

(o) Outdoor recreation facilities should include, as appropriate to the residential facility—

(1) access to a hard-top, all-weather-surface area;

(2) access to gardening and nature activity areas;

(3) access to adequately equipped recreation areas; and

(4) the residential facility's residents should have, as appropriate and feasible, access to year-round swimming and aquatic facilities.

(p) Adequate transportation services for recreation programs shall be provided. Recreation equipment and supplies in sufficient quantity and variety shall be provided to carry out the stated objectives of the activities programs. Toys, games, and equipment shall be—

(1) selected on the basis of suitability, safety, durability, and multiplicity of use; and

(2) adapted as necessary to the special needs of the residents.

(q) If a music therapy program is provided, it should include—

(1) participation by the music therapist, when appropriate, on an interdisciplinary evaluation team to identify the resident's needs and ways of meeting them;

(2) determination of music therapy goals for the resident and development of a written plan for achieving them;

(3) periodic progress reports, reevaluations, and program changes as indicated;

(4) direction by a therapist eligible for registration with the appropriate nationally recognized association for music therapy; and

(5) appropriate space, facilities, and equipment, with special consideration of the acoustical characteristics of rooms used for performing and listening.

Subchapter XII—Religious Services

SEC. 267. (a) Religious services shall be made available to residents, in accordance with their needs, desires, capabilities, and in accordance with their basic right to freedom of religion, in order to—

(1) develop and enhance their dignity;

(2) provide for the most meaningful and relevant practice of their religion; and

(3) provide spiritual programs designed to aid their development and growth as persons.

(b) Implementation of religious services should utilize community resources, whenever and wherever this is possible and in the best interests of the residents. The objectives of the residential facility's religious services for its residents shall be directed toward full integration into, and membership in, their faith, and should include—

(1) upholding the dignity and worth of the individual;

(2) building moral and ethical standards of behavior;

(3) preparing for religious growth in their faith groups;

(4) establishing healthy self, world, and God concepts;

(5) establishing constructive value systems;

(6) giving direction toward greater personal maturity;

(7) strengthening interpersonal relationships; and

(8) contributing to growth in personal adequacy and happiness.

(c) Religious services shall be made available to all residents, regardless of their degree of retardation or developmental disability. Participation in religious programs shall be voluntary, in accordance with the wishes of the resident, if he or she expresses them, or with the wishes of his or her parent or guardian.

(d) Religious services to residents should include—

(1) worship opportunities, sacraments, and religious rites, according to the needs and abilities of the residents and consonant with the practices of their respective faiths;

(2) religious education programs geared to the needs and abilities of the residents;

(3) observation of dietary practices in keeping with the religious requirements of residents' faith groups;

(4) observation of religious holidays and holy days in keeping with the religious requirements of residents' faith groups;

(5) pastoral counseling, both individual and group, to residents and their families;

(6) pastoral visits to residents, with special emphasis on the care of the troubled, the sick, and the dying;

(7) pastoral consultation with persons concerned with the resident's welfare; and

(8) referral and communication between religious workers in the residential facility and in the community.

(e) Those who serve the religious needs of the residents, including clergy, religious educators, and volunteers, should whenever possible—

(1) assert and safeguard the full human and civil rights of the residents;

(2) participate, as appropriate, in team and other interdisciplinary planning regarding programs for individual residents, as well as in residential facility-wide or community programs;

(3) keep appropriate records of significant religious events in the lives of each resident;

(4) participate in training programs for residential facility personnel, including orientation of direct-care personnel in how they may help to further the religious programs for residents;

(5) participate in training programs for community clergy, theological students, and others;

(6) become involved with community clergy, and with religious and other groups, in their concerns for the spiritual care of the retarded and other developmentally disabled individuals;

(7) promote public understanding and acceptance of the retarded and other developmentally disabled individuals; and

(8) participate in their own faith group meetings, as required to maintain their standing.

(f) There shall be available sufficient, appropriately qualified personnel, which may include clergy or religious leaders, religious educators, volunteers, and clerical and supporting personnel, to carry out the various religious programs—

(1) religious services to residents shall be under the direction of a person who, in keeping with the size and nature of the residential facility, may be one of the following:

(A) a chaplain certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

(B) a clergyman or religious leader in good standing in his religious body;

(C) a religious educator; or

(D) a responsible person, who secures the services of qualified persons in carrying out the worship and education aspects of the program;

(2) chaplains serving residential facilities for the retarded, on a full- or part-time basis, should—

(A) be clergymen or religious leaders in good standing in their religious bodies; or

(B) be endorsed or assigned by their recognized religious bodies; or

(C) have B.A. and B.D. degrees, or their equivalents; and

(D) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

(3) professional religious educators serving residential facilities for the retarded or other individuals with developmental disabilities, on a full- or part-time basis, should—

(A) be endorsed or assigned by their recognized religious bodies; or

(B) have a bachelor's degree, or its equivalent; and

(C) be certified for work with the mentally retarded or other individuals with developmental disabilities by a recognized certifying agency;

(4) nonprofessional religious services personnel, including volunteers, should—

(A) be screened for ability to perform their assigned duties;

(B) be oriented to, and trained for, their assignments; and

(C) be provided ongoing supervision by a clergyman, religious leader, or religious educator of the respective faith.

(g) Appropriate to the size of the residential facility, there shall be an educational program designed to enhance the competences of religious services personnel, through means such as:

(1) staff meetings and inservice training;

(2) seminars, workshops, conferences, and institutes;

(3) college and university courses;

(4) participation in professional organizations;

(5) participation in interdisciplinary groups;

(6) visits to other residential facilities;

(7) access to relevant professional literature; and

(8) religious services personnel should have access to qualified and appropriate consultation, as needed.

(h) Religious services personnel should be encouraged, when possible, to involve themselves in activities such as—

(1) offering clinical pastoral educational programs;

(2) providing educational experiences for students;

(3) developing innovative religious education materials;

(4) developing innovative worship services;

(5) conducting specific research and development projects; and

(6) exploring and expanding citizen advocacy programs.

(i) Residents shall have access to places appropriate for worship and religious education that are adequate to meet the needs of all. Religious services personnel shall be provided with office and other space, equipment, and supplies adequate to carry out an effective program.

Subchapter XIII—Social Services

SEC. 268. (a) Social services shall be available to all residents and their families, in order to foster and facilitate—

(1) maximum personal an dsocial development of the resident;

(2) positive family functioning; and

(3) effective and satisfying social and community relationships.

(b) Social services shall be provided, directly and indirectly, to—

(1) the resident;

(2) his or her family;

(3) individuals or groups who represent different aspects of the social environment of the resident; and

(4) the community.

(c) Consumers and their representatives, including residents, families, other disciplines, and community groups shall participate in the planning and evaluation of social service programs. Social services, as part of an interdisciplinary spectrum of services, shall be provided through the use of social work methods directed toward—

(1) maximizing the social functioning of the resident;

(2) his or her family;

(3) modifying environmental influences leading to or aggravating, mental retardation or developmental disabilities;

(4) increasing public understanding and acceptance of mental retardation or developmental disabilities and its associated problems;

(5) creating a favorable climate to assist each retarded person to achieve as nearly normal living as is possible for him or her;

(6) asserting and safeguarding the human and civil rights of the retarded and other individuals with developmental disabilities and their families; and

(7) fostering the human dignity and personal worth of each resident.

(d) Social services available to the residential facility should include, as appropriate—

(1) preadmission evaluation and counseling, with referral to, and use of, other community resources, as appropriate;

(2) psychosocial assessment of the individual resident and his or her environment, as a basis for formulating an individual treatment plan;

(3) implementation of an individual social work treatment plan for the resident and his or her family;

(4) planning for community placement, discharge, and followup;

(5) participation in policy and program development within the residential facility in relation to—

(A) the resident's psychosocial needs and development;

(B) serving the families of the resident;

(C) use of community supportive and habilitative services;

(D) staff training and development;

(6) consultation with, or in relation to—

(A) programs offered by other disciplines;

(B) administration and operation of the residential facility;

(C) agencies and individuals in the community served by the residential facility;

(7) collaboration with other service delivery systems in planning and implementing programs for residents; and

(8) participation in social work and interdisciplinary program evaluation and research.

(e) During the evaluation process, which may or may not lead to admission, the resident and his or her family should be helped by social workers to—

(1) know the rights and services to which they are entitled, including the means of directing their appeals to the proper sources;

(2) obtain advocacy on their behalf if rights and services are denied them; and

(3) consider alternative services, based on the retarded or developmentally disabled person's status and salient family and community factors, and make a responsible choice as to whether and when residential placement is indicated.

(f) During the preadmission process, the resident and his or her family should be helped by social workers to—

(1) cope with problems of separation inherent in placement;

(2) initiate planning for the resident's return to his or her family and/or community;

(3) begin involving themselves as partners with the residential facility staff in developing a treatment/habilitation plan;

(4) become oriented to the practices and procedures of the residential facility; and

(5) share information about themselves that will provide the residential facility's staff with maximum understanding of their situation, so that effective services can be delivered.

(g) Social workers shall participate, when appropriate, in the continuing interdisciplinary evaluation of individual residents for the purposes of initiation, monitoring, and followup of individual habilitation programs.

(h) During the retarded or developmentally disabled person's admission to, and residence in, the residential facility, or while he or she is receiving services from the residential facility, social workers shall provide liaison between him, the residential facility, the family, and the community, so as to:

(1) help the resident to—

(A) cope with problems accompanying separation from family and community;

(B) learn the roles and use the resources that will enable him or her to maximize his or her development;

(C) participate in programs, in accordance with his or her individual treatment plan, that will maximize his or her ability for independent living, in or out of the residential facility;

(2) help the staff to—

(A) individualize and understand the needs of the resident and his or her family in relation to each other;

(B) understand social factors in the resident's day-to-day behavior, including staff-resident relationships;

(C) prepare the resident for changes in his or her living situations;

(3) help the family to develop constructive and personally meaningful ways to support the resident's experience in the residential facility through—

(A) counseling concerned with problems associated with changes in family structure and functioning;

(B) utilization of the family's and the resident's own strengths and resources;

(C) referral to specific services, as appropriate; and

(4) the family to participate in planning for the resident's return to home or other community placement. (i) After the resident leaves the residential facility, social workers shall provide systematic followup, including—

(1) counseling with the resident;

(2) counseling with family, employers, and other persons significant to the resident's adjustment in the community; and

(3) referral to appropriate community agencies.

(j) Social services shall help to integrate residential and other community services, through—

(1) providing liaison between the residential facility and the community;

(2) providing consultation to community agencies to facilitate the identification of needed resources for the retarded and other individual with developmental disabilities and his family;

(3) interpreting the residential facility and its program to relevant sectors of the community;

(4) collaborating with other disciplines to help the community develop appropriate resources; and

(5) involvement with social policy issues that affect the retarded and other individuals with developmental disabilities.

(k) Social services shall develop and maintain comprehensive, current records, useful for its own programs and those of other services. There shall be available sufficient, appropriately qualified staff and necessary supporting personnel to carry out the various social service activities.

(1) The residential facility should have available to it a social worker who—

(A) has a master's or doctoral degree from an accredited school of social work;

(B) has had 3 years of post-master's experience in the field of social welfare;

(C) meets the educational and experiential qualifications for certification by the appropriate nationally recognized academy of certified social workers; and

(D) is knowledgeable and experienced in mental retardation.

(2) A social worker having the qualifications specified in subsection (k)(1) shall be designated as being responsible for maintaining standards of professional practice in the rendering of social services to the residential facility, and for staff development.

(3) Social workers providing service to the residential facility shall—

(A) have a master's degree from an accredited school of social works; or

(B) meet the educational qualifications required for full membership in the appropriate nationally recognized professional association of social workers and shall have had 3 years of experience in the field of social welfare.

(4) Social work assistants or aides employed by the residential facility shall work under the supervision of a social worker having the qualifications specified in subsection (k)(3).

(5) Social service personnel, at all levels of experience and competence, shall be—

(A) assigned responsibilities in accordance with their qualifications;

(B) delegated authority commensurate with their responsibilities; and

(C) provided appropriate professional social work supervision.

(6) A full-time supervisor should be responsible for the direct supervision of not more than six staff members, plus related activities.

(7) All social service personnel shall be familiar with, and adhere to, the code of ethics of the National Association of Social Workers.

(l) Appropriate to the size of the residential facility's social service program, an ongoing program of staff development shall be provided to improve the skills of the social work staff through such means as—

(1) inservice training;

(2) affiliation with schools of social work;

(3) staff consultation with specialists, as needed, to improve social services to residents;

(4) conference attendance, and other educational opportunities and forms of professional exchange; and

(5) career ladders and other incentives to staff recruitment and development.

(m) Space, facilities, equipment, supplies, and resources shall be adequate for providing effective social services, including—

(1) offices for social services and clerical staff;

(2) private interviewing rooms;

(3) rooms suitable for conferences and group activities;

(4) dictating and transcribing equipment;

(5) telephone service;

(6) travel provisions;

(7) provision for recordkeeping and information retrieval; and

(8) library services.

Subchapter XIV—Speech Pathology and Audiology Services

SEC. 269. (a) Speech pathology and audiology services shall be available, in order to—

(1) maximize the communication skills of all residents; and

(2) provide for the evaluation, counseling, treatment, and rehabilitation of those residents with speech, hearing and/or language handicaps.

(b) The specific goals of speech pathology and audiology services shall be—

(1) appropriate to the needs of the residents served;

(2) consistent with the philosophy and goals of the residential facility;

(3) consistent with the services and resources offered by the residential facility; and

(4) known to, and coordinated with, other services provided by the residential facility.

(c) Speech pathology and audiology services shall be rendered through—

(1) direct contact between speech pathologists and audiologists and residents;

(2) participation with administrative personnel in designing and maintaining social and physical environments that maximize the communication development of the residents; and

(3) working with other personnel, such as teachers and direct-care staff, in implementing communication improvement programs in environmental settings.

(d) Speech pathology and audiology services available to the residential facility shall include, as appropriate—

(1) audiometric screening of—

(A) all new residents;

(B) children under the age of ten, at annual intervals;

(C) other residents at regular intervals;

(D) any resident referred;

(2) speech and language screening of—

(A) all new residents;

(B) children under the age of ten at annual intervals;

(C) all residents, as needed;

(3) comprehensive audiological assessment of residents, as indicated by screening results, to include tests of pure-tone air and bone conduction, speech audiometry, and other procedures, as necessary, and to include assessment of the use of visual cues;

(4) assessment of the use of amplification;

(5) provision of procurement, maintenance, and replacement of hearing aids, as specified by a qualified audiologist;

(6) comprehensive speech and language evaluation of residents, as indicated by screening results, including appraisal of articulation, voice, rhythm, and language;

(7) participation in the continuing interdisciplinary evaluation of individual residents for purposes of initiation, monitoring, and followup of individualized habilitation programs;

(8) treatment services, interpreted as an extension of the evaluation process, that include—

(A) direct counseling with residents;

(B) speech and language development and stimulation through daily living activities;

(C) consultation with classroom teachers for speech improvement and speech education activities;

(D) direct contact with residents to carry on programs designed to meet individual needs in comprehension (for example, speech reading, auditory training, and hearing aid utilization) as well as expression (for example, improvement in articulation, voice, rhythm, and language);

(E) collaboration with appropriate educators and librarians to develop specialized programs for developing the communication skills of multiple handicapped residents, such as the deaf, retarded, and the cerebral palsied;

(9) consultation with administrative staff regarding the planning of environments that facilitate communication development among residents in—

(A) living areas;

(B) dining areas;

(C) educational areas;

(D) other areas, where relevant;

(10) participation in inservice training programs for direct-care and other staff;

(11) training of speech pathology and audiology staff;

(12) training of speech pathology and audiology graduate and/or undergraduate students, interns, supportive staff, and volunteer workers;

(13) consultation with, or relating to—

(A) residents (for example, self-referral);

(B) parents of residents;

(C) medical (otological, pediatric, and so forth), dental, psychological, educational, and other services;

(D) the administration and operation of the residential facility;

(E) the community served by the residential facility; and

(14) program evaluation and research.

(e) Comprehensive evaluations in speech pathology and audiology shall consider the total person and his environment. Such evaluations should—

(1) present a complete appraisal of the resident's communication skills;

(2) evidence concern for, and evaluation of, conditions extending beyond observed speech, language, and hearing defects;

(3) consider factors in the history and environment relevant to the origins and maintenance of the disability;

(4) consider the effect of the disability upon the individual and the adjustments he makes to the problem as he or she perceives it; and

(5) consider the reaction of the resident's family, associates, and peers to the speech and/or hearing problem.

(f) Evaluation and assessment results shall be reported accurately and systematically, and in such manner as to—

(1) define the problem to provide a basis for formulating treatment objectives and procedures;

(2) render the report meaningful and useful to its intended recipient and user;

(3) where appropriate, provide information useful to other staff working directly with the resident;

(4) conform to acceptable professional standards, provide for intraindividual and interindividual comparisons, and facilitate the use of data for research and professional education; and

(5) provide evaluative and summary reports for inclusion in the resident's unit record.

(g) Treatment objectives, plans, and procedures shall—

(1) be based upon adequate evaluation and assessment;

(2) be based upon a clear rationale;

(3) reflect consideration of the objectives of the resident's total habilitation program;

(4) be stated in terms that permit the progress of the individual to be assessed;

(5) provide for periodic evaluation of the resident's response to treatment and of treatment effectiveness;

(6) provide for revision of objectives and procedures as indicated; and

(7) provide for assistance or consultation when necessary.

(h) Continuing observations of treatment progress shall be—

(1) recorded accurately, summarized meaningfully, and communicated effectively; and

(2) effectively utilized in evaluating progress.

(i) There shall be established procedures for evaluating and researching the effectiveness of speech pathology and audiology services, including but not limited to:

(1) utilization of adequate records concerning residents' response and progress;

(2) time schedules for evaluation that are appropriate to the service being evaluated;

(3) provision for using evaluation results in program planning and development;

(4) encouragement of speech pathology and audiology staff to participate in research activities; and

(5) provision for dissemination of research results in professional journals.

(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the various speech pathology and audiology services, in accordance with stated goals and objectives—

(1) A speech pathologist or audiologist, who is qualified as specified in paragraph (2) of this subsection, and who, in addition, has had at least 3 years of professional experience, shall be designated as being responsible for maintaining standards of professional and ethical practice in the rendering of speech pathology and audiology services in the facility.

(2) Staff who assume independent responsibilities for clinical services shall possess the educational and experiential qualifications required for the appropriate certificate of clinical competence issued by the appropriate nationally recognized professional speech and hearing association in the area (speech pathology or audiology) in which they provide services.

(3) Staff not qualified for such association certification shall be provided adequate, direct, active, and continuing supervision by staff qualified for certification in the area in which supervision is rendered.

(A) Supervising staff shall be responsible for the services rendered by uncertified staff under their supervision.

(B) Adequate, direct, and continuing supervision shall be provided nonprofessionals, volunteers, or other supportive personnel utilized in providing clinical services.

(4) Students in training and staff fulfilling experience requirements for such appropriate nationally recognized professional speech and hearing association certification shall receive direct supervision, in accordance with the requirements of the appropriate nationally recognized professional boards of examiners in speech pathology and audiology.

(5) All speech pathology and audiology staff shall be familiar with, and adhere to, the code of ethics published by the appropriate nationally recognized professional speech and hearing association.

(k) Appropriate to the nature and size of the residential facility and to the speech pathology and audiology service, there shall be a staff development program that is designed to maintain and improve the skills of speech pathology and audiology staff, through methods, including but not limited to—

(1) regular staff meetings;

(2) an organized inservice training program in speech pathology and audiology;

(3) visits to and from the staff of other residential facilities and programs;

(4) participation in interdisciplinary meetings;

(5) provision for financial assistance and time for attendance at professional conferences;

(6) provisions for encouraging continuing education, including educational leave, financial assistance, and accommodation of work schedules;

(7) workshops and seminars;

(8) consultations with specialists; and

(9) access to adequate library resources, which include current and relevant books and journals in speech pathology and audiology, mental retardation, and related professions and fields.

(l) Space, facilities, equipment, and supplies shall be adequate for providing efficient and effective speech pathology and audiology services, in accordance with stated objectives, including—

(1) adequate and convenient evaluation, treatment, counseling, and waiting rooms;

(2) specially constructed and sound-treated suites for audiological services, meeting appropriate standards;

(3) design and location such as to be easily accessible to all residents, regardless of disability;

(4) specialized equipment needed by the speech pathologist;

(5) specialized equipment needed by the audiologist, including an audiometer, with provisions for sound field audiometry, and equipment capable of performing at least the following procedures: hearing screening, pure-tone air and bone conduction with contralateral masking, speech audiometry, site-of-lesion battery, nonorganic hearing loss battery, and hearing aid evaluation;

(6) provisions for adequate maintenance of all areas, facilities, and equipment, including—

(A) electroacoustic calibration of audiometers at regular, at least quarterly, intervals;

(B) calibration logs on all audiometers; and

(7) appropriate speech pathology and audiology consultation shall be employed in the design, modification, and equipage of all speech pathology and audiology areas and facilities.

Subchapter XV—Vocational Rehabilitation Services

SEC. 270. (a) The residential facility shall provide all its residents with habilitation or rehabilitation services, which includes the establishment, maintenance, and implementation of those programs that will insure the optimal development or restoration of each resident, physically, psychologically socially, and vocationally—

(1) The residential facility shall have a written, public statement of its rehabilitation objectives for its residents, consistent with—

(A) the needs of its residents;

(B) currently accepted rehabilitation principles and goals:

(C) the residential facility's philosophy and goals; and

(D) the services and resources the residential facility offers.

(2) While the habilitation/rehabilitation concept and process embrace all efforts to achieve the optimal development of each resident, specific habilitation/rehabilitation services shall focus on the maximum achievement of—

(A) self-help skills;

(B) social competence, including communication skills;

(C) vocational competence; and

(D) independent living.

(b) The ultimate objective of vocational rehabilitation services shall be to assist every resident to move as far as he or she can along the continuum from vocational afunction to remunerative employment and entry into the mainstream of society as an independent citizen and worker. Vocational rehabilitation services shall be rendered—

(1) directly, through personnel contact between vocational rehabilitation personnel and residents; and

(2) indirectly, through contact between vocational rehabilitation personnel and other persons working with residents, designed to enhance and facilitate the development and maintenance of a rehabilitative environment.

(c) Vocational rehabilitation services available to the residents, in accordance with their needs, shall include—

(1) vocational evaluation;

(2) the formulation of written vocational objectives for each resident;

(3) the formulation of a written plan to achieve the stated objectives;

(4) implementation of the vocational plan through—

(A) individual counseling;

(B) prevocational programs;

(C) vocational training;

(D) vocational placement;

(E) referral to appropriate sources for other services; and

(F) followup.

(d) Vocational evaluation of each resident shall—

(1) be initiated within one month after admission to the residential facility;

(2) arise out of a written comprehensive interdisciplinary evaluation (medical, psychological, social, and educational) that generates data relevant to vocational objectives and goals, such as information concerning—

(A) aptitudes and abilities;

(B) self-help and independent living skills;

(C) interests;

(D) self and vocational perception;

(E) sensorimotor coordination;

(F) communication skills;

(G) current social adjustment;

(H) educational history; and

(I) vocational and avocational history;

(3) be adequate for the formulation of vocational goals and of a detailed plan for the achievement of such goals;

(4) be adequate for the assessment of current vocational status and for the prediction of possible future status; and

(5) provide for periodic, but at least semiannual, reevaluation, consistent with the progress of the resident toward the stated goals.

(e) The written vocational plan for each resident shall—

(1) be consistent with the vocational evaluation;

(2) specify the program to be undertaken to achieve his or her vocational objectives;

(3) indicate the order in which the program is to be undertaken;

(4) provide for the implementation of the evaluation team's recommendations; and

(5) assign the responsibility to carry out the plan.

(f) The resident shall be fully involved in his or her vocational evaluation, and in the formulation of his or her program plan. Prevocational services shall contribute to the development of work readiness in the resident, and shall provide—

(1) vocationally revelant academic instruction;

(2) instruction in the self-help and social skills necessary for vocational success;

(3) instruction and practice in the social skills necessary for maximally independent functioning in the community, such as travel, handling of money, and use of community resources;

(4) an orientation to the world of work;

(5) development of work attitudes needed for vocational success;

(6) rotated exploration and try-out of job tasks;

(7) continuous evaluation of vocational potential; and

(8) any necessary supportive services, including physical and mental restoration.

(g) Vocational training programs shall meet all applicable legal requirements, and shall be provided through means such as:

(1) work training stations;

(2) work activity centers;

(3) transitional sheltered workshops;

(4) work-study programs;

(5) on-the-job training;

(6) trade training, in the classroom or on the job;

(7) vocational training programs shall—

(A) provide for an evaluation of training progress at least every 3 months;

(B) make maximum use of job training resources—

(i) within the residential facility;

(ii) within the community;

(8) residential facilities conducting vocational training programs shall have vocational training personnel assigned, in such numbers and for such times as are necessary and appropriate to the situation, to supervise the training in each training area; and

(9) written, detailed training guides and

curricula shall be available for all vocational training areas.

(h) Job placement services shall assist the individual to enter into appropriate kinds of employment, such as:

(1) competitive, remunerative employment;

(2) trade training programs;

(3) transitional or extended sheltered workshops;

(4) sheltered employment;

(5) homebound employment;

(6) homemaker; and

(7) in conjunction with job placement services, the individual shall be provided assistance related to off-the-job needs, activities, and resources, such as—

(A) living arrangements;

(B) social and recreation activities;

(C) medical services;

(D) educational resources;

(E) religious activities;

(F) transportation;

(G) legal affairs;

(H) financial affairs; and

(I) counseling.

(i) Systematic follow-up services shall be provided that—

(1) continue to be available to the individual for at least 1 year following placement;

(2) involve contact with—

(A) the individual;

(B) the individual's family or family-substitute; and

(C) the individual's employer, if appropriate;

(3) generate data concerning vocational outcomes to evaluate and improve the effectiveness of vocational rehabilitation programs.

(j) There shall be a clearly designated person or team responsible for the implementation, evaluation, and revision of the residential facility's vocational rehabilitation program.

(1) There shall be available to each resident in a vocational rehabilitation program a counselor who is responsible for seeing that the resident's vocational rehabilitation program is effectively carried out.

(2) A vocational rehabilitation counselor shall—

(A) have a master's degree in rehabilitation counseling, or a master's degree in a related area plus training and skill in the vocational rehabilitation process; or

(B) have a bachelor's degree and work under the direct supervision of a person qualified as in (A).

(3) Vocational rehabilitation personnel providing training to residents in vocational areas shall be—

(A) vocational instructors certified by the appropriate State agency; or

(B) tradesmen who have attained at least journeyman status.

(k) Appropriate to the nature and size of the residential facility, provisions shall be made for vocational rehabilitation staff developments, through such means as—

(1) inservice training;

(2) short-term workshops;

(3) seminars;

(4) attendance at conferences; and

(5) visits to other residential facilities.

(l) Every residential facility that has a vocational rehabilitation program shall seek to establish working relationships with public and private rehabilitation agencies in the community. Each residential facility should have working relationships with university training programs in rehabilitation, including provision for—

(1) research opportunities;

(2) practicum experiences;

(3) internship; and

(4) consultation.

Subchapter XVI—Volunteer Services

SEC. 271. (a) Volunteer services shall be provided in order to enhance opportunities for the fullest realization of the potential of each resident by—

(1) increasing the amount, and improving the quality, of services and programs; and

(2) facilitating positive relationships between the residential facility and the community which it serves.

(b) The residential facility shall have a written statement of the goals and objectives of its volunteer services program that are—

(1) appropriate to the needs of the residents;

(2) consistent with the philosophy and goals of the residential facility;

(3) developed in collaboration with the facility's staff;

(4) specific and measurable; and

(5) continuously assessed and periodically revised.

(c) Volunteers shall provide services, which may be direct or indirect, that are based on resident needs, staff requests, and volunteer skills, and that enhance programs, develop social competence, and build self-esteem—

(1) volunteer services shall supplement, but shall not be used in lieu of, the services of paid employees;

(2) volunteer participation shall comply with State laws, such as those relating to labor and insurance;

(3) volunteer participation shall be open to persons of both sexes, and of all ages, races, creeds, and national origins; and

(4) volunteer services shall be available to all residents, regardless of age, ability, or handicaps.

(d) Direct services provided to residents by volunteers, as appropriate to the residential facility's program and in cooperation with its staff, may include, but are not limited to—

(1) physical, occupational, and music therapy assistance;

(2) psychological testing assistance;

(3) behavior modification and programed instruction assistance;

(4) teacher or classroom assistance;

(5) religious instruction;

(6) recreation and leisure time activities;

(7) social skills development;

(8) library services;

(9) nursing services;

(10) transportation and escort assistance;

(11) visits, vacations, and trips;

(12) job and home findings; and

(13) citizen advocacy.

(e) Indirect services provided by volunteers, as appropriate to the residential facility's program and in cooperation with its staff, may include, but are not limited to—

(1) conducting tours;

(2) clerical and laboratory assistance;

(3) gift shop and canteen operation;

(4) public relations and community education; and

(5) contributions.

(f) Volunteer services staff should provide the following services—

(1) to the residential facility's staff—

(A) orientation in the need for, and philosophy of volunteer services;

(B) identification of how and where volunteers can be utilized; and

(C) assistance in developing training for volunteers;

(2) to the volunteers—

(A) orientation, training, and placement;

(B) opportunities to participate in planning and evaluating their experiences; and

(C) appropriate recognition of their services and contributions.

(g) Volunteer services staff functions shall include—

(1) development and implementation of a plan for recruitment, selection, deployment, orientation, training, supervision, evaluation, recognition, advancement, and separation of volunteers;

(2) development in collaboration with appropriate staff, of job descriptions for volunteers;

(3) maintenance of complete and accurate records, including, but not necessarily limited to—

(A) hours of volunteer service rendered;

(B) individuals and organizations providing services;

(C) materials and moneys received; and

(D) operational budget.

(h) The staff members responsible for residential facility programs utilizing volunteers shall be responsible for providing such volunteers with on-the-job training, supervision, and consultation.

(i) The cooperation and involvement of staff and community, which is essential to a successful volunteer services program, should be achieved by means such as—

(1) a standing staff committee on volunteer services, to foster communications and cooperation, to evaluate and coordinate existing programs, and to stimulate new programs;

(2) a volunteer services advisory committee, composed of representatives of appropriate community organizations;

(3) encouragement of, and involvement with parents groups;

(4) collaboration with appropriate agencies and community groups; and

(5) recruiting volunteers representative of the community served by the residential facility, in respect of age, sex, socioeconomic, religious, racial, and ethnic groups.

(j) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to carry out the volunteer services program, in accordance with stated goals and objectives.

(1) A residential facility staff member shall be designated to be responsible and accountable for volunteer services—

(A) where the size of the residential facility and scope of the program warrant, the person responsible for volunteer services shall devote full time to this area;

(B) volunteer services shall be organized within the administrative structure of the residential facility in such a way as to be available to, and maximally utilized by, all relevant services and programs; therefore, the staff member responsible for volunteer services should report to an individual with residential facility-wide administrative responsibility; and

(C) the staff member responsible for volunteer services should have the same relationship to volunteers as a personnel officer has to paid employees.

(2) The staff member responsible for volunteer services shall have—

(A) the necessary interpersonal, consultative, leadership, and organizational and administrative skills and abilities;

(B) demonstrated ability to identify, mobilize, and deploy volunteer resources to meet the needs of residents;

(C) knowledge of community organization;

(D) knowledge of current practices and concepts in mental retardation and other developmental disabilities; and

(E) training and/or experience in organizing and administering volunteer services, as appropriate to the nature and size of the residential facility, and preferably—

(i) a baccalaureate degree in a behavioral science; and

(ii) 3 years of experience in volunteer services or related area.

(k) Appropriate to the size of the residential facility, there should be a staff development program designed to maintain and improve the skills of volunteer services staff, through means such as—

(1) seminars, workshops, and conferences;

(2) college and university courses;

(3) participation in professional organizations;

(4) participation in interdisciplinary groups;

(5) visits to other residential facilities; and

(6) access to relevant professional literature.

(l) There shall be adequate and accessible space, facilities, equipment, and supplies for providing efficient and effective volunteer services. If a canteen is operated by the residential facility, it shall—

(1) be operated for the benefit of the residents;

(2) be open to residents, staff, families, and visitors, without segregation by space or hours of use, so as to facilitate interaction;

(3) provide opportunities for residents to purchase items for their personal needs;

(4) provide opportunities for the training of residents; and

(5) be operated so that any profits derived are utilized for the benefit of residents.

CHAPTER 4.—RECORDS

Subchapter I—Maintenance of Residents' Records

Sec. 272. (a) A record shall be maintained for each resident that is adequate for—

(1) planning and continuous evaluating of the resident's habilitation program;

(2) providing a means of communication among all persons contributing to the resident's habilitation program;

(3) furnishing documentary evidence of the resident's progress and of his response to his habilitation program;

(4) serving as a basis for review, study, and evaluation of the overall programs provided by the residential facility for its residents;

(5) protecting the legal rights of the residents, residential facility, and staff; and

(6) providing data for use in research and education.

(b) All information pertinent to the abovestated purposes shall be incorporated in the resident's record, in sufficient detail to enable those persons involved in the resident's program to provide effective, continuing services. All entries in the resident's record shall be—

(1) legible;

(2) dated; and

(3) authenticated by the signature and identification of the individual making the entry.

(c) Symbols and abbreviations may be used in the record entries only if they are in a list approved by the residential facility's chief executive officer and a legend is provided to explain them. Diagnoses should be recorded in full and without the use of symbols or abbreviations.

Subchapter II—Content of Records

Sec. 273. (a) The following information should be obtained and entered in the resident's record at the time of admission to the residential facility:

(1) name, date of admission, date of birth, place of birth, citizenship status, marital status, and social security number;

(2) father's name and birthplace, mother's maiden name and birthplace, and parents' marital status;

(3) name and address of parents, legal guardian, and/or next of kin;

(4) sex, race, height, weight, color of hair, color of eyes, identifying marks, and recent photograph;

(5) reason for admission or referral problem;

(6) type and legal status of admission;

(7) legal competency status;

(8) language spoken or understood;

(9) sources of support, including social security, veterans' benefits, and insurance;

(10) provisions for clothing and other personal needs;

(11) information relevant to religious affiliation;

(12) report(s) of the preadmission evaluation(s); and

(13) reports of previous histories and evaluations.

(b) Within the period of one month after admission there shall be entered in the resident's record—

(1) a report of the review and updating of the preadmission evaluation;

(2) a statement of prognosis that can be used for programing and placement;

(3) a comprehensive evaluation and individual program plan, designed by an interdisciplinary team; and

(4) a diagnosis based on the appropriate nationally recognized professional association's manual on terminology and classification in mental retardation and other developmental disabilities and, where necessary, the diagnostic and statistical manual of mental disorders, most recent edition, published by the appropriate nationally recognized professional psychiatric association.

(c) Records during residence should include—

(1) reports of accidents, seizures, illnesses, and treatments thereof, and immunizations;

(2) record of all periods of restraint, with justification and authorization of each;

(3) report of regular, at least annual, review and evaluation of the program, developmental progress, and status of each resident;

(4) observations of the resident's response to his program, recorded with sufficient frequency to enable evaluation of its efficacy;

(5) record of significant behavior incidents;

(6) record of family visits and contacts;

(7) record of attendance and leaves;

(8) correspondence;

(9) periodic updating of the information recorded at the time of admission; and

(10) appropriate authorizations and consents.

(d) At the time of discharge from the residential facility, a discharge summary shall be prepared that should—

(1) include a brief recapitulation of findings, events, and progress during residence, diagnosis, prognosis, and recommendations and arrangements for future programing;

(2) be completed and entered in the resident's record within 7 days following discharge; and

(3) with the written consent of the resident or his guardian, be copied and sent to the individual or agency who will be responsible for future programing of the resident.

(e) In the event of death—

(1) a copy of the death certificate should be placed in the resident's record; and

(2) when a necropsy is performed, provisional anatomic diagnoses should be recorded within 72 hours, where feasible, and the complete protocol should be made part of the record within 3 months.

Subchapter III—Confidentiality of Records

Sec. 274. (a) All information contained in a resident's records, including information contained in an automated data bank, shall be considered privileged and confidential—

(1) the record is the property of the residential facility whose responsibility it is to secure the information against loss, defacement, tampering, or use by unauthorized persons;

(2) the record may be removed from the residential facility's jurisdiction and safekeeping only in accordance with a court order, subpena, or statute;

(3) there shall be written policies governing access to, duplication of, and dissemination of information from the record; and

(4) written consent of the resident or his guardian shall be required for the release of information to persons not otherwise authorized to receive it.

Subchapter IV—Central Record Service

Sec. 275. (a) The residential facility shall remain an organized central record service for the collection and dissemination of information regarding residents. A centralized or decentralized system of recordkeeping may be used in accordance with the needs of the residential facility—

(1) there shall be a unit record that contains all information pertaining to an individual resident for all admissions to the residential facility;

(2) where particular professional services require the maintenance of separate records, a summary of the information contained therein shall be entered in the unit record at stated intervals;

(3) records shall be readily accessible to authorized personnel;

(4) where a centralized system is used, appropriate records shall also be available in the resident-living units; and

(5) a periodic review of the content of the records should be made by—

(A) record personnel, to assure that they are current and complete; and

(B) a committee of appropriate staff, including the record librarian, to assure that they meet the standards set forth in section 278;

(6) there shall be a master alphabetical index of all residents admitted to the residential facility; and

(7) records shall be retained for the period of time specified by the residential facility, but at least for the period of time consistent with the statute of limitations of the State in which the residential facility is located.

Subchapter V—Statistical Records

Sec. 276. (a) While the type and amount of statistical information will depend upon the residential facility's particular needs, such information should include at least the following:

(1) number of residents by age groups, sex, race, and place of residence;

(2) number of residents by level of retardation, according to the appropriate nationally recognized professional association on mental deficiency classification;

(3) number of residents by level of adaptive behavior, according to the appropriate nationally recognized professional association of mental deficiency classification;

(4) number of residents with physical disabilities;

(5) number of residents who are ambulatory and nonambulatory (mobile and nonmobile);

(6) number of residents with sensory defects;

(7) number of residents with convulsive disorders, grouped by level of seizure control;

(8) number of residents by etiological diagnoses, according to the appropriate nationally recognized professional association and, where necessary, the DSM-II classifications;

(9) movement of residents into, out of, and within the residential facility; and

(10) length of stay.

(b) Data shall be reported to appropriate Federal and other agencies as requested.

Subchapter VI—Records Personnel

Sec. 277. (a) There shall be available sufficient, appropriately qualified staff, and necessary supporting personnel, to facilitate the accurate processing, checking, indexing, filing, and prompt retrieval of records and record data.

(b) The record system should be supervised on a full- or part-time basis, according to the needs of the residential facility, by an individual who—

(1) is a registered record librarian; or

(2) is an accredited record technician; or

(3) has demonstrated competence and experience in administering and supervising the maintenance and use of records and reports.

(c) Record personnel should—

(1) be involved in educational programs relative to their activities, including orientation, on-the-job training, and regular inservice education programs; and

(2) participate in workshops, institutes or correspondence education courses available outside the residential facility.

(d) There shall be adequate space, facilities, equipment, and supplies for providing efficient and effective record services.

Chapter 5.—Research

Subchapter I—Encouragement of Research

Sec. 278. (a) Recognizing that the understanding, prevention, and amelioration of mental retardation and other developmental disabilities ultimately depends upon knowledge gained through research, the administration and staff of the residential facility (and, in the case of public facilities, the appropriate governmental agency) shall encourage research activity.

(1) opportunities and resources should be made available to members of the staff who are equipped by interest and training to conduct applied and/or basic research. Research resources and/or necessary research assistance should be made available to all staff members who have identified researchable problems related to the programs for which they are responsible;

(2) research by qualified investigators who are not staff members of the residential facility shall be encouraged. There shall be a written policy concerning the conduct of research in the residential facility by investigators who are not staff members. Outside researchers shall fulfill the same obligations relative to staff information and feedback as do residential facility staff members. Consideration should be given to the assignment of a residential facility staff member to each research project conducted by outside investigators; and

(3) where feasible, there shall be ongoing, cooperative programs of research and research training with colleges, universities, and research agencies.

(b) The administration of the residential facility shall make provision for the design and conduct, or the supervision, of research that will objectively evaluate the effectiveness of program components and contribute to informed decisionmaking in the residential facility.

Subchapter II—Review of Research Proposals

Sec. 279. (a) An interdisciplinary research committee shall review all proposed studies to insure—

(1) adequacy of research design; and

(2) implementation of ethical standards in the design.

(b) Residential facility staff members shall be consulted regarding the planning of research and the utilization of research findings in their areas of competence and interest.

Subchapter III—Conduct of Research

Sec. 280. (a) The residential facility shall follow, and comply with the statement of assurance on research involving human subjects required by the United States Department of Health, Education, and Welfare for projects supported by that agency or any appropriate more stringent such statement, as appropriate.

(b) Investigators and others directly involved in the research shall—

(1) adhere to the ethical standards of their professions concerning the conduct of research; and

(2) have access to the record of informed consent.

Subchapter IV—Reporting Research Results

Sec. 281. (a) The principal investigator of each research project shall be responsible for communicating to the staff of the residential facility the purpose, nature, outcome, and possible practical or theoretical implications of the research. Copies of the reports resulting from research projects shall be maintained in the residential facility.

(b) Where research findings are made public, care shall be taken to assure the anonymity of individual residents and parents.

(c) Clearly defined mechanisms shall exist for informing staff members of new research findings that have applicability to the programs and administration of the residential facility. There shall be evidence that currently applicable research results are being implemented in the residential facility's programs.

Chapter 6.—Safety and Sanitation

Subchapter I—Safety

Sec. 282. (a) The requirements of the Secretary shall be met, with specific reference to the following—

(1) provision of adequate and alternate exits and exit doors;

(2) provision of exit ramps, with nonskid surface and slope not exceeding one foot in twelve; and

(3) provision of handrails on stairways.

(b) There shall be records that document strict compliance with the regulation of the State or local fire safety authority that has primary jurisdiction over the residential facility—

(1) aisles and exists shall be free from all encumbrances and floors shall be uncluttered;

(2) flammable materials shall be properly stored and safeguarded;

(3) attics and basements shall be kept orderly and free of rubbish;

(4) there shall be records of periodic fire safety inspections and reports.

(c) There shall be a written staff organization plan and detailed, written procedures, which are clearly communicated to, and periodically reviewed with staff, for meeting all potential emergencies and disasters pertinent to the area, such as fire, severe weather, and missing persons.

(1) The plans and procedures should include—

(A) plans for the assignment of personnel to specific tasks and responsibilities;

(B) instructions relating to the use of alarm systems and signals;

(C) information concerning methods of fire containment;

(D) systems for notification of appropriate persons;

(E) information concerning the location of firefighting equipment; and

(F) specification of evacuation routes and procedures.

(2) The plans and procedures shall be posted at suitable locations through the residential facility.

(d) Evacuation drills shall be held at least quarterly, for each shift of residential facility personnel and under varied conditions, in order to—

(1) insure that all personnel on all shifts are trained to perform assigned tasks;

(2) insure that all personnel on all shifts are familiar with the use of the firefighting equipment in the residential facility;

(3) evaluate the effectiveness of disaster plans and procedures;

(4) evacuation drills shall include actual evacuation of residents to safe areas during at least one drill each year, on each shift. There shall be special provisions for the evacuation of the physically handicapped, such as fire chutes and mattress loops with poles; and

(5) there shall be a written, filed report and evaluation of each evacuation drill.

(e) An active safety program shall be maintained by a multidisciplinary safety committee that investigates all accidents and makes recommendations for prevention. Records of the activities of the safety committee shall be kept. There shall be adequate safety shields on the moving parts of all dumbwaiters, elevators, and other machinery, as provided for in applicable standards and codes.

(f) All buildings and outdoor recreation facilities constructed after 1971 shall be accessible to, and usable by, the nonambulatory and shall meet standards of the Secretary for making building accessible to, and usable by, the physically handicapped—

(1) all existing buildings and outdoor recreation facilities shall be modified so as to conform to the above standards by December 31, 1976; and

(2) existing residential facilities shall provide—

(A) entrance ramps wide enough for wheelchairs, not exceeding a rise of one foot in twelve, with nonslip surfaces, and with rails on both sides;

(B) doorways and corridors wide enough for wheelchairs; and

(C) grab bars in toilet and bathing facilities.

(g) Paint used in the residential facility shall be lead free. Old paint or plaster containing lead shall have been removed, or covered in such manner that it is not accessible to residents.

(h) Appropriate provisions shall be made for emergency auxiliary heat by means of alternate sources of electric power, alternate fuels, and/or standby equipment.

Subchapter II—Sanitation

Sec. 283. (a) There shall be records that document strict compliance with the sanitation, health, and environmental safety codes of the State or local authorities having primary jurisdiction over the residential facility. Written reports of inspections by State or local health authorities, and records of action taken on their recommendations, shall be kept on file at the residential facility.

(b) The holding, transferring, and disposal of waste and garbage shall be done in a manner that will not create a nuisance, nor permit the transmission of disease, nor create a breeding place for insects or rodents—

(1) waste that is not disposed of by mechanical means shall be—

(A) kept in leakproof, nonabsorbent containers with close-fitting covers; and

(B) disposed of daily;

(2) containers shall be thoroughly cleaned inside and out, each time they are emptied; and

(3) impervious plastic liners should be used.

(c) Handwashing facilities shall be available in, or immediately adjacent to—

(1) bathrooms;

(2) toilet rooms;

(3) sleeping areas; and

(4) kitchens.

(d) There shall be adequate insect screens on all windows and doors where needed and adequate janitorial equipment and storage space in each unit of the residential facility.

Chapter 7.—Administrative Support Services

Subchapter I—Functions, Personnel, and Facilities

Sec. 284. (a) Adequate, modern administrative support shall be provided to efficiently meet the needs of, and contribute to, program services for residents, and to facilitate support of a variety of resources, which may include, but need not be limited to, the following kinds of services: clerical, communication, dietary, financial, housekeeping, laundry, personnel, physical plant, records, safety and security, and supply and purchasing.

(b) Administrative support functions should be directed by a qualified administrator, trained and experienced to provide skilled and efficient coordination of these services, to adequately meet the residential facilities' program objectives. In larger residential facilities, provision may be made for both executive direction, via a chief executive officer (superintendent, director, and so forth), and administration of support services (via a business manager, and so forth). In smaller residential facilities, a single person may provide both program direction and administration of support services—

(1) the administrator of support services should—

(A) have at least a baccalaureate degree; or

(B) have completed formal graduate education in health administration or its equivalent;

(2) all administrative support personnel shall have sufficient understanding and appreciation of the nature and behavior of the mentally retarded and developmentally disabled resident, to assure that each employee's work and his or her relations to the residents contribute positively to their welfare.

(c) There shall be adequate office space, facilities, equipment, and supplies for the efficient conduct of all administrative support functions.

Part D—Standards for Community Facilities and Agencies; Programs for Mentally Retarded and Other Persons With Developmental Disabilities

Subpart 1—Individual Support Systems

CASE FINDING

SEC. 285. (a) For the purposes of this part the term "case finding" means the processes of systematically reaching into the community for the purposes of identifying persons in need of services provided pursuant to this title; alerting persons and their families to the availability of such services; locating providers of such services; and assisting persons to enter the service delivery system.

(b) Facilities and agencies receiving Federal assistance under this Act shall—

(1) establish written policies for its case finding program;

(2) designate a staff member to monitor and to follow up the case finding process;

(3) maintain evidence of its case finding activities in the following areas:

(A) identifying persons in need of services, locating services to meet their needs, and assisting them in entering the service delivery system;

(B) alerting relevant agencies and individuals of the importance of early detection, especially with high risk populations, and of their role as case finders;

(C) coordinating its case finding activities with the case finding activities of relevant agencies and practitioners; and

(D) reaching out to meet the expressed or unexpressed needs of the inarticulate.

ENTRY INTO THE SERVICE DELIVERY SYSTEM

SEC. 286. (a) "Entry", for purposes of this part, means actions taken by a facility or agency to bring a person in need of services into the service delivery system, and to the actions taken by such facility or agency immediately preceding and following actual entry.

(b) In addition to the requirements of section 302(b), facilities and agencies receiving assistance under this Act shall—

(1) establish written policies regarding its entry procedures, and stipulate in such policies that persons are accepted for entry services without regard to ethnic origin, sex, or ability to pay and without regard to the ability of the facility or agency to provide direct services;

(2) obtain, provide, or coordinate any services needed to facilitate entry, including assurances that—

(A) the facility's or agency's hours of operation shall be arranged to enable easy accessibility for total family units;

(B) staff members responsible for the entry interview shall be readily accessible;

(C) transportation shall be arranged, or a home visit made if necessary, for the initial interview;

(D) available sources of funding shall be identified for the person and his or her family;

(3) service, at the point of referral, any followup required to facilitate the person's entry into the service delivery system, and such facility or agency—

(A) shall obtain from the person and his or her family, and from other appropriate sources, the information needed to determine appropriate referrals;

(B) may use the recorded information to make appropriate referrals to other agencies; and

(C) shall have policies and procedures that define the conditions of discharge and procedures for reentry if needed;

(4) insure that the entry procedure shall be evaluated annually, and that such evaluation shall include maintenance of a log of requests for information, entries, referrals, follow-up services, dispositions, and reasons for rejection, the data from which log shall be reviewed as a basis for planning, evaluating, and modifying the facility's or agency's role and as a part of the community coordinating process, that such data is shared with other agencies for use in planning, evaluating, and modifying the service delivery system in such a way that it does not reveal the identity of the individuals.

FOLLOW-ALONG SERVICES

SEC. 287. (a) "Follow-along" as used in this part means provision for a continuing relationship with the person and his or her family, which may extend over the life of the person, for the purpose of assuring that changing needs are recognized and appropriately met. The facility or agency which provided services to a person shall remain available as a contact for persons who are no longer receiving services but who seek support or guidance with respect to needs formerly accommodated by such facility or agency.

(b) Facilities and agencies receiving assistance under this Act shall—

(1) provide follow-along services to persons as needed;

(2) educate persons it serves to seek follow-along the services when such services are needed to enhance the independence of such persons; and

(3) provide to each person served specific point of contact within the facility or agency, in order to receive follow-along service.

(c) Each facility and agency, together with other appropriate facilities or agencies, shall identify each person's primary follow-along agency, in order to promote efficient service and reduce duplication of efforts. The person and his or her family shall be informed by the appropriate facility or agency of the procedures for terminating or reentering a follow-along service program. Such facility or agency shall insure that the follow-along service assists with the transition to a new service, as necessary; that the person's right to privacy is not violated; and that the person's status is recorded at least annually. A facility or agency providing follow-along service may have access to any appropriate information in the person's records.

INDIVIDUAL PROGRAM PLAN

SEC. 288. (a) The individual program plan (hereafter in this section referred to as "IPP") is a written plan of intervention and action that is developed, and modified at frequent intervals, with the participation of all concerned. It shall specify objectives and goals, and identify a continuum of development, outlining projected progressive steps, and the developmental consequences of services.

(b) Facilities and agencies receiving assistance under this Act shall insure that—

(1) each person enrolled in a service has an IPP;

(2) the initial IPP is developed within five days after the person is enrolled in a service;

(3) the IPP includes, at a minimum, assessment data with respect to the person's sensorimotor development, communicative development, social development, affective development, and cognitive development;

(4) the objectives of the IPP are developed with the participation of the person, his or her family, all relevant agency staff members, and staff of other agencies involved in serving the client;

(5) each objective of the IPP is stated separately, sequenced within a time frame, and expressed in behavioral terms that provide measurable indices of progress;

(6) the IPP describes the conditions, activities, or barriers that interfere with the achievement of the objectives;

(7) the IPP specifies modes of intervention for the achievement of the stated objectives;

(8) the IPP identifies agencies capable of delivering the services required;

(9) the IPP identifies a designated focus of responsibility for utilizing and coordinating services provided by different practitioners or agencies;

(10) the IPP included day-to-day training activities designed to assist in attaining the stated objectives;

(11) the IPP is written in terms that are understandable to the person and his or her family;

(12) the IPP is reviewed at least quarterly in order to measure the person's progress, modify the objectives as necessary, determine the services that are needed, and provide guidance and remediation techniques to modify barriers to growth; and

(13) the IPP includes a written agreement that specifies the role and objectives of each party to the implementation of the IPP, and provides for at least semiannual review of the plan by all parties concerned.

PROGRAM COORDINATION

SEC. 289. (a) Program coordination is the process of establishing responsibility for implementation of the person's individual program plan. Such process includes providing support, procuring direct services, coordinating services, collecting and disseminating data and information, and monitoring the progress of the person.

(b) Facilities and agencies receiving assistance under this Act shall insure that—

(1) each person served by the agency is assigned a program coordinator responsible for implementing his or her individual program plan;

(2) the person and his or her family shall participate in the selection of the program coordinator, and that the program coordinator is identified to the person, to his or her family, and to appropriate staff members;

(3) the program coordinator attends to the total spectrum of the person's needs including, but not limited to, housing, family relationships, social activities, education, finances, employment, health, recreation, and records;

(4) the program coordinator determines whether or not the person's needs are being met, and how the person's needs are being met;

(5) the program coordinator arranges supportive services for the person and his or her family, locates and procures services outside the agency when needed, and coordinates the delivery of all services to the person;

(6) in order to keep the individual program plan up to date the program coordinator secures relevant data from other agencies providing service;

(7) the program coordinator provides documentation relevant to the review of the in-

dividual program plan required by section 284;

(8) the program coordinator monitors the operation of the services that are provided to the person; and

(9) the program coordinator facilitates the transfer of the person to another service or agency when such transfer is determined to be appropriate.

PROTECTIVE SERVICES

SEC. 290. (a) Each State which receives assistance under this Act shall establish a system of continuing legal and social protection which shall monitor programs and assist persons in securing their rights under law, and their entitlements. Each such State shall provide advice and guidance to persons and, if necessary, actively intervene in social and legal processes.

(b) Each State providing protective services shall insure that—

(1) the protective services function shall be independent of any facility or agency providing direct services;

(2) the programs of each facility and agency are monitored and audited to an extent which assures the receipt by each person served of all of the benefits, services, and rights to which they are entitled;

(3) services are provided to persons in congregate living situations, as well as those living alone or in families;

(4) protective intervention is provided in cases of abuse or neglect of either children or adults;

(5) no right of a person protected pursuant to this section may be abridged without due process, which shall include—

(A) notice to the affected person, appropriate family members, and other interested persons in advance of the proposed abridgement, and an explanation to the affected person and his or her family of the reason for such abridgment, his or her rights, with respect thereto, and the means for appeal from such abridgement;

(B) evaluation of the appropriateness of such abridgement by individuals professionally qualified to do so;

(C) the modification of the right shall be specific to the person's ability to exercise that right; and

(D) opportunity for judicial review.

(6) there is provision for periodic review of the need to abridge the right of any person, and for restoration of any right that is abridged, should the circumstances justify its restoration;

(7) each facility and agency shall participate in educating law enforcement agencies and the local bar association concerning the nature of mental retardation and other developmental disabilities, and the special needs of persons with such disabilities, and that each facility and agency shall make its resources available to law enforcement officials in the event that such persons are subjected to arrest, questioning, or detention;

(8) each facility and agency shall work with law enforcement officials and the courts in establishing a system for processing the developmentally disabled offender that provides recognition of diminished responsibility and a means for avoiding unnecessary or undue confinement; and

(9) each facility and agency shall instruct each person it serves concerning the law and how he or she may obtain assistance if arrested, and shall provide any such person who has communication problems, or who desires this service, with a means of identifying himself or herself to law enforcement officials.

PERSONAL ADVOCACY SERVICES

SEC. 291. (a) Personal advocacy services include the provision of competent individuals to assist mentally retarded and other developmentally disabled persons to cope with problems, including the exercise of their personal and legal rights.

(b) Each facility and agency providing personal advocacy services shall—

(1) identify persons needing personal advocates;

(2) select, recruit, and train volunteers as advocates;

(3) assess the ability of each volunteer to perform competently as an advocate;

(4) provide practical assistance to personal advocates, and secure any legal and professional services that may be needed by the advocate for the person;

(5) mediate the assumption of a legal role, such as guardian or adoptive parent, by a personal advocate;

(6) evaluate the performance of each advocate and the adequacy and effectiveness of the personal advocacy services program at least quarterly;

(7) have written procedures for terminating advocacy service at the request of either the advocate or the person;

(8) solicit recommendations of advocates and persons with respect to the expansion or modification of personal advocacy services;

(9) publicize the program to consumers, interested citizens, and cooperating agencies; and

(10) prepare and publish material for use in orienting and training personal advocates.

(c)(1) Each personal advocate assigned pursuant to this section shall monitor individual program plans for persons assigned to him for advocacy services.

Each such advocate shall be known to the client program coordinator and to the protective services worker assigned to the person.

(2) In accordance with the needs of the person, the personal advocate's functions and supportive social activities shall include, but are not limited to—

(A) providing companionship in activities of daily living;

(B) providing assistance in solving problems of daily living;

(C) supplying missing or needed affective relationships, as parent or sibling substitute, or as friend;

(D) working to increase the person's competency and independence;

(E) helping to obtain needed services; and

(F) challenging agency practices that appear to discriminate against the person.

(3) Each facility and agency shall coordinate its activities with personal advocacy services personnel to insure that the persons it serves receive personal advocacy services if needed. If personal advocacy services are not otherwise available, the agency shall proceed to establish them.

GUARDIANSHIP SERVICES

SEC. 292. (a) Guardianship services are those services provided by a person in a public or private agency who is serving as a guardian when there is no suitable relative or friend available to assume this responsibility for the person receiving services.

(b) Each facility and agency assisted under this Act shall—

(1) assist the person, his or her family, and the court in determining the need for guardianship, including a determination of whether guardianship of either the person or the property or of both is needed, whether such guardianships should be combined or separate and, where State law provides for both plenary and limited guardianship, the appropriate level of guardianship;

(2) assist the person, his or her family, and the court in assuring that a qualified private individual or a qualified individual in a public or private agency is available as a guardian to such person, insuring that no individual or agency who is responsible for rendering a direct service to a person will also be appointed guardian of that person;

(3) if State law provides for corporate guardianship (guardianship by an organization rather than by an individual), assist in establishing procedures that will eliminate conflicts of interest;

(4) assist the guardian in understanding mental retardation and other developmental disabilities, and in fostering increased independence on the part of his or her award;

(5) assist guardians to become more effective in securing the rights, benefits, and services for their wards' needs, and to which they are entitled; and

(6) the agency shall work with the client, his or her family, and the court to insure that all guardianship procedures provide for due process.

(c)(1) In those cases in which a guardian is compensated for his or her services, the facility or agency shall demonstrate its efforts to insure that such compensation is in accordance with actual duties performed, rather than based solely on the income or assets of the ward and that no person will be denied legal guardianship services due to inadequate resources.

(2) The agency shall assist the client, his or her family, and the court in assuring that timely and appropriate procedures are available for the orderly continuation or reestablishment of guardianship upon the attainment of the age of majority, or for the person who otherwise needs continuation or reestablishment of guardianship, and, where appropriate, the appointment of a suitable successor guardian.

(3) The agency shall further assist the person, his or her family, and his attorney in the appropriate utilization of property management devices such as wills and trusts, educate the community concerning the need for and the availability of guardianship services, and if guardianship services are not available, the facility or agency shall establish one.

Subpart 2—Agency Service Components

PURPOSE

SEC. 293. (a) The client program coordinator shall assist in the carrying out of the individual program plan by selective use of the direct services available. Each facility and agency that supplies one or more services shall publish a clear statement of the extent and limitations of the service or services that it provides. Such facility or agency shall demonstrate a willingness to modify its services in relation to the needs of the person and his or her family, in relation to other services, and in response to community planning processes.

(b) Each agency shall be evaluated on the basis of the specific component services that it provides. Each of the service components described in this subpart shall be available within the service delivery system of each State.

INDIVIDUAL ASSESSMENT

SEC. 294. (a) Individual assessment means an empirical process to determine if, and to what degree, a person has developmental deficiencies, and what interventions and services are needed to increase the independent functioning of such person. The individual assessment shall identify the present developmental level of the person, the conditions that impede his development, and, where possible, the etiology of the disability.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide or procure assessment services, identify for persons it serves and their families those areas in which it is competent to offer assessment services, and have written procedures for referring the person to other agencies for assessment services that it does not provide;

(2) include in each individual assessment, in order to provide data for the individual

program plan, comprehensive assessments of sensorimotor, communicative, social, affective, and cognitive development;

(3) provide, through an interdisciplinary team constituted of members drawn from, or representing, such professions, disciplines, or service areas as are relevant in each particular case, a comprehensive medical examination, dental evaluation, visual and auditory screening, speech and language screening, and psychological and social assessments, including specialized assessments, where needed;

(4) insure that all State licensure, certification, and registration laws regulating the professional disciplines authorized to perform specific diagnostic tests shall be observed;

(5) assign specific responsibility for synthesizing, interpreting, and utilizing the results of the assessment components provided by different practitioners or agencies;

(6) insure that the assessment process is adapted to the cultural background, language, and ethnic origin of the person and his or her family;

(7) insure that assessment data are recorded in terms that facilitate clear communication across disciplines and with persons;

(8) insure that each assessment identifies the symptomatology of problems or disabilities, and, where possible, their etiologies;

(9) insure that the assessment process identifies all available alternatives for the selection of needed services, establishes a focus of responsibility for those services, and that such process involves the person and his or her family and that they are advised of the assessment findings.

(c) A preliminary individual assessment shall be completed within thirty days after entry. Reassessment shall be provided at developmental intervals during childhood, adolescence, and adulthood; provided at times of crisis; and available when behavioral responses indicate the need. Assessment reports may be sent to other facilities or agencies that provide services to the person and his or her family if written permission to do so is provided by such person or his or her family.

ATTENTION TO HEALTH NEEDS

SEC. 295. (a) Health needs include the needs for health care that are common to all persons, and any special health needs that arise from problems associated with mental retardation and other developmental disabilities.

(b) Each facility and agency receiving assistance under this Act shall—

(1) have identifiable procedures for the early detection and remediation of the special health needs of the person;

(2) provide or procure health assessments for each person served, including dental evaluations, at regular intervals, but at least annually;

(3) provide for the detection, diagnosis, and treatment of sensorimotor deficits;

(4) provide or procure corrective or prosthetic devices in accordance with specialists' recommendations, along with periodic reevaluation of corrective or prosthetic devices by appropriate professional personnel, to ascertain their continued applicability and fitness, and to recommend changes as needed, and instruction to parents and to pertinent staff members in the proper use and care of such devices;

(5) provide or procure home health services to foster implementation of the home aspects of the special health remediation program;

(6) insure that the special health needs of persons served are met by the generic resources of the community;

(7) provide that health supervision for disabled children shall conform to the regulations of the Secretary;

(8) provide nutritional services to assist in planning adequate and proper diets, including special diets when needed;

(9) provide services to develop functional oral systems such as sucking, swallowing and chewing;

(10) have written policy regarding the administration of all medications used by persons served, including those not specifically prescribed by the attending practitioner, except that no medication shall be administered to a person without a written order by a physician; and written policy specifying the procedures to be followed in medical emergencies, and in rendering emergency medical care;

(11) insure that each person who requires medication shall receive appropriate medical supervision, which includes regular evaluation of his or her response to the medication, with appropriate monitoring and laboratory assessment;

(12) have policies and procedures for persons with infectious and contagious diseases which conform to State and local health department regulations, and copies of such policies and procedures shall be available to all staff, persons served, and their families;

(13) include in its inservice training program instruction in the proper handling of persons with convulsive disorders, and insure that such instruction is given to all personnel who work with such persons;

(14) make available to persons served and their families specialized family planning services and genetic counseling services.

(c) Any facility or agency which does not provide specialized health services shall refer each person and his or her family to the appropriate agencies and follow up on such referrals.

ATTENTION TO DEVELOPMENTAL NEEDS

SEC. 296. (a) Attention to developmental needs means the provision of specific opportunities for growth and development.

(b) Effective programs for mentally retarded and other developmentally disabled persons shall be based upon a developmental model which assumes that (1) change and development begin at conception and continue throughout the life span of every human being, (2) human development progresses in a sequential, orderly, and predictable manner, (3) specific opportunities for development must be provided if development is to occur, and (4) the rate and direction of development are influenced by many factors, some of which can be significantly modified by utilizing and controlling certain physical, psychological, and social aspects of the environment. The objective of services which attend to developmental needs shall be to enhance development and increase adaptive behavior by modifying the rate and direction of behavioral change.

(c) Attention to developmental needs shall be made available by each facility and agency receiving assistance under this Act to every person served, regardless of age, or type or degree of disability. Programs shall be designed to (1) enable such persons to develop an increasing degree of control over his or her environment, and (2) to gradually produce more complex behavior patterns that increase the person's capacity to cope with his or her environment. The person's individual program plan must specify the progressive developmental steps and goals that are to be attained.

(d) Basic goals for development shall include understanding, appreciating, and caring for the natural world; promoting esthetic experiences and creating emotional stability; learning to perform work for reimbursement; and learning a critical or intellectual method by which to evaluate experiences and environment.

(e) The objectives of education and training programs shall be to maximize the person's development. Arbitrary time and age limits shall not be imposed on any process of education.

(f) Each facility and agency receiving assistance under this Act shall—

(1) assist in initiating developmental programs that begin in infancy and continue throughout the lifespan;

(2) insure that its program is determined by individual developmental needs, and is not contingent on age or time restrictions;

(3) implement in each person's individual program plan the progressive developmental steps and goals that are to be attained;

(4) define the responsibilities of both the agency and the family as they affect individual attainment of developmental objectives, and the communication mechanism;

(5) provide or procure formal education and training services that begin with early childhood programs and continue through post-secondary schools and vocational training activities including opportunities for continuing education and retraining without arbitrary time and age limits, and which are directed toward integrating the person in the most appropriate learning environment that is available in the community;

(6) insure that the objectives of its education and training programs shall be related to the long-range goals of its clients, to include the achievement of academic knowledge and the development of competence in activities of daily living;

(7) insure that education and training programs meet the standards established by the appropriate State agency and that instructional techniques, physical settings, and materials are appropriate to the ages and developmental levels of each person served;

(8) identify programs and services available to the person and his or her family from other sources, to reinforce and enrich its education program;

(9) document the person's participation in the selection of alternatives relating to activities of daily living;

(10) prohibit the use of corporal punishment and verbal abuse (shouting, screaming, swearing, name calling, or any other activity that would be damaging to a person's self-respect) and seclusion (defined as the placement of a person alone in a locked room); and

(11) have a written policy that defines the use of behavior modification programs, the staff members who may authorize their use, and a mechanism for monitoring and controlling their use, in which—

(A) noxious or aversive stimuli shall be employed only in very extreme situations and only when reviewed and approved by the agency's or facility's research and human rights committees, conducted with the consent of the client's family, and the use of such stimuli is described in written plans;

(B) medication shall not be used as punishment, for the convenience of staff, as a substitute for a program, or in quantities that interfere with a developmental program; and

(C) persons shall not discipline other persons, except as part of an organized self-government program that is conducted in accordance with written policy.

SENSORIMOTOR DEVELOPMENT

SEC. 297. (a) Motor development means the development of those behaviors that primarily involve muscular, neuromuscular, or physical skills, and varying degrees of physical dexterity. Sensory development includes the development of perceptual skills.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to sensorimotor development, including, but not limited to, the development of balance and posture, perceptual-motor skills, locomotor skills, manipulative skills, and body image; and shall evaluate and record each person's development at least quarterly;

(2) have specific programs directed to the

sensorimotor development of nonambulatory individuals;

(3) have individually prescribed sensorimotor development activities performed by each person regularly, where appropriate, which are designed to increase individual skills, strength, and endurance, modified in accordance with the person's progress toward his or her sensorimotor development objectives;

(4) provide direct services or obtain consulting services from professionally qualified persons to assist the person and his or her family in sensorimotor training; and

(5) demonstrate functional integration of sensorimotor activities and therapeutic interventions in the educational, social, recreational, developmental, or vocational programs that it provides.

COMMUNICATIVE DEVELOPMENT

Sec. 298. (a) Communicative development means the development of communication skills, transmitting meaning to others, either verbally or nonverbally.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to communicative development, and the progress of the person toward these objectives shall be recorded at least quarterly;

(2) provide appropriate training in the areas of sensory stimulation, awareness, appropriate gestures, receptive skills, speaking, writing, reading, listening, and expression;

(3) provide specialized services or procure to correct structural or habit deficits that interfere with persons' communicative development;

(4) provide for each person specific opportunities for the use of functional communication skills in activities of daily living; and

(5) provide instruction concerning the availability and utilization of all forms of communication media, such as radio, television, telephone, and such specialized equipment as may be required.

SOCIAL DEVELOPMENT

Sec. 299. (a) Social development means the formation and growth of self-help and interpersonal skills that enable a person to establish and maintain appropriate roles and maintain fulfilling relationships within his or her environment.

(b) Each facility and agency receiving assistance under this Act shall—

(1) insure that each individual program plan contains objectives relating to social development, and that the progress of the person relative to these objectives shall be recorded at least quarterly;

(2) provide for the development of culturally normative behavior by persons it serves, including a sequential life education program, opportunities for social development appropriate to the person's chronological age, and activities that promote the development of socially adaptive relationships with the opposite sex;

(3) provide activities for individual social interaction outside the training programs;

(4) provide programs to (A) assist the person with clothing selection and grooming appropriate to various social situations, such as work, school, church, and leisure time activities; and (B) as a part of the social development program, provide special training relating to safety in all activities of daily living;

(5) design a program for use by the person's family to encourage independent functioning through the acquisition of self-help and interpersonal skills;

(6) provide counsel for the person and his or her family concerning interpersonal conflicts, or conflicts arising from isolated or disorganized families, and if referral is made for counseling, it shall provide follow-up to insure resolution of the conflict.

AFFECTIVE DEVELOPMENT

Sec. 299A. (a) Affective development means the development of feelings and emotions, including behaviors that relate to, arise from, or influence, interests, attitudes, emotions, and values.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating to affective development, and the progress of the person toward these objectives shall be recorded at least quarterly;

(2) develop, with the client and his or her family, a plan for developing the expression of appropriate emotionl behaviors;

(3) provide a warm, accepting environment that is conducive to the development of positive feelings, including opportunities for the expression of appropriate feelings;

(4) provide for the development and enhancement of the person's self-concept through activities that promote awareness of self and the experience of success and security;

(5) provide a variety of experiences to develop the client's interest in and appreciation of the esthetic components of his environment; and

(6) provide specific training objectives for persons displaying maladaptive behavior that lead to more adaptive behavior, and maintain records of significant maladaptive behavior, and of actions taken by parents and staff as a consequence of such behavior, and, when necessary, provide specialized therapeutic techniques to develop constructive adaptive behaviors.

COGNITIVE DEVELOPMENT

Sec. 299B. (a) Cognitive development means the development of those processes by which sensory input is transformed, stored, recovered, and used, including processes and abilities involved in perceiving, recognizing, remembering, conceiving, judging, reasoning, thinking, and knowing.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include in each individual program plan objectives relating the cognitive development which are written in behavioral terms, and progress relative to these objectives shall be recorded at least quarterly;

(2) help parents to recognize and implement their roles in fostering the cognitive development of the child;

(3) provide initial activities in the development of cognitive skills at the most basic developmental level, including sensory stimulation;

(4) provide specialized services to remediate or compensate for specific barriers to learnings; and

(5) provide opportunities for alternatives leading to independent action, including evaluation of the consequences of the person's decisions.

SERVICES TO SUPPORT EMPLOYMENT AND WORK

Sec. 299C. (a) Each person shall be prepared for opportunities to engage in productive work or other meaningful occupation that leads toward making an economic contribution to society and securing a decent standard of living.

(b) Each facility and agency receiving assistance under this Act shall—

(1) include work objectives in each individual program plan directed to maximizing the independence of the person, which are established in cooperation with the person, based on a recorded evaluation of work potential, and which include the attainment of at least partial employability or self-support, or other meaningful occupation;

(2) provide opportunities for, and assist the client in the selection of, alternatives in vocational training and retraining;

(3) integrate its work and employment programs with the community by providing or obtaining occupational training, adjunctive therapy-bio-engineering consultations, or other services that are designed to maximize the person's level of work functioning; establishing locations in the community where on-the-job training takes place; facilitating the placement of persons in full-time employment at the Federal minimum wage or higher; providing or obtaining reimbursed work experiences for those persons whose evaluations document that they are unable to utilize or attain on-the-job training, full-time employment, or sheltered work in the community; and providing or obtaining follow along to insure that the employee has opportunity for job upgrading or reevaluation, in order to increase employment potential;

(4) provide the person with materials for productive work at his or her place of residence, when this is in his or her best interest;

(5) provide support to the person by helping him or her make constructive use of leisure time; assisting in the development of peer relationships in leisure time activities; and maximizing opportunities for increasingly independent living by minimizing the effects of the disability;

(6) maintain at least yearly contact with the advocate, guardian, family, or other responsible person to evaluate the work expectations and performance of the person;

(7) maintain documentary evidence of each person's production level earning rate;

(8) insure that persons who are paid for productive work shall be provided benefits that include, but are not limited to effective grievance procedures; provisions for paid vacations, holidays, and sick leave; workmen's compensation; provisions for health insurance and retirement; opportunities for continuing educational activities; and provisions for recognizing outstanding contributions to the agency; and

(9) utilize definitive time study procedures and competitive bidding practices.

RECREATION AND LEISURE

Sec. 299D. (a) Recreation means the satisfying use of leisure time. Recreation and leisure activities may be elements of a person's daily life in which participation may be planned, requested, or self-initiated to meet a basic need and to provide personal enjoyment.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide or obtain recreation and leisure time activities that are designed to allow the person to choose whether or not to participate, and to choose the type of activity in which he or she wishes to participate; develop skills and interests leading to enjoyable and satisfying use of leisure time; provide opportunities to be successful; provide experiences that develop social interaction skills; provide activities that promote physical and emotional health; and provide individualized therapeutic activities for the alleviation of disabilities and the prevention of regression;

(2) plan and organize recreation programs and activities to include a specific set of objectives for each person, based upon his or her individual program plan; assessments of the person's abilities and performance level, to determine the type of recreation activities that are appropriate; grouping of persons according to their expressed wishes and probable abilities; careful selection of the method of presentation, in accordance with the abilities of the participants; availability of and access to desired activities; communication and coordination with other agencies to develop wider opportunities in programming; opportunities to participate with nondisabled people; and parent and family education concerning leisure time activities;

(3) provide recreation activities to persons who are served by other agencies, and to others who are not served by any direct pro-

gram, through daytime activities for children; after-school activities; after-work and evening activities; weekend activities; and summer activities;

(4) if generic, community recreation programs are not available to the disabled, initiate action with appropriate agencies in order to make such programs available, including consultation and training services to generic agencies in developing and implementing programs for persons served;

(5) insure that recreation programs are available to severely and multiple disabled persons; and

(6) keep the population that it serves informed of all recreation opportunities.

FAMILY RELATED SERVICES

Sec. 299E. (a) Family related services are those that specifically serve both the person and his or her family, to include a range of services provided both within and without the home by a variety of agencies and disciplines. The term also includes services for a disabled adult who is married and has a family.

(b) All services provided to persons under this Act shall include consideration and involvement of his or her family, and the special emotional, social, and educational needs of the family must be recognized. Family members shall be assisted to increase their understanding of the impact of disability, to improve their understanding of the person and their relationships with him or her, and to mobilize their own strengths in coping with the disability in a constructive fashion. Instruction in ways of facilitating the development of the person, including training in specific management techniques, shall be provided.

HOME TRAINING SERVICES

Sec. 299F. (a) Home training services means specialized services that are provided to a person and his or her family in the home setting, an extension of his or her total program.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide home training services through a home trainer, who shall:

(A) develop with the family a developmentally sequenced management and training program that is a component of the individual program plan, and that is carried out in the home;

(B) instruct the family in how to carry out the program;

(C) provide for family use of specialized instructional material;

(D) provide information on developmental disabilities and developmental patterns;

(E) develop with the family a method of assessing the assets, liabilities, and level of performance of the person;

(F) assist the person and the family in incorporating the therapy offered by various disciplines into the daily regime;

(G) coordinate the person's activities with services delivered by others;

(H) demonstrate special procedures;

(I) help adapt home equipment;

(J) help the family make or identify resources for obtaining specialized equipment;

(K) assist the family with special clothing adaptations; and

(L) provide continuing support and assistance;

(2) coordinate its efforts with other agencies and services that are involved with the person and his or her family and if home training services are not available the facility or agency shall initiate such services.

HOMEMAKER SERVICES

Sec. 299G. (a) Homemaker services means services in caring for the family in the home during periods of need or crisis, and teaching family members techniques of home management.

(b) Each facility or agency receiving assistance under this Act shall insure that—

(1) homemaker services shall be available, when needed, to families with a disabled person living at home, and to disabled adults living in their own homes;

(2) the homemaker shall teach appropriate techniques of home management, including good health care, meal planning, marketing, budgeting, and housekeeping;

(3) the homemaker's home management skills shall be sufficient to meet a variety of family emergencies, include relief in a crisis;

(4) evaluation of the family's needs shall be made prior to the placement of a homemaker, and shall continue after the homemaker is in the home;

(5) the homemaker shall be apprised of the family situation prior to entering the home;

(6) the homemaker shall be prepared to assist with the training program of the person, so that he or she may remain in the home; and

(7) if homemaker services are not available, the agency shall initiate such services.

RESPITE CARE

Sec. 299H. (a) Respite care means short-term, out-of-the-home care of a person that is provided for the temporary relief of his or her family.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide day and night respite care services;

(2) identify to persons and their families other agencies that provide respite care;

(3) have a written plan for the recruitment, selection, training, and evaluation of persons who provide respite care;

(4) monitor respite care services to insure continuity with the normal living patterns of those being served; and

(5) if respite care services are not available initiate such services.

SITTER SERVICES

Sec. 299I. (a) Sitter services means in-the-home care of a person for the temporary relief of his or her family.

(b) Each facility and agency receiving asassistance under this Act shall—

(1) provide sitter services, available on an hourly or weekly schedule;

(3) have a written plan for the recruitment, selection, training, and evaluation of persons who provide sitter services;

(3) insure that sitter services presonnel shall have specialized training and experience in the management of disabled persons;

(4) if the agency does not provide sitter services, identify sources for obtaining qualified sitter services; and

(5) if sitter services are not available, initiate such services.

FAMILY EDUCATION SERVICES

Sec. 299J. (a) Family education services means the provision of opportunities for the family to increase its knowledge and understanding of mental retardation and other developmental disabilities, and of other concerns relating to the family unit

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide family education opportunities on a regularly scheduled basis and as family needs arise, in which family members are involved in the development and evaluation of family education programs; and in which family education techniques shall be adapted to the cultural, educational, and economic characteristics of the families being served;

(2) insure that family members have an opportunity to observe the person in a service setting, establishing procedures by which these observations are discussed with the appropriate staff;

(3) insure that planned conferences between staff members and individual families are held on a regularly scheduled basis, as needs arise, and either in or out of the home, as appropriate;

(4) provide parent-to-parent counseling activities for newly identified parents and in times of crisis;

(5) conduct group meetings for siblings of persons who are disabled;

(6) maintain a resource library relating to mental retardation and other developmental disabilities, available for use by the family, which includes basic information on mental retardation and other development disabilities, information on developmental patterns, information on techniques of management and training, information relating to attitudes and feelings toward, and understanding of, the developmentally disabled, and instructional materials, including games and toys, and information on their use; and

(7) have a planned program for mobilizing and utilizing parent leadership skills.

ATTENTION TO NEEDS FOR MOBILITY

Sec. 299K. (a) Mobility means the ability of persons to move within, and thereby interact with, their environment. Attention to needs for mobility means helping nonambulatory persons to become mobile or partially mobile, as well as enabling them to use public and private transportation systems to meet their normal needs.

(b) Each facility and agency receiving assistance under this Act shall—

(1) provide services to increase the mobility of disabled persons as specified in their individual plans, including services and equipment necessary to improve ambulation and to promote mobility, and training in mapping and orientation within the person's immediate environment;

(2) promote maximum safety in the use of all mobility devices and procedures, including inspection at least quarterly of all equipment used in the mobility program to insure that it is in proper working condition;

(3) actively strive to eliminate architectural barriers, and to modify equipment and facilities to overcome barriers, insuring that multistory buildings are equipped with elevators for the use of mobile nonambulatory persons, and that restrooms, water fountains, and other facilities are accessible for use by mobile nonambulatory persons;

(4) shall make driver education available to those persons who are capable of learning to drive;

(5) promote or help establish generic community transportation services that are usable by disabled persons;

(6) assist persons in securing transportation that enables them to have access to needed programs and services, including transportation after hours and on weekends;

(7) insure that the transportation system is licensed by a State agency; that a current State inspection report is available; that all drivers are trained and licensed; that adequate insurance coverage, including collision, comprehensive, and liability, is in force; that overloads are not permitted; and that transportation provided is adapted to the special needs of the persons receiving such service; and

(8) compile data concerning persons denied or excluded from services because of their unique mobility needs.

Subpart 3—Community Organization

PURPOSE

Sec. 299L. The service delivery system shall be so organized that each person has services available at the time of need, and in close proximity to his or her home. One agency or facility in the service delivery system shall be responsible for implementing a systematic method of collecting data useful for planning and coordinating activities, and shall make available to other facilities and agencies current information on the resources available in the community for serving mentally retarded and other developmentally disabled persons.

RESOURCE INFORMATION AND DATA DOCUMENTATION SERVICES

SEC. 299M. (a) A resource information service shall be established by the agency identified in section 299H to compile and disseminate current and complete listings of all appropriate resources, referred procedures, and other pertinent information. A data documentation service shall be established by the same agency to collect and disseminate data that is useful for planning and coordinating activities.

(b) Within each community a single agency shall provide a centralized resource information and data documentation service.

(c) Each community whose facilities and agencies receive assistance under this Act shall—

(1) maintain a resource information service which shall be an easily identified point of contact for professionals and agencies seeking assistance, and which shall:

(A) maintain a current directory of local resources;

(B) have directories of regional and State agencies and facilities serving the local area;

(C) have standing procedures for obtaining, cataloging, and updating information concerning resources and services;

(D) have written policies describing minimum standards for services to which referrals are made;

(E) have regularly followups on its referrals to determine if they were completed, and if they were appropriate to the request for assistance;

(F) analyze referral requests quarterly to determine changing needs and programs, and provide feedback for planning and coordinating purposes;

(G) actively disseminate information about activities, so as to facilitate the resources information and referral activities of other agencies and facilities;

(H) work with other agencies and facilities to improve resource information and referral services;

(I) make materials available for inservice training and community education; and

(J) provide consultation services to support community organization activities;

(2) maintain a data documentation service which shall coordinate its activities with those of other data collection agencies, so as to minimize duplication of effort and encourage the use of standardized reporting systems, and which shall:

(A) collect data at least yearly from all agencies and facilities in the service delivery system;

(B) provide consultation to local agencies in the design of agency reporting systems;

(C) disseminate data for community education and social action programs;

(D) regularly categorize the reasons that persons are rejected for service, and report this information to planning and coordinating bodies as a means of stimulating program modification and development;

(3) work with other agencies in the service delivery system to develop a continuum of services to meet all the needs of the disabled; and

(4) participate in a regular, at least annual, review of the service delivery system that includes, but is not liimted to, an analysis of:

(A) the design of system and agency approaches to solving problems;

(B) joint efforts among agencies and facilities to resolve problems in providing services;

(C) the need for integration of ongoing programs within the system;

(D) the identification and resolution of conflicting policies and practices;

(E) the identification and resolution of unnecessary duplication or uneven distribution of services;

(F) the need for simplification and combination of administrative, operational, and funding procedures;

(G) the coordination of data collection and the use of data to study the characteristics and needs of the community; and

(H) the development of standards for personal selection and performance, and for program evaluation.

COORDINATION

SEC. 299N. (a) Coordination means the process of bringing together all necessary resources in the appropriate sequence in order to accomplish a given objective. Coordination involves initiating, sustaining, and interrelating the various parts of the service delivery system.

(b) Each facility and agency receiving assistance under this Act shall—

(1) have a written statement that clearly defines its role and function within the service delivery system;

(2) have a directory of all other resources and services within the service delivery system;

(3) have cooperative agreements with other components of the service delivery system; and

(4) have established and written procedures for coordination with other components of the service delivery system, including procedures for coordinated planning of services with other agencies, referrals of persons to other agencies, and follow-up referrals.

AGENCY ADVOCACY

SEC. 299O. (a) Agency advocacy means a social action program in which an agency acts to support and safeguard the rights and interests of disabled persons.

(b) Each facility and agency receiving assistance under this Act shall—

(1) participate, where appropriate, with a coalition of other agencies in developing a coordinated plan for agency advocacy, and such a plan shall identify communitywide problems that confront disabled persons and their families, methods for resolving problems within the service delivery system, and strategies for resolving legal or legislative problems that compromise the rights and privileges of disabled persons;

(2) periodically, or as the need arises, make its findings and recommendations known to the public and to appropriate governmental bodies; and

(3) encourage and demonstrate the participation of persons served, their families, and their advocates.

COMMUNITY EDUCATION AND INVOLVEMENT

SEC. 299P. (a) Community education and involvement means an active program of ready, open, and honest communication with the public, aimed at creating community awareness of the needs of mentally retarded and other developmentally disabled persons, and at stimulating social action to meet those needs.

(b) Each facility and agency receiving assistance under this Act shall—

(1) conduct an ongoing community education program that is designed to create community awareness and acceptance of mentally retarded and other developmentally disabled persons, focusing specific attention on understanding the general and special needs of disabled persons, and on the right of disabled persons to participate in the mainstream of community life;

(2) establish a fixed point for collecting and disseminating information and have procedures for disseminating such information during a crisis;

(3) participate in making the community aware of the causes of mental retardation and other developmental disabilities;

(4) educate the general public concerning community programs that are available and needs that remain unmet;

(5) educate the community by employing a variety of techniques such as brochures on services currently provided, fact sheets describing program components, newsletters, audiovisual materials, a speakers bureau, program presentations, meetings, and seminars, school and college class presentations, a total media publicity program, including press releases, staff interviews, and consumer interviews, and a library and bibliography of books and publications for staff, families, and the general public;

(6) identify, and conduct informational sessions for, special audiences, such as public officials;

(7) conduct educational sessions for public and private officials on the advantages of normalized living arrangements for disabled persons, to promote the adoption of zoning ordinances that promote normalization, and licensing standards that promote normalization; and

(8) promote community involvement by methods that include, but are not limited to:

(A) using volunteers in the community education program;

(B) involving citizens in writing and contacting their legislators in support of needed legislation;

(C) sponsoring special events that appeal to broad community interests in support of program needs;

(D) conducting activities that express and recognize citizen support of program needs;

(E) recognizing community leaders for their participation in and support of new program developments;

(F) encouraging fraternal, civic, and social organizations to support programs for mentally retarded and other developmentally disabled persons; and

(G) encouraging organizations to invite mentally retarded and other developmentally disabled persons to become members, and to participate in activities with their peers.

PREVENTION

SEC. 299Q. (a) Prevention means the process of arranging forces in the society so as to mitigate or eliminate those factors which contribute to mental retardation or other developmental disabilities.

"(b) Each agency or facility receiving assistance under this Act shall—

(1) maintain current information concerning preventive services available in the community, including information necessary to make referrals;

(2) insure that preventive services are readily accessible to any family, regardless of the family's ability to pay for such services;

(3) make provisions for providing or procuring preventive services for all conditions known to entail risk of mental retardation or other developmental disability;

(4) have provisions for ongoing child health programs, including immunization, screening, regular assessment of physical and mental health, and periodic assessment of development;

(5) insure that highly specialized preventive services, such as genetic screening and counseling, are available, at least on a regional basis; and

(6) insure that services are offered to those who are not aware of their problems, or who are unaccustomed to asking for help;

(7) include current information concerning prevention in orientation and inservice training programs for staff;

(8) participate where appropriate, with a coalition of other agencies in implementing communitywide preventive activities;

(9) provide opportunities for young people and parents to learn about child develop-

ment and child rearing, designed to enable participants to understand children by appreciating the various stages of child development, and develop ability and confidence in child rearing;

(10) undertake preventive activities in environmental areas including; amelioration of conditions that adversely affect health, amelioration of social and racial discrimination, reduction of cultural conflicts, and working to make community resources accessible to those who need them;

(11) undertake biomedical preventive activities including: immunization programs that comply with standards established by the American Academy of Pediatrics, voluntary detection or screening programs for infections, voluntary detection or screening programs for endocrine and metabolic disorders, comprehensive health care programs for all women of childbearing age, family planning services, comprehensive prenatal care programs (including nutrition education and services, detection of abnormalities of the placenta and of blood group incompatibilities, and precautions to reduce complications due to radiation, medication, and drug abuse), and comprehensive natal and neonatal care programs to reduce risks due to mechanical, infectious, endocrine, metabolic, neurologic, and nutritional factors, and to toxic drugs; and

(12) undertake special preventive services including genetic screening and counseling and accident prevention and safety programs.

MANPOWER DEVELOPMENT

SEC. 299R. (a) Manpower development means the cooperative process through which the agencies in a community strive to assure the availability of an adequate present and future supply of qualified personnel to work in programs providing services to mentally retarded and other developmentally disabled persons.

(b) Each facility and agency receiving assistance under this Act shall cooperate with other agencies to assure the availability of an adequate present and future supply of qualified personnel through activities such as:

(1) establishing working relationships between agencies and nearby colleges and universities to,

(A) make credit courses, seminars, and workshops available to agency staff, in accordance with their needs, and as related to their occupations,

(B) make agency resources available for training and research, while maintaining the primary goal of serving mentally retarded or other developmentally disabled persons,

(C) permit exchange of staff between agencies and colleges or universities for teaching, research, and consultation,

(D) allow students to visit and observe agency programs, and

(E) allow students to participate in field placements that are supervised by agency staff;

(2) establishing working relationships with other nearby manpower training centers to,

(A) provide follow-up and feedback regarding the effectiveness of training programs,

(B) identify new manpower training needs, and

(C) evaluate manpower training programs yearly; and

(3) participating in training programs conducted by university affiliated facilities, where available.

VOLUNTEER SERVICES

SEC. 299S. (a) Volunteer services means an organized and carefully supervised activity in which the varied skills of unpaid personnel are utilized to support and supplement the efforts of paid agency staff.

(b) Each agency or facility receiving assistance under this Act shall—

(1) use volunteers to support and supplement the activities of its paid staff;

(2) follow established written policies concerning recruitment, selection, training, assignment, supervision, evaluation, recognition, and separation of volunteers,

(3) insure that volunteer participation is open to all persons regardless of sex, race, creed, age, or national origin;

(4) insure that volunteer participation complies with all appropriate State and Federal laws, including those relating to labor and insurance;

(5) insure that volunteer services are available to all persons served, regardless of age, ability, or handicap;

(6) designate a staff member to be responsible for conducting the volunteer services program who shall have education or experience in the administration of volunteer services, devote sufficient time to the administration of the program, in accordance with its size, and have the same relationship to volunteers as a personnel officer has to paid employees;

(7) maintain accurate records concerning volunteer services, including, but not limited to the types, hours, and results of volunteer services provided, individuals and organizations providing services; materials and moneys received, and operational expenditures; and

(8) provide a volunteer services advisory committee, composed of representatives from the agency, the consumer population and the community, plans, reviews, and recommends improvements in the volunteer program.

Subpart 4—Program Evaluation

PROGRAM EVALUATION

SEC. 299T. (a) Program evaluation means a process in which program outcomes are measured against the previously stated goals and objectives of the agency.

(b) Each agency or facility receiving assistance under this Act shall—

(1) have a written statement of its goals and objectives, insuring that such objectives are related to the objectives of the service delivery system of which the agency is a part, and to the identified needs of the population served by such service delivery system, and that such objectives define the population to be served, the services to be provided, and the modalities to be utilized in providing these services;

(2) periodically, and at least annually, evaluate its performance against its stated goals and objectives, including in such evaluation assessment of the agency's objectives, the relation of the agency's objectives to the objectives specified in the individual program plans, agency program standards, program methodologies, staff performance, staffing requirements;

(3) provide for staff, persons served and family involved in the evaluation process;

(4) measure the effectiveness of its programs and services in terms of the progress of persons served toward the objectives specified in their individual program plans;

(5) have procedures for continuous monitoring of the person's progress toward the objectives stated in his individual program plan;

(6) provide in its evaluation process mechanisms for the consequent review and modification of objectives, policies, and practices;

(7) insure where cooperative efforts among agencies are designed to achieve a common goal, provide that services are evaluated cooperatively and in relation to one another;

(8) have evidence of its cooperative efforts with other agencies to develop a continuum of services to meet all of the needs of mentally retarded and other developmentally disabled persons; and

(9) insure that the number of persons served by agencies in the service delivery system is consistent with the needs for service, as determined by a survey of community needs;

(10) insure that appropriate alternatives and options exist within the system to meet the varied needs of mentally retarded and other developmentally disabled persons; and

(11) provide its funding sources with qualitative evidence of accomplishments and shortcomings in relation to its stated goals and objectives, documenting its efforts to facilitate maximum coordination among its funding sources with respect to licensing requirements, required reports, accountability requirements, and delays between approval and receipts of funds.

Subpart 5—Research and Research Utilization

RESEARCH AND UTILIZATION

SEC. 299U. (a) Research means a systematic and detailed attempt to discover or confirm facts relating to the problems associated with mental retardation and other developmental disabilities. Research utilization shall include the dissemination of research findings and the use of such findings to improve services to and for mentally retarded and other developmentally disabled persons.

(b) Each agency and facility receiving assistance under this Act shall—

(1) indicate in its statement of purposes whether or not the agency will engage in research activities;

(2) provide a written policy concerning the purpose and conduct of all research involving the agency's staff, persons served, or services;

(3) consult agency staff members regarding the development of research efforts in their areas of competence and interest, and make available to staff members who have identified researchable problems, and who are equipped by interest and training to conduct applied or basic research opportunities, resources, and other necessary research assistance and insure that an agency staff member is assigned to provide liaison with each research project conducted by outside investigators.

(4) establish an interdisciplinary research committee that includes both agency staff members and qualified persons who are not members of the agency's staff who shall be qualified by training and experience to conduct initial and continuing reviews of research projects; and such committee shall review all proposed studies to insure adequacy of research design, implementation of ethical standards in the design, and compliance with the regulations published by the Department of Health, Education, and Welfare, maintaining a continuing review of all research activity;

(5) establish a human rights committee to assure that the rights and welfare of research subjects are protected, and such committee shall include disabled persons or their representatives, and relevantly qualified professionals who are not involved in the research project under review; and the committee shall insure that informed consent is obtained by adequate and appropriate methods, that methods for obtaining informed consent are reviewed at least annually, and that disabled persons are not used as a captive source of research subjects for purposes unrelated to their specific welfare, unless they or their families have agreed to the research, and the research is in no way detrimental to their welfare;

(6) provide procedures for obtaining informed consent that include:

(A) a fair explanation of the procedures to be followed, including an identification of those that are experimental;

(B) a description of the attendant discomforts and risks;

(C) a description of the benefits to be expected;

(D) a disclosure of appropriate alternative procedures that would be advantageous for the subject;

(E) an offer to answer any inquiries concerning the procedures; and

(F) an instruction that the subject is free to withdraw his or her consent and to discontinue participation in the project or activity at any time;

(7) insure that the written or oral agreement entered into by the subject includes no exculpatory language through which the subject is made to waive, or appear to waive, any of his or her legal rights, or to release the agency or its agents from liability for negligence;

(8) insure that the individual conducting research involving human subjects is affiliated with or sponsored by an agency that can and does share responsibility for the protection of the subjects involved;

(9) provide appropriate guidelines to deal with any emergency that may develop, even in the course of seemingly routine research activities;

(10) insure that investigators and others directly involved in research adhere to the ethical standards of their professions concerning the conduct of research and obtain informed consent from each subject, or have access to the record of informed consent;

(11) insure that the principal investigator of each completed research project is responsible for communicating to the staff of the agency the purpose, nature, outcome, and possible practical or theoretical implications of the research and that outside researchers have the same obligations relative to staff information and feedback as do agency staff members;

(12) insure that copies of reports resulting from research projects shall be maintained in the agency and that the agency assists in disseminating the results of its research to other units of the service delivery system, assuring that when research findings are made public, the anonymity of individual persons and parents is maintained;

(13) have a mechanism to review research findings external to the agency, and to implement those findings that will improve the quality of services being provided; and

(14) cooperate with programs of research and research training that are conducted by colleges, universities, and research agencies, or by other qualified investigators.

Subpart 6—Records

RECORDS

SEC. 299V. (a) The person's record is a compilation of data that provides the basis for planning and evaluating his or her individual program plan; that provides a means of communications among all staff members who are involved in implementing that plan; that furnishes evidence of the person's progress; that serves as a basis for review and evaluation of the agency's programs; that assists in protecting the legal rights of the person, the staff, and the agency; and that provides data for use in research and education.

(b) The establishment and maintenance of a functional records system shall be an essential activity of each community service program. Records shall document the services provided the person, and any action taken in his or her behalf, contacts with persons who were rejected for service, or who were referred to other agencies, shall be available to parents and persons served upon demand, and shall record only objective data and observable behaviors.

(c) Each facility and agency receiving assistance under this Act shall—

(1) insure that a record is maintained for each person that is adequate for:

(A) developing and continuously evaluating the individual program plan;

(B) providing a means of communication among all persons contributing to the individual program plan;

(C) recording progress in achieving the objectives specified in the individual program plan;

(D) serving as a basis for review, study and evaluation of the programs provided by the agency for its patients;

(E) protecting the legal rights of the person, agency, and staff; and

(F) providing data for use in research and education;

(2) insure that all information pertinent to the above stated purposes is incorporated in the person's record in sufficient detail and clarity to enable those persons involved in implementing the individual program to provide effective, continuing services, and insure that all entries in the record are legible, dated, authenticated by the signature and identification of the person making the entry, to the extent possible, written in nontechnical terms, and include symbols and abbreviations only if they are in a list approved by the agency's chief executive officer, and if a legend understood by the staff is provided to explain them;

(3) assist the family in establishing and maintaining a record to document its role plan;

(4) insure that the person's record shall be available to the family and that person upon demand;

(5) insure that the following information shall be obtained and entered in the person's record at the time of entry to the program:

(A) name, date of initial conduct, date of birth, citizenship status, marital status, and social security number;

(B) sex, race height, weight, color of hair, color of eyes, identifying marks, and recent photograph;

(C) name and address of parents, legal guardian, advocate, and/or next of kin;

(D) reason for entry, referral, or rejection;

(E) legal competency status;

(F) language spoken or understood;

(G) sources of support, including social security, veterans' benefits, and insurance;

(H) information relevant to religious affiliation;

(I) reports of previous histories, evaluations, or observations;

(J) age at onset of disability;

(K) name and address of family physician or health facility providing medical care; and

(L) medication history;

(6) insure that within the period of three months after initial contact, there shall be entered in the person's record:

(A) a report of the review and updating of the entry information;

(B) a statement of short-term goals that can be used for programing and placement;

(C) a comprehensive assessment and individual program plan, designed by an interdisciplinary team; and

(D) when possible, a diagnosis based on the American Association on Mental Deficiency (AAMD) Manual on Terminology and Classification in Mental Retardation; the Diagnostic and Statistical Manual of Mental Disorders, second edition (DSM-II), published by the American Psychiatric Association; or another accepted standard nomenclature;

(7) insure that record entries during the period of service shall include:

(A) reports of regular and specific reviews and evaluations of the individual program plan;

(B) observations of response to the individual program plan, recorded with sufficient frequency to enable evaluation of its efficiency;

(C) records of significant behavior incidents;

(D) records of agency contacts with the person's family or guardian;

(E) records of services provided, and attendance;

(F) periodic updating of the information recorded at the time of initial contact;

(G) appropriate authorizations and consents; and

(H) medication response profile;

(8) insure that a discharge summary shall be entered in the record within seven days after the time of termination of agency services, which shall include—

(A) a brief recapitulation of findings, events, and progress during the period of service;

(B) specific recommendations and arrangements for future programing and follow along services; and

(C) the agency's evaluation of the appropriateness of the reason for terminating agency services, when termination is contrary to the agency's recommendation;

(9) insure that all information contained in the person's record, including information contained in an automated data bank, shall be privileged and confidential, including assurances that—

(A) the agency shall be responsible for safekeeping of any record, and for securing it against loss or use by unauthorized persons;

(B) the record may be removed from the agency's jurisdiction and safekeeping only in accordance with court order, subpena, or statute;

(C) there shall be written policies governing access to, duplication of, and dissemination of information in the record;

(D) information in the record may be released only after the requesting individual or agency clearly documents the need to know; and

(E) written account of the person or his or her family shall be required for the release of information to persons not otherwise authorized to receive it;

(10) maintain an organized record system for the collection and dissemination of information regarding persons served, which is compatible with an existing community or State system; contains all information pertaining to the person; where particular professional services require the maintenance of separate records, includes a summary of the information entered in the person's unit record; and readily accessible to authorized personnel; are periodically reviewed to assure that they are current and complete, and that they meet agency, community or State standards; include a master index of all persons seen by the agency; and are retained for a reasonable period of time as specified by the agency;

(11) insure that statistical information includes at least the following:

(A) number of persons served by age group, sex, race, and place of residence;

(B) number of persons served by level of retardation, according to the American Association on Mental Deficiency classification;

(C) number of persons served by level of adaptive behavior, according to the American Association on Mental Deficiency classification;

(D) number of persons with physical disabilities;

(E) number of persons served who are ambulatory, mobile nonambulatory, and nonmobile;

(F) number of persons with sensory defects;

(G) number of persons with communication handicaps;

(H) number of persons with convulsive disorders;

(I) number of persons with emotional and behavioral problems;

(J) number of persons served by etiological diagnoses, according to the American Association on Mental Deficiency Manual on Terminology and Classification in Mental Retardation; the Diagnostic and Statistical Manual of Mental Disorders, second edition, published by the American Psychiatric Association; or **another accepted standard** nomenclature;

(K) number of persons with multiple disabilities, inclusive of numbers listed separately in preceding categories;

(L) movement of persons into, out of, and within the agency; and

(M) length of service; and

(12) insure that data is reported to appropriate community, State, and Federal agencies as required.

Subpart 7—Administration

PHILOSOPHY, POLICIES, AND PRACTICES

SEC. 299W. (a) Administration means that segment of an agency that determines its mission and purpose, and that is responsible for planning, organizing, directing, controlling, and coordinating the activities of the organization.

(b) Each agency or facility receiving assistance under this Act shall—

(1) have a written statement of philosophy that stipulates its mission, purpose, and role in the service delivery system:

(A) Copies of this statement shall be distributed to agency staff and shall be available to persons served, consumer representatives, and the interested public;

(2) insure that the ultimate aim of the agency is to foster those behaviors that maximize the human qualities of the disabled person, increase the complexity of behavior, and the enhance ability to cope with the environment:

(A) the agency shall accept and implement the principle of normalization, defined as the use of means that are as culturally normative as possible to elicit and maintain behavior that is as culturally normative as possible, taking into account local and subcultural differences; and

(B) the agency's philosophy and goals shall require the use of the least restrictive alternatives that are consistent with the developmental needs and objectives of its clients;

(3) facilitate integration by seeking to make generic services accessible to the consumer population when appropriate to its needs;

(4) insure that the agency and its service delivery unit shall be located within, and shall be conveniently accessible to, the population served;

(5) regulate its services and resources to those of all other agencies in its community;

(6) have a written statement of policies and procedures concerning the rights of the consumer population that;

(A) assures the civil rights of all persons;

(B) is in accordance with the Declaration of General and Special Rights of the Mentally Retarded of the International League of Societies for the Mentally Handicapped;

(C) is in accordance with the Bill of Rights for the Handicapped published by the United Cerebral Palsy Associations;

(D) is in accordance with the Bill of Rights adopted by the National Association for Autistic Children; and

(E) defines the means of making legal counsel available to persons, for the protection of their rights;

(7) have a written statement of policies and procedures that protect the financial interests of its consumer population and that provide for:

(A) determining the financial benefits for which consumer population are eligible; and

(B) assuring that consumer population receive the funds for incidentals and for special needs (such as specialized equipment) that are due them under public and private support programs;

(8) have evidence that the views and opinions of the person on matters concerning him or her are elicited and given consideration in defining the processes and structures that affect the person, unless the person is clearly unable to communicate in any way:

(A) The agency shall have written procedures for the appeal of agency decisions by a person or his or her family; and

(B) The agency shall have written procedures for notifying a person's family in the event of an emergency;

(9) have a waiting list policy and procedure that specifies the interim services to be provided persons who have not been admitted to programs. The agency shall provide assisted referral services to any persons upon request.

(10) require that services provided its consumer population by other agencies meet the standards for quality of services as stated in this title, and all contracts for the provision of such services stipulate that these standards shall be met.

(11) insure that residential services provided by the agency comply with the Standards of title II of this Act.

(12) have documentary evidence of its source of operating authority:

(A) A public agency shall have documents that describe the administrative framework of the governmental department in which it operates;

(B) A private agency shall have documents that include its charter, its constitution and bylaws, and, where required, its state license.

(13) insure that the governing body of the agency shall exercise general direction and shall establish policies concerning the operation of the agency and the welfare of the clients served:

(A) If the governing body is a board:

(i) its members shall visit all program components of the agency during operating hours; and

(ii) the agency shall provide orientation and training for new members.

(14) insure that the governing body shall establish a job description for the position of chief executive officer, including appropriate qualifications of education, experience, personal factors and skills:

(15) insure that the governing body employs a chief executive officer so qualified, and delegates to him or her authority and responsibility for the management of the affairs of the agency in accordance with established written policy. Procedures shall provide for the designation of an individual to be in charge of the agency when the chief executive officer is not available.

(16) provide for meaningful and extensive consumer and public participation in the development of agency policies, through the following means:

(A) If the agency has a governing board, its members include consumers and/or their representatives, interested citizens, and relevantly qualified professionals presumed to be free of conflicts of interest;

(B) If the agency does not have a governing board, its governing body actively seeks advice from an advisory board composed as described above; and

(C) The agency shall provide for periodic peer review, or consumer advisory committee assessment, of agency practices and services, including services provided by other agencies that support those provided by the agency itself.

(17) be administered and operated in accordance with sound management principles. The type of administrative organization of the agency shall be appropriate to the program needs of its consumers. The agency shall have a current table of organization that shows the governance and administrative pattern of the agency. The organization shall provide effective channels of communication in all directions.

(18) have a policies and procedures manual that describes the current methods, forms, processes, and sequences of events that are utilized to achieve its objectives and goals. These policies and procedures shall be:

(A) consistent with the needs of the agency's consumers;

(B) consistent with the agency's philosophy and objectives;

(C) consistent with currently accepted theories, principles, and goals;

(D) consistent with the resources available; and

(E) applicable to all services provided.

(19 have copies of the laws, rules, and regulations that are relevant to its functions.

(20) have implemented a plan for a continuing management audit to insure that:

(A) effective implementation of its stated policies and procedures; and

(B) compliance of its policies and procedures with laws and regulations.

(21) have a written plan for improving the quality of staff and services that reflects the staff's programmatic responsibilities in establishing and maintaining standards for services to clients:

(A) Each program component of the agency shall be licensed by the appropriate State agency; and

(B) The services of consultants not directly associated with the agency shall be available to the staff of each program.

(22) provide for effective staff and consumer participation and communication in the following ways:

(A) Staff meetings shall be held regularly;

(B) Standing committees appropriate to the agency shall meet regularly;

(C) Committees shall include client participation whenever appropriate;

(D) Minutes and reports of staff meetings and of standing and ad hoc committee meetings, including records of recommendations and their implementation, shall be kept and filed;

(E) Summaries of the minutes and reports of staff and committee meetings shall be distributed to participants and to appropriate staff members; and

(F) Summaries of the minutes and reports of governing board meetings shall be distributed to staff and to consumer representatives.

(23) have a sufficient number of appropriately qualified and adequately trained personnel to conduct its programs in accordance with the standards specified in this title.

(24) provide space, equipment, and an environment that is appropriate and adequate for conducting its program in accordance with the standards specified in this title.

(25) insure that funds are budgeted and spent in accordance with the principles and procedures of program budgeting:

(A) The fixed and incremental costs for adequate programing for the person shall be recorded;

(B) The budget requests submitted by the agency shall reflect its program needs, as developed by its staff;

(C) The budget requests submitted by the agency shall be documented and interpreted;

(D) Budget performance reports shall be prepared at appropriate intervals and shall be submitted to those staff and governing board members who participate in budget and management responsibilities; and

(E) There are provisions for rebudgeting of funds in accordance with changing program needs;

(26) insure that individuals acting on the agency's budget requests (such as board members, State budget officials, and members of appropriations committees) shall have firsthand knowledge of its operation and needs, obtained by regular visitation and observation of its programs;

(27) insure that a full audit of the agency's fiscal activities is performed annually

by a qualified accountant independent of the agency;

(28) insure that fiscal reports are prepared annually and communicated to the agency's public;

(29) insure that there are written purchasing policies regarding authority and approvals for supplies, services, and equipment;

(30) have insurance that includes, but is not limited to, insurance against public and professional liability, fire, theft, and disaster;

(31) provide that charges for services shall have a written schedule of rates and charge policies that is available to all concerned;

(32) insure that fundraising activities comply with local and State laws and with applicable ethical practices.

(33) insure that adequate services for personnel administration shall be provided by means appropriate to the size and function of the agency;

(34) provide a statement of its personnel policies and practices which insures:

(A) the hiring, assignment, and promotion of employees shall be based on their qualifications and abilities, without regard to sex, color, creed, age, irrelevant disability, marital status, ethnic or national origin, or membership in an organization;

(B) there shall be written job descriptions for all positions;

(C) personnel shall be licensed, certified, or registered as required by the State in which the agency is located;

(D) paraprofessional personnel shall be supervised by qualified and licensed, certified, or registered supervisory personnel;

(E) each professional staff member shall be familiar with and shall adhere to the code of ethics and standards of practice promulgated by his or her professional organization;

(F) all personnel shall be medically determined to be free of communicable and infectious diseases at the time of employment and annually thereafter. All personnel shall undergo a medical examination at the time of employment and annually thereafter;

(G) all employees shall be appointed for a limited probationary period in order to determine if they are capable of fulfilling the specific requirements of their jobs;

(H) each employee shall be evaluated at least annually after the initial trial period. The evaluation shall be:

(i) reviewed with the employee; and

(ii) recorded in the employee's personnel record;

(I) there shall be an authorized procedure, consistent with due process, for suspension or dismissal of an employee for cause;

(J) methods of improving the welfare and security of employees shall include:

(i) a merit system or its equivalent;

(ii) a salary schedule covering all positions;

(iii) effective grievance procedures;

(iv) provisions for vacations, holidays, and sick leave;

(v) provisions for health insurance and retirement;

(vi) permitting employee organizations;

(vii) opportunities for continuing educational experiences, including educational leave; and

(viii) provisions for recognizing outstanding contributions to the agency;

(K) a statement of the agency's personnel policies and practices shall be provided to all its employees;

(35) develop with each consultant, professional, and paraprofessional staff member a performance description of his or her assigned duties. Each performance description shall include, but not be limited to:

(A) the staff member's accountability for accomplishing mutually determined objectives;

(B) the staff member's role in implementing individual program plans;

(C) the development of outcome measures to evaluate the staff member's performance;

(D) specified performance evaluation techniques; and

(E) a signal performance description agreement between the agency and the staff member;

(36) provide a written statement of the agency's policies and procedures for handling cases of neglect or abuse of its clients. Alleged violations shall be reported immediately:

(A) all alleged violations shall be thoroughly investigated, using specified investigation procedures;

(B) at least preliminary results of such investigations shall be reported to the chief executive officer, or his or her designated representative, within twenty-four hours of the report of the incident;

(C) the results of the investigation shall be recorded in the employee's personnel record; and

(D) sanctions shall be involved when an allegation is sustained;

(37) Staff shall be sufficient so that the agency is not dependent upon the use of the consumer population or volunteers for productive services. There shall be a written policy for protecting persons from exploitation when they are engaged in training and productive work. Persons who function at the level of staff in occupational or training activities shall have the same privileges as staff, and be paid at the same legally required wage level when employed in other than training situations;

(38) insure that a staff development program is provided that includes:

(A) orientation for all new employees to acquaint them with the philosophy, organization, program, practices, and goals of the agency;

(B) induction training for each new employee, so that his or her skills in working with the consumer population are increased;

(C) inservice training for employees who have not achieved the desired level of competence, and opportunities for continuous inservice training to update and improve the skills and competencies of all employees;

(D) supervisory and management training for all employees in, or candidates for, supervisory positions;

(E) training programs designed to facilitate an increase in personal effectiveness, as well as lateral and upward movement;

(F) emphasis on interdisciplinary training programs;

(G) studies to assess the training needs of the staff; and

(H) participation of appropriate staff in staff development programs; and

(39) insure that provision is made for all staff members to improve their competencies by:

(A) attending staff meetings;

(B) attending seminars, conferences, workshops, and institutes;

(C) attending college and university courses;

(D) visiting other agencies and facilities;

(E) participating in professional organizations;

(F) conducting research;

(G) publishing studies; and

(H) having access to a professional library.

(40) If the agency provides food services, provide a written statement of goals, policies, and procedures that:

(A) shall govern all food service and nutrition activities;

(B) shall be in compliance with State and local regulations;

(C) shall provide for a planned, nutritionally adequate diet;

(D) shall contain provisions for feeding persons who have special needs, and for the development of self-feeding skills, including attention to such matters as the texture of food and needs for special diets, feeding techniques, and equipment;

(E) shall be prepared by, or with the assistance of, a nutritionist or dietitian;

(F) shall be reviewed regularly by the nutritionist or dietitian; and

(G) shall be distributed to agency personnel;

(41) Persons with special eating disabilities are provided with an interdisciplinary approach to the diagnosis and remediation of their problems, consistent with their developmental needs;

(42) Provide when food services are not directed by a nutritionist or dietitian, that regular consultation with a nutritionist or dietitian shall be documented; and

(43) Provide that copies of the daily menu shall be posted; and kept on file for at least thirty days.

(44) Insure that the requirements of the National Fire Protection Association Life Safety Code, shall be met, with specific reference to the following:

(A) provision of adequate and alternate exits and exit doors;

(B) provision of exit markings at each exit;

(C) provision of exit ramps, with nonskid surface and slope not exceeding one foot in twelve; and

(D) provision of handrails on stairways;

(E) There shall be records that document compliance with the regulations of the State or local fire safety authority that has primary jurisdiction over the agency;

(F) Aisles and exits shall be free from all encumbrances, and floors shall be uncluttered;

(G) Flammable materials shall be properly stored and safeguarded; and

(H) There shall be records of periodic fire safety inspections and reports;

(45) insure that records that document compliance with the sanitation, health, and environmental safety codes of the State or local authority having primary jurisdiction over the agency:

(A) Written reports of inspections by State or local health authorities shall be kept on file; and

(B) Handwashing facilities shall be available in, or immediately adjacent to, all restrooms, kitchens, and treatment rooms;

(46) have evidence that it is aware of the provisions of the Occupational Safety and Health Act of 1970;

(47) insure that insurance company written inspection reports and records are kept on file;

(48) have a written staff organization plan and written procedures, that are communicated to the staff and reviewed by the staff annually, for meeting all potential emergencies and disasters, such as fire, severe weather, and missing persons:

(A) the plan and procedures shall be posted at suitable locations throughout the agency;

(49) insure that evacuation drills are held at least quarterly for each shift of agency personnel, and under varied conditions and the results of each drill shall be recorded;

(50) insure that all buildings and outdoor recreation facilities after December 31, 1974, are accessible to, and usable by, the nonambulatory, and shall meet all applicable specifications for making buildings accessible to, and usable by, the physically handicapped;

(A) All existing buildings and outdoor recreation facilities shall be modified so as to conform to the above requirements not later than December 31, 1979; and

(B) Existing facilities shall provide,

(i) Entrance ramps wide enough for wheelchairs, not exceeding a rise of one foot in twelve, with non-slip surfaces, and with rails on both sides,

(ii) Doorways and corridors wide enough for wheelchairs, and

(iii) Grab bars in toilet and bathing facilities; and

(51) use paint that is lead free and insure that old paint and plaster containing lead shall be removed or covered in such a manner that it is not accessible to any person.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. RANDOLPH. Mr. President, 18 months ago, on behalf of the Subcommittee on the Handicapped, I requested the General Accounting Office to conduct a full review of the developmental disabilities program. In January of this year, we received a two-volume report from the GAO which dealt with Public Law 91–517, the Developmental Disabilities Services and Facilities Construction Act of 1970. The subcommittee took testimony from more than 30 witnesses and officials of the Department of Health, Education, and Welfare. After careful study of the GAO report and review of the testimony and statements of the witnesses, we have what the members of the Committee on Labor and Public Welfare unanimously agree is a comprehensive bill.

This legislation has been a joint effort; I commend Senators JAVITS, KENNEDY, STAFFORD, CRANSTON, and WILLIAMS for their continuing vigorous commitment to activities of our subcommittee.

This bill focuses on a program to assist States in developing a comprehensive plan which will bring together all of the resources available in a coordinated way so the developmentally disabled individuals are appropriately served. Our goals are to plan for and eventually provide emphasis on careful planning and evaluation. This legislation provides many changes in the programs and the way they are administered.

These changes include:

ADMINISTRATION

The Division of Developmental Disabilities will be moved from the Social and Rehabilitation Service into the Office of the Secretary of the Department of Health, Education, and Welfare. This recommendation has received the support of officials in the Department of Health, Education, and Welfare. We are pleased that they have agreed that this program should be placed in an administrative unit which focuses on planning and evaluation. This will assure the expertise the Secretary will require to develop an evaluation system to serve as a model which States may use to adapt to their own needs as they develop individual evaluation systems.

DEFINITION

Developmental disabilities are presently identified and limited to those suffering from mental retardation, cerebral palsy, or epilepsy. In the opinion of many in the professional community, the original definition omitted a large number of persons who were, in fact, developmentally disabled and who could greatly benefit from the planning and its resulting services mandated by this legislation. Therefore, S. 3378 would broaden the definition to include autism and specific learning disabilities. The committee has retained other existing requirements that first, the disability must originate before age 18; second, it must continue indefinitely; and third, it must constitute a severe handicap to the individual.

CONSTRUCTION, RENOVATION, AND MODERNIZATION

Funds for construction are to be used for the renovation and modernization of facilities in order to bring those facilities into compliance with standards developed pursuant to the Architectural Barriers Act of 1968.

SATELLITE CENTERS

There are several new approaches to improving the developmental disabilities program. Perhaps one of the most innovative ideas, proposed by the ranking minority member of the subcommittee, Mr. STAFFORD of Vermont, is the development of an outreach program by the university affiliated facilities—UAF's. This will be accomplished by the development of satellite centers by those UAF's which were constructed under Public Law 88–164. These satellite centers would provide a communication and support system which would make the knowledge, skills, and resources of UAF's available to urban and rural areas. It is hoped that satellite centers will be developed upon a base of existing services which would enable the funds to be used for expansion rather than initiation of clinical service programs. However, if a State does not have an existing, nonprofit clinical service program within a service agency which is appropriate for expansion, then Federal funds may be used for the initiation of new programs. This procedure takes advantage of a 10-year Federal investment in UAF's, eliminates duplication of efforts, and brings the highest quality services to developmentally disabled individudals at the community level.

NATIONAL COUNCIL

The National Council on Services and Facilities for the Developmentally Disabled must assume a more active role in the administration of this program. This can be accomplished by their working on planning and evaluation with the Secretary; together they will provide the thrust to make this program maximally affective. The expertise of the members of the National Council will be invaluable to the Secretary during the decision-making process on grants of national significance. These grants are the only discretionary funds allowed the Secretary; they are designed for projects of national scope which will provide a focus on issues which, first, cannot be attacked in a fragmented way and, second, are greater than one region or state could justify.

The National Council is for the first time placed in the Office of the Secretary and has designated members: the Deputy Commissioner of the Bureau of Education for the Handicapped, the Commissioner of the Rehabilitation Services Administration, the Administrator of the Social and Rehabilitation Service, the Director of the National Institute of Child Health and Human Development, the Director of the National Institute of Neurological Diseases and Stroke, the Director of the National Institute of Mental Health, the Assistant Secretary of the Office of Human Development, and three other representatives of the Department of Health, Education, and Welfare. At least 5 of the 16 civilian members shall be consumers of services for persons with developmental disabilities, or their parents or guardians.

STATE PLANNING COUNCILS

The State planning councils have been strengthened under this legislation in order to meet their greater responsibilities. Each council is to be appointed by the Governor. The committee has tried to develop a system by which the State planning councils can devote their time and energies to planning for the needs of the developmental disabilities community; this planning should take in the entire spectrum of relevant State and Federal programs. The burden of day-to-day administration of grants should not lies with the council, but with the State agency or agencies responsible for the expenditure of funds in accordance with a design for implementation which has been approved by the State planning council. In fact, the council is to act in a leadership advocacy and advisory role: to be responsible for the State plan, for the general direction and goals of the program, for the identification of gaps and of needs, and to provide the uniform planning authority that is needed for the maximum effective utilization of available resources.

STATE PLANS

The State plans, which are drawn up by each individual State Planning Council, must contain the following priorities and goals: First, to reduce and eventually eliminate inappropriate institutional placement; Two, to improve the quality of care and rehabilitation within institutions; Three, to provide early screening, diagnosis, and evaluation; Four, to provide counseling, program coordination, follow-along services, protective service, and personal advocacy; Five, to support establishment of community programs; Six, to protect the human rights of all persons with developmental disabilities; and Seven, to provide for interdisciplinary training programs for professional personnel. The requirements of the State plans make very clear the importance of coordinating existing services and planning for new community services to prevent the occurrence of developmental disabilities insofar as possible, to provide early diagnosis, treatment, and evaluation when the conditions are present, and finally to serve fully and adequately those persons who suffer from developmental disabilities.

TITLE II—BILL OF RIGHTS FOR THE MENTALLY RETARDED AND OTHER INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

This title is designed to establish minimum standards which residential and community facilities and agencies must meet in order to protect the rights of those individuals needing services. These minimum standards—in parts C and D—are guided by the principal of normalization of persons with developmental disabilities—to enable these individuals to live as normal lives as possible. Part B provides alternative procedures and criteria which facilities and agencies may use in lieu of compliance with the detailed standards in parts C and D. It provides for individualized written habilitation plans, a program coordinator for each person served, a system of personal and protective advocacy, record keeping requirements, and such minimum standards as visiting rights, prevention of improper admission to a facility, regular review of a person's status and progress, prohibition of mistreatment, provision of training, promotion of normalization, provision of educational opportunity, and rehabilitation to the highest possible level of function.

Mr. President, the endeavors of the Subcommittee on the Handicapped, which I am privileged to chair, are directed toward legislation and oversight of issues affecting all handicapped persons. The substantive direction of our efforts is toward the goal of equal rights to all handicapped Americans. Legislation such as the Developmentally Disabled Assistance and Bill of Rights Act is one of the cornerstones to the construction of programs that will meet these goals.

I commend the staff of the Subcommittee on the Handicapped, the staff of the members of the committee, and the staff of the legislative counsel's office: Jack Andrews, Jay Cutler, Patria Forsythe, Mike Francis, Ann Hocutt, Dr. Larry Horowitz, Bob Humphreys, Danny Murray, Ellie Parker, Louise Ringwalt and Lisa Walker. The hours of research and study performed by them, in cooperation with representatives of national organizations for the handicapped, was the basis for this vitally needed bill.

Mr. STAFFORD. Mr. President, it is always a pleasure to work with the distinguished Senator from West Virginia (Mr. Randolph) whose leadership in this field is well known.

Mr. President, I would like to share with my colleagues some of the items which I think are of immense importance to us as we look to providing the necessary services to the developmentally disabled community and all members of the handicapped community.

If my fellow Senators have had the time to read portions or all of the report prepared by the Rand Corp. on services for handicapped youths, they would find that while our hearts are right in what we want to do to help the handicapped individual, we had better start taxing our minds to try to begin the development of a coordinated system for delivery of the multitude of services needed for assisting the handicapped individual.

Mr. President, I ask unanimous consent that a portion of the overview of this Rand report be included in the Record at this time.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PROBLEMS OF THE PRESENT SERVICE SYSTEM

With nearly $5 billion expended by all levels of government annually, handicapped youth are receiving many needed services. Humanitarian concerns are clearly evident in the expansion of programs and services in recent years. There is no question that the government programs serving handicapped children and youth have very beneficial effects; however, the system faces major problems.

To ascertain problems, we tapped published material and agency data files, utilized a mail questionnaire soliciting views on problems from every major state agency serving handicapped youth in all 50 states, and interviewed dozens of families having handicapped children. To uncover and better understand problems, we looked at the system from a number of perspectives: those of the Office of the Secretary of Health, Education and Welfare; those of the state and Federal operating agencies; and those of the handicapped person and his family. We also looked at the service system disaggregated by agency, type of service, type of handicap, severity of handicap, age of the youth, geographic location, program, objectives, roles the Federal Government plays, and the functional mechanism used to implement the Federal program. Each view and disaggregation adds a different and important perspective to the problems summarized below and documented in the full report.

Problems described throughout the full version of this report can be grouped into five major classes, each of which is described below: (1) inequity, (2) gaps in services, (3) insufficient knowledge, (4) inadequate or deficient control, and (5) insufficiency of resources. Obviously these are not new problems, nor are they unique to this system. But from several different perspectives, they are critical and demand full examination. To begin this task, we compiled most of the available data to document their existence and extent; to complete this task, we will analyze these and other data to determine what might be done to resolve the problems.

INEQUITY

If one accepts the premise that federally supported services should be distributed fairly to the population in need, then, by any reasonable standard of fairness, a great deal of inequity exists in the service system for handicapped youth. There is marked unevenness in the accessibility to, and the level of, services. Each program area has large and often extreme variation in per capita expenditures and services delivered across states and among handicaps. Eligibility rules vary across agencies. Within states, the preschool children and rural youth are short-changed by the service system, as are certain classes of urban children.

For example, consider the vocational rehabilitation program: In 1970, the number of youth rehabilitated 100,000 of the general population aged 14 to 21 ranged from less than 100 per 100,000 in some states to over 500 per 100,000 in other states; and VR program expenditures per youth rehabilitated varied across the states from $800 to $4500. Next, consider the special education program area: The estimated portion of the handicapped youth aged 5 to 17 being served varies across the states from less than 20 percent to more than 90 percent, and the portion served varies among the types of handicaps from less than 25 percent of the hard-of-hearing or emotionally disturbed up to more than 75 percent of the speech impaired. Special education expenditures per youth served vary across the states for all handicaps from a minimum of $168 to a maximum of $2463. In some programs, there is an apparent tendency to "cream off" and serve the less severely handicapped youth (i.e., those requiring fewer services and having greater potential for success). Vocational rehabilitation and special education are cited as examples, not because they are worse than other programs, but because data are available on these two programs.

GAPS IN SERVICES

Certain critical types of services are neglected and underdeveloped, particularly the prevention service, the identification of those needing service, and the direction or referral service. We know, for instance, that in many geographic areas actual gaps exist in available services; however, without a meaningful local direction service there may be gaps in the mix of services actually provided to meet a child's needs, even if a full range of services actually exists. The present institutional emphasis on single types of services sometimes does not meet a handicapped person's total needs. Many services, which are usually the "underdeveloped" ones, are not the prime responsibility of any one agency. Other gaps exist regarding age (e.g., preschool deaf children are not receiving services important for their language development) and type of handicap by state (e.g., eligibility exclusions deny services to some types of children in one state, while in an identical type of program in a neighboring state different exclusions exist). The problem of an inadequate classification system for handicaps, with respect to needed services, also results in gaps or inappropriate services delivered to individuals.

INSUFFICIENT KNOWLEDGE

Management improvements in most program areas are hampered by lack of reliable data related to the benefits and effectiveness of programs serving handicapped youth. Usually, even if an agency collects management data, the data are limited to resource inputs and not to service outputs. (There are, however, occasional notable exceptions—the vocational rehabilitation program is a rare and commendable example.) There is also a problem of low quality or nonexistent planning and evaluation efforts stemming partially from the root problem of poor or nonexistent data. In most programs, methods to obtain high quality data on program effects have not been established. In some programs, no one really knows who is doing what for whom or with what effect.

INADEQUATE CONTROL

The vast system providing services to this Nation's handicapped children is varied, fragmented, uncoordinated, and not particularly responsive to an individual's total needs. The sheer number of institutions dispensing funds and services under many enabling legislations contributes to a situation in which no one individual or group of individuals plans, monitors, or controls the handicapped service system in any comprehensive fashion. Policymaking, funding, and operating decisions are often made by entirely different groups of people, based in each case on an almost total lack of data about program effectiveness; and as a result, accountability is generally very weak.

Agencies responsible for a service sometimes do not even have control over the flow of funds for that service; e.g., only about half of the Federal funds for educational services for the handicapped flow through the U.S. Bureau of Education for the Handicapped. Interrelations among agencies at the management level are often perfunctory at best, and in some areas responsibilities overlap considerably. For example, the Crippled Children's Service and the Medicaid program both fund medical services for needy handicapped youth, but generally do so without benefit of formal coordination in the states; and, in practical terms, education projects for the handicapped supported under ESEA (Title III) and EHA (part B) may be quite similar but are administered separately. Lack of control at the level of the individual service recipient is evidenced by the neglected and highly underdeveloped direction or referral service for matching the needs of the handicapped person with the appropriate mix of locally available services.

INSUFFICIENT RESOURCES

Current resources devoted to services for handicapped youth are clearly insufficient, if service to each person in need is the criterion. Large unmet needs exist; for example, in the special education area less than 60 percent of those in need are served. Inadequate resources (dollars, personnel, and facilities) was the problem most often cited in previous studies and reports, by special commissions, by officials in the agencies we interviewed, and in the responses to our mail survey. Still, resources are not the only problem, and a great deal could be done to improve the services themselves, the mixes of services delivered, and the institutional structure even if the present funding levels are not increased.

Mr. STAFFORD. Mr. President, this portion that I have included deals with the problems uncovered in the present service system and it breaks it down into five problem areas. They are: the inequities, the gaps in the services, the insufficient knowledge on the part of the administrators of the programs, the inadequacy of efficient controllers, and the insufficient resources to meet the needs.

We have always faced the fifth problem of insufficiency of resources to meet all the needs that we see have to be met in this country. However, I do not see any reason that we should have to have three of the other four problems since mainly these are administrative and managerial. In the case of inequities, this is a congressional problem that we must remedy.

I want to state at this point that I do not want my remarks to be taken as any support for the melding of the categorical programs that we now have into any broad generic program. I do feel that we must start looking for methods of bringing together for cooperation, coordination, and informational purposes those programs we have so that we may get the maximum feasible value of the limited dollars which we can now find to support these programs.

Our goal is to provide services and assistance to handicapped individuals and we should do it with programs which work together for one common goal; service to the individual.

Mr. President, in developing the new approach of title I of the development disabilities bill, I had this concern in mind. We must begin somewhere to give someone the authority and the initiative to start looking across bureaucratic agencies and program lines in an attempt to plan for the many needed services for one segment of the handicapped population.

The State Planning Council for the developmental disabilities programs has the authority to prepare the State plan and to monitor and evaluate the implementation of the plan. The council has the ability to coordinate the aspects of the many service plans which provide assistance to the developmentally disabled. This is an important first step in trying to provide a better delivery system to the developmentally disabled population and later to extend this concept to the total handicapped population.

In the bill before the Senate, we have restructured the State Planning Councils as advocates for persons with developmental disabilities who shall develop the State plan to provide for better coordination of all the programs in involving the developmentally disabled individual. The council, which prepares and approves the State plan and establishes priorities for the distribution of funds within the State, will be responsible for the monitoring and evaluation of implementation of the plan as it serves the individual.

It is our intent in drafting this legislation that the council appointed by the Governor of the State be made up of advocates for the developmentally disabled, agency heads, and the developmentally disabled themselves to provide for better coordination and expenditure of funds to serve this population. This council I believe is a crucial first step that the Congress must provide in order to give better service to the developmentally disabled citizen.

In conjunction with the new State council authority the State plan requirement has been changed to reflect the committee's approach to the developmental disabilities planning functions.

Under existing law, State planning councils perform two functions. First, that of the planner of services to the developmentally disabled community; and second, that of the grant administrator for the funds under the Developmental Disabilities Act.

The study of the developmental disabilities program conducted by the Comptroller General of the United States brought to the committee's attention that, in the case of most States, the planning function had taken a rear seat to the grant dispersing function.

Also under existing law, the developmental disabilities funds were not meant to provide a separate service delivery system to the developmental disabilities community, but through planning, State councils would identify gaps in existing service systems and fill these gaps in existing programs so that greater resources could be brought to bear on the problems of the developmentally disabled individual.

The GAO study pointed out that moneys did not necessarily provide the gap-filling function but were distributed to local agencies in such a way that the fund did not bear a relationship to the real needs of the developmental disabilities community.

Faced with the GAO study, the committee set forth to develop a system by which the State developmental disabilities councils could devote their time to planning for the needs of the developmental disabilities community. The committee also decided to relieve the burden on the council of the day-to-day administration of grants.

This bill, S. 3378, contains a system which provides for the cooperation between State agencies and State planning councils. The system is designed to relieve the State council of the grant administration function by placing such administration within a State agency, however, it does provide for the detailed listing of expenditures of funds for implementation of goals set forth by the State council. The funds can only be expended in accordance with a "design for implementation" which has been approved by the State Planning Council.

In the past the States have not fully responded to the priorities and the needs of the developmentally disabled community and the State Planning Councils could not respond because they split these resources among many projects so that the impact on programs serving developmentally disabled was insignificant.

By giving the State agency a share in planning and distribution of funds, it is the intent of the committee to bring about a coordination in the delivery of services to the developmentally disabled community.

The procedures set forth in the State plan section is designed to bring the State agency and the State Planning Council together in planning and delivering of services to the developmental disabilities community.

It is our expectation that the State Planning Councils and the State agencies will develop a close working relationship that will benefit the developmentally disabled individual.

Another provision I would like to address myself to is the philosophical orientation of the program in management structure. This bill requires the establishment of the Office of the Developmentally Disabled within the Office of the Secretary of Health, Education, and Welfare.

As my colleagues are aware, on March 5 of this year, I introduced S. 3108 which passed the Senate on the 11th of this month. This legislation would transfer the functions of the Rehabilitation Services Administration to the Office of the Secretary of Health, Education, and Welfare. At the time of introduction and passage, I expressed my philosophical concern that such programs that deal with the development of the human potential of an individual should not be buried in an administration that is primarily a welfare agency. I am glad that the committee has agreed with the philosophical intent that I expressed in S. 3108 for this human development program and has incorporated it into section 4 of this bill.

Another area of major significance in this bill is the provisions relating to university-affiliated facilities. As background for my colleagues, the basic concept of the UAF's is interdisciplinary training.

However, the concept of UAF has officially or in some instances, unofficially, come to mean involvement by the facility in several other activities besides training. The role UAF's have been mandated or encouraged to assume has expanded since the enactment of Public Law 88–164, the authority which provided the impetus to build many of these facilities.

Public Law 88–164, enacted in October 1963, intended UAF's to be clinical facilities which would serve three main functions:

First. Provide clinical training of physicians and other specialized personnel to serve the mentally retarded.

Second. Demonstrate new techniques—exemplary services—to diagnose, treat, educate, train, and care for the mentally retarded.

Third. Provide inpatient and outpatient services for the mentally retarded.

Public Law 90–170 in 1967 expanded the UAF's role to include persons with other neurological conditions that are related to mental retardation and to include research incidental to the facility's program.

A third major piece of legislation affecting UAF's was Public Law 91–157—developmental disabilities—passed in October 1970. It officially introduced the term "interdisciplinary training" to emphasize that UAF training should be cross-disciplinary in nature. Further, it directed UAF's to focus their activities on the developmentally disabled which included not only the mentally retarded, but also epileptics and cerebral palsied.

From the beginning UAF's have been funded from numerous sources which have slight relationships in goals and objectives to the developmental disabilities program.

After the initial building of facilities established under Public Law 88–164, UAF's were set loose to search out sources of funds to operate training programs. According to data supplied by the General Accounting Office, UAF's receive the backbone of their funds from the maternal and child health service provisions of section 511 of the Social Security Act. In 1973, the maternal and child health contributed $14.6 million to support training programs for 20 of the 33 UAF's in existence.

The bill before us reflects the view of the committee that the UAF's have much to offer the developmentally disabled community in terms of training, manpower resources, and the provision of interdisciplinary services as a function of their training programs.

It is the intent of S. 3378 to provide for better cooperation between the UAF's and the State Planning Councils to maximize the resources for the developmentally disabled community. Amendments I offered in subcommittee were adopted to facilitate a better planning and resource utilization process for the developmentally disabled individual.

The subcommittee adopted a system of UAF satellite centers located in areas where the need exists for the UAF resource and the placing of a representative of the UAF on every State council as a means to accomplish the desired coordination and cooperation for the developmentally disabled community. Simply stated, the goal is getting the necessary and needed services to the severely handicapped individual who is the focus of the program.

Finally I would like to address myself to a most important aspect of this bill. I refer to title II, the Bill of Rights for Mentally Retarded and other persons with developmental disabilities.

This title seeks to establish residential and community facilities and agencies for the protection of the rights of those individuals needing services and to develop alternative procedural and performance criteria that may be used by facilities to comply with standards of the title.

Title II was added to the bill to assist in the protection of the rights guaranteed under the Constitution for those individuals that will require institutionalization or the need for the use of community facilities and programs.

The residential standards were originally introduced by Senator JAVITS, and they form a major contribution toward the protection of the rights of the developmentally disabled individual.

The title is designed to provide that the system be evaluated on the outcome of the individuals receiving the services that either the residential institution or community facility is providing.

An amendment by Senator JAVITS and myself was adopted to establish an alternative procedure for compliance with the intent of the standards for residential and community facilities.

The goal which the standards in the title seek to achieve is one of development for the developmentally disabled individual who is in need of the services. The alternative procedural standards of our amendment—part B of title II—seek to measure a residential or community program's performance in terms of development of the individual receiving the services.

The alternative procedure does not attempt to set the criteria by which to evaluate development, but only seeks to establish procedural criteria for the protection of the developmentally disabled individual who is participating in the services.

The Secretary of Health, Education, and Welfare is charged with the responsibility for setting performance criteria after his 18-month evaluation study is completed and he is also responsible for the evaluation of compliance with the criteria.

Mr. President, title II of this bill is absolutely essential if we are to keep our commitment to the handicapped individual that he or she, like every other American, is protected by the Constitution.

Mr. President, in closing, this bill we are considering today is an attempt to meet the needs of the developmentally disabled individual and protect his rights, and this Senator urges his colleagues to support the passage of S. 3378.

Mr. JAVITS. Mr. President, today the Senate has before it S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act of 1974. I urge its favorable consideration by my colleagues.

This measure has broad bipartisan support, and was unanimously reported from the Labor and Public Welfare Committee. Title II of S. 3378 is based upon S. 458, the bill of rights for the mentally retarded which I authored and introduced originally in the 92d Congress with over 50 cosponsors. I am gratified that the same broad bipartisan support continues with respect to S. 3378 today.

The purpose of title II is to establish standards for residential and community facilities and agencies for the protection of the rights of those individuals needing services, and to develop alternative procedural and performance criteria that may be used by facilities to comply with standards of this title. It is organized as follows.

Part A sets forth general provisions for residential and community facilities and agencies serving mentally retarded and other developmentally disabled individuals.

Section 201: A definition section containing the necessary definition of terms used in title II. The term "developmental disabilities" is again defined here, and is consistent with the definition in title I. Also there is a definiton of "informed consent" which parallels that in the Human Experimentation Act.

Section 202: Establishes a national advisory council for residential and community facilities to review and recommend changes to the standards for facilities serving the mentally retarded and other individuals with developmental disabilities. Effective 90 days after enactment, the Secretary of HEW shall appoint the council which shall consist of 15 members. Such council shall be made up of members from appropriate public agencies providing services to individuals with developmental disabilities, professional and voluntary organizations representing people with developmental disabilities, and at least one-third of the council shall be consumers or the parents or guardians of individuals who are receiving services from publicly operated or publicly assisted residential and community facilities and agencies.

It is the duty and function of the council to advise the Secretary with respect to regulations promulgated under this title and on the standards set forth in parts C and D to study and evaluate the standards of parts C and D of this act and their effectiveness, conduct sight visits or studies and recommend changes in the standards, and to assist the Secretary in developing specific performance criteria for use in the alternative standards procedure of part B of this title.

The Secretary shall appoint members to the council within 30 days of the effective date of establishing the council and shall fill all subsequent vacancies within 30 days of their occurrence.

The council is authorized such sums as may be necessary for staffing and performance of duties in this section.

Section 203: Assessing compliance with standards. This section sets forth the mechanism by which a State must provide assurance to the Secretary that those facilities, both residential and community, must provide assurance for compliance with either the standards set forth in parts C and D of title II, and the establishment of a compliance plan, or that the residential or community facility or agency is meeting the requirements of part B of this title.

This section makes the Secretary responsible for insuring compliance with title II.

Any State desiring to receive assistance under this title shall submit a State plan setting forth the schedule for compliance of standards established in parts C and D of title II assuring reasonable State financial participation, demonstrating the need for continuing residential services, specifying how the State intends to evaluate and assess the compliance of residential and community facilities with the standards set forth in parts C and D of the title, provide for reviewing of this State plan by the State planning council, set forth a schedule of cost and demonstration procedures to assure that the primary emphasis on programs, relating to the mentally retarded and other developmentally disabled individuals will be to place these individuals in the least restrictive program and living environment commensurate with their capability.

Section 204: Authorizes such sums as may be necessary to help existing residential and community facilities and agencies to comply with the standards set forth in this title. The section also establishes a Federal share of 75 percent of the necessary cost determined by the Secretary.

Section 205: Maintenance of Effort. This section sets forth provisions for the maintenance of effort by States in relations to all Federal programs which have a bearing on those individuals in residential and community facilities and agencies to insure that the financial effort on the part of the State shall not be lessened with any increase in Federal aid. This language was developed in conjunction with the Office of Management and Budget and requires reports to the Congress of noncompliance with this section.

Section 206: Withholding of grants. This section provides that 5 years after the date of enactment of this title, no residential or community facility or agency for individuals with developmental disabilities shall be eligible to receive payments either directly or indirectly under any Federal law unless the facility meets the standards presented in parts C and D of this title or has demonstrated to the Secretary for a reasonable period of time that it has implemented requirements of part B of this title.

It provides in the case of withholding of grants to these facilities that the individual on whose behalf the grant or payments are being made shall not lose his entitlement and that the Federal Government shall hold these funds in trust for that individual.

Section 207: Evaluation and performance criteria. The section directs the Secretary of HEW to create an evaluation system of the performance criteria that is consumer oriented. Such system shall be developed in consultation with the National council, and transmitted to the Congress within 18 months of enactment of this title. $1,000,000 is authorized for this purpose in both fiscal year 1975 and fiscal year 1976.

Part B: Alternative criteria for compliance in lieu of standards for residential and community facilities and agencies, provided in parts C and D of this title.

Section 210: The purpose of this section is to provide for an alternative means for residential and community facilities to comply with standards set forth in parts C and D of the title by the use of specified procedural criteria set for in this part, by compliance with certain minimum standards set forth in this part, and by additional compliance with specific performance criteria developed by the national council and the Secretary and deemed necessary for the protection of the rights of individuals receiving services in residential and community facilities and agencies.

Section 211: Individualized written habilitation plan. The Secretary shall insure that an individualized written habilitation program is developed for every individual who is in or served by a residential facility, community facility, or agency for which standards have been established under this act.

Every plan shall be developed jointly by representatives of the facility or agency responsible for the developmentally disabled individual or his representative. Such plans shall be reviewed periodically but at least annually.

Such plans shall include the statement of long-term habilitation goals for the individual, intermediate habilitation objectives, statement of specific service to be provided, dates for initiation and anticipated duration, objective criteria, and evaluation procedures. The plan is intended to assure the greatest latitude of choice for the individual and shall be written in language that is as understandable to all concerned as possible.

Under subsection F the Secretary is required to specify detailed performance criteria to further evaluate the progress attained by individuals through the use of such habilitation plans.

Section 212: Program coordination. Every person served by an agency shall have a program coordinator who is responsible for implementing the person's individual written habilitation plan. It shall be the function of the coordinator to attend to the total spectrum of the person's needs and be the focal point of responsibility for the provision of service to that person. The person—where practicable—or his family shall participate in the selection of this coordinator.

Section 213: Protective and personal advocacy. Under this section the Secretary shall insure that provisions are made for the establishing of a system of protection and personal advisory service within each State to monitor programs and services to protect the human and legal rights of every developmentally disabled individual served by a residential or community facility or agency.

Such programs shall be independent of the agency providing direct service. The newly established agency shall set such an independent compliance mechanism which has authority to review all complaints regarding infringement of rights or denial of benefits. Decisions of the independent compliance board shall be subject to appropriate judicial review.

Section 214: Record requirements. This section requires facilities using procedure of part B to keep records that the Secretary may deem appropriate to evaluate the effectiveness and compliance with this part and that such facilities shall review those individuals refused for service and the reasons for their refusal at least semiannually and that the information shall be reported to the Secretary and the State.

Section 215: Minimum standards for use with alternative procedures. This section sets forth provisions which shall be required when a residential or community facility or agency selects to use part B in lieu of the standards set forth in C and D.

These minimum standards comprise basic necessities for the individual to develop without violation of his human or civil rights. These minimum standards set forth certain physical requirements for the facilities opting to use part B procedures and provides certain minimum protections of the human rights of the individual.

Part C: Provides detailed minimum standards for residential facilities as developed by the major accrediting councils and associations in the field of care for the developmentally disabled. These are minimum standards guided by the principal of normalization of persons with developmental disabilities, which insure that persons receiving services from residential facilities are protected from violation of their human and civil rights.

Part D: Provides detailed minimum standards for community facilities and agencies serving persons with developmental disabilities. These are minimum standards, developed by the same groups which developed part C standards, are consistent with part C and likewise are guided by the principle of normalization of persons with developmental disabilities while insuring that the human and civil rights of these persons are not violated when they receive services from community facilities and agencies.

CONGRESS MUST ACT

The tragic conditions of Willowbrook and other large institutions for the mentally retarded throughout our Nation must be ended. Television exposés which stir public indignation have failed to stir enough official action. No one denies the need for minimum standards to protect the basic human and civil rights of the mentally retarded. Yet years after this tragic situation became burned into the national conscience by disclosure of the situation in Willowbrook, Partlow, Rosewood, and many other facilities in this country, there is still inadequate direction, no adequate common focal point for improvement, no adequate national guidance.

It is for this reason Congress must act—to provide the national leadership our citizens demand, and to insure the human dignity of the mentally retarded which is their right.

S. 3378 provides this direction. The standards set forth in this legislation constitute a valid and realistic framework for improving the overall situation of this country's mentally retarded and other developmentally disabled citizens. It is the responsibility and duty of this Congress to enact S. 3378 to insure that this Nation will have a realistic, attainable goal toward which to strive in the field of mental retardation and developmental disabilities.

Mr. GRAVEL. Mr. President, as Senator RANDOLPH's bill of rights for the disabled (S. 3378) was brought to the floor today, I feel it extremely important to insure my colleagues are aware of a very criitcal and vital section of this legislation—that regarding the screening and early diagnosis of those with specific learning disabilities. Having introduced legislation which would identify children with specific learning disabilities, and after having personally suffered from dyslexia, as well as witnessing my son do the same, I know too well the importance of screening elementary education schoolchildren to insure early detection and treatment of this condition.

Statistics prove that children whose identification and treatment begin early in life respond faster and frequently better than those further advanced in age. It is during the formative years, when rapid development of the brain is taking place, that behavior is modifiable. With the increasing interest in early identification comes an increasing concern over the dangers of mainstreaming children into categories rather than isolating and effectively treating their mental or physical problems.

At its worst, screening for specific learning disabilities can produce labels and nothing more, while at its best, screening insures the accountability and responsibility over a child with specific needs.

Neurologic disorders, which affect a minimum of 3 percent of the Nation's schoolchildren, has become a recognized cause of school failure, emotional disturbance, and even juvenile delinquency. It is estimated that 20 percent of the school-age population may have learning problems of some sort—that is, more than the total population of New York City.

Despite the general public recognition and support of major programs to alleviate this situation, there remains a notable reluctance on the part of our education, political, and private institutions to respond boldly in opening the avenues of opportunity in our society to the exceptional among us.

The right of all children to be afforded equal educational opportunities in developing their full potential must not be denied to those with seemingly limited potentialities for making a contribution to society. It is our responsibility as legislators to insure that the right of every child to an education is guaranteed—that the right to an education does not belong only to the normal child—that the right to an education for every child is guaranteed in the equal protection clause of the Constitution.

It is appropriate and rewarding at this time to look back at what has been accomplished in this area, but it is more necessary to look forward to all that remains to be done. We must continue as concerned parents, legislators, and friends to respond to the challenge of educating exceptional children.

In view of the extreme importance of early diagnosis and identification of behavioral disorders in children, I am gratified may colleagues favorably considered this proposal earlier today. The present lack of services in proper identification compounded with the inefficient usage of those available services make clear the unfair burden being placed on families with specific learning disabilities.

We have debated and we have discussed the definition of specific learning disabilities. We have formulated and we have categorized the results of this condition. We must now continue to act decisively and swiftly to insure adequate diagnosis and treatment for those with this handicap.

Mr. HUMPHREY. Mr. President, over 9 million Americans today suffer from developmental disabilities. They truly constitute a "silent minority" in our society, and because they are unable to plead their own case, I speak today on their behalf.

Shocking abuses in institutions for the mentally retarded have been publicized in recent months, and some positive steps have been taken to improve the lot of these people. However, for so many developmentally disabled persons, some of whom have been institutionalized since birth, life is a perpetual nightmare, offering little respite from neglect, physical abuse and inadequate medical care. They lack the educational opportunities to help them realize their own capacities for self-fulfillment. Many are given regular doses of tranquilizers and do little more than vegetate. Isolated from society, they are given little opportunity to develop skills or patterns which would equip them to live outside the institution.

We wrongly assume that most mentally disabled persons are unable to take care of themselves. In reality, all developmentally disabled persons have varying capacities for learning. With proper training, approximately one-third of these people could be integrated into society. Many could become totally self-reliant.

Those severely disabled persons who must be institutionalized indefinitely are no less deserving of basic human rights than their more fortunate brothers and sisters. I am staunchly dedicated to the struggle to improve conditions and services in such institutions and to the conviction that every human being should be afforded full opportunity to realize his own potential.

In recent years, we have learned much about how to help the handicapped. We know what kind of facilities they need. We have developed new innovative educational techniques, and we have gained some understanding of the nature of these handicaps. In order to provide the needed facilities, the specially trained teachers, and the specialized programs to effectively help handicapped people, we need a great deal of money.

It is my belief, however, that the cost of rehabilitation is repaid many times over when these people become productive members of society.

I want to offer my wholehearted support to the legislation before us today, S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act, of which I am original cosponsor. The authorization under the 1970 Developmental Disabilities Act expired last year, and the continuing appropriations which have sustained its programs expire today. Therefore, passage of this legislation, which extends and improves programs initiated under the 1970 legislation, is urgently needed.

This bill will do more than merely "extend and improve" existing programs. It establishes minimum operating standards for institutions for the developmentally disabled and authorizes funds to help bring publicly operated and supported facilities into compliance with these minimum standards.

This legislation creates a bill of rights for the developmentally disabled. It sets standards for more effective diagnosis of developmental disabilities, which would help avoid improper institutionalizations. It establishes a coordinating and planning mechanism at national and State levels, to help pull together resources to aid the handicapped. It urges States to develop alternative programs of care for the handicapped, with the objective of integrating all those capable into the outside world.

This legislation would make great strides in both the quality of general institutional care and in the development of community residential facilities.

President Kennedy's bold initiatives launched the first major Federal program for the construction of desperately needed facilities for the mentally ill and retarded. There has been encouraging progress since then, but not nearly enough. The 1970 Developmental Disabilities Services and Facilities Construction Act was an outgrowth and amendment to the Kennedy legislation.

S. 3378 will redirect programs so that more handicapped persons will receive direct benefits.

A CASE IN POINT: FOREST HAVEN

Many of my colleagues will recall my statements on problems at Forest Haven, the residential facility operated by the District of Columbia government for care and treatment of the mentally retarded. I will not reiterate here the long list of abuses to which many residents of this facility have been subjected. Forest Haven, like many such institutions, has suffered from severe staff shortages. With only one counsellor for every 30 residents, and a nurse-patient ratio of 1 to 14, it is easy to see why the residents here for the most part just exist, with minimal custodial attendance. The low wages paid to staff, its inconvenient location, and the redtape of hiring procedures together account for many staff vacancies.

At my request, the District of Columbia Department of Human Resources has outlined an 8-year program of improvement of Forest Haven, with an estimated cost of $8.2 million. It is an impressive plan, which includes expansion into a community-oriented system. It is directed away from the old "custodial approach," toward a therapeutic-rehabilitative approach.

In response to my request and the urgent appeals of others, the Senate Appropriations Subcommittee on the District of Columbia has sought to provide additional funding to enable the hiring of more staff persons at Forest Haven.

Committee consideration has also been given to further funding for program and facility improvements.

It is a national disgrace and an affront to human dignity that conditions such as those at Forest Haven are allowed to exist in this affluent country of ours

IMPORTANT INNOVATIONS IN MINNESOTA

My own State of Minnesota has made some significant progress in the area of providing services for the developmentally disabled. A Rand Corp. study recently named Minnesota as a leading State in its efforts for the handicapped.

With Federal assistance, State planning and advisory councils have been organized, composed of consumers of services, heads of appropriate public agencies and project sponsors. The council includes seven standing committees which develop recommendations for further State legislation, to establish standards for facilities, to make funding decisions, and to educate the public.

Five regional planning groups have been established and several projects are now underway in Minnesota, including one "early intervention" program to detect and treat symptoms of developmental disabilities in infants; a program sponsored by the Minnesota Association for Retarded Children to establish new residential facilities in local communities; and a project sponsored by the Minnesota Epilepsy League to locate epileptics and help them to obtain services.

Unfortunately, Minnesota, like other States, suffered from severe Federal cutbacks in assistance for social services, making the task that much harder. But Minnesota is still a good example of what can be done.

OTHER SENATE BILLS ON BEHALF OF THE HANDICAPPED

Several legislative proposals to aid the handicapped are now under congressional consideration.

It is important that action be completed without delay on H.R. 14225, the Rehabilitation Act Amendments of 1974. I am hopeful that the House will accept amendments to this legislation, recently passed by the Senate.

While the Senate did not take favorable action on my amendment to provide for a demonstration program on wage supplements for handicapped persons in sheltered workshops, it is my expectation that this long unmet need will finally be addressed directly by the Senate Labor and Public Welfare Committee during hearings early in the next Congress.

Certainly, providing a wage supplement such as I propose is a small price to pay for enabling a handicapped person to achieve some self-reliance or partial independence, when compared with the cost of permanent incapacity and institutionalization—often over $15,000 a year for the lifetime of the person institutionalized.

The enactment, after previous Presidential vetoes, of the Rehabilitation Act of 1973, was a legislative landmark in congressional efforts to establish firm national policies on providing comprehensive services to handicapped persons. I am gratified that this law includes several provisions based on legislation which I originally sponsored, including measures to affirm the equal protection of the civil rights of handicapped persons in all programs receiving Federal assistance, and in employment under Federal contracts.

I have also been encouraged by Senate legislative initiatives to affirm the right of several million handicapped children in America to obtain an education, in response to court decisions providing a clear mandate that this vital opportunity shall no longer be denied.

The Senate last spring passed an amendment which I cosponsored with Senator MATHIAS, to the education bill, H.R. 69, to provide over $600 million for the education of handicapped children. This is an emergency, short-term measure, which is badly needed at this time.

I have recently joined other Senators in urging that initial funds be made immediately available under pending supplemental appropriations legislation.

Present funds for teaching the handicapped are pitifully low. Appropriations in the last year usually totaled only 17 to 18 percent of the authorizations.

Legislation which I introduced, S. 2095, would help to reverse this distorted sense of priorities by requiring States to spend at least as much on education for the handicapped as for other students in order to be eligible for any Federal education-aid funds.

To address long-range educational problems, I have also cosponsored S. 6, the Education for All Handicapped Children Act, to establish a permanent program of educational aid for the handicapped.

This legislation encourages deinstitutionalization and efforts to place handicapped children in a normal living environment.

The health, as well as the education, of handicapped children should now be placed high on the list of our national priorities. I have sought to address this urgent need through a series of provisions in S. 3106, the Child and Maternal Health Care Extension Act, which I introduced last March. This bill includes a requirement that State plans incorporate comprehensive services on behalf of all children with handicapping conditions, in programs receiving Federal assistance under title V of the Social Security Act.

Legislation on national health insurance must address the child health care crisis in America. Our children must be guaranteed the right to hope in the future, and a full opportunity to make the most of their God-given gifts and abilities. This is particularly true for children with various handicaps, who have been ignored and isolated in our society.

Finally, in this survey of Senate legislative action on behalf of millions of handicapped Americans, note should be taken of efforts to remove architectural and transportation barriers which these citizens would otherwise continue to confront in their daily lives. Senate-passed measures include S. 2651, which is similar to original legislation I introduced, to authorize airlines to provide free or reduced air travel fares for the handicapped.

CONCLUSION: S. 3378—A LONG-OVERDUE NATIONAL POLICY

Mr. President, S. 3378 is a refinement of innovative legislation introduced at the outset of the 93d Congress—S. 427, to extend and revise the Developmental Disabilities Services and Facilities Construction Act, and S. 458, to provide for the humane care, treatment, habilitation, and protection of the mentally retarded in residential facilities.

Mrs. Humphrey was privileged to present testimony on these bills at committee hearings on February 8, 1973. In her statement, she related her findings in a trip to the Soviet Union where she visited schools for retarded children.

In the Soviet Union, children are examined at birth for signs of mental retardation, and they receive subsequent follow-up examinations to note early signs of developmental disabilities. Handicapped children are sent to special schools with particular attention to individual instruction and provision of appropriate facilities and programs.

What Mrs. Humphrey witnessed at one institution which she visited was the antithesis of the conditions of many of our facilities for the handicapped. An impressive state-run boarding school, housing 150 children with "weak and strong manifestation of mental retardation."

There were 15 children in a class. The staff included a psychiatrist, a psychiatric nurse, 30 specially trained teachers and instructors. There was special emphasis on occupational training, a common feature in such schools. The atmosphere was cheerful. The kindergarten included a musicroom, gym, physical therapy room, and play yard.

It is interesting to note that in Russia teachers who work with retarded children receive higher wages than those working with normal children. The opposite is usually the case in the United States.

I see no reason why our handicapped citizens cannot be offered the same or better opportunities than those which are an integral part of the program of benefits for the developmentally disabled in the Soviet Union.

President Ford has proclaimed the week of October 6–12 as "National Employ the Handicapped Week," for which I commend him. I hope that the President, in this same spirit, will offer his support to the important legislation before us today, as well as to other initiatives on behalf of all hadicapped Americans.

Mr. President, now is the time to instill a spirit of cooperation and partnership at local, State, and National levels in developing programs for the handicapped. We must offer these "forgotten people" a genuine opportunity to find themselves, to know what it is to set their own goals and to achieve those goals. It is time we make restitution for our past injustices in the name of fiscal austerity. The vestiges of "second-class citizenship" have lingered on far too long for the handicapped and other segments of our American society.

Mr. SCHWEIKER. Mr. President, I want to express my strong support for S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act. I am pleased to be a cosponsor of this legislation, which has been reported out of the Committee on Labor and Public Welfare.

I am pleased that the legislation broadens the definition of developmental disabilities to include mental retardation, cerebral palsy, epilepsy, autism, specific learning disabilities, and other conditions. Therefore, the bill would provide assistance to many more of our Nation's developmentally disabled citizens than existing law.

Mr. President, over 6 million Americans suffer from mental retardation, over 2 million from epilepsy, 750,000 are afflicted with cerebral palsy, about 80,000 with autism, and nearly 500,000 American students suffer from specific learning disabilities. A large percentage of these citizens are so severely disabled that they require a lifetime of services in order to be able to function adequately for personal or social needs. Developmentally disabled persons often suffer from two or more overlapping conditions. Obviously, these individuals require programs to provide for their specific and multiple conditions.

The committee has determined that there is a need for continued Federal concern for the treatment and dignity of developmentally disabled citizens in terms of legislation and adequate financial support. The bill therefore provides that existing programs and services for handicapped individuals be coordinated in their planning by providing a focal point for the planning money in order to coordinate the delivery of services to our Nation's handicapped individuals. S. 3378 redesigns the existing program by setting up a cooperative relationship between the State planning councils and the State agencies responsible for the implementation of the State plans, in order that an integrated and efficient delivery of services to developmentally disabled individuals can be achieved.

The last 4 years have seen a dramatic increase in public awareness of the needs of institutionalized mentally retarded and developmentally disabled persons. This has been highlighted by scandals in many institutions, by court cases, and by the efforts of the communications media. Testimony before the committee demonstrated that standards in institutions for the developmentally disabled are urgently needed and that the Federal Government should play a major role in improving the care and services provided to developmentally disabled citizens.

Mr. President, also added to the legislation is a bill of rights for the developmentally disabled. This provision was originally introduced as a bill of rights for the mentally retarded, which I also cosponsored earlier. I am pleased that the committee has included this provision in the bill, because I feel the developmentally disabled in this Nation for too long have been treated as burdensome problems, rather than with the affection and care they deserve as human beings.

I strongly support four specific requirements in this bill of rights: Humane care, treatment, habilitation, and protection in residential facilities; strict quality and control standards for facilities; better standards to reduce inappropriate admissions; and programs to stimulate regional and community programs involving residential facilities. Too often developmentally disabled persons are "put away" in an institution and forgotten. It is now time to provide alternatives to locking persons up in institutions. Treating the developmentally disabled with more human dignity can bring additional benefits to themselves, their families, and to society.

In conclusion, Mr. President, I support this legislation not because it represents the end of our efforts in this area, but because it provides a basis for a new beginning in expanded services for our Nation's developmentally disabled citizens. I urge prompt Senate passage of this important measure.

Mr. BUCKLEY. Mr. President, I want to take this opportunity to express my thanks to the distinguished majority leader and the able managers of S. 3378 for acceding to my request that passage of the bill be delayed in order that I and other members of the Senate might have a chance to obtain and review the committee report. I did not raise any objections to the bill itself last week, but only to the fact that it was about to be whisked through this Chamber without the great majority of us knowing what was in it. At that time I noted that such a situation is all too common, and that I hoped the Senate would next year establish procedures to enable each Senator to have the time to give thoughtful consideration to each bill that reaches the Senate calendar. I intend to press for such new procedures, and I am happy to say that several of my colleagues have expressed interest in such a proposal.

As regards S. 3378, I have been able briefy to review the proposal, although I would have liked the time to look more closely at it. I find that on substantial balance, it is a good bill, one that will contribute significantly to the alleviation of the often unhappy plight of developmentally disabled individuals and will help many such individuals become productive, self-respecting members of our society.

For the record, however, I think it is useful to note that various administrative and technical problems and objections to the bill have recently been raised by HEW. I feel unable to address the merits of these concerns, but I think it would be useful to put the administration comments on the bill into the RECORD, and I ask unanimous consent that they be inserted at the end of my remarks. Perhaps the conference committee can consider them.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUCKLEY. Mr. President, there is one aspect of the bill that concerns me, namely, the extent of Federal control and regulation of State programs and activities. This issue exists in nearly all Federal categorical aid programs; the developmentally disabled programs are not unique in this respect. It seems inevitable that "he who pays the piper" will end up calling the tune. But the question of the proper and appropriate degree of Federal standards and regulations, both practically and theoretically, needs to be decided separately in each case.

Particularly in regard to the care of the disabled, this bill mandates strong Federal standards. I am generally opposed to requiring the States to follow a single Federal blueprint, particularly for operational activities. Perhaps a special case, here we are concerned with people who often cannot speak for or help themselves, and who have often been subject to widespread and severe abuses in the past. Had the bill been available for public review for a reasonable period of time, we might have had the benefit of constructive comments from any number of interested and informed persons. Which is why I hope our procedures will be reformed.

Exhibit 1

Administrative Objections to S. 3378

(Developmental Disabled Assistance and Bill of Rights Act)

TITLE I

1. Section 4 would transfer the Developmental Disabilities Program from the Social and Rehabilitation Service to the Office of the HEW Secretary. While there is no objection to the concept of transferring this program, the Administration does oppose strongly organizational change through legislative mandates which may limit severely the Secretary's management flexibility.

2. Section 111 increases authorizations for State allotments from $32.5 million (FY 74) to $50 million (FY 75), with authorizations increasing to $110 million (FY 79), and the proposed special projects authority would authorize an appropriation of $17.5 million (FY 75) with a gradual increase to $27.5 million (FY 79). Because of the need to restrain any increase in Federal outlays, the Administration objects to the authorization levels in S. 3378 and recommends that the bill authorize the appropriation of such sums as may be necessary.

3. Section 116 continues the present statutory requirement that the HEW Secretary approve all construction grants awarded from State fund allocations. The Administration favors deletion of this requirement in furtherance of its objective of returning responsibility to States and localities whenever it is appropriate to do so.

4. Section 119(a) requires the HEW Secretary to publish final regulations to implement this Act within 90 days of enactment. While timely issuance of regulations is necessary and desirable the Administration proposes (a) a 60 day from enactment requirement for publication of proposed rulemaking and (b) a 180 day from enactment requirement for publishing of final regulations. This proposal is designed to assure the States and other concerned entities of complete and adequate guidance in implementing the major and complex revisions set forth in S. 3378, as reported.

5. Section 121 requires the HEW Secretary to develop within 18 months from enactment of this Act a model evaluation system to be implemented by the States for all services delivered within each State to developmentally disabled persons. Given the breadth and complex nature of this requirement, this provision is impracticable. To accomplish the same purpose, i.e., development of an evaluation capability in the States, the Administration recommends that each State be required to develop, in accordance with guidelines promulgated by the Secretary, a

system for the evaluation of services to the developmentally disabled.

6. Section 122 establishes a new Special Project grant authority. In addition, Section 112(e) of S. 3378 would continue the separate authority for national significance projects funded from a maximum 10% set-aside of State allotment funds. Apart from the disadvantages of maintaining 2 separate project grant authorities, the Administration is opposed at this time to the increased outlays that could result from the additional authority for Section 122 special projects.

7. The Administration objects to the inclusion of the term "specific learning disability" in the definition of "developmental disability" and prefers that provision of the Administration-sponsored measure which would add only "autism" to the definition.

TITLE II

We recommend deletion of Title II because of its potential adverse impact on existing State Medicaid programs, on individual facilities, and on developmentally disabled persons.

Our major objections to Title II are as follows:

1. Title II would establish standards for facilities serving the developmentally disabled which duplicate the existing Medicaid Intermediate Care Facility (ICF) standards. Implementation of Title II would conflict with the implementation of Medicaid law already underway, and could cause considerable confusion and duplication of effort for State Medicaid agencies and facilities. In addition, much of the language in the proposed standards is unenforceable because it is admonitory in nature. The ICF Title XIX standards accomplish the objectives of Title II within a shorter time frame through language which we feel can be enforced and, if necessary, defended in court.

2. Section 203 would require the preparation of State plans related to facilities for the developmentally disabled which would duplicate the State plan requirements under Title XIX (Medicaid).

3. Section 206, which would withold *all* Federal funds from institutions and agencies not meeting standards in five years, would be administratively infeasible, would require a substantial increase in the Federal monitoring function and would apply to so many facilities and to so many sources of Federal funds that it could create a sizeable administrative burden. In addition, it would be extremely difficult to enforce.

4. Section 213 would create in each State a new fair hearing system unrelated to current systems of due process safeguards. The section is so broadly drawn that it could be interpreted to authorize the State agency administering the new system to overrule a Federal agency administering benefits or services to an individual.

We are advised by the Office of Management and Budget that there is no objection to the presentation of these views from the standpoint of the Administration's program.

Mr. CRANSTON. Mr. President, the legislation before the Senate—S. 3378, the proposed Developmentally Disabled Assistance and Bill of Rights Act—is the product of intensive study by the Committee on Labor and Public Welfare, and represents a major effort to clarify the purposes of the present Developmental Disabilities Act and to improve its implementation and administration, as well as to provide greater protection for the rights of individuals with developmental disabilities.

I would like to express my admiration for the initiative and insight into the problems of individuals with developmental disabilities displayed by the distinguished chairman of the Committee on Labor and Public Welfare, Senator Williams, by the ranking minority member of that committee, Senator Javits, as well as by the chairman of the Subcommittee on the Handicapped, Senator Randolph, and the ranking minority member of the subcommittee, Senator Stafford.

GAO REPORT

Mr. President, the bill which has been reported from committee provides for a clear exposition of the purposes for which support should be provided under the authorities of the act. Before undertaking an extension of this act, the subcommittee had asked the General Accounting Office to conduct an intensive review of programs supported by the act. The GAO study found there were wide variations between programs in the various States and, in addition, found programs in the same State supported under the two major authorities in current law—assistance to university-affiliated facilities and assistance to States for planning programs to aid persons with developmental disabilities — were frequently administered and operated without coordination and with different goals.

In addition, the GAO report found that there was wide latitude among the States as well as within the States as to the definition of a developmental disability, due to the lack of precision in current law in expressing congressional intent, and the Department of Health, Education, and Welfare's very limited interpretation of that intent.

DEFINITION OF DEVELOPMENTAL DISABILITIES

When legislation extending the act was first introduced, Mr. President, I expressed my intention to amend the act to make it clear that additional disabilities were to be included in the definition, and specifically, that autism was included.

I am delighted that the bill as reported from committee expends the definition of developmental disabilities to include autism. The most effective treatment programs for children suffering from autism to date have been very parallel to the type of programs established under the authorities of the Developmental Disabilities Act, so the inclusion of this disability will not add significantly to the costs of administering the act while, at the same time, making its benefits available to a group which has been excluded, unfairly I believe, from its programs.

Clarification of the definition of a developmental disability in addition should result in fewer variations and inconsistencies in programs administered under the authorities of the act.

UNIVERSITY-AFFILIATED FACILITIES

Mr. President, the university-affiliated facility—UAF—program partly supported under the authorities of the Developmental Disabilities Act, has been a valuable resource in training personnel to provide services for individuals with developmental disabilities, as well as in developing new diagnosis and treatment procedures.

However, these facilities exist in only 26 States at the present time plus the District of Columbia. To assure that the resources of these university-affiliated facilities are made available to those States not now having a facility, the bill provides that each existing university-affiliated facility may assess the needs of States within their geographic area with a view to assisting in the establishment of a satellite center where the needs assessment indicates one is needed. Such a satellite center would receive backup support from the university-affiliated facility and would, in turn, operate in close coordination with an appropriate institution or agency in its State in providing clinical services.

In providing this backup support and in conducting the initial assessment, the university-affiliated facility, efforts would be supported fully by Federal funds and matching funds provided by the State in which the satellite center would be established. I feel these university-affiliated facilities currently perform an outstanding function with very limited funding, and the additional costs involved in assisting in the establishment of satellite centers should not be out of funds needed to maintain existing UAF facilities. The reported bill fully protects the present level of UAF funding—$4.75 million—for existing programs.

COMMUNITY-BASED PROGRAMS

Mr. President, I believe one very clear basic goal has been enunciated in the legislation reported from committee. That is the need to move away from long-term institutionalization of individuals with developmental disabilities to the development of community-based programs utilizing all community resources related to treatment of habilitation of such individuals to provide comprehensive services in the home community.

However, in encouraging the movement to community-based programs, I recognize that the need for some long-term residential programs will remain. The bill specifically provides that where institutional programs are appropriate, adequate support should be planned for them so that necessary treatment and habilitation programs can be given residential patients to develop their full potential.

To reinforce the bill's commitment to these needs, the reported bill provides that for a State to qualify for support under its authorities, it must develop a State plan oriented to specific goals designed: One, to reduce inappropriate institutionalization and, two, to improve institutional care where such placement is appropriate.

The priority goals which a university affiliated facility must establish include these two specific goals as well.

The growing realization over the past decade that institutional placement of individuals with developmental disabilities is inappropriate to their full development to their maximum level of ability has been reflected in efforts in many States to develop alternative programs to State institutions. California has instituted such a program. However, in the transition to community-based programs, greater responsibility is placed on local governments to coordinate the several community programs which are called upon to serve individuals with developmental disabilities, such as medical services, social services, educational services, and specialized services for the specific needs of such individuals.

Mr. President, where the State's program has been primarily based on residential facilities, the State has attempted to bring all these services to the facility. As the programs are transferred into the community, these varied services need to be contacted and coordinated programs developed at the local community level so that each individual will have the benefit of all the programs to which he is entitled and which will help him achieve his full potential. California has begun to face the reality of this situation with the phase out of some of its State facilities.

This major change in the method of providing services for those individuals with developmental disabilities places a new responsibility on State plans for programs to provide services to individuals with developmental disabilities to assure full coordination of all related services at the community level do well as at the State level.

STATE PLANNING COUNCIL

Mr. President, to enable the State to carry out this new and expanded responsibility, S. 3378 specifically details the makeup and duties of the State planning council and places prime responsibility for development, preparation, and implementation of the State plan in the State planning council established by the act.

So the council can function with the authority required to plan and implement a program which will cut across the jurisdictional responsibilities of several State agencies, as well as local agencies, S. 3378 as reported requires that it include representatives of the principal State agencies, local agencies, and nongovernmental agencies and groups which are concerned with services to individuals with developmental disabilities.

The Governor, as chief executive officer, is responsible for appointments to the council to insure that the council will have the cabinet-level status required to develop a State plan which will coordinate programs of several State agencies where they relate to services for individuals with developmental disabilities. In addition, Mr. President, the membership of the council must include consumers of services or their parents or guardians, who shall make up at least one-third of the membership.

COORDINATION WITH OTHER PROGRAMS

The requirements of the State plan make very clear the importance of coordinating all State and community resources in the development of programs to provide services to persons with developmental disabilities. In addition, the State plan is required to take into account the services provided such individuals by other federally assisted State programs, such as vocational rehabilitation, education for the handicapped, and maternal and child health programs among others.

Mr. President, Federal programs which I believe are particularly complementary to programs providing services for persons with developmental disabilities are those authorized by the Domestic Volunteer Service Act of 1973—Public Law 93-113—which I authored.

That act provides for support of the training of citizens of all ages in volunteer services to the community, including specifically services for individuals with developmental disabilities, especially those with severe handicaps. The involvement of RSVP volunteers and Foster Grandparents seems particularly valuable, after appropriate training has been provided them, as individual patient advocates assigned to an individual with one or more developmental disabilities. In such a role, the volunteer can provide necessary support to that individual in his effort to function independently in the community. Other voluntary groups such as service organizations should also be encouraged to devote some emphasis to programs which can increase the availability of services or otherwise aid individuals with developmental disabilities.

VOLUNTEERS

Mr. President, I ask unanimous consent that a recent article in a publication of the California Department of Health, describing the benefits of involving the Foster Grandparent program—supported under Public Law 93-113—in an institutional program in California, be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOSTER GRANDPARENTS HELP AUTISTIC RESIDENTS AT NAPA

Autism is a psychological (perhaps physiological) phenomenon well-known in state hospitals that care for the mentally ill. Nearly 250 so-called autistic children and adults are in special programs conducted at Camarillo, Napa, and Metropolitan, among others. The word "so-called" is used because the diagnosis in some cases is not all that certain.

The common denominator among the autistic is self-motivated and socially unacceptable behavior, such as head-banging, clothes-tearing, verbal obscenity, and open masturbation. The autistic patient usually lacks the ability to relate to people or objects. Their apparent inability to dress themselves, eat without help, or keep themselves clean, provides the most common excuse for their rejection as community placement candidates.

Excuses are rapidly losing validity, however, thanks to the devoted work of ward personnel and medical staff at the state hospitals in special "in-reach" programs for the autistic, such as the work started in T-5 at Napa State Hospital in January 1973. Another reason—and one which excites the technical experts—is the effect of foster grandparents on the demeanor and behavior of children and adults who exhibit autistic symptoms.

Connie, Beth, and Herb are fairly typical of the foster grandparents recruited by Nellie Owens, the Napa coordinator for elderly citizens to help others and to earn something extra in retirement. They don't earn much in a work day that spans 10 a.m. to 3 p.m.—$1.60 per hour nontaxable stipend, $1 per day for travel, and a noon meal ticket. Their most satisfying rewards are intangible.

But let Connie tell about it:

"I will be forever thankful that I became a grandma in March. I have been retired for six years and until I joined Foster Grandparents nothing I did satisfied me, and no one needed me. This year, at 71, the feeling of not being needed left in a hurry when I was introduced to my two boys.

"Boys is a misnomer because Billy is 30 and Larry is 26. They have been institutionalized most of their lives and intellectually are about six years old. They are sweet and obedient. Billy was in school up to the third grade. He loves story books and learns to read the simple ones while he traces each word with a finger.

"Larry is very precise and anything he does must be just so, or done as well as he can. He loves to please. Having a grandmother he can call his own is important to Larry. We have taken jaunts to the barber shop and to the canteen for special goodies, and on good days both of my boys have been with me in the outside yards."

And Connie concludes: "The look on your boy's face when he sees Grandma is reward enough for us who have grown to love these children in a very short time."

What the technicians have seen in Program IX is the blossoming of trust, which is another way of saying love. Billy and Larry may or may not find a home in the outside world, but their world at Napa State Hospital has been enlarged and enriched by the daily presence of foster grandparents whose only concern is to make caring about others a reality.

Mr. CRANSTON. Mr. President, that glowing description of the benefits derived both by the patient and the volunteer in an institutional setting such as a State hospital can also be achieved in community-based programs. In our fast paced and impersonal urban society it is difficult for an individual who is developmentally disabled to venture beyond his home or a community program providing services for his needs. A volunteer can provide the necessary support to enable the individual to broaden his horizons—perhaps to travel to the seashore or go on a picnic—or perhaps to provide companionship to visit a neighborhood movie.

These volunteers can also be of invaluable assistance in assisting the professional staff in community facilities to organize programs and to insure that the human and legal rights of each person served are fully protected and his interests are advocated.

INDIVIDUALIZED SERVICE

Mr. President, although S. 3378 as reported does place a good deal of emphasis on the need to organize and implement programs to provide services to individuals with developmental disabilities in the most effective and efficient manner, it does not lose sight of the fact that all the best-run programs in the world cannot take place of providing services in an atmosphere of respect and dignity for each individual. A major portion of the committee's efforts were devoted to developing a framework which would assure that each individual receiving services, whether in a community-based, or a long-term residential facility, is given the respect and attention due each person. Incentives are provided to such facilities to enable them to meet standards which will guarantee that services can be provided on a personalized basis so that each individual served can achieve his full potential.

CONCLUSION

With this multiple approach to providing quality and total services to individuals with developmental disabilities, both from an organizational as well as a humanistic viewpoint, S. 3378 as reported offers an opportunity to the States to make their programs particularly supportive of citizens' needs and relevant to todays demands.

Mr. President, I urge the Members of the Senate to give their full support to S. 3378 as reported from committee.

Mr. WILLIAMS. I am pleased to join Senators RANDOLPH and STAFFORD and other members of the Subcommittee on the Handicapped in bringing S. 3378, the Developmental Disabilities Assistance and Bill of Rights Act to the Senate floor. This legislation extends and strengthens the Developmental Disabilities Services and Facilities Construction Act, and establishes basic minimum standards for community and residential services for developmentally disabled persons.

As originally passed by the Congress in 1970 this legislation was intended to provide a comprehensive mechanism through which States could pull together, at the level of service delivery, all of the fragmented programs needed to provide integrated care, education, and other services for individuals with neurological handicapping conditions. The goal was not to duplicate or pay for existing services, but to deploy funds in a catalytic manner for systematic planning and coordination of services; funds were only to be used to support services when such services did not exist or when necessary gaps must be filled to provide comprehensive programing. The legislation before us today builds on this model and makes changes which the committee believes are necessary to further this effort.

The main focus of this legislation, both titles I and II, is the facilitation of comprehensive services in the community for persons who are mentally retarded or with other developmental disabilities.

The committee has taken steps to strengthen the efforts of State planning councils for the developmentally disabled in order to carry out this purpose, and has established as the primary goal of the legislation the provision of services to individuals in the most normalized environment possible. Because of the inadequacy of services in the community, mentally retarded and other persons with developmental disabilities have been segregated in residential living situations which provide inadequate services to meet their needs. While some services may be exemplary, there is no State in the Union which can claim that it provides good developmental care and education services for this population.

Over the past few years, the horrifying conditions which exist in most of the public residential institutions for the mentally retarded and other developmentally disabled persons have provided shocking testimony to the inhuman way we care for such persons. The conditions at Willowbrook, at Partlow in Alabama, and at Rosewood in Maryland, and at many other institutions have shown beyond a shadow of a doubt that the treatment of those individuals is worse than all of us would like to admit.

Steps to scale down many of these large custodial institutions have resulted in not-so-large institutions, often with not much improved care, and with little followup. This has been true at Willowbrook: In 1965 and again in 1972, broad criticism has been levied at this institution; all indications point toward little change, and the Willowbrook trial begins next week. While much can be said about the lack of available funds to improve conditions at these institutions, at some point this country must draw the line. The abuses are too commonplace to point at a single institution, or a single abuse and say that it is an anomaly.

Over the last 2 years, the committee has taken testimony or received reports of: Inappropriate admissions because of lack of community services, inappropriate and inhuman experimentation with residents, sterilizations and other operations performed for convenience of treatment, starvation and malnutrition, abuse and physical punishment, inadequate food and living conditions, and death.

It is impossible to deny that some improvements have occurred over the last few years. Yet, the Constitution of the United States provides equal protection of the law for all persons no matter who they are, or what their condition. A Federal district court in Alabama has ruled in the Partlow case that this includes the right to treatment for persons who are institutionalized, for without that right such persons have been incarcerated without due process. A judge in New York in a preliminary hearing on the Willowbrook case said that this includes the right to protection from harm. Despite the Constitution, despite State and local law, it would be difficult for anyone to argue that individuals who reside in these institutions receive the equal protection of any law, let alone the constitutional rights they are entitled to enjoy by being citizens of this country.

The committee has taken an approach in the legislation before us to provide a framework by which these constitutional rights may be enforced. Title I assists States in their planning toward the provision of services to meet the needs of developmentally disabled individuals. Title II of the legislation sets forth basic minimum standards for both community agencies and facilities and residential facilities. In brief:

TITLE I

Transfers the Office of Developmental Disabilities from the Social and Rehabilitation Services Administration to the Office of the Secretary.

Requires affirmative action to employ and advance in employment handicapped individuals—applies to all recipients of assistance under the act and parallels provisions in the Rehabilitation Act.

Creates a new special project grant authority in the D.D. legislation.

Strengthens the State planning and advisory councils by providing adequate staff, making them responsible for submission of a State plan and approving all plans for implementation of the State plan, including the plans for expenditure of funds, and giving them prior review and comment over other State plans for Federal assistance which affect persons with developmental disabilities.

Establishes priorities for the expenditure of funds under the act, which place primary emphasis on the establishment of community-based programs to serve persons with developmental disabilities and the deinstitutionalization of such persons.

Includes as a primary emphasis for funds for university affiliated facilities, the deinstitutionalization of persons with developmental disabilities, and provides funds for university affiliated facilities to conduct assessments of the need for facilities to train persons and provide services in State not served by university-affiliated facilities, and funds to establish satellite centers.

Mandates the development of a model evaluation system by the Secretary of HEW which will assess the adequacy of services to individuals with developmental disabilities.

Title II of the bill sets forth a means to assure that the rights of developmentally disabled individuals will be protected. As introduced, this legislation provided that all facilities for persons with developmental disabilities meet standards based on the standards of the Joint Commission on Accreditation of Hospitals for residential facilities or lose any Federal assistance within 5 years. S. 3378 as reported from committee makes change in this legislation, and provides alternative procedures for residential and community facilities and agencies providing services to persons with developmental disabilities. Under S. 3378, as reported:

A State must provide assurances to the Secretary within 1 year from enactment that each facility and agency within the State has adopted a plan for compliance with the requirements of the act, and the State must submit to the Secretary a plan which demonstrates how such compliance will be met.

A State must agree to do compliance reviews, and the Secretary is required to conduct validation surveys of such compliance reviews.

Residential and community facilities and agencies are required to meet standards based on standards of the Joint Commission on Accreditation of Hospitals within 5 years, or must meet alternative requirements which include:

Such performance criteria as developed by the Secretary;

The provision of individualized written habilitation plans;

A client program coordinator to be assigned to each developmentally disabled individual, and

Certain minimum standards relating to family visitation, admission requirements to facilities, personnel, educational services, civil rights and food, medical treatment, and safety.

Title II also provides that a system of personal and protective advocacy must be established in each State to monitor programs and services and to protect the rights of each developmentally disabled individual.

Mr. President, the focus of S. 3378 is the reinforcing of all of the aspects of service delivery to persons with developmental disabilities which are needed to provide a comprehensive service system. The committee has emphasized the need for ancillary services in the community under title I to bolster community facilities, and community care. Such ancillary care includes: parent training and counseling, early childhood diagnostic and evaluation services, home care, and stimulation and intervention services. Continuing this emphasis on the need to develop comprehensive services which will aid in the provision of quality developmental care for all persons with developmental disabilities, the committee also transfers the Office of Developmental Disabilities from the Social and Rehabilitation Services Administration to the Office of the Secretary.

The committee has further broadened the definition of developmental disabilities to include autism and specific learning disabilities and other disabilities which are found to be closely related to mental retardation as that term refers to the general intellectual functioning or an impairment in adaptive behavior or which requires treatment similar to that required for persons who are mentally retarded. Such disabilities must: Originate before age 18, be expected to continue indefinitely and constitute a substantial handicap to the individual's ability to function normally in society. This definition stresses the chronic nature of the disability, its occurrence early in life, and its impairment of the development of an individual.

It is further important to note that in terms of development, persons with developmental disabilities are those who are the most severely impaired in both intellectual functioning or general adaptive behavior. It is for this reason that the committee has included autism and specific learning disabilities, but intends that those individuals with specific learning disabilities who are covered by this definition are persons for whom this disability is a very severe impairment.

In conclusion, Mr. President, I wish to praise my colleagues on the committee who have been most steadfast in their support and continuing examination of this legislation, and wish to thank the Senator from West Virginia (Mr. RANDOLPH), the junior Senator from Vermont (Mr. STAFFORD), the senior Senator from California (Mr. CRANSTON), and the senior Senator from New York (Mr. JAVITS) for their work on this legislation, and their staffs for their assistance.

I ask unanimous consent, Mr. President, that a recent article from the New York Times on the placement of individuals from Willowbrook be printed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOSPITAL IS BETTER THAN WILLOWBROOK AND YET . . .

(By Murray Schumach)

Sixty-three retardates, most of them children and all of them survivors of abuses at the state institution at Willowbrook on Staten Island, are enduring a different kind of neglect in a secluded building on Wards Island to which they were transferred by the State Department of Mental Hygiene.

These profound retardates—some of whom are blind, deaf or unable to speak—spend their days huddled in enclosed porches, crawling, shuffling, sometimes inert.

The other day, one blind child was stretched on the floor of an empty room, her body twisted, clawing at her eyes. No one knew it she was in pain.

Yet in the same building, in gaily painted rooms, are thousands of dollars worth of expensive equipment bought to help teach the retardates balance, dexterity and cooperative play, to help them develop muscles and to recognize colors and forms.

These rooms are empty most of the day.

Walter Martin, who last week was named interim director of three units for retardates, including this one, the Keener unit, is angry about the situation and has notified the Department of Mental Hygiene.

"A hell of a lot more interaction between staff and residents is needed," he said in an interview. "I know there is a shortage of staff and I am seeking more. But meanwhile we have all this fine equipment that is not being used to help anyone.

The plight of these helpless retardates—some are tranquilized because they can hurt themselves or others—was observed for two days by The New York Times as part of a continuing investigation of the deficiencies of the state's mental-health program.

"I've never seen anything so mismanaged," said one professional employe, who asked not to be identified. "I'm very much afraid this will become another Willowbrook unless something is done very soon."

"This is worse than Willowbrook, and Willowbrook was horrible," said Chris Hansen, staff lawyer for the Mental Health Law Project, which is connected with the American Civil Liberties Union. "These kids are just vegetating. If this is the state's idea of a community facility, then the state is in the wrong game."

Mr. Hansen, who visited the unit on a weekend, said there was no doctor on duty, just a phone number where a doctor could be reached.

So far as could be learned, the retardates are not abused at the Keener unit. The building is clean, although a number of the residents are not toilet-trained. They were clothed, although many cannot dress themselves.

FIVE BROTHERS UNITED

The transfers from Willowbrook over the last six months have brought to light accounts of more inexplicable cruelties of indifference at the Staten Island institution. Five brothers who were transferred to Keener, for example, had been kept in separate buildings at Willowbrook.

"We don't know if this was deliberate or just stupid," said one of the Wards Island employes. "The brothers are much better off together. They kiss one another. They like being together."

The transfers were the result of a court order April, 1973, in which Federal Judge Orrin G. Judd stressed the "inhumane and shocking conditions" at the Willowbrook State School for the Mentally Retarded.

Since then, more than 1,500 of the 5,000 retardates at Willowbrook have been transferred. The aim was to reduce the population of Willowbrook to 2,500 next year.

In addition to the Keener unit, the other units of the Manhattan Developmental Center that have received patients from Willowbrook are the Sheridan unit, at 75 Morton Street, with 110 retradates, and Gouverneur, at 621 Water Street, with 170.

REPORTS OF MORE TRANSFERS

Everything at Wards Island is excerbated by reports that the state agency will soon be transferring even more patients there from Willowbrook.

Mr. Martin is aware of these reports, which call for doubling the number of retardates at the Keener unit by next spring. When he was asked about them the other day by a lawyer from the state's Mental Health Information Service, he said:

"I've heard the reports. But the way we are right now, we cannot take any more and I won't."

Thus, more than six months after the transfers began, the building on Wards Island has very little in the way of a program and, with its present staff, employes say, could not do much even if it had programs.

For the 63 retardates there are about 70 employes, of whom only five are professionals, not counting three doctors and a few nurses. The unit has four persons on the janitorial staff and one psychologist.

"Many of these children don't even know how to laugh when they're happy," one of the professionals said. "We received children from Willowbrook who were deaf or nearly deaf and there was nothing in their records to show it."

A background of heated tension between employees and the former Keener director, Dr. Merrill Calvin, has produced a lingering atmosphere of uncertainty. At one point, a number of employes signed a complaint against the director that was sent to officials of the Department of Mental Hygiene. The director resigned last week.

It is generally conceded that many members of the staff, who were enthusiastic six months ago and anxious to meet the challenge of trying to help the retardates, are now becoming pessimistic.

"It is awful," one employee said. "Here we have a staff that is young and eager and wants to help. And we see these children getting nowhere. It seems as though our job is to stand guard over children on porches."

There are mixed reports about the attitude of the lower-echelon employes. Many are said by the administration to be devoted to the retardates. But there are reports of lateness and early departures, and of taking naps under the trees near the building.

The reactions of the retardates, particularly of the children, indicate that they are treated kindly by the attendants—at least by those who spend time with them on the enclosed porches.

The retardates go to them for affection with obvious trust. The attendants, particularly the women, pet them, talk softly to them and embrace them with an ease that indicates it is not being done just for visitors.

The three-story brick building has walls so thick that it is cool without air-conditioning. The setting of quiet and tall shade trees is soothing. But some experts say a building set in the midst of a community is preferable because it would involve more people in the plight and care of mental patients.

MORALE REPORTED SLIPPING

Mr. Martin, who has set up a committee to work out a program for the Keener Unit, says:

"I have found that morale is not as high as it was several months ago. A lot of people working here just don't know what to do."

He has assigned James Ramseur, chief of community services for the Manhattan Developmental Center, to stay at Keener and help work out a program.

Mr. Martin has also begun organizing a group of parents of retardates at Keener, all of whom come from Manhattan. One of the problems is that unless the parent has a car—and few do—it will cost two fares—by subway to 125th Street and then by bus to Wards Island—to reach the facility.

"Most of these parents are poor," Mr. Martin said. "Poverty and retarded children is not the happiest combination. The least we can do is to try to help the retardates."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Labor and Public Welfare be discharged from further consideration of H.R. 14215 and that the bill be immediately considered.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 14215) to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that Act.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. MANSFIELD. Mr. President, I move to strike all after the enacting clause of H.R. 14215 and to substitute the text of S. 3378, as reported and as amended.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The ACTING PRESIDENT pro tempore. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The ACTING PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 14215) was passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of H.R. 14215, as it passed the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to postpone indefinitely consideration of S. 3378.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(Later in the day the following proceedings occurred:)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the action this morning on H.R. 14215 be reconsidered and that certain technical amendments that I offer on behalf of the Senator from West Virginia (Mr. RANDOLPH) to the substitute (S. 3378), as approved by the Senate to H.R. 14215, be agreed to and that H.R. 14215, as thus amended, be repassed. The purpose is to correct certain technical items.

The PRESIDING OFFICER. Without objection, it is so ordered.

The technical amendments thus agreed to before repassage are as follows:

On page 259, line 19, strike the comma.

On page 261, line 6, insert a comma after "appropriations".

On page 261, line 11, strike "insure" and insert "ensure".

On page 261, strike lines 20 through 26.

On page 262, strike lines 1 through 12.

On page 262, line 23, strike "specalized" and insert "specialized".

On page 266, line 7, strike "now".

On page 267, line 24, insert a comma after "which".

On page 268, line 11, strike "per centum" and insert in lieu thereof "percent".

On page 268, line 24, insert a comma after "learning".

On page 270, line 13, strike "to".

On page 270, line 15, strike "established under section 115".

On page 271, line 6, insert a comma after "sentence".

On page 271, line 21, strike "client".

On page 274, line 18, insert a closed parenthesis before "and".

On page 275, line 21, insert a comma after "part".

On page 276, line 14, strike the comma.

On page 280, line 8, insert "of the provisions of" after "implementation".

On page 280, line 22, insert "of the provisions of" after "administration".

On page 282, line 23, strike "client".

On page 283, line 7, insert a comma after "feasible".

On page 287, lines 19 and 20, strike "per centum" and insert in lieu thereof "percentage".

On page 287, line 22, strike "per centum" and insert in lieu thereof "percentage".

On page 287, line 23, strike "per centum" and insert in lieu thereof "percent".

On page 287, line 24, strike "per centum" and insert in lieu thereof "percent".

On page 291, line 9, strike "of 20 per centum" and insert in lieu thereof "equal to 20 percent".

On page 291, line 10, strike "no more than 30 per centum" and insert in lieu thereof "not more than 30 percent".

On page 292, line 14, strike "shall".

On page 300, line 13, strike "established pursuant to section 113".

On page 301, line 13, strike "established pursuant to section 113".

On page 302, line 13, insert "(42 U.S.C. 2661)" after "Act".

On page 304, line 14, strike "client".

On page 304, line 16, strike "client's".

Beginning on line 23, page 310, strike through line 2, page 311 and insert in lieu thereof the following:

(27) "mental retardation" means significantly subaverage general intellectual functioning existing concurrently with deficits in adaptive behavior, and manifested during the developmental period.

On page 312, line 13, strike "facility. Job" and insert in lieu thereof "facility (job".

On page 312, line 15, strike "administrator" and insert in lieu thereof "administrator);".

On page 316, line 21, strike "no" and insert in lieu thereof "not".

On page 338, line 13, strike the period and insert in lieu thereof a semicolon.

On page 342, line 8, strike "director" and insert in lieu thereof "directory".

On page 343, line 1, strike the semicolon and insert in lieu thereof "and".

On page 362, line 23, strike "and/".

On page 380, line 5, strike "and/".

On page 383, line 4, strike, "percent" and insert in lieu thereof "prevent".

On page 388, line 5, strike "equipage" and insert in lieu thereof "Furnishing".

On page 401, line 12, strike "and/".

On page 406, line 4, strike "residential" and insert in lieu thereof "residential".

On page 409, line 15, insert "to" after "provided".

On page 411, line 11, strike "practicum' and insert in lieu thereof "practical".

On page 422, line 6, strike "experiant" and insert in lieu thereof "experience".

On page 429, line 13, strike "Individual" and insert in lieu thereof "Individuals".

On page 433, line 12, strike "resident" and insert in lieu thereof "residents".

On page 438, line 6, strike "last" and insert in lieu thereof "least".

On page 444, line 18, strike "and/".

On page 445, line 6, strike "and/".

On page 448, lines 22 and 23, strike "the American Council on Pharmaceutical Education" and insert in lieu thereof "an accrediting agency approved by the Secretary.".

On page 449, line 9, strike "and/".

On page 451, line 2, strike "and/".

On page 451, line 5, strike "subsection" and insert in lieu thereof "subchapter".

On page 453, line 24, strike "and/".

On page 456, line 24, strike "in" and insert in lieu thereof "required by the provisions of".

On page 459, line 2, strike "attendances at" and insert in lieu thereof "attending".

On page 460, line 6, strike "equipage" and insert in lieu thereof "furnishing".

On page 464, line 18, strike "and/".

On page 465, line 16, strike "and/".

On page 468, line 6, strike "(8)" and insert in lieu thereof "(5)".

On page 469, line 21, strike "and training/" and insert in lieu thereof "training, and".

On page 482, line 5, insert "be" after "and".

On page 489, line 14, strike "him or her" and insert in lieu thereof "the resident".

On page 491, line 21, strike "and/".

On page 491, line 23, strike "treatment/" and insert in lieu thereof "treatment and".

On page 494, line 13, strike "individual" and insert in lieu thereof "individuals".

On page 496, lines 22 and 23, strike "the National Association of Social Workers" and insert in lieu thereof "appropriate nationally recognized professional associations".

On page 498, line, 9, strike "and/".

On page 501, line 17, strike "and/".

On page 502, line 21, strike "and/".

On page 509, line 5, strike "habilitation/" and insert in lieu thereof "habilitation and".

On page 509, line 7, strike "habilitation/" and insert in lieu thereof "habilitation and".

On page 515, line 17, strike "qualified as" and insert in lieu thereof "described".

On page 516, line 15, strike "practicum" and insert in lieu thereof "practical".

On page 522, line 13, strike "and/".

On page 525, line 13, strike "and/".

On page 525, line 22, strike 'persona" and insert in lieu thereof "personal".

On page 526, strike line 1 and insert in lieu thereof "(12) reports of the preadmission evaluations;".

On page 529, line 2, strike "remain" and insert in lieu thereof "maintain".

On page 532, line 20, strike "and/".

On page 532, line 21, strike "and/".

On page 538, line 16, strike "and/".

On page 540, line 14, strike "and so forth".

On page 540, line 15, strike "and so forth".

On page 542, strike line 21.

On page 542, line 22, strike "facilities" and insert in lieu thereof "(b) Facilities".

On page 545, lines 23 and 24, strike "(hereafter in this section referred to as "IPP")".

On page 546, lines 8, 9, 11, 15, 19, and 23, strike "IPP" and insert in lieu thereof "individual program plan".

On page 547, lines 1, 3, 5, 8, 10, 12, 17, and 19, strike "IPP" and insert in lieu thereof "individual program plan".

On page 556, line 16, strike "client".

On page 585, line 7, strike "299H" and insert in lieu thereof "299L".

On page 593, line 3, strike the quotation marks.

On page 594, line 20, strike "American Academy of Pediatrics," and insert in lieu thereof "Secretary,".

On page 605, line 3, strike '299V" and insert in lieu thereof "299W".

On page 607, line 18, strike "and/".

On page 611, lines 21 and 22, strike 'the American Association on Mental Deficiency classification" and insert in lieu thereof regulations prescribed by the Secretary".

On page 611, lines 24 and 25, strike the American Association on Mental Deficiency "regulations prescribed by the Secretary".

On page 612, strike lines 13 through 19

and insert in lieu thereof "diagnosis, according to regulations prescribed by the Secretary;".

On page 613, line 5, strike "299W" and insert in lieu thereof "299X".

On page 614, strike lines 21 through 25.

On page 615, strike lines 1 through 5.

On page 615, line 6, strike "(E)" and insert in lieu thereof "(B)".

On page 617, line 16, strike the colon and insert in lieu thereof a period.

On page 618, line 4, strike "and/".

On page 626, line 11, strike "Staff" and insert in lieu thereof "staff".

On page 629, lines 9 and 10, strike "National Fire Protection Association Life Safety Code," and insert in lieu thereof "Secretary, with regard to fire safety,".

On page 263, line 13, strike "for" and insert in lieu thereof "to".

On page 263, line 20, strike "any project".

On page 268, line 24, insert "a" after "learning".

On page 276, line 7, insert "or agencies" after "States".

On page 282, strike lines 8 and 9 and insert in lieu thereof "it shall, develop, submit, and obtain the approval of the Secre-".

On page 283, insert between lines 16 and 17 the following: "Such annual State plan shall be initially submitted within 180 days after the date of enactment of this Act and.".

On page 282, line 24, insert a comma after "tion".

On page 286, line 20, strike the comma.

On page 287, line 20, insert a comma after "under".

On page 296, line 14, strike "(a)".

On page 302, line 4, insert "or disapproved" after "approved".

On page 327, line 18, strike "guardians" and insert in lieu thereof "guardian".

On page 328, line 5, strike "guardians" and insert in lieu thereof "guardian".

Mr. JAVITS. Mr. President, I move to reconsider.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATE RESOLUTION 415—TO AUTHORIZE CERTAIN EXPENDITURES FROM THE CONTINGENT FUND OF THE SENATE

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration. It has been cleared on both sides.

The ACTING PRESIDENT pro tempore. The resolution will be stated by title.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 415) to authorize certain expenditures from the contingent fund of the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 415) was unanimously agreed to.

The resolution reads as follows:

S. RES. 415

> *Resolved*, that expenses are authorized to be paid from the contingent fund of the Senate for such officers and staff as may be designated by the Majority and Minority Leaders to attend the Day of National Observance for the Two Hundredth Anniversary of the First Continental Congress, pursuant to S. Con. Res. 85.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized for not to exceed 15 minutes.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, the time to be charged against me.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE UNITED STATES AND CUBA

Mr. HARRY F. BYRD, JR. Mr. President, during the past several months, there has been considerable discussion as to whether there should be a major change in United States policy toward Cuba. There is considerable evidence that the Department of State is pointing itself in that direction. There has been much attention focused on this subject by the Senate recently, and by individual Members of the Senate.

A week ago, I spoke in the Senate on this subject and expressed the view that our present policy toward Cuba probably is not accomplishing a great deal. I expressed the view, also, that if there is to be a change in policy, our Government should set certain conditions that should be met prior to such a change in policy.

For example, I feel that the Castro government should make full compensation to American citizens who had their property confiscated by the Castro government some 15 years ago. I think, also, that there should be full access by the news media to each of the countries; that is, the United States news personnel should have access, freedom to move about Cuba, and the same should be the case with Cuban newsmen in the United States.

I think also, that there should be a free exchange and free access on the part of individual citizens of each country to visit the other.

The able Senator from New York (Mr. BUCKLEY) yesterday held a press conference and discussed this same subject of possible change in policy toward Cuba.

Senator BUCKLEY's discussion is a most thoughtful one. It goes into the many aspects of the Cuban situation. It points out the dependence of Cuba on the Soviet Union, and also the fact that the Soviet Union has military bases in Cuba.

The Senator from New York (Mr. BUCKLEY) says that he can understand that it may be desirable for the United States to change its policy toward Cuba, but he feels that if there is such a change, certain specific actions need to be taken on the part of Cuba.

Among other things, he stated:

> To be specific, if we are to consider any lifting of current economic and political sanctions against the Castro regime, we must as a first condition require that Cuba renounce its alliance with the Soviet Union, order the withdrawal of Soviet military technicians and intelligence operatives, and deny the use of Cuban territorial waters and basing facilities to the Soviet navy.
>
> To do otherwise would be to cooperate in relieving the Soviet Union of the high cost of subsidizing the Cuban economy without in any way diminishing the Soviet presence in this hemisphere.

I think Senator BUCKLEY raises an immensely important point and one that I hope the Department of State will take fully into consideration in considering this matter of changing our policy toward Cuba.

Indicative of the interest in the subject, two of our colleagues, the senior Senator from New York (Mr. JAVITS), and the Senator from Rhode Island (Mr. PELL) visited that island over the weekend. It was significant—that while they were there, the first members of the Senate to visit Cuba in 15 years, Mr. Castro held a violent, anti-American rally in Havana.

That is reminiscent of the time in 1958 when, as a newspaper correspondent, I was in Havana and attended an anti-American rally, attended by an estimated 1 million persons, on the grounds of the presidential palace. That was October of 1959.

The meeting started in the early afternoon and continued until 11 that night. The speakers were many, beginning with President Dorticos and ending with Fidel Castro. Castro spoke for 3 hours and 15 minutes. That was the first anti-American rally held by the new Castro government, that had been in power only 10 months.

It would appear from the rally in Havana this past weekend that Castro is still as violently anti-American as he was some 15 years ago. As I mentioned in my remarks to the Senate last week, I am not sure that the policy that we are pursuing of boycotting Cuba is accomplishing very much. However, I believe if we are going to change that policy, we must demand a quid pro quo from the Castro regime, and there are certainly several basic agreements and concessions which our Government should obtain before agreeing to lift the boycott.

Mr. President, I ask unanimous consent that if the press interview by the Senator from New York (Mr. BUCKLEY) was not published in yesterday's RECORD, it be published in the RECORD at this point.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(For text of Senator BUCKLEY's remarks, see CONGRESSIONAL RECORD of September 30, 1974, page 32857.)

Mr. HARRY F. BYRD, JR. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 6 minutes remaining.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum, with the quorum call to be charged against my time.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WASTEFUL SPENDING

Mr. HARRY F. BYRD, JR. Mr. President, I have long been concerned with the enormous deficits which the Federal Government has been running—a total of $133 billion in Federal funds in the 6 years ending next June.

Double-digit inflation has increased my concern, and I find that more and more of my colleagues share the apprehension that continued smashing deficits will produce disastrous results for the economy and for the people.

Our huge Government deficits have many adverse consequences. Not only do they create inflationary pressures through the sheer volume of spending; not only do they set an example of waste and irresponsibility for the private sector; in addition, they force the Government to borrow heavily and drive interest rates upward.

Sixty-two percent of all the lendable funds in this country are borrowed by the Federal Government.

So obviously we must get spending under control. As we seek for ways to do this, we are constantly confronted by assertions that many items in the budget are "uncontrollable," or at the very least, that cuts in spending involve difficult choices and a hard reexamination of priorities.

But whatever one believes about these matters, none should defend sheer waste.

Surely we can—right now—go after the items in the budget that represent foolish uses of the hard-earned tax funds of the people of this Nation.

With this in mind, I directed my staff this last summer to review some of the outlays of a number of Federal agencies, searching for items that appear to have little or no justification.

The list that resulted from that effort is enormous.

During the period between now and the October 11 recess of the Congress, I shall speak each day on the floor of the Senate, outlining some of the outlandish expenditures which the U.S. taxpayer is financing.

I trust that my colleagues in the Congress, and hopefully the people of the country, will find this information interesting. My guess is that they will find it appalling.

At the outset, let me say that I do not judge the question of whether these various enterprises of which I shall be speaking should be carried out at all. Some no doubt are of great value.

My contention is that they should not be funded with the money paid into the Treasury of the United States by the hard-working men and women of our country.

Let us begin.

The Inter-American Foundation is spending $10,660 to produce 65 scripts for Peruvian television, because a Peruvian organization has found that the substance and style of present radio and television are "culturally debasing and escapist." I am sure that will prove most uplifting for the hungry people of Peru.

The National Endowment for the Arts has made a grant of $4,500 to a New York composer for creation of an electronic opera for radio, utilizing "synthetic speech."

The endowment also has awarded $11,220 to a museum professional "for documentation and evaluation of 19th century American sepulcral sculpture in the Mississippi and Ohio River areas."

In its munificence, the National Science Foundation has in its current budget $77,100 for research into linguistic and cultural variations among the Athapaskan Indians.

The Agency for International Development, always a dependably generous dispenser of tax funds, is spending $18,500 a year to hire a German national to assist the government of South Vietnam to organize and administer a nationwide soccer program. Now if that does not hold off the Vietcong and the North Vietnamese, what will?

If the amounts involved in these examples seem trifling in comparison with the $305 billion which the Government proposes to spend in the current year, remember that they are but fragmentary examples from a thick book which my staff has compiled.

Moreover, some waste involves large sums. The Department of Defense, which does things on a grand scale, has paid out $16 million-plus on submarine emergency buoys which are too large for the submarines.

The Navy has spent $20 million on these buoys. That provided for 184 of them, of which 39 have been installed on Polaris subs. The rest have been put in a warehouse because they are too big for the rest of the submarines in the fleet.

In the days ahead, I shall be outlining dozens more of these outrageous examples of profligate waste by the Government. I know that some of them will seem amusing—but let us not forget that waste of tax funds is a serious business.

Public office is a public trust, and we who oversee the operations of the Government have no higher duty than to safeguard the money which our citizens pay to the Government in good faith.

We must trim the fat out of the budget, and the time to begin is now.

Mr. President, I ask unanimous consent to have printed in the Record similar examples of the use of public funds.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement

NATIONAL ENDOWMENT FOR THE ARTS

$1,000 to a musician to spend a year playing with a Comanche Indian flutist.

NATIONAL ENDOWMENT FOR THE HUMANITIES

$73,152 to sponsor community discussions on "definitions of human rights, traditional moral theories of non-dependence and property, the nuances of the meaning of the concepts of rights, and how these different views relate to specific issues."

INTER-AMERICAN FOUNDATION

$51,360 to sponsor radio schools, women's clubs, cooperatives and youth groups among campesinos of Panama.

DEPARTMENT OF DEFENSE, U.S. ARMY

The General Accounting Office confirmed that U.S. Army troops and equipment were used to clear land for a private golf course in West Germany.

In January, 1972, the 12th Engineering Battalion of the 8th Infantry Division spent five days clearing forest land for use as a private golf course. The land is located near Bad Muenster, Federal Republic of Germany, and is owned by a German national.

The operation involved the use of 500 to 600 men and 137 army vehicles including a road grader, bulldozer, a 20 ton crane, combat engineering vehicles, and personnel carriers. About $1,000 worth of fuel was consumed to burn felled trees and to transport the men and equipment 60 miles roundtrip for the work.

An 8th Infantry Division newspaper described the operation as a community assistance project and a training exercise, but this claim was found to be erroneous on both points by the GAO investigation. According to the GAO, a request to designate this job as a community assistance project was specifically rejected by the Community Relations Officer in authority. Moreover, the GAO was unable to find any authorization for the conduct of a training exercise related to this "project."

An Army Captain, according to information not contained in the GAO report, received DM 19,500 ($7,234) from the German landowner for designing the course and for obtaining the services of the 12th Engineering Battalion.

The Army failed to take any action on this incident until the GAO inquiry in July, 1973, eighteen months after the operation occurred. Subsequent to the GAO investigation, an investigation was ordered by the Inspector General of the Army with witnesses to be questioned in the United States and Europe.

ORDER OF BUSINESS

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the remainder of the time yielded back by the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.) and the time allocated to the distinguished Senator from West Virginia (Mr. Robert C. Byrd) be transferred to the distinguished Senator from Ohio (Mr. Metzenbaum).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Ohio (Mr. Metzenbaum) is recognized for 9 minutes.

SENATE RESOLUTION 410—IN SUPPORT OF THE EFFORTS OF PRESIDENT FORD IN SEEKING WORLD ECONOMIC STABILITY AND A NEW UNDERSTANDING BETWEEN OIL PRODUCING AND CONSUMER NATIONS

Mr. METZENBAUM. Mr. President, at this time I shall address myself to Senate Resolution 410. I ask unanimous consent that the names of the following additional Senators be added as cosponsors of the resolution: Mr. Baker, Mr. Bayh, Mr. Dominick, Mr. Mathias, Mr. Pell, Mr. Ervin, Mr. Hollings, and Mr. Stevenson.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, Senate Resolution 410 now has 63 cosponsors. I believe that quite well indicates the attitude of this body in connection with the important address recently made by the President of the United States. The same subject was thereafter addressed by the Secretary of State.

This important resolution expresses our belief that the continuing rise in oil prices will not only prevent us from controlling inflation in this country, but it will severely damage the economy of every nation in the free world.

The resolution indicates that 64 Members of the Senate, and I am certain there are more, support President Ford in his statement to the World Energy Conference that the artificial rigging of oil prices has brought and will continue to bring disastrous consequences to world economic stability.

I submit that the artificial rigging of oil prices runs counter to the basic economic principle of supply and demand. We join the President in warning that the great concentration of economic power in the Organization of Petroleum Exporting Countries, more popularly known as OPEC, could lead to global depression.

President Ford's warnings were underscored by Secretary of State Kissinger speaking before the United Nations General Assembly when he stated that the world cannot sustain even the present level of prices much less continuing increases which, he said, are caused by deliberate decision to restrict production and maintain an artificial price level.

Mr. President, this has been my concern for many months now. It is not a new subject with me because, as I have watched the OPEC nations accumulate their vast hoard of American dollars, I realize that this year alone the OPEC nations will receive $105 billion in total oil revenues compared to something in the nature of $25 billion just a year ago.

These are revenues that have strained world financial institutions and capital markets to their breaking point. Of the total $105 billion, $60 billion of it will be excess wealth, more than the oil producers can possibly use for internal purposes; and there are even some difficulties in using it in the investment market around the world.

As I stated on September 9 before the Joint Economic Committee hearing on the inflationary impact of petroleum products, of all the inflationary price increases, perhaps none has been felt so acutely by the consumer as the skyrocketing cost of the fuel.

We cannot win the battle against inflation unless we roll back the price of oil.

Only 2 years ago, according to the Washington Post, the average cost of oil imports was $2.58 per barrel, less than one-quarter of what OPEC nations demand today.

Moreover, escalating oil prices produce inflationary pressures throughout the entire world economy. For example, fertilizer prices have increased fourfold contributing greatly to the soaring cost of food.

Inflation has properly been called Domestic Public Enemy No. 1. This Nation's economy cannot tolerate the increasing price of oil, a tarantula that threatens the economic stability of the world.

What about the solution? The solution is not simple. Cutting off aid to the OPEC nations is not the solution. Had I been present yesterday I would not have been able to support that amendment because I do not believe that that would really state the problem or come up with an appropriate answer.

Saber rattling and threats are not the solution, and I disagree with the distinguished Senator from South Dakota who, the other day, suggested by implication that there were threats made in the President's speech.

But I believe that facing the reality of the situation, the economic facts of life, by the President of the United States and by this body by resolution is a step in the right direction. I think it is saying to the entire world that our economy cannot long endure if we continue to export billions of dollars overseas and have a negative balance of payments. We cannot continue in that same manner and still remain economically strong. That is a certainty.

Although I believe that there are sufficient votes in this body to pass this resolution under suspension of the rules, I believe that a prompt and early hearing on this resolution by the Committee on Foreign Relations could and would provide an excellent forum for our Nation's position to be clearly enunciated, to make it possible for the administration to spell out exactly the meaning of President Ford's statement, and to make it possible for the Senate and Congress to go on record in support of that position.

It is my understanding that the majority leader has discussed the matter of an early hearing with the distinguished chairman of the Committee on Foreign Relations and I would now ask if the majority leader would be good enough to advise the Senate with respect to the position of the chairman of the Committee on Foreign Relations as it pertains to the possibility of an early hearing on the resolution.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished Senator from Ohio (Mr. METZENBAUM), may I say that on yesterday I did discuss the possibility of hearings before the Committee on Foreign Relations with the chairman of that committee, the distinguished Senator from Arkansas (Mr. FULBRIGHT). He assured me that he would be ready to hold hearings, hopefully at the earliest possible date, and I am delighted to note the spirit in which the distinguished Senator from Ohio has raised the question because I think this is a matter which should go to the Foregn Relations Committee.

I want to assure him that, as far as I am concerned personally, I will urge the chairman of the committee, Mr. FULBRIGHT, to hold hearings as early as possible.

Mr. METZENBAUM. I thank the distinguished majority leader.

Under those circumstances, I have no objection to the resolution going over under the rules.

Mr. GRIFFIN. Will the Senator from Ohio yield to me very briefly, Mr. President?

Mr. METZENBAUM. I yield to the distinguished Senator from Michigan.

Mr. GRIFFIN. I wish to associate myself generally with the remarks the Senator from Ohio has made in support of the pending resolution, although my name does not appear as a cosponsor, I do support his resolution.

It is important for the OPEC nations to take note of the fact that a large percentage of the Senate support this resolution, which, I suggest, reflects the mood not only of the Senate, but the mood of the American people as well.

It seems to me that one of the things we must do if we are to solve the problem pointed up by this resolution is to find ways and means of stimulating production of oil and of alternative sources of energy here in our own country.

Without going into detail, I must say that if we were ready to pay the same price we pay now for foreign oil to those in our own country who would be willing to develop and produce alternate sources of energy, we could very rapidly develop alternate sources of energy—which in turn would make us less reliant on the OPEC countries.

Certainly, it would be much better if the dollars we pay to foreign producers of oil were being paid instead to domestic entrepreneurs and developers. If that were the case, dollars being paid for energy would at least stay in this country.

So, I would hope that this resolution will serve the purpose of not only focusing attention upon the unreasonable attitudes and policies of the OPEC countries but that it will also help to spur us on here in this country—to realize here in Congress that we have to take some action, along with the administration, to stimulate the domestic production of oil, gas, and the development of alternate sources of energy.

Mr. METZENBAUM. Mr. President, I appreciate the remarks of the distinguished Senator from Michigan in support of the resolution, and I am pleased to see that he agrees with the remarks I had made earlier.

However, I would like to comment and suggest to him that the question of Project Independence, and the question of a sense of urgency which pertains to the development of alternative sources of energy, truly are partially a congressional responsibility but, to a very great extent, they are an administrative responsibility.

I would like to urge upon the distinguished assistant Republican leader that he call upon the offices of Mr. Sawhill and some of the other offices that have a responsibility in this area, to move with dispatch because, although I have not been here long—9 months—I am totally convinced that there is no sense of urgency at the FEA at this point nor in any other department of Government with respect to the development of alternative sources of energy.

Although I do not place any responsibility or blame at the doorstep of the distinguished Senator from Michigan, I do believe that he is in a posture to prod the administration on this subject. We are not moving as rapidly as we should be moving, and I join with him in the need for both Congress and the administration to move with more rapidity.

Mr. GRIFFIN. Mr. President, will the Senator yield again?

Mr. METZENBAUM. I yield.

Mr. GRIFFIN. One of the examples I have in mind is the need to deregulate the price of natural gas. Certainly this administration and the prior administration have called on Congress to do that.

It is one example of exactly what I am talking about.

It appears that we are willing to pay $12, $13, or $14 a barrel for oil that is produced in other countries while, at the same time, we are holding the lid at a much lower level on the price for energy produced in this country. We should be doing more to provide incentive and encouragement for domestic producers and entrepreneurs to develop energy—particularly alternative sources of energy—in this country.

I agree with the Senator that perhaps the administration could do more. But so could Congress do more.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. METZENBAUM. Mr. President, I ask unanimous consent for 1 additional minute.

Mr. MANSFIELD. Mr. President, I ask that the Senator be recognized in the morning hour.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements limited therein to 3 minutes.

The Senator from Ohio is recognized.

SENATE RESOLUTION 410—IN SUPPORT OF THE EFFORTS OF PRESIDENT FORD IN SEEKING WORLD ECONOMIC STABILITY AND A NEW UNDERSTANDING BETWEEN OIL PRODUCING AND CONSUMER NATIONS

Mr. METZENBAUM. Mr. President, in response to the Senator from Michigan, the only difference between the Senator's approach to the problem and mine is the fact that the Senators' approach talks about taking off the lid on natural gas prices. The administration talks about increasing the tax on gasoline.

In each instance there is an effort to raise the price to the consumer and that, I think, is not the right approach to the development of ultimate sources of energy.

I believe that an appropriate approach has to do with the development of coal.

The whole program for the development of a coal gasification plant has been dragging in the administration for a period of about 9 months to a year and although they originally talked about going forward promptly with this program, now they are talking about taking bids sometime next year.

Now, there is enough coal underground in this Nation, if we could take the sulfur out of it, to provide all the energy we might need for more than the next 200 years, but that program is not going forward with dispatch.

In connection with the subject of solar energy, officials of NASA told me about 8 months ago that they would be prepared to move forward with dispatch as far as the development of solar energy is concerned to make it usable for commercial purposes in a period of 5 years if they only had the go signal, but nobody has given them the go signal.

Too often we find that the proposal, or the solution, as suggested by the minority party, is that we raise the prices to the consumers of this country and in some way that will solve the problem of providing alternate sources of energy.

I think we can provide alternative sources of energy without the consumer carrying the entire burden. I think the people of this country are prepared to share the burden, but I do not think they should be expected to carry the entire burden while the oil companies continue to amass fantastic profits beyond compare.

The ACTING PRESIDENT pro tempore. Does the Senator wish to ask unanimous consent that his resolution be referred to the Foreign Relations Committee?

Mr. METZENBAUM. I do.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, as a cosponsor of the Metzenbaum resolution, I think I should make my position clear again as I did at the time this resolution was presented to the Senate by the distinguished Senator from Ohio on Wednesday or Thursday, I believe, of last week.

At that time I stated that I did not look upon this resolution as seeking a confrontation between the oil producing states and the United States. I stated at that time that it was my impression that what President Ford had to say at the United Nations, and again a week ago yesterday at Detroit, and what Secretary Kissinger later said, and also Secretary Simon, on what they were attempting to do was to paint a broad picture of the situation which confronted not only the Western World, the consumer nations, but, in effect, which confronted the producing nations as well.

So confrontation is not the answer. I am afraid that some of us have used the word "war" too easily and too glibly because war, no matter how it is defined, economic and physical, aggressive or whatnot, just is not the answer and will not succeed.

The purpose, as I see it, is to try and work out a reasonable agreement among reasonable men representing reasonable countries—if all can be reasonable—to the end that the deficits in the consuming countries can be overcome and that these consuming nations, rapidly becoming the have-not nations, can have their needs reasonably taken care of.

I think we have spent too much time talking about the Arab producers and I believe, if my memory serves me correctly, that the great majority of the oil imported into the country comes from Venezuela and Canada, rather than from the Middle East.

That does not denigrate the problem to any extent, but I hope it clears up the picture somewhat, because we are too prone to say, "the Arabs," and let it go at that, and not recognize the fact that oil is at least a three-dimensional subject because we have huge holdings in other parts of Asia outside of the Middle East, huge beginnings in certain African countries like Nigeria and Gabon, and certainly, north Africa in the Arabic part, Libya, Algeria, and supposedly in the western part of Egypt itself.

Then, of course, we have the tremendous holdings in Venezuela, plus new developments in Ecuador, Bolivia, and elsewhere on the Latin American Continent.

So I would hope we would not let our emotions get the better of us and recognize that there may be ways and means through which an accord can be reached. I would hope as well that we concentrate on what we can do to develop our own resources in all the fields of energy under the right conditions; and finally prepare ourselves for the sacrifices which must be made if we are ever to become anywhere near self-sufficient.

It is my understanding that Secretary Simon said last year that 40 percent of our energy is wasted.

Certainly, there are some ways in which we can find means to draw down on this shortage, if not to eliminate it, at least to decrease it, and that way we can help to overcome our needs for imported products.

There must be sacrifices. We have been too materialistic. We all wanted that second car, or that third TV set, or that fifth radio. We do not like to walk anymore. If we have to go five blocks we will call a taxi.

I think the people of this country have a very important function to perform, if they will do it, because if they do not they are going to face a repetition of what happened last year, not only in oil, because it goes beyond that commodity, because we find cartels being created to fix the price and control production on bauxite, for example, which is very important to the manufacture of aluminum, a necessity as a matter of fact.

We even find the coffee and banana producing nations forming cartels for the purpose of controlling production and fixing the price upward.

We can get along without coffee; we can get along without bananas; but we cannot get along without oil. We cannot get along without bauxite. We cannot get along without copper—and the imports are increasing there—iron, and other commodities, because, I have to repeat, Mr. President, that this Nation, which used to be a have nation, is rapidly becoming more and more of a have not nation in too many spheres. I think that partially the fault is ours because we have been too freewheeling. We have been too prodigal in wasting our resources. I think it is about time that we wake up and face the reality of modern times, and do what must be done as a people, and do what must be done on the part of Congress and the executive branch working together.

As President Ford said, we are all soldiers in the war against inflation. In that respect, I approve the use of the word "war." Inflation knows no party, recognizes no label, and will affect all of us if we do not face up to what it entails and the responsibilities which we must assume.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I want to agree fully with what the distinguished majority leader has just said. Only semi-facetiously would I say there are times at 7 o'clock in the morning when I am not sure that a good share of the country can do without coffee.

I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. METZENBAUM. Mr. President.

The ACTING PRESIDENT pro tempore. The Senator from Ohio has used his time available under morning business.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator be recognized because no other Members are in the Chamber.

The ACTING PRESIDENT pro tempore. The Senator from Ohio is recognized for not to exceed 3 minutes.

Mr. METZENBAUM. I thank the distinguished majority leader. I rise only to indicate my appreciation of the remarks of the majority leader, and also to compliment him on the broad breadth of knowledge that he brings to this subject, as well as so many others, in the Senate.

I wanted to address myself to one point. That is to point out that nowhere in the resolution, nor in any of the remarks that I have made in support of that resolution, have I used the words "Arab nations." I have consistently talked about the OPEC nations because I fully recognize that the OPEC nations include a great many nations other than those that are in the Arab world, including Venezuela, Canada, Iran, particularly, as well as a number of the other nations.

I wanted to be certain that this record on this subject, as far as debate in the Senate is concerned, not be closed without my making it very clear that I do not consider this to be an Arab problem. I consider it to be an OPEC nation problem.

I yield back the remainder of my time.

Mr. MANSFIELD. The Senator is correct. There is no reference, as such, to the Arab nations. When I spoke about OPEC, I was doing it entirely on my own responsibility, and in no way related to the resolution which is now in the hands of the Foreign Relations Committee.

I am delighted that the distinguished Senator from Ohio has once again emphasized the point which he did when the resolution was first introduced.

The ACTING PRESIDENT pro tempore. Is there further morning business?

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

APPROVAL OF BILL AND JOINT RESOLUTION

A message from the President of the United States stated that on October 1, 1974, he had approved and signed the following bill and joint resolution:

S. 3270. An act to amend the Defense Production Act of 1950 and to establish a National Commission on Supplies and Shortages.

S.J. Res. 244. A joint resolution to extend the termination date of the Export-Import Bank.

REPORT OF THE ECONOMIC STABILIZATION PROGRAM—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Hughes) laid before the Senate a message from the President of the United States transmitting the final quarterly report of the economic stabilization program covering the first 3 months of 1974, and the month of April 1974, which, with the accompanying report, was referred to the Committee on Banking, Housing and Urban Affairs. The message is as follows:

To the Congress of the United States:

In accordance with section 216 of the Economic Stabilization Act of 1970, as amended, I am hereby transmitting to the Congress the final quarterly report of the Economic Stabilization Program. This report covers the first three months of 1974 as well as the month of April, 1974—the last month before legislative authority for the program expired.

When the Economic Stabilization Program was begun in 1971, President Nixon emphasized his hope that it would be temporary. This objective has now been met, as all mandatory wage and price controls have been lifted, except for those on petroleum which have been mandated separately by the Congress.

Looking back I believe this program gave all Americans a better appreciation of how powerful the forces of inflation are in our economy and how difficult it is to harness them. It also gave us convincing proof that wage and price controls are not the right way to solve the long-range problems of our economy. In retrospect this may have been the program's greatest lasting value.

Gerald R. Ford.

The White House, *October 1, 1974.*

MESSAGES FROM THE HOUSE

At 1:02 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has affixed his signature to the following enrolled bills:

H.R. 15301. An act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes; and

H.R. 15323. An act to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

At 3:20 p.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed without amendment the following Senate bills and joint resolution:

S. 1276. An act for the relief of Joe H. Morgan;

S. 2337. An act for the relief of Dulce Pilar Castin (Castin-Casas);

S. 2382. An act for the relief of Caridad R. Balonan; and

S.J. Res. 192. A joint resolution to grant the status of permanent residence to Ivy May Glockner, formerly Ivy May Richmond nee Pond.

The message also announced that the House insists upon its amendments to the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, disagreed to by the Senate; agrees to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Dorn, Mr. Teague, Mr. Haley, Mr. Dulski, Mr. Helstoski, Mr. Hammerschmidt, Mrs. Heckler of Massachusetts, Mr. Zwach, and Mr. Wylie, were appointed managers of the conference on the part of the House.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. Hughes):

A resolution adopted by the City Council of New Rochelle, N.Y., urging Congress to revise Daylight Saving Time. (Ordered to lie on the table.)

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hughes) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE SECRETARY OF DEFENSE

A letter from the Assistant Secretary of Defense transmitting, pursuant to law, a confidential report listing contracts pursuant to section 139 of title 10, United States Code (with an accompanying report). Referred to the Committee on Armed Services.

MILITARY PROCUREMENT ACTIONS FOR EXPERIMENTAL, DEVELOPMENTAL, TEST, OR RESEARCH WORK, JANUARY THROUGH JUNE 1974

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, listings of Department of Defense contracts negotiated during January–June 1974 (with accompanying documents). Referred to the Committee on Armed Services.

PROPOSED LEGISLATION TO AUTHORIZE DISPOSAL OF TIN, LEAD, AND SILVER FROM THE NATIONAL AND SUPPLEMENTAL STOCKPILES

A letter from the Administrator, General Services Administration, transmitting drafts of proposed legislation that will authorize disposal of tin, lead, and silver from the national and supplemental stockpiles (with accompanying papers). Referred to the Committee on Armed Services.

Department of Defense Procurement from Small and Other Business Firms, July 1973–June 1974

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report of Department of Defense Procurement from Small and Other Business Firms for July 1973–June 1974 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

Loan, Guarantee and Insurance Transactions Supported by Eximbank to Yugoslavia, Romania, the Union of Soviet Socialist Republics, and Poland During July 1974

A letter from the President and Chairman, Export-Import Bank of the United States, reporting, pursuant to law, on loan, guarantee and insurance transactions supported by Eximbank to Yugoslavia, Romania, the Union of Soviet Socialist Republics, and Poland during July 1974. Referred to the Committee on Banking, Housing and Urban Affairs.

Eleventh Annual Report of Comsat

A letter from the President, Communications Satellite Corporation, transmitting, pursuant to law, the eleventh annual report of the operations, activities and accomplishments of the Communications Satellite Corporation (COMSAT) (with an accompanying report). Referred to the Committee on Commerce.

Publication of the Federal Power Commission

A letter from the Chairman of the Federal Power Commission transmitting for the information of the Senate a copy of the publication entitled "Environmental Research Task Force Report" (with an accompanying publication). Referred to the Committee on Commerce.

Report of the National Railroad Passenger Corporation

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the operation of the Corporation for the month of August 1944 (with an accompanying report). Referred to the Committee on Commerce.

Report of the National Professional Standards Review Council

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report of the National Professional Standards Review Council (with an accompanying report). Referred to the Committee on Finance.

Proposed Legislation by the Department of State

A letter from the Assistant Secretary of State transmitting a draft of proposed legislation to authorize certain officers and employees of the Department of State and of the Foreign Service to carry firearms for the purpose of protecting designated individuals (with accompanying papers). Referred to the Committee on Foreign Relations.

Report of the International Development Agency

A letter from the Assistant Administrator of the Agency for International Development transmitting, pursuant to law, the report of the Agency for the fiscal year 1974 (with an accompanying report). Referred to the Committee on Government Operations.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Problems in Providing Education Overseas for Dependents of U.S. Personnel" (with an accompanying report). Referred to the Committee on Government Operations.

Proposed Legislation by the Department of the Interior

A letter from the Acting Assistant Secretary of the Interior transmitting a draft of proposed legislation to provide for the establishment of the Father Marquette National Memorial in St. Ignace, Mich., and for other purposes (with accompanying papers). Referred to the Committee on Interior and Insular Affairs.

Report of the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report of hydroelectric generating facilities (with an accompanying report). Referred to the Committee on Government Operations.

Orders of the Immigration and Naturalization Service

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered in cases in which the authority of the Service was exercised in behalf of such aliens (with accompanying papers). Referred to the Committee on the Judiciary.

Modifications of Proposed Family Contribution Schedules

A letter from the Commissioner of Education reporting, pursuant to law, on proposed modifications of the family contribution schedules for the basic educational opportunity grant program for the 1975–76 academic year. Referred to the Committee on Labor and Public Welfare.

Report of the Department of the Interior

A letter from the Secretary of the Interior transmitting, pursuant to law, the annual report for the calendar year 1973 on the administration of the Federal Metal and Nonmetallic Mine Safety Act (with an acpanying report). Referred to the Committee on Labor and Public Welfare.

Proposed Lease Acquisition of Space

A letter from the Administrator of the General Services Administration transmitting, pursuant to law, a prospectus which proposes lease acquisition of space to be occupied by the Federal Energy Administration in Washington, D.C. (with accompanying papers). Referred to the Committee on Public Works.

Report of the Veterans' Administration

A letter from the Acting Administrator of the Veterans' Administration transmitting, pursuant to law, a report on the activities of the Veterans' Administration for the fiscal year 1974 for the programs of exchange of medical information and sharing of medical resources (with an accompanying report). Referred to the Committee on Veterans Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 1534. A bill for the relief of Doctor Lawrence Chin Bong Chan (Rept. No. 93–1196).

H.R. 6477. A bill for the relief of Lucille de Saint Andre (Rept. No. 93–1197).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 3397. A bill for the relief of Jose Ismarnardo Reyes-Morelos (Rept. No. 93–1198).

H.R. 14597. A bill to increase the limit on dues for United States membership in the International Criminal Police Organization (Rept. No. 93–1199).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. Res. 203. A resolution refer the bill (S. 2698) for the relief of John J. Egan to the Chief Commissioner of the Court of Claims (Rept. No. 93–1201).

H.R. 3532. An act for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall (Rept. No. 93–1202).

H.R. 6202. An act for the relief of Thomas C. Johnson (Rept. No. 93–1203).

H.R. 7135. An act to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damage to, or loss of, personal property incident to their service (Rept. No. 93–1204).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 3718. A bill for the relief of Leah Maureen Anderson (Rept. No. 93–1205).

By Mr. NELSON, from the Committee on Labor and Public Welfare, with an amendment:

H.R. 13342. An act to amend the Farm Labor Contractor Registration Act of 1963 by extending its coverage and effectuating its enforcement (Rept. No. 93–1206).

By Mr. HASKELL, from the Committee on Interior and Insular Affairs, with amendments:

S. 3022. A bill to amend the Lower Saint Croix River Act of 1972 (Rept. No. 93–1207).

FREEDOM OF INFORMATION ACT AMENDMENTS—CONFERENCE REPORT (REPT. NO. 93–1200)

Mr. KENNEDY. Mr. President, I am pleased to send to the desk the conference report on the Freedom of Information Act Amendments—Report No. 98–1380, on H.R. 12471. The House and Senate conferees met on four occasions last month to discuss and debate a number of the provisions of this significant legislation, and I firmly believe that our final product strikes the proper balance between the rights of the public to know what their Government is doing and the needs of the executive branch and independent agencies to keep certain information confidential. The legislation will promote both faster and freer public access by the public to Government files and records.

During our conference on this bill, I received a letter from President Ford voicing his concern over portions of our proposed amendments. He identified five specific problems, and at the next conference session the conferees discussed each problem and adopted language—either for the bill or for the statement of managers—designed to respond to those concerns. Last week I replied to the President's letter, along with House Conference Chairman WILLIAM MOORHEAD, observing that our legislation "would provide support for your own policy of 'open government' which is so desperately needed to restore the public's confidence in our National Government." I ask unanimous consent that President Ford's letter and our reply be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KENNEDY. I believe it is significant to note that the conferees ap-

proached this legislative effort in a bipartisan spirit. We attempted to accommodate at each turn the needs of the Government agencies affected by our bill. I was pleased that each major issue requiring a final rollcall vote on the part of the Senate conferees was resolved by a unanimous vote. The participation of our ranking minority member, Senator HRUSKA, in the conference was most constructive, and his contributions extremely helpful. It is because of the active give and take of the conferees on both sides, with continued advice from the executive branch, that we achieved a final product that I believe can and should be enacted without delay.

I hope that our failure to get our senior minority members to sign the conference report does not reflect a decision on the part of the White House to veto this significant legislation. Openness is supposed to be the watchword of the present administration. So far, however, it has been more of a slogan than a practice. A veto of this bill would reflect a hostility to just the kind of Government openness and accountability which the public must have to regain a full measure of confidence in our National Government.

The legislation approved by our conference committee contains the following major provisions:

Federal courts are empowered to review the validity of agency classification of documents and may examine those documents in determining whether they were properly classified.

Individual Government officials who act arbitrarily or capriciously in withholding information from the public are subjected to disciplinary procedures, to be initiated by the Civil Service Commission.

Investigatory files, which are exempt from mandatory disclosure under present law, are required to be disclosed unless their release will cause some specific harm enumerated in the bill.

Agencies are given definite time limits to respond to requests for information: 10 days for an initial response, 20 days to determine an appeal, with an additional 10 days in unusual circumstances.

A person who must sue to obtain access to information may recover attorneys' fees if he prevails in court.

The Freedom of Information Act, passed by Congress in 1966, guaranteed the public judicially enforceable access to Government information, subject to specific exceptions defined in the law. Hearings before my Subcommittee on Administrative Practice and Procedure last year brought out numerous abuses by Government agencies in administering the act, and in October 1973 I introduced a bill to strengthen the Freedom of Information Act, which has in large part been incorporated into the final conference report filed today.

Our present legislative effort finds support from many quarters. Representatives of the media have strongly advocated adoption of these amendments. The American Bar Association has resolved that Congress move forward with the kinds of reforms contained in our legislation. The American Civil Liberties Union has advocated adoption of this bill and has found it consistent with privacy rights which must also be protected. The American Federation of Government Employees has determined that the sanction provision is acceptable as fair and consistent with Civil Service safeguards. And the American Political Science Association has indicated the special interest of scholars in seeing this bill enacted.

These amendments to the Freedom of Information Act, contained in our conference report, will help open the decisions and actions of Government to the light of public review and understanding. Without them, the Freedom of Information Act will remain a toothless tiger, and the executive branch will continue to be able to delay, resist, and obstruct public access to Government information. With them, the Freedom of Information Act becomes truly worthy of its name.

EXHIBIT 1

THE WHITE HOUSE,
Washington, D.C., August 20, 1947.

DEAR TED: I appreciate the time you have given me to study the amendments to the Freedom of Information Act (H.R. 12471) presently before you, so that I could provide you my personal views on this bill.

I share your concerns for improving the Freedom of Information Act and agree that now, after eight years in existence, the time is ripe to reassess this profound and worthwhile legislation. Certainly, no other recent legislation more closely encompasses my objectives for open Government than the philosophy underlying the Freedom of Information Act.

Although many of the provisions that are now before you in Conference will be expensive in their implementation, I believe that most would more effectively assure to the public an open Executive branch. I have always felt that administrative burdens are not by themselves sufficient obstacles to prevent progress in Government, and I will therefore not comment on those aspects of the bill.

There are, however, more significant costs to Government that would be exacted by this bill—not in dollar terms, but relating more fundamentally to the way Government, and the Executive branch in particular, has and must function. In evaluating the costs, I must take care to avoid seriously impairing the Government we all seek to make more open. I am concerned with some of the provisions which are before you as well as some which I understand you may not have considered. I want to share my concerns with you so that we may accommodate our reservations in achieving a common objective.

A provision which appears in the Senate version of the bill but not in the House version requires a court, whenever its decision grants withheld documents to a complainant, to identify the employee responsible for the withholding and to determine whether the withholding was "without (a) reasonable basis in law" if the complainant so requests. If such a finding is made, the court is required to direct the agency to suspend that employee without pay or to take disciplinary or corrective action against him. Although I have doubts about the appropriateness of diverting the direction of litigation from the disclosure of information to career-affecting disciplinary hearing about employee conduct, I am most concerned with the inhibiting effect upon the vigorous and effective conduct of official duties that this potential personal liability will have upon employees responsible for the exercise of these judgments. Neither the best interests of Government nor the public would be served by subjecting an employee to this kind of personal liability for the performance of his official duties. Any potential harm to successful complainants is more appropriately rectified by the award of attorney fees to him. Furthermore, placing in the judiciary the requirement to initially determine the appropriateness of an employee's conduct and to initiate discipline is both unprecedented and unwise. Judgments concerning employee discipline must, in the interests of both fairness and effective personnel management, be made initially by his supervisors and judicial involvement should then follow in the traditional form of review.

There are provisions in both bills which would place the burden of proof upon an agency to satisfy a court that a document classified because it concerns military or intelligence (including intelligence sources and methods) secrets and diplomatic relations is, in fact, properly classified, following an *in camera* inspection of the document by the court. If the court is not convinced that the agency has adequately carried the burden, the document will be disclosed. I simply cannot accept a provision that would risk exposure of our military or intelligence secrets and diplomatic relations because of a judicially perceived failure to satisfy a burden of proof. My great respect for the courts does not prevent me from observing that they do not ordinarily have the background and expertise to gauge the ramifications that a release of a document may have upon our national security. The Constitution commits this responsibility and authority to the President.

I understand that the purpose of this provision is to provide a means whereby improperly classified information may be detected and released to the public. This is an objective I can support as long as the means selected do not jeopardize our national security interests. I could accept a provision with an express presumption that the classification was proper and with *in camera* judicial review only after a review of the evidence did not indicate that the matter had been reasonably classified in the interests of our national security. Following this review, the court could then disclose the document if it finds the classification to have been arbitrary, capricious, or without a reasonable basis. It must also be clear that this procedure does not usurp my Constitutional responsibilities as Commander-in-Chief. I recognize that this provision is technically not before you in Conference, but the differing provisions of the bills afford, I believe, grounds to accommodate our mutual interests and concerns.

The Senate but not the House version amends the exemption concerning investigatory files compiled for law enforcement purposes. I am concerned with any provision which would reduce our ability to effectively deal with crime. This amendment could have that effect if the sources of information or the information itself are disclosed. These sources and the information by which they may be identified must be protected in order not to severely hamper our efforts to combat crime. I am, however, equally concerned that an individual's right to privacy would not be appropriately protected by requiring the disclosure of information contained in an investigatory file about him unless the invasion of individual privacy is *clearly unwarranted*. Although I intend to take action shortly to address more comprehensively my concerns with encroachments upon individual privacy, I believe now is the time to preclude the Freedom of Information Act from disclosing information harmful to the privacy of individuals. I urge that you strike the words "clearly unwarranted" from this provision.

Finally, while I sympathize with an individual who is effectively precluded from exercising his right under the Freedom of Information Act because of the substantial costs of litigation, I hope that the amendments will make it clear that corporate interests will not be subsidized in their attempts to increase their competitive position by using this Act. I also believe that the time limits for agency action are unnecessarily restrictive in that they fail to recognize several valid examples of where providing flexibility in several specific instances would permit more carefully considered decisions in special cases without compromising the principle of timely implementation of the Act.

Again, I appreciate your cooperation in affording me this time and I am hopeful that the negotiations between our respective staffs which have continued in the interim will be successful.

I have stated publicly and I reiterate here that I intend to go more than halfway to accommodate Congressional concerns. I have followed that commitment in this letter, and I have attempted where I cannot agree with certain provisions to explain my reasons and to offer a constructive alternative. Your acceptance of my suggestions will enable us to move forward with this progressive effort to make Government still more responsive to the People.

Sincerely,

Gerald R. Ford.

Foreign Operations and Government Information Subcommittee,
Washington, D.C., September 23, 1974.
Hon. Gerald R. Ford,
President of the United States, The White House, Washington, D.C.

Dear Mr. President: We were most pleased to receive your letter of August 20 and to know of your personal interest in the amendments to the Freedom of Information Act being considered by the House-Senate conference committee. And we appreciate your recognition of the fundamental purposes of this milestone law and the importance you attach to these amendments. They of course would provide support for your own policy of "open government" which is so desperately needed to restore the public's confidence in our national government.

When we received your letter, all of the members of the conference committee agreed to your request for additional time to study the amendments and have given serious consideration and careful deliberation to your views on each of the major concerns you raised. The staffs of the two committees of jurisdiction have had several in-depth discussions with the responsible officials of your Administration. Individual Members have also discussed these points with Justice Department officials.

At our final conference session we were able to reopen discussion on each of the major issues raised in your letter. We believe that the ensuing conference actions on these matters were responsive to your concerns and were designed to accommodate further interests of the Executive branch.

You expressed concern in your letter about the constitutionality and wisdom of court-imposed penalties against Federal employees who withhold information "without a reasonable basis in law." This provision has been substantially modified by conference action.

At our last conference meeting, after extensive debate and consideration, a compromise sponsored by Representative McCloskey and modified by Senate conferees was adopted. This compromise leaves to the Civil Service Commission the responsibility for initiating disciplinary proceedings against a government official or employee in appropriate circumstances—but only after a written finding by the court that there were "circumstances surrounding the withholding (that) raise questions whether agency personnel acted arbitrarily or capriciously with respect to the withholding." The actual disciplinary action recommended by the Commission, after completion of its standard proceedings, would actually be taken by the particular agency involved in the case.

We feel that this is a reasonable compromise that basically satisfies your objections to the original Senate language.

You expressed fear that the amendments afford inadequate protection to truly important national defense and foreign policy information subject to *in camera* inspection by Federal courts in freedom of information cases. We believe that these fears are unfounded, but the conference has nonetheless agreed to include additional explanatory language in the Statement of Managers making clear our intentions on this issue.

The legislative history of H.R. 12471 clearly shows that the *in camera* authority conferred upon the Federal courts in these amendments is *not mandatory, but permissive* in cases where normal proceedings in freedom of information cases in the courts do not make a clear-cut case for agency withholdings of requested records. These proceedings would include the present agency procedure of submitting an affidavit to the court in justification of the classification markings on requested documents in cases involving 552(b)(1) information.

The amendments in H.R. 12471 do not remove this right of the agency, nor do they change in any way other mechanisms available to the court during its consideration of the case. The court may still request additional information or corroborative evidence from the agency short of an *in camera* examination of the documents in question. Even when the *in camera* review authority is exercised by the court, it may call in the appropriate agency officials involved to discuss any portion of the information or affidavit furnished by the agency in the case.

The conferees have agreed to include language in the Statement of Managers that reiterates the discretionary nature of the *in camera* authority provided to the Federal courts under the Freedom of Information Act. We will also express our expectation that the courts give substantial weight to the agency affidavit submitted in support of the classification markings on any such documents in dispute.

Thus, Mr. President, we feel that the conference committee has made an effort to explain our intentions so as to respond to your objections on this important area of the amendments, operating as we must within the scope of the conference authority because of the virtually identical language in both the House and Senate versions of H.R. 12471.

The conference committee has also acted affirmatively to satisfy your major objections to the proposed amendments to subsection (b)(7) of the Freedom of Information Act, dealing with specific criteria for the withholding of Federal investigatory records in the law enforcement area.

The conference committee had already added an additional provision, not contained in the Senate-passed bill, which would permit withholding of information that would "endanger the life or physical safety of law enforcement personnel." This made it substantially identical to the language recommended by then Attorney General Richardson during Senate hearings on the bill and endorsed by the Administrative Law Section of the American Bar Association.

After reviewing the points made in your letter on this point, the conference committee also agreed to adopt language offered by Senator Hruska to permit the withholding of the *information* provided by a confidential source to a criminal law enforcement authority during the course of a criminal or "lawful national security intelligence investigation." The Federal agency may, in addition, withhold the identification of the confidential source in *all* law enforcement investigations—civil as well as criminal.

To further respond to your suggestion on the withholding of information in law enforcement records involving personal privacy the conference committee agreed to strike the word "clearly" from the Senate-passed language.

You expressed concern that the amendments to the Freedom of Information Law authorizing the Federal courts to award attorney fees and litigation costs not be used to subsidize corporate interests who use the law to enhance their own competitive position.

The members of the conference committee completely share your concern in this connection, and the Statement of Managers will reflect mutual view that any award of fees and costs by the courts should not be automatic but should be based on presently prevailing judicial standards, such as the general public benefit arising from the release of the information sought, as opposed to a more narrow commercial benefit solely to the private litigant.

You also suggest that the time limits in the amendments may be unnecessarily restrictive. The conference adopted at its first meeting the Senate language allowing agencies an additional ten days to respond to a request or determine an appeal in unusual circumstances. Pursuant to your suggestion we included language from the Senate version making clear that a court can give an agency additional time to review requested materials in exceptional circumstances where the agency has exercised due diligence but still could not meet the statutory deadlines.

In conclusion, Mr. President, we appreciate your expression of cooperation with the Congress in our deliberations on the final version of this important legislation. In keeping with your willingness "to go more than halfway to accommodate Congressional concerns", we have given your suggestions in these five key areas of the bill renewed consideration and, we feel, have likewise gone "more than halfway" at this late stage.

We welcome your valuable input into our final deliberations and appreciate the fine cooperation and helpful suggestions made by various staff members and officials of the Executive branch. It is our hope that the fruits of these joint efforts will make it possible for the Senate and House to act promptly on the conference version of H.R. 12471 so that this valuable legislation will be enacted and can be signed into law before the end of the month.

With every good wish,

Sincerely,

Edward M. Kennedy,
Chairman, Senate Conferees.
Willam S. Moorhead,
Chairman, House Conferees.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session, the following executive report of a committee was submitted

By Mr. HASKELL, from the Committee on Interior and Insular Affairs:

Lynn Adams Greenwalt, of Maryland, to be Director of the U.S. Fish and Wildlife Service.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 4066. A bill to provide for the study of certain lands to determine their suitability for designation as wilderness in accordance with the Wilderness Act of 1964, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JAVITS:

S. 4067. A bill to establish a Capital Markets Advisory Committee. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. FANNIN, Mr. BARTLETT, and Mr. TOWER):

S. 4068. A bill to amend the Food Stamp Act of 1964. Referred to the Committee on Agriculture and Forestry.

By Mr. GRAVEL:

S. 4069. A bill to require that a preference be afforded to local residents in employment on certain Federal projects or federally assisted or regulated projects in areas with substantial unemployment, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. STEVENS:

S. 4070. A bill to revise retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service not entitled to Indian preference, provide greater opportunity for advancement and employment of Indians, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. McCLURE:

S. 4071. A bill to provide for the establishment of the Hagerman Fossil Beds National Monument in the State of Idaho, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. STENNIS:

S. 4072. A bill to authorize the Secretary of the Army to return the remains of 2d Lieutenant John A. Ellard, Jr., from the Manila American Cemetery, Republic of the Philippines, to the United States. Referred to the Committee on Armed Services.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By MR. METCALF (for himself and Mr. MANSFIELD):

S. 4066. A bill to provide for the study of certain lands to determine their suitability for designation as wilderness in accordance with the Wilderness Act of 1964, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

MONTANA WILDERNESS STUDY ACT OF 1974

Mr. METCALF. Mr. President, before an area of land can enter the national wilderness system, it must undergo a formal study by the appropriate Federal resource agency. The study is then followed by agency recommendation and, if it merits, congressional approval and finally Presidential signature.

When the Wilderness Act was passed in 1964, it envisioned the study of all areas which might qualify for wilderness status. Now, a decade later—a decade of exploding commercial and recreational pressures—there remain far too many endangered areas which have not had the benefit of formal study.

Because of the nature of the land it administers, most wilderness comes under the jurisdiction of the Forest Service. The recent history of the Forest Service is a sad one. Under the Nixon administration, its budgets have been repeatedly slashed. Personnel have been reduced, recreational areas have been closed or their use curtailed, and undue emphasis has been placed on logging, particularly the ruinous practice of clearcutting. Congressional appropriations and directives aimed at alleviating these conditions have been ignored in express violation of the law.

President Ford has indicated that he wishes to return the executive branch to partnership with Congress. He has said that executive agencies will be required to follow the law of the land. A good starting point, I submit, would be to return the Forest Service to the multiple use-sustained yield mandate of Congress, and to fund the agency properly in order that it can carry out that mandate.

This in turn would permit the agency to clean up a national backlog of formal wilderness area studies. Little time remains. The Forest Service's RARE—roadless area review and evaluation—program, which had the responsibility for identifying potential wilderness areas for future study, arbitrarily broke up many large tracts of prime land into smaller study units, thereby reducing their appeal as wilderness. Logging contracts have already been let in some prime areas, and more are contemplated.

I am therefore introducing today, in cooperation with my distinguished colleague, Senator MANSFIELD, a bill to start on the long road back toward compliance with congressional wilderness directives. We have identified 10 areas in Montana which are prime candidates for wilderness designation. We are not asking that they be so designated at this time. Rather, we are asking that each will have the benefit of a formal wilderness study before their character is irrevocably altered. Five years are provided for completion of the study.

We wish to make two points clear. First, we do not fault Regional Forester Steve Yurich and his fine staff for the failure to date to conduct these studies. Field personnel have been pushed inexorably toward commercially oriented activities by Washington directives and tight budgets. Second, the areas listed in the bill do not exhaust those in Montana deserving of similar formal study. There are at least that many more which qualify, and others may be added to the list as time passes.

Mr. President, the areas chosen and their approximate size are:

	Acres
West Pioneer Wilderness study area	157, 000
Taylor-Hilgard Wilderness study area	240, 000
Bluejoint Wilderness study area	42, 000
Sapphire Wilderness study area	69, 000
Elkhorn Wilderness study area	89, 000
Ten Lakes Wilderness study area	30, 000
Mt. Henry Wilderness study area	21, 000
Middle Fork Judith Wilderness study area	87, 000
Big Snowies Wilderness study area	89, 000
Hyalite-Porcupine-Buffalo Horn Wilderness study area	163,000

They were selected on the basis of their major importance for wilderness and undisturbed wildlife habitat, threats of logging or other development which would sacrifice their natural values without a comprehensive wilderness study, and substantial local support in nearby communities.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, and that a description of each area be printed immediately thereafter.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 4066

A bill to provide for the study of certain lands to determine their suitability for designation as wilderness in accordance with the Wilderness Act of 1964, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Montana Wilderness Study Act of 1974."

SEC. 2. (a) In furtherance of the purposes of the Wilderness Act (78 Stat. 890; 16 U.S.C. 1132), the Secretary of Agriculture (hereinafter known as the "Secretary") shall, within five years after the date of enactment of this Act, review certain lands designated by this section, as to their suitability or nonsuitability for preservation as wilderness, and report his findings to the President, as follows:

(1) certain lands in the Beaverhead National Forest, Montana, which are generally depicted on a map entitled "West Pioneer Wilderness Study Area" and dated January 1974, comprising approximately one hundred fifty-seven thousand acres, which shall be known as the West Pioneer Wilderness Study Area;

(2) certain lands in the Beaverhead and Gallatin National Forests, Montana, which are generally depicted on a map entitled "Taylor-Hilgard Wilderness Study Area" and dated January 1974, comprising approximately two hundred forty thousand acres, which shall be known as the Taylor-Hilgard Wilderness Study Area;

(3) certain lands in the Bitterroot National Forest, Montana, which are generally depicted on a map entitled "Bluejoint Wilderness Study Area" and dated January 1974, comprising approximately forty-two thousand acres, which shall be known as the Bluejoint Wilderness Study Area;

(4) certain lands in the Bitterroot and Deerlodge National Forests, Montana, which are generally depicted on a map entitled "Sapphire Wilderness Study Area" and dated January 1974, comprising approximately sixty-nine thousand acres, which shall be known as the Sapphire Wilderness Study Area;

(5) certain lands in the Helena and Deerlodge National Forests, Montana, which are generally depicted on a map entitled "Elkhorn Wilderness Study Area" and dated January 1974, comprising approximately eighty-nine thousand acres which shall be known as the Elkhorn Wilderness Study Area;

(6) certain lands in the Kootenai National Forest, Montana, which are generally depicted on a map entitled "Ten Lakes Wilderness Study Area" and dated January 1974, comprising approximately thirty thousand acres, which shall be known as the Ten Lakes Wilderness Study Area;

(7) certain lands in the Kootenai National Forest, Montana, which are generally depicted on a map entitled "Mt. Henry Wilderness Study Area" and dated January 1974, comprising approximately twenty-one thousand acres which shall be known as the Mt. Henry Wilderness Study Area;

(8) certain lands in the Lewis and Clark National Forest, Montana, which are generally depicted on a map entitled "Middle Fork Judith Wilderness Study Area" and dated January 1974, comprising approximately eighty-seven thousand acres, which shall be known as the Middle Fork Judith Wilderness Study Area;

(9) certain lands in the Lewis and Clark National Forest, Montana, which are generally depicted on a map entitled "Big Snowies Wilderness Study Area" and dated January 1974, comprising approximately eighty-nine thousand acres, which shall be known as the Big Snowies Wilderness Study Area.

(10) certain lands in the Gallatin National Forest, Montana, which are generally depicted on a map entitled "Hyalite-Porcupine-Buffalo Horn Wilderness Study Area" and dated January 1974, comprising approximately one hundred sixty-three thousand acres, which shall be known as the Hyalite-Porcupine-Buffalo Horn Wilderness Study Area;

(b) The Secretary shall conduct his review, and the President shall advise the United States Senate and House of Representatives of his recommendations, in accordance with the provisions of subsections 3(b) and 3(d) of the Wilderness Act, except that any reference in such subsections to areas in the national forests classified as "primitive" shall be deemed to be a reference to the wilderness study areas designated by this Act and except that the President shall advise the Congress of his recommendations with respect to such areas within seven years after the date of enactment of this Act: *Provided, however,* That the Secretary shall give at least sixty days advance public notice of any hearing or other public meeting concerning such areas.

(c) The maps referred to in this section shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.

SEC. 3. (a) Except as otherwise provided by this section, and subject to existing private rights, the wilderness study areas designated by this Act shall, until Congress determines otherwise, be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness.

(b) Nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the several States with respect to wildlife and fish in the national forests.

SEC. 4. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

DESCRIPTION OF PROPOSED STUDY AREAS

West Pioneer, 157,000 acres, Beaverhead National Forest:

The West Pioneer unit is a highly scenic wildland of natural lakes and streams containing the indigenous and endangered Montana grayling and cutthroat trout. It is important elk and moose summer range. Occasional mountain goats are also seen in the area. Commercial timber is scattered and limited in volume, consisting primarily of pole-sized lodgepole pine.

In addition, in the northern part of the West Pioneer area on Effie Creek exists the world's oldest known stand of living lodgepole pine trees. Described by Mason in 1915 as being over 450 years old, the most ancient lodgepole pine in the stand now exceeds 500 years in age.

Another outstanding feature of the West Pioneers is the presence at the headwaters of Osborne and Stone Creeks of a relic stand of alpine larch (Larix lyallii), believed to be the easternmost stand of these trees in existence. Some of these trees were found by increment borer in 1972 to be more than 700 years old.

It would seem that these two outstanding biological aspects, along with the presence of the endangered grayling and cutthroat trout, would add decisive weight to the importance of the Forest Service giving the area a formal wilderness study.

Moreover, the area has been used for many years by residents and visitors alike for wilderness recreation — camping, quality hunting, fishing, hiking, backpacking, and sightseeing. This wilderness recreational use is growing rapidly each year.

Recommended for wilderness study by the Forest Supervisor, this pristine unit and the East Pioneer roadless area are the two largest and finest potential wilderness areas in the Beaverhead National Forest. Despite the fact that 75 per cent of the 2.1 million-acre Beaverhead Forest is undeveloped and roadless, the only designated wilderness acreage in the Forest is a small part of the Anaconda-Pintlar Wilderness. In fact, although numerous outstanding opportunities exist, the entire southwestern region of Montana is virtually devoid of established Wilderness Areas. With the major Montana population centers of Butte, Anaconda, and Dillon situated in the region, this unfortunate situation must be corrected if the wilderness study process is truly to achieve the Forest Service principal objective of "locating some new wilderness areas closer to the places where people live, so that more people can directly enjoy their benefits."

Although in fact one roadless unit, the Forest Service at Regional or Washington level has incorrectly broken the West Pioneer area up into several smaller roadless areas—Bobcat Mountain, Odell Mountain, and Deer Peak—which has resulted in greatly reduced Quality Index ratings for each area. Since the Forest Service has given major importance in its analyses and selection process to size, the arbitrary fracturing of the total area into segments has adversely affected its wilderness consideration by the Chief Forester. The Forest Supervisor had properly considered the areas as one unit, and it was in this homogeneous form that the area was tentatively selected by him for further wilderness consideration and public meetings. At those meetings and on subsequent occasions, the Montana Wilderness Association, Montana Wildlife Federation, Sierra Club, The Wilderness Society, local guide and outfitting industry, Montana Fish and Game Department, and others representing in total the overwhelming sentiment of conservation-minded citizens of Montana, have continuously expressed their desire that this magnificent potential wilderness be given a wilderness study.

Taylor-Hilgard, 240,000 acres, Gallatin and Beaverhead National Forests:

The Forest Service has proposed a wilderness study of only 79,000 acres in the Hilgard areas, whereas the entire roadless area inventoried by the Forest Service in 1971 contains 240,000 acres. The greater roadless area is pristine, superb wild country that is highly deserving of a wilderness study. It is, in fact, one of the largest and finest potential wilderness areas left in Montana. At the Forest Service roadless area public meeting in Bozeman, Montana, on April 18, 1972, the entire area received overwhelming support for a study.

The eastern half of the greater area, which is contiguous to the northwestern part of Yellowstone National Park, was unfortunately excluded by the Forest Service from the proposed study, as was the northern part.

Furthermore, the greater Taylor-Hilgard roadless area has a long record of strong Forest Service and public support for a wilderness study. For many years, Gallatin conservation groups, local ranchers, the Montana Wildlife Federation, Montana Wilderness Association, The Wilderness Society, and other organizations have urged the Forest Service to study the area for wilderness purposes. The Forest Service formally recognized its great wilderness potential and widespread public support as early as 1958. In that year, Regional Forester Charles L. Tebbe wrote a letter—a copy of which is included with this report—to the Montana Wilderness Association announcing the establishment of a "hold" area of some 150,000 acres in the Taylor-Hilgard country, in addition to the adjacent Porcupine-Buffalo Horn area, in which he agreed that the Forest Service would forego roading, logging, and other development, pending completion of a wilderness study. A copy of the map, encompassing the total area which the Regional Forester agreed in 1958 to give a wilderness study, is also included.

The entire area is critically important habitat for major populations of elk, bighorn sheep, mountain goat, moose, grizzly bear, and other wilderness species. It serves as a vital migration route to and from Yellowstone National Park for several of these wild animals. Parts of the roadless area represent important fall and winter range, as well as calving grounds, for elk. The bighorn sheep is officially rated as seriously reduced in numbers and vulnerable, subject to possible extinction. The grizzly is in the vanishing category. Both require a wilderness environment to survive.

The 79,000-acre Hilgard portion includes primarily the alpine Hilgard Basin and Taylor Peaks along the high crest of the Madison Range. Although spectacular and beautiful in its own right, this portion—if studied and designated by itself—would only represent a "wilderness on the rocks." The more eastern half of the greater roadless area is characterized, in general, by lower and more gentle terrain. It possesses high wilderness and wildlife values and is ecologically an essential part of the whole area. It also provides necessary natural foreground to the spectacular Hilgard and Taylor Peaks. The northern part of the area extends along the Madison crest to the undeveloped Jackson Creek area.

The entire area supports a substantial guiding and outfitting industry. Thousands of visitors make wilderness use of the area each year. Timber volumes—largely lodgepole pine with some Douglas fir and Englemann spruce—are limited and scattered. No mineral or water development conflicts exist. The area encompasses a major part of the watersheds of the Madison and Gallatin Rivers, world famous for their trout fisheries and other recreational attributes. Wilderness status would give added protection to the watershed, fisheries, wildlife, and wilderness values of the scenically magnificent Madison Range.

In view of these facts and the tremendous wilderness resources involved, it would seem that the citizens of Montana and the Nation could properly expect the Forest Service to keep its longstanding commitment to conduct formal wilderness studies of both the greater Taylor-Hilgard and Porcupine-Buffalo Horn roadless areas.

Forest Service plans for an immediate timber sale on Big Teepee Creek on the extreme southeast corner of the Taylor-Hilgard area would infringe on this unit and threaten destruction of part of its wilderness potential.

October 17, 1958.

Mr. Kenneth K. Baldwin,
General Chairman, The Montana Wilderness Association, Bozeman, Mont.

Dear Mr. Baldwin: I wish I could have been with you and the group of people who looked over the proposed recreation area in the Upper Gallatin early in September. I have heard that it was a very good meeting which should result in a better understanding by all concerned of the problems to be worked out if a wilderness, wild or recreation area were to be established there.

I am informed that for some years the desire of interested local people for such an area in the Upper Gallatin has been recognized and discussed, and that until such time as a comprehensive study is made, the Service would refrain from logging or road development. The record shows earlier discussions and agreements related to a much smaller area than outlined on the map accompanying your letter, and as you say, Supervisor Duvendack himself suggested the inclusion, for study, of the Porcupine-Buffalo Creek country.

The enlarged study area and the restraint on development until the study is made, have been discussed with me and my staff. We accept the proposal because you urge it, because we too are interested in delineating boundaries along proper and defensible lines, and because for the time being at least there are no pressing needs for nonrecreational developments in the area under discussion.

We must and we will get on with the study. But in the meantime, and later when we come to discuss it and act upon the findings, it must be recognized that no significance attaches to the lines as drawn, insofar as the ultimate boundary of a wild, wilderness or recreation area is concerned. We are simply going to stay out of the area with roads and logging, except as they might be dictated by some emergency situation such as fire or serious insect infestation, so that a free hand may be taken after the facts are in, in making the most of this area from a recreation and multiple-use standpoint.

Very sincerely yours,

Chas. L. Tebbe,
Regional Forester.

Bluejoint, 42,000 acres, Bitterroot National Forest:

Bluejoint is one of extremely few undeveloped "islands" in a sea of clearcuts on the Bitterroot National Forest southwest of Hamilton, Montana.

The area is situated along the Montana-Idaho border south of Nez Perce Pass. It is contiguous on its west border to the Magruder Corridor's Hells Half Acre roadless area which adjoins the Salmon River Breaks Primitive Area. Thus, Bluejoint, Hells Half Acre, and the Salmon River Breaks could all be joined together in a magnificent primeval wilderness of more than 350,000 acres.

Bluejoint and Deer Creeks are the principal streams in the proposed wilderness study area. Tributaries of the recreationally-important Bitterroot River, they contain excellent wild trout fisheries. The area is undisturbed habitat for major populations of elk, as well as deer, bighorn sheep, and bear. The large, moist alpine meadows along the creeks furnish the elk herds with excellent summer and fall range. Prominent landmarks of the area are Razorback Mountain (8,637 feet elevation), Deer Creek Point (8,367 feet), and Razorback Ridge.

The area burned over in the 1910–1919 fires. Despite the limited volume of new growth timber, the Bluejoint area is likely to be one of the units that will be scheduled by the Forest Service for roading and logging in the future.

Its important wildlife and wilderness values, in addition to its relationship to the adjoining Hells Half Acre roadless area (which the Chief Forester has placed on his wilderness study list) fully justify a formal wilderness review.

Elkhorn, 89,000 acres, Helena and Deer Lodge National Forests:

The Elkhorn area has many outstanding natural attributes that fully justify a formal wilderness study before further plans are made to develop it.

Located in the Elkhorn Mountains of the Helena and Deer Lodge National Forests, the 89,000-acre roadless and essentially roadless area still retains nearly all of its original remarkable wild character and charm.

Over 400 elk, 65 mountain goats, and an undetermined number of moose and other wildlife normally associated with the wilderness of the Rocky Mountains inhabit the proposed study area. Also present are mule deer, white-tailed deer, black bear, and grouse. Within 15 miles and a half-hour drive from the state capital, Helena, the wild region has considerable potential for quality recreational use—a use that has increased 1,400 percent since 1946.

Altitudes in the proposed study area range from approximately 4,800 feet at the forest boundary to 9,414 feet on Crow Peak. At 9,381 feet, Elkhorn Peak is another outstanding landmark of the area. Several beautiful natural lakes—Upper and Lower Tizer, Hidden, and Glenwood—are nestled in the large sub-alpine basin under the peaks. Crow Creek Falls is an outstanding scenic attraction. Major streams are Crow, Beaver, and Prickly Pear Creeks. About two-thirds of the proposed study area is timber covered, but a major part of this is non-commercial forest. Large grassy parks are interspersed throughout the high country, providing ideal spring, summer, and fall range for the elk herd, as well as some 2,300 cattle. Properly managed, the livestock grazing can continue without significant conflict. The timber consists primarily of lodgepole pine, Douglas fir, alpine fir, and Engelmann spruce. Whitebark pine and limber pine are also present. Lodgepole pine comprises most of the merchantable volume in the area. Until recent years, the lodgepole pine was considered by the Forest Service as a non-commercial "weed" tree. Even today, it is rated as a low-quality lumber species.

While the commercial value of the timber in the Elkhorns is low, its value for watershed protection and wildlife cover is extremely high. Precipitation, mostly in the form of snow, ranges over 30 inches a year in the higher zones. The undisturbed Elkhorn country provides critically important quality water for municipal, agricultural, industrial, and recreational use in the Helena-Townsend vicinity. Within the proposed wilderness study area, McClellan Creek forms the municipal watershed for East Helena. As the Forest Service has pointed out, the major concern expressed by attendees of (Forest Service) meetings, by members of the Advisory Committee, and through letters was the need to recognize the value of the elk herd and roadless areas found in the proposed Elkhorn Wilderness Study Area.

Conservationist, hunter, rancher, general public citizen, and the Montana Fish and Game Department all strongly urged that the area be kept in its present largely undeveloped condition.

In the western portion, fading evidences of early-day prospecting and mining activities occur at the head of Wilson Creek and in the Tizer Lakes vicinity. Gold was the principal mineral involved, although none of the mining ventures has been operable for many years, and an old abandoned mine or two even lend a historical value to the area.

A very poor, unimproved four-wheel-drive road enters the western portion of the proposed study area from Prickly Pear Creek and extends to the Tizer Lakes. It should be closed to public motorized vehicular use about five miles from the lakes and allowed to revert to nature. Three small parcels of private land within the proposed wilderness study area have been identified by the Forest Service for early acquisition.

Immediate Forest Service plans are to extend roads into the eastern part of the proposed wilderness study area and log a small amount of timber. As the Forest Service has stated, this is a major calving area for elk. Subsequently, the Forest Service is scheduled to build roads into the heartland of the area, around Tizer Basin and an extensive zone to the north, and to log and otherwise develop this portion. The total annual cut would be about 1½ million board feet. This would be enough timber to operate a small sawmill less than two months.

Two small isolated units would be retained—one around Crow and Elkhorn Peaks, and the other in the rugged headwaters of Beaver Creek—for administrative undeveloped "back country" use. Timber harvest, road development and associated use would not only destroy the heart of the wild Elkhorn region but would also wipe out major elk calving grounds and escape cover during the fall hunting season, as well as irreplaceable spring, summer, and fall range for elk, moose, mountain goat, bear, and deer.

Wildlife, wilderness, and watershed benefits of this area far outweigh minimal timber production values. Extremely few cities in the United States enjoy such a beautiful natural shrine so close to their population centers.

* * * * *

Sapphire, 69,000 acres, Bitterroot and Deer Lodge National Forest:

The proposed Sapphire Wilderness Study Area is located along the crest of the Sapphire Range which separates the scenic Bitterroot Valley on the west from the Rock Creek Valley to the east. The range, which includes parts of the Bitterroot and Deer Lodge National Forests, tapers to foothills on the north at the confluence of the Bitterroot and Clark Fork Rivers near Missoula, Montana. That portion which is proposed for wilderness study is the undeveloped higher southern part which abuts the Anaconda Range. The proposed study area is contiguous to the Anaconda-Pintlar Wilderness and would make a logical addition to it. The unit lies generally south of Skalkaho Pass.

This undeveloped, magnificent high country is situated in the headwaters of Rock Creek, one of Montana's blue-ribbon trout streams—and at the headwaters of the East Fork of the Bitterroot River, nationally famous for its fine elk herds.

Here, one can tread the crest of grassy alpine ridges, look down on a dozen beautiful glacial lakes and tarns, gaze to the west at the grandeur of "Montana's Alps"—the Bitterroot Mountains—or look to the east to the Flint Creek Range and south to the Beaverhead, Pioneer, and Anaconda Mountains.

In the meadows, made lush by numerous streams and lakes, one can see elk feeding on their summer range. Some 800 to 1,000 of these majestic wilderness animals are found in the proposed study area. The swampy areas provide ideal habitat for moose. The shy, elusive mountain goat is often seen working its way along a rocky escarpment. In the clear, cold headwaters of Rock Creek and the East Fork of the Bitterroot, the angler can test his skill on four native species of fish—westslope cutthroat and Dolly Varden trout, grayling, and whitefish. Wherever development has occurred in similar areas, these indigenous species have suffered.

The magnificent expanse of primeval forest land is also the last frontier for wildlife that has been unable to endure the crunch of civilization—the rare or threatened lynx, pine marten, fisher, and wolverine. A remnant herd of bighorn sheep is occasionally seen summering in the unit.

No significant minerals are known to exist in the area. Stands of slow-growing timber are scattered throughout the area. Although requiring two or three centuries to mature, the limited volume of timber nevertheless is viewed as a commercial product by the lumbering industry. Despite the overwhelming opposition of conservation groups and the Montana Fish and Game Department, the Forest Service is proceeding with imminent plans to road and log the Moose Creek unit in the southern part of the proposed Sapphire Wilderness Study Area.

Logging has already approached the study area from the east and west. On the eastern side, the coarse, sandy soils have started to erode and clog the streams with sediment that, if not halted, will eliminate much of the fisheries value of Rock Creek. To the west, even more timber harvest threatens the summer habitat of elk. If we are to project our wood fiber needs into the future, then we should also contemplate our wilderness needs for the years ahead and determine where each might best be accommodated.

With a 1,400 percent increase since 1946 in the use of officially established Wilderness and Primitive Areas—as reported by Dr. Robert C. Lucas of the Forest Sciences Laboratory maintained at Missoula in cooperation with the University of Montana—presently designated wilderness most assuredly will not be adequate to meet the demand in the future.

In summary, the proposed Sapphire study area has prime wilderness values that should not be overlooked or considered lightly. A formal wilderness study would give them proper recognition.

Ten Lakes, approximately 30,000 acres, Kootenai National Forest.

The Ten Lakes Wilderness Study Area is located in northwestern Montana in the highly scenic Whitefish and Galton Ranges, approximately five miles northeast of Eureka. It encompasses the undeveloped 6,195-acre Ten Lakes Scenic Area and adjoining 23,500-acre Ksanka Peak-Mt. Gibralter-Mt. Wam roadless area. The Ten Lakes Scenic Area was administratively designated for hiking and horseback use in May 1964. Its northern boundary is located on the Canadian border. The Ksanka Peak-Mt. Gibralter-Mt. Wam roadless area is a logical southern extension of the scenic area.

A number of prominent peaks over 7,000 feet in elevation dominate the high country. The proposed study area contains numerous glacial lakes and streams which provide quality fishing for the wilderness angler. Species of fish present include the endangered westslope cutthroat trout and mountain whitefish, as well as Dolly Varden, rainbow, and eastern brook trout. Ecologically, the westslope cutthroat and Dolly Varden trout are wilderness species.

A wide variety of wildlife inhabits the area. Among the wild creatures are mule deer, whitetailed deer, elk, moose, grizzly bear, black bear, mountain lion, lynx, and wolverine. Except for deer and black bear, all of these species require wilderness to prosper. Development of any part of the present roadless area would adversely affect the grizzly bear and other wilderness species. Most of the area is forested. Tree species are primarily spruce, sub-alpine fir, and alpine larch. However, over two-thirds of the Ksanka-Mt. Gibralter-Mt. Wam roadless area is highly marginal or unsuitable for timber production under present harvesting methods because of low productivity, steep slopes, and unstable soils. Timber harvesting is not permitted in the Ten Lakes Scenic Area.

Because of the thin soil covering, lack of binder, and low organic material content in most of the proposed study area, the soil is easily damaged by over-use. Precipitation in the proposed study area varies from approximately 20 inches in the lower areas to more than 80 inches in the higher elevations, where most of the precipitation is in the form of snow. About 80 percent of the unit lies above 5,000 feet in elevation and produces an average of nearly four acre-feet of high quality water per acre. Extremely few areas in the West produce more water per acre than this part of the Whitefish Range. The area serves in part as a municipal watershed for Eureka. It provides water for ranches, the Kootenai River, and the Columbia River Basin.

The recent construction of Libby Dam and recreational development of the Koocanusa Reservoir are expected to attract increasing numbers of visitors to the area. Much of the proposed study unit is an important viewing area from Highways 93 and 37, as well as from Eureka and the Tobacco Valley. The unit receives significant wilderness use. Trails for foot and horseback travel are ideally situated throughout most of the area.

According to a May 15, 1974, Forest Service draft Environmental Statement for the Eureka-Grave Creek Multiple Use Plan, part of the Ksanka Peak-Mt. Gibralter-Mt. Wam roadless area is scheduled to be roaded and logged.

The entire roadless area, combined with the Ten Lakes Scenic Area, represents one of the few outstanding potential wilderness areas left on the Kootenai National Forest. It should be given the benefit of a wilderness study.

Middle Fork Judith, approximately 87,000 acres, Lewis & Clark National Forest:

The proposed Middle Fork of the Judith Wilderness Study Area is located about forty miles southwest of Lewiston in the Little Belt Mountains. Near the center of Montana, the Little Belts are an isolated mountain range separated from the Big Belt Mountains by the Smith River Valley.

The proposed study area provides irreplaceable spring, summer, and fall range for the largest and only sizeable elk herd remaining in the eastern portion of Montana. The thriving herd is estimated at approximately 1,000 head. It has one of the highest calf-cow ratios in the state. Mule deer, black bear, and numerous smaller wildlife also inhabit the area. The unit sustains a large amount of quality big game hunting. Yogo Peak, at 8,846 feet elevation, is one of the highest landmarks on the edge of the area. The peak historically furnished habitat for a band of bighorn sheep. Restoration of this magnificent wilderness animal to the area has been under consideration by the Montana Fish and Game Department.

The Montana Fish and Game Department acquired and has maintained for many years the 5,000-acre Judith River State Winter Game Range as an adjunct to the Middle Fork of the Judith roadless area.

The study area is vegetated in part with stands of Douglas fir, Ponderosa pine, and lodgepole pine interspersed with large, grassy parks. Cattle share the forage with the elk. With proper management, livestock grazing can continue in the area.

The native cutthroat trout, along with other species, is found in the Middle Fork of the Judith River and tributaries within the proposed study area. The Middle Fork is a small but beautiful river, and the canyon through which it flows is bordered by sheer limestone cliffs and is rated by the Forest Service as "very scenic." In fact, the Forest Service says of the entire study area, "The country is highly scenic and has recreation appeal." The area has been used for several generations as wilderness or back country.

Although a few mining claims are located at the head of King Creek, and a strip of mineralized land crosses the upper reaches of the Middle Fork, there is no current mining activity, and no operable minerals are known to exist in the area.

The study area is basically undeveloped and essentially in a natural condition. Old wagon roads, now used occasionally by four-wheel-drive vehicles, penetrate a small part of the unit. Two small parcels of privately owned inholdings lie near the center of the area. One inholding includes the Middle Fork Ranch which is operated as a summer cowcamp. The other serves as an outfitting camp. Except for limited building structures, the inholdings are largely undeveloped. Within the study area, a possible timber harvest has been planned.

Local citizens have strongly opposed roading and logging of the area because of the extremely adverse impact that such development would have on the major elk herd, quality hunting, and other wilderness uses. As the Lewistown Rod and Gun Club has pointed out, "the elk is ecologically a wilderness animal and will not tolerate increased disturbance" of roading, logging, and associated uses. This is the last undeveloped national forest area in the Judith River drainage.

The early life of Charles M. Russell, famed western artist and sculptor, was closely associated with the area. Russell Point, a rocky promontory on the nearby developed South Fork of the Judith, marks the approximate location of the log cabin where Russell lived as a youth with the old fur trapper, Jake Hoover.

Development of the study area would eliminate its outstanding wilderness potential, decimate the thriving elk population, destroy quality hunting and other undeveloped recreation, and render virtually useless the extensive adjoining Judith River State Winter Game Range. Four-wheel-drive vehicular use could be terminated, the inholdings acquired, and the proposed Middle Fork of the Judith study area considered for a wilderness designation. In the entire eastern part of Montana no wilderness areas have yet been designated, and few opportunities remain. This is one of the best.

Big Snowies, 89,000 acres, Lewis and Clark National Forest:

The Big Snowies Wilderness Study Area is located approximately 15 miles south of Lewistown, Montana. It encompasses most of the national forest lands that are essentially roadless and undeveloped in the Big Snowy Mountains.

The area contains numerous drainage with intermittent streams in deep, well-defined limestone canyons. The crest of the Big Snowies runs in a general east-west direction for more than twelve miles through the middle of the area. Both the upper reaches of individual drainages and the crest of the Big Snowy Mountains are rated by the Forest Service as "quite scenic." Among the outstanding landmarks of the area are Greathouse Peak (8,730 feet elevation), Big Snowy Peak (8,600 feet), Lost Peak (8,333 feet), and Lime Cave Peak (7,005 feet). Interesting limestone ice caves are found within the unit.

Mule deer and white-tailed deer inhabit parts of the area and provide high quality hunting. Mountain goats were introduced in the 1950's and are occasionally seen along the crest of the Big Snowies.

Timber volumes are very small and largely inoperable on account of sparse, isolated stands, extremely steep terrain, and high cost of road construction.

A limited amount of grazing by cattle and sheep is permitted in the proposed study area. Grazing is restricted to a very short season because of insufficient water. Under the 1964 Wilderness Act, grazing would continue. A few stock water developments are located in Horsethief and Halfmoon Canyons on the eastern side. Unimproved jeep trails are found in the same vicinity. Existing stock water developments are allowable under the Wilderness Act, but the jeep trails would be closed and allowed to revert to nature.

Roads from all sides provide good access to the edges of the study area. One road to Crystal Lake forms a non-wilderness corridor into the northwestern part of the area and puts the user within convenient hiking distance of the crest of the range. Major use of the area is dispersed recreation in the form of hiking, backpacking, and horseback riding. Its proximity to Lewistown makes it popular to thousands of Montana citizens and non-resident visitors.

Although the Forest Service has no plans at present to build roads and otherwise develop this area, it will ultimately be developed and rendered unsuitable for wilderness classification unless specifically classified to retain its wilderness character.

The Big Snowies Wilderness Study Area is one of extremely few potential wilderness areas in central Montana—a region which presently is completely lacking in designated wilderness.

Mount Henry, approximately 21,000 acres, Kootenai National Forest:

The Mount Henry Wilderness Study Area is in the upper Yaak River drainage near the Canadian border and approximately 35 miles north of Libby in the extreme northwestern corner of Montana.

The area includes national forest lands around Mount Henry (elevation 7,200 feet). The upper West Fork of Basin Creek, Vinal Creek, and Turner Creek are the main streams in the area. A number of beautiful natural lakes, including five Fish Lakes and Henry Lake, dot the forested landscape. The largest of the lakes furnish quality trout fishing. Turner Falls is a scenic point. The zone around the Fish Lakes encompasses a precipitous, narrow canyon with rocky cliffs. The Mount Henry portion is high with steep slopes and rugged, rocky, topography. The rest of the area (60%) is rolling and heavily timbered general forest.

Mule deer, white-tailed deer, and elk are found in the area, providing quality hunting. Although small, the area is also attractive to the hiker, backpacker, and horseback rider.

The Forest Service has active plans to log in the vicinity of Vinal and Turner Creek. Montana conservation groups, Sierra Club, and The Wilderness Society are protesting timber sales in the proposed study area and urging a wilderness review. The proposed study area is needed to add to the short supply of classified wilderness in the extreme northwestern Montana-Idaho panhandle region. In the large Kootenai National Forest, only 94,272-acre Cabinet Mountains Wilderness, southwest of Libby, has been designated to date, and the Forest Service has taken no action to recommend other areas.

Hyalite-Porcupine-Buffalo Horn, approximately 163,000 acres, Gallatin National Forest:

The proposed Hyalite-Porcupine-Buffalo Horn Wilderness Study Area encompasses the spectacular Hyalite Parks approximately fifteen miles south of Bozeman and extends southward along the crest of the Gallatin Range including the Porcupine drainages and the Buffalo Horn sector, which joins the northwestern part of Yellowstone National Park.

Although it is a magnificent mountainous area entirely without roads or other significant signs of man's works, the Chief Forester in October, 1973, placed only the 22,268-acre Hyalite Peaks portion on his final wilderness study list. Earlier, failing to recognze that this entire portion of the Gallatin Range was roadless, the Forest Service had listed Hyalite Peaks and Porcupine-Buffalo Horn as separate roadless areas. The undeveloped, 24,000-acre Porcupine-Buffalo Horn, with its connection to Yellowstone Park and its lower Gallatin drainages, is critically important as a wintering and calving range for the large North Yellowstone elk herd.

As an indication of this importance, the Montana Fish and Game Department long ago acquired and has maintained the Porcupine State Winter Game Range on state lands in the Porcupine Creek area. In addition to elk, the wildlife-rich study area provides irreplaceable undisturbed habitat for moose, bighorn sheep, mountain goat, deer, grizzly bear, mountain lion, black bear, and other wild creatures. Because of its undeveloped conditions, these wild species move freely between the Hyalite-Porcupine-Buffalo Horn and Yellowstone Park.

As the Montana Fish and Game Department has pointed out, roading, logging, and other activities that would tame this wild country would inevitably disrupt and destroy these desirable movements, with extremely adverse effects on the wildlife populations themselves.

Numerous high quality streams drain into the famed Gallatin River from the western slope of the proposed study area. The Gallatin River is a blue-ribbon trout stream, known nation-wide for its outstanding trout fishing and other outdoor recreation. The trout fishing, as well as the superb quality and stability of this free-flowing river could be irreparably damaged by roading, logging, and other man-made developments on the tributary drainages in the proposed study area.

Also aware of its significance in an undeveloped state, Montana conservation groups and Forest Service officials have for a quarter of a century agreed that the Porcupine-Buffalo Horn area, along with the nearby Taylor-Hilgard, should be studied for a wilderness designation. To this end former Regional Forester Charles L. Tebbe's October 17, 1958, letter to the Montana Wilderness Association formally committed the Forest Service to place both areas in a "hold" status, without roading and logging, pending the completion of wilderness studies. Despite this solemn commitment, the Forest Service has recently proposed timber sales on the South Fork of Swan Creek within the proposed study area.

A request for road access across Forest Service lands to log Burlington Northern Railway Company inholdings poses another immediate threat to the area. Still another imminent threat comes from the Montana Power Company which has made application to the Forest Service and the Montana Department of Natural Resources and Conservation for a major powerline through the proposed Hyalite-Porcupine-Buffalo Horn Wilderness Study Area.

The principal difficulty that confronts wilderness consideration is the extent of land owned by the Burlington Northern within the proposed study area. These Burlington Northern lands appear in a checkerboard pattern throughout much of the proposed study area, although Forest Service acquisitions have consolidated most of the national forest acreage in the northern part around Hyalite Peaks. Also, in the southern portion, around the Porcupine-Buffalo Horn, state acquisitions by the Montana Fish and Game Department have eased the problem, since the Department's object in acquiring these lands was to keep them in a natural condition for their major wildlife values.

A possible solution to the Burlington Northern inholdings problem exists. There is a need for national forest land to allow the town of West Yellowstone to expand. It has been reported that Burlington Northern has informally expressed interest in exchanging approximately 11,000 acres of its land in the Porcupine-Buffalo Horn sector for Forest Service land adjacent to West Yellowstone.

Englemann-spruce, lodgepole pine, and a limited amount of ponderosa pine grow especially along the tributary drainages and lower slopes of the area, while large parts of the upper reaches are characterized by open grass parks, rock outcrops, and alpine tundra.

The proposed study area, with its proximity to both Yellowstone Park and the population center of Bozeman, is substantially used and recreationally important for its quality hunting, fishing, backpacking, horseback packtrips, and wilderness camping. The continuation of these uses is dependent upon retaining the area in a wilderness condition.

Dr. Harold Picton, Associate Professor of Biology, Montana State University, Bozeman, in his research on the West Gallatin elk herd, has placed a monetary value of $647.00 spent per elk harvested in that area in 1972. At that rate, 100 elk harvested would mean that hunters would spend $64,700.00. Since a harvest would normally occur each year, the monetary value alone on harvested elk extended over a crop rotation of 200 years for Englemann-spruce and ponderosa pine, or even 120 years for lodgepole pine, could greatly exceed the monetary value of timber harvested.

Montana conservation groups believe that a comprehensive resource study would disclose that the watershed, wildlife, and wilderness values of the proposed Hyalite-Porcupine-Buffalo Horn Wilderness Study area are easily paramount and should be protected by a wilderness designation. The Gallatin Sportsmen's Association, Montana Wildlife Federation, Montana Wilderness Association, The Wilderness Society, the Montana Fish and Game Department, ranchers and many other Montana citizens strongly support a wilderness *study for the* Hyalite-Porcupine-Buffalo Horn area.

By Mr. JAVITS:

S. 4067. A bill to establish a Capital Markets Advisory Committee. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. JAVITS. Mr. President, I introduce today the Credit Allocation Act of 1974. An identical bill is being introduced in the House today by Representatives Moorhead and Widnall. This bill, if passed, would respond to the very real emergency created by the conflict between the tight money stemming from inflation and the satisfaction of social needs. The need for credit allocation was discussed at the recent economic and the presummit meetings which I and several other members of the Senate attended.

Although the Congress has already given the President blanket authority to control any and all extensions of credit, and although the kind of credit allocation sought for in this bill would conceivably come under that authorization, I feel that it is necessary to have Congress speak on so critical a matter as the priorities to be given in the apportioning of credit. Such a job should not be left to the President alone.

My act follows closely the administrative pattern which was set during the Korean war, with some important exceptions. During the Korean war the Federal Reserve set up a national committee composed of various lending interests such as banks, insurance companies, pension funds, in order to prescribe the national priorities which should receive the highest attention in the allocation of credit during that critical period. That national committee, in turn, set up regional and specialized committees which served the purpose of further refining the criteria established at the national level and of answering questions put to them by individual lenders.

The bill would also establish a national committee and give it the authority to develop criteria for advising financial institutions as to which demands on the credit markets merit priority in lending. In other words, the committee is advisory, as it was during the Korean war. The membership of the committee, however, would differ markedly from the Korean war period. Included in the national capital markets advisory committee in the bill would be representatives of consumer, labor, State and local government, business and agricultural interests, in addition to lending interests.

Six types of national priorities are spelled out in the bill, and each corresponds to problems which have beset the capital markets in the past year during the very painful period of tight money. Basically, these priorities emphasize the construction of new plant and equipment to make businesses more efficient, loans for housing construction and financing, agricultural loans, loans to State and local governments which are necessary for essential capital facilities, and loans to persons connected with underwriting securities where these securities are being issued for any of the purposes I have just enumerated.

This list implies that certain categories of loans are undesirable. Among those categories would appear to be generally such categories of loans as to finance mergers and acquisitions, to acquire inventories not necessary to the normal course of business, to finance conglomerate activities of foreign interests in the United States, and acquisition of a company's own shares.

Why do we need this legislation? Well, the answer can be found if you ask any homeowner who wants to sell, or any persons wanting to buy a home or a builder trying to build one for sale. It can be answered if you ask a small businessman with an imaginative product who wants to borrow money to expand his production line. It can be answered if you ask the farmer wanting to put some automated equipment into his barn. It can be answered if you ask any firm, or even the Government, which has to go into the capital markets repeatedly in search of lendable funds.

In other words, money is in very short supply, and when it gets this short the smaller economic unit simply loses out. In short we cannot afford to have the marketplace allocate credit on supply and demand when the marketplace itself is being distorted by the extreme pressures of tight money and speculative borrowing.

Now I realize that just a couple of weeks ago the Board of Governors of the Federal Reserve System came up with a series of guidelines which were developed by their Federal Advisory Council.

The guidelines have much in them to correspond to what is recommended in the bill and is aimed at the same purposes to which my bill addresses itself. But let us remember that the Federal Advisory Council, which developed these criteria, is composed of 12 leading bankers, one from each of the Federal Reserve districts.

One can hardly say that they represent a consensus for national economic priorities. In effect, these guidelines are the language of bankers talking to bankers. I simply do not think that is the way to conduct economic policy these days, and while I have deferred to the wisdom of the Federal Reserve Board and especially to its Chairman Dr. Burns on many occasions, I simply must urge at this point that when it comes to the critical matter of deciding who is going to get access to our tight credit markets, it is Congress and not the bankers who should be making the ground rules on which to base decisions.

Our economic problems are deep, and they are multisided. But, credit allocation is only one of them. The sharply escalating levels of wholesale and retail prices across the country indicate, for exampe, that we must put teeth into the new Council on Wage and Price Stability. The recessionary aspect of this economy—virtually all the economists agree that unemployment will be close to 6 percent in a few months—simply require us out of ordinary human understanding to pass an expanded public sector jobs program. The very uneven impact of our inflationary economy, hitting the poor the hardest, shows that we still have a lot of work to do in the field of closing tax loopholes and reforming the tax system.

It is in this context that the bill has to be considered. Tight, disciplined policies are needed, and it is precisely for this reason that other legislation needs to be introduced to put off some of the worst side effects of our macro-economic policies. I am confident that there will again be a day when the average American can obtain credit for a home, but that does not exist now. And until that day comes, we must set up emergency machinery, like this bill, to honor our obligation as custodians of the national interest to the average American.

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. FANNIN, Mr. BARTLETT, and Mr. TOWER):

S. 4068. A bill to amend the Food Stamp Act of 1964. Referred to the Committee on Agriculture and Forestry.

Mr. CURTIS. Mr. President, on behalf of myself and Senators HRUSKA, BARTLETT, FANNIN, and TOWER, I am today introducing legislation to amend the Food Stamp Act of 1964. The purpose of this bill is two-fold: to assure food stamp recipients of a balanced diet and to help alleviate the situation facing American livestock producers.

The Department of Agriculture's "economy food plan" upon which food stamp allotments are based, calls for approximately 18 percent of the value of the stamps to be used to purchase meat, poultry, and fish to provide a "nutritionally adequate diet." The bill we are introducing today provides that at least 15 percent of the value of coupons issued to an eligible household during any specific period be coded so as to be usable only for the purchase of beef, pork or poultry unless the State certifying agency finds this impractical with regard to a specific household because of unusual dietary requirements.

Mr. President, in passing the Food Stamp Act, Congress declared that sufficient funds be available for food stamps to provide balanced nutritional needs of the poor and needy. The value of food stamps issued during fiscal 1974 is expected to exceed $5 billion when all of the figures are in. The program is expected to accelerate drastically during the coming years. There is, of course, no way to determine at the present time what amount of food stamps are being used for the purchase of beef, pork and poultry. However, our bill would insure at least 15 percent of food stamp dollars for meat products, where there may presently be widespread substitution of meat products with other foods. Had the bill we are introducing today been in effect during fiscal 1974, we know that approximately $750 million worth of highly nutritious meat and poultry would have been consumed by food stamp recipients.

Where the cost of meat is considered in the food stamp plan, and the plan is anticipated to increase substantially in future years, and nutritional needs dictate a substantial portion of a diet for meat products, it only makes sense to specify meat consumption under the food stamp program.

I reiterate that our bill would have a two-fold accomplishment: it would help to insure the nutritional needs of those using food stamps, and it would provide a reliable and substantial demand for meat products.

Mr. President, as ranking minority member of the Committee on Agriculture and Forestry, I shall press for hearings on this proposal at the earliest practical date, and I hope my colleagues will see the benefits which will accrue to all concerned upon adoption of this measure.

By Mr. STEVENS:

S. 4070. A bill to revise retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service not entitled to Indian preference, provide greater opportunity for advancement and employment of Indians, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, the 1934 Wheeler-Howard Act, which reformed the administration of Indian Affairs from top to bottom, provided among other things, not only for preferential hiring of Indian people into the Bureau of Indian Affairs, but also for preference for subsequent promotion within that organization. For reasons that are not entirely clear—possibly because at the time the act was passed, Indian people generally lacked the education and experience to move beyond the unskilled jobs for which they were initially hired—the

Interior Department did not enforce the provisions of the legislation dealing with Indian promotion rights. With the passage of time, these important Indian rights faded into almost total disunity.

During the same period, many talented and highly motivated persons, not eligible for Indian preference, have been recruited into the Bureau of Indian Affairs and the Indian Health Service which was split off from BIA in 1954. These persons, not told differently, quite rightly assumed they would be able to develop their full career potential within each of these two principal organizations serving the needs of Indian people.

Times do, however, change. No longer are Indians satisfied with dead-end jobs such as busdrivers, road laborers or kitchen help which for so long was the case. In their restlessness to locate better employment for themselves while at the same time gaining increasing control over their powerful agencies so long the virtual monopoly of non-Indians, Indian spokesmen have discovered Indian rights to promotional preference and claimed these as a clear Indian right under the law.

Opponents, dismayed by the implications of this section of the Wheeler-Howard Act, contested the matter in the courts where it constantly has been upheld in favor of the Indians ultimately by the Supreme Court in an 8 to 0 decision given on June 17, 1974.

Many non-Indians, who find that their BIA and IHS careers have reached a dead end, are able to take advantage of promotional opportunities outside BIA or IHS and continue their careers with a minimum of interruption. For others it is not so easy. Many BIA and IHS positions have no equivalents in other Federal agencies. This tends to be particularly true of those employees with the longest tenure occupying the higher grades who have developed unique specialties. Consider, for example, the instance of the person who has worked his way up the career ladder to where he has become the head of a large specialized boarding school serving Navajo Indians.

Or the IHS engineer who has been promoted to a higher than average engineering position by virtue of his talent in organizing Indian communities to develop their own domestic water supply. Neither example can be promoted to positions to which qualified Indians apply and neither can look forward to furthering their careers elsewhere except in the most exceptional or fortuitous circumstances. Each can remain in his or her current position, frustrated and possibly undisturbed, until eligible to retire.

In the meantime, ambitious, highly motivated and qualified Indian people must wait in frustration for non-Indians to vacate these sorts of key jobs. Not a happy situation for either group nor one which creates a harmonious atmosphere in which to carry forth the national objective of increasing Indian self-determination through greater Indian control over these two important agencies.

To resolve this conflict, I am introducing this piece of legislation. It will achieve equity for the non-Indian employee by allowing him to retire earlier than normally would be the case. It will release those jobs which qualified Indians are anxious to fill.

Mr. President, I ask unanimous consent that my bill be printed in the Record immediately following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8336 of title 5, United States Code, is amended by redesignating subsection (h) as subsection (i) and inserting the following new subsection:

"(h) An employee is entitled to an annuity if he (1) is separated from the service after completing 20 years of service, (2) was employed in the Bureau of Indian Affairs or the Indian Health Service continuously from June 17, 1974, to the date of his separation, and (3) is not an Indian entitled to a preference under section 12 of the Act of June 18, 1934 (48 Stat. 986) or any other provision of law granting a preference to Indians in promotions and other personnel actions."

Sec. 2. Section 8339 of title 5, United States Code, is amended—

(1) by inserting in subsection (f), immediately after "subsections (a)-(e)", the following: "and (o)";

(2) by inserting in subsection (i), immediately after "subsections (a)-(h)", the following: "and (o)";

(3) by inserting in subsections (j) and (k) (1), immediately after "subsections (a)-(i)" each time it appears, the following: "and (o)";

(4) by inserting in subsection (l), immediately after "subsections (a)-(k)", the following: "and (o)";

(5) by inserting in subsection (n), immediately after "subsections (a)-(e)", the following: "and (o)"; and

(6) by adding at the end thereof the following:

"(o) The annuity of an employee retiring under section 8336(h) of this title is 2½ percent of his average age multiplied by the number of years of service."

Sec. 3. (a) Section 8341 of title 5, United States Code, is amended—

(1) by inserting in subsection (b)(1), immediately after "section 8339(a)-(i)", the following: "and (o)"; and

(2) by striking out of subsection (d) "section 8339(a)-(f) and (i)" and inserting in lieu thereof the following: "section 8339 (a)-(f), (i) and (o)".

(b) Section 8344(a)(A) of such title is amended by striking out "and (i)" and inserting in lieu thereof "(i), and (o)".

Sec. 4. The amendments made by this Act only apply to employees separated from the service on and after the date of enactment of this Act, and their survivors.

By Mr. McCLURE:

S. 4071. A bill to provide for the establishment of the Hagerman Fossil Beds National Monument in the State of Idaho, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. McCLURE. Mr. President, today I introduce legislation to provide for the establishment of the Hagerman Fossil Beds National Monument in the State of Idaho. The Hagerman fossil beds area in south-central Idaho contains Pliocene fauna fossils dating back 3.5 million years. The area received international attention following the unearthing of excellent specimens of small zebra-like horses by Smithsonian Institution exploratory teams during the years 1929 to 1931.

The Hagerman Valley and the unique resources which it possesses are the results of thousands of years of relentless erosion by the Snake River carving its way through the igneous and sedimentary formations in this area. The Snake River is the principal physiographic feature of southern Idaho. For hundreds of miles, it silently winds its way through deep gorges, thunders over high precipices, and gently flows through broad fertile plains. To the north of the river, waters from extensive snow-capped mountain ranges feed fertile farms and ranch lands. To the south lies a vast country generally too arid to settle. And all along the river's borders are hundreds of square miles of irrigated, rich, green croplands.

The broad plain in southern Idaho, through which the Snake River passes, has served as a corridor for travel, settlement, farming, and recreation. Today, the very busy Interstate 80, which is the major artery from the Midwest to the Oregon coast, passes above the Hagerman Valley, within a few miles of the fossil area.

During the Pliocene epoch, the Hagerman Valley was apparently comprised of a lake or marshlands. There, in such an aquatic-based environment, flourished small zebra-like horses, peccaries, ground sloths, saber-toothed "cats," mastodons, and camels. Smaller animals such as beavers, muskrats, and otters also thrived there.

Some 30,000 years ago some catastrophic event caused the water level in the Bonneville Lake in northeastern Utah to rise and break through its banks sending a torrent of water surging across south-central Idaho, permanently scarring and reshaping the land. The Bonneville flood rushed down the 200-mile canyon of the Snake River, grinding its walls under a 300-foot wall of water. Spectacular erosion in the form of abandoned channels, spillways, and cataracts bear silent witness to this ancient disaster. As in other parts of the canyon, the Hagerman Valley had huge amounts of rock ground from its walls by the flood. Yet, other parts of the valley have huge boulders—some up to 10 feet in diameter—strewn about in enormous bars of sand and boulders which rise in places nearly 300 feet above the present canyon floor.

Continuing the flood's spectacular shaping action, the Snake River at Hagerman has eroded away sedimentary deposits revealing fossils of ancient ecosystems. In a canyon wall adjacent to the river are the unique remains of Pliocene epoch fauna and flora 3.5 million years old—species now largely extinct. Today, fossils of great significance to the science of paleontology are being continually unearthed by nature and scientists in the Hagerman Valley. These Hagerman Pliocene fauna and flora sites are considered to be among the largest and best preserved of their kind in the world.

The first known discovery of fossil sites near the town of Hagerman occurred in 1900 by a local settler, Mr. Elmer Cook. He informed Dr. H. T. Stearns of the U.S. Geological Survey, who later forwarded a small collection of fossil horses to the National Museum of Natural History in Washington, D.C. From 1929 to 1931 expeditions from the Smithsonian Institution worked to remove fossils of zebra-like horses, about the size of a dog, which appeared in the primary fossil bed of the Hagerman site. The National Museum of Natural History has used these fossil discoveries in a beautiful museum mural and continues to store a great amount of the Hagerman fossils.

The Smithsonian discoveries touched off international reaction among paleontologists. Since then, more than 130 species of animals, plus numerous plants, have been discovered from the 310 registered paleontological sites located in the valley. Since 1958 there have been over 100 scientific papers published concerning specimens discovered from the sites. It is generally agreed that the Hagerman fossil sites still have a great deal of information to yield.

Studies of the fauna in the area show that collectively it is one of the largest and best preserved late Pliocene fossil finds in the world, with a great diversity among plant and animal groups. The abundance of fossil remains and the completeness of the stratigraphic record make the area most valuable to the entire field of paleontology for further study. The excellent preservation of the Hagerman fossils make them invaluable in defining trends in many lines of plant and animal development.

Unfortunately, however, the fossil area itself has not received adequate protection. Abuse by motorcycles and off-road vehicles continues to damage fossils. The weather and amateur collectors also take their toll. But the greatest possibility for damage to the area comes from commercial interest. In 1966, two 4-foot pipelines were constructed across the fossil beds to pump irrigation water from the Snake River to a farming development on the plateau above. The possibility of undirected expansion in this area could not only destroy fossils in direct contact with such pipelines, but also add to the destruction of needed ground cover to hold down present wind erosion in the area.

The Hagerman fossil beds could make an important inclusion in the national park system for several reasons: The Pliocene epoch is not being represented within the system at this time; there is a need to properly protect these resources; and there are great opportunities to interpret these fossils.

In a February 1974 study, the National Park Service proposed various alternative means for managing the fossil sites of Hagerman Valley. The legislation I am introducing today closely follows one of these alternatives. This measure will provide for the inclusion of all the significant fossil sites, enclosing about 5,500 acres, into what will be known as the Hagerman Fossil Beds National Monument. Provisions are made for continued research, for visitor facilities, and for the display and interpretation of specimens uncovered within the monument.

The legislation specifically mentions scenic easements, which the Park Service plans to use on the east side of the river to create a buffer zone the entire length of the monument—which will be on the west side of the river. Under normal circumstances, if we were discussing the creation of only this national monument I would not condone the use of scenic easements over land which is not directly a part of the monument. But the issue of Hagerman Valley is not "normal circumstances" and we are not talking about only this one monument. It is indeed only a part of a larger concept.

I spoke earlier of the Great Bonneville Flood and the effect it had on the Hagerman Valley. Not only did it help to expose the Hagerman fossils, it also created the spectacular Box Canyon, site of the world's 11th largest natural spring of crystal pure water. More than any other section of the Hagerman Valley, the geology of Box Canyon tells us the story of what happened during that flood. It also created the Blue Heart Spring and Sand Springs and the fields of melon gravel. The thousand springs are the massive outlet of several hidden water sources which reappear along the high cliffs overlooking the Snake River and tumble down in thousands of frothy, miniature falls.

And so it is that the entire valley is a vast geological storehouse. And it is all of these natural wonders that I would hope to see preserved and protected. For various administrative and economic reasons, it would not be feasible at this time to propose one, overall monument which would include all of these wonders, spaced throughout continuing private farmlands and commercial enterprises. Therefore, the matter must be approached on a piecemeal basis. I have already introduced legislation to make the still-pristine upper reaches of Box Canyon a portion of the Wild and Scenic Rivers System, and today I propose to include the Hagerman fossil sites in the national park system. Hopefully, someday all these areas can be protected and coordinated to tell the story of the third largest flood in the history of the world—the Great Bonneville Flood.

I ask unanimous consent that the text of the bill appear at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 4071

Be it enacted, That in order to preserve for the benefit and enjoyment of present and future generations the outstanding paleontological sites known as the Hagerman Valley fossil sites, to provide a center for continuing paleontological research, and to provide for the display and interpretation of the scientific specimens uncovered at such sites, the Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire lands and interests therein for the establishment of the Hagerman Fossil Beds National Monument.

(b) The Hagerman Fossil Beds National Monument shall comprise the lands generally depicted on the map entitled "———", Number "———" and dated ——— which shall be kept on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior: *Provided, however,* that such area shall not exceed 5,500 acres.

(c) The Secretary shall establish the monument by publication of a notice to that effect in the "Federal Register" at such time as he determines that sufficient property to constitute an administerable unit has been acquired.

Sec. 2 (a) The Secretary is authorized to acquire by donation, purchase with donated or appropriated funds, exchange or bequest such lands or interest therein, including scenic easements, which he determines are needed for the purposes of this Act.

(b) Notwithstanding any other provision of law, any Federal property located within the boundaries of the monument may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the purposes of this Act.

(c) Any land or interest in land owned by the State of Idaho or any of its political subdivisions may be acquired only by exchange or purchase.

(d) In exercising the authority to acquire property by exchange, the Secretary may acquire title to any non-Federal property, or interest therein, located within the monument; and notwithstanding any other provision of law, he may convey in exchange therefor any federally owned property within the State of Idaho which he classifies as suitable for exchange and which is under his administrative jurisdiction. The values of the properties so exchanged shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of cash to the grantor or to the Secretary as the circumstances require.

Sec. 3. Pending the establishment of the Hagerman Fossil Beds National Monument and thereafter, the Secretary shall administer property acquired pursuant to this Act in accordance with the Act entitled "An Act to establish a National Park Service and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.), as amended and supplemented.

Sec. 4. There are hereby authorized to be appropriated such sums as shall be necessary to carry out the purposes of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1265

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1265, a bill to amend the Coastal Zone Management Act of 1972 for the purpose of determining the causes and means of preventing shoreline erosion.

S. 1267

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1267, a bill to amend the Disaster Relief Act of 1970 for the purpose of making clear that disaster assistance is available to those communities affected by extraordinary shoreline erosion damages.

S. 1364

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 1364, a bill to provide a program of grants to States for the development of child abuse and neglect prevention programs in the areas of treatment, training, case reporting, public education, and information gathering and referral.

S. 2543

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 2543, a bill to amend the Freedom of Information Act.

S. 2871

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 2871, a bill to amend the Food Stamp Act of 1964, as amended, and for other purposes.

S. 3234

At the request of Mr. Humphrey, the Senator from Delaware (Mr. Biden) was added as a cosponsor of S. 3234, a bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government.

S. 3378

At the request of Mr. Randolph, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act; and

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 3378, a bill to provide assistance for the developmentally disabled, establish a bill of rights for the developmentally disabled, and for other purposes.

S. 3481

At the request of Mr. Cannon, the Senator from Montana (Mr. Mansfield) and the Senator from Connecticut (Mr. Ribicoff) were added as cosponsors of S. 3481, the International Air Transportation Fair Competitive Practices Act of 1974.

S. 3509

At the request of Mr. McGee, the Senator from Wyoming (Mr. Hansen) was added as a cosponsor of S. 3509, a bill for the relief of Willard H. Allen, Jr., and Nicole J. Allen.

S. 3656

At his own request, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 3656, a bill making appropriations for the fiscal year ending June 30, 1975, for reimbursement of costs of construction of treatment works pursuant to the Federal Water Pollution Control Act.

S. 3862

At the request of Mr. Thurmond, the Senator from Pennsylvania (Mr. Schweiker) was added as a cosponsor of S. 3862, a bill to prohibit any change in the status of any member of the uniformed services who is in a missing status.

S. 3947

At the request of Mr. Humphrey, the Senator from Massachusetts (Mr. Kennedy), the Senator from Maine (Mr. Hathaway), and the Senator from Michigan (Mr. Hart) were added as cosponsors of S. 3947, a bill to establish a national policy for guaranteeing to all Americans who are able and willing to work, the availability of equal opportunities for useful and rewarding employment.

S. 3981

At the request of Mr. Helms, the Senator from Virginia (Mr. William L. Scott) and the Senator from Idaho (Mr. McClure) were added as cosponsors of S. 3981, to limit the jurisdiction of the Supreme Court relating to prayer in public schools.

S. 3982

At the request of Mr. Weicker, the Senator from Alabama (Mr. Allen), the Senator from Arizona (Mr. Goldwater), the Senator from Idaho (Mr. Church), the Senator from Minnesota (Mr. Mondale), and the Senator from Ohio (Mr. Taft) were added as cosponsors of S. 3982, a bill to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 4006

At the request of Mr. Stevenson, the Senator from Illinois (Mr. Percy) was added as a cosponsor of S. 4006, a bill to name the new Federal Office Building in Chicago for former Senator Paul H. Douglas.

S. 4019

At the request of Mr. Weicker, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of S. 4019, a bill to establish a Joint Committee on Intelligence Oversight.

S. 4059

At the request of Mr. Weicker, the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 4059, a bill to require the net worth of public officials.

SENATE RESOLUTION 416—SUBMISSION OF A RESOLUTION RELATING TO THE INTERNATIONAL MONETARY FUND

(Ordered to lie over under the rule.)

Mr. TAFT (for himself, Mr. Proxmire, Mr. Tower, Mr. Roth, Mr. Brock, and Mr. Brooke) submitted the above entitled resolution.

(The remarks of Mr. Taft on the submission of the resolution appear later in the Record.)

ADDITIONAL COSPONSOR OF A RESOLUTION

SENATE RESOLUTION 392

At the request of Mr. Taft, the Senator from Connecticut, (Mr. Ribicoff) was added as a cosponsor of Senate Resolution 392, concerning the safety and freedom of Valentyn Moroz, Ukrainian historian.

AMENDMENTS SUBMITTED FOR PRINTING

FOREIGN ASSISTANCE ACT OF 1974—S. 3394

AMENDMENT NO. 1948

(Ordered to be printed and to lie on the table.)

Mr. HUGHES submitted an amendment intended to be proposed by him for the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

AMENDMENT NO. 1949

(Ordered to be printed and to lie on the table.)

Mr. HART (for himself, Mr. McGovern, and Mr. Hughes) submitted an amendment intended to be proposed by them jointly to the bill (S. 3394), supra.

RESTRUCTURING FOOD AID

Mr. HART. Mr. President, when the Foriegn Assistance Act amendments are considered by the Senate, an amendment will be offered which would reduce spending ceiling for the food for peace program (Public Law 480) in South Vietnam. Our amendment would reduce the food for peace title I expenditure ceiling in South Vietnam from $160 million to $71 million.

The goal of this amendment is to reduce the use of food for strategic diplomatic purposes and increase its use for humanitarian purposes. For several years, the poorest agricultural economies have received a declining share of U.S. food aid as priority has been given to Vietnam, Cambodia, Korea, Pakistan, and Egypt for security reasons.

In Vietnam for example the State Department has used food aid as a means of back door financing for Saigon's military operations. While Congress has now moved to forbid this use, South Vietnam is still scheduled to receive a greatly disproportionate share of the total food for peace shipments in fiscal year 1975. Total food for peace (Public Law 480) title I shipments for fiscal year 1975 are estimated at $717 million. Of this amount, South Vietnam will receive up to $160 million, or approximately 22 percent of all title I commodity sales. The Senate Appropriations Committee recognized this imbalance and proposed that no nation receive more than 10 percent of title I appropriated funds. The agricultural appropriations bill was subsequently vetoed by former President Nixon.

The worldwide shortage of food has already reached crisis proportions in Africa, the Indian subcontinent, and other Asian areas. Foreign demand for U.S. food aid is peaking at a time when domestic food production is declining. This year's corn and soybean harvest will fall substantially below 1973 levels. The United States cannot hope to satisfy its own needs and export enough food to meet even the most deserving requests from hungry nations. It is there imperative that American foreign aid in food commodities be allocated on the basis of need to meet world nutritional deficits as efficiently and fairly as possible.

By reducing title I expenditures in South Vietnam to $71 million, we will be limiting that nation's share of food for peace commodities to 10 percent. This change will permit greater food aid shipments to Honduras, Bangladesh, India, the Sahel section of Africa, and other areas where famine threatens millions in the next 12 months.

Public reaction to the political use of food aid has not been favorable.

An editorial in the Anniston, Ala., Star, reprinted in AID's press log said:

> On the face of it, nothing could be more

altruistic and well-intended than our Food for Peace program. We give food to peoples who need it. Nothing is more useful in a world suffering from spreading shortages of foodstuffs.

But that's not the way the program works. In the first place, we only give away surplus foods that aren't needed by the American people. Hardly a national sacrifice, but fair enough.

Then we dispense the surplus foods not on the basis of where they are most needed, but on the basis of power—political considerations of foreign affairs. In other words, we use the food as ammunition.

There has been a continuing struggle between the Department of State, which favors giving food to our military allies, and the Department of Agriculture, which prefers to use the food to develop future commercial markets for American business.

Very little of our Food for Peace has gone to Africa, where tens of thousands have perished from famine. But during the last year nearly half of it went to Cambodia and South Viet Nam.

We stopped food assistance to the Chilean people when they elected Allende, and then resumed it when the military coup ousted the Allende government. . . .

Congress should establish controls over the Food for Peace program. At a time when Secretary Kissinger has called for a World Food Conference, the United States should not use our surplus food solely as an adjunct to our military policies.

I ask unanimous consent to have this amendment printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1949

On page 32, lines 17 and 18, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

On page 33, line 1, strike out "$160,000,000" and insert in lieu thereof "$71,000,000".

On page 35, line 1, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

AMENDMENT NO. 1951

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (S. 3394), supra.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT—S. 3378

AMENDMENT NO. 1950

(Ordered to be printed and to lie on the table.)

Mr. HARTKE. Mr. President, I introduce an amendment to S. 3378 which will provide for special projects to provide education to the homebound handicapped. I ask unanimous consent that the text of my amendment be printed in the Record at this point.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1950

(a) On page 301, strike lines 3 through 11, and insert in lieu thereof the following:

"Sec. 122. (a) For the purpose of making grants under this section for special projects and demonstrations (and research and evaluation connected therewith), there is authorized to be appropriated $19,500,000 for the fiscal year ending June 30, 1975, $22,000,000 for the fiscal year ending June 30, 1976, $25,500,000 for the fiscal year ending June 30, 1977, $30,000,000 for the fiscal year ending June 30, 1978, and $32,500,000 for the fiscal year ending June 30, 1979"; and

(b) On page 301, line 21, after "but not be limited to," insert "education of homebound handicapped".

DUTY-FREE ENTRY OF TELESCOPE AT MAUNA KEA, HAWAII—H.R. 11796

AMENDMENT NO. 1952

(Ordered to be printed and referred to the Committee on Finance.)

Mr. TUNNEY submitted an amendment intended to be proposed by him to the bill (H.R. 11796) to provide for the duty-free entry of a 3.60-meter telescope and associated articles for the use of the Canada-France-Hawaii telescope project at Mauna Kea, Hawaii.

NOTICE OF HEARINGS BY D.C. COMMITTEE ON NOMINATION OF CARL H. McINTYRE TO BE DIRECTOR OF CAMPAIGN FINANCE, DISTRICT OF COLUMBIA

Mr. EAGLETON. Mr. President, the Committee on the District of Columbia will hold a public hearing on the nomination of Mr. Carl H. McIntyre to be Director of Campaign Finance, District of Columbia, on Tuesday, October 8, at 9:30 a.m., in room 6226, Dirksen Senate Office Building. Persons wishing to present testimony at that hearing should contact Mr. Robert Harris, staff director, Committee on the District of Columbia, room 6222 Dirksen Senate Office Building, by noon on Friday, October 4, 1974.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

George Beall, of Maryland, to be U.S. attorney for the District of Maryland for the term of 4 years (reappointment).

Charles W. Koval, of Pennsylvania, to be U.S. marshal for the Western District of Pennsylvania for the term of 4 years (reappointment).

Johnny H. Towns, of Alabama, to be U.S. marshal for the Northern District of Alabama for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, October 8, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON RENEGOTIATION BOARD

Mr. PROXMIRE. Mr. President, tomorrow morning at 2:30 p.m. in room 1318 of the Dirksen Senate Office Building the HUD, Space Science Appropriations Subcommittee, which I chair, will resume hearings on the activities of the Renegotiation Board.

The witnesses will be Mr. William S. Whitehead, Chairman of the Board, other Board members and members of the staff of that agency.

The hearings will be a continuation of the testimony given to the subcommittee on July 25, 1974.

Among other matters of interest to the subcommittee are the majority and dissenting opinions in two cases involving the McDonnell Douglas Corp. decided by the Board, and conflicts in previous testimony received by the subcommittee.

ADDITIONAL STATEMENT

ARKANSAS ECONOMIC GROWTH

Mr. McCLELLAN. Mr. President, I am happy to report that the incomes of the people of Arkansas are growing at a rate faster than all but a few States in our Nation. According to the U.S. Department of Commerce, in its monthly survey of current business, total personal income in Arkansas in 1973 exceeded 1972 income by $1.3 billion, an increase of 19.8 percent. This advance, which brought our State's total personal income to $8.05 billion for 1973, was exceeded by only four other States—all of which were outside the 13 State southeast region.

Per capita income—total personal income divided by population—also increased at a dramatic rate. In 1973, per capita income in Arkansas jumped 18.1 percent to $3,952, an increase that was exceeded by only 6 other States. As a result, Arkansas—which has for many years ranked near the bottom in this category—advanced from 49th over 4 other States to 45th in the Nation.

The major factor accounting for Arkansas' spectacular economic growth is the increase in farm incomes. The total value of Arkansas' agricultural commodities in 1973 was $2.39 billion—an increase of 60 percent over 1972. Our 1973 crops were led by soybeans valued at $651 million, broilers valued at $416 million, and rice valued at $394 million. These increases in the value of Arkansas farm products had the effect of practically doubling farm income in 1 year to a total of $1.3 billion.

Incomes from manufacturing, construction, wholesale and retail trade as well as banking, insurance, and other services also showed increases in excess of the approximate 6 percent advance in consumer prices across the Nation. Manufacturing total incomes increased approximately 15 percent, construction incomes increased approximately 11 percent, incomes in the wholesale and retail trade increased approximately 10 percent.

Mr. President, some States have taken an antigrowth position and have dissuaded the location of new industry and people within their borders. Although I understand their motivations, I wish to inform all investors, all nonpolluting industries, and all individuals who desire to obtain a fuller measure of life's rewards, that Arkansas is still the land of opportunity.

In fiscal year 1974 over $865 million was invested in Arkansas industry creating more than 16,000 new jobs according to the Arkansas Industrial Development Commission.

Tonnage shipments on the Arkansas River exceeded projections by a million and one half tons in 1973. Already 4.3 million tons have been shipped by barge this year.

At the same time, Arkansas offers one clean water, pure air, and suitable climates according to a recent Department of the Interior study.

Although inflation has caused economic injury to all parts of our Nation, the State of Arkansas remains healthy and growing. The door of opportunity remains open to industries willing to help preserve her clean environment while providing jobs for her citizens. The American dream of progress and prosperity is not dead; it is alive and well in Arkansas.

Mr. President, I ask unanimous consent that four tables from the U.S. Department of Commerce, Survey of Current Business, be printed in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

GROWTH OF ARKANSAS' ECONOMY

TABLE I.—GROWTH IN INCOME BY INDUSTRY[1]

[In millions of dollars]

Industry	1971	1972	1973
Farm	$566	$574	$1, 313
Contract construction	236	288	322
Wholesale and retail trade	710	803	888

[1] U.S. Department of Commerce, Survey of Current Business, August 1974.

TABLE II.—TOTAL AND PER CAPITA PERSONAL INCOME IN ARKANSAS[1]

	1971	1972	1973	Percent change, 1972–73	Percent of national average, 1973
A. Per capita personal income	$3, 060	$3, 345	$3, 952	[2] 18.1	78
B. Total personal income (millions)	5, 970	6, 717	8, 050	[2] 19.8	

[1] U.S. Department of Commerce News, Sept. 11, 1974.

[2] Denotes the highest rate increase of all the States in the southeast region which includes Virginia, West Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Arkansas.

TABLE III.—PER CAPITA INCOME RANKING OF ARKANSAS AMONG THE STATES, 1973[1]

Rank	45
Amount	$3, 952
Percent of national average	78
Dollar difference from national average	−$1, 089

[1] U.S. Department of Commerce News, Sept. 11, 1974.

TABLE IV.—TOTAL AND FARM INCOME IN ARKANSAS[1]

Rank	[2] 5
Percent change, 1972–73 personal income:	
Total	19.8
Farm	94.7
Nonfarm	11.5
Farm as a percent of total income, 1972	10.0

[1] U.S. Department of Commerce News, Sept. 11, 1974.

[2] Arkansas ranks 5th behind North Dakota, South Dakota, Iowa, and Idaho in percentage change for total personal income, 1972–73.

VFW NATIONAL COMMITTEE MEETING

Mr. THURMOND. Mr. President, on September 21–22, 1974, three national committees of the Veterans of Foreign Wars of the United States met here in Washington to set their priority legislative, national security, and foreign affairs program for the coming year.

Commander in Chief John Stang of Kansas presided. He is a practicing attorney in La Crosse, Kans., and has served with distinction on the Kansas State Veterans Affairs Commission. John Stang is typical of the great Americans who have commanded the Veterans of Foreign Wars, and those who were called to Washington for this meeting.

Commander Stang has compiled an enviable record of service to his community, State, and Nation. He is a veteran of both World War II and Korea, and an active member of the U.S. Army Reserves.

Mr. President, the distinguished group of Americans who met here to discuss national priorities give added emphasis to the program they adopted.

The national legislative committee is chaired by the Honorable James E. Van Zandt of Pennsylvania, a former Member of Congress. His vice chairmen include four past national commanders in chief of the VFW from different parts of the Nation: Andy Borg of Wisconsin; Ted C. Connell of Texas; Charles C. Ralls of Washington, and Joseph L. Vicites of Pennsylvania.

The national security committee met under the chairmanship of Leslie M. Fry, Nevada, a past commander in chief of the VFW. Serving as vice chairmen are: Ray Gallagher of South Dakota, Richard Homan of West Virginia, Timothy J. Murphy of Massachusetts, all past commanders in chief, and Morris J. Krouse of Kansas.

The national civil service and employment committee met under the leadership of Howard J. Cloe of Iowa, chairman; and Michael F. Bonadio, of Maryland, vice chairman.

Senior Vice Commander in Chief Thomas C. Walker of Connecticut and Junior Vice Comamnder in Chief R. D. Smith, Jr., of Georgia, also took part in the leadership.

Mr. President, I want to thank these distinguished Americans for giving of their time and efforts to outline the VFW priority legislative, national security, and foreign affairs program for 1975.

The VFW stands for a strong and viable national defense, Americanism, patriotism, and service to our veterans and their dependents. Since it was founded over 75 years ago, the VFW has made valuable contributions to the national welfare. The leadership and support of the VFW has been crucial in helping to obtain increased veterans' benefits, more equitable veterans' pension laws, adequate funding of VA programs, and a strong VA hospital and medical care system.

Mr. President, these are the men who have gone abroad in time of war, mobilized patriotic opinion in time of crisis, and always put America's interest first.

The VFW priority program for 1975 is a blueprint for a better America.

Mr. President, when men of the caliber of the VFW speak on issues of national concern, I stand ready to listen, along with many others in the Congress.

Mr. President, I ask unanimous consent that the VFW priority legislative, national security, and foreign affairs program for 1975 be printed in the RECORD at the conclusion of my remarks, and urge my colleagues to give it most careful thought and attention.

There being no objection, the program was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
NATIONAL LEGISLATIVE SERVICE.

PRIORITY LEGISLATIVE GOALS FOR 1975

FOR SERVICE-CONNECTED DISABLED AND THEIR DEPENDENTS

a. Cost-of-living increases in compensation rates for the more than two million service-connected disabled veterans and dependency and indemnity compensation rates for the almost 400,000 widows and orphans of veterans who died from service-connected causes.

b. Authorize dependency and indemnity compensation payments to widows and children of veterans who at time of death were 100 percent service-connected disabled, regardless of cause of death of veteran.

c. Liberalize presumptions for entitlement to service-connected compensation for certain diseases contracted by POWs.

ADEQUATE AND DIGNIFIED ASSISTANCE FOR OLDER VETERANS

a. Maintain integrity of veterans programs.

b. Increase all pension rates and income limitations for veterans and their dependents to prevent veterans pension cuts because of Social Security or other increases in retirement income.

c. Adopt a special pension program for the remaining one million World War I veterans, with special emphasis on additional pension assistance for all older veterans.

d. Continue opposition to the VA reform pension proposal and any other pension recommendation which would curtail or adversely affect veterans pension assistance for veterans and their dependents.

e. Continue opposition to the annual recommendation that the $250 veterans burial allowance be terminated.

FOR BETTER HOSPITALIZATION AND MEDICAL CARE

a. Adequate VA hospital and medical care budgets to provide the highest quality medical care for veterans, with no reduction in VA facilities and daily patient load.

b. Oppose integration of health care for veterans in a national health care insurance program, with special emphasis on continuing an independent system of Veterans Administration hospitals and health care facilities, with no reduction of existing entitlement to veterans hospital and medical care by the VA.

c. Increase the staff patient ratio in VA hospitals to provide adequate care on a 24-hour basis.

d. Eliminate the pauper's oath for admission to a VA hospital.

FOR THE VIETNAM VETERAN

a. Education and training assistance for the Vietnam era veteran under the GI Bill comparable to assistance under the original GI Bill for World War II veterans.

b. More affirmative action by the Veterans Employment Service and the Department of Labor to find jobs and job training for the continuing, shockingly high unemployment rate among veterans, especially the Vietnam veteran.

MAINTAIN AND IMPROVE VETERANS PROGRAMS

a. Provide for a Secretary of Veterans Affairs in the President's Cabinet so there is a spokesman at the highest level of the Executive Branch for the nation's war veterans and their dependents.

b. Support the programs for veterans administered by the Veterans Employment Service, Bureau of Reemployment Rights, State Public Employment Agencies, and the U.S. Civil Service Commission.

c. Gain Congressional approval of the VA Accountability Act to prevent arbitrary and precipitous closing of VA hospitals, regional offices, or revision of the VA rating schedule for disabilities.

d. Establish at least one national cemetery in every state for a veteran who desires the perpetual honor of burial in a national cemetery reasonably close to his home.

Shift Veterans Day back to traditional November 11 as a national holiday.

SECURITY

The Veterans of Foreign Wars of the United States continues to advocate peace with honor through military strength. In the event, however, the United States should find it necessary to defend the nation or the nation's interests by recourse to arms, no obstacle should be permitted to arise or be imposed which would deny complete victory to our Armed Forces in the shortest possible time.

To this end, and for the preservation of the nation we all love, the V.F.W. unanimously will support and advance the following priority goals:

1. The Congress and the Executive Branch be requested to reassert our basic political and military commitments throughout the world and support a military posture second to none.

2. The United States must continue to exert its maximum influence with both the Arabs and the Israelis to the end that they resolve their differences, and to use every effort to counter Soviet influence in the Middle East.

3. We request the Executive Branch, in close consultation with the Congress, to draw up a broad and equitable plan for truly *universal* military training for all in specified age groups.

4. With respect to the arms limitations agreement with the Soviet Union, we believe that continued adherence to the May 1972 Strategic Arms Limitation Agreement, and subsequent modifications, occur *only* if the most thorough-going verification techniques reveal that the Soviets are complying, and that no effort or expense be spared to verify Soviet compliance.

The American public must be fully and frankly informed of the dynamic and shifting U.S.-Soviet balance so that if we find ourselves becoming the second strongest nation in the world, domestic public opinion will support U.S. withdrawal from the Agreement and massive re-arming.

We believe the United States should fully fund and deploy the TRIDENT submarine and the B-1 Bomber, and permit test firing of our land-based ICBMs.

In any future negotiations with the Soviet Union which are aimed at changing the nature of the May 1972 Interim Agreement on Offensive Weapons into a permanent treaty (as with ABMs), the U.S. not agree to *any* formulation that would freeze the United States at a lower number of offensive launchers than the USSR.

5. To assure an American defense posture second to none, the Veterans of Foreign Wars of the United States calls upon the Congress to provide and maintain an Army structure to meet fully the many commitments worldwide it faces; a combat-ready Marine Corps with sufficient funds to maintain a strength of at least four divisions and four air wings (one division and one wing as reserves); a U.S. Navy that will be the world's most modern, versatile and powerful naval force.

6. We request that the National Guard and Reserve be fully funded and supported in line with their enhanced importance under the "total force concept."

7. We reaffirm our support for a U.S.-built, enlarged and modern Merchant Marine as a vital element of our nation's maritime policy to include needed subsidies.

8. We support strong and meaningful separate military departments under their respective Service Secretaries, and reaffirm our support of the Joint Chiefs of Staff system as our top military agency.

9. We support adequate U.S. forces under NATO and oppose any unilateral withdrawal of combat troops from Europe.

10. We support a vigorous and professional ROTC and Junior ROTC program as the strongest link in the traditional role of the citizen-soldier in this country and as one of the most outstanding programs for producing military officers and future leaders of our nation. We recommend to all college and university students that they take advantage of this tremendous opportunity, and we support the proposal that colleges and universities that force the withdrawal of ROTC should not receive Federal education or research funds until ROTC units are allowed to return to their campuses.

11. With respect to nuclear power to Egypt, we urge the Congress to use utmost caution in studying the Nixon-Sadat Statement of Principles, especially in the areas of providing nuclear power.

12. We strongly support the concept of a U.S. forces base in the Indian Ocean, and seek Congressional action to endorse this goal, to include providing sufficient funds in support of the base.

13. We request that Congress be required to give a prompt expression of its support for, or opposition to, a Presidential initiative abroad involving, or possibly involving, U.S. armed forces in a hostile environment.

14. We call upon the President and the Congress to stop the export to the Soviet Union and her allies, in the best security interests of the United States, such items as sophisticated machine tools, chemical processing equipment, and electronics equipment, which could be used against us in the future.

15. We request that the Export-Import Bank loans to the Soviet Union, or to any Communist nation, be at prevailing commerical rates of interest.

16. The V.F.W. will continue its opposition to the heedless and unexamined American acceptance of "détente" which acceptance would, if unchecked, result in America being left in an undeniable position of military and political inferiority and vulnerability.

17. We call upon the Administration and the Congress to move forward rapidly on "Operation Independence" so as to be able to meet our energy needs.

FOREIGN AFFAIRS

1. We call upon our Commander-in-Chief to again communicate to the President and the Congress our position that U.S. control and defense of the Panama Canal are nonnegotiable, and that tensions relating to the administration of the Canal Zone be resolved on the spot without disturbing present treaty arrangements. We urge citizens and employees of the United States to continue to meet their responsibilities under U.S. sovereignty while in the Canal Zone.

2. With respect to Communist Cuba, we call upon the President and the Congress to continue the present policy of no trade with, or diplomatic recognition of, Communist Cuba for as long as it remains the policy of the Communist state to retain the many harsh injustices now extant in that unfortunate land.

3. We call upon the U.S. Government to grant no concessions whatsoever on the complete U.S. sovereignty, control, or use of Guantanamo Bay.

4. We urge the United States to continue fully to honor our 1954 treaty commitment to defend the Republic of China from attack, and to continue military aid and other assistance to the Republic of China which will enable her to advance freedom, prosperity and peace in the Far East.

We continue our opposition to the establishment of full diplomatic relations with the Peoples Republic of China if such relations should be detrimental to the Republic of China. We urge extreme caution in all discussions and contacts with the Peoples Republic of China.

5. We oppose U.S. adherence to the United Nations Genocide Convention, and recommend that all members of the United States Senate and the President of the United States be urged to oppose the United Nations Genocide Convention.

6. The Veterans of Foreign Wars fully supports the Administration's effort, by economic and military assistance, to help our allies in Southeast Asia.

7. We go on record as supporting the Office of Public Safety of the Agency for International Development. We urge the Congress to examine the results of their amendment prohibiting overseas police assistance in terms of the interests of the United States and its ability to pursue its foreign policy objectives.

We also urge the Congress, the State Department and the Agency for International Development to explore ways in which U.S. police assistance resources can be utilized to help overseas civil police in their efforts to combat crime and other illegal acts.

MILITARY AFFAIRS

In the area of military affairs, the Veterans of Foreign Wars of the United States will support the following proposals:

1. We call upon the President and the Congress to do everything humanly possible to develop all sources of information relating to our men Missing in Action, never forgetting the long ordeal undergone by the families of these brave men. To this end, we recommend that maximum U.S. economic and diplomatic pressure be sustained, for as long as it takes, on those nations and movements which are hindering the search for our MIAs. Until such time as our remaining Prisoners of War are released and an accurate accounting of our Missing in Action has been made, we ask that no favored nation status be granted to the Soviet Union or Red China; that no further trade agreements be negotiated with either nation; and that no material or monetary aid be granted to North Vietnam.

2. We sustain total opposition to both general and selective "amnesty" for draft dodgers and military deserters. Those who ran out when the chips were down should be required to stand trial for their crimes and pay such penalties, upon conviction, as the laws prescribe. We will continue our total commitment to pursue the "no amnesty doctrine" through our membership to the Congress and to the American people, and we will be firm in our stand not to relinquish, dilute or compromise this position.

3. We urge that the Congress mandate, by appropriate legislation, an authorized Fiscal Year 1975 minimum end strength of 785,000 for the Active Duty Army.

4. The V.F.W. expresses our opposition to any inactivation of units or reductions in authorized total manning levels of the Army National Guard or Air National Guard of

the several states, and urge instead that units of questionable utility in their present configuration be converted to types that can perform essential defense missions.

5. We protest and object to the indictments against the Ohio National Guard and the several individual Guardsmen, in the Kent State University riots, as being unjust, irresponsible and detrimental to the National Defense and the people of the United States of America.

6. We seek approval of the following recommendation by administrative change or legislation as applicable: elimination of the provision of dual compensation act insofar as it calls for any reduction of the retired pay of retired regular officers of the U.S. Armed Forces while they are in the civilian employment of the U.S. Government.

7. Since the current Basic Allowance for Subsistence (BAS) rate of $2.75 per day is inadequate, we seek Congressional action to adjust the BAS rate on the current cost of living and that in the future, automatic review and adjustment of the BAS rate be made and based on increases in the cost of living.

8. We urge the Department of Defense to reconsider its decision to close Fort MacArthur, California, keeping in mind that it is an essential part of the San Pedro District of the Great Los Angeles Complex.

THE ECONOMIC SUMMIT—A DEMOCRATIC SUMMATION

Mr. HUMPHREY. Mr. President, on September 28, I had the honor of presenting, on behalf of my Democratic colleagues in Congress, a brief summation of some of the most important findings of the economic summit.

In these remarks, I noted that inflation and recession are twin threats to the economic well-being of our people.

I also observed that the inconsistent policies of the last several years have failed to live up to the basic promise of the Employment Act of 1946. That law gave the Federal Government the unequivocal responsibility to promote "maximum employment, production, and purchasing power."

Mr. President, in my remarks I voiced my complete disagreement with those who claim that inflation hits all Americans equally. Obviously, rapid escalation in the prices of those essentials on which low- and middle-income Americans spend 80 percent or more of their income does not hurt all Americans equally. Inflation discriminates against the old, the poor, and the minorities.

I also pointed out the danger of indiscriminate budget cutting. While some reductions can be made, wholesale cuts in people programs could do great damage to some with little effect on the overall rate of inflation.

My summation concludes with a call for an economic action agenda and a series of proposals that should be included on that agenda.

Mr. President, the economic summit was an important first step in mobilizing our Nation for an all-out attack on the twin evils of inflation and recession. But, the time for the much tougher step, the decisive step to decision and action, now is at hand. The people of this country are eagerly awaiting relief from our current economic nightmare.

Mr. President, I ask unanimous consent that my summation remarks at the conclusion of the economic summit conference be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY, SUMMIT CONFERENCE ON INFLATION, SEPTEMBER 28, 1974

The most important finding of this Conference is that we have two public enemies, not one—inflation and recession.

Any policy that brings higher unemployment and lower real incomes for our people, in the name of controlling inflation, is simply unacceptable.

The Employment Act of 1946 established the basic economic contract between the American people and their government. It declares that it is the policy and responsibility of the Federal Government to promote "maximum employment, production, and purchasing power." This is the law of the land and just as binding as the Internal Revenue Code.

But, the contract has been violated, ignored, and trampled upon.

Do high interest rates promote "maximum employment, production, and purchasing power?"

They do not.

Does tight money promote "maximum employment, production, and purchasing power?"

It does not.

Does failure to enforce anti-trust laws promote "maximum employment, production, and purchasing power?"

It does not.

Do our incredibly unfair tax laws that encourage mergers and extend special tax favors promote "maximum employment, production, and purchasing power?"

They do not.

Any policy to deal with our economic problems must live up to the promise of the Employment Act of 1946 to the American people.

Regrettably, we have had no consistent economic policy in recent years. The freezes and phases, and the variety of economic game plans have resulted in uncertainty and doubt which in themselves have contributed to inflation and recession!

The proposals and actions resulting from this Economic Summit must result in a reliable, consistent economic policy faithful to the goals of the Employment Act, or it will have failed

It is said that inflation is a thief in the night robbing every American equally. This is wrong. Inflation discriminates against the poor, the disabled and the sick, the old and the minorities! It hits crippling blows to small business, housing, family farmers, and the majority of wage-earners. The 12 percent inflation of the past year is much higher for low and middle income families who spend 80 percent or more of their income on food, fuel, housing, transportation, clothing, and health care. It is the price rise on these essentials that must, above all, be stopped or reduced.

Some have called for a big cut in the Federal Budget with little or no regard as to the effect on state and local government, where the people and the government meet. There can be, and there will be, budget reductions. But as Dr. Heller has noted in his article in the Wall Street Journal of September 27, there are myths on budget cutting and its relationship to inflation. He has listed nine of them. I commend these to your reading. A $5 billion or a $10 billion budget cut will not put food on the table nor will it put a paycheck in your pocket. This we need to know and to remember.

The watchwords in our battle against inflation and recession are fairness and discipline. Yes, fairness to all segments of the economy. Discipline in eliminating waste wherever it is to be found. Discipline in the work habits in private industry and in government. And discipline in the administration of governmental programs.

Fiscal discipline, yes; but wholesale cuts in people programs, no. We must remember that, while inflation erodes income, recession and unemployment destroy income. We have paid an unbelievable price for recession in lost revenues, in lost gross national product, in lost production, and in lost income to millions of our people. These losses must be measured against proposed budget cuts. It is the cut or the reduction in GNP, the cut or the reduction in personal income, and the cut or the reduction in Federal and local government revenues that has resulted from recession and unemployment. These are the losses that must be weighed against what we call tight fiscal policy.

Now it isn't so much the old-time religion that is our trouble or that bothers me, as it is the revival of old-time sin. And those old-time sins are the policies of excessively tight money, high interest rates, appropriation impoundments, and half-way controls administered by people who have at best a half-hearted interest in their effective application. All of these have not cured our economic ills; in fact, the patient's fever is rising and his paralysis spreading. The doctors had better change the prescription or we may lose the patient—and, may I add, the American family may change the doctors at both the Executive and the legislative levels.

There are no quick and easy answers to these complex problems but there are certain steps that can and must be taken *now* to bring down prices, reduce interest rates, conserve fuel, create jobs, and get the economy moving again.

From this Conference should come an Agenda for Economic Action. This should take the form of a legislative program that you, Mr. President, can present to Congress for its prompt consideration. And, there are a number of administrative actions that you can take now, Mr. President, based on existing law and upon the prestige and influence of your high office.

As I see it, this Agenda for Economic Action should include;

A program of immediate tax relief to low and middle income Americans, offset by closing some of the most glaring tax loopholes and increasing revenues from the upper end of the income scale;

A National Energy Policy emphasizing conservation, expanded research, and leadership among the oil importing countries in dealing with the OPEC nations;

A National Food Policy that expands production and provides fair and stable incomes to farmers and assures adequate supplies of food at reasonable prices to the American consumer;

An export licensing system agricultural commodities determined to be in critically short supply;

And a Food Reserve Program to protect consumers and farmers alike. All of this we can do and must do.

A Credit Allocation System to assure the availability of reasonably priced credit for priority uses, such as housing, local government and small business; interest rates must come down and government policy must be directed to this objective;

A tough new anti-trust enforcement program to eliminate the administered pricing system that pushes prices ever higher;

A National Health Insurance program to assure that health care is available to every American and not auctioned off to the highest bidder;

A Balanced National Growth and Development Policy to provide the national economic planning needed to set priorities and goals, and to make available the information and analysis required to make rational public policy decisions and to assess their impact on the economy.

A Full Employment Program that will effectively guarantee a job at decent wages to every American who is able and willing to work. These jobs should primarily be in the private sector, and every effort of government should be made to make this possible. But the government must be the employer of last resort, and this means a major public service jobs program ready and available. The American people ought to be at work. It is always in the public interest to have people producing and being self-reliant rather than relying on welfare and unemployment compensation. The loss of income and production, the loss of tax revenue due to unemployment runs into the hundreds of billions of dollars. No program of employment is as costly as having 5 to 6 million of our fellow Americans unproductive, without work, and needing government welfare assistance.

A National Domestic Development Bank to provide long-term loans at reasonable rates of interest for rural and urban community facilities; to assist industries that are presently in financial difficulty, such as we did with the RFC, and to promote industrial development. Surely if we can have low rates of interest for Export-Import Bank loans, we can have equally reasonable interest rates for the development needs of our own people here at home.

A stronger role for the Wage-Price Council—yes, a Wage-Price Council with some teeth, the ability to expose excesses in prices and in wages, to assure that it has the power to hold public hearings, subpoena information, order roll-backs, and above all, to mount an all-out attack on administered prices.

A Federal Action Office to break bottlenecks of raw materials, fertilizer, fuel, and equipment which prevent agriculture and industry from operating at full capacity;

A system of Productivity Councils of labor and management in every plant and in every industry in the nation; and a system of productivity incentives in all levels of government.

A just and dignified income maintenance system; one that continually adjusts payments for Social Security, Supplemental Security Income, and food stamps to reflect the needs of those who rely on these programs.

These proposals and others are included in the Interim Report on Inflation prepared by the Congressional Joint Economic Committee at the request of President Ford. These recommendations also reflect a great deal of the thinking of the participants in the Black Economic Summit. I recommend both of these reports to you, Mr. President.

If there was one problem that did not receive adequate attention in this Conference, it was the international aspects of our economic problems. The fuel and food price explosions tell us painfully that we are intimately tied into a world economy. And, in economics as well as diplomacy, we must remember that negotiation and compromise are better for all than conflict and confrontation.

Mr. President, I want to compliment you for holding this Economic Summit. To be sure, there have been differences of opinion. This is as natural in our democracy as life itself. There are differences—political, economic, and social—in our country. Those differences ought to be exposed and ventilated in a conference such as this. How tragic it would be if we were all of one mind and one opinion. The strength of our country and of our political and economic system is its diversity, its openness.

We have had, in these past weeks as we prepared for the Economic Summit Conference, a series of town meetings. And these past two days it has been as if we had a national town meeting, with people being able to express their points of view without fear of reprisals or necessity of agreement. This is open government. It is the essence of democracy—debate, dialogue, discussion, dissent.

But all of this requires that we arrive at decisions. Those decisions will come not at this conference but they can and should come as we review and analyze the many proposals and suggestions that have been offered. This conference is a preparation for the decison-making that is yet to come. But those decisions must be timely and effective. The time to act is now. Action delayed is remedy denied.

SEX DISCRIMINATION IN EDUCATION: HEW REGULATIONS—ANOTHER ILLUSTRATION OF EXCESSIVE CONTROLS

Mr. HELMS. Mr. President, as my colleagues are aware, during the second session of the 92d Congress, legislation was passed relating to nondiscrimination on the basis of sex in educational institutions receiving Federal financial assistance. This legislation is frequently referred to as title IX of the Education Amendments of 1972. It is codified in the United States Code as title 20, sections 1681, et seq.

The primary active clause of the legislation provides as follows:

> No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance . . .

The second section of title IX authorizes and directs each Federal department and agency empowered to extend Federal financial assistance to "any education program or activity" to effectuate the provision of this section by issuing rules, regulations or orders "which shall be consistent with the achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken."

On June 20, 1974, the Department of Health, Education, and Welfare published in the Federal Register proposed regulations implementing this legislation. The Department is soliciting comments "from interested citizens until October 15, 1974." Indeed, many interested citizens have contacted me regarding the proposed HEW regulations. Many expressions have come from representatives of private, church-supported colleges.

These college officials are greatly distressed by a number of the HEW provisions. Mr. President, I, too, am very much concerned about this matter. I am concerned because the HEW proposals will, if approved, radically alter the fundamental principles upon which many of these institutions are based—principles which have over many years motivated interested citizens to give unselfishly of their time and resources so that these schools could exist and provide the kind of wholesome, religious, educational environment that many parents want for their children.

I am also concerned because these proposed regulations represent another example of the excesses of the bureaucracy of the executive branch. In drafting the proposed regulations, HEW has gone far beyond the intent of Congress. In doing so, a department of the executive branch is actively engaging in an attempt to make law, which it has no authority to do. It is for the Congress to enact laws. The Constitution so provides. In promulgating regulations, the departments and agencies serve only to implement the congressional enactments.

While I firmly believe that private schools and colleges are very important to our Nation and that the HEW proposals will severely and unjustifiably harm them, I am equally concerned about this inappropriate attempt on the part of bureaucrats, who are not answerable to the people, to usurp the prerogatives of the Congress; and thereby, facilitate the destruction not only of the delicate balance of power between the three branches of our Federal Government, but also of the concept of representative democracy, of republican government itself.

The HEW regulations are not the product of the work of elected officials they are dictatorial pronouncements from unelected bureaucrats. As such, they represent a dangerous trend in our country, a trend that has been developing for many years—an evident willingness on the part of Congress to abdicate its duties and an apparent desire on the part of the bureaucracy of the executive branch to usurp these duties.

Specifically, the legislative enactment previously cited prohibits the exclusion from participation: First, of any person in the United States; second, on the basis of sex; third, under any "education program or activity"; and fourth, receiving Federal financial assistance.

It is important to note that this prohibition only pertains to an "education program or activity." It is perfectly obvious that the word "education" is intended to modify the words "program or activity." This being true, the aforementioned prohibition only applies to programs and activities that are a part of the education process.

Educational institutions sponsor many programs and activities for the benefit and convenience of their students. No one would disagree that, in the broadest sense, just about everything is in some respect educational. I have no doubt that simply spending some time on a college campus talking with the students would be educational. Reading a newspaper or attending a motion picture are all, in the broadest sense, educational. Indeed, driving around the city of Washington is educational.

However, the statute does not say "any program or activity." It qualifies the term by prefacing it with the word "education." The obvious intent is that the general, ordinary meaning be given the word. Webster's New World Dictionary of the American Language, Second College Edition (1972) states the education involves "systematic study." It is the obvious intention of Congress that title IX only apply to programs and activities directly involving courses of instruction, and those programs and activities that are an integral part of the formal systematic process of receiving an education at school.

Nonetheless, HEW, through overboard interpretation has extended the meaning of the statute beyond all reason. The proposed HEW regulations apply to extracurricular activities such as athletics. They apply to programs and activities not receiving financial assistance. They apply to rules governing living facilities at a college, including curfews at dormitories. They require mixed classes of boys and girls in all courses of instruction including physical education. There is only one exception, and that is only by virtue of a recent "clarification"—sex education classes. HEW has declared that pregnancy must be treated as a "temporary disability" such as a "broken leg." Campus organizations are covered. Colleges and universities are prohibited from extending any support or housing to fraternities and sororities if their membership is restricted to members of one sex, and such fraternities and sororities must not operate in connection with the colleges' or universities' education programs or activities.

Remembereing the broad interpretation that HEW is giving the word "activities," such organizations may not participate in any school event. In addition, "affirmative action" is required to remedy the effects of so-called past discrimination. Mr. President, the list goes on.

HEW has even gone so far as to suggest its desire to remove so-called sex bias from textbooks and other educational material but did admit that such action would raise grave constitutional questions under the first amendment. Therefore, HEW did not attempt to directly regulate such materials. HEW did state, however, that:

> The Department assumes that recipients (school systems colleges and universities) will deal with this problem in the exercise of their general authority and control over curricula and course content. For its part, the Department will increase its efforts, through the Office of Education, to provide research, assistance and guidance to local educational agencies in eliminating sex bias from curricula and educational material.

In other words, HEW will attempt to do indirectly that which it is constitutionally prohibited from doing directly.

Mr. President, title 20, section 1682, United States Code provides that the proposed HEW regulations will not be effective until approved by the President. I, for one, intend to convey my concern regarding these regulations to the President. I hope that other Senators will do the same.

I am convinced of the importance of Congress jealously protecting its prerogatives and duties regarding the enactment of legislation. I firmly believe that Congress must reassert its proper role in the Government of this Nation.

Mr. President, I ask unanimous consent that a copy of a letter from the President of Mars Hill College together with a statement representing the position of that college, as well as a letter from the dean of students of Lees-McRae College, endorsing the aforementioned statement, a letter from the president of Atlantic Christian College, a letter from the director of Women's Services of Gardner-Webb College, and a letter from the dean of students as well as a letter from a trustee of Chowan College be printed in the Record at the conclusion of my remarks.

There being no objection, the aforementioned letters and statement were ordered to be printed in the Record, as follows:

MARS HILL COLLEGE,
Mars Hill, N.C., September 14, 1974.

Mr. CASPAR W. WEINBERGER,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR SECRETARY WEINBERGER: Dr. Donald D. Gehring, Dean of Student Development at Mars Hill College, has recently developed a position statement which is to be included in the Newsletter for the Southern College Personnel Association relative to the regulations accompanying Title IX. Dr. Gehring and I have studied the Title and its regulations very thoroughly, and the enclosed statement which, as I have indicated, is for publication in the Southern College Personnel Newsletter, is in fact the position paper of Mars Hill College, and we hope it will be treated as such.

We at Mars Hill College certainly want to eliminate all the control and direction of our institutions of higher education by the federal government. While I cannot believe that you and your staff intended the regulations accompanying Title IX to be "direction" and "control", my interpretation is that they in fact are just that. We hope that our position paper will be incorporated with other such documents, and we further hope that these can effect some modification of the regulations as they are now published.

If you need any additional information, please feel free to contact me personally.

Sincerely,

FRED B. BENTLEY, *President.*

Enclosure

A STATEMENT OF TITLE IX FOR THE SOUTHERN COLLEGE PERSONNEL ASSOCIATION OCTOBER NEWSLETTER

The intent and spirit of Title IX of the Education Amendments of 1972 are commendable. The time to eradicate sex discrimination from our educational institutions has long since passed and higher education particularly needs to purge itself of the remnants of this basically unfair action. Title IX has certainly aroused that awareness.

However, the passage of Title IX, and especially the proposed Rules published by H.E.W. to effectuate the statute is simply substituting one evil for another. Discrimination on the basis of sex is admittedly wrong, but an even greater evil is the governmental intrusion into the internal affairs of colleges and universities which is inherent in the proposed Rules. For example, the proposed Rules unequivocally state that colleges and universities shall determine annually the sports in which each sex desires to participate (86.36(b)). Not only does H.E.W. tell institutions what must be done but they also stipulate that the method used to determine this desire must be approved by the Director of the Office of Civil Rights of H.E.W. (86.38(b)). Programs must then be offered on the basis of this annual determination (86.38(d)). In other words, H.E.W. is for all intents and purposes, directing the athletic programs of individual institutions.

The above example, and others which could be cited, seems to indicate that H.E.W. in drafting the proposed Rules has gone far beyond the legislative intent of the statute. Title IX specifically states in Section 905 that, "nothing in this title shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guarantee."

Title IX is a part of Education Amendments Act of 1972 and that Act amends the Higher Education Act of 1965 which states, "nothing contained in this chapter shall be construed to authorize any department, agency, officer or employee of the United States to exercise any direction, supervision or control over the curriculum, programs of instruction, administration or personnel of any educational institution, or over the selection of library resources by any education institution." (Title 20, Chapter 28, Subchapter 7, Section 1144, United States Code.) There is an obvious inconsistency between these sections and what H.E.W. has proposed.

H.E.W. has not shed much light on this inconsistency. When asked at the Atlanta briefing, if the proposed Rules were not in conflict with section 1144 of the Higher Education Act of 1965, Ms. Gregory responded that H.E.W. was not directing, supervising or controlling the programs, administration or personnel of any institution. What H.E.W. was doing, she explained, was saying that if institutions did not operate their programs in accordance with the rules, they were in violation and thus subject to lose their Federal aid. This results in indirect forced compliance which is, in effect, direction, supervision and control over the internal administrations of higher education—a concept which the Congress of the United States expressly prohibited.

Further evidence of H.E.W. exceeding the legislative intent of the statute is found in Section 902 of Title IX. This section directs agencies and departments of the Federal government to effectuate the general provisions (Sec. 901), of Title IX by issuing rules, regulations or orders of general applicability. However, Section 902 is emphatic when it states that "No such rule, regulation or order shall become effective unless and until approved by the President." The H.E.W. proposed Rules have not yet been approved by the President. However, Mr. William Thomas of the Office of Civil Rights has stated that he has received directives from H.E.W. officials in Washington to notify institutions which have a curfew for women that the institutions are in violation of Title IX. This is not only a governmental intrusion into the administration of higher education but a direct violation of the law as passed by the Congress of the United States.

In addition to the numerous problems the proposed Rules raise in terms of institutional autonomy and governmental supervision over the curriculum, programs of instruction and administration of colleges and universities, there are a wealth of practical problems associated with the proposed Rules. Nowhere in the Rules does H.E.W. define what is meant by an educational program or activity. Section 901 of Title IX states that "No person in the United States shall, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance . . ." Even though the words "program or activity" are used in the statute, H.E.W. has preferred not to define those terms but rather has defined "recipient" as essentially any institution which receives Federal assistance to operate an educational program or activity. What is an educational program or activity? The Department of H.E.W. in its Fact Sheet (June 18, 1974) states that, ". . . the proposed regulation applies to all aspects of all education programs or activities of a school district, institutions of higher education, or other entity which receives Federal funds for any of those programs." The implication of this statement is that there are many educational programs and activities not all of which receive Federal financial assistance. Since the statute specifically prohibits discrimination only in those educational programs or activities receiving Federal financial assistance, and since H.E.W. does not define these terms but implies that some exist which do not receive Federal funds, how can the Department propose rules to apply to programs or activities which do not receive such funds? There is nothing which permits H.E.W. to dictate that a tennis team must be open to female students simply because the college library was financed by Federal funds.

Another pragmatic problem raised by the proposed Rules concerns the term "discrimination." While H.E.W. does not differentiate between discrimination and different treatment based upon valid classifictions, the courts have made such a distinction. The sixth Circuit Court of Appeals hs stated that, "The states retain, under the Fourteenth Amendment, the power to treat different persons in different ways." (475 F 2d. 707). The Court noted that there were two standards of review in cases dealing with state classifications of citizens. The first and traditional standard is that a state classification be upheld if a rational relationship exists between the different classifications imposed and the state's reasonable goals. The second standard which has recently been applied to "suspect" classifications such as race requires that the state show a "compelling interest". The Sixth Circuit Court of Appeals in this decision, (*Robinson* v. *Eastern Kentucky*) specifically dealing with a curfew for women students, decided, on the basis of a Supreme Court ruling, that sex was not a "suspect" classification. The Court also found that the classification of women students for curfew purposes was a reasonable regulation to promote the legitimate aims of the State.

Well aware of the Court's decision in this case, H.E.W. officials contend that it has no bearing on the proposed Rules since the case was decided prior to the promulgation of the Rules. Does Title IX supersede the Fourteenth Amendment to the United States Constitution and the power of the states, under this Amendment, to treat different persons in different ways? Is there any connection between the fact that it took H.E.W. two years to promulgate the proposed Rules and their rationale for the inapplicability of the Robinson case to Title IX?

Also, if no distinction is to be made between discrimination and different treatment based upon valid classifications, then another serious practical question arises. The proposed Rules make it clear that institutions may not, ". . . assist any organization, agency or person which discriminates on the basis of sex." Ms. Gregory pointed out at the Atlanta briefing that this was interpreted to mean that institutions could not assist external organizations interested in recruiting students if that organization were known to discriminate on the basis of sex. If this is so, how can institutions permit any agency or department of the Federal government to recruit students or in any other way assist such departments or agencies since the Federal government is an organization which discriminates in its admissions policy for the service academies which it operates? An H.E.W. official at the Atlanta briefing responded to this question by stating that the service academics were exempt from Title IX. Since H.E.W. does not recognize different treatment based upon valid classifications, the mere fact that the academics are statutorily exempt from the law does not diminish the fact that they discriminate.

Finally, the proposed Rules contain an abundance of terms which are ambiguous. Even professionals in the field of higher education differ over their meaning. This can only lead to arbitrary and capricious decisions by those charged with implementing the Rules. Use of terms such as "proportionate" and "comparable" are examples. Comparable quality of housing facilities (86.32(b) (i.e.)) is dependent upon the values of the individual making the comparison. Is an air-conditioned facility on the edge of campus "comparable in quality" to a non-air conditioned facility conveniently located in the center of campus? Is a residence facility with private rooms and gang showers "comparable in quality" to a residence hall with suites and private baths, etc., etc., etc.?

Higher education in America has always been a major contributor to the strength of our nation. A large measure of the contribution of our colleges and universities stems from their freedom from governmental control and their diversity. The proposed Rules set forth by H.E.W. will homogenize higher education in this country and in so doing will eliminate one of our nation's greatest assets—diversity and the right of the people to choose.

It may well be said that institutions can retain their diversity and their autonomy by electing to forego Federal funds. They can deny themselves those funds, not so long ago accepted with the promise of no governmental control, but those who choose this course will surely close their doors before too long. Those who do not choose this course will prosper with their Federal grants and look like every other institution directed by the Federal government. Conformity is a gradual process of chipping away at those rights which allow for individual differences. When the chipping process is completed, as surely it will be if there is any precedent value to the proposed *Rules*, no two institutions in this country will differ in any educational programs or activities. Who, then, will have gained? In the long run, everyone will suffer—men and women—as a result of such homogenization.

The concept of eliminating discrimination whether on the basis of race, sex, national origin or any other basis is commendable and should be implemented by every institution. But higher education must be free to work out its own course to accomplish this desirable obective. Colleges and universities historically have responded effectively to the needs of society. On the other hand, the less of institutional autonomy which would result from approval of the proposed *Rules* is a price too dear to pay in order to gain an immediate solution. The challenge of eliminating discrimination on the basis of sex is a problem which colleges and universities can and will solve without the undue governmental interference proposed in the current H.E.W. Rules.

LEES-MCRAE COLLEGE,
Banner Elk, N.C.,,September 23, 1974.

Senator JESSE HELMS,
Senate Office Building,
Washington, D.C.

DEAR MR. HELMS: The proposed rules to implement Title IX of the Education Amendments of 1972 raised a number of problems for our institution. In behalf of our students, faculty, and staff I request that you seriously consider the implication of those proposed rules and make the necessary adustments.

Meeting in Banner Elk, North Carolina on Monday, September 16th, the Board of Trustees of Lees-McRae College instructed me to send to you the enclosed paper which raises specific questions about the proposed rules.

We appreciate your interest in private higher education and solicit your continued support.

Thank you for your consideration.

Sincerely yours,
E. O'DELL SMITH,
Dean of Students.

ATLANTIC CHRISTIAN COLLEGE,
Wilson, N.C., September 11, 1974.

Re comments on title IX, Education Amendments of 1972

Hon. CASPAR WEINBERGER,
Office of the Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: Atlantic Christian College strongly supports efforts to eliminate unwarranted and demeaning treatment of individuals occasioned by discrimination solely on the basis of sex.

In response to your Department's invitation to submit comments on the draft guidelines on Title IX, Education Amendments of 1972, however, the Executive Committee of the Board of Trustees of Atlantic Christian College hereby conveys to you its deep concern particularly as it relates to Section 86.32 (a) of the guidelines which states:

> A recipient shall not, on the basis of sex, apply different rules or regulations, impose different fees or requirements, or offer different services or benefits related to housing, except as provided in this section. . . .

The committee's concern lies chiefly in the fact that this guideline, if applied literally, would make it all but impossible to provide for the security of women who reside in college residence halls. The guideline seems to ignore to a fatal degree the fact that women, though deserving of treatment which serves to maintain their dignity and integrity as human beings, are the very persons against whom such crimes as rape and sexual assault is most frequently perpetrated.

To be sure, there are *some* individual women more capable than *some* individual men to protect themselves against such assault. But to make a categorical generalization about the *majority* of women and the majority of men on that basis is obvious folly. Women are different than men. Those differences, we maintain, must be taken into account if women are to be accorded the protection which they deserve and which institutions such as ours are under strong obligation to provide.

Some may say that the problem can be resolved and responsibility discharged by subjecting men residing in residence halls to the same security measures—let us say locked dormitories after certain hours. Men, under such circumstances, could maintain—and we believe rightly so—that under such circumstances they were being discriminated against. For they are not subject to rape and less subject than women to other forms of assault because of their inherent powers of self defense.

It appears to us that the Department has tactically recognized that sexual differences do have a bearing on responsible management of residence halls. Section 86.32(b) (1) states as a case in point: "A recipient may provide separate housing on the basis of sex."

We urge, therefore, that your Department amend the above mentioned guidelines in such a manner as to permit institutions to discharge their strong obligation to provide security measures appropriate to each sex.

Sincerely yours,
ARTHUR D. WENGER,
President.

GARDNER-WEBB COLLEGE,
Boiling Springs, N.C.,
September 16, 1974.

Senator JESSE HELMS,
Rayburn House Office Building,
Washington, D.C.

DEAR SENATOR HELMS: I wish to express my concern regarding the proposed Rules published by HEW to effectuate the statute of Title IX of the Education Amendments of 1972. I feel that rules reveal governmental intrusion into the internal affairs of colleges and universities. In effect, HEW exceeds the legislative intent of the statute by the proposed Rules they drafted for Title IX.

Several of our local Congressmen were contacted, but they were not aware of the Rules outlined by Mr. Weinberger, which if enforced, would completely destroy the philosophy, autonomy, and uniqueness of private higher education of which Gardner-Webb College is a part.

I strongly disapprove of the Rules as outlined by Mr. Weinberger. I appreciate your attention in this matter.

Sincerely,

Ruth Kiser,
Director of Women's Services.

Chowan College,
Murfreesboro, N.C., August 23, 1974.

The President,
The White House,
Washington, D.C.

Mr. President: As a preface to the purpose of this letter, I want you and your close associates to know that many commendable remarks are being made by my friends and colleagues about the way you have assumed the responsibilities of your office. As an American, I sincerely hope you have the courage, strength and wisdom to meet the challenges of our time.

My letter is concerned with regulations under Title IX (nondiscrimination on the basis of sex) of the Education Amendments of 1972. I strongly believe these regulations as stated in the Federal Register of June 20, 1974 and interpreted by Mr. William Thomas, Director of Civil Rights, Regional IX, Atlanta, Georgia, and Mr. Sheldon Steinback, Attorney, Staff Council, Washington, D.C., in a meeting recently held at Meredith College, Raleigh, North Carolina, for representatives of private colleges in the state can lead to serious problems and detrimental results in a society based upon freedom.

I believe in the premise of non-discrimination on the basis of sex. However, there are several provisions in the regulations which give me much concern.

First, I feel citizens should have the right to attend an institution of higher education which best meets their needs. According to the interpretations of provisions under Title IX, all institutions, public and private, will be forced into the same mold. Historically, diversity has been a major strength of higher education in the United States. Title IX, as I understand it, will eliminate diversity and deny one of the freedom of choice.

My undergraduate work was done in a church-related university. I am now employed by a church-related college. Contributions are made to these institutions by people who expect church-related colleges and universities to be distinctive. If my college cannot be different from state institutions, there is little reason for its existence. Many students attend the small private college because of its partially controlled environment. Many parents seek such institutions for their daughters during the first two years of their collegiate career.

I do not believe the 12,000,000 plus Southern Baptist feel that *in loco parentis* is dead or should be completely eliminated as an obsolete concept. Neither do I believe all provisions of Title IX can or will add quality to one's educational experience.

Are graduates of church-related institutions represented in the Department of Health, Education and Welfare? While I was impressed with Mr. Thomas and Mr. Steinback as men fully acquainted with Title IX, I felt their knowledge about church-related institutions was lacking.

As a dean of students I look with disfavor upon any institution which does not exercise concern for the welfare and security of its coeds through reasonable, but different, regulations for men and women students. This includes a curfew.

As interpreted by Mr. Thomas at Meredith College, colleges will have to treat pregnancy among married and unmarried coeds as a temporary disability. If a student insurance policy does not include provisions for pregnancy, the college must assume financial responsibilities for such. This is beyond my ability to comprehend as reasonable or just. Such a practice would be another way of penalizing citizens who live within the moral code of Christian ethics. In my judgment we are already infringing upon the rights of many to satisfy the demands of a few who express, through their behavior, little or no concern for the welfare of the masses. This concept is one of my growing concerns because if carried too far, it can lead to another form of discrimination.

We were told the regulations under Title IX would be presented for your approval after October 15, 1974. May I urge you and your associates to give these regulations a very close examination? I sincerely hope they will not be approved in their present form.

Managing the business of my office as dean of students keeps me extremely busy. Yet, I realize my responsibilities are minor when compared to those facing you daily. I hope the pressing domestic and foreign demands will not cause you to examine and approve Title IX perfunctorily. Please view them from many perspectives.

To give you an idea of the purposes and objectives of Chowan College, a copy of the 1975–76 catalog is being forwarded under separate cover.

Respectfully yours,

Clayton Lewis,
Dean of Students.

Windsor, N.C., *September 20, 1974.*

The President,
The White House,
Washington, D.C.

Mr. President: Am writing to you with regards to regulations from the Department of Health, Education and Welfare which are to be submitted to you for your approval after October 15, and that will become effective 30 days after approval.

As a trustee of Chowan College, a small Baptist Junior College, am concerned about the wording of Title IX (Nondiscrimination on the Basis of Sex) of the Education Amendments of 1972 as presented in the Federal Register of June 20, 1974. Am not opposed to basic equal opportunities for higher education for both sexes, but have a strong feeling about some of the wording in Section 86, and believe there are thousands of parents and interested citizens who would disapprove of some of these proposals being imposed upon our Christian Institutions especially.

Hope we'll never loose sight of the high principles upon which our great Nation was founded and that we will continue to support a dual system of higher education which has worked so well in our land.

May we all seek God's help in making decisions which are thrust upon us and may He give you strength, courage and wisdom for each day as you serve as our President.

Respectfully yours,

Robert C. White,
Trustee, Chowan College.

FULL EMPLOYMENT—A PRIORITY FOR ALL AMERICANS

Mr. HUMPHREY. Mr. President, on September 27, the Congressional Black Caucus and the Joint Center for Political Studies held a workshop for black leaders from across the Nation. The subject of the workshop was "Black Legislative Priorities for 1975."

Sessions of the day long workshop dealt with the Voting Rights Act, the two-party system and campaign reform, full employment, health care, and training institute for minority political education. The workshop participants had an opportunity to discuss the most important issues facing America today.

Mr. President, it was my priviledge to address the workshop on the economic problems facing our Nation today and, in particular, on the need for full employment. In that regard, I urged the workshop to give its full support to the Equal Opportunity and Full Employment Act of 1976, S. 3947, which I introduced on August 22, 1974, and which was originally introduced in the House of Representatives by Congressman Hawkins of California.

Mr. President, I ask unanimous consent that the agenda for the workshop on "Black Legislative Priorities for 1975" and my remarks to the workshop be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Workshop on Black Legislative Priorities for 1975

(Cosponsored by the Congressional Black Caucus and the Joint Center for Political Studies)

Agenda

9 to 9:30 a.m.

Opening Statement—Congressman Charles B. Rangel, Chairman, Congressional Black Caucus.

Influencing Congress—Congressman Walter E. Fauntroy.

The Voting Rights Act

9:30 to 11 a.m.

Chairperson—Mr. Eddie N. Williams, Joint Center for Political Studies.

Main Speakers:

Mr. John Lewis, Voter Education Project.

Mr. J. Stanley Pottinger, Civil Rights Division, U.S. Department of Justice.

Mr. Clarence Mitchell, Leadership Conference on Civil Rights.

Respondent, Mr. Lawrence Guyot, Lawyers' Committee for Civil Rights Under Law.

The two-party system and campaign reform

11 a.m. to 12 noon

Chairperson—Mr. M. Carl Holman, National Urban Coalition.

Main Speakers:

Mr. Carl Stokes, NBC News.

Dr. Charles Henry, Department of Political Science, Howard University.

12 noon to 1 p.m.

Lunch—Rooms B–338 and B–339, Rayburn House Office Building.

Full employment

1 to 3 p.m.

Chairperson—Dr. Robert S. Browne, Black Economic Research Center.

Main Speakers:

Congressman Augustus Hawkins, Chairman, House Subcommittee on Equal Opportunity.

Senator Hubert H. Humphrey.

Mr. Vernon E. Jordan, Jr., National Urban League.

Respondent: Dr. Herrington Bryce, Joint Center for Political Studies.

Health care

3 to 4 p.m.

Chairperson—Dr. Jacquelyne J. Jackson, National Caucus on the Black Aged.

Main Speakers:

Mr. Stan Jones, Senate Subcommittee on Health.

Dr. James D. Shepperd, Department of Community Health Practice, College of Medicine, Howard University.

Respondents:

Dr. Joseph N. Gayles, Medical Education Program, Morehouse College.

Mr. Edgar Duncan, HEW, Public Health Services.

Training Institute for Minority Political Education

4 to 5 p.m.

Chairperson—Mr. George Dalley, Administrative Assistant to Congressman Charles B. Rangel.

Speakers:

Congressman Andrew Young.

Mr. William Blakey, Director of Congressional Liaison, U.S. Commission on Civil Rights.

Mr. Louis Alvarez, National President, ASPIRA of America.

Ms. Barbara Williams, Executive Director, Coalition for Human Needs and Budget Priorities.

The Congressional Black Caucus is made up of the black members of the U.S. House of Representatives. It maintains a staff to assist its members on legislative matters of special interest to black Americans. Room 306 House Annex, Washington, D.C. 20515, (202) 225-1691.

The Joint Center for Political Studies is a private, non-partisan and non-profit organization which provides information, research and technical assistance to the more than 3,000 black elected officials at all levels of government in the United States. In fulfilling this function, the Joint Center does not participate in electoral campaigns. 1426 H Street, N.W., Suite 926, Washington, D.C. 20005, (202) 638-4477.

Remarks By Senator Hubert H. Humphrey

It is an honor for me to participate in the Black Caucus workshop on "Black Legislative Priorities for 1975," and to join in your discussion of full employment.

Unemployment, running at "recession" levels across the country, is already at "depression" levels for most black communities. If you are black, your chances of being jobless are twice as great as they are if you are white (9.2% vs. 4.8%).

And, if you are a teenager, chances are nearly three times greater that you won't find work if you are black (32% vs. 13%).

In 1968, unemployment was 3.6% and we were working hard to get it down much lower. In 1974, 5.4% unemployment has been greeted by White House spokesmen as "encouraging" and a 6% rate later this year is talked about with no great concern. And, of course, these figures hide millions of unemployed people who have stopped looking for jobs out of despair.

Republican-policy-induced unemployment in the last six-years has been very damaging to the objectives of equal opportunity and to the goal of a more equitable distribution of this nation's wealth.

From 1947 through 1968, the share of national income going to those families in the lowest three-fifths of the income scale increased, while the share of those in the top one-fifth declined.

But, since 1969, this twenty year trend has been reversed at a loss of nearly $10 billion to our low and middle income families.

This should come as no great surprise. To quote Will Rogers: "Republicans take care of big money, and big money takes care of Republicans." If further proof were ever needed, just keep your eye on big business profits. For steel, chemicals, fuels, mining, and the big banks, 1974 has been a banner year.

And be careful of those who quote official statistics that purport to demonstrate that black families "never had it so good." Sure, median black family income nearly doubled in the last nine years, but compared to median white family income it has gone nowhere.

In 1964 black median family income was 54% of what it was for whites and today is 57%.

In other words, a doubling of the dollar value of black family income over nine years has resulted in virtually no change in the real distribution of shares in our economy.

Inflation has been pictured as a thief in the night stealing equally from all Americans. It is this basic assumption that made possible that incredible statement, by an administration official that Wall Street Brokers have lost the most, among America's income group. What a pity!

Inflation discriminates against the poor, the old and the black, and God help the person who fits into all three of these categories. The 12% rate of inflation of the last year is much higher for those who spend most of their money on food, fuel, housing, and medical costs. You don't need an economists to point out that the real explosion has been in the price of these essentials.

There are a number of things I believe we can and must do the restore jobs to our people and reasonable price stability. None of my recommendations are magic, they won't work overnight. But, every day we delay in taking action delays the recovery date. Therefore, we must act *now*. Here is what I think we need:

First, tax relief for low- and middle-income people coupled with loophole closing tax reform,

Second, a major public service jobs program, beginning immediately;

Third, a credit allocation system to get capital into priority areas like housing and minority business enterprises;

Fourth, a much more vigorous enforcement of the anti-trust laws; we have all had enough of the consumer rip-off directed by big business,

Fifth, a new food policy and energy policy must be developed; and

Sixth, a permanent price, profit and wage monitoring agency, directly responsible to Congress, and with more power than the current agency is needed.

But, for the longer run, there are some much more fundamental changes in our economic system that are essential if equal opportunity and economic justice are to be more than clichés.

Most importantly, "full employment" must become a fact of life for every American. The "right to work" has yet to be recognized in our nation and millions of our people have suffered deeply because of this failure.

Congressman Hawkins and I have made a commitment to push for enactment of legislation that would take the "full employment" promise of 1946 and make it work in 1976. I don't think I need to go over the details; I am sure Congressman Hawkins has or soon will do so. But, I want you to know that I am fully committed to this legislation.

In a word, this legislation guarantees to every American able and willing to work a job and decent wages, and establishes the framework to make it happen. This is crucial legislation and can only be enacted with your complete and active support.

FIRST LADY BETTY FORD

Mr. HUGH SCOTT. Mr. President, I wish to associate myself with the very eloquent editorial in today's Philadelphia Inquirer wishing First Lady Betty Ford a complete and speedy recovery. Our thoughts are with her and the family during this trying time. I ask unanimous consent to have printed in the Record this editorial from the Philadelphia Inquirer.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Prayers for a Courageous Lady

Our sympathy, concern and best wishes for swift recovery pour out to Mrs. Gerald R. Ford. Even with the support of exceptional personal courage and dignity—the prayers of tens of millions—America's First Lady faces a frightening and lonely combat with cancer.

Everyone hopes, of course, that the complicated pathological tests she will continue to undergo will yield encouraging results. And in the trying time ahead, many will ponder with gratitude the example Mrs. Ford offers us all—her personal bearing which led Dr. William H. Lukash, the President's personal physician, to say: "I thought she demonstrated a kind of inner strength that sustained the first family, her close staff and, I think, her doctors."

But in her own personal struggle, Mrs. Ford also offers an example to immense numbers of Americans who statistically are potential cancer victims. This year alone, some 33,000 American women will die of cancer of the breast and some 90,000 will be diagnosed as having previously undetected cases.

Mrs. Ford's prognosis—statistically—was greatly improved by the swiftness of medical attention. The first indication of her case was detected in a routine examination last Thursday. She was under surgery within less than 48 hours.

A few short weeks—or even days—can make the difference between complete recovery and the hopeless spread of cancer cells, not only in breast cancer but in other forms as well. And yet a Gallup poll last year indicated that only half of America's women seek even an annual breast examination by a physician.

Neither Mrs. Ford's nor all humanity's battle against cancer has yet been won. But the odds have been greatly improved by modern medicine—if only we have the sense to turn to it.

OUR ECONOMIC PROBLEMS

Mr. TUNNEY. Mr. President, the majority leader, Mr. Mansfield, recently reported to the Senate the results of the Democratic conference on the problems besetting our economy. I would like to voice my strong support of the anti-inflation, counterrecession program which he outlined, and particularly the following policies:

First. A budget policy that assures that reductions in Federal spending are designed clearly to mitigate the impact of inflation, with prime attention focused on wasteful and unneeded expenditures. The Senate has already effected cuts of $6 billion in the Executive's request for appropriations this year and it is expected that Congress will cut between $7 and $8 billion from appropriations requests after it completes its work;

Second. New initiatives in monetary policy designed to stimulate badly needed monetary relief in certain hard-pressed economic sectors such as housing;

Third. A tax policy designed to assure that no segment of the economy will enrich itself by capturing excessive profits during the present period of economic hardship and recognizing that special relief must be accorded those hit hardest by inflation—those in the low- and moderate-income categories and those on modest fixed incomes;

Fourth. A farsighted policy relating to shortages and supplies and adequate machinery to stimulate research and resources development, recovery, recycling, and conservation;

Fifth. An employment policy and related measures designed to offset the human hardship of recession; and

Sixth. International economic policies that recognize fully the critical interrelationship of the American economy with the economies of other free nations.

It is imperative that coordinated Federal action be taken immediately in defense against such inflationary problems as skyrocketing prices, prohibitively high interest rates, and the shrinking value of small investors' assets. The United States cannot afford to take an unorganized or lackadaisical approach to these very real crises.

TRIBUTE TO FORMER SENATOR KARL E. MUNDT

Mr. CURTIS. Mr. President, I would like to add my voice in tribute to one of the finest men ever to grace these Chambers, Karl E. Mundt of South Dakota, who died a short time ago.

Karl Mundt and I were elected to Congress on the same day in 1938. We met each other when we appeared to be sworn in as Members of the House of Representatives on January 3, 1939. We remained fast friends all through the years. He was a great fishing partner. He was a fascinating conversationalist. He was scholarly and well-read. He possessed that most important ingredient—integrity. He was a patriot and a believer in our economic system.

Though felled by a massive stroke while still in office, Karl Mundt accomplished more as a Congressman and Senator and as a human being than most any other man I have ever known in my life. And so much of what he began lives on in the work of others.

Karl Mundt spent a total of 34 years in the House and Senate and in his fourth term in the Senate had become the fourth-ranking Republican in this body. Yet he won the respect and esteem of colleagues on both sides of the aisle, most likely because so much of his dedication was directed at issues that invariably crossed party lines.

Raised in the great outdoors of South Dakota, Karl was an avid sportsman, with a love for hunting and fishing. His kinship to nature was translated in Congress to an interest in laws affecting conservation and the environment he loved so well.

Recognized at one time as one of the 10 best speakers in America, Karl helped found the National Forensic League, which continues to inspire and educate young people in the art of communicating well. His own eloquence was well-noted whenever he took to the floor, and he further utilized his speaking ability to communicate with all he came in contact with.

Indeed, Karl Mundt had an insight into the value of communication as a tool for world peace. While in England during World War II, Mundt told a reporter:

> If people really understood each other and their problems, terrible wars like this could be avoided.

Later, he translated his attitude toward communication in foreign affairs to sponsorship of Voice of America legislation. Today, the Voice of America continues to tell the story of freedom and to keep faith alive in hearts embittered by tyranny abroad.

As a former teacher in South Dakota, Karl Mundt especially valued the needs of education of our young. Today, the Karl E. Mundt Foundation functions as an organization aimed at promoting education at South Dakota State College in Madison, S. Dak.

Karl Mundt recognized the potential of space technology when discussion of it was in its earliest stages. Interested in nuclear and space technology for the purpose of serving mankind, Mundt formulated a concept which resulted in EROS—the Earth Resources Observation System Data Center in Sioux Falls, S. Dak. This facility processes and disseminates photographs and other data relating to the condition of large land areas as revealed by an orbiting satellite.

Senator Mundt had a strong belief in the strength of local government and a deep understanding of the Constitution, which he called "a bastion of freedom for the individual and the preservation of our democracy and its institutions."

He labored well to preserve those freedoms and to strengthen those institutions.

My tribute and the words of others may get fleeting notice by those who chance to see them, but the greatest tribute of all to Karl Mundt exists in all his achievements that have survived him. These various ongoing activities I mentioned, begun or inspired by Karl Mundt, constitute a living legacy.

I will miss him as a colleague. I will miss him as a warm and vital human being. Most of all, I will miss him as a friend.

OPPOSITION TO A GASOLINE TAX INCREASE

Mr. HUMPHREY. Mr. President, there is continued speculation that the administration will propose an $8 to $10 billion increase in the gasoline excise tax as part of its anti-inflation package. I strongly oppose that increase. It would serve no purpose other than placing another burden on the single group which has been hit worst by inflation—the consumer, especially the low-income consumer.

The burden of fighting inflation and reducing the use of oil should be put on those groups, like the international oil corporations, which have benefited from inflation. Why does the administration think that consumers should bear the entire burden of fighting inflation?

Largely as a result of gas prices which soared 70 percent this past year, the typical worker's take-home pay has fallen 5 percent. Yet, corporate profits have increased almost 20 percent, and the profits of oil companies are up an average 76 percent from last year. The groups that benefited from inflation should bear the major burden of stopping it.

The administration may seek to justify a gasoline tax hike on two grounds: First, it will reduce the demand for oil; and second, it will raise revenue which can be used to finance programs of public service employment and tax cuts for low-income families hurt by inflation and tight money.

We saw what happened this past year to the demand for gas as prices went up. Nothing. If we had not lowered our speed limits, gasoline usage would have even increased despite the 70-percent price rise. We are a car oriented economy, and another 20 or 30 percent gas price hike will only force consumers to reduce their expenditures on nonenergy related items; it will not significantly reduce the demand for oil.

What will reduce oil demand is a tax on big gas-*guzzling* auto engines or a State or Federal car registration fee which varies by car weight—the heavier the auto, the more the tax.

We should also pursue oil conservation efforts, including more mass transit, and tax incentives to improve the insulation of buildings—which presently lose up to 40 percent of their heat. Tax penalties for inefficient utility operations that waste oil should be established. Federal agency regulations, such as those requiring empty backhauling by trucks, should be evaluated and revised to remove energy wasting transportation.

Industry and governmental efforts to utilize renewable energy sources rather than petroleum and coal should be encouraged. Legislation I sponsored to provide some $1 billion for solar research, a renewable source of energy, is a good example of a positive step we can take to cut oil demand. Taxes and incentives to encourage the use of alternative energy sources to oil will do a lot more to cut oil demand than a punitive tax on gasoline.

Using revenue from a gasoline tax to ameliorate the effects of inflation and tight money will only give with one hand what was just taken away by the other hand. It makes no sense to spend tax dollars to collect a gas surcharge, then turn around and hand it back as an income tax credit.

To finance the much needed programs for public service employment and low-moderate income tax relief, we should close the tax loopholes which enable the major oil companies use to score record profits while the consumer's real income goes down. Eliminating the oil depletion allowance, closing the foreign tax credit offset loophole and taxing foreign oil income in the year earned will help to provide this revenue.

The administration must come forward quickly with sound, well-reasoned proposals to fight inflation, conserve oil, and stem the rise in unemployment. Repeated release of trial balloons such as this poorly constructed gasoline tax increase proposal is hardly the type of imaginative solution we need.

The Senate is ready to act swiftly on any sound administration economic proposal. It has shown this in its passage of legislation establishing the Council on Wage and Price Stability. But it has also shown that it intends to maintain its own counsel when necessary to see that the burden of fighting inflation is shared equally—as in its passage of my bill—S. 3717—to extend price controls on domestic petroleum. That bill demonstrated the will of the Senate against an increase in crude petroleum prices which would have raised gas prices 20 percent or more. Any administration proposal to raise gas prices directly will similarly be rejected by the Senate.

BETHLEHEM

Mr. HATFIELD. Mr. President, the people of the United States are being asked to extend hands across the sea to help enhance Christendom's holiest site—the birthplace of Jesus Christ.

This effort to beautify the area surrounding the Church of the Nativity, beginning with Manger Square at its entrance, is being spearheaded by the Bethlehem Foundation.

The people of the blessed city of Bethlehem have invited Christians throughout the world to share in the rejuvenation of this holy place where what has been called progress has turned the area fronting on and directly facing the Church of the Nativity—into a parking lot.

This landmark is held dear by Christians everywhere. It needs the help of Christians everywhere.

The Honorable Elias M. Freij, mayor of Bethlehem, is strongly supported by his vice mayor, the Honorable Hanna J. Nasser, and by the members of the Municipal Council of Bethlehem: The Honorable Abraham Abu Hamud; the Honorable Ayoub Musallan; the Honorable Farid Azizeh; the Honorable Afif Batarseh; the Honorable George Samur; the Honorable Nasri Canavati; the Honorable George Aburdineh.

Special tribute must be paid to the remarkable men who saw this need and, in consultation with Mayor Freij, mayor of Bethlehem, took up the cause.

These include the renowned Zubin Mehta, conductor of the Los Angeles Philharmonic Orchestra, who serves as chairman of the board of the Bethlehem Foundation. He is joined by James Mulvaney, attorney-at-law, president, and Jack R. Hearne, of Handy Dan Home Improvement Centers, Inc., who is serving the foundation as its secretary-treasurer.

The executive director of the Bethlehem Foundation is Hal B. Phillips.

Among the outstanding individuals who have pledged their support of this humanitarian undertaking are: Congresswoman PATRICIA SCHROEDER, Colorado; Congressman TOM REES, California; Congressman JOHN J. FLYNT, JR., Georgia; Congressman BOB SIKES, Florida; Congressman HENRY HELSTOSKI, New Jersey; Congressman T. J. DULSKI, New York; Congressman ANGELO D. RONCALLO, New York; Congressman HENRY P. SMITH III, New York; Congressman JOHN H. DENT, Pennsylvania; Gov. Thomas L. Judge, Montana; Gov. Bruce King, New Mexico; Gov. John C. West, South Carolina; Mayor Tom Bradley of Los Angeles; Mayor William D. Schaefer of Baltimore.

I am also happy to name myself among the honorary board of governors of the Bethlehem Foundation. And I would like to profer special commendation to Mr. Steve Martin, distinguished member of the labor movement, whose driving force has given so much thrust to the foundation.

The Bethlehem Foundation, which has been established as a tax exempt, nonprofit foundation, maintains its offices at 1629 K Street NW., Washington, D.C. 20006, telephone 202—223-4132.

I know the goals of this worthy international effort will be of deep interest to my colleagues.

ECONOMIC ANALYSIS

Mr. BROCK. Mr. President, for some months now, I have been arguing the importance of flexible exchange rates to facilitate international economic transactions and to prevent certain nations from exporting their inflation to others. In the September 13, 1974, Wall Street Journal, the noted economist of the Virginia Polytechnic Institute, Dr. David Meiselman, explains clearly how this process has worked.

Mr. President, I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTERNATIONAL INFLATION TIED TO FIXED MONETARY EXCHANGE RATES

(By David I. Meiselman)

The world-wide acceleration of inflation since 1973 resulted primarily from a speedup in the pace of monetary expansion throughout the world rather than from declines in output stemming from such oft cited events as the disappearance of anchovies off the coast of Peru or the operations of the OPEC oil cartel. To be sure, there was some reduction in the output of petroleum and chicken feed, which explains why these prices increased relative to other prices. Also, real GNP fell in the first quarter of 1974. But aggregate output in the United States and throughout the world is now higher than it was in early 1973 despite isolated examples of reductions in supplies of a handful of products. Thus the increase in the ratio of money to output has been the result of sharp increases in money rather than decreases in output. In the U.S., since 1971 both the narrow M-1 and the broad M-2 measures of money have been rising at the fastest rates since World War II. Not surprisingly, prices have also been rising at the fastest pace since 1946. Since Federal Reserve actions determined the quantity of money, the Fed rather than the fish in Peru is primarily to blame for our inflation woes.

Freed from foreign constraints by the 1968 two-tier gold arrangement and the 1972 closing of the gold window, the Fed has erred on the side of excessive monetary ease ever since.

For the nine major OECD advanced economies I have surveyed [in a study of the current inflation I presented at the recently held Conference on World-Wide Inflation sponsored by The American Enterprise Institute] which include Canada, Germany, Japan and Great Britain, over the three years of 1971 through 1973 the nominal quantity of money increased a staggering 56%, mainly as a direct result of their last ditch efforts to retard appreciation of their own exchange rates (the depreciation of the U.S. dollar) and to prevent the collapse of the Bretton Woods pseudo-fixed exchange rates system. They failed at both. To prevent the rise in the price of their own currencies relative to the dollar, foreign central banks purchased a huge volume of new money. Large German and Japanese surpluses required large-scale expansion of the volume of Deutsche marks and yens.

The episode was another illustration of the general proposition that countries with fixed exchange rates cannot effectively determine their own money supplies and thereby their price levels. The quantity of money typically becomes a by-product of the balance of payments, a small tail indeed to be wagging a large dog, especially for countries such as the United States where exports and imports are each only a small 8% of GNP. Through these and related mechanisms, the fixed rate system in recent years had become an engine of inflation, especially since deficit countries never effectively deflated, partly because they were able to borrow newly created reserves from the International Monetary Fund. In other areas, such as during the world-wide economic collapse of the early 1930s, adherence to fixed rates caused deflation by requiring monetary contraction by deficit countries. Deflation appears to have been ruled out by world-wide adherence to full employment policies which conflict with the tendency for monetary restriction to lead first to reductions in employment and output before later price reductions.

It was not until fixed rates and heavy central bank intervention were abandoned early in 1973 that these countries could gain control over their money. The subsequent events hold out promise for a slowing of inflation outside the U.S., but do not guarantee it. As we have seen, U.S. monetary independence has been used to hasten rather than slow inflation. The average annual rate of monetary expansion of 26% in the fourth quarter of 1972 was brought down to 5% by the fourth quarter of 1973. Countries such as Germany and Holland were actually able to reduce their money stocks, at least temporarily.

The system of freely floating rates is a free market in foreign exchange with the well known merits of other free markets, but with the added virtue that it breaks the link between the balance of payments and the stock of money. Under floating rates there is no central bank price fixing or other intervention in foreign exchange markets, no balance of payments surpluses and deficits and thereby no need for central banks to increase money in response to surpluses or to reduce money in response to deficits. Inflation abroad need not be imported, nor can inflation-creating money be exported if other countries are unwilling to monetize balance of payments deficits.

Only under floating rates can countries pursue independent monetary policies, including these leading to generally stable price levels. Proposals to use fiscal policy, tax and government expenditure tools under fixed rates to achieve internal stability and external balance are deficient because they lack long-term effects and their short-run impacts are either too undependable or too weak. Proposals for direct controls over capital movements or trade are essentially disguised devaluations with many undesirable side effects which impair personal freedom and reduce economic efficiency. Moreover, under fixed rates disturbances from abroad tend to be magnified rather than buffered, in part because they are generally amplified by the link to domestic money.

For post-Vietnam United States there are special hazards and dubious rewards to be derived from a special role as the world's monetary policeman, including the necessity to enforce rules of the fixed rate system of deficit countries, most of whom would regard the required deflation and economic slowdown as excessively harsh and unacceptable means to achieve balance of payments equilibrium. Conflicts with domestic policies and the diffusion of world economic and political power make it unlikely that the

U.S. or any other country can ever be the 20th Century counterpart of the 19th Century Bank of England.

. . . To become the world's central bank and maintain convertibility, the U.S. must effectively go through a large devaluation in order to accumulate the necessary foreign exchange to ensure the viability and credibility of the system. . . . the devaluation would lead to more U.S. inflation as we traded goods for foreign exchange. The alternative route is the current exchange rate but with unilateral U.S. monetary restriction and deflation. Neither would seem to be acceptable.

A return to fixed rates would renew the series of periodic speculative runs against world currencies which played an important role in the inflationary increase in the world money supply in the decade before the demise of the fixed rate system in 1973. Surplus countries would again be required to monetize speculative inflow to prevent appreciation and deficit countries would again beg and borrow newly created reserves to prevent or forestall devaluation.

RIVER OF NO RETURN—THE SALMON

Mr. CHURCH. Mr. President, deep in the heart of my magnificent State of Idaho lies the Idaho Primitive Area and the wonderful "River of No Return"—the Salmon. The primitive area is de facto wilderness. I have floated the river and I have slept under its mountains and stars. No one can understand its magic without going there. The closest thing to experiencing the actuality is to read one of the finest naturalist writers alive today—Ted Trueblood, who knows the river and its tributaries like the back of his hand.

Many will recognize Ted as an associate editor of Field and Stream, others—in my State—as a sportsman without peer.

The Idaho Primitive Area and the Salmon Breaks Primitive Area, are under study for possible inclusion in the National Wilderness System, the main Salmon for inclusion in the National Wild and Scenic River System.

Ted Trueblood addresses himself to these proposals in The Living Wilderness, the publication of the Wilderness Society for summer 1974.

Mr. President, Ted Trueblood tells it like it is, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Living Wilderness, Summer 1974]

STRUGGLE ON THE SALMON

On a bench 100 feet above the Middle Fork of the Salmon River in Idaho stands a grove of giant Douglas firs. No brush grows in the shade of these great trees, only smooth pinegrass, so the view upstream and down is unobstructed and a cool breeze drifts through even on the warmest day.

Near the brooklet late in the 1930s lay the slope of granite talus that has tumbled from the cliffs above is a sparkling spring. Its miniature brook meanders among the trees before dropping over the bluff to the river. You can lie in the grass there and drink the water without fear, because it is free of pollution.

Near the brooklet late in the 1930s lay the prostrate trunk of one of the grove's giants, slowly moldering away—returning to the earth from which it had emerged as a hopeful seedling perhaps 300 years before. On the trunk sat two anglers. I was one of them; the other, an old friend.

In the icy water from the spring we had a trout apiece for dinner, carefully dressed and strung on a little willow. They were the lovely native cutthroats of the Salmon River drainage, locally called redsides because of the sunrise pink that washed their sides from head to tail. They had large black spots, sparse in front and thicker toward the tail. Their bellies were shimmering white and their backs were clear blue-green.

We were eating lunch. We each had a hearty sandwich made of leftover pancakes from breakfast with a layer of bacon grease between. It was during the Great Depression; we had no butter. We sat on the decaying trunk, facing up the river, listening to its monologue below the bluff, looking up through the fir branches to see cotton-puff clouds drifting across a deep-blue sky and then down at the rivulet of spring water by our feet.

We had no money. Nobody I knew had any money. I had quit a good job—$15 a week for 48 hours—to backpack into the wilderness where the only expense was food. (This is true today, despite the exploiters' argument that wilderness is only for the wealthy.) Since we had no money we often talked of it and all the things we wanted that it would buy. Now, in a reflective mood, my companion posed a question: "Suppose you had a million dollars. You could be anywhere in the world you wanted to be, doing anything you wanted to do. Where would you rather be right now?"

I listened to the song of the river, now rising in volume, now fading softly, as the vagaries of the breeze carried the sound toward us and away. I looked up at the great trees and the clean sky and down at the sparkling trickle of icy water and our lovely trout lying in it. I looked up the canyon and saw the silver river disappear from sight around the first ridge, and beyond that ridge after ridge, gradually blending together in the green distance, but always rising higher and higher until they ended at timberline against barren, ragged granite along the horizon.

There was only one answer possible: "I'd rather be right here!"

You find that kind of contentment in the wilderness, where money has no value and time stands still. I have never carried a watch in the wilderness. I let the sun mark time for me as it does for the shy deer, the soaring eagle and the nervous chipmunk. Freed from this slave master of office and factory, what matter if I lie on my back and watch the clouds drift by? What matter if I wander aimlessly through the green-carpeted, dust-free woods? What matter if I watch the slowly fading embers of my evening fire until I fall asleep sitting up?

The Middle Fork of the Salmon is a wild, free river. I have floated it, ridden and hiked along the trail above it, waded it, walked the shore ice in the winter, and nearly drowned in it. It alternately idles and plunges north for about 75 miles from the junction of Marsh and Bear Valley Creeks, its source, to its confluence with the Main Salmon.

Many years ago the Salmon became known as "The River of No Return" because skillful boatmen could float down it from North Fork, Idaho, to Riggins, almost across the state, but couldn't make their way back upstream. Jet boats changed that. Experienced white-water men now run it both ways, taking hunters, anglers and other vacationers through the Salmon River canyon. Because Congress in 1968 honored the Middle Fork by making it one of the first eight rivers in the National Wild and Scenic Rivers System, power boats can't be used on it. But floating it is of course still permitted, and it is a delightful experience.

The Middle Fork is near the eastern edge of the 1,232,744-acre Idaho Primitive Area. This area is bounded on the north by the Main Salmon. Immediately across the river lies the 216,870-acre Salmon River Breaks Primitive Area. Recently the Forest Service completed studies of both areas under the 1964 Wilderness Act. It then proposed creating a wilderness unit of 1,513,876 acres that would embrace most of both primitive areas and certain contiguous roadless lands of similar wilderness quality. In cooperation with the State of Idaho the service has also completed a study of the Main Salmon and has recommended its classification under the Wild and Scenic Rivers Act from North Fork to its mouth. There would be two stretches of recreational river, one of 46 miles, the other of 59; a 53-mile reach of scenic river; and 79 miles of wild river. Each is the highest category for which that particular stretch is deemed to qualify under the law. All would prevent the Federal Power Commission from authorizing any dams.

Now there are no dams on the Salmon. But there is a real threat. Four potential dam sites have been identified by the Army Corps of Engineers within the wild river study area. Starting where the Salmon joins the Snake the first is Lower Canyon at river *mile (rm)* one; the second is Freedom at rm 69; the third, Crevice at rm 100, and the fourth, Black Canyon at rm 170. The Corps also has picked a fifth potential site, Pahsimeroi, upstream from the study area at rm 302.

Any dam on the Salmon would block off the steelhead and salmon runs in its drainage. This not only would end a valuable sport fishery but would wipe out the most important remaining spawning area for these fish in the entire Columbia River drainage.

The Forest Service's wilderness proposal has not won the unanimous support conservationists are giving the Salmon wild river recommendation. Conservation organizations are urging a 2.3-million-acre wilderness which would include 13 roadless areas left out by the Forest Service proposal. The first aim in advocating this larger unit is to protect important Middle Fork tributaries in order to maintain the river's high water quality.

On the opposite side there is powerful political resistance to establishing any wilderness unit at all. At three hearings conducted by the Forest Service last fall, opposition to wilderness was voiced by logging and mining interests, stockmen's associations, motorcycle organizations, people living along the Salmon who oppose wild river protection because they hope to profit from commercial development, and power and irrigation interests.

The Idaho legislature has twice passed joint memorials opposing wilderness and would have done so again this year but for a last-minute mix-up. Another memorial can be expected at next year's session. Most Idaho legislators consistently support industry. And industry has by no means been sitting idle. While conservationists have been mounting an effort to improve on the Forest Service recommendation, the giant Boise Cascade Corporation has been campaigning to open up 870,000 acres of the Idaho Primitive Area to roads and logging. As a substitue for a wilderness unit Boise Cascade's proposal is a 500,000-acre "unroaded recreation area" mostly consisting of canyon walls. Anti-wilderness efforts have already reached to Washington.

Yet an impressive roster of organizations is pressing the wilderness cause. Among them are the Idaho Environmental Council, Federation of Fly Fishermen, Idaho Alpine Club, Idaho Wildlife Federation, National Wildlife Federation, Sierra Club, American Rivers Conservation Council, Friends of the Earth, National Rifle Association, Wildlife Management Institute, Greater Sawtooth Preservation Council, Idaho Council of Trout Unlimited, The Wilderness Society and every sportsmen's club in the state. The River of No Return Wilderness Council, formed to spearhead public education, has received contributions from well-wishers as far away as New York State. And the cause has won the influential backing of Idaho's Governor Cecil Andrus, the best governor conservation-wise that the state has ever had. In the Middle Fork, the governor testified at one of the Forest Service hearings last fall, "you can count the spots on a trout 20 feet beneath the surface of a still pool."

Governor Andrus, who blames logging and the construction of logging roads for destroying much of the Salmon's South Fork as a productive trout, steelhead and salmon river, is advocating a 400-thousand-acre addition to the Forest Service wilderness proposal as protection for the Middle Fork watershed.

The zealous effort of Boise Cascade to thwart the conservationist objective has already made the Idaho wilderness struggle something of a classic. Boise Cascade's first goal is to log ponderosa pine in lower Chamberlain Basin just west of the Middle Fork. The basin also has lodgepole pine, fir and spruce. The lodgepole might not be harvested, because Idaho has millions of acres of it accessible by existing roads. But the havoc created by logging the other timber would destroy what is very likely the finest elk range in America.

On the eve of Forest Service workshops held in March of last year to discuss various management alternatives for the Salmon River country, Boise Cascade sent letters to all local suppliers telling them the volume of timber available for harvest in Idaho would decline by 35 to 50 percent in the next few years and asking them to "encourage as many of your people as possible" to participate in the workshops. Boise Cascade's own employees were similarly asked to take part and oppose wilderness. In advance of the hearings last fall on the Forest Service's wilderness proposal, the company ran a series of newspaper ads predicting all sorts of economic hardships for Idaho if the two primitive areas became statutory wilderness. The company also published a colorful brochure promoting its "recreation area" scheme.

Last February a Boise Cascade official, Glen Youngblood, was prominently involved in a trip of Idaho wilderness opponents to Washington for meetings with the Forest Service's boss, Secretary of Agriculture Earl Butz, and Assistant Secretary Richard Long. The others in the party constituted a kind of cross-section: representatives of the Idaho Water Users Association, irrigation farmers who promote dams and oppose wild rivers; the Idaho Farm Bureau, Idaho Cattlemen's Association, Idaho Woolgrowers, Idaho Mining Association; and two state legislators who regularly back logging and mining interests. According to a news release of Idaho Congressman Steve Symms, the delegation was promised by Secretary Butz that the visit would have an impact on the final decisions.

From the conservation viewpoint the reaction of the Idaho public to the industry propaganda campaign has been encouraging. Every time a new Boise Cascade ad appeared last year the River of No Return Wilderness Council received a flood of letters, many accompanied by $10 checks for membership dues. The Forest Service hearing record shows almost a four-to-one margin supporting the council's wilderness stand. The majority of the state's radio and television stations and newspapers, including Boise's *Idaho Statesman*, the state's biggest daily, also are on the side of the conservationists.

Commenting in a recent article on Boise Cascade's "compromise" recreation-area plan, Ken Robison, editorial page editor of the *Statesman*, called the plan "a proposal for zero wilderness." The company is not proposing to "log every acre of the primitive areas, just most of them," he asserted sarcastically, adding: "With a friend like this, Idahoans who would like to protect the wilderness, the fisheries and the wildlife of the primitive areas don't need enemies."

But despite seemingly overwhelming public support, the Idaho wilderness cause still faces extremely clever and politically powerful opposition, and the conservation effort is desperately short of funds. The outcome is by no means certain.

Viewed objectively, the conservationists' case for the River of No Return Wilderness seems strong and the industry case the opposite. Idaho's economic growth has been outstripping inflation; last year it ranked third in the nation. Timber production has been rising steadily despite exclusion of logging from the two primitive areas since the 1930s. The potential cut from both areas—estimated at between 40 and 64 million board feet—is less than three percent of last year's export of logs and lumber from the Northwest to Japan. What justification is there, then, for exploiting this marginal timber resource, if it is at the cost of downgrading many of the values of one of the nation's finest remaining wild areas?

No permits for sheep and cattle grazing have been issued in the Idaho Primitive Area for a decade or longer. The only grazing there now is by horses and mules owned by guides and packers. There is similarly little grazing on the Salmon River Breaks.

The Forest Service says much of the Idaho Primitive Area is "highly mineralized." Yet there are only some 25 patented mining claims, and roads have been built to only two of those because the minerals won't pay the bill. Here's an example I know personally. The Lucky Lad Mine, on the head of a tributary to 45 Creek, which drains into Pistol Creek and through it into the Middle Fork, was owned by a Nampa, Idaho, doctor. I first saw it in the thirties. (It wasn't far from Buck Lake, which grew big rainbows in those days.) When the doctor died, the mine went to his son. The Lucky Lad is still undeveloped because the ore simply isn't worth the expense of getting it out. This is the case with many other so-called mines within the proposed wilderness. Mineral, yes; economic feasibility, no.

The Forest Service made two big exclusions in its wilderness recommendation, both in the Big Creek drainage, the largest tributary of the Middle Fork. One is in the Thunder Mountain area where a "great boom," starting in 1896, produced a meager half-million dollars' worth of gold. I went to school with the grandchildren of the developer. He lost his shirt on Thunder Mountain.

The other exclusion is on Monumental Creek, where placer gold will no doubt be worth recovering at today's rising prices. Roads penetrate these two areas. The Forest Service proposes to exclude them, more than 60,000 acres, from the River of No Return Wilderness. Conservationists disagree. They believe no exclusions should be made in the Big Creek drainage unless they are narrow corridors along existing roads. Nor should any placer mining, with its inevitable siltation, be allowed on any Big Creek tributary. Big Creek is an important trout, steelhead and salmon stream and contributes a large volume of crystal-clear water to the Middle Fork.

Though the area may be highly mineralized as would-be exploiters claim, the fact remains that since 1896 no significant mineral discovery has been made. In more than a century of prospecting and mining, the Idaho Primitive Area has produced less than $1.5 million worth of minerals. It will be worth infinitely more during the coming centuries as wilderness.

Fortunately, there is no conflict between those who want to see the creation of a suitable wilderness preserve and those with a vested interest in compatible activities and properties within the affected area. Both the 1964 Wilderness Act and the Wild and Scenic Rivers Act provide for the perpetuation of various existing uses. Conservationists believe packers, guides, hunting camps and dude ranches within the area should continue their present operations. Existing landing strips should also be maintained, both for fire protection and to facilitate access by hunters, anglers and other recreational users.

Some state-owned as well as private lands lie within the proposed wilderness. Most of the private land consists of old homesteads or patented mining claims. Visitor facilities are on several of the old homesteads. Some of the state land was bought from private owners by the Fish and Game Commission to preserve critical game range. Nearly all the state land is in the same primitive condition as the surrounding national forest. The extent of all of this state and private land is negligible.

If it finally wins the approval of Congress, a 2.3-million-acre River of No Return Wilderness will be the largest anywhere in the nation except for potential wilderness yet to be designated in Alaska. It will also be one of the most lavish in its variety of terrain, plant life and wildlife. East of the Middle Fork, near the northern end of the present Idaho Primitive Area, are the spectacularly rugged Bighorn Crags with many alpine lakes in glaciated cirques and basins. West of the river canyon is the mostly gently rolling Chamberlain Basin with its pine forests, dense spruce thickets and mountain meadows. The canyons of both the Middle Fork and Main Salmon, the latter nearly a mile deep, present a world of rushing water, heaving white over submerged boulders and curling around rock ledges beneath towering cliffs. Beyond the rivers are countless smaller streams.

A visitor has a good chance of encountering many kinds of wildlife—for instance mule and whitetail deer, elk, moose, Rocky Mountain goats and bighorn sheep, black bears, even (if you are lucky) cougars. I have watched otters playing in the Middle Fork, and I have seen the mink, marten, weasel, beaver, bobcat, coyote and red fox. You can hardly miss the saucy pine squirrel, although you might miss his nocturnal flying cousin.

Surely the most fascinating of 112 recorded bird species—and they include golden eagles and an occasional bald eagle and osprey—is the little water ouzel or dipper. I have listened to his song in winter as he stood on the edge of the ice and watched him plunge into the frigid water and disappear beneath its black surface to pick aquatic insects off the submerged rocks. Seconds later he would pop out to perch again on the edge of the ice and resume singing.

Native to the area are Franklin grouse, the trusting little "fool hens" that can elude natural enemies but have never learned to cope with man. You can kill them with a stick, and they have become very scarce in areas accessible by road. There are also blue and ruffed grouse. The exotic chukar and Hungarian partridges thrive in suitable places along both the Main Salmon and lower Middle Fork.

Among the smaller mammals the little coney, pica or rock rabbit, which has no visible tail, is as intriguing as the ouzel among birds. An inhabitant of high-altitude rock slides, he spends his summers cutting and curing grass and flowers and then building little haystacks under the shelter of overhanging boulders for his winter food supply. He blends perfectly into his surroundings, and as you walk past a jumble of mountainside rocks your first clue to his presence, no doubt, will be hearing his high-pitched squeak.

To any nature lover the opportunity to enjoy the birds, animals, wildflowers and spacious landscape of this great unspoiled wild country should be a compelling argument for giving it permanent protection as part of the National Wilderness Preservation System.

CAMPHILL VILLAGE FOR THE MENTALLY RETARDED

Mr. JAVITS. Mr. President, as one who has been in the forefront in the effort to insure the humane care, treatment, and protection of the mentally retarded, I authored the bill of rights for the mentally retarded, which will soon be before the Senate as title II of the Developmentally Disabled Assistance and Bill of Rights Act (S. 3368). This legislation, written in large part in response to the tragedies of Willowbrook and similar institutions throughout the Nation, not only protects the rights of the institutionalized mentally retarded, but also fosters and promotes alternative methods of community care and treatment for the mentally retarded.

Camphill Village, a unique residential working community for the mentally retarded at Copake, N.Y., is an example of a community alternative which effectively provides care and treatment, and most important, does so with dignity, to the mentally retarded persons it services and who serve it. I would like to share with my colleagues information regarding Camphill Village.

At my request, the minority counsel to the Labor and Public Welfare Committee, Jay Cutler, visited Camphill Village. His report makes it clear to me that although Camphill Village's concept of communal living could be considered a step back in time it brings mankind light years forward in the arena of human relations.

I am gratified there are places—and I am particularly proud that this example is located in my own New York State—where normal citizens—the houseparents staff, and their children—and villagers—the mentally retarded—live and work together with dignity and respect.

Camphill Village, founded in 1961, today occupies a 550-acre site near the town of Copake, in Columbia County, in upstate New York. The premise upon which the village is based is one of "normalization." At this facility nearly 100 mentally retarded persons live and contribute to a total community of about 200 persons. The unique aspect of this facility is that the staff and the mentally retarded are fully integrated into family-type units, with everyone sharing the responsibilities, to their maximum ability and potential, equally.

Extensive agriculture and handicraft workshops provide the framework of Camphill's community. Most of the village's food and dairy needs are met by the produce of their own farm. Workshops which produce a wide variety of products for sale help contribute to the financial base of the facility. The mentally retarded share and contribute to all facets of agriculture and handicrafts. The villagers, each according to his ability, thus share in dignified, worthwhile productivity which develops useful skills, a sense of worth, and contributes greatly to the goal of "normalization."

In these times in which we are so often shocked and disheartened by ever recurring examples of the tragic neglect and hopelessness that is the plight of our mentally retarded, it is most gratifying to focus the public spotlight on an example of a new approach to the problems of the mentally retarded which is working. Camphill Village is one such example. We need many more such efforts.

I believe the Developmentally Disabled Assistance and Bill of Rights Act will provide the impetus for such effort, and hasten the day when our national shame of Willowbrooks has ended forever.

In order that my colleagues may have a complete understanding of this unique program, I ask unanimous consent that excerpts from the brochure entitled "Camphill Village" be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

CAMPHILL VILLAGE

INTRODUCTION

Camphill Village in Copake, N.Y. comprises some two hundred people who share their life in communal fashion. About one hundred of them are mentally retarded.

A completely integrated community, it offers to mentally handicapped adults the benefit of home life and social acceptance, of freedom and human dignity, productive work and training in useful skills, recreation and suitable cultural activities.

"Normalization" for retarded persons has been stressed as the goal of certain efforts currently made on their behalf by professionals, legislators and private organizations. Camphill has always directed its work along these lines. It has from its beginning eliminated the rigid differentiation between "normalcy" and "abnormality" in most areas of human relations and helped to integrate the handicapped person into society.

In Camphill Village the relation between the staff and the handicapped is not one of wardens and patients. They live together in a family situation and in a permanent or even life-long partnership in the spheres of work and human relations, on equal terms as far as possible—as in any family.

Many more such efforts to get retarded persons out of the institutions, educated and integrated into society, are needed; and many in fact are being undertaken today in this country and all over the world. Small in terms of size and numbers, Camphill Village has its special task and an important contribution to offer. It serves as a demonstration of the feasibility of new approaches and makes its experience freely available to groups interested in starting similar projects.

This rural community consists of a group of family-sized self-contained households, each shared by six to eight handicapped "Villagers" and two to four "co-workers" and their children. Situated on 580 acres of private land, the Village has, in addition to the specially built residential units, a community hall, workshops and agricultural facilities. Its program involves every single Villager fully in a life routine of purposeful work and a comfortable social life, in surroundings carefully designed around the special needs and potentialities of the mentally handicapped.

An active interchange between Camphill Village and the surrounding local community makes it possible for the individual Villager, who might never achieve this on his own, to be accepted by the world around him in friendship, understanding and sincerity. Through his standing in his own community, and its relation to the world-at-large, the retarded person in Camphill Village enjoys the benefits of the greatest possible "normalization", without being exposed to the dangers engendered by the need to fend for himself in urban surroundings, to earn wages and to deal with situations beyond his grasp.

ABOUT RUDOLF STEINER

Camphill Village owes the principal inspiration and motivation for its work to ideas expressed in the comprehensive philosophy of Dr. Rudolf Steiner, philosopher, scientist and educator, (1861–1925), originator of Anthroposophy.

KARL KOENIG AND THE BEGINNINGS OF THE CAMPHILL MOVEMENT

In the late nineteen-thirties, Dr. Karl Koenig, a noted Viennese physician, (1902–1966), and several young friends started a small residential school for retarded, disturbed and otherwise handicapped children near Aberdeen, Scotland.

THE DEVELOPMENT OF CAMPHILL VILLAGE, U.S.A.

In 1959, the Camphill Movement responded to an invitation to the United States of America. It took over a school for retarded children in Pennsylvania, which has since been relocated, greatly expanded and transformed into a Children's Village named Beaver Run, near Pottstown, Pa.

THE CO-WORKERS AND THE COMMUNITY CONCEPT

People from all walks of life and of all age groups have responded to the idea of living in a community with handicapped people in one of Camphill's places.

THE VILLAGERS

The eligibility of handicapped persons for Camphill Villages depends on several qualifications. They must be over 18 years of age and able to take care of their basic personal needs such as eating, personal hygiene and dressing, without major assistance. They must be fully ambulatory and physically well enough not to require continuous medical attendance or hospital facilities. They must be able to perform, or learn to perform, some kind of useful work; and they must be capable of a degree of awareness of themselves as members of society.

It is beyond the practical possibilities of Camphill Village to be of service to persons who are too deficient mentally or physically to meet these requirements. By the same token, Camphill Village is not meant for borderline cases. Persons only marginally retarded and close to generally accepted standards of normalcy can live and function under minimal supervision, available through such programs as hostels, halfway houses, or sheltered workshops.

At Camphill Village no fences or walls limit the physical freedom of the Villagers, no regulations different from those guiding any normal family household reduce the dignity of their human freedom. In small family units houseparents, often with their own children, and usually one or two younger co-workers, share the household and all its duties and comforts with six to eight Villagers of both sexes. Except for some details which are worked out in common between groups of neighboring houses, each household is run independently. Each Village family does its own shopping, cooking, housekeeping, decorating and planning and has its own social life. Single or double bedrooms afford everybody privacy. There are no facilities of an institutional character such as dormitories or a central cafeteria.

An applicant who, after an initial interview, appears suitable spends a trial period of several weeks at the Village. His reactions and adjustment to the community situation can be observed as he lives and works among the other Villagers. His suitability can be assessed with a fair amount of accuracy. Even so, for those eventually admitted, no unconditional commitment can be made. Although it happens very rarely, regression to a point where only hospital care can be effective might occur and preclude a person's further stay at Camphill Village.

THE VILLAGERS' WORK

Work within the community situation is of twofold therapeutic significance. First, the fundamental educational and human benefit of learning the responsible use of tools and materials; and secondly, the opportunity to be of service to others by applying the acquired skills to productive work in non-competitive surroundings. Whatever work a Villager is engaged in is meaningful because it is actually needed.

The self-confidence and dignity resulting from this attitude towards work is a prominent factor in the therapeutic design of the Camphill Village community.

CULTURAL AND RECREATIONAL ACTIVITIES

There is a great amount of entertainment, of intellectual and artistic stimulation available to the Villagers. During the winter months one gathers regularly in small groups at Fountain Hall, in living rooms and workshops for courses in many subjects: choral singing, painting, crafts, current events, zoology, music appreciation, story reading, to name a few. These activities are always kept at an adult level without talking down to the participants. Seasonally, nature walks and excursions, swimming, picnicking, folkdancing and games replace the indoor activities.

The main auditorium of Fountain Hall is the scene of major offerings: dramatic and musical presentations, eurythmy, lectures and Village meetings, movies, slide showings and socials. While these events are mostly prepared by the co-workers and involve the participation of Villagers, often after many weeks of rehearsing, frequent offerings by professional talent add greatly to the cultural life of the Village. Renowned musicians, dancers, lecturers and local drama groups have performed in Fountain Hall. The seating capacity of Fountain Hall makes it possible to invite friends from the wider community to these events. Mutual appreciation and increased understanding always results from such invitations.

By avoiding the exposure to TV programs and the indiscriminate day-long outpouring of the substandard radio programs available in the area, Camphill Village is able to restore interest in such widely neglected active efforts as learning to play an instrument reading, choir-singing or participation in dramatics.

THE ROLE OF RELIGION

Religion forms an integral part of life in Camphill Village.

The members of the Camphill Community come from diverse religious backgrounds. Anthroposophy, which unites them, acknowledges the common origin and spiritual core of all creeds and presupposes acceptance of one's neighbor regardless of his religious or national background, racial origin or degree of intellectual endowment. All communities of the Camphill Movement strive to live by the basic concepts of Christianity.

Every Saturday, a Bible Evening, held in the family setting of each Village house, serves as preparation for the Service on Sunday morning, which unites the whole community before the altar at Fountain Hall—although attendance is by no means obligatory.

In all educational efforts particular stress is laid on cultivating reverence for all phenomena of life. The festivals of the year are celebrated in the context of Nature's seasons: Easter, St. John (Midsummer), Michaelmas (Fall) and Christmas. Their observance helps everybody in the community to gain a heightened experience of himself, his relation to the world and to his fellow man.

ECONOMICS

A sizeable part of the community's food requirements is met by products of its own farm and gardens: dairy products, eggs, beef and pork, grain and vegetables. Bread and maple syrup are produced in sufficient quantitites to be sold to outside customers. Surplus is preserved for later consumption in the community's own processing plant. All farming and gardening is done on the bio-dynamic principle. No chemical fertilizers or insecticides are used.

Other than food, the Village produces the following items in its several workshops which operate daily, with three to ten Villagers each, under the guidance of workmasters: soft dolls, handbound books, copper enamelware, woven goods; toys and other articles made of wood. A small factory produces a wooden bed of Swiss design. These products are sold by mailorder, through stores and in the Village Gift Shop which, located on the premises, has established considerable repute as a place for browsing and shopping. Although of necessity the output is small compared to commercial production, the sales figure significantly in the economy of the Village. They also help in promoting its work and the idea of Camphill to the public. The products of the Village crafts are sold only on the strength of their attractiveness and quality. Sales are not sought through an appeal to charity by advertising these articles as the work of handicapped persons.

It is not possible to operate Camphill Village without regular contributions paid on behalf of each Villager by his family (or in the case of New York State residents, by the State.) In the absence of State or Federal subsidies, Camphill Village is dependent on funding through grants or bequests in order to retain a Villager in the Community after the death of his parents or guardians. Every effort is made to make Camphill Village the permanent home for every Villager who wishes to reside there. The success of this attempt, however, is dependent on the availability of additional funds and donations. It is expected that all parents who can possibly do so provide trust funds toward the future of their sons or daughters.

MEDICAL SUPERVISION

The health of the Village population is looked after by a medical director with the cooperation of local doctors and psychiatric consultants. In addition, the excellent medical services of the wider community are available.

Camphill Village operates under license from the New York State Department of Mental Hygiene in Albany, N.Y.

TRAINING COURSE

For those who consider a career in the field of curative education a training course was established in 1949. The three-year program is conducted in the U.S. by Camphill Special Schools in Beaver Run, and at Camphill centers abroad. The international character of this training course is one of its important aspects. Participants are encouraged to take it in more than one of the different Camphill centers throughout the world.

The structure of the course is fundamentally the same throughout the Camphill Movement. It combines practical experience of living with handicapped persons with formal studies of the philosophic, therapeutic, educational, social and economic aspects of Camphill work. It offers opportunities for learning to understand the human being and his handicaps, and acquiring fundamentals for responsible action and activity in the realm of curative education.

CONCLUSION

Mental retardation is a problem which will always be with us. We must accept it and live with it.

The social and spiritual attitude which motivates the work of the Camphill Movement enables the retarded person to live in basic harmony with his surroundings, to gain self-confidence, to work, aided by his guides and co-workers, toward self-improvement without despairing of his limitations—to be himself.

REHABILITATION THROUGH HORTICULTURE

Mr. HUMPHREY. Mr. President, the issues and policies which are advocated and debated in this Chamber are legion. Positions and differences are strongly and honestly held. But I believe that we are all in fundamental agreement when we say that one of the principal aims of our Government is to guarantee a truly humanized life for all Americans.

A truly humanized life consists of more than merely possessing adequate food and shelter. We know that it involves primarily the chance to use the unique qualities which man alone possesses—the ability to create, to judge, to exercise freedom, to accept responsibility and to acquire dignity and self-respect.

Throughout our history, American government on all levels has made an effort to accomplish this goal—usually concentrating its current efforts on assuring the promises of our Constitution to particular groups, minorities, or economic categories. Of special interest to me personally have been the problems and potential of mentally retarded and handicapped individuals.

As Mrs. Humphrey and I have shared our concern for the retarded and handicapped with others in Washington, Minnesota and throughout the country, we have learned a special appreciation for the people who teach them, live with them, and love them. We know that, although Government support, guidelines and laws are important, it is only because of the enlightened efforts of staff members in progressive institutions and countless generous volunteers in innumerable organizations that retarded and handicapped children and adults will have the care, training and education which they need and deserve.

On October 8 and 9, the National Council for Therapy and Rehabilitation Through Horticulture will hold its second annual conference at Stouffers Inn, Arlington, Va. Although the headquarters of the council is in Upper Marlboro, Md., its members are from States throughout the country, including participants from my State of Minnesota. I believe that this organization has a great deal to offer, and is worthy of our attention and consideration. I am pleased to offer my commendation and encouragement to the council and to bring their work to the attention of my colleagues.

Mr. President, I ask unanimous consent that three short articles—from the New York Times, Washington Star-News, and Reader's Digest—regarding the organization be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the New York Times, Mar. 10, 1974]

HORTICULTURAL THERAPY

(By Lee Lorick Prina)

Washington.—Career horticulturists know that their profession can help the handicapped. The dawning is not new, but the need for more information and coordination of efforts has spawned the formation of a National Council for Therapy and Rehabilitation Through Horticulture.

The councl will act as a national clearing house for ideas and activities in the profession and bring together the many ways horticulture can be applied to heal minds and bodies. Its first annual conference was held here last November.

Headquarters are located in Upper Marlboro, Md., in the offices of its president, Earl Copus, Jr., executive director of the Mellwood

Horticultural Training Center for the Mentally Retarded, 5606 Dower House Road. (Mellwood teaches retarded young people simple horticultural skills and encourages the self-reliance needed for future jobs.)

"Before we started the council, there was really no means to "communicate," Copus said in a recent interview. "There were the 'Johnny come latelies', only a few years in the field, and some old hands doing research. But no way to get in touch. There was a decided feeling for the need of a professional organization."

Among those included in the membership are: horticulturists, teachers, department heads of universities and directors of horticultural programs for the elderly, the retarded, the physically handicapped, the delinquent and the mentally ill.

Copus, whose longish brown hair, mustache and casual dress clearly denotes the present generation of young adults, feels "A big purpose of the council will be to give those in the profession some status."

Like many others in the field, he brings a combination of horticultural, educational and social skills to his job. His degree from the University of Georgia includes a major in forest management and a minor in recreation.

"Most important," Copus said, "is the ability to relate to people. My wife and I served in the Peace Corps in Brazil for two years. I found my way of reaching people was through plants and animals."

At the moment, Copus indicated, the new national council is experiencing growing pains.

"All of the work done at headquarters is through volunteers," he said. "We have letters of inquiry which we are trying to answer. As far as our job bank, we know of a few positions, but need to coordinate our placement service. It's a matter of a new group putting it all together."

"It's a big job," Copus continued. "No one has as yet compiled the many lists and done those things necessary to answer all the questions we receive."

"The Universities of Maryland, Kansas State, Michigan State, Texas State and Clemson are known for their horticultural therapy departments," he said. "But we need a directory of the many other universities that offer undergraduate and graduate courses."

With pride, Copus held up the first issue of the council's bi-monthly newsletter which, among other things, will list up-coming horticultural therapy courses and programs throughout the country. He said that so far, most of the membership funds have gone for various printing expenses, stationery and stamps.

Copus appears confident about the success of the organization. He believes that eventually some foundation may make a donation. Already the council has 160 dues-paying individuals and 13 organizational groups on its membership list. As for future plans, consideration is being given to holding next year's national conference jointly with the American Horticultural Society's annual meeting in Washington.

"There's nothing new about horticulture as therapy," Copus emphasized. "For centuries, gardening has been used to rehabilitate. (In the 1700's and 1800's, physicians prescribed worked in the garden for ills of the mind.) But now we are having an upheaval of interests in the idea. We are beginning to realize the social impact of horticulture."

He noted that in the keynote speech at their annual meeting, Charles Lewis of the Morton Arboretum in Lisle, Ill., recounted instances of the response to plants in inner city gardening projects. Lewis said he found that planting a garden can draw the people of a community together and give many their first sense of self-worth.

"The intimate association of plants and people has human values," Lewis said.

At one time, Copus recalled, prisons had their own farms, and even greenhouses. Inmates raised their own food.

"Then someone found it was cheaper to buy vegetables wholesale from California," he said. "They painted the greenhouse black, and used it for storage. They completely overlooked what the rehabilitative aspects of working with plants meant to the prisoners."

Copus foresees city arboretums as natural centers for horticultural therapy programs, particularly for elderly and young persons.

"Arboretums today are like museums were 30 years ago—dusty specimens and tours," he contended. "Not only can we pursue the science of horticulture at arboretums, but also work there with people."

Copus also believes communities have overlooked something vital by cutting out agricultural courses in public high schools.

"Once working with plants was only for the Future Farmers of America," he asserted. "Now a return to the soil could be valuable for all students. With many adolescents, gardening activities can offer a means of communicating, a way to experience a sense of accomplishment, and to feel that something really needs you."

"We are just beginning to realize the full significance and impact of combining plants and people," Copus said.

[From the Washington-Star News]

The Profound Effects of Gardening

(By Judith Randal)

When he was first asked a dozen years ago to judge a garden contest for New York City's Public Housing Authority, horticulturist Charles Lewis looked upon the competition as a harmless "exercise in beautification"—but nothing more.

Since then, Lewis, who works for the American Horticulture Society in Lisle, Illinois, has learned that gardening by persons in the ghetto can bring old and young together, reduce vandalism and cause inner city residents to take a pride in themselves and their communities that they never had before.

"I slowly began to understand that somehow the importance of these gardens lay not in the flowers but in the human response to the plants," Lewis said here yesterday at the First National Conference for Therapy and Rehabilitation Through Horticulture.

"Where there were gardens" he reported, "children who usually trampled grass now were cultivating and watering and people were no longer throwing debris out the windows . . . The gardens become a focus for social activities. There is a whole 180-degree turn in people's attitudes."

In New York's program, which now has been copied by Norfolk, Cleveland, Chicago, Wilmington, and other cities, the Public Housing Authority provides plots of land, a gardening manual and slides of gardens from the previous year's contest. But the tenants themselves—most of them on welfare—but the seeds or plants, design the gardens and do all the rest of the work.

The more depressed the area and the more disadvantaged the residents, the higher the enthusiasm seems to run, Lewis said. In the Williamsburg section of Brooklyn, for example, there were over 400 entries in the gardening contest this year.

In Philadelphia, another city in which gardening in poorer sections has become a tradition, Lewis said the participants live in row houses rather than public housing projects and the focus is on window boxes.

Any block in which residents agree to maintain window boxes in 85 percent of the houses for at least two years can join the Philadelphia program, Lewis said. More than 500 blocks have entered the contest there, and one result has been that tenants now not only garden but also paint, clean up trash and refurbish their houses as well.

"This was the most dumpified place I had ever seen. Now it even smells good," one participant said. Another rejoiced in becoming acquainted with neighbors after fifteen years in the area. "It is so nice to come to know the names as well as the faces of the other people on the block," she said.

Besides brightening up homes in the inner city, Lewis reported that gardening is having a profound effect on the behavior of children in some ghetto schools.

In one Chicago elementary school, for example, he said the number of broken windows has been less each year since pupils were given an outdoor garden five years ago. And in a Chicago high school—where the privilege of working in a roof-top greenhouse has to be earned—displays created by students have attracted widespread attention at the city's flower show.

"Plants are non-threatening in a hostile world," Lewis said. "They respond equally to all without reference to age, race or social class. In an ambiance of failure, they offer paths to conspicuous success."

The two-day horticulture conference opened at the National Arboretum yesterday, with sessions today at the National Agriculture Library in College Park.

[From the Reader's Digest]

Three Ways To Get Something Done

(By James E. Roper)

A battered bus rolled to a stop in rural Maryland, and out tumbled a dozen smiling teen-age boys. Some picked up tools to work among pine trees; others went into greenhouses to pot azaleas and poinsettias, or joined some teen-age girls who were fashioning floral arrangements in a classroom. All the youngsters worked with clumsy fingers, or walked with shuffling gaits. When a few stopped smiling, their expressions went blank. All were mentally retarded. Some were Mongoloids.

At one time most of these retarded children of Prince Georges County would have stayed in their homes, or in public or private institutions ill equipped to develop them into self-reliant adults. But in 1962, Samuel L. Scheinberg, a geneticist at the U.S. Department of Agriculture's research station at Beltsville, Md., proposed that parents of the retarded establish a school to train them to work in horticulture, where the pace was slow and the demand for workers great. Scheinberg and an agricultural engineer at Beltsville, Bill Bailey, were given the use of seven acres of surplus government land near the town of Upper Marlboro and founded the Melwood Horticultural Training Center.

The center struggled for several years, until finally enough citizens' groups rallied to get it moving. Members of Lions clubs worked weekends to build workshops and greenhouses. County building inspectors put together a tool shed. The Prince Georges County Association for Retarded Children, composed mostly of parents of the retarded, hired Earl Copus, Jr., a former Peace Corps worker in Brazil, as director.

Today there are 60 trainees at the center. Each youngster has to walk several blocks to a bus pickup point, which accustoms him to being independent. Each has to take "survival training" at Melwood—how to read traffic signs, make a telephone call, pay for a hamburger. When I visited the center recently I saw the boys carefully putting blooming flowers, which they had raised in greenhouses, into pots. Next, an assemblyline of girls wrapped the pots with colored paper and ribbon. Other girls worked with artificial flowers and candles, making wreaths and centerpieces. As trainees become proficient, they begin to receive small salaries, with frequent raises as skills increase. All the items they make are sold through supermarkets, department stores and Melwood's own retail shop. A trainee, making a sale, punched the cash register with painful awkwardness, but made change correctly—and smiled in triumph.

Sales of products and services now pay one-third of Melwood's $300,000 annual cost, with the rest coming from government fees, grants or community contributions. More important, Melwood has enabled 40 young graduates—who once barely were able to take care of their personal needs—to hold competitive jobs with nurserymen, florists and government agencies.

While inspecting an empty classroom, I came upon a new arrival sitting on the floor behind a file cabinet. The lad smiled, got up and left "Don't worry," an aide said. "He'll make it." As if by confirmation, a boy with long experience at Melwood stated confidently, "I used to be retarded myself."

ANALYSIS OF MATHEMATICAL MODELS AS TOOLS IN ECONOMIC PLANNING

Mr. BROCK. Mr. President, there is a great deal of talk these days about economic planning and the use of highly sophisticated mathematical models. Among these models, the Leontief input-output type are among the most respected. Now, in a statistical analysis of 25 of these, Drs. Arthur Carol and Israel Borovits conclude that the models have not succeeded in aiding economic planning.

It is always tempting to use the latest technical tools. But it is vital that when dealing with problems of such overriding importance as economic planning, we are not carried away with mere technical virtuosity. We should have solid factual evidence that a model works before using it to operate an economy.

Mr. President, I ask unanimous consent to have the Carol-Borovits article from "Long Range Planning" printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INTERNATIONAL COMPARISON OF INDUSTRIAL STRUCTURES USING INPUT-OUTPUT ANALYSIS

(By Israel Borovits and Arthur Carol)

Several attempts of international comparisons of input-output tables have been made in recent years. So far they have been made with respect to the following three aspects of the input-output models:

1. The overall comparisons of the structures of production, mainly on the basis of input-output coefficients matrices. In the first approach input-output tables from four countries (Italy, Japan, Norway and United States), were compared in this study. Similarity of overall patterns of interdependence of productive sectors among these four countries was studied. The second approach was based on the triangular arrangement of the input-output matrix to examine the existence of linear interdependence. This approach is useful for the comparison of general structural characteristics of different nations. These two approaches can only be used for structural analyses which are based mainly on comparisons of structural properties.

2. Comparison of individual input coefficients. This type of comparison was first applied to the historical data within a single country. The principal input coefficients were compared to test the constancy of these coefficients among the four countries mentioned above (1).

3. Overall comparisons of direct and indirect effects, based on the inverse matrices, i.e. $(I-A)^{-1}$. In this study the production structures of four countries (West Germany, France, Italy and Japan) were compared.

Although the approaches mentioned above could indicate several interesting aspects of the input-output relations in different countries, they have failed to take into consideration two important factors: time and the stage of industrial development of the countries under study.

There are two major differences between the present study to the studies mentioned above. First, utilizing a dynamic comparative analysis, or in other words, the objective of the present study was to investigate to what extent the pattern of variation of the input-output coefficients could be related in some quantitative way to a certain number of general economic characteristics.

Second, in the studies mentioned above only five input-output tables were compared. The present study analyzed 25 tables from 18 countries (see Table 1).

TABLE 1.—SUMMARY OF THE INPUT-OUTPUT TABLES

Number and country	Date of table	Date of publication	Prices used	Number of sectors
1. Argentina	1953	1964	Pesos $\times 10^6$	23×23
2. Australia	1958–59	1963	AS $\times 10^5$	34×34
3. Belgium	1959	1965	B francs $\times 10^6$	65×65
4. France	1959	1965	F francs $\times 10^6$	65×65
5. Germany (West).	1959	1965	D marks $\times 10^6$	35×35
	1960	1965	D marks $\times 10^6$	35×35
6. Israel	1958	1962	Il. pounds $\times 10^3$	77×77
7. Italy	1950	1952	Lire×108	56×200
	1959	1965	Lire $\times 10^6$	65×65
8. Japan	1951	1955	Yen $\times 10^9$	182×182
	1960	1965	Yen $\times 10^8$	56×56
	1963	1967	Yen $\times 10^8$	56×56
	1965	1969	Yen $\times 10^3$	56×56
9. Mexico	1960	1960	Pesos $\times 10^6$	45×45
10. Netherland	1959	1965	Guilders $\times 10^6$	65×65
11. New Zealand	1959–60	1966	NZ $\$\times 10^4$	44×44
12. Norway	1950	1954	Kroner $\times 10^6$	27×27
13. Pakistan	1963	1967	Rupees $\times 10^6$	35×35
14. South Korea	1966	1969	Wans $\times 10^6$	43×43
15. Taiwan	1964	1968	NT $\$\times 10^6$	55×55
16. United Kingdom.	1948	1964	£ $\times 10^6$	47×47
17. United States	1947	1951	$\$\times 10^7$	450×450
	1958	1965	$\$\times 10^6$	86×86
	1963	1969	$\$\times 10^9$	86×86
18. Zambia	1966	1969	Kwachas $\times 10^3$	38×38

THE INPUT-OUTPUT TABLES

Input-output studies have now been undertaken in more than 50 countries. The input-output technique is still considered experimental in most countries, since in none of them has it been pursued for a long enough period to establish a routine of data collection and analysis. Many of these countries have not yet published their findings. In this study we have used tables from 18 countries. Table I summarizes the various tables that were used in this study.

There are 25 total tables (two from West Germany and Italy, three from the United States, and four from Japan). Some were obtained from Professor Leontief of Harvard University, whose collection was by far the most extensive available, the remainder directly from the nations involved. Several had to be translated into English.

The United Nations has established a precise format for preparing the basic transaction tables. The nations involved purport to adhere to the essentials of this format and it has been assumed in this study that they do so. Since in many cases these tables have been prepared with the aid of U.N. experts, the assumption should be legitimate. Of course the validity of the entire study depends on this uniformity since differing formats would mean a different classification of industrial structures, and comparisons would not be meaningful. The basic format is given in Table 2. The I/O Table 2, the I/O coefficients, were prepared by the authors, derived from the transactions tables. The manufacturing sectors are given in greater detail than the others, since the manufacturing sectors in most cases account for more than 85 per cent of the total intermediate use. At this suggested level of aggregation the classifications of the above tables can be made quite consistent. Using the relations described in Table 2, we have obtained aggregated tables of 23 and six sectors. Due to lack of space, only the aggregated 1963 input-output table of the United States is presented in the Appendix.

TABLE 2.—SECTOR CLASSIFICATIONS OF INPUT-OUTPUT TABLES

23-sectors aggregation	6-sectors aggregation	ISIC
1. Agriculture, hunting, forestry, and fishing.	1. Agriculture	11–13
2. Coal mining	2. Mining	21
3. Crude petroleum and natural gas		22
4. Metal ore mining		23
5. Other mining		29
6. Food, beverages, and tobacco	3. manufacturing (nondurable)	31
7. Textile, wearing apparel, and leather		32
8. Wood and wood products		33
9. Paper, printing, and publishing		34
10. Manufacturing of chemicals and petroleum and coal products.		351–354
11. Rubber and plastic products	4. Manufacturing (durable)	3513, 355–366
12. Manufacture of nonmetallic mineral products.		36
13. Iron and basic industries, steel		371
14. Nonferrous metal basic industries		372
15. Fabricated metal products, machinery		38
16. Manufacture of transport equipment		384
17. Other manufacturing equipment		39
18. Electricity, gas, and water	5. Electricity, gas, and water	41, 42
19. Construction	6. Services	50
20. Wholesale-retail trade, restaurant and hotels.		61–63
21. Transport, storage, and communications		71–72
22. Services		8–9
23. Activities not adequately defined		0

ANALYSIS OF THE INPUT-OUTPUT COEFFICIENTS

The essential method of analysis was as follows: Every nation's economic strength was measured in the usual four ways: total GNP, GNP *per capita*, rate of growth of GNP, and rate of growth of GNP *per capita*. The GNP measures were given for the same year as that for which each I/O table was prepared. The rate of growth measures were derived by taking the average rate for the 5 consecutive years of which the I/O table was in the middle. In this way, any unusual economic development in that year (e.g. recession) would not alter the nation's basic pattern growth.

Although virtually by definition the developed nations were the superior by the GNP measures (all given in 1967 dollars to permit comparability), the underdeveloped nations were frequently superior in the rate of growth measures. This is an important point because comparisons of industrial structures between developed and undeveloped economies may be far less realistic than among those of the same type. For example, it might be far less instructive to compare a slowly growing underdeveloped nation with a developed nation than with rapidly growing underdeveloped nation. It is the latter comparison which might prove of more value in the planning of the slowly growing underdeveloped nation.

The analysis was based on the 23 sectors industrial breakdown and on the highly aggregated six sectors breakdown given in Table 2. The latter included simply—agriculture, mining, non-durable manufactures, durable manufactures, utilities, services and other. Clearly, the former should be the more valuable. To plan an optimal industrial structure, the finer the breakdown, the more precise the planning. For the reasons given in the next section, the finer breakdown did not prove viable and the body of the final analysis had to be based on the more aggregated breakdown.

In addition to the six basic industrial sector purchases and the value-added portion for each industry, a foreign import sector was required to account completely for the total sector purchases. That is, each industry purchases a certain amount of its total input from abroad. The basis transaction tables all provide this value. Unfortunately, none of them indicates what these imports consist of. Thus, it is not known if the purchasing industry requires steel or potatoes to yield its output. This problem did not prove to be as serious as it appears, again for reasons which will become clear in the next section.

The analysis was based on tables derived from comparisons of each of the four economic well-being measures and the I/Q coefficients tables for each of the six industrial sectors.

The following hypothetical example will illustrate the basic idea of the comparison:

TABLE 3.—AGRICULTURE: INPUT COEFFICIENTS BY INDUSTRY. RANKING BY GNP

[In millions of dollars]

Country	Year	GNP	Agriculture	Manufacturing	Services	Imports	Value added	Total inputs
A	1962	1	0.51	0.06	0.01	0.02	0.40	1.00
B	1960	2	.33	.03	.03	.01	.60	1.00
C	1963	3	.21	.01	.06	.02	.70	1.00

An interpretation of this table would indicate that wealthier nations, as C, in their agricultural production, require less inputs from agriculture itself and from manufacturing industries, and more from service industries and they obtain more of their inputs from their own productive efforts (in a sense being more efficient). Thus, a nation aiming for higher GNP would plan to increase the amount of service industries product made available to agriculture. To be sure, this is grossly oversimplified, but that is the basic idea. A nation not doing so well as it hoped, and learning from its successive I/O tables that its service input coefficients to agriculture were declining instead of rising, might be given a valuable clue in its economic planning.

To determine if such significant relationships do exist between any (or all) of the four GNP measures and any (or all) of the I/O coefficient sectors for each industrial sector, several statistical tests were run, including analysis of variance. These were to confirm a visual inspection of the tables, which were generally adequate for the purpose.

CONCLUSIONS

The purpose of the study was to investigate the feasibility of using input-output analysis as an aid in economic planning by comparing I/O coefficients, as indicators of industrial structure, between the more and less successful economics. The basic conclusion is that it is not presently feasible. No consistent patterns were found in the industrial structures of the more successful economies which would enable them to serve as safe models for the others. This is in no way contrary to any studies which have detected similarities between two developed nations. By judicious choice, such similarities can be observed. But, by observing a broad spectrum, it is seen that no overall consistency exists, that the I/O coefficients vary widely among any set of nations.

In a sense, this is a negative finding and that, of course, does not diminish its value. If the analysis holds, then those concerned with economic planning will not waste valuable time and effort developing models which will yield no practical results. Certainly this study should not be taken as definitive and it remains to indicate why not. There are at least five possible areas which require further investigation. But let us assume for the moment that the findings of this study do prove valid.

There is a sense in which the results may be considered to be positive finding. Though reliance on mathematical models for national economic planning may be in vogue, their use is not universally accepted as the ideal strategy for economic development. Different nations are unique in a myriad of ways—in their natural resource base, their distance from foreign markets, the cultural attitudes of their people and so on. At this point, if the authors had to place a subjective probability on the matter, they would have to say that such value is greater than 0-5 that the basic reliance for economic growth should be a free market in which profit seekers, understanding the uniqueness of their immediate economic environment, would be best able to make decisions which would lead to optimal economic development. This does not exclude the use of all mathematical planning devices; it relegates them to a subordinate position and it removes authority from central planners whose claim to primary decision making responsibility rests on such devices.[1]

Finally, we turn to a survey of four potential explanations for the lack of consistency among the I/O coefficients. It may be that the initial hypothesis of the study does have validity and that its apparent rejection is in error.

First, the U.N. format may not have been followed. This could readily account for the failure of the 23 sector breakdown. To take a trivial example, haircuts might be misplaced as trade rather than services and numerous examples could be found. But in a six-sector breakdown, it would take incredibly gross misjudgements to cause serious errors. We would be inclined to dismiss this explanation.

Second, the basic data may have been incorrectly reported. Careless or undereducated technicians may misplace decimal points or add incorrectly. But in the more developed economies, this too would appear unlikely and it is here that no consistency was found.

Third, as noted, there is no import breakdown. Thus, agriculture for example, may show different I/O coefficients for two nations. But if the imports were broken down by industry, the portion which was agriculture might be just about that which would for the apparent difference. Again, in a six-sector breakdown this is somewhat less likely. Utilities and services are not imported and no consistency was found in these industries. More important, the import I/O values were generally too low to account for the wide differences among the other industries. Nevertheless, future I/O data gathering should break down the imports industry so that this problem can be resolved.

Fourth, the transaction tables are based on monetary measures. They show the monetary exchanges between industries. These are not necessarily an accurate representation of the amount of product exchanged. If the relative prices of the same product differ widely among the nations, it may be that the actual amount of product exchanged is consistent among the nations.[2] We were unable to obtain the necessary price data for each nation for the years involved to make the relatively simple corrections which would be necessary to eliminate this possible source of confusion. There is, however, a reason to believe that this is not a significant factor. Four of the six industrial sectors include internationally traded goods. It may be unlikely therefore, that the prices given severely distort the actual product exchange in those cases in which the years involved are close. Price changes do occur over the years and the range of years covered was wide 1947–1966). But relative price changes, as between durable and nondurable, would have to have changed sharply to account for the almost complete lack of consistency in the I/O coefficients. This difficulty with I/O analysis is widely recognized and we certainly concur that it should be dealt with within the preparation of any future I/O matrices.

At present, the application of I/O in the manner originally suggested in this study is not promising. It may be that by careful correction of the four possible sources of error noted, the entire study could be profitably reexamined. But we seem to be distant in time from the thorough corrections required. Reliance on I/O analysis as a practical tool would seem questionable.

There is one last point. Taking this I/O study as basically a valid approach and assuming that the four pitfalls were probably not responsible for the lack of positive results, there remains one possible approach of potential value. It is noted that the results obtained were due to the fundamentally different natures of the economies involved. Perhaps there is a problem of over-aggregation here. If two nations with similar backgrounds in resource endowment, cultural attitudes and the rest be compared; and if one was advancing more successfully than the other, then one might serve as a model for the other. To investigate this possibility would require an entirely different type of study from the present one, but the two in combination might yield practical results.

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[1] Empirically, I/O models have yet to prove their predictive capability. One of the most intensive I/O studies, completed in 1965, forecasting for 1970 and 1975, is falling wide of the *Manpower Requirements for National Objectives in the 1970's* (Washington, D.C.: National Planning Association, 1968).

[2] One of the input-output analysis technique's defects is that it does not allow for changes in relative prices. It is recognized that this refinement of the technique is necessary, particularly for the purpose of comparisons of input-output tables.

APPENDIX

INPUT COEFFICIENTS FOR THE UNITED STATES 1963 ECONOMY (23 SECTORS)

[All figures are A (I, J)×10⁴; total supply and intermediate are in produced prices]

	1	2	3	4	5	6	7	8	9	10	11	12
1. Agriculture and forestry	3,055					2,837	411	621		11		5
2. Coal mining	1	1,530		19	21	5	4	2	22	16	20	65
3. Petroleum and natural gas			237							1,904		
4. Metal ore mining				1,110	21					32		13
5. Other mining	21	4		36	193	1			20	115	6	660
6. Food, beverages, and tobacco	632					1,745	69	1	39	133	12	3
7. Textile, apparel, and leather	38		2			20	4,017	225	48	8	381	52
8. Lumber and wood products	20	63		39		12	101	2,437	246	13	24	88
9. Paper, printing, and publishing	20	4	2		29	318	109	92	2,694	354	285	250
10. Chemicals	468	228	136	307	401	81	133	196	331	1,703	1,759	350
11. Rubber and plastic products	25	123	13	55	258	52	605	217	151	190	1,482	179
12. Nonmetallic mineral products	8	11	33	19	415	93	12	86	16	57	60	1,026
13. Iron and steel		146	24	155	150		2	202	1	45	30	91
14. Nonferrous metal industries				3	14		1	34	11	55	16	30
15. Fabricated metal products	100	638	162	391	659	254	51	421	156	220	135	221
16. Transport equipment	8	63	2	19	57	2		5	3	1	24	6
17. Other manufacturing	1			3		1	112	8	10	8	40	25
18. Electricity, gas, and water	52	243	112	219	351	60	59	70	112	198	108	324
19. Construction	97	52	302	26	50	18	14	26	24	89	31	43
20. Wholesale and retail trade	311	216	116	158	244	339	373	302	273	267	298	275
21. Transport and communication	337	343	448	1,007	523	593	220	560	471	624	355	910
22. Services	729	510	1,996	778	527	429	280	378	661	645	384	390
23. Activities not defined	16	49	57	52	72	183	877	54	189	76	81	90
24. Imports	178	7	834	2,053	702	159	229	390	320	236	236	138
25. Value added	3,893	5,748	5,524	3,551	5,312	2,798	2,322	3,674	4,203	3,210	4,233	4,766
Total supply	58,322	2,679	12,538	3,098	2,792	83,987	42,785	17,477	34,710	51,705	16,463	18,010

	13	14	15	16	17	18	19	20	21	22	23	Total intermediate
1. Agriculture and forestry					21		27	12	21	150	19	48,654
2. Coal mining	183	15	2	3	6	211			2	8		2,125
3. Petroleum and natural gas					29	645			5	5		12,279
4. Metal ore mining	456	1,044	1		216	1				1		2,795
5. Other mining	32	21			3		84			1		2,601
6. Food, beverages and tobacco		7	2		17	1	3	54	31	29	289	23,382
7. Textile, apparel and leather	10	14	27	107	301	3	24	42	7	6	19	21,194
8. Lumber and wood products	15		50	45		1	547	13	1	2		11,890
9. Paper, printing and publishing	10		99	11	431	8	33	124	16	385	220	28,123
10. Chemicals	222		144	75	216	92	351	164	370	113	9	32,078
11. Rubber and plastic products	6		167	183	685	3	71	31	46	19	3	13,104
12. Nonmetalic mineral products	18		193	87	78		729	19	3	12	1	12,603
13. Iron and steel	1,908		895	782	280	19	278	3	52	2	18	23,147
14. Nonferrous metal industries	206		399	209	336	6	165	3	5	1	17	8,454
15. Fabricated metal products	496	166	2,182	1,522	509	10	1,374	138	83	109	80	58,456
16. Transport equipment	30	81	321	2,664	58	1	13	17	132	44	26	22,389
17. Other manufacturing	12	10	16	4	727		19	37		22	47	2,955
18. Electricity, gas and water	243	374	64	47	54	1,834	34	169	61	142		17,253
19. Construction	67	51	14	17	21	295	3	40	269	435		15,635
20. Wholesale and retail trade	292	493	315	238	460	55	815	239	248	230	188	35,753
21. Transport and communication	893	750	209	273	291	378	600	149	1,471	288	839	57,516
22. Services	253	338	390	292	558	1,754	538	1,367	1,012	1,481	28	96,534
23. Activities not defined	296	764	111	65	125	46	65	126	64	145		16,138
24. Imports	279	1,278	121	39	601	35		2	412	24	194	18,301
25. Value added	4,074	4,585	4,276	3,388	3,978	4,602	4,217	7,248	5,636	6,346	7,993	599,862
Total supply	25,659	8,680	106,878	59,861	7,210	30,151	87,796	135,592	86,233	217,916	77,711	

INPUT COEFFICIENTS FOR THE UNITED STATES 1963 ECONOMY (6 SECTORS)

[All figures are A (I, J) × 10⁴]

	1	2	3	4	5	6	Total intermediate
1. Agriculture	3,055		1,081	1		67	48,654
2. Mining	22	539	443	174	858	19	19,800
3. Manufacturing (nondurable)	1,194	293	3,066	490	107	582	129,771
4. Manufacturing (durable)	116	498	332	3,813	36	555	128,002
5. Electricity, gas and water	52	176	100	107	1,834	103	17,253
6. Services	1,490	2,369	1,590	1,162	2,528	2,224	221,611
7. Imports	178	891	231	179	35	93	18,301
8. Value added	3,893	5,235	3,157	4,044	4,602	6,357	599,862
Total supply	58,322	21,107	247,127	221,299	30,151	605,248	

Note: Total supply and intermediate are in producer prices.

CLIFFORD G. McINTIRE

Mr. HATHAWAY. Mr. President, it is with deep sadness that I inform my colleagues of the death this morning of Clifford G. McIntire, a former Maine Congressman and an old and dear friend.

Cliff was a potato farmer before entering politics in the early 1950's. He served Maine well as a Representative in Congress for 13 years. Following his retirement from Congress in 1965, his expertise in both agriculture and government was well utilized as director of the natural resources department of the American Farm Bureau, and as a member of the President's Task Force on Rural Development.

At the time of his death, Clifford McIntire had been nominated as a member of the new U.S. Railway Association, and his nomination was under consideration by the Senate Commerce Committee.

When I was elected to the House in 1964, I assumed the seat vacated by Cliff in his unsuccessful bid for a Senate seat. Despite his own defeat and our party differences, Cliff took the time to give me advice, counsel, and guidance, thereby making my life as a freshman Congressman that much easier.

Throughout my years in the House and Senate, I have valued Cliff McIntire's counsel and his knowledge of farm issues, and particularly his knowledge of the Maine potato industry.

Maine and the Nation have lost a dedicated public servant. Those of us who knew him and worked with him, and those of us who benefitted from his friendship and counsel, will miss him dearly.

I extend my heartfelt condolences to Cliff's wonderful wife Wilda and to their family.

TRIBUTE TO FORMER CONGRESSMAN CLIFFORD McINTIRE

Mr. MUSKIE. Mr. President, it was with deep sorrow that I learned this morning of the death of a distinguished citizen of Maine and former Member of the U.S. House of Representatives, Clifford McIntire.

Born and raised in the small northern Maine community of Perham, Cliff McIntire knew and loved well rural America. Throughout his long and productive years—as a farmer, public administrator and Congressman—he dedicated himself to improving the quality of life of our farmers and our rural communities.

In his final days, he was preparing for yet another important national assignment as a director of the U.S. Railway Association, created by the Congress under the Regional Rail Reorganization Act of 1973.

Maine will miss him. The Nation will miss him.

Cliff and I were political opponents. In all of our political contests, however, I came to appreciate his commitment to decency, honor and fair play. He was a gentleman, considerate and friendly always, in his warm and down to earth way.

I extend my sympathy to his family at this time of their personal grief.

STATEMENT OF SENATOR DOMENICI TO THE ECONOMIC SUMMIT CONFERENCE

Mr. HUGH SCOTT. Mr. President, one of our colleagues, Senator Domenici, was an initiator of the concept for an Economic Summit Conference. As we all know, the conference took place this past weekend, and Senator Domenici participated in it. His remarks were delivered along with those of the other participants in the presummit conference on State and local governments. Senator Domenici has unique experience in this area since he was the former mayor of Albuquerque, N. Mex., before coming to the Senate.

I found the text he presented to be very informative, and therefore, ask unanimous consent to print it in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Pete V. Domenici to the Economic Summit Conference

Slightly over two months ago, Senators Bartlett, Chiles, Huddleston, Nunn and myself introduced Senate Resolution 363 calling for an Economic Summit Conference. We envisioned then what I see before me today: leaders from the many different sectors of our economy meeting to arrive at a consensus plan of action.

Perhaps if I take a moment to expand upon why we chose the device of summitry, we can more effectively focus on the areas that require immediate attention.

From my mail and from phone calls, from trips back home and from committee and floor activities, the message is the same: the American people want and must have immediate and effective measures to deal with inflation. Thus far, only piece-meal action has been taken. For example, we restrict credit, but leave government spending unchecked. We reduce employment, but fail to efficiently allocate food supplies. And we advocate industrial progress while failing to assure the presence of necessary commodities. But the magnitude, pervasiveness, and complexity of the inflation problem requires more than this shotgun approach.

This concern from our constituents gives real meaning to the following statistics. Between December, 1972, and December, 1973, the Consumer Price Index rose at an annual rate of 8.8%. By January, 1974, the rate had escalated to 9.4%, and by May, the rate was 10.7% above the previous year. Food prices alone went up over 20% in 1973. The rise in 1974 is certainly even more substantial. Gasoline is up 20% in price over one year ago. Home heating oil has soared almost 50% in cost during the same period.

The prices of raw commodities have escalated even more dramatically. Between March of 1973 and March of 1974, a bushel of wheat had gone up 125%; a bushel of corn 102%; a pound of sugar 111%; and a ton of steel 153%. There is no end in sight to these sky-rocketing prices, Mr. Chairman, for the Wholesale Price Index over the twelve month period ending this past July is up over 20% across the board and is now escalating at a rate of almost 40% annually.

During the same period of time that prices have gone up, wages have lagged behind. Although an overall 5.6% wage increase was reflected in the period of December, 1972, to December, 1973, when inflation is added in to adjust the figures, there actually was a 3% downward move in the purchasing power of wages. By May of this year, the average wage-earner's buying power was down almost five percent under the previous year. And last month, that figure exceeded six percent.

The result of these statistics is convertible into real hardship in the American home. Food consumption in 1973 was down 5.4% as Americans ate cheaper and ate less. Personal bankruptices soared 7% higher in the first nine months of fiscal 1974 than they had been in fiscal 1973. Interest rates, which had been raised to cool the inflated economy, have had the effect of crushing family financial planning. According to the National Foundation for Consumer Credit, six of every 100 American families are now in serious financial trouble. That is double the rate of one year ago.

This same credit situation has priced most families out of the housing market. It now requires an annual income of at least $18,000 to meet the total homeownership costs on a home with a $30,000 mortgate: a condition that rules out about three-fourths of all American families.

Yet the effects of inflation are not all tangible. Marriage counselors report that growing financial problems are putting severe, often irreparable, strains on many families. The current economic climate lends credence to the old proverb: "When poverty comes in the door, love goes out the window."

My constituents say that the stresses of inflation have gone beyond the level of bother or inconvenience. Inflation is devastating the American consumer's pocketbook, security, and even health. And it is putting serious strains on the family institution, not to mention the foundation of our economic system—small business ventures. Inflation is not just something we would like to bring under control; it is something we *must* bring under control if American life is to continue as we presently know it.

The answer, of course, is not just to bring inflation under control, but to do so in a manner which will evoke the least hardship and disruption in the economy. To this end, I have observed several areas of consensus for action.

First, the mandate from the American people is loud and clear that Congress and the federal government must show fiscal responsibility. This means the Congress must consider an outlay limitation bill, and make selected cuts in appropriations. Now, I do not suggest that we make cuts indiscriminately, or just for the sake of cutting, but we must trim the waste and fat from federal expenditures. We must also place the federal government in a leadership role in the equal belt-tightening which will be required in each and every segment of the economy.

Second, we must ease the burden on those sectors for whom economic depression is already a reality. There is a sickness in the symbiotic relationship between the housing and banking industries. Housing depends upon banks for mortgage money, and banks depend on depositors. Yet with the federal government paying higher interest rates than it allows savings and loan institutions to pay, money has flowed out of banks and to the government. As a result, in my home state and in many others, there is little or no money available for housing starts. When housing starts lag, workers are laid off, and this ripple-effect filters on to all other segments of the economy.

Congress can and must take action in the area. The Senate Banking Committee is prepared to report out a bill which will put $10 billion of 8.75% money into the housing market. Sponsors of the bill indicate 300,000 new jobs could start from this action, not to mention the benefits of making housing more readily available to middle-income people. The idea of a multitiered interest rate structure is not new, and can be used most beneficially in this manner.

Another thing we have got to do is create a greater inducement for savings. With treasury notes paying more than federal regulations allow savings and loan institutions to pay, the small investor has no reason to save his money in a bank or savings and loan. I note that the federal government is raising the minimum purchase amount on treasury notes which will have a salutary effect on disintermediation. But we need more. We either have to de-regulate the interest rates savings and loans can pay, or adjust those rates upward, or create tax incentives for saving. I prefer the latter approach as being more conductive to stability; therefore, I am a co-sponsor of S. 4021 which exempts an individual from federal income taxation on the annual interest from $20,000 in a savings institution. By this measure, we are going to reverse the flow of money from savings institutions, thereby making more money available to the housing industry.

The third major area which this conference must address is that of persons and government entities on low or fixed incomes. For example, Society Security and SSI increases are tied to the Cost of Living Index. However, the items which are undergoing the most rapid price-escalation are the bottom-line essentials in anyone's budget such as food and fuel. The Cost of Living Index averages in non-essentials and, therefore, does not reflect the true impact of inflation on low- and fixed-income persons. In effect, inflation is now operating as a regressive tax on the poor, and increased benefits simply

don't bridge the ever-broadening gap in their inability to pay for essentials. We must take immediate action to free Social Security and SSI increases from the Cost of Living Index, and put them on an index which more accurately and realistically reflects price increases in essentials.

The plight of municipal and state government is strangely similar to that of the individual with a fixed income. Once a city or state has established its revenue base, it cannot easily obtain further funding. As with the poor, the things cities in particular need the most—fuel and raw materials—are the things which are increasing in price the fastest.

Further complicating the plight of our local governments is the fact that over 10% of our American work-force is employed by the cities and states. This means we must be very careful about the actions we recommend with regard to local governments. Whatever we do should be tempered with realization that non-federal government workers are paid less than their counterparts in the private sector. This fact, combined with the erosion of existing wages by inflation, portends escalating wage demands in the near future putting state and local governments under an even greater financial strain.

One substantive action we can take is to incorporate in a legislative package an end to the requirements on how federal monies are spent on the local levels. Massive bureaucracies had been created on the state, city, and federal level which do nothing more than determine and administer how money is spent! Therefore, we need a new format in the relationship between the federal and local governments. Several mayors have indicated to me that they would be happy to take less money, and could even spend it more effectively, if all their funding was in the form of bloc grants. By establishing this policy and doing away with categoricals, we could effectuate a savings in terms of monies paid out by the federal government for total outlays and for administration. Furthermore, the administrative costs to the local governments will also decline if they don't have to administer categoricals.

Our fourth area of concern should definitely be the energy crisis which, with the huge burden of rising oil prices, permeates every aspect of economic life both at home and abroad. Our balance of trade is critical, our local governmental units face escalating costs in providing essential services, and the cost of all this is gnawing at our citizens' pocketbooks each time they go to the gas pump or turn on a light switch.

The Summit Conference must address this problem, and I suggest a two-pronged approach. First, we should call for a program similar to the Manhattan Project of World War II. All the shouting about the energy crisis seems to have subsided, but it should not have. The crisis is just as severe now as it was last year. We need the same frenetic concern which gave birth to the atom, only this time we need that concern directed at a weapon of peace, not war. Also, Congress should initiate an austerity program for the nation. The American people are challenging their leaders to provide such a program—they are well ahead of us in recognizing the need for austerity. When we give direction to their challenge, Americans will respond positively to an energy austerity program. This response will help correct our balance of trade deficit, will help lower oil prices by lowering demand, and will help focus attention on the need for development of alternative energy sources.

The last aspect of our deliberations which is an essential is anti-trust policy. The theory behind our anti-trust laws is that competition keeps prices down and quality up. But these laws are not being enforced, and as a result prices are escalating and productivity is plummeting. Greed and price-gouging characterize the current marketplace. We could make a significant contribution to the battle against inflation if we asked that the Justice Department be directed to carry out a more stringent enforcement of our anti-trust laws, and to seek rapid prosecutions for violations of these laws.

All of the items to which I have addressed my remarks can be undertaken legislatively. If it is the sense of this Summit Conference that we do so, Congress could incorporate these measures into an Omnibus Inflation Control Bill, which should be proposed immediately and then be either moved to the front of the calendar, or handled in a special session. I am hopeful that the Executive Branch will simultaneously coordinate its efforts with those of Congress by recommending tax and budget adjustments. And the private sector—consumers of all types—must cooperate by joining the belt-tightening campaign, saving where it is possible to do so, and showing restraint in wage demands. I am afraid that if we do not face the realization that some voluntary sacrifices are necessary now, even greater and more painful sacrifices will become mandatory and beyond our control later on. However, I am confident that this conference will give to the country a spirit of unity in crisis that will enable us to make these sacrifices and deal effectively with our most pressing national need—the war on inflation.

EFFICIENCY CAN REDUCE HOSPITAL COSTS

Mr. HUMPHREY. Mr. President, there is great concern in America today about the quality and cost of health care. We have many excellent hospitals in America, but the cost is prohibitive for many of the injured and ill who need health care the most.

Many of my colleagues in Congress are seeking a better health insurance system. I support these efforts wholeheartedly. However, we not only have the issue of establishing a sound health insurance system, but we have had a serious health delivery system problem. Central to both of these questions is the high cost of hospitalization.

In the September 29 issue of Family Weekly, there appeared an article on hospital costs that was valuable and very informative. The title, "Our $125-a-Day Hospitals: Where Does All That Money Go?" discusses a major problem in our health service community; that is, the inefficiency and high costs of many of our hospitals. The article has many sound ideas for lowering hospitals costs that I recommend to my colleagues.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUR $125-A-DAY HOSPITALS: WHERE DOES ALL THAT MONEY GO?

(By John Kelly)

Almost everything is more expensive than it was a decade ago. But no item in the economy can match the precipitous 500 percent rise in hospital costs. In terms of your paycheck, this means that while you now work one-and-a-third times longer than you did in 1964 to purchase a loaf of bread and three times longer to buy a sirloin steak, you work five times as long to pay for a day of hospitalization.

Why?

According to Alexander McMahon, president of the American Hospital Association, hospitals have been caught in the same inflationary bind as the rest of the country—"but in our case, the situation has been worse. Our workers' wages have risen nearly 70 percent in the last six years alone. That's much larger than the pay increases given employees in other industries. Moreover," he adds, "people now expect much more from hospitals both in the way of treatment and personalized care."

All of which is true. But McMahon's answer tells only part of the story. While he's right that hospital workers' wage increases have outpaced those of the employees in other industries, in terms of the percentage of the patient's bill, labor costs are just the same. According to Harvard economist Martin S. Feldstein, an expert on hospital financing, labor costs in 1955 accounted for 60 percent of a patient's bill, and in 1971, they accounted for exactly the same proportion—60 percent.

It is also true that patients expect more from hospitals. But Louis A. Orsini, vice president of the Health Insurance Association of America (HIAA), says that the effects of this demand have been distorted by hospital administrators' "edifice complex." "When federal-loan funds became available for hospital construction, a lot of institutions began adding new facilities whether they needed them or not," says Orsini. "Cardiac monitoring units or a handsome new pediatric ward may add to a hospital's prestige, but if they aren't utilized, the cost will be passed on to the institution's other patients."

Government figures show that many of these new facilities aren't even being partially used. A study by the U.S. Comptroller General's office says that in 1971 only about 40 percent of the country's pediatric beds were occupied—36,021 out of a total of 89,420. Considering that each of these units cost an average of $15,000 to build, that means hundreds of millions of dollars worth of new facilities went unused. And, with our declining population growth, they will probably remain empty for some time to come.

The figures on cardiac-care units and emergency rooms make equally depressing reading. In 1972, only about three percent of the 416 hospitals equipped to perform open-heart surgery used their facilities more than four times a week. And of the 6,200 hospitals with emergency rooms, 3,744, or well over half, cared for less than 13 percent of all emergency cases reported.

Oklahoma City illustrates how out-of-hand the overbuilding mania can get. With a projected population of 700,000 in 1975, the community theoretically needs 2,696 hospital beds. But by the end of next year it will have 4,642—a surplus of 1,946. Each of these extra beds costs about $50,000 to build and another $20,000 to maintain each year. And since the surplus is expected to remain at about the 1,000-bed level for the next 30 years, the unneeded units could end up costing Oklahoma City residents $650 million.

But overbuilding is not the only problem. Another major villain is what's known as the "cost-plus" method of payment. Nearly 90 percent of the more than $35 billion collected by hospitals last year was paid for by Medicaid, Medicare, Blue Cross and commercial insurance companies.

Under the usual arrangement, Blue Cross or a private carrier agrees to pay the hospital for the expenses it incurs caring for insured patients, as well as an extra bonus payment. In effect, the institution is guaranteed a profit no matter how inefficiently it operates. Hospital administrators claim that the third-party plans monitor their costs closely. But critics don't agree. Even Walter J. McNerny, president of the national Blue Cross Association, Inc., concedes "that the system is relatively unchecked."

Take a simple matter like hospital wages. As a rule, administrators and staff physicians can pay themselves pretty much what they choose without fear of being brought to task by the third-party plans footing the bill. Thus, it's not at all unusual for the chief pathologist in a hospital laboratory to earn $100,000 a year or more.

Far more serious and expensive, however, are the duplications and inefficiencies spawned by the cost-plus system. "There are so many areas of potential savings in an average hospital, it would make your head spin," says Herbert S. Denenberg, former Insurance Commissioner of Pennsylvania and a leading consumer advocate. "I know one institution, for instance, that pays $7.50 for tape measures it could buy for 25 cents." Laundry service may seem like a relatively minor budgetary expense. But 24 Boston hospitals cut their annual cleaning bills by over $1 million just by pooling their laundry facilities.

If private business operated so inefficiently, customers would be up in arms. But, says Harvard's Feldstein, hospital costs have been so cushioned through medical insurance that the average consumer really doesn't feel the pinch (except, of course, in his steadily rising insurance premiums).

Another way we could all save money is if hospitals would perform more diagnostic procedures and minor surgery in out-patient facilities. But insurance companies often won't cover out-patient treatment. This encourages hospitals to admit patients who really don't need full hospital care.

There *are* hospitals that are pointing the way to a brighter future. For example, whereas in most hospitals a private room costs anywhere from $100 a day upward, patients at Memorial Hospital in Long Beach, Calif., pay only $20 a day. The reason? Memorial's special daily unit. Patients scheduled for minor surgery or diagnostic procedures check into the hospital at 7 a.m. By 8 a.m. they've been given the necessary lab tests and presurgical preparations, and by 10 a.m. the operation is over. Most are home in time for dinner.

The 800-bed Albany Medical Center in Albany, N.Y., is also saving patients money. Instead of closing its operating rooms and labs at night and on weekends, the center operates them on a seven-day around-the-clock basis. As a result, the average hospital stay at the institutions has been cut from 11.6 days to 8.9 days. That adds up to a savings of over $300 for the average Albany patient.

Baptist Memorial Hospital in Memphis, Tenn., has also been a leader in creating cost-saving programs. In its recently opened special minimal-care unit, blood pressures and temperatures are only taken when a physician requests them. The patients administer their own medications and go to treatments on their own. According to the hospital officials, the elimination of more elaborate forms of care cuts $20 to $30 off each patient's daily bill.

CUBA

Mr. McCLURE. Mr. President, included in the 45 minute diatribe of Fidel Castro against the United States was a criticism of the Organization of American States. The OAS, said Castro, is a "prostitute, shameless, and ridiculous" and "an instrument of the worst form of neo-colonialism."

The dictator may be right. We will find out in November when the OAS meets to vote on lifting the 10-year-old embargo on Cuba. If in fact the embargo is lifted from this nation whose primary operation outside of its own borders has been the attempted export of revolution, it would indeed be appropriate to describe its action as ridiculous. If the tacit approval of a nation which denies its citizens freedom of speech, freedom of dissent, freedom to worship and freedom to emigrate occurs, it will certainly deserve the characterization of "shameless."

Cuba's foreign policy implies an inverse ratio between loudness of voice and size of stick. Maybe this puts Cuba in a quid pro quo situation. She can offer de-escalation of rhetoric in return for entry into the broadest capital market in the world. And it is convenient for Castro. If the OAS votes Cuba in, he can proclaim a great victory for communism. If it does not, he can point to his prescient remarks about the evil capitalists.

BICENTENNIAL

Mr. NUNN. Mr. President, 200 years ago today, Georgia was the youngest colony on the North American continent.

Tonight on the CBS Bicentennial Minutes, I have the honor of noting this anniversary and emphasizing that the struggle for the cause of liberty was already strong in the young colony.

Despite the opposition of the Royal Governor, money and 200 barrels of rice had been sent to the people of Boston from the people of St. John's Parish alone.

St. John's Parish was a settlement at Midway Church, about 40 miles below Savannah and the settlers there were in the vanguard of the movement for freedom of the colonies.

After the revolution, this parish was to receive a distinctive name—Liberty County. All the other Georgia parishes were named for English politicians who had taken the side of the colonies in the American Revolution.

In the fall of 1774, Samuel Adams began to unite patriot leaders. The young colony responded to his efforts. A letter said:

> We Georgians express the strongest desire to be united with the other colonies, in every constitutional measure, for the removal of public grievances, and are willing in this noble struggle to exert ourselves to the utpressed with the strongest sense of their most; to make every sacrifice that men, imrights and liberties and warm with the most benevolent feelings for their oppressed brethren, can make, and to stand firmly or fall gloriously in this common cause.

That was the sentiment and dedication to liberty in the young colony of Georgia 200 years ago today.

INCREASE IN GASOLINE TAX

Mr. GOLDWATER. Mr. President, in recent days there has been considerable speculation over whether the Ford administration would recommend an increase in the Nation's gasoline taxes as an anti-inflation device. I realize that while several persons in the Government have made statements which might lead to this decision that no final decision has as yet been announced by the White House. Nevertheless, I want to record right now the fact that I am completely and unalterably opposed to this idea.

Mr. President, we are already paying enough, if not too much, for the fuel to run our automobiles. In my State of Arizona where we measure distances between towns at hundreds of miles, it would prove nothing short of disaster to have an additional burden placed upon what our users already are paying for their fuel.

I would suggest that any attempt to increase the gasoline tax, should it come to the floor of Congress for debate, would be overwhelmingly defeated. In the meantime, I believe there are other ways to take care of our energy problems, and I will suggest one or two of them right here.

Why doesn't the administration get busy and suggest more incentives for the drilling of new wells and the construction of new refineries and the building of offshore unloading stations?

Mr. President, there will come a time when the 210 million people of this country are going to get sick and tired and fed up with high taxes. I have a strong suspicion that that day is not too far off, and when it comes, we in the Congress are going to rightfully hear about it because we have been the cause of most of our problems with money. I repeat that I will oppose any increase in the gasoline tax because I think it is uncalled for, unwise, and would work untold hardships on our people.

JEFFREY R. BIGGS NAMED TO DIRECT USIA OFFICE IN BRAZIL

Mr. McGEE. Mr. President, I take great pride in drawing the attention of my colleagues to an article in the Laramie, Wyo., Daily Boomerang of September 15, detailing the latest honor in the career of a young man who once served as a summer intern in my office.

Jeffrey R. Biggs, son of Mr. and Mrs. Wallace R. Biggs of Laramie, has been named assistant cultural affairs officer and director of the U.S.A. Center in Rio de Janeiro. The article details his career since he was graduated from University Prep High School at Laramie in 1959. In brief, Jeffrey has received his bachelor's degree from Harvard, a master's degree from Victoria University in New Zealand as a Fulbright scholar, is working on his Ph. D. from George Washington University here in Washington and has been with the U.S. Information Agency since 1967.

Jeffrey, his wife, Janet, and their daughter, Jennifer, will soon be in Brazil. I congratulate him and his family on this new position, and wish him every success possible in his new assignment. I know he will do well.

Mr. President, I ask unanimous consent that the article outlining this appointment and its responsibilities be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIGGS NAMED TO POST IN RIO

Jeffrey R. Biggs, son of Mr. and Mrs. Wallace R. Biggs of Laramie, has been appointed assistant cultural affairs officer and director of the U.S.A. center in Rio de Janeiro, effective this month.

Biggs is a graduate of University Prep, 1959. He has an AB degree from Harvard

University and a master's degree from Victoria University, Wellington, New Zealand, where he was a Fulbright scholar 1963-64. He expects to receive his Ph.D. in American Studies from George Washington University, Washington, D.C. in 1975.

At Prep, Biggs was president of the Student Council. He later worked on the summer-staff of Sen. Gale W. McGee in Washington. After a year of law school at Cornell University, he did political research for the Department of Agriculture before joining the U.S. Information Agency as a special assistant to the Chief of the USIA training division in 1967. Later he made a world-inspection tour of USIA offices and participated in a USIA grid-seminar in New Delhi, India. Prior to his appointment to the Rio position, Biggs was coordinator of American studies in the USIA cultural division.

This is Biggs' first foreign assignment. Going to Rio with him will be his wife, Janet, a Duke University graduate and until recently assistant coordinator of the Congressional Research service, Library of Congress, and a daughter, Jennifer.

The new USIS center in the Copacabana sector of Rio was completed in May this year. It is the largest of the USIA establishments in South America. The Rio center provides a comprehensive source of knowledge on the United States, including texts, films, microfilm, newspapers, and periodicals. The Rio center includes large conference and smaller seminar rooms, student orientation sessions, and art exhibits, workshops and round-table discussions. It provides multi-media presentations of slides, films, and videotape camera and playback equipment. Traditional services include a film library, reference service, lending of phonograph records and music scores, and the latest issues of selected magazines. It also houses the famous Thomas Jefferson Library, formerly located in the American Consulate in Rio.

The RIO USIS center was inaugurated to continue the long 105-year history of Brazilian-American relations on a program for Brazilians seeking additional cultural knowledge about the United States.

Biggs' Ph.D. thesis subject is Caleb Cushing, who masterminded America's first trade treaty with the Chinese in the 1840s.

THE BLACK ECONOMIC SUMMIT

Mr. BROOKE. Mr. President, in recent weeks representatives of the public and private sectors have met, at President Ford's request, to propose recommendations that will help alleviate our Nation's economic plight. I believe these meetings, both the regional conferences and last week's economic summit with President Ford, have been constructive. And I am hopeful that they will result in meaningful change.

But I want to point out that in addition to the meetings called by the Government, another economic conference was held recently. On September 21 and 22, approximately 60 representatives from various black organizations met in Washington to formulate a Black Economic Position Paper.

The principal purpose of the Black Economic Summit Meeting was to assure that during this evaluation of our economic situation, the economic needs of black people are given the proper attention.

President Ford has said that within the next 10 days he will make his proposals on improving the economy. I strongly urge that the President give serious consideration to the recommendations contained in the Black Economic Position Paper.

Mr. President, because I believe it is necessary that the views and recommendations of the conference receive the widest possible dissemination, I ask unanimous consent to have printed in the Record excepts from the Black Economic Position Paper which appeared in the Washington Post on Friday, September 27, 1974.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

A Call for Action From the Black Economic Summit Meeting

On Saturday, September 21st, and Sunday, September 22nd, approximately 60 individuals from various black organizations met in Washington, D.C. to formulate a Black Economic Position Paper. This meeting was not called by the Government. Instead, it was conceived and implemented entirely by the black community as a method of addressing basic economic issues of special concern to that community.

This Call For Action was developed at the weekend meeting and forwarded to the President, prior to his Economic Summit Meeting on Inflation. In view of the widespread indifference and lack of knowledge about the depression gripping black Americans, we present excerpts from our Call For Action so that the public may become better informed about the crucial economic issues facing the poor of this nation.

THE CALL

The President of the United States, in convening an economic summit meeting on inflation, indicated that he is looking for action that is "practical, possible and as rapid in its effects as we can possibly expect." Participants in the Black Economic Summit Conference would like to believe that the President is sincerely committed to that purpose and to implementing whatever progressive action suggestions and policy recommendations may surface in his summit meeting.

Bold and creative approaches will be required to adequately meet human needs and to ease the burden of inflation on the American consumer—particularly on blacks, other minorities, and the poor. The economic crisis now gripping this nation calls for the implementation of anti-inflationary alternatives which address the problems of black and minority people.

THE PRINCIPLES

The American economy belongs to the American people. The burden of halting inflation must not be placed on those least able to shoulder the costs—consumers, workers, the working poor, and the poor. While economists debate whether or not we are in a recession, the black community which historically has been economically deprived, is enmeshed in a depression of the first magnitude.

It is therefore crucial that the President's Economic Summit not serve as a mechanism for burying the economic plight of blacks under distorted economic theories and policies. Such theories and policies serve only to maintain the economic imbalances that fall, all too heavily, on the poor.

The Black Economic Summit proceeded from the following principles:

There is no tolerable level of unemployment. One of the success measures of any economy system of government is its ability to provide meaningful jobs in the public and private sector at an equitable and adequate wage for all citizens who are willing and able to work. Full employment is our goal.

Social programs have traditionally enhanced the participation of blacks in America's economy. It is imperative that these programs not be cut.

The military budget is not sacrosanct. There must be immediate reduction in wasteful, inefficient military expenditures.

The present federal monetary and tax policies serve to perpetuate imbalances in our economy. They result in amassing and concentrating most of our economic resources in the hands of a powerful few through special tax shelters, loopholes and massive subsidies for wealthy corporations.

RECOMMENDATIONS

1. Tax reform and recorded budget priorities

We are alarmed at official pronouncements that suggest social programs must be cut in order to trim the federal budget. It is clear that a budget in the vicinity of $305 billion is not in itself inflationary and that federal expenditures in relation to overall national spending are relatively stable.

Social needs can be met by: reordering budget priorities, including shifting funds from a swollen $90.5 billion Defense budget (FY 75); thoroughgoing reform of income, Social Security and property taxes; erasing inequities created by tax loopholes and subsidies, such as capital gains taxes, agricultural subsidies, and oil depletion allowances, for individuals and corporations.

Pending the enactment of thoroughgoing tax reform, we urge the prompt adoption of fiscal legislation which will relieve inflationary pressures on the economy while easing the effects of inflation in those low income sectors which bear its burden, disproportionately.

As immediate steps we recommend:

Sharply-increased taxes on excess profits, which are at record levels.

A surtax on upper-income recipients.

Direct tax relief to the lower-income wage earners in the form of an increase in the personal exemption or replacement of the exemption by a tax credit.

2. Full employment

We strongly support the concept and implementation of a full employment economy which provides a job with an adequate income for every person willing and able to work. This concept must be embedded in fiscal and monetary policies for economic expansion and must be sustained and supported by measures that include tax incentives for industry.

We recommend the immediate establishment of a public service employment program providing no less than 1 million jobs. The program we envision should be a first step toward a broader, permanent program of national public service employment to meet unmet needs in the public sector. It should include the following crucial aspects:

Jobs created should carry decent salaries, provide opportunities for career advancement, and include a training component. Consistent with the provision of the Equal Opportunity and Full Employment Act of 1976, as introduced by Congressman Augustus Hawkins and cosponsored by 60 other Congressmen, we demand that job placement provisions be an integral part of the total job training component.

The program should be national in scope, but allocation of "job-center" funds should be concentrated in local areas of high unemployment, including inner-city neighborhoods. Strong federal guidelines should be set and enforced. In addition to the funds allocated to municipalities, there should be provisions for the direct delivery of some federal funds to the impacted communities for the creation and distribution of jobs.

Strong anti-discrimination provisions must be an integral part of the program and minority representation in the program should be extensive enough to offset the high levels of non-white unemployment. We further call for the vigorous enforcement of all existing anti-discriminatory laws, executive orders and agency regulations.

Jobs created should absorb both skilled and unskilled workers.

Public service employment will not only respond to the need for jobs but will also enhance the ability of hard-pressed cities to provide necessary public services in the areas of recreation, environmental control, public safety, health care, child welfare, and manpower. Entities such as Community Action Programs and Community Development Corporations located in and serving low-income communities should also be used as vehicles to implement a public service employment program.

We strongly oppose the Administration's concept embodied in the recently-published Labor Department's Work Incentive Regulations. To require recipients of Aid to Families with Dependent Children (AFDC) program grants to be forced into menial jobs is not an answer to true welfare reform.

Current eligibility requirements for federally-supported child care services effectively discriminate against those families with incomes marginally above the low-income level and those with moderate incomes. This forces women out of the job market. We urge the elimination of these unjustly stringent requirements and the implementation of universal free child care.

We urge the establishment of employment training programs which will address the needs of the 200,000 black veterans who have received less than honorable discharges.

We recommend the establishment of meaningful training programs to provide ex-offenders with the skills necessary to obtain gainful employment.

3. Housing and community development

We propose that immediate steps be taken to address the serious community development and housing crisis affecting black and poor communities with particular emphasis on:

Targeting to minority communities an equitable amount of the funds authorized under the Comprehensive Planning Assistance Program and Community Development Block Grants.

Utilizing all contract authorities for the construction of housing for low and moderate income families.

Making funds available for the rehabilitation of existing housing units so as to bring them within the reach of low and moderate income families.

Assuring that blacks and other minorities participate in all aspects and levels of housing delivery systems.

Utilizing Housing and Urban Development (HUD) programs consistent with a national full employment policy.

4. Lower interest rates and monetary policy

Under the guise of fighting inflation, the tight money policy has become a major inflationary factor. It has increased financing costs of cities and special purpose government borrowing, thus adding to the future tax burden in an unproductive way. It also has crippled the housing industry, while artificially increasing the costs of renting and buying homes. But lowering interest rates per se will not assure that scarce credit resources will be allocated to priority sectors of the economy. We propose that lower interest rates be tied to releasing credit for the housing industry and other priority needs while at the same time restricting loans for non-priority business and consumer credit. The institution of capital controls to restrict dollar outflows by multi-national corporations to overseas markets should be a major part of an eased monetary policy.

5. Price controls

The outrageous rise in prices requires attention and relief. We call for an immediate rollback and firm controls to keep prices from rising.

6. Replacement of food stamps by cash

The rise in food prices which has had a devastating effect on the poor and on low-income families cannot be tolerated. The food stamp program offers one approach to lessening the unfair burden on such families. But it is now too restricted in eligibility and purchase stipulations. Only about a third of currently-eligible persons participate in the program because of the high cost of the stamps, the failulre of authorities to adequately publicize the program, and the stigma of participation.

We propose that a cash allowance with built-in inflation indices be added to the Aid to Families with Dependent Children (AFDC) payments in lieu of the present food stamp program. Benefits should be increased and eligibility expanded. We also call for a similar cash allowance for all persons who although not on AFDC are eligible for participation in the current food stamp program.

7. Economic development and aid to minority businesses

Presently, many minority businesses are being liquidated because of the inability to repay federal loans. We recommend a one-year moratorium on federal loan repayments. There should be a significant increase in set-asides and subsidies to minority businessmen.

A system of tax concessions for financial institutions and other investors should be developed immediately. Such loans and investments should be made available for business development and mortgage financing in black and other poverty communities.

There are several federal programs that have begun to work effectively in minority communities to aid in the economic and business development of rural and urban low-income communities. Minority Enterprise Small Business Investment Corporations (MESBICs) and Community Development Corporations (CDCs) have been primary mechanisms for providing an economic base for these areas. A commitment must be given to these enterprises in order that they may play a greater role in resolving the dual problems of inflation and unemployment. Immediate consideration should be given also to the creation of a domestic development bank for the purpose of aiding in the redevelopment of rural and urban depressed areas.

8. Participation in decisionmaking

We strongly urge the President to appoint black and other minority men and women to key decisionmaking positions in all areas which affect national economic affairs, including the Council of Economic Advisors, the Office of Management and Budget, the Federal Reserve Board, and the Domestic Council.

Continued economic policies that tolerate high rates of inflation and of unemployment have dire consequences not only for our economy, but for our society as a whole. Unfair burdens have been placed on the backs of those least able to bear them, and the continuation or worsening of this condition may well snap the tender threads that bind our society. The spectre of widespread misery and bitter competition for scarce jobs can only increase social and racial tensions to an unbearable degree. The coming bi-Centennial year could thus find our Republic breaking apart as it celebrates the historic event of its coming together.

Our analysis of the economic situation reveals that the economic status of black people has deteriorated to an alarming degree, and that the people most disadvantaged have been the very ones chosen to bear the brunt of the nation's economic distress. Our recommendations draw a clear path out of the tangled jungle of economic problems and into the open fields of an equitable and just prosperity. On the eve of the Summit that will discuss alternatives, we ask that our suggestions be followed, for the sake of black people, for the sake of low and moderate-income families of all races, and for the sake of the nation.

NINE MYTHS OF THE BUDGET CUTTERS

Mr. HUMPHREY. Mr. President, there has been a great deal of talk in recent months about the need to slash the Federal budget in order to control inflation. Certainly all of us are concerned with inflation and are willing to take any reasonable step to reduce it.

However, many of us have had nagging doubts about the effectiveness of a $5, $10, or even $15 billion Federal spending cut in significantly bringing inflation under control in a $1.4 trillion economy.

On September 27, Walter Heller exposed nine of what he considers to be the most prominent "myths" of the budget cut zealots in an article in the Wall Street Journal.

Myth No. 1: "Profligate budget expansion has plunged us into this inflation." Dr. Heller notes that food, fuel and commodity price explosions, coupled with excessive dollar devaluation, accounted for the great bulk of the 1973–74 inflation. He also notes that the real volume of total Federal spending is somewhat lower today than in 1972.

Myth No. 2: "Huge Federal deficits have poured fuel on the fires of inflation." This may have been true at times in the past, but certainly is not the case today. Using the high-employment budget concept, the budget turned from a $2 billion deficit in fiscal 1973 to a $10 billion surplus in fiscal 1974 and is on its way to a $15 billion surplus in fiscal 1975.

Myth No. 3: "When you add back into the budget the net borrowings of 'debudgeted' agencies, the total Federal deficit last year was not $3.5 billion but $21 billion." This mixes oranges with apples. These borrowing transactions represent the trading of one asset—cash—for another asset—debt obligations—rather than the purchase of goods and services or the transfer of purchasing power.

Myth No. 4: "Cutting the budget offers us so much anti-inflationary clout that we should move ahead on it and make fiscal policy even more restrictive than it is." The experts are virtually unanimous in their conclusion that, short of brutal budget slashing, budget cutting will do very little to reduce inflation. A $5 billion reduction would shave a mere 0.1 percent or less from our rate of inflation.

Myth No. 5: "Since budget cutting would give the economy a psychological uplift, it would cost far less in lost jobs and lost output than the computer models indicate." There is no reason to draw this conclusion from any commonsense analysis of the effect of a budget cut on our economy.

Myth No. 6: "In the face of raging inflation, budget policy has to be a one-way street; namely, cut, cut, cut. The main contribution the Federal Government can make to the battle against inflation is to tighten its own belt." This myth fails to recognize that a budget policy to fight inflation must also provide equity for the casualties of this battle—the poor, the old, and the jobless.

Myth No. 7: "Surely, out of this year's $305 billion budget, one can readily find savings of $5 to $10 billion, a mere 2 or 3 percent cut." With one-quarter of the fiscal year behind us, cutting the budget below $300 billion will be difficult and could be dangerous. Hasty budget slashing will hit the easily reached programs and not necessarily the lower priority programs.

Myth No. 8: "Nonetheless, since we must balance the budget in fiscal 1976 and develop surpluses thereafter, it is imperative to get started on budget cutting now." It is really too early to tell whether a balanced budget will be the proper fiscal policy for our economy a year from now.

Myth No. 9: "When all is said and done, the fact is that the 1969–71 economic game plan was subduing inflation even before Mr. Nixon slapped on the wage price freeze." Close analysis demonstrates that the economic game plan of 1969–71 was not slowing inflation.

Mr. President, I ask unanimous consent that Dr. Heller's excellent article, entitled "Budget Cutting and Inflation," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUDGET CUTTING AND INFLATION

(By Walter W. Heller)

As the month of economic summitry draws to a close and the White House draws from it some guidelines for presidential action, budget-chopping seems to be high on the agenda. But before Mr. Ford and the Congress conclude that the budget is the taproot of today's inflation and decide on budget-cutting as their chosen path out of the inflationary wilderness, they should take a hard look at the "facts" and arguments on which the budget hardliners rely to make their case. A realistic reappraisal will surely assign budget cuts a more modest role in the battle against inflation.

Under the somewhat incendiary heading of "myths," let me examine some of the misapprehensions, dubious assumptions and questionable assertions that seem to underlie the zeal of the budget-cutters. To them, the term "myth" may be a red flag. But it saves space and may serve to organize the mind.

Myth No. 1: Profligate budget expansion has plunged us into this inflation.

Part of the answer to this myth is well known: skyrocketing food, fuel, and commodity prices, coupled with excessive dollar devaluation, accounted for the great bulk of our 1973-74 inflation. Though excess demand compounded the problem in 1973, inflation even then was as much a supply-squeeze and cost-push phenomenon as it was a product of demand-pull. Today, it is rapidly maturing into a self-propelling price-wage spiral.

Less well known, perhaps, is that recent real budget increases are being held to modest levels: the real volume of total federal spending (in constant dollars) is somewhat *lower* today than it was at the end of 1972.

Two perspectives on the "huge" $30 billion spending increase (to $305 billion) in the current year's budget also cut it down to size:

In high-employment terms, revenues are rising $33 billion this year. Indeed, with normal economic growth plus inflation of only 5% a year, federal revenue increases between now and 1980 would average $44 billion a year, according to Brookings projections.

Of the $30 billion budget increase this year, $19 billion is mandated under open-ended programs, and another $7 billion is earmarked for boosts in defense and federal pay, leaving only $4 billion for "relatively discretionary domestic programs." Only 2% increase, far less than the rates of inflation, is projected for social grant programs.

Myth No. 2: Huge federal deficits have poured fuel on the fires of inflation.

That surely was a valid view in the Vietnam inflation, but just as surely is *not* the case in the 1973–74 inflation.

On the contrary. After being very stimulative in 1972, the budget came hard about in 1973–74. Measured in terms of a high-employment economy (and regardless of the requiems being sung for the high-employment budget concept, it remains the best shorthand measure of the budget's economic impact) the budget turned from a $2 billion deficit in fiscal 1973 to a $10 billion surplus in fiscal 1974. And it's heading for a surplus of over $15 billion (annual rate) in the first half of calendar 1975. Even if one prefers to use a 4½% unemployment rather than 4% as a measure of high employment, the *shift* toward restraint—and it's the *shift* that counts most in the impact on aggregate demand—would still be over $15 billion.

On a national income accounts basis, the *actual* federal budget deficit has also been shrinking steadily: from $20 billion in fiscal 1972, to $15 billion in 1973, to less than $2 billion in fiscal 1974. Indeed, the NIA budget was in balance by mid-1974.

Granted, a surplus last year would have been even better. But the key point is that even after adjusting for the revenue-boosting impact of inflation, federal fiscal policy *has* been leaning against the inflationary wind.

Myth No. 3: When you add back into the budget the net borrowings of "de-budgeted" agencies (federally sponsored agencies like Fannie Mae and the House Loan Banks and wholly owned agencies like the Ex-Im Bank and the Postal Service), the "total" federal deficit last year was not $3.5 billion but $21 billion.

But that surely mixes oranges with apples. The Commerce Department quite rightly excludes the credit operations even of the on-budget agencies from its national income account calculations of the federal budget. Why? Because they represent the trading of one asset (cash) for another asset (debt obligations) rather than the purchase of goods and services or transfers of purchasing power.

Federal off-budget credit operations are an important part of total U.S. financial flows—federal agency securities represented 31% of the net increase in all money and capital market securities in 1973. It is obviously desirable to coordinate their borrowing and lending activities with Federal Reserve policy. And the net impact of their credit operations—along with those of thrift institutions and others—must be weighed in formulating U.S. fiscal policy.

But in effect to single out one set of lenders like FNMA and FHLB and imply that *their* net lending should be matched with increased taxes runs counter to economic logic. Would the advocates of this position have us boost taxes by, say, $15 billion to match their net lending this year and then, if there were a net repayment of $10 billion next year, cut taxes by $25 billion at that time?

Indeed, if one is going to play the budget consolidation game, it would be a good deal less illogical to combine state-local budgets with the federal budget. This consolidated budget shows an *actual* surplus of nearly $4 billion in 1973. I say "less illogical," because recent state-local surpluses are directly related to rapidly growing federal grants that help generate federal deficits. But I do not press the point.

Myth No. 4: Cutting the budget offers us so much anti-inflationary clout that we should move ahead on it and make fiscal policy even more restrictive than it is.

A variety of econometric studies have all come to the same conclusion on this subject: short of brutal budget-slashing, budget cuts do not offer much in the way of relief from inflation. The University of Michigan, IBM and Data Resources models—as well as studies cited by OMB director Roy Ash last June—all conclude that cutting federal spending by $5 billion would shave only 0.1% or less off of the rate of inflation. In exchange for this negligible benefit, the cost would be in the range of 100,000 to 200,000 jobs.

Myth No. 5: Since budget-cutting would give the economy a psychological uplift, it would cost far less in lost jobs and lost output than the computer models indicate.

Nothing we know on the basis of common-sense economic analysis or past evidence supports the assertion that cutting the budget will generate a sudden surge of confidence in the stock market and other financial markets, and that the resulting contagion will invigorate rather than subdue the economy. What a budget cut *may* do is to free funds for use in credit-hungry private markets. That indirect effect, not any psychological impact, might provide some offset to the direct demand-weakening effect of the cut.

Myth No. 6: In the face of raging inflation, budget policy has to be a one-way street, namely, cut, cut, cut. The main contribution the federal government can make to the battle against inflation is to tighten its own belt.

This view fails to recognize that a comprehensive budget policy for "fighting inflation" has to embrace measures to compensate the low and moderate income groups who are bearing the brunt of both inflation and recession. This requires bigger outlays for public service jobs, unemployment compensation, job training, food stamps, housing allowances, and the like. It calls for payroll and income tax relief for the working poor and those of moderate incomes.

In other words, the resources freed by pruning unneeded or wastful expenditures from the budget—and of removing oil and other tax shelders—can find ready and responsible outlets in redressing the grievances of those groups (and industries like housing) that have been ground under the hobnailed boots of inflation and monetary-fiscal austerity.

In passing, one should note that a number of summiteers, especially in the business and financial community, seem to support a different version of budget offsets. They wave the balanced-budget banner and urge expenditure cuts, yet in the next breath press for larger "tax expenditures" in the form of tax cuts on investment income, capital gains, savings, capital spending, and so on. Economic summitry is hardly synonymous with economic symmetry.

Myth No. 7: Surely, out of this year's $305 billion budget, one can readily find savings of $5 billion to $10 billion, a mere 2% or 3% cut.

Granted, many programs are marbled with fat that makes them juicier and tastier without making them more nourishing. Granted also, some savings can be achieved in the process of shifting budget priorities. But even with its improved procedures and staff, Congress will find this a slow and painstaking job.

Quite apart from its depressing effect on a sagging economy, a crash program to cut the current budget "below $300 billion" when we are already one-quarter into the fiscal year is likely to be disruptive and inefficient. It will focus on those programs that the government can get its hands on quickly rather than those that are wasteful and of low priority. Equity and efficiency will be poorly served.

Myth No. 8: Nonetheless, since we must balance the budget in fiscal 1976 and develop surpluses thereafter, it is imperative to get started on budget-cutting now.

A balanced budget *could* be the right economic policy for fiscal 1976 if (a) the economy is well on its way to full employment by then and (b) the Federal Reserve can be relied upon to balance overly tight fiscal policy with an easing of monetary policy. But if these conditions are not satisfied, a balanced Bicentennial budget will be a will-o'-the wisp—budget cuts that retard recovery and the expansion of tax revenues that goes with it would prove to be self-defeating.

But what of the federal surpluses we will need later in the 1970s to irrigate the capital markets, to help finance the huge capital outlays we will need to meet our energy needs, expand capacity, and apply the latest technology? The requisites of non-inflationary capital spending, as now projected, clearly call for those surpluses. But they do not, of themselves, call for budget cuts.

The Brookings projections already cited indicate that revenues will grow so rapidly that, even with only moderate restraint on the expenditure side, the federal budget will generate large surpluses. Given present budget initiatives and only 3% inflation, these projections show a $39 billion net high-employment surplus by 1980.

Myth No. 9: When all is said and done, the fact is that the 1969–71 "economic game plan"—the lineal ancestor of today's "old-time religion"—was subduing inflation even before Mr. Nixon slapped on the wage-price freeze. Inflation had already receded from the 6% plus level in 1970 "to the 3½–4% zone by the first half of 1971."

Neither the conclusion nor the numbers stand up under close analysis. Since the alleged effectiveness of fiscal-monetary restraints in 1971 is so central to the argument for budgetary austerity today, it is important to demonstrate how misleading it is:

Although the rise in the CPI slowed down from 6% in 1969-70 to 4½% by mid-1971, two-thirds of that improvement was simply a swing in mortgage interest rates, up 10% in 1969-70 and down 11% by mid-1971. Commodities other than food kept rising at about a 4% rate throughout the period.

The wholesale price index showed little change, rising 3.7% from 1969 to 1970 and 3.5% from mid-1970 to mid-1971. The consumption component of the GNP deflator rose 4.8% in 1969-70 and 4.4% from spring 1970 to spring 1971, with prices of consumer services and durable goods actually rising.

The "chain price index for gross private product," perhaps the best comprehensive index of quarterly price movements, rose 4.8% (annual rate) during the second quarter of 1971, actually a bit more than the 1969-70 increase.

The weight of the evidence led Arthur Burns to conclude in his statement to the Joint Economic Committee in July 1971, that substantial progress had not been made in checking inflation.

The foregoing effort to separate fact from fiction on the budget is not designed to shield the budget from its fair share of belt-tightening and waste-cutting in the face of virulent inflation. Rather, it seems to reduce the twin danger that we will vent our inflationary frustrations in unwise and unwarranted budget cuts and let the zeal for fiscal restraint block the tax and budget relief so urgently needed to temper the wind to the shorn lambs.

U.S. FARM EXPORT PROMOTION IN A PERIOD OF INCREASING FOOD PRICES

Mr. McGOVERN. Mr. President, in a period of rapidly increasing food prices, many Americans wonder why the Government of the United States continues its efforts to promote the export of agricultural products.

The agricultural trade press has reported that serious thought is being given to a 5-year phaseout of the market development program under which the Foreign Agricultural Service of the U.S. Department of Agriculture pays part of the cost of export development activities by producer organizations.

Termination of a successful long-term program because of short-term constraints, particularly when our short-term situation could well be reversed in a few months from now, could be most dangerous to our long-term interests.

It is appropriate to discuss the historic development of this program, the export promotion efforts of other producing nations, and the impact of these efforts on our farms and our economy.

The market development program, as it exists today, has its origins in the Agricultural Trade Development and Assistance Act of 1954—the act which also gave birth to the food-for-peace program which it was my privilege to direct in 1961 and 1962.

Commercial export sales—the trade development part of the 1954 act—and the food-for-peace program—the assistance part of it—always have been related.

Our food-for-peace program created markets for commercial export sales. Milk and wheat products were largely foreign to the Japanese after World War II, but donations from U.S. surplus stocks of dairy and wheat products helped develop the Japanese taste for foods such as these. When Japan's economy recovered, it was in a position to buy the food products which its people had learned, through food for peace, to like.

Through this process, Italy and Spain have become important commercial customers of U.S. farmers, and our food-for-peace efforts in India through the years have made that country an important potential future customer for U.S. farmers.

It was in fact revenues from the sale of food-for-peace commodities, paid for by the recipient countries in their local currencies, that provided the initial funds for the market development program. Subsequently, these counterpart funds were supplemented by dollar appropriations, but the amount has been modest through the years. The fiscal 1974 contribution by FAS to this program was $10.4 million—almost the same as the level of 6 years ago.

At the same time, however, the cost borne by the producer organizations for this cooperative program has increased sharply, from just over $5 million in 1968 to nearly $9 million this year.

The producer organizations, representing nearly all farmers in the United States, have an estimated 305 agricultural trade experts working to develop markets for our farm products—161 of them in the United States and 144 overseas. In addition, 125 foreign organizations devote several hundred man-years of staff time to the cooperative project.

Departments of Agriculture in the States work with FAS in foreign market development; FAS estimates that these departments allocated about 70 man-years of staff time to these activities.

The substantial growth in U.S. farm exports is well known—from $3 billion in fiscal 1955 to $21.3 billion in fiscal 1974. Subtracting the approximate $10 billion in food imports in fiscal 1974—primarily sugar, cocoa, coffee—the United States had a net agricultural trade surplus of over $11 billion, enough to compensate for the deficit in nonfarm export trade, putting our trade balance ahead by $2.8 billion—the first time our balance of payments was in the black for 3 years.

The importance of such a program to my own State is borne out by our share of the export sales of agricultural products in the most recent fiscal year for which data is available—among the States we were seventh in wheat exports, with $81.6 million worth; tenth in feed grain exports, with $50.2 million; tenth in hides and skins, with $19.6 million; ninth in meats and products excluding poultry, with $11.6 million; ninth in tallow and lard with $9.8 million, and second in flaxseed with $8.8 million.

Inasmuch as wheat is South Dakota's most important export product, international wheat marketing efforts are worth examining as an illustration of this program. A number of organizations participate with FAS in wheat market development. Among these are Great Plains Wheat, Western Wheat Associates, and the Millers National Federation.

Our South Dakota Wheat Commission has played a leading role in Great Plains Wheat, Inc., over the years. Through operating funds raised through a check-off of three-tenths of 1 cent for every bushel of wheat sold in South Dakota, the Commission undertakes a variety of wheat promotion activities, including a contribution to Great Plains Wheat, Inc., of about $40,000 annually. State Wheat Commissions throughout the Great Plains also contribute, as do State members of Western Wheat Associates.

During fiscal 1973, GPW spent $520,000 in cash and goods and services raised from U.S. wheat growers and obtained $386,000 from the FAS Market Development program to carry on its worldwide program maintaining offices and experts in the major world wheat markets.

World representatives of GPW and similar organizations perform an important service to American agriculture. In addition to actual promotion and sales they serve as an important intelligence system for American farmers, obtaining market information which may not be available through our official channels.

There is a clear short term rationale for phasing out export market development at a time when many agricultural commodities are in short supply for the first time in our memory. But it is clear that the experiences of the last 2 years are not certain to be the wave of the future.

Even though food grains threaten to be in critical supply for this coming year, there is every possibility that livestock and poultry feeding could be reduced so substantially by widespread liquidation of foundation herds, as is the case with dairy herds, that the domestic market for U.S. grain production could be eroded by a significant degree as early as the 1975–76 marketing year. Should that unfortunate possibility become reality, it would be essential to then have in place a viable, strong market development mechanism in other countries—and essential that we had continued to be a reliable, stable supplier of the products needed by our customers.

Assistant Secretary of Agriculture, Clayton Yeutter, in an address to State Departments of Agriculture in the Northeast on July 22, 1974, said, "We cannot turn market development on and off like a spigot." He is right.

Our short supply situation in some grains provides us a further reason for maintaining a sound export market program such as this. Although we may be tight on one commodity in any one crop year—such as was the case last year in soybeans or this year in corn—it is entirely likely that adequate or surplus situations may exist in other commodities. This year that is the case with respect to rice, to some extent wheat, and certainly with beef, pork, and poultry.

These facts suggest to me that we may wish to consider making our overall export development programs more flexible—to permit "fine tuning" to adjust to changes in our supply situation here at home. Certainly this is not the year for an all-out program to export corn; but a market development mechanism in place is the best way for the United States to talk with its traditional customers about our tight situation and the necessity to stretch out their purchases until our supply situation recovers.

Today's collapsed market in the animal protein sector—meat, milk and eggs—seems to me an ideal case for maintaining and even expanding a program such as this.

It is clear from a quick analysis of the historic expenditures of the FAS Export Development program, and from our export sales figures, that U.S. efforts to export finished animal protein products have not been adequate.

Livestock and meat organizations—excluding poultry—use less than $1 million a year in FAS funds for export promotion, compared to over $2 million for cotton, $1 million for fats and oils, and over $3 million for grains. And of the livestock and meat promotion activities, the major portion went for mink and hide promotion.

There is rapidly growing interest in developing foreign markets for meat and meat products. Foreign market experts tell me that there is significant untapped overseas potential for export of U.S. meat, principally in the eastern European bloc and in the newly rich middle eastern countries. The poultry industry which uses about $700,000 annually from this program is actively developing this market for processed U.S. poultry products.

Just last week, the Soviet Union purchased a substantial quantity of beef from Argentina. The United States needs to share in these developing markets for beef and other meat products; had a stronger meat export promotion program been in place we might have had a share of that transaction.

Should the United States ever cut back in its efforts to develop agricultural markets throughout the world, we can be certain that other exporting countries will move in quickly to fill the void. As a matter of fact, our export promotion expenditures have fallen consistently, in relationship to those of other exporting countries.

Mr. President, I welcome the new attention and discussion being given to our agricultural export promotion activities. This interest is healthy.

I believe that it will serve to reinforce the belief that this is the time to strengthen and make more flexible the programs which we already have, rather than contracting or phasing them out.

It has been my concern for some time that the Department of Agriculture needs to carefully rethink a number of its policies with respect to exporting our American food abundance, and I so stated this concern on a number of occasions.

I am disturbed, for instance, that our present market mechanism would permit a foreign government to buy a significant share of our tight supply of feed grains in the coming year, leaving our own livestock, poultry and dairy producers with inadequate supply and impossibly higher prices.

If the Department does not guard against such an occurrence, then it can be certain that even its friends in agriculture and in the Congress will be unable to support the continuation of its export sales efforts.

The distinguished chairman of our Committee on Agriculture and Forestry (Mr. TALMADGE) has announced to the Senate that the first order of business of our committee in the next session, beginning in January, will be to consider significant improvements in the farm program which we enacted last year.

In addition to dealing with the necessary increases in floor prices for crops and dairy products and the question of a reserve stocks management policy, it is my hope that we can also examine our export policies and our export market development programs with respect to their impact on our farmers and ranchers' economic position and on our overall economy.

Mr. President, I ask unanimous consent that there be printed in the RECORD two dispatches which appeared on the Commodity News Service wire relating to the export market program, the text of an address by Assistant Secretary Yeutter on this subject, and tabular material which provides significant information with respect to our investment in export market development.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGRICULTURE EXPORT PROMOTION CUTS REPRESENT PERSONAL RATHER THAN DEPARTMENTAL OPINION

WASHINGTON, September 17.—Top Agricultural Department Economist Don Paarlberg told CNS today a suggestion be made about fighting inflation by reducing or eliminating the promotional activities of the foreign market development division at last Friday's agricultural mini-summit on inflation represents a personal rather than a departmental viewpoint.

Paarlberg said the idea is just one of a number he believes should be discussed but not necessarily implemented. He was quick to cite the reasons he feels the proposal has merit, however, saying that the question is whether it would be logical to promote agricultural exports when supplies are short and demand is strong at home.

While his remarks were cleared with USDA Secretary Earl Butz's office, the views are Paarlberg's own and not the result of consultation with others. Had Paarlberg presented his views to acting foreign market development head Leon G. Mears, they probably would not have been met with approval.

Mears expressed complete surprise when told of the proposal, and as of today had not yet received a copy of Paarlberg's remarks. He did not wish to comment on the specific suggestion without reading it himself; but export promotion cuts "are certainly not a policy that I am aware of," he said.

Mears told CNS foreign market developments positions is that phasing down its programs would entail serious risks for the U.S. "We're convinced in our own minds," he said, "that in the years down the road the U.S. will have an abundant surplus to export, and since other countries may be in the same position, (the U.S.) needs to maintain a competitive edge by continuing to promote agricultural products."

The Office of Management and Budget is currently finalizing an inter-departmental study in which OMB recommends cutbacks in the export promotion activities of several government agencies.

Mears said he expects the report to be substantially different by the time it is made public, indicating that USDA's position in inter-agency discussions has not been sympathetic to the OMB stance. Paarlberg said his own thoughts on the subject are not specifically related to the OMB study.

USDA CONSIDERS 5-YEAR PHASE OUT OF SUPPORT FOR EXPORT GROUPS

WASHINGTON, September 23.—The Department of Agriculture is considering a five-year phase out of financial support for groups promoting exports of U.S. agricultural commodities. The phase out is the recommendation of a study by USDA's office of planning and evaluation.

The groups in question were set up with the help of USDA's foreign market development office to promote U.S. commodities abroad. They are essentially industry, not government, controlled.

For that reason, a high USDA official told CNS, financial aid to them was meant to serve as seed money until the groups got off the ground and became fully financed by their respective industries. But most have been reluctant to withdraw from the Federal trough, the official said, and some in USDA think continuing to subsidize private groups promoting foreign sales is a mistake when domestic food prices have become a major political issue.

The five-year phase out, the official told CNS, would give the groups notice that they must sink or swim on their own but will also give them adequate time to find necessary funding.

Perhaps understandably, foreign market development's acting director Leon G. Mears is reluctant to see this area of his agency's activities drastically cut back.

Mears said that while such groups as the American Soybean Association have established efficient internal financing programs permitting* independence, in other commodities the problems are more difficult. In grains, for example, Mears said there are only a few firms and several of them are international, which makes them unwilling to contribute to promote a particular country's product.

Mears said he shares the goal of trying to phase out Government financial participation, but believes setting a specific timetable for all the associations is unrealistic. He also contends critics should look at the long-range benefits of exports rather than just at immediate dissatisfaction with high prices.

The USDA study recommendation is now under discussion, the high official told CNS, with no deadline for a decision. The official said that even if the recommendation is adopted, it won't necessarily mean a reduction in overall funding for foreign market development. Instead, the money might simply be shifted to other activities.

One USDA official, economist Don Paarlberg, has been publicly advocating cuts in the department's export promotion activities, but has termed his position a personal one.

LIST OF COOPERATORS

COTTON

Cotton Council International or International Institute for Cotton.

DAIRY & POULTRY

Poultry and Egg Institute of America.
Dairy Society International.

FAT & OILS

American Soybean Association.
National Peanut Council.
National Soybean Processors Association.

FRUIT & VEGETABLES

California Prune Advisory Board.
Florida Citrus Commission.
California-Arizona Citrus League.
Northwest Horticultural Council.
Cranberry Institute.
California Raisin Advisory Board.
California Cling Peach Advisory Board.
Sunsweet Growers, Inc.
California Almonds Growers Exchange.
Rio del Mar Foods, Inc.
Diamond Walnut Growers, Inc.
Texas Citrus Exchange.
Pure Gold Inc.
McAllen Fruit and Vegetable Co.
Co-River Citrus Co.
Sunkist Growers, Inc.
Continental Nut Export Co.
Heggblade-Marguleas-Tenneco, Inc.
The Potato Board.
Seald-Sweet Growers, Inc.
Texasweet Citrus Inc.
Del Monte Corporation.
Green Giant Company.

GREEN & FEED

Western Wheat Associates, USA, Inc.
Great Plains Wheat, Inc.
Millers' National Federation.
Rice Council for Market Development.
U.S. Feed Grains Council.
National Dry Bean Council, Inc.
American Seed Trade Association.
Protein Grain Products International.

LIVESTOCK & MEAT PRODUCTS

National Renderers Association.
Santa Gertrudis Breeders International.
American Braham Breeders Association.
American Hereford Association.
American Polled Hereford Association.
American Angus Association.
Tanner's Council of America.
American International Charolais Association.
Holstein-Friesian Association of America.
EMBA Mink Breeders Association.
American Quarter Horse Association.
Brown Swiss Cattle Breeders' Association.
National Association of Animal Breeders.

TOBACCO

Virginia Dark-Fired and Sun-Cured Tobacco Export Association, Inc.

U.S. AGRICULTURAL EXPORTS VERSUS FAS MARKET DEVELOPMENT EXPENDITURES

Leading markets for U.S. agricultural exports	U.S. commercial sales		U.S. market development expenditures	
	Millions	Percent of total	Thousands	Percent of total
FISCAL YEAR 1963				
Canada	$517	14.4	$30	0.3
Japan	487	13.5	859	8.8
United Kingdom	360	10.0	738	7.6
West Germany	347	9.6	1,076	11.0
Netherlands	344	9.6	556	5.7
Italy	210	5.8	899	9.2
Belgium	119	3.3	477	4.9
Spain	112	3.1	239	2.4
France	84	2.3	665	6.8
Denmark	72	2.0	95	1.0
Total	2,652	73.6	5,634	57.7
FISCAL YEAR 1973				
Japan	2,219	19.3	2,195	20.0
Netherlands	971	8.2	463	4.2
Canada	929	7.8	266	2.4
U.S.S.R	900	7.6	0	----------
West Germany	888	7.5	1,055	9.6
United Kingdom	529	4.5	856	7.8
Italy	497	4.2	378	3.4
Spain	387	3.3	111	1.0
France	335	2.8	448	4.1
South Korea	311	2.6	317	2.9
Total	8,038	67.8	6,089	55.4

RELATIONSHIP BETWEEN PROMOTION EXPENDITURES IN FOREIGN MARKETS AND AGRICULTURAL EXPORTS, SELECTED COUNTRIES, FISCAL YEAR 1973[1]

Country	Agricultural exports (millions)	Promotional expenditures[2] (millions)	Promotion/exports (percent)
Australia	$4,202	$39.8	0.94
Canada	2,880	24.7	.85
Denmark	1,318	13.2	1.00
France	5,821	5.5	.09
Israel	269	6.8	2.52
Netherlands	3,750	14.5	.38
New Zealand	1,855	16.4	.88
South Africa	1,100	14.9	1.35
United States	12,900	[3] 17.6	.13

[1] Figures revised June 28, 1974, using Dec. 31, 1972, Treasury exchange rates.

[2] Promotion expenditure estimates of these countries are based on agricultural attache reports from selected posts.

[3] Includes expenditure of government funds and cash contributions of the cooperating trade associations.

U.S. AGRICULTURAL TRADE BALANCE

[Fiscal years 1964-74; in millions of dollars]

Fiscal year	Exports	Imports	Trade balance (plus)
1964	6,068	4,096	1,972
1965	6,097	3,986	2,111
1966	6,676	4,454	2,222
1967	6,771	4,453	2,318
1968	6,311	4,656	1,655
1969	5,741	4,931	810
1970	6,719	5,592	1,127
1971	7,758	5,828	1,930
1972	8,047	6,048	1,999
1973	12,894	3,323	5,571
1974	21,300	9,500	11,800

MARKET DEVELOPMENT—NO TIME FOR COMPLACENCY

(Speech by Assistant Secretary Clayton K. Yeutter, before the Northeast Regional Meeting of the National Association of State Departments of Agriculture, Saratoga Springs, N. Y., July 22, 1974)

Market development has been one of the keys to the improving incomes of American farmers in recent years. Long-term market development work has been responsible for steady and significant gains in U.S. export sales of farm products—the kind of steady sales that have strengthened the dollar and helped keep down the American consumer's overall cost of living. Market development is a proven success, for our agriculture and for the nation.

And yet agricultural market development may be entering its most crucial period.

It is true that our farm exports have doubled in the past three years. It is true that strong growth trends have been established for several of our important commodities, such as soybeans, feed grains and cotton. It is true that we have well-established market development programs operating in many of the fastest-growing agricultural markets overseas.

But it is also true that the current seller's boom in farm commodities has probably already passed its peak. Consumer demand is softening around the world under the impact of inflation. Perhaps most serious of all, many people in this country have begun to question why we should continue our agricultural market development efforts when food prices are high and there are predictions of a world food crisis. Even many farmers, especially those trying to produce livestock profitably on high-priced feed, question why we should encourage more foreign demand for our farm production.

There are only two reasons why we should continue market development programs. First, they are absolutely vital to the continued economic well-being of American farmers. Second, they are likewise vital to the continued economic well-being of our consuming public.

We in the United States are fortunate in that we can produce many farm products more efficiently than anyone else in the world. Hence, we want to export them in the same way that the French export wines and the Japanese export consumer goods, to pay for the imports that support our standard of living.

Recent devaluations of the dollar were necessary because we didn't export enough . . . and those devaluations meant a quick cut in the relative standard of living for every American. Only the 65 percent increase in farm exports last year, to a total of more than $21 billion, staved off still another devaluation.

Now, with the price of imported energy far higher, and with imports of this country still running at a record pace, farm exports are being called upon to play a more important part than they have ever played before in the economic health of this country.

It is not going to be easy.

(*Mr. Mears states that he was quoted incorrectly; the phrase should read "permitting more independence.")

Despite the surge of Malthusian converts, we have not entered the era of perpetual food scarcity. The current tight world food supplies derive importantly from unusually bad weather in a number of countries. The situation has been complicated further by the Arab oil boycott, which affected world fertilizer production. But these are temporary conditions, not permanent ones.

Furthermore, higher farm prices of the past two years are bringing in more acres and stimulating higher yields around the world. Economic competition in the agricultural sector is likely to get stiffer, beginning next year.

Consumer incomes are also taking a beating from inflation and high priced energy. This is slowing the trend toward better diets, and holding back some of the demand growth that would otherwise have materialized. The softening of consumer demand has already hurt livestock producers all over the world. It is likely to have an important impact on grain demand too.

Agricultural productivity is continuing to increase in countries around the globe, from technology that is already available. Crop yields are increasing more than 2 percent per year in the U.S., about 3 to 4 percent in the Soviet Union, more in some other countries. Livestock feed efficiency is improving too. With a return of favorable weather, and continued gains in crop yields, the world could rebuild its food stocks very rapidly indeed. Then predictions of famine would be forgotten and farmers would be left quietly alone to figure how much the market can take without driving prices below the cost of production.

We cannot count on bad weather to produce good markets for farm products. Unless our reliable markets expand as fast as crop yields, we will be back with surpluses on our hands again. When that happens, U.S. consumers will wonder what happened to their dollar purchasing power—and farmers will know.

You believe in market development, and have been working hard for it. State Departments of Agriculture all over the country are working closely with our Foreign Agricultural Service and providing strong support for the market development effort. I was tremendously pleased last week when we were able to announce the formation of the Eastern U.S. Agricultural and Food Export Council to promote farm exports from the Northeastern States.

Many of the people here today are playing key roles in EUFASEC. Phil Alampi, of course, is President of the new group; Frank Walkley, our host as Commissioner of Agriculture and Markets in New York State is the Secretary-Treasurer, and Nathan Chandler of Massachusetts is on the Executive Committee.

It is no accident that farm exports from the Northeast were nearly a quarter of a billion dollars in 1973, and are up considerably this year. Fruits and vegetables, dairy and poultry products, tobacco, feed grains, soybeans, purebred livestock and a wide variety of processed foods flow from farms in this region to markets in other lands. With the efforts of EUFASEC and all of you in the years ahead, we hope that total will grow.

We cannot wait until our markets are sagging to start the effort, however. Market development is a long-term proposition. It takes years for the pay-off in significant sales increases. Market development needs to be consistent—and perhaps even counter-cyclical.

We started to cultivate the Japanese taste for beef as early as 1965. They've doubled per-capita beef consumption since—but it still is only 8½ pounds per year.

Another example: the U.S. Feed Grains Council started a project to develop a heavy lamb industry in Spain 6 years ago. The Spanish lamb industry was languishing because the traditional small, tender lambs were too expensive, and consumers rejected the larger less-tender lambs then on the market. The Feed Grains Council began by organizing tours of lamb industries in France, and offering technical assistance on breeding and feeding a larger but still-tender animal.

Today a number of Spanish lamb producers are moving into the new heavy lamb production. Consumers are just beginning to be aware of the new product.

In five years, we expect Spain will have ten million heavy lambs on feed—adding a million metric tons a year to Spanish feed consumption (the ration includes 65 percent grain and 25 percent soybean meal).

The lead time on the whole heavy lamb effort will probably total ten years.

We cannot turn market development on and off like a spigot.

Farm products are vitally necessary to balance our trade accounts and maintain our buying power. Close to a third of our current exports are farm products. Our import bills are higher than they have ever been. And we have the farm productive power to supply both our domestic markets and further growth in export trade.

For its part, the U.S. Department of Agriculture is absolutely committed to continuing a strong and effective market development effort. State Departments of Agriculture are giving outstanding support. We must also have the same committed effort from farmers, and from producer and processor organizations.

People will continue to get more income through economic progress—and they will spend it on their demonstrated desire to eat better.

We have seen this time and time again. We have increased our exports to the Korean livestock industry from virtually nothing a decade ago to nearly 800,000 tons of feed grains last year. We have seen our commercial wheat exports grow from 23 million metric tons a decade ago to 32 million metric tons last year. We are seeing it in the current development of the Spanish lamb industry, which I mentioned earlier. We can see opportunity in the future of the Soviet Union's livestock industries; our experts predict their livestock expansion program and their crop production trends will develop a "feed gap" equal to 40 million tons of corn by 1985. We can look at the tremendous expansion of our soybean industry, and see potential for our peanut industry. I personally believe that there is far more potential than we have tapped in the export sale of beef breeding animals and of high quality meat products. We have had feelers from major Japanese sources about long-term contracts on whole broilers, because Japanese domestic production costs are rising so rapidly.

All of these potential market development gains represent increased demand for farming resources. That is the real key. Whether a U.S. farmer is producing soybeans for export or fresh tomatoes for the local market, whether he has a cow-calf ranch or an orange grove, his returns are importantly affected by the demand for farming acres and farm management. If the demand is strong, his income will be good; if that demand slackens, his income will decline.

We must get this message across to farmers if we are to maintain the farmer support that agricultural market development needs.

We must also help consumers to understand their stake in farm exports and market development. They must realize that with the dollar floating on the world market, anything that helps our trade balance helps their buying power. They must realize how much farm exports contribute to their standard of living in this way.

Exports are the key to the future for the U.S. farmer, and one of the foundations of strength for the American dollar. Market development is the key to farm exports tomorrow.

It is no time to be complacent.

LIVESTOCK LOANS

Mr. DOLE. Mr. President, it has been called to my attention that a large number of Kansas farmers with livestock operations are not receiving assistance under the Emergency Livestock Credit Act. Most of these individuals are family farmers who have been producing and fattening livestock for their entire lives. As one who participated in the drafting and passage of this law, I feel that it was clearly within the intent of Congress that these farmers should receive assistance under the act.

VIEWED AS POLITICAL GIMMICK

It is understandable why many farmers who have suffered severe livestock losses and who now have been declared ineligible for loan guarantees are viewing this law as a political gimmick. Such implementation, in my opinion, is contrary to the intent of the law and the Congress. If the Department of Agriculture fails to properly use the authority and discretion given it, then I believe every Member of Congress should rise in opposition and that more specific directives should be enacted.

The individuals contacting me seem to clearly fall within the definition of "bona fide farmers and ranchers who are primarily and directly engaged in agricultural production for the purpose of breeding, raising, fattening, or marketing livestock" as intended by Congress.

The exclusion of many farmers, and especially family farmers, from eligibility for loan guarantees appears to hinge on the definition by the Farmers Home Administration of the criterion "primarily engaged." It is my understanding that FHA regulations specify that a farmer must meet both of two requirements in order to be considered "primarily engaged." These requirements are: First, a majority of total income derived from livestock operations and second a majority of working time involved in his own livestock operation.

INTENT OF CONGRESS

These criteria, in my view, do not reflect the intent of Congress. It will be recalled that the Senate accepted the House version of the Emergency Livestock Credit Act. However, the House of Representatives, in floor debate, changed the definition of those eligible for loan guarantees from its original broad language to a more restrictive version. The definition accepted by the House, as set forth in the first sentence of subsection 2(a), was nearly identical to the Senate language.

The flow of debate in the House, supported by legislative history in the Senate Agriculture Committee, indicates a specific intent to exclude "drugstore cowboys" or those persons primarily involved in nonagricultural occupations. As stated in the committee report and the House debate, the Congress specifically agreed that the Government should not provide emergency credit relief to those who produce livestock as a hobby or as a tax shelter or only as an outlet for investment of already sizable outside incomes.

The eligibility requirements as clarified in the House debate and as originally defined in the Senate specifically included family farmers. As the sponsor of the House definition stated in the floor debate:

> Viable groups of small- and medium-sized family producers have always proven to be the healthiest type of industry in our free enterprise system. My purpose in supporting this legislation, and particularly this amendment, is to keep the family farm as a strong, competitive element in our livestock industry.

And as the Senate report stated:

> The central thrust and purpose of this legislation are to save from financial ruin and economic liquidation the family farmer, who is the backbone of this nation's rural economy. It is the tremendous influx of desperate pleas from these family farmers in the form of calls, letters, and telegrams that has prompted the committee to act so expeditiously.

In view of the intent of Congress in defining those eligible for assistance as it did, I believe the FHA requirements represent an inaccurate and excessively restrictive interpretation of the law. Most agricultural operators, and especially family farmers, in Kansas and other States as well probably do not receive a majority of their income from livestock operations yet are very much dependent upon their livestock income. Losses from livestock operations have been as severe for many of these individuals as for cattlemen with little or no income from any other source.

CRITERIA MISDIRECTED

The Department of Agriculture's twofold requirement for being "primarily engaged" seems incorrect for several additional reasons. In view of the decline in livestock prices and the rise in the prices of grain and other crops, farmers who previously received a majority of their income from livestock operations may now find that the portion of livestock-related income has shrunk to less than half of their total, due to circumstances beyond their control.

Other farmers may find themselves in dire financial straits because of losses in their livestock operations. Many of these individuals who may have received a majority of their income from livestock would no longer be able to do so due to forced cutbacks in their investment. Many farmers, regardless of whether or not livestock-related income has been a majority of their previous total, will no longer be able to continue their livestock production without assistance under the emergency loan program. These enterprises are vital to a continuation of a healthy livestock industry since they are involved in a substantial amount of livestock breeding and background and finishing feeding. In the interest of the continued operation of individual livestock operations and the livestock industry as a whole, such farmers should be eligible for loan guarantees under the Emergency Livestock Credit Act.

Many farmers have little to do with livestock operations during the summer months when their primary activities are involved with grain crops, although they do spend a majority of their time during the winter months in feeding cattle. While the portion spent on livestock during winter months may not be a majority of working time for many of these farmers, the importance of these farmers to the industry as a whole and of their primary engagement in livestock enterprise is unquestioned.

The low number of loans which have been made under the program to date can be seen in the information I have recently obtained from the U.S. Department of Agriculture:

Loan guarantees granted and value of loans guaranteed

Kansas	7	$987,000
Nebraska	4	548,000
South Dakota	11	2,062,000
Arizona	0	1,557,000
Iowa	12	600,000
New Mexico	3	4,000,000
Oklahoma	25	136,000
Montana	1	
Total, United States	105	15,800,000

There are obviously more cattlemen in Kansas who are in dire straits than seven and the losses in the industry are of such magnitude as to require much more than $987,000 to keep cattlemen operating.

For these reasons, I strongly believe that the regulations put forth by the Department of Agriculture concerning the Emergency Livestock Credit Act should be changed to cover the livestock operations of all agricultural operators and particularly family farmers as I have described. Farmers who have taken such severe losses as to require credit under the act to continue their livestock operations or who may be threatened with going out of business entirely because of losses in the livestock industry should clearly be entitled to assistance under the act. Dozens of Kansas farmers have already contacted me to express their concern about this matter and I hope that prompt action in modifying these regulations will be forthcoming.

THE DEPRESSED HOUSING INDUSTRY

Mr. THURMOND. Mr. President, the economic problems facing our Nation's housing construction industry have been one of the most frequently discussed subjects in Congress as well as in the series of economic summit conferences held at the request of President Ford. Ramifications of the depressed housing industry have been serious and far-reaching.

Recently, I received a letter from Mr. John B. Veach, Jr., president of Appalachian Hardwood Manufacturers, Inc. describing the grave economic plight facing hardwood lumber manufacturers in southern Appalachia. The extremely low volume of housing starts has resulted in a drastic reduction in the demand for hardwood lumber. At the same time costs of manufacturing are at an all-time high, thus creating a crisis situation which threatens the economic livelihood of many hardwood manufacturers and the hundreds of employees who depend on this important industry.

Mr. President, I ask unanimous consent that Mr. Veach's letter be printed in the RECORD at the conclusion of my remarks, and I would commend to the Congress the seriousness of the economic concerns he has voiced. It is my sincere hope that we come forth with effective proposals for dealing with these and other economic problems.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APPALACHIAN HARDWOOD
MANUFACTURERS, INC.,
High Point, N.C., September 10, 1974.

Hon. STROM THURMOND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR THURMOND: The enclosed letter to Dr. John Muench describes the economic impact of current conditions on the Appalachian Hardwood industry, one of the most important industries in South Carolina.

As you will see in this letter, lumber manufacturers are in, or headed for, a crisis situation. Costs of manufacturing are at an all time high, while demand for the product has deteriorated to a five-year low.

Without an immediate turn-around in the economic situation, a majority of the mills in South Carolina will close soon, leaving hundreds of your constituents unemployed. Many of these mills will be unable to return to production when demand improves.

Our members favor a sharp upturn in housing starts immediately by whatever means the government can employ. Additionally a reduction in the prime rate would enable many of our member mills to continue production during the current money crisis.

We hope you will support sound measures that encourage new residential construction at a rate of not less than 2 to 2½ million new starts per year, and a reduction of the prime rate as soon as possible.

Sincerely,

JOHN B. VEACH, Jr.,
President, Appalachian Hardwood Manufacturers, Inc.; Vice President, Bemis Hardwoods Division, Whitewater, Inc.

APPALACHIAN HARDWOOD
MANUFACTURERS, INC.,
High Point, N.C., August 17, 1974.

Dr. JOHN MUENCH,
National Forest Products Association,
Washington, D.C.

DEAR DR. MUENCH: I am writing to you as President of the Appalachian Hardwood Lumber Manufacturers at the request of our Board of Directors. The sharp decline in sales and prices of hardwood lumber in recent weeks as a result of the serious decline in homebuilding starts is so serious that unless something is done by the government to bolster this area of business, permanent damage to the Hardwood Industry will result.

The Appalachian Hardwood producing area covers parts of eight states—Maryland, West Virginia, Virginia, Tennessee, North Carolina, South Carolina and Georgia. It is that area in those states where the elevation is above 1000 feet.

Appalachian lumbermen had good years in 1972 and 1973. The first three months of 1974 were also defined as good business months. When demand was good and sales were excellent, prices were stable and most manufacturers were able to meet demands placed on them by their prime users.

More than half the product of Appalachian hardwood lumber producers goes to the furniture industry in the Virginias and the Carolinas. Furniture plants in Kentucky, Tennessee, Indiana and Arkansas also use this product. It is typically high-grade lumber, with excellent working properties. The lower grades are used in the manufacture of pallets and skids, residential hardwood flooring, truck flooring and architectural woodworking.

Since June, when we had a modest slowdown in demand (sales were about 20% below production), business conditions have deteriorated to an alarming degree.

Manufacturers had a very poor July in which sales were typically 50% of production and so far in August there has been an even greater decline. At the same time, costs have increased greatly for stumpage (the cost of purchasing trees), wages and mill supplies. There has been a dramatic decline in the demand for low-grade lumber for flooring of all types, and some species such as poplar in the lower grades are unmerchantable.

Manufacturers face a period of extreme loss. They generally see a 30%–40% decline in lumber prices and very little demand for grades of 2 common oak and lower. This same decline in demand carries through all of the lower grades of all the species. This very serious decline in demand for the lower grades seriously affects the profit of all timber producers. The reason is that logs are yielding approximately 70 percent of the unsalable lower grades. Since it costs the same amount of money to process a low-grade log as a high-grade log, a definite profit squeeze is put on the manufacturer.

Due to low volume and high prices, small operators are not able to borrow enough money to carry inventory. When they are able to borrow the money, the 10%–10½% interest charges are too large for the small operators to carry. To insure cash flow the smaller operators must dump their lumber on the market, forcing the price of all lumber down. Larger operators who can afford to build inventory are finding that they cannot hire the labor to pile lumber, and are suffering greatly from the loss of cash flow. These larger operators are also forced to dump their lumber on the market, again forcing the price of lumber even lower.

As a result of this drastic decline in home construction, the timber industry is entering an extremely critical period which may well force many operators out of business. If past history is repeated, many of these operators will never return to the manufacturing industry when the demand would make it economically feasible for them to re-enter. Operators who are able to stay in business but must cut back on production will lose skilled and semi-skilled labor that they will not be able to recall when the demand picks up.

It is our assessment that if the economic trend of the last six months continues for another six months, the hardwood lumber producing industry in Appalachia will be unable to meet the demand if and when the economic situation stabilizes and there is again an adequate demand for Hardwood lumber for furniture, truck flooring, architectural woodwork and residential construction. Meanwhile, the economic chaos in Appalachia, due to the loss of jobs and the closing of mills, will be tremendous.

A survey of our members shows us that if the current economic situation involving extremely high manufacturing costs, coupled with a sick housing market and a resulting low demand for furniture grade hardwoods, continues another six months, our industry will be crippled and will be unable to regain 100% of its manufacturing capabilities within a period of 18 months to two years. Our members would urge the government to free money for the mortgage market and to use all other measures available to move housing starts into the area of two to two and one-half million new individual homes a year. Furthermore, our members strongly urge the establishment and maintenance of sound government fiscal policies, and from them economic programs that would be applied evenhandedly so as to restore public confidence in our fiscal integrity.

Dr. Muench, here are a few quotes directly from our members in answer to this question—"if the economic trend of the last six months continues, what is the outlook for your business?"

"We will shut down—in not less than eight months we will be out of business. That will put 200 of our people out of work. If conditions level off at the present situation—we could operate at a very low profit level."

"It would mean disaster for our business. No doubt we will close down within the year. We much prefer inflation to depression."

"We will shut down—cut production 95%—we will keep only a skeleton crew, at best. If the government could get the interest rate down to start home building up again, we'd all be able to stay in business."

"The price of lumber is going below the cost of production; of course, we will have to shut down some facilities. We estimate 1200 families in Appalachia will be out of jobs next year at this time, from our company alone. We are cutting back on production immediately, closing two mills."

"We are now operating all mills in Appalachia at a minimum profit. If the trend is down in the next six months, we will curtail production if necessary. I see a drastic rate of unemployment in both our southern and Appalachian mills."

"We are seriously considering cutting back from two shifts to one shift immediately. We will keep just key men unless the interest rate is eased soon. We have no choice except to close. For the first six months of '74, our profit is down 40% from the same period in '73. We cannot afford to borrow money to run our business at a 10% interest rate. Our accounts receivable are up and timber is just not paying its way. Not including our independent contractors, we'd lay off 170 people by this time next year if conditions do not improve."

"Business is off 20% and profit is down about the same from the same period in '73. I estimate we will have 300 people out of work by the first of the year if there is no improvement."

"Our inventory is way up. If this continues, we will be in the loss column by early fall. We are cutting back to one shift from two shifts and I see a loss of 100 jobs immediately."

"The price of flooring is down from $445 to $235 per thousand board feet. The cost of manufacturing is $340. As you can see, there is no way we can operate, taking that kind of a loss. Profits are down 75%, and our bank interest rate is 11½%. The cost of harvesting timber is way over what it was this time last year. We just can't afford to take it out of the woods. Our production is down 20%, and the cost of labor has risen 12% since September."

"We will lay off 30%–40% of our work force—100 people—in six months. Business is down 30% and profits are down accordingly. Cash flow is our big problem. We have already cut back on furniture parts manufacturing, and we have completely cut off purchases from smaller mills."

"Profits are down 15%–20%, due mainly to poor business over the last three months. We can build inventory for a short time but stumpage prices, especially on National Forest timber, must come down in order for us to stay in business. And there must be some demand for our low-grade lumber which right now is not merchantable."

"May, June and July of '74 compared to the same period in '73, shows a 10% reduction in dollar volume. In addition to terrible rail service, we are experiencing a tremendous increase in accounts receivable and cancellation of orders previously booked."

"We are losing $32 to $35 per thousand board feet in the lower grades. Costs are that much higher over selling prices. We have cut all purchases of logs and lumber from smaller mills. Costs of stumpage, labor and mill equipment are at an all time high, but we intend to keep our production at the present level as long as we can."

As the foregoing quotes from some of our members show, there is little but pessimism in our industry. Appalachian Hardwood Manufacturers, Inc. has always been a dynamic, progressive association whose members typically are optimistic about our industry. Unfortunately, current conditions, as you can see, do not allow us the luxury of continued optimism. Best regards.

Sincerely,

John B. Veach, Jr.,
Vice President, Bemis Hardwoods Division, Whitewater, Inc.; President, Appalachian Hardwood Manufacturers, Inc.

SIERRA CLUB OFFERS "A SKEPTICAL VIEW OF NUCLEAR POWER"

Mr. CRANSTON. Mr. President, as we enter a period of rapid growth of nuclear power, it is essential that questions about the safety, necessity, and efficacy of nuclear power be answered. There are questions about powerplant siting, waste disposal, the efficacy of emergency core cooling systems, the possibility of nuclear theft and sabotage, and the long-term impact of low levels of radiation.

There are also critical economic questions, for if the nuclear industry is to expand at the rate that the electrical utilities have planned, the capital required for this task will be astronomical. A recent article in the Washington Post suggested that if the utilities carry out their planned construction, they will be spending about $300 billion over the next decade compared with $75 billion over the last 10 years. If the utilities have to borrow even half of this $300 billion, the strain on the supply of loanable funds will be enormous and will drain capital away from other public needs such as energy research and development and public mass transit.

In short, our past assumptions about the need to expand rapidly our nuclear generating capacity may need to be rethought. One very penetrating view along these lines is a speech presented on August 26 to the American Nuclear Society by the executive director of the Sierra Club, Mr. Michael McCloskey. I commend Mr. McCloskey's article to my colleagues.

Mr. President, I ask unanimous consent that Mr. McCloskey's speech to the American Nuclear Society be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

A Skeptical View of Nuclear Power

(By Michael McCloskey)

Early this year, the Sierra Club decided it no longer could rest content with the continuation of nuclear power. It called for a halt in the licensing of new plants and joined the growing ranks of the disbelievers. The fact that it did this in the midst of an energy crisis is all the more significant; and, I might add, it did so despite the best arguments of its President at the time, who is a nuclear engineer. Because the decision was not arrived at easily, I think its occurrence is all the more noteworthy, and, I submit, is symptomatic of a developing trend. Today I wish to discuss the climate that bred our skepticism and that is likely to breed even more disbelief.

At the outset, though, I want to stress that the Sierra Club is not a collection of modern-day Luddites. We are not against technology, even high technology. We recognize its benefits and that we will be relying on it more and more. And, I should add, our membership draws heavily from the ranks of scientists and engineers. In fact, we have organized units near most Atomic Energy Commission laboratories, such as Hanford, Los Alamos, and Livermore.

The Sierra Club had many reasons to want to believe in the promise of nuclear power, as did most environmentalists. In the late 1960's, nuclear power seemed to be just the alternative we needed to save spectacular places like Hells Canyon and the Grand Canyon from the last of the giant hydro projects. Then, with the passage of the Clean Air Act in 1970, it seemed to be the easiest way to get away from the dirty emissions of fossil fuel plants. And while the uranium required entailed mining, far less land was disturbed than with strip mining, and its advent could also allow us to rely less on offshore oil drilling. Moreover, oil and gas reserves would not need to be depleted at such rapid rates. It was comfortable to believe that some sort of miracle power was at hand.

And the Sierra Club was deeply involved in pursuing these other environmental goals. We led the fight against dams in the Grand Canyon; we have been in the Storm King case against a pumped storage plant in New York from the beginning; we launched a pivotal case that went successfully to the Supreme Court to prevent clean air from being degraded with new fossil plants or in any other way; we were a party to the successful suit which stopped outer continental shelf leases in the Gulf of Mexico for many months; we have been in the thick of the fight for strong legislation to control strip mining, and have the key case, now on appeal, to obtain a comprehensive environmental impact statement on the federal coal development program in the northern Great Plains. We are not a one issue organization which is on a single-minded crusade against nuclear power.

We had to balance the position we took on nuclear power against reducing our chances of success in pursuing our other goals. We agonized over the decision for a long time, with various study groups in the club rendering reports over a three-year period. Our board was advised by a technically competent committee, which was split down the middle. But in the end, we found that we could no longer close our eyes to the intractable problems of nuclear power out of a desire to enhance the chances of our other campaigns. Each issue must be faced on its own merits, with solutions sought for each.

We had not been oblivious, though, to the problems of nuclear power. We were a party to the Calvert Cliffs case which set the ground rules for environmental impact statements on nuclear plants; we worked along side of the Kansas State geologist in pointing out the problems with the proposed waste repository in salt beds there; we were a member of the National Intervenors in the Bethesda hearings on emergency core cooling safety; we joined in demanding a comprehensive environmental impact statement on the breeder program; and we have probably participated in as many local licensing interventions as anyone.

Yet all of these actions, and the actions of many other environmental groups, did not seem to be evoking basic answers to the problems. If anything, our perception of the magnitude of the problems has grown. We are not convinced that anyone knows how safe the emergency core cooling system is, and what the risk is of a significant accident. We do not think it is responsible to proliferate radioactive wastes whose safekeeping cannot be guaranteed by those who benefit from their production. And we are profoundly disturbed at the revelations by Taylor and Willrich of the dangers of illegal diversion of fissile materials.

We believe society should have satisfying answers for these problems before it permits more nuclear plants to be built. Thus, we are calling for a halt in licensing new plants until answers are forthcoming. Let me emphasize that this policy has two sides to it. On one hand, it could interrupt licensing; but on the other hand, it would force the issue of whether answers exist or can be found. If the answers can soon be found, the industry has nothing to worry about. It merely needs to learn to speak understandably and convincingly. But if the answers do not exist, and cannot be found in a reasonable time, can we all afford to gamble so much? We are gambling with people's lives, with the well-being of future generations, and with prodigious sums of capital that may affect the viability of our economy.

Whether one is willing to gamble depends on a lot of factors. We are no longer willing to gamble because the stakes now seem to be too high, and we no longer have faith in those who would do the gambling for us. Let me describe our changing perception of these factors.

We began jousting with the nuclear industry over the issue of siting, and indeed that is a central issue at this conference. We were anxious to keep nuclear plants out of proposed state parks and wildlife refuges, away from scenic and wild coastlines, off of earthquake faults, and to keep their thermal effluent out of our rivers. By the same token, we were just as anxious to keep other large industrial facilities out of these places and away from these things too. But in the process, we became more acutely aware that there are significant differences. A nuclear plant is not just another industrial plant.

As we go nuclear, we are building up our inventory of highly radioactive materials. The greater the inventory, the greater is the chance that some of it will pass into the environment in general. And some of it has through weapons testing and use, through the loss of nuclear submarines, through leakage into the ground and into streams at storage facilities for weapons waste (16 leaks at Hanford alone), and now from at least one nuclear plant (Consumers Power's Big Rock Point plant in Michigan). This radioactivity can be concentrated in organisms, as by filter feeders such as oysters, which can concentrate it as much as 250,000 times; and it can become more concentrated as it moves along a food chain from prey to predator. And juvenile and fetal forms of animals are particularly sensitive; unborn babies in pregnant women are one hundred times more sensitive than adults. And the results of exposure may not show up for ten to fifty years, or they may be delayed until later generations display genetic malformities (and only one out of a million mutations is an adaptive improvement). And worst of all, some of the radioactive materials will be with us for hundreds of thousands of years. In building up our radioactive inventory, we are creating obligations, manufacturing hazards, and developing risks that envelop our biosphere and transcend time in a way that no generation of man has ever before had the effrontery to imagine. In doing this, we are not merely saying that we here and now accept the risk, we are also forcing the words of acceptance upon the lips of all the unborn, of all species, in all places, for nearly all time—for our benefit alone.

It is certainly difficult for the public to know what risk it is now accepting. Is it merely a 5 percent increase in ill health as an NAS–NRC committee suggests, plus 3000–15,000 more cancer deaths a year? Experts differ over whether there is any safe threshold level, and agencies differ over whether the limits on exposure are stringent enough. The Environmental Protection Agency wants higher standards than the AEC but loses jurisdiction to the AEC as a result of a struggle; EPA says krypton 85 should not be released from reprocessing plants, while the AEC says it poses no long-term hazard. And now Tamplin and Cochran assert the safe exposure level for plutonium should be 300,000 times less than the present level, and of course plutonium is now being produced by fission reactors. As Professor David Rose said recently in *Science* (April 19, 1974), "If the Tamplin and Cochran risk estimates turn out to be correct, nuclear fission power will need to be rethought, because the consequences of even a single large accident become disastrous."

The stakes with nuclear power strike us as too high in another regard. Nuclear power is offered as a source of almost infinite power—as a panacea to the energy crisis. Yet, as Barry Commoner reminds us, "there is no such thing as a free lunch." There are real costs involved in procuring it. There are the biological costs we have just discussed. There will also be costs in terms of not having a sensible program for curbing our energy appetite. Full speed ahead on nuclear power will create the illusion we can continue for a while on a super-exponential course of increasing our rate of energy consumption (up from 3.5 percent per year between 1950–1965 to 4.5 percent between 1965–1973), with minimal attention to energy conservation or prudent self-restraint. The result will be earlier depletion of our oil and gas reserves, as well as environmental havoc from too much fossil fuel development. No one really believes we will have a program to push nuclear power while we otherwise restrain demand and curtail fossil exploitation. Moreover, continued high growth rates in energy consumption will bring us just that much farther toward being up against new environmental limits, such as local heat rejection limits, if we are to avoid climatic change, depletion of other resources, and limits on available space for facilities of all sorts.

Finally, a high rate of nuclear growth, as well as growth in energy consumption in general, will require tremendous amounts of capital. Professor Rose estimates that one trillion dollars will be needed through the year 2000 for this purpose, which is one-fifth of all the new capital that will be formed by then. This capital intensive industry could begin to distort the whole pattern of capital investment in this country and drain off capital that is needed for other enterprises and social priorities like housing. Or alternatively, utilities may find it increasingly difficult to contemplate continued outlays of this magnitude as the competition for capital grows. The nation may well find that it is not willing to spend so much to make a would-be self-fulfilling prophecy come true.

Basically, a crisis of confidence is developing over the objectivity and balance of those who have pushed the nuclear power program along so fast. The program appears to have moved along prematurely, with failures in quality control, a growing credibility gap, demonstrable bias among the regulators, and an implausible stance on public understanding of risk. Let's look at each of these problems.

Much of the difficulty attending the nuclear power program may arise out of the fact that the civilian deployment of large reactors was pushed before the engineering and operating problems were ironed out, before the manufacturers were ready, before adequate personnel to construct, operate and repair the plants had been trained, and before the program was fully competitive in economic terms. How else does one explain the fact that only five of thirty-eight reactors last year were able to operate at full capacity, with one-third of the total shut down at any one time? How else does one explain the fact that in April of this year when forty-three plants were obstensibly on line, the AEC reported fifty-one major shutdowns? How else does one explain the fact that these plants were ready to deliver power only 60.9 percent of the time on the average compared to 75 percent for fossil plants? How else does one explain the fact that the predominant reasons for delays in bringing new plants on line in 1973 were poor productivity of labor (84 months combined delays), shortage of construction labor (18 months of delay), late delivery of equipment (68 months of delay), and equipment failures (15 months of delay.) Legal challenges from all quarters were a relatively minor factor (only 9 months of delay). Utilities such as Consolidated Edison claim "we may simply exhaust our manpower pools when we try to operate and maintain the plants." And despite massive R and D subsidies to launch the industry, its economics remain uncertain, with costs per KWH having quadrupled in the last decade. The Joint Economic Committee of Congress still feels that nuclear power is less economic than coal and other sources of energy. Meanwhile, some utilities are seeking rate hikes to cover losses with these plants.

The premature promotion of large-scale development also produces potential problems of safety for the public. A lack of assured quality control had led to a series of so-called "reactor incidents." The recent AEC Task Force Study on the reactor licensing process identified 850 abnormal occurrences in a seventeen-month period. It said: "The large number of reactor incidents, coupled with the fact that many of them had real safety significance, were generic in nature, and were not identified during the normal design, fabrication, erection, and pre-operational testing phases, raises a serious question regarding the current review and inspection practices both on the part of the nuclear industry and the AEC. This is particularly true when the increasing number of operating reactors which will be on-line in the 1980's and 1990's is considered."

The Task Force, of course, assumes that tightened inspection can correct the problem. But can it? It is one thing for a few highly trained physicists and engineers to know what they want done. It is entirely another thing to actually see that everybody down the lines behaves as they would have them. Will there ever be enough totally rational and reliable managers, operators, and construction workers to keep us out of harm's way? Perhaps the technological optimists are leaving too much of the human equation out of their expectations. Can we really franchise out so much high technology to so many utilities in so many communities with so much riding on the safety of the outcome? Perhaps we have too much sophisticated physical science here and not enough sophisticated social science.

Problems of this sort have caused more and more people to wonder about the quality of the regulation they are getting from the AEC. In its recent study on the energy outlook, the Joint Economic Committee of Congress concluded: "The Atomic Energy Commission has developed a serious credibility gap in recent years by suppressing unwelcome evidence of danger and by demoting or firing researchers who have pushed their findings too vigorously."

AEC Commissioner Doub has admitted "the mistakes made and the inappropriate actions taken to explain nuclear power to society." But the problems are deeper than devising better methods of explaining nuclear power. The AEC, or the Nuclear Energy Agency which is to succeed it, must convince the public that it can be trusted to be a vigorous and impartial regulator, which is free of the taint of political machination.

Over the past few years, the AEC rarely acted on a problem until it threatened to become a cause celebre, and thereafter it acted in a temporizing manner. If we could trust the AEC, why was it not alert enough to move on its own motion to deal with the host of problems that have plagued the debate over these last few years? Why did it need to be pushed to adopt the "safe as practicable" limit on radiation releases from plants, why did it take intervenor pressures to get a full-dress review of the safety of the emergency cooling system, why did it not know of the missing water in the Kansas salt beds where it wished to deposit wastes, why did it wait so long to start to seriously study the problem of ultimately disposing of radioactive wastes in a safe way, why did it not take the lead in de-rating the plants in danger of fuel-rod densification, why did it take Taylor and Willrich's study and a critical GAO report to get it to promulgate tighter security regulations, and why is it only now promulgating emission limits for uranium mills and reprocessing plants? Something is terribly wrong with a regulatory agency that characteristically waits until someone on the outside points out the problems it should have been anticipating and regulating competently all along.

Not only has the AEC been lax, it has also been biased. Its licensing proceedings are adjudicatory proceedings, but the applicants always win. They always get their license, albeit often with minor modifications. What court would be regarded as fair if it always decided for the plaintiffs? Are we to believe that every last applicant was qualified, its plant needed, and site suitable? Was every opposing intervenor always wrong? Would not the odds in human experience suggest that the intervenors might deserve a favorable decision in at least ten or twenty percent of the cases? Surely, some of their attorneys, who are winning their fair share of cases before impartial tribunals, could win a few cases here too if they had an impartial tribunal. In retrospect, can the AEC now confidently say that all of the forty-three plants now operating deserve their licenses—the ones that have been down as often as not, that have been reprimanded by the AEC for lapses in management, and that have leaked radiation?

With such bias and laxness in the agency that is supposedly protecting the public, how is the public to know how much risk it is really assuming? If the risk were virtually nonexistent, Congress would not be debating an extension of the Price-Anderson Act to keep a ceiling on liability, and public subsidies for insurance, in the event of a "nuclear incident." The Act defines such an incident as ". . . any occurrence . . . causing . . . bodily injury, sickness, disease, or death, or loss of or damage to property, arising out of or resulting from the radioactive toxic, explosive, or other hazardous properties of source, special nuclear, or by-product material . . ." Obviously, the nuclear power industry is not willing to assume the financial risk of relying on the safety of this type of power. It wants the government to continue limiting its liability and subsidizing its coverage. But the public is asked to expose itself to an added measure of damage that is not insurable. The new ceiling may float somewhat upward from $560 million, but the damage, according to the revised WASH-740 report, could rise to as much as $17 billion in the worst case. And no insurance, of whatever amount, could really compensate us for the 45,000 deaths and 100,000 injuries (up from the 1957 estimate of 3,900 deaths and 43,000 injuries).

Now, of course, it is asserted that the chances of this ever happening are on the order of one out of 100 billion. But the methodology for deriving such estimates is suspect among nuclear critics because there is little empirical data on component failure rates in analyzing accident chains. The numbers can be manipulated to vary the final result, and indeed we have been hearing all sorts of numbers: one in a million, one in a billion, and one in 100 billion. But the odds go up when you consider all manner of accidents, the total number of plants projected at times in the future, and if you look at the lifespans of the plants. Robert Gillette in *Science* (Jan. 26, 1973) reported there is a one in a thousand chance of an accident causing some release of radioactivity. With a thousand reactors predicted for the year 2000, the AEC's Reactor Licensing Task Force (Oct. 1973) reported a one in 33 chance of a major accident occurring during their thirty-year collective lifespan. Indeed that Task Force said in its draft report that ". . . the Rasmussen study will provide needed insight on quantifying the loss-of-coolant accident chain probabilities . . .", "it is difficult at this time to assign a high degree of confidence to quantification of the level of risk associated with nuclear reactors. . . ." It concluded by saying that ". . . it does not believe the overall incident record over the past several years, combined with the common mode failures that have been identified, give the required confidence level that the probability for such an accident is 10^{-6} (one in a million) or less per reactor-year." Not surprisingly, that forthright conclusion got edited out of the final report.

And there are other types of risk too. Theodore Taylor thinks that the chance of losing fissile materials to thieves might be reduced to one loss every ten to twenty years if exceedingly strict security measures are imposed. Presumably, with measures that are not yet that strict, we are now exposed more often to a risk of losing bomb-grade materials to blackmailers and thieves. And the new security measures really are not designed to deal with para-military assaults, which may occur because some countries, desperately wanting nuclear weapons, may resort to this approach because of the obstacles otherwise posed by the Non-Proliferation Treaty. And who knows what the chances are of safe containment of rad wastes for hundreds of thousands of years. If the AEC did not know about all the drill holes into its proposed salt bed repository in Kansas, how likely is it that it can confidently predict that future societies will find no reason to drill into the same formations for salt or other purposes, just as ignorant of what the AEC had left there as the AEC was of those who had been there before it.

Now we are always reminded that no one has been killed yet. But the risk may be going up as the plants are getting larger (over 1000 MW) and the safety problems more acute with hotter cores, and the number of years of experience with these is less than with smaller plants (only 47 reactor-years of experience with plants over 500 MW, compared to 81 reactor-years of experience with plants over 100 MW). And we are being pushed toward even more risky technology such as the Liquid Metal Fast Breeder Reactor. It is a sobering thought to be reminded that our last experience with a breeder didn't inspire much confidence. The Fermi plant almost ran away in 1966, with an accident that exceeded the maximum credible one in AEC specifications and that was not stopped by automatic safety devices. No one may yet have been killed, but that may be because we are not that far out enough on a limb yet. But will the limb break off when it gets too heavily weighted with too much highly complex machinery and too few people who are equipped to deal with its idiosyncracies?

Some tell us, though, that we should be prepared to accept fatalities as part of the cost of having power, just as we seem to accept automobile accidents. But there are important differences. Exposure to the risk of auto accidents is a personal one accepted by those who choose to travel by car; it is not forced unknowingly on an entire population regardless of their choice. Moreover, the degree of risk associated with auto travel is widely understood, at least in a rough sense. People do not understand what risk they are facing with nuclear power. Finally, the results of an accident with nuclear power could be sudden, catastrophic and concentrated in one area, rather than gradual, incremental, and dispersed as with auto accidents. The impact in the area affected could be devastating. The land and waters in the area affected could be poisoned for extended periods, and the genetic integrity of future generations could be jeopardized. The consequences of a nuclear accident are more profound than the sheer number of immediate fatalities, and they are bad enough. Moreover, too many Americans are already destined to contract cancer (one in four), without compounding the risk.

The nuclear industry—the vendors, the utilities, and the scientists involved—should re-evaluate the risks to them of moving too fast. Public concern is growing, and more scientists are joining the ranks of the sceptics all the time. They are being bolstered with new information and insight. A race is underway between mounting scepticism, those intent upon pushing us into an irretrievable dependence on nuclear power, and those who still believe that answers can be found to allay the concerns. It would be tragic if we found ourselves boxed into a situation in a decade in which the country found it had lost faith in nuclear power and yet it had invested so much in it that it did not know how to forego it. This would be a prescription for chaos. But the country has turned its back on unwelcome doses of new high technology before—as in the case of the SST—and it can do it again.

Now is the time for the industry to convince its critics that answers can be found and soon. If they cannot, then one would think that, at the very least, the industry would pursue a cautious course. One would think it would adopt all the measures that may tend to limit the problem—that it would build smaller plants, that it would de-rate more of the larger plants, that it would always install cooling towers and stay away from shorelines and areas of critical environmental importance, that it would standardize its designs and tighten the licensing and inspection process, and keep its reactors an appropriate distance from population centers; one would think it would willingly cooperate in tightening security around all plants with fissile materials, and push methods of denaturing plutonium to render it unsuitable for use in making bombs, and that it would back efforts to separate long-lived actinides from wastes so that they can be burned up in reactors to appreciably simplify the long-term waste storage problem. Of course, most of these measures would cost money and slow down the pace of development. But those who are being asked to lend huge sums of money for these investments may soon give more thought to the security of their loans. Development on a prematurely large scale can be costly too in down time, elaborate repairs, and a never-ending series of expensive retro-fits to meet higher standards needed to cure overlooked problems.

And there is a way the nation can proceed to meet its energy needs without heavy reliance on nuclear power. The Ford Foundation's Energy Policy Project shows that various energy conservation measures can be taken to reign in our energy consumption growth rate by the year 2000 to only 65 percent of what it would otherwise be. This could be done with no lowering of our standard of living nor any drop in employment. And the amount of nuclear capacity would only need to expand modestly to three times the current capacity, rather than ten or twenty times.

Self-reform is a rare phenomenon. It is doubtful that any industry will voluntarily chose to slow down and live longer. But the industry is risking everything if it opts for business as usual. A calamitous confrontation could occur in the coming decade if the industry chooses to blindly gamble on winning the race that is now underway with the rising tide of doubt. Credibility is dropping so fast that before long no answers will be trusted. All those associated with the industry may want to start asking themselves how much they are willing to risk in such a race.

CONNECTICUT DIGESTIVE DISEASE SOCIETY

Mr. RIBICOFF. Mr. President, in 1970, a group of interested businessmen and doctors in Connecticut combined forces to form the Connecticut Digestive Disease Society. The purpose was to establish, encourage and foster a wide variety of educational research and service efforts covering the entire scope of digestive diseases.

They were responding to a concern that Federal funding for medical research might be severely restricted—and that the great progress being made in the fight against such crippling illnesses as cancers of the digestive system, peptic ulcers, ileitis, colitis and hepatitis might be slowed. In Connecticut especially, restrictions had already hampered programs centered around the Yale University gastroenterology program, which had developed a unique educational system for Connecticut doctors and many important research and patient service advances.

Since its inception, CDDS has been successful in its fund raising activities to the point where it is now awarding grants to Connecticut physicians involved in this subspecialty, as well as making awards for significant advances in this area of medical science.

Last year, I was honored to be the first recipient of the Society's "Humanitarian of the Year" award. This year, that award will be bestowed upon my distinguished colleague from Connecticut, Senator LOWELL WEICKER.

I take this opportunity to commend the work of the Society and its good judgment in recognizing Senator WEICKER's efforts in meeting the responsibilities we all must share in the effort to bring the advances of science from the laboratories to the benefit of the American people.

Mr. WEICKER. Mr. President, I appreciate the comments of my colleague from Connecticut, Senator RIBICOFF, and share his concern for progress in the medical sciences. The work of organizations like the Connecticut Digestive Disease Society—multiplied throughout the Nation—is of enormous benefit to the battle against crippling disease.

After little more than 3 years of work, CDDS is already supplementing governmental funding in the field of gastroenterological research. Organizations like CDDS direct the life blood of philanthropy to help cure the physical threats to our well-being and happiness. I commend their efforts and appreciate being designated the recipient of their 1974 award.

THE ECONOMY

Mr. HASKELL. Mr. President, even though the details of the administration's economic program will *not be* known for several days, I think we have a good general idea of the direction that program will take.

I am willing to reserve judgment on that program until it has been announced and until I have had an opportunity to consider it thoroughly—with one exception. The exception is the possibility of a 10-cent-per-gallon gasoline tax. We heard some talk of such a tax earlier, but believed, with considerable relief, that the idea had been shelved. It may have been only a trial balloon then. The idea has gained new currency in the administration during the past few days. It may be only a trial balloon this time, too.

If so, I would like to take this opportunity to indicate to the administration that the idea will not float with Coloradans and it will not float with me.

I have no quarrel with the objectives of such a tax: It would pay for tax relief for lower income families, help provide public employment for those now without jobs and the growing numbers who will likely find themselves unemployed and it would provide some kind of relief for the moribund housing industry.

Such a tax would also help inhibit consumption. I support all these goals. But I strongly oppose forcing the hardest hit victims to pay for the cure.

Many of my colleagues have argued repeatedly that inflation strikes most fiercely at those in the middle- and lower-income ranges and those on fixed incomes. I have argued that, too, and many who testified at the economic summit conference argued that.

And we have all argued that these groups suffer most because so large a percentage of their incomes must be spent for food and fuel—which together account for around 60 percent of the current inflation.

And we have all argued that the first goal of an economic program must be to help these Americans. It has been said so often and so widely that I believed it represented one of few consensus views about our economic illness. Now, incredibly, there is serious talk within the administration about laying a tax on gasoline—a tax which will be paid in large part by those who, one, can least afford it; two, are suffering most now from the doubling of gasoline prices in the past year; and, three, are supposed to benefit from the proceeds of such a tax.

Mr. President, according to press reports following the summit conference on the economy, the administration blithely argues that the burden of a 10-cent-per-gallon gasoline tax will not be sharply felt by poor because they drive less than do people who earn more. No sociological reasons were attached to that analysis. It could be that poor people simply do not enjoy vacationing and seeing the beauties of America by car. It could be that they do not enjoy, as so many of us do, leisurely Sunday drives with the family. It could also be that they drive less than many other Americans because they cannot afford to go anywhere anyway.

The latter seems the most reasonable explanation, Mr. President. And, in my view, it is also reasonable to assume that if poor people are driving less they make fewer frivolous trips than others do and rely upon their automobiles mostly to get to and from work, the supermarket, health care facilities, and so forth.

The administration also feels—again, according to press reports—that the burden of the gas tax to poor people will be offset by other benefits they will receive. Offsetting an additional burden is no help. The burdens they now carry must be offset but without the imposition of yet another burden. Anything less is a sham.

As I said earlier, Mr. President, this latest talk may be yet another trial balloon. If the administration is in the business of governing by trial balloon, I wonder why it did not send one up about a rollback in crude oil prices or levying a tax on the excess profits of industries which have grown fat on administered prices?

I am afraid we can predict the direction the administration will take by the absence of talks about such steps as these.

The President has promised to send to Congress a "coherent and consistent economic program. While consistency is usually a much sought after virtue this time I am not so sure I will welcome it. Because after offering to impose a 10-cent-per-gallon tax on gasoline, consistency dictates that the administration also impose a consumption tax on food—the other major commodity in our current inflation. The rationale would be much the same: The poor and the elderly eat less than those who earn more, hence would pay less in taxes.

Mr. President, tax fairness is a worthy goal in the best of times. But now, more than ever, it must be the guiding principle in any efforts to heal the economy with taxes as the tool. Those who can afford to pay must pay. Those who cannot must not be asked to. And that is as true of consumption taxes or conservation taxes as it is of income taxes.

I will oppose any effort to levy an additional tax on gasoline at the pumps. I urge my colleagues to do likewise.

TRUTH IN SAVINGS—I

Mr. HARTKE. Mr. President, for the past 3 years, I have been stressing the need to have full disclosure on savings accounts. Several years ago, Congress recognized the need for full disclosure in credit transactions by passing the Truth in Lending Act. Savings is merely the other side of the financial coin. Consumers have a right to know what earnings they can expect when they place their money with a savings institution.

Mr. President, recently I testified before the Subcommittee on Financial Institutions on the subject of my truth in savings proposal, S. 1052. I ask unanimous consent that my statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR VANCE HARTKE BEFORE THE SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

I am here today to support the inclusion of a truth in savings provision in the Financial Institutions Act which is now before this Subcommittee. But, I am also here to oppose the limited and ineffective type of "not much truth in savings" which is contained in Section 106 of the Administration's legislation.

More than a year ago, I testified before Senator Proxmire's Subcommittee in support of my Truth in Savings proposal, S. 1052. That hearing record includes the testimony of Federal regulatory officials, banking industry and public interest representatives. The record of that hearing gives ample testimony on the provisions of my proposal.

My appearance here today is designed to provide this Subcommittee with comments on the glaring deficiencies of Section 106 of the Administration's legislation. I will make only brief comments at this time, but I would like the opportunity to make a more detailed written submission to the Subcommittee at the conclusion of my remarks.

Mr. Chairman, Truth in Savings is a rational outgrowth of Truth in Lending. It is the other side of the financial coin. In Truth in Lending, the law requires that certain essential disclosures be made to the person borrowing an institution's money. In Truth in Savings, the law would make a similar set of essential disclosures to those who let institutions use their money.

The purposes of my Truth in Savings proposal are simple and straightforward:

(1) To enable consumers to comparison shop among competing savings institutions;

(2) To enable consumers to understand the terminology of savings institutions; and

(3) To enable the consumer-depositor to verify the amount of earnings which the savings institution has credited to his account.

Since December of last year, I have had an exchange of letters with the Treasury Department on their Truth in Savings proposal. That exchange is included in my detailed written submission to this Subcommittee. It reveals that, while Treasury professes to be in accord with the three objectives I have outlined, their legislation falls short of reaching two of the three goals.

First, Section 106 does not require the disclosure of the annual percentage yield. This is the figure which gives the consumer the effect which compounding of earnings will have on his money.

While Treasury recognizes that disclosure of the annual percentage yield "may . . . be useful in some cases", it argues that the yield means different things at different savings institutions. My proposal makes the annual percentage yield mean the same thing at every savings institution. I would go so far as to suggest an amendment to my own proposal to prohibit the use of any of the essential savings terms in any manner other than that which is specifically set out in the legislation. In that way, consumers can be assured that terms such as "annual percentage rate" and "annual percentage yield" will mean the same thing at every savings institution.

Section 106 of the Administration's proposal also promotes consumer confusion by failing to apply even its inadequate coverage to all savings institutions. Truth in Savings should apply to any institution or organization which, in the regular course of its business, receives, holds or issues individual savings deposits or pays earnings on those deposits. I would even suggest that Truth in Savings go beyond my own proposal to include the U.S. Treasury.

Mr. Chairman, at the June, 1973, hearings, there was some concern over the ability of consumers to comprehend even the simplified terminology of my Truth in Savings proposal. That concern led the Federal Reserve Board to request public comment on the possibility of standardizing the fifty to one-hundred different methods of computing earnings.

The conclusion of the Federal Reserve Board was that standardization of earnings computation is not desirable in terms of its impact on the savings industry and on consumers. In the absence of standardization, full disclosure—along the line of S. 1052—is essential.

The most important deficiency in the Administration's proposal is its failure to provide the consumer-depositor with the means to verify the savings institution's determination of the earnings in his account. A recent study by Miss Nancy Gramovsky of Kansas State University revealed that eighty-five percent of savings accounts fail to pay the earnings that should have been paid according to the consumer's understanding of his account. That is a serious indictment of our present standards of disclosure and it is especially important because the government regulatory authorities rely primarily on consumers to discover earnings irregularities.

Mr. Chairman, I do not doubt that most consumers are unaware of the need for full disclosure by savings institutions. But the situation was not much different prior to the adoption of Truth in Lending. Consumer awareness will come only when enough essential information is placed in the individual's hands. Put another way, you have to know something before you can ask the right questions.

I urge you to recommend the adoption of Truth in Savings legislation, and I hope that you will go beyond the limited and ineffective scope of the Administration's proposal.

RESOLUTION OF THE DISTRICT OF COLUMBIA BOARD OF HIGHER EDUCATION CONCERNING SENATOR WAYNE MORSE

Mr. EAGLETON. Mr. President, I have received the following resolution from the District of Columbia Board of Higher Education which I wish to call to the attention of the Senate. I am pleased that the citizens of the District of Columbia remember the fine work of Senator Morse on behalf of the District.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 74–29

Whereas, the Board of Higher Education has noted the death on July 22, 1974, of Wayne L. Morse, who served as a member of the Senate of the United States from the State of Oregon from 1945 to 1968; and

Whereas, the citizens of the District of Columbia are greatly in debt to Senator Morse for his leadership in securing the enactment of the District of Columbia Public Education Act on November 7, 1966, which established Federal City College and this Board, and for his strong and continuing support of the College in its successful effort to become the first urban land grant college in the United States;

Therefore, be it resolved that this Board, on behalf of the District of Columbia and all of its citizens, and particularly its young citizens, express its appreciation for all that Senator Wayne L. Morse has done for the cause of education in the District of Columbia, and its deep regret at his sudden and untimely death, and that this Resolution be made a part of the permanent record of this Board.

Be it further resolved that a copy of this Resolution be forwarded to the family of Senator Wayne L. Morse in Eugene, Oregon, and to his former colleagues on the United States Senate Committee on the District of Columbia.

By unanimous vote, approved by the Board, July 30, 1974.

HUMANITARIAN CRISIS IN CYPRUS

Mr. KENNEDY. Mr. President, the Subcommittee on Refugees, which I serve as chairman, resumed its public inquiry into the Cyprus refugee problem and U.S. policy toward recent developments in the Eastern Mediterranean.

Since the outbreak of violence in mid-July, the subcommittee has closely followed developments on the island. An earlier hearing was held in August 20—and, shortly thereafter a fact finding mission traveled to Cyprus in behalf of the subcommittee. Just a few days ago the study mission returned to Washington, and last Thursday we heard their report.

Mr. President, the Turkish invasion and occupation of Cyprus has turned the island into shambles. In political terms, it violated the integrity of an independent state. In economic terms, it shattered the island's flourishing development. And in human terms, it brought personal tragedy to thousands of families—and a nightmare of death and horror and grief.

A drive along the roads of Cyprus quickly tells the tragic tale of the Cypriot people—of the human consequences of an armed invasion, of bombing and napalm, of cease-fire violations, of military occupation, and man's inhumanity to man.

In the occupied territory only a small percentage of the population remains—including some 8,000 Turkish refugees bombed out of their homes. Desolation and destruction mark many areas. Whole villages and towns and cities are empty of people, who fled their homes in fear of advancing Turkish forces. The 15,000 to 20,000 Greeks who remain are being held as virtual hostages— often without adequate food and water and medical care. And some 500 are being cruelly detained in Kyrenia's Dome Hotel.

Government controlled areas have been inundated with refugees from the north. Over 20,000 men, women, and children—at least a third of the population—have been seeking shelter wherever they can find it—in open fields, under trees, along the roadsides, and in schools, monasteries, and public buildings. Only in the last 2 or 3 weeks have relief supplies begun to arrive in meaningful quantities, and clusters of tents are beginning to sprout around town and cities in government controlled areas of the island. But food, blankets, medicines, and other relief goods are still in short supply. And, with the approach of the rainy season and the winter cold, the condition of the people will deteriorate—unless adequate relief measures are taken now, or a political settlement is accomplished, which will permit the refugees to return to their homes. The overwhelming majority of needy people in government controlled areas are Greek Cypriots.

But significant numbers of Turks—including some 10,000 refugees—also command our help and concern.

Mr. President, a great deal has been said over America's role in the crisis—and over the apparent complicity of our Government in the human and political tragedy of Cyprus.

We are told by our Government that we must be practical in our approach to the crisis. We must understand what has happened. And we must accept the new realities on the island.

But what are these new realities? And what are we being asked to understand and accept?

Are we to condone the invasion and occupation of Cyprus? Are we to condone cease-fire violations, and the nibbling away of an independent state? Are we to condone the human tragedy brought about with American supplied weapons, and stand silent in the face of these realities?

I believe the American people expect more of their Government. And I call on the President and members of the administration to give some greater evidence of concern and action over the tragedy of Cyprus—and over the needed diplomacy to restore the island's territorial integrity, and the right of the Cypriot people, working together, to determine this end—including the allocation of foreign military assistance to Turkey. Important first steps must include a strengthened United Nations presence on the island, the orderly withdrawal of Turkish forces, and the return of refugees to their homes.

With such goals in mind, we should also strengthen our support of relief and rehabilitation efforts by the Cyprus Government, the Turkish Cypriot Administration, the United Nations High Commissioner for Refugees—UNHCR, the International Red Cross, and others. We should lend our diplomacy to the reopening of the Nicosia airport, which would greatly facilitate the work of the international relief agencies.

We should lend our diplomacy to help guarantee the free access of these agencies, for humanitarian purposes, to all parts of the Turkish occupied area.

And we should increase our contributions to the UNHCR and the other programs for the relief and rehabilitation of the refugees and other Cypriots in distress. I have introduced an amendment for this purpose to the pending foreign assistance bill. And I am extremely hopeful that, given the very urgent human needs in Cyprus and so many other areas of the world, the amendment will be adopted by the Senate, and the foreign assistance legislation will be expedited toward enactment.

In order to share with the Senate the report of the subcommittee's study mission to Cyprus, Mr. President, I ask unanimous consent that the text of the statement of Prof. Dennis Skiotis, a member of the team, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Dr. Dennis Skiotis, Member of the Subcommittee Study Mission to Cyprus

Mr. Chairman, my name is Dennis Skiotis, and I am Assistant Professor of Ottoman and Modern Greek and Turkish History at Harvard University. As you know I was a member of a Study Mission you dispatched to Cyprus, composed of myself, Dale deHaan, Staff Director of the Subcommittee, and Jerry Tinker, staff consultant.

By way of introduction, I would like to note briefly the activities of the Study Mission team on Cyprus. We visited the island during the first week of September, traveling extensively in refugee areas on both sides of the ceasefire line. In the Government controlled area in the south, we spent almost three full days in the region where the great bulk of the Greek Cypriot refugees are located. We had unrestricted and free access to all areas, and the Government of Cyprus was fully cooperative. We chose where and when we wanted to stop, and we spoke with hundreds of refugees.

We also spent two days in the Turkish occupied areas, visiting Turkish Cypriot refugees in Nicosia, and traveling north to Kyrenia and Ballapais, and to the port of Famagusta in the east. We were received cordially by the Turkish Cypriot administration. However, we had only restricted access to military occupied areas, which now comprise some 40% of the island—perhaps more. There are frequent check-points, and travel arrangements must be cleared with local Turkish commanders. This applied as much to the Turkish Cypriots as it did to us.

During our stay we met twice with acting President Clerides, and conferred with members of his government, relief officials, as well as representatives of the Cypriot Red Cross. On the Turkish side we met with Mr. Rauf Denktash, the constitutional Vice-President of Cyprus and the head of the Turkish Cypriot community, with members of his administration, and the Red Crescent Society. In addition, we consulted with the representatives of the International Committee of the Red Cross, the United Nations High Commissioner for Refugees, and the United Nations Forces in Cyprus (UNFICYP). Traveling to and from Cyprus, we paid brief visits to Athens and Ankara to confer with Foreign Ministry and relief officials. In Athens we met with Dimitrios Bitsios, the acting Foreign Minister, and in Ankara we conferred with senior diplomats, including Sukru Elekdag, soon to be the Secretary General of the Foreign Ministry.

In Geneva we met with officials of the International Committee of the Red Cross and the U.N. High Commissioner for Refugees. In London we visited with the President of Cyprus, Archbishop Makarios, and held discussions with British Foreign Office and relief officials.

The new American Ambassador to Cyprus, William Crawford, and his staff, extended every courtesy to us; in fact, quite by coincidence, we traveled with the Ambassador enroute to Cyprus and appreciated learning his views. I should note at this point, Mr. Chairman, that the Department of State and the Embassy had originally expressed concern over our Mission—concern over security and over the dangers arising out of strong anti-American feelings in Cyprus. I think there was some surprise, therefore, when we—as representatives of this Subcommittee and carrying your expression of personal concern, Mr. Chairman—received a very warm reception in the refugee areas. We were actually cheered and applauded—all signs of the great appreciation felt by the people of Cyprus at this first public expression of American concern over the tragedy of Cyprus and particularly, of course, the plight of the refugees.

THE CRISIS IN CYPRUS

Once again, Mr. Chairman, refugees have become pawns in a political struggle between two sides. Once again we are being treated to a heartless numbers game of how many refugees—if any—will be permitted to return to their lands and their homes. New frontiers, new schemes for new constitutional structures are being bruited constantly. In the meantime the refugees wait, and they suffer. The picture on Cyprus, on the island of Aphrodite, could not be grimmer, and fear and frustration have gripped 90% of the population—Greeks and Turks alike.

To explain fully how all this came about we would have to go back in history for a thousand years, for, unfortunately, Greek-Turkish antagonism in one form or another has existed that long. Some of this background will be provided in my report and, perhaps, in the questions asked later on. But in the limited time available for this morning, I will have to limit myself to what might be called the day before yesterday's event.

The whole tragic story began on July 15 when the legitimate government of President Makarios in Cyprus was overthrown in a coup led by Greek officers on instructions from the military junta ruling in Athens. Nikos Sampson was the puppet installed by the junta in Athens as President and despite a flurry of diplomatic activity, Turkey launched an invasion of the island 5 days later—ostensibly to protect the island's 18% Turkish minority from the threat of enosis, union of Cyprus with Greece. The Turkish landings were resisted stubbornly by the Greek Cypriots and on that same day, July 20, the United Nations Security Council adopted the first of a number of strongly worded resolutions calling for an immediate ceasefire, urging an end to foreign intervention and withdrawal of all foreign troops from the island; and requesting the guarantor powers of Cyprus, Greece, Turkey and Britain to start negotiating for a settlement. A shaky ceasefire went into effect shortly thereafter—with the Turkish Army steadily expanding the width of their corridor from Kyrenia to Nicosia—but efforts to work out a settlement in the second round of Geneva peace talks collapsed on August 14th after Turkey refused to allow the Greek and Greek Cypriot delegations a 36 hour delay to confer with their respective governments on Turkish proposals.

Before dawn, the Turkish Army, heavily reinforced with armor and wielding the advantage of complete air superiority, slashed across Cyprus towards both east and west. In three days, this overwhelming military thrust sliced off at least 40% of Cyprus which was slightly more than what the Turks had been demanding in the Geneva talks. The rapid and effortless Turkish advance on Cyprus had both a profound repercussion at the international level and a devastating effect on the population of the island.

At the international level, Greece, headed since July 23 by the civilian government of Constantine Caramanlis (who had been recalled to Greece as a result of the junta's blunder on Cyprus) briefly considered war with Turkey, rejected that option, but withdrew militarily from NATO. This was done in reaction to U.S. policy which was widely reported as having first "tilted" towards the junta and the Sampson coup, and then after the first invasion towards Turkey. Indeed, U.S. policy at every crucial stage of the Cyprus crisis seems to have been one of hasty improvisation coldly calculated to minimize disturbances within NATO. Not only did it achieve the opposite result in the end, but more importantly in human terms, it failed the defenseless people of Cyprus.

For whatever the merits or dubious legality of the initial Turkish landing, the second phase of the Turkish Army's so-called "peace operations" on the island—particularly after the Sampson regime had given way to the moderate and constitutional leadership of Glafkos Clerides—was an unjustified violation of the independence and territorial integrity of Cyprus. In fact, in simple language, it was aggression.

CONSEQUENCES OF THE INVASION

Mr. Chairman, there are today two stark realities on Cyprus. The first is the presence of an army of occupation—some 40,000 Turkish troops. The second reality is the humanitarian crisis confronting over 282,000 Cypriots—nearly half the population of the island—who are now refugees, civilian detainees, prisoners, or in need of relief assistance, on both sides of the uncertain ceasefire line.

Regrettably, there is little understanding outside of Cyprus as to conditions in the field. Having seen firsthand literally thousands of refugees—having talked to hundreds from all areas of the island, on both sides, Turks and Greeks—I believe it is important at the outset to briefly describe the refugee situation.

Humanitarian consequences of the invasion

As Table 1 outlines, there are several discrete and separate categories of displaced persons on Cyprus and other people in need of help. The first, and by far the largest and most serious category, are the Greek Cypriot refugees in the Government controlled area of the South. Official statistics in the field, although based upon a preliminary count taken while we were there, numbers some 194,000 Creek Cypriots displaced prior to the ceasefire from Turkish occupied areas, with an additional estimated 20,000 post-ceasefire refugees, from areas such as Athna and other villages and towns along the ceasefire line.

TABLE 1.—*Humanitarian problems in Cyprus**

	Total
I. Refugees:	
1. In Government controlled areas:	
Greek Cypriot refugees	194, 000
Post cease-fire refugees (from Athna and other areas along cease-fire line)	20, 000
Turkish Cypriots displaced or cut off	34, 000
2. In Turkish occupied areas:	
Greek Cypriots displaced or cut off	20, 000
Turkish Cypriot refugees	8, 000
II. Prisoners and detainees on both sides	6, 000
Total	282, 000

*Based upon statistics of the U.N. High Commissioner for Refugees and the International Committee of the Red Cross, as of Sept. 15, 1974.

These refugees are everywhere present. To drive along the roads of the southern portion of the island is to drive through an endless refugee camp. Refugees are still encamped under trees, along roadsides, under small lean-to huts, awaiting more permanent shelter. Every available public building and accommodation is filled with refugees—schools, churches, monastaries, and civic buildings. District towns are flooded with refugees, with idle men swelling the unemployment rolls. Small towns along the way have doubled in size.

During one long day we toured the Larnaca district, around the British Sovereign Base Area of Dhekelia, to towns overwhelmed by refugees, mostly from the second phase of the Turkish invasion from around Famagusta. A typical situation was that of Ormidhia town, whose population jumped by some 300%. Refugee families were scattered everywhere, and relief supplies were just beginning to arrive—over two weeks after many of the refugees first moved. An empty soccer field was being turned into a refugee city of tents—camping tents for six people, now holding one or two families with as many as 14 men, women and children huddled together.

The critical problems were all the classic problems which confront refugees—the need for shelter, for blankets, for food and other necessities of life. All were in short supply, and many were unavailable. In particular, there was, and remains, a desperate need for blankets. Despite the arrival of thousands of blankets while we were there, and the promise of more to come, there was clear evidence of the need for more. In the town of Xylophaghou we visited a school crowded with refugee families forced to sleep on cold, concrete floors. Food supplies were rapidly dwindling, and a Government sponsored food distribution and rationing program was just getting underway. Starting with a daily distribution of bread, relief officials were hoping to expand the ration programs to include protein foods, milk, and other supplies, *if*—and it is a big "if"—disaster relief supplies from abroad arrive on schedule before government stocks are depleted.

While we visited Cyprus, and during our tour in the Dhekelia area, the Turkish army undertook what United Nations officials later described to us as "armed reconnaisance in force" along the ceasefire line above Athna. This type of military action, which has occurred regularly since the ceasefire was announced—and variously described as Turkish "land grabs" or "salami tactics"—has produced the second category of refugees, the some 20,000 Greek Cypriots who have fled since the ceasefire. Like the thousands before them, during the first and second phases of the invasion, the refugees are fleeing for safety and out of fear of the Turkish military.

Whether real or imagined—and it is probably real—the fear of the Turkish military is widespread. Whenever and wherever we talked with Greek Cypriot refugees, the story was basically the same: they moved the instant they saw or thought the Turkish army was advancing towards their town or village. And they did move instantly—dropping everything, taking very little with them, and either driving by car or tractor, or busing to safety in Government controlled areas. The stories of rough, sometimes brutal treatment of civilians by Turkish forces in Kyrenia after the first invasion, had spread over the island like wildfire. Thus, after the second invasion, Greek Cypriots fled the moment there was rumor or sight of military forces—creating a virtual vacuum into which the Turkish army could and did move without resistance and without the presence of people.

We saw direct evidence of this the day we visited the Athna forest, bordering the British Base area. Cars and trucks were moving down the road from Athna town, loaded with people and with whatever they could carry—cloths, baskets, mattresses, a few pots and pans—heading for the safety of the British Base and the shelter of the trees. But conditions are miserable—dusty, no tents, few blankets, no water, little sanitation, and a meagre amount of food distributed by the British. Yet the refugees continued to come that day—by the hundreds.

The night before the fall of Famagusta, some 8,000 refugees came into the forest area, and in the days that followed some 7,000 more arrived. It was, for many, a first stop before moving onward, but the day we visited, there were over 9,000 refugees still encamped under the trees. Before too many weeks the rains will come, and the only question we were asked was whether tents would arrive in time.

I should note here, Mr. Chairman, that the policy of the British authorities is to do the minimum possible for the refugees, lest they decide to stay on British Base areas. A British colonel, who was in charge of a modest field kitchen which comprised the British "relief effort," told us quite candidly that the British didn't want to accept the refugees, and only did so in the beginning because they were seeking sanctuary from actual combat. Now that a ceasefire had been declared they wanted them off the base.

A third category of refugees and persons in duress, are the Turkish Cypriots in Government controlled areas. Some 34,000 are refugees in such areas as Episkopi (on the Akrotiri British Base), and Dhekelia, where camps have been established under the auspices of the International Committee of the Red Cross and now under the U.N. High Commissioner for Refugees. In almost every way, the plight and the needs of these refugees is identical to that of their Greek Cypriot counterparts. In addition, several thousand Turkish Cypriots are cut-off or isolated—either by choice or by circumstance—in Turkish villages or in the Turkish quarter of larger towns in the south. These beleaguered villages are under the observation and protection of United Nations Forces in Cyprus, and are receiving relief assistance from the ICRC or the U.N. High Commissioner.

We visited one mixed village, Kalokhorio, where the Turkish quarter has not been disturbed—having hoisted a white flag above the mosque as a signal of the lack of hostile intentions. There was no indication from our visit of any harm being done to these Turkish Cypriots. However, there can be no question that other villages are and do feel beleaguered and isolated. We were assured by international observers that physical conditions in these cut-off villages and towns are not as bad as suggested by the Turkish Cypriot administration in Nicosia. As one United National official, who has been on the island for many months, stated: "Objectively nothing has changed in these Turkish villages, except the fear that something has changed." But in the context of the violence and random mass killings that have occurred on the island since the fighting broke out, the apprehension that conditions may change for the worse from minute to minute, does not serve to reassure Cypriots in enclaves on whatever side of the ceasefire line they find themselves at the moment.

The last category of refugees and persons in need are those in the Turkish occupied area, involving some 8,000 Turkish Cypriot refugees, and an estimated 20,000 Greek Cypriots displaced or cut-off.

The Turkish Cypriot refugees are those reportedly displaced during the conflict, such as around the old city of Famagusta, and those who have fled from the south to the north. We visited two schools in the Turkish sector of Nicosia where such refugees were located. The few we saw appeared to be in good condition, with no over-crowding, and adequate relief assistance from the Turkish Cypriot Red Crescent Society.

However, the refugees the Turks most often mention are not those from the current conflict, but rather from the 1963-intercommunal violence, when some 25,000 Turkish Cypriots were displaced. We visited one such area bordering Nicosia, called Omorphita, which is a symbol of the neglect the Turks feel the Greek Cypriots and others paid to their needs 11 years ago.

The second type of refugee problem in the Turkish occupied areas is that of the Greek Cypriots isolated in Kyrenia and Bellapais, and an uncertain number of villagers cut-off and isolated in the so-called panhandle, Karpasia, estimated at 15,000. We were not able to arrange a visit to this isolated area, and at the time of our trip the only known outside observer to have access to Karpasia was a United Nations officer. But reports indicate that the people there are in increasingly desperate straits—running out of food and other supplies. To date, the U.N. High Commissioner for Refugees has been unable to freely deliver relief supplies or to have unrestricted access to refugees in the Turkish occupied areas. Until this is done, the world will not know the full tragedy of Cyprus, nor will we be able to provide all the help we can. And until the Turkish policy of isolating inhabitants of Karpasia ends, the world must assume they have something to hide. This policy contrasts sharply with the free access enjoyed by the United Nations and the Red Cross throughout the Government controlled area in the south.

Finally, there is the humanitarian problem of releasing prisoners of war and civilian detainees—some 6,000 on both sides. Considerable and very encouraging progress has been made in this area, resulting from the recent talks, under U.N. auspices, between President Clerides and Vice-President Denktash. Two prisoner exchanges have been made, and more are promised next week.

Economic consequences of the invasion

It is exceptionally difficult to quantity the full extent of the damage and destruction caused by the conflict, nor all the ramifications the invasion has had, and will have, on the economy. But, for a state as small as Cyprus, there can be no doubt that it has been catastrophic.

Regarding the extent of physical destruction, the evidence we saw and the documentation we received, indicate that minimal bomb or structural damage occurred—with the exception of areas in and around the Kyrenia-Nicosia enclave which was the site of the original Turkish landing and the staging ground for phase two. Considerable looting has occurred in many areas. Kyrenia city, for example, has been looted beyond description, and on our long drive across the island to Famagusta, there was widesperad evidence of looting of Greek Cypriot villages along the road. In fact, we ourselves saw two military trucks and a lorry loaded with miscellaneous pieces of furniture heading for some unknown destination down the road from Famagusta.

The new city of Famagusta—the "Miami beach" area known as Varosha—is the major exception to the problem of looting. Evident care has been taken by Turkish military commanders to seal this area off from all potential looters. It appeared from our visit to be relatively untouched. But it remains a symbol as to what has happened to the economy of Cyprus; this once bustling city of 40,000, a key element in the island's tourist industry, is now a ghost town. We stood on the empty main street—"John F. Kennedy Blvd."—amid high-rise hotels and apartments and expensive shops, and could see only a few stray dogs and cats, and a lonely contingent of Swedish U.N. troops. An entire metropolitan area has become a refuge.

Since the Turkish invasion, the Government of Cyprus estimates that the country is losing some $4.5 million in economic production every day. The vast citrus industry in the Morphou area rots on the trees. The fields of wheat, which should now be planted, lie fallow. Unknown numbers of livestock and cattle are dead because of the lack of food and water. The mines and light industry lies idle. And not a single tourist remains on the island. It will not be too many months before the foreign exchange crisis becomes critical—a fact that has only been delayed temporarily by the action of Greece in providing some $17 million each month in financial support of the Government of Cyprus.

There can be little doubt, Mr. Chairman, that the damage to the economy of Cyprus will only serve to heighten the plight of the people, and made the life of the refugees all the more precarious. With each passing day the economic situation worsens, as will the condition of the refugees, if something more is not done soon.

International relief assistance

Fortunately, a significant international relief effort is now underway, in cooperation with the Government of Cyprus and under the auspices of the U.N. High Commissioner for Refugees and the International Committee of the Red Cross. Active in Cyprus since July, the ICRC issued an appeal in August for some $9 million in emergency relief assistance. This was followed on August 30th by an appeal by the U.N. High Commissioner for contributions of $22 million for relief through the end of the year, dovetailing his operation with the Red Cross program.

Although there was a commendable and early response from many nations to the plight of Cyprus—particularly from Greece, the European Economic Community, and the United States—the appeals of both the ICRC and U.N. High Commissioner have only received token amounts to date. The U.N. High Commissioner has said his operation will come to a standstill if further contributions are not forthcoming: he has received only $4.5 million of his $22 million goal.

Aside from the considerable bi-lateral aid Greece has given Cyprus, the United States has been the largest contributor. As of this week, the United States has pledged $3 million to the U.N. High Commissioner's program, and our total assistance, in cash and kind, is $4,925,754. American voluntary agencies have contributed $109,175.

But massive relief needs remain to be met. More blankets and tents are required, on an airlift, urgent basis. And if the crisis drags on, as it appears it will, considerable planning must begin now to provide food and other essential items. In addition, the medical situation, which is relatively stable now, can only worsen as refugee camps become crowded and the rains bring increased health and sanitation hazards. Early signs of medical problems are already evident, and a World Health Organization representative who toured the refugee areas at the time of our visit, outlined to WHO urgent medical requirements to head-off epidemics.

We were greatly impressed, Mr. Chairman, at the capacity of the government of Cyprus to undertake relief programs and absorb relief assistance—under the most difficult of circumstances. They have the talent, the energy, the infrastructure, and most of all, the concern, to carry forth a meaningful and significant relief effort—*if* they are given the tools and the resources to help them help themselves. This we, and the international community cannot fail to do.

Political consequences of the invasion

Having briefly reviewed some of the humanitarian and economic consequences of the Turkish invasion, it is essential to note the serious political consequences which have also resulted.

Stated succinctly, the invasion has undoubtedly destroyed the constitutional framework and political structure of the Government of Cyprus, as established in 1960. There can be no turning back the clock. The future of Cyprus will be a future governed by a new and different governmental and political structure. This, of course, will be the primary function of negotiations in the days ahead, and the outline of the solution can barely be seen at this time. Most frequently mentioned, particularly in Ankara, but also elsewhere, is some form of territorial separation of the two communities on the island—of geographic segregation of

Turkish and Greek Cypriots, thus creating a Turkish majority area on Cyprus.

To an outside observer, it may seem possible, even easy, to work out some kind of new bi-regional arrangement on either side of the present ceasefire line. But, Mr. Chairman, I do not believe that any Greek Cypriot government can be found that would accept a settlement imposed by the force of arms, and predicated on the non-return of two out of five of its people. If that "solution" is, in fact, forced upon the Greek Cypriots, there can be little doubt that they will be left with no alternative but guerilla war—with all that that implies for the future peace and stability of the eastern Mediterranean. The very likely outcome of a prolonged stalemate would be *de facto* partition—in effect, double enosis—the political, or at the very minimum, administrative and economic union of the two separate parts of Cyprus with Greece and Turkey. In the process, Cyprus would cease to exist.

Consequences of partition

Whatever name or label is used to describe partition in Cyprus—whether it is called "bi-regionalism," "geographic federalism," or "consolidated cantonments"—the reality of partition on an island the size of Cyprus is that there will inevitably be serious human and economic consequences.

The partition line most frequently envisaged in discussions on Cyprus, particularly within the Turkish community, relates to the so-called "Attila line." This line was first proposed by the Turkish Cypriot Communal Chamber in 1964, and was raised again this past July by Turkey during the Geneva talks. The Attila line runs from Kokkino in the northwest, via Xerarkaka, south of Lefka, Akaki, through Nicosia, east through Angastina and Prestio, to Famagusta. The area north of this line is approximately 1,750 square miles, comprising roughly one-third of the territory of Cyprus. Currently, the Turkish Army occupies land considerably beyond the Attila line.

But no matter where a line is finally drawn, any artificial division of the island will bring immense economic problems as well as massive population dislocation—the general character of which can only be imagined after an analysis of important economic and population factors. The following information was obtained from official sources in the field, and serves to document some of the population and economic factors related to partition in Cyprus.

Impact of partition on population patterns

Drastic changes in population patterns of Cyprus will come with partition—changes every bit as serious and disruptive as those which have already come with the Turkish military invasion, which has in effect turned the island upside down. Most severely affected, of course, is the Greek Cypriot community, which comprises some 78% of the population.

A partition along the Attila line, which will require a significant segregation of Greek Cypriots and Turkish Cypriots into separate areas—and which seeks to assure a Turkish majortiy in their area—will mean moving nearly half the total population and resettling them elsewhere on a permanent basis. Based on 1972 population estimates, this would amount to moving some 51,800 Turks (44.6% of the total Turkish Cypriot population) from scattered areas around the island into the northern zone. In turn, this would require moving out of that northern area at least 147,500 Greek Cypriots (or some 29.3% of the total Greek Cypriot population), who, until the invasion, lived there.

Official estimates indicate that such a shift could involve as many as 40,000 families, and it would alter significantly the population density in each of the two ethnic areas. According to Cyprus Government estimates, this would reduce the density of population in Turkish areas by half—from 185 to only 76.9 persons per square mile. Yet, at the same time, it would force the population density in the Greek area to jump from 181 to 202.6 persons per square mile. The following table, based on official estimates and data from the last detailed census in 1960, provides a population profile of Cyprus.

TABLE 2. *Population profile of Cyprus*

Total population 1972

Greek (78%)	503,100
Turkish (18%)	116,100
Armenians, Maronites, others (4%)	25,800
Total (100%)	645,000

Average population density, 181 per sq. mile.

Population of area north of the Attila lines:

Greek (67.7%)	147,500
Turkish (29.5%)	64,300
Others (2.8%)	6,000
Total (100.0%)	217,800

Population of important urban centers in the northern area:

Morphou: 7,480 (120 Turks, 7,360 Greeks).
Kyrenia: 4,183 (1,383 Turks, 2,800 Greeks).
Lefka: 5,400 (Turks, no Greeks).
Famagusta: 39,400 (6,900 Turks, 27,700 Greeks, 4,800 others.

Nicosia:

Turkish sector	27,400
Greek sector (Greeks)	72,600
Others	10,500
Total	110,500

In short, if partition in Cyprus is to mean significant segregation between Greek and Turkish Cypriots, and if it also means the Turks are to have a majority in their area, as Turkey now seems to demand, it will require a drastic rearrangement of existing population patterns—rearrangement that cannot help but be painful, and probably inequitable, to the Greek Cypriots. An example is the city of Morphou, which falls above the Attila line, and which seems clearly within the Turkish area from the Turkish point of view. If Morphou were made to become a Turkish majority area, well over half of 95% of the city's current population would have to leave their homes. In Kyrenia, 30% to 60% of the population would have to leave and be replaced by Turks.

The impact upon land ownership would be no less severe, and will obviously be a major stumbling block in any partition plan. It will require compensation for Greek privately owned land in the northern areas of Cyprus, as well as extensive land exchange programs between Turkish and Greek Cypriots. Because the Greeks own more land in the north than the Turkish Cypriots do in the south, land exchange will obviously be complicated no matter whose statistics one uses on current land ownership. The Government of Cyprus claims the 1960 Census shows some 20.4% of the total agricultural land in Turkish hands, while the Turkish Communal Chamber says arable Turkish land is 30%. The discrepancy may not seem great in terms of total land tenure, but when the critical differences of where the land is located, its level of development, and its crop, are added to land distribution patterns, exchanging land on an equitable basis will be difficult, if not impossible—regardless of what the actual total of land may be respective to the two communities.

Impact of partition on the economy

Being a relatively small island, the economy of Cyprus is necessarily homogeneous and, even as it has prospered and grown remarkably over the past decade, it remains a fragile and developing economic system. Partition of this totally integrated economy would have disastrous consequences, and to partition it in an equitable fashion will try the wisdom of Solomon—because it works, prospers, and grows only as a whole.

If the Attila line forms the basis of partition, it will include many of the principal foreign exchange earning portions of the economy. On the Turkish side, it will include the copper mining region in the Morphou Bay area, the whole of the highly-developed agricultural Morphou plain (including the mostly Greek citrus industry), all of the perennial springs in the Kyrenia mountain range, most of the irrigated plain of the eastern Mesaoria, large areas of citrus groves in the Serrakhis river valley, large forest areas in the Kyrenia region (although two thirds were burned during the invasion) many of the best tourist resorts, and portions of Famagusta, including the largest port facilities on the island.

In comparison, the Greek controlled area, although retaining a sizeable portion of the fertile Mesaorian plain, would contain a high proportion of uncultivable mountainous and forested terrain (the Troodos Mountain area), and undeveloped land.

Agriculture

Because Cyprus is basically an agricultural country, with approximately 47% of the land cultivated and well over half of the population engaged in some form of agriculture, partition will inevitably have a severe impact upon its agricultural sector.

For example, the fertile Mesaorian plain, the breadbasket of the island's cultivable lands. Its principal crops are wheat, barley, vegetables, and citrus fruits. Extensive irrigation in the area is required during the summer dry season, and this has been developed over the past decade. If this plain is partitioned along the Attila line, it would place within Turkish control some 37% of all croplands, and provide the Turkish Cypriot community with more than half of the valuable irrigated crop land, and over half of the wheat cultivated areas—to feed less than a quarter of the island's population.

The Morphou plain would also fall in the Turkish area, and as a result Turkish Cypriots would control two thirds of the best citrus growing region of Cyprus. These include the orange and grapefruit groves in the Famagusta and Morphou areas, and the lemon orchards near Karavas and Lapithos in Kyrenia. Citrus fruits represent the most important export of the island, valued at some $17.3 million in 1970 according to Cyprus Government statistics.

Turkish controlled areas will also have the second best potato growing region of Cyprus, along the Nicosia-Morphou road, as well as approximately half of the carob and olive producing areas. The value of potato exports, mostly to England, was almost $16 million in 1970.

Tourism

In recent years, tourism has grown as a significant foreign exchange earner for Cyprus, and it has almost been exclusively Greek Cypriot investments and management that have made it possible. Partition of the island, especially if Famagusta is divided differently than it is now, will also cut the tourist business in half.

The Greek controlled areas would retain many of the tourist and ski attractions in the western part of the island and in the Troodoos mountains. But the tourist trade concentrated in the Kyrenia and northern coastal resorts will fall into Turkish hands. Loss of Kyrenia will be especially hard for Greek Cypriots, largely because of its flourishing, Greek-owned hotel business. In 1970, Kyrenia and Famagusta (now both in the Turkish occupied area), and Nicosia, together accounted for 82% of the tourist accommodations and are clearly the most significant aspects of the foreign exchange earnings of tourism.

Forestry

Although the timber resources of Cyprus provide less than 30% of its timber requirements, the forests represent a key resource in the island's economy. Partition will mean that the northern area, which contains some 197 square miles of timber, or about 29% of all state and privately owned forest land, will be in Turkish hands. Roughly one-third of the island's timber output will be reserved for less than a quarter of the population.

Mining

The Turkish occupation of the Morphou Bay area brings within its control the U.S.-owned Cyprus Mines Corporation, the island's largest copper producing company and another significant foreign exchange earner. According to information in Nicosia, this copper mine's output in 1970 totalled some 18,000 metric tons, a substantial drop from the peak years of the 1960's, and it will, officials say, decline further unless there are new investments of capital equipment. All other mining areas will remain in Greek held territory.

Industry

Officials indicate that this branch of the economy will be least affected by partition, largely because there is little heavy industry on the island aside from the mines. Light industry is largely concentrated around Nicosia and the southern port cities, and remains in Greek controlled areas. The significant winery industry, almost wholly Greek-owned, is in the Limassol area and would be in Greek areas under a partition plan.

The hazards of economic partition

Over the past decade, the economy of Cyprus has grown at a remakable rate, and it has become one of the most dependable members of the International Monetary Fund, and one of the highest rated recipients of United Nations Development Program funds. Indeed, Cyprus has prospered and has developed economically at a far better rate than its neighbors, including Turkey and even Greece. It has one of the highest per capita incomes in the Eastern Mediterranean—nearly three times that of Turkey.

However, this prosperity and economic performance has been based upon the integrated economy of the whole island. What political partition will mean in economic terms is anyone's guess—even if the intention is not, as Turkey says it is not, to divide the island's economy. But how a political partition line can be drawn without also dividing or disrupting the economy of the island, is clearly one of the most troubling questions confronting negotiations over the fate of Cyprus.

The results of the Turkish invasion have already, in less than three months, wreaked havoc with the economy of Cyprus. As I have already noted, the losses from physical damage and dislocation caused by the military activity since July have already run into the millions. But as serious as the economic effects of Turkish occupation have been to date, consequences of partition may be even more damaging. Every indicator suggests that Cyprus could not easily recover economically from a permanent political partition—certainly not in the near future, and perhaps not for many years to come.

CONCLUDING NOTES

1. Ethnic conflict between Greeks and Turks on Cyprus has led, and will lead inexorably in the future, to confrontation between Greece and Turkey. Britain, as a guarantor power, is also immediately involved. All this in turn, gives rise to problems within the western alliance (NATO) and automatically draws the United States into the picture. Intense U.S. and NATO activity in the eastern Mediterranean tends to bring about the reaction of the Soviet Union and the issue thus reaches the level of world politics involving the stakes of war and peace. Finally, Cyprus' membership in the United Nations and her ties with the non-aligned nations bring an additional factor to bear on the power equation around this small island. This, in fact, has been the general pattern and complexity of international crises over Cyprus since 1963–64, in 1967, and now, again, in 1974.

2. Considering this extremely complex network of conflicting interests involving Greece, Turkey, Britain, the United States, NATO, the Soviet Union, the United Nations, and, most important of all, the divided people of Cyprus—the only way of reconciling most of these interests is to maintain and preserve a truly independent, democratic Cyprus. Viewed in this perspective the Greek junta's engineered coup in Cyprus in July was a clear attempt to impose an unacceptable solution. So too, however, was the military intervention of Turkey which now threatens partition.

Surely, one of the most important lessons of this latest Cyprus crisis is that the much touted concept of detente has degenerated to a mechanical nonaggression agreement among the Great Powers, while any smaller power which feels strong and determined enough to strike can defy both Washington and Moscow as well as the United Nations. Nobody can claim that the people of Cyprus have benefited from detente. Their suffering is ignored, and their legitimate interests forgotten.

3. It is to the end of restoring the independence and territorial integrity of Cyprus that the U.S. should now turn its full energies. The Cyprus crisis will not go away as we "tilt"—or, perhaps more accurately, as we "slide"—from one side to the other in an unsuccessful policy of drift that is called "being neutral." Active, imaginative diplomatic approaches are needed urgently.

4. Needless to say, any negotiated settlement will have to provide the Turkish Cypriot community on Cyprus, which has legitimate and serious grievances, with an enhanced degree of security, autonomy and participation in the economic life of the country. How this is achieved, and within what constitutional framework, is, of course, a matter for creative diplomacy and negotiations to define.

In this connection, the talks now taking place between President Clerides and Vice-President Denktash, are crucial and must be actively supported.

However, we can foresee no viable solution to the crisis on Cyprus unless a substantial number of refugees are permitted to return to their lands and their homes. Some movement and transfer of population may be necessary and, indeed, desirable. But no plan that perpetuates what military conquest has brought about can long survive.

5. United States diplomacy should be carefully orchestrated with peace initiatives advanced by the United Nations. Only within the context of a United Nations solution will the Soviet Union, which has legitimate security interests in the eastern Mediterranean, accept the final disposition of the Cyprus issue.

6. The United Nations has a long and constructive record of involvement in Cyprus. But its presence and its peace keeping capability on the island were severely tested in this latest crisis. In fact, the credibility of its peace keeping functions has been gravely impaired. The U.S. should support a new and strengthened mandate for UNFICYP to enable it to perform its peace keeping mission satisfactorily.

7. The longer the time needed to achieve a resolution of the crisis, the greater will be the suffering and tragedy of the people of Cyprus. Political postures cannot be allowed to freeze into inflexibility; the need of the people of Cyprus is urgent and it must be a priority before the international community.

MORE TRIAL BALLOONS

Mr. HARTKE. I wonder, Mr. President, if the adminsitration or its spokesmen will ever tire of launching as "trial balloons" proposals that have already become earth-bound chestnuts.

First it was the 10-cent-a-gallon tax on gasoline. Now we learn that the President and his advisers are discussing a Btu tax on fuel which would work an even greater hardship on those least able to afford it.

Mr. Ford's administration surely cannot be so regressive in attitude and outlook as to favor such schemes. Energy conservation is a desirable goal—in fact, an imperative goal. Outside of the minions of the multinational oil companies, few Americans are willing to tolerate continued reliance on Arab oil or to endure economic blackmail.

I cannot believe, however, that the combined brain power of the executive branch is incapable of devising any other policy for energy conservation. Without belaboring the obvious, Mr. President, I would like to take a few points from the testimony offered last week before the Special Committee on Aging of which I am proud to be a member.

The poor in general and the elderly in particular pay out a disproportionate amount of their incomes for direct energy consumption. The welloff in our society use vastly more energy per capita but need devote only about 4 percent of their incomes to energy purchases. Middle income groups pay, on the average, 6 to 7 percent. The poor, however, must utilize 15 percent of their incomes to cook, keep warm, and get to and from work in those instances where they have automobiles. More importantly, the poor—according to the testimony of S. David Freeman—use less energy than other Americans but what they do use is devoted almost entirely to essentials. This allows for almost no leeway for cutting back.

The elderly, let us keep in mind, Mr. President, are more severely affected by the cold. To ask them—or to force them—to keep their homes at 68 degrees or lower is a real hardship. During the winter months they stay indoors far more than the rest of the population to escape the cold.

In gross terms, an excise tax on gasoline would have a greater effect on middle and upper income groups since the poor own only about 9 percent of the Nation's automobiles and consume only about 5 percent of the gasoline. But such reasoning is too reminiscent of Mr. Greenspan's remark the other day that stockbrokers were actually the greatest victims of the present inflation. An excise tax—and even more importantly a Btu tax—will have a devastating impact on poor and lower middle income families because they simply do not have the necessary economic cushion to insulate themselves from such Government-imposed hardships.

I do not like either the excise or Btu tax concepts because they are entirely regressive, affecting most severely those least able to absorb the blow. This is not a just solution, it is not even a particularly effective solution to the problem of energy conservation. But if the administration is at all serious, I strongly urge it to combine these proposals with some form of tax relief or direct payment to lower and middle income families who will otherwise be forced to bear the entire burden.

NEEDED NOW: A SOLAR CONSTRUCTION PROGRAM

Mr. GRAVEL. Mr. President, instead of helplessly exporting American wealth to pay for foreign oil, why does not this Government start on a positive program to build solar energy plants?

I say it is time to make solar energy a major tool of our foreign policy. For a year, we have been cajoling and threatening and yielding to foreign oil owners.

What is needed is a real commitment by this country to replace foreign oil with solar energy on the fastest possible schedule. Complete replacement is not necessary, of course. Just a major reduction in our demand for foreign oil would almost certainly bring down the price of what we still do buy.

Our solar resources are certainly big enough to let us show that we mean business, serious business. At an average energy conversion efficiency of just 5 percent, solar energy from less than 4 percent of the U.S. continental landmass could supply 100 percent of the country's current energy needs, according to the AEC's Solar Subpanel IX, October 1973.

READY, FOR A PRICE

There is no question that solar energy systems would work if we built them today. There is no question, also, that they would work cheaper and better if we waited 5 years to build them. Solar Subpanel IX reported as follows:

> Although the full impact of solar energy probably won't occur until the turn of the century, the economic viability of several applications (e.g., heating and cooling of buildings, wind electric power, and bioconversion to fuels) could be developed and demonstrated in the next five years.

Here is the question: Should we wait 5 years to demonstrate competitive cost, or should we start building now and subsidize the early solar plants and solar buildings?

No matter when we start building solar energy plants, the first ones will be crude and expensive compared to the ones we will build later. So what? Is it not better to pay those extra dollars to American workers and industries than to foreign oil owners?

If construction contracts were arranged now, we could be enjoying methane, hydrogen, oil, and electricity from solar sources within 2 to 4 years. And jobs right away.

American industry is clearly capable of rapidly organizing to build simple things like algae digesters and wind generators and solar heat collectors and mirrors. They are ever so much easier and faster to build than nuclear power plants.

BIG STAKES AND MINIBUDGETS

It makes no sense to bleed this country to pay for foreign oil when we could create an abundance of badly needed jobs and obtain clean energy by building solar plants.

This year, our oil bill will be about $15 billion higher than last year. As Hobart Rowen points out in the Washington Post, September 26, 1974, $15 billion is the equivalent of a 10 percent personal income tax surcharge—all of which goes out of the country. We are literally shipping our wealth and jobs away. Not all of it is coming back, as our growing trade deficit shows. And it will get worse unless we do something positive.

For just a fraction of $15 billion, we could start building a whole lot of solar plants.

It is time to stop diddling around with annual solar energy budgets in the $50 to $100 million range. Such amounts can not build even one solar energy plant, or create the mass-production conditions which are the essence of cost reduction for solar energy.

WILL SOLAR ENERGY BE "FREE"?

The point is this: it would be a better bargain to subsidize solar energy during the process of its cost reduction, than to ship our wealth and our jobs out of the country to pay for foreign oil. We have been subsidizing nuclear power for a very long time. I am saying that it would make good sense to start mass producing solar energy facilities and to subsidize the early ones, instead of waiting 5 years for the technologies to reach commercial viability on minibudgets.

By subsidize, I mean tax credits, or tax-free profits, cost-plus contracts, or a combination of these and other temporary incentives. No matter which mechanisms we use, it is urgent to get started, at last.

Even with subsidies, a multibillion dollar solar construction program might turn out to be "free," if free means no extra cost to the American public. Either the program might pay for itself by gradually causing a drop in the prices we pay for whatever foreign oil we still need, or the program might pay for itself by making it unnecessary for our Navy to spend billions on ships to protect our foreign fuel supplies. And by creating jobs for the unemployed, it could save billions.

LOBBYING FOR A SUNSHINE FUTURE

I am pleased to see that at least one citizen action group is lobbying vigorously for a faster solar energy program. The Task Force against Nuclear Pollution, Inc., which represents 105,000 Americans who are impatient with the low priority which Congress is still giving to solar energy, is intensifying its work on Capitol Hill. The task force is located at 152 E Street SE, Washington, D.C. 20003.

Soon, I hope to see organized labor, industry, and professional societies up here, urging Congress to back a major solar energy building program. Such a program would make a great and positive contribution to solving this Nation's problems in fuel, jobs, and foreign affairs.

SENATE AND HOUSE CONFER ON SOLAR ENERGY BILLS

Mr. GRAVEL. Mr. President, on September 3d, the President signed the Solar Heating and Cooling Demonstration Act, which became Public Law 93-409. Solar heating and cooling of buildings could drastically reduce the peak-load demand at central power stations, and make it unnecessary to build many of the nuclear plants now projected. I hope that citizens will ask their Senators and Representatives for copies of this law.

Later in September, both the Senate and House passed bills which address the use of solar energy for fuels and electricity, as well as direct heating and cooling of buildings.

On September 17, the Senate passed S. 3234, which I cosponsored, without opposition. It is a small but important step in the right direction. On September 19, the House passed H.R. 16371 by a vote of 383 to 3.

The House bill contains an important provision in section 11.G. which is missing from the Senate bill. That provision, which I hope will survive the Senate-House conference, would establish a solar energy incentives task force to report to the President and to Congress, within 120 days following the signing of the law, on recommedations for a program of incentives to accelerate the commercial application and consumer use of solar energy technology.

THE IMPORTANCE OF INCENTIVE DATA

As chairman of the Energy Subcommittee of the Senate Finance Committee, I discovered that everyone agrees incentives for the use of solar energy are needed and desirable, but no one has been funded by the National Science Foundation to figure out which incentives might produce what energy savings, and at what cost to the Treasury. Such calculations represent a lot of work, and it simply will not get done until we fund people to do it.

I think we will see solar construction begin the moment we enact the right monetary incentives. The absence of such legislation is clearly one of the biggest obstacles to the immediate use of solar energy.

Mr. President, I ask unanimous consent that the text of H.R. 16371 as passed by the House be printed at the end of these remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

THE ADMINISTRATION'S PROPOSED SOLAR BUDGET

Mr. GRAVEL. Mr. President, on September 27, Federal Energy Administration Chief, John C. Sawhill, told the World Energy Conference in Detroit that between now and 1985, there is only a limited potential for energy contributions from solar energy technologies. It is Mr. Sawhill's opinion that solar, geothermal, steam, wind generators, solid waste, and other "new energy sources" cannot be regarded as alternatives to nuclear power because they are undeveloped.

The budgets which Mr. Sawhill is considering for solar energy would keep it undeveloped, for sure. The total of his 5-year investment in solar energy for fiscal years 1975 through 1979 is less than the proposed Federal investment to build one 500-megawatt nuclear breeder plant. The proposed $1 billion budget for solar energy is as follows:

[In millions of dollarhPs]

Program	Fiscal year— 1975	1976	1977	1978	1979	Total
Solar heating and cooling..	17	36.5	50.7	57.5	48.6	210.3
Solar thermal conversion...	10	37.0	60.3	84.0	97.5	288.8
Windpower.....	7	18.8	27.5	30.4	22.5	106.2
Bioconversion..	5	10.0	24.6	27.1	27.8	94.5
Ocean thermal gradient conversion......	3	12.0	15.8	26.5	49.7	107.0
otovoltaics...	8	40.5	63.5	73.5	85.7	271.2
Total......	50	154.8	242.4	299.0	325.8	1,072.0

Source: Intra-agency Panel for Terrestrial Applications of Solar Energy.

EXHIBIT 1

H.R. 16371

A bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the United States Government

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Solar Energy Research Development, and Demonstration Act of 1974".

FINDINGS

SEC. 2. The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of energy;

(2) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;

(3) the demands on nonrenewable sources of energy are rapidly becoming unacceptably large and must be augmented;

(4) solar energy offers a nonpolluting, inexhaustible source of energy available for the benefit of all mankind;

(5) insofar as practical utilization is concerned, the various solar energy technologies today are at widely differing stages of development, with some already near the stage of commercial application and other still requiring basic research;

(6) the early development and export of viable equipment utilizing solar energy, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(7) the mass production and use of equipment utilizing solar energy will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(8) the national effort in research, development, and demonstration activities relating to the utilization of solar energy has been extremely limited; and

(9) the resources of the Federal Government must supplement those of private industry in research, development, and demonstration of solar energy technologies.

POLICY

SEC. 3. The Congress declares that it is the policy of the United States to pursue a vigorous and adequately funded program of resource assessment, research and development, and demonstrations with the objective of utilizing solar energy as a major source for our national energy supply.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) The term "solar energy" means energy which has recently originated in the Sun. It includes direct and indirect solar radiation and intermediate solar energy forms such as wind, ocean thermal gradients, products of photosynthetic processes, organic wastes, and others.

(2) The term "byproducts" includes, with respect to any solar energy technology or process, any solar energy products (including energy forms) other than those associated with or constituting the primary product of such technology or process.

(3) The term "insolation" means the rate at which solar energy is received at the surface of the earth.

(4) The term "Project" means the Solar Energy Coordination and Management project established by section 5.

SOLAR ENERGY COORDINATION AND MANAGEMENT PROJECT

SEC. 5. (a) There is hereby established the Solar Energy Coordination and Management Project.

(b) (1) The Project shall be composed of six members as follows:

(A) one appointed by the President;

(B) an Assistant Director of the National Science Foundation;

(C) an Assistant Secretary of Housing and Urban Development;

(D) a member of the Federal Power Commission;

(E) an Associate Administrator of the National Aeronautics and Space Administration; and

(F) the General Manager of the Atomic Energy Commission.

(2) The President shall designate one member of the Project to serve as Chairman of the Project.

(c) The Project shall have overall responsibility for the provision of effective management and coordination with respect to a national solar energy research, development, and demonstration program, including—

(1) the determination and evaluation of the resource base, including its temporal and geographic characteristics;

(2) research and development on solar energy technologies; and

(3) the demonstration of appropriate solar energy technologies.

(d) (1) The Project shall carry out its responsibilities under this section in cooperation with the following Federal agencies:

(A) the National Science Foundation, the responsibilities of which shall include basic and applied research and overall funding;

(B) the National Aeronautics and Space Administration, the responsibilities of which shall include the provision of management capability and the development of technologies;

(C) the Atomic Energy Commission, the responsibilities of which shall include the development of technologies;

(D) the Department of Housing and Urban Development, the responsibilities of which shall include fostering the utilization of solar energy for the heating and cooling of buildings; and

(E) the Federal Power Commission, the responsibilities of which shall include fostering the utilization of solar energy for the generation of electricity and for the production of synthetic fuels.

(2) Upon request of the Project, the head of any such agency is authorized to detail or assign, on a reimbursable basis or otherwise, any of the personnel of such agency to the Project to assist it in carrying out its responsibilities under this Act.

(e) The Project shall have exclusive authority with respect to the establishment or approval of programs or projects initiated under this Act, except that the energy involved in any particular program or project shall be responsible for the operation and administration of such program or project.

(f) The National Aeronautics and Space Administration is authorized to undertake and carry out those programs assigned to it by the Project.

RESOURCE DETERMINATION AND ASSESSMENT

SEC. 6. (a) The Chairman shall initiate a solar energy resource determination and assessment program with the objective of making a regional and national appraisal of all solar energy resources, including data on isolation, wind, ocean thermal gradients, and potentials for photosynthetic conversion. The program shall emphasize identification of promising areas for commercial exploitation and development. The specific goals shall include—

(1) the development of better methods for predicting the availability of all solar energy resources, over long time periods and by geographic location;

(2) the development of advanced meteorological, oceanographic, and other instruments, methodology, and procedures necessary to measure the quality and quantity of all solar resources on periodic bases;

(3) the development of proposed agreements and programs with other countries to facilitate the exchange of information and data relating to solar energy resource assessment; and

(4) the development of activities, arrangements, and procedures for the collection, evaluation, and dissemination of information and data relating to solar energy resource assessment.

(b) The Chairman, acting through the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, and other appropriate agencies, shall—

(1) develop and carry out a general plan for inventorying all forms of solar energy resources associated with Federal lands and (consistent with property rights) non-Federal lands;

(2) conduct regional surveys based upon such general plan, using innovative meteorological, oceanographic and space-related techniques, in sufficient numbers to lead to a national inventory of solar energy resources in the United States;

(3) publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of solar energy resources; and

(4) make such recommendations for legislation as may appear to be necessary to establish a Federal leasing policy for solar resources (including public lands and waterways to be devoted to the collection of direct or indirect solar radiation or to the utilization of photosynthetic processes) consistent with known inventories of various resource types, with the state of technologies for solar energy development, and with evaluation of the environmental impacts of such development.

RESEARCH AND DEVELOPMENT

SEC. 7. (a) The Chairman shall initiate a research and development program for the purpose of resolving the major technical problems inhibiting commercial utilization of solar energy in the United States.

(b) In connection with or as a part of such program, the Project shall insure the conduct of—

(1) basic research in all aspects of solar energy in order that basic limitations are better understood and ultimate potentials realized, and in order that significant practical application can be made to national energy requirements;

(2) systems, economic, social, and environmental studies to provide a basis for research and development planning and phasing;

(3 technology assessments relevant to the utilization of solar energy; and

(4) coordinated development of the means for utilizing the solar energy resource base,

including any by-products of such base, with specific attention being directed to—

(A) the improvement of technical capability to predict environmental impacts resulting from the development of solar energy resources, and the assuring of compliance with applicable standards and performance criteria;

(B) the identification of social, legal, and economic problems associated with solar energy development (locally, regionally, and nationally) for the purpose of developing policy and providing a framework of policy alternatives for the commercial utilization of solar energy resources; and

(C) the development of agreements and programs with other countries to facilitate the exchange of information and to support cooperative research and development programs relating to solar energy.

(c) The specific solar energy technologies to be addressed or dealt with in the program shall include—

(1) solar heating and cooling of housing and of commercial and public buildings;

(2) direct solar heat as a source for industrial processes, including the utilization of low level heat for process and other industrial purposes;

(3) thermal energy conversion, and other methods, for the generation of electricity and the production of chemical fuels;

(4) the conversion of cellulose and other organic materials (including wastes) to useful energy or fuels;

(5) photovoltaic and other direct conversion processes;

(6) sea thermal power conversion;

(7) windpower conversion; and

(8) energy storage.

DEMONSTRATION

SEC. 8. (a) The Chairman may initiate a program to design and construct, in each of the specific solar energy technologies referred to in section 7(c), facilities or powerplants of sufficient size to demonstrate the technical and economic feasibility of utilizing the various forms of solar energy. The specific goals of such program shall include—

(1) the development of economical solar heating and cooling systems and components which meet performance and environmental standards;

(2) the design and construction of solar thermal electric powerplants;

(3) the design and construction of electric powerplants utilizing direct conversion processes;

(4) the design and construction of electric powerplants utilizing windpower;

(5) the evaluation of designs (and construction, if feasible) of plants generating electricity utilizing ocean thermal gradients;

(6) the design and construction of plants utilizing organic materials (including wastes) to produce electricity or synthetic fuels;

(7) the utilization of all thermal and other byproducts from any of the plants referred to in the preceding paragraphs;

(8) the design and development of hybrid systems involving the concomitant use of solar and other energy sources;

(9) the continuous operation of such plants for a period of time; and

(10) the provision of experimental test beds for component testing and evaluation.

(b)(1) In carrying out his responsibilities under this section, the Chairman may provide for the establishment of one or more demonstration projects utilizing each form of solar energy, which shall include, as appropriate, the specific research, development, pilot plant construction and operation, demonstration plant construction and operation, and other facilities and activities which may be necessary for the generation of electric energy, the heating and cooling of buildings, the production of synthetic fuels, and the utilization of byproducts.

(2) Plants and other real property utilized or involved in any demonstration project under this section may be purchased, leased, constructed, or otherwise established or obtained by the Chairman through the appropriate Federal agencies. Such agencies may obtain such plants and other real property under appropriate contracts or arrangements with other public or private persons or agencies.

(3)(A) During the conduct of any demonstration project under this section the agency designated by the Chairman to conduct such project shall take such steps as may be necessary to dispose of all of the electric energy and other byproducts of such project, in such manner and on such terms and conditions as such agency may determine to be feasible and in support of the objectives of this Act.

(B) To the maximum extent possible the disposition of byproducts under paragraph (1) shall be accomplished through the sale of such byproducts for commercial utilization, on such terms and conditions and in accordance with such plans as such agency may prescribe or develop.

(c) The Chairman, acting through the appropriate Federal agencies, is authorized to investigate and enter into agreements with non-Federal entities for the cooperative development of facilities to demonstrate the production of energy from solar resources.

(d) At the conclusion of the program under this section or as soon thereafter as is practicable, the responsible Federal agencies shall, by sale, lease, or otherwise, dispose of all Federal property interests which they have acquired pursuant to this section on such terms and conditions as such agencies determine to be reasonable, or in accordance with the terms of the cooperative agreements involved.

(e) In selecting solar energy technologies for demonstration under this section, preference shall be given to those with the best opportunity for commercial success and environmental acceptability.

SCIENTIFIC AND TECHNICAL EDUCATION

SEC. 9. (a) It is the policy of the Congress to encourage the development and maintenance of programs through which there may be provided the necessary trained personnel to perform required solar energy research, development, and demonstration activities under sections 6, 7, and 8.

(b) The National Science Foundation is authorized to support programs of education in the sciences and engineering to carry out the policy set forth in subsection (a). Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

(c) The National Science Foundation is authorized and directed to coordinate its actions, to the maximum extent practicable, with the Project or any permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States, in determining the optimal selection of programs of education to carry out the policy set forth in subsection (a).

(d) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this Act, international participation and cooperation in the development and maintenance of programs of education to carry out the policy set forth in subsection (a).

SOLAR ENERGY RESEARCH INSTITUTE

SEC. 10. (a) There is established a Solar Energy Research Institute, which shall perform such research, development, and related functions as the Chairman of the Project may determine to be necessary or appropriate in connection with the Project's activities under this Act or to be otherwise in furtherance with the purpose and objectives of this Act.

(b) The Institute may be located (as designated by the Chairman of the Project) at any new or existing Federal laboratory (including a non-Federal laboratory performing functions under a contract entered into with the Project or with any of the agencies represented in the Project as well as a laboratory whose personnel are Federal employees).

SOLAR ENERGY TECHNOLOGY UTILIZATION

SEC. 11. (a)(1) In carrying out his functions under this Act the Chairman of the Project, utilizing the capabilities of the National Science Foundation, the National Aeronautics and Space Administration, the Department of Commerce, the Atomic Energy Commission, and other appropriate Federal agencies to the maximum extent possible, shall establish and operate a Solar Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data in all of the solar energy technologies referred to in section 7(c) in a timely and accurate manner in support of the objectives of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (reports, journal articles, dissertations, monographs, project descriptions, etc.) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing solar energy;

(C) physical and chemical properties of materials required for solar energy activities and equipment; and

(D) engineering performance of equipment and devices utilizing solar energy.

(3) In accordance with regulations prescribed under section 13, the Chairman shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Chairman shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. He shall coordinate or merge this data bank with other Federal energy information data banks as necessary to assure efficient and effective operation.

(b) The Chairman of the Project shall establish a solar energy incentives task force comprised of such individuals and organizations as he may consider appropriate to carry out the following functions: (1) report to the President and the Congress within one hundred and twenty days following the date of the enactment of this Act, and at least annually thereafter, recommendations for a viable program of specified, time limited, incentives or modifications to existing or proposed incentive programs to accelerate the commercial application and consumer utilization of solar energy technology; (2) carry on a program of research and investigation into the barriers to innovation in the field of solar energy, the barriers to the acceleration of the commercial application of solar energy technology, and the programs needed to remove such barriers; and (3) carry on a program of research and investigation into the social, legal, and economic barriers to the full public acceptance and utilization of solar energy technology.

(c) The Chairman of the Project shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of solar energy technology utilization with all other technology utilization programs within the Federal Government.

REPORTING REQUIREMENTS

SEC. 12. Each Federal officer and agency having functions under this Act shall include in his or its annual report to the President and the Congress a full and complete description of his or its activities (current and projected) under this Act, along with his or its recommendations for legislative, administrative, or other action to improve the programs under this Act or to achieve the objectives of this Act more promptly and effectively. In addition, the Chairman of the Project shall submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this Act, with the objective of presenting a comprehensive overall view of such programs.

REGULATIONS

SEC. 13. The Chairman of the Project, in consultation with the heads of the Federal agencies having functions under this Act and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this Act promptly and efficiently. Each such officer or agency, in consultation with the Chairman, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

TRANSFER OF FUNCTIONS

SEC. 14. Within sixty days after the effective date of the law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the date of the enactment of this Act if the effective date of such law occurs prior to the date of the enactment of this Act), all of the authorities of the Project and all of the research and development functions (and other functions except those related to scientific and technical education) vested in Federal agencies under this Act along with related records, documents, personnel, obligations, and other items to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such organization or agency.

INFORMATION TO CONGRESS

SEC. 15. Notwithstanding any other provision of law, the Chairman of the Project (or the head of any agency which assumes the functions of the Project pursuant to section 14) shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this Act.

COMPREHENSIVE PROGRAM DEFINITION

SEC. 16. (a) The Chairman of the Project is authorized and directed to prepare a comprehensive program definition of an integrated effort and commitment for effectively developing solar energy resources. Such Chairman, in preparing such program definition, shall utilize and consult with the Federal Energy Administration, the National Science Foundation, the Department of Housing and Urban Development, the Federal Power Commission, the National Aeronautics and Space Administration, the Atomic Energy Commission, and other appropriate Federal agencies, State and local government agencies, and private organizations.

(b) The Chairman of the Project shall transmit such comprehensive program definition to the President and to each House of the Congress. Interim reports shall be transmitted not later than December 31, 1974, and not later than January 31, 1975. The comprehensive program definition shall be transmitted as soon as possible thereafter, but in any case not later than June 30, 1975.

AUTHORIZATION OF APPROPRIATIONS

SEC. 17. (a) There is authorized to be appropriated to the National Science Foundation for the fiscal year ending June 30, 1975, not to exceed $2,000,000 to be made available for use in the preparation of the comprehensive program definition under section 16.

(b) There are authorized to be appropriated to carry out this Act, for fiscal years beginning after June 30, 1975, such sums as the Congress may hereafter authorized by law.

THE ORGANIZING AGAINST NUCLEAR POWER HAS JUST BEGUN

Mr. GRAVEL. Mr. President, there is no evidence yet that anyone believes the nuclear safety claims in the AEC's $3 million Rasmussen report, which was released August 20.

In fact, a leading AEC safety expert, Carl Hocevar, has just quit his job because he believes the AEC is misleading the public about nuclear safety.

The insurance industry shows no sign of believing the Rasmussen report either.

And the public has not swallowed the $3 million public relations job at all.

The Task Force against Nuclear Pollution, which is coordinating a nationwide petition drive to get rid of nuclear power, reports that signatures have passed the 100,000 mark, and are arriving faster than ever. The task force is located at 153 E Street SE., Washington, D.C. 20003.

The Federal Energy Administration, which held energy hearings in Chicago on September 9–12, could not find a single environmental or public interest group to testify in favor of nuclear power. There was nothing but opposition from such groups.

"THOSE WHO HAVE GOT MONEY AND THOSE WHO HAVE GOT PEOPLE"

When FEA chief John Sawhill said he believes opposition to nuclear power is waning, he heard about the petition drive from Jane Magers, chairwoman of Iowa Citizens United for Responsible Energy. She pointed out that in Iowa, where her group has already collected 2,000 signatures, 10 of the State's 50 senators endorsed a nuclear power moratorium the first time the citizen group lobbied for it.

"The organizing against nuclear power has just begun," she told Sawhill.

I admire people like Jane Magers and the many others who are using the petition drive to organize political clout on this issue. They seem to understand the wisdom of two very different individuals, Saul Alinsky and Admiral Hyman Rickover.

Alinsky said:

> Power just goes to two poles—to those who've got money and those who have people.

Rickover has said:

> By its nature, bureaucracy is unable to stop whatever it is doing except by drastic action applied from the outside.

FEDERAL ENERGY ADMINISTRATION JOINS THE NUCLEAR BUREAUCRACY

I would like to see a half-million petitions signed as quickly as possible, because it will take an "outside force" to demolish the nuclear establishment in Washington.

The FEA has joined the AEC in sending nuclear advocates to Capitol Hill. FEA's Director of Research is Dr. Alvin Weinberg, formerly Director of the AEC's Oak Ridge National Laboratory.

Although FEA chief Sawhill admitted in Chicago that nuclear power is still contributing little more energy than firewood, he said that atomic energy holds "the greatest promise" of *all* energy sources for the next 5 to 10 years.

THE HIGH COST OF NUCLEAR UNRELIABILITY

Some people fret because certain kinds of solar energy systems cannot produce power except when the Sun is shining or the wind is blowing. However, all that is required to make solar systems reliable, constant sources of power is some simple energy storage equipment.

The reliability problem with nuclear plants is far more serious. Their average performance has been only 54 percent of capacity.

Because of the low deliverability rate of nuclear plants, total cost overruns on nukes may exceed $121 billion by 1990, according to testimony in Chicago by David Comey. Comey, who is director of environmental research for Business and Professional People for the Public Interest in Chicago, noted that data from 1973 and 1974 indicates capacity factors for nuclear plants diminish linearly with age after 3 to 4 years' operation, with plants older than 7 years averaging a 38-percent capacity factor.

FEA, AEC, and EPA officials all conceded to Comey that nuclear powerplants have performed far below their expected 80-percent capacity factor. Comey's testimony is available from BPI, 109 North Dearborn Street, Chicago, Ill. 60602.

Ten days after the Chicago hearing, nuclear unreliability hit the front pages when the AEC ordered almost half the Nation's nukes to shut down for inspection within 60 days, due to pipes in their main waterlines which have been cracking.

DETAILS OF THE CHICAGO HEARING

Mr. President, there is a detailed account of the Chicago energy hearing in the September 12, 1974, issue of Energy Users' Report, a weekly trade journal published by the Bureau of National Affairs in Washington, D.C. I ask unanimous consent that the article entitled "Atomic Energy: Sawhill Sees Promise Greatest of Any Source for Next 5 to 10 Years," be printed here in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Energy Users Report, Bureau of Nat'l. Affairs, Washington, D.C., Sept. 12, 1974]

ATOMIC ENERGY: SAWHILL SEES PROMISE GREATEST OF ANY SOURCE FOR NEXT 5 TO 10 YEARS

CHICAGO.—(By an EUR staff correspondent)—Atomic energy holds the "greatest promise" of all energy sources for the next five to 10 years and most evidence indicates that it is among the safest existing sources, Federal Energy Administrator John C. Sawhill said at the opening of the September 9–12 Project Independence hearings on the future of atomic energy.

However, an attorney for groups challenging the safety of nuclear power plants told the hearing that Project Independence will become "the greatest single disaster we have ever had" if the U.S. relies principally or even substantially on nuclear power for the 1980s and beyond. And the chairman of the industry's Atomic Industrial Forum said that FEA should establish national goals for the future installation of nuclear power plants, in order to identify bottlenecks in licensing, uranium availability, enrichment, reprocessing capacity, financing, and manpower needs.

Nuclear's environmental problems are perhaps more manageable than those of coal- and oil-fired power plants, which cause difficult air-pollution problems, Sawhill added. Although construction costs are high for nuclear-power plants, their power generating costs "offer consumers relief from utility bills," he maintained. However, Sawhill recommended that the reliability of nuclear plants be improved and noted that equipment failures have been a major problem at new plants. He recommended consideration of an especially trained police force to prevent theft and misuse of nuclear materials.

Nuclear power advocates still must demonstrate that the U.S. is both technologically and institutionally capable of long-term wastes disposal, the federal energy chief added. He said that he found it "disappointing" that nuclear power provides only about 1 percent of total U.S. energy production, little more than firewood. Sawhill said that it was litle more than a generation ago that the first full-scale nuclear-power plant began operating. He noted that the nuclear industry is "booming" today, with 50 plants licensed and nearly 200 either under construction or planned.

Nuclear power could provide 60 percent of U.S. electric power by the end of the century, according to several estimates. Sawhill maintained that solar, geothermal, steam, windmills, solid waste and other "new energy sources" cannot be regarded as alternatives to nuclear power development because they either are limited geographically or undeveloped technologically.

While conceding that nuclear power plant safety is a serious public concern, Sawhill told reporters following the first morning session that because of AEC efforts he believes there now is less public opposition to nuclear power than two to three years ago. Asked by EUR to what extent FEA will consider public opinion in developing a nuclear energy policy, Sawhill replied that "The important thing is not how much we are influenced by public opinion but the extent which we keep the public informed." He denied that FEA already has a nuclear energy position.

ATOMIC SAFETY DISPUTED

Anthony Roisman of the Washington law firm of Berlin, Roisman, and Kessler, recommended the investigation of the merits of atomic energy "by people who have not developed a personal commitment to it." An objective examination of nuclear power will persuade FEA that it is the least desirable option and that principal emphasis should be given geothermal, solar, solid waste, methane gas from sewage, and other energy sources, as well as conservation. Roisman noted that no facility has been designed, much less sited, for the long-term storage of nuclear power waste in a manner acceptable to the AEC.

Jane Magers, chairwoman of the Iowa Citizens United for Responsible Energy, challenged Sawhill's claim that there is less public opposition to nuclear power now than there was two or three years ago. She noted that over 100,000 persons have signed petitions for a moratorium on nuclear power-plant construction and that her group has collected 2,000 signatures in Iowa alone. The petition drive is being coordinated by the Task Force Against Nuclear Pollution of Washington, D.C. "The organizing against nuclear power has just begun," Magers told Sawhill. She criticized Sawhill's dependence upon public opinion surveys, which she said rely "on the general ignorance about nuclear power."

She explained to EUR that Iowa, a "conservative" Republican state, is in the forefront of the movement against nuclear power plants. She noted that 10 of Iowa's 50 state senators endorsed a nuclear moratorium the first time the citizen group lobbied for it. Iowa's Energy Policy Council is working with citizen groups and utilities to consider the moratorium.

A call for a a moratorium on construction of light-water reactors, (LWRs), the type currently used in the U.S., came from James MacKenzie, who represented the Sierra Club, the Audubon Society, and the Union of Concerned Scientists of Cambridge, Mass. "There are too many outstanding and unresolved problems with the present generation of LWRs to warrant their continued deployment," MacKenzie said. New reactors should not be built until problems are solved involving safety, fuel transportation and reprocessing, and waste disposal, he added.

MacKenzie also urged that the growth in electricity use be curtailed through revision of utility-rate structures to require that all classes of consumers bear the brunt of the cost of supplying new power plants and new fuel supplies. Until solar and wind power can be developed further, he recommended coal carry the burden for intermediate power generation. He questioned the methods and some of the conclusions of the $2 million reactor safety study prepared for AEC by Massachusetts Institute of Technology Professor Norman Rasmussen, adding that the Sierra Club is doing a thorough analysis of the study.

The important "flaw" that McKenzie sees in the report is its assumption that the emergency-core cooling system, designed to prevent the core from melting down after accidents, is designed adequately to perform its intended function.

The safety of nuclear power plants also was questioned by Denis Hayes, Illinois energy coordinator. Hayes said he was "troubled" by the long-life of radio-active wastes produced by the plants, "the growing dispersal of uranium and plutonium," and the design of nuclear power plants. The safety record of the nuclear industry "is not unblemished," he said. He added that it would be unwise to halt all nuclear research but urged that a greater percentage of federal energy research budget be spent on coal-conversion and development of alternative energy sources.

Roisman said that there is a real possibility that within the next 12 months the U.S. will run out of disposal areas for spent fuel rods from nuclear reactors. He maintained that this could result in the involuntary shutdown of all operating reactors and said that the situation resulted from operational failure of the Midwest Fuel Recovery Plant, shutdown of the Nuclear Fuel Services reprocessing plant in New York, and the year or more delay before another proposed reprocessing plant can begin operation.

Roisman quoted former FEA Consumer Affairs Director Lee Richardson to the effect that "FEA's misdirected approach to nuclear power is absolutely frightening because FEA has not established firmly any ground rules of safety that should be conditioned of a commitment to this high-risk fuel."

Richardson added that although according to many scientific authorities, the risks are now high, FEA offers only "an unbalanced plan to push development of uranium resources, to accelerate licensing procedures, and also to spend money on research."

INVESTMENTS PROBLEMS FORESEEN

David Comey, director of environmental research for Business and Professional People for the Public Interest, a Chicago-based group, strongly argued that the investment-banking community will discontinue financing nuclear power plants because of their cost overruns and poor deliverability. He said that Chicago, which depends upon nuclear power more than most large cities, may find itself short of electric power in the future due to nuclear's low deliverability record.

Alvin Weinberg, director of FEA's Research Office, Francis Mayo, Environmental Protection Agency regional administrator, and even Edson Case, Atomic Energy Commission deputy director of licensing, all conceded to Comey that nuclear power plants have performed far below their expected 80 percent capacity factor. Comey said that based on industry projections of 725,000 megawatts of installed nuclear capacity by 1990 there could be $121 billion in cost overruns for nuclear power plants.

Comey added that 1973 and 1974 data indicate that capacity factors for nuclear power plants diminish linearally with age after three to four years' operation, with plants older than seven years averaging a 38 percent capacity factor.

If this trend continues, total cost overruns by 1990 will exceed $195 billion, he maintained. He said that since only the Federal Government is likely to be available to provide the capital requirements for the nuclear industry, such firms as General Electric, Westinghouse, Combustion Engineering, Babcock and Wilcox, Consolidated Edison, Consumers Power, and others "will join Lockheed, Boeing, and Grumman on the roles of corporations failed out of costly technological misadventures by the taxpayers." Comey also maintained that utility personnel are unqualified to manage existing nuclear power plants.

FEA Administrator John Sawhill's "enthusiasm for nuclear power should be reconsidered," Comey urged, adding that alternatives to nuclear power should include energy conservation requiring major changes in lifestyle and clean coal other alternative energy sources. Comey added that FEA and Congress need to invert the electric rate structure so that industrial users pay more instead of less and are motivated to conserve more energy and provide tax incentives for builders to design energy conservation into new construction.

Weinberg told Comey that, "There's not very much that we can argue with" about his statement on plant deliverability, adding that the "technology admittedly is a rather new one for large reactors." Ne noted, however, that some reactors have performed at capacity factors higher than the 54 percent average.

Case countered Comey's arguments, saying that an AEC cost-benefit analysis of nuclear power plants indicates that they are "more economic for most situations even at a 50 percent capacity factor." Case denied that AEC officials have opposed the clustering of nuclear power plants on single sites after Comey had said that officials in the AEC directorate of regulatory operations told him clustering would be "too complicated." Mayo urged that Comey's recommendations be taken "very seriously."

ACCELERATION URGED

William Gould, chairman of the Atomic Industrial Forum, said that goals designed to identify and remove barriers to nuclear plant installation should include a mixture of fossil and nuclear generating units. AEC's most recent projections of 102,000 megawatts of nuclear capacity by 1980 appear unacceptable when compared with a 1971 projection of 50,000 more megawatts, Gould said.

There is not much hope of attaining 200,000 megawatts by 1980, which was suggested as a goal last fall by then Deputy Treasury Secretary William E. Simon. An AIF committee reported that it should be possible to attain 700,000 megawatts by 1990, which would be more consistent with the objectives of Project Independence, Gould noted.

Gould observed that the most serious problem confronting the nuclear industry is utility inability to finance the capital investment required for new power facilities. He added that the problem is aggravated by utility commitment to nuclear power, which involves greater capital costs. A partial solution to the problem would be "a reasonable rate of return for utilities," Gould suggested.

Licensing of nuclear power plants is still a serious problem, Gould said, adding that the pace of AEC processing of construction permits and licensing permits "must be stepped up." While there should be no supply problem in the current decade, the situation in the early 1980s is much less clear. Some industry representatives believe that uranium supplies may be inadequate in the early 1980s. Gould quickly dismissed objections to nuclear power, maintaining that, "We don't consider safety a problem, notwithstanding the continuing efforts of our critics to convince an uninformed public otherwise."

Thomas Ayers, chairman and president of Commonwealth Edison Company, Chicago, recommended that the best way to meet electric-power requirements is to concentrate on nuclear power for baseload service, with coal as the principal supplementary fuel.

Petroleum should be reserved for transportation and petrochemicals, he argued, noting that his utility's seven reactors can supply over 5,000 megawatts of electric power, about a third of the system's total output. Commonwealth Edison operated nearly 25 percent of U.S. total nuclear generating capacity at the beginning of 1974, Ayers explained. Ayers maintained that his utilities nuclear units have proved safe, reliable, environmentally sound, and economical. Consequently, the company is planning to complete four more nuclear stations over the next eight years.

Ayers criticized the Senate bill to set up an Energy Research and Development Agency, maintaining that it would lengthen and complicate the nuclear power-plant licensing process. He also said it would be a serious mistake to import technology for breeder reactors from Europe, as some parties have proposed. He argued that the chances of having a breeder reactor in the U.S. within the next 10 years are "very good." Charles Heidel, vice-president of Detroit Edison Company, stressed the difficulty for the U.S. in becoming independent in the materials used in producing energy, many of which are primarily imported and are domestically irreplaceable. For example, he noted that chromium and nickel, almost entirely imported, are used in stainless steels and other alloys needed in nuclear and fossil-fuel power plants and in all other essential high-temperature applications, such as coal-gasification plants and gas turbines.

COMMERCIAL USE OF PLUTONIUM—AN UNFORGETTABLE PRESENTATION

Mr. GRAVEL. Mr. President, another extremely cogent and supremely important paper has just been released by the Natural Resources Defense Council at 1710 N St. NW., Washington, D.C. 20036.

The 29-page document, entitled, "The Plutonium Decision: A Report on the Risks of Plutonium Recycle," is written by Drs. Arthur R. Tamplin and Thomas B. Cochran, physicists, and J. Gustave Speth, attorney.

Their easily understandable and relatively brief presentation is one of the most elegant pieces of writing I have seen for a long while. It certainly reflects credit to the NRDC board members: Stephen P. Duggan, chairman; Dr. Dean E. Abrahamson, Mrs. Louis Auchincloss; Boris I. Bittker; John T. Booth; Frederick A. Collins, Jr.; Dr. Rene J. Dubos; James B. Frankel; Robert W. Gilmore; Dr. Joshua Lederberg; James Marshall; Ruby G. Martin; Anthony Mazzocchi; Michael McIntosh; John B. Oakes; Dr. Gifford B. Pinchot; John R. Robinson; Laurance Rockefeller; J. Willard Roosevelt; David Sive; Dr. George M. Woodwell; and Edwin M. Zimmerman.

INTRODUCTION

The paper begins with an introduction as follows:

The Atomic Energy Commission, if unchecked, is about to sow the seeds of a national crisis. The Commission now proposes to authorize the nuclear power industry to proceed to use plutonium as fuel in commercial nuclear reactors around the country. The result of a decision approving this commercial use of plutonium will be the creation of a large civilian plutonium industry and a dramatic escalation in the risks posed by nuclear power.

This decision to launch what the AEC calls the "plutonium economy" is the AEC's recently released draft environmental impact statement for plutonium recycle—the recycling of plutonium as fuel in the present generation of light water reactors. The final version of the impact statement, which is expected to confirm the decision to authorize plutonium recycle, is due in six to nine months.

Plutonium is not native to Earth: the entire present-day inventory is man-made, produced in nuclear reactors. Plutonium-239, the principal isotope of this element, has a half-life of 24,000 years, hence its radioactivity is undiminished within human time scales.

It is perhaps the most toxic substance known. One millionth of a gram (there are 28 grams in an ounce) has been shown capable of producing cancer in animals.

Plutonium is also the material from which nuclear weapons are made. An amount the size of a softball is enough for a nuclear explosion capable of mass destruction. Scientists now widely recognize that the design and manufacture of a crude nuclear explosive is no longer a difficult task technically, the only real obstacle being the availability of the plutonium itself * * *

It is the burden of this report that the commercialization of plutonium will place an intolerable burden on our society and its institutions * * *

The AEC's impact statement assessment of plutonium recycle reinforces, and does not allay, these concerns. It concedes that the problems of plutonium toxicity and nuclear theft are far from solved and suggests that they may not be for some years. Yet it concludes, inexplicably, that we should proceed * * *

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Including the introduction, the report has seven parts as follows:

I. Introduction

II. Dimensions of a Commercial Plutonium Industry

III. The Toxicity of Plutonium

IV. Nuclear Theft and Safeguards

A. The Problem Defined

B. Safeguards and the Impact Statement

C. Adequate Safeguards: Are They Possible?

V. The Threat to Civil Liberties

VI. The Super-Human Requirements

VII. Options: Alternatives to Plutonium Recycle

It also contains, of course, footnotes and a word about the authors.

A COMPARISON WITH POISONS OF BIOLOGICAL WARFARE

Part III, "The Toxicity of Plutonium," begins as follows:

The most pernicious product of the nuclear industry is plutonium. Microgram quantities in skin wounds cause cancer, and in the body plutonium is a bone seeker where, once deposited, it can cause bone cancer. But plutonium is most dangerous when inhaled. Donald Geesaman explains this hazard:

"Under a number of probable conditions plutonium forms aerosols of micron-sized particulates. When lost into uncontrolled air these particulates can remain suspended for a significant time, and if inhaled they are preferentially deposited in the deep lung tissue, where their long residence time and high alpha activity can result in a locally intense tissue exposure. The lung cancer risk associated with these radiologically unique aerosols is unknown to orders of magnitude. Present plutonium standards are certainly irrelevant and probably not conservative. Even so, the fact that under present standards, the permissible air concentrations are about one part per million billion is a commentary on plutonium's potential as a pollutant. Its insolubility and long half-life make the continuing resuspension of particulate contamination another unresolved concern of serious proportions."

To determine whether the AEC's radiation protection standards for plutonium are inadequate, as Geesaman suggests, Arthur Tamplin and Thomas Cochran undertook a major review of the biological evidence for the Natural Resources Defense Council. Their conclusions, found in their report "Radiation Standards for Hot Particles," are that plutonium particulates or "hot particles" are uniquely virulent carcinogens and that the current AEC radiation protection standards governing the amount of plutonium to which members of the public can be exposed are roughly 100,000 times too lax. The lung cancer risk associated with hot particles of plutonium as estimated by Tamplin and Cochran is comparable to the lethl dose of botulin toxin, a biological warfare agent. Certainly one would hope that this nation would give careful consideration, and pursue all alternatives, before implementing an energy policy based on such toxic materials.

As a result of the Tamplin-Cochran report, NRDC formally petitioned the AEC and the Environmental Protection Agency to reduce the present maximum permissible exposure levels by 100,000. Neither AEC nor EPA have responded finally to the NRDC petition, but the petition is now being considered by the National Commission on Radiation Protection, the National Academy of Sciences, the Biophysical Society and several of the AEC national laboratories. . . .

ABSOLUTE REQUIREMENT FOR A MIRACLE

Part VI, "The Super-Human Requirements," should make it clear to everyone that advocates of nuclear power and its "plutonium economy" have simply lost touch with reality:

The commercialization of plutonium will bring with it a major escalation of the risks and problems already associated with nuclear power. Plutonium will further strain the already weakened regulatory fabric of the nuclear industry.

Dr. Hannes Alfven, Nobel Laureate in Physics, has described the regulatory imperatives applicable to the nuclear industry:

"Fission energy is safe only if a number of critical devices work as they should, if a number of people in key positions follow all their instructions, if there is no sabotage, no hijacking of the transports, if no reactor fuel processing plant or reprocessing plant or repository anywhere in the world is situated in a region of riots or guerrilla activity, and no revolution of war—even a 'conventional one'—takes place in these regions. The enormous quantities of extremely dangerous material must not get into the hands of ignorant people or desperados. No acts of God can be permitted."

In his article in Science, July 7, 1972, Dr. Alvin Weinberg similarly stresses the need, ". . . of creating a continuing tradition of meticulous attention to detail." It is important to recognize that such a tradition would have to be "created." There are no historical precedents to suggest that this is possible on the scale demanded by the nuclear industry. Dr. Weinberg has also observed that:

"What is required is a cadre that, from now on, can be counted upon to understand nuclear technology, to control it, to prevent accidents, prevent diversion. Moreover, in this ultimate world, nuclear reactors will be in Uganda as well as the U.S.A., in Ethiopia as well as England. And one must ensure the same high degree of expertise in the underdeveloped country as in the developed country."

We quote Dr. Weinberg because he is one, if not the only, proponent of nuclear power who have given serious thought to its requirements. But the public and its decision-makers must seriously question whether it will be possible to attract, train and motivate the personnel required for these functions. These must be highly qualified persons who will maintain a tradition of "meticulous attention to detail" even when the glamorous aspects of a new technology become the commonplace operations of an established industry.

What are the qualifications of these people? How does the AEC and the nuclear industry plan to attract and continuously motivate them?

We suggest that it is beyond human capability to develop a cadre of sufficient size with expertise of "very" high order that can be counted upon to understand nuclear technology, to control it, to prevent accidents and diversion over many generations, or even over the present generation.

There is considerable evidence at the present time to suggest that the fledgling nuclear industry is already unmanageable.

Following that statement, the report enumerates some of the recent events which show that the nuclear industry is clearly incapable of meeting the requirement for a miracle.

FULL TEXT OF THE PAPER

Mr. President, I ask unanimous consent that the full paper entitled "The Plutonium Decision: A Report on the Risks of Plutonium Recycle," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PLUTONIUM DECISION: A REPORT ON THE RISKS OF PLUTONIUM RECYCLE

(By J. Gustave Speth, Arthur R. Tamplin, Thomas B. Cochran)

Natural Resources Defense Council, 1710 N Street, N.W., Washington, D.C. 20036, September, 1974.

"I fear that when the history of this century is written, that the greatest debacle of our nation will be seen not to be our tragic involvement in Southeast Asia but our creation of vast armadas of plutonium, whose safe containment will represent a major precondition for human survival, not for a few decades or hundreds of years, but for thousands of years more than human civilization has so far existed."—James D. Watson, Nobel Laureate, Medicine.

I. INTRODUCTION

The Atomic Energy Commission, if unchecked, is about to sow the seeds of a national crisis. The Commission now proposes to authorize the nuclear power industry to proceed to use plutonium as fuel in commercial nuclear reactors around the country. The result of a decision approving this commercial use of plutonium will be the creation of a large civilian plutonium industry and a dramatic escalation in the risks posed by nuclear power.

This decision to launch what the AEC calls the "plutonium economy" [1] is the conclusion of the AEC's recently released draft environmental impact statement for plutonium recycle—the recycling of plutonium as fuel in the present generation of light water reactors.[2] The final version of the impact statement, which is expected to confirm the decision to authorize plutonium recycle, is due in six to nine months.

Plutonium is not native to Earth: the entire present-day inventory is man-made, produced in nuclear reactors. Plutonium-239, the principal isotope of this element, has a half-life of 24,000 years, hence its radioactivity is undiminished within human time scales. It is perhaps the most toxic substance known. One millionth of a gram (there are 28 grams in an ounce) has been shown capable of producing cancer in animals. Plutonium is also the material from which nuclear weapons are made. An amount the size of a softball is enough for a nuclear explosive capable of mass destruction. Scientists now widely recognize that the design and manufacture of a crude nuclear explosive is no longer a difficult task technically, the only real obstacle being the availability of the plutonium itself.

Thus, former AEC physicist Donald Geesaman observes that "plutonium is a fuel that is toxic beyond human experience." Its use, he states, "will inextricably involve our society in the large-scale commercial production of a substance that is a suitable nuclear explosive." [3] The successful theft of this material, as Mason Willrich and Theodore Taylor note, "could enable a small group to threaten the lives of many people, the social order within a nation, and the security of the international community of nations." [4]

It is the burden of this report that the commercialization of plutonium will place an intolerable strain on our society and its institutions. Our unrelenting nuclear technology has presented us with a possible new fuel which we are asked to accept because of its potential commercial value. But our technology has again outstripped our institutions, which are not prepared or suited to deal with plutonium. And those who have asked what changes in our institutions will be necessary to accommodate plutonium have come away from that enquiry profoundly concerned.[5]

The AEC's impact statement assessment of plutonium recycle reinforces, and does not allay, these concerns. It concedes that the problems of plutonium toxicity and nuclear theft are far from solved and indicates that they may not be for some years. Yet it concludes, inexplicably, that we should proceed. Whether stemming from blind faith in the beneficience of the technology it has fostered or from a callous promotion of the bureaucratic and industrial interests of the nuclear power complex, the AEC decision cannot be justified in light of what we know and, just as important, what we do not know.

II. DIMENSIONS OF A COMMERCIAL PLUTONIUM INDUSTRY

The fuel now used in present-day reactors, the light water reactors or LWR's, is uranium which has been enriched so that the uranium-235 content is increased from the 0.7 percent present in natural uranium to about 3 or 4 percent. Uranium-235 is a fissionable isotope of uranium, the remainder of the fuel being non-fissile uranium-238. Unlike plutonium, this uranium fuel is not extremely toxic, and it is not sufficiently rich in uranium-235 to be fashioned into nuclear weapons. Only with extremely sophisticated technology not available to the public, notably gaseous diffusion plants, can uranium be enriched to weapons grade.

While present-day reactors are operating, however, they are also producing as a by-product moderate amounts of plutonium, principally plutonium-239. A typical large reactor produces about 200–250 kilograms of plutonium each year. LWR's capable of producing 1000 megawatts (1 million kilowatts) of power are being built today. The plutonium is produced when the uranium-238 in the LWR fuel captures neutrons. Since this plutonium is easily fissioned, it can be used as reactor fuel. "Plutonium recycle" is the nuclear industry-AEC proposal to recover this plutonium produced in LWR's, process it and recycle it as fuel back into LWR's.

Several critical steps are involved in recycling this plutonium. First, the used or "spent" fuel from the reactor must be shipped to a fuel reprocessing plant. The spent fuel contains plutonium, uranium and extremely toxic fission products or "high-level wastes" (strontium-90, cesium-137, etc.). The function of the reprocessing plant is to separate these three constituents and prepare them for their next destinations. For example, reprocessing plants are supposed to solidify the high-level wastes and ship them to a permanent AEC repository for perpetual management. As yet, however, the AEC has no such repository. Nor does the agency know whether the technology and social institutions for isolating high-level wastes for geologic periods can be made available.

The principal purpose of a reprocessing plant, however, is to recover plutonium, to convert it to oxide form, and to ship it to the next fuel cycle stages—the fuel fabricating and assembly plants. At a fuel fabricating plant the plutonium oxide will be mixed with uranium oxide into what is called "mixed oxide" fuel. This mixed oxide fuel will be fabricated into fuel pellets, the pellets will be placed in fuel rods, and these rods will be collected into fuel assemblies. These assemblies will then be sent to the reactors for use, thus completing the fuel cycle.

The only privately owned fuel reprocessing plant which has operated in the United

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States is the Nuclear Fuel Services (NFS) plant at West Valley, New York. Until recently the AEC purchased the plutonium output of this facility for weapons and research purposes. Recently, however, the AEC stopped purchasing recovered plutonium, and in June, 1972, the NFS plant closed for renovation and enlargement. Since mid-1972, then, all spent fuel from LWR's has been simply stored and not reprocessed, a favorable development in terms of nuclear theft since the penetrating radiation of the high-level wastes virtually insures that plutonium will not be stolen as long as it is still mixed with these wastes in the spent fuel rods.

Two additional fuel reprocessing plants are now being constructed, a General Electric plant at Morris, Illinois, and an Allied-Gulf plant at Barnwell, South Carolina. GE recently announced however, that its Morris plant might never operate and that most of its investment would be lost due to faulty design and construction.[6] Operating license proceedings are scheduled to begin shortly for the Barnwell plant.

There are at present no major commercial plutonium fuel fabricating plants operating or under construction. There are currently several small commercial facilities that process plutonium for research and development purposes. The first major commercial plant is planned by Westinghouse for Anderson, South Carolina. Nor has there yet been any non-experimental use of plutonium as fuel in light-water reactors, although the AEC attempted such a recycle until stopped by a lawsuit.[7]

In sum, plutonium recycle has not yet begun, and there is no major industrial commitment of resources to it at this point. The reprocessing plants that have been built do not represent a substantial investment in national terms, and reprocessing plants may be needed in any case to prepare spent fuel for long-term storage.

On the other hand, if the plans of the AEC and the nuclear industry are permitted, a major plutonium industry will develop quickly. Some 140 tons of plutonium could be recovered from commercial reactors by 1985 and some 1700 tons by the year 2000.[8] This figure for the year 2000 includes the plutonium that will be produced in the fast breeder reactor, which the AEC plans to introduce in the mid-1980's. This is a new type of reactor designed to produce more plutonium than it consumes. A plutonium industry by the turn of the century could involve hundreds of LWR's fueled with plutonium, perhaps a score of fuel reprocessing and fabricating plants, and thousands of interstate and international shipments containing hundreds of tons of plutonium.

III. THE TOXICITY OF PLUTONIUM

The most pernicious product of the nuclear industry is plutonium. Microgram quantities in skin wounds cause cancer, and in the body plutonium is a bone seeker, where once deposited it can cause bone cancer. But plutonium is most dangerous when inhaled. Donald Geesaman explains this hazard:

"Under a number of probable conditions plutonium forms aerosols of micron-sized particulates. When lost into uncontrolled air these particulates can remain suspended for a significant time, and if inhaled they are preferentially deposited in the deep lung tissue, where their long residence time and high alpha activity can result in a locally intense tissue exposure. The lung cancer risk associated with these radiologically unique aerosols is unknown to orders of magnitude. Present plutonium standards are certainly irrelevant and probably not conservative. Even so, the fact that under present standards, the permissible air concentrations are about one part per million billion is a commentary on plutonium's potential as a pollutant. Its insolubility and long half-life make the continuing resuspension of particulate contamination another unresolved concern of serious proportions."[9]

To determine whether the AEC's radiation protection standards for plutonium are inadequate, as Geesaman suggests, Arthur Tamplin and Thomas Cochran undertook a major review of the biological evidence for the Natural Resources Defense Council. Their conclusions, found in their report "Radiation Standards for Hot Particles," are that plutonium particulates or "hot particles" are uniquely virulent carcinogens and that the current AEC radiation protection standards governing the amount of plutonium to which members of the public can be exposed are roughly 100,000 times too lax.[10] The lung cancer risk associated with hot particles of plutonium as estimated by Tamplin and Cochran is comparable to the lethal dose of botluin toxin, a biological warfare agent. Certainly one would hope that this nation would give careful consideration, and pursue all alternatives, before implementing an energy policy based on such toxic materials.

As a result of the Tamplin-Cochran report, NRDC formally petitioned the AEC and the Environmental Protection Agency to reduce the present maximum permissible exposure levels by 100,000. Neither AEC nor EPA have responded finally to the NRDC petition, but the petition is now being considered by the National Commission on Radiation Protection, the National Academy of Sciences, the Biophysical Society and several of the AEC national laboratories. Moreover, EPA will shortly commence a series of hearings and other initiatives on plutonium-related issues, including the hot particle controversy.

Although the adequacy of the AEC's plutonium standards is thus a matter of considerable doubt and great controversy, the AEC's draft impact statement for plutonium recycle simply assumes that the present standards are adequate. The entire risk analysis of the statement, as well as the ultimate decision to proceed with plutonium recycle, are based upon a premature and unexplained rejection of the hot particle hypothesis. Yet, the AEC is forced to concede that this hypothesis "is being given careful consideration in a separate proceeding."[11]

We submit that the AEC has no basis whatever to conclude that plutonium recycle will not cause undue risk to the public health and safety until it has either satisfactorily resolved the hot particle issue or calculated the impacts of plutonium recycle using the assumption that hot particles are uniquely carcinogenic. The draft environmental impact statement for plutonium recycle does neither.

It should be remembered that there is clear experimental evidence that plutonium is one of the most carcinogenic substances known regardless of one's views about the hot particle risk: one millionth of a gram has caused cancer in experimental animals. Thus, the more basic question is whether we want our energy system based on a material of unprecedented toxicity.

Some plutonium contamination of the environment has already occurred, due principally to the atomic weapons program. Aside from the worldwide plutonium contamination associated with the fallout from atmospheric weapons tests, there is significant ground contamination at the Nevada Test Site and the Bikini and Eniwetok Atolls. The AEC's plutonium weapons plant at Rocky Flats, 10 miles west of Denver, Colorado, was the site of one of the most costly industrial fires in history. The leakage of plutonium from contaminated oil at this site led to an uncontrolled source of plutonium which was some orders of magnitude larger than the integrated effluent loss during the 17 years of plant operation. As a result of this source, tens to hundreds of grams of plutonium went off site, 10 miles upwind from Denver. The loss was internally unnoticed, the ultimate deposition is now speculative, as is its human significance.[12]

One can derive little comfort in the current operation of the small commercial plutonium fuel fabrication facilities. The Nuclear Materials and Equipment Corporation (NUMEC) of Apollo, Pennsylvania was recently fined $13,720 for a sixteen count violation of AEC regulations ranging from failure to follow radiation monitoring procedures to failure to comply with certain safeguards requirements.[13] Production workers from the Nuclear Fuel Services facility in Erwin, Tennessee met with AEC inspectors on August 13, 1974 to complain about the absence of even the rudiments of accepted health physics practices at that plant.

Occurrences such as these can reasonably be expected to multiply greatly if plutonium is made a major article of commerce..

IV. NUCLEAR THEFT AND SAFEGUARDS

A. The problem defined

On May 18 of this year the world was made dramatically aware of the relationship between nuclear power and nuclear weapons when India exploded a nuclear device made from plutonium taken from a "peaceful" reactor built with Canadian assistance. The threat posed by the availability of plutonium from power reactors is set out by Willrich and Taylor in their book *Nuclear Theft: Risks and Safeguards:*

"As fuel for power reactors, nuclear weapon material will range in commercial value from $3,000 to $15,000 per kilogram—roughly comparable to the value of black market heroin. The same material might be hundreds of times more valuable to some group wanting a powerful means of destruction. Furthermore, the costs to society per kilogram of nuclear material used for destructive purposes would be immense. The dispersal of very small amounts of finely divided plutonium could necessitate evacuation and decontamination operations covering several square kilometers for long periods of time and costing tens or hundreds of millions of dollars. The damage could run to many millions of dollars per gram of plutonium used. A nuclear explosion with a yield of one kiloton could destroy a major industrial installation or several large office buildings costing hundreds of millions to billions of dollars. The hundreds or thousands of people whose health might be severely damaged by dispersal of plutonium, or the tens of thousands of people who might be killed by a low-yield nuclear explosion in a densely populated area represent incalculable but immense costs to society."[14]

In our troubled world, terrorist activity and other forms of anti-social violence is an almost daily occurrence. A recent AEC study identified more than 400 incidents of international terrorism carried out by small groups during the past six years.[15] In an age of bombs and bomb threats, of aircraft hijacking, of the ransom of diplomats and the murder of Olympic athletes, the risks of nuclear theft, blackmail and terrorism are not minimized even by some of the most ardent supporters of nuclear energy. Thus former Atomic Energy Commissioner Clarence Larson recently described the evolution of a plutonium black market:

"Once special nuclear material is successfully stolen in small and possibly economically acceptable quantities, a supply-stimulated market for such illicit material is bound to develop. And such a market can surely be expected to grow once the source of supply has been identified. As the market grows, the number and size of thefts can be expected to grow with it, and I fear such

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growth would be extremely rapid once it begins. . . . Such theft would quickly lead to serious economic burdens to the industry, and a threat to the national security."[16]

The critical point here is that these tremendous risks will become real with the advent of plutonium recycle. Unless plutonium is reprocessed and recycled, the possibility that it will be stolen is small, for if the plutonium has not been "detoxified" by separating it from the high-level wastes in the spent fuel, it is very effectively protected from theft, at least for hundreds of years. Willrich and Taylor explain these important relationships:

"In the light-water reactor (LWR) fuel cycle without plutonium recycle, plutonium which is produced in a power reactor, if reprocessed, might be stolen at the output end of a reprocessing plant, during transit from the reprocessing plant to any separate storage facility used, and from a long-term plutonium storage facility. *Until irradiated fuel is reprocessed, the theft possibilities in the LWR fuel cycle are minimal.*

"In the LWR fuel cycle with plutonium recycle, in addition to possibilities without recycle, plutonium might be stolen during transit from any separate long-term storage facility, and from a fuel fabrication plant. Complete LWR fuel assemblies, each containing a significant quantity of plutonium might also be stolen during transit from a fuel fabrication plant to a power reactor, and at a power plant prior to loading into the reactor, although the weight of each assembly makes this difficult." (Emphasis added.)[17]

In sum, plutonium recycle will bring with it all the risks associated with nuclear theft that numerous authors have described.[18] Reasonable prudence dictates, therefore, that we have adequate answers to the problem of nuclear theft well in hand before we begin plutonium recycle.

B. *Safeguards and the impact statement*

In the language of the nuclear industry, the various programs and techniques to prevent nuclear theft and recover stolen nuclear material are called "safeguards." There is now widespread agreement, at least among those outside the nuclear industry, that present safeguards are woefully inadequate. The AEC's own Rosenbaum Report concluded:

"In recent years the factors which make safeguards a real, imminent and vital issue have changed rapidly for the worse. Terrorists groups have increased their professional skills, intelligence networks, finances and level of armaments throughout the world. . . . Not only do illicit nuclear weapons present a greater potential public hazard than the radiological dangers associated with power plant accidents, but . . . the relevant regulations are much less stringent."[19]

It is not that the AEC has not implemented the necessary safeguards programs; rather it has not even developed an adequate program on paper.

On the subject of safeguards, the AEC's draft impact statement for plutonium recycle is a marvel of clouded reasoning and breezy optimism. The statement concedes that the objective of keeping the risk of nuclear theft small "will not be fully met for the recycle of Pu by current safeguards measures."[20] Steps which might be taken to correct current inadequacies are summarized in the statement as follows:

"1. Minimization or elimination of the transportation of plutonium from reprocessing plants to mixed oxide fuel fabrication facilities which is the operation most vulnerable to an attempted act of theft or sabotage. To the extent that such shipments are minimized or eliminated, the safeguarding of plutonium would be enhanced. This objective can be accomplished by locating mixed oxide fuel fabrication plants in close proximity to or adjacent to reprocessing plants in Integrated Fuel Cycle Facilities. . . .

"2. Further protection of transportation functions by use of massive shipping containers, special escort or convoying measures, vehicle hardening against attack, improved communications and response capabilities.

"3. Additional hardening of facilities through new barrier requirements, new surveillance instrumentation, new delaying capabilities (e.g., incapacitating gases).

"4. Upgrading of operating and guard functions through the use of personnel security clearance procedures, a Federally operated nuclear security system, more advanced systems for monitoring and searching of personnel, and closer liaison with law enforcement authorities.

"5. Improving the timeliness and sensitivity of the system of internal control and accountability of plutonium.

"6. Use of 'spiked' plutonium which would be less susceptible to theft and would be more difficult to manufacture into a nuclear explosive because of the required elaborate handling procedures."[21]

Despite the facts (1) that these proposals are preliminary and their content not well-defined, (2) that they are still being studied, some for the first time, (3) that several would require Congressional action, (4) that several would necessitate substantial changes in the structure of the U.S. utility industry, and (5) that a sophisticated safeguards program would pose a major threat to civil liberties and personal privacy, the draft impact statement nevertheless recommends that we proceed now with plutonium recycle because "The Commission has a high degree of confidence that through implementation of some combination of the above concepts the safeguards general objective set forth earlier can be met for Pu recycle."[22] The Commission's faith, unfortunately, is hardly reassuring.

The issues of a federal plutonium police force and personnel security and surveillance measures will be discussed in the following section,[23] for they are the entering wedge of what promises to be more pervasive and continuing undermining of our civil rights. Two other potential safeguards should be mentioned here, however, in order to highlight the degree to which the issues remain unresolved. First, the draft statement refers to the possible use of "spiked" plutonium, *i.e.* plutonium combined with radioactive material emitting high levels of penetrating radiation. The type of radiation emitted by plutonium—an alpha particle—while extremely carcinogenic in soft tissue, is not very penetrating and can be shielded against without heavy concrete or lead structures. The spiking of plutonium with more penetrating radiation would substantially increase the hazards of handling it and thus decrease the theft incentive. This step would appear to be an essential part of any safeguards program, yet it could substantially increase the costs of plutonium recycle, making it much less attractive to the industry.

Second, the AEC's lead safeguards suggestion—the Integrated Fuel Cycle Facility concept—actually represents a major watering down of a far more significant concept, that of nuclear power parks where reactors as well as fuel reprocessing and fabricating plants are all located at one site.[24] In our judgment, a safeguards system which does not require nuclear parks is not addressing the problem of theft during transportation in a serious and responsible way. Moreover, the nuclear industry's current plans, already well advanced, do not call for the implementation of even the Integrated Fuel Cycle Facilities concept.

C. *Are adequate safeguards possible?*

While it may be possible to devise an adequate safeguard system in theory, there is little reason to believe that such a system would be acceptable in practice.[25] This is true for several reasons.

First, the problem is immense. The illegal diversion of weapons material is only one type of anti-social behavior a safeguards program must protect against. Terrorist acts against the reactors, shipments of radioactive wastes, fuel reprocessing facilities and waste repositories can result in catastrophic releases of radioactivity. Such threats against nuclear facilities have already occurred.[26] Moreover, a safeguards system would have to exist on a vast, worldwide basis. Some 1000 nuclear reactors are projected for the United States in the year 2000, with hundreds of shipments of radioactive materials daily. Hundreds of tons of plutonium will be in the commercial sector of our economy by that date.[27] Abroad, American firms are constructing nuclear reactors in countries that have little political stability and in countries, such as Japan, who have not signed the non-proliferation treaty. Safeguarding nuclear bomb material would ultimately require a restructuring of the socio-political institutions on a worldwide scale. The United Nations unfortunately gives us little reason to believe that this is a practical reality.

Second, safeguards measures are strongly opposed by the nuclear industry. Some indication of the degree to which the industry is sensitive to the diversion hazards, and the degree with which the industry is likely to be an effective partner in the enforcement and implementation of safeguards programs can be gleaned from published accounts of the industry's response to the modest strengthening of the AEC safeguards rules which were first published in the February 1, 1973, Federal Register.

Some of the comments received on these proposed regulations were:

". . . it is clear that the severity of the proposed [physical security] procedures greatly exceeds any reasonable relationship to the public need intended to be served. We are unaware, and we believe the industry as a whole is unaware, of occurrences of industrial sabotage which would tend to justify the imposition of requirements as strict as those proposed. The Commission has not demonstrated the need . . . or offered any justification or explanation. . . . Certainly the public interest will not be served by adoption of burdensome requirements disproportionate to the end sought." —from comment of Kerr-McGee;

and,

". . . a move backward to the types of security practices in the Manhattan District era." —from comment of Westinghouse;

and,

"One principal objection is to the emphasis placed on the use of armed personnel . . . and the seeming reliance on such personnel to protect against threats to the common defense and security. . . . To the extent that the proposed regulations . . . require an armed confrontation between a licensee's security force and potential divertors, the proposed regulations should be amended. The surest and most proper method of protection . . . is prompt detection and reporting. . . ." —from comment of United Nuclear.

Third, experience with present safeguards is hardly reassuring. The NUMEC, over several years of operation, was unable to account for six percent (100 kilograms) of the weapons grade material that it handled, and as noted previously was recently fined by the AEC, in part because of safeguards violations. At a recent safeguards symposium the director of the AEC's Office of Safeguards and Materials Management observed that "we

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have a long way to go to get into that happy land where one can measure scrap effluents, products, inputs and discards to a one percent accuracy." [28]

This statement takes on particular significance when it is realized that only one half of one percent of the plutonium utilized by the commercial sector in the year 2000 is enough to make hundreds of atomic bombs. The editors of *Bulletin of the Atomic Scientists* have noted that the frequent "misrouting" of nuclear shipments highlights a key safeguards problem—hijacking. They cite instances where theft of weapons grade materials would have been relatively easy: a shipment bound for Missouri ended up in Boston; another shipment between two California cities was eventually located in Tijuana, Mexico.[29] Finally, a spot check by General Accounting Office investigators at three AEC licensed contractors showed that in some cases access to easily portable quantities of special nuclear material could be gained in less than a minute using the simplest of tools. At two of the three plants checked, GAO found weak physical barriers, ineffective guard patrols, ineffective alarm systems, lack of automatic-detection devices, and the absence of an "action plan" should material be stolen or diverted. In contrast, the AEC's inspectors were giving the same facilities good marks on virtually every security category.[30]

Fourth, and perhaps most basically, there is little reason to believe that safeguards will work when little else does. For example, the AEC supports the creation of a federal police force which might provide an immediate federal presence whenever the use of force may be needed to protect these incredibly dangerous materials from falling into the hands of would-be saboteurs and blackmailers. But is there anyone who believes that police are effective at a level commensurate with the potential nuclear hazard? The New York City police department was proven incapable of maintaining security over confiscated heroin. Are similar losses of plutonium acceptable? The general point here is that our safeguards system must be essentially infallible; it must maintain what Alvin Weinberg, former Director of the Oak Ridge National Laboratory, has called "unaccustomed vigilance" and "a continuing tradition of meticulous attention to detail." [31] Yet our human institutions are far from infallible. Our experience indicates that rather than sustaining a high degree of esprit, vigilance and meticulous attention to detail, our governmental bureaucracies instead become careless, rigid, defensive and, less frequently, corrupt. A basic question, then, is whether we want to entrust so demanding and unrelenting a technology as plutonium recycle to institutions which are negligent of their own responsibilities and insensitive to the rights of others and to technical fixes which are untried and unproven.

V. The threat to civil liberties

One principal reason for our believing that an adequate safeguards system would not be acceptable in practice is the tremendous social cost of such a system in terms of human freedom and privacy. Safeguards necessarily involve a large expansion of police powers. Some one million persons have been trained in the handling, moving and operation of nuclear weapons. The projected growth of the nuclear industry will give rise to a parallel and an ultimately much larger group of persons, in this case civilians, who will be subjected to security clearance and other security procedures now commonplace in the military weapons program. Indeed, the AEC makes the following disturbing statement in its draft impact assessment of plutonium recycle:

"Security problems are much simplified when it can be established with high probability that the persons who are responsible for the handling of plutonium or implementing of related safeguards programs are trustworthy. Various court rulings in recent years have been favorable to the protection of individual privacy and of individual right-to-work. These rulings have made it difficult to make a personal background check of an individual in commercial activities to assure with high probability that he is trustworthy and, hence, potentially acceptable as a steward for the protection of plutonium. The AEC has requested legislation which would allow background checks of individuals with access to plutonium and related material accountability records. We believe that enabling legislation such as this is necessary to the further improvement of personnel selection practices." [32]

The keeping of police dossiers will not be limited to nuclear industry personnel. The New York Times reported August 11 that Texas state police maintain files on nuclear power plant opponents.[33] The police stated that they had information that some nuclear opponents might attempt to sabotage transmission lines, though they declined to disclose their information or its source. How much more government investigation into the private lives of individuals can be tolerated by a free socety? Security and surveillance procedures at best infringe upon the privacy of families and their friends. At worst, they are the instruments of repression and reprisal.

A second AEC safeguard proposal is the creation of a federal police force for the protection of plutonium plants and shipments. The draft impact statement for plutonium recycle justifies such a federal force in the following terms:

"A federal security system would be less apt to have the variations in staff and capability that would be encountered in use of private security guards. In addition, it should be noted that the consequences of a successful theft or diversion of plutonium would undoubtedly have nationwide impacts and could best be handled by Federal authorities; certainly, with Federal participation, there is the potential for a larger force, more effective weapons, and better communications." [34]

But what standards should govern and restrain the operations of such a force? The AEC has already issued shoot-to-kill orders once to personnel directing the production, shipment and storage of atomic weapons, at the height of the Yom Kippur War.[35] Once a significant theft of plutonium or other weapons material has occurred, how will it be recovered? To prevent traffic in heroin, police have asked for no-knock search laws. This infringes upon one of our most cherished freedoms. To live with plutonium we may have to abandon this freedom along with others. In the presence of nuclear blackmail threats, the institution of martial law seems inevitable. It has been said that the widespread availability of weapons material and terrorists' targets in the nuclear fuel cycle will radically alter the power balance between large and small social units.[36] It should be added that the threatened society will undoubtedly attempt to redress that balance through sophisticated and drastic police action.

In sum, to accommodate plutonium we shall have to move towards a more intimidated society with greatly reduced freedoms. In this respect the following passage from the Report of the distinguished international group of scientists attending the 23rd Pugwash Conference on Science and World Affairs is instructive:

"The problem of theft of nuclear material by internal groups or individuals intent on sabotage, terrorism or blackmail was agreed to be a very serious one, although there was some sentiment expressed that the possibility of such activity was much smaller in socialist states."

We believe that sentiment to be true. It is also apparent that that is the direction in which we must move to accommodate the nuclear industry. After having spent billions of dollars for our nuclear deterrent, our civilian nuclear industry might well accomplish that which our defense system is trying to prevent.

Dr. Alvin Weinberg, former Director of the Oak Ridge National Laboratory, is one of the few persons closely associated with the nuclear power complex who has looked carefully at the political and regulatory institutions that will be necessary to support a plutonium-based nuclear power economy. Dr. Weinberg's views on this subject merit close attention.

Weinberg's basic premise is stated in his article "Social Institutions and Nuclear Energy" which appeared in the July 7, 1972, issue of *Science:*

"We nuclear people have made a Faustian bargain with society. On the one hand, we offer—in the catalytic nuclear burner—an inexhaustible source of energy. . . .

"But the price that we demand of society for this magical energy source is both a vigilance and a longevity of our social institutions that we are quite unaccustomed to . . . In a sense, we have established a military priesthood which guards against inadvertent use of nuclear weapons, which maintains what a priori seems to be a precarious balance between readiness to go to war and vigilance against human errors that would precipitate war. Moreover, this is not something that will go away, at least not soon. The discovery of the bomb has imposed an additional demand on our social institutions. It has called forth this military priesthood upon which in a way we all depend for our survival.

"It seems to me (and in this I repeat some views expressed very well by Atomic Energy Commissioner Wilfrid Johnson) that peaceful nuclear energy probably will make demands of the same sort on our society, and possibly of even longer duration." [37]

Here Dr. Weinberg observes that nuclear power will place unprecedented strains on our institutions. He correctly states that the nuclear power industry will pose problems for society that eclipse those posed by nuclear weapons.

In an unpublished paper circulated prior to a conference at the Woodrow Wilson International Center for Scholars in Washington, D.C., on June 18, 1973, Dr. Weinberg elaborated his views on the type of institutions required to cope with the plutonium economy:

"One suggestion (proposed by Sidney Siegal) that is relevant to the situation in the United States would be to establish a national corporation patterned after COMSAT to take charge of the *generation* of nuclear electricity. Such an organization would have technical resources that must exceed those available to even a large utility: and a high order of technical expertise in operating reactors and their sub-systems is essential to ensuring the continued integrity of these devices. [Here Dr. Weinberg suggests nationalization of the industry.]

"Each country now has its own AEC that sets standards or, in some cases, actually monitors or operates reactors. Perhaps this will be sufficient forever. Yet no government has lasted continuously for 1000 years; only the Catholic Church has survived more or less continuously for 2000 years or so. Our commitment to nuclear energy is assumed to last in perpetuity—can we think of a national entity that possesses the resiliency to remain alive for even a single half-life of plutonium-239? A *permanent* cadre of experts that will retain its continuity over im-

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mensely long times hardly seems feasible if the cadre is a national body.

"It may be that an International Authority, operating as an agent of the United Nations, could become the focus for this cadre of expertise. The experts themselves would remain under national auspices, but they would be part of a worldwide community of experts who are held together, are monitored, and are given long-term stability by the International Authority. The Catholic Church is the best example of what I have in mind: a *central authority* that *proclaims* and to a degree *enforces* doctrine, maintains its own long-term social stability, and has connections to every country's own Catholic Church." (Italic added.)

These are far-reaching concepts presented by Dr. Weinberg. The basic question they pose is: Will the plutonium economy raise socio-political problems of such magnitude that their resolution will be unacceptable to society? In attempting to do the impossible—live with plutonium—we may create the intolerable.

VI. THE SUPER-HUMAN REQUIREMENTS

The commercialization of plutonium will bring with it a major escalation of the risks and problems already associated with nuclear power. Plutonium will further strain the already weakened regulatory fabric of the nuclear industry.

Dr. Hannes Alfven, Nobel Laureate in Physics, has described the regulatory imperatives applicable to the nuclear industry:

"Fission energy is safe only if a number of critical devices work as they should, if a number of people in key positions follow all their instructions, if there is no sabotage, no hijacking of the transports, if no reactor fuel processing plant or reprocessing plant or repository anywhere in the world is situated in a region of riots or guerilla activity, and no revolution or war—even a 'conventional one'—takes place in these regions. The enormous quantities of extremely dangerous material must not get into the hands of ignorant people or desperados. No acts of God can be permitted." [38]

In his article in *Science*, Dr. Weinberg similarly stresses the need, ". . . of creating a continuing tradition of meticulous attention to detail." It is important to recognize that such a tradition would have to be "created." There are no historical precedents to suggest that this is possible on the scale demanded by the nuclear industry. Dr. Weinberg has also observed that:

"What is required is a cadre that, from now on, can be counted upon to understand nuclear technology, to control it, to prevent accidents, prevent diversion. Moreover, in this ultimate world, nuclear reactors will be in Uganda as well as the U.S.A., in Ethiopia as well as England. And one must ensure the same high degree of expertise in the underdeveloped country as in the developed country." [39]

We quote Dr. Weinberg because he is one, if not the only, proponent of nuclear power who has given serious thought to its requirements. But the public and its decisionmakers must seriously question whether it will be possible to attract, train and motivate the personnel required for these functions. These must be highly qualified persons who will maintain a tradition of "meticulous attention to detail" even when the glamorous aspects of a new technology become the commonplace operations of an established industry. What are the qualifications of these people? How does the AEC and the nuclear industry plan to attract and continuously motivate them? We suggest that it is beyond human capability to develop a cadre of sufficient size with expertise of "very" high order that can be counted upon to understand nuclear technology, to control it, to prevent accidents and diversion over many generations, or even over the present generation.

There is considerable evidence at the present time to suggest that the fledgling nuclear industry is already unmanageable. For example, in testimony presented to the Congressional Joint Committee on Atomic Energy, Ralph Nader and the Union of Concerned Scientists on January 29, 1974, made public a heretofore secret report by an AEC Task Force dated October, 1973. That report stated the following:

"Review of the operating history associated with 30 operating nuclear reactors indicated that during the period 1-1-72 to 5-30-73 approximately 850 abnormal occurrences were reported to the AEC. Many of the occurrences were significant and of a generic nature requiring followup investigations at other plants. Forty percent of the occurrences were traceable to some extent to design and/or fabrication related deficiencies. The remaining incidents were caused by operator error, improper maintenance, inadequate erection control, administrative deficiencies, random failure and combinations thereof."

Regarding these incidents, on page 16, the Task Force stated:

"The large number of reactor incidents, coupled with the fact that many of them had real safety significance, were generic in nature, and were not identified during the normal design, fabrication, erection, and preoperational testing phases, raises a serious question regarding the current review and inspection practices both on the part of the nuclear industry and the AEC."

In addition to these 850 abnormal occurrences, consider the tritium that recently appeared in the drinking water of Broomfield, Colorado. Consider the 115,000 gallons of high level radioactive wastes that leaked from the tank at Hanford over a period of 51 days while no one monitored the tank. Consider that the radioactive releases from the famed Shippingport reactor were higher than recorded. Consider that the executives of the Consumers Power Corporation failed to notify the AEC that their radioactive gas holdup system was not functioning. Consider that two reactors were half completed before the AEC was informed that they were being constructed over an earthquake fault. Consider that the GAO found the security at plutonium storage areas totally inadequate after the AEC inspectors had certified the facilities.

Considering all this, there is good reason to suggest, because of the meticulous attention to detail that will be required at every stage of plutonium recycle, that a decision to proceed with plutonium recycle will precipitate an already unmanageable situation into a national crisis.

VII. OPTIONS: ALTERNATIVES TO PLUTONIUM RECYCLE

Given that the risks of plutonium recycle are unacceptably high, particularly in light of the present uncertainties, a key question is what are our options—what are the alternatives to the AEC's proposal to proceed now with plutonium recycle? We believe that there are essentially three options, each of which is preferable to the AEC's announced plan.

First, we could phase out nuclear power reactors. There is mounting apprehension within the scientific community concerning the human and societal hazards of fission reactors which would only be compounded by plutonium recycle. As evidence of this apprehension among scientists, a statement of concern over the environment and world peace (The Menton Statement) which was signed by 2,200 scientists, included a call for an end to the proliferation of nuclear reactors. It was presented to U.N. Secretary U. Thant, and published in the *U.N. Courier*, July, 1971. Similarly, scientists from all nations at the 23rd Pugwash Conference on Science and World Affairs in September, 1973, concluded:

"1. Owing to potentially grave and as yet unresolved problems related to waste management, diversion of fissionable material, and major radioactivity releases arising from accidents, natural disasters, sabotage, or acts of war, the wisdom of a commitment to nuclear fission as a principal energy source for mankind must be seriously questioned at the present time.

"2. Accordingly, research and development on alternative energy sources—particularly solar, geothermal and fusion energy, and cleaner technologies for fossil fuels—should be greatly accelerated.

"3. Broadly based studies aimed at the assessment of the relation between genuine and sustainable energy needs, as opposed to projected demands, are required."

This third recommendation implies the implementation of energy conservation measures. It is important to recognize that energy conservation can be our major energy source between now and the year 2000. Conservation means using our present energy more efficiently; it need not mean a change in life styles. Coupled with the use of solar and geothermal energy, energy conservation could eliminate the need for new nuclear power stations.

Second, we could continue with the present generation of lightwater reactors but strictly prohibit plutonium recycle for the foreseeable future. Such a decision would be premised upon a judgment that plutonium is too dangerous because of its toxicity and explosive potential to be allowed to become an article of commerce. Of course, we would still have plutonium to cope with, because it is produced in present-day reactors. But without plutonium recycle there is little incentive to reprocess the plutonium out of the spent fuel, so the plutonium could remain in the spent fuel where it is effectively protected from theft and, hopefully, confined and contained.

The benefits of plutonium recycle are small. Plutonium recycle would reduce the annual uranium requirements by about 10 to 15 percent and reduce the light water reactor fuel cycle cost by about the same amount. But the nuclear fuel cycle cost represents less than 20 percent of the total cost of power from nuclear plants, and nuclear plants by 1985 will represent less than 40 percent of the electric, or about 15 percent of the total, domestic energy supplied. In other words, plutonium recycle involves an economic savings of less than one-half of one percent.

Plutonium differs from the high-level wastes in the spent fuel in one critical respect: whereas the radioactivity of high-level wastes will continue for thousands of years, that of plutonium will continue for hundreds of thousands. Thus, while the problem of effectively storing both these materials and preventing their entering the environment are unprecedented in human history, plutonium must be contained for eons longer. For this reason, an argument can be made that, ultimately, the safest thing that can be done with plutonium is to burn or fission it in reactors, thus making it into high-level wastes rather than plutonium. But that is an activity that is best left for decades or even centuries hence—for a society more capable and less violent than today's.

Third—and we believe that this is an option that must command general support—a decision regarding plutonium recycle, and of course plutonium recycle itself, could be deferred several years until present uncertainties regarding safeguards and plutonium toxicity are satisfactorily resolved and a basis has been laid for a more intelligent judgment regarding the risks and benefits of the commercialization of plutonium.

Footnotes at end of article.

Too many questions, both technical and social, are unanswered today, and until these questions are answered it would be a grave error, we believe, to rush into the AEC's plutonium economy.

The basic question which must be answered is whether the public is willing to accept the risks of plutonium in exchange for the promised benefits. The national debate which must occur on this basic question has hardly begun.

FOOTNOTES

[1] "The Plutonium Economy of the Future," Speech by AEC Chairman Glen T. Seaborg, AEC Release No. S–33–70, dated October 5, 1970.

[2] AEC, *Draft Generic Environmental Statement On The Use Of Mixed Oxide Fuel*, WASH–1327, July, 1974 [hereinafter cited as WASH–1327].

[3] Donald P. Geesaman, "Plutonium and the Energy Decision," in *The Energy Crisis*, (ed. R. S. Lewis and B. I. Spinrad, 1972), pages 58–59.

[4] Mason Willrich and Theodore B. Taylor, *Nuclear Theft: Risks and Safeguards* (1974), page 1.

[5] See the discussion at pages 17–23, *infra*.

[6] "GE Fuel Recovery Plant Inoperable," *Weekly Energy Report*, Vol. II, July 15, 1974, page 1.

[7] *West Michigan Environmental Action Council* v. *AEC* (W. D. Mich. Dkt. No. G–58–73).

[8] AEC, *Nuclear Power Growth: 1974–2000*, WASH–1139 (1974), page 34 Class D projection).

[9] Geesaman, *op. cit.*, pages 58–59.

[10] Arthur Tamplin and Thomas Cochran, *Radiation Standards for Hot Particles*, February 14, 1974. Copies of this report are available from NRDC for $3.00 per copy.

[11] WASH–1327, Chapt. IV, Section J. page 7.

[12] Geesaman, *op cit.*, page 59.

[13] AEC News Releases, Vol. V, August 14, page 4.

[14] Willrich and Taylor, *op. cit.*, pages 107–108.

[15] Paper by W. C. Bartels and S. C. T. McDowell of the AEC's Division of Safeguards and Security, reprinted in *Nuclear News*, Vol. 17, (Aug., 1974), page 46.

[16] "Nuclear Materials Safeguards: A Joint Industry-Government Mission," Speech by AEC Commissioner Clarence E. Larson, published in *Proceedings of AEC Symposium on Safeguards Research and Development*, October 27–29, 1969. *See also* Deborah Shapley, "Plutonium: Reactor Proliferation Threatens a Nuclear Black Market," *Science*, 9 April 1971, page 143.

[17] Willrich and Taylor, *op. cit.*, page 168.

[18] *See, e.g.*, Bernard T. Feld, "The Menace of a Fission Power Economy," *Bulletin of the Atomic Scientists*, April, 1974, pages 32–34; Lawrence Scheinman, "Safeguarding Nuclear Materials," *Bulletin of the Atomic Scientists*, April, 1974, pages 34–36; David T. Rose, "Nuclear Electric Power," *Science*, 19 April 1974, pages 351–359. *See also* Robert L. Heilbroner, *An Inquiry Into The Human Prospect* (1974), pages 40–43.

[19] *See, e.g.*, "A Special Safeguards Study," a report to the AEC on the Adequacy of Current Safeguards (the "Rosenbaum Report"), reprinted at 120 Cong. Rec. S6623 (April 30, 1974); U.S. General Accounting Office, *Improvements Needed in the Program for the Protection of Special Nuclear Material*, (GPO: November 7, 1973), reviewed by Robert Gillette in *Science*, December 14, 1973, pages 1112–1114.

[20] WASH–1327, page S–6.

[21] WASH–1327, page S–7.

[22] WASH–1327, page S–7.

[23] *See* pages 18–24, *infra*.

[24] *See* Dean E. Abrahamson, "Energy: Nuclear Theft and Nuclear Parks," *Environment*, July/August, 1974, page 5.

[25] Taylor and Willrich believe that "a system of safeguards can be developed that will keep the risks of theft of nuclear weapon materials from the nuclear power industry at very low levels." *Op. cit.*, page 171. Yet they also emphasize that "regardless of its effectiveness, a nuclear safeguards system applicable to the nuclear power industry in this country cannot provide complete assurance that unannounced fission explosions will not occur in the United States in the future." They point out that "no future safeguards system that will be practical can offer 100% assurance against theft." *Op. cit.*, page 123. They never say what level of nuclear theft, or what size plutonium black market or how many unauthorized nuclear explosions is in fact acceptable.

[26] *See* L. Douglas DeNike, "Radioactive Malevolence," *Bulletin of the Atomic Scientists*, February, 1974, page 16.

[27] *See* text accompanying note 8, *supra*.

[28] Quoted in Geesaman, *op. cit.*, page 59.

[29] *The Energy Crisis*, *op. cit.*, page 59.

[30] GAO, *Improvements Needed in the Program for the Protection of Special Nuclear Materials*, *op. cit.*

[31] Alvin Weinberg, "Social Institutions and Nuclear Energy," *Science*, 7 July 1972, pages 33–34.

[32] WASH–1327, Chapter V, page 42.

[33] *New York Times*, "News of the Week in Review," August 11, 1974, ("Texas Police Have A List For Dissenters").

[34] WASH–1327, Chapter V, page 42.

[35] *The Washington Post*, October 12, 1973, page A–3.

[36] DeNike, *op. cit.*

[37] Weinberg, *op. cit.*, pages 33–34.

[38] Hannes Alfven, "Energy and Environment," *Bulletin of the Atomic Scientists*, May, 1972.

[39] Weinberg, *op. cit.*

THE AUTHORS

Arthur R. Tamplin has been a biophysicist at the Lawrence Radiation Laboratory in Livermore, California since 1963. During the period June 1967 to January, 1969 he was a member of the AEC's Division of Biology and Medicine Committee on Space Nuclear Systems Radiological Safety. The primary interest of this committee was the hazard of plutonium. Dr. Tamplin holds a Ph.D. degree in Biophysics from the University of California at Berkeley. He has published and lectured extensively on the problems of nuclear power. His books include *Poisoned Power: The Case Against Nuclear Power Plants* (with Gofman). For the past year he has been working on the staff of NRDC while on a one-year leave of absence from the Laboratory.

J. Gustave Speth has been an attorney on the staff of NRDC since 1970, specializing on nuclear power problems. He was the attorney for the Scientists' Institute for Public Information in *Scientists' Institute* v. *AEC*, 481 F.2d (D.C. Cir. 1973), which required the AEC to prepare an environmental impact statement for its fast breeder reactor development program. He is a former Rhodes Scholar and law clerk to Supreme Court Justice Hugo L. Black and is the author of "The Federal Role in Technology Assessment" in *Federal Environmental Law* (Environmental Law Institute: 1974).

Thomas B. Cochran is a nuclear physicist on the staff of NRDC. Before joining NRDC, Dr. Cochran was a Senior Research Associate at Resources for the Future. He is the author of *The Liquid Metal Fast Breeder Reactor: An Environmental and Economic Critique* (1974), which was published by Resources for the Future. He is a member of the Federal Power Commission's Task Force on Energy Conversion Research and Development, part of the National Power Survey. Dr. Cochran holds a Ph.D. degree in physics from Vanderbilt University and is a former AEC Health Physics Fellow.

AEC IGNORES HAZARD-WARNINGS FROM ITS OWN CONTRACTORS, SAYS LEADING SAFETY EXPERT

Mr. GRAVEL. Mr. President, the AEC's $3 million Rasmussen report extolling the safety of nuclear powerplants does not seem to convince the Commission's own experts.

Carl J. Hocevar, one of the AEC's leading safety experts, quit his job on September 22 "in order to be free," he said:

> To tell the American people the truth about the potentially dangerous conditions in the Nation's nuclear powerplants.

Mr. Hocevar believes the country should stop the building of nuclear powerplants in view of the grave unresolved questions about their safety.

Mr. President, I ask unanimous consent that a news release containing additional statements from Mr. Hocevar be printed here in the Record. The release, dated September 22, is from the Union of Concerned Scientists, 1208 Massachusetts Ave., Cambridge, Mass. 02138.

There being no objection, the release was ordered to be printed in the Record, as follows:

NEWS RELEASE

Cambridge, Mass., September 22.—One of the Atomic Energy Commission's leading safety experts quit his job today, he said, "in order to be free to tell the American people the truth about the potentially dangerous conditions in the nation's nuclear power plants."

Carl J. Hocevar, author of one of the AEC's basic nuclear power plant safety analysis methods, said in his letter of resignation to AEC Chairman Dixy Lee Ray that, "in spite of the soothing reassurances that the AEC gives to an uninformed, misled public, unresolved questions about nuclear power plant safety are so grave that the U.S. should consider a complete halt in nuclear power plant construction while we see if these serious questions can, somehow, be resolved."

Hocevar said that he will go to work immediately with reactor safety critics Ralph Nader and the Union of Concerned Scientists in Cambridge, Mass., to inform the public that "the AEC is using shaky and unproven computer predictions as a basis for answering such vital questions as the effectiveness of reactor safety systems in preventing catastrophic accidents. This is wholly unnacceptable," he said. "Adequate experimental programs to determine the workability of reactor safety systems are urgently needed."

Hocevar also said that the long-term problem of radioactive waste disposal was "deeply disturbing" because radioactive waste disposal involves not only difficult, unsolved technical problems, but serious moral problems as well.

"The present generation gets the electricty from nuclear plants, and we leave the radioactive wastes for our children and future generations to take care of," he said. "Plutonium, an extremely hazardous material that retains its radioactive potency for hundreds of thousands of years, is hardly a legacy that future generations should be given."

Although he developed the AEC's method for analyzing the heatup of a nuclear reactor core during loss-of-coolant accidents, Hocevar is a strong critic of the AEC's application of these methods.

"In 1971, the AEC adopted the methods we had developed," he said, "but completely ignored our reports concerning the serious limitations of those methods. They were the best that could be developed, based on the limited analytical and experimental research the AEC and nuclear industry had carried out, but they were preliminary and definitely not an adequately proven way of determining nuclear reactor safety. Little has changed in the past few years, and the safety of nuclear reactors is still uncertain and unverified."

Carl Hocevar is one of several AEC safety researchers who have resigned in the last year from the AEC's Idaho safety research center, run by Aerojet Nuclear. He is the first to join forces with the critics of the country's nuclear program.

"The AEC is ignoring advice from many of its experts on reactor safety problems, a situation that has given rise to numerous resignations," he said. "Several of my colleagues have gone to work trying to help the utility companies understand the reactor safety problems that the AEC would prefer to ignore. But I believe that the general public, and not just the companies investing in nuclear generating equipment, must be told the truth about the potential hazards."

AEC ORDERS ALMOST HALF THE COUNTRY'S NUCLEAR PLANTS TO SHUT DOWN

Mr. GRAVEL. Mr. President, just 10 days after Federal Energy Administrator John C. Sawhill recommended that the reliability of nuclear powerplants be improved, the AEC issued an order which will shut down almost half of the Nation's nuclear plants within 60 days.

On Friday, September 20, after the AEC had issued an urgent warning for nuclear utilities to check for cracked pipes, a crack was found in the main water system of the Millstone Point No. 1 plant in New London, Conn. It was the fourth main line crack discovered in 1 week at the Nation's boiling water reactors.

The next day, the AEC ordered all the BWR nuclear plants shut down for inspection within 60 days.

Those plants which have cracks will not be easy to repair, since the leaking water is radioactive, according to a story in the Boston Globe.

Mr. President, I ask unanimous consent that two articles about this latest nuclear fiasco be printed here in the RECORD. The first is "Three Area A-Plants Ordered To Shut Down" from page 1 of the Philadelphia Bulletin, September 22. The second is "Nuclear Plants Springing Leaks; Experts Puzzled on Repair Technique," from the Boston Sunday Globe, September 22.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Sunday Bulletin, Sept. 22, 1974]

THREE AREA A-PLANTS ORDERED TO SHUT DOWN

Three Greater Philadelphia nuclear power plants are among 21 in the nation ordered shut down by the Atomic Energy Commission to determine whether cracks are developing in the pipes of their cooling systems.

Among them are plants No. 2 and 3 operated by the Philadelphia Electric Co. along the banks of the Susquehanna River at Peach Bottom, York County, 63 miles southwest of Philadelphia.

The third plant in this area affected by the order is operated by the Jersey Central Power & Light Co. at Oyster Creek, Ocean County, N.J., 10 miles south of Toms River and 35 miles north of Atlantic City.

PLANTS IN 15 STATES

The order was relayed by telephone to power companies in 15 states last Thursday after cracks were discovered in the pipes of three boiling water reactors within the last 10 days.

There are 50 atomic reactors in the nation producing commercial power.

A spokesman for Philadelphia Electric said Peach Bottom plant No. 2 was already shut down for routine maintenance when the AEC order was received. An inspection showed that there were no cracks in any of the pipes, the spokesman added.

UNDER INSPECTION

He said plant No. 3 currently is under inspection. This plant—the newest in the complex—has not yet begun commercial production of power, but is expected to do so by the end of this year.

Each of these plants has a capacity of 1,065,000 kilowatts.

Unaffected by the order is Peach Bottom plant No. 1, a pilot facility that has been operating for some time and which has a capacity of only 40,000 kilowatts.

The AEC said that 20 of the 21 reactors ordered shut down were manufactured by the General Electric Co. The other reactor was manufactured by the Allis-Chalmers Corp.

The shutdown was ordered, according to the AEC, because the failures found in the quarter-inch stainless steel walls of the pipes in the three plants raised the possibility of such problems in all of the reactors.

EXPERT QUITS

In another development, a leading AEC safety expert announced he was quitting his job with the commission "in order to be free to tell the American people about the potentially dangerous conditions in the nation's nuclear power plants."

Carl J. Hocevar, the author of one of the AEC's basic nuclear power plant safety analysis methods, said in his letter of resignation to chairman Dixie Lee Ray that "in spite of the soothing reassurances that the AEC gives to the uninformed, misled public, unresolved questions about nuclear power safety are so grave that the United States should consider a complete halt to nuclear power plant construction while we see if these serious questions can somehow, be resolved."

Hocevar is one of several safety research experts who have resigned recently from the commission's Idaho Safety Research Center.

FIRST INDICATION

The first indication of a potentially widespread problem in the reactor cooling systems came on Sept. 13 when an alarm sounded in the Dresden No. 2 reactor of the Commonwealth Edison power plant near Morris, Ill. The alarm indicated a leak of radioactive water used to cool the nuclear core of the reactor; in this case, 5 gallons a minute, according to the AEC.

Commonwealth Edison then examined similar piping in its Quad Cities No. 2 unit near Cordova, Ill., which at the time was shut down for routine maintenance. The inspectors found cracks which had not yet penetrated the pipe wall.

CRACK FOUND

Then last Tuesday, a crack which appeared to have been leaking was found in a cooling pipe of the Millstone No. 1 unit of the Northeast Nuclear Energy Co. in Connecticut.

An AEC spokesman said that if a serious leak suddenly developed in an operating reactor the radioactive cooling water would be caught in special catch basins and the reactor would be automatically shut down.

According to the AEC, the 21 reactors that must be inspected produce about 14,000 of the 34,000 megawatts of electricity developed by atomic reactors in the United States. A megawatt is a million watts and refers to the amount of power that a facility can produce at any one time.

The commission estimated each inspection would require a week. A spokesman for General Electric said one day would be sufficient.

The other nuclear plants affected by the shutdown order are located in Michigan, Tennessee, Alabama, Nebraska, Illinois, California, Wisconsin, Connecticut, Minnesota, New York, Massachusetts, Vermont and Georgia.

[From the Boston Sunday Globe, Sept. 22, 1974]

NUCLEAR PLANTS SPRINGING LEAKS; EXPERTS PUZZLED ON REPAIR TECHNIQUE

(By Casey Bukro)

CHICAGO.—How do you fix a nuclear reactor leak of a kind that has never happened before and for which repair plans don't exist?

That is the puzzle facing Atomic Energy Commission and Commonwealth Edison Co. officials who must draft plans for fixing a crack in the main water pipe of the Dresden Nuclear Reactor No. 2 near Morris, Ill.

"It has not been done, to my knowledge, in a reactor of this size," said James Keppler, AEC regional director.

The perplexing break was one of two at the Dresden reactor, and both had been leaking radioactive water. The leaks were not dangerous, and one of them has been fixed.

An identical crack was found later in the Quad Cities Nuclear Reactor No. 2 near Cordova, Ill.

A metallurgical investigation by Argonne National Laboratories into the cause of the cracks was inconclusive. Both reactors have been shut down.

The list of cracked or faulty reactors grew on Friday, when two more were added.

A reactor of the Zion, Ill. station, owned by Commonwealth Edison Co., was put out of service when a water pump failed.

A few hours earlier, the Atomic Energy Commission reported that Millstone Point 1, reactor in New London, Conn., operated by the Northeast Nuclear Energy Co., had been shut down when a crack was found in its main water system. This was the fourth crack in a reactor main water line reported in one week.

The Millstone break was found after the AEC had issued an urgent warning to utilities to check for water line cracks. Both the Dresden and Millstone cracks were in places where the water lines cannot be shut off with valves to permit normal repairs.

A meeting of AEC and Edison officials was called to study in detail an Edison plan for fixing the unusual break in the Dresden reactor. They will try to make repairs with highly radioactive fuel still in the reactor core and with radioactive water in the pipelines.

"We want to understand in detail what the repair will consist of, how it will be made, and what actions should be taken in the event of a malfunction in making the repair," said Keppler. "It will be a review of what can go wrong."

Edison is proposing freezing the water in the cracked four-inch pipe, then cutting out the cracked section and inserting a plug. Then the water line would be unfrozen.

The defective section of pipe would be cut out, while the plug keeps all the radioactive water inside the nuclear reactor from flushing out.

The fact that there is no valve between the crack and the reactor makes this particular break unique.

Once the defective piece of pipe is replaced, the plug can be moved beyond a valve point. The water line would be frozen again, the line cut open to remove the plug, and then repaired while the valve holds back the radioactive water.

NUCLEAR POLLUTION: DEATH FROM LOW-DOSE RADIATION

Mr. GRAVEL. Mr. President, there are two parts to the low-dose radiation controversy. The first is, how harmful is the legally "permissible" dose of manmade nuclear radiation? The second is, how big a dose is the public really going to receive from the nuclear power industry?

Nuclear utilities claim repeatedly that no one is going to get more than a trivial dose of radiation from their atomic powerplants. Of course, no one is measured for the dose. The dose is only calculated on paper by applying some shaky assumptions about weather and food chains to some even shakier figures on how much radiation is or will be released from each plant.

To calculate human exposure to environmental radiation, you need accurate data on how much radioactivity is in a person's air, water, and food. You need good and honest environmental monitoring.

MONITORING SCANDAL AT THE SHIPPINGPORT A-PLANT

The monitoring scandal around the Shippingport nuclear plant in Pennsylvania should be a warning to anyone who starts to believe the promises about trivial doses and supremely careful guarding of public health by nuclear promoters.

In April 1973, Gov. Milton Shapp of Pennsylvania, appointed a special commission, including five scientists, to investigate the radioactive releases from the Shippingport plant.

All five members concluded a year later that the radiation monitoring program was not satisfactory. One member, Dr. Karl Z. Morgan, said:

> The Shippingport monitoring program was worse than none at all, in my opinion. In a nuclear plant, there are many ways that radioactivity can escape into the environment without always being detected by the monitoring instruments at the plant itself, even with a good monitoring system.
>
> So unless you have a thorough-going monitoring program beyond the plant site, you're not going to measure all the radioactivity that gets out. But Shippingport's environmental monitoring program was almost non-existent.
>
> Then, when they did get some detailed environmental data from NUS showing high levels, they sat on it. It's just unthinkable to me that something damning like that would be in the records without some explanation or action by their health physics personnel.

Mr. President, I ask unanimous consent that two articles on the Shippingport monitoring situation be printed in the RECORD at the end of these remarks. Both are from the Beaver County, Pa., Times, June 7, 1974. The first is entitled "State Panel Questions Radiation Safety," and the second is "Backgrounding the Controversy."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

EPA CALLS NUCLEAR FUEL REPROCESSING "A SIGNIFICANT ENVIRONMENTAL THREAT"

Mr. GRAVEL. Mr. President, it will not require catastrophic nuclear accidents to poison the planet irreversibly with manmade radioactivity. Routine releases and minor leaks and losses throughout the nuclear fuel cycle can achieve the same horrible result.

On September 11, 1973, the Environmental Protection Agency issued the following warning about nuclear fuel reprocessing plants:

> Four significant areas in which fuel reprocessing presents a significant environmental threat were identified by the EPA investigation.
>
> First, there will be worldwide exposure due to the gradual environmental buildup of Krypton-85 from the U.S. nuclear fuel reprocessing industry. The worldwide impact of this radionuclide is considerably larger than the regional or national impact from this industry.
>
> Second, large doses to individuals may occur as a consequence of a failure to apply currently available controls and reasonable fuel-cooling times, as a result of discharges of Iodine-131 and other short-lived radionuclides.
>
> Third, unless currently available controls are rigorously applied, the environmental buildup from long-lived Iodine-129, Plutonium-239, and several other alpha-emitting transuranic isotopes could become substantial.
>
> And finally, there is no control currently available for Tritium, the largest potential producer of health effects after Krypton-85.

EPA CALLS "ZERO" THE ONLY SAFE DOSE OF RADIATION

About the impact of the nuclear industry in general, the EPA said:

> Assessments of the potential impact represented by industries such as the nuclear power industry require projection of the migration of each radionuclide through the environment over long periods of time, and a determination of the potential dose to populations delivered and the associated health effects expected to occur throughout this migration.
>
> These assessments must include all individual exposures, however small, so that all of the impact on society is assessed, and must be cognizant of the exposure of future generations implied by the essentially irreversible environmental commitments that result from the discharge of long-lived radioactive materials into the general environment.
>
> The most prudent basis for relating radiation dose to its impact on public health continues to be that health effects due to exposure to ionizing radiation occur at all levels of exposure down to zero, and that the number of these effects induced is directly proportional to the dose of radiation received (a linear, non-threshold cause-effect relationship). Although it is recognized that data are not available to either prove or disprove this assumption, the Agency believes that it provides the only sound basis for developing standards to protect public health.
>
> Within this framework, the only totally risk-free level of radiation exposure is zero; a standard set at any other level must be justified on the basis that the activity producing the radiation exposure provides sufficient offsetting benefits . . .
>
> Analysis of the environmental impact of the uranium fuel cycle indicates that a number of long-lived radionuclides are discharged as a result of planned operations within the cycle, with consequent buildup of environmental levels and commitments for population dose that may persist for tens, hundreds, or thousands of years.

Both statements are from the EPA document entitled "Environmental Radiation Protection Requirements for Normal Operations of Activities in the Uranium Fuel Cycle, Notice of Proposed Rulemaking," September 11, 1973.

In October 1973, the EPA published a three-volume study called "Environmental Analysis of the Uranium Fuel Cycle," EPA number 502/9–73–003.

AUTHORITY TRANSFERRED FROM EPA TO AEC

By December 1973, the Nixon administration shifted the authority to set radiation emission levels out of the EPA and back into the AEC. The AEC's policy is that radioactive emissions should be kept "as low as practicable" for the industry.

In January 1972, the AEC began a rulemaking hearing to set "practicable" guidelines, but not limits, for radioactive emissions. As of September 27, 1974, the Commission had still not issued a final decision on the guidelines.

Meanwhile, the legally "permissible" exposure for the general public remains where it was set in 1957, at 170 millirads per year. No one claims any more that is a safe dose, but it remains in force nevertheless.

A FEW MILESTONES IN THE RADIATION CONTROVERSY

In late 1969 and early 1970, Drs. John W. Gofman and Arthur R. Tamplin at the AEC's Lawrence Livermore Laboratory, reported findings which rocked the nuclear power industry to its foundations. They had analyzed the available data on the cancer rate in irradiated humans, and discovered that nuclear radiation is about 25 times more harmful as a cancer-producer than previously thought.

An excellent paper with their scientific findings appears in the CONGRESSIONAL RECORD, volume 18, part 1, pages 1167–1178.

Gofman and Tamplin predicted a 10-percent increase in cancer mortality, meaning 32,000 extra cancer deaths every year, if the American public were chronically exposed to the so-called "safe" dose of radiation. They said there is no safe dose of radiation, and that the permissible dose should be set at zero, with exceptions made only if nuclear polluters could convince the public that the benefits justified the cancer agonies which would result later.

The nuclear power industry, which was designing all its equipment under the old "permissible" dose, saw that millions and perhaps billions of dollars were at stake in the reduction of radioactive emissions.

TEN PERCENT MORE MUTATIONS FROM THE PERMISSIBLE DOSE

In 1970, another blow hit the nuclear industry. The Nobel Prize-winning geneticist, Dr. Joshua Lederberg, testified as follows to Congress:

> Four billion years of biological evolution are represented in the DNA of every cell of every living organism. In every sperm and egg, one 300-billionth of a germ stores an encyclopedia of genetic information—the blueprints which guide the development of the fertilized egg into a fish, a racoon, or a human being . . .
>
> Radiation exposure is an inevitable side-effect of our atomic energy programs, as well

> as of medical X-rays and of our natural environment. The AEC's standards of permissible exposure would increase the natural rate of mutation about 10 percent.

The DNA molecules in the single cell from which each of us begins life, contain all the information to construct and operate an adult human with 150 billion cells. The genes in DNA are mankind's most condensed and most precious information. It is appalling to realize that the nuclear power industry is still expanding under a permissible radiation dose which would so badly damage this treasure.

REPORT FROM THE NATIONAL ACADEMY OF SCIENCES

In late 1970, the National Academy of Sciences, whose medical director was formerly biomedical director for the AEC, appointed a committee to reexamine the biological effects of ionizing radiation, and so it was called the BEIR Committee. The BEIR Committee included vociferous defenders of the AEC, but none of the outspoken critics.

In November 1972, the BEIR Committee issued its report. It concluded as follows:

> There is reason to expect that over the next few decades, the dose commitments for all man-made sources of radiation except medical, should not exceed more than a few millirems average annual dose to the entire U.S. population.
>
> The present guides of 170 millirems per year grew out of an effort to balance societal needs against genetic risks. It appears that those needs can be met with far lower average exposures . . .
>
> To this extent, the current Guide is unnecessarily high.

THOUSANDS OF DEATHS PER YEAR FROM THE "SAFE" DOSE

With regard to genetic injury, the BEIR Committee said that chronic exposure of our population to the permissible 170 millirads would eventually lead to a 5-percent increase in ill health for the American population as a whole, including between 1,100 and 27,000 cases per year of serious congenital abnormalities, constitutional diseases which are partly genetic, and dominant or X-linked diseases and defects.

With regard to cancer induction, the committee dose "could cause from roughly 3,000 to 15,000 cancer deaths annually, depending on the assumptions used in the calculations. The committee considers the most likely estimate to be approximately 6,000 cancer deaths annually, an increase of about 2 percent in the spontaneous cancer death rate."

Since this admission in 1972 finally stopped nuclear advocates from claiming the permissible dose is safe, the committee's opinion was widely considered a "vindication" of the Gofman-Tamplin position. Of course, scientific findings can not be vindicated by agreement; they can be vindicated only by their own truth. The BEIR Committee was unable to refute the Gofman-Tamplin findings.

DATA CHANGED BY ANONYMOUS EXPERT

However, the committee reduced the Gofman-Tamplin mortality estimate fivefold by resorting to an anonymous piece of work in appendix V. This appendix concerns the dose data provided by a British study of spondylitic patients who had received radiation treatment to their spines.

The radiation dose to the stomachs of these patients had to be estimated from the dose to their spines. An excessive rate of stomach cancer could then be related to the radiation dose.

Gofman and Tamplin used the dose estimate calculated by the British doctors, Dolphin and Eve. The BEIR Committee would have had a hard time lowering the Gofman-Tamplin mortality figure of 32,000 extra cancer deaths per year if the committee had used the same dose data. So the committee changed the data.

On page 185, the committee admits that the Dolphin-Eve dose data is "crucial." The committee then says it has concluded the Dolphin-Eve data "is seriously in error." Without inviting any rebuttal, agreement, or comment by Drs. Dolphin and Eve, or Gofman and Tamplin, the committee offers the anonymously performed work in appendix V as support for changing the data.

This unprofessional maneuver accounts for the difference between the BEIR and Gofman-Tamplin figures. Of course, the AEC's recently released Rasmussen report uses the BEIR figures in estimating cancer fatalities from a nuclear power accident.

EPA'S VIEW: LARGE INJURY FROM "PERMISSIBLE" DOSE

In September 1973, the Environmental Protection Agency went on record without equivocation on the matter of the still permissible radiation dose:

> The impact on health of effluents from an expanding nuclear power industry, if it were to operate at the levels permitted by the current Federal Guide, would be large.

Source: "Statement of Considerations: Environmental Radiation Standards for the Uranium Fuel Cycle," Office of Radiation Programs, EPA, September 12, 1973, draft page 7.

NRDC VIEW: PERMISSIBLE PLUTONIUM LEVELS 100,000 TIMES TOO HIGH

In February 1974, the Natural Resources Defense Council published an examination of the permissible level of plutonium pollution. NRDC concluded that the permissible exposure levels for plutonium need reduction by 100,000-fold. The NRDC work, which was performed by Drs. Arthur Tamplin and Thomas Cochran, is now under study by the National Academy of Sciences, the National Commission on Radiation Protection, and several AEC laboratories.

IS LIFE OUR INALIENABLE RIGHT?

To summarize the situation today with regard to nuclear pollution, I would have to say that our inalienable right to life is receiving only lipservice from the nuclear power industry.

Monitoring practices are neither good nor necessarily honest. Permissible radiation levels are still a license to kill. And the rats are still in charge of guarding the cheese.

Often deprivation of life through pollution is performed with all the due process of law required under our Constitution's fifth amendment. In the case of the "permissible" radiation dose, such as a threat to life even has the official sanction of the Code of Federal Regulations.

The same is true for "permissible" levels of certain chemical poisons in the environment.

In 1971, the Stanford Research Institute, working with the National Cancer Institute, estimated that as many as 80 percent of all cancer cases are caused by chemicals which humans encounter in their daily lives. This was reported in Chemical and Engineering News, January 10, 1972, but not widely in the press.

Also in 1971, the American Medical Association estimated that:

> Disease induced by the environment now costs us $38 billion a year. That bill will go up if we don't nurse our environment back to health.

That statement was further elaborated in the AMA's pamphlet:

> If America dies, where will we bury it?

Perhaps we need a new constitutional amendment which explicitly states that humans have an inalienable right to an unpoisoned environment. It seems such a reasonable thing to expect from a society which calls itself civilized.

EXHIBIT 1

[From the Beaver County (Pa.) Times, June 7, 1974]

STATE PANEL QUESTIONS RADIATION SAFETY

No state government has ever before created an independent commission to investigate the safety of a nuclear power plant.

Gov. Milton J. Shapp took that unprecedented step in April 1973, when citizens of the Beaver Valley became alarmed about the connection between radiation releases from the Shippingport Atomic Power Station and rising fetal deaths and cancer incidence as charged by Dr. Ernest J. Sternglass.

The Governor directed his Secretary for Health Services, Dr. Leonard Bachman, to select the commission's members.

Dr. Bachman described his criteria as follows:

"Not only was it necessary for the Governor to have available to him the wisest opinion he could find, but it was important that the people who gave him this advice arrived at their conclusions in the most acceptable manner. Because of this, he asked me to find the best authorities that I could find in the fields under question."

Dr. Bachman's quest yielded, in alphabetical order:

Dr. Morris DeGroot, professor of mathematical statistics and chairman of the Statistics Department at Carnegie-Mellon University, Pittsburgh. Dr. DeGrott has done statistical studies of the public health effects of nuclear power plants.

Dr. Paul Kotin, M.D., vice-president for health services, dean of the School of Medicine, and professor of pathology, all at Temple University, Philadelphia. Dr. Kotin previously served as director of the National Institute of Environmental Health Sciences and specializes in environmental causes of cancer.

Dr. Karl Z. Morgan, Neely, professor of health physics at the School of Nuclear Engineering, Georgia Institute of Technology, Atlanta. Dr. Morgan was one of the first radiation health physicists (The AEC defines health physics as "The science concerned with recognition, evaluation, and hazards from radiation") and first president of the International Radiation Protection Association. From 1944 to 1973 he was director of the Health Physics Division at the AEC's Oak Ridge National Laboratories, home of several nuclear reactors.

Dr. Edward P. Radford, professor of environmental medicine, School of Hygiene and Public Health, Johns Hopkins University, Baltimore. Dr. Radford specializes in the public health effects of environmental radiation and served recently on the National Academy of Sciences Committee on the Biological Effects of Ionizing Radiation.

Dr. Harry Smith, dean of the School of Management, Rensselaer Polytechnic Institute, Troy, N.Y. A noted statistician, Dr. Smith specializes in biological statistics.

Dr. Bachman and two other state officials, Dr. J. Finton Speller and Maurice K. Goddard, also served on the Shapp Commission, but in an administrative capacity.

Originally promised by October, 1973, the Shapp Commission's report has not yet been released. The problem is that the Pennsylvania State Health Department keeps creating final drafts of the report which reflect the view that there were no serious problems connected with Shippingport itself, and some of the commissioners cannot sign these drafts.

Four of the five scientific members of the commission were amenable to interviews, the exception being Dr. Paul Kotin. The available information indicates that Dr. Kotin's views generally parallel those of Dr. Harry Smith. These statements indicate some disagreement between the commissioners.

Was Shippingport's radiation monitoring program satisfactory?

All: "No."

What were the shortcomings that most concerned you? Dr. DeGrott: "First, because of the inadequacy of the monitoring program, it was impossible to determine how much radiation exposure the people in the surrounding area had been receiving from Shippingport.

"Second . . . radioactivity levels measured in 1971 by NUS were ignored by the Duquesne Light Company, the AEC and the relevant health agencies until Dr. Sternglass blew the whistle. There was dereliction of duty, I think."

Dr. Morgan: "The Shippingport monitoring program was worse than none at all in my opinion. In a nuclear plant there are many ways that radioactivity can escape into the environment without always being detected by the monitoring instruments at the plant itself, even with a good monitoring system.

"So unless you have a thorough-going monitoring program in the environment beyond the plant site, you're not going to measure all the radioactivity that gets out. But Shippingport's environmental monitoring program was almost nonexistent.

"Then, when they did get some detailed environmental data from NUS showing high levels, they sat on it. It's just unthinkable to me that something damming like that would be in the records without some explanation or action by their health physics personnel.

"And in that connection, the inadequacy that was perhaps most glaring to me in their whole program was the lack of a certified health physicist. Certification is the best way we have at present of determining that a health physicist has the qualifications to do his job, and none of Shippingport's health physicists has ever been certified.

"Furthermore, the one they have now cannot be certified because he doesn't have the prerequisite experience. He is not even a member of the Health Physics Society. I would add that the use of uncertified health physicists is general in the commercial nuclear power industry at present."

Dr. Radford: "The issue is: How do you reassure the public living around a nuclear power plant that the radioactivity is not getting into their soup or whatever? Shippingport's off-site environmental monitoring program was insufficient to provide this reassurance. We don't know whether the radioactive releases reported for the plant were correct or not.

"I don't think you can fault Shippingport too much for its failure in this regard because they started in the nuclear power game at a time when nobody was very much concerned about monitoring low-level radioactivity.

"I think that by and large the AEC personnel responsible for Shippingport are among the best-trained people you could expect to have."

Dr. Smith: "Although I think that Shippingport's in-plant monitoring system was satisfactory, there is still a definite need for a more extensive environmental monitoring program as a backup."

Did the data in the original NUS report point to Shippingport as the source of the high radiation levels? Dr. DeGroot: "If we accept those data, then the circumstantial evidence points to Shippingport, largely because of the location of the radioactivity and the lack of plausible alternative sources."

Dr. Morgan: "The original NUS data very strongly suggested to me that the radioactivity came from the plant. If you take the data as fact, you'd be very hard-pressed to find any other source that could explain it."

Dr. Radford: "Well, there was some indication in the original NUS data that there was a release from some source. As to whether that source was Shippingport, I'd have to look up the data again."

Dr. Smith: "I can't find any direct connection between the radiation levels measured by NUS and the Shippingport plant. All that mish-mash is so unscientific that one would never be able to draw any valid scientific inferences from it."

After NUS reanalyzed its data, the high radiation levels disappeared. Did this reanalysis prove to you that the radioactivity was never there?

Dr DeGroot: "No, it did not. It did convince me that the reanalysis was highly unreliable. "However, I am equally convinced that the original NUS data showing high levels cannot be considered reliable either. There are just so many inconsistencies in their work that I can not accept any of it.

"This comment does not mean that all their high readings were wrong. In fact, I find it highly unlikely that NUS could have made systematic errors, all in one direction, in several different analytical techniques."

Dr. Morgan: "The explanations advanced by NUS did not at all convince me. For example, if they had found something wrong in only one of their systems, it would not be too surprising. We all make mistakes. But to have systematic errors in several different analytical techniques, all tending to produce only high readings—the chances of that are quite low.

"There appears to be a strong suggestion of dishonesty, and that estimate is borne out by written comments from Dr. John Harley of the AEC, whose integrity I respect. Dr. Harley found that NUS seems to have doctored some of their data to fit their arguments. If a person will do that with one set of scientific data, it is very possible he will do it with another.

"So, as far as I can see, there is not proof that the radioactivity levels around Shippingport were not quite high in the past. For a long period now the radioactivity levels in milk in that general area have been high according to the public health agency surveys, which are completely separate from the NUS survey. This has never been explained."

Dr. Radford: "Well, they had three separate laboratories reanalyze some of the original 1971 milk and soil samples, and each lab got similar low readings. If these samples were valid, then it is pretty clear there was not much radioactivity there to begin with. Now of course you could say they dug up soil from somewhere and analyzed it—I can not argue that."

Dr. Smith: "I think that the degree of scientific merit on one side really was better. I would accept the explanations advanced by NUS."

Was there any evidence in the mortality statistics that Shippingport had caused health damage, or did the statistics tend to refute this?

Dr. DeGroot: "We can not really decide the issue because of the poor quality of the available health statistics and because the population is not large enough for a really meaningful statistical analysis. But there is certainly nothing in the available data to lower the probability that there may have been health damage. "It is true that the Pennsylvania State Health Department went back and discovered errors of a certain type in its published infant mortality rate for Aliquippa in 1971, and that the ensuing corrections sharply lowered the rate.

"However, I feel it is likely there were also errors of another type which could have raised the rate back up again. Unfortunately, the resources were not available to investigate this possibility. So, to my mind, the corrections are incomplete. The only type of error investigated was one that would reduce the number of deaths and lower the rate.

"In any case, I think there remain some anomalies that have not been fully explained. For example, I did on analysis of infant mortality in Aliquippa, and the rate definitely seems to have shifted upward recently. To my mind this upward shift is not fully explained by demographic or socioeconomic factors. I do not know if any of it is due to Shippingport, but I think it warrants further investigation."

Dr. Morgan: "I do not personally feel that the mortality statistics refute the possibility of some adverse effects on the population's health. Taking the original published data, it appears to me that there was an effect. However, after the Health Department got through making corrections and applying all the epidemiological and statistical techniques to the mortality rates for the population near the reactor, they seem to have come up with the belief that there were no significant health effects.

"I cannot help but be a little skeptical. To me, if you are going to make all these corrections for the population that might have been exposed to radiation, you have to give equal consideration to the unexposed control population. It was very obvious to me that if they had, it would have made a difference in at least one instance."

Dr. Radford: "The statistical evidence favors the hypothesis that the plant did not cause any health damage. For example, the mortality rates do not decline with distance in all directions away from the plant. The mortality rates for Beaver County as a whole are quite low, and on that basis one would be hard-pressed to say that Aliquippa was affected, since the rest of the count should also be high.

"Then, when the mortality rates for Aliquippa are corrected for errors, you see that Aliquippa is no worse off than any other town with comparable population characteristics."

Mr. Smith: "In my opinion the mortality statistics indicate there was no effect from the reactor. The adjusted mortality rates are not abnormally high. One comes to the conclusion that the Shippingport area may not be the greatest place to live, since the mortality rates are higher there than in many other communities, but such high rates are normal, expected occurrences in places with the kind of demographic and socioeconomic characteristics you find around Shippingport.

"Also, I have to find a scientific link between radiation exposure and infant mortality, and this requires a great deal of what I call logical extrapolation or inferences step by step through a process which proceeds from the birth of a child to its ultimate death, and I can not find sufficient evidence for that link in this case."

In view of the monitoring inadequacies, would it have been possible for radioactive releases large enough to cause significant adverse health effects to have escaped undetected from Shippingport?

DeGroot. "To my mind, this is a definite possibility."

Dr. Morgan. "If you have a corral with one or two of the rails down somewhere, then the fact that the gate is locked does not mean the horses can not get out.

"Based on the recent testimony of one of Shippingport's own reactor operators, if he was telling the truth—and I am confident he was—then there certainly were undetected and unreported releases to the environment from Shippingport.

"The question of whether these releases could have been large enough to have an adverse health effect is hard to answer, both because we do not know enough with certainty about the effects of low-level radiation on man and because we have no hard data on how large these release might have been.

"But my feelings are that we can not exclude the possibility that some members of the population may have received radiation doses roughly equivalent to those, for example, which have been found to produce significant increases in the risk of leukemia and a few other forms of malignancy in humans, particularly infants exposed in the womb."

Dr. Radford: "I do not think that enough radioactivity could have escaped from Shippingport to have any significant effect on the population's health. I am certainly in no position to say whether Shippingport's reactor operator did or did not know what he was talking about, but even if there were undetected releases, the amount of radioactivity in such releases should have been minimal. In the particular case of Shippingport, because of the small size of the plant and the nature of its design, the in-plant monitoring system was probably sufficient to provide protection.

"Shippingport is such a tea kettle of a plant. To try to make a big case out of that one is like saying your home heating unit is poisoning a city with carbon monoxide."

Dr. Smith: "I agree with Dr. Radford on this question. I feel there is strong evidence that nothing came out of the reactor, and I think I have bent over backwards to be fair in that judgment."

Is it possible that radioactive releases large enough to cause significant adverse health effects have escaped undetected from other nuclear power plants?

Dr. DeGroot: "I have studied some of the mortality data for the areas around various reactors besides Shippingport, and I think there may have been detectable health damage, perhaps because the radiation exposure has been greater than we thought.

"I do not always agree with Dr. Sternglass's statistical methods, but I recognize that his conclusions may well be correct. The existing evidence is crude, however. At best, it just points to the need for future studies—or not-too-distant-future studies, I should say—which might resolve the issue."

Dr. Morgan: "I think this is possible with many of the presently operating reactors. I do not agree with the way Dr. Sternglass handles statistics, but in my opinion effects such as he claims to have found cannot be ruled out."

Dr. Radford: "For Shippingport, because of its small size and design, the inadequacies in monitoring probably did not mean too much. But I would not want to say that at all about many of the other nuclear plants now operating or about to start up. I consider the radiation monitoring techniques in use at present to be completely inadequate, especially for the large reactors of the boiling-water variety.

"I am unconvinced they know what is coming out, and I base that statement on rather long experience in looking at the available data. I feel there is a definite possibility that there have been undetected releases large enough to have significant adverse health effects, although this is at present a theoretical possibility since we have no data on how large such releases may have been.

"Aside from undetected releases, I think that officially reported radioactive gas releases from the group of three boiling-water reactors at Dresden, Illinois, have been large conceivably to have public health significance."

If radiation monitoring continues pretty much as it is, how would you feel about living near a nuclear power plant?

Dr. DeGroot: "I have answered all your other loaded questions, so I think I will pass on this one."

Dr. Morgan: "I think the principal risk associated with a nuclear plant is not from routine operation, but from the remote possibility of a major or submajor accidental release of radioactivity.

"The health risk from atmospheric pollution by a fossil-fueled power plant is to me much more real and certain, so I would much rather live near one of the current pressurized-water or boiling-water reactors (if the monitoring is adequate) than near a fossil-fueled plant. I would not however, want to live near a nuclear fuel reprocessing plant or one of the upcoming fast-breeder reactors."

Dr. Radford: "I would not want to live near a nuclear fuel reprocessing plant, that is for sure, or a fast-breeder reactor. And I must admit I would not be terribly keen to live next to one of the big boiling-water reactors either, with the present monitoring systems."

Dr. Smith: "Personally I would not object to living next door to one."

Do you think the widespread use of nuclear power by private utilities is inevitable and-or desirable?

Dr. DeGroot: "I think it is neither inevitable nor necessarily desirable at this point. I do not think we should give up on nuclear power.

"What is not desirable, is our present course of plunging headlong into the construction of hundreds of plants of varying designs with so many safety questions unresolved.

"A drastic, but not entirely unreasonable first step would be to shut down all present reactor operations and declare a halt to all construction and licensing of new reactors for a period of, say, five years, while we try to assess the hazards and develop a program that is responsive to the needs and desires of the public."

Dr. Morgan: "Yes, it is both inevitable and desirable that nuclear power be greatly increased in the near future. It is the most immediately available energy source at a reasonable cost, and I think we can have reasonably low radiation levels with even less adverse effects on the population than from fossil-fueled plants, particularly if the public and the press keep up the fight for environmental quality.

"I would like to see us maintain the isolation of nuclear plants, and I hope the AEC's current support of the fast breeder reactor will be depreciated in favor of safer breeder reactor systems."

Dr. Radford: "I have considerable reservations about the present rush to nuclear power, particularly in regard to the unresolved problem of radioactive waste disposal and the risk of major accidents, involving releases of very large quantities of radioactivity, in the fast-breeder reactor development program.

"I estimate we have about a fifty-fifty chance of getting through the breeder development without some major environmental health catastrophe, and I do hope my estimate will be proved wrong."

Dr. Smith: "Nuclear energy seems to me the obvious tactical solution to the energy problem. At present we do not have the know how, at least from an implementation-cost-effectiveness point of view, to use any of the other potential energy sources. In my opinion, we can take care of 99.999 per cent of the nuclear safety problems. I think the AEC, by the way, really does a very good job."

So. This is what happens when an independent commission of national experts takes a look at nuclear safety. Certainly it is possible that the viewpoint of Dr. Smith (and presumably of Dr. Kotin) is correct, and matters are well in hand, but the overall picture of nuclear safety that emerges from the commissioners surely bears little resemblance to the one painted by the nuclear industry and the AEC.

However, it is important to note that, despite the strong criticisms of some of its members, the Shapp Commission is clearly not antinuclear. The commissioners believe that radiation monitoring can be made satisfactory, and they have submitted a host of recommendations to that end. (One unanimous recommendation is that responsibility for monitoring be placed in the hands of an agency independent of both the AEC and the nuclear industry.) As for nuclear safety issues in general, all the commissioners feel, albeit with varying degrees of optimism, that it is possible that nuclear power can be used safely.

BACKGROUNDING THE CONTROVERSY

(By Joel Griffiths)

The story behind the Shippingport Atomic Power Station controversy began in 1971.

Duquesne Light Co. had hired what it described in newspaper ads as "an outstanding team of 30 scientists and technicians" who were swarming all over Beaver Valley making thousands of detailed measurements of the radioactivity levels in the air, soil, drinking water, milk and wildlife.

The reason for this survey was that Duquesne had commenced construction of a large new nuclear plant—Beaver Valley 1—on the Shippingport site and under new government regulations it was necessary to determine the precise radioactivity levels in the general area before the plant was completed, so that it would be possible to tell exactly how much the new plant added after it went into operation.

The results of Shippingport's own monitoring program would not suffice for this purpose, because Shippingport's personnel had done relatively little monitoring beyond the plant's own grounds.

That monitoring program had been responsible for showcasing one of Shippingport's most remarkable virtues—the minuscule size of its officially reported releases or radioactivity to the environment.

The plant had earned the unofficial title of being the safest nuclear power reactor in the world.

The data for that conclusion could be found in documents in the U.S. Atomic Energy Commission's files. However, other documents relating to the Shippingport story reveal an amazing saga, including a striking case study of the "rigid safety and licensing standards" of the nuclear industry in action.

According to the officially reported results of Shippingport's own monitoring program, the plant's releases have generally been the lowest of any commercial nuclear reactor in the country.

In fact, in 1971, according to these reports, Shippingport became the first commercial plant in the world to release no radioactivity whatsoever out its stack for an entire year.

However, that was also the year the independent monitoring began off site.

The scientists, who were from a private firm called the Nuclear Utilities Services (NUS) Corporation of Rockville, Md., remained on the job from January, 1971, to March, 1972. The results of their measurements were compiled in a series of reports and sent to the Duquesne Light Co.

Duquesne Light Co. is responsible for the electrical generating portion of the Shippingport plant. The AEC through the Naval Reactors Division under Admiral H. G. Rickover is responsible for the nuclear reactor.

Nothing was heard of the reports until December, 1972, when they turned up in a package of promotional material sent by Duquesne to Dr. Ernest J. Sternglass.

Dr. Sternglass is professor of radiation physics at the University of Pittsburgh. He is a long-time critic of the Atomic Energy Commission and has voiced that criticism across the country.

Perhaps no one at Duquesne had ever bothered to read those reports, or perhaps some had and the reports were sent to Sternglass by mistake. But in any case it is hard to see how Duquesne could have thought they were going to reassure Sternglass, because the NUS reports showed that during the spring and summer of 1971 there had been high radioactivity levels all over the Beaver Valley, in many instances 20 or more times higher than normal. Duquesne's team of outstanding scientists had indeed done a thorough job. They found the radioactivity in the air, milk, soil, drinking water, and just about everywhere else they looked. The levels were not high enough to cause an immediate public health catastrophe, but they were high enough to be concerned about.

It did not take Sternglass long to conclude that there was only one source of radioactivity in Beaver Valley that could explain this: The Shippingport Atomic Power Station, showpiece of the nuclear industry. The further irony was that all this radioactivity had been detected in 1971, the same year that Shippingport had claimed "zero releases" out its stack.

Sternglass next began reviewing the official mortality statistics for the Shippingport area, and he found what he described as sharp rises in infant mortality and cancer in a number of the surrounding communities. He particularly emphasized the situation in Aliquippa, a small town of 26,000 located nine miles directly downwind of the plant. During the period of the high radioactivity levels measured by NUS, infant mortality in Aliquippa had increased sharply to its highest peak in 25, Dr. Sternglass claimed.

When Sternglass and a group of environmentalists released this information in January, 1973, it created a public scandal of major proportions. Both Shippingport's pristine image and the citizenry's faith in their appointed guardians dissolved in a swirl of alarming headlines and special broadcasts. Even the mayor of Pittsburgh, Pete Flaherty, announced he was joining the antinuclear forces. As for the appointed health guardians—the AEC Duquesne, and the radiation safety branches of the U.S. Environmental Protection Agency and the Pennsylvania State Health Department—they seemed stunned. Apparently, they had been unaware of the contents of the NUS reports. Their first words were:

"It wasn't Shippingport."

This time they were going to have to prove it.

Initially, it was publicly suggested by the AEC and others that the radioactivity could have been due to heavy fallout from Chinese atmospheric nuclear bomb tests which had somehow managed to concentrate around Shippingport.

However, the AEC's Earth Sciences Branch conducted an in-depth investigation of the situation and concluded:

"It is highly unlikely that the radioactivity was of Chinese origin. Most likely it was either of local origin or the result of inadequate sampling procedures."

This was a crucial finding. "Local origin" was a euphemism for Shippingport, since there was nothing else in the vicinity that could have produced that amount of radioactivity. Thus, if the radioactivity had in fact been there, Shippingport was as good as convicted.

The only other possibility—aside from "sinister forces"—was that maybe the radioactivity had not been there.

This was where "inadequate sampling procedures" came in. The idea was that NUS might have bungled procedures it had used to measure the radioactivity in the samples of soil, milk, and other items from Beaver Valley and somehow produced hundreds of erroneously high readings. This, however, was synonymous with: NUS is incompetent.

There was really only one way this question could be answered in a concrete and conclusive manner. Some of the radioactivity in the samples that NUS had collected in 1971 was long-lasting. If NUS could turn up some of the original samples that had shown the high levels, they could be reanalyzed to see if the radioactivity had really been there.

Accordingly, in February, 1973, NUS conducted a search at its Rockville headquarters to see if any of the original high samples were still around. Unfortunately it was the company's stated policy not to retain samples for more than a year after analysis, and they could not locate any.

By this time a sharp divergence of opinion had grown between NUS on the one hand, and the AEC and health agencies on the other. Faced with a choice between attributing the radioactivity to Shippingport or NUS's incompetence, the AEC and others picked incompetence and began leveling various technical charges against the NUS reports. This placed NUS in a delicate position. If their reputation was to be salvaged without crucifying their employer, the Duquesne Light Co. and the AEC, NUS had somehow to prove that the radioactivity had been there but it had not come from Shippingport. So, despite all the evidence, NUS picked fallout.

In March, 1973, NUS completed a draft report on the Shippingport situation, defending the accuracy of its original high readings but attempting to prove that they were not particularly unusual and were probably due largely to Chinese bomb tests.

This draft report was sent to Dr. John Harley, director of the AEC's Health and Safety Laboratory. Dr. Harley had been playing a leading role in the AEC's investigation of the Shippingport affair, and he was well aware that the high radiation levels could not be explained by fallout.

Dr. Harley was not happy with NUS's draft report.

In comments for the AEC's files, dated March 8, 1973, Harley fumed: "This draft proves to my satisfaction that the work of this organization is incompetent. . . . It is obvious that their staff is not familiar with the field and is not competent to evaluate their data or those of others."

Harley went on to list several examples of NUS's incompetence in their attempt to prove the fallout theory and in other aspects of their report, remarking that "Investigation would certainly turn up gross calculation errors or even that some doctoring of the numbers had occurred."

He signed off: "I believe the situation is very serious."

Serious indeed. Could Dr. Harley have been referring to that team of "outstanding scientists" who, according to Duquesne's ads, were engaged in the vital work of making people aware that their large new nuclear plant was to be "absolutely safe to the public health"?

Yes, he was.

More serious was that NUS had already performed extensive safety studies for some 34 other nuclear power plants, many of which had already started operating.

If they were bunglers. . . .

Dr. Harley's accusations of incompetence were more incongruous in view of the apparent excellent credentials of the NUS staff, including the two members who prepared the draft report.

One, the vice-president in charge of all NUS nuclear safety work, Dr. Morton Goldman, had spent 10 years as a nuclear safety expert with the U.S. Public Health Service (now the Environmental Protection Agency) and was a consultant to state and federal health agencies.

The other, Joseph DiNunno, the scientist directly responsible for the Beaver Valley survey, had received all his training and experience in the AEC's own reactor safety branch.

Why, NUS almost was the AEC and EPA. Incompetence? Doctoring of figures?

Nevertheless, a couple of months after Dr. Harley's outburst, the AEC issued a definitive report stating that the high radiation levels had been due to NUS's bungling. The report was hand carried to the Pittsburgh newspapers before NUS even got a chance to look at it.

Shortly thereafter, on June 7, 1973, according to AEC documents, the president of NUS, Charles Jones, called the AEC. Jones maintained stoutly that the radio-activity really had been there and that there was nothing wrong with NUS's methodology.

The AEC representative to whom he spoke, Dr. Martin B. Biles, director of the Division of Operational Safety, disagreed. Jones then complained that the unfavorable publicity was damaging his company and something must be done. Dr. Biles suggested a meeting.

On June 20, 1973, a meeting was held between Dr. Goldman and DiNunno of NUS, Dr. Harley and Dr. Phil Krey of the AEC and a Duquesne Light Co. attorney. According to Dr. Harley's subsequent memo to the AEC's files, it was a fruitful meeting.

Goldman and DiNunno began by admitting that someone in NUS had indeed doctored up figures to support the company's position, although there were unfortunately no laboratory records to verify the fact. This aside, however, they had a wonderful new development to report. In the time since President Jones had talked to the AEC, NUS had found some of the original high samples from Beaver Valley.

Now it would be possible to see if that radioactivity had really been there.

This was indeed fortuitous, especially since these samples were by then nearly two years old and the company did not usually retain its samples for more than a year. Evidently they eluded the original search for samples in February.

According to Dr. Goldman, all the company's employes had been instructed to ransack the premises, and the samples had been turned up by two lab technicians in a storage basement where such samples were not usually kept.

Despite the AEC's earlier misgivings about NUS's credibility, the legitimacy of these newfound samples was accepted without question. Arrangements were immediately made to have them reanalyzed by the AEC, the EPA, an independent private lab, and NUS. It was also decided that NUS's performance in the reanalysis would serve as a test of whether the company had recovered its competence.

So what happened?

The samples were reanalyzed and no more radioactivity! Some of the samples turned out to be as much as 20 times lower than before, but NUS had got it right this time. Their analytical methods were corrected at last. They were saved. Everybody was saved.

The press was notified.

There were a few loose ends.

NUS had to explain why so many of its measurements had been 20 or more times too high in 1971. The company reviewed its laboratory records again and made a new discovery: all through 1971 there had been systematic errors in several of its analytical methods, all tending to produce only erroneously high readings.

That was it. The case was closed.

NUS's safety work for 34 other reactors, and even the low readings it somehow managed to obtain at various times and places in Beaver Valley, was allowed to stand unchallenged. Dr. Goldman and DiNunno fired several employes, including the lab chief, who never stopped defending his measurements, and NUS has since continued in its work of making nuclear power plants "absolutely safe to public health."

In the meantime, the high mortality rates made public by Sternglass were also going down. The Pennsylvania State Health Department conducted a detailed re-examination of its officially published statistics on infant mortality in Aliquippa for the year 1971, when NUS's radioactivity mirage had been present, and a number of errors were found. The corrections cut the rate in half.

Subsequently the department applied sophisticated statistical-epidemiological techniques to all the mortality rates for the Shippingport area and announced that the adjusted rates showed no hint of any adverse effect from the reactor.

Thus, by the end of 1973, the high radioactivity levels were gone, the high mortality rates were gone, and so, as usual, was Dr. Sternglass's public credibility.

The public's faith in the absolute safety of Shippingport and the infallibility of its radiological guardians, on the other hand, was largely restored.

There is nothing new about this basic scenario, which has been replayed in many states of the union.

In the Shippingport case, however, there was a wild card in the deck. Gov. Milton J. Shapp appointed a commission to study the controversy.

Some of the implications of that Commission's study are in an accompanying article. The report has yet to be released, but the controversy, which has been abated somewhat by the AEC's continued emphasis that there is no danger from Shippingport's atomic reactor, will hardly be terminated by the results of the Governor's Commission.

The question that remains is can the recommendations from the Commission's report, when it is released, be sufficient to guarantee that Shippingport's atomic power plant will not be a safety hazard in the future?

Beyond that is another question—who will see that those recommendations are implemented?

IT OUGHT NOT TO HAVE HAPPENED IN THE WAY THAT IT DID

Mr. GRAVEL. Mr. President, two notably well-written leaflets explaining the controversy over nuclear power have come to my attention.

The first takes its title from a classic statement by AEC Chairwoman Dixy Lee Ray, when she was asked how a massive leak of high-level radioactivity could have occurred over a 6-week period before the AEC took action.

"It Ought Not To Have Happened in the Way That It Did" is the title of the 6-page booklet written by Dr. George Weil. Dr. Weil, who maintains an office at 1101 17th Street, NW., Washington, D.C. 20036, is a physicist who used to be the AEC's Assistant Director of Reactor Development.

Mr. President, I ask unanimous consent that Dr. Weil's essay be printed in the RECORD at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAVEL. Mr. President, the second essay is No. 7 in the ECO-TIPS series which is published as a public service by Concern, Inc., at 2233 Wisconsin Avenue, NW., Washington, D.C. 20007. Concern, Inc., is a nonprofit, tax-exempt organization found in 1970 by Washington women. Its board members are as follows:

Margaret S. Mickey, president, Aileen B. Train, vice president, Linda R. Graham, vice president, Beverly Carter, secretary, Edith C. Poor, treasurer, Nancy Ignatius, chairman, Ann B. Asher, Florence A. Gibson, Ann S. Hallman, Stratton N. McKillop, Betty Ann Ottinger, Jeanne C. Rhinelander, Barbara W. Roark, Joan Shorey, and Mary P. Slayton.

Mr. President, I ask unanimous consent that ECO-TIPS No. 7, "Energy Alternatives: Nuclear Energy," be printed at the end of these remarks as exhibit 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

WALKING BLIND INTO A CAVE FULL OF TIGERS

Mr. GRAVEL. Opposition to nuclear power grows stronger and stronger in middle America. It is recognized as a moral issue, not a technical one.

Speaking at a citizen's rally in Atlantic City on September 20, John W. Gofman, M.D., Ph. D., said:

> Ph.D.'s and nuclear technicians don't have any special expertise or training for making moral decisions. When the future of mankind is at stake, as it is with a nuclear power economy, make sure your own voices are loud enough and strong enough to be heard, and heard well.

Dr. Gofman, who was formerly Assistant Director of the AEC's Lawrence Livermore Laboratory, is the president of the Task Force against Nuclear Pollution, Inc.

Another eminent scientist who is also speaking out against nuclear power is Dr. Barry Commoner, author of the Closing Circle. He says:

> The people who are pushing nuclear power, who say we're going to be able to rely on it, are leading us blind into a cave full of tigers, and I think it is totally irresponsible. . . .
>
> The only logical way in which to develop our energy system in the United States is to make it nearly entirely dependent upon solar energy.

EXHIBIT 1

IT OUGHT NOT TO HAVE HAPPENED IN THE WAY THAT IT DID

(By George L. Weil)

As this is being written, the major topic of concern among industrialized nations is the energy shortage. Although the situation has affected the welfare of hundreds of millions of the world's population, and placed heavy economic burdens on them, it has had one productive impact—the matter of energy is now on the front burner in the range of public affairs. Attention is now being focused on both short and long term solutions to energy demands. Beyond the now obvious imperatives of energy conservation, the advantages and disadvantages of all readily identifiable energy resources are being examined by innumerable governmental and private studies.

With very few exceptions, nuclear fission energy stands high on the list. It is represented as the principal ingredient in the energy mix which will satisfy both short and long term requirements. Nuclear fission energy is hailed as the resource which will provide energy for thousands or even millions of years, depending upon which paper you read.

True, as of the beginning of 1974, some 74 commercial nuclear power plants (over 200 Mwe) have been built in 11 countries in the free world, and many more are either under construction or planned. I have used the term "built" intentionally, in order to avoid the connotation that existing plants are in fact either generating electrical energy, or operating at their designed capacities. For example, the U.S. Atomic Energy Commission (USAEC), as well as other sources of misinformation, uses the terms "operable" ("licensed to operate") and "operating" synonymously. The fact is: US plants are generating only about 60% of their total licensed generating capacities. Comparable statistics apply to other countries. However, in no country does maximum "designed" electrical energy capacity of "operable" nuclear plants exceed a small percentage (about 5% in the US) of total electrical generating capacity—and, at least in the US, actual energy generated is less than about 3% of the total installed capability. Thus nuclear energy does not at best make any substantial contribution to current energy needs. By the same token, the unreliability of nuclear plants does not significantly aggravate the shortage situation, except in a few regions where concentration of plants is high.

If one examines the longer term, and the planned proliferation of current types of plants, their low efficiency in utilizing uranium resources (about 1%) will restrict them to a very limited economic life—perhaps only a few more decades—before the relatively cheap, high-grade uranium deposits upon which they depend for fuel become exhausted. This is hardly the potential limitless energy resource claimed by nuclear fission proponents. However, before resolving this apparent discrepancy, one may find it interesting to digress from the "practical" aspects and briefly explore the "fundamentals".

From the purely scientific point of view, the nuclear characteristics of uranium are fascinating. Naturally occurring uranium consists of two major kinds: 99.3% uranium 238 (U-238) and 0.7% uranium 235 (U-235). Our ability to extract useful energy from uranium rests not only upon the convertibility of mass into energy (Einstein's E—mc^2) by fissioning U-235, but also upon a very fortunate, even unlikely combination of nuclear constants and interactions between nuclear particles. These characteristics provide, first, the basis for the divergent chain reaction, which allows us to rapidly compound the infinitesimal energy from a few naturally occurring fissions per second in uranium to the tremendous numbers required to produce useful amounts of energy, billions upon billions of fissions per second; and second, to convert U-238 into another nuclear fuel, plutonium 239 (Pu-239), which does not occur in nature. (It may be of passing interest to note that, if left alone, every 24,000 years one-half of the plutonium nuclei disintegrate and are transformed back into U-235 nuclei—where it all started!)

It was the challenge of technology to put the unique potentialities of nature to practical use. Unfortunately, the first application was the production of plutonium for devastating weapons. But the switch to peaceful uses did not require the development of difficult new technologies. However, the current technologies are based on utilization of low abundance U-235 as nuclear fuel. If nuclear energy were confined to that, it would indeed be a short-lived resource—just a nuclear flash in the energy pan!

However, once again nature presents a remarkable opportunity. The nuclear properties of Pu-239 as the fissionable fuel combined with those of high abundance U-238 are such as to provide the means whereby, in principle, significantly more Pu-239 can be produced from U-238 than that consumed in the course of producing energy. Some of this Pu-239 can be returned to replace that consumed; the excess can be diverted to provide fuel for a new plant. For obvious reasons, this process is referred to as "breeding". Therefore, the potential exists for expanding our resources of nuclear fuel on a compounding basis, substantially increasing the efficiency of utilizing our uranium resources and thus making economically available low-grade uranium deposits.

Efficient breeder plants, then, represent the only likelihood of realizing the full potential of nuclear fission energy. This substantial resource thus resolves the discrepancy noted earlier, and in principle can provide energy until either the cost of uranium extraction or the devastation of the land becomes of primary importance. This is the promise of nuclear fission energy. Now we face the problem of developing a radically new technology directed to the goal of achieving economic, efficient commercial breeders.

A number of nations, including France, the UK, the US and the USSR, are pursuing this objective.

The promise of fission energy is tantalizing. But nature exacts from mankind a high price for the privilege of exploiting this energy resource. The public must decide whether or not the price is too high.

Production of electricity by a nuclear power plant is inescapably coupled with the production of hazardous radioactive materials, primarily the products of fission plus plutonium itself, the deadliest substance known to man. The radiations from these materials can kill instantly, can produce various forms of cancer that may not appear for decades, and can cause genetic damage that may not appear for generations. The severity of these effects depends upon many factors, but there is general agreement that any radiation is harmful to mankind.

Comparisons of safety records with other industrial operations are very misleading, not only because, by contrast, the nuclear industry is very young, but more importantly, because the effects from radiation exposures, whether instantaneous or cumulative, do not necessarily show up immediately as countable corpses or visible injuries. A commercial plant of 1000 megawatts will contain the radioactivity equivalent to the fall-out of 1000 Hiroshima type bombs. Breeder concepts will be even more hazardous because, in addition, large amounts of plutonium will be used as the nuclear fuel. In this context, nuclear fission energy is not the "cleanest and safest", but rather the "dirtiest and most hazardous" form of energy know to man.

The name of the game is "Keep Radioactivity Out of the Environment Forever". Accidental release to the environment of only a small fraction of the radioactive materials contained in a nuclear plant represents a monumental threat to land use, and to the lives of exposed populations, as well as to the lives of generations to come. A USAEC study performed eight years ago, but with conclusions released only recently of a hypothetical major accident at a then "modern" US 800 Mwe nuclear plant involving the release from the containment to the atmosphere of an arbitrarily assumed 15 per cent of fission products could cause 45,000 fatalities, 74,000 injuries, contamination of 50,000 square miles, and $17 billion damage.[1] There was no estimate of the genetic damage which would be inherited by future generations.

The safety of an energy economy based on nuclear fission is categorically determined by the successful containment for thousands upon thousands of years of even a small fraction of these cumulative amounts of radioactive "dirt" under all foreseeable, and indeed, even unforeseeable malfunctions, accidents and sabotage which may occur in the nuclear fuel cycle. Plutonium is of particular concern not only because of its high toxicity, but also because it is bomb material. Only small quantities, ten kilograms or less, need be stolen or diverted to provide a clandestine nuclear weapon. One can readily foresee the potential for an international black market in this material as well as a new medium for terrorist threats and actions.

Even if we optimistically assume a safe *modus operandi* in our lifetime, it is morally incumbent upon this generation, if it opts for nuclear fission energy, to take into consideration the derivative responsibilities with which future generations will be burdened. Moreover, in terms of demands on human nature and social institutions, history provides little confidence that mankind is sufficiently responsible to accept what Dr. Alvin Weinberg has aptly named the "Faustian bargain".[2]

Although it has been imperative from the very beginning that safety must be paramount in the design, construction and operation of nuclear and ancillary plants for commercial use, these activities cannot be divorced from the fact that the designers, equipment fabricators, construction workers, plant operators and managers are fallible. This human fallibility is the inherently weak link between "drawing-board" and actual safety. This human fallibility can be the means, either through poor design, miscalculations, bad judgments, negligence, carelessness, or errors, that can violate the postulated inviolate integrity of even the best plants now being designed. In this respect, human fallibility is indistinguishable from sabotage.

It is one of several noteworthy contradictions by nuclear advocates for the commercial use of nuclear energy when, on the one hand, they claim safety and reliability, and on the other hand they are frequently compelled by unanticipated threats to safety to compromise reliability. This is as it should be. Safety should, of course, override all other considerations. But by no stretch of the imagination is safety thus assured.

Although there are undoubtedly differences in the inherent safety characteristics of the diverse nucelar power plant concepts developed for commercial use in the several nations, they each suffer from one trend, namely the economic incentive to obtain more and more energy from the same amounts of fuel inventory and plant investment. Moreover, as one considers the hazards of a nuclear fission economy, although a catastrophic accident at the generating plant may represent the single most hazardous event, over the long run one must consider the cumulative hazards resulting from the entire fuel cycle—from uranium build-up of radioactivity in the biosphere mining to radioactive waste disposal. Environmental pollution by radioactive materials is irreversible, and becomes harmless only with the passage of time—hundreds of thousands of years after the last nuclear plant is shut down. Moreover, environmental pollution, particularly in the atmosphere, recognizes no international boundaries.

A more readily understandable contingency, deriving directly from the potentially catastrophic nature of nuclear plant accidents, is the likelihood of forced shutdown of all nuclear generating plants if an accident, even a small or a very close one, should occur. If this should happen at a time when nuclear energy provides, say 50 per cent or more of total electrical generating capacity (as predicted for the US in the next decades), the resulting black-outs would, in comparison, make the present "energy crisis" appear about as important as a rained-out children's picnic!

If not nuclear fission energy, what are the immediate alternatives? Because there may be a decade or longer between the time a nuclear plant is ordered and designed generating capacity is achieved, it is not unrealistic then to expect that within this period technologies for meeting environmental standards can be developed which will allow utilization of our major resources of fossil fuels.

Coal resources in the world are generally considered sufficient to meet anticipated energy requirements for several hundred years. If we assume that the associated environmental problems are solved, the use of coal then would provide a period of grace in which to develop other long-term energy technologies safer than nuclear fission. At present both fusion and solar offer this possibility.

Although the energy from fusion is also nuclear, the potential hazards are many orders of magnitude smaller than those for fission. Solar, whether utilized directly or indirectly, for example, through effects in the atmosphere and the oceans, is the environmentalist's dream. However, if efforts to develop widespread use from one or both of these sources should fail, and no new acceptable energy resource is discovered, our descendants will have no choice but to take their chances with nuclear fission breeder energy.

There are many reasons that are advanced to account for general public apathy to the serious issues raised by our rapid expansion into a nuclear fission economy. Probably the most obvious is that the public has not experienced a severe accident. Thus there is confidence in the widely publicized reassurances of safety which emanate from the nuclear advocates. Under such circumstances, the public is much more concerned with clearly recognizable problems such as inflation, shortages and unemployment. However, in my opinion, one obstacle to public awareness of the serious issues is the fact that we cannot give our children, or even their parents, little nuclear power plants to put together, to take apart and to play with in the basement or the backyard! There is hardly a man in industrialized nations who hasn't played as a child and grownup with engines, automobiles, model airplanes, and most forms of chemical energy. Such a background provides familiarity (without necessarily understanding the basic scientific concepts) not only with the technologies, but also with the hazards.

In summary, a large-scale nuclear fission energy economy, whether based on current or projected breeder plants, is unacceptably incompatible with mankind. There are too many serious unsolved problems, three in particular, safety of plants, storage or radioactive wastes, and safeguards against theft of nuclear materials. The nuclear advocates rely on visionary "fixes" based on a degree of unadulterated optimism which makes those engaged in developing fusion and solar energy appear to be downright pessimists.

The nuclear energy nations, so far as we

Footnotes at end of article.

can know, have thus far escaped any catastrophic, or even observable, harm to the public from nuclear power plants. But the experience to date with commercial applications represents merely an infinitesimal fraction of a second compared to the nuclear advocates' dream of thousands upon thousands of years. In the United States, for example, our accumulated experience with 25 large (400–1000 Mwe) plants barely covers the anticipated operating life, 30–40 years, of a single plant! Moreover, today's plants provide no experience with the potentially more hazardous breeders upon which a long-term fission energy economy must be based.

Must we experience a disastrous accident to arouse widespread public concern and debate? Minimal probability values of catastrophic accidents are frequently quoted. How meaningful are they? Perhaps the answer lies in a recent response by Dr. Dixy Lee Ray, Chairman of the U.S. Atomic Energy Commission, to a query on a nationwide television interview.[3] When asked how a massive leak of 115,000 gallons of high-level radioactive waste could have escaped over a period of 1½ months from a well-monitored, carefully supervised, strictly managed AEC storage facility before management took action, Dr. Ray's response was, in words that may go down in history as the epitaph of the nuclear fission era: "It ought not to have happened in the way that it did."

FOOTNOTES

[1] "Nuclear Power: The Angel of Death," *Corporate Examiner*, October 1973, p. 38.

The estimate of $17 billion for a single nuclear accident may be compared to the record-setting $3-5 billion in property damages caused by 48 major disasters in the United States in 1972.

Nuclear plants now being licensed have capacities of 1000 Mwe and above. Recently the USAEC imposed a limit of 1300 Mwe.

[2] "Social Institutions and Nuclear Energy," Alvin M. Weinberg, *Science*, 7 July 1972.

[3] "Face the Nation," Columbia Broadcasting System, 30 September 1973.

EXHIBIT 2

ECO-TIPS # 7: ENERGY ALTERNATIVES

PART II: NUCLEAR ENERGY

"Because final acceptability of fission energy cannot be taken for granted, a warning should be issued that large scale application of fission technology may not be a realistic solution to the world's energy problem." Dr. Hannes Alfven, Nobel Laureate in Physics.

Nuclear energy

Electricity from nuclear energy is produced by a fission process. Fission is the splitting of the nucleus of an atom into two or more parts. The fissioning of enriched uranium creates the heat necessary to produce steam to drive the turbines which generate electricity.

Nuclear energy was at one time considered the hope of the future, promising an inexhaustible supply of safe, clean and economical energy. In recent years, however, serious questions have been raised about the dangers inherent in a growing reliance on nuclear sources of power. There are now approximately 44 "operable" nuclear power plants in this country. The Atomic Energy Commission (AEC) estimates that there will be 1,000 nuclear plants in the United States by the year 2000.

We believe that a full public discussion should take place before we become irrevocably committed to a course of action that could threaten the health and safety of all future generations.

Are you aware that:

No adequate long range techniques for the storage and disposal of nuclear wastes have yet been perfected. Some of these wastes will be radioactive for hundreds of thousands of years, and will need to be guarded virtually forever. Cancer and genetic damage can result from exposure to radioactivity.

There is no adequate protection against theft of nuclear materials by those intent on blackmail or sabotage. A crude bomb could be made from highly enriched uranium or plutonium. (Plutonium is a byproduct of the fission process.)

Any nation with a nuclear power plant has a nuclear weapons capability, if it is willing to make a major investment in fuel reprocessing facilities.

It is estimated that nuclear materials, both fuel and wastes, will be transported throughout the U.S. at the rate of 500 shipments per week by the year 2000. This would amount to 26,000 shipments per year liable to accident or theft.

Because of human error and mechanical and engineering defects, many nuclear power plants today are unreliable and have been closed down for indefinite periods of time.

If a major accident should occur, and emergency cooling systems prove inadequate, the reactor core of the power plant would "melt down" in a very short time, releasing large quantities of radioactivity to the environment. No successful testing of the emergency cooling system has yet been done.

Evacuation routes in case of a nuclear power plant accident are just beginning to be publicly discussed.

No adequate insurance exists to reimburse you, your family, and your community in case of serious nuclear accident.

If we become heavily committed to nuclear energy, and a serious accident should occur anywhere in the world, it seems likely that other nuclear plants would shut down for safety reasons. This could cripple the entire country and, perhaps, the world.

Many people think of nuclear energy only in terms of the nuclear power plant but before nuclear fuel can arrive at the power plant, it must be taken step by step through several preliminary processes. The nuclear fuel cycle starts with the mining and milling of uranium. From there the uranium oxide is sent to a conversion plant where it is converted to uranium hexafluoride. This product is then sent to an enrichment plant where the amount of fissionable uranium is increased. From there, the enriched uranium goes to a fuel fabrication plant where nuclear fuel rods are made. These rods are then transported to the nuclear reactor where the fission of atoms creates the heat to generate electricity.

After the fuel has been used for a year or so, it must be removed and sent to a reprocessing plant, where usable uranium and plutonium are separated out and the remaining wastes, which are highly radioactive, must be stored and guarded until they can somehow be disposed of safely.

MINING AND MILLING OF URANIUM

Natural uranium ore has been mined and milled in the U.S. since the early 1940's. The purpose of the milling operation is to separate uranium from extraneous rock by mechanical crushing of the ore. The dangers involved in these operations are:

Exposure of workers to high doses of radiation to the bone and lung;

Production of wastes (99% of the ore), called mill tailings, from which radioactivity will emanate indefinitely.

The AEC has limited its regulatory authority over mill tailings only to the time the mill is actually in operation. Many tailings piles remain abandoned and unsupervised. As of 1970, there were more than 80 million metric tons of tailings on 2,100 acres of western land from both operating and abandoned mills.

Uranium mill tailings have been used in the construction of houses and buildings in the areas near the mill and have unnecessarily exposed the general public to a further radiation hazard. Steps are now being taken to correct this problem but it has taken nearly 20 years to recognize its scope.

THE CONVERSION OF URANIUM

Powdered uranium oxide is combined with fluorine and converted to uranium hexafluoride. Although the risks involved in this process are small, improvement is needed in the control of radioactive wastes, both liquid and airborne.

THE ENRICHMENT OF URANIUM

The three enrichment plants which now exist in the U.S. (all owned by the AEC) use a gaseous diffusion method to increase the proportion of U–235 (necessary for a fission reaction) in the uranium. This process presents some environmental and economic problems:

The buildings require great amounts of land. The three existing plants take up a total of 1,500 acres;

They are very expensive. Each plant costs about $2 billion in construction alone;

The process uses enormous amounts of energy, enough to supply the electrical needs of a city of several thousand people. This energy comes from strip-mined coal.

The AEC has announced that it is giving up its enrichment monopoly and is going to license private corporations to build their own gaseous diffusion plants. It is believed that the costs of enriched fuel will go up when this occurs.

FUEL FABRICATION

Enriched uranium pellets are packed into fuel rods for use in the reactor core. Due to leaks, spills and breakage, some of the enriched uranium is released to the waste streams of the plant and small quantities escape.

NUCLEAR REACTORS

Most nuclear reactors in the U.S. today are light water reactors. The term "light water" refers to the coolant used to moderate temperatures within the reactor. The loss of this coolant could cause a meltdown accident with attendant widespread radioactive contamination. Other problems of nuclear reactors include:

Some small amounts of radiation routinely emitted from the reactor;

Thermal pollution in adjacent waterways;

Shutdown for unforeseen malfunctions or routine maintenance accounting for 33% of the plant's operational time. This compares with 10% downtime for fossil fuel plants;

"Abnormal events," 861 of which occurred in 1973, and 371 of which had the potential of being hazardous, according to the AEC;

High radiation exposure to workers in the plant.

A nuclear reactor has a life expectancy of about 30 years. After that time it must be decommissioned and "entombed" because of remaining high radioactivity. The entombed plants must be guarded constantly and at high costs. If the AEC projections on the growth of nuclear energy are correct, we will soon have hundreds and eventually thousands of ghostly radioactive structures dotting our landscape.

As of January, 1974, two companies in the U.S. had sold 46 nuclear reactors to foreign countries, not all of which have stable governments or operate under safeguards. The great care which must be taken in the operation, maintenance and safeguarding of these plants makes the policy of foreign sales alarming. Enough plutonium is generated by the fissioning of uranium at a single large reactor to make dozens of atomc bombs a year.

BREEDER REACTOR

Projected for the future are fast-breeder reactors cooled by liquid sodium. A Breeder is a nuclear reactor that produces more fuel than it consumes. The Breeder reactor will present all the same problems as the conventional reactor, plus a few of its own:

The Breeder will produce far more plutonium than conventional reactors. Plutonium is one of the most toxic substances known to man. Small amounts inhaled into the lungs or absorbed into the blood stream cause almost certain cancer; larger amounts cause death. Plutonium has a half-life of over 24,000 years (which means that after 24,000 years only half its radioactivity will have dissipated). No one knows how or if all the plutonium generated by the Breeder can be used, stored and transported safely.

The liquid sodium used as coolant is extremely volatile and ignites on contact with air or water.

The costs of the Breeder reactor will be considerably higher than conventional reactors. Nevertheless the AEC projects that 400 of the 1,000 reactors operating by the year 2000 will be Breeder reactors.

FUEL REPROCESSING

During the process of separating uranium and plutonium from fission waste products, some radioactive materials are emitted into the environment. These include krypton-85, tritium, iodine-129, and tiny particles of plutonium. The reprocessing plants are the largest single potential source of radiation contamination in the fuel cycle.

Serious radiation contamination is created from uncontrolled gaseous and liquid emissions.

Waste fission products are generated that are so highly radioactive that they must be separated from the environment for thousands of years.

Krypton-85 routinely emitted dissipates in the atmosphere, becomes distributed throughout the northern hemisphere and slowly accumulates in higher and higher concentrations. Thus, it is possible that we could eventually be slowly poisoned not only by our own emissions but by British, Russian or Japanese krypton-85.

Technology for concentrating and bottling krypton-85 has been successfully tested in pilot plants, but is not currently in use. Iodine-129 could be removed by scrubbers. Plutonium could be controlled by filters. There is no method commercially available to remove the tritium.

NUCLEAR WASTES

Waste products accumulate from nearly all stages of the nuclear fuel cycle. Waste tailings from the milling operation (discussed above) emit harmful radiation.

Low level wastes from other stages in the fuel cycle include liquid and solid wastes from processing, and such things as gloves, tools, boxes and piping, which are contaminated with radioactivity. These are not harmless wastes, and must be handled properly by licensed commercial firms.

They are buried in shallow trenches at one of six locations. The public must be kept away.

About 6 million cubic feet of such wastes will have accumulated by 1985.

High level wastes are those generated at reprocessing plants where plutonium and uranium are separated from fission waste products. They emerge in liquid form and are initially stored in huge underground tanks. Such wastes are extremely hazardous.

They are both very hot and very highly radioactive and *must not* be allowed to enter the environment for many thousands of years until their intense radioactivity has dissipated.

Liquid wastes could leak into underground water supplies. Leaks have already occurred with wastes from the weapons program. Well over 100,000 gallons of these wastes have escaped and seeped into the ground.

Methods are being devised to solidify wastes soon after reprocessing. These may be easier to handle and store, but they will remain highly radioactive and will need proper shielding and perpetual surveillance.

Eventually, the AEC hopes to dispose of all these proliferating nuclear wastes in a permanent underground resting place, such as a salt mine, but no geologically satisfactory location has yet been found nor is there any real assurance that one will be found.

The critical question facing the public right now is whether or not we have the moral right to satisfy our own galloping energy demands while leaving to future generations the awesome problem of how to deal with our nuclear garbage.

TRANSPORTATION

Transportation of nuclear materials occurs between each stage of the nuclear fuel cycle. This widens the opportunity for accident or theft. "There's no question transportation is our weakest link," says a spokesman for the AEC. "If a terrorist is going to make an attempt, that's where he'll make it."

The U.S. goes to great lengths to guard its atomic weapons during transportation. The weapons are moved with armed guards and other necessary safeguards by air, train and truck. However, shipments of nuclear fuels to and from civilian plants are transported without similar safeguards.

Most nuclear materials now travel by truck. One shipment of uranium, investigated by the General Accounting Office, involved an open truck driven by one driver, unarmed, with no alarm system or radio, traveling on a route of his choice.

Truck routes often involve thousands of miles of freeways, turnpikes, and other public roads.

While theft is a major concern of the AEC, the threat of a radioactive spill is the deepest concern of the railroads.

Radioactive materials such as spent fuel rods are hauled from plants in train cars mixed with other freight moving at high speeds along regular rail routes.

The AEC estimates that by the year 2000 it will be shipping all its spent radioactive fuel by rail.

These "very hot" fuel shipments might be damaged in collisions, derailments or fires, causing their contents to spill out. The countryside and the right of way would be contaminated with radioactivity for long periods of time.

INSURANCE

Private insurance companies refuse to insure citizens against loss of property in case of nuclear accident. The public is covered only by the Price-Anderson Act, which sets a ceiling on payment of $560 million for one catastrophe regardless of the size of the real damage which could, according to the AEC, exceed $7 billion. This Act also allows about 80% of the $560 million to be paid by the taxpayer, not by the AEC or the utility.

The American taxpayer has underwritten the costs of insurance for the nuclear power industry. Those who oppose the provisions of the Act feel that the utilities who build nuclear plants should assume greater financial responsibility in case of a nuclear accident.

CONCLUSION

Many people are aware of the hazards of nuclear energy, but are persuaded that we must develop this source because of our escalating energy demand. We believe, however, that clean and safe alternatives can be developed in time to meet our future needs if we commit sufficient funds to this purpose. Meanwhile we must embark on a program of energy conservation. The less energy we demand, the greater freedom we will have in choosing among our sources of supply.

Since nuclear energy now supplies only about 1% of our total energy needs, we still have time to reexamine the basic issue of whether or not we want to rush headlong into developing a source of energy that could imperil the future of society.

Most important decisions on nuclear energy have, until now, been made by the government and by the Atomic Energy Commission (created by Congress in 1946). Often decisions were made on the basis of information unavailable to the public. *It is time now for citizens to know the facts and to be heard on this issue.*

If you share our concern, let us hear from you. Get involved in issues within your own community. Talk to your power company. Write letters. Participate in the important national decisions now being made that will affect you and your children.

RADIOACTIVE WASTE: A PROBLEM FOREVER

Mr. GRAVEL. Mr. President, the AEC has issued a draft environmental impact statement on the management of commercial high-level radioactive wastes, and on wastes containing elements such as plutonium. Written comments on the draft are due by October 28.

Three potential locations for commercial waste storage are discussed in the document. They all are at AEC installations, located in Idaho, Washington, and the Nevada test site.

The draft also discusses three kinds of retrievable surface-storage for wastes: Water basin, air-cooled vaults, and seal-cask procedures. In addition, irretrievable dumping options are discussed.

An article entitled "Disposal of Nuclear Wastes" from Science magazine, December 21, 1973, clearly describes the dumping options, from salt mines to Antarctic rocks. This article includes a convenient table which summarizes the advantages and disadvantages of the various options.

Mr. President, I ask unanimous consent that the article, "Disposal of Nuclear Waste," be printed as Exhibit 1 at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

THE PROBLEM: TOXICITY, NOT VOLUME

Mr. GRAVEL. Mr. President, nuclear power advocates have a hard time dealing with the moral revulsion created by our production of radioactive wastes for our descendants to keep out of the biosphere for 100,000 years or more. Their feeble and irrelevant response is to point out that the volume of radioactive waste will be small. Dr. R. Hammond Philip wrote this spring in the American Scientist:

> A single aspirin tablet has the same volume as the waste produced by 7,000 kilowatt hours [of nuclear power], or one person's annual share of U.S. electrical output.

No one disputes that, to my knowledge. No one at all worries that we will have trouble finding the space for radioactive waste storage.

The problem is toxicity, not volume. The fact that such toxicity is concentrated in such tiny volumes of radioactive waste, makes the problem all the more difficult, not easier. It is far harder to prevent small leaks and losses than larger ones.

The loss of just 1 pound of plutonium particles into the biosphere, for instance, may represent the potential for 9 billion cases of human lung cancer.

SERIOUS LEAKS AND LOSSES ALREADY

The AEC's record to date on handling radioactive waste is simply appalling. Probably 1 to 5 percent of all radioactive waste generated since 1946 cannot even be accounted for, yet this Agency is promoting a civilian technology which will require at least 99.999 percent success in containing such poisons.

A useful 50-page booklet about the radioactive waste problem has been published this summer by the Natural Resources Defense Council, 664 Hamilton Avenue, Palo Alto, Calif. 94301. I recommend it.

THE FACTS SPEAK FOR THEMSELVES

Mr. President, I ask unanimous consent that several articles on the radioactive waste storage problem be printed in the RECORD at the end of these remarks:

I ask that exhibit 2 be "Earthquake at Giza," from Environment magazine, January 1970.

I ask that exhibit 3 be "Caution: This Garbage May Be Hazardous to Your Health," by Roger Rapoport, from the Los Angeles Times Sunday magazine, October 25, 1970.

I ask that exhibit 4 be "Atomic Wastes Become Nightmare," from the Anchorage News, February 21, 1971.

I ask that exhibit 5 be "Dig Here for Doomsday," by Roger Rapoport, from the Los Angeles Times Sunday magazine, June 18, 1972.

I ask that exhibit 6 be "Thousands Periled by Nuclear Waste," by Lee Dye, from the Los Angeles Times, July 5, 1973.

I ask that exhibit 7 be "Radioactive River; Nuclear Wastes Seeping into Columbia," by Lee Dye, from the Los Angeles Times, July 23, 1973.

I ask that exhibit 8 be "Ike's Plan Makes United States a Dump Area for Atomic Waste," from the Charlotte Observer, August 2, 1973.

I ask that exhibit 9 be "Radiation Spill at Hanford: the Anatomy of an Accident," by Robert Gillette, from Science magazine, August 24, 1973.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 2, 3, 4, 5, 6, 7, 8, and 9.)

EXHIBIT 1

[From Science magazine, Dec. 21, 1973]

DISPOSAL OF NUCLEAR WASTES: AT AN INCREASED BUT STILL MODEST COST, MORE OPTIONS CAN BE EXPLORED AND THE OUTLOOK CAN BE IMPROVED

(By Arthur S. Kubo and David J. Rose)

(NOTE.—Dr. Kubo is a major in the U.S. Army Corps of Engineers and is presently stationed at the U.S. Army Command and General Staff College, Fort Leavenworth, Kansas 66027. Dr. Rose is a professor in the Nuclear Engineering Department, Massachusetts Institute of Technology, Cambridge 02139.)

(NOTE.—Figures not printed in the RECORD.)

Disposing of radioactive wastes from nuclear fission reactors has been much debated, both in public and in private. The assessments and discussions require rebalancing from time to time, and we attempt this here.

Do the perceived difficulties of the waste disposal problem arise from severe scientific or technological limitations, or from lack of understanding and institutional restrictions? Both contribute, but we think that the latter are dominant: we find several attractive technological options that have been given little consideration, and institutional arrangements that have contributed to premature narrowness of thought. For instance, until late 1971, both the U.S. Atomic Energy Commission (AEC) and the public debated the merits of disposing of nuclear wastes in a salt mine near Lyons, Kansas, almost as if that were the sole option.

Misassessment has led to a nuclear waste disposal program too small to match our needs and has contributed to public debate unworthy of the topic. We believe that a greater but still modest effort should be successful, and that the cost of an adequate program will remain small compared with the overall cost of nuclear power. Since the cost is small an extended range of options can be explored.

HUMANISTIC AND TECHNOLOGICAL ASPECTS

Societal problems involving technology, such as radioactive waste management, have features related to present and future costs, perceived benefits, and time scales of concern. Here, for illustration, is one basic dilemma that arises in our problem, somewhat fictionalized for emphasis. Suppose we know that our social structure will persist unperturbed and that we will remain fully responsible up to a time *T* many years in the future; then society will collapse completely and we will revert to savages. Suppose also that we feel as responsible toward the savages as toward ourselves, and that no reasonable technological option is too expensive for us to afford. (In this hypothetical example, we exclude disposal in space and some other option-terminating stratagems.) Under those circumstances we might choose, until nearly time *T*, to store irreducible nuclear wastes in surface mausolea built to withstand natural disasters, and to watch them assiduously—each radioactive waste container on its own plinth in a gallery, so to speak. We gain the advantage of preserving technological options, in case anything unforeseen goes awry. But shortly before time *T* we would transfer those wastes to some subterranean place, chosen, if possible, so that the geologic strata themselves were no special attraction, and there seal them forever as best we could.

The two stratagems entail very different features and trade-offs: the first retains options and provides more safety against both error and disasters, but at a cost of full societal responsibility; the second guards against an irresponsible society at the cost of increased environmental risk. One stresses complete retrievability, the other stresses irretrievability. Deciding which to choose was not a technological matter for that imagined society; it depended on two uncertain things: (i) present assessment of future societal stability, and (ii) depth of responsibility toward future people. Our own choices depend on these two humanistic issues, just as in the caricature above.

Of course technology enters more than that. What mausoleum, and what subterranean disposal? Can the radioactive inventory be reduced or separated into more easily handled materials? Do safe, inaccessible places exist? These questions and more influence the major decisions, and all require study. This article is substantially technological; we will try to present the physical options and estimate the costs and benefits as well as we can. Such an assessment should show the best options in each major category and put matters in the best order for public discussion. These considerations, together with the humanistic ones, help us to decide not only whether we have the "correct" tangible assets for the cost, but also what are the definitions of assets and costs.

BACKGROUND

A few numbers will help put the following discussion in perspective. First, consider the cost of radioactive waste management schemes compared with that of the nuclear reactor installations themselves. A nuclear capacity of at least 900,000 megawatts has been predicted for the United States by A.D. 2000 (*1*); the nuclear components alone will cost more than $100 billion (at present costs) and the plants over $300 billion. In contradistinction, every nuclear waste disposal scheme which has been discussed (except perhaps shooting the wastes into the sun) costs only a small fraction of that—often less than 1 percent. Thus, public debate on this topic should be viewed somewhat less as bearing on absolute limitations to nuclear acceptance, and more as speculation on the very costly consequences of technical failure of too-cheap disposal schemes.

A second set of orienting numbers concerns categories. The major one in terms of short-term radioactivity comprises the fission products, that is, atoms of medium atomic weight formed by fission of uranium or plutonium. Strontium-90, cesium-137, and to a lesser extent krypton-85 are the main culprits; zirconium-93, tellurium-99, iodine-129, cesium-135, and others are much less important. The main ones have half-lives not greater than 30 years (*2*). In 700 years less than one ten-millionth remains, and for this discussion we take 700 years as the end point of practical concern for this category of radioactive wastes.

The other category of radioactive wastes consists of the actinides (the elements actinium, thorium, uranium, neptunium, plutonium, and so on), which are formed not by fission but by neutron absorption into the original uranium (or thorium) fuel. All are very toxic and most have long half-lives—for example, about 25,000 years for plutonium-239, the most abundant transuranium actinide, which is formed either in conventional light water reactors or in proposed liquid metal fast breeder reactors. The actinides cause waste management difficulties at two distinct points in nuclear fuel cycle; some are carried over with the fission products during nuclear fuel reprocessing, with which this article is concerned, but also some highly dilute plutonium wastes will appear from fuel manufacturing plants (*3*). Thus, at the entrance to the waste facility we find a mix of many different transuranic actinides intimately combined with the shorter-lived and temporarily more hazardous fission products. The important things to notice about this category of wastes are that (i) the offending actinides are relatively toxic (*4*), and (ii) although initially far less radioactive than the fission products, they become dominant at 500 years because of their much longer half-lives.

This disparity between the categories, graphically presented in Fig. 1, suggests that it would be advantageous to separate them chemically and adopt different strategies for each kind.

Now we turn to what has been done about the problem. Our present policy, established almost two decades ago, aims for deep underground burial in selected geologic formations; that option seems to have been a logical follow-on from waste management practices commenced in the 1940's. At present three major locations are envisaged; the AEC production facilities at Hanford, Washington, in local basalt, the commercial wastes in the salt beds of Kansas, and the salt beds of southern New Mexico, which underlie some largely mined-out potash deposits (*5*). But the underground disposal schemes are opposed by concerned scientists, politicians, and laymen, and the AEC is now reconsidering other options, such as storage in vaults, disposal in space, and so forth.

The present state of waste management policy is based on requirements determined early in the development of commercial nuclear power: (i) safety beyond any reasonable doubt, and (ii) reasonable cost—(that is, it should not hinder appreciably the development of commercial nuclear energy). These criteria, in themselves unexceptionable, receive various interpretations.

Aware of complications, the congressional Joint Committee on Atomic Energy asked the National Academy of Sciences (NAS) on several occasions (and the General Accounting Office as well) to help assess the situation. The NAS concluded in 1957 that, for the near term, salt mine burial appeared most attractive; this assessment was based on the 700-year toxicity of ^{90}Sr and ^{137}Cs. A broader assessment of different disposal schemes has never formally been made, and indeed since 1957 the NAS seems to have been concerned with increasingly fine points of an already-made decision. The concept of long-term storage in vaults near the surface was dropped early as a safe but temporizing solution requiring active surveillance, although a recent AEC announcement (*6*) indicates a return to this concept. Disposal in the oceans seemed unsafe for lack of adequate knowledge about all the consequences of failure—a situation that still obtains. No complete study of disposal in space has been made to date, because of apprehension about the consequences of shortfall. However, there is a growing interest in space disposal. Success for this project depends on the space shuttle to make it economically feasible, and a sophisticated container to survive possible shortfall; both requirements await the successful outcome of the shuttle program, so that prognosis is difficult and likely to be biased by attitudes for or against the space program.

Selective waste management of heat-producing or highly toxic isotopes has been suggested, but never much analyzed because of the costs and added complications of chemical separation. Thus, through the 1960's and into 1971, at a rate of about $5 million a year, research and development focused on deep disposal, including the intermediate step of solidification (*7*). Of that annual commitment, about $500,000 has been applied to developing the salt mine disposal concept, mostly by the Oak Ridge National Laboratory (Oak Ridge, Tennessee); about $2 million has been applied to developing waste solidification processes; and the biggest portion of the remainder has been used to develop a deep underground disposal scheme (now abandoned or at least substantially delayed) for the AEC's Savannah River wastes. This $5-million commitment must be compared to (i) the total waste management budget of the AEC, over $40 million a year in the 1970's, and (ii) the anticipated scale of nuclear operations, as outlined earlier. A waste disposal research and development budget several times $5 million a year seems more appropriate.

TAXONOMY OF OPTIONS

Figure 2 shows what we think are the major options to be considered. Of course, variations exist, and some will be mentioned later. We draw several routes on the map of Fig. 2, so to speak. All start with very radioactive liquid wastes from reprocessing fuels based on either uranium, plutonium, or thorium.

Route 1 is the scheme (until recently in favor) of solidifying the wastes, including whatever actinides were present, and transporting them to a salt mine for permanent disposal. But other types of mines could be used, as shown in route 1A near the bottom of Fig. 2. In routes 2 and 2A various wastes are separated, which ameliorates the disposal problem. With any of these schemes, a temporary visit may be made to near-surface storage facilities with full retrieval capability, which we call mausolea. Several other disposal options of possible interest can follow from the upper segments of routes 1 and 2, particularly the latter. We rule out dumping in the oceans and in space, for the time being, for reasons already given. We are skeptical about the two remaining options, "permanent" ice and Anarctic rocks, for reasons given later.

Routes 3 and 3A, in situ melting, are quite different; the wastes, upon being inserted into a selected underground site, fuse themselves into a permanent glassy mass.

We now discuss each of these options in more detail, giving the advantages, disadvantages, and costs as we see them. The costs and some other details are not always easy to ascertain, and the degree of present uncertainty in our figures varies substantially between options. In this article we present a summary; more detailed justifications can be found elsewhere (*8*).

SIMPLE MINE DISPOSAL AND SALT VAULTS (ROUTE 1)

The Kansas salt vault project, until recently the AEC's sole commercial option, has proceeded far enough that the major technical and economic uncertainties have been resolved (*9*). The cost would range between 0.045 and 0.055 mill per kilowatt-hour electric (kwhr) for disposal (after 10 years of temporary storage) of solidified, unaltered, high-level radioactive wastes. That is about 0.5 percent of the cost of generating the nuclear power, a negligible increase, small compared even to annual inflation. Retrieval of these wastes from the repository, if it were ever required, grows increasingly problematic as the project passes from demonstration to operation, and finally to a decommissioned state with sealed shafts and backfilled corridors.

The long-term safety of the project depends on preventing the intrusion of water into the salt beds by any means. This could occur by natural means such as erosion, failure of overlying or underlying shale beds, boundary dissolution, and by man-induced means such as well borings. The Lyons site had several chiefly man-induced flaws.

The concept has some advantages: salt is easy to mine, it will in time flow plastically to seal the whole midden, and surely the very presence of the salt guarantees that no water was present in the geologic past. But these advantages are two-sided, for the very fragility (vulnerability to water) of the geologic structure is used as an argument in its favor, and the demonstrated stability refers only to past time, and not to the future, when conditions will likely be different. We may mistake an indicator of past quality for a substantive future property.

Arguments like these, related to future uncertainty, now appear in the scientific and public literature. From those discussions, we note that (i) the prognosis is likely to be better in some other salt deposits, and (ii) similar disposal is possible in other geologic structures—other evaporites or granite monoliths, for example—with some advantages and disadvantages (that is, route 1A in Fig. 2).

The extensive beds of salt and some potash of southern New Mexico are now being viewed hopefully by the AEC. The advantages of the site are remoteness from present occupation and a more favorable political climate [due to large AEC commitments to the New Mexican economy at Sandia Base (near Albuquerque) and Los Alamos Scientific Laboratory]. The disadvantages are similar to many discussed for Lyons.

Route 1A leads to disposal in hard rock, whose advantages counter some of the shortcomings associated with salt: the rock is insoluble, ubiquitous, and normally not associated with valuable mineral resources. But there are disadvantages: the rock is brittle and unhealing, and it may be leached by groundwater. The mining cost (less than $1 per cubic foot) almost certainly will be higher, but not prohibitively so. Also, we calculate that the extra expense of transporting unwanted salt or other evaporites to the ocean can equal the extra cost of mining hard rock, which needs no environmental treatment and may actually be salable. At the very worst, the mining cost would be doubled in hard rock (*10*). But the total cost of disposal in hard rock would be only about 25 percent more than for the salt mine repository. This increase is so modest because of the small fraction of the total cost apportioned to the mine facility (either salt or hard rock) compared to the interim storage, solidification, and transportation costs (for burial of 10-year-old wastes in formations where their heat generation limits the concentration, this is the usual case).

FURTHER CHEMICAL SEPARATIONS (ROUTES 2 AND 2A)

Whatever the final means of disposal may be, using chemical separations to alter the character of the wastes has considerable merit (*11*). As discussed above, removing the actinides turns a million-year problem into a 700-year one, because we envisage burning out the actinides in a reactor; the technology is available now and can be implemented; and the method is not limited to countries with specific geologic formations. Also, at much greater expense, one can remove the principal heat-producing isotopes, ^{90}Sr and ^{137}Cs. Against these advantages we find, as usual, some disadvantages: higher cost, more complex operations, and a reversal of waste management policy that will cause economic dislocations for commercial fuel reprocessors now in operation. Also, what to do with the ^{90}Sr and ^{137}Cs is a problem.

TABLE 1.—COST OF SEPARATING AND RECYCLING ACTINIDES IN WASTES FROM A LIGHT WATER REACTOR[1]

Item	Cost (mill/kwhe)		
	Optimistic	Median	Extreme
Salt mine[2]	0.045	0.045	0.045
Recycle actinides	.119	.189	.276
Total	.164	.234	.321

[1] The 3 cost categories represent 1.1, 1.5, and 2 times the current light water reactor reprocessing costs.

[2] The fission products still require disposal.

Extract actinides only (*route 2*). The extraction of actinides reduces the long-term toxicity (beyond 1000 years) of the wastes by two to four orders of magnitude (see Fig. 3). At present and in the projected future, only plutonium and uranium values are to be extracted from the spent fuels from light water reactors (LWR) and liquid metal fast breeder reactors (LMFBR), and that to only a moderate extent (about 99.5 percent). Even if the extraction were improved to 99.99 percent, the extra reduction in long-term toxicity would be very small, because other actinides are causing the trouble. Curve 1 of Fig. 3 shows that both the 99.5 percent and 99.99 percent extractions of uranium and plutonium are essentially congruent. Thus, extreme extraction of the "usable" values is unhelpful for waste management purposes. Today the technological limit (as opposed to the economic optimum) to the extraction of actinides appears to be 99.9999 percent for actinium through plutonium, and 99 percent for americium to einsteinium. If this extreme extraction were accomplished, the wastes would closely approach the "nontoxic" level in 1000 years; at that time the toxicity would be some three to four orders of magnitude less than with the current extraction goals (compare curves 1 and 3 in Fig. 3). A more modest extraction of 99.9 percent of the uranium, neptunium, and plutonium, and 99 percent of the americium and curium (Fig. 3, curve 2) yields substantial benefits compared to the standard extraction, and can be accomplished more cheaply.

We propose that the troublesome extracted actinides are to be recycled through a reactor (*12*), which we consider in this article to be a LWR. This is the most disadvantageous reactor for such a task, having a deficiency (for this purpose) of high energy neutrons, but there are no data at present for evaluating recycling through a fast breeder reactor. Thus, the economic figures are pessimistic. The remaining wastes would be processed for "conventional" disposal (for example, in a mine or a mausoleum).

The anticipated costs for using route 2 in this way are given in Table 1; these are more uncertain than the route 1 costs. The three categories—optimistic, median, and extreme—are based on reprocessing costs 1.1, 1.5, and 2.0 times the current LWR reprocessing costs. In all cases the reactor fuel was slightly and appropriately enriched to compensate for the actinides, and the fuel manufacturing costs were increased also.

For a LMFBR, the added costs should be much lower, for several reasons: (i) a less pure actinide product should be recyclable without degrading the reactor's neutron economy, which would reduce the need for extreme separations of chemical groups; (ii) there would be a smaller fuel manufacturing penalty, since the whole system is full of highly toxic gamma-emitting plutonium already; and (iii) more actinides are naturally present in an operating LMFBR, so the addition of more actinides affects it less. We estimate informally that the recycle cost would be 0.020 mill/kwhe if the actinide extraction cost could be reduced to 110 percent of the currently anticipated cost, and that the overall disposal cost would be about 0.065 mill/kwhe (if the fission products go to a salt mine).

Admittedly, these estimates are premature, but they do indicate that nuclear transmutation of the actinides would cost between 0.065 and 0.320 mill/kwhe. This is a nontrivial fraction of the total fuel cycle cost (about 8 to 9 mill/kwhe) of nuclear electric energy, but in our opinion it is promising enough to be worth further study.

In shortening the period of concern about the waste repository by a factor of at least 1000, extraction of the actinides represents a real safety improvement.

Extract actinides, strontium, and cesium (route 2A). Removing these key isotopes reduces the long-term toxicity, as in the previous case, and also the waste thermal power. Strontium and cesium account for the major portion of the waste thermal power during the interim period, 1 year to about 100 years after discharge from the reactor, the precise fraction depending on reactor type. The thermal contributions of key groups of elements are shown in Fig. 4.

Waste thermal power is the prime disrupting force that jeopardizes the storage of wastes underground. Reducing the waste thermal power by removing strontium and cesium has two advantages. With a reduced heat load, the waste containers can be packed closer together, which reduces the mining cost by about a factor of 30. More important, it decreases the thermal stresses that work against the safety of (say) the salt disposal project, so that the remaining wastes can be buried in salt or similar structures within the year after fuel reprocessing. The cesium and strontium would be stored in a mausoleum until the space disposal scheme is operational or some future disposal scheme is developed, say in 50 years. The stripped actinides would be recycled to a LMBFR as before (cost estimates based on a LWR are given in the preceding section). The disadvantages of the scheme are that no method of disposal is available yet for strontium and cesium and that the in situ melt option is precluded (because of marginal energy in the residual wastes). The costs for route 2A are estimated in Table 2 for the following assumptions: (i) the actinides are recycled as before; (ii) strontium and cesium are extracted at $0.01, $0.05, and $0.10 per curie for the three cases; (iii) strontium and cesium are stored at 0.8, 1.0, and 2.0 times the expected cost of long-term storage of wastes in a mausoleum.

TABLE 2.—COST OF SEPARATING STRONTIUM, CESIUM, AND ACTINIDES AND RECYCLING ACTINIDES[1]

Item	Cost (mill/kwhe)		
	Optimistic	Median	Extreme
Extract Sr and C's	0.071	0.142	0.710
Store Sr and C's	.020	.025	.050
Recycle actinides	.119	.189	.276
Salt disposal	.025	.025	.025
Subtotal	.235	.381	1.061
Disposal of Sr and C's	?	?	?
Total	?	?	?

[1] The cost of recycling actinides is the light water reactor estimate.

Considering the problem of what to do with the strontium and cesium, the option would be attractive only if it promised a substantial societal advantage.

ENGINEERED NEAR-SURFACE STRUCTURES (MAUSOLEA)

Using a mausoleum or storage vault is really storage with the option, if not the explicit intent, of future retrieval. Present estimates of the cost of long-term storage are inaccurate and scanty, because the waste management policy has been oriented toward disposal. However, research at Oak Ridge National Laboratory on interim storage for periods up to 30 years indicates a cost of about 0.015 mill/kwhe. For a 50-year storage period, a cost of approximately 0.025 mill/kwhe seems reasonable. The use of mausolea (if storage for future recovery of isotopes is neglected) is a temporizing measure. All countries currently using this concept intend to use some other method of disposal when new technology is developed or the wastes are more manageable.

The optional flexibility of near-surface storage is acquired at the expense of extensive surveillance, and could leave the wastes vulnerable to extremes of nature (such as earthquakes) and the irrationality of man (for example, war, sabotage and neglect).

Such a temporizing solution would make sense if new technology is likely to be available later. If the present-worth concept of money is employed, at even as low a discount rate as 5 percent per year, 8.7 cents today would purchase services worth $1 at the end of a 50-year storage period. This might be attractive if expensive technological solutions, such as space disposal, were imagined to be the ultimate choice. Of course, if nothing turns up such schemes appear as procrastination.

ANTARCTIC ROCKS AND "PERMANENT" ICE

These options have features in common and both start from solidified waste (*13*). First, we present the favorable points of view.

Two difficulties that exist with conventional hard rock disposal are the possibility that groundwater might leach out the wastes, and the possibility that people might come across the material in some future age when markings have vanished. These difficulties can be circumvented, at least in large part, by disposal at great depths. But both would be overcome by burial at modest depth in Antarctic rocks. To a depth of about 1 km, all groundwater is frozen in the Antarctic; thus, insertion of the wastes might be arranged to cause only warm inclusions in the totally frozen surround. Also, none but scientifically well-prepared civilizations are likely to come upon the area.

Another scheme might apply to wastes from which the actinides had been extracted. The residual wastes could be suitably contained (in stainless steel, perhaps) to last for thousands of years in fresh water. Their activity ceases for all practical purposes after a few thousand years. It might be possible to place the residuals in deep holes in one of the long-lasting ice sheets, such as Greenland or Antarctica. The volume of ice that could be melted by all the wastes generated between now and A.D. 2000 is about 0.04 km^3 (0.01 cubic mile) which is not very much. The bottom of the Greenland ice sheet is bowl shaped and below sea level. Thus, it appears that nuclear wastes with a 700-year half life would be secure there.

One of the major difficulties is that frozen ground—either permafrost or Antarctic rocks—is not really cold enough at depth. The temperature ranges from −5° at −150 m to 0°C at −300 m, which leaves little room to maneuver. Rocks beneath the Antarctic ice cap are colder but inaccessible.

Ice-cap disposal has several drawbacks. First, wastes still containing actinides require extremely long periods of storage; for example, if the original concentration of ^{239}Pu is 10^6 times the permissible concentration in drinking water and no credit is allowed for insolubility, dilution, or adsorption, the required period of isolation is 500,000 years, and the ice may not be that permanent. Even if the actinides were removed, an area problem remains: to preclude appreciable heating at the ground-ice interface (and hence increased ice flow), the heat generated from the wastes must be a small fraction of that appearing via the geothermal gradient—1 percent would be 63/km^2. Wastes from the United States aged 10 years before burial, if accumulated and spread out in Antarctica to give that heat load, would cover 10^6 km^2 by A.D. 2025, that is, 25 percent of the area that has ice with an anticipated lifetime exceeding 10,000 years.

Finally, transportation and working conditions in the Antarctic are difficult and hazardous, and at present the Antarctic is kept free of nuclear wastes by international treaty.

IN SITU MELT (ROUTES 3 AND 3A)

This scheme was originally proposed at Lawrence Livermore Laboratory (14). A hole is bored beneath the waste processing plant, and a nuclear bomb is set off in the hole. Then the radioactive waste is poured into the subterranean cavity so formed, over a 25-year filling period. The wastes heat up through their own activity, boil dry, and eventually melt themselves and some surrounding rock into a glassy ball. The cost is quite uncertain but was judged to be extremely attractive—0.011 to 0.016 mill/kwhe if government financing is used. But there are substantial technical difficulties with the scheme in its present stage of planning. (i) During the boiling phase isotopes could migrate from the disposal site. (ii) Stress reversal will occur as the transient temperature field moves radially from the disposal site. (iii) Faulting or earthquakes might shear the feed and steam lines which join the disposal site to the surface facility. (iv) Groundwater might eventually leach out the wastes. (v) An excavation procedure should be developed which does not involve the originally proposed nuclear explosive, and which can make a cavity at greater depth.

According to the original proposal, the fuel reprocessing plant would be at the waste disposal site. This is a severe restriction that protends an undesirable proliferation of disposal sites. But the concept can be modified so that lightly calcined wastes are transported from fuel-reprocessing facilities to a federally controlled central repository for in situ melt (this is alternate route 3A in Fig. 2). The wastes are slurried and pumped down to the prepared cavity. The waste boiling period would be reduced from the proposed 25 years to less than 1 year if adequate wastes were stored on site and charged in one operation. Solidifying and transporting the wastes would introduce an added cost, which we estimate at 0.020 mill/kwhe, and would bring the total to roughly 0.031 to 0.036 mill/kwhe. This is less expensive than the salt mine concept, and if it can be shown to be technically safe the project might be practicable. Of course, retrieval is impossible for any of these variations; chemical separation of actinides (route 2) can be incorporated, probably to advantage.

In situ melt suffers from lack of any detailed assessment, but the modified idea seems worthy of analysis comparable to that given the salt project.

SUMMARY

For the present and the foreseeable future the following options appear to be either usable or worth further exploration: mausolea; disposal in mines of various sorts, and perhaps in ice; in situ melt; and further chemical separations. The options are interdependent.

It is too early to assess disposal in space, and disposal in the oceans remains unsafe for lack of adequate knowledge. Table 3 is a summary of the main ideas for which we have worked out (sometimes uncertain) costs.

For the short term, ultimate disposal in deep mines is the best-developed plan. However, the related concept of in situ melt has significant advantages and should be realistically appraised. Further chemical separation with subsequent recycling of the actinides in a LMFBR should be investigated and implemented, for it would be universally beneficial; on the other hand, additional removal of strontium and cesium does not seem attractive. Thus, for the near future we make the following recommendations:

1) Provide temporary storage facilities to ensure that the projected commercial high-level wastes do not become a public hazard. The AEC adopts this view, and has stated an intention to construct such facilities. But because of the capriciousness of man and nature, a workable ultimate disposal scheme must be developed soon.

2) Fund other ultimate disposal schemes at the same rate as the salt mine project—say $1 million a year or more—to sharpen the technological issues, so that a decision can be reached in the next few years. The schemes should include (i) in situ melt, and the variation with a central repository; (ii) burial in mines other than salt mines (including Antarctic rocks and permanent ice); (iii) further chemical separation of actinides and recycling actinides in a LMFBR.

3) Maintain liaison with the developing space shuttle technology to insure that no opportunity is lost.

The AEC has a commitment to hold safety foremost in its waste management program, but budget considerations and management priorities have downgraded the program. Past funding levels and management emphasis have yet to produce, after a decade and a half, one operational long-term storage facility—a sign of both commendable caution and inadequate work. If nuclear power is to resolve our energy needs in the coming decades, its benefits should not be delayed for lack of a viable management program for high-level wastes.

TABLE 3.—SUMMARY OF WASTE DISPOSAL OPTIONS—THE ROUTES REFER TO THE DIAGRAM IN FIGURE 2

Route	Option	Cost (mill/kwhe)	Advantages	Disadvantages
1	Salt mine	0.045-0.050	Most technical work to date; plastic media with good thermal properties occur in seismically stable regions.	Corrosive media; highly susceptible to water; normally associated with other valuable minerals; difficult to monitor and retrieve wastes.
1A	Granite	.050-.055	Crystalline rock; low porosity if sound; comparable to salt in thermal properties; retrievable wastes.	Nonplastic media; presence of ground-water; difficult to monitor.
2	Further chemical separation; recycle actinides	.065-.320	Reduced long-term toxicity; technology feasible; increases future options.	Additional handling and processing; more toxic materials in fuel inventory; waste dilution due to processing; fission products remain.
2A	Further chemical separation; remove Sr and Cs; recycle actinides.	.140-1.100	Reduced long-term toxicity; reduced short-term thermal power; some reduction of fission product toxicity; increases future options.	Additional handling and processing; more toxic materials in fuel inventory; waste dilution due to processing; storage and disposal of Sr and Cs extract; fission products remain.
3	Melt in situ	.011-.016	In situ creation of insoluble rock-waste matrix; no transportation; reduced handling.	Highly mobile wastes during 25-year boiling phase; presence of ground-water; irretrievable wastes; proliferation of disposal sites; difficult to monitor.
3A	Melt in situ, central repository	.031-.036	In situ creation of insoluble rock-waste matrix; short boiling period; no proliferation of sites.	Presence of ground water; irretrievable wastes; difficult to monitor.
2	Antarctic rocks		Immobile water	Very narrow temperature limits; not a permanent geologic feature; difficult environment.
2	Continental ice sheets		do	Cannot dispose of actinides; limited amount of ice; not a permanent geologic features; difficult environment.

REFERENCES AND NOTES

1. "Potential nuclear power growth patterns," *U.S.A.E.C. Rep. Wash. 1098* (December 1970).

2. Excepting ^{129}I, which has a half-life of 16 million years, and is therefore very weakly radioactive. Eventually (after many centuries) its buildup in the environment could become a problem; but the amount to be released in the present technological age is insignificant.

3. We do not discuss here the fuel manufacturing wastes and other solid objects contaminated with plutonium, commonly referred to as alpha wastes. This does not imply that alpha wastes are less important, for about as much plutonium is lost there as is sent to waste at the fuel reprocessing facility. But some of our option analyses can apply to those wastes too.

4. Relative toxicity is an important concept which, while still unofficial, finds increasing use; it is used here to compare hazards of nuclear wastes with those of naturally occurring substances. For each hazardous species, a maximum permissible concentration (MPC) in water has been defined by federal regulations [*Code of Federal Regulations, Title 10* (Government Printing Office, Washington, D.C., 1973), regulation 20 for the substances discussed here, for unrestricted discharges]. Thus, for any initial concentration, a water dilution factor can be specified, to dilute the substance to MPC. We define relative toxicity as the ratio: (volume of water required to dilute a mass of solidified waste to MPC)/(volume of water required to dilute an equal mass of uranium ore to MPC). The ore is assumed to contain 1.4 percent U_3O_8 by weight; the solidified fission wastes are assumed to be concentrated to 4.14 kg per 1000 megawatt-day (thermal) burnup.

5. Disposal in gneiss at the AEC facility on the Savannah River, South Carolina, was considered, but on 17 November 1972 the AEC announced that the Savannah River Bedrock Project was indefinitely postponed.

6. This announcement appeared in *Nucl. News* 15 (No. 7), 55 (1972).

7. The discussion of AEC budgetary actions is based on various hearings on AEC authorizing legislation, particularly: U.S. Congress, Joint Committee on Atomic Energy, *Hearings before the Subcommittee on Legislation* (88th Congress, 1st session, 9, 10 April and 2 May 1963) on the 1964 budget; *Hearings before the Subcommittee on Legislation* (88th Congress, 2nd session, 22, 23, 27 January 3, 4, 7 February 1964), part 1, on the 1965 budget. Also, *Nucl. News* 15 (No. 3), 26 (1972) on the 1973 budget; H. F. Soule, private communication. Additional material on the program for fiscal years 1968 to 1971 is contained in: Comptroller General of the United States, *Progress and Problems in Programs for Managing High Level Radioactive Wastes* (Document G 164052, General Accounting Office, Washington, D.C., 28 January 1971).

8. A. S. Kubo, thesis, Massachusetts Institute of Technology (1973).

9. There are many salt mine references, but the basic ideas are covered in: "Siting of fuel reprocessing plants and waste management facilities," *Report ORNL-4451* (July 1970); U.S. Congress, Joint Committee on Atomic Energy, *AEC Authorizing Legislation, Fiscal Year 1972* (92nd Congress, 1st session, 9, 16, 17 March 1971), part 3; R. L. Bradshaw and W. C. McClain, Eds., *Report ORNL-4555* (April 1971); A. Boch, *Report ORNL-4751* (December 1971).

10. J. J. Perona, R. L. Bradshaw, J. O. Blomeke, *Report ORNL-TM-664* (October 1963).

11. D. Ferguson and H. C. Claybourne, private communications. For Cs and Sr removal: D. E. Larson and P. W. Smith, paper presented at the 66th national meeting of the American Institute of Chemical Engineers, Portland, Oregon, 24–27 August 1969; H. L. Caudill, J. R. LaRiviere, H. P. Shaw, *Report ARH-SA-41* (Atlantic Richfield Hanford Co., Richland, Washington, undated).

12. An analysis of this possibility is given by H. C. Claiborne, *Report ORNL-TM-3964* (1973).

13. These ideas have been promoted in, for example, E. J. Zeller, D. F. Saunders, E. E. Argino, *International Radionuclide Depository (INTER RAD) Report 72-1* (Center for Research, Inc., University of Kansas, Lawrence, 1972).

14. J. J. Cohen, A. E. Lewis, R. L. Braun, *Nucl. Technol.* 13 (No 1), 76 (1972).

[From Environment magazine, January 1970]

EXHIBIT 2: EARTHQUAKE AT GISA

(By Sheldon Novick)

The United States Atomic Energy Commission has accumulated 75 million gallons of intensely radioactive wastes, by-products of its manufacture of plutonium for nuclear weapons. About three quarters of this total is stored in buried tanks near the Columbia River at the Hanford Atomic Products Operation in southcentral Washington State. (The remainder is at the AEC's facilities in Arco, Idaho and Savannah River, South Carolina.) These atomic burial grounds are the most costly tombs since the days of the pharoahs: Ritchie Calder, in his book *Living with the Atom*, gives their cost as $200 million, much more than his estimate of the cost of constructing the great pyramids. The tanks hold as much radioactivity as would be released in a nuclear war. The problems associated with storage of these wastes and the possible hazards from earthquakes in the Hanford area are discussed in "Radioactive Waste from Reactors" in the May 1967 issue of this magazine.

Environment recently learned that in 1966, on behalf of Douglas United Nuclear, operators of the plutonium-production facilities there, two consulting geologists prepared a report which concluded that the Hanford facilities were in an area of moderate earthquake activity, heavily marked with faults, in which an earthquake might possibly occur directly beneath or near the plutonium-production plants or waste-storage facilities. They recommended further research to confirm or disprove this possibility. At least one earthquake, they found, might have occurred on the site as recently as 1918. The waste-storage tanks and plutonium-production reactors are not designed to withstand an earthquake in the immediate vicinity.

PRELUDE

On December 2, 1942, a group of scientists led by Enrico Fermi operated the first self-sustaining nuclear chain reaction. This was the proof that an atom bomb was possible. Twelve days later, Major General (later Lt. General) Leslie Groves, head of the atom-bomb development project, called a meeting of the scientists and representatives of Du Pont Corporation to decide on further steps, including choosing a location for the plants at which plutonium would be made.

During the early days of the atom-bomb project, confidence in calculations regarding nuclear energy was not high, and the possibility of a runaway reactor was considered real (as was the possibility that the things would not work at all). It was already recognized that even a minor mishap which would result in the release of radioactive materials would quickly become a disaster in a populated area. Consequently, safety considerations were given great weight in the choice of a site for the military reactors.

In his autobiography, General Groves describes the meeting on December 14, 1942. In his account, safety considerations "definitely ruled out any further thought of putting the plant at Clinton [Tennessee, the site of the present Oak Ridge National Laboratories] and were the controlling guides in the ultimate selection of the Hanford site."

According to Groves, the main points that determined the selection of the site were that it be far from any city, town, or major road or railway, that large quantities of cooling water and electric power had to be freely available, and the climate be suitable.

Attention quickly focused on the Pacific Northwest, because of abundant power from Bonneville and Grand Coulee dams. Representatives of Du Pont, which was to build and operate the plants and extract the plutonium, and members of Groves's staff explored much of the Pacific coast, and settled on the site of the present Hanford reservation. The Columbia River provided a source of almost unlimited clear, cold water. Groves inspected the site himself on January 16, 1943, and approved it.

The question of choosing a site protected from natural hazards seems not to have occurred to anyone connected with the decision. Although much about the Hanford area is still classified, none of the available accounts of these early days so much as mention the geology of the area.

It is not hard to imagine the state of mind that must have prevailed at the time. The hazards involved in the plutonium project itself were so great, and the time available so short, that speculations about earthquakes, even in an area in which they were common, would have seemed farfetched.

Even more than other wartime projects, the atom-bomb development took place in an atmosphere of emergency. The nuclear reactors at Hanford were built in remarkably short time. At one time more than 45,000 construction workers were engaged at the site. From the selection of the site to the production and extraction of usable quantities of plutonium was slightly over two years. Less than a year later, plutonium made at Hanford exploded in a bomb over Nagasaki, destroying the city.

The end of the war did not bring a slackening of activities at Hanford or a loss of the sense of emergency. Under the wartime bomb project and then under the civilian Atomic Energy Commission, established in 1946, construction of new reactors and production of plutonium continued at a rapid pace. Eventually, nine reactors were constructed at Hanford and five at Savannah River, South Carolina. Most of the reactors built at Hanford are probably capable of generating as much as 2,400,000 kilowatts of heat, more than any civilian reactor yet in operation.

Most of the Hanford reactors are now shut down, however, and the rest operate on reduced schedules. During their years of operation, these plants produced enough plutonium to end the world in one incandescent flash. No nation is ever likely to want more plutonium than we already possess, and Hanford will never again see the kind of activity that it experienced in the early days of our weapons program. The newest plant, the N Reactor, after some years of difficulty, provides electric power for the Washington Public Power System, but the remaining plants, which are not adaptable for power production, have made themselves obsolete.

HAZARD

One permanent legacy of Hanford's few years of peak operation, more enduring than the pyramids, is contained in 140 huge steel-and-concrete tanks buried near the center of the reservation. Here is stored the bulk of the Atomic Energy Commission's 75 million gallons of high-level radioactive waste. Long after the designers of the bombs and the civilizations that produced them are forgotten, these wastes will still be hot with radioactive decay.

In the reactors, uranium fuel undergoes a chain reaction: splitting uranium atoms release neutrons which collide with other uranium atoms, splitting them and producing more neutrons. Some of the neutrons are absorbed by uranium atoms which do not split but are converted to a new element, plutonium. To extract plutonium, reactor fuel must first be dissolved in acid. After the plutonium is removed, the acid solution which remains is an intensely radioactive broth of uranium and fission products, the unstable fragments of split atoms. The hazardous dose of many of these materials is measured in billionths of a curie (the standard unit of radioactivity), yet a single gallon of fresh waste solution may have as many as 10,000 curies.

Each of the storage tanks at Hanford has a capacity of between 500,000 and 1,000,000 gallons of this highly radioactive waste liquid, produced by the reactors and chemical-separation plants near by. Perhaps 50 million gallons are actually in storage, although the exact figure is secret. On the average these wastes probably contain more than 100 curies per gallon, but this, too, is secret.

These are the wastes produced by our military program. The plutonium which makes up some of our weapons is produced entirely at Hanford and Savannah River, perhaps three quarters of the total at Hanford.

It is difficult to grasp the hazard these wastes present. There may be as much long-lived radioactivity in a single large tank as in all the fallout produced by all weapons tested since 1945. Since it takes the fission of roughly one atom of uranium to produce one atom of plutonium, the total wastes are about equal to what would be produced by the explosion of all the plutonium warheads in our nuclear stockpile. It has often been suggested that an enemy attacking the United States would aim at least one missile not at a city or any inhabited place but at Hanford, where as much radioactivity is stored as would be released by all the rest of the attacking missiles.

The storage tanks are massive structures, fifty-foot deep concrete shells lined with steel, buried just beneath the surface of the ground. In the tanks with fresh wastes, the heat of radioactive decay keeps the stored liquid boiling. Artificial cooling is required to keep the pressure of the boiling wastes from bursting the tanks. Some of the tanks must be stirred to keep the radioactive solid materials from settling to the bottom and overheating the steel liner.

An earthquake, even if it did not damage the tanks themselves, might damage the cooling systems or rupture the pipes which lead into the tanks. The result would be the release into the air of hot radioactive gases which might rise and travel a considerable distance with the wind, depending on weather conditions. If the tanks themselves were ruptured, the wastes would find their way through groundwater to the Columbia River.

The plutonium production reactors contain considerable quantities of radioactive material in their fuel. Although little is known about the reactors still in operation, the N reactor, which supplies electric power to the regional power grid, is of a size comparable to reactors being built for civilian power production. Such reactors contain on the order of a billion curies of fission products in their fuel after a year of steady operation. Since the reactors are on the bank of the Columbia River and use its water for cooling, damage to a reactor could result in the release of large quantities of radioactive material to the river. Uranium fuel burns when brought into contact with air at the temperatures of reactor operation. In an accident at the English Windscale plutonium-production reactor in 1957, a small portion of the fuel burned as a result of improper operation of the reactor, and low-level fallout was deposited over much of southern England and northern Europe. An earthquake at Hanford might cause a similar accident on a much larger scale.

AFTERTHOUGHT

Considering the hazard involved, it would be reasonable to expect that the stewards of Hanford would take particular care that no radioactivity should escape. After the war, Du Pont relinquished operation of the plants (although it still maintains those at Savannah River). General Electric, now one of the two major producers of civilian reactors, operated the military plants for a time. In 1965, Douglas United Nuclear, a joint venture of Douglas (now McDonnell-Douglas) Aircraft and United Nuclear, a uranium mining firm, took over operation of the reactors for the Atomic Energy Commission. In 1966, Douglas United Nuclear contracted for a detailed geological survey of the Hanford area, as part of an evaluation of the ability of the structures there to withstand whatever stresses could be expected from possible earthquakes.

That such a study should be asked for 24 years after the selection of the site is difficult to understand. It would appear that such a study had never before been conducted, despite the fact that the Hanford reservation is in an area classified as one of "moderate" earthquake activity. The U.S. Geological Survey testimony quoted on this page makes it plain that as early as 1959 it was generally accepted that earthquakes and waste-storage areas were incompatible. In the same year, a report prepared for General Electric noted that, "The details of earthquakes in this area are little known." Earthquakes in surrounding areas were described.

Yet, in 1966 the detailed geology of the Hanford area, and the likelihood of earthquakes on the site, were still incompletely known.

THE SURVEY

In that year, Fred O. Jones and Robert J. Deacon conducted a detailed survey of the Hanford area for Douglas United Nuclear. Although Deacon assisted in the survey, the conclusions of the report were written by Jones alone. The two independent consulting geologists viewed and photographed the reservation from a helicopter and were given free access to all material relating to the geology of the area. Their survey uncovered some disturbing evidence that the earthquake hazard at the site was greater than had been thought.

Their final report was dated June 15, 1966, and was titled "Geology and Tectonic History of the Hanford Area." The most disturbing finding of this report was that an earthquake may have occurred beneath the present site of the reactors on the shore of the Columbia River as recently as 1918.

An earthquake in the area occurred in that year. It is generally referred to as the "Corfu earthquake," after the town which is about seven miles north of Hanford. The earthquake was earlier believed to have occurred near the town. For the Jones-Deacon report the Seismology Department of the University of Washington provided a location which fell within the Hanford works.

The first report of this earthquake is in the *Bulletin of the Seismological Society of America,* which carries the following communication from A. M. Jung, seismological observer at Gonzaga University of Spokane, Washington:

"The following note [is] from C. H. Aldrich of Corfu, a station on the Chicago, Milwaukee Railway, 135 miles west of Spokane in regard to an earthquake at that place. The first shock was on November 1 between 9:15 and 9:30 a.m. This was the most severe and lasted several seconds; it shook goods from the shelves and caused landslides for several miles along the hills. We have had on an average about three shocks every twenty-four hours since, but lighter."

Jones concluded from the survey of the area that the earthquake occurred within what is now the AEC's Hanford site. He found no evidence of ground displacement in the reactor site area, but points out that any such evidence would probably have been destroyed during extensive construction activities.

The most striking evidence for earthquakes in the area was the discovery of a five-mile-long depression between faults (graben) between Hanford and Corfu. The graben had probably been formed by movements on the faults within geological recent times. Jones found evidence that at least some movement along faults at the surface had occurred during the Corfu earthquake. It is such fault movement which is damaging to nearby structures.

Viewed from a helicopter, some of the area also showed an unusual polygonal pattern of fissures, like the cracks that form in drying mud. This pattern was first observed by the same geologists when surveying the area of the 1964 Alaskan earthquake, and they believe it to be a sign of earthquake damage. There is evidence of landslides in the Hanford area. In their report, Jones and Deacon assign the Corfu earthquake a magnitude of six on the Modified Mercalli scale, the magnitude at which earthquakes are considered capable of doing local damage. On plate 3 of their report, the location is given as directly between the present sites of two of the production reactors.

Jones points out that a fault system extends from the vicinity of the town of Milton-Freewater to within about ten miles of the Hanford site. Several earthquakes have occurred on this fault system, including two of magnitude seven. A magnitude-seven earthquake is shown in plate 3 of the report as falling within 45 miles of Hanford. The geologists found some evidence that there had been ground movement on the portion of the fault system closest to Hanford, and point out that if damaging earthquakes have occurred on one portion of the system of faults, they may not be ruled out at others.

Umtanum Ridge is another geological formation which Jones and Deacon felt needed more study. They describe it as a faulted, overturned anticline which disappears beneath superficial deposits of sand, gravel, and soil as it passes beneath the Hanford area.

And finally, they take note of Gable Mountain and Gable Butte, which lie between the reactors and the waste-storage tanks. These structures are folded and faulted, and one fault as drawn on plate 3 of the report, would pass directly through the epicenter of the Corfu earthquake as plotted by Jones and Deacon. Another seems to pass directly beneath the cooling-tank area.

CAUTION

One of the striking aspects of the Jones-Deacon report is the extent to which they are forced to speculate regarding the geological structures actually beneath the reactors and waste-storage areas. Although deep drilling would have established whether there were faults directly beneath the facility, apparently the drilling had not been done. Present wells near the reactors and storage tanks do not extend far into the bedrock beneath the plants. Drill holes of about 1,000 feet depth would be required. Jones and Deacon recommended an extensive program of geologic research and drilling. Some of the recommended investigations are apparently being carried out, but the drilling program, three years after the report's appearance, has not yet been undertaken. According to the Chairman of the Atomic Energy Commission, in a letter reproduced on pages 13–15, only one deep hole has been drilled near the waste-storage areas.

This is all in striking contrast to the strict precautions and extensive geological investigations which the Atomic Energy Commission requires of commercial, nuclear power-plant builders. In an area where earthquakes are known to occur, the site of construction is carefully examined for evidence of faults, and if such appear, the site is considered unsuitable. Thus, Pacific Gas and Electric Company was prevented from constructing a reactor at Bodega Head, near the San Andreas fault system, when a fault directly beneath the proposed reactor was discovered. Construction of reactors at Malibu, near Los Angeles, has also been postponed indefinitely because of a similar geological situation.

The existence of an earthquake hazard at Bodega and Malibu has been disputed bitterly by the utilities which proposed reactors for these sites. At Bodega, distinguished geologists testified that there had been no movement on the faults in question in historic times. Their evidence was disputed and the entire subject argued heatedly for some time until, in 1964, P.G.&E. withdrew its application for a construction permit in the face of an adverse Atomic Energy Commission staff report. The utility maintained its belief in the safety of the site but said in its announcement that it would not proceed unless every doubt had been settled.

Although the situations are not necessarily comparable, the position of the AEC in this case is in striking contrast to its attitude toward its own activities at Hanford. Considering the degree of potential hazard involved in a civilian nuclear power plant, it is certainly reasonable to act with the greatest caution, and the AEC customarily requires the builder of such a plant to prove that the worst accident which it considers at all credible has been taken into account in the design of the plant. It is not enough to protect against what might be considered probable risks—the outermost limits of likelihood must be taken into account. This is certainly a far more cautious approach than that which seems to be taken at Hanford, where the potential hazard is so much greater.

There is no certain way of establishing the size and location of earthquakes that occurred 50 years ago in an unpopulated area. Nor is there any way of predicting with certainty whether or not an earthquake will occur at a given location. These are questions over which there can reasonably be considerable disagreement among geologists.

Considering the magnitude of the potential hazard, however, it would seem only prudent to resolve all doubts on the side of safety. This the Atomic Energy Commission has failed to do.

ALTERNATIVES

It seems extremely unlikely that the waste-storage tanks and reactors could be constructed to withstand an earthquake that caused ground displacement directly beneath them, or even a large earthquake some distance away.

The waste-storage tanks, for instance, have been prone to leakage as they are, undisturbed. The most recent report, in 1965, showed that four of the tanks at Hanford had sprung leaks of varying degrees of severity, through the corrosive action of their hot, radioactive contents. There have been no further reports since that time, and it is not known whether there has been further leakage. Tanks which are just able to survive undisturbed are not likely to ride out a damaging earthquake.

The only real alternatives to the present arrangement would seem to be transporting the wastes to another, less hazardous site, or rendering them less dangerous where they are. The first alternative would be extremely expensive, as it would involve constructing a new facility at least as expensive as the present one, in addition to the costs of transporting these hazardous materials. More significantly, however, it seems likely that any means of transportation, by truck, ferry, or train, would involve its own hazards of accidental spillage.

From a safety standpoint, the most desirable alternative would be to solidify the wastes where they are, thus reducing the likelihood that they will escape from the storage area.

The Atomic Energy Commission is pursuing this alternative, although without visible haste. The Waste Solidification Engineering Prototype went into operation at Hanford in November 1966, and by June 1969 it had processed wastes containing about 29 million curies of radioactivity. Although this is an impressive quantity, it represents probably less than one percent of the total wastes stored at Hanford. At this rate, it will be centuries before the entire accumulation is solidified.

The single experimental plant at Hanford is clearly too small to handle the waste loads required, yet there is no indication that a larger facility is planned. Such a plant would be expensive, of course, although the prototypes at Hanford and elsewhere have shown that there are several feasible approaches to waste solidification.

Another possibility, alluded to by Dr. Seaborg in his letter, would be to solidify the liquid wastes within the tanks in which they are presently stored. This would be the least expensive solution, but it is not known when the wastes will be sufficiently cool to allow solidification. Several years will pass before some of the tanks stop boiling, even without addition of fresh wastes.

In defense matters, Congress has shown its willingness to spend very large sums to defend the nation against risks that are potentially great but whose probability of being realized is low. The wastes stored at Hanford, if released into the air or the Columbia River and to the Pacific Ocean, would constitute a hazard which could only be compared to nuclear war. Surely such risks call for considerably more caution and expense than is now being devoted to them.

Dr. Seaborg and the Geologists' Report

[During the preparation of "Earthquake at Giza," we addressed questions regarding the earthquake hazard at Hanford to the Atomic Energy Commission. The following reply, which incorporates our questions, is dated December 27, 1969 and signed by Dr. Glenn T. Seaborg, Chairman. It acknowledges that the central recommendation of the geologists' report cited in our article—deep drilling near the reactors and waste-storage areas to test for the presence of faults—has not been carried out. (The wells over 1,000 feet deep referred to in the letter are, with one exception, outside the Hanford area.)

On a number of points, the letter is contradicted by the report. No matter what one ultimately concludes, for instance, the Jones-Deacon report presents evidence for the existence of faults under the reactors and waste storage facilities. Evidence is also presented for geologically recent fault movement in the area. In the answers to the third and fourth questions, the existence of this evidence seems to be denied. Conclusions contrary to those drawn by Jones are cited, but no indication of disagreement among geologists who have studied the evidence is given. S.N.]

Enclosed are replies to the questions raised in your letter of December 17, 1969. You will note that the existing operating reactors and the waste storage tanks at Hanford have been designed to withstand maximum probable earthquakes as identified by nationally recognized consultants.

It should also be noted that the AEC has pursued in the past and will continue to pursue in the future, the solidification of radioactive wastes at Hanford, further decreasing the hypothetical probability of release of material to the environment.

Environment: When was the first detailed geological survey of the Hanford site made? The most recent?

AEC: Detailed geological surveys, with respect to production operations, were first made in 1943; however, surveys have been carried out over the last century. The surficial geology of the Hanford area is quite well known and has been under continuing study by AEC contractors, the USGS and consulting geologists since 1943.

Environment: Have any of the surveys included exploratory drilling at the sites of reactors or waste storage tanks? To what depth was drilling done?

AEC: Surveillance of the groundwater beneath the Hanford site is maintained with data from more than 500 wells. Many of these wells penetrate, but not to a great extent, into the basalt formations that underlie the 200 to 400 feet thick glacio-fluvatile sediments covering most of the site. These wells and others that have been drilled have provided the great deal of information regarding the near surface geology of the Hanford area.

Geology underlying the Hanford site, which is near the center of the Pasco basin, has been determined from 79 known deep wells in the Pasco basin region that have been drilled greater than 1,000 feet in depth. Seven of these wells have penetrated greater than 2,000 feet, four greater than 3,000 feet and two greater than 4,000 feet. One exploratory oil well, off the southeastern edge of the Hanford site, penetrated 10,600 feet.

The most recent exploratory well was drilled this past summer, near the center of the Hanford site and adjacent to the fuel reprocessing and waste tank farm areas. This well penetrated 5,600 feet from the surface and substantiated the known geology of the Pasco basin.

Environment: Has drilling disclosed any evidence of faults beneath the production or waste storage facilities?

AEC: Neither drilling nor other geological investigations have disclosed any evidence of faults beneath the Hanford production or waste storage facilities.

Environment: Has there been any investigation of the possibility of displacement on faults in or near the Hanford reservations in historic time? Is there any evidence that such displacement may have occurred?

AEC: A number of studies have been made by nationally known investigators from outside the area, as well as by resident geologists. According to Dr. G. W. Housner of the California Institute of Technology, who has conducted seismic investigations of the Hanford site for the AEC, the site has not been subjected to more than weak ground shaking during historical times, and is in a region of moderate seismicity verging on minor seismicity

Other reputable geologists who have studied the Hanford site also believe that it does not lie in a persistently active seismic zone. One geologist extends this conclusion to state that the possibility of surface ground rupture due to upward propagation or displacement along any fault in the Hanford facility area is so remote that it can be safely disregarded. Most of the investigators have indicated an earthquake of 5.5 (Richter) would be the expected maximum on the basis of historic evidence.

Photogeologic mapping has revealed possibly faulted areas along the north side of Saddle Mountain Anticline, lying seven miles from the north edge of the reactor site. The consensus from recent geologic investigations is that there is no evidence of geologically young tectonic faulting.

There is a Rattlesnake Mountain-Wallula-Milton-Freewater lineament system of anticlinal folds, with possibly local faulting, lying ten to eleven miles south of the Hanford fuel reprocessing plants. Ground rupturing of unknown origin was reported to have accompanied the Milton-Freewater earthquake and scattered earthquake epicenters in the area from Rush Canyon to Milton-Freewater.

The Saddle Mountain and Rattlesnake Mountain lineament systems are zones of potential future earthquakes. Earthquakes along these structures would affect the Hanford plant only by ground motion due to seismic wave propagation. Design has allowed for this as discussed in the following answer.

Environment: Are any of the facilities at Hanford expected to be capable of surviving ground displacement during an earthquake?

AEC: Designs for the existing operating reactors and waste tank facilities are based on Zone 2 seismic requirements. Zone 2 includes areas where there is expected one earthquake of an intensity 7 or above on the Rossi-Forel scale (5.5 Richter) and about five of noticeable motion and slight damage during each century. Hence, all major production facilities are expected to survive ground displacements associated with wave motion caused by the maximum earthquake considered credible for the Hanford area.

Environment: Are the production reactors and waste storage tanks expected to survive an earthquake of 7 or greater on the Rattlesnake or Saddle Mountain faults without releasing radiation?

AEC: The currently operating reactors and waste storage tanks were designed to withstand maximum earthquake effects that might be expected to occur at our facilities and these facilities may be expected to survive earthquakes' effects of even greater magnitude.

Environment: Is an earthquake of magnitude 7 within ten miles of the Hanford reservation considered credible?

AEC: An earthquake of magnitude E (Richter) within ten miles of the Hanford reservation is considered to be of such extremely small probability that for practical purposes it can be considered incredible as explained in the answer to the fourth question.

Environment: What are the greatest accelerations and ground displacements the waste storage tanks and reactors are expected to survive without release of significant amounts of radioactivity?

AEC: The operating Hanford reactors were initially designed to resist earthquake motions without releasing significant amounts of radioactivity. Studies have shown that the existing operating reactors are compatible with the current criteria which the AEC uses for earthquake protection in licensing commercial power reactors. The facilities will survive ground wave motions in excess of 0.1 foot in magnitude and 0.25 G acceleration.

Environment: What are the estimated consequences of the hypothetical rupture of a waste storage tank as the result of an earthquake?

AEC: No tank rupture is to be expected from a credible earthquake at Hanford. However, if a hypothetical tank rupture is assumed, the probability of any significant release of radioactivity in groundwater at the site boundary is quite low. Further, the AEC is currently pursuing a program that Hanford which will place all significantly aged radioactive liquid wastes into a solid form. The solidification of these wastes will be such that future removal by physical means will not be precluded. In addition, it is anticipated that all the working inventory of tank-stored liquid waste will be stored in double-shell tanks. These programs will further reduce any release of radioactive material under this hypothetical assumption.

Exhibit 3

[From the Los Angeles Times, Oct. 25, 1970]

Caution: This Garbage May Be Hazardous to Your Health

(By Roger Rapoport)

From its inception in 1946 the Atomic Energy Commission has encouraged "free competition in private enterprise." As a result more than 4,000 American nuclear installations are currently handling 900 different types of radioisotopes. Firms like General Electric, Westinghouse and Honeywell have leaped into everything from nuclear reactor construction to uranium fuel fabrication.

Today this $2 billion a year industry is generating lucrative new effluent: nuclear garbage. Each day factories and laboratories across the country must dispose of radioactive resins, oils, precipitates, slurries, clothing, rags, glassware, filters and hardware. To safeguard public health these contaminated wastes have traditionally been shipped by truck and train to secluded AEC burial grounds. Here the radioactive garbage is interred in vast underground tanks and pits for perpetuity.

In 1963 two private firms opened licensed nuclear burial dumps in Nevada and New York. The AEC promptly refused to accept any more low-level nuclear garbage from commercial firms, a decision that naturally spurred the growth of the private atomic waste disposal business. This year about 20 commercial firms will make $1.5 million transporting and disposing nuclear waste. And the AEC predicts the private market for atomic garbage disposal will reach $10 million annually by 1980. Low level waste has no more than 1,000 times the radioactive concentration considered safe for direct release to the atmosphere and is now being handled almost exclusively by commercial firms.

The AEC hoped many states would license commercial burial sites for low-level nuclear waste. But so far only five—Washington, Nevada, Illinois, New York and Kentucky—have done so. The other states are reluctant to license private nuclear dumps because of technical, financial and legal difficulties.

For one thing even the AEC's gigantic, carefully secured and remotely located nuclear dumps have had problems. For example during the past 26 years 11 of the 149 nuclear waste storage tanks at the AEC's Hanford, Washington, works have sprung leaks. About 50,000 gallons of radioactive waste poured from one tank.

A 1966 National Academy of Sciences study says that the AEC's four major waste disposal sites are "in poor geological locations" and adds that "current practices of disposing . . . wastes . . . into the ground above or in the freshwater zones, although momentarily safe, will lead in the long run to a serious fouling of man's environment."

Private nuclear waste transport and disposal firms have had their troubles, too. For example, studies by the New York state health department between 1965 and 1967 found abnormally high radiation levels in deer around the Nuclear Fuel Services reprocessing plant and disposal site located 30 miles south of Buffalo. The deer had been walking through holes in the plant fence and drinking radioactively contaminated water from waste lagoons. The state recommended the company patch the holes in the fence.

In April the state of New York charged the Long Island Nuclear Service Corporation with selling a plant containing two trailer loads of radioactive waste. The company was ordered to return to the facility, remove the nuclear garbage and decontaminate the plant.

Currently a Cliffwood Beach, New Jersey, dockworker is suing the AEC and six private firms because he developed cancer after handling a leaky, mislabeled radioactive solution. The cancer has necessitated the amputation of his left arm and is still spreading. An AEC report says at one point the shipment was taken through the Holland tunnel in the back of a government station wagon. This violated AEC, ICC and Port Authority of New York regulations.

These accidents make states increasingly cautious about licensing nuclear waste disposal firms. Washington's Director of Nuclear Development Larry Bradley says: "When a state leases a private company land for a nuclear dump it has to be cautious. If material is mishandled the public might be endangered. And if the disposal firm goes bankrupt and turns belly up, the state has to come in and administer the dump itself. We don't want to get in the radioactive monitoring business ourselves, so we're very careful about who we license."

As a result even pioneers of the nuclear garbage industry find it difficult to get new dump sites. A disposal site must be sanctioned by the county planning commission, licensed by the state health department and blessed by environmentalists who try to drag you into messy hearings screaming that you are a capitalist pig out to poison water and soil. After you've hired a lawyer to fight off the ecologists you must move on to another state and start again.

Few men know this process better than Fred Beierle, general manager of Chem-Nuclear Services Incorporated in Spokane, Washington. During the past year Beierle's firm has won temporary nuclear waste storage facilities in Oregon and South Carolina. Chances for converting these facilities into permanent burial sites are good.

As one of the pioneers of the nuclear garbage business Beierle knows the pitfalls. From September, 1963 to June, 1968 he was operations manager for California Nuclear Incorporated, an atomic waste disposal firm that went over $400,000 into debt before it was bought out by a competitor, Nuclear Engineering Company.

After the sale the state of Washington audited California Nuclear's records and found 5,200 cubic feet of waste was missing and unaccounted for at the firm's Richland disposal sites. Washington Director of Nuclear Development Larry Bradley says: "We couldn't figure it out at first. Things like that don't just disappear." An investigation revealed that the missing 5,200 cubic feet was chemical liquid waste temporarily stored at the Richland site before being transferred to another location.

Following Nuclear Engineering's acquisition of debt-ridden California Nuclear in June, 1968, Beierle helped start another firm that is now in serious financial trouble. On July 22, 1968, he was co-incorporator of Kenasco Corporation, a Prosser, Washington, equipment design and manufacturing firm. Beierle served as Kenasco's president until early 1969 when he left to become general manager of Chem-Nuclear Services.

Chem-Nuclear has purchased nuclear shipping containers from Kenasco. Beierle remains a director and consultant to Kenasco and says he holds about $5,000 worth of stock in the firm. On April 20, 1970, Kenasco sent a letter to creditors explaining that it was unable to meet over $263,000 in debts. Creditors were told they could accept 20 percent of their accounts in cash and full settlement or five year installment rates at seven percent interest.

Business has been better for Beierle over at Chem-Nuclear. One of his first moves with the fledgling nuclear waste disposal firm was to apply for a radioactive materials license from Oregon. In a covering letter June 2, 1969, to Dr. Gary Farmer, Director of the Radiation Section of the Oregon State Board of Health, Beierle wrote: "We look forward to a long and mutually beneficial relationship with the state of Oregon and feel the following application a very preliminary step in our efforts in your state."

On June 11, 1969, Dr. Farmer sent Beierle Oregon Radioactive Materials License ORE-0219-1. Then on July 1, 1969, Dr. Farmer resigned his post and Mr. Beierle asked him to join Chem-Nuclear. Dr. Farmer agreed and became head of the firm's Western Division on September 1, 1969.

Dr. Farmer came to Chem-Nuclear with a broad background. In his resume he points out that he graduated "10th in (a) class of 44 students" at the Colorado School of Veterinary Medicine. Then he served a 20 year career in the army. During the Greek civil war he helped deliver a unique form of American military aid. He transported shiploads of mules to the Greek government forces which used them to fight off guerrillas in the mountains. Farmer has extensive experience in radiobiology and has helped the Atomic Energy Commission set policy on the effects of radiation and radioactive fall-out on the American livestock industry. Dr. Farmer also believes his Oregon civil service is another plus: "I think I know more about radioactive materials licensing than anyone in the Northwest."

After he joined Chem-Nuclear Dr. Farmer applied to his successor at the health department, Marshall Parrott, for an amended license that would let the firm open a temporary nuclear waste storage facility in Gilliam County, about 100 miles east of Portland.

The Gilliam County Planning Commission approved the nuclear waste facility plan in February, 1970. The vote was 6–0 with commission secretary Robert Root abstaining. Root abstained because Chem-Nuclear had paid him $1,800 on January 27 for an 18 month lease on 10 acres of ranch land. However the land was not used for the nuclear facility. Mr. Beierle says that subsequent geological studies persuaded Chem-Nuclear to lease another 10 acres nearby for its "Oregon Pollution Control Facility."

In March, 1970, the state internally approved Chem-Nuclear's amended license for the Gilliam County dump. But the Oregon Environmental Council and two Gilliam County property owners contested the amendment, charging that the nuclear waste would pollute water and ruin prime agricultural land.

So the state held a hearing in April on the amended Chem-Nuclear license. Chem-Nuclear's lawyer at the hearing was John Denman, who had been the state's chief legal counsel to the Oregon board of health before resigning on February 15, 1970.

Dr. Edward Press, secretary of the Oregon State Board of Health, believes Mr. Denman was the logical man to represent Chem-Nuclear: "They needed a man like him who was familiar with all the laws and regulations on a case like this. Obviously he has the right kind of experience."

One of the most interesting points raised during the Oregon hearing was the education of Marshall Parrott, the state's new director of radiation control. Mr. Parrott signs his letters as Dr. Parrott and generally represents himself to the public as Dr. Parrott. Although he has completed course work for a doctor of science degree at Tulane, his thesis has not been accepted.

In an interview he explained: "Basically it's just a question of me getting together $300 to fly down to New Orleans, meet with my advisors at Tulane, make the necessary revisions and pick up my degree. I hope to do it pretty soon. In the meantime I go as Dr. Parrott during my work here so that after I receive my doctorate I won't have to change in midstream. See what I mean?"

While Chem-Nuclear was getting organized in Oregon, Fred Beierle was out shopping for disposal sites in other states. One state happy to see him was South Carolina. Thirty new nuclear power plants have been announced for the Southeast during the past three years. Two private firms plan to build nuclear fuel reprocessing plants in South Carolina to service the atomic power installations.

The Chem-Nuclear general manager met with Dr. Henry C. Schultze, the state Coordinator for Atomic Energy Industrial Development. Says Dr. Schultze: "When I met with Mr. Beierle I could see our mutual interests. He was looking for a site and South Carolina needed a company that could dispose of low level nuclear waste from the reprocessing plants and power stations. I encouraged Chem-Nuclear and similar companies to come to South Carolina."

About the same time Dr. Schultze found something else was happening: "When you work with industrial prospects and have a background like mine you naturally get many job offers. At the time Beierle first approached me about a site I had been thinking about several private industry offers. Subsequently he learned I was thinking about leaving the state and he offered me a job with Chem-Nuclear. I was most impressed with Beierle and his people so I left in July 1969 and joined Chem-Nuclear in August."

In September 1969 Chem-Nuclear applied for a South Carolina radioactive materials license which was granted to the firm in November. Today, thanks to an amended license, Dr. Schultze administers Chem-Nuclear's temporary storage facility on a Barnwell, South Carolina, site adjacent to the AEC's Savannah River installation. Currently there are only a few hundred drums of low-level waste at the Barnwell site. But Dr. Schultze is looking forward to business from the proposed South Carolina fuel reprocessing plants and southeastern nuclear power stations.

Of course, many states aren't as hospitable as South Carolina. For example, California has never licensed a private atomic dump even though it is the center of West Coast nuclear industry. Officials maintain existing facilities in other states adequately meet Western disposal needs.

And last fall, Nuclear Industrial Service Corporation and Chem-Nuclear proposed an atomic dump for Georgia but didn't get very far. The executive secretary of the state water quality board charged that a nuclear dump "could be a threat to the water supply in the areas of dumping . . . something can always go wrong."

Governor Lester Maddox wasn't interested either: "If they want to bury their nuclear garbage in our state then let them bring the industry that produces the garbage and we'll give full consideration to their proposal. Otherwise I feel we should let other states bury their own nuclear garbage and we'll bury our own."

The controversy widened when state insurance commissioner James Bentley turned out to be part owner of the 700 acre tract optioned for the site by Nuclear Industrial Service Corporation. Bentley subsequently asked NIS to give up the option and the firm agreed. Chem-Nuclear is still interested in Georgia but doubts it will go ahead there.

While Chem-Nuclear was out organizing in Oregon, South Carolina, Georgia and other states, its activities were less visible back in the home state of Washington. On October 9, 1969, Fred Beierle received this letter from Arnold J. Moen, head of the Radiation Control Section of the Washington Department of Health:

"With reference to your Washington State Radioactive Materials License WN–1051–1, the address as listed under item two is 1019 Jadwin Avenue, Richland, Washington. An inspector from this department recently attempted to inspect your license after notifying you of his intent several days in advance . . . All attempts to find the Richland address or the whereabouts of Chemical Nuclear Services in the Richland area were futile . . . Are you, or have you been engaged in any activities authorized by your license? If so, please indicate the address from which these are conducted."

Fred Beierle was pretty embarrassed when he received that letter so he sat down and wrote an immediate reply: "Regarding our Richland address of 1019 Jadwin we had been sharing an office with the attorneys Butler and Heye. This probably explains why your inspector was not able to find our address. We would, however, like our address changed to 602 Seventh Street, P.O. Box 265, Prosser, Washington . . . Sorry for the inconvenience."

That is what he told the health department. Actually Mr. Beierle and the company headquarters had moved to the 602 Seventh Street address months earlier. Explains the general manager: "I think we moved there in February or March 1969. I'm not sure. Anyway I just forgot to tell the health department about it." (Chem-Nuclear is now based in Spokane.)

Chem-Nuclear would like very much to get a disposal site in Washington. The firm's headquarters and major stockholders are in Washington. Its biggest contract has been the disposal of waste from nuclear submarines based in Puget Sound Naval Shipyard at Bremerton. But in June Chem-Nuclear lost out to Nuclear Engineering Company on a bid to lease 900 acres at the state's Richland burial facility.

This and other minor setbacks have not dampened investor enthusiasm for Chem-Nuclear. In November 1969 a Washington holding company, Great Columbia Corporation, acquired Chem-Nuclear for $318,000 worth of stock. A stock prospectus dated March 20, 1970, shows that Great Columbia is trying to raise $3 million. The holding company says up to half a million of the net proceeds would be used for "general operations of Chem-Nuclear." The prospectus indicates that Chem-Nuclear sustained a net operating loss of $14,490.04 for the nine months ending November 30, 1969.

These results do not dim Chem-Nuclear's optimism about the future of the nuclear garbage business. Fred Beierle says he has been shopping for future sites in Colorado, California, Arizona, Minnesota, Maryland and Pennsylvania. The Chem-Nuclear general manager adds that if geological studies are favorable his firm may apply for a burial license at the Gilliam County, Oregon, site early next year.

Gilliam County officials hope that Chem-Nuclear's few temporary storage tanks and drums become the center of a complete nuclear complex. William Bennett, Gilliam County's District Attorney and only lawyer, says: "All you have to do is look at the wealth atomic energy plants have brought to Hanford-Richland, Washington, and compare it with the poverty we've got here. Our county has 1,500 square miles and only 2,200 people. We want to get into the nuclear age if we have to start out with a garbage dump.

On April 20, 1970, Americans everywhere paused to honor Earth Day. Students cleaned up litter, housewives switched to biodegradable detergents and landlords turned off their incinerators. Automakers touted the electric car, soft drink companies promoted glass bottles and oil companies talked about detergent gasolines.

Even the Atomic Energy Commission's Rocky Flats plutonium fabrication plant near Denver paid its respects to Earth Day. On April 22 workmen were in the midst of excavating a mound containing 1,405 drums of contaminated waste. The nuclear garbage was being prepared for shipment to licensed atomic disposal grounds where it should have gone in the first place.

Over the years Dow Chemical Company, which operates the plant for the AEC, has buried solid and liquid waste in pits located inside and outside the plant gate. Rocky Flats General Manager Lloyd Joshel says that this spring "in view of the increased interest in environmental matters, we decided to remove any concern by reclaiming the waste material from the main burial site. This has been completed * * * The remaining burials are still being evaluated by Dow with the AEC, but the radiation levels are so low that I am personally recommending no further retrieval be made."

Much of the "increased interest in environmental matters" at Rocky Flats was generated by an April 10 meeting in Washington at the offices of the Joint Committee on Atomic Energy (JCAE). It was here that James D. Kelly, President of Rocky Flats union Local 15440, first told nuclear government officials about the unlicensed burials.

A 36-page edited record of the discussion transcribed by the JCAE staff indicates the Washington officials were surprised by Kelly's disclosure. After the union leader explained the burial problem Representative Chet Holifield (D-California), chairman of the JCAE, asked AEC assistant general manager for operations John A. Erlewine: "Do you know anything about this?"

ERLEWINE. "I first heard about it in getting ready to come to this meeting."

HOLIFIELD. "If your Mr. (Frank) Abbott (the AEC representative stationed at Rocky Flats) knew about this situation boiling out there, why didn't he tell you? * * * Doesn't he recognize the importance of it from a public standpoint? * * *"

ERLEWINE. "I am not sure I can answer precisely, Mr. Holifield * * *"

HOLIFIELD. (after asking several more questions) "I understand you don't know whether it is uranium or plutonium. Probably it is plutonium . . . This would be a very serious thing if Dow was taking upon itself the burial of plutonium waste without going through the established procedures. I would assume if this is low level waste that there would be probably a prohibition against this convenient burial and that it should have been put in some permanent high level waste burial ground like we have at Hanford. (After several more questions Holifield turns to union leader Kelly.) What is your understanding—and I am asking for information now—about the location of the material you think is buried there? Is it inside the fence?"

KELLY. "Some inside and some just outside."

HOLIFIELD. ". . . Then they had better build a new fence if there is some outside the fence . . . You can fence it in both from inside and outside so that nobody wanders over it . . . How long would it take you to get the facts about walking over that (burial dump) with a measuring device to find out if there is any seepage from the ground into the atmosphere that would be in any way unsafe or alarming?"

ERLEWINE. "It probably simply requires a phone call. I am confident they have done this. I can't tell you they have done it."

HOLIFIELD. "Am I going to have to get on a plane and go out there (to Denver) and walk over it myself with a measuring device and try to read it as a layman?"

On April 14, four days after the meeting at the JCAE headquarters, workmen at Rocky Flats began removing the 1,405 drums from the main burial site located 150 yards northwest of Gate Nine. The work was completed May 28 and a June 2 Dow report written by R. M. Vogel of the Health Physics section states that: "Ten percent of the drums had holes . . . apparently caused by rust and corrosion . . . Many of the liquid drums developed leaks during handling or after exposure to air and sun." Vogel added that "no detectable alpha contamination was found in the soil" around the burial site.

On June 28 Local 15440 struck Dow seeking a substantial wage increase and union participation on a company safety committee. Union leaders including President Kelly subsequently visited with Colorado Lieutenant Governor Mark Hogan, a Democrat who is challenging incumbent Republican John Love in this fall's gubernatorial race.

The union officials complained of unsafe practices at the plant and Hogan wired Congressman Holifield July 18 that the JCAE should hold a congressional investigation of safety at Rocky Flats. Hogan said that although 1,405 barrels had been removed, more nuclear garbage remained. He charged that "Dow records are inadequate and do not reflect the precise burial pits where the nuclear material rests."

Hogan also charged that Dow had paved over soil contaminated with plutonium from leaky storage barrels. He suggested that this may be the plutonium responsible for increased contamination in Old Woman's Creek, a source of water supply for Westminster and part of Arvada (plutonium has a radioactive half-life of 24,400 years).

Holifield promptly dispatched AEC inspectors for a look and on July 23 he sent an optimistic reply to the Lieutenant Governor. Apparently all the fears Holifield expressed during the April 10 JCAE meeting in Washington had been dispelled: "With regard to your concerns about the 'burial' sites . . . there seem to be no immediate problems or the chance of leakage of radioactivity to Old Woman's Creek from the newly paved area . . . Since none of the evidence suggests the existence of risk to the people or the environment of the State of Colorado, I see no reasons for holding hearings about the status of operations of the Rocky Flats Plant."

Later in the summer the strike ended and Dow promised the Colorado State Department of Health that it would dig up the contaminated earth that had been paved over. Plans call for shipping the radioactive waste to an authorized AEC burial ground. Dow said the job would be taken care of just as soon as task force figured out a way to scrape up the contaminated earth without inadvertently blowing some plutonium into the Denver area.

EXHIBIT 4

[From the Anchorage News, Feb. 21, 1971]

ATOMIC WASTES BECOME NIGHTMARE

WASHINGTON.—What once looked like an easy way to get rid of the nation's growing sea of deadly radioactive wastes—dump them in Kansas' salt beds—is rapidly turning into another environmental nightmare.

Scientists are tearing apart the Atomic Energy Commission's bland assurances that burial in the state's salt vaults will be completely "safe."

They've discovered, for one thing, the AEC doesn't have the vaguest idea of how the wastes, which will give off 1800-degree heat as well as intense radiation, will react with the salt. No one has determined if they could end up polluting water and air by melting or cracking through the salt or triggering an explosion.

Nor has much study gone into other long-term effects of dumping tons of radioactivity into one place—material that by most estimates would remain dangerously "hot" for the next 500,000 years.

In the opinion of some Kansans the AEC's lack of research smells of one thing: expediency.

"The AEC is in a bind," says an aide to Rep. Joe Skubitz (R-Kan.), an opponent of the dumping plan. "They are holding this radioactive waste in liquid form in temporary vats and the vats will soon wear out. They've got to get rid of it and the salt mine in Kansas is the only place they've studied."

Skubitz, who is trying to kill the $25 million project by stopping a $3.5 million down payment appropriation, points out that vast underground salt beds exist all through Michigan, Ohio, Pennsylvania and New York —states where many of the existing or proposed nuclear power plants which generate the waste are situated.

The AEC proposes to transport the wastes, after removing the liquid, in steel cylinders imbedded in 100-ton ceramic blocks to prevent radiation exposure to the public. Each block would contain some 10 billion rads of radioactivity—enough to kill everyone in the nation if dispersed in the air.

The cylinders are to be lowered 1,000 feet below the surface of the Lyons Mine and dropped by remote control in holes bored in the salt.

At present, they say there is no information as to what will happen next. But there are fears the cylinders could melt right through the salt or the waste could react with minute amounts of water in the salt and cause an explosion that would vent radioactivity to the surface.

The AEC has told the state's geologists the heat over a period of time will raise the temperature of the surface only 1 degree. But the Kansas scientists dispute this, saying it could rise 13 degrees and change the surface environment considerably.

Again, no one is certain.

Opposition to underground burial of nuclear wastes already has stymied the AEC in Idaho and Washington. The suspicion here is that if Kansas also defeats the plan, no state will ever buy it and the AEC will have to go elsewhere.

This would spell big trouble for the struggling nuclear power industry, which already has had many plants held up because they would inflict other types of environmental damage. Without waste disposal they can't operate.

Meantime, there is the matter of the AEC's temporary storage vats containing some 80 million gallons of radioactive "soup." They are deteriorating a little more every day.

EXHIBIT 5

[From the Los Angeles Times Sunday magazine, June 18, 1972]

DIG HERE FOR DOOMSDAY—HOW THE PEOPLE OF HANFORD STOPPED WORRYING AND LEARNED TO LOVE RADIOACTIVE GARBAGE

(By Roger Rapoport)

Anyone who has spent a generation making plutonium for nuclear bombs expects problems periodically. Perhaps that's why it's hard to shock the 6,300 men and women who work at the Atomic Energy Commission's 570-square-mile Hanford Reservation in southeastern Washington. Over the years they have lived through a nerve-wracking succession of fires, explosions, reactor accidents and contamination incidents involving dangerous quantities of radionuclides. They have had to contend with leaky nuclear waste tanks, unanswered seismic questions, contaminated ducks and oysters. Hanford's environmental practices have been criticized periodically by experts from the Environmental Protection Agency and the National Academy of Sciences as well as such diverse magazines as *National Geographic*, *Environment* and *Parade*.

The 56,000 people who live immediately downwind of the AEC reservation have traditionally dismissed criticism of Hanford's problems as mere sensationalism. But now, without warning, a federal agency has quietly handed down the gravest indictment ever leveled against the Hanford operation. The charges center around the AEC's dumping of 300 kilograms of plutonium directly into 14 earthen trenches. This is enough plutonium to make 300 Nagasaki-size atom bombs.

About 100 kilograms have ended up at the bottom of trench Z-9. The study concludes that "due to the quantity of plutonium contained in the soil of Z-9, it is possible to conceive conditions which could result in a nuclear chain reaction." What makes this report hard for Hanford to discount is the fact that it was written by the Atomic Energy Commission. And what makes it worrisome, according to Environmental Protection Agency experts who have studied the data, is that the chain reaction could, at worst, generate a mud-volcano type explosion that might vent lethal plutonium to the Hanford area.

Understandably, this vision of nuclear garbage spontaneously erupting in the AEC's face has prompted the agency to propose an astonishing solution in a report known as WASH-1520, which suggests that Congress give the AEC $1.9 million to build an automated plutonium mine that would exhume the worrisome 100 kilograms from trench Z-9. Since plutonium is an artificial element made out of uranium, this would be the first plutonium mine in history. The request is part of the new AEC budget bill which has already passed the Senate.

Although the WASH-1520 report has not won public attention until now, it has created an underground sensation inside the AEC's sister agencies. The prospect of the AEC mining its own nuclear garbage has Washington's inner sanctum rolling in the aisles. But the nuclear professionals are not amused; they believe WASH-1520 could have a sobering effect on Hanford and the embattled atomic energy industry. Because the digging up of trench Z-9 may raise more questions than it answers.

To begin with, the AEC report admits that vast quantities of plutonium, the most carcinogenic (cancer-causing) of all its wastes, have been dumped straight into the earth; no tanks, drums or boxes of any kind separate it from the soil. This disclosure might shake public faith in the AEC's ability to guard, manage and regulate the nation's growing inventory of nuclear waste. It could also hurt public utility and reactor manufacturing companies which are eagerly promoting the growth of commercial nuclear power plants. How can they sell the public on the safety of new reactors when a nuclear citadel like Hanford can't even handle its own garbage? And in Hanford, where civic leaders are trying to turn the AEC reservation into an atomic industrial park, recruitment might suffer. After all, some corporations might think twice before building a new plant near potentially explosive nuclear garbage.

Local and state development agencies tout Hanford as the perfect solution to nuclear siting problems because of its 570-square-mile exclusive area, ample water from the Columbia River, licensed waste disposal site, fuel reprocessing plant and trained technical pool, in addition to a sympathetic press and community (even the local Sierra Club has endorsed the reliability of Hanford's reactor operations).

All these attractions are part of the community's inheritance from the Army and the AEC. In February, 1943, the Army marched into southeastern Washington with a court order and condemned the 570-square-mile expanse along the banks of the Columbia. The homes and farms of 1,200 residents were condemned and everyone was evicted, without explanation, on 30 days notice. The evacuees were quickly replaced by 51,000 federal workers who swarmed in to build the plutonium reactors necessary to supply America's infant atom bomb business.

Eventually nine Hanford reactors would supply plutonium for the Nagasaki bomb, as well as a good share of the cold-war nuclear arsenal. Most of the plutonium was produced under the postwar leadership of the AEC and its flock of civilian contractors like DuPont, General Electric, Douglas-United Nuclear and Atlantic Richfield Hanford Company. The nearby tri-cities of Richland, Pasco and Kennewick flourished with the influx of permanent employees. Residents took over the old government-issue homes and apartments; they erased the company town image with renovation and landscaping. Civic-minded scientists built up first-class school, library and park systems that helped win Richland "All-American City" honors as a "key city of the atomic age."

Nonetheless, much of Hanford's work remained a great mystery to local residents. Tight security reigned over the reservation during the 1950s, as the AEC and its contractors irradiated uranium in eight reactors spread along a 20-mile stretch of the Columbia. Then the fuel elements were shipped up to an interior plateau known as the "200 area." The heart of this nuclear nerve center was the Purex plant that separated irradiated fuel elements into classified (weapons-grade) and unclassified plutonium nitrate and uranium. The plutonium nitrate solution went into a finishing plant where it was purified and converted to a grayish metal. Most of the output ended up at the AEC's Rocky Flats plant near Denver, where it was made into triggers for hydrogen bombs and warheads.

But residual plutonium and other isotopes were carried off as liquid wastes into bottomless trenches such as Z-9. Lined with concrete on the top and sides, the trenches were left open at the bottom to permit the contaminated liquid to seep down into the soil. The idea was that the soil would absorb plutonium and other isotopes in much the same way that a water softener traps minerals.

The key to this technique is the fact that plutonium is insoluble in alkaline water. Since the water around Hanford is alkaline, the plutonium can't dissolve, seep down to the water table and reach the Columbia River. While the water percolated through the ground, the plutonium would be retained by the soil near the trench. Each year more than a million gallons of plutonium-contaminated waste was disposed of in this manner. When Hanford experts judged the ground beneath a trench to be loaded with plutonium, they moved on to another.

Oscar J. Elgert, Hanford's director of production and waste management, says the trenches were considered a relatively foolproof disposal method: "We monitored them extensively and encountered no problems at all." The AEC also took pride in Hanford's 151 underground storage tanks that would eventually hold 65 million gallons of liquid waste, some of it boiling hot. Other liquid wastes were piped into settling ponds, where the intensity of certain radionuclides could diminish with time. Contaminated equipment, machinery, tools, rags and glassware went into solid-waste burial trenches. Classified nuclear garbage was stuffed inside boxes before being dumped in special burial grounds. The top-secret waste consisted primarily of instrumentation connected with the nuclear weapons program. With all these facilities, Hanford quickly became the West's leading nuclear disposal site, attracting hot federal garbage from as far away as Colorado and California.

The Richland operations office which administers the Hanford works was also winning safety prizes from AEC headquarters in Washington, D.C. Between March 28, 1951, and March 10, 1958, the Richland operation was injury free—the best record ever set by an AEC field office. Not a single employee was kept off the job because of a work-related injury. But while no one in the Richland front office was injured in the line of desk duty, the blue-collar employees at the Hanford works encountered a variety of challenges during this safety period. Thirteen serious accidents, explosions, fires, contamination incidents and train wrecks cost the Richland office over $1.1 million.

Then in 1958—shortly after Richland had carried off first-place safety honors—technicians discovered that one of their giant underground liquid waste storage tanks had sprung a leak. Over the next dozen years, 12 tanks would leak about 300,000 gallons of hot waste into Hanford's soil. Another 61,000 gallons would leak from transfer lines carrying the waste from the plants to the tanks. Clearly the AEC would have to find a new way to handle 65 million gallons of liquid waste stored in the tank farms.

Despite these and other problems, Hanford managed to win a prime piece of the nuclear pork barrel in 1962. The community sold Congress on the idea of converting Hanford's ninth reactor, then under construction, into a dual-purpose unit. The new N reactor would simultaneously make plutonium for the military and supply steam to generate electricity for the Washington Public Power Supply System (WPPSS).

Private utilities, the U.S. Chamber of Commerce, Republican leadership and powerful eastern commercial interests fought the plan, which they saw as a TVA-type scheme that would further reduce the Northwest's bargain electricity rates and lure heavy industry away from the East Coast. The AEC countered by warning of an impending Northwest power shortage and stressing the economic virtues of converting N. For one thing, it would cost less than a comparable commercial reactor. AEC licensing officials had stipulated that commercial reactors of this size and type had to be protected with a containment dome that would trap radiation that might be released during a reactor accident. But since N was federally owned, it did not have to comply with specific AEC standards for commercial reactors. Thus the protective dome could be eliminated at a savings of $8 to $10 million.

Congress bought this idea and architects immediately began modifying N. Instead of using a conventional reactor vessel, the dual-purpose unit would have 1,004 independent process tubes. Each tube would function like a minature reactor, complete with its own cooling system, collectively the tubes would irradiate uranium fuel that would later be separated to recover plutonium. The waste steam would power electrical generating turbines owned by WPPSS. The N reactor would cost the AEC $195 million, and the WPPSS steam-generating plant would cost the utility $122 million. The utility was expected to eventually pay the AEC $125 million for the steam.

On September 26, 1963, shortly before he was assassinated, President John F. Kennedy flew to Hanford to help break ground for the steam plant. "What we are doing here they should be doing around the world," Kennedy told a crowd of 37,000. "I think we are going to show the way."

N quickly turned out to be an economic lifesaver for Hanford. Just four months after the ground-breaking, President Lyndon B. Johnson announced a cutback in Hanford plutonium production. The community's desperate campaign to save the old reactors was weakened by a May, 1964 report from the Federal Water Pollution Control Agency (FWPCA). The document charged that Hanford reactors were dumping substantial quantities of radionuclides into the Columbia River. The FWPCA recommended that "measures be taken without delay to reduce radioactive contamination of the lower Columbia River by 50 percent, with particular reference to phosphorus-32 and zinc-65." Heavy concentrates of both isotopes had been found in downstream fish and oysters.

Hanford operations were further complicated by another series of fires, explosions and contamination incidents. On November 3, 1964, a roof fire did $316,900 damage to the aquatic laboratory building. An explosion during manual reignition of an oil-fired boiler caused $75,000 damage on July 31, 1965. On August 23 a fire and explosion in a glovebox (a shielded enclosure that allows technicians to handle radioactive materials remotely) spread extensive contamination and cost $76,800 to repair. Then on September 29, 1965, a zirconium tube failure in a test reactor resulted in gross contamination of the reactor core and interior containment shell. Damage totaled $895,000.

By 1966 three of the old plutonium reactors had been closed and Hanford employment was tapering off. The FWPCA was back with another report charging that the Atomic Energy Commission's negligence "has resulted in the worldwide acknowledgement of the Columbia River as the 'most radioactive river in the world.'"

While the AEC was fending off the FWPCA, contractors were putting finishing touches on the N reactor steam plant. On December 9, 1966, the 860-megawatt plant began feeding power into the Northwest grid managed by the Bonneville Power Administration (BPA). The new unit was the largest nuclear power facility in the nation and the WPPSS was justly proud: "With the completion of this plant we have turned a sword into a plowshare and still retained the sword."

Unfortunately, neither the sword nor the plowshare met expectations. The N reactor and steam plant were constantly plagued by fires, leaks, mechanical breakdowns and corrosion in valves, tubes, heat exchangers, boilers, transformers and the cooling system. An oil fire in a heat exchanger did $185,000 damage. A boiler damaged during transit was repaired but failed to work properly. The unit was replaced but the new boiler developed leaky tubes. Two transformers failed and had to be replaced. Heat exchanger cells had to be retubed. Partial blockage of the cooling system shut the reactor down. Normal reactor problems were compounded by N's 1,004 process tubes. Failure of the independent valves or cooling systems for any of the 1,004 tubes could shut down the reactor. Even N's emergency shutdown system failed at one point and a backup system had to be used.

The unit was also inefficient. Because N's plutonium was an inferior grade, it had to be mixed with high-purity plutonium from other reactors to be acceptable for nuclear weapons use. Performance was even worse on the power generation side. Originally estimated to produce electricity 82 percent of the time, N's availability factor turned out to be only 45 percent. In 1968, in spite of operational costs of $10.3 million, N only produced $8 million in revenue. Frequent shutdowns, sometimes during periods of peak demand, forced the Bonneville Power Administration to classify the plant as "a producer of surplus energy."

N's performance was a disappointment to the community, particularly because the AEC was continuing to shut down the old reactors. The banks of the Columbia began to resemble the Nile as the units became nuclear pyramids; the agency would eventually spend $4 to $5 million cementing in each reactor.

But as the reactor business slowed down, the garbage business picked up. In 1968, after a decade of research, the AEC figured out a solution for all those leaking waste storage tanks: The experts decided to begin boiling off the 65 million-gallon waste inventory. Five million tons of radioactive salt cake would be left behind at the bottom of the tanks. Eventually this residue would be solidified and dumped in a Kansas salt mine or shot to the sun by rockets.

In 1969 the Federal Water Pollution Control Agency asked AEC for permission to view this solidification program and other aspects of the "200 area" operation. Federal geologist Jack Sceva, who was with the FWPCA at the time, says: "They wouldn't let us in to see the processing and waste handling operation. They felt we might come up with critical comments that would contradict their own surveillance program."

Indeed, the AEC had spent millions on extensive surveys that always conclude that "the total (Hanford) dose to members of the public has always been well within appropriate limits" and that "the radioactive wastes generated by the plants have been under sound and continuous control." Careful study of these reports reveals, however, that the tri-cities have been picking up some excess radiation from the AEC operation.

For example, a 1969 study showed that consumption of half a pound of a contaminated duck found on the Hanford reservation would result in a radiation exposure three times that now considered permissible by federal standards. Some studies showed that if a fisherman stood on the Columbia River shoreline for as much as 500 hours during 1969, he might have incurred a gonad exposure to external gamma radiation (of Hanford origin) of 8.5 millirems. Teen-agers who sunbathed, swam and water-skied on the Columbia might be subjected to as much as 53 millirems—10.6 times the AEC standards that will go into effect for nuclear power plants in 1974.

Shut-down of the older reactors reduced tri-city radiation levels somewhat, but did not please the job-hungry community. Industrial recruiters scoured the nation for firms that might be interested in siting nuclear power plants, reprocessing plants and garbage dumps on the Hanford site. After a May, 1969 fire devastated the AEC's Rocky Flats plutonium fabrication facility near Denver, Hanford residents demanded that the AEC shift the work to their town, but the plea went unheeded and Rocky Flats was rebuilt. Hanford had to settle for an AEC diversification program that added a hotel-convention center, cattle feed lot, meat-packing plant and nonnuclear research facilities to the community. Residents watched helplessly as the government continued shutting down the plutonium reactors.

In 1970 the Hanford operation received another blow when Senator Frank Church of Idaho succeeded in forcing the AEC to release a National Academy of Sciences study of its waste-disposal practices. The AEC-commissioned study, which had been suppressed for four years, concluded that all the AEC's main disposal sites, among them Hanford, were unsafe. The NAS report criticized numerous aspects of the Hanford operation, including the liquid waste trenches. It noted that seepage of Hanford's waste tritium and ruthenium might eventually contaminate the Columbia and suggested that, to avoid this possibility, "plant operations may have to be curtailed or other means found for disposal of waste."

While the community defended itself, the White House Office of Management and Budget was analyzing the sorry economics of Hanford's last two operating reactors, KE and N. In January, 1971, both reactors were shut down on 24 hours notice. After soaking up $1.1 billion in federal funds, the community had hit bottom. Without the reactor there would be no need for separation and purification plants; eventually, there wouldn't be any new garbage to bury. Faced with the loss of 6,000 jobs, the community launched a desperate campaign to save the N reactor. Governor Dan Evans and Senator "Scoop" Jackson led the fight straight into the White House. They were buttressed by a local "Committee of the Silent Majority" that told townspeople, "Everyone who can write, should write—housewives, kids, everybody! Every member of your family should write a separate letter." Children were provided with a suggested form letter:

Dear President Nixon,

Please don't shut the reactors down. My daddy will not have a job.

Sincerely,
Tommy Smith

Thirty-five thousand letters poured into the White House as the President's budget men quietly explained that the AEC could make its plutonium cheaper in South Carolina. When the Hanford team cried that loss of the N reactor would plunge the Northwest into a power shortage, the budget office replied that the unit "has been beset by operating problems which have resulted in low reliability . . . The Bonneville Power Administration . . . does not consider . . . the N reactor as a part of its dependable capacity."

WHILE CRITICS ISSUE WARNINGS, THE DUMPING CONTINUES

The local utility, WPPSS, offered to take over the N reactor, but since N did not meet the AEC's standards for commercial nuclear plants, millions of dollars in improvements—such as a containment dome—would be required before the AEC would let WPPSS run the unit. However, the AEC was willing to run N if WPPSS would pay for the steam. WPPSS agreed and by July N was back in operation. The only catch was that the steam cost $20 million a year—about double the value of the plant's power output. Although N's power cost was nearly triple the cost of the Bonneville system's other electricity, WPPSS was seriously considering trying to upgrade the unit and buy it from the AEC.

The salvation of N kept the Hanford operation intact. The separation, purification and waste-disposal operations continued to hum. Development of experimental facilities for the AEC's new fast-breeder reactor program helped level off the AEC payroll at 6,300. WPPSS was talking about building a brand new nuclear reactor, and another firm was interested in developing a fuel reprocessing plant. Site security relaxed, and Hanford's conversion to a commercial atomic park seemed imminent.

Meanwhile, in the laboratories, scientists were coming up with some frightening new information about trench Z–9. Sophisticated new monitoring systems indicated that the trench might contain far more plutonium than originally had been anticipated. Flooding of the trench, after a record snowfall and rapid thaw, might moderate the neutrons and touch off a chain reaction. Atlantic Richfield's James Warren, who manages the waste operation for the AEC, admits that a chain reaction could vent some plutonium-contaminated steam to the atmosphere. Robert C. Scott, who manages the EPA's Office of Water Programs western field office in San Francisco, projects more serious consequences. Scott, a member of the elite National Academy of Sciences team that wrote the censored report on AEC disposal practices, believes that "the heat from the chain reaction would cause the trench to explode like a mud volcano." Vast quantities of radioactive steam might be spewn out and carried by the prevailing winds to the tri-cities.

Scott, who carefully studied the Hanford operation while working on the NAS report, points out that the dangers of the trench situation could also be aggravated by a change in the nature of Hanford water: "A change in the chemistry of the water limits the ability of the soil at the bottom of the trench to retain the plutonium. If the water suddenly becomes acidic or highly saline, the plutonium may begin dissolving and wash down to a lower soil strata with greater absorption capacity. Here the plutonium might leach out and concentrate even more heavily. . . . This could pose a far more immediate chain reaction threat than Z–9."

What could make Hanford's water more acidic or saline? "Irrigation, industrial waste from nonnuclear plants or septic tanks associated with rural subdivisions could do it," Scott explains. "All these things could put nonnative chemicals like sodium, lithium, magnesium or ammonia into the soil." Another problem could develop from a sudden rise in the water table beneath the trenches, which might also help touch off a chain reaction. Scott says, "Considering the fact that plutonium has a radioactive half-life of 24,400 years, they should not be dumping it in the ground. The EPA has been trying to get into the Hanford '200 area' to view this trench problem, but the AEC won't let us in. They say it's none of our business."

The AEC insists it has analyzed all these situations and concluded that Z–9 is under control for the time being. The agency is so confident that each year it continues dumping about 1.5 million gallons of plutonium finishing-plant waste into a smaller trench called Z–18. The AEC's Oscar Elgert says: "We're planning a new system for this waste, but it won't be ready for a while. If we stopped dumping in Z–18 right now, we'd have to close down our whole operation."

And that is why the AEC continues to pour plutonium into one Hanford trench as it asks Congress for $1.9 million to dig up another. The agency expects to earn a profit on the Z–9 mine by recovering 75 kilograms of recoverable waste worth $3 million.

The Hanford community is happy about the project because it will create new jobs. Even local environmentalists stand behind the AEC. Gene Murphy, head of the Rattlesnake Hills Sierra Club, says his members find Hanford a great place to raise a family. The chapter even endorsed salvation of the N reactor during the 1971 battle. At the time of the endorsement, Murphy was a communications specialist with Douglas-United Nuclear, the contractor that operates the N reactor for the AEC: "Sometimes you have a little quirk of conscience and wonder if you're letting the pocketbook dictate your conscience," Murphy says. "But most of us really like it up here. The air is clean, the streets are safe; it's a great place to raise a family. Most of us who used to live in big cities would never go back. It sure beats the hell out of living in L.A."

EXHIBIT 6

[From the Los Angeles Times, July 5, 1973]

THOUSANDS PERILED BY NUCLEAR WASTE—AEC CONTINUES CALCULATED RISKS DESPITE NUMEROUS NEAR-DISASTERS

(By Lee Dye)

Mismanagement of highly radioactive waste products generated by atomic reactors over the last three decades is threatening extensive areas of the United States with massive contamination, jeopardizing the safety of thousands of residents, The Times has learned.

The U.S. Atomic Energy Commission, official custodian of these deadly byproducts of the nuclear age, repeatedly has taken calculated risks and on many occasions disaster has been avoided partly because luck has been with the AEC.

Today, the AEC is unwilling to admit the gravity of the problem and apparently is intent on following an equally dangerous course in the future despite scientific opinion that the crisis can be resolved safely.

The story of the last three decades is told in reflections by scientists in reports from private consultants, advisory commissions, governmental agencies and even the AEC itself.

DEADLY RADIOACTIVE LEAK

The evidence:

More than half a million gallons of deadly radioactive liquid has leaked from huge storage tanks at the AEC's Hanford facility near Richland, Wash. Some of the liquid is so hot that it boils from its own radioactivity and if allowed to boil dry would melt through its steel tank. The leaks have released such deadly radionuclides as plutonium, strontium 90, cesium and others.

Other leaks have occurred at a similar facility at Savannah River, S.C. And in at least one case some of the radioactive elements entered the water table there.

Plutonium, the most carcinogenic (cancer causing) agent known to man and quite possibly the most dangerous substance on the earth, has been buried in ordinary steel drums at the National Reactor Testing Station near Idaho Falls, Ida., despite stern warnings that the drums would leak.

Radioactive materials have been found in the ground water beneath the Idaho Falls facility and could pose a serious threat to water supplies for much of the Pacific Northwest.

Accumulation of plutonium in a trench at the AEC reservation near Richland has reached such a high level that a nuclear chain reaction is possible, according to an official AEC report. The AEC is now developing equipment to mine its own trenches in hopes of recovering the plutonium, which is used in the construction of atomic bombs.

SCOPE OF PROBLEM STAGGERING

The scope of the problem is staggering.

It has been estimated, for example, that there is more radioactivity stored at the single Washington reservation than would be released during an entire nuclear war.

The crisis is intensified by the nature of the materials. For example, plutonium is produced when uranium is bombarded with neutrons during the reactor process. It takes 24,000 years for plutonium to reduce its radioactivity by one half (thus it has a half-life of 24,000 years). Once ingested, plutonium attacks the bones and lungs. A tiny speck can prove extremely hazardous.

As a result, this deadly manmade substance must be isolated from man's environment for thousands of years.

Top scientists insist that it can be done. But time is running out. Nuclear power is still in its infancy but in the decades ahead atomic reactors will proliferate as the world moves fully into the nuclear age.

"We are in a mess right now," one key AEC consultant confided to The Times, "and what bothers the hell out of me is we are only on the toe of the nuclear age."

"We're sitting on a time bomb," he said.

The consultant is a scientist with considerable national standing. He is a strong supporter of nuclear power, but he believes the nation is in serious danger because of the AEC's failure to resolve the radioactive waste crisis.

It is the waste, not the generation of power or the nuclear reactors themselves, which has brought the country to the brink of a national emergency, he insists.

DOCUMENTS GIVE DETAILS

The consultant's identity is withheld because he fears that he and his associates would be harmed professionally by disclosure of his name.

However, he and others have furnished The Times with documents which reveal some details of the AEC's failure to deal with the problem adequately.

In a sense, it all really began on Dec. 2, 1942, when scientists operated the first self-sustaining nuclear chain reaction during the wartime Manhattan project.

The experiment confirmed the possibility of constructing a weapon of incredible potential at a time when this nation was at war.

In order to build the bomb, however, it was necessary to build a series of nuclear reactors to produce the fuel. A search was launched for a site on which to build the reactors.

It was determined that the reactors would have to be located far from any heavily populated areas, in a suitable climate, with abundant quantities of cooling water and electric power.

Searchers soon hit on the area near Richland, Wash., and on Jan. 16, 1943, Gen. Leslie Groves, head of the wartime atom bomb development project, approved the site.

Time had not permitted exhaustive geological examination of the area, but in the years ahead, luck would fall in favor of the sprawling federal reservation that became known as the Hanford Works.

The bomb brought the end of the war, but the end of the war did not bring the end of the bomb.

In the succeeding cold war, the nation continued to add to its nuclear stockpile and nine reactors were built at Hanford to aid in that effort. Five other reactors were built at Savannah River.

The reactors produced plutonium, but they also produced something else—enormous quantities of highly radioactive materials. Even the water used to wash the uniforms of workmen became contaminated, but the level was so low that it could be discharged into the environment without serious danger.

Not all of the problems were so easily solved, however.

The reactors also led to huge quantities of highly radioactive liquid waste. To store the waste, Hanford built more than 150 huge underground concrete tanks, lined with carbon steel. The tanks ranged up to a million gallons in capacity and were buried a few feet below the surface of the ground on a plateau about seven miles from the Columbia River.

Initially, the liquid was stored in the tanks without serious problems but as the system became more refined the waste grew more dangerous. In an effort to reduce the amount of liquid, the fluid was concentrated through evaporation.

Also, a system was developed to reprocess fuel cells from the reactors, thus regaining usable uranium but yielding liquid waste that was so highly radioactive it constantly boiled from its own heat—and would continue to do so for years and years.

The civilian Atomic Energy Commission, which took over Hanford after the war, had a problem. The self-boiling waste could not simply be dumped into the tanks because it would grow so hot it would melt the concrete and steel within minutes.

COOLING DEVICES USED

So the AEC equipped many of the tanks with cooling devices to hold down the temperature of the liquid. In addition, air was circulated in the tanks to stir the liquid, thus preventing solids from settling on the bottom and burning through the tank.

The first indication that something was wrong came in 1958, according to a 1968 secret report to the Joint Committee on Atomic Energy by the U.S. comptroller general. In August, 1958, one of the self-boiling tanks began leaking. About 35,000 gallons of the highly dangerous material seeped into the ground before the leak was stopped.

Fortunately, the clay soil beneath the tank held the liquid within the first few feet, thereby preventing it from entering the water table about 200 feet below the tank and eventually entering the Columbia River.

But it was to be the first of a long series of leaks. During the following seven years, nine more tanks sprang leaks. Losses ranged from small amounts to 55,000 gallons.

More recent leaks have been larger—70,000 gallons two years ago and 115,000 gallons within the last month.

In 1959, one year after the first leak was detected, the civilian contractor for Hanford asked that new tanks be built but the request was denied by the AEC because AEC officials believed existing tanks could be made to handle greater amounts by reducing the reserve capacity.

Two years later the contractor renewed its request warning that the last tank would be filled in 1964, and the AEC finally agreed.

TEMPERATURE CONTROL

A short time later, the AEC learned that it had erred in believing that the capacity of existing tanks could be increased substantially. Temperature control problems resulting from the greater concentration of the liquid forced the contractor to begin filling the last tank in 1963, even before construction on the newly authorized tanks had started.

For two years—from January, 1963, until the new tanks were completed in January, 1965—no reserve tanks were available for self-boiling liquids, giving rise to what the comptroller general described as "certain operational risks."

If one of Hanford's tanks had suddenly developed a major leak, it would not have been possible to pump the liquid into a spare tank. But even under those conditions, the reactors were not shut down until the new tanks were completed.

In November, 1963, the final tank began leaking, but only a small amount of radioactivity was detected. Salt was added to the tank in an effort to seal the leak, and further monitoring satisfied AEC officials that the leak had been sealed.

Although that particular tank had a proven weakness, it was filled even beyond the normal level. By December, 1964, the tank exceeded its designed capacity by 10% and exceeded the amount committed to any previous self-boiling tank by 22%.

The following month a sudden release of steam occurred, and the ground in the area began to tremble, according to the comptroller general's report. As terrifying as it must have been there was nothing the AEC could do but watch.

RISK INCREASED

Fortunately, only a small amount of radioactivity was released, followed by another small leak two months later, according to the AEC. The comptroller general's report commented:

"From the time the tank was filled in December, 1964, until the present (1968), it appears that there has been an increased risk of contaminating the environment with highly radioactive material.

"According to the AEC, while facilities have been available for emptying the tank (since 1965), the risks involved in transferring the self-boiling materials to other tanks were believed to be much greater than those incurred by allowing the radioactivity to decay in place."

The problem cited above was not an isolated incident. The civilian contractor filed a reevaluation report on the waste management program in 1967, warning that 10 tanks already had leaked and 14 others then in use were weakened through structural stress and corrosion.

REPORT QUOTED

To back up its claims, the contractor quoted from a report by the Illinois Institute of Technology, which had been hired on a consulting basis to determine the condition of Hanford's tanks. The report stated:

"Current analyses by the Illinois Institute of Technology have revealed that the self-boiling tank structures are being stressed well beyond accepted design limits."

As of this date at least 42 million gallons of high-level liquid radioactive waste are stored at Hanford. While the AEC maintains that it now has ample spare storage at Hanford, most of the tanks being used are between 20 and 30 years old.

Some tanks are being reused despite warnings to the contrary by the Illinois Institute of Technology and others. IIT estimated the life expectancy of the older self-boiling tanks at 20 years and warned that it probably would run much less.

Confirmation of that came recently when at least 115,000 gallons escaped into the ground. The loss amounted to nearly one-third of a 29-year-old tank's contents, and the leak was not detected for several days.

The AEC insists that all of the radioactive particles which have leaked from Hanford's tanks have remained in the soil, far above the water table.

THREAT MINIMIZES

Thomas A. Nemzek, manager of the Hanford operation, insisted in an interview with The Times that none of the material released so far has reached ground water. And he said that even if it did it would take at least 1,000 years for it to travel through the water table and into the Columbia.

By that time, most of the radioactive material will have decayed to the point that its threat to man will be minimal, he said.

Other geologists expressed considerable skepticism over Nemzek's figures.

The figure is not included in numerous other pertinent data, including the comptroller general's report, a study by the National Academy of Sciences, plus several geological studies of the area.

Pressed for a fuller explanation, Nemzek said the estimate resulted from experiments with a "model" of the tank area.

A scientist who has worked with the AEC on this particular problem agrees that it would take thousands of years for the material to reach the Columbia via the water table, but he insists the problems growing out of the leakage are severe, nonetheless.

If it should ever become necessary to remove the tanks or excavate the area, radioactive particles would be exposed. Winds could carry the particles to populated areas, he said.

DEADLINESS REMAINS

The material closest to the surface includes plutonium. That element decays so slowly that 24,000 years from now half of all the plutonium that has been spilled will still be there and just as deadly as ever.

If the AEC is sure that the leakage has

not posed a serious threat, why not just dump the tanks? The Times posed that question to Nemzek's associate, Oscal Elgert, Hanford's director of production and waste management programs.

"It just isn't done," Elgert said.

"We don't know what the world will be like 1,000 years from now," he added, noting that such things as water tables are influenced by man and his activities, including the building of dams and irrigation projects.

Both men were asked what would happen if Hanford lost its ability to cool the self-boiling tanks through sabotage or some natural disaster. Nemzek, director of the facility, said he did not know. Elgert said the material would "volatilize," thereby releasing radioactive material into the atmosphere.

Winds and rivers could carry the contaminants to wide areas of the country.

A program is under way to solidify the liquid wastes at Hanford, and within a few years all of the liquid now stored in the older tanks should be solidified. That will make it easier and safer to store.

But as long as Hanford's one remaining reactor continues operating, at least some liquids will be stored there—probably several million gallons. And it will probably be stored there for many years, since it takes at least three to five years for the liquid just to stop boiling.

And, like Hanford, the AEC's other major storage facilities will continue to have problems. The AEC also maintains storage facilities at Savannah River and Idaho Falls. All three have had serious problems, and all three have come under attack by various agencies.

In 1955, the National Academy of Sciences' National Research Council formed a Committee on Geologic Aspects of Radioactive Waste Disposal to work with the AEC.

The committee issued a 10-year report in 1966 which included serious criticisms of AEC operations at all three major sites, plus the Oak Ridge National Laboratory in Tennessee.

The committee said it was impressed with the dedication of staff personnel at each of the facilities, but it expressed fears that too often "considerations of long-range safety are in some instances subordinate to regard for economy of operation."

The committee was clearly shocked over some operations, and it questioned the wisdom of AEC personnel who expressed confidence in the ability of the soil to keep radioactive particles from reaching ground water at Hanford, and especially at the National Reactor Testing Station in Idaho.

The committee found in 1960:

"At both sites it seemed to be assumed that no water from surface precipitation percolates downward to the water table, whereas there appears to be as yet no conclusive evidence that this is the case. . . . At the National Reactor Testing Station pipes were laid underground without ordinary safeguards against corrosion on the assumption that the pipes would not corrode in the dry soil, but they did.

"At NRTS, plutonium wastes are given shallow burial in ordinary steel drums on the same assumption. Corrosion of the drums and ultimate leakage is inevitable . . ."

In 1970, a full decade later, the Federal Water Quality Administration added a footnote. The agency released a study which showed that radioactive wastes from NRTS had, indeed, entered the ground water.

Only time will tell just how serious that may be.

The NRTS is located on the Snake River plain of southeastern Idaho, which is underlain by the Snake River Aquifer, one of the world's most productive ground-water reservoirs. The reservoir feeds into the Columbia River system.

LEAKAGE PROBLEM

The committee went on to warn that none of the AEC's facilities at Hanford, Idaho Falls or Savannah River was located in areas geologically suitable for the storage of high-level wastes.

Savannah River has had its own problems with leakage. Unlike Hanford and Idaho Falls, where the water table is some distance below the tanks, at Savannah River the tanks are on the same level as the water table.

There have been at least seven leaks at Savannah River and at least one of the seven resulted in radioactive waste material actually entering the water table.

The results of that are not yet known. Once it was lost in the water table it was impossible to trace, as no one knows exactly where it is or what to do about it.

The tanks at Savannah River differ from the tanks at Hanford in that the former have double steel packets, one inside the concrete and one outside.

In theory, if material leaks through the inner lining and through the concrete, it will be trapped by the outer jacket until it can be pumped into another tank. It usually works that way, but on at least one occasion the amount of leakage has exceeded the capacity of the second jacket and at least 700 gallons escaped the secondary containment before workmen could begin pumping the material into a spare tank.

According to the AEC, some of that entered the water table.

The AEC also concedes that no one knows just how long tanks like those built at Savannah River will last. The comptroller general's report indicated that the AEC would continue using the tanks until it found out just how long they would last.

Problems of waste disposal are not limited to the large tanks. Hanford has its own peculiar problem these days.

For more than two decades Hanford has dumped relatively low-level liquid waste into concrete-lined, enclosed trenches. The liquid contained highly diluted radioactive substances, including plutonium.

The water was allowed to drain into the ground, trapping the radionuclides within the first few feet of soil. When the contamination reached a certain level, Hanford moved on to another trench.

CONDITIONS STUDIED

Unfortunately, a couple of years ago the AEC discovered that too much plutonium—more than 200 pounds—had been allowed to accumulate in trench Z–9.

"Due to the quantity of plutonium contained in the soil of Z–9 it is possible to conceive of conditions which could result in a nuclear chain reaction," the AEC conceded in a 1972 Environmental Statement.

Although the AEC has tried to play down the danger, the threat was real enough to convince Congress to appropriate $1.9 million for equipment to enable the AEC to mine its own trench.

Hanford's Nemzek insists that for a chain reaction to occur the conditions would almost have to be "engineered."

Nonetheless equipment to remove the material is under construction.

Asked what they planned to do with the radioactive material after they dig it up, Nemzek replied:

"We'll probably put it in steel drums and bury it."

FUTURE TROUBLE

What troubles many experts, however, is not only what has happened in the past but what is likely to happen in the future.

The AEC has considered a number of ways of permanently disposing of high level radioactive wastes and had expected to have facilities available in the next year or so in a salt bed in Kansas.

Most geologists believe salt would be the best formation in which to bury the waste, since the existence of salt proves that no water has been present for hundreds of thousands of years. That is significant because water moving beneath the surface could carry the material into man's food and water chain.

But the salt bed program, called Project Salt Vault, fell apart at the seams. Just as the AEC was ready to move into high gear, someone discovered that a salt mine a few miles away had lost 175,000 gallons of water used during the mining operation.

The water simply disappeared into the salt bed. Where did it go? The AEC wasn't sure but it concluded that if that much water could simply disappear, water from other sources could follow the same course and the salt bed was deemed not as safe as the AEC had thought.

Other geological problems also arose, the Project Salt Vault was abandoned, setting the AEC back several years in its waste storage program.

SCIENTISTS COMPLAIN

The AEC is now almost back where it started. It plans to build a huge "interim" storage facility, somewhere, and hold waste products there for centuries, if need be.

A number of scientists have complained that there are better ways of doing it, but they insist that the AEC is not listening.

"They don't even want to hear any other ideas," said one scientist who is closely associated with the problem.

He pointed out that the interim storage facility is expected to cost more than $300 million. The AEC's primary program aimed at exploring alternatives is now under way by Batelle Northwest Laboratories at a cost of around $200,000.

In the years ahead, the bulk of the radioactivity waste will be produced by commercial fuel reprocessing centers—probably at least half a dozen initially—scattered across the country.

Each center will be required to take care of its own waste for up to 10 years. This means they will be storing high-level liquid wastes in tanks for several years until the liquids can be converted to solids and transported to the AEC's proposed "interim" storage facility.

CALLED INSANE

Such a prospect sends chills through the veins of many experts, including UCLA's Dr. George Kennedy, an internationally known geologist who has worked with the AEC on its waste storage program.

"It's insane," Kennedy told The Times.

Kennedy, like others in his field, believes it is possible to store the wastes safely, but he concludes that the AEC is heading in a disasterous direction.

The answer, Kennedy insists, lies in permanent storage in a geological formation from which escape would be virtually impossible.

Such formations include former gas fields, which must have remained isolated for millions of years or the gas would not have formed. However, Kennedy believes salt still offers the most promising permanent repository, but he disagrees with the AEC's preference for salt beds.

Salt also occurs in giant domes, some of which are greater than 10 miles across and four or five miles deep. Salt beds generally run no more than a few hundred feet thick.

Kennedy believes the nation's nuclear waste products which will be generated during the next few centuries could be buried in a single salt dome. But he says the AEC is not moving in that direction because it is hung up on one requirement:

"Retrievability."

"They want to go around and pat it on the head each Sunday so they'll know everything's all right," Kennedy said. "You can't do that if you bury it in a geological formation."

"EMOTIONAL" ISSUE

Kennedy believes the issue of retrievability is an emotional one. It is a product of "fears voiced by people with no geological insight," he said.

"My idea is to get this stuff out of the environment in some sort of safe, permanent storage. But it can't be both permanent and retrievable," he said. "You shouldn't even use both words in the same sentence."

Dr. Gary Higgins, a senior scientist at the University of California's Lawrence Radiation Laboratory in Livermore, agrees with Kennedy.

"It's (retrievability) the most illogical thing I've ever heard of," Higgins said.

Documents within the AEC indicate that retrievability is a prime concern. The commission emphasized the point in a Federal Repository Progress Report to the Joint Committee on Atomic Energy, dated December, 1972.

But by imposing that requirement, Kennedy maintains, the AEC automatically eliminated the safest form of storage—burial in geological formations.

Kennedy has conducted a one-man campaign to persuade the AEC to consider burying the material in a salt dome. He has accumulated vast files on the subject and hundreds of letters from AEC officials—many of which suggest that it sounds like a good idea and somebody ought to do something about it.

Not all of the letters have been friendly. He received one curt note from a top AEC official, suggesting bluntly that he mind his own business.

DOMES AVAILABLE

Kennedy argues that a salt dome—unlike a salt bed—is isolated from water, and has been for centuries or the salt would not be there. He estimates there are about 400 domes in this country, several of which could be used for storage.

He proposes that one site be selected, that all nuclear fuel reprocessing be done there and the commercial sites across the country closed. The waste products could be pumped immediately into the salt dome, thereby eliminating any need for temporary storage facilities.

Wastes, for example, could be put into metal cannisters and dropped down a mine shaft. They would generate considerable heat, melting the salt at the bottom of the shaft.

The cannisters would then automatically self-bury themselves, sinking all the way to the impervious rock layer below the dome. The salt above them would "refreeze."

Adjacent oil and gas fields, which are usually found bearing up against salt domes, would prevent radioactive materials from escaping, even if they somehow managed to get out of the dome itself, Kennedy maintains. Escape from salt domes would seem most unlikely, however, because horizontal motion through solid salt for several miles would be required, he said.

Nearby oil and gas fields could also provide a repository for radioactive gases generated during the fuel reprocessing cycle, thus eliminating the present need to release much of that gas into the atmosphere.

Kennedy said France has been disposing of radioactive wastes in salt domes for years and has had no serious problems.

"They can't understand what the problem is over here," Kennedy said.

The AEC's standard response is that salt domes are being studied, as well as other suggested disposal methods.

Higgins believes several methods are possible, taking advantage of various geological formations.

A salt dome might be the answer along the Gulf Coast, he said, but other methods might be more suitable for other areas of the country. For example, several huge underground caverns already have been created by atomic bombs. At least some of these appear to be tight. Why not experiment with using one of those caverns for waste disposal?

"They are going to have to be monitored for centuries anyway," Higgins said. "Why not try it?"

Kennedy disagrees with this concept because he believes the shock of the initial blast may have cracked the geological formations which overlie the cavern.

At any rate, both men agree that the problem can be solved, but both—like many others—believe the AEC is not moving in that direction.

The AEC's standard response is that suggestions such as these are being "studied."

MAJOR SOURCES FOR ARTICLE ON NUCLEAR WASTE

Principal sources for the accompanying story on radioactive waste products include:

Consultants to the Atomic Energy Commission; experts both inside and outside of the AEC, and one scientist who has been deeply involved in many of the AEC's major programs.

Personal correspondence between one consultant and numerous AEC officials.

A secret 1968 report (Observations Concerning the Management of High-level Radioactive Waste Material) to the Joint Committee on Atomic Energy by the U.S. Comptroller General.

A 1966 report by the National Academy of Sciences; plus numerous AEC publications and reports.

EXHIBIT 7

[From the Los Angeles Times, July 23, 1973]

RADIOACTIVE RIVER—NUCLEAR WASTES SEEPING INTO COLUMBIA

(By Lee Dye)

Practices by the Atomic Energy Commission have led to the deliberate contamination of the ground water beneath the AEC's Hanford Reservation in southeastern Washington and the National Reactor Testing Station near Idaho Falls, Idaho.

The operations have placed the AEC on a collision course with other government agencies and will lead to at least one lawsuit in the weeks ahead.

The Times disclosed July 5 that half a million gallons of highly radioactive liquid waste have leaked accidentally into the soil at Hanford. AEC officials contend the spilled materials will never reach the nearby Columbia River and their views were reported in the July 5 story.

But in addition, the AEC has been deliberately discharging low-level radioactive liquids into the soil at Hanford and in Idaho. As a result, some radionuclides have already entered the Columbia, and the ground water at both sites has been contaminated.

That practice came under fire three years ago by officials with the federal Water Quality Administration who were startled by the AEC's definition of pollution during an investigation of the Idaho Falls facility.

The investigators found that contamination of the ground water below some areas of the facility exceeded federal standards. However the AEC argued that no one was using the ground water beneath the reservation and said by the time the water reached the area where it would be used most of the contaminants would have been leeched out by the soil.

In a 1970 report on Waste Treatment and Disposal Operations at NRTS, the federal Water Quality Administration noted:

"(NRTS) defines pollution as the presence in the environment of substances in quantities which are injurious to human, plant, or animal life or to property, and operates under the policy that chemical waste can be discharged to the regional ground water supply to the extent that the receiving water quality, at the point of first use, does not exceed the recommended upper limit of the drinking water standards of the Public Health Service.

"Under this policy, a severe deterioration in ground water quality beneath the NRTS and a deterioration in water quality outside the NRTS could occur without being interpreted as water pollution."

QUOTE CONCERNS SCIENTISTS

The report noted that chemical contaminants in ground water below one area of the NRTS already exceeded Public Health Service standards for drinking water, but the AEC did not regard it as water pollution because "there is no injury to human, plant, or animal life or to property at this time."

The last three words of that quote—"at this time"—focus on the reason some scientists are concerned.

The movement of water beneath the surface is subject to subtle changes, sometimes prompted by events some distance away, such as natural flooding, irrigation projects or the construction of dams. In addition, changing population patterns may place greater drains on the water supply and could result in tapping the water at a different place, such as closer to the NRTS.

The AEC's practices in this area will result in a lawsuit which will be filed soon by the Natural Resources Defense Council, Inc., of Palo Alto. John E. Bryson, an attorney with NRDC, said the suit will deal mainly with the AEC's activities at Hanford, the sprawling reservation near Richland, Wash., where plutonium has been produced for three decades for use in construction of nuclear weapons.

Reactors used to produce the plutonium also produced hundreds of millions of gallons of radioactive and chemical waste products. Some of the materials are so hot from their own radioactivity that they boil for years and must be cooled to keep them from melting the steel and concrete tanks in which they are stored.

Many of the tanks have leaked in recent years, releasing half a million gallons of radioactive liquids into the soil.

In addition, the reactors produced millions of gallons of waste products of considerably lower radioactivity, called "low level" or "intermediate level" waste.

This material has been disposed of by dumping it into sumps, trenches or dugouts called "cribs."

Most of the radioactive materials in this category are relatively short-lived radioisotopes that decay before reaching the ground water. Isotopes that would remain dangerous for many years pose a greater threat, but they are held—mostly—within the soil.

LIMITS EXCEEDED

However, according to papers presented in international symposiums in Vienna in 1967 and 1970, some long-lived radionuclides have been found in the ground water beneath Hanford. The papers, presented by scientists directly associated with the operation, confirmed that in some cases the concentration exceeded public drinking water limits. One report stated:

"Eight long-lived radionuclides have been detected in the ground water underlying these disposal sites. They are strontium 90, cesium 137, cobalt 60, iodine 125, carbon 14, ruthenium 106, tritium, and technetium 99.

"Of the eight nuclides just listed, only ruthenium and tritium are routinely detectable in the ground water in concentrations exceeding the public drinking water limits. Concentrations of strontium 90 are occasionally detected above these limits beneath some of the cribs which have been removed from service."

The papers confirmed also that some of the radionuclides had reached the nearby Columbia River, but not in concentrations above drinking water standards.

The revelations caused some concern, even on an international level in the transcript of the symposium, a noted Russian scientist, V. I. Spitsyn, observed:

"I was interested in the results presented in this paper because the problem of the release of radionuclides at this site came up at the Second Geneva Conference in 1958. At that time Soviet scientists expressed the view that radionuclides were bound to reach the ground water.

"Later on, at the 1959 Monaco Conference on the Disposal of Radioactive Wastes, it was reported that radionuclides had actually reached the ground water but that they were still a long way from the Columbia River.

"We have now heard that individual radionuclides have moved many kilometers away from the original site. While I don't suppose that this phenomenon represents any real hazard at the present time, there is no doubt that the radionuclides are moving and that this movement is not under control."

Spitsyn served for years as director of the Institute of Physical Chemistry, Academy of Sciences. USSR. He has specialized in radioactive elements in the soil and is a three-time winner of the Order of Lenin.

The American scientist presenting the paper, D. J. Brown, argued that details on radionuclides in the ground water were given at the earlier conferences, and that concentrations of nuclides entering the Columbia were "well below the drinking water limits."

The question of control, cited by Spitsyn also troubles many American scientists.

Robert C. Scott of the federal Environmental Protection Agency's San Francisco office was on a team of experts who examined the AEC's waste management program for the National Academy of Science. The team issued a report in 1966 which sharply criticized the AEC on many aspects of waste management.

Scott, who maintains that the AEC's safety procedures are better than most other governmental agencies, is concerned over dumping low and intermediate level wastes directly into the ground.

"The thing that troubles me is that they no longer have control over it," Scott told The Times.

As the liquid passes through the soil, some of the nuclides are trapped by relatively impermeable layers of rock at different levels between the surface and the water table. The phenomenon, called "perching," is beneficial in that it delays the material's travel toward the ground water, thus allowing more time for radioactive decay.

But what troubles Scott is the fact that springs are formed in a similar way. Water enters the ground at one level, travels along a relatively impermeable layer of rock underground, and eventually resurfaces somewhere else or feeds into another stream or river.

It is not inconceivable, Scott contends, that springs in the future could leech out the material which has been concentrated on the rocks beneath the cribs and carry it to the Columbia or into subterranean acquifiers which supply drinking water to communities in the Pacific Northwest.

The results could be significant, particularly in the case of some selected materials. When radionuclides reach the river they are extremely diluted, but in some cases they are reconcentrated later at various levels of the food chain.

Because of its chemical properties, cesium, for example, tends to concentrate in freshwater fish. Some authorities have said that the concentration may be as great as 1,000 times the level of contamination in the water itself.

The Columbia River is the home of one of the greatest salmon runs in the entire world, and the river's salmon turn up on dinner tables all around the globe.

In contrast to the accidental leakage of Hanford's high level storage tanks, the use of cribs, trenches and sumps for disposal of lower level waste has been deliberate.

And there have been instances when the cribs and sumps have been used for disposal of higher level wastes on an emergency basis.

One of the papers presented in the 1967 Vienna Conference notes that in 1964 a substantial amount of radiocative liquid was dumped into a Hanford "swamp" during an emergency. The liquid caused the water level in the swamp to fluctuate.

The paper stated: "At the edge of the swamp, fluctuation in water level periodically exposed contaminated mud which dried out and became airborne."

In other words, the wind blew it away.

The AEC has maintained that these problems are not serious.

The Natural Resources Defense Council disagrees and has asked the AEC to furnish an environmental impact statement on waste disposal at Hanford and elsewhere.

The AEC has declined, and the council expects to file suit soon in an effort to force the AEC to stop dumping the waste until the statement is filed.

EXHIBIT 8

[From the Charlotte Observer, Aug. 2, 1973]

IKE'S PLAN MAKES UNITED STATES A DUMP AREA FOR ATOMIC WASTE

(By Lee Dye)

Deadly radioactive waste products from nuclear reactors in foreign countries are being imported into the United States in spite of the fact that the United States has seriour problems in storing its own radioactive wastes.

At this point, it appears that the United States is well on its way to becoming the storage area for radiocative waste for much of the world.

At the same time, United States Atomic Energy Commission officials conceded that the United States has not solved its own problems of waste disposal.

However, radiocative waste products are already in storage here from Japan, Canada and Italy, and many other countries will join that list soon.

American made nuclear power plants are going into service in many countries around the world. The American firms that build the reactors also hold contracts for reprocessing the fuel, the source for nearly all of the lethal radioactive waste products generated by nuclear reactors.

The fuel rods must be returned to this country for reprocessing, and the wastes remain here.

This predicament evolved from the Atoms For Peace Program which the late President Dwight D. Eisenhower laid before the United Nations on Dec. 8, 1953. In a dramatic speech, Eisenhower pledged "this nation to the peaceful exploitation of the atom on a worldwide basis."

He followed up on that theme two years later in a message to scientists from all over the world who had gathered in Geneva for the United Nations Conference on Peaceful Uses of Atomic Energy. Referring to his earlier speech, Eisenhower said:

"I stated then, and I reaffirm now, that the United States pledges its determination to help find ways by which the miraculous inventiveness of man shall not be dedicated to his death but consecrated to his life.

"This pledge which we gave 20 months ago has become the law of our land, written into our statutes by the American Congress and the new Atomic Energy Act of 1954. The new act states in forthright language that we recognize our responsibilities to share with others, in a spirit of cooperation, what we know of the peaceful atomic art."

That pledge led the United States into a worldwide program aimed at developing atomic energy. United States scientists were dispatched to foreign capitals to encourage the use of nuclear power, and foreign scientists and technicians were imported by the planeload so that they might learn from our experiences.

Over the years American industry moved to the forefront in the promotion of nuclear power. Today, companies such as General Electric and Westinghouse build nuclear reactors for foreign countries around the world.

But as Dr. Frank Pittman, director of waste management for the Atomic Energy Commission, noted in an interview with the Times, "more money is to be made in the fuel than in the reactors themselves."

"General Electric produces fuel for reactors they have sold around the world," Pittman said.

"The sales contracts require the buyer to purchase fuel from G.E."

That means that the fuel rods from the reactors must be removed from time to time and shipped back to the General Electric Reprocessing Center in Morris, Ill. Reusable uranium and other salable radioisotopes will be extracted from the fuel rods, leaving considerable amounts of extremely deadly radioactive waste.

Those waste products will remain in this country under what the AEC calls perpetual care.

EXHIBIT 9

[From Science magazine, Aug. 24, 1973]

RADIATION SPILL AT HANFORD: THE ANATOMY OF AN ACCIDENT

(By Robert Gillette)

For most of the 7000 workers at the Atomic Energy Commission's vast Hanford Reservation—and for most of the 26,000 citizens of Richland, Washington, Hanford's residential appendage—nuclear energy long ago lost its aura of mystery. They grew up with the atom in a way most American did not; they learned to live near, if not exactly to love, potentially hazardous sources of radiation, and they learned to take for granted the strange jargon and paraphernalia of the business—"radwaste," the film badges, the head-to-toe coveralls, the scintillation counters. If nuclear energy meant a mushroom cloud to most Americans, it means a way of life to those at Hanford.

Nestled in a crook of the Columbia River in a dry, almost empty corner of south-central Washington, the 570-square-mile reservation was the site of one of the three "atomic cities" that the Army built for the Manhattan project. During the war and for 25 years thereafter, great complexes of production reactors and chemical plants (there are nine reactors, all but one of which has been mothballed) turned out tens of thousands of kilograms of plutonium for the nation's swollen stockpiles of nuclear weapons. In the process, the chemical plants also turned out more than 70 million gallons of intensely radioactive liquid waste. The AEC has been slowly evaporating the waste down into solid cakes of salt and storing the cakes in steel tanks; 42 million gallons of the waste are still in liquid form, however. Either way, it remains an exotic legacy of the postwar arms buildup that will have to be guarded for centuries until radioactive decay renders it harmless.

The waste is also an aspect of nuclear energy that Hanfordians have learned to live with quite well. Perhaps because of this necessary accommodation with the atom, and perhaps because spills of radioactive waste are not all that unusual at Hanford, officials of the Atlantic Richfield Hanford Company—the AEC contractor in day-to-day charge of all this nuclear garbage—evinced no signs of urgency in June as hints appeared of yet another spill.

In fact, they kept the bad news to themselves for an entire working day. Having confirmed at a 9 a.m. meeting on Friday 8 June that some of the waste was missing, ARHCO officials waited until 4:25 that afternoon before telephoning the AEC's Richland office and relaying the news: One of the oldest and largest of 151 underground tanks of "high-level" waste was leaking.

No one knew how long tank 106-T had been leaking, or how much of its caustic, boiling contents had seeped into the sandy soil near the center of the reservation. As a matter of fact, no one was certain how much liquid had been in the tank in the first place. Nevertheless, the AEC was advised that emergency pumping operations would begin late that night to salvage what remained in the 533,000-gallon tank.

It was only around noon on Saturday 9 June that federal authorities and ARHCO technicians began to grasp the magnitude of the problem. Picking through what recent records they could find of the leaking tank's contents (a month later, some records were still missing), technicians calculated that the seepage had begun "on or about" 20 April. For 51 days thereafter, roughly 2,500 gallons of liquid waste had dribbled out of the steel-and-concrete tank each day; the total loss is estimated at 115,000 gallons, containing 40,000 curies of cesium–137; 14,000 curies of strontium–90, 4 curies of plutonium, and smaller amounts of assorted fission byproducts.

The AEC has methodically and deliberately disposed of far larger amounts of radioactivity in Hanford's soil over the past 25 years, and quite safely, it insists. Other high-level waste tanks have also leaked. Between August 1958, and this June, an estimated 422,000 gallons containing more than half a million curies seeped out of 15 other tanks, all of which have since been "retired." But the leak in 106–T was something different. It was the largest single accidental release of radioactive waste in the commission's history, and easily its most embarrassing incident since Project Baneberry, a weapons test that went awry in Nevada in 1970, sending a puff of fallout all the way to the Canadian border.

Not surprisingly, Hanford's big leak has blossomed into one of the AEC's worst public relations disasters in years. Environmental groups have filed a flurry of lawsuits seeking to stop the flow of wastes from Hanford's two chemical reprocessing plants, and the spill has brought out a rash of frightened headlines up and down the West Coast. On the morning of 5 July, for instance, 22 days after the AEC at Richland issued a press release describing the accident, readers of the Los Angeles *Times* awoke to a six-column banner across the front page declaring "Nuclear Wastes Peril Thousands." Thomas A. Nemzek, the AEC's general manager at Hanford, has even been getting worried letters from his relatives. "They're wondering what's going on," he says. "Are we dropping into a hole, slipping into the sea?"

Whether anyone is actually imperiled is a matter of dispute. AEC commissioner Clarence E. Larson says that he's "distressed at implications that large masses of people are endangered"; as evidence to the contrary, he notes that radioactivity in the Columbia River, downstream from Hanford, is less than half that present naturally in the Potomac River. Nemzek, for his part, contends that no high-level waste has ever reached groundwater at Hanford, and he adds that, even if all the waste stored at Hanford did somehow escape and reach groundwater, radioactivity in the Columbia River would still remain within drinking water standards. In any case, the site's 7000 workers are going about their normal routines, and Richland, at last report, was calm.

More to this point is what the incident reveals about the keenness of the AEC's vigilance over the nation's vast and expanding store of nuclear processing wastes, 75 percent of which are stored at Hanford. Is the AEC really prepared to manage thousands of pounds of wastes that civilian nuclear power plants will be generating in the years ahead? And how, exactly, could it lose the equivalent of a railroad tank car full of radioactive liquid hot enough to boil itself for years on end and knock a Geiger counter off scale at a hundred paces?

The AEC has been asking itself such questions lately, and, with notable candor, is letting the public have a look at the answers. In response to lawsuits filed by the Natural Resources Defense Council and other environmental groups, the AEC has promised to write an environmental impact statement assessing the full range of its waste management programs; it is opening up nuclear waste information centers in five cities; and it is publishing a 1098-entry bibliography of research papers covering storage and disposal of wastes at Hanford from 1951 to the present.

The first real product of this open-window policy is a 129-page report on the causes of June's record leak. The report, written by a four-man committee appointed by Nemzek, attributes the accident partly to aging tanks and primitive monitoring technology, but mostly to managerial laxity and human error on the part of Atlantic Richfield. The report also contains a brief admission that the AEC's Richland operations office, which is supposed to supervise Hanford contractors, failed to detect flagrant deficiencies in management of Hanford's 13 waste storage tank "farms."

The bungling attributed to Atlantic Richfield (which has declined to comment on the report) would be unbecoming for a municipal sewage plant, to say nothing of the nation's main repository for nuclear waste. In practice, there are two ways of detecting a leaking tank. While neither method has changed much since the Manhattan Project, they both work passably well if everyone pays attention to his job. For one, tank farm operators were supposed to take weekly readings of fluid levels. Second, they were supposed to take weekly or monthly radiation readings at dry wells spotted around the tanks. If fluid levels sank and radiation in the wells rose, that meant a tank was leaking. Simple, but not fail-safe.

The problem, according to the report, was that the operators who took the readings did not know how to interpret them; and a day shift supervisor in charge of half of Hanford's tanks, who *did* know how to read the data, let 6 weeks worth of charts and graphs pile up on his desk, because of "the press of other duties," he said later, and never got around to reviewing them; and consequently a "process control" technician elsewhere at Hanford, who was supposed to be reviewing the tank readings for "long-term trends," received no data for more than a month. The technician, who was not identified, waited until 30 May to complain about the delays, but he nevertheless emerges as the hero in this dismal story. Fragmentary readings of fluid levels in 106–T arrived in his hands on Thursday 7 June, but it was enough to show that something was amiss. The technician pull out the alarm; the supervisor confirmed the leak the next morning after checking his records and promptly resigned.

All of this, the report says, led to the discovery of more far-reaching deficiencies that AEC officials had previously failed to notice or fully appreciate. Communications within the tank farm management were chronically poor; there was no "well-defined, formalized training program" for operators and no systematic checking of their qualifications; written and oral instructions to tank operators were neither "consistently applied nor completely understood"; nor was there evidence that supervisors were checking "the operator's knowledge of what he has learned"; no formal preventive maintenance program for monitoring equipment existed; and no evidence could be found that top-ranking ARHCO officials were paying much attention to the leaky tank farms, in spite of pressure from the AEC to tighten up monitoring procedures and in spite of a "growing number of radioactive leaks," as an ARHCO memorandum from September 1972 puts it.

For all its shortcomings, though, Atlantic Richfield did no more than make the worst of bad circumstances. Monitoring systems were so primitive that, even if everyone had performed up to expectations, between 27,000 and 38,000 gallons of waste would still have been lost. Moreover, the tanks were wearing out (106-T was built in 1943–44, and 108 others still in use are more than 20 years old) and the AEC knew it.

MULTIPLE WARNING

Indeed, as if periodic leaks were not sufficient warning, from 1953 to 1971 private consultants, the U.S. Geological Survey, and the Government Accounting Office (an investigative arm of Congress) all had warned the AEC that it was courting trouble by its continuing reliance on the technology of the 1940's to store the nuclear wastes of the '60's and '70's. In the face of this advice, the AEC stepped up its solidification program but turned down requests from Hanford contractors in 1959 and 1961 to build new tanks. (Since then the AEC has built six new tanks and has two more under construction, but has been forced to decommission 25 as confirmed or suspected "leakers.")

One of the first cautionary notes is found in a classified study of Hanford groundwater characteristics, prepared by the U.S.G.S. in 1953. Observing that tank-stored wastes and interconnecting pipelines had occasionally leaked, this report called the tanks a "potential hazard" and concluded that their "true structural life . . . [is] not entirely known." The U.S.G.S. report was declassified in 1960, but was not published in the open literature until this year (as Professional Paper 717).

Nevertheless, on 29 Jauary 1959, the then manager of Hanford chemical plants, Herbert M. Parker, told a congressional hearing on nuclear waste disposal that he confidently expected the storage tanks to remain serviceable for "decades" and possibly for as long as 500 years. Asked whether any had ever leaked, Parker replied that fluid levels in some had undergone "suspicious" oscillations, but that "we are persuaded that none has ever leaked."

A GAO report dated 29 May 1968 tells a rather different story, however. By then, ten tanks at Hansford had leaked 227,000 gallons of waste, all of which was said to be held in the soil beneath the tanks. The first major leak, of 35,000 gallons, occurred in August 1957, 6 months before Parker had testified. Later, the service life of remaining tanks had been reliably estimated at 10 to 20 years. The GAO said structural weaknesses and corrosion were "almost certainly present" in 14 tanks, 4 of which had previously leaked but were still in use. The AEC had apparently ignored the advice of consultants from the Illinois Institute of Technology, who said that some tanks were being stressed "well beyond accepted design limits" and that the wisdom of reusing such tanks was "debatable."

Waste managers at Hanford had little choice in the matter, however. Liquid wastes continued to pour from the reprocessing plants, but the only spare tanks on hand were those with known weaknesses. Between 1963 and 1965, the GAO said, the AEC had found itself in an even less tenable position, with no empty spares on hand. Thus, in November 1963, tank farm operators had watched helplessly from afar as tank 105–A—9 years old, with a capacity of 1 million gallons of high-level waste—sprang a small leak that was later traced to a cracked seam. In full knowledge of this weakness, Hanford continued to use 105–A for the simple reason that there was no other place to put its contents. Indeed, after the initial leak seemed to seal itself, Hanford's waste managers filled it even fuller than before, exceeding the tank's design capacity by 10 percent.

In January 1965 tank 105–A sustained further damage from a powerful internal steam explosion that shook the ground and battered tank instruments. But the tank held, and it remained in use until 1968.

The upshot of the GAO's investigation was an exhortation to the AEC to "devote more vigorous attention" to its waste management problems. The GAO report was classified, stamped "secret" on every page, and remained under wraps until December 1970.* One month later, the GAO made public a follow-up report that cited some progress toward solidifying liquid wastes and phasing out the aging tanks. Taking note of several new leaks, however, the GAO cited an "increased possibility" of still more spills and urged an "increased . . . level of effort" in waste management programs.

AEC officials insist that these criticisms were taken to heart, not ignored. Partly in response, they say, waste solidification programs were stepped up, to immobilize the waste and eliminate the need for tank storage. Technological and funding problems, however, have impeded this effort. In 1968, the AEC expected to have caught up to current waste flows by 1974; now the target date is 1976, although the AEC is thinking about asking Congress for a supplemental appropriation to speed things along.

CIVILIAN WASTES ARE DIFFERENT

What does all this have to say about the AEC's ability to handle wastes from civilian power plants? Not much, the AEC says.

"It's an entirely different problem," commissioner Larson said in an interview. "The precautions we take to keep [civilian power plant wastes] from getting into the ground will be much greater than with the defense wastes at Hanford, and our margins of safety will be much greater."

The main difference is that commercial reprocessing plants will solidify reactor fuel wastes almost immediately, before sending them to the AEC for long-term storage.

In the meantime, the incident at Hanford has suggested to the AEC that its allowances for human error may be less than adequate. The commission is looking into waste management practices at its other storage sites, and Hanford claims a heightened vigilance over its troublesome tanks. Liquid levels are now read three times a day instead of weekly; a computerized, automated leak detection system is being rushed to completion; and there is said to have been a "realignment" of sleeping watchdogs in the local AEC office.

In spite of all precautions, though, more spills from Hanford's worn-out tanks are inevitable. Thomas Nemzek said so late in June, and sure enough, on 6 July, yet another one sprang a leak of high-level waste. This time, tank farm crews were alert: They held the loss to 1500 gallons.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

FURTHER CONTINUING APPROPRIATIONS, 1975

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of House Joint Resolution 1131, which the clerk will state by title.

The assistant legislative clerk read as follows:

A resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

The Senate continued with the consideration of the joint resolution.

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. What is the situation now with respect to time on amendments?

The PRESIDING OFFICER. Forty minutes, equally divided, on the Cranston amendment, and a like amount of time on the Kennedy amendment, which follows.

Mr. McCLELLAN. Those are the only amendments about which time agreements have been entered into?

The PRESIDING OFFICER. That is correct.

The pending question is the amendment of the Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, I know that the chairman of the committee will agree that this amendment is relevant to the continuing resolution and is not, like some other amendments, in the opinion of the chairman, more suitable for attachment to the foreign aid bill.

I know that the chairman also agrees with the philosophy that lies behind this amendment. That philosophy is one opposed to our making a practice of carrying on the business of the Nation under continuing resolutions instead of regular authorization and appropriations bills. The practice of relying on a continuing resolution for a program such as foreign and military assistance threatens to subvert our normal authorization and appropriations legislative processes.

I know, also, that the chairman wants a fast conference and that he is concerned that amendments will slow down the conference with the other body. However, I point out that, quite possibly, the House conferees will also approve of the philosophy behind this amendment. Perhaps they will accept this amendment without any delay in the conference.

The summary effect of this measure is to cut increasing amounts from the military and foreign assistance portions of this continuing resolution, amounts that would increase each month as long as we operate under the continuing resolution. The cuts would start with a 30 percent reduction in the authorized amount for the month of November, and 10 percentage points would be added to the amount cut each month. Spending authority for October would not be affected, so as to allow some leadtime for planning in the first month the cuts that would become effective thereafter. These monthly reductions will apply as long as Congress does not act on the foreign aid bill and continues to rely on a continuing resolution.

The reason for this amendment is this: Those who oppose the more restrictive provisions of the foreign aid bill apparently have deliberately decided to stall for time and to delay action on the bill. Apparently, they think that some Senators and Representatives will vote one way before the November election and a different way after the election. I think that that appraisal of the way Congress would work is a rather demeaning one. I believe that we should demonstrate our determination to vote in the same fashion before and after the election.

This amendment is designed to thwart this delay maneuver by placing increasing pressure on those opposed to the limiting provisions in the foreign aid bill, so as to induce them to come to grips with and resolve the issues in that bill. Many of those opposed to the foreign aid authorization bill as reported from committee want the foreign aid and military assistance programs to continue in a large-scale way.

The foreign aid bill will follow the pending continuing resolution on the floor of the Senate. The Senate should vote on that foreign aid bill, up or down, amended or not amended, as soon as possible. I believe that my amendment can only hasten that eventuality.

My amendment starts with a 30-percent spending cut in the month of November. This 30 percent takes account of the fact that August, September, and October will already have gone by. The amendment increases the rate of the cut by 10 percentage points each month after November.

If we pass the foreign aid bill in October, before the election, my amendment will cause no cut. If we pass it in November, after the election, my amendment will cause little or no cut.

In terms of dollars, the authorized monthly spending rate, as best we can determine it, for these programs—and it is almost impossible to get the experts to agree on one figure—would be $208 million. That figure is derived by dividing the annual amount authorized in the continuing resolution—$2.45 billion as best we can determine—by the 12 months in which it can be spent during fiscal 1975. Those figures would be slightly altered by whatever amendments are adopted which cut expenditures out of the continuing resolution.

The amendment would reduce authorized spending by $62.4 million in November. That is 30 percent of $208 million, the monthly rate of expenditure apparently authorized in the continuing resolution. In December, that would go up another 10 percentage points, another $20.8 million, to a 40-percent cut, or $83.2 million. This continuing resolution ends with the end of this session.

If we face demands for another continuing resolution for January and on into the next calendar year, and if we then apply the formula of my amendment to that continuing resolution, the end result will be that all spending authority—what is apparently the full monthly rate of $208 million—will be withdrawn for the month of June 1975, the final month of the current fiscal year.

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* AEC officials say the report was classified not to avoid embarrassment but to protect information that could be used to calculate rates of U.S. plutonium production. The classification was lifted, officials say, after it was determined to have been "overly cautious."

Over the next 9 months of this fiscal year, if foreign economic and military aid continues to rely on the continuing resolution, the amendment would result in a cut of $1.08 billion out of $1.837 billion which could be spent during those three quarters, assuming the accuracy of the total annual $2.45 billion figure.

If I may have the attention of the chairman for one moment, I should like to repeat something I stated earlier, when he had to leave the Chamber for a moment.

The philosophy behind this amendment, as the chairman well knows, is one opposed to our operating programs over long periods of time under continuing resolutions. I know that the chairman shares that philosophy. My purpose is to place pressure on those who might like to keep us on a continuing resolution by reducing funds available if we stay on a continuing resolution.

I know that the chairman wants a very fast conference, so that we do not tie up governmental agencies that are not authorized for expenditures without this continuing resolution. At the same time, both he and I support the philosophy of this amendment. I think it is quite possible that the House conferees will also support the amendment, and that they might accept it without any prolonged delays in the conference.

For that reason, I hope the chairman will give serious thought to accepting the amendment. I thank him for expressing his support for the basic philosophy behind it.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield myself 5 minutes.

Mr. President, a few moments ago, prior to the distinguished Senator from California calling up his amendment, I had a brief discussion with him regarding the amendment, at which time I advised him of something I think he already knew—that for the past 20 years, I have voted against these foreign spending programs. So the amendment in no way contravenes my philosophy and the position I have taken in the past with respect to this foreign aid spending. I still feel the same about it.

If this amendment were before the Senate in a legislative bill, I would wholeheartedly support it. Under different circumstances, I probably would support it in an appropriation bill, even though there might be legislation thereon. I believe it is germane to this bill. I do not question that, as I told the Senator.

However, we are confronted here with a unique situation that I think has to be taken into account. In my opening remarks on this bill yesterday, I emphasized that it would be well to pass this bill in the Senate without controversial amendments, in the interest of attempting to get it enacted, so that appropriations would be available, funds would be available, for the programs and functions of Government for which regular appropriation bills have not been passed.

Now we are confronted with the situation in which I want the Senate to clearly understand that I am going to vote against this amendment; not because I oppose what it seeks to do. I am in favor of those objectives. But, Mr. President, we are dealing here with the problem that, as of this minute, there are no funds for the continuation of functions in the Department of Labor and the Department of Health, Education, and Welfare, and the Department of Agriculture, among others. There are no appropriated funds available at this minute for them to make expenditures for their payrolls, the salaries of their employees, for the financing and funding of any program or function under those departments. As of midnight last night, such appropriations ceased to be available.

There are other departments and agencies, Mr. President, that are also involved. I assume we shall pass this bill today and, within 2 or 3 days, as soon as the staff can do their work and get it in shape, we will go to conference. What we will be confronted with in conference, I am not prepared to say, but I do not think it is unreasonable to assume that we are going to be confronted with opposition to a number of amendments. If we attach numerous amendments here, we are going to be confronted with opposition, and possibly strong opposition, on the part of the House conferees.

This is not a one-way street. It is not a one-man operation. I do not get everything I want. The Senate does not get everything it wants; the House does not get everything it wants.

I say to my friend from California—and I wish it were possible to say it to each Senator—these amendments, even though they may be germane, if they are adopted and if they succeed, each of us must share at least the major responsibility for any consequences that ensue therefrom.

I ask the Senator what he would have us do as conferees. If this amendment and others, as they are offered, are adopted by the Senate, and we go to conference, if we find an obstinate position on the part of the House, an adamant position in opposition, shall the Senate immediately yield, or would the Senator have us decline to yield and prolong the conference while there are no funds available?

I should like guidance. If my colleagues are going to add these amendments, I should like some guidance as to how they would like us to behave in conference.

We can sit there, if that is the will of the Senate and of those who offer these amendments; I can be just about as stubborn as any Member of the House, I think. But is that what we want and will that prevent the consequences? It would not, in my judgment. It would contribute to undesirable consequences.

We can also do this, if that is the will of the Senate: We can go to conference and, if we meet pretty stubborn opposition, we can immediately yield and thus come out with a bill without the amendments in it.

I am just trying to get the Senator from California and my colleagues to take a position, to put themselves in our position for a little while, in the position of the conferees.

What would the Senator do? What would he have us do under these circumstances? Do we want to deadlock it, to withhold these funds, make no funds available for these functions? For the Departments of Labor and Health, Education, and Welfare and related agencies, there are approximately $30 billion annual rate of operations on a continuing resolution basis.

The foreign assistance programs and other activities funded under the foreign assistance appropriation bill, including the Peace Corps and the International Development Banks, have approximately $5 billion.

The military construction programs of the Department of Defense have to be funded in here.

There are many other activities not included in the regular bills which have been deferred pending authorization, for example, activities and programs which are not in the regular Labor-HEW bill, which is now in conference, I point out to the Senator, involve these programs as well as others.

Health manpower and resources—for training doctors, dentists, and so forth—approximately $465 million;

Mental health programs, approximately $15 million;

Health facilities and hospital construction programs, approximately $310 million;

Elementary and secondary education and other education programs, approximately $2.8 billion;

Rehabilitation services, approximately $41 million; and

Then there are the health services programs—we can go on and on. There is, at this hour, no money available to finance any of those programs, and if this bill is not passed, there will not be, I say, any funds available unless this continuing resolution in some form is passed.

I am willing to carry out the will of the Senate, Mr. President. If we want to deadlock this conference, I am ready. But I want those who make it necessary to do that, who make it compelling that we do it, if that is the will of the Senate, to realize what they are doing and to be willing to share the responsibility for the consequences thereof. I hope we can take the bill without these amendments and go to conference and get a bill.

A lot of these things, Mr. President, are not going by the board. They are subject to legislation. I should be proud to vote for this amendment on a legislative bill, as I would a number of others that are offered here. But do we want now to take the appropriation process in a critical situation like this, with these programs not funded, and obstruct the restoration of appropriations? I doubt the wisdom of doing it, Mr. President. But if that is the will of the Senate, I assure the Chair that the conferees will carry out their will.

However, if this is just something fine to talk about, and then the Senator expects us to go to the conference and recede right away, very well. But I should like to know the will of the Senate. We are the ones who have the difficult task of going down there and facing them.

I am willing to do that. I want to carry out the will of the Senate if I can determine what it will be. For that reason, Mr. President, I shall vote against the amendment, because I know the complications that are going to arise and the potential consequences that can follow if this amendment and others are adopted.

Mr. YOUNG. Will the Senator yield?

Mr. McCLELLAN. I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. Mr. President, I am in much the same position as the chairman of the committee with respect to this particular amendment. Ordinarily, I would agree to it, but we are adopting a terrible practice of trying to legislate on a continuing resolution. We may have gotten ourselves into deep trouble yesterday by the adoption of the Eagleton amendment. I understand that the President is going to veto the continuing resolution if the Eagleton amendment is sustained in the conference.

None of the sponsors of the amendments offered yesterday really knew how far reaching some were. This is no place to write foreign policy, and I do not think it is the place for major legislation. If the Senator would offer this on the foreign aid bill coming up soon, I might vote for it.

Also, we have another appropriation bill, the supplemental appropriation, where more time will be available for consideration of this amendment. We do not have the deadline that we have on this bill to get it through the Congress. I hope the Senator will not press for consideration of this amendment now, because I think he will gain much more support on one of these other bills.

Mr. CRANSTON. Mr. President, I want first to thank both the chairman and the ranking minority member of the Appropriations Committee for their very generous remarks about the main thrust of this amendment. I am delighted that they basically support its philosophy and purpose, even though the bottom line is that they both oppose the amendment for other reasons.

I would like to say that I share their viewpoint on the inappropriateness of placing amendments on continuing resolutions. It was not the choice of any one of us that we find the continuing resolution brought to the floor on the day on which the authorizations for expenditures were going to expire. I think it is a subversion of the authorization and appropriations process to have any forces working their will to delay the passage of formal authorization and appropriation measures, denying the Congress the opportunity to work in the proper way.

The foreign aid program has in the recent past been carried on for a whole year—fiscal year 1973—under a continuing resolution. There are efforts to improve that program in the bill now pending before us, as there have been in past bills pending before us. My purpose is simply to get us back on the proper legislative track by going through a process that will put pressure on those who oppose certain features of the pending reported foreign aid bill to bring that bill before us and let us vote up or down the various provisions and the final bill.

I believe this is the first time that I have ever offered an amendment to a continuing resolution. I agree that it is basically not a sound practice, but I think we are facing very unusual circumstances here, which justify this unusual and generally unsound approach.

I would be most reluctant to advise the chairman of the committee and the ranking minority member as to what they should do in regard to this amendment in conference. They will know the tone of that conference. They will know what give-and-take will be possible in the conference, and they have vast experience based upon many years of service on this committee and in the Senate. I have great confidence in their wisdom and fairness in representing the will of the Senate.

I cannot speak for the authors of other amendments that have been or may be attached to this measure, but I can say that I would not want this amendment unnecessarily to tie up the workings of the Government for any length of time. If it was found that a prolonged effort by the conferees would bring that about, I would certainly understand if the Senate conferees then gave in on this measure. But I am very hopeful that the philosophy and purpose underlying this proposal will be as acceptable in principle to the House conferees as it is acceptable in principle to the Senate conferees, and that it might well be accepted without any delay in the conference. I would hope for that reason it might be possible to take this amendment to conference.

I thank both Senators again for their understanding of what I am seeking to accomplish and why, and for their views expressed in support of my general purposes, even though they oppose the specific amendment.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I wish to take just 1 more minute to get the record straight about this foreign aid program. I do not want any onus cast upon the Appropriations Committee because of this bill being delayed and because there is no regular appropriation bill enacted.

This committee, the Appropriations Committee, had all of its hearings and its work finished in July. We have been ready ever since early in July to process out the regular foreign aid appropriation. But there is no authorization. The authorization committees—and I am not blaming them; they have their problems, just as we have ours—but unfortunately, the legislative process has not been able to finish its job so that the Appropriations Committee could make the required appropriations. That is why we are caught up in this continuing resolution process.

Mr. CRANSTON. Mr. President, if the Senator will yield——

Mr. McCLELLAN. Yes.

Mr. CRANSTON. I understand that fully. I think that the final reason for this circumstance developing on the very last day is that there are forces not represented on the Appropriations Committee who simply did not wish that foreign aid bill to be voted on at this time, and who wanted a situation where we would be confronted with the necessity of a continuing resolution.

My sole purpose is to get us off that continuing resolution as fast as possible. On with the business of enacting it as fast as possible, yes, and then off it as fast as possible, insofar as foreign aid is concerned.

Mr. McCLELLAN. As the Senator knows, the Appropriations Committee has further reduced the amount available under the continuing resolution for foreign assistance. I believe under the continuing appropriation we have reduced it by about $350 million this year.

Mr. CRANSTON. I do, too.

Mr. McCLELLAN. We are in sympathy, at least the chairman of the Appropriations Committee is very much in sympathy, with what the Senator would like to do, and would like to see it done. But I am put in a bind here, and the conferees are. If we go there and meet with adamant opposition, then what do we do? Do we surrender, or do we fight? And if we continue to fight, they are out of funds, and it may well cause, Mr. President, a chaotic condition in the Department of Health, Education, and Welfare, where we administer all of our social programs. I do not know what the impact will be, and I do not want to take the full responsibility for it. I am trying to find out what the will of the Senate is, and then to carry it out in conference.

Mr. CRANSTON. If the Senator will yield, I applaud the cuts made by the Appropriations Committee in the military assistance program, as I applaud the cuts the committee made in the Defense budget. I think the committee is doing fine work, and I am trying to work with them.

Mr. McCLELLAN. I thank the Senator.

Does anyone else wish time, Mr. President?

The PRESIDING OFFICER. Is all remaining time yielded back?

Mr. McCLELLAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. McCLELLAN. On anyone's time. Mine, I do not care.

Mr. CRANSTON. If the Senator will yield——

Mr. McCLELLAN. Does the Senator want more time?

Mr. CRANSTON. I would like to ask for the yeas and nays at the appropriate time.

Mr. McCLELLAN. We had better get a quorum in order to do that.

Mr. President, I suggest the absence of a quorum so that we can get enough Senators present to ask for the yeas and nays.

The PRESIDING OFFICER. With the time charged equally to both sides; is that agreeable?

Mr. McCLELLAN. Yes.

Mr. CRANSTON. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Norvill Jones, John Ritch, and Richard Moose of the Foreign Relations Committee staff be permitted to remain on the floor during further consideration of the continuing resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Under the same conditions as the other quorum call?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. All time on the amendment has expired. The yeas and nays have been ordered. The question is on the amendment of the Senator from California (Mr. Cranston).

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Florida (Mr. Chiles), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from Maryland (Mr. Mathias), the Senator from Oregon (Mr. Packwood), the Senator from Kansas (Mr. Pearson), and the Senator from Wyoming (Mr. Hansen), are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hansen) are not necessarily absent.

The result was announced—yeas 52, nays 31, as follows:

[No. 433 Leg.]

YEAS—52

Abourezk
Allen
Bentsen
Bible
Biden
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Dole
Eagleton
Ervin
Fannin
Fulbright
Goldwater
Gurney
Hart
Hartke
Haskell
Helms
Hollings
Johnston
Kennedy
Long
Magnuson
Mansfield
McClure
McGovern
Metcalf
Metzenbaum
Mondale
Montoya
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott,
William L.
Stevens
Symington
Talmadge
Tunney
Weicker
Williams

NAYS—31

Aiken
Baker
Bartlett
Beall
Bennett
Buckley
Cotton
Curtis
Domenici
Eastland
Fong
Griffin
Hathaway
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
McClellan
McGee
McIntyre
Muskie
Percy
Scott, Hugh
Stafford
Stennis
Taft
Thurmond
Tower
Young

NOT VOTING—17

Bayh
Bellmon
Brock
Brooke
Chiles
Cook
Dominick
Gravel
Hansen
Hatfield
Inouye
Mathias
Moss
Packwood
Pearson
Sparkman
Stevenson

So Mr. Cranston's amendment was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHURCH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1934

Mr. KENNEDY. Mr. President, I call up my amendment No. 1934.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, after line 3, insert the following new section:

Sec. 6. Such joint resolution is amended by adding at the end thereof the following new section:

"Sec. 113. None of the funds made available under this joint resolution may be expended on or after the date of enactment of this section to provide military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense) to the Government of Chile.".

Mr. PELL. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PELL. Mr. President, will the Senator permit me to be a cosponsor of his amendment, which I strongly support?

Mr. KENNEDY. I thank the Senator from Rhode Island.

Mr. President, I ask unanimous consent that the name of the Senator from Rhode Island (Mr. Pell) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, this amendment is offered by myself, with Mr. Hart, Mr. Haskell, Mr. Cranston, Mr. Abourezk, Mr. Stevenson, and Mr. Pell. It is a simple amendment.

The amendment would end all military assistance to Chile. The amendment in no way affects the humanitarian programs or any economic aid and assistance to Chile, but is solely related to the military program of aid and assistance to the Chilean Government.

There are a number of reasons for this. We can question, generally, the wisdom of military assistance programs to developing countries. But beyond that, and more deeply, this is an opportunity for the Senate to go on record in deploring the complete violation of human rights and human liberties which has been the record of the Chilean Military Government for the period since its overthrow of the Allende Government a year ago.

Our image, particularly in Latin America, has been hurt most recently by the disclosures that the CIA was deeply involved in fostering internal discord within Chile throughout the term of Salvadore Allende. Now, we learn that contrary to recent assertions that those funds were used to support free political parties and the news media; in fact they went largely to the groups which engaged in economic sabotage against the Allende Government and helped create conditions which led to the overthrow of his regime.

The background to the debate today over our military assistance to Chile is a background of covert U.S. support for groups pledged to the destruction of an elected and democratic government. It should be emphasized as well that while the figure of $8 million has been used as the total amount of CIA expenditures in Chile during Allende's regime, the black market exchange rate would have multiplied the impact of those dollars 6 to 8 times. Thus, it was closer to $50 million that the CIA expended in Chile during those 3 years. That action also not only contradicts our publicly stated adherence to a policy of nonintervention in the political affairs of Latin American nations, but it violates international standards of conduct as well.

An additional question which I have asked both the chairman of the Senate Foreign Relations Committee and the Senate Armed Services Committee to examine relates to the contradictions, now embarrassingly obvious, between what the CIA was doing in Chile and what State Department representatives were telling many standing committees and subcommittees of the Congress they were doing.

However, the underlying reason for halting military assistance to Chile is based on other factors.

The current government in Chile is a military dictatorship which has abolished virtually all vestiges of the traditional Chilean constitutional democracy which existed before last September 11. That should be enough to call for a cutoff of military aid to Chile.

But there is more. For the recent history of Chile under the junta has been a history of flagrant and continuing violations of human rights.

Let me recount to my colleagues some of that history.

Shortly after the coup, the Senate Subcommittee on Refugees held a public hearing into the condition of refugees and of human rights in Chile. Testimony at that hearing and subsequent reports of respected international groups disclosed the existence in Chile of summary executions, of torture, of mass arrests, of the deaths of two American citizens, and of continued threats to foreign nationals. Those reports prompted me to introduce an amendment to halt all military aid to Chile. That amendment to the fiscal year 1974 Foreign Aid Appropriations bill was adopted by the Senate on December 17, 1973. However, it was deleted in conference.

Unfortunately, in the months since that action, the situation in Chile has not seen a return to the traditional Chilean respect for and protection of human rights. In fact, a series of reports from respected international organizations such as the International Commission of Jurists and Amnesty International, as well as private contacts that I have had with both Chilean and third country individuals and agencies convince me that a systematic disregard for human rights continues today in Chile.

Amnesty International, in a letter to General Pinochet, stated:

> Contrary to some statements issued by Chilean governmental officials abroad, there is substantial evidence of a persistent and gross violation of the most fundamental human rights.

The report went on to charge continuation of summary executions and torture, not only during their November visit, but up to the time of their letter of December 31, 1973.

In February, an ad hoc group of U.S. union officials, professors, lawyers, and church officials traveled to Chile. It too, disclosed thousands of "politically motivated detentions," the absence of effective legal process, the continued use of torture, the use of economic sanctions against those suspected of being in sympathy with the previous government and other violations of human rights.

In March, following a lengthy debate by the Commission on Human Rights of the United Nations, a telegram was issued by the United Nations. It stated:

> The Commission on Human Rights, while considering the obligation of all states under the charter of the United Nations to promote universal respect and observance of human rights and fundamental freedoms, has considered with deep concern numerous reports from a wide variety of sources relating to gross and massive violations of human rights in Chile in contradiction with the universal declaration of human rights, and other relevant international instruments ratified by a great number of countries including Chile.
>
> The Commission on Human Rights, which has consistently deplored all violations of human rights, calls upon your Government for the immediate cessation of any kind of violations of human rights, committed contrary to the principles of the United Nations Charter and other international instruments including the international covenants on human rights.

In April, the International Commission of Jurists sent a delegation to Chile to inquire into the legal situation with regard to human rights. Its three-man delegation included Covey T. Oliver, former U.S. Ambassador to Colombia and former U.S. Assistant Secretary of State for Inter-American Affairs.

In May, the preliminary report of the delegation was released, expressing the "view that present judicial procedures and safeguards do not meet the minimum standards which Chile is bound to observe under Article 3 of the Geneva Conventions, 1949." The report also stated:

> We received most convincing evidence to support the declaration of the Catholic Bishops on April 24, 1974, that there are interrogations with physical and moral pressure. We believe that the various forms of ill-treatment, sometimes amounting to severe torture, are carried out systematically by some of those responsible for interrogation and not, as many people sought to persuade us, in isolated instances at the time of arrest.

A study mission of the Senate Refugee Subcommittee traveled in Chile in April as well. It included former U.S. Ambassador to Chile, Ralph A. Dungan, former State Department Latin American expert John N. Plank, and Mark L. Schneider of my staff.

They concluded—contrary to the continued assurances of the Chilean Government and its representatives—that there existed a systematic, flagrant, and continuing disregard for human rights in Chile. They found arbitrary arrest and indeterminate detention without charge. Some 6,000 persons, according to junta statistics, were under detention at the time of their trip. Other sources cited additional persons under detention at less permanent detention sites throughout the country. It is now estimated that some 7,000 persons are detained.

The study mission also noted that the Chilean habeas corpus protection had been suspended. Torture and mistreatment of prisoners continued. Some prisoners were held incommunicado for months. Others were permitted to see their families on a somewhat regular basis, but briefly. Most never had a chance to see a lawyer. Due process appeared limited in all instances; totally absent in some. Schools and colleges were under military control. Freedom of the press did not exist. Many thousands of individuals were fired arbitrarily for their political beliefs from public and private employment. Labor unions were barred from striking and restricted in their normal activities.

The study mission also noted that the Congress had been closed; the constitution abridged; political parties abolished or suspended; and the number of Chilean refugees in neighboring countries was rising.

In May, The Inter-American Commission on Human Rights of the Organization of American States sent a telegram to the junta in which it stated:

> During this session, the study of the present situation of human rights in Chile has taken a great part of our time. On the one hand, we have examined those individual cases clearly determinable, in which the violation of certain fundamental rights of one or several specified persons has been denounced. But, in addition, it has been necessary to analyze separately that which we might call a "general case," that is, the aggregation of charges from different sources according to which there is a policy in Chile which would imply, according to the claimants, the systematic disregard of fundamental human rights.

After some delay, the Commission was granted permission to visit Chile. Its recommendations were made public. They indicated the Commission had found evidence that torture is used in interrogations of political prisoners, that people detained without charges are required to do hard labor, that Chileans sometimes disappear for days or weeks after being seized by police or military intelligence services and that military courts have limited lawyers' access to their clients and tried people under wartime rules, for acts committed before the September 11 coup.

In June, other observers, including the former Attorney General of the United States, Ramsey Clark and New York City Criminal Court Judge William Booth, traveled to Chile. They visited the trials, now concluded, of former Air Force officers and several civilians who had held posts in the previous government of Salvadore Allende. The sentences included four death sentences which were later commuted to long prison terms. Even that action is inadequate, since the former Attorney General and Judge Booth described the proceedings as "show trials." They cited, along with other observers, the lack of due process in the military court martial proceedings which operate for military and civilian alike.

One attorney was thrown out of court for speaking "too warmly" of Allende. Another was reprimanded for reporting that his clients had been tortured. Virtually all defendants were prosecuted on the basis of "statements" given by others who were themselves under indictment or under detention. And many of these defendants had told their families and their visitors of the systematic torture used during interrogations to obtain those "statements."

Most recently, on August 30, the Catholic Archbishop of Chile, the Lutheran Bishop of Chile, the Methodist Bishop of Chile and the Grand Rabbi of the Chilean Jewish Community appealed for an end to the continuing torture and human rights violations.

On September 7, Amnesty International issued its final report on Chile stating:

> Repeated assurances from the government that human rights would be respected have proven to be totally unfounded. Torture is still being practised, while military tribunals continue to try persons charged with the retroactive offense of cooperating with President Allende's constitutional government prior to the coup.

And in recent days, we have learned of weekend roundups of persons in working-class neighborhoods and the steady increase in the number of detainees, reaching now to approximately 7,000.

Despite this unrefuted testimony from numerous respected international organizations and knowledgeable individuals, the attitude of the U.S. Government has been one of "business as usual." Last fall, an amendment I introduced was passed and signed into law. It stated the sense of Congress that—

> The President should request the Government of Chile to protect the human rights of all individuals, Chilean and foreign, as provided in the Universal Declaration of Human Rights, The Convention and Protocol Relating the Status of Refugees, and other relevant international legal instruments guaranteeing the granting of asylum, safe conduct, and the humane treatment or release of prisoners.

There is little evidence of forceful U.S. Government action in support of those human rights. In fact, news reports, which have not been denied by the Department of State, reveal that the Ambassador to Chile was specifically told not to link our approval of military aid to human rights relief. He was directed by the Secretary of State not to lecture the Chilean junta on the matter. This shows that the argument that military aid should be maintained as a lever to obtain alleviation of human rights violations is an argument without basis. Congress only option is to cut off military aid.

Nor has the administration chosen to adopt a low profile policy in its relations with the current Chilean regime.

In international agencies, particularly the Inter-American Development Bank—IDB—pressure from the United States in support of the Chilean regime has been evident. It was widely reported that intervention of U.S. Government officials produced an unusual speedup in the IDB process in order to assure a loan announcement in Santiago at the opening of the IDB meeting last spring.

The administration also has proposed for fiscal year 1975 the first new development loans to Chile since 1967, some $25 million, and an increase in grant assistance to more than $1 million, compared to $330,000 in fiscal year 1974. While in the last full year of the Allende government, fiscal year 1973 the administration felt the food needs of the country required only $2.5 million in food-for-peace assistance, it now proposes food-for-peace grants and loans of $37 million. In addition, a month after the coup, a commodity credit loan of $24 million was extended and a month later, an additional commodity loan of $28 million was extended.

Some of these programs are clearly humanitarian in nature. But it is difficult to understand why the humanitarian rationale that the administration is putting forward today was not equally relevant prior to the overthrow of the previous government, when Chile was denied similar programs.

There is, however, no humanitarian justification to support military aid to Chile.

The administration has requested a near doubling of its fiscal year 1974 budget proposal for military assistance to Chile. Originally, a $10 million military credit sales program for fiscal year 1974 was recommended. Following the coup, that figure was increased to $15 million, a 50-percent hike. In its budget request for fiscal year 1975, the administration recommended another substantial increase, to $20.5 million for credit sales and another $800,000 to support the training of Chilean military officers.

With a virtually unchallenged verdict of respected international organizations and respected jurists and scholars of a continuing pattern of gross violations of human rights in Chile, I believe the proposal for additional military aid to Chile to be unjustifiable and unacceptable. It contrasts with the announcements of Britain and France to withhold military equipment and it signifies a disturbing lack of commitment to basic human rights on the part of the administration.

For these reasons, I have submitted this amendment, to halt all military aid to Chile. I urge its adoption.

Mr. President, the administration's position has been that it is important that we continue the military assistance program because we want to be able to maintain some influence within the Chilean Government, to be a force to perhaps gain some additional respect for human rights and human liberties in Chile. Yet, this policy has been going on for more than a year; and with certain important exceptions, involving a very few individuals, there continues to be a wholesale policy of political repression, political prisoners, tortures of the most incredible design known to man.

I am going to make a part of the RECORD some excerpts from each of these reports which I think are the most compelling. I mention at this time a recent story, published in the Washington Post, by Mr. Joseph Nevitski, who was in Santiago, Chile, on September 2 of this year. The story deals with two men who were arrested 2 weeks earlier in a small Chilean town near Santiago. They were detained, and each was found with a bullet in his head, according to the records of the Santiago Court of Appeals. The story describes how they were picked up in the morning, were questioned for a period of hours, and were shot. Their families were notified. When their families inspected them in the morgue, it was found that the men had been tortured during the few hours they had been detained. They were both activists who had been opposed to the coup but who never had been charged with any offense for their political views.

We can name instance after instance where this has taken place.

It seems to me that it is time for the United States to be willing to stand up on this particular issue. Great Britain has cut off the military program that they had sustained for Chile. France has done the same, for the identical reasons. It seems to me that it is time that the United States should be willing to stand up on this particular issue.

There will be those, I am sure, who will say that we cannot interfere in the internal affairs of another country, that there are things that happen in various nations which we deplore, and that we cannot dictate to them a respect for human rights and human liberties. Yet it is clear from the revelations of CIA involvement in Chile that that argument against halting military aid is rather superficial. We are intervening presumably merely by our decision to send military aid to the country. We are intervening, if that argument is to be accepted, whenever we decide that it is or is not in our interest to provide a nation with military aid. When we put a halt to military aid to a country that is practicing widespread violations of human rights, we are saying that we do not believe it is in our interests for the United States to be identified with such practices. We are saying that we deplore and oppose torture and repression and I do not know a more effective way of making that position clear.

We certainly have not seen any important movement by the Chilean Government for the past year while we have been maintaining a steady supply of military aid to that country. I think it is time that we act.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr McGEE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield 5 minutes to the distinguished Senator.

Mr. McGEE. Mr. President, I rise to address myself to the Senator's proposal with considerable reluctance because the problem of the regime in Chile is, indeed, a major difficulty for all of us. However, I believe that the Senator's proposal, addressed to this continuing resolution at this time, is ill advised as a matter of policy.

What we are suddenly making out of this simple continuing resolution that runs to the adjournment of this particular Congress is a policy vehicle in the foreign relations field. A continuing resolution is not designed as the mechanism of Congress in exercising its responsibility in foreign policy. Thus, I feel compelled to oppose the Senator's proposal on this vehicle. It does not belong here, and it comes at a time when this ought to be weighed very carefully in the larger context; in terms of what the Senate is doing; in terms of what our policy people are deeply involved in at the present time.

All of us seem to be playing Secretary of State on the floor of the Senate at a moment when these questions are deeply involved in diplomacy, in the conversations behind the scenes, in the arm-twisting and pressuring that can be exchanged; factors that ought to give pause to every Member of this body who is trying to inject us into the Office of the Secretary of State without having to take the consequences.

That is the reason I say I am reluctant. I think there is a great deal in the issue which the Senator raises; it is the way in which we are proceeding on this continuing resolution to which I would have to take exception.

For a long time, we have been concerned about the role of the Senate in foreign policy. It seems to me that we are threatening to undermine the role of the Senate by tactics like these.

We have a role that we must play; a role we must insist on, that we will assert and are asserting, in our proper responsibilities in this body. But to come up with a series of proposals such as these on a continuing resolution that runs to the end of this Congress is not the responsible way for this body to hold up its image to the country and say, "See, we know how to make the foreign policy of the land."

We have a partnership responsibility in

that, but not without coordinating it, in the mechanism of the Committee on Foreign Relations and the other efforts that Congress can undertake through its various processes. Here is a continuing resolution and nothing more.

I must say, if I may put on my other hat, I happen to be on the Committee on Appropriations in this particular area. But on the Committee on Foreign Relations, I am chairman of the Western Hemisphere Subcommittee. We have been holding hearings; we have been holding executive sessions; we have been seeking to stay on top of the Chile question, also.

The problem, of course, is far more complex. As the Senator will recall, even in that role on the Committee on Foreign Relations, we were able to have some small hand, I suspect from all that we are told, in deferring the execution of a number of those who have been held in prison, through actions that were taken quietly in the committee at the time. That is a process that is available to Congress for action, rather than riding pell-mell over a continuing resolution.

Therefore, my plea, Mr. President, is that we act responsibly as the Senate of the United States in the foreign policy decisionmaking processes of our Government. We have the capability for doing so.

I wish to inject another one of the complications for the Secretary of State, if I may add this, Mr. President. While the question of the internal workings of the Chilean Government is a very serious one, and it was a shock to us all, the way in which they took over, the hope, for most of us, I am sure, was that the constitutional process would follow——

The PRESIDING OFFICER (Mr. HUDDLESTON). The Senator's time has expired.

Mr. McGEE. May I have 3 more minutes?

Mr. McCLELLAN. I yield to the Senator.

Mr. McGEE. Our hope was that the constitutional process would follow out to its natural course, with the test of the next constitutional incident for electing a new government in Chile.

We have long since discovered that the United States cannot decree those things, that Republicans or Democrats are not shrewd enough or wise enough or almighty enough to determine the pace of events in other nations of the world. The question then becomes, what do we achieve toward that goal of restoring elections in Chile by cutting off military assistance in this continuing resolution? The military assistance is very small, indeed, but that is beside the point. What we do achieve is the threat to unbalance a rather delicate military question as it exists now between Peru and Chile.

This has caused no small amount of apprehension among policy people all over the world, lest there be another fracturing of borders and the integrity of sovereignty in South America at this time. The historic rivalry between Peru and Chile is not inconsequential, as they have fought wars over their boundaries in the past. In taking an action that is aimed at an obviously undemocratic, in many ways an unprincipled government, we are, at the same moment, taking a step at jeopardizing the status of international relations on the common borders between Chile and Peru.

How we solve that one, I am not sure, Mr. President. I wish we had better answers than we have. We ought to learn that one way not to do it is to try to shoot from the hip on the floor of the Senate, as we attempt to assume the role of the Secretary of State.

The Senator from North Dakota wanted some time. I yield the floor.

Mr. McCLELLAN. I yield to the distinguished Senator from North Dakota.

How much time have we consumed?

The PRESIDING OFFICER. The Senator has used 8 minutes of his time.

Mr. McCLELLAN. I yield such time as the Senator from North Dakota may desire.

Mr. YOUNG. Mr. President, this is another example of legislating foreign policy on the floor of the Senate. In this case, we would cut off aid to Chile. Maybe in a month or two from now, Chile will have the kind of government that even the sponsors of this amendment would want.

What would happen then? Would Congress have to reverse itself through special legislation to repeal this amendment? It is very far-reaching and positive.

Yesterday, the Eagleton amendment was passed, and I do not think anyone knew exactly what all was in it. The President says he will veto this continuing resolution if the Eagleton amendment is contained in it.

Mr. President, I ask unanimous consent to have inserted as part of my remarks a message from the President of the United States.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE—STATEMENT OF THE PRESIDENT

Last night the Eagleton Amendment to the continuing resolution authority was passed by the Senate. Today the continuing resolution itself will be brought to a Senate vote.

It is my conviction that approval of the continuing resolution, containing the Eagleton Amendment or similar language, would destroy any hope for the success of the initiatives the United States has already taken or may take in the future to contribute to a just settlement of the Cyprus dispute. This view is shared by Secretary of State Kissinger, who is now in New York where he is making a major effort in his talks with Greek and Turkish representatives to bring about progress.

If the Eagleton Amendment or similar language is adopted by the Congress, the United States will have lost its negotiating flexibility and influence. It thus hurts the very countries and objectives it purports to help.

It is my intention, therefore, to withhold my consent to any continuing resolution which reaches my desk containing language such as that found in the Eagleton Amendment. I can, however, accept, and indeed endorse, the language relating to military assistance to Turkey contained in the continuing resolution as reported to the full Senate by the Senate Appropriations Committee.

I deeply appreciate the constructive efforts of the Democratic and Republican leadership in both the Senate and House of Representatives in their support for an amendment which would assist the diplomatic efforts of Secretary Kissinger in seeking an equitable solution to the Cyprus question. I hope a majority of the Senate will respond to this bipartisan leadership effort.

Mr. YOUNG. The New York Times, this morning, has an interesting observation. I ask unanimous consent that the entire article be placed in the RECORD as part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. YOUNG. Mr. President, I shall read two paragraphs:

> The amendment, adopted by a vote of 57 to 20, would prohibit aid to any country employing United States weapons in violation of the laws governing their use, but it was clearly aimed at Turkey for her use of American arms on Cyprus.
>
> The amendment, proposed by Senator Thomas F. Eagleton, was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors or to Arab incursions into Israel.

This was never thought of on the floor yesterday. It is one of the problems we have of trying to write foreign policy in a bill such as this.

Mr. President, I certainly hope that the amendment is not approved.

EXHIBIT 1

[From the New York Times, Oct. 1, 1974]

SENATE, 57 TO 20, VOTES TO CUT OFF U.S. AID TO TURKEY

(By Leslie H. Gelb)

WASHINGTON, September 30.—The Senate voted tonight to cut off military *aid to* Turkey.

The amendment, adopted by a vote of 57 to 20, would prohibit aid to any country employing United States weapons in violation of the laws governing their use, but it was clearly aimed at Turkey for her use of American arms on Cyprus.

The amendment, proposed by Senator Thomas F. Eagleton, was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors or to Arab incursions into Israel.

The Senate rejected a move to stop American aid to oil producing countries until the President certified that they were making good-faith moves to reduce oil prices substantially. Proposed by Senator Frank Church, Democrat of Idaho, this amendment was defeated 46 to 33.

RESOLUTION UNDER DEBATE

The votes came as the Senate began consideration of a resolution that would continue foreign aid on the basis of last year's legislation. The House of Representatives adopted a similar resolution last week with an amendment that would make an aid cut-off to Turkey a virtual certainty.

The Senate is expected to complete action tomorrow on the resolution, which would continue foreign aid at a level of about $2.5-billion a year.

Debate has focused on this continuing resolution rather than on a new foreign aid bill because the Administration is seeking to delay consideration of a new bill that would restrict the President's freedom of action.

The amendment to cease aid to nations in violation of American laws was a substitute for weaker language drafted by the State Department and proposed by the Senate Appropriations Committee.

Speaking against the amendment, Mike Mansfield, the Majority Leader contended that it would not bring about Turkey's withdrawal from Cyprus and that it would undermine Secretary of State Kissinger's negotiating efforts.

Mr. Mansfield warned against emotional

> responses and "quick fix" solutions to complex diplomatic circumstances and said that this was "a time for statesmanship."
>
> RESPONSE BY EAGLETON
>
> * * * in an almost full and attentive Senate chamber, said it was "time for the rule of law and that is the best form of statesmanship."
>
> Pressed by Senators to clarify whether the amendment could apply to Israel, Mr. Eagleton said there would be no violation if a nation used American arms aid for defense. There is no language in the amendment specifying who is to determine a violation.
>
> Depending on who has this authority, Mr. Eagleton's statement could be read as either stronger or weaker than the language adopted by the House. The House version called on the President to certify that Turkey was making "substantial progress" toward a peace settlement in Cyprus.
>
> The undoing of Mr. Church's amendment aimed at the Arab oil producers came when the Senator conceded that the only country that would be seriously affected was Indonesia. The major Arab oil states and Iran do not receive American aid.

Mr. KENNEDY. Mr. President, I yield myself 4 minutes on this matter.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KENNEDY. Mr. President, I have yet, in listening to the responses from those who have responsibility for this bill, to understand their reluctance to withhold the $15 million in military assistance continued under this resolution.

There still will be economic aid and assistance, and that should be more than enough to maintain whatever influence we feel is essential there.

I want to point out what the International Commission of Jurists stated to be their conclusions about interrogation and torture:

> From information we received from sources we consider wholly reliable, the following picture emerges.
>
> When people are arrested they are usually taken first to a military barracks or a police station or to one of the special interrogation centres established by the intelligence services. They may be held there for weeks or even months. "Pressure", often amounting to severe physical or psychological torture, is frequently applied during this period of interrogation. The Conference of Roman Catholic Bishops in their Declaration of April 24, 1974, specifically referred, among other abuses taking place, to "interrogation procedures which employ physical or moral pressure". Methods of torture employed have included electric shock, blows, beatings, burning with acid or cigarettes, prolonged standing, prolonged hooding and isolation in solitary confinement, extraction of nails, crushing of testicles, sexual assaults, immersion in water, hanging, simulated executions, insults, threats, and compelling attendance at the torture of others. A number of people have died under torture and others have suffered permanent mental and nervous disabilities.

That is not only this group that has gone down there, Mr. President. That same conclusion has been reached by the International Commission on Human Rights, the United Nations Commission on Human Rights, Amnesty International, and our own Subcommittee on Refugees.

Why do we object to expending approximately $15 million of American taxpayers' funds on this particular program? We deplore it because it perpetuates the system of repression that has continued for over a year, and I have not heard one word on the floor of the Senate that that system no longer exists. There is no one who can say that there are no politcal prisoners because there are. There is no one who can say that torture has ceased because it has not.

If there are those who say $15 million is insignificant let me tell them what we could do with those funds here at home. We could provide hot meals, 5 days a week for 30,000 senior citizens for 1 year as part of the nutrition for the elderly program. We could provide employment for our senior citizens, some 6,000 of them, for a period of more than a year.

We only provided in our right-to-read program, $12 million last year to try to end illiteracy among our people.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. KENNEDY. I yield myself 3 more minutes.

So, Mr. President, it just seems to me that, barring any jusification from the administration for maintaining a military assistance program which is being used by the Chilean junta to continue the repression of their own people, I strongly urge the passage of this amendment. Chile has fundamentally violated every basic human right which we and they as signatories of the United Nations declaration have sworn to protect. It just seems to me that there has to be a better justification than saying we ought to give the Secretary of State a little more time to see what he can do to try and remedy this situation.

The violations are continuing, ongoing, as recent as the last few weeks. The documentation of it is clear and compelling. It seems to me other countries of the world have led the way, and that the United States, in this, which I think is an extremely modest way, should indicate that we are at least attaching an importance to human rights and liberties of people in Chile and throughout the world greater than that which we attach to the continuation of military aid and support to a dictatorial regime.

Mr. President, I would like to have a vote on this amendment. I am prepared to yield back the remainder of my time, but I want a vote, so I suggest the absence of a quorum.

Mr. McCLELLAN. Mr. President, I am willing to help the Senator get a vote. There are some other remarks to be made. I assume the Senator would want a rollcall vote.

Mr. KENNEDY. That is correct.

Mr. McCLELLAN. I am willing to help him get it.

Mr. McGEE. Mr. President, I wonder if we can get the staff people to get out and round up some Senators, so we might have enough for a rollcall, and while they do that, if I may have a couple of minutes, I think it is important that we write the record out here, so that we can proceed from it.

Mr. President, we are mindful very much of what has happened to human rights in Chile, and none of us makes any case for the present circumstances. For that reason, we are not entitled, it seems to me, to let that take first place over the larger considerations and political problems on a very broad front.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. McCLELLAN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McGEE. Which is what we find ourselves doing now, in these last couple of days.

We are all deeply concerned, and Cyprus is an illustration, that somehow they restore stability and equity. The way we can best do that is for the United States to become a mediator, with clout on both sides, because they trust us to be fair in that. But we find the Members of this body voting, instead, to take a side, and virtually rule out a settlement.

That is an illustration, I repeat, Mr. President, of how not to make foreign policy, or how to downgrade the role of the Senate in being responsible for foreign policy decisions.

Now, in this particular case, in the case of Chile, it seems to me that much ought to be done, and must be done, in achieving a new balance in human rights everywhere and anywhere, but we have to be careful of the device that we employ as we weigh our policy, and the consequences.

These pressures are on now. We are not going to change the inner workings of Chile overnight, even with this act. What we may do, as a consequence, is harden the position of the group that is in power now and seeking to survive, and delay still longer the process of a constitutional change.

To be sure, not too much has happened in 1 year. They have not made enough progress in directions we would all like to see, and particularly with the historical experience of Chile, which was the most promising of all the democracies in the hemisphere for so long.

The tragedy of the last year is deep with all of us. I simply raise serious doubts about this as the technique for bringing about a change.

We must be careful not to discourage it, rather than help it along. We have many ways to keep the process going. I gave the Senate an illustration a moment ago about one of the important results, achieved quietly, without any fanfare, without any stress, in inducing them to defer a decision to execute some of the prisoners. This happened during the course of the committee's consideration of the new foreign assistance money for military equipment.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. McGEE. One more minute.

I go back to the basic position, Mr. President, that this is not the way for us to be trying to participate in making the foreign policy of the United States. This is injecting very understandable emotional elements that move us all, but they leave us with an imbalance in the total consequences on the much broader major foreign policy considerations that we have to weigh very carefully.

How many times do we set out the chances on what we might do with that amount of money in this country? We could do what we will with our money in this country. It is a question of the priorities.

But history is a ruthless force upon us all. It does not suspend the problems of international tensions while we solve our domestic difficulties here at home, and we cannot put one aside as we attack the other. We have to address as much of a balance of judgment as we can.

When we rifle-shot Turkey and Chile in the ways that we have been doing in the last couple of days here, all we are proving is that the Senate of the United States should have a lesser role than it has under the Constitution for responsibility in foreign policy.

We are being reckless, Mr. President. We are being irresponsible. We are demeaning the role of this body in projecting a policy for the United States that can have an impact and gain respect all over the world, not among lobbying groups, not among petitioners who have deep feelings—and every place that we have a crisis in the world they will all be here telling us how to do it—but that is why it is important that our country try to pull together the strings of responsibility, and that is why we have a Secretary of State and a President, and why I thought we had a Senate until I find the Senate preempting the prerogatives of those who ought to take the executive responsibility for projecting the public image of our country overseas.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arkansas has 5 minutes. The Senator from Massachusetts has 4 minutes.

Mr. McCLELLAN. Mr. President, were it on the basis of the merits of this amendment under a legislative proceeding which is on a legislative bill, I might very well support it. I would take the same position as the distinguished Senator from Wyoming has taken with respect to the bill needing hearings, and we ought to have the facts as related by the distinguished Senator from Massachusetts, and we ought to have it before the committee, either the Appropriations Committee or a legislative committee, so that a proper record would be made of it or considered.

I shall oppose the amendment primarily because of the position I took in the beginning of the consideration of this continuing resolution. I have stated repeatedly if the Senate wants to load it down with amendments and go to conference and encounter a conference deadlock, and thus delay continuing appropriations for the agencies that are involved, that is the Senate's business and, as a member of the conferees, I am chairman of the Appropriations Committee, if that is what the Senate wants I will give them every bit of support I can.

I am assuming that the members of the Appropriations Committee who have so vigorously supported these amendments on the floor, and probably will support this one, will likewise make as vigorous a fight in conference as they have voted with enthusiasm for these amendments here on the floor and, if so, we are going to have a pretty good scrap in conference unless the House immediately capitulates. I want the Senate to understand that fact.

Also, we are running the risk of a veto of the bill. On these things, many of these things, as I pointed out, I am not someone converted lately to the evils of this foreign spending. I have been voting against it for 20 years. If my colleagues had been doing that, we would not have this problem that this amendment here seeks to remedy today. I have been against it all the time. I am still against it. I would like to vote for this amendment.

But the Senator is putting us in a position here where we are placing in jeopardy the continued funding of these programs among other: Health resources and manpower, doctors, dentists, and other health personnel, approximately $465 million; mental health programs, approximately $15 million; health facilities and hospital construction programs, $310 million; elementary and secondary education and other education programs, $2.8 billion; health services and rehabilitation services, and others.

Mr. President, at this moment these programs have no appropriations to continue to fund them. I do not know, maybe the House will just topple over. Maybe the conferees there will say, "Oh, yes, we will take all of these amendments." I do not know. If they do, of course, we are going to have a veto of the bill.

What I am saying to the Senate is with these procedures and with the adoption of these amendments we are not only incurring the risk but I think making certain of a long delay in appropriation for these essential services. If the Senate wants to do that, OK, I will go into a conference. I fight for what the Senate wants, and I will fight for this. But I want the Senate to know that those who sponsor these amendments and who vote for them on this bill must take the initial responsibility for whatever consequences ensue.

With that understanding, Mr. President, I will vote against the amendment, not because I am opposed to the fundamental principle that may be involved—I would like to be well-informed about it—but I am opposed to the foreign aid, to start with.

I would be opposed certainly to financing any situation that condoned conditions which the Senator described, but I am also under the compelling duty here of trying to get a bill enacted to get appropriations to carry on these essential functions that I have enumerated.

I may say there is the responsibility on the legislative committees to come in here with bills, bring them in here; they have a responsibility in this field, too. It is not alone on the Appropriations Committee.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. I would be hopeful that the Senate would act on these amendments in a more orderly fashion under the procedures and practices established by the rules.

Mr. KENNEDY. Mr. President, I yield myself from the remaining time 2½ minutes, with the remainder to the Senator from Iowa (Mr. HUGHES).

We understand from the Senator from Arkansas and the Senator from Mississippi and the other Members that this may very well be the foreign aid bill given the position on the administration on that measure. That is why this is brought up at this time. Also, we already had a voice vote last year on the foreign aid appropriations bill to cut off military assistance and it was one of the first things that was dropped in the conference. Finally, I have submitted to both Appropriations Committees, correspondence supporting an end to all military assistance, so this is not a new matter.

I reject the voice which I hear this afternoon that says, "Well, we are going in to risk this bill with a possibility of a veto or we are getting a stalemate with the House of Representatives on a minor issue." Either we feel the issue of human rights is important or it is not.

Why is it always the human rights issues that get lost or are put aside? Why is it always the refugees in Bangladesh who suffered because we wanted to continue a military assistance program for Pakistan so that we could have some influence on Pakistan. We saw the results on that policy. We saw massive numbers of individuals die and others made homeless by that policy.

We said, "Well, we have to maintain our influence with Pakistan, and there is no sense in the Senate of the United States interfering with the Secretary of State on that."

In issue after issue, it is always the human beings who are getting the short end of our foreign policy bill.

We have an opportunity here today to say that the U.S. Senate feels that it is important to go on record saying that what happens to individual human beings in a country that is part of this Western Hemisphere and is receiving military assistance, assistance that is paid for by the taxpayers of Arkansas and Massachusetts, is important, that we do not want the violation of human rights to continue, that we do not want to be identified with such actions.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I say this is the appropriate time that we do it.

I yield the remaining time to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HUGHES. Mr. President, I first want to compliment the Senator from Massachusetts for presenting this amendment and giving us an opportunity on this particular legislation at this particular time to express the will of the Senate.

Without dealing with the legislative technicalities or the protocol of why, when or what, it should be presented.

I am a little bit astounded in the last few days of debate in the Senate with respect to the degrees of morality of life and death and dealing with the toppling of governments or even with the right of a Senator to evade the morality of an issue in providing military aid to a government that is torturing its citizens, executing its citizens, and using every facility it has to deprive them of their civil rights.

Now, we go on constantly trying to determine the foreign policy of a nation while we continue year in and year out to support those governments that are dictatorships in one area of the world, to oppose them in another area of the world, to attempt to topple them by undercover activities in another area of the world, and then attempt on the floor of the Senate to deprive—not deprive but to prevent the passage of legislation that could in any way limit our assistance in a military capacity to those governments that are certainly destroying and killing.

Perhaps there is a risk to some public health programs; perhaps there is a risk to some feeding programs. But ultimately we are called upon to make a stand for life or death in the responsibility of using military assistance that we provide to these individual countries.

The evidence is abundantly clear. The record has been spread of what this Government has done and is continuing to do; and, regardless of behind-the-scenes protocol that may have saved the lives of a few from execution—and many of us have been involved who are not members of the Foreign Relations Committee in trying to save those lives.

Mr. CRANSTON. Mr. President, I strongly support the amendment offered by the distinguished Senator from Massachusetts (Mr. KENNEDY) and am pleased to cosponsor it.

Existing law declares it the sense of the Congress that the President should deny American aid to any government which interns or imprisons its own citizens for political purposes.

One of the worst offenders in that respect is the military government of Chile. The military junta which overthrew the legally constituted government of Salvador Allende has consistently trampled upon the basic human rights of the people of Chile.

Reports of torture, and imprisonment of political opposition to the regime are regular reading in our newspapers.

I think its time for the Congress to put its own directive into action. By continuing to provide military assistance to the Government of Chile, we very clearly continue to aid in the repression of the Chilean people.

Military aid—in the Chilean case—and I fear in other cases—serves little purpose other than strengthening the hand of the generals who now rule Chile with such a repressive hand.

I believe it is time we stand up for our own congressional directive with regard to Chile, by eliminating military assistance to the Pinochet regime.

Mr. President, I would like to share with the Senate, a letter to Secretary of State Kissinger, initiated by Representative DONALD FRASER of Minnesota, the distinguished chairman of the Subcommittee on International Organizations and Movements, of the House Committee on Foreign Affairs.

That letter, signed by a great many Members of Congress, eloquently expresses some of the principles which I believe should guide American foreign policy.

The letter reads as follows:

> *To the Secretary of State:*
>
> The undersigned have supported legislation in recent years providing economic and military assistance to other nations. We are troubled, however, about continued American assistance to a number of foreign governments which are increasingly indifferent to internationally recognized human rights and deal with their own people in an increasingly oppressive manner.
>
> We recognize that a large number of countries are ruled by governments which restrict the full observance of political rights as we know them, including one-party and authoritarian states. It may not be realistic to expect strict observance of political, civil and other human rights by these governments while their political systems are still evolving. Nevertheless, even within such countries, the observance of certain fundamental human rights is practicable, including freedom from torture, arbitrary arrest and detention, and arbitrary curtailment of existing political rights.
>
> In the absence of extraordinary circumstances, we do not believe that long-term U.S. foreign policy interests are served by maintaining supportive relationships with oppressive governments, especially in the military field, since military power is directly associated with the exercise of governmental control over the civilian population.
>
> Unless U.S. foreign aid policies—especially military assistance policies—more accurately reflect the traditional commitment of the American people to promote human rights, we will find it increasingly difficult to justify support for foreign aid legislation to our constituents. We cannot, in good conscience, associate ourselves with policies which lack active concern about the fate of people living under oppressive governments. While it may be beyond our power to alleviate the plight of those people, we can refuse to be identified with their oppressors.

That is what we would do, Mr. President, by prohibiting further military assistance to Chile:

We would refuse to continue to identify the Government of the United States with the ongoing repression of the people of Chile.

We would take a step toward translating words into action, and putting principle into practice.

The PRESIDING OFFICER. All time has expired. The question now is on agreeing to the amendment of the Senator from Massachusetts. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Kansas (Mr. PEARSON) are necessarily absent.

The result was announced—yeas 47, nays 41, as follows:

[No. 434 Leg.]

YEAS—47

Abourezk
Allen
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Eagleton
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
McGovern
Metcalf
Metzenbaum
Mondale
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—41

Aiken
Baker
Bartlett
Beall
Bennett
Brock
Buckley
Byrd, Harry F., Jr.
Cotton
Curtis
Domenici
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Long
McClellan
McClure
McGee
McIntyre
Montoya
Nunn
Percy
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—12

Bayh
Bellmon
Brooke
Cook
Dominick
Gravel
Inouye
Mathias
Moss
Packwood
Pearson
Sparkman

So Mr. KENNEDY's amendment was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. McCLELLAN. Mr. President, let us have order.

Mr. CLARK. Mr. President, I send to the desk an unprinted amendment and ask for its immediate consideration.

The PRESIDING OFFICER. Will the Senator withhold until the Senate is in order?

The amendment will be stated.

The legislative clerk read as follows:

> Add a new section at the end of the resolution:
>
> SEC. 6. Such joint resolution is amended by adding at the end thereof the following new section:
>
> "SEC. 113. Notwithstanding any other provision of this joint resolution or any other Act, not to exceed $85,000,000 of the funds made available for foreign assistance by this joint resolution may be obligated to procure fertilizers for, and to provide fertilizers to, South Vietnam."

Mr. MANSFIELD. Mr. President, will the Senator yield momentarily without losing his right to the floor?

Mr. CLARK. I yield.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TUNNEY. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, if the Senator from Iowa will yield, I ask unanimous consent that there be a 20-minute limitation on the Clark amendment, the time to be equally divided under the usual circumstances, 10 minutes to the sponsor of the amendment and 10 minutes to the manager of the bill; that there be 40 minutes on the Mondale amendment, on the same basis, that the Mondale amendment to follow the Clark amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HUGH SCOTT. Mr. President, reserving the right to object—and I shall not object—we simply want to be protected with respect to the opportunity to offer a motion to recommit the bill with instructions at a later date; and I would not be prepared to do that until after the conference of the Members on our side, which will end about 2:15 or 2:30.

I should say, if Senators are not aware of it, that the President has released a message that he will veto the continuing resolution if it contains the Eagleton amendment, as it may well have the effect of bringing down on our heads some very disastrous consequences.

I have no objection to the unanimous-consent request.

Mr. ABOUREZK. Mr. President——

Mr. MANSFIELD. Mr. President, if the Senator wants to object, he should note an objection. He cannot just say he is reserving the right to object.

Mr. ABOUREZK. I am not objecting. I merely want to ask the distinguished majority leader a question.

Mr. MANSFIELD. Yes.

Mr. ABOUREZK. Will the foreign aid bill be brought up as soon as this measure is disposed of?

Mr. MANSFIELD. It will.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished Republican leader, he can rest assured that his right to offer a motion to recommit will be honored. I would hope, though, that we could reach third reading first, and then if the Republicans are in their annual conference——

Mr. HUGH SCOTT. Weekly. [Laughter.] Spelled "w-e-e-k-l-y." [Laughter.]

Mr. MANSFIELD. If it means that we have third reading just after the Republicans start their lunch, we will try to have the vote on the motion to recommit at 2 p.m., with the permission of the chairman of the committee and the distinguished ranking minority member, who will be at the luncheon, I assume. In the meantime, we would get started on the foreign aid bill.

Mr. FULBRIGHT. Mr. President, reserving the right to object—

Mr. MANSFIELD. I made no request.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. We are discussing what is going to happen during the further proceedings on this measure. I would like to have some understanding about debate on the motion to recommit. Are we going to have any debate on it? If so, we ought to agree on a time now.

Mr. HUGH SCOTT. There will be debate.

Mr. MANSFIELD. There will be debate.

Mr. McCLELLAN. Do we want it unlimited?

Mr. MANSFIELD. I think the issue will be clear. Why do we not agree on a half hour of debate on the motion to recommit?

Mr. HUGH SCOTT. I think we will need a little more time.

Mr. MANSFIELD. An hour?

Mr. HUGH SCOTT. Could we start the debate at 2 p.m.?

Mr. MANSFIELD. All right. And vote at 3 p.m.?

Mr. HUGH SCOTT. And vote at 3 p.m. on the motion to recommit.

Mr. McCLELLAN. I have no objection. I just want to get it settled.

Mr. FULBRIGHT. Mr. President, reserving the right to object, I have an amendment at the desk, which I will offer. I need very little time—10 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a limitation of 10 minutes on the Fulbright amendment, to follow the Mondale amendment, under the same conditions as stated earlier.

Mr. McCLELLAN. Mr. President, is that 10 minutes for each side or 10 minutes divded?

Mr. MANSFIELD. Ten minutes divided, the Senator from Arkansas has indicated.

The PRESIDING OFFICER. The Chair does not understand the unanimous-consent request.

Mr. MANSFIELD. Ten minutes altogether; 5 minutes to a side.

Mr. GRIFFIN. Mr. President, reserving the right to object, has any provision been made, with respect to any of these agreements, for possible amendments to the amendment?

Mr. HUGH SCOTT. The distinguished majority leader said it would be subject to the usual arrangements.

Mr. MANSFIELD. That is correct. The way it stands now, it would be the same amount of time on amendments to amendments or appeals as for the amendment itself.

The PRESIDING OFFICER. Is the Senator making that a unanimous-consent request?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. HUGH SCOTT. Mr. President, reserving the right to object—and I do it simply to clarify—we are about to have a conference where we will discuss, I hope, these questions of foreign assistance. If we are to be interrupted continually between now and 2 o'clock by votes, I do not see how we can dispose of the conference.

Can we vote on one of these amendments, presumably at 12:30? Can we withhold the votes on the others until 2 o'clock, back to back, and then take an hour debate on the motion to recommit? That will give us a chance to conduct our conference. Is that satisfactory?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is that a unanimous-consent request?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I have an amendment to offer. It is a technical amendment.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. MANSFIELD. The time is not applying against the Senator from Iowa. I am sure that with a technical amendment, the Senator will have no trouble.

Mr. McCLELLAN. Someone might object. I do not know what is going to happen, and I would like to have at least 10 minutes on that.

Mr. MANSFIELD. I make that request, Mr. President, if it is needed. It is a technical amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. I think it is technical. Someone else might think otherwise.

Mr. CLARK. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. CLARK. Mr. President, since this continuing resolution is the functional equivalent of a foreign aid appropriations bill at the present time, and since it may well be our only foreign aid bill this year, I believe it is important for the Congress to act promptly to correct an unacceptable trend in our overseas food programs.

We all know about the perversion of our food-for-peace program into a means of financing continuing warfare in Indochina. This year the United States has sent a full 49 percent of its worldwide food-for-peace shipment to South Vietnam: $502 million worth of food to feed 0.8 percent of the world's population.

But only lately have we become aware that the same "Indochina-first" mentality pervades our fertilizer assistance programs.

Two years ago, Vietnam got 45 percent of the money we spent to buy and ship fertilizer overseas. Last year, Vietnam's share jumped to 62 percent, well over half of all the fertilizer that this country sends overseas, to that country with less than 1 percent of the population.

The program presented to Congress last spring showed a reduction of Vietnam's share to just under 50 percent. But in fact, the obligations so far this fiscal year—and this is the central point to this amendment—the obligations so far this fiscal year have gone overwhelmingly to Vietnam, nearly twice as much to Saigon as to all other countries of the world combined. Because that is the substance of the amendment, let me repeat it: The obligations so far this fiscal year have gone overwhelmingly to Vietnam. Nearly twice as much has gone to Vietnam as to all of the other countries combined.

In the months ahead, even more fertilizer may go to Vietnam unless we turn off the tap.

Mr. BIBLE. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. HATHAWAY). The Senate will be in order. The Senator may proceed.

Mr. CLARK. Mr. President, my amendment would halt further fertilizer purchases for Vietnam by limiting the funds available for such activities to the amount already obligated—$85 million.

Senator HUGHES and Senator HART and I had planned to offer such an amendment to the foreign aid bill, but the uncertainties surrounding that legislation make action now imperative.

Unless we stop these purchases today, there is nothing to prevent the executive branch from moving ahead in the next few weeks to commit even larger amounts to Vietnam, at the expense of all of the other countries of the world that need this fertilizer.

No doubt Vietnam needs fertilizer supplies. We have already contracted for 219,000 tons of fertilizer, which is almost two-thirds of what that nation received last year.

But we have to keep in mind some crucial facts:

Fertilizer, at home and abroad, is in short supply this year.

Fertilizer is crucial to increased food production. The United Nations Food and Agriculture Organization has estimated that the developing nations will lose approximately 20 million tons of grain production because of a 2 million ton short-fall in fertilizer supplies.

The immediate need is clearly greater in countries on the verge of famine, such as in Africa, Bangladesh and India. Widespread starvation will occur in these countries on the verge of famine unless they receive adequate supplies of fertilizer.

America's commitments to help alleviate the world's food crisis will not be honored if we channel the bulk of our limited supplies to one small nation.

Earlier this year, the Agency for International Development requested $250 million to provide some 700,000 tons of fertilizer to other nations. But of the 70,000 tons planned for Bangladesh, only 40,000 have been purchased so far. Less than half of the 100,000 tons slated for Pakistan has been purchased. None has been purchased for India, which was supposed to get 130,000 tons, because none went to India last year and none is allowed under the continuing resolution.

Perhaps the clearest example of our "Indochina first" approach is that Cambodia has already received 7,000 tons more than the Congress was requested to provide, while the drought-plagued nation in Africa's Sahel are 7,000 tons short of their allotment.

In short, our fertilizer has been going where the troops were, rather than where the hungry are.

There are other problems with our fertilizer aid to Vietnam, in testimony before the foreign relations committee, AID Administrator Daniel Parker admitted that the Saigon government was being pressed to change its distribution system so that farmers could actually get their supplies. He noted reports that some merchants were withholding supplies in order to make more than the allowable profit.

It is indefensible for the Government to be sending these quantities of fertilizer to Vietnam when many of our own farmers can not obtain it, and when those who can obtain it are having to pay an exorbitant premium.

No one can accuse us of not fulfilling whatever obligations we have to Vietnam with regard to such materials. We have already sent them massive quantities of fertilizer—and the record indicates that here, as in so many other instances, the Vietnamese Government has simply used these shipments as yet another opportunity to engage in profiteering at our and its own citizens' expense.

Until we are sure that these abuses have been corrected, it is foolish and wasteful to continue to ship thousands of tons of this precious commodity to Saigon middlemen.

This amendment would allow our limited fertilizer supplies to go where they are most needed, rather than as a further payment for an unending war.

In summary, I offer this amendment because two-thirds of all our overseas assistance of fertilizer for this year has already been contracted for Vietnam, and we must at least save the meager share that remains for the remainder of the world—India, Bangladesh, Africa, and Asia.

The PRESIDING OFFICER. Who yields time?

Mr. YOUNG. Will the Senator yield?

Mr. CLARK. I yield.

Mr. YOUNG. Mr. President, I have no objection to this amendment. In fact, it is the only good one that has been offered. I am going to vote for it.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Mr. President, in checking around——

The PRESIDING OFFICER. Who yields time for the Senator from Wyoming?

Mr. CLARK. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. CLARK. I am happy to yield a minute.

Mr. McGEE. There is no objection to this amendment. There is no intention of going over the $85 million. I simply do not know the best way to expedite this.

I think it is, again, questionable that the amendment belongs on this kind of vehicle, but nobody has any objection to it; it is a very widely based position, though how to proceed because of the continuing resolution is the difficulty that it poses. The principle is already agreed upon.

Mr. McCLELLAN. Mr. President, I am glad to yield the Senator further time if he wishes.

Mr. President, again, I have no objection to this amendment, the effect of it, or what it will accomplish. I shall probably support it. But I have taken the position from the beginning that we ought to try to keep a pretty clean bill with respect to this continuing resolution, and I am going consistently to maintain that position, notwithstanding what the Senate may do.

When we go to conference, I want to advise my colleagues again, I am going to try to stand like the Rock of Gibraltar for the Senate's position. I am not going to march up the hill and then march right back down again. I think that if we wish to stand there and deadlock this bill if the House will not agree, to let us see what happens, that is the one way to do it. This is another way to do it. If this is the way we want to do it, we ought to do it this way, but I do not see any point in wasting all this time putting amendments on this bill that really belong on a legislative bill; then spend all that time with the House conferees and yield on it, and be back where we started.

Let us be firm on it. Let us mean what we are doing and go down there and stand for it. Let us hope that the House will yield. If it does not, let us stand firm and see what happens.

I would vote for a number of these amendments if it were not for the fact that I am trying my best to get a bill that will immediately provide for the funding of these functions of government that, at this hour, have no funding. If we cannot get a clean bill, if we have to take all these amendments, let us vote for them and take them down there and stand for them and fight for them.

The PRESIDING OFFICER. Who yields time?

Mr. McGEE. Will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. McGEE. I want to make sure that the RECORD shows my position to be clear. With all due respect, we are all agreed on the importance of this proposal, and it is going to be followed out. There is nobody who is going to contest its being carried through.

I feel that the principle here likewise is important, and I am going to vote no, because it is on this continuing resolution. I do not want that to reflect in the volume of mail I am going to get if I am accused of cutting off fertilizer for American agriculture.

I do not think we ought to be accused of cutting this off for agriculture at a time when it is so desperately needed.

It really puts us in a bind, if I may say so, to my colleague from Iowa, in terms of what is really going to be done here. That is to limit the amount of fertilizer. It is going to be limited. Yet it comes up against the contradiction with the continuing resolution principle of our committee. I wanted to make sure that it is clear.

I heartily support the idea. It will be carried out. But I must vote "nay" because of the continuing resolution.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, I yield my colleague from Iowa such time as he may require.

Mr. HUGHES. Mr. President, I appreciate my colleague's yielding.

In offering this amendment, we are interested in correcting only what has been an imbalance in the utilization of fertilizer in this country and abroad in the last few years, and is seemingly about to be perpetuated this year.

I am glad to hear the opinions of my colleagues who have spoken on this floor that they agree with the purpose of this amendment, and have expressed the intention to see that its purpose is carried out. I am glad to hear that. I am sure that in voting on this matter and expressing the will of the Senate, those Senators will be able to explain to their constituents that they are voting against the procedures on this bill, rather than not supporting the objective.

I would urge Senators to vote for this amendment, to help make sure that somewhere between the step and the half-step we do not continue to send a disproportionate amount of fertilizer to countries where it is not needed, and continue to send very little to countries facing absolute starvation on a massive scale.

I congratulate my colleague from Iowa, the Senator from Michigan (Mr. HART), and all those who are interested in this matter, because the imbalance of fertilizer supplies in the world is one of the most difficult issues we face both in this country and abroad, and I think it is exceedingly important that the Senate go on record on this issue today.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield the distinguished Senator from Vermont such time as he may require.

Mr. AIKEN. Mr. President, I understand the purpose of the Senator from Iowa, and it is a very good purpose. I think I should explain, however, that the South Vietnamese budget calls for a $85 million contribution from us for fertilizer purposes, which was for the construction of a fertilizer plant, so that they could make their own over there instead of depending on us all the time.

The drawback seems to be that it takes quite a lot of oil to manufacture fertilizer, and that is something that we have to consider, where they will get their oil from. Maybe the big Chinese industry will be developed by that time, but we do not know.

I think we should make it clear, however, that the $85 million which they requested for fertilizer was for the construction of a plant.

The PRESIDING OFFICER. Who yields time?

Mr. CLARK. Mr. President, let me summarize by saying that the continuing resolution——

The PRESIDING OFFICER. The Chair would inform the Senator from Iowa that his time has expired.

Mr. McCLELLAN. Mr. President, if I have any time remaining, I am glad to yield it to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator has 6 minutes.

Mr. McCLELLAN. I yield the Senator such portion of that as he may require.

Mr. CLARK. I thank the Senator. I shall require only about 20 seconds.

The purpose of this amendment is not to block the building of a fertilizer plant in South Vietnam. It is simply to restrict the amount of additional fertilizer that could be contracted for and sent to Vietnam. In short, what the amendment does is say that since we have already given two-thirds of our total world commitment to Vietnam in this fiscal year, we stop at this point and divide the remaining one-third between the rest of the countries of the world.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. McCLELLAN. Would this not be an appropriate amendment on the regular foreign aid bill?

Mr. CLARK. Yes. In fact, we intended to offer it there, but it was withdrawn, and I think we will have no assurance that it will be put on again.

Mr. McCLELLAN. The foreign aid bill will be the next bill considered by the Senate. It seems to me that it would be a proper amendment on that.

Irrespective of the disposition here, I hope that the Senator will offer it to that bill. I intend to vote for it. I vote against it here only because of the parliamentary situation, and because of this continuing resolution being used as a vehicle, when I think we have another vehicle immediately available in the foreign aid bill, which will come before us following the present bill.

I want to vote for it, but I want to vote for it on the proper vehicle. I am trying, without much success, to prevent this bill from being loaded down with amendments that will cause difficulty in conference.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. AIKEN. I want to make it clear that I am not disagreeing with the amendment of the Senator from Iowa, but I believe it is being offered in the wrong place.

Mr. McCLELLAN. Yes; I intend to vote for it on the foreign aid bill.

Mr. STENNIS. Mr. President, as a Member of this body, I feel compelled to protest as vigorously as I know how the overdose of amendments here on a continuing resolution.

We are in a situation where the Government is about to default on its payroll and other obligations, and this continuing resolution is merely a legislative vehicle that was invented not too many years ago to meet genuine emergency situations, recognizing that the Government has to continue and that we have not gotten to the appropriation bills for one reason or another, and this will permit the Government to function.

I, in my present state of mind and as I understand the facts, am going to vote against any motion to recommit. The Senate has expressed its will and put on some amendments that I oppose, but that is the Senate's position, and I think we ought to fight it out in conference on that ground. Otherwise, we will come back here and have the same thing over and over, while we get into default on our payments of many different kinds.

So I think we ought to call a halt. With all deference to the objectives of these amendments, we ought to stop now, close down, and pass this resolution. I hope this amendment as well as others, unless they are technical amendments, will be rejected.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. THURMOND. Mr. President, I am opposed to the amendment offered by Senator CLARK of Iowa. This amendment would, in effect, cut in half the administration's request for fertilizer shipments for South Vietnam. South Vietnam has been devastated by the recent war. This war was fought mainly on South Vietnamese soil. As a result the landscape is devastated. This fertilizer is badly needed to restore the land to its previous state of productivity.

In addition, Mr. President, this amendment is being offered to a continuing resolution. A continuing resolution is an emergency measure used when there is a gap in appropriations because Congress has not acted on a particular appropriations bill. This type amendment should not be added to such a resolution. The proper place for this amendment is on the foreign aid bill, which I understand will be taken up following the continuing *resolution*. Mr. President, I do not think the adoption of this amendment would be wise at this time.

The PRESIDING OFFICER (Mr. HATHAWAY). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Iowa (Mr. CLARK). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Kansas (Mr. PACKWOOD), and the Senator from Kansas (Mr. PEARSON), are necessarily absent.

The result was announced—yeas 59, nays 31, as follows:

[No. 435 Leg.]

YEAS—59

Abourezk
Allen
Bartlett
Bentsen
Bible
Biden
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Curtis
Dole
Domenici
Eagleton
Fulbright
Griffin
Gurney
Hart
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mansfield
Mathias
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Pastore
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Stevenson
Symington
Tunney
Williams
Young

NAYS—31

Aiken
Baker
Beall
Bennett
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Chiles
Cotton
Eastland
Ervin
Fannin
Fong
Goldwater
Hansen
Long
McClellan
McGee
Nunn
Pell
Percy
Roth
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Weicker

NOT VOTING—10

Bayh
Bellmon
Cook
Dominick
Gravel
Inouye
Moss
Packwood
Pearson
Sparkman

So Mr. CLARK's amendment was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the Mondale amendment.

Mr. MONDALE. Mr. President, I call up my unprinted amendment and ask unanimous consent that the reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, add the following new section:

SEC. 6. The fourth unnumbered clause of section 101(b) of such joint resolution is amended by adding immediately before the semicolon at the end thereof a colon and the following: "*Provided*, That in computing the current rate of operations of security supporting assistance, there shall be included an additional $200,000,000 which shall be available for Israel only and that in computing the current rate of military assistance there shall be included an additional $100,000,000 which shall be available for Israel only;"

Mr. MONDALE. I ask unanimous consent that my colleague from Minnesota (Mr. HUMPHREY) be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, the purpose of this amendment is to enable the Israel Government to receive urgently needed assistance at the rate recently approved by the Committee on Foreign Relations.

Last year's authorization provided for Israel to receive $50 million in supporting assistance. The new authorization which we hope to take up soon will provide $250 million in supporting assistance and will convert $100 million in military credit to a grant.

What we are doing, in shorthand form, with this amendment is taking the language recommended to be adopted as found in the pending foreign aid bill and including it as an amendment to the pending continuing resolution.

In no way do we change the recommendations of the Senate Foreign Relations Committee by making this amendment to the continuing resolution. We simply hope to expedite it and get much-needed help on its way. This is essential because this money is urgently needed by the Israel Government.

The October war of last year cost Israel a year's gross national product. If we translated the cost of the last war to Israel to the equivalent cost to the United States, it would have cost $1 trillion. It is an utterly incredible debt which the Government of Israel and people of that country must repay. Based on that, I think it becomes easier to realize the state that their economy is in and the suffering that they are undergoing in assuming such cost.

In many ways the situation is worse for the Israel economy, being smaller and less flexible, has suffered even greater damage. Already, Mr. President, the Israel tax rate is the highest in the industrialized world. I am told the tax rate is something like 60 percent of the average Israeli's income.

No other country imposes a tax at such a tremendous rate.

Sixty-seven percent of its gross national product is returned to the Government in taxes; compared, for example, to the United States, where I think our Federal expenditure is roughly equivalent to 20 percent of the gross national product.

Moreover, the Israeli balance-of-payments deficit this year is projected at $3.28 billion, or almost half of Israel's gross national product.

This assistance which is provided by my admendment is modest, given the need, but is nonetheless vitally needed by the Israeli Government.

Mr. President, I support the foreign aid bill that has been reported out of the Committee on Foreign Relations and I hope that this session of Congress will adopt it. I would have much preferred had we simply acted on the foreign aid bill itself and not resorted to this continuing resolution which is now before the Senate. I think one of the key reasons that strategy was pursued, at least according to widely reported stories, is that the administration objected to the restrictions on Vietnam spending found in the foreign aid bill and thought by passing a continuing resolution they could get all the money they needed to pursue their policies in Vietnam over the objections of Congress, through the device of continuing resolution, and then they could resist adoption of the foreign aid bill in the form that Congress obviously intends to adopt.

Not knowing what the administration finally intends to do, it seemed to me essential that we move immediately to deal with the profound economic problems which face Israel during the difficult times.

For that reason, I hope that my amendment, reconciling the pending foreign aid bill with the continuing resolution, will be adopted.

I do not believe that the Israeli economy should be held hostage to the politics surrounding the foreign aid bill continuing resolution dispute to which I have just referred.

I think the Senate and the Congress repeatedly expressed, as clearly as it could be expressed, that this Nation intends to do what it reasonably can to assist Israel to survive as a viable economy within defensible borders.

We all pray for peace. We hope a negotiated settlement can be reached. But we recognize the realities of the situation are such that Israel must depend almost exclusively upon the United States for essential credits and for essential opportunities to buy armaments needed to defend herself, and that we must do so on a basis that those objectives are clear and are beyond doubt.

That is why I think the action that I request today is so important.

While failure to adopt this amendment would mean that the role of the United States toward Israel was in doubt, in the meantime, and without any question, the Soviet Union is arming Syria to the eyeballs. As a matter of fact, it is estimated that the Soviet Union has pumped over $2 billion worth of military assistance into Syria alone since the last war. Latest news reports show that the Soviet Union has now begun to resupply Egypt.

In addition to that, the oil-producing Arab countries, with their fantastic accumulation of American dollars and other stable currencies, are continuing to effectively subsidize the economies of the states which border Israel and, therefore, do not need outside assistance.

Of course, the drain of continued terrorist actions against the Israeli populations goes on.

For this reason, I believe the continuing resolution should be amended to provide the Israeli Government assistance at the new, higher and yet modest rates approved by the Committee on Foreign Relations on the basis of an amendment proposed in the committee by my colleague (Mr. HUMPHREY) and adopted by that committee.

Mr. President, I believe this is a prudent measure, meeting a demonstrable need to meet and protect the security of a nation vital to our national interest, and I hope that it will be adopted.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. MONDALE. I will yield such time as the Senator from New York requires.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I think the distinguished Senator from Minnesota has stated the pressures upon the small State of Israel with which our country has been concerned in such a profound and such a sympathetic way for so long. I think it is very highly deserved in our own national interests and in the interests of world justice, as well as tranquility.

I would like to add that we did, in the Committee on Foreign Relations, and in the aid bill which is going to be up, try to work out a very balanced package. That is, a balanced package which included Egypt and Israel in equal amounts in terms of the economic side, and try to give some special recognition to the urgent military necessity of Israel.

One must always bear in mind that what Senator MONDALE is seeking to do here is an interim measure on a short-term resolution. It is done strictly because of the urgency and emergency which affects this small country whose life could have been snuffed out in the Yom Kippur war, showing that you cannot fight sophisticated weaponry with brave breasts alone.

Second, on the military side, there is no limit, literally no limit—we have had adequate testimony on that—as to what the Soviet Union has poured into the Arab countries, which represents a very direct threat to Israel, Egypt, Syria, Iraq, and other countries.

So the case for this amendment, which I think is a very strong one from my own knowledge of it, is strictly limited to the frame of reference of a continuing resolution in a situation of the utmost urgency, and where, in a more permanent bill, to wit, the foreign aid bill, we have spelled out a balancing of the equities through the intercession of the Committee on Foreign Relations.

To try to transpose that concept to this would negate what this is, which is a short-term proposition, a few months, and the peculiar financial stringency, which is very grave, under which Israel finds itself.

For all those reasons, without in any way abandoning the principle but, on the contrary, standing by the principle, espoused by the Foreign Relations Committee in its foreign aid bill, I would hope very much that the Senate could see its way clear to go along with the Mondale amendment.

Mr. MONDALE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficent second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Does anyone else wish to speak?

Mr. MONDALE. I would like to yield to my colleague.

Mr. HUMPHREY. I shall be very brief. I commend my colleague, the senior Senator from Minnesota, for this timely motion and his amendment. It is necessary, and it has the supporting evidence of action in the committee. I believe that our action in the committee was overwhelming. I do not recall the exact vote.

As has been said here by the Senator from New York, in the bill that we will be taking up following the continuing resolution, the Foreign Assistance Act of 1974, S. 3394, we will bring into consideration the balance between the assistance to Israel and the assistance to other nations in the Middle East.

Without any regard to what assistance is needed to other nations in the Middle East, particularly in this instance Egypt, the facts are that Israel's serious economic situation justifies this additional assistance.

I think we have to keep in mind that unless the State of Israel is kept as a viable economic military force in the Middle East, there is very little hope of any settlement of the long disputes and antagonisms which prevail there.

Furthermore, I want to add this: Israel feels very much alone today. The oil embargo imposed by the Arab states upon all nations, and particularly upon the nations of Western Europe and Japan, necessitated many of those nations to capitulate in their foreign relations toward Israel. In other words, a country like Japan, that had a very friendly relationship with Israel, had to, in a very real sense, repudiate its relationship because of the necessity of needing the oil.

She was at a point in her industrial life where she had to make a choice between coming around to the Arab point of view on the Middle East dispute and thereby leaving her old friend, Israel, alone, and out in the cold, or getting no oil, and having herself, Japan, be literally out in the cold.

So what the senior Senator from Minnesota has done here is not only a matter of sound international policy and international economics, but I think a very important psychological development. Israel needs to know that in this body, the Senate, we have not forsaken her; that she has a strong friend in the United States, and that she has many friends in the elected representatives of the people of the United States.

So the amendment proposed by the Senator from Minnesota—and I am proud to be a cosponsor and I thank him for letting me join as a cosponsor—I believe will do a tremendous amount of good for the poeple of Israel. It will do a tremendous amount of good for our policy of reconciliation in the Middle East.

It is, as has been pointed out, an interim measure. Hopefully, we can pass the Foreign Assistance Act, because I believe it is much better than the continuing resolution. I want to say right here again that the bill that we will take up, the Foreign Assistance Act of 1974, is a far superior bill to the one that we developed last year, even though the one last year was better than the ones that we had before.

We have been living on continuing resolutions in foreign assistance for 3 years. It was last year that we started to put some priorities on food and nutrition, education, health, family planning, and technical assistance.

We put the emphasis on the needy nations of the world, and particularly upon agricultural development.

In the bill that we will take up, hopefully, and which we will be able to pass, hopefully, we not only put the emphasis upon the development of food and adequate nutrition for people in the developing countries, but also we sharply cut military assistance.

I offered the amendment that reduced that from $985 million down to $500 million.We put ceilings on the amount of aid that can go to any country. Of course, it is for some of these very reasons that certain voices in the administration, as was said, were raised against the bill that we will take up, and voices were raised to have the continuing resolution.

I would hope that my colleagues, after we are through with the continuing resolution—whatever may be its disposition, whatever amendments may be added—will keep in mind that months of work went into the Foreign Assistance Act of 1974.

There are specific guidelines and indeed specific requirements in our assistance all over the world. For the first time we get a handle on what is going on.

We provide that we demand that there be economic planning. We have not had economic planning in other countries. When we have thrown in our foreign aid it has gone into buying commodities, primarily military assistance. There has been very little or no economic development or reconstruction in many of these areas. But in this instance of Israel, I think it can be said, and it ought to be said, that no country to which we have given aid has made better use of it.

No country has had better economic planning. No country has shown a more fierce desire to defend its own territory. No country has done a better job, without taint of corruption, without any evidence at all of mismanagement of our economic or military assistance. I think that, in itself, speaks well for the host country for the aid, in this instance the State of Israel. She needs to be told now—and we have been generous—that in that generosity, the aid that has been received has been well used, and it has produced an amazing result in the terms of development of the economy.

Mr. MONDALE. Mr. President, I thank my distinguished colleague for a most useful contribution. I agree completely with his comments.

I would have much preferred that we had not had a continuing resolution. I think the way to have dealt with this was to take up the foreign aid bill which was reported by the Committee on Foreign Relations, act on it expeditiously, and get it to the President for signature. That is the way to handle it.

I think that underlying this current parliamentary situation may be a lesson to the administration to take the legislative process more seriously and to accept the conclusions reached by Congress after due deliberation, rather than trying to find different ways of avoiding and frustrating the legislative will.

I hope this amendment will be adopted. I think the argument made by the Senator from New York and my colleague from Minnesota makes the case very clearly.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, does anyone wish time on this amendment? If not, I yield myself one minute.

I am not opposed to the objectives of this amendment, just as I have not been opposed to the objectives of a number of other amendments. On its merits, I probably would support it. But I have taken the position of trying to keep this measure clear of amendments other than those that might be technical and necessary. For that reason, I will vote against this amendment. If it is offered on the foreign aid bill, I probably will support the amount sought here for expenditures.

Mr. President, do I have 20 minutes in opposition?

The PRESIDING OFFICER. The Senator has 18 minutes remaining.

Mr. McCLELLAN. I would like to utilize 3 or 4 minutes of that time to offer an amendment.

I ask unanimous consent that the Mondale amendment be set aside temporarily, so that I may offer a technical amendment and have it adopted while we are waiting.

Mr. MONDALE. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I send to the desk a technical amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 1, line 3, immediately after "That", insert "(a)".

One page 1, between lines 7 and 8, insert the following:

(b) Clause (a) of such section is amended by inserting immediately after "joint resolution" the following: "or, in the case of the United States Information Agency, enactment of authorizations of appropriations for fiscal year 1975 for that agency".

Mr. McCLELLAN. Mr. President, I offer this amendment on behalf of the Committee on Appropriations. The reasons for this amendment are as follows:

Section 101(a)(1) of Public Law 93-324—approved June 30, 1974—the continuing resolution, provided for continued funding for the U.S. Information Agency, after June 30, 1974, until the regular fiscal year 1975 appropriation bill for the Department of State, Justice, and Commerce, the Judiciary and related agencies—including USIA was enacted. The Senate approved the conference report on this bill on September 25, 1974, and it is now at the White House. Ordinarily adoption of this act would obviate the need to continue to include USIA in the pending continuing resolution.

However, the technical amendment I am proposing is necessary because of section 701 of the U.S. Information and Exchange Act of 1948 as amended, provides that not withstanding any other law, no appropriation shall be available for obligation unless authorizing legislation has been enacted. The authorizing bill for USIA for fiscal year 1975—S. 3473—is in conference. If the amendment proposed is not included in the pending measure, USIA will be prohibited from continuing to obligate funds from midnight last night, when the present resolution expired until the enactment of authorizing legislation which could even be delayed until the Congress returns after the recess.

Mr. President, I ask for immediate consideration of the amendment.

The PRESIDING OFFICER. Do Senators yield back their time on the amendment?

Mr. McCLELLAN. I yield back my time on the amendment.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time on the amendment of the Senator from Minnesota?

Mr. McCLELLAN. Mr. President, I reserve the remainder of my time. I do not know that anyone else desires to speak. I have said all I care to say about it.

The PRESIDING OFFICER. The proponent of the amendment has 3 minutes; the opponent has 18 minutes.

Mr. MONDALE. Mr. President, I reserve the remainder of my time.

Mr. McCLELLAN. I reserve the remainder of my time.

Mr. MONDALE. I am prepared to yield my time, if the Senator wishes to do so, or reserve it.

Mr. McCLELLAN. I do not know of anyone else who desires to speak against the amendment. I yield back the remainder of my time.

Mr. MONDALE. I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, the yeas and nays have already been ordered.

The PRESIDING OFFICER. The Senator is correct. That was the unanimous-consent agreement. There will be no rollcall votes between now and 2 p.m.

All time has been yielded back on the Mondale amendment.

Mr. FULBRIGHT. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the joint resolution, add the following:

SEC. 6. (a) The fourth unnumbered clause of section 101(b) of such joint resolution is amended by inserting immediately after "activities", the following: "(other than those authorized by the Foreign Assistance Act of 1961 and the Foreign Military Sales Act)".

(b) Section 101 of such joint resolution is amended by adding at the end thereof the following:

"(i) Such amounts as may be necessary to continue to pay the salaries of personnel carrying out the Foreign Assistance Act of 1961 and the Foreign Military Sales Act on the date of enactment of this subsection, and essential expenses related thereto, and such amounts shall be available notwithstanding section 10 of Public Law 91-672 and section 655(c) of such Foreign Assistance Act of 1961. The provision of this subsection or subsection (b) of this section shall not be construed to provide appropriations to commence or continue any program, project, or activity under either such Act."

Mr. FULBRIGHT. Mr. President, in the last 3 years, the Senate has defeated two foreign aid authorization bills. Congress did not approve a foreign aid authorization or appropriation bill for the 1973 fiscal year. This highly controversial program was kept alive for the entire fiscal year by a continuing resolution. Although a foreign aid authorization bill was enacted for the last fiscal year, the conference report on it squeaked through the Senate by a vote of 44 to 41, and only after considerable arm twisting by the administration.

The outlook for the foreign aid authorization bill awaiting action by the Senate is highly uncertain. To the administration, it contains too many restrictions and not enough money. To many Members of the Senate, it does not contain enough restrictions and carries too much money. There is a good chance that it will be rejected by this body. But even if it is finally enacted into law, no one can predict how much Congress will ultimately appropriate for the various foreign aid categories.

Despite this uncertain outlook, the foreign aid program is being continued on a "business as usual" basis by the continuing resolution.

Throughout the land Americans are tightening their belts as a result of inflation. But Congress has not tightened the belt on foreign aid.

President Ford calls for budget cuts in domestic programs, but not in foreign aid.

The executive branch is getting out of Congress what it wants—money. But it is getting that money without the policy restraints that Congress normally imposes through foreign aid bills. Congress, in allowing full scale spending for foreign aid through a continuing resolution, is letting the executive branch have its cake and eat it too. And there are strong indications that executive branch officials are hoping to end up with a continuing resolution for the entire fiscal year, as happened in 1973.

The only way to make the executive branch bargain seriously on foreign aid bills is for Congress to refuse to allow any new program money in the continuing resolution for the Foreign Assistance Act and Military Sales Act programs, but allow only money for salaries and essential expenses. As of June 30 there was some $4.6 billion in the foreign aid pipeline and cutting off new program money will certainly not end the flow of foreign aid, and it would not affect military aid to South Vietnam which is funded out of the Defense budget.

If the executive branch gets all of the money for foreign aid it wants through the continuing resolution, there will be no incentive for it to seek passage of authorizing and appropriations bills. It is quite possible that the end result will be extending the life of this highly controversial program by congressional default. I hope the Senate will close the door to that possibility.

My amendment will limit the funds allowed in the continuing resolution for foreign aid to salaries and necessary expenses. The Senate adopted a similar amendment to the continuing resolution last year.

I hope that the Senate will reaffirm its action of a year ago and approve the amendment.

We have already seen that this continuing resolution has been loaded down with a number of amendments which are highly controversial, too, so I think that the simplest way is to continue this resolution with expenses and salaries only.

The PRESIDING OFFICER. Who yields time?

Does the Senator from Arkansas yield time?

Mr. JAVITS. Is there time in opposition?

The PRESIDING OFFICER. The time in opposition is controlled by the senior Senator from Arkansas.

Mr. McCLELLAN. Is the Senator in opposition?

Mr. JAVITS. Yes.

Mr. McCLELLAN. I shall make this brief statement; then I shall yield to the Senator for such time as he wishes.

How much time is there, Mr. President?

The PRESIDING OFFICER. There are 5 minutes remaining.

Mr. McCLELLAN. Mr. President, this amendment may have considerable merit. I am not contesting the merit of it. I shall vote against the amendment, as I have voted against others, because I hope that we can have a pretty clean bill to go into conference.

I am glad, now, to yield to the distinguished Senator from New York, since he is opposed to the amendment.

Mr. JAVITS. I thank the distinguished Senator.

Mr. President, my appearance here is quite a happenstance, since I did not intend to be in charge of the amendment on the minority side.

I think this amendment is an important one. I regret very much that it comes during the Republican luncheon caucus.

I oppose this amendment. I hope it will be defeated, because I believe that there is no reason for there to be any difference in governmental policy between any other part of the policy of the United States and the foreign policy of the United States. We can do anything we please about foreign aid in this continuing resolution on an appropriate amendment, including cutting it out altogether. But to do that on the theory that if we do not, the continuing resolution will be resorted to to take over is simply denying our own authority.

We can call up a foreign aid bill, and we will, this very afternoon. We shall deal with it as we choose, or we may decide not to do anything with it. The alternative may very well be to have the continuing resolution, but that is our right. There is nothing tricky about that.

If we decide that we do not want to join issue on the foreign aid bill and the issues which it raises, then we simply keep the continuing resolution. That is only effective, not for the fiscal year, but until the adjournment of this session of Congress, which undoubtedly means the end of the year.

Congress may prefer to go that route. Why cut it off? I never believed in manacling our own hands because we do not know how to handle various alternatives. This is a proper alternative. It is a policy which is fully equated with the policy which is now contained in this bill on continuing many other programs. There is no reason why we should deny ourselves, in this summary way, any other alternative than the one of going ahead with the authorization for foreign aid.

The other point is that the authorization for foreign aid will still require an appropriation. That appropriation cannot possibly be timely, because it is long past the beginning of this fiscal year, and there may be—I cannot say, standing on one foot in a 5-minute debate—things which many of us would not wish to cut off summarily. Yet we will have cut them off as of last night, when the previous continuing resolution expired. I think that is highly improvident.

If I were dead set against foreign aid, I suppose I should take this route. I am not. I think that even those who are lukewarm about the subject ought at least to retain their options. Just to cut its throat summarily as the tag end of a continuing resolution I do not think is statesmanlike or wise, in legislative terms.

For all of those reasons, Mr. President, I oppose this resolution. As to whether or not I choose to move to table it depends very much on the managers of this bill on our side, of which I am unaware. Therefore, when the time expires, I shall seek a quorum, a live quorum if necessary, Mr. President, until there is an opportunity to determine exactly what should be the way of deciding this issue.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. I yield back the time.

Mr. JAVITS. Mr. President, I yield myself another half-minute.

Senator YOUNG, who is managing the bill on this side, has come in late. He may wish to use whatever minutes remain. I most respectfully ask unanimous consent for a very brief quorum so that I may at least brief him as to what has occurred.

Mr. MANSFIELD. Mr. President, I shall have to object, because I think the Senator from North Dakota knows fully what it is about. He is aware of the position of his colleague, the manager of the bill, who is against the amendment. I happen to be for it.

I hope that we will, in line with the intent of the agreements which were made, reach a conclusion and that the distinguished Senator may have the rest of the time from this side—I am sure that the Senator from Arkansas will give it to him—and what the Senator from New York has remaining. That must be 4 or 5 minutes.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. MANSFIELD. I ask unanimous consent that the Senator may have not to exceed 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Will the Senator withhold?

Mr. JAVITS. I withhold.

Mr. MANSFIELD. All time is up now. It is my intention to make the request that the Senate stand in recess until the hour of 10 minutes to 2. I know of no further amendments to be offered, and the agreement was that the vote would be at 2 o'clock, in view of the Republican caucus to discuss matters of importance.

Mr. JAVITS. May I make a parliamentary inquiry, reserving the right to object?

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. JAVITS. Is the right to move to table this amendment, cut off the recess if the recess is agreed to?

The PRESIDING OFFICER. No, the recess will not cut off the motion.

Mr. JAVITS. That right will be observed when we reassemble?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. But the Fulbright amendment will have to follow the disposal of the Mondale amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. JAVITS. So after the vote on the Mondale amendment, the vote will then be taken on the Fulbright amendment.

The PRESIDING OFFICER. The Senator is correct.

RECESS UNTIL 1:50 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:50 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 1:20 p.m., the Senate took a recess until 1:50 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATHAWAY).

FURTHER CONTINUING APPROPRIATIONS, 1975

The Senate continued with the consideration of the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question is on agreeing to the Mondale amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Hawaii (Mr. INOUYE), and the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. PACKWOOD) would vote "yea."

The result was announced—yeas 65, nays 26, as follows:

[No. 436 Leg.]

YEAS—65

Allen
Baker
Beall
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cotton
Cranston
Dole
Domenici
Eagleton
Fong
Goldwater
Gravel
Griffin
Hart
Hartke
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGee
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—26

Abourezk
Aiken
Bartlett
Bennett
Burdick
Byrd, Harry F., Jr.
Curtis
Eastland
Ervin
Fannin
Fulbright
Gurney
Hansen
Haskell
Hatfield
Helms
Hughes
Mansfield
McClellan
McClure
Metcalf
Nunn
Scott, William L.
Stafford
Stennis
Talmadge

NOT VOTING—9

Bayh
Bellmon
Cook
Dominick
Inouye
Moss
Packwood
Percy
Sparkman

So Mr. MONDALE's amendment was agreed to.

Mr. MONDALE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 10 minutes on the next amendment.

The PRESIDING OFFICER (Mr. McCLURE). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, will the Chair tell us, what is the next vote?

The PRESIDING OFFICER. The question occurs on the amendment of the Senator from Arkansas (Mr. FULBRIGHT).

Mr. HUMPHREY. Mr. President, am I correct that that amendment relates to only permitting expenses and salaries to be paid?

The PRESIDING OFFICER. The Chair cannot advise the Senator concerning the content.

Mr. HUMPHREY. Is there any time left on the amendment?

The PRESIDING OFFICER. There is no time remaining.

Mr. HUMPHREY. Mr. President, I move to table the amendment and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota to lay on the table the amendment of the Senator from Arkansas. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oregon (Mr. PACKWOOD) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

The result was announced—yeas 63, nays 28, as follows:

[No. 437 Leg.]

YEAS—63

Aiken
Baker
Bartlett
Beall
Bennett
Bentsen
Biden
Brock
Brooke
Buckley
Cannon
Case
Chiles
Cranston
Curtis
Dole
Domenici
Eagleton
Fannin
Fong
Goldwater
Griffin
Hansen
Hart
Hartke
Hathaway
Hollings
Hruska
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Magnuson
Mathias
McGee
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Muskie
Nelson
Pastore
Pearson
Pell
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—28

Abourezk
Allen
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Church
Clark
Cotton
Eastland
Ervin
Fulbright
Gravel
Gurney
Haskell
Hatfield
Helms
Huddleston
Long
Mansfield
McClellan
McClure
Metcalf
Nunn
Proxmire
Scott, William L.
Stennis
Talmadge

NOT VOTING—9

Bayh
Bellmon
Cook
Dominick
Inouye
Moss
Packwood
Percy
Sparkman

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 1131) was read the third time.

Mr. HUGH SCOTT. Mr. President, I move to recommit House Joint Resolution 1131, making further continuing appropriations for fiscal year 1975, to the Committee on Appropriations with instructions to delete section 3 as amended.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

> Mr. President, I move to recommit House Joint Resolution 1131, making further continuing appropriations for fiscal year 1975, to the Committee on Appropriations with instructions to delete section 3, as amended.

The PRESIDING OFFICER. On this motion there is a time limit of 1 hour to be equally divided.

Mr. JAVITS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HUGH SCOTT. I would be glad to yield.

THE PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. JAVITS. Mr. President, is that motion amendable?

The PRESIDING OFFICER. It would be amendable to add additional instructions.

Mr. JAVITS. I thank the Senator.

Mr. HUGH SCOTT. Mr. President, I yield myself 5 minutes.

Mr. BIBLE. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend until there is order.

Mr. BENNETT. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. HUGH SCOTT. I am glad to.

The PRESIDING OFFICER. The Senator will state it.

Mr. BENNETT. If the motion is amended, must the discussion on the amendment follow within the hour?

The PRESIDING OFFICER. There is a specific agreement on this motion which would include the amendment to the motion.

Mr. BENNETT. So we can count on a vote taking place no later than 1 hour from the present time?

The PRESIDING OFFICER. Under the present agreement.

Mr. BENNETT. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, the President of the United States has made a statement referring to the present condition of the continuing resolution, and he states:

> It is my conviction that approval of the continuing resolution, containing the Eagleton Amendment or similar language, would destroy any hope for the success of the initiative the United States has already taken or may take in the future to contribute to a just settlement of the Cyprus dispute.

I am sorry I am unable to proceed, Mr. President.

The PRESIDING OFFICER. The Senator will suspend until there is order.

The Senator may proceed.

Mr. HUGH SCOTT. I regret that my efforts always seem to stimulate additional conversation.

The President goes on:

> This view is shared by Secretary of State Kissinger, who is now in New York where he is making a major effort in his talks with Greek and Turkish representatives to bring about progress.

I may add that if this continuing resolution remains in this form, I personally see no reason why Secretary Kissinger should continue the negotiations since Congress, in making its own foreign policy, will have deprived the Secretary of the only tools with which he can negotiate, and unless the whole Congress wishes to move to New York to negotiate with Greece, Turkey, and Cyprus, I fail to see how we are going to be able effectively to serve as mediators.

> If the Eagleton Amendment or similar language is adopted by the Congress, the United States will have lost its negotiating flexibility and influence. It thus hurts the very countries and objectives it purports to help.
>
> It is my intention, therefore, to withhold my consent to any continuing resolution which reaches my desk containing language such as that found in the Eagleton Amendment. I can, however, accept, and indeed endorse, the language relating to military assistance to Turkey contained in the continuing resolution as reported to the full Senate by the Senate Appropriations Committee.
>
> I deeply appreciate the constructive efforts of the Democratic and Republican leadership in both the Senate and House of Representatives in their support for an amendment which would assist the diplomatic efforts of Secretary Kissinger in seeking an equitable solution to the Cypress question. I hope a majority of the Senate will respond to this bipartisan leadership effort.

Mr. President, I ask unanimous consent that the statement by the President may be included at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUGH SCOTT. The most cogent

argument against this section of the bill, as amended, was made by the distinguished majority leader yesterday, as he said at the beginning of his speech:

> Mr. President, there seems to be a madness throughout the land. We are looking for short answers, quick answers. We think that by doing certain things, we can establish a quick fix to a problem which will take a long time to heal.

Then he speaks of the change in the Greek Government for the better, and the overreaction of Turkey, in the hope that we can look at the broad picture in that area.

He makes the point that the adoption of this amendment is not going to force the Turks out of Cyprus, in whole or in part, but it is going to undermine the efforts of Secretary Kissinger, if called upon to do so, to act as mediator. He makes very strong arguments throughout against this amendment.

Now, as the New York Times pointed out this morning, and I quote from today's——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HUGH SCOTT. I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HUGH SCOTT. First, I ask unanimous consent to modify my motion to recommit by adding the words "and to report back forthwith."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. The New York Times states:

> The amendment proposed by Senator THOMAS F. EAGLETON was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors or to Arab incursions into Israel.

We have had conversations this morning with the General Counsel of the Department of State and have been advised that there do exist very definite legal questions as to the application of this amendment to the possibility of Israel being in violation, because this amendment uses the phrase, in prohibiting aid, "against nations which are in violation." The present law says "in substantial violation," and it has been possible to interpret the present law that various incursions across national boundaries were not in substantial violation.

This amendment gives us no leeway at all, and denies aid to any country which uses such defense articles or services in violation of the cited acts.

Therefore, it is quite reasonable to assume that what we are doing here is to add $200 million to Israel in the amendment, and then make sure that Israel does not get it by virtue of the fact that they, too, are alleged to be in violation.

Now, we always do this. We always add aid to Israel in order to make it possible for someone to pass some favorite project, usually having nothing whatever to do with Israel, and then nearly everybody votes for aid to Israel; and in this case we have perpetrated a very sad and unfortunate hoax, because we have said, "We will give you $200 million, we know the President is going to veto the bill. We will put the onus on his back and we will blame the President for not giving you the $200 million."

Whereas, at the same time, we have so constructed the legislation that Israel could be in violation of it and could not get it.

That is hardly the way to legislate, any more than it is right and proper for us to negotiate between countries or changes in foreign policy on the floor of the Senate.

I regret it very much and I am very sorry to see it happen.

We are all here good friends of Turkey and of Greece.

I do not suppose anybody in this room has any more reason to regard himself as a good friend of Greece. I have been twice honored by decorations from that country. I hope it will not see fit to hold a public ceremony and strip my medals because I feel I must take a position which is in their interest, whether they agree or not, because I am certain that by removing the tools for negotiation between Greece and Turkey by the United States as a mediator, we have deprived the Karamanlis government of any means by which negotiation can be furthered.

At the same time, we have shaken the structure of the Government of Turkey and the Government of Greece. I do not think that is any way to legislate and I hope the motion to recommit will carry.

If it does not, our people in the programs will not be paid, the authority to pay them expires today, the resolution will be vetoed if not properly worked out in conference, and I do not know when we will get another continuing resolution, probably at midnight on October 11 at a time when everyone wishes they were somewhere else but here.

I reserve the remainder of my time.

EXHIBIT 1

STATEMENT BY THE PRESIDENT

> Last night the Eagleton Amendment to the continuing resolution authority was passed by the Senate. Today the continuing resolution itself will be brought to a Senate vote.
>
> It is my conviction that approval of the continuing resolution, containing the Eagleton Amendment or similar language, would destroy any hope for the success of the initiatives the United States has already taken or may take in the future to contribute to a just settlement of the Cyprus dispute. This view is shared by Secretary of State Kissinger, who is now in New York where he is making a major effort in his talks with Greek and Turkish representatives to bring about progress.
>
> If the Eagleton Amendment or similar language is adopted by the Congress, the United States will have lost its negotiating flexibility and influence. It thus hurts the very countries and objectives it purports to help.
>
> It is my intention, therefore, to withhold my consent to any continuing resolution which reaches my desk containing language such as that found in the Eagleton Amendment. I can, however, accept, and indeed endorse, the language relating to military assistance to Turkey contained in the continuing resolution as reported to the full Senate by the Senate Appropriations Committee.
>
> I deeply appreciate the constructive efforts of the Democratic and Republican leadership in both the Senate and House of Representatives in their support for an amendment which would assist the diplomatic efforts of Secretary Kissinger in seeking an equitable solution to the Cyprus question. I hope a majority of the Senate will respond to this bipartisan leadership effort.

The PRESIDING OFFICER. Who yields time?

Mr. EAGLETON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. EAGLETON. Is there a time limit on this motion to recommit?

The PRESIDING OFFICER. There is a time limit of 1 hour equally divided.

Mr. EAGLETON. And who has control of the time on the respective sides?

The PRESIDING OFFICER. The Senator from Pennsylvania (Mr. HUGH SCOTT) and the Senator from Arkansas (Mr. MCCLELLAN).

Mr. EAGLETON. May I address a question?

Mr. MCCLELLAN. I am glad to yield. How much time does the Senator wish?

Mr. EAGLETON. I would like to have 10 minutes at this time.

May I ask the Senator from Arkansas, is it his position to support the motion to recommit?

Mr. MCCLELLAN. Well, I have not fully decided. I am very much so inclined, but I am happy to yield such time in opposition as the Senator wishes, or let him dispense the time.

Mr. EAGLETON. Whatever would be more convenient to the Senator from Arkansas.

Do I take it I will have control of the time?

Mr. MCCLELLAN. Well, as to this amendment. I do not think the Senator should have control of all the time.

Mr. EAGLETON. No.

Mr. MCCLELLAN. But I am going to give the Senator such time as he wants on his amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that I may be privileged to speak on this motion at this time and if I speak once again, same will not be construed as a second speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I always enjoy listening to my good friend, the Senator from Pennsylvania. He is able, he is articulate, and he can be, when he is at his best, obfuscating. Among his eloquent remarks was the fact that he has been in close touch within the last 24 hours with the lawyers of the U.S. State Department.

This is marvelous, Mr. President. For well over a month I have been trying to get in close touch with the lawyers for the State Department to ask them to reduce to writing the advice they have already given verbally to the Secretary of State, Mr. Kissinger, to wit:

> Dr. Kissinger, you are in violation of the law, you are in violation of the law by continuing to authorize further military aid to Turkey when Turkey has used that foreign aid in violation of existing U.S. statutes.

As the Senator from Pennsylvania well knows, that advice has been given to the Secretary of State by his own lawyers. Yet the Secretary of State has steadfastly refused to release that legal advice from his own lawyers. He has informed Members of the Senate that he has received such advice, but he will not give us the written legal document.

Yet the minority leader—when he wants some hurried-up, hastily concocted legal opinion from the State Department—has immediate access and gets his desired answers promptly.

Well, I say to those nameless attorneys in the State Department who have advised Senator Scott that they are wrong—dead wrong in their interpretation of the Eagleton amendment with respect to Israel.

The Eagleton amendment does not for one whit curtail continued military aid to Israel under the existing circumstances in the Middle East. Senator Scott's argument is, to use the words of President Truman, a "red herring," a diversionary ploy that is sometimes used to obfuscate the real issue. Israel is not an aggressor nation, despite the arguments of the Senator from Pennsylvania.

Surely Israel would not be subject to an aid cutoff as a result of enactment of this legislation. Clearly Israel has not been the aggressor in its military conflict with the Arabs. And that is the U.S. policy interpretation of this matter.

In the 6-day war, Israel exercised its rights as a belligerent because Egypt had blocked the Straits of Tiran—a causi belli in international law. In the Yom Kippur war there can be no question as to who was the aggressor. I think that it should be made clear that in acting in its defense, and fighting for its survival, Israel was not the aggressor and would not be subject to a denial of U.S. aid.

Mr. President, the only nation which clearly and specifically is in violation of the Foreign Assistance Act is Turkey. It is normally exceedingly difficult to legally define the term "aggression," but in the case of Turkey vis-a-vis Cyprus, we have a statement by a President of the United States making that definition for us. I am, of course, referring to the 1964 letter from President Johnson to the Prime Minister of Turkey.

The main thrust of the remarks of the Senator is that we feeble-minded 100 U.S. Senators should not have anything to say about the foreign policy of the United States.

Mr. President, how many times since 1964 have we heard that same advice on this floor from a succession of Presidents beginning with Lyndon Johnson, continuing with Richard Nixon, and now with Gerald Ford?

We in the Senate were told during that dreadful era of Vietnam to keep our noses out of that war. We were told: Johnson knows best; Rusk knows best; McNamara knows best; and we have no role to play in it—we were simply to appropriate the money and send some more men to die. That was, as the executive branch viewed it, our only role.

When Richard Nixon came to office, that same kind of "father-knows-best" advice was given us, and for 4½ years under Nixon the Congress of the United States marched to that terrible and uncertain tune.

But finally, our consciences got the best of us and the dissatisfaction of the peoples got the best of us, and we said, "Enough."

We did exercise some clout in foreign policy on the floor of the Senate. In the summer of 1973 we attached to an appropriation bill an amendment cutting off bombing in Cambodia. We said, "No more, Richard Nixon, we will not bomb there any longer."

The Senator from Pennsylvania wanted to continue to bomb, and others did as well, but we said "no" to the President. Then President, Richard Nixon, threatened, "I will bring this Government to a halt if you put that amendment on. I will veto the bill."

And he did veto one and finally a compromise was worked out. I think it was a misbegotten compromise. I think it was an unholy compromise. But the 45-day Cambodian bombing compromise was worked out and, finally, as offered by the distinguished Senator from Arkansas (Mr. Fulbright), an amendment was passed terminating American bombing of Cambodia on August 15, 1973.

Yes, we intervened in foreign policy. We would have been less than human and less than decent if we had not. Were we to sit here and let the war go on and take its awful toll? I think it was one of the proudest days in the Senate's history that we had the guts to stop that carnage.

Now, to the present situation, using the same logic that the Senator from Pennsylvania has enunciated, are we to stand blandly by and permit a law that has been on the books of this country for 2 decades to be specifically ignored by President Ford and our omniscent, "father-knows-best" Secretary of State?

They are subject to the law just as every Member of this body is subject to the law. There is no one in this country of 212 million people that is above the law. We are all under it. We are a Nation of laws and not of men. This law, the Foreign Military Sales Act, has been on the books and it has been enforced.

In 1964, under analogous circumstances, when Turkey then threatened to invade Cyprus, then President Lyndon Johnson said to the Turkish Government:

> Beware, if you move to invade Cyprus, I will invoke the law that is on the books and I will forthwith terminate aid to the government of Turkey.

The documents are available on that exchange between the Turkish Government and President Johnson.

The upshot was that President Johnson did two things. First, he showed that he had imagination. Second, he relied on the rule of law. The result was that Turkey did not invade Cyprus.

Now, 10 years later, there has been no great imagination with respect to our Cyprus policy. We are told to ignore the law, we are told that Henry does not like the law; that Henry will have his hands tied, just as Henry said we would tie his hands if we terminated the Cambodian bombing. Remember that, Mr. President, "You will tie my hands if you deny me the authority to bomb."

And do you not remember during Dean Rusk's time, whenever an event took place in Congress with respect to the Vietnam war, Rusk would say "Do not do that; you will tie my hands?"

The essence of statesmanship is legality. Statesmanship is not just an artifice, a clever exchange of words between diplomats. The backbone of any foreign policy has to be rule under law. It applies to Cyprus. It applies to Chile.

In this bill that the Senator from Pennsylvania wants recommitted is the Kennedy amendment that cuts off aid to Chile.

Are we very proud of that clever bit of diplomacy, that clever act of statesmanship, which resulted in the accession of the Chilean junta to power? What a great day for humanitarianism in that our "destabilization" policy brought into power a bunch of torture artists. What a "proud" day for America.

The rule of law, Mr. President, is more than something that young law students learn in their 3 years in law school. It is a guidepost by which civilized men live; it is a guidepost by which a civilized nation flourishes; it is a guidepost by which a civilized nation conducts its foreign policy.

By asserting ourselves in foreign policy, we are not intervening in the private life or the private preserve of Henry Kissinger. All we are saying is, "Dr. Kissinger, wherever you are, and whatever you are thinking, all we ask of you, good Doctor, is to obey the rule of law. All we ask of you, good Doctor, is that you obey the law that all of us are obliged to obey, and conduct your negotiations within the framework of law."

The Government of Turkey, Mr. President, knows this law.

The **PRESIDING OFFICER**. The Senator's 10 minutes has expired.

Mr. **EAGLETON**. I yield myself an additional 5 minutes.

The Government of Turkey knows this law. They know it full well.

Mr. **McCLELLAN**. Mr. President, I yield the Senator from Missouri an additional 5 minutes.

Mr. **EAGLETON**. I thank the Senator from Arkansas.

The Government of Turkey knows this law full well. It is no surprise to Turkey that, first, this debate is taking place, and second, aid may be and should be terminated. It will be no shock, no surprise to Turkey. They were so informed at the time they signed their original bilateral agreement with the United States in 1947, 27 years ago. As part of that agreement, the Turkish Government agreed not to use military aid for aggressive purposes against neutral or third nations.

On this point, Mr. President, I ask unanimous consent that two speeches that I gave on September 5 and on September 18 of this year, relating to the legal questions involved, be printed in the Record at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibits 1 and 2.)

Mr. **EAGLETON**. Turkey knew what the law was in 1947 when they signed the bilateral agreement. Turkey knew what the law was in 1964 when President Johnson told them they had better obey the law or they were going to have their aid discontinued.

Since when can enforcing the law be dangerous foreign policy?

Should we tell Turkey we believe in the rule of law or should we tell them that we sometimes subvert governments in Guatemala, we sometimes have secret wars in Laos, we sometimes destabilize governments in Chile, and we sometimes spend many months in the Dominican Republic rescuing American citizens?

Finally, I turn to the point raised yesterday by the distinguished majority leader and reiterated today by the distinguished minority leader. It is alleged by both of these distinguished men that this act of terminating military aid to Turkey will weaken the Karamanlis government. Or, to put it another way, that Mr. Karamanlis is on his knees every night, in a political, quasi-novena praying that more U.S. aid be given to Turkey because that will keep his government in power and make things peaceful and serene on Cyprus.

Mr. President, that argument is illogical on its face. It is, per se, inconsistent. The strength of the Karamanlis government does not depend on how much stronger we make the Turkish Government by more military aid with which they can further oppress the Cypriots. Poppycock. The Karamanlis government will be threatened inevitably, Mr. President, if we continue in violation of law to pump more and more American armaments into Turkey for their ultimate use on Cyprus.

Yes, then the Karamanlis government will be truly in jeopardy, and Greece will have but two alternatives: they can go far right or far left. They can go back to another junta. How about Chile? We seem to be rather cordial with them, and perhaps that is our silent preference, back to more oppression of the far right. Or, alternatively if Karamanlis cannot hold on, they can go far left and go Communist. That certainly is not our preference. It should not be our preference to drive Greece either left or right.

I assure you that the Greek Government knows this law. If we continue in violation of American law and in violation of the American-Turk bilateral agreement to continue to tilt toward Turkey, we will, as surely as we are debating this issue here today, Mr. President, be undermining the strength of the Karamanlis government.

I say in conclusion, Mr. President, our distinguished Secretary of State is famous for his tilts. He tilts toward the junta in Chile. He tilts toward Thieu in Vietnam. His most famous tilt was his pro-Pakistan tilt. His current tilt, his Turkey tilt, is no wiser than the other tilts.

If we are to shrink from our responsibility in the face of law, then, Mr. President, we become witting handmaidens in this tragedy in the Aegean Sea.

We have but one honorable role to play. That role is to speak our minds, to vote our consciences, and to enforce our laws.

EXHIBIT 1

STATEMENT OF THOMAS F. EAGLETON

Mr. President, throughout our history Congress in fulfilling its constitutional responsibilities has sought to provide the Executive with maximum flexibility in the conduct of foreign affairs. It was, of course, the intention of the Framers that the President be allowed to negotiate with foreign governments with as little statutory restriction as was deemed by Congress to be in the national interest. This schema has served the United States well even in this era of "foreign entanglements."

But one area where Congress felt that the national interest *was* best served by restrictive legislation . . . by keeping the Executive on a short leash . . . was the area of military assistance. Recognizing the inherent danger of providing arms to foreign governments by grants or sales, Congress passed legislation carefully circumscribing the use of those arms. And we carefully limited the President's discretion in continuing military assistance to a recipient nation when that nation is in violation of the applicable statutes.

For the past month the Government of Turkey has been in violation of the provisions of Section 505 of the Foreign Assistance Act and Chapter 1, Section 4 of the Foreign Military Sales Act. Whether or not it suits the policy of the Executive Branch at this time, these laws state categorically that a violating nation "shall be *immediately ineligible*" for further assistance.

It seems apparent that the law is either being ignored or openly abridged in order to accommodate an ill-perceived short-range gain—ill-perceived because we have gained nothing and lost much in our "tilt" toward Turkey.

Section 505, subsection (a)(1)(C) states in part:

". . . no defense articles shall be furnished to any country on a grant basis unless it shall have agreed that . . . it will not, without the consent of the President, use or permit the use of such articles for purposes other than those for which furnished . . ."

Mr. President, Turkey did consent to that carefully drawn condition in a bilateral agreement with the United States signed in July 1947. Article IV of that agreement requires Turkey to obtain U.S. approval for the use of American arms for purposes other than those for which such assistance was furnished.

In a June 1964 letter to the Prime Minister of Turkey, President Johnson warned of the consequences of using American arms for an invasion of Cyprus. The President referred to the 1947 military aid agreement and said:

"I must tell you in all candor that the United States cannot agree to the use of any United States supplied military equipment for a Turkish intervention in Cyprus."

Later in his letter, President Johnson said: "You have your responsibilities as Chief of the Government of Turkey; I also have mine as President of the United States." The President knew full well when he sent that letter that his statutory responsibility was to declare Turkey immediately ineligible for military assistance if Turkey went ahead with its plan to intervene in Cyprus.

What are the purposes for which we furnish a nation with weapons under military assistance programs? Subsection (b) of Section 505 of the Foreign Assistance Act addresses that question directly when it requires the President to determine that each of the four following conditions be met:

"(1) that such country conforms to the purposes and principles of the Charter of the United Nations;

"(2) that such defense articles will be utilized by such country for the maintenance of its own defensive strength, or the defensive strength of the free world;

"(3) that such country is taking all reasonable measures, consistent with its political and economic stability, which may be needed to develop its defense capacities; and

"(4) that the increased ability of such country to defend itself is important to the security of the United States."

Mr. President, the words "immediately ineligible" strongly imply that the President must make an expeditious determination that these four conditions have been met. Now, more than a month after the invasion of Cyprus, it is obvious that Turkey has clearly violated conditions one and two. It cannot, in my opinion, legitimately be argued that the Administration has acted in good faith to expeditiously implement the provisions of this law.

The Foreign Military Sales Act is equally specific in defining the purposes for which military sales are authorized. Section 4 reads as follows:

"Sec. 4. Purposes for Which Military Sales by the United States Are Authorized.—Defense articles and defense services shall be sold by the United States Government under this Act to friendly countries solely for internal security, for legitimate self-defense, to permit the recipient country to participate in regional or collective arrangements or measures consistent with the Charter of the United Nations, or otherwise to permit the recipient country to participate in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security, or for the purpose of enabling foreign military forces in less developed friendly countries to construct public works and to engage in other activities helpful to the economic and social development of such friendly countries."

Mr. President, even the wildest imagination could not construe the Turkish invasion of Cyprus as conforming to the purposes and principles of the UN Charter. Turkish troops have actually engaged UN peacekeeping forces on Cyprus. Certainly the aggressive actions of Turkey cannot be interpreted as "legitimate self-defense" . . . or "internal security" . . . or "public works" . . . or "helpful to the economic and social development" of Cyprus.

It is clear, therefore, that the action of Turkey is in direct violation of the 1947 bilateral agreement, and consequently, in violation of the legal authority under which that country receives military aid. The President in this rare instance has virtually no discretion under the law—he must determine that Turkey is immediately ineligible for military grant assistance and military sales.

In a press conference on August 19, Secretary of State Henry Kissinger stated that he would seek a legal opinion on the issues I have discussed today. He also strongly implied that it would not be in our interests to terminate military aid to Turkey at this time.

Mr. President, it is always in the interest of the United States to assure that our laws are faithfully executed. I would rather believe that the delay in receiving a legal opinion on military assistance to Turkey is unrelated to the State Department's perception of the best policy to follow in the Cyprus matter. Yet, the implication is inescapable. There is no excuse for the failure to implement what is a clear requirement of law.

It is my personal belief that a cutoff of military aid to Turkey would indeed serve to inspire accommodation among the warring factions on Cyprus. If such action is taken immediately, as is required, it will present a tangible expression of concern to Greece—an expression which might save U.S. bases in that country and hopefully stem the tide of anti-Americanism. And it may demonstrate to Turkey that, although it has won a military victory, that victory cannot be sustained over time unless it is transformed into political accommodation.

Mr. President, we have just emerged from a trying period of American history—a period when laws were winked at and rationalized to fit the concept of policy-makers. By and large, we have learned that policies created in ignorance of or in spite of the law are doomed to failure.

I am sure that it is not President Ford's intention to ignore the law in this instance.

I have greatly admired his efforts to restore confidence in the law during his brief tenure as President. But it is my belief that he is being ill-advised or being kept uninformed of the legal ramifications of his inaction in the Cyprus matter in order to protect erroneous policy judgments made by the foreign affairs bureaucracy.

I call upon the President to make the inescapable determination he is required to make under the statutes I have cited today. He has no choice but to declare Turkey ineligible to receive further military assistance. Such action will not only conform the Administration's actions with the law, it will begin to correct the grievous errors our government has made in sacrificing relations with Greece in favor of a nation which has committed aggression.

Exhibit 2

Statement of Senator Thomas F. Eagleton

Mr. President, the amendment I propose today is intended to demonstrate that the rule of law in this nation must prevail over the policies of men. The law governing the use of American military assistance is not subject to varying interpretations . . . it is not a complicated statute . . . and it contains virtually no discretionary authority. The pertinent sections of the Foreign Assistance Act and the Foreign Military Sales Act explicitly state the requirement:

"Any country which hereafter uses defense articles or defense services furnished such country under this Act . . . in substantial violation of the provisions of this (Act) or any agreement entered into pursuant to (this Act) shall be immediately ineligible for further assistance."

Since July 20, 1974, the Executive Branch has tried—unsuccessfully—to look the other way while American arms are used by Turkey against the nation of Cyprus. The State Department wants President Ford to overlook the legal requirement to stop military aid to Turkey for misusing our weapons. It is a painful irony in this post-Watergate era that individuals at the highest levels of government persist in trying to undercut the law in favor of their own perceptions of what is best for America and the world.

Mr. President, what are the provisions and purposes of the acts which authorize military assistance? According to a legal memorandum prepared by the Library of Congress, "U.S. military aid is intended for the sole and exclusive purpose of permitting recipients to defend themselves against aggression . . ." The Library concluded its memorandum with the following statement:

"Use of articles and services for other than defensive purposes, i.e. for aggressive purposes, is barred by law."

The dictionary definition of the word aggression is "the violation by one country of the territorial integrity of another." If we use this definition, there can be no doubt that Turkey committed an aggressive act in violating the territorial integrity of the nation of Cyprus. Even with no further guidance from precedent or legislative history, Turkey is clearly guilty of using American arms in violation of the provisions of our military assistance programs.

But in this instance we need not depend upon dictionary definitions. In 1964 the President of the United States warned the Prime Minister of Turkey that using American arms "for a Turkish intervention in Cyprus" would violate our bilateral arms agreement with that country. Documents on hand in the Executive Branch—prepared for President Johnson in support of the 1964 letter—indicate that the President knew full well that it would have been his statutory responsibility to cut off military aid to Turkey had that nation moved on Cyprus.

The July 1947 bilateral agreement between the United States and Turkey requires Turkey to obtain the approval of the United States for the use of American defense articles for any purpose other than for the defensive purposes for which our arms are furnished. American law requires Presidents to consummate such agreements before the United States can offer military assistance.

In the Turkish invasion and occupation of Cyprus, our agreement with Turkey is being openly and substantially violated. Turkey has not asked our permission to use American arms on Cyprus. And in violating their agreement with the United States, the Turks have become ineligible to receive any further American assistance.

Mr. President, we do not give arms to nations so that they can be used against the friends and allies of the United States. The preamble of Title II of the Foreign Assistance Act emphasizes the control we place over American weapons:

"It remains the policy of the United States to continue to exert maximum efforts to control weapons . . . under adequate safeguards to protect complying countries against violation and evasion."

If this principle of statutory control is to be preserved, then our government cannot ignore violations of this type. The world must know that American law is applied equitably and that policy considerations, however well-intentioned, must always be consonant with the requirements of our domestic law.

Mr. President, the State Department has apparently decided that its policy must prevail to the exclusion of other considerations. But let us not be mistaken, American law is already a part of the complicated Cyprus equation. Turkey and Greece both understand what the President's legal obligation is, and if the President fails to fulfill that obligation to cut off aid to Turkey, it will no longer be even arguable that our policy is even-handed.

If the United States continues on its present course, in spite of the law, we risk the total loss of Greece as a NATO ally. And if Greece withdraws from NATO, the American naval presence in the eastern Mediterranean will be severely crippled.

Our ports in mainland Greece and in Crete are vital if we are to match the Soviet navy in that area. It would be a serious miscalculation if we were to encourage the Caramanlis government to close our ports by attempting to circumvent a clear requirement to penalize Turkey's aggression.

It would be equally improper to recommend to President Ford that he pardon Turkey for its misuse of American arms.

The President can waive the provisions of the Foreign Assistance Act if he determines that it is "important to the security of the United States."

But because we risk losing our ports in Greece, it is inconceivable that a waiver would in fact enhance our security posture.

According to the law, the President, before granting a waiver, must make a determination that the purposes for which the United States gives military assistance are furthered by his action. The law is explicit on this point—our military assistance cannot be used for aggression. Using the waiver clause to advance such a negative cause would violate the letter and the spirit of the law. The military intervention by Turkey cannot, therefore, be pardoned, nor should it be.

Despite the State Department's most recent plea for kingly powers in the realm of foreign affairs, Congress has a constitutional responsibility to enact statutory controls over programs and policies when it perceives such controls to be in the national interest. Congress long ago recognized the potential dangers of military assistance and enacted laws strictly controlling the use of American weaponry by recipient nations. It is this principle of control which is at stake in the Administration's ongoing refusal to properly execute the law.

The United States was universally admired some weeks ago when the rule of law prevailed providing a smooth transition of executive power. Would our nation be any less respected, even by Turkey, if we were to subordinate a policy advanced by a few men to the law which governs all men?

I urge my colleagues to vote for the rule of law and to voice the displeasure of the Senate over the State Department's extralegal Cyprus policy. Much is at stake in the vote we cast today. Our refusal to tolerate the accession of policy perceptions over legal obligations could go far in putting our nation back on the course set by the framers of our constitution.

Mr. HUGH SCOTT. Mr. President, I yield 5 minutes to the distinguished senior Senator from Wyoming (Mr. McGee).

Mr. McGEE. Mr. President, I have listened with great interest to my colleague from Missouri on the principles of his petition of the matter before us. I have listened with great interest, read with the greatest of care, and felt with the deepest of emotions the hundreds and hundreds of telegrams and letters that I have received from the Greek community all over the land, and from my home State of Wyoming.

I try very carefully to understand—and I think we all do.

The real point of it, it seems to me, is how are we going to be able to do the best for the people of Cyprus, until recently completely independent? How are we going to try to roll the present situation back so that the interests of the Greek Cypriots, and those in the Greek nation that are concerned about their well-being, have the best chance to reachieve the kind of equity that they enjoyed not very long ago?

I would submit, Mr. President, that the best way to make sure they do not get it back is to follow through on the proposal of my distinguished friend from Missouri. All this can do is to harden the present status quo, rather than loosen its base and make possible doing something in the best interest of Greece and in the best interest of the Greek Cypriots at the same time.

It is simply another illustration, if I may say so, that we are ill-advised to try to make this kind of foreign policy on the floor of the Senate in this way, with this haste. That is not what the Senate was created to do.

We in this body have rightfully been concerned about the prestige of the Senate, about the role of the Senate, in foreign policy. Then we blow it in 2 days on the floor of the Senate by holding up our image to the rest of the country as men who are impetuous, as men who are in a hurry and impatient and hot-headed. Those are the very ingredients we have no reason bringing into play on foreign policy at a time like this.

God knows, it is tough in the eastern Mediterranean right now, but for a lot of reasons. Cyprus is only one. The historic Greek-Turkish rivalry there, which goes back a great many decades, was not invented now. You have a heritage there of deep and abiding mistrust and hatreds. But our task is to try to reestablish equity, if we can.

Our hand is stronger if we can be trusted by both sides. We have little else we are going to do, unless we are going to mobilize our armies and democratize the world, whether they like it or not. I submit that that is not the American role, either.

So I say to my colleagues that two things are at stake here: One is, how do we have the best chance to restore equity to the Greek Cypriots and the Greek nation? Two, how can we expedite public confidence in the integrity and the sober judgment of the Senate of the United States, which would like to play a more important role in foreign policy with the executive branch?

I say that we answer both of those questions in a significant way if we turn down the amendment of the Senator from Missouri, which is now a part of this measure. It has no place in a process in which it does not belong.

If we are going to raise the dignity of this body and its role in foreign policy, we had better tend to our knitting in the ways we go about it. We all want to help the restoration of equity to the Greeks, and the Greeks in this land must understand that. But that is not going to be done in the way proposed. It is going to damage the Greeks. The Greek interests in this country ought to understand that basic principle.

That is the reason why it is important that we stand up here, as Senators, rather than count the letters and the telegrams. It is important that the national interests and the interests of other countries be weighed in the balance with the wisest judgments we can command.

Mr. HUGH SCOTT. I thank the Senator.

Does the Senator from Arkansas wish to yield time?

Mr. McCLELLAN. Does the Senator from North Dakota (Mr. YOUNG) desire time?

Mr. YOUNG. Yes.

Mr. McCLELLAN. I yield 2 minutes to the Senator.

Mr. YOUNG. Mr. President, the motion by the distinguished minority leader, Mr. SCOTT, would recommit this joint resolution and eliminate the Eagleton amendment, an amendment which I strongly opposed yesterday on the floor of the Senate.

This involves foreign policy of a very complicated nature, the kind of foreign policy we have no business trying to legislate on the floor of the Senate. I deplore the efforts of those who try to discount the great accomplishments of Secretary Kissinger in world affairs. No one in the history of this Nation has done more for peace in the world than has Dr. Kissinger.

To leave the Eagleton amendment in this measure would not only jeopardize our efforts to try to bring about peace in the Middle East but also would have the effect of holding up money badly needed by other branches of Government.

If we went to conference with all the Senate amendments, with the conferees obligated to support the Senate amendments, and these amendments were adopted, the matter would go to the President and would be vetoed, and we would have to start all over again. In the meantime, many agencies of the Government will be without money.

Mr. President, there is time for this amendment on the bill which will come up next, the legislative bill of the Committee on Foreign Relations—that would be more appropriate—or even on a supplemental appropriations bill which will be coming up soon.

Mr. HUGH SCOTT. Mr. President, before yielding to the distinguished Senator from Texas, I wish to take 1 minute to praise the Senator from Missouri for having used the old prosecutor's tactic. He and I both are former prosecutors. When you have a weak case, you try everything else. He tried me. He tried the Secretary of State. He tried Guatemala. He tried everything except the facts.

The facts are that the veto of this measure would take aid away from Greece, whom we are all trying to help. It deprives the Greeks of aid as well as the Turks. It deprives everybody in the continuing resolution of any relief whatever. That is what it does.

Later, I will read some legal considerations which I have received from the State Department. But at this time I yield 3 minutes to the distinguished Senator from Texas.

Mr. TOWER. I thank the distinguished Senator from Pennsylvania. I should like to associate myself with what has been said by the distinguished Senator from Wyoming and the distinguished Senator from Pennsylvania.

The Senator from Missouri says that we are obfuscating the matter when we bring in the question of whether or not Israel is liable under the terms of the Eagleton amendment as currently couched. I do not think it is obfuscation at all.

Yesterday, on the floor of the Senate, the Senator from Missouri said that his was a generic amendment. If, indeed, it is a generic amendment, as he claims it is, then we have to discuss its impact on other countries as well as Turkey. I would add Greece, as the Senator from Pennsylvania has done, because the Greek Government supplied the arms to the Cypriot revolutionaries who overturned the established government of Cyprus and sent Makarios into exile. Therefore, the provisions of the Eagleton amendment, make no mistake, apply to Greece as well.

If the Senator is going to be insistent on the enforcement of the rule of law, observation of the rule of law, then he must admit that we must apply it equally, as indeed the law should be applied. Therefore, it will apply to Israel, which has already been in violation; it will apply to Greece, which has already been in violation. So let us make no mistake about the scope of the effect and the impact of the amendment that has been proposed by the Senator from Missouri and has been adopted.

Further, I reject his contention that the United States of America is engaged in international banditry. I do not think we have done so. We have been trying to establish the rule of law in this world. But the rule is not very well established, nor is the interest of a democracy served, when a Communist infrastructure in a Latin American country can influence the outcome of the elections in that country in a way contrary to the free operation of the democratic process.

I do not see why we should remove aid from Chile because they threw out a Communist government. It does not seem to me to make good sense. If there is something terrible about right-wing dictatorships and something wonderful and lovely about left-wing dictatorships, or authoritarian systems, then we should think in terms of those who have been critical of the government of the Greek colonels in Greece that perpetrated this action in Cyprus in the first place. I do not think we should damage the prospects for the survival of the modern government of Karamanlis by destroying the ability of the United States to try to help negotiate a settlement.

Mr. HUGH SCOTT. I yield myself 2 minutes.

Mr. President, the Senator from Missouri is advocating a rule of law. I am advocating that we abide by the law as presently on the statute books. The Senator seeks to change that law and then abide by it. But he seeks to change it in such a cavalier and sweeping and inconsiderate fashion as to render his own purposes nugatory. There is a good word for you. Nugatory to you. [Laughter.]

The Senator is my good friend, and he tolerates this sort of thing.

It could well render it nugatory, because what he is doing is denying aid to Greece. What he is doing is interfering with the foreign policy of the United States, without hearings and without careful consideration. What he is doing is participating in this madness that sweeps the world, as has been said, in order for the Senate to get into an act which it does not understand and rush to center stage and upset the entire cast and program, while a very delicate series of maneuvers are going on in an effort to bring peace between these two embattled nations.

That is what is trying to be done. He can make all the references he wants to the personal life of Secretary Kissinger, as he said. I, of course, think that Secretary Kissinger's personal life is extraordinarily attractive to most Americans. He is married to a lovely lady, he is a faithful husband, and he is a devoted Secretary of State.

Beyond that, fun has been made of the fact that he is peripatetic. His job requires him to be peripatetic, and if he were not peripatetic, he would not have been able to go to China. If he were not peripatetic, he could not have gone to Russia and achieved those things for our Government which were achieved.

I am glad that he is peripatetic, and I want him to "peripatete" some more, if necessary, to bring peace in the Middle East, if he can.

These are the legal considerations. I have asked for an unofficial opinion from the State Department, because we do not want to make final judgments against any country.

Informally, I am told that the Eagleton amendment would establish new conditions for U.S. assistance and sales, not contained in existing law. Each foreign country would be required to interpret and apply U.S. statutes with the risk that any violation, whether intended or unintended, substantial or minimal, could result in a suspension of arms deliveries.

The existing language, section 505(d), speaks of "substantial violation," whereas the Eagleton provisions refer to "uses in violation."

Further, once a violation has occurred, the Eagleton amendment would prohibit a resumption of arms shipments with these funds, even though a country had taken steps to restore its eligibility under existing law.

That is how ill-considered this amendment is. It is a rush toward the electorate, rather than even a rush to judgment. Everyone knows that this amendment would not have a chance if this were not an election period, and we are getting close to November. We have a nervous constituency and a nervous reaction. We are nervous in the service.

The unintended effect of the application to other countries is uncertain indeed; as, for example, Israel, where we conceivably could be required either to condemn or endorse air attacks upon neighboring countries, Israel versus other nations or other nations versus Israel.

This is a highly mischievous piece of business which we ought not to be engaged in.

I reserve the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the distinguished Senator from Indiana.

Mr. HARTKE. I thank the Senator.

Mr. President, I commend the Senator from Missouri for his outstanding leadership in his amendment, and for his persistence in this matter. I think that perhaps, to some extent, we have lost sight of exactly what we are doing here.

We are not trying to tell Mr. Kissinger or anyone else how to conduct foreign policy.

What we are saying is that whenever a nation takes money from the United States for one purpose—that is, to defend itself—and uses that money as an aggressor nation against another nation, we are going to stop giving them money. That is a rather simple proposition.

There are some deep underlying considerations. As I listened to the deputy foreign minister today, Mr. Mavros, as he spoke to the National Press Club, the question was asked specifically of him, since he had met with Mr. Kissinger last night, if there are negotiations going on at the present time. He stated definitely, without any equivocation, that no negotiations are going on.

Therefore, to say very simply in this body that by taking away what is right and proper and legal in the Eagleton amendment, this somehow will interfere with negotiations, appears to be somewhat of a misleading statement. Either Mr. Mavros knows what is going on—he is the deputy foreign minister—or otherwise there are negotiations which are going on with the Turkish people as a one-sided proposition.

It is a two-sided proposition. The Senator from Texas spoke about the aggression started by Greece. Let me point out that if the same policy were followed by those who oppose the Eagleton amendment today, if that same policy had been followed in relation to the Greek junta by those of us who did speak up against the Greek junta, those of us who said we did not approve of giving military assistance to a nation and its using it for purposes other than to defend its own territory, then we would not have a democracy in Greece today.

Let us make it possible for a democracy to succeed, and make it possible for Turkey to find some way out of its self-created difficulties. They started the mess. Let them get themselves out of it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCLELLAN. Mr. President I yield 2 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, this morning, I was concerned, and I still am concerned, about the delay and about the amendments, even though they are relevant. Most of them, as I see it, are out of order on a continuing resolution. We cannot make a continuing resolution over into a review of foreign policy and domestic policy and all the subjects of government. The continuing resolution was invented, as I said this morning, to carry out some legislative delays, restore some omission, where we failed in getting these bills passed.

I said then that, under the facts as I saw them, I would withhold the motion to recommit. However, the situation is altogether different now. This has developed into a leadership movement of the two floor leaders and the chairman of the Committee on Appropriations and the ranking minority member of the Committee on Appropriations, with instructions, or, in effect, if it carries, there will be a forthwith report. So there will not be any delay involved.

As I said this morning, I shall support the motion to recommit.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. McCLELLAN. Does anyone else wish time in opposition to the motion?

Mr. EAGLETON. May I have 2 minutes?

Mr. McCLELLAN. I yield 2 minutes to the Senator from Missouri.

Mr. EAGLETON. Mr. President, I have said, in substance, all that I intended to say in my opening remarks. The law is still the law. The law is clear and it should be obeyed. But we have gotten into a bit of semantics. I do want to clarify the record with my distinguished friend from Pennsylvania.

I had no intention of referring to my colleague as being nugatory. He is, as I discussed, rather dilatory.

If I misspoke with respect to the Secretary of State, I did not mean to refer to his policy on Cyprus as being peripatetic. I said his policy on Cyprus is pathetic, and I wish the record to show that if I did misspeak, I wish it rectified.

As I say, I enjoy my colleague from Pennsylvania. When it is difficult to support the law, the Senator from Pennsylvania is very good at limericks. But this business, Mr. President, is too serious for semantics, for lyrics, for limericks or for ancient Chinese art.

What we are talking about is war and peace. What we are talking about is the rule of law. The Congress of the United States should always be on the side of the rule of law. I hope we express that principle by our vote today.

Mr. HUGH SCOTT. Mr. President, I yield myself 1 minute, simply to deplore with tears in my eyes the characterization by the Senator from Missouri of the efforts of the Secretary of State in Cyprus.

Evidently the Senator from Missouri is not aware of the fact that there is a line of demarcation, that the slaughter or killing has ended, that the activities of the Secretary are to keep it that way and to move from that toward an ultimate and peaceful solution.

The primary power involved in Cyprus, of course, has been the United Kingdom, but our associated mediation has been welcomed by all of the parties to this tragic situation.

The Secretary has done an excellent job, and I have argued only that we do not remove from him the tools of negotiation, that we do not say to the Secretary of State, "There is no use of your being in Cyprus, because we are not going to let you talk about anything, we are not going to let you offer anything to either side, we are not going to let you promote anything."

All we say is, we have made a judgment, and no American assistance under this bill or previous legislation affected by it will go either to Turkey or to Greece, and under what appears to be the likely legal situation, to Israel.

So I would say that a vote against recomittal is a vote to risk the aid to Israel, a vote to risk the aid to Greece and a vote to terminate the aid to a friendly NATO ally, Turkey.

I believe this is the first time that we have decided officially here to slap in the face one of our NATO allies, and say we can do without them.

That is reckless. That is why I say it is mischievous. That is why I say it is hard to lay down, and that is why I am certain we would not do it if we were not within a month of an election.

Being faced with an election, there is a tendency to attempt to pacify everyone who seeks to tell us where our way lies.

Our way lies amidst difficult places. Our way lies through thorny and stony paths. Our way lies in doing the right thing, if we can find the right thing to do.

I am certainly one of the staunchest friends Greece ever had in the Senate, who has supported her over the years in every way I could, and I support Greece now, as I support Turkey, and as I support Israel, all of them under my obligations as an American and as a Senator to see that justice is done.

Justice will not be done under the amendment. Injustice will be perpetrated by statute, that will require a veto, and we will have unraveled everything we sought to do, because all we have to do is wait half an hour and put the same amendment on the foreign assistance bill, and see what the other body does about it.

I say to Senators, if you cannot wait a half hour, go ahead and destroy the diplomatic maneuvers because you are in a hurry.

My fellow Senators, I say wait half an hour, recommit this bill with instructions, pass this resolution, and then, if you want to wreak mischief, wreak it on the other bill, which at least will go to the other body, in the hope that they will see it more clearly and with eyes less confused following election day.

If there are no more requests for time, I am willing to yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, how much time remains?

The PRESIDING OFFICER. All time of the Senator from Pennsylvania has expired. The Senator for Arkansas has 8 minutes remaining.

Mr. MANSFIELD. I would like some time.

Mr. McCLELLAN. Does anyone else wish to speak in opposition to the amendment? Does the Senator from Montana wish to speak in opposition to the amendment?

Mr. MANSFIELD. No, I wish to speak for the amendment.

Mr. McCLELLAN. If no one else wishes to speak in opposition to the amendment, I yield to the majority leader.

Mr. MANSFIELD. Mr. President, I know of no Member of this body who is not very favorably inclined toward Greece. I know of no enemies of Greece in this body. But there are differences of opinion as to how we should face up, in our capacity as an outsider, to the situation which has developed in the Aegean, centering around the island of Cyprus.

The statement has been made that there have been no negotiations. I wish to assure the Senate that there have been talks, that the Secretary of State has carried on discussions with both the Greeks and the Turks, and that in his opinion, if he is allowed a little leeway, a little flexibility, the outlook as far as Greece is concerned is much better than it would be with the amendment which has been passed by the Senate already by a vote of 3 to 1, and which is now before us again in the form of a motion to recommit.

I would like to emphasize that in my opinion Secretary Kissinger's attitude and activity toward and in relation to the Cyprus situation has not been pathetic, nor, for that matter, has it been peripatetic. What he has tried to do is stay clear, to allow the original signatories to the treaty of 1960, the United Kingdom—which still has troops on Cyprus, incidentally, and has had since 1960—Greece, and Turkey, those three, to see if some way could not be worked out to bring about a solution as satisfactory as possible to all concerned.

I commend the Secretary of State for finally, in one instance, not advocating interference or intervention. Maybe out of that has come a lesson which will stand us in good stead in the future, if we stick with it, if we stay out of other people's business, tend to our own, render our good offices, and do what we can, through negotiations, to bring about as reasonable a solution as possible.

We are not talking of war and peace in the abstract; we have been talking of war in reality, and the casualty figures, the dead and the wounded, will suffice to prove that statement.

What we are seeking now is peace on Cyprus. What we want to do is bring about a withdrawal of the Turkish forces from the island. Under the present situation they will withdraw neither in part nor in whole.

What we want to do is try to give some stability, some understanding, some prestige to the Karamanlis government, which I think has the unanimous support of the 100 Members of the U.S. Senate and the Government of the United States as well. We think Karamanlis is a great man, but we think he needs a chance to reestablish democracy in Greece, and in so doing, we have to recognize that he is being buffeted on the one hand by the right and on the other hand by the left.

So those of us—and I think this applies to all Senators, regardless of whether or not they voted for the Eagleton amendment—do have the best interests of Greece at heart, and we would like to see it restored and become once again the country it was before it was taken over by the military dictatorship.

Greece has withdrawn from NATO, to what extent I cannot say. Turkey may well withdraw from NATO if the present situation continues. But I would point out again, as I did on yesterday, that there are four factors we ought to keep in consideration in relation to the situation which might develop if this amendment holds, and if the reaction is as I anticipate it will be.

For, one, any possibility of mediation, negotiation, or talk to and among the three parties by Secretary of State Kissinger would well be negated.

Two, we find that the Turks have a thousand-mile frontier with the Soviet Union and, instead of tilting toward us, as they have for so many years, one result of this might be a tilt in the direction of their ancient adversary to the north.

Three, there is the question of a Mohammedan people, a Moslem people—that is the religion of the Turks—taking a more active interest in the situation in the Middle East and, thereby, making it more difficult for us, for Secretary Kissinger, to arrive at a peaceful understanding of the situation there and between the nations in that area. That is a most difficult, a most delicate, and a most dangerous situation still today, one which may erupt if we are not careful and do not play our cards correctly.

Then we have to consider the overall possibility, No. 4, that, as a result of this, Turkey might withdraw from NATO, and in Turkey and in Greece we have U.S. installations. What would be the effect of a double withdrawal from NATO by Greece, on the one hand, and Turkey, on the other? The effect would be to weaken the strongest link in NATO because both Greece and Turkey, if my memory is correct, have fulfilled their obligations to the hilt, and they have maintained the necessary forces on that flank to achieve security in that area.

As I have indicated, I am a friend of NATO, but I am not a friend of having so many U.S. troops and military dependents 30 years after the war still stationed on the Continent.

So what we are doing here in offering this motion to recommit is, in my opinion, in a true sense we are doing it as a friend of Greece. We want to see Greece survive and grow. We want to see her prestige restored. We want to see Karamanlis retained, and we want to give the Greeks a chance to bring about some degree of recuperation from that which they have suffered because of the Cyprus incident in the first place.

The PRESIDING OFFICER. All time has expired.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania (Mr. HUGH SCOTT) to recommit with instructions. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator for Indiana (Mr. BAYH), the Senator from North Carolina (Mr. ERVIN), the Senator from Hawaii (Mr. INOUYE), the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oregon (Mr. PACKWOOD), are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "nay."

The result was announced—yeas 29, nays 59, as follows:

[No. 438 Leg.]

YEAS—29

Aiken
Baker
Bartlett
Buckley
Case
Cotton
Curtis
Eastland
Fong
Griffin
Gurney
Hansen
Haskell
Hruska
Mansfield
McClellan
McClure
McGee
Metzenbaum
Nunn
Pearson
Scott, Hugh
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Young

NAYS—59

Abourezk
Allen
Beall
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Dole
Domenici
Eagleton
Fannin
Fulbright
Goldwater
Gravel
Hart
Hartke
Hatfield
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams

NOT VOTING—12

Bayh
Bellmon
Bennett
Brock

Cook
Dominick
Ervin
Inouye

Moss
Packwood
Percy
Sparkman

So the motion of Mr. Hugh Scott to recommit with instructions was rejected.

Mr. HASKELL. Mr. President, yesterday the Senate acted to summarily cut off all aid to Turkey, one of our NATO allies. I vote against taking that action and would like to explain why I am opposed to an immediate cutoff of funds. This question is relevant today in light of yesterday's action and the prospect that S. 3394 will be called up in the near future.

The approach I favor is to urge Turkey to withdraw her troops from Cyprus and to give her a reasonable amount of time to do so. If she refuses to comply I could then readily support efforts to cut off any support we are giving her.

The amendment which passed the Senate yesterday provides for an immediate cutoff of funds without giving Turkey an opportunity to plan for and carry out a troop withdrawal. The immediate cutoff of funds completely ignores our NATO commitments to Turkey and completely ignores her particular strategic importance. Instead of walking softly and carrying a big stick the Senate seems to be prepared to club her without regard to other considerations.

An amendment to S. 3394 may be offered by the junior Senator from Massachusetts (Mr. Brooke) which I believe is a very reasonable approach. It would allow Turkey the opportunity to voluntarily withdraw her troops from Cyprus before we take any definite action such as withdrawing all military aid. If Turkey does not do so, and if the President is unable to certify that Turkey is making a "good faith effort" to reach an acceptable settlement on Cyprus, the aid would be halted. I will support that amendment.

Mr. President, the issue of Turkey, Greece, and Cyprus is an extremely complex one and emotions run high. I am strongly in favor of withdrawing all foreign troops from Cyprus and have cosponsored Senate Concurrent Resolution 110 which has been offered by my other colleague from Massachusetts (Mr. Kennedy). The amendment seeks to put the U.S. Congress clearly on record in favor of troop withdrawal.

I am not opposed to withdrawing aid if that becomes necessary. But we must give our ally an opportunity to act before we do so.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. Percy) would vote "yea."

The result was announced—yeas 72, nays 16, as follows:

[No. 439 Leg.]

YEAS—72

Allen
Baker
Bartlett
Beall
Bentsen
Bible
Biden
Brooke
Buckley
Byrd,
Harry F., Jr.
Cannon
Case
Chiles
Clark
Cotton
Cranston
Dole
Domenici
Eagleton
Eastland
Fannin
Fong
Fulbright
Goldwater

Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf

Metzenbaum
Mondale
Montoya
Muskie
Pastore
Pearson
Pell
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—16

Abourezk
Aiken
Burdick
Byrd, Robert C.
Church
Curtis

Haskell
Helms
Mansfield
McClure
Nelson
Nunn

Proxmire
Scott,
William L.
Taft
Tower

NOT VOTING—12

Bayh
Bellmon
Bennett
Brock

Cook
Dominick
Ervin
Inouye

Moss
Packwood
Percy
Sparkman

So the joint resolution (H.J. Res. 1131) was passed.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any necessary technical and clerical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I move that the Senate insist upon its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McClellan, Mr. Stennis, Mr. Pastore, Mr. McGee, Mr. Mansfield, Mr. Proxmire, Mr. Inouye, Mr. Eagleton, Mr. Young, Mr. Hruska, Mr. Cotton, Mr. Case, Mr. Brooke, and Mr. Hatfield conferees on the part of the Senate.

FOREIGN ASSISTANCE ACT OF 1974

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

The Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise at this time simply to inquire of the distinguished majority leader whether we are to forward a pass now or whether we punt. What is the game plan?

Mr. MANSFIELD. We pray.

Mr. HUGH SCOTT. That should occur before every other call of the signal.

Mr. MANSFIELD. Mr. President, in response, may I say that Calendar 1083, a bill to amend the Foreign Assistance Act of 1961, is now the pending business and will remain so.

It is anticipated that the distinguished Senator from Nevada (Mr. Bible) will call up three messages from the House on the Big Thicket, Big Cypress, and Piscataway, on which there is universal agreement.

Then I think the distinguished Senator from Ohio (Mr. Taft) will offer a resolution for immediate consideration.

It is anticipated that on Thursday—if we have to do it on a two-track basis, as very likely—we will proceed to the consideration of Calendar No. 1123, a resolution urging full public access to all facts and the fruits of all investigations relating to Watergate.

Mr. HUGH SCOTT. That involves the so-called Presidential papers.

Mr. MANSFIELD. Yes.

The second one will be Calendar No. 1125, covering the same subject, and the third will be Calendar No. 1126, on the same subject.

We hope it will be possible to get the supplemental appropriation bill before the Senate later in the week.

We hope that it will not be necessary to come in on Saturday. That depends on how fast we proceed with the legislation which will be before us.

Then, of course, there is a very important bill, Calendar No. 1133, to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes. That will come either later this week or the first part of next week.

Mr. HUGH SCOTT. Could the distinguished majority leader advise me whether or not it is expected that any votes will be had tonight on the messages from the House or on the Foreign Assistance Act?

Mr. MANSFIELD. Not on the messages from the House; but I understand that the distinguished manager of the bill, the Senator from Minnesota (Mr. HUMPHREY), and the distinguished Senator from Idaho, the authors of amendments which will be offered shortly, will try to arrive at a time agreement, with the concurrence of the Republican side. It is my understanding that the Senator from Idaho will desire a vote this evening.

Mr. HUMPHREY. Provided we can get it before 6 o'clock.

Mr. HUGH SCOTT. I will defer to the distinguished Senator from New York as to time agreements. I have no objection.

Mr. CHURCH. I do not need more than half an hour, I would think, to make my argument.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the amendment of the distinguished Senator from Idaho (Mr. CHURCH) is called up, there be a limitation of 30 minutes thereon, under the usual conditions, the time to be controlled by the sponsor of the amendment and the manager of the bill; that there be 20 minutes on amendments to the amendment, motions, or appeals, and that rule XII be waived.

The PRESIDING OFFICER. Is that a total of 30 minutes on the Church amendment?

Mr. MANSFIELD. A total of 30 minutes, 15 minutes to a side.

Mr. CHURCH. No, 30 minutes to a side.

Mr. MANSFIELD. One hour—30 minutes to a side. Will the Senator be satisfied with less time?

Mr. CHURCH. Forty minutes.

Mr. MANSFIELD. Mr. President, 20 minutes to a side, with 20 minutes on amendments to the amendment, motions, and appeals.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHURCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Would the Senator prefer to have unanimous consent to make the request?

Mr. CHURCH. Mr. President, I ask unanimous consent to ask for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays were ordered.

BIG THICKET NATIONAL PRESERVE, TEX.

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 11546.

The PRESIDING OFFICER (Mr. McCLURE) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill H.R. 11546, which was read as follows:

Resolved, That the House agree to the amendment of the Senate numbered 6 to the bill (H.R. 11546) entitled "An Act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes", with the following

AMENDMENT

In lieu of the matter stricken by said amendment, insert:

SEC. 2. (a) The Secretary shall, immediately after the publication of the boundaries of the preserve, commence negotiations for the acquisition of the lands located therein: *Provided*, That he shall not acquire the mineral estate in any property or existing easements for public utilities, pipelines or railroads without the consent of the owner unless, in his judgment, he first determines that such property or estate is subject to, or threatened with, uses which are, or would be, detrimental to the purposes and objectives of this Act: *Provided further*, That the Secretary, insofar as is reasonably possible, may avoid the acquisition of improved properties, as defined in this Act, and shall make every effort to minimize the acquisition of land where he finds it necessary to acquire properties containing improvements.

(b) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate:

(i) the lands and areas which he deems essential to the protection and public enjoyment of this preserve,

(ii) the lands which he has previously acquired by purchase, donation, exchange or transfer for administration for the purpose of this preserve, and

(iii) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(c) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

Resolved, That the House disagree to the amendments of the Senate numbered 1, 2, 3, 4, 5, 7, 8, 9, and 10 to the aforesaid bill.

Mr. BIBLE. Mr. President, the House has concurred in the amendments previously adopted by the Senate when the measure was before the Committee on Interior and Insular Affairs and returned to that body. In concurring with the Senate amendments, however, they have added additional amendments which I have examined along with my other colleagues on the committee, and we believe these amendments strengthen the measure and are perfectly acceptable.

Before the House acted on these amendments, discussions were held with leaders of the House committee, and it was felt that since the issues in disagreement were fairly clear-cut we could work out in advance an acceptable proposal without the necessity of going to a formal conference. I have cleared these amendments with the ranking member on the minority side of the committee, as well as with the chairman of the committee, the junior Senator from Washington (Mr. JACKSON).

Mr. President, I ask unanimous consent that a brief explanation of the House amendments to the Senate-passed bill be inserted at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

On September 24, the House of Representatives acted on the Senate amendments to the House-passed bill to establish Big Thicket National Preserve in the State of Texas with the following results:

1. Senate Amendments No. 1 through 5 expanded the Preserve as passed by the House to include approximately 15,000 additional acres in the Sandylands Village Creek area. The House insisted on its version of the bill and disagreed to these amendments on the basis that the additional 15,000 acres involved many developed properties. The acquisition cost is in excess of $15 million.

2. Senate Amendment No. 6 deleted the legislative taking provisions of the House-passed bill. The House concurs in that deletion, but recommends a substitute section to that deleted by the Senate providing that, as in the case of the House action on the Big Cypress National Preserve, the Secretary is directed to acquire the lands within the Preserve as expeditiously as possible, and he is required to advise the Interior Committees and the Appropriations Committees within one year after the date of enactment of the Act of a detailed plan of acquisition which shall indicate (1) the lands essential to the protection and public enjoyment of the Preserve, (2) the lands which he is previously acquired for the purpose of the Preserve, and (3) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years. The House substitute to Senate Amendment No. 6 declares that it is the express intent of the Congress that the Secretary should substantially complete the land acquisition program with six years.

3. Senate Amendments No. 7 through 10 would have renumbered the section on the bill following the legislative taking section that the Senate deleted. Because the House substitute for Senate Amendment No. 6 substitutes a new numbered section 2 for that deleted by the Senate, the House therefore disagrees to the renumbering provisions of the Senate Amendments. If the Senate accepts the House substitute to Senate amendment No. 6, the succeeding Senate amendments Nos. 7 through 10 are unnecessary and the disagreement of the House to those amendments should be sustained.

Mr. BIBLE. Mr. President, I am delighted to yield to my distinguished colleague from Texas (Mr. BENTSEN).

Mr. BENTSEN. I thank the distinguished Senator from Nevada.

Mr. President, I strongly urge passage of H.R. 11546, a bill to establish the Big Thicket National Preserve. In addition, I want to commend the Senate Interior Committee and its Subcommittee on Parks and Recreation, under the skillful direction of its chairman, Senator ALAN BIBLE, for the fairness, diligence, and concern which have marked their efforts on this legislation.

Our action today to protect the Big Thicket culminates efforts that have been made during the last four Congresses. Countless individuals have worked tirelessly to realize their dream of a Big Thicket preserve. And though I am disappointed that today's bill will not contain the legislative taking and 100,000 acre proposals that I had hoped for, I accept the compromise that was necessary to bring us to today's consideration. Today can be considered a victory by a great many people.

Preservation of the Big Thicket has long been a major concern of mine. I endorsed its establishment during my campaign for the Senate in 1970. A bill for the creation of a Big Thicket National Reserve was the first legislation I introduced following my election.

Mr. President, the Big Thicket is found in southeastern Texas, northwest of the coastal cities of Beaumont and Port Arthur. At one time, the Big Thicket encompassed nearly 3.5 million acres of lush forests and streams ranging across 12 Texas counties. Today, that vast area has been reduced to a few hundred thousand acres, but by acting positively today the Senate can save much of the remaining area.

The Big Thicket is a remarkably diverse area, perhaps without parallel in our Nation. Within its confines are found floodplains and sand hills, forests and savannas, swamps and bogs, all lying in close proximity. As Don Moser notes in his fine story in the October issue of the National Geographic, each supports its own system of plants and animals:

> Taken all together, such habitats and their inhabitants make up a luxuriant, diverse, and compact natural laboratory.

The Big Thicket is truly a biological crossroads where a wide variety of plant communities meet and intermingle. Plants from the Appalachians, the tropics, and even the desert are all present in the region. And, according to the notes of Geraldine Watson, a local authority who is currently gathering and cataloging its flora, the Big Thicket contains at least 7 distinct plant associations, thousands of species, 40 types of orchids, 26 varieties of ferns, and 4 of the 6 types of carniverous plants in North America.

It also is the haunt of a remarkable collection of wildlife. Deer and wild boars abound, and the region is one of the last known homes of both the red wolf and the ivory-billed woodpecker.

The entire Texas gulf coast has undergone rapid and extensive development in recent years. That progress has brought many benefits, but it has been especially hard on the animals who make the region their part-time or permanent home. The measure we enact today will insure that the Big Thicket remains a true refuge for thousands of species, many of whom are threatened with extinction.

I want to preserve the natural beauty and wildness that held many of the present resident's forefathers in awe when they first crossed the Sabine River in the early 1800's. The Big Thicket region was one of the first for Texas settlement, and it is important that we save this area so that future generations can have the benefit of seeing it as their ancestors did. Just as the thicket is a natural laboratory for flora and fauna, it is a living textbook of the challenges of nature that the first Texas settlers had to face.

Mr. President, the measure we have before us today, will establish a park which includes significant samples of all of the important features of the original Big Thicket, and it will provide protection for the landowners and homesites in the area. A balance has been struck, and I believe that all interests will benefit.

Enactment of this legislation is a victory for all advocates of the Big Thicket National Preserve, even though we have not gotten all we may have wanted. We have consistently pressed for a preserve of 100,000 acres and for legislative taking.

We have not been able to win congressional endorsement of those two provisions, but our action today will insure that 84,550 acres are set aside and that we will have a park. That, I believe, is the overriding concern. Development in the region has intensified in recent years, and positive action today is necessary to balance future development with the preservation of nature's treasures.

Because the bill does not contain legislative taking, it is imperative that the Park Service move expeditiously in identifying those areas of the Preserve that are most endangered by current development plans. I would expect the Park Service to proceed in this manner so that the Secretary of the Interior can successfully protect the 84,550 acres that the compromise has given us.

Mr. President, future generations deserve the opportunity to enjoy and learn from regions like the Big Thicket. Today's bill is the vehicle by which we can preserve the area, and enable those who love nature and history to properly enjoy it in a manner conductive to preservation. We have acted while there is still time; the heritage we leave will include a Big Thicket.

I would hope that unanimous approval can be accomplished for today's proposal.

Once again, I wish to commend the distinguished Senator from Nevada for the courtesy, intelligence, and leadership he has shown as chairman of that subcommittee.

Mr. BIBLE. I thank the Senator.

Mr. President, I yield to the senior Senator from Texas (Mr. Tower).

Mr. TOWER. Mr. President, I wish to associate myself with the remarks of my colleague (Mr. Bentsen) and offer my thanks to the distinguished Senator from Nevada, who has been so helpful in getting the Big Thicket through Congress.

As my colleague from Texas points out, it is the culmination of many years' work and certainly, many years' dreams and aspirations. Like my colleague, I would have preferred the Senate version, but I think it was an urgent matter that we get a bill so that this ecologically unique area of the United States could be preserved, an area that belongs not just to the people of Texas, in my opinion, but to all of the people of the United States, one that I think they will enjoy for years to come as a result of the legislation which is passed here today.

With leave from my distinguished colleague from Texas, I should like to mention his predecessor, who, for years, worked on this. I think Senator Yarborough will be very happy, too, with the action which has been taken here.

Mr. BIBLE. I appreciate the sentiment of the Senators from Texas.

Mr. President, I move that the Senate concur in the amendment of the House to the Senate amendment numbered 6 to H.R. 11546.

The motion was agreed to.

Mr. BIBLE. Mr. President, I move to reconsider the action by which the motion was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. There are certain Senate amendments which have not been disposed of.

Mr. BIBLE. Mr. President, I move that the Senate amendments numbered 1, 2, 3, 4, 5, 7, 8, 9, and 10 to which the House has disagreed be receded from by the Senate.

The motion was agreed to.

BIG CYPRESS NATIONAL PRESERVE, FLA.

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 10088.

The PRESIDING OFFICER (Mr. McClure) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 1008, which was read as follows:

Resolved, That the House agree to the amendments of the Senate numbered 4, 5, 6, 9, 11, and 12, to the bill (H.R. 10088) entitled "An Act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes."

Resolved, That the House agree to the amendment of the Senate numbered 1 to the aforesaid bill, with the following amendment:

In lieu of the matter proposed by the said amendment, insert: *: Provided further,* That no Federal funds shall be appropriated until the Governor of Florida executes an agreement on behalf of the State which (i) provides for the transfer to the United States of all lands within the preserve previously owned or acquired by the State and (ii) provides for the donation to the United States of all lands acquired by the State within the preserve pursuant to the provision of "the Big Cypress Conservation Act of 1973" (Chapter 73–131 of the Florida Statutes) or provides for the donation to the United States of any remaining moneys appropriated pursuant to such Act for the purchase of lands within the preserve. No improved property, as defined by this Act, nor oil and gas rights, shall be acquired without the consent of the owner unless the Secretary, in his judgment, determines that such property is subject to, or threatened with, uses which are, or would be, detrimental to the purposes of the preserve. The Secretary, may, if he determines that the acquisition of any other subsurface estate is not needed for the purposes of the preserve, exclude such interest in acquiring any lands within the preserve. Notwithstanding the provisions of section 301 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894, 1904) the Secretary (i) may evaluate any offer to sell land within the preserve by any landowner and may, in his discretion, accept any offer not in excess of $10,000 without an appraisal and (ii) may direct an appraisal to be made of any unimproved property within the preserve without notice to the owner or owners thereof.

Resolved, That the House agree to the amendment of the Senate numbered 3 to the aforesaid bill, with the following amendment:

In lieu of the matter stricken and inserted by the said amendment, insert: (a) In recognition of the efforts of the State of Florida in the preservation of the area, through the enactment of chapter 73–131 of the Florida statutes, "The Big Cypress Conservation Act of 1973", the Secretary is directed to proceed as expeditiously as possible to acquire the lands and interests in lands necessary to achieve the purposes of this Act.

(b) Within one year after the date of the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate:

(i) the lands and areas which he deems essential to the protection and public enjoyment of this preserve,

(ii) the lands which he has previously acquired by purchase, donation, exchange or transfer for administration for the purpose of this preserve, and

(iii) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

(c) It is the express intent of the Congress that the Secretary should substantially complete the land acquisition program contemplated by this Act within six years after the date of its enactment.

Resolved, That the House agree to the amendment of the Senate numbered 7 to the aforesaid bill, with the following amendment:

In lieu of the matter stricken and inserted by the said amendment, insert:

(b) As used in this Act, the term "improved property" means:

(i) a detached, one family dwelling, construction of which was begun before November 23, 1971, which is used for noncommercial residential purposes, together with not to exceed three acres of land on which the dwelling is situated and such additional lands as the Secretary deems reasonably necessary for access thereto, such land being in the same ownership as the dwelling and together with any structures accessory to the dwelling which are situated on such lands and

(ii) any other building, construction of which was begun before November 23, 1971, which was constructed and is used in accordance with all applicable State and local laws and ordinances, together with as much of the land on which the building is situated, such land being in the same ownership as the building, as the Secretary shall designate to be reasonably necessary for the continued enjoyment and use of the building in the same manner and to the same extent as existed on November 23, 1971, together with any structures accessory to the building which are situated on the lands so designated. In making such designation the Secretary shall take into account the manner of use in which the building, accessory structures, and lands were customarily enjoyed prior to November 23, 1971.

Resolved, That the House agree to the amendment of the Senate numbered 8 to the aforesaid bill, with the following amendment:

Strike out the matter stricken by the said amendment, and insert: Federal or federally acquired.

Resolved, That the House agree to the amendment of the Senate numbered 10 to the aforesaid bill, with the following amendment:

In lieu of the matter stricken and inserted by the said amendment, insert: Notwithstanding any other provision of law, before entering into any contract for the provision of revenue producing visitor services.

(i) the Secretary shall offer those members of the Miccosuke and Seminole Indian Tribes who, on January 1, 1972, were engaged in the provision of similar services, a right of first refusal to continue providing such services within the preserve subject to such terms and conditions as he may deem appropriate, and

(ii) before entering into any contract or agreement to provide new revenue-producing visitor services within the preserve, the Secretary shall offer to the Miccosukee Tribe of Indians of Florida and the Seminole Tribe of Florida the right of first refusal to provide such services, the right to be open for a period of ninety days. Should both Tribes respond with proposals that satisfy the terms and conditions established by the Secretary, the Secretary may allow the Tribes an additional period of ninety days in which to enter into an inter-Tribal cooperative agreement to provide such visitor services, but if neither tribe responds with proposals that satisfy the terms and conditions established by the Secretary, then the Secretary shall provide such visitor services in accordance with the Act of October 9, 1965 (79 Stat. 969, 16 U.S.C. 20). No such agreement may be assigned or otherwise transferred without the consent of the Secretary.

Resolved, That the House disagree to the amendment of the Senate numbered 2 to the aforesaid bill.

Mr. BIBLE. Mr. President, the House has concurred in the amendments previously adopted by the Senate to the Big Cypress bill with additional amendments. I, along with my colleagues on the Interior Committee, have examined these amendments and believe they are perfectly acceptable.

Before the House acted on these amendments, discussions were held with leaders of the House committee, and it was felt that since the issues in disagreement were fairly clearcut we could work out in advance an acceptable proposal without the necessity of going to a formal conference. I have cleared these amendments with the ranking member on the minority side of the committee, as well as with the chairman of the Committee, the junior Senator from Washington (Mr. JACKSON).

Mr. President, I ask unanimous consent that a brief explanation of the House amendments to the Senate-passed bill be inserted at this point.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

1. Senate Amendment No. 1 will provide that no improved property nor the mineral estate in any property (except limestone) shall be acquired by condemnation unless the Secretary first determines that such property is subject to or threatened with uses which are or would be detrimental to the purposes or objectives of the Act.

The House amendment, contained in its substitute to the Senate Amendment No. 1, provides that no improved properly nor oil and gas rights shall be acquired by condemnation unless the Secretary determines that such property is subject to or threatened with uses which are or would be detrimental to the purpose of the Reserve. In addition, the House substitute provides that the Secretary may, if he determines that any other subsurface estate (minerals) is not needed for the purposes of the Preserve, exclude that interest in acquiring any lands.

The House substitute to the Senate Amendment No. 1 is, in effect, merely a more specified definition of that portion of the mineral estate—oil and gas—which may not be acquired by condemnation, unless the activities are detrimental to the purpose for which the area is established. In addition, the House substitute adopts a recommendation of the Department that the Secretary may exclude the subsurface estate from any acquisition.

2. Senate Amendment No. 2 would specifically exclude the acquisition of the Preserve from certain provisions of the Uniform Relocation Act: first, the Senate amendment would permit the Secretary to evaluate and accept any offer without an appraisal and second, with respect to unimproved property of 40 acres or less, the Secretary need not afford the landowner the opportunity to accompany the Government appraiser.

The House disagreed with Senate Amendment No. 2. Instead, the substitute to Senate Amendment No. 1 included language providing that notwithstanding section 301 of the Uniform Relocation Act the Secretary may evaluate any offer to sell land within the Preserve by any landowner and may accept any offer not in excess of $10,000 without an appraisal, and he may direct that an appraisal be made of any unimproved property within the Preserve without notice to the owner or owners.

The effect of the House substitute is first, to specifically refer to section 301 of the Uniform Relocation Act which is by this language waived, second, to limit the Secretary's authority to accept an offer without an appraisal only to offers of $10,000 or less, and third, to permit an appraisal of any unimproved property as opposed to only unimproved property of 40 acres or less, without notice to the owner rather than to waive the requirement that the owner accompany the appraiser.

Inasmuch as most of the small tracts involved in Big Cypress will probably be less than $10,000 in value, there should be no objection to the $10,000 limit in accepting offers. The substitution of a waiver of notice in the House substitute for the waiver of the requirement that the owner accompany the appraiser will in application provide the same result, inasmuch as an owner would only have the opportunity to accompany the Government's appraiser if and when he was notified. We view the House substitute as adopting the waiver of the accompaniment provision and broadening it to cover all improved property.

3. Senate Amendment No. 3 deleted the provisions of legislative taking and substituted language recognizing the efforts of the State of Florida through the enactment of the Big Cypress Conservation Act of 1973 (Florida statutes, Chapter 73–131), and thereby directing the Secretary to proceed as expeditiously as possible to acquire the lands. A provision was also inserted by the Senate to the effect that the Congress expects that the Secretary will complete its acquisition program within six years from the date of enactment.

The House recommended a substitute to the Senate Amendment No. 3. The substitute House language follows the Senate language in recognition of the efforts of the State of Florida and directing the Secretary to proceed as expeditiously as possible to acquire the lands and interest in lands necessary to achieve the purposes of the Act. However, the House substitute added the following provision: in lieu of the Senate language expressing the sense of the Congress that the Secretary complete the acquisition program within six years, the House substitute directs the Secretary within one year to submit a written plan to the Interior and Appropriations Committees, with the following information:

(1) The lands and areas which he deems essential to the protection and public enjoyment of this Preserve;

(2) the lands which he has previously acquired by purchase, donation, exchange, or transfer for administration for the purpose of this Preserve; and

(3) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years. The House substitute deletes the Senate's expression of Congressional expectation, and inserts instead language stating that it is the express intent of the Congress that the Secretary should substantially complete the land acquisition program within six years.

It is understood that the purpose for including legislative taking by the House was to assure that funds would be made available and the land acquired as soon as practicable by creating an obligation of the United States by the enactment of this law. The House substitute will assure that the Congress is apprised that the land acquisition program is proceeding and expressly requires the Secretary to submit a funding level program for the next five years. In this manner, the Congress will be apprised as to whether or not its expectation and, in the case of the House substitute, its express intent that the lands be acquired within six years will be fulfilled. If the Secretary's report under the House substitute indicates that the level of funding for the next five fiscal years will not be adequate to complete acquisition as the Congress intends, further legislation would be in order.

4. Senate Amendment No. 4 struck language in the House bill relating to court determination of just compensation and procedures attendant to the legislative taking provision.

The House concurs in the striking of this language.

5. Senate Amendment No. 5 broadens the use and occupancy rights for 25 years or life to owners of all improved property whereas the House bill would permit such right to be retained only for noncommercial residential purposes.

The House concurred in broadening this coverage as per the Senate Amendment No. 5.

6. Senate Amendment No. 6 expressly included as a reason for the Secretary's termination of a retained right of use and occupancy the fact that the exercise of such right was in violation of any applicable State or local laws and ordinances.

The House concurred in Senate Amendment No. 6.

7. Senate Amendment No. 7 redefined improved property to include a building which is used in accordance with all applicable State law and local laws and ordinances together with such lands as the Secretary shall designate to be reasonably necessary for the continued enjoyment and use of the building as existed on November 23, 1971, together with accessory structures. In addition, the Senate amendment limited the amount of land to be retained for residential property to not more than 3 acres.

The House recommended a substitute to Senate Amendment No. 7 which would define the term "improved property" to mean (1) a dwelling used for noncommercial residential purposes together with not to exceed 3 acres, and (2) any other building which is used in accordance with all applicable State and local laws and ordinances together with lands designated by the Secretary as necessary for the continued enjoyment and use of the building and lands to the same extent as existed on November 23, 1971.

The difference is that the House substitute to Senate amendment No. 7 would not require a residential property to be used in accordance with all applicable State and local laws and ordinances. However, the House accepted Senate Amendment No. 6 which gives the Secretary the right to terminate any retained use and occupancy right of "improved property", and therefore the deletion of this requirement in the definition of improved property only means that a property owner under the Senate amendment would have to show that his residence was being used in accordance with applicable State law to be eligible for a right of use and occupancy in the first instance, whereas under the House substitute he does not have to make a showing to be eligible for a right of use and occupancy. However, under both House and Senate versions, the Secretary is given the right to terminate a use and occupancy right if it is used in violation of State laws and ordinances, and therefore the effect of the House substitute is to relieve a owner of improved residential property of the initial burden of showing that he has complied with State laws and ordinances.

8. Senate Amendment No. 8 gave the members of the Miccosukee and Seminole Tribes, subject to Secretarial regulations, permission to continue their usual and customary use and occupancy of all lands within the Reserve, striking the word Federal from the House-passed bill.

The House substituted for Senate amendment No. 8 a provision to reinstate the word Federal and to add the words "or federally acquired." The effect of the House substitute to Senate Amendment No. 8 is to limit the direction to the Secretary concerning Indian use and occupancy only of Federal and federally acquired lands.

It is believed that the House substitute to Senate Amendment No. 8 is preferable, inasmuch as the Secretary under this law would only be responsible for lands under his jurisdiction and control i.e. federally-owned or lands that he acquires.

9. Senate Amendment No. 9 is a perfecting amendment to which the House concurs.

10. Senate Amendment No. 10 would have given the first right of refusal to provide revenue-producing visitor services within the Preserve to the Miccosukee and Seminole Tribes.

The House recommended a substitute to Senate Amendment No. 10, which directs the Secretary to give individual members of the two Indian Tribes who have been on January 1, 1972 engaged in the provision of similar services (revenue-producing visitor services), the right of first refusal to continue providing such services and incorporates the language of Senate Amendment No. 10 with respect to any new revenue producing visitor services which the Secretary may contemplate.

The effect of the House substitute to Senate Amendment No. 10 is to provide the same right of first refusal with regard to existing revenue producing visitor services which were being performed by individual members of the Tribe in 1972 as the Senate amendment would provide with regard to new revenue producing visitor services.

11. Senate Amendment No. 11 deleted a requirement in the House bill that Federal funds may be appropriated unless the State of Florida and the Secretary conclude and execute an agreement no later than 90 days after enactment of this Act.

The House concurred in Senate Amendment No. 11.

12. Senate Amendment No. 12 specifically referred to funds donated to the United States by the State of Florida pursuant to Chapter 73-131 of the Florida statutes shall be used solely for the acquisition of lands and interest within the Preserve.

The House concurred in Senate Amendment No. 12.

Mr. BIBLE. Mr. President, I move that the Senate concur in the amendment of the House to the Senate amendments numbered 1, 3, 7, 8, and 10 to H.R. 10088, and that the Senate recede from its amendment numbered 2 to the aforesaid bill.

The motion was agreed to.

Mr. BIBLE. I move that the Senate reconsider its action, taken in the matter of H.R. 10088.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, will the Senator yield to me for a moment?

Mr. BIBLE. I yield to the Senator from Florida.

Mr. CHILES. Mr. President, I thank the distinguished Senator from Nevada for his fairness in handling the bill for the Big Cypress National Preserve. I feel that the passage of this act is not only going to provide a preserve that can be used for many, many years by the citizens of this country, but also is going to be a protection to the Everglades and allow it to continue to be the kind of recreation park area that it has been over the years.

Again, I thank the distinguished Senator for his fairness in this regard.

Mr. BIBLE. I thank the Senator.

PISCATAWAY PARK, PRINCE GEORGES AND CHARLES COUNTIES, MD.

Mr. BIBLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 4861.

The PRESIDING OFFICER (Mr. McClure) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 4861, which was read as follows:

Resolved, That the House agree to the amendment of the Senate numbered 5 to the 2 to the bill (H.R. 4861) entitled "An Act to amend the Act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Maryland, and for other purposes."

Resolved, That the House agree to the amendment of the Senate numbered 5 to the aforesaid bill with the following amendment:

In lieu of the matter proposed to be inserted by said amendment, insert: subsection 2(b). The United States will pay just compensation to the owners of any property taken pursuant to this subsection and the full faith and credit of the United States is hereby pledged to the payment of any judgment so entered against the United States. Payment shall be made by the Secretary of the Treasury from moneys available and appropriated from the Land and Water Conservation Fund, subject to the appropriation limitation contained in section 4 of this Act, upon certification to him by the Secretary of the Interior of the agreed negotiated value of such property or the valuation of the property awarded by judgment, including interest at the rate of six (6) per centum per annum from the date of taking to the date of payment therefor. In the absence of a negotiated settlement or an action by the owner within one year after the date of enactment of this Act, the Secretary may initiate proceedings at any time seeking a determination of just compensation in a court of competent jurisdiction. The Secretary shall allow for the orderly termination of all operations on real property acquired by the United States in parcels A, B, C, and D of this subsection, and for the removal of equipment, facilities, and personal property therefrom: *Provided,* That in no event shall the Secretary allow operations at the Marshall Hall Amusement Park to continue beyond January 1, 1980. The Secretary shall, on lands acquired for the purposes of this park, implement a development plan which will assure public access to, and public use and enjoyment of, such lands.

Resolved, That the House disagree to the amendments of the Senate numbered 3 and 4 to the aforesaid bill.

Mr. BIBLE. Mr. President, this matter has been pending before the Congress for many years, and the House amendments to the Senate amended bill are perfectly satisfactory. The Senate amendment had eliminated the provision for legislative taking, which as a principle the Senate has consistenly opposed when it included numerous ownership land in vast acreage. However, in this case, since there are only one or two owners and a relatively small mount of acreage is involved, it is felt that the Senate can consider this policy matter on a case-by-case basis and agree to legislative taking in this instance. Due to the necessity of completing this park, if at all possible, in time to help celebrate the Nation's Bicentennial, my colleagues and I on the Interior Committee feel that the bill should be sent to the President for signature as soon as possible.

Therefore, Mr. President, I move that the Senate concur in the amendment of the House to the Senate amendment No. 5 to H.R. 4861, and that the Senate recede from amendments numbered 3 and 4 to the aforesaid bill.

The motion was agreed to.

Mr. BIBLE. Mr. President, I move that the action which has just been taken be reconsidered.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Ohio.

SENATE RESOLUTION 416—SUBMISSION OF A RESOLUTION REGARDING THE 1974 MEETING OF THE BOARDS OF GOVERNORS OF THE INTERNATIONAL MONETARY FUND AND THE WORLD BANK GROUP

Mr. TAFT. Mr. President, I call up a resolution at the desk expressing the sense of the Senate regarding the 1974 meeting of the Boards of Governors of the International Monetary Fund and the World Bank Group, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 416) expressing the sense of the Senate regarding the 1974 annual meeting of the Boards of Governors of the International Monetary Fund and World Bank Group.

Mr. TAFT. Mr. President, I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I object to its consideration today.

The PRESIDING OFFICER. Did the Senator from Ohio request immediate consideration?

Mr. TAFT. Yes, I asked for immediate consideration. Objection has been made by the majority leader.

The PRESIDING OFFICER. Objection is heard, and the resolution will go over under the rule.

The resolution, with its preamble, is as follows:

S. Res. 416

Expressing the sense of the Senate regarding the 1974 Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Whereas world economic stability is presently threatened by the drastically increased transfer of wealth to oil producing nations and by other international economic developments;

Whereas these developments could have devastating effects on some of the world's less developed nations;

Whereas disruptive flows of monetary reserves threaten to imperil world financial institutions and to overwhelm international capital markets;

Whereas the present governmental and private financial institutions may not be able to recycle funds to oil importing nations in a manner which minimizes the economic impact of increased oil import prices;

Whereas government policies designed to mitigate the effects of international economic problems in a particular nation often worsen the economic situation in other nations, ultimately to the detriment of the nations involved; and

Whereas possible methods of alleviating these problems will be a major topic of the 1974 Annual Meetings of the Boards of Governors of the International Monetary Fund and the World Bank Group: *Now, therefore, be it resolved,* That it is the sense of the Senate that:

(1) The present economic situation demands greatly increased international economic cooperation among nations;

(2) The International Monetary Fund be supported in its efforts to discourage unilateral economic actions which could affect other nations' economic situations adversely, including its guidelines for government management of floating exchange rates and its promotion of the Voluntary Declaration on Trade Measures;

(3) The Annual Meetings should give urgent and detailed consideration to the adequacy of present and proposed international facilities for providing necessary financing to oil importing nations, in view of both the short-term and long-term economic prospects of these nations;

(4) The Annual Meetings should recognize fully the emergency needs of the poorest oil importing nations;

(5) Other types of international cooperation to help alleviate the present economic situation should continue to be pursued vigorously.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I yield to the distinguished Senator from West Virginia, the majority whip.

ORDER FOR ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS CURTIS, McCLURE, AND EASTLAND, DESIGNATING PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS AND FOR RESUMPTION OF THE UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. CURTIS, Mr. McCLURE, and Mr. EASTLAND; that there then be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate resume the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, in order to expedite our action on this matter today, I first ask unanimous consent that the committee amendment be agreed to and that the bill as thus amended be considered as original text for the purpose of further amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment, which was to strike out all after the enacting clause and insert new language, is as follows:

That this Act may be cited as the "Foreign Assistance Act of 1974".

FOOD AND NUTRITION

SEC. 2. Section 103 of the Foreign Assistance Act of 1961 is amended—

(1) by inserting the subsection designation "(a)" immediately before "In";

(2) by striking out "$291,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof "$291,000,000 for the fiscal year 1974, and $491,000,000 for the fiscal year 1975"; and

(3) by adding at the end thereof the following:

"(b) The Congress finds that, due to rising world food, fertilizer, and petroleum costs, human suffering and deprivation are growing in the poorest and most slowly developing countries. The greatest potential for significantly expanding world food production at relatively low cost lies in increasing the productivity of small farmers who constitute a majority of the nearly one billion people living in those countries. Increasing the emphasis on rural development and expanded food production in the poorest nations of the developing world is a matter of social justice as well as an important factor in slowing the rate of inflation in the industrialized countries. In the allocation of funds under this section, special attention should be given to increasing agricultural production in the countries with per capita incomes under $300 a year and which are the most severely affected by sharp increases in worldwide commodity prices."

POPULATION PLANNING

SEC. 3. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 104, strike out "$145,000,000 for each of the fiscal years 1974 and 1975" and insert in lieu thereof "$145,000,000 for the fiscal year 1974, and $165,000,000 for the fiscal year 1975".

(2) In section 292, strike out "$130,000,000" and insert in lieu thereof "$150,000,000".

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

SEC. 4. Section 105 of the Foreign Assistance Act of 1961 is amended by striking out "$90,000,000 for each of the fiscal years 1974 and 1975" and inserting in lieu thereof $90,000,000,000 for the fiscal year 1974, and $92,000,000 for the fiscal year 1975".

HOUSING GUARANTIES

SEC. 5. The Foreign Assistance Act of 1961 is amended as follows:

(1) In section 221, strike out "$305,000,000" and insert in lieu thereof "$405,000,000".

(2) In section 223(i), strike out "June 30,

1975" and insert in lieu thereof "June 30, 1976".

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Sec. 6. Section 302(a) of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1975, $150,000,000" and inserting in lieu thereof "for the fiscal year 1975, $186,900,000".

MILITARY ASSISTANCE AUTHORIZATIONS

Sec. 7. Section 504(a) of the Foreign Assistance Act of 1961 is amended by striking out "$512,500,000 for the fiscal year 1974" and inserting in lieu thereof "$550,000,000 for the fiscal year 1975."

SPECIAL AUTHORITY

Sec. 8. Section 506 of the Foreign Assistance Act of 1961 is repealed.

MILITARY ASSISTANCE AUTHORIZATIONS FOR SOUTH VIETNAM

Sec. 9. Section 513 of the Foreign Assistance Act of 1961 is amended as follows:

(1) Strike out "Thailand and Laos" in the caption and insert in lieu thereof "Thailand, Laos, and South Vietnam".

(2) At the end thereof add the following new subsection:

"(c) After June 30, 1975, no military assistance shall be furnished by the United States to South Vietnam directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act."

EXCESS DEFENSE ARTICLES

Sec. 10. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 514. Limitation on the Grant of Excess Defense Articles.—(a) The value of any excess defense article furnished to a foreign country or international organization by any agency of the United States Government shall be considered to be an expenditure made from funds appropriated under section 504 of this Act. Unless such agency certifies to the Comptroller General of the United States that the excess defense article it is ordering is not to be transferred by any means to a foreign country or international organization, when an order is placed for a defense article whose stock status is excess at the time ordered, a sum equal to the value thereof (less amounts to be transferred under section 632(d) of this Act) shall (1) be reserved and transferred to a suspense account, (2) remain in the suspense account until the excess defense article is either delivered to a foreign country or international organization or the order therefor is canceled, and (3) be transferred from the suspense account to (A) the general fund of the Treasury upon delivery of such article, or (B) the appropriation made under section 504 of this Act for the current fiscal year upon cancellation of the order. Such sum shall be transferred to the appropriation made under section 504 of this Act for the current fiscal year, upon delivery of such article, if at the time of delivery the stock status of the article is determined in accordance with section 644(g) or (m) of this Act to be nonexcess.

"(b) The President shall promptly and fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate of each decision to furnish on a grant basis to any country excess defense articles which are major weapons systems to the extent such major weapons system was not included in the presentation material previously submitted to the Congress. Additionally, the President shall also submit a quarterly report to the Congress listing by country the total value of all deliveries of excess defense articles, disclosing both the aggregate original acquisition cost and the aggregate value at the time of delivery."

(b) Section 644(m)(1) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(1) with respect to an excess defense article, the actual value of the article but not less than 33⅓ per centum of the amount the United States paid at the time the defense article was acquired by the United States;".

(c) Sections 8 and 11 of the Act entitled "An Act to amend the Foreign Military Sales Act, and for other purposes", approved January 12, 1971 (84 Stat. 2053), as amended, are repealed.

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

Sec. 11. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by section 10(a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 515. Stockpiling of Defense Articles for Foreign Countries.—(a) Notwithstanding any other provision of law, no funds, other than funds made available under this chapter or section 401(a) of Public Law 89–367 (80 Stat. 37), or any subsequent corresponding legislation, may be obligated for the purpose of stockpiling any defense article or war reserve material, including the acquisition, storage, or maintenance of any war reserve equipment, secondary items, or munitions, if such article or material is set aside, reserved, or in any way earmarked or intended for future use by any foreign country under this Act or such section.

"(b) The cost of any such article or material set aside, reserved, or in any way earmarked or intended by the Department of Defense for future use by, for, or on behalf of the country referred to in section 401(a)(1) of Public Law 89–367 (80 Stat. 37) shall be charged against the limitation specified in such section or any subsequent corresponding legislation, for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked or intended; and the cost of any such article or material set aside, reserved, or in any way earmarked or intended for future use by, for, or on behalf of any other foreign country shall be charged against funds authorized under this chapter for the fiscal year in which such article or material is set aside, reserved, or otherwise earmarked. No such article or material may be made available to or for use by any foreign country unless such article or material has been charged against the limitation specified in such section, or any subsequent corresponding legislation, or against funds authorized under this chapter, as appropriate.

"(c) This section shall not be construed as conferring any authority to stockpile defense articles or war materials under this Act or such section 401(a), or subsequent corresponding legislation."

MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS

Sec. 12. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 10(a) and 11 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 516. Military Assistance Advisory Groups and Missions.—An amount equal to each sum expended under any provision of law, other than section 504 of this Act, with respect to any military assistance advisory group, military mission, or other organization of the United States performing activities similar to such group or mission, shall be deducted from the funds made available under such section 504, and (1) if reimbursement of such amount is requested by the agency of the United States Government making the expenditure, reimbursed to that agency, or (2) if no such reimbursement is requested, deposited in the Treasury as miscellaneous receipts."

TERMINATION OF AUTHORITY

Sec. 13. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 10(a), 11, and 12 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 517. Termination of Authority.—(a)(1) The President shall gradually reduce assistance (other than military training) provided under this chapter so that, not later than September 30, 1977, no assistance (other than military training) shall be provided under this chapter.

"(2) Paragraph (1) of this subsection shall not apply to funds obligated prior to October 1, 1977.

"(b) For each of the fiscal years 1975, 1976, and 1977, the President is authorized to finance procurements of defense articles and defense services (other than military training) by any foreign country receiving defense articles or defense services during fiscal year 1974 under this chapter on terms providing for payment to the United States Government in United States dollars (1) of the value of such articles and services which value shall not exceed during each such fiscal year the value of such articles and services (other than military training) furnished that country in fiscal year 1974 under this chapter, (2) at a rate of interest of not less than four per centum a year, and (3) within ten years after delivery of the defense articles or rendering of the defense services.

"(c)(1) By not later than September 30, 1977, all the functions of a military assistance advisory group, a military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be transferred to the Chief of the United States Diplomatic Mission to that country. Upon the transfer of such functions, that group, mission, or organization, as the case may be, shall cease to exist.

"(2) On and after October 1, 1977, the total number of military attachés assigned or detailed to the United States Diplomatic Mission of a foreign country shall not exceed by more than twenty-five per centum the total number of military attachés authorized to be assigned or detailed to that mission on June 30, 1974.

"(3) On and after October 1, 1977, no military assistance advisory group, military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be established or continued unless such group, mission, or organization is authorized by law specifically for that country."

(b) Effective October 1, 1977—

(1) the heading of chapter 1 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 1—Providing Military Training";

(2) sections 501, 502A, 514, and 516, subsection (g) of section 644, of the Foreign Assistance Act of 1961 are repealed;

(3) section 502 of the Foreign Assistance Act of 1961 is amended by striking out the caption "Utilization of Defense Articles and Services" and inserting in lieu thereof "Providing Military Training", by striking out of the text "Defense articles and defense services" and inserting in lieu thereof "Military training", and by striking out the last sentence;

(4) the heading of chapter 2 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 2—Military Training";

(5) sections 503–505 of the Foreign Assistance Act of 1961 are stricken out and the following inserted in lieu thereof:

"Sec. 503. General Authority.—The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine, military training to any foreign country or international organization. Funds for such training shall be appropriated for each fiscal year pursuant to authorization for that fiscal year. After September 30, 1977, no such training shall be conducted outside the United States except by specific authorization of law.";

(6) section 511 of the Foreign Assistance Act of 1961 is amended by striking out of the section caption "Assistance" and inserting in lieu thereof "Training", and by striking out of the text "military assistance" and "such assistance" and inserting in lieu thereof "military training" and "such training", respectively;

(7) section 636(g)(1) of the Foreign Assistance Act of 1961 is amended by striking out "defense articles and defense services on a grant or sales basis" and inserting in lieu thereof "military training"; and

(8) section 644(m) of the Foreign Assistance Act of 1961 is amended by striking out subparagraph (1) and by striking out of subparagraphs (2) and (3) "nonexcess" wherever it appears.

TERMINATION OF MILITARY ASSISTANCE TO SOUTH KOREA

Sec. 14. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by sections 10(a), 11, 12, and 13(a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 518. Termination of Military Assistance to South Korea.—(a) The total of (1) the amount of funds obligated under this chapter to furnish assistance to South Korea, and (2) the value of excess defense articles

"(A) $91,500,000 during the fiscal year 1975; furnished to South Korea under this chapter, shall not exceed—

"(B) $61,000,000 during the fiscal year 1976; and

"(C) $30,500,000 during the fiscal year 1977.

"(b) The aggregate total of credits extended, including participations in credits, and the principal amount of loans guaranteed, under the Foreign Military Sales Act with respect to South Korea shall not exceed—

"(1) $42,450,000 during the fiscal year 1975;

"(2) $28,300,000 during the fiscal year 1976; and

"(3) $14,150,000 during the fiscal year 1977.

"(c) On and after October 1, 1977, no assistance shall be furnished South Korea under this chapter, and no credits, including participations in credits, shall be extended, and no loans shall be guaranteed, under the Foreign Military Sales Act with respect to South Korea. The preceding sentence shall not apply with respect to funds obligated prior to such date."

SECURITY SUPPORTING ASSISTANCE

Sec. 15. Section 532 of the Foreign Assistance Act of 1961 is amended by striking out "for the fiscal year 1974 not to exceed $125,000,000, of which not less than $50,000,000 shall be available solely for Israel" and inserting in lieu thereof "for the fiscal year 1975 not to exceed $585,500,000".

TRANSFER BETWEEN ACCOUNTS

Sec. 16. (a) Section 610 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), immediately after "any other provision of this Act", insert (except funds made available under chapter 2 of part II of this Act)".

(2) Add at the end thereof the following new subsection:

"(c) Any funds which the President has notified Congress pursuant to section 653 that he intends to provide in military assistance to any country may be transferred to, and consolidated with, any other funds he has notified Congress pursuant to such section that he intends to provide to that country for development assistance purposes."

(b)(1) Section 614 of such Act is repealed.

(2) Such Act is further amended as follows:

(A) In section 109, strike out "sections 610 (a) and 614(a)" and insert in lieu thereof "section 610(a)".

(B) In section 210(c), strike out the comma and "nor may the authority of section 614(a) be used to waive the requirements of this title".

(C) Section 251(c) is amended to read as follows:

"(c) The authority of section 610 may be used to transfer funds made available for this title only to funds made available for title I of this chapter."

(D) Section 302(b)(2) is amended by striking out "or 614(a)".

(E) Section 610(b) is amended by striking out "sections 451, 506, and 614" and inserting in lieu thereof "section 451".

(F) Section 634(d) is amended by striking out "or 614(b)".

(G) Section 652 is amended by striking out "section 506(a), 610(a), or 614" and inserting in lieu thereof "section 610(a)".

(H) Section 653(b) is amended by striking out "and may not be waived under the provisions of section 614(a) of this Act".

ACCESS TO CERTAIN MILITARY BASES ABROAD

Sec. 17. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 659. Access to Certain Military Bases Abroad.—None of the funds authorized to be appropriated for foreign assistance (including foreign military sales, credit sales, and guaranties) under any law may be used to provide any kind of assistance to any foreign country in which a military base is located if—

"(1) such base was constructed or is being maintained or operated with funds furnished by the United States; and

"(2) personnel of the United States carry out military operations from such base;

unless and until the President has determined that the government of such country has, consistent with security authorized access, on a regular basis, to bona fide news media correspondents of the United States to such military base."

(b) Section 29 of the Foreign Assistance Act of 1973 is repealed.

PROHIBITING POLICE TRAINING

Sec. 18. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by section 17(a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 660. Prohibiting Police Training.—(a) None of the funds made available to carry out this Act, and none of the local currencies generated under this Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other internal security forces for any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government within the United States or abroad.

"(b) Subsection (a) of this section shall not apply—

"(1) with respect to assistance rendered under section 515(c) of the Omnibus Crime Control and Safe Streets Act of 1968, or with respect to any authority of the Drug Enforcement Administration or the Federal Bureau of Investigation which related to crimes of the nature which are unlawful under the laws of the United States; or

"(2) to any contract entered into prior to the date of enactment of this section with any person, organization, or agency of the United States Government to provide personnel to conduct, or assist in conducting, any such program.

Notwithstanding clause (2), subsection (a) shall apply to any renewal or extension of any contract referred to in such paragraph entered into on or after such date of enactment."

(b) Section 112 of such Act of 1961 is repealed.

LIMITATIONS UPON ASSISTANCE TO OR FOR CHILE

Sec. 19. Notwithstanding any other provision of law, the total amount of assistance that may be made available for Chile under this or any other law during fiscal year 1975 may not exceed $65,000,000, of which amount not to exceed $10,000,000 may be made available for the purpose of providing military assistance (including credit sales and the face amount of guaranties).

POLICY WITH RESPECT TO INDOCHINA

Sec. 20. (a) The Congress finds that the cease-fire provided for in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any of the Vietnamese parties to the conflict. Military operations of an offensive and defensive nature continue throughout South Vietnam. In Cambodia, the civil war between insurgent forces and the Lon Nol government has intensified, resulting in widespread human suffering and the virtual destruction of the Cambodian economy.

(c) The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia are not in the interest of the parties directly engaged in the conflicts, the people of Indochina, or world peace. In order to lessen the human suffering in Indochina and to bring about a genuine peace there, the Congress urges and requests the President and the Secretary of State to undertake immediately the following measures:

(1) to initiate negotiations with representatives of the Soviet Union and the People's Republic of China to arrange a mutually agreed-upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict;

(2) to urge by all available means that the Government of the Khmer Republic enter into negotiations with representatives of the Khmer Government of National Union for the purpose of arranging an immediate cease-fire and political settlement of the conflict; and to use all available means to establish contact with the Khmer Government of National Union and to urge them to participate in such negotiations. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement;

(3) to utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government, and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, including a full accounting for Americans missing in Indochina;

(4) to reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict; and

(5) to maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA

Sec. 21. (a) Congress finds that, after expending over a billion dollars in funds for economic purposes in Indochina last year, and vast amounts in previous years, little in lasting economic benefit remains. A large proportion of the funds expended have been used for consumable items related to the war effort. Very little of our money has found its way into capital investments of a lasting productive benefit to the people. Congress calls upon the President and Secretary of

State to take immediately the following actions designed to maximize the benefit of United States economic assistance:

(1) to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources;

(2) to develop, in coordination with the recipient governments, other donors, and the multilateral financial institutions, a comprehensive plan for Indochina reconstruction and economic development;

(3) to develop country-by-country reconstruction and developments plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct United States resources into areas of maximum benefits;

(4) to shift the emphasis of United States aid programs from consumption-oriented expenditures to economic development;

(5) to identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations and corruption, which should be undertaken if Indochinese economic development is to progress; and

(6) to include in Indochina economic planning and programming specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipients' efforts and to determine whether, and what amounts of, continued United States funding is justified.

(b) This section is not meant to imply continuation of a United States financial commitment beyond the authorization provided for in this Act or amendments made by this Act.

INDOCHINA POSTWAR RECONSTRUCTION

SEC. 22. Section 802 of the Foreign Assistance Act of 1961 is amended to read as follows:

"SEC. 802. AUTHORIZATION.—There are authorized to be appropriated to the President to furnish assistance for the relief and reconstruction of South Vietnam, Cambodia, and Laos as authorized by this part, in addition to funds otherwise available for such purposes, for the fiscal year 1974 not to exceed $504,000,000, and for the fiscal year 1975 not to exceed $550,000,000. Of the amount appropriated for fiscal year 1975—

"(1) $420,000,000 shall be available only for the relief and reconstruction of South Vietnam in accordance with section 806 of this Act;

"(2) $70,000,000 shall be available only for the relief and reconstruction of Cambodia in accordance with section 807 of this Act;

"(3) $45,000,000 shall be available only for the relief and reconstruction of Laos in accordance with section 808 of this Act;

"(4) $3,750,000 shall be available only for the regional development program; and

"(5) $11,250,000 shall be available only for support costs for the agency primarily responsible for carrying out this part.

Such amounts are authorized to remain available until expended."

ASSISTANCE TO SOUTH VIETNAMESE CHILDREN

SEC. 23. Section 803 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), strike out "rights, particularly children fathered by United States citizens" and insert in lieu thereof "rights".

(2) In subsection (b), between the second and third sentences, insert the following: "Of the sums made available for South Vietnam under section 802(1) of this Act for fiscal year 1975, $10,000,000, or its equivalent in local currency, shall be available until expended solely to carry out this section."

LIMITATIONS WITH RESPECT TO SOUTH VIETNAM

SEC. 24. Part V of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 806. LIMITATIONS WITH RESPECT TO SOUTH VIETNAM.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $1,280,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of South Vietnam. Of that amount, there shall be available during such fiscal year—

"(1) $700,000,000 for military assistance;

"(2) $160,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $420,000,000 only for economic assistance, of which there shall be available—

"(A) $95,000,000 for humanitarian assistance, of which there shall be available—

"(i) $66,500,000 for refugee relief;

"(ii) $8,200,000 for child care;

"(iii) $10,300,000 for health care; and

"(iv) $10,000,000 for the City-to-Farm program;

"(B) $188,000,000 for agricultural assistance, of which there shall be available—

"(i) $150,000,000 for fertilizer, POL, and pesticides;

"(ii) $20,000,000 for rural credit;

"(iii) $10,000,000 for canal dredging;

"(iv) $4,000,000 for low-lift pumps; and

"(v) $4,000,000 for fish farm development;

"(C) $95,600,000 for industrial development assistance, of which there shall be available—

"(i) $85,000,000 for commodities;

"(ii) $10,000,000 for industrial credit; and

"(iii) $600,000 for development planning; and

"(D) $41,400,000 for miscellaneous assistance, of which there shall be available—

"(i) $30,000,000 for transportation; and

"(ii) $11,400,000 for technical support.

"(b)(1) No funds made available under paragraph (2) or (3) of subsection (a) may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may any funds made available under subparagraph (A), (B), (C), or (D) of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(2) Whenever the President determines it to be necessary in carrying out this part, any funds made available under any clause of subparagraph (A), (B), (C), or (D) of subsection (a) of this section may be transferred to, and consolidated with, the funds made available under any other clause of that same subparagraph.

"(3) The President shall fully inform the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of each transfer he intends to make under paragraph (2) of this subsection prior to making such transfer.

"(c) In computing the $1,280,000,000 limitation on obligational authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of South Vietnam in such fiscal year by gift, donation, loan, lease, or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of South Vietnam but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of South Vietnam in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of South Vietnam for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of South Vietnam during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g)(1) Effective six months after the date of enactment of this section, the total number of civilian officers and employees, including contract employees, of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States present in South Vietnam shall not at any one time exceed four thousand, not more than two thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense. Effective one year after the date of enactment of this section, such total number shall not exceed at any one time three thousand, not more than one thousand five hundred of whom shall be members of such armed forces and direct hire and contract employees of the Department of Defense.

"(2) Effective six months after the date of enactment of this section, the United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eight hundred individuals in South Vietnam who are citizens of countries other than South Vietnam or the United States. Effective one year after the date of enactment of this section, the total number of individuals whose compensation or allowance is so paid shall not exceed at any one time five hundred.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(h) This section shall not be construed as a commitment by the United States to South Vietnam for its defense."

LIMITATIONS WITH RESPECT TO CAMBODIA

SEC. 25. (a) Part V of the Foreign Assistance Act of 1961, as amended by section 24 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 807. LIMITATIONS WITH RESPECT TO CAMBODIA.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $347,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Cambodia. Of that amount, there shall be available—

"(1) $200,000,000 for military assistance;

"(2) $77,000,000 only to carry out the Agricultural Trade Development and Assistance Act of 1954; and

"(3) $70,000,000 only for economic assistance, of which there shall be available—

"(A) $20,000,000 for humanitarian assistance;

"(B) $31,000,000 for commodity import assistance;

"(C) $17,500,000 for multilateral stabilization assistance; and

"(D) $1,500,000 for technical support and participant training.

"(b) No funds made available under paragraph (2) or (3) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under any other paragraph of such subsection, nor may any funds made available under any subparagraph of paragraph (3) of subsection (a) of this section be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the $347,000,000 limitation on obligation authority under subsection (a) of this section with respect to such fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided to, for, or on behalf of Cambodia in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Cambodia but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behlaf of Cambodia in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Cambodia for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Cambodia during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g)(1) The total number of civilian officers and employees, including contract employees, of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred. Effective six months after the date of enactment of this subsection, such total number shall not exceed at any one time one hundred and seventy-five.

"(2) The United States shall not, at any one time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than eighty-five individuals in Cambodia who are citizens of countries other than Cambodia or the United States. Effective six months after the date of enactment of this section, the total number of individuals whose compensation or allowance is so paid shall not exceed at any one time seventy-five.

"(3) For purposes of this subsection, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government.

"(4) This subsection shall not be construed to apply with respect to any individual in Cambodia who (A) is an employee or volunteer worker of a voluntary private, nonprofit relief organization or is an employee or volunteer worker of the International Committee of the Red Cross, and (B) engages only in activities providing humanitarian assistance in Cambodia.

"(h) This section shall not be construed as a commitment by the United States to Cambodia for its defense."

(b) Section 655 and 656 of such Act are repealed.

LIMITATIONS WITH RESPECT TO LAOS

Sec. 26. Part V of the Foreign Assistance Act of 1961, as amended by sections 24 and 25(a) of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 808. Limitations With Respect to Laos.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated in any amount in excess of $100,000,000 during the fiscal year ending June 30, 1975, for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Laos. Of that amount, there shall be available—

"(1) $55,000,000 for military assistance; and

"(2) $45,000,000 only for economic assistance, of which there shall be available—

"(A) $13,000,000 for humanitarian assistance;

"(B) $9,900,000 for reconstruction and development assistance;

"(C) $17,500,000 for stabilization assistance; and

"(D) $4,600,000 for technical support.

"(b) No funds made available under paragraph (2) of subsection (a) of this section may be transferred to, or consolidated with, the funds made available under paragraph (1) of such subsection, nor may any funds made available under any subparagraph of paragraph (2) be transferred to, or consolidated with, the funds made available under any other such subparagraph.

"(c) In computing the limitations on obligation authority under subsection (a) of this section with respect to such fiscal year there shall be included in the computation the value of any goods, supplies, materials, equipment, services, personnel, or advisers provided, to, for, or on behalf of Laos in such fiscal year by gift, donation, loan, lease or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Laos but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(d) No funds may be obligated for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Laos in any fiscal year beginning after June 30, 1975, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any such purpose during such fiscal year.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use in, to, for, or on behalf of Laos, for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, to, for, or on behalf of Laos during the preceding quarter by the United States Government and shall include in such report a general breakdown of the total amount obligated, describing the different purposes for which such funds were obligated and the total amount obligated for such purpose.

"(g) This section shall not be construed as a commitment by the United States to Laos for its defense."

TRANSFER OF FUNDS

Sec. 27. Part V of the Foreign Assistance Act of 1961, as amended by sections 24, 25(a), and 26 of this Act, is further amended by adding at the end thereof the following new section:

"Sec. 809. Transfer of Funds.—(a) The authority of section 610 of this Act *shall not* apply with respect to any funds made available to South Vietnam, Cambodia, or Laos.

"(b) Any funds made available under any provision of this or any other law for the purpose of providing military assistance for South Vietnam, Laos, or Cambodia may be transferred to, and consolidated with, any funds made available to that country for war relief, reconstruction, or general economic development."

MIDDLE EAST ASSISTANCE

Sec. 28. (a) The Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new part:

"Part VI

"Sec. 901. General Authority for Assistance to the Middle East.—The President is authorized under section 902 of this Act to furnish, by loan or grant, assistance authorized by this Act, and to provide credits and guaranties authorized by the Foreign Military Sales Act. Any such assistance, credits, and guaranties shall be provided in accordance with all the purposes and limitations applicable to that type of assistance under this Act and applicable to credits and guaranties under the Foreign Military Sales Act.

"Sec. 902. Allocations.—(a) Of the funds appropriated to carry out chapter 2 of part II of this Act during the fiscal year 1975, not to exceed $100,000,000 may be made available for military assistance in the Middle East.

"(b) Of the funds appropriated to carry out chapter 4 of part II of this Act during the fiscal year 1975, not to exceed $577,500,000 may be made available for security supporting assistance in the Middle East.

"(c) Of the aggregate ceiling on credits and guaranties established by section 31(b) of the Foreign Military Sales Act during the fiscal year 1975, not to exceed $330,000,000 shall be available for countries in the Middle East.

"Sec. 903. (a) Special Requirements Fund.—There are authorized to be appropriated to the President for the fiscal year

1975 not to exceed $100,000,000 to meet special requirements arising from time to time for the purpose of providing any type of assistance authorized by part I of this Act, in addition to funds otherwise available for such purpose. The funds authorized to be appropriated by this section shall be available for use by the President for assistance authorized by this Act in accordance with the provisions applicable to the furnishing of such assistance. Such funds are authorized to remain available until expended.

"(b) The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programing and obligation of funds under subsection (a).

"(c) (1) Prior to obligating any amount in excess of $1,000,000 from funds made available under this section, the President shall transmit a written report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day giving a complete explanation with respect to such proposed obligation. Each report shall include an explanation relating to only one proposed obligation.

"(2) (A) The President may make such obligation thirty days after the report has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the report is transmitted, either House adopts a resolution disapproving the proposed obligation with respect to which the report is made.

"(B) For purposes of subparagraph (A) of this paragraph—

"(i) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"(ii) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"(3) Paragraphs (4) through (11) of this subsection are enacted by Congress—

"(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this subsection; and they supersede other rules only to the extent that they are inconsistent therewith; and

"(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"(4) For purposes of paragraphs (2) through (11) of this subsection, 'resolution' means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: 'That the —— does not approve the obligation for ——— and explained in the report transmitted to Congress by the President on ———, 19———; the first blank space therein being filled with the name of the resolving House, the second blank space therein being filled with the name of the foreign country or organization on whose behalf the obligation is to be incurred, and the other blank spaces therein being appropriately filled with the date of the transmittal of the report; but does not include a resolution specifying more than one proposed obligation.

"(5) If the committee, to which has been referred a resolution disapproving a proposed obligation, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same obligation which has been referred to the committee.

"(6) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same proposed obligation), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(7) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same obligation.

"(8) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an obligation, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(9) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(10) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to an obligation, and motions to proceed to the consideration of other business, are decided without debate.

"(11) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an obligation are decided without debate."

(b) Section 620(p) of such Act is repealed.

FOREIGN MILITARY SALES ACT AMENDMENTS

SEC. 29. The Foreign Military Sales Act is amended as follows:

(1) Section 3(d) is amended to read as follows:

"(d) A country shall remain ineligible in accordance with subsection (c) of this section until such time as the President determines that such violation has ceased, that the country concerned has given assurances satisfactory to the President that such violation will not recur, and that, if such violation involved the transfer of sophisticated weapons without the consent of the President, such weapons have been returned to the country concerned."

(2) Section 22 is amended by adding at the end thereof the following new subsection:

"(c) No sales of defense articles shall be made to the government of any economically developed country under the provisions of this section if such articles are generally available for purchase by such country from commercial sources in the United States."

(3) Section 23 is amended to read as follows:

"SEC. 23. CREDIT SALES.—The President is authorized to finance procurements of defense articles and defense services by friendly foreign countries and international organizations on terms requiring the payment to the United States Government in United States dollars of—

"(1) the value of such articles or services within a period not to exceed ten years after the delivery of such articles or the rendering of such services; and

"(2) interest on the unpaid balance of that obligation for payment of the value of such articles or services, at a rate equivalent to the current average interest rate, as of the last day of the month preceding the financing of such procurement, that the United States Government pays on outstanding marketable obligations of comparable maturity, unless the President certifies to Congress that the national interest requires a lesser rate of interest and states in the certification the lesser rate so required and the justification therefor."

(4) In subsections (a) and (b) of section 24, the parenthetical phrase in each is amended to read as follows: "(excluding United States Government agencies other than the Federal Financing Bank)".

(5) Section 24 is amended by adding at the end thereof the following:

"(d) The President may guarantee under this section only those payments for any defense article or defense service which are due within ten years after that defense article is delivered or that defense service is rendered, except that such guaranty may be made for not more than twenty years if the President certifies to Congress that the national interest requires that the period of guaranty be longer than ten years, and states in the certification the country or international organization on whose behalf the guaranty is to be made, the period of the guaranty, and the justification for the longer period."

(6) In section 31—

(A) in subsection (a), strike out "$325,000,000 for the fiscal year 1974" and insert in lieu thereof "$455,000,000 for the fiscal year 1975"; and

(B) in subsection (b)—

(i) strike out "$730,000,000 for the fiscal year 1974" and insert in lieu thereof "$872,500,000 for the fiscal year 1975"; and

(ii) add at the end thereof the following new sentence: "Of the funds made available under subsection (a) of this section, $100,000,000 shall first be obligated with respect to financing the procurement of defense articles and defense services by Israel under section 23 of this Act, except that Israel shall be released from contractual liability to repay the United States Government for the defense articles and defense services so financed."

POLITICAL PRISONERS

SEC. 30. Section 32 of the Foreign Assistance Act of 1973 is amended by adding at the end thereof the following new sentence: "Commencing with respect to 1974, the President shall submit annually to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a written report setting forth fully the steps he has taken to carry out this section."

GORGAS MEMORIAL INSTITUTE

SEC. 31. The first section of the Act entitled "An Act to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial", approved May 7, 1928, as amended (22 U.S.C. 278), is amended by striking out "$500,000" and inserting in lieu thereof "$1,000,000".

INTERNATIONAL COMMISSION OF CONTROL AND SUPERVISION IN VIETNAM

SEC. 32. (a) There are authorized to be appropriated to the Department of State for fiscal year 1975 not to exceed $16,526,000 for payments by the United States to help meet expenses of the International Commission of Control and Supervision in Vietnam. Funds appropriated under this subsection are authorized to be made available for reimbursement to the Agency for International Development of amounts expended by the Agency during fiscal year 1975 as interim United States payments to help meet expenses of the International Commission of Control and Supervision.

(b) There are authorized to be appropriated to the Department of State not to exceed $11,200,000 for reimbursement to the Agency for International Development of amounts expended by the Agency for International Development to help meet expenses of the International Commission on Control and Supervision in fiscal year 1974.

(c) Reimbursements received by the Agency for International Development under this section may be credited to applicable appropriations of the Agency and shall be available for the purposes for which such appropriations are authorized to be used during fiscal year 1975.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Dan Spiegel of my staff, and Norvill Jones, John Ritch, Robert Dockery, and Richard Moose of the staff of the Committee on Foreign Relations be permited to remain in the Chamber during the remainder of the Senate's consideration of S. 3394.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, it is my responsibility to bring the foreign assistance authorization bill, S. 3394, to the Senate. This follows, of course, our extended discussion on the continuing resolution with all of its amendments.

I am hopeful that during the consideration of this bill, into which a great deal of work by the Committee on Foreign Relations has gone, we will be able to expedite the consideration of amendments. There are several Members of this body with other pressing duties who have amendments to offer, and we have had much debate already on most of the items which will be brought up for consideration. Actually, I have a feeling that we are going to see what they call in football parlance some instant replay here, and I am fully aware of what the score is going to be on the instant replay.

It was my judgment that we should have proceeded with the foreign assistance authorization bill, S. 3394, prior to the continuing resolution, but there were those in the administration who felt that was not desirable. I can understand their concern. But that is the past, and we shall proceed now with this proposed legislation.

Let me add that the foreign assistance authorization bill before us is greatly different from other legislation that we have adopted in this area on other occasions.

Foreign aid bills, Mr. President, have never been popular. I believe that is probably the understatement of the year. But in this time of galloping inflation, belt tightening by every American, and a mounting Federal budget, the task of defending this bill in the Senate is less palatable than ever. But, as distasteful as foreign aid is to most Americans, year in and year out since the beginning of the Greek-Turkish aid program, every Congress and every President have agreed that foreign aid is a key element in America's foreign policy. Congress may grumble and growl, and indeed it does, and it has, and I have done my share. But, in the end, a majority of the elected representatives of the American people have always come to the conclusion that continuation of a foreign assistance program is in the national interest and a part of our national security effort. Within that majority there is much argument about form and content but there is no substantial disagreement over the Nation's obligation and indeed our desire to help the world's poor.

The bill recommended to the Senate by the committee, by a vote of 11 to 5, will bring an end to one major aspect of the foreign aid program.

I wish that this Chamber were better occupied today, so that my colleagues would know the importance of this particular action. The aspect of the foreign aid program to be discontinued is the military grant assistance program. For many years the Committee on Foreign Relations has sought to bring about major changes in foreign aid policy. Last year significant improvements were made in the economic aid program, and I want to compliment in particular our esteemed colleague from Vermont (Mr. AIKEN) for his help in this effort. I joined with Senator AIKEN in designing that bill. It was designed to insure that the benefits of American tax dollars reached the rice bowls and bread baskets of the poor and did not lodge in the pockets of the rich or the corrupt. This year the committee has continued its work at reform, concentrating on the military assistance program and aid to Indochina. And may I add that the committee dispatched to Indochina two of its most able staff members. Those staff members made an intensive study of our foreign assistance program in the Indochina area.

The staff members brought back recommendations to us, and those recommendations were presented to every member of the committee. They were discussed in committee and, subsequently, amendments were drawn from some of those recommendations.

I am proud to say that a number of those recommendations I offered as amendments so that they could be included in the proposed legislation now before us, the Foreign Assistance Authorization Act of 1974.

This year, as I have said, we continued our efforts at improvement and reform and fiscal discipline.

The bill recommended by the committee would authorize a total of $2,527,626,000 in appropriations for certain foreign assistance programs in the 1975 fiscal year. This represents a reduction of $724,600,000—or 22 percent—in the executive branch's requests for these programs.

I submit that no bill has been brought before the Senate that has had that much reduction applied to it. We went over every item in this bill, and I hope that my colleagues will take the time as they consider this measure to look at what we have done. The President has called for Congress to exercise fiscal restraint to help in the fight against inflation. The committee has acted in a responsible manner to help in that effort.

Before I explain the major provisions of the bill, a few words of background are necessary. Last year Congress approved a 2-year authorization for foreign economic development assistance, but only a 1-year authorization for military grants, military credit sales, security supporting assistance, and only 1 year for economic aid to Indochina.

The principal purpose of the bill before the Senate is to provide a number of supplemental authorizations for economic development programs and to provide new authorizations for the programs which were authorized for only 1 year during the last session of Congress. In addition, the bill contains authorizations of appropriations for a Middle East contingency fund which was requested by the President and the Secretary of State, and for U.S. contributions to the International Commission of Control and Supervision in Vietnam which was set up under the Paris Agreement.

For many years the Committee on Foreign Relations has urged that military and economic assistance authorizations be considered in separate bills. In reporting a bill containing authorizations for both economic and military assistance, the committee recognizes that, on the surface, its action appears inconsistent with its traditional position. However, this is a unique bill where military and economic aid issues are inextricably combined. In Indochina, for example, the committee believes that the Senate should consider the total flow of U.S. resources to South Vietnam, Cambodia, and Laos.

It would be inadvisable and confusing to try to deal with policy toward those countries in separate economic and military aid bills. Similarly, in the Middle East, the committee's singling out this region for special attention has resulted in a mix of economic and military aid authorizations. Next year the committee fully expects to deal with foreign assistance authorizations in two separate bills, as outlined in section 9 of the State Department/USIA Authorization Act, S. 3473, now in conference, which requires consolidation of future requests to Congress for foreign affairs and foreign assistance authorizations.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point three tables: the first showing the authorizations proposed by the executive branch and the recommendations by the Foreign Relations Committee; the second showing the executive branch's foreign assistance request, including programs already authorized; and the third, a country-by-country breakdown of all foreign assistance programs proposed by the executive branch for the 1975 fiscal year.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—FOREIGN ASSISTANCE AUTHORIZATIONS RECOMMENDED BY THE COMMITTEE ON FOREIGN RELATIONS

[In thousands of dollars]

	Fiscal year 1975 authorization request	Committee recommendation	Difference from request
1. Food and nutrition	255,300	[1] 200,000	−55,300
2. Population planning and health		[1] 20,000	+20,000
3. Education and human resources development		[1] 2,000	+2,000
4. Gorgas Memorial—Panama		[1] 500	+500
5. International organizations and programs	3,900	[1] 36,900	+33,000
6. Indochina postwar reconstruction	939,800	550,000	−389,800
7. Security supporting assistance	385,500	585,500	+200,000
8. Middle East special requirements funds	100,000	100,000	
9. Military assistance program	985,000	550,000	−435,000
10. Foreign military credit sales	555,000	[2] 455,000	−100,000
11. International Commission of Control and Supervision in Vietnam	27,726	27,726	
Total	3,252,226	2,527,626	−724,600

[1] Supplemental to current authorization.

[2] Of this amount, $100,000,000 is to be in the nature of a grant to Israel.

TABLE II.—COMPARATIVE DATA ON FOREIGN ASSISTANCE ACTIVITIES, FISCAL YEARS 1974 AND 1975

[In thousands of dollars]

	Fiscal year 1974		Fiscal year 1975 request [1]		Committee recommendation
	Authorization	Appropriation	Appropriation	Authorization	
Development assistance:					
Food and nutrition	291,000	284,000	546,300	[2] 255,300	[2] 200,000
Population planning and health	145,000	135,000	145,000		[2] 20,000
Education and human resources	90,000	89,000	90,000		[2] 2,000
Selected development problems	53,000	40,500	53,000		
Selected countries and organizations	39,000	36,500	39,000		
Total, functiona development assistance	618,000	585,000	873,300	[2] 255,300	[2] 222,000
International organizations and programs:					
UNDP and other programs	150,000	125,000	153,900	[2] 3,900	[2] 36,900
Indus Basin Development Fund loans	(3)	2,000	200		
Indus Basin Development Fund grants	14,500	9,000	14,500		
UNRWA (expansion of training)	2,000	2,000			
U.N. Environment Fund	(4)	7,500	10,000		
Total, international organizations and programs	166,500	145,500	178,600	[2] 3,900	[2] 36,900
American schools and hospitals abroad	19,000	19,000	10,000		
Contingency fund	30,000	15,000	30,000		
National Association Partners of the Alliance	934	750			
Albert Schweitzer Hospital	1,000	1,000			
Sahel drough. relief	25,000	25,000			
Disaster relief and reconstruction	150,000	150,000			
Administrative expenses, AID	45,000	40,000	45,000		
Administrative and other expenses, State	(5)	4,800	5,900		
Total, development assistance	905,434	986,050	1,142,800	[2] 259,200	[2] 258,900
Indochina postwar reconstruction	504,000	[6] 499,000	939,800	939,800	550,000
Security supporting assistance	125,000	112,500	385,500	385,500	585,500
Middle East Special Requirements Fund			100,000	100,000	100,000
Total, AID	1,684,434	1,597,550	2,568,100	1,684,500	1,494,400
International Narcotics Control	42,500	42,500	42,500		
Overseas Private Investment Corporation (reserves)	(5)	25,000	25,000		
Militaryassistance program (MAP)	512,500	[7] 450,000	985,000	985,000	550,000
Foreign military credit sales	325,000	325,000	555,000	555,000	455,000
Emergency security assistance:					
Israel	2,200,000	2,200,000			
Cambodia		[8] 150,000			
Total, foreign assistance items	4,764,434	4,790,050	4,175,600	3,224,500	2,499,400
Gorgas Memorial Institute	(9)	500	500	(9)	500
International Commission of Control and Supervision in Vietnam	4,500		[10] 27,726	[10] 27,726	[10] 27,726
Grand total	4,768,934	4,790,550	4,203,826	3,252,226	2,527,626

[1] Request includes the following additional amounts not included in the President's fiscal year 1975 budget transmitted to the Congress on Feb. 4, 1974: Indochina postwar reconstruction, $150,000,000; security supporting assistance $322,500,000; Middle East special requirements, $100,000,000, foreign military credit sales, $240,000,000; military assistance program, $60,000,000.

[2] Supplemental to existing authorization.

[3] Appropriation request authorized by FAA of 1967 which made available $51,200,000 until expended.

[4] Authorized by Public Law 93-188 which made available $40,000,000 until expended.

[5] Permanent authorization for such sums as may be necessary.

[6] Includes $49,000,000 supplemental appropriation.

[7] Excludes $250,000,000 in defense stocks provided to Cambodia under sec. 506 of the FAA of 1961.

[8] Not authorized.

[9] Permanent authorization of $500,000 per annum.

[10] Includes $16,526,000 for fiscal year 1975 contribution to the ICCS and $11,200,000 for reimbursement to AID for fiscal year 1974 expenses of the ICCS.

TABLE III.—U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975

[In thousands of dollars]

	Total economic and military assistance and credit sales	Economic assistance programs					Military assistance and credit sales programs				
		Total economic assistance	AID	Peace Corps	Public Law, 480 [1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Summary	8,368,726	[2] 4,872,226	2,842,415	82,256	995,928	42,500	3,496,500	1,024,000	872,500	150,000	1,450,000
Africa, total	293,753	251,468	168,992	26,103	56,373		42,285	14,785	24,500	3,000	
Algeria	1,409	1,409			1,409						
Botswana	1,736	1,736		394	1,342						
Burundi	425	425			425						
Cameroon	1,311	1,311		825	486						
Central African Republic	260	260		139	121						
Chad	448	448		444	4						
Congo (Brazzaville)	412	412			412						
Dahomey	499	499		388	111						
Ethiopia	47,939	29,039	25,037	2,798	1,204		18,900	11,300	5,000	2,600	
Gabon	530	530		204	326						
Gambia	442	442		255	187						
Ghana	15,695	15,625	13,746	1,187	692		70	70			
Guinea	333	333			333						
Ivory Coast	2,091	2,091		1,469	622						

Footnotes at end of table.

TABLE III.—U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975—Continued

[In thousands of dollars]

		Economic assistance programs					Military assistance and credit sales programs				
	Total economic and military assistance and credit sales	Total economic assistance	AID	Peace Corps	Public Law, 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Kenya	8,951	8,951	7,493	1,159	299						
Lesotho	1,739	1,739		98	1,641						
Liberia	9,626	9,026	7,206	1,362	458		600	100	500		
Malagasy	168	168			168						
Malawi	410	410		351	59						
Mali	1,286	1,236		356	880		50	50			
Mauritania	290	290		54	236						
Mauritius	1,219	1,219		79	1,140						
Morocco	49,182	34,322	15,210	1,331	17,781		14,860	860	14,000		
Niger	1,957	1,957		1,061	897						
Nigeria	6,133	6,133	3,682	151	2,300						
Rwanda	2,947	2,947	2,500		447						
Senegal	1,870	1,845		606	1,239		25	25			
Seychelles	26	26		26							
Sierra Leone	2,566	2,566		1,655	911						
Sudan	15,960	15,910	10,850		5,060		50	50			
Swaziland	572	572		452	120						
Tanzania	12,054	12,054	10,659		1,395						
Togo	2,089	2,089		1,061	1,028						
Tunisia	21,368	17,468	5,809	1,072	10,587		3,900	2,000	1,500	400	
Upper Volta	2,230	2,230		520	1,710						
Zaire	15,294	11,494	6,013	5,145	336		3,800	300	3,500		
Zambia	8	8			8						
Economic regional programs:											
Central West Africa and Sahel	26,874	26,874	26,874								
East Africa	1,563	1,563	1,563								
Southern Africa	10,123	10,123	10,123								
Africa regional	21,988	21,988	20,527	1,461							
Self-help projects	1,700	1,700	1,700								
Regional military costs	30						30	30			
Asia, total	4,762,069	2,086,017	1,375,949	15,624	680,246	14,198	2,676,052	787,902	318,000	120,150	1,450,000
Afghanistan	17,185	16,985	14,467	1,293	1,175	50	200	200			
Bahrain	83	83		83							
Bangladesh	104,669	104,669	65,220		39,449						
British Solomon Islands	116	116		24	92						
Burma	5,000	5,000				5,000					
Cambodia	550,761	187,011	[2] 110,000		77,011		363,750	362,500		1,250	
China (Taiwan)	80,400						80,400	400	80,000		
Cook Islands	14	14		14							
Cyprus	571	571			571						
Fiji	606	606		606							
Gilrbet and Ellice Islands	21	21		21							
Greece	71,000						71,000		71,000		
India	113,894	113,794	75,500	211	38,083		100	100			
Indonesia	221,369	192,469	71,460		120,909	100	28,900	22,700		6,200	
Iran	1,569	1,569		1,569							
Korea	416,368	182,068	25,176	1,902	154,909		234,300	161,500	52,000	20,800	
Laos	143,505	57,405	[2] 56,000		253	1,152	86,100	85,200		900	
Lebanon	10,150						10,150	150	10,000		
Malaysia	12,938	2,653		2,497	156		10,285	285	10,000		
Micronesia	1,061	1,061		1,061							
Nepal	6,991	6,956	5,721	833	402		35	35			
Oman	181	181		181							
Pakistan	123,074	122,794	78,745		43,299	750	280	280			
Philippines	103,715	78,315	49,844	2,178	26,043	250	25,400	17,900	5,000	2,500	
Saudi Arabia	220						220	220			
Sri Lanka (Ceylon)	18,801	18,786	8,000		10,786		15	15			
Thailand	88,587	14,087	6,005	1,218		6,864	74,500	56,000		18,500	
Tonga	338	338		338							
Turkey	232,492	27,492	23,064		4,396	32	205,000	80,000	90,000	35,000	
Vietnam	2,396,553	991,553	[3] 751,000		160,553		1,485,000			35,000	1,450,000
Western Samoa	321	321		321							
Yemen Arab Republic	13,734	13,734	11,496	160	2,078						
Economic regional program	25,365	25,365	24,251	1,114							
Regional military costs	417						417	417			
Latin America, total	592,306	372,206	267,461	19,978	78,137	6,630	220,100	18,250	200,000	1,850	
Argentina	30,900	200				200	30,700	700	30,000		
Belize (British Honduras)	275	275		275							
Bolivia	35,959	29,459	22,239		7,175	45	6,500	3,300	3,000	200	
Brazil	69,309	8,508	2,800	3,287	2,178	243	6,800	800	60,000		
Chile	84,976	63,676	26,035	516	37,097	28	21,300	800	20,500		
Colombia	52,848	35,148	21,908	2,717	9,986	537	17,700	700	17,000		
Costa Rica	2,147	2,147	834	1,104	209						
Dominican Republic	15,855	14,055	5,456	661	7,888		1,850	1,300	500	50	
Ecuador	19,976	7,076	2,050	1,373	3,327	326	12,900	400	12,500		
El Salvador	17,381	12,731	11,561	337	833		4,650	1,100	3,500	50	
Guatemala	21,305	18,955	17,090	1,084	781		2,350	1,300	1,000	50	
Guyana	3,624	3,624	3,550		74						
Haiti	11,055	10,855	8,179		2,676		200	200			
Honduras	28,152	23,502	22,038	766	698		4,650	1,100	3,500	50	
Jamaica	11,399	11,399	8,450	1,357	1,558	34					
Mexico	10,100	5,000				5,000	5,100	100	5,000		
Nicaragua	33,558	29,108	27,826	594	688		4,450	1,100	3,000	350	
Panama	22,266	21,716	21,360		338	18	550	500		50	
Paraguay	7,770	5,420	4,756	585	69	10	2,350	1,400	500	450	
Peru	38,630	17,330	13,489	1,235	2,513	93	21,300	800	20,500		
Trinidad and Tobago	16	16			16						
Uruguay	5,486	786	775			11	4,700	1,600	2,500	600	
Venezuela	19,557	1,857		1,814		43	17,700	700	17,000		
Caribbean regional	6,443	6,443	5,500	908	33	2					
Central America regional (ROCAP)	1,674	1,674	1,634			40					
Inter-American programs	17,650	17,650	17,650								
Economic regional programs	23,646	23,646	22,281	1,365							
Regional military costs	350						350	350			

Footnotes at end of table.

	Total economic and military assistance and credit sales	Economic assistance programs					Military assistance and credit sales programs				
		Total economic assistance	AID	Peace Corps	Public Law, 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Middle East, total	969,050	519,807	478,175		41,632		449,243	94,243	330,000	25,000	
Egypt	253,144	253,144	[3]250,000		3,144						
Israel	378,211	78,211	[3]50,000		[4]28,211		300,000		300,000		
Jordan	237,695	88,452	[3]78,175		10,277		149,243	94,243	30,000	25,000	
Middle East Special Requirements Fund	100,000	100,000	100,000								
Europe, total	15,053	12,522	12,500	22			2,531	2,531			
Austria	24						24	24			
Finland	24						24	24			
Malta	9,522	9,522	[3]9,500	22							
Portugal	860						860	860			
Spain	4,600	3,000	[3]3,000				1,600	1,600			
Regional military costs	23						23	23			
Other	827,368	721,079	[5]539,338	[6]20,529	[7]139,540	[8]21,672	106,289	[9]106,289			
U.S. contributions to international financial institutions, total	909,127	909,127									
African Development Bank Special Fund	15,000	15,000									
International Development Association	320,000	320,000									
Inter-American Development Bank:											
Paid-in capital											
Callable capital											
Fund for special operations	500,000	500,000									
Asian Development Bank:											
Paid-in capital	24,127	24,127									
Callable capital	(96,508)	(96,508)									
Special funds	50,000	50,000									

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[1] Public Law 480 estimates are plann ng levels which will be reexamined later in the year in light of revised price estimates, U.S. commodity availabilities and recipient country requirements. If availabilities permit, a title I concessional sales program will be planned for Guinea.

[2] Includes $909,000,000 U.S. contributions to international financial institutions.

[3] Largely or wholly funded from security supporting assistance or Indochina postwar reconstruction accounts.

[4] Includes West Bank of the Jordan River and Gaza.

[5] Includes the following: American schools and hospitals abroad, $10,000,000; administrative expenses, AID, $47,100,000; State, $5,900,000; contingency fund, $30,000,000; international organizations and programs, $200,400,000; operating costs, $123,400,000; interregional population program, $50,400,000; and other interregional programs, $69,100,000.

[6] Includes worldwide support, $6,600,000; Peace Corps share of action support, $13,300,000.

[7] Includes emergency reserve/unallocated title II, $35,300,000; ocean freight, $103,200,000; grants of title I currencies under sec. 204 of title II, $1,000,000.

[8] Includes international organizations, $5,100,000; interregional programs training and support costs, $6,700,000; unprogramed, $9,800,000.

[9] Includes administration, $25,300,000; supply operations, $78,700,000; inspection, general, $175,000; storage and maintenance stockpile, $1,000,000.

Mr. HUMPHREY. I ask also that there be printed in the RECORD a summary of the major policy provisions of S. 3394 as reported by the Foreign Relations Committee:

There being no objection, the summary was ordered to be printed in the RECORD as follows:

SUMMARY OF MAJOR POLICY PROVISIONS IN THE BILL

I. INDOCHINA

1. *Policy.*—States a Congressional policy concerning the political/military situation in Indochina and principles to guide the U.S. economic assistance program.

2. *Spending Ceilings.*—Imposes fiscal year 1975 ceilings on obligations for assistance to Indochina: $1.28 billion for South Vietnam; $347 million for Cambodia; and $100 million for Laos.

3. *Project and Program Authorizations.*—Authorizes funds for economic assistance to South Vietnam, Cambodia, and Laos by specific project or program.

4. *Personnel Ceiling in South Vietnam.*—Imposes a ceiling on U.S. direct hire and contract personnel in South Vietnam of 4,000 to be reached within six months after enactment and a further reduction to not more than 3,000 by the end of fiscal year 1975.

5. *Personnel Ceiling in Cambodia.*—Reduces the ceiling on U.S. direct hire or contract personnel in Cambodia from 200 to 175. Contract personnel of humanitarian relief agencies are exempted from the ceiling.

6. *Transfer authority.*—Allows military aid funds to be used for economic assistance purposes.

II. MILITARY ASSISTANCE

1. *Phase Out of Military Grant Assistance and Military Missions.*—Requires a phase out over a three-year period of military grant assistance and United States military aid missions to foreign countries.

2. *Costs of Military Missions.*—Requires that all costs of United States military missions abroad must be charged against appropriations for military grant assistance.

3. *War Reserve Stockpile for Foreign Countries.*—Requires that any stockpiling of military equipment or material for foreign countries be financed out of funds appropriated for military assistance. No material can be provided to a foreign country from previously stockpiled materials unless the cost of the materials is charged against funds appropriated for the regular military assistance program or military aid to South Vietnam.

4. *Authority to Draw on Defense Stocks.*—Repeals the authority to draw on Department of Defense stocks for the purpose of providing additional military grant assistance to foreign countries.

5. *Excess Defense Articles.*—Tightens restrictions on the use of excess defense articles for foreign military aid by requiring that all grants of excess articles be charged against funds for military aid at not less than one-third the acquisition cost of the article.

6. *Military Aid to Korea.*—Imposes a ceiling on military grant aid and credit sales to Korea of not more than three-fourths the FY 1974 level and phases out such assistance over a three-year period.

7. *Arms Sales Through Commercial Channels.*—Prohibits government procurement of arms for economically developed countries if the equipment or material is available through commercial channels.

8. *Interest Rate On Credit Sales.*—Imposes a minimum interest rate on credits extended to foreign countries for purchases of arms under the Foreign Military Sales Act of not less than the interest rate paid on Treasury borrowings of comparable maturity.

III. GENERAL

1. *Chile.*—Imposes an FY 1975 ceiling of not more than $65 million of which not more than $10 million can be in military credits or grants.

2. *Waiver Authority.*—Repeals the President's general authority to waive restrictions in the Foreign Assistance Act.

3. *Police Training.*—Prohibits use of foreign aid funds for training foreign police, prison, or internal security forces.

Mr. HUMPHREY. In its work on the President's foreign aid request the committee's primary focus was on two major categories: the military grant assistance program and assistance for Indochina. In addition, the committee gave considerable attention to the provisions concerning assistance to countries in the Middle East. I will comment briefly about the committee's action in each of these areas. I will not burden the Senate with a description of all of the other provisions recommended by the committee. The details are contained in the committee report.

I commend to Members of the Senate and to the public a careful reading of that committee report.

First, on military assistance: The committee approached its consideration of the proposed military assistance program for fiscal year 1975 with the long-held belief, expressed in committee reports of past years, that the United States should provide grant military aid to foreign countries not as a habit, but only in specific instances where such assistance is clearly warranted by U.S. security or foreign policy interests. At present, the farflung network of U.S. military missions gives bureaucratic momentum to the perpetuation of an extensive program, the rationale of which has become increasingly more dubious each year, in the view of the majority of the committee. Through this bureaucracy, the United States continues to dispense hundreds of millions of dollars in weapons each year in pursuit of such vague goals as "stability," "balance," and the "maintenance of friendly relations." Yet, there is little evidence that such general purposes have actually been served by this extravagant program.

Experience indicates that the availability of grant military aid induces recipient countries to maintain larger and more expensively equipped military forces than they would otherwise find necessary or prudent. By encouraging recipient countries toward increased militarization, the program not only escalates the destructive potential of international conflict but also enhances the relative power of the military within those societies. Thus, it often serves to stifle the very democratic processes which the program, in its origins, was intended to defend.

Only Congress is in a position to put an end to the near-addictive habit which the military aid program represents. Like all longstanding programs, this program has been institutionalized, and it is simply in the nature of things that the State Department and our embassies abroad will want to perpetuate the status quo rather than risk offending a foreign government, even if an objective evaluation indicates that the program no longer serves a useful purpose. Congress, however, can ease the potential diplomatic problem by requiring reductions which give the executive branch no alternative and thus relieve it of the embarrassment of being importuned by foreign governments for a continuation of aid.

Last year, the Foreign Relations Committee made significant reductions in the amount requested for military grant aid and also added a requirement that the entire program, including the overseas network of military missions, be phased out over a period of 4 years. Regrettably, from the committee's view, the Senate, by a narrow margin, voted to strike that provision. This year the committee renewed its effort by reducing the executive branch's authorization request from $985 million to $550 million, and added a requirement that the entire military grant aid program, other than grants for training, and all military missions be phased out over a period of 3 years. During the phaseout period, the committee authorized limited concessional credits to countries where grant programs are being terminated.

It was my privilege to make the motion to cut the $985 million requested for what we call the military grant aid program to $550 million. That is a reduction of $435 million.

And, again talking to a relatively empty Chamber which, I think, is most unfortunate as we consider legislation of this importance, I would hope that our colleagues would take note of the fact that—if they read the RECORD, and we presume that such is done in preparation for important votes—we made a reduction of 44 percent in foreign military assistance. No other committee has made reductions of the size that the Foreign Relations Committee has made in this foreign assistance program. This seems to be the desire of the Senate, and we have tried to comply with that judgment.

In addition to reducing the authorization for military grant aid and providing for a 3-year phaseout of the grant program and overseas missions, the committee closed off auxiliary sources of military assistance which have allowed for greater volumes of military aid than could be clearly perceived either by the Congress or the American people. In addition to regular military grants and military credits, military assistance has been provided in the past by the following means:

Military Assistance Service-Funded—MASF—a Defense Department budget category now used only for military aid to South Vietnam;

Defense Department funding of most of the costs of U.S. military missions abroad;

Grants of "excess defense articles"; and

Grants of weapons and equipment drawn from Defense Department stocks, which are replenished through subsequent appropriations.

The committee dealt with each of these four categories.

The bill requires that Department of Defense funding of military aid to South Vietnam end on June 30, 1975, and that any subsequent military assistance to South Vietnam be funded through appropriations for the regular military assistance program.

It also requires that all expenditures relating to support of military missions be charged against the appropriation for military assistance.

Under the bill all "excess defense articles" must be valued at a minimum of one-third acquisition cost and all grants of such articles charged against appropriations for military aid; and

Finally, the bill repeals the basic authority which has permitted Defense Department stocks to be used as a supplemental source of military aid.

The committee believes that enactment of these provisions will have a salutary effect by making the annual military assistance appropriation a more accurate measure of the actual cost to the American taxpayer of military aid during the phaseout period.

I wish to emphasize that the phaseout of the military grant assistance program will, by no means, require a total cessation of all U.S. military assistance activities. The foreign military credit sales program will continue, so that American arms and equipment will be available on favorable credit terms to developing countries after they have carefully analyzed their security needs within the constraints imposed by normal budgetary considerations. Also, grant aid for military training will still continue. And, after the phaseout is completed Congress can always authorize military grants or concessional credits on a case-by-case basis whenever a country's circumstances warrant such aid, as was done in the case of Israel last year.

INDOCHINA

Now, I turn to the provisions in the bill relating to Indochina. The Foreign Relations Committee has acted to reduce the scope of U.S. involvement in South Vietnam, Cambodia and Laos to establish guidelines for future U.S. activities and programs in that region.

To place a clear and definite limit on our financial involvement in Indochina, the committee imposed a ceiling for each country on all U.S. obligations for foreign assistance purposes. In addition, the bill establishes a ceiling on U.S. personnel in Vietnam and lowered the current personnel ceiling for Cambodia.

To establish guidelines for future activities, the committee approved statements of policy relating to both military and economic assistance. On the military side, the policy statement calls upon the President and the Secretary of State to take new initiatives to bring about an effective cease-fire throughout Indochina, reduce arms shipments to the area, and conclude a lasting settlement of the issues which have fueled the past quarter century of tragic conflict.

On the economic side, the committee incorporated in the bill specific guidelines designed to promote the effective utilization of any economic aid Congress may provide for the countries of Indochina and authorized aid on a program or project basis. The committee believes that the specific plans and performance criteria called for in the guidelines and specific allocations are essential if U.S. assistance is to be used wisely. These plans and criteria will also provide a basis for future evaluation of the effectiveness of the program approved for this fiscal year.

For South Vietnam, the committee has established a fiscal year 1975 ceiling on obligations of $1.28 billion. Within this ceiling, the committee has recommended $420 million for economic assistance, $160 million for Public Law 480 commodities, the amount programed by the executive branch; and $700 million in military assistance, the amount approved by both the Senate and the House in the Department of Defense appropriations bill.

The $700 million is compared to $1.45 billion that was requested by the executive branch.

The $420 million approved by the committee for economic aid to South Vietnam is $330 million below the administration's request.

For Cambodia, the committee established a ceiling of $347 million. Within this ceiling, the committee allocated $70 million for economic assistance; $200 million for military assistance; and $77 million for Public Law 480 commodities, the amount programed by the executive branch. The $70 million recommended by the committee for economic aid is $40 million below the administration's request of $110 million.

In the committee's view, Cambodia has long since ceased to have a national economy, and the amount approved is intended simply to sustain Cambodia until a cease-fire can be arranged between the Phnom Penh government and the Khmer insurgents. The reductions in the Cambodian economic request also reflect the elimination of what the committee believes to have been padding in the proposed program.

The committee made a reduction of $191 million in the request for military aid to Cambodia. The war in Cambodia is more clearly than ever a civil war, one in which the United States is, in significant measure, supplying the forces on both sides. Of the military aid program proposed by the executive branch, some $300 million would have been used solely for ammunition, allowing continuation of the present extravagant rate of consumption. The committee believes that the $200 million authorized should be ample for military aid if some measure of discipline is exercised by the government forces, which far outnumber the insurgents. It will serve neither our interests nor those of the local population for the United States to continue to sustain both the wasteful practices of the government forces and the arms needs of the insurgents.

For Laos, the committee established a ceiling of $100 million for the 1975 fiscal year. Within this ceiling, the committee has recommended $45 million for economic assistance and $55 million for military aid, representing reductions of $11 million and $30 million, respectively, from the executive branch's requests. U.S. economic aid in Laos is used primarily to support the economy of the capital city, Vientiane. The $45 million approved should be sufficient to accomplish that objective. On the military side, the committee could find no valid justification for the administration's proposal to provide more military assistance during a year of expected cease-fire than was provided during the past year.

MIDDLE EAST AID

Let me explain briefly the provisions relating to assistance to countries in the Middle East. Administration officials, including Secretary of State Kissinger, have placed great stress on the importance of U.S. foreign assistance in furthering peace in the Middle East. The committee has demonstrated its support of the administration's initiatives in the region by approving all of the amounts requested for assistance in that area. And it has approved additional funds for Israel.

The administration's request was for a total of $907.5 million in assistance for nations of the Middle East—$807.5 million in allocations by country and $100 million for a Middle East special requirements fund.

The proposed allocations by country were as follows: First, Israel—$50 million in economic aid and $300 million in military credit sales; second, Egypt—$250 million in economic aid; and third, Jordan—$100 million in military grant aid, $30 million in military credits and $77.5 million in economic aid. The committee approved these allocations and authorized an additional $200 million in economic aid for Israel, which, by the way, was overwhelmingly supported today as an amendment to the continuing resolution.

It also specified that, of the $300 million in military credit sales to Israel, $100 million shall be forgiven and, thus, be in the nature of a grant. The committee believes that Israel's serious economic siutation justifies this additional assistance. In approving the special requirements fund, part of which may be used for Syria, the committee prohibited use of the fund for military assistance and added a requirement that Congress be notified in advance of significant commitments from the fund.

CONCLUSION

Mr. President, in its consideration of the foreign aid bill the Foreign Relations committee was well aware of the serious problems afflicting our economy and of the need for budget austerity. We believe, Mr. President, in recommending this bill to the Senate, the committee has attempted to strike a responsible compromise between the need for continuity in American foreign policy and the pressing need for reductions in the fiscal year 1975 Federal budget, both of which have been stressed by President Ford. The committee believes that S. 3394, as recommended, represents a responsible compromise between those objectives.

I urge that it be approved by the Senate.

Now, Mr. President, let me just emphasize a little bit some of the work I believe went into this. I say this with some personal feelings.

I have given, as one Senator, a great deal of attention to the subject of our economic assistance program, or our foreign assistance program, because I think we need one, but we need one directed toward the appropriate objectives.

The Foreign Relations Committee has reported to the Senate a foreign aid bill for fiscal year 1975 which is prudent in its spending recommendations, constructive in its policy statements and mindful of our humanitarian responsibilities in a world beset by poverty and growing food shortages.

In other words, I say with a sense of confidence that this is a responsible bill and this is a good bill. It deserves strong bipartisan support for the new and responsible principles it enunciates and for the strong policy guidelines it has established for the administration of American economic and military assistance.

As I have noted already, the administration originally requested that the Congress authorize $3.2 billion for foreign assistance. Such a sum would be excessive in view of our present domestic economic situation. In addition, the very substantial increases in the President's fiscal year 1975 request for military assistance over the previous fiscal year are out of line with the actual needs of the recipient countries and the external threats which they face.

And the very large increases requested for economic and military assistance to Indochina clearly run counter to the desires of Congress and the American people that Vietnam, Cambodia, and Laos shoulder a greater share of their own financial burden and that our presence in Southeast Asia be further diminished. Thus, the Foreign Relations Committee decided to make substantial reductions in many of the act's funding categories.

I have already reported, Mr. President, that the committee has reported a bill authorizing $2.5 billion for foreign military and economic assistance for fiscal 1975. This represents a reduction of 22 percent, or $724.6 million from the President's original request. These savings were achieved by rather sharp reductions in the following areas:

One hundred million dollars from the program of foreign military credit sales, representing a cut of 18 percent.

Four hundred thirty-five million dollars from the military assistance program, representing a reduction of 44 percent.

And $389.8 million from the Indochina postwar reconstruction program, representing a cut of 41 percent.

The action taken by the Committee on Foreign Relations is fully consistent with the President's desire that Congress regard no budget as sacrosanct and that it make every effort to cut Government spending in a responsible fashion.

The committee has carefully examined the total foreign assistance budget. We eliminated all of the waste and padding we could find. In addition, we made spending reductions where we believed that they could be sustained without adverse effects on the foreign policy interests of the United States. No one can fault the committee for its generosity to one program or one area of the world.

When additional funds were added to the bill, it was done only after close and careful scrutiny of established need. An example of this is the committee's action to supplement the administration's request for security supporting assistance for Israel by $200 million. The original request of $50 million was insufficient in light of the very great burdens on the Israeli economy following the October war and the continued flow of Russian arms into Syria and Iraq.

Mr. President, the Committee on Foreign Relations spent a great deal of time and effort on the sections of this act relating to Indochina. In fact, the committee's actions on the Indochina programs represent new policy departures in the ever-evolving economic and military situation in Southeast Asia. I personally was involved in the committee's work concerning our aid programs in Vietnam, Laos, and Cambodia and would like to discuss the legislation in some detail.

It was clear to many members of the Committee on Foreign Relations when we began to consider the administration's economic assistance request of $939 million for Indochina and the $482.2 million military program for Cambodia and Laos that we had an obligation to do more than simply approve or reduce these spending recommendations.

We had an obligation to begin to formulate an American policy for Indochina. We have done this. It is now 21 months following the signing of the Paris

Peace Agreement. We must wait no longer. In fact, it is almost 22 months.

The administration's aid programs do not constitute an acceptable substitute for American policy for an area of the world where our Nation has sacrificed so much. To be sure, the provision of billions of dollars to Vietnam and Cambodia represents a continued commitment to the preservation of the political and economic status quo in these countries—but little else.

The programs and amounts proposed do not represent a positive or constructive solution to the problems posed by the failure of the Paris agreement to bring peace and a political settlement to Vietnam.

Neither do they represent an acceptable alternative to the never-ending tragedy of Cambodia civil war. And our billions do very little to alleviate directly the widespread human suffering which is compounded daily in Indochina.

Frankly, as I said, we have no policy in Indochina today that looks 6 months into the future, let alone 1 or 2 years down the road. We are adrift. The American people know this, the Congress knows this and certainly Communist insurgents throughout Indochina are keenly aware of this policy vacuum.

But I do not believe that providing billions in foreign assistance constitutes an acceptable American policy in Indochina.

Nor do I believe that funding maximum military confrontation indefinitely is what the American people want our Government to do.

Nor should our billions of assistance be used to perpetuate corruption, oligarchy, and waste in the name of humane relief and reconstruction.

The policy vacuum existing in Indochina is a direct result of the preoccupation of many American foreign policymakers with urgent problems elsewhere in the world. This is understandable, but it is still a factor.

Congress shares part of this blame. Too often, past congressional actions relating to Indochina have constituted either simple acquiescence to executive branch polices or obstructionism. But we cannot be accused of obstructionism or acquiescence in our handling of the Indochina section of the Foreign Assistance Act of 1974.

We had a choice to make. We could have continued to fund these programs at the high levels recommended by the administration, knowing full well that these funds were not an effective substitute for policies which might bring true peace to Vietnam and Cambodia. This would have been the path of least resistance. We could have continued to ignore gaping loopholes in the law which allowed the executive branch to greatly increase Indochina funding in violation of the intent of the Congress. Instead, we acted with restraint and responsibility in reducing the flow of dollars to Indochina, specifying where the funds should be spent, closing the loopholes and proposing specific economic and political policies to be taken by the President and the Secretary of State, which could lead to the cessation of hostilities and decreasing amounts of American assistance in the years to come.

Even before we considered the Foreign Assistance Act, the committee agreed to an amendment I had offered to the State Department authorization bill, requiring the administration to develop a detailed plan for future economic and military assistance to Vietnam that would include a specific timetable for the phased reduction of such assistance.

I realize that the administration believes that the restrictions contained in this bill on aid to Indochina amount to unnecessary congressional interference in an area of executive branch jurisdiction. However, I want to remind my colleagues that the Committee on Foreign Relations took this unusual step of depriving AID with broad program flexibility in Vietnam in order to assure that American aid dollars were spent for those who needed them most and on viable economic projects which would result in tangible benefits for the people. In the past, great portions of our funds were used for consumable items related to the war effort, with far too few dollars going for capital investments of a lasting productive nature. While we recognize the severity of our budgetary and program restrictions, they are warranted by continued reports of a lack of adequate planning, waste, and mismanagement of U.S. assistance funds in Vietnam.

It was the committee's judgment that the administration's fiscal year 1975 aid plans for Vietnam differed little from past strategies. Under the title of "reconstruction and development," the Congress was asked to approve large sums of money in order to fill the trade and budgetary gaps of a faltering Vietnamese economy.

I do not doubt that economic solvency is critical to the military capabilities of the South Vietnamese Armed Forces. And I am convinced that there can be no real reconstruction and development in a country whose national economy has totally disintegrated.

Unfortunately, reliance on massive foreign exchange grants and crisis management rather than serious economic planning have characterized the thinking of both the Vietnamese and the American officials. Nor has there been any serious American initiative to have the South Vietnamese undertake the type of structural reforms in their economic life which will enable them to achieve greater self-sufficiency and a more equitable distribution of economic benefits to their people.

The American aid program has been superimposed on an economic structure still geared to massive dollar flows of the past and the presence of a large U.S. military establishment. The Vietnamese economy is in a precarious situation today.

The situation in Cambodia is even more alarming, with the near total collapse of the Cambodian economy now taking place as a result of the heavy fighting and the inability of the Lon Nol government to prevent the separation of heavily populated areas such as Phnom Penh from rice growing areas and seaports. The Cambodian capital is undergoing slow economic strangulation which causes triple digit inflation. It is questionable which will come first—the total economic or military collapse of the Cambodian Government.

The losers in this sorry amalgam of poor planning, waste, corruption, and military conflict are the people of Vietnam and Cambodia—and especially the poor in cities and in rural areas. The refugee populations in both countries face unending economic hardship with the tragedy that those who manage to obtain resettlement may soon become refugees again or remain immersed in abysmal poverty and deprivation.

In light of the very depressing economic situation in Indochina and the failure of our Government to come to grips with the situation, the Committee on Foreign Relations adopted a series of six economic directives which are badly needed to maximize the benefit of our assistance. They are as follows:

First. Organize a consortium to include the multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources.

Second. Develop in coordination with the recipient governments, other donors and with multilateral financial institutions a comprehensive plan for Indochina reconstruction and economic development.

Third. Develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct U.S. resources into areas of maximum benefit.

Fourth. Shift the emphasis of U.S. aid programs from consumption oriented expenditures to economic development.

Fifth. Identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations, and corruption, which should be undertaken if Indochinese economic development is to progress.

Sixth. Include in Indochina economic planning and programing specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipients' efforts and to determine whether, and what amounts of, continued American funding is justified.

I recognize that there is no way to force the President and the Secretary of State to implement these proposals. However, I believe that unless they take action and seriously consider these guidelines, the economic situation in Indochina will further worsen. In addition, Congress will be unwilling to consider another substantial authorization for Indochina in fiscal year 1976 in the face of continuation of past practices and policies.

The economic aid levels we have determined suitable for Indochina will not prove to be an undue hardship for Vietnam, Cambodia and Laos. I recognize that our spending recommendations are austere. But austerity is needed to advance economic self-sufficiency and structural economic reform. Without it there is no other way to begin what I am sure will be a painful political and economic process.

We have an obligation—a moral obligation—to help the people of Indochina rebuild their war-torn countries. But somehow we seem to have lost sight of this worthy goal. The process of reconstruction and alleviating human suffering is a long way from our current program which now only postpones through reliance on the generosity of America the hard economic and political choices which the Vietnamese and Cambodians have to make.

The legislation before us provides the administration with a clear and precise way to reorient our foreign economic assistance in Indochina.

At present, beyond the infusion of American capital into the faltering economies of Vietnam and Cambodia, the United States refuses to adopt policies which deal with the two most critical issues in Indochina: The failure of the Paris Agreement to halt the fighting in Vietnam; and the approaching collapse of the Lon Nol government in Cambodia.

After years of war, the struggle continues. After millions of words about the "lessons of Vietnam," we ignore the most important lesson that political battles cannot be resolved by force of arms.

We learned this lesson at great sacrifice to our Nation. Yet our policymakers now are engaged in a course of action which does not recognize this basic reality of Indochina. The United States has embarked upon a course of encouraging the funding of maximum military confrontation, hoping that somehow those we are supporting can prevail.

By dint of unlimited U.S. funds, the Thieu government has managed to hold its own, and the Lon Nol government still manages to exist, though its position is steadily deteriorating.

But what about the future? How can the policy of military confrontation be sustained when it is clear that neither the Congress nor the American public are willing to fund the wars in Vietnam and Cambodia at high levels for the indefinite future?

The Ford administration must open its eyes to the political reality in America and the military reality in Southeast Asia.

The Secretary of State has said that, as a signatory of the Paris agreement:

> The United States committed itself to strengthening the conditions which make the cease fire possible and to the goal of the South Vietnamese people's right to self determination.

I share Secretary Kissinger's assessment of our obligation and commitment. But I know that we cannot accomplish the goal of achieving a cease-fire through fueling continued military confrontation. And as to the noble cause of Vietnamese self-determination, this can be had only if the fighting stops and a political settlement is allowed to evolve which will reflect the realities of the current Vietnamese scene.

I recognize that a large portion of the blame for the failure to obtain a real cease-fire in South Vietnam rests on the North Vietnamese and those who supply Hanoi with arms and materiel. But 21 months after the cease-fire, the issue now is not who violates the cease-fire, but how we can help bring about a new cease-fire and stop the incessant warfare which has, since January 1973, killed more than 13,500 South Vietnamese and 51 North Vietnamese and Vietcong.

Unfortunately, I have received no indication, either privately or publicly, that the United States is currently engaged in any efforts whatsoever to renegotiate a cease-fire and peace settlement in South Vietnam. Once again, our leaders look mistakenly to the battlefield for a solution which must be found at the conference table.

A policy which amounts only to large doses of military assistance and rhetoric from Washington is doomed to failure. In reality, it is a nonpolicy. It is a fantasy to expect that somehow the Paris Agreement will work without further efforts to make it work. The problem will not go away and no Vietnamese party to the Paris Agreement will abide by its terms unless the United States and other nations are willing to begin intensive diplomatic efforts to scale down the flow of supplies and get the parties to the conference table once again.

As I stated earlier, the military situation in Cambodia is even more precarious than in Vietnam. Americans serving in Cambodia at the highest levels and visitors who come away from the beleaguered capital of Phnom Penh report that it is only a matter of time before the Lon Nol government collapses totally and completely. A continuation of the military struggle in Cambodia is a hopeless exercise in futility. Yet our Government seems unwilling to recognize this fact and fails to use all of its skills and talents to bring to the conference table all the parties to the conflict. We continuously have avoided any official or private contact with the Khmer insurgents as we witnessed the economic, military, and political position of the Lon Nol government disintegrate. It may be too late to reverse the process and avoid a total collapse and overthrow of the government before negotiations can begin.

Aware of these many factors governing the political and military situation in Vietnam and Cambodia, the Foreign Relations Committee has urged President Ford and Secretary Kissinger to undertake certain measures that we believe may bring peace to Indochina. Let me read the five steps voted by the committee:

First. Begin negotiations with representatives of the Soviet Union and the People's Republic of China toward a mutually agreed upon and rapid deescalation of military assistance on the part of the three principal suppliers of arms and materiel to all Vietnamese and Cambodian parties engaged in conflict.

Second. Take all necessary measures strongly requesting that the Government of the Khmer Republic enter into negotiations with representatives of the Khmer Government of National Union which will lead to an immediate cease-fire and political settlement of the conflict. Use all available means to establish contact with the Khmer Government of National Union and to urge them to participate in such negotiation. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement.

Third. Utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam.

Fourth. Reconvene the Paris conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict.

Fifth. Maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

The only possible way to stop the fighting in Vietnam and Cambodia, the only way to reduce the large expenditure of American aid dollars which currently support the war efforts, is through the process of political negotiation. This is what the Committee urges and recommends to the President and Secretary of State. We ask for negotiations at many different levels and in many different forums. But the process must begin soon.

It is clear that the Soviet Union and the People's Republic of China are critical of this negotiating process. They are the principal sources of economic and military assistance to North Vietnam.

It makes little difference which outside power or powers give more aid to its Vietnamese client. The issue is how all three aid suppliers can mutually agree to limit their military assistance in a way to stop the fighting. I recognize that this will not be an easy objective to attain. However, the Soviet Union and the People's Republic of China appear anxious to maintain the improved relations with the United States and the many economic benefits which are derived from détente. It is vitally important to inform these countries most strongly of our belief that their cooperation in bringing peace to Indochina is a critical element in the further normalization of relations with the United States. In this connection, we must also convince them of our readiness to allow the Vietnamese and Cambodian people to work out their own destiny, provided Hanoi's allies will do the same.

If negotiations are to begin and then be successful, they must involve the direct and personal participation of Secretary Kissinger. I do not believe that he has given the situation in Vietnam and Cambodia the personal attention it merits. I say this with full understanding that he has been preoccupied with a very dangerous situation in the Middle East and in the eastern Mediterranean.

I want to commend him for what he has been able to achieve in other areas of the world where he has invested his time and attention. But he and the Department of State now must turn their attention once again to Indochina. Furthermore, President Ford must involve himself intimately in this process.

Finally, in advance of any negotiations, the United States must make contact with the leadership in Hanoi and the leaders of the Provisional Revolutionary Government in South Vietnam. There is absolutely no reason why the United States should not maintain more regular contact with the North Vietnamese. I call upon the President to take this step. In the Cambodian context, there is little chance for successful negotiations unless our Government makes contact with the Khmer insurgents and Prince Norodom Sihanouk. We are deluding ourselves that a negotiated settlement is possible in Cambodia without early and high level contact with these elements of the Khmer insurgency.

I was personally dismayed that President Ford has chosen the path of opposition to what the Committee on Foreign Relations has done in reference to Indochina.

I hope that opposition has by now moderated.

Mr. President, I am saddened that he has not seized the opportunity to announce a new departure in American policies in Indochina. Instead, he has urged the Congress to increase American economic and military assistance to Vietnam, following the course of his predecessor.

I have supported the administration in the field of foreign policy when I thought it was doing the right thing. That, indeed, has meant that I have supported a good deal of what this administration has wanted in the foreign field area.

But I will not support any amendments offered to restore the aid levels the committee has reduced. This would be fiscally irresponsible and detrimental to the chance of a true political settlement in Cambodia and Vietnam.

It is unfortunate that neither the President nor the Secretary of State has recognized what the Committee on Foreign Relations was trying to do in its treatment of the Indochina portions of the Foreign Assistance Act.

I hope, again, may I say, that we have their support in this bill.

We were saying to Mr. Ford and Mr. Kissinger that we recognize a serious policy vacuum caused by many factors, and we were ready to make our contribution to the formulation of American policy in Indochina. We were offering to cooperate and to share in the responsibility in ending the nightmare of continued conflict in Indochina. I refuse to sit back and help perpetuate the delusion that massive American military aid somehow will end the fighting.

I sat at Lyndon Johnson's side during his years of agony over Vietnam. I supported his policies because I believe they would bring peace to that country and allow its people to determine their own political destiny. But President Johnson's policies did not bring peace to Vietnam. The policies of Richard Nixon brought about the withdrawal of American troops 4 long years after he took the oath of office. But the fighting still continues and our Nation still is spending billions of dollars in Southeast Asia as yet another President urges the American people to stand firm and support policies which mean only more fighting and destruction in Indochina.

This is not a course which I support. This is not the course the Senate should support as the elected representatives of the people. I urge adoption of the committee's approach to the development of American policy toward Indochina as the only viable path to peace in that troubled part of the world.

Our proposal does not represent a cop-out. It does not represent retreat. It represents responsible planning and organization of our assistance.

Let us seek the path of negotiation once again. Let us stop this official self-delusion which says, "just a little more, and victory will be certain."

Mr. President, I stand here as one who went through 4 years of that kind of self-serving rhetoric, and I supported the policies of that administration. I have paid my price. I heard again and again, "Just a little more and victory will be certain."

Mr. President, we have heard that since 1961—"Just a little more, and victory will be certain."

Let us turn our attention to obtaining political settlements in Indochina so that we can end the expenditure of billions of dollars in Vietnam and Cambodia while widespread starvation and poverty rage throughout the developing world.

I know this task is not easy, and I am not one to pretend for a moment that it will be accomplished quickly. But it is absolutely essential that we lend every effort toward the diplomatic and political solutions which are the only solutions that we ought to be giving our attention to.

Commonsense, if nothing else, should tell us that our policies need to be rethought and options reevaluated after years of fruitless war.

Mr. President, a little later I am going to be offering an amendment that relates to the Portuguese African territories. It is a policy statement. As a matter of fact, I doubt that there will be any objection to it at all. That amendment merely calls upon the President and the Secretary of State to take actions that will make clear the U.S. support of Portugal's policy of independence for African territories. This amendment is supported, of course, by the responsible officials in our Government.

Mr. President, I shall also offer an amendment that relates, as a statement of policy, to assistance to Africa. It has been my judgment that in our foreign assistance programs we have had no real policy toward Africa. We have had some financial assistance in moderate and indeed modest degree. But we have had no policy.

Mr. President, I have an amendment at the desk that is known as the Humphrey-McGee amendment on Portuguese African territories. I will send it to the desk now, and I am not asking for its immediate consideration because the Senator from Idaho has an amendment which is pending, but I ask to have this amendment printed.

It is a statement of policy on assistance to Africa. We shall take that amendment up tomorrow.

The PRESIDING OFFICER. The amendment will be received and printed.

Mr. HUMPHREY. So, Mr. President, I have tried to lay before the Senate, on behalf of the Committee on Foreign Relations, which recommends this bill to us by a majority of 11 to 5, the arguments for S. 3394. I consider this piece of proposed legislation the most responsible effort that we have made in recent years in the area of foreign economic and military assistance.

I yield the floor.

Mr. McGEE. Mr. President, as the Senate begins consideration of the Foreign Assistance Act of 1975—S. 3394—one can expect a debate which will be marked by emotional appeals either to reduce drastically the funding levels approved by the Committee on Foreign Relations, or to abandon our foreign assistance programs altogether.

The traditional foes of foreign assistance in the Senate will seize upon our domestic economic difficulties as compelling reason enough to abandon the international community. We will be told that the largess of the United States is already too great. Under this guise of concern for the American taxpayer, we will be asked to cloak ourselves in the indifference of isolationism.

While the Congress of the United States is under considerable fiscal restraints this year, I would hasten to point out that the Committee on Foreign Relations has responded in a meaningful and responsible manner to our domestic concerns. S. 3394 contains an authorization level of $724.6 million less than the executive branch's request, or a cut of 22 percent. No other authorizing committee in the Senate has cut so deeply into proposed fiscal 1975 programs before floor action than the Committee on Foreign Relations. However, those of us who are members of the committee and who support this bill are fully cognizant that we bring this legislation to the floor after slashing the request to a bare-bones level. Those of us who supported reporting S. 3394 to the floor realize that while this legislation will allow us to pursue an effective foreign policy, further cuts will only undermine our ability to do so.

Thus, it is in this context that I want to address myself to the issue of what the United States is actually doing in the way of foreign assistance, particularly in the area of economic development. I do so as an effort to clarify any misrepresentations of U.S. largess which will most certainly be argued throughout the course of debate of S. 3394.

Since 1949, there has been a distinct downward trend in foreign economic aid programs when seen in relation to total Federal budget outlays and the U.S. gross national product. The figures recently reported by the Organization for Economic Cooperation and Development on official development assistance are somewhat startling when we compare U.S. efforts to those of other free-world industrial nations. For purposes of this debate, Official Development Assistance consists only of grants and loans at concessional terms which are extended to developing nations.

In 1949, when the Marshall plan was implemented, foreign economic development assistance amounted to 11.5 percent of the Federal budget. Today, this share is less than 1.5 percent.

In 1949, economic development assistance represented 2.78 percent of our gross national product, and has moved downward ever since. By 1973, the figure had fallen to 0.23 percent.

The declining trend is also evident when measured in relation to the economic assistance provided by other industrialized nations in the free world.

Of the 17 member nations of the Development Assistance Committee—DAC—the United States ranked second in 1964 in value of economic development assistance expressed as a percentage of gross national product. Since then, the downward drift has been steady. According to OECD figures, our position had dropped to 14th by last year.

In 1963, some 62 percent of the total dollar value of aid from DAC country sources came from the United States. This share has also fallen steadily. In 1973, while the value of U.S. economic aid still exceeded that provided by any one of the other DAC member nations, it represented 32 percent of the total value of DAC assistance.

It is interesting to note what other DAC nations are doing in the way of official development assistance in comparison to the United States. First, despite economic difficulties of much greater magnitude than our own, other DAC nations have restated their determination to make all possible efforts to maintain and enlarge their aid flows to developing countries and to improve the terms of their aid. Other DAC nations have also expressed their determination to extend relief assistance in various forms to the poorer developing countries which have been most seriously affected by the prices of oil and other essential imports and, in channeling their aid, to give priority to countries whose needs are the greatest and most urgent.

It is interesting to note that, in 1973, the poorset nation in Europe, Portugal, contributed more than three times what the United States contributed in official development assistance as a percentage of gross national product. While the U.S. official development assistance in 1973 represented 0.23 percent of our GNP, Portugal's contribution was more than 0.70 percent of their GNP for official development assistance, both bilateral and multilateral.

Other nations which contribute a larger share of their gross national product to official development assistance than the United States include France, Sweden, the Netherlands, Belgium, Denmark, Norway, Australia, Canada, the United Kingdom, the Federal Republic of Germany, New Zealand, and Japan.

Particularly noteworthy are the following observations by the OECD:

> DAC Members as a whole moved away from the 0.7 percent of GNP target which the United Nations has recommended that each donor achieve by 1975. DAC Members have taken various positions with regard to this target. Four of them (the Netherlands, Belgium, Sweden, and Norway) have accepted it without reservation; eight (Australia, Denmark, France, Canada, Germany, Japan, New Zealand, and the United Kingdom) have accepted a date after 1975 and five have not subscribed to it at all.
>
> Eight DAC Members achieved some progress in their aid effort as measured in terms of ODA (Office Development Assistance) to GNP ratio—Austria, Denmark, Germany, Italy, Japan, Norway, New Zealand, and Sweden. But a fall in this ratio for some of the major donors (France, the Netherlands, the United Kingdom, and the United States) outweighed this progress, and the DAC average declined. In particular, the United States, which is the largest donor (32 percent of DAC Members combined ODA in 1973), recorded a fall in its provision of ODA, not only in relation to GNP, but also in absolute value.

Our largess as a nation also pales in comparison to the fact that with only 6 percent of the world's population, the United States consumes 30 percent of the Earth's resources. By virtue of this fact, the less developed nations have every right to expect the United States to do more in providing official development assistance. Yet, we are doing less.

In essence, while our economic development assistance programs are aimed at helping those countries less fortunate than ours, we also have a vital stake in the success of these efforts over the long term. Today, we exist in a very fragile international economic system. A unilateral withdrawal from the world on the part of a major industrialized nation, such as the United States, can only provoke a further deterioration of this system. We would pay heavily for the ensuing chaos as the interdependent nature of the global community has never been more evident than now. The Arab oil boycott of last year and the consequences of a fourfold increase in petroleum prices demonstrates that the United States cannot insulate itself from dependence upon the international community if our own economic viability is to be maintained.

Therefore, if opponents of foreign assistance are serious in their efforts to doom the program, then it is incumbent upon them to explain to the American people and their constituents the consequences of this action. If we withdraw into isolationism, then it should be absolutely clear that we do so fully cognizant of the economic peril we bring upon our people. While our present domestic economic situation is working a hardship on many Americans, will we ask our people to endure much greater suffering as a price for the folly of the U.S. Senate should we reject S. 3394.

Thus, the fate of S. 3394 is directly tied to the question of whether the U.S. Senate can actually function, or is even capable of functioning, as a responsible partner in the foreign policy formulation of this Nation. The price of world stability and peace does not come cheaply. Yet, if we are not willing to pay this price, the inevitable consequences will be much more costly for all of us.

AMENDMENT NO. 1923

Mr. CHURCH. Mr. President, I call up my amendment No. 1923, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> At the end of the bill add the following new section:
>
> FOREIGN ASSISTANCE CEILING
>
> SEC. 34. Notwithstanding any other provision of law, the total amount which may be obligated during fiscal year 1975 under the Foreign Assistance Act of 1961, the Foreign Military Sales Act, the Agricultural Trade Development and Assistance Act of 1954, and section 401 of Public Law 89–367 providing military assistance to South Vietnam, may not exceed $5,000,000,000.

The PRESIDING OFFICER. The time on this amendment is limited to 40 minutes, equally divided.

Who yields time?

$5 BILLION CEILING ON FISCAL YEAR 1975 FOREIGN AID

Mr. CHURCH. Mr. President, I believe that most of the Senate recognizes that the aggregate U.S. foreign aid program, which totals in excess of $8 billion as proposed by the executive branch for fiscal year 1975, bears very little relation to the high-blown claims which are made for it as being a carefully modulated contribution to international peace, order, and justice. To be sure, a certain number of foreign assistance activities can be justified; but for the most part, the U.S. foreign aid program as it is now constituted is best described as the coagulation of old assumptions, outdated policies, bad habits, and bureaucratic inertia. At a time of such serious economic conditions in our own country, Congress simply cannot countenance such a vast and ill-considered expense as has been proposed by the executive branch.

I have therefore introduced an amendment to S. 3394, Mr. President—amendment No. 1923—which will serve the very useful purpose of keeping a lid on foreign aid spending during the current fiscal year. My amendment relates to all foreign aid provided under the authority of the Foreign Assistance Act, under which economic grants and loans and military grants are made; the Foreign Military Sales Act, under which military credits are given; Public Law 480, under which grants and loans are made for both economic and military purposes; and, finally, the military aid program in South Vietnam, which is financed this year through the Defense Department appropriations bill. In short, my amendment concerns all U.S. foreign aid, with but two exceptions: the Peace Corps and American contributions to the international financial institutions such as the World Bank. What my amendment does is to place a ceiling of $5 billion on all foreign aid obligations during fiscal year 1975, with the two exceptions I cited: the Peace Corps and international financial institutions.

Now, how does this $5 billion ceiling

relate to the expenditures which would be made without such a ceiling? Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table which answers this question quite clearly. Such a table is also available to Senators on their desks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CHURCH AMENDMENT

Provisions: Places a $5 billion ceiling on total FY1975 foreign aid obligations (except for the Peace Corps and U.S. contributions to the international financial institutions such as the World Bank).

	Fiscal year 1974 (actual)	Fiscal year 1975 (proposed)	Fiscal year 1975 (as amended thus far by the Senate)
Economic:			
AID	$1,929	$2,885	$2,695
Public Law 480	1,152	996	996
Military:			
Grants	[1] 1,678	2,474	1,289
Credit sales	325	555	455
Total	5,084	6,910	5,435

[1] Does not include 2 expenditures of a 1-time nature: emergency aid to Israel and emergency drawdown for Cambodia.

Effect of amendment:

(1) Reduces spending by an additional $435 million, while allowing the Executive Branch some flexibility in determining where those economies can best be made.

(2) Limits spending to the FY 1974 level (approximately), thereby holding the line against the inflationary spiral.

Mr. CHURCH. Mr. President, not counting the Peace Corps and contributions to the international financial institutions, which are not covered by my ceiling, the foreign aid program proposed by the administration totals $6.9 billion. From that $6.9 billion request, the Senate has already made reductions totalling approximately $1.45 billion. These cuts came in two places: in military aid to Vietnam, which was cut $750 million in the DOD appropriations bill; and another $700 million in military and economic aid which has been eliminated thus far from the bill now before us. These reductions, totalling $1.45 billion, leave the fiscal year 1975 program at a level of approximately $5.45 billion. What my amendment will do, in imposing a ceiling of $5 billion, is to require a further savings of over $400 million—$435 million to be exact. Where these reductions will be made will be left to the Administration to decide. Allowing the executive branch this discretion, Mr. President, is, I am quick to acknowledge, contrary to my usual inclination. But, in this case, I believe allowing some executive flexibility is justified. With my amendment, what the Senate will have done is to make a total cut of $1.9 billion—from $6.9 billion down to $5 billion—but to specify only $1.45 million of those cuts. Thus, the administration would be allowed flexibility in determining only where the final $435 million in savings could best be achieved, out of a total cost of $1.9 billion. This, I believe, is a reasonable and I think justifiable concession to executive flexibility.

Briefly again, Mr. President, I shall summarize the overall effect of the amendment. The administration proposed foreign aid programs for fiscal year 1975 totalling $6.9 billion, not counting the Peace Corps and the international financial institutions. The Senate thus far has made specific cuts of $1.45 billion. My amendment would require a further reduction of $435 million, bringing total expenditures down to $5 billion, but would allow the administration flexibility in determining where that final $435 million in savings will be achieved.

Mr. President, I should point out that $5 billion was the level of foreign expenditures actually made during fiscal year 1974. Thus, this amendment, in addition to saving over $400 million, would serve to make a clear statement to the American people that the Senate is prepared to take substantive action in the fight against the inflationary spiral—that at least we are prepared to hold the line this year against a further expansion of the foreign aid program.

Unless the amendment is adopted, Mr. President, we will be ratifying a program that is substantially larger than the current level of spending—that is to say, substantially larger than the amount spent on these very programs during fiscal 1974. One would think that, with the economic problems that face this country, with an inflation that is now running out of control, with a President who is asking that the budget be balanced, the very least the Senate might want to do would be to hold the line against extending foreign aid above last year's level of spending.

There is little more that needs to be said, Mr. President. The confused and misguided purpose of much of our vast and largely outdated foreign aid program is now manifest. The sad state of the American economy is clear for everyone to see. The only question which remains is whether Congress, which holds the purse strings of Federal spending, has the will to take corrective action.

I believe that my amendment, by placing a responsible limit on foreign aid expenditures, constitutes such action; and I urge its adoption by the Senate today.

Mr. President, I reserve the remainder of my time; but I say to the distinguished manager of the bill that I am prepared to yield back my time, if he is prepared to yield back the remaining time available to him, in order that we might expedite a vote.

The PRESIDING OFFICER. Does the Senator from Minnesota yield back his time?

Mr. HUMPHREY. Mr. President, I will take a moment or two in which to state the case.

Mr. CHURCH. In that event, Mr. President, I withhold whatever time may be remaining to me.

Mr. HUMPHREY. Mr. President, the point I should like to make is that we have sought—and no one has been more vigorous in this than the Senator from Idaho—to get congressional control over these authorizations and appropriations. For example, as I recollect, the Senator from Idaho submitted an amendment last year that gave Congress, in last year's bill, authority to get control over the recycling of funds and not to leave it in the discretion of the executive.

If the amendment proposed by the Senator from Idaho were agreed to, it would result in a $435 million cut in U.S. bilateral assistance for fiscal year 1975.

I simply have to ask the question: Where does the Senator think that the administration will make those cuts?

They are not going to make any cuts in Indochina, because they already want more. They are not going to make any cuts in military assistance, because we have already cut $435 million out of military assistance. I think we are going to see the cuts made out of African programs, which are so minimal. We are going to see the cuts made out of the Public Law 480 programs.

I really believe that, no matter what the desire may be of the Senator from Idaho for further reduction, this blanket authority is simply saying to the President or to the Secretary of State or to the AID Administrator, "You go ahead and now decide where you want to take off another $435 million." It is really turning back everything we have tried to do.

We have set country ceilings in this bill. We have denied transferability in this bill.

For example, we have placed in this bill, under military assistance, that even if there are excess articles taken out of the Department of Defense, they have to be charged to the military assistance program. Up until now, substantial amounts of so-called excess military equipment were shipped here and there at ridiculously low cost to the military aid program. They just declared it excess and said that we really did not need to charge very much for it.

I wish just to state the argument that this amounts to giving up a large share of congressional control over how our bilateral assistance money should be spent. The ceiling that is set is $435 million lower than the committee recommendations, and it leaves the executive branch to decide where the cuts are going to be made. I think that is the wrong policy, even though the objective may seem desirable to certain Senators.

I believe we have been a responsible committee in cutting as we did. We cut this bill $724 million; in military assistance grants and credits we cut it $535 million. We made a 22-percent reduction in assistance overall. We have, I think, demonstrated the kind of fiscal discipline and responsibility that was asked for. No other authorization has come out of any committee of this Congress with a 22-percent reduction, and we have performed that. I believe it ought to stand.

STATEMENT CONCERNING THE CHURCH AMENDMENT RE CEILING ON OBLIGATIONS FOR FOREIGN AID

Mr. President, the amendment offered by the Senator from Idaho would put a ceiling of $5 billion total obligations for several specified foreign aid activities—AID economic aid programs, the military grant and credit programs, and the Public Law 480 program.

This is the wrong way to go about cutting foreign aid. If the Senate wants to cut the programs covered by the Senator's amendment, it should reduce the amounts in this authorization bill and in the foreign aid and agriculture appropriation bills. Under the approach taken in the Senator from Idaho's amendment, the Senate would, in effect, pass the buck to the President as to where cuts were to be made. This is not responsible decisionmaking. This is decision avoidance.

For a number of years the Senate has slowly, but surely, taken steps to regain its proper role in the setting of national policy. The Senator from Idaho has often spoken eloquently of the need for the Senate to reassert itself in order to restore a proper balance between Congress and the executive branch. But this amendment goes in the opposite direction. It would say to the President: "We think that no more than $5 billion should be spent on these programs, but we do not know enough—or care enough—about where the cuts should be made. You do it."

In this bill the committee has taken a number of important steps to take away discretionary power that Congress, in the past, has given to the President over foreign aid matters. The adoption of this amendment would be contrary to the basic thrust of this bill. And, of greater significance, it would be contrary to the spirit of much that we have tried to do to restore the integrity of this body over the last several years.

I, for one, do not believe that we should give the President discretionary authority to nullify decisions that Congress takes in authorizing and appropriating funds for specific foreign aid activities. If Congress decides to appropriate x amount for food assistance, for example, that should not mean "x minus whatever amount the President wants to cut out." If Congress thinks that a foreign aid activity should be supported at a certain appropriation level, then it should stand by that decision. The Senator from Idaho's amendment would give the President the power to pick and choose which programs to fund at some lesser level than the amount Congress authorizes and appropriates.

Under the Senator's amendment the President could, if he chooses, make the supporting assistance or military credit sales programs bear much of the burden of the additional cuts necessary. Senators can appreciate the effect this could have on a country like Israel. We simply do not know what the ramifications would be from the Senator's amendment.

In this bill we are dealing only with authorizations for a portion of the overall foreign aid program. We have made significant cuts. I am confident that the Appropriations Committee will recommend further reductions in programs already authorized—as well as those in this bill. But the way to make further reductions is by offering amendments to reduce the specific authorizations in this bill and specific items in the foreign aid appropriation bill. The pending amendment is not the appropriate way to go about it.

I hope that the amendment will be rejected.

Mr. President, I ask unanimous consent to have printed in the RECORD a "Summary of the Impact of a Ceiling Reduction on all foreign aid programs."

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE IMPACT OF A CEILING REDUCTION ON ALL FOREIGN AID PROGRAMS

1. The reduction is totally arbitrary and without reference to the merits of the many and various activities included in the categorization.

2. The Congress has full opportunity to consider the merits of individual appropriation requests. Imposition of a blanket ceiling reduction subsequent to Congressional review of these programs obscures the merits of each and undercuts original Congressional intent.

3. The reduction applies to an "apples and oranges" categorization of programs cutting across separate authorization bills, program purposes and organizational jurisdictions. It would, therefore, be exceedingly difficult to administer in a rational manner.

4. In the context of deep reductions already taken in individual appropriation requests, the additional $435 million cut would fall most heavily on:

Development assistance to small farmers and the rural poor in countries facing major food shortages and possible famine;

Research on improving agricultural production, including efforts to improve the effectiveness of fertilizer, seeds and pesticides and thereby cope with the world food crisis;

Humanitarian assistance to the Sahelian nations in their struggle against drought, famine and the degradation of their fragile environment;

Assistance to poor countries in their efforts to deal with the critical problem of unconstrained population growth and to provide them with the basic family planning services;

Assistance to U.S. and overseas private and voluntary organizations designed to engage these institutions in the development process and tap their considerable skills and experience;

Food contributions under PL 480 to private and voluntary organizations for overseas distribution to needy children and to young nursing mothers;

Food assistance to such countries as Bangladesh, the Sahelian nations and Pakistan to help them deal with short run shortages, crop failures and possible starvation;

U.S. contributions to multilateral and international organizations—the UNDP, the IFIs, the UN Fund for Population, the Organization for American States—which would seriously affect their capacity to continue critically important development assistance programs;

Probable reductions in: overseas Peace Corps activities, U.S. narcotics programs designed to curb illegal trafficking in narcotics, the capability of the U.S. to respond to natural disasters (the Honduran floods, Cyprus, floods in Bangladesh).

Mr. AIKEN. Will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. I wish to say that the committee spent about 5 months with this bill, from the time of its introduction in April. I think we did a pretty good job on it. I did not agree with everything that was done, but I realized that it must come to the floor, and also go to conference later.

As the Senator from Minnesota has said, we reduced the total amount by 22 percent. If we accept the amendment offered by the Senator from Idaho, that will make about a 30-percent reduction, which I believe is too much for 1 year. The 22-percent reduction the committee arrived at is very substantial. I hope that we do not reduce Public Law 480, and I hope that the Senator from Idaho does not intend to do that, because that plants a seed for cutting back over $20 billion in exports of food commodities from this country to other countries.

I think that we had better take what the committee recommends at this time.

I know that other countries, particularly in the Middle East, are undertaking to grow more of their own food. I think that is true also of southeast Asia. We should help them do that, because they will live better, and, as they live better, perhaps they will like us better.

I shall not go along with the amendment offered by my friend from Idaho at this time.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I yield to the Senator from New York.

Mr. JAVITS. Mr. President, it seems to me, I might say to my colleague managing the bill, that the real problem with this amendment is that it is premature and aborts the work of the Senate. We are taking great pride in the fact that we are now running the show more and more—a budget committee, a war powers resolution, much greater attention to detail, the President's papers, Watergate, and many other things.

Here we are asked to make a meat-axe cut without any regard to our determining the priorities. Every Member of the Senate will be able to vote as he wishes on any amendment for any particular item, whatever it may be. But simply to cut right off the top and then turn it over to the Executive is going exactly the other way from what we want to do.

There is no reason in the world why, if Members wish to make this $5 billion or $4.8 billion or $4 billion, they cannot do it. They can do it and they should do it, if that is the will of the Senate. But it ought to be done with a scalpel and not a meat-axe or a cutlass. That is what this is all about.

I believe every one of us is under the gun on the economy, but people have sent us here to use our heads, not blindly to vote on everything that anybody says is economy. I ask my colleague, is it not a fact that this is really a test of this program? If we believe that the United States has no interest in its own security, in equating foreign aid with any other expenditure in the budget, then vote against the whole thing. Throw it out in the ashcan. We should not do it.

If we do vote for it because a certain portion of our substance needs, in our own interest, to go in this direction, then we should do it prudently, not in advance and not without ourselves taking responsibility for what we want to cut.

Those are the reasons, Mr. President, that I shall personally vote against the amendment. I think it should be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, in response to my good friends and colleagues on the Senate Committee on Foreign Relations, I take no issue with the proposition that the committee and the Senate, as a whole, should exercise as much control over the foreign aid program as is feasible. We have done this in the bill that the committee has reported out on the floor, which we are presently debating.

However, I point out that if this amendment were adopted, the total cut in foreign aid expenditures from the level requested by the administration, $6.9 billion, would be $1.9 billion. All but 20 percent of that cut is mandated by the Congress. Only the last 20 percent would be left open to the President, giving him the flexibility to make the savings where the State Department feels, and the AID Agency and the other Government departments concerned with these programs feel would be best. I do not think we are abandoning the principle of congressional control at all in passing this amendment.

I have observed in my years in the Senate that whenever one is opposed to an amendment, it is a meat-ax amendment. Whenever one is in favor of it, it is a scalpel.

I do not know whether these phrases are really helpful. The object of this amendment is simply to hold the line on foreign expenditures. It is simply to prevent a further expansion of the program above last year's level of spending. I think that is highly responsible, in view of the state of the American economy and our need to effect an end to the deficit spending, which all economists agree is adding further fuel to a very serious inflation.

That is my purpose in offering this amendment, and I would hope that the Senate would support the amendment, and thus, if it is not prepared to cut back on foreign aid spending this year, at least broadcast the message to the American people that it is prepared to hold the line against furthur increases in foreign aid above the level of spending in fiscal year 1974—a very modest objective, Mr. President, eminently reasonable considering the present state of the American economy.

I, therefore, urge the Senate to approve the amendment.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, unless there are others who wish to speak, I am prepared to yield back the remainder of my time.

Mr. President, do we have any time limitation on the call of the roll?

The PRESIDING OFFICER. No; 15 minutes.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Metzenbaum). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Idaho (Mr. Church). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Hawaii (Mr. Inouye), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), the Senator from Maryland (Mr. Mathias), and the Senator from Oregon (Mr. Packwood) are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

The result was announced—yeas 62, nays 21, as follows:

[No. 440 Leg.]

YEAS—62

Abourezk
Allen
Bartlett
Beall
Bentsen
Bible
Biden
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Eagleton
Fannin
Goldwater
Gravel
Gurney
Hansen
Hartke
Haskell
Hatfield
Helms
Hollings
Huddleston
Hughes
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McGovern
McIntyre
Metcalf
Metzenbaum
Montoya
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stafford
Stennis
Stevenson
Symington
Thurmond
Tunney
Weicker

NAYS—21

Aiken
Brooke
Case
Cotton
Eastland
Fong
Griffin
Hart
Hathaway
Hruska
Humphrey
Javits
Kennedy
McGee
Mondale
Scott, Hugh
Stevens
Taft
Tower
Williams
Young

NOT VOTING—17

Baker
Bayh
Bellmon
Bennett
Brock
Buckley
Cook
Dominick
Ervin
Fulbright
Inouye
Mathias
Moss
Packwood
Percy
Sparkman
Talmadge

So Mr. Church's amendment was agreed to.

Mr. CHURCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATHAWAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AID FOR INDOCHINA IN THE FOREIGN AID BILL

Mr. CASE. Mr. President, of particular interest in this year's AID bill are the provisions on economic assistance to the countries of Indochina. The action taken by the Foreign Relations Committee represents, I believe, a major change in the congressional approach to foreign aid—and it deserves, I believe, a careful hearing by the full Senate.

The committee has taken a number of significant steps. First, the committee made major reductions in the level of dollar aid to both Cambodia and Vietnam, and a lesser cut in our aid to Laos. In making these reductions the committee for the first time set ceilings on how much can be spent in any of these countries. In the past, money from a variety of programs was ploughed into both Vietnam and Cambodia, sometimes without the approval of Congress. The result was that our economic and military expenditures in this area of the world ran into the billions of dollars a year.

The most severe funding cut in this year's bill is for Cambodia, both for military and economic aid. It is the committee's view that it is pointless to contemplate spending huge amounts of money with little prospect that the Phnom Penh government can survive in the long run. Instead the committee hopes, by cutting funds, to stimulate a negotiated end to the warfare there. In the meantime the committee supported further humanitarian aid and wants to encourage humanitarian relief agencies to continue their work.

For Vietnam the administration requested economic aid in the amount of $750 million. The U.S. Agency for International Development contended that this dollar level would help in the redevelopment of Vietnam. The committee agrees that a good program is needed, but it reduced the request from $750 million to $420 million in economic assistance.

Of more far reaching significance, I believe, is an amendment I proposed that was approved by the committee. In the past the Congress has been asked to vote funds for foreign aid with only the sketchiest idea of how these funds would actually be spent. While AID and the State Department provided some justification for their requests, it was impossible to tell from the categories presented to the Congress exactly what the United States was doing and why. Much of our aid, quite frankly, was used to prop up client governments without much thought of what those governments did with the money we gave them.

It was clear to me that such an approach made no sense at all.

At my direction my staff and the staff of the Foreign Relations Committee spent many weeks trying to untangle our Indochina AID program and look for ways to make it a sound program that will accomplish the goals AID proposed for it. The result was the committee agreed to four general programs for Vietnam, Cambodia, and Laos and approved a number of subprograms which, under the committee's bill, will be carefully audited by Congress to insure the programs are really carried out.

Let me tell you a little about the programs approved under my amendment. The chief programs are humanitarian assistance, agricultural assistance and industrial development aid. The main thrust of the humanitarian assistance program is to resettle war refuges on reasonably good farmland that will enable them to be self-supporting. Where possible, the program emphasizes the return of families to their own home villages. This program also provides for child care services and health care. The agricultural assistance program is designed to make Vietnam, once the ricebowl of Southeast Asia, self-sufficient in rice and other food commodities in the shortest possible time. And the industrial development program is designed to help the country begin to produce goods which can be sold for foreign exchange, thus helping to make the economy of South Vietnam more viable and less reliant on outside aid.

If properly administered and vigilantly watched by Congress, I think these programs have a fair chance of paying off. And if they fail, then there is not much point to continuing to give economic assistance to Vietnam or to Indochina generally.

Americans are a generous people but the time has come, I believe, when they quite rightly want to know how their money is being spent abroad—they want and deserve an accounting so they can determine where we stand. On the success of our effort to build these features into the AID bill this year rides, I believe, the future of the foreign aid program.

Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt on assistance for Indochina from the Foreign Relations Committee report on the Foreign Assistance Act of 1974.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT

Section 20. Statement of policy—Indochina

Section 20, initiated by Senator Humphrey, is a statement of policy by Congress relative to the situation in Indochina.

Congress finds that the cease-fire promulgated in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any Vietnamese party to the conflict. Hostilities of an offensive and defensive nature still continue in South Vietnam. In Cambodia, the conflict between insurgent forces and the Lon Nol government has intensified resulting in widespread human suffering and the near total collapse of the Cambodian national economy.

The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia is not in the interest of the parties directly engaged in the conflicts, the people of Indochina or world peace. In order to lessen the human suffering in Indochina and to bring about a true peace there, the Congress hereby urges and requests the President and the Secretary of State to undertake immediately the following measures:

(1) Begin negotiations with representatives of the Soviet Union and the People's Republic of China towards a mutually agreed upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict.

(2) Take all necessary measures strongly requesting that the government of the Khmer Republic enter into negotiations with representatives of the Khmer Government of National Union which will lead to an immediate cease-fire and political settlement of the conflict. Use all available means to establish contact with the Khmer Government of National Union and to urge them to participate in such negotiation. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third party for the purpose of bringing an end to hostilities and reaching a political settlement.

(3) Utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam.

(4) Reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973 on the part of all Vietnamese parties to the conflict.

(5) Maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

Section 21. Statement of principles to govern U.S. economic aid to Indochina

Section 21, initiated by Senator Humphrey, is a policy statement by Congress concerning the principles which should guide U.S. economic assistance programs to Indochina.

Congress finds that after expending over a billion dollars in funds for economic purposes in Indochina last year, and vast amounts in previous years, that little in lasting economic benefit remains. A large proportion of the funds expended has been used for consumable items related to the war effort. Very little of our money has found its way into capital investments of lasting productive benefit to the people.

Congress calls upon the President and Secretary of State to take immediately the following actions designed to maximize the benefit of United States economic assistance.

(1) Organize a consortium to include the multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources.

(2) Develop in coordination with the recipient governments, other donors and the multilateral financial institutions a comprehensive plan for Indochina reconstruction and economic development.

(3) Develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct U.S. resources into areas of maximum benefit.

(4) Shift the emphasis of United States aid programs from consumption oriented expenditures to economic development.

(5) Identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations, and corruption, which should be undertaken if Indochinese economic development is to progress.

(6) Include in Indochina economic planning and programming specific performance criteria and standards which will enable the Congress and the Executive Branch to judge the adequacy of the recipients' efforts and to determine whether, and what amounts of, continued American funding is justified.

None of the foregoing is meant to imply continuation of American financial commitment beyond the authorization provided for in this legislation.

Section 22. Authorization of economic assistance for South Vietnam, Cambodia, and Laos

Section 22 amends section 802 of the Foreign Assistance Act to authorize appropriations for fiscal year 1975 to provide economic assistance, other than Public Law 480 assistance, to Indochina. The Committee recommends an authorization of $550,000,000 for fiscal year 1975, a reduction of $389,800,000 from the Executive Branch request of $939,800,000. This is an increase of $46,000,000 above the authorization for fiscal year 1974. $449,000,000 was appropriated for this purpose in fiscal 1974.

The table below compares the Committee's recommendations with the Executive Branch request and the program for fiscal year 1974:

INDOCHINA ECONOMIC ASSISTANCE

Program	Fiscal year 1974	Executive branch request, fiscal year 1975	Committee recommendation, fiscal year 1975	Reduction in executive branch reques
South Vietnam	[1]$399, 000, 000	$750, 000, 000	$420, 000, 000	—$330, 000, 000
Cambodia	95, 000, 000	110, 000, 000	70, 000, 000	—40, 000, 000
Laos	40, 000, 000	55, 200, 000	45, 000, 000	—10, 200, 000
Regional programs	2, 000, 000	9, 400, 000	3, 750, 000	—5, 650, 000
AID support costs [2]	13, 000, 000	18, 700, 000	11, 250, 000	—7, 450, 000
Total	549, 000, 000	[3]943, 300, 000	550, 000, 000	—393, 300, 000

[1] Includes a $50.000.000 development loan.

[2] The pro rata share of AID's worldwide technical and administrative activities which support the Indochina program. Separate in-country AID support costs are included in the country amounts.

[3] Includes $3,500,000 in reimbursement and recoveries.

Section 23. Assistance to South Vietnamese children

This section insures that $10,000,000 will be available for assistance to child care programs in South Vietnam in fiscal year 1975, a $5,000,000 increase in the earmarking for that purpose from the fiscal year 1974 requirement. Funds for the child care program can be derived from a combination of funds made available through the authorization in this bill and local currencies. The Committee has approved a specific line item of $8,200,000 for child care programs. Thus, an additional $1,800,000 must be made available in local currencies.

One of the most tragic results of the Indochina war is the plight of millions of disadvantaged children left in its wake. The orphaned, the maimed, and the homeless are continuing victims of the violence in Indochina.

The Committee has noted the affirmative response of AID to the Congressional mandate of last year.

Section 24. Limitations with respect to South Vietnam

Section 24 contains limitations relative to South Vietnam which will be added as a new section 806 to the Foreign Assistance Act.

The new subsection (a) of 806 establishes a ceiling of $1,280,000,000 on amounts that may be obligated in fiscal year 1975 for the purpose of providing economic or military assistance to South Vietnam. Under that ceiling up to $700,000,000 can be for military assistance, $160,000,000 for Public Law 480 commodity assistance, and $420,000,000 for economic assistance as specified in the bill.

COMPARATIVE DATA ON THE CEILINGS FOR SOUTH VIETNAM

[In millions of dollars]

	Estimate, fiscal year 1974	Executive branch proposal, fiscal year 1975	Committee recommendation for fiscal year 1975
South Vietnam:			
1. Military assistance (MASF)[1]	864.5	1,485.0	700.0
2. General economic assistance (IPR)	[2] 349.0	750.0	420.0
3. AID loan	50.0		
4. Public Law 480	304.7	160.6	160.0
Total, South Vietnam	1,568.2	2,395.6	1,280.0

[1] New obligational authority and excess defense articles.

[2] Includes supplemental appropriation of $49,000,000.

Similar ceilings have been enacted in the past for Laos and Cambodia. They were generally effective in both instances. Whereas actual U.S. expenditures in Laos had consistently been almost twice what had been previously reported to Congress before the ceiling was imposed. Thereafter spending stayed substantially within the limits prescribed. The ceiling was effective in Cambodia but it was allowed to lapse in fiscal year 1974. The Executive Branch subsequently grossly exceeded the overall amounts projected at the beginning of the year for all categories of aid to Cambodia. Public Law 480 deliveries escalated, for example, from a $30 million projection to $194 million. For military assistance, the Administration originally requested $167,200,000. A total of $399,300,000 was ultimately used for that purpose, including $250,000,000 in materials taken from Defense Department stocks.

In Vietnam, the accounting under the Military Assistance Service funded (MASF) program is now acknowledged to have been inaccurate over the years. No one really knows how much was spent in Vietnam for military support between 1966 and 1973. When this fact came to light, the Senate Committee on Armed Services acted decisively to correct the many loopholes in the management and accounting for this program. The inclusion of military aid in the ceiling for South Vietnam is intended to complement the actions taken by the House of Representatives and the Senate on the Department of Defense Appropriation Bill.

Paragraph (3) of 806(a) provides authorizations by major categories and by program or project under each of these categories. This provision and the specific authorizations for Cambodia and Laos were initiated by Senator Case.

The Committee has approved four major programs for economic assistance to South Vietnam. These are: (A) Humanitarian Assistance; (B) Agricultural Assistance; (C) Industrial Development Aid and (D) Miscellaneous which includes funds for purchase of petroleum and for support of the USAID mission in Vietnam.

Each of these four categories is complete in itself. No transfer of funds between these four general categories is permitted except that petroleum procured in Part D of the authorization may be used for the support of any of the other three major programs. Transfers within any of the subcategories of the four major categories of a reasonable kind of response to changing circumstances are permitted provided timely notice is given to Congress before any transfer is carried forward.

Under an amendment, also initiated by Senator Case, approved by the Committee, funds available for military assistance to Indochina may be transferred for humanitarian relief and economic development programs within each country, on a country-by-country basis. Transfers cannot be made from one country to another. This discretionary feature of the bill should assist further the development of humanitarian assistance programs the Committee deems crucial for Vietnam.

The most crucial of the programs approved for Vietnam is that for humanitarian relief, for which the Committee has allocated $95,000,000. The Committee hopes that a concerted effort will be made to prevent the use of United States funds for the support of so-called refugees activities which have direct political or military objectives. One way in which this can be done is to begin to provide more United States support to voluntary and international agencies working in the refugee field. This is largely a local cost program and the Committee seeks to insure that both dollars and the piasters which they generate are used for the intended purpose.

Assistance in agricultural production is the next most valid need in South Vietnam. The Committee has recommended that $188,000,000 be used for this purpose. The Committee is of the view that AID should move away from placing further emphasis on capital intensive agriculture.

Additional data concerning the Committee's recommendations follows:

I. Humanitarian assistance

	Millions
A. AID recommended budget:	
Refugee relief and resettlement	$86.5
Child care	8.2
Health care	10.3
City to farm program	30.0
Total AID recommendations	135.0
B. Committee authorization:	
Refugee relief and resettlement	66.5
Child care	8.2
Health care	10.3
City to farm program	10.0
Total authorization	95.0

The Committee approved the full requests made for child care and health care. Child care funds should be targeted to help provide immediate necessities such as food stuffs and training supplies. Moreover, every effort should be made to bring child care concepts to foster homes which are in dire need of upgrading. Every effort should also be made to find ways to make child care centers self-sufficient if possible.

Urban squalor, both in Saigon and other urban centers, is a result of years of war. Hundreds of thousands of refugees try to make a living as best they can under the circumstances. While this was possible when large numbers of American soldiers and support personnel were in Vietnam, it is far more difficult today. Soaring inflation and a depressed economy and the continuing war make the urban poor a very real threat to the regime. If it is possible to work out a land acquisition program to relocate many formerly agrarian people, such an effort should be supported. However the prospects for a rapid transfer of poor urban families to the country side seems dim. Consequently, only part of the request for the "City to Farm" program is approved in this recommended budget.

The problem faced by the South Vietnamese government concerning refugees and the urban masses was summarized in this way in a recent report by the Committee staff:

"The refugees and urban unemployed present a real dilemma to the Vietnamese government. If the people remain in the camps and cities, they present a political problems as well as a further welfare burden on an already over-extended national budget. Moving them to rural areas, as proposed, would shift the economic support burden from the national budget to the people themselves and to the natural resources of the land—presuming land is available. However, the transfer of people out of camps and the cities creates a population control problem by exposing them to contact with the Viet Cong. The compromise between military control and economic survival is the placement of war victims on previously uncultivated land in government controlled or marginally controlled areas. But these new lands require large amounts of capital investment for roads and land clearing to make them accessible and arable. The losers are the war victims themselves who see destined to suffer no matter where they are."

II. Agricultural assistance

	Millions
A. AID recommended budget:	
Fertilizer, OL, and pesticides	$185
Rural credit	60
Canal dredging	10
Low lift pumps	4
Fish farm development	4
Salt water intrusion	11
Total AID recommendations	274
B. Committee authorization:	
Fertilizer, POL, and pesticides	150
Rural credit	20
Rural credit	20
Canal dredging	10
Low lift pumps	4
Fish farm development	4
Total authorization	188

The Republic of Vietnam has the capacity to become self-sufficient in essential foodstuffs and, even with its increased population, a major exporter of food products and forestry products such as raw and finished lumber. But radical change will be needed for this to come about. A significant problem is the continuation of the war which makes the development of the forestry and rubber industries virtually impossible. The war also diminished the amount of available crop growing land—especially rice areas—and interrupted the food distribution system.

Even in light of these conditions progress has been made in expanding food production, especially rice, through the introduction of hybrid rice plants which require fertilizer and pesticides for growth. The United States should encourage South Vietnam to continue to work toward self-sufficiency in food production.

Less funds than were requested are being made available for the purchase of fertilizer, POL, and insecticides as an inducement to the Government of South Vietnam to work toward converting the currently subsidized agricultural system to self-sufficient system.

III. Industrial development

	Millions
A. AID recommended budget:	
Commodities for industrial production	$155.0
Industrial credit	40.0
Industrial park	5.0
Urea plant	80.0
Export processing zone	5.0
Highway construction	3.4
Development planning	.6
Total AID recommendations	289.0
B. Committee authorization:	
Commodities for industrial development	85.0
Industrial credit	10.0
Development planning	.6
Total authorization	95.6

The Committee has made substantial reductions in the industrial development cate-

gory. In the Committee's view, humanitarian and agricultural needs are the most important to the Vietnamese and industrial development is of far less significance when it comes to deciding how to divide the limited funds available.

IV. Miscellaneous

	Millions
Transportation	$30.0
Support of AID mission	11.4

The last category is assistance to help provide fuel and other commodity support to Vietnam's transportation system and to pay for the costs of AID's administrative and technical activities which are not directly chargeable to a specific project.

Implementation of ceiling

The new subsections (c), (d) and (e) contain further specifics concerning the ceiling imposed on spending for South Vietnam.

New subsection (c) provides that in computing the limitations on obligation authority under subsection (a) with respect to any fiscal year, there shall be included in the computation the value of any goods, supplies, materials, equipment services, personnel or advisers provided to, for, or on behalf of South Vietnam in the fiscal year by gift, donation, loan, lease or otherwise. For the purpose of the subsection, "value" means the the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of South Vietnam but in no case less than 33⅓ per centum of the amount the United States paid at the time the goods, supplies, materials, or equipment were acquired by the United States.

New subsection (d) provides that no funds may be obligated for any of the purposes described in subsection (a) in, to, for, or on behalf of South Vietnam in any fiscal year beginning after June 30, 1975, unless the funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated for any purpose during the fiscal year.

New subsection (e) states that after the date of enactment of the section, whenever any request is made to the Congress for the appropriation of funds for use in, for, or on behalf of South Vietnam for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which the funds are to be used in the fiscal year.

New subsection (f) requires the President to submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1974, a written report showing the total amount of funds obligated in, for, or on behalf of South Vietnam during the preceding quarter by the United States Government and specifies that it shall include a general breakdown of the total amount obligated, describing the different purposes for which the funds were obligated and the total amount obligated for each purpose.

New Subsection (g) Limitations on U.S. Personnel in Vietnam.—Subsection (g) establishes ceilings on the number of Americans and enactment of this bill. This ceiling applies to both direct hire and personnel employed by government contractors. Further reductions in the ceilings are to become effective twelve months thereafter. Within the ceiling on American personnel a subceiling is imposed on the number of members of the U.S. armed services and all direct hire and contractor personnel of the Department of Defense. The intent of the Committee is that these limitations shall apply to both permanently authorized and so-called temporary duty personnel.

The ceilings are as follows:

	Overall	DOD personnel	3d country nationals
As of 6 months from enactment	4,000	2,500	800
As of 12 months from enactment	3,000	1,500	500

Of the 5,200 total personnel who were in South Vietnam as of May 1974 some 3,650 were military or DOD; of these approximately 850 were civilian direct hire DOD employees, 2,600 were DOD contractors and 200 were uniformed military (50 attachés and 150 Marine guards). The Committee was informed a year ago that by January 1974, *all* DOD direct hire personnel and all but 2,000 contractors would be phased out. It was further assured that "very soon thereafter" contractor personnel would number only 500. As indicated, these pledges have not been met. The principal reason for this is that U.S. personnel are continuing to provide substantial direct maintenance and operational support to the Vietnamese armed forces. By this time, the contractors were to have trained South Vietnamese to take over their jobs but this has not occurred. Imposition of these ceilings should stimulate the turnover to the Vietnamese of jobs that are now being performed by U.S. contractors.

The progressively declining ceiling for U.S. supported third country national personnel is also intended to foster South Vietnamese self-sufficiency. Unless the so-called "TCN's" are controlled, departing Americans will simply be replaced with other foreigners. Given the skill and resourcefulness of the South Vietnamese and their long exposure to American training and example, there is no justification for continuing this practice.

New subsection (h) states that nothing in the new section shall be construed as a commitment by the United States to defend South Vietnam.

Section 25. Limitations with respect to Cambodia

Section 25 would add a new section 807 to the Act providing for limitations with respect to Cambodia.

The new subsection (a) would set a ceiling of $347,000,000 in fiscal year 1975 on obligations for the purpose of providing economic or military assistance to Cambodia. It further specifies categories of assistance within the overall ceiling as follows: military assistance $200,000,000; Public Law 480 commodity assistance $77,000,000; and economic assistance $70,000,000.

COMPARATIVE DATA CONCERNING THE CEILING FOR CAMBODIA

[In millions of dollars]

	Estimate, fiscal year 1974	Executive branch request, fiscal year 1975	Committee recommendation fiscal year 1975
Cambodia:			
Military assistance [1]	[2] 399.3	391.3	200.0
General economic assistance (IPR)	95.0	110.0	70.0
Public Law 480	194.2	77.0	77.0
Total, Cambodia	688.5	578.3	347.0

[1] Includes supply operations and excess defense articles.

[2] Includes $250,000,000 in Department of Defense stocks.

The Committee has specified four areas of approved programming for use of the $70,000,000 in economic assistance recommended for Cambodia. These are humanitarian, commodity imports, multilateral stabilization and technical support. Clearly the most urgent of these is humanitarian relief for which the Committee has allocated $20 million. Unfortunately, both the Executive Branch and the Cambodian Government have been slow to respond to the humanitarian needs of the Cambodian people. At present almost all relief work in Cambodia is being carried out by voluntary agencies. The Committee strongly approves of this means of providing relief and will expect the Agency for International Development to provide the maximum possible support to such agencies, including the International Committee of the Red Cross, from the funds authorized. In this connection, the Committee has written into the bill a provision which exempts voluntary agency personnel from the ceilings on American and third-country national personnel.

The Committee has reduced the commodity import authorization for Cambodia from $71 million to $31 million. Even the most casual observer in Phnom Penh is keenly aware that, while the mass of the Cambodian population is suffering intensely from the war, Cambodian government officials and businessmen are enjoying an improved standard of living—which can only have come from one source—the U.S. taxpayer. Cambodia is perhaps the outstanding example of the failure of the "trickle-down" on which U.S. aid to Indochina appears to be predicated.

ECONOMIC ASSISTANCE CATEGORIES, CAMBODIA

[In millions of dollars]

	Executive Branch proposal	Committee recommendation
Humanitarian	20.0	20.0
Commodity import	71.0	31.0
Multilateral stabilization	17.5	17.5
Technical support and participant training	1.5	1.5
Total	110.0	70.0

The new subsection (b) prohibits the transfer of economic assistance or Public Law 480 funds for use for military aid purposes and also prohibits transfers within the four categories of economic assistance.

The new subsections (c), (d), (e) and (f) relate to the implementation of this ceiling on obligations for Cambodia requirements identical to those explained in the analysis of the new section 806.

The new subsection (g) reduces the current ceiling on U.S. personnel in Cambodia from 200 to 175 and on U.S. financed third-country national personnel from 85 to 75. It would exempt personnel of voluntary relief agencies in Cambodia from the ceiling. Language is included to make it clear that the ceiling on U.S. personnel includes contract personnel.

The reductions contained in subsection (g) are designed to reduce our official involvement in Cambodia and to begin the process of eliminating Cambodian dependence on the United States. They parallel the Committee's action in reducing the level of U.S. military expenditures in Cambodia. In the event the war is still going on in Cambodia next year the Committee expects to lower the personnel ceilings still further in FY 1976.

While it would appear that the Embassy in Phnom Penh has made an effort—not always successful—to remain within the letter of the personnel restrictions, it is evident that American personnel have become increasingly involved in a vast range of support and advisory efforts, generally *not* including tactical military advice, designed to compensate for the inadequacy of the Cambodian Government. This expansion of the American role in Cambodia is contrary to the intent of the original Congressional personnel restriction. The Committee believes that by limiting the number of Americans in Cambodia the degree of American involvement in Cambodian affairs can be more effectively controlled and, thus limits can be put on Cambodia's dependence upon the U.S. Government. It is now evident that the Committee underestimated the energy and resourcefulness of 200 Executive Branch representatives in Phnom Penh.

While reducing the level of U.S. personnel in Cambodia, particularly the military, the Committee also adopted an amendment offered by Senators Case, Symington, and Humphrey, designed to encourage expansion of private relief activities in Cambodia. At present these are being carried out almost exclusively by American voluntary nonprofit organizations and by the International Committee of the Red Cross. The Committee has been informed that these organizations are willing to expand their operations in order to meet the increasing humanitarian needs of the Cambodian people. In order to do so, however, the relief organizations need U.S. funds to support their personnel since they have now reached the limit of their own resources. To date, AID has been unwilling to provide personnel support funds to the relief agencies since, if it did so, the personnel supported would be subject to the personnel ceilings. The Committee questions the appropriateness of the Embassy's decision to give priority in its personnel allocation to military personnel, who now account for 124 of the authorized total of 200, rather than to increasing the number working on relief programs.

The new subsection (h) carries over the provision from subsection 655(g) which states that the section shall not be construed as a commitment by the United States to defend Cambodia.

Subsection (b) of section 25 repeals sections 655 and 656 of the Foreign Assistance Act since they will become obsolete upon the enactment of this act.

Section 26. Limitations with respect to Laos

Section 26 will enact a new section 808 to the Foreign Assistance Act of 1961 which will establish a ceiling on and specify the distribution of United States assistance to Laos for fiscal year 1975. Subsection (a) of the new section 808 imposes a ceiling of $100,000,000 on obligations for the purpose of providing military and economic assistance to Laos in fiscal year 1975. Under the ceiling, $55,000,000 is allowed for military assistance and $45,000,000 is allowed for economic assistance, which is allocated into four categories. The table below provides comparative data on assistance for Laos.

ASSISTANCE TO LAOS

[In millions of dollars]

	Estimate, fiscal year 1974	Executive branch request, fiscal year 1975	Committee recommendation, fiscal year 1975
Laos:			
Military assistance	[1][2] 81.0	[3] 90.9	[3] 55.0
General economic assistance (IPR)	40.6	55.2	45.0
Public Law 480	3.6	.3	
Total, Laos	125.2	146.4	100.0

[1] New obligational authority and excess defense articles.

[2] Military assistance service funded.

[3] Includes supply operations and excess defense articles.

Four categories of assistance authorized for Laos are: humanitarian; reconstruction and development; stabilization; and technical support. For these categories the Committee recommends the following:

ECONOMIC ASSISTANCE CATEGORIES, LOSS

	Executive branch request	Committee recommendation
1. Humanitarian	$15,300,000	$13,000,000
2. Reconstruction and development	22,400,000	9,900,000
3. Stabilization	17,500,000	17,500,000
4. Technical support	(6,300,000)	4,600,000
Total	55,200,000	45,000,000

The Committee has not reduced the Lao program in proportion to other Indochina programs. Laos alone among the Indochina states has reached a political settlement and the Lao people deserve encouragement and assistance in making their government work. The amount approved reflects the limit of what they can effectively absorb. It will not be sufficient, however, to sustain Vientiane society in the manner to which it became accustomed in the days of the massive American presence. The reduction made in the Lao program came primarily out of "reconstruction" where AID requested $11 million to build two dikes, neither of which required any dollar inputs. The AID request for dollars for this purpose appeared to be but an effort to obtain additional free foreign exchange for Laos from the Congress.

United States policy in Laos is designed to facilitate the establishment of peace and national reconciliation. To this end, United States assistance must operate within the terms of the agreements on a cease-fire and a coalition government signed by the Laotian parties in February and September, 1973. Since that latter agreement establishes a Provisional Government of National Union, American aid should be channeled to the extent possible through that government. Also, insofar as is possible, U.S. programs for humanitarian assistance, recontruction, and development should be available to all areas of Laos and should be directed wherever the need is greatest and the assistance desired.

The new subsection (b) prohibits transfer of economic assistance funds authorized for Laos for use as military assistance. Military assistance funds may be transferred to and used in the economic assistance categories in accordance with the new section 809. There shall be no transfers of funds between the four economic assistance categories.

The new subsection (c) through (f) relate to implementation of this ceiling for Laos, and are identical to those explained in the analysis of section 806.

The new subsection (g) states that the new section shall not be construed as a commitment by the United States to defend Laos.

Section 27. Transfer of Funds

Section 27 adds a new section 809 to the Foreign Assistance Act.

Subsection (a) prohibits use of the transfer authority of section 610 of the Act to add to, or take away from, the funds appropriated for assistance to South Vietnam, Cambodia, or Laos.

Subsection (b), initiated by Senator Case, provides that any funds made available for military assistance for South Vietnam, Laos, or Cambodia may be used for war relief, reconstruction, or general economic development purposes.

FREEDOM OF INFORMATION ACT AMENDMENTS—CONFERENCE REPORT

Mr. KENNEDY. Mr. President, I submit a report of the committee of conference on H.R. 12471, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated by title.

The assistant legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 12471) to amend section 522 of the United States Code, known as the Freedom of Information Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of September 25, 1974, at page 32598.)

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. HRUSKA. Mr. President, as a conferee on this bill, I have seen several significant changes made to the bill which, in my view, makes it a more workable measure. However, I do not believe that these corrections go far enough.

While we were in conference, the President sent a letter to the conferees pointing out his objections to the bill. The provision that appears to concern the executive branch the most is the section of the bill that places the burden of proof upon an agency to satisfy a court that a document because it concerns military or intelligence secrets and diplomatic relations is in fact properly classified. If the court is not convinced that the agency has adequately carried the burden, the document will be disclosed.

Yet, while this bill transfers the authority to declassify documents from the executive branch to the courts, it provides no standards to govern the review of the documents. The judge is given the documents and then is cast upon a sea without any lighthouses or buoys to point out the shoals and rocks to make his decision whether the documents are properly classified.

No standards are created to guide a judge in reviewing the documents. He can release the documents if, in his own view, they are not properly classified, even if the Secretary of State, the Secretary of Defense, or any other agency head certifies that the documents are properly classified. This is a provision that is not only distrustful in nature; it is unreasonable.

President Ford, in his letter to the conferees cited these concerns and said:

> I simply cannot accept a provision that would risk exposure of our military or intelligence secrets and diplomatic relations because of a judicially perceived failure to satisfy a burden of proof. My great respect for the courts does not prevent me from observing that they do not ordinarily have the background and expertise to gauge the ramifications that a release of a document may have upon our national security. The Constitution commits this responsibility and authority to the President.

Despite these strong words and valid concerns, the majority of the conferees refused to change the provision vesting a power in the courts to declassify documents classified by a Government agency.

Mr. President, I realize that there are some mistakes in judgment about classification and that there are some abuses of the system. But there are administrative procedures for dealing with these mistakes and abuses. If a citizen wants access to a classified document, he may request declassification under Executive Order 11652. If his request for declassification is refused, he may appeal to the head of the agency. If his request is again refused, he can appeal to the Interagency Classification Review Committee—a committee designed to correct erroneous classifications and in general, be a watchdog over the classification system.

This bill, however, ignores this administrative mechanism and vests in the courts the power to declassify documents and release them to all the world.

The President, in his letter to the conferees, said that he could not accept a provision that would risk exposure of our national defense or foreign relations secrets. I cannot accept such a provision either.

Mr. President, I ask unanimous consent that the text of President Ford's August 20 letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, Aug. 20, 1974.

Senator EDWARD KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR TED: I appreciate the time you have given me to study the amendments to the Freedom of Information Act (H.R. 12471) presently before you, so that I could provide you my personal views on this bill.

I share your concerns for improving the Freedom of Information Act and agree that now, after eight years in existence, the time is ripe to reassess this profound and worthwhile legislation. Certainly, no other recent legislation more closely encompasses my objectives for open Government than the philosophy underlying the Freedom of Information Act.

Although many of the provisions that are now before you in Conference will be expensive in their implementation, I believe that most would more effectively assure to the public an open Executive branch. I have always felt that administrative burdens are not by themselves sufficient obstacles to prevent progress in Government, and I will therefore not comment on those aspects of the bill.

There are, however, more significant costs to Government that would be exacted by this bill—not in dollar terms, but relating more fundamentally to the way Government, and the Executive branch in particular, has and must function. In evaluating the costs, I must take care to avoid seriously impairing the Government we all seek to make more open. I am concerned with some of the provisions which are before you as well as some which I understand you may not have considered. I want to share my concerns with you so that we may accommodate our reservations in achieving a common objective.

A provision which appears in the Senate version of the bill but not in the House version requires a court, whenever its decision grants withheld documents to a complainant, to identify the employee responsible for the withholding and to determine whether the withholding was "without (a) reasonable basis in law" if the complainant so requests. If such a finding is made, the court is required to direct the agency to suspend that employee without pay or to take disciplinary or corrective action against him.

Although I have doubts about the appropriateness of diverting the direction of litigation from the disclosure of information to career-affecting disciplinary hearings about employee conduct, I am most concerned with the inhibiting effect upon the vigorous and effective conduct of official duties that this potential personal liability will have upon employees responsible for the exercise of these judgments. Neither the best interests of Government nor the public would be served by subjecting an employee to this kind of personal liability for the performance of his official duties.

Any potential harm to successful complainants is more appropriately rectified by the award of attorney fees to him. Furthermore, placing in the judiciary the requirement to initially determine the appropriateness of an employee's conduct and to initiate discipline is both unprecedented and unwise. Judgments concerning employee discipline must, in the interests of both fairness and effective personnel management, be made initially by his supervisors and judicial involvement should then follow in the traditional form of review.

There are provisions in both bills which would place the burden of proof upon an agency to satisfy a court that a document classified because it concerns military or intelligence (including intelligence sources and methods) secrets and diplomatic relations is, in fact, properly classified, following an in camera inspection of the document by the court.

If the court is not convinced that the agency has adequately carried the burden, the document will be disclosed. I simply cannot accept a provision that would risk exposure of our military or intelligence secrets and diplomatic relations because of a judicially perceived failure to satisfy a burden of proof.

My great respect for the courts does not prevent me from observing that they do not ordinarily have the background and expertise to gauge the ramifications that a release of a document may have upon our national security.

The Constitution commits this responsibility and authority to the President. I understand that the purpose of this provision is to provide a means whereby improperly classified information may be detected and released to the public. This is an objective I can support as long as the means selected do not jeopardize our national security interests. I could accept a provision with an express presumption that the classification was proper and with *in camera* judicial review only after a review of the evidence did not indicate that the matter had been reasonably classified in the interests of our national security.

Following this review, the court could then disclose the document if it finds the classification to have been arbitrary, capricious, or without a reasonable basis. It must also be clear that this procedure does not usurp my Constitutional responsibilities as Commander-in-Chief. I recognize that this provision is technically not before you in Conference, but the differing provisions of the bills afford, I believe, grounds to accommodate our mutual interests and concerns.

The Senate but not the House version amends the exemption concerning investigatory files compiled for law enforcement purposes. I am concerned with any provision which would reduce our ability to effectively deal with crime. This amendment could have that effect if the sources of information or the information itself are disclosed. These sources and the information by which they may be identified must be protected in order not to severely hamper our efforts to combat crime.

I am, however, equally concerned that an individual's right to privacy would not be appropriately protected by requiring the disclosure of information contained in an investigatory file about him unless the invasion of individual privacy is clearly unwarranted. Although I intend to take action shortly to address more comprehensively my concerns with encroachments upon individual privacy, I believe now is the time to preclude the Freedom of Information Act from disclosing information harmful to the privacy of individuals. I urge that you strike the words "clearly unwarranted" from this provision.

Finally, while I sympathize with an individual who is effectively precluded from exercising his right under the Freedom of Information Act because of the substantial costs of litigation, I hope that the amendments will make it clear that corporate interests will not be subsidized in their attempts to increase their competitive position by using this Act. I also believe that the time limits for agency action are unnecessarily restrictive in that they fail to recognize several valid examples of where providing flexibility in several specific instances would permit more carefully considered decisions in special cases without compromising the principle of timely implementation of the Act.

Again, I appreciate your cooperation in affording me this time and I am hopeful that the negotiations between our respective staffs which have continued in the interim will be successful.

I have stated publicly and I reiterate here that I intend to go more than halfway to accommodate Congressional concerns. I have followed that commitment in this letter, and I have attempted where I cannot agree with certain provisions to explain my reasons and to offer a constructive alternative. Your acceptance of my suggestions will enable us to move forward with this progressive effort to make Government still more responsive to the People.

Sincerely,

GERALD FORD.

AMENDMENT OF THE NATIONAL BANK ACT, THE FEDERAL DEPOSIT INSURANCE ACT, AND THE NATIONAL HOUSING ACT

Mr. TOWER. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which S. 3817, a bill to amend the National Bank Act, the Federal Deposit Insurance Act, the National Housing Act, the Small Business Investment Act, and for other purposes, was passed.

Inadvertently when the bill was passed, the last page was left off and the bill passed without opposition. It has been agreed to. It does affect interest rates in three States, Montana, Tennessee and Arkansas, so it is not controversial.

Mr. HUMPHREY. Was this matter cleared with the majority?

Mr. TOWER. This was cleared with the distinguished Senator from Montana who has a personal interest in the matter.

Mr. HUMPHREY. I know he has a very important public interest in that matter.

Mr. TOWER. It has been cleared with the committee.

Mr. ROBERT C. BYRD. Would the Senator include in his unanimous-consent request that the bill be returned to second reading, the amendment adopted, and as amended be moved to third reading, passed, reconsidered and laid on the table?

Mr. TOWER. Mr. President, I ask unanimous consent that the Senate reconsider the vote by which S. 3817 was passed and that it be returned to second reading.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, if the Senator would include all that in his request, it would be done all at once.

Mr. TOWER. I have no objection to doing that.

I ask unanimous consent that the Senate reconsider the vote by which S. 3817 was passed, that it be returned to second reading, that an amendment which I send to the desk be acted upon, that the motion to reconsider be made and a motion to table be made, the bill returned to third reading and passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The second assistant legislative clerk read as follows:

At the end of the bill, add the following: "received, or reserved, and any such provision is hereby preempted, and no civil or criminal penalty which would otherwise be applicable under such provision shall apply to such member or nonmember association, institution, bank, or affiliate or to any other person."

SEC. 204. The amendments made by this title shall apply to any deposit made or obligation issued in any State after the date of enactment of this title, but prior to the earlier of (1) July 1, 1977, or (2) the date (after such date of enactment) on which the State enacts a provision of law which limits the amount of interest which may be charged in connection with deposits or obligations referred to in the amendments made by this title.

The PRESIDING OFFICER. Without objection, the amendment is agreed to, and without objection the bill as amended, is passed.

Mr. HUMPHREY. Mr. President, I think that was a very simple solution to a highly complex problem.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

May I say, there are no additional rollcall votes contemplated.

There are a couple of amendments which have been cleared. This is due to printing.

Mr. TOWER. Are you making a speech?

Mr. HUMPHREY. If I do, I know the Senator from Texas will want to remain——

Mr. TOWER. I certainly would.

Mr. HUMPHREY (continuing). For the eloquence of my oration, but please be gone, dear friend.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 25, immediately before the semicolon, insert a comma and the following: "except that for purposes of section 632(d), value shall be the gross cost incurred by the United States Government in repairing, rehabilitating, or modifying the excess defense article."

Mr. HUMPHREY. Mr. President, this is a technical amendment to correct a drafting error in section 10 of the bill relative to the use of excess defense articles in the military aid program. As written, the provision in the bill would result in windfall reimbursements to the military services when their excess material or equipment is made available for use in the military aid program. Under existing law, the services are reimbursed with military aid funds only for the costs of "repairing, rehabilitating, or modifying" the excess material or equipment that is to be furnished to a foreign country under the military aid program. The effect of this amendment will be to leave the reimbursement requirement as it is in existing law, as the committee intended.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, earlier today I sent to the desk an amendment for which I now ask immediate consideration. It is but a brief policy statement on our aid program to Africa which I discussed with the acting minority leader, the Senator from Michigan.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. —. "Statement of Policy on Assistance to Africa."

The President is requested to review the regional allocation of economic development assistance and to increase Africa's share of AID loans and grants. Per capita official development assistance to the developing countries of Africa, including both U.S. bilateral assistance and U.S. contributions to multilateral lending institutions, should be raised to a level at least equal to those for Asia and Latin America. A special effort must be made to provide more assistance to the sixteen of the world's twenty-five "least developed" countries that are in Africa and to the fourteen African nations that are judged to be "most seriously affected" by rising costs of food and fuel. The President is requested to make a report to Congress on action taken to provide the developing countries of Africa with an equitable share of U.S. economic assistance at the time that AID's operational year budget for fiscal year 1975 is submitted to Congress and again with the submission to Congress of the proposed AID budget for fiscal year 1976.

Mr. HUMPHREY. What this really does is merely request of the President that he inform Congress at an appropriate time of the efforts being made to have Africa share equitably in the foreign assistance program. There is no money involved, may I say.

Mr. HARRY F. BYRD, JR. I was about to ask that question.

Mr. HUMPHREY. May I say to the distinguished Senator from Virginia who is so correct in his sense of responsibility on matters, fiscal matters, no money was involved at all, merely to get the report from the President in reference to the assistance that goes to Africa and whether or not there is equitable showing.

Mr. HARRY F. BYRD, JR. I thank my friend from Minnesota.

Mr. HUMPHREY. Mr. President, Africa is not receiving an equitable share of U.S. foreign economic assistance: 16 percent of the people living in countries that receive some form of U.S. economic assistance live in Africa. But administration proposals for AID expenditures give Africa less than 6 percent of loans and grants. Original administration Public Law 480 requests also give Africa less than 6 percent.

Population—mid-1973 estimates—AID assistance requested: Africa, 298.7 million, $168,992,000; Latin America, 295.2 million, $267,461,000; Asia, 1,257.6 million, $1,375,949,000.

Bilateral assistance to Latin America and Asia is substantially supplemented by our contributions to the regional development banks. The United States has yet to contribute to the African Development Fund, and the proposed contribution for this year is minimal in comparison with our contributions to the Asian Development Bank and the Inter-American Development Bank.

Inter-American Development Bank, fiscal year 1975: $500 million "special funds"—no-interest loan.

Asian Development Bank, fiscal year 1975: $125 million ordinary capital, $50 million "special fund"—no interest.

African Development Fund, fiscal year 1975: $5 million—grant.

Per capita official development assistance—includes both bilateral assistance and contributions to multilateral lending institutions—is lower for Africa than for the other two regions. Per capita assistance to Africa has been decreasing where that to the other two regions has been increasing.

Region	Per capita commitments		
	1971	1972	1973
Asia	$1.75	$1.79	$1.93
Latin America	1.71	2.13	3.01
Africa	1.38	1.21	1.18

Source: AID.

It is to be noted that economic development assistance needs are greater for Africa than for the other two regions: 16 of the 25 "least developed countries" in the world are in Africa; 14 of the 25 countries judged to be "most severely affected" by the rising costs of food and fuel are in Africa.

If our foreign assistance is to be directed to solving the problems of the world's poorest people, the African states should be receiving more assistance per person than the other two regions. Yet they are receiving far less.

It is especially important that the African nations receive more assistance for rural development.

Recent droughts in the Sahel and Ethiopia have revealed how vulnerable the people of Africa's poorest countries are to bad weather. They have not developed the most basic buffers against such occurrences: water conservation and irrigation; marketing systems to encourage maximum production in good years; improved agricultural technology; and drought-resistant seed varieties.

Three out of four Africans depend on agriculture for their livelihood. Yet per capita agricultural production has been declining since the mid-1960's. It dropped by 4 percent in 1973 alone.

With world food reserves diminishing, we must help develop the capacity of the African countries to produce their own food. Massive food relief may not be possible in the near future.

If the administration is serious in its commitment to increase food production in the developing world, more attention must be given to the rural development needs of Africa.

If the administration is serious in its commitment to increase food production in the developing world, more attention must be given to the rural development needs of Africa.

Surely it must be understood that Africa is an extremely important source of the raw materials the United States needs. For example, of the world's known reserves, Africa contains: 47 percent of the cobalt; 34 percent of the bauxite; 17 percent of the copper; and 23 percent of the uranium ore.

Major new reserves of important raw materials are continually being discovered in Africa. Much of Africa's wealth of mineral resources has not been developed. If we are to have access to these resources in the future, we must assist in African economic development now.

The nations of Africa are currently important producers and exporters of mineral resources and commodities. Of free world production in 1971, Africa accounted for: 97 percent of the diamonds; 81 percent of the cobalt; 78 percent of the palm kernels; 74 percent of the cocoa; 45 percent of the manganese; 30 percent of the phosphate rock; 28 percent of the coffee; 25 percent of the copper; and 13 percent of the crude petroleum.

The United States can and should expand its trade relations with the nations of Africa. We presently receive only 8 percent of Africa's exports, while the EEC receives 44 percent and the United Kingdom 15 percent. We account for 12 percent of Africa's imports, while the EEC accounts for 36 percent and the United Kingdom 16 percent. Both assistance for and trade with Africa should be expanded as part of a policy of strengthening our economic ties with the African countries.

Some indicators of the economic development assistance needs of the 16 African countries that are classified among the 25 "least developed" in the world:

Their per capita GNP's range from $60 to $140. Most have per capita GNP's of $100 or less.

For all but two of them, 80 percent or more of the labor force is in agriculture.

Life expectancy ranges from 35 to 50.

Persons per physician in these countries range from 17,000 to 92,000.

Most of them have a literacy rate of 5 to 10 percent.

Many have only 1 to 10 miles of improved roads for every 1,000 square miles of land area.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment.

The amendment was agreed to.

AMENDMENT NO. 1924

Mr. **HUMPHREY**. Mr. President, there is at the desk an amendment that is a similar policy statement which, by the way, is a statement of policy by our Government. It is a statement of policy on the independence of certain African territories relating to Portugal and I ask, Mr. President, that this amendment by Senator McGEE and myself be laid before the Senate and I shall explain it.

It is a statement of policy and not an amendment on funds.

There is a number on the amendment.

The **PRESIDING OFFICER**. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. **HUMPHREY**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The amendment is as follows:

SEC. STATEMENT OF POLICY ON THE INDEPENDENCE OF ANGOLA, MOZAMBIQUE, AND GUINEA-BISSAU.—

Congress finds that the Government of Portugal's recognition of the right to independence of the African territories of Angola, Mozambique, and Guinea-Bissau marks a significant advance toward the goal of self-determination for all the peoples of Africa, without which peace on the continent is not secure.

Congress finds that negotiations between the Portuguese Government and African leaders on the timing and nature of progress toward independence are being conducted with the aim of bringing permanent peace and stability to these countries and of guaranteeing the human rights of all their citizens.

Congress finds that progress toward independence for the Portuguese African territories will have a significant impact on the international community and deserves the full support and assistance of appropriate international organizations and the community of nations.

Congress commends the Portuguese Government's initiatives on these fronts as evidence of a reaffirmation of that government's support for her obligations under both the United Nations Charter and the North Atlantic Treaty Organization.

Therefore, Congress calls upon the President and the Secretary of State to take the following actions designed to make clear United States support for a peaceful and orderly transition to independence in the Portuguese African territories.

(1) An official statement should be issued of United States support for the independence of Angola, Mozambique, and Guinea-Bissau, and of our desire to have good relations with the future governments of these countries.

(2) It should be made clear to the Government of Portugal that we view its efforts toward a peaceful and just settlement of the conflict in the African territories as consistent with Portugal's obligations under the North Atlantic Treaty and therefore strengthening her as a North Atlantic Treaty Organization partner.

(3) The United States should encourage United Nations support for a peaceful transition to independence, negotiated settlement of all differences, and protection of human rights of all citizens of the three territories.

(4) The United States should open a dialog with potential leaders of Angola, Mozambique, and Guinea-Bissau and assure them of our commitment to their genuine political and economic independence.

(5) The economic development needs of the three territories will be immense once independence is achieved. Therefore, it is urged that the United States Agency for International Development devote immediate attention to assessing the economic situation in Angola, Mozambique, and Guinea-Bissau and be ready to cooperate with their future governments in providing the kind of assistance that will help make their independence viable. In addition, the United States Government should take the initiative among other donors, both bilateral and multilateral, in seeking significant contributions of development assistance for the three territories.

(6) In light of the need of Angola, Mozambique, and Guinea-Bissau for skilled and educated manpower, a priority consideration should be given to expanding immediately current United States programs of educational assistance to the territories as a timely and substantive contribution to their independence.

(7) Reports should be submitted to the Congress on the implementation of these proposals and Congress should be kept fully informed on developments in United States policy toward the independence of the Portuguese African territories.

Since it is in the national interest of the United States to maintain and strengthen close relations with the independent nations of Africa, the Congress believes these positive initiatives should be undertaken without delay.

Mr. **HUMPHREY**. Mr. President, one of the most significant changes taking place in the world today is the transition from colonial rule to independence in the Portuguese African territories of Angola, Mozambique, and Guinea-Bissau. The leaders of Portugal and of these territories deserve the full support and good will of the entire international community as they negotiate independence agreements and seek to build a foundation for peace, stability, justice and freedom for all their peoples.

I am submitting today an amendment to S. 3394 calling upon the President and Secretary of State to take actions that will make clear U.S. support for Portugal's policy of independence for her African territories and that will encourage other countries and international organizations to give their diplomatic and substantive support to this birth of three new nations.

The first portion of this amendment calls for an official statement of U.S. support for Portugal's policy of independence for her African territories. It also calls for an affirmation of our desire to have good relations with the future govenrments of Angola, Mozambique, and Guinea-Bissau. The United States in particular had an obilgation to publicly support Portugal's recognition of these territories' right to independence when it was first annonuced, on July 27. We had joined the rest of the world in severely criticizing Portugal's past policy of maintaining her African colonies by force. As one of her closest friends and allies, we should have been among the first to welcome the courageous decision to grant independence to these colonies. We should have made it clear from the beginning that Portugal was not alone in her effort to bring peace and freedom to the African territories.

Yet for several weeks there was no official statement that the United States welcomed Portugal's momentous decision. We were in a position of merely accepting the results of the independence policy instead of supporting and encouraging it.

In his speech to the United Nations, President Ford made the first statement on behalf of our Government in support of the transition from colonial rule to independence that was taking place in Africa:

> We rededicate ourselves to the search for justice, equality and freedom. Recent developments in Africa signal the welcome end of colonialism. Behavior appropriate to an era of dependence must give way to the new responsibilities of interdependence.

This is the kind of response the United States should give—without hesitation—when a people's right to self-determination is realized. I hope this statement will be officially elaborated in the near future to make it clear to the leaders of Portugal and of the African territories that our country will not merely accept the final products of their negotiations and struggles, but will support their commendable goals and will encourage the deliberate and responsible manner in which the independence settlements are being reached. We must also assert without reservation that we will welcome these new governments as members of the community of nations and will do everything we can to build good relations between their countries and ours.

The second provision of this amendment calls for U.S. recognition that Portugal's attempts to reach a peaceful and just settlement of a conflict that has lasted more than a decade are in keeping with her obligations under the North Atlantic Treaty. Article I of the treaty states:

> The parties undertake . . . to settle any international disputes in which they may be involved by peaceful means and in such a manner that international peace and security, and justice are not endangered . . .

The United States has been criticized in the past for continuing to give Portugal economic and military support as a NATO ally during the conflict in Africa. We insisted that our aid was not to be used to perpetuate Portuguese colonialism. But many understandably felt that the economic, military, and moral support that membership in the NATO alliance provided for Portugal helped enable her to continue fighting for her colonies. Some even believed that the United States preferred for strategic reasons that Angola, Mozambique, and Guinea-Bissau remain in the hands of our ally.

Now is the time to reaffirm the first and most fundamental principle of the NATO alliance: that disputes should be settled peacefully and that the only solid foundation for a lasting peace is justice for all concerned. The Government of Portugal made the first big step in the direction of peace and justice by ceasing the fight to maintain her colonies and recognizing their right to self-determination. In the negotiations that have followed, Portugal and the African leaders have demonstrated a commitment to an orderly transition to independence and to observing the human rights of all the citizens of the three territories. The inevitable outbreaks of violence have been responded to with moderation on both sides; and Portugal and the liberation movements have worked together to maintain order, calm fears, and build a solid foundation for independence. Indeed, an example is being set for the rest of the world of what can be achieved when negotiations are carried out in a spirit of tolerance, cooperation, and sincere commitment to a fair settlement and a lasting peace.

We must now reassert our full support of our ally, Portugal, as she makes this significant contribution to world peace and justice, the highest goals to the NATO alliance.

When President Spinola first announced Portugal's "immediate recognition of the right to independence" of the African territories, he stated:

> We have reentered the world after more than a decade of ostracism. We have . . . rejoined the community of nations.

The third provision of this amendment states that we should encourage United Nations support for Portugal's efforts to bring about an orderly transition to independence in her African territories.

Portugal obviously felt the community of nations would welcome the policy of independence and would give its support to her fulfillment of her obligations under the United Nations Charter, article I, section 2—

> To develop friendly relations among nations based on respect for the principle of equal rights and self-determination for all peoples.

Having been criticized by the U.N. in the past for her colonial policies, Portugal is convinced that the transition to independence in the African territories is a matter of international concern and that the United Nations can play a positive role in this process.

U.N. Secretary General Kurt Waldheim's participation in Portugal's negotiations with Guinea-Bissau was welcomed. Portugal asked members of the Security Council to vote in favor of Guinea-Bissau's admission to the U.N. even before a final independence settlement was reached. The Portuguese Government announced that it would welcome U.N. observers to assure that any votes prior to independence in the territories were fair and honest.

The United Nations has a responsibility to give its support to efforts to assure that the transition to independence will be peaceful, that human rights will be observed and that the independence of the new nations will be sound and viable. Now is not the time to criticize decisions reached in negotiations or to question the motives of Portuguese or African leaders. Now is not the time to take sides in the General Assembly or the Security Council over the timing and nature of the transition to independence. Now is certainly not the time for U.N. Member States to encourage one side or the other to take an uncompromising position. The United Nations can best fulfill the purposes for which it was established by mediating where necessary, by carefully observing developments to make certain that human rights are not being violated, and by supporting every effort to assure a peaceful transition to genuine independence for Angola, Mozambique, and Guinea-Bissau.

The fourth provision deals with our relations with the African territories themselves.

We must begin now to build good relations with the future leaders of these emerging African States on the basis of respect for their right to determine their own political and economic policies. We must establish open and frank communications with political leaders, labor leaders, and representatives of various groups within each society to find out their concerns and goals.

Our ties with those who will lead these states after independence are not as close as those of many other nations. The African States, the Scandinavian countries, the Soviet Union and the People's Republic of China all assisted in the movement toward independence and developed close working relationships with the political leadership of these territories. While we were not prepared to give our support to a military solution to the problem of colonialism in Portuguese Africa, we made a mistake in not communicating frequently at high levels with these leaders. We should have made every effort to find out how they sought to shape the future of their countries and to communicate to them the reasons for our policy position. We have a lot of catching up to do.

There is no reason to assume that these countries will seek good relations only with those nations that assisted in their struggle for independence. The current cooperation between liberation movement soldiers and the Portuguese army in Mozambique and Guinea-Bissau is evidence that even former adversaries will be welcomed if they wish to cooperate in the effort to build a sound basis for independence. These leaders realize, as do the leaders of the African nations that have been independent for some time, that it is essential to have constructive economic and political relations with all other nations in order to assure genuine independence.

Our diplomatic support for the independence of the Portuguese African territories must be combined with substantive support. One of the best ways for the United States to show its genuine commitment to independence for these territories is to be prepared to provide assistance to their future governments in their economic development programs. The fifth point of this amendment asks that we begin preparations now to offer such assistance. This will be a valuable supplement to our policy of supporting Portugal, for Portugal has made clear her intention to cooperate in the economic development of these countries once they are independent. This is quite a burden for Portugal to assume, given her current economic problems and her own great development needs. I am sure she will welcome the participation of other donor nations.

We must consult with the future governments of Angola, Mozambique, and Guinea-Bissau as to their economic development goals and offer the kind of assistance that is consistent with these goals. Such an economic assistance program would provide tangible evidence of our recognition of these countries' right to self-determination and of our desire to build good, cooperative relations with them.

It is recommended that this preparation for a bilateral assistance program be combined with an effort to encourage other bilateral and multilateral donors to offer economic assistance. Just as the transition to political independence in Portuguese Africa is a matter of international concern, so is the transition from economic dependence to economic independence.

This amendment last calls for an immediate increase in our current programs of educational assistance to the Portuguese African territories. While economic development assistance will have to begin after the independence governments have determined how foreign assistance can best be used, these educational assistance programs were intended from the beginning to help prepare for independence. The needs of all three territories for skilled and educated manpower are said to be tremendous. Without African doctors, engineers, agricultural specialists, economic planners, teachers, and mechanics, these cannot be truly independent African States. The most significant and immediate contribution our country could make to a viable independence for these territories is to expand our programs of educational assistance.

Mr. President, the significance of the transition to independence in Portuguese Africa, and of our policy at this time, must not be underestimated. Our actions now will have a profound impact on our relations with Portugal, with the new nations, and with the independent African States for years to come. We must be clearly on the side of independence, economic and political self-determination, justice, and lasting peace for the people of Angola, Mozambique, and Guinea-Bissau. I believe that the policies outlined in this amendment will help provide a solid foundation for mutually beneficial relations between the United States and these emerging African States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the votes by which the amendments were agreed to.

Mr. GRIFFIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, that is on both amendments.

The PRESIDING OFFICER. The motion to lay on the table includes both amendments.

Mr. HUMPHREY. May I ask, is there any further business?

Mr. ROBERT C. BYRD. No.

Mr. HUMPHREY. I want to express my thanks to the acting minority leader, and for the cooperation of my colleagues.

ORDER FOR RECOGNITION OF SENATOR HELMS, SENATOR McCLURE, SENATOR EASTLAND, AND SENATOR MANSFIELD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the orders for the recognition of Senators tomorrow be modified as follows: that the Senator from North Carolina (Mr. HELMS) be recognized first for not to exceed 15 minutes; that he be followed by Mr. McCLURE for not to exceed 15 minutes; that he be followed by Mr. EASTLAND for not to exceed 15 minutes; and that he be followed by Mr. MANSFIELD for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at the hour of 10:30 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized each for not to exceed 15 minutes and in the order stated: Mr. HELMS, Mr. McCLURE, Mr. EASTLAND, and Mr. MANSFIELD. There will then be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 5 minutes each.

At the conclusion of routine morning business, the Senate will resume consideration of the unfinished business, S. 3394, the Foreign Assistance Act. Rollcall votes are expected to occur on amendments thereto and, hopefully, on final passage tomorrow.

Conference reports may also be called up, as well as other measures that have been cleared.

ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10:30 a.m. tomorrow.

The motion was agreed to; and at 5:50 p.m. the Senate adjourned until tomorrow, Wednesday, October 2, 1974, at 10:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate October 1, 1974:

VETERANS' ADMINISTRATION

Richard L. Roudebush, of Indiana, to be Administrator of Veterans' Affairs.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Tuesday, October 1, 1974*

The House met at 12 o'clock noon.

Rev. Clyde V. Jetter, Shiloh Missionary Baptist Church, Indianapolis, Ind., offered the following prayer:

O Thou who encompasseth the whole Earth with Thy most merciful favor and willest not that any of Thy children should perish, I would call down Thy blessing today upon all who are striving toward the making of a better world. I pray, O God, especially for all who are valiant for truth; for all who are working for purer and juster laws; for all who are working for peace between the nations; for all who are engaged in the relief of poverty; for all who are working toward the restoration of the broken unity of Thy holy church; for all who suffer for righteousness' sake.

O that men would praise the Lord for His goodness, and for His wonderful works to the children of men; and let them sacrifice the sacrifices of thanksgiving, and declare His works with rejoicing. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 16102. An act to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October 1974, through the last Sunday in February 1975.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 15323) entitled "An act to amend the

Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the amendment of the Senate to the bill (H.R. 12628) entitled "An act to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes," requests a further conference with the House on the disagreeing vote of the two Houses thereon, and appoints Mr. HARTKE, Mr. TALMADGE, Mr. RANDOLPH, Mr. HUGHES, Mr. CRANSTON, Mr. HANSEN, Mr. THURMOND, Mr. STAFFORD, and Mr. McCLURE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1724. An act to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes;

S. 3021. An act to amend title 28, United States Code, to provide that Madison County, Fla., shall be included in the northern judicial district of Florida; and

S. 4037. An act to extend for 2 years the authorization for the striking of medals in commemoration of the 100th anniversary of the cable car in San Francisco.

The message also announced that the President pro tempore, pursuant to Public Law 84–689, appointed Mr. SPARKMAN, Mr. JACKSON, Mr. MANSFIELD, Mr. PELL, Mr. KENNEDY, Mr. BAYH, Mr. NELSON, Mr. HOLLINGS, Mr. EAGLETON, Mr. TUNNEY, Mr. BENTSEN, Mr. JOHNSTON, Mr. HUDDLESTON, Mr. JAVITS, Mr. STEVENS, and Mr. BUCKLEY as delegates, on the part of the Senate, to the North Atlantic Assembly, to be held in London, England, November 11 to 16, 1974.

REV. CLYDE VIRGIL JETTER

(Mr. HUDNUT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUDNUT. Mr. Speaker, I am very proud to say that the opening prayer for today's session was delivered by my very good friend, and former colleague in the ministry, Rev. C. V. Jetter, pastor of the Shiloh Missionary Baptist Church, Indianapolis, Ind.

Reverend Jetter is a director of the Evangelical Board of the National Baptist Convention of America; chairman of the State Evangelical Board of Indiana; and president of the Baptist Ministerial Alliance of Indianapolis.

In addition to his pastoral duties, Reverend Jetter is well known in Indianapolis for his involvement in community activities. He does volunteer work at OIC—opportunities industrialization centers—in Indianapolis, and is a member of the National Association for the Advancement of Colored People and the Southern Christian Leadership Conference.

Reverend Jetter's prayer was sincere, meaningful, and appropriate and I am sure that I speak for all of us in welcoming him and expressing appreciation to him for being with us today.

TRIBUTE TO FORMER CONGRESSMAN CLIFFORD G. McINTIRE

(Mr. COHEN asked and was given permission to address the House for 1 minute and to revise and extend his marks.)

Mr. COHEN. Mr. Speaker, the people of the State of Maine and of this country suffered a great loss this morning with the death of the Honorable Clifford G. McIntire, a former Member of this body and a devoted public servant through all of his 66 years.

As I am sure my colleagues who served wth Congressman McIntire will attest, Cliff was a respected legislative craftsman, an articulate spokesman for the ideals he believed in, and a man of absolute integrity. He was loved in the State of Maine. His friendship was cherished by those who worked with him in this Chamber.

A resident of Perham, Maine, and a graduate of the University of Maine, Clifford McIntire worked with the Farm Credit Administration and the Maine Potato Growers, Inc., before coming to Washington in 1951 to serve in the 82d Congress. The experience gave him considerable expertise on problems relating to agriculture and the transportation of agricultural commodities, and he emerged as one of the leading congressional experts in these areas. His efforts to serve the Nation and his Maine constituents resulted in his election to five consecutive terms in the House of Representatives.

In 1965, Cliff McIntire became director of the American Farm Bureau Federation's natural resources department and subsequently was named the bureau's director of legislation. President Nixon recognized his knowledge of rural and farm problems by naming Cliff McIntire to the Task Force on Rural Development in 1969. At the time of his death, Congressman McIntire was once again preparing to serve his country, this time as director of the U.S. Railway Association.

Last week Clifford McIntire fell from a ladder while doing repair work on his Perham home. He lapsed into a coma from which he never emerged and died early this morning.

I know that my colleagues are saddened by this tragic loss and will join my wife and me in extending sincerest sympathies to Cliff's lovely wife, Wilda and his children.

The country and the State of Maine are poorer for his death. We are richer for his having lived.

Mr. GOODLING. Mr. Speaker, will the gentleman yield?

Mr. COHEN. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Speaker, we are all deeply saddened by the announcement that Clifford G. McIntire of Maine, a former colleague, passed away early this morning.

All of us who served in this House of Representatives with Clifford McIntire knew him to be a fundamentally fine person, being possessed of high ideals and having a deep understanding of human nature. He had a profound grasp of the intricacies of modern agriculture and of our natural resources, his knowledge being born of firsthand experience as a farmer, through formal study at the University of Maine, and through association with various farm organizations and agricultural and conservation services.

Clifford McIntire had deep respect for his fellow man, being a deeply religious man who understood and therefore lived his religious precepts. He was an eminently fair man, always willing to listen to someone else's side of a story, and he had that unique disposition of being able to disagree with a person in a very agreeable way. He believed in the dignity of people.

He was always willing to cooperate and to be of service. Being a hard worker, he was regulated by the duties that were on hand, rather than the hands of a clock. He had tremendous vitality. Those who had the privilege of working with him in this House of Representatives knew him to be a highly competent legislator, a person who thought deeply and effectively.

Mr. McIntire was a real patriot, a person who felt that America was truly a great country, highly deserving of a citizen's service and sacrifice. America, he felt, was a land of opportunity and promise, both for the oppressed abroad and for those inspired by ambition and effort at home.

In his passing, Clifford McIntire leaves a void, for he was possessed of qualities that enhanced the nature of other men. While his going represents a deep loss for all of us, we can console ourselves in the realization that in having known him, we gained a deeper and better understanding of goodness in man.

I would like to express my deep sympathy to Mrs. McIntire and her family in their great loss.

SUPPORT FOR PAM AMERICAN AIRWAYS

(Mr. RYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN. Mr. Speaker, it is not easy to admit error. I do not do it often—even if I should. But I now want to plead guilty to error here in the well of this House. I had assumed that the request of Pan American Airways for assistance was another case of the Congress being asked to bail out a large corporation that got into trouble because of corporate mismanagement as in the Lockheed case, or plain thievery as in the Penn Central case.

Apparently too many of us have done

the same. The facts are different, as the splendid efforts of the Pan Am employees have told us—in full page ads in the Nation's newspapers. I would like to see this House reopen the whole subject of support for Pan Am, because of the rank and discriminatory treatment they appear to have received, from this Nation as well as most others where they operate as an American air carrier. One last point, but most important: absolutely no one, inside the company or outside, has asked me to comment in this fashion. I do so only because I believe I was wrong in my too hasty judgment of the problems which Pan Am has.

TVA SHOULD LIMIT REVIEW OF INCREASES TO EVERY 2 YEARS

(Mr. EVINS of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EVINS of Tennessee. Mr. Speaker, I am today introducing a bill designed to restrict and control power rate increases by the Tennessee Valley Authority by limiting review on such increases to once every 2 years.

The people of the Tennessee Valley area have been burdened with nine power rate increases by TVA during the past 7 years—three increases this year alone.

Presently TVA reviews its rate quarterly—a practice that has proved costly to consumers in recent years—and the agency recently implemented a monthly fuel escalator clause, under which rates rise monthly to reflect increased costs of coal. This monthly escalator is an open invitation to monopolistic coal companies controlled by big oil companies to raise the price of coal.

Over the years TVA has long been a model for low-cost power, but recent rate increases are now destroying TVA's low-cost power yardstick image.

The bill which I am today introducing amends the TVA Act to require that rates for upward adjustment cannot be reviewed more frequently than once every 2 years. Under this bill, however, rates can be adjusted downward any time.

This bill is similar to provisions of the Bonneville Power Administration Act which requires that agency—BPA—to review its rates once every 5 years.

Cosponsoring this bill with me are members of the Tennessee delegation, including Congressmen Quillen, Duncan, Baker, Fulton, Beard, Jones, and Kuykendall.

LANCASTER, PA., CELEBRATES NATIONAL CAPITAL CITY DAY

(Mr. ESHLEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ESHLEMAN. Mr. Speaker, Lancaster, Pa., the principal city in my congressional district, was the Capital of the United States for 1 day—on September 27, 1777. The Continental Congress after leaving Philadelphia and on their way further west, held a session of Congress that day in the Old Court House in Lancaster.

The mayor of Lancaster, to properly recognize that date, last Friday, September 27, 1974, issued the following proclamation:

Proclamation

Whereas in the early days of our country, just before Valley Forge, when the British invated Philadelphia, the Continental Congress fled westward and entered Lancaster City from the northeast; and

Whereas one session of the Continental Congress was held in Lancaster at the Old Court House on the site of the monument on September 27, 1777

Now, therefore, I, Richard M. Scott, Mayor of the City of Lancaster, Pennsylvania, do hereby proclaim the day Friday, September 27, 1974 to be "National Capital City Day" in Lancaster and urge all citizens to participate in the many commemorative events planned for Penn Square.

In witness whereof I have hereunto set my hand and caused the seal of this office to be affixed this twenty-seventh day of September in the year of Our Lord Nineteen Hundred and Seventy-four:

Richard M. Scott,
Mayor.

SHARP HIKE IN GAS TAX WOULD BE HIGHLY INFLATIONARY

(Mr. CONTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONTE. Mr. Speaker, the administration's proposal to increase the gasoline excise tax by 10 cents a gallon is highly inflationary. And if it was meant to stop gasoline imports, this proposal is a gross case of overkill.

Only a very small portion—about 3 percent—of our gasoline supply trickles in from abroad. According to FEA statistics for August, the United States consumed 6,800,000 barrels of gasoline a day—of which only 200,000 barrels were imported.

A whopping 10-cents-a-gallon tax increase would especially hurt the poor and those people living in rural areas. With the price of gasoline now between 50 and 60 cents a gallon, you can bet they are not doing any "joy riding" these days.

For these people, a sharp hike in the gasoline tax would be highly inflationary.

I urge the administration to drop this proposal. It will not stop inflation; it will stimulate it. And it will not do much to curb gasoline imports, because they are not much to begin with.

PROPOSED GAS TAX INCREASE WOULD BE REGRESSIVE

(Mr. FOLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOLEY. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Massachusetts (Mr. Conte) who has just left the well.

Mr. Speaker, recent proposals made to the administration advocating an additional Federal tax of 10 cents per gallon of gasoline are utterly without merit and should be rejected outright by President Ford.

I am deeply opposed to this form of regressive taxation. It is no more or less than a device to raise revenue at the expense of the already overburdened middle- and lower-income taxpayer and is unrelated to any larger energy conservation program.

The use of the automobile is essential to the livelihood of millions of Americans, particularly those who live in rural and suburban areas, away from access to mass transportation systems. An excise tax on gasoline is regressive and inequitable taxation, which blindly disregards income and the ability to pay. It would only reduce further the income of those many American families who already have had their incomes substantially eroded by the inflationary spiral.

Ironically, an excise tax on gasoline would only add to inflation by arbitrarily and substantially increasing the price of a commodity essential to the life of most citizens and to the prosperity of our economy.

Finally, it grossly violates the concept of equity which is so important to any attempt to win the battle against inflation. My own participation in the President's Summit Conference on the Economy has only reconfirmed my personal conviction that the burden of the anti-inflationary effort must be shared by all sectors of the economy and our society. Any other approach would amount to rationing by income.

I urge the President to firmly reject the 10-cents-a-gallon gasoline excise tax proposal and not further add to the already disproportionate burden being borne by middle- and lower-income taxpayers.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first individual bill on the Private Calendar.

MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER Is there objection to the request of the gentleman from Iowa?

There was no objection.

COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estate of the late Richard Burton, SFC, U.S. Army (retired).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTELLE M. FASS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) for the relief of Estelle M. Fass to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

GABRIEL EDGAR BUCHOWIECKI

The Clerk called the bill (H.R. 3190) for the relief of Gabriel Edgar Buchowiecki.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LEONOR LOPEZ

The Clerk called the Senate bill (S. 280) for the relief of Leonor Lopez.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PETER BOSCAS

The Clerk called the bill (H.R. 2637) for the relief of the estate of Peter Boscas, deceased.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

BENJAMIN BAXTER

The Clerk called the bill (H.R. 10627) for the relief of Benjamin Baxter.

There being no objection, the Clerk read the bill, as follows:

H.R. 10627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture shall reconvey to Benjamin Baxter of Fowler, California, Patent Number 3,159,172, which had been originally issued to him on December 1, 1964, by the United States Patent Office and which he had subsequently conveyed by assignment (recorded on reel 1511, frame 305 in the United States Patent Office on March 23, 1965) to the United States of America, as represented by the Secretary of Agriculture.

With the following committee amendment:

At the end of the bill add the following sentence: "Any constructed device or system covered by the patent, and not owned by Benjamin Baxter at the time of reconveyance, may be freely sold or used after the reconveyance, without payment of patent royalties."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SELMER AMUNDSON

The Clerk called the bill (H.R. 3538) for the relief of Selmer Amundson.

There being no objection, the Clerk read the bill, as follows:

H.R. 3538

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for purposes of determining the entitlement of Selmer Amundson, of Albert Lea, Minnesota, to disability insurance benefits under section 223 of the Social Security Act (and to the establishment of a period of disability under section 216(i) of such Act) on the basis of his wages and self-employment income, the tax returns of the said Selmer Amundson's self-employment income for the years 1964 through 1968 (which were filed in 1971 following discovery of the wrongful failure of his accountant to file them when due) shall each be deemed to have been filed before the expiration of the applicable time limitation as defined in section 205(c)(1)(B) of such Act, and such self-employment income shall accordingly be included in the records of the Secretary of Health, Education, and Welfare as provided in section 205(c)(4)(C) of such Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIYONAO OKAMI

The Clerk called the bill (H.R. 10827) for the relief of Kiyonao Okami.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman of Ohio?

There was no objection.

OSCAR H. BARNETT

The Clerk called the bill (H.R. 12148) for the relief of Oscar H. Barnett.

There being no objection, the Clerk read the bill, as follows:

H.R. 12148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to convey by quitclaim deed or other appropriate instruments, without consideration, to Oscar H. Barnett, all right, title, and interest of the United States in and to the following tract of land located in Leake County, Mississippi.

South half of northwest quarter of northwest quarter, section 25, township 11 north, range 7 east.

With the following committee amendments:

Page 1, line 5: After "consideration", insert "and without warranty of title".

Page 1, line 9: After "east", insert "of Choctaw Meridian in Leake County, Mississippi".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE H. MORGAN

The Clerk called the Senate bill (S. 1276) for the relief of Joe H. Morgan.

There being no objection, the Clerk read the Senate bill as follows:

S. 1276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Joe H. Morgan of Mililani Town, Hawaii, is relieved of all liability for repayment to the United States of the sum of $940, representing the amount of unauthorized travel expenses paid by the United States to transport the dependent wife and child of the said Joe H. Morgan from Honolulu, Hawaii, to Norton Air Force Base, California, in June 1970, and from San Francisco, California, to Honolulu, Hawaii, in June 1971, following the release of the said Joe H. Morgan from active duty with the United States Navy on June 30, 1970. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Joe H. Morgan the sum of any amount received or withheld from him on account of the indebtedness referred to in the first section of this Act.

(b) No part of any amount appropriated in this section shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any amount not exceeding $1,000.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANDSTROM PRODUCTS CO. OF PORT BYRON, ILL.

The Clerk called the bill (H.R. 2639) for the relief of Sandstrom Products Co., of Port Byron, Ill.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DELMIRA MARTINEZ SANDOVAL

The Clerk called the bill (H.R. 3339) for the relief of Delmira Martinez Sandoval.

There being no objection, the Clerk read the bill, as follows:

H.R. 3339

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Delmira Martinez Sandoval may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Klein N. M. DeBow, citizens of the United States pursuant to section 204 of the Act, and the provisions of section 245 (c) of the Act shall be inapplicable in this case: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, line 4, strike out the name "Delmira Martinez Sandoval" and insert in lieu thereof the name "Delmira DeBow".

On page 1, line 6, after the words "petition filed in" strike out "his" and substitute "her".

The committee amendments were agreed to.

The title was amended so as to read: "For the relief of Delmira DeBow."

A motion to reconsider was laid on the table.

SAMUEL CABILDO JOSE

The Clerk called the bill (H.R. 7767) for the relief of Samuel Cabildo Jose.

There being no objection, the Clerk read the bill as follows:

H.R. 7767

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Samuel Cabildo Jose shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to deduct one number from the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (6) of section 203(a) of the Immigration and Nationality Act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof, the following:

That, in the administration of the Immigration and Nationality Act, Samuel Cabildo Jose may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Alfred N. Jose, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FERNANDO LABRADOR DEL ROSARIO

The Clerk called the bill (H.R. 9182) for the relief of Fernando Labrador del Rosario.

There being no objection, the Clerk read the bill as follows:

H.R. 9182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Fernando Labrador del Rosario may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in his behalf by Mr. Teodoro de la Fuente del Rosario, citizen of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendments:

On page 1, at the end of line 6 after "Mr." insert "and Mrs.".

On page 1, line 7, before the word "citizen" insert ", a".

On page 1, at the end of line 7, insert "and a lawful resident alien, respectively,".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIA MARTINS SANCHEZ

The Clerk called the bill (H.R. 9273) for the relief of Maria Martins Sanchez.

There being no objection, the Clerk read the bill as follows:

H.R. 9273

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in the administration of the Immigration and Nationality Act, Maria Martins Sanchez, the widow of a citizen of the United States, shall be deemed to be an immediate relative within the meaning of section 201(b) of such Act.

With the following committee amendment:

On page 1, line 6, strike out the word "Act." and substitute in lieu thereof the following: "Act and the provisions of section 204 of such Act shall not be applicable in this case."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. ALDO MASSARA

The Clerk called the bill (H.R. 9654) for the relief of Mr. Aldo Massara.

There being no objection, the Clerk read the bill as follows:

H.R. 9654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Mr. Aldo Massara shall be held and considered to have complied with the provisions of section 316 of that Act as they relate to residence and physical presence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TZE TSUN LEE

The Clerk called the bill (H.R. 11102) for the relief of Tze Tsun Lee.

Mr. BAUMAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

LORETTO B. FITZGERALD

The Clerk called the Senate bill (S. 239) for the relief of Loretto B. Fitzgerald.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VICTOR HENRIQUE CARLOS GIBSON

The Clerk called the Senate bill (S. 864) for the relief of Victor Henrique Carlos Gibson.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DULCE PILAR CASTIN (CASTIN-CASAS)

The Clerk called the Senate bill (S. 2337) for the relief of Dulce Pilar Castin (Castin-Casas).

There being no objection, the Clerk read the Senate bill as follows:

S. 2337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Dulce Pilar Castin (Castin-Casas) shall be classified as a child within the meaning of section 101(b) (1) (F) of such Act upon approval of a petition filed in her behalf pursuant to section 204 of such Act, by Vincent F. Iannarelli, Junior, a citizen of the United States. The brothers and sisters of the said Dulce Pilar Castin (Castin-Casas) shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CARIDAD R. BALONAN

The Clerk called the Senate bill (S. 2382) for the relief of Caridad R. Balonan.

There being no objection, the Clerk read the Senate bill as follows:

S. 2382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a) (2) and 204 of the Immigration and Nationality Act, Caridad R. Balonan shall be held and considered to be the natural-born alien daughter of Felix O. Balonan, a lawful resident alien of the United States. No natural parent, brother, or sister of the said Caridad R. Balonan, by virtue of such relationship, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IVY MAY GLOCKNER

The Clerk called the Senate joint resolution (S.J. Res. 192) to grant the status of permanent residence to Ivy May Glockner formerly Ivy May Richmond nee Pond.

There being no objection, the Clerk read the Senate joint resolution, as follows:

S.J. RES. 192

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the case of Ivy May Glockner formerly Ivy May Richmond nee Pond, in whose case deportation was suspended in accordance with the provisions of section 19(c) (2) of the Immigration Act of February 5, 1917, as amended (39 Stat. 889; 54 Stat. 672–673), the Commissioner of Immigration and Naturalization is authorized and directed to cancel deportation proceedings and, in accordance with the provisions of the said section 19(c) (2) of the said Act, to record the alien's lawful admission for permanent residence as of June 9, 1946 upon payment of a fee of $18 to the Commissioner.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HARRIET LA POINTE VANDERVENTER

The Clerk called the bill (H.R. 8824) to provide for the conveyance of certain real property of the United States to Mrs. Harriet La Pointe Vanderventer.

There being no objection, the Clerk read the bill as follows:

H.R. 8824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 2 of this Act, the Secretary of the Interior shall convey, without consideration therefor, to Mrs. Harriet La Pointe Vanderventer, Ashland, Wisconsin, or her heirs, all right, title, and interest of the United States in and to the Bad River Indian allotment numbered 15, more particularly described as the east half of the southeast quarter, section 19, township 47 north, range 2 west, fourth principal meridian, Wisconsin, containing eighty acres, more or less.

SEC. 2. The conveyance referred to in the first section of this Act shall be subject to the same limitations, conditions, restrictions, and reservations contained in the patent issued by the United States to the original allottee of the Bad River Indan allotment numbered 15, which allotment is more particularly described in such first section.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on September 27, 1974 the President approved and signed a bill and joint resolution of the House of the following titles:

H.R. 14883. An act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for a 2-year period, and for other purposes; and

H.J. Res. 910. Joint resolution asking the President of the United States to declare the fourth Saturday of September 1974 "National Hunting and Fishing Day."

CALL OF THE HOUSE

Mr. WYDLER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 546]

Adams
Andrews, N. Dak.
Ashley
Barrett
Blackburn
Blatnik
Brasco
Brinkley
Burke, Calif.
Carey, N.Y.
Cederberg
Chisholm
Clark
Conyers
Davis, Ga.
Denholm
Derwinski
Diggs
Dorn
Drinan
Edwards, Calif.
Evans, Colo.
Fisher
Fraser
Ginn
Grasso
Gray
Griffiths
Hansen, Idaho
Harsha
Hastings
Hébert
Heinz
Helstoski
Holifield
Johnson, Colo.
Kuykendall
Lehman
Lent
McClory
McCloskey
Macdonald
Madigan
Mathis, Ga.
Matsunaga
Mayne
Michel
Mollohan
Owens
Passman
Patten
Podell
Powell, Ohio
Rangel
Rarick
Reid
Rhodes
Riegle
Rooney, N.Y.
Runnels
Ruppe
Ryan
Seiberling
Steele
Stuckey
Teague
Tiernan
Treen
Udall
Wiggins
Young, Ga.

The SPEAKER. On this rollcall, 363 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. DINGELL. Mr. Speaker, reserving the right to object, will the gentleman tell us what those reports are?

Mr. BOLLING. Mr. Speaker, I will advise the gentleman that the Committee on Rules has scheduled a meeting for 2 p.m. to consider the following matters:

H.R. 16204, from the Committee on Interstate and Foreign Commerce, dealing with the national health policy;

Senate Joint Resolution 40, from the Committee on Education and Labor, to authorize and request the President to call a White House Conference on Library and Information Sciences in 1976;

House Resolution 1387, original jurisdiction in the Committee on Rules, amending rule XXIII, clause 6, of the Rules of the House;

H.R. 11374, to return to the Congress those things which shall reflect the intent of Congress without bureaucratic misrepresentation;

H.R. 13320, Armed Services, to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended; and

H.R. 13002, from the Committee on Interstate and Foreign Commerce, to amend the Public Health Service Act to assure that the public is provided with safe drinking water, and for other purposes.

Some of those matters have not been heard in the Committee on Rules, others toward the end of the list have been heard, and were deferred, and I will assume there will be votes on them, and those would be the reports, and insofar as I know the only reports that would be sought to be filed.

Mr. DINGELL. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

FINAL QUARTERLY REPORT OF THE ECONOMIC STABILIZATION PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking and Currency:

To the Congress of the United States:

In accordance with section 216 of the Economic Stabilization Act of 1970, as amended, I am hereby transmitting to the Congress the final quarterly report of the Economic Stabilization Program. This report covers the first three months of 1974 as well as the month of April, 1974—the last month before legislative authority for the program expired.

When the Economic Stabilization Program was begun in 1971, President Nixon emphasized his hope that it would be temporary. This objective has now been met, as all mandatory wage and price controls have been lifted, except for those on petroleum which have been mandated separately by the Congress.

Looking back, I believe this program gave all Americans a better appreciation of how powerful the forces of inflation are in our economy and how difficult it is to harness them. It also gave us convincing proof that wage and price controls are not the right way to solve the long-range problems of our economy. In retrospect, this may have been the program's greatest lasting value.

GERALD R. FORD.

THE WHITE HOUSE, *October 1, 1974.*

APPOINTMENT OF CONFEREES ON H.R. 12628, VETERANS' EDUCATION AND REHABILITATION AMENDMENTS OF 1974

Mr. TEAGUE. Mr. Speaker, I move to take from the Speaker's desk the bill (H.R. 12628) Veterans' Education and Rehabilitation Amendments of 1974, with a House amendment to the Senate amendment, insist on the House amendment to the Senate amendment, and agree to the further conference asked by the Senate.

The SPEAKER. Without objection, the motion is agreed to.

There was no objection.

The SPEAKER. The Chair appoints the following conferees: Messrs. DORN, TEAGUE, HALEY, DULSKI, HELSTOSKI, and HAMMERSCHMIDT, Mrs. HECKLER of Massachusetts, and Messrs. ZWACH and WYLIE.

RECOMMITTAL OF CONFERENCE REPORT ON S. 1769

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the conference report on the Senate bill (S. 1769) to reduce loss of life and property through fire prevention control, and for other purposes, be recommitted to the committee of conference.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 547]

Abzug
Adams
Ashley
Badillo
Barrett
Blackburn
Blatnik
Brasco
Burke, Calif.
Carey, N.Y.
Cederberg
Chisholm
Clark
Conyers
Corman
Davis, Ga.
Denholm
Derwinski
Dorn
Edwards, Calif.
Evans, Colo.
Fisher
Flowers
Foley
Fraser
Frey
Grasso
Gray
Hanley
Hanna
Hansen, Idaho
Harsha
Hastings
Hébert
Heinz
Helstoski
Johnson, Colo.
Lehman
McClory
McCloskey
McFall
Madigan
Mayne
Michel
Minshall, Ohio
Montgomery
Moorhead, Pa.
Murphy, N.Y.
Owens
Patman
Pettis
Pike
Podell
Railsback
Rangel
Rarick
Rees
Reid
Rhodes
Riegle
Rooney, N.Y.
Runnels
Ryan
Skubitz
Smith, N.Y.
Stanton, James V.
Steele
Stuckey
Taylor, Mo.
Tiernan
Treen
Udall
Wiggins
Wyman
Young, Ga.

The SPEAKER. On this rollcall 359 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE REFORM AMENDMENTS OF 1974

Mr. BOLLING. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution, House Resolution 988, with Mr. NATCHER in the chair.

The Clerk read the title of the resolution.

The CHAIRMAN. When the Committee rose on yesterday, all time for general debate on the resolution had expired.

Pursuant to the rule, immediately after the reading of the first paragraph of House Resolution 988, it shall be in order to consider the text of House Resolution 1248, if offered, as an amendment in the nature of a substitute for House Resolution 988.

The Clerk will read the first paragraph of House Resolution 988.

The Clerk read as follows:

Resolved, That this resolution may be cited as the "Committee Reform Amendments of 1974".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mrs. HANSEN of Washington:

Strike out all after the resolving clause and insert:

TITLE I—OVERSIGHT RESPONSIBILITIES, LEGISLATIVE REVIEW AND ADDITIONAL COMMITTEE FUNCTIONS, REFERRAL OF BILLS AND RESOLUTIONS, ELECTION AND MEMBERSHIP OF COMMITTEES, AND RULES OF PROCEDURES FOR COMMITTEES

SEC. 101. Rule X of the Rules of the House of Representatives is amended by striking out clauses 2 through 5 and inserting in lieu thereof the following:

"General Oversight Responsibilities

"2. (a) In order to assist the House in—

"(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

"(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate, the various standing committees shall have oversight responsibilities as provided in paragraph (b).

"(b) (1) Each standing committee (other than the Committee on Appropriations) shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the program thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such committee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake futures research and forecasting on matters within the jurisdiction of that committee. Each such committee having fifteen or more members shall establish an oversight subcommittee, or require its subcommittees if any, to conduct oversight in the area of their respective jurisdiction, to assist in carrying out its responsibilities under this subparagraph.

"(2) The Committee on Government Operations shall review and study, on a continuing basis, the operation of Government activities at all levels with a view of determining their economy and efficiency.

"(3) The Committee on Appropriations shall conduct such studies and examinations of the organization and operation of executive departments and other executive agencies (including any agency the majority of the stock of which is owned by the Government of the United States) as it may deem necessary to assist it in the determination of matters within its jurisdiction.

"(c) At the beginning of each Congress, an appropriate representative of the Committee on Government Operations shall meet with appropriate representatives of each of the other committees of the House to discuss the oversight plans of such committees and to assist in coordinating all of the oversight activities of the House during such Congress. Within 60 days after the Congress convenes, the Committee on Government Operations shall report to the House the results of such meetings and discussions, along with any recommendations which it may have to assure the most effective coordination of such activities and otherwise achieve the objectives of this clause.

"(d) Each standing committee of the House shall have the function of reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction as described in clause 1.

"Special Oversight Functions

"3. (a) The Committee on Armed Services shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving international arms control and disarmament and the education of military dependents in schools.

"(b) The Committee on Education and Labor shall have the function of reviewing, studying, and coordinating, on a continuing basis, all laws, programs, and Government activities dealing with or involving domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees.

"(c) The Committee on Foreign Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving customs administration, international financial and monetary organizations, and international fishing agreements.

"(d) The Committee on Interior, Energy, and Natural Resources shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste.

"(e) The Committee on Science and Technology shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving nonmilitary research and development.

"Additional Functions of Committees

"4. (a) (1) The Committee on Appropriations shall, within thirty days after the transmittal of the Budget to the Congress each year, hold hearings on the Budget as a whole with particular reference to—

"(A) the basic recommendations and budgetary policies of the President in the presentation of the Budget; and

"(B) the fiscal, financial, and economic assumptions used as bases in arriving at total estimated expenditures and receipts.

"(2) In holding hearings pursuant to subparagraph (1), the committee shall receive testimony from the Secretary of the Treasury, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and such other persons as the committee may desire.

"(3) Hearings pursuant to subparagraph (1), or any part thereof, shall be held in open session, except when the committee, in open session and with a quorum present, determines by rollcall vote that the testimony to be taken at that hearing may be related to a matter of national security. A transcript of all such hearings shall be printed and a copy thereof furnished to each Member, Delegate, and the Resident Commissioner from Puerto Rico.

"(4) Hearings pursuant to subparagraph (1), or any part thereof, may be held before joint meetings of the committee and the Committee on Appropriations of the Senate in accordance with such procedures as the two committees jointly may determine.

"(b) (1) The Committee on Government Operations shall have the general function of—

"(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such reports;

"(B) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government; and

"(C) studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

"(2) In addition to its duties under subparagraph (1), the Committee on Government Operations may at any time conduct investigations of any matter without regard to the provisions of clause 1, 2, 3, or 4 (or this clause) conferring jurisdiction over such matter upon another standing committee. The committee's findings and recommendations in any such investigation shall be made available to the other standing committee or committees having jurisdiction over the matter involved (and included in the report of any such other committee when required by clause 2(l) (3) of Rule XI).

"(c) The Committee on House Administration shall have the function of—

"(1) examining all bills, amendments, and joint resolutions after passage by the House and, in cooperation with the Senate, examining all bills and joint resolutions which shall have passed both Houses to see that they are correctly enolled, forthwith presenting those which originated in the House to the President of the United States in person after their signature by the Speaker of the House and the President of the Senate and reporting the fact and date of such presentation to the House;

"(2) reporting to the Sergeant-at-Arms of the House concerning the travel of Members of the House; and

"(3) providing, through the House Information Systems a scheduling service which may be used by all the committees and subcommittees of the House to eliminate, insofar as possible, any meeting and scheduling conflicts.

"(d) (1) The Committee on Standards of Official Conduct is authorized (A) to recommend to the House from time to time such administrative actions as it may deem appropriate to establish or enforce standards of official conduct for Members, officers, and employees of the House; (B) to investigate, subject to subparagraph (2) of this paragraph, any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities, and, after notice and hearing, to recommend to the House, by resolution or otherwise, such action as the committee may deem appropriate in the circumstances; (C) to report to the appropriate Federal or State authorities, with the approval of the House, any substantial evidence of a violation, by a Member, officer, or employee of the House, of any law applicable to the performance of his duties or the discharge of his responsibilities, which may have been disclosed in a committee investigation; and (D) to give consideration to the request of any Member, officer, or employee of the House for an advisory opinion with respect to the general propriety of any current or proposed conduct of such Member, officer, or employee and, with appropriate deletions to assure the privacy of the individual concerned, to publish such opinion for the guidance of other Members, officers, and employees of the House.

"(2) (A) No resolution, report, recommendation, or advisory opinion relating to the official conduct of a Member, officer, or employee of the House shall be made by the Committee on Standards of Official Conduct, and no investigation of such conduct shall be undertaken by such committee, unless approved by the affirmative vote of a majority of the members of the committee.

"(B) Except in the case of an investigation undertaken by the committee on its own initiative, the committee may undertake an investigation relating to the official conduct of an individual Member, officer, or employee of the House of Representatives only—

"(i) upon receipt of a complaint, in writing and under oath, made by or submitted to a Member of the House and transmitted to the committee by such Member, or

"(ii) upon receipt of a complaint, in writing and under oath, directly from an individual not a Member of the House if the committee finds that such complaint has been submitted by such individual to not less than three Members of the House who have refused, in writing, to transmit such complaint to the committee.

"(C) No investigation shall be undertaken by the committee of any alleged violation of a law, rule, regulation, or standard of conduct not in effect at the time of the alleged violation.

"(D) A member of the committee shall be ineligible to participate, as a member of the committee, in any committee proceeding relating to his or her official conduct. In any case in which a member of the committee is ineligible to act as a member of the committee under the preceding sentence, the Speaker of the House shall designate a Member of the House from the same political party as the ineligible member of the committee to act as a member of the committee in any committee proceeding relating to the official conduct of such ineligible member.

"(e) (1) Each standing committee of the House shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing program and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the programs and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII.

"(2) Each standing committee of the House shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

"Referral of Bills, Resolutions, and Other Matters to Committees

"5. (a) Each bill, resolution, or other matter which relates to a subject listed under any standing committee named in clause 1 shall be referred by the Speaker in accordance with the provisions of this clause.

"(b) Every referral of any matter under paragraph (a) shall be made in such manner as to assure to the maximum extent feasible that each committee which has jurisdiction under clause 1 over the subject matter of any provision thereof will have responsibility for considering such provision and reporting to the House with respect thereto. Any precedents, rulings, and procedures in effect prior to the Ninety-Fourth Congress shall be applied with respect to referrals under this clause only to the extent that they will contribute to the achievement of the objectives of this clause.

"(c) In carrying out paragraph (a) with respect to any matter, the Speaker may refer the matter simultaneously to two or more committees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any committee after the first), or divide the matter into two or more parts reflecting different subjects and jurisdictions) and refer each such part to a different committee, or refer the matter to a special ad hoc committee appointed by the Speaker with the approval of the House (from the members of the committees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the House thereon, or make such other provision as may be considered appropriate.

"(d) After the introduction in the House of each bill or resolution the Congressional Research Service of the Library of Congress shall prepare a factual description of the subject involved therein not to exceed one hundred words; such description shall be published in the Congressional Record and the Digest of Public General Bills and Resolutions as soon as possible after introduction.

"Election and Membership of Committees; Chairman; Vacancies; Select and Conference Committees

"6. (a) (1) The standing committees specified in clause 1 shall be elected by the House at the commencement of each Congress, from nominations submitted by the respective party caucuses.

"(2) One-half of the members of the Committee on Standards of Official Conduct shall be from the majority party and one-half shall be from the minority party.

"(b) One of the Members of each standing committee shall be elected by the House, from nominations submitted by the majority party caucus, at the commencement of each Congress, as chairman thereof. In the temporary absence of the chairman, the Member next in rank in the order named in the election of the committee, and so on, as often as the case shall happen, shall act as chairman; and in case of a permanent vacancy in the chairmanship of any such committee the House shall elect another chairman.

"(c) Each standing committee of the House of Representatives that has more than fifteen members shall establish at least four subcommittees.

"(d) All vacancies in standing committees shall be filled by election by the House.

"(e) The Speaker shall appoint all select and conference committees which shall be ordered by the House from time to time. In appointing members to conference committees the Speaker shall appoint no less than a majority of members who generally supported the House position as determined by the Speaker.

"(f) The Speaker may appoint the Resident Commissioner from Puerto Rico and the Delegate from the District of Columbia, Virgin Islands, and Guam to any conference committee that is considering legislation reported from a committee on which they serve.

"(g) For the purpose of paragraph (j) of clause 6 of rule XI (1) there shall be no more than six standing subcommittees of each standing committee of the House, except for the Committee on Appropriations and (2) no Member shall appoint more than one staff person pursuant to such provisions.

SEC. 102. Rule XI of the Rules of the House of Representatives is amended to read as follows:

"Rule XI.

"RULES OF PROCEDURE FOR COMMITTEES.

"In General

"1. (a) (1) The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

"(2) Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules so far as applicable.

"(b) Each committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X, and (subject to the adoption of expenses resolutions as required by clause 5) to incur expenses (including travel expenses) in connection therewith.

"(c) Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of a committee shall be paid from the contingent fund of the House.

"(d) Each committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of that committee under this rule and Rule X during the Congress sending at noon on January 3 of such year.

"Committee Rules

"Adoption of written rules

"2. (a) Each standing committee of the House shall adopt written rules governing its procedure. Such rules—

"(1) shall be adopted in a meeting which is open to the public unless the committee, in open session and with a quorum present, determines by rollcall vote that all or part of the meeting is to be closed to the public;

"(2) shall be not inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House; and

"(3) shall in any event incorporate all of the succeeding provisions of this clause to the extent applicable.

Each committee's rules specifying its regular meeting days, and any other rules of a committee which are in addition to the provisions of this clause, shall be published in the Congressional Record not later than thirty days after the Congress convenes in each odd-numbered year. Each select or joint committee shall comply with the provisions of this paragraph unless specifically prohibited by law.

"Regular meeting days

"(b) Each standing committee of the House shall adopt regular meeting days, which shall be not less frequent than monthly, for the conduct of its business. Each such committee shall meet, for the consideration of any bill or resolution pending before the committee or for the transaction of other committee business, on all regular meeting days fixed by the committee, unless otherwise provided by written rule adopted by the committee.

"Additional and special meetings

"(c) (1) The chairman of each standing committee may call and convene, as he or she considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

"(2) If at least three members of any standing committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

"Ranking majority Member to preside in absence of chairman

"(d) If the chairman of any standing committee is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

"Committee records

"(e) (1) Each committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting.

"(2) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

"Proxies

"(f) No vote by any member of any committee or subcommittee with respect to any measure or matter may be cast by proxy unless the committee, by written rule adopted by the committee, permits voting by proxy and requires that the proxy authorization shall be in writing, shall designate the person who is to execute the proxy authorization, and shall be limited to a specific measure or matter and any amendments or motions pertaining thereto; except that member may authorize a general proxy only for motions to recess, adjourn or other procedural matters. Each proxy to be effective shall be signed by the member assigning his vote and shall contain the date and time of day that the proxy is signed. Proxies may not be counted for a quorum. The records of the committee or any subcommittee on all rollcall votes shall indicate when a member's vote has been cast by proxy.

"Open meetings and hearings

"(g) (1) Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting shall be closed to the public: *Provided, however*, That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 4(a) (3) of Rule X or by subparagraph (2) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

"(2) Each hearing conducted by each committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives.

"Quorum for taking testimony

"(h) Each committee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence, which shall be not less than two.

"Prohibition against committee meetings during five-minute rule

"(i) No committee of the House (except the Committee on Appropriations and the Committee on Rules) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

"Calling and interrogation of witnesses

"(j) (1) Whenever any hearing is conducted by any committee upon any measure or matter, the minority party Members on the committee shall be entitled, upon request to the chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

"(2) Each committee shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the committee who so desires has had an opportunity to question each witness.

"Investigative hearing procedures

"(k) (1) The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

"(2) A copy of the committee rules and this clause shall be made available to each witness.

"(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

"(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

"(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

"(A) receive such evidence or testimony in executive session;

"(B) afford such person an opportunity voluntarily to appear as a witness; and

"(C) receive and dispose of requests from such person to subpena additional witnesses.

"(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

"(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

"(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

"(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

"Committee procedures for reporting bills and resolutions

"(l) (1) (A) It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

"(B) In any event, the report of any committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request. This subdivision does not apply to a report of the Committee on Rules with respect to the rules, joint rules, or order of business of the House or to the reporting of a resolution of inquiry addressed to the head of an executive department.

"(2) (A) No measure or recommendation shall be reported from any committee unless a majority of the committee was actually present.

"(B) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

"(3) The report of any committee on a measure which has been approved by the committee (A) shall include the oversight findings and recommendations required pursuant to the last sentence of clause (2) (b) (1) of Rule X separately set out and clearly identified; and (B) shall include a summary of the oversight findings and recommendations made by the Committee on Government Operations under clause (2) (b) (2) of Rule X separately set out and clearly identified whenever such findings and recommendations have been submitted to the legislative committee in a timely fashion to allow an opportunity to consider such findings and recommendations during the committee's deliberations on the measure.

"(4) If, at the time of approval of any measure or matter by any committee, other than the Committee on Rules, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

"(A) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

"(B) shall bear upon its cover a recital that supplemental, minority, or additional views (and the findings and recommendations of the Committee on Government Operations, if any, under subparagraph (3)) are included as part of the report.

"This subparagraph does not preclude—

"(i) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

"(ii) the filing by any such committee of any supplemenal report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter; or

"(5) A measure or matter reported by any committee (except the Committee on Rules in the case of a resolution making in order the consideration of a bill, resolution, or other order of business) shall not be considered in the House until the third calendar day (excluding Saturdays, Sundays, and legal holidays) on which the report of that committee upon that measure or matter has been available to the Members of the House. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

"(A) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

"(B) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

"(6) If, within seven calendar days after a measure has, by resolution, been made in order for consideration by the House, no motion has been offered that the House consider that measure, any member of the committee which reported that measure may be recognized in the discretion of the Speaker to offer a motion that the House shall consider that measure, if that committee has duly authorized that member to offer that motion.

"Power to sit and act; subpoena power

"(m)(1) For the purpose of carrying out any of its functions and duties under this rule and Rule X (including any matters referred to it under clause 5 of Rule X), any committee, or any subcommittee thereof, is authorized (subject to subparagraph (2)(A) of this paragraph)—

"(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

"(B) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents

as it deems necessary. The chairman of the committee, or any member designated by such chairman, may administer oaths to any witness.

"(2)(A) A subpoena may be issued by a committee or subcommittee under subparagraph (1)(B) in the conduct of any investigation or activity or series of investigations or activities, only when authorized by a majority of the members of the committee.

"(B) Compliance with any subpoena issued by a committee or subcommittee under subparagraph (1)(B) may be enforced only as authorized or directed by the House.

"Use of committee funds for travel

"(n) Funds authorized for a committee under clause 5 are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of members of the committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

"(1) No Member or employee of the committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

"(2) Each Member or employee of the committee shall make to the chairman of the committee an itemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

"BROADCASTING OF COMMITTEE HEARINGS

"3. (a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

"(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

"(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

"(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

"(c) It is, further, the intent of this clause that the general conduct of each meeting of any hearing or hearings covered, under authority of this clause, by television broadcast, radio broadcast, and still photograph, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio, and press media personnel, and the general public at the hearing shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

"(1) distort the objects and purposes of the hearing or the activities of committee members in connection with that hearing or in connection with the general work of the committee or of the House; or

"(2) cast discredit or dishonor on the House, the committee, or any Member or bring the House, the committee, or any Member into disrepute.

"(d) The coverage of committee hearings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

"(e) Whenever any hearing conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

"(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provisions to the following effect:

"(1) If the television or radio coverage of the hearing is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

"(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this rule, relating to the protection of the rights of witnesses.

"(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

"(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

"(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

"(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the committee is in session.

"(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing, except that the television media may install additional lighting in the hearing room, without cost of the Government in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

"(8) Not more than five press photographers shall be permitted to cover a hearing by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

"(9) Photographers shall not position themselves, at any time during the course of the hearing, between the witness table and the members of the committee.

"(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

"(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

"(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

"(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

"Privileged Reports and Amendments

"4. (a) The following committees shall have leave to report at any time on the matters herein stated, namely: The Committee on Appropriations—on general appropriation bills; the Committee on House Administration—on enrolled bills, and all matters referred to it of printing for the use of the House or the two Houses, and on all matters of expenditure of the contingent fund of the House; the Committee on Rules—on rules, joint rules, and the order of business; and the Committee on the Standards of Official Conduct—on resolutions recommending action by the House of Representatives with respect to an individual Member, officer, or employee of the House of Representatives as a result of any investigation by the committee relating to the official conduct of such Member, officer, or employee of the House of Representatives.

"(b) It shall always be in order to call up for consideration a report from the Committee on Rules on a rule, joint rule, or the order of business (except it shall not be called up for consideration on the same day it is presented to the House, unless so determined by a vote of not less than two-thirds of the Members voting, but this provision shall not apply during the last three days of the session), and pending the consideration thereof, the Speaker may entertain one motion that the House adjourn; but after the result is announced the Speaker shall not entertain any other dilatory motion until the report shall have been fully disposed of. The Committee on Rules shall not report any rule or order which provides that business under clause 7 of Rule XXIV shall be set aside by a vote of less than two-thirds of the Members present; nor shall it report any rule or order which would prevent the motion to recommit from being made as provided in clause 4 of Rule XVI: nor shall it report any rule or order which shall require the consideration of the business which is the subject of the rule or order or which shall require the Speaker to recognize a Member for the purpose of bringing up such business.

"(c) The Committee on Rules shall present to the House reports concerning rules, joint rules, and order of business, within three legislative days of the time when the bill or resolution involved is ordered reported by the committee. If any such rule or order is not considered immediately, it shall be referred to the calendar and, if not called up by the Member making the report within seven legislative days thereafter, any member of the Rules Committee may call it up as a question of privilege and the Speaker shall recognize any member of the Rules Committee seeking recognition for that purpose. If the Committee on Rules makes an adverse report on any resolution pending before the committee, providing for an order of business for the consideration by the House of any public bill or joint resolution, on days when it shall be in order to call up motions to discharge committees it shall be in order for any Member of the House to call up for consideration by the House such adverse report, and it shall be in order to move the adoption by the House of such resolution adversely reported notwithstanding the adverse report of the Committee on Rules, and the Speaker shall recognize the Member seeking recognition for that purpose as a question of the highest privilege.

"(d) Whenever the Committee on Rules reports a resolution repealing or amending any of the Rules of the House of Representatives or part thereof it shall include in its report or in an accompanying document—

"(1) the text of any part of the Rules of the House of Representatives which is proposed to be repealed; and

"(2) a comparative print of any part of the resolution making such an amendment and of any part of the Rules of the House of Representatives to be amended, showing by an appropriate typographical device the omissions and insertions proposed to be made.

TITLE II—MISCELLANEOUS AND CONFORMING PROVISIONS

EARLY ORGANIZATION OF THE HOUSE

SEC. 201. (a)(1) The majority leader or minority leader of the House of Representatives after consultation with the Speaker may at any time during any even-numbered year call a caucus or conference, to begin on or after the first day of December and conclude on or before the twentieth day of December in such year and to be attended by all incumbent Members of his or her political party who have been reelected to the ensuing Congress and all other Members-elect of such party, for the purpose of taking all steps necessary to achieve the prompt organization of the Members and Members-elect of such party for the ensuing Congress.

(2) If the majority leader or minority leader calls an organizational caucus or conference under paragraph (1), he or she shall file with the Clerk of the House a written notice designating the date upon which the caucus or conference is to convene. As soon as possible after the election of Members to the ensuing Congress, the Clerk shall furnish each Member-elect of the party involved with appropriate written notification of the caucus or conference.

(3) If a vacancy occurs in the office of majority leader or minority leader during any even-numbered year (and has not been filled), the chairman of the caucus or conference of the party involved for the current Congress may call an organizational caucus or conference under paragraph (1) by filing written notice thereof as provided by paragraph (2).

(b)(1)(A) Each Member-elect (other than an incumbent Member reelected to the ensuing Congress) who attends a caucus or conference called under subsection (a), and each incumbent Member reelected to the ensuing Congress who attends any such caucus or conference convening after the adjournment sine die of the Congress in the year involved, shall be paid for one round trip between his or her place of residence in the district which he or she represents and Washington, District of Columbia, for the purpose of attending such caucus or conference. Payment shall be made through the issuance of a transportation request form to each such Member-elect or incumbent Member by the Finance Office of the House before such caucus or conference.

(B) Each Member-elect (other than an incumbent Member reelected to the ensuing Congress) who attends a caucus or conference called under subsection (a) shall in addition be reimbursed on a per diem or other basis for expenses incurred in connection with his or her attendance at such caucus or conference for a period not to exceed the shorter of the following—

(i) the period beginning with the day before the designated date upon which such caucus or conference is to convene and ending with the day after the date of the final adjournment of such caucus or conference; or

(ii) fourteen days.

(2) Payments and reimbursements to Members-elect under paragraph (1) shall be made as provided (with respect to Members) in the regulations prescribed by the Committee on House Administration with respect to travel and other expenses of committees and Members. Reimbursements shall be paid on special voucher forms prescribed by the Committee on House Administration.

(c) The contingent fund of the House is made available to carry out the purposes of this section.

LEGISLATIVE CLASSIFICATION OFFICE

SEC. 202. (a) There is established in the House of Representatives an office to be known as the Legislative Classification Office, referred to hereinafter in this section as the "Office".

(b) The purpose of the Office shall be to develop, supervise, and maintain for the House and its committees and Members a system linking Federal programs and expenditures to the authorizing statutes, and showing the committee jurisdiction for each authorization. The Office shall maintain impartiality as to issues of legislative policy to be determined by the House.

(c) The functions of the Office shall be as follows:

(1) To create a cross-reference capability based on the authorization statutes, showing committee jurisdiction, appropriation Acts, budget authority, budget outlays, unexpended balances, other relevant systems which are or may be compatible, and the relationships between them, under the direction of the Speaker.

(2) To work closely with the House standing committees in all phases of the development of the cross-referencing capability and to coordinate with the Congressional Research Service and General Accounting Office, in the development, implementation, and operation of the cross-referencing service.

(3) To advise the Speaker of developments which could improve the operation of the classification service and to issue an annual report to the House on the progress in implementation and use of the service, and plans for the coming year.

(4) To make available (as development permits) publications or information in an appropriate format for use of the House committees and Members and to provide the capability to answer specific queries on the available information.

(d) The management, supervision, and administration of the Office are vested in a Staff Director, who shall be appointed by the Speaker without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed shall serve at the pleasure of the Speaker.

(e)(1) With the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker, the Staff Director shall appoint such employees as may be necessary for the prompt and efficient performance of the functions of the Office. Any such appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed may be removed by the Staff Director with the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker.

(2)(A) One of the employees appointed under paragraph (1) shall be designated by the Staff Director as Deputy Staff Director. During the absence or disability of the Staff Director, or when the office is vacant, the Deputy Staff Director shall perform the functions of the Staff Director.

(B) The Staff Director may delegate to the Deputy Staff Director and to other employees appointed under paragraph (1) such of his or her functions as he or she considers necessary or appropriate.

(f) The Staff Director shall be paid at a per annum gross rate not to exceed level IV of the Executive Schedule of section 5315 of title 5, United States Code; and members of the staff of the Office other than the Staff Director shall be paid at per annum gross rates fixed by the Staff Director with the approval of the Speaker or in accordance with policies approved by the Speaker, but not in excess of a per annum gross rate equal to level V of such schedule.

(g) In accordance with policies and procedures approved by the Speaker, the Staff Director is authorized to make such expenditures as may be necessary or appropriate for the functioning of the Office.

(h) Until such time as funds are appropriated by law to carry out the purpose of this section, the contingent fund of the House shall be available for such purpose.

THE HOUSE COMMISSION ON INFORMATION AND FACILITIES

SEC. 203. (a) There shall be in the House of Representatives a Commission on Information and Facilities (hereinafter in this section referred to as the "Commission"), which shall be composed of nine Members of the House appointed by the Speaker, including the House Members of the Joint Committee on Congressional Operations, no more than five being members of the same political party.

(b) To assist the Commission in carrying out its functions, the Speaker shall establish an Advisory Council composed of six members as follows:

(1) Two members who are representatives of public affairs institutions or groups,

(2) Two members who have demonstrated ability in space utilization, and

(3) Two members of the general public.

The members of such Advisory Council shall receive compensation at the daily rate provided by law for persons in grade GS-18, for each day actually engaged in the performance of the Commission's functions; and shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

(b) It shall be the function of the Commission to conduct a thorough and complete study of—

(1) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate, and

(2) with respect to the facilities and space requirements of the Members and committees of the House, including space utilization, parking, and the organization, responsibility, and supervision to provide adequate, efficient, and economical space utilization, and

(3) the staff required to provide the House legislative counsel with the capability to fully meet the needs of the Members of the House.

(c) The study conducted by the Commission pursuant to subsection (b)(1) shall include (but need not be limited to)—

(1) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective or ineffective;

(2) information management, collection, and dissemination for the House;

(3) resources outside the Congress for information and their utilization;

(4) methods for setting up and organizing the flow of information from and to the Executive;

(5) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

(6) the creation of a congressional staff journal or other process for communication.

(d) The Commission shall make an annual progress report to the Speaker, and shall make such additional reports as may appear appropriate or as may be directed by the Speaker, incorporating interim and final recommendations and drafts of legislation to carry out such recommendations. The final report of the Commission shall be submitted no later than January 2, 1977. The study conducted pursuant to paragraph (b) (3) shall be completed no later than January 1, 1976.

(e) In carrying out its functions, the Commission may meet at such times and places as it deems necessary. A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(f) Members and staff of the Commission shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

(g) The Commission shall utilize the staff of the Joint Committee on Congressional Operations to the maximum extent possible and shall appoint and provide for the compensation of such other staff as may be necessary for the performance of its functions.

(h) The contingent fund of the House is made available to carry out the purposes of this section.

OFFICE OF THE LAW REVISION COUNSEL

SEC. 204. (a) There is established in the House of Representatives an office to be known as the Office of the Law Revision Counsel, referred to hereinafter in this section as the "Office".

(b) The principal purpose of the Office shall be to develop and keep current an official and positive codification of the laws of the United States. The Office shall maintain impartiality as to issues of legislative policy to be determined by the House.

(c) The functions of the Office shall be as follows:

(1) To prepare, and submit to the Committee on the Judiciary one title at a time, a complete compilation, restatement, and revision of the general and permanent laws of the United States which conforms to the understood policy, intent, and purpose of the Congress in the original enactments, with such amendments and corrections as will remove ambiguities, contradictions, and other imperfections both of substance and of form, separately stated, with a view to the enactment of each title as positive law.

(2) To examine periodically all of the public laws enacted by the Congress and submit to the Committee on the Judiciary recommendations for the repeal of obsolete, superfluous, and superseded provisions contained therein.

(3) To prepare and publish periodically a new edition of the United States Code (including those titles which are not yet enacted into positive law as well as those titles which have been so enacted), with annual cumulative supplements reflecting newly enacted laws.

(4) To classify newly enacted provisions of law to their proper positions in the Code where the titles involved have not yet been enacted into positive law.

(5) To prepare and submit periodically such revisions in the titles of the Code which have been enacted into positive law as may be necessary to keep such titles current.

(6) To prepare and publish periodically new editions of the District of Columbia Code, with annual cumulative supplements reflecting newly enacted laws, until such time as the District of Columbia Self-Government and Governmental Reorganization Act becomes effective.

(7) To provide the Committee on the Judiciary with such advice and assistance as the committee may request in carrying out its functions with respect to the revision and codification of the Federal statutes.

(d) The management, supervision, and administration of the Office are vested in the Law Revision Counsel, who shall be appointed by the Speaker without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed shall serve at the pleasure of the Speaker.

(e)(1) With the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker, the Law Revision Counsel shall appoint such employees as may be necessary for the prompt and efficient performance of the functions of the Office. Any such appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed may be removed by the Law Revision Counsel with the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker.

(2)(A) One of the employees appointed under paragraph (1) shall be designated by the Law Revision Counsel as Deputy Law Revision Counsel. During the absence or disability of the Law Revision Counsel, or when the office is vacant, the Deputy Law Revision Counsel shall perform the function of the Law Revision Counsel.

(B) The Law Revision Counsel may delegate to the Deputy Law Revision Counsel and to other employees appointed under paragraph (1) such of his or her functions as he or she considers necessary or appropriate.

(f) The Law Revision Counsel shall be paid at a per annum gross rate not to exceed level IV of the Executive Schedule of section 5315 of title 5, United States Code; and members of the staff of the Office other than the Law Revision Counsel shall be paid at per annum gross rates fixed by the Law Revision Counsel with the approval of the Speaker or in accordance with policies approved by the Speaker, but not in excess of a per annum gross rate equal to level V of such schedule.

(g) In accordance with policies and procedures approved by the Speaker, the Law Revision Counsel is authorized to make such expenditures as may be necessary or appropriate for the functioning of the Office.

(h) Until such time as funds are appropriated by law to carry out the purpose or this section, the contingent fund of the House shall be available for such purpose.

REVIEW OF COMMITTEE JURISDICTION

SEC. 205. The House members of the Joint Committee on Congressional Operations shall undertake and conduct a continuing study of the jurisdiction of the various standing committees of the House under Rule X of the Rules of the House and the relative workloads sustained by such committees as a result thereof, and periodically shall prepare for submission to and consideration by the Committee on Rules (and for possible submission by that committee to the full House) a report including any recommended changes in the Rules of the House which may be necessary or appropriate to effect a more equitable distribution of workload or a more rational combination of jurisdictional responsibilities. It is the sense of the House of Representatives that the House members of the Joint Committee on Congressional Operations should work with the Senate members of such joint committee in an effort to rationalize the committee jurisdiction between the Houses.

TECHNICAL AND CONFORMING PROVISIONS

SEC. 206. (a) Clause 2 of Rule XIII of the Rules of the House of Representatives is amended by striking out "clause 22 of Rule XI" and inserting in lieu thereof "clause 4(a) of Rule XI".

(b) Clauses 3 and 4 of Rule XXII of the Rules of the House of Representatives shall be inapplicable to the extent they are inconsistent with clause 5 of Rule X (as added by section 102 of this resolution).

(c) Nothing in clause 6(c) of Rule XI of the Rules of the House of Representatives (as amended by section 401 of this resolution), or in any other rule or provision of law, shall prevent the employees referred to in H. Res. 746, Ninetieth Congress, H. Res. 1015, Ninetieth Congress, and the third paragraph of H. Res. 8, Ninety-third Congress, from continuing to be eligible for pay at a rate not in excess of the minimum rate of pay in effect for one pay level above that of the employees (referred to in clause 6(a) (1) of such rule) to whom such clause applies.

AMENDMENT TO RULE XVI

SEC. 207. Rule XVI, clause 9, is amended by adding at the end thereof the following: "At any time after the reading of the Journal but not before the consideration of motions permitted by the first sentence of this clause, the Speaker may, in his discretion, recognize the chairman of a standing committee or a member of such committee if either is acting at the direction of that committee (such direction having been given by a separate vote on a day following the day the measure was ordered reported from the committee) to move that the House resolve itself into a Committee of the Whole for the purpose of considering a bill or resolution reported by the chairman's committee and on the House or Union Calendar subject to the provisions of clause (2)(l)(5) of Rule XI. Such motion shall specify the number of hours, and the division and control of such time for general debate in the Committee of the Whole on the bill or resolution to be considered therein, is not debatable and may not be amended. If such motion is adopted, at the conclusion of consideration in the Committee of the Whole of the bill or resolution specified in the motion, the Committee shall rise and report the bill or resolution to the House with such amendments as may have been adopted in the Committee of the Whole to the bill or resolution. The previous question shall be considered as ordered on the bill or resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions."

COMPILATION OF THE PRECEDENTS

SEC. 208. The Speaker is authorized and directed to complete the Compilation of the Precedents of the House of Representatives by January 1, 1977, and prepare an updated compilation of such precedents every two years thereafter. Copies of the Compilation of Precedents shall be printed in sufficient quantity to be available to every Member and the standing committees of the House of Representatives.

TITLE III—LEGISLATIVE JURISDICTION OF THE STANDING COMMITTEES

SEC. 301. Rule X of the Rules of the House of Representatives is amended by striking out all that precedes clause 2 and inserting in lieu thereof the following:

"RULE X.

"ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES.

"The Committees and Their Jurisdiction

"1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3, 4, and 5; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 5) be referred to such committee, as follows:"

SEC. 302. Rule X of the Rules of the House of Representatives, as amended by the previous section, is further amended by adding at the end thereof the following:

"(a) Committee on Agriculture.

"(1) Adulteration of seeds, insect pests, and protection of birds and animals in forest reserves.

"(2) Agriculture generally.

"(3) Agricultural and industrial chemistry.

"(4) Agricultural colleges and experiment stations.

"(5) Agricultural economies and research.

"(6) Agricultural education extension, services.

"(7) Agricultural production and marketing and stabilization of prices of agricultural products, and commodities (not including distribution outside of the United States).

"(8) Animal industry and diseases of animals.

"(9) Crop insurance and soil conservation.

"(10) Dairy industry.

"(11) Entomology and plant quarantine.

"(12) Extension of farm credit and farm security.

"(13) Forestry in general, and forest reserves other than those created from the public domain.

"(14) Human nutrition and home economics.

"(15) Inspection of livestock and meat products.

"(16) Plant industry, soils, and agricultural engineering.

"(17) Rural electrification.

"(18) Commodities exchanges."

SEC. 303. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(b) Committee on Appropriations.

"(1) Appropriation of the revenue for the support of the Government.

"(2) Rescissions of appropriations made in or for previous fiscal years.

"(3) Transfers of unexpended balances. The committee shall include separate headings for 'Rescissions' and 'Transfers of Unexpected Balances' in any bill or resolution as reported from the committee under its jurisdiction specified in subparagraph (2) or (3), with all proposed rescissions and proposed transfers listed therein; and shall include a separate section with respect to such rescissions or transfers in the accompanying committee report. In addition to its jurisdiction under the preceding provisions of this paragraph, the committee shall have the fiscal oversight function provided for in clause 2(b)(3) and the budget hearing function provided for in clause 4(a)."

SEC. 304. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(c) Committee on Armed Services.

"(1) Common defense generally.

"(2) The Department of Defense generally, including the Departments of the Army, Navy, and Air Force generally.

"(3) Ammunition depots; forts; arsenals; Army, Navy, and Air Force reservations and establishments.

"(4) Conservation, development, and use of naval petroleum and oil shale reserves.

"(5) Pay, promotion, retirement, and other benefits and privileges of members of the armed forces.

"(6) Scientific research and development in support of the armed services.

"(7) Selective service.

"(8) Size and composition of the Army, Navy, and Air Force.

"(9) Soldiers' and sailors' homes.

"(10) Strategic and critical materials necessary for the common defense.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(a) with respect to international arms control and disarmament, and military dependents education."

SEC. 305. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(d) Committee on Banking, Currency and Housing.

"(1) Banks and banking, including deposit insurance and Federal monetary policy.

"(2) Money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar.

"(3) Urban development.

"(4) Public and private housing.

"(5) Economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services.

"(6) International finance.

"(7) Financial aid to commerce and industry (other than transportation)."

SEC. 306. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(e)(1) Committee on the Budget, to consist of twenty-three Members as follows:

"(A) five Members who are members of the Committee on Appropriations;

"(B) five Members who are members of the Committee on Ways and Means;

(C) eleven Members who are members of other standing committees;

"(D) one Member from the leadership of the majority party; and

"(E) one Member from the leadership of the minority party.

No Member shall serve as a member of the Committee on the Budget during more than two Congresses in any period of five successive Congresses beginning after 1974 (disregarding for this purpose any service performed as a member of such committee for less than a full session in any Congress). All selections of Members to serve on the committee shall be made without regard to seniority.

"(2) All concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget Act of 1974) and other matters required to be referred to the committee under titles III and IV of that Act.

"(3) The committee shall have the duty—

"(A) to report the matters required to be reported by it under titles III and IV of the Congressional Budget Act of 1974;

"(B) to make continuing studies of the effect on budget outlays of relevant existing and proposed legislation and to report the results of such studies to the House on a recurring basis;

"(C) to request and evaluate continuing studies of tax expenditures, to devise methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and to report the results of such studies to the House on a recurring basis; and

"(D) to review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties."

SEC. 307. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(e) Committee on Commerce and Health.

"(1) Interstate and foreign commerce generally.

"(2) Inland waterways.

"(3) Interstate oil compacts and petroleum and natural gas, except on the public lands.

"(4) Railroads, including railroad labor, railroad retirement and unemployment, except revenue measures related thereto.

"(5) Regulation of interstate and foreign communications.

"(6) Regulation of interstate transmission of power, except the installation of connections between Government waterpower projects.

"(7) Securities and exchanges.

"(8) Consumer affairs and consumer protection.

"(9) Travel and tourism.

"(10) Public health and quarantine.

"(11) Health and health facilities, except health care supported by payroll deductions.

"(12) Biomedical research and development."

SEC. 308. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(f) Committee on the District of Columbia.

"(1) All measures relating to the municipal affairs of the District of Columbia in general, other than appropriations therefor, including—

"(2) Adulteration of foods and drugs.

"(3) Incorporation and organization of societies.

"(4) Insurance, executors, administrators, wills, and divorce.

"(5) Municipal code and amendments to the criminal and corporation laws.

"(6) Municipal and juvenile courts.

"(7) Public health and safety, sanitation, and quarantine regulations.

"(8) Regulation of sale of intoxicating liquors.

"(9) Taxes and tax sales.

"(10) Saint Elizabeth's hospital."

SEC. 309. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(g) Committee on Education and Labor.

"(1) Measures relating to education or labor generally.

"(2) Child labor.

"(3) Columbia Institution for the Deaf, Dumb, and Blind; Howard University; Freedmen's Hospital.

"(4) Convict labor and the entry of goods made by convicts into interstate commerce.

"(5) Labor standards.

"(6) Labor statistics.

"(7) Mediation and arbitration of labor disputes.

"(8) Regulation or prevention of importation of foreign laborers under contract.

"(9) Food programs for children in schools.

"(10) United States Employees' Compensation Commission.

"(11) Vocational rehabilitation.

"(12) Wages and hours of labor.

"(13) Welfare of miners.

"(14) Work incentive programs.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(b) with respect to domestic educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees."

Sec. 310. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(h) Committee on Foreign Affairs.

"(1) Relations of the United States with foreign nations generally.

"(2) Acquisition of land and buildings for embassies and legations in foreign countries.

"(3) Establishment of boundary lines between the United States and foreign nations.

"(4) Foreign loans.

"(5) International conferences and congresses.

"(6) Intervention abroad and declarations of war.

"(7) Measures relating to the diplomatic service.

"(8) Measures to foster commercial intercourse with foreign nations and to safeguard American business interests abroad.

"(9) Neutrality.

"(10) Protection of American citizens abroad and expatriation.

"(11) The American National Red Cross.

"(12) United Nations Organization and international financial and monetary organizations.

"(13) Measures relating to international economic policy.

"(14) Export controls.

"(15) International commodity agreements (other than those involving sugar).

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(c) with respect to customs administration, international financial and monetary organizations, and international fishing agreements."

Sec. 311. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(i) Committee on Government Operations.

"(1) Budget and accounting measures, other than appropriations.

"(2) The overall economy and efficiency of Government operations and activities, including Federal procurement.

"(3) Reorganizations in the executive branch of the Government.

"(4) Intergovernmental relationship between the United States and the States and municipalities, and general revenue sharing.

"(5) National archives.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its oversight functions under clause (b)(1) and (2)), the committee shall have the function of performing the activities and conducting the studies which are provided for in clause 4(b)."

Sec. 312. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(j) Committee on House Administration.

"(1) Appropriations from the contingent fund.

"(2) Auditing and settling of all accounts which may be charged to the contingent fund.

"(3) Employment of persons by the House, including clerks for Members and committees, and reporters of debates.

"(4) Except as provided in clause 16(d), matters relating to the Library of Congress and the House Library; statuary and pictures; acceptance or purchase of works of art for the Capitol; the Botanic Gardens; management of the Library of Congress; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"(5) Except as provided in clause 16(d), matters relating to the Smithsonian Institution and the incorporation of similar institutions.

"(6) Expenditure of contingent fund of the House.

"(7) Matters relating to printing and correction of the Congressional Record.

"(8) Measures relating to accounts of the House generally.

"(9) Measures relating to assignment of office space for Members and committees.

"(10) Measures relating to the disposition of useless executive papers.

"(11) Measures relating to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; and Federal elections generally.

"(12) Measures relating to services to the House, including the House Restaurant, parking facilities and administration of the House Office Buildings and of the House wing of the Capitol.

"(13) Measures relating to the travel of Members of the House.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the function of performing the duties which are provided for in clause 4(c)."

Sec. 313. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(k) Committee on Interior and Insular Affairs.

"(1) Forest reserves and national parks created from the public domain.

"(2) Forfeiture of land grants and alien ownership, including alien ownership of mineral lands.

"(3) Geological Survey.

"(4) Interstate compacts relating to apportionment of waters for irrigation purposes.

"(5) Irrigation and reclamation, including water supply for reclamation projects, and easements of public lands for irrigation projects, and acquisition of private lands when necessary to complete irrigation projects.

"(6) Measures relating to the care and management of Indians, including the care and allotment of Indian lands and general and special measures relating to claims which are paid out of Indian funds.

"(7) Measures relating generally to Hawaii, Alaska, and the insular possessions of the United States, except those affecting the revenue and appropriations.

"(8) Military parks and battlefields; national cemeteries administered by the Secretary of the Interior, and parks within the District of Columbia.

"(9) Mineral land laws and claims and entries thereunder.

"(10) Mineral resources of the public lands.

"(11) Mining interests generally.

"(12) Mining schools and experimental stations.

"(13) Petroleum conservation on the public lands and conservation of the radium supply in the United States.

"(14) Preservation of prehistoric ruins and objects of interest on the public domain.

"(15) Public lands generally, including entry, easements, and grazing thereon.

"(16) Relations of the United States with the Indians and the Indian tribes.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(d) with respect to all programs affecting Indians and nonmilitary nuclear energy and research and development including the disposal of nuclear waste."

Sec. 314. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(l) Committee on the Judiciary.

"(1) Judicial proceedings, civil and criminal generally.

"(2) Apportionment of Representatives.

"(3) Bankruptcy, mutiny, espionage, and counterfeiting.

"(4) Civil liberties.

"(5) Constitutional amendments.

"(6) Federal courts and judges.

"(7) Immigration and naturalization.

"(8) Interstate compacts generally.

"(9) Local courts in the Territories and possessions.

"(10) Measures relating to claims against the United States.

"(11) Meetings of Congress, attendance of Members and their acceptance of incompatible offices.

"(12) National penitentiaries.

"(13) Patent Office.

"(14) Patents, copyrights, and trade-marks.

"(15) Presidential succession.

"(16) Protection of trade and commerce against unlawful restraints and monopolies.

"(17) Revision and codification of the Statutes of the United States.

"(18) State and territorial boundary lines.

"(19) Internal security."

Sec. 315. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(m) Committee on Merchant Marine and Fisheries.

"(1) Merchant marine generally.

"(2) Oceanography and Marine Affairs, including coastal zone management.

"(3) Coast Guard, including lifesaving service, lighthouses, lightships, and ocean derelicts.

"(4) Fisheries and wildlife, including research, restoration, refuges, and conservation.

"(5) Measures relating to the regulation of common carriers by water (except matters subject to the jurisdiction of the Interstate Commerce Commission) and to the inspection of merchant marine vessels, lights and signals, lifesaving equipment, and fire protection on such vessels.

"(6) Merchant marine officers and seamen.

"(7) Navigation and the laws relating thereto, including pilotage.

"(8) Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation, and government of the Canal Zone; and interoceanic canals generally.

"(9) Registering and licensing of vessels and small boats.

"(10) Rules and international arrangements to prevent collisions at sea.

"(11) United States Coast Guard and Merchant Marine Academies.

"(12) International fishing agreements."

SEC. 316. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(n) Committee on Post Office and Civil Service.

"(1) Census and the collection of statistics generally.

"(2) All Federal Civil Service, including intergovernmental personnel.

"(3) Postal-savings banks.

"(4) Postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.

"(5) Status of officers and employees of the United States, including their compensation, classification, and retirement.

"(6) Hatch Act.

"(7) Holidays and celebrations.

"(8) Population and demography."

SEC. 317. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(o) Committee on Public Works and Transportation.

"(1) Flood control and improvement of rivers and harbors.

"(2) Measures relating to the Capitol Building and the Senate and House Office Buildings.

"(3) Measures relating to the construction or maintenance of roads and post roads, other than appropriations therefor; but it shall not be in order for any bill providing general legislation in relation to roads to contain any provision for any specific road, nor for any bill in relation to a specific road to embrace a provision in relation to any other specific road.

"(4) Measures relating to the construction or reconstruction, maintenance, and care of the buildings and grounds of the Botanic Gardens, the Library of Congress, and the Smithsonian Institute.

"(5) Measures relating to the purchase of sites and construction of post offices, customhouses, Federal courthouses and Government buildings within the District of Columbia.

"(6) Oil and other pollution of navigable waters.

"(7) Public buildings and occupied or improved grounds of the United States generally.

"(8) Public works for the benefit of navigation, including bridges and dams (other than international bridges and dams).

"(9) Water power.

"(10) Transportation, including civil aviation except railroads, railroad labor and pensions.

"(11) Roads and the safety thereof.

"(12) Water transportation subject to the jurisdiction of the Interstate Commerce Commission.

"(13) Related transportation regulatory agencies, except (A) the Interstate Commerce Commission as it relates to railroads; (B) Federal Railroad Administration; and (C) Amtrak."

SEC. 318. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(p) Committee on Rules.

"(1) The rules and joint rules (other than rules or joint rules relating to the Code of Official Conduct or relating to financial disclosure by a Member, officer, or employee of the House of Representatives), and order of business of the House.

"(2) Recesses and final adjournments of Congress.

"(3) The Committee on Rules is authorized to sit and act whether or not the House is in session."

SEC. 319. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(q) Committee on Science and Technology.

"(1) Astronautical research and development, including resources, personnel, equipment, and facilities.

"(2) Bureau of Standards, standardization of weights and measures and the metric system.

"(3) National Aeronautics and Space Administration.

"(4) National Aeronautics and Space Council.

"(5) National Science Foundation.

"(6) Outer space, including exploration and control thereof.

"(7) Science Scholarships.

"(8) Scientific research and development.

"(9) Civil aviation research and development.

"10. Environmental research and development.

"(11) All energy research and development except nuclear research and development.

"(12) National Weather Service.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(e) with respect to all research and development."

SEC. 320. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(r) Select Committee on Small Business.

"The Select Committee on Small Business is a permanent select committee of the House without legislative jurisdiction except to make investigations and reports."

SEC. 321. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(s) Committee on Standards of Official Conduct.

"(1) Measures relating to the Code of Official Conduct.

"(2) Measures relating to financial disclosure by Members, officers, and employees of the House of Representatives.

"(3) Measures relating to activities designed to (1) assist in defeating, passing, or amending any legislation by the House or (2) influence, directly or indirectly, the passage or defeat of any legislation by the House.

"(4) Measures relating to the raising, reporting, and use of campaign contributions for candidates for the office of Representative in the House of Representatives and of Resident Commissioner to the United States from Puerto Rico.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the functions with respect to recommendations, studies, investigations, and reports which are provided for in clause 4(d).

SEC. 322. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(t) Committee on Veterans' Affairs.

"(1) Veterans' measures generally.

"(2) Cemeteries of the United States in which veterans of any war or conflict are or may be buried, whether in the United States or abroad, except cemeteries administered by the Secretary of the Interior.

"(3) Compensation, vocational rehabilitation, and education of veterans.

"(4) Life insurance issued by the Government on account of service in the Armed Forces.

"(5) Pensions of all the wars of the United States, general and special.

"(6) Readjustment of servicemen to civil life.

"(7) Soldiers' and sailors' civil relief.

"(8) Veterans' hospitals, medical care, and treatment of veterans."

SEC. 323. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(u) Committee on Ways and Means.

"(1) Customs, collection districts, and ports of entry and delivery.

"(2) Reciprocal trade agreements.

"(3) Revenue measures generally.

"(4) Revenue measures relating to the insular possessions.

"(5) The bonded debt of the United States.

"(6) The deposit of public moneys.

"(7) Transportation of dutiable goods.

"(8) National social security, except (A) health care and facilities programs that are supported from general revenues as opposed to payroll deductions and (B) work incentive programs."

TITLE IV—COMMITTEE STAFFS AND EXPENSES

SEC. 401. Rule XI of the Rules of the House of Representatives as amended by titles I and II of this resolution is further amended by adding at the end thereof the following:

"COMMITTEE EXPENSES

"5. (a) Whenever any standing committee (except the Committee on Appropriations) is to be granted authorization for the payment, from the contingent fund of the House, of its expenses in any year, other than those expenses to be paid from appropriations provided by statute, such authorization initially shall be procured by one primary expense resolution for that committee providing funds for the payment of the expenses of the committee for that year from the contingent fund of the House. Any such primary expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of the funds to be provided to the committee under the primary expense resolution for all anticipated activities and programs of the committee; and

"(2) to the extent practicable, contain such general statements regarding the estimated foreseeable expenditures for the respective anticipated activities and programs of the committee as may be appropriate to provide the House with basic estimates with respect to the expenditure generally of the funds to be provided to the committee under the primary expense resolution.

"(b) After the date of adoption by the House of any such primary expense resolution for any such standing committee for any year, authorization for the payment from the contingent fund of additional expenses of such committee in that year, other than those expenses to be paid from appropriations provided by statute, may be procured by one or more additional expense resolutions for that committee, as necessary. Any such additional expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of additional funds to be provided to the committee under the additional expense resolution and the purpose or purposes for which those additional funds are to be used by the committee; and

"(2) state the reason or reasons for the failure to procure the additional funds for the committee by means of the primary expense resolution.

"(c) The preceding provisions of this clause do not apply to—

"(1) any resolution providing for the payment from the contingent fund of the House of sums necessary to pay compensation for staff services performed for, or to pay other expenses of, any standing committee at any time from and after the beginning of any year and before the date of adoption by the House of the primary expense resolution providing funds to pay the expenses of that committee for that year or

"(2) any resolution providing in any Congress, for all of the standing committees of the House, additional office equipment, airmail and special delivery postage stamps, supplies, staff personnel, or any other specific item for the operation of the standing committees, and containing an authorization for the payment from the contingent fund of the House of the expenses of any of the foregoing items provided by that resolution, subject to and until enactment of the provisions of the resolution as permanent law.

"Committee staffs

"6. (a) (1) Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, each standing committee may appoint, by majority vote of the committee, not more than six professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the chairman and the ranking minority party member of such committee, as the committee considers advisable.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, not more than two persons may be selected, by majority vote of the minority party members, for appointment by the committee as professional staff members from among the number authorized by subparagraph (1) of this paragraph. The committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

"(3) The professional staff members of each standing committee—

"(A) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

"(B) shall not engage in any work other than committee business; and

"(C) shall not be assigned any duties other than those pertaining to committee business.

"(4) Services of the professional staff members of each standing committee may be terminated by majority vote of the committee.

"(5) The foregoing provisions of this paragraph do not apply to the Committee on Appropriations.

"(b) (1) The clerical staff of each standing committee shall consist of not more than six clerks, to be attached to the office of the chairman, to the ranking minority party member, and to the professional staff, as the committee considers advisable. Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, the clerical staff shall be appointed by majority vote of the committee, without regard to race, creed, sex, or age. Except as provided by subparagraph (2) of this paragraph, the clerical staff shall handle committee correspondence and stenographic work both for the committee staff and for the chairman and the ranking minority party member on matters related to committee work.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, one person may be selected, by majority vote of the minority party members, for appointment by the committee to a position on the clerical staff from among the number of clerks authorized by subparagraph (1) of this paragraph. The committee shall appoint to the position any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle committee correspondence and stenographic work for the minority party members of the committee and for any members of the professional staff appointed under subparagraph (2) of paragraph (a) of this clause on matters related to committee work.

"(3) Services of the clerical staff members of each standing committee may be terminated by majority vote of the committee.

"(4) The foregoing provisions of this paragraph do not apply to the Committee on Appropriations.

"(c) Each employee on the professional staff, and each employee on the clerical staff, of each standing committee, is entitled to pay at a single per annum gross rate, to be fixed by the chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

"(d) Subject to appropriations hereby authorized, the Committee on Appropriations may appoint such staff, in addition to the clerk thereof and assistants for the minority, as it determines by majority vote to be necessary, such personnel, other than minority assistants, to possess such qualifications as the committee may prescribe.

"(e) No committee shall appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on House Administration.

"(f) If a request for the appointment of a minority professional staff member under paragraph (a), or a minority clerical staff member under paragraph (b), is made when no vacancy exists to which that appointment may be made, the committee nevertheless shall appoint, under paragraph (a) or paragraph (b), as applicable, the person selected by the minority and acceptable to the committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party members shall designate which of those persons shall fill that vacancy.

"(g) Each staff member appointed pursuant to a request by minority party members under paragraph (a) or (b) of this clause, and each staff member appointed to assist minority party members of a committee pursuant to an expense resolution described in paragraph (a) or (b) of clause 5, shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

"(h) Paragraphs (a) and (b) of this clause shall not be construed to authorize the appointment of additional professional or clerical staff members of a committee pursuant to a request under either of such paragraphs by the minority party members of that committee if two or more professional staff members or one clerical staff member, provided for in paragraph (a) (1) or paragraph (b) (1) of this clause, as the case may be, who are satisfactory to a majority of the minority party members, are otherwise assigned to assist the minority party members.

"(i) Notwithstanding paragraphs (a) (2) and (b) (2), a committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the members of the majority party and a majority of the members of the minority party.

"(j) In addition to the staff appointed pursuant to paragraph (a) and (b) of this clause—

"(1) The chairman of each standing subcommittee of a standing committee of the House is authorized to appoint one staff member who shall serve at the pleasure of the subcommittee chairman.

"(2) The ranking minority party member of each standing subcommittee on each standing committee of the House is authorized to appoint one staff person who shall serve at the pleasure of the ranking minority party member.

"(3) The staff members appointed pursuant to the provisions of subparagraphs (1) and (2) shall be compensated at a rate determined by the subcommittee chairman not to exceed (A) 75 per centum of the maximum established in paragraph (c) of this clause or (B) the rate paid the staff member appointed pursuant to subparagraph (1) of this paragraph.

"(k) Each committee shall report to the Clerk of the House within fifteen days after December 31 and June 30 of each year the name, profession, and total salary of each person employed by such committee or any subcommittee thereof during the period covered by such report, and shall make an accounting of funds made available to and expended by such committee or subcommittee during such period; and such information when reported shall be published in the Congressional Record."

EFFECTIVE DATES

SEC. 402. (a) The amendments made by titles I, II, III, and IV with the exception of the amendment made by section 201 shall become effective at the beginning of the Ninety-Fourth Congress.

(b) The amendment made by section 201 shall become effective upon the adoption of this resolution.

Mrs. HANSEN of Washington (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

Mrs. HANSEN of Washington. Mr. Chairman, there is little use to repeat the debate which went on yesterday afternoon and which thoroughly discussed most of the provisions of not only House

Resolution 988, but also of our proposed substitute, which is known under the number of House Resolution 1248.

May I say first of all that this was prepared and worked upon for several weeks at the direction of the Democratic Caucus. However, it is not in the context of King Caucus that I appear. This was a carefully thought out, carefully evaluated measure that has had wide discussion from not only Democrats, but also Republicans of this House.

It offers in lieu of some of the Bolling proposals a moderate approach, particularly in the jurisdiction sections of the resolution, which had many radical changes. In many instances, we proposed that the House Republican Conference and the Democratic Caucus settle the numbers game.

I would point out that in the oversight provisions we think that this substitute answers very well the need for oversight in committees. It allows committees at their own jurisdiction to use their subcommittee or to provide a special subcommittee or to work with the Committee on Government Operations on special oversight procedures.

We also recognized some of the limitations of the staff available in the House of Representatives at the present time in the matter of preparation of a 100-word factual description. We realize if we made this preliminary to the introduction of a bill, in some instances we might not get this bill introduced until kingdom come, so we have asked that a summary be prepared at introduction time or as soon thereafter as possible. This is, as I say, recognizing the realistic problems we face in the House.

House Resolution 988 grants to the Speaker discretionary power with regard to the referral of legislation to the various committees in the House. The Hansen committee concurs in this recommendation but does not concur with the suggestion that the Committee on Rules also have the authority to arbitrate this bill referral process. This is the responsibility of the House and there are methods which have worked.

We recommend the creation of four subcommittees on all committees that have 15 members or more. This clarifies the situation that has been so criticized in the Ways and Means Committee, where the tax bill is considered, dropped, then the health bill is considered, dropped. Like the Committee on Appropriations, the Committee on Ways and Means can function with their subcommittees to proceed to discuss the important matters all at one time and bring together in an orderly fashion to the full committee on deciding to present them to the House.

We also make a recommendation that the Speaker may appoint the Resident Commissioner from Puerto Rico and the delegates from the District of Columbia, the Virgin Islands, and Guam to any conference committee that is considering legislation reported from a committee in which they serve. After my service on the Committee on Appropriations, working with the people from Guam, Samoa, and so on, I think this is an important consideration for good will where we need it.

House Resolution 988 proposes that at the conclusion of the bill presented to the floor, the Oversight Committee presents its recommendations. The Members know, as well as I do, that this could—I am not saying it would—lend some timelag in the presentation of the bill because sometimes as a member of the Committee on Appropriations I have been unable to place in my appropriation bill money for legislation because the authorizing committee has dragged their feet. This is just a practical step.

House Resolution 988 provides an early organization meeting, with which we concur. I would ask that the date be set for December 1. Some contested elections may not be settled by November 15.

The CHAIRMAN. The time of the gentlewoman has expired.

TECHNICAL AMENDMENTS OFFERED BY MRS. HANSEN OF WASHINGTON TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mrs. HANSEN of Washington. Mr. Chairman, I offer certain technical amendments to House Resolution 1248, my amendment in the nature of a substitute, and ask unanimous consent that they may be considered en bloc at this time.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Washington?

There was no objection.

The Clerk read as follows:

Amendments offered by Mrs. Hansen of Washington to the amendment in the nature of a substitute offered by Mrs. Hansen of Washington:

On page 3, line 10, after the word "subcommittees" insert ",".

On page 3, at the end of line 12, add the following: "the establishment of oversight subcommittees shall in no way limit the responsibility of the subcommittees with legislative jurisdiction from carrying out their oversight responsibilities."

On page 4, line 7, strike the words "along with" and insert in lieu thereof: "and".

On page 4, line 14, after the words "clause 1" add "and 3".

On page 5, line 9, strike the words "Energy and Natural" and on line 10 strike the word "Resources" and insert in lieu thereof: "and Insular Affairs".

On page 7, line 18, strike the words "clause 1, 2, 3, or 4" and insert in lieu thereof: "clause 1, 2, or 3".

On page 8, line 22, after the word "authorized" insert in lieu thereof: ";".

On page 12, line 17, after the words "paragraph (a) and insert in lieu thereof: "and (b)".

On page 14, line 22, strike "rule XI" and insert in lieu thereof: "Rule XI,".

On page 13, line 24, after the word "Appropriations" insert in lieu thereof: ",".

On page 24, line 24, after the word "clause" strike "(2)" and insert in lieu thereof: "2".

On page 25, line 3, after the word "clause" strike "(2)" and insert in lieu thereof: '2".

On page 26 strike line 15 and insert in lieu thereof "measure or matter.".

On page 28 strike the period at the end of line 8.

On page 52, line 5, after the word "clause" strike "(2)" and insert in lieu thereof: "2".

On page 52, line 7, after the word "time" insert in lieu thereof: ",".

On page 52, line 9 after the word "therein," and insert in lieu thereof the word "and".

On page 53, line 15, strike "4, and 5" and insert in lieu thereof: "and 4".

On page 53 strike line 18 and insert in lieu thereof the following: "to clause 5) be referred to such committees, as follows:".

On page 57 strike line 14 and insert in lieu thereof the following: "(other than transportation).

"(8) International Financial and Monetary organizations.".

On page 59, line 10, strike "(e) and insert in lieu thereof: "(f)".

On page 60, line 8, strike "(f)" and insert in lieu thereof: "(g)".

On page 61, line 1 strike "(g) and insert in lieu thereof: ((h").

On page 62, line 6, strike "(h)" and insert in lieu thereof: "(i)".

On page 62, beginning on line 24, strike all that follows through line 25 and insert in lieu thereof: "(12) United Nations Organization.".

On page 63, after line 5, insert:

"(16) Trading with the enemy."

"(17) International education."

On page 62, line 16, strike "(i)" and insert in lieu thereof: "(j)"

On page 64, line 10, strike "(j)" and insert in lieu thereof: "(k)".

On page 64, line 17, strike "16(d)" and insert in lieu thereof: "1(p) (4)".

On page 64, line 24, strike "16(d)" and insert in lieu thereof: "1 (p) (4)".

On page 66, line 3, strike "(k)" and insert in lieu thereof: "(1)".

On page 66, lines 19 and 20, strike "Hawaii, Alaska, and".

On page 67, line 23, strike "(1)" and insert in lieu thereof: "(m)".

On page 69, line 3, strike "(m)" and insert in lieu thereof: "(n)".

On page 70, line 4, insert after "Academies" the following: ", and State Maritime Academies".

On page 70, line 9, strike "(n)" and insert in lieu thereof: "(o)".

On page 71, line 1, strike "(o)" and insert in lieu thereof: "(p)".

On page 72, line 14, strike "(p)" and insert in lieu thereof: "(q)".

On page 73, line 1, strike "(q)" and insert in lieu thereof: "(r)".

On page 73, line 23, after the words "respect to all" insert "non-military".

On page 74, line 3, strike "(r)" and insert in lieu thereof: "(s)".

On page 74, line 10, strike "(s)" and insert in lieu thereof: "(t)".

On page 75, line 9, strike "(t)" and insert in lieu thereof: "(u)".

On page 76, line 3, strike "(u)" and insert in lieu thereof: "(v)".

On page 76, after line 12, insert the following:

"(8) Tax exempt foundations and charitable trusts."

On page 76, line 13, strike "8" and insert in lieu thereof: "9".

On page 84, line 4, strike "seven" and insert in lieu thereof: "two".

On page 86, line 15, after the word "effective" strike all that follows through line 16 and insert in lieu thereof: "just prior to noon on January 3, 1975.".

Mrs. HANSEN of Washington. Mr. Chairman, these are technical and conforming amendments which were printed on page H9625 of yesterday's Record. They are correcting amendments only.

The CHAIRMAN. The question is on the amendments to the amendments in the nature of a substitute.

The amendments to the amendment in the nature of a substitute were agreed to.

AMENDMENT OFFERED AS A SUBSTITUTE BY MR. MARTIN OF NEBRASKA FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. MARTIN of Nebraska. Mr. Chairman, I offer an amendment as a substitute for the amendment in the nature

of a substitute offered by the gentlewoman from Washington (Mrs. Hansen).

The Clerk read as follows:

Amendment offered as a substitute by Mr. Martin of Nebraska for the amendment in the nature of a substitute offered by Mrs. Hansen of Washington: Strike out all after the resolving clause in House Resolution 988 and insert in lieu thereof the following:

TITLE I—LEGISLATIVE JURISDICTION OF THE STANDING COMMITTEES

Sec. 101. Rule X of the Rules of the House of Representatives is amended by striking out all that precedes clause 2 and inserting in lieu thereof the following:

"Rule X.

"ESTABLISHMENT AND JURISDICTION OF STANDING COMMITTEES.

"The Committees and Their Jurisdiction

"1. There shall be in the House the following standing committees, each of which shall have the jurisdiction and related functions assigned to it by this clause and clauses 2, 3, 4, and 5; and all bills, resolutions, and other matters relating to subjects within the jurisdiction of any standing committee as listed in this clause shall (in accordance with and subject to clause 6) be referred to such committee, as follows:

"(a) Committee on Agriculture and Forestry, the legislative jurisdiction of which shall include—

"(1) Agriculture, including agricultural research and development; agricultural engineering, conservation, chemicals, and extension services; agricultural economics, production, distribution, marketing, price stabilization, and commodities (not including distribution outside the United States).

"(2) Animal welfare and animal diseases.

"(3) Animal, dairy, and poultry industry; inspection of livestock, poultry, and fish and products thereof.

"(4) Soils, seeds, and plant industry; insect pests and their control.

"(5) Rural development, rural electrification, and small watersheds.

"(6) Crop insurance, farm and commodity credit, and farm security.

"(7) Information on human nutrition and home economics, and the dissemination thereof.

"(8) Forestry, including forest reserves and forests on the public lands.

"(9) Grazing and farming on the public lands.

"(10) Commodities exchanges.

"(b) Committee on Appropriations, the jurisdiction of which shall include—

"(1) Appropriation of the revenue for the support of the Government.

"(2) Rescissions of appropriations.

"(3) Transfers of unexpended balances.

"(4) The amount of new spending authority described in section 401(c)(2) (A) and (B) of the Congressional Budget Act of 1974 which is to be effective for a fiscal year.

"(5) New spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 provided in bills and resolutions referred to the committee under section 401(b)(2) of that Act (but subject to the provisions of section 401(b)(3) of that Act).

The committee shall include separate headings for 'Rescissions' and 'Transfers of Unexpended Balances' in any bill or resolution as reported from the committee under its jurisdiction specified in subparagraph (2) or (3), with all proposed rescissions and proposed transfers listed therein; and shall include a separate section with respect to such rescissions or transfers in the accompanying committee report. In addition to it jurisdiction under the preceding provisions of this paragraph, the committee shall have the fiscal oversight function provided for in clause 2(b)(3) and the budget hearing function provided for in clause 5(a).

"(c) Committee on Armed Services, the legislative jurisdiction of which shall include—

"(1) The common defense.

"(2) The armed services, including their size and composition, their reservations, bases, installations, establishments, and academies, and the pay, promotion, retirement, and other benefits and privileges of their members.

"(3) Foreign and military intelligence.

"(4) Selective service.

"(5) Scientific research and development in support of the armed services.

"(6) Strategic and critical materials necessary for the common defense.

"(7) Conservation, development, and use of naval petroleum reserves.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(a) with respect to international arms control and disarmament.

"(d) Committee on Banking, Currency, and Housing, the legislative jurisdiction of which shall include—

"(1) Banks and banking, including deposit insurance and Federal monetary policy.

"(2) Money and credit, including currency and the issuance of notes and redemption thereof; gold and silver, including the coinage thereof; valuation and revaluation of the dollar.

"(3) Urban development.

"(4) Public and private housing.

"(5) Economic stabilization, defense production, renegotiation, and control of the price of commodities, rents, and services.

"(6) International finance.

"(7) Financial aid to commerce and industry (other than transportation).

"(e) Committee on the Budget, the legislative jurisdiction of which shall include all concurrent resolutions on the budget (as defined in section 3(a)(4) of the Congressional Budget and Impoundment Control Act of 1974) and other matters required to be referred to the committee under titles III and IV of that Act. In addition to its jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(4)), the committee shall have the special oversight functions provided for in clause 3(b) and the reporting function provided for in clause 5(b). Terms used in the Rules of the House of Representatives with respect to the committee shall to the extent applicable have the meanings given them by the Congressional Budget and Impoundment Control Act of 1974.

"(e) Committee on the Budget.

"(f) Committee on Commerce and Health, the legislative jurisdiction of which shall include—

"(1) Interstate and foreign commerce, including trade practices and the regulation of insurance, of securities and exchanges, and of time.

"(2) Transportation, including civil aviation, railroads, railway labor and pensions, water transportation subject to the jurisdiction of the Interstate Commerce Commission, and related transportation regulatory agencies.

"(3) Regulation of interstate and foreign communications (including communications corporations).

"(4) Regulation of food and drugs.

"(4) Public health and health facilities, including health service training; health standards for drinking water; and biomedical research and development.

"5) Consumer affairs and consumer protection.

"(6) Population and demography.

"(7) Travel and tourism.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(c) with respect to the nontax aspects of medicare, and other health care, health insurance, and medical assistance programs.

"(g) Committee on the District of Columbia, the legislative jurisdiction of which shall include all measures relating to the municipal affairs of the District of Columbia in general, other than appropriations therefor, including—

"(1) Adulteration of foods and drugs.

"(2) Incorporation and organization of societies.

"(3) Insurance, executors, administrators, wills, and divorce.

"(4) Municipal code and amendments to the criminal and corporation laws.

"(5) Municipal and juvenile courts.

"(6) Public health and safety, sanitation, and quarantine regulations.

"(7) Regulation of sale of intoxicating liquors.

"(8) Taxes and tax sales.

"(9) St. Elizabeth Hospital.

"(h) Committee on Education, the legislative jurisdiction of which shall include—

"(1) Education generally, including education at preschool, elementary, secondary, and postsecondary educational levels; special education programs including Indian education and prisoner education; agricultural colleges; education of military and civilian employee dependents; and educational organization and technology.

"(2) Scholarship and educational aid programs.

"(3) Education and library facilities.

"(4) The arts and humanities.

"(5) Aging and the elderly (except age discrimination).

"(6) Food programs for children in schools.

"(7) Vocational education and rehabilitation.

"(8) Gallaudet College and Howard University.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(d) with respect to educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees.

"(i) Committee on Energy and Environment, the legislative jurisdiction of which shall include—

"(1) Energy and energy resources, including energy regulation, energy conservation and allocation, nonmilitary aspects of nuclear energy (other than research and development), and energy power administrations.

"(2) The environment, including environmental policy, land-use planning, coastal zones, air and water quality, noise control, ocean dumping and disposition of solid wastes, and conservation of resources.

"(3) Water, including research and development, resources, irrigation, reclamation, and deepwater ports.

"(4) Public lands, including mineral resources and oil-shale reserves, and including energy transportation thereon; mines and mining (including mining schools).

"(5) Parks and wilderness, including national parks, military parks and battlefields, historic sites, recreation areas, and parks and reservations within the District of Columbia.

"(6) Wildlife and its protection, including research, refuges, and conservation.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(e) with respect to energy and environment research and development, flood control, and the Tennessee Valley Authority.

"(j) Committee on Foreign Affairs, the legislative jurisdiction of which shall include—

"(1) The foreign policy of the United States, and relations of the United States with foreign nations, including the establishment of boundary lines between the United States and foreign countries, intervention abroad, and declarations of war, and including the foreign policy aspects of military affairs.

"(2) The diplomatic service, and the acquisition of land and buildings for embassies and legations in foreign countries.

"(3) International economic policy, international trade policy, reciprocal trade agreements, and export controls; international commodity agreements (other than those involving sugar).

"(4) Tariffs and customs administration, upon referral from the Committee on Ways and Means as provided in clause 4.

"(5) Foreign security and economic assistance (including the foreign operations of agricultural commodity programs).

"(6) International conferences and congresses.

"(7) International cooperation on the environment.

"(8) Protection of American citizens abroad and expatriation.

"(9) The United Nations and its affiliated organizations.

"(10) International arms control and disarmament.

"(11) Interoceanic canals and the administration and government of the Canal Zone.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(f) with respect to tariffs and customs administration, foreign and military intelligence, international financial and monetary organizations, and international fishing agreements.

"(k) Committee on Government Operations, the legislative jurisdiction of which shall include—

"(1) Budget and accounting measures, other than appropriations.

"(2) The overall economy and efficiency of Government operations and activities, including Federal procurement.

"(3) Reorganizations in the executive branch of the Government.

"(4) Intergovernmental relationships between the United States and the States and municipalities, and general revenue sharing.

"(5) The census, the collection of statistics generally, and access to Government information.

"(6) Relations of the United States with Indians and Indian tribes generally; measures relating to Indians (except Indian education), Indian lands, and claims which are paid out of Indian funds.

"(7) Measures relating generally to the territories and insular possessions of the United States, except those involving revenues and appropriations.

"(8) Communist and other subversive activities affecting the internal security of the United States.

"(9) National archives.

"(10) Holidays and celebrations.

"(11) Political activities by Federal officers and employees.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its oversight functions under clause 2(b) (1) and (2)), the committee shall have the function of performing the activities and conducting the studies which are provided for in clause 5(c).

"(l) Committee on House Administration, the legislative jurisdiction of which shall include—

"(1) Measures relating to accounts of the House; appropriations and expenditures from the contingent fund (including the auditing and settling of all accounts which may be charged to the contingent fund).

"(2) Measures relating to Federal elections generally, including measures relating to the election of the President, Vice President, or Members of Congress; contested elections; credentials and qualifications.

"(3) Measures relating to the raising, reporting, expenditure, and use of campaign contributions for candidates for election to Federal office, and investigation of campaign expenditures.

"(4) Employment of persons by the House (including clerks for Members and committees, and reporters of debates); measures relating to the assignment of office space for Members and committees, and to the travel of Members.

"(5) Printing and correction of the Congressional Record.

"(6) The Library of Congress and the House Library, the Botanic Gardens, and the Smithsonian Institution and similar institutions (except as provided in paragraph (p) (7)); statuary, pictures, and works of art for the Capitol; purchase of books and manuscripts; erection of monuments to the memory of individuals.

"(7) Measures relating to services to the House, including the House restaurant, beauty shop, and parking facilities and the administration of the House Office Buildings and the House wing of the Capitol.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the function of performing the duties which are provided for in clause 5(d).

"(m) Committee on the Judiciary, the legislative jurisdiction of which shall include—

"(1) Federal courts and judges; judicial proceedings, civil and criminal; corrections; and the administration of justice generally

"(2) Crimes and criminal law.

"(3) Civil rights and civil liberties.

"(4) The Constitution, constitutional amendments, and the separation of powers.

"(5) Administrative practices and procedures (except access to Government information).

"(6) Revision and codification of the Federal statutes.

"(7) Immigration, nationality, and citizenship.

"(8) Claims against the United States.

"(9) Apportionment of Representatives and redistricting generally.

"(10) Meetings of Congress, attendance of Members, and their acceptance of incompatible offices.

"(11) Presidential succession (including confirmation of Vice-Presidential nominees under the twenty-fifth amendment).

"(12) Impeachments.

"(13) Protection of trade and commerce against unlawful restraints and monopolies.

"(14) Patents, copyrights, and trademarks.

"(15) Local courts in the territories and possessions.

"16) State and territorial boundary lines, and interstate compacts (except interstate oil compacts).

"(17) Federal penal institutions.

"(18) Bankruptcy.

"(n) Committee on Labor, the legislative jurisdiction of which shall include—

"(1) Labor and employment generally, including labor standards, wages and hours, workmen's comepnsation, and pensions.

"(2) Employment and economic opportunities and employment practices (including equal employment).

"(3) Manpower, including work incentive programs.

"(4) Occupational safety and health (including health and safety of miners).

"(5) The Federal civil service generally, including the status of officers and employees of the United States in such service and their compensation, classification, and retirement.

"(6) The postal service.

"(7) Mediation and arbitration of labor disputes.

"(8) Labor statistics.

"(9) Regulation or prevention of importation of foreign laborers under contract; the entry of goods made by convicts into interstate commerce.

"(o) Committee on Merchant Marine and Fisheries, the legislative jurisdiction of which shall include—

"(1) Merchant marine generally, including merchant marine officers and seamen.

"(2) Regulation of common carriers by water (except those subject to the jurisdiction of the Interstate Commerce Commission); inspection and protection of merchant marine vessels and their personnel; registering and licensing of vessels and small boats.

"(3) Navigation and the laws relating thereto, including pilotage; international maritime conventions and shipping regulations, including rules and arrangements to prevent collisions at sea.

"(4) Fishing and fisheries, including international fishing agreements.

"(5) The Coast Guard.

"(6) The United States Coast Guard and Merchant Marine Academies.

"(p) Committee on Public Works, the legislative jurisdiction of which shall include—

"(1) Public works for the benefit of navigation, including bridges and dams (other than international bridges and dams); flood control and the improvement of rivers and harbors.

"(2) Public buildings and occupied or improved grounds of the United States generally; including the purchase of sites and construction of customhouses, Federal courthouses, and Government buildings within the District of Columbia.

"(3) Roads and the safety thereof, and urban mass transportation.

"(4) Relocation assistance.

"(5) Disaster relief.

"(6) Regional development, including the Tennessee Valley Authority.

"(7) Measures relating to the Capitol Building and the Senate and House Office Buildings, and to the construction or reconstruction, maintenance, and care of the buildings and grounds of the Botanic Gardens, the Library of Congress, the Smithsonian Institution, and the John F. Kennedy Center for the Performing Arts.

"(q) Committee on Rules, the legislative jurisdiction of which shall include—

"(1) The rules and joint rules of the House (other than rules relating to the Code of Official Conduct or relating to financial disclosure by a Member, officer, or employee of the House), and the order of business of the House.

"(2) Recesses and final adjournments of Congress.

"(3) Legislative reorganization.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the functions with respect to the referral of bills, resolutions, and other matters which are provided for in clause 6.

"(r) Committee on Science and Technology, the legislative jurisdiction of which shall include—

"(1) Science policy.

"(2) Astronautics, and the exploration and control of outer space.

"(3) Scientific research and development (other than agricultural, military, biomedical and water research and development), including energy generally and nonmilitary nuclear energy, environmental, civil aviation, and astronautical research and development, and also including scientific prototypes.

"(4) Science scholarships, and sea-grant programs.

"(5) Oceanic and atmospheric sciences.

"(6) Weights and measure, and the metric system.

"(7) Technology assessment.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(g) with respect to agricultural, military, biomedical, and water research and development.

"(s) Committee on Small Business, the legislative jurisdiction of which shall include—

"(1) Assistance to and protection of small business, including financial aid.

"(2) Participation of small-business enterprises in Federal procurement and Government contracts.

In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(h) with respect to the problems of small business.

"(t) Committee on Standards of Official Conduct, the legislative jurisdiction of which shall include—

"(1) Measures relating to the Code of Official Conduct, and to standards of official conduct for Members, officers, and employees of the House generally.

"(2) Measures relating to financial disclosure by Members, officers, and employees of the House.

"(3) Measures relating to activities designed to (A) assist in defeating, passing, or amending any legislation by the House or (B) influence, directly or indirectly, the passage or defeat of any legislation by the House.

"(4) Measures relating to the franking privilege. In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the functions with respect to recommendations, studies, investigations, and reports which are provided for in clause 5(e).

"(u) Committee on Veterans' Affairs, the legislative jurisdiction of which shall include—

"(1) Veterans' measures generally, including pensions and compensation, vocational rehabilitation, education, medical care, facilities and treatment, and readjustment to civilian life.

"(2) Cemeteries of the United States in which veterans are or may be buried, whether in the United States or abroad, except cemeteries in national parks and battlefields.

"(3) Life insurance issued by the Government on account of service in the armed forces.

"(4) Soldiers' and sailors' civil relief.

"(v) Committee on Ways and Means, the legislative jurisdiction of which shall include—

"(1) Taxes, including social security taxes, medicare and other health insurance taxes, and revenue measures relating to the insular possessions.

"(2) National social security programs, including old-age, survivors, and disability insurance and public assistance, medical assistance programs, medicare, and national health insurance, but not work incentive programs; and food stamp programs.

"(3) Tariffs, and customs administration.

"(4) Unemployment compensation.

"(5) Tax-exempt foundations and charitable trusts.

"(6) The public debt.

Any bill or resolution relating to tariffs or customs administration, upon being reported by the committee, shall be referred (in accordance with clause 6(a)) to the Committee on Foreign Affairs for review as provided in clause 4."

TITLE II—OVERSIGHT RESPONSIBILITIES, LEGISLATIVE REVIEW AND ADDITIONAL COMMITTEE FUNCTIONS, REFERRAL OF BILLS AND RESOLUTIONS, ELECTION AND MEMBERSHIP OF COMMITTEES, AND APPLICATION OF BUDGET ACT

SEC. 201. Rule X of the Rules of the House of Representatives (as amended by section 101 of this resolution) is further amended by striking out clauses 2 through 5 and inserting in lieu thereof the following:

"General Oversight Responsibilities

"2. (a) In order to assist the House in—

"(1) its analysis, appraisal, and evaluation of (A) the application, administration, execution, and effectiveness of the laws enacted by the Congress, or (B) conditions and circumstances which may indicate the necessity or desirability of enacting new or additional legislation, and

"(2) its formulation, consideration, and enactment of such modifications of or changes in those laws, and of such additional legislation, as may be necessary or appropriate,

the various standing committees shall have oversight responsibilities as provided in paragraph (b).

"(b)(1) Each standing committee (other than the Committee on Appropriations and the Committee on the Budget) shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject matter of which is within the jurisdiction of that committee, and the organization and operation of the Federal agencies and entities having responsibilities in or for the administration and execution thereof, in order to determine whether such laws and the programs thereunder are being implemented and carried out in accordance with the intent of the Congress and whether such programs should be continued, curtailed, or eliminated. In addition, each such committee shall review and study any conditions or circumstances which may indicate the necessity or desirability of enacting new or additional legislation within the jurisdiction of that committee (whether or not any bill or resolution has been introduced with respect thereto), and shall on a continuing basis undertake futures research and forecasting on matters within the jurisdiction of that committee. Each such committee shall establish an oversight subcommittee to assist in carrying out its responsibilities under this subparagraph.

"(2) The Committee on Government Operations shall review and study, on a continuing basis, the operation of Government activities at all levels with a view to determining their economy and efficiency.

"(3) The Committee on Appropriations shall conduct such studies and examinations of the organizations and operation of executive departments and other executive agencies (including any agency the majority of the stock of which is owned by the Government of the United States) as it may deem necessary to assist it in the determination of matters within its jurisdiction.

"(4) The Committee on the Budget shall make continuing studies of the effect on budget outlays of relevant existing and proposed legislation, and shall report the results of such studies to the House on a recurring basis.

"(c) At the beginning of each Congress, the Committee on Government Operations shall meet with appropriate representatives of each of the other committees of the House to discuss the oversight plans of such committees and to assist in coordinating all of the oversight activities of the House during such Congress. Within 60 days after the Congress convenes, the Committee on Government Operations shall report to the House the results of such meetings and discussions, along with any recommendations which it may have to assure the most effective coordination of such activities and otherwise achieve the objectives of this clause.

"(d) Each standing committee of the House shall have the function of reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction as described in clause 1.

"Special Oversight Functions

"3. (a) The Committee on Armed Services shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving international arms control and disarmament.

"(b) The Committee on the Budget shall have the function of requesting and evaluating continuing studies of tax expenditures, devising methods of coordinating tax expenditures, policies, and programs with direct budget outlays, and reporting the results of such studies to the House on a recurring basis.

"(c) The Committee on Commerce and Health shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving the nontax aspects of medicare, and other health care, health insurance, and medical assistance programs.

"(d) The Committee on Educaion shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving educational programs and institutions, and programs of student assistance, which are within the jurisdiction of other committees.

"(e) The Committee on Energy and Environment shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving energy and environment research and development, flood control, and the Tennessee Valley Authority.

"(f) The Committee on Foreign Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving tariffs and customs administration, foreign and military intelligence, international financial and monetary organizations, and international fishing agreements.

"(g) The Committee on Science and Technology shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving agricultural, military, biomedical, and water research and development.

"(h) The Committee on Small Business shall have the function of studying and investigating, on a continuing basis, the problems of all types of small business.

"Legislative Review Functions

"4. Whenever any bill or resolution relating to tariffs or customs administration is reported by the Committee on Ways and Means, it shall be referred for a period certain to the Committee on Foreign Affairs before being submitted to the House. The Committee on Foreign Affairs shall review such bill or resolution, and may at any time prior to the conclusion of such period report to the House, along with but separately from such bill or resolution, any amendments which it considers necessary or desirable. Any amendments so reported shall have privileged status as committee amendments; and the Committee on Rules, in granting any rule providing for the consideration of such bill or resolution by the House, shall make appropriate provision for treatment as such. The bill or resolution shall be deemed for all of the purposes of this rule to have been reported at the conclusion of such period without any amendments (other than those made by the Committee on Ways and Means) if the Committee on Foreign Affairs has not theretofore reported such bill or resolution to the House as described in the preceding provisions of this subparagraph.

"Additional Functions of Committees

"5. (a) (1) The Committee on Appropriations shall, within thirty days after the transmittal of the Budget to the Congress each year, hold hearings on the Budget as a whole with particular reference to—

"(A) the basic recommendations and budgetary policies of the President in the presentation of the Budget; and

"(B) the fiscal, financial, and economic assumptions used as bases in arriving at total estimated expenditures and receipts.

"(2) In holding hearings pursuant to subparagraph (1), the committee shall receive testimony from the Secretary of the Treasury, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, and such other persons as the committee may desire.

"(3) Hearings pursuant to subparagraph (1), or any part thereof, shall be held in open session, except when the committee, in open session and with a quorum present, determines by rollcall vote that the testimony to be taken at that hearing may be related to a matter of national security. A transcript of all such hearings shall be printed and a copy thereof furnished to each Member, Delegate, and the Resident Commissioner from Puerto Rico.

"(4) Hearings pursuant to subparagraph (1), or any part thereof, may be held before joint meetings of the committee and the Committee on Appropriations of the Senate in accordance with such procedures as the two committees jointly may determine.

"(b) The Committee on the Budget shall have the duty—

"(1) to review on a continuing basis the conduct by the Congressional Budget Office of its functions and duties; and

"(2) to report the matters required to be reported by such committee under titles III and IV of the Congressional Budget Act of 1974.

"(c) (1) The Committee on Government Operations shall have the general function of—

"(A) receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such reports;

"(B) evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government; and

"(C) studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member.

"(2) In addition to its duties under subparagraph (1), the Committee on Government Operations may at any time conduct investigations of any matter without regard to the provisions of clause 1, 2, 3, or 4 (or this clause) conferring jurisdiction over such matter upon another standing committee. The committee's findings and recommendations in any such investigation shall be made available to the other standing committee or committees having jurisdiction over the matter involved (and included in the report of any such other committee when required by clause 2(1) (3) of Rule XI).

"(d) The Committee on House Administration shall have the function of—

"(1) examining all bills, amendments, and joint resolutions after passage by the House and, in cooperation with the Senate, examining all bills and joint resolutions which shall have passed both Houses to see that they are correctly enrolled, forthwith presenting those which originated in the House to the President of the United States in person after their signature by the Speaker of the House and the President of the Senate and reporting the fact and date of such presentation to the House;

"(2) making final report to the House in each contested-election case at such time as the committee considers practicable in the Congress to which the contestee is elected;

"(3) reporting to the Sergeant-at-arms of the House concerning the travel of Members of the House; and

"(4) providing, through the House Information Systems a scheduling service which may be used by all the committees and subcommittees of the House to eliminate, insofar as possible, any meeting and scheduling conflicts.

"(e) (1) The Committee on Standards of Official Conduct is authorized (A) to recommend to the House from time to time such administrative actions as it may deem appropriate to establish or enforce standards of official conduct for Members, officers, and empolyees of the House; (B) to investigate, subject to subparagraph (2) of this paragraph, any alleged violation, by a Member, officer, or employee of the House, of the Code of Official Conduct or of any law, rule, regulation, or other standard of conduct applicable to the conduct of such Member, officer, or employee in the performance of his duties or the discharge of his responsibilities, and, after notice and hearing, to recommend to the House, by resolution or otherwise, such action as the committee may deem appropriate in the circumstances; (C) to report to the appropriate Federal or State authorities, with the approval of the House, any substantial evidence of a violation, by a Member, officer, or employee of the House, of any law applicable to the performance of his duties or the discharge of his responsibilities, which may have been disclosed in a committee investigation; and (D) to give consideration to the request of any Member, officer, or employee of the House for an advisory opinion with respect to the general propriety of any current or proposed conduct of such Member, officer, or employee and, with appropriate deletions to assure the privacy of the individual concerned, to publish such opinion for the guidance of other Members, officers, and employees of the House.

"(2) (A) No resolution, report, recommendation, or advisory opinion relating to the official conduct of a Member, officer, or employee of the House shall be made by the Committee on Standards of Official Conduct, and no investigation of such conduct shall be undertaken by such committee, unless approved by the affirmative vote of a majority of the members of the committee.

"(B) Except in the case of an investigation undertaken by the committee on its own initiative, the committee may undertake an investigation relating to the official conduct of an individual Member, officer, or employee of the House of Representatives only—

"(i) upon receipt of a complaint, in writing and under oath, made by or submitted to a Member of the House and transmitted to the committee by such Member, or

"(ii) upon receipt of a complaint, in writing and under oath, directly from an individual not a Member of the House if the committee finds that such complaint has been submitted by such individual to not less than three Members of the House who have refused, in writing, to transmit such complaint to the committee.

"(C) No investigation shall be undertaken by the committee of any alleged violation of a law, rule, regulation, or standard of conduct not in effect at the time of the alleged violation.

"(D) A member of the committee shall be ineligible to participate, as a member of the committee, in any committee proceeding relating to his or her official conduct. In any case in which a member of the committee is ineligible to act as a member of the committee under the preceding sentence, the Speaker of the House shall designate a Member of the House from the same political party as the ineligible member of the committee to act as a member of the committee in any committee proceeding relating to the official conduct of such ineligible member.

"(f) (1) Each standing committee of the House shall, in its consideration of all bills and joint resolutions of a public character within its jurisdiction, insure that appropriations for continuing programs and activities of the Federal Government and the District of Columbia government will be made annually to the maximum extent feasible and consistent with the nature, requirements, and objectives of the program and activities involved. For the purposes of this paragraph a Government agency includes the organizational units of government listed in clause 7(d) of Rule XIII.

"(2) Each standing committee of the House shall review, from time to time, each continuing program within its jurisdiction for which appropriations are not made annually in order to ascertain whether such program could be modified so that appropriations therefor would be made annually.

"Referral of Bills, Resolutions, and Other Matters to Committees

"(6) (a) Each bill, resolution, or other matter which relates to a subject listed under any standing committee named in clause 1 shall be referred by the Speaker in accordance with the provisions of this clause.

"(b) Every referral of any matter under paragraph (a) shall be made in such manner as to assure to the maximum extent feasible that each committee which has jurisdiction under clause 1 over the subject matter of any provision thereof will have responsibility for considering such provision and reporting to the House with respect thereto. Any precedents, rulings, and procedures in effect prior to the Ninety-Fourth Congress shall be applied with respect to referrals under this clause only to the extent that they will contribute to the achievement of the objectives of this clause.

"(c) In carrying out paragraph (a) with respect to any matter, the Speaker may refer the matter simultaneously to two or more committees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any committee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions and refer each such part to a different committee, or refer the matter to a special ad hoc committee appointed by the Speaker with the approval of the House (from the members of the committees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the House thereon, or make such other provision as may be considered appropriate.

"(d) The Speaker, in lieu of referring any matter under the preceding provisions of this clause, may submit such matter directly to the Committee on Rules and request that the initial referral of such matter be made by that Committee under paragraph (f) (1), at the same time sending a copy of such submission and request to each of the other committees of the House. Notice of any such request that the Committee on Rules make any initial referral shall be published in the Congressional Record at the conclusion of the House proceedings and under a separate heading in the Daily Digest.

"(e) The Committee on Rules shall have authority to review and modify the referral by the Speaker under paragraph (a) of any bill, resolution, or other matter if the chairman of any committee, upon his or her own motion or at the direction of a majority of the committee, requests such review. Any such request must be in writing and must be made within seven legislative days after the referral (or at any time before the twenty-first legislative day of the first session of a Congress where the matter was referred during the first fifteen days of the session); and notice of such request shall be published in the Congressional Record and the Daily Digest in the same manner as under paragraph (d).

"(f)(1) Upon receiving a request for review or initial referral, the Committee on Rules shall within five legislative days determine (in the manner provided in paragraph (c)) the committee or committees to which the matter involved should be referred or re-referred, after giving interested committees a reasonable opportunity to be heard. The Committee shall publish such determination in the Congressional Record and the Daily Digest (in the same manner as under paragraph (d)) within three legislative days after the determination is made.

"(2) Within three legislative days after the publication of a determination of the Committee on Rules with respect to any matter under subparagraph (1), it shall be in order for the Speaker to recognize any committee chairman or designee, acting upon such chairman's own motion or at the direction of a majority of the committee, to move that the House reject the determination of the Committee on Rules and refer the matter to such committee or committees, and in accordance with such procedure or procedures, as shall be specified in the motion. Any such motion shall be highly privileged; and debate thereon shall be limited to not more than 40 minutes, divided equally between the proponents and opponents. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(3)(A) If no motion to reject the determination of the Committee on Rules is agreed to before the conclusion of the three-day period specified in subparagraph (2), the matter involved shall be automatically referred in accordance with such determination.

"(B) If any motion to reject the determination is agreed to, the matter involved shall be automatically referred in accordance with the motion; and no further motion under subparagraph (2) with respect to such matter shall be in order.

"(g) Notwithstanding any other provision of this paragraph, the Committee on Rules shall have no authority (A) to review or modify the referral of any matter which was initially referred to it in whole or in part (except to re-refer such matter or part thereof to another committee), or (B) to review or modify the referral of any matter to another committee on the ground that the matter should have been referred in whole or in part to the Committee on Rules. The chairman of any committee desiring any such review or modification, upon his or her own motion or at the direction of a majority of the committee, may publish a request therefor in the Congressional Record and the Daily Digest within seven legislative days after the initial referral, in the same manner as under paragraph (d); and upon the publication of such request the initial referral shall be subject to the procedure set forth in paragraph (f)(2) as though it were a determination of the Committee on Rules.

"(h) Each bill or resolution introduced in the House shall be accompanied by a factual description not exceeding one hundred words of the subject matters involved therein, which shall be prepared or approved by the Congressional Research Service and shall be printed on the first page of such bill or resolution as well as in the Congressional Record.

"Election and Membership of Committees; Chairmen; Limitation on Committee Service; Vacancies; Select and Conference Committees

"7. (a)(1) The standing committees specified in clause 1 shall be elected by the House at the commencement of each Congress.

"(2)(A) No standing committee (except the Committee on Appropriations) shall have more than thirty-five members.

"(B) Insofar as practicable the standing committees shall be of equal size; except that this provision shall not apply to any committee which is not taken into account in applying the requirement of paragraph (c).

"(3) One-half of the members of the Committee on Standards of Official Conduct shall be from the majority party and one-half shall be from the minority party.

"(4) The Committee on the Budget shall have twenty-three members as follows:

"(A) five members who are members of the Committee on Appropriations;

"(B) five members who are members of the Committee on Ways and Means;

"(C) eleven members who are members of other standing committees;

"(D) one member from the leadership of the majority party; and

"(E) one member from the leadership of the minority party.

No member shall serve as a member of the Committee on the Budget during more than two Congresses in any period of five successive Congresses beginning after 1974 (disregarding for this purpose any service performed as a member of such committee for less than a full session in any Congress). All selections of members to serve on the committee shall be made without regard to seniority.

"(b) One of the Members of each standing committee shall be elected by the House, at the commencement of each Congress, as chairman thereof. In the temporary absence of the chairman, the Member next in rank in the order named in the election of the committee, and so on, as often as the case shall happen, shall act as chairman; and in case of a permanent vacancy in the chairmanship of any such committee the House shall elect another chairman.

"(c) No Member may serve on more than one standing committee at any time; except that service on the Committee on the Budget, the Committee on the District of Columbia, the Committee on House Administration, the Committee on Merchant Marine and Fisheries, the Committee on Small Business, the Committee on Standards of Official Conduct, or the Committee on Veterans' Affairs shall not be taken into account in applying this requirement.

"(d) All vacancies in standing committees shall be filled by election by the House.

"(e) Each standing committee of the House of Representatives that has more than fifteen members shall establish at least three subcommittees.

"(f) The Speaker shall appoint all select and conference committees which shall be ordered by the House from time to time. In appointing Members to conference committees, the Speaker shall appoint no less than a majority of Members who supported the House position, as determined by the Speaker, on the principal issues in disagreement.

"Application of Budget Act

"8. The preceding provisions of this rule, and the provisions of Rule XI, are modified by the Congressional Budget and Impoundment Control Act of 1974."

TITLE III—RULES OF PROCEDURE FOR COMMITTEES

SEC. 301. Rule XI of the Rules of the House of Representatives is amended to read as follows:

"RULE XI.

"RULES OF PROCEDURES FOR COMMITTEES.

"In General

"1. (a)(1) The Rules of the House are the rules of its committees and subcommittees so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees and subcommittees.

"(2) Each subcommittee of a committee is a part of that committee, and is subject to the authority and direction of that committee and to its rules so far as applicable.

"(b) Each committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under Rule X, and (subject to the adoption of expense resolutions as required by clause 5) to incur expenses (including travel expenses) in connection therewith.

"(c) Each committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee. All costs of stenographic services and transcripts in connection with any meeting or hearing of a committee shall be paid from the contingent fund of the House.

"(d) Each committee shall submit to the House, not later than January 2 of each odd-numbered year, a report on the activities of that committee under this rule and Rule X during the Congress ending at noon on January 3 of such year.

"Committee Rules

"Adoption of written rules

"2. (a) Each standing committee of the House shall adopt written rules governing its procedure. Such rules—

"(1) shall be adopted in a meeting which is open to the public unless the committee, in open session and with quorum present, determines by rollcall vote that all or part of the meeting is to be closed to the public;

"(2) shall not be inconsistent with the Rules of the House or with those provisions of law having the force and effect of Rules of the House; and

"(3) shall in any event incorporate all of the succeeding provisions of this clause to the extent applicable.

Each committee's rule specifying its regular meeting days, and any other rules of a committee which are in addition to the provisions of this clause, shall be published in the Congressional Record not later than thirty days after the Congress convenes in each odd-numbered year.

"Regular meeting days

"(b) Each standing committee of the House shall adopt regular meeting days, which shall be not less frequent than monthly, for the conduct of its business. Each such committee shall meet, for the consideration of any bill or resolution pending before the committee or for the transaction of other committee business, on all regular meeting days fixed by the committee, unless otherwise provided by written rule adopted by the committee.

"Additional and special meetings

"(c)(1) The chairman of each standing committee may call and convene, as he or she considers necessary, additional meetings of the committee for the consideration of any bill or resolution pending before the committee or for the conduct of other committee business. The committee shall meet for such purpose pursuant to that call of the chairman.

"(2) If at least three members of any standing committee desire that a special meeting of the committee be called by the chairman, those members may file in the offices of the committee their written request to the chairman for that special meeting. Such request shall specify the measure or matter to be considered. Immediately upon the filing of the request, the clerk of the committee shall notify the chairman of the filing of the request. If, within three calendar days after the filing of the request, the chairman does not call the requested special meeting, to be held within seven calendar days after the filing of the request, a majority of the members of the committee may file in the offices of the committee their written notice that a special meeting of the committee will be held, specifying the date and hour of, and the measure or matter to be considered at, that special meeting. The committee shall meet on that date and hour. Immediately upon the filing of the notice, the clerk of the committee shall notify all members of the committee that such special meeting will be held and inform them of its date and hour and the measure or matter to be considered; and only the measure or matter specified in that notice may be considered at that special meeting.

"Ranking majority Member to preside in absence of chairman

"(d) If the chairman of any standing committee is not present at any meeting of the committee, the ranking member of the majority party on the committee who is present shall preside at that meeting.

"Committee records

"(e)(1) Each committee shall keep a complete record of all committee action which shall include a record of the votes on any question on which a rollcall vote is demanded. The result of each such rollcall vote shall be made available by the committee for inspection by the public at reasonable times in the offices of the committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each Member voting for and each Member voting against such amendment, motion, order, or proposition, and the names of those Members present but not voting.

"(2) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the Member serving as chairman of the committee; and such records shall be the property of the House and all Members of the House shall have access thereto.

"Proxies prohibited

"(f) No vote by any member of any committee or subcommittee with respect to any measure or matter may be cast by proxy.

"Open meetings and hearings

"(g)(1) Each meeting for the transaction of business, including the markup of legislation, of each standing committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of the meeting shall be closed to the public: *Provided, however,* That no person other than members of the committee and such congressional staff and such departmental representatives as they may authorize shall be present at any business or markup session which has been closed to the public. This paragraph does not apply to open committee hearings which are provided for by clause 5(a)(3) of Rule X or by subparagraph (3) of this paragraph, or to any meeting that relates solely to internal budget or personnel matters.

"(2) Except as otherwise specifically provided in this clause, each committee (other than the Committee on Rules) shall make (and promptly publish in the Daily Digest portion of the Congressional Record), at least one week before the commencement of any hearing to be conducted by the committee (or at the earliest possible date if the committee determines that there is good cause to begin the hearing sooner), a public announcement of the date, place, and subject matter of such hearing.

"(3) Each hearing conducted by each committee or subcommittee thereof shall be open to the public except when the committee or subcommittee, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security or would violate any law or rule of the House of Representatives.

"Quorum for taking testimony

"(h) Each committee may fix the number of its members to constitute a quorum for taking testimony and receiving evidence, which shall be not less than two.

"Prohibition against committee meetings during five-minute rule

"(i) No committee of the House (except the Committee on Appropriations, the Committee on the Budget, and the Committee on Rules) may sit, without special leave, while the House is reading a measure for amendment under the five-minute rule.

"Calling and interrogations of witnesses

"(j)(1) Whenever any hearing is conducted by any committee upon any measure or matter, the minority party Members on the committee shall be entitled, upon request to the chairman by a majority of them before the completion of the hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearing thereon.

"(2) Each committee shall apply the five-minute rule in the interrogation of witnesses in any hearing until such time as each Member of the committee who so desires has had an opportunity to question each witness.

"Investigative hearing procedures

"(k)(1) The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

"(2) A copy of the committee rules and this clause shall be made available to each witness.

"(3) Witnesses at investigative hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

"(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

"(5) If the committee determines that evidence or testimony at an investigative hearing may tend to defame, degrade, or incriminate any person, it shall—

"(A) receive such evidence or testimony in executive session;

"(B) afford such person an opportunity voluntarily to appear as a witness; and

"(C) receive and dispose of requests from such person to subpena additional witnesses.

"(6) Except as provided in subparagraph (5), the chairman shall receive and the committee shall dispose of requests to subpena additional witnesses.

"(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

"(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinency of testimony and evidence adduced at its hearing.

"(9) Upon payment of the cost thereof, a witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

"Committee procedures for reporting bills and resolutions

"(l)(1)(A) It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by the committee and to take or cause to be taken necessary steps to bring the matter to a vote.

"(B) In any event, the report of any committee on a measure which has been approved by the committee shall be filed within seven calendar days (exclusive of days on which the House is not in session) after the day on which there has been filed with the clerk of the committee a written request, signed by a majority of the members of the committee, for the reporting of that measure. Upon the filing of any such request, the clerk of the committee shall transmit immediately to the chairman of the committee notice of the filing of that request. This subdivision does not apply to a report of the Committee on Rules with respect to the rules, joint rules, or order of business of the House or to the reporting of a resolution of inquiry addressed to the head of an executive department.

"(2)(A) No measure or recommendation shall be reported from any committee unless a majority of the committee was actually present.

"(B) With respect to each rollcall vote on a motion to report any bill or resolution of a public character, the total number of votes cast for, and the total number of votes cast against, the reporting of such bill or resolution shall be included in the committee report.

"(3) The report of any committee on a measure which has been approved by the committee (A) shall include the findings and recommendations of the oversight subcommittee of such committee established pursuant to the last sentence of clause 2(b)(1) of Rule X; and (B) shall include the oversight findings and recommendations made by the Committee on Government Operations under clause 2(b)(2) of Rule X, separately set out and clearly identified, whenever the Committee on Government Operations (prior to the filing of the report) has submitted such findings and recommendations to the committee.

"(4) If, at the time of approval of any measure or matter by any committee, any member of the committee gives notice of intention to file supplemental, minority, or additional views, that member shall be entitled to not less than three calendar days (excluding Saturdays, Sundays, and legal holidays) in which to file such views, in writing and signed by that member, with the clerk of the committee. All such views so filed by one or more members of the committee shall be included within, and shall be a part of, the report filed by the committee with respect to that measure or matter. The report of the committee upon that measure or matter shall be printed in a single volume which—

"(A) shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report, and

"(B) shall bear upon its cover a recital that supplemental, minority, or additional views (and the findings and recommendations of the Committee on the Budget and the Committee on Government Operations, if any, under subparagraph (3)) are included as part of the report.

This subparagraph does not preclude—

"(i) the immediate filing or printing of a committee report unless timely request for the opportunity to file supplemental, minority, or additional views has been made as provided by this subparagraph; or

"(ii) the filing by any such committee of any supplemental report upon any measure or matter which may be required for the correction of any technical error in a previous report made by that committee upon that measure or matter; or

"(iii) the immediate filing by the Committee on Rules of any resolution making in order the consideration of any bill or resolution.

"(5) A measure or matter reported by any committee (except the Committee on Rules in the case of a resolution making in order the consideration of a bill or resolution, the Committee on House Administration in the case of a report made under clause 5(d)(2) of Rule X, or the Committee on Standards of Official Conduct in the case of a report made under clause 5(e) of Rule X) shall not be considered in the House until the third calendar day (excluding Saturdays, Sundays, and legal holidays) on which the report of that committee upon that measure or matter has been available to the Members of the House. If hearings have been held on any such measure or matter so reported, the committee reporting the measure or matter shall make every reasonable effort to have such hearings printed and available for distribution to the Members of the House prior to the consideration of such measure or matter in the House. This subparagraph shall not apply to—

"(A) any measure for the declaration of war, or the declaration of a national emergency, by the Congress; or

"(B) any executive decision, determination, or action which would become, or continue to be, effective unless disapproved or otherwise invalidated by one or both Houses of Congress.

"(6) If, within seven calendar days after a measure has, by resolution, been made in order for consideration by the House, no motion has been offered that the House consider that measure, any member of the committee which reported that measure may be recognized in the discretion of the Speaker to offer a motion that the House shall consider that measure, if that committee has duly authorized that member to offer that motion.

"Power to sit and act; subpena power

"(m)(1) For the purpose of carrying out any of its functions and duties under this rule and Rule X (including any matters referred to it under clause 6 of Rule X), any committee, or any subcommittee thereof, is authorized (subject to paragraph (i) of this clause and subparagraph (2)(A) of this paragraph)—

"(A) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings, and

"(B) to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents,

as it deems necessary. The chairman of the committee, or any member designated by such chairman, may administer oaths to any witness.

"(2)(A) A subpena may be issued by a committee or subcommittee under subparagraph (1)(B) in the conduct of any investigation or activity or series of investigations or activities only when authorized by a majority of the members of the committee.

"(B) Compliance with any subpena issued by a committee or subcommittee under subparagraph (1)(E) may be enforced only as authorized or directed by the House.

"(C) Subpenas authorized by the preceding provisions of this paragraph may be issued under the signature of the chairman of the committee or any member of the committee designated by a majority of the committee, and may be served by any person designated by such chairman or member.

"Use of committee funds for travel

"(n) Funds authorized for a committee under clause 5 are for expenses incurred in the committee's activities within the United States; however, local currencies owned by the United States shall be made available to the committee and its employees engaged in carrying out their official duties outside the United States. No appropriated funds shall be expended for the purpose of defraying expenses of members of the committee or its employees in any country where local currencies are available for this purpose; and the following conditions shall apply with respect to their use of such currencies:

"(1) No Member or employee of the committee shall receive or expend local currencies for subsistence in any country at a rate in excess of the maximum per diem rate set forth in applicable Federal law.

"(2) Each Member or employee of the committee shall make to the chairman of the committee an intemized report showing the number of days visited in each country whose local currencies were spent, the amount of per diem furnished, and the cost of transportation if furnished by public carrier, or, if such transportation is furnished by an agency of the United States Government, the cost of such transportation and the identification of the agency. All such individual reports shall be filed by the chairman with the Committee on House Administration and shall be open to public inspection.

"Broadcasting of Committee Hearings

"3. (a) It is the purpose of this clause to provide a means, in conformity with acceptable standards of dignity, propriety, and decorum, by which committee hearings which are open to the public may be covered, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage—

"(1) for the education, enlightenment, and information of the general public, on the basis of accurate and impartial news coverage, regarding the operations, procedures, and practices of the House as a legislative and representative body and regarding the measures, public issues, and other matters before the House and its committees, the consideration thereof, and the action taken thereon; and

"(2) for the development of the perspective and understanding of the general public with respect to the role and function of the House under the Constitution of the United States as an organ of the Federal Government.

"(b) In addition, it is the intent of this clause that radio and television tapes and television film of any coverage under this clause shall not be used, or made available for use, as partisan political campaign material to promote or oppose the candidacy of any person for elective public office.

"(c) It is, further, the intent of this clause that the general conduct of each meeting of any hearing or hearings covered, under authority of this clause, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, and the personal behavior of the committee members and staff, other Government officials and personnel, witnesses, television, radio and press media personnel, and the general public at the hearing shall be in strict conformity with and observance of the acceptable standards of dignity, propriety, courtesy, and decorum traditionally observed by the House in its operations and shall not be such as to—

"(1) distort the objects and purposes of the hearing or the activities of committee members in connection with that hearing or in connection with the general work of the committee or of the House; or

"(2) cast discredit or dishonor on the House, the committee, or any Member or bring the House, the committee, or any Member into disrepute.

"(d) The coverage of committee hearings by television broadcast, radio broadcast, or still photography is a privilege made available by the House and shall be permitted and conducted only in strict conformity with the purposes, provisions, and requirements of this clause.

"(e) Whenever any hearing conducted by any committee of the House is open to the public, that committee may permit, by majority vote of the committee, that hearing to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, but only under such written rules as the committee may adopt in accordance with the purposes, provisions, and requirements of this clause.

"(f) The written rules which may be adopted by a committee under paragraph (e) of this clause shall contain provisions to the following effect:

"(1) If the television or radio coverage of the hearing is to be presented to the public as live coverage, that coverage shall be conducted and presented without commercial sponsorship.

"(2) No witness served with a subpena by the committee shall be required against his or her will to be photographed at any hearing or to give evidence or testimony while the broadcasting of that hearing, by radio or television, is being conducted. At the request of any such witness who does not wish to be subjected to radio, television, or still photography coverage, all lenses shall be covered and all microphones used for coverage turned off. This subparagraph is supplementary to clause 2(k)(5) of this Rule, relating to the protection of the rights of witnesses.

"(3) Not more than four television cameras, operating from fixed positions, shall be permitted in a hearing room. The allocation among the television media of the positions of the number of television cameras permitted in a hearing room shall be in accordance with fair and equitable procedures devised by the Executive Committee of the Radio and Television Correspondents' Galleries.

"(4) Television cameras shall be placed so as not to obstruct in any way the space between any witness giving evidence or testimony and any member of the committee or the visibility of that witness and that member to each other.

"(5) Television cameras shall not be placed in positions which obstruct unnecessarily the coverage of the hearing by the other media.

"(6) Equipment necessary for coverage by the television and radio media shall not be installed in, or removed from, the hearing room while the committee is in session.

"(7) Floodlights, spotlights, strobelights, and flashguns shall not be used in providing any method of coverage of the hearing, except that the television media may install additional lighting in the hearing room, without cost to the Government, in order to raise the ambient lighting level in the hearing room to the lowest level necessary to provide adequate television coverage of the hearing at the then current state of the art of television coverage.

"(8) Not more than five press photographers shall be permitted to cover a hearing by still photography. In the selection of these photographers, preference shall be given to photographers from Associated Press Photos and United Press International Newspictures. If request is made by more than five of the media for coverage of the hearing by still photography, that coverage shall be made on the basis of a fair and equitable pool arrangement devised by the Standing Committee of Press Photographers.

"(9) Photographers shall not position themselves, at any time during the course of the hearing, between the witness table and the members of the committee.

"(10) Photographers shall not place themselves in positions which obstruct unnecessarily the coverage of the hearing by the other media.

"(11) Personnel providing coverage by the television and radio media shall be then currently accredited to the Radio and Television Correspondents' Galleries.

"(12) Personnel providing coverage by still photography shall be then currently accredited to the Press Photographers' Gallery.

"(13) Personnel providing coverage by the television and radio media and by still photography shall conduct themselves and their coverage activities in an orderly and unobtrusive manner.

"Privileged Reports and Amendments

"4. (a) The following committees shall have leave to report at any time on the matters herein stated, namely: The Committee on Appropriations—on general appropriation bills; the Committee on the Budget—on the matters required to be reported by such committee under titles III and IV of the Congressional Budget Act of 1974; the Committee on House Administration—on enrolled bills, on the right of a member to his or her seat, on all matters referred to it of printing for the use of the House or the two Houses, and on all matters of expenditure of the contingent fund of the House; the Committee on Rules—on rules, joint rules, and the order of business; and the Committee on the Standards of Official Conduct—on resolutions recommending action by the House of Representatives with respect to an individual Member, officer, or employee of the House of Representatives as a result of any investigation by the committee relating to the official conduct of such Member, officer, or employee of the House of Representatives.

"(b) In addition, any committee shall have leave to report at any time on resolutions authorizing the issuance of subpenas as described in subparagraph (2)(A) of clause 2(m) or providing for the enforcement of subpenas as described in subparagraph (2)(B) of such clause.

"(c) It shall always be in order to call up for consideration a report from the Committee on Rules on a rule, joint rule, or the order of business (except it shall not be called up for consideration on the same day it is presented to the House, unless so determined by a vote of not less than two-thirds of the Members voting, but this provision shall not apply during the last three days of the session), and, pending the consideration thereof, the Speaker may entertain one motion that the House adjourn; but after the result is announced the Speaker shall not entertain any other dilatory motion until the report shall have been fully disposed of. The Committee on Rules shall not report any rule or order which provides that business under clause 7 of Rule XXIV shall be set aside by a vote of lese than two-thirds of the Members present; nor shall it report any rule or order which would prevent the motion to recommit from being made as provided in clause 4 of Rule XVI.

"(d) The Committee on Rules shall present to the House reports concerning rules, joint rules, and order of business, within three legislative days of the time when the bill or resolution involved is ordered reported by the committee. If any such rule or order is not considered immediately, it shall be referred to the calendar and, if not called up by the Member making the report within seven legislative days thereafter, any member of the Rules Committee may call it up as a question of privilege and the Speaker shall recognize any member of the Rules Committee seeking recognition for that purpose. If the Committee on Rules makes an adverse report on any resolution pending before the committee, providing for an order of business for the consideration by the House of any public bill or joint resolution, on days when it shall be in order to call up motions to discharge committees it shall be in order for any Member of the House to call up for consideration by the House such adverse report, and it shall be in order to move the adoption by the House of such resolution adversely reported notwithstanding the adverse report of the Committee on Rules, and the Speaker shall recognize the Member seeking recognition for that purpose as a question of the highest privilege.

"(e) Whenever a bill or resolution is considered in the House or the Committee of the Whole, the chairman or another member of the Committee on Government Operations, at the direction of such committee, may offer (and have considered immediately following the disposition of the amendments of the committee reporting the bill or resolution) an amendment or amendments based on any of the committee's oversight findings which are included under clause 2(l)(3) as part of the report accompanying the bill or resolution.

"(f) Whenever the Committee on Rules reports a resolution repealing or amending any of the Rules of the House of Representatives or part thereof it shall include in its report or in an accompanying document—

"(1) the text of any part of the Rules of the House of Representatives which is proposed to be repealed; and

"(2) a comparative print of any part of the resolution making such an amendment and of any part of the Rules of the House of Representatives to be amended, showing by an appropriate typographical device the omissions and insertions proposed to be made.

"Committee Expenses

"5. (a) Whenever any standing committee (except the Committee on Appropriations or the Committee on the Budget) is to be granted authorization for the payment, from the contingent fund of the House, of its expenses in any year, other than those expenses to be paid from appropriations provided by statute, such authorization initially shall be procured by one primary expense resolution for that committee providing funds for the payment of the expenses of the committee for that year from the contingent fund of the House. Any such primary expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of the funds to be provided to the committee under the primary expense resolution for all anticipated activities and programs of the committee; and

"(2) to the extent practicable, contain such general statements regarding the estimated foreseeable expenditures for the respective anticipated activities and programs of the committee as may be appropriate to provide the House with basic estimates with respect to the expenditure generally of the funds to be provided to the committee under the primary expense resolution.

"(b) After the date of adoption by the House of any such primary expense resolution for any such standing committee for any year, authorization for the payment from the contingent fund of additional expenses of such committee in that year, other than those expenses to be paid from appropriations provided by statute, may be procured by one or more additional expense resolutions for that committee, as necessary. Any such additional expense resolution reported to the House shall not be considered in the House unless a printed report on that resolution has been available to the Members of the House for at least one calendar day prior to the consideration of that resolution in the House. Such report shall, for the information of the House—

"(1) state the total amount of additional funds to be provided to the committee under the additional expense resolution and the purpose or purposes for which those additional funds are to be used by the committee; and

"(2) state the reason or reasons for the failure to procure the additional funds for the committee by means of the primary expense resolution.

"(c)(1) The minority party on any such standing committee is entitled, upon request of a majority of such minority, to one-third of the funds provided for the appointment of committee staff pursuant to each primary or additional expense resolution. The committee shall appoint any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the staff until such appointment is made. Each staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

"(2) Notwithstanding the provisions of subparagraph (1), a committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the members of the majority party and a majority of the members of the minority party.

"(d) The preceding provisions of this clause do not apply to—

"(1) any resolution providing for the payment from the contingent fund of the House of sums necessary to pay compensation for staff services performed for, or to pay other expenses of, any standing committee at any time from and after the beginning of any year and before the date of adoption by the House of the primary expense resolution providing funds to pay the expenses of that committee for that year; or

"(2) any resolution providing in any Congress, for all of the standing committees of the House, additional office equipment, airmail and special delivery postage stamps, supplies, staff personnel, or any other specific item for the operation of the standing committees, and containing an authorization for the payment from the contingent fund of the House of the expenses of any of the foregoing items provided by that resolution, subject to and until enactment of the provisions of the resolution as permanent law.

"Committee Staffs

"6. (a)(1) Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, each standing committee may appoint, by majority vote of the committee, not more than eighteen professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the chairman and the ranking minority party member of such committee as the committee considers advisable.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, not more than six persons may be selected, by majority vote of the minority party members, for appointment by the committee as professional staff members from among the number authorized by subparagraph (1) of this paragraph. The committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

"(3) The professional staff members of each standing committee—

"(A) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

"(B) shall not engage in any work other than committee business; and

"(C) shall not be assigned any duties other than those pertaining to committee business.

"(4) Services of the professional staff members of each standing committee may be terminated my majority vote of the committee.

"(5) The foregoing provisions of this paragraph do not apply to the Committee on Appropriations or the Committee on the Budget.

"(b)(1) The clerical staff of each standing committee shall consist of not more than twelve clerks, to be attached to the office of the chairman, to the ranking minority party member, and to the professional staff, as the committee considers advisable. Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, the clerical staff shall be appointed by majority vote of the committee, without regard to race, creed, sex, or age. Except as provided by subparagraph (2) of this paragraph, the clerical staff shall handle committee correspondence and stenographic work both for committee staff and for the chairman and the ranking minority party member on matters related to committee work.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, four persons may be selected, by majority vote of the minority party members, for appointment by the committee to positions on the clerical staff from among the number of clerks authorized by subparagraph (1) of this paragraph. The committee shall appoint to those positions any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle committee correspondence and stenographic work for the minority party members of the committee and for any members of the professional staff appointed under subparagraph (2) of paragraph (a) of this clause on matters related to committee work.

"(3) Services of the clerical staff members of each standing committee may be terminated by majority vote of the committee.

"(4) The foregoing provisions of this paragraph do not apply to the Committee on Appropriations or the Committee on the Budget.

"(c) Each employee on the professional staff, and each employee on the clerical staff, of each standing committee, is entitled to pay at a single per annum gross rate, to be fixed by the chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

"(d) Subject to appropriations hereby authorized, the Committee on Appropriations and the Committee on the Budget may each appoint such staff, in addition to the clerk thereof and assistants for the minority, as it determines by majority vote to be necessary, such personnel, other than minority assistants, to possess such qualifications as the committee may prescribe.

"(e) No committee shall appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on House Administration.

"(f) If a request for the appointment of a minority professional staff member under paragraph (a), or a minority clerical staff member under paragraph (b), is made when no vacancy exists to which that appointment may be made, the committee nevertheless shall appoint, under paragraph (a) or paragraph (b), as applicable, the person selected by the minority and acceptable to the committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party members shall designate which of those persons shall fill that vacancy.

"(g) Each staff member appointed pursuant to a request by minority party members under paragraph (a) or (b) of this clause, and each staff member appointed to assist minority party members of a committee pursuant to an expense resolution described in paragraph (a) or (b) of clause 5, shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

"(h) Paragraphs (a) and (b) of this clause shall not be construed to authorize the appointment of additional professional or clerical staff members of a committee pursuant to a request under either of such paragraphs by the minority party members of that committee if six or more professional staff members or four or more clerical staff members, provided for in paragraph (a)(1) or paragraph (b)(1) of this clause, as the case may be, who are satisfactory to a majority of the minority party members, are otherwise assigned to assist the minority party members.

"(i) Notwithstanding paragraphs (a)(2) and (b)(2), a committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the members of the majority party and a majority of the members of the minority party.

"(j) Each committee shall report to the Clerk of the House within fifteen days after December 31 and June 30 of each year the name, profession, and total salary of each person employed by such committee or any subcommittee thereof during the period covered by such report, and shall make an accounting of funds made available to and expended by such committee or subcommittee during such period; and such information when reported shall be published in the Congressional Record."

TITLE IV—MISCELLANEOUS AND CONFORMING PROVISIONS

EARLY ORGANIZATION OF THE HOUSE

SEC. 401. (a)(1) The majority leader or minority leader of the House of Representatives after consultation with the Speaker may at any time during any even-numbered year call a caucus or conference, to begin on or after the fifteenth day of November and conclude on or before the twentieth day of December in such year and to be attended by all incumbent Members of his or her political party who have been reelected to the ensuing Congress and all other Members-elect of such party, for the purpose of taking all steps necessary to achieve the prompt organization of the Members and Members-elect of such party for the ensuing Congress.

(2) If the majority leader or minority leader calls an organizational caucus or conference under paragraph (1), he or she shall file with the Clerk of the House a written notice designating the date upon which the caucus or conference is to convene. As soon as possible after the election of Members to the ensuing Congress, the Clerk shall furnish each Member-elect of the party involved with appropriate written notification of the caucus or conference.

(3) If a vacancy occurs in the office of majority leader or minority leader during any even-numbered year (and has not been filled), the chairman of the caucus or conference of the party involved for the current Congress may call an organizational caucus or conference under paragraph (1) by filing written notice thereof as provided by paragraph (2).

(b)(1)(A) Each Member-elect (other than an incumbent Member reelected to the ensuing Congress) who attends a caucus or conference called under subsection (a), and each incumbent Member reelected to the ensuing Congress who attends any such caucus or conference convening after the adjournment sine die of the Congress in the year involved, shall be paid for one round trip between his or her place of residence in the district which he or she represents and Washington, District of Columbia, for the purpose of attending such caucus or conference. Payment shall be made through the issuance of a transportation request form to each such Member-elect or incumbent Member by the Finance Office of the House before such caucus or conference.

(B) Each Member-elect (other than an incumbent Member reelected to the ensuing Congress) who attends a caucus or conference called under subsection (a) shall in addition be reimbursed on a per diem or other basis for expenses incurred in connection with his or her attendance at such caucus or conference for a period not to exceed the shorter of the following—

(i) the period beginning with the day before the designated date upon which such caucus or conference is to convene and ending with the day after the date of the final adjournment of such caucus or conference; or

(ii) fourteen days.

(2) Payments and reimbursements to Members-elect under paragraph (1) shall be made as provided (with respect to Members) in the regulations prescribed by the Committee on House Administration with respect to travel and other expenses of committees and Members. Reimbursements shall be paid on special voucher forms prescribed by the Committee on House Administration.

(c) The contingent fund of the House is made available to carry out the purposes of this section.

LEGISLATIVE CLASSIFICATION OFFICE

Sec. 402. (a) There is established in the House of Representatives an office to be known as the Legislative Classification Office, referred to hereinafter in this section as the "Office".

(b) The purpose of the Office shall be to develop, supervise, and maintain for the House and its committees and Members a system linking Federal programs and expenditures to the authorizing statutes, and showing the committee jurisdiction for each authorization. The Office shall maintain impartiality as to issues of legislative policy to be determined by the House.

(c) The functions of the Office shall be as follows:

(1) To create a cross-referencing capability based on the authorization statutes, showing committee jurisdiction, appropriation Acts, budget authority, budget outlays, unexpended balances, other relevant systems which are or may be compatible, and the relationships between them, under the direction of the Speaker.

(2) To work closely with the House standing committees in all phases of the development of the cross-referencing capability and to coordinate with the Congressional Research Service and General Accounting Office, in the development, implementation, and operation of the cross-referencing service.

(3) To advise the Speaker of developments which could improve the operation of the classification service and to issue an annual report to the House on the progress in implementation and use of the service, and plans for the coming year.

(4) To make available (as development permits) publications or information in an appropriate format for use of the House committees and Members and to provide the capability to answer specific queries on the available information.

(d) The management, supervision, and administration of the Office are vested in a Staff Director, who shall be appointed by the Speaker without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed shall serve at the pleasure of the Speaker.

(e)(1) With the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker, the Staff Director shall appoint such employees as may be necessary for the prompt and efficient performance of the functions of the Office. Any such appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed may be removed by the Staff Director with the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker.

(2)(A) One of the employees appointed under paragraph (1) shall be designated by the Staff Director as Deputy Staff Director. During the absence or disability of the Staff Director, or when the office is vacant, the Deputy Staff Director shall perform the functions of the Staff Director.

(B) The Staff Director may delegate to the Deputy Staff Director and to other employees appointed under paragraph (1) such of his or her functions as he or she considers necessary or appropriate.

(f) The Staff Director shall be paid at a per annum gross rate not to exceed level IV of the Executive Schedule of section 5315 of title 5, United States Code; and members of the staff of the Office other than the Staff Director shall be paid at per annum gross rates fixed by the Staff Director with the approval of the Speaker or in accordance with policies approved by the Speaker, but not in excess of a per annum gross rate equal to level V of such schedule.

(g) In accordance with policies and procedures approved by the Speaker, the Staff Director is authorized to make such expenditures as may be necessary or appropriate for the functioning of the Office.

(h) Until such time as funds are appropriated by law to carry out the purpose of this section, the contingent fund of the House shall be available for such purpose.

HOUSE COMMISSION ON INFORMATION AND FACILITIES

Sec. 203. (a) There shall be in the House of Representatives a Commission on Information and Facilities (hereinafter in this section referred to as the "Commission"), which shall be composed of nine Members of the House appointed by the Speaker, including the House members of the Joint Committee on Congressional Operations, no more than five being members of the same political party.

(b) To assist the Commission in carrying out its functions, the Speaker shall establish an Advisory Council composed of six members as follows:

(1) Two members who are representatives of public affairs institutions or groups,

(2) Two members who have demonstrated ability in space utilization, and

(3) Two members of the general public.

The members of such Advisory Council shall receive compensation at the daily rate provided by law for persons in grade GS-18, for each day actually engaged in the performance of the Commission's functions; and shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

(b) It shall be the function of the Commission to conduct a thorough and complete study of—

(1) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate.

(2) the facilities and space requirements of the Members and committees of the House, including space utilization, parking, and the organization, responsibility, and supervision to provide adequate, efficient, and economical space utilization, and

(3) the staff required to provide the House legislative counsel with the capability to fully meet the needs of the Members of the House.

(c) The study conducted by the Commission pursuant to subsection (b)(1) shall include (but need not be limited to)—

(1) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective or ineffective;

(2) information management, collection, and dissemination for the House;

(3) resources outside the Congress for information and their utilization;

(4) methods for setting up and organizing the flow of information from and to the Executive;

(5) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

(6) the creation of a congressional staff journal or other process for communication.

(d) The Commission shall make an annual progress report to the Speaker, and shall make such additional reports as may appear appropriate or as may be directed by the Speaker, incorporating interim and final recommendations and drafts of legislation to carry out such recommendations. The final report of the Commission shall be submitted no later than January 2, 1977. The study conducted pursuant to paragraph (b)(3) shall be completed no later than January 1, 1976.

(e) In carrying out its functions, the Commission may meet at such times and places as it deems necessary. A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(f) Members and staff of the Commission shall be entitled to receive actual and necessary travel expenses, including per diem in lieu of subsistence.

(g) The Commission shall utilize the staff of the Joint Committee on Congressional Operations to the maximum extent possible and shall appoint and provide for the compensation of such other staff as may be necessary for the performance of its functions.

(h) The contingent fund of the House is made available to carry out the purposes of this section.

OFFICE OF THE LAW REVISION COUNSEL

Sec. 404. (a) There is established in the House of Representatives an office to be known as the Office of the Law Revision Counsel, referred to hereinafter in this section as the "Office".

(b) The principal purpose of the Office shall be to develop and keep current an official and positive codification of the laws of the United States. The Office shall maintain impartiality as to issues of legislative policy to be determined by the House.

(c) The functions of the Office shall be as follows:

(1) To prepare, and submit to the Committee on the Judiciary one title at a time, a complete compilation, restatement, and revision of the general and permanent laws of the United States which conforms to the understood policy, intent, and purpose of the Congress in the original enactments, with such amendments and corrections as will remove ambiguities, contradictions, and other imperfections both of substance and of form, with a view to the enactment of each title as positive law.

(2) To examine periodically all of the public laws enacted by the Congress and submit to the Committee on the Judiciary recommendations for the repeal of obsolete, superfluous, and superseded provisions contained therein.

(3) To prepare and publish periodically a new edition of the United States Code (including those titles which are not yet enacted into positive law as well as those titles which have been so enacted), with annual cumulative supplements reflecting newly enacted laws.

(4) To classify newly enacted provisions of law to their proper positions in the Code where the titles involved have not yet been enacted into positive law.

(5) To prepare and submit periodically such revisions in the titles of the Code which have been enacted into positive law as may be necessary to keep such titles current.

(6) To prepare and publish periodically new editions of the District of Columbia Code, with annual commulative supplements reflecting newly enacted laws, until such time as the District of Columbia Self-Government and Govermental Reorganization Act becomes effective.

(7) To provide the Committee on the Judiciary with such advice and assistance as the committee may request in carrying out its functions with respect to the revision and codification of the Federal statutes.

(d) The management, supervision, and administration of the Office are vested in the Law Revision Counsel, who shall be appointed by the Speaker without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed shall serve at the pleasure of the Speaker.

(e)(1) With the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker, the Law Revision Counsel, shall appoint such employees as may be necessary for the prompt and efficient performance of the functions of the Office. Any such appointment shall be made without regard to political affiliation and solely on the basis of fitness to perform the duties of the position. Any person so appointed may be removed by the Law Revision Counsel with the approval of the Speaker, or in accordance with policies and procedures approved by the Speaker.

(2) (A) One of the employees appointed under paragraph (1) shall be designated by the Law Revision Counsel as Deputy Law Revision Counsel. During the absence or disability of the Law Revision Counsel, or when the office is vacant, the Deputy Law Revision Counsel shall perform the functions of the Law Revision Counsel.

(B) The Law Revision Counsel may delegate to the Deputy Law Revision Counsel and to other employees appointed under paragraph (1) such of his or her functions as he or she considers necessary or appropriate.

(f) The Law Revision Counsel shall be paid at a per annum gross rate not to exceed level IV of the Executive Schedule of section 5315 of title 5, United States Code; and members of the Staff of the Office other than the Law Revision Counsel shall be paid at per annum gross rates fixed by the Law Revision Counsel with the approval of the Speaker or in accordance with policies approved by the Speaker, but not in excess of a per annum gross rate equal to level V of such schedule.

(g) In accordance with policies and procedures approved by the Speaker, the Law Revision Counsel is authorized to make such expenditures as may be necessary or appropriate for the functioning of the Office.

(h) Until such time as funds are appropriated by law to carry out the purpose of this section, the contingent fund of the House shall be available for such purpose.

REVIEW OF COMMITTEE JURISDICTION

SEC. 405. The House Members of the Joint Committee on Congressional Operations shall undertake and conduct a continuing study of the jurisdiction of the various standing committees of the House under Rule X of the Rules of the House and the relative workloads sustained by such committees as a result thereof, and periodically shall prepare for submission to and consideration by the Committee on Rules (and for possible submission by that committee to the full House) a report including any recommended changes in the Rules of the House which may be necessary or appropriate to effect a more equitable distribution of workload or a more rational combination of jurisdictional responsibilities.

TECHNICAL AND CONFORMING PROVISIONS

SEC. 406. (a) Clause 2 of Rule XIII of the Rules of the House of Representatives is amended by striking out "clause 22 of Rule XI" and inserting in lieu thereof "clause 4 (a) of Rule XI".

(b) Clauses 3 and 4 of Rule XXII of the Rules of the House of Representatives shall be inapplicable to the extent they are inconsistent with clause 6 of Rule X (as added by section 201 of this resolution).

(c) Nothing in clause 6(c) of Rule XI of the Rules of the House of Representatives (as amended by section 301 of this resolution), or in any other rule or provision of law, shall prevent the employees referred to in H. Res. 746, Ninetieth Congress, H. Res. 1015, Ninetieth Congress, and the third paragraph of H. Res. 8, Ninety-third Congress, from continuing to be eligible for pay at a rate not in excess of the minimum rate of pay in effect for one pay level above that of the employees (referred to in clause 6(a) (1) of such rule) to whom such clause applies.

TRANSITIONAL PROVISIONS

SEC. 407. (a) It is the sense of the House of Representatives that, in order to facilitate the transition of the House and its committees to the organization and structure provided in the Rules of the House as amended by this resolution, the assignment of Members to committees at the beginning of the Ninety-fourth Congress should take into account the following principles:

(1) Any Member who served on two or more committees in the Ninety-third Congress but is required by clause 7(c) of rule X to terminate membership on one or more of them should be permitted to retain membership on whichever of such committees he or she chooses.

(2) Any member who served during the Ninety-third Congress on a committee a significant portion of the jurisdiction of which is transferred by this resolution to another committee should be permitted to become a member of such other committee if he or she chooses; and the length of such Member's service on the former committee as well as in the House, and any chairmanship or status as a ranking member, should be meaningfully recognized in his or her placement on such committee.

(b) Nothing in clause 7(a) (2) of rule X (as amended by section 201 of this resolution) shall prevent a standing committee from having more than the number of members specified in such clause, if and to the extent that an increase above the number so specified is necessary to permit any Member to retain (or secure) membership on the committee of his or her choice, as described in paragraph (1).

(c) (1) The chairman of any committee of the House which is abolished by this resolution shall, prior to the close of the Ninety-third Congress, make appropriate arrangements for the transfer of the committee's records and files, effective at noon on January 3, 1975, to the committee or committees which will assume its jurisdiction in the Ninety-fourth Congress under the amendment made by section 101 of this resolution.

(2) The chairman of any committee of the House which is continued in existence by this resolution (whether or not under the name used in the Ninety-third Congress), but a portion of the jurisdiction of which is transferred by this resolution to another committee or committees, shall make appropriate arrangements for the transfer to such other committee or committees of that part of its records and files which relates to the jurisdiction so transferred.

(3) As used in this subsection, the term "records and files" with respect to any committee includes all hearings, records, data, charts, and files of such committee which are treated as the property of the House under clause 27(c) of Rule XI of the Rules of the House as in effect during the Ninety-third Congress (clause 2(e) (2) of Rule XI of such Rules as amended by section 301 of this resolution).

COMPILATION OF THE PRECEDENTS

SEC. 408. The Parliamentarian of the House of Representatives is authorized and directed to complete the Compilation of the Precedents of the House of Representatives by January 1, 1977, and prepare an updated compilation of such precedents every two years thereafter. Copies of the Compilation of Precedents shall be printed in sufficient quantity to be available to every Member and the standing committees of the House of Representatives.

EFFECTIVE DATES

SEC. 409. (a) The amendments made by titles I, II, and III, and the provisions of section 406(b), shall become effective immediately prior to noon on January 3, 1975.

(b) Section 404 shall become effective at the beginning of the Ninety-fourth Congress.

(c) The remaining provisions of this title shall (unless otherwise indicated) become effective on the date of the adoption of this resolution.

Mr. MARTIN of Nebraska (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MARTIN of Nebraska. Mr. Chairman, I offer the resolution which I introduced several weeks ago, House Resolution 1321, as a substitute to the Hansen amendment in the nature of a substitute.

The resolution which I am presently presenting for consideration of the committee contains about 90 to 95 percent of the provisions of the select committee's resolution, 988.

However, I have made a few changes from the Select Committee resolution and have also adopted a few sections from the Hansen committee resolution which I think were very excellent, and I compliment that committee for coming up with some of these fine ideas which we overlooked in our select committee considerations.

House Resolution 988, Mr. Chairman, as all of us are aware, has created very, very strong feelings about certain sections of that particular resolution, especially among certain committee members who lost, under the provisions of House Resolution 988, part of their jurisdiction.

In an attempt to be realistic and practical about what the House would pass finally in regard to reorganization of the House itself, I have tried to come up with some changes from House Resolution 988 that I feel would have been adopted on the floor of the House, by amendment.

I refer, first of all, to some of the changes in the Committee on Ways and Means. Under my resolution, the Committee on Ways and Means would not lose the nontax aspects of health care, nor unemployment compensation insurance.

Second, the Committee on Interstate and Foreign Commerce will not lose jurisdiction over aviation or surface transportation, an area in which we have had a great deal of conflict, a great deal of difficulty, particularly in regard to the railroads over the last 10 or 12 years.

Third, the Committee on Armed Services would not lose jurisdiction over Naval Petroleum Reserve No. 4 in Alaska.

The select committee resolution retained jurisdiction in the Committee on Armed Services over the naval reserve petroleum reserves in California, plus one in Wyoming.

But it dropped the No. 4 jurisdiction in Alaska from the Committee on Armed Services.

In regard to the Committee on House Administration, under my resolution that committee would not lose control over Federal elections and campaign financing, which they would lose under the select committee resolution.

Now, concerning the nonjurisdictional aspects, all committees composed of over 15 members—this would be mandatory—

would have to establish at least 3 subcommittees. We have at the present time a committee or two which does not operate with subcommittees, and which have very heavy burdens of jurisdictions.

Second, the select committee resolution proposed that we have two commissions, one on information and one on administrative services. In my resolution, I, like the Hansen resolution, have consolidated these into one commission, which I feel would be adequate and would be able to make the report by January 1, 1977, as reported in the select committee resolution.

Mr. Chairman, I have also given to all committees of the House subpena powers so they will not have to come to the House in specific instances to get subpena powers in the conduct of their business. The select committee resolution does not do this; the Hansen resolution does.

Fourth, the Parliamentarian would be directed under the terms of my resolution to complete the compilation of precedents by January 1, 1977, and thereafter to update the precedents of the House every 2 years. There is no similar provision in the select committee resolution; the Hansen committee resolution is very similar, except it places the responsibility under the Speaker rather than the Parliamentarian. I made this slight change because the Parliamentarian is the one who will have to do the work in compiling these precedents, and I felt that this was the proper place to establish this responsibility.

Mr. BOLLING. Mr. Chairman, I rise in opposition to the Martin substitute.

Mr. Chairman, I have asked for this time in order to indicate the approach that the majority side of the select committee is going to take in this matter. Basically, we seek the opportunity to deal with amendments to House Resolution 988.

In other words, we wish to dispose of the Martin substitute, which certainly is a worthy piece of work, and we wish to dispose of the Hansen substitute, which has some things to recommend it. But we believe that the orderly process is to vote down the two substitutes unless, by some miracle, they are amended so as to be very like House Resolution 988, in which case, of course, all bets would be off.

We think the orderly process is to vote down the substitutes and then amend House Resolution 988. That resolution is, after all, the product of a long effort by a well-staffed committee which took its work seriously. That is not to say that none of the suggestions, even those in the Martin substitute, might not be viable in the amendment stage.

There are a number of proposals, particularly in the procedural section of the Hansen proposal, that certainly will be very carefully considered by the Members of the Committee.

I do not want this to be taken as any rigidity. I have said previously and in other places, one of them being the Democratic Caucus, that there were a number of procedural proposals that seemed to make a good deal of sense. I know from listening that there will be other amendments offered to this Resolution 988 that will get a great deal of support. So there is no rigidity on my part now any more than there has been in the past.

But I believe that the House will serve itself best if it disposes of the Martin substitute and the Hansen amendment in the nature of a substitute in an orderly and not too quick a fashion, but not too slow a fashion, either, and that we proceed reasonably promptly to the matter of perfecting House Resolution 988.

My only ambition from the time this matter was reported to the House in March of this year has been to arrive at the point where the House had the opportunity to make the decisions. I am convinced that the House will make good decisions. I am convinced that the House and the country need a full and open discussion on the organization of the House of Representatives. I think we are now in a situation where we can have that discussion. I hope that the matter will proceed in an orderly and not too swift and not too slow a fashion, so that we may dispose of the whole matter within a matter of a few days.

It seems to me that it is long overdue. Twenty-eight years is a very long time not to change the organization of an institution that deals with a world that is changing, and a society that is changing dramatically.

I merely took this time in order to outline the approach that we hope to take. With that I yield back the balance of my time.

AMENDMENT OFFERED BY MRS. SULLIVAN TO THE AMENDMENT OFFERED AS A SUBSTITUTE BY MR. MARTIN OF NEBRASKA.

Mrs. SULLIVAN. Mr. Chairman, I offer an amendment to the amendment offered as a substitute by the gentleman from Nebraska (Mr. MARTIN).

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN to the amendment offered as a substitute by Mr. MARTIN of Nebraska:

1. In Section 101, under "(o) Committee on Merchant Marine and Fisheries":

Page 17, line 13, in paragraph (4), change the period at the end of the paragraph to a comma and insert immediately **thereafter** the following: "and wildlife, including research, restoration, refuges and conservation."

Page 17, after line 16, insert new paragraphs (7), (8), (9), (10), and (11), to read as follows:

"(7) Deep water ports.

"(8) Panama Canal and the maintenance and operation of the Panama Canal, including administration, sanitation, and Government of the Canal Zone; and interoceanic canals generally.

"(9) Oceanography and marine affairs.

"(10) Coastal zone management.

"(11) National environmental policy."

2. Under "(i) Committee on Energy and Environment", make the following changes:

Page 9, lines 18–21, in paragraph (2), delete "environmental policy,", "coastal zones,", and "ocean dumping and".

Page 9, line 23, in paragraph (3), delete "reclamation, and deep water ports.", and insert in lieu thereof, "and reclamation.".

Page 10, lines 7–8, delete paragraph (6).

Page 11, lines 18–19, under "(j) Committee on Foreign Affairs", delete paragraph (11).

Under "(r) Committee on Science and Technology", make the following changes:

Page 19, line 17, in paragraph (4), change the comma after "scholarships" to a period and delete "and sea-grant programs."

Page 19, line 18, in paragraph (5), delete "Oceanic and atmospheric", and insert in lieu thereof "Atmospheric".

Mrs. SULLIVAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

(By unanimous consent, Mrs. SULLIVAN was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentlewoman from Missouri is recognized for 10 minutes.

Mrs. SULLIVAN. Mr. Chairman, the amendment which I am offering is to restore to the House Merchant Marine and Fisheries Committee the jurisdictions which were taken away by the Select Committee on Committees in House Resolution 988, and the Martin proposal.

Both the Bolling and the Martin proposal take away our jurisdiction over oceanography, Panama and interoceanic canals, deepwater ports, coastal zone management, wildlife and wildlife refuges, and our responsibility over national environmental policy. This stripping away of almost 60 percent of our historic and traditional jurisdictional responsibilities is totally unacceptable. We have not wavered in our belief that the transfer of these responsibilities from our committee is a mistake and certainly is not in the best interests of the work of the Congress or the Nation.

The amendment I am offering would restore to our committee jurisdiction over all the matters historically within our committee's cognizance. For example, the Panama and interoceanic canals in general, is really a maritime and domestic, rather than a foreign affairs, matter, and the operation of the Canal is an extension of the merchant marine concept. I have argued, long and vehemently in every forum available, including articles in the CONGRESSIONAL RECORD to the effect that the select committee recommendations fractured our unified oceanography jurisdiction, and diffuse it among several committees. Such diffusion of our cohesive oceanography jurisdiction cannot be conceived of as an improvement.

As to deepwater ports, I cannot believe otherwise than that that jurisdiction properly belongs within the House Merchant Marine and Fisheries Committee. In this connection, I would call attention to the fact that several bills on this subject were introduced and referred, depending upon the acts they would amend. The only clean bill, the only bill providing for a new enactment without regard to amending previous acts, and which was referred entirely by subject matter, was referred by the Speaker to the Committee on Merchant Marine and Fisheries. Moreover, this matter was taken to the House floor and the House clearly expressed itself, by a vote of 174 to 158, in favor of the Merchant Marine and Fisheries Committee version of this legislation over another committee's version. In view of the clear expression of the House by this vote, it would be a travesty to have deepwater ports put anywhere, by any reform proposal, except in the Merchant Marine and Fisheries Committee.

Our committee has the experience, the knowledge and the expertise over such ocean-related matters as seabed mining, coastal zone management, ocean dumping, sea grant college programs, and marine mammals. To destroy the Merchant Marine and Fisheries Committee's highly integrated ocean approach and diffuse these ocean jurisdictions to separate and unrelated committees is not in the best interests of the Nation and does not make any sense whatever.

It is a critical fact that all the ocean-oriented jurisdictions of our committee tie in together to form a unified whole. For example, the merchant marine jurisdiction relates to marine safety and to marine vessel and personnel safety responsibilities of the Coast Guard, as well as to the Coast Guard's vessel traffic safety and pollution responsibilities. The Panama Canal is an important link in the worldwide marine transportation network and is an extension of the marine traffic, pilotage, and safety responsibilities of the committee.

Seventy percent of the fish spend some part of their life cycle in the coastal zone regions, indicating the integration of the fisheries to the coastal zone aspects of oceanography, and 80 percent of all sea grant funds are expended on research in the coastal zone. The Bolling and Martin proposals would split these programs.

This interrelationship is further demonstrated by the committee's consideration in the last Congress of the problem of ocean pollution. To regulate and control ocean pollution, it is fundamentally necessary to understand ocean phenomena, including the impact of winds and currents, the biological foodchain of the ocean, the intermixing of water and atmosphere, and bottom topography as it affects water movements along the ocean floor. At the same time, it is necessary to evaluate the effects of pollutants on the fisheries resources themselves. Because of this intertwined relationship, the problem was jointly considered by our Subcommittee on Oceanography and the Subcommittee on Fisheries and Wildlife Conservation and the Environment, and the legislation, the Marine Protection, Research, and Sanctuaries Act of 1972, resulted from that joint consideration under the parent Merchant Marine and Fisheries Committee.

Oceanography concerns itself generally with the oceans and their phenomena. It deals with ocean components, ocean movements, the ocean's role in weather effects. An understanding of ocean phenomena is necessary for the best utilization of marine transportation, reliance upon which made this country great and the future support of which is absolutely necessary for the Nation's continued existence.

By whatever name we call it, oceanography plays a mandatory part in our total need to protect, to utilize, and to manage the abundance of resource opportunities, which the oceans represent. As such, it belongs in the Merchant Marine and Fisheries Committee, together with its counterparts, concerned with ocean and marine affairs and resources generally.

Impacting on all the jurisdictions of the committee, such as merchant marine, the Coast Guard, oceanography, deepwater ports and canals, is the environmental work and responsibility of the committee. I refer to the ocean integration of our committee responsibilities, to show how they all exist together and form one unified ocean jurisdiction. You cannot separate out the various parts, such as the reform proposals do, so that coastal zone management is divorced from the fisheries and marine mammals separated from the merchant marine and Coast Guard, and coastal zone management and marine mammals separated from oceanography itself.

As I am sure the Members understand, the Merchant Marine and Fisheries Committee is one unified ocean-oriented jurisdiction, with all the various marine and maritime jurisdictional entities superimposed one on the other and interacting on each other. It does not make any sense to tear apart this ocean-oriented fabric which already exists and replace it with disparate ocean related jurisdictional responsibilities which can only lead to chaos and confusion as far as the increasingly important ocean interests of the Nation are concerned.

I believe that the coordination and comprehensive consideration of ocean activities and problems, involving the merchant marine, the Coast Guard, fisheries, deepwater ports, Panama Canal, and ocean environment generally, should continue to be focused in the Merchant Marine and Fisheries Committee, as has always been the case, and that the attention of our committee to this comprehensive and critical area will best serve the needs of the House of Representatives and the Nation. I do not believe that the Members will permit our unified ocean-oriented jurisdiction to be irresponsibly fractured and diffused to separate unrelated entities. I hope, and believe, that the Members will recognize the good work our committee has done in all these ocean-oriented areas and will vote for the House Merchant Marine and Fisheries Committee to continue its work in these critical areas. I ask the Members to vote in support of my amendment so that our committee will remain intact jurisdictionally to carry on its work.

Mr. GROVER. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from New York.

Mr. GROVER. Mr. Chairman, I thank the gentlewoman, the chairman of the Merchant Marine and Fisheries Committee, for yielding to me.

As ranking minority member of that committee I want to associate myself with the remarks of the gentlewoman. I wish to associate myself with her remarks. I fully agree. I concur and I am in full support of the gentlewoman's amendment.

Mrs. SULLIVAN. I thank the gentleman from New York.

Mr. DENNIS. Mr. Chairman, will the gentlewoman yield?

Mrs. SULLIVAN. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I thank the gentlewoman for yielding.

I would like to say there is one point the gentlewoman in the well has made with which I thoroughly agree and that is in respect to the Panama Canal. In my judgment the Canal Zone is American territory over which we have sovereignty. Therefore, I think it is a bad mistake to assign it to the Committee on Foreign Affairs because it is not foreign territory. It does not belong in that committee.

My judgment is that the zone is American territory so that in a constitutional sense it would take an act of Congress and not merely a concurrence by the Senate to a treaty in order to dispose of it to a foreign country. Therefore, wherever it belongs, it does not belong in the Committee on Foreign Affairs. That sets a bad precedent and on that point I am in agreement with the gentlewoman in the well.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by the distinguished and able gentlewoman from Missouri would, if it were to be adopted as a part of the Martin substitute, set a most serious precedent. Throughout the work of both the select committee and also, I think, it would be fair to say the work of the Hansen committee, the Subcommittee of the Caucus, it was generally understood and agreed that one had to take a look at matters as a whole and the effort by the gentlewoman from Missouri (Mrs. SULLIVAN) to, in effect, put back in place the Committee on Merchant Marine and Fisheries as a whole in and of itself would be a serious step backward. It would be regression of the first order.

What it would do, for example, if we follow the logic of the gentlewoman from Missouri, it would take from the Committee on Energy and Environment, which is in the Martin substitute to which this amendment is offered and in House Resolution 988, it would take the Environmental Policy Act out of the Committee on Energy and Environment.

Now, I know of no single subject, no single act of the U.S. Congress as historic as that one, that is a fundamental touchstone of the environmental policy of this country. To take it out of the Committee on Environment and put it back in the Committee on Merchant Marine and Fisheries simply makes no sense. It would strip the Committee on Energy and Environment of its very fundamental key posture as a committee dealing with energy and environment. To take from the Committee on Energy and Environment the deepwater ports about which this House has struggled for the last 3 years, at least, and which also is an integral part of our energy policy and of our environment consideration and put it back in the Committee on Merchant Marine and Fisheries would be a classic case of stepping backward in terms of comprehensive cohesive rational public policy decisions of the Congress of the United States.

So the adoption of the Sullivan amendment, if we decide that we like the Martin amendment or do not like it, if we like the Hansen amendment or do not like it, the adoption of the Sullivan amendment completely negates, in fact, it completely usurps the effort to provide a comprehensive, cohesive policy, for the Congress of the United States.

The Sullivan amendment would be wrong substantively. It is wrong from a policy standpoint and it would establish the precedent that apparently public interest is to be subverted by private interests. Now, that is what the issue is going to be on this amendment when we get to it.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Of course, I yield to the author of the amendment.

Mrs. SULLIVAN. May I remind the gentleman that, in the first place, back on December 7, 1973, the Bolling select committee's tentative recommendations abolished the Merchant Marine and Fisheries Committee. House Resolution 988, introduced by the select committee in March 1974, restricted our committee with jurisdiction over merchant marine, Coast Guard, and fisheries and took away the jurisdictions I mentioned above.

Mr. STEIGER of Wisconsin. No, not in February; that was a tentative proposal made in December, which was then subject to a relatively long and extensive debate and discussion within the Congress and within the select committee. I happened to favor abolishing the Committee on Merchant Marine and Fisheries. I lost on that vote.

Mrs. SULLIVAN. I understand; but when we talk about the landmark Environmental Policy Act of 1969, for example, when we talk about the deepwater ports, and when we talk about oceanography in general, we must realize that those acts originated in our committee and they were traditional jurisdictions that were already historically in the Committee on Merchant Marine and Fisheries and those bill jurisdictions have been referred to our committee time and time again over the years.

Mr. STEIGER of Wisconsin. I will say to the distinguished gentlewoman of the Committee on Merchant Marine and Fisheries, I think none of us take anything away from the work of the Committee on Merchant Marine and Fisheries. I personally would give the gentlewoman high marks for the fine leadership she has given; but now we are talking about something very different. What this House has to understand and what this committee has to understand, we are not dealing with the Committee on Merchant Marine and Fisheries as it has been established.

What we are now dealing with is the question of what are the implications to the House as an institution if, when we have created an energy and environment committee, we then take away from it the very guts of the environmental policy. If we create the committee whose function and focus will be the trade-off and balancing the perspectives of our energy concerns and environmental concerns, and take out of that deepwater ports and national environmental policy to go back to the Committee on Merchant Marine and Fisheries, we have effectively and totally wiped out that committee.

Mr. Chairman, I urge the defeat of the amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(On request of Mrs. SULLIVAN and by unanimous consent, Mr. STEIGER of Wisconsin was allowed to proceed for 2 additional minutes.)

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield to me?

Mr. STEIGER of Wisconsin. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Chairman, I would like to ask this: The select committee reform proposal, House Resolution 988, the gentleman speaks of, was the unanimous agreement of 10 people, the 10 select committee members. But, we have 39 members on the Merchant Marine and Fisheries Committee who do not agree, and we have other Members of Congress who do not agree with the opinions of the 10 select committee members. This is what we are trying to bring to the surface now. We are merely attempting to express the views of other Members concerning the retention of jurisdictions of our committee.

I would like to ask the gentleman, what is his rationale for taking the operation and maintenance of the Panama Canal out of the Committee on Merchant Marine and Fisheries—and remember, this is the transiting of ships from one ocean to another—you propose to take it out of its existing place and give it to the Foreign Affairs Committee? Why? Why to the Committee on Foreign Affairs?

Mr. STEIGER of Wisconsin. Mr. Chairman, I will answer briefly as to why I think it should be transferred. Because, clearly, it does involve our relationship with another country, in spite of the gentleman from Indiana's plea that this is American territory. I happen to think it is more deeply involved in a relationship between the United States as a Nation and the nation of Panama. Therefore, it appropriately belongs in the Foreign Affairs Committee.

I will say to my friend, the gentlewoman from Missouri, that deflects what I think is a far more important part of the effect of the Sullivan amendment. Lots of people might have views about the Panama Canal, but let us understand that if we adopt the amendment, we have gutted the Energy and Environment Committee and established a procedure that will come back to haunt us.

From that standpoint, the Sullivan amendment is wrong. It would do a disservice to the effect of the Bolling resolution. If we take out environmental policy, we have forsaken any capability of dealing with energy and environment as a whole.

Mrs. SULLIVAN. The gentleman says it is gutting the suggested Committee on Energy and the Environment. That is just a proposed committee, but his resolution, H.R. 988, has already gutted the real work and activities of the unified ocean-oriented Committee on Merchant Marine and Fisheries.

Mr. STEIGER of Wisconsin. I appreciate very much the gentlewoman's perspective on that. I respectfully disagree, and hope the Sullivan amendment is defeated.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment before us, and all amendments, particularly those dealing with jurisdictional changes have to be viewed against the basic document which this House is considering, which is House Resolution 988, and the effect upon that document, upon that proposal.

As the gentleman from Wisconsin has pointed out, that proposal, among other things, attempts to place some major national policy considerations in certain committees where they are combined. This is what we have done in the Energy and Environment Committee. Some of the matters which the gentlewoman's amendment proposes to change would be taken away from that Energy and Environment Committee and would be placed in another committee. This would upset the concept of attempting to combine these nationally important matters.

When we look at the whole question of jurisdiction, with few exceptions I think it is fair to say the proposal in House Resolution 988 is much like a jigsaw puzzle. If we take pieces out, it does not make a complete picture. Now, it makes a complete picture, and if these pieces are removed, it certainly does not make a complete picture.

A second effort of House Resolution 988 was to attempt to create relatively equal committees. If the matters of wildlife, deepwater ports, coastal zone management, national environmental policy, all of which under House Resolution 988 are in environment and energy, are taken out, then unless they are replaced by something, this changes the equilibrium that the committee attempted to make by trying to create these committees essentially equal.

From both of those standpoints—and I think we are going to hear this again and again today—it unbalances the picture and, therefore, should be defeated.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I would be glad to yield.

Mr. MILFORD. I thank the gentleman for yielding.

I would like to make one point, also, in opposition to the amendment. Having been a practicing meteorologist for some 20 years before coming to this Congress, one of the problems we have had in the past is the separation of oceanography from meteorology. They are very, very closely allied, even in the national offices of NOAA. They are together. It is vital that they be considered together. I am very pleased to see in House Resolution 988 that the two sciences would be properly placed under the Committee on Science and Technology.

Mr. MEEDS. They are primarily research and, therefore, they are put in the Science Committee where the rest of that research capability is combined.

Mr. MILFORD. That is correct.

AMENDMENT OFFERED BY MR. THOMPSON OF NEW JERSEY TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. THOMPSON of New Jersey. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington.

The Clerk read as follows:

Amendment offered by Mr. THOMPSON of New Jersey to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington: On page 79, after line 14 strike out all that follows through page 86, line 11, and insert in lieu thereof the following:

"(d) The minority party on any such standing committee is entitled, upon request of a majority of such minority, to one-third of the funds provided for the appointment of committee staff pursuant to each primary or additional expense resolution. From the funds provided to the minority pursuant to the preceding sentence, the ranking minority party member of each full committee shall provide the ranking member on each standing subcommittee of the committee a sum of money not to exceed 75% of the maximum salary allowable for committee staff to be used by the ranking member on each subcommittee to appoint at least one professional staff person. The committee shall appoint any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the staff until such appointment is made. Each staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

"Committee Staffs

"6. (a)(1) Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, each standing committee may appoint, by majority vote of the committee, not more than eighteen professional staff members. Each professional staff member appointed under this subparagraph shall be assigned to the chairman and the ranking minority party member of such committee, as the committee considers advisable.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, not more than six persons may be selected, by majority vote of the minority party members, for appointment by the committee as professional staff members from among the number authorized by subparagraph (1) of this paragraph. The committee shall appoint any persons so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the professional staff until such appointment is made. Each professional staff member appointed under this subparagraph shall be assigned to such committee business as the minority party members of the committee consider advisable.

"(3) The professional staff members of each standing committee—

"(A) shall be appointed on a permanent basis, without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions;

"(B) shall not engage in any work other than committee business; and

"(C) shall not be assigned any duties other than those pertaining to committee business.

"(4) Services of the professional staff members of each standing committee may be terminated by majority vote of the committee.

"(5) The foregoing provisions of this paragraph do not apply to the Committee on Appropriations.

"(b)(1) The clerical staff of each standing committee shall consist of not more than twelve clerks, to be attached to the office of the chairman, to the ranking minority party member, and to the professional staff, as the committee considers advisable. Subject to subparagraph (2) of this paragraph and paragraph (f) of this clause, the clerical staff shall be appointed by majority vote of the committee, without regard to race, creed, sex, or age. Except as provided by subparagraph (2) of this paragraph, the clerical staff shall handle committee correspondence and stenographic work both for the committee staff and for the chairman and the ranking minority party member on matters related to committee work.

"(2) Subject to paragraph (f) of this clause, whenever a majority of the minority party members of a standing committee (except the Committee on Standards of Official Conduct) so request, four persons may be selected, by majority vote of the minority party members, for appointment by the committee to positions on the clerical staff from among the number of clerks authorized by subparagraph (1) of this paragraph. The committee shall appoint to those positions any person so selected whose character and qualifications are acceptable to a majority of the committee. If the committee determines that the character and qualifications of any person so selected are unacceptable to the committee, a majority of the minority party members may select other persons for appointment by the committee to the position involved on the clerical staff until such appointment is made. Each clerk appointed under this subparagraph shall handle committee correspondence and stenographic work for the minority party members of the committee and for any members of the professional staff appointed under subparagraph (2) of paragraph (a) of this clause on matters related to committee work.

"(3) Services of the clerical staff members of each standing committee may be terminated by majority vote of the committee.

"(4) The foregoing provision of this paragraph do not apply to the Committee on Appropriations.

"(c) Each employee on the professional staff, and each employee on the clerical staff, of each standing committee, is entitled to pay at a single per annum gross rate, to be fixed by the chairman, which does not exceed the highest rate of basic pay, as in effect from time to time, of level V of the Executive Schedule in section 5316 of title 5, United States Code.

"(d) Subject to appropriations hereby authorized, the Committee on Appropriations may appoint such staff, in addition to the clerk thereof and assistants for the minority, as it determines by majority vote to be necessary, such personnel, other than minority assistants, to possess such qualifications as the committee may prescribe.

"(e) No committee shall appoint to its staff any experts or other personnel detailed or assigned from any department or agency of the Government, except with the written permission of the Committee on House Administration.

"(f) If a request for the appointment of a minority professional staff member under paragraph (a), or a minority clerical staff member under paragraph (b), is made when no vacancy exists to which that appointment may be made, the committee nevertheless shall appoint, under paragraph (a) or paragraph (b), as applicable, the person selected by the minority and acceptable to the committee. The person so appointed shall serve as an additional member of the professional staff or the clerical staff, as the case may be, of the committee, and shall be paid from the contingent fund, until such a vacancy (other than a vacancy in the position of head of the professional staff, by whatever title designated) occurs, at which time that person shall be deemed to have been appointed to that vacancy. If such vacancy occurs on the professional staff when seven or more persons have been so appointed who are eligible to fill that vacancy, a majority of the minority party members shall designate which of those persons shall fill that vacancy.

"(g) Each staff member appointed pursuant to a request by minority party members under paragraph (a) or (b) of this clause, and each staff member appointed to assist minority party members of a committee pursuant to an expense resolution described in paragraph (a) or (b) of clause 5, shall be accorded equitable treatment with respect to the fixing of his or her rate of pay, the assignment to him or her of work facilities, and the accessibility to him or her of committee records.

"(h) Paragraphs (a) and (b) of this clause shall not be construed to authorize the appointment of additional professional or clerical staff members of a committee pursuant to a request under either of such paragraphs by the minority party members of that committee if six or more professional staff members or four or more clerical staff members, provided for in paragraph (a)(1) or paragraph (b)(1) of this clause, as the case may be, who are satisfactory to a majority of the minority party members, are otherwise assigned to assist the minority party members.

"(i) Notwithstanding paragraphs (a)(2) and (b)(2), a committee may employ nonpartisan staff, in lieu of or in addition to committee staff designated exclusively for the majority or minority party, upon an affirmative vote of a majority of the members of the majority party and a majority of the members of the minority party.

"(j) Each committee shall report to the Clerk of the House within fifteen days after December 31 and June 30 of each year the name, profession, and total salary of each person employed by such committee or any subcommittee thereof during the period covered by such report, and shall make an accounting of funds made available to and expended by such committee or subcommittee during such period; and such information when reported shall be published in the Congressional Record."

Mr. THOMPSON of New Jersey (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MEEDS. Mr. Chairman, we have not had the amendment read. We do not know what it contains.

Mr. THOMPSON of New Jersey. I would be glad to explain it.

The CHAIRMAN. The unanimous-consent request was that it be considered as read. That was so ordered.

Mr. THOMPSON of New Jersey. Mr. Chairman, the essence of this amendment is what I think to be a reasonable compromise with that language in the

Bolling bill. This is an amendment, however, to H.R. 1248.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. Yes, I yield to the gentleman.

Mr. MARTIN of Nebraska. Could the gentleman advise us as to what page and what line the amendment is on?

Mr. THOMPSON of New Jersey. Yes. Page 79, after line 14.

The effect of this amendment is to accept the select committee's proposal for the increase in statutory staff as it is. The language says the minority party on any such standing committee is entitled, upon request of a majority of such minority, to one-third of the funds provided for the appointment of committee staff, pursuant to each primary or additional expense resolution.

"From the funds"—and this is the only new language—"provided to the minority, pursuant to the preceding sentence, the ranking minority party member of each full committee shall provide the ranking member on each standing subcommittee of the committee a sum of money not to exceed 75 percent of the maximum salary allowable for committee staff to be used by the ranking member on each subcommittee to appoint at least one professional staff person."

Here is the effect of this amendment:

We agree that the suggestion that the statutory staffs be increased from their present size to those described earlier by the gentleman from Washington to a total professional and clerical staff to be divided 20 and 10; in other words, one-third from the minority.

In addition thereto, from the investigative funds the Select Committee changes the traditional language, "Investigatory funds"—it is just a matter of semantics—to "primary or additional expense resolution." It is the same thing.

This means that if this amendment in the Hansen bill is adopted, the Bolling language with respect to the number of statutory staff is accepted. In addition thereto, when the committee chairman and the ranking member prepare their budget for their committee for the year, they include in that requested budget sufficient moneys to provide each ranking member of a subcommittee—in other words, each minority ranking member—a sum not to exceed 75 percent of the top statutory allowance, which at this moment would be $27,000 for a professional staff person for each ranking member of each standing subcommittee.

This, in fact, will have the effect of conceding, in effect, the argument frequently made by my friend, the gentleman from Washington (Mr. MEEDS) that the committees are understaffed and the minority is understaffed, and it will add thereto a professional staff person.

Keep in mind that under the present Democratic Caucus rules, the chairman of each subcommittee is entitled to one professional person on his staff, but the minority is not so entitled. Under this, the majority would have 20 of the 30 statutory staff members, the minority 10, to be controlled by the chairman or by the ranking member and the chairman of the committee, subject, however, of course, to the rules of the committee. In addition thereto, the ranking Republican on each subcommittee shall be entitled to one staff person, to be paid for out of the so-called investigative funds of the committee.

This spreads the workload to precisely where it belongs.

Mr. Chairman, the work of the committees of the House of Representatives is in large measure, until the second perfecting stage, done by the subcommittees, in the subcommittees, and that is where the professional staff is needed, the additional professional staff, in addition, of course, to the increase in the overall number of the statutory staff under the Bolling proposals.

Mr. Chairman, the amendment is simple, it is equitable, it is fair, it is overdue, and it is in my judgment totally justified.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Chairman, if the gentleman will respond to this question, I want to understand this:

The gentleman's amendment on staffing would make the Hansen proposal exactly like the Bolling proposal, except that his amendment would guarantee that ranking subcommittee members would each be able to appoint at least one staff member—from among the number that they are given by the Bolling proposal; right?

Mr. THOMPSON of New Jersey. No. The subcommittee ranking members would be entitled to one professional staff person to be paid for out of the investigative funds. This would not touch the so-called Bolling proposal for 20 and 10 staff members.

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ECKHARDT. Mr. Chairman, do I understand correctly that the Thompson amendment is to the Hansen substitute, and that no other amendment would be in order to that amendment in the nature of a substitute until the Thompson amendment is voted upon?

The CHAIRMAN. The Chair would like to inform the gentleman that he is correct. No additional amendments to the Hansen amendment in the nature of a substitute are in order until the Thompson amendment is voted on.

Further, the Chair would like to advise the gentleman that no additional amendments to the Martin substitute are in order until the Sullivan amendment is voted upon.

Mr. ECKHARDT. Mr. Chairman, I have another parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ECKHARDT. Mr. Chairman, would I be protected in supporting the Sullivan amendment if I should wait and postpone asking for recognition until after the Thompson amendment has been disposed of?

The CHAIRMAN. The Chair would like to inform the gentleman that he has a choice but that he can at this time debate the Sullivan amendment, and the Chair would recognize the gentleman for that purpose.

Mr. ECKHARDT. I thank the Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the Sullivan amendment. I have heard the argument against it to the effect that there had been an attempt to balance the jurisdictions of various committees, and I suppose that this was accomplished to a certain extent in the original Bolling report, which completely eliminated the Committee on Merchant Marine and Fisheries.

However, the present provisions of the Bolling resolution and of the Martin substitute are not to eliminate that committee but to reduce its jurisdiction to a narrow and specific area.

The worst of all worlds is to create a Committee on Merchant Marine and Fisheries that deals almost solely with merchant marine matters and that is subject, therefore, to the pressures of a single special interest on that committee, and which deprives that committee of its broad jurisdiction with respect to oceanography.

Mr. Chairman, I think that the provisions of the Martin substitute and of the Bolling resolution with respect to the Committee on Merchant Marine and Fisheries constitute the most vulnerable point in both.

Now, whatever we think about the Martin substitute or the Bolling resolution, it seems to me we should agree to the Sullivan amendment, bringing back into that committee a sufficiently broad jurisdiction so that the committee is not dealing with just a single, narrow special interest as bait to the lobby to control the committee.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. Surely.

Mr. ROUSSELOT. Mr. Chairman, so that I may understand the point the gentleman from Texas is making, is the gentleman opposed to the Thompson amendment which we are basically considering now?

Mr. ECKHARDT. No. If the gentleman would listen——

Mr. ROUSSELOT. I just wanted to be sure that the gentleman did not oppose the Thompson amendment.

Mr. ECKHARDT. I am not speaking on the Thompson of New Jersey amendment at all. There are two matters before the body at the present time, and they are both subject to debate in the peculiar parliamentary situation we find ourselves in.

So I should like to close by stating that the Sullivan amendment simply gives to the Committee on Merchant Marine and Fisheries that jurisdiction which it has honorably exercised for many years, and which is a part of its basic jurisdiction.

Mr. **SNYDER.** Mr. Chairman, will the gentleman yield?

Mr. **ECKHARDT.** I yield to the gentleman from Kentucky.

Mr. **SNYDER.** Mr. Chairman, I want to commend the gentleman from Texas for the statement he has made, and to join with the gentleman in support of his statement in favor of the Sullivan amendment, and I hope that the gentleman will not let his time expire without reiterating the fact that the Sullivan amendment will return the jurisdiction over the Panama Canal to the Committee on Merchant Marine and Fisheries. And that to follow the actions of the Bolling or the Hansen or the Martin recommendations would be turning it over to the Committee on Foreign Affairs, which would mean just about turning it over to the State Department, which would be just about the same thing as giving it away.

I believe that that needs to be reaffirmed in connection with the gentleman's remarks.

Mr. **ECKHARDT.** I thank the gentleman. The effect of the Sullivan amendment would be, of course, to restore the jurisdiction that the committee has always exercised.

Mr. **GROSS.** Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Sullivan amendment. I listened to the gentleman from Wisconsin (Mr. STEIGER) as he repeatedly talked about taking a step backward. A step backward from what? The House Merchant Marine Committee still has jurisdiction over the Panama Canal, and it has not taken a step backward from anything.

I am surprised at the overzealousness of those who support this alleged reform legislation. Evidently, they believe that a step backward is a refusal to support any so-called reform they propose.

Mr. Chairman, in my time in the Congress I have served on the Committee on Merchant Marine, and I now serve on the Committee on Foreign Affairs. I would not go so far as to say that the Panama Canal could be bargained away at a cocktail party over at the State Department if jurisdiction of canal affairs is turned over to the Committee on Foreign Affairs. I would not go that far. But anything is possible around here these days.

I say to the Members that they will be making a grave mistake to take from the Committee on Merchant Marine jurisdiction over the operation and maintenance of the Panama Canal. Leave that jurisdiction where it belongs—in the Committee on Merchant Marine and Fisheries.

Mr. **MARTIN** of Nebraska. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman from New Jersey (Mr. THOMPSON) a question in regard to the amendment he has offered, if the gentleman is on the floor.

As I understand his amendment, Mr. Chairman, it provides for one-third staffing for the minority, which, under the committee resolution and also under my resolution would be increased from the current 12 to 30 members as the official members of the staff. Then, in addition to that, if I understand the gentleman's amendment correctly—and I am just speaking about the minority side—the ranking member on the committee and the ranking subcommittee members up to a total of six would, in addition to this one-third staffing, also receive one professional assistant in their duties under the committee; is that correct?

Mr. **THOMPSON** of New Jersey. If the gentleman will yield, I will restate it. The proposal by the Select Committee is that the statutory staff be increased to a total of 30 persons, 20 to the majority, 10 to the minority. In addition thereto, the ranking subcommittee member would be entitled, out of the investigative moneys, one professional staff person of his or her choice up to the six subcommittees.

Mr. **MARTIN** of Nebraska. Right. I understand perfectly. I thank the gentleman.

Mr. **THOMPSON** of New Jersey. So, in effect we are broadening the amount of moneys available to the minority in this way, there being 147 subcommittees.

Mr. **MARTIN** of Nebraska. I thank the gentleman for his explanation. I am glad that he clarified his amendment. I do thank him for his generosity to our minority. I must, however, Mr. Chairman, from a standpoint of fairness and from a standpoint of thrift, object to the gentleman's amendment. I believe that awarding the minority one-third of the general staffing of a committee, both clerical and professional, is adequate, and I do oppose the addition of up to six additional professional staff members for the chairmen of the various subcommittees.

Mr. **THOMPSON** of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. **MARTIN** of Nebraska. I will be glad to yield to the gentleman from New Jersey.

Mr. **THOMPSON** of New Jersey. I thank the gentleman for yielding.

If I understand the gentleman, he thanks me for my generosity, but in effect he is saying that he objects to my amendment. The effect of his objection would be to limit the minority to a total of 10 staff persons and would deny to the ranking minority subcommittee chairman any professional staff except as assigned by the ranking minority member to those ladies and gentlemen.

Mr. **MARTIN** of Nebraska. But I would point out to the gentleman that the increases provided in both my resolution and the select committee resolution would increase the professional staff for a committee from 6 to 18, and one-third of that is 6, so the minority would have 6 professional staff members.

What the gentleman is proposing is six additional professional staff members for the minority over that six. I think we are going a little bit too far in expending the taxpayers' funds, and I do not think we should take two or three leaps all at one time.

Mr. **THOMPSON** of New Jersey. If the gentleman wants to triple the minority to that extent, I am perfectly amenable to that, but I am trying to help the minority.

Mr. **MARTIN** of Nebraska. I think it is perfectly equitable and fair that the minority have one-third, but I do not believe we should go beyond that.

Mr. **ROUSSELOT.** Mr. Chairman, will the gentleman yield?

Mr. **MARTIN** of Nebraska. I yield to the gentleman from California.

Mr. **ROUSSELOT.** I thank the gentleman for yielding.

Do I understand my good colleague, the gentleman from Nebraska, that he wants to disallow a minority member, the ranking minority member of a subcommittee, this kind of reasonable staffing? The gentleman has been one of those who has been a champion of improving the minority staff positions. Does he now wish to change that?

The **CHAIRMAN.** The time of the gentleman has expired.

(By unanimous consent, Mr. MARTIN of Nebraska was allowed to proceed for 1 additional minute.)

Mr. **MARTIN** of Nebraska. In reply to the gentleman from California, I would simply state that the one-third minority staffing which is provided, as I have already pointed out, in both the committee's resolution and my resolution, would provide the minority with six professional staff members, and they could be assigned in the subcommittees according to whatever the majority or minority members wished.

The gentleman from California has placed an entirely wrong interpretation upon my remarks. I again reiterate I do oppose the gentleman's amendment.

Mr. **MEEDS.** Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think I understand what the gentleman from New Jersey is attempting to do, which is to give to the minority one-third staff of the permanent staff and one-third of the funds which will be in effect expended by the ranking minority member of each subcommittee of the investigative staff. Is that what the gentleman is trying to do?

Mr. **THOMPSON** of New Jersey. Would the gentleman repeat the question?

Mr. **MEEDS.** Is the gentleman attempting to get one-third of the increase in staff of the permanent staff, the statutory staff to the minority and one-third of the sums in effect to be controlled by the ranking minority members of each subcommittee?

Mr. **THOMPSON** of New Jersey. No; the gentleman is not trying to do that. The gentleman from New Jersey is saying he finds himself in agreement with the increase in statutory staff as recommended by the select committee.

In addition thereto, out of investigative funds, each ranking minority subcommittee member shall be entitled to a professional position at a sum not to exceed 75 percent of the top statutory sum. The distinction is, if I may complete the explanation, that under the Bolling proposition the entire amount of investigative funds would be dumped into the lap of the ranking minority member who would get one-third of it.

Mr. MEEDS. I understand the rationale. I understand what the gentleman is attempting to do. Unfortunately his amendment does not do what he is attempting to do. Since he amends the Hansen committee report, or House Resolution 1248, he simply adds that portion to the investigative staff which he is talking about and does not pick up, as in House Resolution 988, the permanent staff increases which are contained therein, so the effect of his amendment would be only to carry that one-third increase in funding for the minority of the investigative staff and not to increase the permanent staff, as House Resolution 988 does, from 6 to 18 for the professional staff and 6 to 12 for the clerical staff. He does not do that in his amendment.

Mr. THOMPSON of New Jersey. If the gentleman will yield further, perhaps the amendment should have been reported in full. If the gentleman will refer himself to page 67, line 10, the committee staff in the committee's resolution, that language is all included in my amendment and therefore the gentleman's statement unfortunately is inaccurate.

Mr. MEEDS. Unfortunately it is not included in the gentleman's amendment which is an amendment to House Resolution 1248 and not House Resolution 988.

Mr. THOMPSON of New Jersey. No; it is not.

Mr. TEAGUE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I wish to address myself to the question of status. In the name of reform we are just making a hell of a lot of trouble for all of us. I was a member of the original Hansen committee. I was the only committee chairman on that committee. Most of the members were subcommittee chairmen; so a motion was made within that committee that each subcommittee would be permitted to appoint a staff member. I would not agree to it until they would add, "With the approval of the full committee," and that is the present rule.

Now, I hope that somebody, the gentlewoman from Washington (Mrs. HANSEN) or the gentleman from Missouri (Mr. BOLLING) or the gentleman from Nebraska (Mr. MARTIN) will tell me how they would handle the situation I am in now. I am the ranking member of the Committee on Veterans' Affairs. There are about 817 bills and resolutions in that committee. I am chairman of the subcommittee that has about 200 of those. There is another subcommittee of that committee that has three bills in it.

Now, are we going to give that subcommittee with three bills a staff member?

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I will be glad to yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Implicit as I explained in this amendment is that under the rules of the several committees a majority of the majority, or a majority of the minority, makes the decision as to whether or not a subcommittee staff person is necessary. That is in the Democratic Caucus rules and I assume it is in the Republican Caucus rules.

Mr. TEAGUE. I might add, as chairman of the caucus, that I appointed every Member of the present Hansen committee also.

Now, take the Committee on Science and Astronautics. At the beginning of this Congress each subcommittee chairman of the Committee on Science and Astronautics picked a staff member that they wanted as a prime staff member for their subcommittee; but the subcommittees in the Committee on Science and Astronautics are committees that require technical people and professional people. It requires every member of that staff to work with the subcommittee to do the necessary job and that is the way they do it. That staff has been told that if this Member ever finds one of them showing more partiality to one party or another, they can look for another job the next day.

So far as I know, there is no Member of the Committee on Science and Astronautics that is unhappy with our staff. I think any kind of a thing like this is causing problems for all of us.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the distinguished Speaker.

Mr. ALBERT. I want to tell the gentleman from Texas, I have voted against every effort to create a political staff on either side of the aisle. I will do so again.

Mr. PHILLIP BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the situation, as I understand it, is this. The Bolling committee recommended a guarantee to every full committee of an increase in staff of a dozen or so—guaranteed. That is a laudable position. Similarly, the Hansen committee recommended a guarantee under the House rules reaching an equivalent result, where in each subcommittee chairman had a guarantee, and each ranking Member had a guarantee to have a staffer of equal salary. We did this to avoid the majority party's concern and the concern of a number of junior Members that by giving the minority one-third, if you will, they would most likely be placed in the hands of the ranking Republican on the full committee; some of it may or may not trickle down to those who have the job responsibility at the subcommittee level. So in this sense, the Bolling suggestion and the Hansen suggestion were alike on their premises that this additional staff should be guaranteed, but varied in their terms of implementation. Hansen position supports added staffing at the subcommittee level and minority matching at the ranking subcommittee report level.

The proposal before us eliminates that guarantee. It changes the whole staff matching right back to the noblesse oblige of some very dear friends of mine on the House Administration Committee. It was that implicit notion that the Bolling committee rejected, and for better or for worse, the Hansen committee rejected. Both of these groups supported the position that the staffing whatever it may be and however implemented, should be as a matter of right; not as a matter of noblesse oblige.

So, I would urge my friends on the Republican side of the aisle, if they want a meaningful implementation of this staffing arrangement, to reject my dear friend's amendment, the gentleman from New Jersey (Mr. THOMPSON), and most assuredly I suggest to my friends on our side of the aisle that they reject the amendment as well.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. PHILLIP BURTON. Mr. Chairman, I am happy to yield to the distinguished chairman of the Committee on Science and Astronutics.

Mr. TEAGUE. Mr. Chairman, if my memory is correct, and I think it is, at one time in this Congress since I have been here the committee chairmen on this side of the aisle got so great in power—the gentleman from Michigan, a committee chairman, became so arbitrary that they took his power away from him.

Any committee has that power today. All we are doing is taking a bunch of trouble upon ourselves.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Thompson amendment. I think we ought to understand one thing right now, and we might as well ask our fine Speaker, since he just made a statement, regarding his thoughts on minority and majority staffing provisions.

Mr. Speaker, I would like to direct a question to you if I may.

The distinguished Speaker mentioned that he thought and had worked to stop the concept of one-third committee staffing for the minority; that it should be nonpartisan.

As we come back next January, will the distinguished Speaker move to strike whatever we do here, as the majority did last year at the beginning of this session? Will the Speaker and the leadership move to change the one-third minority staffing provision in this bill?

Mr. ALBERT. Mr. Chairman, if the gentleman will yield, I will say that I cannot speak for anybody but myself. I have been in the House for 28 years. I have voted against the one-third minority staffing and against every other type of political staffing at the beginning of the Congress and in the middle of the Congress.

I am unconvinced by the arguments for partisan staffing. I am convinced of the case that was made in the 1946 act as far as staffing.

Mr. ROUSSELOT. So then, Mr. Speaker, your position would basically be the same as it was at the beginning of this term?

Mr. ALBERT. I have told the gentleman I am against political staffing.

Mr. ROUSSELOT. I appreciate the very candid answer of our fine Speaker.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, I would be glad to make that motion at the proper time. I wish somebody would let me know who these horrible chairmen are who are abusing the staffs.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I would like to say that there are a great number on our side of the aisle, if the subcommittee chairmen were guaranteed a staffer so that they could proceed with their work, we will fight clear if the ranking member will similarly get his staffer. I am not for giving a whole one-third to the ranking member. I want the staff to go where the responsibility is.

One of the problems in this place is that the senior members, the chairmen and ranking members of the full committee, have so much work to do and such an army working for them, that it is the junior members who do most of the work. That is one of the corrections I hope the Hansen proposal will deal with.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's candor. So, Mr. Chairman, what we are going through here today is a Chinese fire drill. We have already been assured, basically, by the majority leadership that whatever we do here today relating to minority staffing it will basically be changed and amended when we come back in January. So, I think we should understand that fact and realize that this "little plum" that has been given to us under the Bolling resolution is basically meaningless on the basis of what we have just been told by the democratic leadership.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to strongly support the staffing provisions of the Bolling resolution and oppose the so-called Hansen alternative. Under the Bolling plan, professional staffs on committees would be increased from 6 to 18, and clerical from 6 to 12, with the minority being entitled, upon request, to one-third of the staff, or 6 and 4 respectively. As the Bolling report points out, this increase in staff tends to reflect contemporary committee needs and realities, and would, moreover, decrease the present reliance on committee expense resolutions for additional staff.

With respect to each primary or additional expense resolution, the minority would be entitled to one-third of the funds on request for the appointment of staff. As with the existing provisions in the rules as they apply to professional and clerical personnel, the investigative staff appointed pursuant to these additional expense resolutions would be subject to the approval of a majority of the committee; and, if a majority finds a particular minority staff nominee unacceptable in terms of character or qualifications, the minority would have to put forward another nominee.

Mr. Chairman, I wish to commend our select committee on making these staffing recommendations. We have been going around on this one-third minority investigative staff issue for some years now. You may recall that we made such provision in the 1970 Legislative Reorganization Act, but that it was subsequently deleted the following year in adopting the rules of the 92d Congress.

Let me simply point out that this one-third minority staffing arrangement has been working quite well with respect to professional staff under the existing House rule XI, clause 29(a)(2). Some committees prefer to operate with no distinction between majority and minority staff. Committees will continue to retain the right to a nonpartisan staff under the Bolling proposal upon the approval of a majority of the minority and a majority of the majority. With the increase in the number of professional staff under the Bolling plan, the distinction between professional and investigative staff will fade since there will not be as great a need for additional expense resolutions for increased staffing. When there is such a need, the one-third minority staffing right would be maintained.

Mr. Chairman, the one-third minority staffing provision is an essential and reasonable approach when you consider that while the minority party presently comprises 43 percent of the membership of this body, it enjoys, on the average, only about 10 percent of the investigative staff personnel and 16 percent of total committee staff. If we are truly serious about strengthening the legislative branch as an institution, we must look to greater committee staff support in carrying out our legislative and oversight responsibilities. A vital and viable minority party is central to our efforts to restore to the Congress its rightful role.

The Hansen substitute is totally unacceptable in terms of overall staffing and minority staffing. That resolution keeps professional staffing at six and clerical staffing at six. To accommodate for additional staffing, it advances the alternative of permitting the chairmen and ranking minority members of each subcommittee to appoint one staffer each, without regard to the choice or needs of other subcommittee majority and minority members. I urge rejection of this alternative which gives everyone the short end of the staff.

In conclusion, Mr. Chairman, let us stand by our select committee and its proposal to equip our committees with adequate staff to meet the needs of both the majority and minority, but moreover, to meet the very real needs of our committees in coping with the plethora of complex problems confronting our Nation. In the final analysis, this is not a partisan issue, but rather an institutional issue, and the real question facing us is whether we are willing to properly equip and strengthen the legislative branch to carry out its 20th-century role. I urge adoption of the Bolling committee staffing reform.

I would appreciate the very distinguished chairman of the select committee correcting me if I am wrong, but am I not right, sir, in my understanding that, with respect to those committees that prefer to continue to operate on a nonpartisan basis, that is, to retain a wholly nonpartisan staff, that that is still perfectly possible under the provisions of the so-called Bolling-Martin resolution?

Mr. BOLLING. The gentleman from Illinois is correct.

Mr. ANDERSON of Illinois. And with the increase, I wonder if I am not also correct in the assumption that I make as I read the provisions of the committee bill, that with the increase in the number of professional staff under the Bolling plan, that increase being from 6 to 18, the distinction between professional and so-called investigative staff will fade, since there will not be as great a need for additional expense resolutions for increased staffing, and when there is that kind of a need, then the one-third minority staffing really would be maintained but would it not tend to disappear because of the increase the gentleman has allowed in the professional staff?

Mr. BOLLING. The key is the word "tend." The hope of the select committee was that by giving an increased professional staff to each committee as a matter of statutory right, there would be fewer investigative staff, so-called, coming under so-called investigative staff resolutions. But there is no way to guarantee that that will actually work out. It will certainly tend in that direction, as the gentleman has said.

Mr. ANDERSON of Illinois. I thank the gentleman for his explanation, and I tend to agree, I think.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. Yes, I will yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank the gentleman for yielding.

The colloquy between the gentleman from Illinois and the gentleman from Missouri is substantially correct, except that in addition to the statutory guarantee, which should reduce the investigative requests, if my amendment to the Hansen amendment is adopted, then the committee chairman and ranking minority member can get together, ask for such investigative staff as will provide staffing for the minority—the majority have already guaranteed that—and thereby increase the effect.

If one limits it strictly to the Bolling proposition, the minority committees' staffs are going to be limited to 10 unless they can really prove the need for additional investigative staff.

I am trying to avoid that for the Members. Notwithstanding what the Speaker has just said—I respect him greatly—I rather suspect we might have difficulty prevailing with that point of view in Congress.

Mr. ANDERSON of Illinois. I appreciate the sincerity of the gentleman's effort in trying to help the minority, but I would suggest that this House would act wisely and well here this afternoon, the committee, if we would stand by the provision of the bill that was worked out in many weeks, and, indeed, months, of very comprehensive hearings and laborious study. I just want to emphasize, before my time has completely run, that this is not a partisan issue. This is an institutional issue. This is facing up to the question of whether or not this House is going to conduct itself in such a way that it can discharge the vast and complex responsibilities that have been thrust upon us in this 20th century. Let us not fail in that task this afternoon by bogging down in some fear that one side or the other is going to gain partisan advantage. Let us adopt the provisions the gentleman suggests.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from California (Mr. Rousselot) probably asked the $64 question here a while ago, and he asked it of the Speaker. He got a direct answer from the Speaker, as I understood it. Nothing that we do here is guaranteed to last any longer than the next time we change these rules. It could be the day after tomorrow, the day after that, or the beginning of the next session of Congress. At any time we could come up here and get something to hang it on and change these rules.

Let me try to explain why I am supporting the Thompson amendment. It is as clear as the nose on my face. If anyone ever looks at my face, that is pretty clear.

If the Bolling version is adopted, the minority is going to get one-third of the staff. At least, they are going to get the promise that next year they will get it.

Those of us who are not supporting Bolling but who are supporting Thompson, realize that. We are realists.

We think that the Hansen people came up with a better idea. Therefore, what do we do and what do we propose? Under the Thompson amendment we propose combining both of them to give the advantage of the one-third of the minority staffing to the ranking member without increasing the one-third pot.

That is what we are getting. Whether it is a pig in a poke depends upon whether or not the Members can trust us, and I do not know how far they can trust us. However, that is what it is, and that is what the gentleman from New Jersey (Mr. Thompson) is trying to do. He is trying to give us one-third, as you get under the Bolling version, and he is trying to give us staffing for the ranking minority member of the subcommittees, as was promised under the Hansen version. He has promised to give us both of them together and to give us both of them at the same time, without taking anything out of the pot or adding any more money to the pot.

That is all it is.

Mr. BAKER. Mr. Chairman, I rise in support of the Thompson amendment.

Mr. Chairman, I believe that is a fair proposal that the gentleman from New Jersey has presented.

I believe the subcommittee of the various committees do a great deal of the important work or most of the important work of the committees.

Really, whoever heard of a nonpartisan body, as this body is so constituted? I take no exception to the fact that there is partisanship in practically every activity in which we engage. I would like to have a partisan staff to research and to advise on a partisan basis as we consider these matters. I think it is a matter of public concern, and I believe the public is wary of a body which makes a rule one year, as it did in 1970, and comes back and reverses it in 1971.

I believe this is a source of embarrassment to a great many of my friends on the other side of the aisle.

I want to say to my conservative friends particularly that there are a number of commitments on the part of leaders on the majority side for the Hansen proposal, and I feel that if they stand up today and are counted and if we can count on these commitments, I hope and trust that we can depend on them to represent the position they take when they come into the caucus or to the determination which is made in future sessions of the Congress.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. BAKER. Certainly, I will yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I have had the honor for 4 years or so to be chairman of the Subcommittee on Accounts. Not one single committee chairman has come before our committee without the ranking member of his committee in his company. We have not given one-third to the minority, but in each and every instance—and our transcripts will show this—the ranking minority member has said that our resolutions are acceptable, and in a couple of instances the resolutions were delayed by our subcommittee because we felt the minority was not being treated fairly.

I am trying to go a bit beyond the present structure in order to increase what the minority will get. I am not inviting partisan staffs. I do not believe that necessarily they should be. But I do believe that a ranking member on a subcommittee, if he is on the minority side, ought to be able to choose his own staff member, as the majority has the right to do.

Mr. BAKER. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I recognize, as most every Member in this Chamber recognizes, we are doing everything possible to get along with our chairman. We have no real bone of contention with our good chairmen under whom we serve.

I believe this eliminates a lot of the problem, if we establish a rule and set the ground rules under which we are operating so far as the staff is concerned.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I want to compliment the gentleman on his support of the amendment. I think the Thompson amendment is a reasonable position. It does support the effort that the minority has made for years to obtain an adequate number of staff members.

Mr. Chairman, I thank the gentleman for his very worthwhile remarks.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am befuddled and confused, and I need some information from some of the three Members who are heading this trinity sitting in judgment here today.

In the first place, for just how many new committee employees does this provide? Is it 150, as the gentleman from New Jersey suggested? Is it 300, as some other Member suggested? Is it over 500, or is it about 1,000, as I figure it will probably be?

Have any of the advocates of change any suggestions? How many are we adding to the payroll? Let us not have everybody speak at once.

Well, if nobody can tell us, I will tell the Members——

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Missouri. I have been seeking to yield to someone who would answer my question for some time.

Mr. BOLLING. Mr. Chairman, that is a slightly more complicated question than my friend, the gentleman from Texas, realizes, because all we do is authorize a substantial increase in the statutory staff.

Mr. POAGE. All right. How large is that "substantial increase"?

Mr. BOLLING. It is a total of 18, increasing it from 12 to 30.

Mr. POAGE. A total of 18?

Mr. BOLLING. Eighteen per committee.

Mr. POAGE. In the whole Congress?

Mr. BOLLING. Each committee.

Mr. POAGE. Each commitee. That means 20 or 30 times 18; does it not?

Mr. BOLLING It provides for an increase in the statutory staff from 12 to 30.

Mr. POAGE. And we have how many committees, 30?

Mr. BOLLING. Twenty-two; 15 major committees.

Mr. POAGE. Let us get back to my question: How many new employees are we adding?

Mr. BOLLING. We do not know, I will tell my distinguished friend.

Mr. POAGE. All right. I thank the gentleman.

Mr. BOLLING. Mr. Chairman, if the gentleman will yield further, I will tell him why.

It is because a great deal of the duties of the staff today is provided through the so-called investigative resolution. That staff is different in a variety of ways than those provided for in statutory staffs.

The hope of the provision in House Resolution 988 is that there will be more statutory and fewer investigative staffs, and that the total number will not be very dramatically increased.

But the final decision will rest with the people who ask for the staff, that is, the chairmen and the members of the committee. In other words the gentleman would add about 200 high salaried employees and he "hopes" that the committees will reduce their existing staff.

Mr. POAGE. That is how we have reached the tremendous volume of staff that we already have. By relying on hope that someone will cut his staff. Is someone hoping that we will reduce something? The gentleman from Missouri has been here too long to really seriously indulge in any hope that we are going to reduce anything. This will simply add a new layer. I think everybody who has been here even as much as one term knows that this will add simply another layer of employment that will be so large that even the advocates of the resolution will not suggest how large it may go.

So you go home and tell your people that you voted for legislation to establish an unlimited number of staff if you want to; but as for me, I am not going to be a party to that sort of thing. As a matter of fact, you do not have any idea how many people this will put on the payroll. This may not of itself greatly increase the inflationary pressures which are destroying our economy, but it will amount to many millions of dollars—all in the sweet name of personal and of party politics. These high priced employees will be "empire builders"—nothing more.

Mr. ARENDS. Mr. Chairman, if the gentleman will yield, I think the gentleman might well ask whether this will take one more new building, or two more new buildings.

Mr. POAGE. That is another question which I plan to ask. I just wanted to see if any of the advocates were willing to get out in the open and say just how much they were willing to pay for this political staff.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I want to ask a question. The gentleman did not answer me when I gave the gentleman the opportunity to do so.

Mr. THOMPSON of New Jersey. The gentleman would not let me do so.

Mr. POAGE. I want to know where we are going to get the room to build the buildings—and I repeat—the buildings—not building; where we are going to get the room to build the buildings to house this gigantic staff that it is proposed to employ, because when you add even 500 people, which is probably less than half the total number you will add, we will have to have a whole lot more office space, and where are we going to get it?

Mr. THOMPSON of New Jersey. We can start using the space now used by the gentleman from Illinois (Mr. ARENDS), and the office now used by the gentleman from Iowa (Mr. GROSS). We can put staff people in there.

Mr. POAGE. Well, I would say——

Mr. THOMPSON of New Jersey. How many staff persons do you have on your committee, Mr. Chairman?

Mr. POAGE. I believe we have 18, and they all work for the committee. Not for the Democratic or for the Republican members. I do not know the party affiliations of many of our staff and I do not think that Mr. WAMPLER, our ranking minority members knows, either. He and I are just trying to get the work of the committee done as efficiently and economically as possible.

The gentleman from New Jersey seeks to make light of one of the most serious problems that comes before this Congress. We have all talked about how serious this is, and then these are the kind of answers that I get; this is the kind of serious consideration I get. This is the way you are considering something that you tell us is of real deep importance to the Congress of the United States.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Yes, I yield to the gentleman.

Mr. SARBANES. Mr. Chairman, clearly if the gentleman from Texas feels that he has a very serious question—and I concede it is a serious question—and feels he has not been given a serious answer, then I believe the gentleman is entitled to such a serious answer, and I will try to give such an answer to the gentleman.

At page 355 of the report of the Select Committee——

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. POAGE was allowed to proceed for 4 additional minutes.)

Mr. SARBANES. Mr. Chairman, if the gentleman will permit me to continue, at page 355 of the report of the select committee you will find an appendix setting out information on committee staff personnel. It lists there the number of employees operating under standing authority, and the number of employees under investigative authority.

For almost every committee, with a few exceptions, the total number of standing and investigative personnel taken together exceeds the number of employees that it is proposed to provide as a matter of statutory right under this proposal. Therefore, there would be absolutely no increase in the staff if the committee simply switched from reliance upon an investigative resolution as a basis for staff to place them instead on a statutory basis.

Second, even if the total number of present staff is less than the proposal recommends as statutory staff a committee is not required to go to the limit in the staffing.

This is only an effort to regularize what is now taking place. To make very clear by placing additional committee staff on a statutory basis, the number of permanent employees rather than, as is presently the case with virtually every committee, having part of such employees on a statutory basis, and another large segment on an investigative basis.

Mr. POAGE. We cannot have it both ways. The gentleman from New Jersey just got through telling us that what he is doing for the minority is that he is putting these additional employees on a statutory basis so there would be no option and so we would be guaranteed these additional employees.

The gentleman from New Jersey now comes along and begins to tell us that we do not mean that; maybe we will not employ those people. The gentleman from Missouri tells us that because we now have 800-some-odd people employed, we are not going to have to employ all of them. That since we employ already all the people we really need that we will not actualy need all of these additional people. Of course, that is right. But this Congress never dispenses with unneeded employees. The minority party has not had control of this House for a good many years, but they have got clerks; they have got sergeants at arms; they have got doorkeepers and employees of all kinds on the payroll whose chief duty seems to draw their pay.

I know that last term or last year you changed the name of their offices, but we have not changed their functions—indeed in most cases we have given them no function, just as this bill gives this swarm of new employees no functions except political ones. There is not one of the top eschelons of these political "officers of the House" who perform nonpolitical functions for the House of Representatives.

I call upon the advocates of these political committee employees to name one of the minority or political officers of this House. Can any of you name one? Can you name one?

I call upon the gentlewoman from Washington (Mrs. HANSEN). Can she name one? Can she name one? I call on the gentleman from New Jersey. What about the gentleman from Missouri? Does anyone want to tell us just who is doing all the nonpolitical work?—the identical type of "work" which these new committee emplcyees will perform.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

Mr. Chairman, I was attempting to get the gentleman from Texas who was in the well a moment ago to extend me the same courtesy when he was delivering his diatribe against the fact that the minority has certain employees that he does not feel serve any useful function. In defense of the minority House employees, I think they do as much as those who work for the majority. But the point is that really has nothing to do with the point we are concerned with in this debate anyway.

The minority party, I say to the gentleman from Texas, presently comprises approximately 43 percent of the membership of this body. It enjoys on the average only about 10 percent of the investigative staff personnel and 16 percent of the total committee staff. I do not think, therefore, that the proposal made by the committee chaired by the gentleman from Missouri (Mr. Bolling) is unreasonable in extending this one-third minority staffing provision to the minority to enable them to carry out their function and their responsibility.

Mr. FRELINGHUYSEN. Mr. Chairman, it does seem to me that this discussion clearly indicates that what is being attempted by the recommendations of the select committee is to transfer to a statutory basis most of the staff employees instead of having a large part of the staff on an investigative basis as is presently the case. It is not the intention of these recommendations to increase the overall size. There may be demands in the future for an increase in the size of the staff, and that would have to come, not through the statutory limitation, but through an investigative request. I can recognize that it is easy to have fun with this kind of a proposition, suggesting that perhaps some limitless expansion of staff is involved. That is not the case, as has been pointed out.

Mr. Chairman, I yield back the remainder of my time.

Mr. DENT. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, staffing is always a problem in a legislative body, and I think I know about as much about it as most of us. I served for 18½ years as a minority member, chairman and floor leader of the minority in the Senate of the State of Pennsylvania. During one 2-year period we happened to have a majority. I had pleaded with the majority, the Republican majority, for years to give us some staff. So I finally had one clerk for myself and four girl staffers to do the typing for the other members of the minority. Most of the time I would have from 18 to 24 members out of 50 in that particular senate.

During the 2 years that we were in the majority, I put through a resolution giving the Republican minority one-third of all the patronage in the Senate of Pennsylvania.

To show that if one casts bread upon the water it comes back, sour in some instances but oftentimes sweet, that bread came back in this form. When the Republicans came back into power in Pennsylvania, the gentleman from Pennsylvania, Mr. John Ware, who is now a Member of this body, sponsored the resolution that gave the minority at all times 50 percent of the working patronage in the senate.

This is not the subject matter we are debating. We are devoting a great deal of time to this. The idea that we are not going to add more staff is ridiculous. We are setting up 30 instead of 12 so-called statutory jobs, each of them at the top level, level 5, which is up to $38,000-and-some after the last raise which went into effect last night. Who thinks these persons at that salary raise are going to do their own typing? No, they are going to be the researchers, and they are fine and we need them. But still we need the toilers who are going to have to do the work for them.

So after the new session begins every committee will come before the House Committee on Administration and ask for more jobs to take care of the work these higher level people are supposed to do. But that is nothing.

What is important? What makes this such a high-demand priority when we are discussing an inhouse resolution, an inhouse job we have to do? As the gentleman from Illinois said, we have to meet the great responsibilities placed upon us by these days. I will say to my friends, the Members of this House, from time of the first Continental Congress these grave responsibilities have been upon the Congress of the United States. Have we failed to meet these responsibilities for nearly 200 years? If so, how have we gotten to be the greatest nation on the face of the Earth in less time than any other nation which has ever existed?

If we have been such a failure, what has brought us to this point, which allows us to debate one another on this great step?

I am not against reform, but each of us has a different idea as to what reform is. We can each debate it.

But how can we debate it thoughtfully and carefully when there is this overriding threat of overriding big bludgeon in the hands of the outside interests who are even now writing me up and saying I am not for reform?

I have led in the reform. I do not think the gentleman from Illinois (John Erlenborn) has any complaints as to how he has been treated as my ranking minority member. I have led this House in reform. I do not think any Member of this House can stand before any audience in the United States and say to them that we in the Congress have not met our responsibility in the most serious threat to the welfare of the workers in our country who in the past have often had their pensions stolen from them. We did that on a bipartisan basis, on an equal footing understanding among each other.

We only fail when the individuals fail. We have the rules and we have the regulations. We have the ability. Do we have the will? I want all the Members to know I have never had a complaint from any Member that he was not satisfied. Even the gentleman from Iowa (Mr. Gross) when he was up before us on a contest when I was chairman and there were Members, and with the gentleman from Ohio (Mr. Hays) and all the rest on that committee, we never had a complaint. But all of a sudden the Election Committee is taken from my authority in the subcommittee and turned over to another committee of the House. I have searched my conscience to find out if I have done something wrong, but I would say if the Members want to take it away from me, just abolish me but do not abolish the committee.

Mr. LANDRUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, here we are 35 days before a general election discussing something that means absolutely nothing to the Nation in terms of what the Nation's prime problem is. Here we stand today 35 days before a general election with inflation consuming the purchasing power, the economic power of this great Nation, fussing over who is going to have what staff, how many, where are we going to put them, and how well will they serve us.

Really, what we are doing, Mr. Chairman, is portraying ourselves as a laughing stock before the Nation. While we bloody the floor with acrimony about who is going to lead in what circumstance, inflation consumes all those that sent us here and we are inviting, in my judgment, disaster for this Nation.

I cannot fault what the Bolling committee did in its efforts. It was good.

I served on the Hansen committee and tried to rearrange some things that would make it easier to accept a change in procedures without destroying substantive matters, without destroying jurisdiction.

We have been talking all year about a national health insurance program and here we are discussing a procedure in the House to take away from one of the major committees half of the jurisdiction over a social security program that is a compulsory insurance, that must be operated if it is to remain insurance oriented from a trust fund. The trust fund must be supported from a payroll tax. The actuaries tell us we do not have to keep the balance required of the insurance companies and other endowment agencies that build private retirement funds, because it is compulsory and there is no danger of a default in the payment of premiums or taxes; so, therefore, we need only to keep about 12 months in advance of what is needed for benefits; but we want to take away the authority, take away the jurisdiction to determine entitlement and eligibility, the conditions under which one would draw disability insurance and the conditions under which one would draw disability insurance and the conditions under which one would draw and how much one would draw as a retired beneficiary and leave the responsibility to write the check for paying it in another committee. It simply will not work.

What we ought to do is have a vote, in my judgment, on the Hansen proposal as a substitute for the Bolling proposal, get down to the business of doing what the Congress is supposed to do and hope that we are back here next year to use what staff we have.

If we continue with such foolish operations as we are participating in here today, we invite all that there is in this country to lose confidence in each of us and all of us.

If we do not get to the business of doing something about inflation, we are going to wind up not only in their losing confidence in us as individuals and public officials, but we are going to say to them, "You may as well lose faith in the system."

My goodness—my goodness, my colleagues, it is one thing for a constituency to lose faith in its Congressman, its representatives; it is another thing when that constituency loses its faith in the system.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent Mr. LANDRUM was allowed to proceed for 1 additional minute.)

Mr. LANDRUM. Mr. Chairman, it is one thing for a constituency to lose confidence in a Member which it sends here, but when all the Members who come here, fiddling as we are today while Rome burns, perform as we are performing today, we say to our constituents all over the United States, "You may as well lose faith in the system." When they lose faith in the system, it is all gone, because what is the system? The system is those who send us here. Without the people and their faith there is no system.

When the constituency in north Georgia loses faith in me, that is one thing, but when it loses faith in its Constitution and the procedures that it provides for a free government, then we are inviting the disaster that I believe this foolishness today will bring upon us.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be brief, and I hope I do not take the 5 minutes. I would like to agree with what the gentleman just in the well said, because I think we are in trouble in America. I think everyone of us, if we just think about it a little bit, knows it, and when we go back home we certainly know it.

I think there are more serious things we could be doing. I would just like to say this: This morning we cancelled a meeting on the relief of the Securities and Exchange Commission of America to give the people more faith in what is happening and more faith in the exchanges and what they are doing. We could have probably gotten together, but now we are going to be delayed.

Just a few moments ago I was supposed to appear before the Rules Committee to get out a health planning bill in order to get more doctors and nurses all over the United States. It was just called off. We just called off a conference with the Senate for 2:30 on another health bill and one on Amtrak which will have to be put off now until next week. These are matters which are important to America, that will help every family.

Here we are, 43 or 44 days before election, trying to commit—well, to be brutally frank, fratricide, I guess. I think it would be well if we put this behind us until after election, and then come back and take it up.

I want to agree with what the Speaker had to say a while ago that to make in the law a provision to make this a political matter of our staff is wrong. I have not ever hired one member of our staff by knowing what his politics were. I think we have as efficient a staff as there is on Capitol Hill, and I do not want politics in it.

I would like to say to the members of my committee on the opposite side that the ranking minority member would say that he had been treated fairly, because I think he has one-third of the staff now. He has a staff member for each member of the subcommittee and one for the full committee and others to support them such as clerks and what have you, because we have tried to be fair. He has not asked for anything which he said he needed which has not been supplied.

Here we are, we say we are the majority party. I have not asked one of them what their politics are. They are to serve all the committee, and if they do not, I would say they should be fired right away.

I just say it is wrong to bring into this Chamber at this time, to bring politics into the whole situation and see this job divided this way and that way.

I would say the minority staff has worked with our staff, with the full staff, whenever there has been any question about any policy, and so forth. They have worked together. But let them be put on a statutory staff, with so many Democrats and Republicans on the committee, and see how well they work together. They will work for one group and not on both sides. I think, as I said, we will be going back 100 years, at least 50 years, in the ability to get things done and work together in a bipartisan way on our committee. If we let this happen, we will not be able to do the work because we are going to have those staff members who are going to say, "This is what you ought to do on this side."

I think we should not wait until after the election and we should proceed with the business of America now, to show America we can do a job for them. With all of the diversity, all of the problems we have now, if we do not do it now, we may not have a nation to do it for later.

Mr. BENNETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very much opposed to increasing the staff of the committees of Congress at this time in history. I am also very much opposed to having any staff members appointed on the basis of partisanship.

I have asked a staff member to work on an amendment that will strike out all additional staff and will take out any reference to partisan staffs from each of the proposals before us.

If we do what this legislation allows now—that is, create partisan staffs in all of the committees of Congress—we will waste many millions of dollars. We will also create a partisanship spirit here on Capitol Hill which will not be beneficial to our country. If we do this, we would be letting our country down, as has been eloquently pointed out by the gentleman from Georgia; and at a time when we have very serious problems in our country.

We would also be letting our country down by organizing individual power structures on both sides of the aisle, Democratic and Republican, by creating little staffs for ourselves. I am a chairman of a subcommittee, and a rather important one, I think. I do not have any staff members that I have appointed.

We do not know on the Armed Services Committee, on which I serve, what the political philosophy is of the staff people there. They just do the needed job.

It is my intention to offer a motion to strike out all the additional staffs provided by these pieces of legislation, and to strike out any partisanship aspect and any additional hiring practices provided for in this legislation.

I hope the Members of Congress will support this amendment that I am having drafted. Then we will have a real reform bill before us. The country does not need a wasteful and partisanship measure enacted at this time.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as chairman of the Committee on House Administration, the committee has given, and I have urged them to do it, the minority whatever staff they said they needed. There has been no dispute about it. I have never raised objection to minority staffing to the extent that it is necessary, and I think the Thompson amendment gives the minority a chance to have each subcommittee chairman have a staff member if he wants it. I do not care what anybody says, the facts about what the Bolling bill does are uncontrovertible. It increases by 18 the number of statutory staff for every committee, and you can bet that if they have the statutory staff they are going to use them, and it gives them the option of paying them $38,000 a year.

The gentleman from Georgia hit the nail right on the head, and probably what somebody ought to do around here is to move to lay this whole thing on the table until after we have solved some of the problems of the country. I do not know whether the Members know it or not, but every poll in this country shows that inflation is No. 1 on the people's minds.

Every poll in this country shows that the people are sick to death of bureaucracy, and every poll that has been taken recently shows that since one out of every five workers works for the Federal Government, the other four who are paying the salary do not like it.

If you want to go back to your constituency in the next few days and tell them that you voted for a reform bill which saddled them with 18 more $38,000 employees for every committee of the House, you go right ahead. As for me, I do not choose to go down that route.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Texas.

Mr. TEAGUE. For 12 years, as chairman of the Committee on Veterans' Affairs, and for 2 years as chairman of the Committee on Science and Astronautics, I have dealt with the gentleman from New Jersey and the gentleman on the other side of the House. We have had these consultants and at times have needed additional staff and that committee has given us every cent we ever asked for.

I would like to tell the gentleman that I think he has done a great job.

Mr. HAYS. Mr. Chairman, I thank the gentleman. That is not really the point at issue with me.

With me, it would be a great relief if the committee did not have to make this decision.

I am saying that if you put this into effect, the chairman will inescapably be put under pressure to staff up that committee to its full amount and the top salary allowable by law will be given. That is the trap that you will get yourselves into.

They can tell you that it is not going to increase staff at all. That is not the way it works.

Where are you going to put them? I do not know where you are going to put them. Where are you going to park them? I do not know where you are going to park them. Where are they going to work? I do not know because the place is bulging at the seams now.

This proposal simply adds 16 times 18 more $38,000 potential employees, and you can be sure that if they are potential, they will be on the scene.

If that is reform, anyone who wishes to can say I was against that kind of reform.

What the people in this country want is some problems solved. They do not want a lot more bureaucracy around here to impede the solving of the problems.

If you think that is what they want, you ought to, as I do, go home every week and talk to some of them, and you will find out that is what is on their minds.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. MOSS asked and was given permission to revise and extend his remarks.)

Mr. MOSS. Mr. Chairman, I think the gentleman from Georgia made a statement which makes good sense, and I believe the gentleman from California (Mr. ROUSSELOT) referred to this as an exercise, for all practical purposes, in futility.

It is that, because it is my prediction that however we vote on the measures now pending before this House, this entire matter will be redebated when we undertake to organize the 94th Congress since we will have to adopt rules and we can stop the adoption of any temporary rules until we have dealt with the substance of them. Therefore, we can go back with a different set of characters and undertake the same debate.

At this moment we have important business that should be resolved in this session of this Congress.

Do the Members realize that for the first time in many, many years, just about an hour ago, the Dow Jones average dropped below 600?

All of the Members recognize that the economy of this Nation and the economy of nations all around the globe is in disarray.

Here we are, Mr. Chairman, debating something that reaches far beyond what it should, in the name of reform to change this House. And it is a change solely for the sake of change, a change in the name. It is going to insure that when we do organize the House, we are going to have to undertake major reorientation of most Members and their committee assignments.

We are not going to be prepared to move as quickly as we should to deal with the urgent problems of this Nation. I am not attempting to address myself to any interest I have. I believe that I have both the seniority and the diversity of interests so that wherever I end up, I am going to be happy.

However, I am very deeply concerned about the credibility of this Nation's governmental institutions, and the performance in which we are now engaged does nothing to add to that credibility.

The performance in which we are now engaged is one which is not understood by the average voter. I have heard the demands for election reform, but that is the only demand I have heard for reform. I would even view this more charitably if I could call it "reform," but that I cannot do. It is "change," and it takes us on roads we know not where they lead or the problems they might create.

Mr. Chairman, it is not wise that we do this in the closing days of a Congress. It is not wise that we create confusion just before an election, and that is all we are going to do here.

We have heard the discussion concerning how many more jobs will be added. Well, I think it provides the potential of about 270 to 280 $38,000-a-year jobs. Maybe that is good, maybe it is not. But the 94th Congress will make the final determination.

Make no mistake, whatever happens here, that issue is going to be raised at the beginning of that Congress, and that Congress, because this is an amendment to the rules of this House, will make the determination, not this one.

The CHAIRMAN. The time of the gentleman from California (Mr. MOSS) has expired.

(By unanimous consent, Mr. MOSS was allowed to proceed for 2 additional minutes.)

Mr. MOSS. Mr. Chairman, I know there is a desire to have this become effective the 30th day of December, on the assumption that there will be a quick adoption of the rules of the 93d Congress for the 94th Congress. The old rules will be the temporary rules.

Well, we can stop that, too. We can lay down our challenge and demand an amendment there. So the debate does not end with the action that we take here now.

Mr. Chairman, we can waste the next several days and set aside important conferences with the other body and set aside the consideration of legislation which is of much greater import to the Nation.

I have heard of no greater nor more urgent need to the welfare of this country than the pending appropriation, and it is my recommendation that we do that and stop this damned foolishness, because that is precisely the point we have reached.

Mr. TAYLOR of North Carolina. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I cannot support the report of the Select Committee, even though I have great respect for the members and even though it would increase the power of the Committee on Interior and Insular Affairs, on which I am the second ranking Democratic member, sitting next to Chairman HALEY.

In my opinion, the report contains some fine recommendations, but it goes too far in reshuffling and shifting legislative responsibilities from one committee to another, and it destroys the desirable influence of expert training and knowledge of congressional Members and staff members.

As an example, the jurisdiction of Indian affairs would be shifted from the Committee on the Interior to the Committee on Government Operations. The Interior Committee has had years of experience in working with the Indian problems. The Committee on Government Operations states that it is overworked, and does not have the necessary expertise and experience, and does not want this jurisdiction.

Perhaps one-half the members of the House Committee on Interior represent districts containing Indian reservations or Indian citizens. Many Members requested this committee assignment because of their interest in better conditions for the American Indians.

The fact that I represent the eastern band of Cherokee Indians is one of the reasons that I sought membership on the House Interior Committee.

Many of the members of this committee have visited numerous Indian reservations in order to get firsthand knowledge of their problems.

The gentleman from Florida, Mr. HALEY, chairman of the House Interior Committee, who served for many years as Chairman of the House Subcommittee on Indian Affairs, has visited practically every Indian reservation in the Nation, and now the gentleman from Washington, LLOYD MEEDS, the new Chairman of the Subcommittee, is carrying on such a program.

In my opinion it would be a very serious mistake to take jurisdiction over Indian affairs from the Committee on the Interior, and give this jurisdiction to the Committee on Government Operations, which states that it does not want this jurisdiction, and which lacks the necessary background experience.

Has anyone asked the Indians if they are satisfied to be taken away from the Committee on which their Representative in Congress serves, and be given to another committee which does not want the jurisdiction?

A similar situation exists in regard to territories. Many members of the Interior Committee have visited all of our territories on different occasions, and many of them have traveled into the Pacific going from island to island in the Trust Territories in order to gain firsthand information, and yet this jurisdiction would be transferred to the Committee on Government Operations, which states it does not want it.

Under the recommendation before us the Interior Committee would become the new, more powerful Committee on Energy and Environment. My main interest is not in seeing the committee gain power, but in seeing it do a first-class job on all the legislation referred to it, and in seeing that it be left in a position to do the most effective job on all matters within its jurisdiction.

Passage of House Resolution 988 would mean that the national parks, public land and reclamation projects, would receive secondary consideration by this new committee as energy-related matters would dominate.

House Resolution 988 would give to the newly formed Committee on Energy and Environment legislative functions which are now being handled and would be handled by four separate Senate committees—Interior and Insular Affairs, Public Works, Armed Services, and Commerce Committees. This means that the Interior Committee would have to go to conference on their bills with four Senate committees.

Much of the legislation which is introduced in Congress touches energy and environmental matters in one way or another, and it is impossible for all of this legislation to be effectively handled by one committee. The time factor makes that impossible.

The House Interior Committee last spring spent 8 weeks meeting and engaging in debate on the surface coal mining bill, and two subcommittees spent much of a year working on this bill. More than 150 amendments were considered and voted either up or down.

Energy-related matters affect different citizens in different ways, and it is always time consuming because it is always controversial, and one committee cannot handle all of this legislation.

Perhaps some guidelines are needed, but the concentration of all legislation affecting energy and the environment into one committee in my opinion is dangerous, because it subjects the committee to powerful lobbying efforts by special interest groups.

Last week I read an editorial which stated that the adoption of the Bolling report would make lobbyists less effective in dealing with Congress. So far as the new Energy and Environmental Committee is concerned the results would be just the opposite. We would create a monopoly on energy legislation, and place it in one committee in a relatively few hands. Oil and gas companies, coal companies, power companies, environmental organizations would try to control the committee, and would try to pressure Members of the Congress, and would try to pressure Members favorable to their point of view to seek membership on this committee. We would be mixing oil and water, and both would seek control of the committee.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Taylor of North Carolina was allowed to proceed for 1 additional minute.)

Mr. TAYLOR of North Carolina. The gentleman from Texas (Mr. Eckhardt) expressed it well in the Democratic caucus when he said:

> The question is shall the committee be eventually controlled by Exxon or by the Sierra Club.

Both will attempt to control it, and, in my opinion, Exxon will eventually prevail.

We do not want a committee to be controlled by special interest groups, but as we place all energy legislation in one committee, we are playing into the hands of those who seek such control.

In my opinion, all energy legislation should not be placed in one committee. The Hansen committee report contains the best provisions of the special report of the select committee.

Mr. Chairman, change for the sake of change is not reform and it is not progress; and change which does not promote efficiency and more effective work by Congress is not reform, and it is not progress.

I will vote for the Hansen substitute and against the Bolling resolution.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. Eckhardt, and by unanimous consent, Mr. Taylor of North Carolina was allowed to proceed for 1 additional minute.)

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield.

Mr. TAYLOR of North Carolina. I yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the gentleman's remarks about the effect of consolidating a single interest in a single committee. I think he has stated it eloquently and well.

I should like also to ask the gentleman if he does not feel that we would better approach this question by bringing in a certain degree of flexibility with respect to the assignment of bills to committees and by providing greater authority to the Speaker to appoint ad hoc committees when subjects are too broad for the present jurisdiction of given committees, which is contained, of course in the Hansen report?

Mr. TAYLOR of North Carolina. I think the gentleman is correct. As I stated, I think perhaps we need some guidelines to determine where various aspects of energy legislation shall be referred; but I strongly object to placing it all in one single committee.

Mr. ECKHARDT. I certainly agree with the gentleman. I thank him for yielding.

Mr. WAGGONNER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, there is a great deal of misunderstanding about this overall question that needs to be clarified before we vote. I want to try to put it in perspective. Different people will say one proposal does one thing; others say it does another. This House at the present time has three proposals before it. We have the work of the select committee, House Resolution 988. We have the work of the Hansen committee, House Resolution 1248, and we have Mr. Martin's House Resolution 1321.

We are told that the select committee sent a bill to us and they were in unanimous agreement. Apparently that is not so or else Mr. Martin, who is the ranking minority member of that committee, would not have submitted a proposal of his own.

But with regard to staffing, let us talk about what each proposal does, and let us relate that to the pending amendment. We have got to recognize, first that here in the House of Representatives our committees have two kinds of staff, if I may express it that way. We have the standing committees' statutory staffs, and we have investigative staffs. Their numbers are not necessarily uniform with regard to the investigative staffs. Upon application to the House Committee on Administration, and with their approval to be paid for from the contingency fund of the House, the numbers assigned to the investigative staffs can and do vary. Right now, as far as the statutory provisions are concerned, each committee is allowed 12 people: 6 professional and 6 clerical.

The Bolling committee proposal, House Resolution 988, which is the work of the select committee, proposes to increase those 12 staff members in number from 12 to 30, which means an increase of 18. They in effect combine what is now the statutory standing committee staff and whatever the number might be which are paid for from the investigative funds. That is the reason the gentlemen from Missouri (Mr. Bolling) is completely correct when he cannot say in a completely affirmative and concrete way without any chance of error that he could not tell the gentleman from Texas (Mr. Poage) by how many the total employment of committee staffs would be increased here in the House if any of these proposals became law.

Let me go then to the proposal of the gentleman from Nebraska (Mr. Martin). His proposal coincides with the work of the select committee. He as well in his proposal, which is House Resolution 1321, would enlarge from 12 to 30, increasing again by 18 the total authorized staff again to be paid for by a House appropriation.

The Hansen committee proposal varies only slightly. The Hansen committee proposal proposes with the amendment offered by the gentleman from New Jersey (Mr. Thompson) that we maintain two kinds of staff, statutory staff and an investigative staff. The statutory staff would still be paid for with a House appropriation and those who were assigned investigative duties would be paid for out of the contingency fund of the House which is controlled in this instance by the House Committee on Administration.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent, Mr. Waggonner was allowed to proceed for 5 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, we are not arguing now in any of these proposals about whether or not there is going to be more or less staff. The only point of difference is who will ultimately have what choice in selecting that staff and from whence will the money come. It is almost that simple.

To my friends on the minority side, to my Republican friends I say they will have more discretionary authority under the Hansen proposal as it is proposed to be amended by the amendment offered by the gentleman from New Jersey (Mr. Thompson), because those who are ranking minority subcommittee members will be able to choose their staff members within the framework—not over and above but within the framework—of the one-third of the money to be allowed. They will still get one-third and only one-third of the money whether it comes from the appropriation which is statutory or whether it comes from the contingency fund of the House Committee on Administration.

To my friends on my side of the aisle, I say they have got the best of both worlds because the House Committee on Administration will maintain the authority which it now has over releasing these funds. The House Committee on Administration, chaired by the distinguished gentleman from Ohio (Mr. Hays), will release those funds and it is possible, in fact they have said they would see to it that the money will be made available that is needed to pay for these staff members that we propose to hire.

Really, there is not much difference. It is like tweedledee and tweedledum. We are just talking about where the money comes from; but I do fail to understand the argument of my good friend, the gentleman from Nebraska, who says we want to help the minority, but we do not want to help them that much. We are trying to give them the maximum authority.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I think the gentleman in the well is going too far. I am surprised at the gentleman from Louisiana, who I thought was quite conservative in the operation of the House, as a representative of the taxpayers, in the expenditure of public funds, to come before us this afternoon and advocate the spending of additional hundreds and hundreds of thousands and probably a few millions of dollars to enlarge the staff beyond any practical reasons. I am greatly surprised.

Mr. WAGGONNER. Well, does the gentleman from Nebraska (Mr. Martin) accept the explanation I have given as to what each of the three proposals provides? Does he accept that as being an accurate explanation?

Mr. MARTIN of Nebraska. Not entirely, no.

Mr. WAGGONNER. Wherein does the gentleman differ? Wherein am I in error?

Mr. MARTIN of Nebraska. In the evidence given in regard to the select committee's recommendations and the recommendations in the resolution that I have introduced.

Mr. WAGGONNER. Wherein do I err?

Mr. MARTIN of Nebraska. Well, the gentleman does not seem to want me to finish my reply to him.

Mr. WAGGONNER. Yes, sir. I do.

Mr. MARTIN of Nebraska. The recommendation in the select committee's resolution and in my resolution are exactly the same, the increase in the minority staffing by one-third; but when the gentleman gets into the explanation of the Hansen committee resolution and the Thompson amendment, I do not entirely agree with his explanation there. In fact, I think the primary purpose of this is to try to stimulate or overstimulate, if I might use that word, support from the minority side for the Hansen committee report. I think the gentleman is going too far, that he is going to have a reverse effect, as far as that is concerned.

Mr. WAGGONNER. The Hansen resolution and the Thompson amendment do not authorize a single staff member beyond what is recommended in the proposal of the gentleman from Nebraska and the select committee proposal.

Mr. MARTIN of Nebraska. I beg to differ with the gentleman. I specifically asked the gentleman from New Jersey (Mr. Thompson) to explain it to me when I had my 5 minutes. In addition to the one-third minority staffing, he provides an additional professional staff for the ranking Member, plus one for each ranking subcommittee member, up to six for each committee. That is what I fail to see.

Mr. WAGGONNER. The gentleman from New Jersey (Mr. Thompson) says that the gentleman from Nebraska is in error. The gentleman from New Jersey would like to explain it again.

I yield to the gentleman from New Jersey (Mr. Thompson).

Mr. THOMPSON of New Jersey. Mr. Chairman, the difference between that which the gentleman from Nebraska (Mr. Martin) and others advocate and what I advocate is simple. I hope that all my friends on the minority side will listen.

The proposal of the gentleman from Nebraska (Mr. Martin) would limit, in effect, to a total of 10 the statutory staff persons to which the authority would be entitled and would repose complete control over those 10 persons in the ranking member, without regard to his subcommittee members. We are trying to help the ranking subcommittee members.

We give them the right to appoint out of the one-third the minority gets under the investigating resolution, one staff person to be used for the subcommittee business.

Mr. MARTIN of Nebraska. Mr. Chairman, the gentleman's explanation is not entirely correct, because under his proposal there would be six professional persons. Under the recommendation of the select committee and also my resolution and that of the gentleman as well, there would be six professional members assigned to the minority on each committee.

Now, it would be up to the minority as to whether those six would be assigned to six subcommittee chairmen.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent Mr. Waggonner was allowed to proceed for 1 additional minute.)

Mr. WAGGONNER. The gentleman from Nebraska (Mr. Martin) misunderstands. The gentleman from New Jersey (Mr. Thompson) is saying that the proposal of the gentleman from Nebraska limits the number of standing committee staff to 10, which is one-third of a total of 30 which is authorized, and his proposal does not limit the number of professionals.

Mr. MARTIN of Nebraska. If the gentleman will yield further, the number of professionals would be limited to 6, one-third, and the number of clericals would be limited to 4, a total of 10. The gentleman is confusing the distinction between professional and clerical. I think the gentleman does not understand this at all.

Mr. WAGGONNER. Mr. Chairman, if we want the minority to have any assured staffing, there is not much difference in any of the proposals. They are very much the same. If we do not believe they should have anything, then we ought to vote against all the proposals.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. Bolling).

Mr. BOLLING. Mr. Chairman, I ask for a vote on the Thompson amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. Thompson) to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. Hansen).

The question was taken; and the Chairman announced that the "noes" appeared to have it.

RECORDED VOTE

Mr. THOMPSON of New Jersey. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 180, not voting 36, as follows:

[Roll No. 548]

AYES—218

Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Archer
Arends
Armstrong
Baker
Bevill
Biaggi
Boggs
Bowen
Brademas
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Byron
Carney, Ohio
Casey, Tex.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
Dellums
Denholm
Dent
Devine
Diggs
Dingell
Donohue
Downing
Dulski
Duncan
Eckhardt
Eilberg
Esch
Evins, Tenn.
Findley
Flood
Flowers
Flynt
Foley
Ford
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Green, Pa.
Griffiths
Gude
Haley
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Hays
Hébert
Heckler, Mass.
Henderson
Hicks
Hinshaw
Hogan
Holifield
Howard
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
King
Kluczynski
Kuykendall
Kyros
Landrum
Leggett
Lent
Litton
Long, Md.
Lujan
Luken
McDade
McEwen
Macdonald
Madigan
Mann
Maraziti
Martin, N.C.
Mathis, Ga.
Matsunaga
Melcher
Metcalfe
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Nedzi
Nichols
Nix
O'Brien
O'Hara
O'Neill
Parris
Passman
Patman
Patten
Pepper
Perkins
Pickle
Preyer
Price, Ill.
Quillen
Randall
Rangel
Rees
Reid
Rinaldo
Roberts
Rodino
Roe
Rogers
Rooney, Pa.
Rose
Rostenkowski
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan

St Germain
Satterfield
Schneebeli
Schroeder
Seiberling
Shipley
Shuster
Sikes
Sisk
Slack
Snyder
Staggers
Steiger, Ariz.
Stokes
Stuckey
Studds
Sullivan
Symington
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thornton
Tiernan
Traxler
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Waggonner
Waldie
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wright
Wyatt
Wydler
Yatron
Young, Tex.

NOES—180

Abdnor
Abzug
Addabbo
Anderson, Ill.
Andrews, N. Dak.
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Bauman
Beard
Bell
Bennett
Bergland
Biester
Bingham
Boland
Bolling
Bray
Breaux
Broomfield
Brown, Calif.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Camp
Carter
Chamberlain
Clancy
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Tex.
Coughlin
Culver
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Dickinson
Drinan
du Pont
Edwards, Ala.
Edwards, Calif.
Erlenborn
Eshleman
Fascell
Fish
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton
Gilman
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Hamilton
Hanrahan
Hechler, W. Va.
Heinz
Holt
Holtzman
Horton
Hosmer
Huber
Hudnut
Hutchinson
Ichord
Jarman
Jones, N.C.
Jones, Okla.
Kastenmeier
Ketchum
Koch
Lagomarsino
Landgrebe
Latta
Long, La.
Lott
McCloskey
McCollister
McCormack
McFall
McKay
McKinney
McSpadden
Mahon
Mallary
Martin, Nebr.
Mathias, Calif.
Mazzoli
Meeds
Mezvinsky
Milford
Mizell
Montgomery
Morgan
Mosher
Myers
Natcher
Nelsen
Obey
Owens
Pettis
Peyser
Pike
Poage
Powell, Ohio
Price, Tex.
Pritchard
Quie
Railsback
Regula
Reuss
Rhodes
Robinson, Va.
Robison, N.Y.
Roncalio, Wyo.
Roncallo, N.Y.
Rosenthal
Roush
Sarasin
Sarbanes
Scherle
Sebelius
Shoup
Shriver
Skubitz
Smith, Iowa
Smith, N.Y.
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stratton
Stubblefield
Talcott
Thomson, Wis.
Thone
Towell, Nev.
Udall
Vanik
Veysey
Walsh
Wampler
Ware
Whalen
Whitten
Williams
Wilson, Charles, Tex.
Winn
Wolff
Wylie
Wyman
Yates
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion
Zwach

NOT VOTING—36

Adams
Barrett
Blackburn
Blatnik
Brasco
Carey, N.Y.
Davis, Ga.
Derwinski
Dorn
Evans, Colo.
Fisher
Grasso
Gray
Hansen, Idaho
Harsha
Hastings
Hawkins
Helstoski
Hillis
Johnson, Colo.
Lehman
McClory
Madden
Mayne
Michel
Minshall, Ohio
Podell
Rarick
Riegle
Rooney, N.Y.
Runnels
Sandman
Steele
Treen
Young, Alaska
Young, Ga.

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

Mr. HUDNUT. Mr. Chairman, I rise in support of House Resolution 988, the Committee Reform Amendments of 1974. No major adjustment of the scope proposed in this legislation has been undertaken since 1946. Many of the issues and concerns addressed by today's House of Representatives grow increasingly difficult to resolve with yesterday's legislative tools and structures.

House Resolution 988 is designed to streamline the committee system—cutting down on the total number and centralizing similar or duplicate responsibilities. Also, each Member would be assigned to one major committee and would not have to divide his energies among two or more with all the subcommittees entailed. The reform move would eliminate proxy voting by Members encouraging increased attendance at hearings and committee meetings. I do not agree with every minute detail of the proposals. Who does? But the thrust is in the right direction.

The changes are long overdue. The American people are demanding more from Congress, and I would hope that Congress would rise to the occasion and take the burden of responsibility upon itself to enact this needed committee reform. It will require a spirit of self-sacrifice, because some jealously guarded jurisdictions would be overturned, some vested interests would be threatened, some fiefdoms would be eliminated—which is one reason, I suspect, why the proposals have been bottled up for so long by the majority party.

My own committee—Interstate and Foreign Commerce—upon which I have served for 2 years, would be "cut up" by the reform proposals, and I would have to begin again on another assignment if the realinement goes through. But it is worth it if we can bring Congress into the 20th century, revitalized and modernized—recognizing as we go through the process that the key to committee reform legislation which is in the best interests of the American people, depends upon energetic and creative leadership willing to give up some things in order to achieve something better, and willing to use the jurisdictional and procedural changes available to it.

Mr. TEAGUE. Mr. Chairman, I offer three amendments. One is substantive, which would put into effect a so-called grandfather clause for House Resolution 988. The two accompanying amendments are simple amendments which make no substantive changes, but are necessary to bring Section 408 on transitional provisions into conformity with the basic amendment.

The purpose of the basic amendment and the two conforming amendments would be to exempt from the one-committee limitation, Members of the 93d Congress who presently serve on two or more committees which would become one of the 15 major committees.

In other words, this amendment and its conforming amendments would simply preserve the status quo insofar as committee memberships are concerned and insofar as Members of the 93d Congress who may serve in succeeding Congresses may wish to maintain such memberships. It would not, however, given Members complete freedom in the future to change their committee status except in conformance with the new rules and any assignments determined by the Democratic Caucus or the Republican Conference.

I believe this amendment would permit a transition period of several Congresses as we would move toward the basic plan of one major committee assignment as proposed in House Resolution 988. It would permit the retention of the expertise and knowledge gained by current Members in their respective assignments. It would mean a smoother transition period from the current assignment system to the eventual goal of one major committee assignment for each Member.

The amendments would in no way interfere with a Member's individual decision to give up a dual committee assignment and immediately enter into the one major committee assignment system.

Some may argue that this provides preferential treatment to present Members of Congress who will serve in subsequent Congresses. I would answer by saying, "Yes, to some extent it does." But new Members elected to the 94th Congress and subsequent Congresses can begin to concentrate on the committees to which they may be assigned. They will have a learning process as did all of us when we were elected to the House. I believe the beneficial effects to the House of retaining the accumulated experience of current Members offsets any possible argument about unfairness.

AMENDMENT TO H. RES. 988 OFFERED BY MR. TEAGUE

On Page 40, after the period in line 2, add the following new sentence:

The prohibition contained in this paragraph shall not apply to any Member serving on two or more committees in the Ninety-third Congress so as to prevent him or her from retaining membership on such committees in the Ninety-fourth and subsequent Congresses.

CONFORMING AMENDMENTS TO H. RES. 988 OFFERED BY MR. TEAGUE

On page 88, strike out line 21 and all that follows down through page 89, line 9, and insert the following:

(1) any Member who served during the Ninety-third Congress on a committee a significant portion of the jurisdiction of which is transferred by this resolution to another committee should be permitted to become a member of such other committee if he or she chooses; and

(2) the length of such Member's service on the former committee as well as in the House, and any chairmanship or status as a ranking member, should be meaningfully recognized in his or her placement on such committee.

Page 89, line 16, strike out "paragraph (1)" and insert "the last sentence of clause 7(c) of Rule X (as so amended) or in subsection (a) of this section".

Mr. TEAGUE. Mr. Chairman, another amendment which I will offer is a very simple one.

It eliminates the provision which would—upon the request of a majority of the minority members of any committee—allocate one-third of that committee's investigative staff funding to the minority. In lieu of this provision, the amendment requires that the minority of all standing committees are entitled to and must receive "fair consideration" in the appointment of committee staff personnel pursuant to House rules.

The only other change made by the amendment would be to shift the number of permanent clerical employees for the minority from four to two.

Mr. Chairman, in effect this amendment would preserve the current system of handling committee funds so far as investigative staffing is concerned. It would also preserve the current majority-minority ratio of permanent staff, both professional and clerical. I wish to point out, however, that the amendment does not affect any of the other staffing arrangements contained in the resolution, such as the provisions which would permit an increase of committee staffs. In other words, the provision in the resolution which permits the increase in permanent professional staff from 6 to 18 and in the clerical staff from 6 to 12 would not be changed by this amendment.

Amendment to House Resolution 988 Offered by Mr. Teague

Page 65, strike out line 18 and all that follows down through page 66, line 7, and insert the following:

"(c) (1) The minority party on any such standing committee is entitled to and shall receive fair consideration in the appointment of committee staff personnel pursuant to each such primary or additional expense resolution.

Page 69, line 17, strike out "four" and insert "two".

Page 72, line 17, strike out "four" and insert "two".

Mr. MATHIAS of California. Mr. Chairman, I want to express my support for passage of House Resolution 988, the Bolling amendment. It is particularly important that this proposal to reform the committee structure and procedures of the House of Representatives is the result of a bipartisan effort of House Members who labored very hard to rebalance the committee system and to allow the congressional work to proceed more efficiently. This task was difficult due to the many special interests which developed over many years under the present system and which were at odds with this reform effort. House Resolution 988 offers the first true reform in 28 years.

Clearly, without a workable committee system, it would be very difficult to consider the some 20,000 pieces of legislation submitted to the House each year. In fact under the present system, the job has reached impossible levels.

We put a man on the Moon, made tremendous strides in medical research and development and advanced technology in all fields of endeavor for the benefit of all Americans during the past quarter of a century. Yet, we have failed to modernize our own procedures during this period of time. It is unfortunate that the House has delayed so long in considering needed changes, particularly once the Bolling resolution was proposed. The politics which delayed consideration of House Resolution 988 should not now prevent passage.

The Bolling amendment strengthens the already very important Agriculture Committee of which I am a member. This is particularly important in my congressional district which produces more agriculture than any district in the United States. The addition of Forest Service lands and other public grazing lands to the Agriculture Committee jurisdiction is also important in my area due to the vast forest and grazing lands in central California.

Lastly, I believe that one additional committee, a select committee, should be added to the reform legislation. The elderly are overlooked all too often and need to have their interests protected. Therefore, I intend to support the amendment to create a Select Committee on Aging which will provide oversight jurisdiction for the benefit of this deserving and large segment of our society.

Mr. Chairman, with the one amendment, I urge passage of House Resolution 988.

Mr. CLEVELAND. Mr. Chairman, at the appropriate time during consideration of House Resolution 988 and/or the substitute amendments thereto, House Resolution 1248 and House Resolution 1321, in the Committee of the Whole House on the State of the Union, I intend to offer an amendment to provide for broadcast coverage of committee meetings.

As our colleagues will recall, on July 22 of this year, the House approved House Resolution 1107 which authorized the broadcasting of committee meetings on the same basis and under the same conditions as the broadcasting of committee hearings is permitted.

This recent change in the House Rules is not reflected in the language of any of the three committee reform proposals, all of which contain the language of rule XI prior to approval of House Resolution 1107.

My amendment, Mr. Chairman, would simply incorporate the language of the new rule in the appropriate resolution and thus reaffirm the action of the House last July.

At this point in the Record, I include the texts of the amendment as prepared for each of the three pending committee reform resolutions:

Amendment Offered by Mr. Cleveland to H. Res. 988

On page 55, line 15, insert ", or committee meetings," immediately after "committee hearings";

On page 56, beginning on line 13, delete "each meeting of any hearing or hearings covered," and insert in lieu thereof "each meeting (whether of a hearing or otherwise) covered,";

On page 56, line 19, delete "at the hearing" and insert in lieu thereof "at the hearing or other meeting";

Beginning on page 56, line 24, delete "the objects and purposes of the hearing or the activities of committee members in connection with that hearing" and insert in lieu thereof "the objects and purposes of the hearing or other meeting or the activities of committee members in connection with that hearing or meeting";

On page 57, line 6, insert "and meetings" immediately after "committee hearings";

On page 57, in paragraph (e) beginning on line 11, insert "or meeting" immediately after the word "hearing" wherever such word occurs therein;

Beginning on page 57, line 19, in subparagraphs (1), (3), (5), (6), (7), (8), and (9) of paragraph (f) insert "or meeting" immediately after the word "hearing" wherever such word occurs therein.

Amendment Offered by Mr. Cleveland to Hansen Substitute Amendment (H. Res. 1248) to H. Res. 988

On page 29, line 25, insert ", or committee meetings," immediately after "committee hearings";

On page 30, beginning on line 23, delete "each meeting of any hearing or hearings covered," and insert in lieu thereof "each meeting (whether of a hearing or otherwise) covered,";

On page 31, line 4, delete "at the hearing" and insert in lieu thereof "at the hearing or other meeting";

Beginning on page 31, line 9, delete "the objects and purposes of the hearing or the activities of committee members in connection with that hearing" and insert in lieu thereof "the objects and purposes of the hearing or other meeting or the activities of committee members in connection with that hearing or meeting";

On page 31, line 16, insert "and meetings" immediately after "committee hearings";

On page 31, in paragraph (e) beginning on line 21, insert "or meeting" immediately after the word "hearing" wherever such word occurs therein;

Beginning on page 32, line 4, in subparagraphs (1), (3), (5), (6), (7), (8), and (9) of paragraph (f) insert "or meeting" immediately after the word "hearing" wherever such word occurs therein.

Amendment Offered by Mr. Cleveland to Martin Substitute Amendment (H. Res. 1321) to H. Res. 988

On page 57, line 6, insert ", or committee meetings," immediately after "committee hearings";

On page 58, beginning on line 4, delete "each meeting of any hearing or hearings covered," and insert in lieu thereof "each meeting (whether of a hearing or otherwise) covered,";

On page 58, line 10, delete "at the hearing" and insert in lieu thereof "at the hearing or other meeting";

On page 58, line 15, delete "the objects and purposes of the hearing or the activities of committee members in connection with that hearing" and insert in lieu thereof "the objects and purposes of the hearing or other meeting or the activities of committee members in connection with that hearing or meeting";

On page 58, line 22, insert "and meetings" immediately after "committee hearings";

On page 58, in paragraph (e) beginning on line 3, insert "or meeting" immediately after the word "hearing" wherever such word occurs therein;

Beginning on page 59, line 11, in subparagraphs (1), (3), (5), (6), (7), (8), and (9) of paragraph (f) insert "or meeting" immediately after the word "hearing" wherever such word occurs therein.

Mr. BROWN of Ohio. Mr. Chairman, at an appropriate time during the consideration of House Resolution 988 and amendment or substitute, my colleague Congressman Gunter or I intend to offer an amendment which would require, with certain limited exceptions, that all House committee and subcommittee meetings to be held in open public session. Our proposal has been circulated widely over the last several months and currently enjoys bipartisan and broadly-based support from more than 75 of our colleagues. A recent review of the amendment by legislative counsel indicates, however, that several technical changes in the amendment are necessary. As a result, the amendment in its revised form is printed below so that interested Members might have the opportunity to study it before it is offered on the floor.

The principle changes are three: First, miscellaneous grammatical errors and punctuation corrections; second, clarifying language substituted in paragraph (g) (3) which is substituted for the words "persons attending and their affiliation." The new language reads:

Members of the committee or subcommittee attending, and all other persons participating and their function or affiliation.

Third, a correction to the reference to "paragraph (D)" which should read "subparagraph (4)."

AN AMENDMENT TO BE OFFERED TO HOUSE RESOLUTION 988 BY MR. BROWN OF OHIO AND MR. GUNTER

On page 45, strike out lines 2 through 23, and on page 46, strike out lines 1 and 2, and insert in lieu thereof the following:

"(g) (1) Each meeting of each standing, select, or special committee or subcommittee, including meetings to conduct hearings, shall be open to the public: *Provided*, That a portion or portions of such meetings may be closed to the public if the committee or subcommittee, as the case may be, determines by vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

"(A) will probably disclose matters necessary to be kept secret in the interests of national security or the confidential conduct of the foreign relations of the United States;

"(B) will relate solely to matters of committee staff personnel or internal staff management or procedure;

"(C) will tend to jeopardize the present or future legal rights of any person or will represent a clearly unwarranted invasion of the privacy of any individual;

"(D) will probably disclose the identity of any informer or law enforcement agent or any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

"(E) will disclose information relating to trade secrets or financial or commercial information pertaining specifically to a given person where—

"(i) the information has been obtained by the Federal Government pursuant to an agreement to maintain confidentiality of such information;

"(ii) a Federal statute requires the information to be kept confidential by Government officers and employees; or

"(iii) the information is required to be kept secret in order to prevent undue injury to the competitive position of such person.

A separate vote of the committee shall be taken with respect to each committee or subcommittee meeting that is closed to the public pursuant to this paragraph, and the committee shall make available within one day of such meeting a written explanation of its action. The vote of each committee member participating in each such vote shall be recorded and published.

"(2) Each standing, select, or special committee or subcommittee shall make public announcement of the date, place, and subject matter of each meeting (whether open or closed to the public) at least one week before such meeting unless the committee or subcommittee determines by a vote of a majority of the committee that committee business requires that such meeting be called at an earlier date, in which case the committee shall make public announcement of the date, place, and subject matter of such meeting at the earliest practicable opportunity.

"(3) A complete transcript, including a list of all members of the committee or subcommittee attending, and of all other persons participating and their function or affiliation, shall be made of each meeting of each standing, select, or special committee or subcommittee meeting (whether open or closed to the public) in addition to the record required by paragraph (e) (1). Except as provided in subparagraph (4), a copy of each such transcript shall be made available for public inspection within seven days of each such meeting, and additional copies of any transcript shall be furnished to any person at the actual cost of duplication.

"(4) In the case of meetings closed to the public pursuant to subparagraph (1), the committee or subcommittee may delete from the copies of transcripts that are required to be made available or furnished to the public pursuant to subparagraph (3) any portions which it determines by vote of the majority of the committee or subcommittee consist of material specified in subdivision (A), (B), (C), (D) or (E) of subparagraph (1). A separate vote of the committee or subcommittee shall be taken with respect to each transcript. The vote of each committee or subcommittee member participating in each vote shall be recorded and published. In place of each portion deleted from copies of the transcript made available to the public, the committee shall supply a written explanation of why such portion was deleted and a summary of the substance of the deleted portion that does not itself disclose information specified in subdivision (A), (B), (C), (D), or (E) of subparagraph (1). The committee or subcommittee shall maintain a complete copy of the transcript of each meeting (including those portions deleted from copies made available to the public) for a period of at least one year after such meetings.

"(5) A point of order may be raised against any committee or subcommittee vote to close a meeting to the public pursuant to subparagraph (1), or against any committee or subcommittee vote to delete from the publicly available copy a portion of a meeting transcript pursuant to subparagraph (4), by committee or subcommittee members comprising one-fourth or more of the total membership of the entire committee or subcommittee. Any such point of order must be raised before the entire House within five legislative days after the vote against which the point of order is raised, and such point of order shall be a matter of highest privilege. Each such point of order shall immediately be referred to a Select Committee on Meetings consisting of the Speaker of the House of Representatives, the majority leader, and the minority leader. The select committee shall report to the House within five calendar days (excluding days when the House is not in session) a resolution containing its findings. If the House adopts a resolution finding that the committee vote in question was not in accordance with the relevant provision of subparagraph (1), it shall direct that there be made publicly available the entire transcript of the meeting improperly closed to the public or the portion or portions of any meeting transcript improperly deleted from the publicly available copy.

"(6) The Select Committee on Meetings shall not be subject to the provisions of subparagraph (1), (2), (3), or (4).

Mr. BROOKS. Mr. Chairman, I intend to offer some amendments to House Resolution 1321 for the purpose of deleting certain jurisdiction that would be transferred to the Government Operations Committee under that proposal. These amendments would give jurisdiction over Indian affairs and territories to the Committee on Energy and Environment, which was formerly the Interior and Insular Affairs Committee, and jurisdiction over political activities by Federal employees to the Committee on House Administration:

AMENDMENT OFFERED BY MR. BROOKS TO H. RES. 1321 (MARTIN PROPOSAL)

Page 14, after line 15, insert the following new subparagraph:

"(8) Political activities by Federal officers and employees.

Page 13, strike out lines 3 and 4.

Page 12, strike out lines 17 through 23, and redesignate the succeeding subparagraphs accordingly.

Page 10, after line 8, insert the following new subparagraphs:

"(7) Relations of the United States with Indians and Indian tribes generally; measures relating to Indians, Indian lands, and claims which are paid out of Indian funds.

"(8) Measures relating generally to the territories and insular possessions of the United States, except those involving revenues and appropriations.

Page 8, line 16, strike out the words "Indian education and".

Mr. CLEVELAND. Mr. Chairman, on yesterday I gave notice of my intention to join my colleague from Illinois (Mr. Michel) in offering an amendment to provide the minority a strengthened role in the legislative oversight function when both Houses of the Congress are controlled by Members of the same political party as the President.

Members were alerted to our intention by a joint letter issued over our signatures and my remarks appearing in the Record for September 30 at 33093 referenced in our letter.

The joint letter and the text of our amendment, to be offered for insertion at the appropriate point in consideration of the alternative before us, follows:

MINORITY ROLE IN CONGRESSIONAL OVERSIGHT

September 30, 1974.

Dear Colleague: Both the Bolling-Martin and Hansen Subcommittee recommendations for Congressional reform call for expanded exercise of the oversight function by House committees. While they represent an improvement over current practice, however, they fail to reflect one fundamental fact: No Administration can be relied upon totally to investigate itself. Nor realistically can any Congressional majority be relied upon to investigate an Administration of its own party.

Therefore, we intend to co-sponsor an amendment at the appropriate time to the following effect: When both the Executive and Legislative branches are under the control of the same political party, a Select Committee in the House under control of the minority party be automatically created, funded and vested with wide-ranging investigatory power.

This proposal draws on the lessons of the Billie Sol Estes scandal, the Bobby Baker case, and Watergate; and reflects the same concerns underlying proposals for a special prosecutor and an independent clean-elections supervisory agency. It also has historic precedent in the methods used to investigate the Teapot Dome scandal.

For a more extensive elaboration of our proposal and the history of its evolution, please see the Cleveland remarks in the Extension of the Record for September 30.

Sincerely,

James C. Cleveland,
Robert H. Michel.

"SELECT COMMITTEE ON INVESTIGATIONS

"(f) (1) Whenever in any Congress the majority party in the House and Senate is the same party as that to which the President belongs, there shall be established in the House a Select Committee on Investigations consisting of fifteen Members appointed by the Speaker and distributed between the majority and minority parties as provided in subparagraph (2).

"(2)(A) The number of members of the select committee appointed from the minority party shall bear the same ratio to the number of members appointed from the majority party as the total number of the Members of the House who are from the majority party bears to the total number of the Members of the House who are from the minority party, rounded to the next higher whole number. The remaining members of the committee shall be appointed from the majority party.

"B. Any vacancy occurring in the membership of the select committee shall be filled in the manner in which the original appointment was made.

"(3) It shall be the duty of the select committee to conduct studies and investigations of the administration and enforcement of Federal laws by the departments and agencies of the Federal Government, with particular reference to (A) whether such laws are being administered and enforced reasonably, effectively, and in a manner consistent with, and in furtherance of, the intent, purposes, and objectives for which such laws were enacted; (B) whether such departments and agencies are conducting their operations economically and efficiently; (C) whether each such department and agency is consulting with and seeking advice from all other significantly affected departments and agencies of the Federal Government in an effort to assure fully coordinated programs; and (D) whether the departments and agencies of the Federal Government are supplying full and accurate information to the Congress and the public in accordance with the requirements of law. The committee shall not consider any subject matter under active investigation by any standing committee of the House or by any subcommittee thereof.

"(4) The select committee may from time to time submit to the House such reports as it deems advisable and prior to the close of the Congress for which it was appointed shall submit to the House its final report on the results of its study and investigation, together with such recommendations as it deems advisable. Any report submitted when the House is not in session may be filed with the Clerk of the House.

"(5) For the purposes of this clause the select committee, or any subcommittee thereof, is authorized to sit and act during the Congress for which it was appointed at such times and places within the United States, whether or not the House has recessed or adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as the committee deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any properly designated chairman of a subcommittee, or any member designated by him and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

"(6) The majority of the members of the select committee shall constitute a quorum for the transaction of business, except that two or more shall constitute a quorum for the purpose of taking evidence including sworn testimony.

"(7) There shall be paid to the select committee from the contingent fund of the House, upon passage of an expense resolution in the manner provided for standing committees under clause 5(a) of rule XI, such sums as may be necessary to carry out its functions. The minority party on the select committee shall be entitled, upon request of a majority of such minority, to one-third of the funds provided for the appointment of committee staff pursuant to such expense resolution."

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives, had come to no resolution thereon.

SUPPLEMENTAL APPROPRIATION BILL, 1975

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16900) making appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 16900, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday all time for general debate on the bill had expired.

The Clerk will read.

The Clerk read as follows:

OFFICE OF EDUCATION

ELEMENTARY AND SECONDARY EDUCATION

For carrying out, to the extent not otherwise provided, Part A of title I ($3,695,300,000), title III ($125,000,000), title IV, Parts B ($137,330,000) and C ($172,888,000), title V, Parts A and C ($39,425,000), and title VII of the Elementary and Secondary Education Act; sections 822 and 823 of Public Law 93–380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III–A ($15,000,000) of the National Defense Education Act of 1958, $4,264,643,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Part A ($1,898,750,000) and title IV Part B ($137,330,000), and Part C ($172,888,000) of the Elementary and Secondary Education Act and section 417 (a)(2) of the General Education Provisions Act ($1,250,000).

AMENDMENT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Chairman, I offer an amendment to the bill, and to the paragraph that was just read, and which is a simple substitute for several paragraphs dealing with the Office of Education. I hereby give notice that if the amendment is agreed to that I will make a motion to strike certain paragraphs, as follows: The paragraph which begins on page 6, line 12, and ending on page 7, line 18; and the paragraph beginning on page 7, line 19, and ending on page 7, line 24.

The Clerk read as follows:

Amendment offered by Mr. OBEY: Strike the paragraph beginning in line 19, page 5 and ending on line 11, page 6, and insert in lieu thereof.

For carrying out, to the extent not otherwise provided, Part A of title I ($3,695,300,000), Parts B ($24,310,000) and C ($40,690,000) of title I, title III ($125,000,000), title IV, Parts B ($137,330,000) and C ($172,888,000), title V, Parts A and C ($39,425,000), and title VII of the Elementary and Secondary Education Act; sections 822 and 823 of Public Law 93–380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III–A ($15,000,000) of the National Defense Education Act of 1958, $4,329,643,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Part A ($1,898,750,000) and title IV Part B ($137,330,000), and Part C ($172,888,000) of the Elementary and Secondary Education Act and section 417(a)(2) of the General Education Provisions Act ($1,250,000).

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $508,416,000, of which $488,416,000, including $43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 41 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools: *Provided further*, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act.

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, $279,609,000: *Provided*, That of this amount $100,000,000 for part B shall become available July 1, 1975, and shall remain available through June 30, 1976.

Mr. OBEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD. I will explain it since it is rather lengthy.

The CHAIRMAN. Is there objection to

the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Chairman, this is a relatively simple amendment. It is the first of two major amendments which will be offered to the education section of this bill. I should like to explain it, if I could.

First of all, let me start by saying that this amendment will not bust the fiscal 1975 budget by one dime.

Mr. Chairman, I am joined in this amendment by the gentlewoman from Oregon (Mrs. GREEN), the gentlemen from Massachusetts (Mr. CONTE and Mr. BOLAND), the gentleman from New York (Mr. ROBISON), and the gentleman from Minnesota (Mr. QUIE). Very basically what it involves is this. The committee raised impact B money by $253 million over the amount requested in the President's budget. It financed that in part by taking $85 million of title I for the disadvantaged.

My amendment does two things. It takes $85 million out of the $253 million increase for B impact districts, and it puts $65 million of that money right back where the committee took it from in the first place, namely, title I, which is meant to support programs for the disadvantaged; and it takes $20 million in fiscal 1975 and adds it to the State grant programs for handicapped kids.

In addition, in fiscal 1976 it adds $30 million more for State grant programs for the handicapped.

The question we have to face is simply this. Do we want to give the $85 million in question to the 4,600 districts which are eligible for impact aid, or do we want to give it to the 5,100 districts who are eligible for title I, B, and C funds, and give it to every State for education of the handicapped? It is simply a question of priorities.

Do we want to give $250 million to impact districts by taking it out of the hides of the disadvantaged, or do we want to give them $168 million over the budget for impact and spread that $85 million between title I disadvantaged kids and the most disadvantaged of all children: The emotionally, physically, and mentally handicapped? I repeat, we can be fiscally responsible in supporting of this amendment, and I think we can also be just.

Let me remind my colleagues that last year when we dealt with H.R. 69, which is the basic authorizing act, people were trying to decide how they were going to vote on various formulas involved, and they made their decisions, based on the budgeted amounts for title I. If we stick with the committee recommendation, if we eliminate B and C funding in title I to pay for impact B, we will further hurt both the urban and the rural districts which have high concentrations of poor children.

Let me remind my colleagues of this. Even under the Administration's bill, areas like Chicago, Baltimore, Detroit, Newark, New York, and Cleveland would lose anywhere from between $2 and $8 million. If, in addition, we do not fund title I, part C, States like New York, Michigan, Minnesota, Wisconsin, Iowa, Washington, Oregon, New Mexico, and Pennsylvania will lose amounts ranging from $6 million to $1 million.

I have a listing in case anyone would care to see it—I will insert it in the RECORD later—indicating just how much States will lose under part C, title I, if this amendment is not passed.

Let me emphasize once again, this amendment does not unduly penalize the impacted areas. They still would get $170 million more than the budget provided but they would not get it at the expense of title I and at the expense of the handicapped. If the Members vote for this amendment, impact B programs will get $170 million more than the budget rather than the $250 million more than the budget the committee voted. Title I will be funded at $20 million short of the budget rather than $85 million short which the committee provided, and the handicapped kids will get an extra $20 million this year and $30 million next year. I think this is the most equitable way to dispense these funds.

I know there is going to be another amendment offered which would raise some of these funds even further in the area of title I and the handicapped, and I frankly in spirit would favor that amendment, but I am realistic enough to know in this year with the inflationary pressures on us this is about the best we can hope to achieve without running the disk of a veto. It will not take us above the budget for fiscal year 1975 but it will rearrange the dollars which the committee reported out in a much more equitable fashion.

I hope the Members will approve this amendment.

Mr. CEDERBERG. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I do not find myself in agreement with the gentleman from Wisconsin very often, but I want the House to know it is my intention to support this amendment. I have some reservations about title V that I have spoken to the gentleman about. I would prefer that there be more funds for title V, but I think one thing the gentleman has pointed out is that the rearrangement of these funds does keep it within the budget figure.

In the event this amendment is not adopted, and amendments are later offered to go above the budget in separate classifications, then I will be constrained to oppose those amendments.

But I think this is a fair and equitable way to stay within the budget, and to rearrange these funds and to provide them in the areas where I think they can do the most good.

I want the Members to know it is my intention to support the Obey amendment. As I stated, I would prefer to have some additional funds in title V, but I can understand the problem that is involved here.

But I do want to make it clear that if there are amendments to increase the funds above the budget, then I personally will oppose any and all of those amendments.

Mr. FLOOD. Mr. Chairman, the items in chapter II are not really supplemental appropriations in the usual sense. They are full year approriations for programs which were left out of the regular Labor-HEW appropriation bill when it passed the House last June, because authorizing legislation was still up in the air.

Since June, several pieces of legislation affecting HEW appropriations have become law. They are the Education Amendments of 1974, various amendments to the Public Health Safety Act, and amendments to the Older Americans Act. Consequently, it now becomes possible to appropriate funds to carry out programs authorized under these laws.

I might note that as of today, September 30, we are still awaiting enactment of authorizing legislation for 1975 budget estimates totalling $1.4 billion which were left out of the regular bill and which are not included in this supplemental appropriation bill.

If you look at page 18 of the report, you will see that we are recommending a total of $5,558,800,000 in chapter II, which is an increase of $259,699,000 over the budget request. Of this total, $3,215,263,000 is for fiscal year 1975, and $2,343,537,000 is for fiscal year 1976. The 1975 appropriations recommended are $139,699,000 over the budget request, and the 1976 appropriations are $20,000,000 over the budget request.

I can assure you that the committee was very reluctant to recommend appropriations in excess of the budget. However, the budget request, which proposed the total elimination of the payments for the "B" category children under impacted area aid, simply left us no choice in the matter.

The appropriations for education programs are, of course, the items which will receive the most attention in this chapter. The budget proposed advance funding of several programs for fiscal year 1976. The school officials believe that this will aid them greatly in planning for the future. We hope they are right. The subcommittee recommends a total of $2,343,537,000 for advance funding for fiscal year 1976 for title I, ESEA, for support and innovation grants, for libraries and instructional resources, and for education of the handicapped. The comparable amount recommended for 1975 is $2,192,994,000, and the 1974 appropriations for the programs which are being advance funded for 1976 are $2,140,569,000. We have approved all of the advance funding recommended by the administration, and in one case—education for the handicapped—we recommend an increase of $20,000,000 over the amount requested in the budget for 1976.

As I have already noted, the budget request for impacted area aid was simply unrealistic. It proposed a reduction of $253,226,000 below the 1974 levels. Payments for "B" children would be reduced by $273,666,000 below the 1974 level. We recommend a total appropriation for impacted area aid of $593,416,000—the same as the 1974 appropriation. The amount included for "A" children is $223,900,000, the same as the budget request, and an increase of $23,800,000 over 1974, and the amount included for "B" children is $292,016,000, an increase of $253,116,000 over the budget request, and a decrease of $20,550,000 below 1974.

In terms of entitlement, we are following the usual course of providing 100 percent of entitlement for "A" children in school districts where they constitute more than 25 percent of enrollment, and 90 percent of entitlement for "A" children in other school districts. For "B" children, the bill provides 60 percent of entitlement, compared with 68 percent in fiscal 1974.

We felt obliged to look for possible reductions in budget requests for other programs to partially offset the increase over the budget for impacted area aid. If you will look at the table on page 10 of the report, you will note that the administration requested $2,180,218,000 for elementary and secondary education programs, an increase of about $161,000,000 over the 1974 level. We have shaved this request to $2,054,425,000, which will still provide an increase over 1974 of $81,000,000 for the title I, ESEA program and an increase of $11,650,000 for bilingual education.

The budget proposed to hold funds for education for the handicapped to the 1974 level. The subcommittee thought this was not realistic in view of recent court decisions requiring the States to provide adequate education for all handicapped children. The amount recommended for 1975 is, therefore, an increase of $12,500,000 over the budget request and the 1974 appropriation. For adult education and for school library resources we have approved the budget request, which holds these programs to the 1974 level.

The total amount we are recommending in this bill for education programs for 1975 is $2,961,019,000. This is about $140 million over the budget request, and $69 million over the comparable 1974 amounts. I am sure that during consideration of this bill, there will be many impassioned pleas to add money for this or that highly meritorious program. The 1975 authorizations for the education programs which we are funding here add up to at least $6 billion, or over twice the amount in this bill. The new law authorizes a whole laundry list of new programs for which no funds were requested, or provided in this bill. We hope that the Members will help us to resist budget-busting amendments which will lead to a Presidential veto and financial chaos in school districts throughout the Nation.

Chapter II also includes funds for health programs and nutrition programs for the aging. Here we have been successful in staying within the amounts budgeted, although we are recommending some "reordering of priorities." The main problem areas in the health estimates were the health professions and nursing student loans, for which the administration recommended no funds for new loans, in spite of the fact that Congress has just enacted emergency legislation extending the authorizing legislation for these loans. The committee recommendation provides sufficient funds to maintain these programs at last year's level, taking into account funds available from loan repayment.

I would like also to highlight the $21,500,000 in this bill for National Health Service Corps scholarships. This is an increase of $18,500,000 over the current program level, and represents a very substantial expansion of this program, which is designed to help train doctors, nurses, and other health professionals who will later serve in those areas where they are most urgently needed.

This concludes my remarks on chapter II. I urge the House to adopt the committee's recommendations.

Mr. Chairman, having said that, of course, I rise in opposition to the pending amendment.

I would like to have the attention of the Committee, Mr. Chairman. I wish the Members would very carefully watch what is going on here now.

I am especially concerned about what I have to say for the next few minutes with my friends over here. Now there is about to be introduced a substitute—and wait until the Members hear this now—there is about to be introduced and I do not know whether my friend is aware of this, a substitute, not an amendment but a substitute for this amendment.

The Members know as well as I do now about the fiscal situation—what the atmosphere is in this room and what the atmosphere is on this Hill and what the atmosphere in this town is and what the atmosphere is in this country.

First of all I did not think any of the Members would be fortunate enough to live long enough to hear me break down and cry in behalf of impacted aid.

Now, I oppose this amendment. Let me say why. This is cosmetic. It looks very good on its face, to increase the funds for the poor—to increase the funds for the poor and the handicapped and to decrease the funds for the impacted aid areas.

Now, what this amendment does, just so we all know, is to cut back the impacted school districts below last year's appropriation, in order to further increase, aid to poor boys and girls.

This is the great argument, providing, however, if one is in a district that receives little or no impacted aid.

Now let us take a look at what the committee does. We are going to be nailed on this one way or the other. Title I, aid to the deprived children, this is what we have done. You know the record of the committee for the last 10 years on aid to deprived and handicapped children; it's astronomical; but for aid to deprived children we have recommended $1,800 million. Now, that is not hay, even to the Committee on Appropriations. That is an increase of over $80 million over last year. We are up over last year's amount for title I, under all the circumstances that I have outlined, and we all know we have done that.

All right, now, this committee did not cut title I from last year's appropriations. We increased it, we increased it. We very carefully examined this title I law, make no mistake about that, and the new formula for distributing grants.

Now, it is very clear to us that the amount recommended here is adequate to carry out the new formula. This is the first time we have done this under the new law that was passed. In addition to everything I have said here, we have also added, we have added another $1,900 million for the next school year.

The **CHAIRMAN**. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent Mr. Flood was allowed to proceed for an additional 5 minutes.)

Mr. FLOOD. We have added $1,900 million in addition to the 1976 school year. This is the so-called advance funding. We have heard a lot about it and by the way, we are all for it.

Now, that means what? The amount in 1976 will, therefore, be $100 million more than 1975. We are doing it now.

All right, do not forget this. The school year has already started. That is tough on the school districts. They have planned their budget and they have already started and it would be difficult for a school district to wisely spend such an increase.

Let me explain this impacted aid. That was a very difficult situation before the committee. The budget action proposed to practically wipe out payments for category B children which are usually parents who work on Federal property and live in the community. The budget proposes a total cut of $253 million. There is a new law on the impacted area aid, but it does not go into effect until next year. One of the effects of the new law is to eliminate certain payments for category B children.

We did not think it would be fair to the school districts to take a large reduction this year. So we have recommended the very same amount—we give them the very same amount that they had last year.

We are giving impacted areas the same as last year. It will be changed next year, but do not worry about that, It is $1.8 billion for title I this year, and it will be $1.9 billion next year. This is what we have done.

We gradually expand the State grant program for the handicapped in order to train the people; to train the teachers. We have added $12.5 million to the budget for a total of $60 million for 1975. Then we add another $10 million for a total of $70 million for 1976. The amounts I just mentioned are an increase of 25 percent a year over the amount available last year.

Mr. SHUSTER. Mr. Chairman, I move to strike the last word.

I would like to ask a question of the author of this amendment, if I might. Is it not true that if this impacted aid is cut out, then the local school districts must find the money somewhere else to replace this money which now comes through impacted aid?

Mr. OBEY. Mr. Chairman, if the gentleman will yield, I will say yes. The same is true of title I.

Mr. SHUSTER. Therefore, this means that the local school districts would have to increase taxes presumably to make up for the money; is that not true?

Mr. OBEY. No, that is not true, because they are not going to get that money until long after they have to set their next property tax rate anyway.

Mr. SHUSTER. Then, they would have

to either increase taxes or cut services, is that not true?

Mr. OBEY. Even under the administration's proposal, the administration requested $39 million.

Mr. SHUSTER. Mr. Chairman, I am not inclined to yield further. The point I was making now was that if we eliminate impacted aid, then in those school districts taxes are going to have to be increased to make up for it sooner or later. Therefore, this amendment is a net tax increase amendment, because we keep the Federal expenditure but put it into another area. We eliminate the impacted aid, and thereby force the school districts presumably to increase taxes at local levels.

This amendment is a net tax increase on the American people.

Mr. OBEY. I am sorry the gentleman misunderstands the amendment.

AMENDMENT OFFERED BY MR. ROYBAL AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. OBEY

Mr. ROYBAL. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from Wisconsin (Mr. Obey), which is a single substitute for several paragraphs in the bill dealing with the Office of Education.

I hereby give notice that if the amendment is agreed to I will make a motion to strike the paragraphs appearing as follows: The paragraph beginning on page 6, line 12, extending to line 18, page 7; the paragraph beginning on line 19, page 7, through line 24.

The Clerk read as follows:

Amendment offered by Mr. Roybal as a substitute for the amendment offered by Mr. Obey: On page 5, strike out the paragraph beginning on line 17 extending down through line 11 on page 6 and substitute in lieu thereof:

"For carrying out, to the extent not otherwise provided, Part A of title I ($3,743,300,000), Part C of title I ($28,000,000) title III ($125,000,000), title IV, Parts B ($137,330,000) and C ($172,888,000), title V, Parts A and C ($39,425,000), and title VII of the Elementary and Secondary Education Act; sections 822 and 823 of Public Law 93-380; section 417(a)(2) of the General Education Provisions Act; title IV of the Civil Rights Act of 1964 and title III-A ($15,000,000) of the National Defense Education Act of 1958, $4,264,643,000: *Provided*, That of the amounts appropriated above the following amounts shall become available for obligation on July 1, 1975, and shall remain available until June 30, 1976: title I, Part A ($1,898,750,000) and title IV Part B ($137,330,000), and Part C ($172,888,000) of the Elementary and Secondary Education Act and section 417(a)(2) of the General Education Provisions Act ($1,250,000). For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $656,016,000, of which $636,016,000, including $43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 70 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools: *Provided further*, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act. For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, $284,609,000: *Provided*, That of this amount $100,000,000 for part B shall become available July 1, 1975, and shall remain available through June 30, 1976.

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROYBAL. Mr. Chairman, it is my intention at the proper time to offer an amendment to strike $90,250,000, and insert in lieu thereof $95,250,000 on page 8, line 9.

Mr. Chairman, in offering the amendment before us, I should first express to the committee chairman and to the chairman of the subcommittee my appreciation and, I am sure, the appreciation of the educational community, for much of what appears before us in H.R. 16900 as it relates, of course, to elementary and secondary education.

Certainly the provisions of the act will be of great benefit to the school systems in every congressional district. For the specific programs for which I seek House approval for increase over the committee recommendations, we of course do not agree, but I can assure you that no matter what amendment is offered against the committee recommendation, that the chairman will oppose it.

The first increase proposed by the Roybal-Veysey amendment over the committee recommendation would add $76 million for fiscal year 1975 to the committee funding recommendations of $1.8 billion, to title I.

The Office of Management and Budget estimates to the Congress that this program would leave $1.885 billion. Thus, the amendment would restore $76 million to this program, which the committee slashed by $85 million, but it is not a complete restoration.

If adopted, the program has $9 million less than that requested by the President for fiscal year 1975 operations.

Since the restoration still is considerably under the budget estimate for this year, it could not be considered inflationary. As to the need for additional sums, we should not forget that by investing a small amount of money, for the education of these children, that we are saving the country a much bigger expenditure down the road years from now. We are making it possible to turn many of these young people into contributors to the goods and service America produces rather than having to spend much greater sums later for unemployment compensation, for welfare, prison overhead, and non-productive social costs.

The $9 million less in the amendment than the budget figure is a prudent reduction and still provides additional benefits.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I rise in support of the amendment of my colleague, the gentleman from California.

This amendment provides badly needed funds for such areas as title 1, libraries, impact aid, and aid to handicapped children. It is not really a budget-busting program at all because there would be a very, very slight increase. It would be a slight increase over 2 years ago, and if we try to figure it out, the erosion of inflation, it would be slightly less than the amount of the figure proposed for 2 years ago.

I urge that the Members support the amendment.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I rise in support of the Roybal-Veysey amendment which, I believe, is an excellent amendment and must be passed by this House if this education bill is to do what is needed in this country.

The amendment increases by $198.6 million five basic education programs for disadvantaged children, school library services, handicapped children, impact aid, and part C of title I.

There are ways to cut Federal spending which the Congress should accept, and other ways to cut Federal spending that the Congress must reject. To cut Federal spending insofar as the education of our young is concerned must firmly be rejected by this House. This amendment would add money to the bill as it is proposed by the committee, but the spending is an investment in the education of our children which is, in my opinion, far more valid than appropriating millions of dollars to support tottering dictatorships, purchase unneeded and overpriced military aircraft, or to continue aid programs to nations which are rapidly outstripping the United States in their accumulation of dollars. We have done all of these thing in recent weeks, yet there are those in this House who would deny money for the education of our own young.

I am not pleased with the education bills passed by this Congress in recent years. I think that by and large they have been parochial pieces of legislation, denying one section of the Nation in favor of others. This bill, if passed unaltered, would be a bitter slight to those who can least afford it—the handicapped, disadvantaged, and the students requiring special education needs. We as a Nation cannot afford to turn our back on those needs. The Roybal-Veysey amendment would assure that we do not make that mistake.

I would especially like to compliment the authors of this amendment for remedying their amendment by inclusion of part C funds. Frankly, without the inclusion of this vital section I could not have supported the amendment. As a number of distinguished educators have pointed out in their communications to my office, it can be demonstrated that reducing the level of goods and services that can be purchased with title I funds is counterproductive in fighting inflation. Additionally, the entitlement ratio in the committee bill is vastly unfair to New York City schools.

The amendment as offered is an excellent one. I support it fully, and I urge my colleagues to do the same.

Mr. ADDABBO. Mr. Chairman, if the gentleman from California will yield, I ask him whether his amendment would include additional money for part C of title I?

Mr. ROYBAL. Yes, it does. That I will explain as I go along.

Mr. ADDABBO. I thank the gentleman.

Mr. RUTH. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from North Carolina.

Mr. RUTH. Just as a matter of clarification, the gentleman's amendment is to put it into the program without taking it from impact aid, as I understand. What part of the budget will be involved?

Mr. ROYBAL. $178 million.

Mr. RUTH. Is the gentleman concerned about the budget being vetoed?

Mr. ROYBAL. Yes, of course, I am concerned about the budget being vetoed, but I do not know that anybody in the House has any guarantee that this bill is going to be signed in its present form. Knowing that the President was a former Member of this House, and knowing that he understands the problems of education, I think the prospects are good that he will not veto the bill.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent, Mr. ROYBAL was allowed to proceed for 3 additional minute.)

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I address myself to the question that the gentleman asked as to how much this amendment adds over the budget. The information was, I think, given inadvertently that it was $190 million. The committee has already gone over the budget by $160 million. This amendment adds $190 million to that $160 million, if the Members know what I mean. Do you know what you are looking at, right in the face?

Mr. ROYBAL. Mr. Chairman, as we go along, that one question will be answered. It is not exactly the way it is being presented.

The area of greatest concern involves serving the special educational needs of handicapped children.

Despite the fact that both the Congress and the President agreed, in H.R. 69 to the addition, which would establish an authorization for fiscal year 1975 of $666 million to meet the present problems facing handicapped children, the administration came up with only $47.5 million. The committee has raised that to $60 million, and with the amendment before us, it is increased to $85 million.

In addition, the amendment would add $30 million to the committee recommendation of $70 million for fiscal year 1976, bringing the program to its full funding level for that year.

I may be asked, What is the emergency? Why an authorization of that magnitude?

We should recall that some 35 States are under order or are mandated by State statutes to bring the education of these children into line with their more fortunate students.

We know that it takes time to get programs of this magnitude underway, and because we recognize that there are programs of this magnitude underway, and because we recognize there are pressures holding down Government spending, we have kept the cost of additions well below the combined authorizations for 1975 and 1976.

The amendment would further provide $62.2 million more than the committee recommends for Public Law 874 funding, thus bringing payments on behalf of children whose parents work on Federal properties up to 69 percent of the amounts they are entitled to under the authorizing statute, as recently amended and reformed by H.R. 69.

The committee very wisely rejected the budget estimate of $38.9 million submitted by the administration and did provide $292 million for these children's education. The committee amount would provide about 58 percent payment of the entitlement under this category instead of the 69 percent provided under the amendment before the House.

The money goes into public schools educating over half of all public school children located in about 411 congressional districts. These schools are operating; teachers are under contract, and if the Congress refuses to pay its "in lieu of property taxes," the school tax base of the citizen and householder and the other businesses in the districts will have to be increased or the education of our constituents curtailed. I think we all have a stake in good education no matter where we live in this country. Under our amendment, "B" students would receive payments based on 69 percent of entitlement or 1.5 percent more than the amounts last year. Under the committee's 58 percent of entitlement payment, they would receive substantially less.

But to repeat as to an inflationary bugbear in this addition of funds for this program, we should not fear it because it really does not matter which pocket we pay the school bill from in this instance; the effect on the economy is exactly the same. Using the Ash figure of two-tenths of 1 percent drop in the rate of inflation for every $6 billion curtailment, you would have to have the economic equivalent of an electron microscope, to measure the impact of inflation that the increase recommended by the amendment would have on the economy. Education is an investment in the future of America and I ask adoption of the amendment.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a member of the Committee on Appropriations, and especially with education, there are two or three things that I would like to suggest.

One, if there were unlimited funds in this country, I would probably be voting for $15 billion for education. The facts are that we do not have that kind of money.

The facts are that the economy is in a terrible condition, and if we do not do something about the economy and do something about controlling the budget, we may find school districts where teachers are getting script, the same as they did in the 1930's. To go $198 million more above the budget, beyond the $160 million that the committee has provided above the budget I think, is inviting a veto by the President. If this happens—school districts will be forced to operate under a continuing resolution—which will be less money for school districts than under the committee bill.

The school districts throughout the country are not going to be able to use funds wisely that are appropriated in November or December or February or March for the school year that began last September. If we go above the budget and it is vetoed, then we come back to consider another bill, and the school districts will not know until much later what they are going to get.

The second point is that I strongly support the Obey amendment; it is a question of priorities. That is what the Congressional Budget Committee is all about. With a limited overall budget, how do you spend the limited funds most advantageously?

How do we make the real tough decisions concerning what is most important?

Mr. Chairman, in my judgment, there have been court decisions in recent months that will make the greatest impact on education of anything that has occurred not even excluding the forced busing controversy. I would like the attention of the gentleman from Pennsylvania (Mr. SHUSTER), who said that if the Obey amendment is adopted, school districts must have a tax increase. I suggest if the Obey amendment is not adopted, there is greater likelihood of a tax increase for school districts.

In 42 cases which are now before the courts, or which have been completed, and in 25 different States, the courts have ruled that every handicapped child is entitled to an education. There are 7 million handicapped children in this country, including mentally retarded, physically handicapped, and emotionally disturbed, et cetera—7 million such children.

There are only 3,250,000 who are now in school, and 2,750,000 who are not in school. As of this year and next year, they are going to be in the classrooms by court order.

Most of the school districts cannot afford separate classrooms for emotionally disturbed and mentally retarded and physically handicapped children.

Mr. Chairman, as a former teacher, I say to the Members that if a teacher has a class of 30 students and the teacher has 1 severely emotionally disturbed child put in that classroom, 29 children are going to be neglected, and that 1 child will take the full time of that teacher. I do not quarrel with the court decisions. I believe firmly that handicapped children are entitled to an education. We have neglected too many for too long. But, of necessity, the cost will be very great.

We have never seen anything that is going to have the impact on the quality of education that these court decisions are going to have unless special provisions are made in many, many instances.

In Pennsylvania they have agreed that every child, every retarded child, is entitled to a full and appropriate education. I want the Members to listen to that word, "appropriate." It is not necessarily sufficient just to enroll them in school. The court has said that they must get an appropriate education for a handicapped child.

In the Federal court in the District of Columbia, the court ordered the immediate education of all handicapped children. In Louisiana, in Michigan, in Maryland, in California, in fact, in 25 States, the court decisions have been made and are pending. We are going to have 2,750,000 additional emotionally disturbed, mentally retarded, physically handicapped children in the classrooms.

The question today is one of priorities. Let me talk first, if I may, about the B category of Federal impact.

The gentleman from Wisconsin, Dave Obey, who offered this amendment, has two children of school age, and he lives out in Virginia. Is it fair that this Congress vote the district in which Dave lives extra money because his two children are there? Yet that is what B category is all about—living off a Federal base but working for the Federal Government. Dave Obey's family qualifies—as do all the other congressional families living in the District or adjacent counties in Maryland or Virginia. Is that an adverse Federal impact so that the Federal Government pays extra money to those districts?

Let me give you another example. In my district there is a dairy; it has been in this particular school district for decades; a few years ago they got a contract with the Navy to supply dairy products for the Navy airfield. The children of the employees of that dairy had been going to this school all of these years, but suddenly this dairy got a Federal contract, and suddenly these children all became B-category children, and the Federal Government gave the school district additional money in order to educate them.

The CHAIRMAN. The time of the gentlewoman has expired.

(By unanimous consent, Mrs. Green of Oregon was allowed to proceed for 4 additional minutes.)

Mrs. GREEN of Oregon. Is that an adverse Federal impact on that school district that requires extra funds?

In Georgia the gentleman from Georgia (Mr. Phil Landrum) described to the House a few years ago a school district where there was great unemployment. A defense plant moved in. They located a few miles from the district. They paid taxes on the defense plant. This improved the economy of that school district and lowered the taxes for others residing in the district. In addition to that, the parents of those children got jobs, higher paying jobs than previously, so that their own income was increased and they were able to pay more taxes. But what happened? Every single child there of every single employee in that defense plant suddenly became a B-category child, and they were eligible for Federal impact money.

I think the choice is really what we are going to do; are we going to decide that B category, the children of people who live off the bases and who have already had incomes and are paying taxes in that school district, are we going to give them special funds, or are we going to recognize the seriousness of these court decisions on education for all handicapped children in every school district in your congressional district and give them the $85 million under title I and earmarked money for handicapped children?

It seems to me these are the ones who ought to have the money. May I repeat what I said earlier that if additional money is not supplied out of this budget there will not be a school district in this Nation that will not have to raise additional funds because the courts have found that regardless of anything else, regardless of the money available, you must educate handicapped children. The alternative will be a further deterioration of the quality of classroom instruction.

If we close our eyes to this problem your district and your school districts are going to be the ones who will suffer.

Mr. CEDERBERG. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I just want to say that I think all Members of this House should listen to the gentlewoman from Oregon, because she has made over the years one of the greatest contributions that has ever been made in this body in behalf of education, certainly since I have been here.

I would like to say further, and with extreme regret, that the gentlewoman from Oregon will no longer be with us next year, because she has chosen to retire. Every time the gentlewoman from Oregon speaks on this subject I think she makes a tremendous contribution, and all of the Members of the House ought to listen carefully to what she says.

Mrs. GREEN of Oregon. Mr. Chairman, I thank the gentleman from Michigan for his kind remarks.

Mr. Chairman, let me conclude by saying to those people who face an election a month from now that if you think you are doing your congressional district a service, just by saying, "I voted for $190 million more for the schools," it may turn out to be a disservice because a vetoed bill will not bring the money that is needed now. A continuing resolution at last year's level of spending will be no substitute for an actual appropriation that can be the basis for a school superintendent's wise planning.

Mr. FORD. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Michigan.

Mr. FORD. Mr. Chairman, I would ask the gentlewoman from Oregon do I understand correctly that the gentlewoman is supporting the additional money for the handicapped children, and is endorsing those in the Roybal amendment?

Mrs. GREEN of Oregon. I am opposing the Roybal amendment for the reasons stated.

I am strongly supporting the Dave Obey amendment which transfers funds from a lower priority item to a higher priority, as I see it.

Mr. VEYSEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Roybal substitute.

(By unanimous consent, Mr. Veysey was allowed to proceed for 3 additional minutes.)

The CHAIRMAN. The gentleman from California (Mr. Veysey) is recognized for 8 minutes.

Mr. VEYSEY. Mr. Chairman, I rise in support of the substitute and I want to state at the outset why I am supporting it. First, the importance of education in a democratic society such as ours goes without saying. It is absolutely essential to our way of government that we have educated and enlightened citizens. In times of fiscal restraint—and there is no question that we are now in a time of serious fiscal restraint—we must tighten our belts and make do with less. But to make do with substantially less education threatens the very fabric of our society, which was founded and depends on the participation of educated citizens.

Second, this substitute is not budget-busting, it does not add irresponsible increases to a whole host of categorical programs—in fact, it affects only four programs, and it does not even bring ESEA title I—the largest of these programs—to the level of the administration's budget request. In short, we are dealing here with a total of $198.6 million, the largest portion of which would be added to ESEA title I, and title I would still be below the budget. This is not a budget-busting amendment. Third, these expenditures for teachers, teachers' aides, and supplies are in the long run noninflationary as we expand individual productivity and diminish delinquency, welfare, and unemployment.

The administration recommended $1,885,000,000 for ESEA title I, to provide funds for the improvement of education for disadvantaged children, but this was cut by $85 million in committee. Our amendment would add $76 million to the committee recommendation, or a full $9 million below the budget.

It is inconceivable to me that we in the House can approve cutting a program that is specifically designed to help schoolchildren in economically disadvantaged areas. And I want to emphasize that I am talking about cutting below the administration's recommendation. This is not a spendthrift administration in the area of education or any other area. The administration has recommended $9 million more for title I than our amendment would provide.

Title I has enabled schools to hire teachers' helpers, persons who can assist the teachers in providing individual help to schoolchildren. Many of these teachers' aides are persons who were once on welfare. Title I therefore accomplishes a dual purpose—it provides much needed assistance to teachers in schools, thus enabling them to be of more help to the children, and it provides gainful employment for persons many of whom were formerly unemployed. If title I assistance is reduced, teachers' helpers will find themselves out of a job and back on the welfare rolls—and this would not only shortchange the schoolchildren who benefit from the extra services provided by the teachers' helpers, but it would shortchange society by forcing productive citizens back into dependency upon welfare and further cost to Government.

The amendment would add $5 million to the school library resources program authorized by ESEA title II. Library programs are basic to all of education, for they are the source of information and knowledge that is the heart of the learning process. No one family can possibly own enough books, magazines, films and audiovisual materials to provide all the information their children will need in school today, but the school library can make a wide range of materials available to all, appealing to the individual interests of each. Today's knowledge explosion makes it imperative that schoolchildren have access to up-to-date information—a whole room full of books from 5 years ago, for example, would tell nothing of man's landing on the Moon. There is no substitute for a modern, well-stocked, up-to-date library/media center. While $5 million is a very small addition, even with this funding, this program will be about $5 million under the fiscal year 1973 appropriation.

For the Federal impact aid program, the amendment would add $62.6 million, which would bring this program to 69 percent of entitlement for the "B" category. This is still some $3 million less than was appropriated in fiscal year 1973. The important point here is that this is not a categorical program. It is a program of general aid to school districts, to compensate them for lost tax revenues. If the Federal Government reduces the amount of compensation it provides these school districts, they must find the money elsewhere. In other words, reducing impact aid will result in increased property taxes at the local level. And it does not make sense to me at the very time the Ways and Means Committee and the White House is considering possible tax relief for the poor that we should be taking action that would result in increased local property taxes which fall more heavily on low-income families, and which are a cost increase to businessmen, manufacturers, utilities, farmers. This is inflationary.

The children and teachers are now in school and the school year is well underway. Many school districts in economically depressed areas receive considerable assistance from this program. Where will they turn if we cut impact aid substantially below its fiscal year 1973 level? Is it fair to such school districts to reduce their tax base? Is it fair to the children who attend such schools? It is well to remember that these are the children of parents who are serving their Government, as for example, children from military families. I do not believe this program should be cut substantially below its fiscal year 1973 level. This amendment amounts to a modest increase over the committee recommendation, and is still $3.4 million less than the fiscal year 1973 level.

HANDICAPPED

And finally, the amendment would add $25 million in fiscal year 1975 and $30 million in fiscal year 1976 for the education of handicapped children. One of our Nation's goals is equal educational opportunity for all children, and we have come a long way toward achieving that goal. But there are still many handicapped children who do not have access to the kinds of education other Americans take for granted. First there is the problem of identifying handicapped children who are not receiving the education they deserve, and second there is the problem of providing education once we know who the children are and what their special needs and abilities are. Early identification is essential if we are to help these children become productive citizens. In light of the need that exists—and it has been estimated that billions of dollars would be necessary annually to give all handicapped children access to a meaningful educational experience—our substitute is a modest one indeed, and I urge all my colleagues to support it.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from California (Mr. BELL).

Mr. BELL. Mr. Chairman, it has been shown that our budget has been increasing in almost every aspect and category other than education, but as the gentleman has pointed out so ably our budget in 1973 on education was $3,149,000,000; in 1974 it was $2,917,000,000; and in 1975, this budget, it is $2,960,000,000 without the Veysey-Roybal amendment. So the money appropriated for education is actually going down, since 1973. With that amendment added, it would be $3,159,000,000, which would add up to just about the $20 million over the 1973 budget and most of that can be accounted for due to the erosion of inflation.

On the other hand it should be noted that crime in the United States has increased $500 million. We know the conditions of our schools and we know the children are not getting the education in our schools that they should be getting. Education is an important item that needs a higher priority. I think it is about time the Congress recognized education as needing a higher priority.

That is why I support the Veysey-Roybal amendment.

Mr. VEYSEY. I thank my colleague for those figures which do indeed highlight the situation.

Mr. BURGENER. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from California (Mr. BURGENER).

Mr. BURGENER. Mr. Chairman, I associate myself with the remarks of the gentleman in the well and particularly on the point of the handicapped.

The Roybal-Veysey amendment deserves our full support. I wish to address myself particularly to that portion of the amendment dealing with handicapped children.

If all handicapped children were given access to a meaningful educational experience the additional cost of providing it would amount to $3 to $4 billion per annum. With a growing number of law suits successfully being pursued in this area, the full provision of services is quickly becoming a sudden financial reality.

The best known of these class-action suits was Pennsylvania Association for Retarded Children against Commonwealth of Pennsylvania in 1971. A Federal district court entered a consent decree that Pennsylvania's public schools would cease excluding children because of their mental retardation. This consent decree is right and just, but indeed it places a heavy burden on all taxpayers of that State. The Roybal-Veysey amendment is an equitable move to more fairly distribute that burden to all the taxpayers of the Nation.

Turning to the Federal appropriations, we find that $60 million is being recommended by the subcommittee for State plans in fiscal year 1975 and $70 million is being recommended for that purpose in fiscal year 1976. The proposed amendment would add $25 million to the fiscal year 1975 recommendation and $30 million to the fiscal year 1976 recommendation. If the amendment is adopted Federal funding for the State plans would increase by a reasonable percentage over the $47.5 million appropriated in fiscal year 1973 and fiscal year 1974. However, given the need for funding in this area, and the increased effort which State and local units can be expected to make, the Federal level should demonstrate leadership in this area.

The alternatives to proper funding, such as is proposed in the Roybal-Veysey amendment, are clearly unacceptable.

The alternatives are, for a large number of handicapped children, first, no educational opportunity in the public schools or, second, placement in a public institution, where the cost is infinitely greater, and the care, treatment, training, and education infinitely less.

Finally, let me say that for all of our so-called normal children—who continue to need our strong educational support—we have a longstanding public policy which says there shall be no "waiting list" for admission to a public school. Do our handicapped children deserve any less?

This amendment should be adopted.

Mr. PERKINS. Mr. Chairman, I rise in support of the Roybal-Veysey amendment because that amendment is necessary to allow school districts to maintain their present levels of Federal aid, that is to just "stay even." The committee's recommendations, in my opinion, will not allow school districts to "stay even." Rather, they will force them to cut back drastically on their federally assisted programs.

Mr. Chairman, everyone knows that our country has been undergoing enormous inflation in the last few years. Our average rate of inflation has been over 10 percent, and all indications are that this year inflation will greatly exceed 10 percent.

Yet, the committee's bill increases the appropriations for title I programs by a mere 4½ percent over last year's level. How will local school districts be able to maintain their present title I programs with a small increase like that? The answer is simply that they will not be able to.

If the committee bill is passed as it stands now, thousands of educationally deprived children who are benefiting now from title I compensatory education programs will be denied those benefits this year. How can we ask those poor children who desperately need this extra assistance to do without it this year?

Mr. Chairman, I support the Roybal-Veysey amendment which increases title I by $76 million over the committee's recommendation. The committee recommends $1.8 billion, and the expenditures last year were $1.719 billion.

I want to point out, though, that title I appropriations should be even greater, at least at the President's budget request for fiscal 1975 which is $1.885 billion. But I realize that we do not have the support here today to attain that level of appropriation.

Regarding impact aid, the committee bill recommends exactly the same level as last year for "B" children, $593 million. But because of inflation and the resulting increase in the cost of education, this recommendation has the effect of a reduction. The Roybal-Veysey amendment will increase the appropriation to $656 million. This will mean that the payment rates for "B" children will be near the level for fiscal 1973 and slightly above last year's level. I support this maintenance of the impact aid program.

The Education Amendments of 1974, Public Law 93-380, contain a restructuring of the impact aid program to be effective in fiscal year 1976. That restructuring includes a gradual phaseout of payments for out-of-State "B" children and a gradual reduction of the payments for certain other "B" children. It makes no sense to me to have a decrease in support for the program this year, which would be the effect of the committee's recommendation, when the law states that a gradual phaseout of certain payments will occur next year. Therefore, I fully support the Roybal-Veysey amendment on impact aid.

I also support their amendment to increase the appropriations for the education of the handicapped by $55 million: $25 million for fiscal 1975 and $30 million for fiscal 1976. Many States are now coming under court order to educate all their handicapped children. Many other States are voluntarily trying to educate those children. But this education is extremely expensive, and I believe that the Federal Government must greatly increase its aid to the States to help them in this undertaking so that one day soon all handicapped children in the country will be given the opportunity to receive a full and complete education.

Last, I support the increase for the library book program, title II of the Elementary and Secondary Education Act. This increase is modest, less than 5 percent, but again it is necessary in order to help maintain close to the present level of Federal support for the program.

Mr. SHRIVER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that the administration in its supplemental request made a mistake in not providing funds for title B children, and I so stated in the subcommittee when we were marking up this bill. The subcommittee did a reasonably good job in adding for title B children to be counted in connection with impacted aid, but we did not provide an amount equal to last year and the prior year. We are well into a new school year.

Local funds are already budgeted. Teacher salaries have been committed. It is unreasonable for us to expect local school administrators to find alternative sources of funds at this point.

I therefore speak in opposition to the Obey amendment in that I feel deeply that we should honor the commitment that we made a few months ago when we included in H.R. 69 authorization for impact aid for federally affected schools. That was the time changes in the impact aid program should be made, and changes were made. We had this matter in the Congress a few months ago. The new program was clearly supported both in this body and in the other body. If anything was to be done in connection with changing those formulas, it should have been done and it was done at that time.

We should not here, on an appropriation act, be changing the impacted aid program. I would emphasize that we at least should have the total for impact aid up to the level we had in last year's bill or for the year before.

So, that time when we had H.R. 69 before us, was the time that these kinds of objections could and should have been raised. I can well understand why some have spoken to shift the funds from impacted aid over to handicapped children or some other program. I can understand their position, because they are not receiving in their districts any, or very little, impacted aid funds. But, those of us who have these funds in large amounts know that it would mean great efforts in those school districts to find the funds from some other source, because we are well into this school year.

Mr. Chairman, I might add that we added quite a bit additional to that which has been requested in the budget for the handicapped program, so I speak in opposition to the Obey amendment and urge that we continue to adequately support the program for impacted aid for federally impacted schools.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, schools all over the State of Kansas are greatly troubled by what is happening to the funding of title III of the National Defense Education Act. For the past several years they have depended upon this source of Federal matching funds to upgrade the quality of instruction in the classroom through the purchase of audiovisual materials and equipment. They are opposed to any cuts in the program.

Like a lot of other States, the use of these new materials is just beginning to take hold in Kansas. The demand for equipment and materials has increased sharply in school districts all over the State as educators have discovered how to apply these learning methods effectively. As an indication of this demand, Kansas schools reported in a nationwide survey conducted by the North Carolina Department of Public Instruction that they need a Federal allotment of $1.5 million in fiscal 1975. This compares with an actual allotment of $284,000 in 1974—and only $160,000 if the NDEA III budget is reduced to $15 million as proposed by H.R. 16900.

Our school people were pleased that President Ford had budgeted $28.5 million for this program, but are disappointed that the Appropriations Committee has cut this amount almost in half.

Needless to say, if this reduction from last year's $28.5 million is allowed to stand, Kansas, along with the rest of the States depending upon this program, is going to come up woefully short. All of the students and their teachers relying on new purchases of title III equipment and materials will be badly disappointed and quality of instruction will suffer.

For the past 6 years, Congress has been responsible for keeping the program going when the administration declined to request funding. This year, President Ford in his recent new budget requests has asked for $28.5 million and now the Appropriations Committee has turned around and cut that figure almost in half. I think Members must agree this is a disconcerting way to treat a program that so many schools are depending upon.

I hope the need for this program is corrected by the House-Senate conference committee when it works on the final version of H.R. 16900.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I would like the attention of the Members. Let me show the Members where they are now. As a matter of fact, I told them half an hour ago they would not know the effect of these amendments.

Now, here we are—here we are. Here is the Roybal amendment. Oh boy, the Roybal amendment, the greatest thing since canned beer.

Well, the Roybal amendment now for all the budget balancers, all the people who want to save the taxpayer money, is $190 million more over the budget.

The committee has already gone $160 million over the budget, and now some want to go $190 million more. The Members know about this.

Then, on the other side there is the sacred cow, impacted aid. The gentleman from Wisconsin (Mr. OBEY) is going to take away from the impacted aid to take care of the handicapped children. The Pennsylvania laws, the Pennsylvania burden, I should know something about that situation in Pennsylvania. They can all use money for handicapped children.

I examined them about this. I told them about these lawsuits and asked them about it. They are not going to be able to absorb a large increase in fuels. They must train these people. They cannot just pick someone off the street to teach a handicapped child. How in the world are they going to go out and train schoolteachers who do not have the background to teach handicapped children—at this late time of the year?

Where are we? We have the great Roybal amendment. To tell the Members the truth, they are between the devil and the deep blue sea.

This committee has been at this for many years. We held hearings for 5 months. As between the two amendments here, the sensible thing is to stand by the committee. We are maintaining impact aid. We are maintaining—we are not touching a dime—impact aid at last year's funding. Do the Members have that clear? Not a dime are we touching of impact aid. We are trying to hold that.

The handicapped children, we told you what we did. The bill is $160 million over the budget. We included $70 million for advance funding education aid to the handicapped. That is a rate of 25 percent above the rate for 1974. What more do the Members want?

You should not question the concern of this committee for handicapped children. You also cannot question what we have done on impact aid. We have saved impact aid. We have saved it from being cut out almost $280 million. We have saved impacted aid and we have taken care of the handicapped children.

Now they are asking for $190 million more. For what? Just throw it in there. What is sacred about $190 million? Why not make it $210 million?

Mr. Chairman, faced with this dilemma, we are about to vote. Under all of the circumstances, support the sound decision, the sound conclusion, of your committee, which takes care of everybody properly the way it should be done under the financial circumstances that now confront us.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, reference has been made to our fiscal status and a possible veto. According to the best estimates available, we are going into debt this year by an additional $20 billion. That will make a $135 billion increase in the national debt over the last 6 years, including fiscal year 1975. Now people are talking about increasing this bill far above the budget. The committee bill already is $78 million net above the budget, and my friend from California proposes to go $190 million further. Of course, the bill could be vetoed if that action should be taken.

In title I, what do we do? We give them in title I $80 million more than last year. We gave them $1.8 billion in title I. Then what do we do with respect to impact aid? We gave them the same identical amount that they had last year, which is far above the budget. As the Members know, the impact aid program is designated to be changed after this year.

What do we do for the handicapped? We provide $12.5 million more this year than last year, and we provide in advance funding, $20 million more than the budget request for 1976.

It would seem to me that here, under the circumstances that confront us as we try to conclude our business before the 11th of October, that we ought to be able to take this bill about as it has been written. Everybody has a pet amendment, of course. Our constituents want more here and there, and they do not agree exactly where. Some would like to give all of them more money than they ask for. Many of our States have many millions more than they need at this time. Many States are in a surplus situation. The Federal Government is going in debt $20 billion more just this fiscal year.

So let us vote down the Roybal amendment, despite the fact that it has some good qualities; let us vote down the Obey amendment, and let us get on with our business and get this bill passed.

I ask unanimous consent, Mr. Chairman, that all debate on the pending amendment and the substitute close at 5:20 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. QUIE. Mr. Chairman, reserving the right to object, would the gentleman give enough time so that Members could have, at least, say, 3 minutes who are standing now?

Mr. MAHON. Mr. Chairman, everybody is standing up now, of course.

Mr. QUIE. No, I mean the gentlemen standing at the time of the request.

The CHAIRMAN. The Chair sees 10 Members standing.

Mr. MAHON. That is 30 minutes more.

The CHAIRMAN. Right.

Mr. QUIE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I move that all debate on the pending amendment and the substitute close at 5:20 p.m.

The CHAIRMAN. And all amendments thereto?

Mr. MAHON. And all amendments thereto.

The CHAIRMAN. What time does the gentleman say?

Mr. MAHON. At 5:20.

The CHAIRMAN. At 5:20.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was made will be recognized for 1 minute and 20 seconds each.

The Chair recognizes the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I support the Obey amendment and do not support the Roybal-Veysey amendment.

Mostly it is because the Roybal-Veysey amendment increases impact aid by $62.6 million more than the amount received last year.

There is a question of whether we want to go above the budget or not and a question of whether we can get a bill passed here. I do not know whether we can get a bill passed here that is more than the amount that the committee has recommended or not. I do not know whether the President would veto this bill or not. That is up to each Member to decide.

However, I am confident that $62.6 million more for impact aid is wrong when we see the needs of the handicapped in this Nation. We have had court cases already that provided that the State should provide education for every handicapped child to reach his potential.

I believe there are 24 States now in which court cases are pending.

We provided an authorization in the authorization bill, H.R. 69, to increase the aid for the handicapped to $666 million for fiscal year 1975. This is one of the priorities set in the authorization bill, and here we come asking for this kind of increase for impact aid. I do not believe that there is any justification for the impact aid increase in contrast to the other urgent priorities with which we are faced.

(By unanimous consent, Mr. KAZEN yielded his time to Mrs. MINK.)

The CHAIRMAN. The Chair recognizes the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Chairman, the issue before the House is not which category of education or which section of the country or what kind of child should benefit more by our generosity with regard to educational funding. The question before this House is whether this House as a legislative body intends to follow the decisions made by its authorizing committee designated to make decisions regarding allotments of education funds.

The Committee on Education and

Labor worked for many long months and revised the formula with regard to title I, ESEA. We made some very difficult decisions regarding impact aid, with which I happen to disagree. Nevertheless, they were made.

In the wisdom of the conference committee, which action was approved by this House and signed into law by the President, it was decided that the changes that had been recommended would not take effect for this fiscal year; they were going to be postponed until fiscal year 1976.

Mr. Chairman, I submit that, if we go along with the amendment offered by the gentleman from Wisconsin (Mr. Obey), we will be circumventing the decisions made by the conference committee and approved by this House. The Obey amendment cuts back impact aid category "B" by $85 million, below what the subcommittee recommended. Where the Congress said delay the cuts until fiscal year 1976 the Obey amendment would cut it now.

I cannot see this legislative body which has consistently insisted on its prerogatives doing this to its own decision which was only approved a few months ago.

Another issue which has been raised is that the subcommittee bill already exceeded the President's budget by $160 million. This is a meaningless argument. The $160 million they are talking about comes entirely out of impact aid category "B" funds.

The President's budget recommended only $38 million for category "B." This represented a cut of $260 million. So to talk about $160 million as going beyond the budget is to talk about nothing, because the Congress has decided to fund category "B" impact aid. To fund it requires adding at a bare minimum $300 million.

Therefore, we have not really increased the request submitted by the executive branch even if you feel that you must follow it to the letter. We have simply restored the funding authorized by law for category "B" impact aid.

The only other issue is the add-on for title I of $48 million. The Roybal amendment to title I does not even match the budget request. So this part of the amendment does not break the budget request. The other funds added cannot be at issue; $5 million for libraries and $20 million for handicapped children.

So, Mr. Chairman, I urge this House to vote for the substitute offered by the gentleman from California (Mr. Roybal) and vote down the Obey amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Peyser).

Mr. PEYSER. Mr. Chairman, when I hear the threat again raised of Presidential vetoes I recall that in the last 4 years, Congress has been living continually under the threat of Presidential vetoes.

I do not think that should be our worry. I think we ought to legislate on the basis of what we think is right.

What I think is right here today is the Veysey-Roybal amendment. Even amendment, incidentally, as to title I, if we consider the inflation for last year, means a reduction in title I money.

Mr. Chairman, I think we must at least take that step to continue to help all of our children. If we are looking for places to save money for the taxpayer, there are plenty of places in the overall budget. We will not discuss that matter at this point, but we will all have opportunities later to act on it.

It seems to me right now that in the areas of education we must give education everything we can give it. I think the very least we can give it today is what is being offered by the Veysey-Roybal amendment, handicapped children, educationally deprived children must be given the highest priority.

(By unanimous consent, Mr. Perkins yielding his time to Mr. Rose.)

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. Rose).

Mr. ROSE. Mr. Chairman, I have heard the arguments from both sides of this distinguished House, up and down, on these particular questions. I am extremely impressed by the arguments that we have just heard from our colleague from New York (Mr. Peyser) and our colleague from the great State of Hawaii (Mrs. Mink).

Members of the House, we have a clear challenge here. We have a clear challenge to provide the title I funds that the Roybal-Veysey amendment offers to the children of this country. I think all of the things that we have heard, seen, and been confronted with here today about the Roybal-Veysey amendment are accurate for my district, and for the hundreds of thousands of children across this country who will be benefited by the passage of that amendment, and the defeat of the Obey amendment. I urge that the Members support the Roybal-Veysey substitute amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Chairman, I rise in support of the Veysey-Roybal amendment increasing aid to the handicapped by $25 million, library aid by $5 million, and $62.9 million for additional impact aid.

These are significant, needed revisions to the ESEA formulas.

Any reduction of impact aid this late in the school year would create havoc in the budgets of our school districts such as my own in Orange and Rockland Counties of New York, imposing additional taxes on our already overburdened taxpayers.

Accordingly, Mr. Chairman, in the interest of assisting our handicapped, our libraries, and our impacted school districts, I urge my colleagues to support the Veysey-Roybal amendment, and to vote down the Obey amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, I join my colleagues from California, Veysey and Roybal, in supporting their amendment to reestablish a more equitable formula for the impacted aid for school districts affected and in particular, for the so-called category 3–B students.

The Members have heard the supporting arguments by the amendment sponsors and other Members, similarly concerned with funding for our respective school districts, for many sessions of the Congress.

One additional point, I think it is tragic and unconscionable that these appropriation bills have not been finalized and adopted at the beginning of the fiscal year, by the leadership of the Congress.

The dependence of schools and their administrations for a funding commitment at the beginning of their school year is absolutely essential to them and their ability to develop an orderly budget, personnel, and administrative process.

The uncertainties of continuing resolutions create serious problems. The Congress, and in particular the leadership, must do better in the future.

(By unanimous consent, Mr. Carney of Ohio yielded his time to Mr. Obey.)

The CHAIRMAN. The Chair recognizes the gentlewoman from Oregon (Mrs. Green).

Mrs. GREEN of Oregon. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. Veysey).

Mr. VEYSEY. Mr. Chairman, I rise to plead for support for the Roybal-Veysey substitute. This is a balanced program which includes funds for title I for the educationally handicapped, for the impacted aid schools, for handicapped children, and for libraries. Every one of these items have been carefully trimmed so that they are either below the budget request, or below the 1973 appropriation level, or below the increase needed to compensate for inflation.

While any expenditure may have some inflationary effect, these expenditures are relatively noninflationary because they do not consume scarce material, such as fuel, steel, copper, or chemicals and because they do increase the productivity of our people, and they do diminish the drain of delinquency, welfare, and unemployment.

Mr. Chairman, as we vote on appropriations this year, and every year, we must be mindful of the economic and political climate. "Double digit inflation" is taking its toll, and at the same time, we see a sluggish economy with virtually no economic growth and with serious pockets of unemployment and business failure.

In the last few weeks the President and Members of Congress have participated in a Summit Conference on Inflation and the Economy. The term "stagflation" has been coined to describe the strange state of the economy, and there is a growing understanding that there is no quick, simplistic remedy. We could easily slide off into an uncontrolled inflation or we could drop into a depression.

Spotty unemployment could quickly turn into real depression. Some have suggested that balancing the Federal budget by reducing expenditures would cure our problem. But the Summit Conference did not agree that this alone is the answer. Nor does it agree that this would work quickly. I feel that we must use restraint in Government spending—and that we have not done so in the past—and that restraint must also apply to our business and personal spending habits.

But further, not all expenditures by Government are alike in their economic effect.

It is true that every dollar spent by our Government stimulates the demand side of our economy, and also causes the Government to draw on the money market. But the economists tell us that this inflation is not being caused by demand-push.

This inflation seems to radiate from shortages of basic commodities: fuel, steel, copper, paper, chemicals, and foods. Any extra use of these scarce items really causes inflation to spiral. We need work, not less of those goods to cool inflation.

We must therefore look closely to the use of Federal funds, using particular restraint on those operations which consume fuel, or steel, or copper, or the other shortage items. For example, research, development, and engineering of military aircraft would be relatively noninflationary compared with an equal amount of dollars spent in production, deployment or use of such a system; which would be superinflationary.

Consider then the nature of the funds involved in the educational appropriations. Education of our youth, whether the disadvantaged under title I, the handicapped, or those in schools with the aid of impact funds is really noninflationary. We will build no schools, use no steel, nor copper, consume no food, nor burn any additional fuel with these extra funds. Over 80 percent of the money will go to pay salaries of teachers, teaching specialists, teachers' aides and assistants. A small amount will go for school supplies.

Further, the title I programs are, by definition, located among populations with educational disadvantages: poverty, language problems, disadvantaged homes. Most of the teachers and teachers' aides are from these less privileged communities and they have been in many cases lifted from the welfare caseload. It is not going to be inflationary to pay for teachers' aides out of title I funds rather than to sustain them on welfare.

Impact aid is general aid for schools in lieu of taxes which might be paid for the support of schools serving Government installations. Congress has recently enacted some reforms in impact aid effective next year to make it more equitable, but the administration cut this item drastically in its recommended budget. We propose to replace some of this cut.

What would be the effect if we do not adopt this amendment? One of two things must happen; local property taxes will rise, dollar for dollar to sustain local schools, or education programs will be stripped to the bone and will lose quality.

Now local property taxes fall most heavily on stores, and factories, and public utilities, and farms which must consider taxes a cost of business and must raise their prices. This is inflationary.

Education, whether of federally impacted children, handicapped children, or educationally deprived children under title I is one of the most important responsibilities of Federal Government. While I want to use restraint in the Federal budget, I think the amendment we offer does use restraint—in its detail it is item by item either under the corresponding administration request, or under the 1973 levels of funding, or under the increase in costs to our schools caused by inflation.

For example, for the Office of Education, the total committee reduction from fiscal year 1973 is 6.2 percent. Taking into account the 20-percent inflation rate over the past 2 years, the funding of the Office of Education is 26 percent behind in the struggle to hold its own.

Title I is $9 million less than the administration request and up only 4.22 percent over 1973 funding level.

In 1973, impact aid was funded at 73 percent of entitlement. The administration slashed that figure and the committee wisely brought it back up to 58 percent. The Veysey-Roybal amendment brings it up to 69 percent. Still short of the 1973 level.

These added funds are largely devoid of inflationary effects because they do not push up prices of scarce commodities—fuel, steel, copper, aluminum, and industrial chemicals. They are needed to increase the productivity of our Nation—to make more productive citizens, to reduce unemployment, to decrease social costs of delinquency and welfare. Indeed, in the long run, these expenditures will reduce inflation.

These items are either: below the budget request; below the 1973 appropriation level; or below the increase needed to compensate for inflation.

Mr. FRENZEL. Mr. Chairman, I strongly support the Obey amendment which transfers $65 million from impacted aid to title I programs for the poor and the handicapped.

The title I programs benefited by this amendment are among the most worthy cause I see little need for "B" impact aid program may not be the least worthy, but it surely ranks high on anybody's list of unworthy programs.

I would like the amendment better if it required a larger transfer of funds, because. I see little need for "B" impact aid at all. The Obey amendment, however, is a good start, and I hope it is passed.

I oppose the Roybal-Veysey substitute for the reasons presented so capably by the gentlewoman from Oregon (Mrs. GREEN). It will do our school districts no good to have the supplemental vetoed. The Obey amendment should pass. The Roybal-Veysey substitute should be rejected.

Mr. DU PONT. Mr. Chairman, I rise in support of the Obey amendment, and in opposition to the Roybal substitute for the Obey amendment. The only difference between the two is, of course, the additional $147 million for the B student impacted aid program.

I support the other sections of both amendments—the additional $76 million for title I programs, and the additional $25 million for handicapped student education programs. I would vote for either amendment in regard to these programs.

But I do not believe we can justify an 18-percent increase in B student impact-aid funding in the year in which those programs will begin to phase out. The Obey amendment takes a much more sensible approach, and increases funding over the unrealistic figure requested by the administration, but still reduces funding—compared to fiscal year 1974—as the phaseout year begins. In short, I believe that by supporting the Obey amendment we can save the taxpayers $147 million. Such a saving is worth voting for, and I urge my colleagues to vote "no" on the Roybal amendment—so that we can then vote "yes" on the Obey amendment as proposed by its sponsor.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, just let me refer to a couple of points that have been made. I have forgotten who it was, I think it was the gentleman from California, who said he was tired of operating under the threat of a veto. Well, so am I, but I have also been tired, frankly, of operating for almost as long as I have been in this Congress, until last year, of operating under a continuing resolution because we could not get a Labor-HEW bill passed by the House and Senate, and signed into law. I think we must let our education officials know what the spending levels are going to be in the education budget on a regular basis, so that they know what they can depend on, what they will get in the budget. I think they would rather have prior knowledge of what they are going to get than to get an extra million dollars per State.

I think that you will do a service to the district you represent by guaranteeing that we will get out a bill that will be signed into law, and we cannot do that if the amendment offered by the gentleman from California passes.

I do not especially enjoy opposing his amendment. In my heart I believe in it, except for the section on impacted aid.

All I am trying to do is to guarantee that we can get some dollars, rather than mere rhetoric, back to our kids and to our school districts this year, and to guarantee that those funds are distributed in the most equitable way.

I ask you: What is the most equitable way? Is it by putting your first priority on the needs of the impacted districts which are only 4,000-some in number in this country, or is it by taking into account the needs of the handicapped kids, and the needs of the disadvantaged kids who live in every school district in this country?

I understand how those who represent impact districts feel. They do not want to have those districts cut back, but the fact is that unless we adopt my amendment rather than the committee version, they will cut back all of the other districts. I hope that Members will oppose the Roybal amendment and support my amendment.

The **CHAIRMAN**. The Chair recognizes the gentleman from California (Mr. Roybal).

Mr. **ROYBAL**. Mr. Chairman, a great deal has been said about the fact that the President may veto this legislation. If this House and this Congress is going to operate under the threat of a veto, then we will never pass any legislation beyond the recommendation of the administration.

It is my belief that once the President sees the legislation that we will pass today, he will consider the statement made by Roy Ash not too long ago that in order to decrease the inflation by two-tenths of 1 percent it would be necessary to cut Federal spending by $6 billion. The truth of the matter is that with regard to this legislation, the Congress appropriated for 12 program areas in fiscal year 1973, $3.149 billion. For fiscal year 1975 the committee is recommending $2.961 billion or $183.9 million less than 1973. The amendment before adds $198.6 and only $4.7 million more than appropriated in 1973. I do not believe that the President would veto this legislation for an increase of less than $5 million.

The **CHAIRMAN**. The time of the gentleman has expired.

The Chair recognizes the gentleman from Texas (Mr. Mahon).

Mr. **MAHON**. Mr. Chairman, I simply want to say this: Let us vote down both of these amendments and let us go on with our business. The committee bill is the best we can get under the circumstances. I urge defeat of both amendments.

The **CHAIRMAN**. The question is on the amendment offered as a substitute by the gentleman from California (Mr. Roybal) for the amendment offered by the gentleman from Wisconsin (Mr. Obey).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. **ROYBAL**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 253, noes 145, not voting 36, as follows:

[Roll No. 549]

AYES—253

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Badillo
Bauman
Bell
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Camp
Carney, Ohio
Carter
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Donohue
Drinan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Fish
Flynt
Ford
Forsythe
Fraser
Frey
Froehlich
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Gray
Green, Pa.
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holt
Holtzman
Howard
Hudnut
Hungate
Hunt
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kyros
Lagomarsino
Leggett
Lent
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McKinney
McSpadden
Macdonald
Madden
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Price, Ill.
Quillen
Railsback
Randall
Rangel
Rees
Reid
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Whalen
White
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zion

NOES—145

Anderson, Ill.
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Beard
Bennett
Bergland
Bolling
Bray
Broomfield
Broyhill, N.C.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Davis, Wis.
Dellenback
Denholm
Dennis
Devine
Dickinson
Downing
Dulski
Duncan
du Pont
Erlenborn
Eshleman
Evins, Tenn.
Fascell
Findley
Flood
Flowers
Foley
Fountain
Frelinghuysen
Frenzel
Gibbons
Goodling
Green, Oreg.
Griffiths
Gross
Grover
Haley
Hébert
Horton
Hosmer
Huber
Hutchinson
Jones, Tenn.
Kuykendall
Landgrebe
Landrum
Latta
Litton
Luken
McDade
McEwen
McFall
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Milford
Miller
Mills
Mizell
Montgomery
Moorhead, Pa.
Myers
Nelsen
Obey
O'Brien
Pickle
Poage
Preyer
Price, Tex.
Pritchard
Quie
Regula
Reuss
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncallo, N.Y.
Ruppe
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shoup
Shuster
Smith, Iowa
Smith, N.Y.
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Ullman
Vander Jagt
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Winn
Wright
Wyatt
Wydler
Yates
Young, Ill.
Young, S.C.
Zwach

NOT VOTING—36

Adams
Barrett
Blackburn
Blatnik
Brasco
Carey, N.Y.
Davis, Ga.
Derwinski
Dorn
Evans, Colo.
Fisher
Fulton
Grasso
Hanna
Hansen, Idaho
Hastings
Helstoski
Hillis
Johnson, Colo.
King
Lehman
McClory
Mayne
Michel
Minshall, *Ohio*
Murphy, N.Y.
Patman
Podell
Powell, Ohio
Rarick
Rooney, N.Y.
Runnels
Teague
Treen
Wolff
Young, Ga.

So the substitute amendment for the amendment was agreed to.

The result of the vote was announced as above recorded.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Wisconsin (Mr. Obey) as amended.

The question was taken; and the Chairman announced that the "ayes" appeared to have it.

RECORDED VOTE

Mr. **du PONT**. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 280, noes 114, not voting 40, as follows:

[Roll No. 550]

AYES—280

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Armstrong
Aspin
Badillo
Bauman
Bell
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Camp
Carney, Ohio
Carter
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson

Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Devine
Dingell
Donohue
Drinan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Fish
Flowers
Ford
Forsythe
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Gray
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Harrington
Harsha
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kyros
Lagomarsino
Latta
Leggett
Lent
Long, La.
Long, Md.
Lott
Lujan
McCloskey
McCollister
McCormack
McKinney
McSpadden
Macdonald
Madden
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Riegle
Rinaldo
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Whalen
White
Widnall
Wilson, Bob
Wilson, Charles, Tex.
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOES—114

Andrews, N.C.
Archer
Arends
Ashbrook
Bafalis
Baker
Beard
Bennett
Bergland
Broomfield
Broyhill, N.C.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Casey, Tex.
Cederberg
Chamberlain
Chappell
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Davis, Wis.
Dellenback
Dennis
Dickinson
Downing
Dulski
Duncan
Erlenborn
Evins, Tenn.
Fascell
Findley
Flood
Flynt
Foley
Fountain
Frelinghuysen
Frenzel
Gibbons
Goodling
Green, Oreg.
Gross
Haley
Hébert
Hosmer
Huber
Hutchinson
Jarman
Jones, Tenn.
Kuykendall
Landgrebe
Landrum
Litton
Luken
McDade
McEwen
McFall
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Milford
Miller
Mills
Mizell
Montgomery
Moorhead, Pa.
Myers
Nelsen
Obey
Pickle
Poage
Preyer
Price, Tex.
Reuss
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rousselot
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Smith, N.Y.
Steed
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Vander Jagt
Wampler
Ware
Whitehurst
Whitten
Wiggins
Williams
Winn
Wright
Wyatt
Young, S.C.
Zwach

NOT VOTING—40

Adams
Ashley
Barrett
Blackburn
Blatnik
Brasco
Carey, N.Y.
Davis, Ga.
Derwinski
Diggs
Dorn
Evans, Colo.
Fisher
Grasso
Hanna
Hansen, Idaho
Hansen, Wash.
Hastings
Helstoski
Hillis
Johnson, Colo.
Johnson, Pa.
King
Lehman
McClory
Mayne
Michel
Minshall, Ohio
Murphy, N.Y.
Patman
Podell
Powell, Ohio
Rarick
Rooney, N.Y.
Runnels
Teague
Treen
Wilson, Charles H., Calif.
Wolff
Young, Ga.

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MRS. HOLT

Mrs. HOLT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. HOLT: On Page 6, line 11, strike out the period, insert a semicolon, and the following:

Provided further, That none of these funds shall be used to compel any school system, as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex, or national origin; assign teachers or students to schools, classes, or courses for reasons of race, religion, sex, or national origin; or prepare or maintain any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students, notwithstanding any other provisions of law or any request by any agency of the federal government.

POINT OF ORDER

Mr. FLOOD. Mr. Chairman, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman from Pennsylvania will state his point of order.

Mr. FLOOD. Mr. Chairman, I direct the attention of the Chair to page 6 of the bill, and the Chair will find there that the Roybal amendment which was just adopted by the committee strikes out everything on page 6 down to and include line 11. That being the case, this amendment now is too late, and if presented should have been presented to the Roybal amendment, and therefore I think that a point of order should lie in that it is too late under the circumstances.

The CHAIRMAN (Mr. WRIGHT). The Chair would observe that the Clerk had not begun to read at line 12 on page 6, so that this portion of the bill is still open for amendment, the Roybal substitute for the language appearing in the bill as presented by the committee, would conclude at the same point on line 11.

Therefore the amendment offered by the gentlewoman from Maryland (Mrs. HOLT), would insert language at the end of the Roybal language, and would not directly change that language and therefore would be in order.

The point of order is overruled.

The Chair recognizes the gentlewoman from Maryland (Mrs. HOLT).

Mrs. HOLT. Mr. Chairman, this is a short amendment. It is simply an attempt to clarify our law to give direction to the Office of Civil Rights in HEW. It places a negative position on the use of funds.

Some years ago, in the most enthusiastic days of the civil rights movement, the overwhelming majority of Americans were committed to the principle that individual rights must prevail over considerations of race.

As a nation, we committed ourselves to the concept that no student should be barred from any school because of race, no individual should be denied employment because of race, no individual should be excluded from housing because of race, no individual should be refused service in a place of public accommodation because of race, and so forth.

The law, we insisted, must be colorblind. We worked to exercise the evil demon of racism from our society. We enacted civil rights laws to protect the individual and to guarantee his freedom from being submerged in racial classifications and discriminations.

However, Mr. Chairman and my colleagues, the courts and agencie responsible for enforcing and implementing the noble laws of a free society have distorted and perverted their original intent so drastically that a new racism has arisen and threatens to engulf us.

This new racism, which operates in the guise of Government policy, classifies individuals according to race and imposes racial quotas on institutions of many kinds. It is a hideous betrayal of the concept of individual liberty.

The new racism has imposed its greatest damage on the public school systems of our land.

Not content with making certain that every school is open to every individual without regard to race, the courts and the Federal education bureaucracy have made racial quotas their obsession.

Moving throughout our land, they have fractured neighborhood schools by requiring mass transfers of students for racial balance in school systems.

I have some experience with that in my own congressional district, where Prince Georges County has been forced by court order to abandon its community school structure. It is forced to bus tens of thousands of students to achieve racial balance at an extra cost burden of $800,000 a year.

As a consequence of racial quotas imposed by Government force, racial animosities in our country have increased instead of ebbing. The headlines tell us of the chaos and violence prevailing in the school systems of Boston and Baltimore, where education has been sabotaged by the mindless Federal obsession with racial quotas.

But I would also alert this house to an exercise of Federal power that is even more dangerous than forced, mass busing.

The Office for Civil Rights of the Department of Health, Education and Welfare is carrying its passion for racial balance to the level of teacher and pupil assignments to classes and courses, and even to the application of discipline.

What is threatened by this kind of activity is a Federal takeover of school operations, which should and must remain the responsibility of local officials responsive to the concerns of parents.

Off and on for 14 months, the Office for Civil Rights has been harassing the school system of Anne Arundel County, Md., accumulating several pounds of documents and reports, and consuming valuable staff time with interviews and demands.

Mr. Chairman, this will soon be happening throughout the country. I have here a copy of a form which the Office for Civil Rights is requiring school systems to complete this year.

It asks for racial statistics for each class of the third, sixth and ninth grades of every school. It asks for similar statistics on course assignments and special classes. It even poses some question on the sex makeup of classes.

This has no relevance to education, and it should not be tolerated in a society which calls itself free.

The amendment I have introduced today is an amendment against racism. It upholds the ideal that the law should be colorblind, and the agencie that enforce and implement the law should be colorblind.

We must not allow agencies of Government to continue substituting a new racism for the old racism. A policy of classifying and assigning people according to race has no place in a society dedicated to individual freedom.

I sincerely urge the adoption of this amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentlewoman yield for a question or two at this juncture?

Mrs. HOLT. I shall be glad to yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I thank the gentlewoman for yielding.

Am I correct in my understanding that allegations have been raised against the Anne Arundel school system, said allegations charging that disciplinary measures are meted out disproportionately against the black students as opposed to the white? Am I correct in that assumption?

Mrs. HOLT. Yes, the gentleman is correct in the assumption that that allegation was made and that after 14 months of investigation no justification for those allegations has been found.

Mr. MITCHELL of Maryland. Will the gentlewoman yield further?

Mrs. HOLT. I will be glad to yield further to my colleague, the gentleman from Maryland.

Mr. MITCHELL of Maryland. Am I not correct also in my understanding that the Anne Arundel School Board has issued an ultimatum to the Office of Education, to the Civil Rights Commission, saying that in order to get the data which might prove or disprove these allegations they will have to go to court. Am I correct?

Mrs. HOLT. No, the gentleman is not correct in that because the Anne Arundel school system has cooperated and has made records available. For 14 months they have had talks with the people making the complaints.

Mr. MITCHELL of Maryland. Will the gentlewoman yield for my last question?

Mrs. HOLT. I will yield for one further question.

The CHAIRMAN. The time of the gentlewoman from Maryland has expired.

(By unanimous consent, Mrs. HOLT was allowed to proceed for 1 additional minute.)

Mr. MITCHELL of Maryland. Mr. Chairman, I do thank the gentlewoman for yielding. She has been very kind to me.

But would not the amendment have the effect of denying that kind of successful investigation in the future? If the gentlewoman gets her amendment passed, there would be no way to prove or disprove those allegations.

Mrs. HOLT. I will not yield any further.

I believe we are perpetuating racism by continuing this. If we put the schoolchildren in the schools together we should let the children learn. We are committed to education in this country. I do not think we can allow the agencies of government to be substituted for our own local officials who can and do run our school systems in the best interests of our children.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike the last word. I had wanted to engage in a colloquy with my friend, the gentlewoman from Maryland.

I rise in support of the amendment which has been offered by the gentlewoman from Maryland.

I offered title IX of the Higher Edu-Education Act and I have almost come to the conclusion that the people who are enforcing that and writing the rules and regulations are determined that it shall not work. Let me give a few additional examples.

Recently regulations have been drawn up in regard to nongovernmental organizations for boys and girls. There was a meeting a couple of weeks ago in regard to a proposed regulation that the Boy Scouts, the Girl Scouts, the Camp Fire Girls, and the YMCA and the YWCA must come under title IX provisions to end discrimination on the basis of sex. It was never the intention to include these groups under title IX. If anybody had suggested it on the floor, I would say that this House would have defeated title IX.

In my city we have Reed College, historically a very liberal college. We know there is a surplus of professors—including Ph. D.'s. There were very few vacancies and I am told there were somewhere around 1,000 applicants. The regional office of HEW ordered Reed College to give them a written report on the background and qualifications and experience and race and sex of every person who applied and why they were not hired. Reed College has said it would take three people full-time just to do the paper work, and after that they have accomplished nothing. Financially hard-pressed private colleges cannot afford that kind of nonsense.

It seems to me the people who are administering title IX are going on the assumption that every group or every institution is guilty of discrimination until they are able to prove themselves innocent. This was never the intention.

It seems to me the amendment which our colleague has offered goes to this question. It may not be in the exact words I would prefer. But let me add one other example why this kind of an amendment needs to be passed today and considered by the conference committee.

A colleague from Texas has said that in some preliminary work HEW administrators have ruled that the physical education classes must be integrated. It seems to me the local school could decide whether they wanted boys' classes or girls' classes or integrated classes. As I understand the amendment offered by the gentlewoman, this would eliminate that kind of nonsense. Schools would still keep records but the power of the Federal Government would not compel them to do certain things never intended by the Congress when it originally passed. Is this not one additional benefit of this kind of an amendment—I would ask the distinguished Representative from Maryland?

Mrs. HOLT. Mr. Chairman, if the gentlewoman will yield; yes, it would give direction to HEW. It would point out that this was not the intent of the Congress, that we want the local officials to administer our school systems.

Mrs. GREEN of Oregon. I thank the gentlewoman.

Ms. ABZUG. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentlewoman from New York.

Ms. ABZUG. It is not so that this amendment is so sweeping that even the very important provision of title IX that the gentlewoman supports would be outlawed by this?

Let me give one example. Under title IX, it has been through our efforts and a good number of people, men, and women in this House, to provide funds more equally for athletics in the colleges and one of the things that has been undertaken by the colleges is a study what the actual needs are.

In addition, in order to do this study, one would have to have some classification with respect to sex. Is that not so?

I know this is something the gentlewoman from Oregon supports. I have followed her leadership on this.

This amendment by our colleague, the gentlewoman from Maryland, would outlaw even that study, because what it says is that none of these funds shall be used to compel any school system, as a condition for receiving grants and other benefits from the appropriations above, to classify teachers or students by race, religion, sex or national origin; or prepare or maintain any records, files, reports, or statistics pertaining to the race, religion, sex, or national origin of teachers or students, notwithstanding any other provisions of law or any request by any agency of the Federal Government.

Mrs. GREEN of Oregon. I think there is a disagreement in interpretation. Colleges, universities, and school districts keep all kinds of records. Mrs. Holt's amendment goes to the coercion by HEW to keep the kind of records they have decided to require whether they're needed in the enforcement of title IX or not. The new injustices that are now being perpetuated are wrong and they ought to be stopped.

Mr. CASEY of Texas. Mr. Chairman, I move to strike the requisite number of words.

I would like to ask the gentlewoman from Maryland if her amendment will prohibit the integration of physical education classes?

Mrs. HOLT. No. I think the point we are making in this amendment, if the gentleman will yield, is that the amendment states that—

> None of these funds shall be used to compel any school system, as a condition for receiving grants.

"Compel" is the key word here and that question is in no way implied.

Mr. CASEY of Texas. I would say to the gentlewoman, I wish her amendment would go a little further.

I wish to call attention to the House, if some have not read the proposed regulations now being published, comments are being asked for up until October 15 with reference to sex discrimination in our public schools. The gentlewoman had better read them, because she is going to hear them the minute they go into effect.

Mind you, one of the paragraphs in the rules and regulations is that the schools may have separate toilets and locker facilities for their students, but if they do choose to have separate facilities, that they must be equal; also, they will require that the physical education courses must be bisexual.

They have backed off recently due to pressure from myself and others that they can have separate sex education classes. They have given that much, but we had better read those regulations. I urge the Members to make their positions known in this regard.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have heard the gentlewomen who spoke as proponents for this amendment. Now, certainly I have no quarrel with all that was said about racial discrimination. I have supported that position ever since I have been in this House.

This is for a lot of reasons, ethnic reasons as well. But, listen—this is an amendment—here it is. Let me show the Members what it does. This is absurd. Let me show the Members why.

Would the Members believe this, that under this amendment the schools would not be allowed to maintain records as to how many boys or girls are in this school? Oh, yes. What do the Members mean, no? Do they have the amendment?

Under this amendment, they cannot keep any records. Let us not kid the troops. They may have meant well when they drew this amendment up. That often happens to amendments.

Well, here is the amendment in my hand. I have been handling amendments rather a long time. Under this amendment, they cannot keep any records dealing with sex of the students or teachers. They cannot keep the records, and they cannot keep any records which say how many boys they have or how many girls they have.

This is ridiculous. This amendment is absurd as it now is before the Committee. Do the Members not understand? I am not talking about racial discrimination. Somebody goofed on this thing.

This is one of those last minute things which just dropped on my desk. It reminds me of the old days in show business, "I just happen to have here a verse and chorus."

It is one of those things. It always happens this late in the day, these amendments. We have not had a chance to study this. We do not know its full intent or meaning. We do not know the scope of it or what kind of chaos it is going to bring about all over the country with the school boards, and the school districts. Nobody knows, and I go right back to where I started: Under this amendment, we cannot keep any records of how many boys and girls we have got in the classrooms. It is absurd—absurd.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, would the gentleman read that for us again where it says the school district is prohibited from keeping records?

Mr. FLOOD. Can you not read it?

Mr. ROUSSELOT. Read it.

Mr. FLOOD. Do you have a copy of it?

Mr. ROUSSELOT. I certainly do.

Mr. FLOOD. Then you go ahead and read it.

Mr. ROUSSELOT. I want the gentleman to read it to the whole House.

Mr. FLOOD. I read it. You read it.

Mr. ROUSSELOT. Is the gentleman still yielding?

Mr. FLOOD. Go ahead.

Mr. ROUSSELOT. It says—

> *Provided further*, That none of these funds shall be used to compel a school system. . . ."

It does not say they cannot keep those records, so the statement is not correct.

Mr. FLOOD. "Compel," what the gentleman is talking about, "compel."

Mr. ROUSSELOT. The Federal Government cannot compel them to keep the records, but they can keep whatever records they want.

Mr. FLOOD. The same thing with teachers. We argued about that. The gentlewoman from New York was making the same kind of argument 10 minutes ago.

Mr. ROUSSELOT. My only point is, the gentleman's statement is not correct.

Mr. FLOOD. If they keep the records here, they are discriminating in sex the minute they do, and the gentleman does not want to do that. I do not.

Mr. ROUSSELOT. The gentleman is incorrect when he claims that the school district cannot keep records.

Mr. COLLIER. Mr. Chairman, I move to strike the requisite number of words. I shall not take the full 5 minutes.

Mr. Chairman, with all due respect to my very capable friend from Pennsylvania, I cannot for the life of me see how he can interpret what is actually said in the verbiage of this amendment as prohibitive to maintaining these records. It just is not the fact. It says:

> *Provided*, That none of these funds shall be used to compel. . . ."

As the gentlewoman from Maryland said, that is the key word. It does not prohibit in any sense. It merely says it shall not be a condition. I think one can read that.

Mr. GIAIMO. I move to strike the last word.

Mr. Chairman, I think we on the Committee on Appropriations have the obligation to come in here before the House and state the facts as they exist and not to give the impression that something might be so when in fact it is not.

If someone will make a careful reading of this amendment, it does not in any sense prohibit a State or an educational institution from keeping whatever records it may want to. All it says is that none of these funds shall be used to compel the school system, as a condition to receiving grants and benefits, to keep records. I think it is incorrect to say that if we support this amendment we will not be able to keep records as to the sex of the children or the number of boys and girls.

Ms. ABZUG. Mr. Chairman, I move to strike out the last word.

Earlier in the discussion of this amendment there was a colloquy between my colleagues, Mrs. Green and Mrs. Holt, and one of the things that my friend on the Committee on Appropriations, Mr. Giaimo, discussed at that time was the fact that in order to qualify for certain Federal funds under title IX, which was passed by this body, there has to be certain kinds of records kept; there has to be certain studies made in order to determine how much, for example, women on the campus want to participate in what types of athletic programs. Without that information schools are not going to be able to qualify for any funds; they are not going to be able to qualify for what is justly theirs.

I sympathize with the desire to have a general amendment instead of a specific amendment to achieve a specific objective. However, I think it is bad legislation to enact this overly broad catch-all amendment.

The fact is that this amendment involves not only some very serious questions on the classification of race, but it also raises some very serious questions on the classification of sex.

I have been on college campuses all across the country, and on all these campuses the women are asking the question: Are we going to be entitled to equal rights under the Federal programs or are we going to be denied our fair share of the Federal funds under these programs?

If this House—those of you who vote for it—adopts this amendment, then I suggest that those of you who voted for it go back to the campuses across the country and tell the students and faculty, especially the female students and faculty, that you voted in favor of an amendment denying them equal opportunity to participate in any college or university program.

I think the gentlemen should use their voices when they return to their constituents, and allow me to continue my debate here this evening.

The fact is that this amendment is too broad. I say to my dear colleague, the gentlewoman from Maryland, that the women in the women's caucus in Maryland and in the Fourth District and all the women in Maryland will not understand why the gentlewoman is sponsoring an amendment which will discriminate against women.

If this amendment succeeds, schools will be unable to qualify for these programs or any other programs. Your intentions I may or may not agree with, and I do not choose to argue about them here today. I suggest that the language is so broad so as to encompass many ills which will tend to discriminate against people, maybe not intentionally, because of their race and because of their sex. We will not be able to provide the kind of records that are necessary in order to secure the funds. We must do a certain amount of classifying in order to apply for these funds under title IX and other provisions that have become law.

Therefore, if there is any other intention, such as to pinpoint some issue concerning busing, or any other matter, I say let us discuss that on its merits and let us not attempt to veil that issue behind a catch-all amendment which will wreak such havoc in our schools that we will all be sorry if we vote for it.

I urge the Members to defeat this amendment, and if the Members have some other amendment, to bring it up; but this amendment must be defeated.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

We are not making very rapid progress in disposing of the issues before us. I plan, after the disposition of this amendment, to move that the Committee rise. It is the plan of the leadership to ask unanimous consent or to move that we meet tomorrow at 10 o'clock and resume consideration of the measure. I felt that the House ought to be aware of the plan of the committee and of the leadership with respect to the schedule.

Therefore, Mr. Chairman, I hope that we can move rapidly toward a vote on the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maryland (Mrs. Holt).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FLOOD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 220, noes 169, not voting 45, as follows:

[Roll No. 551]

AYES—220

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conable
Conlan
Cotter
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Denholm
Dennis
Devine
Dickinson
Dingell
Downing
Dulski
Duncan
Edwards, Ala.
Eshleman
Flowers
Flynt
Forsythe
Fountain
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Harsha
Henderson
Hinshaw
Hogan
Holt
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Ketchum
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Lott
Lujan
Luken
McCollister
McEwen
McKay
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Melcher
Milford
Miller
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Murtha
Myers
Nedzi
Nelsen
Nichols
O'Hara
Parris
Passman
Pettis
Poage
Powell, Ohio
Preyer
Price, Tex.
Quillen
Randall
Regula
Rinaldo
Roberts
Robinson, Va.
Rogers
Roncallo, N.Y.
Rousselot
Roy
Ruth
St Germain
Sandman
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Towell, Nev.
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
White
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion

NOES—169

Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashley
Aspin
Badillo
Bell
Bergland
Biester
Bingham
Boggs
Bolling
Brademas
Breckinridge
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clark
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Coughlin
Cronin
Culver
Danielson
de la Garza
Dellums
Dent
Diggs
Donohue
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford
Fraser
Frelinghuysen
Frenzel
Gilman
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gude
Hamilton
Hansen, Idaho
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Hicks
Holifield
Holtzman
Horton
Howard
Johnson, Calif.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Kluczynski
Koch
Kyros
Leggett
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McKinney
Macdonald
Madden
Mallary
Mazzoli
Meeds
Metcalfe
Mezvinsky
Mills
Mink
Mitchell, Md.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Natcher
Nix
Obey
O'Neill
Owens
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Price, Ill.
Pritchard
Quie
Railsback
Rangel
Rees
Reid
Reuss
Riegle
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
Sarasin
Schroeder
Seiberling
Smith, Iowa
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stokes
Studds
Symington
Thompson, N.J.
Thornton
Tiernan
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Ware
Whalen
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Yates
Young, Alaska
Young, Tex.

NOT VOTING—45

Adams
Barrett
Blackburn
Blatnik
Boland
Brasco
Carey, N.Y.
Davis, Ga.
Derwinski
Dorn
Evans, Colo.
Fisher
Fulton
Gettys
Hanna
Hansen, Wash.
Hastings
Hébert
Helstoski
Hillis
Johnson, Colo.
King
Lehman
McClory
McSpadden
Madigan
Mayne
Michel
Minshall, Ohio
Murphy, N.Y.
O'Brien
Patman
Podell
Rarick
Rhodes
Rooney, N.Y.
Runnels
Teague
Traxler
Treen
Ullman
Whitehurst
Wolff
Young, Ga.
Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Wright, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had come to no resolution thereon.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO FILE NINE CONFERENCE REPORTS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file nine conference reports.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Conference Report

(H. Rept. No. 93-1399)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6191) to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same.

The committee of conference report in disagreement the amendment of the Senate numbered 2 and the amendment of the Senate to the title of the bill.

W. D. Mills,
Al Ullman,

JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.
RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6191) to amend the Tariff Schedules of the United States to provide that certain forms of zinc be admitted free of duty, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The House bill provides for a suspension of the duty on the importation of zinc-bearing ores, zinc dross and zinc skimmings, and zinc-bearing materials until the close of June 30, 1977. Senate amendment No. 1 includes zinc waste and scrap among the zinc materials to which the suspension of duty would apply. The managers on the part of the House consider that the purposes of the bill, as passed by the House, would be best served by adoption of the Senate amendment which would provide equitable treatment for all zinc-bearing material. The House recedes.

Amendment No. 2: The Senate amendment deals with certain disaster losses where taxpayers were allowed flood casualty loss deductions and subsequently were compensated for those losses based on claims of tort. This provision specifies that in these circumstances in lieu of taking the compensation into income immediately, the taxpayers may reduce the basis of their damaged property (or replacement property) by the amount of compensation they received up to a maximum of $5,000 of tax benefits (with a reduction of the $5,000 tax benefit to the extent of the ratio of the taxpayer's adjusted gross income to $15,000). Excess benefits over this level are to be included in the income of a taxpayer over a 5-year period.

This amendment is reported in technical disagreement. The managers on the part of the House will offer the following motion: That the House recede from its disagreement to the Senate amendment numbered 2 and agree to the same, with an amendment, as follows: At the end of Senate amendment numbered 2 insert the following:

"(d)(1) In the case of an individual—

"(A) who was allowed a deduction under section 165 of the Internal Revenue Code of 1954 (relating to losses) for a loss attributable to a disaster occurring during calendar year 1972 which was determined by the President, under section 102 of the Disaster Relief Act of 1970, to warrant disaster assistance by the Federal government, and

"(B) who received a disaster loan under section 7 of the Small Business Act or an emergency loan under subtitle C of the Consolidated Farm and Rural Development Act, for purposes of determining the amount of the deduction allowable under such section 165 of the Code with respect to such loss, and for purposes of determining gross income under section 61 of such Code, such an individual is not required to take into account any part of any such loan which was cancelled under the provisions of section 7 of the Small Business Act or section 328 of the Consolidated Farm and Rural Development Act, except to the extent required under paragraph (2).

"(2) In the case of an individual described in paragraph (1) whose adjusted gross income for the year in which the loss occurred exceeded $15,000, the provisions of such paragraph apply only to so much of any loan cancelled under the provisions of section 7 of the Small Business Act or section 328 of the Consolidated Farm and Rural Development Act as bears the same ratio to the amount so cancelled as $15,000 bears to such individual's adjusted gross income for such taxable year."

The House amendment to Senate amendment numbered 2 deals with the income tax consequences of the cancellation of certain Federal disaster assistance loans made during 1972. It provides that if such a loan is cancelled in whole or in part, and the individual to whom the loan was made had an adjusted gross income for the year in which the loss occurred of not more than $15,000, he is not required to reduce the amount of his casualty loss deduction by the amount of the loan cancelled or to include that amount in income. If the individual's adjusted gross income for the year in which the loss occurred was more than $15,000, he is permitted to disregard a percentage of the amount cancelled for tax purposes equal to the percentage which $15,000 is of his adjusted gross income for that year. The maximum amount of a disaster loan which could be cancelled under Federal law during the period to which the House amendment applies was $5,000.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment number 2.

Amendment to title:

The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.
RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

CONFERENCE REPORT (H. REPT. NO. 93-1400)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6642) to suspend the duties of certain bicycle parts and accessories until the close of December 31, 1976, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, and 4, and agree to the same.

The committee of conference report in disagreement the amendments of the Senate numbered 5, 6, 7, 8, and 9, and the amendment of the Senate to the title of the bill.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.
RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6642) to suspend the duties of certain bicycle parts and accessories until the close of December 31, 1976, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendments Nos. 1, 2, 3, and 4: The House bill extends the existing suspension of duties on certain bicycle parts and accessories from January 1, 1974, until the close of December 31, 1976. Senate amendments Nos. 1, 2, 3, and 4 make conforming changes to the House provisions. The House recedes with respect to these amendments.

Amendment No. 5: The Senate amendment added a new section 2 to the bill. Since enactment of the 1969 Tax Reform Act, the Internal Revenue Service has, by administrative determination, provided a moratorium with respect to the application of the new moving expense rules to members of the armed services. The most recent extension of the IRS moratorium is to expire at the end of the present Congress. Senate amendment numbered 5 extends this moratorium until January 1, 1975, to permit a staff study to be made of possible legislative solutions pertaining to the difficulties presented.

This amendment is reported in technical disagreement. The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 5, and agree to the same with the following amendments:

(1) On page 1 of the Senate engrossed amendments, in the seventh line from the bottom strike out "Section 22" and insert "Section 82".

(2) On page 2 of the Senate engrossed amendments, strike out "Secretary of Defense" each place it appears and insert "Secretary concerned".

(3) On page 2 of the Senate engrossed amendments, strike out "uniformed services" each place it appears and insert "armed forces".

(4) On page 2 of the Senate engrossed amendments, strike out lines 18 through 23, and insert the following:

"(b) DEFINITIONS.—For purposes of this section, the term—

"(1) 'armed forces' has the meaning given it by section 101(4) of title 37, United States Code;

"(2) 'Secretary concerned' means the Secretary of Defense and, with respect to the Coast Guard, the Secretary of Transportation; and

"(3) 'adjusted gross income' and 'moving expenses' have the meanings given them by sections 62 and 217(b), respectively, of the Internal Revenue Code of 1954."

(5) On page 3, line 2, of the Senate engrossed amendments strike out "1975" and insert "1976".

The House amendments to Senate amendment numbered 5 extend the moratorium with respect to the application to military personnel of the moving expense rules adopted in the Tax Reform Act of 1969 until January 1, 1976, and make it clear that this moratorium also applies to the Coast Guard as well as other branches of the armed services.

The managers on the part of the Senate will move to agree to the amendments of the House to Senate amendment numbered 5.

Amendment No. 6: The Senate amendment repeals the tax and other regulatory provisions relating to filled cheese which are in the Internal Revenue Code.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 6 and agree to the same with the following amendments:

(1) On page 4 of the Senate engrossed

amendments between lines 13 and 14 insert the following:

"(8) Section 7641 (relating to supervision of operations of certain manufacturers) is amended by striking out 'filled cheese,'."

(2) On page 4 of the Senate engrossed amendments after line 16, insert the following:

"(d) AMENDMENT OF INTERNAL REVENUE CODE.—Whenever an amendment in this section is expressed in terms of an amendment to or repeal of a section or other provision, the reference is to a section or other provision of the Internal Revenue Code of 1954."

The effect of this motion is that the House recedes from its disagreement to the Senate amendment, and agrees to the same with technical amendments.

The managers on the part of the Senate will move to agree to the amendments of the House to Senate amendment numbered 6.

Amendment No. 7: The Senate amendment permits private foundations whose assets are largely invested in the stock of a multistate regulated company (which investment represents 90 percent or more of the stock of the company) to exclude the value of this stock in computing the amount of their required charitable distributions under the private foundation provisions. This amendment is designed to permit the retention of 51 percent of the stock of the company in cases of this type by permitting such investments to be ignored in applying the charitable distribution provisions.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer a motion that the House recede from its disagreement to Senate amendment numbered 7 and agree to the same.

Amendment No. 8: Senate amendment numbered 8 added a new section 5 to the bill designed to make it possible to establish a system of combined annual reporting of Social Security and income tax which would replace present procedures which require that employers make quarterly reports of the wages paid to employees which are subject to Social Security.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to the Senate amendment numbered 8, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 5. STUDY OF COMBINED ANNUAL REPORTING FOR SOCIAL SECURITY AND INCOME TAX PURPOSES

"The Secretary and the Secretary of Health, Education, and Welfare shall (1) study the desirability and feasibility of instituting a system of combined social security-income tax reporting on an annual basis, and the effect of such a system on social security beneficiaries, on the costs to employers and to the social security program, and on the administration of such program, and (2) submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, no later than December 31, 1974, a joint report of the results of such study containing their recommendations as to the provisions, procedures, and requirements which might be included in such a system and the manner in which it might be put into effect."

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 8.

The managers note that the Senate amendment was not intended to affect in any way the reporting of wages to the Department of Health, Education, and Welfare by State and local Governments which have elected Social Security coverage for their employees, and express their understanding that the joint study will not recommend any change with respect to the reporting of such wages.

Amendment No. 9: The Senate amendment increases the amount of carbon dioxide that may be contained in still wines from 0.277 to 0.392 grams per 100 milliliters of wine. This increase is intended to improve the shelf life of wines with low alcoholic content by permitting the addition of a little more carbon dioxide.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer a motion that the House recede from its disagreement to Senate amendment numbered 9, and agree to the same.

Amendment to title: The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.

RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

CONFERENCE REPORT (H. REPT. NO. 93-1401)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7780) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2, and agree to the same.

The committee of conference report in disagreement the amendments of the Senate numbered 3 and 4, and the amendment of the Senate to the title of the bill.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.

RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7780) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: The House bill extends for a two-year period (until the close of November 7, 1975) the suspension of duty on certain classifications of yarns of silk. Duties have been suspended with respect to such classifications continuously since November 7, 1971. Under the House bill, the suspension applies with respect to yarns entered after November 7, 1973, the closing date of the most recent period of suspension. The bill, however, did not pass the House until after November 7, 1973. In order to prevent a lapse in the continuity of the suspension, Senate amendment numbered 1 makes the suspension effective with respect to yarns entered on or after the date of enactment of the bill and Senate amendment numbered 2 adds a provision to the House bill which requires, upon appropriate application, that any entry of yarns made after November 7, 1973, and before such date of enactment be accorded duty-free status. The House recedes with respect to Senate amendments numbered 1 and 2.

Amendment No. 3: The Senate amendment adds a new section 2 to the bill pertaining to the treatment processes which are treated as mining in computing the percentage depletion allowance for trona. The amendment provides that the decarbonation of trona is to be treated as an ordinary treatment process. The effect of this is to continue, as provided prior to 1971, to allow percentage depletion on trona based on the value of soda ash extracted from it.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer a motion that the House recede from its disagreement to Senate amendment numbered 3, and agree to the same.

Amendment No. 4: The Senate amendment added a new section 3 to the bill under which the Federal excise tax on wagers placed with licensed persons in a State which imposes a State tax on such wagers or their proceeds would be eliminated.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SEC. 3. WAGERING TAX AMENDMENTS.—

(a) TAX ON WAGERS.—Section 4401 of the International Revenue Code of 1954 (relating to imposition of tax on wagers) is amended by striking out "10 percent" and inserting in lieu thereof "2 percent".

(b) OCCUPATIONAL TAX.—Section 4411 of the Internal Revenue Code of 1954 (relating to imposition of occupational taxes) is amended by striking out "$50" and inserting in lieu thereof "$500".

(c) DISCLOSURE OF WAGERING TAX INFORMATION.—

(1) Subchapter C of Chapter 35 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 4424. DISCLOSURE OF WAGERING TAX INFORMATION.—

"(a) GENERAL RULE.—Except as otherwise provided in this section, neither the Secretary or his delegate nor any other officer or employee of the Treasury Department may divulge or make known in any manner whatever to any person—

"(1) any original, copy, or abstract of any return, payment, or registration made pursuant to this chapter,

"(2) any record required for making any such return, payment, or registration, which the Secretary or his delegate is permitted by the taxpayer to examine or which is produced pursuant to section 7602, or

"(3) any information come at by the exploitation of any such return, payment, registration, or record.

"(b) PERMISSIBLE DISCLOSURE.—A disclosure otherwise prohibited by subsection (a) may be made in connection with the administration or civil or criminal enforcement of any tax imposed by this title. However, any document or information so disclosed may not be—

"(1) divulged or made known in any manner whatever by any officer or employee of the United States to any person except in connection with the administration or civil or criminal enforcement of this title, nor

"(2) used, directly or indirectly, in any criminal prosecution for any offense occurring before the date of enactment of this section.

"(c) USE OF DOCUMENTS POSSESSED BY TAXPAYER.—Except in connection with the administration or civil or criminal enforcement of any tax imposed by this title—

"(1) any stamp denoting payment of the special tax under this chapter,

"(2) any original, copy, or abstract possessed by a taxpayer of any return, payment, or registration made by such taxpayer pursuant to this chapter, and

"(3) any information come at by the exploitation of any such document,

shall not be used against such taxpayer in any criminal proceeding.

"(d) INSPECTION BY COMMITTEES OF CONGRESS.—Section 6103(d) shall apply with respect to any return, payment, or registration made pursuant to this chapter.".

(2) The table of sections for such subchapter is amended by adding at the end thereof the following:

"Sec. 4424. Disclosure of wagering tax information.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section take effect on December 1, 1974, and shall apply only with respect to wagers placed on or after such date.

(2) TRANSITIONAL RULES.—

(A) Any person who, on December 1, 1974, is engaged in an activity which makes him liable for payment of the tax imposed by section 4411 of the Internal Revenue Code of 1954 (as in effect on such date) shall be treated as commencing such activity on such date for purposes of such section and section 4901 of such Code.

(B) Any person who, before December 1, 1974—

(i) became liable for and paid the tax imposed by section 4411 of the Internal Revenue Code of 1954 (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be liable for any additional tax under such section for such year, and

(ii) registered under section 4412 of such Code (as in effect on July 1, 1974) for the year ending June 30, 1975, shall not be required to reregister under such section for such year.

The House amendment to Senate amendment numbered 4 reduces the 10 percent Federal excise tax on wagers to 2 percent as of December 1, 1974. In addition, the $50 annual occupational tax imposed on persons liable for the tax on wagers and on persons engaged in receiving wagers is increased to $500 as of December 1, 1974. However, persons subject to this tax who, prior to December 1, 1974, have paid the tax for the fiscal year ending June 30, 1975, will not be subject to the increase in the annual occupational tax for the fiscal year ending June 30, 1975.

The amendment also provides specific restrictions as to the disclosure and use of information pertaining to taxpayer compliance with Federal wagering taxes. Although existing law (sec. 6103) provides broad limitations on the publicity of income tax returns, no such restrictions exist for returns and other documents related to the wagering taxes. In 1968 Congress repealed section 6107 of the Internal Revenue Code which provided for public inspection of the names of all persons paying occupational taxes, including the wagering occupational tax. Despite this repeal, current law remains ambiguous in that no specific provision exists barring disclosure of wagering tax information.

Consequently, to resolve any remaining doubts which may exist under the rationale of the *Marchetti* v. *U.S.* (390 U.S. 39 (1968)) and *Grosso* v. *U.S.* (390 U.S. 62 (1968)) cases, the amendment provides that no Treasury Department official or employee may disclose, except in connection with the administration or enforcement of internal revenue taxes, any document or record supplied by a taxpayer in connection with such taxes, or any information obtained through any such documents or records. Additionally, the amendment provides that certain documents related to the wagering taxes, and information obtained through such documents, may not be used against the taxpayer in any criminal proceeding, except in connection with the administration or enforcement of internal revenue taxes.

It is expected that these changes in the law will remove any constitutional problems regarding enforcement of the wagering taxes.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 4.

Amendment to title: The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.

RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

CONFERENCE REPORT (H. REPT. No. 93-1402)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11251) to amend the Tariff Schedules of the United States to provide for the duty-free entry of methanol imported for use as a fuel, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, and 3, and agree to the same.

The committee of conference report in disagreement the amendments of the Senate numbered 4 and 5, and the amendment of the Senate to the title of the bill.

W. D. MILLS,
AL ULLMAN,
JAMES A. BURKE,
H. T. SCHNEEBELI,
HAROLD R. COLLIER,
Managers on the Part of the House.

RUSSELL LONG,
HERMAN E. TALMADGE,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11251) to amend the Tariff Schedules of the United States to provide for the duty free entry of methanol imported for use as fuel, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendments Nos. 1, 2, and 3: The House bill provides for the duty-free entry of methyl when imported (from free world countries) only for use in producing synthetic natural gas (SNG) or for direct use as a fuel. Senate amendments numbered 1 and 2 make a technical and a conforming change to the House provision. Senate amendment numbered 3 provides that the duty free treatment for methyl under the House bill shall be treated as not having the status of a statutory provision enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party. The Senate amendment would permit parties affected by methyl imports to apply for trade adjustment or adjustment assistance should such relief become appropriate. The House recedes with respect to Senate amendments numbered 1, 2, and 3.

Amendment No. 4: The Senate amendment specifies that a financing corporation is not to be prevented from qualifying as a DISC if it holds accounts receivable or evidences of indebtedness which arise by reason of the export-related transactions of a related DISC. The present tax law requires that at least 95 percent of a corporation's assets be export-related in order to qualify as a DISC. These export-related assets include accounts receivable or evidences of indebtedness which arise in connection with the export transactions of the corporation. Thus presently a corporation with whom the export transaction arose can retain these accounts receivable or evidences of indebtedness as its only assets and continue to qualify as a DISC. However, if these accounts receivable or evidences of indebtedness are transferred to another corporation, which retains these as its only assets, this transferee corporation cannot presently qualify as a DISC. The amendment would allow the transferee financing corporation to hold these accounts receivable or evidences of indebtedness and qualify as a DISC if they arise by reason of the export-related transactions (whether as principal or agent) of a related DISC.

This amendment is reported in technical disagreement. The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 4, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"SEC. 3. (a) Section 993 (b) (3) of the Internal Revenue Code of 1954 (relating to qualified export assets) is amended by striking out 'such corporation' and inserting in lieu thereof 'such corporation or of another corporation which is a DISC and which is a member of a controlled group which includes such corporation'.

"(b) The amendment made by subsection (a) applies to taxable years beginning after December 31, 1973. The amendment shall, at the election of the taxpayer made within 90 days after the date of enactment of this Act, also apply to any taxable year beginning after December 31, 1971, and before January 1, 1974."

The effect of the motion is that the House recede from its disagreement to Senate amendment numbered 4, and agree to the same with technical changes.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 4.

Amendment No. 5: The Senate amendment extends the period for special tax treatment of certain low income housing rehabilitation expenditures to expenditures made prior to January 1, 1978. Section 167(k) of the Internal Revenue Code, adopted as part of the Tax Reform Act of 1969, permits taxpayers to depreciate rehabilitation expenditures for low- and moderate-income rental housing over a period of 60 months. The provision only applies to expenditures made prior to January 1, 1975. This provision is applicable only where at least $3,000 per unit is spent for rehabilitation over a 2-year period and no more than $15,000 per unit qualifies for this special treatment. The amendment would extend this special tax treatment for rehabilitation expenditures to those made prior to January 1, 1978.

This amendment is reported in technical disagreement. The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 5, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Sec. 4. Notwithstanding the provisions of section 167(k)(1) of the Internal Revenue Code of 1954 (relating to depreciation of expenditures to rehabilitate low income rental housing), the provisions of section 167(k) shall apply with respect to rehabilitation expenditures incurred with respect to low income rental housing after December 31, 1974, and before January 1, 1978, if such expenditures are incurred pursuant to a binding contract entered into before December 31, 1974.".

The House substitute for the Senate amendment extends the period for special tax treatment of such expenditures only to expenditures made under a binding contract entered into before December 31, 1974. This provision was limited at this time to cover only binding contracts before the end of this year rather than an extension of section 167(k), as provided in the Senate amendment, because the House Committee on Ways and Means has provided in its tax bill, which it is presently marking up, for the extension of all the 60 month amortization provisions which expire at the end of 1974.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 5.

Amendment to title: The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Conference Report (H. Rept. No. 93–1403)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11452) to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 6.

That the House recede from its disagreement to the amendments of the Senate numbered 3 and 4, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "6/30/79"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "6/30/79"; and the Senate agree to the same.

The committee of conference report in disagreement the amendments of the Senate numbered 5 and 7.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Joint Explanation Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11452) to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendments Nos. 1 and 2: The House bill provides for a suspension of the duty on certain feathers and downs until the close of December 31, 1979. Senate amendments numbered 1 and 2 shorten the period of duty suspension by two years until the close of December 31, 1977. Under the conference agreement, the period of suspension proposed by the House is adopted but reduced by six months (until the close of June 30, 1979) in order to prevent the suspension period from expiring at a time when Congress is normally not in session.

Amendments Nos. 3 and 4: Senate amendments numbered 3 and 4 would delete the authority contained in the House bill under which the President, in the exercise of his trade agreements authority, could grant a concession on the duty-free status for feathers and downs provided for in the bill if such concession were granted during the statutory suspension of the duty. In view of the continued absence of any trade agreements authority, the House recedes.

Amendment No. 5: Under the Internal Revenue Code of 1954, life insurance companies are excluded from filing a consolidated return with their affiliates even though the requisite stock ownership exists. Present law also exempts life insurance companies, as well as other corporations (such as banks), from personal holding company status, even though they receive the requisite amount of passive income, because of the nature of their business activities. However, dividends received from a life insurance company by members of an affiliated group are treated as personal holding company income (such dividends would not be so treated if the life insurance company were permitted to file a consolidated return with the group).

Senate amendment numbered 5 provides that dividends received by members of an affiliated group from a life insurance company subsidiary will not be treated as personal holding company income. Thus, the Senate amendment treats dividends so received in the same manner they would be treated if a life insurance company subsidiary was permitted to file a consolidated return as a member of an affiliated group.

This amendment is reported in technical disagreement. The managers on the part of the House will offer a motion that the House recede from its disagreement to Senate amendment numbered 5, and agree to the same.

Amendment No. 6: Senate amendment numbered 6 would permit, subject to certain conditions and limitations, a deduction for estate tax purposes of up to $200,000 of the value of a decedent's interest in a family farming operation.

The Senate recedes.

Amendment No. 7: Senate amendment numbered 7 adds a new section to the bill which postpones from January 1, 1975, to January 1, 1976, the requirement that Federal employee health coverage be coordinated with Medicare as a condition of Medicare reimbursement for services provided persons eligible under both programs. In the absence of substantial progress thus far toward coordination of the two programs, the Civil Service Commission and the individual Federal employee plans would have great difficulty in meeting the January 1, 1975, deadline for coordination. The Civil Service Commission and the Secretary of HEW would be required to submit to the proper Committees of the Congress by March 1, 1975, a report on steps that have been taken and are planned to accomplish the coordination; if the report is not submitted by March 1, 1975, Medicare would stop paying for services that are covered by a Federal employee plan as of July 1, 1975, rather than as of January 1, 1976.

This amendment is reported in technical disagreement. The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 7, and agree to the same with an amendment as follows: On page 4, line 18, of the Senate engrossed amendments, strike out "Sec. 5" and insert "Sec. 4".

The effect of the proposed motion is that the House recede from its disagreement to Senate amendment numbered 7 and agree to the same, except for a correction of the section number of the new section added by the Senate amendment.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 7.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Conference Report (H. Rept. No. 93–1404)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11830) to suspend the duty on synthetic rutile until the close of June 30, 1977, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the text of the bill.

That the Senate recede from its amendment to the title of the bill.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11830) to suspend the duty on synthetic rutile until the close of June 30, 1977, submit the following joint statement to the House and the

Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

State-conducted lotteries are exempt from the Federal excise tax on wagers, if the winners are determined by the results of a horse race. The Senate amendment would amend existing law to remove this requirement. The amendment would also exempt vending machines which dispense tickets in a State-conducted lottery from the occupational tax on coin-operated gaming devices.

The Senate recedes.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.
Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Conference Report (H. Rept. No. 93-1405)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12035) to suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement the amendments of the Senate numbered 1, 2, 3, and 4, and the amendment of the Senate to the title of the bill.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.
Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12035) to suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The Senate amendment provides for an extension of time to allow charitable remainder trusts to conform to the requirements provided in the Tax Reform Act of 1969 for purposes of an estate tax deduction. As a result of the 1969 Act, charitable remainder trusts must meet certain requirements in order for an estate tax deduction to be allowed for the transfer of a remainder interest to charity. In general, these requirements apply in the case of a decedent dying after December 31, 1969. Present transitional rules allow a trust created after July 31, 1969, to qualify if the governing instrument of the trust is amended to meet these new requirements by December 31, 1972. The Senate amendment extends the application of these transitional rules to December 31, 1975.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 1, and agree to the same with the following amendments: On page 1 of the Senate engrossed amendments, in the seventh line from the bottom, strike out "(3) If" and insert "(3) In the case of a will executed before September 21, 1974, or a trust created before such date, if".

On page 2, line 6, strike out "or" and insert a comma.

On page 2, line 7, after the comma insert the following: "or a pooled income fund (described in section 642(c)(5)),".

On page 2, line 15, of the Senate engrossed amendments, strike out "and" and insert a comma.

On page 2, line 16, of the Senate engrossed amendments, after "decedents)" insert ", and chapter 42 (relating to private foundations)".

The House amendments to Senate amendment numbered 1 limit the extension of the transitional rules to wills executed before September 21, 1974, and trusts created before such date, and make minor and technical changes in the Senate amendment.

The managers on the part of the Senate will move to agree to the amendments of the House to Senate amendment numbered 1.

Amendment No. 2: The exclusion from gross income for certain amounts received as a scholarship at an educational institution or as a fellowship grant generally does not apply if the amounts received represent compensation for past, present, or future employment services. The Internal Revenue Service has notified the Department of Defense in response to its request for a ruling that certain amounts received by students toward their educational expenses while participating in the recently instituted Armed Forces Health Professions Scholarship Program are not excludable from their gross income because of the individual's commitment to future service with the Armed Forces. Thus, under this position the individuals are subject to tax on the amounts received. The Senate amendment provides that the exclusion for scholarship and fellowship grants is to apply to payments made by the Government for the tuition and certain other educational expenses of a member of the uniformed services attending an educational institution under the Armed Forces Health Professions Scholarship Program (or substantially similar programs) until January 1, 1976, pending a review by the staff of the effect of application of this provision.

The Senate amendment also includes a section providing similar treatment for certain student loans, all or a portion of which may be cancelled if the recipient performs certain specified work. This provision was inadvertently included in the Senate engrossed amendments.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 2, and agree to the same with an amendment as follows: On page 4 of the Senate engrossed amendments, line 8, strike out "Definitions" and insert "Definition of Uniformed Services".

On page 4 of the Senate engrossed amendments, beginning with line 14, strike out all through line 18 on page 5.

The House amendment to Senate amendment numbered 2 deletes the provision relating to student loans, and corrects a clerical error.

The managers on the part of the Senate will move to agree to the amendments of the House to Senate amendment numbered 2.

Amendment No. 3: The Senate amendment added a new section 3 to the bill. This amendment permits insurance companies writing lease guarantee insurance and insurance guaranteeing the debt service of municipal bond issues to deduct additions to contingency reserves in accordance with the current treatment of similar additions for mortgage guarantee insurance under sec. 832(e) of the Internal Revenue Code of 1954. The amendment allows a 20-year loss carryback in the case of losses arising from the insurance of tax exempt State and local obligations rather than the 10-year net operating loss carryback presently available for mortgage guaranty insurance. In the case of lease guaranty insurance, a 10-year net operating loss carryback is provided. The deduction for additions to the special contingency reserve permitted under this amendment produces a "tax benefit". However, the taxpayer is required to invest the funds so obtained in noninterest bearing Federal tax-and-loss bonds. The United States has unrestricted use of these funds. The tax-and-loss bonds acquired by the taxpayer cannot be redeemed, unless net operating losses are incurred, until the contingency reserves are restored to income, which must occur, at the latest, within 10 years.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 3, and agree to the same with an amendment as follows: On page 5, line 20, of the Senate engrossed amendments, strike out "Sec. 6" and insert "Sec. 5".

The effect of this motion is that the House recedes from its disagreement to the Senate amendment and agrees to the same with a clerical amendment correcting the section number.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 3.

Amendment No. 4: The Senate amendment added a new section 7 to the bill. Under present law (Rev. Rul. 73-511: 1973-2CB 402) banks, savings and loan associations, and other financial institutions are required to report annually the gross amount of interest paid or accrued with respect to each time savings account or deposit. Individual taxpayers must include such payments or accruals in determining their gross income annually. If an individual prematurely withdraws his funds which are on deposit in such accounts, a substantial penalty is generally imposed and that individual is required to forfeit part of the interest previously earned. Where an individual does not itemize his deductions in determining his taxable income, under present law he is unable to claim a deduction for the interest forfeited even though the interest received or accrued has been previously included in income. The amendment authorizes a deduction for such interest forfeitures from gross income in calculating adjusted gross income. Accordingly, this change permits a taxpayer to obtain the benefits of a deduction for interest forfeited while utilizing the standard deduction or low-income allowance in computing taxable income.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 4, and agree to the same with amendments, as follows: On page 6, line 21, of the Senate engrossed amendments, strike out "Sec. 7" and insert "Sec. 6".

On page 6, line 22, of the Senate engrossed amendments, strike out "(9)" and insert "(10)".

On page 6, line 24, of the Senate engrossed amendments, strike out "(10)" and insert "(11)".

The effect of this motion is that the House recedes from its disagreement to the Senate amendment and agrees to the same with a clerical amendment correcting the section number, and technical amendments correcting paragraph designations in the Internal Revenue Code of 1954.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 4.

Amendment to title: The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Conference Report (H. Rept. No. 93–1406)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12281) to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement the amendment of the Senate to the text of the bill and the amendment of the Senate to the title of the bill.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12281) to continue until the close of June 30, 1975, the suspension of duties on certain forms of copper, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment adds a new section 3 to the bill to permit a corporation in a limited type of situation to deduct as a loss its payment of a judgment against it as the successor to the business of a liquidated corporation, when the liquidation occurred before July 1, 1957. The amendment permits a taxpayer to deduct a loss occasioned by a contingent liability created as the result of a reversal of a U.S. Court of Appeals decision which was not foreseeable. The amendment is intended to correct an inequity under existing law so that taxpayers who have acquired the assets of a liquidated corporation may deduct the unanticipated loss in the year incurred in the same fashion as the liquidated corporation would have been permitted to had it remained in existence.

This amendment is reported in technical disagreement. The managers on the part of the House will offer a motion that the House recede from its disagreement to the Senate amendment to the text of the bill, and agree to the same.

The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Conference Report (H. Rept. No. 93-1407)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13631) to suspend for a temporary period the import duty on certain horses, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

The committee of conference report in disagreement the amendments of the Senate numbered 1 and 2, and the amendment of the Senate to the title of the bill.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Herman E. Talmadge,
Wallace F. Bennett,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13631) to suspend for a temporary period the import duty on certain horses, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1: The Senate amendment added a new section 3 to the bill relating to judicial review of decisions regarding reimbursement under the Medicare program. Public Law 92–603 (enacted in October 1972) established a Provider Reimbursement Review Board to review and decide upon substantial reimbursement issues raised by providers of services. Providers could appeal to the Federal courts any modification or reversal of a Board decision made by the Secretary which was adverse to the provider. The amendment would permit judicial review of the Board's unmodified findings as well. In addition, interest would be paid to the party who won—the government or provider. The amendment would specifically not apply to other judicial review avenues existing with respect to cost reports for periods prior to June 30, 1973.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 1, and agree to the same with amendments as follows: On page 2, line 12, of the Senate engrossed amendments, strike out "of" and insert "on".

On page 2 of the Senate engrossed amendments, strike out lines 20 through 25, and insert the following:

"(b) The amendment made by subsection (a) shall be applicable to cost reports of providers of services for accounting periods ending on or after June 30, 1973."

The House amendments to the Senate amendment change the effective date provision to conform to the text of the original provider reimbursement review board provision in P.L. 92-603.

The managers on the part of the Senate will move to agree to the amendments of the House to Senate amendment numbered 1.

Amendment No. 2: The Senate amendment added a new section 4 to the bill under which an individual in a non-profit retirement home or institution will not have his Supplemental Security Income (SSI) benefits reduced because his support and maintenance in that home or institution is partially subsidized by the home itself or by some other non-profit organization. Under the SSI program for the aged, blind, and disabled, all forms of income—including room and board furnished for less than cost—are used to reduce the amount of benefits payable. Thus, if a non-profit home for the aged subsidizes an aged resident by charging less than full cost, the amount of the subsidy is considered income and serves to reduce the individual's SSI payment. This then requires a larger subsidy which in turn causes a larger reduction in SSI and so on until the SSI payment is reduced to zero. The Senate amendment would eliminate such reductions if the cost of the subsidized support and maintenance is borne by the non-profit home or institution or by another non-profit organization. This would not include those cases where an individual has turned over his assets to the institution in prepayment for all or a portion of lifetime care.

This amendment is reported in technical disagreement.

The managers on the part of the House will offer the following motion: That the House recede from its disagreement to Senate amendment numbered 2, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Sec. 4. Effective January 1, 1974, section 1612 (a)(2)(A) of the Social Security Act is amended—

"(1) by inserting '(i)' immediately after 'except that'; and

"(2) by inserting immediately before the semicolon at the end of the subparagraph the following: 'and (ii) in the case of any individual or his eligible spouse who resides in a nonprofit retirement home or similar nonprofit institution, support and maintenance shall not be included to the extent that it is furnished to such individual or such spouse without such institution receiving payment therefor (unless such institution has expressly undertaken an obligation to furnish full support and maintenance to such individual or spouse without any current or future payment therefor) or payment therefor is made by another nonprofit organization'."

The House substitute for the Senate amendment specifies that the amendment will be effective January 1, 1974, and adds words to assure that institutions which have traditionally provided lifetime care without cost to retired members of a fraternal order or union would not be relieved from this responsibility and that the SSI beneficiaries in them would not automatically become eligible for full SSI benefits.

The managers on the part of the Senate will move to agree to the amendment of the House to Senate amendment numbered 2.

Amendment to title: The managers on the part of the House will offer a motion that the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

W. D. Mills,
Al Ullman,
James A. Burke,
H. T. Schneebeli,
Harold R. Collier,
Managers on the Part of the House.

Russell Long,
Wallace F. Bennett,
Herman E. Talmadge,
Managers on the Part of the Senate.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the supplemental appropriation bill which has just been under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST FOR ADJOURNMENT TO 10 O'CLOCK ON WEDNESDAY, OCTOBER 2

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10 o'clock tomorrow morning.

Mr. HALEY. Mr. Speaker, I object.

Mr. DINGELL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

ADJOURNMENT TO 10 O'CLOCK, WEDNESDAY, OCTOBER 2

Mr. O'NEILL. Mr. Speaker, I move that when the House adjourns today, it adjourn to meet at 10 o'clock tomorrow morning.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts.

The motion was agreed to.

LEGISLATIVE PROGRAM FOR WEDNESDAY, OCTOBER 2

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL. Mr. Speaker, I take this time to announce the schedule for tomorrow.

Mr. Speaker, concerning the schedule for tomorrow we will meet at 10 o'clock and the supplemental appropriation bill will be the first matter up.

We will have the supplemental appropriation bill until 12:30, at which time the Chairman will ask to rise. At that time we will then take up the Bolling resolution, until 4:30, when Mr. Bolling will ask to rise, and then we will go back to the supplemental appropriation bill.

It is the intention that there will be no session on Friday of this week.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks announced that the Senate has passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 1131. Joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes.

The message also announced that the Senate insists upon its amendments to the joint resolution (H.J. Res. 1131) entitled "A joint resolution making further continuing appropriations for the fiscal year 1975, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McClellan, Mr. Stennis, Mr. Pastore, Mr. McGee, Mr. Mansfield, Mr. Proxmire, Mr. Inouye, Mr. Eagleton, Mr. Young, Mr. Hruska, Mr. Cotton, Mr. Case, Mr. Brooke, and Mr. Hatfield to be the conferees on the part of the Senate.

SALE OF PUBLIC LANDS IN ALASKA FOR USE AS MISSION SCHOOL

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from Alaska (Mr. Young) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I would like to introduce a measure today which would remove a cloud over the title to certain land now held by the Catholic bishop of Northern Alaska.

In 1953, this property was transferred to the bishop by Private Law 152 for use as a mission schol. This was not a grant, but a sale and the church paid more than the appraised value. A mission school was built and used for many years. Now, the State has taken over the responsibility of educating the children who formerly utilized the school. The school is no longer used for educational purposes. The church wishes to sell the property for use as a support facility for construction of the Alaska pipeline. It will benefit all parties concerned, as well as the public interest, if this matter is resolved expeditiously.

The bill follows:

H.R. 16991

A bill to amend the act entitled "An act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school," approved August 8, 1953

Be it enacted by the Senate and House of Representative of the United States of America in Congress assembled, That the first section of the Act entitled "An Act to authorize the sale of certain public lands in Alaska for use as a mission school", approved August 8, 1953 (67 Stat. A53), is amended by deleting "for use as a mission school,".

REBUILDING THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKinney) is recognized for 10 minutes.

Mr. McKINNEY. Mr. Speaker, it is no secret that the reorganization of this body of Congress is long overdue. Structural modernization, and procedural modifications must be completed in this session if we are to demonstrate to the people that we are capable of restructuring a cumbersome and sometimes unresponsive committee system.

For the past 2 years the American people have witnessed the attempt of Congress to regain power usurped by the executive branch. The lesson which can be learned from this struggle is the need for Congress to clean house and establish a committee system which responsively and efficiently acts upon the needs of its constituents while at the same time being strong enough to "ride herd" over the executive branch.

The intent of H.R. 988, the Bolling committee recommendations, is to enable the House to accomplish these goals. I urge your support in the passage of this measure. This House has not had a reorganizational effort since 1946. Now, almost 20 years later, H.R. 988 enables us to deal with todays pressing legislation with a committee system equipped with today's methods and structure.

While other compromise measures have been introduced, I believe that the Bolling recommendations provide the most efficient means toward establishing committees whose area of specialization truly reflects the legislation referred to them, whose staffs are sufficient to handle the committees workloads, and whose congressional members are involved in the activities of one major committee as opposed to numerous minor committee roles.

The Bolling committee recommendations were made in a response to a grave need recognized by most Members of Congress. The recommendations were made and unanimously reported out by a bipartisan committee. Among the members of the committee were Representatives who will lose some areas of control but are willing to sacrifice this limited sphere of influence in order to provide for a more responsive system. I ask my colleagues to do the same. I ask you to think of the benefits *evident in* such reorganization. The committees will be able to more effectively deal with specific types of legislation, the reorganization will enable you to focus more on specific areas of concentration thereby enabling you to do your job with more expertise, the assignment of bills to committees will be more intelligently and equitably made, and finally and most importantly, the reorganization will help to restore confidence to the American peope that we can responsibly and effectively do our job.

If you agree that these factors demonstrate the need for such reform, I hope that all Representatives in the House will join with me in supporting the Bolling resolution. While the Bolling proposal is not a panacea for the ills of Congress, it does provide the reforms which are needed to strengthen the structure and procedures used in this body. Now is the time for Congress to rebuild a structure which in the minds of many Americans has crumbled long ago. The Bolling recommendations will provide the tools for the construction of a new House.

THE ECONOMIC SUMMIT: A BEGINNING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Railsback) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, last week's economic summit clearly pointed out that the inflation problem is not going to be quickly or easily resolved. The many divergent recommendations also made it clear that there is no consensus on what should be done. However, I was greatly encouraged that we are at least taking a coordinated approach against inflation, and that several recommendations presented at the summit closely parallel ones I have advocated for several years:

First. Tax credits for higher education;

Second. Exemptions on savings up to $1,000;

Third. Deregulation of natural gas, and increased energy alternatives;

Fourth. Increased insurance for deposits from $20,000 to $30,000;

Fifth. Strong efforts by the newly established congressional budget committees;

Sixth. Vigorous enforcement of the antitrust laws;

Seventh. Reducing the budget for fiscal year 1975 to at least $300 billion;

Eighth. Voluntary restraint by consumers;

Ninth. International cooperation; and

Tenth. Increased personal exemption.

I was also encouraged to note that emphasis was placed by the delegates on more jobs and expansion of credit for productive investments and further development of our valuable agricultural commodities. In addition, new health security programs were recognized as imperative to fight inflation and social injustice; and the problems of the poor, elderly, and minorities were highlighted. As politicians, I especially agreed with one statement, that we must certainly be sensitive to the effects of inflation on all segments of the economy and must listen to the supermarket, unemployment, and assembly lines.

However, two proposals which were mentioned, I strongly oppose:

First. Reimposition of wage and price controls; and

Second. Increased tax on gasoline.

Fortunately, at the summit, President Ford reiterated his own opposition to mandatory controls, and assured all present that he will not ask for wage and price control authority. However, since the President did not dismiss the possibility of an increase in gasoline taxes, I have today written Mr. Ford, explaining why I am unalterably opposed to such a proposal.

Mr. Speaker, in conclusion I would just like to say that this economic summit marked the beginning of an attack on inflation. It is obviously not a panacea, but, based on what we heard last week, hopefully, the administration will, within the next 10 days, present a workable program that will put us back on the road to economic recovery, production, and stability.

PROJECT INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 15 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise today to commend the solid progress now being made in developing the working blueprint for Project Independence, and to comment further on the current state of our energy dilemma and its contribution to our economic woes.

Based on what I have read and heard of the public hearings on Project Independence now being conducted around the country, the development of our master plan for energy independence seems to be well underway, but the importance or achieving success in this venture cannot be overemphasized—the future of our country and the quality of life we enjoy literally hangs in the balance.

Now that the lines at the gasoline pump have subsided and we can view our energy problems apart from the crisis and controversy caused by the Arab embargo, I think we can all see that the embargo brought to light the dangers of America's growing dependence on foreign oil imports. Like the popular commercial, the embargo slapped America right in the face, but now we find ourselves awake and alert, saying "Thanks, I needed that," because we as Americans are now conscious of the need to develop a comprehensive plan for our energy future. As I see it, the significant conservation efforts now underway and the attendance at and inputs to the Project Independence hearings are proof positive that the American people are taking this matter seriously.

As a result of this national dialog, many Americans are raising questions about Project Independence, America's energy resource potential and the impact of higher energy costs on our inflation-ridden economy and their questions deserve to be answered as fairly, firmly, and factually as we can.

PROJECT INDEPENDENCE: WHAT IS IT?

There seems to be a good deal of concern and confusion over the primary goal of Project Independence, and many Americans are rightfully asking: Can it work? What is in it for America? What about the rest of the world?

As outlined by Federal Energy Administration, the long-term goal of Project Independence is "to reduce U.S. dependence on foreign energy sources by decreasing the growth of U.S. energy consumption and increasing the rate of development of U.S. domestic energy resources."

As I see it, this goal is realistic, and attaining it is simply a "must."

Why?

Let's return to some basic facts:

For the past 20 years, U.S. energy demand has grown at an annual rate of between 4 and 5 percent.

At the same time, domestic energy production has declined.

Coal production has not increased significantly since 1942.

Crude oil production leveled off in 1970.

Since 1968, natural gas production has failed to match consumption.

As a result of these and other factors, our reliance on foreign oil imports has increased dramatically from 15 percent in 1960 to over 38 percent in 1973–74. Based on current consumption figures, it has been estimated that the United States may have to import nearly 50 percent of its oil supply in 1985 if no measures are taken to restrain the growth in demand or to increase the amount of energy produced domestically.

Why is Project Independence important to the average American?

Looking back to the days of the embargo, I think most of us can agree that in the long run, oil imports at current or higher levels would not be in America's vital foreign policy interests, nor would they be in the best economic interests of American working men, and women, whose pocketbooks continue to be severely strained by rising fuel prices. That is a problem I think we can all identify with, and I for one think the American people would be better served if the greater share of the energy they consumed came from more reliable sources at more stable prices.

What about the rest of the world?

Rather than representing a self-serving attempt to secure America's energy future at the expense of the rest of the world, Project Independence has the potential for serving as an historic first step to assure all nations an adequate supply of energy at reasonable prices. In this regard, I am pleased to note that President Ford has emphasized this objective in speaking of the need for an international Project Interdependence in his recent address to the World Energy Conference meeting in Detroit.

Considering that demand for energy is "up" not just in the United States, but in all the industrialized and developing nations, it is conceivable that consumption might one day exceed expansion of available energy supplies. With this in mind, implementation of a detailed plan for national energy conservation and expanded production of domestic energy supplies would reduce America's dependence on foreign imports, leaving a greater share of these supplies for other nations, many of which cannot reduce import levels without severe economic hardship and dislocation. And there is no question but that a constraint on the demand for higher priced oil imports can and will have a positive effect on our balance of payments and the battle against inflation.

America's energy independence, then, could be a key factor in the effort to effectively solve our economic problems at home and abroad, and there is no doubt in my mind that that is important to the rest of the world.

AMERICA'S ENERGY RESOURCES: CAN WE ACHIEVE INDEPENDENCE?

The answer to this question really depends on our definition of "independence."

I think all of us realize that it would be neither realistic nor desirable to think in terms of an America totally independent from the rest of the world in energy. But by developing and utilizing our vast inventory of energy resources, it is possible that we can constrain future demand for oil imports.

Consider these two important points:

The United States is roughly 85 percent self-sufficient in energy. That puts us in a better position than virtually any other industrialized nation except Canada and the Soviet Union.

From a resource standpoint, the United States is literally an underdeveloped nation. For example, current estimates of "proven" and "remaining recoverable" reserves of crude oil, natural gas, coal, and shale oil, as prepared by the Energy

Subcommittee of the House Committee on Science and Astronautics are as follows:

Proved and currently recoverable and estimated total remaining recoverable

Natural gas—proved recoverable 279 trillion cubic feet; estimated recoverable 1,447 trillion cubic feet.

Crude oil—proved recoverable 38.1 billion barrels; estimated recoverable 335 billion barrels.

Coal—proved recoverable 197 billion tons; estimated recoverable 1,433 billion tons.

Shale oil—proved recoverable 77 billion barrels; estimated recoverable 1,068 billion barrels.

Add to this the "untapped" potential of nuclear, solar, and geothermal energy, and you have a veritable "stockpile" of potential energy.

Even with maximum domestic production efforts, oil imports will continue to play a key role for many years to come in satisfying our energy demands. But I think we can and must hold down the rate of foreign imports to a point where the foreign oil we depend on to balance domestic demand with available supplies comes from those sources which prove to be the most reliable.

ENERGY INDEPENDENCE: WHAT PRICE MUST WE PAY?

There is no question but that the three to fourfold increases in the cost of imported oil have further fanned the fires of inflation in America, and every one of us are feeling the added "pinch" when we go to the gas station or the supermarket or pay our electric bill.

How much higher will foreign oil prices go?

While it is difficult to say how much these costs will increase in the future, I strongly believe we are going to be vulnerable not only to substantial price increases, but also to the threat of international boycotts and other untold economic problems until we can significantly reduce our dependence on oil imports.

And, in counting the real cost of these imports, we have got to include the cost of the economic disruption caused by the embargo, which FEA estimated at about $20 billion or roughly 4 percent of our 1973 gross national product. Though it is unpleasant to think about, given the explosive situation in the Middle East, a new embargo could be imposed at any time, and the cost, in terms of higher prices to the American consumer, would again be staggering.

What about the costs of producing more energy here at home?

Again, it is difficult to speculate, but it is clear that the monetary costs alone will be well into the billions of dollars. One recent survey estimated, for example, that the oil industry alone will have to expend $1,350 billion by 1985 in order to meet the growing demand for energy.

But there are also other concerns—principally environmental and social factors—that must be considered. Perhaps the best way to get some idea of these concerns is to examine and weigh the alternatives that the public must ultimately decide. Energy Administrator Sawhill raised a number of these questions at the first Project Independence hearing in Denver, when he spoke of "The Energy Choices We Face":

> Should we accelerate surface mining of coal or emphasize deep mining?
>
> How much of our offshore oil and gas resources can we develop without paying too high an environmental cost?
>
> How do we approach the serious problems of construction delays in nuclear power plants that now take 8 to 10 years to complete? And how do we proceed in developing breeder reactor technology? How do we insure their safety?
>
> In achieving our energy conservation goals, should we depend on voluntary programs? Or mandatory goals developed in Washington?

Answering these and other questions related to the development of our energy future, Mr. Speaker, will require the participation, cooperation, and best efforts of not only the Congress and the administration, but of all Americans.

In this regard, the Federal Energy Administartion's hearings on Project Independence are providing an historic opportunity for public participation in the decisionmaking process, and I am hopeful that concerned citizens will feel free to contribute their ideas and opinions to this effort.

IMPACT AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 5 minutes.

Mr. HOGAN. Mr. Speaker, in our consideration of this supplementary appropriations bill, I would like to impress on my colleagues the vital importance of impact aid to the schools of my district and I urge the defeat of any amendments to reduce this assistance.

In Prince Georges County, children of military personnel and other Federal employees represent approximately one-third of the public school enrollment, 50,000 out of a total of 150,000, in round numbers.

The current level of support provides the Prince Georges County schools with about $10 million in impact aid, based on 90 percent of entitlement for the children of families living on military posts and 65 percent of entitlement for children of other Federal employees. More than $8 million of the total is for the off-post, category B payments.

Although the $10 million is less than 5½ percent of the $190-million Prince Georges County school budget, it is the equivalent of 30 cents per hundred dollars on the county property tax.

Mr. Speaker, I have always supported impact aid for public schools, even though the category B payments have been opposed by every President since Harry Truman.

I have also introduced a bill that would institute Federal payments to local jurisdictions in lieu of taxes. The theory of impact aid is to replace taxes normally paid by business employers. Until legislation of this type is passed, impact aid is essential for areas like Prince Georges County.

Most of the funds appropriated in H.R. 16900 will support programs for educationally deprived children.

Maryland is one of three States required by court order to educate every handicapped child. Prince Georges County spends $7.2 million of State moneys on education for the handicapped now. Adding another $50 million nationally to the appropriations for the handicapped, as has been suggested, would mean only $1 million for Maryland and, of this, from 10 to 20 percent for Prince Georges County. The $100,000 to $200,000 is small compared to the more than $8 million in category B impact aid.

The impact funds provided by H.R. 16900 are essential for fiscal year 1975. The fiscal year is several months old. Budgets have been developed, approved, and finalized. The fall school term is underway.

Losing all of the category B impact aid could cost a typical homeowner in Prince Georges County more than $50 in additional property taxes. And there is no instant tax mechanism for raising money lost through such a reduction. H.R. 16900 continues impact aid at the same level as last year. Since costs are up, this provides less support in real terms. Clearly, the amount should not be reduced.

LITHUANIAN AMERICAN CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ROONEY) is recognized for 5 minutes.

Mr. ROONEY of Pennsylvania. Mr. Speaker, on September 28 and 29, 1974, representatives of the more than 1 million Americans of Lithuanian descent met in Chicago to attend the Lithuanian American Congress. This congress is assembled once every 5 years by the Lithuanian American Council, an organization founded in 1940 for the purpose of keeping Lithuania's culture alive and of seeking to restore its independence.

I have had the good fortune to serve on the honorary committee for the Eighth Lithuanian American Congress, and in that capacity have had the opportunity to learn a great deal about the hopes of these people for freedom in their native land.

When the Baltic States were forcibly annexed by the Soviet Union in 1940, a 22-year period of freedom and democracy came to a tragic end. Established as an independent nation in 1918, after over a century of Russian domination, Lithuania's independence seemed virtually assured by the signing of a peace treaty with Russia in 1920, in which Lithuania was officially recognized as an independent state and Russia pledged that it would forever renounce all rights of sovereignty.

The freedom of self-determination has been denied the Lithuanians since 1940, however, when they became only one of a number of unwilling countries absorbed into the Union of Soviet Socialist Republics. Lithuanians have been under intense pressure for over 30 years to abandon their language, religion, and culture. They persist in having a vision for the future, nevertheless, when they regain their national identity and their personal liberties.

Only when we come face to face with those who have lost their personal and national freedoms can we fully understand how very precious are our own liberties and how much we sometimes take them for granted.

CAPITAL MARKETS ADVISORY COMMITTEE ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MOORHEAD) is recognized for 5 minutes.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I am introducing today for myself and the gentleman from New Jersey (Mr. WIDNALL) the Capital Markets Advisory Committee Act of 1974. The bill establishes a broad based Capital Markets Advisory Committee, chaired by the Chairman of the Board of Governors of the Federal Reserve System, to assist banks and other financial institutions in a voluntary credit allocation program.

The recent economic summits have produced almost unanimous agreement that restrictive monetary policies have begun to impose excessive costs on the economy in general and even greater costs on specific sectors of the economy. This recognition has led to strong calls for a slight loosening of monetary policy with many delegates suggesting that this easing of money be accompanied by a program of voluntary credit restraint. The bill I am introducing today is designed to implement such a program of voluntary credit allocation.

Restrictive monetary policies inevitably impose unjustified burdens on certain sectors of the economy. Other sectors, while still able to obtain credit, find increasing competition in the capital markets from speculative and inventory borrowing driving up interest rates. We could avoid some of these costs associated with tight monetary policies by channeling credit toward two general uses:

First, those sectors of the economy which make the greatest contribution to fighting inflation by increasing supplies.

Second, those sectors of the economy providing essential social services which are unable to compete in the credit markets as they cannot adequately pass through unreasonable interest rates.

In this difficult economic period it is essential that the financial resources of the country be devoted to essential economic and social needs such as housing, food, energy conservation, transportation and expansion of plant capacity designed to increase supplies and reduce inflationary pressures. Unfortunately, borrowers attempting to meet these essential needs are often squeezed out of the credit markets by higher return but less essential investments.

For instance, the housing industry is presently in a state of depression. Housing starts in August declined to an annual rate of 1.1 million, down 55 percent from January of 1973. Unemployment in the construction industry has now climbed to an unacceptable 11.1 percent. Mortgages are essentially unavailable and when they are, families must often pay 10 percent with downpayments as high as 40 percent. Despite these devastating problems, the home construction and financing sector of the economy continues to be starved for credit.

Similarly, State and local governments and public utilities have already been forced to delay billions of dollars worth of essential capital facilities due to high interest rates and the unavailability of credit for their needs.

In addition, many basic industries which are operating at or near capacity, despite the recession, are still experiencing difficulty in financing the expansion of productive capacity. Steel, paper, and chemicals have all been operating full tilt with no sign of relief in demand.

Finally, our national effort to conserve energy and material resources will require major investments in new capital facilities. Mass transportation and more energy and material-efficient productive methods will require significant amounts of new capital. The urgency of the energy situation was underscored at the economic summits last week. Clearly we must begin to commit our limited financial resources to these essential investments.

Unfortunately, in times of restrictive monetary policy the market mechanism imposes unfair burdens on certain sectors of the economy. During these periods, we must assist the market by channeling money toward its most productive uses. We simply cannot afford to allow essential sectors of the economy to languish during protracted periods of tight money.

In addition to channeling credit toward more productive uses, a voluntary credit restraint program could reduce the pressure on interest rates paid on loans for essential purposes. Since loans for certain speculative purposes, excessive inventory accumulation and other nonessential purposes would be discouraged, more money would be available for loans for priority purposes.

The idea of instituting a voluntary program of selective credit extension is certainly not new. During the Korean war the Voluntary Credit Restraint Committee advised financial institutions to lend money for productive and essential uses. A similar program existed during the 1965 credit crunch. Recently, the Federal Advisory Council has taken a first step toward such a program by establishing vague criteria for bank lending policy. The Board of Governors of the Federal Reserve System endorsed the Federal Advisory Council's position by stating:

> The Board regards restraint in lending policies as essential to the national effort to control inflation.

Unfortunately, the Federal Advisory Council and the Federal Reserve Board have not gone far enough.

The recent economic summits have demonstrated the need for greater participation by labor, consumer, and business interests in our economic policy. Recent acts by the President have responded to this need. However, control of monetary policy still rests entirely within the financial community. The Federal Advisory Council, a group of 12 distinguished bankers, should not have the last word in credit policy. The bill I am introducing would make monetary and credit policy more broad based by encouraging the participation of representatives of labor, business, agriculture, consumers, and State and local governments.

In addition, the Capital Markets Advisory Committee would attempt to influence extensions of credit by all portions of the capital markets, not just loans by member banks. Insurance companies, securities dealers, bond underwriters, and banks would all be advised to channel their funds toward productive and essential investments.

Finally, the Capital Markets Advisory Committee, through the use of public hearings, could attempt to evaluate the success of the voluntary credit restraint program and thus make suggestions for its improvement.

The Capital Markets Advisory Committee will be composed of representatives of banking and other financial institutions, as well as representatives of consumer, labor, business, agricultural interests, and State and local governments. The committee will develop criteria for advising financial institutions as to which demands on the credit markets merit priority consideration. The committee also may establish regional committees, convene public hearings or utilize any other appropriate means to develop lending criteria and monitor their effectiveness.

Five types of loans are identified for priority consideration in the bill:

First, loans for the construction or expansion of plant and equipment in basic industries where productive capacity is insufficient;

Second, loans for the construction or expansion of plant and equipment to improve energy and materials conservation;

Third, loans for the production, processing, and orderly distribution of agricultural commodities and products;

Fourth, loans for housing construction and financing; and

Fifth, loans to State and local governments.

The committee will be terminated by December 31, 1976.

I urge all of my colleagues to support this bill so that we may begin to channel our scarce financial resources toward productive and essential investments.

TENNESSEE SCHOOLS NEED NDEA III MATCHING FUNDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. FULTON) is recognized for 5 minutes.

Mr. FULTON. Mr. Speaker, one of the most successful Federal education programs in Tennessee has been title III, National Defense Education Act, the program which helps our schools to improve their science, library, and classroom instruction by use of the latest improvements in instructional equipment and materials. Over the years, our school districts have repeatedly approved the expenditure of their own funds to attract the Federal matching dollars under

NDEA III, and in this way, our schools have stretched their education dollars twice as far. In return, the taxpayer's of our country can see some excellent in-school successes as a result of the NDEA III investment.

It is therefore with some concern that I note the heavy cut in NDEA III proposed in H.R. 16900, the supplemental appropriations bill for fiscal year 1975. The cut recommended by the House Appropriations Committee is $13.5 million less than the President's budget, almost half of last year's appropriation, and only 30 percent of the amount all States received as recently as fiscal year 1973. Such a precipitous downward spiral can only serve to undermine the successes this program is achieving in the schools.

Over the years, we have seen many changes in the way NDEA III funds are used in local schools. NDEA III adapted successfully to each change because it is designed to serve the equipment and materials needs of whatever is the current local priority. Schools which are launching a major right to read project can rely on NDEA III to provide the reading equipment. This fact is frequently reported in Office of Education reports on reading projects. Schools increasing their career education program can rely on NDEA III to provide the equipment and materials needed to bring far-away experiences right into the classroom through films, filmstrips, audiotapes, educational records, videotape, and related material.

In Tennessee today, there is a recent trend toward individualization of instruction, making it possible for each student to use highly developed audiovisual devices and programs to learn at his or her own rate of speed in the method most adapted to that person's aptitude. This method frees the teacher to teach, to work with each student as an individual, to provide the personal and instructional attention that our children benefit from the most. These new methods are built around the skills of our fine Tennessee teachers. However, to equip an entire school for the new teaching methods is expensive—far too expensive for most schools to tackle alone. They must have help and they are very grateful that NDEA III is available to provide that help.

A few months ago, the State Department of Public Instruction in our neighboring State of North Carolina conducted a nationwide survey to determine the need if any for NDEA III in each State. To their surprise, they discovered that local schools need and are willing to match $124.6 million in fiscal year 1975, over four times the fiscal year 1974 appropriation.

Tennessee is one of the neediest States, according to this North Carolina survey:

Tennessee:
Received in fiscal year 1974, $601,447.
Needs in fiscal year 1975, $2,500,000.

Yet, despite this need, we find that the recommendation of H.R. 16900 will only provide Tennessee with $335,252, a cut to almost half of what we received last year. Obviously, the Congress is not in a position to fully fund the entire $2.5 million needed by Tennessee plus the money needed by all other States, as much as we would like to. But, it does not appear to be wise national policy to retreat from the need at the rate proposed by the Appropriations Committee.

President Ford's budget request, submitted after Congress had completed action on, and the President had signed, H.R. 69—Public Law 93-360—calls for $28.5 million in NDEA III matching money for fiscal year 1975. This is a reasonable request which, I believe, should be honored by the Congress. As we all know, for 6 years, former President Nixon recommended zero for this program, and each year, the Congress had to restore the program to reasonable levels. Now this year, after President Ford recognized the program's merits and asked Congress to fund it as part of a very modest Federal budget, H.R. 16900 slices it in two.

This is an unfortunate message to send back to our States and districts: "Despite the fact that there is not a State-level program in the country to fund the need for proper classroom and library equipment and materials, NDEA III is to be reduced by half for the second year in a row."

It is difficult for me to believe that the American people want for a minute to make education the victim of inflation. The schools have rising costs and the Nation has a responsibility to see that our investment goes for quality education.

There are, Mr. Speaker, many important education programs. Most serve my district. Few can match the success we have had with NDEA III. Therefore, in my opinion, we should not turn our backs on success. Congress can and should restore NDEA III to the $28.5 million level which President Ford's budget requests.

VANIK AMENDMENTS TO HOUSE REFORM PROPOSALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, during consideration of the House reform legislation, I intend to offer two amendments to either House Resolution 988 or its substitute. The first amendment will provide that the membership of the Ways and Means Committee shall be expanded to at least 35 Members.

The purpose of this amendment is to increase the degree of House participation in the deliberations of this important committee. For too long, vital issues of tax, trade, social security, and health insurance have been the exclusive province of one of the smallest committees. The growing significance of these issues demands that we take positive action to insure the fullest possible participation of the House membership. I also expect to support amendments to require all committees over 15 members in size to establish subcommittees. The creation of subcommittees will be an important addition to Ways and Means capabilities.

My second amendment endeavors to open the deliberations of conference committees to the membership of the relevant standing committee. Under this proposal, the Speaker is directed to appoint as ex officio members of any conference committee, the full membership of the standing committee which has jurisdiction over the matter being considered. This amendment will permit a larger, more representative group of members to observe the conference committee process. The purpose of this amendment is to insure that the same degree of openness, fairness, and integrity characterizes conference committees as we have been so careful to insure in other facets of the legislative process.

Mr. Speaker, I submit to the RECORD a copy of the two amendments I intend to offer:

Mr. VANIK offered the following amendment to House Resolution 988.

On page 39, delete lines 1 through 3 and insert the following new subparagraph: "(2) (A) No standing committee (except the Committee on Appropriations and the Committee on Ways and Means) shall have more than thirty-five members. The Committee on Ways and Means shall consist of at least thirty-five members."

Mr. VANIK offered the following amendment to House Resolution 988:

On page 40, *after line 10, insert the following* new paragraph: "(f) The Speaker shall appoint as *ex officio* members of every conference committee the members of each standing committee which, as determined by clause 6 of Rule X, has jurisdiction over the matters being considered by such conference committee."

THE PRESERVATION OF THE RECORDS AND PAPERS OF PRESIDENTS AND VICE PRESIDENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. SEIBERLING) is recognized for 5 minutes.

Mr. SEIBERLING. Mr. Speaker, the recent "agreement" involving the so-called Nixon tapes and papers certainly underscores the need for permanent legislation to terminate the practice under which former Presidents and Vice Presidents assume personal ownership and custody of the papers used in the performance of their duties. I have introduced legislation (H.R. 16954) to stop this custom, which Congress has never approved and which may in fact be illegal. The text of my bill follows these remarks.

Although he has resigned in disgrace and has accepted a Presidential pardon, Mr. Nixon now asserts the position that he has the right to destroy the documentary history of his adminstration. I, for one, would be interested in reading his version of the events of his administration, but I am shocked by the possibility that Mr. Nixon will destroy significant historical materials that might paint his administration in a different light from the one he would prefer.

The Nixon-Ford agreement includes no binding promise that the Nixon papers will ever be given to the United States. Instead, the agreement states that—

> It is President Nixon's *desire* to donate to the United States, *at a future date*, a substantial *portion* of *my* Presidential materials which are of historic value to our Country [emphasis added].

Nor does the agreement include a promise that the Nixon tapes will ever become available to the public. Instead, the agreement provides that President Nixon will donate the tapes to the United States, effective September 1, 1979, subject to the following restrictions:

First. All the tapes are to be destroyed upon President Nixon's death or on September 1, 1984, whichever occurs first;

Second. All the tapes specified by President Nixon are to be destroyed prior to September 1, 1984; and, most incredibly,

Third. No one—including GSA personnel—may listen to or copy any tape without President Nixon's permission.

If the agreement is allowed to stand, the American public will receive only what President Nixon is willing to make public. President Nixon reserves the right to suppress important records without any justification, according to the agreement. Judging by past performance, can anyone doubt that President Nixon will be extremely selective about the materials he gives to the United States or permits to be made public. We can expect to see a grossly distorted picture of the Nixon Presidency.

Most of the papers of other former Presidents belong to the United States, either through gifts of the Presidents or their families or through purchase by the U.S. Government. I have little doubt that these other Presidential papers were, in many cases, reviewed so that they reflected most favorably on the various administrations. In this regard, the intention of President Nixon may not be new. Permitting such a practice, nonetheless, is unjustifiable. That is why my bill addresses the issue of the papers of future Presidents, in addition to those of President Nixon. Unless we enact legislation to establish clearly the government's right to presidential records paid for by the taxpayers and prepared as part of the official duties of the President, we run the risk of similar abuses on the part of future Presidents.

President Ford's authorization of the Nixon agreement followed his receipt of the legal opinion of the Attorney, who concluded that Presidential tapes and papers are the personal property of former Presidents. This opinion which cited no legal authorities, was based almost on the fact that past Presidents have claimed personal ownership without congressional reaction.

Despite the historical practice and the Attorney General's opinion, there is considerable doubt as to whether the courts would declare that the papers and records belong to the former occupant of the White House rather than to the Government. I, for one, believe that Presidential papers belong to the Government for the benefit of the public, because such papers are concerned with public business and are produced entirely at public expense. The actual paper belongs to the Government, as do the typewriters or pens that are used. The people that are composing and preparing and typing the documents are Government employees, working on Government business on Government time. I really can not imagine how any President can reasonably argue he personally owns such records, even if he gives great weight to historical precedent. Following these remarks is an article by Prof. Arthur S. Miller, who also takes issue with the notion that Presidents own the papers prepared during their administrations.

Under article IV, section 3 of the Constitution, it is Congress which has the power to dispose of Federal property. With that power goes the power to preserve Federal property. If the courts should hold that Presidential papers are the personal property of the Presidents, Congress has the power to declare the papers to be Federal property subject to the payment of just compensation, and my bill so provides.

The public interest cries out for the preservation of Presidential and Vice Presidential records. The public deserves an historically accurate record of each Presidency, untainted by each President's self-serving censorship. In addition, we have learned that Presidential papers may well be of considerable evidentiary significance. Congress can and should require the preservation of all records and documents prepared for our Presidents and Vice Presidents, provided the papers have been in existence long enough to raise a presumption of importance. My bill expressly permits a President or Vice President a period within which he can destroy notes, drafts, or any other papers of mere temporary value or significance.

Mr. Speaker, the impeachment proceedings marked the first leg on the long road to restoring the Presidency's accountability to the public. We can continue along that road by declaring that it is national policy to preserve the papers and records of our former Presidents and Vice Presidents for the benefit of the public. We must not allow President Nixon or other Presidents to destroy public documents in order to falsely color the history of their administrations.

H.R. 16954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Records Act of 1974".

SEC. 2. (a) Title 44, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 39—PUBLIC RECORDS OF PRESIDENT AND VICE PRESIDENT

"Sec.
"3901. Definitions.
"3902. Retention of public records.
"3903. Transmission of public records.
"3904. Preservation of public records.

"§ 3901. Definitions

"For purposes of this chapter—

"(1) the term 'Administrator' means the Administrator of General Services;

"(2) the term 'National Archives' means the National Archives of the United States;

"(3) the term 'President or Vice President' means the President or Vice President of the United States;

"(4) the term 'Presidential archival depository' has the meaning given that term in section 2101 of this title; and

"(5) the term 'public record' means historical materials (as defined in section 2101 of this title), logs, journals, letters, memoranda, drawings, graphs, charts, reproductions, recorded communications, transcripts, printouts, data compilations, and other records which are received, held, prepared, or originated by or for any individual in the performance of his duties, and not transferred by him in the performance of his duties, during the period of his holding the office of President or Vice President.

"§ 3902. Retention of public records

"(a) Every public record is the property of the United States and, except as provided in subsection (b), it shall be retained for transmission and preservation pursuant to sections 3903 and 3904 of this title.

"(b) Except as otherwise provided by law, the President or Vice President may destroy or cause to be destroyed any public record in his custody within 30 days after he prepares or receives it, if such record was received, held, prepared, or originated by or for him.

"§ 3903. Transmission of public records

"After an individual ceases to hold the office of President or Vice President, the Administrator shall take custody of the existing public records received, held, prepared, or originated during the period when such individual held office, except that the successor to the office held by the individual shall retain temporary custody of such records as the successor certifies to be necessary in the performance of his duties.

§3904. Preservation of public records

"(a) The Administrator shall deposit in the National Archives the public records obtained under section 3903 of this title.

"(b) The Administrator may transfer any public record obtained under section 3903 of this title to any Presidential archival depository.

"(c)(1) Except as provided in paragraph (2), the President or Vice President may impose restrictions on public access to any public record obtained from him by the Administrator under section 3903 of this title for a period of not more than 5 years from the date on which the President or Vice President, as the case may be, ceases to hold such office.

"(2) Any restriction imposed under paragraph (1) shall not be effective to deny access to any public record pursuant to any legally authorized demand or order of any court or any duly constituted body of Congress.

"(d) Any former President or Vice President shall have access to any public record obtained from him under section 3903 of this title, and shall be entitled to make, retain, and use copies of such records.

"(e) Sections 2105, 2106, 2110, 2112, and 2113 of this title shall apply to any records deposited in the National Archives under subsection (a)."

(b) The table of chapters for title 44, United States Code, is amended by adding at the end thereof the following:

"39. Public records of President and Vice President . . . 3901".

SEC. 3 (a) The amendments made by section 2 of this Act apply to public records received, held, prepared, or originated on or after January 20, 1969.

(b) Notwithstanding any other provision of law or any agreement entered into by the United States, the Administrator of General Services shall obtain or retain, as the case may be, custody of all existing public records received, held, prepared, or originated during the period beginning January 20, 1969 and ending on August 9, 1974.

(c) If a Federal court of competent jurisdiction decides that the provisions of this Act deprive any individual of private property without just compensation, the Administrator of General Services is authorized to pay the compensation which such court adjudges just.

(d) For purposes of this section, the term "public record" has the same meaning given such term by section 3901 of title 44, United States Code, as added by section 2 of this Act.

Who Owns the Nixon Tapes and Papers?

(By Arthur S. Miller)

The question of who owns documents accumulated in the White House during a President's tenure has been thrown into sharp controversy by the "agreement" concluded between Richard Nixon and General Services Administrator Arthur Sampson. Two days before President Ford pardoned him, Mr. Nixon sent a letter to Mr. Sampson indicating that he desired "to donate to the United States, at a future date, a substantial portion of my Presidential materials . . ."

In the letter Mr. Nixon flatly stated the materials, including tape recordings, were his: "I retain all legal and equitable title to the Materials, including all literary property rights." Mr. Sampson agreed to the entire letter on Sept. 7, ceding to Nixon the power to destroy the tapes after Sept. 1, 1979. The letter purports to be a legal document, which binds both Mr. Nixon and Mr. Sampson (speaking for the government).

Presumably, Mr. Sampson relied on an Attorney General's opinion sent to President Ford on Sept. 6, in which William Saxbe concluded Mr. Nixon was the owner of the "papers and other historical materials retained by the White House Office" during the Nixon administration. As is the custom with the "President's lawyers' lawyer," Mr. Saxbe found that a practice traceable to George Washington meant that the materials are "the property of former President Nixon."

That conclusion seems more the result of reaching a desired decision than of a process of reasoning that could get by any middling competent law student. There are no Supreme Court decisions on this point. Nor is there any statute that expressly states that Presidents have legal title to White House documents. Mr. Saxbe relied on the Presidential Libraries Act of 1955 as a congressional "acknowledgement" of ownership by Presidents. But Congress did not say so; nor did it define what "presidential papers" are. The question of title to White House documents has never been examined by Congress.

One federal court decision of modern vintage (*Nichols v. United States*, decided by the 10th Circuit Court of Appeals in 1972) holds that President Kennedy's executor could validly restrict access to X-rays and other materials of the Warren Commission, even though the materials were not owned by the Kennedy family. That case, not mentioned by Mr. Saxbe, does not recognize a property interest of Presidents in White House materials. It thus could not be used to justify the Saxbe conclusion.

A proper analysis should begin with the Nixon-Sampson "agreement" itself. While Mr. Sampson had statutory authority to accept "papers and other historical materials" of a former President, nowhere is he given authority to agree to their destruction. Rather, 44 U.S. Code Sec. 2108 states in part that the GSA administrator, "in negotiating for the deposit of presidential historical materials, shall take steps to secure to the Government, as far as possible, the right to have continuous and permanent possession of the materials."

The agreement about destruction thus is a legal nullity, for any public administrator has only the authority delegated to him by Congress. The extent of Mr. Sampson's power was to agree to restrictions as to the "use" of presidential materials. "Use" can hardly mean destruction. Anything that goes beyond the statutory language is, in legal parlance, *ultra vires*—and that is so whether or not Mr. Nixon has title to the materials.

Despite the Saxbe opinion, the question of legal title for Mr. Nixon is still very much an open question. Under the Constitution, Congress has express power to "make all needful rules and regulations respecting the . . . property belonging to the United States." The materials—files, papers, tapes, etc.—were produced by public money on public property by people paid with public funds and now rest in publicly owned files. To rely, as did the Attorney General, on past practice to justify ownership by Richard Nixon is to put forth an untenable theory of law.

Under that theory, whatever occurs for a period of time becomes part of American law simply by custom and usage. But can that be so, particularly with respect to presidential powers? The answer must be negative if one examines some analogous claims by Presidents about other powers. Several may be mentioned.

President Nixon, both personally and through his minions in the Justice Department, maintained in 1973 that he had an unrestricted power to "impound" appropriated funds. Other than some flimsy statutory arguments, which do not hold up under scrutiny, the principal basis for the claim was past practice—said to go back to President Jefferson. Federal judges disagree: Of the more than three dozen judicial opinions in impoundment cases in the last two years, the vast majority emphatically rejected the broad claim of presidential power.

Presidents since at least the Hoover administration have engaged in wiretapping—with Nixon asserting an "inherent" power to do so without prior judicial approval. That claim was repudiated 8–0 by the Supreme Court in 1972.

In like manner, extravagant claims about executive privilege have been made, again by Mr. Nixon or his cohorts and again based on a reading of history. The Supreme Court knocked back that claim of "absolute power" unanimously in July of this year.

Both Presidents Johnson and Nixon asserted complete power to commit American troops to combat, under the "commander-in-chief" clause of the Constitution. Although the Supreme Court has consistently ducked that question, there can be little doubt that past practice would be rigidly examined and probably even rejected, should the Court ever rule on the merits.

In 1952, President Truman seized the nation's steel mills during a strike. Among other arguments to justify the seizure, government lawyers cited a series of other seizures, including one in 1941 upheld by then Attorney General Robert Jackson. Jackson, as Associate Justice, saw the matter differently 11 years later saying: "I do not regard it [1941 seizure] as a precedent for this, but even if I did *I should not bind present judicial judgment with earlier partisan advocacy.*" (Italics added.)

That, if nothing else, should put an effective quietus on the Saxbe opinion. Government lawyers, it should be remembered are legal *apparatchiks*—paid to take orders. As President Andrew Jackson reportedly said when faced with an Attorney General who had doubts about Jackson's actions concerning deposits of U.S. funds: "Sir, you must find a law authorizing the act or I will appoint an Attorney General who will." Or, as Senator Sam Ervin often reminded executive branch lawyers, "We have had thievery and homicide for thousands of years, but that does not make murder meritorious nor larceny legal."

The Saxbe opinion and the Nixon-Sampson "agreement" as to ownership are at most interesting historical oddities without legal validity. But even so, that still does not definitively settle the question of legal title to "presidential" or "White House" materials. That could, and should best be done by congressional action under its Article IV power over the property of the United States.

Needed are two statutes. One, which should be enacted without delay, would vitiate the Nixon-Sampson "agreement" and place title where it belongs—in the government. If the former President contested that, a judicial ruling could then determine the question of legal title. Even if the courts ruled for Nixon, the papers and tapes could still be taken by eminent domain—provided, of course, that the constitutional requirement of "just compensation" was paid. It is highly doubtful that the courts would rule against an express congressional decision. Further, there need be no worry that it be held to be an *ex post facto* law and thus invalid. Since *Calder v. Bull* (1798), it has been settled that the *ex post facto* prohibition applies only to penal and criminal statutes.

The second statute should be long-range. The Presidential Libraries Act should be amended to provide that *all* documents officially produced by or for a President or Vice President are the property of the United States. Custody could, as now, remain with the National Archivist. Perhaps more presidential libraries could be built, although a valid reason for them is hard to find—other than the quest for symbolic immortality by chief executives. Just before he left office, Lyndon Johnson "raided" the executive branch, gathered millions of documents—for deposit in the Johnson Library in Austin, Tex. How most of those documents can be called "presidential" is completely mysterious. It is time to halt such a practice, and the imbroglio over the Nixon tapes and files provides an unparalleled opportunity to do so.

INTRODUCTION OF THE ENERGY-MATERIALS CONSERVATION EDUCATION ACT OF 1974

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, while the stated thrust of national policy regarding energy clearly encompasses a commitment to conservation, most of the actions proposed seem aimed at permitting the American people to continue in the expanding usage pattern of the last three decades, substituting one energy source for another, making systems more efficient, and minimizing institutional wastage.

A more fundamental issue is at stake, and legislation I introduced yesterday is a start to address it. This issue concerns the rate of consumption of materials and energy by Americans. It is clear that neither can the absolute rate be maintained—certainly it cannot increase further—but even more so our consumption rate relative to other nations must diminish.

How are the citizens to be prepared for these changes which—although they will occur over a period of a few decades—will affect them profoundly? The slow process of education of the entire citizenry from schoolchildren to senior citizens must be started now, if the people are to be adequately prepared to maintain a high quality of life even as the dependence on, and usage of, scarce energy and materials diminishes.

Through adoption of my bill, Congress would recognize that one of the most important policies in the management of energy and materials resources pertains to the conservation thereof.

The importance of energy conservation has been seen already in the introduction of several bills in Congress; for example, S. 2176 and H.R. 11343, specifically dealing with this subject. The statement of findings of these bills succinctly summarizes policy in this area:

> The Congress hereby declares that it is in the national interest for, and shall be the continuing policy of, the Federal Government to foster and promote comprehensive national fuels and energy conservation programs and practices in order to better assure adequate supplies of energy and fuels to consumers, reduce energy waste, conserve natural resources, and protect the environment.

Further, the necessity to link conservation and other policies relevant to energy with those relevant to materials and natural resources is explicitly and unanimously recognized by the science and engineering community in the United States. By "materials" I mean natural resources and the technological products manufactured therefrom.

The Congressional Commission on National Materials Policy recommended in its 1973 report to the Congress that we—

> Manage materials policy more effectively by recognizing the complex interrelationships of the materials—energy—environment system so that laws, executive orders, and administrative practices reinforce policy and not counteract it.

Likewise, the NATO Science Conference on Technology of Efficient Energy Utilization concluded:

> The greatest possibilities for more efficient energy use in industry lie in careful management of process heat, electricity, energy intensive materials, and direct fuel consumption.
>
> Emphasis should be placed on efforts to maintain the highest levels in both energy and material forms (e.g. enthalpy, pressure, temperature, purity) and to degrade both energy and materials gradually in as many steps as possible.
>
> Processes involving energy intensive operations or materials should be reviewed to determine if new technology, recycling or substitution, or alternative forms of material or energy can be employed to increase efficiency.

In the June 1974 issue of Center Report from the Center for the Study of Democratic Institutions, John Wilkinson, senior fellow, describing the new computer simulation of world resources, refers to the "state variables," the most important indices of societal health:

> There are only three sorts of entities that could be meant: energy, matter and information. To use Aristotle's maxim: the three can be distinguished in thought but never in reality.

Finally, a simple example will illustrate how materials conservation—via recycling—is exactly equivalent to energy conservation. The booklet "The Energy Crisis: What Can We Do?" prepared by Energy Conservation Research in cooperation with the American Petroleum Institute, the Edison Electric Institute, and the U.S. Department of the Interior, cites the fact that—

> In recycling aluminum we use 95% less energy than was used to produce the aluminum from ore initially. Similarly producing steel from scrap requires 80% less energy than was used to produce steel from the ore.

Thus we find that the conservation of energy and the conservation of materials are essentially the same thing, and their conservation is a very widely recommended policy goal for the Nation.

Moreover, we find that every other legislative effort involving energy conservation has been aimed at what is called the "technological fix" approach; that is, to decrease energy consumption by changing to the most energy-efficient system, or process, or behavior, and so forth. My bill is concerned, in addition, with a "sociofix" to achieve the same end; that is, to attempt to educate the citizens to curtail their use of energy and materials.

We note that although "conservation" could become a national goal, the sociological and psychological fact remains that in a free enterprise society all market forces are inherently expansionist, and hence anticonservationist by their very nature. Historically here, as elsewhere, our American system of checks and balances has been operative. This free enterprise expansionism had, traditionally, a countervailing force in the puritan heritage transmitted by our national ethos and our religious institutions. The postwar period has seen an enormous diminution of the power of both these latter forces. Hence the expansionist free market forces have no checks as the educational and ethical forces which work on the citizen to conserve or minimize his use of energy and materials are no longer able, unaided, to help in achieving the national goal.

The need is, therefore, obvious for a continuous long-range program of education, to encourage, promote, and stimulate the conservation and, indeed, the nonuse of energy and materials, as a permanent component in our system of checks and balances in achieving a healthy conservation policy.

The potential gains from an effective program are so large as to amaze the uninitiated. The Ford energy project in its summary, compares two scenarios for the energy needed in 2000 A.D. with historical; that is, present—growth rate, and that with the zero energy growth. The need changes from 180×10^{15} BTU/yr to 100×10^{15} BTU/yr, a saving of nearly 40 percent. About three-fourths of this is achieved by a technical fix and one-fourth by a very modest sociofix, with no education, and with acceptance of the present level of energy usage. The program for education of the citizenry, therefore, serves as an essential component to the introduction of conservation technology.

Using the world simulation organization, referred to above, projections that the United States will finally stabilize at a standard of living equal to that of 1910, would mean a further drop to consumption values less than half the above.

The desired national goal of energy conservation could, therefore, involve annual savings of tens of billions of dollars.

The education program essential to achieve these goals will cost one-hundredth to one-thousandth as much. Therefore, I hope this legislation will receive prompt and favorable consideration.

The text of my bill follows:

H.R. —

A bill to authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities designed to achieve conservation and non-use of energy and materials, and for other related educational purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Energy-Materials Conservation Education Act of 1974".

SEC. 2. (a) The Congress hereby finds and declares that present educational programs in the United States are inadequate as they relate to providing full information on the advantages and benefits of the conservation and non-use of energy and materials as a means of meeting the present energy shortage and the long-range energy-materials demands of the Nation; and that educational programs to enhance the level of such information should link the conservation of energy and materials in recognition of their interconvertibility and interrelations as recommended by the Commission on National Materials Policy.

(b) It is the purpose of this Act, in order to provide adequate education concerning conservation and non-use of energy-materials in this country, to provide support for the initiation and maintenance of programs concerning the conservation and non-use of energy-materials at all levels of education (pre-school through adult education); to disseminate instructional materials and other information for use in educational programs throughout the Nation; to provide for the planning of energy-materials conservation and non-use resource centers; to provide improved career, vocational, and technical education programs; to provide for community education programs; to provide programs on the need for conservation and non-use of energy-materials in this society; to provide for the preparation and dissemination of materials for use of the mass communications media and the information systems of community and national private organizations such as service clubs, and labor, religious and other organizations; to provide training programs for parents, teachers, other educational personnel, youth and guidance counselors, community leaders, labor leaders, industrial and business leaders, government employees at the State, Federal, and local level and all other users of energy; to encourage the development of new and improved courses and curriculums; to demonstrate the use of such courses and curriculums in model educational programs, and to evaluate the effectiveness thereof.

SEC. 3. (a) There is hereby established within the Office of Education a Council on the Conservation and Non-Use of Energy-Materials (hereinafter referred to as the "Council") consisting of twenty-one members appointed by the President. The Council shall consist of persons broadly representative of the public and private sectors with due regard to their knowledge and experience relating to the need for conservation and non-use of energy-materials and with due consideration being given to geographical representation. The Director of the Federal Energy Administration, and the Administrator of the Environmental Protection Agency, shall serve as ex officio members of the Council. The Council shall be provided with adequate staff and facilities to carry out its duties as prescribed by this Act.

(b) The President shall appoint one member of the Council to serve as its Chairman. The Chairman shall be compensated at a rate not to exceed the maximum rate prescribed for grade GS-17 in section 5332 of title 5, United States Code.

(c) The remaining twenty members of the Council shall serve without compensation, except that they shall be allowed travel and subsistence expenses while actually engaged in the business of the Council as authorized by section 5703 of title 5, United States Code.

(d) The members of the Council shall serve for terms of three years each, except that the initial appointments shall be made in accordance with procedures designed to allow for the staggering of appointments so that the member or members whose terms expire in any year will be approximately the same as the number of members whose terms expire in any other year.

(e) The Council shall—

(1) advise the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") concerning the administration of, preparation of, general regulations for, and operations of, programs assisted under this Act;

(2) make recommendations to the Secretary with respect to the allocation of any funds pursuant to this Act, with due respect to the criteria developed to insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(3) develop criteria for the establishment of program priorities;

(4) develop programs and procedures for review of projects assisted under this Act annually; and

(5) develop and disseminate an annual independent report of the programs and activities authorized under this Act.

Sec. 4. (a) The Council shall advise, review and make recommendations for the administration of the programs authorized by this Act, and the coordination of activities within the Federal Government which are related to energy—materials conservation and non-use educational programs.

(b) The Secretary shall annually present to the Council a design for a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional research organizations, and other public and private nonprofit agencies, organizations, and institutions (including libraries and museums) to support educational, research, demonstration, and pilot projects designed to fulfill the purposes of this Act; and shall carry out a program of grants and contracts for such purposes in accordance with the policies of the Council; except that no grant may be made other than to a public or private nonprofit agency, organization, or institution.

(c) Funds appropriated for grants and contracts under this section shall be available for (but not limited to) such activities as—

(1) the support of energy-materials conservation and non-use educational programs at all educational levels including the development of new and expanded programs;

(2) planning and operation of energy-materials conservation and non-use resource centers;

(3) community education programs concerning the conservation and non-use of energy and materials, including special programs for adults;

(4) dissemination of information to public and private nonprofit pre-school, elementary, secondary, higher, adult, and community education programs;

(5) the development of curriculum;

(6) preservice and inservice training programs;

(7) projects including courses of study, fellowship programs, conferences, institutes, workshops, symposiums, and seminars;

(8) research, development, and dissemination of curriculums, texts and materials, tests, and programs for adequate and vocational and technical education and career counseling for persons in the field of energy-materials conservation and non-use;

(9) preparation and distribution of materials;

(10) programs and projects to recruit, train, organize and employ professional and other persons, and to organize and participate in energy-materials conservation and non-use educational programs;

(11) research and evaluation of the effectiveness of such programs;

(12) research and development of programs aimed at increasing the number of experts in the field of energy-materials conservation and non-use in administrative positions at all levels in institutions of education;

(13) research and development of programs aimed at obtaining and maintaining an adequate distribution of instructors, counselors, and other professionals trained in energy-materials conservation and non-use in educational institutions;

(14) training, educational, and employment programs for persons in the field of energy-materials conservation and non-use; and

(15) research and development of programs aimed at increasing the proportion of persons trained in energy-materials conservation and non-use in fields in which they have not traditionally participated.

(d) In addition to the activities specified in this section, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this Act.

(e) Financial assistance under this section may be made available only upon application to the Secretary. Any such application shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(1) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(2) describes a program for carrying out one or more of the purposes of this Act which holds promise of making a substantial contribution toward attaining such purposes;

(3) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be used so as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in this section, and in no case supplant such funds;

(4) sets forth policies and procedures which insure adequate evaluation of the activities intended to be carried out under the application;

(5) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act; and

(6) provides for making an annual report, and such other reports, in such form and containing such information, as the Secretary may reasonably require, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(f) For the purposes of this section, the Secretary shall require evidence that an organization or group seeking funds shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report to the Secretary on Federal funds expended. The Secretary may waive such one-year existence requirement for just cause under regulations he shall prescribe, provided that such organization or group meets eligibility standards in other respects.

(g) Recognizing that education is a long-range process, the Secretary shall require evidence that an organization or institution receiving financial assistance shall be committed to continuing its program for a minimum of three, and preferably five years. Preference shall be given to applications for such long-term assistance with a commensurate degree of commitment.

(h) Amendments of an application shall, except as the Secretary may otherwise provide by regulation, be subject to approval in the same manner as the original application.

Sec. 5. The Secretary, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable, upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions at all levels of education, agencies of State, local, and Federal governments and other agencies deemed by the Secretary to affect the conservation and nonuse of energy-materials in this society. Such technical assistance shall be designed to enable the recipient agency or institution to carry on education and related programs concerning the conservation and nonuse of energy-materials.

Sec. 6. The Secretary is authorized to make grants to, or enter into contracts with, public or private nonprofit agencies, organizations, and other institutions for planning and carrying out community-oriented education programs or projects on the conservation and non-use of energy-materials in American society for the benefit of interested and concerned adults, young persons, ethnic and cultural groups, community, labor and business leaders, and other individuals and groups within a community. Such programs or projects may include, among other things, seminars, workshops, conferences, counseling, and information services to provide advice, information, or assistance to individuals with respect to energy-materials conservation and non-use practices, and will include information centers designed to serve individuals and groups seeking to obtain or disseminate information, advice, or assistance with respect to the purposes and intent of this Act.

Sec. 7. (a) In addition to the grants authorized under section 4, the Secretary from the sums appropriated therefor, shall have the authority to make grants, not to exceed $20,000 annually per grant, for innovative approaches to energy-materials conservation and non-use educational programs, provided that the total of such grants shall not exceed 10% of the total authorized funds.

(b) Information required in proposals and applications submitted by organizations and institutions under this section shall be limited to that need to evaluate such proposals or applications, unless the organization or institution shall voluntarily provide additional information.

Sec. 8. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Secretary shall publish annually a list and description of projects supported under this Act, and shall distribute such list and description to interested educational institutions, citizens' groups, associations, and other institutions, organizations and individuals involved in the conservation and non-use of energy-materials.

Sec. 9. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of previously made overpayments or underpayments.

Sec. 10. As used in this Act, the term "State" includes (in addition to the several States of the Union) the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

SEC. 11. There is authorized to be appropriated not to exceed $25,000,000 for the fiscal year ending June 30, 1976, $40,000,000 for the fiscal year ending June 30, 1977, and $60,000,000 for the fiscal year ending June 1978 and each succeeding fiscal year for carrying out the purposes of this Act.

SUPPORT OF NATIONAL GUARD

(Mr. MONTGOMERY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONTGOMERY. Mr. Speaker, one of the most stirring speeches at the 96th General Conference of the National Guard Association of the United States was that delivered by our colleague, Congressman BOB SIKES, of Florida. Representative SIKES has a keen insight into the need for an effective and viable National Guard as an important part of our national defense structure. I commend his well-reasoned remarks to my colleagues:

SPEECH OF CONGRESSMAN BOB SIKES

I am very proud and very highly honored to be asked to fill this distinctive place on a program of one of our nation's great patriotic organizations. Any speech to this distinguished group should include reference to the outstanding service to the National Guard Association, to the defense of America and to the United States of Major General Henry McMillan. President of the National Guard Association, he has also been President of the Adjutant Generals Association. He has been active in many worthwhile civic endeavors, and he is one of the most highly regarded individuals I have known in and out of my state of Florida. He had 25 years of service with the Internal Revenue Service—also known by other names—before leaving that work to become Adjutant General of Florida, and even this has not obscured his popularity.

As a member of the Florida National Guard, he holds the record for time in military service for the State of Florida, with more than 47 years to his credit. Deservedly popular because of his accomplishments and his personality, he nonetheless has exercised his responsibilities with a firm hand and is credited with developing one of the strongest National Guard organizations in the United States.

Truly, General McMillan is one of the outstanding leaders Florida has produced and he plays an important role in the Nation's defense posture. It is because of men such as he that the National Guard stands ready at all times to bear arms in defense of our freedom. We in Congress are proud to salute a man of General McMillan's caliber and to acknowledge with pride his services to our nation.

Now let me salute your Association, an organization which soon will commemorate 100 years of effective service and which has truly lived up to your goal of making the Militia "a more effective instrumentality in our system of National Defense," a goal which was established in 1878 at Richmond, Virginia. In the words of your own fact sheet, "Times have changed and names and faces have changed, but the National Guard Association remains as a cornerstone in promoting the interests of the National Guard. The Association has often been described as the spirit that supports and sustains the body of the Army National Guard and the Air National Guard. I include Jim Deerin and your staff on this tribute to outstanding personnel.

I can assure you that Congress is proud of your organization, proud of your objectives, and proud of your accomplishments.

Now I want to congratulate the National Guard Association and the members of the National Guard for the dramatic way in which you are refuting the statements that it no longer is possible to obtain sufficient personnel in time of peace, without a draft, for effective Reserve components. The example the National Guard has set in recent months shows, despite the obstacles to recruiting—and there are serious obstacles—the job can and is being done insofar as the National Guard is concerned. You have set an excellent example for other Reserve components to seek to follow. You have breathed new life into the entire program. Yours is a "can do" organization.

Let's talk about funding and legislation affecting the Reserve components. I am happy that there is agreement in Congress that your funding level for FY 1975 will be significantly higher than budget levels. This applies to personnel and, in most instances, to operations and maintenance. We trust that you will fare as well in procurement. Congress will provide the money. There is assurance from the heads of the military services that new weapons and equipment—planes, tanks, APCS communications equipment—will be available for the Reserve components. We have heard this story before. There have been previous assurances to Congress of intent to upgrade the equipment of the Reserve components, but much of it in recent years has been diverted either to Southeast Asia or to Israel. This situation simply must not continue. Reserve components must have fully modern equipment. Equipment is the key to the advancement of the reserve forces progress.

Funding of military construction will be no exception. Congress will fund above the budget—if the House has its way—and the budget is well above requests of recent years.

Legislative proposals needed by the Reserve components have not fared as well. We have a new insurance program, but much more is needed. There is still work to do in this area, and time is running.

There are trouble spots. There is again reason for apprehension about the attitude of the Department of Defense toward the Guard and Reserve components in general.

Most of you will recall the McNamara proposals of the 1960's which would largely have decimated the Reserve components. He was an able but a computer-oriented Secretary of Defense. His computers told him the Guard and Reserves offered little return for the costs involved. He never accepted their potential for effective service. Their essentiality for quick mobilization and their contributions in previous wars were lost on him.

The House Committee on Appropriations then spearheaded the fight to keep the Reserve components strong. The effort was joined by the House Armed Services Committee, which produced legislation spelling out Reserve programs. With the help of Guard units and Reservists nationwide, we weathered the storm. Unfortunately, some of the real thrust of the effort was lost when Mr. McNamara refused to use the Guard and Reserves in any appreciable way in Southeast Asia. Only the Air Force was able to take realistic advantage of its Reserve capability in that conflict, and their services were invaluable. The others were ready and able.

When Mel Laird became Secretary of Defense, a more practical view on the Guard and Reserve components was expressed. He committed the Administration to use the Guard and Reserves in future national emergencies.

Through all of this, the Nation's Reservists maintained their patriotic devotion to the service of their choice and their support of the Nation's defense needs.

We began this year with strong hopes for new recognition of the place of the National Guard and Reserves in the Total Force Concept. Now, to the surprise and dismay of friends of the Reserve components, there has been a new threat. This is the battle of the "48-K". The proposed reduction of Reserve spaces would affect, in particular, the Army and the Air National Guard. Today I am glad to reconfirm the fact that Congress is alert to the problem and the House Committees in particular have made it clear that they support strong levels in the Reserve components which are consistent with needs, and this includes retention of Air National Guard Units. But don't forget this battle isn't over.

Of course it is important to maintain strong Guard and Reserve forces. A salient fact is being overlooked by the budget-makers. America's regular forces more and more are feeling the pinch of high prices. In the make-up of the Nation's defense forces, we cannot ignore the increased cost of defense and the shrinking defense budget. These work at cross-purposes with each other. We are spending a lower percentage of the national budget for defense than we have since the early 1960's. The danger is that so little of the smaller defense dollar now goes to buy weapons and equipment. 60% of our defense dollar is pay for people in and out of uniform. In Russia, pay is less than 35%, $385–$3.85. Very simple arithmetic tells us the Russian forces are getting twice as much equipment for a defense dollar as we do. Long ago we learned to dispense with the dream that our weapons are better simply because they are American. Some of our equipment is better. Some of it isn't as good. The Russians have more equipment that is new and modern, and that is a serious matter.

This tells you why the Guard and Reserves offer today's best bargain in defense. The Nation gets more manpower per dollar from its Reserve components. That doesn't mean we can dispense with the regular forces. But to get the equipment we need, the nation may have to depend more and more on the Reserves. Whatever happens, this is not a time for cuts in the Reserve components. They should be strengthened, not weakened.

As part of this program, there must be new understanding and acceptance by the Guard and Reserves that they are a vital part of the Nation's defense. Given this goal and this responsibility, they must train as they have never trained before. They must take every step, think and work in every required moment, to be prepared for war. The Guard and Reserve forces must not let themselves be thought of as a sanctuary of any sort or to any degree. There can be no place for the "summer soldier" and the "sunshine patriot."

The President has expressed a very strong interest in defense, not once but several times. To me this is very reassuring. You know my feelings on the essentiality of a strong national defense. However much we want peace—and we have demonstrated this time and again—we must not assume that because the guns of war are silent, all is well in the world. There are festering sores which can erupt into war at any time. Cyprus is the most recent example. The Russians will seek to drive a wedge between our allies wherever they can, and so will the Red Chinese. They will arm and train insurrectionists wherever disruption is possible. It is their way of keeping peace-seeking nations off balance while they pick up the pieces. As long as we live in a world where predator nations still seek to exploit their advantages by whatever means are available, we must be prepared to protect ourselves.

The Red Chinese are funding construction of a major airport on Mauritius. It will accommodate very large aircraft, whether passenger aircraft or cargo aircraft or bombers. The Mauritians don't need that kind of an airport. The Red Chinese also are building railroads and ports in Africa. They are very busy and Africa is a potential powder keg.

In the Indian Ocean, the Russians are present in force in Somalia, South Yemen, and Iraq. The Suez is built-to-order to accommodate Russian needs. We have, in all the important Indian Ocean area, only a minimal presence. And, an all-out fight is being conducted in Congress to prevent the funding of a refueling station for American naval forces at Diego Garcia. This despite the fact we had to refuel our forces in the Indian Ocean from the Philippines—4,000 miles away—during the October War, because people wouldn't sell us fuel—they sell to the Russians. The opponents of Diego Garcia say they don't want an arms race. There's no arms race involved. The Russians already are there in force. We are seeking to insure an American presence in a very important part of the world.

The Russians have among their naval shipyards one submarine base with more construction capacity than all of ours combined. They are building full-scale aircraft carriers for the first time. They have a new long-range bomber, more fighter aircraft than we, and three times as many tanks and armored personnel carriers. They aren't playing games.

The United States now is beginning to feel the pinch of the SALT I talks. The harsh facts are that the Soviets are embarking on a new multi-billion dollar ICBM technology development and deployment program. The SALT agreement permits the Soviets to gain a decided strategic advantage over the U.S., if they choose, and they undoubtedly now choose to do so. We were outmaneuvered in SALT I by the classic communistic chess campaign of trading a pawn for a knight. We gave up a superior missile defense technology and we conceded the Soviets a quantitative ICBM superiority which they are now converting to match our qualitative ICBM capability.

I state facts which America needs to know and which you already know. At least these facts should be added to the steady diet of stories of cost overruns and allegations of waste we now are subjected to. Let's be certain that we are helping to insure that America does realize our military might is being overtaken and can soon become inferior. I want this country to be militarily secure. It is necessary for our survival.

Now listen to this. As of June 1974 the number of personnel, military and civilian, in the Department of Defense was 3,203,000. The available figures from HEW on welfare recipients for the end of calendar 1973 were nearly 15 million people. These 15 million people represent needy individuals, most of whom have no other means of livelihood, but none of them are required to contribute their work or to do anything else to help make America better. And the cost is $22 billion a year. We afford these. So let's not talk about not being able to afford the cost of national security.

Unfortunately, there is a growing number in the Congress who feel that huge expenditures for defense are not necessary and we can safely divert defense spending to welfare, to health programs, or to other domestic programs which have strong appeal. Only in defense is there a constant drive to cut. A never ending battle must be waged to insure essential defense spending. In this year's debate on defense spending, we were unable to prevent a deep cut in funding for Vietnam. There may not be sufficient military supplies available for South Vietnam to continue to resist communist aggression. There is no peace in Vietnam. The Communists lied when they accepted an agreement for peace. They have never recognized it. They refuse to let our search teams go into areas which they control or where there may be the pitiful remains of MIA's or a few MIA's even alive in communist hands. They now refuse to fund their share of the costs of the peace keeping team in Southeast Asia—and the reason they give is the U.S. hasn't paid for the bombing of North Vietnam. These are the kind of people we deal with. Communism is on the march all over the world by whatever means, fair or foul. Too many of our people believe the lion and the lamb can lie down together in safety, and it just isn't true. Too many people believe the friction between communism and capitalism has been resolved by détente. It just isn't true. Communism still wants to rule the world. Their leaders talk nice only as long as it suits their purpose.

Let's be sure that defense for America doesn't become nobody's business. It's everybody's business to keep America strong. I have never seen a time when I believed the average American wanted a militarily weak nation or when he would not be willing to support adequate expenditures for an effective defense. I believe America has always been defense-minded, but we have to be sure that America understands the need for defense.

To me defense and patriotism are synonymous. I resent the actions of the Jane Fondas, the Tom Haydens, and the Ellsbergs and their leftist champions in the news media, all of whom cheapen America and flaunt its traditions. I would welcome stronger action in the courts and by the Department of Justice toward traitors everywhere. It is dangerous to ignore traitors or those who seek to make them heroes.

I cannot comprehend the emphasis which has been placed on amnesty and related questions by the Administration. I don't understand the necessity to deal with these matters now. The American economy needs attention. Business in general is hurting. This is where the emphasis should be placed.

I have examined the President's new proposal on clemency for draft evaders and military deserters. He has bypassed Congress and established, by Executive Order, a system which sets aside the laws dealing with these offenses. This I do not consider a proper procedure. I do not support the plan nor do I support any proposal which would change the basic laws of our country dealing with these offenses.

I cannot overlook the thousands upon thousands of young men who wore the uniform. They braved the perils of battle and many of them never came back. I don't want it to appear in any way that we are turning our backs on these men and their families.

This reminds me more than a little of the man on trial for the murder of both his parents. He appealed for clemency on the grounds that he was an orphan. The judge gave him a suspended sentence saying he had suffered enough in the loss of his parents.

Yes, it is all too easy nowadays to turn our backs on patriotism, to play down the essentiality of patriotic acts, and yet without these our country would have little to motivate the continuing fight for a strong, God-fearing America in the years ahead. I congratulate people like you here today who, day after day, contribute to patriotism and thereby help to insure America's survival. Someone has to wake America up—other groups march on Washington when their concerns are threatened. Your concern is America. Let Washington know.

We have seen the polls showing a loss of optimism about the future of America. We have seen growing public disillusionment with government. There are those who interpret these things to mean there must be a radical change in the American system. I don't believe America needs that kind of a change or wants one. I think we need a renewal of faith in America and confidence in its Constitution. Our nation is built on firm foundations which again have stood the test.

Now most of all there is a need to put the bitterness of Watergate and impeachment behind us and to learn again the essentiality of building up—not tearing down—a country. America needs to look ahead—not backwards.

General Douglas MacArthur once said, "The inescapable price of liberty is an ability to preserve it from destruction." It requires some careful thought to understand the significance of this statement. We know that it wasn't easy to build this land of liberty and opportunity, and we give recognition and credit for its founding to the early citizens of our land—the Pilgrims, the signers of the Declaration of Independence, the pioneers of covered wagon days.

What we frequently overlook is the fact that the story of America is continuous. Those of us living today are writing another chapter in this story. We, too, have obligations. We, too, must pay the price of liberty. We have to be sure that we understand what is taking place around us, what is needed to insure a sound and strong America on tomorrow. This means vigilance and faith and an awareness of our responsibilities as individuals. Right now, today, we still are building America's heritage. Every citizen has rights. We hear a lot about this. Every citizen also has responsibilities. Not much is said about responsibility. The acceptance of responsibility is the price that must be paid to insure the future of the American way of life. I think it was Will Rogers who said too many people want to be in the front of the bus, the back of the church, and the middle of the road.

It is easy to stand aside while America's future is being forged, to enjoy the good things that have been provided for us, to assume that they, too, will be continuous. We can't afford to take this chance. Every concerned citizen should stand and be counted for America. Abraham Lincoln *once* said that if this country ever falls, it will be from within. It will also be because too many people stood aside while it was taking place. The Communists in Russia were a small minority. But they seized power while the majority stood by and watched it happen. It should not come as a surprise to you that there is a very effective and a very vocal minority who are working today and tonight to change the face of America, to remodel its image along new and alien lines. They have made too much progress.

It is time to remind ourselves that we live in a wonderful and great nation where opportunities still are bright but where responsibilities are great. Our America is not a perfect nation but it stands head and shoulders above all the rest. We don't want to junk the best system man ever devised. We just want to make it better.

In this fragile existence we share, it is faith in something that can provide the human ship with a strong and true keel adequate for life's voyage. Despite her troubles and her shortcomings, I believe in America—in America's future—in America's God.

When I think of America's troubles, and we have troubles, I think back to the words of Winston Churchill in that critical summer of 1940, after Dunkirk, when Britain stood alone and was perhaps in greater danger than at any time in her history. He said:

"Let us therefore brace ourselves to our duties and so bear ourselves that if the British Empire and its Commonwealth last a thousand years, men will still look back and say, 'This was their finest hour.'"

Regardless of what happened since to Britain, this may have been their finest hour. I still believe America's finest hour lies ahead. We can look to the future. We can renew our pledge that we, as individuals, who love our country, will not fail America in this critical hour.

MRS. MARALENE WESNER OF IDABEL IS OKLAHOMA TEACHER OF THE YEAR FOR 1974

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, I am happy to inform my colleagues that one of my constituents, Mrs. Maralene Wesner, of Idabel, has just been selected as Oklahoma Teacher of the "Year for 1974."

Mrs. Wesner was chosen for this honor over 114 other outstanding nominees and is now eligible for the title of "National Teacher of the Year," which has recently been held by two other Oklahomans.

The following article from the front page of the McCurtain Gazette for September 23, 1974, summarizes Mrs. Wesner's outstanding background and service to her community and State. Maralene Wesner has set a fine example for her students and her fellow teachers. I join all Oklahomans in thanking her and wishing her well.

TEACHER OF YEAR

Teacher, author, musician, antique dealer, and humanitarian, Maralene Wesner, kindergarten teacher from Idabel, has been selected as Oklahoma Teacher of the Year for 1974.

Her teaching abilities and rapport with students are hailed as "unsurpassed" by many of her associates.

"The effort and response she can evoke from classes as large as seventy-five is amazing," said Mrs. Leonard Wooten, whose son is in Mrs. Wesner's class. She is described as "people oriented" by T. L. Kimbro, manager of the Idabel Chamber of Commerce and Agriculture, who praised her accomplishments in the fields of teaching, religious endeavors and social work.

Scholastically, Mrs. Wesner's qualifications are excellent. She holds a Master of Education degree from the University of Oklahoma, and has attained 18 hours toward a doctorate degree. In 1956, at the age of 21, she was the youngest person ever to receive a Master's degree from OU. Following that, she scored above the 99th percentile on her Doctoral Qualifying Exam.

Maralene has bolstered her educational growth by attending annual meetings of the International Reading Association, a seminar in human relations at the University of Oklahoma, workshops in science, new math, ungraded primary and early childhood education, and by private language lessons.

She was also one of 20 educators chosen from the Southeastern OEA District to participate in an eight week pilot program on "Awareness of the Indian Child," held at Southeastern State College in Durant this year. According to Tom Bagwell, Chairman of the McCurtain County Bicentennial Committee, and longtime friend of Maralene Wesner, "She is constantly striving for a higher achievement plateau of competence."

With 17 of her 18 years of teaching experience in the Idabel Public Schools, that school board reports that Mrs. Wesner has taught first, second and fifth grades, the beginning level of ungraded primary after that program was established, and that she is currently a team teacher at the kindergarten level. She has also served as a remedial instructor in summer school each year, as a private tutor, and as a supervisor of student teachers. Mrs. Wesner instigated an individualized reading program, team teaching, and open classroom kindergarten in this area. She served as chairman and wrote the handbook for one of the first Ungraded Primaries in this part of the country.

As an author of educational materials, Mrs. Wesner has received national acclaim. With her husband Miles and fellow teacher Betty Bagwell, she wrote, edited and published "Phonics in a Nutshell," an elementary approach to the teaching of reading by the phonics method.

She has written many textbooks and treatises on individual reading, as well as writing for Nation-wide Educational Materials in the production of films and visual learning aids, distributed through Eyegate, Inc.

The wife of Baptist Minister Miles Wesner, Maralene and Miles frequently write religious articles and leadership courses which appear in national periodicals. Together they developed and taught a music training course for small churches, and for two years Maralene edited "The Braille Evangel," an inspirational magazine for the blind. Mrs. Wesner also has written children's pageants, music and poetry, and is currently compiling several diaries and sketches into a book.

Maralene's talents as a teacher are utilized in her church work as well. She serves as a Sunday school teacher, church training director, organist, pianist, children's choir leader, youth sponsor at two summer camps and youth and music director for the three-county Frisco Baptist Association. According to Woodrow Holman, Superintendent of Schools in Idabel, "Her high ideals and Christian background are outstanding."

Ed Shipp, president of the Idabel National Bank, feels that Mrs. Wesner manifests "respect, dignity and dedication above and beyond the call of duty. She has excelled in all areas of her profession while keeping up a strenuous schedule of participation in civic and church affairs."

Mrs. Wesner serves as building representative of the Idabel Education Association, and she is program chairman for OEA district meetings. She is a member of OEA, NEA, the Oklahoma Reading Council, International Reading Association, the Oklahoma Historical Society, and the International Carnival Glass Association. She has served as chairman and president of the Ungraded Primary Inservice Group, and as a committee member on the Human Rights Conference. She is sought after as a public speaker and gives educational demonstrations at schools, county and district teachers' meetings, and civic clubs.

Mr. and Mrs. Wesner have traveled through all 50 states, Canada, Mexico, Israel, Egypt, Japan, and 11 countries in Europe, taking photographs and compiling travelogues which they often use in their lectures in churches, schools and clubs.

In addition to all these activities and achievements, during the past twelve years the Wesners have drafted architectural blue prints and constructed several modern buildings which include two churches, an eight-unit apartment building and several homes. They are both on the architectural advisory staff for the restoration of "Magnolia," a 1910 Colonial home in Idabel, and they own and operate the Heritage House, a successful antique shop.

Described by Tom Bagwell as a "devoted public servant who commands respect and admiration from all those with whom she comes in contact," Maralene Wesner was selected as IEA Teacher of the Year, and subsequently nominated by that school board as Oklahoma Teacher of the Year. One hundred Fourteen other outstanding teachers over the state were also nominated for that honor.

A screening committee made up of representatives from PTA, State School boards and various OEA departments (other than the Association of Classroom Teachers) had the difficult task of reducing the selections to five teachers on whom reports were sent to the sponsoring bodies for the purpose of making a final selection.

The sponsoring organizations for the Oklahoma Teacher of the Year Program are the OEA, the Oklahoma City Chamber of Commerce, the State Fair of Oklahoma, and the Oklahoma City Hotel and Motor Hotel Association. The selections are made by reviewing reports sent in by local OEA units. Although the responsible parties are aware that all of the teachers selected would make excellent representatives, they must pick only one Oklahoma Teacher of the Year, and this year's choice is Maralene Wesner, an accomplished teacher, a devoted Christian, and a concerned and active citizen.

The state Teacher of the Year becomes eligible to compete for the title of National Teacher of the Year." Two Oklahoma Teachers of the Year have gained distinction as the National Teacher of the Year. They are Miss Edna Donley in 1959, and Mrs. Lawanna Trout in 1963.

In recognition of teachers, Governor Hall issued a special proclamation making September 20 "Teacher Appreciation Day" in Oklahoma. This is a yearly observance calling attention to the responsibility and dedication of teachers throughout the state.

THE WORKING CLASS MAJORITY

(Mr. BOLLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BOLLING. Mr. Speaker, the following article gives the analysis of the "hard hat" myths contained in Andrew Levison's excellent book "The Working Class Majority," published by Coward, McCann & Geoghegan. The implications of this analysis are enormously significant for politicians and labor leaders alike.

[From the Washington Post, Sept. 29, 1974]

THE BLUE-COLLAR MAJORITY—OR, SHATTERING THE "HARD HAT" MYTHS

(By Andrew Levison)

For approximately a quarter of a century, three ideas have dominated the thinking of liberal intellectuals about the American working class. One is that blue-collar workers are now outnumbered by white-collar workers. Another is that rising income levels have eliminated rigid distinctions between blue collar and white, diminishing the importance of the old working-class political issues. The third is that, smug and well paid, workers and their unions are now among the most conservative forces in the nation's political life. Each of these ideas is a myth. First, blue collars still outnumber white. The "white-collar majority" is the product of tortured definitions and sometimes deceptive manipulations of statistics. Second, while the living standards of all Americans have improved, most blue-collar workers are much closer to poverty than to affluence. Finally, blue-collar workers are no more conservative than the middle class on most issues and are more liberal on some, and there is evidence that they will support liberal political candidates whose programs deal with workers' real problems and grievances.

The persistence of these myths is not an academic issue but one of practical politics. By clinging to them, liberals have demonstrated a talent verging on genius for isolating themselves, antagonizing workers, and defeating genuinely liberal political candidates and programs. The indifference and condescension generated by the myths have created stumbling blocks for almost every liberal movement of the past decade—the peace movement and the ecology movement in particular—and they played a role in twice electing Richard M. Nixon to the presidency.

The myth that America now has a white-collar majority has been taught as fact in college classrooms for years, with the support of most liberal, and even radical, social theorists. For instance, in "The New Industrial State," John Kenneth Galbraith wrote:

"By 1965 there were nearly 8 million more white than blue collar workers, 44.5 million as compared with 36.7 million. During these years the number of professional and technical workers, the category most characteristic of the techno-structure, approximately doubled."

Herbert Marcuse endorsed this common misconception in "One-Dimensional Man":

"The assimilating trend shows forth in the occupational stratification. In the key industrial establishments the "blue collar" work force declines in relation to the "white collar" element; the number of non-production workers increases."

And in the pop best-seller "Future Shock" Alvin Toffler presents a particularly lyrical version of this idea:

"In about 1956 the United States became the first major power in which more than 50 percent of the non-farm labor force ceased to wear the blue collar of factory or manual labor . . . Within the same lifetime a society for the first time in human history not only threw off the yoke of agriculture, but managed within a few brief decades to throw off the yoke of manual labor as well."

The statistics quoted by such writers are based upon very specific and technical uses of the terms "blue collar" and "white collar" and not on the definitions that these terms still have in ordinary conversation, in which they are synonyms for brawn and brain, for manual labor vs. professional and managerial work. The source of these technical usages is the Census Bureau, which has established the following job categories:

White Collar: Professional, technical, and kindred, managerial and administrative; clerical and sales.

Blue Collar: Craftsmen and foremen; operatives [men who operate machinery], and (non-farm) laborers.

Other: Service, farm laborers.

This sorting looks fine on the surface. If the categories are not crystal clear, they seem adequate. But while for 25 years these categories appeared reasonable as a basis for proclaiming the decline of manual labor, it would have become apparent to anyone who went beyond them, to the specific jobs involved, that the white-collar majority was very much like a desert mirage: The more carefully one looked at it, the farther away it was.

Notice that the blue-collar category is limited to only a fraction of all the Americans who are still employed in essentially rote manual labor. "Service" workers are excluded, even though many of them are janitors, waiters, porters, ushers, elevator operators, doormen and shoeshine boys—people who hold some of the lowest-paying and most menial occupations in America. When a given percentage of "blue-collar" workers is cited, the tendency is to automatically place everyone else, including these workers, in the middle class. Most of the rest of the people in the service category are also manual workers: guards, watchmen, cooks, household help, hospital and other attendants, barbers, policemen and firemen. In addition, clerical and sales work, assigned to the white-collar category, has many working-class jobs concealed within it. The postman is a clerical worker. So are baggagemen, messenger boys, bill collectors, newsboys, peddlers, office-machine operators, bus and train dispatchers and telegraph operators—all contained in the white-collar category and hence called middle class. And in 1970 two-thirds of the clerical and sales workers were women—telephone operators, cashiers, salesgirls, typists and others in low-paying, low-status jobs. Some sociologists have tried to salvage the "middle-class majority" by suggesting that these women clerical and sales workers are a "new" social group, a lower-middle-class "salariat" (rather than a proletariat). This is an appealing solution, since one would hesitate to call them working class. Many writers have been seduced by this concept, since it seems to apply to a large number of "career girls" who seem more middle class than working class.

The image of women clerical and sales workers that these writers have is the New York single girl, perhaps a Vassar graduate, who is working as a secretary but dreams of "getting into publishing." She lives with two other young women in an expensive East Side apartment, reads Ms., takes courses at the New School, smokes pot on occasion and goes skiing on weekends. Such an image, however, is misleading. Most women clerical and sales workers are married, and about half are married to working-class men. Suddenly the career-girl secretary is joined by a somewhat less romantic figure—the welder's wife who works part time as a check-out clerk in the A&P. Instead of Ms., imagine Reader's Digest; instead of the ski slopes it's Wednesday-night bowling; and its not pot but one of her husband's beers. To a sociologist who met her on the street, she would be one of "them," not one of "us."

The best way to clarify this confusion is to look at the occupational structure for men. Approximately 68 per cent of women aged 18 or older are married, and most married women live in the class and culture of their husbands. Thus, the list of occupations for men alone gives a much more exact indication of the relative sizes of the working class and the middle class in America. The following chart, based on Census Bureau figures, shows the proportions quite clearly:

Major occupational groups for males in 1969

[In percent]

Middle class:	
Professional and technical	14.6
Managerial and proprietor	14.6
Clerical	7.4
Sales	5.8
Total	42.4
Working class:	
Craftsmen and foremen	21.4
Operatives	21.4
Laborers	7.6
Service	7.1
Total	57.5

Since there are many working-class jobs hidden in the clerical and sales grouping, the true working-class figure is probably between 60 and 62 percent. Thus, three-fifths of America is working class. The euphoric concept of a middle-class majority, the end of manual labor, and a new age in human history is based on the inclusion in the middle class of steelworkers' wives who go to work as cashiers and salesgirls.

Such figures do leave open the possibility that blue-collar work may be rapidly disappearing and that in a few years we may have a middle-class majority after all. But if we look at the actual number of people in different occupations, one fact is immediately apparent: the number of working-class Americans has not decreased at all; in fact, the census shows that in the two decades since 1950 it has increased by roughly 4 million. The declining trend analysis notice is relative; as the population has grown, the working class has increased, but the minority of Americans who are middle class has increased at a faster rate. Between 1950 and 1969, the number of male blue-collar employees increased from 22 million to 26 million, while the number of white-collar men increased from 14 million to 19 million. The white-collar increase is significant, but let us put it in perspective. The relative percentage of blue-collar workers goes down, from 62.4 per cent to 57.5—a 5 per cent drop in 20 years (not counting the misclassified clerical and sales workers). First, that still leaves us with 26 million working-class American men and 19 million middle-class American men—a raw social and political fact that cannot be denied. Second, for the middle class just to maintain the same proportion in relation to the working class, an increase of 2.4 million people was required. So only about 3.6 million *more* middle-class employees, beyond that 2.4 million, represent something new in the occupational structure since 1950. Again, the raw number is striking. The whole postwar "revolution" described by so many commentators comes down to less than 4 million men in a male labor force of about 45 million. At this rate, there will be a working-class majority until the next century. At least another generation of Americans will be predominantly working class. Six Presidents and thousands of congressmen will be elected by a working-class majority.

If manual workers lived exactly like white-collar workers, however, the fact that they work in factories instead of offices would probably not be of great political significance. And this is what many commentators have told us—that blue collar workers are now "middle class" or "middle Americans," not affluent but far from poor. For example, Herman P. Miller, in his article "A Profile of the Blue Collar American," in "Blue-Collar Workers: A Symposium on Middle America," published in 1971, wrote, "By 1969 the median annual income of white families headed by blue-collar workers was $10,700." But Miller was talking only about craftsmen, foremen and operatives—no one else. He excluded service workers, laborers and people unemployed at the time of the survey—not to mention the somewhat more defensible exclusion of blacks as a special case.

We come up with a very different picture of the American working class if we do not exclude any category of manual worker; if we deal not with averages or medians but with the whole range of working-class-income distribution, and if we examine this distribution in the light of the Bureau of Labor Statistics "standard budgets," which the bureau designates "lower," "intermediate" and "upper," but which actually represent the three socioeconomic cultures in the United States—poverty, working class and middle class. In 1970, the budget for the lowest of these was $6,960 for a family of four; the intermediate budget—the amount necessary for what some unions call a "shabby but respectable life"—was $10,664; and the middle-class budget was $15,551. In 1970, government figures indicate, 30 per cent of the nation's working-class families were living in what was really poverty, with incomes of less than $7,000. Another 30 per cent were above the poverty budget but below that "shabby" intermediate level. Thus, 60 per cent of the working class either were poor or were hovering between poverty and the very modest level of the intermediate budget. A United Auto Workers study shows just how "modest" that budget is: The budget assumes, for example, that a family will own "a toaster that will last for 33 years, a refrigerator and a range that will each last for 17 years, a vacuum cleaner that will last for 14 years, and a television set that will last for 10 years. The budget assumes that a family will buy a two-year-old car and keep it for four years, and will pay for a tuneup once a year, a brake realignment every three years and a front-end alignment every four years . . . The budget assumes that the husband will buy one year-round suit every four years . . . and one topcoat every 8½ years . . . It assumes that the husband will take his wife to the movies once every three months, and that one of them will go to the movies alone once a year. The average family's two children are each allowed one movie every four weeks. A total of $2.54 per person per year is allowed for admission to all other events, from football and baseball games to plays or concerts . . . The budget allows nothing whatever for savings."

This or less is the condition of 60 per cent of all American workers. The affluent workers, who until recently were supposed to be typical, constitute from 12 to 15 per cent of the working class, white and black. Eighty-five percent, then, are not "typical." The average working-class family earns $9,500—much closer to poverty than to affluence—and this is the income of the entire family, working wife and children included. The average figure does not take into account long-term unemployment, illness or the income of old people on pensions; it has reference to the working poor, not poverty in general. For many years, the economic condition of workers has been shrugged off with easy references to a handful of plumbers and electricians making $8 or $10 an hour. But throughout that time other workers have been getting between $4 and $4.50 an hour, and some even less. In fact, more than any other factor, it is working wives who have made possible even the modest standard of living that the average workers enjoy. It is worth keeping this in mind when one imagines a working-class family that has an income of $10,000 a year. The husband may earn only $7,000 or $8,000, and his wife may earn the rest.

Blue collar workers must cope not only with low wages but with frequent unemployment, which neither liberal commentators nor the media have really comprehended. Even in the last few years, as the rate has risen sharply, unemployment has rarely been given much attention in articles about the "blue-collar blues" or discussions of the problems of American workers. It has been mentioned, of course, but has been quickly dismissed. After all, even at the worst point in 1971 unemployment affected only about 6 per cent of the labor force, and it did not take a great deal of mathematical knowledge to recognize that therefore 94 per cent were not laid off. In comparison with conditions in the thirties, it certainly did not sound like a major crisis.

But the "annual unemployment rate" that everyone watches so closely is a rather confusing measure; it counts only the people who happen to be unemployed on the day of the survey. In a monthly survey, a sampling of people are asked whether they are working, and the results are counted up. This reveals what percentage of people were without work on a certain day, but not all those who were unemployed earlier in the month or would be later. The annual unemployment rate is simply the average of the 12 surveys per year, rather than a total of all those who were unemployed at some point during the year. Such totals are compiled annually by the Census Bureau and these figures are called the "annual work-experience data." Although these data have far more meaning than the rates, they are almost never used to judge the severity of unemployment. If we ask the simple question, "How many people were unemployed at some time last year?" the answer is striking. In 1969, which was before unemployment had become a major issue, 18 per cent of the operatives, or almost one out of every five, were unemployed for some period of time. In 1970, the figure was 23 per cent—or almost one out of every four. The proportions of those affected among blue-collar workers ranged from about 13 per cent for service employees to more than 25 per cent for laborers. (By contrast, for white-collar workers the range was from 5 per cent for managers and administrators to 11.5 for clerical workers.)

The conclusion is obvious: Unemployment is tremendously widespread in working-class America. Millions of workers are thrown out of work every year, and among the remainder the fear that they will be next is widespread. There is no doubt that the majority of the nation's workers, even though they keep their jobs, cannot feel any real job security.

Many people accept the Archie Bunker image as an accurate representation of the American worker, and even those who reject it as an inadequate stereotype rarely challenge the underlying concept—that workers are now a basically conservative force in American society. Indeed, A. H. Raskin, the former national labor correspondent for the New York Times, has declared, "The typical worker—from construction craftsman to shoe clerk—has become probably the most reactionary political force in the country." It is almost never asserted today that workers are no more racist or militaristic than the middle class. And the idea that workers are actually more liberal in certain important areas would be considered preposterous by most intellectuals. Yet when one looks at the hard national data from votes and opinion polls, this is exactly what one finds. On the issues of race and war, opinion polls for the most part suggest only a small and by no means consistent differences in the attitudes of the various social classes. And many election results indicate that workers are still among the most liberal forces in American politics.

A distorted image of workers has been presented for years both in the mass media and in the academic community. Television has given us, in addition to Archie Bunker, Jackie Gleason's Ralph Kramden and William Bendix's character, Riley. All three are ridiculous comic figures, overweight and unintelligent, and two of them are arrogant domestic tyrants. There were some positive portrayals of workers in movies during the fifties and early sixties, but more recently such popular films as "Joe," "Straw Dogs," and "Easy Rider" have depicted workers as homicidal maniacs. In the academic community, one of the most widely known analyses of workers' political attitudes is that of the Harvard sociologist Seymour Martin Lipset, who has argued that workers are particularly prone to intolerance, antidemocratic feelings and a number of other "authoritarian" personality traits. For many years, this theory and related ones went largely unchallenged, and found their way into the popular press and scores of textbooks and studies. Only recently have systematic critiques appeared pointing out that a good part of the existing opinion-poll data actually contradicts these theories, that the methodology of studies like these has large subjective elements, and that the whole notion of the authoritarian personality is, in the words of one critic, "too elusive for measurement, if indeed it is a genuine clinical entity." For instance, a study of white attitudes toward equal treatment of blacks in housing, education, and jobs which was conducted in 1968 by the University of Michigan Survey Research Center found few if any significant differences between workers and the middle class. Similar results were reported in another 1968 study, this one conducted by the National Opinion Research Center. Other studies of working-class attitudes, although they are by no means as careful and systematic in their methods, have shown the same pattern.

But all such studies are based on opinion polls, and even though the two research groups mentioned above are among the most highly respected in America, it is easy to suspect that workers will respond differently from the middle class when it comes to "real life"—for instance, in city referenda on open housing. The author of a study of such referenda in two cities, Berkeley and Toledo, drew the following conclusion: "In neither city were blue-collar workers in toto far from the Caucasian mean, and they exhibited *less* intolerance than white-collars, exclusive of professionals."

More recently, Prof. Chandler Davidson of Rice University studied the voting patterns in the 1960s in Houston to test the hypothesis that the lower class voted in a more racist way than the upper. He looked at 20 electoral contests—11 primary elections, 10 of which involved state offices and one the U.S. Senate; four school-board elections; three general elections for federal offices, and two referenda. In each there was a clear choice between a liberal candidate, or position on the issue of race, and a conservative one. In only one contest did the wealthy precincts studied provide greater support for the liberal candidate or position. In four contests there was relatively little difference between the two types of precincts, and in the remaining 15 contests, Chandler concluded, "the two least affluent precincts gave greater support to the racially liberal candidate or position."

Some recent opinion surveys reveal a very real hostility toward blacks, in some regards, among white workers. One 1970 survey, which included questions about whether blacks were "pushing harder and faster than they have a right to," were "asking for special treatment," and deserved "the things they are asking for," found that 70 per cent of white blue-collar workers took a hostile view on all three questions, while only about 42 per cent of the white middle class did. But, despite new areas of antagonism, the fact is that white working-class racism, even in the North, was much worse in the forties and fifties than it is today. In literally scores of working-class neighborhoods across the North, any black man who was encountered after dark was in serious danger of being beaten up unless he could justify his presence. Many Northern plants had separate lockers and washrooms for blacks and whites, and a system of segregation just as thorough as Mississippi's. It is clear that a great change has taken place. In some areas, it is true, there is still unofficial discrimination, and even de facto segregation in the plants. But today the average white worker clearly has much more contact with blacks than ever before, and accepts the elementary rights of blacks to a far greater degree. In fact, in predominantly white locals of the United Auto Workers, and some other unions as well, black men are routinely elected stewards, vice-presidents and presidents, and not in a few exceptional places but all across the country.

One other factor helps to explain the seeming contradiction in working-class attitudes—the combination of tolerance and hostility. While many theorists think in terms of racial conflicts, and base their concern on an abstract sense of egalitarianism, the positive aspects of workers' attitudes are based on the problems and the sense of injustice they share with working-class blacks. Where workers see a common working-class issue, they respond "tolerantly." But when the issue is black needs vs. white affluence, white workers often become incensed at being lumped together with the white middle class and seeing their own problems ignored. Many workers genuinely accept the demands for simple justice being made by black workers, but few have any sympathy for the liberal intellectual's focus on issues like improving welfare benefits and seeking to understand the black criminal. Where "racism" appears most dramatically among blue-collar workers is in those aspects of black protest which pit the needs of what used to be called the "lumpenproletariat"—the disorganized families of the unemployed and dispossessed—against those of workers.

Because of blue-collar hostility to students, to "radical" tactics such as burning flags and occupying buildings, and to anti-war demonstrations in general in the sixties, it has been assumed that workers strongly supported the war in Vietnam. But in 1964 opinion polls indicated that blue-collar workers were probably more anti-war than any of the higher-status groups. Even researchers who argued that blue-collar antiwar sentiment was indicative of isolationist feeling rather than pacifism and conciliation in foreign policy had to admit that this was the case. As the war continued, however, it became difficult to find any valid studies of working-class opinion. The failure of researchers to separate blacks and whites, men and women, or North and South allowed anyone concerned to support almost any interpretation he wished. Not one systematic study has ever been done of class and the opinion data on the war in Vietnam. But referenda on the war do provide some indication of working-class attitudes. Six referenda have been studied, and the results are as follows: In three cases—Dearborn, Mich., in 1966 and 1968, and San Francisco in 1967—more working-class communities than middle-class neighborhoods supported the antiwar referenda (and only in the case of San Francisco did blacks constitute a significant factor. In two cases—Beverly Hills, Calif., and Madison, Wis.—there was no significant difference between the working-class areas and the middle-class ones, except for skilled workers in Madison, who tended to be somewhat more hawkish. In only one case—Cambridge, Mass.—did the results accord with the popular preconceptions. In that city, the professional and managerial neighborhoods clearly gave greater support to the referenda than the working-class areas did.

Thus, in regard to the war in Vietnam there is evidence that the blue-collar stereotype is inaccurate—that American workers may actually have been not more militaristic than the middle class but slightly less so. This conclusion, however, seems hard to square with other indications of working-class opinion, such as ostentatious displays of patriotism and opinion-poll results showing strong blue-collar hostility to anti-war protests. Part of the explanation may lie in the fact that 1968, when this hostility reached its peak, was almost 20 years, or one generation, after President Truman's announcement of the Fair Deal for American workers. The children born at the time of that promise had reached college age only to discover that it had been broken, and older workers saw their sons going into the factories while college continued to be reserved in large part for the middle class. So when students began to shut down campuses or burn flags, workers may have responded principally to the fact that these weren't "their" children. The students also had 2–S (student) deferments, which kept them safe from the danger of war. Finally, when students, imitating the black activists, began to call policemen (themselves blue-collar workers) "pigs," workers saw the name-calling as elitism and snobbery.

If the assessment of workers and their unions presented here is accurate, how can we account for the blue-collar defections to Wallace and to Nixon in the 1968 election and to Nixon in 1972? The widely accepted explanation of labor's political behavior in recent years was well expressed by Richard Scammon and Ben Wattenberg in their book, "The Real Majority." They saw the 1968 election as proof that the political awakening of labor, which seemed to have exploded almost overnight in the Wallace phenomenon, was something completely different from the labor militancy of previous years. This time, it was what the authors called "the social issue"—drugs, crime, pornography and so on—that was generating blue-collar anger. The traditional bread-and-butter issues, in the authors' view, were clearly taking a back seat, and a new conservatism was taking over.

No doubt "the social issue" and racial hostility were agitating many blue-collar voters. The black population in the North had been increasing so rapidly that it had basically altered the composition of many Northern cities. Since elementary democratic practices, such as the nonsegregation of restaurants, public transportation and so on, were generally accepted in the North, the demands that Northern blacks made in the sixties immediately focused on the extremely sensitive issues of union exclusionism and de facto segregation in housing. The conflict between the interests of black and white workers was therefore far deeper and more directly threatening to white workers than any of the issues in the South had been in the preceding decade. Then the pent-up frustration that exploded in the ghetto riots dramatically intensified the hostility of white workers. More important than the affront that the riots constituted to workers' law-abiding ethos was simple fear. While the riots turned out to be remarkably free from violence toward people, their impact on urban workers, who often lived so close to the ghetto that they could see the flames and sometimes hear the shouts and the breaking glass, was to create terror. Considering the currrents of racism that were already present in working-class America, it was invitable that the riots should elevate working-class fear and hostility toward blacks into a central political issue.

But this was only one factor in the growing discontent of workers. A more basic development during the sixties was the workers' growing recognition that, despite cliches of blue-collar affluence and satisfaction, the stubborn reality was a range of real and pressing problems, and often simple injustice as well. In the economic realm, taxes provided the most glaring example. Despite the nation's avowed commitment to an equitable system, many taxes—sales and Social Security taxes among them—are severely regressive, taking a far higher proportion of income from the less well-to-do than the affluent. Inflation also not only eroded workers' standards of living but had the same impact as a regressive sales tax, consuming a greater portion of a modest income than of a sizable one. This was especially the case with price increases in food and fuel. By April of 1974, rising prices actually reduced the real weekly take-home pay of the average production worker with three dependents to the level of the mid-sixties. In constant 1967 dollars, his April, 1974, income of $99.51 was actually lower than the 1965 average of $102.41.

When workers turned to the political system for redress, they found yet another area of American life where their needs and desires receives little attention and concern. Far from providing a source of solutions to workers' grievances, the political system decisively failed to represent workers or their interests. Although workers are a majority of the population, their needs receive less attention in Washington than those of a range of special-interest groups. For instance, in 1965 a study called attention to the pressing needs for occupational-health-and-safety legislation. Now, nine years later, many of its recommendations have still not been adopted, while a flood of amendments constantly seeks to glut those provisions which have passed. Another commission called attention to the deficiencies in workmen's-compensation laws. Nearly a generation later, significant federal legislation has still not been passed. A growing discontent over these conditions was increasingly apparent during the sixties and was responsible for waves of rejected contracts, wildcat strikes and the replacement of older union officials with new, more militant ones all across the country.

However, these discontents did not necessarily entail the triumph of George Wallace and "the social issue.'" In American politics, the decisive factor in that development was what workers encountered when they looked to their traditional liberal allies. Far from recognizing the legitimate grievances of blue-collar America during the sixties, liberals regarded workers as affluent and smug. Most of the Great Society social programs were designed to deal not with the problems of all working people but with those of the very poor and the blacks, looked upon as a kind of last frontier of social injustice. The results were predictable. In 1968, Hubert Humphrey received just 43 percent of the vote and half the ballots of blue-collar workers. The remainder were split between Richard Nixon and George Wallace.

In 1972, Wallace used the potent slogan "Send them a message!" which was particularly well attuned to the rising anger of the blue-collar voters. Yet in the midst of the chaos of 1968, blue-collar workers has sent one "message" that was never understood. In the primaries, Robert Kennedy won in one working-class precinct after another that had previously been ceded to Wallace. Short of putting signs on their lawns which said "I am discontented but not inevitably reactionary," there was no clearer way that workers could have indicated their accessibility to liberal politicians. This should have led the latter to reevaluate their tactics and strategy. Instead, the liberals simply updated all the myths of blue-collar authoritarianism and affluence to include an explanation of why "backlash" and "conservatism" were now inevitable. This mood of resignation about the blue-collar vote was maintained after the election, and one result was that a worker who voted for George Wallace in 1968 was given no reason to change his mind in succeeding years. Instead of seeing the liberal-progressive forces reject the condescending myths and return to their traditional role as his advocates, he saw them advance program after program that literally assaulted his real interests.

On the race issue, liberals lumped workers with the middle class and succumbed to one of the oldest weapons in the arsenal of reaction—playing white workers against blacks, instead of seeking the issues and programs to unite them. The busing program was typical. Not only did it ignore the deeper problems of class injustice in education—the inadequacies of the schools for both black and white workers' children—but, more important, it was not fairly and evenly applied. People with the money to move to the distant suburbs or to send their children to private schools could avoid the problems, while white workers, who could afford neither, had no such pleasant recourse. To workers, it appeared that liberals were willing to diminish the quality of blue-collar children's education for the sake of blacks, but that the education of their own children was a different matter.

Even on a bread-and-butter issue like the wage-price freeze, workers did not see their erstwhile allies leap to their aid. For anyone who had understood labor's demands for equitable controls in the late sixties, it should not have been difficult to see that Nixon's 1971 freeze was a caricature of a just program. But when George Meany cried "Unfair!" many liberals joined with conservatives in denouncing his criticisms as the "selfish" demands of a "special-interest group."

On other issues where opportunities were missed or destructive actions were taken, the point is clear. One does not need elegant sociopolitical theories to understand the "drift to the right," or the "emerging Republican majority." The only way progressives have ever won a majority of the voters is by offering programs that meet the needs of ordinary people. The McGovern campaign in many ways epitomized the worst mistakes that liberals have made in dealing with labor. Those who followed it at first hand know that there was a discernible pattern of arrogance and elitism toward workers and unions among many McGovern supporters.

Yet the way the blue-collar workers actually voted in 1972 is another story, and one that is often ignored. While the AFL–CIO itself chose to remain "neutral," individual unions did not. McGovern received the endorsement of union after union, until a majority of the unions represented in the AFL-CIO came out in his favor. And in November of 1972, when America voted, labor in general and the industrial unions in particular delivered—if not in decisive numbers, at least in greater numbers than their critics. Only 37 per cent of college-educated middle-class Americans voted for McGovern, in comparison with 43 per cent of the American unionists. Were it not for some of the "labor bosses," McGovern might very well have ended up running neck and neck with the Prohibition candidate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Peyser) to revise and extend their remarks and include extraneous material:)

Mr. Young of Alaska, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

Mr. Young of Illinois, for 10 minutes, today.

Mr. McKinney, for 5 minutes, today.

Mr. Railsback, for 5 minutes, today.

Mr. Steelman, for 5 minutes, today.

Mr. Don H. Clausen, for 15 minutes, today.

Mr. Hogan, for 5 minutes, today.

(The following Members (at the request of Mr. Moakley), to revise and extend their remarks, and to include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Rooney of Pennsylvania, for 5 minutes, today.

Mr. Moorhead of Pennsylvania, for 5 minutes, today.

Mr. Fulton, for 5 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Seiberling, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bolling, to extend his remarks in the body of the Record, notwithstanding the fact that it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $903.50.

Mr. du Pont to revise and extend his remarks before the vote on the Roybal amendment.

Mr. Frenzel to revise and extend his remarks prior to the vote on the Roybal-Veysey amendment.

(The following Members (at the request of Mr. Peyser) and to include extraneous material:)

Mr. Gilman in three instances.

Mr. Hosmer in two instances.

Mr. Hanrahan.

Mr. Lagomarsino.

Mr. Young of Illinois in three instances.

Mr. Hillis in two instances.

Mr. Rousselot in two instances.

Mr. Steiger of Wisconsin in two instances.

Mr. Young of Florida in five instances.

Mr. Hogan.

Mr. Dennis.

Mr. Cleveland.

Mr. Abdnor in two instances.

Mr. Bob Wilson in two instances.

Mr. Bray in two instances.

Mr. Huber.

Mr. Edwards of Alabama.

Mr. Wyman in two instances.

Mr. Scherle.

Mr. Veysey in two instances.

Mr. Hudnut in two instances.

(The following Members (at the request of Mr. Moakley) and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Anderson of California in 10 instances.

Mr. Fraser in five instances.

Mr. Long of Maryland in 10 instances.

Mr. Dingell in 11 instances.

Mr. Gaydos in 10 instances.

Mr. Rogers in five instances.

Mr. Casey of Texas.

Mr. Teague in two instances.

Mr. Badillo in four instances.

Mr. de la Garza in 10 instances.

Mr. Aspin.

Mr. Conyers in 10 instances.

Mr. Montgomery.

Mr. Harrington in three instances.

Mr. Sisk.

Mr. Minish.

Mr. Long of Louisiana in two instances.

Mrs. Sullivan.

Mr. Rooney of New York.

Mr. Culver.

Mr. Eilberg.

Mr. Udall in two instances.

Mr. Waldie in two instances.

Mr. Carney of Ohio.

Mr. Won Pat.

Mr. Gunter in three instances.

Mr. de Lugo in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1724. An act to amend title 28, United States Code, to provide more effectively for bilingual proceedings in all district courts of the United States, and for other purposes; to the Committee on the Judiciary.

S. 3021. An act to amend title 28, United States Code, to provide that Madison County, Florida, shall be included in the northern judicial district of Florida; to the Committee on the Judiciary.

S. 4037. An act to extend for two years the authorization for the striking of medals in commemoration of the one hundredth anniversary of the cable car in San Francisco; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 15301. An act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes;

H.R. 15323. An act to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes; and

H.R. 16102. An act to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October, 1974, through the last Sunday in February, 1975.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 15301. An act to amend the Railroad Retirement Act of 1937 to revise the retirement system for employees of employers covered thereunder, and for other purposes;

H.R. 15323. An act to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes; and

H.R. 16032. An act to amend the Secretary of the Treasury to change the alloy and weight of the 1-cent piece and to amend the Bank Holding Act Amendments of 1970 to authorize grants to Eisenhower College, Seneca Falls, N.Y.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 52 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, October 2, 1974, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

2814. Under clause 2 of rule XXIV, a letter from the Secretary of the Interior, transmitting the annual report for calendar year 1973 on the administration of the Federal Metal and Nonmetallic Mine Safety Act, pursuant to section 20 of the act (Public Law 89-577); to the Committee on Education and Labor.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. S. 3801. An act to authorize the Federal Farm Credit Board to fix the compensation of the Governor and the Deputy Governors of the Farm Credit Administration. (Rept. No. 93-1393). Referred to the Committee on the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 12216. A bill to amend the act relating to the Lumbee Indians of North Carolina; with amendment (Rept. No. 93-1394). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. H.R. 16424. A bill to establish a Commission on Federal Paperwork; with amendment (Rept. No. 93-1395). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. Our Threatened Environment: Florida and the Gulf of Mexico (Rept. No. 93-1396). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on House Administration. S.J. Res. 123. Joint resolution authorizing the procurement of an oil portrait and marble bust of former Chief Justice Earl Warren. (Rept. No. 93–1397). Referred to the Committee of the Whole House on the State of the Union.

Mr. NEDZI: Committee on House Administration. H. Con. Res. 84. Concurrent resolution accepting the gift of the centennial safe and expressing the thanks of the Congress to the late donor, Mrs. Charles F. Deihm, and authorizing its display in the Capitol to create interest in the forthcoming bicentennial (Rep. No. 93–1398). Referred to the House Calendar.

Mr. MILLS. Committee of conference. Conference report on H.R. 6191 (Rept. No. 93–1399). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 6642 (Rept. No. 93–1400). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 7780. (Rept. No. 93–1401). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 11251 (Rept. No. 93–1402). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 11452 (Rept. No. 93–1403). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 11830 (Rept. No. 93–1404). Ordered to be printed.

Mr. MILLS: Committee of conference. Conferenle report no H.R. 12035. (Rept. No. 93–1405). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 12281. (Rept No. 93–1406). Ordered to be printed.

Mr. MILLS: Committee of conference. Conference report on H.R. 13631 (Rept. No. 93–1407). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. SULLIVAN:

H.R. 16963. A bill to prohibit discrimination on the basis of race, sex, or marital status in the granting of credit; to the Committee on Banking and Currency.

By Mr. BAKER:

H.R. 16964. A bill to incorporate the United States Submarine Veterans of World War II; to the Committee on the Judiciary.

By Mr. BURLESON of Texas (for himself, Mr. Breaux, Mr. McKay, Mr. Owens, Mr. Randall, and Mr. Traxler):

H.R. 16965. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. CHAPPELL:

H.R. 16966. A bill to authorize the Secretary of the Interior to sell certain rights in the State of Florida; to the Committee on Interior and Insular Affairs.

H.R. 16967. A bill to amend section 111(a) of title 38, United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities; to the Committee on Veterans' Affairs.

By Mr. EVINS of Tennessee (for himself, Mr. Baker, Mr. Beard, Mr. Duncan, Mr. Fulton, Mr. Jones of Tennessee, Mr. Kuykendall, and Mr. Quillen):

H.R. 16968. A bill to amend the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), to set time for review of TVA power rate adjustments; to the Committee on Public Works.

By Mr. MOLLOHAN (for himself, Mr. Fuqua, Mr. Helstoski, Mr. Johnson of Pennsylvania, Mr. Melcher, Mr. Slack, Mr. Staggers, Mr. Talcott, and Mr. Charles Wilson of Texas):

H.R. 16969. A bill to repeal sections 102 and 202 of the Flood Disaster Protection Act of 1973 which make flood insurance coverage and community participation requisites for approval of any financial assistance in a flood hazard area, and for other purposes; to the Committee on Banking and Currency.

By Mr. MOORHEAD of Pennsylvania (for himself and Mr. Widnall):

H.R. 16970. A bill to establish a Capital Markets Advisory Committee; to the Committee on Banking and Currency.

By Mr. PARRIS:

H.R. 16971. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act with respect to utilization of parking facilities within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ST GERMAIN:

H.R. 16972. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mrs. SCHROEDER:

H.R. 16973. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment; to the Committee on Education and Labor.

By Mr. STEELMAN:

H.R. 16974. A bill to regulate lobbying and related activities; to the Committee on the Judiciary.

By Mr. WYMAN (for himself, Mr. Kyros, and Mr. Harrington):

H.R. 16975. A bill to amend title 5, United States Code, to provide that an employee's accrued annual leave may be granted only upon such employee's request and, absent such request, such accrued leave may not be required to be taken; to the Committee on Post Office and Civil Service.

By Mr. ADDABBO:

H.R. 16976. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BINGHAM:

H.R. 16977. A bill to provide for services to children and their families, and for other purposes; to the Committee on Education and Labor.

By Mr. DON H. CLAUSEN:

H.R. 16978. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH:

H.R. 16979. A bill to provide for the establishment of a national advisory commission to develop a national plan for the control of epilepsy and its consequences; to the Committee on Interstate and Foreign Commerce.

H.R. 16980. A bill to amend the Highway Beautification Act of 1965, as amended; to the Committee on Public Works.

By Mr. FISH:

H.R. 16981. A bill to provide for additional sentences for commission of a felony with use of a firearm; to the Committee on the Judiciary.

By Mr. FRASER (for himself, Mr. Buchanan, Mr. Hamilton, Mr. Bingham, Mr. Fascell, Mr. Derwinski, Mr. Findley, Mr. Rosenthal, Mr. Winn, Mr. Lagomarsino, and Mr. Reid):

H.R. 16982. A bill to authorize U.S. payment for fiscal year 1975 to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East, and the United Nations Force in Cyprus; to the Committee on Foreign Affairs.

By Mr. FRASER (for himself and Mr. Breckinridge):

H.R. 16983. A bill to establish the Potomac River National Historical Park in the Commonwealth of Virginia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GUDE (for himself, Mr. Gilman, and Mr. Talcott):

H.R. 16984. A bill to amend title 39, United States Code, to require the Postal Service to consult with agencies of State and local governments with respect to the construction of certain Postal Service facilities, to establish hearing procedures with respect to proposals for such construction, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MOSHER (for himself, Mr. Anderson of Illinois, Mr. Bell, Mr. Biester, Mr. Coughlin, Mr. Esch, Mr. Fish, Mr. Frelinghuysen, Mr. Frenzel, Mr. Hansen of Idaho, Mr. Heinz, Mr. McDade, Mr. McKinney, Mr. Pettis, Mr. Pritchard, Mr. Robison of New York, Mr. Ruppe, and Mr. Whalen):

H.R. 16985. A bill to require in all cases court orders for the interception of communications by electronic and other devices, for the entering of any residence, for the opening of any mail, for the inspection or procurement of certain records, and for other purposes; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 16986. A bill to amend title 5, United States Code, to provide that an employee's accrued annual leave may be granted only upon such employee's request and, absent such request, such accrued leave may not be required to be taken; to the Committee on Post Office and Civil Service.

By Mr. ROGERS:

H.R. 16987. A bill to amend title II of the Social Security Act to provide that the remarriage of a widow, widower, or parent shall not terminate his or her entitlement to widow's, widower's, or parent's insurance benefits or reduce the amount thereof; to the Committee on Ways and Means.

By Mr. ROGERS (by request):

H.R. 16988. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of South Carolina:

H. Con. Res. 652. Concurrent resolution to provide for the designation of November 8, 1974, as "National Trauma Day"; to the Committee on the Judiciary.

By Mr. GILMAN:

H. Con. Res. 653. Concurrent resolution requesting release of two Ukrainian intellectuals; to the Committee on Foreign Affairs.

By Mr. RODINO (for himself and Mr. Hutchinson):

H. Con. Res. 654. Concurrent resolution, authorization for reprinting 40,000 copies for use of the Committee on the Judiciary of House Document 93–339; to the Committee on House Administration.

By Mr. FRASER (for himself, Mr. Culver, Mr. du Pont, Mr. Symington, Mr. Bingham, Mr. Fascell, Mr. Frelinghuysen, Mr. Lagomarsino, Mr. Reid, Mr. Rosenthal, Mr. Ryan, and Mr. Winn):

H. Res. 1399. Resolution expressing the sense of the House of Representatives with respect to the world food situation; to the Committee on Foreign Affairs.

By Mr. RODINO:

H. Res. 1400. Resolution to provide funds for the Committee on the Judiciary; to the Committee on House Administration.

By Mr. VANDER JAGT (for himself, Mr. CONYERS, Mr. ESCH, Mr. BROWN of Michigan, Mr. VANDER VEEN, Mr. CHAMBERLAIN, Mr. TRAXLER, Mr. CEDERBERG, Mr. RUPPE, Mr. O'HARA, Mr. NEDZI, Mr. FORD, Mrs. GRIFFITHS, Mr. HUBER, and Mr. BROOMFIELD):

H. Res. 1401. Resolution saluting Al Kaline for his achievements and contributions to baseball; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

543. The SPEAKER presented a memorial of the Legislature of the State of California, relative to bank protection and flood control; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. EILBERG:

H.R. 16989. A bill for the relief of Jacinta Roque Gonzalez Lopez; to the Committee on the Judiciary.

By Mr. SCHERLE:

H.R. 16990. A bill for the relief of Mitsuo Kakutani, his wife Akaiko Kakutani, and their child Kota Kakutani; to the Committee on the Judiciary.

By Mr. YOUNG of Alaska:

H.R. 16991. A bill to amend the act entitled "An act to authorize the sale of certain public lands in Alaska to the Catholic Bishop of Northern Alaska for use as a mission school," approved August 8, 1953; to the Committee on Interior and Insular Affairs.

PETITION'S, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

524. By the SPEAKER: Petition of the Southern Governors' Conference, Atlanta, Ga., relative to the fertilizer shortage; to the Committee on Agriculture.

525. Also, petition of the Southern Governors' Conference, Atlanta, Ga., relative to the Economic Summit Meeting; to the Committee on Banking and Currency.

526. Also, petition of the Southern Governors' Conference, Atlanta, Ga., relative to energy policy; to the Committee on Interstate and Foreign Commerce.

527. Also, petition of the Southern Governors' Conference, Atlanta, Ga., relative to the right to privacy; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

HEALTH INSURANCE PLAN ON HOLD

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HUBER. Mr. Speaker, one of the sectors of our economy most afflicted with runaway inflation is the health sector. One of the suggested cures is a comprehensive Federal health insurance plan. However, would the passage of such a plan help or hinder bringing inflation under control? The cheapest plan being considered in the Congress would call for the expenditure of billions of dollars. We can also look at the effects of medicare and medicaid on the health industry—prices went up. Therefore, in my view, the Congress should be cautious in this respect. The Wall Street Journal of Friday, July 12, 1974, made a very good case for delay in an editorial of that date. The editorial follows:

HEALTH INSURANCE ON HOLD

Congressional ardor has cooled for pushing through a comprehensive federal health insurance bill this year, which is all to the good. There are few issues more deserving of calm and measured deliberation.

The cooling off is itself significant, suggesting as it does that there is no insistent clamor from voters that the federal government plunge deeper into health care. It already is in pretty deeply, to the tune of some $25 billion a year for Medicare, Medicaid and other programs. There are compelling reasons, both fiscal and political for the nation to consider carefully when, and even whether, to take the next step.

The most immediate problem is money. There are no fewer than eight theoretically serious health insurance bills before Congress and maybe a couple of dozen altogether. Even the cheapest would cost the Treasury another $3.6 billion a year, conservatively estimated. This is the Fannin bill, which has the support of the U.S. Chamber of Commerce. It sets minimum standards, including coverage of catastrophic illnesses, for private insurance and provides for federal purchase of insurance for the poor.

From there the price goes up, to a modestly estimated $6.5 billion for the President's Comprehensive Health Insurance bill, on up to $18 billion for the Ullman-American Hospital Association bill and finally to the ultimate in fiscal and political profligacy, the Kennedy-Griffiths Health Security bill, which is priced at an estimated $60 billion a year to start with and might end up eventually costing $60 trillion for all we know.

Few of these price tags, with the possible exception of the sky's-the-limit Kennedy-Griffiths figure, cover full economic costs. Most of the bills also involve higher costs to industry, which would certainly be passed along in higher prices, an increasingly popular way in Congress for financing programs the government can't afford to support directly. The Fannin bill, which not only is the most modest of the bunch but also the most sensible looking would raise industry's health insurance costs $2.7 billion. The Nixon bill would add some $9 billion.

In other words, the combined overt and covert cost of even the most limited proposals are almost certain to aggravate the nation's number one problem, inflation, which demands solution ahead of almost any other consideration short of clearcut questions of national security. Even without any significant new spending plans, the administration has projected a $9.4 billion deficit for fiscal 1975 and it would like to find some way, as part of its inflation fighting efforts, to cut that by $5 billion or so. As to the industry costs, they would be added to all the other costs—pollution control, safety, etc., etc.—government has loaded on recently.

Under these circumstances, it is prudent to put expensive new federal health insurance plans on hold for the time being and try to restore health instead to the national economy. For the longer term, it would be useful to reexamine the problem.

As with so many national issues these days, it is difficult to sort out the substance from the rhetoric, but the public question here would seem to revolve around some 20 million people who do not now have some form of health insurance coverage, either through Medicare, Medicaid or private sources. The ones who would seem to be the core of the problem would come under the heading of working poor—casual laborers and the like—who seem to get the short end of almost everything these days. But the number of people who are being denied medical treatment because of inability to pay probably is small; there is little evidence of an acute problem. The other insurance gap is catastrophe care, for the kind of long-term costly illness which might ruin anyone but the wealthy.

These two problems can undoubtedly be solved, albeit at some considerable cost. They do not justify a sweeping nationalization of the nation's medical industry, which serves the nation quite well on the whole. It may soon be serving the nation even better, given a little time, as a result of legislation to break down barriers to group practice and other possibly more efficient means of health care delivery.

It won't hurt if Congress puts health care on hold and addresses itself to more urgent problems. And maybe when it looks again it will have a clearer view of what it should do.

AMENDMENTS TO HOUSE RESOLUTION 988, HOUSE COMMITTEE REFORM AMENDMENTS OF 1974

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DINGELL. Mr. Speaker, I herewith insert by permission previously granted a listing of the amendments I will offer to House Resolution 988, the House Committee Reform Amendments of 1974:

AMENDMENTS TO HOUSE RESOLUTION 988

AMENDMENT NO. 1—TO LIMIT THE TERM OF THE SPEAKER

Page 73, immediately after line 13, insert the following new section, and redesignate the ensuing sections accordingly:

"Speaker of the House

SEC. 401. Rule 1 of the House of Representatives is amended by adding at the end thereof:

'(8) No Member shall serve as Speaker who shall have been elected as Speaker in the two successive Congresses immediately preceding.'"

Page 90, immediately after line 19, insert the following new section, and redesignate ensuing sections accordingly:

"(b) Section 401 shall become effective at the beginning of the 95th Congress."

AMENDMENT NO. 2—TO BALANCE LEGISLATIVE JURISDICTION BETWEEN COMMITTEES ON ENERGY AND ENVIRONMENT, COMMERCE AND HEALTH, AND MERCHANT MARINE AND FISHERIES

Page 6, immediately after line 9, insert new sections:

"(8) Disposition of solid wastes; noise control.

"(9) Nonenergy aspects of air quality, including industrial pollution.

"(10) Safety of drinking water."

Page 8, strike out lines 8-11 inclusive, and insert:

"(2) Environmental aspects of production and consumption of fuels and generation of power; land-use planning, and conservation of resources."

Page 8, strike out line 13, and insert:

"resources, irrigation, and reclamation."

Page 8, strike out lines 22 and 23.

Page 16, immediately following line 2, insert new sections:

"(7) Wildlife and its protection, including research, refuges and conservation.

"(8) Ocean dumping and coastal zones.

"(9) Deepwater ports.

"(10) Environmental policy."

AMENDMENT NO. 3—TO ASSIGN DUTIES OF PROPOSED LEGISLATIVE CLASSIFICATION OFFICE TO HOUSE COMMITTEE ON ADMINISTRATION

Page 29, line 14, immediately after the letter "(c)", insert the number "(1)".

Page 29, line 16, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 30, immediately after line 8, insert the following new subsection:

"(2) The Committee on House Administration shall develop, supervise, and maintain for the House and its committees and Members a cross-referencing capability based on the authorization statutes, showing committee jurisdiction, appropriation Acts, budget authority, budget outlays, unexpended balances, other relevant systems which are or may be compatible, and the relationships between them.

"In connection therewith, the Committee shall:

(A) work closely with the House standing committees in all phases of the development of the cross-referencing capability and coordinate with the Congressional Research Service and General Accounting Office, in the development, implementation, and operation of the cross-referencing service.

(B) advise the House of developments which could improve the operation of the classification service and issue an annual report to the House on the progress in implementation and use of the service, and plans for the coming year.

(C) make available (as development permits) publications or information in an appropriate format for use of the House committees and Members and provide the capability to answer specific queries on the available information.

(D) make an annual report to the House on its progress in carrying out the functions specified in Subsections (c)(2) of this section, and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsection (c)(2) of this section, provided, however, that such staff shall not be assigned any duties other than those specified therein."

Page 76, strike out line 1, and all that follows through page 79, line 2, inclusive, and redesignate ensuing sections accordingly.

AMENDMENT NO. 4.—TO PROVIDE A PROCEDURE FOR REFERRAL OF BILLS TO COMMITTEES CONCURRENTLY OR IN SEQUENCE

Page 34, strike out line 11 and all that follows through page 38, line 19 inclusive, and insert:

"6. (a) Any bill, resolution or other matter which relates to a subject under the jurisdiction of more than one standing committee named in Clause 1, may, at the request of a committee chairman seeking referral of the matter to his committee, be referred by the Speaker under the provisions of sections (b) and (c) of this clause.

(b) The Speaker may refer the matter simultaneously to two or more committees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any committee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different committee, or refer the matter to a special ad hoc committee appointed by the Speaker with the approval of the House (from the members of the committees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the House thereon.

(c) Any referral under the provisions of this clause shall be subject to the approval of the House."

AMENDMENT NO. 5—TO FORMALIZE CURRENT PRACTICE IN THE APPOINTMENT OF CONFEREES

Page 40, line 9, immediately after the word "position", insert a period and strike out all that follows through line 10 inclusive.

AMENDMENT NO. 6—TO ASSIGN THE DUTIES OF THE PROPOSED HOUSE COMMISSION ON INFORMATION TO THE COMMITTEE ON HOUSE ADMINISTRATION

Page 29, line 14, immediately after the letter "(c)", insert the number "(1)".

Page 29, line 16, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 30, line 8, strike out the period, insert a comma and the word "and", and add the following new paragraph:

"(D) conducting a complete study of:

(i) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate, and

(ii) the administrative services, facilities, and space requirements of the Members and committees of the House, including staff personnel, administration, accounting, and purchasing procedures, office equipment and communication facilities, record-keeping, space utilization, parking, and the organization, responsibility, and supervision to provide adequate, efficient, and economical services and space utilization.

"(2) The studies conducted by the Committee pursuant to this subsection should include, but need not be limited to:

(A) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective and ineffective;

(B) information management, collection, and dissemination for the House;

(C) resources outside the Congress for information and their utilization;

(D) methods for setting up and organizing the flow of information from and to the executive;

(E) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

(F) the creation of a congressional staff journal or other process for communication.

(G) the staff required to provide the House Legislative Counsel with the capability to fully meet the needs of the Members of the House.

"(3) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsections (1)(D) (i) and (ii), and may make such additional reports, or recommendations, as may appear appropriate.

"(4) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subesctions (1)(D) (i) and (ii) of this section, without regard to the numerical limitations provided in Rule XI, Clause 6, sections (a)(1) and (b)(1): *Provided, however,* That such staff shall not be assigned any duties other than those specified in this subparagraph."

Page 79, strike out line 4, and all that follows through page 81, line 17, inclusive, and redesignate ensuing sections accordingly.

AMENDMENT NO. 7—TO ESTABLISH THE LEGISLATIVE JURISDICTION OF A COMMITTEE ON CRIME AND INTERNAL SECURITY

Page 6, immediately after line 9, insert a new subsection, and redesignate ensuing subsections accordingly:

"(g) Committee on Crime and Internal Security, the legislative jurisdiction of which shall include:

(1) Crime prevention.

(2) Internal Security generally.

(3) Federal law enforcement agencies, and law enforcement assistance.

(4) Mutiny, espionage, treason, and counterfeiting.

(5) Protection of public officials.

(6) Nonjudicial aspects of federal crimes.

(7) Corrections, and federal penal institutions.

(8) Internal security aspects of immigration and customs.

(9) Communist subversion.

(10) Organized crime.

(11) Domestic terrorism and paramilitary extremists.

(12) Security of classified information."

Page 11, strike out lines 12 and 13, and redesignate ensuing subsections accordingly.

Page 13, line 3, strike out the semicolon and insert a comma and the word "and".

Page 13, line 4, immediately after "criminal" insert a period, strike out all that follows through line 6 inclusive, and redesignate ensuing subsections accordingly.

Page 14, strike out line 6, and redesignate the ensuing subsection accordingly.

AMENDMENT NO. 8—TO ESTABLISH CERTAINTY IN TRANSFER OF SENIORITY

Page 88, line 24, strike out "should" and insert "shall".

Page 89, line 4, strike out "should" and insert "shall".

Page 89, line 7, strike out the comma and all that follows through the word "in" on line 9 inclusive, and insert "shall determine".

AMENDMENT NO. 9—TO ASSIGN DUTIES OF PROPOSED OFFICE OF LAW REVISION COUNSEL TO COMMITTEE ON JUDICIARY

Page 30, immediately following line 8, insert a new section, and redesignate ensuing sections accordingly:

"(d)(1) The Committee on the Judiciary shall have the functions of reviewing, developing, and keeping current an official and positive codification of the laws of the United States. Pursuant thereto, the Committee is authorized to:

(A) Prepare, and submit to the House, one title at a time, a complete compilation, restatement, and revision of the general and permanent laws of the United States which conforms to the understood policy, intent, and purpose of the Congress in the original enactments, with such amendments and correactions as will remove ambiguities, contradictions, and other imperfections both of substance and of form, with a view to the enactment of each title as positive law.

(B) Examine periodically all of the public laws enacted by the Congress and submit to the Committee on the Judiciary recommendations for the repeal of obsolete, superfluous, and superseded provisions contained therein.

(C) Prepare and publish periodically a new edition of the United States Code (including those titles which are not yet enacted into positive law as well as those titles which have been so enacted), with annual cumulative supplements reflecting newly enacted laws.

(D) Classify newly enacted provisions of law to their proper positions in the Code where the titles involved have not yet been enacted into positive law.

(E) Prepare and submit periodically such revisions in the titles of the Code which have been enacted into positive law as may be necessary to keep such titles current.

"(2) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsection (d)(1), and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsection (d) (1), provided however, that such staff shall not be assigned any duties other than those specified therein."

Page 83, strike out line 14 and all that follows through page 87, line 2 inclusive.

AMENDMENT NO. 10—TO PROVIDE FOR ELECTION OF SELECT COMMITTEES BY THE HOUSE AND ELECTION BY A SELECT COMMITTEE OF ITS CHAIRMAN

Page 39, immediately after line 18, insert the following new section, and redesignate ensuing sections accordingly:

"(c) Select committees which the House may order from time to time shall be composed of members elected by the House. The members of each such committee shall elect one of their number as chairman."

Page 40, line 3, immediately after "standing", insert "or select".

Page 40, line 5, strike out "all select and".

AMENDMENT NO. 11—TO PERTAIN TO ISSUANCE AND ENFORCEMENT OF SUBPENAS

Page 53, strike out line 11 and all that follows through page 54, line 8 inclusive.

AMENDMENT NO. 12—TO TRANSFER COMMERCE PROVISIONS FROM THE JURISDICTION OF COMMITTEE ON JUDICIARY TO COMMITTEE ON COMMERCE AND HEALTH

Page 5, line 21, immediately after "practices" insert a comma, and immediately thereafter insert "protection against unlawful restraints and monopolies,"

Page 13, strike out lines 24 and 25, and redesignate ensuing subsections accordingly.

AMENDMENT NO. 13—TO RETAIN JURISDICTION OVER TRANSPORTATION (EXCEPT HIGHWAYS) IN COMMITTEE ON COMMERCE AND HEALTH

Page 5, immediately after line 22, insert a new section, and designate ensuing sections accordingly:

"(2) Air and surface transportation, including motor vehicles, common carriers subject to the jurisdiction of the Interstate Commerce Commission, railway labor and pensions, urban mass transportation, and related transportation regulatory agencies."

Page 16, line 3, strike out "and Transportation".

Page 16, strike out lines 14–19 inclusive, and insert:

"(3) Construction and maintenance of highways, other than appropriations therefor, and the Federal Highway Administration."

AMENDMENT NO. 14—TO DELETE HIGHER PAY PROVISION FOR HOUSE OFFICERS AND CERTAIN STAFF

Page 88, strike out lines 3–12 inclusive.

AMENDMENT NO. 15—TO PRECLUDE REPORTING OF RULE REQUIRING CONSIDERATION OF BUSINESS

Page 61, line 25, strike out the period at the end thereof, insert a semi-colon, and add thereafter:

"nor shall it report any rule or order which shall require the consideration of the business which is the subject of the rule or order or which shall require the Speaker to recognize a Member for the purpose of bringing up such business."

AMENDMENT NO. 16.—AUTHORIZING A COMMITTEE TO BRING UP A REPORT WITHOUT A RULE FROM THE COMMITTEE ON RULES

Page 88, immediately after line 12, insert the following new section, and redesignate ensuing sections accordingly:

AMENDMENT TO RULE XVI

SEC. 408. Rule XVI, clause 9, is amended by adding at the end thereof the following: "At any time after the reading of the Journal but not before the consideration of motions permitted by the first sentence of this clause, the Speaker may, in his discretion, recognize the chairman of a standing committee or a member of such committee if either is acting at the direction of that committee (such direction having been given by a separate vote on a day following the day the measure was ordered reported from the committee) to move that the House resolve itself into a Committee of the Whole for the purpose of considering a bill or resolution reported by the chairman's committee and on the House or Union Calendar subject to the provisions of clause (2) (1) (5) of Rule XI. Such motion shall specify the number of hours, and the division and control of such time for general debate in the Committee of the Whole on the bill or resolution to be considered therein, is not debatable and may not be amended. If such motion is adopted, at the conclusion of consideration in the Committee of the Whole of the bill or resolution specified in the motion, the Committee shall rise and report the bill or resolution to the House with such amendments as may have been adopted in the Committee of the Whole to the bill or resolution. The previous question shall be considered as ordered on the bill or resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions."

AMENDMENT NO. 17—TO TRANSFER JURISDICTION OVER COPYRIGHTS AND TRADEMARKS TO THE COMMITTEE ON COMMERCE AND HEALTH, AND JURISDICTION OVER PATENTS TO COMMITTEE ON SCIENCE AND TECHNOLOGY

Page 6, immediately after line 9, insert "(8) Copyrights and trademarks."

Page 14, strike line 1, and renumber ensuing sections accordingly.

Page 18, immediately after line 12, insert "(8) Patents."

AMERICA CANNOT BUY FOREIGN FRIENDSHIP

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. EVINS of Tennessee. Mr. Speaker, a recent broadcast by the Liberty Lobby points out the folly of continuing massive foreign aid programs.

The present conflict in Cyprus and the murder of the American Ambassador there is proof that the United States cannot buy friends abroad, according to Liberty Lobby.

The Arab nations owe the United States $50 million, but these same nations are now bilking the American consumer of billions by charging outrageous prices for oil, according to the Liberty Lobby broadcast.

Because of the interest of my colleagues and the American people in this vital and important matter, I herewith place in the Record a transcript of the Liberty Lobby broadcast.

The transcript follows:

Script No. M-97—Foreign Aid

It appears to be a hope against hope that the golden age of Foreign Aid is on the way out—the $4.2 billion foreign aid bill currently before the House Appropriations Committee is only a part of many billions either sought or currently in operation. And, has foreign aid won any friends for Uncle Sam? Not recently—the turmoil in Cyprus and the murder of Ambassador Roger Davies is abundant proof that the friendship of nations cannot be bought. Not counting the outright gifts to depressed and underdeveloped nations of this struggling world, the United States has shelled out more than $200 billion in so-called loans. While you consider that only $15 billion has been repaid, mull over the fact that 127 billion dollars in debts have been forgiven. . . . You wonder how Henry Kissinger and his ilk have the gall to call these hand-outs loans.

America has long been billed as, "the land of plenty" but if we don't stop this wholesale give-away, our tune may soon be a line from Porgy and Bess, "I get plenty of nothin'" and although Mr. Kissinger will try to charm the American public into singing, "And nothin's plenty for me," we at Liberty Lobby don't think you have been taken in that far.

Senator Harry F. Byrd, Jr., Democrat of Virginia, said, in regard to the timeliness of our foreign aid programs, "If we continue along the financial lines pursued to date, I can promise the dollar will be worth little or nothing."

Senator Byrd of Virginia is not the only one opposed to the unquestioning continuance of foreign aid. Senator Russell B. Long, Democrat from Louisiana, had no illusions about loaning the world bank one and a half billion dollars. He said that when the loan was defaulted on, they would all be out of politics anyway, but then he went on: "What really irritates me is the way that we have given away $1 billion. They say we have to give away more money because the $1 billion will not buy as much for those people now as it did at the time we gave it to them.

We are being asked to give a second and a third installment to help them because inflation is critically injuring those people. Therefore we are being asked to do the same thing for all those people who want our dollars although we are *not* doing the same thing for the American people.

We now have to put up more money, because the money we have already given them will not buy as much as it did when we gave it to them." Well Senator, we agree with you. The Foreign Aid merry-go-round has got to be stopped and the American taxpayers have got to get off. It is time the U.S. pressed for repayment of its loans instead of handing out more. The Arabians owe us $50 million. A paltry sum this day and age, we admit. However since King Faisal and the Saudis will be hauling in $19 billion or more this year, we could make a start for repayment of the insignificant $50 million and it is time Uncle Sam stopped playing Uncle Sucker.

CHROME FROM RHODESIA

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. CHAPPELL. Mr. Speaker, this country is presently in no position to thumb its nose at any supplier of raw materials upon whom we depend for importation of vital minerals.

Today, we must import 100 percent of our chromium, the foreign sources being the U.S.S.R., South Africa, the Philippines, Turkey, and Rhodesia. We are already highly vulnerable to third world cartels, as witness the oil—and now the bauxite situations.

This country must not cut itself off from any source of chrome until we develop substitute materials that can give us a supply of this vital mineral. Consider the many uses we have for chrome:

Stainless steel, plating plastic parts, jet engines, gun barrels, armor plate, ammunition, casting molds, wear surfaces of earthmoving equipment, petroleum refining equipment, furnace repairs, chemical production, electroplating, household appliances, crushing machinery, high-speed cutting edges, heating coils for electric toasters, heaters, ranges, printing inks, dyeing and printing textiles, tanning and molding material in the foundry industry—and tell me how we can dump all our source to the U.S.S.R. and not be even more vulnerable to a sudden cutoff or spiraling prices. Rhodesia, moreover, with 7 percent of the world's reserves of metallurgical-grade chromium, has the finest quality available.

Mr. Speaker, on April 10 of this year, I introduced H.R. 14157, to establish the Mineral Conservation Research and Development Commission to conduct research in areas for substitute minerals upon which the United States now depends wholly on foreign sources. Chrome was among those minerals which I listed as most in need of development of a substitute. Until we have established this commission—and until we have substitutes for this vital mineral—I would urge my colleagues to keep every source possible open for our needs.

It is ironic to me that anyone who studies the internal affairs of the U.S.S.R. could find their treatment of those affairs any more acceptable than that of Rhodesia. If the American people are willing to do without household appliances; if they are willing to give up their heaters and ranges; if we can afford to do without jet engines or ammunition, then we are in a position to turn our backs on this source of a vital mineral. Until we are sure the people of this country are willing to crush our economy all the way, then we had better think twice about putting Russia in a position of such control that she can cut off our supplies entirely.

Mr. Speaker, I urge my colleagues to keep the Rhodesian source of chrome open to this country.

TWO HUNDRED MILE FISHING BILL ENDANGERS OCEAN TREATY

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. FRASER. Mr. Speaker, the U.N. Law of the Sea Conference, whose progress is slower than most of us would wish, remains the best means by which we can achieve order in the use of the oceans and protection of our own interests. Although the Caracas session of the Conference did not produce a treaty this year, substantial progress was made, and the chances for a treaty in 1975 appear rather hopeful.

Hope for a 1975 treaty could be swept away, however, if Congress passes the proposed bill to unilaterally extend U.S. fisheries jurisdiction to 200 miles. Such action would violate existing U.S. treaty obligations, damage other fishing, defense, and commercial interests of the United States, provoke retaliatory claims by other countries, and wreck the delicate balance of national interests at the Law of the Sea Conference without which we cannot expect an early, equitable ocean treaty.

Prof. John Norton Moore, head of the NSC task force on law of the sea, has written an article for the New York Times, September 17, 1974, pointing out the repercussions of passage of the 200-mile fishing bill. He concludes by asking two rhetorical questions:

> Do we continue cooperative efforts at international agreement even when the going is rough and the pace slower than we like? Or do we yield to the short-run temptations of unilateralism and precipitate a spiral of national claims inevitably leading to conflict in the oceans?

In our own national interest and for the sake of world order, I urge Members of Congress to choose the option for cooperative efforts toward agreement or an ocean treaty, and reject the 200-mile fishing bill. I insert Professor Moore's article to be printed in the Record.

U.S. Policy on Oceans: A Choice

(By John Norton Moore)

Washington.—Policy on oceans has until recent years been an obscure backwater of foreign policy. But in the last decade explosive growth in the use of oceans has forced a change.

Fishing pressure has increased so dramatically that by the end of this decade we will reach or exceed the maximum sustainable yield for most species now on market shelves. Technology is being developed that will soon permit the mining of nodules rich in copper, nickel, cobalt and manganese from depths up to two miles. The energy crisis has awakened interest in the oil and gas of the continental margins, which is estimated to be as much as 40 per cent of potential world reserves. And a greater environmental concern has taught us about the fragility of the oceans, once thought to be indestructible.

These and other changes require adjustments in the legal order for the oceans. To meet this need, the last session of the United Nations General Assembly called the Third United Nations Conference on the Law of the Sea. The delegates met for ten weeks this summer in Caracas, Venezuela, with 148 nations participating.

As was expected for so complex a subject, the conference did not reach final agreements this summer, though it made substantial progress toward an over-all package treaty. A second session to complete the work has been scheduled for 1975.

The success of the conference is important not only to insure a rational order for the oceans, but to provide a model for cooperative response to an ever-increasing agenda of global problems.

These include substantially expanded jurisdiction over resources in a 200-mile economic zone, guarantees to prevent pollution, protection of navigational uses including unimpeded transit of straits, and an agreed legal system for deep seabed mining, with a sharing of benefits for international community purposes.

Paradoxically, at a time when a comprehensive treaty is near, pressures for unilateral action are mounting. A bill to extend United States fisheries jurisdiction from the present 12 miles to 200 miles has significant support in both houses of Congress.

The sponsors seek to protect our coastal and salmon stocks from the efficient foreign fleets that have in some cases severely damaged a great natural resource.

Passage of the bill, however, could generate a wave of competing claims to the oceans, irreparably damaging the chances for a comprehensive treaty. Passage would also be very costly for the nation's ocean and foreign-relations interests. Moreover, rather than resolving our fisheries problems, passage would merely trigger an ineffectual round of diplomatic exchanges.

Since the Truman Proclamation of 1945 extending United States judisdiction over the resources of the continental shelf stimulated claims by other nations to a 200-mile territorial sea, the consistent *policy of all* Administrations has been to encourage cooperative rather than unilateral solutions to ocean problems.

We have consistently opposed any extension in fishing jurisdiction beyond twelve miles or other claims on oceans not justified by international law. A policy reversal during the conference would cast doubt on our commitment to an international agreement and could lead to an irreversible process of competing claims.

Moreover, a 200-mile claim could again lead other nations to claim a 200-mile territorial sea or other jurisdiction damaging to our vital interests in naval mobility or the movement of energy supplies.

Passage of the bill could also precipitate a confrontation with the Soviet Union or Japan, the principal fishing nations off our coast.

Finally, passage woud severely damage the interests of our distant-water tuna and shrimp fleets and our interests in conservation and full use of worldwide fish stocks.

The choice in policy on oceans has never been so clear or immediate. Do we continue cooperative efforts at international agreement even when the going is rough and the pace slower than we like? Or do we yield to the short-run temptations of unilateralism and precipitate a spiral of national claims inevitably leading to conflict for the oceans?

THE DROUGHT SITUATION

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ABDNOR. Mr. Speaker, during the Labor Day congressional recess I had an opportunity to travel the length and breadth of one of this country's most productive agriculture areas, my home State of South Dakota. That State is presently experiencing one of the worst droughts in the memory of the farmers and ranchers who have worked to make that area a dependable source of foodstuffs. The drought stituations there throughout the Midwest have caused many to express concern over the supplies of agricluture commodities that will be available to meet the needs of this country. Because of this, a great deal of attention has been focused on the question of whether or not our Government ought to take steps to limit the exports of those commodities.

I recently received a letter from a good friend who is in the grain trading business and he had some very cogent thoughts on this subject and explained to me how "unpriced trades" affect the export market for commodities. My friend pointed out that it might be easy for our Government, on the basis of raw statistics that do not account for the effect of "unpriced trades," to act hastily to control exports. Because of the importance of this matter and because of the complexity of the subject. I feel it would be worthwhile for my colleagues to share the explanation my friend gave to me and would like to set forth the following from his letter to me:

> As you know, I have contact with a good many men in the grain trade, and I have spent a good deal of time recently discussing the prospects of export controls on grain with some of the most respected people in the trade. I would like to pass along to you a summary of the thoughts they have expressed, in case some facets of the grain trade are not entirely familiar to you.
>
> In the first place, it is felt that any export controls of feed grains would result in an overkill which would give us a more than adequate carry-in next year. This would depress the domestic price from whatever level it would have been, had the free market been allowed to operate. Such depression of the domestic price would have the additional disadvantage of discouraging planting of marginal land next year, which would further aggravate our long term problem.
>
> Export controls of feed grain would certainly eventually require controls on wheat for the world market would buy wheat to replace feed grains. It would also eventually require export controls on soybeans, for at least the world market would wastefully feed cheap domestic meal to replace feed grains, and we would soon find that beans, oil, meal, mixed feeds, margarine, shortening, etc., would have to be controlled, and might get bad enough that we would have to control export of pork and chicken.
>
> Foreign and domestic grain trade have a long history of having used what is known as unpriced trades. If you are not familiar with these trades, they are handled in this manner. Let us say the Japanese know they need five cargoes of corn during the month of October, but they want to charter freight for this corn in three months prior thereto. In order to know that they will have corn to load these vessels, they buy from an exporter corn to suit the arrival time of the vessel at a premium over the Chicago future f.o.b. the Gulf, for example. The availability of corn and the premium over Chicago is then established but their price risk is left open. As they approach the time where they can sell the finished product, they buy the appropriate Chicago future, give it up to their seller, and thereby establish their cost on the corn.
>
> That is the traditional use of an unpriced sale, but after the cut-across of bean sales the last year, foreign buyers who fear a repetition of this in corn and possibly all grains have made a multitude of unpriced purchases, which is their way of standing in line and hoping that by overbuying on an unpriced basis, they will end up with what they need after exports are controlled. Indeed, when they have bought enough or more than they need, they then clamor for controls because the world market can go higher, the domestic markets go down, and they could buy the Chicago futures back at a very low price in relation to the world price, thereby reaping a windfall profit.
>
> This is a situation that this country certainly cannot tolerate. We do not know why those who recap export grain sales weekly have not required a breakdown between priced and unpriced trades. It is also common gossip in the corn market that international traders have been buying huge quantities of corn from France and sources other than the United States which they have short-hedged in Chicago, thinking they cannot lose if there is no export control of corn, but will reap a windfall profit if there is and they can lift their hedges on a cheap U.S. market.
>
> I trust the above will be helpful to you, and if I can be of any help in this regard, please feel free to call on me.

In concluding his letter to me on the subject of export controls, my friend set forth some very serious thoughts about the effects of such action on free trade and our economic system. I am very hopeful that as our Government looks into this important question they will bear in mind the principles which he shared with me. That statement on this subject follows:

> The question of export controls is not often dealt with in this nation as it has generally, at least in peace time, been contrary to our system of free enterprise. But we are now hearing calls for imposition of such controls from some who are panicky as a result of recent disclosure of the extent of drought damage to this year's corn crop. There are many reasons for not imposing export controls which, in my opinion, vastly outweigh the very shortsighted and short term benefits of cheap food.
>
> In the long run, this nation must import certain items which are essential to our economy and our standards of living. These items must be paid for by exports. If we attempt to dictate what items we are willing to allow to move abroad, then we must be prepared for retaliation. Not only would such a trade war be harmful to world business, but resulting trade dislocations would bring shortages in this country, a condition much more unpalatable than high prices.
>
> It seems obvious, also, that attempts to hold American food prices artificially below those prevailing in the world market would be unfair to our farmers. It cannot be in our best interest to reduce the U.S. farmer to a level of peasantry, assuming that he would sit still for such a reduction. Ameircan agriculture is the envy of the world and all things remaining even will continue so. But if, in misguided zeal, we victimize the farmer to salve the crys of consumers, we have reason to expect that he may not heed the call of the marketplace. To increase production after having a political disaster heaped on top of a natural one perhaps expects too much.
>
> Additionally, one must consider the effects on world confidence of an American decision to feed its fat belly first. As one of the last bastions of even a perverted form of free enterprise, we would surely cause those who might be enticed to drift toward this way of government to have second thoughts. Of course, future confidence in the U.S. as a trading partner would be close to nil! Surely we would not sacrifice such items in an effort to retain food which we are quite capable of competing for in the free market. Left alone the market will insure that no more food leaves these shores than U.S. consumers are willing to allow by their purchasing decisions.
>
> The President of these United States must have the courage to stand before the American people and explain that we have been visited by an Act of God which cannot be repealed by an Act of Congress. He must explain that to send more money to chase the same volume of goods is one form of inflation, and that it is not in the realm of man to increase the amount of food to be grown this year.
>
> For almost two hundred years this nation has generally basked in the glow of a beneficent God. Hardships have been few and always overcome. Surely this current hardship will be overcome if we simply have the courage to refuse to be overwhelmed by it.

HOW TO TELL REPUBLICANS FROM DEMOCRATS

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HOSMER. Mr. Speaker, with the political season fast rushing upon us the need for discrimination on the part of voters is obvious. Fortunately, I am able to make a significant contribution to this end. Reproduced below is a document which, if carefully studied will make everything clear to all. I respect its author's understandable wish to remain anonymous.

> HOW TO TELL REPUBLICANS FROM DEMOCRATS
>
> Although to the casual glance Republicans and Democrats may appear to be almost indistinguishable, here are some hints which should result in positive identification, according to The Sterling Bulletin:
>
> Democrats buy most of the books that have been banned somewhere. Republicans form censorship committees and read them as a group.
>
> Republicans consume three-fourths of all the rutabaga produced in this country. The remainder is thrown out.
>
> Republicans usually wear hats and almost always clean their paint brushes.
>
> Democrats give their worn-out clothes to those less fortunate. Republicans wear theirs.
>
> Republicans employ exterminators. Democrats step on the bugs.
>
> Democrats name their children after currently popular sports figures, politicians and entertainers. Republican children are named after their parents or grandparents, according to where the most money is.
>
> Democrats keep trying to cut down on smoking but are not successful. Neither are Republicans.
>
> Republicans tend to keep their shades drawn, although there is seldom any reason why they should. Democrats ought to, but don't.
>
> Republicans study the financial pages of the newspaper. Democrats put them in the bottom of the bird cage.
>
> Most of the stuff you see alongside the road has been thrown out of car windows by Democrats.
>
> Republicans raise dahlias, Dalmatians and eyebrows. Democrats raise Airedales, kids and taxes.
>
> Democrats eat the fish they catch. Republicans hang them on the wall.
>
> Republican boys date Democratic girls. They plan to marry Republican girls, but feel they're entitled to a little fun first.
>
> Democrats make up plans and then do something else. Republicans follow the plans their grandfathers made.
>
> Republicans sleep in twin beds—some even in separate rooms. That is why there are more Democrats.

AMENDMENTS TO HOUSE RESOLUTION 1248, HOUSE COMMITTEE REFORM AMENDMENTS OF 1974

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DINGELL. Mr. Speaker, I herewith insert by permission previously granted a listing of the amendments I will offer to House Resolution 1248, the House Committee Reform Amendments of 1974:

HOUSE RESOLUTION 1248

AMENDMENT NO. 1

To limit the term of the Speaker

Page 37 immediately after line 20 insert the following new section, and redesignate the ensuing sections accordingly:

"SPEAKER OF THE HOUSE

SEC. 201. Rule 1 of the House of Representatives is amended by adding at the end thereof:

(8) No Member shall serve as Speaker who shall have been elected as Speaker in the two successive Congresses immediately preceding."

Page 86, immediately after line 16, insert the following new section, and redesignate ensuing sections accordingly:

"(b) Section 201 shall become effective at the beginning of the 95th Congress."

AMENDMENT NO. 2

To assign duties of proposed Legislative Classification Office to House Committee on Administration

Page 8, line 1, immediately after the letter "(c)", insert the number "(1)".

Page 8, line 3, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 8, immediately after line 20 insert the following new subsection:

"(2) The Committee on House Administration shall develop, supervise, and maintain for the House and its committees and Members a cross-reference capability based on the authorization statutes, showing committee jurisdiction, appropriation Acts, budget authority, budget outlays, unexpended balances, other relevant systems which are or may be compatible, and the relationships between them.

"In connection therewith, the Committee shall:

(A) work closely with the House standing committees in all phases of the development of the cross-referencing capability and coordinate with the Congressional Research Service and General Accounting Office, in the development, implementation, and operation of the cross-referencing service.

(B) advise the House of developments which could improve the operation of the classification service and issue an annual report to the House on the progress in implementation and use of the service, and plans for the coming year.

(C) make available (as development permits) publications or information in an appropriate format for use of the House committees and Members and provide the capability to answer specific queries on the available information.

(D) make an annual report to the House on its progress in carrying out the functions specified in Subsections (c)(2) of this section, and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsection (c)(2) of this section, provided, however, that such staff shall not be assigned any duties other than those specified therein."

Page 40, strike out line 6, and all that follows through page 43, line 6, inclusive, and redesignate ensuing sections accordingly.

AMENDMENT NO. 3

To provide a procedure for referral of bills to committees concurrently or in sequence

Page 12, strike out line 3 and all that follows through page 13, line 11 inclusive, and insert:

"5. (a) Any bill, resolution or other matter which relates to a subject under the jurisdiction of more than one standing committee named in Clause 1, may, at the request of a committee chairman seeking referral of the matter to his committee, be refered by the Speaker under the provisions of sections (b) and (c) of this clause.

(b) The Speaker may refer the matter simultaneously to two or more committees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any committee after the first), or divide the matter into two or more parts (reflecting different subjects and jurisdictions) and refer each such part to a different committee, or refer the matter to a special ad hoc committee appointed by the Speaker with the approval of the House (from the members of the committees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the House thereon.

(c) Any referral under the provisions of this clause shall be subject to the approval of the House."

AMENDMENT NO. 4

To formalize current practice in the appointment of conferees

Page 14, line 14, immediately after the word "position", insert a period and strike out all that follows through line 15 inclusive.

AMENDMENT NO. 5

To assign the duties of the proposed House Commission on Information to the Committee on House Administration

Page 8, line 1, immediately after the letter "(c)", insert the number "(1)".

Page 8, line 3, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 8, line 20, strike out the period, insert a comma and the word "and", and add the following new paragraph:

"(D) conducting a complete study of:

(i) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate, and

(ii) the administrative services, facilities, and space requirements of the Members and committees of the House, including staff personnel, administration, accounting, and purchasing procedures, office equipment and communication facilities, record-keeping, space utilization, parking, and the organization, responsibility, and supervision to provide adequate, efficient, and economical services and space utilization.

"(2) The studies conducted by the Committee pursuant to this subsection shall include, but need not be limited to:

(A) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective and ineffective;

(B) information management, collection, and dissemination for the House;

(C) resources outside the Congress for information and their utilization;

(D) methods for setting up and organizing the flow of information from and to the executive;

(E) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

(F) the creation of a congressional staff journal or other process for communication.

(G) the staff required to provide the House Legislative Counsel with the capability to fully meet the needs of the Members of the House.

"(3) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsections (1)(D)(i) and (ii), and may make such additional reports, or recommendations, as may appear appropriate.

"(4) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsections (1)(D)(i) and (ii) of this section, without regard to the numerical limitations provided in Rule XI, Clause 6, sections (a)(1) and (b)(1), provided, however, that such staff shall not be assigned any duties other than those specified in this subparagraph."

Page 43, strike out line 7, and all that follows through page 46, line 12, inclusive, and redesignate ensuing sections accordingly.

AMENDMENT NO. 6

To establish the legislative jurisdiction of a Committee on Crime and Internal Security

Page 60, immediately after line 7, insert a new section, and redesignate ensuing sections accordingly:

"(f) Committee on Crime and Internal Security, the legislative jurisdiction of which shall include:

(1) Crime prevention.

(2) Internal Security generally.

(3) Federal law enforcement agencies, and law enforcement assistance.

(4) Mutiny, espionage, treason, and counterfeiting.

(5) Protection of public officials.

(6) Nonjudicial aspects of federal crimes.

(7) Corrections, and federal penal institutions.

(8) Internal security aspects of immigration and customs.

(9) Communist subversion.

(10) Organized crime.

(11) Domestic terrorism and paramilitary extremists.

(12) Security of classified information.

SEC. 309. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:"

Page 68, line 2, immediately after "bankruptcy" insert a period, strike out all that follows through line 3 inclusive, and redesignate ensuing subsections accordingly.

Page 68, strike out line 24.

AMENDMENT NO. 7

To assign duties of proposed Office of Law Revision Counsel to Committee on Judiciary

Page 8, immediately following line 20, insert a new section, and redesignate ensuing sections accordingly:

"(d)(1) The Committee on the Judiciary shall have the functions of reviewing, developing, and keeping current an official and positive codification of the laws of the United States. Pursuant thereto, the Committee is authorized to:

(A) Prepare, and submit to the House, one title at a time, a complete compilation, restatement, and revision of the general and permanent laws of the United States which conforms to the understood policy, intent, and purpose of the Congress in the original enactments, with such amendments and corrections as will remove ambiguities, contradictions, and other imperfections both of substance and of form, with a view to the enactment of each title as positive law.

(B) Examine periodically all of the public laws enacted by the Congress and submit to the Committee on the Judiciary recommendations for the repeal of obsolete, superfluous, and superseded provisions contained therein.

(C) Prepare and publish periodically a new edition of the United States Code (including those titles which are not yet enacted into positive law as well as those titles which have been so enacted), with annual cumulative supplements reflecting newly enacted laws.

(D) Classify newly enacted provisions of law to their proper positions in the Code where the titles involved have not yet been enacted into positive law.

(E) Prepare and submit periodically such revisions in the titles of the Code which have been enacted into positive law as may be necessary to keep such titles current.

"(2) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsection (d)(1), and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in subsection (d)(1), provided however, that such staff shall not be assigned any duties other than those specified therein."

Page 46, strike out line 13 and all that follows through page 50, line 5 inclusive.

AMENDMENT NO. 8

To provide for election of Select Committees by the House and election by a Select Committee of its Chairman

Page 14, immediately after line 4, insert the following new section, and redesignate ensuing sections accordingly:

"(c) Select committees which the House may order from time to time shall be composed of members elected by the House. The members of each such committee shall elect one of their number as chairman."

Page 14, line 8, immediately after "standing", insert "or select".

Page 14, line 10, strike out "all select and".

AMENDMENT NO. 9

To transfer commerce provisions from the jurisdiction of Committee on Judiciary to Committee on Commerce and Health

Page 60, immediately after line 4, insert a new subsection:

"(3) Protection of trade and commerce against unlawful restraints and monopolies."

Page 68, strike out lines 19 and 20, and redesignate ensuing subsections accordingly.

AMENDMENT NO. 10

To retain jurisdiction over transportation (except highways) in Committee on Commerce and Health

Page 59, immediately after line 11, insert a new section, and designate ensuing sections accordingly:

"(2) Air and surface transportation, including motor vehicles, common carriers subject to the jurisdiction of the Interstate Commerce Commission, railway labor and pensions, urban mass transportation, and related transportation regulatory agencies."

Page 71, line 1, strike out "and Transportation".

Page 72, strike out lines 2 and 3 inclusive, and lines 7–10 inclusive.

AMENDMENT NO. 11

To transfer jurisdiction over copyrights and trademarks to the Committee on Commerce and Health, and jurisdiction over patents to Committee on Science and Technology

Page 60, immediately after line 4, insert "(13) Copyrights and trademarks."

Page 68, strike lines 16 and 17, and renumber ensuing sections accordingly.

Page 73, immediately after line 18, insert "(13) Patents."

ALLEGHENY COUNTY HONORS JOHN DENT

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. GAYDOS. Mr. Speaker, it is with great pride I inform the House of an honor accorded one of our colleagues who has attained national recognition for his legislative efforts on behalf of people.

I derive a personal satisfaction from this pleasant task since I serve with the gentleman on the Education and Labor Committee and have come to admire and respect his skill and knowledge. He was the force behind the pension reform bill, the most important piece of labor legislation enacted in nearly a century, and is a renowned authority on matters of tariff and international trade.

Mr. Speaker, the Allegheny County Board of Commissioners in Pennsylvania recently adopted a formal resolution commending our colleague for his years of dedicated and faithful service. The Board proclaimed Saturday, September 14, 1974, as "Congressman John Dent Day." Those of us who know him, know it is an honor richly deserved.

The resolution follows:

RESOLUTION

Whereas, the Westmoreland County Conference for Economic Opportunity has actively "waged war" on poverty since 1966; and

Whereas, this beneficial group supports eleven full-time programs involving employment, job training and counseling, housing, transportation, economic development, and many worthwhile community service projects; and

Whereas, the Conference has selected Congressman John H. Dent as recipient of its annual Humanitarian Award in appreciation of his outstanding efforts in helping persons less fortunate; and

Whereas, Mr. Dent, of Ligonier, has served the public faithfully as Jeanette City Councilman, State Representative, State Senator, and since 1958 a United States Representative in Congress where he has attained a summit of responsibility enjoyed by only a few of his colleagues; and

Whereas, this distinguished lawmaker has earned a national reputation as an authority on the problems of labor, tariffs and trade, coal in the health and safety, elections, minimum wage, and more recently as the champion of the landmark pension legislation bringing unprecedented security to more than 30 million workers; and

Whereas, Congressman Dent has been chosen for this award for his ceaseless efforts to make life better, not just for his constituents in Westmoreland and portions of Allegheny Counties, but for all people everywhere; Now, Therefore, Be It

Resolved, that this Board of Commissioners hereby commends Representative Dent on the occasion of this honor by the Westmoreland County Conference for Economic Opportunity; And, Be It Further

Resolved, that this Board proclaims Saturday, September 14, 1974, as "Congressman John Dent Day" in Allegheny County, and urges citizens to honor this conscientious and extraordinary man so sensitive to the needs of mankind.

PHILADELPHIA WATER POLLUTION CONTROL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. EILBERG. Mr. Speaker, 17 Italian officials arrived in Philadelphia last Friday to take a look at this city's ambitious program for protecting its rivers from pollution.

The officials, including mayors, engineers, and regional government leaders, are visiting New York, Washington, Philadelphia, and Milwaukee to learn what can be done to cope with increasing stream and seashore pollution in Italy.

The group visited the southeast water pollution control plant, located beside the Walt Whitman Bridge, on Saturday, September 28. They observed both traditional and new methods of sewage treatment.

They were shown the large-scale experiment the city is making with biosurf discs by Water Commissioner Carmen F. Guarino, because he believes that biosurf treatment offers much promise for reducing Italy's water pollution as well as our own.

Guarino said that the biosurf discs consist of long polyethylene rollers that rotate through the sewage flow, removing up to 90 percent of pollution as measured by biochemical oxygen demand. Such discs may be included in the city's plans for a $340 million expansion of its water pollution control plants. The expansion is expected to upgrade sewage treatment in Philadelphia and drastically reduce wastes entering the streams.

Following the visit to the southeast plant, the Italian officials took an inspection cruise of the Delaware River, including the city's stream monitoring stations, aboard the U.S. Army Corps of Engineers' catamaran, the *Shuman*.

The visitors toured Independence Hall and other historical sites on Sunday, and on Monday they met with Commissioner Guarino in the Mayor's Reception Room, 202, City Hall. There the commissioner discussed Philadelphia's clean streams program and answered the questions of the group.

Guarino noted that the water department has been exchanging information with Italian officials and engineers for several years. Currently an engineer from Turin, Prof. Augustine Bullio, is studying sewage treatment in Philadelphia and will be here for 6 months.

The visiting officials included:

From Sicily: Hon. Piorsanti Mattarella and Hon. Calogero Lo Giudice.

From Lombardy: Dr. Maria Marazzini, Filip Bertani, Mrs. Angela Bisi Bertani, Dr. Livio Tamberi, Giuseppe Firrarello, and two engineers, Gianfranco De Fre and Vincenzo Bianchi Carnevale.

From Naples: Dr. Dal Vecchio, and three engineers, Mr. Rieuso, Mr. Iasetts, and Mr. Maives.

From Milan: Commissioner and Mrs. Gesu Sicuice.

From Turin: Francesco Bonsignore, owner of SILEC, a large Italian firm; Gianni Dal Pozzolo, and Prof. Augustine Bullio.

TRIBUTE TO EVA BUSTAMONTE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ANDERSON of California. Mr. Speaker, on October 26, at the Harbor Holiday Honorary Mayor Banquet to be held near Wilmington, Calif., the many long-time associates, admirers, and friends of Eva Bustamonte will join in thanking her for the 2 years of service she has given as Honorary Mayor of Wilmington, Calif.

The Honorary Mayor of Wilmington is a position selected by the Wilmington Chamber of Commerce. The Honorary Mayor serves as Wilmington's representative at many festive, social, and civic occasions, a job for which Eva has willingly devoted much of her valuable time and effort. As Honorary Mayor, she has been very successful in promoting the interests of the people of the community.

Judging from her involvement over the years in many community projects, my colleagues could not help but agree with the community of Wilmington that the numerous unselfish accomplishments of Eva Bustamonte have been most meaningful and effective. Such a woman should no longer continue in her work unnoticed.

Her accomplishments include, among others, projects to help eradicate delinquency, drug abuse, and crime. She has continuously advocated and worked for better police-community relations. The list of fundraising drives she has been involved with is, in itself, impressive.

The Honorary Mayor, who has also served as president of Women's Division of the Wilmington Chamber of Commerce, has found time in her busy schedule to serve as treasurer for the Harbor Area Police Community Council, and the Harbor Area Boosters Association, Inc.

She has served as public relations officer for the Carson Inter-Community Hospital.

Not only was she the founder and past president of the Boy's Club of Wilmington, but she served as the public relations officer and treasurer of that organization as well.

She has been active as a field and woodcraft ranger, publicity chairman for the Business and Professional Federation Women's Club, and a member of the board of directors of Wilmington Chamber of Commerce.

Her devotion to her community service projects is second only to the devotion she has shown in raising and caring for her family, which is comprised of her husband, Nick; two teenage daughters, Ida Marie, 17, and Sandra See, 15; one married daughter, Virginia Pilato; and one married son, Nick, Jr.

Perhaps her most valuable assets have been her outstanding ability for obtaining cooperation in aiding people in need of help, her exemplary resolve to brighten the lives equally of all human beings, and her unselfish determination to help their quest for a better future.

Mr. Speaker, as honorary mayor of Wilmington, Eva Bustamonte exemplifies the attitude of the people of the area: eager to help their neighbors, willing to sacrifice for others, convinced that Wilmington is the best community in the Nation, and proud of themselves and their accomplishments.

It gives me great pleasure to join with the people of Wilmington and commend Eva Bustamonte for her service to the community, not only during her recent tenure as honorary mayor, but also during the years she has dedicated herself to the betterment of those less fortunate than herself.

ROBERT W. ARNHYM OUTSTANDING MAN OF THE YEAR

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. BOB WILSON. Mr. Speaker, Robert W. Arnhym is a young man who needs no introduction in San Diego. His list of activities reads like the "Who's Who of Community Service" and includes leadership and active participation in the Boy Scouts, Boys' Club, Civic Light Opera, Salvation Army, Arthritis Foundation, and a variety of cultural organizations, to name only a few. An accomplished debater, Bob was named the Outstanding Young Man of the Year for 1967 for both San Diego City and County.

It is a pleasure to share with my colleague in the House Bob Arnhym's "A Patch of Blue." Its moving eloquence and simplicity require no further introduction. I ask unanimous consent to include it as a portion of my remarks.

A PATCH OF BLUE

(By Robert W. Arnhym)

A patch of blue—50 stars—stripes of red—stripes of white. A proud symbol—the American flag—I am that flag!

I have witnessed what no living man has seen. I have seen sacrifice breathe life into a piece of parchment—and watched a precious dream become a great nation. I have felt the agony of a nation divided from within—and the ecstasy of watching its millions resist—as one—tyranny from without. I have seen this great nation transcend even the dreams of those who inspired its birth. I have marvelled at the delicate mechanism of a democracy—so pure—that one man would lay down his life at the altar of liberty—to defend another's right to worship at the shrine of indifference.

I have seen those whose names you bear barter with their lives to pay the ransom of freedom—and exchange their tomorrows for man's right to be free.

Your legacy is their costly purchase of human dignity. I am entrusted to your care now—only you—can preserve my stars—my stripes—and my patch of blue.

NEW OPTIONS FOR U.S. POLICY TOWARD SOUTH KOREA

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. UDALL. Mr. Speaker, the United States is deeply and correctly concerned with the fate of the people of South Korea. In fiscal year 1975 alone, we are sending more than $400 million in economic and military aid to this nation, smaller than the State of Virginia. By continuing this high level of aid, we have put ourselves in the position of supporting the increasingly cruel and repressive policies of President Park Chung Hee. South Koreans, who cherish a long history of political activism and democratic institutions, see U.S.-supplied tanks surrounding their Parliament during demonstrations and find U.S.-supplied rifles being used against those who disagree with the regime's policy.

The time is overdue for a long, hard look at our policy toward South Korea. A severe cutback in our military aid would serve notice to President Park that the United States will not continue to allow its aid to be used to support policies of political repressions, torture, and despotic rule. I urge my colleagues to study the following article by Prof. Edwin Reischauer, former American Ambassador to Japan, which brilliantly describes the current situation in South Korea, the consequences of continuing our current policy, and the options which are open to us:

[From the New York Times Magazine, Sept. 22, 1974]

THE KOREAN CONNECTION

(By Edwin O. Reischauer)

Once again, the United States finds itself in the role of the pitiful, helpless giant, the unhappy hostage of a small foreign land. Once again, the country is trapped by its own antiquated policy. Here it is carrying on a vast program of military aid—including the current commitment of 38,000 American troops—to provide an ally with protection from the spread of Communist totalitarianism when the ally itself has turned into a distasteful police state. Is it not time, then, to rethink the policy that led us to this circumstance? Or, are there still, in spite of everything, compelling reasons, including our own security, for continuing it?

At the time they were invaded in the summer of 1950, the people of South Korea were at best ambivalent in their loyalty to their own Government, but they were soon convinced by the ruthlessness of the North's Kim Il Sung and his cohorts that anything was better than rule by the Communists. In other words they were turned into fanatic anti-Communists, as such became stanch allies of the United States and virtually impervious to the repeated efforts of the North to infiltrate their land. In the years after the war, South Korea, despite political ups and downs, seemed to be making stumbling progress toward a free society and democratic institutions. The literacy rate was extraordinarily high, the press strong and rambunctious and opposition parties contended vigorously with the party in power. After long years of doldrums the economy began to come alive, following the normalization of relations with Japan in 1966. In fact, Korea showed signs of following in the path of Japan's miraculous industrial growth, complete with pollution and traffic jams in the capital city of Seoul.

Under these circumstances a continuing program of American military aid seemed justified—indeed, it made a recurrence of war less likely in this area of far more strategic consequence than Vietnam—an area that had been the historic battleground between its great neighbors, China, Russia and Japan. Moreover, Japan, which had grown to be the largest and most important economic partner of the United States, was extremely sensitive to conditions in Korea. Psychologically burned by their catastrophe in World War II, the Japanese were determined to keep their own military establishment to a minimum. Thus they relied heavily on a stable, secure South Korea to insulate them from pressures from their Communist neighbors. A collapse in South Korea would clearly push the Japanese panic button, and the repercussions—which might be anything from frantic rearmament to nervous detachment from the United States—could be seriously prejudicial to American interests, as well as to Japan itself.

Events of the past two years have changed the picture considerably. The shift started when President Park Chung Hee declared martial law in October, 1972, abrogated the Constitution, and subsequently substituted for it a new Constitution which eliminated all meaningful democratic elements, freedom of expression and legal guarantees against arbitrary rule. In short, he created a police state in which he could continue as a virtual life-term dictator.

Park had his reasons for doing this. A major one, I believe, was the embarrassment caused him by American policies of détente. In the new international mood, he could not refuse proposals by Kim Il Sung that the North and South should discuss national unification, a concept dear to the hearts of all Koreans, with their traditions of 13 centuries of national unity. But in his discussions Park was at a serious disadvantage. Kim Il Sung could manipulate words and proposals as he saw fit, since he controlled his country with an iron fist, but Park had yapping at his heels a noisy press, critical opposition parties and a vociferous public. That the unification talks were never more than a ploy in a war of nerves between North and South Korea has been made all too evident by the way they then rapidly faded once Park could engage Kim on equal terms.

Park may also have had more admirable motives in assuming dictatorial power. Korean democratic politics had been inefficient and sordid. Economic corruption permeates the whole country. The new prosperity has been largely a matter of the cities and has passed rural Korea by. Park and his military supporters, coming on the whole from a humble, rural background may have genuine concern about the peasants and the belief that they can do more for them than intellectuals and party politicians can.

In fact, they do seem to have addressed themselves more to the problems of the peasantry than was previously the case, though one looks in vain for any signs of the curtailment of corruption in the economy. More recently another justification for dictatorial rule has appeared. Korea is as dependent as Japan on foreign sources and energy and raw materials for its very life. The shortage and skyrocketing prices of oil and other resources create a grave economic crisis for Korea, which may well necessitate firmer leadership than it has had in the past.

In any case, Park and his military henchmen have little faith in democracy or a free society. He and some of the other top leaders were originally products of the Japanese Imperial Army, and all of them have had lifetime military careers. To them the techniques of the police state come naturally. They are far removed in their attitudes and ideas from the intellectuals and politicians of Korea, who are in large part the graduates of private Japanese universities or more recently of American institutions. One cannot doubt that Park and his colleagues believe quite genuinely that what Korea needs is, not democratic freedoms of a sort advocated by these products of American and Japanese education, but their own brand of discipline, law and order. And for many Koreans there is strong nationalistic appeal in the argument of the military leadership that Koreans must shape their destiny in their own way and not according to the customs and ideals of Americans.

So much for the view from the Blue House, the Korean presidential mansion. The situation becomes more complicated, however, when one begins to include American attitudes and interests. The American public has become increasingly doubtful of the moral justification and strategic wisdom of supporting oppressive, dictatorial governments. These doubts were expressed in a recent report of the Senate Foreign Relations Committee which recommended that military aid to South Korea be sharply cut because of Park's "increasingly repressive measures." The skepticism was earlier given more formal expression in the Foreign Assistance Act of 1973: "It is the sense of Congress that the President should deny any economic or military assistance to the Government of any foreign country which practices the internment or imprisonment of that country's people for political purposes."

Yet $162-million in American military aid was budgeted for Korea in 1974, and the funds, along with the presence of 38,000 American men, certainly constitute military aid on a very large scale, although Park's government has gone well beyond "the internment and imprisonment" of Koreans "for political purposes." Kim Dae Jung, who won 47 percent of the vote for President in 1971, despite Park's massive use of the police and Government in his own behalf, was kidnapped in Japan on Aug. 8, 1973, apparently by members of the Korean C.I.A. He was spirited to Korea, held at first under house arrest, and indicted for alleged infractions of the election laws in 1967 and 1971. Stirred by this and other incidents, students, intellectuals and city people in general became restive and critical of the Government, but were sternly suppressed. In January, 1974, new emergency laws were issued, making it a crime punishable by death to agitate against the Government or even criticize it. These Draconian measures reached the absurdity of making the death sentence applicable to students who absented themselves without valid excuses from examinations or classes. People have been sentenced to death or long imprisonment under these laws, and many more await trial. There also seems to be incontrovertible evidence of the wide use of torture. Some laws were relaxed in August, following the assassination of Mrs. Park by a Korean from Japan, but the Park regime continues to trample on civil liberties and imprison its citizens for political reasons.

Obviously we face a conflict between our commitment to democracy and human rights and the strategic considerations that lie behind our military involvement in Korea. It is the old, recurring clash between broad principles and narrow *Realpolitik*. To all Koreans it seems obvious that we are willing to intervene in the way we do because we are more concerned about the maintenance of a defense line against North Korea and the larger Communist powers behind it, than we are with the well-being of the Korean people or the ideals we profess so loudly. This clearly is what the Korean Government thinks—that they have us over a barrel and we are forced to support Park regardless of what he does domestically. This is also the assumption of American policy planners. We have expressed distress at the situation in Korea but have shown no sign of removing our support from Park's regime or even of putting any pressure on him beyond verbal admonition. As Secretary Kissinger stated quite simply on July 24, the United States had decided "to authorize economic and military assistance even when we would not recommend the actions of the Government of South Korea," because "where we believe the national interest is at stake, we proceed even when we do not approve."

This was also the story in our relations with Chiang Kai-shek before the debacle and was repeated over Quemoy and Matsu and again with successive Vietnamese leaders.

Secretary Kissinger's argument sounds plausible enough, and I myself would not dispute the need at times to trim the sails of principle to the winds of reality. But what really are these overriding national interests and, conversely, what might be the damage done to our national interests by disregarding our basic principles?

The first anwer we should seek concerns the likelihood of another attack by North Korea on the South. Over the years the North has repeatedly tried out the mettle of the South by experimental forays of one sort or another. Shooting is sporadic across the demilitarized zone between the North and the South, and there have been repeated attacks on South Korean ships. Men have constantly slipped by boat into South Korea or across the demilitarized zone in attempts to carry out sabotage or stir up subversive movements. The most spectacular case of such actions occurred in January, 1968, when a band of 34 armed men attacked the Blue House itself. One of President Park's arguments in justification of his seizure of dictatorial power is that recently attacks of this sort have been stepped up, though there is no clear evidence for this assertion. There can be no doubt, however, that the North would like to overrun the South. The question is whether the chances for doing so successfully are good enough to induce Kim Il Sung to attempt an open invasion. The answer would appear to be in the negative.

So long as Seoul has the loyalty of its people, it would be extremely foolhardly for the North to attempt to topple the South with its own limited power, even if the South lacked American military support. South Korea has roughly twice the population of the North and, except for its air force, a considerably larger military machine. Economically, the South has probably been moving ahead in recent years more rapidly than the North. If attack by the North were all that the South had to fear, it would probably have no need for American military aid.

What happens if the North has massive military backing for such an attack from either the Soviet Union or China? And how likely is it that such support would be forthcoming? The answer to the first question is easy. With that sort of outside aid, the North probably could overrun a South Korea lacking American military support. But is large scale Soviet or Chinese aid for an invasion by North Korea at all likely? I think not. The rivalry between the Soviet Union and China and their competitive eagerness for good relations with the United States and Japan make it quite improbable that either would see its own interest served by a major involvement in a new Korean war. They have their own and bigger fish to fry.

What South Korea has to fear from the North is not open aggression so much as subversion. So long as the people of the South continue to fear and hate the Communists in the North, there is no chance of successful subversion, but disaffection with the Park regime is beginning to erode these attitudes. Park is embarked on a policy that seems almost designed to destroy popular support for his regime and make the distinction between the North and the South seem no longer very important. He is running the danger of turning many of his own people into Communist supporters, willing to risk the rule of the North in order to get rid of his oppression.

The groups of students, intellectuals, the bulk of the Christians and the city people who have turned against Park, constitute a very large part of the population, corresponding roughly to the 47 per cent vote against him in 1971. In these groups are to be found the bulk of those with talent and leadership qualities. The attitude of the Christians, both Protestant and Catholic, is especially important, in part because of the role the Christian churches played during the period of Japanese colonial rule as the only basically Korean institutions able in any way to stand up to the Japanese.

The Koreans are a well-educated and politically conscious people. The lid of oppression cannot be put on them too heavily without building up tremendously explosive pressures. A blow-up is not at all unlikely, and if it does not come, growing disaffection will probably soften up the once firm political terrain of loyalty and turn South Korea into the sort of political quagmire that we know only too well from Vietnam. If this were to happen, American military aid and 38,000 men—or a vastly larger American military effort—would be of no avail.

Against the danger of being undermined from within—either by the disaffected of the South or infiltrating Communists of the North—the stubborn continuation of present United States policies probably does more than harm than good. It confirms the Park regime in its belief that the U.S. is its helpless hostage and the Korean people in their suspicion that we are Park's not unwilling accomplices. On both scores we are contributing to the softening of the political terrain in South Korea.

There are also other considerations outside of Korea that we must not overlook. One is the harm we do ourselves by obviously flouting our own principles. Much of our present doubt and consequent weakening of national will in foreign affairs has clearly come from just such actions. Moreover, much of the considerable influence of the United States in international affairs still derives from the relatively high degree of confidence on the part of most people throughout the world in our idealism and honesty. The huge amount of criticism we receive from people everywhere is almost the proof of how important this factor is, because it arises from the widespread and, I think, generally justifiable belief that more can and should be expected of the United States than from a very different sort of country like the Soviet Union or even from countries like France, the United Kingdom or Japan. Each time we betray our own principles, supporting, for example, oppressive military dictators, we chip away at that great faith in the United States which still remains a potent element in our world leadership.

Another extremely important consideration is popular attitudes within the United States. After the whole sorry Vietnam experience, it is not at all certain that the American public, for all of our national commitment and military presence in Korea, would tolerate our participation in another war in Korea, particularly in behalf of an oppressive military dictatorship. Actually, the average American is probably quite unaware that we have 38,000 troops there and, if he knew, would explode in indignation. In the present mood, a replay of the American involvement in the Korean war seems almost out of the question. Of course, the way a war started would have a lot to do with the popular American reaction. In 1950 the aggression of the North was so blatant and the involvement of Korea in a broader balance of power seemed so obvious that, even though we had withdrawn our forces from South Korea some months earlier, we were impelled to go back in. In the circumstances of the time, I believe that decision was the correct one, and it did at first receive general support. One could imagine conditions that would make our determined participation once again in fighting in Korea not entirely impossible.

In the more likely scenario, that is, warfare resulting from subversion and the disintegration of the political situation in the South, the American military footing in Korea would probably be undermined and popular support in this country for any military effort there would certainly be destroyed. The only possibility then would be to withdraw as hastily as possible, with all the catastrophic consequences of such a withdrawal under pressure. The damage done to American self-esteem and to our prestige would be serious. The effect on the Japanese might be catastrophic, shaking their confidence in the reliability of the United States as an ally for any non-Western nation and possibly pushing them toward some undesirable panic reaction. In guarding against an old but fading threat, we may inadvertently be running into a new, more likely and even more serious danger.

One final question we must ask ourselves is how important to American national interests is the defense of South Korea. In the days of John Foster Dulles it seemed important indeed. The world appeared to be divided into two hostile camps, and we saw ourselves as the Dutch boy manning the dikes against the evil sea of Communism. Or, to change the metaphor, holding up the domino. The reality of this concept of *Realpolitik* has long since been called into question. Most of the world wishes to be and is independent of the bipolar powers. More than a hundred independent nationalisms are rampant. The great military powers have in recent decades been proved incapable of controlling less developed countries at a cost that would make the effort seem worthwhile. Our experience in Vietnam is only the latest chapter in a story that started with the Japanese failure in China almost four decades ago and includes the total collapse of all the world empires. A united Communist Korea would be even more able and insistent than the present North Korean regime on maintaining its independence of both China and the Soviet Union. Far from strengthening "the other side," it would probably be another element of divisiveness among the Communist nations.

If one wishes to be brutally real in one's *Realpolitik*, one should point out that the natural defense line for us against Communist Northeast Asia is not on land halfway up the Korean peninsula but in the Korean Strait, where it could be easily maintained by our overwhelming naval power in the Western Pacific. South Korea in this sense is a strategic liability, not an asset. It is not a part of a supply line to other more vital places, as Portuguese bases can be said to be for our Mediterranean defense position. It is not a link in a defense chain and a home port for our fleet, as Greece has been said to be in our NATO and Mediterranean postures. It is instead the dangerously exposed end of the line—the vulnerable salient.

Korea's chief strategic value, as we have seen, is as a sort of buffer for Japan. But this is largely psychological. A slow careful shift of the recognized defense line to the Korea Strait could probably be maneuvered without shock to the Japanese and without appreciable diminution of their actual security. South Korea is becoming an important trading partner for Japan and an area for economic investment, but its loss to the Japanese economy would be much less of a problem for Japan than an American fiasco in Korea would be.

So it is clear that our Korea policy cannot be arrived at by Secretary Kissinger's simple equation of national interest versus muddleheaded scruples. Taking all these other essential elements into consideration as well, it seems to me that three broad lines of policy are possible. First, we could continue along our accustomed course, as the Administration seems to desire. Our military aid and presence, if continued at present levels, would almost certainly assure against open invasion from the North in the near future, and the light at the end of the tunnel would be the hope that, if we give enough military aid to South Korea, it will become in time strong enough to take care of its own defense, freeing us at last from this burden and permitting us to forget about Korea almost completely. Of course, the light at the end of that tunnel is very dim—as it always been in Vietnam. If internal disaffection and subversion are more of a threat than invasion, then we are tunneling into the mountain, not through it, and the resulting collapse would be another traumatic experience for us.

A second choice would be to reverse course and simply abandon South Korea as an unsound investment. As I have suggested, this would give us a strategically sounder defense line in the sea, and could be achieved without the sort of shock an American bugout under pressure would cause. But this would seem to me a cowardly, even dastardly policy. It would show heartless disregard for a courageous, able people, capable of a lot better than the North Korean type of Communist oppression or a police state of the right. It would do terrible damage to the confidence of other peoples in us and our own self-esteem. It would be vastly unwise because it is at present unnecessary.

The third and most desirable course, I believe, lies between these two extremes. It consists of convincing the Korean leaders that we are not a helpless, pitiful giant but do have choices. The only way we can convince Park of this point, I believe, is by cutting down on our military aid and the number of troops we have in Korea, with a clear indication that we will be forced to continue on to complete disengagement if conditions in Korea do not improve.

Such a policy would free us from a rigid, sterile commitment to a deteriorating situation that could lead all to easily to catastrophe. At the same time, it would avoid a knee-jerk abandonment of our great commitment of lives, energy and hope in south Korea. It would give us time to attempt to maneuver between these two unhappy alternatives. It would also give Park a strong incentive to attempt to move back toward a freer, more democratic system.

Relaxation of an oppressive dictatorship is, of course, an extremely tricky political maneuver, and it could be that Park is unable or unwilling to attempt it. In that case, others will have an incentive to attempt to do so in his place. Perhaps it would be more realistic to assume that, rather than a purely civilian political group, it would be elements of Park's own military or a combination of military and civilian leaders who might prove best able, in Park's default, to save Korea from its present descent into complete dictatorship. South Korea in its brief history has not as yet been able to run itself in a completely democratic way for any prolonged period. What one can realistically hope for is a return to the mixed conditions that existed before the 1972 creation of the total police state. At that point the slow strengthening of a free society could begin.

There is no assurance, of course, that the middle course will succeed, and in the long run we might be forced or wish to detach ourselves from a new regime, being no more permanently committed to it than to Park. Of the three possibilities, however, the middle course seems the best, possibly the only, way to stop the present dangerous erosion of the loyalty of the South Korean people and thus prevent a disastrous weakening of the South. If successful, it would permit the United States to continue its aid and security commitment to South Korea without damaging its other global interests, and the prospects for an eventual termination of that aid because of South Korea's own strength would be certainly better than if we continue our present policies. If this middle course fails, at least the United States would be headed toward a less damaging disengagement from Korea than either of the other two courses provide.

The chief reason for having hope in the middle course, however, is the Korean people themselves. They are very capable and have achieved high levels of literacy and political consciousness. If we throw the weight of our already great intervention in their country toward the side of a free society and democracy, rather than in support of an oppressive military regime, they should be able to move back toward a safer and more desirable form of organization. To be sure, our present policies will probably not produce any immediate catastrophe, but their long-range prospects are poor. The essence of strategy should be to foresee and avoid disasters, not to deal with them desperately and probably ineffectually after they have occurred.

CULVER REAFFIRMS COMMITMENT TO ISRAEL

HON. JOHN C. CULVER

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. CULVER. Mr. Speaker, through all the foreign and domestic vicissitudes we are now traversing, it is good to know that certain bedrock propositions remain unalterable. One of these is our firm and close relationship with the people and Government of Israel.

An enduring foundation block of our foreign policy has been our moral commitment to support the integrity of the Israeli Nation. The strong and unwavering support we have given Israel over the years is at last bearing fruit in the beginnings of recognition of that State as an equal by its neighbors. It is essential that this policy, inaugurated under Harry Truman, be continued through strong economic and cultural bonds as well as through the provision of whatever further military assistance the maintenance of a just peace requires.

The Foreign Affairs Committee on which I serve has voted to increase grants for security supporting assistance to Israel from the $50 million requested by the administration to $250 million, in recognition of the heavy drain on the Israeli economy of last year's war. The committee also voted to convert into grant assistance $100 million of the $300 million sought for military credits.

Mr. Speaker, this is not improvident largesse on our part but rather a definite investment in the security of the country and the region. A strong Israel with a healthy economy is essential to enable Israel to enter negotiations with confidence and determination and with a willingness to take prudent risks for a just and lasting peace.

I am sure the Congress as a whole will go on record in support of our continuing commitment to the security and prosperity of our strong friend Israel.

MOON TECHNOLOGY—FIVE YEARS LATER

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. TEAGUE. Mr. Speaker, Dr. Edward E. David, Jr., formerly the President's science adviser, has looked back and analyzed the contributions of our space program to the benefit of our people and the world. The Wall Street Journal on Friday, August 2, carried Dr. David's comments on the importance of fostering technology for the future well-being of our Nation. Because of the intimate tie between the growth of technology, the national space program and of future quality of life as a nation, I am including Dr. Davids' remarks in the RECORD:

MOON TECHNOLOGY—FIVE YEARS LATER

(By Edward E. David, Jr.)

Five years have passed since man's first moon landing and what have we gained, aside from a few exotic rocks, from this event, characterized by President Nixon as the greatest since Creation?

As science adviser to the President in the early '70s, I feared that the unrealistic public expectations generated by the moon trips would produce disillusionment and rejection of research and development aimed at new technology. And that is exactly what happened. Armstrong, Aldren and Collins were hardly dry from the splashdown before the letdown set in. Americans began asking:

"If we can put a man on the moon why can't we cure cancer, end hunger, make cities livable, clean our air and water, have enough energy and materials?"

That, of course, is akin to asking: "If a weightlifter can press 500 pounds, why can't he hit a home run every time he comes to bat in a baseball game?"

The array of technology available at any one time is not like a storehouse with shelves full of ready-made solutions. Rather, the technology storehouse contains bits and pieces—a new digital memory here, a miniature electric battery there, a cheaper process for producing engine bearings yonder. Putting it all together and bringing the missing links to solve a problem or meet a need usually requires as much ingenuity and money as creating the pieces in the first place.

This helps explain a National Academy of Engineering committee's charge that "the vast technology developed by federally funded programs . . . has not resulted in widespread 'spinoffs' of secondary or additional applications of practical products, process and services that have made an impact on the nation's economic growth, industrial productivity, employment gains and foreign trade."

The complaint ignores another, more human, side, however. There is something inspiring that goes with the creation of technology. That was certainly true in the Apollo case. The creativity of engineers and scientists who made it all possible spilled over into many other activities. The succession of successes over 10 years, leading to final success was infectious. It encouraged venturesome enterprises, ambitious research and far-reaching development.

A realistic post-Apollo 11 anniversary reappraisal should focus on these three questions:

1. What is the real value of transferring technology into new settings?
2. What are the obstacles to transfer, and should there have been more transfer from the Apollo achievement and other government-sponsored technology?
3. What can industry and government do to increase the flow and worth of technology transfer and to bring it to bear for our benefit?

TECHNOLOGY'S IMPACT

Technology has become the preferred currency of foreign affairs. It is the bedrock of detente with the Soviet Union, improved relationships with China and our ability to dilute centuries-old issues in the Middle East. Technological politics is replacing geopolitics. Nations eye a technological, not a geographical "heartland." Tomorrow's security will come not from mutual fear of MIRV's and ICBMs but from mutual dependence of each country on the other's technological resources, natural resources and markets.

Technology transfer is just as vital to our domestic industrial health. Industries must not only know their own problems and innovate themselves, but also be able to tap applicable technology wherever it appears. Our railroads are a sad example of an industry that didn't meet the challenge to prepare technologically for the future. Blaming the distraction of "punitive government" is no help now when the nation sorely needs rail transportation. There was and is much technology around to call upon.

Only the wide use of technology can promote our chosen development of a "post-industrial" society oriented toward communication, information, education, and services, instead of manufacturing. The stunning advances in electronics stem from the rapid transfer of knowledge and technique from industry to industry, from universities to industry, and from defense and space work to industry. Both camaraderie and competition between researchers played a major role in making this transfer effective. This slice of technology has become a culture of its own, one that is the lifeblood of the electronics industry.

But despite that success and some others, U.S. taxpayers deserve more dividends from government-supported research, development, science and technology spending, which I computed while in Washington at about $150 billion between 1955 and 1972. What has hindered our accomplishments?

First and foremost, during the 1960s and into the '70s, natural leadership was pointing toward the moon (and weapons), not at energy, mass transit, health care, communication, environment and natural resources. Around $50 billion was spent on space including Apollo, and technology transfer was an afterthought.

Another deterrent is that NASA-conceived technology is being "protected" for public use by forbidding exclusive licenses to private developers. Yet what everyone owns, no one owns. The effect has been to discourage business, particularly small, innovative business, from exploiting space technology at all.

Much of industry is yet to recognize the essentials of reliability and safety found in "overdesigned" government systems. Yet there are striking examples such as Admiral Rickover's naval propulsion reactors, whose stringent quality standards turned out to be equally necessary for civilian power generation.

Corporate profit and loss statements are another deterrent. Though new technology may promise new products and services, and higher profits in the long run, the delay and uncertainty associated with R&D intimidate managers in today's business climate. Related is the necessary capital to manufacture new products. The high cost of money makes investment a principal barrier to innovation.

Laws and regulations geared to another era, for example building standards that differ from community to community, fragment the market to impossible uneconomic complexity for technology transfer. These same standards specify traditional materials instead of total structural performance that would admit "space-age" materials.

The "not invented here" syndrome of industry's own technical community also chokes the flow of technology. Scientific and many engineering minds are all well schooled to resist adoption of second-hand ideas as plagiarism, which is fatal to professional success as measured by degrees and published papers. Yet one of the great secrets of Japan's high technology successes was its willingness to adopt other's technology and to build upon it. Teams were sent around the world with cameras and questionnaires to find technology. Then they licensed it and often beat the originators to the marketplace with new products.

Related to the "not invented here" attitude is the technical enthusiast's tendency to justify technology using his own world view. Thus he talks of imagined rather than real societal needs. Often he ignores economics, the market situation and, above all, human aspects in selling technology. Witness the fate of the supersonic transport. Proponents ignored environmentalism and the social milieu until it was too late. They draped the program with military urgency—overlapping prototype testing with production. They did not advance their strongest human argument—the SST's potential to rationalize the cultures and economies of the Americas, Africa, Asia and Australia just as the subsonic jet had catalyzed the transatlantic community a decade earlier.

There are "the small steps for a man" that could add up to "a giant leap for mankind" in effecting more technology transfer. They are based upon increasing incentives for individual initiative rather than massive government funding of private research. For example, government, as the nation's largest customer for practically everything, should offer to buy products from developments that *require* technology transfer.

THE COMPUTER STORY

Many previous experiences with this technique have been hugely successful. Government's purchases of computers in their infancy is one example. Federal orders were a principal influence in bringing transistorized computers to the marketplace early. A future resource against the energy "crisis" could be generated by a government offer to buy a quantity of oil recovered from shale at an agreed-upon price. The result would be better technology at less cost compared to federally-sponsored R&D. Of course such incentives must be carefully framed to limit federal exposure and to require that the industrial "takers" contribute some of their own substance and take some of the risk.

Companies which innovate in technology under government funding should be granted exclusive licenses and accelerated depreciation schedules to encourage products and services using that technology. Failure to succeed within a reasonable time would be just cause to declare open season on the idea. Such a policy would encourage transfer of technology to the marketplace.

Government also should recognize that today's big technology requires adequate scale in commercial companies. Size alone is not an advantage, just as it should not be a cause in itself for prosecution. But large company R&D has a special and indispensable place in U.S. technology, and big companies should be credited with their contributions as well as charged with responsibility for large and wise investment for technological innovation. Government should look at technological investment and productivity as a major factor in its policy toward industry particularly in antitrust matters.

The most vital factor in technology transfer is people. There's nothing like a committed, enthusiastic engineer or scientist to carry the message and know-how afar. If convinced of the merit of an idea or a project, he will travel at night, work on weekends, uproot his family and fall exhausted across the finish line to advance it. Yet sustaining these qualities requires special care and feeding. For example, the nourishment that sustains technical people is dispensed by their peers, often at professional or scientific meetings, which are sometimes looked upon as boondoggles by management. Though money is important to engineers and scientists, professional development and respect in their disciplines are more important to them. Company loyalty is not their strong point. The strange ways of technical people may not make them lovable, but such quirks and desired prerogatives often go with effectiveness and so ought to be viewed with understanding.

ASSESSING THE CONSEQUENCES

Overall, the effective use of technological resources depends upon a venturesome public attitude. Such an attitude is traditionally American, but in recent years we have had our doubts and doubters. Indeed, it is not too much to ask that we assess beforehand as best we can the consequences of technological action. That is the purpose of the new U.S. Office of Technology Assessment. But it must do its best to foresee the consequences of technological "progress" without becoming an office of *arrestment* instead of assessment. Neither should we neglect to monitor the ongoing effects of a technology after it begins to impact society. Unexpected and unforeseen effects are bound to appear, no matter how much pre-thinging has been done. The sooner we perceive them, the easier will be the remedy. Public confidence hinges upon an absence of unpleasant technological surprises.

In a happier day about two years ago, the President submitted the first research and development message ever by a Chief Executive to the Congress. That massage was full of science policy for the '70s and '80s. It recognized that going to the moon was merely flexing our technological muscles, and that bringing that strength to fruition requires a coalition of forces including social, economic, political and legal elements.

Today we see that message was prophetic. Putting technology where and when it is needed will require more subtlety and more finesse—and more diverse people—than going to the moon. Let us determine that by the 10th anniversary of Apollo 11 we will have found the keys to this momentous synthesis of forces for mankind.

HIGH-SPEED WATER TRANSPORTATION

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HOGAN. Mr. Speaker, the development of new methods of transporting people and goods is of pressing concern in this time of increasing congestion and dwindling fuel reserves. I introduced a bill, H.R. 9497, on July 23, 1973, to provide funding for a study of a high-speed ground transportation system and a high-speed marine vessel transportation system. Although the Senate counterpart of this bill passed after 1 day of hearings, the bill has made slight progress in the House. One possible reason for its lack of appeal is that it may seem too visionary, too "far out" to be feasible. The DOT high-speed ground transportation test vehicle, the "tracked air cushion vehicle," however, is completed and only awaiting the completion of the test track before undergoing exhaustive testing at the DOT proving ground in Pueblo, Colo. An excellent article by Navy Capt. William P. Holden in the Defense Transportation Journal of March–April 1974, indicates that the marine high-speed transportation system is not only a possibility but is actually a proven reality. The article follows:

AIR CUSHION VEHICLES: BOATS THAT FLY

(By Capt. William P. Holden, USN)

If ever there was a good solution for solving urban mass transportation problems with use of our waterways, the technology is with us now. All we have to do is *adapt* a technology spearheaded in the 1950's by an Englishman, Christopher Cockerell. Sir Christopher Cockerell (since knighted) is well recognized as the man who provided the British with the first useful hovercraft technology. The United Kingdom and the Soviet Union have been developing hovercraft, otherwise known as the Air Cushion Vehicle, since the 1950's. Today, the United Kingdom operates about 40 ACV's while the Soviet Union operates half again as many.

Why think about using ACV's to help solve urban mass transportation problems? We could use conventional ferrys or commuter boats in large numbers if all we wanted to do is make use of our waterways. But, except in the New York City area where the city-supported Manhattan to Staten Island run is so successful, or in Seattle where the State-supported interisland commuter ferrys are also so useful, the utilization of ferrys and local passenger boats is not popular. The reason is simple. The conventional boat hulls are just too slow. Lumbering boats satisfy some tourists, but unless the price is an offer that commuters can't refuse, alternatives to slow boats are found.

What if we could double, triple, or quadruple the speed of commuter boats? What if it were possible to commute from Mount Vernon, Va., to downtown Washington, D.C., in 20 minutes—during commuter rush hours? Would that be better than going just halfway by auto in 20 minutes and taking more than an hour for the last 10 miles of bumper-to-bumper traffic? Or would it be better to add more highways?

Why not use the river? It is already "built" and is going unused.

When we think about Air Cushion Vehicles, let's be sure we think about the same thing, for terms are relatively new and sometimes used differently.

CAPABILITIES

There are two types of hovercraft. One is an Air Cushion Vehicle (ACV) and the other is a Surface Effect Ship (SES) or Surface Effect Boat (SEB), or Surface Effect Vehicle (SEV). Both the ACV and SES apply the air cushion principle, but the extent to which the hulls of the crafts or ships are lifted out of the water, makes the difference. The ACV is lifted *entirely* out of the water and rides some distance above the surface. The SES is only *partially* lifted out of the water with the weight of the hull supported partially by a cushion of air, contained between "rigid sidewall" hulls and flexible seals fore and aft, and partially by the buoyancy inherent in the sidewall hull forms. The ACV is amphibious. The SES is not.

The ACV has certain advantages over the SES and vice versa. In comparing the amphibious ACV with the SES, or other "rigid sidewall" hovercraft, the ACV wins every time in the speed and mobility categories, while the SES is superior in economy of operation and possibly superior in the sea-keeping category.

The ACV forfeits economy in using so much power to literally lift its full weight above the surface and by using air propellers for propulsion. The SES uses relatively less lift-power and uses more efficient water propellers, or water jet pumps.

The SES has a definite edge over the ACV in open sea operations but the ACV has a distinct advantage in operating in shallow or congested inland waters. Hovering entirely above the water, the ACV can travel via more direct routes, cutting across points, land, or marshland. The SES, or SEB, with hulls extending well into the water, must, when in shallow rivers or harbors, follow the established ship channels. The ACV can travel in areas of rivers or bays where other ships or boats seldom, if ever, travel. SES's confined to channel operations, must encounter other ships or large boats which are usually present during transit: in the same channel. The ACV has no wake. The high-speed SES has considerable wake. The wake factor has very significant importance when considering the utility of high speed in rivers and harbors. Numerous local regulations limit ship and boat speeds to as low as five knots and with good cause: wake-wash can damage existing piers, boats at moorings, and can cause bank erosion.

An illustration of concern for wake-wash damage by boat owners in Alexandria, Va., was duly expressed last summer when the feasibilities of hovercraft were being demonstrated in the Washington, D.C., area with the British Navy's hovercraft, the BH-7. Proud boat owners in Alexandria observed the BH-7 transiting the Potomac River at high speed and not slowing down where ships and boats are usually required to do so. Most of the boat owners had never before seen a hovercraft. A few became so irate that they threatened to stretch their boats across the Potomac to prevent the passage of the hovercraft during its demonstrations. Not until the owners examined the hovercraft close-up, and were astonished that the craft made no wake—were they satisfied that the safety of their boats at moorings was not being threatened by it.

DEVELOPMENT

For several reasons, development of ACV's in the United States has been slow, well behind the United Kingdom and the Soviet Union. Development has been so slow that prospective ACV operators have wanted to buy ACV's from the British. But the Jones Act, which ensured the buildup of the U.S. merchant fleet following W.W. I, would preclude the use of foreign built ACV's for commercial purposes in U.S. inshore waters.

Some progress has occurred in the U.S. development of ACV technology, however. As early as 1965-66 there was a year-long demonstration of two 15-passenger surface effect vehicles shuttling passengers between downtown San Francisco and the Oakland International Airport.

Bell Aerospace has been a distinct leader among U.S. pioneer firms in exploiting the British hovercraft technology. Bell negotiated a cross-licensing agreement with the British Hovercraft Corporation in England and adapted British technology in providing ACV's for evaluation as military vehicles in Vietnam's Mekong Delta. The U.S. Navy introduced three ACV's, known as SK-5's, in the hovercraft industry but called them "PACV's" (Personnel Air Cushion Vehicles). The PACV's literally *dominated* military surveillance of the Plain of Reeds during the high water season when the Plain of Reeds was impassable to other military vehicles.

During the Navy's first use of the PACV's in the Plain of Reeds, the U.S. Army observed that the craft could carry a much higher payload than was initially thought. Normally, the PACV carried a crew of five and "strap hangers" were discouraged. Then one day about 40 troops had to be moved quickly. Men topside on the PACV were hanging on, and with men inside, the PACV lifted and moved at full speed, its cushion height diminished, but it carried the load. The Army put in an order for three SK-5's of their own. The Navy PACV's were recalled to the continental United States for refurbishing, but in 1969 the three Navy PACV's returned to Vietnam.

The new Army Bell-built SK-5's were also deployed to Vietnam in 1969. When the Navy's three PACV's were returned from Vietnam the second time the PACV's were combat-worn and behind the state-of-the-art. But, the PACV's were then transferred to the U.S. Coast Guard "where is, as is," and were evaluated in various USCG functions.

All six of the U.S. military versions of the SK-5 are now out of service. One was totally destroyed in combat but the remaining five have either been extensively damaged during trials or have just worn out with extensive use. Except for small recreational vehicles and a few experimental models, there are no ACV's being operated in the United States today. Alaska is an exception because of the use of two ACV's on the north slope in cargo handling over the tundra where they are the only surface craft able to transit that land surface without ecological damage during summer months.

The U.S. Navy has been developing a hovercraft-type amphibious assault landing craft (AALC) since 1971. The AALC will be about 48 feet wide, 87 feet long, and weigh 160 tons. It will carry up to 75 short-tons of payload for 200 miles at 50 knots without refueling. The AALC will not be ready for testing before 1976.

Meanwhile, Bell Aerospace Canada, a division of Textron Canada Ltd. of Great Bend, Ontario, has been busy with the development of unique cargo-carrying hovercraft designed for use over ice and tundra as far north as the Arctic Circle, as well as more southern regions. Bell has developed two 38-ton ACV's called Voyageur 1 (or 001) and Voyageur 2 (or 002), plus a 17-ton ACV, called the Viking. The Voyageur has a 20- to 25-ton payload capacity while the Viking carries a 5-ton payload.

The Voyageur and the Viking have been developed in a cost-sharing agreement with the Canadian Department of Industry, Trade and Commerce (DOITC) under a Canadian program for Advancement of Industrial Technology (PAIT).

Voyageur 1 has been used in trials in the United States. In a joint Army and Navy exercise, called OSDOC (Off-Shore Discharge of Containerships), conducted at Fort Story, near Norfolk, Va., the use of Voyageur as an amphibious self-propelled cargo deck was evaluated and compared with the use of conventional landing craft and helicopters in the off-loading of containerships anchored offshore. Voyageur demonstrated the ability to carry two standard containers (20 × 8 × 8 feet) from the containership offshore, through the surf, and about one mile inland, away from what might have been an otherwise congested beach landing area.

Voyageur 2 is owned by the Canadian Ministry of Transport and has been operated in Lake Ontario and Mackenzie River regions in providing logistic resupply of Arctic bases, search and rescue operations, and numerous other tasks to demonstrate its capability.

Other U.S. companies, notably Aerojet General, have developed expertise in ACV technology in the U.S. Navy's AALC development program, and several large aerospace companies are developing the closely related SES technology under a high priority Navy development program to build a destroyer-size SES. But at the moment, only Bell Aerospace Canada of Great Bend, Ontario, has air cushion vehicles ready for production.

We need to have several ready-producers of air cushion vehicles in the United States, for it won't be long before ACV's will be making a major contribution in relieving the urban mass transportation pressures of cities with empty rivers nearby and, undoubtedly, will solve other transportation problems of specialized nature in unique and exciting ways.

DR. KURT H. DEBUS

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. TEAGUE. Mr. Speaker, a great American and good friend, Dr. Kurt H. Debus, is retiring after some 30 years of Federal Government service. Dr. Debus will be missed by everyone on the U.S. space team. His accomplishments and leadership are exemplified by the high position of respect and esteem he holds among his colleagues.

Dr. Debus directed the launch of the first U.S. Earth satellite, Explorer, on January 31, 1958, and supervised construction of the Kennedy Space Center. He directed KSC activities throughout the entire manned and unmanned programs from the flight of Alan Shepard in 1961 to the present preparation for space shuttle operations.

The many well-deserved accolades that Dr. Debus has received throughout the years are best understood by his devoted family who I am sure have served as a great support and strength to him. I am sure his wife, Gay, and daughters, Siegrid and Ute, will look forward to seeing more of Dr. Debus during his retirement.

It has been an honor and pleasure working with Dr. Debus over these many years. Both Mrs. Teague and I extend our warmest wishes for every happiness to Dr. Debus in his new pursuits.

Dr. Debus is deserving of an enthusiastic salute for his efforts and devoted career in our space program.

COMMENDATION FOR POLICE CHIEF REID HUNT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. LAGOMARSINO. Mr. Speaker, I would like to take a moment to commend Chief Reid Hunt of the Fillmore, Calif., Police Department. On January 5, 1975, Chief Hunt will retire, ending a 39-year career as a peace officer. I know the Members join me in extending good wishes to him upon this occasion.

Chief Hunt began his law enforcement

career as a special officer with the Ventura County Sheriff's Department in 1935. In 1939 he became a deputy sheriff, eventually attaining the position of chief deputy. He served under three sheriffs. Chief Hunt retired from the sheriff's department after 30 years of service. In 1969, he was appointed Police Chief of Fillmore, where he serves to the present day.

During his career as a peace officer, Chief Hunt has been a witness and participant in many dramatic changes in law enforcement. His dedication and ability have earned him the respect and admiration of his fellow peace officers and the gratitude of the entire community.

Chief Hunt is a life member of the International Footprint Association, Ventura County Chapter 31, and is a recipient of the chapter's Distinguished Service Award. On January 16, he will be honored by the association at a testimonial dinner.

Above all other considerations, Chief Hunt is a professional law enforcement officer in every sense of the word. He is a law man's lawman, and I am proud to join in saluting him.

SENATE—*Wednesday, October 2, 1974*

The Senate met at 10:30 a.m. and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

PRAYER

The Reverend Judith D. Coleman, pastor, Burnt Cabins Charge, United Methodist Church, Hustontown, Pa., offered the following prayer:

Our Father, surround each Senator with Thy loving, strengthening arms. Reach down in merciful understanding of our human frailties and with the healing touch of forgiveness, revitalize us. Inspire us to be more dedicated in pursuit of peace, justice, equality, freedom, and especially in these days, of a sound economy.

As government officials in Bible times were seen as servants of the most high God, help us sense that we, too, are servants of the Lord. Laying aside self-interest, allow us to take part in establishing Thy kingdom on Earth. Help us to work diligently in committee, on the Senate floor, even while campaigning for the brotherhood of man under the Fatherhood of God.

Bring to our remembrance, O God, that the final verdict on how well we do our job here, will not come from the electorate, but from Thee. Therefore, cause us to daily turn for guidance to the one who said, "I am the Way."

In His name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 2, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, October 1, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NAVAL SEA CADET CORPS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1134, S. 3204.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

S. 3204, a bill to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps, reported with an amendment.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment on page 1, in line 6, strike out " 'youths' " and insert in lieu thereof " 'young people' ", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act entitled "An Act to incorporate the Naval Sea Cadet Corps", approved September 10, 1962 (36 U.S.C. 1042), is amended by striking out "boys" and inserting in lieu thereof "young people".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Carolina (Mr. HELMS) is recognized for not to exceed 15 minutes.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order of the two special orders be reversed so that Mr. McCLURE will be recognized at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Under this order, then, the Senator from Idaho (Mr. McCLURE) is recognized for not to exceed 15 minutes.

APPROACHES TO ECONOMIC PROBLEMS

Mr. McCLURE. Mr. President, there have been many approaches to the economic problems which confront the Nation. Everything from summit conferences to unilateral private efforts at savings and conservation have been attempted. For many of them, we have hopes.

But there is one approach which will not work. That is the scapegoat approach. Only the Congress of the United States can take money of the citizen and authorize and appropriate its expenditure. It is so written in the Constitution and carried out on the floor of both Houses of Congress. Any attempt to put the blame for spending anywhere else makes no sense.

Since 1932 there have been only 2 years in which there was a Republican majority in both Houses of the Congress. Spend and spend and elect and elect has been the Democrat political theme now for 42 years. Although there have been exceptions, the Democrats traditionally voted for more spending and bigger government while the Republicans voted for fiscal responsibility.

Many State and local governments must limit their spending because their citizens have been wise enough to vote for constitutions or laws which require a balanced budget. Families must balance their budgets or give up eating. But Congressmen and Senators too often decide that deficit bookkeeping is the quickest road to popularity. They fail to see that each of the special programs which overspends in order to assist any individual, burdens each other individual proportionately. The end result is one or two items of special assistance and hundreds of ball-and-chain burdens for each individual. In many cases the delivery systems for Federal programs cost many times what the same service would cost if provided by the private sector. The Democrat majority's response to this has been to set up "insulated," "independent" bureaucracies which protect them from "political interference" but what they call interference is really the oversight which is an important responsibility of Congress.

Therefore, the Democrats' attempt to escape responsibility by setting up the Republican administration as a scapegoat simply will not work. The President alone cannot decide how much of the Nation's money is spent. The Congress does. Another form that the scapegoat argument takes is to blame the increase in oil prices for the entire inflationary trend in the United States today. And

I might note that we should not refer to oil price increases as "Arab oil prices" because the truth is that non-Arab nations have led the way and even our good friend and neighbor, Canada, has joined the parade. But, aside from that fact, oil prices are not the major cause of domestic or international inflation.

The inflationary rate in this country has been rising steadily for over 10 years. The oil prices have not yet been in effect for a year. During the first half of 1974, the annual growth rate in the Consumer Price Index was 12.4 percent. Less than 20 percent of our current oil supply comes from the Arabs. Forty percent of our supply is controlled in price. The President's Energy Committee has determined that decontrolling the price of this 40 percent and allowing it to be sold at the same price as Arab oil would increase the CPI by only 0.4 percent. By the same reasoning, then, the increase in Arab oil prices could only be responsible for a CPI increase of 0.2 percent. Capital flow, balance of payments, and capital accumulation are important questions, but let us not confuse them with basic inflationary pressures.

The OECD's figures correspond with this analysis. They put the figure for worldwide inflation at 15 percent and the average effect of the prices of oil at an average of 1.5 percent. Japan's inflation has been raised 4 percent by increased oil prices, and Europe's 2.5 percent. This means that the United States suffers considerably less than the 1.5-percent average from foreign price hikes. Those who are advising the administration to consider a 10-cent-per-gallon tax increase on gasoline insist that the resulting rise in the Consumer Price Index would be no more than 0.6 percent. This amount is more than equal to the increase in foreign oil prices. Interestingly enough, those politicians who blame U.S. inflation on "Arab oil blackmail" are often in the forefront of opposition to any attempt to develop domestic energy resources. We have the coal, the uranium, the geothermal energy, and even the undeveloped sources of domestic oil to become independent of foreign energy sources. But none of it will become a viable alternative to Arab oil until the Congress of this country removes the roadblocks.

Less still, will sabre-rattling and paper threats bring down oil prices—unless we are willing to invade Saudi Arabia and take military control of 600 burning oil wells. Such threats should repulse any American, especially those who have objected so violently to U.S. military presence in Indochina.

The scapegoat technique is easy speech material. But blaming inflation on a few countries will not make it go away. It is time to examine the real reason for inflation.

The average American may think that the Federal Government's excessive spending does not affect him. After all, he may not be on welfare, and he may not get visits from OSHA inspectors. But if he is trying to find mortgage money to buy a house, he is affected. The Government, which is spending his money on projects he may not want or like, has decided to spend even more than it takes from him in taxes. What this means is that it has to go out and borrow money someplace. If a bank has the choice of lending to him or the Federal Government who does it consider the better risk? Not the average taxpayer. He is indirectly pushed into competition that drives the price of borrowing money beyond his means. Then the economists tell us that money is "tight," as if this were something in the nature of an unfortunate coincidence or a ruinous banking practice.

Mr. President, you may not think that the Federal Reserve Bank has anything to do with your life. But when the Fed creates dollars by buying Government securities—which are not really secured by gold, or anything else—and putting that money into the "reserves" of its member banks, that is just another way of saying, "Now those banks have more money; they can lend more money." But you do not see any of it.

When the money supply is significantly—more than goods and services—increased, prices go up. This is why the dollar will not buy the same amount of bread, milk, and hamburger that it did before. Then the Government jumps into the act again. If it imposes wage and price controls, everyone runs out and buys whatever he can because he knows those restrictions are coming. Everyone buying at once drives prices up. Businessmen know that prices will be frozen so up go the prices again. Suppliers find if their prices are frozen below their costs they must cut production. Then you may not even be able to buy goods at high prices. If poultrymen are drowning their chicks because of the Government-managed high price of feed grains, the choice of expensive chicken or no chicken is gone. It is no chicken in any pot.

If the Federal Reserve tells banks that they cannot pay fluctuating interest rates on your savings so that you can keep up with inflation, then you find dollars shrinking more and more. If you try to find other places to invest your dollar which do protect you, you will find the Fed there before you, preventing you. Even if you leave your money in a savings and loan bank, you may find it has no money to lend because other customers like yourself have departed looking for a better investment. The Federal Reserve Bank is a creature of Congress. Congress can amend the Federal Reserve Act anytime it wants to, simply by passing laws, but it does not do so. It is much easier to blame storms, floods, Arabs, consumers, or whatever the popular scapegoat is this week.

Congress just will not face up to the fact that for 40 years it has been Congress itself—often with the acquiescence of the Executive—which has fanned the flames of inflation. And it is time the average American realized this.

The wage earner is punished by inflation not only as a purchaser, but if inflation gets too steep, he has to ask for a pay raise. When the time comes that this raise puts him in a higher income bracket he pays not only more in dollars, but a higher proportion of his earnings in taxes. The Government, by its inflationary practices, has forced him to demand raises which end in his working almost as much for Uncle Sam as for himself.

Congress could help significantly by ending the innumerable, incomprehensible, and unnecessary regulations and paperwork which stifle small business. It could help big business by providing incentives for further research and development. Large companies have to go out and buy raw materials, parts, and operating equipment. If business were allowed a reasonable depreciation rate on plant and heavy machinery, there would be some incentive to stay in business and continue to provide the jobs and consumer goods which the Nation needs. Depreciation allowances should be based on replacement costs, which is just another way of admitting that when costs go up for anyone they go up for all. Inflation hurts all of us when a great deal of money which would otherwise go into expansion, higher wages or more production goes instead into inventory. Shortages can occur as everyone tries to make sure that they can buy at today's high prices instead of tomorrow's higher ones.

Business, say many, is the bad guy—another scapegoat. If that is true, then why is it that virtually every voice heard at the domestic summit last week was saying that the first order of business is to cut Federal spending?

The spend-and-tax philosophy which kept so many of our liberal friends in office over the years would not work any more. I find housewives in little towns like Payette, Idaho, writing me well-reasoned letters on inflation and its causes. The average American is beginning to catch on, and the first inkling of this may be discovered November 5.

There are signs of it everywhere. Only yesterday, one of my colleagues here showed me a rating system of Members of Congress devised by the Connecticut Taxpayers Association in Woodbridge, Conn., purporting to show who the most inflationary Congressmen are. And I have to admit, the issues to illustrate it were quite well chosen.

So, instead of looking around for other scapegoats, perhaps those who control the Congress should take a look at themselves.

Let us stop blaming the wage earner and the businessman. It is time to remember where, by order of the Constitution, spending begins and where deficit spending must stop—today.

The buck stops here, on the desks of the Members of Congress.

Mr. President, I yield to the Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I appreciate the comments and the thinking of the Senator from Idaho.

The Senator commented on the Summit Conference, and I am particularly interested in the Summit Conference. It seems to me that perhaps the first very obvious conclusion is that the people know that—out of the Summit Conference—Congress knows that there is a problem.

It seems to me over the last 2 years, in the short time I have been in this body, that letters I have been getting, and apparently others have been getting, are that, "Why does not Congress do something about the economy?"

So at least I think now the people across the country know that Congress does know there is a problem. Yet there needs to be something done about it.

I was just looking at some figures this morning that certainly show the scope of the problem and the involvement of Congress and the Federal Government in creating it.

In 1954, the debt was $270.8 billion. Then in 10 years it rose $46 billion to $316 billion-plus in 1964.

In another 5 years it went up to $97 billion total, and for the whole 20-year period it jumped $234.7 billion. So there has been runaway spending that has caused this huge debt. The cries of the people, I think, are to balance the budget. Certainly, there have been some efforts in that direction in this Congress and in this Senate. We are seeing that to do this the controllables are only some 20 to 25 percent. In bringing about a balanced budget, as I hope we will this year, the cuts are not equal, and the efforts to bring about this balanced budget are cutting more deeply into some activities than others, particularly into the defense activities, about which I am disturbed. I think it shows the challenge that we have.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. MANSFIELD. If the Senator would like more time, I would be glad to yield some time allocated to the distinguished Senator from Mississippi (Mr. EASTLAND), who I understand will not be here.

Mr. McCLURE. I thank the Senator for yielding. Would he yield 5 more minutes?

Mr. MANSFIELD. I yield.

Mr. McCLURE. Might I comment to the Senator from Oklahoma with regard to the remarks he has made? The interest on the national debt, as I recall, in the year I first arrived in Congress, for the fiscal year ending June 30, 1968, was somewhat less than $7 billion, the debt service and interest. The interest on the national debt in the fiscal year that ended last June 30 was nearly $30 billion. For that kind of growth not only of debt but of debt service, in that very brief span of time, the responsibility has to come back to only one source. That is the Congress which has created the fiscal and monetary policies that have created that kind of debt and debt service.

The Senator from Oklahoma, having been the Governor of Oklahoma, also knows, I am certain, how difficult it is—but how necessary it is—to live within the budget. I am sure he, as the Governor of Oklahoma, lived with that on a daily basis.

Mr. BARTLETT. Yes. We had to take a pie and divide it, rather than create the pieces and look around for the pie pan in which to put the big increase and then ask for the increase in the debt ceiling and go home. I think we have perhaps corrected that with legislation this year.

Certainly, I think there needs to be an effort to go rather deeply into the current programs in order to increase the controllables so that the whole operation of government will be more manageable. Those who said that it is impossible to balance the budget this year, although I disagree with them, are not all that wrong. I think it is a very difficult job to do it, and I do not think it can be done exactly fairly across the board, evenly.

So Congress has a big job to do, to take a look at its programs and place the whole matter of management of government in relationship to revenues and in relationship to obligations, and to all the programs, so that it will be fair and equal.

I am very happy to join with the Senator from Idaho in this program and in this colloquy, to try to accentuate the great need for Congress to exercise its responsibilities. I think it has failed. I think it is high time that Congress take a real look at all the programs it has created to see where we are going, how we are going to get there, and in what shape are we going to get there financially.

Mr. McCLURE. I thank the Senator from Oklahoma for his contribution. I think one of the things that has struck me most in this current session of Congress is the contribution that has been made by some of the newer Members of Congress and of the Senate as they bring a fresh perspective to the business of running the Nation's business. They are not quite so imbued with all the old methods of procedure and the old political forms that may have been politically successful over the last 40 years, but they recognize, as I think we all should recognize, that the people are demanding a change.

Mr. HELMS. Will the Senator yield?

Mr. McCLURE. I will be happy to yield.

Mr. HELMS. Mr. President, I believe I have 15 minutes allotted to me. I ask unanimous consent that it be merged with this colloquy so that I may share my time with other Senators. I would like this colloquy to continue and for as many Senators to participate as may wish.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HELMS. I would like to commend the distinguished Senator from Idaho and the distinguished Senator from Oklahoma.

The Senator from Idaho (Mr. McCLURE) has served in the House of Representatives, and the Senator from Oklahoma (Mr. BARTLETT) is a former Governor of his great State.

I hope the comments which have been made here this morning are correct in that the people are really demanding a balanced budget. I am not so certain of that—not because they would not demand it if they understood the disastrous consequences of the deficit financing that has been going on for a generation—but because they have not been informed as to what is the real root cause of the inflation now plaguing the Nation. As the Senator knows, I come from the news media. I notice that there are two correspondents in the galleries this morning. I have often thought since I have arrived here in January of 1973 that if just 10 percent of the news could be devoted to the No. 1 issue in America, that is to say, inflation, and the cause of it, the people of America would long ago have risen up and demanded some changes in the way things are done around here—especially in terms of Federal deficit financing.

As the distinguished Senator from Idaho so eloquently stated a moment ago, the responsibility lies here in the Senate and in the House of Representatives. As the saying goes, this is where the body is buried.

There have been a lot of folks over the years who have been trying to warn that we were headed for economic disaster in this country. I have, for example, a copy of a television editorial that was broadcast in December of 1960 on WRAL television in Raleigh, N.C.

It states in part:

> We don't care which party balances the budget, just so one of them does. We don't care which party honestly sets about a program of tax reduction, just so one of them does. We don't care which party does something to prevent the further deterioration of the dollar, just so one of them does. We don't care which party first wakes up to the undeniable fact that a great nation must be built and maintained by hard work, imagination, and initiative, just so one of them does.

Mr. President, those statements were made 14 years ago.

Mr. McCLURE. Will the Senator yield?

Mr. HELMS. Yes.

Mr. McCLURE. I think there is a great wisdom and a great truth in that statement, that the people do not care which party does it; they just want the job done. The Senator made mention of the attention paid to the causes of inflation. I am reminded of the story that I think most of us learn sometime in our educational process, or we were at least exposed to, "The Case of the Purloined Letter" in which the hiding place of that stolen letter was the most obvious place. We sometimes overlook the most obvious. Those of us who are involved in the affairs of Government are inclined to overlook the most obvious solutions, the most obvious answers.

The reason for the inflation is the one that is closest to us, those of us who sit here. It lies in the mismanagement of the Government's fiscal affairs, in large measure. That is the one thing which we can deal with most directly. I commend the Senator from North Carolina.

Mr. HELMS. I thank the Senator.

If the Senator will yield further, this Nation has been so mesmerized for so long by the Keynesian theory of economics that now I am afraid that too many people are conditioned to expect instant and magical cures for what ails us.

I think the most notable service that any and all of us could perform for the American people would be to warn that this is simply not possible. It is going to take us a long time to correct the errors of a generation, and it is not going to be done with political rhetoric.

Speaking, Mr. President, of the Keynesian theory, in which I find no logic whatsoever, I am reminded of what the distinguished Senator from Hawaii (Mr. FONG) said yesterday about illogic. He said:

> You ask a liberal why a fire truck is red, and his explanation goes something like this: Well, a fire engine has four wheels and eight firemen.

> Four and eight equal twelve. Twelve inches make a ruler. One of the most prominent rulers is Queen Elizabeth. Queen Elizabeth is one of the biggest ships on the ocean. The ocean has fishes. Fishes have fins. The Finns fought the Russians. The Russians are red. Fire engines are always rushin' around, and therefore they must be red.

[Laughter.]

That is typical of the logic of many of the Keynesians who are in control of this Government for so long.

It is interesting to listen to some of my distinguished colleagues, as they appear on television, when they discuss inflation. I saw one the other evening—and I hold him in the greatest affection—rolling his eyes toward heaven and saying, "Inflation is the No. 1 problem. We must get about solving it."

Just a day or so later, I learned that the same colleague—again I repeat my affection for him—in 1 year's time had submitted legislation calling for $100 billion worth of new spending by the U.S. Government; and over a 3-year period, if the calculations I saw were correct, this involved $347 billion of new Federal spending.

I think it is time for us to put up or shut up in Congress. I do not care whether the Democratic Party does it or the Republican Party does it, just so one of them does it. I hope that both of them will do it.

Let me say, parenthetically, that there are many Members on the other side of the aisle for whom I have the greatest respect. I will mention but one—and I hesitate to do that, because there are others. The able and distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.), as my colleagues know, has been in the forefront of calling for fiscal responsibility in this country.

The Senator from Idaho mentioned the debt service on the existing Federal debt. I think he will find that it will cost $33 billion this year to pay the interest alone on the money already borrowed and spent by this Government. What is a billion dollars? How many people can imagine 1 billion of anything, let alone dollars? I cannot. But we owe in the neighborhood of $480 billion as of today; and I submit, Mr. President, that that is a very expensive neighborhood.

Yet, the major news media, insofar as I have been able to detect, have cast all of this aside in favor of the more bizarre news of the day which may or may not be relevant to the No. 1 problem of America, which is inflation. If the news media want to do something for this country—and let me reiterate parenthetically that I come from the news media—if the news media want to do something helpful for this country, let them begin now to spell out what the cause of America's travail is today. It stems from economics, bad economics, illogical economics, and unsound fiscal policies originating right here in the Congress. I think it is time the American people were told the truth about Federal spending, Federal deficits, the Federal debt—and the drastic impact all of these have had on the American taxpayers' pocketbooks.

I yield to the Senator from New York.

Mr. BUCKLEY. Mr. President, I thank the Senator from North Carolina and the others who have participated in this colloquy.

There is certainly no subject to which we can better devote our time and energies and thought and courage than that of bringing this inflation under some sort of control. It will only be brought under control if we, ourselves, will control our seeming passion to create still more programs. Day in and day out, we see new legislation coming here, dusting off brandnew problems that must be solved today, and hang the expense.

I was recently surveying some of the figures on the food stamp program, for example, a program that serves a very natural desire on the part of everyone to see that no one is deprived of sufficient nutrition. Yet, we have allowed it to get out of control: $250 million in the first year, 1968; $2 billion in 1972; $4 billion today. Now I see that federally financed lawyers have brought suit against 17 States because they have been insufficiently active in bringing in all the others who are supposedly qualified—another 15 million to 30 million individuals.

This is a program, incidentally, in which it is widely believed that 20 percent of the recipients are not eligible, in which the administrative costs of this program amount to $1 billion, merely trying to verify whether the recipients are or are not eligible; and at that, they fail one-fifth of the time.

I say that if we are going to be serious about doing our part in Congress to curb inflation, we have to be serious about doing the politically hard thing; namely, saying "No" here and there.

Frankly, Mr. President, I was appalled just a week or 2 ago to see the Senate fail its first test. I believe that three-quarters of the Members of this body have voted for resolutions to hold a ceiling of $295 billion on expenditures in the current fiscal year. I believe that most of the Members of this body 2 weeks ago, in a frantic attempt to find some means of cutting back on expenses, delegated the authority to the President. A number of Members in the current Senate have sponsored legislation that would authorize the Executive, the President, to make limited cuts in various programs so as to cut $5 to $10 billion from our spending and restore some semblance of a concept of balanced budgets.

Yet, when the President presented his first specific request; namely, to delay, by 90 days, the increase in pay for 3 million people on the Federal payroll, people who by no standards are underpaid, a proposal that would have put not a single person out of work, a proposal that would have saved $700 million, we failed that test by a vote of 2 to 1.

I suggest, Mr. Presdent, that if this is a sample of the determination of this body to be fiscally responsible, then Lord help this Nation, because we will get nowhere. But I also like to think that it will ultimately prove the best politics to be a nonpolitician this year.

Despite the lack of enthusiasm on the part of the media to bring to the attention of the American people the facts as to what causes inflation, I hope that native wisdom, native commonsense, will assert itself and that we will see people refused reelection or new people elected to Congress based solely on what they promise not to do for the electorate.

I thank my friends for their contributions to this discussion.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. BUCKLEY. I yield.

Mr. HELMS. Mr. President, I am not sure who is in control of the time, and it really does not matter.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina has control of the time.

Mr. HELMS. I say to the Senator from New York that, as always, he has effectively put his finger on the point.

He referred to at least one recent vote by the Senate. I wonder whether he ever gets the impression, as does the Senator from North Carolina occasionally when he sees some of the votes being cast around here, that there has been a confirmation of what Shakespeare said:

> Hell is empty, and all the devils are here.

This is where the action is, this is when the bullet must be bitten, if we really mean to balance the budget, if we really mean to stop inflation.

I yield to the able and distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I thank my distinguished colleague, the Senator from North Carolina.

First, I compliment the distinguished Senator from Idaho (Mr. McCLURE) for having addressed a very timely and important issue, one that, I am certain, many of us would like to have go away.

I had the privilege of serving as Governor of the State of Wyoming, a State which by law must have a balanced budget every year. I know what it means, as expressed earlier by the distinguished Senator from Oklahoma (Mr. BARTLETT) when he referred to trying to fit the pieces of the State's financial pie back into the pie pan; for example, State revenues. You have to do the job with the money you have.

There is a certain sanitizing effect in having had that experience. As a consequence, it is not as difficult for me, as it may for some to justify taking actions, making difficult decisions that are not of my choosing but nevertheless which I think are necessary—what we have to recognize, Mr. President, that there is no part of the budget that is without a constituency. There is no single dollar in the more than $300 billion proposed that does not have someone or some group interested in that money being spent. I concluded a long time ago that the only way we are going to get the spending by the Federal Government down to manageable proportions, in order to bring about the kind of fiscal sanity necessary for us to get our country back on a responsible course again, is to cut all along the line. Later today, I will be a participant, if we can get things worked out so that we do not have two conferences meeting simultaneously—one with the Committee on Interior on Surface Mining and one on the Committee on Veterans' Affair—and add my votes to those who know full well, as does the distinguished Presiding Officer, the great contributions that have been made by veterans. But who also understand that the veterans have as much at stake as anyone I know in seeing that we restore fiscal sanity to our national affairs in this country.

Of all the people who will suffer as inflation gnaws away at purchasing power, none will feel it more severely than will the veteran, his relatives, and dependents.

The PRESIDING OFFICER (Mr. CRANSTON). The time of the Senator from North Carolina has expired.

Mr. MANSFIELD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Fifteen minutes.

Mr. MANSFIELD. I yield my 15 minutes to whoever wants them.

Mr. HANSEN. Mr. President, let me express my very personal and sincere gratitude to the distinguished majority leader for his kindness.

If I am able I am going to support a program that will not do as much as I wish we could do for the veteran, but will be consistent with the course that I think we have to take if we are going to get the job done for America and for the rest of the world.

I was distressed when I was at the White House several days ago, prior to various summit meetings that had been going on around the country, to hear the new chairman, my very good friend and distinguished colleague, the senior Senator from Maine (Mr. MUSKIE), point out that he would oppose cuts in the money that was proposed to be expended for water pollution control.

Coming from a State that is blessed with some of the purest water in the Nation, I know how sincerely he sees the urgency for an expanded water pollution cleanup effort that will restore purity and cleanliness to the Nation's waterways. I also know that one of the effective ways we can reduce the outflow of Federal dollars now is to postpone implementation of such expenditures or to stretch out new programs. I think that most Americans, as they contemplate the double problem of inflation on the one hand and unemployment on the other, are going to say that we ought to make every effort we can to see that we balance the Federal budget, that we do not destroy jobs, which inevitably will result if we continue headlong to let prices soar as they are now soaring.

Mr. McCLURE. Will the Senator yield?

Mr. HANSEN. I am very happy to yield.

Mr. McCLURE. Does the Senator agree with me that whether it is the executive pay raise that is justified in terms that these Federal employees need the raise because inflation has reduced their purchasing power, or the veterans, who need an increase in benefits because of the reduction in purchasing power and the increased costs of education, or the need to put money into water pollution control, that in every one of these areas the needs are expanding because of inflation, and the inflation is caused by the overspending which feeds upon itself?

If we do not recognize that fact, we will not get the water pollution control that we need in this country because the prices will continue to escalate beyond our ability to install the equipment. I think that is the kind of balance that is necessary in the fight upon inflation. I am sure that the Senator from Wyoming will agree with me in that statement.

Mr. HANSEN. Mr. President, my distinguished colleague from Idaho understands very well the dimensions and the ramifications of the problem. They are precisely as he has stated them.

I was talking last week with Mr. Charles Luce of Consolidated Edison in New York, and he made an important observation. It was the enormous cost that the utilities are having to pay in order to comply with the EPA regulations in this country.

Now, we all agree that we want to clean up our water; we want to purify the air we breathe. We want to clean up the landscape and keep it beautiful.

Certainly, few people are more dedicated in this commitment than is Mr. Luce. But he makes a very telling point. That is that the State of New York has not permitted an increase in electric rates in that State sufficient to bring in revenues necessary to do all the things which now are required of that utility by law.

On the one hand, he said, the average output of the labor they have hired for new construction, in his judgment, is about 25 percent of what it should be. I have been impressed, as I am certain many have, in going around this city to see a new poster that appears on the wastepaper boxes. It starts out by saying, "Would you hire you?" Then it goes on to state some very important facts of life, saying that unless you are the kind of person who is doing all he can to make the best use of his time, to be as productive as possible, you are not the best kind of person to hire.

The statement, I think, ought to strike home to many Americans, that every one of us has a job to do and if we do less than our best—if we do less than our best, Mr. President—then we are not doing enough to help in this fight against inflation.

I was speaking about my distinguished friend from Maine, and I am saddened by the fact that, despite the enormous responsibilities that he has in chairing the newly organized Committee on the Budget, he hinted at an ultimatum by saying that it is all right to cut the budget, but do not cut this particular program, because it is important. I can only say to my good friend that they are all important. There is not one that is not important. But we will not accomplish anything more important than getting a handle on inflation and to begin slowing it down, that must be done.

I am proud of the significant contribution that has been made by the leadership on the other side of the aisle in recognizing that the interest of America must come before any other partisan political consideration, and for the effort that they have successfully launched to see that these budgets are cut. I salute them. I shall support them. I shall do the best I know how to provide the kind of support necessary in order to insure that we can bring things back into line, in order that this country can meet its obligations, in order that we can reduce this $33 billion outlay for interest alone on the national debt that is tearing out the heart of economic America.

Mr. President, in closing let me observe that not only is our economy at stake, our jobs in the United States are at stake, our way of life is at stake, our Government is at stake, and the leadership that America has been able to demonstrate for the rest of the world will be seriously eroded unless we meet and overcome this challenge.

I thank my colleague from North Carolina.

Mr. FANNIN. Mr. President, I commend my distinguished colleagues who have entered this colloquy and have brought out the dangers of inflation facing us, and the problems that have accumulated over the years.

The inflation we are facing is in large part due to the shell game that the Congress has been perpetrating in regard to the budget.

We have created new machinery ostensibly to try to bring fiscal responsibility in the handling of the budget in Congress. Already we have seen some evidence that an effort will be made to use this machinery not to control spending and apply sound economic principles, but to continue the same old irresponsible, deficit spending policies. We cannot allow this to happen.

I think the present presiding officer, the distinguished Senator from California (Mr. CRANSTON) realizes this, and I thank him for his dedication to carrying out the intent of the legislation that created the budget committee.

I think we all realize that our first task has to be close off the back-door budgeting and give consideration to the great problem of off-budget items.

We are all prone to discount that we can do anything about matters that are handled on this basis; we talk about the "untouchables" although we know that anything that is untouchable has been created by Congress, and what Congress has done it can undo.

When Chairman Burns of the Federal Reserve System appeared before the Senate Budget Committee on August 21, he testified that deficit financing by the Federal Government can be justified at a time of substantial unemployment, but he brought out that we can get into serious trouble when we start manipulating to try to take care of situations that are not realistic in the handling of the expenditures of the Government.

He brought out that the current inflation began in the middle 1960's, when our Government embarked on a highly expansive fiscal policy. Unfortunately, Mr. President, that policy is continuing. In the fiscal year just concluded, the condition of the Federal budget failed to improve sufficiently. The reported budget deficit declined to about $3.5 billion, much smaller than in the preceding 3 years, but in a year of such powerful inflationary forces, the Federal budget should have been in surplus, and when off-budget outlays and the expenditures of governmentally sponsored agencies are taken into account, as he believes they should be, the Federal deficit reached $21 billion last year, which is not much lower than the extraordinary deficits of the 3 previous fiscal years.

Mr. President, I am bringing this out because I think it is so important to bring out that the policies were set when we were in a better position, perhaps, to forego the strict stipulations that face us today.

We have a crisis. We have problems facing this Nation today that we have never faced before. We have circumstances existing, such as the oil situation around the world, that challenge us today more than ever before to impress upon the minds of the American people the seriousness of the situation. It is a crisis; we must recognize that, when we look at what we are up against and have the indication that it is not going to change rapidly unless we take hold of the situation and do what is many times very unpopular.

Mr. McCLURE. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. Yes, I am pleased to yield to the Senator from Idaho.

Mr. McCLURE. I thank the Senator for his contribution.

I cannot help but note that three of the Senators who have spoken today have been through the discipline of being Governors of their States, where they had to balance the budget, recognizing that it was not easy to do.

I would also like to recognize, Mr. President, that present in the Chamber are three other Members of the Senate who have participated in many of these discussions in the past, and joined in many of the efforts in the past to get some fiscal responsibility in the Government and in this body. The Senator from Michigan, our distinguished minority whip (Mr. Griffin), the Senator from Ohio (Mr. Taft), and last but certainly not least, the Senator from New Mexico (Mr. Domenici), who, though not having been the Governor of New Mexico, nevertheless, as the mayor of his city, again was faced with the absolute necessity of finding ways to balance the budget, and recognizes the hard choices that sometimes have to be made, but that they can be made, and made here as well.

I commend the Senator from Arizona for his remarks, and I praise them totally.

Mr. FANNIN. Mr. President, I wish to express my appreciation to the distinguished Senator from Idaho for his continued emphasis on balancing the budget, and for his fiscal responsibility. He not only advocates that responsibility, but practices it as well.

I agree that the distinguished Senator from New Mexico, since he performed very capably as mayor, has a record of which to be very proud.

The PRESIDING OFFICER. The time of the Senator has expired.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER (Mr. Cranston). Under the previous order, there will now be a period for the transaction of routine morning business not to exceed 15 minutes, with statements therein limited to 5 minutes each.

SENATE RESOLUTION 416—A RESOLUTION EXPRESSING THE SENSE OF THE SENATE REGARDING THE 1974 ANNUAL MEETING OF THE BOARDS OF GOVERNORS OF THE INTERNATIONAL MONETARY FUND AND THE WORLD BANK GROUP

The PRESIDING OFFICER. Is there further morning business? If not, the Chair lays before the Senate a resolution coming over under the rule, which the clerk will state.

The assistant legislative clerk read as follows:

> A resolution (S. Res. 416) expressing the sense of the Senate regarding the 1974 annual meeting of the Boards of Governors of the International Monetary Fund and World Bank Group.

Mr. TAFT. Mr. President, I submitted this resolution yesterday. There was objection to its immediate consideration, and it has now come over under the rule. I think the Senate can act upon it with dispatch.

As we all know, the International Monetary Fund and the World Bank are having their meetings here and discussing items, I think, of tremendous importance not merely to the economy of this country and the member countries, but to the entire world. I have previously placed in the Record considerable discussion by myself as to the points that I think should be considered by these annual meetings, and have a further statement today.

This resolution is a sense of the Senate resolution expressing support for the efforts of the International Monetary Fund, the World Bank and others to promote international approaches of minimizing world economic disruption caused by the dramatic transfer of wealth to oil producing countries. My action coincides with the extremely important 1974 annual meetings of the Board of Governors of the International Monetary Fund and World Bank group, which have been dominated by concerns of this nature.

More specifically, the resolution expresses the sense of the Senate that the present economic situation demands increased international economic cooperation that the IMF should continue its efforts to discourage protectionist economic actions detrimental to the world economy, through such means as its guidelines for government management of floating currencies and its promotion of a voluntary agreement not to take actions distorting trade unless IMF determines that they have balance-of-payments justification; that IMF should make an urgent review of the adequacy of present and proposed facilities for recycling funds to financially troubled oil-deficit countries; that the meetings should recognize the devastated economic situation of some of the less developed countries; and that pursuit of other means to alleviate the present economic upheaval through international cooperation should continue vigorously.

Yesterday the Senate considered a resolution offered by my colleague from Ohio (Mr. Metzenbaum) in support of President Ford's efforts to negotiate lower oil prices. I am a cosponsor of that resolution and I believe that this goal, however difficult, should remain a crucial objective of economic and foreign policy. The world simply cannot accept passively the present crude oil price levels. However, in view of both the considerable disruption caused by the $60 billion transfer of wealth already effected and the certainty that the impact of high oil prices will continue to be severe, it is necessary to supplement this strategy immediately with consideration of all reasonable steps to facilitate necessary financing by oil deficit countries and thus minimize the oil-deficit-related threat to international economic stability.

More generally speaking, one of the most important lessons of the 1930's was the necessity for international economic cooperation rather than trade restrictive or distortive protectionist policies during times of economic stress. Efforts by a country to shift unemployment or inflation to its trading partners through restrictive or distortive actions often have resulted in detrimental effects to the countries involved. Yet, it is precisely in troubled economic times that countries are most likely to be tempted to invoke such policies. The unprecedented magnitude of today's balance-of-payments problems unavoidably creates such temptations.

The two major steps I mentioned which the IMF has taken to discourage such actions, its guidelines for government management of floating currencies and its promotion of the voluntary declaration on trade measures, deserve our wholehearted support. However, in addition to discouragement of action likely to have negative effects on the international economy, it is necessary to assure to the extent we can that the financing of oil deficits occurs with the minimum possible disruption and hardship. This policy objective will be essential at any conceivable oil price level for the near future.

The adequacy of the present financial institutional framework for accomplishing this goal is certainly debatable. The first "investments" of surplus oil profits in European banks were of an extremely short-term nature, while the prevailing financing needs require medium- and long-term lending. Obviously, the banks cannot maintain that lending pattern for long without greatly increased risk or a sizable curtailment of lending volume relative to assets. Furthermore, the sheer magnitude of the recycling job is likely to create serious strains.

It is argued that increased longer term investment of oil profits and adoption of more innovative financing techniques will improve the situation and alleviate strain on the banks. However, it is impossible to state with certainty that these developments will occur promptly enough and in great enough magnitude to avert serious financing problems in the near future, or that the locations of the investments made will correspond closely with countries' urgent needs for capital. The latter is extremely unlikely.

The Treasury Department has argued that the International Monetary Fund-related facilities for assisting countries with balance-of-payments difficulties may be adequate. With $3.4 billion in borrowings from the oil exporting countries, the IMF has already created a small "oil facility" to provide 7 percent loans of up to 7 years' duration for defraying the initial impact of oil deficits. An "extended fund facility," in which the fund would lend its reserves at slightly lower interest rates and longer terms than usual to countries with "structural" balance-of-payments problems, has also been approved. The Treasury Department has also pointed out that sizable amounts are available through the funds regular borrowing facilities which were meant for more short-term needs than the present situation requires and swap arrangements.

Those who are skeptical of the immediate need for additional financing facilities point to these resources and the fact that not all oil facility funds have been committed during its short life thus far although indications are that these funds will be committed in the next several months. Their case should, of course, be given the most serious consideration. However, in light of the transfer of resources so staggering that oil producing-nations' reserves will be in the magnitude of approximately $200 billion by the end of 1976, we should not be complacent about the present facilities. Furthermore, the apparent magnitude of resources available is extremely deceptive, since neither the fund's regular borrowing facilities nor the swap arrangements can be utilized at nearly the maximum volumes sometimes quoted.

Rather than finding that additional recycling facilities are unnecessary, a thorough examination of the present situation prompted by this resolution may lead some nations to conclude that the impact of the massive recycling required is simply too overwhelming to allow much hope that any such facilities would have a definitive longrun positive impact. My resolution attempts to encourage nations to face the hard facts about the recycling task and to evaluate what types of facilities, if any, would provide crucial assistance. One result of this exercise may be that more countries agree upon the necessity for lower international oil prices.

The question immediately arises as to the source of any additional financing deemed necessary. Whether the oil exporting countries would support a higher level of oil facility funding through borrowing at interest rates anywhere near 7 percent is unknown and there may be valid foreign policy reasons for minimizing financial reliance on these countries to the extent possible. However, their funds obviously are desperately needed and they obviously are in a position to supply funds. The capability of the oil importers to improve the recycling of funds among themselves through better executed and innovative financing techniques must be examined fully, but this capability may be very limited.

My resolution draws special attention to the needs of some of the world's poorest countries because the oil price explosion, the explosion in the price of necessary food commodities such as rice and wheat, the fertilizer price explosion and the fertilizer shortage have combined to have a devastating effect. The World Bank now estimates that to achieve even a modestly acceptable rate of economic growth, these countries will need an additional $2.6 billion in long-term external capital in 1974, $6.8 billion in 1975, $10.6 billion in 1976, and $27.5 billion in 1980. We must come to grips with the extent to which without further assistance some of these countries will not be able to fulfill the most basic needs of their citizens. In view of their huge surpluses, the oil producers naturally appear to be in a position to supply further assistance.

As I have indicated and as the resolution emphasizes, efforts to ease the immediate financial impact of the oil deficits must not detract from pursuit of other forms of international cooperation which would improve the world economic situation significantly.

Let me emphasize again that the most important goal in this regard is a major decrease in oil prices, although the obvious difficulty of this goal is a reminder of the importance of domestic policies which decrease our dependence on oil imports. The recent agreement upon a plan for sharing of oil resources during emergency periods is a more positive example thus far of international economic cooperation. With passage of the Trade Reform Act, intense negotiations could begin with the aim of establishing further safeguards against protectionist and self-serving governmental actions which would result in international economic shrinkage.

In view of this resolution's timeliness and the overwhelming importance of the problems it addresses, I am hopeful that the Senate will act upon it quickly.

Mr. President, there is considerable discussion of this subject in an article published in this morning's Washington Post, written by Hobart Rowen, entitled "Allies Warn U.S. To Drop Oil Fight," which I think might be helpful to Senators considering the problem, and I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ALLIES WARN UNITED STATES TO DROP OIL FIGHT

(By Hobart Rowen)

Amid widely voiced fears that the world may be facing an economic crisis paralleling that of the 1930s, the finance ministers of Britain, France, and West Germany warned the United States yesterday to abandon its fight for lower oil prices as fruitless and join instead in finding some means of financing the higher costs.

At the second day of the annual meetings of the World Bank and the International Monetary Fund, the major industrial countries other than the United States moved toward agreement that the IMF, which already has an oil "facility" to re-lend dollars earned by petroleum producers to poorer countries, should expand it to take care of the rich ones as well.

U.S. Treasury Secretary William E. Simon told a press conference, meanwhile, that although there is no immediate need to act, "careful study" of so-called recycling schemes would be appropriate.

"Recycling" means some system of persuading the oil-producing countries to lend out their surplus funds.

European officials asserted privately that Simon's statement is the beginning of a new American approach that will "recognize the facts of life"—the main one being that the oil cartel countries will not lower oil prices.

Simon conceded to reporters that the only "leverage" that the United States has to bring oil prices down is to accelerate conservation measures and to increase alternate supplies. He said that conservation measures could be either mandatory or voluntary and that President Ford would make the decision "as to whether they should be mandatory."

Simon said Mr. Ford will deal with energy conservation in an economic policy message to Congress next week.

He said that while it would take three to five years to improve the supply side of the energy equation, there are things "we can do immediately in the reduction of demand."

In response to a question later, Simon observed that all options, including such drastic measures as a tax on auto horsepower and other measures to cut gasoline consumption, are being studied.

Of major figures at yesterday's meetings, Simon was by far the most optimistic on world economic prospects. "I do not believe the world is in imminent danger of a drift into cumulative recession—although we must be alert and ready to act quickly should the situation change unexpectedly," he said.

Simon's comments were softer than those of Secretary of State Henry A. Kissinger, who told the United Nations on Sept. 23 that "strains on the fabric and institutions of the world economy threaten to engulf us all in a general depression."

The gloomy mood of the conference more closely matched Kissinger's. British Chancellor of the Exchequer Denis Healey, for example, said in his speech that "the responsibility for making sure that the tragedy of the 1930s is not repeated in detail over the next few years rests on us collectively."

The most dismal appraisal came from the Italians, the industrial country most heavily stricken by the four fold increase in the price of oil.

"Without collective action by all the governments concerned," warned Italian Minister of the Treasury Emilio Colombo, "there is a danger of a drift into beggar-my-neighbor policies of the sort that led to the trade wars of the 1930s."

Colombo said flatly that without an oil-price reduction, the international financial system would suffer a breakdown. He noted that for the first time in a generation, governments may not be able to satisfy people's expectations for a continuing improvement in living standards, with the risk of serious effects on the social and economic stability of many countries.

The most specific recycling proposal was outlined by Healey. According to his plan, the oil countries would be invited to invest surplus money in the IMF, and receive a normal rate of interest.

Privately, Healey has suggested that the IMF might attract as much as $30 billion from Arab nations, who would then have an "excellent asset in the form of a claim on the IMF."

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

The resolution (S. Res. 416) was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 416

Expressing the sense of the Senate regarding the 1974 Annual Meeting of the Boards of Governors of the International Monetary Fund and World Bank Group

Whereas world economic stability is presently threatened by the drastically increased transfer of wealth to oil producing nations and by other international economic developments;

Whereas these developments could have devastating effects on some of the world's less developed nations;

Whereas disruptive flows of monetary reserves threaten to imperil world financial institutions and to overwhelm international capital markets;

Whereas the present governmental and private financial institutions may not be able to recycle funds to oil importing nations in a manner which minimizes the economic impact of increased oil import prices;

Whereas government policies designed to mitigate the effects of international economic problems in a particular nation often worsen the economic situation in other nations, ultimately to the detriment of the nations involved; and

Whereas possible methods of alleviating these problems will be a major topic of the 1974 Annual Meetings of the Boards of Governors of the International Monetary Fund and the World Bank Group: *Now, therefore, be it resolved*, That it is the sense of the Senate that:

(1) The present economic situation demands greatly increased international economic cooperation among nations;

(2) The International Monetary Fund be supported in its efforts to discourage unilateral economic actions which could affect other nations' economic situations adversely, including its guidelines for government management of the Voluntary Declarations on Trade Measures;

(3) The Annual Meetings should give urgent and detailed consideration to the adequacy of present and proposed international facilities for providing necessary financing to oil importing nations, in view of both the short-term and long-term economic prospects of these nations;

(4) The Annual Meetings should recognize fully the emergency needs of the poorest oil importing nations;

(5) Other types of international cooperation to help alleviate the present economic situation should continue to be pursued vigorously.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

APPROVAL OF BILLS

A message from the President of the United States stated that on October 1, 1974, he approved and signed the following bills:

S. 210. An act to authorize the establishment of the Boston National Historical Park in the Commonwealth of Massachusetts; and

S. 3301. An act to amend the act of October 27, 1972 (Public Law 92-578).

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. HATHAWAY) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:33 a.m., a message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 3339. An act for the relief of Delmira DeBow;

H.R. 7767. An act for the relief of Samuel Cabildo Jose;

H.R. 9182. An act for the relief of Fernando Labrador del Rosario;

H.R. 9273. An act for the relief of Maria Martins Sanchez;

H.R. 9654. An act for the relief of Mr. Aldo Massara;

H.R. 3538. An act for the relief of Selmer Amundson;

H.R. 8824. An act to provide for the conveyance of certain real property of the United States to Mrs. Harriet La Pointe Vanderventer;

H.R. 12148. An act for the relief of Oscar H. Barnett; and

H.R. 10627. An act for the relief of Benjamin Baxter.

ENROLLED BILL SIGNED

The message also announced that the Speaker has affixed his signature to the enrolled bill (H.R. 16102) to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October 1974 through the last Sunday in February 1975.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

At 1:39 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MAHON, Mr. WHITTEN, Mr. SIKES, Mr. PASSMAN, Mr. EVINS of Tennessee, Mr. SLACK, Mr. CEDERBERG, Mr. MICHEL, Mr. DAVIS of Wisconsin, and Mr. SHRIVER were appointed managers of the conference on the part of the House.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has affixed his signature to the following enrolled bills and joint resolution:

S. 1276. An act for the relief of Joe H. Morgan;

S. 2337. An act for the relief of Dulce Pilar Castin (Castin-Casas); and

S.J. Res. 192. A joint resolution to grant the status of permanent residence to Ivy May Glockner formerly Ivy May Richmond nee Pond.

The enrolled bills and joint resolution were subsequently signed by the President pro tempore.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 3339. An act for the relief of Delmira DeBow;

H.R. 7767. An act for the relief of Samuel Cabildo Jose;

H.R. 9182. An act for the relief of Fernando Labrador del Rosario;

H.R. 9273. An act for the relief of Maria Martins Sanchez; and

H.R. 9654. An act for the relief of Mr. Aldo Massara; to the Committee on the Judiciary.

H.R. 3538. An act for the relief of Selmer Amundson; to the Committee on Finance.

H.R. 8824. An act to provide for the conveyance of certain real property of the United States to Mrs. Harriet La Pointe Vanderventer; and

H.R. 12148. An act for the relief of Oscar H. Barnett; to the Committee on Interior and Insular Affairs.

H.R. 10627. An act for the relief of Benjamin Baxter; to the Committee on Agriculture and Forestry.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the following letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF COMMERCE AND THE SMALL BUSINESS ADMINISTRATION (S. DOC. No. 93-116)

A communication from the President of the United States transmitting proposed supplemental appropriations for the fiscal year 1975 in the amount of $7,005,000 in budget authority for the Department of Commerce and $20,000,000 in transfer authority for the Small Business Administration (with accompanying papers). Ordered to be printed and referred to the Committee on Appropriations.

SUPPLEMENTAL REQUEST FOR APPROPRIATIONS FOR THE HOUSE OF REPRESENTATIVES (S. DOC. No. 93-117)

A communication from the President of the United States transmitting a supplemental request for appropriations for the fiscal year 1975 in the amount of $268,000 increase for the U.S. House of Representatives (with accompanying papers). Ordered to be printed and referred to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 15736. An act to authorize, enlarge, and repair various Federal reclamation projects and programs, and for other purposes (Rept. No. 93-1208).

By Mr. RANDOLPH, from the Committee on Public Works:

S. 4073. An original bill to extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes (Rept. No. 93–1209).

By Mr. FONG, from the Committee on the Judiciary, without amendment:

S. Res. 364. A resolution to refer the bill S. 3799 entitled "A bill for the relief of Mrs. Agnes J. Wong and Doctor Samuel J. Wong, Junior," to the Chief Commissioner of the U.S. Court of Claims for a report thereon. (Rept. No. 93–1210).

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary, without amendment:

S. 2106. A bill to amend title VI of the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a ten-year term for the appointment of the Director of the Federal Bureau of Investigation (Rept. No. 93–1213).

By Mr. AIKEN, from the Committee on Agriculture and Forestry, without amendment:

S. Res. 418. A resolution relating to the need for an increase in the price support for milk (Rept. No. 93–1214).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 2904. A bill to improve judicial machinery by amending subsection (g) of section 1407, chapter 87, of title 28, of the United States Code, to exempt actions brought by the Securities and Exchange Commission under the Federal securities laws from the operation of that section, and for other purposes (Rept. No. 93–1212).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 4013. A bill to amend the Act incorporating the American Legion so as to redefine eligibility for membership therein (Rept. No. 93–1215).

S.J. Res. 188. A joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States (Rept. 93–1216).

By Mr. MAGNUSON, on behalf of the Committee on Commerce, the Committee on Interior and Insular Affairs, and the Committee on Public Works, without amendment:

S. 4076. A bill to regulate commerce, promote efficiency in transportation, and protect the enivronment, by establishing procedures for the location, construction, and operation of deepwater ports off the coasts of the United States, and for other purposes (Rept. No. 93–1217).

FEDERAL FIRE PREVENTION AND CONTROL ACT OF 1974—CONFERENCE REPORT (REPT. NO. 93–1211)

Mr. MAGNUSON submitted a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. HART, from the Committee on Commerce:

Lynn Adams Greenwalt, of Maryland, to be Director of the U.S. Fish and Wildlife Service.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. RANDOLPH, from the Committee on Public Works:

S. 4073. An original bill to extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes. Placed on the Calendar.

By Mr. BARTLETT:

S. 4074. A bill to extend for 2 years the authorization for the striking of medals in commemoration of Jim Thorpe. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HATFIELD:

S. 4075. A bill for the relief of Leanne Elaine Call. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself, Mr. Jackson, Mr. Randolph, Mr. Beall, Mr. Bentsen, Mr. Biden, Mr. Buckley, Mr. Gravel, Mr. Hansen, Mr. Hatfield, Mr. Hollings, Mr. Johnston, Mr. Long, Mr. Metcalf, Mr. William L. Scott, and Mr. Stevens):

S. 4076. A bill to regulate commerce, promote efficiency in transportation, and protect the environment, by establishing procedures for the location, construction, and operation of deepwater ports off the coasts of the United States, and for other purposes. Referred, by unanimous consent, to the Committee on Commerce, the Committee on Interior and Insular Affairs, and the Committee on Public Works.

By Mr. BENTSEN:

S. 4077. A bill for the relief of Maria Pueblito Vega-Lopez. Referred to the Committee on the Judiciary.

By Mr. GURNEY:

S. 4078. A bill for the relief of Shoji Oue Snyder. Referred to the Committee on the Judiciary.

By Mr. NELSON (for himself, Mr. Javits, Mr. Cranston, and Mr. Mondale):

S. 4079. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional public service jobs for unemployed persons during periods of increased unemployment. Referred to the Committee on Labor and Public Welfare.

By Mr. HRUSKA:

S. 4080. A bill to protect and preserve certain documents of elected public officials. Referred to the Committee on Government Operations.

JOINT REFERRAL OF A BILL

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Washington (Mr. Magnuson), I ask unanimous consent that S. 4076, the Deepwater Port Act of 1974, which was introduced today, be referred jointly to the Committee on Commerce, the Committee on Interior and Insular Affairs, and the Committee on Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON (for himself, Mr. Javits, Mr. Cranston, and Mr. Mondale):

S. 4079. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional public service jobs for unemployed persons during periods of increased unemployment Referred to the Committee on Labor and Public Welfare.

EMERGENCY PUBLIC SERVICE EMPLOYMENT ACT OF 1974

Mr. NELSON. Mr. President, I am today introducing the Emergency Public Service Employment Act of 1974, a bill to amend the Comprehensive Employment and Training Act of 1973—CETA—to liberalize its provisions relating to public service jobs and to greatly increase the flexibility of public service employment as a counter-cyclical economic tool. Cosponsors of this proposal include Senators Jacob Javits, Walter Mondale, and Alan Cranston.

This bill establishes under title II of the Comprehensive Employment and Training Act a nationwide program of public service employment that will provide public service jobs at the State and local level for unemployed persons in all areas of the country whenever the national rate of unemployment exceeds 4.5 percent. Because the Nixon administration opposed renewing the nationwide public service employment program last year, CETA contains only a limited program for local areas having 6.5 percent or more unemployment.

The new nationwide program we are proposing in this bill will provide financial assistance to States and localities, through prime sponsors designated by the Secretary of Labor, in direct proportion to the number of unemployed persons residing in those States and localities. The magnitude of the program will be determined by a sliding scale as national unemployment increases. The level of expenditures would reach a total of $500 million when unemployment exceeds 4.5 percent, $1 billion when unemployment exceeds 5 percent, $2 billion when unemployment exceeds 5.5 percent and $4 billion when unemployment exceeds 6 percent.

Mr. President, for nearly half a year now, public and private economic experts have warned that our Nation must expect to endure high levels of unemployment in the months ahead for the sake of the war against inflation.

The last 2 weeks of economic summits have not changed that prediction. At minisummit and maxisummit sessions, time after time we heard repeated the prediction made by Arthur Okun at the preliminary session: "I would expect unemployment to grow rather sharply."

Even the most conservative forecasters now estimate that unemployment will reach 6 percent by midwinter, and they all agree that high levels will be sustained for many months to follow.

Otto Eckstein, for example, said his forecasts showed that unemployment would go a little bit beyond 6.5 percent because the labor force keeps growing and normally growing at 2 million people a year and this kind of economy is not creating more than 1 million jobs at best.

Another forecaster, David Grove of IBM, said:

> I will conclude merely by saying that the unemployment rate that I have in my forecast hovers close to 6 percent, around 6 percent, throughout 1975. I feel this rate is a little misleading. The reason it will not be considerably higher is that the participation rate will decline. With a sluggish economy

> many people who would look for work will not look for work. Therefore, they will not appear in the labor force or appear among the unemployed. We should not take too much comfort from the fact that the unemployment rate will not get above 6 percent.

Economic Consultant Robert Nathan said:

> I think, myself, that six percent unemployment is going to do very little to abate the inflation. I think eight or ten percent unemployment for a couple of years would have a real impact.

And Paul Samuelson said he expected unemployment to be a sad story, that the most optimistic forecast, from the Chase Manhattan Bank, had unemployment at 5.5 percent by the end of the year, but that all the others he surveyed showed rates climbing to 5.9, 5.7, and 5.9 percent by that time. And he also noted that these same forecasts showed rates of 5.5—from Chase—6.7, 6.4, and 6.9 percent by the end of 1975.

Enduring high unemployment and effectively alleviating its consequences are two entirely different matters, however, and we cannot escape the fact that high levels of unemployment generate high public sector costs, both economic and social—costs which, as Walter Heller pointed out, put "a double whammy on the lower income groups and most working men and women."

We must recognize that there are no remarkable overnight antiinflationary palliatives, that as George Schultz has said, "we have a difficult problem that will take patience." Nevertheless, we must realize that unemployed people must feed, clothe, and house themselves and their families. If they do so with direct transfer payments like welfare, the effect is to spend public dollars that neither solve other public problems nor preserve the dignity and self-respect of the person receiving the aid.

Public service employment is a better, more productive way to combat a part of this immense problem. Recent experience under the Emergency Employment Act has shown that it is an effective, resilient policy that can be vigorously pursued in times of great economic uncertainty.

Recent acceptance of the swift potency of this economic weapon has been widespread indeed. Economists and policymakers as disparate as Walter Heller, Arthur Burns, Arnold Weber, William Simon, Arthur Brimmer, Paul McCracken, Gabriel Hauge, and Charles Walker have given their endorsements in recent weeks to different proposals for public service employment.

One analyst of the Emergency Employment Act, Sar Levitan, concluded that public service employment "can be an effective countercyclical tool and that such a program deserves top consideration in a strategy to achieve an economy of high employment."

In recent weeks, Federal Reserve Board Member Arthur Brimmer echoed that assessment in almost the same language. Also, recently, Federal Reserve Board Chairman Arthur Burns has specifically supported public employment expenditures of $4 billion when the national rate of unemployment approaches 6 percent.

Other support for public service employment has recently come from Paul McCracken, who said:

> We do need to come back again with an open mind on public service employment programs or something like that at least to deal with the long-term hard-core unemployment problem. The people whose problems would be apt to remain even if we had reached some sort of full employment. That is close to one million people.

Arnold Weber also voiced his opinion, during the first session of the economic summit, that we should have "a public service employment program in place providing 500,000 jobs or thereabout . . ." and Congressman WRIGHT PATMAN, chairman of the House Committee on Banking and Currency, called for "The establishment of a public advisory administration designed to provide jobs in a volume sufficient to keep the Nation's unemployment rate below 5 percent."

And as a final example, the U.S. Chamber of Commerce, through its chief economist Carl Madden, has come out in favor of what he called "a well designed public service employment program."

Widespread as the recent support has been, we should not forget that providing public service jobs in response to high employment was an idea whose "time had come" way back in Franklin Roosevelt's administration. For despite criticism from some quarters that WPA jobs were little more than "leaf-raking," "makework" type jobs, many valuable services were performed and many capital improvements built during the depression by previously unemployed men and women. In return, those workers received the twin benefits of money to pay for their food and rent, and the dignity of having earned that money themselves.

As the AFL-CIO's economist Nat Goldfinger has said:

> A paycheck even on a public service employment program is of far greater importance to the family and to the individual than a welfare check or any other kind of income maintenance program that may be suggested.

With the full employment generated by World War II, however, public service employment fell into disuse as an economic tool. It was not seriously considered again until I introduced the first public employment bill of the modern era back in 1964—a bill which would have provided $1 billion to support jobs in conservation through an increase in the Federal tax on cigarettes.

The next serious legislative proposal came following the "long, hot summer" of 1967, when Senators Joseph Clark and Robert Kennedy, along with JACOB JAVITS, reported out a modest Emergency Employment Act to provide work and income for the poor. Their proposal was strongly opposed, however, by the Johnson administration and others, on the basis that, with a national unemployment rate of only 3.6 percent, there were plenty of jobs for "those who really want to work," and the Clark-Kennedy proposal died even in a watered-down version on the floor of the Senate.

The recession of 1970–71 put new life into the idea of public service employment. The Employment and Manpower Act of 1970, which I sponsored, authorized a permanent public service employment program. It passed both Houses of Congress by overwhelming votes. That act was vetoed by President Nixon on the grounds that it would create "make-work WPA-type" jobs. But just 1 month later—in January of 1971—the Labor Department announced that unemployment had reached the psychologically devastating level of 6 percent. When I reintroduced public employment legislation soon thereafter—tied to an emergency "trigger" mechanism that would allow the national program to operate only when nationwide unemployment exceeded 4.5 percent—it passed the House and the Senate easily and was signed into law in July of 1971.

The Emergency Employment Act of 1971—EEA—authorized the distribution of $1 billion a year to State and local governments to create jobs for the unemployed and the underemployed. At its peak, in the summer of 1972, nearly 200,000 persons were employed under the 1971 act, providing jobs for the unemployed and many sorely needed public services as well.

The experience under the 1971 act dispelled once and for all the theory that public service employment provides nothing but "make-work WPA-type" jobs. For example, 26 percent of the EEA participants were employed in professional, technical, and managerial positions—including teachers; 22 percent provided protective or custodial "services"—more than 10 percent of the total were employed by police or fire departments; 18 percent performed clerical or accounting tasks, while another 18 percent were employed in "structural work" occupations—including excavating and paving of roads.

Nor were these merely "dead end" jobs for program participants: Virtually all of them paid well above the minimum wage, with an average of $2.75 an hour for the program as a whole. What is more, many of the participants effectively made the "transition" from a temporary public service job to a permanent position in either the public or private sector. And perhaps the most significant statistic of all: Less than 6 percent of the money appropriated under the Emergency Employment Act was required for Federal and local administration of the program, meaning 94 percent of the money was actually paid in wages to a public service employee—something of a record, I would imagine, for effectiveness of Federal emergency spending.

Another significant factor to be considered regarding any new large-scale public employment program is the low actual net cost of such a program, when savings in transfer payments and new governmental tax receipts generated by public service employees are taken into account. Various public and private analysts have estimated that a multibillion dollar public service employment program would actually cost just 60 cents in new expenditures for every dollar's worth of public service jobs created.

Economists from the Congressional Research Service of the Library of Congress, for example, have used a general econometric model of the economy—the Data Resources, Inc., model with which economist Otto Eckstein is associated—and selected factors built into certain DRI projections to calculate that, at an unemployment rate of about 6.4 percent, a $4 billion public service employment program could be purchased for a net Federal cost of just $2.5 billion. The CRS analysts have calculated that a $4 billion public service employment program when fully in place would result in an increase of $0.8 billion in Federal receipts—income taxes and social security contributions—and a decrease of $0.5 billion in transfer payments—unemployment compensation, food stamps—making the net Federal cost of the program $2.7 billion. The calculations did not, for technical reasons, include savings in welfare expenditures.

If welfare savings were included, it would be reasonable to conclude that the net Federal cost of such a program would approximate $2.5 billion.

Congressman Richard Vander Veen, of Michigan, who introduced a public service employment bill this summer in the House, reached similar conclusions using somewhat different methods. Congressman Vander Veen estimates his bill would produce 900,000 public service jobs at a total cost of approximately $6.3 billion, but that the net Federal cost of such a program would come to just $2.9 billion, a figure he arrives at by subtracting $1.3 billion in increased tax revenues and $2.1 billion in decreased unemployment, welfare, and other payments from the gross cost of the bill.

While I do not offer any specific conclusions regarding the individual entries in Congressman Vander Veen's balance sheet, I believe that his painstaking analysis of the real costs and savings of a large public service employment program deserves our careful consideration. Accordingly, I ask unanimous consent that this analysis, along with the Congressman's estimate of the additional public and private jobs that would be created by his proposal, be printed at the conclusion of my remarks.

Still another type of cost-benefit analysis of the efficiency of public service employment has been performed by economist F. Gerard Adams of the University of Pennsylvania. Adams used the Wharton Econometric Model to test what he called "the implications of alternative budget policies." His conclusion, in testimony given recently before the Senate Budget Committee, was that public service employment would be an extremely efficient countercyclical tool. He estimated that a $10 billion reduction in Government purchases—although it would reduce the inflation rate by only one-half of 1 percentage point—would produce an increase in the unemployment rate equal to the loss of more than 350,000 jobs. But he found that a public employment program of just $3 billion would completely offset that increase in unemployment.

The public service employment lesson is clear: Many public jobs desperately need to be done—and public service employment programs have demonstrated the capacity to do them. If unemployment gets worse in the months ahead—and there are few analysts who believe that it would not—we are going to be spending large sums of public money to alleviate its effects. We can insure that our economy realizes maximum benefits from that money, and that it produces results beyond the temporary solution of the problem of an individual unemployed person, by once again renewing our major commitment to public service employment.

Mr. President, I ask unanimous consent that the text of the bill I am introducing today be printed in the Record following my remarks:

There being no objection, the analysis and bill were ordered to be printed in the Record, as follows:

Mr. Vander Veen. Funding 900,000 at $7,000 per job would cost, on an annual basis, a total of $6.3 billion. However, not all the expenditure for a public service job is a cost of the taxpayer. There are significant offsetting savings. Much of the money that will be spent on wages will not be spent on unemployment insurance payments, welfare and aid to dependent children, food stamps, medicaid, manpower training, and other assistance programs. Also, a great deal of the expense will be returned to Federal, State, and local governments in the form of income, sales, and excise taxes.

It is difficult to come to any specific measurement of what these aggregate savings would be in any given year. That will depend a great deal on characteristics of the individuals and families participating in the program. However, some educated guesses can be proferred on substantial savings.

Unemployment insurance: About 60 percent of the unemployed are insured under unemployment compensation. We assume the same percentage or ratio for those who receive jobs under this legislation. Since these participants are from areas of severe and prolonged unemployment we can assume a benefit duration of 6 months. The national average unemployment benefit is $250 per month. Sixty percent of 900,000, multiplied by $250, multiplied by 6 provides savings of a little over $800 million.

Welfare: There are about 100,000 families on AFDC–UF, the "unemployed father" program. Assume that 70 percent of them live in eligible areas and that they all enter the program. The average payment is $200 per month and we can assume payments lasting over 3 months. Also, there are 3.1 million other AFDC families. About 20 percent of the mothers are able to work. We assume that half of them live in eligible areas and that half of those participate in the program. The average grant per family is $200 per month over an average 12-month period. The total savings in welfare can be estimated at about $500 million.

Food stamps: If we assume that half the participants are in families eligible for food stamps and the average family grant is about $75 over a 6-month period, we arrive at savings of approximately $300 million.

Other programs: About 150,000 of the participants are not included in any of the above categories. However, they do receive some form of publicly financed assistance from either a manpower or training program. If we assume a monthly benefit of $120 for a period of 6 months we arrive at savings of about $100 million. Another $100 million in savings from lowered medicaid payments brings this total to $200 million.

Turnover: While the program will fund 900,000 job slots, there will be some turnover as persons move into other jobs, leave the area, et cetera. Since savings in the programs mentioned above occur at the beginning of each new job, an assumed 20-percent turnover rate of the above aggregate savings of $1.7 billion, results in total annual savings of $2.1 billion.

Increased tax revenues: Wages will be paid and will thus generate income to the Government in the form of taxes. This offsetting income should also be calculated in determining the actual net cost of public service employment.

Social security contributions at the 11.7 percent averaged rate will bring in about $700 million. While this is eventually disbursed in the form of benefit payments, it is a short term gain for the Federal budget figured on a unified basis.

Federal income taxes: A single person pays $895 on a $7,000 income. The head of a family of four pays $400. Assuming an average tax of $600 per person, receipts would total about $540 million.

State and local taxes: A not unreasonable estimate would be approximately 20 percent of the Federal revenue increase, providing $100 million. Total offsetting revenue increases: $1.3 billion.

Total cost of legislation: $6.3 billion gross cost of bill, minus $1.3 billion increases in Federal, State, and local tax revenues. Minus $2.1 billion decreased payments for welfare, unemployment, food stamps, medicaid, and other benefit and assistance programs. Total $2.9 billion net cost, 900,000 jobs at $3,100 per job.

Mr. Speaker, an additional economic benefit derived from the creation of 900,000 public service jobs is a job spillover into the private economy. This multiplier effect comes from the increased economic activity generated by the circulation of the incomes paid to public service employees. Economists have calculated the generation of private sector jobs at .4 the number of public service jobs created. Thus, creation of 900,000 public service jobs results in over 300,000 private sector jobs. It can fairly be said that the $2.9 billion net investment does result in the direct or indirect generation of in excess of 1,200,000 jobs across the Nation.

S. 4079

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Public Service Employment Act of 1974".

PUBLIC SERVICE EMPLOYMENT PROGRAMS

Sec. 2. Title II of the Comprehensive Employment and Training Act of 1973 is amended by inserting at the end thereof the following new part:

"PART B—EMERGENCY EMPLOYMENT PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 221. (a) There are authorized to be appropriated such sums as may be necessary for fiscal year 1975 and for each of the two succeeding fiscal years for the purpose of carrying out public service employment programs under this part through allocations under section 223 to eligible applicants.

"(b) Appropriations under this part are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. Any sums appropriated to carry out this part for any fiscal year shall remain available until obligated.

"OBLIGATION OF FUNDS

"Sec. 222. (a) From sums appropriated under section 221, the Secretary shall make available for obligation—

"(1) the amount of $500,000,000 when the average national rate of unemployment for three consecutive months during any twelve-month period exceeds 4½ per centum;

"(2) the additional amount of $500,000,000 when the average national rate of unemployment for three consecutive months during any twelve-month period exceeds 5 per centum;

"(3) the additional amount of $1,000,000,000 when the average national rate of unemployment for three consecutive months during any twelve-month period exceeds 5½ per centum; and

"(4) the additional amount of $2,000,000,000 when the average national rate of unemployment for three consecutive months during any twelve-month period exceeds 6 per centum, together with such additional amounts as may be necessary due to further increases in such rate.

"(b) For purposes of this section, the term 'national rate of unemployment' means the seasonally adjusted national rate of unemployment announced monthly by the Bureau of Labor Statistics of the Department of Labor.

"(c) Funds shall be made available for obligation under clauses (1) through (4) of subsection (a) on account of only one determination under each such clause in each twelve-month period that the average national rate of unemployment exceeds the specified rate.

"(d) When the Secretary makes a determination required by subsection (a), he shall promptly notify the Congress and shall publish such determination in the Federal Register.

"ALLOCATION OF FUNDS

"SEC. 223. (a) Out of funds appropriated for any fiscal year under section 221 of this Act, not less than 80 per centum thereof shall be allocated among eligible applicants in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of the applicant as compared to the number of unemployed persons who reside in all such areas. The remainder of such funds shall be made available in the Secretary's discretion, taking into account increased unemployment in particular areas.

"(b) For purposes of determining allocations under this section, the term 'jurisdiction' includes the jurisdiction of each unit of general local government as described in section 102(a)(2) whether or not such unit has entered into a combination of units of general local government for purposes of section 102(a)(3) or section 102(a)(4).

"SPECIAL ASSISTANCE

"SEC. 224. In addition to the sums otherwise authorized to be appropriated for programs under this title, there are authorized to be appropriated for each fiscal year such sums as may be necessary to provide public service employment for unemployed persons as defined in section 601(a)(12)(B) of this Act.".

FINANCIAL PROVISIONS

SEC. 3. Title II of the Comprehensive Employment and Training Act of 1973 is further amended by inserting after section 211 thereof the following new sections:

"EXPENDITURE OF FUNDS

"SEC. 212. Funds obligated for the purpose of providing public service employment under this title may be expended over a twelve-month period.

"REALLOCATION OF FUNDS

"SEC. 213. The Secretary is authorized to make such reallocations as he deems appropriate of any amount of any allocation under this title to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the proposed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds, and shall publish any such decision in the Federal Register. Priority shall be given in reallocating such funds first to other eligible applicants in the same prime sponsorship area and then to other areas within the same State.".

TECHNICAL AMENDMENTS

SEC. 4. (a) Section 4(d) of the Comprehensive Employment and Training Act of 1973 is amended by inserting after the words "public service employment programs under title II" each place they appear therein the following: "by making allocations under section 202 to eligible applicants for use in areas of substantial unemployment".

(b) Section 201 and section 203(a) of such Act are amended by striking out the words "in areas of substantial unemployment" each place they appear.

(c) Section 204(a)(2) of such Act is amended by striking out "and which include areas of substantial unemployment".

(d) Section 204(d)(1) of such Act is amended by striking out "of substantial unemployment" and by striking out "on account of such area of substantial unemployment".

(e) Section 204(d)(3) of such Act is amended by striking out "of substantial unemployment".

(f) Section 205(a) of such Act is amended by striking out "residing in areas of substantial unemployment".

(g) Section 205(c)(3) of such Act is amended by striking out "created under this title" and inserting in lieu thereof "for which financial assistance is provided out of funds appropriated under section 4(d) of this Act".

(h) Section 210 of such Act is amended by striking out "for residents of the areas of substantial unemployment designated under this title" and inserting in lieu thereof the following: "for residents of the area to which such funds were allocated".

(i) Title II of such Act is further amended by inserting before section 201 thereof the following heading:

"PART A—GENERAL PROVISIONS."

By Mr. HRUSKA:

S. 4080. A bill to protect and preserve certain documents of elected public officials. Referred to the Committee on Government Operations.

THE OFFICIAL DOCUMENTS ACT

Mr. HRUSKA. Mr. President. I am today introducing a bill to protect and preserve the official communications of elected officials of the United States. The bill is prompted by the agreement reached between Richard Nixon and Arthur Sampson in his capacity as Administrator of the General Service Administration.

The purposes underlying this bill are threefold:

First, it provides that the papers and other recorded communications of our recent Presidents and other elected officials, namely Vice Presidents, Senators and Congressmen shall constitute public property. A concern that has troubled many of my colleagues is the profiting that can result when an elected official sells the papers that he originated at a time he was serving the public and for which he was being compensated by the public. This is a concern that has reached new heights in some quarters by the resignation of Richard Nixon and the agreement he executed with the General Services Administrator. But it must be obvious to all that this concern is equally applicable to all other elected officials.

Another concern underlying the preservation of Presidential papers and recordings involves the pursuit of truth. Again though if we are to learn the actual circumstances, decisions and thoughts underlying a matter important to the citizens the elected official serves then the papers and recorded communications of all elected officials should be preserved.

In order to satisfy these two concerns, the bill I introduce makes all official communications of elected officials public property and requires that they be preserved and protected. This provision prevails notwithstanding any agreement executed by the elected official to the contrary. If it deprives any individual of any papers or recordings now considered to be private property without just compensation, the General Services Administrator is authorized to provide such compensation.

In the case of an elected official other than a President, the bill grants an option to the official allowing him to donate his papers to a university, museum, or library open to the public. If he chooses not to exercise the option, the papers remain public property and would be deposited in the National Archives system.

Second, the bill establishes standards for public access to the public communications. The standards established are similar to those prescribed by every President from Herbert Hoover on who donated his papers to the United States. For example, official communications that are properly classified; communications that might be used primarily to embarass, damage, injure or harass any living person; and communications the disclosure of which is likely to impair or prejudice an individual's right to a fair and impartial trial, could be withheld from public disclosure. These standards are necessary to guard against the possibility of the papers or recordings being used to invade the privacy of individuals or to injure or harass any individuals and are necessary to safeguard properly the interests of the United States. The Administrator of GSA is instructed to review the records at reasonable intervals and to grant public access to any communications which, because of the passage of time or other circumstances, no longer require restriction.

Third, the bill provides for the maintenance of any records for use in any judicial proceeding. Consistent with the requirements of the Constitution, the bill preserves the right of the elected official to assert any privilege or defense to a subpena or motion to produce the records.

As my colleagues are aware, a bill, S. 4016, was reported out of committee several days after being introduced. The bill's purported purpose is to protect and preserve tape recordings of conversations involving former President Richard M. Nixon. No hearings were held. Yet, the bill was not refined in committee; it was completely rewritten. The bill was quickly, and in my view, precipitously reported out of committee.

It is therefore not surprising that S. 4016 is fraught with many deficiencies, chief of which are fundamental constitutional difficulties. Some of the principles of the Constitution that could be violated by S. 4016 include: First, the doctrine of separation of powers; second, the right of privacy; third, the first amendment right to free speech; fourth, the fifth amendment; fifth, the bill of attainder clause, and sixth, the ex post facto clause. I ask unanimous consent that a staff memorandum discussing some of these constitutional deficiencies be placed in the Record following my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Two of these issues merit discussion at this point. The first involves the right of privacy. This Congress just a couple of years ago passed eavesdropping laws in order to secure an individual's privacy. Yet, S. 4016 bares to the public conversations which individuals did not know were being recorded. While the recording did not constitute eavesdropping, as the offense is defined in title 18 because one of the participants in the conversation knew the recording, the privacy of numerous individuals will be infringed by granting public access to these conversations. It is clear that most of the persons who spoke to the President were never aware that their conversations were recorded. Yet the innermost thoughts of these individuals would be exposed to the curiosity of the public. The wholesale release of every recording and scrap of paper produced for the President contemplates an invasion of privacy unparalleled in congressional history. I am, quite frankly, surprised of the blatant infringement of the right of privacy contemplated by this bill.

The second issue is also of constitutional dimension. It involves the privilege of the excutive branch to withhold those documents the confidentiality of which is necessary for the effective functioning of the executive. This privilege is not to protect Mr. Nixon. It cannot be used for any individual. Instead, because it arises out of the doctrine of separation of powers, it is a privilege that can only be asserted to protect the interests of the executive branch.

S. 4016 purports to defeat this privilege. While it recognizes the need to maintain national security information in confidence it ignores the need for confidentiality of frank and free policymaking discussions. As the Supreme Court stated in United States against Nixon:

> Human experience teaches that those who expect public dissemination of their remarks may well temper candor with a concern for appearances and for their own interests to the detriment of the decision making process. Whatever the nature of the privilege of confidentiality of presidential communications in the exercise of Art. II powers the privilege can be said to derive from the supremacy of each branch within its own assigned area of constitutional duties. Certain powers and privileges flow from the nature of enumerated powers; the protection of the confidentiality of presidential communications has similar constitutional underpinnings.

The Supreme Court unanimously held that Presidential communications are "presumptively privileged":

> The expectation of a President to the confidentiality of his conversations and correspondence, like the claim of confidentiality of judicial deliberations, for example, has all the values to which we accord deference for the privacy of all citizens and added to those values the necessity for protection of the public interest in candid, objective, and even blunt or harsh opinions in presidential decision-making. A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately. These are the considerations justifying a presumptive privilege for presidential communications. The privilege is fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution.

Because the purpose of the privilege is to maintain the independence of the executive branch and because the reasons for its existence do not cease upon the termination of the President's term of office, it is, and must be, applicable to a former President. In fact, during our history, the privilege was asserted by a former President. After his term of office expired, President Truman was subpenaed by the House Committee on Un-American Activities. President Truman declined to comply with the subpena. As he wrote the committee:

> It must be obvious to you that if the doctrine of separation of powers and the independence of the Presidency is to have any validity at all, it must be equally applicable to a President after his term of office has expired when he is sought to be examined with respect to any acts occurring while he is President.
>
> The doctrine would be shattered, and the President, contrary to our fundamental theory of constitutional government, would become a mere arm of the Legislative Branch of the Government if he would feel during his term of office that his every act might be subject to official inquiry and possible distortion for political purposes.

Mr. President, I ask that the full text of the letter be inserted in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. S. 4016, purports to thwart this presumptive privilege. It seeks to reverse the constitutional holding of the Supreme Court in United States against Nixon. That case held that a generalized claim of privilege was outweighed by the need of the information in a criminal trial. The Court balanced two constitutional interests: Executive privilege and the sixth and fifth amendment rights to the production of all evidence at a criminal trial. S. 4016 does not provide for any careful balancing of these constitutional concerns. Instead, it makes the Nixon recordings available to the courts in any case, civil or criminal.

S. 4016 also appears to repudiate the decision in *Committee for Nuclear Responsibility, Inc.* v. *Seaborg*, 463 F. 2d 796, 799 (D.C. Cir., 1971). In that case—a civil case—the court acknowledged the importance of confidentiality in contributing substantially to the effectiveness of government decisionmaking and held that if the privilege was rightfully invoked, that is, if it related to the information withheld, the privilege would be upheld. S. 4016 does not acknowledge the right to assert a privilege in a civil proceeding. It therefore appears to overrule by statute a judicial decision grounded on the Constitution.

But that is not the full extent of the overreaching of S. 4016. It would grant public access to the Presidential papers and communications, without regard to the confidences upon which the papers were produced. This feature of the bill also appears to be unconstitutional. As the United States Court of Appeals for the District of Columbia Circuit recognized in *Nixon* v. *Sirica*, 487 F. 2d at 715:

> We acknowledge that wholesale public access to Executive deliberations and documents would cripple the Executive as a co-equal branch.

In addition to these two fundamental constitutional questions, there are several other constitutional issues including the fifth amendment and bill of attainder. None of these issues were addressed or apparently even considered by the Committee on Government Operations in considering S. 4016. The report accompanying the bill does not mention any of the issues save the issue centering on the taking of private property.

I therefore intend to join with a number of my colleagues to ask that this bill, S. 4016, along with my own, be referred to the Committee on the Judiciary for hearings and careful consideration from the constitutional standpoint. I understand the exigency of this matter but exigency cannot be an excuse for precipitous and possibly unconstitutional action.

If the bill is not referred to the Judiciary Committee for consideration, I intend to offer my bill as an amendment in the nature of a substitute for the purpose of further consideration. I am not wedded to every provision of this bill. I believe that my bill does not raise some of the constitutional deficiencies raised by S. 4016. For example, I believe my bill recognizes the right of privacy, the doctrine of separation of powers and avoids violating the bill of attainder clause. However, I am not thoroughly satisfied that all of the constitutional problems are obviated. I am particularly concerned about the taking of certain papers by eminent domain even if just compensation is paid.

I would hope that all of these constitutional issues will be thoroughly aired in hearings. I would prefer that our legislative business be conducted pursuant to regular and deliberate procedures. But if we are to consider S. 4016 without the advantages of hearings then I will ask that the provisions of my bill also be considered.

If we are sincere in our concerns about profiting from official documents and the search for truth, then I would hope that we extend the provisions requiring preservation of the documents and public access to the official records to all elected officials.

Mr. President, I ask unanimous consent that the bill I introduce be inserted in full in the Record along with a section-by-section analysis.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 4080

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Official Documents Act".

Sec. 2. (a) Title 44, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 22—PUBLIC DOCUMENTS OF ELECTED OFFICIALS

"Sec.
"2201. Definitions
"2202. Ownership of Official Communications
"2203. Official Communications of the President

"2204. Official Communications of Elected Officials Other than the President
"2205. Preservation of Public Communications
"2206. Public Communications Subject to Legal Process
"2207. Access to Public Communications
"2208. Compensation for United States Custody of Official Communications
"2209. Judicial Review
"2210. Authorization of Appropriations

"§ 2201. Definitions

"For purposes of this chapter—

"(a) 'elected official of the United States' means the President, Vice President, Senator, and Member of (or Resident Commissioner or Delegate to) the House of Representatives, including any individual holding such office for any period by reason of appointment to such office or succession to such office;

"(b) 'tenure' means the number of terms served by an elected official of the United States;

"(c) 'official communications' means, with respect to an elected official of the United States, the books, correspondence, documents, papers, pamphlets, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials (1) which shall have been retained by an individual holding elective office under the United States; (2) which were prepared by or under the supervision of such individual in connection with the transaction of public business during the period when such individual held elective office; and (3) which would not have been prepared if that individual had not held such office; except that copies of such communications preserved only for convenience of reference, and such communications previously processed under this title are not included; and

"(d) 'public communications' means those 'official communications' that are taken into the custody and possession of the Administrator of General Services under sections 2202–2203 of this title.

"§ 2202. Ownership of Official Communications

"The official communications of an elected official of the United States compiled during the tenure of an elected official ending after the date of enactment of this bill or deposited with the Administrator of General Services under section 2203 of this title shall constitute public property. If the elected official chooses to donate the official communications under section 2204 of this title, the title of ownership shall be transferred from the United States to the donee named in the deed of gift of the official communications executed by the elected official.

"§ 2203. Official Communications of the President

"(a) Notwithstanding any other agreement or understanding made pursuant to section 2107 of title 44, United States Code, or any other law, the Administrator of General Services shall obtain, or, as the case may be, retain complete possession and control of all the official communications of a President or former President of the United States for all terms served since March 20, 1929.

"(b) When the Administrator of General Services considers it to be in the public interest, he may deposit in a Presidential archival depositary established under section 2108 of this title official communications of a President or former President.

"§ 2204. Official Communications of Elected Officials Other Than a President

"(a) Within one hundred and eighty days after an elected official of the United States, other than a President, ceases to hold his office, the Administrator of General Services shall obtain any objects or materials of that elected official which the Administrator determines to be official communications within the meaning of section 2201(c) of this title, and such elected official shall transmit such documents to the Administrator; unless the elected official donates his official communications to a non-profit historical society or association, a library or museum open to the public, a university, institution of higher learning, or an institute, foundation or organization found by the Administrator of General Services to be qualified to conduct study or research in the official communications deposited in such institute, foundation or organization.

"(b) Official communications donated to a non-profit historical society or association, a library or museum open to the public, a university, institution of higher learning, or an institute, foundation or organization, with the approval of the Administrator of General Services, shall be subject to reasonable restrictions as to their availability and use as stated in writing by the donor or depositor except that the donor or depositor, in transferring this public property may not provide for the destruction of the official communications.

"(c) The exercise of the option created by this section and the transfer of the official communications by the elected official shall not result in any direct monetary benefit to either the donor or donee.

"§ 2205. Preservation of Public Communications

"The Administrator of General Services shall deposit in the National Archives of the United States the public communications of each elected official of the United States obtained under sections 2202 and 2203 of this title. None of the public communications shall be destroyed unless the Archivist of the United States finds the communications to be without historical or commemorative value.

"§ 2206. Public Communications Subject to Legal Process

"Notwithstanding any agreement made pursuant to section 2107 or 2204 of this title, official communications shall, immediately upon the date of enactment of this Act, be made available in response to any subpena or other legal process unless the United States or the elected official who originated or for whom the public communications were prepared asserts any privilege or defense to the production of the official communications. If a privilege or defense is asserted, the Administrator of General Services shall maintain possession of the official communications until the issue of production is decided and shall discharge his responsibility over the official communications consistent with the decision rendered. The Administrator shall promptly notify the United States and the elected official of any such subpena or legal process.

"§ 2207. Access to Public Communications

"(a) The Administrator of General Services shall issue reasonable regulations governing access to public communications. In issuing these regulations, the Administrator may exempt from disclosure the following classes of communications:

"(1) communications which are specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy or the disclosure of which would adversely affect the security of the United States or prejudice the conduct of foreign relations;

"(2) communications relating to investigations for law enforcement purposes except to the extent available by law to a party other than an agency;

"(3) communications which contain information or statements that might be used primarily to embarrass, damage, injure, or harass any living person;

"(4) communications made by or to the elected official in confidence, unless in the judgment of the Administrator of General Services or his designees the reason for the confidentiality no longer exists;

"(5) communications relating to the personal, family, and confidential business affairs of the elected official or of persons who have had correspondence with him, unless in the judgment of the Administrator of General Services or his designees the reason for the confidentiality no longer exists;

"(6) personnel and medical files and similar files the disclosure of which would constitute an unwarranted invasion of personal privacy; and

"(7) communications the disclosure of which is likely to impair or prejudice an individual's right to a fair and impartial trial.

"(b) The Administrator of General Services shall issue regulations under which the public communications shall be reviewed at reasonable intervals and public access shall be granted to any communications which, because of the passage of time or other circumstances, no longer require restriction.

"(c) The elected official, or any person whom he may designate in writing, shall at all times have access to the public communications for copying or any other purpose: *Provided*, That such access shall be consistent with such regulations as the Administrator of General Services may issue pursuant to sections 2101–2113 of this title.

"§ 2208. Compensation for United States Custody of Official Communications

"If a Federal court of competent jurisdiction should decide that the provisions of this Act have deprived any individual of private property without just compensation, then the Administrator is authorized to provide such compensation, from funds in the Federal Treasury, as may be adjudged just by a Federal court of competent jurisdiction.

"§ 2209. Judicial Review

"A decision by the Administrator of General Services that any object or material constitutes public communications of an elected official of the United States within the meaning of section 2901(2) of this title shall be a final agency decision within the meaning of section 702 of title 5.

"§ 2210. Authorization of Appropriations

"There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

"(b) The table of chapters, preceding chapter 1 of such title 44, is amended by adding at the end thereof the following:

"22 Public Documents of Elected Officials ------------------------ 2201"."

SECTION-BY-SECTION ANALYSIS OF S. 4080—A BILL TO PROTECT AND PRESERVE CERTAIN DOCUMENTS OF ELECTED PUBLIC OFFICIALS

Section 2201.—This section defines four terms used throughout the bill. The term "elected official of the United States" is defined to include the President, Vice President, Senators and Congressmen. "Tenure" is defined to include all of the terms to which the official was elected. "Official communications", the operative definition in the bill, is intended to encompass all records of communication including all books, documents, sound recordings and other forms of communication. The term "public communications" includes those official communications deposited in the General Services Administration.

Section 2202.—This section makes all official communications public property. All official communications of an elected official originated from the date of service are public property if the elected official's term ends after the date of enactment. If the elected official chooses to exercise the option created under section 5 of this bill to donate the papers he originated, the title of ownership is transferred from the United States to the donee named in the deed of gift.

Section 2203.—This section provides that the Administrator of GSA shall obtain or

retain complete possession and control of all official communications of a President or former President. The section applies to all former Presidents who served after March 20, 1929, that is, from President Hoover to President Nixon. All Presidents since Herbert Hoover have donated their papers to the United States for deposit in a Presidential library.

Section 2204.—This section creates an option for elected officials other than the President. The elected official may donate his official communications to a non-profit historical society or association, a library or museum open to the public, a university or other such institutions or organizations. If he chooses not to exercise this option, his official communications remain public property under the custody of the General Services Administration. The exercise of the option to transfer the official communications from United States ownership to ownership by the donee shall be at no cost to either the donor or donee.

Section 2205.—Section 2205 requires the preservation of documents and other records of communications of an elected official, including the President.

Section 2206.—The Administrator of GSA shall make all public communications available in judicial proceedings unless the elected official who originated or supervised the origination of the communications or the United States asserts a privilege or defense to the production of the communications.

Section 2207.—This section establishes seven standards to govern the disclosure of communications to the public. It requires the Administrator of GSA or his designees to review the communications periodically with the view toward granting access to any communications which, because of the passage of time or other circumstances no longer require restriction.

Section 2208.—This section authorizes the payment of just compensation if a Federal court should decide that any of the provisions of the Act deprive any individual of private property. It is unclear whether documents originated by an elected official are owned by the official or the United States. Section 2204 would make it clear that all documents are public property. Therefore, there would be no need for a just compensation provision as to documents originated after the date of enactment of this bill. The provision would only apply to those documents originated before the enactment date of this bill if a court found that such documents were the property of the elected official.

Section 2209.—Under this section, a decision by the Administrator of GSA that any material constitutes public communications shall be a final agency decision.

Section 2210.—This section authorizes appropriations to carry out the provisions of the Act.

Some Reasons Why S. 4016 Should Not Be Enacted

INTRODUCTION

S. 4016 declares that the Administrator of the General Services shall obtain "complete possession and control of all tape recordings involving former President Nixon and other individuals recorded between January 20, 1969 and August 9, 1974, inclusive. The Administrator shall also obtain complete possession and control of all papers, documents, memoranda and transcripts which constitute presidential, historical materials as defined in Section 2101 of Title 44, United States Code, covering the period January 20, 1969 and August 9, 1974, inclusive. All of the above materials shall be made available for use in any judicial proceeding or otherwise subject to court subpoena and other legal process, except that the Office of the Special Prosecutor shall have priority over any other request for access. The Administrator is required to issue regulations governing access to the tape recordings so that they will be made available for use in a judicial proceeding or otherwise subject to court subpoena or other legal process, except for national security information, by thus making the materials "available for use in any judicial proceeding."

No matter what this bill is called—and no matter what its purposes are alleged to be, it is clear to just and reasonable men that this is a bill to punish former President Nixon—and do it in a way that is not only unjust and unfair, but clearly violates both the letter and the spirit of our Constitution and laws.

The fact is that every president since George Washington has owned his presidential materials, whether they were papers, photographs or sound recordings. Every president—like every other citizen, could dispose of these materials as he could the rest of his property. Every president—like every other citizen—had a right to privacy. Every president, like every other citizen, has had the right to due process of law to protect his rights.

This bill, however, provides that Richard M. Nixon, and Richard M. Nixon alone, of all former presidents, and of over two hundred million living Americans, will be deprived of rights to his property, and certain other rights, but not by due process of law, but by legislative fiat.

Whatever one thinks of Richard Nixon, it takes no great insight to see that such a law is vindictive, is wrong, is discriminatory, and most probably unconstitutional—and it serves no legal purpose which cannot be achieved by due process in federal courts.

I. S. 4016, if enacted into law, attempts to effectively destroy a Constitutional privilege recently confirmed by the United States Supreme Court less than three months ago.

The general privilege of confidentiality of presidential communications, and the Constitutional footings for such a privilege, were emphatically confirmed by the Supreme Court less than three months ago in *United States* v. *Nixon*, — U.S. —, 94 S. Ct. 3090 (July 24, 1974).

The Supreme Court, in considering arguments with respect to presidential privilege stated that:

"The first ground is the valid need for protection of communications between high government officials and those who advise and assist them in the performance of their manifold duties; *the importance of this confidentiality is too plain to require further discussion*. Human experience teaches that those who expect public dissemination of their remarks may well temper candor with a concern for appearances and for their own interests to the detriment of the decisionmaking process . . . . *the protection of the confidentiality of presidential communications has similar constitutional underpinings.*" (P. 3106.) (Emphasis added.)

The court further stated:

"The expectation of a President to the confidentiality of his conversations and correspondence, like the claim of confidentiality of judicial deliberations, for example, *has all the values to which we accord deference for* the ***privacy*** of ***all*** citizens and *added to those values* the *necessity for protection of the public interest in candid, objective, and even blunt or harsh opinions in presidential decisionmaking*. A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately. These are the considerations justifying a *presumptive privilege for presidential communications*. The privilege *is fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution.*" (P. 3107.) (Emphasis added.)

The Court, of course, also declared that the "presumptive privilege" must yield where the system of criminal justice would be defeated absent evidence falling within the privilege. It recognized that the "privilege of confidentiality" to the extent this interest "relates to the effective discharge of a President's powers, . . . is constitutionally based" (P. 3109). It also indicated that the interest in preserving confidentiality is "weighty indeed and entitled to great respect". Thus when it decided to accommodate the criminal process as against the presidential privilege, the court clearly founded its decision on the specifically expressed view that:

(1) "The President's broad interest in confidentiality of communications will not be vitiated by disclosure of a *limited number of conversations preliminarily shown to have some hearing on the pending criminal cases.*" (P. 3110). (Emphasis added).

and thus accordingly,

(2) "The generalized assertion of privilege must yield to the *demonstrated, specific need for evidence in a pending criminal trial.*" (P. 3110). (Emphasis added).

Indeed, the Supreme Court, even after directing that certain evidence be made available, was so concerned with the preservation of the privilege that it went on to declare that the District Court has a "heavy responsibility" to see to it that "presidential conservations, which are either not relevant or not admissible, are accorded that high degree of respect due the President of the United States" (p. 3111). In the words of the Court:

"It is therefore *necessary in the public interest* to afford presidential confidentiality the *greatest protection* consistent with the fair administration of justice. The need for confidentiality *even as to idle conversations with associates* in which casual reference might be made concerning political leaders within the country or foreign statesmen is too obvious to call for further treatment. We have no doubt that the District Judge will at all times accord to presidential records that high degree of deference suggested in *United States* v. *Burr*. . . . This burden applies with *even greater force to excised material; once the decision is made to excise, the material is restored to its privileged status and should be returned under seal to its lawful custodian.*" (P. 3111). (Emphasis added).

It takes no great degree of analysis to see that if S. 4016 were enacted into law, it would not invade Mr. Nixon's own right to privacy, but would destroy a privilege that the Supreme Court has just unanimously ruled is "fundamental to the operation of government and inextricably rooted in the separation of powers of the Constitution."

II. S. 4016 is unconstitutional as a bill of attainder.

S. 4016 not only runs afoul of the most recent constitutional pronouncements of the Supreme Court—it also violates the explicit prohibition in our Constitution (Article I, Section 9, Clause 3) that "no Bill of Attainder or ex post facto Law shall be passed."

The Supreme Court, in *United States* v. *Lovett*, 328 U.S. 303 (1946) has clearly stated that "... legislative acts, no matter what their form, that apply either to named individuals, or to easily ascertainable members of a group in such a way as to inflict punishment upon them with a judicial trial are bills of attainder prohibited by the Constitution" (328 U.S. at 315).

No matter how *this* bill is drawn up, it is clear that it is aimed at Richard Nixon, that it punishes him and him alone, by depriving him of his property and other rights, and that this is not going to be done by the judicial process, but by legislative fiat.

Thus, Richard Nixon, and Richard Nixon alone, would in effect be deprived of title to his papers by the provision of the bill authorizing the GSA Administrator to take "complete possession and control" of all of his presidential materials.

Thus, Richard Nixon, and Richard Nixon alone, would have his materials made available in "any judicial proceeding" for civil litigants for use in lawsuits against him, without regard to merits of their claims, and without regard to any rights and privileges which Mr. Nixon may have.

Thus, Richard Nixon, and Richard Nixon alone, would be the only former President deprived of his ability to assert a "presidential privilege" recognized in *United States* v. *Nixon* where the Court so carefully instructed the trial judge to safeguard that privilege from unwarranted invasion.

Thus, Richard Nixon, and Richard Nixon alone, would be deprived of the right which *all* people have under the Fourth Amendment "to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures" without traditional judicial safeguards.

Thus, Richard Nixon and he alone, would be deprived of any Fifth Amendment right he may have against self-incrimination, because the materials would be made available to any state investigatory body that might decide to proceed against him for any alleged state violation not covered by the pardon.

This is retribution, wrought in precisely the manner in which the Founding Fathers barred to the Congress in our Constitution.

III. The punitive nature of S. 4016 is confirmed by the fact that no requirement of law is barred by treating Richard M. Nixon's papers like those of any other citizen or any former President.

Much of the attempted justification for S. 4016 is found in the claim that the presidential materials of Richard M. Nixon are somehow less accessible, or further beyond the law, than the materials of other former Presidents such as Presidents Truman, Eisenhower, Kennedy or Johnson. In point of fact, they are not.

In the first place, the limitations on access to Mr. Nixon's materials imposed by the Depository Agreement under 44 U.S.C. § 2107 are consistent with the restrictions imposed by the other former Presidents.

There is absolutely no question that Mr. Nixon's materials are subject to the same legal access and production as are the papers of any other former President. Indeed, except as to a claim of Presidential privilege (whose effect would be passed on by a court of competent jurisdiction) Richard Nixon's papers have the same legal availability of those of any other American citizen. Thus, his papers, like everybody else's, are fully available to the Special Prosecutor or anyone else who can show a legal right to have them.

Indeed, the terms of the Depository Agreement covering Mr. Nixon's presidential papers under 44 U.S.C. § 2107,—wholly consistent with the type of limitation imposed upon the use of their property by other former Presidents—go much further in insuring that the security and integrity of the materials is maintained. This is so inasmuch as Mr. Nixon voluntarily gave up his right to access to his materials followed by consenting to a two-key system whereby he alone (unlike every other citizen of this Country) *cannot* have sole access to his personal papers, but must share the right to this access with the United States Government. This condition continues for a period of at least three years and not until that time will Mr. Nixon have the same rights over his personal papers that every other citizen now has.

As far as a provision of the Agreement which provides for destruction of the tapes upon Mr. Nixon's death, anyone having a legal right to such tapes would have full recourse to the courts to enjoin such destruction when such a provision becomes effective.

TRUMAN LETTER

NOVEMBER 12, 1953.

DEAR SIR: I have your subpoena dated November 9, 1953, directing my appearance before your committee on Friday, November 13, in Washington. The subpoena does not state the matters upon which you seek my testimony, but I assume from the press stories that you seek to examine me with respect to matters which occurred during my tenure of the Presidency of the United States.

In spite of my personal willingness to cooperate with your committee, I feel constrained by my duty to the people of the United States to decline to comply with the subpoena.

In doing so, I am carrying out the provisions of the Constitution of the United States; and am following a long line of precedents, commencing with George Washington himself in 1796. Since his day, Presidents Jefferson, Monroe, Jackson, Tyler, Polk, Fillmore, Buchanan, Lincoln, Grant, Hayes, Cleveland, Theodore Roosevelt, Coolidge, Hoover and Franklin D. Roosevelt have declined to respond to subpoenas or demands for information of various kinds by Congress.

The underlying reason for this clearly established and universally recognized constitutional doctrine has been succinctly set forth by Charles Warren, one of our leading constitutional authorities, as follows:

"In this long series of contests by the Executive to maintain his constitutional integrity, one sees a legitimate conclusion from our theory of government. * * * Under our Constitution, each branch of the Government is designed to be a coordinate representative of the will of the people. * * * Defense by the Executive of his constitutional powers becomes in very truth, therefore, defense of popular rights—defense of power which the people granted to him.

"It was in that sense that President Cleveland spoke of his duty to the people not to relinquish any of the powers of his great office. It was in that sense that President Buchanan stated the people have rights and prerogatives in the execution of his office by the President which every President is under a duty to see 'shall never be violated in his person' but 'passed to his successors unimpaired by the adoption of a dangerous precedent.' In maintaining his rights aganst a trespassing Congress, the President defends not himself, but popular government; he represents not himself but the people"

President Jackson repelled an attempt by the Congress to breakdown the separation of powers in these words:

"For myself I shall repel all such attempts as an invasion of the principles of justice as well as the Constitution, and I shall esteem it my sacred duty to the people of the United States to resist them as I would the establishment of a Spanish Inquisition."

I might commend to your reading the opinion of one of the committees of the House of Representatives in 1879, House Report 141, March 3, 1879, Forty-fifth Congress, Third Session, in which the House Judiciary Committee said the following:

"The Executive is as independent of either house of Congress as either house of Congress is independent of him, and they cannot call for the records of his actions, or the action of his officers against his consent, any more than he can call for any of the journals or records of the House or Senate."

It must be obvious to you that if the doctrine of separation of powers and the independence of the Presidency is to have any validity at all, it must be equally applicable to a President after his term of office has expired when he is sought to be examined with respect to any acts occurring while he is President.

The doctrine would be shattered, and the President, contrary to our fundamental theory of constitutional government, would become a mere arm of the Legislative Branch of the Government if he would feel during his term of office that his every act might be subject to official inquiry and possible distortion for political purposes.

If your intention, however, is to inquire into any acts as a private individual either before or after my Presidency act unrelated to any acts as President, I shall be happy to appear.

Yours very truly,

HARRY S. TRUMAN.

[Honorable Harold H. Velde, Chairman, Committee on Un-American Activities, U.S. House of Representatives, Washington, D.C.]

NOTE: The text of the letter was released at San Clemente, Calif.

Mr. HUGH SCOTT. Mr. President, in connection with the introduction of the Official Documents Act by the Senator from Nebraska (Mr. HRUSKA), I ask unanimous consent that a memorandum I have had prepared in connection with S. 4016 be printed at this point in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

(Re: S. 4016, a bill to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.)

Set forth below is an analysis of the fundamental Constitutional issues raised by the above-noted bill:

I. EMINENT DOMAIN

S. 4016 would condemn all the papers and materials which constitute the Presidential historical material of Richard Nixon as defined by Title 44, U.S.C. § 2101 as well as all tape recordings of all conversations which were caused to be recorded by a Federal officer or employee and which involve either Richard Nixon or any Federal employee between January 20, 1969 and August 9, 1974.

The power of eminent domain is said to exist as an attribute of sovereignty separate from any written constitution. *Boom Co.* v. *Patterson*, 98 U.S. 403, 406 (1878). The *Federal* power of eminent domain, however, is limited by the grants of power in the Constitution, so that property may be taken only for the effectuation of a granted power. *United States* v. *Gettysburg Electric Ry. Co.*, 160 U.S. 668, 679 (1896). This is but a recognition that the Federal government is a government of limited powers, and for property to be taken for a "public use" by the Federal government, the public use must be one within the enumerated powers of the Federal government.

Admittedly, the interpretation of "public use" for purposes of Federal condemnation has been broadly construed, *United States ex rel. TVA* v. *Welch*, 327 U.S. 546, 552 (1946), but this is only to give effect to the Necessary and Proper Clause. *See* Corwin, *The Constitution* 336 (1973). While certain "Presidential historical materials" might be justifiedly obtained by eminent domain because of a peculiarly public interest, e.g., materials necessary for the on-going functions of government, material relating to the national security, etc., S. 4016 does not attempt to distinguish between such necessary materials and other unnecessary materials. Yet the power of eminent domain as a sovereign attribute only extends to that property which is necessary to advance the government's legitimate public interest. *See United States* v. *Lynah*, 188 U.S. 445, 465 (1903).

Clearly the most personal papers of former President Nixon would not be necessary for any legitimate public use, for Presidential "historical material," as defined by 44 U.S.C. § 2101, would include not only official papers, but Christmas cards, personal letters, personal diaries, etc. Therefore, because all tapes and all Presidential historical materials are condemned by S. 4016, it would seem that the power of eminent domain is being used here, at least in part, for other than a public use. This threatens the constitutionality of the whole bill despite the fact that the proposal contains the customary severability clause. To cure this deficiency it would appear that the condemnation of Presidential materials and tapes must be limited to those particular materials which are necessary for some specific reason.

This exercise of eminent domain in S. 4016, moreover, is of a novel type—extending to literary property, personal papers, and the most personal of possessions, indeed the innermost thoughts of Richard Nixon as he expressed or recorded them. Not only is the subject matter of the condemnation novel, but the extent of it is unique—extending to every scrap of paper produced in the White House, personal or official, whether existing there as a home or office, for over five years. This is without precedent and contemplates an invasion of privacy unparalleled in Congressional history.

In stark contrast to the wholesale condemnation proposed by S. 4016 is the approach used by Public Law 89-318, 79 Stat. 1185 (1965). There evidence accumulated by the Warren Commission was to be considered by the Attorney General in order to determine which particular items of evidence were necessary for the United States to retain. The items so determined were condemned, and provision was made for just compensation. This exercise of eminent domain demonstrates a responsible and constitutional approach of condemning only that property *necessary* for the public use.

II. EXECUTIVE PRIVILEGE

A. Executive privilege as a constitutional right

In *United States* v. *Nixon*, —U.S.—(1974) 42 U.S.L.W. 5237, 5244 (decided July 24, 1974), the Supreme Court unanimously recognized the existence of a constitutionally based Executive Privilege.

Executive privilege may be considered to have three aspects—first, with reference to a judicial demand for information or materials; second, with reference to a Congressional demand; and third, with reference to the public at large. Further, the judicial demand aspect may be separated into cases where the demand is for evidence relevant to a criminal trial, *e.g., United States* v. *Nixon, supra,* and cases where the demand is merely for discovery material in a civil case, *e.g., Committee for Nuclear Responsibility, Inc.* v. *Seaborg,* 463 F. 2d 788 (D.C. Cir. 1971); *Nader* v. *Butz,* 60 F.R.D. 381 (D.D.C. 1973), *appeal pending.* The thrust of *Nixon* was that in a criminal case if the evidence was indeed determined to be relevant after *in camera* inspection, then the privilege would be defeated. In *Seaborg,* however, a civil case, the *in camera* inspection was merely to determine if the privilege was rightfully claimed, in which case the material would remain confidential and the privilege would be upheld.

Congressional demands for material also may fall into two categories. The first would be a normal committee request, demand, or subpoena for material which may be rejected on the basis of Executive Privilege where it is deemed by the President that the production of such material would be detrimental to the functioning of the Executive Branch. This at least has been the consistent practice by practically every administration and acceded to by Congress. This should be contrasted with a demand for material pursuant to an impeachment inquiry, which some presidents have acknowledged would require production of any and all executive material. *See e.g.,* Washington's statement, 5 Annals of Congress 710–12 (1796). Finally, there is the demand by statute for general public access to information. This last is the situation presented by S. 4016.

The analysis of the different situations in which Executive Privilege may be invoked and its differing weight and treatment is instructive, for it, not surprisingly, reveals that the more particularized and more compelling the demand for material is, the less weight Executive Privilege has. Thus, in *Nixon,* the Court acknowledged that a general claim of privilege depends "on the broad, undifferentiated claim of public interest in the confidentiality of such conversations . . .," 42 U.S.L.W. at 5244, and it was for that reason that the privilege would fail against a showing of particularized need in a criminal trial.

The importance of that public interest in confidentiality, nevertheless, was emphasized. "The privilege is fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution. [citing cases]." *Id.* at 5245. The conclusion, therefore, is clear that absent such a particularized need for evidence in a criminal trial, the public interest in fostering free and frank discussion, by protecting it with confidentiality, would serve to sustain a claim of Executive Privilege. The device of *in camera* inspection reflects this understanding. Yet S. 4016 would jettison this acknowledged public interest and authorize general public access to all presidential conversations without any showing of need for that access, particularized or otherwise.

B. Disclosure of privileged material

S. 4016 contemplates that former President Nixon's presidential tapes and materials shall be made available "for use in any judicial proceeding or otherwise subject to court subpoena or other legal process." (Section 3(b)). Moreover, Section 6 of the Bill directs the Administrator to issue regulations governing access to the tapes so as to authorize him to allow general public access to each and every Presidential conversation recorded between 1969 and 1974 with but three restrictions—if national security is involved, if the Special Prosecutor determines that an individual's right to a fair and impartial trial will be prejudiced, or if a court determines that a person's right to a fair and impartial trial would be prejudiced.

The scheme envisaged by S. 4016, therefore, would in effect reverse both *United States* v. *Nixon, supra,* and *Committee for Nuclear Responsibility, Inc.* v. *Seaborg, supra.* This is so first because Section 3(b) directs that materials simply "shall . . . be made available for use in any judicial proceeding. . . ." No provision is made for *in camera* inspection which the Court required in both *Nixon* and *Seaborg.* In fact the clear intent of the language is to do away with that judicially derived requirement. The decision in *Nixon,* however, is constitutionally based, and the requirement of an *in camera* inspection is the result of a careful balancing of competing constitutional interests. 42 U.S. L.W. at 5244–45. This careful balancing is destroyed by S. 4016, and instead all material subpoenaed or otherwise shall be made available. Not only does S. 4016 eliminate the constitutional balancing the Supreme Court required in criminal cases, but it also repudiates the decision in *Seaborg,* a civil case.

In *Seaborg* the District of Columbia Circuit acknowledged the importance of confidentiality in contributing substantially to the effectiveness of government decision-making. 463 F. 2d at 792. Thus, a demand for materials in discovery proceedings would not defeat Executive Privilege, rather the court would inspect the material to see if the privilege was rightfully invoked. If it was, then the material would *not* be produced, even if relevant. *See Committee for Nuclear Responsibility, Inc.* v. *Seaborg,* 463 F. 2d 796, 799 (D.C. Cir. 1971). Thus, S. 4016 not only eliminates the need for *in camera* inspection, but more importantly it overrules the holding that material for which Executive Privilege is rightfully claimed is indeed privileged from production in a civil case. Again S. 4016 attempts to overrule a judicial, constitutional decision by statute.

What S. 4016 does to violate Executive Privilege vis-a-vis judicial demands for presidential materials, however, is minor compared to its provision for general public access to all the materials except national security information. To give authority to the Administrator to allow general public access would be to negate Executive Privilege altogether with no concomitant public interest being served in its stead, rather catering only to the gross curiosity of the public. To open all the most personal aspects of any person's life to the public for no legitimate reason is a violation of privacy if nothing else, but when that person is also a President it is a most virulent attack on the Separation of Powers.

In *United States* v. *Nixon, supra,* the Supreme Court unanimously held that presidential communications are "presumptively privileged."

"The expectation of a President to the confidentiality of his conversations and correspondence, like the claim of confidentiality of judicial deliberations, for example, has all the values to which we accord deference for the privacy of all citizens and added to those values the necessity for protection of the public interest in candid, objective, and even blunt or harsh opinions in presidential decision-making. A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately. These are the considerations justifying a presumptive privilege for presidential communications." 42 U.S.L.W. at 5245.

The effect of the presumption is to give the privilege effect until it is challenged by a particularized demand for certain materials. Only then is the presumption overcome. S. 4016's general authority for public access, however, ignores the presumption and provides no opportunity for the invocation of the privilege. In short, the *constitutionally* based privilege, acknowledged by the Supereme Court and given effect by lower courts, is to be eliminated by a mere statute. Because executive privilege is constitutionally based, however, it is not subject to repeal or restriction by statutes. Rather statutes must themselves conform to the constitutional right of Executive Privilege.

Even commentators who have expressed a very circumscribed view of Executive Privilege, for example, Raoul Berger, have never suggested that Congress has the power to make each and every presidential paper and conversation public, willy-nilly without regard to the confidences upon which many such conversations and papers were based. Rather, these commentators have merely expressed the opinion that calls by Congress for particular materials necessary for its consideration of legislation or by the judiciary for relevant evidence have a higher public interest than the executive's generalized need for confidential communications. This weighing of the conflicting public interests is precisely the approcah that was utilized in *Senate Select Committee* v. *Nixon,* 370 F. Supp. 521, 522 (D.D.C. 1974). *See also Nixon* v. *Sirica,* 487 F. 2d 700, 716–18 (D.C. Cir. 1973). And it was recognized in *Senate Select Committee* v. *Nixon,* 370 F. Supp. at 524, that even Congress' right to demand information by subpoena is limited to proceedings in aid of its legislative function. The conclusion to be drawn, therefore, from both the cases and the commenators is that there is no authority for Congress to require the publication of *all* presidential papers and conversations. Such an action would violate the Doctrine of Separation of Powers and render the President but a servant to Congress.

The United States Court of Appeals for the District of Columbia circuit recognized this full well in *Nixon* v. *Sirica,* 487 F. 2d at 715:

"We acknowledge that wholesale public access to Executive deliberations and documents would cripple the Executive as a co-equal branch."

Such could be the result of S. 4016, and for that reason it is of extremely dubious Constitutional validiy.

C. Former Presidents' rights to invoke executive privilege

The question may be raised whether a former President has the authority to invoke Executive Privilege for materials generated during his presidency, but the rationale behind Executive Privilege and the interest it serves compels the answers that a former President may indeed invoke Executive Privilege in the same manner as a sitting President. This is so because the public interest in the confidentiality of executive discussions requires that those discussions remain confidential indefinitely, not to be publicized as soon as the President leaves office, for if these discussions were to become public after the President leaves office, future discussions with future Presidents would ever after be chilled by the knowledge that within at least eight years those discussions could be public.

Viewed another way, the invocation of Executive Privilege is not so much to protect the content of the particular discussions demanded as it is to protect the expectation of confidentiality which enables future discussions to be free and frank. That expectation of confidentiality would be destroyed, and the public interest which it serves with it, if the mere leaving of office would destroy that confidentiality. As early as 1846 this principle was recognized and honored by President Polk. Richardson, *Messages and Papers of the Presidents, Vol. IV,* 433–34.

Harry S. Truman in 1953, having returned to private life, was subpoenaed by a House committee to testify concerning matters that transpired while he was in office. Refusing by letter, he explained that to subject former Presidents to inquiries into their acts while President would violate the separation of powers:

"It must be obvious to you that if the doctrine of separation of powers and the independence of the Presidency is to have any validity at all, it must be equally applicable to a President after his term of office has expired when he is sought to be examined with respect to any acts occuring while he is President.

"The doctrine would be shattered, and the President, contrary to our fundamental theory of constitutional government, would become a mere arm of the Legislative Branch of the Government if he would feel during his term of office that his every act might be subject to official inquiry and possible distortion for political purposes."

The House committee accepted the letter and did not attempt to enforce the subpoena, indicating perhaps its concurrence with President Truman's claim of privilege.

D. Custody as an element of the privilege

The above discussion has dealt with the constitutional violation of Executive Privilege committed by the disclosure provisions of S. 4016. In addition, however, serious constitutional questions are raised by the mere custody provisions set forth in the bill. That is, while it is clear that Executive Privilege limits the ability of Congress or courts to *disclose* presidential materials, it may also be that Executive Privilege extends to attempts merely to wrest custody of privileged materials from a President or former President even with supposed safeguards against their disclosure.

There are no cases on point or examples of similar actions to answer this question, but the policy considerations are telling to support a claim that privileged materials cannot even be wrested from the custody of the President unless and until a court has determined that they may at least be examined *in camera*.

The policy served by Executive Privilege is advanced most effectively by maintaining the custody of the privileged materials in the person entrusted with the right of asserting that privilege, for without custody he is unable to insure that attempts to gain access to privileged material will be resisted or tested by the courts. Thus, separation of custody from the person responsible for safeguarding the confidentiality of the materials separates the function from the responsibility for it in violation of the most elementary laws of management efficiency. The President or former President is the one individual with the interest in assuring continuing confidentiality; the Administrator has no such interest and therefore is not the proper person to maintain custody. Moreover, the President is the person with the knowledge of what needs to be maintained as confidential and what not.

All these considerations suggest that the President or former President should retain custody of the privileged materials, and that a statute which wrests this privileged material completely from his control violates the Separation of Powers by removing executive material from the executive and by undermining the privilege by separating the custodian of the materials from the defender of the privilege.

III. RIGHT OF PRIVACY

Section 6 of S. 4016 presents another constitutional issue. It would result in an abridgement of the constitutionally guaranteed right of privacy with respect to all persons whose conversations were the subject of the tape recordings to be condemned and made public by the bill.

Section 6 of the bill gives to the Administrator authority to release the tape recordings to the public subject to only three restrictions. These restrictions are: (1) "information relating to the Nation's security shall not be disclosed" (section 6(1)); (2) there shall be no release if "the Office of Watergate Special Prosecution Force certifies in writing that such disclosure or access is likely to impair or prejudice an individual's right to a fair and impartial trial" (section 6(3)(A)); and (3) there shall be no release "if a court of competent jurisdiction determines that such disclosure or access is likely to impair an individual's right to a fair and impartial trial" (section 6(3)B)).

None of these restrictions serves to protect the right to privacy. Thus, we have virtually unchecked authority in the Administrator to release the tapes. As discussed below, (1) there is a privacy interest in the tapes which is recognized by the courts as constitutionally protected; (2) when Congress legislates so that such a fundamental constitutional right may be affected, it must utilize the narrowest of means to achieve its objectives and cannot leave the protection of the rights to the unrestricted discretion of others; and (3) this bill represents a broad and unchecked grant of authority affecting a fundamental right and therefore is constitutionally impermissible.

A. Right to privacy—A constitutional right

There is a right to privacy which has been recognized by the courts in many contexts. Thus, it has been found in the First Amendment, *NAACP* v. *Alabama*, 357 U.S. 449 (1958), in the Fourth Amendment, *Weeks* v. *United States,* 232 U.S. 383 (1914); *Silverthorne Lumber Co.* v. *United States,* 251 U.S. 385 (1920); *Katz* v. *United States,* 389 U.S. 347 (1967), in the Fourth and Fifth Amendments, *Boyd* v. *United States,* 116 U.S. 616 (1886), in the Ninth Amendment, *Griswold* v. *Connecticut,* 381 U.S. 479 (1965). (Goldberg, J., concurring), and under a penumbra of the First, Third, Fourth and Fifth Amendments, *Griswold* v. *Connecticut,* 391 U.S. 479 (1965). *See, generally, Roe* v. *Wade,* 310 U.S. 113, 152–53 (1973).

Concerning the specific material covered by Section 6 of the bill—the tapes—it is clear from the language of the Supreme Court that the conversations of the persons recorded on the tapes are the type of material encompassed by the right of privacy. In *Katz, supra,* the Court stressed that the expectations of persons define the limits of the protection afforded by the Fourth Amendment:

"What a person knowingly exposes to the public, even in his own home or office, is not a subject of Fourth Amendment protection. . . . But what he seeks to preserve as private, even in an area accessible to the public, may be constitutionally protected." *Katz* v. *United States,* 389 U.S. at 351–52 (citations omitted).

It is clear that all persons whose conversations were recorded expected that their conversations would not be made public. Most of those who discussed matters in the executive office were actually unaware that their conversations were being recorded, and as to those who were aware, even they believed that the recordings would be protected from public exposure.

In *Boyd* v. *United States, supra,* the Court gave a sweeping definition of the protection afforded under the combined coverage of the Fourth and Fifth Amendments which it derived from the discussion by Lord Camden in *Entick* v. *Carrington and Three Other King's Messengers,* 19 Howell's State Trials 1026 (1765):

"The principles laid down in this opinion affect the very essence of constitutional liberty and security. They reach farther than the concrete form of the case there before the court with its adventitious circumstances; *they apply to all invasions on the part of the government and its employes of the sanctity of a man's home and the privacies of life.* It is not the breaking of his doors, and the rummaging of his drawers, that constitutes the essence of the offense; but *it is the invasion of his indefeasible right of personal security, personal liberty and private property,* where that right has not been forfeited by his conviction of some public offense—it is the invasion of his sacred right which underlies and constitutes the essence of Lord Camden's judgment. Breaking into a house and opening boxes and drawers are circumstances of aggravation; but *any forcible and compulsory extortion of a man's own testimony or of his private papers to be used as evidence to convict him of crime or to forfeit his goods, is within the condemnation of that judgement.* In this regard the Fourth and Fifth Amendments run almost into each other." 116 U.S. at 630 (emphasis added).

The making public of the taped conversations of men who believed their confidences were secure would also be a "forcible and compulsory extortion of a man's own testimony", and equally abhorrent to the principles of the Fourth and Fifth Amendments.

The bill's forced disclosure of the tapes dictates another "invasion on the part of the government" into "the privacies of life." The essence of the passage quoted above is that the Fourth and Fifth Amendments protect privacy, and it is the unwarranted interference with that privacy which constitutes the gravamen of the offense, not the particular manner in which the invasion is accomplished or the form in which the privacy interest appears. It would be equally abhorrent for the Congress to order a general invasion of the privacy of the conversations of persons in the executive offices as it was for the King's Messengers, utilizing a general warrant, to invade the privacy of a man's home.

B. Limits on congressional regulation of constitutionally protected freedom

As is demonstrated above, the right to privacy is a constitutionally protected freedom. From that follows certain consequences when Congress proposes to take action that may affect that freedom:

"When certain 'fundamental rights' are involved, the Court held that regulation limiting these rights may be justified only by a 'compelling state interest,' . . . and that legislative enactments must be narrowly drawn to express only legitimate state interests at stake." *Roe* v. *Wade*, 410 U.S. 113, 155 (1973) (citations omitted).

Although the Court speaks of "state" interests, this applies equally to Congress legislating in the federal area. *Aptheker* v. *Secretary of State*, 378 U.S. 500, 507-09 (1964).

It should be noted that whether the right of privacy derives from the First Amendment, *United States* v. *Robel*, 389 U.S. 258 (1967); *NAACP* v. *Alabama*, 377 U.S. 288 (1964); *NAACP* v. *Button*, 371 U.S. 415 (1963); the Fourth Amendment, *Sanford* v. *Texas*, 379 U.S. 476 (1965); *Weeks* v. *United States*, 232 U.S. 383 (1914); the Fifth Amendment, *Aptheker* v. *Secretary of State*, 378 U.S. 500 (1964); the Ninth Amendment or a penumbra of the Amendments, *Roe* v. *Wade*, 410 U.S. 113 (1973); *Griswold* v. *Connecticut*, 381 U.S. 479 (1965); the result is the same—it must be carefully protected against overbroad assertions of authority.

The limitation imposed may be expressed as a restriction of Congressional action to "narrowly drawn" statutes, *Roe* v. *Wade*, *supra*, or it may be an attack on unfettered discretion bestowed on others. *Kunz* v. *New York*, 340 U.S. 290 (1951); *Cantwell* v. *Connecticut*, 310 U.S. 296 (1940). *Cf. Stanford* v. *Texas*, 379 U.S. 476 (1965); *Weeks* v. *United States*, 232 U.S. 383 (1914).

The lesson of all these cases is clear. Fundamental rights are too precious to have their protection left to the unfettered discretion of public officials. The emphasis placed on this rule is illustrated by *Katz* v. *United States*, 389 U.S. 347 (1967), where a search (electronic listening device attached to telephone booth) by law enforcement officers was held improper because there was no *judicial* restraint imposed, even though the conduct did not exceed that which would have been permitted under judicial authorization.

C. Section 6 of S. 4016 is constitutionally infirm

From part A of this discussion we see that there is a constitutionally protected privacy interest in the tapes. In part B it was shown that where such a constitutionally protected interest is present, there are certain limitations imposed on legislation. Thus, there may be interference with the privacy right only in the case of a "compelling interest," and the statute must be drawn in the narrowest manner that will further that interest. Delegations of authority must be carefully circumscribed so that the protection of the right is not left to the mercy of the unfettered discretion of a public official. Section 6 fails to meet any of these requirements.

There is first the question of what "compelling" interest is asserted to justify this intrusion into the privacy of the subjects of the tapes. No interest is asserted in the bill. If the interest is that of increasing public knowledge of the events that transpired in the executive offices, then that would not suffice to overcome the privacy interest. *See E.P.A.* v. *Mink*, 410 U.S. 73, 87 (1973), and cases cited therein, regarding the protection of executive discussions.

This brings us to the second point, that whatever valid interests are to be served can be achieved only by a statute that has a narrower focus. Thus if there are valid needs for the information, for example, as evidence in a criminal proceeding, a valid statute could be drawn with that limitation. In fact, it would appear that release in that case would be available regardless of the existence of a statute. *See United States* v. *Nixon*, —— U.S. —— (1974), 42 U.S.L.W. 5237 (decided July 24, 1974); *Nixon* v. *Sirica*, 487 F. 2d 700 (D.C. Cir. 1973). If public information is the goal of the statute then there is already a more narrowly drawn statute on the books. See The Freedom of Information Act, 5 U.S.C. § 552.

Finally, is the requirement of a carefully circumscribed range of discretion. However, the bill as it is written vests almost completely unbridled discretion in the Administrator of General Services to release the tapes. This delegation of authority provides absolutely no protection for privacy rights and thus violates the final requirement for legislation in this area.

IV. FIRST AMENDMENT RIGHTS

It is submitted that the right to unfettered speech is not lost as a consequence of election to high government office. No one would deny a President's right to speak freely in public debate.

Equally as crucial to the principle of free speech as public advocacy is the private formulation of political thought and perspective. This is a process of experiment and development. It is a process of trial and error, in the course of which discussion with intimates and friends often plays an integral part. *See United States* v. *Nixon*, 42 U.S.L.W. at 5245 & n. 17.

It has been long recognized that enforced public exposure of such inherently private aspects of "free speech" has a stifling effect. Courts have not ruled on a First Amendment challenge to forced revelation of the unedited stream of individuals' comments, public and private for an extended period of time. They have, however, dealt with what must be considered the less severe intrusion of an attempt to discover a simple list of the persons who belong to a political organization. In doing so, they have found the privacy of political association indispensable to the viability of the system of free thought and speech established under our Constitution. *NAACP* v. *Alabama*, 375 U.S. 449 (1958):

"It is hardly a novel perception that compelled disclosure of affiliation with groups engaged in advocacy may constitute as effective a restraint on freedom of association as the forms of governmental action upon the particular constitutional rights there involved. This Court has recognized the vital relationship between freedom to associate and privacy in one's association." [375 U.S. at 462] *See* also *Shelton* v. *Tucker*, 364 U.S. 479 (1960).

As stated by Justice Brennan, ". . . inhibition as well as prohibition against the exercise of precious First Amendment rights is a power denied to government." *Lamont* v. *Postmaster General*, 381 U.S. 301, 309 (1965). The same principle must be applied to legislative attempts to monitor any man's daily political expression. *Cf. Eastern Railroad Presidents Conf.* v. *Noerr Motor Freight, Inc.*, 365 U.S. 127 (1961). The "chilling effect" of the knowledge that every political utterance or writing, whether tentative or experimental, will be exposed to public scrutiny would be an intolerable inhibition upon any man's thought and political development.

Yet this would be precisely the effect of S. 4016. It seeks to obtain and make available to the public the voluntarily-kept, daily record of a man's tenure in the Presidency. Were the subject anyone other than the former President, were the times any other than these, the extent to which such a scheme undermines the free thought and speech protected by the First Amendment would be obvious.

While the theory that every thought of the man occupying the White House is legitimate public business has initial appeal, it is at war with the fact that development of presidential political thought develops no differently from that of any man and is inhibited by the same factors.

The electorate has the right, and indeed the political duty, to monitor the conduct of public officials. It is a duty, however, to monitor the decision made, not the option considered. There is nothing in the Constitution, or in the political theory which it embodies, which argues that officialdom must live in a goldfish bowl. *Cf. E.P.A.* v. *Mink*, 410 U.S. 73 (1973); *Carl Zeiss Stiftung* v. *V.E.B. Carl Zeiss, Jena*, 40 F.R.D. 318 (D.D.C. 1966). Rather it is anticipated that those elected to public office will develop and modify their political beliefs and understandings in the same manner as private citizens, that is, through both public debate and private conference.

Although in the case of executive officials the constitutional interest guaranteed by the First Amendment is similar to that encompassed by the term "Executive Privilege," and the two in this context are complementary, it is separable in both root and application. While Executive Privilege has its foundation in practical necessity, behind it rests the more general personal right of the chief executive as an individual to think and talk freely among his intimates.

Knowledge that notes and tape recordings made for personal use can, by whatever means, be condemned and published will inevitably stunt this process. A President as much as any man is guaranteed freedom from such constraint. As stated by Judge Learned Hand:

"[The First Amendment] presupposes that right conclusions are more likely to be gathered out of a multitude of tongues, than through any kind of authoritative selection. To many this is, and always will be, folly; but we have staked upon it our all, *United States* v. *Associated Press* (52 F. Supp. 362, 372 (S.D.N.Y., 1943)."

To the extent that evidence of criminal wrongdoing is suspected, the Constitution provides formal judicial mechanisms for the discovery of relevant material. *United States* v. *Nixon*, *supra*. If legislative investigation is in order, relevant material can there too be obtained. But the wholesale acquisition of a man's tape recordings and notes, for the simple satisfaction of public curiosity, however great, is inimical to the First Amendment's guarantees. While the material sought is of unusual interest to the public, it is not, and was not when compiled, public property. If it can be taken from any man for the purposes of public dissemination, it can be taken from every man. If it can be taken from a former President, our system of political development through free expression is stifled at precisely the point at which it is supposed to culminate.

V. FIFTH AMENDMENT

Although President Ford pardoned Richard Nixon of all crimes committed during Mr. Nixon's tenure as President, the President's pardon power under Art. II, § 2 runs only to "offenses against the United States." Thus, Mr. Nixon remains subject to state criminal prosecution for any crime committed during his tenure as President. For example, allegations have been publicly aired, although they are as yet unsubstantiated, that the former President was involved in criminal conspiracy and tax evasion punishable under California law.

To the extent that the publication of information involuntarily obtained under the proposed bill will place in the hands of state officials evidence which might tend to incriminate the former President, severe Fifth Amendment questions are raised.

"Whenever the Court is confronted with the question of a compelled disclosure that has an incriminating potential, the judicial scrutiny is invariably a close one." *California* v. *Byers*, 402 U.S. 424, 427 (1971). Since the Fifth Amendment protects an individual not only against compelled self-incriminatory testimony but also against compelled disclosure of potentialy incriminatory private papers, *Boyd* v. *United States*, 116 U.S. 616 (1886), those questions are raised here.

The Supreme Court has held unconstitutional requirements that individuals report potentially incriminating information to the government. *Marchetti* v. *United States*, 390 U.S. 47 (1968); *Grosso* v. *United States*, 390 U.S. 62 (1968); *Haynes* v. *United States*, 390 U.S. 85 (1968). The government, of course, has various legitimate needs for private information, and it can, under proper circumstances, require its submission. Constitutionality under the Fifth Amendment, however, requires that the reporting or disclosure requirement not be aimed at a "highly selective group inherently suspect of criminal activities." *California* v. *Byers, supra,* at 430. *See* also *Albertson* v. *SACB,* 382 U.S. 70 (1965). The mechanism the government chooses for attaining involuntary disclosure is, of course, essentially irrelevant to the Fifth Amendment interest involved, so the fact that S. 4016 contemplates condemnation and then public disclosure as opposed to the means used in the cited cases is not important.

With regard to S. 4016, the bill could not be more narrowly confined in terms of selectivity. It is aimed at and solely applicable to one man—Richard Nixon.

While most of the cases cited above have involved narrow requests for specific information within certain defined areas, the constitutional infirmity of such statutes is surely not removed by providing that the information forcibly obtained by the government be all encompassing. The problems with such a bill addressed to a single "suspect" individual are augmented rather than decreased.

The extreme breadth of the information sought by S. 4016 renders this bill the type of government fishing expedition which the Fifth Amendment privilege against self-incrimination was originally designed to protect against.

VI. BILL OF ATTAINDER

Article I, Section 9, clause 3, of the Constitution states that no bills of attainder shall be passed. This express prohibition on the power of the federal government to enact statutes has been broadly interpreted by the courts. Thus, in *Ex parte Garland,* 4 Wall. (71 U.S.) 33 (1867), the Supreme Court struck down a statute which required that attorneys take an oath that they had taken no part in the Confederate rebellion against the United States before they could practice in federal courts. The Court found that "exclusion from any of the professions or any of the ordinary avocations of life for past conduct can be regarded in no other light than as punishment for such conduct." *Id.* at 377. In *United States* v. *Lovett,* 328 U.S. 303 (1946), the Court struck down a rider to an appropriations act which forbade the payment of any compensation to three named persons then holding office by executive appointment.

What these cases have in common with each other and with S. 4016 is the use of law-making powers to punish without a trial an individual or small groups of individuals for certain conduct. What constitutes punishment is to be liberally interpreted to effect the remedial purpose of the bill of attainder clause in the Constitution. Thus, denying the ability to practice law before federal courts was punishment, as was withholding persons' salaries.

On its face, S. 4016 may not demonstrate a punishing purpose, but such was also true of the statute in *Garland.* Yet no one can deny the punishing effect of S. 4016. The punishment meted out is the baring of Mr. Nixon's most personal papers and conversations to public scrutiny and ridicule. Indeed, in terms of the suffering it will cause, the effect of such punishment seems much greater than that of merely forbidding a lawyer from practicing law before the federal courts, forcing federal employees to find a new job, or forbidding Communists from holding union office, *see United States* v. *Brown,* 381 U.S. 437 (1965). In any case, the damage to reputation and earning capacity is a cognizable effect of the punishment, and are acknowledged as evidence of punishment by the Court. *United States* v. *Lovett,* 328 U.S. at 314.

No doubt the sponsors of S. 4016 are able to recite supposed legitimate bases for the bill, but again each of the laws struck down by the Supreme Court as bills of attainder were defended on the basis that they were exercises of legitimate regulatory powers and not bills of attainder. The Court, however, looked beyond the self-serving justifications for the laws to the motive and underlying purposes of Congress. In each case the Court found an environment where legislation was conceived with specific persons or groups in mind, which persons were felt both to have committed horrible acts, *and who had escaped punishment for such acts.*

The fact that this treatment is visited solely upon former President Nixon, where whatever justification for the publication of his papers exists as to him exists equally as to other public officials, including Congressmen, is evidence of its individual, punitive aspect. Indeed, specifically designating an individual as an object of supposedly regulatory legislation is one of the indications of a bill of attainder. *See United States* v. *Brown,* 381 U.S. at 447.

Thus, the passage of S. 4016 in this climate would raise serious questions as to its legitimate purpose and would instead subject it to attack as a bill of attainder.

VII. CONCLUSION

S. 4016, which was conceived and developed in haste following the pardon of Mr. Nixon, is fraught with a number of substantial Constitutional infirmities. The bill is of extremely dubious validity.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 2854

At the request of Mr. Cranston, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis.

S. 3283

At the request of Mr. Inouye, the Senator from South Carolina (Mr. Thurmond) was added as a cosponsor of S. 3283, a bill to grant eligibility for retired pay to certain reservists.

S. 3869

At the request of Mr. Hartke, the Senator from California (Mr. Cranston) was added as a cosponsor of S. 3869, a bill to give employees an advance notification when a Federal installation is to be closed.

S. 3929

At the request of Mr. Fannin, the Senator from North Carolina (Mr. Helms) was added as a cosponsor of S. 3929, a bill to amend the Internal Revenue Code of 1954 to increase incentives for savings and investment.

S. 3985

At the request of Mr. Williams, the Senator from Oregon (Mr. Hatfield), the Senator from Maine (Mr. Hathaway), the Senator from Washington (Mr. Magnuson), the Senator from Michigan (Mr. Hart), and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of S. 3985, the Anti-Dog-Fighting Act.

S. 3990

At the request of Mr. Church, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of S. 3990, a bill to amend title II of the Social Security Act to provide that the special minimum primary insurance amount thereunder shall be increased—in like manner as other benefits thereunder are increased—to take account of increases in the cost of living.

S. 4019

At the request of Mr. Baker, the Senator from Wisconsin (Mr. Proxmire), the Senator from Delaware (Mr. Roth), the Senator from Ohio (Mr. Taft), the Senator from Tennessee (Mr. Brock), the Senator from North Carolina (Mr. Helms), the Senator from Kentucky (Mr. Huddleston), the Senator from Connecticut (Mr. Ribicoff), the Senator from Kentucky (Mr. Cook), the Senator from Ohio (Mr. Metzenbaum), the Senator from Vermont (Mr. Stafford), the Senator from Kansas (Mr. Dole), the Senator from Utah (Mr. Moss), the Senator from Illinois (Mr. Stevenson), and the Senator from New Hampshire (Mr. McIntyre) were added as cosponsors of S. 4019, a bill to establish the Joint Committee on Intelligence Oversight.

S. 4047

At the request of Mr. Proxmire, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 4047, a bill to protect purchasers and prospective purchasers of condominium housing units and residents of multifamily structures being converted to condominium units by providing national minimum standards for the regulation and disclosure of condominium sales to be administered by the Secretary of Housing and Urban Development.

S. 4054

At the request of Mr. Fannin, the Senator from Mississippi (Mr. Stennis) was added as a cosponsor of S. 4054, a bill to exclude from gross income the first $1,000 of interest on deposits in savings institutions.

SENATE RESOLUTION 418—SUBMISSION OF A RESOLUTION RELATING TO PRICE SUPPORT FOR MILK

(Referred to the Committee on Agriculture and Forestry.)

Mr. AIKEN (for himself, Mr. Allen, Mr. Bellmon, Mr. Clark, Mr. Curtis, Mr. Dole, Mr. Eastland, Mr. Helms, Mr. Huddleston, Mr. Humphrey, Mr. McGovern, Mr. Talmadge, and Mr. Young) submitted the following resolution:

S. Res. 418

Whereas the Agriculture and Consumer Protection Act of 1973 requires that the price of milk be supported for the 1974–1975 marketing year at such level not in excess of 90 percent nor less than 80 percent of the parity price as the Secretary of Agriculture determines necessary in order to assure an adequate supply of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain productive capacity sufficient to meet anticipated future needs; and

Whereas in March 1974 the Secretary determined and announced that the support level for the 1974–1975 marketing year would be at the statutory minimum; and

Whereas milk producers have incurred rising production costs of a magnitude that greatly impair their ability to remain in business, and the Nation is faced with the threat of a massive liquidation of dairy farms; and

Whereas milk producers are in desperate need of an improvement in farm income if the Nation is to retain the dairy industry as a basic source of food production: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that, pursuant to the statutory mandate that the price of milk be supported at such level as to assure the maintenance of productive capacity sufficient to meet anticipated future needs, the Secretary of Agriculture redetermine and set the support level at 80 percent of parity for the remainder of the 1974–1975 marketing year, based on the latest available data, thereby enabling milk producers to offset part of their rising production costs.

ADDITIONAL COSPONSORS OF A RESOLUTION

SENATE RESOLUTION 410

At the request of Mr. METZENBAUM, the Senator from Alaska (Mr. GRAVEL), the Senator from Maryland (Mr. BEALL), the Senator from Nevada (Mr. CANNON), and the Senator from Missouri (Mr. SYMINGTON) were added as cosponsors of Senate Resolution 410, supporting the efforts of President Ford in seeking world economic stability and a new understanding between oil-producing and consumer nations.

NOTICE OF HEARINGS ON SENATE JOINT RESOLUTION 119 AND SENATE JOINT RESOLUTION 130

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Indiana (Mr. BAYH), I wish to announce that the Senate Subcommittee on Constitutional Amendments is scheduling further hearings on two proposed amendments to the Constitution: Senate Joint Resolution 119, for the protection of unborn children and other persons, and Senate Joint Resolution 130, to guarantee the right of life to the unborn, the ill, the aged, or the incapacitated.

The next day of hearings will be on Tuesday, October 8 in room 2228 Dirksen Senate Office Building, beginning at 11 a.m.

Any persons wishing to submit statements for the hearing record should contact the Subcommittee on Constitutional Amendments, room 300 Russell Senate Office Building, Washington, D.C.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that today, October 2, 1974, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 1276. An act for the relief of Joe H. Morgan;

S. 2337. An act for the relief of Dulce Pilar Castin (Castin-Casas); and

S.J. Res. 192. A joint resolution to grant the status of permanent residence to Ivy May Glockner, formerly Ivy May Richmond, nee Pond.

ADDITIONAL STATEMENTS

SUSPENSION OF MOST-FAVORED-NATION TARIFF TREATMENT BY RESOLUTION

Mr. ROTH. Mr. President, I intend to offer an amendment to the Trade Reform Act which will permit Congress to suspend or withdraw any new extension of most-favored-nation tariff treatment by concurrent resolution, not subject to a Presidential veto.

The amendment will give Congress a powerful new tool in bargaining with the Soviet Union while not infringing upon Executive prerogatives. The amendment would not take any authority away from the President; it would merely reserve for the Congress the right, not only to give MFN treatment, but to suspend or withdraw it. This would give Congress the same right of termination of suspension for the Soviet Union and other nonmarket economy countries as is currently given to the President under section 403(c) of the House-passed version of the Trade Reform Act.

This new congressional authority is in accord with the constitutional provision giving Congress the power to regulate commerce with foreign nations.

Last week the New York Times carried an editorial expressing concern that the United States may wind up the loser in détente if we do not start giving serious attention to what we can get from expanded trade relations. In the words of the Times, we may find ourselves settling for "minimal tangible benefits" while the Soviet Union extracts "real concessions in return for empty lip service" to détente.

In my judgment, this concern is very well placed. Détente must benefit both sides if it is going to be a firm foundation for a sound and lasting relationship between the United States and the U.S.S.R.

There is no doubt in my mind that the extension of most-favored-nation treatment for the Soviet Union is going to provide the U.S.S.R. substantially greater benefits than it will the United States. Anyone who has traveled to the Soviet Union knows that American technology is on the whole very superior to Soviet technology, a fact which some Soviet officials readily admit. It is clear that a major part if not the major part of Soviet interest in détente is to gain access to advanced American technology.

We should use this opportunity to extract benefits from the Soviet Union and to insure that extended East-West trade is not used by the Soviets for purposes we do not intend and contrary to our national interests.

There is, of course, the possibility that the Soviet Union may use American technology and goods to help build up her own military potential. This is certainly a matter on which Congress must keep the closest vigilance and we should keep a tight rein on trade in case there is evidence that the Soviets are misusing it for military purposes.

I have also supported using trade as a bargaining lever to secure freedom of emigration and freedom from harassment for Soviet Jewry and other minority groups.

I support using trade as a means of achieving American goals in arms control talks. Here again, I think there is widespread concern that in our desire for an improved relationship, we will accept an arms control agreement that gives the Soviet Union greater advantages than it does ourselves. I believe that if Congress is not satisfied that the Soviet Union is negotiating in good faith or in the spirit of strategic equality on a successor to the present interim SALT agreement, Congress should be able to use trade as a means of applying pressure on the U.S.S.R.

I also believe that the United States has a right to expect that the Soviet Union cooperate with us in maintaining world peace and a healthy world economy as a necessary underpinning of détente. In the Middle East, for example, there is evidence that the Soviet Union knew in advance of last year's Arab attack on Israel and did not consult with us to prevent it. Radio Moscow continued to urge the Arab countries to continue the oil boycott at a time when our Secretary of State was working feverishly to end it. If the Soviet Union is genuinely interested in détente and world peace, it should cooperate with us in helping to bring down the price of petroleum which threatens serious worldwide economic repercussions. Certainly, economic hardship is hardly conducive to reduced international tensions.

On all these issues, I suspect that if Congress began a serious move to withdraw most-favored-nation treatment, we would soon find the Soviet attitude much more forthcoming.

Some have argued that it is improper and contrary to the spirit of détente to link trade with other issues such as emigration or arms control. I believe that such separations are artificial and illogical. Détente cannot win the support of the American people if it seems to move forward only in the trade field, where the balance of benefits is largely in favor of the Soviet Union, but remains stalled in other areas of great importance or interest to the American people such as arms control and freedom of emigration.

There is another good reason to use trade as a bargaining lever with the Soviet Union. When we grant nondiscriminatory tariff treatment to another free market country, we always get something in return, namely, most-favored-nation treatment in that country's market. But because the Soviet economy is a planned, not a free market economy, there is really no such thing as most-favored-nation treatment in the Soviet economy. American goods cannot compete there because what is imported does not represent individual purchases by Soviet consumers based on price and quality comparisons but rather decisions by Soviet government officials on what should be imported after internal production levels are established. Consequently, it makes sense to seek an equivalent in the human rights area, arms control area, or political area to the economic concession we would normally receive from another free market country for our grant of MFN.

The amendment I am offering will be a

strong and permanent bargaining tool for the Congress. It can be used at any time, not just at discrete intervals. It can be used for any purpose, and is not just limited to one or two issues. It would have to be used responsibly and I think Congress could use it responsibly to promote a real détente equally beneficial to both the United States and the Soviet Union.

DISTRICT OF COLUMBIA PRISON POLICY

Mr. HARRY F. BYRD, JR. Mr. President, the action of the Attorney General in requiring strict limitations on the furlough program of the District of Columbia Corrections Department is sound and commendable.

A number of problems have been associated with this furlough program, particularly as it has been applied at the Lorton prison facility in Fairfax County. The residents of Fairfax County in the Lorton area have long been fearful of violence at the hands of Lorton inmates to whom furloughs have been improvidently granted.

Two recent incidents, the latest in a long series, have focused attention on the ill-advised Lorton furlough policies.

The action of the Attorney General came on the same day that it was disclosed that a twice-convicted rapist, who had served 2 years of an 8-year minimum prison sentence, has been missing since he failed to return from a furlough last Saturday.

A week ago today, a convicted murderer who was on a furlough from Lorton to serve as an "entertainment coordinator" at a D.C. Corrections Department facility in Northeast Washington was arrested boarding a New York-bound Metroliner with a sawed-off shotgun and four shells in his possession.

Certainly a tightening up of furlough policies in D.C. facilities is in order, but the action of Attorney General Saxbe will not solve all the problems at Lorton.

The internal operation of the prison, especially as regards security, needs to be changed. Some of the violent acts committed by Lorton inmates have been carried out by those who have escaped from the prison complex without a furlough.

I have supported legislation which would transfer administrative responsibility for Lorton from the D.C. corrections department to the Federal Bureau of Prisons, and it may be that such a step will be the only solution in the long run.

However, Attorney General Saxbe's tightening of the furlough rules is certainly a step in the right direction.

Under the Attorney General's order, prisoners convicted of violent crimes who have more than 6 months of their sentences remaining to be served can be placed on furlough only by the specific written permission of the District of Columbia director of corrections, who must justify his action in writing to the mayor.

The Attorney General's action brings furlough standards for the District of Columbia more in line with those of the U.S. Bureau of Prisons. Hopefully this will result in clamping down on the operation of what has been a lax and dangerous system.

WASTEFUL SPENDING BY THE FEDERAL GOVERNMENT

Mr. HARRY F. BYRD, JR. Mr. President, on Tuesday I began a series of speeches in the Senate, which I shall continue until the adjournment on October 11, outlining examples of wasteful spending by the Federal Government.

I think more and more Americans are becoming concerned about the spending habits of their Government, which every year piles up a new deficit that adds to inflation and squanders the hard-earned resources of the people.

Our national debt is appoaching the half-trillion-dollar mark, and will reach it in a few more months. The financing of this staggering debt forces the Government to borrow 62 percent of all the lendable funds in this country. Obviously, this forces interest rates upward and makes capital extremely difficult to obtain.

Yet in the midst of this inflationary crisis, the spendthrift habits of the Government stand unchanged.

I cited a number of examples yesterday. I shall add a few more today.

Under a research program sponsored by the Department of Health, Education, and Welfare, a grant of $13,555 was made for "Sociolinguistic Analysis of Oral Media-Arbic in the Arab Republic of Egypt." Earlier this year, I had the opportunity to visit with President Sadat of Egypt, but for some reason Mr. Sadat failed to express his gratitude to the United States for underwriting this vital work.

The Department of Defense has helped us guard the sealanes of the world by paying out $44 million for torpedo targets that do not work well enough to be used at sea.

And 32 of these remarkable targets have actually been produced, which means they each cost about $1.3 million. The Navy has admitted to Congress that although the targets, designated the Mark–30, were intended to be used in the open sea, they have been used exclusively on ranges. It seems that problems in the Mark–30's guidance units make it hard to recover the targets at sea.

Perhaps we should be grateful that all 32 have not been lost in the ocean. I believe we would have more reason for gratitude if someone had checked out the operability of the targets before the taxpayers were out $44 million.

The National Endowment for the Arts displays great imagination in disbursing the hard earned tax funds of the American people. For a mere $6,500, the taxpayers were given a raft float performing theater which operated on the Mississippi River. But that was not enough, so a filmmaker was awarded $8,000 to go along and film the theatrical performances.

Never content to waste money at home, the Government distributes its largesse freely to willing recipients anywhere. The Inter-American Foundation, for example, spent $10,017 in Mexico in support of community theater, fiestas, movie forums, and a newspaper "to format a sense of community" among Mexican slum residents.

The expressed aim of this program is to provide a means for organizing for "social action." In hope the authorities in Mexico will be duly appreciative of our efforts.

Turning back home again, it is instructive to look at the many faceted efforts of the National Science Foundation.

A project in psychobiology and neurobiology asks these questions: "How does a homing pigeon find its way home? How does a rat learn to avoid poisoned bait? How different are the cognitive abilities of apes from man?" Probably not very different, one might reply, since we are providing $10.5 million for this program.

Mr. President, it may well be that some or all of these projects I have outlined today, and those that I shall be describing in the days ahead, are eminently worthwhile.

But I raise this question: are they appropriate uses of funds paid into the U.S. Treasury by the working people of this country?

Can we defend such uses of tax funds, particularly at a time when inflation is eroding the purchasing power of every paycheck?

THE OLD SHELL GAME

Mr. ABOUREZK. Mr. President, Mr. Robert Sherrill, the well-known political scientist and author of the recent book, "Saturday Night Special," has written a highly illuminating article in the October issue of Penthouse. Sherrill's article, "The Old Shell Game" reviews the history of scare campaigns by the major oil companies, campaigns which the companies used to deceive the American people.

Sherrill pulls no punches. The major oil companies after every so-called shortage crisis have emerged richer, more powerful, more concentrated, and more able to exert their will on the country.

This article should be read by all those who do not understand the enormous economic and political power wielded by a few multinational corporations.

Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Penthouse magazine, October 1974]

The Old Shell Game

(By Robert Sherrill)

In mid-July 1973, the Federal Trade Commission filed a weighty antitrust complaint against eight of the world's largest oil companies—Exxon, Texaco, Gulf, Mobil, Standard of California, Standard of Indiana, Shell, and Atlantic Richfield—charging them with unlawfully monopolizing refining, driving competitors out of business, manipulating supplies to create a gasoline scarcity, and reaping excessive profits.

A few months later, Japan, now one of the largest consumers of petroleum products, indicted executives of twelve major oil-refining firms for conspiring to fix prices and to curtail production. This was the first criminal charge against a cartel in Japan's twenty-seven-year history of antitrust activity.

Such actions as these do not foretell a loosening of the oil industry's stranglehold on the world, however. Most probably, the above legal fights will be dragged out in court for many years before coming to an inconclusive ending in compromise.

But at least these actions may indicate that a desperate public is at last beginning to wise up to the fact that it cannot go on playing the game of supply-and-demand by the oil industry's whimsical rules. And perhaps the public is beginning—just beginning, in a feeble way—to convey its desperation to some of the governments around the world. That would indeed be a radical change from the past.

For fifty years the major international oil companies have manipulated prices in the United States—and recruited public opinion and government policy to support the manipulations—by a series of fear campaigns that have seldom been challenged.

Since the 1920's, when only one out of every seven Americans owned a motorcar (compared to the one car per two adult Americans today), the national economy and the public's comfort have depended on the automobile. This has provided a perfect context for industrial blackmail, and the oil industry has seized the opportunity, not only to obtain higher prices but to force the State Department and the Justice Department to do its dirty work—by collusion if not always by direct involvement. And the press, whose owners have long been richly subverted by automobile and gasoline advertising, has, with very few exceptions, played along with the industry's game.

An accusation like this will be offensive to most Americans, of course, because it implies that we are a nation of suckers, but there is more than enough proof of its accuracy.

First let us put the present claim of an "oil crisis" in the proper perspective. There have been other "crises"—all of them as phony as this one and all of them contrived for similar reasons. Among men in the industry, these recurring crises are an old, old joke. Fifteen years ago, in a Senate speech little noticed at the time, Senator Russell Long of Louisiana, an oil millionaire himself and a defender of plunder, got to laughing with his Senate colleagues about some of the great hoaxes of the past.

Long ticked off a few examples—the "crisis" of 1914 was one of the best. In that year, Britain was about to enter World War I and had just converted her navy from coal to oil, so it was absolutely vital that her supply of oil be uninterrupted. Obviously, Britain—and France, too, for that matter—were ripe for plucking. All our oil men needed to do was to present a picture of scarcity. This was easy to arrange. In 1914 Standard Oil, monarch of world oil at the time, supported by statements from the U.S. Bureau of Mines (which has always been in the industry's pocket), announced that the United States was down to its last 5.7 billion barrels of oil reserves—scarcely enough to last out the decade—and after that there would be no more. Oil had clearly become a precious commodity. Up went the price.

When the war ended in 1918, the oil companies—instead of running out of oil—were stuck with a surplus. If they had allowed the law of supply and demand to rule prices, oil would have become cheap. To correct that situation the companies contrived another "crisis" in 1920. This time, they persuaded the U.S. Geological Survey to announce that domestic oil production would start to decline sharply within three years, with no hope of recovery. Shortages were reported all over the country—just like today. Gasoline was rationed in California and Oregon. The magazine *Automotive Industries* reported on August 25, 1920, "It is alleged that the shortage of gasoline [in California] was fictitious and due to manipulation. Allegations are made that the refineries created the shortage by shipping gasoline from Los Angeles to northern parts of the state and then, after waiting until the price advanced, bringing it back again for sales purposes."

It worked. When prices reached thirty-seven cents a gallon—which would be about $1 a gallon by today's prices—the "shortage" disappeared.

But only for a moment. The major U.S. oil companies, especially Standard Oil, were running into stiff competition overseas. By the early 1920's, British oil companies had cornered much of the potential production domains of the Middle East, and were making significant inroads into South American, Mexican, and Dutch East Indies oil lands. American companies feared that they were going to be cut out of the world's booty unless they could frighten the public into supporting a foreign policy that would help American oil companies get foreign leases, "for the national security."

The industry's propagandists began to circulate rumors that we were running out of oil, while Britain was cornering the world's oil market. In fact, they said, we had only enough to last six years—after which we would be at the mercy of Britain, unless something were done. These rumors were so successful that there was actually serious talk in Washington about having to go to war with Britain. That talk ended when the British decided to split the Mideast booty with Standard Oil.

The British weren't fooled. In *The Oil Trusts and Anglo-American Relations*, published in 1924, British writers E. H. Davenport and Sidney Russell Cooke noted wryly, "There is this strange habit peculiar to the American oil industry which one should observe in passing. Although it doubles its output roughly every ten years . . . it declares every other year that its peak of production has been passed and that its oil fields are well-nigh exhausted. . . . Nevertheless new pools are continually producing wells brought in to replace those declining, and each year the total output turns out to be surprisingly greater than the year before. One cannot doubt that the lugubrious prophecies of American oil men are in some way related to the wish for higher prices."

Two years later, having trouble with the pesky Mexicans, who didn't like the idea of Amercans stealing their oil, U.S. companies pressured the State Department into strong-arming the Mexican government to allow higher imports into this country. The pressure came with the usual prophecy that the U.S. had only enough oil to last another six years.

During World War II, President Roosevelt and his Interior Secretary, Harold Ickes, tried to get Congress to set up a government-owned corporation, the Petroleum Reserve Corporation, to buy out the Saudi Arabia concessions of Texaco and Standard Oil of California. This would have been the first giant step toward the public's winning independence from the international oil cartel. But the latter successfully pulled its old crisis trick again. In 1947 the industry announced an imminent shortage—Standard Oil of New Jersey claimed it might not be able to last beyond 1955—and declared that our wells were running dry. The only hope, they said, of preserving American industry and the American motorist was to give private industry not only a free hand in the Middle East, without U.S. government interference, but to encourage the private oil companies with large tax benefits from their overseas operations.

This crisis paid off immediately. The multinational oil giants began carving up the Middle East fields that very same year, 1947, and they did so with a secret promise from the U.S. Justice Department that there would be no prosecution for antitrust violations. Still-classified National Security Council documents show that in 1954 the government turned over our Middle East foreign policy to the oil corporations.

These corporations were further encouraged to exploit the Middle East by a foreign tax credit that was secretly contrived by the National Security Council in 1950 and secretly agreed to by the U.S. Treasury Department. This "golden handshake" permitted the oil companies to deduct from their U.S. taxes all royalties paid to the Middle Eastern governments, dollar for dollar. Thus the oil companies were encouraged to sink money into explorations around the Persian Gulf and to neglect oil explorations at home.

By the mid-1950's the world was awash with oil. The big companies had been so successful in finding oil all over the globe that they didn't know what to do with it. The world price for oil was low indeed—about $1.50 a barrel below what oil was selling for in the United States. And the oil companies were afraid to import much of the cheap foreign oil lest U.S. prices drop.

So in 1959, claiming that the U.S. domestic companies were imperiled by imported foreign oil and that we faced a shortage of petroleum products because of the lack of exploration in this country, multinational giants persuaded President Eisenhower, always a willing fall guy for the industry, to establish an oil-import quota—allowing only a relative trickle of the foreign supply into this country.

This brings us to the present—the era of the big kill. The profits reaped from scare techniques of the past were nothing compared to what the future could hold. But the industry was now dealing with a more sophisticated citizenry, a citizenry grown somewhat accustomed to cries of havoc. The industry would obviously have to tread more cautiously, prepare its deception more carefully, building a momentum that could not be withstood. It succeeded very well indeed.

To show how it proceeded, we will break down the assault into two waves—natural-gas price propaganda and oil (gasoline, fuel oil, propaganda—so that it can be understood more clearly.

THE NATURAL-GAS SHORTAGE MYTH

Natural gas supplies Americans with about one-third of their total energy.

Natural-gas prices have supposedly been regulated in interstate commerce since 1938, with the rates set by the Federal Power Commission. The FPC did its job in a very loose fashion, but prices remained low nevertheless because there was not much demand for natural gas in those days. In 1954, as demand began to build up, the federal courts ruled that the FPC was doing a lousy and incomplete job in controlling natural-gas prices and that it should regulate the sale of natural gas not only in the pipeline but also at the wellhead.

Industry's first effort to undercut that ruling came in 1956, when it laid enough money around to persuade Congress to pass a law deregulating natural gas. But that effort was ruined—and Eisenhower, to his annoyance, was forced to veto the law for public-relations reasons—when it came to light that oil and gas lobbyists had in fact been bribing members of Congress.

But in those balmy Republican days, when business got by with just about anything, the FPC largely ignored the courts' edicts anyway. When President Kennedy took over in 1961, however, and his FPC appointees began doing a better job of controlling prices, the industry went back to court in an effort to smash the price-control machinery. It claimed it needed higher prices because the natural-gas supply was dwindling critically. In the interim, while the case made its way to the Supreme Court, the industry kept a low profile by maintaining reasonable prices.

In 1968 the Supreme Court ruled that the FPC's price control policy was fair and that there was no substantial evidence that natural-gas reserves were geting low. In fact, the Court noted that each year industry discovered more new reserves than it produced. In other words, after a careful study ranging over several years, the Supreme Court came to the conclusion that there was no natural-gas shortage, no foreseeable shortage, and, by implication, that prices should *not* be allowed to balloon until such a shortage might exist.

At that, the oil and gas industrialists became furious. They determined to rid themselves, once and for all, of government price regulations. If the Supreme Court demanded proof of a shortage before it would go along with industry, then industry was prepared to juggle the record to show just that.

For the first time in history, industry began to claim that it was finding less natural gas than it sold—*after* it had conclusively lost in court. It has been claiming the same thing for every year since.

Do your own investigating on this point. There was not a single magazine article on the topic of energy shortage before the 1968 Supreme Court ruling. Then, all of a sudden, there was a great flurry of articles, a small explosion of concerned chatter, appearing in magazines notorious as industry mouthpieces—*Nation's Business*, *U.S. News*, *Forbes*—heralding an imminent shortage of natural gas. For the first time in the history of U.S. journalism there appeared a general-circulation magazine article with the headline, "Looming Crisis in Natural Gas." Industry's propagandists had begun to shovel it out to their pals in the press.

Pure blackmail. Yet at the beginning of the natural-gas fear campaign, there was an interesting hesitation. Apparently industry was nervous about the public emotions it was stirring up. After all, if the citizens became hysterical, they might do something drastic—like nationalizing the oil and gas industry. So for a while the industry propagandists moved slowely. Even as late as 1971 they were hesitating to claim an outright shortage.

In a full-page advertisement in the *Wall Street Journal* of October 22, 1970, the soothingly: "Recent reports of natural-gas shortages in various parts of the country have apparently led to speculation that we are running out of natural gas. Now this is simply not true. . . In fact, geologists estimate that proven and potential supplies are over seventy times our present annual consumption rate."

There was no *real* shortage of gas underground, said the industry, but there was an *effective* shortage of supply simply because the industry wasn't getting a high enough price. In 1971 advertisements began to appear in *Life* and other national magazines, paid for by the American Gas Association, assuring Americans that there was no reason to lay in a supply of wood and peat because "there's no worry that your home will run short of gas. . . . We've been serving you for 100 years—and we don't intend to stop now." However, the American taxpayer was asked to bear one little burden: "It will take higher prices to keep the gas coming."

Later the industry started playing really dirty. In 1971 James T. Halverson, director of the Federal Trade Commission's Bureau of Competition, uncovered evidence that some of the companies were lying about their natural-gas reserves, disclosing only one-half to one-tenth of their true reserves to the government when they came around asking for rate increases.

John W. Wilson, a career employee of the Federal Power Commission (you must remember that many of the FPC's career people are honest; it's just the politically appointed commissioners who turn crooked as a matter of policy), told the Senate Antitrust Subcommittee that at least thirteen major producers of natural gas understated their reserves in reports to the FPC. As one example, he pointed out that five companies claimed to have no "available" natural-gas reserves but within weeks thereafter reported to the FPC that they had signed contracts to sell huge amounts of the gas they had claimed they didn't have.

But the industry's fear campaign and its dishonesty and deception have paid off. Since Nixon took office, the Federal Power Commissioners he appointed have raised natural-gas prices more than 300 percent, giving the excuse that gas was scarce and that the increases would encourage producers to look for more.

The industry has also destroyed the old mechanism of setting the price of natural gas according to the cost of production. In 1972 the natural gas companies began to set prices on the basis of what the market would bear—that is, how much the public would stand still for. The Consumer Federation of America estimates that the FPC's new rate-making procedure will add $500 billion or even $1 trillion to consumer's gas bills over the life of the nation's reserves.

THE OIL-SHORTAGE MYTH

As we pointed out earlier, the international companies' problem in the 1950's and 1960's was not an oil shortage—however much they pretended to be on the brink of one—but a massive oil surplus, so massive that they radically reduced explorations for new fields in the United States (this reduction continued on into the early 1970's; there were only half as many new wells brought into production in this country in 1972 as in 1952). Meanwhile, oil was so plentiful in the rest of the world that it was getting to be a real burden to the marketers. It was so plentiful, in fact, that in 1959 the major oil companies told the Middle East countries that they were going to pay them less for their oil. This sleazy trick on the part of Standard Oil *et al.* made the Middle East oil-producing nations think about organizing to protect themselves. The very next year, 1960, they came together to establish the Organization of Petroleum Exporting Countries (OPEC)—an organization that is responsible for much of today's high oil prices. It was created because of the Arabs' hatred for the stinginess of the Western oil moguls, who wanted to rob not only the consuming nations but the producing nations as well.

Still, OPEC was a long time pulling itself together. It was organized but it wasn't running smoothly and there was still great rivalry among the producing nations. So the oil companies continued to play the sheiks against each other and to run the Middle East through the 1960's.

And they ran it, naturally, in such a way as to keep the supply down and prices up. Secret documents circulated in 1968 within the industry by Standard Oil of California show that industry leaders were gravely concerned about a "large potential surplus" through 1973, and the possibility that when oil began to flow out of the Arctic there would be "extending and magnifying surplus supply problems." Standard of California officials proposed slashing production wherever possible. They were afraid that they could not make "politically palatable" cuts in production in Saudi Arabia and Iran, because the rulers of those countries were getting restless; but according to these private documents, the Standard officials thought they could get by with reductions in Egypt, Nigeria, Libya, Latin America, and Indonesia.

As was the case with natural gas, you will look in vain if you seek to find any warning of an impending oil shortage in any newspaper or national magazine during the 1960's. This was the "quiet decade," in which the major companies lay low on prices. They had other dirty work to do. During the ominous quiet of the 1960's, they began cornering other energy fields, knowing that when the time came to boost oil prices, the prices of other energy commodities would also soar. Directly, or through corporations in which they held interlocking directorships (directors of the eighteen largest American oil companies in 1974 interlocked 132 times with the boards of banks and other financial institutions, which of course interlock in turn with other major nonenergy corporations), they seized nine of the ten top coal-producing companies that took the lead in leasing 253,000 acres of federal coal. Most of this treasure was cornered when there was still no public discussion of an upcoming energy crisis, and long-term coal leases could be had for pennies. Some of the rich coal deposits were obtained for a yearly rental of twenty-five cents an acre. Such northern Great Plain states as Wyoming, Montana, and North Dakota are well on their way to becoming colonies of the oil-coal companies. In the years ahead they will be scalped by strip-mining machines to feed several hundred plants in which coal will be converted into natural gas and gasoline.

The oil companies were also grabbing 50 percent of known uranium reserves and 25 percent of uranium milling capacity in the 1960's. And let's not forget their takeover of the oil-shale deposits on federal lands, which both Democratic and Republican administrations allowed them to cover at dirt-cheap prices.

From 1968 to 1970, when world demand for oil was soaring, the Shah of Iran tried to persuade the Iranian Oil Consortium, in which Exxon is dominant, to increase production. The Consortium refused. During this same period, Saudi Arabia was trying to convince its producing agent, the Arabian-American Oil Company (ARAMCO: Exxon, Standard Oil of California, Texaco, Mobil) to increase production, but ARAMCO also refused. And Canada was trying to induce the United States to import more of its oil. But the major companies blocked all such offers, claiming America didn't need the foreign oil. In the spring of 1969, M. A. Wright, chairman of Humble Oil (Exxon), assured a Senate antitrust subcommittee that domestic fields alone would be able to meet 82 percent of our oil needs through 1985. (Nowadays, of course, with the "crisis" launched, the industry has adjusted its prediction downwards—now it says domestic oil production will meet only 50 percent of our needs in 1985).

The oil surplus of the 1960's was evidenced in the Green Stamps and free cocktail glasses that were given away to entice customers. Prices were relatively steady between 1959 and 1969, wholesale petroleum prices went up only 5.5 percent, about half as fast as the general wholesale-price index was climbing. But the major oil companies were not unhappy with the prices, for the moment. They used the period to launch massive price wars on the independent producers, on independent refiners, and on cut-rate retail service stations. The majors were immensely successful, measuring their success by the plight of the independent producers alone—whose population dropped from 20,000 to 10,000 in the past fifteen years. (This was a bit of overkill, for the eighteen largest oil companies already controlled 70 percent of the production of American crude oil, controlled 80 percent of domestic refinery capacity, owned 99 percent of the nation's pipeline capacity, and marketed about 72 percent of the gasoline sold in the United States.) Only after wiping out potential competition could the major international oil companies be guaranteed that their fear campaign would work—when they were ready to launch it.

As part of their planned long-range shortage, the oil industry also refused to build enough refineries in the 1960's to take care of future needs. In the past ten years, fewer than half a dozen major refineries (over 50,000 barrels-a-day capacity) were built in the U.S. The industry magazine, *Oil & Gas Journal,* appraised this period euphemistically as "a lull in construction to let demand catch up a bit." Moreover, not one new domestic refinery was built in the last four years, though consumption was soaring.

Meanwhile, however, the international giants were pouring money into overseas refineries and overseas retail outlets. They were, in short, rearranging their operations in such a way that when they put the U.S. market in a vise, they would go on operating at their usual pace in other countries.

The biggest companies—Exxon, Texaco, Gulf, Mobil, Standard of California, etc.—had been quietly shifting their focus to the overseas market for twenty years. In the early 1950's these companies—which are still viewed erroneously as "American" companies, when in fact their allegiance departed these shores long ago—were selling most of their oil products to the U.S. market. By the early 1960's they were selling only about 50 percent of their products here. By the start of this decade, two-thirds of their market was in Europe and Japan.

Let's pause a moment to recapitulate. Up to this point, we have seen the major international oil companies build toward the oil crisis by (1) forcing independent competitors out of business, (2) cutting back on production in the rich Middle East fields and refusing to import more of the available oil in Canada, (3) failing to build needed refineries, (4) refusing to increase oil explorations in the United States, and (5) shifting the bulk of their marketing to Europe and Japan, where there is no domestic oil production and consumers are even more at their mercy than are U.S. consumers.

All of this was being aimed at the 1971–1974 showdown. Now they were ready to cry crisis. They blamed many things—a cutback in production by Libya, a pipeline rupture in Saudi Arabia, a scarcity of tankers. But there was an interesting aspect to the timing. The oil industry had started complaining about a "shortage" and had started pushing up its prices in *April* 1970, but the Arabian pipeline didn't break until *May* and the Libyan cutback occurred sometime thereafter. As for the tanker shortage, only about 3 percent of our oil was being imported by tanker from the Middle East, and this amount could easily have been made up from sources closer to home.

When this fishy timetable was put together in testimony before a House investigating committee in 1971, Massachusetts congressman Silvio Conte correctly concluded that the price of oil had not been pushed up by logical and justifiable conditions in the marketplace but simply because "there was a conspiracy among the oil companies." As Conte put it, "it is either conspiracy or a gross miscalculation by the oil companies. And I can't believe that the oil companies would miscalculate the situation, because they certainly have the finest backup force of any industry in the world, and they very, very seldom make a miscalculation."

When the companies began their oil-shortage scare, they laid it on with a passion. In 1971, six of the largest firms (Exxon, Shell, Amoco, Gulf, Mobil, and Texaco) shoveled more than $110 million into advertising. The next year, four companies alone—Exxon, Shell, Texaco, and Gulf—spent $137 million on "crisis" advertising, and the American Petroleum Institute spent another $3 million.

But the industry didn't rely on propaganda alone. In 1972, the nation's ten largest oil companies increased the pinch by deliberately slowing down their refinery output by 3 percent, according to the Senate Permanent Investigation Subcommitee staff. And, according to Senator Frank E. Moss, the major oil companies stored—hid—about eleven million barrels of home heating oil on the East Coast during the winter of 1972 while Americans in the Upper Plains states suffered severe shortages. Their screams helped condition the nation.

The October 1973 outbreak of the Arab-Israeli war gave the international giants exactly the crisis atmosphere they needed to really tighten the screws. (Convenienly, the war started within a few months after the U.S. oil-embargo program, started in 1959, ended. If the war hadn't come up, the oil companies would have had a hard time thinking up an excuse to keep Mideast oil out of the U.S.) The sheiks of Saudi Arabia, Kuwait, and other oil-rich kingdoms of the Persian Gulf grandly announced that they were embargoing oil to the United States and the Netherlands because those two nations were friendly to Israel.

At once the Nixon administration and the oil companies declared an emergency. They said we would shortly be starving for oil. Nixon grimly warned the nation that there was no way to make up the 17 percent of our oil that came from the Persian Gulf area. But that 17 percent figure was, to put it politely, a lie. We were getting only 6 percent of our oil from that area of the world (according to many reputable sources, including the Organization for Economic Cooperation and Development, which represents the major non-Communist industrial nations). Furthermore, the embargoed Mideast oil could easily have been made up from other sources. Robert B. Stobaugh, coordinator of the Harvard Business School Energy Project, pointed out that the crimping of shipments from the Mideast was not so important because "about half of the non-Communist world's crude oil production outside of North America is controlled by eighteen U.S.-headquartered oil companies, principally Exxon, Texaco, Gulf, Standard of California, and Mobil. These firms, along with other big oil companies such as British Petroleum and Royal Dutch Shell, can switch Arab oil to countries now using non-Arab oil, thereby making non-Arab oil available to the U.S."

The Netherlands, supposedly being embargoed by the Arabs, wasn't suffering at all. Jack Bax, a press aide for the city of Rotterdam, Europe's largest oil port, told reporters in January, "Personally I think the whole thing is a hoax."

The Shah of Iran (where the Consortium still had seven big fields closed down) thought the U.S. was also being hoaxed. Referring to the so-called Middle East embargo, the Shah told TV interviewer Mike Wallace in February, "Why should you care about that? You are not short of oil." He went on to say that the U.S. was then importing "more oil than at any time in the past," sidestepping the phony embargo simply by shuffling the oil from one nation to another. Asked if he thought the companies were defrauding the public, he replied, "Well, something is going on for sure."

Something was indeed going on. On December 9, 1973, Washington Post reporter George Wilson disclosed that, according to the American Petroleum Institute's own figures, the major companies were pumping 16 percent less oil from U.S. wells than they could have. A month earlier it was discovered that the United States companies had been exporting oil at a rate five times the normal level. The push for a contrived scarcity in the United States was well under way. (But there was no scarcity in Europe, where the price was right. On May 15, 1973, Amoco placed a full-page advertisement in the Financial Times of London soliciting new industrial customers and promising "secure" gasoline. Five days later Amoco placed a two-page advertisement in the Washington-Star News, explaining that its American customers would "have to get by with a little less for a while, so there'll be enough to go around.") In March 1974, as gasoline lines in the U.S. were stretching for blocks, international oil brokers in Vienna reported that American petroleum companies had offered two million tons of crude oil in European markets at prices below current market levels. Two economists with the Federal Power Commission admitted in testimony before the Senate Antitrust and Monopoly Subcommittee that the major oil companies were withholding from production untold quantities of oil and natural gas on 800,000 acres of leased land off the Louisiana and Texas coasts. At the same time, the majors continued to butcher their weak competitors, the independent refineries and the cut-rate retail dealers, simply by cutting off their supply of oil and gas. More than a thousand independent dealers went out of business in 1973.

THE RESULTS

The results are the same as after every "shortage crisis" this century: prices shot up, and the industry became more concentrated and more powerful and more uncontrollable. In May 1974, Senator Philip Hart, chairman of the Senate Antitrust Subcommittee, announced that oil and gasoline price rises during the previous year alone had cost consumers $35.5 billion and that the annual cost-increase would continue at that level—until the oil companies decided to scare the prices even higher, of course. Each penny added to the price of a gallon of gasoline was said to put an extra billion dollars in the pocket of the oil industry. Profits for the top ten oil companies alone were expected to hit $7.8 billion in 1974—an increase of 51.2 percent over 1973. The oil industry's profits had already risen 60 percent in 1973, a year that saw the top twenty-one companies earn $10 billion—a dazzling record in the history of U.S. industry. Marathon Oil profits were up 97 percent, Gulf up 86 percent, Standard Oil of Ohio up 75 percent, and so forth.

The facts behind the "shortage" started surfacing earlier this year, when leaders of the industry began saying openly that they knew where plenty of oil and gas could be found—at the right price. Jim Langdon, chairman of the Texas Railroad Commission, which controls oil production in that state on behalf of the major companies, went so far as to say, "If this country wants to spend the money to do it, we can compete with the Arabs for the world oil market."

In January 1974, when the gas-station lines were just beginning in some parts of the country, a Washington economist predicted, "Last January, regular gasoline cost about thirty-eight cents a gallon on a national average, including taxes. By the end of December it was up to forty-four cents. When it gets up to fifty-five or sixty cents, the country might suddenly discover sometime in mid-1974 that the oil shortage seemed to be over."

And that's what happened. History was simply repeating itself.

FREEDOM OF INFORMATION ACT

Mr. MATHIAS. Mr. President, the Senate has agreed to the conference report on H.R. 12471, the Freedom of Information Act Amendments of 1974. As a member of the Judiciary Committee Subcommittee on Administrative Practice and Procedure and as a Senate conferee on this legislation. I supported these amendments. I think that they are important additions to the right of access to information which is essential to a free and open society.

In 1966, when signing the Freedom of Information Act into law, President Johnson said:

> I signed this measure with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded.

These amendments can be a source of further pride for our democratic institutions.

This legislation contains a number of major provisions which deserve comment:

Under the legislation, agencies will be given definite time limits to respond to requests for information.

This legislation contains provisions which will allow the recovery of attorney's fees in proper cases. Hopefully, this will speed flow of information from agencies wishing to avoid such awards.

Government officials who withhold information arbitrarily or capriciously will be subject to disciplinary procedures initiated by the Civil Service Commission.

The legislation provides for in camera review of classified documents. This clarifies congressional intent to override the Supreme Court decision in EPA against Mink.

Investigatory files are to be made public except in the case of certain enumerated exceptions, which include safeguards against endangering the life or physical safety of law enforcement personnel.

Some of these provisions were controversial. Some of these provisions required compromise in committee and in conference. President Ford, in one of his earliest acts after assuming office, participated in the work of the conference by sending a written communication to the conference in which he expressed a number of concerns and made a number of suggestions. I believe that these concerns were met for the most part, although Senators may disagree on this point.

Long ago, when the Republic was young, Samuel Johnson wrote, in his "Lives of the English Poets":

> If nothing may be published but what civil authority shall have previously approved, power must always be the standard of truth . . .

Such approval or disapproval comes when Government can retain information unto itself and is dangerous to democratic government, like censorship at the presses. I believe this to be the principle of the Freedom of Information Act. With the amendments to the act enacted at this time, we are furthering that principle.

SENATE CAFETERIA PRICES SOAR

Mr. HUMPHREY. Mr. President, coming on the heels of the 5.5-percent pay raise for Federal workers is an increase of 25 percent and more in the price of food served in the Senate cafeterias. I question this method of taking back the pay increase for Senate employees.

While McDonalds is selling its hamburgers for 30 cents, it will cost you 75 cents—up from 60 cents—to get a similar one at a Senate cafeteria. The House of Representatives cafeteria manages, somehow, to sell the same hamburger for 50 cents. Cheeseburgers in the Senate are 95 cents, and in the House cafeteria they are 65 cents. At McDonalds, cheeseburgers are 37 cents. A bowl of soup will be 45 cents in the Senate—up from 35 cents.

Mr. President, I wish the dairy farmers in Minnesota could share in the Senate's profit from milk. A one-half pint carton of milk goes for 25 cents. That amounts to $1 a quart, or $4 per gallon.

The price of chili rose better than 30 percent—from 65 to 85 cents. Over on the House side, where prices have not gone up, chili goes for 55 cents.

Both Houses' cafeterias are supposedly run on purely a self-sustaining, and not a profitmaking basis.

Mr. President, I do not understand how the House cafeteria is able to operate effectively with an overall 25 percent lower cost to the employees who eat there. The price difference surely could not result from the difference in the quality of the food. The quality of the food served in the Senate—especially in the snack bar in the Russell Office Building—is quite another matter.

I am hopeful that consideration will be given toward reversing this inflationary move.

Mr. President, I ask unanimous consent to have printed in the RECORD a chart showing the old and new prices for selected items sold in the Senate cafeteria and comparing these with prices in the House cafeteria.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

SENATE AND HOUSE CAFETERIA PRICES

	Old Senate price	House price	New Senate price
Soup	0.35	0.35	0.45
Cottage cheese	.25	.25	.25
Cottage cheese and fruit	.60	.55	.70
Hamburger	.60	.50	.75
Cheeseburger	.80	.65	.95
Chili	.65	.55	.85
French fries	.35	.30	.45
Hot dog	.40	.40	.50
Milk	.20	.20	.25
Grilled cheese	.35	.50	.50
Grilled ham and cheese	1.10	1.00	1.30
Grilled bacon and cheese	.80	.70	.90
Grilled tomato and cheese	.80	.55	.90
Ham and cheese sandwich	1.10	.80	1.30
Pudding	.25	.25	.25
Crackers	.05	.03	.05
Lettuce wedge	.35	.35	.50
Lettuce and sliced tomato	.35	.35	.50
Tossed salad	.35	.30	.50
Milk shake	.40	.35	.45
Cake	.30	.25	.35
Ice cream (per scoop)	.20	.30	.25
Bacon (per slice)	.15	.15	.20
Sausage	.20	.35	.25

*Figures supplied by House and Senate cafeterias.

THE DEVELOPMENTALLY DISABLED ASSISTANCE BILL OF RIGHTS ACT—S. 3378

Mr. TAFT. Mr. President, the Developmentally Disabled Assistance Bill of Rights Act, S. 3378, which passed the Senate yesterday, extends and broadens the mental retardation legislation of the past decade. I have long supported and worked for legislation to benefit the mentally retarded and developmentally disabled and enthusiastically endorsed this measure.

There are approximately 9 million persons in the United States who are developmentally disabled. With appropriate encouragement and assistance, many developmentally disabled can become productive members of society. To accomplish this, we must have the cooperation of Federal, State, and local governments.

In my home State of Ohio, the division of mental retardation and developmental disabilities in the Ohio Department of Mental Health and Mental Retardation is the agency responsible for the promotion of comprehensive statewide programs and services for mentally retarded individuals and their families wherever they reside in the State; administrative leadership for statewide services which are wholly or partially financed by the department. These services may include preschool and school-age classes, adult activities, sheltered workshops, and residential care.

The division of mental retardation and developmental disabilities has established district offices throughout the State. These district offices are responsible for obtaining information about, and referral to, services specifically required by a developmentally disabled individual, parent and/or guardian. They are also responsible for the intake, and release of an individual from a State-owned, operated, or financed residential facility. Case management services provided by the district offices extend to determining and locating the appropriate care, and counseling individuals as well as working and cooperating with community agencies in providing specialized care.

Protective service workers are responsible for monitoring and follow-along services with the individuals to see that placements and programs remain appropriate. Protective service workers are assigned to every individual seeking services from the district offices. They can provide a wide range of services from such things as counseling an individual or helping the family plan ahead for residential care to providing guardianship services under court order.

Part A of title I of the pending legislation authorizes demonstration and training grants for University affiliated facilities—UAF's—centers and renovation and construction of such facilities. The university affiliated facilities programs enable individuals to learn and contribute to their fullest potential. These programs also involve working with the community to remove prejudices about the mentally retarded and the developmentally disabled. Without the backing of the community, deinstitutionalization would not have a chance.

We have two UAF Centers in Ohio, the Cincinnati Center for Developmental Disorders and the Nisonger Center for Mental Retardation and Developmental Disabilities in Columbus.

The Cincinnati center, affiliated with the University of Cincinnati, Children's

Hospital Medical Center, and the Institute for Developmental Research, is engaged in training professional personnel in those disciplines which provide services to persons with mental retardation and related disabilities, with emphasis on optimal technology in case finding, diagnosis, treatment, counseling, delivery services, education, and training—all of this from a coordinated university base.

The Nisonger center on the Ohio State University campus strives to achieve a basic level of human dignity for those afflicted with mental retardation and related developmental disabilities. This center brings a multitude of behavioral, educational, home economical, medical, and social disciplines together in a forum dealing with the many-faceted problems of mental retardation.

Title I also authorizes grants for special projects for services to persons with developmental disabilities. Such projects and demonstrations are to include, but not be limited to, parent counseling, and training, early screening and intervention, infant and preschool programs, seizure control system, legal advocacy, and community-based counseling, care, housing, and other services or systems necessary to make a person with developmental disabilities a member of the community.

Title II calls for a bill of rights for mentally retarded and other persons with developmental disabilities.

In Ohio, three constitutional amendments, the 8th, 13th, and 14th have been the primary tools of litigation used to secure basic rights and liberties for the mentally retarded and the developmentally disabled.

The eighth amendment prohibits cruel and unusual punishment and has application in the context of institutionalization and habilitation.

The 13th amendment covers a person being institutionalized against his will. When that is the situation, the individual is not to be forced to contribute his uncompensated labor for the benefits of the institution, unless the work is part of a therapeutic habilitation plan.

The 14th amendment provides equal protection under the law and prohibits the taking of life, liberty, or property without due process.

I recognize the need for standards to help insure the rights of the mentally retarded and developmentally disabled citizens and commend the goals of this legislation which I believe are necessary if America's mentally retarded are to receive the services and opportunities they so greatly need and deserve.

SENIOR CITIZENS PROGRAM IN PITTSBURGH

Mr. HUMPHREY. Mr. President, I would like to bring to the attention of my colleagues the work being done in Pittsburgh by the Senior Citizens Services Corp.—SCSC. The SCSC was chartered in 1972, and has been under the direction of William Stark, president, and Rose L. Smith, executive director.

A nonprofit organization seeking out part-time job opportunities for persons retired from full-time work, the corporation is a unique example of dedication and leadership in helping meet the needs of our senior citizens. By solving the problems facing our elderly, we can also tap their great and valuable store of accumulated knowledge and expertise.

The success demonstrated by the Senior Citizens Services Corp. in improving the dignity, self-respect, as well as subsistence of Pittsburgh's senior citizens requires that efforts be made to duplicate this program and experience nationally.

Mr. President, I ask unanimous consent that a brief article describing the SCSC be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Senior Citizens Services Corp.

BACKGROUND MATERIAL

Extensive research around the country indicates that no existing agency or institution is engaged as we are in securing employment for older Americans, particularly those in the so-called middle class of our society. The Office of Economic Opportunity is doing some such work in the poverty areas, and there is a foundation in New York that specializes in securing jobs on the executive level. It is evident that the great mass of people in between are not being served. As our economy becomes more and more geared to early retirement and as life expectancy is prolonged, the urgency for our services to people needing employment for subsistence, psychological and physical well-being, improved morale, becomes increasingly apparent. There are vast unmet needs in business and industry for part-time help; classic examples are in hospital services, in repair and reconstruction, in home maintenance, as well as in the counseling of small businessmen by retired professionals.

Senior Citizens Services Corporation seeks out job opportunities and then matches applicants to the openings. In our initial year of operation, we have proved the urgency and value of our services. We find our applicants in the areas of the county where senior citizens congregate for social and educational reasons. Applicants are referred to us constantly by other agencies who deal with community problems and with problems of the older Americans. We go to the people in offering our aids—we do not wait for them to come to us on their own. We operate on the premise that there are older citizens who want something dignified to do. In many cases, money and status are of lesser importance. Our part-time job offerings carry modest wage rates. The type of openings we seek (with emphasis on part-time) neither upset nor compete with trade unions. The unions are aware of our goals and objectives, and gladly serve as our consultants from time to time; in fact, some of our applicants are retired union members.

Our principal objective is to assist older citizens to be happier individuals, through useful and gainful part-time employment, especially where morale and self-evaluation are improved through augmenting a meager social security income. We have substantiating evidence that part-time employment is an essential need to those older Americans who have the drive, the health, and the desire to be productive members of society.

There is general agreement among all facets of the community, including the citizens themselves, that the availability of employment for the older worker constitutes one of his critical needs. Despite the fact that the older person should have the right to "retirement in health, honor, and dignity after years of contributing to the economy," there are always those who cannot, or will not, remove themselves from the labor market. They need to work, whether it be for financial, psychological, medical, and/or social reasons.

HISTORY

Senior Citizens Services Corporation (SCSC) is a non-profit organization, chartered in 1972 by a group of Pittsburgh residents emanating from business, labor, and professional areas, committed to the premise that older citizens represent an underutilized and often untapped employment resource. Further, the Board of Directors understands the impact of societal rejection felt by mandatory retirees, reinforced by the evils of isolation, loss of self-esteem, dependency, and in too many cases, crushing and debilitating poverty.

We have received financial support from the Pittsburgh Foundation, with matching funds from the Department of Public Welfare, Bureau of Adult and Aging Programs, Commonwealth of Pennsylvania. During the first year of operation, just completed, we occupied space and facilities with Adult Services of Allegheny County, 1706 Allegheny Building, 429 Forbes Avenue, in downtown Pittsburgh. We now occupy our own suite, 1704 Allegheny Building, where we will continue to maintain close relationship with Adult Services.

The SCSC office was opened under the executive directorship of Mr. John Morton. At the end of September, 1973, Mr. Morton assumed the directorship of the Manpower Development Office in Braddock, Pennsylvania. During his tenure with SCSC, Mr. Morton worked alone with secretarial assistance from the office of Adult Services. On October 1, 1973, Mrs. Rose L. Smith succeeded Mr. Morton and added an Administrative Assistant and two field workers to the staff.

AREAS OF SERVICE IN WHICH OLDER AMERICANS HAVE BEEN PLACED BY SCSC

[As of December 31, 1973]

Restaurant workers, clerk-typists, film developers, sales, small industry laborers, merchandise packers, community workers, hospital attendants, companions to sick and elderly, painters, drill pressmen, plasterers, bus drivers (school), teachers' aides, cashiers, counter workers, gas station attendants, custodial, laundry workers, package wrappers, security guards, stenographers, domestics, printers, messengers, machine operators, school guards, and institutional housekeepers.

EMPLOYERS WHO HIRED OLDER AMERICANS THROUGH SCSC

[January 2 through December 31, 1973]

Continental Can Company, Presbyterian Hospital, University of Pittsburgh, Bamford Bus Lines, Runner's Cleaners, United Detective Agency, Robbins Wholesale Toys, Kaufmann's Main & Suburban Stores, Eiben & Irr, Red Bull Inn—Shady Avenue—Charlie's Place—Amberson Towers, Moore, Leonard, & Lynch, Staff Builders, Jewish Home for the Aged, Dr. Jeanette Cohen, Borough of Wilkinsburg, RSVP Staff Workers (Bea Miller), Bi-Rite Oil Company, Point Park College, Holiday Inn—Greentree, Dipcraft Manufacturing Company, Epic Metals Company, Allegheny Cty. Bd. of Assistance, Braddock Area Schools, Grant Street Coffee Shop, Landau's Clothing Store, Kwall's Uniform Store, and Building Management Service.

Gateway Theater, St. Clair Memorial Hospital, YMCA—Wood Street, Dr. Julian Levinson, Ft. Wayne Cigar Company, Homestead Hospital, Iron City Uniform & Towel Service, Carnegie Library, Horne's Main & Suburban Stores, Kinney's Shoes—Southland Center, Goodwill Industries, Gimbel's Main & Suburban Stores, Easley & Rivers, Penn Compression Company, Rankin Forge Company, Braddock Hospital, United Parcel Service, Zayre's—East Hills, Montefiore Hospital, City Maintenance Service, Private Homes in Neighborhood, Bethel Borough Schools, Ferry

Contractors—Bridgeville, Parklane Hosiery Stores, Frederick's Funeral Home, Collonade Restaurant, National Resources Development Assn., Allegheny County Maintenance Division, Home for Crippled Children, City Services, Fotomat Shop, and Giant Eagle Supermarkets

SENIOR CITIZENS SERVICES CORP.—SUMMARY OF ACTIVITIES

[January 2 through December 31, 1973]

Total Interviewed	183
Counseled and Referred	9
Placed in Employment	115
Number in Process	59
Total	183

William Stark, President.
Dr. Robert Perloff, Vice President.
Edna Fischer, Secretary.
Elmer Shumaker, Esq., Treasurer.

BOARD OF DIRECTORS

Shirley Amper.
Robert Bowdler.
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Nathaniel Shore, Esq.
Ruth Tucker.
Robert Whitehill.
Rose L. Smith, Executive Director.
Mary Schremmer, Program Co-ordinator.
(Phone: 355-4292 and 355-4295.)

NATURAL RESOURCES AND THE ECONOMY

Mr. TOWER. Mr. President, I ask unanimous consent that the prescient remarks which Senator BARTLETT made to the economic summit on inflation be printed in the RECORD. To those remarks I would like to add a comment of my own.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Statement on Natural Resources and the Economy

(Delivered by Senator DEWEY F. BARTLETT)

Mr. Chairman, distinguished colleagues, ladies and gentlemen.

As one of the original sponsors of Senate Current Resolution 363 calling for a Domestic Summit conference on the Economy, I am most gratified with the progress to date.

While numerous problems do exist in our economy, the number one concern is inflation. A vivid example of the problem is a person making $20,000 per year at age 30 with an inflation rate until retirement at 65 of 12½%, which was the inflation rate during the 1st quarter of 1974, would have to make over one million dollars per year at retirement to enjoy the same standard of living that he enjoyed when 30.

Some people contend that inflation can be reduced through price controls on oil and its products. Between 1951 and 1971, because of Government price controls and programs, real electricity prices fell 43%, refined petroleum prices were down 17%, and coal prices dropped 15%. As a result, domestic demand soared and domestic supplies of energy did not keep pace; foreign oil—at first cheap, later expensive—replaced much American oil and gas. The increased domestic demand and the increased domestic supply resulting from government controls and programs caused inflation.

A free market price for all domestic energy will reduce inflation and eliminate shortages.

The domestic supply of energy is the life blood of our economy. Energy is the great multiplier of our gross national product of manufactured and agricultural commodities.

Because our domestic energy industry is anemic, it should not be a surprise to anyone that our economy is also anemic and will continue to be so until we have a sufficiency of domestic energy.

How can we bring about reasonable free market prices of imported energy?

No one should be surprised that the cartel of OPEC nations has worked. By piddling around with the construction of the Alaska pipeline, by both Houses of Congress voting to roll back the price of domestic crude oil to approximately half of the imported price, and by various legislative threats to the energy companies—both large and small—which would impair their efforts to increase domestic energy supplies, our Nation has strengthened the resolve of the OPEC cartel. We have continued to send messages to OPEC that we really are not very concerned about our domestic energy shortages.

The Administration's hard hitting criticism of cartel price fixing by oil exporting countries, which is bankrupting many nations, should arouse sufficient world opinion to help correct this outrage.

But, the biggest threat to the OPEC cartel would be a sound energy policy to which this Nation would be fully committed.

Most of the component parts of a viable energy policy are known—but there is still no consensus. For the purpose of facilitating and expediting the generation of broad support for a sound energy policy, I encourage the summit conference to support the creation of a three-member energy advisory council patterned after the act creating the Council of Economic Advisors. Senator Hollings of South Carolina has advanced legislation to create such a council, which though not a panacea, should be helpful.

The President supports the cornerstone of a prudent national energy policy—the amendment by Senator Buckley of New York which decontrols the price paid to producers of "new" natural gas. This summit conference must likewise give it strong support. To do otherwise is to guarantee indefinitely cold winters and a periodic loss of jobs for many Americans. The FPC has already said the interruption in gas deliveries this winter will double a year ago.

Natural gas can be produced and distributed for consumers use at less than that of any of the alternative fuels.

Mr. TOWER. Mr. President, some of my distinguished colleagues have recently held that inflation is caused by the increasing price trend of natural gas, petroleum, and petroleum products. However, I submit, such statements should be thought through before they are made. Had this analysis of inflation been thought through, the conclusion would have been quite different.

Inflation is defined by economists as an excess of demand relative to supply. Let us assume that—as I have contended for several years—energy is seriously underpriced in this country. What that means is that depressed energy prices have excessively stimulated the demand for energy—because it is cheap relative to alternative purchases—and it has also lessened the attractiveness of drilling, thus discouraging added supplies. Now, I do not have the temerity to state categorically that underpricing oil and gas causes inflation, but it should be obvious to a thinking person that its major symptom—upward price pressure—is the same as the major symptom of inflation. Therefore, I agree completely with my very distinguished colleague from Oklahoma: We must deregulate all oil and gas prices.

PROJECT PEACE OF MIND

Mr. BENTSEN. Mr. President, I am pleased to have this opportunity to bring to your attention the work of Project Peace of Mind, a program that has experienced excellent success nationwide in facilitating communication between runaway children and their parents. The incidence of young teenagers disunited from their families has grown substantially in recent years and this program, in a very short time, has been able to avert tragedy for many families across the country.

Located in Houston, Tex., Operation Peace of Mind has reunited over 1,000 families in 47 States. Other similar programs across the Nation have done much to assist young runaways; however, I believe Operation Peace of Mind merits special consideration because it is a united effort of 26 States. Unsuccessful in its efforts to obtain Federal assistance, Operation Peace of Mind lacked the resources to continue. Yet, through the efforts of Gov. Dolph Briscoe, of Texas, this program has received the support, and in some cases, the needed financial assistance to continue its vital service. At the recent Southern Governor's Conference, Governor Briscoe introduced a resolution endorsing the project and urging all States to support it both financially and legislatively. I am pleased to say that the resolution was unanimously approved by the Governors attending. The cooperation of these States is a tribute to their ability to sustain a worthwhile program which was abandoned by the Federal bureaucracy. Certainly, this is one instance where we, as Federal officials, can take a lesson from State governments in fostering program coordination and effectiveness.

BANNING THROWAWAY CONTAINERS

Mr. HATFIELD. Mr President, during the past 3 days the Washington Star-News has carried a series of articles on the issue of beverage containers.

As my colleagues are aware, the State of Oregon has adopted legislation which bans nonreturnable beverage containers and I have introduced legislation which would ban these containers on a nationwide basis. Hearings on this legislation, which has been designated S. 2062, were conducted by the Senate Subcommittee on Environment last May, but no further action has been taken.

The series in the Washington Star-News, written by Bruce Howard, focuses on the situation in the Washington metropolitan area, where proposals to ban nonreturnable containers are also being considered. However, it provides excellent background information on the issue in general and some of techniques being utilized by the container industry in an attempt to defeat both local "bottle bills" and my Nonreturnable Beverage Container Prohibition Act.

I remain convinced, Mr. President, that action must be taken to ban nonreturnable beverage containers and the waste in resources and energy which they represent. The Oregon experience proves that an all-returnable system will work.

Russell Train, Administrator of the Environmental Protection Agency, has studied this issue carefully and I believe that his statement on the growing throwaway attitude, as quoted by Mr. Howard, merits consideration by the Senate. Mr. Train said:

> This attitude includes built-in obsolescence, extravagant packaging, and throwaway products. But this attitude has to change. Much of the specific problems of energy shortages and inflation can be traced right to our growing wasteful habits. This waste is being encouraged by a product-oriented, advertising-stimulated economy. The bottle bill is only the first battle in this war on waste.

Mr. President, I commend this series of articles to my colleagues and I ask unanimous consent that it be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Bottling Up Container Legislation

(By Bruce Howard)

Almost without realizing it, city and county councils in the Washington area are rapidly moving into the vortex of an intensive, national lobbying battle over cans and bottles.

In the next few weeks, councils in the District, Montgomery County and Arlington will consider bills requiring a five-cent deposit on soft drink and beer containers. The bills are modeled after a guide ordinance passed unanimously by the Metropolitan Washington Council of Government two month ago.

If enacted, the ordinance will eventually eliminate can and one-way bottles in the beverage industry and cause a return to returnable, refillable bottles. The bill is intended of reduce litter and the amount of valuable metal and glass in solid waste, and is supported by the Environmental Protection Agency, the League of Woman Voters, the Sierra Club, and other environmentalist groups.

Although so-called bottle bills have been introduced into almost every state legislature, into many city and county councils, and into the U.S. Senate by Sen. Mark O. Hatfield, R-Ore., they have almost always been stopped by a powerful coalition lobby of big business and big labor.

So far only Loudoun County, Bowie, Oregon, South Dakota, Vermont, two counties in New York State and several towns in Michigan have passed laws requiring returnable beverage containers. Loudoun and Bowie, however, are defending their legislation in court.

But most efforts to pass the bill have been foiled by a broad array of lobbying tactics. William Coors, president of the Adolph Coors Beer Company in Colorado, told the Star-News that the industries that manufacture and distribute steel, glass and aluminum, bottles and cans, and beer and soft drinks, are spending about $20 million a year to stop bottle bills around the country.

Last summer the United States Brewers Association (USBA) flew a top District administrator and the staff assistant of a D.C. councilman to Chicago to see that city's "Pitch-in for Chicago" program, an anti-litter educational campaign which is being promoted by the USBA as an alternative to bottle legislation.

Last winter an Alexandria firm that distributes beer and wine ordered its employes to attend a Virginia General Assembly hearing to oppose enactment of a bottle bill. The employes were told by the company president that they would be disciplined if they did not attend the hearing.

Also, two non-profit organizations largely funded and directed by anti-bottle bill industries and unions have stepped up their efforts to involve Washington area governments in alternatives to the bottle bill.

One organization, the National Center for Resource Recovery, Inc., is actively promoting the construction of a multi-million dollar plant at the Lorton landfill that would recover valuable metals, glass, and energy-producing material from garbage.

Industry lobbyists have argued that the Lorton plant would become uneconomical if a bottle bill were enacted.

The other non-profit organization, Keep America Beautiful Inc., (KAB) recently created a storm of controversy when its director, Roger W. Powers, testified in the California legislature against a state bottle bill. After Powers' speech was printed and circulated by KAB, four major environmentalist groups—the Sierra Club, the Wilderness Society, the National Parks and Conservation Association, and the Izaak Walton League—resigned from the KAB national advisory council in protest.

KAB is actively trying to interest District officials in its latest project, an anti-litter educational modification campaign called "action research model."

Lobbyists on both sides of the bottle fight say the upcoming battle in the Washington area may be the most critical and hotly contested so far.

There are several reasons.

Washington, if it passes the bill, would become the first major city to do so.

Opponents of the bill have argued that returnable bottles may be popular in rural states like Oregon and Vermont but not in a major city that has almost completely converted to one-way bottles and cans.

Returnable bottles are much more common in rural areas than in big cities, perhaps because of the stress on convenience, mobility, and a lack of storage space in urban areas. While returnable bottles are rare in big cities, they still outnumber cans and one-way bottles nation-wide.

"Oregon and Vermont are one thing," said Eileen Claussen, chief of the EPA's source reduction program, "but Washington, D.C. is something else. If the industry loses in Washington, it may just cave in. As far as the bottle bill nation-wide is concerned, the Washington area is potential dynamite.

"And judging from the industry's presence at the COG and Montgomery County hearings," Ms. Claussen continued, "I'd say they know it too. The anti-bottle bill lobby had more people at Montgomery County's hearings than at almost any state or city hearing anywhere in the country."

An indication of the industry's interest in Washington area legislation is the size of their guns, not just the number. At a recent work session of the Montgomery County Council, the anti-bottle bill lobby was represented by the general counsel of the USBA, the coordinator of government relations for the American Can Company, a federal legislation expert with Bethlehem Steel, and a dozen other national business representatives.

Another reason why the Washington area legislation may be critical is that it could have an impact on congressmen who are undecided on corresponding national legislation.

"If a ban on throw-away containers were shown to be successful in the Washington region," said Hatfield in a recent interview, "its impact on Congress would be obvious. Members of Congress could see the litter reduction first hand, just as we in Oregon have. It would definitely provide impetus for passage of the national bill."

Lobbyists say that any local legislation here would affect councils and legislatures in the rest of the country.

"Washington is a bellwether place," said Russell Train, administrator of EPA and an active supporter of container legislation. "It's awfully visible, and when something dramatic like this happens in the Nation's Capital, it's apt to capture the imagination of the nation."

Proponents of the bill feel Washington is the single city most likely to pass the bill.

The most powerful argument against the bottle bill—the loss of jobs in the metal and canning industries—does not apply to the Washington area because there are no such industries here.

In fact, passage of the bottle bill in Washington could mean more jobs. Area retailers and bottlers say they would have to hire hundreds of extra workers to handle the returned bottles.

Most D.C. councilmen are still undecided on the issue. In recent interviews, several said they were concerned about possible storage and sanitation problems that the inner city ma-and-pa grocery stores might face and the financial burden that deposit bottles might place on low income shoppers.

The city council has scheduled a hearing on the COG proposal for Oct. 22, and the Arlington Environmental Improvement Commission, an advisory group appointed by the county board, has scheduled a hearing on the bill for next Monday.

The Montgomery County Council has completed hearings on the bill and is expected to vote on it this month. An informal survey of the council by the Star-News indicated that the bill should pass easily.

Prince Georges County has been slower to move on the bill. County Council Member Francis Francois said, "We're interested in the bill, but we don't want to act alone on it. We want to be sure D.C. and Montgomery pass it too."

Francois said the bottle legislation would probably not be very effective if it were confined to one county, because shoppers might cross into other counties to get one-way containers.

The Fairfax County government's division of solid waste is currently working on the COG ordinance, and the bill is expected to reach the Fairfax County Board of Supervisors in the next few months. The county board is already on record as supporting bottle legislation, and board chairman Jean Packard said she felt they might enact a bottle bill before the end of the year.

"If other jurisdictions pass the bill," Mrs. Packard said, "we'd try to get it done as soon as possible. Fairfax wouldn't want to be laggard."

The Bowie City Council passed a bottle bill in March 1971, but the ordinance was immediately challenged in court by the Maryland Soft Drink Association. The Bowie law was upheld in March 1974, by a Prince Georges County circuit judge, but the decision was appealed.

The case is scheduled for argument in the Maryland Court of Appeals in November, and a final decision is expected before the end of the year.

The Loudoun County Board of Supervisors, which passed a ban on one-way containers in May 1971, also is defending its law in the courts against local bottlers and retailers.

The law has never been enforced because of a court injunction in December 1971, and the case is still before Judge Carlton Penn of the Loudoun County Circuit Court. County Commonwealth's Atty. Donald Devinne said, "The ball is in our court, but we just don't have enough lawyers to pursue the case."

Nevertheless, Judge Penn has already made a major decision in the case that affects campaigns to pass the bill in other Virginia counties. Although many Virginia county councils and attorneys have been hesitant to pass bottle legislation because they felt the state did not give them such powers in their charters, Judge Penn ruled in August 1972, the Loudoun County indeed has the power.

Surprisingly, several county attorneys in Virginia who have told county council members that they did not have the power to pass bottle legislation, did not know of Judge Penn's decision.

"Well," said Arlington County Atty. Jerry Emrich in a recent interview, "this may make a big difference."

BATTLE OF NO RETURN: 2—BOTTLE LOBBY FIGHTS BILLS

(By Bruce Howard)

Keep America Beautiful Inc. is trying hard to help the Washington area solve its litter problem. The National Center for Resource Recovery Inc. is trying hard to help the Washington area solve its garbage problem.

However, although KAB and NCRR are both non-profit corporations, their overtures in the area are more than undisputed charity.

Rather, their efforts have been viewed by environmentalists and experts in the Environmental Protection Agency as subtle, ingenious, attempts to stop controversial legislation on returnable beverage containers.

Like numerous city and county councils and almost every state legislature in the country, councils in the Washington area are actively considering bills that would require five-cent deposits on soft drink and beer containers.

Since more than half the retail cost of a beverage is for packaging, industries that manufacture steel, glass and aluminum, cans and bottles, and soft drinks and beer, stand to lose a considerable amount of money in a switch to returnable containers. These industries have been opposing bottle bills with a powerful lobby.

Two months ago, the lobby stepped up its activities in the Washington area when the Metropolitan Washington Council of Governments unanimously passed a model returnable bottle ordinance and area governments began considering it.

In bottle bill hearings in Montgomery County and at COG, opponents to the bill have argued that KAB and NCRR solve the problems of waste and litter better than a bottle bill. Both organizations have increased efforts to interest Washington area governments in anti-litter and municipal refuse programs.

At the same time, environmentalists charge that KAB and NCRR are fronts for industries trying to interest governments in alternatives to bottle legislation. Critics of the organizations point out that both are largely funded and directed by industries and labor unions actively lobbying against bottle legislation.

In fact, the major opponents of the legislation are represented on the boards of directors of both KAB and NCRR—the American Can Co., the U.S. Steel Corp., Coca Cola, Pepsi Cola, the Continental Can Co., the Glass Blowers Association, the Reynolds Metals Co., Owens-Illinois, Inc., and the National Steel Corporation.

In an attempt to stop bottle legislation in the Washington area, NCRR is trying to interest local governments in a proposed multi-million dollar refuse treatment plant at the huge landfill in the District and num, steel, and glass from the garbage, and Northern Virginia.

The plant would recover valuable alumi- then burn the remainder for energy, possibly for the Pepco plant nearby. The recovered materials would be sold for recycling.

NCRR is already testing some of the technology that it would use at Lorton at the District's Incinerator No. 5 on Benning Road NE. NCRR and other industries are providing almost half a million dollars in equipment and manpower to run the test program; the District is providing only the space.

District officials, including Mayor Walter Washington, enthusiastically support the prospect of a NCRR resource recovery plant in Washington. When announcing the opening of the NCRR test program at the incinerator in May, Washington said, it "should have far-reaching effects. This test program will be beneficial to the District in developing a program to recover reusable materials, thus conserving our natural resources and reducing the volume of refuse which must be disposed of in other ways. We hope it will serve as a model for cities nationwide."

So far, New Orleans is the only major city to sign a contract to build a NCRR-designed resource recovery plant and it has its critics.

Proponents of bottle legislation in New Orleans say that the city's 68-page contract for the refuse plant contains a single sentence that effectively thwarts any effort to pass a bottle bill in New Orleans.

The controversial sentence reads: "If the quantity of recoverable resources in the solid waste delivered by the city or its delivering agent is significantly reduced as a result of laws or ordinances passed by the city . . . the city shall provide offsetting adjustments to the corporation to compensate for the corporation's loss of recovery revenues."

In other words, New Orleans must pay one dollar to the corporation running the plant for every dollar's worth of materials it legislates out of the solid waste. Since a bottle bill would keep millions of dollars worth of aluminum glass and steel out of the solid waste, it would literally cost the city millions of dollars to pass the bill.

Aluminum, steel, and glass are by far the most valuable materials in garbage, and nine-tenths of the aluminum, one-third of the steel, and half the glass in garbage comes from beverage containers. By the ton, recovered aluminum is worth $300; steel, $30, and glass, $20.

Officials at the Environmental Protection Agency, which has supported both NCRR and bottle legislation in the past, are not pleased with the New Orleans contract.

John Skinner, deputy director of EPA's resource recovery division, said the contract that New Orleans officials signed "pretty much ties their hands as far as a bottle bill is concerned. It would be awfully expensive to have to pay for the decrease of all that aluminum, steel, and glass."

Instead, Skinner said that the EPA recommends that a city pass a bottle bill before it guarantees a certain amount of refuse to a recovery plant.

As the Washington area approaches agreement with NCRR, however, it appears that a contract very similar to New Orleans' will be signed. Malcolm Hope, director of the District's office of environmental planning, said that if the District decides to go in on the project—as the city apparently will—it would probably agree to the controversial sentence in the New Orleans contract.

Hope said the provision seemed "only fair to the company running the plant."

When asked if the money the city would have to pay might prevent it from passing a bottle bill, Hope said, "We may save enough money from litter and garbage pick-ups to balance it out, but at this point I don't know, because I don't think anyone has been able to add up all the plusses and minuses yet."

KAB's efforts to influence Washington area governments have been less effective than NCRR's although more obvious. The U.S. Brewers Association, one of the most active members of the anti-bottle bill lobby, has been busily promoting KAB's anti-litter educational techniques in meetings with D.C. Councilmen and officials.

In public hearings and in private meetings with area legislators, industry lobbyists have argued that local government should use the KAB approach to fight litter instead of bottle bills.

The USBA also has been promoting its own anti-litter educational program called "Pitch-in" as an alternative to bottle legislation. Last summer the association flew William McKinney, director of the District's department of environmental services, and Anne Darneille, an assistant to D.C. councilman Rockwood Foster, to Chicago to see that city's "Pitch-in" program.

The USBA paid for their air fare and hotel bills.

Foster, chairman of the council's environment and business development committee, also made the trip, but he insisted on paying his own way and staying with relatives rather than in a hotel.

Foster and Darneille cut their trip short and returned to Washington after only one day of meetings.

"There was nothing more to see out there," Foster said in an interview.

McKinney, however, stayed in Chicago another two days at U.S.B.A. expense. When asked what he did the last full day, McKinney said in an interview, "I'm not sure I did much of anything."

McKinney and Darneille said they would not let the USBA's generosity influence them when they consider the promotion of "Pitch-in" programs and their opposition to the bottle bill.

KAB created a storm of controversy last winter when its president, Roger Powers, came out publicly against bottle legislation. Since then four environmentalist groups—the Sierra Club, the Izaak Walton League, the National Parks and Conservation Association, and the Wilderness Society—have resigned in protest from the KAB's largely powerless national advisory council

In its letter of resignation, dated July 8, the National Parks and Conservation Association wrote: "In fact, it seems that the KAB, Inc. is using its achievements in litter prevention education to cover its support for the container industries' efforts to oppose beverage container refund-deposit systems to restrict litter."

In its letter of resignation April 25, the Sierra Club asked if the KAB was not "merely a front for container manufacturers."

Last month the KAB advisory council unanimously passed a resolution calling for KAB to announce publicly that it was not opposed to returnable bottle legislation.

KAB's president Powers, who once worked for the U.S. Brewers Association, has indicated that he probably will not back down from the position, which is firmly held by most of the industry representatives on the board of directors.

If Powers does not back down within the next few months, there may be further resignations from the advisory council, including the powerful Environmental Protection Agency's.

"If KAB does not publicly disassociate itself from Powers's position," said Tom Williams, EPA's representative on the council, "I would recommend our resignation."

Such controversy has not discouraged KAB from developing and promoting new anti-litter campaigns, including a major project called the "action research model." ARM involves a broad range of efforts to educate people not to litter. It consists of variations on KAB's theme: "People cause litter and people can stop it."

Pat Taylor, a lobbyist with an environmentalist citizens' group called Environmental Action, and one of the leaders of the pro-bottle bill lobby, said that environmentalists oppose KAB and ARM because "they try to create the myth that people cause litter, not industries, and thus people should be made to change, and not industries."

How Those Bottle Bills Could Affect Us

(By Bruce Howard)

Hundreds of jobs and thousands of consumer dollars will be at stake when Washington area governments in the next few weeks consider legislation requiring returnable beer and soft drink containers.

But whether the so-called bottle bills will create new jobs and lower prices or cause job layoffs and higher prices depends on who is talking. Here are the issues:

Jobs: Nationwide, passage of the bottle bill would cost more than 60,000 jobs in the metal and canning industries, according to the Environmental Protection Agency. A switch to returnable bottles would create about the same number of jobs in the bottling, retail, and trucking businesses.

However, the law would mean a net loss in labor earnings because the new jobs would be lower paying than the jobs that would be lost nationwide.

By contrast, in the Washington area there would be a substantial increase in jobs, with little or no job losses. This is because most of the nearest metal and container manufacturers that might have to lay off workers are in Baltimore and southern Virginia, and the bottlers and retail stores that would have to hire additional workers are all in the Washington area.

C. William Martin Jr., chairman of the board and president of Pepsi-Cola Bottling Co. of Washington, said in an interview that the company would have to reopen bottling plants in Alexandria and Rockville if a bottle bill were passed in Washington. "We couldn't handle all those bottles in one plant," Martin said, "and the cost of hauling them back and forth would be prohibitive." Both plants were closed in the past year when Pepsi expanded its operations at Cheverly.

Rock Creek Ginger Ale Co. Manager W. R. Hildebrand indicated in an interview that passage of a bottle law might cost some area jobs.

"I don't think we'd be able to continue under a returnable bottle system. We've completely switched over to a one-way system, and it would be too costly to switch back," he declared.

However, D.C. Councilman Rockwood Foster said that when he visited the Rock Creek company last summer, Hildebrand pointed out where he planned to put a bottle washing machine if a bottle bill were passed. Hildebrand confirmed Foster's story and said, "I guess it's possible I could make the adjustment."

Litter: Returnable bottle legislation was first promoted as a deterrent to litter. Since passing the legislation in 1972, Oregon has reported a decline of about 70 percent in the amount of beverage containers in the state's litter.

A recent survey by the D.C. Department of Environmental Services showed that about 20 percent of the litter in the District is soft drink and beer containers. The survey counted all pieces of litter as equal units—that is, five cigarette butts were equal to five beer cans. Converting the survey's figures to a volume count would show that more than 60 percent of the volume of litter in the District is beverage containers. The remainder is mostly paper.

Prices: This may be the central issue when the bottle bill comes up for debate in hearings before the D.C. City Council on Oct. 22.

Supporters of the bill point out that beer and soft drinks in returnable bottles cost much less, per fluid ounce, than beverages sold in one-way bottles and cans. This is because re-using bottles is more economical than buying new ones.

Most liquor and grocery stores in the Washington area sell some soft drinks in returnable bottles. At most stores they are less expensive than beverages sold in one way containers.

For example, the Stop and Shop Liquor Store at 3011 Rhode Island Ave. NE, one of the largest retail beer outlets in the city, sells cases of beer in returnable bottles for more than a dollar less than beer in one-way containers. A case of National Bohemian beer in one way containers costs $5.50. In deposit bottle, the same amount costs $3.70. A customer must leave an additional 75 cents as a deposit for the bottles and wooden case, but he gets the money back if he returns them.

Soft drinks also sell for less in returnable bottles.

In most stores, however, the selection of returnable soft drinks is not great, and returnable bottles of beer are only sold by the case.

Proponents of the bottle bill argue that if all containers were returnable, all beverages would cost less.

But opponents of the bill argue that people who buy one-way bottles and cans now would not return deposit bottles, even if they were forced to buy them. This would mean a double loss—buyers would lose their five-cent deposit and bottlers would lose their heavier and more expensive deposit bottles.

The result would be higher prices, they say.

Some opponents of the bill argue that it discriminates against low-income consumers.

Citing the "buying habits of low-income consumers," the Neighborhood Consumer Information Center, a local consumer affairs group, testified in COG hearings last year that the bottle bill "would place an economic burden on low-income consumers."

Several Washington area community leaders agree that urban residents would suffer economically because they would not return deposit bottles. Millsett Davis, assistant executive for programs with the Washington Urban League, was one of three members of the COG citizens advisory committee to vote against the bottle ordinance.

"I think there must be more creative ways to deal with the problems of waste and litter than to legislate people's buying habits," Mrs. Davis said in an interview. "I don't think people in the inner city should be forced to buy the way people in the suburbs want them to buy."

This particular argument is viewed by persons on both sides of the bill as a potentially explosive one.

"If this turns into a rich versus poor or white versus black issue," said D.C. Councilman Foster, "then the bill will be defeated or withdrawn. The one thing we do not want is black-white divisiveness. But I do not think this has to be a rich suburban bill. I think it can and should be tailored to the special needs of the inner city."

"There are some serious economic issues involved here," Sterling Tucker, vice chairman of the D.C. city council, said. "Whether this would create economic hardship in poorer areas of the city is a legitimate question, and I will examine it closely before I decide my vote."

Storage and sanitation: Another problem that may be most acute in the inner city is where and how the small groceries will store the returned bottles.

Even if the stores can make room to store the bottles, there may be a problem with insects and rodents attracted to the sugary remains in the used bottles.

Supporters of the bill say this problem can be minimized if distributors make more frequent trips to the stores.

Waste: The major argument against no deposit-no return containers is the waste of energy and material resources. If refillable bottles grew to 90 percent of the beverage market, the country would save 2 to 3 million tons of glass, steel and aluminum a year, according to a study done for the Environmental Protection Agency.

Another EPA study shows that a returnable glass bottle, filled 15 times, will use 50 to 85 percent less energy than a can or one-way bottle of the same size. This rate includes not only energy consumed in manufacturing the container, but also in packaging and transporting the container both ways. Dr. Priscilla Laws, a professor of physics at Dickinson College, computed that the energy saved by implementing a returnable bottle system would provide enough residential electrical power for a city of 2½ million people.

Once again, though, Washington is in a unique position. While returnable bottles in other parts of the country make about 15 round trips before they break or are lost, the number in Washington and other big East Coast cities is only about 4.

This is partly because there are fewer returnable bottles in East Coast cities than elsewhere. As a result, they may often be mistaken for one-ways and thrown out.

Lobbyists against the bottle bill argue that the number of trips that returnable bottles make will get lower and lower as society becomes more and more convenience-oriented.

"Ten years ago people would think it was a shame to throw away a perfectly good soft drink bottle," said Dwight Reed, assistant executive vice president of the National Soft Drink Association. "They still feel that way in the rural sections of the country, but I'm afraid times have changed in the cities. Now people want disposable hankies, disposable pens, even disposable cigarette lighters. The bottle bill won't work because it's trying to reverse a total social behavior.

"We can't even get the kids to go around and pick up the empties anymore," Reed continued. "One Boy Scout leader trying to talk his troop into collecting returnable bottles said 'Come on, a bottle drive could raise $200,' and one of the kids answered, 'What's $200? Just write a check.' "

Russell Train, administrator of the Environmental Protection Agency, agrees that the bottle bill is an attempt to reverse a "growing and pervasive throw-away attitude."

"This attitude," he said in a recent interview, "includes built-in obsolescence, extravagant packaging, and throw-away products. But this attitude has to change. Much of the specific problems of energy shortages and inflation can be traced right to our growing wasteful habits. This waste is being encouraged by a product-oriented, advertising-stimulated economy. The bottle bill is only the first battle in this war on waste."

ANNIVERSARY OF THE PROCLAMATION OF THE REPUBLIC OF MALI

Mr. HARTKE. Mr. President, on September 22, the Republic of Mali celebrated the anniversary of the Proclamation of the Republic.

Under the leadership of President Mouss Traore, the Republic of Mali has enjoyed a period of stability which has caused foreign investors to take a closer look at the resources of the country. Presently, the economy boasts a rapidly developing lumber industry and exploration for oil and other mineral resources is a top priority in the nation's economic scheme.

The population of Mali, which is the size of Texas and California combined, is 5½ million. The average life expectancy is 40 years. Massive health programs have been introduced, but have been curtailed as a result of the drought which has taken the lives of many of Mali's people.

Because of a short rainy season, the outlook for immediate relief is bleak. The U.S. AID program, in concert with other international organizations, has contributed grains and cereals to help relieve the famine.

Mr. President, I take this opportunity to congratulate President Traore, the Government and people of Mali, on the anniversary of the Proclamation of the Republic.

MILK HEARINGS—II

Mr. HUMPHREY. Mr. President, there were a number of outstanding statements from witnesses at our milk hearings yesterday before the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices, of the Senate Committee on Agriculture and Forestry.

The testimony made it clear that the problems faced by our dairy farmers are very serious and likely to grow worse. While the Department of Agriculture is aware that many farmers are being forced out of business, it is not prepared to do much more than allow a modest increase in the support price for fluid milk.

It is clear that this likely increase will do little more than meet further increases in production costs.

It is critical that the price support levels be increased on all milk so that our farmers can meet their increasing production costs and remain in business.

Most of our consumers are not aware of the critical situation faced by our dairy farmers.

Mr. President, I wish to share the outstanding testimony of two witnesses, Mr. Gilbert Rohde, president of the Wisconsin Farmers Union, and Mr. Charles Frazier of the National Farmers Organization. I ask unanimous consent that their statements be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Testimony of Gilbert C. Rohde, President, Wisconsin Farmers Union

Mr. Chairman and Members of the Committee: The seriousness of the situation faced by producers of milk and milk products in this nation cannot be overemphasized. You and the members of the subcommittee are to be commended for your interest in and sensitivity to the problems of U.S. dairy farmers. I extend my sincere thanks for this opportunity to testify on the economic plight of dairy farmers in Wisconsin.

Dairymen are currently caught in the grips of a vicious cost-price squeeze. Unlike in other periods of falling farm commodity prices and rising production costs, this cost-price squeeze struck with severe suddenness. Dairy farmers are accustomed to tightening their belts over the long haul, but should not be expected to make the kind of sacrifices and adjustments imposed by the sharp drop in milk prices and escalating farm costs this past summer.

Undoubtedly, in the course of this hearing you will receive a wealth of statistical information regarding average milk prices and dairy farm costs. In order not to burden you with a lot of repetitious statistics, I would like to single out the experience of a single dairy farmer in Wisconsin who, I would say, is in a typical situation among producers of Grade B milk in Wisconsin. He is a director of the Farmers Union Milk Marketing Cooperative and ships his milk to a local cooperative milk plant which manufactures cottage cheese. He operates a 130-acre farm and milks 40 cows.

In August, he received a pay price of $6.45 a cwt. for his milk compared to $6.00 a year ago or 7½% more. He did better than most Wisconsin dairy farmers in this respect because the average price of milk produced on Wisconsin farms in August of this year averaged less than .3 of 1% above a year ago. However, the average price of all milk produced in Wisconsin in August averaged $6.74 a cwt. compared to his pay price of $6.45 a hundredweight. If we use the current average cost of production figure of $8.61 as computed by University of Wisconsin farm management specialists, we then see that the Grade B producer in our example is receiving a pay price more than $2.00 per hundredweight under average cost of production.

A look at some of the cost of production figures provided by this Grade B milk producer illustrates what is happening on our dairy farms. While the price of his milk went up 7½% from August 1973 to August 1974, the price of gasoline went up 49% from 32.6 to 48.5 cents a gallon; the price of diesel fuel went up 80% from 20 to 36 cents a gallon; commercial fertilizer 73% from $90 to $156 per ton; dairy feed concentrate 54% from $130 to $200 per ton; baler twine 275% from $8 to $30 a bale; milk filter pads 26% from $5 to $6.29 a box; washing compound for milking equipment 14% from $14 to $16 a container; fence posts 85% from $1.08 to $2 each; fencing wire 122% from $13.50 to $30 a bale; nails 200% from 20 cents to 60 cents per pound; lumber 37½% from $320 to $440 per thousand foot; farm machinery on the average went up 17% and electricity 25%.

How I ask you do you tighten your belt to overcome such staggering increases in farm expenses?

Secretary of Agriculture Earl Butz has acknowledged the serious situation our dairy farmers are in. Eight days ago in a speech in Milwaukee, he said, "Dairy farmers need more than sympathy from President Ford, they need a floor under milk prices."

The Farmers Union agrees wholeheartedly with Secretary Butz's statement. We have urged him to adjust upward the price floor under milk prices—the dairy price support level—as he has the authority and responsibility to do. But, despite his public statements, Secretary Butz has repeatedly refused to uphold the law. The law requires him to support the price of milk between 80 and 90 percent of parity, yet the average price of all milk produced in Wisconsin in August ($6.74 per hundredweight) was only 63.5 percent of parity. USDA economists calculate that a price of $10.60 per cwt. was necessary in August for dairy farmers to have the same purchasing power they had during the base period of 1910 through 1914.

Instead of carrying out the law and supporting milk prices at a level that assures dairymen an adequate return on their investment of capital and labor, Secretary Butz proposes we increase the minimum price level for fluid milk. Such action is necessary and important to dairymen, but this action alone is inadequate and is actually a serious threat to the family farms of the North Central states.

If all we do is raise minimum prices for fluid milk—and ignore price supports—nearly all milk produced in Southern states where prices are already the highest will get a price hike. In the Upper Midwest where milk prices are now the lowest in the nation, Grade A dairymen will get a higher price on only a third of their milk and producers of manufacturing milk will get no increase at all.

And this is the exact course outlined in the Flanigan Report and Atlantic Council Trade Study which propose sacrificing the family dairy farms of the Upper Midwest for international trade concessions.

I would like to take a moment and read to you the strategy outlined in the Atlantic Council Trade Study, so you will understand the implications of raising fluid milk prices and leaving the price support level where it is. The report reads:

"The existence of two distinct milk markets in the United States provides a basis for changes in policies and price support procedures which would have only a very limited adverse effect on U.S. producers over time, but a positive impact on world trade.

"Producers would continue to receive guaranteed price levels for milk which is to be used for fluid or drinking purposes at levels required to insure an adequate supply, with a safe but not excessive reserve capacity. The above policy would probably apply to slightly more than 75 percent of all the milk produced in the United States. Fluid milk prices might well have to be higher in the late 1970's than now to insure adequate supplies, but lower prices would apply to manufacturing milk under a second policy.

"The second milk price support policy would be applicable to 'manufacturing milk.' It would be designed to reduce the quantity of resources devoted to the production of milk for use in manufacturing at a slow but steady pace by lowering the price support from the level prevailing in 1973–74 if that were necessary to achieve trade objectives, or by not increasing the price support in future years. The latter approach would lower milk prices in real terms as production costs rose and might serve as an adequate disincentive to production.

"Manufacturing milk production has been maintained at high levels in the United States in recent years only by virtue of substantial increases in price support levels designed to insure plentiful supplies so as to avoid a greater reliance on imports. The continuing trend toward fewer dairy farms and dairy cattle—especially in the former specialized manufacturing milk producing areas of Minnesota, Wisconsin and Michigan—would allow the indicated changes in the U.S. milk sector to take place almost imperceptibly over a ten-year period. The question of compensation for producers seriously affected by the changes probably would not arise out of such a slow transition, but compensation procedures could also be applied to the dairy sector if necessary.

"As U.S. supplies of manufacturing milk declined marginally from year to year because price supports no longer were designed to insure production of virtually all U.S. milk requirements on our own dairy farms, we would pobably experience a perceptible shortage of manufactured dairy products. This would provide the occasion for increasing the quotas now applied to the importation of manufactured dairy products as has been done in 1973 on a temporary basis.

"The objectives of policy and program changes of this type could be modest, and the timetable quite relaxed; yet they would provide some leverage for U.S. negotiators in agricultural forums of the GATT (General Agreement on Tariffs and Trades), because other nations would see tangible benefits to their producers. Perhaps it would be reasonable for the United States to move from the present level of 1.5 percent of its dairy products imported to 10 percent imported by 1980. U.S. dairymen would still be supplying 90 percent of U.S. milk requirements in 1980." (End of quote)

We fear that the proposal announced by Secretary Butz on September 17 to increase fluid milk prices is designed to head off efforts to force an increase of the price support level—the floor under all milk prices, both fluid and manufacturing. A price support hike would give every dairy farmer in the nation an equal price increase—instead of hiking the price to producers in the highest paid regions of the nation five times more to the increase felt in the areas with the lowest milk prices.

In fact, the cost-price squeeze is worst in the North Central States according to USDA economists. The return on 100 pounds of milk in the North Central States will only buy 104 pounds of dairy feed. In the South Atlantic states 100 pounds of milk is equal in value to 130 pounds of feed. The economists tell us—and dairymen know—that you've got to be able to buy about 175 pounds of feed with the dollars you get from 100 pounds of milk. So, is is clear that producers in no part of the nation are faring very well these days—but producers in the North Central states are worse off than their counterparts in the South and East.

Three thousand seven hundred and eighty-eight Wisconsin farmers have quit dairying during the past twenty months. If the price support level isn't raised the exodus from dairying will be even more dramatic this winter when milk cows move from pasture to high priced feed grains. This will result in serious shortages of milk for manufactured dairy products and a probable resumption of dairy imports—just as the authors of the Flanigan Report and Atlantic Council Study have predicted.

It is disheartening to see this nation being made dependent on foreign nations for dairy products when such a fundamental change is not determined by our elected representatives but by Secretary Butz's manipulation of the dairy economy.

We must increase the price support level—the floor under *all* milk prices—if we are going to keep enough people in the business of producing milk to provide an adequate supply to meet the needs of our consumers. Current law provides for a support price as high as 90 percent of parity, which would be an increase of $1.40 to $7.84 a cwt. based on the most current cost data available. Such action would raise minimum prices for fluid milk to the level proposed by Secretary Butz and at the same time give every dairy farmer a price increase of an equal amount.

But, while this action can be taken today and will have an immediate impact on milk producers across the nation who are in a dire situation, we must not forget the long range goal of parity prices for farmers. Nobody should be expected to live on an income that is only 90 percent of what is necessary to live comfortably in our economy.

Senator Nelson of Wisconsin has very wisely introduced legislation that would return dairymen's incomes to 100 percent of parity. The Farmers Union has always insisted that farmers must have parity prices for their products and we plan to fight for passage of Senator Nelson's bill, but the family farmer who is out in the barn at 5 a.m. every morning cannot wait for the wheels of Congress to turn in their slow, deliberate fashion. He needs aid now, not tomorrow, and present law requires that he gets some—in the form of 90 percent of parity dairy price supports.

STATEMENT OF CHARLES L. FRAZIER, NATIONAL FARMERS ORGANIZATION

DAIRY PRICES AND PRODUCTION

Mr. Chairman and Members of the Subcommittee, we appreciate this opportunity to reflect our concern about the current economic condition of producing dairymen. Attached are copies of a statement of Mr. Ed Graf, Director of our Dairy Division, Corning, Iowa and certain data on the current costs of production presented by Mr. R. E. Hupman, local NFO leader from Loretto, Kentucky, to the House Subcommittee when hearings were held last week on this same subject. In the interest of brevity, the results of this recent review of milk production costs and prices are summarized for your purpose.

Certain aspects of the current price situation surely can be accepted as factual and of primary importance in the deliberations of your committee.

The imports of dairy products during 1973 and running through last winter actually created a surplus for this marketing year. The pile-up of domestic products broke the market for our producers. The consequences were devastating in view of the fact that our costs were rising steadily during this same period.

For example: The Commissioner of Agriculture in Minnesota estimates that the average cost of production has risen 29% above levels prevailing one year ago.

Another example: The current average cost of production per hundred pounds of milk, determined for 50 family-size dairymen operating near Elizabethtown, Kentucky, is $10.09 per hundred, substantially over the current set price for Class I milk in that area. ($7.50 per cwt.)

In view of recent predictions publicly expressed by prominent economists indicating that our costs will continue to rise, it would appear to be almost certain that the cost-price squeeze on dairymen will become more critical by the end of this calendar year. The Chairman of the Council of Economic Advisors expects the annual rate of inflation to continue at the 12% level. It is hardly a big piece of encouraging news to read the announcement that a number of central banks are decreasing the prime rate from 12 to 11¾ or 11½ percent.

The announcement of the Department's intent to hold a hearing on the pricing formula for Class I milk on October 8 in Chicago, with a view to increasing the minimum basic formula floor price to no more than $7.50 per cwt. through the winter months, is not bad news but it is poorly timed. Had this action been taken early this summer, dairymen would have derived some real benefit from the change. It is now quite likely that any increase resulting from this hearing will parallel expected seasonal price rises and in all likelihood, will not even raise fluid milk prices much above the level already negotiated by producer organizations in most markets.

In view of the improbability that the Secretary of Agriculture might utilize his authority to raise current milk price support level to 90% of the parity price equivalent for milk and, in view of the fact that action contemplated for Class I milk will do very little to improve the market for manufacturing milk, the Committee is urged to move immediately to increase the temporary 80% price support minimum level established in the 1973 Act to 90% of parity. We are convinced that the immediate effect on consumer prices should be modest in amount, and could become acceptable to the public if it is clearly explained as necessary to stop the loss of our most efficient dairymen—those units that are family owned and operated. In the long run the survival of these production units would assure the consuming public of an adequate supply of milk at reasonable prices and we could avoid dependence upon imports of a large proportion of our milk products into this country. It is important that some affirmative action be taken as soon as possible. Despite the very low prices currently offered in livestock markets, large numbers of dairymen must decide whether to stay in milk production or simply give it up and sell the cows, along with such grain and other feed as they have available to go on a good cash market. Many of them will have to take this decision before the new Congress convenes in 1975.

Thank you for this opportunity to appear before your Subcommittee. If there are questions on the more detailed statements, I shall be happy to respond.

TESTIMONY OF ED GRAF, DAIRY COMMODITIES DIRECTOR, NATIONAL FARMERS ORGANIZATION

DAIRY PRICE SITUATION

The situation in which our Nation's dairy farmers find themselves today is quite critical—and that is putting it mildly. If there is no immediate price improvement this situation will become irreversible.

A great number of our dairy farmers have already passed the point of no return and will be forced out of production no matter what is done this year. Rapidly escalating production costs already have forced thousands of dairy farmers to discontinue production. Because of the nature of dairy farming, we need to be aware that once these units quit milking they will never again return.

In just this past year, the number of milk cows on farms in the United States has been reduced by more than 200,000 head and milk production this year is running nearly 2% below a year ago. This, on top of drastic reductions in previous years, has dropped U.S. dairy production to the lowest point since 1936. For an indication as to what has happened, we would like you to take a look at the State of Minnesota which is typical of what is happening. In June of 1973, Minnesota produced 912 million pounds of milk. In June of 1974, Minnesota dairy production was down 3%, to 883 million pounds. An additional 1,500 Minnesota dairy farmers have been forced out this year. According to State Agriculture Commissioner John Wefald this has resulted in a loss of $15 million to the economy of that state in just the last four months. The State of Minnesota, which was once the Nation's second largest milk-producing state, has dropped to number 4 in the Nation. Although the state historically has the lowest milk prices in the Nation, it also has one of the highest costs of production.

Since early this year milk prices to the Nation's farmers has dropped about 22% and at the same time their production costs have escalated greatly. Commissioner Wefald reports that production costs are up 29% over a year ago.

In March of this year the Minnesota-Wisconsin series price, which is the basic formula price for establishing milk prices in all Federal Milk Orders in the United States, was at $8.15 per hundredweight. In four short months we saw this price drop an unbelievable $1.86 per hundredweight. This price drop is only now being fully reflected in producer's milk checks. In many cases the income they are receiving for milk is not adequate to cover even the cost of feed, to say nothing of other operating costs, all of which have escalated steadily in the past year.

A cost of production study by the University of Wisconsin Extension Service, using records obtained from some of the top-producing and best managed farms in the State of Wisconsin, shows an estimated cost of production at $8.61 per hundredweight in May of 1974. An interesting item in this study is that the herd size increased and as the productivity per cow increased, so did that producer's cost of production—the reason being that as herd size increased the total investment per cow increased. As the productivity increased, so did the total cost of feed used to obtain that higher production. This indicates to us that the most efficient and lowest cost producers of milk were the average sized Wisconsin dairy farmers (a herd size of less than 50 cows and milk production of 11,000 to 13,000 pounds per cow).

One other factor that is significantly affecting dairy farmers is that the present policies and practices of their government do not provide them any encouragement for the future. Continuous statements by the leaders of the Department of Agriculture and other spokesmen of the government indicate that they have failed to recognize or acknowledge the serious problem that exists. This causes great concern and discouragement among the Nation's farmers.

Import policies which have the announced purpose of lowering milk prices have had an adverse psychological effect on farmers. Thus, we have a two-fold source of concern today. The most obvious is the actual cost-price squeeze in which they find themselves. The second is the psychological factor—the feeling that everyone in Washington has a deaf ear—that everyone in government is against them and wants them to produce for nothing.

To prevent further herd reductions and liquidations it will be necessary to raise producer price levels immediately to reflect the actual cost of production plus a reasonable profit.

We believe the intended benefit for consumers to be gained by lowering farm price levels is self-defeating in the long run. Consumers have not benefitted through lower food costs as a result of increased imports and they may face drastic shortages in the future. This will result in yet another price increase and this Nation's food supply will be seriously and perhaps irreversibly jeopardized.

The idea that this Nation can rely on foreign suppliers of large amounts of dairy products in this country is absolutely unbelievable. We fear that it is the unannounced policy of some economic policymakers to continue to phase out the American dairy producers and replace domestic production with what they believe to be low-cost foreign supplies. I only hasten to point out that they need to look at what happened to oil prices recently when we became more dependent on foreign sources for our energy supplies. Once we reach this position with our Nation's food supply we will quickly find out that these surplies are neither reliable nor low cost.

In contrast with that view, if we were willing to restore immediately the nearly $2 per hundredweight that farmers were receiving earlier this year, this could add about 17¢ per gallon or 1¢ per glass to the consumer price. It would restore the nearly $2 per hundredweight the farmers have lost this Spring. This would be a small expense to pay to assure an adequate and wholesome supply of dairy products to the consumer.

Recently an announcement was made by the Secretary of Agriculture that a nationwide hearing would be held to consider Class I milk price increases. I think a bit of clarification needs to be given to put that decision in proper perspective.

First of all, the hearing is being called for the purpose of considering approximately a 13% increase in the price of Class I milk. This means that it will only apply to that portion of production that is packaged. On the average, only 60% of the Grade A milk in the United States is used as Class I under the Federal Orders. This means that any price increase that may be derived from this hearing will apply to only 60% of the Grade A milk produced.

More importantly, it will not apply nor have any great effect on the large volume of 'manufacturing grade' milk or that portion of the Grade A milk that provides us with cheese, butter, powder, ice cream and cottage cheese.

It is also significant to note that the current price level obtained by bargaining organizations in most Federal Order areas, is equivalent to or in excess of the price level that the Secretary of Agriculture is contemplating in this hearing. Therefore, we must conclude that even if the decision is favorable in that hearing, it will not result in any appreciable increase in the price milk producers will receive. There are a few metropolitan areas where the price levels will be increased as a result of the hearing, but we want this hearing put in its proper perspective. It will not have as great an effect on the price of milk over this country as some would have us believe.

This is another example of government action not only being too little and too late, but it also is the wrong kind. The correct way to increase milk prices would be to increase the government support level. This would increase the price of all milk produced in the United States. It would also have the immediate effect of increasing the Minnesota-Wisconsin series price by the amount of increase in the government support price. This, in turn, would have the immediate effect of increasing the price level on Grade A milk within the Federal Order structure.

In other words, if the Secretary of Agriculture is sincere about increasing the price of milk produced in the United States, this is the way to do it. Dairymen will watch closely to learn whether milk prices are really going to improve, or whether someone is just giving the appearance of doing so.

The Nation's modern dairy farmer is a well-informed businessman. Many of them have accurate records to determine their actual costs of production. They know that the increased costs of producing and the absence of any real program to control inflation has canceled out the small gains their bargaining organizations were able to obtain in recent years.

In summary, it will be recalled that the minimum price support for milk was increased by the 1973 Act from 75 to 80% of parity. This new level expires on April 1, 1975; minimum support then reverts to the 75% level. The maximum authorized by law is 90% of parity.

Prices reported by the USDA as of August 15 reflect a national average price for manufacturing milk at $7.62 per hundredweight and for fluid market milk at $7.99 per hundredweight. Since the determination is made at the beginning of the market year and all costs have continued to increase the current effective support is only a little above 70% of parity.

I am unsure of just what the Committee had in mind in calling this hearing. We appreciate your interest, however, and urge that constructive action be taken. If you would establish the milk price support range at 90 to 100% of parity you would encourage dairymen to stay in business during the economic crisis that has already hit us at the farm level. The Congress would be giving assurance to the consuming public that we intend to produce our milk in this country—that the public would not be led by carelessness and inaction to depend heavily upon imports, as we must do in the case of oil and many of our manufactured articles.

Thank you for this opportunity to express briefly our concern about the survival of family operated dairy units in this country.

Average Annual Cost of Production—12,000 Pounds of Milk

Determined from the Farm Records of 50 Producers, cooperating with the Elizabethtown Farm Analysis Group, Elizabethtown College, Elizabethtown, Ky.

(Furnished for the Record by Mr. R. E. Hupman, Loretto, Ky., September 1974.)

Large breed dairy, September 1974

[Assuming 12,000 # Average]

Feed cost:	
Supplement (900# × $9=cwt)	$81.00
Corn equivalent (70 bu. × $4=/bu.)	280.00
Hay (3 tons × $35=/ton)	105.00
Silage (8 tons × $30=/ton)	$240.00
Pasture (1.3 tons × $19.23=/ton)	25.00
Total feed cost	731.00
Other cash cost:	
Power and fuel	31.00
Breeding fee	11.00
Vet and drugs	27.00
Marketing	64.00
DHIA supplies and miscellaneous	40.00
Total	173.00
Overhead cost:	
Depreciation and repairs	33.00
Interest:	
Buildings and equipment	27.00
Livestock	47.00
Taxes and insurance	20.00
Total	127.00
Labor requirements:	
72 hours at 2.50/hr.	180.00
Total production cost per cow:	
Feed	731.00
Other cash cost	173.00
Overhead cost	127.00
Labor	180.00
Total	1211.00
Cost per 1000# milk	100.92

This average cost of $10.09 per hundredweight includes no return on the land, nothing for management. Since it compares with current net returns for Class I milk at $7.50 per hundredweight in this area, it obviously includes no profit. Actually there is an out-of-pocket cash loss on the operation.

MILK HEARINGS—III

Mr. **HUMPHREY**. Mr. President, the September 30 hearings by the Senate Agriculture and Forestry Subcommittee No. 3 produced a wealth of informative testimony from a wide variety of sources.

I would like to point out the outstanding testimony of two witnesses, Robert Rumler, executive secretary of the Holstein-Friesian Association of America, Brattleboro, Vt., and Elton L. Oman, the Green Mountain Cooperative Federation, Inc., Burlington, Vt.

These two witnesses confirmed the testimony of other witnesses that the dairy industry is in a desperate situation and needs price relief.

Mr. Oman offered a sensible four-point proposal to provide short- and long-term solutions. His suggestions are:

First. Establish support prices at a level equal to 90 percent of parity;

Second. No importation of dairy products into this country over and above 1973 quotas unless domestic milk prices reach 100 percent of parity;

Third. Enforcement of countervailing duties; and

Fourth. Require that all dairy imports be subject to inspection and grading by the U.S. Department of Agriculture at importer's expense as opposed to taxpayers' expense.

Mr. President, I ask unanimous consent that the statements of these two witnesses be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

TESTIMONY OF ELTON L. OMAN, ECONOMIST, ON BEHALF OF THE GREEN MOUNTAIN COOPERATIVE FEDERATION, INC.

My name is Elton L. Oman. I am employed as Economist and Executive Secretary for the Green Mountain Cooperative Federation, Inc., Burlington, Vermont. The Green Mountain Cooperative Federation is an organization whose membership consists exclusively of cooperative associations of dairy farmers.

I come here today with four basic requests or proposals for consideration by the Government, namely the Secretary of Agriculture:

(1) Establish support prices at a level equal to 90 percent of parity;

(2) No importation of dairy products into this country over and above 1973 quotas unless domestic milk prices reach 100 percent of parity;

(3) Enforcement of countervailing duties; and

(4) Require all dairy imports be subject to inspection and grading by the U.S. Department of Agriculture at importer's expense (as opposed to taxpayers expense).

Effective last April 1 the Secretary established the price support level for manufacturing grade milk at $6.57 per hundredweight. At that time this price was 80 percent of parity. Today—August—such price is only 75 percent of parity. (The August parity equivalent price is reported to be $8.71.) Thus, 80 percent of such price would be $6.97 (+40 cents) while 90 percent would be $7.84 (+$1.27, or 19%, per 100 pounds).

We officially request that the support price be re-established at 90 percent of current parity and that the CCC purchase prices be established at levels which will, on the average, enable processing plants making butter and nonfat dry milk, as well as processing plants making cheese, to pay farmers the announced price for milk.

At the same time the support price was slipping as a percent of parity, the Minnesota-Wisconsin price upon which Class I price throughout the country are based slipped from a high of $8.15 per hundredweight last March to $6.39 for August (−22%).

Dairy farmers, like most everyone else in this economy of ours, are facing unprecedented increases in production costs. Machinery, repairs, fertilizer (when available), baling twine, and feed—one of the major cost items—have all increased in price beyond belief. From August 1973 to August 1974 dairy ration (16%) increased from $126 to $152 per ton (an increase of 21%). During the same period alfalfa hay increased from $51.70 to $61.90 per ton (+20%).

If the current cost-price squeeze situation continues, many dairy farmers will be forced to liquidate their herds and get out of the dairy business. If this happens the total available milk supply for the country could be sharply reduced.

This brings us to the main subject of my next three proposals—imports. If this administration has not abandoned the dairy industry of this country, there should be no dairy imports over and above the 1973 quotas brought into this country as long as the domestic price for milk and dairy products is below 100% of parity. Cheap, subsidized, foreign products should not be brought into this country at the expense of the American dairy farmer. To do so only depresses the domestic price of milk and threatens the stability and viability of our own domestic dairy industry. We may one day find ourselves completely dependent upon imports for our supplies of dairy products.

If imports are brought into this country, countervailing duties should be collected on such imports. Then these highly subsidized products would not have the false price advantage they currently enjoy.

Lastly, any imported dairy product coming into this country should be required to be inspected and graded by the U.S.D.A. just as our domestic products are. The consumer would thereby have some idea and assurance of the kind and quality of food product she is buying. The costs of such inspection and grading should be borne by the importer, not the American taxpayer.

Gentlemen, I sincerely thank you for your time and consideration and the opportunity to speak here.

THE DAIRY SITUATION

(Testimony Presented by Robert H. Rumler, Executive Secretary, Holstein-Friesian Association of America)

Mr. Chairman, Members of the Committee, I am Robert H. Rumler, Executive Secretary of Holstein-Friesian Association of America, with national headquarters in Brattleboro, Vermont. Our Association with 40,000 dairy farmer members is national in scope, but both domestic and international in its activities.

As an organization devoted primarily to breeding, our members provide the genetic base for 90% of all the dairy cattle in the United States. And so there is a real sense in which we represent the interests and economic well being of those dairymen who are milking nearly 10,000,000 of the 11,135,000 dairy cows in our national dairy herd today.

Most of our members also belong to milk marketing cooperatives as do those dairymen whom our members serve, in one manner or another, with the genetic basis for improvement of their herds. Genetic advances represent the first step in the productive efficiency of our dairy herds. This is one of the great achievements in the recorded history of American Agriculture which has made our organization nationally and brought it prominently into the international arena.

And so, our interests and our concerns are completely compatible with those of the individual dairy farmers who have testified or will testify before this Committee today.

Our dairy industry in this country, at least from the standpoint of the dairy farmer, is at a crucial point in its history. Perhaps it is more accurate to say that it is at a decisive point as it pertains to the future supply of fluid milk, fluid milk products and, therefore, all dairy products. And our consumer friends must understand that it is not so much a matter of self-interest as it is their interest that we establish a national policy of self-sufficiency now and for the future for milk and dairy products. It is every bit as important if not more so for milk as it is for energy. To think that the basic principles involved in milk self-sufficiency and energy self-sufficiency are polarized principles is to fail to understand either or both.

A TWO-PART PROBLEM

The question to which this Committee is addressing itself today needs to be considered as a two-part problem . . . not one which is of the moment alone.

First, the present emergency situation must be dealt with immediately. That is, if there is to be a future for the dairy industry to meet the well established nutritional needs of our people.

Second, steps must be taken NOW to prevent a reoccurrence in the future of the traumatic experiences of dairy farmers over the last 18 months.

THE CURRENT SITUATION

Little documentation of the critical nature of the present situation for dairy farmers is necessary beyond that already presented or to be presented by the individual dairy farmer, speaking for themselves.

Nonetheless, we might take a quick look. As a rule of thumb, feed costs run about 50% of the total cost of milk production on American dairy farms. The milk-feed price ratio for August was 1.1, down 13% from a year earlier and at the lowest level since a ratio of 1.08 was recorded in 1947. The milk-feed ratio represents the pounds of concentrate feed ration equal in value to one pound of milk sold to the dairy plant. With that kind of a ratio for the concentrate portion of the feed alone, it leaves little to cover the other 50% production costs.

The USDA projections of a "better feed situation" later in the years went down the drain last week with early frosts . . . dropping corn and soybean estimates below the latest published USDA Crop Reports and well down from Spring estimates. A look at the futures market for commodities tells the story clearly.

EMERGENCY MEASURES NOW

What needs to be done to meet the present emergency . . . the disproportionate, bankrupting relationship between production costs and the farm price for milk?

First let us keep in mind that these are emergency measures needed to maintain the productive capacity of dairy farms in the United States not only for the present, but for the future:

1. An immediate increase in the dairy support level to 90% of parity. This is within the present law and could be done within minutes.

2. Establish a new floor price in the basic formula for determining Class I prices. I'm pleased to say that a hearing for this purpose is scheduled for next Tuesday in Chicago. The proposal for a floor of $7.50 per hundred pounds is appreciated, if adopted, but it cannot be considered generous or even adequate. Hopefully the decision following the hearing will match the urgency of the situation and not be delayed for four months as was the case in a similar situation last year.

3. A guarantee against further, extra-quota imports of dairy products. If my source of information is correct, we imported through June this year two billion pounds milk equivalent against a permanent annual quota of 1.2 billion pounds milk equivalent.

NOW FOR THE FUTURE

No industry can be stable or meet its nutritional responsibilities to the American public if it must live on emergency actions, going from one crisis to another like the proverbial yo-yo. Certainly a long-cycle industry like dairy farming cannot operate in such an environment.

At the same time, the dairy industry expects no permanent handout program, no unrealistic guarantees if other sectors are willing to operate in a completely "free" market environment nor any favorite status not offered other segments of business, industry or agriculture.

But it cannot condone in the future a sacrificial status for the special benefit of other sectors for either political or economic excuses disguised as justifiable reasons.

And so we must fashion now a long range plan or program. It must establish an economic environment in which those dairy farmers who are relatively efficient in their operation can live and operate with confidence in the stability of the future. We must have such a situation to assure national self-sufficiency of milk and dairy products. Nutritionally, our people need this assurance. American dairy farmers have provided this in the past. Under a reasonable set of circumstances, they can and stand ready to do so in the future.

How?

I do not propose to take the time of this Committee today to review the many alternatives open to the Legislative and Administrative branches of our Federal Government to achieve this end. Rather, I will append to this statement a series of steps which I feel and the breeders of Holstein-Friesian cattle feel are worthy of study and adoption substantially in the form presented at a long-range approach or solution to prevent the reoccurrence of the present dilemma.

The attached material is entitled . . . "How Should Milk Be Priced?"

Thank you, Mr. Chairman.

How Should Milk Be Priced?

(By Robert H. Rumler, Executive Secretary, Holstein-Friesian Association of America)

How should milk be priced . . . to the producer? This age-old question has tried the minds and ingenuity of economists, businessmen, processors and dairymen for many years. Perhaps it always will!

To make progress in this area, however, it is wise to set some long-range goals and establish a sense of direction to achieve those goals. Hopefully, these considerations of the Holstein-Friesian Association will suggest desirable goals for pricing milk to the producer without detailing the course to follow or justifying completely each goal.

The pricing of milk is a problem unto itself. For reasons which are both obvious and well-known, it does not fit easily into pricing patterns generally applicable to many other raw farm products. This is true whether those products are perishable or more stable and readily storable for periods of time.

PRESENT EFFORTS

Perhaps the major effort today to restructure milk pricing procedures and policies is by a blue ribbon study group constituting a Task Force of the National Milk Producers Federation. These efforts are to be applauded, but higher priority items are slowing this effort. Nonetheless, the Task Force deserves the support of dairymen in its diligent effort to balance the necessary principles of pricing to the producer against provisions that are possible to attain within the current maze of economic stresses in our country today.

The work of the Task Force is directed more toward immediate solutions rather than plans for the future. But the latter is not being overlooked.

In a recent progress report as part of its evaluation of the impact of dairy import policies of the Administration, the Task Force stated that "a high degree of uncertainty in a situation which stems largely from political rather than economic considerations makes the development of a workable formula and program plans very close to impossible." (At the present time.)

When politics, both national and international, become an inseparable ingredient with economics in determining the course of action to be taken to stabilize an industry and assure its continuance at an optimum level, logic all too frequently goes out the window.

While accepting this situation as it is, the principles for pricing milk to the producer in our country must remain basically sound. They must compensate the producer for milk so as to provide an adequate supply to meet current needs and assure a supply to meet anticipated needs of the future. This must be done in such a way so as to maintain a viable industry within the country. A national policy of self-sufficiency now and for the future is every bit as important for milk as it is for energy.

There continue to be other efforts picking away at the periphery of milk pricing. These are sincere efforts to produce something better. The intent and motivation are commendable, but the results to date cannot be considered successful. They are more in the nature of "stop gap" efforts or designed for special competitive purposes rather than sound long time, basic solutions.

COMPONENT PRICING

Once again, component pricing is being reviewed by several groups. Undoubtedly this also will be a part of the review of the Task Force of the NMPF. Separate producer marketing cooperatives are taking a look at variations of this approach.

The American Dairy Science Association took a look at component pricing. Its special committee reported to the 1972 ADSA meeting. At this same meeting an industry-wide panel discussed the subject from the respective points of view of the panel members. A clear-cut course of action failed to surface. Perhaps this was to be expected.

There are those who seem to feel that some kind of magic is inherent in component pricing. Not so! Unless it can produce a higher price to the producer legitimately with the market or more equitably compensate the producer for his product, it offers little justification for change. More money for milk generally is a very questionable capability of component pricing if not a completely unrealistic consideration.

To achieve limited potential for the rank and file dairyman, component pricing must be carefully structured. It must be more a part of a total approach to pricing milk to the producer than a complete entity unto itself. Alone it offers no pricing panacea for the producer.

In California, component pricing has been in effect for several years. It would be hard to characterize the California system as a success. Almost any dairyman in the State will tell you that their producer prices are the lowest in the Country. The blame for this situation cannot be laid at the feet of component pricing. Neither can the California approach to component pricing be given credit for improving the producer pricing structure in the State.

When fluid pricing to the producer is tied to individual ingredient values for which there are direct substitutes and for which lower values historically have been attributed in manufactured form, there is little hope of achieving realistic goals for the sound structuring of a pricing system for milk to the producer. Why? Because it leaves ultimate achievement of these goals to the fixing of a value on the fluid increment in milk which chemically, at least, is water. The psychology of such a pricing formula is deadly. This is particularly true of Class I milk. Viewed in the light of the forthcoming nutritional labeling requirements of the Food and Drug Administration, its justification is highly questionable. But that is component pricing in its truest form.

WHAT ABOUT PROTEIN?

Pricing as well as promoting milk on the basis of its protein content has received studied consideration for more than 15 years. There is no argument about the value or quality of the protein in milk. It is the best there is when taken in its entirety or compared with other sources of protein for human consumption. In no way does this mean, however, that other sources of protein cannot or will not be supplemented under favorable economic situations to provide the same chemical balance and quantity of amino acids found in milk protein. Here again, the nutrient labeling proposal of Food and Drug Administration hangs heavy over our heads.

I would be the last to disparage the value of milk protein. We must know our product, however, and what the possible and realistic competitive situation may be if we are to avoid making the same mistake in the future that we made in the past when butterfat was "the" ingredient in milk.

Hopefully the time will never arrive when the dairy industry has to relearn the lesson of butterfat in the name of milk protein. The lesson was twofold . . . cheaper substitutes and nutritional disfavor. Those who think that such can never happen need only remember that the same was said of butterfat some years ago.

There is strong support in some areas for a pricing approach that would substitute protein for butterfat in pricing structures. Others would add protein to fat by splitting the differential. Still others choose to use the assumed magic of protein as a producer "PR" approach. With a degree of logic, heavy cheese producing co-ops may give token pricing to protein because of the higher cheese yields. It would be far more logical, but less glamorous for the present, to base this approach on casein which represents about 75% to 80% of milk protein and that portion of protein recovered in the cheese.

One cooperative is currently paying a bonus to producers for delivered milk with a protein content above an established level. There is a higher bonus for Grade B than for Grade A milk. This bonus is recovered from a heavy cheese operation otherwise the bonus could not be financed. For this co-op, this is only one of several different kinds of bonus paid to producers and does not represent a true protein pricing structure. Other payments above base coming from gross net income include a volume bonus and patronage dividends. The co-op admits that this very probably is only a half way step to a more permanent pricing structure.

But already the cheese balloon is being deflated. Imports, reduction in price, imitation cheese, filled cheese and non-dairy cheese are meaningful words these days in the industry.

Another co-op is experimenting with pricing on a combination of the lesser percentage increments in milk, fat, protein, lactose and minerals. This offers some confusion and an unnecessarily complicated problem of understanding by producers.

From time to time industry publications have carried stories setting forth reasons why protein should be used as the basis for pricing milk to the producer. These ideas are neither new or revolutionary. Most of them are consumer oriented and therefore potentially fragile as a solid base for producer pricing as a long-range goal. This concern becomes more valid when compared with the potential for pricing milk on the basis of fat and non-fat solids or total nutrients (total solids) in milk.

One point of realism on protein pricing set forth by an eminent dairy economist . . . "if the full value of manufacturing milk is reflected in fat and protein prices, the price of protein needs to be quite high and higher than can be recouped in most manufacturing uses (except for cheddar cheese, but that is becoming borderline at present) and in fluid milk." The solution . . . "keep the protein price relatively low and keep part of the value on the volume of milk or milk serum." But we covered the pricing of the serum earlier.

The dairy industry has a great asset in the balance and quality of nutrients in milk, including butterfat and non-fat solids. Also, it has real assets in skim milk either fortified with non-fat solids or without additional fortification. Low fat (2% butterfat) milk either fortified or non-fortified is a high demand consumer product with far greater potential. The dairy industry has far more to sell to the consumer on the value of fluid products than the relatively small percentage of protein they contain, albeit that it is the best balanced single source of protein available for human consumption today. When we have so much more to offer the consumer, promotion on protein alone suggests an unimaginative mimic of the times.

Sales approaches notwithstanding, the pricing of the raw product of the producer does not necessarily have to follow the sales pitch of the moment, whatever that may be. There are valid reasons why it should not.

The producer is providing a perishable fluid product which carries butterfat, protein, probably the very **best source of calcium**, other minerals, a unique sugar in lactose and significant vitamins. A pricing structure which fails to take all of these nutrients into consideration as one of the factors in pricing milk, fails to adequately compensate the producer for the food which he produces.

INDUSTRY DEVELOPMENTS TO CONSIDER

In considering how milk should be priced to producers in the future, certain significant developments must be weighed. Also to be considered are current techniques used to arrive at these decisions.

It is estimated that approximately 77% of all milk sold by farmers today is of Grade A quality. Eventually all milk will quaify for fluid use. This time may be closer than we think. What happens to cheese, new sanitary regulations and fluid milk products will be the major factors determining the "time when."

Unless unnatural barriers are established, milk produced any place in the country may eventually represent a source of supply in fluid form for almost any other place in the country.

Many dairy economists feel that the Minnesota-Wisconsin series as a basis for pricing fluid milk is obsolete or close to obsolescence. Perhaps it is not a valid consideration for establishing pricing structures from this point on. If so, a better way must be adopted. It is available.

Pricing of milk to producers on the basis of its ultimate use by the consumer is unique. if not exclusive, within the dairy industry. The multiplicity of Class use pricing may be at a point of obsolescence. At this point in time, no one is willing to say that all milk should be priced to the producer on the same basis irrespective of its "use class" as a non-blend price. However, for milk of the same quality, namely Grade A, a producer's cost is the same irrespective of the "Class" use of the product.

In producer pricing, two Classes should be adequate in the future to arrive at his blend price. One for fluid products consumed as such and those products that directly compete at the consumer level with the fluid products. Another or second would be for the true or genuine manufactured products.

HEARINGS VERSUS REVIEWS

In August, 1973 after much pressure from dairy cooperatives, an emergency hearing was called to consider the completely justified need for increasing the price of milk to the producers. This hearing was continued in September. Finally on December 27, 1973, the decision was rendered denying the request. If an emergency situation existed as it truly did, the delay of four and a half months from the opening of the hearings until the rendering of the decision, plus the time involved in obtaining an agreement to call a hearing suggests very little sensitivity through the hearing process to emergency industry situations. Perhaps it suggests also the obsolescence of the hearing procedures as they are presently operating.

The hearing procedure which is carried on "before-the-fact" of a pricing change should be supplanted by a review procedure which may be conducted while pricing changes are taking place on an automatic basis. Much speedier action and reaction could be expected.

FORMULA PRICING

This situation serves to support the suggestion that pricing procedures be established so that they are completely sensitive to changing economic situations within the country and adjust automatically with these changes. The obvious answer, therefore, is formula pricing for Class I milk.

Without necessarily excluding other economic factors, a milk pricing formula should include the significant elements in the cost of production and the capability of consumers to purchase, balanced by carefully documented factors of domestic supply and demand.

Obviously a satisfactory formula pricing structure does not allow for political interference in the form of manipulated import quotas if a viable dairy industry is to be maintained. This may be true with or without formula pricing, but most certainly is a factor if formula pricing is to serve its real purpose. As a protection against such a situation, the industry must continue to have assurances provided by government support prices, albeit that they may serve only to provide the industry a measure of insurance against devastating political manipulation via dairy imports.

As a supplement to formula pricing, producers should be compensated for the additional amounts of nutrients produced in milk over and above realistic minimums. Producers of milk with high levels of butterfat and solids-not-fat should be compensated for these additional nutrients. This would be provided through the well accepted differential process.

A single differential for total solids could be developed or a split differential for fat and non-fat solids might be used. The total solids differential would provide greater flexibility with less actual variations from time to time and, therefore, is to be preferred.

Assuming a base figure of 12% total nutrients composed of 3.5% butterfat and 8.5% solids-not-fat, a differential for each one-tenth of a percent of total nutrients above 12% or below, 11.5% could be developed. The amount of the differential would vary depending upon the value of butterfat and solids-not-fat in the commercial market thereby providing realistic returns to the producer for the extra nutrients in milk above and below the .5% spread between 11.5 and 12% total nutrients.

The logic of using total solids rather than components of either butterfat, solids-not-fat or the mechanically unseparable protein rests with the changing relative values of butterfat and solids-not-fat as commercial separates.

CLASS II MILK

Earlier, a two class use separation of pricing was mentioned. A realignment of products in each class would seem advisable and necessary with Class II covering the genuine manufactured products not competitive at the consumer level with what historically has been considered Class I milk.

With this established, true component pricing for the Class II milk becomes logical, reasonable and justified. How much is the fat worth? What is the non-fat solids worth? Or what is the protein worth? Actually what are the values of the components which are used to produce butter, powder, cheese or "what have you"? Whatever these may be at any given time for a co-op or distributor represents the price blended for the producer for that portion of the milk going into the manufactured products.

IN SUMMARY

With the economic formula for Class I milk on a hundred-weight basis, plus a differential both up from 12% and down from 11.5% for total nutrients, milk prices to the producer would be constantly in line with changing economic conditions within the country.

Thinking in terms of two classes of milk as the basis for producer pricing, it is immediately obvious that a realignment of use classes of milk is a realistic necessity.

With true component pricing for Class II milk and a revision of the products in the Class II category, there is a sense of realism to the relationship between price, use and value of product.

Replacing hearings to consider price adjustments which in the past often have come very late after the fact, would be a review procedure to correct gross inequities or formula revision as they appeared necessary.

Perhaps all of this can be briefed by suggesting that a new procedure for pricing milk to producers is needed. In this context, worthy of consideration is formula pricing for Class I milk with a total nutrient differential at the 11.5 to 12% level, component pricing for Class II milk, a redefinition of what is included in Class I and Class II products, the replacement of the hearing procedure by a review procedure relative to formula pricing, a setaside of the unrealistic approach of protein in favor of total nutrients or solids-not-fat in the approach to producer pricing and the ultimate production of all milk as Grade A quality.

APATHETIC NATURAL GAS POLICY— DESTINY IS CALAMITY

Mr. TOWER. Mr. President, our colleague, the junior Senator from Oklahoma (Mr. Bartlett), yesterday spoke here in Washington on our apathetic natural gas policy.

I believe it would be in the interest of the entire Nation if each Member of this body took the time to read what Senator Bartlett had to say. There is much wisdom in his words.

Therefore, Mr. President, I ask unanimous consent that his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Apathetic Natural Gas Policy—Destiny Is Calamity

(By Senator Dewey F. Bartlett before the Gas Men's Roundtable of Washington)

As one of the original sponsors of Senate Concurrent Resolution 363 calling for a domestic Summit Conference on the Economy, I was gratified with its progress. I compliment President Ford for his initiative in establishing it and for its success.

While numerous problems do exist in our economy, the number one concern is inflation. A vivid example of the problem is a person making $20,000 per year at age 30 with an inflation rate until retirement at age 65 of 12½%, would have to make over one million dollars per year at retirement to enjoy the same standard of living that he enjoyed when 30.

Some people contend that inflation can be reduced through price controls on oil and gas and its products. Between 1951 and 1971, because of government price controls and programs, real electricity prices fell 43%, refined petroleum prices were down 17%, and coal prices dropped 15%. As a result, domestic demand soared and domestic supplies of energy did not keep pace; foreign oil—at first cheap, later expensive—replaced much American oil and gas. The increased domestic demand and the decreased domestic supply of oil and gas resulting from government price controls and programs brought abbut greater shortages and greater imports of very high priced crude oil and products, causing inflation. Yes, controlled prices of energy, instead of alleviating inflation, actually are a root cause of inflation.

And what is inflation doing to the capital requirements for worldwide oil and gas exploration? John Winger, of Chase Manhattan, estimated the exploration capital requirements for the period 1970–85 to be $1.2 trillion in constant 1972 dollars. A 10% inflation increasing that figure to $2.1 trillion and 15% inflation rate further increased it to $3.1 trillion.

I'm strongly opposed to 10¢/gallon tax on gasoline, because it hits hardest the poor and those on fixed incomes. The people are paying enough taxes, and most unfortunately such a tax would undoubtedly preclude the possibility of a free market for "new" domestic natural gas as well as for domestic crude oil, both of which are essential to maximizing our domestic supplies at fair prices.

The free market for crude oil and new natural gas will not only dampen demand for and automatically conserve oil and gas, but will increase our domestic supplies of oil, natural gas, and alternate fuels.

A free market price for all domestic energy will reduce inflation and eliminate shortages.

The domestic supply of energy is the life blood of our economy. Energy is the great multiplier of our gross national product of manufactured and agricultural commodities.

Some believe the answer to our energy problems lie with just one side of the coin—the demand side—lower demand by increased and improved conservation programs. They suggest keeping our domestic energy supply constant by improving conservation and by decreasing demand with a 10¢ tax increase.

First, our domestic energy supplies are continuing to decline despite additional drilling because the drilling rate is still insufficient and a longer lead time is required. In oil and gas production, as you know, it takes a lot of running to stand still. The consumption of energy and the GNP are directly related, increasing at the same rate over a period of years. Likewise, GNP and employment are in a similar direct relationship. So if the GNP would remain constant, so would employment.

But, because there would be a larger work force in 1985 the unemployment rate would be a staggering 20%—totally unacceptable.

Though the production of the average well of ARAMCO in Saudi Arabia is over 11,000 BBLS., per day compared to 18.3 BBLS., per day for our average domestic well, we stupidly continue to subsidize OPEC prices with controlled domestic prices for oil and gas, creating more domestic demand and less domestic supply than would occur with free market prices. By subsidizing OPEC prices, I mean we guarantee an increased purchase of high cost foreign oil and gas.

Because our domestic energy industry is anemic at the present time, it should not be a surprise to anyone that our economy is also anemic and will continue to be so until we have a sufficiency of domestic energy.

How can we bring about reasonable free market prices of imported energy?

No one should be surprised that the cartel of OPEC nations has worked. By piddling around with the construction of the Alaskan Pipeline, by Congress refusing to deregulate the price of "new" natural gas at the wellhead, by both Houses of Congress voting to roll back the price of domestic crude oil to approximately half of the imported price, and by various legislative threats to the enenergy companies—both large and small—which would impair their efforts to increase domestic energy supplies, our nation has strengthened the resolve of the OPEC cartel. We have continued to send messages to OPEC that we really are not very concerned about our domestic energy shortages.

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The Administration's hard hitting criticism of cartel price fixing by oil exporting countries, which is bankrupting many nations, should arouse sufficient world opinion that may help correct this outrage.

But, the biggest threat to the OPEC cartel would be a sound energy policy to which this nation would be fully committed.

Most of the component parts of a viable energy policy are known—but there is still no consensus. For the purpose of facilitating and expediting the generation of broad support for a sound energy policy, I encouraged the summit conference to support the creation of a three-member energy advisory council patterned after the act creating the Council of Economic Advisors. Senator Hollings of South Carolina has advanced legislation to create such a council, which though needing some changes, should be helpful.

Yesterday I wrote the President and suggested that this Energy Council, preferably composed of reasonable people from the academic community and outside of industry, would have the responsibility of developing a national energy policy. Because the necessary component parts of a sound energy policy are fairly obvious, such a policy would have to be similar to Project Independence. Because of the credibility of the Council members, the Democratic and antienergy industry members of Congress would find it easier to support the whole package. They want the opportunity of getting off the hook of opposing reasonable steps to solve our energy dilemma.

The current energy crisis needs the full time attention of experts, who from a position of prominence and objectivity, can make a compelling case for a domestic energy policy to which the Congress, in addition to the Administration, can be fully committed.

This Council would be complimentary to the overall ongoing energy effort of the Administration. The Council members should be carefully chosen.

I also suggested to the President that he reaffirm his support for the deregulation of the price paid at the wellhead to producers of "new" natural gas. The Buckley amendment failed only by two votes a year ago—now we believe there are six or more Senators who will switch their vote.

We hope to attach the Buckley amendment to the Trade Bill. The Administration's support of this amendment is essential. If the Trade Bill is not available, we have a hold on another bill on the calendar which, when passed, goes to the House Ways and Means Committee.

Despite the bleak domestic energy situation that could easily turn into a calamity, Congress continues its ostrichlike head-in-the-sand attitude towards natural gas legislation.

Any one of several highly possible situations could occur this winter to cause massive unemployment and unnecessarily high electric bills; and schools, hospitals and factories could be slowed to a standstill.

The handwriting is on the wall, and it is a bleak picture indeed.

Curtailments of natural gas are predicted to be 81% greater this winter than they were last winter. But what if we have a severely cold winter. What if there is a coal strike on November 12th or a series of wildcat strikes by refinery workers beginning in January. What if the Mid-East war flares up and our oil imports are reduced by an embargo or by physical restriction as a result of military actions?

Congress seems oblivious to the circumstances. The Commerce Committee has moved at a snail's pace on natural gas legislation, and it appears that further delays are in the cards. This is despite the constant insistence by the Administration that deregulation of new natural gas prices at the wellhead is the cornerstone of a prudent national energy policy.

Congress seems content and determined to follow the same unconscious regulatory policy that has gotten us into this miserable situation.

The Federal Power Commission' action, setting a national ceiling of 42c per thousand cubic feet with a 1c per year escalation, falls far short of the needed incentive to increase supplies.

The Commission's action is nothing more than a repeat of the price fixing mechanism that has proved to be a failure for 20 years. It will neither spur needed exploration and development of new natural gas reserves, nor slow down the increasing shortages and curtailments of natural gas for interstate shipment throughout the nation. In short, it does not solve our natural gas dilemma.

The need for natural gas currently is nearly 2 trillion cubic feet greater than available supplies. John Nassikas, Chairman of the Federal Power Commission, recently announced in hearings before the Senate Subcommittee on Agriculture that curtailments of natural gas supplies will be 81% greater—totaling 0.768 trillion cubic feet—in the winter of 1974–75 than they were in the previous winter. Nearly all states' utilities are facing from small to severe curtailments this winter.

Examples of possible unemployment caused by companies facing curtailments are numerous.

A review of the Commission's announcement of the uniform national rate provides me with no confidence that the 20-year downward trend in natural gas reserves and upward trend in natural gas shortages and curtailments will be reversed. My lack of confidence is sustained by a number of statements made by Commission members themselves at the time the decision was announced.

First, the Commission admitted that it could not predict or quantify how much new supplies would be brought to market by the adoption of the uniform rate scheme. In effect, the Commission is saying that continued natural gas price fixing will not redress the widening natural gas supply/demand gap.

Second, the Commission said, in determining the national rate, that it considered a number of related factors including intrastate market prices. The Commission members clearly know that intrastate natural gas prices range as high as $1 per thousand cubic feet or more. The continued wide disparity between the price fixed interstate rate and the free market intrastate price will certainly do nothing to funnel greatly needed large volumes of additional natural gas to the interstate market.

Third, one of the Commissioners who voted with the majority apparently did so only because he felt any action was better than the hodgepodge price mechanism existing up to now. He stated, however, that, "The legacy of wellhead rate regulation, initiated during a time of plentiful supplies in a 'buyers market' and now completely unresponsive to shortages, has been worsening chronic gas supply." Indeed, he called the prescribed rate "mischief."

Fourth, another Commissioner who concurred with the majority decision, also seemed to have deep reservations about the wisdom of his actions. His views, too, are worth quoting. He said, "The decision . . . may be incompatible with our goal of securing long term supplies for a long range problem, and inhibits development of a methodology of adequately pricing new gas." And he added that, "The price determined for gas from wells drilled after January 1, 1973, may be inadequate to encourage reinvestment of the funds so generated."

Finally and perhaps the most telling of the Commission's statements announcing the uniform national rate actually flies in the face of its decision. The Commission admitted that, "The 'cost' of new gas supplies is an imprecise and elusive quantity."

And, yet the Commission, by mandate of the Congress and the courts, must continue to chase this "imprecise and elusive" goal, because of the fallacious belief that the subjective judgment of Government regulators is superior to the objective forces of the marketplace.

The Commerce Committee, under the leadership of Senator Stevenson, has been beating around the bush. They have considered proposal after proposal. Draft language has flourished. If the drafts could be gathered and burned, they would contribute more to solving the energy crisis than they will ever hope to otherwise. Seemingly, they have designed to do anything but solve the shortage problem.

The current proposal being considered by the Commerce Committee (the Stevenson-Pearson approach) is a ruse. It amounts to a gradual confiscation of natural gas—a taking of private property from the producing states. These people who propose this measure don't seem to realize jobs in producing states are dependent on adequate natural gas supplies too. Producing states (intrastate pipelines) are also facing curtailments or are restricting new customers. There is no surplus of interstate gas that could be made available to this interstate market.

Taking gas away from the intrastate market and giving it to the interstate market will not accomplish what is needed—that is increasing of supplies of natural gas.

Already Congress has delayed much too long. The simple solution is to put more domestic natural gas into the pipelines. That can be done only if the producers have an adequate economic incentive to go out to find it.

There are those of us who feel that all natural gas should be decontrolled at the producer level. But there is a reasonable compromise that would help to assure natural gas consumers that new supplies will be forthcoming—deregulate "new" gas only—the Buckley amendment does just this.

Unless new domestic natural gas supplies are forthcoming, the consumer will pay dearly. For one thing, as pipelines become less full, the unit cost rises because the pipelines and distribution lines must still be amortized, full or not. The consumer pays more for less natural gas as the lines become less full.

Already Washington Gas and Light Company has announced that it will cut all service to 247 interruptable customers for the entire winter starting December 16th. These customers include industries as well as Georgetown University and the University of Maryland. As yet there has been no estimate of the number of jobs that will be lost.

The Washington Gas & Light Company's announcement is only the first of many.

The cost of alternative fuel supplies to replace the curtailed gas—if a replacement fuel is possible—is very expensive. Again the consumer will ultimately bear the burden of higher electric bills and higher commodity costs.

Canadian Energy Minister, Donald MacDonald, has announced that the U.S. must pay $1.00 per thousand cubic feet for natural gas brought from Canada. Imported Liquefied natural gas (lng) costs are even higher and we all know how expensive imported oil is now. There absolutely is no cheaper alternative to our own domestic natural gas.

I believe that we have sufficient votes in the Senate to pass the Buckley amendment—which I hope will be singled out for support soon by President Ford. There are those Senators who fear retaliatory punitive amendments to be introduced if the Buckley amendment is offered. But to do nothing is to pay an enormous price in additional gas shortages, further loss of jobs, and more dependence on foreign oil at bankruptcy prices. We must introduce the Buckley amendment and do our best to vote down crippling amendments. Our government's last anti-recession, anti-inflation antidote is the free market for domestic energy—including oil, natural gas, coal, and the alternate fuels.

My colleagues in Congress will find very few people will be concerned about small rolled in gas price increases when their jobs and schools and homes are threatened by lack of natural gas. And I warn everyone the situation is just around the corner.

CARL L. HELGREN

Mr. MAGNUSON. Mr. President, next month in Montreal, Carl L. Helgren of Seattle, Wash., will turn over the gavel as president of the 12,000 member American Society of Travel Agents—ASTA.

Carl, who is the president of "Where-to-Go Travel Service," was elected president of ASTA 2 years ago and will complete his term of office in October.

A recent article which appears in the Seattle Times fairly well summarizes the contribution Carl has made to the industry and the traveling public. Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Seattle Times, Sept. 15, 1974]

HARD-DRIVING PRESIDENT OF ASTA WILL STEP DOWN

(By Stanton H. Patty)

Soon Seattle's Carl L. Helgren will step down after two globe-whirling years as president of the American Society of Travel Agents.

Helgren's departure will leave ASTA with new growth and some solid, new directions.

And the consumer—the traveler—is better off, too, because of this hard-driving man's determination to upgrade his industry.

Even so, the work is not finished, and Helgren pledges to continue his efforts as immediate past president and a board member of ASTA for the next two years.

A new president, still to be selected, will take over when ASTA members gather in Montreal October 27 to November 1 for their annual convention.

(Helgren is hoping to bring the big convention to Seattle in October, 1976.)

"This has been a busy, exciting and rewarding time," Helgren said. "One of the greatest experiences a person can have."

The one thing Helgren would just as soon skip right now is another airplane ride.

One guess is that he has traveled something like 1 million miles in the past two years—attending meetings, leading negotiations, chatting with chiefs of state. The position commands immense respect abroad, where many countries rely on tourism as a major source of income and foreign exchange.

Helgren's schedule has been so hectic, in fact, he would have to consult a diary to sort out the various trips.

Four journeys to Europe so far this year and another, to Geneva, in the works as he talked. A recent trip to the Soviet Union. A visit soon to Iran. The Orient. South America.

Meanwhile, a call asking him to Rio de Janeiro to meet with the President of Brazil and sign an agreement for ASTA's 1975 convention in Rio . . .

"The job becomes greater each year," Helgren said.

And Halgren, a sturdy 65, does not even suffer from jet lag.

"I don't know why," he said. "Maybe you just get accustomed to it."

ASTA, with more than 12,000 members, recorded the largest growth in its history during the past quarter.

One of the most satisfying developments for Helgren is what he terms a "greater recognition" of professional travel agents by the airlines. He calculates that 90 per cent of international travel and 35 to 40 per cent of domestic travel now is handled by the agents.

The quality of service by travel agencies has improved, Helgren said, "but still not as much as I want."

Helgren has pressed hard for legislation to provide for federal licensing of travel agents—setting out requirements and tied into a testing program for all wishing to go into the business.

One test would establish that a person has the technical knowledge to be an agent. Another would demonstrate managerial ability to operate a travel agency.

Examinations would be administered by the prestigious Institute of Certified Travel Agents, which Helgren helped to found several years ago.

A suitable bill has passed the Senate twice, each time to be "bottled up" in a House committee. Helgren has no idea why.

"We feel there have been so many violations with strandings of passengers and unqualified people promoting charters that we have to have federal licensing," he said.

"In ASTA we have certain guidelines and a code of ethics," Helgren said. "But there are some others who just are not qualified to be travel agents."

Helgren also has scorn for forms of deceit that are practiced by a few in the industry.

Such as a hotel brochure that advertises it is "on the beach," but is not. Or the tour that advertises "deluxe accommodations" that are not deluxe at all. Or the airline that offers a "choice of meals" but has only one entree available when the passenger places his or her order.

"There are a lot of things like this that need to be cleaned up," Helgren said. "The consumer does need protection. He is entitled to protection."

Helgren added:

"I think the majority of us, especially in ASTA, are professionals. But I think there is room for improvement."

Perhaps the top accomplishment of Helgren's soon-to-be computer system ASTA will sponsor that the average travel agency will be able to afford. A Helgren-appointed committee participated in the design.

The machine will be able to reserve aircraft seats, hotel rooms and rental automobiles, print a traveler's itinerary and do the agency's accounting.

There will be a single computer center, linked with the computers of every airline in the United States.

ASTA will market the system among the travel agents. The subscribing agencies will pay a reasonable monthly charge.

In the end, Helgren said, the computer will save the agencies "a lot of money" and will provide customers with improved service.

ASTA soon will sign a letter of intent with Greenwich Data System, a subsidiary of Control Data Corp., the firm that will build and finance the system. Once the contract is signed, the computer could be in operation within two years.

"The industry desperately needs automation," Helgren said.

All the while as ASTA's No. 1 travel agent, Helgren has continued as president of Where-to-Go Travel Service here. He has no thought of retirement.

No question about it. When Carl Helgren passes the ASTA gavel to his successor in Montreal, he will rate a big ovation from the travel industry and the traveling public.

ON THE PRICE OF HOME HEATING OIL

Mr. BROOKE. Mr. President, winter is just around the corner.

For much of the Nation—but particularly for New England—this means 4 months of cold, harsh weather. Throughout these months heat is an obvious and absolute necessity. And the demand for heating fuels—particularly oil—becomes intense and all but inelastic.

No one needs to be reminded of last winter's battle to assure the Nation of an adequate supply of heating oils. Happily our efforts were successful, due in large part to the enactment and implementation of the Emergency Petroleum Allocation Act of 1973. This winter supplies appear adequate, but unfortunately, a new battle looms. I speak of the growing battle over price.

On September 10 the Federal Energy Administration proposed several amendments to the mandatory petroleum price regulations. These proposals are three in number. First, FEA has proposed elimination of so-called banks, that is, the mechanism whereby refiners or resellers accumulate increased costs which then may be gradually passed on and recovered when and if market conditions permit.

These banks have also served the very useful purpose of preventing wild price gyrations which would occur if all cost increases were passed on immediately. Second, FEA proposes elimination of the special product rule which states that refiners must apportion cost increases among all their products according to production and sales volumes of each. Third, FEA proposes modification of the equal application rule which has ensured that no region of the Nation bears a disproportionate price increase on any particular product.

Together, these proposals spell disaster for New England where 74 percent of our population utilize oil to heat their homes. They will all but force refiners and resellers to pass on their banked costs within the next 5 months—something the current market conditions would not permit. And without the special product rule these increased costs will most likely be attached to the fuel which is in greatest demand—heating oil. I single out heating oil because even a rudimentary understanding of economics would indicate that refiners and resellers will attach their costs increases to a product they know will sell. And heating oil will sell. It must sell for it is not, as my colleagues know, a discretionary product. People cannot get by without it. Indeed, the demand for this product during the winter becomes virtually inelastic. In Boston alone, 75 percent of the city's annual heating oil consumption takes place in these winter months.

Mr. President, FEA's proposals will burden all those parts of the country which utilize oil heat. But New England and the Midwest will particularly bear a disproportionate share of this burden simply because they use the largest quantities of this product. This is clearly discriminatory and therefore in direct violation of the Emergency Petroleum Allocation Act which insures that all regions be treated equally in terms of supply and price.

Moreover, these proposals are clearly inflationary. I see no other way to interpret them. And given the President's strong emphasis on developing anti-inflationary policies, I am amazed that the FEA is even seriously considering them. The elimination of the special product rule alone could trigger a 2- to 6-cents-per-gallon increase in the price of heating oil in New England. When one remembers that each penny increase costs New England heating oil consumers $50 million, the staggering inflationary effect quickly reveals itself.

I intend to fight these proposals. And I hope my colleagues will join me in this effort. The price of heating oil in New England, and I suspect throughout the Nation, is already too high. To make our citizenry pay more for this needed fuel would be a cruel blow, especially when most citizens can barely meet their existing costs.

Mr. President, to better acquaint my colleagues with the issues at stake here, I ask unanimous consent that two very interesting testimonies—one on behalf of the New England Fuel Institute; the other on behalf of the Independent Fuel Terminal Operators Association—be printed in the Record. I think my colleagues will find them very enlightening.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement on Mandatory Petroleum Price Regulations Submitted by New England Fuel Institute

Thank you very much for the opportunity of appearing before you today.

My name is Robert Fawcett. I am President of the Fawcett Oil Company, an independent retailer of home heating oil located in Cambridge, Massachusetts. I am Chairman of the Fuel Oil Supply Committee of the New England Fuel Institute and serve on its Executive Committee and Board of Directors. With me is Mr. Charles H. Burkhardt of Boston, Executive Vice President and Managing Director of NEFI.

We are appearing today on behalf of the New England Fuel Institute, an association of approximately 1,300 company members who are independent retail and wholesale distributors of No. 2 fuel (home heating) oil throughout the six New England states. The independent distributors of New England sell at retail 82% and at wholesale 40% of the total No. 2 fuel oil consumed. Total consumption of No. 2 fuel in New England is more than 100 million barrels per year; at current prices this represents nearly $1.5 billion in annual sales. There are more than 2,350,000 home heating oil consumers in New England; 71% of its buildings and 74% of its population are heated by oil.

SUMMARY

The New England Fuel Institute is strongly opposed to the changes in Mandatory Petroleum Price Regulations proposed by the Federal Energy Administration. They will have a serious adverse effect on independent home heating oil retailers and consumers and represent a threat to our survival as vigorous competitors in the petroleum market.

We oppose the removal of the special products rule (Section 212.83 (c)) because it will permit refiners to pass through an unjustified proportion of cost increases on No. 2 fuel oil.

We oppose the modification of the equal application rule (Section 212.83(c)(1)(iii)) because it will permit refiners to load additional cost increases onto home heating oil marketed in New England and the Northeast.

We oppose the elimination of the refiner and reseller banking provisions (Sections 212.83(c)(3), 212.93(e)), because it will force such refiners and resellers to move substantial additional costs out of their "banks" over the next five months and onto the prices charged home heating oil retailers.

NEFI'S GENERAL COMMENTS

We are deeply concerned at the premises underlying FEA's proposed amendments. We appreciate its desire to move toward elimination of price controls on petroleum products. But this simply cannot be done by a gradual, piecemeal process, especially if, as is the case in the September 10 proposal, the loosening of controls gives refiners added freedom to do what they want with fuel oil prices. If loosening of controls means only added flexibility for refiners, then the proposal violates the Allocation Act, for it drastically impairs the competitive viability of independent marketers.

We seriously question whether FEA even considered the extraordinary impact on consumers and marketers of the combined removal of the special products rule and the refiner banking provision at a time when the demand for No. 2 oil, an inelastic product, is highest. The combination spells serious inflation for dealers and consumers.

The theoretical nature of these amendments—that is, their failure to consider the facts and the realities of the fuel oil market—is distressingly similar to the theories on which petroleum price regulations were based a year ago. As you may recall, a year ago the Cost of Living Council had a rule which permitted refiners to pass through costs but froze retail prices; the theory was, as stated to us, that independent retailers faced with a frozen price would force—I repeat, force—the major refiners who supplied us to roll back their prices! Even Exxon joined us in opposing that rule.

But again today the proposed regulations appear not to be rooted in reality. Refiners are given greater freedom to allocate and pass through costs; and given the realities of petroleum marketing, it is again the retail fuel oil dealer who will be most seriously hurt. In the light of the clear mandate of the Emergency Petroleum Allocation Act of 1973, we do not see how these rules can possibly be legal.

NEFI'S SPECIFIC COMMENTS

We should now like to present our objections to three specific proposals;* the special product rule, the equal application rule and the banking provision.

Elimination of the special product rule

FEA proposes to allow refiners complete freedom to allocate cost increases to any product they wish. Under current rules, of course, a refiner must apportion increases among products according to the volume produced and sold.

FEA proposes to let the refiner put all or most cost increases on any single product, *as the demand permits*. Everyone familiar with the home heating oil market realizes that demand for this product is particularly inelastic—that is, price increases result in little or no decrease in demand. This will be particularly true in the coming Winter, for as a result of the combined pressures of rising prices and Federally enforced conservation, most homeowners have already cut consumption to a minimum. They can do little more, except to cut their heat off altogether.

As a group who cooperated fully with the FEA in assuring a maximum conservation effort, the members of the New England Fuel Institute can attest to the fact that the New England homeowner has cut his consumption sharply. Given the inelasticity of fuel oil—and the greater elasticity of gasoline demand—it is clear that, by eliminating the special products rule, FEA is giving refiners an open invitation to load costs on No. 2

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*We also wish to submit for the record a Fact Sheet, dated September 27, 1974, analyzing the impact of these rules on independent marketers of fuel oil.

fuel oil. And we have no doubt that they will make the sound business judgment to take advantage of the loophole opened up by the FEA.

What does this mean for the fuel oil retailer? Obviously our cost of product will go up sharply. The increases will vary among refiners according to their crude oil costs and the size of the banks they wish to eliminate by next February. In New England the cost increases could be from 2 to 6 cents per gallon; they may be even more. As FEA is aware, each 1 cent increase at retail costs the New England fuel oil consumer $50 million per year.

The retail dealers have but two choices. Both impair our ability to compete. We can absorb the increase and see our margins reduced sharply or, in some cases, face losses on each gallon sold. Or we can pass on the increases to our hard-pressed customers. As FEA knows, fuel prices have more than doubled in much of New England over the past year. It is surely unfair to push even greater costs on the region this Winter, but this is clearly what FEA intends. The reaction of the homeowner is predictable; if we raise prices even more, he will look even harder for a new supplier or a new fuel.

In either of these cases—the dealer absorbing the increase or passing it on—the competitive position and viability of the independent marketer will be seriously weakened.

We cannot therefore understand why FEA is proposing this charge. We strongly oppose it.

Modification of the equal application rule

FEA proposes to modify the equal application rule to increase prices in certain regions of the country more than in others. Here again the New England fuel oil marketer and consumer will bear the brunt of the burden. Given the facts about the No. 2 fuel oil market we have just discussed—particularly the inelasticity of demand—it is clear that refiners will move fuel oil costs to their maximum limit in the areas and regions of highest demand; this means an even greater increase in fuel oil prices in New England and the Northeast during the coming Winter.

We have already outlined the serious impact of the elimination of the special products rule. Modification of the equal application rule will simply make things worse; our prices will go even higher. For the reasons set forth in the discussion of the special product rule, we are strongly opposed to the modification in Section 212, 83(c) (1) (iii) proposed by the FEA.

Elimination of banks

FEA is proposing to eliminate the banks or reservoirs of unrecouped costs held by refiners and resellers, allowing them to pass through 20 or 25% of the reservoir between now and the end of February. Retailers will, in effect, drown in a flood of increased costs by the end of February.

FEA's timing could not be worse. FEA claims that the next five months are critical because the Allocation Act expires on February 28; but in view of Administrator Sawhill's endorsement of a four or six-month extension in statements to the Senate last month and to the House last week—and the progress of that extension through the Congress—this argument has no basis.

The proposed rules clearly weaken the competitive position of the independent fuel oil retailer. Let's look at the facts: refiner and reseller banks are being placed on a "use or lose" basis for the next five months. Refiners and resellers thus will be under great pressure to pass through these costs to the greatest extent; we can't blame them, for FEA is doing the forcing. It just happens that during the next five months, the demand for the most inelastic product, No. 2 fuel oil, is at its peak. In the Boston area, for example, nearly 75% of the total annual consumption takes place from October through February. Similar high percentages obtain throughout New England. So obviously the heavy proportion of cost increases can—and will—be placed on heating oil. There is no other way refiners and resellers can recoup the maximum costs. And, of course, removal of the special product rule makes it possible to load a disproportionate share of the costs onto No. 2 fuel.

As retail fuel oil dealers we are going to bear the brunt of those increases. And we are going to face the terrible choices discussed above—either absorb the costs and lose money or pass through the costs and lose business.

In brief, we are strongly opposed to the phased elimination of the banking provision.

CONCLUSION

The New England Fuel Institute respectfully requests that the Federal Energy Administration not promulgate the changes in the Mandatory Petroleum Price Regulation proposed in the Federal Register on September 10. They are ill-conceived and violate both the letter and spirit of the Act of Congress under which the price rules are administered. The proposed changes are particularly discriminatory against the retail home heating oil dealers of New England and the Northeast and the customers they serve. The proposed rules will force inflationary price increases onto the home heating oil consumer in the months ahead. The impact of FEA's proposal is bad for us, bad for our customers and bad for the nation.

STATEMENT OF WILLIAM L. MANNION ON BEHALF OF THE INDEPENDENT FUEL TERMINAL OPERATORS ASSOCIATION

My name is William L. Mannion. I am a Vice President of the Metropolitan Petroleum Company of New York, New York, an independent deepwater terminal operator serving dealers and consumers in the New York-New Jersey area and New England.

I am appearing today on behalf of the Independent Fuel Terminal Operators Association, which is composed of 18 companies who operate deepwater oil terminals along the East Coast from Maine to Florida.[1] None is affiliated with a major oil company. Members market home heating oil (No. 2 fuel), residual fuel oils (No. 4, 5 and 6 fuels), and gasoline at the wholesale and retail level.

The Independent Fuel Terminal Operators Association is strongly opposed to the amendments to the Mandatory Petroleum Price Regulations proposed in the Notice of Proposed Rulemaking, Federal Register, September 10, 1974, pp. 32718–31 (F.R. Doc. 74–20877). We believe they should be rejected in their entirety.

Our position is based on a number of general and specific premises which we should like to present to this hearing.

I. GENERAL COMMENTS

a. Proposed Amendments Violate Congressional Act. The proposed amendments are a clear violation of the Emergency Petroleum Allocation Act of 1973 (P.L. 93–159, 87 Stat. 627). Section 4(b) (1) (D) of that Act requires that the allocation *and price* regulations issued thereunder must preserve:

"An economically sound and competitive petroleum industry; including the *priority needs* to restore and foster competition in the producing, refining, distribution, *marketing,* and petrochemical sectors of such industry, and to preserve the *competitive viability* of independent refiners, small refiners, nonbranded *independent marketers* and branded *independent marketers*" (Emphasis added).

As we shall explain in detail in this statement, the proposed rules do not meet these priority needs; the rules will severely damage the competitive position of independent marketers of home heating oil.

Further as we will indicate in our discussion of the "banking" provisions, these are in violation of Section 4(b) (2) of the Act, requiring a full pass-through of costs.[2]

b. Proposed Amendments are Based on Faulty Premises. The FEA apparently believes that its existing price regulations are no "longer needed or are inappropriate in the context of current conditions" and propose changes "to help restore competition" (39 Fed. Reg. 32718). While it is true that supply conditions have changed somewhat since last winter and we all support a restoration of competition, the proposed amendments are not responsive to the new conditions and actually hurt competition.

The reason is that EPA's action is based on a faulty premise—that price regulations can be removed in a piecemeal fashion, with the maximum flexibility granted to refiners. This simply does not square with the realities of the petroleum industry.

We do not believe that allocation or price controls can effectively be removed in a gradual fashion. We presented our views with reference to the allocation rules to the FEA last July.[3] Many of the same reasons apply in the case of removal of price controls. Basically we believe that the only sensible, legal way to remove controls is to do it all at once—completely.

The contradictions and defects of piecemeal removal can easily be seen in the rules we are considering today. One example of contradiction is the reasoning underlying the elimination of the banking provisions. FEA states that surplus market conditions do not permit refiners and resellers to pass through all of their increased costs; this is correct. Yet FEA feels it must get rid of the banks because the unrecouped costs accumulated in the banks are likely to be passed-through to consumers.

A fatal defect is involved in the proposal to grant refiners freedom to do what they want with the assignment of costs to products and regions. In theory this sounds like a sensible step; in the market place, it will severely damage the independent marketer and consumer.

In brief the theory of gradualism—on which this rulemaking is premised—is wrong.

c. Proposed Amendments are Inflationary. As the FEA recognizes, "increased supplies are leading to marketing conditions in which refiners [and resellers] are unable to take advantage of the full increased product cost pass-through provisions" (39 Fed. Reg. 32723). FEA also states that it "is aware that certain refiners [and resellers] may have voluntarily incurred increased banked costs in an effort to keep prices at reasonable levels." (39 Fed. Reg. 32723). This is correct. In plain language, it means that current market conditions are limiting price increases.

Instead of allowing market conditions to continue to have this effect, FEA now proposes a regulation which will *force prices upward.* This will clearly be the impact of the removal of the banking provisions for refiners and resellers, on a "use or lose" basis between now and the end of February. We can think of no better way to stimulate inflation in the petroleum market. And since the period between now and February 28 is the time of peak demand for No. 2 fuel oil, we can think of no better way to force home heating costs upward.

In brief, FEA proposal is inflationary, in direct contradiction of current national policy.

II. SPECIFIC COMMENTS

We should like to limit our specific comments to three amendments: elimination of reseller banks; elimination of the special product rule; and modification of the equal application rule.[4]

a. *Elimination of Banks, Section 212.93.* FEA is proposing to eliminate future banking by resellers, effective October 1, 1974, and a 20% per month limitation on the recovery of previously banked costs.

Footnotes at end of article.

As we have indicated, we cannot understand FEA's justification for the proposed rule—that accumulated "banks," in a time of tight supply, may result in drastic price increases. This is simply contrary to the general premise of the Rulemaking, that a surplus of supply warrants the lifting of numerous price and product restrictions. If this latter premise is correct no modification of the banking provisions should be necessary.

Our greatest concern is that modification of the banking provisions will force resellers to absorb a substantial share of their increased product costs. FEA states that the elimination of current restrictions on the timing of reseller price increases (once per month) will avoid the need for the reseller banking provisions. This is simply wrong. FEA's analysis is based upon the assumption that the bulk of unrecovered costs result from resellers voluntarily charging less than their maximum lawful prices. In fact, reseller banking is due primarily to the working of the weighted average inventory system which the regulations also establish. The following example, which describes the current market situation in which refined product prices are rising may be useful.

Assume that a reseller opens a given month with 10 barrels of product in inventory at $10 per barrel weighted average cost. Assume also that its profit margin is $1 per barrel and that it anticipates a purchase of 10 additional barrels later in the month at a cost of $10 per barrel.

"Under the existing and the proposed regulations the reseller can market its product at $11 per barrel throughout the month. But assume now that on the 25th day of the month, the reseller's supplier raises the price of product to $20 per barrel. The reseller's weighted average inventory cost jumps to $15 per barrel. The maximum lawful price is now $16. Yet, the company has sold its product at $11 per barrel for the first 25 days of the month. For each such barrel sold prior to the cost increase, it is undercovered by $5. Under the proposed regulations, the reseller could "lawfully" double or triple his prices in the last five days of the month in order to recover his prior losses. However, the market would never permit such a price increase. In reality, the reseller would be forced to absorb these costs. Since the new regulations do not permit banking or future recovery of any kind, the reseller suffers a permanent loss."

This example is typical of what may happen in the market. For example, a review of price increases by several major suppliers in the first nine months of 1974 shows that increases were announced on the 16th, 18th, 21st, and 27th days of the month. In each case, companies which rely upon those suppliers were forced to establish sizeable banks of unrecovered costs. The problem becomes even more complex and disruptive when a reseller has many suppliers, each of which raises its prices at different times in the month or when the reseller makes spot purchases. It also may be impossible for a reseller to make an immediate estimate of his average weighted costs. Errors can occur. In each case, a bank of unrecovered costs could be created.

As sellers of substantial volumes of residual fuel oil, we wish to note that a once-a-month restriction has never been applied to residual fuel oil. Nonetheless, resellers have accumulated sizeable banks of unrecovered costs due solely to the operation of the weighted average inventory system The regulations have always permitted banking on this product, apparently in recognition of the fact that it is not solely the once-a-month rule which mandates the existence of a banking provision.

20 percent is inflationary

We are strongly opposed to FEA's proposed 20% per month limitation on recovery of past banked costs. It is apparently based upon the assumption that the program will expire in February, 1975. This assumption is unrealistic in light of FEA Administrator Sawhill's support of a six-month extension of the program, stated last week to the House Committee on Interstate and Foreign Commerce. Moreover, we are certain that this provision will encourage rather than limit cost recoveries and result in increases in consumer prices. Resellers (and, of course, refiners), fearing that they will lose past banked costs, will attempt to pass through all or a portion of the 20% of their bank each month.

Such an incentive to pass through rapidly is not, of course, contained in the current regulations. Thus, at a time when the Federal Government is attempting to slow inflation, FEA is encouraging it.

We also note that the regulation is both arbitrary and unrealistic in that it makes no provision for seasonal aspects of the petroleum industry. Because of this failure, FEA has designed a program that is a sure prescription for sharp increases in No. 2 fuel oil prices. The forced pass-throughs, at both the refiner and reseller level, must take place between now and February 28. Yet this is the time of year when the maximum consumption—60–80% of the annual volume—of home heating oil takes place. Obviously, given the short time period, the high volume, the inelasticity of fuel oil demand, and the elimination of the special product rule, refiners and resellers will push as much cost onto No. 2 fuel as possible. The result is equally obvious: higher prices to retail dealers and consumers.

Another result of FEA's failure to consider the heating oil market will be wildly gyrating fuel oil costs. If one realizes that there is a wide variation in monthly sales volume of heating oil as a percentage of annual sales—October, 5%; November, 10%; December, 16%; etc.—one can easily see the proposed rule would force refiners and resellers to pass three times the cost per gallon onto October sales than onto December sales. Surely, this result—a price increase in October three times that of December—was not intended.

Finally, we believe that the proposed October 1, 1974 starting date is unrealistic, given the fact that October 1 is tomorrow. Even if adopted, which we hope won't happen, these rules cannot become law until well after that date. The timetable creates unnecessary uncertainty among resellers and may encourage immediate cost pass throughs prior to implementation of the regulation.

Violation of the Allocation Act. As we indicated in our general comments, we believe the 20% rule is a violation of the Emergency Petroleum Allocation Act. This rule, as well as the elimination of banking in future months, will force marketers and resellers to absorb a significant share of their increased costs. Such losses are permanent and can never be recovered during the program. Rather than take the time of this hearing to discuss the history of the Act in detail, we refer you to the discussion at pp. 6–8 of the Fact Sheet, Attachment B.

We wish to make one further point: we believe it is arbitrary and inequitable to force any marketer to absorb costs which it banked voluntarily in reliance upon the program. Independent marketers and resellers have sought to keep their prices to the consumers down, despite dramatic increases in their costs and reductions in their margins. In this effort to cooperate with general Federal policy, they have banked enormous costs. FEA recognizes this in the introduction to the Rulemaking (39 Fed. Reg. 32723–4). FEA would now impose a penalty upon their goodwill. In light of the statutory mandate to protect independent marketers, we believe such a penalty is not only inequitable but unlawful.

b. Elimination of the Special Product Rule, Section. The elimination of the special products rule is also a clear violation of the Allocation Act and will also result in sharp, inflationary increases in prices of No. 2 fuel oil. As we have noted, the demand for home heating oil is particularly inelastic. Therefore, in the coming winter, as the demand for heating oil rises, refiners given a free choice by the FEA will obviously choose to funnel most or all of their increased products costs onto No. 2 fuel oil sold to the marketer and in turn to the consumer.

The independent retail home heating oil dealers who are appearing before you can provide more detailed analysis of the impact at the retail level and on the homeowner. As companies who market substantial volumes of No. 2 fuel oil at both wholesale and retail, we can support their analysis. The elimination of the special product rule, coupled with the amendment to the banking and equal application provisions, is certain to force tens of millions of dollars of added costs onto No. 2 fuel over the next five months. This will not happen if the FEA abandons the proposed changes.

IF FEA decides to proceed, the impact on the retailer and consumer of home heating oil will be severe. The retailer will find himself in an even more severe cost squeeze, facing the alternative of absorbing the increases and losing money or passing the increases on and losing customers. In either case the competitive position and viability of independent marketers will be eroded. In addition elimination of the special product rule, along with the other amendments FEA is proposing, is almost certain, as we have already indicated, to force a reappearance of the two or multi-tiered pricing structure that plagued the Northeast during the period November-March of last winter. If this happens, the impact on marketers and consumers alike will be very unfortunate. As persons who lived through that bad period, we are deeply alarmed at the prospect of a reappearance of wide gaps in rack prices of No. 2 fuel oil. FEA must not permit this to happen.

As long as the FEA maintains price controls, it must maintain the special products rule. Otherwise control becomes a farce. Without this rule, refiners will be free to move prices up and down at will, and, as we and others have clearly demonstrated, be free to load costs on the most inelastic products, of which No. 2 fuel oil is the leading one.

In conclusion, we wish to join others in objecting as strongly as possible to elimination of the special product rule. FEA should make no mistake; it should be fully aware that if it insists on changing or eliminating the special product rule, it is administrating a severe—and we believe illegal—blow at independent marketers of home heating oil.

FEA may wish to give the refiners more freedom, but in the process it is helping to destroy the independent fuel oil marketer.

c. Modification of the Equal Application Rule. We are also strongly opposed to modification of the existing regulations requiring equal application of increased product costs among classes of customers throughout the United States. The impact of such a modification is admitted by FEA: it would cause regional price disparities (39 F.R. 32723). This alone renders the proposed regulation unlawful under Section 4(b) (1) (F) of the Allocation Act, which requires equitable distribution of petroleum products at "equitable prices among all regions and areas of the United States."

Even more serious from our point of view as marketers of home heating oil along the East Coast, the proposal is an open invitation to refiners to increase the price of that product in areas of highest demand by 10% more than elsewhere. We have no doubt that this will happen and that the 10% increases will be made in areas such as the Northeast. Here again, the burden of FEA's proposed price amendments will fall most heavily on the independent marketers of No. 2 fuel oil.

IV. CONCLUSION

The Independent Fuel Terminal Operators Association is strongly opposed to the amendments to FEA's Mandatory Petroleum Price

Regulations proposed in the Federal Register Notice of September 10. They violate the Emergency Petroleum Allocation Act of 1973, will force inflationary price increases in No. 2 fuel oil and discriminate against the independent fuel oil marketer.

We urge that the FEA not promulgate these regulations in final form, and instead develop and publish for comment a new set of amendments, more consistent with the law and designed to strengthen the competitive viability of independent marketers.

FOOTNOTES

[1] A list of members and description of the Association is attached. (Attachment A.)

[2] See Violation of the Allocation Act, below.

[3] See Statement of Independent Fuel Terminal Operators Association, "Exemption of Residual Fuel Oil", July 23, 1974.

[4] In support of these comments, we also submit as Attachment B, a Fact Sheet, dated September 27, 1974, analyzing the impact of these rules on independent marketers.

ATTACHMENT A

MEMBERS OF INDEPENDENT FUEL TERMINAL OPERATORS ASSOCIATION

Belcher Oil Company, Miami, Florida.

Blue Ridge Fuel Company, New York, New York.

Burns Brothers Preferred, Inc., Brooklyn, New York.

Cirillo Brothers Terminal, Inc., Bronx, New York.

Colonial Oil Industries, Inc., Savannah, Georgia.

Deepwater Oil Terminal, Quincy, Massachusetts.

Gibbs Oil Company, Revere, Massachusetts.

Howard Oil Company, Inc., Maspeth, New York.

Meenan Oil Co., Inc., New York, New York.

Metropolitan Petroleum Corp., New York, New York.

Northeast Petroleum Industries, Inc., Chelsea, Massachusetts.

Northville Industries Corp., Melville, New York.

Patchogue Oil Terminal Corp., Brooklyn, New York.

Seaboard Enterprises, Inc., Boston, Massachusetts.

Southland Oil Company, Savannah, Georgia.

C. H. Sprague & Son Company, Boston, Massachusetts.

Webber Tanks, Inc., Bucksport, Maine.

Wyatt, Inc., New Haven, Connecticut.

The companies listed above own or control terminals capable of receiving ocean-going tankers; none is affiliated with a major oil company. They are qualified to participate in the No. 2 fuel oil program established under Section 2(a)(1) of Presidential Proclamation 3279, as amended, and Section 30 of the Oil Import Regulation, under which 45,000 b/d of home heating oil is presently being imported into District I (the East Coast). The members of the Association are independent marketers of No. 2 fuel oil, No. 6 fuel oil, gasoline and other petroleum products.

Members of the Association distribute 40% of the No. 2 fuel oil consumed in New England. and 25% of the No. 2 fuel oil consumed along the East Coast (District I). They own or control approximately 15 million barrels of No. 2 fuel oil storage.

The independent share of the total East Coast market for No. 2 fuel oil. at the terminal level, is approximately 25%; the remaining 75% is controlled by refiners.

Of the nation's No. 2 fuel oil consumption (for heating purposes), New England accounts for 20%. New York, New Jersey and Pennsylvania account for 35% and the remainder of District I accounts for 10%. Thus 65% of the nation's No. 2 fuel oil is consumed in District I.

ATTACHMENT B

FACT SHEET

Subject: Adverse Impact of Proposed Amendments to the Mandatory Petroleum Price Regulations on Independent Marketers and Resellers

Independent marketers and resellers of home heating oil oppose the Federal Energy Administration's proposed amendments to the Mandatory Petroleum Pricing Regulations (39 Fed. Reg. 32718–31, September 10, 1974, F.R. Doc. 74–20877). These amendments will result in severe deterioration of the competitive viability of the independent sector of the petroleum industry and will have an inflationary impact upon the American consumer.

FEA seeks an orderly transition to the deregulation of petroleum prices. This is a commendable objective. However, it cannot be legally achieved under the amendments proposed in the Federal Register Notice.

The amendments grant refiners increased pricing flexibility. They liberalize the rules concerning pass through of non-product costs by refiners, eliminate the special products rule and the refiner banking provisions and modify regulations which now require equal application of increased product costs among classes of customers in various regions of the country. Each of these measures will allow refiners to charge higher prices for refined petroleum products. Ultimately, the American consumer will pay higher prices for all refined petroleum products, but the greatest price impact will be upon heating oil.

At the same time the proposed regulation will place arbitrary and unwarranted burdens upon independent marketers and resellers, especially those who sell No. 2 fuel oil. Present market conditions do not permit resellers to pass through all of their increased costs. Independent marketers have already narrowed their margins on some products; their customers have seen fuel bills nearly double over the past year. Further cost increases may make it extremely difficult for many independents to compete.

In addition, the proposed regulation would cause severe hardship at the marketing level by eliminating the reseller banking provisions. As we demonstrate below, this amendment would impose permanent losses upon resellers and is clearly unlawful.

FEA's proposal does nothing more than lift the burden of regulation from refiners and place heavier cost burdens on marketers and ultimately the American consumer. Such a program is contrary to law and national policy.

I. THE ELIMINATION OF RESELLER BANKING PROVISIONS, SECTION 212.93

A. Resellers Will Suffer A Permanent Loss. Initial comments herein focus upon FEA's proposed amendments to the reseller's banking provisions, Section 212.93(e). FEA seeks the elimination of future banking by resellers, effective October 1, 1974, and a 20% per month limitation on the recovery of previously banked costs.

There appears to be little basis for FEA's justification of the proposed rule—that in a time of tight supply, accumulated "banks," may result in drastic price increases (39 Fed. Reg. 32724). In fact it contradicts FEA's general premise that there is a surplus of supply, and therefore numerous price and product restrictions may be lifted (39 Fed. Reg. 32718). If the latter premise is correct no modification of the banking provisions should be necessary. However, the greatest concern of independents is that modification of the banking provisions will force resellers to absorb a substantial share of their increased product costs.

1. The Elimination of Future Banking. FEA states that the elimination of current restrictions on the timing of reseller price increases (once per month) will obviate the need for the reseller banking provisions (39 Fed. Reg. 32724). This is simply not the case. FEA's analysis is based upon the assumption that the bulk of unrecovered costs result from resellers voluntarily charging less than their maximum lawful prices. In fact, reseller banking is due primarily to the working of the weighted average inventory system which the regulations also establish (Section 212.92). The problem can be demonstrated by the following simplified example, which describes the current market situation in which refined product prices are rising:

"Assume that a reseller opens a given month with 10 barrels of product in inventory at $10 per barrel weighted average cost. Assume also that its profit margin is $1 per barrel and that it anticipates a purchase of 10 additional barrels later in the month at a cost of $10 per barrel.

"Under the existing and the proposed regulations the reseller can market its product at $11 per barrel throughout the month. But assume now that on the 25th day of the month, the reseller's supplier raises the price of product to $20 per barrel. The reseller's weighted average inventory cost jumps to $15 per barrel. The maximum lawful price is now $16. Yet the company has sold its product at $11 per barrel for the first 25 days of the month. For each such barrel sold prior to the cost increase, it is undercovered by $5. Under the proposed regulations, the reseller could "lawfully" double or triple his prices in the last five days of the month in order to recover his prior losses. However, the market would never permit such a price increase. In reality, the reseller would be forced to absorb these costs. Since the new regulations do not permit banking or future recovery of any kind, the reseller suffers a permanent loss."

This case is typical of what may happen in the market. For example, a review of price increases by several major suppliers during the first nine months of 1974 shows that increases were announced on the 16th, 18th, 21st, and 27th days of the month. In each case, companies who buy from those suppliers were forced to establish sizeable banks of unrecovered costs.

The problem becomes even more complex and disruptive when a reseller has many suppliers, each of which raises its prices at different times in the month or when the reseller makes spot purchases. It also may be impossible for a reseller to make an immediate estimate of his average weighted costs. Errors can occur. In each case, a bank of unrecovered costs could be created.

It should also be noted that a one-a-month restriction has never been applied to residual fuel oil. Nonetheless, resellers have accumulated sizeable banks of unrecovered costs due solely to the operation of the weighted average inventory system. The regulations on this product have always permitted banking, apparently in recognition of the fact that it is not solely the one-a-month rule which mandates the existence of a banking provision.

2. *The 20% Per Month Limitations*. FEA's proposed 20% per month limitation on recovery of past banked costs is ill-advised (Section 212.93(e), 39 Fed. Reg. 32730). It is based on an assumption that the allocation program will expire in February, 1975 (39 Fed. Reg. 32724). This assumption is unrealistic in light of FEA's own endorsement of a six-month extension of the program.[1] Moreover, this provision is likely to *encourage* rather than limit cost recoveries and result in increases in consumer prices. Resellers, fearing that they will lose past banked costs, may attempt to pass through a full 20% of their bank each month.[2] Prior regulations did not provide an incentive for an immediate cost recovery.

The regulation is also both arbitrary and unrealistic in that it makes no provision for seasonal aspects of the petroleum industry.

Footnotes at end of article.

For example, sales of home heating oil vary substantially from month to month. As a percentage of annual volume, October sales are 5%, November sales 10% and December sales 16% and so forth. The proposed rule would encourage resellers to increase prices three times as much in October as December in order to pass through a full 20% of banked costs. Surely such wild gyrations in price were not intended.

Finally, the proposed October 1, 1974 starting date is unrealistic, since FEA hearings on the proposal will be completed at the earliest, the day before. The regulation is, therefore, not likely to become law until well after October 1. The timetable thus creates unnecessary uncertainty among resellers and may encourage immediate cost pass throughs prior to implementation of the regulation.

B. The Elimination of the Reseller's Banking Provision is Unlawful. As set forth above, the 20% rule, as well as the elimination of banking in future months, will force resellers to absorb a significant share of their increased costs. Such losses are permanent and can never be recovered during the life of the allocation program. Such a result is contrary to the provisions of the Emergency Petroleum Allocation Act of 1973 (Pub. L. 93–159, 87 Stat. 627) ("EPAA").

The EPAA, Section 4(b)(2), states categorically that in specifying prices, FEA regulation shall provide for "a dollar-for-dollar pass-through of net increases in the cost of . . . refined petroleum products to all marketers or distributors at the retail level." This pricing principle is the product of careful Congressional consideration and is documented by a legislative history that antedates consideration of the EPAA itself. In August 1973, four months prior to the formation of FEO, the Cost of Living Council also attempted to prevent marketers from obtaining a full cost recovery. In October, Congress reacted by passing the Findley Amendment to a Continuing Appropriations Act (Pub L. 93–124, 87 Stat. 49), which effectively forbade the Council from imposing such losses. When Congress turned its attention to the EPAA, it restated its concern and adopted the dollar-for-dollar pass-through rule. The Conference Report described this provision as follows:

"... it is contemplated that prices for allocated fuels will be set at levels or pursuant to methods which will permit adequate compensation to assure the private property is not confiscated by the government." House Rep. No. 93–268, P. 26 (Comm. on Conference).

This mandate is surely violated when marketers are ordered to absorb all cost increases which they cannot pass through currently and all past increases that cannot be recovered under the 20% per month formulation.

Moreover, it would be arbitrary and inequitable to force any marketer to absorb costs which it banked voluntarily in reliance upon the program. Independent marketers and resellers have sought to keep their prices to the consumers down, despite dramatic increases in their costs. In this effort to comply with the objectives of the program, they have banked enormous costs. Now, FEA would impose a penalty upon their goodwill. In light of the additional statutory mandate to protect independent marketers, EPAA, Section 4(b)(1)(D), such a penalty is inequitable and illegal.

II. AMENDMENTS TO THE REFINERS PRICING REGULATIONS

As noted above, proposed amendments to the refiner's pricing regulations are clearly inflationary and will place extraordinary burdens on independent marketers and resellers. Two of these proposals, elimination of the special products rule and modification of the equal application of costs regulation, require further comment.

A. The Special Product Rule, Section 212.83(c). The elimination of the special products rule will lead to inordinate, inflationary increases in prices of special products. The demand for No. 2 fuel oil, is particularly inelastic; that demand, of course, increases sharply during colder weather. Thus, over the next five months, as the demand for heating oil rises, refiners will be able to pass increased costs and banked costs onto No. 2 fuel oil. This will mean higher costs for marketers and in turn for the consumer. Clearly, the timing of the proposed elimination of the special products rule means that No. 2 fuel has been selected as the product to bear the heaviest price increases.

The elmination of the special products rule coupled with amendments to the banking and equal cost application provisions is certain to force tens of millions of dollars of added costs onto No. 2 fuel oil over the next five months. This clearly could not occur under existing regulations.

Should FEA proceed with its proposal, the impact on the retailer and consumer of home heating oil will be severe. The retailer, caught in a cost squeeze, will face an impossible choice. He can absorb his cost increases and sustain a loss or pass increases on and lose customers to other dealers or competing energy sources such as gas or electricity. In either case, the competitive position and the viability of the indepedent marketers will be eroded.

As long as FEA maintains price controls, it must maintain the special products rule. Without it, refiners will be free to raise and lower prices at will, and to load costs on those products for which demand is most inelastic. As set forth above, No. 2 fuel oil is this winter's leading candidate. Later, other special products will bear the burden of such discriminatory pricing. Clearly, the special products rule must be maintained.

B. The Equal Application Rule, Section 212.83(c)(1)(iii). Modification of the existing regulations requiring equal application of increased product costs among classes of customers in various regions of the United States is equally unlawful and without logical basis. FEA admits that the proposed amendment would cause regional price disparities. (39 Fed. Reg. 32723). This alone would make the proposed regulation unlawful under Section 4(D)(1)(F) of the EPAA, which requires equitable distribution of petroleum products at "equitable prices among all regions and areas of the United States."

FEA asserts that the proposed modification will serve the interests of the independent marketer (39 Fed. Reg. 32723). This assumption is correct. This modification, together with elimination of the special products rule and the refiner banking provisions will allow major integrated refiners to raise their prices on home heating oil to independent marketers in the Northeast and other areas in which the demand for such special products is high and inelastic. Clearly the independent marketers in the Northeast and perhaps other regions of the country will suffer. Approximately ninety percent (90%) of the No. 2 fuel oil purchased by independent heating oil marketers in the Northeast is produced by large, integrated refiners. These marketers will bear a disproportionate burden of cost increases passed through by such refiners. Certainly, if the purpose of the proposed rule is to help independent marketers, it falls in achieving its objective.

Clearly, the proposed modification promotes price discrimination among regions of the country. In the coming winter, the impact of this discrimination will be severe. In the Northeast, consumers already burdened by price increases which result from the elimination of the special products rule and the refiners banking provisions will pay a 10% surcharge due solely to the modification of the equal cost application rule.

Such a result is inequitable, unwise and clearly unlawful. The equal cost application rule must remain unchanged.

CONCLUSION

For each of these reasons, the FEA must reconsider and abandon its proposed pricing regulations and develop and publish for further comment a program that will better protect the independent marketer and the consumer.

FOOTNOTES

[1] Statement of Administrator Sawhill to House Committee on Interstate and Foreign Commerce, September 24, 1974.

[2] The same is true of the proposed amendment eliminating the refiner's banks, in 25% increments through February 1975 (Section 212.83(c)(3), 39 Fed. Reg. 32728). Refiners too will be under pressure to pass through a maximum level of costs.

A CALL FOR EXPANDED FOOD ASSISTANCE

Mr. HUMPHREY. Mr. President, President Ford, at his recent address before the United Nations, indicated that the United States would increase the dollar amount spent on food assistance to needy countries this year. What he neglected to say was that this increase in dollars will not mean an increase in food shipments.

Last year we spent over $800 million on food aid to developing countries. Because of soaring prices, even if we spend the high option amount being considered by the administration this year, $1.4 billion, we will do little more than maintain the level of food shipments made last year. Unfortunately, it appears that the administration is not really prepared to deliver on its high option food level, and so the volume of food provided this year is likely to be below that of last year.

When the increase in world population and the past year's catastrophic weather conditions are taken into account, this aid level can at best be considered inadequate. The specter of famine is now looming over millions of people. Time is running out.

Many administration officials argue that the United States, due to present crop reductions, cannot afford to increase food shipments. Surely some sacrifices will have to be made somewhere. In a country where the majority of the people are well fed, where in fact large amounts of food are wasted every day, I feel that we cannot afford not to rearrange our priorities somewhat and share our food resources with those who are on the brink of starvation.

At the present rate, the world is consuming 1.4 million tons more grain a year than it produces. It is evident that failure to plan ahead will mean widespread disaster in future years.

I propose that we increase food shipments to needy nations now and immediately embark on a long-range program to provide for future needs. We must step up research to find new ways to increase production, and we must establish a system of food reserves. The administration has endorsed a system of world food reserves, but apparently expects these reserves to be built up by other countries while we continue our free-market policy of selling everything we have. As the world's major grain exporting country, this sets a pitifully poor example. I believe we should be establishing our own food reserve system now if we expect cooperation from other countries who have fewer resources than we do.

Mr. President, I would like to call to the attention of my colleagues three recent newspaper articles which highlight several aspects of the world food situation and the administration's agriculture policies. I ask unanimous consent that these articles—"Debate Underway on Grain Stockpiling," by Don Kendall, Washington Post, September 15, 1974; "U.S. Crop Losses Dim Prospect for Large World Food Program," by William Robbins, New York Times, September 22, 1974; and "Midwest Farms Struggle, But It's a Far Cry From the '30's," by Seth S. King, New York Times, September 22, 1974—be printed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 15, 1974]

Debate Underway on Grain Stockpiling

(By Don Kendall)

Proposals for building some kind of U.S. grain reserve as a hedge against food shortages have a deeply political side as well as a humanitarian character and add up to one of the first serious agricultural challenges for the Ford administration.

The idea of a national "food reserve" or grain stockpile is not new. It arises periodically when farm prices are low and someone suggests the government buy up surplus supplies—or when farm production is short and consumer prices go up accordingly.

Summer drought on top of two years of unprecedented farm exports has created the latter situation. And some members of Congress and consumer interests see a need for export curbs or some kind of pre-shipment licensing as a means of conserving food for U.S. consumers.

Also, the basic idea of grain reserves—to be acquired when production is large and used when it is down—is still alive and kicking in some recesses of Congress.

It is difficult to draw partisan lines on this issue, but consistent proponent of basic food reserves have included Sens. Hubert H. Humphrey (D-Minn.) and George McGovern (D-S.D.).

Opponents have included Sens. Henry Bellmon (R-Okla.), Robert Dole (R-Kan.) and others, primarily grainbelt Republicans, who fear commodity prices will plummet if much tinkering is done with the U.S. export market.

Agriculture Secretary Earl L. Butz since he joined the Cabinet in December 1971, has been an outspoken supporter of free-market mechanisms, unfettered exports and all-out production as means of helping farmers and needy countries.

Butz often has referred to the temporary soybean export restrictions of a year ago as an unfortunate disruption of farm momentum and has urged that similar embargoes not be repeated.

Although Butz has expressed confidence that President Ford shares similar views against farm export curbs, talk persists that some kind of restraint will be undertaken.

One method now being explored with Japanese and European Common Market customers involves voluntary restraint by foreign buyers and, when possible, postponement of U.S. grain orders for another year.

A similar tactic was employed last winter at the height of the apparent wheat shortage when USDA prevailed on private exporters and some foreign governments themselves to delay taking more grain until the new crop was in.

Farm policies of the Nixon administration—and presumably those to be formulated by Ford—have had one long-range goal in mind: to rid farmers and taxpayers of old programs calling for strict production controls and subsidies.

Don Paarlberg, director of economics for USDA, recently told a meeting of farm program overseers from state offices that, in the four decades of modern federal farm programs, there have been about six cycles of crop surplus buildups followed by near-empty granaries.

The longest cycle, Paarlberg said, began after the Korean war in the early 1950s and lasted about 12 years until massive U.S. aid to India and other needy countries reduced the stockpiles.

"A lot of people said never again," Paarlberg said. "We don't want to have the problem of carrying these reserves. But we got back into it."

The latest buildup began about 1967 and, within four years, it appeared the United States was headed for another massive stockpile maintained at taxpayer expense. The short crops of 1972 in the Soviet Union and in other countries, however, led to record U.S. exports and a sharply reduced grain reserve.

Paarlberg said that, in many earlier years, the United States had an automatic system for acquiring grain reserves through high price-support loans, which attracted surpluses into government ownership.

"Now the loan is so far below the market price that we are not going to acquire stocks under the present device," Paarlberg said. "If we get them, it is going to have to be a deliberate effort to go in there and buy them."

Paarlberg said the cost of maintaining grain reserves is another factor that must be considered, since the costs of storage equal the value of the products within seven or eight years. Also, he said, the presence of large government-owned stocks depresses markets.

"No matter how tight you lock them up, you cannot convince the trade that they are really taken out of the commercial channels," he said.

Paarlberg then described another effect he said large government-owned grain stocks could have:

"They also lead to supply management, and the present policy is to try to avoid that. If you are going to have a storage policy and carry a certain amount in stocks, then you have got to somehow manipulate your production . . . and that leads you back into acreage controls."

[From the New York Times, Sept. 22, 1974]

U.S. Crop Losses Dim Prospect for Large World Food Program

(By William Robbins)

Washington, September 21.—Secretary of State Kissinger faces the awesome task at the United Nations on Monday of detailing United States plans for food aid to a world in which few truths that he can provide are likely to be palatable.

President Ford, under heavy pressure, told the United Nations on Wednesday that Mr. Kissinger would "present in specifics the over-all principles that I will outline," and promised that "the United States not only will maintain the amount it spends for food shipments to nations in need but will increase this amount this year."

PICTURE TERMED GLOOMY

But American officials worked into the weekend, searching and researching to find the means to put the best possible face on a gloomy picture. No matter how they turned it, the hard facts came out the same:

¶The United States, with a grain production of 208 million tons this year and expected export sales of 50 million tons, will have little more to give than the 3.2 million tons provided in the 1973–74 fiscal year, and perhaps less.

¶World grain production this year will fall more than 25 million tons below last year's crops. This shortfall is more than the food need for 100 million people in hungry nations. Altogether 400 million, or one-tenth of the world population, are believed to be undernourished or starving.

There are pressures on President Ford and his aides from many sources, most of which urge more food aid.

They come from the Senate, which has unanimously voted a resolution calling for increased assistance, and Senator Hubert H. Humphrey, who sponsored the resolution, said he could think of no organized opposition.

"You would think a resolution like that would create at least some opposition but it hasn't been reflected in my mail," the Minnesota Democrat said.

Senator George McGovern, Democrat of South Dakota, chairman of the Senate Select Committee on Nutrition and Human Needs, has sponsored another resolution calling for the United States to take a generous stand at the United Nations World Food Conference in Rome in November.

VOLUNTEER GROUPS ACTIVE

Pressures also come from church groups and voluntary agencies, many of them now under the umbrella of the World Hunger Action Coalition, which has helped promote United States preparations for the food conference.

Representatives of 400 organizations gathered in the State Department recently, hoping to hear plans for a large outpouring of United States generosity. They voiced disappointment when none was forthcoming.

The pressures come also from grain growers, who have always benefited from Federal contributions to the Food-for-Peace program under Public Law 480.

In the years through 1972, those contributions came from farm surpluses and they were relatively easy to give. Now they have to be bought with cash.

Even cattle, poultry and pork producers, who are now paying high prices for feed grain, have taken no stand in opposition, though some are said to be reviewing their positions.

CONSUMER OPPOSITION SEEN

But Esther Petersen, the consumer advocate who is now an executive of Giant Food Inc., a Washington-based retail chain, said at the State Department meeting that consumers were beginning to ask the question: "What is foreign food assistance costing me in my food bills?"

Kenneth Schlossberg, general counsel of Senator McGovern's nutrition committee, said he detected an uneasiness on the subject among some consumer leaders.

"It's unorganized, it's inchoate, but I sense that some opposition is there," he said.

The strongest force for restraint comes from within the Administration, from officials who deal with balancing the budget, who are aware of the world's need but weigh that against the threat of inflation and the $21-billion that commercial exports of agricultural products provided last year to alleviate an unfavorable balance of international payments.

Although exports this year will be smaller in volume, increased prices are expected to result in about the same cash flow.

WORLD STATISTICS GIVEN

Details of what the Agriculture Department calls a "sobering picture" emerge from interviews with officials and a study of department reports.

The world is expected to produce 941.9 million tons of grain in the 1974–75 marketing year, excluding rice. That is 27 million tons less than the world consumed in the year ended June 30, 1974.

Because of a carry-over of 106 million tons, the world will be able to eat more than it produces, but it is still expected to consume about 25 million tons less than it did last year. The world's needy are expected to bear the brunt.

When rice production is added, the projected world total is 1,249.8 million tons, compared with 1,276.4 million last year.

The grimmest picture is developing in India, where an uneven monsoon has brought heavy rains to eastern areas but left vast areas of the interior parched and dry. The latest Agriculture Department report indicates that this year's Indian wheat crop has fallen about 2.5 million tons below the 24.9 million tons produced last year.

At the same time the rice harvest is expected to fall about 2 million tons short of last year's 65 million tons, while prospects for coarse grains and peanuts are said to have been crippled by drought.

FLOODING IN BANGLADESH

In Bangladesh the problem is flooding, which has done untold damage to rice and other crops.

In the areas of the world threatened or already plagued by famine, the one hopeful spot is the sub-Saharan region of Africa and the East Africa drought zone, where rainfall has brought a greening of the land and a prospect of decent crops for the first time in years.

The hungry nations look to the major producing countries for help.

Whatever assistance the Soviet Union may give is unclear. Good harvests in the European section have been offset by drought in eastern grain areas.

As a result the total grain harvest is expected to total about 205 million tons compared with a record of 220 million last year. At the projected level, many experts say, the Russians will have no need for net imports, in contrast to the last two years. They have traditionally been net exporters.

For China, another big producer, the Agriculture Department has only imprecise knowledge. But it knows that China's winter wheat was hampered by rains at sowing time last fall, so that production is expected to drop, although her rice crop could be good. China will be a net importer.

Canada, a major exporter, expects to produce about a million tons of wheat less than she did last year.

Much of the world has come to look to the United States as its grain supplier, and it is the American crop that has been the biggest disappointment this year, especially in corn.

Among the major crops, the United States expects a 50-million-ton harvest of wheat, with about 26 million tons expected to be exported. After domestic consumption of about 21 million tons, about 10 million tons is projected as the possible carryover at the end of the year.

The drought-reduced livestock feed grains—corn, rye, oats, barley and sorghum—are expected to total 158.5 million tons. With 140.5 million tons likely to be consumed domestically and 24.3 million tons exported, the carryover will probably be reduced to 12.7 million tons.

The United States rice production is one of the brightest parts of the crop picture. A record harvest of 11.3 million tons is expected. With about 3.8 million tons likely to be consumed domestically and 6.4 million to be exported. The carryover is expected to be about 1.9 million.

With the carryovers for wheat and rice expected to represent about 60 days of supplies, it is to these stocks that supporters are looking primarily for any possible increase in foreign aid.

WORLD CROP SUMMARY

In summary, this is the outlook for the world's major crops:

Wheat—World production is projected at 360.5 million tons, with 95 million from the Soviet Union, 52.8 million from Western Europe, 50.1 million from the United States, 31.2 million from Eastern Europe, 16.2 million from Canada, 22.5 million from India, 11.5 million from Australia, 7.5 million from Argentina, and 73.7 million from other countries.

The total of 360.5 million compares with last year's production of 367.8 million tons and last year's consumption of 364.2 million tons.

Feed Grains—The projected world production of 581.4 million tons is led by the United States' 158.9 million tons, 100 million for the Soviet Union, 84.7 million for Western Europe, and 52 million for Eastern Europe. Other projections are: Canada 18.7 million tons, Argentina 17.8 million, South Africa 9.7 million and Australia 5.2 million.

The world production compares with last year's 599.1 million tons and consumption last year of 604.8 million tons.

For rice, no similarly detailed picture is available for the 1974–75 crop year, but the total output is projected at 305 million tons, compared with last year's estimated tonnage of 309.7 million tons.

Among all the facts gleanable in the world food picture, one final stark reality stands out. It is this: On the basis of the Agriculture Department's long-term trend calculation, world grain consumption is growing by 1.4 million tons a year faster than world grain production.

[From the New York Times, September 22, 1974]

MIDWEST FARMS STRUGGLE, BUT IT'S A FAR CRY FROM THE 1930's

(By Seth S. King)

VILLISCA, IOWA, September 20.—This summer, southwest Iowa and the eastern thirds of Nebraska and Kansas were afflicted with the worst weather since the Great Depression. But other factors were different.

"Believe me, there is nothing here today that remotely resembles 1934 except the weather, and even that wasn't quite as bad," said Walter Hyink, president of the thriving Nodaway Valley Bank.

In 1934, Mr. Hyink worked on an Iowa farm for $1 a day and keep, and what little corn was left in his field after the drought and grasshoppers hit it was selling for 10 cents a bushel.

The First National Bank here had run out of money and was closed. The Nodaway Valley Bank had been established with Federal disaster funds, provided so the merchants of Villisca could borrow enough to reopen their stores.

Forty years later, only the weather was reminiscent of those grim days. After flood-level rains last spring, the skies dried up for nearly two months and the temperatures pounded above 100 degrees for days at a time.

Serious planting delays caused some of the infant corn crops in the area to be burned up in the fields. The soybean plants were scarred by the heat and the grass in the cattle pastures was battered into autumn brownness.

But then there were those other factors that made 1974 so vastly different from 1934.

The corn and soybean varieties withstood the heat better, and most farmers will salvage something this fall.

What they do harvest next month will be sold at even higher prices than last year, with corn at more than $3 a bushel and soybeans above $6, cutting their losses somewhat.

While livestock raisers are still losing money on the animals they sell, they still have reserves for 1973's record-shattering income ($6-billion greater than in 1972) and few of them are anywhere near bankruptcy.

Finally, in farming, one man's disaster is often another man's gain. In northern and eastern Iowa, many farmers will pick corn and soybean crops larger than last year's and sell them at record high prices. The winter wheat crop already harvested in Kansas is slightly smaller than last year's but it is already bringing in more dollars.

The economies of hundreds of towns in the Middle West depend largely on what the farmers buy. But so far, the classic signs of economic downturn were not in evidence.

"There's no doubt we'll have a serious drop in farm income around here," said Otto Kotouc Jr., president of the Home State Bank and Trust Company in Humboldt, a farm community in southeastern Nebraska that was badly pummeled by the drought.

"We burned out completely with our corn," Mr. Kotouc continued. "But there's nothing yet to compare with the thirties.

SMALL SOYBEAN CROP

"Our farmers will get a smaller soybean crop, though it is going to sell for more. The cattle feeders are hurting badly. Yet I'll have to say that most of them did so well last year that they've got reserves to keep them going, and some have corn and soybeans stored from last year to sell if they have to."

Mr. Kotouc said there had been no defaulting nor refinancing of loans. Deposits were higher than last year, he said, and he was surprised that automobile and implement sales in Humboldt were still as good as they were.

"If we are going to have trouble, it will come next winter," Mr. Kotouc said. "That's when the livestock raisers will have to borrow more money to replace their hogs and cattle. We'll have to see by then how good their financial standing really is."

Mr. Hyink, a stout, avuncular man who has watched Villisca's economic ups and downs for two decades, agreed that the trouble, if it came, would not be felt until next spring.

"None of our borrowers are in precarious positions now," he said. "We have money to lend. We are even encouraging cattle feeders to buy more animals, though I will admit they are, sure dragging their feet on that right now."

Standing at the edge of a cornfield on his farm southwest of Villisca, David Williams tore an ear off an outside stalk, then plunged into the field 10 feet and pulled off another. The outside ear was a foot long and full of yellow kernels, as Mr. Williams' corn usually is. The other was smaller than his finger, green and stunted.

ANOTHER DRY CYCLE

"The plants on the edge got what little moisture there was and the rest of the field just never developed," he said. "I'll be lucky to get enough out of this field to pay for the gasoline to harvest it."

"If you had been here in July, it would have been hard to smile at you," he went on. "The corn's gone, all right. But we had rain in August. It saved the pastures and my soybeans may still do as well as last year if we get by next week without a killing frost."

Mr. Williams, a brisk, sophisticated man who once starred on the Iowa State University track team, said he was cutting back on the number of hogs he usually fattens and was holding the beef calves he raises as long as he could.

"But I'm still young enough to be a gambler and I'll plant the same next year, even though the weathermen say we are in the middle of another 20-year dry cycle and it could be as bad next time as it was this time."

It was inflation, Mr. Williams said, and not the drought that was hurting him and his neighbors.

"The arithmetic is simple," he said. "Those calves out there cost me 45 cents a pound to raise. They're selling right now for 26 cents. Every single thing we buy, including the food we buy in the supermarket like you city people, gets higher and higher. It's the most terrible thing I've seen in my lifetime. We're lucky we have the resources to try again next year."

In Villisca a group of sunburned farmers, merchants and bankers had gathered with Mr. Hyink around the long food-laden table in the living room of Mrs. Izola Jenkins's "tea room" to talk about the effects of the drought and the economy.

Some of these farmers fed all their crops to cattle and hogs. Others sold all their grain. The merchants bought the farmers' corn and soybeans or sold them what they ate, wore, or used to plant their crops.

EFFECTS OF INFLATION

All those present were unanimous in saying the inflationary rise in their costs was affecting them much more than the heat and lack of rain.

Yet none of them could think of any steps in their operations they would have to curtail nor of any necessities they would be unable to buy this autumn.

The livestock raisers kept repeating the word "commitment." They said they expected their losses to continue into the winter, but they repeatedly declared they were already committed with the hogs and cattle they were now fattening and could not afford to quit.

"We know from a long time back that it takes three years to catch up after a bad year," said Don Means, one of the area's largest corn and soybean farmers. "So it's a year from now when it may hurt. Right now, we have to go on buying what we need. If we don't buy it now, it's sure going to cost you more next year."

PAUL STEPHEN ROONEY

Mr. CASE. Mr. President, the Daily Record of Morristown, N.J., published a six-part series in mid-September concerning the drug-caused death of Paul Stephen Rooney. This series about the tragedy of one of our Vietnam veterans' experience with drugs points up the urgent need for effective followup in drug rehabilitation programs. Coordination with other drug programs in the area is of prime importance so that needless tragedies like this one can be avoided in the future.

I ask unanimous consent that the second article in the series be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BACK HOME: MANY HELPING HANDS, LITTLE HELP

(By Rod Leith)

MORRISTOWN.—What price valor for a three-times-wounded Vietnam War hero with a Silver Star?

In official circles it brought Paul Stephen Rooney a one-way ticket through a maze of hospitals and drug programs—a futile attempt to rid him of a heroin habit he picked up in that war.

On the street it was worth a fix. "Chopper" Rooney sold his medals to buy heroin.

The final price was death. He died of a methadone-dominated drug overdose on July 2, 1974, four agonizing years after his return for Vietnam.

What happened in those years?

Police say a lot. Others say very little or not enough. Sometimes he fought to kick his habit. Sometimes he fought for a fix. He floated from one treatment agency to another. He got in trouble with the law. There were a lot of times when he apparently thought no one cared.

But one thing is clear: those four fuzzy years were products of the three which proceeded them. Fighting for his country in a frustrating, lonely war halfway around the world. Paul Rooney was shot three times—and discovered drugs. The combination was deadly.

Robert Fryer and other close friends recall Rooney as a "straight kid" who hung around with a "straight crowd" during his high school days.

He always held a job, they say, and when he graduated from Morristown High, class of 1967, he wasn't the nervous type.

Three years later, a graduate of the U.S. Marines, class of 1970, that had changed.

"When he got back from 'Nam, he was so bad he couldn't even hold a beer in his hand," says Fryer.

He knew he had a problem, and he sought help. But what he got was a frustrating merry-go-round, as he spun from one agency to another, from one drug program to another, from one hospital to another.

It continued until his death. And it involved one other institution as well: the law.

The first arrest of his life occurred less than a month after his February 1970 discharge. He was "busted."

The cops remember it. They remember him for the gaping wound in his back, from enemy shrapnel too close to the spine for removal. "I can see the hole like it was yesterday," says Lt. Paul McKenna, head of the Morris County Narcotics Bureau.

His first bust was not to be his last. But in the end the arrests didn't help any more than the treatment centers.

The last four years were in many ways a downward spiral for Paul Rooney. But the final fall may have been triggered on March 26 of this year, when he stumbled off a train in Morristown and cut his head open.

He was taken to the Community Medical Center emergency room, in the same complex as the Morris County After Care Clinic for Drug Abusers.

The clinic's administrator, Almerico Barbato, remembers the cut well. He describes it as "a severe head injury."

It was determined Rooney needed hospitalization, so he was taken to the East Orange VA hospital. He received further medical attention there and was put through detoxification for heroin.

Tha process lasted two days and was followed by his transfer to Lyons VA Hospital, Bernards Township, for enrollment in a drug-free program.

He stayed at Lyons until April 24, when he graduated to outpatient status.

At that time, he was given a 30-day supply of valium, says Ernest N. Lamberti, Lyons medical administrator. Valium is a tranquilizer which is considered useful in easing the pain of kicking a habit.

Rooney was to report back to Lyons while taking the valium, Lamberti explained, for counseling and continued treatment.

When he was released, he reported to another agency which was trying to help him: the Morris County Probation Department.

His probation officer, Richard Galluzzo, who had been notified by Lyons of his release, advised him that he should return to the after care clinic program as well.

Thus he was involved in two anti-drug programs simultaneously: the clinic's and the VA's.

The trouble was, the two agencies didn't communicate about Rooney's case to share either background or treatment information.

The clinic didn't know Rooney was out of Lyons until his name appeared in the paper two weeks later in connection with an arrest, director Barbato explains.

Lyons' Lamberti confirms there is "no indication of contact" with the clinic.

The result was that the two agencies, in their counseling efforts, effectively duplicated each other's work—except that the VA included valium, which ultimately may have done more harm than good.

Such confusion may have contributed to what friends say was a growing cynicism in Rooney about whether anyone really wanted to help him. In any case, it wasn't long before it became clear he wasn't being cured.

On May 7 and again four days later he was arrested in Morristown. Both times he was apparently trying to steal items he could have sold to get money for drugs.

The first time he was stripping copper from the gutters of St. Peter's Church. The second time he was trying to break into a house on Hamilton Street.

In both instances there are strong indications he wanted to get caught. St. Peter's Church is across the street from the police station and Rooney was in full view of passing motorists when a cruising cop made the arrest.

In the break-in case, Rooney hid under a house across the street while police were searching the area, his father said, and came out before they had left.

If these were cries for help, though, rescue was not forthcoming.

The VA started looking for him after he failed to answer two appointment notices in early May. Officials "searched" unsuccessfully for three weeks and then dropped him from the rolls.

The reason he didn't answer was that after his second arrest he was transferred to Greystone Park Psychiatric Hospital. Apparently he couldn't be found there.

Ironically, however, friends say his stay in Greystone helped him.

"When he got out of Greystone this last time, he was better," recalls probation officer Galluzzo. "He even smiled for the first time."

That was in mid-June, about three weeks before his death.

HIS WILL DID NOT ALWAYS MEET THEIR WAY

MORRISTOWN.—Richard Galluzzo, Paul Rooney's probation officer, has a dictionary-sized file which graphically illustrates why he calls Rooney's a "revolving door case."

It traces the veteran through Odyssey House, St. Dismas. Integrity House, the Morris County After Care Clinic for Drug Abusers, at least two VA hospitals. Greystone and the Morris County Jail.

Rooney was difficult to help, Galluzzo recalls. "He had a chip on his shoulder. I could never tell what it was."

Friends confirm that he was sometimes cynical about treatment agencies, feeling they had done little to help him.

Still, there were many times when he tries, when he wanted help. But he couldn't always call the shots. One "revolving door" sequence went like this:

In March 1973, Morris County Judge Edward F. Broderick gave him a 3–5 year suspended sentence on drug related charges. The sentence was suspended on the provision Rooney enter an inpatient program at Odyssey House, Newark.

He did so in April, but stayed only until August. He was trying very hard to get the "monkey off his back," his parents recall and Aug. 15 he voluntarily signed himself into the East Orange VA hospital detoxification program.

The VA put him on methadone and transferred him to the Morris County After Care Clinic Sept. 26.

He was arrested Oct. 10, however, according to Galluzzo's records "for the fact he left Odyssey House."

Back he went before Broderick, who this time gave him a 364-day jail term, in the work-release program. Broderick specified that he would remain in the clinic's methadone program.

On work-release, he was employed at Turner Fence Co. until February 1974, when, Galluzzo says, he was fired for being "unreliable." His father says he was looking for another job at the time.

"He came and went," Galluzzo recalls. "He was in the hospital then back in jail.

"The judiciary in this county bent over backwards to give him a break. But he was so dependent on drugs, to me it was just a matter of time until he killed himself."

DERAILMENTS: THE PROBLEM: DOLLARS

Mr. HATHAWAY. Mr. President, several months ago Senators HARTKE, WEICKER, and myself prepared and introduced S. 3343, a bill to provide new standards for maintenance of the track and roadbeds of our Nation's railroads. At the time of the bill's introduction, we cited statistics pointing up the danger and inefficiency attributable to poorly maintained rights-of-way.

A recent article in Railway Age reiterates many of the points we made and outlines new figures showing the continued deterioration of the situation.

It is clear to me that we must eventually assist in the monumental task of bringing our vital rail system up to reasonable standards. The longer we delay this undertaking, the higher will be the ultimate cost and the greater will be the interim losses due to track-related accidents, slow orders, and inefficient use of rolling stock.

I commend this article to my colleagues and urge them to join in support of legislation such as S. 5343 which offers some hope of dealing effectively with this problem.

Mr. President, I ask unanimous consent that the article I mentioned be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DERAILMENTS: THE PROBLEM ONLY DOLLARS CAN SOLVE

(By Merwin H. Dick)

"I am concerned that the purpose of the Railroad Safety Act (of 1970) is not being fulfilled, and I am increasingly convinced that further investigation dealing with rail safety may be needed."

This statement was made by Senator Vance Hartke (D.-Ind.) in announcing that he would hold hearings on July 29 in his capacity as chairman of the Senate Commerce Committee's Surface Transportation Subcommittee. Announced purpose of the hearings was to consider Senate bill S. 3343, "which would upgrade rail trackage throughout the nation," and other legislation "designed to improve the safety of transportation of freight and passengers by rail."

Senate bill S. 3343 would designate a network of railway lines for which a minimum standard of maintenance would be established and maintained with the aid of funding by the Federal government. No action has been taken.

The Senator continued: "Since the passage of the Railroad Safety Act of 1970, the number of train accidents, particularly derailments, has increased dramatically. Freight trains are falling off the tracks with great regularity, and even more disturbing is the fact that passenger train accidents have increased significantly in the last two years."

Are Senator Hartke's statements supported by official figures on train accidents, particularly those caused by defects in or improper maintenance of way and structures?

They are—most emphatically. In any analysis of track-related train accidents, Oct. 16, 1973, looms as a significant date. That is the date on which the FRA's Track Safety Standards were to become fully effective. These standards were developed in response to provisions of the Railroad Safety Act of 1970 and were intended to reverse, or at least halt, the uptrend in track-related train accidents that had been in evidence for a number of years.

Rather than holding even, or going down, total train accidents and derailments, and the number of accidents attributed to track defects, showed a dramatic upturn in 1973. Total train accidents came to 9,689, compared with 7,532 in 1972. Derailments totalled 7,389, compared with 5,509 in 1972, and track-related accidents totalled 3,763, which compares with 2,544 in 1972.

Most significant of the statistics is the ratio of track-related accidents to the total accidents. In 1973 this ratio was nearly 39%. In 1972 it was 32.8%. When the record was examined as far back as 1963, it was found that in that year the ratio of track-related accidents to the total was 26.5%, and that it has shown an increase in every year since.

UPTREND CONTINUING THIS YEAR

During the first four months of 1974, total train accidents continued to go up, according to unpublished figures released to Railway Age by FRA. The total for this period was 3,479, which compares with 3,108 train accidents during the first four months of 1973. Even though figures on the number of track-related accidents during this period are not available, there is no reason to believe that there has been any substantial change in the pattern that has prevailed in recent years.

The Track Safety Standards have clearly failed to accomplish the intended purpose. Why haven't they? Interviews with railroads and FRA officers have failed to develop convincing answers.

One obvious conclusion is that some less-affluent roads have not, for lack of resources, been able to bring their tracks up to the standards. Another is that track inspection by FRA inspectors has been spotty to say the least, partly because the number of such inspectors is limited and partly because those available have had to spend considerable amounts of time checking out complaints on track conditions coming from railroad employees and the general public. In many instances it is reported that railroads, rather than upgrading their tracks to permit trains to be operated at desired speeds, have simply reduced the speeds to conform to those permitted by lower classes of track.

AFFLUENCY AND DERAILMENTS

On the other side of the coin are those better-heeled railroads whose officers insist that, for the most part, their standards of track maintenance are either equal to or exceed those set by the FRA. A fact noted by observers is that train accidents due to track conditions continue to happen with disturbing regularity on these roads.

One of the two conclusions can be drawn from this situation. One is that the officers of these roads are optimistic in rating the condition of their tracks as conforming to the FRA standards. The other is that the standards themselves may need to be tightened before better results can be expected. It is known, for a fact, that changes are contemplated.

DEFERRED MAINTENANCE HUGE

A factor that could have a bearing on the trend of train accidents related to track conditions is that deferred maintenance continues to exist in large amounts on the nation's railroads, and may even be increasing. The amount of this maintenance deficit is brought out in two recent studies.

One of these was made for the FRA by the consulting firm of Thomas K. Dyer, Inc. Its purpose was to develop the condition of the railroad plant in the United States with respect to tie and rail replacement.

The study involved the use of a computer program to determine the long-term maintenance-of-way requirements of railroads and to estimate the amount of deferred maintenance, if any, which exists on the railroads. The analysis was made for 25 railroads having a total of 236,000 miles of track. The estimate of deferred maintenance existing in the tie and rail condition on these 25 railroads was made by costing in 1974 dollars the installation of new track materials necessary to achieve a "normalized" condition. This condition is defined as that in which 50% of the usable life of track materials is remaining. On this basis it was concluded that the tracks of the 25 railroads represented $4.1 billion of deferred maintenance in ties and rail. From this figure the consultant projected "a need of $5.7 billion in rails and ties for all Class I railroads."

An estimate of deferred track maintenance was also made by the AAR in support of the railroads' request last April for a 10% increase in freight rates. In this study it was explained that the problem was divided into two parts. The first part was to estimate the amount by which track maintenance is presently being deferred. This was explained as the amount by which present M/W expense rates must be increased to prevent further deterioration, but not to "catch up" on past deferrals. To achieve this level the AAR estimated that the railroads would have to boost their M/W expenses by $200 million per year.

The second part of the problem of deferred maintenance is that amount, explained the AAR, which is required to "catch up" on the accumulated deferred maintenance. The cost of this effort on a minimal basis was estimated to be $300 million per year over a 10-year period, or a total of $3 billion.

OMINOUS PICTURE

With the derailment picture in mind, these figures on deferred maintenance are considered highly significant by observers. The fact that so much deferred maintenance exists is in itself a negative factor. The fact that, in the opinion of AAR analysts, railroad track is continuing to deteriorate is considered even more ominous in its potential effect on the trend of track-related derailments.

In a discussion of deferred maintenance in track an officer of the FRA, noting that work on the tracks had fallen short of needs for two decades, expressed the opinion that an equal period of time would be required to restore the tracks to a satisfactory condition. "The question is," he then asked, "where are the railroads going to get the money?"

THE BIG PROBLEM: FUNDING

Money, of course, has been the big problem all along. And when consideration is given to the physical and financial obstacles that the railroads will encounter if a determined effort is made to rehabilitate their tracks, the prospects are rated as bleak by everyone who has given even perfunctory thought to the problem.

Even if the railroads could find, or would be willing to commit, the funds needed to overcome the shortfall in rails and ties alone, there is considerable doubt that the needed materials could be obtained. In the opinion of a long-time observer of the track scene the railroads need to insert a total of a million tons of new rail each year if the rail condition is to be maintained at a suitable level. Insertions of new rail have been running far below this level since the early fifties. Right now the railroads are having problems getting delivery of the new rail, amounting to less than 700,000 tons, they have projected for laying in 1974.

The same observer insists that the railroads should be inserting in excess of 26 million new crossties each year. A shortage of wood crossties will keep these renewals from running over about 20 million ties this year. However, crosstie production has shown substantial increases this year and doubtless ties will be easier to obtain next year, that is, providing that railroad managements are willing and able to commit the necessary funds.

Engineering officers are fully aware that other types of work can be done to enhance the condition and safety of the tracks, primarily track lining, surfacing and gauging.

However, available equipment for performing this type of work is strained to the limit, and deliveries of additional equipment could be obtained only after a waiting period.

MAKING USE OF RESEARCH FINDINGS

Aside from these short-term expedients for track rehabilitation the railroads will find it necessary to take into consideration the introduction into their tracks of safety-oriented findings that conceivably could accrue from the extensive research program that has been launched by the AAR, either alone or in cooperation with other groups. Elements of this program that possibly could bear fruit in the form of developments conducive to track safety include investigations of lateral track stability, rail failures, rail-toughness properties, rail-flaw detection systems, and means for monitoring the soundness of rail welds made in both the field and at central welding plants.

Very likely, however, any results coming out of this program are years away, and they would require many more years before they could come into sufficiently wide use to have a perceptible effect on the train-accident rate. And this presupposes again that the funds could or would be made available for putting them into effect.

Of greater urgency is the need for the very substantial funds that are required to carry out rehabilitation projects that would produce dividends in track safety industry-wide on a near-term basis—funds, in other words, that could be used for the purpose of making inroads into the huge amounts of deferred maintenance now afflicting the tracks.

UNPROMISING PROSPECTS

The prospects are not promising. One possibility is revenue from the freight rate increase of 10% approved by the ICC with the proviso that the revenues generated by the increase would be used "exclusively for deferred maintenance of plant and equipment and delayed capital improvements. . ." The early impression that substantial benefits in the form of work on the tracks would come out of this increase is currently undergoing major revision. One reason is that some roads have elected not to take the full 10% out of fear that it would lead to the diversion of traffic to other forms of transportation.

HIGHER PRICES ARE DRAWBACK

But there are other reasons for failure of the early expectations to hold up. One is the rapid climb that has taken place in the cost of materials used by the railroads. An estimate attributed to the AAR is that the aggregate increase in these prices came to approximately $500 million between Oct. 1, 1973, and April 1 this year. This amounts to 40% of the estimated $1.25 billion that it was hoped the rate hike would produce.

A complicating factor is the temporary restraining order obtained by the Chessie System, which in effect prevents the ICC from enforcing the rules governing expenditure of the revenues from the rate hike. The restraining order, it is understood, will remain in effect until a three-judge court is able to pass on the merits of the case. It is understood that the restraining order applies only to the Chessie System.

In support of its request for the restraining order Chessie had argued that the conditions under which the industry was permitted the rate increase would prevent its affiliated lines from using the funds produced by the rate boost in carrying out a projected $300 million capital expenditure program. The commission had specified that use of the revenues from the rate hike was confined to delayed maintenance or capital improvement projects. A point made by the railroad was that it didn't have any deferred programs that would meet this condition and hence that it could not use the new funds.

ENGINEERS MARKING TIME

Meanwhile, a canvass of top engineering officers indicates that, before making definite plans on spending revenues from the rate increase on deferred maintenance, many are awaiting word or guidelines from their managements. While thus marking time, some of them have compiled lists of projects that can be carried out. A general feeling coming out of the canvass is that the increased revenues wouldn't have much effect on 1974 work programs but could have a stimulating effect next year. However, it is known that one large road has placed substantial orders for a wide variety of track machinery.

An important factor to be considered is that the amount and kind of work will be inhibited by material shortages, particularly rail, and ties to a lesser extent. One engineer on a railroad that has not been laying much new rail in recent years complained that, while he would like to obtain some new rail, the mills were allotting the available amounts to their better customers.

A fair conclusion would be that revenues from the 10% rate hike cannot be rated as any more than a limited factor in overcoming deferred maintenance in the tracks.

The possibility that Amtrak could be a factor in this situation in a small way is worthy of mention. This company is prevented by law from making funds available for overcoming deferred maintenance that has accumulated in the tracks since May 1, 1971, the date of its agreement with contracting railroads. However, if some means could be found to finance work intended to overcome that deferred maintenance, Amtrak could then, if it wished, finance any work required to upgrade the tracks in preparing them for higher speeds. Such work, conceivably, could result in safer track, but only on Amtrak routes.

Finally, as a solution to the problem of deferred maintenance, why not consider one of the "options" mentioned by the United States Railway Association for restructuring the Penn Central and other bankrupt railroads in the Northeast? This option would call for the fixed plant—the tracks and roadbed—to be separated from the operating company (Conrail) and then financed, and presumably maintained, by the government.

The railroad industry doubtless would not relish this "option" for wide application. The problem is to find suitable alternatives. Would railroads maybe consider Senate bill S. 3343 to be in this category?

STATEMENT OF SENATOR CHARLES H. PERCY AT THE ECONOMIC AND FINANCIAL COMMITTEE, UNITED NATIONS

Mr. SYMINGTON. Mr. President, on Tuesday of this week our colleague, as a delegate to the 29th General Assembly, Senator Percy, addressed the Economic and Financial Committee of the United Nations on the major economic and social problems facing the world today. He outlined his own strongly held convictions as well as the United States on these issues—most specifically on the international economic disruptions being caused by the price of oil—and what the United States hoped could be done to resolve these problems.

Mr. President, as also a delegate to the 29th General Assembly, I ask unanimous consent that Senator Percy's speech at the United Nations be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Senator Charles H. Percy

On this speck of debris in the universe we call earth, no individual, no nation, no race can be an island unto itself. The economic and social issues that face one, face us all. Philosophically, the United States is committed to improving the economic and social welfare of humanity. The great difficulty is to translate our philosophical commitments into political realities. It is easy to speak in platitudes, but much harder to talk in political realities of what can be done.

Certainly the major issues, facing the 29th Assembly and this conference will be economic. They will be interwoven in the fabric of virtually every topic discussed. Without economic resources, we cannot realistically move to solve the vast social problems that beset this planet. This does not mean that economic and social problems are separate. They are not. In fact, many of the solutions to the economic problem of increasing the wealth of the world are closely tied to the social conditions.

The state of humanity necessitates that the agenda before use be broad. The issues we must deal with this year include inflation, trade reform, monetary reform, economic assistance, population planning, food production, the status of women and education. Put as essential to all these issues we must resolve through open discussion and negotiation the lowering of the price of international crude oil.

The price of international crude oil is the most destabilizing element in the world economy today. Its price denies the developing countries of the world adequate energy supplies to run their economies and fertilizer to grow their crops. The most seriously affected nations must take the rise in price directly out of the very low standard of living of their populace. While the developed countries can borrow funds among each other in the short run, they will not be able to stand the drain of funds for a long period. No matter how effective the recycling of dollars is from oil exporters to oil importers, regional and national balance of payments disparities will grow so great that even many now developed countries will be faced with international insolvency. Such events could collapse the trade and monetary systems that have been so painfully constructed since the end of World War II. These economic trends could certainly mean economic catastrophe, first for the lesser developed nations of the world, then for oil dependent countries, and last for such countries as the U.S.S.R. and the United States who have oil resources of their own. And further, what optimism can there be in the long run for nations, primarily oil producers, in such a world?

No one can benefit from a worldwide depression. What will be lost is years of economic growth, resulting in despair for at least a generation of the world's people. What will be lost is a chance to work on our social and economic interests together. We must work together. There is no reasonable, rational alternative. Economic nationalism should not bring down the world economic system and thus social and political systems, nor should that system be operated for the benefit of only a few.

An alternative solution, of course, to the problem of oil prices is the development of alternative energy sources. All nations must work cooperatively on energy research to achieve technical breakthroughs to harness new sources of energy and better develop existing energy sources. At best, however, this is a longer term solution and for the time being most nations will continue to be heavily reliant on oil. That is why the policy of certain oil-producing nations engaged in unilateral price fixing on a non-economic basis, commonly known as cartels, poses such severe economic problems to the world. Such practices, whether they be by sellers or buyers, by industrial nations or less developed, can be ruinous. Like retaliatory tariff barriers, and competitive devaluations, economic nationalism can spread throughout the body of the world economy and essentially destroy it. The world has come too far to return to barter.

This body should further note that such practices are contrary to the principles and objectives of the United Nations General Agreement on Tariffs and Trade in that they are monopolistic, anti-competitive, and distort flows of resources.

To be more specific—three key international organizations: GATT, the IMF, and the IBRD (World Bank), are the basis for today's world trade and payments system. Thus the international payments system itself is threatened by these practices.

Unilateral price fixing on a non-economic basis is usually bad, no matter who does it—not just in oil but in all commodities. Those who decry the present oil prices must also look to themselves—are they in the process of fixing other prices?

If these practices are continued, those shouldering the brunt of such practices, particularly in developing countries can take only so much. Masses of unemployed and starving will bring a powerful political and economic reaction against those causing the problem.

Therefore, we must all consider in this forum and send home to our governments the following message:

Abandon monopolistic economic practices, wherever they may exist, that are now the main cause of distortion in our world economy;

Return to and reaffirm the open trade and free payments principles of the U.S., GATT, IMF, and IBRD;

Understand that the long term prosperity of each nation depends to a degree on the prosperity of all nations; and

Understand that not to correct these problems is to threaten grave economic disruption worldwide.

My own country certainly has a strong responsibility to help achieve these ends. Less developed countries need more access to the markets of developed nations. While our trading system is built on the idea of comparative advantage, the realities of economics are such that it is difficult to penetrate major markets and risky to move against established competition. The trade reform bill now before the United States Senate establishes the principle of trade preferences for less developed countries. It is not enough, I would be the first to admit, but it is a start. As a realist, I can only report that it may be politically difficult to get more.

The economic problems facing the world today have been further aggravated by world social problems and demonstrate the need to view economic and social questions as inextricably related. The solution of one without the other is impossible.

As stated by the U.N. Committee for Development Planning in its 1970 report:

"While it is evident that high rates of growth of output and income have to be realized in these (developing) countries in order to eliminate mass poverty, to generate fuller opportunities all around and to finance some of the social measures, the process of development has itself to be viewed in terms of fundamental structural changes and as much with reference to concepts and methods appropriate to planned social transformation as those customary to economic analysis and policymaking . . . *For this reason, the distinction often made between economic and social objectives is not a very meaningful one to draw.*"

How true! In the search for solutions to our traumatic economic and social problems we must find a rational balance between people and resources so that the quality of human life worldwide may be enhanced.

If the problems basic to human and national survival—the population explosion, food and resource shortages, mass poverty—are to be solved, new non-stereotype solutions are needed.

Central to the creative and innovative processes needed to produce these new solutions is education. Education is the fount of knowledge and thus, the basis from which civilizations, cultures, and humankind have grown and advanced. Education has been the basis from which the world has made its immense advances in science and technology. If the world's acute problems of poverty, disease and hunger are to be resolved, education must continue to produce the breakthroughs necessary to expand agricultural, industrial and technological productivity.

Increasing technological progress, however, will require new skills and resources. Only through education will the need for expanded skills and resources keep in line with new demands.

That education is integral to national development goes without saying. Education, however, is also the basis for personal development. It is through education that people seek to improve themselves and reach full potential.

We have to take into account that we are all committed to education. The more education people get, the more dissatisfied they become with their lives when the shackles of ignorance are thrown off, if their rising expectations are not met. They will become a destabilizing force within each nation if they have no hope and are faced only with despair.

The ultimate purpose of economic growth, stability and well-being is to provide the opportunities for a better life to all people. Particularly important will be the elimination of mass poverty and social injustice.

One of the greatest economic mistakes and social injustices that almost every nation in the world has at one time or another been guilty of is the assignment of women to a second-class role in society.

Actually, the role women often do play in contributing to social and economic development has perhaps gone as unrecognized as the potential role they can play. But with great justification, no longer are they going to tolerate it.

Action must be taken to correct both of these problems if women are to be fully integrated into all aspects of national and international economic, political and social activity.

Both economic and social development require the full utilzation and recognition of all individuals in society. Economic development—because all potential resources must be utilized in this effort; social development—because a fundamental precept of human rights is that all people must be allowed to participate in the economic and political processes by which decisions are made about their lives.

It was because of this that I sponsored legislation in the U.S. Senate requiring the U.S. to work so far as possible toward the integration of women into the implementation of our foreign aid programs. This requirement is now law, but we must work to assure that its intent is carried out.

Similarly, we must all work to assure that the principle of equality for women established in the original U.N. Charter is realized—not only in the nations of the world but in the functioning of the U.N. itself. We must all work—individually and collectively—on the economic and social changes necessary to bring this about.

Education and the avenues for greater participation in society give birth to rising expectations, expectations which cannot be met without new economic development.

The U.N. has wisely designated 1975 as International Women's Year. But let us not wait until next year to develop programs to better utilize one-half of the world's human resources. ECOSOC has called for a world conference on the status of women which Colombia has offered to host in June 1975. We fully support the objectives of the year and the conferences and will do all we can to insure the success of both.

In another area involving the linking of economic and social issues, the U.N. was living up to its potential as a global problem-solving organization in naming 1974 as World Population Year and in sponsoring the World Population Conference in Bucharest. In sponsoring Population Year and the Conference, the U.N. has successfully assumed a leadership role in urging upon the world community the need for a unified approach to development and the problems that accompany development.

At the Bucharest World Population Conference, I was particularly struck by the complex interrelationships of the economic and social problems we face. The subject of population was once the esoteric realm of demographers—scientists whose concern was with numbers and distributions of people. In 1974, however, the population issue can no longer be separated from the problems of agriculture, resources, land use, health, education, women's rights, as well as all other aspects of economic and social development.

In Bucharest, the global approach to problem-solving worked well.

Candid expressions of widely disparate views were heard, but they did not obscure the real desire of participating nations to reach agreement on approaches to population problems. The World Plan of Action, the document resulting from the Conference, is an outline which any nation may follow in its search for improved living conditions and opportunities for its people. The Plan of Action is an excellent base upon which the U.N. and its member nations can build. But the Plan of Action must be recognized as only an outline, and only a foundation for continuing efforts.

The U.N. must not delay in urging all nations to accept as their own and to implement the far-reaching recommendations of the Plan of Action. At this point, the Plan of Action is only a document. Concerted efforts by us here in New York and by the governments of all nations can, however, transform this document into a reality that will mean a higher quality of life for all people.

Finally, no problem is more economically and socially intertwined or global in dimension or in greater immediate need of U.N. attention and assistance than the world food situation. During a recent visit to South Asia, I saw first hand the magnitude of unmet nutritional needs the world faces. The problem is that if food production only stays even with demand for the foreseeable future, then it will be impossible to upgrade the diets of those who exist on subsistence or lesser diets at present. Hundreds of millions of persons around the world are undernourished or even malnourished. Moreover, if production fails to live up to expectations for any one of a number of reasons, then the millions who are now malnourished because of subsistent diets will fall below this dietary level. They will starve.

We face two different but related problems: there is the short-term problem of providing food aid to meet existing food emergencies and of organizing a system to deal with similar situations which may arise in the next few years, and there is the longer-range problem of increasing world-wide production, particularly in developing countries. This latter problem requires nothing short of a revolution in the countryside of developing nations. Neither set of problems will be easily solved. For our part, the U.S. this year will increase the amount of money we spend on food aid for others.

Such aid, however, even from many nations, is not enough and can never be enough. Long-term relief can only be accomplished through increased agricultural production in developing countries. As a United States Senator from a major agricultural State, I know that the lives of millions in distant lands cannot be allowed to depend on crop success or failure in another country.

Developing countries must have fertilizer production capability and the technological base from which to guide their own growth. And the developed nations must assist them in achieving this independent base. This is the main avenue to economic and social growth with justice.

I find it encouraging that the concept of a U.N.-sponsored World Food Conference developed simultaneously in the U.S. Government and at the last non-aligned ministers' conference. The fact that we worked together in the last Assembly and in the Economic and Social Council to bring this idea to fruition bodes well. But as with the Population Conference, the U.N. has a responsibility to carry through, and well beyond the World Food Conference, with efforts to solve the problems of production, storage and distribution we all face.

CONCLUSION

In summation then, what the global community must do and what the U.N. must actively encourage are the following:

(1) The price of international crude must be lowered.

(2) The development of alternate sources of energy must be encouraged.

(3) Economic nationalism should be discouraged and we must return to the open trade and free payments principles of the U.N. along with a monetary system adapted to our changing world.

(4) Educational opportunities for all peoples must continue to expand, but opportunities for economic fulfillment must expand commensurately.

(5) Women must be given a greater role in economic development.

(6) The U.N. must help encourage countries to deal with population problems by developing plans to eliminate unrestrained population growth.

(7) We must solve the world's food problems through: an international system of nationally-held food reserves; increased investments in research, fertilizer production, and development assistance.

Only if we really work together on these problems and dedicate ourselves to their solution will we have the chance to actually better the lot of all humankind. If we just let empty rhetoric consume our days this fall, then millions this winter will have empty stomachs, nations will have empty treasuries and eventually we will all go down together. On the other hand, through cooperative action in the self-interest of all nations, we can find solutions to these problems which will be worthy of the objectives of this organization.

REFORM OF THE SOCIAL SECURITY PAYROLL TAX

Mr. McGOVERN. Mr. President, I am today joining with Senator HATHAWAY as a cosponsor of an important piece of legislation, S. 3369, a bill to amend the Social Security Act and the Internal Revenue Code of 1954 and to provide for Federal participation in the costs of the social security program. Congressman JAMES A. BURKE of Massachusetts, a member of the House Ways and Means Committee, has introduced similar legislation and now has more than 130 cosponsors in the other body. This measure would reduce the payroll tax burden on both workers and employers.

Mr. President, there are compelling reasons to institute an immediate reform in the basic structure of social security taxation. High inflation, regular increases, and the regressive nature of this tax have combined to make it an intolerable burden on working families.

Payroll taxes have risen from $6 billion in 1950 to an estimated $87.5 billion this year. These taxes are now the second largest source of revenue for the Government. They account for about 30 percent of total Federal receipts.

Mr. President, I ask that a table, Federal receipts, calendar 1950–74, be printed in the RECORD to demonstrate how this burden has grown.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL RECEIPTS, CALENDAR, 1950–74

[In billions of dollars]

	1950	1960	1970	1973	[1]1974
Personal income tax	18.1	43.6	92.2	114.5	129.5
Corporation income tax	17.0	21.7	31.1	49.8	50.2
Payroll tax	5.9	17.7	49.5	80.1	87.5
Social security (OASDHI)	2.7	11.9	39.7	64.6	71.0
Other[2]	3.2	5.8	9.8	15.5	16.5
Indirect business and nontax receipts	8.9	13.5	19.3	21.0	25.4
Total	49.9	96.5	192.0	265.4	292.6

[1] Estimated.

[2] Includes unemployment insurance, contributions to the railroad retirement system and civil service retirement.

Source: Economic Report of the President 1974, table C–68, p. 309; Social Security Bulletin, Annual Statistical Supplement, 1971 and Social Security Bulletin, vol. 36, No. 9, September 1973.

Mr. McGOVERN. Mr. President, the burden of the payroll tax is deceptive. It is described as a proportional tax, but that label is wrong. The rate is not the same for everyone. Above the cutoff point, the effective rate actually goes down as income goes up.

For example, an individual with an income of $10,000 pays $585 in payroll taxes, or at a tax rate of 5.85 percent. This same tax rate of 5.85 is applied up to $13,200, for a tax payment of $772.20. But for an income of $20,000, the individual is still taxed a maximum of $772.20, which amounts to a tax rate of 3.9 percent. The tax rate declines still further for an income of $50,000, to only 1.5 percent.

Therefore, the payroll tax is plainly regressive. Further, while a low-income family of 10 pays little or no income taxes, the payroll tax applies to the very first dollar of earned income. In fact, for all incomes less than $7,000, working families pay more in payroll taxes than they do under the progressive income tax.

Alicia Munnell, an economist with the Federal Reserve Bank of Boston, recently published a comprehensive analysis of the payroll tax. She observed:

> It is ironic that while attention has been focused on the plight of the working poor, the payroll tax has been permitted to take a rapidly growing chunk out of the earnings of low-income families. (Source: Federal Reserve Bank of Boston, March/April 1974 *New England Economic Review*.)

Mr. President, the key to this statement is that we are placing additional financial burdens on working individuals, at the precise time that their real income is already on the decline because of inflation. While we want to maintain the employer-employee concept of individual responsibility for maintaining the largest share of this source of revenue, I think it is time to change the inequity. It is a simple matter of fairness that this be done.

Proposals to reform the payroll tax and shift a part of the burden to a more equitable financial plan have been discussed since before the passage of the Social Security Act of 1935. The committee which analyzed the program in 1934 estimated that beginning in 1965, general revenues would be needed to balance individual and business contributions with benefit needs. And there was legislation in the 1940's authorizing "appropriations from general revenues to be transferred to the social security fund, if it was needed to keep the program solvent." However, that authorization was repealed in the 1950's.

Without legislation as proposed in S. 3369, I feel that we are left with a Hobson's choice between large payroll tax increases on individuals and businesses or significant reductions in the income of those individuals now receiving retirement benefits. Obviously we cannot accept either of those alternatives.

The first major provision of this bill is a reduction to a rate of 3.9 percent in the payroll tax for both the worker and his employer. Without any new bureaucracy, that step would automatically lessen the impact of inflation, by restoring a portion of the lost purchasing power of every working family and employer in America.

We can do that without the onerous threat of an inflationary increase in demand. If anything is clear from the recently concluded summit on the economy, it is that there is not an excess of demand, but shortages—which pose a serious threat of still higher unemployment. Prof. James Tobin of Yale has recently emphasized this point:

> Workers' take-home pay would be increased by cutting Social Security payroll taxes and would make the structure of those taxes more equitable and progressive. This tax cut would provide part of the demand stimulus needed.

The other major feature of this legislation would accomplish just what was suggested by Professor Tobin—to make the payroll tax more progressive. The maximum income subject to the payroll tax would be increased from the present level of $13,200 to $25,000. Accounting for the reduction in the rate, that means that there would be a net increase in payroll taxes on incomes of more than about $19,800; below the level, the tax burden would be reduced.

Reducing the rate to 3.9 percent and moving the income base to $25,000 would mean that approximately $20 billion would be required from general revenues. That is a figure we can find quite readily through even modest tax reform or through eminently justifiable cuts in military outlays.

President Ford emphasized at the conclusion of the economic summit this past weekend that he would take measures to ease the burden of inflation on those who have been adversely affected. Yet, the only proposal to emerge from the administration to date has been an excise tax on the retail price of gasoline. A tax of 10 cents per gallon or more has been mentioned. But the economic effects of a new gasoline tax would be to further reduce standards of living. The tax would lead to more inflation as the costs and prices of those activities which use fuel as a basic input are increased. It is incredible that the administration would propose additional taxes, which would be disproportionately borne by those already experiencing a decline in their real income.

But by supporting payroll tax reform, the President could offer the Nation not only much needed tax relief, but at the same time redress an inequity in one of our most important taxes.

BEFORE THE MEMORY FADES

Mr. PROXMIRE. Mr. President, the position of the U.S. Government in regard to the Genocide Treaty has often been questioned. It is quite ironic that one of the "founding fathers" of the convention has failed to ratify the very treaty it fought so hard to bring into reality.

In 1945, the American people stood aghast, as did the entire world, at revelation of the crimes committed by the Hitler regime. It is estimated that some 6 million human beings were sent to their death in its systematic program to exterminate the Jewish people. It was this hideous episode that gave rise to the legal concept of "genocide" and to the movement to outlaw genocide as a crime under international law.

On December 11, 1946, the first session of the U.N. General Assembly unanimously adopted the first resolution on the subject. The United States joined in full support in this resolution branding genocide as an international crime, and calling for the drafting of an international convention for the same purpose.

In 1948, an ad hoc Committee on Genocide finished the second draft of the convention. This Committee was chaired by the U.S. Representative. On December 9, 1948, Assistant Secretary of State Ernest A. Gross spoke before the General Assembly. His words had great influence on the delegates from the other nations, as the General Assembly responded by unanimously adopting the convention. In a genuine portrayal of the U.S. position, he stated:

> It seems to the United States delegation that in a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit our labors here.

In the spirit of Mr. Gross' words some 25 years ago, I can only hope that my fellow Senators will act without delay in ratification of the Genocide Convention, "before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man."

HOOSIERS LEAD NATIONAL TRIAL JUDGES

Mr. HARTKE. Mr. President, two Hoosiers of notable distinction as lawyers and judges are serving the Nation in leadership positions in the judiciary. Chief judge of the U.S. District Court for the Northern District of Indiana, George N. Beamer, was named chairman of the National Conference of Federal Trial Judges, and Chief Judge James J. Richards of Lake Countys new unified superior court was named chairman of the National Conference of State Trial Judges.

Indiana is proud of these two distinguished legal scholars. Their attainments are indicative of the judicial talent in Indiana.

Mr. President, I ask unanimous consent to have printed in the RECORD following my remarks an article entitled "Hoosiers Lead National Trial Judges" which appeared in the Indiana State Bar Associations' August publication of Res Gestae.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOOSIERS LEAD NATIONAL TRIAL JUDGES

Two Hoosier judges have been named to the leadership of Federal trial court and State trial court judges nationally, marking a unique recognition of Indiana's judicial talents.

Assuming office during American Bar Association meetings from August 12 to 16 at Honolulu, Hawaii, were Judge George N. Beamer of South Bend as chairman of the National Conference of Federal Trial Judges and Judge James J. Richards of Hammond as chairman of the National Conference of State Trial Judges.

Judge Beamer is chief judge of the United States District Court for the Northern District of Indiana, and Judge Richards is chief judge of Lake County's new, unified Superior Court.

The two conferences are part of the ABA's Judicial Administration Division, and their purpose is the improvement of judicial administration through interchanges of ideas related to problems of the respective trial courts. Members of Beamer's conference, created in 1972, number 332 Federal trial court judges, and those of Richards' conference, originated in 1958, total 2,099 State trial court judges. Each will serve as chairman for one year.

Judge Beamer was appointed to the Federal bench on April 12, 1962, and became chief judge of the Northern District of Indiana on December 1, 1972. A 1929 graduate of the University of Notre Dame Law School, he practiced law at South Bend with the firm of Crumpacker, May, Beamer, Levy & Searer specializing in trial work. He was Attorney General of Indiana from 1941–42 and St. Joseph County Prosecuting Attorney from 1936–38. He also served as a City Court judge at South Bend, and was chairman of the House of Delegates and a member of the Board of Managers of the Indiana State Bar Association.

Judge Richards was first elected Lake Superior Court judge in 1962, and became chief judge of the County's 10-judge unified Superior Court on January 1, 1974. A 1952 graduate of Northwestern University School of Law, he was engaged in the general practice of the law at Hammond with Joseph L. Skozen from 1952–62. He is a former Hammond city attorney and Lake County deputy prosecuting attorney. He was president of the Indiana Judges Association 1969–70, is a past director of the American Judicature Society, was a member of the Advisory Committee on a Modern Court System for Indiana, and is a member of the House of Delegates and the Judicial Selection and Tenure Committee of the Indiana State Bar Association.

REPRESENTATIVE JULIA BUTLER HANSEN

Mr. MAGNUSON. Mr. President, Congresswoman JULIA BUTLER HANSEN announced in February that she would not seek reelection from the people of Washington State's Third Congressional District who had elected her to the House nine times previously. Instead, she announced:

> I will return to my home in Cathlamet, Washington, with my husband to write, garden, and do as I please.

There are many among us in Congress who will very much miss Congresswoman HANSEN when she retires at the end of this session. But her many contributions to both her State and the Nation will not go unnoticed. Recently the Seattle Post-Intelligencer published an editorial in tribute to JULIA which simply and clearly states what many of us are feeling as her congressional career near's its end.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

JULIA BUTLER HANSEN WILL BE MISSED

Congresswoman Julia Butler Hansen's farewell address to members of the Olympia Chamber of Commerce Friday signaled the valedictory of a no-nonsense politician.

Any doubt as to how much she will be missed by her Third District constituents when she retires at the end of her current House term can be estimated by the revenue she has directed into the state through her job as chairman of the House Appropriations Subcommittee on the Department of the Interior.

The latest appropriation bill to pass the House and Senate will provide almost $5.5 million for projects in the State of Washington during fiscal 1975.

While some members of the political fraternity consider Ms. Hansen as a domineering individual, others agree she should be better understood as a talented woman who understands the system.

"Everybody knew she was there," one veteran reporter commented.

But Ms. Hansen was not only pragmatic. Her concern for Indians was a mark of the depth of her sympathy for people problems while recognition from her colleagues of her extraordinary political adroitness has been a constant mark of her effectiveness.

She knew how to quarterback the game in Washington, D.C., during her seven terms in Congress just as she knew how to quarterback it in Olympia during the ten terms she was a member of the state House.

In fact, looking over the field of candidates from both parties who are vying to replace her in the Third District, one can't help observe that none, so far, comes across as equal to her signal calling.

What will this mean to the state in the long run? Only time will tell. What is apparent now, however, is that Julia Butler Hansen is going to be hard to replace.

MEETING ON IMPLEMENTING THE FORESTRY BILL

Mr. HUMPHREY. Mr. President, on September 19, I met with interested citizens who had participated in developing the Forest and Rangeland Renewable Resources Act of 1974.

The purpose of the meeting was to enlist the support of these people and their organizations in developing a sound program.

A main theme at the meeting was that we now have the legislative mechanism to develop a sound program. However, no legislation is self-implementing. We will need public participation, and this new law actively seeks that citizen input.

It is my hope that similar sessions can be held in the future. We will need to find out how the program is developing and whether changes are required.

Representatives of the USDA and OMB attended this session, and I wrote to Secretary Butz and OMB Director Ash describing the meeting and its objectives.

Mr. President, I ask unanimous consent that my remarks at the meeting, the list of attendees and a copy of my letter to Secretary Butz and OMB Director Ash be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

I think we came out of the legislative process with an excellent bill.

It's a pleasure to see that your commitment did not end with the enactment of the legislation. There is still plenty of work to do.

I have a few points that I feel should be stressed.

First of all, forest and rangeland are two of the basic land types we have in this country. They represent about 1.2 billion acres, and they are often closely related.

The resources on these lands are closely tied together in our environment. And it seems to me that one of the problems in the application of the Multiple Use and Sustained Yield Concepts is that rangeland is considered by many to be a second rate cousin to the forests.

I urge you to develop the habit of saying "Forest and Rangeland."

In regard to renewable resources, only one of the resources—trees—has dominated the discussion of renewable resources.

I would urge you in your discussions on renewable resources to think of all of our basic resources and of all of their uses on a comprehensive basis.

The Act gives you the means to set goals for the long term and for the short term. This gives us the mechanism for sound planning.

The Assessment hopefully is going to give us a total picture of where the pluses and minuses of our renewable resource management are.

The Program is going to give us a set of goals for the appropriate federal response.

The budget process is going to give us the muscle to reach our aspirations.

I know that there are going to be differences of opinion as we proceed. What we sought to do in this Act was to create the tools to recognize and resolve our differences in a constructive framework.

We have had excellent cooperation from all interests in getting this bill enacted. With the continuation of this cooperation, we can make the law work for the total good.

I know that my friends at OMB are concerned that this Act places some restrictions on Presidential discretion, so let me deal with that for just a moment.

The President is entirely free to exercise his discretion, and I expect him to do just that. Likewise, Congress can do the same.

What we have done is allow a little more sunlight in on the goal-setting, program and funding processes so that people can express their views on the process from beginning to end.

We are bringing renewable resources program formulation to the people, and it will be up to them to embrace it—and embrace it with a minimum of prejudice.

We called this meeting to let you know that you count; in order to make sure your ideas count; and to open the door for continued cooperation.

One final word and then I'll stop.

I suspect that everyone in this room has had his differences with the Forest Service.

I am more aware than most people about problems this agency has had. But we all know that, given the funding and personnel levels which they have had in recent years, they have not been able to do the required job.

I expect this Act to give the Forest Service and the National Forest System the additional dignity and stature which they need and deserve.

And I look forward to the day when the balance called for in the Multiple-Use Sustained-Yield Act is a reality so that the industry and the environmental movement will be coming up here hand-in-hand to insure the proper management of all of our renewable resources.

You are closer together than you think, and you must find ways of working together.

LIST OF ATTENDEES

Senator Hubert H. Humphrey.

Daniel A. Poole, Wildlife Management Institute.

Lawrence R. Jahn, Wildlife Management Institute.

Dwight Dyer, Senate Interior Subcommittee on Appropriations.

Sam Thompson, Senator Eastland's office.

Brock Evans, Sierra Club.

Bill Towell, American Forestry Association.

Douglas W. MacCleery, National Forest Products Association.

George Craig, Western Timber Association.

Kenneth B. Pomeroy, National Association of State Foresters.

R. Max Petersen, U. S. Forest Service.

Gene Bergoffen, U. S. Forest Service.

Jay M. Hughes, U. S. Forest Service.

Richard L. Knox, U. S. Forest Service.

Reynolds Florance, Citizens Committee on Natural Resources.

Spencer M. Smith, Citizens Committee on Natural Resources.

Robert E. Wolf, Congressional Research Service.

Tom Cobb, National Parks and Conservation Service.

Jack M. Merelman, Washington Representative, County Supervisors Association of California.

Ralph Hodges, National Forest Products Association.

Ernie Dickerman, Wilderness Society.

Stewart M. Brandborg, Wilderness Society.

Jim Evans, National Association of Counties.

Jean Hammer, National Association of Counties.

Gordon K. Zimmerman, National Association of Conservation Districts.

R. J. Woolsey, National Forest Products Association.

Tom Barlow, National Resources Defense Council.

Joe McGrath, National Forest Products Association.

Steve Satterfield, Office of Management and Budget.

Ben Massell, Office of Management and Budget.

Nick Ashmore, Office of Congressman Rarick.

James Hedrick, General Accounting Office.

Nelson Denlinger, Senator Humphrey's office.

Staff members of the Senate Committee on Agriculture & Forestry.

SEPTEMBER 24, 1974.

Hon. ROY L. ASH,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. ASH:

Hon. EARL BUTZ,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: The purpose of this letter is to add emphasis to the broad public interest in successful implementation of PL 93-378, the Forest and Rangeland Renewable Resources Planning Act of 1974.

On September 19, interested citizens came to a meeting I scheduled to receive views on the best way to proceed. Also in attendance, as invitees, were staff personnel from the Office of Management and Budget and the Forest Service. It was a useful get-together. The breadth of the representation can be readily seen from the attached list.

Also enclosed is a copy of my formal remarks opening the meeting. In summary, these thoughts emerged:

It is generally agreed that, within the available short time frame, the first assessment of our renewable resources picture will have to be based largely on existing information. The program outlining our goals for the four-year period commencing October 1, 1976 will likewise have to be the best projection that can be developed with existing information. In the presentation of the Assessment and Program it would be useful to point out the information areas that need to be strengthened so that the 1979 Assessment and Program will be fully descriptive of short and long-term needs.

The various private groups are most interested in a real and effective consultative procedure. This is an area where much can and should be done. It is especially important that the public be aware of the criteria that are used in developing information and the way in which decisions are reached on the content of the proposed Program.

You can be sure that this Act will continue to have the warm and constant interest of the Committee on Agriculture and Forestry and you will have our cooperation as we proceed.

Sincerely,

HUBERT H. HUMPHREY.

PAUL ROONEY—AN AMERICAN TRAGEDY

Mr. WILLIAMS. Mr. President, our country is now trying to put behind us the deep divisions, the pain, and the unhappy memories of our involvement in the Vietnam war. However, some ghosts of that war still walk our land to haunt us until we can lay them to rest. One of those is the problem of the young Americans who fought in that war and returned home permanently scarred, either physically or mentally or both.

Paul Rooney was such a young man. A native of Morristown, N.J., Paul enlisted in the Marine Corps in 1967 and served with distinction in Vietnam. He was awarded the Silver Star, and three Purple Hearts. But, like an appallingly large number of other young Americans, Paul returned from Vietnam with something besides his medals; he came home with a well-established heroin habit.

Paul Rooney tried to kick his habit. He participated in drug treatment and rehabilitation programs through the Veterans' Administration. But somewhere along the line the system failed Paul Rooney. The VA programs designed to help him were inadequate. On July 2, 1974, Paul Rooney died of a drug overdose.

The moving story of this young American has been told with understanding and compassion in a series of newspaper articles by Rod Leith published in the Daily Record of Morristown. It is a story all of us should read carefully, because Paul Rooney was only one of thousands of American ex-servicemen suffering from drug addiction. Excerpts from the series of articles are being placed in the Record by the senior Senator from New Jersey (Mr. Case). I would, however, like to include at this point a quotation from the first article in that series which eloquently sums up Paul Rooney's story:

> Paul Stephen Rooney was a Vietnam War hero who sold his medals to buy a fix.
>
> He was one of 5,000 young veterans, the VA estimates, who came back hooked on drugs.
>
> Paul Rooney survived Vietnam. He did not die in a jungle near Da Nang that day when a hand grenade shredded his back.
>
> He did not die the day the bullet tore through his arm in an ambush.
>
> The punji sticks didn't finish him either—the time he fell into a Vietcong tiger pit, when he used his M-16 rifle as a bridge while hovering over stakes dipped in excrement and his company left him behind.
>
> Paul Stephen Rooney died July 2, 1974, 60 months and halfway around the world from where he earned his Silver Star for gallantry in action above and beyond the call of duty, far away from the places without names where he earned three Purple Hearts.

Mr. President, the story of Paul Rooney is an American tragedy. He and all the others like him acquired their drug habits while serving our Nation in the Armed Forces. And we as a society let them down when they needed our help.

It is essential that we come to grips with this difficult problem which has been left in the wake of the Vietnam war. It is clear that the Veterans' Administration does not now have adequate programs or personnel to deal meaningfully with it. Hopefully the newly confirmed Administrator, Mr. Roudebush, will provide the leadership needed. And it is up to us in Congress to provide the support that is necessary. For myself, I pledge to redouble my efforts toward that end, so that the tragedy of Paul Rooney will not be endlessly repeated.

DAIRY FARMERS NEED POSITIVE GOVERNMENT ACTION

Mr. CHURCH. Mr. President, recently I submitted testimony before the Senate Agriculture Committee's Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices. My testimony deals with the pressing need for positive Government action to assist the failing dairy industry.

I ask unanimous consent that my statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Hon. Frank Church

Mr. Chairman, I want to commend you and the distinguished Chairman of the Senate Committee on Agriculture and Forestry (Mr. Talmadge) for conducting this hearing on dairy price supports.

In August, 1974, I introduced Senate Resolution No. 384 calling upon the new Ford Administration to exercise the authority vested in the Executive branch to (1) limit the annual import levels of cheese, butter, butter oil and nonfat dry milk to the levels applicable to such manufactured milk products as of June 1, 1971; (2) direct Agriculture Secretary Butz to conduct public hearings for the purpose of considering whether the floor price in the basic formula for use in computing Class I milk prices under all Federal milk marketing orders should be increased; and (3) increase the price support for dairy products to 90 per centum of parity.

I remain convinced that these actions, called for in my resolution, are essential if this Nation is to maintain a healthy dairy industry.

In my travels around the State of Idaho many dairymen have indicated to me that unless relief is soon in coming, dairy herds will be culled even further or dairy operations will stop completely. These are not inviting choices; to force Idaho dairymen into economic catastrophe portends serious economic trouble for Idaho, a State where 45 per cent of the cash farm receipts come from beef cattle and milk. The same disaster, written large, confronts dairy farmers throughout the country.

The facts cannot be denied. The dairy industry in Idaho and throughout the Nation is in deep trouble.

Nationally, dairy farms have declined from 647,500 in 1970 to an estimated 490,000 at the present time. Dairy farming costs are estimated to be more than 20 per cent above a year ago. While production costs have skyrocketed the prices received by the farmer for fluid and manufacturing milk have dropped precipitiously.

The picture is all too clear. Dairymen must get some relief. If they cannot go on producing milk, urban—as well as rural—America will suffer. The consumers would do well to consider what will happen to their grocery bills if our domestic dairy industry collapses. For then, foreign imports will cover our grocery shelves at prices beyond our power to control. The inflated prices of foreign oil today should be warning enough of our predicament if we should come to depend on foreign milk.

On several occasions since the rapid and damaging influx of foreign dairy imports into the United States, I urged former President Nixon and Secretary Butz to limit imports. The Administration argued that increased imports were necessitated by consumer resistance to higher prices. That policy of flooding the domestic market failed and with tragic results. While the lifting of import quotas did not have the effect of driving down prices at the grocery counter, it did succeed in driving down market prices for our own producers, as a result of an inventory build-up due to this influx of foreign dairy products.

I am hopeful that during these deliberations, Mr. Chairman, your Subcommittee will address the issue of the effects imports have had upon the pricing structure of our own domestic markets. Simply put, the Administration failed to understand the implications to American dairymen of drastically increased imports which filled warehouses in this country long before the normal inventory build-up usually caused by the flush season of domestic milk production.

While Secretary Butz has finally recommended that current quota levels be reinstated on nonfat dry milk imports, dairymen have no assurance that these quotas won't be lifted again when milk supplies tighten this fall. Furthermore, I believe that the existing quotas are too high and should be cut back to 1971 levels. In this way the Administration could assure dairy farmers that no further extra-quota imports will be allowed. In turn, such assurances would permit the restoration of adequate productive capacity for milk in this country.

Last year, I supported the successful passage of legislation to raise the Federal support price of milk to 80 per cent of parity. In my estimation, an increase to 90 per cent of parity—which the Secretary of Agriculture has the discretionary authority to set—is readily justifiable in light of present production costs. In any event, the Administration is not even complying with the mandate of current law which requires that the price support level be maintained at 80 per cent. The current price support level of $6.57 per hundred-weight represented 80 per cent of parity last April but, because of production cost increases, it has now eroded to 75.4 per cent of parity.

I want to emphasize that the Administration has the discretionary power to set price support levels between 80 and 90 per cent of parity. That level has consistently been set at 80 per cent. For the long range, if Congress intends to continue the policy of price supports for dairy products, then perhaps, the mechanism which is presently used to determine and maintain a realistic parity level ought to be re-examined.

In one area, at least, I am heartened to see that the Ford Administration has taken positive action which is also called for in my Senate resolution. The USDA has announced that a public hearing has been set for October 8 for the purpose of reviewing minimum levels of fluid milk prices to be paid to dairy farmers under all Federal milk marketing orders. In early August, I wrote Secretary Butz urging that the Administration reconsider an initial decision refusing to hold a national hearing on the question of revising the floor price for Federal milk marketing orders.

In scheduling this hearing, I hope that the Department of Agriculture has finally abandoned the notion that production costs for dairymen will come down as a result of abundant supplies of feed. Drought affecting the Midwest corn crop and an early frost on the soybean crop should have erased all hope of decreasing feed costs. Added to these costs are soaring prices for everything the farmer must buy. In a word, farm expenses have zoomed out of sight. Diesel fuel has doubled in price since last year; fertilizer has doubled or tripled in price; farm machinery—if it can be found—has also skyrocketed; the price of a box of baling wire, around $7 or $8 last year, is now selling—if you are lucky enough to find it—for about $37 per box. These inflated prices, combined with shortages of goods, real or contribed, when set against declining milk prices, places dairy farmers in such a squeeze that they are simply not making ends meet.

Beyond these actions which the Administration could take, the Secretary of the Treasury has been derelict in not implementing the countervailing duties law, which dates from the 1800's and requires the Secretary to impose countervailing duties on imported products which are subsidized by foreign governments. During 1973 alone, the European Common Market paid more than $26 million in export subsidies on dry milk, cheese, butter and butter oil shipped into the United States. If countervailing duties had been imposed, then foreign imported products would have been placed on the same competitive scale as domestically produced goods. Instead, American dairy farmers were forced to compete against both foreign farmers and foreign governments.

In June of this year, I wrote to Treasury Secretary Simon asking why his Department had not followed the law by imposing countervailing duties. The Secretary indicated that the Administration would countervail in the event the Common Market continued to subsidize dairy products. He didn't say when.

Now, I am informed, the Administration supports a policy which would give the Executive Branch discretion *not* to countervail during the four year period that the U.S. is engaged in trade negotiations. This position is totally unacceptable to me. I hope that the Senate Finance Committee, which is currently considering the Trade Reform bill, will tighten the present countervailing law and make it automatically applicable to a situation like that which confronts the U.S. dairy industry.

Mr. Chairmain, I believe that these hearings serve to highlight a provision of the resolution I have introduced which declares the support of the U.S. Senate for family-sized dairy farming operations in the United States, and pledges continued efforts to assist and support the domestic dairy industry.

In many Idaho farm communities, the dairy operations have been the backbone for assuring the continuance of the family farm. If we allow an indifferent Government to undermine these family farms, American agriculture will suffer an irreparable setback.

A mistaken Government policy has been applied. Idaho dairymen are in need of the right kind of Government action, the kind I have outlined above.

I stand ready to help in any way possible.

SAVE RAILROAD STATIONS

Mr. **HUGH SCOTT**. Mr. President, I ask unanimous consent that an editorial from the Titusville Herald on the preservation of old railroad stations be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Titusville (Pa.) Herald,
Sept. 17, 1974]

SAVE RAILROAD STATIONS

We're with U.S. Senator Hugh Scott in his effort to preserve old railroad stations.

Calling many old railroad stations in Pennsylvania "unique expressions of American culture," Senator Scott last week introduced legislation to make unused depots available to communites for arts and cultural centers as part of the forthcoming Bicentennial.

"With at least half of the 40,000 railroad stations built in the United States already destroyed, these magnificant structures are an endangered species," Scott told the Senate.

The Senate Republican leader said many old railroad stations have adequate space, sound structure, aesthetic design and central locations that are "the basic qualities necessary for community center use."

"I have seen excellent possiblities during my travels about the commonwealth of Pennsylvania," he said. "And I am sure my colleagues can identify their favorite whistle-stops that can be recycled into useful, charming cultural depots."

The bill, a counterpart to legislation introduced in the House by Rep. Frank Thompson, Jr. (D.-N.J.), would amend the 1965 National Arts and Humanities Act.

"I urge prompt approval of this legislation so that some of these reminders of a bygone era could be put to good cultural use giving them a new lease on life—one in which they can again serve the public as they did in the past," Scott said.

"As unique expressions of American culture, what place could be more appropriate to enjoy the arts?" he added.

Unfortunately there is nothing to preserve in Titusville, Oil City or Meadville. Franklin has one of the few remaining Pennsylvania Railroad frame stations of a kind which were once so common—Rouseville, Centerville, Tionesta, Tidioute, Spartansburg, to name just a few. We are not sure whether it is in preservable shape. The pretty little Erie brick station in Franklin was torn down several years ago. The old brick New York Central station still stands, but it has been hacked up rather badly.

The former PRR station at Warren, dating from perhaps the late 1860s and little changed since, should be saved. Its brickwork is neat and trim and in good shape. The woodwork supporting the roof over the brick-floored platform is also sound. Only the roof needs prompt and thorough attention. It has begun to come apart.

Last month that station was chosen for inclusion on the Pennsylvania Inventory of Historic Places by staff members of the Pennsylvania Historical and Museum Commission. That's a strong point in favor of its preservation. Another strong point is the fact that neighboring Struthers Wells Corporation needs office space and would consider converting the station's interior into offices without changing the outside. Thus, it would continue to look like a railroad station while serving as a modernized office building, a neat solution to two problems. This old-outside, new-inside is a technique being used quite often these days in historic preservation. We hope it takes place at Warren.

REVIEWING SOCIAL SECURITY

Mr. **CHURCH**. Mr. President, a national debate on the value and worth of social security has developed in recent weeks.

Several leading newspapers have printed articles by both the critics and the supporters of the social security system.

One such example is the Idaho Statesman. In my judgment, it has done its readers a valuable service in presenting both viewpoints. In addition, its editors presented their own conclusions on the strengths and weaknesses of social security. Their editorial of Sepember 4 said:

> Measured by its accomplishments to date, the system must be rated a success. It has provided retirement income and a degree of security to millions who might otherwise have had little or nothing.

Today over 90 percent of all persons 65 or older are eligible for social security. Nearly 4 out of 5 persons in the 21 to 64 age category qualify for disability coverage. And 95 percent of all children under age 18 and their mothers will receive benefits if the father in the family should die.

In addition, social security keeps 12.5 million Americans out of poverty.

Without these monthly payments, the vast majority of beneficiaries would not achieve a moderate standard of living.

For most older Americans, social security is their economic mainstay. It accounts for over half the income for two-thirds of aged single beneficiaries and one-half for elderly couple beneficiaries.

But like all programs, social security can be improved. A number of key areas were suggested in the recent editorial in the Idaho Statesman.

And the Committee on Aging, under my chairmanship, is focusing on these issues, as a part of our overall inquiry into "Future Directions in Social Security."

Mr. President, I consider the recent editorial in the Idaho Statesman—entitled "Reviewing Social Security"—to be an excellent example of responsible journalism on a timely subject.

Its content should be of concern for all Members in Congress. For this reason, I ask unanimous consent to have this article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REVIEWING SOCIAL SECURITY

Social Security's weaknesses, and its strengths, have been described in detail in a series by Warren Shore of Chicago Today, and rebuttals by a University of Georgia professor and former Health, Education, and Welfare secretary.

Measured by its accomplishments to date, the system must be rated a success. It has provided retirement income and a degree of security to millions who might otherwise have had little or nothing.

Any system, however, should be subject to continued review, analysis and criticism.

Whether Social Security needs the fundamental change suggested by writer Shore is a question that needs further debate and discussion. Clearly, though, some of its provisions should be changed to give a better deal to some of its participants.

Pending Senate legislation would correct some of those inequities. It would:

Allow a Social Security recipient to earn more without having Social Security benefits reduced. Presently those who must work beyond age 65 are penalized, while those who can afford not to work are not.

Correct the present provision that allows the same benefits to a housewife who has paid no tax at all as to a woman who has worked outside the home throughout her married life.

Allow widowers the same *benefit* as widows, in cases in which the deceased spouse has worked, and there are minor children. The present provision is a form of sex discrimination.

Social Security was initiated during the Depression years, a time when the plight of millions without retirement income was magnified. Without it, or some compulsory system like it, millions of older people would have been, or would now be, on welfare, supported by the general tax system.

As Prof. Richard Johnson pointed out, the tax burden of supporting these people would fall largely on the middle class. Abandoning Social Security in some form is not an acceptable option.

It should be noted, too, that Social Security has a better record than private pension plans. Congress has just passed a reform bill to safeguard the rights of workers to pension benefits. The legislaton was spurred by findings that thousands had lost all or parts of pensions to which they contributed.

Social Security, notwithstanding its individual inequities, has been a success, on the average, for large numbers of people.

Johnson provides figures to indicate that a married worker can expect from Social Security an income that, because it is non-taxable, approximately equals his average salary over the years.

Shore raises two fundamental questions. One is the soundness of the system, since it does not have the large reserve that private insurance systems do. The answer is that it was not intended to and doesn't require such a reserve.

Each generation is dependent on contributions to the system by people in the next generation, and their employers.

What happens in the future with a reduced birth rate, with a higher proportion of retired people to non-retired workers? The potential problem is one created by a change in the makeup of the U.S. population.

Theoretically, with a reduced birth rate, average incomes might rise more, thus helping make up for the reduced ratio of workers to retired people. Or, perhaps, slower growth would mean a slower rate of inflation—though there's no evidence of it at present.

It is clear that a high rate of inflation is a problem for the Social Security system, as it is a problem for most people. One way to help keep the Social Security system out of serious trouble would be to control inflation.

The other major challenge posed by Shore is the suggestion that workers could do better by investing their money in government bonds, than putting it into Social Security. You would earn interest on the bonds, which would swell your potential retirement income.

But if millions of people were given, and chose, that option, then millions of dollars would no longer go into the Social Security system, dollars that now go for benefits to recipients.

Congress would have to raise taxes substantially to make up for that loss. Or the government would have to borrow the money, adding tremendously to present government debt. And it is the taxpayer who pays the interest on government borrowing. Wouldn't interest on the added debt offset interest on the bonds?

While the Shore solution seems to offer a better deal to younger workers, the same younger workers would pay more taxes to make the option possible.

Prof. Johnson tells us that the Advisory Council on Social Security is to submit recommendations to Congress by the end of the year. Those recommendations should face up to the question of a higher ratio of retired people in the population.

While the government bond option suggested by Shore may not be feasible, because of the debt creation and the impact on the total system, we would like to see more discussion. Its pros and cons should be fully studied and debated.

In the meantime, Congress should correct some of the serious inequities in the system without delay.

COVERAGE OF THE RULES COMMITTEE HEARINGS ON THE ROCKEFELLER NOMINATION

Mr. HUGH SCOTT. Mr. President, in view of the on going confirmation process of Gov. Nelson Rockefeller to be our next Vice President, I ask unanimous consent that a letter from the President of the Corporation for Public Broadcasting and an article from Broadcasting Magazine be printed in the RECORD. They detail one of the problems we have run into in electronic media coverage of this hearing.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

CORPORATION FOR PUBLIC BROADCASTING,
Washington, D.C., October 1, 1974.

HON. HUGH SCOTT,
U.S. SENATE,
Washington, D.C.

DEAR SENATOR SCOTT: I want to take this opportunity to thank you for the kind words you expressed last week regarding public broadcasting's coverage of the Rules Committee hearings on the Rockefeller Nomination.

National Public Radio covers many Congressional hearings and other special events on both a live and a taped basis. Public television's contribution, on the other hand, has become the tape-delayed broadcast of important events such as last week's hearings. Prime time broadcasts of hearings and special events on a gavel to gavel basis are often not economically feasible for the commercial networks, therefore public television provides a truly alternative service by such coverage.

We feel public television and radio can provide unique services to the Nation, both in an informational and educational sense, by covering events such as the Watergate hearings, the Economic Summit meetings and the Rockefeller hearings. All of these were tape-delayed and broadcast in prime time by public television. Special wrap-up programs were also provided to summarize the coverage which took place over several days. Another recent event which received public broadcasting coverage was the 200th Anniversary ceremony in the House of Representatives. All of these telecasts provided valuable information to the public that was not available elsewhere.

Your continued support is most heartening to me and to everyone in the public broadcasting community. Thank you.

Sincerely,

HENRY LOOMIS.

NETWORKS HIT FOR NOT COVERING ROCKEFELLER

The three commercial TV networks drew bipartisan Senate criticism last week for not airing live coverage of Rules Committee hearings on Nelson Rockefeller's vice presidential nomination.

The first attacker was Hugh Scott (R-Pa.), minority leader and Rules Committee member, who said during the first morning's hearings, "I think it is hardly in the public interest that these proceedings are not being brought to the American people except a brief excerpt on the evening news."

An aide to Senator Scott characterized the senator as being "angrier than hell" about the lack of live coverage of Mr. Rockefeller's testimony, and said the senator was particularly peeved to learn that live coverage had been given by NBC to Senator Edward Kennedy's (D-Mass.) Monday morning announcement that he would not run for President in 1976. Immediately following the Monday morning Rules Committee session, Senator Scott and his aide telephoned complaints to all three networks.

Senator Scott was joined in his objection by Rules Committee Chairman Howard Cannon (D-Nev.), who said at the opening of the second day of Rockefeller testimony, "I would like to express my shock and amazement that a matter of this grave consequence would be found to be unworthy of live broadcast on the public airwaves."

Senator Cannon continued, "I certainly have no intention of dictating the basic news judgment of our major networks but I feel their decision to shut off these proceedings from the American people in favor of soap operas and the dollars they would receive from advertising to be deplorable and unconscionable misconstruction of what we understand to be freedom of the press or the public service requirement of the Communications Act."

Mr. Rockefeller agreed, saying, "This is a very important time for the country—television has replaced the town green as the place where the public finds out what it needs to know."

Richard Salant, president of CBS News, said charges that the decision was prompted by economic consideration "is untrue." At CBS, senior management "invariably" follow CBS News' judgment that live coverage is warranted, Mr. Salant said. But in this instance, he added, a proposal for live coverage was never made.

A spokesman for NBC defended NBC's live carriage of the Kennedy announcement saying that speech and the Rockefeller hearings were not parallel situations. "One is a five-minute announcement and the other is a three- or four-day hearing," he said. He added that he thought there would have been a lot of viewer complaints if NBC had carried the Rockefeller hearings live.

A third Rules Committee member, Senator Marlow Cook (R-Ky.) criticized the networks during the hearings, sugggesting that they appear to have agreed collectively not to give live coverage, thus raising antitrust questions. "That is absolutely not so," said Sanford Socolow, a Washington vice president of CBS News.

Said Mr. Salant: "Members of the Senate, like anyone else, have every right to disagree with our judgment. We, on the other hand, have an obligation to act solely on the basis of independent news judgment, and we did so in this case."

The absence of live coverage prompted Senator Scott to send his endorsement of long-range funding for public broadcasting via letter to Senator Warren Magnuson, chairman of the Appropriations Subcommittee which is currently reviewing that proposal. Public broadcasting television stations aired the Rockefeller hearings in full, but delayed, in the evenings. Public radio carried them live. In his letter, Senator Scott praised public broadcasting for its coverage of the hearings, adding, "This underscores the failure of the three commercial networks to provide a needed public service."

Senator Magnuson's subcommittee was to have heard testimony on the proposed long-range funding from Public Broadcasting Service President Henry Loomis last Wednesday, but postponed the session "indefinitely," according to an aide.

ENVIRONMENTAL RESEARCH INADEQUACIES

Mr. MONTOYA. Mr. President, on September 23, I received a study of the Senate Public Works Committee staff on the inadequacies of the Environmental Protection Agency's environmental research effort. Senator EDMUND S. MUSKIE, chairman of the Subcommittee on Environmental Pollution, initiated the study in response to my request earlier this year.

The study was detailed. It consists of 105 pages of narrative, charts, and tables regarding many significant aspects of how EPA conducts environmental research. During the past 5 months, the staff conducted indepth interviews with officials of every major program area within EPA, and visited many field laboratories.

Their conclusion, in brief summary, was that the research planning system of EPA is hopelessly confused and exaggerated, that hundreds of crucially valuable scientific man-years are now being misdirected and wasted, and that the aptitude and attitude of EPA's environmental scientists remains excellent despite their hardships. The confused research strategy results primarily from the continued absence of any comprehensive EPA environmental strategy paper, which is long overdue.

There is a growing concern among many citizens and interest groups about the scientific basis for EPA standards and regulatory actions. We have heard well documented accusations of EPA in hearings before the Committee on Public Works. Accusations take many forms, but they often share the common element of distrust of the scientific basis for EPA positions.

There are some inherent problems in balancing efforts for a safe and healthful environment with the national need for a healthy economy. I am convinced, however, that these vital goals can and will progress together and need not be in conflict. Our challenge must be an intensive program of creative research to reconcile the needs of our industry with the very legitimate entitlement of all Americans to a clean and healthful environment. It is obvious that coherent direction to a viable research strategy is lacking in EPA and has been for a long time.

I do not propose to express my concern for the goal of improved environment by pitting it against the goal of a healthy economy. I propose, as the vital first step, that we make a better contribution to the environment by improving the research capability of EPA. Our national problem is not with our concept of our goals; it is rather in the procedures for achieving those objectives. If all needed environmental technology were now available and if the cost of that technology were within our means, then our great national environmental problems would quickly disappear. Research and development is clearly the key to developing needed technology and for bringing the cost of technology down. It is utopian to hope that we will be so successful in the immediate future, but we cannot postpone the accelerated effort because the task is difficult.

We have heard testimony that catalytic converters are the preferred approach to control of regulated auto emissions. There has, however, been credible testimony that the catalyst contributes an increased burden of sulfuric acid mist which would not be present if the automotive industry had not installed catalytic converters on new cars. It is reassuring to know that the issue is now being fully assessed by EPA, but 20–20 hindsight is no substitute for foresight in research. Billions of dollars and the Nation's health are at stake. We cannot afford mistakes.

The ocean dumping of municipal sludge may well be the crisis environmental problem of the near future. America's major coastal cities are now on a collision course with a major disaster as the bodies of sludge grow larger and creep closer to prime beaches. New York, Philadelphia, and Los Angeles are even now in danger of having miles of sludge wash ashore. It is a regrettable commentary that EPA devotes very little research effort on a known problem that is turning our coastal waters into sewage lagoons. It will, of course, be a storm that brings the sewage upon our beaches, but if we already know that, the fault cannot be blamed on the weather. We need accelerated research for innovative land based alternatives to ocean dumping, and we need it immediately.

There are many additional areas of great scientific uncertainty which demand immediate high quality attention. I will identify here a few of the most significant problem areas which the study revealed.

Inadequate research on the economics or on the health effects of alternative decision strategies regarding institutional designs and relevant issues;

Inadequate research regarding suspended particulates other than acid aerosol mist, above both in health effect and in technological control;

Inadequate air quality maintenance region characteristics. (This inadequacy has resulted in EPA permitting powerplants in western New York State to burn high sulfur content coal, which prevailing winds carry over New York City. New York City area powerplants burned "clean" coal. This strategy would result in cleaner air over the north Atlantic Ocean than over New York City;

Inadequate and overdue flue gas desulfurization research and related health effects studies; and

Inadequate research into sources and effects of lead in the environment.

Compounding these fundamental errors in research planning strategy, there are many limiting factors which reduce the effectiveness of the confused environmental research which is being conducted by EPA. The Committee staff went to the sources of this confusion, the EPA planning and organizational documents, to assess their negative influence. In addition, they conducted interviews in depth with the scientists in EPA environmental research laboratories to assess the impact of headquarters planning and organizational procedures upon their field work. The following issues were discussed in depth with all headquarters division directors who perform research planning and with 13 laboratory directors in the field.

First. Issue: The headquarters division directors exercise disruptive influence over the nature of the work and the detail of the work that the laboratory director performs. This influence on the laboratory director has a negative effect on his relationship with his supervisor, the National Environmental Research Center (NERC) Director, reduces the effectiveness of laboratory management, and obscures the singular responsibility of either the division director, the laboratory director or the NERC director for success in research projects.

(Note.—Of the 12 laboratory directors who were interviewed, all 13 substantially agreed. Of the 10 headquarters division directors, only one agreed.)

Second. Issue: There is a critical mass of scientific expertise essential to the division director in order to manage his program areas in the detail required in the present EPA planning system. Many scientific skills require continuing "hands on" laboratory experience to remain current and this continuing experience cannot be maintained in the headquarters working environment. With the present high degree of detail involvement of the division director and his staff, the critical mass of scientific expertise is inadequate and the quality of headquarters management suffers.

(Note.—Of the 13 laboratory directors who were interviewed, 9 agreed. Of the 10 headquarters division directors, 5 agreed.)

Third. Issue: Headquarters division director or his supervisor can exercise influence over the approval of extramural scientific contracts and grants. This influence is based on headquarters control of certificates of funds availability (COFA). If the laboratory director were to obtain a COFA, it would amount to headquarters approval. This influence is an invasion of the laboratory director's prerogative.

(Note.—Of the 13 laboratory directors who were interviewed, 6 agreed. Of the 10 headquarters division directors, only 2 agreed.)

Fourth. Issue: The EPA Research and Development Manual prescribes a system where projects are originated at headquarters. The field laboratory directors are perceived as developing the planning details, then implementing the research. Many vital projects are actually identified in the field. Those projects must be pushed through headquarters through formalistic reprograming procedures. The cumbersome paperwork discourages and delays the many projects which originate in the field.

(Note.—Of the 13 laboratory Directors who were interviewed, 11 agreed. Of the 10 headquarters Division Directors, 5 agreed.)

Fifth. Issue: A critical phase in the annual planning cycle occurs when research objectives are developed into formal plans by the laboratory Directors. He has about 2 weeks for this detail planning and occasionally much less. This provides too little time for quality planning or for intramural or extramural coordination, or for full consideration of research issues.

(Note.—Of the 13 Laboratory Directors who were interviewed, 11 agreed. Of the 10 headquarters Division Directors, 8 agreed.)

Sixth. Issue: The level of funding of research in EPA has remained fairly constant over 3 budget years. The staffing has remained constant, also. There has been a shift toward more *effects and* processes research which is manpower intensive and less technology research and development which is capital intensive. This shift increases the high demands on EPA scientists to supervise extramural contracts. The quality of the extramural work suffers when the ration of "hands-on" research time to extramural project management remains low.

(Note.—Of the 13 Laboratory Directors who were interviewed, 10 agreed. Of the 10 headquarters Division Directors, 8 agreed.)

Seventh. Issue: The present planning system causes reaction to short term objectives at the expense of long term objectives. This is caused in part by a perceived need to show significant progress to headquarters on each research project each year. Research plans are written by the field, therefore, with a bias toward showing interim results to satisfy the headquarters desire. Long-term objectives often cannot show adequate interim results. The Laboratory Directors often conduct a succession of short term research projects and entitle them long term projects.

(Note.—Of the 13 Laboratory Directors who were interviewed, 11 agreed. Of the 10 headquarters Division Directors, 7 agreed.)

Eighth. Issue: The existing relationship of Laboratory Directors with both headquarters Division Directors and NERC Directors has the net effect of restricting essential information. The traditional—line—flow of authority has remained in place. The Laboratory Director receives direct supervision, performance evaluations and support services from the NERC Director, and usually works in close proximity to him. If the Division Director injects his authority into this relationship, the traditional supervisory relationship is upset.

The more information that the Laboratory Director furnishes the Division Director the more the Division Director can inject himself into laboratory decisions. The less information that the Laboratory Director gives the Division Director the more he jeopardizes the sympathetic interest of the Division Director upon which he is dependent for funding and staffing for the following years. This dilemma is built into the present planning system and reduces the flow of needed information.

(NOTE.—Of the 13 Laboratory Directors who were interviewed, 12 agreed. Of the 10 headquarters Division Directors, 3 agreed.)

Ninth. Issue: The absence of provision within the present planning system for review of in-house research protocol or data results in reduced quality of research. The EPA research staff is aware that their work will not be reviewed by the scientific community. Review is a well established procedure outside EPA in the scientific community. It is required for extramural grants or contracts within EPA. Since research and development is the basis for many EPA enforcement standards, it is crucial that data for regulatory enforcement be valid.

(NOTE.—Of the 13 Laboratory Directors who were interviewed, 11 agreed. Of the 10 headquarters Division Directors, half agreed.)

Tenth. Issue: The dual relationship of the Laboratory Directors to the headquarters Division Directors and NERC Directors has the net effect of restricting information to program offices. The Office of Program Integration in headquarters was designed to assist, but it has the net effect of hindering. The influences on the need for research change with time and new discoveries occur in the research. But, there is little communication between the program and the researcher.

These intermediaries between the researcher and the program reduce communication. If the program manager and the laboratory director circumvent the intermediaries, they are discouraged from doing so. They may be accused of "treating with the enemy" if they persist. Some direct communication does continue, but informally.

(NOTE.—Of the 13 Laboratory Directors who were interviewed, 12 agreed. Of the 10 headquarters Division Directors, only 4 agreed.)

Eleventh. Issue: Valuable time is spent upon procedural requirements in the EPA research planning manual which have no value in research planning. Each individual was asked to estimate the percentage of his staff's time which was wasted in this manner. The results were described as a percentage estimate. It should be noted that the senior staff devote disproportionately more time than junior researchers and technicians.

Much senior staff time is devoted to developing language to disguise tasks within research plans to avoid criticism by other laboratory directors and division directors that the work actually encroaches upon their work. It subverts planning.

(NOTE.—Of the 13 Laboratory Directors interviewed, all 13 agreed that some time was wasted. The average was about 15 percent. Of the 10 headquarters Division Directors, 8 agreed, and the average was about 45 percent.)

These facts are shocking. They are all the more shocking because they have been so readily available to EPA in past years, yet EPA made no apparent effort to overhaul such a useless and wasteful system. I don't claim to be an efficiency expert, but if key research managers in headquarters know that almost half their time is wasted on useless paperwork which ties up one field research worker in six, on an average, then it is inexcusable that EPA was not aware of the waste.

Of all the waste which we face in environmental pollution, none is as intolerable as EPA, the protector of the environment, squandering the skills of our very limited number of environmental research scientists. We must examine the credibility of the complaints of EPA regarding the inherent difficulties and uncertainties of research when so much research time is so obviously wasted. It is a most serious concern for the committee and for the Senate that the vital resources approved by the Congress are so poorly managed that our legislative mandates have not been met.

PLANNING

There was no agency-wide EPA environmental strategy document, though such a planning document has been needed for years. It is disburbing to realize that EPA has not yet reconciled its various regulatory, research, funding, and advisory activities into one consistent plan. I do not accuse the present top leadership of EPA of creating this vacuum of direction. Mr. Train has been responsible for directing EPA'a efforts for only 1 year of its 3½-year existence. I have transmitted a copy of the study report to him, and especially directed his attention to this crucial issue. I trust that he will now accept the urgent responsibility to correct this critical problem.

The EPA Office of Research and Development has set up a special staff (OPI) to integrate research programs. However, the staff has assumed the role of initiating research programs more than of integrating research programs. Because of the amorphous structure of OPI, the limitations of one individual in a wide research program area was often imposed upon the research strategy of the entire area of work. That approach to research strategy development presumes that one individual is competent to collect and properly include all factors which are vital to an area of environmental research. That presumption is unrealistic.

The study also revealed that the basic emphasis of EPA research planning was upside down. At the beginning of each annual research planning session, thousands of specific and often minor research requests (called NEED's by EPA) are accumulated, assorted and combined into hundreds of research projects. This flies in the face of the well-understood management principle that research must originate with a general concept and objective, then be divided into specific component parts. The present EPA procedure for developing the big picture of environmental research is analogous to collecting the pieces of a puzzle from many sources, then trying to form the correct picture from them. It is an understatement to say that this practice must be reconsidered by EPA, and that future research must be better directed toward a consistent goal.

MANAGEMENT PRACTICES

There is another unfortunate byproduct of the topheavy research planning staff in EPA headquarters. The many high grades in Washington subtracts from the "grade points" that can be given to laboratory scientists. The result is that we have more and more highly paid planners in headquarters managing the work of too few field scientists who receive too little pay. We cannot afford to discourage the already limited scientific staff of EPA by artificial barriers to prevailing salaries.

This problem is further aggravated because EPA has established too many National Environmental Research Centers—NERCs. There are four NERCs, plus another, the Washington Environmental Research Center, which functions much like an extension of headquarters staff. The original justification for a NERC was that it was dedicated to a research "theme" and that two already existed as geographical concentrations of buildings and employees when EPA was created on December 2, 1970. The research theme concept is no longer honored, yet five NERCs are maintained. The overhead cost in scientific manpower and supervisory salaries is not justifiable.

RESEARCH COMPETITION

The existing organization of EPA is unfortunate. Some offices, such as Air and Waste Management, are categorical. Others, including Research and Development, have functional responsibilities.

It is too late now to revise the basic organization of EPA, but another form of competition was found in the committee study which further complicates environmental research; each research division in headquarters is set up as an advocate for doing research in his area. The areas are not set up along environmental problem lines, but along functional lines, such as the Health Effects Division and the Equipment and Techniques Division. One research approach to solving an environmental pollution problem, therefore, is set up in competition with another research approach. The division directors are rewarded more for successful competition than for successful cooperation. I find this needless competition for our very few environmental scientists and our limited tax dollars to be indefensible. There is a better way to manage research, and it must be found.

CONCLUSION

The committee report is the critique which can serve as a guide to the major reorganization which is badly needed. We must attend quickly to assuring that the Congress and the country receives full measure for our investment in the environment. When hard environmental decisions must be made in the future, we cannot afford to make them in the face of needless scientific uncertainty. It is the legitimate function of the Senate to conduct overview inquiries to assure that congressional mandates are met, and I shall continue my interest in EPA management policies and procedures as long as such environmental misdirection persists.

GEORGIA FARMERS IN DISTRESS—CONSUMERS WILL BE NEXT

Mr. TALMADGE. Mr. President, more than 100 of the agricultural leaders of my State paid a visit yesterday to me and the other members of the Georgia congressional delegation. Their message was clear and simple.

Most of them are unable to get prices for their commodities which are equal to the cost of producing those commodities. As a result:

Many farmers will go broke this year.

Those that are left will reduce production in order to cut their losses.

The cutbacks in production will reduce supplies of many kinds of foods, thereby increasing consumer food prices.

In particular distress are the poultry, egg, pork, cattle, and dairy industries, whose products make up the bulk of the protein in the American diet.

While the cost of farm production last year and this year has increased by 41 percent, prices to the farmer for beef are down 27 percent; prices for hogs are down 36 percent; and while milk prices are up slightly, the trend for the future—again because of the increased cost of production—is for more losses.

Our consumers must understand that while they have been watching their food bills increase, our farmers have not been getting rich as a result.

The spread between prices received by farmers and the retail prices for farm commodities is growing greater every day. Between August of 1973 and August of this year, the farm-retail price spread increased 32 percent for beef; 34 percent for hogs; 20 percent for milk; and 35 percent for a loaf of bread.

The Department of Agricultural Economics at the University of Georgia has documented the serious condition in which Georgia farmers find themselves, and without objection, I ask unanimous consent that this report be printed in the RECORD so that the Nation may see the serious plight of the farmers of my State.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMODITY SCOPE OF ANALYSIS

Commodity	Size of enterprise	Production
Corn	1 acre	75 bu.
Cotton	1 acre	600 lb lint.
Peanuts	1 acre	2,750 lb (3,000).
Soybeans	1 acre	30 bu.
Flue-cured tobacco	1 acre	2,100 lb.
Peaches	1 acre	300 bu.
Beef cow-calf	100 cows	46,151 lb.
Dairy	100 cows	1,140,000 lb.
Swine: Farrow to finish.	100 sows	349,800 lb.
Broilers	250,000 broilers	888,000 lb.
Eggs	20,000 caged layers	366,667 doz.
Turkeys	26,000 birds	496,300 lb.
Forestry information		
Pecan information		
Introduction		
1973 costs of production		
1974 costs of production.		
Percentage increase in cost.		
In-summary		

THE PLIGHT OF THE FARMER IN GEORGIA

INTRODUCTION

Georgia commodity groups became aware of a need to develop cost production budgets, after realizing the sudden sharp increase in these costs.

Farm Bureau leadership representing various commodities contacted GFB President, H. Emmett Reynolds and requested that Farm Bureau county leadership develop a plan for a state wide effort bringing together the major commodities produced in Georgia. A series of meetings were planned, including all organizations involved in commodity activities. These committees composed of farmers representing large farms, small farms and all combinations of crops and livestock producing operations, met and developed the enclosed commodity production cost tables.

Twelve production budgets were worked out by the committees and two situation papers, representing a total of fourteen commodities were considered by the committees. Upon completion of the budgets this information was sent to Dr. Steve Brannen and and his Associates in the Agricultural Economics Department at the University of Georgia for review and recommendation by that Department. The Ag Economics Department rationalized common inputs for different commodities in an effort to develop a sound budget for all commodities.

These budgets compare production costs for 1973 and 1974. This was done in an effort to illustrate that the sharp increases in production costs in many cases is greater than the price increases for these commodities. These comparisons clearly illustrate that farmers cannot continue in business under these economic conditions.

The figures used in these budgets were arrived at, based on farmer experience, and the concensus of the committees is that this is basic factual information that can be proven whenever needed.

Farm Bureau feels that this is the beginning of a type of economic study that can be continued on a semi-annual basis, making available to farmers throughout Georgia current production cost information that would assist greatly in the economic planning of Georgia agriculture.

We feel that this information will be helpful to members of Congress, State Legislators, and other leaders in working with and better understanding the problems facing the producers of food and fiber.

1973 costs of production

Tobacco:	
Conventional Barn	$1,507.22
Bulk Barn	1,438.81
Peanuts	345.04
Eggs	156,667.00
Dairy	109,333.00
Broilers	20,613.00
Soybeans	97.44
Peaches	541.82
Beef	18,265.00
Corn	105.49
Cotton	244.32
Swine	119,803.55
Turkeys	168,292.00

1974 COSTS OF PRODUCTION

[In dollars]

	Total costs	Cost per unit
Tobacco:		
Conventional barn	$1,721.62	$0.82/lb.
Bulk barn	1,650.86	$0.786/lb.
Peanuts	429.87	$0.156/lb.
Eggs	180,369.00	$0.492/doz.
Dairy	121,453.00	$10.65/cwt.
Broilers	24,951.00	$0.028/lb.
Soybeans	119.65	$3.98/bu.
Peaches [1]	672.54	$2.24/bu.
Beef	22,234.00	$48.18/cwt.
Corn	142.19	$1.90/bu.
Cotton	308.47	$0.514/lb.
Swine	133,146.44	$38.06/cwt.
Turkeys	175,662.00	$0.354/lb.

[1] Pre-harvest costs; total production and marketing costs are $5.24 per bushel.

Percentage increase in costs from 1973 to 1974

	Percent
Tobacco:	
Conventional barn	14.2
Bulk barn	14.7
Peanuts	24.6
Eggs	15.1
Dairy	11.1
Broilers	21.0
Soybeans	22.8
Peaches	24.1
Beef	21.7
Corn	34.8
Cotton	26.3
Swine	11.1
Turkeys	4.4

ESTIMATED PRODUCTION COSTS PER ACRE FOR 1974

CORN (75-BU YIELD)

Items of expense	Units used	Cost per unit	Cost for item
Machinery, excluding harvest			$15.00
Labor	2.8 hr	$2.00	5.60
Seed	10 lb	.60	6.00
Lime	1/3 ton	14.00	4.62
Mixed fertilizer (5-10-15)	1/4 ton	90.00	22.50
Nitrogen	125 lb	.22	27.50
Herbicides			9.00
Custom harvesting and hauling	75 bu	$0.20	$15.00
Overhead and miscellaneous			10.52
Land rent			20.00
Interest on operating capital (8 percent for 6 mo)			6.45
Total cost per acre excluding management			142.19
Cost per bushel			1.90

COTTON (600-LB. YIELD)

Items of expense	Units used	Cost per unit	Cost for item
Machinery and equipment			$24.00
Labor	7 hr	$2.00	14.00
Seed	15 lb	.42	6.30
Lime	⅓ ton	14.00	4.62
Mixed fertilizer (5-10-15)	¼ ton	90.00	22.50
Nitrogen	64 lb	.22	14.30
Insecticides	18 applications	4.00	72.00
Herbicides			12.00
Defoliant			6.00
Harvesting	600 lb	.07	42.00
Hauling	do	.01	6.00
Ginning	do	.05	30.00
General overhead and miscellaneous			$25.37
Land rent			20.00
Interest on operating capital (9.5 percent for 4 mo)			9.38
Total costs excluding management			308.47
Cost per pound of lint			.514
Cost based on varied level of production:			
460 lb—cost per pound			.669
500 lb—cost per pound			.616
528 lb—cost per lb. (September State production estimates).			.583

PEANUTS—PRODUCTION COSTS PER ACRE FOR 1974, 2,750-LB YIELD

Items of expense	Quantity used	Price per unit	Cost for item
Machinery, excluding combining and hauling			$45.00
Labor	8.9 hr	$2.30	20.48
Seed	100 lb	$37/cwt	37.00
Mixed fertilizer (5-10-15)	500 lb	$92/T	23.00
Lime	0.5 T	$15/T	7.50
Gypsum	500 lb	$34/T	8.50
Insecticides			20.00
Nematocides			5.00
Fungicides			24.12
Herbicides			31.00
Custom combining			45.00
Hauling	1.38 T	$8/T	11.00
Cleaning and drying	1.38 T	$19.13/T	26.40
Peanut commission ($1/T)			1.38
Interest on operating capital (8 percent for 8 mo)			$16.32
Total costs per acre			321.70
General overhead and management (add 10 percent)			32.17
Total cost per acre including general overhead and management			353.87
Land rent			76.00
Total cost per acre (including land rent)			429.87
Cost per pound			1.56

SOYBEANS—ESTIMATED PRODUCTION COSTS PER ACRE FOR 1974, 30-BU YIELD

Items of expense	Units used	Cost per unit	Cost for item
Machinery			$15.00
Labor	2.5 hr	$2	5.00
Seed, inoculent and molybdenum			10.00
Lime	⅓ T	14	4.62
Mixed fertilizer (0-10-20)	¼ T	80	20.00
Insecticides			6.00
Herbicides			12.00
Custom harvesting and hauling			13.00
General overhead and miscellaneous			$8.60
Land rent			20.00
Interest on operating capital (9.5 percent for 6 mo).			5.43
Total cost excluding management			119.65
Cost per bushel			3.98

FLUE-CURED TOBACCO—PRODUCTION COSTS PER ACRE FOR 1974, 2,100-LB YIELD, PREHARVEST COSTS

Plant bed item	Units used	Cost per unit	Cost
Fumigant	5.0 lb	$0.68	$3.40
Fertilizer	0.5 cwt	4.50	2.25
Seed	0.1 oz	15.00	1.50
Fungicide	12.5 lb	.11	1.38
Insecticide	0.33 lb	.75	.25
Framing & other material			3.35
Plastic cover	60 yd^2	.10	6.00
Tractor and equipment			7.78
Labor	10.2 hr	1.85	18.87
Interest on operating capital (9.5 percent for 8 mo).			3.09
Total plant bed costs			47.87
Field operations:			
Nematocide	56 lb	.51	28.56
Fertilizer	0.9T	$100.00	$90.00
Herbicide	1 gal	16.00	16.00
Insecticide	1 gal	20.00	20.00
Sucker control	3 gal	9.00	27.00
Tractor and equipment			57.24
Insurance			62.50
Labor	65.2 hr	1.85	120.62
Land and allotment rent			360.00
Irrigation	⅔ A.–1 application		24.00
Interest on operating capital (9.5 percent, 6 mo).			39.90
Total field costs			845.82
Total preharvest			893.69

TOBACCO—HARVEST AND TOTAL COSTS

Item	Units used	Cost per unit	Cost
Conventional barn:			
Fuel	408 gal	$0.38	$155.04
Electricity	63 kil. hr	.03	1.89
Twine	5 lb	2.85	14.25
Sticks			6.00
Sheets			4.00
Tractor and equipment			120.46
Truck			14.07
Barn			78.62
Marketing			59.85
Labor	175 hr	1.85	323.75
Total harvest costs			777.93
Preharvest costs			893.69
Overhead			50.00
Total costs excluding management			1,721.62
Cost per pound			$0.82
Bulk barn:			
Fuel	362 gal	$0.38	137.56
Electricity	740 kil. hr	.03	25.20
Sheets			4.00
Tractor and equipment			106.59
Truck			14.07
Barn			165.65
Marketing			59.85
Labor			194.25
Total harvest crops			707.17
Total preharvest costs			893.69
Overhead			50.00
Total costs, excluding management			1,650.86
Costs per pound			0.786

PEACHES—COST OF PRODUCTION PER ACRE FOR 1974, 300-BU YIELD, COST OF ESTABLISHMENT

Item of expense	Units used	Cost per unit	Cost
Trees	155 trees	$0.60	$93
Fertilizer	2 cwt	4.50	9
Lime	4 T	14.00	56
Nematode control			50
Machinery costs			$20
Labor	10.5 hr	$2.00	21
Total			249

Note: The initial investment in the orchard of $249 per acre is to be prorated at 9.5 percent interest over the 1st 10-yr life of the orchard: $249 ÷ 6.281 = $39.64 annual change.

AVERAGE ANNUAL COSTS OF DEVELOPMENT (YEARS 1–3)

Item of expense	Units used	Cost per unit	Cost
Machinery			$15.00
Labor	9.0 hr	$2.00	18.00
Fertilizer	5.0 cwt	4.50	22.50
Lime	1 T	14.00	14.00
Nitrogen	75 lb	.22	16.50
Pesticides			18.00
Miscellaneous			$20.00
Total operating expenses			124.00
Recapture investment			39.64
Machinery overhead			75.00
Land rent			30.00
Total			268.64

Note: Average annual development costs capitalized at 9.5 percent for 3 yr: $268.65×3.294=$884.90. These development costs are prorated over the productive years of the orchard (4–10) at 9.5 percent interest. $884.90 ÷ 4.951 = $178.73 annual change.

PEACHES—COSTS FOR PRODUCTIVE ORCHARD (YEARS 4–10)

Items of expense	Units used	Cost per unit	Cost
Machinery			$45.00
Labor	41.5 hr	$2.00	83.00
Fertilizer	10 cwt	4.50	45.00
Nitrogen	50 lb	.22	11.00
Lime	1 T	14.00	14.00
Herbicides			23.00
Pesticides			35.00
Land rent			30.00
Interest on operating capital (9.5 percent for 8 mo).			18.17
Total preharvest cash costs			304.17
Machinery overhead			$150.00
Prorated establishment costs			39.64
Prorated development costs			178.73
Total preharvest costs			672.54
Preharvest costs per bushel			2.24
Harvesting costs per bushel			1.00
Hydrocooling			.25
Packing house charges			1.75
Total production and marketing costs			5.24

BEEF COW-CALF, 100-COW HERD—COST OF PRODUCTION FOR 1974

Marketings [1]	Quantity (head)	Hundredweight marketed
Steer calves (450 lb)	45	196.42
Heifer calves (414 lb)	27	108.43
Culls (950 lb)	17	156.66
Total marketed	89	461.51

BEEF COW-CALF, 100-COW HERD—CCST OF PRODUCTION FOR 1974

Item	Quantity used	Cost per unit	Cost
Operating expenses:			
Improved pasture	110 A	(2)	$6,283
Unimproved pasture	70 A	(2)	700
Woodland	50 A	(2)	100
Coastal Bermuda hay	20 A	(2)	3,772
Protein supplement	50 cwt	$10	500
Salt and minerals			360
Spray material			63
Vet., medicine, pregnancy testing			600
Repairs			500
Labor	780 hr	$2.30	1,794
Interest on operating capital	(9.5 percent, 6 mo).		$697
Transportation	89 head	$2/hd	178
Miscellaneous			1,000
Total operating expenses			16,547
Annual fixed costs			5,687
Total costs excluding management			22,234
Costs per hundredweight marketed			48.18

SUPPLEMENTARY BEEF BUDGETS

110 A improved pasture:			
Mixed fertilizer	3 cwt/A	$4.50/cwt	$1,485
Nitrogen	50 lb/A	$0.22/lb	1,210
Lime	1/3 T/A	$14/T	508
Cash rent		$20/A	2,200
Prorated establishment costs		$8/A	880
Total costs			6,283
20 A coastal Bermuda hay:			
Mixed fertilizer	6 cwt/A	$4.50/cwt	540
Nitrogen	200 lb/A	$0.22/lb	880
Lime	1/3 T/A	$14/T	92
Labor	10 hr/A	$2 /hr	400
Other harvest costs		$65/A	$1,300
Cash rent		$20/A	400
Prorated sod costs		$8/A	160
Total costs			3,772
70 A unimproved pasture: Cash rent		$10/A	700
Total costs			700
50 A Woodland: Cash rent		$2/A	100
Total costs			100

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[1] A 90-percent calf crop is assumed with 18 heifers saved for replacement. 2 cows die each year so that 15 cows or open heifers and 1 bull are culled each year. Marketing weights reflect a 3 percent shrinkage.

[2] See attached budgets.

BEEF COW-CALF, INVESTMENT AND FIXED COST (100-COW HERD)

	Investment average	Annual fixed cost			
		Dep.	Int.	Taxes and ins.	Total
Livestock:					
100 broodcows at $325	$32,500		$3,088	$146	$3,234
18 replacement heifers at $275	4,950		470	22	492
3 bulls at $1,000	3,000	$500	285	14	799
Total livestock	40,450	500	3,843	182	4,525
Facilities:					
Hay storage	1,688	169	160	8	337
Corral and loading chute	$270	$54	$26	1	$31
Feed racks	135	27	13		40
Neck chains and tags	85	34	8		12
Miscellaneous equipment	67	27	6		33
Fencing (250 acres)	2,700	360	256	13	629
Total facilities	4,945	671	469	22	1,162
Total	45,395	1,171	4,312	204	5,687

Dairy cows production cost for 1974—100 cow unit with 11,400 lb annual production

[Total amount in dollars]

Feed:	
Purchased concentrate	$50,730
Other feed	365
Lime and fertilizer	5,275
Seeds and plants	1,140
Spray, other crop expense	1,020
	58,530
Labor ($2.30 per hour—85 hrs per cow)	19,500
Other operating costs:	
Machine hire (hauling)	3,045
Breeding fees	840
Veterinary and medicine	1,155
Other dairy expense	2,690
Utilities	1,265
Miscellaneous	2,550
	11,545
Fixed costs:	
Machinery repair	3,820
Building, fence repair	1,955
Taxes, insurance	1,500
Interest on operating capital (9.5%—6 mos)	4,603
	11,878
Interest on investment (9.5% at $2,100 per cow)	19,950
Total cost excluding management	121,453

Cost per hundredweight, $10.65.

SWINE: FARROW TO FINISH—COSTS OF PRODUCTION FOR 1974

[100 sows]

Item	Units and quantity	Price per unit	Total
Marketings:			
Market hogs (220 lb)	1,515 head		[1] $3,333
Cull sows (400 lb)	30 head		[1] 120
Cull gilts (300 lb)	10 head		[1] 30
Cull boars (500 lb.)	3 head		[1] 15
Total marketings	1,558 head		[1] 3,498
Costs of production:			
Corn:			
Breeding stock	4,674 bu	$3.20	$14,956.80
Hogs	14 022 bu	3.20	44,870.40
Protein supplement:			
Breeding stock	716.8 cwt	11.00	7,883.48
Hogs	1,558 cwt	11.00	17,138.00
Prestarter	934.8 cwt	8.50	7,945.80
Salt and minerals			288.00
Feed grinding	684 T	$7.50	$5,130.00
Veterinarian and medicine			2,760.00
Repairs			2,648.50
Electricity			779.00
Labor	4,469 hr	2.30	10,278.70
Interest on operating capital (9.5 percent for 6 mo.)			5,447.22
Marketing			1,558.00
Transportation			887.54
Total operating expenses			122,571.44
Annual fixed cost			10,575.00
Total costs excluding management			133,146.44
Costs per hundredweight			38.06

[1] Hundredweight.

SWINE: FARROW TO FINISH—INVESTMENT AND FIXED COST

	Investment		Annual Fixed Cost			
	New	Average	Depreciation	Interest	Tax ins.	Total
Breeding livestock	$23,800	$13,700	$600	$1,302	$137	$2,039
Buildings and equipment	69,212	38,894	4,453	3,694	389	8,536
Total	93,012	52,594	5,053	4,996	526	10,575

CONTRACT BROILER PRODUCTION—COST OF PRODUCTION FOR 1974, ANNUAL CAPACITY 250,000 BROILERS, PRODUCTION OF 888,000 LB

Operating expenses item	Units used	Cost per unit	Cost
Litter	20 loads	$65.00	$1,300
Electricity			1,500
Fuel	12,600 gal	.32	4,032
Repairs			1,518
Labor	3,600 hr	1.60	5,760
Miscellaneous			500
Interest on operating capital (9.5 percent for 3 mo)			$47
Total operating expenses			14,957
Annual fixed costs			9,994
Total costs excluding management			24,951
Cost per pound			.028

CONTRACT BROILER PRODUCTION—INVESTMENT AND FIXED COST (250,000 ANNUAL BROILER CAPACITY)

Item	Investment		Years of life	Annual fixed cost			
	Purchase price	Average		Depreciation	Interest	Tax and ins.	Total
Buildings (including grading):							
4 (32 ft by 384 ft)	$61,500	$30,750	15	$2,050	$2,921	$830	$5,801
Well (2 wells)	3,000	1,500	15	200	143	18	361
Equipment	20,000	10,000	10	2,000	950	270	3,220
Well pumps	1,000	500	10	100	48	7	155
Tractor w/front loader (used)	1,500	750	10	150	71	20	241
Manure spreader	1,200	600	10	120	57	16	193
Sprayer	150	75	10	15	7	1	23
Total	88,350	44,175		4,635	4,197	1,162	9,994

INDEPENDENT COMMERCIAL EGG PRODUCTION—20,000 CAGED LAYER UNIT WITH MECHANICAL FEEDERS AND HAND EGG GATHERING, ANNUAL PRODUCTION OF 366,667 DOZ.—COST OF PRODUCTION FOR 1974

Operating expenses item	Units used	Cost per unit	Cost
Pullets	20,000	$2.00	$40,000
Feed	800 T	150.00	120,000
Medicine and vaccination			100
Electricity			500
Repairs			912
Labor	2,920 hr	1.90	5,548
Miscellaneous			360
Interest on operating cost (9.5 percent for 4 mo)			5,302
Total operating expense			172,722
Annual fixed cost			7,647
Total costs excluding management			180,369
Production cost per dozen			.492
Marketing costs per dozen:			
Transportation:			
Farm to plant			.0064
Plant to New York City			.0220
Total			.0284
Plant costs:			
Wages and salaries			$.0205
Inspection			.0020
Cartons and cases			.0400
Supplies: Tape, oil, staples, misc			.0027
Depreciation and repairs			.0038
Overhead and miscellaneous			.0046
Administrative costs			.0025
Total			.0761
Brokerage commission			.01
Blend costs			.033
Total costs per dozen			.6365

COMMERCIAL EGG PRODUCTION—INVESTMENT AND FIXED COST (20,000 CAGED LAYERS)

	Investment		Years of life	Annual fixed cost			
	New	Average		Dep.	Int.	Taxes and ins.	Total
Buildings	$17,500	$8,750	15	$1,167	$381	$742	$2,470
Equipment[1]	25,952	12,976	10	2,595	1,233	700	4,528
Curtains	1,370	685	5	274	65	37	376
Well	1,500	750	15	100	71	40	211
Pump	500	250	10	25	24	13	62
Total	46,822	23,411		4,161	2,224	1,262	7,647

[1] Equipment includes manure removal, equipment used within the layer houses.

INDEPENDENT CONFINEMENT TURKEY PRODUCTION—COST OF PRODUCTION FOR 1974, ANNUAL CAPACITY: 16,000 TOMS AND 10,000 HENS, MARKETINGS: 360,000 LB. TOMS AND 136,300 LB. HENS

Operating expense item	Units used	Cost per unit	Cost
Poults:			
Toms	16,000	$0.75	$12,000
Hens	10,000	$0.65	6,500
Feed	780 T	$170	132,600
Litter	14 loads	$65	910
Medicine and debeaking	26,000	$0.024	624
Loading and hauling	496,000 lbs	$0.01	4,960
Electricity			108
Fuel	26,000 birds	$0.06	1,560
Labor	1,134 hr	$2.30	$2,608
Interest on operating capital		9.5 percent (6 mos)	7,689
Total operating expenses			169,559
Annual fixed cost			6,103
Total cost excluding management			175,662
Cost per pound marketed			.354

CONFINEMENT TURKEY PRODUCTION—INVESTMENT AND FIXED COST (16,000 TOMS AND 10,000 HENS ANNUAL PRODUCTION)

Item	Number	Purchase price	Average	Years of life	Dept.	Int.	Taxes and ins.	Total
Brooder house and equipment	10,200 ft^2	$13,500	$6,750	10	1,020	641	182	$1,843
2 growout houses/equip	30,000 ft^2	31,870	15,935	10	1,594	1,514	430	3,538
Well and pump	1	2,000	1,000	10	100	95	27	222
Loader	1	4,500	2,250	10	225	214	61	500
Total								6,103

INFORMATION ON FORESTRY IN GEORGIA

Problems:

1. Ad Valorem Tax rates on forestry. Almost confiscatory taxes force small landowners to clear-cut and/or sell land. Rates are compounded, since taxes are paid annually, yet revenues are in 30-year rotations. (One dollar per acre on 30-year rotation equals $155 in taxes alone).

2. Southern Pine Beetle—has devastated areas of North Georgia and is now in South Georgia. There is no present known cure. Spraying is outlawed by EPA and the only other remedy is cutting buffer strip around infected area. State has recently lost complete timber on Wormsloe Plantation at Savannah.

Forestry is big business in Georgia, contributing over $2 billion annually and providing jobs for one of every five Georgians employed. Payroll in many Georgia counties is the largest of any employer.

State has largest private landownership of any state in the nation; over 200,000 Georgians own timberland, most of which is small tracts of under 300 acres. Georgia leads nation in pulpwood production, is the largest lumber producer East of the Mississippi, and is growing in plywood production.

Estimates are that Georgia and the Southeast must double production of wood and wood products by year 2000. This must come from private ownerships, which already provide 75 per cent of production for thirteen Georgia pulp mills.

INFORMATION ON PECAN PRODUCTION IN GEORGIA

Pecan production in Georgia accounts for ⅓ of the pecan production in the world. Over the past few years, gross receipts to Georgia farmers averaged over 30 million dollars. Georgia also has more processing plants than other states, and this adds even more money and jobs to Georgians.

Production costs are up 35% due to increased costs in labor, chemicals, fertilizer, fuel, equipment and interest. Processing and related sales costs are up 40% due to higher labor, higher utilities, higher freight, higher in-plant supplies and higher interest. Forecast for pecan sales to pass on any of these increases is gloomy due to the following factors: one of the largest carry-overs that we have had in many years, a decline in industrial consumption because of their decline in sales, and huge carry-overs of competitive nuts, i.e. walnuts and almonds, and a large crop forecast for these nuts. Pecans have meant a lot to our State in the past, and have been a profit maker to farmers and processors. Under present conditions, however, all face serious losses. Any marketing help for our commodity, such as the school lunch program, would be greatly appreciated.

One of the ways in which grower's costs can be reduced is by increased production per acre. This is done primarily through research efforts of our State and USDA. The USDA research is not consulting with industry regarding their problems. The people in charge of stations cannot take time to come to grower meetings; and personnel are moved from project to project. Our industry is not asking for more money, but just for efficient and effective use of personnel and facilities now existing.

Any help along these lines would be greatly appreciated by our industry.

IN SUMMARY

1. Congress must act to raise the loan and target price on farm commodities due to the recently experienced increased costs of production.

2. A severe lime shortage, due to a shortage of freight cars, will limit crop and livestock production in the Southeast. Some action to bring more cars into service for lime should be taken by the Congress.

3. Current forecasts indicate that the Nitrogen shortage in 1975 will be even more acute than that of 1974. Efforts must be made to assure Nitrogen manufacturers sufficient natural gas, if national policy demands a bountiful supply of food and fiber.

4. Canadian policy has restricted the importation of potassium fertilizer into the United States. This policy could in 1974 cause reduced yield in America and it will certainly materially increase the cost of fertilizer to farmers. We feel the Administration should do everything within its power to negotiate a larger potassium allotment from Canada.

5. Farmers are told by manufacturers that shortages and costs of petrochemicals have created the scarce supply of various pesticides. If the American Farmer is to produce at levels desired by the Federal Government, then Government must assure an adequate supply of petrochemicals for the manufacture of vitally needed pesticides.

6. Congressional efforts must be made to enhance the manufacture of phosphate fertilizers. This vital fertilizer component is being attracted to foreign shores, thus creating a shortage here.

7. The farmer of today finds himself in a most critical position with respect to the parity ratio. Exceedingly high production costs could and will force many farmers from the soil. If national steps are not taken to prevent mass bankruptcy on the farm, we fear for the future well being of America.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FOREIGN ASSISTANCE ACT OF 1974

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the unfinished business, S. 3394, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, on behalf of Mr. ABOUREZK, that two members of his staff, Rebecca Switzer and Xavia Louis, have the privilege of the floor during the consideration of the Foreign Assistance Act today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATHAWAY). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, it is my understanding that the distinguished Senator from South Dakota (Mr. ABOUREZK) has a number of amendments. I have spoken with him about them, and I should like to propose a unanimous-consent request relating to the Abourezk amendments and see whether or not the Senator from South Dakota will be amenable to the request.

Does the Senator have four amendments?

Mr. ABOUREZK. Approximately.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that on the Abourezk amendments there be a limitation of 30 minutes each, with the time to be equally divided; that on any amendment thereto, the time be limited to 20 minutes, equally divided, and that would apply to any and all other procedural matters.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ABOUREZK. Mr. President, I call up my amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. —. None of the funds made available in this Act or any other law shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or for the transportation of any military equipment or supplies to any country which uses such defense articles or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, or any agreement entered into under such Acts."

Mr. ABOUREZK. Mr. President, the language of this amendment is identical to the language of the Eagleton amendment which was added to the continuing resolution yesterday. The amendment would do the same thing, except that it would be put in a more permanent situation on the foreign aid bill, rather than just on the continuing resolution.

I do not see any need for a rollcall vote on this amendment, because the Senate expressed itself on this very issue yesterday. If the manager of the bill wants to save the time of a rollcall vote, that is all right with me, or we can have one, whatever he chooses to do.

I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, I know that we voted on a similar amendment yesterday, and I want to bring up once again what I consider may be a problem. It may not be a problem for the Senator from South Dakota, but I am sure it may be a matter of concern for some others.

I invite the attention of the acting minority leader to this language in the amendment:

At the appropriate place in the bill, insert the following new section:

SEC. —. None of the funds made available in this Act or any other law shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or for the transportation of any military equipment or supplies to any country which uses such defense articles or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, or any agreement entered into under such Acts."

That section, of course, applies to the use of materials in any type of overt action that could not be called self-defense. In other words, some people would put it directly as aggressive action. I am going to read that section of the law, so that we are clear here on what we are doing, even though we had considerable debate on it yesterday. I read section 502 of the Foreign Assistance Act, relating to utilization of defense articles and services:

SEC. 502. Utilization of Defense Articles and Defense Services.—Defense articles and defense services to any country shall be furnished solely for internal security, for legitimate self-defense, to permit the recipient country to participate in regional or collective arrangements or measures consistent with the Charter of the United Nations . . .

I have always felt, for example, that the State of Israel, in using military equipment that was supplied by us in its efforts to do away with the terrorists and the guerrilla activities that have been harbored in other countries, was acting in self-defense. In other words, from time to time the Israeli Air Force has found it necessary to attack installations that were placed within villages beyond the border of its own country. It has done this because these installations have provided a launching pad, so to speak, for guerrilla activities within the State of Israel.

I want to be sure that the Senator's amendment does not in any way preclude the State of Israel from exercising its right of self-defense as it sees it. No one can more precisely describe what is self-defense than those who think they are defending themselves.

For example, if there were guerrilla activities based in the nation of Lebanon, the state of Lebanon, that were crossing over the border, that were blowing up villages in Israel, and if the Israeli Air Force operates with American-made planes, some of them obtained under military sales or military credits, the State of Israel in no way is limited by this language in obtaining the supplies it needs for what it believes is its security.

Mr. President, it has been made abundantly clear by eminent international legal scholars that Israel's retaliatory raids into Lebanon and Jordan are countenanced by international law, and constitute "legitimate self-defense" as cited in the Foreign Assistance Act of 1961.

In accordance with the principles of international law, and the declaration on principles concerning friendly relations and cooperation among states adopted by the U.N. General Assembly on October 24, 1970, all member nations are duty bound not to tolerate any subversive or armed activities against other sovereign states. This declaration states:

> No state shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed toward the violent overthrow of the regime of another state, or interfere in civil strife in another state.

Prominent jurists maintain that permitting subversive activities against another state constitutes a breach of international undertaking even if those activities are exercised by private individuals. To back this up, I would cite some relevant quotes. Oppenheim's International Law, edited by H. Lauterbach:

> International law imposes the duty upon every state as far as possible prevent its own subjects, and such foreign subjects as live within its territory, from committing injurious acts against other states.

From the Declaration on Friendly Relations, official records of the General Assembly 25th session supplement No. 18 (A/8018) we have—

> Every state has the duty to refrain from organizing or encouraging the organization of irregular forces or armed bands, including mercenaries, for incursion into the territory of another state.

Israeli actions on Lebanese territory are also based on the inherent right of Israel to self-defense in accordance with article 51 of the U.N. Charter.

And the U.N. General Assembly document A/AC.134/L.46 of April 12, 1974 of the Special Committee on the Question of Defining Aggression, article 3 states:

> Any of the following acts, regardless of the declaration of war, shall, subject to and in accordance with the provisions of Article 2, qualify as an act of aggression.
>
> The sending by or on behalf of a state of armed bands, groups, irregulars or mercenaries, which carry out acts of armed force against another state of such gravity as to amount to the acts listed above or its substantial involvement therein.

Surely Israel's exercise of self-defense against these acts of aggression would be actions taken in "legitimate self-defense."

Will the Senator from South Dakota describe for the Senate, as a matter of legislative history, exactly what his amendment is directed toward and to whom it applies?

Mr. ABOUREZK. This amendment is directed toward any nation that receives military assistance from the United States which violates the Military Assistance Act, the Foreign Assistance Act of 1961, or the Foreign Military Sales Act. I do not propose to exclude any nation, whether it be Lebanon, Israel, Egypt, Syria, Turkey, Greece—or any other. I think that any nation that receives arms from this country ought to obey the laws of this country, or, rather, we ought to obey the laws of this country. That is simply what this amendment proposes to do.

Mr. HUMPHREY. In other words, does the Senator's amendment permit the Secretary of Defense, the Secretary of State, or the President of the United States, who is the ultimate authority in matters of national security, to make the finding as to whether or not a country is in violation?

Mr. ABOUREZK. I do not know who makes the finding now. Whether it be by a court of law or by virtue of Presidential decision, I do not know. This amendment does not change whoever makes that decision.

Mr. HUMPHREY. The executive branch, of course, now makes that decision.

Mr. ABOUREZK. This amendment does not change that.

Mr. HUMPHREY. The amendment does not change that?

Mr. ABOUREZK. It just says that the executive branch has to obey the law. It must obey the law, without exception.

Mr. HUMPHREY. Do not misunderstand me; I voted for the Eagleton amendment. But is it not possible that the State of Turkey, for example, may very well say that the reason they used American military equipment on Cyprus is because 600 Greek colonels from the Greek military establishment landed on Cyprus and were, apparently, ready to take over; that indeed, they ousted the duly elected President of Cyprus, Archbishop Makarios, and the Turkish Cypriots were threatened and endangered because of this action; and, that, under the agreement which prevailed relating to the presence of certain Turkish forces in Cyprus, as well as certain Greek forces in Cyprus, what Turkey did was merely act in self-defense?

Mr. ABOUREZK. I think they could say that. I am not sure that we would swallow it.

Mr. HUMPHREY. I want to get the record clear. Does the Senator's amendment, in other words, say that if the Secretary of State, in advice to the President of the United States, were to make such an advisory opinion and the President were to act upon it, this amendment, therefore, would not be binding upon Turkey, which said it acted in self-defense?

Mr. ABOUREZK. I am not certain that the carrying out of a law of the United States is done on a unilateral basis, or whether or not it is carried out by any one man. I think the courts of this country generally would interpret whether or not a law is being obeyed.

Whatever the Secretary of State might say, or whatever the President might say, would really have no bearing on the final outcome. I think our judiciary would decide that.

Mr. HUMPHREY. Just to get the legislative language clear, because I do not want this amendment to have broader application than I believe the Senator has in mind, or that the Senate, thus far, has in mind, is it not true that the Senate has already gone on record—I believe it was in a sense of the Senate resolution presented by Senator EAGLETON—that the violations, insofar as the Senate saw them, of the Foreign Military Sales Act and the Foreign Assistance Act of 1961 were violations by Turkey, and by Turkey only, up to this date?

Mr. ABOUREZK. I do not know what the total statement of Senator EAGLETON was on yesterday. I did hear part of his statement which said that this would apply to any country, that he applied it without exception, as well.

Am I to understand that the manager of the bill, my colleague from Minnesota, is willing to apply an exception to this law?

Mr. HUMPHREY. No; I simply wanted to point out what the Senate has already done. The Senate resolution states:

> *Resolved*, That it is the sense of the Senate that the President should immediately declare Turkey ineligible for further assistance under the Foreign Assistance Act of 1961 and ineligible for further cash sales, credits, or guarantees under the Foreign Military Sales Act and, in compliance with the provisions of such Acts, make no further military assistance available to such country under either such Act.

That was a specific, precise targeting of this provision. All I am asking, and I want the word from the Senator, because this could be very important in the consideration of the Senator's amendment, is: Does the Senator's amendment apply precisely to the language of the sense of the Senate; namely, this overwhelming vote by which the Senate said, on the date of September 19, by a vote of 64 to 27, that Turkey had violated the provisions of the Foreign Assistance Act of 1961 and the Foreign Military Sales Act? Or is the Senator saying that this provision of law today is directed toward some other country?

Mr. ABOUREZK. This provision of law is directed toward any country.

Mr. HUMPHREY. I mean this amendment. Is it directed toward some other country?

Mr. ABOUREZK. This amendment is directed toward any country that violates the existing laws of the United States. There are no exceptions.

Mr. HUMPHREY. Who is to make that determination, under the Senator's amendment?

Mr. ABOUREZK. I imagine the ultimate determination is made by the courts of the United States.

Mr. HUMPHREY. In matters of national security, would it not be for the immediate administration of the amendment, or for its immediate execution, if this were to be adopted, that the President of the United States would make that finding?

Mr. ABOUREZK. I imagine that the President makes a determination; yes. Whether or not he is obeying the law would have to be determined by a court of law.

Mr. HUMPHREY. Ultimately by a court of law.

Mr. ABOUREZK. If someone were to challenge it; yes.

Mr. HUMPHREY. Does the Senator think this amendment will apply to Israel?

Mr. ABOUREZK. This amendment will apply to any country.

Mr. HUMPHREY. Specifically, does the Senator think that this amendment will apply to Israel?

Mr. ABOUREZK. I make no exceptions to it. If the Senator wishes to make some exception, he will have to offer it.

Mr. HUMPHREY. What is the Senator's view? To whom does he think the amendment applies?

Mr. ABOUREZK. It applies to every nation that receives military assistance from the United States.

Mr. HUMPHREY. That is already in the law. We do not need any other amendment. We have a new amendment here.

Mr. ABOUREZK. If it is already in the law, surely the Senator does not object to having it emphasized.

Mr. HUMPHREY. Then it would be redundant. We do not legislate twice.

I am trying to get some precise provision here.

Mr. ABOUREZK. If I might interrupt briefly, the Senator himself voted for a redundancy yesterday, because that provision is already in the law. Why would he vote for a redundancy yesterday and not today?

Mr. HUMPHREY. That is why I want to get it more clear today, because I think some of us did vote yesterday without knowing all of the implications. I think we ought to know all of the implications here.

Mr. ABOUREZK. That has happened to me, sometimes, too. I think I have sometimes voted without knowing all the implications.

Mr. HUMPHREY. Let us learn from our experience, then. I think the Senator owes it to the Senate to tell it to which country this amendment is directed.

Mr. ABOUREZK. It is directed toward any country which receives military arms from the United States, without exception.

Mr. HUMPHREY. Who defines whether or not those military arms have been used in self defense or in violation of the law?

Mr. ABOUREZK. If the Senator finds redundancy unacceptable, I think we ought to quit talking over the same issues, over and over. I think we ought to come to a vote.

Mr. HUMPHREY. Quite frankly, I say that, if that is the case, we do not need this amendment, because I think we already passed one like it yesterday.

Mr. ABOUREZK. That only lasts until a week from Friday.

Mr. HUMPHREY. I yield to the Senator from Michigan.

Mr. GRIFFIN. I thank the Senator from Minnesota.

I believe this colloquy is very interesting, Mr. President, and is focusing on a point which I am afraid too many Senators, the other day, did not realize.

I call attention to the New York Times report of yesterday on the Senate's action with respect to the Eagleton amendment to the continuing resolution, and particularly to the third paragraph of the article, written by Leslie Gelb, which reads as follows:

> The amendment, proposed by Senator Thomas F. Eagleton, was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors or to Arab incursions into Israel.

I wonder if the distinguished author of this amendment at this time agrees with that interpretation in the New York Times story?

Mr. ABOUREZK. What would the interpretation be, again? That it could apply to the State of Israel?

Mr. GRIFFIN. That the amendment proposed by Senator EAGLETON, which is essentially the same amendment that the Senator from South Dakota now proposes——

Mr. ABOUREZK. Exactly.

Mr. GRIFFIN. Was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors. * * *

Mr. ABOUREZK. It would apply to any country under which the laws of the United States have been violated.

I do not make the final determination. Very frankly, that would apply—

Mr. GRIFFIN. But the Senator does not take issue with that statement?

Mr. ABOUREZK. If the Senator will let me complete my statement—it would apply to any country that violates the Foreign Military Sales Act.

Obviously, the administration makes the initial determination as to who that would be, and if that determination were to be challenged, it would have to be done through the courts. Any statement I made would really have no bearing, because I would have to name a specific country in the amendment if it were to apply to any specific country.

Let me ask the Senator from Michigan and the Senator from Minnesota, are they willing to make exceptions for countries which violate the Foreign Military Sales Act?

Mr. GRIFFIN. I voted against the Eagleton amendment, and I intend to vote against this amendment. My only purpose in asking these questions is to assure that as many Senators as possible realize the implications of the amendment which the Senator proposes.

As I understand it, this is not a reenactment of the existing law. As I understand the existing law, at the present time the question is whether or not there has been a substantial violation of the act to which reference is made. The effect of the Eagleton amendment, and now of this amendment, is in effect to do away with that requirement of substantial violation, and if there is any violation, any transportation, it then triggers the cutoff of aid.

I wonder if the Senator can confirm that interpretation of the effect of his amendment.

Mr. ABOUREZK. The Senator's question is as to whether the standards are changed?

Mr. GRIFFIN. That is right.

Mr. ABOUREZK. I wonder if the Senator from Minnesota would read the initial provision. I do not happen to have that. Does the Senator have it?

Mr. HUMPHREY. Yes.

Mr. ABOUREZK. Would the Senator read the initial provision? I think we can compare it that way.

Mr. HUMPHREY. I read that part that relates to utilization of defense articles and services:

> Defense articles and defense services to any country shall be furnished solely for internal security, for legitimate self-defense.

Then subsequently, under conditions of eligibility, it says:

> Any country which hereafter uses defense articles or defense services furnished such country under this Act, the Mutual Security Act of 1954, as amended, or any predecessor foreign assistance Act, in substantial violation of the provisions of this chapter or any agreements entered into pursuant to any of such Acts shall be immediately ineligible for further assistance.

The **PRESIDING OFFICER.** The time of the Senator from Minnesota has expired. The Senator from South Dakota has 13 minutes remaining.

Mr. ABOUREZK. All right. I would like to say, after listening to the language of the act, that this does not change the standards at all, because it says that if there is a violation of that act, the arms sales will be immediately cut off. So that is no change at all, as I read it.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. ABOUREZK. Yes.

Mr. HUMPHREY. I just want it clear that, as far as the Senator from Minnesota is concerned, I do not think this provision which was voted on yesterday, which is the identical provision today, in any way applies to the state of Israel, which was acting in self-defense. I think it does apply directly to the state of Turkey in terms of what has happened in the Cyprus situation, and I believe the legislative history ought to be clear. I hope the Senator from South Dakota will clarify it.

Mr. ABOUREZK. Let me attempt to further clarify it. I do not think either the Senator from Minnesota, the Senator from Michigan, or the Senator from South Dakota can make that determination.

Mr. HUMPHREY. We can make legislative history.

Mr. ABOUREZK. Without specifically naming a country. I am not willing to make any exceptions. I do not think we ought to have any exceptions in the law. We just had one of those recently when President Ford pardoned the former President, and I do not think we ought to do that here in the Senate. I think we ought to make this applicable without making any exceptions.

Mr. President, I ask for the yeas and nays on the amendment. I do not think enough Senators are present for a sufficient second, but I wonder if the staff might notify a few more Senators. I wonder if we might try to have some more Senators come in the cloakroom to obtain a sufficient second.

Mr. HUMPHREY. Would the Senator like to ask for a quorum call?

Mr. ABOUREZK. Yes. Mr. President, I suggest the absence of a quorum, unless the Senator has something more.

Mr. GRIFFIN. Mr. President, will the Senator withhold that, if he still has some time remaining?

Mr. ABOUREZK. Yes; I withdraw the request.

Mr. GRIFFIN. Who has the time, Mr. President?

The **PRESIDING OFFICER.** The Senator from South Dakota has time remaining.

Mr. GRIFFIN. If the Senator will yield to me——

Mr. ABOUREZK. I yield.

Mr. GRIFFIN. The Senator has made it clear, I think, in his responses to the Senator from Minnesota and the junior Senator from Michigan, that his amendment would apply to Israel as well as to any other country. Is that not correct?

Mr. ABOUREZK. It would apply to any country receiving arms from the United States, without exception.

Mr. GRIFFIN. So the amendment is not directed toward Turkey?

Mr. ABOUREZK. The amendment is directed toward the administration, very frankly, to try to assure it will obey the laws of the United States.

Mr. GRIFFIN. And, indeed, if Greece should use American arms in violation of the amendment from the Senator from South Dakota, the military assistance would be cut off from Greece as well as Turkey, as well as Israel, is that correct?

Mr. ABOUREZK. It would apply to every country that received arms from this country.

Mr. TOWER. Mr. President, will the Senator yield for a question?

Mr. ABOUREZK. I yield.

Mr. TOWER. Would it not apply to Greece, since Greece supplied arms to the Cypriots that threw out the Makarios government? That was military action; as a matter of fact, they wanted to assassinate him, which indeed they had not done, but apparently they thought they had.

Mr. ABOUREZK. It would make no exceptions whatever.

Mr. TOWER. So it would apply to Greece?

Mr. ABOUREZK. Mr. President, I do not know what more I can say. I have said about 15 times it will apply to any country, without exception, that receives arms from the United States.

Mr. TOWER. Will the Senator admit that the initial military action was by Greek Cypriots supplied with arms from the Greek Government? Is that not correct?

Mr. ABOUREZK. As I understand, it was the Cypriot National Guard. I do not know where they got their arms.

Mr. TOWER. I know they got them from Greece.

Mr. ABOUREZK. I do not know.

Mr. TOWER. So in this instance we would have to cut off military aid to Greece; is that not correct?

Mr. ABOUREZK. I cannot direct it toward any specific country.

Mr. TOWER. I think it can be understood that it applies to Greece.

Mr. ABOUREZK. Let me finish my statement. This would apply to any country that violates the laws of the United States. It is directed toward the administration of this country, to make sure that the laws are obeyed.

Mr. TOWER. Well, then, let the legislative history show that it does apply to Greece, because Greek arms initiated the military action that precipitated Turkey's intervention. I think we ought to make that clear.

Mr. ABOUREZK. The Senator from Texas has now set himself up as the man who determines which situation applies. He is free to try to do that, if he wishes, though I do not think any Senator can do that unless he is willing to specifically name a country in an amendment which he might offer. I want the legislative history to be very clear that this amendment does not single out any one country, nor does it except any one country.

Mr. TOWER. It does not necessarily apply to Greece; therefore it does not necessarily apply to Turkey. Is that correct?

Mr. ABOUREZK. I do not follow the Senator's logic.

Mr. TOWER. Well, I do not follow the logic of the Senator from South Dakota.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. TOWER. I yield.

Mr. HUMPHREY. Let me say that the record of this Congress for years has been that the State of Israel has not committed an act of aggression, therefore, we have not found her in violation of this legislation, nor is there an attempt to do so here.

Second, there has been a change of government in Greece to a new government which has not been a violator of any foreign assistance act. I am not going to argue the precise language of this measure; it was voted on yesterday. But I think it ought to be clear, and we ought not to be playing games with each other around here, it is understood that this amendment, in this particular instance—and it might apply otherwise in another instance—is related to what are, in the minds of a number of Senators, the violations of our Foreign Assistance Act of 1961 and the Foreign Military Sales Act by Turkey.

All Senators do not agree with that. That is a finding that has to be made under the provisions of law as to whether or not it is a substantial violation, and that has to be made by the President of the United States.

Mr. GRIFFIN. It would be important, of course, to the legislative history to know whether the author of the amendment agrees with that interpretation of the Senator from Minnesota.

Mr. ABOUREZK. The author of this amendment will state again that this amendment applies to any country and, specifically, to our administration that it obey the law and make sure it is fulfilled with regard to existing law as well as this law.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. ABOUREZK. Are there sufficient people for a second?

Mr. TOWER. Not quite.

Will the Senator yield?

Mr. ABOUREZK. I yield.

Mr. TOWER. Let me say, since the Senator from Minnesota suggested we not play games, that this amendment really, although it is couched in generic terms, is aimed at Turkey, and it is very good politics to do so because there are hundreds of thousands of Greek-Americans in this country who are influential and active people. There are some 30,000 of them in my State, and I have been hearing from them.

So let us label this for what it is in reality since we are not playing games, since we will not admit to anybody's culpability but Turkey's, this is aimed specifically at Turkey, and it is really a pretty good political ploy, as I see it at the moment.

Mr. HUMPHREY. Mr. President, will the Senator yield at that point?

Mr. ABOUREZK. I would hope the Senator would recognize a good political ploy when he sees one.

Mr. HUMPHREY. Let me say I am not engaging in any political ploy, but I do think the facts are clear insofar as the Senator from Minnesota is concerned. I regret this, but I think the facts are clear that with over 40,000 Turkish troops in the nation of Cyprus, and with the occupation of about 40 percent of the territory there has been an act of aggression, and I do not think we can escape that, I really do not. I regret this has happened.

I am deeply concerned over the problems that we face there. I hope and pray our Secretary of State can be helpful in bringing about a settlement. I do not believe it can be done quickly, but I do not want to have political ploys or political games.

I think we know what we are talking about here. I think we know what we are not talking about. I think we ought to state it categorically and not get involved in the kind of ambiguous language that leaves any question of doubt.

There is no doubt in the mind of the Senator from Minnesota, who does not have the privilege but does have the responsibility of managing this bill, and there is no doubt, I do not think there is any doubt, in the mind of the President, in light of the language that he sent over here yesterday and the message that was distributed by Senator SCOTT of Pennsylvania.

We are ready to vote.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the New York Times article to which I referred be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 1, 1974]

SENATE, 57 TO 20, VOTES TO CUT OFF U.S. AID TO TURKEY

(By Leslie H. Gelb)

WASHINGTON, September 30.—The Senate voted tonight to cut off military aid to Turkey.

The amendment, adopted by a vote of 57 to 20, would prohibit aid to any country employing United States weapons in violation of the laws governing their use, but it was clearly aimed at Turkey for her use of American arms on Cyprus.

WASHINGTON, September 30.—The Senate Thomas F. Eagleton, was framed in such a way that it could also apply to Israel's attacks on her Arab neighbors or to Arab incursions into Israel.

The Senate rejected a move to stop American aid to oil-producing countries until the President certified that they were making good-faith moves to reduce oil prices substantially. Proposed by Senator Frank Church, Democrat of Idaho, this amendment was defeated 46 to 33.

RESOLUTION UNDER DEBATE

The votes came as the Senate began consideration of a resolution that would continue foreign aid on the basis of last year's legislation. The House of Representatives adopted a similar resolution last week with an amendment that would make an aid cutoff to Turkey a virtual certainty.

The Senate is expected to complete action tomorrow on the resolution, which would continue foreign aid at a level of about $2.5-billion a year.

Debate has focused on this continuing resolution rather than on a new foreign aid bill because the Administration is seeking to delay consideration of a new bill that would restrict the President's freedom of action.

The amendment to cease aid to nations in violation of American laws was a substitute for weaker language drafted by the State Department and proposed by the Senate Appropriations Committee.

Speaking against the amendment, Mike Mansfield, the Majority Leader contended that it would not bring about Turkey's withdrawal from Cyprus and that it would undermine Secretary of State Kissinger's negotiating efforts.

Mr. Mansfield warned against emotional responses and "quick fix" solutions to complex diplomatic circumstances and said that this was "a time for statesmanship."

RESPONSE BY EAGLETON

Senator Eagleton responding in an almost full and attentive Senate chamber, said it was "time for the rule of law and that is the best form of statesmanship."

Pressed by Senators to clarify whether the amendment could apply to Israel, Mr. Eagleton said there would be no violation if a nation used American arms aid for defense. There is no language in the amendment specifying who is to determine a violation.

Depending on who has this authority, Mr. Eagleton's * * * ment could be read as either stronger or weaker than the language adopted by the House. The House version called on the President to certify that Turkey was making "substantial progress" toward a peace settlement in Cyprus.

The undoing of Mr. Church's amendment aimed at the Arab oil producers came when the Senator conceded that the only country that would be seriously affected was Indonesia. The major Arab oil states and Iran do not receive American aid.

Mr. BUCKLEY. Mr. President, I believe the Congress has already underscored the extent of its concern over the misuse of arms provided other countries by the United States. I have supported such measures in the past. President Ford has made a plea that we take no additional steps that could compromise his ability to act as an "honest broker" in negotiating an acceptable settlement in Cyprus. I also understand that the Greek government is also anxious that the Congress withhold further action of this kind so that the United States can go to the conference table with the maximum leverage. Under the circumstances I shall vote against the Abourezk-Eagleton amendment.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. ABOUREZK. I yield back the remainder of my time.

Mr. HUMPHREY. I am ready to vote.

The PRESIDING OFFICER. All time has been yielded back, and the yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from South Dakota (Mr. ABOUREZK). The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Alaska (Mr. GRAVEL), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. MOSS), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I further announce that the Senator from Nebraska (Mr. CURTIS), is absent attending a funeral.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE), would vote "yea."

The result was announced—yeas 48, nays 34, as follows:

[No. 441 Leg.]

YEAS—48

Abourezk
Allen
Beall
Bentsen
Bible
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Domenici
Eagleton
Fannin
Fulbright
Goldwater
Hart
Hatfield
Helms
Hollings
Huddleston
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
Mathias
McGovern
Montoya
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stafford
Stevenson
Symington
Tunney
Williams

NAYS—34

Aiken
Baker
Bartlett
Brock
Brooke
Buckley
Case
Cotton
Eastland
Ervin
Fong
Griffin
Gurney
Hansen
Hartke
Haskell
Hathaway
Hruska
Inouye
Mansfield
McClellan
McClure
Metcalf
Metzenbaum
Nunn
Pearson
Scott, Hugh
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—18

Bayh
Bellmon
Bennett
Biden
Cook
Curtis
Dole
Dominick
Gravel
Javits
Kennedy
McGee
McIntyre
Mondale
Moss
Packwood
Sparkman
Weicker

So Mr. ABOUREZK's amendment was agreed to.

Mr. ABOUREZK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NELSON. Mr. President, will the Senator from South Dakota yield?

Mr. ABOUREZK. I yield to the Senator from Wisconsin.

Mr. NELSON. Mr. President, I ask unanimous consent that Paula Stern, of my staff, be permitted the privilege of the floor during the course of the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Dakota.

The Senate will be in order.

The Senator may proceed.

AMENDMENT NO. 1870

Mr. ABOUREZK. Mr. President, I call up my amendment No. 1870, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read the amendment as follows:

On page 25, in section 660, line 9, insert the following between the words "this" and "Act," the clause "or any other".

On page 25, line 10, insert the following between the words "this" and "Act", the clause "or any other".

Mr. ABOUREZK. Mr. President, if I could have the attention of the manager of the bill——

Mr. STENNIS. Mr. President, will the Chair make a special effort to have order so we can hear?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from South Dakota.

Mr. ABOUREZK. I ask unanimous consent that in the amendment there be a modification made by deleting the words "in section 660".

The PRESIDING OFFICER. The Senator has the right to modify his amendment.

Mr. ABOUREZK. I ask for the modification.

The PRESIDING OFFICER. Will the Senator send the modification to the desk?

Mr. ABOUREZK. The modification is to strike the words "in section 660".

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, in the committee this year, the distinguished Senator from Minnesota inserted language in the Foreign Assistance Act of this year which would, for all intents and purposes, abolish the International Police Academy. That was accepted by the Foreign Relations Committee, except for one small phrase.

The deletion of that phrase, "or any other act," was done at the request of the Central Intelligence Agency to the Foreign Relations Committee on the grounds—and I am so informed by the CIA—that while they do not intend to train any police, they want to make sure that they are not prohibited from collecting intelligence in foreign countries.

Just as a matter of legislative history, and making a record here, I want to say that in no way does this amendment restrict or curtail the right of the Central Intelligence Agency to gather intelligence.

I am asking for the reinsertion of that phrase on the ground that there is a possibility that the Central Intelligence Agency might pick up the same duties which the committee has voted to curtail, restrict, and limit. That is training of foreign policemen by the Agency for International Development.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I

want to help clarify what the committee attempted to do.

By the way, as the Senator from South Dakota said, I have worked very vigorously in the committee to get an amendment into the Foreign Assistance Act that would place a prohibition on the training of foreign policemen and similar personnel.

Mr. President, the amendment offered by the Senator from South Dakota would amend section 18 to make the prohibition on training of foreign police and similar personnel applicable to all Government agencies. As approved by the committee, the prohibition applies only to use of foreign aid funds, since it is these funds which are used to operate AID's International Police Academy here in Washington.

Of course, we do away with that operation under the committee bill.

As the Senator from South Dakota knows, the committee considered at some length his proposal to make the prohibition applicable to all appropriated funds, regardless of Agency.

We argued extensively on this.

At the time the committee considered the Senator's original amendment the committee had before it a letter from Mr. W. E. Colby, Director of the Central Intelligence Agency. Mr. Colby's letter said, and I quote:

> The amendment would appear to restrict activities now undertaken by the CIA under the National Security Act of 1947 for the purpose of obtaining foreign intelligence information from cooperative foreign security and intelligence services, some of which are within national police forces. . . . An essential ingredient of many CIA relationships with foreign security and intelligence services is some limited and specialized training and other support, as well as the exchange of information and advice. If the Agency were restricted in these activities, our ability to perform our assigned intelligence mission would be severely curtailed.

I ask unanimous consent that the entire text of the letter be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Central Intelligence Agency,
Washington, D.C., July 31, 1974.

Hon. J. W. Fulbright,
Chairman, Foreign Relations Committee, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: It has come to my attention that the Foreign Relations Committee will soon consider Senator James Abourezk's amendment No. 1511 to S. 3394, which amends the Foreign Assistance Act of 1961. Since the amendment would adversely impact on the Central Intelligence Agency's relationships with foreign intelligence and internal security services and impair programs important to the national interest, we are submitting our comments directly.

Senator Abourezk's amendment considerably expands the restriction of U.S. support to police and related programs that was enacted last year as part of the Foreign Assistance Act of 1973. The 1973 restrictions apply only to activities funded under the Foreign Assistance Act whereas Senator Abourezk's amendment would extend the restriction to specified activities funded under any law. Another important aspect of Senator Abourezk's amendment is that it applies restrictions not just to involvement with foreign police services and related programs as the 1973 law did but also to "internal security forces of any foreign government or any program of internal intelligence. . . ."

The amendment would appear to restrict activities now undertaken by the CIA under the National Security Act of 1947 for the purpose of obtaining foreign intelligence information from cooperative foreign security and intelligence services, some of which are within national police forces. In addition, in many areas of the world the protection of U.S. personnel, installations and security interests depends heavily on the effectiveness and support of foreign internal security services, as does effective action to counter terrorist activities and narcotics traffic. An essential ingredient of many CIA relationships with foreign security and intelligence services is some limited and specialized training and other support, as well as the exchange of information and advice. If the Agency were restricted in these activities, our ability to perform our assigned intelligence mission would be severely curtailed.

It is noted that the amendment specifically exempts from its proscriptions assistance rendered under the authority of the Drug Enforcement Administration and the Federal Bureau of Investigation. This Agency obtains information on illicit narcotics traffic, international terrorism and hijacking through internal intelligence programs of foreign countries and from internal security forces of foreign governments. But this is done not under the authority of the DEA or FBI but under the authority and responsibility of this Agency as spelled out in the National Security Act of 1947.

In conclusion, it appears that the amendment would curtail various CIA activities abroad which are in support of approved national intelligence objectives. We therefore recommend that it not be adopted.

Since the amendment may impinge upon the statutory authorities and responsibilities of this Agency, I am forwarding a copy of this letter to the Chairmen of our oversight committees in the Senate.

The Office of Management and Budget advises there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

W. E. Colby,
Director.

Mr. HUMPHREY. The committee did not believe that it was desirable to make the prohibition so broad as to endanger legitimate and proper activities by the CIA. I realize that some persons are concerned that an attempt will be made to circumvent the committee's restriction by merely shifting AID's police training activities to the CIA or other agencies.

I want to assure the Senator from South Dakota and others that the Senate Foreign Relations Committee will be following the implementation of this provision with meticulous care to insure that this does not happen.

Might I add that we are exercising some oversight on this program, more so than ever before. We have staff people watching this matter. I have every reason to believe that we can be trusted and relied upon to perform our duty.

The committee will be following the implementation of this provision very carefully to insure that this does not happen.

The committee has gone as far as it thinks it should go, at this time, in curtailing United States relationships with foreign police forces. Next year we can make a determination as to whether additional steps should be taken in the light of experience under the provision recommended by the committee.

I might say, Mr. President, that it is essential for purposes of security to American personnel, American embassies, and American officials that we have some activities with the Central Intelligence Agency, as Mr. Colby describes in his letter.

Therefore, as much as I support the basic objective of the Senator from South Dakota—and I did support it vigorously—I hope that the Senate will withhold approval of this amendment and give us the time to see whether or not the action that we have taken suffices. We think it does.

I ask the Senator to just take into consideration that one aspect, as Mr. Colby said of Senator Abourezk's amendment, that it applies restrictions not just to involvement with foreign police services and related programs, but also to the internal security forces of any foreign government or any program of international intelligence.

The Senator has said today that he wants to make sure that the CIA is not restricted in its intelligence gathering, but his amendment does not specifically say that. Again, I am worried about the ambiguity of these amendments.

I read the committee provision:

> None of the funds made available to carry out this Act, and none of the local currencies generated under this Act, shall be used to provide training or advice, or provide any financial support, for police, prisons, or other internal security forces for any foreign government or any program of internal intelligence or surveillance on behalf of any foreign government within the United States or abroad.

That is pretty strong language. This is much further than we went a year ago, by far.

Terrorist operations are occurring around the world. We have a situation now in which an American is being held hostage in the Dominican Republic. One of our ambassadors was assassinated in Guatemala. Another ambassador, I believe, was assassinated in the Sudan. There has been a growth of this kind of terrorism on American personnel. It relates even to the highjacking of airplanes.

We have to be careful that we do not go too far. We do not want to establish police training institutes. We do not want to use foreign assistance money for this. We do not want to involve ourselves in providing police for governments that are dictatorial. But I do think it is imperative that the Central Intelligence Agency of our Government have ways and means of working with internal security forces and police forces abroad, in order to give the protection that is needed to our country in international security, and protection that is needed for our American nationals.

I worry that if we restrict this too much and if we add to the amendment by putting in "or any other act," we do just this.

We are talking about foreign assistance now. We are going to make sure that no police training school is set up under the Central Intelligence Agency.

For example, with respect to the language that restricts the Central Intelligence Agency from engaging in the providing of training or advice, or providing any financial support for police, prisons, or other internal security forces, I do not want to see any interpretation that would deny the Central Intelligence Agency the ability to perform activities for which I know, as a former Vice President, we had to use them—for purposes of personal security of American people, American nationals. I do not want any restriction applied there that could leave any doubt or any ambiguity.

I think we should delay with respect to this amendment. If we find the Central Intelligence Agency playing games with us, if we find that there is avoidance of the purpose of this law—in other words, if the CIA tries to move over where foreign aid was—we will put the clamps on the Central Intelligence Agency.

I have worked hard on this bill. The committee overwhelmingly rejected this particular proposal, and I have to support the work of the committee on this bill. I urge that the amendment be rejected.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER.** The Senator has 7 minutes remaining.

Mr. HUMPHREY. I yield 3 minutes to the Senator.

Mr. STENNIS. Mr. President, I know the good motives and intentions of the Senator from South Dakota; but there could hardly be within this field of operations a more serious matter than the point that has been discussed here so ably by the Senator from Minnesota.

We have a committee of experienced Senators in this field who put a fine-tooth comb through this matter. They voted for certain language to be in the bill but for certain language to be left out. The language they voted to leave out is what is now proposed to be put in the bill by this amendment.

Mr. President, I submit that this is a dangerous way to legislate with such a sensitive and delicate matter. We have seven Senators on the floor of the Senate listening to this debate—only seven—and this matter has been gone over carefully by the Committee on Foreign Relations and has been thoroughly considered. The Senator from Minnesota—no one is more thorough and able than he—took an active interest in this matter.

I point out, also, that this matter is under surveillance by the Appropriations Committee as to the moneys used. The matter certainly will be watched by the Committee on Foreign Relations and by the Committee on Armed Services, which is the parent committee of the CIA.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. HUMPHREY. I yield the Senator 2 additional minutes.

Mr. STENNIS. To preclude the CIA by law from having anything to do with the internal security forces of foreign countries is unthinkable, I respectfully submit.

I read in great detail about one of our chief foreign officers who was deliberately killed, after being bushwhacked and captured and held in custody to await his doom. That was in 1973. Certainly, there is a better chance to preclude such matters, which have been repeated several times. I believe that one of our foreign officers is a captive at this time. We can make those situations less likely by making it possible to have some contact with the internal security forces of the other nations.

I warn the Senate, with great deference to the Senator, that this is a dangerous thing to do. It would be regretted, should it become law, and it would be grave error.

I thank the Senator from Minnesota for yielding.

Mr. ABOUREZK. Mr. President, I ask unanimous consent to modify the amendment further. I ask that the clerk read the modification. It would take care of the fears and the apprehensions of the Senator from Mississippi and the Senator from Minnesota.

The **PRESIDING OFFICER.** The modification will be stated.

The assistant legislative clerk read as follows:

> On page 26, between lines 8 and 9, insert the following:
>
> "'The provisions of this section shall not be construed to prohibit the use of such funds to carry out any activity necessary to the security of the United States which is intended solely to gather intelligence information.'."

The **PRESIDING OFFICER.** Is there objection to the modification? The Chair hears none, and the amendment is so modified.

Mr. ABOUREZK. Mr. President, I have added that section because of the concern of the distinguished Senator from Minnesota and the distinguished Senator from Mississippi, who do not want to restrict intelligence-gathering activities, and neither do I. I sincerely believe that is a legitimate function of the United States, in an effort to protect itself. But I do not believe that it is a legitimate function of the United States to meddle in the internal affairs of another country by training their policemen not to protect the American embassies but to imprison and torture their own people.

There has been ample evidence in the past few days and weeks to indicate exactly what has gone on in that regard.

One of my staff members went to the International Police Academy and looked through the file cabinets, with the permission of the people in charge. He found a number of graduate theses of the graduates of the police academy. He copied some of the more pertinent portions of these theses. I should like to read a couple of portions. This was written by a student from Nepal who attended the academy:

> The advantages of torture are that it is quick, easy, no talent is needed, and it is very effective.
>
> The disadvantages are: even an innocent man will confess to a crime, evidence may not be admissible, could damage good will, and "the interrogator could find himself in hot water if the victim dies."

This is by one of the students from South Vietnam, the Thieu regime, which we have supported with so much money and blood from this country.

He writes:

> Thanks to foreign aids from other countries in the free world, the U.S. most of all, has assisted the national police in technical and equipments aid to help an interrogater in his interragation of communist prisoners to be more effective.
>
> A well trained interrogator . . . is better than a soldier on the battlefield because he himself could find the origin of the enemy and annihilate the enemy right at its roots.

Here is another one from another South Vietnamese police student, who attended our academy here:

> Many times we need fresh and immediate information that we couldn't wait for any longer. So, we can use threats and force in interrogation to obtain a confession and to get information as early as possible.

I ask unanimous consent to insert all of these theses and the excerpts from them in the RECORD.

There being no objection, the theses were ordered to be printed in the RECORD, as follows:

NOTES FROM THESES WRITTEN BY STUDENTS AT THE INTERNATIONAL POLICE ACADEMY

1. REPORT OF INSPECTOR MADHAR BICKMUN RANA—NEPAL

Force and Threat is called the third degree method which is nothing more than giving physical torture to a subject in order to get a confession or information.

It should cause a person to reasonably believe that he was placed in a sufficient danger of his life to cause him to make a confession.

Other attributions of the third degree are: hitting, slapping, preventing sleep, thumb screws, removal of finger nails, tightening metal bands around a persons head.

Water torture is a simple and ancient method of letting a tap to drip on a man's head at a certain interval. This is very effective in breaking a tough man and "can make a lunatic of any human being after an hour."

The advantages of torture are that it is quick, easy, no talent is needed, and it is very effective.

The disadvantages are: even an innocent man will confess to a crime, evidence may not be admissible, could damage good will, and "the interrogator could find himself in hot water if the victim dies." Also, it could "indicate that the interrogater is too lazy to try other methods."

The general tendency is to take the short cut however.

Interrogation without using physical force or the threat of force is really a tough job and which requires a great skill in this art.

Trickery is not looked on as third degree tactics.

Conclusions

With the failures of certain suspects and criminals to understand the implications and significance of their own answers to a certain question of the interrogator, I feel that the judicious use of official severity or the use of threat and force to some extent . . . when other techniques have failed . . . is a practical necessity.

2. REPORT OF NGUYEN VAN THIEU, SVN, AUGUST 10, 1965

Three ways of interrogation

1. To torture—does not usually bring satisfactory results.

2. Utilization of threats and scaring the prisoners:

(a) By using torture;

(b) By denying food and water;

(c) By causing morale tension so that the prisoner's mind is depressed. The prisoner seems to be out of mind and recognizes his imaginary faults.

Thanks to foreign aids from other countries in the freed world, the U.S. most of all, has assisted the national police in technical and equipments aid to help an interrogator in his interrogation of communist prisoners to be more effective.

A well trained interrogator . . . is better than a soldier on the battlefield because he himself could find the origin of the enemy and annihilate the enemy right at its roots.

3. REPORT OF SIDARTO DANUSUBROTO, INDONESIA

Somewhere in every person is something that will make him tell the truth.

Interrogation is the most important phase of investigation.

Basic principles of interrogation are: (a) suspect; (b) the interrogator; and (c) the crime.

4. REPORT OF NICKOLAS V. FOTINFPFULOS, GREECE, FEBRUARY, 10, 1968

The interrogation of reluctant witnesses is devoted to a discussion of the psychological tactics and techniques of an effective interrogation of reluctant witnesses by means of instrumental aids or drugs.

5. REPORT OF TDAN DINH VO, SVN, 1967

The word "interrogation" is used daily and has a bad reputation because so few have voluntarily given us good and true confessions which we desire.

Two methods of Interrogation: (1) By putting simply questions and using fair means. (2) By asking questions and using threats and force to oblige the criminal suspects to furnish the information.

Suspects may keep silence before the police department and in the court they can deny what they have accepted before police so that they deserve to escape physical torture and harrassment of the law enforcement body.

Now based on experience we are convinced there is just one sure way to save time and supress stubborn criminal suspects—that is the proper use of threats and force.

We can mention here that (1) we need to use threats and force when we have used all the human and fair means in interrogation but we couldn't get any good information. (2) When we met a clever suspect who wanted to deviate our inquest by giving us unavailable information. (3) When we needed immediate information to our special plan but the criminal suspect wanted to prolong the interrogation time to save his accomplices so that the latter had the time to escape the net of the law.

Many times we need fresh and immediate information that we couldn't wait for any longer. So, we can use threats and force in interrogation to obtain a confession and to get information as early as possible.

Advantages

(1) Shortens interrogation time.
(2) Great lesson to stubborn suspects.
(3) Will confess ultimately whether they want to or not.

Disadvantages

(1) Inconveniences innocent people.
(2) Increases hate for the police.
(3) Increases the number of criminals.

Conclusions

If threats and force are used we must learn how to use it on time, in just proportion, and with the proper persons.

Properly used, threats and force can put out any truth in a minimum of time.

6. REPORT OF CAPTAIN HUYNH LAM DIEN, SVN, COURSE NO. 39

Personal documents are extremely valuable in adequate control of rural areas:

Documents can be broken down in the following ways:

(1) Individual records.
(2) Organizational records.
(3) Activity records.
(4) Area records.
(5) Black list—this is a list of individual records that the security agencies have affirmed clearly. All the governments agencies have affirmed clearly. All the governments agencies have rights to tell them immediately.

7. REPORT OF GUILLERMO P. CORAZO

The success or failure of police organization is spelled by the components itself, but beneath this organization there is also a compelling force which oftentimes includes politicians.

To: Tom D.
From: Tom K.
Re IPA.

My general impression of the IPA is that of a low-rent, low-priority arm of the State Dept's foreign policy. It seems unlikely that the instruction the "participants" receive makes much of a difference to their native police operations. The real value, if there is any, has to lie in gaining a foothold with people that may hold influential positions in their country. It also seems likely that this goal could easily be accomplished in a number of other ways.

Some generalizations about the instruction can probably be made after reviewing a number of theses, but an actual review of the instructional manuals would be helpful. Most of the Spanish theses I read dealt with interrogation. A recurring theme, apparently assigned to the participant, was, "The Use and Prohibition of Threats and Force in Interrogation."

A 1965 thesis by Gonzalo Wilches Sanchez, Colombia, pp 14–15, declared that moral pressure and coercion should be used in interrogation. He felt it was more immoral for an investigator not to use it than to free a "criminal." He said that it hurts no one, in the final analysis, since only the guilty party incurs it, and he should have no right to moral treatment since he was disregarding morality in perpetrating the act.

The 1966 thesis of Marco Antonio G. Vega of El Salvador said that the use of force in interrogation was inappropriate. It may force a confession, he said, but it may be a false one. He reminded his readers that the police are not the law, but its representatives.

A frequent distinction was made between moral force and physical force in these theses. 1Lt Antonio Ml. Mercedes Perez, Dominican Republic, 1964, said that only moral force, not physical force should be used in interrogations. He went on to say that the police must keep in mind a sense of dignity in their work.

A 1971 thesis by Inspector Washington Pablo Fernandex Birriel of Uruguay blamed many of the teachers and professors for instilling anti-establishment and anti-regime ideas in that country's youth. He accused them of teaching deliberate falsehoods popular in prior regimes and imputed a motive of overthrowing the current regime. He called for "eliminating" professors and students from the educational system who have demonstrated such "interventions" against the "natural process" of socialization by which a society teaches youth the proper values.

My overall impression was that the participants were probably being taught psychological techniques in questioning suspects, but not to employ physical torture—at least it was not evident from the theses. Rather, the emphasis seemed to be on trickery and moral coercion based most likely on physical surroundings, and confrontation with real or false evidence and witnesses.

Among the French-language theses—approximately 100—about one-third were written by South Vietnamese, another third by black Africans particularly Zaire, and the remaining third from North Africa, Laos and miscellaneous. The topics were widely varied among law enforcement topics, from local alcohol production in Chad, to protecting the head of state in Morocco, to police in the pacification program of Vietnam to riot control in Tunisia. From the titles, it seems unlikely that more than a dozen of the papers would have dealt with use of terror, although perhaps half seemed to have political or quasi-political subject matter.

The papers I read specifically were all written by South Vietnamese. I picked these because the titles were the most unsettling and because of the accusations of torture which have been made against the government of S. Vietnam, more than against any of the other countries represented.

In reading the papers, I kept in mind that Tom Adkins had mentioned two partially-contradictory roles for the students. He said that the students could write theses on any topic of their choosing, and that as "participants" they were sharing law enforcement techniques from their own countries with others. Thus while they might have "way-out" or unorthodox ideas, subject matter within the context of the school would seem logical. If the ideas expressed were entirely the authors; it is also true that they were invited participants in what Atkins called "a comparative study of police methods."

THE USE OF FORCE AND THREAT IN INTERROGATION

(By Lam Van Huu, Redacteur (prosecutor?) de police, S. Vietnam 1969 (No. 173–07))

This was the most disturbing of the five theses I read. It dealt entirely with torture. It was 14 pages long, 3½ pages were devoted to a history of torture, from the ancient Greeks to the present day, using entirely European examples. Then the author describes the various types of torture, gives reasons for not using them, and then talks about "difficult cases" when torture might be recommended. Lengthy excerpts follow in translation:

What do we mean by "force and threat?"

Physical force—beating, slapping, electrocution.

Threats—Physical: shake a fist in the face of the subject.

Verbal: saying, "Listen, I'm going to break your neck if you don't confess."

Or another more advanced from of threat: A gang is led to a police station. From this gang, a suspect is picked who seems timid. He is separated from his friends, brought into a room in front of a taciturn investigator, very muscular. Suddenly, in the next room, noises of uproar rise—chairs crashing, cries of anguish, groans, and finally the sound of a man falling to the ground. Then the investigator, who has been immobile since the arrival of the suspect, stares at him and demands, "OK, you're going to tell me something, . . . Huh?"

Generally, all judges will reject such confessions when they have proof that they were obtained by the use of these two forms of torture (i.e. physical and verbal).

Impose indirectly on the suspect physical suffering, such as denying food, not permitting sleep, forbiding going to the toilet.

A technique which has raised considerable discussion among judges, on classification as torture: Psychological or mental torture. The suspect undergoes no physical torture, no one threatens him, he is fed, let sleep at night, but the interrogation lasts several hours with a team of investigators, who take turns one right after the other. The question arises: How can one classify such a long interrogation after one hour? two hours? five hours? ten hours or more? Suppose that a fixed time limit is set for a "normal" interrogation; Would it be applicable for a young man of 20 in good health as well as an ailing old man of 60?

In summary, we have 4 sorts of torture: use of force as such; use of threats; physical suffering, imposed indirectly; and mental or psychological torture.

III. AVOID USE OF FORCE AND THREATS IN INTERROGATION

(Following is a summary of the reasons to avoid torture in interrogation. Although the quotations are not exact as those above, I made every effort to convey the complete meaning.)

1. Police can't impose punishment; they are to find the truth only.
2. Torture is applied unequally. The poor or weak are tortured, while no one would dare torture a well-connected individual.
3. Torture results in false confessions; as Cicero said, torture doesn't help find truth; it encourages lies.
4. Torture is a technique used by lazy men to hasten questioning. It will be no expedient if the subject is well-educated or recalcitrant.
5. A suspect or his family will eventually complain.
6. Confessions are not acceptable in court.
7. Torture can accidentally and involuntarily cause the death of the subject.
8. Rumors of torture travel fast and will be exaggerated by the public.

Confidence in police and magistrates will be broken. Protest are probable if a false confession achieved this way is found out.

Conclusion: Those who get pleasure in torture should not be policemen. They should be boxers.

Although the use of the third degree (in English in original) must be excluded from the interrogation, nevertheless there exist cases open to discussion."

The author goes on to describe a case in which he himself participated against a suspected Viet Cong blackmailer, in which he played the part of a gentle, conciliatory investigator, while his colleague assumed the role of a harsh, cruel questioner. They both interrogate the suspect, but pretend to argue among themselves about techniques of questioning and their effectiveness. The suspect finally admits his guilt to the gentle one so that credit for breaking the case goes to him rather than the gruff one. The suspect confides that he hopes his choice will help "the next promotion" of the gentle questioner.

Interrogation of guerrillas: In a judicial inquiry, aside from "premeditated threats" (such as the incident described just above), use of force must be avoided as much as possible, because we have time to try a whole range of techniques and methods. But in an operation, if we capture a guerrilla, the information that this individual can furnish us would be very significant. We must have it while the operation continues and progresses. What will be the fate of 100 men in our company if a battalion of enemies were ready to welcome us in the next village. It's like sacrificing our 100 men in order to be humane towards an individual. If one doesn't have the right to apply a prolonged interrogation with a team of investigators because it is considered an aspect of the use of force, it is an absurd conception. Monsieur Lambert, in his book "Theoretical and practical treatise on judicial police" upheld the use of this method. (paragraph as written.)

Favored tortures

While strongly attaching ourselves to the criticism of forms of torture cited earlier, more or less, to a certain extent, we allow the application of others which are no less cruel.

(a) drugging ("la narco-analyse"): intravenous injection of pentothal or scopolamine (sodium amytal) making the suspect lose his judgment. He is in a state almost without consciousness. He will respond docilely to questions which normally he would refuse to answer.

(b) Hypnotism.

(c) Polygraph or lie detector.

METHODS OF INTERROGATION

(By Le Van An, Redacteur de police, S. Vietnam, 1971)

It is remarkable that this thesis written two years after the one just described, is virtually identical to it. Le Van An does not mention interrogating guerrillas, but he describes the history, types of torture, arguments against and conclusions in words identical to Lam Van Huu. Either An is guilty of plagarism or they are both quoting a book (or books) which is not mentioned. An clearly concludes that "torture and sadism" are to be avoided, but if discussion of various torture methods and less than total rejection of some were the aberration of one individual, it is unusual that another two years later would write substantially the same essay. The fact that the two authors hold the same title in the police in the same country leads me to think that they may even have discussed thesis topics before or after the fact.

One disturbing quotation, apparently original to Le Van An: "Despite the fact that brutal interrogation is strongly criticized by moralists, its importance must not be denied if we want to have order and security in daily life."

THE ART OF INTERROGATION

(By Inspector Thai Doan Ly, S. Vietnam, Group 5, years not given)

This is a very straight-forward essay on questioning. Psychological factors are emphasized. The interrogator is encouraged to be manipulative, but no suggestion of torture or illegality is made.

THE POLICE AND RESPECT FOR INDIVIDUAL LIBERTY

(By Quach Van Trong, Commisaire, S. Vietnam, 1968)

Trong's thesis is that there is inevitable tension between police operations and individual liberty (freedom of movement, privacy). Although it does frequently seem that the author wishes it were otherwise, he maintains that practical considerations make it necessary that the police always stay within the law and respect individual liberty. Torture is mentioned only briefly as one police method which does violate liberty, and which a conscientious policeman would therefore avoid.

THE ROLE OF THE NATIONAL POLICE IN VIETNAM IN THE CONTROL OF FORMER COMMUNIST PRISONERS AND DEFECTORS (HOI-CHANH)

(By Nguyen Tranh Nahn, Police Captain, S. Vietnam, 1972)

This thesis of relatively recent date was a fascinating account of how the police keep track of suspected communists and those villagers "won over" from the Viet Cong. No mention is made of physical torture. Nahn distinguishes those who rally to the "nationalists" (i.e. South Vietnam gov't) for ideological reasons, and therefore can be made informers, from the apolitical masses who may rally for practical reasons (their village has been won by ARVN), from captured Viet Cong, who would defect if they had the chance. In the countryside, those people are controlled through an extensive network of informers, through a system of passcards and monthly check-ins of all new arrivals with the police, and through police visits to villages, especially suspects, at unusual hours.

In cities (author is for Saigon apparently), an even more elaborate system is employed. Informers tell the police the ideological persuasion of each household. Houses are color-coded on a detailed map of each precinct. (Sounds to me like a political canvass.) Green indicates "pro-nationalist", yellow, neither side, pink, leans in opposition, and bright red for known communists. Red households are frequently raided on various pretexts and activities monitored.

The author made no judgment about the wisdom or liberties involved, but was an outspoken partisan of the "nationalist" anti-communist cause. He repeated how "effective" both the program of encouraging defections (200,000 to date) and the police surveillance had been.

Mr. ABOUREZK. I say that if the Senator is overseeing what the Central Intelligence Agency is doing, I think he will find himself, and the committee will find themselves, in the same position that the other oversight committees have found themselves in; that is, that the Central Intelligence Agency rarely tells anybody what is happening, and when they do tell the committees, they tell them much too late for any corrective action to be taken. We have found that to be true with the Chilean situation, and I think if we knew everything that the CIA is involved in, we would find it to be true of many other nations.

I strongly urge that this very significant amendment be adopted so that the CIA does not set up police training schools outside the purview of what the intention of the Committee on Foreign Relations is.

I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, do I have 2 minutes?

The PRESIDING OFFICER. Yes, the Senator has.

Mr. HUMPHREY. I wish quickly to say that I understand fully what the Senator is trying to get at, but I must say that I think we are entering a very precarious area here, one of uncertainty. Let me tell the Senator again, this language would bar the Secret Service of the United States, when the President and Vice President of the United States are traveling abroad, from working with police departments in those countries to give the kind of adequate protection that is necessary. It just so happens that, frequently, the Secret Service has to work in advance with some of these security forces. It is absolutely essential.

When the President or the Vice President of the United States are going to travel abroad, they do not have just a Secret Service contingent come along with them. Those men are sent overseas days ahead, weeks ahead, if the plan is proper. They work with the police departments. They train officers in certain American techniques. They have to; otherwise, it just does not work. This I know.

I feel we have done, in the bill, what the Senator is worried about. We have said that there will be no funds available to carry out any kind of police training or advice or provide any financial support for police, prisons, or other internal security forces for any foreign government, or any program of internal intelligence or surveillance on behalf of any foreign government within the United States or abroad.

What does this mean? It says that we are not going to use any foreign assistance funds for this. We have had a long, big program. That is what we are trying to get at. But I want to warn my colleagues, do not put down such restrictions that the Central Intelligence Agency or the Secret Service, or even the narcotics enforcement officers—let me say, we have to be careful.

Mr. ABOUREZK. If the Senator will yield on that point, narcotics control personnel are exempted in the language the Senator put in the bill.

Mr. HUMPHREY. I know, but as to the Secret Service, with regard to counterfeiting, much of that takes place abroad. The Secret Service, with regard to protection of our American nationals, particularly the President and the Vice President—I say we must be careful. That is all I am saying: Be careful.

We may want to review this again, but I should like to have the Secret Service come up here and talk to us before we do something like this.

The Central Intelligence Agency is a bad name around this town, and rightly so, for some of the things that have happened. But do not go around throwing out the baby when we are trying just to throw out some of the water.

That is what I worry about, Senator. I know that the Senator does not want that to happen, but it could be so construed.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ABOUREZK. I shall be very happy to offer an exemption for the Secret Service as well. I think that would take care of everything the Senator is concerned about. There is nothing left for his concern.

Mr. HUMPHREY. I know the Senator's worry about the Central Intelligence Agency, if he will yield to me. I do not want the Central Intelligence Agency overthrowing governments. I deplore what happened in Chile. I think we have the Senator from Idaho here, who held hearings on this. We need to take action to supervise properly the CIA. But I am here to tell the Senator, as one who has been in the Government for a long time, that the CIA is absolutely vital at times for the security of American personnel.

We must be careful that we do not lay down prohibitions here that restrict the CIA only to intelligence-gathering. There are times when American personnel need more than that. It is not just the Secret Service. If the Senator wants to exempt the CIA, also, I am not going to worry about the Health, Education, and Welfare Department getting involved in this.

We have really gone the extra mile, I say to the Senator. We have done what the Senator felt ought to be done. We have taken away here any power to use any of these foreign assistance funds which are designed to help the needy. We have said, none of that.

If the Central Intelligence Agency starts in any of the big police training programs, if that is the Senator's worry, we will cut them off so fast they will never, never know what hit them.

Mr. ABOUREZK. My question is, How will we know?

Mr. HUMPHREY. We will know, because we are smart enough to know.

Mr. ABOUREZK. If they do not tell us, how will we know?

Mr. HUMPHREY. Let me tell the Senator, we are not oblivious to what is going on. The Senator seems able to find out what is going on; he has letters from people all over the world.

I happen to think we need, as has been advocated here by the Senator from Tennessee (Mr. Baker) and others, I have a bill, a lot of us have bills, to have more strict supervision of the Central Intelligence Agency. But I do not want to have it supervised so much, Senator, that we cripple it.

We need to take a look at the whole surveillance-intelligence-covert activity apparatus of our Government and not nip at it piecemeal, as here.

Mr. ABOUREZK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Under the precedents, the Senator does not have enough time remaining to him to request a quorum.

Mr. ABOUREZK. I ask unanimous consent that a quorum call be allowed, without charging the time.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. May we have a brief one?

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from South Dakota has the time remaining.

Mr. ABOUREZK. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from South Dakota. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Alaska (Mr. Gravel), the Senator from Arkansas (Mr. Fulbright), the Senator from Massachusetts (Mr. Kennedy), the Senator from Utah (Mr. Moss), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Hawaii (Mr. Fong), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. McClure), the Senator from Oregon (Mr. Packwood), the Senator from Illinois (Mr. Percy), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. Curtis) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) would vote "nay."

The result was announced—yeas 24, nays 56, as follows:

[No. 442 Leg.]

YEAS—24

Abourezk
Brooke
Burdick
Clark
Cranston
Eagleton
Hart
Haskell
Hatfield
Hughes
Magnuson
Mansfield
Mathias
McGovern
Muskie
Nelson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Tunney
Williams

NAYS—56

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Biden
Brock
Buckley
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Domenici
Eastland
Ervin
Fannin
Goldwater
Griffin
Gurney
Hansen
Hartke
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Long
McClellan
McIntyre
Metcalf
Metzenbaum
Mondale
McIntyre
Nunn
Pastore
Pearson
Roth
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—20

Bayh
Bellmon
Bennett
Cook
Cotton
Curtis
Dole
Dominick
Fong
Fulbright
Gravel
Javits
Kennedy
McClure
McGee
Moss
Packwood
Percy
Sparkman
Weicker

So Mr. Abourezk's amendment (No. 1870, as modified), was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which Mr. Abourezk's amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT REQUEST ON REMAINING ROLLCALL VOTES

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. ABOUREZK. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on each remaining rollcall vote this afternoon there be a 10-minute time limitation, with the warning bell to be sounded at the end of 2½ minutes.

Mr. HUMPHREY. Mr. President, I was just informed by the acting minority leader that on this vote they would need 15 minutes. Two of our colleagues are downtown and could not get back within the 10-minute time, but after that there is no problem.

Mr. ROBERT C. BYRD. Mr. President, I modify my request to exclude the first rollcall vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from South Dakota.

Mr. HUMPHREY. Mr. President, we do have a time limitation on the Abourezk amendment?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 1922

Mr. ABOUREZK. Mr. President, I call up amendment No. 1922.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, between lines 8 and 9, insert the following new section:

"ILLEGAL ACTIVITIES IN FOREIGN COUNTRIES

"Sec. 19. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 17(a) and 18 of this Act, is further amended by adding at the end thereof the following new section:

" 'Sec. 661. Illegal Activities in Foreign Countries.—(a) No funds made available under this or any other law may be used by any agency of the United States Government to carry out any activity within any foreign country which violates, or is intended to encourage the violation of, the laws of the United States or of such country.

" '(b) The provisions of this section shall not be construed to prohibit the use of such funds to carry out any activity necessary to the security of the United States which is intended solely to gather intelligence information.'.".

On page 26, line 10, strike out "Sec. 19" and insert in lieu thereof "Sec. 20".

On page 26, line 18, strike out "Sec. 20" and insert in lieu thereof "Sec. 21".

On page 28, line 24, strike out "Sec. 21" and insert in lieu thereof "Sec. 22".

On page 30, line 20, strike out "Sec. 22" and insert in lieu thereof "Sec. 23".

On page 31, line 23, strike out "Sec. 23" and insert in lieu thereof "Sec. 24".

On page 32, line 11, strike out "Sec. 24" and insert in lieu thereof "Sec. 25".

On page 37, line 20, strike out "Sec. 25" and insert in lieu thereof "Sec. 26".

On page 37, line 21, strike out "section 24" and insert in lieu thereof "section 25".

On page 42, line 5, strike out "Sec. 26" and insert in lieu thereof "Sec. 27".

On page 42, line 6, strike out "sections 24 and 25(a)" and insert in lieu thereof "sections 25 and 26(a)".

On page 44, line 24, strike out "Sec. 27" and insert in lieu thereof "Sec. 28".

On page 44, line 25, strike out "sections 24, 25(a), and 26" and insert in lieu thereof "sections 25, 26(a), and 27".

On page 45, line 14, strike out "Sec. 28" and insert in lieu thereof "Sec. 29".

On page 51, line 7, strike out "Sec. 29" and insert in lieu thereof "Sec. 30".

On page 54, line 6, strike out "Sec. 30" and insert in lieu thereof "Sec. 31".

On page 54, line 14, strike out "Sec. 31" and insert in lieu thereof "Sec. 32".

On page 54, line 22, strike out "Sec. 32" and insert in lieu thereof "Sec. 33".

Mr. ABOUREZK. Mr. President, this amendment will, if enacted, abolish all clandestine or covert operations by the Central Intelligence Agency.

I believe very strongly that we must have an intelligence-gathering organization and I believe the CIA and our defense intelligence agencies do an adequate job in this respect.

We have every right to defend ourselves from foreign attack and that right includes intelligence gathering to protect our security.

But there is no justification in our legal, moral, or religious principles for operations of a U.S. agency which result in assassinations, sabotage, political disruptions, or other meddling in another country's internal affairs, all in the name of the American people.

It amounts to nothing more than an arm of the U.S. Government conducting a secret war without either the approval of Congress or the knowledge of the American people.

While the recent revelations about CIA actions in Chile are repugnant, they are only a part of such activities. We may never know what our tax money has funded in other countries, or in this country, for that matter.

I am convinced that, although a short-term gain might be shown as a result of some covert activities, there is no one who can show a long-term benefit to U.S. principles through such operations.

I want to remind the Senate that the present Director of the CIA, William Colby, said a couple of weeks ago that while he preferred to retain the clandestine or covert services, the Capitol would not fall if it were abolished.

He also said that there was not any activity going on anywhere in the world at this time that required the use of clandestine activity.

I reserve the remainder of my time.

Mr. CHURCH. Will the Senator yield to me?

Mr. ABOUREZK. I yield to the Senator from Idaho.

Mr. CHURCH. Mr. President, I have decided to vote for this amendment, but I do so with the expectation that it will not pass, and I would like to make an explanation of my reason for voting for it.

The intrusion of the CIA into the internal political affairs of Chile for the purpose of subverting and bringing down the elected government of that country is an episode that I find both unsavory and unprincipled and in direct contradiction of the traditional principles for which this country has stood.

I think the fact this has now come to light demonstrates that the covert activities of the CIA are presently under no effective restraint.

I would hope that it will be possible to establish, either through a joint committee or by some other means, adequate congressional surveillance over the activities of the CIA, in order to avoid in the future such unseemly interference with the rights of other peoples. If so, then we will have solved this problem without having to outlaw covert activity outright.

I can envision situations in which the national security of the United States, or the survival of the Republic, or the avoidance of nuclear war, would have such overriding importance as to justify covert activity.

But none of those factors was present in the Chilean case and none of those factors has been present in previous cases which later came to light, wherein the CIA has undertaken to covertly subvert the governments of other countries, contrary to our treaties, contrary to the principles of international law, and contrary to the historic role played by the United States in world affairs.

So my vote for the amendment today is a protest vote against what has gone on in the past. Unless we can find a way to check this perverision of our professed principles, and bring these activities under responsible control, there may come a day when the only means left to us will be to enact into law the amendment proposed here by the distinguished Senator from South Dakota, confining the CIA to intelligence-collecting activity alone.

Mr. ABOUREZK. I accept the Senator's support on any basis, and that is is good as any that I can think of, except for one matter, the suggestion that another oversight committee be appointed to oversee the CIA. Such a committee may fall prey to the same thing that happened with the last one, they will be sworn to secrecy and we will never hear from them again.

I think the only way to do it is to totally abolish this kind of reprehensible activity.

Mr. CHURCH. The Senator may well be proven right.

Mr. METZENBAUM. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield to the Senator.

Mr. METZENBAUM. Mr. President, I had not intended to speak to this subject, but since the colloquy between the distinguished Senator from Idaho and the distinguished Senator from South Dakota would indicate that this amendment is directed to the subject of covert activity alone, I think it is important we clarify exactly what the amendment does say, because the amendment does not prohibit covert activity. Rather, the amendment goes only to the question of whether the activities of the CIA in a foreign country violate or are intended to encourage the violation of the laws of the United States or of such country.

I think there still could be covert activity by the CIA, but I cannot find any justification for the violation of law by the CIA, either whether that law be the laws of our country or the laws of a foreign nation in which they are operating.

Therefore, I think that this amendment merits the support of our Members of the Senate and I would hope it will not pass only on the question of whether there will or will not be oversight hearings at a future date concerning the question of covert activity.

Mr. ABOUREZK. I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, let me just make a brief statement and then I shall yield to the Senator from Mississippi and then to the Senator from Arizona.

Mr. President, the amendment offered by the Senator from South Dakota is a very far-reaching proposition and it involves, I believe——

Mr. STENNIS. Mr. President, may we have order? That is a highly important matter.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. It involves, as I see it, too important a matter of public policy to be made summarily here on the floor of the Senate.

This amendment was not presented to the committee. It has not had hearings, even though the whole subject of the Central Intelligence operations has, here and there in the committees of Congress, been looked at.

It is my judgment that the Central Intelligence Agency needs to be carefully examined and that a whole set of new directives need to be evolved, but under what circumstances the CIA should be allowed to continue to engage in covert operations abroad is a legitimate and timely question.

That is the issue that needs to be discussed, and all of its implications clearly understood. I certainly agree, though, that Congress should take a hard look at the current policy, as I have indicated here, the legal framework within which the CIA operates, and the mechanisms within the executive branch and Congress for supervision and control of covert operations abroad.

Perhaps we have reached the point where the short-range gains, if any, from clandestine operations by the CIA are outweighed by the damage to our long-range interest from the inevitable criticism that results when the world knows about these operations. I said "perhaps."

But Senators should know more about the pluses and minuses involved before we, as responsible Members of this body, are required to commit ourselves to this issue.

I do not think that Senators should be asked to render a judgment on such an important matter without the benefit of exhaustive, thorough hearings, and recommendations from appropriate committees. This is national security matter.

I am not here to defend some of the operations that we have heard about. I am simply here to ask that the process which this body has established be used.

Mr. President, while you can always offer an amendment—and every Senator has his right to do so and does it with great sincerity—I think it is also proper to caution our colleagues on rendering premature judgment. The subject matter of this amendment, in other words, deserves very careful study. It does not deserve hasty action within a 30-minute discussion in the Senate.

Therefore, I must oppose this amendment, and I do so knowing that the Central Intelligence Agency requires what I consider a much better supervision.

I have offered repeatedly a resolution for a joint committee on national security that would represent both bodies of the Congress; that would represent leadership in Congress as well as those who are not in leadership positions; members from the Foreign Relations Committee, Armed Services, Appropriations; members from the Foreign Affairs, Armed Services, and Appropriations Committees as well as those appointed by the Chair and the Speaker, to oversee the entire operation of our national security apparatus. I believe it is needed.

There are other proposals that have been made here.

Mr. President, the Central Intelligence Agency is vital to the national security apparatus of this country. I do not think any of us here can say unqualifiedly that there ought not to be any covert operations. Maybe that decision will have to be made, but it should be made only after the most serious consideration, and then we ought to recognize full well what we are doing.

Today I know there are mixed emotions here. I know that the Senator from South Dakota, as well as the distinguished Senator from Idaho, and my good friend from Ohio, have every reason to be concerned. But may I say some of us have had the responsibility of operating a police department, too. We have been concerned about some of their activities.

I was once the mayor of my city. I was very concerned about some of the police department's activities. But I did not abolish the police department, and I did not destroy certain of its necessary operations.

We tried to clean up the police department. I think this is what has to be done here.

How much time have I remaining?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. HUMPHREY. I yield 5 minutes to the Senator from Mississippi (Mr. STENNIS).

Mr. STENNIS. Mr. President, the Senator from Minnesota has made a very impressive statement, very fine in its substance.

I have had some responsibility in the Senate for a good number of years with reference to the CIA activities. Frankly, I have been more interested in the military part, the surveillance over that, and the very highly valuable information that they have brought us.

I have talked to many Senators about this. I have not found a single one, except the author of this amendment—and there are others, as I believe the Senator from Idaho did speak—who firmly believe that we ought to abolish covert actions and have no capacity in that field.

I warn you, that is a very serious question, and one that can be done. We can abolish it.

Mr. ABOUREZK. Will the Senator yield?

Mr. STENNIS. I have only a limited time.

Mr. ABOUREZK. For 10 or 15 seconds. With regard to the author of the amendment being the only one, I remind the Senator that there are two cosponsors.

Mr. STENNIS. I said that I had talked to.

I say it is a dangerous thing to do. This surveillance is quite a problem, Members of the Senate. We have had it up for many, many angles. As an individual Senator, I am ready and willing to just get out of the picture. I do not want to run the thing, so to speak. But as chairman of the Armed Services Committee, which has primary jurisdiction here, I am not going to be put out, nor run over, either. I do not think anyone wants to do that.

I warn Senators now that this idea of abolishing all covert activities, and the capacity to carry them on if need be, is a very far-reaching matter.

This amendment was not submitted to our Foreign Relations Committee. No committee has passed on it. No committee makes a recommendation on it. The Senator from Minnesota handling the bill has made a very, very strong statement with solid reasons against adopting such a policy here now in any way.

I feel the need of some assistance with reference to this surveillance. I have talked to the floor leader, the Senator from Montana; I have talked to the minority leader, the Senator from Pennsylvania, and have their counsel and advice. I expect to have much more on it.

I am willing for this thing to be settled. It is a matter that the Senate has the power to settle. But I certainly strongly oppose the idea of bringing it up here. The greatest number of Members who have been present in the Chamber since this amendment was called up was 13, if I counted correctly. There has been no committee consideration, report, or staff work. This amendment is just a shot in the dark.

If this amendment should become law, we will be the victims. It will be our country—our people—that will suffer.

As I said, as an individual Senator, I am willing to get out. I would get out of the way, stop being in it right now. But I will not be pushed out or run over as chairman of the committee.

I submit it to the Senate with the utmost willingness for the matter to be considered fully in any way the Senate wants, except just as an amendment brought up with 30 minutes of total debate on both sides, and without the benefit of the ordinary safeguards.

I am confident what the judgment would be, if we get to the minds of the membership, but I am concerned that so many will vote partly in the dark.

I thank the Senator very much.

Mr. HUMPHREY. I yield 3 minutes to the Senator from Arizona, and then I wish to yield to the Senator from Tennessee.

Mr. GOLDWATER. Mr. President, first I would like to request that this microphone cord be fixed, and if it is not fixed, I will cut it off.

[Laughter.]

Mr. President, I rise to support the very intelligent argument made by the manager of this bill and by the chairman of the Armed Services Committee (Mr. STENNIS).

We are on very dangerous ground when we begin playing around with the CIA, the DIA, or the FBI on the floor of the Senate. I say that because intelligence gathering is probably the most important thing that we have to do in this world today.

If we destroy our right to engage in covert activity altogether by the adoption of this amendment—in fact, I think the language of this amendment would even prevent us from going to war—I think we would be making a very grave mistake.

I do not support everything that the CIA has done. On the other hand, I do not know everything it has done, and I do not think we necessarily have to know. I think this would be dangerous.

I cite the example of a Member of the House of Representatives who happened to have seen, so he says, a page of testimony. We do not know whether he saw that testimony or not. But on this one statement, in which, in my opinion, he violated his pledge to secrecy, the whole CIA has come under criticism. I do not believe it is fair of this body to accept the hearsay words of a man who divulged classified material.

Mr. President, it is strange: We are trying to destroy the Government of Rhodesia. I do not hear anybody screaming about that. We are not trying to help the governments of South Africa or South Vietnam, but I hear nobody talking about that. Yet, let the CIA engage in one little bit of covert activity, or even overt activity, designed to protect this country—and that is the important thing—and the whole wrath of certain Members of Congress descends on these people.

I think it would be wise to look at the CIA more thoroughly. I happen to be a member of the oversight subcommittee of the Committee on Armed Services. I also happen to be one of the Members of this body who think it is dangerous for us to know everything; because, as has been evidenced by recent examples, we cannot depend on Members of Congress to keep their mouths shut when they should keep them shut, nor can we depend on employees of our Government not to sell out this country to our enemies.

So, Mr. President, I hope we will defeat this amendment and defeat it soundly. I think I am safe in saying that the chairman of the Committee on Armed Services, together with the chairman of the Committee on Foreign Relations, would be willing to institute proper hearings, at which time we could hear all arguments for and against the operation of our intelligence collecting agencies.

Mr. President, if we are going to destroy the CIA, the DIA, and the FBI, we might as well fold up our efforts at national security. We have to have them. We have to find out what is wrong, not by 30 minutes of debate on the floor of the Senate, which is not based on any facts or figures, but based upon days and days of hearings into what they have been doing and what they feel they should be doing, and then the proper committees should report it to the floor of the Senate.

I say again that I admire the arguments made by the Senator from Minnesota and the Senator from Mississippi.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER** (Mr. BARTLETT). Two minutes.

Mr. ABOUREZK. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER.** Six minutes.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that we have 5 additional minutes on each side.

The **PRESIDING OFFICER.** Is there objection? The Chair hears none and it is so ordered.

Mr. HUMPHREY. Mr. President, I yield 3 minutes to the Senator from New Jersey.

Mr. CASE. I thank the chairman.

Mr. President, I oppose this amendment. I do it with the utmost respect and admiration for its sponsor and for the cause he has in mind. I do not want to sound patronizing in any sense. I know that my remarks will not be taken so. When I was his age, I took the same absolute view that he does now. I have come to feel that this is not the way to approach it.

If I may express my own view about covert activities, it is that they all should be regarded as wrong. There ought not to be an institutionalization of them, even to the extent that we have now. I do not think that a committee is the answer. We have a committee downtown, a committee of 40, which is supposed to review this matter and advise the President; and he acts on their advice in most cases, I understand.

We have a committee here, when it meets. I am not complaining that it does not meet more often, because I do not think a committee is the answer.

Once we get into an institutionalization of this kind of thing, we begin to make it respectable, and that I do not like. There ought to be a general rule against it, with a general understanding of the American people that on occasion the President has to act in violation of the law, if you will—our law, other laws—and take action in the interest of a country, in great emergency. This I think he does at his own peril and subject to being either supported or turned down by the country, after the fact. I think this is about as close as we can come to any statement about how this matter ought to be handled.

I would, of course, consider any proposal made for procedural reform here, but I want to state now that I do not think any such thing is possible because of the nature of the animal with which we are dealing. I believe that to try to deal with it this way goes too far, because the President has to have the opportunity—I say it again, with all respect, and I do not mean to make paradoxes or anything else—to break the law if he thinks it is necessary for the public defense. All Presidents have done this. President Lincoln did it. Every President does it and will do it.

The **PRESIDING OFFICER.** The time of the Senator has expired.

Mr. HUMPHREY. I yield 2 minutes to the Senator from Tennessee.

Mr. BAKER. I thank the distinguished manager of the bill for yielding.

Mr. President I, too, wish to express my full and sympathetic understanding of the author of this amendment and his purpose, but state reluctantly that I will oppose and vote against this amendment.

Perhaps more than any other man in this Chamber, I am accused from time to time of being a foe of the CIA but I am not. Nor am I a foe of the DIA, the FBI or the other intelligence-gathering apparatus. I have never been.

I do not know whether there ought to be covert operations or not. I suspect there should. The fact is that I do not know. I do not have enough information to make that judgment on the floor of the Senate today.

Mr. STENNIS. Mr. President, will the Senator yield for a question, a friendly question?

Mr. BAKER. I yield.

Mr. STENNIS. Is it not true that this money is not appropriated to the CIA? It is under the direction of the President of the United States. Is that not true?

Mr. BAKER. I assume it is. I have great respect for the distinguished Senator from Mississippi. If he says it is true, I believe him. I do not know that, but I could find out.

Mr. President, the thing that really disturbs and distresses me is that I am not sure in my mind that any of us have any way to know whether or not covert operations are being properly conducted, or conducted at all, or for what purpose.

I do not mean this in disparagement of the Senator from Mississippi or the Senator from Arizona or any of our colleagues in the House or anyplace else. I do not think there is a man in the legislative part of the Government who really knows what is going on in the intelligence community, and I am terribly upset about it. I am afraid of this lack of knowledge. For the first time, I suppose, in my senatorial career I am frightened. I am generally frightened of the unknown.

I have proposed, with 32 cosponsors in the Senate, to create a special Joint Committee on Intelligence Oversight. Through such a committee, I hope we will know. We do not know today, so it is with great reluctance that I will vote against this amendment. I am sympathetic to its purpose. But, as the Senator from Mississippi said, as the manager of the bill said, as the Senator from New Jersey said, and as the Senator from Arizona said, we are dealing with a terribly important matter. It is not one with which the Senator from Tennessee can deal on the floor of the Senate, without the benefit of information I do not now have.

Let the CIA know and let all my colleagues know that I am not after anybody, but I am dissatisfied with the present state of the intelligence community, and I want to put Congress in a position to find out as soon as I can. But in the meantime, I do not intend to vote on substantive issues of this sort.

The **PRESIDING OFFICER.** Who yields time?

Mr. ABOUREZK. Mr. President, I have just heard some of the most incredible arguments I have heard in my life, arguments in favor of continued breaking and violation of the laws of the United States and of other countries, promoted by the agents of the Central Intelligence Agency.

I do not know why anybody in Congress or in this country wants to finance a secret army—and that is exactly what the CIA has been—a secret army going around fighting undeclared wars, without the knowledge of any of us in Congress until it is too late, without the knowledge of anybody in the country until it is too late.

It seems to me that the arguments in favor of having covert operations which can at some points break the law have as little validity as the argument that we ought to maintain a covert operation permanently. I say that because if this country is ever in danger of attack or under threat from another country, we have a right to declare war and to operate under the rules of warfare that we have agreed to in the various Geneva Conventions, in which I am convinced we would then be legally operating in the manner that the CIA is now operating.

I do not believe we need that in peacetime, especially when the CIA goes into countries that are absolutely no threat to the United States whatever, such as Chile. I remember asking the Secretary of State, when he appeared before us, when he was discussing protection of the vital interests of the United States in Chile to make sure that the opposition parties and the opposition press in Chile were protected, I asked him what were the vital interests of the United States that we had to protect in Chile. There was not one answer of significant merit that the Secretary was able to provide at that time.

Director Colby of the CIA has said, and I sat next to him when he said it, that the Capitol will not fall if the CIA's covert activity is abolished at this point, although he wanted to maintain it because he said we might have a need for it at some future time. When that time comes, we are not going to know whether his judgment is right or wrong, or whether the Forty Committee is right or wrong, simply because they do not tell us. They do not tell the Congress. If they tell the Oversight Committee, the Oversight Committee tells nobody else in the Congress.

I think that we are entitled to know what they are doing in our times. Since they are never going to tell us, the only real alternative is to take away their money, to abolish their operations so that we shall never have that kind of immoral, illegal activity committed in the name of the American people.

I reserve the remainder of my time.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. ABOUREZK. I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, as I listen to the debate on this amendment this afternoon, I am struck by the similarity of the opposition argument; that is, the argument is based purely on a matter of policy as it relates to the well-being of this country and to other issues relating to general political policy.

I am also struck by the fact that we have ignored some of the obligations that this country has assumed under international organizations. I ask unanimous consent to insert in the RECORD articles 18 and 19 of the Organization of American States' Charter, which the U.S. Government has signed.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A preliminary survey of the major applicable international agreements to which the United States is a party is summarized below. These agreements are the Charter of the United Nations and the Charter of the Organization of American States.

Quincy Wright's comments on Espionage and the Doctrine of Non-Intervention in Internal Affairs provide a general background to the information which follows:

"In time of peace . . . espionage and, in fact, any penetration of the territory of a state by agents of another state in violation of the local law, is also a violation of the rule of international law imposing a duty upon states to respect the territorial integrity and political independence of other states. * * * * * . . . any act by an agent of one state committed in another state's territory, contrary to the laws of the latter, constitutes intervention, provided those laws are not contrary to the state's international obligations."[1]

INTERNATIONAL LAW ASPECTS OF INTERVENTION

"Intervention is a word which is often used quite generally to denote almost any act of interference by one state in the affairs of another; but in a more special sense it means dictatorial interference in the domestic or foreign affairs of another state which impairs that state's independence." (Brierly, p. 402) "Intervention, being a violation of another state's independence, was recognized to be in principle contrary to international law, so that any act of intervention had to be justified as a legitimate case of reprisal, protection of nationals abroad or self-defence, or, alternatively, as authorized under a treaty with the state concerned." (Brierly, p. 402)[2]

THE UNITED NATIONS

Since 1945 the United Nations Charter and two U.N. General Assembly resolutions are a part of international law documentation and practice on intervention. Article 2, paragraph 4 of the U.N. Charter obligates all U.N. members to "refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations."

The meaning of the words "threat or use of force" has received no generally accepted interpretation. According to Goodrich, Hambro, and Simons, one view held that "force" means "armed force" and does not include political and economic pressure. Another view "counters that there is no legal reason why 'force' should not be interpreted to include political and economic pressure; that, except in specific cases, the Charter does not make a sharp distinction between armed and other forms of force; that, quite apart from what may have been the intention of the authors of the Charter, its provisions must be interpreted in the light of present needs and developments; and that the use of political and economic coercion could be as great a threat to the political independence of states under present conditions as military force.[3]"

Article 2, paragraph 7, of the U.N. Charter has some relevance to the theory of intervention and non-intervention and may be referred to in general discussions. It precludes U.N. intervention in "matters which are essentially within the domestic jurisdictions of any state" unless the question is one of application of enforcement measures under Chapter VII of the Charter. Discussions within the United Nations have revealed differing viewpoints on the relevance of article 2(7) to non-intervention by States. Some have argued that what was expressly forbidden to the United Nations itself in article 2(7) could not be permissible for an individual State. A less positive formulation used was that, although article 2(7) referred only to the powers and functions of the United Nations itself, it did not leave the way open to States to take, individually or collectively, any action not open to the United Nations. Others have argued that the principle of non-intervention was quite distinct from the domestic jurisdiction clause in article 2(7).[4]

On December 21, 1965, by a vote of 109 (including the United States) in favor to none against, and one abstention, the U.N. General Assembly adopted a resolution identified as the Declaration on Inadmissibility of Intervention in Domestic Affairs of States and Protection of their Independence and Sovereignty. This Declaration, while it is a General Assembly resolution, and thus not legally binding (as, for example, a treaty) can be viewed as a standard for evaluating the behavior of nations. Three points are particularly significant:

1. No State has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State. Consequently, armed intervention and all other forms of interference or attempted threats against the personality of the State or against its political, economic and cultural elements, are condemned.

2. No State may use or encourage the use of economic, political or any other type of measures to coerce another State in order to obtain from it the subordination of the exercise of its sovereign rights or to secure from it advantages of any kind, Also, no State shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed towards the violent overthrow of the regime of another State, or interfere in civil strife in another State.

3. Every State has an inalienable right to choose its political, economic, social and cultural systems, without interference in any form by another State.[5]

A more recent U.N. statement on intervention was made in the 1970 Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States. This Declaration was the result of U.N. deliberations which started in the early 1960's. The portion of this Declaration which deals with intervention repeats, and thus reinforces, the statements made in the 1965 General Assembly declaration. However, rather than condemn these actions—as in no 1 above—the General Assembly proclaims, in 1970, that armed intervention and all other forms of interference or attempted threats [the text of no. 1 above] "are in violation of international law."[6]

THE ORGANIZATION OF AMERICAN STATES

Articles 18 and 19 of the OAS Charter contains a broad statement of policy on intervention:

"Article 18

"No State or group of States has the right to intervene, directly or indirectly, for any reason whatever, in the internal or external affairs of any other State. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the State or against its political, economic, and cultural elements.

"Article 19

"No State may use or encourage the use of coercive measures of an economic or political character in order to force the sovereign will of another State and obtain from it advantages of any kind."

Article 14 also is relevant:

"The right of each State to protect itself and to live its own life does not authorize it to commit unjust acts against another State."

The 1954 Declaration of Caracas, adopted at the tenth Inter-American Conference of the OAS (March 1-28, 1954), reiterated the—

"Recognition of the inalienable right of each American state to choose freely its own institutions in the effective exercise of representative democracy, as a means of preserving its political sovereignty, achieving its economic independence, and living its own social and cultural life, without intervention on the part of any states or group of states, either directly or indirectly, in its domestic or external affairs, and, particularly, without the intrusion of any form of totalitarianism."

The 1960 Declaration of San Jose, adopted at the Seventh Meeting of Consultation of Ministers of Foreign Affairs, by a vote of

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Footnotes at end of article.

19-0, reaffirmed the principle of nonintervention stated above and reiterated:

"... no American state may intervene for the purpose of imposing upon another American state its ideologies or its political, economic, or social principles."

In 1967 the Twelfth Meeting of Consultation of Ministers of Foreign Affairs, meeting in Washington, adopted on September 24, 1967, Resolution IV which, among other things, took note of paragraphs 1 and 2 of the 1965 U.N. General Assembly resolution 2131 (XX), Declaration on the Inadmissibility of Intervention. . . .

FOOTNOTES

[1] Wright, Quincy. Espionage and the Doctrine of Non-Intervention in Internal Affairs. In Stanger, Roland J., ed. Essays on Espionage and International Law. Ohio, Ohio State University Press, 1963. p. 12–13.

[2] Brierly, J. L. The Law of Nations. Sixth Edition, edited by Sir Humphrey Waldock. New York, Oxford University Press, 1963.

[3] Goodrich, Leland M., Edvard Hambro, and Anne Patricia Simons. Charter of the United Nations, Commentary and Documents. Third and Revised Edition. New York, Columbia University Press, 1969. p. 48–49.

[4] United Nations. Repertory of Practice of United Nations Organs. Supplement No. 3, Volume I, Articles 1–22 of the Charter (covering the period 1 September 1959 to 31 August 1966). New York, United Nations, 1972. p. 130.

[5] U.N. General Assembly Resolution 2131 (XX), 21 December 1965

[6] U.N. General Assesmbly resolution 2625 (XXV), 24 October 1970. This was one of four resolutions adopted by a commemorative session of the United Nations General Assembly on its 25th anniversary. It was adopted without a vote.

[7] The documents cited below may be found in their entirety in the following congressional publication: U.S. Congress House: Committee on Foreign Affairs, Inter-American Relations. A Collection of Documents, Legislation, Descriptions of Inter-American Organizations, and Other Material Pertaining to Inter-American Affairs. November 1973. Washington, U.S. Govt. Print. Off., 1973. (93d Congress, 1st Session. Committee Print.)

Mr. HATFIELD. On that, I quote one direct statement:

> No State may use or encourage the use of coercive measures of an economic or political character in order to force the sovereign will of another State and obtain from it advantages of any kind.

Mr. President, there is also a Declaration on the Inadmissibility of Intervention in Domestic Affairs of States and Protection of Their Independence and Sovereignty, which passed the General Assembly of the United States in 1965 by a vote of 109—including the United States—in favor to none against. It contains similar language, to condemn "interference or attempted threats against a personality of the state or against its political, economic, or cultural elements."

Also, Mr. President, action in 1970 declared "interference or attempted threats" to be in violation of international law.

To me, it is transparently obvious that the CIA's covert operations, undertaken in Chile to "destabilize" the Allende government, were in violation of these commitments of international law. At the very least, such operations compromise the sincerity of our loudly proclaimed desire for world peace and world freedom, I think we ought to address ourselves to the legal obligations this Nation has undertaken when it has affixed its signature to these various statements and these various charters.

That is why I feel that the amendment offered by the Senator from South Dakota really does not go far enough. I should like to see it go farther, to put this Senate on record that we totally and completely oppose any involvement whatsoever in covert activity. That does not deny the gathering of information and intelligence, but indicates the refusal of this Senate to permit the CIA to go beyond gathering intelligence into an action of covert activity. I think that should be totally abolished and totally denied, the right of the CIA to take that unto itself and to make such determinations, when they very obviously violate the spirit and the letter of international law to which this country has, supposedly, given great leadership.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, how much time is left?

The PRESIDING OFFICER. The Senator from South Dakota has 2 minutes; the Senator from Minnesota has 1 minute.

Mr. HUMPHREY. I reserve my time for the moment.

Mr. ABOUREZK. I reserve my time.

The PRESIDING OFFICER. The time will be charged equally to both sides.

Mr. ABOUREZK. I am prepared to yield to the Senator.

Mr. HUMPHREY. Mr. President, I shall use my minute.

Mr. President, banks have made very bad loans, which have caused the American people great difficulty. But we do not abolish the banking opportunities or the loaning opportunities of banks.

The CIA has made mistakes, and I have been one of its sharpest critics for 20 years. I think that the CIA needs supervision. I think it needs a whole new legal framework. I think there need to be strict rules laid down by the Congress.

However, I say to the Senate that I think it is ridiculous to stand here and legislate on something as important as this without ever having a committee of the Congress examine it and make the report. Not a single major committee of Congress, except in the instance of the Subcommittee on Multinational Corporations, which incidentally got into the CIA in Chile, has made a report to Congress. We are talking about a matter here of vital concern. God only knows, we do not like some of the things that have happened. But I submit, if we are all steamed up, why do we not get organized and examine into it? Investigate instead of standing up here asking people to vote without having the slightest bit of information except our prejudice. I refuse to vote that prejudice.

Mr. SYMINGTON. Will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ABOUREZK. Mr. President, I know that this will be the first time that the Senator from Minnesota did not vote his prejudice. The only response I can give him, using his own analogy when he said if a bank makes a mistake, we do not abolish a bank, is that I do not know that the CIA made any mistakes in Chile.

They accomplished everything they wanted to accomplish. They "destabilized" the government down there. They accomplished what they wanted to in regard to getting a new government, which has killed thousands of people, which has imprisoned thousands more, and which is in the process of torturing many of those who are their political opponents.

I think that they were very successful in Chile. That is exactly why I propose the amendment.

I yield back the remainder of my time.

Mr. SYMINGTON. Will the Senator yield?

Mr. ABOUREZK. What time do I have remaining?

The PRESIDING OFFICER. One minute.

Mr. ABOUREZK. I yield 1 minute to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, I am in great sympathy with much of this thinking of the Senator from South Dakota—but I agree with the able Senator from Minnesota. I do not believe this is the way it should be done.

What should be done is the establishment of a joint committee of the Committee on Foreign Relations and the Committee on Armed Services—and I have so presented to the distinguished chairman of the Armed Services Committee for many years. We have a strange dichotomy here.

In every country of the world, the head of the CIA reports to the ambassador. That has been true ever since the issuance of the so-called Kennedy Letter. But when information comes back here, whereas the State Department supervises Ambassadors, the Armed Services Committee supervises the CIA. As a result of this chaos of organization, we have had such matters as the fiasco of the war in Laos. That war cost us many lives and billions of dollars, a war directed by the ambassador——

The PRESIDING OFFICER. All time has expired.

Mr. SYMINGTON. I ask unanimous consent to proceed for 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. That war was directed by the ambassador, but carried on and carried out by the CIA. Not only was it done without the approval of anyone in Congress, I say without fear of contradiction, after months of investigation, it was done without the knowledge of anyone in Congress.

This situation should be corrected, and I believe it will be corrected. On the other hand, I do not think this is the bill where it should be considered. Inasmuch as 95 percent or more of the work of the CIA has to do with countries with which we are not at war, normally at least some of the matters of the CIA should come under the Foreign Relations Committee, it is clear that the Foreign Relations Committee should at least have *some* interest in reviewing the work of the Central Intelligence Agency, as I believe the only Member of the Senate for some 15 years on both the Armed Services Committee and the Committee on Foreign Relations.

I am convinced it ought to be changed. If we can have the two committees working together, that would be most constructive. I hope we can work it out to have both committees in a position of reviewing the work of the CIA.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, if there is any time remaining, I yield it back.

The PRESIDING OFFICER (Mr. Bartlett). All remaining time having been yielded back, the question is on agreeing to the amendment (No. 1922) of the Senator from South Dakota (Mr. Abourezk). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Alaska (Mr. Gravel), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from Arkansas (Mr. Fulbright) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from New York (Mr. Javits), the Senator from Oregon (Mr. Packwood), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. Curtis) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole) would vote "nay."

The result was announced—yeas 17, nays 68, as follows:

[No. 443 Leg.]

YEAS—17

Abourezk
Biden
Brooke
Burdick
Church
Clark
Hatfield
Hughes
Magnuson
Mansfield
McGovern
Metcalfe
Metzenbaum
Nelson
Proxmire
Ribicoff
Schweiker

NAYS—68

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Brock
Buckley
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cotton
Cranston
Domenici
Eagleton
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Johnston
Kennedy
Long
Mathias
McClellan
McClure
McIntyre
Mondale
Montoya
Muskie
Nunn
Pastore
Pearson
Pell
Percy
Randolph
Roth
Scott, Hugh
Scott,
  William L.
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Williams
Young

NOT VOTING—15

Bayh
Bellmon
Bennett
Cook
Curtis
Dole
Dominick
Fulbright
Gravel
Javits
McGee
Moss
Packwood
Sparkman
Weicker

So Mr. Abourezk's amendment (No. 1922) was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PASTORE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, is there an amendment at the desk?

The PRESIDING OFFICER. Is there an amendment at the desk?

Mr. CHURCH. I send an amendment to the desk and ask that it be stated.

Mr. HUMPHREY. Will the Senator from Idaho yield at this point?

Mr. CHURCH. I am happy to yield.

Mr. HUMPHREY. The Senator from Nevada has an announcement he wishes to make. Will the Senator yield at that point?

Mr. STENNIS. Mr. President, may we have order so that we can hear?

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Nevada yield 30 seconds to me?

Mr. CANNON. Provided I do not lose my right to the floor.

UNANIMOUS-CONSENT REQUEST ON REMAINING AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent—and this has been cleared with the distinguished Republican leader and the assistant Republican leader and Senators on this side—that time on any remaining amendments be limited to 30 minutes; with the time on any debatable motion or appeal be limited to 30 minutes, to be divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. I take it that would be a 30-minute time limit on an amendment in the second degree.

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAM L. SCOTT. Mr. President, I object.

The PRESIDING OFFICER. The Senator from Virginia objects. Objection is heard.

Mr. HUMPHREY. I understood there will be 10-minute rollcalls from here on out.

The PRESIDING OFFICER. The Chair informs the Senator that was just ordered on the previous unanimous-consent request when the words were used in the same form.

INVESTIGATION OF NELSON A. ROCKEFELLER

Mr. CANNON. Mr. President, when the nomination of Nelson A. Rockefeller to be Vice President of the United States was referred to the Committee on Rules and Administration on August 20 the committee immediately launched its investigation into the nominee's qualifications and fitness for this high office.

On August 21 the committee met and unanimously affirmed its determination to conduct a thorough investigation as speedily as might be possible and to make its report in time for a Senate vote on confirmation before the recess for the November elections.

On behalf of the committee I requested in-depth investigations by the Federal Bureau of Investigation, the tax experts on the staff of the Joint Committee on Internal Revenue Taxation, the Comptroller General of the United States, the Legislative Research Service of the Library of Congress, and others.

We have had the fullest cooperation from all these agencies although the volume of data they have supplied, together with the data obtained by the committee's investigators and in the 4 days of open hearings we have held, constitutes an enormous collection of information.

However, one of the key elements will be the report to the Rules Committee by the staff of the Joint Committee on Internal Revenue Taxation, and I have learned today from Dr. Laurence N. Woodworth, chief of staff of the joint committee, that his staff and the Internal Revenue Service specialists who are assisting them will most likely be unable to report to the Rules Committee before the end of the week of October 18.

That being the case, and since the Senate expects to recess before that date, it will be impossible for our committee to make its report to the Senate on the nomination until after the recess is ended.

I ask unanimous consent that Dr. Woodworth's letter be printed in full at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Joint Committee on
Internal Revenue Taxation,
Washington, D.C., October 2, 1974.

Hon. Howard W. Cannon,
Chairman, Senate Rules and Administration Committee, Washington, D.C.

Dear Mr. Chairman: I understand that you would like a status report on the examination by the staff of the Joint Committee on Taxation of the tax returns and other financial records and documents of Governor Nelson A. Rockefeller in connection with the consideration by your committee of his nomination as Vice President of the United States.

I hope that the staff will have its report completed for submission to both committees considering the nomination by the end of the week of October 18. Every effort is being made to expedite this examination. As I believe you know, however, the financial holdings of the nominee are large and this has made the examination significantly more difficult than would otherwise be the case. The examination by the staff is being carried on in conjunction with the Internal Revenue Service. Actually, there are some 30 IRS personnel working on the project at the present time. Until the audits of the returns for recent years are completed, it is impossible for us to present any meaningful financial report to the two committees.

I can assure you that every effort is being made to expedite the work, and if it should prove possible to submit data to the two committees at an earlier date, you can be assured that I will see that this is done.

The material that we hope to have for

the committees and its current status can be summarized as follows:

(1) Net worth and cash flow on a cost basis.—For the years 1968 through 1970, the cash flow and net worth statements are from 80 percent to 95 percent complete. Supplemental schedules giving details are in the process of preparation. For the years 1971 through 1973, drafts of the statements have not yet been made but they are in the analysis stage. Again, the supplemental schedules have not yet been started. The 1974 cash flow and net worth statements have not been started as yet.

(2) Net worth statement based on fair market value as of August 23, 1974.—The evaluation of securities other than those involved in controlled foreign corporations is approximately 75 percent complete. The valuation of holdings in controlled foreign corporations is in process. The valuation of partnership interest also is in process. The valuation of art, porcelain and silver is about 90 percent complete. The valuation of the various real estate holdings of Mr. Rockefeller in the case of four properties is from 75 to 90 percent complete. The valuation of two other real estate holdings, however, has just begun. The valuation of two trusts, including a major one, is 75 percent complete. The valuation of interests in the other trusts is in process as is also true of other personal property holdings of the nominee.

(3) Returns to be examined.—The examination by the Internal Revenue Service of the nominee's individual income tax return for 1968 has been completed. For the years 1969 through 1973, the work of the Internal Revenue Service is largely, although not entirely, completed. For all of these years, the Joint Committee review is in process.

In the case of the trust returns involved, two of the trusts, including one major one, are 90 percent complete. The audits of the other trusts are in process. The partnership returns for two ventures involving the nominee are also in process. Corporate returns in which the nominee has a significant interest in three cases are from 75 percent to 90 percent complete and in five other cases are in process.

Other returns also need to be examined but do not involve a major work commitment.

If I can be of further assistance to you in this regard or if you have any further questions, please let me know.

Sincerely yours,

Laurence N. Woodworth.

Mr. GRIFFIN. Will the Senator yield?

Mr. CANNON. Yes.

Mr. GRIFFIN. Was this same procedure followed with respect to the nomination of Mr. Ford to be Vice President? Did we request, in addition to the IRS, a report by the Joint Committee on Internal Revenue Taxation?

Mr. CANNON. We did receive a report from the joint committee. This is a combined study by the IRS and the Joint Committee on Internal Revenue Taxation.

Mr. GRIFFIN. I see.

Well, I appreciate the information, although I must say it is very disappointing. I think it will be a disappointment to many American people who think we should have a Vice President in office.

Mr. CANNON. I have personally urged the Department of Justice to encourage the IRS to give us their best effort in order that we could get this information earlier. I have been pressing them, I have been pressing through the executive branch to try to speed up the process.

This letter I have just received today, which I am having printed in full in the Record, explains the problems they have.

I thank the Senator for yielding.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. CHURCH. Mr. President, I ask the clerk report the amendment that I sent to the desk.

Mr. HUMPHREY. Mr. President, we must have order here in the Senate.

The PRESIDING OFFICER. We will have order in the Senate.

The amendment will be stated.

The legislative clerk read the amendment, as follows:

At the end of the bill add the following new section:

Sec. 33, Section 620 of the Foreign Assistance Act of 1961, is amended by adding at the end thereof the following new subsection:

"(x) No assistance may be furnished under Part II of this Act (including chapter 4 of such part) other than training, and no sale, credit sale, or guaranty with respect to defense articles or defense services may be made under the Foreign Military Sales Act, to, for, or on behalf of the Governments of Pakistan, India, or Bangladesh."

Mr. CHURCH. Mr. President, this is a simple amendment. It would prohibit military aid, other than training assistance, and Government grants or sales of military equipment to Pakistan, India, and Bangladesh. It would not prohibit sales of arms to these countries through commercial channels.

Two years ago, the Senate adopted a similar amendment but the foreign aid bill, to which it was attached, did not come out of conference. The justification which prompted the Senate to approve the amendment then still exists today.

The purpose of the amendment is to insure that the U.S. Government does not again become deeply involved in the military affairs of the nations of South Asia. There is now an embargo on the shipment of "lethal" military items to both Pakistan and India. But there are disturbing reports that this embargo may be lifted in the near future and shipments of arms resumed to Pakistan, or, possibly, to both Pakistan and India. Such a policy has backfired on the United States in the past, and would do so again in the future.

One only has to look at the results of the wars between India and Pakistan in 1965 and 1971, when American arms were used by both sides, to see the consequences of such a policy. The U.S. Government should not be a party to pumping additional arms into this volatile and impoverished region.

The amendment takes the same form as an amendment approved by the Senate to a previous foreign aid bill, to which I earlier referred, and I would hope the Senate would see fit to adopt the amendment again.

Mr. HUMPHREY. Mr. President, I have discussed this amendment with the Senator from Idaho, and I believe it has merit.

Really, the last thing these countries need is more military equipment from us. If they do need it, there are ways they can finance it.

It has been adopted by the Senate before. I see no reason to have a rollcall vote.

Mr. CHURCH. I thank the Senator very much.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. CHURCH. Mr. President, I move the adoption of the amendment, and I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was agreed to.

Mr. MATHIAS. Mr. President.

Mr. ABOUREZK. Mr. President.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MATHIAS. Yes.

Mr. HUMPHREY. The Senator from South Dakota had a series of amendments we agreed to take up, but may I say, the Senator from Maryland has two very simple amendments, we can adopt them, I think, on voice vote.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that after the Senator from Maryland finishes with his presentation if it is a voice vote, the Senator from Delaware (Mr. Biden) be allowed to offer one and that my amendment would come up next.

Mr. NELSON. Reserving the right to object, I had discussed bringing up an amendment I have, about a markup on committee, the bill is mine and I would like——

Mr. HUMPHREY. We will get to the Senator quickly, it will not be long.

Mr. NELSON. Well, as long as we are making unanimous-consent agreements, I would ask unanimous consent that my amendment be taken up immediately after Mr. Biden's amendment. Is that the next one?

Mr. ABOUREZK. Will the Senator have a rollcall?

Mr. HUMPHREY. I am afraid so. I mean, I do not want to, but I think it may result in one.

I think we should have it clear, put it this way, that following the Biden amendment and the amendments of the Senator from Maryland——

Mr. SYMINGTON. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. SYMINGTON. I ask unanimous consent, with the approval of the distinguished Senator from South Dakota and the distinguished Senator from Delaware, and others, that the Hughes amendment be offered and then I believe the manager will accept the Hughes amendment and we will complete action on it.

Mr. HUMPHREY. Mr. President, we will save time by just going ahead, I assure my colleagues that we will be right on the job. We will put this thing together.

Mr. NELSON. Mr. President, very well, but I had talked with the manager of the bill. I will be at a markup session and we will take up mine late in the day.

Mr. HUMPHREY. We will let the Senator know in time; we will take good care of the Senator.

Mr. NELSON. Very well.

AMENDMENT NO. 1941

Mr. MATHIAS. Mr. President, I call up an amendment that is at the desk.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

POLITICAL CONTRIBUTIONS OF AMBASSADORIAL NOMINEES

SEC. 34. It is the sense of the Senate that the President should not nominate to be an ambassador any person who has made a contribution or a sum of contributions in excess of $2,000 to or for the benefit of any candidate for election to public office, or any person who is an immediate relative of a person who has made such a contribution or sum of contributions.

Mr. MATHIAS. Mr. President, this amendment is a very simple one. It simply says that any nominee for an appointment to public office shall not have contributed more than $2,000 to an election. Senators may ask why I chose the figure of $2,000. It is a figure which the Senate and House conferees, who are presently working on the election reform bill, have chosen as the figure, the top figure, which an individual should contribute to an election. So if that law were to be enacted, if an ambassador were to contribute more than that, he would be breaking the law.

Then you may ask, "Is it not redundant to put this particular figure in?"

I do not think so. I think we want to send the message out far and wide across the country that U.S. embassies are not for sale. That is simply what this amendment would do at this point.

Henry Cabot Lodge, who served both as a Member of the Senate and as an ambassador has said, of putting diplomatic missions on the auction block, that if there are no bidders, there can be no auctions.

This, Mr. President, I think removes the possibility that there will be any bidders, and I urge the Senate to adopt the amendment.

Mr. HUMPHREY. Mr. President, I join in this noble effort.

I yield back the remained of my time.

Mr. MATHIAS. I yield back the remainder of my time.

The **PRESIDING OFFICER.** All time has been yielded back. The question is on agreeing to the amendment.

Mr. MATHIAS' amendment (No. 1941) was agreed to.

AMENDMENT NO. 1940

Mr. MATHIAS. Mr. President, I call up my amendment No. 1940, and ask for its immediate consideration.

The **PRESIDING OFFICER.** The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add the following new section:

APPOINTMENT OF CAREER FOREIGN SERVICE OFFICERS AS AMBASSADORS

SEC. 33. Section 501 of the Foreign Service Act of 1946 is amended by adding at the end thereof the following new subsection:

"(d) At any time, not less than 85 per centum of the total number of positions of ambassador which are occupied shall be career personnel in the Foreign Service.".

Mr. MATHIAS. Mr. President, I modify that amendment and send the modification to the desk, which I ask the clerk to read.

The **PRESIDING OFFICER.** The modification will be stated.

The legislative clerk read as follows:

On page 1, line 6, after (d), insert "January 1, 1977".

Mr. MATHIAS. Mr. President, this amendment is very simple. It recognizes the good, professional representation that the United States gets from Foreign Service officers. It provides that diplomatic missions, ambassadorial posts, around the world should be manned at least to the extent of 85 percent by professional Foreign Service officers.

I have modified the amendment to make this effective January 1, 1977, because that gives plenty of time to reach that particular ratio of Foreign Service officers to non-Foreign Service ambassadors.

I think this is desirable. I think the President should have some flexibility. I think there are good people in private life, in business, in the academic world, in journalism and elsewhere, who are good spokesmen for the United States. Some of them should be appointed to diplomatic missions.

But I think the concept that we load the Foreign Service with an undue percentage of political appointees is undesirable. This amendment makes that very clear.

Mr. HUMPHREY. Does the Senator know what the percentage is now?

Possibly the staff does. I have been informed that now the percentage is approximately 25 to 30 percent that are nonprofessional or noncareer service.

I want to say to the Senator I support the thrust of his amendment.

I notice that he says January 1, 1977. Does he want to make sure that we Democrats, after we win the 1976 election, do not have a chance to appoint too many of our kinfolk and our loyal supporters to these high positions? [Laughter.]

Mr. MATHIAS. Let me say to my good friend from Minnesota this is bipartisan. Whoever wins in 1976.

Mr. HUMPHREY. That is hardly bipartisan, Mr. President, according to the way I look at it.

Mr. MATHIAS. When President Ford is making his second-term nominations, he would be bound by this.

Mr. HUMPHREY. Would the Senator be amenable to the suggestion that instead of the figure of 85—we would have to negotiate up from that rather than down if we went into conference on it, and our House Members are rather difficult on this—he might make it that it should not be more than 75 percent?

Mr. MATHIAS. I would vest that full discretion in the conferees. I think it would have to be understood by the Senate that there would have to be a negotiated figure. But I do think that what we ought to do is to insure that there are fewer political appointments.

Mr. HUMPHREY. I agree.

Mr. MATHIAS. Less raw political appointments. I am not talking about fine, able, experienced people out of private life who come into the diplomatic service. I am for that. But I think that we ought not have raw political appointments which, again, in a purely bipartisan spirit, let me say, we have seen in recent years.

Mr. AIKEN. If the Senator will yield, may I say since I have been here that I think there has been an average of about 70 to 75 percent of our ambassadors who have been career ambassadors. Many of them have been drafted to go to countries that they really do not want to go to, but they go ahead and they do a good job. About the same percentage of political appointees have done well as career appointees. But the thing that impresses me is lately we have heard so much about the appointment of our ambassador to Luxembourg, a person who had made a very substantial political contribution.

What I want to point out is that, in spite of all those who are criticizing that appointment now, not a single one of them voted against it in this Senate, not one.

Mr. HUMPHREY. The Senator is absolutely right. At the time that the hearing was held, I pointed out that we were fully knowledgeable of the funds that had been contributed. I do not think we ought to try to pretend that we are paragons of virtue here, with unique reverse wisdom.

Mr. AIKEN. May I also add I noticed two polls taken lately, one gives Congress a rating of 16 percent, and the other, a rating of 18 percent. Perhaps we ought to pass a resolution thanking them for their generosity.

Mr. HUMPHREY. I think that would be fine. Any little thing that the Senator can do for us now would be appreciated.

Mr. GRIFFIN. I want to join the Senator from Minnesota in urging the Senator from Maryland to consider at least an amendment making it 75 percent. Frankly, having voted for the first amendment and agreeing wholeheartedly with the purpose of the amendment to limit political contributions to $2,000, I think that was an excellent amendment, one about which there would be no great controversy.

But it seems to me that if we are going to move to a higher percentage than 75 percent, at least this ought to be considered by the Foreign Relations Committee, that there be some opportunity for some testimony as to what the impact and effect of this would be, and to give the Secretary of State an opportunity to express that opinion. We are setting an important policy without any input.

Mr. MATHIAS. I understand what the Senator is saying, and I think he makes sense, just as what the distinguished

Senator from Vermont said made excellent sense.

What we are trying to do with these two amendments is to prevent the Senate from making an error, as he pointed out we did make.

Would the Senator feel that one out of five could be noncareer appointments? Would that be fair?

Mr. HUMPHREY. I think that is a fair figure. Might I say I do not think this should be looked upon in this debate as any approval at all of any quota system or percentage system. The fact of the matter is the Foreign Service ought to have the first draw on the ambassadorships. It seems to me that after people have given a lifetime to the Foreign Service they should have the first opportunity to the ambassadorships.

There are many ambassadors who have served with great distinction who were private citizens. David Bruce was not from the Foreign Service, for example. Senator Cooper was not from the Foreign Service. Senator Keating was not from the Foreign Service. Some of our ambassadors we have had to India, outside of Senator Cooper, were not from the Foreign Service. These were people who have shown great distinction.

Chester Bowles was not from the Foreign Service, another great ambassador.

Mr. MATHIAS. At the suggestion of the distinguished Senator from Michigan, I further modify the amendment to strike the figure "85 percent" and substitute "80 percent."

The PRESIDING OFFICER. The amendment is so modified.

Mr. MATHIAS. I urge the Senate to accept it in that form.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. MATHIAS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Maryland, No. 1940, as modified.

Mr. MATHIAS' amendment (No. 1940), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. BIDEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. BIDEN's amendment is as follows:

On page 26, between lines 8 and 9, insert the following new section:

SEC. 19. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 17(a) and 18 of this Act, is further amended by adding at the end thereof a new section as follows:

DISPOSITION OF AGRICULTURAL COMMODITIES

"SEC. 661. Disposition of Agricultural Commodities.—No agricultural commodity may be made available for disposition under the Agricultural Trade Development and Assistance Act of 1954 to any foreign country in any fiscal year unless the Secretary determines, and certifies such determination to the Congress, that all domestic feeding programs, including, but not limited to, the programs provided for under the National School Lunch Act of 1946, as amended, and the Child Nutrition Act of 1966 as amended, will be provided in such fiscal year with the same types and kinds of agricultural commodities and in the same or greater quantities at which such type and kind of commodity was provided for such program during the fiscal year ending June 30, 1974. In determining the types, kinds, and quantities of agricultural commodities made available for any program during the fiscal year ending June 30, 1974, the Secretary shall include commodities made available from every source including, but not limited to, those made available under section 416 of the Agriculture Act of 1949 (7 U.S.C. 1431), and those made available with funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), and with funds made available under section 709 of the Agriculture Act of 1965 (79 Stat. 1212)."

On page 26, line 10, strike out "Sec. 19" and insert in lieu thereof "Sec. 20".

On page 26, line 18, strike out "Sec. 20" and insert in lieu thereof "Sec. 21".

On page 28, line 24, strike out "Sec. 21" and insert in lieu thereof "Sec. 22".

On page 30, line 20, strike out "Sec. 22" and insert in lieu thereof "Sec. 23".

On page 31, line 23, strike out "Sec. 23" and insert in lieu thereof "Sec. 24".

On page 32, line 11, strike out "Sec. 24" and insert in lieu thereof "Sec. 25".

On page 37, line 20, strike out "Sec. 25" and insert in lieu thereof "Sec. 26".

On page 37, line 21, strike out "section 24" and insert in lieu thereof "section 25".

On page 42, line 5, strike out "Sec. 26" and insert in lieu thereof "Sec. 27".

On page 42, line 6, strike out "sections 24 and 25(a)" and insert in lieu thereof "sections 25 and 26(a)".

On page 44, line 24, strike out "Sec. 27" and insert in lieu thereof "Sec. 28".

On page 44, line 25, strike out "sections 24, 25(a), and 26" and insert in lieu thereof "sections 25, 26(a), and 27".

On page 45, line 14, strike out "Sec. 28" and insert in lieu thereof "Sec. 29".

On page 51, line 7, strike out "Sec. 29" and insert in lieu thereof "Sec. 30".

On page 54, line 6, strike out "Sec. 30" and insert in lieu thereof "Sec. 31".

On page 54, line 14, strike out "Sec. 31" and insert in lieu thereof "Sec. 32".

On page 54, line 22, strike out "Sec. 32" and insert in lieu thereof "Sec. 33".

Mr. HUMPHREY. Is this the amendment that was adopted yesterday on the continuing resolution?

Mr. BIDEN. No, this amendment was not adopted on the continuing resolution of yesterday. This is an amendment I have discussed with the floor manager of the bill, and it is a very simple amendment.

It conditions the distribution of agricultural commodities to foreign countries, under Public Law 480, upon a determination by USDA—Agriculture Department—that domestic feeding programs, such as the national school lunch program, will receive commodities of the same types and kinds as were received during fiscal year 1974.

Mr. President, this amendment should not be necessary, but, unfortunately, it is. This year exports to foreign countries under Public Law 480 will include an estimated 1,850,000 tons of flour and oil products, or $360 million worth of these commodities.

But, in this same year, there will be no flour and oil commodities distributed to school lunch programs—distribution of these commodities to foreign countries appears to be increasing, but the availability of flour and oil commodities for school lunches was arbitrarily terminated by the Department of Agriculture last July.

Mr. President, on June 30, 1974, the National School Lunch and Child Nutrition Act Amendments of 1974 became law—Public Law 93-326. Under the provisions of this law, the Secretary of Agriculture was directed to "purchase agricultural commodities and their products of the types customarily purchased under such section, for donation to maintain annually programed levels of assistance."

If stocks were not available from the Commodity Credit Corporation, the Secretary was further directed to use corporation funds "to purchase agricultural commodities and their products of the types customarily available under section 416 of the Agricultural Act of 1949."

Mr. President, I have read this law carefully.

I can find no provision in it which would authorize the Secretary of Agriculture to arbitrarily eliminate flour and oil products, items customarily provided under section 416, for distribution to the school lunch and child nutrition programs.

And yet, this is exactly what occurred. Apparently, the increased emphasis on protein foods was considered authority enough by USDA. The result, Mr. President, may be all too predictable. If schools across the Nation must purchase flour and oil products on the open market, the price of lunch will increase, and the participation of children in the programs will decrease. In the past 3 years alone, over 2 million paying children have dropped out of the program.

I might add that in my own State of Delaware, of the 27 school districts polled, 18 districts anticipate reduced participation in the school lunch program if grains and oils are not furnished. Further 11 school districts indicated that the elimination of flour and oil would mean the reduction or elimination of baked items from the menus and, therefore, a less nourishing menu.

These nutrition programs do not serve only children from lower-income families. In an inflationary economy, which has hurt all of us, a nutritious meal at an affordable cost has become an important source of security for middle-income parents struggling to feed their children.

I should point out, Mr. President, that the school lunch program serves 25 million children every day. Of these 25 million, 16 million children pay for their subsidized lunches—and they are paying 5 to 10 cents more for those lunches this year than they paid last year.

But here we are—still planning to send almost 2 million tons of these flour and oil commodities to foreign countries, while at the same time denying these foods to American schoolchildren.

Indeed, there is some evidence that the food exported under Public Law 480 is directed mainly at political and military considerations, rather than at countries with the greatest need.

An article by John S. Lang, of the New York Post, indicates that among the countries receiving this valuable flour and oil are Vietnam, Chile, Korea, Laos, the Dominican Republic, and Haiti.

Mr. President, I ask unanimous consent that the text of this article, "School Lunches—A Victim of Politics?" be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Post, Sept. 10, 1974]

School Lunches—A Victim of Politics?

(By John S. Lang)

Washington.—The government has stopped its subsidies of flour and oil products to the National Lunch Program for schools and orphanages at the same time it is giving away $81 million of these commodities to foreign countries.

As a result, prices of the subsidized lunches will rise, many children may not be able to afford them and there is a strong possibility some schools will be forced to fire their baker staffs.

"Panic, in a word, is our feeling about this," says Dick Reed, director of the New York State School Food Distribution Program, which feeds 1.6 million children daily.

BREAD AND BUTTER ITEMS

Flour and vegetable oil products—"bread and butter items"—have been the largest volume commodities provided by the government for subsidized lunch programs in past years.

The Agriculture Dept.'s decision to stop supplying them appears to contravene the intent of legislation passed by Congress this year requiring the government to maintain "the traditional level of assistance" to food programs for the needy in the U.S.

In a broader sense the decision also presents a moral dilemma to the people of the U.S., traditionally the soup kitchen for the world.

Previously, all commodities given to the school and orphanage lunch programs and to hungry people abroad have come from surplus stocks. "We would have had to burn it, plow it under or dump it in the ocean anyway," says an Agriculture Dept. official.

Today there are no surpluses. Yet in addition to the 25 million school children in this country fed through the lunch program, upwards of 65 million people around the world have come to depend on American food donations.

"We have built up a wild bird feeding program in a sense," says an official at Agriculture Commodity Distribution Service. "If we quit feeding them, people around the world will starve.

"Now there is a moral decision for the American people. Do we stop this just because for the first time it might hurt us to give?"

SOARING PRICES

There is general agreement in the food service industry and on Capitol Hill that termination of flour and vegetable oils will hurt the lunch program, already beset with inflation.

"Soaring prices have lost 2 million paying kids to the lunch program in the last three years," says a staffer of the Senate Select Committee on Nutrition and Human Needs.

This year the cost of preparing school meals has increased up to 30 per cent. About 9 million children eat free or at a fraction of cost, but the 16 million other students are paying between 30 and 60 cents for their subsidized lunches. That is 5 to 10 cents more per lunch than they paid last year.

Loss of flour supplies will further the inflationary spiral. For example, a 22-ounce loaf of bread costs 37 cents on the commercial market last year. But with government stocks, schools could make the same amount for 29 cents. This represented a savings last year of $750,000 to schools in New Jersey alone.

In New York, 95 per cent of the school districts had been taking advantage of the commodity flour and shortening purchases to arrange contracts with bakers at considerably reduced prices.

State foods director Reed said it would be several months before the state realizes the full impact of the cut-off.

"But we expect that this, with the tightening of economy at home for middle-income Americans, will have a drastic reduction in the numbers who can afford the lunches even though they are the best bargain in town," Reed said.

Meantime through the Food for Peace Program, the government is giving away these supplies, to name a few:

10.8 million pounds of wheat to Vietnam, Korea, Laos and the Philippines.

243,000 pounds of rolled oats to Chile.

335,000 pounds of rolled oats and 370,000 pounds of bulgur to the Dominican Republic.

1.7 million pounds of bulgur to Haiti.

"I don't think our kids are suffering because we're sending flour overseas," says a high agriculture department official.

MATTER OF STARVATION

"Obviously, it makes some differences to a school itself, but I know this food is more essential for others than it is for our kids. Overseas it is a matter of starvation.

"The need for food for children in Bangladesh or some African country has a moral imperative to continue foreign food donation programs."

But a new study by the Senate Select Committee on Nutrition and Human Needs complains that most of the U.S. food donations abroad are directed at political and military considerations—rather than at countries with the greatest need.

For example, this nation has made sizable new commitments to supply Egypt and Chile with food, even though the roughly $1 billion budgeted for this annually now purchases only half as much as it did in years past.

TAKEN OUT OF MOUTHS

"If the funding for the program is not increased . . . Then the food that will go to feed the hungry in Egypt and Chile will be food taken out of the mouths of the hungry in Africa, India and Bangladesh," the report says.

One instance of the U.S. using food donations as a political weapon is shown in the commodity shipments to Chile.

When Marxist Salvador Allende was elected president of Chile, American food assistance slowed to a relatively few crumbs, amounting to about $3 million in fiscal years 1973 and 1974. After a military dictatorship overthrew Allende, the U.S. slated $37 million worth of food for Chile in fiscal 1975.

"Factors must be balanced," says Arthur Mead, Agriculture Dept.'s assistant sales manager for overseas food shipments. "On the one side we have to be concerned with inflation and domestic prices, on the other we have humanitarian and foreign policy security considerations which say let's take care of Bangladesh and Indochina."

Agriculture officials argue that foreign food donations do not harm the National Lunch Program because in requiring that 10 cents be spent daily for each child participating, Congress directed that the money be spent for high protein items.

"There is no shortchanging here," says a commodity distribution official at Agriculture. "We are providing our kids the foods which have much superior nutritional quality to that sent overseas—high protein meat as opposed to grain products.

"And we are providing the schools frozen cut-up chicken, frozen turkey and canned, boned poultry. Frankly there wouldn't be room in the 10-cent allotment for supplying grain products on top of that."

However, the officials at Agriculture admit to putting a liberal interpretation on legislation passed this year mandating "traditional levels" of assistance.

"Reasonable people can differ on what that means," said one agriculture official. "Traditional levels could apply to the amount of money we spend. Others could say it refers to variety and kinds of foods. We're interpreting it to mean the amount of money we spend."

FLIES IN THE FACE

A Senate aide who helped draft the legislation says the Agriculture Dept.'s decision "flies in the face of the new law but there's nothing we can do about it.

This aide said the department might be forced to back down if Senators involved in food legislation—such as George McGovern (D-S.D.), Philip Hart (D-Mich.) and Hubert Humphrey (D-Minn.)—could be induced into holding hearings.

"But everybody's involved in the re-elections, we're just coming off a recess and it takes time to gear up for these things," he said.

"And from a hard-nose political standpoint you have to look at the constituencies involved. Schools and orphanages—they don't have the clout that's needed here."

Mr. BIDEN. Now, my amendment is not based on any antipathy toward the food for peace program. It is simply based on the needs of our young people. Because, if we permit our domestic feeding programs to fall by the wayside, the victims will be the children of this Nation.

Mr. President, my amendment does not seek to abolish the Public Law 480 program. Nor does it seek to minimize the problem of world hunger.

The purpose of my amendment is to assure that congressional intent is adhered to—to insure that Public Law 480 is not implemented at the expense of our domestic feeding programs—to insure that those participating in child nutrition programs and school lunch programs receive the nutritious meals Congress intended them to receive.

Mr. President, no one in this Chamber can be unaware of the efforts of the distinguished Senator from South Dakota (Mr. McGovern), in the fight against hunger both in this country and other countries around the world. I am pleased that Senator McGovern has joined me in support of this amendment.

Senator Case, the distinguished manager of this foreign aid bill for the minority, has also been a leader in expanding these nutrition programs, and I am most grateful for his support.

The distinguished Senator from Minnesota (Mr. Humphrey) is, of course, known for his dedication to the national school lunch program. It was Senator Humphrey with Senator Case and Senator McGovern who proposed the universal school lunch program (S. 3123), which would provide every school child in this Nation with a free lunch.

For this reason, I would hope that my distinguished colleague from Minnesota would accept my amendment.

I would urge my other colleagues in the

Senate to act favorably on this amendment as well. Every State in this Nation has lost a great deal through the elimination of flour and oil commodities. At this time, Mr. President, I would ask unanimous consent that the estimated dollar value of commodities lost to the States as a result of the USDA action be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated dollar value of flour and oil commodities no longer received for school lunch programs in States

Alabama	$6,963,000
Alaska	293,000
Arizona	1,772,000
Arkansas	2,675,000
California	15,447,000
Colorado	1,377,000
Connecticut	1,950,000
Delaware	1,330,000
District of Columbia	920,000
Florida	5,624
Georgia	7,223,000
Hawaii	7,773,000
Idaho	1,116,000
Illinois	5,290,000
Indiana	5,666,000
Iowa	2,662,000
Kansas	3,338,000
Kentucky	3,332,000
Louisiana	5,762,000
Maine	3,883,000
Maryland	2,869,000
Massachusetts	10,074,000
Michigan	5,566,000
Minnesota	3,248,000
Mississippi	3,896,000
Missouri	8,253,000
Montana	888,000
Nebraska	988,000
Nevada	629,000
New Hampshire	1,472,000
New Jersey	3,600,000
New Mexico	1,327,000
New York	8,117,000
North Carolina	6,580,000
North Dakota	1,019,000
Ohio	7,764,000
Oklahoma	7,044,000
Oregon	2,630,000
Pennsylvania	6,850,000
Rhode Island	633,000
South Carolina	2,844,000
South Dakota	1,513,000
Tennessee	4,291,000
Texas	12,712,000
Utah	1,560,000
Vermont	383,000
Virginia	7,123,000
Washington	2,239,000
West Virginia	1,284,000
Wisconsin	3,368,000
Wyoming	395,000

Mr. BIDEN. This amendment should not be necessary, but it seems to me that it is. Unfortunately, we are going to be exporting more, and there are domestic food programs which will not be getting the very things we are exporting. It is a very simple amendment.

Mr. President, I urge the adoption of my amendment.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BIDEN. I yield.

Mr. HUMPHREY. Mr. President, I think the Senator's amendment is timely and necessary and appropriate. I certainly want to offer my support to it, and I think we can get it in this bill right now. It is a necessary addition, and I compliment the Senator for his foresight.

Mr. McGOVERN. Mr. President, this amendment is aimed at solving a problem which has arisen in the child nutrition programs across the Nation.

The school lunch programs in the United States are faced with the loss of essential commodities which have been used traditionally to support the nutritional level of the meals served to over 25 million American schoolchildren each day.

To be frank, Mr. President, this issue should not be before us today. I thought that we had solved the problem of commodity support for school lunch programs earlier in the year when we passed two bills through Congress which insured the continuation of commodity support for all the nutrition programs.

Since that time, however, the Department of Agriculture at the direction of Mr. Butz, has taken it upon itself to eliminate approximately one-half of the traditional commodity support for the schools of the country.

While it is true that we had, earlier in the year, increased the level of high protein foods supplied to the school lunch program, there was never any intent on the part of the sponsors of that legislation to allow this adjustment to act as a signal to reduce the other traditional commodity support for the school lunch program. Indeed, Mr. President, we recognize now more than ever the need to support these local nutritional programs with as much support as we are able to give.

The kinds of commodities that we are talking about restoring to the school lunch program with this amendment, Mr. President, include soy, flour, oats, bulgur, wheat flour and oil.

These are literally the bread-and-butter items of the national school lunch program. They form the backbone of the national school lunch program, and their loss will deal a substantial blow to the schools of America. They have, until this year, been available to the school lunch program on an open allocation basis. USDA's cutoff makes them totally unavailable. Over $1 million of support to the schoolchildren of South Dakota will be lost to South Dakota if this decision is allowed to stand and other States will lose many millions more.

This dramatic and serious loss of support, which flies in the face of both the letter and intent of those commodity bills we have passed in the last few months, will force the schools to either pay more on the local retail market for their commodities or cut the children off from bread, butter, macaroni, salad oil, mayonnaise, and other things made with these commodities. It is obvious that the USDA decision has placed schools in an untenable position.

Mr. President, the parents of middle-America have supported this program with their tax dollars for many years. Since 1946, the national school lunch program has grown to be one of the most effective and low-cost programs that we have in the country today.

If the decision of the Department of Agriculture to cut off the commodities mentioned above is allowed to stand, the families of middle-America will have to fight another inflationary pressure, at a time when they are already desperate with anxiety over existing budgetary pressures. If Mr. Butz and the Department of Agriculture merely followed the law, and used their existing authority, they could supply these commodities at the lowest costs to schools, and therefore at the lowest cost to children. By not doing this, forcing the schools and the children to pay higher prices for the same goods they received last year, the Department is contributing to the inflationary pressure which the administration is talking so much about fighting.

One irony of the USDA decision to cut off the basic commodity support for the school lunch program is that we are continuing to send these same goods overseas as part of our foreign aid program.

Mr. President, we do not argue with the use of food as part of our foreign aid program, and on the contrary, as you know, I have long been a supporter of continuation and expansion of this program.

However, the children of America deserve at least equal treatment at the hands of our Government as the children of overseas countries.

The same commodities we are shipping overseas daily—wheat, flour, rolled oats, bulgur, and others—have been denied our own children.

This amendment, Mr. President, guarantees that our schoolchildren will receive the same support we give the children overseas.

It assures that those section 416 price support commodities that have traditionally been used up until this last year to form the basis of our local nutrition programs will continue. This is not the time to put additional nutritional or budgetary pressures on the schoolchildren of America.

In effect, Mr. President, this amendment reminds the Department of Agriculture to obey the law that already exists and instructs them to continue this support program for middle-America that has existed for almost 30 years and which at this point should be strengthened, not weakened.

Thank you, Mr. President.

Mr. BIDEN. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Delaware.

The amendment was agreed to.

Mr. ABOUREZK. Mr. President, does the Senator from Iowa wish to offer an amendment?

Mr. HUGHES. I have been waiting to offer one.

Mr. ABOUREZK. I yield to the Senator.

The PRESIDING OFFICER. The Senator from South Dakota yields the floor to the Senator from Iowa.

Mr. HUGHES. Mr. President, I send to the desk an unprinted amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the bill, add the following new section:

LIMITING INTELLIGENCE ACTIVITIES

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 17 (a) and 18 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 661. Limitations Upon Intelligence Activities.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency or any other agency of the United States Government for the conduct of covert action operations, other than operations intended solely for obtaining necessary intelligence. Notwithstanding the foregoing limitation, the President may authorize and direct that any covert action operation be resumed, or that any other covert action operation be initiated, and funds may be expended therefor, if, but not before, he (1) finds that such operation is vital to the defense of the United States, and (2) transmits a report of his finding, together with a detailed description of the nature and the scope of such operation, to any committee of Congress having jurisdiction to monitor and review the intelligence activities of the United States Government.

"(b) Notwithstanding the provisions of subsection (a) of this section, the President may authorize and direct the conduct of such covert action operations as he deems of immediate need and urgency during military operations initiated by the United States under a declaration of war by Congress or an exercise of powers by the President under the War Powers Resolution (Public Law 93-148)."

Mr. HUGHES. Mr. President, by way of explanation, let me say that this unprinted amendment is identical to my amendment No. 1948 which was submitted yesterday, with one major exception. Amendment No. 1948 did not make explicit my intention that notification to congressional committees about covert action and operations be made prior to the initiation of the operation. My unprinted amendment does make prior notification explicit.

Mr. President, since this amendment was prepared, it has been reported that Secretary Kissinger and CIA Director Colby have already given private assurances along the same lines as this amendment.

According to reports in the October 2 Washington Post and Philadelphia Inquirer, these officials have said that the United States has ended covert political operations abroad, though some may be necessary in the future, and that designated congressional subcommittees would be notified in advance of any future such operation.

I welcome these assurances. What this amendment would do, then, would be to write this procedure into permanent law.

Mr. President, the amendment I offer should be regarded as only a beginning toward the imperative of imposing some order and structure to the means by which the American people, through their elected representatives, can exercise a measure of control over the cloak-and-dagger operations of intelligence agencies of the U.S. Government.

A great deal more must be done in this regard, and I want to commend the distinguished majority leader (Mr. MANSFIELD), the Senator from Michigan (Mr. HART), and the Senator from South Dakota (Mr. ABOUREZK), and the Senators from Tennessee (Mr. BAKER) and Connecticut (Mr. WEICKER) for their efforts.

I shall not take the time of the Senate to recount the recent disclosures that have provoked outrage at the audacity and contempt for democratic processes represented by covert action operations undertaken by our Government to interfere with the internal affairs of other nations. All of us in this body have heard of these scandalous activities and deplore them.

I shall content myself with simply stating that such covert operations, deliberately designed to provoke political revolution, rarely, if ever, can be justified.

Mr. President, the basis for my amendment was laid by the Director of the Central Intelligence Agency, Mr. Colby, in his address on September 13 to the conference on the CIA and covert operations. In that statement, he said:

> It is advocated by some that the United States abandon covert action. This is a legitimate question, and in light of current American policy, as I have indicated, it would not have a major impact on our current activities or the current security of the United States. I believe, however, that a sovereign nation must look ahead to changing circumstances. I can envisage situations in which the United States might well need to conduct covert action in the face of some new threat that developed in the world.

Mr. President, I would admit that circumstances might develop in which covert action would be justified in time of war.

I find it impossible, however, to envisage any circumstances in time of peace that would justify them.

Parenthetically, I might note that this inability to conceive of a situation justifying covert operations may well be one result of the fact that most of my colleagues and I have had no opportunity to evaluate any of the surreptitious operations of our intelligence agencies. We are not conditioned to thinking in terms of the positive potential, if any, of these activities.

Proposals are under study in the Congress at this moment for improving congressional oversight of intelligence activities. These proposals deserve immediate and intensive study and implementation of the best of them at the earliest possible time.

Until then, however, I feel very strongly that the Congress must take initial steps to structure and bring some order to our oversight responsibility.

I believe the amendment I offer today is a modest step in the right direction.

The amendment would translate into statute the words of the Director of the Central Intelligence Agency. To abandon all covert action at this time, he said,

> . . . would not have a major impact on our current activities.

The amendment, therefore, would terminate as of the effective date of this act all covert action operations, other than those intended solely for the purpose of gathering intelligence that is necessary to the national defense.

However, since Mr. Colby further asserts that he can:

> * * * Envisage situations in which the United States might well need to conduct covert action in the face of some new threat that developed in the world. * * *

The amendment provides for a procedure under which existing covert actions may be resumed or others may be undertaken to meet a genuine requirement for national defense.

Under the language of the amendment, the President, before authorizing any covert action, would be required to make a finding that each such operation is vital to the defense of the United States.

Moreover, before authorizing such a secret project, he would be required to transmit a report of his finding, together with a report of the nature and the scope of each such operation, to the committees of the Congress having jurisdiction to review and monitor the intelligence activities of our Government.

Recognizing that, in time of war or national emergency, the President may be required to move instantly to deal with an imminent threat, the amendment further provides that he may do so without delay, notwithstanding the requirement for notification of Members of Congress.

Of course, the Congress will expect to be apprised by the President at the earliest practicable time of any such covert actions undertaken in time of war or armed hostilities.

Mr. President, some of my colleagues may question whether this amendment deals sufficiently with the problem of who, in the Congress, should have jurisdiction to receive the notices from the President.

As I have already indicated, this is a matter that is under current study, and it is my hope that the solution to be developed by the Congress will encompass a broad segment of the membership of both this and the other body.

For the moment, I believe we shall have to settle for something akin to the established order, if we are to succeed in taking this first step toward controlling the covert activities of our intelligence establishment.

Mr. President, it is fully acknowledged that the American people and the Congress are largely in the dark about the covert operations of the CIA and cannot judge with certainty whether or not some of these operations and the overall pattern of them can be justified in the public interest.

The central problem is that these operations have been conducted in a complete blackout of secrecy—not only from the American public, but from the responsible oversight of the congressional committees authorized by law to monitor them. And operations that have recently come to light give us such deep cause for concern that some immediate action is imperative.

In the light of this, it should be noted that this amendment is written in the spirit of restraint, not prohibition.

It provides a temporary arrangement, not a permanent one, recognizing that a permanent arrangement is in the process of being developed.

For the reassurance of our own people and other peoples of the world, it is a positive demonstration of faith at this troubled time in our moral purpose as a people, the benign intent of our foreign policy, and of our continuing commitment to human rights for all peoples.

Mr. HUMPHREY. Mr. President, I should like to ask the Senator some questions.

This amendment, of course, does permit the Prsident to direct covert operations. It says, however, that if he finds that such operations are vital to the defense of the United States, which would be the only reason we would want to have covert operations, I trust——

Mr. HUGHES. I hope that is the only reason.

Mr. HUMPHREY. Then the amendment reads:

> Transmits a report of his findings, together with a detailed description of the nature and the scope of such operation.

I wonder whether that language goes beyond what might be necessary. I think there ought to be transmission of a report of his finding, but sometimes in a covert operation, even with all Senators and Representatives having the best of intentions, the lid might be blown off it by some inadvertent slip.

It may be that the President would want to give the detailed report, but I think that to have the requirement would be hazardous.

Mr. HUGHES. Is the Senator objecting to the word "detailed" or to the entire clause 2?

Mr. HUMPHREY. Not the entire clause 2. I think he should transmit a report of his finding. I just would leave it up to the President as to the quality or the detail or the minutia of that report, rather than having it there.

Mr. HUGHES. Would it not suffice just to strike the word "detailed"? Would it be sufficient just to have "description of the nature and the scope"?

Mr. HUMPHREY. I think the President should have the option, in light of the fact that something might go amiss and cause very grave trouble.

Mr. HUGHES. I really want to cooperate with the manager of the bill on this matter. I am not trying to be over-restrictive or less than necessarily restrictive. I certainly do not want the necessary intelligence of this Nation blown open by someone who is talking too much at the wrong place.

Mr. HUMPHREY. That is right.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Mr. President, I am ready to err on the side of too much publicity in this field. For too long we have not had enough knowledge on the part of the Senate or the House or the proper committees of what the CIA was doing. It is for that reason that I support, without reservation, the language of the amendment of the Senator from Iowa.

This matter has to be cleared up. Every day in the press we read of further troubles about the Central Intelligence Agency. It has no public relations department, as does the FBI or the Department of Defense. It is the sewer in which to drop something when you want to get rid of it. It is about time it was reprimanded when it is wrong, and defended when it is right. It cannot be reprimanded or defended if we do not have any interest in overseeing its activities.

Mr. HUMPHREY. I do not disagree with what the Senator has said. I am simply trying to find out how we can have, for example, a report by the President, in substance, that will give the appropriate committee of Congress, having appropriate jurisdiction, the information it needs, without going into the details. Sometimes details may be misinterpreted partially; some of the details may get out in part and cause great trouble.

It seems to me that we can say "transmits a report of his finding, with appropriate description," or "including appropriate description." Then the President would be at liberty to determine what was an appropriate description.

Mr. HUGHES. I have no objection.

Subsection 2 would read: "transmits a report of his finding, including appropriate description of the nature and scope of such operation."

Mr. HUMPHREY. As he deems appropriate.

Then the amendment reads: "to any joint committee of Congress."

Mr. HUGHES. I strike that. It now reads: "to any committee of Congress having jurisdiction to monitor and review the intelligence activities of the U.S. Government."

Mr. HUMPHREY. Would it not be satisfactory to say "to the committee of Congress having jurisdiction"?

Mr. HUGHES. There may be one in the House and one in the Senate.

Mr. HUMPHREY. I see what the Senator means.

Mr. STENNIS. The committees of both the House and the Senate.

If the Senator will yield, he has in the clause, whether intentionally or not, raised the whole question of jurisdiction, when the law is absolutely clear that the Committee on Armed Services is the one that has jurisdiction.

Mr. HUGHES. It is not intentional to raise the jurisdictional question.

Mr. STENNIS. I did not believe the Senator meant to raise that question and settle it in this amendment.

Mr. HUGHES. No, I did not.

Mr. STENNIS. The Senator could just say "report to the two Committees on Armed Services."

Mr. HUMPHREY. The only point is that there may be a change in that jurisdiction, which I am not advocating, but it may happen. That is why I think the Senator should say "to the committees of the House and the Senate having jurisdiction."

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HUGHES. Yes, I yield.

Mr. STENNIS. I should like to make the point here that that brings up the question of who does have jurisdiction, if we write a new law on the subject. It is already clear and plain now. If the Congress wants expressly to change it, that will be all right.

Mr. HUMPHREY. I see. Does the Senator mean for the future?

Mr. STENNIS. Yes, for the future.

Mr. HUGHES. Mr. President, may I suggest the absence of a quorum so that we may work this out?

Mr. CASE. Will the Senator withhold?

Mr. HUGHES. I withhold.

Mr. CASE. Mr. President, I ask unanimous consent that my assistant, Stephen Bryen, have the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Jon Steinberg, Ellen Frost, and Murray Flander may have the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, I suggest the absence of a quorum, the time to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUGHES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, I send to the desk a modification.

The PRESIDING OFFICER. The clerk will state it.

The assistant legislative clerk proceeded to read the modification.

Mr. HUGHES. Mr. President, I ask unanimous consent that the reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGHES. Mr. President, the managers of the bill and the interested parties in the debate on the floor have come to an agreement on the amendment. I have placed in the RECORD my statement on the amendment. If the manager of the bill would like to indicate his feeling about the amendment as modified, I think we can rapidly dispose of it.

Mr. HUMPHREY. Yes, Mr. President. So that we may be very clear, I am going to read the portions which were modified. It starts under section 661, where there is a numeral (1):

> (1) finds that such operation is vital to the defense of the United States, and (2) transmits an appropriate report of his finding, together with an appropriate description of the nature and scope of such operation, to the committees of the Congress presently having jurisdiction to monitor and review the intelligence activities of the United States Government.

Is that the understanding?

Mr. HUGHES. That is the understanding.

Is there any difference in the copy at the desk?

The PRESIDING OFFICER. The Chair is advised there is a slight difference.

Mr. HUMPHREY. This is what we agreed to.

The PRESIDING OFFICER. Does the Senator from Iowa desire to have the amendment modified as it was read by the Senator from Minnesota?

Mr. HUGHES. I ask unanimous consent further to modify the amendment by the language just sent to the desk by the manager of the bill, if there is any disagreement.

The PRESIDING OFFICER. The amendment is so modified. The amendment, as modified, is as follows:

At the end of the bill, add the following new section:

LIMITING INTELLIGENCE ACTIVITIES

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 17(a) and 18 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 661. Limitations Upon Intelligence Activities.—(a) No funds appropriated under the authority of this or any other Act may be expended by or on behalf of the Central Intelligence Agency or any other agency of the United States Government for the conduct of covert action operations, other than operations intended solely for obtaining necessary intelligence. Notwithstanding the foregoing limitation, the President may authorize and direct that any covert action operation be resumed, or that any other covert action operation be initiated, and funds may be expended therefor, if, but not before, he (1) finds that such operation is vital to the defense of the United States, and (2) transmits an appropriate report of his finding, together with an appropriate description of the nature and scope of such operation, to the committees of the Congress presently having jurisdiction to monitor and review the intelligence activities of the United States Government.

"(b) Notwithstanding the provisions of subsection (a) of this section, the President may authorize and direct the conduct of such covert action operations as he deems of immediate need and urgency during military operations initiated by the United States under a declaration of war by Congress or an exercise of powers by the President under the War Powers Resolution (Public Law 93–148)."

Mr. HUMPHREY. On that basis, I think the Senator from Iowa has made a distinct contribution to this difficult subject. I wish to commend him, and I personally, speaking as one Senator and manager of the bill, am pleased to accept the amendment.

I have said to the Senator, and I want to say to him publicly here, that it would be the intention of the Senator from Minnesota, if he were on the conference committee, to insist upon this amendment.

However, I want the Senator to know that if there is a word, for example, that would be considered in any way to result in jeopardizing what we might call the security interests of the country, while I do not see it, I hope he would realize that one might want to see that modified. That would be done, may I say, only after consultation with the author of the amendment.

Mr. HUGHES. Mr. President, the Senator from Iowa has absolute faith in the Senator from Minnesota on matters dealing with the subject matter under discussion. Naturally, he represents me as well as the other Members of the Senate on any conference committee, and he has my trust.

I believe we have been reasonable in this matter in insisting that the appropriate committees of the Senate and the House have jurisdiction over this subject matter, while at the same time affording leeway to any administration in conducting necessary intelligence gathering and, in times of war, such covert activities as may be necessary for the national defense of this country.

Mr. HUMPHREY. I thank the Senator. Mr. President, I am ready to accept the amendment.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. STENNIS. Mr. President, I think the intentions and the planning of the Senator from Iowa have been in good faith, and he has been very reasonable about making some modifications as he sees them.

I point out, though, that this amendment, as I understand, has not been printed. It is a highly important amendment. I have a printed copy here, but I have understood later that the amendment offered is not the same.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. STENNIS. Yes.

Mr. HUGHES. As the Speaker knows, the amendment was printed yesterday. In an attempt to make the amendment more acceptable to the manager of the bill, the Senator from Iowa sent to the desk today a slight modification.

Mr. STENNIS. That clears it up. I did not intend to be critical of the Senator from Iowa.

Anyway, I just wanted to point out the rather casual way that we are adopting this amendment. For my part, I would want the matter further analyzed by experts in language in this particular field, and I cannot support it. I wish to reserve my rights in that respect.

I do not mean to pursue the matter now to the *n*th degree, or call for a rollcall vote, or anything like that. But I do not agree to it and I do not accept it; I want to make that clear.

Mr. McCLELLAN. Let us have a rollcall.

Mr. STENNIS. I want to ask the Senator from Iowa, as the amendment is written now, the Senator recognizes the present jurisdiction of the two Armed Services Committees, as I understand and any change in that could be made by subsequent legislation, but not by this amendment; is that correct?

Mr. HUGHES. I recognize the jurisdiction of the present Armed Services Committees and the present subcommittees handling the oversight of matters of intelligence and the CIA, yes. There is no attempt, in this amendment, to change or alter any jurisdictional matters in either House.

Mr. STENNIS. That is a fair response. One other matter: the language now says "appropriate report." As long as it was just as the rest of the amendment provides, the President, he would have a matter of discretion whether he would have a written report or whether it would be an oral report to one of his men.

Mr. HUGHES. I would think that as long as the matter was before the committee, the "appropriate report" would be for the determination of the reporting officer by agreement of the committee, and I would think in matters of intelligence or any other necessary covert activity, that might be the best way under certain circumstances.

Mr. STENNIS. The amendment does not require a written report?

Mr. HUGHES. No, it does not.

Mr. STENNIS. I thank the Senator.

Mr. HUGHES. Mr. President, I would like to say, before the question is put, that I hope some day to see the distinguished chairman of the Armed Services Committee support legislation that will require an aboslute oversight by Congress of CIA and other intelligence operations. I realize that absolute cooperation in defense of the country requires, between the President and the intelligence agencies, that they have a certain latitude; but I am just as convinced, as an individual Senator and citizen, that in the interests of the citizens of the country it is our responsibility, in the structures of the committees, to represent them, to make certain that we are conducting the activities of these committees in the public interest of this country, regardless of the operations at any designated point on Earth.

I would encourage the chairman of the Armed Services Committee to be as concerned about that as about the relationships in the administrative branches of the Government.

I thank the distinguished chairman for the exchange on clarification, and for his cooperation, even though he cannot support the amendment as such; and I thank the distinguished manager of the bill for his acceptance and support of the amendment, and the distinguished senior Senator from Missouri, who has long expressed his concerns about these matters and in whose opinion, I suspect, I have already modified the amendment too far. At the same time, I believe it is a matter of cooperation between us to arrive at some designated point of oversight that will be employed, hopefully, in the basic interests of the people of this country.

Mr. STENNIS. Mr. President, if the Senator will yield to me, I do not care to make any more statements, but the Senator directed rather sharp words, in a way, at the activities of the Senator from Mississippi.

Let the matter rest on this: It is not an easy job that I have had on this matter. I will not relate the incidents that have come up. It was my duty, and that was it. After all, we are working for the same country.

Mr. HUGHES. Mr. President, if the Senator will yield, if there was any indication in the words or tone of the Senator from Iowa that he cast, in any way, any adverse reflection on the distinguished chairman, it was not his intention to do so. I would not want to do that.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUGHES. I am happy to yield to the Senator from Missouri.

Mr. SYMINGTON. As long as the distinguished Senator mentioned my name, I would like to present to the Senate why I am heartily in favor of this amendment, at the risk of being somewhat redundant.

At the time of the Kennedy administration, there were several ambassadors who complained that the CIA head in their country was operating without their knowledge and consent, and, as a result, the so-called Kennedy letter was sent to all embassies. That letter stated that the head of the CIA would report to the ambassador in the country in question.

The way the organization is set up back here in Washington, however, despite the fact that the head of the CIA in the country in question reports to the ambassador, the Committee on Foreign Relations often does not have any knowledge of CIA activities in a foreign country or much less the right of review of said activities. Inasmuch as at least 95 percent of the work of the CIA is done in countries with which we are not at war, for many years I have felt that the Foreign Relations Committee should have some right of review of the activities of the Central Intelligence Agency in those countries.

It appeared to me that the amendment of the Senator from Iowa, who serves on the Armed Services Committee, as do I—and we have discussed this matter before—was getting at the meat of this problem, or at least some of the meat of the problem, with this amendment.

So, without any criticism of any member of the Armed Services Committee, especially its chairman, I think it is time that we recognize that if the CIA representatives in all these countries all over the world are to report to the ambassadors, when the matter comes back here, the ambassador's responsibility being to the State Department, the Senate Foreign Relations Committee should have some say with respect to what is being done by the Central Intelligence Agency.

I might say I commend the able Senator from Tennessee for much of the work that he has done in recent months in this particular field. Although at times it was difficult to understand what was going on, it became clear that much of the work of the CIA was not known to the Members of Congress.

I believe that this amendment helps clarify many of these matters, and that is the reason I support it.

Mr. HUGHES. I thank my distinguished colleague from Missouri. I am prepared to yield back the remainder of my time.

Mr. BAKER. Mr. President, will the distinguished Senator yield?

Mr. HUGHES. Yes.

Mr. BAKER. May I express my gratitude to the distinguished Senator from Missouri who has always been conscientious in his efforts at arriving at an understanding of the activities of this agency of Government.

He has been, in my judgment, both loyal to his mandate as a member of the jurisdictional committee having oversight of the CIA, and loyal to himself in his determination to know what was going on.

I commend him for his perseverance and for his efforts in that respect.

I also commend the distinguished Senator from Iowa for his initiative in this respect.

While I previously expressed reservations about supporting other amendments, particularly the Abourezk amendment on the floor without other information, I believe that in this amendment we should support because it states the possibilities that arise in reports to us and to Congress on the activities of his agency.

So I intend to vote for this amendment.

Mr. HUGHES. Mr. President, I appreciate the remarks of the Senator from Tennessee.

Mr. SYMINGTON. I appreciate the remarks of the Senator from Tennessee, for what he said.

Mr. HUMPHREY. Mr. President, I want to say that I support the amendment and commend the Senator from Iowa and all those participating in this discussion. I think it is helpful. It is a forward step, and I suggest we proceed with it. I am prepared to yield back my time.

Mr. HUGHES. Mr. President, I move the adoption of the amendment as modified, and I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired and been yielded back. The question is on agreeing to the amendment, as modified, of the Senator from Iowa (putting the question).

The amendment, as modified, was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. HUGHES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1928

Mr. JOHNSTON. Mr. President, I have an amendment at the desk, No. 1928, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert the following new section at the end of the bill:

INVOLVEMENT OF PUERTO RICO IN THE CARIBBEAN DEVELOPMENT BANK

SEC. ——. (a) The President is authorized to transmit to the Caribbean Development Bank an instrument stating that the Commonwealth of Puerto Rico has the authorly to conclude an agreement of accession with such bank and to assume rights and obligations pursuant to such agreement. However, such agreement shall be subject to the prior approval of the United States Department of State.

(b) The instrument transmitted by the President to the Caribbean Development Bank under subsection (a) shall state that the United States shall not assume any financial or other responsibility for the performance of any obligation incurred by the Commonwealth of Puerto Rico pursuant to such agreement of accession or pursuant to any other aspect of its membership or participation in such bank.

(c) Such agreement of accession shall provide that the Commonwealth of Puerto Rico may not receive from the Caribbean Development Bank any funds provided to the bank by the United States.

Mr. JOHNSTON. Mr. President, this amendment, very simply, grants to Puerto Rico the ability to join the Caribbean Development Bank, a regional economic bank. The bank is unique in a number of respects. It is an economic bank. It is regional. Puerto Rico is particularly suited to give it expertise and help and, because of its uniqueness, this serves as no precedent for the larger question of whether or not Puerto Rico ought to be allowed to take part in foreign affairs. That larger question is being considered by the Ad Hoc Advisory Group on Puerto Rico and, therefore, this serves as no precedent for that. But this is supported by the State Department which believes that this is a proper role for Puerto Rico to play.

Mr. HUMPHREY. I want to say to the Senator I think the amendment is timely. It will be very helpful, and I am pleased he has brought it to our attention. It should be included in this legislation.

I, speaking for the committee as best I can here—I see the distinguished Senator from Vermont here——

Mr. AIKEN. Mr. President, I have an amendment and I hope it will be accepted.

Mr. HUMPHREY. Mr. President, I yield back the time on this amendment.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Louisiana. [Putting the question.]

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. AIKEN. I send an amendment to the desk and I would like it read.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

On page 55 after line 17 insert the following:

Sec. 33. No country may receive any funds authorized to be appropriated by this Act if such country pays in whole or in part any expenses which are directly or indirectly related to travel abroad by Members of Congress, their families or congressional employees.

Mr. AIKEN. Mr. President, if I may speak briefly on this amendment, it is becoming altogether too common practice for countries which are dependent on U.S. aid and to which we have contributed most heavily, to send invitations to Members of Congress inviting them to come to their country for rather extended visits with the country that invites them agreeing to pay all expenses from the time they leave Washington until they get there and then, perhaps, a week or two of entertainment and travel around that country, and then have their expenses paid back to Washington.

I think it is time we stopped that. I would not offer this amendment if I had not received such invitations myself. I am not trying to make it retroactive in any way, but when you accept one of those invitations you are supposed to come back here and support legislation which is favorable to that country.

I know they have sometimes told visitors, "We will take care of your hotel bill." But now they are more generous.

They offer to pay expenses from Washington over there, thousands of miles away, and then they pay the costs of the return trip, and all the entertainment and hotel costs that you have while you are there.

I think it is time to stop it. I hope the managers of the bill will accept this amendment. It is a good one.

Mr. HUMPHREY. Might I add it is a good one.

I think I should bring out very candidly that it will pose a problem in relationship to some countries.

Mr. AIKEN. Of course, it will.

Mr. HUMPHREY. To the People's Republic of China.

Mr. AIKEN. We do not give aid to the People's Republic of China.

Mr. HUMPHREY. I just want to bring out that in order to travel there, as we did recently, their system is that when you land there you are their guest, and that is the way it is. If you are going to go there as an official that is the way it is, and there is no way you can change it, and they feel that they run their country, and I think that is true. They are in pretty good charge.

I am opposed to people taking trips at other governments' expenses in order to sort of honey up to you a little bit to get you a little softer in terms of some particular program. I think that is absolutely wrong, and the amendment of the Senator from Vermont is absolutely right. But I do believe that candor is required in this situation.

Might I say there is another little problem. I understand that the Soviet Union, for example, in the parliamentary exchange likes to have a system where they pick up the tab when you are there, and if they send a group over, you pick up the tab when they are here.

Now, we can change that, but that is the way it has been.

Mr. AIKEN. Well, Mr. President, neither the Soviet Union nor the People's Republic of China would be affected by this amendment because we do not give them aid.

Mr. HUMPHREY. Good. I hope we do not.

Mr. AIKEN. We do not give them any aid, as a matter of fact this amendment applies only to countries which receive aid from the United States. Frequently, they want to invite Members of Congress to visit them and have a good long vacation trip, with all the vacation costs and transportation costs paid by the country. I do not like that at all.

I should have spoken about it before, and I would not know about it if I had not received invitations myself.

At this time I am not naming any countries or any Members of Congress—well, I would not name them anyway—who have accepted such invitations.

Mr. HUMPHREY. Well, I can say that the manager of the bill has never even had such a privilege, but I would like to have a chance to reject one. [Laughter.]

Mr. AIKEN. I think it would be wonderful if Congress stood up for a little integrity.

Mr. HUMPHREY. I join in the stand for integrity and readily agree to vote for the amendment of the Senator from Vermont and I wish to goodness that I had offered it myself. He is always right out in front.

I am prepared to yield back any time on this side.

Mr. AIKEN. I am not ready to make this amendment retroactive in any way, so I do not want anybody to worry about it. But I do think in the future we should serve notice that they have got to decide whether they are working for some foreign country with respect to our legislation which comes before us or whether they are working exclusively for the interest and welfare of the United States.

Mr. HUMPHREY. We salute the Senator.

Mr. BAKER. Mr. President, if one of the Senators will yield only to make clear that—there are not many of us in the Chamber, and I suppose I speak for a great many, when I say—those of us who have never had such an invitation feel discriminated against. [Laughter.]

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield back all my time.

The PRESIDING OFFICER. Does the Senator from Vermont yield back all his time?

Mr. AIKEN. Yes, I yield back.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Vermont (putting the question).

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. ABOUREZK. I have an amendment at the desk, amendment No. 1869.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ABOUREZK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. I also ask unanimous consent that a modification be made to this amendment. On page 1, line 2, strike the words "economic or".

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendment, as modified, is as follows:

On page 55, line 18, insert the following:

SEC. 33. (a) No funds made available under this or any other law shall be used to provide military assistance or to make sales, credit sales, or guaranties, to or for any foreign country unless the President determines and certifies in writing to the Congress that that country is not practicing the internment or imprisonment of its citizens for political purposes. The definition of political prisoners is as follows: ". . . those who are imprisoned, detained, restricted or otherwise subjected to physical coercion or restriction by reason of their conscientiously held beliefs, or by reason of their ethnic origin, color, or language, provided they have not used or advocated violence."

(b) Between July 1 and July 30 of each year, the President shall submit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate certifying each foreign country which he determines is not engaged in practices of internment or imprisonment of that country's citizens for political purposes. No such assistance, sale, credit sale, or guaranty shall be made—

(A) to or for any foreign country during that thirty-day period immediately following the day on which such report is submitted; and

(B) after the expiration of such thirty-day period, to or for any foreign country with respect to which such a certification is not made.

(c) If the President intends to provide during a fiscal year such assistance, or make such sale, credit sale, or guaranty, to or for a foreign country for which he has made no certification under subsection (b) of this section with respect to that fiscal year, or for which a certification was made but such assistance, sales, credit sales, and guaranties were terminated under subsection (a) of this section, he may submit a supplemental report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate certifying such country as satisfying the provisions of clauses (A) and (B) of subsection (b) of this section. No such assistance, sale, credit sale, or guaranty shall be made to or for any foreign country with respect to which the President has made such a certification during that thirty-day period immediately following the day on which such supplemental report is submitted.

(d) The provisions of this section shall not apply to funds made available under section 451 of the Foreign Assistance Act of 1961.

Mr. ABOUREZK. Mr. President, this amendment requires the President to certify that a government does not hold political prisoners before that government can receive U.S. military aid. The effect of the amendment is that it requires positive decision by the administration to notify Congress that countries which have received our aid are not holding political prisoners, and that, therefore, encourages the administration's participation in section 32 of the Foreign Assistance Act which the committee adopted last year, which calls for human rights to be used as an active policymaking factor.

I reserve the remainder of my time.

Mr. HUMPHREY. Mr. President, I must reluctantly oppose the amendment offered by the Senator from South Dakota, not because I object to the principle involved, but because I think that the requirement his amendment imposes would be unworkable.

On these amendments, we have to choose between God and the devil, and the choice is not quite that clear.

I am sure that no Member of the Senate condones the jailing of persons because of their political beliefs or the color of their skin. Such conduct by a government surely should be scorned and looked down upon as violating everything our country stands for.

But to require the President to certify to Congress that a country does not jail persons because of what they believe, or because of their color or ethnic origin, would impose on him an impossible task. It would make him the overseer of every prison and jail in every country that receives any form of American assistance.

I believe the Senator limited his assistance, if I am correct, to military assistance. I want to be clear about this. It was first economic or military.

I do not think that any President could

in good conscience, make the kind of certification the Senator's amendment requires for any country on the globe, including our own. There are plenty of prisoners in jails throughout the United States who while having been found guilty of violating some criminal statute, nevertheless, are convinced and say loudly that they were jailed solely because of their political views, or ethnic origin, or the color of their skin.

To carry out the Senator's amendment effectively would require intervention by the United States into every level of a country's criminal justice system and constant monitoring of their courts and jails. Remember, they are not all in the capital cities of these countries. To do otherwise would be something less than full compliance with the mandate imposed on the President by the Senator's amendment.

Last year the Senate approved a provision in S. 2335, the foreign economic aid bill, which expresses the Congress' views on the question of political prisoners. That provision became section 32 of Public Law 93-189 and reads as follows:

> SEC. 32. It is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

The Senator from South Dakota offered an amendment on the floor similar to the one now before us and it was rejected by a vote of 23 to 67.

here is that we do not want to offer any

Again I want to say that the objective military aid, any type of military assistance, to any country that imprisons people because of political views.

The question sometimes is too hard to determine, whether or not that is the reason they were imprisoned.

I think the Senator is putting a burden on any President that would be very difficult for him to honor, in all integrity.

I hope what we did in the act last year will give a guideline to the President and that it will at least express to the Chief Executive, the President of the United States, the views of the Senate.

Mr. **GRIFFIN.** Will the Senator yield?

Mr. **HUMPHREY.** I yield to the Senator.

Mr. **GRIFFIN.** I want to associate myself with the remarks and the argument made by the distinguished Senator from Minnesota, the manager of the bill.

It is a tough amendment to oppose, it has a lot of appeal, but it is impossible to administer, in my opinion.

I would like to direct a question to the distinguished author of the amendment.

I wonder if the United States of America would be qualified to receive aid, if it were otherwise qualified, under the amendment of the Senator from South Dakota.

I think, for example, of many who have been convicted and imprisoned because of their refusal to serve in the war in Vietnam. For example, in their minds they conscientiously believe that they are political prisoners, or have been political prisoners.

I wonder if the author of the amendment would care to comment on that?

Mr. **ABOUREZK.** Well, I suppose that there are some people involved in the Watergate scandal that might consider themselves political prisoners.

But I do not think such a discussion would be valuable or beneficial to the discussion on this amendment because we obviously are not going to cut off military aid to ourselves. I think it is irrelevant, it has nothing to do with the amendment.

The fact is that we are providing military aid to a great many countries throughout the world that are known, by virtue of eyewitnesses, to imprison for political purposes their own citizens.

I remember when the State Department consistently denied that the Greek junta practiced political imprisonment during the 7-year rule of their dictatorship. Our State Department consistently denied the existence of political prisoners, yet when Karamanlis took over, I saw on CBS television the return of the political prisoners from an island on which they had been interred, some of them for the entire 7 years.

When the manager of the bill says it imposes an impossible burden upon the President to find out who has political prisoners and who does not, I think that is a burden that the President of the United States would want to undertake. How can this country, the land of the free, the land that champions democracy in all of its language, in all of its rhetoric, how can this country say that we are going to provide aid to any country that imprisons somebody only for their political beliefs and who tortures them?

There is incredible, inhumane torture that goes on in the prisons in which these people are held. It is absolutely irrefutable that this is what goes on in the countries that have been determined by many international organizations to hold political prisoners.

Mr. **GRIFFIN.** Well, the Senator from South Dakota, of course, realizes he did not answer my question, and I think the fact that he did not answer the question makes it very clear how difficult this would be to administer.

We must keep in mind that all of the other countries in the free world do not have constitutions and laws that strictly coincide with those we have in this country.

If we were to have difficulty making such a judgment on the matter that I raised, imagine what it could be in some of the other countries which do not have freedom of speech, at least to the extent that we enjoy it, and some of the other freedoms that we have under our Constitution.

I can well imagine that there could be 100 different definitions among the Senators in this Chamber as to what would constitute a political prisoner even under the definition the Senator has provided.

Mr. **ABOUREZK.** Will the Senator yield?

Mr. **GRIFFIN.** Yes.

Mr. **ABOUREZK.** There is a definition in the law, through this amendment, that precludes 100 different definitions. This is the one, if the Senate adopts it, which would be used.

Mr. **GRIFFIN.** I have read the definition and it is based on the conscientiously held beliefs and, of course, that leaves a lot of room for argument.

Mr. **HUMPHREY.** Mr. President, I want to say that when the Senator presented his amendment, I believe it was a year ago, I was basically in support of it, and said so, but the Senate rejected it overwhelmingly, and I think that, as we held hearings later on, I mean, as we went into it, it was in the committee, and I offered this, by the way, Senator, in committee.

Mr. **ABOUREZK.** This year?

Mr. **HUMPHREY.** Last year, when we had it in committee before.

Mr. **ABOUREZK.** The Senator last year voted against this.

Mr. **HUMPHREY.** No, I did not. I was handling the bill a year ago and at that time said I thought the amendment had merit and I would support it, but the Senate overwhelmingly rejected it.

What we have done this year is we have required, under section 30 of the Foreign Assistance Act, that the President report to Congress annually on the implementation of section 32, which I read earlier in this debate. Section 32 is that it is the sense of Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

So we have insisted that the President take cognizance of this matter of imprisonment and political prisoners, and demanded in this bill in section 30—and I can get the exact language of it—that the President report.

My concern is that it just depends upon who defines who is a political prisoner.

Mr. **ABOUREZK.** May I ask for the yeas and nays on this amendment?

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **HUMPHREY.** The language in the bill states:

> Commencing with respect to 1974, the President shall submit annually to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a written report setting forth fully the steps he has taken to carry out this section.

That section refers to section 32.

I think that is about as much as one can expect.

What you are really asking the President to do here is to determine whether or not a person has been imprisoned, detained, or restricted by reason of their ethnic origin, color, or language, or because of the beliefs that he held.

I think it is a very difficult task, if not impossible, under all of that.

There are measures that are being taken to restrict aid to countries that have proven to be exercising imprisonment for political purposes. Hearings have been held in the other body. Funds were cut in this bill because of this.

I think on case-to-case situation we can do it. For example, I voted yesterday for the amendment of the Senator from Massachusetts (Mr. KENNEDY) on Chile. When you can bring the evidence into this body and show that that evidence is manifestly true, then I think we need to take the action here to cut it off. Frankly, that is what the President of the United States should be able to do.

I wonder how the President of the United States is going to go through every country in Africa, every country in Latin America, every country in Asia that gets military assistance and make the determination that aid ought to stop, because he feels that there has been some kind of harassment, imprisonment, detained, or restricted, or otherwise subjected to physical coercion or restriction.

Really, would we permit, for example, if we were getting some assistance, somebody to come in here, go into the State of South Dakota, go into their prisons and see how they are handling things? Or Minnesota?

Speaking of prison reform, we have a job to do at home. I suggest before we start to reform the whole world, we might take a look at what is happening in many of our own States; what happens in the District of Columbia; what happens at Lorton; what happens in Attica; what happens in Maryland; what happens in Sandstone, Minn.

We have people in Sandstone, Minn., who say they are there because they are political prisoners. Why are they political prisoners? Because they robbed a bank. Why does that make them political prisoners? Because the law says it is illegal, and they do not think it should be illegal.

Really, I think we are asking the President to do too much on that, I say to the Senator.

Mr. ABOUREZK. The Senator says it is impossible to go into a State to determine if they are complying with a law before giving them aid. We do that all the time. We have conditions placed on Federal aid in nearly every program that we have.

Mr. HUMPHREY. I did not say it was impossible. I said if you want to start, we can go around and take a look at the States.

Mr. ABOUREZK. I misunderstood. I though the Senator said it was impossible.

Mr. HUMPHREY. I said we can take a look at the States. I do not want to argue it again. We argued this a year ago.

The Senator has an issue here where it looks like one has a vote against Mother's Day. But the simple fact is that he is asking the President of the United States to look at the whole world, to come here and say, "Before they can get help, we want to walk into their prisons and interview the prisoners."

If you interview the prisoners, most of them will say they were hijacked politically. Of course, they will, with few exceptions. They will say, "The powers that be put me in jail." That is coercion, political imprisonment.

Mr. ABOUREZK. I am ready to yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. MANSFIELD. Will the Senators yield me 1 minute before they yield back the remainder of their time?

Mr. HUMPHREY. I yield.

Mr. ABOUREZK. I yield.

JURY FEE ACT OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1132, S. 3265, which has been cleared all the way around.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3265) to increase the fees and reduce the financial hardships for those individuals who serve on grand or petit juries in district courts.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, on page 1, beginning with line 4, strike out:

SEC. 2. (a) The first sentence of section 1871 of title 28, United States Code, is amended to read as follows:

"Grand and petit jurors in district courts shall receive the following fees, except as otherwise expressly provided by law:

For actual attendance at the place of trial or hearing and for the time necessarily occupied in going to and from such place at the beginning and end of such service or at any time during the period of such service, $25 per day, or, if greater, the juror's average daily salary, wage, or other earned income received during the twenty work days immediately preceding the beginning of such juror's service, except that any juror receiving not more than $25 per day who is required to attend more than thirty days of hearings on the same grand or petit jury may be paid, for each day after the thirtieth day of such hearings, in the discretion and upon the certification of the trial judge, or, in cases involving grand juries, the chief judge of the district court for the district in which the grand jury is sitting, an additional fee of $5 per day. The additional fee may be paid retroactively by way of reimbursements. In any case in which a juror is paid a daily fee based on his average daily salary, such fee shall be reduced if the juror is paid by his employer or otherwise earns income, or both, for those days in which such juror is required to sit on the jury by an amount which is equal to the amount paid by his employer or otherwise earned on each such day. Notwithstanding the preceding provisions of this section, no grand or petit juror shall be paid any amount in excess of $100 per day for service on a grand or petit jury.".

(b) Section 1871 of such title is further amended—

(1) by striking out "10 cents" both places it appears and inserting in lieu thereof "20 cents"; and

(2) by striking out "$16" and inserting in lieu thereof "$20".

and insert the following:

SEC. 2. That section 1871 of title 28 of the United States Code is amended in its entirety to read as follows:

"§ 1871. Fees

"(a) GENERAL AUTHORITY.—Grand and petit jurors in district courts appearing pursuant to chapter 121 of this title shall be paid the fees and allowances as provided by this section. The United States marshal shall pay the requisite fees and allowances on the certificate of the clerk of the court, provided that, as specified in subsections (b), (c), and (e) of this section, proper certification has been made by the court or the judge.

"(b) ATTENDANCE FEE; CERTIFICATION OF ADDITIONAL FEES FOR EXTENDED SERVICE.—A grand or petit juror shall be paid an attendance fee of $25 per day for actual attendance at the place of trial or hearing. A grand or petit juror shall also be paid the attendance fee for the time necessarily occupied in going to and from such place at the beginning and end of such service or at any time during the same.

"A petit juror required to attend more than thirty days of actual service may be paid in the discretion and upon the certification of the chief judge an additional fee not exceeding $5 more than the attendance fee for each day in excess of thirty days of actual service.

"A grand juror required to attend more than forty-five days of actual service may be paid in the discretion and upon the certification of the district judge in charge of the particular grand jury an additional attendance fee not exceeding $5 more than the attendance fee for each day in excess of forty-five days of actual service.

"Certification of additional attendance fees may be made effective by the certifying judge from and after the first day of extended service, without reference to the date of the certification.

"(c) TRAVEL ALLOWANCES; TOLL CHARGES; PARKING FEES; TRAVEL IN AREAS OTHER THAN THE CONTIGUOUS STATES OF THE UNITED STATES.—A travel allowance equal to the maximum rate per mile that the Director of the Administrative Office of the United States Courts prescribes pursuant to section 604 (a) (7) of title 28, United States Code, for payment to supporting court personnel in travel status for using privately owned automobiles shall be paid to each juror regardless of mode of transportation. The prescribed rate shall be paid for the distance necessarily traveled to and from a juror's residence by the shortest practicable route in going to and returning from the place of service at the beginning and at the end of the term of service. Actual mileage in full at the prescribed rate is payable at the beginning and at the end of a juror's term of service.

"The Director shall promulgate rules regulating interim travel allowances of jurors. Distances traveled to and from court should coincide with the shortest practicable routes.

"Toll charges for toll roads, bridges, tunnels, and ferries shall be paid in full to the juror incurring these charges. In the discretion of the court, reasonable parking fees may be paid to jurors incurring such charges upon presentation of a valid parking receipt. Parking charges shall not be included within any tabulation of mileage costs.

"Any juror who travels to district court pursuant to a summons in an area outside of the contiguous forty-eight States of the United States shall be paid the travel expenses provided under this section or actual reasonable transportation expenses subject to the discretion of the district judge as circumstances indicate, exercising due regard to all available alternative modes of transportation and the shortest practicable routes from home to court.

"(d) SUBSISTENCE ALLOWANCES; SUBSISTENCE IN AREAS OUTSIDE CONTIGUOUS UNITED STATES.—A fixed subsistence allowance covering meals and lodging shall be established from time to time by the Director of the Administrative Office of the United States Courts pursuant to section 604(a) (7) of title 28, United States Code, except that such allowance shall not exceed the maximum allowance for supporting court personnel in travel status, and such claims shall not require itemization.

"Subsistence shall be allowed for the

time spent in traveling to and from the place of attendance if an overnight stay is necessitated.

"A subsistence allowance for jurors serving in district courts outside the contiguous forty-eight States of the United States shall be allowed at a rate not exceeding the maximum allowance which is paid to court personnel in travel status in those areas where the Director of the Administrative Office of the United States Courts has prescribed an increased per diem or allowance pursuant to section 604(a)(7) of title 28, United States Code.

"(e) Sequestered Jurors.—Whenever in any situation a jury is ordered to be kept together and not to separate, the actual cost of subsistence during such period shall be paid by the United States marshal upon the order of the court in lieu of subsistence allowances payable under subsection (d). Such allowance for the jurors ordered to be kept separate or sequestered shall include meals and lodging and other necessities for their convenience and comfort.

"(f) Regulations.—The Director of the Administrative Office of the United States Courts shall promulgate such regulations as may be necessary to carry out his authority under this section.".

Sec. 3. The amendments made by this Act shall apply in the case of any grand or petit jury impaneled on or after the date of enactment of this Act.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. MANSFIELD. Mr. President, I send to the desk an amendment on behalf of the Senator from Pennsylvania (Mr. Schweiker), and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert: That (a) chapter 121 of title 28, United States Code, is amended by adding at the end thereof the following new section:

§ 1875. Employment rights

"(a) In the case of any individual who leaves a position (other than a temporary position) in the employ of any employer to perform jury service, and who receives a certificate from the court verifying such service, and makes application, within fifteen days after he is relieved from such service, to be reemployed in such position—

"(1) if such position was in the employ of a private employer, such individual shall—

"(A) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(B) if not qualified to perform the duties of such position by reason of disability sustained during the period of such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so; or

"(2) if such position was in the employ of any State or political subdivision thereof, if it is declared to be the sense of the Congress that such individual should—

"(A) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

"(B) if not qualified to perform the duties of such position by reason of disability sustained during the period of such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay or the nearest approximation thereof consistent with the circumstances in his case.

"(b)(1) Any individual who is restored to a position in accordance with the provisions of paragraph (1) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during his period of jury service, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such individual entered upon jury service, and shall not be discharged from such position without cause within one year after such restoration.

"(2) It is declared to be the sense of the Congress that any individual who is restored to a position in accordance with the provisions of paragraph (1) of subsection (a) of this section should be so restored in such manner as to give such individual such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering upon jury service until the time of his restoration to such employment.

"(e) In any case in which two or more individuals who are entitled to be restored to a position under the provisions of this section, or of any other law relating to similar reemployment benefits, left the same position in order to enter upon jury service, the individual who left such position first shall have the prior right to be restored thereto, without prejudice, to the reemployment rights of any other individual to be restored.

"(d) for purposes of this section, the term 'jury service' includes service upon any grand or petit jury of the United States.

(b) The analysis of such chapter 121 is amended by adding at the end thereof the following new item:

"1875. Employment rights.".

Sec. 2. (a) Chapter 85 of such title is amended by adding at the end thereof the following new section:

"§ 1364. Employment rights of jurors

"(a) The district courts shall have original jurisdiction, without regard to the amount in controversy, to require any private employer to comply with the provisions of section 1875 of this title, and to award damages for any loss of wages or other benefits suffered by reason of such employer's action.

"(b) An individual claiming entitlement to the benefits of section 1875 of this title may make application to the United States attorney for the district in which the employer charged with a violation of such section maintains a place of business and said attorney shall, if reasonably satisfied that the individual making application is entitled to such benefits, appear and act as attorney for such individual in any action necessary to require such employer to comply with such section. No fees or court costs may be taxed against any individual in good faith bringing any action under such section. Only the employer shall be deemed a necessary party to any such action.".

(b) The analysis of such chapter is amended by adding at the end thereof the following new item:

"1364. Employment rights of jurors.".

Mr. GRIFFIN. Mr. President, reserving the right to object, and I do not intend to object, the majority leader, as I understand it, has checked this with Senator Hruska.

Mr. MANSFIELD. Senator Hruska, Senator Burdick, Senator Schweiker, and the leadership on both sides.

Mr. McCLURE. Reserving the right to object, and I shall not object, is the amendment that the Senator from Montana sent to the desk on behalf of Senator Schweiker the one that guarantees the continued employment of those persons who are called for jury duty?

Mr. MANSFIELD. Not continued employment; employment rights. Their rights to reemployment are protected. Two jurors in the Watergate hearings lost their jobs.

Mr. McCLURE. I just wanted to identify the amendment, because that is one I strongly support, and certainly hope that it will become the law of this land.

Mr. MANSFIELD. I appreciate the Senator's statement.

Mr. McCLURE. I withdraw my objection.

Mr. SCHWEIKER. This amendment is cosponsored by Senators Mondale, Metzenbaum, Biden, McClure, Ribicoff, and Scott of Pennsylvania.

This amendment, which I originally introduced as S. 3776, will establish for the first time basic job protection for persons serving on Federal juries. Too often jurors are not only asked to pay with their time, but are forced to pay with their jobs, simply for performing their civic duty.

I have discussed this amendment with the distinguished chairman of the Subcommittee on Improvement in Judicial Machinery, Senator Burdick, and I understand he will accept my amendment. I commend Senator Burdick, Senator Hruska, and the members of the Judiciary Committee for their energetic efforts in the area of judicial reform, and I would like to acknowledge the efforts of the distinguished majority leader, Senator Mansfield, in pushing for prompt action on this measure.

My amendment has the following major provisions:

First. Any employee—except a temporary worker—who applies for reemployment within 15 days after completion of Federal jury duty must be rehired with his former seniority, status, and pay, provided he receives a certificate from the court verifying his service, and further provided the employer's circumstances have not changed so as to make reemployment impossible or unreasonable.

Second. Any employee so restored to his position shall be considered to have been on furlough or leave of absence during his jury service for purposes of insurance and other employment benefits, and such employee cannot be discharged without cause for a 1-year period thereafter.

Third. Original jurisdiction is created in the Federal district courts to grant money damages under this measure, regardless of the amount in controversy.

Fourth. The U.S. attorney is required to act as attorney for any person seeking relief under this measure, and no attorney fees or court costs may be charged.

As originally introduced, S. 3776 applied to State juries as well as Federal juries. I have now narrowed this provision, making it applicable only to Federal juries, to avoid any possible dispute over its constitutionality. I would emphasize, however, that this amendment applies to both grand and petit juries on the Federal level, and I would hope the States will promptly enact comparable protection for jurors.

I have also deleted the specific statutory requirement that Federal courts give precedence to recovery actions brought under this new authority. I am certain that our Federal courts will be sensitive to the need for speedy action on cases brought under my amendment, particularly since the U.S. attorney will be attorney for the plaintiff in these cases. But I agree with Chairman Burdick that the vast proliferation of statutory requirements that our courts expedite particular classes of actions threatens to make all such requirements meaningless; therefore, I have deleted the statutory precedence, but I would nevertheless urge the courts insure prompt action on cases of this nature.

I believe the Senate action today on S. 3265, as well as on my amendment, will encourage expanded citizen participation in our judicial system. I urge prompt action by the House of Representatives to insure that these measures become law.

Mr. HUGH SCOTT. Mr. President, I am delighted today to join as a sponsor on Senator Schweiker's S. 3776. This important legislation protects the employment rights of individuals who serve on grand or petit juries. The bill essentially provides in the case of an individual who leaves a position of employment to perform jury service that within 15 days after leaving jury service he or she is entitled to be reemployed by his former employer. In other words, the individual is guaranteed job security if he returns to his former place of employment within a certain period. The juror who is qualified to perform the duties of his position shall not lose either his seniority status or pay as a result of mandated absence for jury duty. The bill also goes on to discuss an employee of a State or political subdivision. The bill outlines the sense of Congress that an employee of a political subdivision likewise should not be penalized for serving on a jury as required by local courts.

This is vital legislation for an individual serving on jury duty, because the juror is often away from his place of employment for several months. It is wrong that an individual who is fulfilling his public duty should be forced to risk his source of employment. This problem has been particularly illustrated over the last several years with the extremely long life of some grand juries.

I encourage my colleagues to join me as a sponsor of this important legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania (Mr. Schweiker).

Mr. Schweiker's amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (S. 3265) was passed, as follows:

S. 3265

An act to amend the Jury Selection and Service Act of 1968, as amended (28 U.S.C. 1861 et seq.), by revising the section on fees, section 1871, and by adding a new section 1875, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Jury Fee Act of 1974".

Sec. 2. That section 1871 of title 28 of the United States Code is amended in its entirety to read as follows:

"§ 1871. Fees

"(a) General Authority.—Grand and petit jurors in district courts appearing pursuant to chapter 121 of this title shall be paid the fees and allowances as provided by this section. The United States marshall shall pay the requisite fees and allowances on the certificate of the clerk of the court, provided that, as specified in subsections (b), (c), and (e) of this section, proper certification has been made by the court or the judge.

"(b) Attendance Fee; Certification of Additional Fees for Extended Service.—A grand or petit juror shall be paid an attendance fee of $25 per day for actual attendance at the place of trial or hearing. A grand or petit juror shall also be paid the attendance fee for the time necessarily occupied in going to and from such place at the beginning and end of such service or at any time during the same.

'A petit juror required to attend more than thirty days of actual service may be paid in the discretion and upon the certification of the chief judge an additional fee not exceeding $5 more than the attendance fee for each day in excess of thirty days of actual service.

"A grand juror required to attend more than forty-five days of actual service may be paid in the discretion and upon the certification of the district judge in charge of the particular grand jury an additional attendance fee not exceeding $5 more than the attendance fee for each day in excess of forty-five days of actual service.

"Certification of additional attendance fees may be made effective by the certifying judge from and after the first day of extended service, without reference to the date of the certification.

"(c) Travel Allowances; Toll Charges; Parking Fees; Travel in Areas Other Than the Contiguous States of the United States.—A travel allowance equal to the maximum rate per mile that the Director of the Administrative Office of the United States Courts prescribes pursuant to section 604(a) (7) of title 28, United States Code, for payment to supporting court personnel in travel status for using privately owned automobiles shall be paid to each juror regardless of mode of transportation. The prescribed rate shall be paid for the distances necessarily traveled to and from a juror's residence by the shortest practicable route in going to and returning from the place of service at the beginning and at the end of the term of service. Actual mileage in full at the prescribed rate is payable at the beginning and at the end of a juror's term of service.

"The Director shall promulgate rules regulating interim travel allowances of jurors. Distances traveled to and from court should coincide with the shortest practicable routes.

"Toll charges for toll roads, bridges, tunnels, and ferries shall be paid in full to the juror incurring these charges. In the discretion of the court, reasonable parking fees may be paid to jurors incurring such charges upon presentation of a valid parking receipt. Parking charges shall not be included within any tabulation of mileage costs.

"Any juror who travels to district court pursuant to a summons in an area outside of the contiguous forty-eight States of the United States shall be paid the travel expenses provided under this section or actual reasonable transportation expenses subject to the discretion of the district judge as circumstances indicate, exercising due regard to all available alternative modes of transportation and the shortest practicable routes from home to court.

"(d) Subsistence Allowances; Subsistence in Areas Outside Contiguous United States.—A fixed subsistence allowance covering meals and lodging shall be established from time to time by the Director of the Administrative Office of the United States Courts pursuant to section 604(a)(7) of title 28, United States Code, except that such allowance shall not exceed the maximum allowance for supporting court personnel in travel status, and such claims shall not require itemization.

"Subsistence shall be allowed for the time spent in traveling to and from the place of attendance if an overnight stay is necessitated.

"A subsistence allowance for jurors serving in district courts outside the contiguous forty-eight States of the United States shall be allowed at a rate not exceeding the maximum allowance which is paid to court personnel in travel status in those areas where the Director of the Administrative Office of the United States Courts has prescribed an increased per diem or allowance pursuant to section 604(a)(7) of title 28, United States Code.

"(e) Sequestered Jurors.—Whenever in any situation a jury is ordered to be kept together and not to separate, the actual cost of subsistence during such period shall be paid by the United States marshal upon the order of the court in lieu of subsistence allowances payable under subsection (d). Such allowance for the jurors ordered to be kept separate or sequestered shall include meals and lodging and other necessities for their convenience and comfort.

"(f) Regulations.—The Director of the Administrative Office of the United States Courts shall promulgate such regulations as may be necessary to carry out his authority under this section.".

Sec. 3. The amendments made by this Act shall apply in the case of any grand or petit jury impaneled on or after the date of enactment of this Act.

Sec. 4. (a) chapter 121 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1875. Employment rights

"(a) In the case of any individual who leaves a position (other than a temporary position) in the employ of any employer to perform jury service, and who receives a certificate from the court verifying such service, and makes application, within fifteen days after he is relieved from such service, to be reemployed in such position—

"(1) if such position was in the employ of a private employer, such individual shall—

"(A) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(B) if not qualified to perform the duties of such position by reason of disability sustained during the period of such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

unless the employee's circumstances have not charged as to make it impossible or unreasonable to do so; or

"(2) if such position was in the employ of any State or political subdivision thereof, if is declared to be the sense of the Congress that such individual should—

"(A) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

"(B) if not qualified to perform the duties of such position by reason of disability sustained during the period of such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

"(b) (1) Any individual who is restored to a position in accordance with the provisions of paragraph (1) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during his period of jury service, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such individual entered upon jury service and shall not be discharged from such position without cause within one year after such restoration.

"(2) It is declared to be the sense of the Congress that any individual who is restored to a position in accordance with the provisions of paragraph (1) of subsection (a) of this section should be so restored in such manner as to give such individual such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering upon jury service until the time of his restoration to such employment.

"(c) In any case in which two or more individuals who are entitled to be restored to a position under the provisions of this section, or of any other law relating to similar reemployment benefits, left the same position in order to enter upon jury service, the individual who left such position first shall have the prior right to be restored thereto, without prejudice, to the reemployment rights of any other individual to be restored.

"(d) For purposes of this section, the term 'jury service' includes service upon any grand or petit jury of the United States."

(b) The analysis of such chapter 121 is amended by adding at the end thereof the following new item:

"1875. Employment rights.".

SEC. 5 (a) Chapter 85 of such title is amended by adding at the end thereof the following new section:

"§ 1364. Employment rights of jurors

"(a) The district courts shall have original jurisdiction, without regard to the amount in controversy, to require any private employer to comply with the provisions of section 1875 of this title, and to award damages for any loss of wages or other benefits suffered by reason of such employer's action.

"(b) An individual claiming entitlement to the benefits of section 1875 of this title may make application to the United States attorney for the district in which the employer charged with a violation of such section maintains a place of business, and said attorney shall, if reasonably satisfied that the individual making application is entitled to such benefits, appear and act as attorney for such individual in any action necessary to require such employer to comply with such section. No fees or court costs may be taxed against any individual in good faith bringing any action under such section. Only the employer shall be deemed a necessary party to any such action.".

(b) The analysis of such chapter is amended by adding at the end thereof the following new item:

"1364. Employment rights of jurors.".

The title was amended so as to read:

A bill to amend the Jury Selection and Service Act of 1968, as amended (28 U.S.C. 1861 et seq.), by revising the section on Fees, section 1871.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, I move to table the Abourezk amendment.

Mr. ABOUREZK. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays are ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alaska (Mr. GRAVEL), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Colorado (Mr. HASKELL), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. CURTIS) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Kansas (Mr. DOLE) would vote "yea."

The result was announced—yeas 57, nays 25, as follows:

[No. 444 Leg.]

YEAS—57

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Brock
Brooke
Buckley
Byrd, Robert C.
Cannon
Case
Chiles
Cotton
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Jackson
Johnston
Long
Magnuson
Mansfield
McClellan
McClure
McIntyre
Metzenbaum
Montoya
Muskie
Nunn
Pearson
Percy
Randolph
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Williams
Young

NAYS—25

Abourezk
Biden
Burdick
Byrd, Harry F., Jr.
Church
Clark
Cranston
Eagleton
Ervin
Hart
Hartke
Hatfield
Inouye
Javits
Kennedy
Mathias
McGovern
Mondale
Nelson
Pastore
Pell
Proxmire
Ribicoff
Schweiker
Tunney

NOT VOTING—18

Bayh
Bellmon
Bennett
Cook
Curtis
Dole
Domenici
Dominick
Fulbright
Gravel
Hansen
Haskell
McGee
Metcalf
Moss
Packwood
Sparkman
Weicker

So the motion to table Mr. ABOUREZK's amendment was agreed to.

Mr. CLARK. Mr. President, I call up amendment No. 1936.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 10, line 11, strike out "$491,000,000" and insert in lieu thereof "$526,000,000".

On page 11, line 3, strike out the quotation marks.

On page 11, between lines 3 and 4, insert the following:

"(c) Of the total amount obligated under this Act during any fiscal year after fiscal year 1975 to procure fertilizers for, and to provide such fertilizers to, foreign countries, not more than one-third of such amount may be obligated with respect to South Vietnam.".

On page 31, line 4, strike out "$550,000,000" and insert in lieu thereof "$515,000,000".

On page 31, line 6, strike out "$420,000,000" and insert in lieu thereof "$385,000,000".

On page 32, lines 17 and 18, strike out "$1,280,000,000" and insert in lieu thereof "$1,245,000,000".

On page 33, line 4, strike out "$420,000,000" and insert in lieu thereof "$385,000,000".

On page 33, line 13, strike out "$188,000,000" and insert in lieu thereof "$153,000,000".

On page 33, line 15, strike out "$150,000,000" and insert in lieu thereof "$115,000,000".

On page 33, line 16, before the semicolon insert the following: ", of which not more than $85,000,000 shall be available for fertilizer".

Mr. HUMPHREY. Will the Senator yield?

Mr. CLARK. Yes, I yield.

Mr. HUMPHREY. Mr. President, let us have a little order so that we may hear what the Senator's amendment is.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Iowa may proceed.

Mr. CLARK. Mr. President, I shall take only 2 minutes to explain this amendment.

Mr. BIBLE. Mr. President, we are still not in order. I demand order.

The PRESIDING OFFICER. There has been a demand for order.

The Senator may proceed.

Mr. CLARK. Mr. President, I shall take only 2 minutes to explain this amendment.

The purpose of the amendment is the same as the one I offered and the Senate adopted yesterday, to limit funds provided to South Vietnam in order to distribute the scarce supplies of fertilizer more equitably to other famine-ridden nations of the world.

So far this year, two-thirds of the fertilizer we have shipped to other countries has been sent to South Vietnam. The amendment limits the funds during the coming fiscal year for fertilizer for South Vietnam to the $85 million already authorized this year. Without this amendment——

Mr. NELSON. Mr. President, may we have order? I cannot hear the distinguished Senator from Iowa.

The PRESIDING OFFICER. Will the Senators please take their seats?

The Senator from Iowa will proceed.

Mr. CLARK. Mr. President, without the amendment, fertilizer shipments to South Vietnam could total up to $120 million. As an amendment to the foreign aid authorization bill, this amendment goes one step farther than the language we added to the continuing resolution, by limiting fertilizer shipments to South Vietnam in future years to one-third the total United States fertilizer program. With this exception, the amendment has exactly the same effect.

The Senate adopted the earlier amendment by a vote of 59 to 31, so I shall refrain from taking the time of the Senate to restate that amendment in detail.

Mr. HUMPHREY. Mr. President, as has been explained by the Senator from Iowa, this amendment is substantially the same as that which was voted on yesterday. I could not help think a moment ago that, since I am such a football fan, I have always liked instant replay. The Senate is now getting, in a sense, on a number of our amendments—and I mean no personal reflection—an instant replay of what we did yesterday.

I see no reason, in light of the Senate having expressed its will on this amendment, why this amendment should not be made on this foreign assistance bill.

Mr. HANSEN. Will the Senator yield?

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield to the Senator from Montana.

Mr. HANSEN. Mr. President, I wish to call attention to the fact that we were in conference on the surface mining legislation. We had the room in which we were to meet changed to the Atomic Energy Committee room, and we had gotten up there totally unaware that the bells had rung.

As quickly as we found out, we hurried down and missed the vote.

Mr. HUMPHREY. Mr. President, I think I ought to ask unanimous consent for these Members who missed the vote, under these circumstances, since they were not forewarned, to have an opportunity to have their vote recorded. I so ask.

Mr. HANSEN. We ran all the way.

The PRESIDING OFFICER. That cannot be done by unanimous consent.

Mr. HUMPHREY. It cannot?

The PRESIDING OFFICER. According to the rules, it cannot.

Mr. HUMPHREY. I thought we could do anything around here by unanimous consent.

Mr. HASKELL. Mr. President, we thank the distinguished Senator from Minnesota for trying.

Mr. HUMPHREY. Mr. President, I think the RECORD should reflect that they were not here and that the reason they were not here is that our system for notifying Senators broke down, and they were not given proper notice.

The PRESIDING OFFICER. The individual Senators, if they desire, may indicate how they would have voted.

Mr. HUMPHREY. If that is clear, very well. But let us make it clear that it was not their fault.

Mr. CHILES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CHILES. Was there a motion to reconsider the vote?

The PRESIDING OFFICER. There was not.

Mr. CHILES. Then would it not be in order, prior to the next rollcall vote, to move to reconsider the vote?

The PRESIDING OFFICER. It could be entered now, but it could not be taken up while an amendment is pending.

Mr. HUMPHREY. May I respectfully suggest that, for the purpose of health, welfare, and convenience, we not do that? Almost every Senator I have heard today has said, "When are we going to finish this bill?" I am sure that those three votes were not decisive either way on this bill.

Mr. MAGNUSON. Will the Senator yield on somewhat of an emergency matter?

Mr. HUMPHREY. I yield.

SENATE RESOLUTION 417—RESOLUTION AUTHORIZING AN EMPLOYEE OF THE COMMITTEE ON COMMERCE TO GIVE TESTIMONY IN THE U.S. DISTRICT COURT

Mr. MAGNUSON. Mr. President, I submit a resolution and ask unanimous consent for its immediate consideration.

Mr. GRIFFIN. Mr. President, I reserve the right to object.

Mr. MAGNUSON. I say to the Senator from Michigan that I just heard the bells.

Mr. President, I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 417) authorizing W. Donald Gray, an employee of the Committee on Commerce, to appear and give testimony by deposition in the case of Lyons against Policeman's Association of the District of Columbia.

Mr. MAGNUSON. Mr. President, this is merely a resolution allowing an employee of the Committee on Commerce, who has been subpenaed, to appear in court. We have to do that by resolution.

Mr. GRIFFIN. Is this the kind of situation in which, in the legislative branch of the Government, we have what we call legislative privilege? We do not allow our employees to testify in court unless it is with our consent. Is that correct?

Mr. MAGNUSON. That is right. It has to be with our consent.

Mr. GRIFFIN. Every time there is a court subpena of anyone employed by the Senate, we have to pass a resolution to give our consent; otherwise he cannot testify.

Mr. MAGNUSON. That is right.

Mr. GRIFFIN. That is what we call legislative privilege, even though we do not like to talk about the fact that there is such a thing.

Mr. MAGNUSON. But there is, and this is merely a routine matter asking for unanimous consent.

The PRESIDING OFFICER. Is there objection to immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 417) was unanimously agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas, in the case of Lyons v. Policeman's Association of the District of Columbia (Civil Action No. 74-441), pending in the United States District Court for the District of Columbia, a subpena duces tecum has been issued by that court and addressed to W. Donald Gray, an employee of the Committee on Commerce, directing him to appear as a witness, and to give testimony and present other evidence by deposition in such case: Now, therefore, be it

Resolved, That by the privileges of the Senate of the United States no evidence under the control and in the possession of the Senate of the United States can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession, but by permission of the Senate.

SEC. 2. By the privilege of the Senate and by rule XXX thereof, no Member or Senate employee is authorized to produce Senate documents but by order of the Senate, and information secured by Senate staff employees pursuant to their official duties as employees of the Senate may not be revealed without the consent of the Senate.

SEC. 3. When it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that testimony of an employee of the Senate of the United States is needful for use in any court of justice or before any judge or such legal officer for the promotion of justice and, further, such testimony may involve documents, communications, conversations, and matters related thereto under the control of or in the possession of the Senate of the United States, the Senate of the United States will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate.

SEC. 4. W. Donald Gray, an employee of the Committee on Commerce, is authorized, in response to a subpena duces tecum issued by the United States District Court for the District of Columbia, to appear as a witness and give testimony by deposition in connection with the case of Lyons v. Policeman's Association of the District of Columbia (Civil

Action No. 74-441), but shall not, except as otherwise provided in this resolution, take with him any letters, records, correspondence, documents, communications, or other writings on file in his office or under their control or in his possession as an employee of the Senate.

SEC. 5. If the court determines that (1) any of the letters, records, correspondence, documents, communications, or other writings called for in such subpena duces tecum have become part of the official transcripts of public proceedings of the Senate by virtue of their inclusion in the official minutes and official transcripts of such proceedings for dissemination to the public upon order of the Senate or pursuant to the rules of the Senate, and (2) such letters, records, correspondence, documents, communications, or other writings are material and relevant to the issues pending before the court, then that court, through any of its officers or agents, has full permission to attend with all proper parties to the proceeding, and then always at any place under the orders and control of the Senate, and make copies of such letters, records, correspondence, documents, communications, or other writings in the possession or control of the said W. Donald Gray. However, no other letters, records, correspondence, documents, communications, or other writings shall be made available or copied except by permission of the Senate.

SEC. 6. In response to such subpena, the said W. Donald Gray may (1) testify to any matter determined by the court to be material and relevant for the purposes of identification of copies of materials made under section 5, and (2) may make available for inspection and copying at such deposition, and testify with respect thereto, galley proofs of the hearings of the Committee on Commerce during the second session of the 92d Congress on the "Effects of Organized Criminal Activity on Interstate and Foreign Commerce" and that portion of his desk calendar with respect to the period February 26, 1974, through March 13, 1974. However, the said W. Donald Gray shall return those galley proofs and that portion of the desk calendar to the Senate upon completion of the deposition, and he shall respectfully decline to testify concerning any and all other matters that may be based on knowledge acquired by him in his official capacity either by reason of letters, records, correspondence, documents, communications, or other writings appearing in the files of the Senate or by virtue of conversations or communications with any person or persons relating to those duties.

SEC. 7. A copy of this resolution shall be transmitted to the representative of the party named in such subpena requesting the issuance of the subpena, and to the United States District Court for the District of Columbia, as an answer to such subpena.

FOREIGN ASSISTANCE ACT OF 1974

The Senate continued with the consideration of the bill (S. 3394) to amend the Foreign Assistance Act of 1961, and for other purposes.

Mr. HUMPHREY. Mr. President, the Senator from Iowa had his amendment pending and it was voted on in substance yesterday. I see no reason to have a replay on the rollcall vote. Therefore, speaking for the committee, I shall accept it.

Mr. CLARK. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

Mr. PROXMIRE. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add the following new section:

GIFTS TO PERSONS OF FOREIGN COUNTRIES

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended by sections 17(a) and 18 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 661. GIFTS TO PERSONS OF FOREIGN COUNTRIES.—Not later than fifteen days following the end of each fiscal year, the Vice President and the head of each agency of the United States Government shall each submit to the President a statement describing fully and completely all property having a value of more than $50 purchased with appropriated funds which was given by him, or any officer or employee under his authority, to any foreign country or any person of any foreign country during such fiscal year. Not later than thirty days following the end of each fiscal year, the President shall transmit to Congress a report containing the information included in such statements for that year and information describing fully and completely all such property so given by him during that fiscal year.

Mr. PROXMIRE. Mr. President, the recent reports of extravagant gift giving among U.S. and foreign heads of State have aroused serious misgivings among the American taxpayers. I think it is time that the Congress and the American public learn where our tax dollars are going in this atmosphere of "Santa Claus" diplomacy.

Amendment 1873, which I call the Foreign Gifts Reporting Amendment, would direct the President of the United States to report annually all properties of $50 or more purchased with appropriated funds which were given by him or any officer in the Federal Government, to any person of any foreign country.

The $50 limitation is the same as the provisions of the Foreign Gifts and Decoration Act of 1966. That act states that any gift of more than $50 given to a U.S. official from a foreign state, must be turned over to the Chief of Protocol, State Department, for disposal as public property. Obviously the Department of State and the Congress feel that gift receiving should be subject to some control. The same should be the case with gifts given by U.S. officials.

It is not the intention of this amendment to interfere with normal diplomatic activity nor to hamper the good will that may be generated by these gifts from the United States to foreign heads of state. But when Presidential tokens of détente reach the $3 million mark—as in the case of the VH3A Sikorsky helicopter to Egyptian President Anwar Sadat—it is time to take a close look at the whole process of summit gift giving. The executive branch should be held accountable as to where these gifts are going, where the funds come from, and how they are justified. I believe my amendment will allow the American people and the Congress to examine these expenditures without any negative impact on our mission of good will abroad.

Why is a reporting amendment of this type necessary? Public eyebrows began to rise with the unprecedented gift of the VIP Navy Sikorsky helicopter from former President Nixon to Egyptian President Anwar Sadat during Mr. Nixon's June visit to Egypt.

The expenditure of $3 million for this purpose was defended by the President and Deputy Secretary of State Robert S. Ingersoll as complying with section 451(a), section 620(p), and section 531 of the Foreign Assistance Act of 1961. Among other things, the $3 million charged to the Agency for International Development Contingency Fund was said to be "essential to the national interest of the United States." The helicopter was "to support or promote economic or military stability."

The White House and the Department of State felt that the gesture of this helicopter provided one tangible piece of evidence of the United States' continuing commitment to a long-standing, cooperative relationship with President Sadat's government.

If this is the type of tangible evidence upon which we must base our most delicate international diplomacy, then the American people must surely ask, "Is this how we conduct foreign policy?"

The Sadat helicopter kicked-off further investigations of the diplomatic gift-giving activity in the Federal Government, revealing some rather vague, open-ended authorizations and some questionable contingency funds among Federal agencies.

For example, under chapter 5, section 451 of the Foreign Assistance Act appropriations of $30 million are given to the President to "provide assistance authorized by this part primarily for disaster relief purposes, in accordance with provisions applicable to the furnishing of such assistance." As I previously mentioned, the President's defense for the Sadat helicopter pointed to this section as providing funds for the gift although it clearly could not be considered as disaster relief for Egypt. Although section 451 authorized the funds, the justification language was contained in other sections including 531. The flexibility of this Presidential Contingency Fund concerns me and deserves a good long look.

The Office of Protocol at the State Department—a $900,000 per year operation that handles, among other things, the screening and selection of appropriate gifts for foreign heads of state—has access to $2.5 million in an Emergencies in the Diplomatic and Consular Services fund. GAO reports indicate that since 1960, over 2,350 gifts have been made out of this fund.

Mr. Nicholas L. Ruwe, assistant Chief of Protocol for ceremonial affairs, said recently that gift-giving has quadrupled over the last 25 years and that his duties include checking out customs, preventing duplication of gifts, and handling gift orders from not only the President but the Vice President, Secretary of State and often the first lady as well.

The question here, is "what do these gifts buy for the United States?" and should the taxpayers have $900,000 of their money spent for this Federal version of the Spiegel catalog? If so, I think they ought to know about it and see where their money is going.

Back in February of this year, President Nixon, under the authority of that all-purpose contingency Act of the Foreign Assistance Act of 1961, permitted the granting of $10 million in excess Egyptian pounds to the Wafaa wa'l Amal—Royal and Hope Society—an Egyptian charitable organization headed by the wife of President Anwar Sadat.

This grant was made one day before the United States restored diplomatic relations with Egypt and left the Nixon administration open for even more controversy. In order to make the grant legal, the President had to waive restrictions contained under section 620 of the act and fulfill two conditional waiver rights.

The Comptroller General of the United States later confirmed that the President's grant satisfied the legal requirements of the act.

The point I wish to make is this. It is not the legality or illegality of these gifts that causes concern. It appears that everything is in order in many of the larger gifts that I have mentioned. However, at a time when inflation is at a record high, I feel very strongly that the taxpayer should know exactly how much of his money is being spent, where it comes from, where it is going, and for what purpose. I would be very surprised if 10 percent of the American people knew that $10 million was given to Mrs. Sadat's charity or that so much of their money was tied up in diplomatic gift-giving.

Mr. President, I want to reiterate that my amendment in no way means to inhibit the progress of détente with Egypt or any other nation. Nor do I mean to challenge the legality of these gifts to foreign heads of state. The sole purpose of the amendment is to provide information—that ingredient which will allow us to take corrective action, if necessary, at a later time.

One final point should be made, Mr. President. This amendment would include all agencies of government. It would apply to the Defense Department and the State Department or any other agency receiving appropriated funds. The amendment is intended to be comprehensive in nature.

The language "property ... given by the President or any officer or employee under his authority" shall be taken in the traditional American context of a gift; an object or thing of value that is given, donated or presented to another party.

Mr. HUMPHREY. Mr. President, that is a good amendment. I hope that the Senate will see fit to adopt it.

I yield back any time I may have remaining.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. PROXMIRE. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Wisconsin, as modified.

The amendment No. 1873, as modified, was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARRY F. BYRD, JR. Mr. President, may I have the attention of the distinguished manager of the bill?

I ask the manager of the bill: On page 12, a change has been made in the appropriate authorization for international organizations and programs. It has been increased by $36,900,000. Which agencies are included in that increase?

Mr. HUMPHREY. Let me see the different ones that we added here.

The President had asked for $153,900,000. The committee, on the suggestion of Senator McGEE, added an additional $30 million. The sum added by the committee is to be distributed as follows: U.N. development program, $20 million; U.N. Relief and Works Agency, $10 million; and the U.N. Children's Fund, $3 million.

That represents the increase in international organizations and programs.

Mr. HARRY F. BYRD, JR. And all that increase goes to the United Nations?

Mr. HUMPHREY. That is right, it goes to those three agencies.

There is a reason for this. There was, I believe, some delay in our proper funding. I read from the committee report, on page 24:

> By providing an additional $20,000,000 for the UNDP, the United States will be able to make a $110,000,000 contribution for calendar year 1975, rather than the $100,000,000 proposed by President Nixon. The additional $20,000,000 available to UNDP would be used to end split-year funding for the UNDP which has been undertaken since calendar year 1973 when only $70,000,000 was provided.

In other words, it is a budgetary matter, in which we are trying to catch up for a period of time in which our funding was different from that of the United Nations.

I want to be sure about this. I do not think all of this represents an additional increase.

There is a $10 million increase, and the other $10 million is a catchup on the basis of what we call split-year funding.

So, in terms of real dollars, the increase in our commitment is $10 million.

Mr. HARRY F. BYRD, JR. The total commitment, then, to the United Nations is $110 million?

Mr. HUMPHREY. That is correct.

Mr. HARRY F. BYRD, JR. May I ask the Senator, on that same page, page 12, section 7, the figures are increased from $512,500,000 to $550 million. What is the purpose of that increase?

Mr. HUMPHREY. This is because in the new authorization we required that when the Defense Department permits what it calls excess military property to be used, as had been the case in previous authorizations, that excess military property will be deducted from the amount authorized. Prior to that it was not.

So actually we are doing a much more honest job of bookkeeping. We have, on the matter of military assistance reductions, cut a total of $892 million from the request of the administration in all the categories. But I repeat that the reason for that modest increase here in this line item was because we now require that when the Defense Department decides it has surplus tanks, which it had given away, that it charge them off, and the amount has to be deducted from this amount.

Mr. HARRY F. BYRD, JR. I thank the Senator. Now another question. On page 54 of the bill, section 31, is an item to authorize a permanent annual appropriation for the maintenance and operation of the Gorgas Memorial.

Mr. HUMPHREY. Oh, yes.

Mr. HARRY F. BYRD, JR. That has been increased from $500,000 to $1 million.

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. In the first place, what is the Gorgas Memorial, and in the second place, why do we want to double the appropriation?

Mr. HUMPHREY. I will tell the Senator what it is. Again, this was sponsored by our distinguished colleague from Wyoming (Mr. McGEE).

The Gorgas Memorial is an institute of tropical and preventive medicine in the Republic of Panama. The memorial has operated since its inception as a technical institution committed to conduct research in the biomedical sciences on diseases of the tropics. Its objectives are to help prevent disability, defect, and death from these tropical diseases.

This laboratory, by the way, has been the central point for both North and South American medicine on tropical diseases, and is a vital part of our medical research program.

Mr. HARRY F. BYRD, JR. How much was appropriated last year for that item?

Mr. HUMPHREY. Last year, I do not recall. $500,000.

Mr. HARRY F. BYRD, JR. And we are doubling that this year?

Mr. HUMPHREY. Yes. Last year they had some contracts through Health, Education, and Welfare which added to the amounts of funding that we were giving them.

Mr. HARRY F. BYRD, JR. Are there sums coming from Health, Education, and Welfare this year?

Mr. HUMPHREY. I must inquire, if the Senator will permit.

The funding, I have been informed, is considerably less from Health, Education, and Welfare.

Mr. MAGNUSON. They have some, but I do not know how much.

Mr. HUMPHREY. Some, but not very much.

Mr. HARRY F. BYRD, JR. Is there funding from other agencies of the Government?

Mr. HUMPHREY. No, no other funding.

Mr. HARRY F. BYRD, JR. One further question in regard to the bill. On page 46, I note that there is a Special Requirements Fund.

Mr. HUMPHREY. Oh, yes.

Mr. HARRY F. BYRD, JR. Of not to exceed $100 million. What is the purpose of the Special Requirements Fund?

Mr. HUMPHREY. May I say to my good friend from Virginia that I did not have very much enthusiasm for that. The

Special Requirements Fund came about as a result of Dr. Kissinger's very effective diplomatic efforts in the Middle East to promote disengagement of the Syrian forces and the Israeli forces.

This Special Requirements Fund is given over to the President. It is a $100 million fund, and quite honestly, it is to be used for some programs that may relate to Syria. I frankly took a dim view of it, to be honest with the Senator, but I am required to protect the bill as it comes before the Senate.

I have forgotten what the committee vote on it was. There was no record vote, but apparently there was no strong resistance, other than some resistance that might have been voiced without too much effect by the Senator from Minnesota.

I wanted to cut it down to $50 million, because I thought that would be an adequate amount, but the commitment apparently had been made.

Mr. HARRY F. BYRD, JR. Well, a commitment cannot be made in the name of Congress.

Mr. HUMPHREY. No; it cannot be made in the name of Congress. That is exactly the point that I sought to make at the time. But at the time of the disengagement, it appeared that it would be desirable, according to the Secretary of State, to have this fund available. What they are going to do with it I do not know. I honestly do not know.

If there is any item in this bill that I think is shaky—and I am being very cautious here—I would say it is that particular item. I have not been able to find out what the administration plans on doing with these Middle East funds.

Mr. HARRY F. BYRD, JR. Of course, this is not the only Middle East fund in the bill.

Mr. HUMPHREY. I know. There are several others.

Mr. HARRY F. BYRD, JR. There are several others in the bill. I wonder——

Mr. HUMPHREY. But may I say again respectfully that this is a contingency fund to the President. It is earmarked, by the way, for the Middle East, and what we were told was that it relates to problems or needs that may arise in Syria.

Mr. HARRY F. BYRD, JR. I wonder what the Senator from Minnesota would think about a proposal to reduce that to $50 million.

Mr. HUMPHREY. Let me say, first, that we do require in the bill that this fund not be used for military aid to Syria; and second, that before any use is made of it, there must be a report to Congress as to what its purposes will be, and for what use.

Mr. HARRY F. BYRD, JR. The bill says:

> The President shall keep the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Speaker of the House of Representatives currently informed on the programing and obligation of funds under subsection (a).

Mr. HUMPHREY. Do we not provide—I believe we provide that this can be rejected by an affirmative vote by either House.

Mr. HARRY F. BYRD, JR. Perhaps it is in the bill, but I do not see it in the bill.

Mr. HUMPHREY. Yes. On page 47, section (2)(A):

> The President may make such obligation thirty days after the report has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the report is transmitted, either House adopts a resolution disapproving the proposed obligation with respect to which the report is made.

So, Senator, we tried to tie it down. But I can tell the Senator that he is looking at a friend when he looks at this item.

Mr. HARRY F. BYRD, JR. As I understand it, then, the President, while he must inform the Committee on Foreign Relations and the Appropriations Committee that, in reality, is informing the Senate because it is not a secret document? It is a document——

Mr. HUMPHREY. That is correct. It is not a secret document but a public document, and either House can deny it.

Mr. HARRY F. BYRD, JR. Either House can deny it.

Mr. HUMPHREY. Yes. I think it is a pretty good protection.

Let me say to the Senator the view of the committee was since we did write those protections in, we would have a pretty good handle on and a pretty good control over the expenditure or use of the funds.

Mr. HARRY F. BYRD, JR. I just hate to see such a large sum as that given a contingency special requirement basis without Congress knowing what the requirements are.

Mr. HUMPHREY. I want the Senator to know that the Senator from Idaho saw fit yesterday with his amendment to deduct $435 million more out of this bill. But I will not be a bit surprised when this skimming process takes place that this will be one of the items that will have to be touched.

Mr. HARRY F. BYRD, JR. In that connection when we talk about the total bill I notice that the——

Mr. HUMPHREY. Mr. President, will the Senator yield for one other point. We are only on the authorizing process.

Mr. HARRY F. BYRD, JR. I understand.

Mr. HUMPHREY. It has got to go through the appropriation process.

Mr. HARRY F. BYRD, JR. Yes, but if they do not get the authorization they cannot appropriate.

Mr. HUMPHREY. But the Appropriations Committee is so tough when it comes to these matters.

Mr. HARRY F. BYRD, JR. I do not necessarily subscribe to that point of view.

Mr. MAGNUSON. I do; I do.

Mr. HARRY F. BYRD, JR. May I ask the Senator from Minnesota this: As I understand the bill, the authorization bill, before us——

Mr. HUMPHREY. Yes.

Mr. HARRY F. BYRD, JR. (continuing). It provides for $1,100,000,000 more in foreign assistance programs than was appropriated last year.

Mr. HUMPHREY. Just a moment. I want to get my charts here, if the Senator please.

Yes, might I state to the Senator, that is essentially correct for these reasons: It provides about one-half a billion dollars of additional funds for the Middle East, for Egypt, Israel; and $100 million in funds that the Senator is speaking of; and it also provides some additional funds for food and nutrition.

However, I want to make note of the fact that we did sharply reduce what the administration asked for. The administration asked for a considerably larger sum of money. We cut this by $724 million or approximately 22 percent.

Mr. HARRY F. BYRD, JR. But the committee is still asking for $1.1 billion more than was appropriated last year in accountable items.

Mr. HUMPHREY. No, that was appropriated.

Mr. HARRY F. BYRD, JR. Appropriated; that is right.

Mr. HUMPHREY. And the authorization last year, it was not that much more than the authorization.

Mr. HARRY F. BYRD, JR. So, as we both know, this figure in the bill that we are now operating under is not the total foreign assistance figure, by any means.

Mr. HUMPHREY. The Senator is correct.

In all candor, of course, we have the Asian Development Bank and the World Bank, and others.

Mr. HARRY F. BYRD, JR. Well, not even including those.

Mr. HUMPHREY. And Public Law 480.

Mr. HARRY F. BYRD, JR. The Senator, if he will, can check my figures. But, as I understand the committee report, the total economic and military assistance and credit sales are $8,400 million. In other words, that is our total foreign assistance then, $8,400 million.

Mr. HUMPHREY. Yes. That includes, might I say, not only the aid bill that we are on, but it includes also the Peace Corps, it includes Public Law 480, it includes credit sales in military which, by the way, are repayable credit sales, $3,496 million. It includes foreign military credit sales of $872 million. It includes excess defense articles, which are not a direct appropriation, of $150 million. The Military Assistance Service Fund was a request of $1,450 million.

Now, some of that, of course, has been, as the Senator knows, knocked out.

Mr. HARRY F. BYRD, JR. But the total——

Mr. HUMPHREY. $700 million for the Vietnam military assistance was the amount instead of $1,450 million.

Mr. HARRY F. BYRD, JR. But the total cost to the taxpayers is about, in round figures, $8.4 billion.

Now, that breaks down in this way: There are 37 African countries to which the United States grants foreign aid.

Mr. HUMPHREY. Very modest aid.

Mr. HARRY F. BYRD, JR. I wonder if the Senator knows how many countries there are in Africa—I doubt if we want to leave out anybody.

Mr. HUMPHREY. Quite honestly, I have not been given the latest count, but I do think that we do leave out——

Mr. HARRY F. BYRD, JR. We do leave out South Africa. We do leave out Rhodesia. We do leave out, I believe, Mozambique and Angola. I am not suggesting that they be put in, but I just want to point out to the Senator that we have taken care of virtually all of Africa, almost every country there, except four.

Mr. HUMPHREY. Senator, may I say that the figures that the Senator is looking at are the requests of the administration. We have reduced out of that total figure there—there is over a billion and a half dollars that has already been slashed out.

Mr. HARRY F. BYRD, JR. May I ask this? Has the Senator eliminated any of these countries?

Mr. HUMPHREY. We do not go country by country; we go region by region. But we do have ceilings. For example, in the Vietnam and the Indochina area we have what we call ceilings that we cannot exceed in all forms of aid, military, economic, and food assistance.

Mr. HARRY F. BYRD, JR. What I am trying to establish though are the number of countries to which the United States distributes tax funds. The way I read this report there will be 37 countries in Africa. I am just starting in with Africa, because that is where the book starts.

Mr. HUMPHREY. I think that is true. But I add that some of them are very modest.

Mr. HARRY F. BYRD, JR. Besides that there are economic regional programs within Africa, and within those same, comprising those same, 37 countries.

Mr. HUMPHREY. Yes, such as the Sahel where we are giving disaster assistance, for example.

Mr. HARRY F. BYRD, JR. East Africa, southern Africa, African regional, and self-help projects, and then regional military costs, as well. Now, that takes care of Africa, 37 countries.

Then we have in Asia——

Mr. HUMPHREY. Senator, might I just say that the total development assistance program for Africa last year was less than one-tenth of what we put into Indochina—the total for all of the continent of Africa which is a potential treasure house of the world in terms of commodities and supplies that we might need.

I cannot think of any area of the world where we ought to be trying to develop good relations more than there.

It is not as if somehow or other we had gone under the aid program last year—the total amount of economic assistance of all kinds in the aid program in Africa was $251 million.

Mr. HARRY F. BYRD, JR. I start with Africa only because that is the way the book runs. I am going to Asia now.

Mr. HUMPHREY. Yes, sir.

Mr. HARRY F. BYRD, JR. I want to establish to how many countries we are providing aid in Africa. That is 37 countries.

Now in Asia, although my geography does not tell me that all of these countries are in Asia, there are 32 countries listed under—and if I am reading this right listed under—Asia on pages 6 and 7 of the committee report.

Mr. HUMPHREY. Yes, that is correct.

Mr. HARRY F. BYRD, JR. Now, there are 32 countries in there.

We come to Latin America, and all of those——

Mr. HUMPHREY. Might I say when we go over the Asian countries, so that we will know what we are talking about, a large amount of this has been in food assistance as in Bangladesh where there was mass starvation. A substantial amount of it, most of it, went to the Indochina area, Cambodia, Laos, and Vietnam. For example, Vietnam got $911 million worth of it.

Mr. HARRY F. BYRD, JR. Practically every country is involved. Afghanistan, Bahrain, Bangladesh, British Solomon Islands.

Mr. HUMPHREY. But they got help, much of it was food help. I think we ought to be clear what it was, and then some of it was technical assistance.

Mr. HARRY F. BYRD, JR. All of those help.

Mr. HUMPHREY. Correct.

Mr. HARRY F. BYRD, JR. But in any case, it comes from the tax resources of the people of the United States.

Mr. HUMPHREY. Correct.

Mr. HARRY F. BYRD, JR. Then we come to Latin America and there are 23 Latin American countries which are involved.

Then we come to the Middle East and there are three Middle Eastern countries, plus a Middle East special requirements fund, which we have just discussed, of $100 million.

Then we come to Europe and there are five countries involved in Europe: Austria, Finland, Malta, Portugal, and Spain.

Just as a matter of curiosity, why would Malta be getting $9.5 million?

Mr. HUMPHREY. That is some help on military bases that we have had, they were formerly English bases in Malta.

Mr. HARRY F. BYRD, JR. So that makes 5 countries there, and adding all these up, we have 37 countries in Africa, 32 countries in Asia, 23 countries in Latin America, 3 countries in the Middle East, and we have 5 countries in Europe.

So the way the committee report reads, we are supplying assistance to 100 different countries scattered throughout the world.

The Senator from Minnesota may have the figure in his head, but my recollection is that there are 135 members of the United Nations, so we are leaving out only 35, including the United States, of the world's countries in providing aid.

Mr. HUMPHREY. I think we are doing too much.

Mr. HARRY F. BYRD, JR. We are discriminating against 34 countries.

Mr. HUMPHREY. Yes, we ought to discriminate a little more, Senator.

Let me say, when we speak of aid, we are also discussing international narcotics control, talking about Public Law 420, the Peace Corps activities, talking about credit sales that are payable.

I do not know how the rest do, but a lot of us finance things on credit, credit is a pretty good system, it built the country and it got the country in trouble.

Mr. HARRY F. BYRD, JR. The facts show we get back very little.

Mr. HUMPHREY. Oh, no, Senator.

Mr. HARRY F. BYRD, JR. The facts show we get back very little in the contributions and credits we give to other nations.

Mr. HUMPHREY. On most of the credit sales, may I say, we have been getting repayment on schedule.

There was the instance of India in which we had vast sums which we did not, and which a settlement had to be made on, but most countries are paying back.

As I recall, we stopped the recycling of the funds. It used to be on this foreign aid program that we never really had a handle on how much was going into it, because there was the repayment cycle that was coming around feeding back into the program.

At the end of this fiscal year, may I say to my good friend from Virginia, that has been stopped. We have stopped the transfer of excess military supplies as if it somehow or another was a gift. It has to be deducted out of the budget item in this bill. We have denied the waiver. We eliminated what used to be in the foreign aid bill a drawdown authority from the stocks of the Defense Department of $250 million.

So we are giving an honest accounting by the committee to the Senate. While the accounting looks large, compared to what there used to be, where all the hidden funds were, the drawdowns, the ability to transfer from one program to another, the waivers, the so-called emergency or contingency funds, and the excess military supplies which were declared like they were surplus property and given away, we have a much more responsible and I think a much more honest accounting of what we are doing, Senator.

It is still a lot of money, do not misunderstand, but there are too many countries with which we are involved that may be on very sound ground.

That is why I imagine the amendment offered by the Senator from Idaho to cut this whole business back $435 million more was adopted, but I want the Senator to know that I saw the administration request, despite the fact that we did add funds in here for Israel, despite the fact we added additional funding for food assistance, we still are over $700 million below the administration's request. That is a 22-percent reduction and I do not think any other committee of Congress has taken a bill and given much more than 22 percent reduction in the budget request.

Mr. HARRY F. BYRD, JR. Yes, but as I pointed out a little while ago and as the Senator from Minnesota acknowledged, that is only a part of the total foreign aid package. The total package request is $8.4 billion.

Mr. HUMPHREY. That was their request.

Mr. HARRY F. BYRD, JR. Going to 100 different countries throughout the world.

I cannot support legislation which will scatter tax funds to 100 different countries throughout our world. I shall vote against the legislation.

I ask unanimous consent that this table, which is a part of the committee report on the Foreign Assistance Act of 1974, the table on pages 5, 6, 7, 8 and 9, be inserted at this point in the RECORD.

I thank the Senator from Minnesota.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE III.—U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975

[In thousands of dollars]

	Total economic and military assistance and credit sales	Economic assistance programs					Military assistance and credit sales programs				
		Total economic assistance	AID	Peace Corps	Public Law, 480 [1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funde.i
Summary	8,368,726	[2] 4,872,226	2,842,415	82,256	995,928	42,500	3,496,500	1,024,000	872,500	150,000	1,450,000
Arfica, total	293,753	251,468	168,992	26,103	56,373		42,285	14,785	24,500	3,000	
Algeria	1,409	1,409			1,409						
Botswana	1,736	1,736		394	1,342						
Burundi	425	425			425						
Cameroon	1,311	1,311		825	486						
Central African Republic	260	260		139	121						
Chad	448	448		444	4						
Congo (Brazzaville)	412	412			412						
Dahomey	499	499		388	111						
Ethiopia	47,939	29,039	25,037	2,798	1,204		18,900	11,300	5,000	2,600	
Gabon	530	530		204	326						
Gambia	442	442		255	187						
Ghana	15,695	15,625	13,746	1,187	692		70	70			
Guinea	333	333			333						
Ivory Coast	2,091	2,091		1,469	622						
Kenya	8,951	8,951	7,493	1,159	299						
Lesotho	1,739	1,739		98	1,641						
Liberia	9,626	9,026	7,206	1,362	458		600	100	500		
Malagasy	168	168			168						
Malawi	410	410		351	59						
Mali	1,286	1,236		356	80		50	50			
Mauritania	290	290		54	236						
Mauritius	1,219	1,219		79	1,140						
Morocco	49,182	34,322	15,210	1,331	17,781		14,860	860	14,000		
Niger	1,957	1,957		1,061	896						
Nigeria	6,133	6,133	3,682	151	2,300						
Rwanda	2,947	2,947	2,500		447						
Senegal	1,870	1,845		606	1,239		25	25			
Seychelles	26	26		26							
Sierra Leone	2,566	2,566		1,655	911						
Sudan	15,960	15,910	10,850		5,060		50	50			
Swaziland	572	572		452	120						
Tanzania	12,054	12,054	10,659		1,395						
Togo	2,089	2,089		1,061	1,028						
Tunisia	21,368	17,468	5,809	1,072	10,587		3,900	2,000	1,500	400	
Upper Volta	2,230	2,230		520	1,710						
Zaire	15,294	11,494	6,013	5,145	336		3,800	300	3,500		
Zambia	8	8			8						
Economic regional programs:											
Central West Africa and Sahel	26,874	26,874	26,874								
East Africa	1,563	1,563	1,563								
Southern Africa	10,123	10,123	10,123								
Africa regional	21,988	21,988	20,527	1,461							
Self-help projects	1,700	1,700	1,700								
Regional military costs	30						30	30			
Asia, total	4,762,069	2,086,017	1,375,949	15,624	680,246	14,198	2,676,052	787,902	318,000	120,150	1,450,000
Afghanistan	17,185	16,985	14,467	1,293	1,175	50	200	200			
Bahrain	83	83		83							
Bangladesh	104,669	104,669	65,220		39,449						
British Solomon Islands	116	116		24	92						
Burma	5,000	5,000				5,000					
Cambodia	550,761	187,011	[3] 110,000		77,011		363,750	362,500		1,250	
China (Taiwan)	80,400						80,400	400	80,000		
Cook Islands	14	14		14							
Cyprus	571	571			571						
Fiji	606	606		606							
Gilbert and Ellice Islands	21	21		21							
Greece	71,000						71,000		71,000		
India	113,894	113,794	75,500	211	38,083		100	100			
Indonesia	221,369	192,469	71,460		120,909	100	28,900	22,700		6,200	
Iran	1,569	1,569		1,569							
Korea	416,368	182,068	25,176	1,902	154,909		234,300	161,500	52,000	20,800	
Laos	143,505	57,405	[3] 56,000		253	1,152	86,100	85,200		900	
Lebanon	10,150						10,150	150	10,000		
Malaysia	12,938	2,653		2,497	156		10,285	285	10,000		
Micronesia	1,061	1,061		1,061							
Nepal	6,991	6,956	5,721	833	402		35	35			
Oman	181	181		181							
Pakistan	123,074	122,794	78,745		43,299	750	280	280			
Philippines	103,715	78,315	49,844	2,178	26,043	250	25,400	17,900	5,000	25,000	
Saudi Arabia	220						220	220			
Sri Lanka (Ceylon)	18,801	18,786	8,000		10,786		15	15			
Thailand	88,587	14,087	6,005	1,218		6,864	74,500	56,000		18,500	
Tonga	338	338		338							
Turkey	232,492	27,492	23,064		4,396	32	205,000	80,000	90,000	35,000	
Vietnam	2,396,553	911,553	[3] 751,000		160,553		1,485,000			35,000	1,450,000
Western Samoa	321	321		321							
Yemen Arab Republic	13,734	13,734	11,496	160	2,078						
Economic regional program	25,365	25,365	24,251	1,114							
Regional military costs	417						417	417			

Footnotes at end of table.

TABLE III.—U.S. ECONOMIC ASSISTANCE, MILITARY ASSISTANCE, AND CREDIT SALES PROGRAMS PROPOSED FOR FISCAL YEAR 1975—Continued

[In thousands of dollars]

	Total economic and military assistance and credit sales	Economic assistance programs					Military assistance and credit sales programs				
		Total economic assistance	AID	Peace Corps	Public Law, 480[1]	International narcotics control	Total military assistance and credit sales	Military assistance grants (MAP)	Foreign military credit sales	Excess defense articles	Military assistance service funded
Latin America, total	592,306	372,206	267,461	19,978	78,137	6,630	220,100	18,250	200,000	1,850	
Argentina	30,900	200				200	30,700	700	30,000		
Belize (British Honduras)	275	275		275							
Bolivia	35,959	29,459	22,239		7,175	45	6,500	3,300	3,000	200	
Brazil	69,309	8,508	2,800	3,287	2,178	243	6,800	800	60,000		
Chile	84,976	63,676	26,035	516	37,097	28	21,300	800	20,500		
Colombia	52,848	35,148	21,908	2,717	9,986	537	17,700	700	17,000		
Costa Rica	2,147	2,147	834	1,104	209						
Dominican Republic	15,855	14,005	5,456	661	7,888		1,850	1,300	500	50	
Ecuador	19,976	7,076	2,050	1,373	3,327	326	12,900	400	12,500		
El Salvador	17,381	12,731	11,561	337	833		4,650	1,100	3,500	50	
Guatemala	21,305	18,955	17,090	1,084	781		2,350	1,300	1,000	50	
Guyana	3,624	3,624	3,550		74						
Haiti	11,055	10,855	8,179		2,676		200	200			
Honduras	28,152	23,502	22,038	766	698		4,650	1,100	3,500	50	
Jamaica	11,399	11,399	8,450	1,357	1,558	34					
Mexico	10,100	5,000				5,000	5,100	100	5,000		
Nicaragua	33,558	29,108	27,826	594	688		4,450	1,100	3,000	350	
Panama	22,266	21,716	21,360		338	18	550	500		50	
Paraguay	7,770	5,420	4,756	585	69	10	2,350	1,400	500	450	
Peru	38,630	17,330	13,489	1,235	2,513	93	21,300	800	20,500		
Trinidad and Tobago	16	16			16						
Uruguay	5,486	786	775			11	4,700	1,600	2,500	600	
Venezuela	19,557	1,857		1,814		43	17,700	700	17,000		
Caribbean regional	6,443	6,443	5,500	908	33	2					
Central America regional (ROCAP)	1,674	1,674	1,634			40					
Inter-American programs	17,650	17,650	17,650								
Economic regional programs	23,646	23,646	22,281	1,365							
Regional military costs	350						350	350			
Middle East, total	969,050	519,807	478,175		41,632		449,243	94,243	330,000	25,000	
Egypt	253,144	253,144	[3] 250,000		3,144						
Israel	378,211	78,211	[3] 50,000		[4] 28,211		300,000		300,000		
Jordan	237,695	88,452	[3] 78,175		10,277		149,243	94,243	30,000	25,000	
Middle East Special Requirements Fund	100,000	100,000	100,000								
Europe, total	15,053	12,522	12,500	22			2,531	2,531			
Austria	24						24	24			
Finland	24						24	24			
Malta	9,522	9,522	[3] 9,500	22							
Portugal	860						860	860			
Spain	4,600	3,000	[3] 3,000				1,600	1,600			
Regional military costs	23						23	23			
Other	827,368	721,079	[5] 539,338	[6] 20,529	[7] 139,540	[8] 21,672	106,289	[9] 106,289			
U.S. contributions to international financial institutions, total	909,127	909,127									
African Development Bank Special Fund	15,000	15,000									
International Development Association	320,000	320,000									
Inter-American Development Bank:											
Paid-in capital											
Callable capital											
Fund for special operations	500,000	500,000									
Asian development bank:											
Paid-in-capital	24,127	24,127									
Callable capital	(96,508)	(96,508)									
Special funds	50,000	50,000									

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[1] Public Law 480 estimates are planning levels which will be reexamined later in the year in light of revised price estimates, U.S. commodity availabilities and recipient country requirements. If availabilities permit, a title I concessional sales program will be planned for Guinea.

[2] Includes $909,000,000 U.S. contributions to international financial institutions.

[3] Largely or wholly funded from security supporting assistance or Indochina postwar reconstruction accounts.

[4] Includes West Bank of the Jordan River and Gaza.

[5] Includes the following: American schools and hospitals abroad, $10,000,000; administrative expenses, AID, $47,100,000; State, $5,900,000; contingency fund, $30,000,000; international organizations and programs, $200,400,000; operating costs, $123,400,000; interregional population program, $50,400,000; and other interregional programs, $69,100,000.

[6] Includes worldwide support, $6,600,000; Peace Corps share of action support, $13,300,000.

[7] Includes emergency reserve/unallocated title II, $35,300,000; ocean freight, $103,200,000; grants of title I currencies under sec. 204 of title II, $1,000,000.

[8] Includes international organizations, $5,100,000; interregional programs training and support costs, $6,700,000; unprogrammed, $9,800,000.

[9] Includes administration, $25,300,000; supply operations, $78,700,000; inspection general, $175,000; storage and maintenance stockpile, $1,000,000.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. GRIFFIN. Mr. President, there are, as I understand it, some 10 amendments at the desk that we still have not acted upon. There is discussion that we might possibly get to a vote on final passage about 8 o'clock tonight, if we continue this debate.

I wish to give the Senate an opportunity to go home earlier by offering a motion to recommit the bill to the Committee on Foreign Relations.

I think it can be said now that this bill has become something of a disaster—a disaster in terms of the Senate and its image—and a disaster in terms of the foreign policy of our country.

I will not enumerate the various amendments that have been adopted. However, I think we are quite aware of the fact that this bill was inadequate when it was reported from the committee. In many respects, it was far out of tune with the foreign policy of our country when it was reported. Now the Senate has adopted a series of amendments which have made it much worse. It should go back to the Foreign Relations Committee for further work and further study, hopefully after the election.

Unfortunately, this bill has become a political punching bag, and too many of our colleagues have found it desirable and in their interest in this season of the year to take some political haymakers at this particular piece of legislation.

As I try to look down the road, it appears to me that it will not make much difference whether the bill is approved or not on final passage. In the condition that the bill is in now, a vote either way will send the wrong kind of a message—the wrong kind of a signal—to the rest of the world.

In its present form this bill would undercut the serious negotiations that are underway and are being handled very delicately at the present time by Secretary Kissinger.

I really think that the bill has so many warts on it that the best thing that we could do now would be to vote to recommit it to the Foreign Relations Committee.

Mr. President, I so move and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRIFFIN. Mr. President, there will be one-half hour debate on this motion?

Mr. HUMPHREY. That is correct.

Mr. President, I fully appreciate the reasons of the Senator from Michigan in his motion to recommit.

I want to say a few words about this and why this situation has developed and I am fully aware of the realities of the situation.

I have been here many years. You do not have to be here very long before you begin to find out what the mood of the Senate is, and if you cannot count it, you can smell it. I can both count and sniff. I have sensed by my mind and my nose what is going on around here.

I want to just say something about this legislation. I have reasons to believe—and I regret to say this because I have not played any partisan politics in reference to foreign assistance, military assistance, or, hopefully, on matters of foreign policy, and I do not want to—and it is quite apparent to me that the administration does not want this bill. I will tell you why they do not want it: because we have built in restrictions in this bill that ought to be in this legislation.

We sent to Indochina two of the most competent staff members that we have in the Senate to review what is going on out there. I asked that it be done. I am supposed to be one of those who is a big friend of the Indochina program. Well, I believe we have commitments there, and responsibilities. But we have also responsibilities to the American people.

I also believe there has been a sorry lack of planning on the part of our Government on the whole subject of foreign assistance. I offered an amendment to the State Department Authorization Act calling upon the Government, the President, and the Secretary of State, to give us a program of phase-down and phase-out of our military and economic assistance in Indochina over a period of time, "Give us some projections. Tell us what we are up to. Let the American people know where we are going and what is going to happen."

That amendment was agreed to. We found in our studies in Indochina that there was no plan of action in that country. They talk about reconstruction and redevelopment. Not at all. What our money was going for was additional military activity on the one hand, which may have been necessary, and, second, to buy commodities. It was a commodity purchase program. We have not gotten around to reconstruction and development.

So we laid down in this bill, as I cited yesterday in my remarks, guidelines and strict provisions requiring No. 1, that the people in Indochina and their government, particularly in South Vietnam, put an economic plan that had been worked out in consultation with our AID officials there.

We also required that the AID office in Washington come in with some overall, worldwide program.

As the Senator from Virginia has properly pointed out, this is spread out all over the world.

One of the things that the Senator from Minnesota wanted was to get some contraction in this to get our aid where it belonged and not to spread it out all over.

We wrote those kinds of provisions in here. We also said to the military, to the Pentagon, "You can no longer go around and declare things surplus and then just give them away, thereby denying the Congress a chance to get a handle on what we are handing out or giving out as a matter of foreign assistance."

This was going on. Millions and millions, hundreds of millions, of dollars' worth of military equipment was being given away as excess, surplus property.

We also referred to the figure that was in the old bill, the $250 million for drawdown. For example, the President could draw down from the stocks of the Pentagon up to $250 million over and above what was declared excess property, and give that away, too, as another matter of military assistance.

We have worked months, and I have put in hundreds of hours of time, into trying to get a bill that would be worthy of the respect, the attention, and the support of the Senate. What do we find? They do not like the funds we have given for Indochina. Anybody who has been around here knows that there is not going to be any more money than in this bill voted for Indochina.

Why did they want the continuing resolution? Because there are more loopholes in the continuing resolution.

I say to the Senator from Virginia the continuing resolution does not have the safeguards we have in this bill. The continuing resolution has larger amounts for Indochina. The continuing resolution will permit drawdowns. The continuing resolution will permit excess property to be used, and supposedly free, a gift—a tank, if you please. "Are you short of tanks? We have some excess. We will give them to you."

There are other things in this bill that are important.

The Secretary of State came in and convinced us that we needed $250 million for Egypt. He had a hard time convincing me. But, you know, we are good to old enemies, and we are good to new friends. I guess that is the way it should be. We should not have enemies, as a matter of fact.

I am glad to see the progress that Secretary Kissinger has made with Egypt. I think it is important. We would like to continue to have the best of relationships with Egypt. He made a case for $250 million of economic assistance to Egypt. I voted for it because I believed in giving him the benefit of the doubt. I thought he had worked hard to get peace in that area, and that peace is a whole lot cheaper than war. If it took $250 million to be able to bind up some of the wounds with Egypt, I said it was worth it.

In the instance of Syria, the same thing. So the President asked for $100 million as a special fund. We put some safeguards on that. I will not discuss them again. I went over this with the distinguished senior Senator from Virginia.

So what is the situation here? If the administration would back this bill, we might have a fighting chance to pass it. They did the last time, and I want to thank them for what the President and the Secretary of State did, along with the leadership on the other side of the aisle, in passing that bill last time.

Senators voted last year for foreign aid who had not voted before because they knew it was necessary. They did it as a patriotic duty and at great personal sacrifice.

But, Mr. President, apparently the administration is withholding its support from a new foreign aid program which contains the restrictions with which it does not agree. That is one reason we are in this predicament.

Others who favor the provision of foreign aid have become so disenchanted with the program as it has been known in the past that they now believe it better to see the program totally defeated rather than attempt its reformation.

Others are simply against foreign aid in any form, and for their own reasons.

In the years past there has always been a compelling and dramatic rationale for the foreign aid program. In the dark days following World War II, we provided aid to reconstruct a devastated Europe and Japan. In subsequent years the aid program was used as a means of supporting free world countries threatened by what at that time appeared to be an aggressive Communist menace.

The times have changed and neither of these justifications still hold true. Ironically, we, today, face as great a crisis and threat as we have at any time since the 1930's. The crisis of the next decade which is upon us at this moment is that of international economic collapse.

I repeat, international economic collapse.

Therefore, our foreign aid, if we can restrain it, if we can have some fiscal discipline, is more vital to the lives of more people than ever before.

In the decade ahead, our security may be more dependent than ever on the respect of other nations, their friendship. We need them as much as they need us.

Support for foreign aid today is not a

charity. It may be essential to the continuance and maintenance of the world's economic system. The magnitude of the threat facing us and the fragility of the world economic system, I regret to say, is not universally recognized. Well, I know that foreign aid is undeniably an unpopular subject. But sometimes we just have to go ahead and vote against the popular mood when that mood does not reflect an adequate understanding of the circumstances.

Now, I say, is not the time to abandon the beliefs of those of us who led the administration into submitting a foreign aid program in the first place, and the committee to report it. For example, in food aid some compromise is called for. The administration must accept the fact that Congress does have a voice in foreign policy, and Congress must accept the counsel of the executive branch, upon which most of the responsibility for the administration and execution of the foreign policy inevitably rests.

Our respective irritations, frustrations, and ideals must not be allowed to critically maim this program.

Some have called this bill a Christmas tree because of the various amendments which have been hung onto it.

I agree with some of them and not with others. The House will accept some and will not accept others.

Others have called the aid program an abandoned child left in the well of the Senate by both the administration, which submitted it, and the committee which reported it.

I want to say now that if this bill should fail the blame will be widespread.

Perhaps many derive some form of political benefit, but if we allow this to happen, we are not acting only against our moral responsibilities, but I believe against our own self-interest.

I know that recommittal does not mean that it necessarily fails. The Senator from Michigan is a very responsible and distinguished Member of this body, and I call him my friend. But I know what recommittal will be interpreted to mean. It will mean that we went up the hill but we cannot go over the top. It will mean that, for all practical purposes, we cannot deliver.

As unpopular as foreign aid is, it is necessary, just as it is necessary to be vaccinated against smallpox. Foreign assistance is related to the humanitarian and economic needs of the world. If the United States of America thinks it is going to be secure simply because it has Trident submarines and B-1 bombers, it is off its rocker. Foreign assistance is part of the national security of this country.

In this bill is money that is needed to feed hungry people. In this measure is authorization to increase agricultural production, for family planning, for education. What we have done is to put some restraint upon what I consider to be a kind of excess expenditure of funds in certain parts of the world.

I wish I could find myself once again in agreement with the distinguished Senator from Michigan. He knows how I feel about this. I spoke to him about it. He is a valued and very important member of the Committee on Foreign Relations. He has supported this legislation. My remarks are no personal reflection. They in no way reflect personally upon the Senator from Michigan.

I would be remiss in my duty as a Senator and as manager of this bill, knowing it was almost a hopeless cause to start with, if I did not stand up and say that we ought to see it through. We ought to pass it, and we ought to get the votes to pass it, and let the world know that we can fulfill our responsibilities.

Does anybody think that the continuing resolution, when it comes back to the Senate, is going to have easy sailing? Mark my words, it will have a plenty tough time.

If this bill is recommitted, it will be equivalent—at least in the eyes of many people—to rejection, particularly under the circumstances that now exist. If recommittal takes place, I must say that there will be those who will move to reject the report on the continuing resolution. I supported the continuing resolution because I think we need it.

There is not a vote in Minnesota that is going to be helped by my support of this bill. I get the unusual privilege of handling a piece of legislation around here that has "downhill" on it every time. But I do not turn away from what sometimes appear to be hopeless causes.

I think it is important that we have this bill, and I hope and pray that we will not recommit it and that we will see it through.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Am I correct that we are asking for $1.134 billion more than last year in the foreign assistance program?

Mr. HUMPHREY. The Senator is essentially correct, except that, as he knows, there are programs in this bill that were not in the bill last year, such as the Middle East programs resulting from the negotiations and Mr. Kissinger's efforts in the Middle East. Also, this is an authorization, as compared to appropriations. The Senator knows as well as I that the appropriations are always substantially less than the authorizations.

Mr. GRIFFIN. Mr. President, I wish to respond briefly to the remarks of the distinguished Senator from Minnesota, who is one of the great statesmen, so far as I am concerned. I salute him for the diligent work he has done in connection with this bill. He has worked very hard and very long, and I can well understand the keen, deep disappointment he feels as he contemplates the motion that has been made.

However, if we do want a foreign assistance bill—and I share his view that foreign assistance is very necessary—necessary not only in terms of humanitarian objectives but also—let us be realistic—in terms of our hopes for world peace. It is a very essential part of our foreign policy. The cost involved in this program is miniscule compared to what we spend in our defense budget—compared to what we must spend if we become involved in a war. This legislation is a vital, essential part of our effort to keep peace in some parts of the world and to bring about peace in other areas where we do not have it now.

So, the real difference between the Senator from Minnesota and me is this: Which course is more likely to produce the kind of foreign assistance bill that will best serve the Nation's interests? Perhaps the Senator from Minnesota is a better head counter of the Senate than I. I am sorry but I do not count the votes to pass this bill in its present form. Accordingly, I sincerely believe we would be better serving the cause by sending it back to the Committee on Foreign Relations at this point so the committee can take a new look at it after the election.

I do not disagree with the goal or the objective of the Senator from Minnesota. But I do have some disagreement with him as to which is the better course to follow. I salute him for the bipartisan leadership he has provided over the years. He has performed a great service for the country, and I know he will continue in that service regardless of how this vote comes out.

Mr. WILLIAM L. SCOTT addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I yield 5 minutes to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. I thank the Senator for yielding.

Mr. President, I am going to support the motion to recommit, but not for the reasons that the distinguished Senator from Michigan and the distinguished Senator from Minnesota have mentioned.

I am opposed to general foreign aid—what Representative H. R. GROSS refers to as the foreign giveaway program. I am opposed to it because we have given away more than $200 billion since the program started.

Proponents talk about a humanitarian program and something that will help the world. If we had a national referendum, would the American people approve of this $2.5 billion? I submit that they would overwhelmingly disapprove.

When I served in the House, I took some polls on this matter, and 85 percent to 90 percent of the people I represented either wanted foreign aid eliminated or reduced. We have had this foreign aid from 25 to 30 years. It started with the Marshall plan to help the war-torn countries of Europe and Asia. Perhaps we should have reverse foreign aid at this time. As a nation, we are not in the habit of asking for a handout, but when we have given and given and given for as many years as we have, when we have given as much as we have to other nations—the Library of Congress advises me that we have given to between 125 and 130 nations—when we have provided, either in grants or in loans more than $200 billion, an amendment might well be in order to provide for some reverse foreign aid, considering our present economic condition. Because our spending already exceeds our national income we will have to borrow the money at a high rate of interest in order to provide the funds in this bill and the other foreign aid bills. This is only a part of the package.

Of course, I am not serious about asking other nations for money, because this Nation has always stood on its own feet. But it does seem that we should stop this foolishness.

Mr. President, I ask unanimous consent to have printed in the Record an article by James J. Kilpatrick, entitled "The Foreign Aid Habit," which was published in the Washington Star-News on September 18. Mr. Kilpatrick is a former editor of the Richmond, Va., News-Leader. He writes:

> How did we get into this lunacy? And how do we get out? Foreign aid simply got to be a habit . . . And it has now become a "near-addictive habit."

I hope that the committee, when it reports another bill, will be more selective in the giveaway program. We do need to kick the habit.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Foreign Aid Habit

(By James J. Kilpatrick)

Glum. That is about the only adjective that comes readily to mind to describe a recent report from the Senate Foreign Relations Committee on foreign aid in the current fiscal year. If glum won't suffice, try gloomy, dismal, or dreary.

The Committee has recommended an authorization of $2.5 billion for certain economic, military assistance and credit sales programs. But plainly the committee's heart isn't in it. About the only pleasant thing that can be said of the $2.5 billion is that the sum is $724 million less than the administration had requested for these particular items.

Most of the money that would be authorized in the pending bill is for South Vietnam, Cambodia, and Laos. And about the only pleasant thing that can be said on this score is that the bill fixes some guidelines that may cut down on waste and graft.

The $2.5 billion that would be authorized by this bill is only a part of $8.4 billion in total foreign aid proposed for the current fiscal year. We have grown numb to such figures. The digits convey little meaning. As individual items, however, the proposals may prompt a few hard questions.

It is proposed, for instance, to take nearly $15 million from American taxpayers this year in the form of outright military assistance to African nations. Isn't it about time that we asked about value received? Ethiopia is down for $11.3 million in military aid. In the name of common sense, what value do the American people receive in exchange for $11.3 million to Ethiopia?

Why are the taxpayers hit for even $70,000 to Ghana? For $100,000 in arms to Liberia? For $50,000 to Mali? For $860,000 to Morocco? It is proposed that we give $300,000 in military aid to Zaire; the sum is equivalent to the total income tax paid by 200 middle-income families.

The list goes on and on. In some fashion—maybe the Congress knows—the American people have been saddled with providing an annual allowance to more than 100 countries. At random, it is proposed that our taxpayers provide in economic or military aid this year $2.2 million to Upper Volta, $17.2 million to Afghanistan, $7 million to Nepal, and $232 million to Turkey. Through the Peace Corps, we will spend $306,000 in Fiji, $452,000 in Swaziland, and $181,000 in Oman.

How did we get into this lunacy? And how do we ge' out? Foreign aid simply got to be a habit, says the committee. And it has now become a "near-addictive habit."

"At present," the committee observes, "the far-flung network of U.S. military assistance, advisory groups, military missions, and military groups gives bureaucratic momentum to the perpetuation of an extensive program the rationale for which each year has become increasingly dubious. Through this bureaucracy, the U.S. continues—almost habitually—to dispense hundreds of millions of dollars of weapons in pursuit of such vaguely defined goals as 'stability,' 'balance,' and the 'maintenance of friendly relations.' Yet in the committee's view, there is little evidence that such general purposes have actually been served by this massive and often indiscriminate program."

On the contrary, military aid "not only escalates the destructive potential of international conflict but also enhances the relative power of the military within those societies and thereby creates undesirable tendencies away from the democratic processes which the program, in its origins, was intended to defend."

The committee has recommended a three-year phase-out of general military assistance.

If the recommendation sticks, perhaps the American taxpayer will be given some relief in time. Meanwhile the drain continues.

When will Congress kick the habit?

Mr. GRIFFIN. Mr. President, I am willing to yield back the remainder of my time, if the Senator from Minnesota is willing to do so.

The PRESIDING OFFICER. The Senator from Minnesota has 1 minute remaining.

The Senator from Michigan has a substantial portion of his time remaining.

Mr. HUMPHREY. Mr. President, I cannot say "hello" in 1 minute. I yield back the remainder of my time.

Mr. GRIFFIN. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the motion of the Senator from Michigan (Mr. Griffin) to recommit. On this question, the yeas and nays have been

The legislative clerk called the roll.

ordered, and the clerk will call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Nevada (Mr. Cannon), the Senator from Alaska (Mr. Gravel), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. Cannon) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Packwood), the Senator from Ohio (Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. Curtis) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Ohio (Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Kansas (Mr. Dole) would each vote "yea."

The result was announced—yeas 39, nays 43, as follows:

[No. 445 Leg.]

YEAS—39

Aiken
Allen
Baker
Bartlett
Beall
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cotton
Domenici
Eastland
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Inouye
Johnston
Long
McClellan
McClure
Montoya
Nunn
Pearson
Randolph
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Thurmond
Young

NAYS—43

Abourezk
Bentsen
Biden
Brooke
Case
Chiles
Church
Clark
Cranston
Eagleton
Ervin
Fulbright
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Muskie
Nelson
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Stevenson
Symington
Talmadge
Williams

NOT VOTING—18

Bayh
Bellmon
Bennett
Cannon
Cook
Curtis
Dole
Dominick
Goldwater
Gravel
McGee
Moss
Packwood
Sparkman
Taft
Tower
Tunney
Weicker

So the motion to recommit was rejected.

AMENDMENT NO. 1929

Mr. NELSON. Mr. President, I call up my amendment No. 1929 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. Nelson), for himself, Mr. Abourezk, Mr. Kennedy, Mr. Clark, Mr. Cranston, and Mr. Mathias, proposes an amendment numbered 1929.

The amendment is as follows:

On page 53, between lines 10 and 11, insert the following new paragraph:

"(6) (A) At the end of chapter 1 add the following new section:

" 'Sec. 25. Quarterly Reports; Congressional Approval.—(a) Not later than fifteen days after the end of each quarter, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a report setting forth the total amount of cash sales from stock under section 21, contracts for the procurement of defense articles or defense services under section 22, credit sales under section 23 of this Act, and guaranties under section 24 of this Act made during the preceding quarter, and the country or international organization to which such sale, credit sale, or guaranty is made or expected to be made.

" '(b) (1) The President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a written statement giving a complete explanation with respect to any agreement or contract to sell or to extend credit or guaranties if—

"'(A) the amount of such sale, credit sale, guaranty exceeds $25,000,000; or

"'(B) the amount of such sale, credit sale, or guaranty, when added to the amount of all the sales, credit sales, and guaranties made to that country or international organization in that fiscal year (including the amount of any sale, credit sale, and guaranty made to that country or international organization under a statement of waiver in accordance with subsection (c) of this section), causes the total amount of sales, credit sales, and guaranties made to that country in that year to exceed $50,000,000 for the first time.

Each such statement shall include an explanation relating to only one agreement or contract to sell or to extend credit or guaranties, and shall set forth—

"'(i) the country or international organization to which the sale, credit sale, or guaranty is made;

"'(ii) the amount of the sale, credit sale, or guaranty;

"'(iii) in the case of a sale, a description of the defense article or service provided;

"'(iv) the department, agency, or branch of the United States Armed Forces entering into such contract or agreement; and

"'(v) the date of such agreement or contract.

"'(2) (A) No sale, credit sale, or guaranty may be made under such agreement or contract until the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted.

"'(B) The President may make such sale, credit sale, or guaranty thirty days after the statement has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the statement is transmitted, Congress adopts a concurrent resolution disapproving the sale, credit sale, or guaranty with respect to which the statement is made.

"'(3) For purposes of paragraph (2) of this subsection—

"'(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

"'(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

"'(c) The provisions of paragraph (2) of subsection (b) of this section shall not apply if the President transmits to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a statement of waiver in which he certifies that an emergency exists which requires such waiver in the national security interests of the United States.

"'(d) Subsections (e) through (m) of this section are enacted by Congress—

"'(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

"'(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

"'(e) For purposes of subsections (d) through (m) of this section, "resolution" means only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress does not approve the (agreement, contract) for — and explained in the statement transmitted to Congress by the President on —, 19—.", the appropriate word within the parentheses being selected, the first blank space therein being filled with the name of the foreign country on whose behalf the sale, credit sale, or guaranty is made, and the other blank space therein being appropriately filled with the date of the transmittal of the statement; but does not include a resolution specifying more than one sale, credit sale, or guaranty.

"'(f) If the committee, to which has been referred a resolution disapproving a sale, credit sale, or guaranty, has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same sale, credit sale, or guaranty which has been referred to the committee.

"'(g) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same sale, credit sale, or guaranty), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"'(h) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same sale, credit sale, or guaranty.

"'(i) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a sale, credit sale, or guaranty, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"'(j) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"'(k) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a sale, credit sale, or guaranty, and motions to proceed to the consideration of other business, are decided without debate.

"'(l) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a sale, credit sale, or guaranty are decided without debate.

"'(m) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

"'(1) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been received; but

"'(2) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted.'

"(B) Section 35(b) of such Act is repealed.".

On page 53, line 11, strike out "(6)" and insert in lieu thereof "(7)".

Mr. **NELSON**. Mr. President, this amendment is essentially the same as the one passed by the Senate last year. In its present form, amendment No. 1929 is a weaker amendment than the one I offered and the Senate passed last year. It provides that whenever there is a military sale by the Government of the United States of $25 million or more, or whenever there are cumulative sales to one country in one year of $50 million or more, the President must submit the sales plans to Congress under a procedure similar to the Reorganization Act. Both Houses would have to act to reject the sales proposal.

The reason for this amendment is that these huge sales of military hardware have a significant impact on foreign policy. The circumstances which warranted the amendment's consideration and Senate passage last year have grown even more serious in the interval.

When I offered my amendment last June 25, 1973, I said that:

> It is difficult these days to open the newspaper without coming across unexpected reports of another U.S. multi-million dollar arms deal with another small nation somewhere.

Ironically this year, not only have the sums, which were already vast, grown astronomically but the newspaper accounts now relate State Department and Defense Department internal criticism of the policy of pushing arms sales overseas. Our foreign policy experts have come to question the wisdom of some of these massive deals. Had this amendment become public law, Congress and the public would have had a role in reviewing the highly significant foreign policy implications of these sales before the sales were finalized and before the potential damage had been precipitated.

Clearly foreign military sales has become a major instrument of U.S. foreign policy. The executive branch of this Nation involves the United States in military situations throughout the world without congressional and public debate, discussion, or deliberation.

The bare statistics and figures for the FMS—foreign military sales—program tell much of the story. By DOD's account, the United States has sold over $2 billion worth of military goods in the years between 1950 and 1973.

Last year when I offered this amendment, available data showed that the FMS program was estimated to rise from $3.5 billion in 1972 to $3.8 billion in 1973. Fiscal year 1974 sales had been estimated to be in the neighborhood of $3.9 billion. The latest figures now available, however, reveal that the forecasts of all the experts in and out of the Government were frightfully off. The United States in fiscal year 1974, in fact, sold $5.9 billion in arms—a huge increase over the previous fiscal year and much more than had been anticipated. When credit sales and guarantees are added in, the FMS program in fact totals a phenomenal $8.6 billion.

This is practically double the arms

sales for the previous year and almost $2 billion more than all the arms sold or given away by all nations 3 years ago. In 4 short years, the program has grown sixfold. Fifty-eight nations participate in the FMS government-to-government sales program.

Clearly we are in need of a review process to keep up with the galloping growth of this program. Congress must have the necessary information on and oversight authority over proposed foreign military sales to exercise its responsibility in this crucial area. Legislation which the Senate perceived a need for last year is even more crucial this year.

Foreign military sales constitute major foreign policy decisions involving the United States in military activities without sufficient deliberation. This has gotten us into trouble in the past and could easily do so again.

Despite the serious policy issues raised by this tremendous increase in Government arms sales, these transactions are made with little regard for congressional or public opinion. The Department of Defense is consulted. The manufacturers of weapons and the providers of military services are consulted. The foreign purchasers are involved. But Congress is hardly informed of these transactions, much less consulted as to their propriety. As it stands now, the executive branch of the Government simply presents Congress and the public with the accomplished facts.

The lack of required reporting to Congress, coupled with the traditional secrecy surrounding international arms transactions, frequently results in Congress learning about arms sales only as a result of the diligent efforts of the press. Thus, ironically, the American public learned of the 1973 sales to Persian Gulf countries only after the American media picked up an Agence France-Presse report and pressed the State Department spokesman to officially confirm the fact that we had an agreement in principle to sell Phantoms to Saudi Arabia and that we were negotiating a giant deal for arms to Kuwait.

So, too, the American public learned about negotiations for the sale of jets to Brazil last year from a report originating in Brazil. And this summer the Washington Post correspondent in Quito, Ecuador—not Capitol Hill, Washington—reported U.S. intentions to resume military sales to Ecuador after a 3-year ban. Ecuador, which has been involved in the so-called tuna war with the United States, resulting in seizure of U.S. tuna boats and expulsion of U.S. military mission to Quito, reportedly has a long shopping list including 12 T–33 trainer jets, basic infantry equipment, and large quantities of engineering equipment.

Congressional reliance on the press for hard data on U.S. Government arms sales abroad, however, is not the most serious deficiency in the decisionmaking system governing such sales. At this time there is no formal procedure by which Congress can participate in determining the merits of these arms deals before they are finalized. Nor is there any way for Congress to exert effective oversight authority and monitor the impact of these deals after they are negotiated.

When this amendment was first introduced, I pointed out the press reports of burgeoning U.S. arms sales to the Persian Gulf nations, including Saudi Arabia, Kuwait, and Iran, and to Latin America. Apparently those sales were only the tip of the iceberg.

PERSIAN GULF

An article in the Christan Science Monitor based on interviews with officials of the State and Defense Departments estimated that the size of arms sales to Persian Gulf countries in fiscal year 1975 alone could total $4 to $5 billion. These prospective sales deserve particular attention in the light of heavy U.S. sales in the past 2 years.

IRAN

In fiscal year 1973 Iran contracted to buy $2 billion worth of U.S. military equipment. In the past year, according to the Wall Street Journal the Shah's "purchases totaled a staggering $3.5 billion, several times the amounts of 2 years before." And the New York Times on September 19 reports a possible $10 billion sale to Iran of communications equipment, including satellites.

Wall Street Journal staff reporter Richard J. Levine stated in an August 29, 1974, dispatch that Defense Department officials have:

> Allowed and even encouraged (the Shah) to purchase some of the most sophisticated weapons in U.S. arsenals, including Grumman's swing-wing F14 fighter (the Navy's newest warplane) McDonnell Douglas' F4 fighter, Lockheed's C130 transport and Hughes Aircraft's TOW antitank missile. In the case of Bell's AH1J attack helicopter, the Shah is getting a whirlybird more advanced than any used by the American Army. His future purchases are likely to include Litton's DD963 destroyer and a lightweight fighter still under development.

More significantly, the usually reliable and generally unhysterical Wall Street Journal reports that:

> It is increasingly uncertain whether U.S. policy has promoted stability and U.S. access to Mideast oil, or, rather, has fueled a Persian Gulf Arms race that is heightening regional tensions and spurring the oil-producing states to raise oil prices to pay for expensive weapons.

It reveals that some experts in Government consider our policy "at least self-defeating and at most highly dangerous." One top State Department official worried publicly that weapons sales to Iran have "achieved a magnitude people didn't anticipate without benefit of consideration of the long-term consequences."

Selling to Iran means more than just a fast buck for U.S. defense contractors or a shot in the arm for U.S. trade balance. It means we are deeply involving U.S. policy in the military future of Iran—a nation to which under a 1959 agreement, the United States is committed to "take such appropriate action, including the use of armed forces, as may be mutually agreed upon." We are pouring rivers of sophisticated arms into a nation whose dubious military adventures include the occupation in 1971 of three small strategically located islands at the entrance to the Persian Gulf, which the Arabs in the area also claim.

THE ARAB NATIONS IN THE PERSIAN GULF

Moreover, in an incredible policy which attempts to be "even-handed" in the Middle East but which boggles the mind for its shortsightedness, the same policymakers in our Government who approve sales to Iran are also pushing sales to the Arab powers in the Persian Gulf region—Saudi Arabia and Kuwait—thus fueling an arms race.

SAUDI ARABIA

Saudi Arabia, which last year ordered a total of between 150 to 200 F–5 fighters, signed a $355 million agreement in April for the modernization of the Saudi National Guard. The agreement includes the purchase of American armored vehicles, antitank weapons, and artillery batteries. In the year ending June 30, Saudi purchases totaled a little over half a billion dollars.

Recently, two high ranking military experts visited Saudi Arabia in a move that the New York Times says illustrates growing United States military involvement which stops "just short of a mutual defense pact, which would oblige the United States to resist a foreign attack on the country."

In the words of one United States military official:

> I do not know of anything that is nonnuclear that we would not give the Saudis.

On September 11, 1974, New York Times listed examples of these massive sales:

Raytheon Corp.—Hawk missiles, a $265 million purchase program for advanced Hawk ground-to-air missile batteries for the Saudi air defense system, and the stationing of 450 Raytheon technicians to service the missiles;

"The Northrup Corp.—F–5E jet fighters, pilot training and development of personnel and facilities;

Lockheed Corp.—C–130 cargo planes with pilot training and ground personnel;

Bendix.—track and armored vehicles for the Saudi Army;

The United States has entered into a $250 million arms and training contract with the National Guard, the Saudi internal security force;

The United States maintains a training mission for the Saudi army, air force and navy;

"The Corps of Engineers has supervised the construction of the two big army bases at Tofuk, near the northwest border with Jordan, and at Khamis Mushait, in the South near Yemen and Southern Yemen;" and

The United States is also involved in a 10-year program to improve the Saudi navy by selling patrol craft and building bases.

These deals, reports a September 19, 1974 New York Times article, are arranged by means of newly established joint commissions with Iran and Saudi Arabia. Secretary of State Kissinger regards these arrangements as "less than a formal alliance and more than bilateral talks," thus "sidesteping congressional concerns about treaty commitments" and making it possible to give permanence to negotiations."

The magnitude of the sales and the means by which they are instrumented should, it seems to me, be a source of alarm to every single Member of Congress. Unless Congress acts soon, its will shall continue to erode as the administration continues to concoct hybrids such as joint commissions. The amendment which I am offering today is an appropriate form of congressional oversight. Congress failure to act now would serve as a sign of further abdication of power to the executive branch.

KUWAIT

Saudi Arabia is not the only Arab country in the Persian Gulf taking part in this massive arms race fueled by products made in the United States. Kuwait, according to a September 18 Washington Post dispatch from Beiruit, is about to sign a contract worth $450 million for American arms and equipment including advanced design Hawk surface-to-air missiles. It will shortly open final negotiations for American fighter bombers. The Post reports:

> The Kuwaiti purchases and large-scale buying of aircraft by Saudi Arabia form part of a heated arms-buying campaign that is turning the Persian Gulf into a gigantic armory. Strong reaction from Israel and its supporters in Washington can be expected if the Arab desires (for more sophisticated fighters with greater range and firepower) are met. And there are American hints that a large arms package deal would imply a strengthening of American-Kuwaiti defense ties and a willingness to offer large aircraft.

The Post also reports:

> American planes under discussion are the McDonnell-Douglas Phantom F-4, one of the mainstays of the Israeli air force, and the more recent longer-range Ling-Temco-Vought A-7 Corsair. The Corsair, a U.S. Navy light attack bomber, is capable of reaching the borders of Israel from Kuwait.
>
> Kuwait has reportedly opted for a defense plan that will have its air force scattered at four or five locations in Kuwait and in neighboring Arab states.

This indicates to me, at least, that a massive sale to Kuwait will not only imply strengthening ties between the United States and Kuwait. It may also have the direct effect of arming other Arab nations more directly involved in the Arab-Israeli conflict.

Both the regional and East-West implications of these large weapons sales is beginning to worry some Government officials and recognized experts in the field. Former Secretary of Defense Melvin Laird has publicly echoed this concern in the introduction to an American Enterprise Institute study titled "Arms in the Persian Gulf." Mr. Laird suggests that while providing armaments to third world countries might be a positive short-term measure, it should be accompanied by diplomatic activity so that weapons sales do not become a standard long-term U.S. policy. He also raises important questions about the implications of such sales for future peace and accommodation in the region.

In another forum, Laird recently stated in a Forbes Magazine interview:

> To me the most important agreement that can be worked out in the next four or five years is to involve the Soviet Union, the United States, and all other arms-producing countries to limit the sale and delivery of conventional military equipment into the Middle East, Southeast Asia, Latin America, and Africa.

These are serious issues—issues that deserve to be debated by both the Congress and the executive branch. Without this amendment offered today, Congress will be totally ill-equipped to debate them. It will not have adequate information. Nor will it have the necessary formal procedure to make its voice heard.

LATIN AMERICA

Similar questions concerning sales in the Persian Gulf might well be raised about recent and potential sales of jet aircraft to Latin American countries. In 1973 the administration authorized sales of F-5E international fighters to Argentina, Brazil, Chile, Colombia, and Venezuela, ending in one sweep a 3-year ban on the sale of sophisticated military equipment to underdeveloped countries. As of December 1973, Brazil had ordered 42 aircraft. Potential orders from Chile, Peru, and Venezuela could total 90 aircraft. At a cost of $2.5 million per plane, jet aircraft sales to Latin America could amount to $300 to $400 million over the next few years. And, as previously noted, the United States plans to sell arms to Ecuador as a result of the truce in the 3-year tuna war with the United States.

Perhaps these transactions—in the Persian Gulf, in Latin America, anywhere—have merit. Perhaps they do not. Without debating the merits of these sales, it seems to me that they represent such a qualitative change in our involvement in the Persian Gulf area and such a significant turn in our Latin American relations, that Congress must be afforded the opportunity to deliberate on these matters as well as on all other significant sales agreements entered into by the U.S. Government.

INADEQUACY OF PRESENT REPORTING REQUIREMENT

This amendment fills a vacuum in information available to the Congress. There is no statutory requirement to insure that Congress receives up-to-date information on U.S. Government foreign military sales. The various required reports either provide information on last year's sales or provide detailed information on only a small part of total American arms sales abroad. Thus, the report required by 657(a) (1) of the Foreign Assistance Act lists only the total amount of U.S. Government sales by country for the past fiscal year. The report contains information on the dollar value of U.S. Government arms grants and sales to each foreign country. It provides no specific information on the type or quantity of weapons ordered. More importantly the report, which covers the preceding fiscal year, is issued 6 to 9 months after the end of that fiscal year. Thus the commitment to transfer weapons could have been made up to 18 months before the release of the report.

Government-to-government arms sales do not require export licenses. Therefore, the portion of the section 657 report titled "Export of Arms, Ammunition, and Implements of War," providing past fiscal year data only on commercial sales, which are approximately one-eighth of total American arms sales abroad is of little use. Moreover the information when it is reported, deals with arms deliveries during the preceeding fiscal year, it is released up to 18 months after the delivery of equipment identified in the report.

The 657(a) (4) report on "Exports of Significant Defense Articles on the U.S. Munitions List" was formerly required by section 36 of the Foreign Military Sales Act. That requirement was made a part of the section 657 report in 1973. To date no reports have been issued pursuant to section 657(a) (4). The report will cover all categories of arms transfers, but by definition it will not provide information on all weapons transfers abroad. Again, the report will probably be released approximately 9 months after the end of the fiscal year and contain data on exports made up to 18 months previously.

Similarly, the more current reports on munition lists exports totaling more than $100,000, required under another commercial sales reporting provision sponsored last year by Senator HATHAWAY, contain no data on the majority of U.S. arms sales—the government-to-government sales in which the U.S. acts as an intermediary between an American munitions firm and a foreign country.

Section 35(b) of the Foreign Military Sales Act calls for semiannual reports on a country-by-country basis of "forecasts of sales and of guarantee and credit applications and anticipated guaranty and credit extensions to economically less-developed countries for the current fiscal year." However, since the approval of the Foreign Military Sales Act in October 1968, the House Foreign Affairs Committee Calendar lists only three reports submitted pursuant to the section 35(b) requirement whereas approximately 12 reports should have been received to date. And as the report title describes, the reports only contain data on sales to less-developed countries—thus leaving out highly relevant information concerning sales made elsewhere. The three reports thus far filed were issued in April, January, and February respectively. The annual presentation document, which the Defense Department claims contains data submitted in lieu of a second semiannual report, is also transmitted to the Congress sometime during March or April. In effect, therefore, Congress is receiving what are supposed to be two different reports at approximately the same time.

As for the presentation material, a detailed justification of the administration's military aid program, it contains an estimate on a country-by-country basis of the dollar value of cash, credit, and guaranty weapons sales. In recent years, however, actual sales have far exceeded the original DOD estimates. An example which bears repeating is the original DOD estimate for cash sales in fiscal year 1974—$3.678 billion. Actual cash sales during fiscal year 1974 on the other hand totaled $5.9 billion.

In summary, two facts should be kept in mind about the information currently submitted to Congress. First, a great deal of the information is on arms transfer that have already taken place. Second, none of these reports contains procedures by which Congress may reject arms sales which it does not feel are in the national interest.

The purpose of this amendment is to correct this situation and to give Congress the opportunity to consider—and if necessary—reject foreign military sales according to prescribed conditions.

ADMINISTERING THE AMENDMENT

The enactment of this provision should place no significant administrative burden on the executive branch. Neither Congress nor the executive branch will be inundated in paperwork as a result of the adoption of this amendment. The total number of statements that would have been submitted for congressional consideration in fiscal year 1973 had the Nelson amendment been in effect is approximately 30.

Nor should the 30-day congressional review period prior to consummation of sale provide any serious interference with normal procedures. Under normal circumstances the negotiation of a sales agreement can take months and the delivery period for such purchases may extend over a period of several years. Moreover, once an offer of sale is accepted by a foreign country there is a second period of negotiations on a production contract. Only then, is a final price agreed to.

The negotiation of a production contract pursuant to the offer and acceptance takes anywhere from 3 weeks to 9 months. This timelag is in addition to the timelag of from 90 to 120 days, which a foreign country is given to accept or reject a letter of offer. Even when the acceptance simply involves material ordered from U.S. defense stocks, there is still bound to be a bureaucratic timelag before the implementation of the acceptance.

The contract—form 1513 of the DOD—allows for delays, changes in conditions, or even cancellation by both the seller and purchaser. Thus the fact that the acceptance is considered legally binding on both parties does not prevent either the United States or the foreign government from canceling the agreement. Section A(6) of the explanatory "Conditions" accompanying the letter of offer—form 1513—specifically reserves the right of the U.S. Government to cancel the order "under unusual and compelling circumstances when the best interests of the United States require it." Similarly, a foreign government may at any time terminate the acceptance. If the order is canceled before the final negotiation of a production contract—which can take from 3 weeks to 9 months after the signing of the acceptance—it does so at no cost to itself.

Mr. President, one last point should be made concerning the administration of this proposal. A purchasing country's decision to buy U.S.-produced military equipment is made primarily on the basis of the high technical quality of American weapons and only secondarily on the basis of the price and delivery schedule. Iran, for example, negotiated the purchase of F-14's for more than a year and reportedly paid more than double the price that the U.S. Navy paid for the same plane. Their delivery is not expected to be completed before 1977. A 30-day congressional review period, therefore, would not cause any significant delay nor lose the sale.

EMERGENCY WAIVER

In an emergency situation, the amendment provides a special waiver to cover circumstances such as occurred during the October conflict in the Middle East.

The Defense Department has argued that the Nelson amendment would have hampered the U.S. effort to bring about a cease-fire during the 1973 Middle East war. This argument is hypothetical at best and indicates a misunderstanding of the purposes of the amendment. Moreover, the Nelson amendment would not preclude the President from submitting special legislation to permit the continuance of sales. And in fact, shortly after the outbreak of hostilities, the President did request special emergency assistance for Israel. Nor would the Nelson amendment have prevented the Congress from acting expeditiously to approve sales during an emergency. The Defense Department argument that the Congress would do nothing, thus blocking further sales, is not supported by recent congressional response to Israel's vital needs.

There are an increasing number of precedents for the legislative approach employed in the amendment—Congressional veto of proposed actions by the executive branch. Some of them are:

> War Power Act—PL 93-148—Concurrent resolution can terminate commitment of U.S. Forces to hostilities abroad.
>
> Rail Reorganization Act—(PL 93-236)—Final reorganization plan for nation's railroads will be accepted unless either House or Senate passes a resolution rejecting it.
>
> Budget and Impoundment Control Act—PL 93-344—Either House of Congress can disapprove Presidential proposal to defer expenditure of funds; both Houses must approve any proposed recission of appropriated funds within 45 days.
>
> District of Columbia Self Government Act—PL 93-198—Either House of Congress can disapprove acts of the D.C. City Council within 30 days.

More significantly, the Committee on Foreign Relations has adopted a provision in the bill we are presently debating requiring that Congress be told in advance how he proposes to use funds under section 903, the special requirements fund. Each body is then allowed a period of 30 days within which it could, by passage of a resolution, disapprove the proposal. According to the committee's report,

> The provision adopted by the Committee is comparable to the statutory provisions for Congressional disapproval of government reorganization plans.

Mr. President, the Congressional Research Service prepared a study on the constitutionality of the so-called legislative veto, embodied in the original Nelson amendment. That study finds that the proposed amendment is constitutional. It closely parallels the analogous provisions of the Executive Reorganization Act, the constitutionality of which has not been challenged by the executive branch. Moreover, the amendment would serve a useful function in assuring that the congressional policy origination power is not abdicated to the executive branch.

Mr. President, there is no question that if the one House veto is constitutional then the concurrent resolution, or two House veto, would be subject to even less question.

THE REVISED AMENDMENT

To repeat, the revised provision would require that the President report to Congress whenever he intends to finalize an agreement to sell or extend credits or guarantees for the sale of U.S. military goods and services for $25 million. The amendment further requires a report whenever sales, credits, or guarantees extended to one country in 1 year amount to $50 million. If, after Congress has examined these sales plans for 30 days and both Houses of Congress have not voted disapproval in the form of a concurrent resolution, the President's sales plans may be finalized.

The provision has been slightly revised from last year's amendment to meet some procedural and administrative difficulties which the Department of Defense found with the amendment. And the amendment which I am asking the Senate to vote on today also has been revised to meet the legitimate procedural problems which the Foreign Relations Committee perceived at the time it considered the amendment in executive session.

The revisions will:

Cut down on the number of statements which must be submitted to Congress;

Grant the President a waiver on any single report whenever the President certifies to Congress that there was an emergency affecting the interest of the United States;

Clarifies a semantic issue which troubled the Department of Defense. The term "proposed sale" has been changed in this amendment to the term "agreement or contract to sell," thus making it clear that Congress shall receive statements on U.S. offers to sell that have been accepted by foreign governments; and

Employs a concurrent resolution instead of a one House veto.

In closing, let me reemphasize the importance of these foreign military sales by citing a Washington Post article by Andrew Hamilton, a former National Security Council assistant to Henry Kissinger, who discussed five major aspects of the burgeoning arms sales program of the United States:

MAJOR ASPECTS

> (1) Much of the new wealth of developing nations is paying for non-productive military equipment at inflated prices at a time when more than a billion people face starvation because of inadequate food supply and distribution.
>
> (2) The sales have created new regional arms races, thus boosting demand for more arms and contributing to the risks of war—and of great power confrontation—in unstable areas like the Persian Gulf.
>
> (3) For the first time, the United States is selling its most advanced, most expensive, and most highly classified conventional weaponry and electronics technology.
>
> (4) The danger exists that the buyers, to pay for U.S. and other modern weapons, will be tempted to further increase raw material

prices, which in the long run could wipe out any advantage from arms sales and intensify worldwide inflation.

(5) Despite the diplomatic and economic risks involved, the key decisions behind the new rise in U.S. arms exports were made by President Nixon without consulting or even informing Congress.

I am pleased to note that the Defense Appropriations Subcommittee has also expressed its concern about burgeoning U.S. arms sales. Incorporated in its report passed by the Senate, is language closely paralleling my amendment which requires prior notice to the Defense Subcommittee of certain future cash sales of military equipment to foreign governments. The distinguished chairman of the committee and I had a colloquy on this subject in which he stated that:

> The committee does not in any way mean to preclude his (the Nelson) amendment to the Foreign Military Sales Act.

Mr. President, in closing, let me repeat my firm belief that this Government—including both Congress and the executive branch—have the responsibility to its own citizens and to the international community to give very careful consideration to weapons sales of such magnitude. This amendment would provide both the essential information and the necessary procedure for congressional review.

Mr. President, all this amendment does, as I stated previously, is require the President to submit to both Houses of Congress for approval or disapproval under the Reorganization Act, sales of $25 million or more, or cumulative sales in 1 year to one country of $50 million or more. Therefore, Congress will have the opportunity to debate the wisdom of making the sale and its impact on foreign policy. It will have an opportunity to vote approval or disapproval.

If Congress does not act, of course, the sale proceeds. If Congress does act—both Houses, not one House—both Houses, by acting positively, can veto the sale.

There is one additional provision. That is a provision that, in case of emergency such as the Middle East situation a year ago, the President does not need to submit the sale to Congress for its approval or disapproval, but he must report in writing to Congress why he is waiving the congressional veto requirement. He must delineate and explain the sale and what the emergency is.

That covers the amendment.

Mr. HUMPHREY. Mr. President, very briefly, the amendment offered by the Senator from Wisconsin is one approved by the Senate last year. It was regrettably deleted in conference.

I think the amendment is, in fact, slightly changed, but that change I consider an improvement, from my point of view.

I see no reason, in light of the fact that the Senate has acted affirmatively on this matter.

Mr. TALMADGE. Mr. President, will the Senator yield at this time for clarification?

Mr. NELSON. Yes, I yield.

Mr. TALMADGE. Does this relate to used military equipment sold under concessional sales agreements? Does it relate also to military equipment sold for cash to a foreign country?

Mr. NELSON. It relates to Government sales, but not private sales.

Mr. HUMPHREY. Not private.

Mr. TALMADGE. In other words, it does not relate to private sales. That is what I wanted to know.

Mr. NELSON. No.

Mr. HUMPHREY. It relates only to assistance sales or to Government sales.

Mr. NELSON. Correct.

Mr. HUMPHREY. I am sure the Senate will look with favor upon this amendment, and I am prepared to do so as manager of this bill.

I yield to the Senator from Missouri (Mr. SYMINGTON).

Mr. SYMINGTON. Mr. President, as a member of the Committee on Armed Services, I commend the distinguished Senator from Wisconsin for an amendment that appears logical and wise to me.

The PRESIDING OFFICER. Do both Senators yield back their time?

Mr. NELSON. I yield back the remainder of my time.

Mr. HUMPHREY. Mr. President, the amendment proposed by the Senator from Wisconsin is similar to one approved by the Senate last year to S. 1443 which was deleted in conference.

The Senator reintroduced that proposal this year as an amendment to this bill. It was considered by the committee in executive session and rejected by a vote of 6 to 9. Although I and many members of the committee agree with the general objective of the Senator from Wisconsin, to insure congressional review of significant Government arms sales to foreign countries, there was some concern over specific provisions. One of those was whether the amendment might not result in Congress being deluged with a great mass of reports on insignificant sales. The Senator has now modified the amendment to meet that problem.

I am willing to accept the amendment and take it to conference.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Wisconsin (Mr. NELSON).

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from California (Mr. CRANSTON).

Mr. CRANSTON. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, between lines 9 and 10, add the following new section and renumber the succeeding sections and any references thereto accordingly:

TERMINATION OF MILITARY ASSISTANCE AND SUBSIDIZED SALES TO MILITARY DICTATORSHIPS AND REPRESSIVE GOVERNMENTS

SEC. 15. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended by section 10(a), 11, 12, 13(a) and 14 of this Act, is further amended by adding at the end thereof the following new section:

"SEC. 518. TERMINATION OF MILITARY ASSISTANCE AND SALES TO MILITARY DICTATORSHIPS AND REPRESSIVE GOVERNMENTS.—(a) Notwithstanding any other provision of this Act or any other law except as may provide for the provision of lesser amounts of such assistance (including the value of excess defense articles, the aggregate total of credits extended, including participations in credits, and the principal amount of loans guaranteed, under the Foreign Military Sales Act), no military assistance or excess defense articles shall be provided in any fiscal year under this chapter, and no credits, including participations in credits, shall be extended, and no loans shall be guaranteed, under the Foreign Military Sales Act, with respect to any country, effective sixty days after the date of enactment of the Foreign Assistance Act of 1974, except in accordance with the provisions of subsection (b) or (c) of this section.

"(b) Except as otherwise provided in subsection (a) of this section, and unless the conditions set forth in subsection (c) of this subsection are met, (1) the amount of military assistance, including the value of any excess defense articles, provided under this chapter, the aggregate amount of credits extended, including participation in credits, and the principal amount of loans guaranteed, under the Foreign Military Sales Act, respectively, with respect to any country shall not exceed an amount, value, aggregate amount, and principal amount, respectively, which is equal to an amount which is reduced by a percentage equal to—

"(A) 33⅓ per centum of the amount, value, aggregate amount, and principal amount of such assistance, articles, credits, and guaranteed loans, respectively, furnished such country during the fiscal year 1974 with respect to the provision of all such assistance and articles, extension of credits, and guarantee of loans during the fiscal year 1975; and

"(B) 66⅔ per centum of the amount, value, aggregate amount, and principal amount of such assistance, articles, credits, and guaranteed loans, respectively, furnished such country during the fiscal year 1974 with respect to the provision of all such assistance and articles, extension of credits, and guarantee of loans during the fiscal year 1976; and (2) on and after October 1, 1976, no assistance shall be furnished to any country under this chapter, and no credits, including participations in credits, shall be extended, and no loans shall be guaranteed, under the Foreign Military Sales Act with respect to any country.

"(c) (1) Except as provided in paragraph (2) of this subsection, the reduction and termination provisions of subsections (a) and (b) of this section shall not apply in the fiscal year in question with respect to any country only if, upon the recommendation of the Secretary of State, the President personally makes a written certification (including a specification of the bases therefor) that such country is governed by a government which is not at that time—

"(A) a military dictatorship, and

"(B) a government which has recently engaged in a pattern of gross violations of internationally recognized human rights (including torture or cruel, inhuman, or degrading treatment or punishment), prolonged detention without charges, or other flagrant denials of the right to life, liberty, and the security of the person.

"(2) If the President personally determines, and so certifies in writing, that he cannot make a certification pursuant to paragraph (1) of this subsection with repect to a particular country, or if such a certification is invalidated by a concurent resolu-

tion pursuant to subsection (d) of this section, and the President personally determines that it is essential to the national security and defense of the United States to provide assistance, extend credit, or guarantee loans in a particular fiscal year in excess of the amounts provided for in this section with respect to such country, he may do so only if, upon recommendation of the Secretary of State, he personally makes a written certification (including a specification of the bases therefor) that—

"(A) Such country is in a state of war and there have been hostilities on a significant scale in or involving such country within the last 2 years;

"(B) there is a clear and present danger of resumption or escalation of such hostilities;

"(C) the provision of such assistance is essential to avoid substantial jeopardy to ongoing peace negotiations to which such country is a principal party; and

"(D) the provision of such assistance is essential to the national security and defense of the United States.

"(3) Each certification made under paragraphs (1) and (2) of this subsection shall immediately be transmitted to the Speaker of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate and published (except with respect to such specifications of bases which are classified in the interests of national security, pursuant to applicable law and regulation, in a certification made under paragraph (2) of this subsection) in the Federal Register.

"(d) Within ninety days after the President makes any certification pursuant to paragraph (1) of subsection (c) of this section, the Congress may, by concurrent resolution, invalidate any such certification and thereby restore the applicability of the reduction and termination provisions of this section, except with respect to funds obligated prior to the date of adoption of such concurrent resolution. The procedures provided with respect to consideration of resolutions in section 903(c) (except for paragraph (4) thereof) shall apply to consideration of concurrent resolutions under this subsection."

Mr. CRANSTON. Mr. President, the Senator from Minnesota will recall that I testified before the Committee on Foreign Relations at a time when he was presiding on the matter that this amendment relates to.

This amendment would phase out, by the end of fiscal 1976, all military assistance—including military sales and loans—to military dictatorships and governments which engage in gross violations of human rights.

The House bill, approved by the Committee on Foreign Relations, contains analogous language, but expresses only the "sense of Congress." My amendment is far stronger. The House language reads:

SECURITY ASSISTANCE AND HUMAN RIGHTS

SEC. 14. Chapter 1 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 502B. HUMAN RIGHTS.—(a) It is the sense of Congress that, except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.

"(b) Whenever proposing or furnishing security assistance to any government falling within the provisions of paragraph (a), the President shall advise the Congress of the extraordinary circumstances necessitating the assistance.

"(c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation by such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and any body acting under the authority of the United Nations or of the Organization of American States.

"(d) For purposes of this section, 'security assistance' means assistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) of this part, assistance under part V (Indochina Postwar Reconstruction) or part VI (Middle East Peace) of this Act, sales under the Foreign Military Sales Act, or assistance for public safety under this or any other Act."

Mr. President, my amendment is aimed primarily at 31 oppressive, authoritarian governments for which another $2.5 billion in military aid has been requested for fiscal 1975. This request comes on top of the $28 billion we have already given these countries since the end of World War II.

These 31 authoritarian governments are receiving—or would receive under this bill—U.S. military aid. They all exert various degrees of repression in restricting the liberties of their people. They range from one-man or one-party regimes to out-and-out police states.

In compiling my list of authoritarian regimes scheduled to receive U.S. military aid, I used data from the Library of Congress, Freedom House, the Center for Defense Information, and the State Department. One or another or all of these have classified the 31 countries as dictatorships in varying degrees, violating the human rights of the people who live there.

My list includes 16 governments which the State Department itself classifies as military dictatorships, and 15 others which have been persistently identified with gross violations of human rights and political freedom.

My amendment does not name these countries, and final determination would be subject to the procedures which it prescribes. But my list illustrates the nature of the problem I am addressing. The countries on my list, together with the amounts of U.S. military aid they have received or were scheduled to receive, are the following:

TOTAL MILITARY ASSISTANCE AND MILITARY CREDIT SALES TO SELECTED COUNTRIES

[Thousands of dollars]

Country	Proposed 1975	Actual 1974 (est.)	Cranston amendment			Total, 1945–73
			1975	1976	1977	
Afganistan	200	200	133	66	0	4,600
Bolivia	6,500	8,345	5,564	2,782	0	35,500
Brazil	60,800	56,480	37,654	18,826	0	430,200
Cambodia	363,750	335,367	223,578	111,789	0	608,700
Chile	21,300	16,487	10,992	5,496	0	184,400
Ghana	70	40	27	13	0	300
Guatemala	2,350	3,598	2,398	1,199	0	30,300
Haiti	200	0				4,100
Honduras	4,650	1,752	1,168	584	0	10,300
Indonesia	28,900	25,717	17,144	8,572	0	159,600
Jordan	149,243	160,180	70,786	35,393	0	237,400
Korea	234,300	161,850	107,900	53,950	0	6,041,600
Liberia	600	508	338	169	0	11,600
Mali	50	40	27	13	0	3,400
Morocco	14,860	13,246	8,830	4,415	0	112,400
Nepal	35	25	17	8	0	1,900
Nicaragua	4,450	2,799	1,866	933	0	16,600
Pakistan	280	345	230	115	0	695,900
Panama	550	1,011	674	337	0	6,400
Paraguay	2,350	2,733	1,822	911	0	16,900
Peru	21,300	16,037	10,692	5,346	0	142,900
Philippines	25,400	28,559	19,040	9,520	0	709,700
Saudi Arabia	3,557	3,188	2,126	1,063	0	294,700
Senegal	25	20	13	7	0	2,800
South Vietnam	1,450,000	1,100,000	733,534	366,767	0	14,618,700
Spain	1,600	29,743				
Sudan	50	0				2,200
Taiwan	80,400	91,624	61,082	30,541	0	3,404,400
Tunisia	3,900	4,046	2,698	1,349	0	46,800
Uruguay	4,700	6,261	4,174	2,087	0	59,800
Zaire	3,800	4,247	2,832	1,416	0	49,700
Total	2,490,170	2,020,448	1,327,339	663,667	0	27,943,800

Note: Totals may not add due to rounding. Included: Grants, credit sales, and transfers from excess stocks.

It seems to me, Mr. President, that it is time for us to call a halt to the economic and moral insanity we have been engaged in internationally for nearly 30 years now.

Besides unwittingly subverting the aspirations of the very people in those foreign lands whom we are supposed to be trying to help, we are mindlessly undermining our own economy.

The first step in fighting inflation and unbalanced budgets at home is for us to stop financing dictatorships overseas.

Let us face it. If Congress is serious about making major cuts to balance the budget, military aid to authoritarian governments is the obvious and logical place to start economizing.

U.S. military aid was intended to help these countries defend themselves against aggression. But many of these governments have used American money and American-supplied weapons to terrorize and subjugate their own people.

I say this is a perversion of American wealth and perversion of American goodwill. Billions of dollars in tax money from citizens of the United States—a free society—are helping finance the suppression of democracy in various parts of the so-called "Free World."

Such governments, in my opinion, are unreliable, unsteady foundations on which to base the security of our alliances.

Mr. President, let me now spell out succinctly and briefly what this amendment does.

The timetable is as follows: All forms of military aid to such governments would be reduced by one-third in fiscal year 1975 and by another one-third in fiscal 1976 before being terminated completely in fiscal year 1977.

The amendment would not increase any amounts of military assistance which are already limited to lower figures by other provisions of the reported bill or by any amendments attached thereto on the Senate floor.

To exempt any country from the provisions of my amendment—and it might be necessary and appropriate to do so—the President must present to Congress and have published in the Federal Register a certification that that country is not at that time a military dictatorship and not at that time a government which has recently engaged in—and I quote—"a pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment, prolonged detention without charges, or other flagrant denials of the right to life, liberty, and the security of the person."

As I indicated, the language I quoted is contained in a "sense of Congress" an amendment adopted by the House Foreign Affairs Committee.

A congressional veto, however, would be in order if Congress wishes to override the decision of the executive branch.

Within 90 days following a Presidential certification, Congress could invalidate the determination by passing a concurrent resolution, thereby removing the authority to treat a country as an exception.

The amendment provides for another, and more important, exception designed to accommodate the administration's basic conduct of foreign policy. An exception could be made for any country in a state of war where there have been hostilities on a significant scale in the last 2 years; where there is a clear and present danger of resumed hostilities; where ongoing peace negotiations are involved; and where such an exception is essential to the national security and defense of the United States.

The President would have to certify to that effect, following the same procedures I outlined a minute ago.

This "state of war" exception would not, however, be subject to the procedures for a congressional veto.

To give an example of how this would work, if a military dictatorship, engaged in the suppression of human rights, received $100 million of military assistance in fiscal 1974, including excess defense articles, credits, and loans, that country could only receive $66.66 million in fiscal 1975, $33.33 million in fiscal 1976, and nothing in fiscal 1977.

Mr. President, I would like to terminate military assistance to dictatorships and repressive governments immediately.

But in order to allow time for adjustments, I have suggested this phaseout by fiscal year 1977.

We cannot realistically expect all governments to achieve the full observance of full political rights as we know them in our own country—but we can at least demand that the governments to which we give military aid observe basic, fundamental human rights—including freedom from torture, arbitrary arrest and detention, and arbitrary curtailment of existing political rights. We just do not have to pay for other countries' bad political habits.

Military power, Mr. President, is directly associated with the exercise of governmental control over a civilian population.

By giving military aid to repressive governments we aid in and facilitate repression. We link the Government and people of America with the repression of people around the globe.

It seems to me that is an outrageous thing for us to do. How is the long-term U.S. foreign policy interest served by linking our Government with repressive military dictatorships? What do we gain by doing so?

Perhaps, as the Pentagon would indicate, we do gain a short-term advantage, but I ask if that is enough. I say: No, it is not enough. There are no lasting military advantages to be gained by supporting governments which must rely on torture and imprisonment of their own citizens to stay in power.

Support for such governments is a complete perversion of the original intent of military assistance—to help free governments protect themselves from outside aggression—by authoritarian regimes.

I believe we must move to reform dramatically and fully our vast, far-flung program of military assistance.

As the distinguished Senator from Idaho (Mr. CHURCH) noted recently, we must act to eliminate confusion of purpose from our aid program at large.

And we must develop a logical and consistent format for our aid—one which can be readily understood and analyzed by both the Congress and the American people.

I believe my amendment would be a step in that direction. It would not accomplish all that needs to be done—but it would remove from the American taxpayer the unjust burden of supporting—with hard earned dollars—repressive military dictatorships which trample upon the rights of their own people.

Unless we move to change substantially our present military aid program, we will continue to undermine our own economy—and to subvert the aspirations of the foreign peoples we say we are trying to help.

We must make it clear to the American people that their tax dollars are not going to be spent for repression. We must make it clear that their tax dollars are not going to be spent to send a host of military dictators gold-plated hardware, while the American people see their standard of living steadily eroded by double-digit inflation.

Unless we reform these abuses of our aid program, the American people will become increasingly reluctant to accept any kinds of foreign aid.

My amendment is one significant step in the direction of reform. I strongly urge its adoption on both moral and fiscal grounds.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I wish that the Senator from California would make this amendment of his a sense of the Senate resolution, and I will tell the Senator why.

First of all, the bill phases out all grant military assistance in 3 years. It is already in the bill, so that part, the giving of military assistance, is out.

On military sales, the military assistance sales, the formula that is in a four-page amendment here as an unprinted amendment is just a little bit more than a weary and tired man, as I am, and I imagine others are at this hour of the day, can fathom. I just do not believe that is the way we ought to legislate on something that is this vital.

Let me say further the expression of the sense of the Senate on this matter I think could be helpful. Second, we can give this sort of amendment the kind of attention it needs in appropriate committee hearings. But take a four-page amendment that has a complicated formula of 33⅓ percent of the amendment in principal amount of assistance and 66⅔ percent over a period of years, and back up and start up, is just a little bit more than I think we should do.

In order to expedite action here, I would like to ask, first of all, if the Senator would be willing to make it like a sense of the Senate resolution?

Mr. CRANSTON. There was a resolution adopted into law last year which states that—

> It is the sense of the Congress that the President should deny any economic or military assistance to the government of any foreign country which practices the internment or imprisonment of that country's citizens for political purposes.

Many of these governments, do exactly that. The sense of the Congress provision on political prisoners has been totally ignored. We know how the previous administration ignored laws. We now see, in the case of Cyprus, the present administration continuing aid to Turkey in violation of present law.

Therefore, I think that we should seek to write stronger language into law. And then we must diligently demand compliance with the law.

I grant this is a complicated amendment. If we were going to continue on the bill tomorrow I would be delighted to wait for a vote, but I do want to deal with this matter in its present form.

Mr. HUMPHREY. I understand.

Therefore, Mr. President, I move to table the amendment.

I yield back the remainder of my time.

Mr. CRANSTON. I yield to the Senator from South Dakota.

Mr. ABOUREZK. I only want to take a very brief time to say that argument of the Senator from Minnesota that

Senate full-fledged hearings on this kind of an issue——

Mr. CRANSTON. Will the Senator yield?

Mr. ABOUREZK. Yes.

Mr. CRANSTON. We had full-fledged hearings and the Senator from Minnesota presided over them. I testified on this general issue at length, though I did not discuss this amendment.

Mr. ABOUREZK. I testified before the committee 2 years in a row on this issue. I presented the evidence gathered by international organizations. Senator CRANSTON has offered the State Department evidence and the committee continues to disregard and ignore this issue.

I think it is an issue we have to face up to, it is a moral and legal issue that we cannot continue to ignore and water down with sense of the Senate resolutions. I think we have to face up to it.

I thank the Senator.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, I yield back the romainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

The Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that from now on amendments be limited to 15 minutes, 10 minutes to the sponsor, 5 minutes to the manager of the bill, and that the vote on final passage occur no later than 7 o'clock this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. The usual rules.

The PRESIDING OFFICER. Does the Senator's request include a request for waiving rule XII?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. CANNON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Utah (Mr. MOSS), the Senator from Alabama (Mr. SPARKMAN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. PACKWOOD), the Senator from Ohio (Mr. TAFT), the Senator from Texas (Mr. TOWER), and the Senator from Connecticut (Mr. WEICKER) are absent on official business.

I further announce that the Senator from Nebraska (Mr. CURTIS) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Ohio (Mr. TAFT) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 56, nays 25, as follows:

[No. 446 Leg.]

YEAS—56

Aiken
Allen
Baker
Bartlett
Beall
Bentsen
Bible
Brock
Brooke
Buckley
Byrd, Robert C.
Case
Chiles
Cotton
Domenici
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McClure
McIntyre
Montoya
Muskie
Nunn
Pastore
Pearson
Percy
Randolph
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Symington
Talmadge
Thurmond
Williams
Young

NAYS—25

Abourezk
Biden
Burdick
Byrd, Harry F., Jr.
Church
Clark
Cranston
Eagleton
Hart
Hartke
Haskell
Hatfield
Hughes
Kennedy
Mansfield
McGovern
Metcalf
Metzenbaum
Mondale
Nelson
Pell
Proxmire
Ribicoff
Schweiker
Stevenson

NOT VOTING—19

Bayh
Bellmon
Bennett
Cannon
Cook
Curtis
Dole
Dominick
Fulbright
Goldwater
Gravel
McGee
Moss
Packwood
Sparkman
Taft
Tower
Tunney
Weicker

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

The Senator from South Dakota is recognized.

AMENDMENT NO. 1927

Mr. McGOVERN. Mr. President, I call up my amendment (No. 1927).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. McGOVERN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN's amendment (No. 1927) is as follows:

FOREIGN GIFTS

SEC. 33. (a) Section 7342 of title 5, United States Code, is amended—

(1) by striking out the section caption and inserting in lieu thereof the following: "§ 7342. Foreign gifts and decorations"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following: "(c) Congress consents to the accepting and retaining by an employee of a gift having a value of $50 or less. A gift having a value of more than $50 may not be accepted by an employee.".

(b) Item 7342 in the analysis of subchapter IV of chapter 73 of such title 5 is amended to read as follows: "7342. Foreign gifts and decorations.".

(c) The amendments made by this section shall only apply with respect to gifts tendered on or after the date of enactment of this Act.

Mr. McGOVERN. Mr. President, recent controversy over the practice of U.S. Government officials accepting gifts from foreign governments has been focused upon the question of what is done with these gifts once they are received. Under current law and regulation, any gift valued at less than $50 is considered to be of "minimal value" and can remain the property of its recipient. Any gift valued at more than $50 is considered the property of the U.S. Government and is supposed to be turned over by its recipient to the Chief of Protocol for appropriate handling as Government property. The law expresses, implicitly, that it is a bad practice for U.S. Government employees even to receive such gifts, but states that—

> Congress consents to the accepting by an employee of a gift of more than minimal value when it appears that to refuse the gift would be likely to cause offense or embarrassment or otherwise adversely affect the foreign relations of the United States.

In other words, present law only allows U.S. Government employees to accept gifts valued at more than $50 because of an assumption that the declining of a gift could not be satisfactorily explained to a foreign government.

Mr. President, I believe that this is a faulty premise. It seems to assume that other governments are so uncivilized or so unsophisticated that they would not be able to understand if it were against the law for a U.S. official to accept a valuable personal gift. This, it seems to me, is a classic example of national arrogance. The law seems to envision a world in which American officials abroad, impeccably dressed in their pin-striped suits, are surrounded by masses of jungle savages who could take great offense were their offerings refused.

The result of this faulty image is that we have established a preposterous system whereby an American Government official accepts a gift from a foreign government even though he is not supposed to keep it. He is then left with two choices, neither of which is satisfactory. He can abide by the law, turning the gift in to be auctioned off by the U.S. Government, which, of course, totally negates the purpose of the gift. Or he can keep the gift, which may perhaps satisfy the purpose of the giver—whatever that may be—but which is a direct violation of American law. Such a procedure quite obviously does not make any sense at all.

I am, therefore, Mr. President, introducing an amendment to S. 3394 which prohibits henceforth any U.S. Government official from accepting from any foreign government any personal gift valued at more than $50. Personal gifts valued at under $50 would not be affected and would be allowed, just as they are now.

I should emphasize, Mr. President, that this prohibition would not prevent government-to-government gifts—such as the many fine contributions which were made by foreign governments to the Kennedy Center, or the two pandas given by the Chinese Government which have brought so much pleasure to Americans visiting our National Zoo. All that would be prohibited are the expensive, personal gifts—for which there is no possible justification.

Mr. President, I urge the adoption of this amendment. It will eliminate a system which is both an anomaly and an anachronism, which involves unnecessary Government procedure, and which acts as a standing invitation to inadvertent or intentional abuse.

Mr. HUMPHREY. Mr. President, I think this is a good amendment. I know that the Senate will find that it will clarify a loophole in existing law. On behalf of the committee, I am pleased to accept it.

Mr. BROOKE. Mr. President, will the Senator yield for a question?

Mr. McGOVERN. I yield.

Mr. BROOKE. Mr. President, I think the Senator has made a great contribution, but I am also concerned about giving gifts. We cannot receive gifts with a value of more than $50. Why should we be giving gifts with a value of more than $50?

Mr. McGOVERN. That may be the subject of a separate amendment. This relates to a problem that has been in controversy. The Senator may have a point.

Mr. HUMPHREY. Senator PROXMIRE submitted an amendment, which was adopted, that requires that any gift, of any size, must be reported to Congress promptly.

Mr. BROOKE. I can understand that. I think that disclosure and reporting are very important. But why should we be limited to receiving gifts with a value of $50 and yet be permitted to give gifts of a greater value?

Mr. HUMPHREY. Perhaps the Senator would like to offer an amendment.

Mr. BROOKE. I would. Particularly at a time such as this, when we are having serious problems at home and are talking about not giving foreign aid. We can give a gift of any amount, so long as we disclose it, yet we cannot receive a gift of more than $50 in value. I would like to modify the amendment, if the Senator would accept the modification.

Mr. McGOVERN. I have no objection to accepting that modification of the amendment.

Mr. BROOKE. I certainly would like to do so.

The PRESIDING OFFICER. Will the Senator submit his modification?

Mr. BROOKE. Yes.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Would free time on a foreign radio network be considered a gift—a gift of time that was given in behalf of some activity taking place in the United States?

Mr. HUMPHREY. It depends on the quality of the program, as to whether or not it is a gift or a liability.

Mr. AIKEN. Who judges the quality of the program?

Mr. HUMPHREY. Mr. President, as I understand it, the amendment of the Senator from South Dakota is now modified, so that there will be no acceptance of gifts over $50, nor shall there be any giving of gifts by American officials of over $50.

The PRESIDING OFFICER. That is the understanding. The Chair is awaiting the text of the modification.

Mr. HUMPHREY. Since we know what it is all about, we will let the lawyers finish up the text.

Mr. President, I yield back the remainder of my time.

Mr. McGOVERN. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota as modified.

The amendment, as modified, was agreed to.

The amendment by Mr. McGOVERN, as modified by Mr. BROOKE, reads as follows:

At the end of the bill, add the following new section:

FOREIGN GIFTS

SEC. 33. (a) Section 7342 of title 5, United States Code, is amended—

(1) by striking out the section caption and inserting in lieu thereof the following:

"§ 7342. Foreign gifts and decorations";

and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(a) Congress consents to the accepting, retaining, and giving by an employee of a gift having a value of $50 or less. A gift having a value of more than $50 may not be accepted or given by an employee.".

(b) Item 7342 in the analysis of subchapter IV of chapter 73 of such title 5 is amended to read as follows:

"7342. Foreign gifts and decorations.".

(c) The amendments made by this section shall only apply with respect to gifts tendered or received on or after the date of enactment of this Act.

Mr. CHURCH. Mr. President, I send an amendment to the desk, and I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 55, line 17, insert the following:

SEC. 3. Prohibitions Against Furnishing Assistance to Certain Oil Producing Exporting Countries.

(a) Section 620 of the Foreign Assistance Act of 1973 is amended by adding the following new subsection. (x.)

No economic or military assistance (whether on a grant, loan or reimbursable basis) shall be furnished under this or any other Act, and no sales shall be made under the Agricultural Trade Development and Assistance Act of 1954 or the Foreign Military Sales Act by credit, guaranty, or concessional sale, to the following member countries of the Organization of Petroleum Exporting Countries (OPEC): Abu Dhabi, Algeria, Ecuador, Gabon, Indonesia, Iran, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, and Venezuela.

This restriction may be suspended with respect to any enumerated country when the President has certified to the Congress in writing that such country is making a good faith effort to substantially lower the world market price of petroleum.

(b) the Inter-American Development Bank Act is amended by adding the following new section (23).

The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to vote against any loan or other utilization of the funds of the Bank for the benefit of any country enumerated in Section 620 (x), of the Foreign Assistance Act of 1973, unless, under the provisions of that section, the President has certified to the Congress in writing that such country is making a good faith effort to substantially lower the world market price of petroleum.

(c) The Asian Development Bank Act is amended by adding the following new section (20).

The Secretary of the Treasury shall instruct the United States Executive Director of the Asian Development Bank to vote against any loan or other utilization of the funds of the Bank for the benefit of any country enumerated in Section 620 (x) of the Foreign Assistance Act of 1973, unless, under the provisions of that section, the President has certified to the Congress in writing that such country is making a good faith effort to substantially lower the world market price of petroleum.

(d) The International Development Association Act is amended by adding the following new section (14).

The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development and the International Development Association to vote against any loan or other utilization of the funds of the Bank and the Association for the benefit of any country enumerated in Section 620 (x) of the Foreign Assistance Act of 1973, unless, under the provisions of that section, the President has certified to the Congress in writing that such country is making a good faith effort to substantially lower the world market price of petroleum.

Mr. CHURCH. Mr. President, this amendment would both terminate bilateral foreign aid to the members of OPEC and instruct the U.S. directors on the boards of the various multilateral banks to vote against loans to these countries.

When, on Monday, I presented an amendment which would have accomplished the first of these goals, I did so for two reasons. First, the majority of OPEC members have no earthly need for our aid money. Saudi Arabia, which will receive aid under the pending bill, however relatively small in amount, will also receive in 1974 over $20 billion in oil revenues to support its 8 million people. Second, those few OPEC members which do not yet have sufficient oil revenues to meet the legitimate needs of their peoples would, if our foreign aid to them were terminated, be able to look to the wealthier OPEC countries to replace their losses. I am quite certain that these countries—such as Saudi Arabia and Iran—would willingly make up any shortfall in the revenue of their less fortunate allies in order to hold OPEC together.

With respect to the multilateral institutions such as the World Bank and the Inter-American Development Bank, a policy of not lending funds for development to the OPEC countries is even more justifiable, and the achievement of such a policy should be an American goal. During fiscal year 1973–74, the World Bank alone made $590.7 million in loans to OPEC countries. Of this amount Iran received almost half. At the same time, Iran's revenues from oil production skyrocketed almost 800 percent. While it received "only" $2.4 billion in oil revenues in 1972, it will receive almost $18 billion in 1974. To urge the multilateral banks to withhold further aid to OPEC countries is not, therefore, a punitive action. It merely recognizes the new realities which exist in today's world.

Beyond pressing the multilateral banks to withhold loans from OPEC members, however, we should also urge the OPEC countries to contribute to the resources available for development in the world's poorest nations—those with neither industrial wealth nor control over scarce resources. India, for example, which paid in 1972, $200 million for the oil so necessary to the welfare of its people, will pay in 1974 over $1 billion for a smaller volume of this essential commodity.

I had hoped to achieve most of these aims through the amendment to the foreign aid bill pending before us. Just 2 days ago, however, the Senate rejected by a substantial majority a similar amendment of mine affecting bilateral aid. I believe that the result would be no different were I to insist on this broader amendment today and, therefore, I will not press it at this time.

Mr. President, while cutting off aid to OPEC is a mild action, the failure of this body to terminate such aid just 2 days ago is indeed an ominous sign. If we cannot bring ourselves to stop aid to the OPEC countries, how will we ever be able to muster enough courage to take the strong actions which will be necessary if we are to have any substantial hope of moderating the world price of oil?

Economic war has been declared against this Nation, and against the whole oil-consuming world, by a small cartel of oil exporting countries. In the year that has elapsed since the declaration of this war, we have not won a single battle. Indeed, many policymakers refuse to acknowledge that the war even exists. Yet unless we convince the OPEC governments of the need for a decrease in the price of crude oil, the result may well be the economic and political collapse of the entire Western World.

We will not solve our economic problems merely by borrowing money from the leading oil exporters to use in buying more and more of their oil. Recycling is just another word for going deeper and deeper into hock to the OPEC countries.

Furthermore, a price decrease will not be achieved merely by a Middle East political settlement. Nations enriched beyond their wildest dreams will never voluntarily reduce the price of oil. Moreover, the real price leaders in OPEC—Iran and Venezuela in particular—have no interest whatever in the Arab-Israeli dispute. The problem will be solved only when the administration and the Congress decide to face it head on by seriously weighing the hard and unpleasant choices before us.

One can only despair at the disarray revealed by the recent meeting of finance ministers of the major industrialized countries. The divisions exposed there can only encourage the OPEC cartel to believe in its invulnerability. And the uncertain trumpet sounded by the administration is no more encouraging. In the space of 10 months we have gone from soporific assurances that the "market"—that phantom market which never existed in international oil—would along with a cooperative government in Saudi Arabia, bring down the price, to the warning 10 days ago by the President and Secretary of State that the western world is on the brink of economic catastrophe. This week, however, we are soothed by the words of the Secretary of the Treasury that perhaps the situation it not quite as serious as the President and Secretary of State last week indicated it was.

Mr. President, my amendment would have been a first small step, to be followed by others, in bringing our polices into line with the changing realities of international finance. Ultimately we shall have to face those realities by taking, hopefully in conjunction with our allies, the hard measures that inevitably lie ahead. I do not believe that we have yet accepted that fact. I, therefore, withdraw the amendment.

In doing so, Mr. President, I ask unanimous consent that the following tables be made part of the RECORD: first the OPEC-country World Bank loans, fiscal year 1973–74, in a total amount of $590,700,000; the producing Government revenues from oil, 1970, 1972, and 1974; and the U.S. contributions to multilateral lending agencies.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I

OPEC country World Bank loans, fiscal year 1973–74

(Millions)

Country:	Amount
Nigeria	$75.0
Indonesia	48.0
Algeria	157.5
Iran	265.0
Ecuador	23.2
Venezuela	22.0
Total amount	590.7

TABLE II.—PRODUCING GOVERNMENT REVENUES FROM OIL 1970, 1972 AND 1974

[In billions of dollars]

	[1] 1974	[2] 1972	[2] 1970
Total of listed countries	89.1	15.1	7.9
Middle East	56.6	8.9	4.2
Saudi Arabia	[3] 18.9	3.1	1.2
Iran	[3] 16.4	2.4	1.1
Kuwait	[3] 7.6	1.7	.9
Iraq	[4] 7.5	[5] .6	.5
Abu Dhabi	[3] 3.3	.6	.2
Other	[3] 2.9	.5	.3
Africa (nations listed)	18.1	3.5	2.0
Libya	[6] 7.9	1.6	1.3
Nigeria	[3] 6.6	1.2	.4
Algeria	[6] 3.6	.7	.3
Venezuela	[7] 10.0	1.9	1.4
Indonesia	[8] 4.4	.9	.3

[1] Based upon non-Communist world consumption in 197 equal to the 1972 level of 44,700,000 barrels daily and per-barre revenues as shown below.

[2] Actual revenue as reported.

[3] Assumptions: (i) one-third of production sold at 93 percent of January 1974 posting; (ii) government revenue on the remaining two-thirds based upon 12.5 percent expensed royalty plus 55 percent income tax. Average per barrel government revenue works out as follows: Abu Dhabi, $8.78; Kuwait, $8.22; Iran, $8.43; Nigeria, $10.61; and Saudi Arabia/other Arab Middle East, $8.28.

[4] Assumes government revenue from nationalized Kirkuk production of $12 per barrel; government revenue at the Persian Gulf averages $8.93 per barrel.

[5] Excludes government revenues from nationalized Kirkuk and North Rumaila output.

[6] Assumes average government revenue in Libya and Algeria to be equal. Based upon Libyan revenue half-way between posting ($15.77) and tax-paid cost ($10.07), or $12.92.

[7] Assumes average revenue of $8.85, based upon 16⅔ percent expensed royalty plus 58 percent income tax.

[8] Based on a $10.80 realized price, yielding government per-barrel revenues of about $8 in the production-sharing formula.

TABLE III.—U.S. CONTRIBUTIONS TO MULTILATERAL LENDING AGENCIES

	U.S. subscription		
	Percent of total	Total amount (billions)	Voting power (percent)
IBRD (1974)	25.66	$7.8	22.94
IDA (1974)	31.21	2.5	24.26
IADB (1973)	38.11	5.2	37.87
ADB (1973)	8.85	.24	7.58

Mr. HUMPHREY. Mr. President, do I understand correctly that the Senator has withdrawn his amendment?

Mr. CHURCH. The Senator is correct; I have withdrawn the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. PASTORE. Mr. President, I think we have reached a period that is quite crucial. I think what we have here now is a hodgepodge——

The PRESIDING OFFICER. Does the Senator desire unanimous consent to proceed out of order?

Mr. MANSFIELD. Mr. President, he is speaking on the bill.

Mr. PASTORE. Mr. President, I am going to make a motion to recommit.

I move to recommit.

Mr. HUMPHREY. Mr. President, we are within a few minutes of a final vote on this bill. We have three amendments, back to back, that are voice vote amendments.

Mr. PASTORE. I am afraid that the Senator's bill is going to be defeated.

Mr. HUMPHREY. Maybe so, but I think——

Mr. PASTORE. I do not want it to be defeated. I think that we can work out something that will make sense. We are coming back in November.

Mr. HUMPHREY. Many amendments have been offered that are good amendments. There are some that I wish had not been adopted, but it is not that much of a hodgepodge.

There are many Senators who I think will be really troubled by the setting aside of this bill. We can clear this up.

We said that we would be out of here before 7 o'clock, and we will be. I urge that the Senator permit us to proceed under the normal course.

Mr. PASTORE. How many amendments are there?

Mr. HUMPHREY. There are two, I believe, by the Senator from Massachusetts and one by the Senator from Michigan (Mr. HART). I think we are taking up all the amendments of the Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. I have three, one of which we have already voted on, on yesterday, and two with administration support.

Mr. HUMPHREY. I hope we shall take these amendments.

Mr. HART. The amendment I intend to offer is not complicated. I doubt if the—the manager may wish to table it, but it is simply to reduce the Food for Peace figure.

Mr. PASTORE. Is the Senator going to ask for the yeas and nays on his amendment?

Mr. HART. I think so, if we can get it.

Mr. MANSFIELD. I share the feeling of the Senator from Rhode Island.

The PRESIDING OFFICER. There is a unanimous-consent request.

Mr. PASTORE. I think what we are doing here is, step by step, we are building up opposition to this bill, and that frightens me.

We had a motion to recommit a short while ago that failed on a vote of 39 to 43. It is getting worse and worse. I am afraid that this is becoming an exercise in emotion. I think this is something that ought to be analyzed in the cool, cool light of the morning.

I hope that the Committee on Foreign Relations will take a good look at it, analyze every amendment that has been passed or defeated, and come out with a bill that will make some sense.

Mr. MANSFIELD. Will the Senator yield briefly?

Mr. PASTORE. Yes.

Mr. MANSFIELD. It is my understanding that two, maybe three, of these amendments will be accepted. Why not cut them down to 5 minutes, the time to be equally divided?

Mr. PASTORE. How about Michigan?

Mr. MANSFIELD. The same; all three of them. They are agreeable.

Mr. HART. Five minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent.

Mr. PASTORE. With that understanding, Mr. President, and I hope that the bill passes, but I doubt it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I send to the desk a modified version of my amendment No. 1779.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered and the amendment will be printed in the RECORD.

The amendment is as follows:

> On page 26, line 13, strike all after "exceed" down through line 16 and insert in lieu thereof the following:
>
> "$55,000,000, none of which may be made available for the purpose of providing military assistance (including security supporting assistance, sales, credit sales, or guaranties or the furnishing by any means of excess defense articles or items from stockpiles of the Department of Defense)."

Mr. KENNEDY. Mr. President, I ask unanimous consent to add as cosponsors of the amendment Senator HART, Senator HASKELL, Senator CRANSTON, Senator STEVENSON, Senator ABOUREZK, and Senator HATFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, this is the amendment we acted on yesterday that carried 47 to 41, relating to military assistance to Chile. It is modified to appear in the appropriate place in the committee reported bill and to achieve its purpose of halting all military assistance to the Government of Chile.

I particularly want to endorse the committee's action in reducing the request for military aid from $985 million to $550 million and in its decision to phaseout military grant assistance, military missions, and military groups over a 3-year period. Reducing the traditional overemphasis on military assistance is vital to reorder our priorities. I believe even further reductions in the future should be sought.

Taxpayers across the country rightfully demand justification for foreign expenditures when domestic programs in health, education, and housing are threatened. I find it impossible to justify a military assistance program which all too frequently has concentrated on less-than-democratic countries.

It is partly for that reason that I believe it is appropriate to go beyond the action of the committee and to suspend entirely military assistance to the Government of Chile.

Although the committee noted "The continuing disregard for the protection of human rights in Chile" in its report, it still proposes to authorize $10 million of the total $21.3 million military aid request from the administration.

I find the committee's action—after a year of continuing flagrant violations of human rights—to be short of an adequate expression of U.S. concern for human rights. It is not a matter of watching and waiting to see if things get better. They are now so deeply contrary to every humanitarian standard that to vote for a dollar more of military assistance would mock our own claim of concern for human rights.

If there were to be an end to the condition of human rights violations in future months, then I am sure that the Senate would look with favor on a recommendation by the administration to restore a modest amount of military assistance to that nation.

At this time, I believe it is not only in our own national interest to halt all military assistance to Chile but in the interest of restoring our image in the world community.

Therefore, my amendment would halt all military assistance, including all government transfers of military equipment and assistance, to Chile. This would remove the $10 million authorization now in the committee bill for this purpose. It would not, however, affect the remaining $55 million authorized by the Committee for Economic Assistance.

Our image, particularly in Latin America, has been hurt most recently by the disclosures that the CIA was deeply involved in fostering internal discord within Chile throughout the term of Salvadore Allende. Now, we learn that contrary to recent assertions that those funds were used to support free political parties and news media, in fact they went largely to the groups which engaged in economic sabotage against the Allende government and helped create conditions which led to the overthrow of his regime.

The background to the debate today over our military assistance to Chile is a background of covert U.S. support for groups pledged to the destruction of an elected and democratic government. It should be emphasized as well that while the figure of $8 million has been used as the total amount of CIA expenditures in Chile during Allende's regime, the black market exchange rate would have multiplied the impact of those dollars six to eight times. Thus, it was closer to $50 million that the CIA expended in Chile during those 3 years. That action also not only contradicts our publicly stated adherence to a policy of nonintervention in the political affairs of Latin American nations but it violates international standards of conduct as well.

An additional question which I have asked both the chairman of the Senate Foreign Relations Committee and the Senate Armed Services Committee to examine relates to the contradictions, now embarrassingly obvious, between what the CIA was doing in Chile and what State Department representatives were telling many standing committees and subcommittees of the Congress they were doing.

However, the underlying reason for halting military assistance to Chile is based on other factors.

The military junta which replaced the Allende regime has depended on U.S. military aid. More important, the transfer of military aid to that government had identified us with a regime that has been condemned by a wide range of international agencies for its violations of the most basic human rights.

There is no Congress in Chile. There is no free press. The right to a fair trial has been repeatedly denied. The schools, even elementary and secondary schools, have been intervened by the military. Thousands of workers have been arbitrarily dismissed from their jobs and thousands of students have been expelled from the universities. Some 6,000 to 8,000 political prisoners now sit in Chilean prisons. And only weeks ago, we saw a Washington Post report of two men, who had been arrested by Chilean authorities and then executed.

Every investigating group which has traveled to the country—including the Inter-American Commission on Human Rights, the International Commission of Jurists, and Amnesty International, have reported the regular and systematic use of torture, including electric shock and even more heinous practices.

On September 7, Amnesty International issued its final report on Chile stating:

> Repeated assurances from the government that human rights would be respected have proven to be totally unfounded. Torture is still being practised, while military tribunals continue to try persons charged with the retroactive offense of cooperating with President Allende's constitutional government prior to the coup.

This month, the final report of the International Commission of Jurists stated:

> Under Chilean law, as under the law of any civilised country, the period of incommunicado has to be restricted to a minimum and ill treatment and torture are illegal.

We stress this point particularly in view of the many cases of ill treatment and torture which have been reported. We have heard ample testimony by absolutely responsible and credible people who have persuaded us that these cases do exist.

And in the past investigations, including Covey T. Oliver, former U.S. Assistant Secretary of State for Latin America, former Ambassador to Chile Ralph Dungan, and others have reported the use of torture and the basic violation of human rights.

All of these reports demonstrate that to fund military aid to this Government is to violate all of our traditions of respect for human rights and democratic principles.

And the recent news report, which was not denied by the State Department, that the Ambassador to Chile was told by the Secretary of State not to link our approval of military aid to action on human rights issues, indicates that our only option is to halt military aid. Clearly, the Department's policymakers are willing to maintain and in fact to increase military aid, despite the violations of human rights in that country.

Yesterday's action by the U.S. Senate, in approving my amendment to the continuing resolution to halt military aid to Chile, indicates that the Senate rejects that policy.

A majority of the Senate has stated firmly that we do not believe that U.S. taxpayer dollars should go to provide military assistance to a government that has maintained a record of gross violations of human rights.

However, since the continuing resolution will expire at the latest at the end of the current Congress and since this bill now before us is the basic authorizing legislation for foreign aid, it is necessary to insert this amendment once more.

I hope that the Senate will accept this amendment and formally state to the President, the Secretary of State and foreign nations that the United States will not provide military assistance to nations which ignore standards of international conduct and human decency.

Mr. HUMPHREY. Mr. President, this is an amendment we passed yesterday. I yield back my time.

Mr. KENNEDY. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

On page 30, line 9, strike the word "and".

On page 30, line 15, strike the period and insert in lieu thereof a semicolon and the word "and".

On page 30, between lines 15 and 16, insert the following new paragraph:

(7) to provide humanitarian assistance to Indochina wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel.

Mr. KENNEDY. Mr. President, I want to commend the Foreign Relations Committee for clearly establishing a humanitarian priority in our economic assistance program for Indochina. It is long past due that our aid program recognize that people problems of the area—the needs of refugees, civilian casualties, orphans and others disadvantaged by a decade of war—and the reconstruction of civilian facilities, such as housing, hospitals, clinics, and schools—these should be the overriding concern and objective of American assistance to the people of Indochina.

However, I believe there is a missing element in the bill's list of principles governing our economic aid program. This relates to the need to expand and strengthen the role and place of international and voluntary agencies in our humanitarian assistance program for Indochina. It is the purpose of my amendment to clearly establish as a principle objective of our aid that, "wherever practicable," American assistance to Indochina shall be distributed "under the auspices of and by the United Nations, other international organizations or arrangements, multilateral institutions, and private voluntary agencies with a minimum presence and activity of United States Government personnel." Over the past several years, this has been one of the most glaring omissions in our Government's budget requests for Indochina—the absence of any meaningful effort to promote or strengthen international cooperation in helping to heal the wounds of war in Indochina.

Members of the Senate have long advocated that our Government actively encourage and support initiatives for expanding the participation and the role of the United Nations, its specialized agencies, the International Red Cross, and similar organizations, in the relief and rehabilitation programs in Indochina. Senators may recall that last year, the Senate adopted my amendments for this purpose to the fiscal year 1974 foreign assistance authorization bill. Although they were dropped in conference last year, I believe Senate action this year would strengthen the bill and will receive support in the House.

I believe the record is clear that a number of governments are now prepared to support and contribute to humanitarian programs in Indochina if they are under international auspices. The record is equally clear that those international arrangements are there—waiting and ready to be used. The International Red Cross is prepared to upgrade and expand their efforts in Indochina, especially in Cambodia. The record is clear that the United Nations stands ready to help. The record shows that UNICEF has new programs underway, and that the United Nations High Commissioner for Refugees (UNHCR) is soliciting international support for a new program of relief to all areas of Indochina. And other offices and agencies of the United Nations are also prepared to move in meeting humanitarian needs. What is missing is a clear and firm indication of United States support—of a meaningful pledge to help fund these international initiatives.

In recent weeks officials of our Government have sought to attach unreasonable conditions on our support of international programs in all areas of Indochina. Such an attitude undercuts the effectiveness of such organizations as UNICEF and the U.N. High Commissioner, and threatens to unravel the international framework needed to meet the massive needs of orphans and children and other war victims in all the war-affected areas. It also serves to discourage contributions from other countries.

It is time for the administration to stop the foot-dragging and the negativism. It is time to support in a significant way, international efforts to meet the relief and rehabilitation needs of all the people of Indochina. It is time to break with the past, and to actively support new directions in our assistance policy toward Indochina.

The bill reported by the Foreign Relations Committee has made a giant step in this direction, and I hope my amendment will carry it one step further.

Mr. HUMPHREY. We understand the amendment.

Mr. KENNEDY. It seems, to me, to make a good deal of sense. Those agencies are doing an effective job.

There is nothing mandatory about it, but it is giving the sense of Congress, and I think it is a very good amendment.

Mr. HUMPHREY. Mr. President, the amendment is thoroughly acceptable.

I yield back my time.

Mr. KENNEDY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I send to the desk amendment No. 1878 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

At the end of the bill, add the following new section:

RECONSTRUCTION, RELIEF, AND REHABILITATION

SEC. 33. (a) Section 203 of the Foreign Assistance Act of 1961 is amended by inserting immediately after "of this part." the following: "The balance of such receipts for fiscal year 1975 is authorized to be made available solely for the purposes of sections 639B, 639C, and 639D of this Act.".

(b) Section 639B of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following: "Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance, on such terms and conditions as he may determine, for reconstruction and economic development programs in the drought-stricken nations of Africa.".

(c) The Foreign Assistance Act of 1961 is amended by adding after section 639B a new section 639C as follows:

"SEC. 639C. RELIEF AND REHABILITATION IN BANGLADESH AND CYPRUS.—(a) The Congress finds that the recent flooding in the people's Republic of Bangladesh, and the civil and international strife in the Republic of Cyprus, have caused great suffering and hardship for the peoples of the two Republics which cannot be alleviated with their internal resources. The President shall make every effort to develop and implement programs of relief and rehabilitation, in conjunction with other nations providing assistance, the United Nations, and other concerned international and regional organizations and voluntary agencies, to alleviate the hardships caused in these two nations.

"(b) Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance on such terms and conditions as he may determine, for disaster relief, rehabilitation, and related programs in the People's Republic of Bangladesh and the Republic of Cyprus."

(d) The Foreign Assistance Act of 1961 is amended by adding after section 639C, as added by subsection (c) of this section, the following new section:

"SEC. 639D. DISASTER RELIEF AND REHABILITATION.—Notwithstanding any prohibitions or restrictions contained in this or any other Act, the President is authorized to furnish assistance, on such terms and conditions as he may determine for disaster relief, rehabilitation, and related programs in the case of disasters that require large scale relief and rehabilitation efforts which cannot be met adequately with the funds available for obligation under section 451 of this Act."

(e) The Foreign Assistance Act of 1961 is amended by adding after section 639D, as added by subsection (d) of this section, the following new section:

"SEC. 639E. INTERNATIONALIZATION OF ASSISTANCE.—Assistance for the purposes set forth in sections 639A, 639B, 639C, and 639D shall be distributed wherever practicable under the auspices of and by the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, and private voluntary agencies."

Mr. KENNEDY. Mr. President, this amendment authorizes the use of existing funds, some $119 million, to be made available under scheduled loan repayments administered by AID. These funds, 50 percent of the scheduled loan repayments, now revert to the Treasury. However, I believe the humanitarian emergencies today in Cyprus, Bangladesh, Africa, and, most recently in Honduras, require us to use all available funds.

This amendment continues our country's record of concern for our fellow man, and the longstanding support of Congress for disaster relief overseas. This should be one of the principal focuses of our foreign asistance program—and this amendment supports this goal.

Little will be achieved in building a structure of peace until governments, including our own, place a higher priority on the welfare and real-life problems of people—whose neglect fosters instability and spawns conflict around the globe.

1. CYPRUS

Nowhere is this more evident—nowhere is the issue of people more crucial to peace—than in Cyprus today. This past Thursday the Subcommittee on Refugees which I serve as chairman, held a hearing on Cyprus to receive a report from a special factfinding mission sent to assess the humanitarian needs of refugees and others in distress on the island, and to document what has happened since the Turkish invasion. The study mission team reports that the Turkish invasion and occupation of Cyprus has turned the island into shambles. In political terms, it has violated the integrity of an independent state. In economic terms, it shattered the island's flourishing development. And, most important, in human terms, it has brought tragedy to thousands of families and caused a nightmare of death and horror and grief.

For many refugee families, the tragedy is still too fresh, their flight to safety too recent, for them to realize fully what has happened. And few in the international community have recognized the full tragedy of Cyprus. Our Government's role during the crisis—our early silence and later vacillation toward the political and military problems of the island—must not now characterize our Nation's attitude or response to the escalating human crisis which has gripped all of Cyprus.

The Study Mission reports that important relief efforts have now been undertaken, in cooperation with Cypriot authorities; by the United Nations High Commissioner for Refugees and the International Committee of the Red Cross, among others. But these initiatives, need the immediate support of the United States—support which this amendment will provide.

It is estimated, for example, that the United Nations High Commissioner for Refugees will alone need some $22 million for emergency relief through the end of this year, and that an additional sum will be required for returning the refugees home or resettling them elsewhere on the island. Our Government must be in a position to actively encourage and generously support this important humanitarian work of the United Nations and the Cypriot authorities. Peace and relief for all Cypriots in need must be our goal on Cyprus.

2. BANGLADESH

In Bangladesh there can be no doubt today that great tragedy has once again hit the Bengali people. At a recent hearing before the Refugee Subcommittee, witnesses indicated that flood refugees numbered in the millions, fleeing the worst floods in 20 years. Crops have been destroyed, and food reserves have been swept away. And all reports confirm that this latest disaster seriously compounds existing economic and social problems brought about by the dislocations of the 1971 war for independence.

In a meeting I had this morning with the Prime Minister of Bangladesh, Sheikh Mujibur Rahman, who is visiting the United States for the first time since the independence of Bangladesh, he reviewed with me some of the humanitarian problems confronting his nation, and what the United States and others can do to help. Because of the floods the food situation today is more critical than ever, and many in the country stand on the brink of starvation. Epidemic and disease threaten the well-being and lives of millions.

America can and must do more to help, especially providing food. We must out of simple humanitarian concern, but also concern for the stability and peace of South Asia. Food for Bangladesh would truly be "food for peace" and might help rescue our policy which has too often provided food for war, and allowed humanitarian priorities to fall behind political and security commitments.

3. AFRICA

Similarly, in the Sahel and other areas of Africa, the food situation continues to demand our assistance, as famine conditions spread across the continent affecting an area greater than the size of the United States.

Contrary to our Government's general optimism over the past year, recent reports, even within the Government, tell of catastrophic consequences from the Sahelian drought, and that the situation among the people is precarious in some areas. The number of famine refugees is growing. Relief camps are overburdened. Last year's logistical bottlenecks and administrative delays in the movement of food and relief supplies continues. Malnutrition and disease still threaten the lives of many thousands, and unless something more is done the death rate will continue to climb.

4. HONDURAS

The most recent humanitarian crisis has developed in Honduras, where one of the most destructive hurricanes of this century hit this small nation less than 2 weeks ago—leaving behind massive human tragedy and an awesome trail of destruction and death. The immediate and longer term effects of the hurricane are still not fully known. All sources, however, confirm that a neighbor country has suffered great tragedy, and that emergency relief needs, let alone rehabilitation and reconstruction, are urgent and massive.

But, as so often in the past, AID officials are hard pressed to find sufficient funds to provide all the help we can and should provide. This amendment will help solve this problem by authorizing, in section 639D, an additional source of funding for precisely such disaster relief needs as those today in Honduras.

Political wisdom and simple humanity demands of our country that we do more to help the critical humanitarian problems which confront too many people throughout much of the world. The extraordinary needs in Cyprus and Bangladesh and elsewhere demand that we take extraordinary steps to utilize all readily available sources of funds—including those scheduled loan repayments which would otherwise revert to the Treasury, unless we act to use them for these humanitarian purposes, in the interest of world stability and peace.

Mr. HUMPHREY. To save us a good deal of time, Mr. President, I think the amendment is desirable. I commend the Senator from Massachusetts. I accept the amendment.

The **PRESIDING OFFICER.** Is all time yielded back?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back my time.

The **PRESIDING OFFICER.** All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY. Mr. President, I have another amendment. I send it to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment is as follows:

CONVENTIONAL ARMS TRADE

SEC. 33. (a) It is the sense of the Congress that the recent growth in international transfers of conventional arms to developing nations—

(1) is a cause for grave concern for the United States and other nations in that in particular areas of the world it increases the danger of potential violence among nations, and diverts scarce world resources from more peaceful uses;

(2) could be controlled progressively through negotiations and agreements among supplier and recipient nations.

(b) Therefore, the President is urged—

(1) to propose to the Geneva Conference of the Committee on Disarmament that it consider as a high priority agenda item discussions among participating nations of that Conference for the purposes of—

(A) agreeing to workable limitations on conventional arms transfers; and

(B) establishing a mechanism through which such limitations could be effectively monitored.

(c) The President shall transmit to the Congress not later than six months after the enactment of this Act a report setting forth the steps he has taken to carry out this section.

Mr. KENNEDY. Mr. President, during recent years, it has been increasingly apparent that there is an uncontrolled race in a category of arms that we rarely consider as contributing to instability and conflict. This is the transfer of arms to the developing countries of the world. The figures themselves are staggering. During the last two decades, military expenditures by developing countries quintupled—from $6.5 billion in 1955, to nearly $30 billion in 1973—at constant 1970 prices and exchange rates. The percentage of world military expenditures by developing countries also went up during this period—from 5.2 to 14.4 percent.

The sale of arms by supplier states to these developing countries made up a significant part of this figure. Five countries are principally involved—the United States, the Soviet Union, France, Britain, and Sweden. But we lead the way, selling arms worth nearly $9 billion to foreign countries last year.

In some cases, the arms trade does not cause instability or make war more likely. There, concern over the growth of the arms trade centers on the diversion of resources from economic and human purposes to military purposes. But in some areas real dangers do arise from the international arms trade. We have seen this most recently in the use made by the government of Turkey of U.S. weapons during the invasion of Cyprus.

The Foreign Assistance Act—and the continuing resolution—already recognizes some of these problems. We have voted to cut off military aid to Turkey, subject to certain conditions; we have voted to cut off military aid to Chile. The committee bill also requires that U.S. military missions abroad be charged against military aid. And the committee bill phases out grant military aid within 3 years.

But the international trade in arms goes on—and in fact will hardly be affected by even a total ban on arms aid. Two areas of the world are of principal concern. First, there is Latin America, where the level of arms has increased steadily over the years, although there is little justification in terms of either external or internal threats for this buildup. In the past, there have been limits of U.S. arms sales to countries in this area. Opposition to such limits is based on the argument that other countries will supply arms that we will not—and that we might as well gain the markets, plus what is called "influence," as elusive and often illusory as that so often is.

Second, there is the area of the Persian Gulf, where the world's next major arms race is just beginning, Recently, there has been a flood of arms to the area, in the wake of increased oil revenues and of rising desires to match economic power with military might. Iran has been the leader in the staggering price increases for oil since 1971. And the United States has sold arms freely, reaching a level of over $4 billion in arms sales to Iran during the past year.

In the Persian Gulf, an indiscriminate flow of arms from the outside world has the gravest implications. If Iran could, indeed, dominate the area, there might be few problems. But that is most unlikely to happen. Iran has a traditional and simmering rivalry with Iraq, that threatens from time to time to boil over. Despite the common membership of Iran and its other Arab neighbors in the Organization for Petroleum Exporting Countries, there is little love lost between them. And there are rivalries among the states on the southern littoral of the Persian Gulf itself, including a three-cornered rivalry over independent Kuwait. It is most unlikely, therefore, that the massive build-up of arms in Iran will be passively accepted by other, rich states in the region—and indeed, the competitive build-up has already begun.

Can arms be limited—in Latin America, in the Persian Gulf, and elsewhere? This is a difficult question to answer. Clearly, the United States cannot do it alone. There are the other supplier states, competing with us in order to gain export orders, influence, and—in the Gulf—access to the precious oil resource. And there are the purchasing countries, themselves, whose interests must be fully taken into account in any effort to limit the flow of arms and the potentially disruptive consequences of such a flow.

Therefore, in order to meet the interests of all countries—both supplier and consumer—it will be essential for them all to work together. Many observers say that even this approach will not work. Yet I believe it can, on the same basis that other arms control efforts have worked—on the basis of common and shared self-interest. It cannot be in the interests of any supplier country to see serious instability in, say, the Persian Gulf—and this judgment very likely includes the Soviet Union, as well. Nor can it be in the interests of arms consuming countries to see their security actually reduced by an unrestricted and unregulated competition in arms.

Mr. President, this amendment proposes a modest beginning on this difficult problem. It calls upon the President to propose discussions within the Geneva Conference of the Committee on Disarmament. These discussions would begin to match some supplier and consumer states in face-to-face talks—and others could be invited to take part, when appropriate. They would help establish a better data-base than now exists. They would raise in public view the many and complex problems that are involved in the conventional arms trade. And they would begin to call attention to an issue that is of increasing seriousness, but about which far too little has so far been said and done.

I believe that, in this way, we would be acting responsibly in our own interests, in those of other supplier states, and in those of potential arms consumer states, as well. I urge adoption of this amendment by the Senate, expressing the sense of the Senate.

Mr. HUMPHREY. Mr. President, I am pleased that the Senator said it is the sense of Congress.

Mr. KENNEDY. There is nothing mandatory.

Mr. HUMPHREY. The President is urged to propose to the Geneva Conference of the Committee on Disarmament that it consider as a high priority agenda item discussions among participating nations workable limitations on conventional arms transfers and the monitoring of such transfers.

This surely is a desirable proposal.

The **PRESIDING OFFICER.** Do Senators yield back their time?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The **PRESIDING OFFICER.** All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, is there any other amendment?

AMENDMENT NO. 1949

Mr. **HART**. Mr. President, I call up my amendment No. 1949, and ask that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. HART's amendment (No. 1949) is as follows:

On page 32, lines 17 and 18, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

On page 33, line 1, strike out "$160,000,000" and insert in lieu thereof "$71,000,000".

On page 35, line 1, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

Mr. **HUMPHREY**. Mr. President, will the Senator tell us what that amendment does?

Mr. **HART**. Mr. President, this amendment is intended to reallocate some of the food for peace under title I—not title II, the voluntary program—to areas of greater need.

South Vietnam, under the committee bill, gets the bulk of it.

I offer the amendment in behalf of Senator HUGHES, Senator MCGOVERN, Senator CLARK, and myself, in response to studies that the Select Committee on Nutrition and Human Needs has made.

The situation with respect to food supply in South Vietnam, compared with some of these other nations, shows that Vietnam is relatively well off, with 108 percent, as compared to 93 percent for India, 77 percent for Bolivia, and 77 percent for some of the African countries. Therefore, we have reduced the amount for Vietnam from $160 million to $71 million for South Vietnam.

This amendment is a very modest effort to encourage this administration to change its priorities in dispensing U.S. food aid abroad. Ever since its inception in 1954, the Public Law 480—food for peace—program, the primary conduit for American food aid, has operated under pretenses not always accurate. Trumpeted abroad as a food relief program with humanitarian goals, Public Law 480 has in fact often subordinated the needs of the hungry to the demands of domestic agricultural interests with surpluses to unload and, later, to the political and military needs of this Nation's foreign policy. During the fifties and early sixties, when surplus crops permitted a great volume of food aid, we could serve all these potentially conflicting goals without having to make difficult tradeoffs between them. As every visit to the supermarket makes clear, this is no longer the case. The world food shortage is now more acute than ever before and the United States no longer has vast food reserves to fill it.

World food aid, of which the United States supplies in excess of 80 percent, is now rapidly shrinking at a time when the need for it is exploding. The FAO reports that internationally sponsored food aid has declined from a peak of about 16.8 million tons in 1964–65 to about 7 million tons in 1973–74. The decline in the Public Law 480 program is even more dramatic. In 1970, 6.1 million metric tons of wheat were shipped under title I of Public Law 480, but by 1974, wheat aid has dropped to an estimated 1 million metric tons.

The effect of this shrinkage on the poorest agricultural economics has been even greater because AID, in this period, has allowed political, security-related considerations to dictate the priorities of food aid. The Senate Select Committee on Nutrition, in its excellent report on "Nutrition and the International Situation," notes that the smaller quantities of food aid available for long-term dollar credit programs—title I—had to be rationed among requesting countries, with priority given to countries such as Vietnam, Cambodia, Korea, and Pakistan which have been important for security reasons. In fiscal 1974, over 50 percent of food aid shipments went to such countries. Of these, Vietnam continues to receive the lion's share. In fiscal 1975, Vietnam is scheduled to receive up to 22 percent of all food concessional sales under title I.

This amendment, by reducing the ceiling for title I expenditures in Vietnam from $160 million to $71 million, does not reduce the total amount of U.S. food aid to the world. Instead, it attempts to redirect aid to the poorest countries such as Bangladesh, Africa, India, Honduras, and other areas where the need for humanitarian relief is greatest.

The Republic of Vietnam is relatively well off in its ability to feed its people, when compared to other developing nations. The Food and Agricultural Organization of the United Nations, in a survey of world food needs published in June 1974, ranked nations by percentages showing the amount of total diet needs which they could meet from domestic food supplies. This report shows that Vietnam is more than holding its own in food production, while many other nations receiving far less aid are experiencing shocking food deficits:

	Percent
Republic of Vietnam*	108
Bangladesh	80
India	93
Bolivia	77
Central African Republic	80
Zambia	88
Upper Volta	82
Somalia	77

*Percentage of domestic food needs met from domestic sources, 1973.

As these figures show, the worldwide shortage of food has already reached crisis proportions in Africa, South America, the Indian subcontinent, and other Asian areas. Foreign demand for U.S. food aid is peaking at a time when domestic food production is declining. This year's corn and soybean harvest will fall substantially below 1973 levels. The United States cannot hope to satisfy its own needs and export enough food to meet even the most deserving requests for hungry nations. It is, therefore, imperative that American foreign aid in food commodities be allocated on the basis of need to meet world nutritional deficits as efficiently as possible.

By lowering the ceiling on title I expenditures in South Vietnam to $71 million, we will bring the Foreign Assistance Act authorization into conformance with the intent of the Senate Appropriations Committee proposal that no more than 10 percent of expenditures under title I of food for peace go to any one country, unless the Secretary of State provides specific justification for exceeding this limit. This change should permit greater food aid shipments to Honduras, Bangladesh, India, the Sahel section of Africa, and other areas where famine threatens millions in the next 12 months.

The amendment adopts the recommendation of the Appropriations Committee that no nation receive more than 10 percent of the total. That is where we get our $71 million figure.

It is all well and good to use food for peace as an instrument of oblique military assistance, but too often we have been giving food for peace to those nations of critical military sensitivity, not those which need it most.

I urge that the amendment be adopted, and reserve the remainder of my time.

Mr. **HUMPHREY**. Mr. President, may I say, no longer can food for peace be used for military purposes. We have taken corrective legislation on that score.

Most of the food involved here is rice, which is the one food product of which we have an excess. There is no reason to cut back on the food for peace program for rice-consuming nations. As to the nations like Bangladesh, which need wheat or grain sorghums, it is a different matter, but basically the food for peace program for South Vietnam involves rice.

I hope that we have taken sufficient corrective action so that the funds cannot be misused for military purposes.

The Committee on Foreign Relations gave this matter very careful consideration. We tried to do everything we could to assure that food for peace was food for peace, and that the food went for humanitarian assistance and was used for the purposes of feeding people and keeping down inflation in a country running an inflation rate of incredible dimensions.

Frankly, all the assistance we have given over there will be lost and diminished unless this kind of program can be operative, namely, bringing in rice to hold down the cost of food.

I urge the Senator not to press this amendment.

Mr. **HART**. Mr. President, we are talking about a world that needs more than we can supply.

Mr. **HUMPHREY**. The Senator is correct, but here we are talking about rice, which is in plentiful supply.

Mr. **HART**. We are talking about a bill to provide to a nation which produces a surplus, instead of $160 million, the $71 million this amendment talks about, so as to be able to send some of this limited food supply somewhere else in the world.

Maybe we have more rice than wheat, but we do not have enough money to respond both to the needs of Bangladesh, India, Bolivia, Somalia, and Vietnam. I say it is time we reduce at least to 10 percent of the money the Appropriations Committee recommended the dollars earmarked for Vietnam. They will still get the lion's share.

Mr. **HUMPHREY**. Mr. President, the Appropriations Committee has taken some action. I think I have some familiarity with the food-for-peace program; I have lived with it for many years.

We cannot send rice to the Middle East; they will not eat it. We cannot send rice to some other parts of the world, because they will not eat it. We have to send certain kinds of grain to certain parts of the world. The rice goes to Vietnam, the grain sorghums go to West Africa, some wheat goes to India, and the bulk of our wheat goes to the Middle East. Not all kinds of food are acceptable to all parts of the world.

If I know anything, I know this subject. If the Senator thinks the funds involved are too large, this is merely an authorization, and he can, when it comes around to the Appropriations Committee, take whatever action he wishes. But this amendment is not acceptable, I submit, and I hope the Senator—I will even strike up a bargain with him, to arrive at some kind of working relationship here.

The PRESIDING OFFICER. All time on the amendment has expired.

Mr. HUMPHREY. Modify the amendment.

Mr. HART. We can reach a bargain if we are given 1 more minute?

Mr. PASTORE. I ask unanimous consent that they be given an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. $125 million.

Mr. PASTORE. Take it.

Mr. HART. Mr. President, I modify the amendment so as to reflect the modification just arrived at.

Mr. HUMPHREY. It is a reasonable request.

The PRESIDING OFFICER. The amendment will be modified by striking the figure in line 4 and inserting "$125,000,000".

Mr. HART. Just as was the case with the Brooke modification, I think we need the lawyers and brokers.

Mr. HART's amendment (No. 1949), as modified, is as follows:

On page 32, lines 17 and 18, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

On page 33, line 1, strike out "$160,000,000" and insert in lieu thereof "$125,000,000".

On page 35, line 1, strike out "$1,280,000,000" and insert in lieu thereof "$1,191,000,000".

Mr. HUMPHREY. We accept the amendment. The bill will be modified in the appropriate places to show that the total for Public Law 480 assistance for South Vietnam will be $125 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 1949) of the Senator from Michigan, as modified.

The amendment, as modified, was agreed to.

Mr. MONTOYA. Mr. President, today, the Senate is considering S. 3394, which amends the Foreign Assistance Act of 1961. This bill contains many provisions which authorize the expenditure of millions of dollars for assorted foreign aid programs. Basically I oppose the provisions of this bill and the programs authorized under them.

Mr. President, there is one exception to my general opposition to the bill. That exception concerns the sections of the bill which would authorize the appropriation of funds to fulfill our commitment to Israel. While I am not a strong supporter of the foreign aid program, I do believe that our aid to Israel reaffirms our belief in the basic principles of democratic government and the right of all people to live in peace with their neighbors. It is vital to the interests of the United States that Israel be able to maintain her deterrent strength.

Mr. President, in the past, I have urged the Senate to adopt measures favorable to Israel's position. I do not shift from that position today.

Mr. President, if I could vote just on the provisions which relate to Israel, I would do so, and I think my position on that question is clear. However, the bill is structured in such a way as to preclude my voting only on the Israeli aid sections, and I do not feel that I can support the entire foreign-aid package.

THE FOREIGN AID PROGRAM NO LONGER SERVES AMERICAN INTERESTS

Mr. CHURCH. Mr. President, no aspect of U.S. foreign policy remains more deeply mired in illusion, and more confused as to basic purpose, than the disparate collection of programs which are annually perpetuated under the beguiling rubric of American foreign assistance. Defenders of these programs describe them with the broad rhetoric of responsible world involvement. Foreign aid, they proclaim, embodies the enlightened spirit of American internationalism. Decrying what they call "neoisolationism," they assert—almost as a tenet of faith—that the foreign aid program must be continued if the United States is to remain strong and a world leader.

For my own part, Mr. President, I am unwilling to accept such grandiose explanations of the purpose and value of U.S. foreign aid. As I have stated on many occasions, I believe that any nation as strong and relatively prosperous as the United States has a clear responsibility to contribute substantially to the betterment of the world community. But I do not believe that the American foreign aid program in its current form represents such a contribution. Indeed, I am convinced that, as presently constituted, the foreign aid program acts not only as a drain on American resources and tax dollars, weakening our own country, but also in many cases as an impediment to the positive political and economic evolution of the very countries it is alleged to assist. I am unwilling to ignore as a practical necessity the indisputable fact that corrupt and repressive dictatorships have been buttressed and maintained by American arms in the name of defending world freedom. I am unwilling to overlook the glaring absence of true economic progress in so many aid-recipient countries, where privileged elites have prospered while the broad mass of people has sunk even further into hopeless deprivation. And I am willing to confront the rude possibility that, for the most part, American foreign aid programs in developing countries have at best been an ineffectual irrelevancy, and at worst a harmful intervention which has inhibited the fundamental reform that must necessarily precede genuine progress.

Regrettably, Mr. President, in discussing foreign aid, we too often ignore the origins of these activities. There is a tendency, after so many years, to believe that foreign aid programs are somehow in the nature of things, that they are an inevitable part of international life.

That, however, is simply not the case. Current American foreign aid activities trace directly to the early 1950's and to the intense, almost hysterical cold war attitudes which crystallized in our thinking during that period. It was that period which gave rise to the view that the world was a great arena—a battleground for two competing ideologies—and that we must link as many nations as possible to us, and assist them to become like us, lest they be forced or seduced into the enemy camp.

Before this apocalyptic view captured our sensibilities, we had begun to display a calmer and wiser emphasis in our global thinking: a dominant concern with building strong multilateral institutions, rather than bilateral linkages of foreign aid. For two decades prior to the Second World War, we as a nation had debated endlessly the question whether we should be "internationalist" or "isolationist." By the end of the war, however, we had little doubt; and in the immediate postwar years we displayed extraordinary leadership in fostering a cooperative global effort to create solid international institutions that would provide permanent mechanisms for addressing the world's problems on a multilateral basis. Between 1945 and 1947, this effort led to the creation of the United Nations, the World Bank, the International Monetary Fund, and the General Agreement on Tariffs and Trade. It was into these institutions—which constituted then, as they still do today, the framework for a cooperative international community—that we placed our energy and our hopes to contribute to a better world. Only later, and in a time of great emotionalism and exaggerated fear, did we arrive at the dubious, and I think now disproven view, that our own future and the future welfare of mankind depended upon our establishing bilateral programs of military and economic aid in scores of rural, poor, and politically undeveloped countries all around the world.

Exactly when this view took hold of our thinking, it is difficult to pinpoint. Some historians place the turning point in the late 1940's, with the decision to give American aid unilaterally to the Governments of Greece and Turkey, a decision which was accompanied by the Truman doctrine announcement that we would help all peoples everywhere struggling against Communist subversion. By some interpretations, it was this action that set us off down the long and slippery slope of dispensing arms and money to almost any leader in the world who declared himself to be anti-Communist. Other historians, however, argue persuasively that the real turning point in our approach came later, in the early 1950's, with the outbreak of war in Korea and the chain of events which that set into motion. It was the outbreak of war in Korea which we interpreted, together with the victory of Mao Tse-tung in the Chinese civil war, as clear and final evidence that the world was endangered by a global Communist conspiracy, run with demonical and nearly magical control from within the walls of the Kremlin. Both events—in China and in Korea—had an internal logic of their own, as we now acknowledge, but the specter of a world monolith soon shaped our perception of all that we saw. It was this specter which led us quickly to our ill-conceived decision to escalate dramatically our military support for the French in Indochina in their futile fight—into which we would eventually plunge full force—against an indigenous anticolonial insurgency led by Ho Chi Minh, a leader who himself had once hoped for American assistance but whose movement bore the now-intolerable label of Communist. It was this specter also which catalyzed in our own country an era of bitterness and political recrimination over the so-called loss of China and softness toward communism—a period in which deplorable scare tactics became the expected standard of political behavior and zealous anticommunism was turned into a quasi-religious tenet of national faith. And it was from this atmosphere of alarm and zeal that we embarked, once and for all, on our global counteroffensive to prevent the nations of the world from falling like dominoes into the clutches of "international communism."

As a cardinal weapon in this "cold war" against communism, we deployed what we took to be an instrument of proven value: bilateral foreign aid. Communism, we feared, would find a fertile breeding ground in the pervasive conditions of poverty and political instability so evident in the emerging countries of Asia, Africa, and Latin America. Bilateral military and economic aid, we decided, would provide the means to combat both. Through military aid, we would equip the governments of those nations to quell revolution and maintain internal order. Through economic aid, we would spur an inexorable rise in living standards that would undercut the Communist appeal. Together, we believed, the two kinds of American aid would promote the development of capitalism and democracy around the world and, thereby, thwart the Communist threat.

In evolving this global plan of action, we thought ourselves to have a clear evidence of foreign aid's efficiency and effectiveness. The Marshall plan, after all, had contributed remarkably to the rapid postwar recovery of Western Europe; and we tended easily toward the analogy that what American aid had done for Europe, it could do also for the rest of the world. Sadly, what the analogy failed to account for, and what we somehow were unable to perceive, was the tremendous difference and complexity of the problems faced by the developing world. The countries of Western Europe, in receiving Marshall aid, had been receiving no more than the necessary capital infusion to reconstruct their war-ravaged industries, as those societies were already trained, organized, and acclimated by tradition to function—as modern industrial states with a Western political tradition. Their analogy with the poor, little trained, and often illiterate countries of the less developed world—countries with profoundly different cultural and political traditions—was in fact very weak indeed.

Possessed, however, by our sense of a global contest of ideologies, and essentially ignorant of societies so unlike our own, we viewed the world through the prism of our cold-war fears, seeing the developing countries not on their diverse and complicated terms, but only on our own simple and one-dimensional scale. Through our eyes, the developing world had become a vast arena in which the American way of life was being tested. We simply could not perceive how intractable most of these countries were—how fundamentally resistive they would be—either to our own ministrations or, for that matter, to the Communist ideology which we so desperately feared. Thus we plunged ahead, commencing a 20-year period in which the principal focus of our relations with most of the world would center on our programs of direct military and economic aid.

Foreign leaders, for their part, found little trouble in convincing themselves to accept whatever we had to offer; and once an aid program had begun, there was hardly a chance that it would ever end. Once we had established a military aid mission and displayed the sophisticated weapons and wares we had to offer, there was little doubt but what that country would soon face a compelling "need" for an expanded military capability—if not to defend itself from any immediate threat, then at least to maintain parity with its neighbor countries to whom we were also supplying weapons. Likewise, once we had established an economic mission and begun to finance "modern development," there was no end to the new and critically needed projects that could be contrived. And if a country receiving our assistance happened to be a dictatorship or if it showed no signs of economic gain, that—we rationalized—was all the more reason to persist with the program, and perhaps even to expand it, in order that our Embassy might maintain its "leverage," and thereby induce our client to improve its ways .

Little thought was given to the basic rationale of aid which, until recently, went virtually unchallenged. There was, to be sure, discussion and sometimes controversy about the form aid should take. Conservatives, for example, tended to favor military assistance, to provide the means of suppressing Communist subversives and other radicals and revolutionaries. Liberals, on the other hand, emphasized the importance of combating the economic conditions which produced despair and discontent and gave impetus to revolutionary aims. But beyond the variations in emphasis, there was little disagreement about the ultimate wisdom of a broad program of bilateral American aid. The United States was, after all, the leader of the "free world," the exemplary model of the success of capitalist democracy, and it was only natural that we should give succor to other, less advantaged governments of this "free world" in their effort to preserve themselves and become more like us.

Now, however, as we look back over those 20 years, it becomes increasingly clear how inaccurate was our perception of the reality we faced. Not only did we grossly overestimate the unity and appeal of communism, and thus the threat posed by it in the developing countries, but we greatly overestimated our own ability to promote the desired development of those countries through American bilateral aid.

We assumed that a stable social structure was the essential condition of progress, and that if "stability" in a poor country could only be maintained, then the introduction of American capital and know-how could soon lead that country to the point of "takeoff" into self-sustaining growth and widely shared economic gains. What we were unable or unwilling to see was that, in the absence of fundamental social reform, the "stability" we so energetically supported meant, in most cases, no more than a perpetuation of the status quo, in which any economic gains would accrue mainly to the increased benefit of the privileged and powerful. Indeed, the underlying principle which we were never willing to confront was that in the many developing countries dominated by entrenched and prospering elites, nothing less than a radical redistribution of power had become the vital precondition of any development effort that would bring real gains to the broad mass of the impoverished and deprived. Unable, however, to cope with this unsettling notion—and thus clinging to the reassuring certainty of "stability"—we rationalized our support for dozens of corrupt and repressive regimes whose very existence has been the principal barrier to real economic development and social justice.

The overriding lesson we have learned—or at least should have learned by now—is that the conditions essential for true development are not so much economic and technological as they are structural political. No infusion of capital and technology from the outside can galvanize a society in which the rewards of development are grabbed up by a small privileged cast while the majority of people are left hopeless, debilitated, and demoralized. If, on the other hand, the bulk of the people of a developing country acquire a belief in the integrity of their leaders, in the commitment of those leaders to social justice, and in the equality of sacrifice required, then dramatic gains can be made, without need of foreign aid. This condition cannot, however, be induced or imposed externally; rather it must arise from currents and forces within a country which coalesce into a shared sense of national purpose. It is a revealing irony that China, whose adoption of communism did so much to impel us into a global program of foreign aid, now stands as a model to the irrelevancy of outside subsidization to a poor country's successful development. Meanwhile, the corrupt oligarchies and military dictatorships which we have supported with lavish foreign aid, particularly in Latin America and Asia, continue to stand as bulwarks against real social progress.

Even in a country like India, which, to its everlasting credit, has remained a democracy, the principle is much the same. The stark contrast between India, which despite tens of billions of dollars of foreign aid still languishes in mass poverty, and China, which has lifted itself from squalor and chaos with virtually no help from without, is the stark contrast between a country that has not mobilized itself to develop self-sufficiency and a country which quite clearly has. It is an unprovable proposition, but one highly persuasive—even to many Indians—that India would be far better off today had she been cut loose long ago from the linkages and psychology of dependency, and been forced to come to terms—her own democratic terms—with her fundamental problems of food, population, and poverty.

Such matters are not, of course, subject to prediction, even retrospective prediction. But that is the point. Development is a process of subtle, almost ineffable dimensions—the process by which societies are transformed, by which people come to conduct their societal lives in a very different way. Societies may become better or worse, but it seems not too much to say that if they are to become better it must be because they are determined to reform themselves. Certainly our experience of 20 years of aid shows that we cannot bring about fundamental reform in tradition-encrusted societies, nor can we have much deterrent effect when the tide of revolutionary change runs deep and strong. All we can really do is service the status quo, and in so doing inhibit the unseen but inexorable currents of change.

This is not to say, Mr. President, that we should withdraw active interest in the future of the developing world. But it is time that we recognize, once and for all, the basic truth that the economic future of any developing country is dependent, in an essential way, upon internal factors which are beyond the effective reach of our routine foreign aid program—and that such intrusions, even if benignly intended, are as likely as not to have an unfavorable result.

If, having recognized this, we wish to try to assist the developing countries, as I believe we should, then we ought consciously to move to a new concept of foreign aid—one that places far greater emphasis upon helping those countries through the institutions of international cooperation we did so much to initiate before we became obsessed with our global crusade. As I have emphasized, I believe that the development process must be seen primarily as an internal matter. The advantage of the multilateral institutions is that they provide the means—if we are willing to try to use them—to generate a favorable external environment for the poor countries as they seek their own paths to progress.

These institutions include the United Nations and its affiliated activities such as the U.N. development program; the World Bank group, including the International Development Association; the Asian, African, and Inter-American Development Banks; the International Monetary Fund; and the regime of the General Agreement on Tariffs and Trade. Together these institutions give shape to the international economic system within which the developing countries must operate; and within this system, there are important opportunities—as yet unrealized—to provide significant advantages to poor countries which are trying to develop.

AN EXPANDED SYSTEM OF MULTILATERAL AID

Turning to the area of multilateral aid, one finds an opportunity beckoning for American leadership. The global and regional institutions of multilateral development assistance which have been established during the years since World War II now, in combination, constitute an important source of economic and technical aid to the poorer countries. The full potential of these institutions, however, has by no means been realized—partly because they are still in the process of growing and acquiring experience and understanding of the development process, but probably more so because they have yet to become the clearly preferred vehicle for economic assistance from the point of view of the rich countries, particularly the United States.

The preferability of multilateral institutions as a vehicle for economic assistance has been stressed repeatedly by students of the development process. Such institutions allow poor countries to seek technical and financial aid from a widely sanctioned international body that makes its judgments on relatively objective and nonpolitical criteria. The initiative comes entirely from the poor country itself, which can acquire assistance simply by making a sufficiently good case by the merits of its proposal. Absent is the demeaning sense of subservience which inevitably accompanies the bilateral donor-recipient relationship. And absent too are the explicit or implicit political requirements which the bilateral donor is usually inclined to make.

Regrettably, I believe that it is for the very reasons that multilateral aid is superior that the United States has thus far been so reluctant to embrace it. Despite the altruistic claims that continue to be made for our bilateral program, our Government has continued to perceive aid primarily as a tool of diplomacy. While American officials have to some extent outgrown their cold war obsessions with communism, they have retained the cold war habit of utilizing aid more in pursuit of short-term political objectives than for the long-term economic improvement of aid-recipients. How else, for example, can one explain that in the past fiscal year, a time of widespread world food shortages, more than one-half of the entire U.S. food-for-peace program was channeled into funding the war efforts of the corrupt and tottering governments of South Vietnam and Cambodia?

The unwillingness of U.S. officials to direct American assistance through the multilateral institutions is clearly shown in the composition of the foreign aid program proposed by the executive branch for the current fiscal year. Of a total program of $8.4 billion, only slightly more than $1 billion is proposed for the multilateral institutions. The remainder—over $7 billion—is programed for direct bilateral use. And of that amount only half is even for assistance which is in any way economic in character. The remaining $3.5 billion is to be used to supplement the defense budgets of such dubious military oligarchies as exist in Brazil, Chile, South Korea, Taiwan, and the Philippines, even though those countries face little in the way of an external threat.

For some years now, Mr. President, the Senate Foreign Relations Committee has tried to redirect the American foreign aid program toward greater utilization of, and support for, the multilateral development institutions. Thus far, these efforts have proved largely unsuccessful. Now, however, drastic shifts in the international economy have given new emphasis to the importance of making this transition.

As a consequence of the past year's enormous increases in the prices of petroleum products, foodstuffs, and fertilizer, certain developing countries—the oil exporters—are now as a group earning far more than they can possibly spend, even with the most intensive economic development efforts. In 1974 alone, it is estimated they will earn from exports approximately $85 billion, of which they will be able to spend at most only about $25 billion on imports of goods and services. At the same time, the non-oil-exporting nations of the developing world—the truly poor countries—are experiencing a sever worsening of their situation. In 1974, those countries will have to pay upwards of $15 billion more for essential imports of food, fertilizer, and energy than they paid in 1973. The magnitude of this added burden quite plainly dwarfs any possible compensation by even the most generous program of bilateral aid.

Clearly what is needed under these circumstances is a concerted international effort—through multilateral institutions—to cope with the overwhelming changes which have occurred. It is ironic that American policymakers have relied for years on the argument—a largely self-fulfilling one—that the American bilateral aid program should be continued, because the multilateral institutions were not sufficiently large. Now, in meeting the challenge of these new and potentially disastrous economic changes, it is quite obvious that only the multilateral institutions offer any hope for a sufficient response.

Several possibilities suggest themselves, but perhaps the most obvious and attractive is that the oil-exporting countries might be persuaded to provide massive new support for the international development lending institutions. Such support could come in the form of the purchase of World Bank bonds, increases in paid-in capital to the lending institutions, and contributions to the concessional loan activities of the International Development Association and the Asian, African, and Inter-American Development Banks. The additional funds made available in this way would be spent by the poor countries largely for acquisition of goods and services in the oil-importing states that had originally paid out these funds to the oil exporters. Thus, the strain on the international monetary and trade system would be eased at the same time as the poor countries were receiving much-needed financial aid.

It is well known, of course, that the oil-exporting countries have thus far shown a marked reluctance to direct their new wealth into such multilateral channels. But in objectivity, it must be asked, Whose example would they be following were they to do so? Having, for our own part, long neglected multilateral institutions so as to employ aid as a direct tool of American foreign policy, we now find ourselves in an extremely weak position in arguing that the oil-producing countries should, for their part, display unselfish beneficence. When we have allowed our own policies to become so shortsighted and distorted, Mr. President, it is difficult indeed to be persuasive in exhorting others to adopt broad, long-range perspectives and to gage their policies magnanimously toward the betterment of mankind.

Of course, there can be no guarantee that the adoption of an exemplary course of conduct on our own part would induce similar conduct on the part of others. But if we, ourselves, are unwilling to give full support to the multilateral institutions of assistance, we should hardly be surprised if others act similarly. I submit, therefore, Mr. President, that the time has come—indeed it is long overdue—for the executive branch and the Congress to make a firm commitment that the United States shall move forthwith to direct as much of its foreign assistance as possible into multilateral channels.

Such a policy would serve two important objectives. First, it would provide that our own aid contributions would henceforth be used in a much more desirable way. Second, it would place the United States in a position to negotiate much more persuasively with the newly rich oil producers, inviting their contribution to a collective multilateral effort directed both to alleviating the immediate financial plight of the world's poorest nations and to building stronger multilateral institutions to assist those countries in achieving their long-term development goals.

In closing, Mr. President, I should like to take note of the unfortunate confusion engendered by those who choose to portray the bilateral foreign aid program as the vehicle of American internationalism. Those who make this assertion ought, I believe, to be reminded that internationalism, at least as that term was brought into American usage by Woodrow Wilson and Franklin Roosevelt, meant a willingness to seek international cooperation through international institutions. The charge of "neo-isolationism," so commonly made now against critics of bilateral aid, comes from the lips of people who have lost sight of the real meaning of internationalism, confusing it with our recent, lamentable tradition of unilateral interventionism. By this measure, one might point out, even Ghengis Khan could qualify as an internationalist, as might other more modern leaders who have used their power to roam far and wide.

The real question of foreign aid, Mr. President, is not whether we will turn away from internationalism, but whether we will return to it. It is the question whether we are willing to return to the genuinely internationalist course which we chartered at the close of World War II—the difficult but wise and ultimately rewarding task of contributing our full strength and energy to the building of sound institutions of international cooperation. It would, unarguably, foresake our nobler instincts were we to ignore the plight of the poor and impoverished people of the world. But I am convinced that we can now contribute to their betterment most ably through means which are truly internationalist—by laboring energetically in the quest for a more effective system of multilateral economic and humanitarian aid. Such an effort would, for our part, combine both generosity and self-interest, and would constitute the kind of mature and responsible international conduct which is by far the most valuable foreign assistance this Nation can give.

For these reasons, Mr. President, I continue to believe, as I have for the past several years, that, on balance, our foreign aid program no longer benefits the United States. To continue it year after year simply serves those Government agencies that have developed a vested interest in its perpetuation. Accordingly, I shall cast my vote to recommit the bill.

Mr. PASTORE. Mr. President, coming back to what I have said, we have just put the last nail in the coffin. I move to recommit the bill.

Mr. BROOKE. I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. Johnston). The question is on agreeing to the motion of the Senator from Rhode Island (Mr. Pastore) to recommit the bill. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Nevada (Mr. Cannon), the Senator from Alaska (Mr. Gravel), the Senator from Utah (Mr. Moss), the Senator from Alabama (Mr. Sparkman), the Senator from Arkansas (Mr. Fulbright), the Senator from Missouri (Mr. Symington), and the Senator from California (Mr. Tunney) are necessarily absent.

I further announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I further announce that, if present and voting, the Senator from Nevada (Mr. Cannon) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Oregon (Mr. Packwood), the Senator from Ohio (Mr. Taft), the Senator from Texas (Mr. Tower), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. Curtis) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from Kansas (Mr. Dole), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) would each vote "yea."

The result was announced—yeas 41, nays 39, as follows:

[No. 447 Leg.]

YEAS—41

Aiken
Allen
Baker
Bartlett
Beall
Bible
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Church
Cotton
Domenici
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hollings
Hruska
Inouye
Johnston
Long
McClellan
McClure
Montoya
Pastore
Pearson
Randolph
Roth
Scott, Hugh
Stafford
Stennis
Stevens
Thurmond
Young

NAYS—39

Abourezk
Bentsen
Biden
Case
Chiles
Clark
Cranston
Eagleton
Hart
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mansfield
Mathias
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Muskie
Nelson
Nunn
Pell
Percy
Proxmire
Ribicoff
Schweiker
Scott, William L.
Stevenson
Talmadge
Williams

NOT VOTING—20

Bayh
Bellmon
Bennett
Cannon
Cook
Curtis
Dole
Dominick
Fulbright
Goldwater
Gravel
McGee
Moss
Packwood
Sparkman
Symington
Taft
Tower
Tunney
Weicker

So Mr. Pastore's motion to recommit was agreed to.

FULL PUBLIC ACCESS TO CERTAIN PAPERS, TAPES, AND TRANSCRIPTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 1123, Senate Resolution 399, that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

> Calendar No. 1123, Senate Resolution 399, urging full public access to all facts and the fruits of all investigations relating to Watergate and full public access to all papers, documents, memoranda, tapes, and transcripts during the period January 20, 1969, through August 9, 1974.

The PRESIDING OFFICER. Is there objection to its immediate consideration?

There being no objection, the Senate proceeded to consider Senate Resolution 399.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore of the Senate, pursuant to Public Law 93–426, appoints the Senator from California (Mr. TUNNEY) and the Senator from Tennessee (Mr. BROCK) to the National Commission on Supplies and Shortages.

LEAVE OF ABSENCE GRANTED TO MR. HATHAWAY

Mr. ROBERT C. BYRD. Mr. President, in accordance with the requirements of standing rule V of the Senate rules, I ask unanimous consent that a leave of absence be granted to Mr. HATHAWAY for the purpose of allowing him to attend a funeral on tomorrow of former Congressman Clifford McIntire, of Maine.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 11 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR RECOGNITION OF SENATOR McCLURE, SENATOR DOMENICI, SENATOR WILLIAM L. SCOTT, AND SENATOR MANSFIELD, TOMORROW; AND FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND CONSIDERATION OF SENATE RESOLUTION 399

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. MCCLURE, Mr. DOMENICI, Mr. WILLIAM L. SCOTT, and Mr. MANSFIELD; after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each; at the conclusion of which the Senate proceed to the consideration of the measure which the majority leader laid before the Senate a little while ago, Senate Resolution 399, a resolution relating to full public access to certain tapes, papers, and transcripts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will meet at the hour of 11 a.m.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes: Mr. MCCLURE, Mr. DOMENICI, Mr. WILLIAM L. SCOTT, and Mr. MANSFIELD, after which there will be a period for the transaction of routine morning business, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will resume the consideration of Senate Resolution 399. Rollcall votes are expected to occur during the day. Conference reports, of course, are always in order, and rollcall votes may occur thereon.

ADJOURNMENT TO 11 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 11 a.m. tomorrow.

The motion was agreed to; and at 6:54 p.m. the Senate adjourned until tomorrow, Thursday, October 3, 1974, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate October 2, 1974:

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

Marjorie W. Lynch, of Washington, to be Deputy Administrator of the American Revolution Bicentennial Administration. (New position.)

BOARD OF PAROLE

George J. Reed, of Oregon, to be a member of the Board of Parole for the term expiring September 30, 1980. **(Reappointment.)**

William E. Amos, of Maryland, to be a member of the Board of Parole for the term expiring September 30, 1980. (Reappointment.)

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Andrew Jackson Goodpaster, [redacted], Army of the United States (major general, U.S. Army).

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination as required by law:

LINE OF THE AIR FORCE

Captain to major

Abram, Max L., [redacted].
Acheson, Densel K., [redacted].
Achey, Dale A., [redacted].
Ackerman, Charles T., [redacted].
Adair, Charles R., [redacted].
Adams, George L., [redacted].
Adams, James O., [redacted].
Adams, William W., Jr., [redacted].
Aehnlich, Paul C., [redacted].
Ahmann, James N., [redacted].
Aiken, Gerald G., [redacted].
Albertson, Jack D., [redacted].
Albro, William A., [redacted].
Alexander, Richard A., [redacted].
Alexander, Robb R., [redacted].
Allan, Ronald J., [redacted].
Alleger, Arthur II, [redacted].
Allen, Byron E., [redacted].
Allen, Calvard S., [redacted].
Allen, Gerald N., [redacted].
Allen, Maxie W., [redacted].
Allerheiligen, James E., [redacted].
Allison, Harry B., [redacted].
Allsbrook, John W., Jr., [redacted].
Alston, Harold R., [redacted].
Alvarez, Humberto H., [redacted].
Aman, Earl D., [redacted].
Aman, Edwin D., [redacted].
Amann, Richard W., [redacted].
Andersen, Jack T., [redacted].
Anderson, Bobby D., [redacted].
Anderson, Charles A., [redacted].
Anderson, David K., [redacted].
Anderson, Edward L., [redacted].
Anderson, Gaylord F., [redacted].
Anderson, Gordon L., [redacted].
Anderson, Jerry C., [redacted].
Anderson, Marcus A., [redacted].
Anderson, Paul C., [redacted].
Anderson, Raymond E., [redacted].
Anderson, Wendell L., [redacted].
Anderson, William F., [redacted].
Andes, William S., [redacted].
Andres, Lanny R., [redacted].
Andrews, Merle F., [redacted].
Angelides, Nicholas J., [redacted].
Angus, William E., [redacted].
Anzivino, Angelo L., [redacted].
Arent, William L., [redacted].
Armenta, Gilbert, [redacted].
Arnaiz, Donald R., [redacted].
Arnaud, Alfred A., Jr., [redacted].
Arneson, Dwynne C., [redacted].
Arnold, Richard W., [redacted].
Arnold, William E., [redacted].
Arnold, Wilson T., [redacted].
Arnsdorff, Alton G., Jr., [redacted].
Asakura, Takazumi, Jr., [redacted].
Asbill, Morris W., Jr., [redacted].
Ashman, Jerome P., [redacted].
Assaf, Frank N., II, [redacted].
Atteberry, Glen A. T. U., [redacted].
Atwater, Robert S., [redacted].
Atwood, Daryl G., [redacted].
Aube, Albert E., [redacted].
Austin, James S., Jr., [redacted].
Auth, James F., [redacted].
Ayers, Richard G., [redacted].
Baber, Gary P., [redacted].
Back, George V., [redacted].
Bacs, John, [redacted].
Badalamente, Richard V., [redacted].
Badgett, Lee D., [redacted].
Baertl, Charles E., [redacted].
Baggiano, Anthony L., [redacted].
Bailey, Gordon D., [redacted].
Bailey, Roy C., Jr., [redacted].
Baines, Donald D., [redacted].
Bainter, Hugh T., [redacted].
Bajuk, Terence G., [redacted].
Baker, Donald R., [redacted].
Baker, Donald E., [redacted].
Baker, Earl D., [redacted].
Baker, Guy F., [redacted].
Baker, James N., [redacted].
Baker, John A., [redacted].
Baker, Noel J., [redacted].
Baker, Roy T., [redacted].
Bakunas, Darius V., [redacted].

Bale, Don E., [redacted].
Balko, Andrew I., [redacted].
Banks, Gustave R., [redacted].
Banks, Ronald W., [redacted].
Bannon, John J., Jr., [redacted].
Barager, Daniel C., [redacted].
Baran, Michael F., [redacted].
Barbara, Raul F., [redacted].
Barber, Hugh W., Jr., [redacted].
Barefoot, Joseph A., [redacted].
Barker, Kenneth D., [redacted].
Barnett, David R., [redacted].
Barrett, Melvin R., [redacted].
Barrett, Norman L., [redacted].
Barry, Edward P., Jr., [redacted].
Barry, Gregory P., [redacted].
Bartholomew, Rodney A., [redacted].
Bartlett, William K., Jr., [redacted].
Barton, John B., [redacted].
Barton, Roland S., Jr., [redacted].
Barts, Duane A., [redacted].
Bassett, David E., [redacted].
Bassett, Louis C., Jr., [redacted].
Baten, Jimmie R., [redacted].
Batte, George A., [redacted].
Baushke, James L., [redacted].
Bayer, Roger T., [redacted].
Bear, Howard J., [redacted].
Bear, Sherman W., [redacted].
Beardemphl, Thomas W., [redacted].
Beatty, James F., Jr., [redacted].
Beck, James R., [redacted].
Becker, Edward L., Jr., [redacted].
Bedingfield, Jerry R., [redacted].
Behler, Joseph A., [redacted].
Belcher, Gary D., [redacted].
Bell, Jerald R., [redacted].
Bell, Robert L., [redacted].
Beller, Gerald R., [redacted].
Benedict, Carl J., [redacted].
Benedict, Carl R., [redacted].
Bennett, William G., [redacted].
Benten, William A., [redacted].
Berger, Charles E., [redacted].
Berger, James R., [redacted].
Beringson, Richard J., [redacted].
Berkshire, John H., [redacted].
Bernard, Charles E., Jr., [redacted].
Bernard, John E., Jr., [redacted].
Berry, John S., [redacted].
Berta, Michael A., [redacted].
Bertenshaw, Thomas G., [redacted].
Bethel, Howard E., [redacted].
Bertino, William L., [redacted].
Betsill, Sammy F., [redacted].
Betts, Richard A., [redacted].
Betz, Ernest J., [redacted].
Bevans, Peter C., [redacted].
Beverly, Edward J., Jr., [redacted].
Bicknell, Ernest P. III, [redacted].
Bigelow, James N., [redacted].
Bigham, Eugene F., [redacted].
Bilsbury, Stephen J., [redacted].
Binder, Donald H., [redacted].
Birchard, Carl E., [redacted].
Birgerson, Alexander O., Jr., [redacted].
Birk, Peter K., [redacted].
Birkhead, Robert F., [redacted].
Birmingham, Milton D., [redacted].
Biss, Robert I., [redacted].
Blackwood, Gordon B., [redacted].
Blaisdell, Allan C., [redacted].
Blakney, Kenneth L., [redacted].
Blanchard, John M., [redacted].
Blanchfield, Robert J., [redacted].
Blaydes, Bernard B., [redacted].
Blazek, Miroslav F., [redacted].
Bledsoe, Adolphus H., Jr., [redacted].
Blevins, Bedford D., [redacted].
Blevins, John C., [redacted].
Blews, Monte E., [redacted].
Blohm, James C., [redacted].
Bloom, Philip J., [redacted].
Bloomberg, Elliot L., [redacted].
Blount, Harris R., [redacted].
Blum, Franklin E., [redacted].
Blythe, Herman E., [redacted].
Bobak, John W., [redacted].
Bode, Richard D., [redacted].
Bodenhamer, Howard L., [redacted].
Bodrak, Gilbert C., [redacted].
Boecking, William D. G., [redacted].
Boedeker, Robert F. C., [redacted].
Boette, August E., [redacted].
Boettger, Albert J., Jr., [redacted].
Bogart, Bruce C., [redacted].
Bogner, Harry W., [redacted].
Bohan, James A., [redacted].
Bohlson, John S., [redacted].
Bolen, Edward S., [redacted].
Boles, Jimmie K., [redacted].
Bolton, Ben W., [redacted].
Bolton, Malcolm F., Jr., [redacted].
Bonertz, Donavon F., [redacted].
Boone, Thomas S., [redacted].
Boortz, Eugene H., [redacted].
Booth, Robert M., [redacted].
Bordeaux, John C., [redacted].
Boright, Arthur L., [redacted].
Borts, Robert A., [redacted].
Bostick, Neil D., [redacted].
Bott, Don C., [redacted].
Bouchard, David F., [redacted].
Boudreaux, Merlen, [redacted].
Bounds, Gordon S., [redacted].
Bouquet, Victor H., Jr., [redacted].
Boursaw, Jon E., [redacted].
Bousquet, Thomas R., [redacted].
Bowen, Ronald A., [redacted].
Bowers, Billy H., [redacted].
Bowers, Francis L., [redacted].
Bowling, Gene D., [redacted].
Bowman, Gary H., [redacted].
Bowser, Gary F., [redacted].
Box, Don W., [redacted].
Boyd, Stuart R., [redacted].
Boyer, Robert E., [redacted].
Bradley, George E., Jr., [redacted].
Bradley, James E., [redacted].
Bradwell, John J., [redacted].
Brady, James C., Jr., [redacted].
Branch, Christopher I., [redacted].
Brandon, Jerry A., [redacted].
Brandt, David A., [redacted].
Brandt, Rand, [redacted].
Brannelly, John J., [redacted].
Brass, William L., [redacted].
Bredenkamp, Barton C., [redacted].
Breen, Joseph A., [redacted].
Breen, Walter M., [redacted].
Brennan, John L. III, [redacted].
Brewer, James E., [redacted].
Brewer, Jay R., [redacted].
Brezinski, Robert A., [redacted].
Bridge, Robert L., [redacted].
Bridley, Charles A., [redacted].
Bright, Jack W., [redacted].
Brindle, George T., [redacted].
Brinson, James E., [redacted].
Bristol, William E., [redacted].
Brittain, Claire E., Jr., [redacted].
Britz, William C., [redacted].
Brookie, James H., [redacted].
Brooks, David M., [redacted].
Brooks, Sloan L. B., [redacted].
Brooks, William E., [redacted].
Brophy, Thomas F., [redacted].
Brosowske, Dennis L., [redacted].
Browner, Barry S., [redacted].
Brown, Carl D., [redacted].
Brown, Dennis E., [redacted].
Brown, Donald R., [redacted].
Brown, James A., [redacted].
Brown, Jerry V., [redacted].
Brown, Michael J., [redacted].
Brown, Michael B., [redacted].
Brown, Robert C., [redacted].
Brown, Robert C., [redacted].
Brown, William A., Jr., [redacted].
Brownfield, Orlen L., [redacted].
Brugger, Walter I., [redacted].
Brundage, John A., [redacted].
Brya, Edward N., [redacted].
Bryant, William F., Jr., [redacted].
Bryars, Frank K., [redacted].
Buchanan, George L., [redacted].
Buchner, George E., [redacted].
Buckenmyer, David W., [redacted].
Buckley, Martin J., [redacted].
Buckley, Patrick J., [redacted].
Bucksbee, John D., [redacted].
Buehrig, Richard H., [redacted].
Buick, John R., [redacted].
Bulick, Edward H., [redacted].
Burchfield, Joseph P. III, [redacted].
Burd, Bobby R., [redacted].
Burgess, Danny N., [redacted].
Burgess, George D., [redacted].
Buriff, Donald S., [redacted].
Burke, Edward J., [redacted].
Burke, Harry E., [redacted].
Burke, John F., [redacted].
Burnett, Terrell E., [redacted].
Burnett, Thomas E., [redacted].
Burns, John L., [redacted].
Burns, Ronald A., [redacted].
Burns, William C., Jr., [redacted].
Burrow, Jessie H., [redacted].
Burrows, Bruce T., [redacted].
Busch, Francis N., [redacted].
Bush, Chester G., [redacted].
Bushey, James W., [redacted].
Bussman, William F., [redacted].
Butler, George L., [redacted].
Butler, Ronald L., [redacted].
Butterfield, John D., [redacted].
Butterworth, Raymond J., [redacted].
Byers, Jerrold K., [redacted].
Byrne, Richard D., [redacted].
Byrne, Richard L., [redacted].
Cairns, Douglas B., [redacted].
Calahan, Wray D., [redacted].
Calder, David M., [redacted].
Calderon, Jose G., [redacted].
Calhoun, John H., III, [redacted].
Calhoun, Joseph S., [redacted].
Call, Robert M., [redacted].
Campassi, Charles C., [redacted].
Campbell, Clarence N., [redacted].
Campbell, Harold N., [redacted].
Campbell, John J., [redacted].
Campbell, Joseph M., Jr., [redacted].
Campbell, Roger R., [redacted].
Campbell, Thomas E., [redacted].
Cann, Donald J., [redacted].
Cantergiani, Joseph C., [redacted].
Cantrell, Teddy D., [redacted].
Cappi, Albert E., [redacted].
Caradec, Bernard J. G., [redacted].
Caraway, Bobby R., [redacted].
Caraway, George E., [redacted].
Carder, James R., Jr., [redacted].
Care, Francis J., [redacted].
Carey, John J., [redacted].
Carey, Nelson F., [redacted].
Carlberg, Ronald L., [redacted].
Carleton, William A., Jr., [redacted].
Carling, Joseph C., [redacted].
Carlson, Aulay P., [redacted].
Carlson, Donald T., [redacted].
Carlstrom, David L., [redacted].
Carpenter, Edmund H., Jr., [redacted].
Carpenter, William H., Jr., [redacted].
Carr, Chalmers R., Jr., [redacted].
Carr, John P., [redacted].
Carroll, Jo R., Jr., [redacted].
Carroll, John M., Jr., [redacted].
Carroll, Richard A., [redacted].
Carroll, William R., [redacted].
Carron, Hubert J., [redacted].
Carson, Carroll G., Jr., [redacted].
Carstensen, Darwin R., [redacted].
Carter, Robert L., [redacted].
Carver, James I., II, [redacted].
Casali, Gary, [redacted].
Casey, Bernard L., [redacted].
Casey, Walter H., [redacted].
Casey, William E., Jr., [redacted].
Cassidy, Patrick E., [redacted].
Castillo, Richard, [redacted].
Casupang, Amador C., [redacted].
Catlett, John A., [redacted].
Cecil, Allan C., [redacted].
Ceruti, Franklin D., [redacted].
Chaloult, Michael P., [redacted].
Chambers, Glen D., [redacted].
Chambers, Glenn R., [redacted].
Chambers, John A., [redacted].

Chambers, Willard R., [redacted].
Chaney, Larry O., [redacted].
Chapman, Robert L., Jr., [redacted].
Chappelle, James E., [redacted].
Charlton, John E., [redacted].
Chartier, Paul F., [redacted].
Cheatham, Walter H., Jr., [redacted].
Chesson, Roger T., Jr., [redacted].
Childress, Guy P., Jr., [redacted].
Childress, Harry M., [redacted].
Choronenko, Iwan, [redacted].
Christensen, Carl A., Jr., [redacted].
Christian, Robert E., III, [redacted].
Chun, Patrick F., [redacted].
Clanton, Norman G., [redacted].
Clapsaddle, Ronald E., [redacted].
Clark, Clifton C., Jr., [redacted].
Clark, Leonard L., [redacted].
Clark, Ralph W., Jr., [redacted].
Clark, Wayne E., [redacted].
Clarke, George R., [redacted].
Clawson, Stewart H., [redacted].
Clegg, Donald H., [redacted].
Cleland, Val D., [redacted].
Clements, William H., III, [redacted].
Clemons, Eugene S., [redacted].
Clemons, Gerald L., [redacted].
Clemons, Larry C., [redacted].
Cleve, Robert E., [redacted].
Clevenger, David A., [redacted].
Cliatt, Edwin R., [redacted].
Cloud, Rex E., [redacted].
Coats, James A., [redacted].
Cobb, William D., [redacted].
Coble, John E., [redacted].
Cocciolo, Harry F., [redacted].
Cochran, Henry J., [redacted].
Cockerham, Lorris G., [redacted].
Cockrum, Donald J., [redacted].
Cody, John C., [redacted].
Coe, Larry J., [redacted].
Coffin, Fred J., [redacted].
Cole, Charles R., [redacted].
Cole, Ernest L., [redacted].
Cole, Richard J., [redacted].
Coleman, Earnest L., [redacted].
Coleman, Edward L., [redacted].
Colley, Jack, [redacted].
Collier, Clifton E., [redacted].
Collins, Walter A., [redacted].
Collman, Ronald G., [redacted].
Colvin, Charles G., [redacted].
Combest, William D., [redacted].
Combs, Donald R., [redacted].
Compton, James R., [redacted].
Compton, Phil V., [redacted].
Conely, James H., Jr., [redacted].
Conley, Emil R., [redacted].
Conley, Thomas M., [redacted].
Connors, Ronald E., [redacted].
Conover, Charles D., [redacted].
Constant, Dennis L., [redacted].
Cook, Loyal S., [redacted].
Cook, Warren W., [redacted].
Cooke, Paul M. T., Jr., [redacted].
Cooper, Dale J., [redacted].
Cooper, Frank B., [redacted].
Cooper, John M., [redacted].
Cooper, Marcus F., Jr., [redacted].
Cooper, Richard M., [redacted].
Cope, Larry G., [redacted].
Cope, Lawrence L., [redacted].
Copeland, John M., [redacted].
Copner, Robert E., [redacted].
Coppock, Richard M., [redacted].
Cordera, David M., [redacted].
Cordier, Kenneth W., [redacted].
Cornell, Gerald E., [redacted].
Correll, Monte R., [redacted].
Corrick, Blaine S., Jr., [redacted].
Cors, Theodore C., [redacted].
Corson, Howard A., Jr., [redacted].
Costantino, James D., [redacted].
Cote, Ronald A., [redacted].
Cotter, Edward J., [redacted].
Cotton, Charles E., [redacted].
Couch, Robert P., [redacted].
Coulter, Arthur C., [redacted].
Coupland, James W., [redacted].
Cox, Claude D., [redacted].
Cox, Gary E., [redacted].
Cox, Homer M., Jr., [redacted].
Cox, Jerry, [redacted].
Cox, Lawrence C., [redacted].
Cox, Wesley A., [redacted].
Coyne, Thomas M., [redacted].
Crabb, William T., [redacted].
Crabtree, Albert L., [redacted].
Crane, John M., Jr., [redacted].
Crane, Robert W., [redacted].
Cranston, James R., [redacted].
Crawford, Thomas J., [redacted].
Cress, Larry E., [redacted].
Crofoot, William R., [redacted].
Cross, Frank A., III, [redacted].
Crossley, Robert W., [redacted].
Crotwell, George P., Jr., [redacted].
Crouch, Robert J., [redacted].
Crow, Ralph R., Jr., [redacted].
Cruickshank, John P., [redacted].
Crummey, Donald M., [redacted].
Cubero, Ruben A., [redacted].
Cuellar, Hector M., [redacted].
Cullen, James A., Jr., [redacted].
Culp, Aubrey M., [redacted].
Culp, Larry F., [redacted].
Culver, William C., [redacted].
Cumella, Joseph T., Jr., [redacted].
Cummings, Peter, [redacted].
Cuneo, William J., Jr., [redacted].
Cunliffe, William E., [redacted].
Cunningham, Gene R., [redacted].
Cunningham, Robert G., [redacted].
Cunningham, Robert J., [redacted].
Curtis Arthur W., [redacted].
Curtis, Justin A., [redacted].
Curtis, Richard R., [redacted].
Curtis, Stanley G., Jr., [redacted].
Cushing, Emery G., [redacted].
Cushman, Clifton S., [redacted].
Cutney, John M., [redacted].
Czerwinski, Walter W., [redacted].
Dahlman, James G., [redacted].
Dailey, Fred D., Jr., [redacted].
Dana, Joseph B., [redacted].
Danborn, Donald R., [redacted].
Daniels, John F., [redacted].
Daniels, Thomas F., [redacted].
Danigole, Simon A., Jr., [redacted].
Danner, James E., [redacted].
Dargitz, David K., [redacted].
Darnauer, James H., [redacted].
Davey, Jack N., [redacted].
Davidson, Hugh M., [redacted].
Davis, A. D., Jr., [redacted].
Davis, Charles W., [redacted].
Davis, Clifford D., [redacted].
Davis, David R., [redacted].
Davis, Dennis O., [redacted].
Davis, Gene H., [redacted].
Davis, Glenn L., [redacted].
Davis, Harold E., [redacted].
Davis, James W., [redacted].
Davis Kenneth D., [redacted].
Davis, Philip B., [redacted].
Davis, Ralph L., Jr., [redacted].
Davis, Robert E., [redacted].
Davison, William G., [redacted].
Davisson, Dean C., [redacted].
Day, Lawrence A., [redacted].
Deal, James E., [redacted].
Dean, Chester F., [redacted].
Dearborn, Oris D., Jr., [redacted].
Debolt, Leroy R., [redacted].
Dechant, William A., [redacted].
Decker, Charles E., [redacted].
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Plodinec, Nicholas S., III, [redacted].
Poorasky, George H., [redacted].
Poley, Paul W., [redacted].
Polick, Melvin E., [redacted].
Pollard, Ralph E., [redacted].
Pombo, Joseph A., [redacted].
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Pope, Sidney C., [redacted].
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Potter, John R., [redacted].
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Powell, Lloyd R., [redacted].
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Price, Karl V., [redacted].
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Prine, Lavelle, [redacted].
Pringle, Allen E., [redacted].
Protzmann, James D., [redacted].
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Quinlan, Michael J., [redacted].
Radeker, Walter S. III, [redacted].
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Rahn, Robert K., [redacted].
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Ramsdale, Glenn L., Jr., [redacted].
Randall, Kenneth D., [redacted].
Rankin, Robert C., [redacted].
Ranous, Gerald H., [redacted].
Ransom, William R. P., Jr., [redacted].
Raphael, Joseph, [redacted].
Ratner, George H., [redacted].
Rawlins, Michael E., [redacted].
Ray, William D., [redacted].
Readnour, James L., [redacted].
Reagan, William C., [redacted].
Reale, Steven A., [redacted].
Reaves, Ray D., [redacted].
Record, James F., [redacted].
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Redman, Jack B., [redacted].
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Sears, Hayden F., Jr., [redacted].
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Seidel, Kelly G., [redacted].
Sentimore, Gilbert L., [redacted].
Serksnas, Anthony A., [redacted].
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Spring, David W., [redacted]
Springs, Frank G., [redacted]
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Sproul, Lawrence G., [redacted]
Srba, Anton F., Jr., [redacted]
Stackhouse, William K., [redacted]
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Stratvert, Bruce N. [redacted]
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Studer, William A., [redacted]
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Stymiest, Alexander L., [redacted]
Suits, Norman L., [redacted]
Sullivan, John D., Jr., [redacted]
Sumner, Bobbie T., [redacted]
Sung, William K., [redacted]
Sutton, Thomas L., [redacted]
Sveinbjornsson, Sveinbjor C., [redacted]
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Swanson, John W., Jr., [redacted]
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Wimmer, Carl J., [redacted].
Winchell, Larry R., [redacted].
Winkelman, Alton B., [redacted].
Winkler, David E., [redacted].
Wintrode, Joseph H., [redacted].
Wintzer, Louis A., [redacted].
Wise, Donald E., [redacted].
Wisner, Thomas D., [redacted].
Withers, James R., [redacted].
Wittmers, Edward H., Jr., [redacted].
Woempner, Stanley W., [redacted].
Wohrman, Frederick R., [redacted].
Wojnar, Peter J., Jr., [redacted].
Wolcott, John J., [redacted].
Wolfe, Roland L., Jr., [redacted].
Woller, Elde C., [redacted].
Wollpert, James H., Jr., [redacted].
Wonderly, Paul C., [redacted].
Wood, Douglass G., [redacted].
Wood, Jerry D., [redacted].
Wood, Roger S., [redacted].
Wood, Wayne L., [redacted].
Wood, William A., [redacted].
Woodbury, Roger C., [redacted].
Woodcock, Andrew J., [redacted].
Woodland, Kenneth E., [redacted].
Woods, Jon P., [redacted].
Woodward, Charles D., [redacted].
Wooke, Charles F., [redacted].
Woytovich, Bennie L., [redacted].
Wray, Duane J., [redacted].
Wright, Susan M., [redacted].
Wright, William R., [redacted].
Wuehler, James G., [redacted].
Wyatt, J. C., [redacted].
Wyatt, Richard H., [redacted].
Wyman, James P., [redacted].
Wynne, Richard L., [redacted].
Yancey, George P., [redacted].
Yarber, Nathan L., [redacted].
Yarrigle, Robert C., [redacted].
Yavis, Robert P., [redacted].
Yingling, Kay A., [redacted].
Yoblonsky, George W., [redacted].
Yocum, James B., [redacted].
Yoder, Frederick D., [redacted].
Yoder, William W., [redacted].
York, Michael L., [redacted].
Young, Emerson D., Jr., [redacted].
Young, Walter H. W., [redacted].
Yount, Ben F., [redacted].
Youst, Lionel D., [redacted].
Zabel, Albert R., [redacted].
Zakrbeski, Alexander, Jr., [redacted].
Zarkowski, Matthew, [redacted].
Zarpaylic, John T., [redacted].
Zavadil, Charles W., [redacted].
Zeitvogel, Thomas J., [redacted].
Zerumsky, Adolph G., Jr., [redacted].
Zingg, John A., [redacted].
Zompa, Edward A., [redacted].
Zych, Leonard P., [redacted].
Zylstra, Corliss E., [redacted].

Chaplains

Balint, Robert J., [redacted].
Bendig, James C., [redacted].
Bush, Thomas R., [redacted].
Corbitt, James C., [redacted].
Cowell, Donald M., [redacted].
Dabrowski, George J., [redacted].
Deblieux, Earl V., [redacted].
Dwyer, Dennis M., [redacted].
Dwyer, John F., [redacted].
Elliott, Harold, [redacted].
Falcone, Emilio, [redacted].
Fash, Vernon L., [redacted].
Fuemmeler, James R., [redacted].
Hartsell, Franklin D., [redacted].
Heffernan, Thomas A., [redacted].
Mann, John L., [redacted].
Matthews, Larry A., [redacted].
Morgan, Rex J., [redacted].
Nelson, Samuel D., Jr., [redacted].
Reinke, Friedrich W., [redacted].
Rhoads, William L., [redacted].
Richard, Leon J., [redacted].
Seastrunk, Charles E., Jr., [redacted].
Somma, James E., Jr., [redacted].
Sturch, George T., [redacted].
Thurman, James M., [redacted].
Warren, William H., [redacted].
Way, Joseph C., [redacted].
Wilson, Theodore J., [redacted].
Wisniewski, Edward E., [redacted].

Dental Corps

Blasetti, Angelo B., [redacted].
Bowman, Dewayne C., [redacted].
Carey, Robert J., [redacted].
Cooley, Robert L., [redacted].
Cooper, John T., [redacted].
Doran, Paul C., [redacted].
Fazio, Louis J., [redacted].
Ferland, Norman G., [redacted].
Fisher, Howard E., [redacted].
Gleason, Robert W., [redacted].
Herbold, Edward T., [redacted].
Hoerath, John C., [redacted].
Kolker, Stanley L., [redacted].
Koutnik, Alfred W., [redacted].
McIlwain, James E., Jr., [redacted].
Mills, Donald E., [redacted].
Moskowicz, Donald G., [redacted].
Richard, Glenn E., [redacted].
Roane, James B., [redacted].
Shibuya, Francis S., [redacted].
Strohaver, Robert A., [redacted].
Weinman, Morris L., [redacted].
Wright, Gordon L., [redacted].

Medical Corps

Bailey, Edward J., [redacted].
Bergstrom, Terry J., [redacted].
Biedermann, Eric R., [redacted].
Blankenship, Robert M., [redacted].
Blattman, John E., [redacted].
Bode, Frederick R., [redacted].
Bonfili, Hubert F., [redacted].
Brada, Donald R., [redacted].
Bristow, John W., [redacted].
Brown, Frederic M., [redacted].
Carpenter, Warren L., [redacted].
Castaneda, Tristan A., [redacted].
Clark, Carl M., [redacted].
Corbertt, James E., [redacted].
Culton, John W., [redacted].
Dean, David F., [redacted].
Deford, James W., [redacted].
Dehart, Rufus M., Jr., [redacted].
Dyer, William M., Jr., [redacted].
Ehemann, Larry J., [redacted].
Gibson, Gordon L. M., [redacted].
Giffin, Edward L., [redacted].
Hansen, Paul T., [redacted].
Henges, David F., [redacted].
Jack, Bernard R., [redacted].
Johnson, Matthew T., [redacted].
Jordan, Ashby M., [redacted].
Kantack, Paul W., [redacted].
King, Roy D., [redacted].

Mahoney, John T., [redacted].
Maier, Robert C., [redacted].
Mathews, Theodore S., [redacted].
Moseley, John C., [redacted].
Mueller, Kenneth H., [redacted].
Murray, Arthur J., [redacted].
Notske, Robert N., [redacted].
Orren, Jerry M., [redacted].
Paget, Edward T., [redacted].
Pike, Benjamin F., [redacted].
Powell, Jerry R., [redacted].
Ramey, Ralph, Jr., [redacted].
Sanfelippo, Peter M., [redacted].
Simerville, James J., [redacted].
Smith, Melvin D., [redacted].
Sutton, George S., [redacted].
Thompson, Barry H., [redacted].
Tomasovic, Jerry J., [redacted].
Watters, John A., Jr., [redacted].
Wild, James H., [redacted].
Wyatt, Ronald O., [redacted].
Zeiner, George B., [redacted].

Nurse Corps

Abbott, Doris M., [redacted].
Aitchison, Nancy L., [redacted].
Allen, Carlton R., [redacted].
Anderson, Marie E., [redacted].
Baker, Patrick J., [redacted].
Baumgartner, Julie A., [redacted].
Bayley, Susane A., [redacted].
Bearson, Lawrence O., [redacted].
Birch, Patricia L., [redacted].
Brooks, Dorothy, [redacted].
Byrk, James C., [redacted].
Cleland, Donna L., [redacted].
Coghlan, Jeanne T., [redacted].
Dean, Dee J., [redacted].
Dove, Haven L., [redacted].
Edwards, Robert A., [redacted].
Eisele, Helen M., [redacted].
Elliott, Mabel E., [redacted].
Feeney, Robert F., [redacted].
Farrari, Jeanette M., [redacted].
Glavinovich, Helen M., [redacted].
Goff, Joseph H., [redacted].
Green, Betty K., [redacted].
Hamberger, Ann M., [redacted].
Hamer, Marilyn J., [redacted].
Hickman, Anne L., [redacted].
Jablunovsky, Bernadette M., [redacted].
Johnson, Phyllis J., [redacted].
Jones, Russell T., [redacted].
Kaufmann, Ronald D., [redacted].
Kepner, Sheila A., [redacted].
Klinghoffer, Lorraine M., [redacted].
Laney, Willie J., [redacted].
Little, Lola A., [redacted].
Lynch, Sally S., [redacted].
McDowell, Fred S., Jr., [redacted].
Merrill, Sylvia A., [redacted].
Moynahan, Patricia M., [redacted].
Mulligan, Patricia G., [redacted].
Nelms, Patricia M., [redacted].
Patry, Monita A., [redacted].
Ruddy, Mary L., [redacted].
Runyan, Norma J., [redacted].
Schneider, Carolyn A., [redacted].
Six, Sarah M., [redacted].
Smith, Janice E., [redacted].
Sparacino, Maria S., [redacted].
Steffes, Barbara D., [redacted].
Stitt, Frances E., [redacted].
Swetman, Margaret L., [redacted].
Tankersley, Mary A., [redacted].
Thomas, Grayce H., [redacted].
Vierra, Bettie J., [redacted].
Weimer, Marian L., [redacted].
Whitley, Rita J., [redacted].
Woodward, Doris E., [redacted].
Zacharias, Gloria A., [redacted].

Medical Service Corps

Bishop, Willard V., Jr. [redacted].
Blalock, Franklyn T., III, [redacted].
Burke, David U., [redacted].
Daughtry, Ben P., [redacted].
Duffy, Brian J., [redacted].
Gordon, Darwin G., [redacted].
Gordon, James V., [redacted].
Hermann, Kenneth G., [redacted].
Herndon, David H., [redacted].
Jaroszewski, Leo F., [redacted].
Kilpatrick, Karl L., [redacted].
Lewis, Richard J. A., [redacted].
Maisey, Terry M., [redacted].
Mallory, Melvin A., Jr., [redacted].
May, Frank J. Jr., [redacted].
Morrison, Charles W. B., [redacted].
Palazzo, Eugene A., [redacted].
Rhode, John F., [redacted].
Rohrbough, Frank G., [redacted].
Tadano, Ben, [redacted].
Vervena, Anthony H., [redacted].
Williams, Richard C., [redacted].

Veterinary Corps

Brewer, George L. Jr., [redacted].
Henke, Robert P., [redacted].
Mohri, William F., [redacted].
Simmonds, Richard C., [redacted].
Vandyke, Don, [redacted].

Biomedical Sciences Corps

Arledge, Robert L., [redacted].
Brooks, Joseph G., [redacted].
Brumlow, William B., [redacted].
Burnett, Ronald D., [redacted].
Christian, Raymond D., [redacted].
Daniel, Thomas N. Jr., [redacted].
Desjardins, Robert J., [redacted].
Deutch, James A., [redacted].
Dunton, Donald D., [redacted].
Fallon, Alexander E., [redacted].
Fitch, Roger C., [redacted].
Gibbons, William D., [redacted].
Hartman, Richard A., [redacted].
Hayden, Andrew T., [redacted].
Holub, Frank J., [redacted].
Mehlan, Edmund F., [redacted].
Mobley, Howard R., Jr., [redacted].
Perry, Alan H., [redacted].
Pickett, William E., Jr., [redacted].
Sadovsky, Edward M., [redacted].
Steinkerchner, Raymond E., [redacted].
Trimberger, David J., [redacted].
White, Joyce S., [redacted].
Wrenn, Hubert E., [redacted].

IN THE ARMY

The following-named officers for promotion in the Army of the United States under the provisions of Public Law 92–129:

ARMY PROMOTION LIST

To be colonel

Conboy, Joseph B., [redacted].
Hance, Carl W., [redacted].
Martina, John R., [redacted].
Matthews, Ralph A., Jr., [redacted].
Meese, John R., [redacted].
Mitchell, William L., Jr., [redacted].
Price, Oscar G., Jr., [redacted].
Rathburn, Vinton L., [redacted].
Reisling, Glenn M., Jr., [redacted].
Reynolds, Frederick P., III, [redacted].
Rinehart, Jack L., [redacted].
Wells, Robert W., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Campbell, William A., [redacted].
Sperling, Gerald J., [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3305:

ARMY PROMOTION LIST

To be colonel

Gershater, Ephriam, [redacted].
Hance, Carl W., [redacted].
Hauck, Wayne O., [redacted].
Ohm, Herbert P., [redacted].
Ondishko, Joseph J., [redacted].
Parker, Joseph L., [redacted].
Phillips, Charles L., [redacted].
Summers, Archie W., [redacted].

ARMY NURSE CORPS

To be colonel

Brown, Virginia L., [redacted].
Delaney, Ramona E., [redacted].

MEDICAL SERVICE CORPS

To be colonel

Cummings, Will J., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be colonel

Leath, Mary K., [redacted].

The following-named officers for promotion in the Army of the United States under the provisions of Public Law 92–129:

ARMY PROMOTION LIST

To be lieutenant colonel

Blumhardt, Glen A., [redacted].
Boyd, Robert C., [redacted].
Harvey, William R., [redacted].
Ioanidis, Gabriel J., [redacted].
Tatam, William, [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

MEDICAL SERVICE CORPS

To be lieutenant colonel

Frus, Robert L., [redacted].

ARMY PROMOTION LIST

To be major

Leonard, James E., [redacted].

ARMY NURSE CORPS

To be major

Hammer, Joyce A., [redacted].

MEDICAL SERVICE CORPS

To be major

Perry, William R., [redacted].
Herber, William E., Jr., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be major

Strayer, Eleanor J., [redacted].

ARMY PROMOTION LIST

To be captain

Devews, Robert J., [redacted].

MEDICAL CORPS

To be captain

Molnar, Albert C., [redacted].

MEDICAL SERVICE CORPS

To be captain

Hubert, George P., [redacted].
Vavra, Robert W. Jr., [redacted].

DENTAL CORPS

To be captain

Branson, Steven G., [redacted].
Haines, Kendall R., [redacted].
Man, Louisa P., [redacted].
Rice, Mary J., [redacted].
Vire, Donald E., [redacted].

ARMY NURSE CORPS

To be captain

Coletti, Anthony E., [redacted].
Deloach, James H., [redacted].
Gordon, Kenneth A., [redacted].
Hartoon, John C., [redacted].
Shirley, Lois G., [redacted].
Sullivan, Mary L., [redacted].
Worthington, Donna L., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be captain

Schlecker, Barbara A., [redacted]

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

ARMY PROMOTION LIST

To be first lieutenant

Aaron, Ralph P., [redacted].
Aberle, James R., [redacted].
Abington, Kerry S., [redacted].
Abraham, George, Jr., [redacted].
Abrahamsen, Thomas, [redacted].
Acuff, Ronald D., [redacted].
Ada, Thomas C., [redacted].
Adamczyk, Joseph W., [redacted].
Adams, Scott C., [redacted].
Adank, Daniel C., [redacted].
Adcock, Gordon G., [redacted].
Ader, Ernest C., [redacted].
Adkins, Paul F., [redacted].

Adrian, James C.,	xxx-xx-xxxx
Ahsens, Robert J.,	xxx-xx-xxxx
Ahyo, Gerald P.,	xxx-xx-xxxx
Aker, Stephen K.,	xxx-xx-xxxx
Akers, Robert W.,	xxx-xx-xxxx
Albers, Lester H.,	xxx-xx-xxxx
Albers, Paul W.,	xxx-xx-xxxx
Alcott, Henry S.,	xxx-xx-xxxx
Alderson, Leslie G.,	xxx-xx-xxxx
Aldrich, Michael M.,	xxx-xx-xxxx
Alex, William N.,	xxx-xx-xxxx
Alexander, Joe A.,	xxx-xx-xxxx
Alexander, Joseph P.,	xxx-xx-xxxx
Aigner, John A.,	xxx-xx-xxxx
Allbright, Robert W.,	xxx-xx-xxxx
Allen, Thomas J.,	xxx-xx-xxxx
Allison, James B.,	xxx-xx-xxxx
Almon, Orville, Jr.,	xxx-xx-xxxx
Alvarado, Hector H.,	xxx-xx-xxxx
Ammons, Victor M.,	xxx-xx-xxxx
Amoroso, August J.,	xxx-xx-xxxx
Ampey, Ronald C.,	xxx-xx-xxxx
Anderson, Andrew C.,	xxx-xx-xxxx
Anderson, Edgar L.,	xxx-xx-xxxx
Anderson, George W.,	xxx-xx-xxxx
Anderson, John C.,	xxx-xx-xxxx
Anglin, Roger I.,	xxx-xx-xxxx
Anshus, Richard C.,	xxx-xx-xxxx
Anthony, Patrick J.,	xxx-xx-xxxx
Antosh, Raymond H.,	xxx-xx-xxxx
Apo, Douglas K.,	xxx-xx-xxxx
Appling, Mark W.,	xxx-xx-xxxx
Aranzyk, Stephen T.,	xxx-xx-xxxx
Archer, Bruce F.,	xxx-xx-xxxx
Ardleigh, Hugh C.,	xxx-xx-xxxx
Arledge, Robert C.,	xxx-xx-xxxx
Armstrong, Michael,	xxx-xx-xxxx
Arndt, Kenneth R.,	xxx-xx-xxxx
Arnold, Edwin J.,	xxx-xx-xxxx
Arnold, Jackie R.,	xxx-xx-xxxx
Arnold, James G.,	xxx-xx-xxxx
Arntz, Stephen J.,	xxx-xx-xxxx
Arp, Charles D.,	xxx-xx-xxxx
Arrotta, Richard B.,	xxx-xx-xxxx
Ash, Robert W.,	xxx-xx-xxxx
Ashby, William D.,	xxx-xx-xxxx
Ashe, Michael H.,	xxx-xx-xxxx
Ashley, Richard W.,	xxx-xx-xxxx
Ashman, John L.,	xxx-xx-xxxx
Asker, Eric H.,	xxx-xx-xxxx
Asper, Roger D.,	xxx-xx-xxxx
Atkinson, Curtis F.,	xxx-xx-xxxx
Atves, Terry N.,	xxx-xx-xxxx
Aubrecht, Lawrence,	xxx-xx-xxxx
Auer, Joseph A.,	xxx-xx-xxxx
Auermuller, Frederick,	xxx-xx-xxxx
Auker, Daniel B.,	xxx-xx-xxxx
Austin, Brian J.,	xxx-xx-xxxx
Azama, Rodney S.,	xxx-xx-xxxx
Azbill, William G.,	xxx-xx-xxxx
Babes, Fred W.,	xxx-xx-xxxx
Babington, James D.,	xxx-xx-xxxx
Bachmann, Timothy C.,	xxx-xx-xxxx
Backlund, William V.,	xxx-xx-xxxx
Bailer, Richard C.,	xxx-xx-xxxx
Bailey, Gene W.,	xxx-xx-xxxx
Bailey, Robert M.,	xxx-xx-xxxx
Baker, Donald C.,	xxx-xx-xxxx
Baker, Edward I.,	xxx-xx-xxxx
Baker, John E.,	xxx-xx-xxxx
Balderman, Michael,	xxx-xx-xxxx
Ball, Ponnie E.,	xxx-xx-xxxx
Ballard, Charlie J.,	xxx-xx-xxxx
Baltezore, Lawrence,	xxx-xx-xxxx
Bappe, Daniel E.,	xxx-xx-xxxx
Barb, Paul F.,	xxx-xx-xxxx
Barbee, John P.,	xxx-xx-xxxx
Barber, Jimmie R.,	xxx-xx-xxxx
Barber, Wilfred H.,	xxx-xx-xxxx
Bardowski, Stephen,	xxx-xx-xxxx
Barker, William T.,	xxx-xx-xxxx
Barlotta, Samuel J.,	xxx-xx-xxxx
Barlow, Bruce H.,	xxx-xx-xxxx
Barlow, Charles A.,	xxx-xx-xxxx
Barlow, Ingram P.,	xxx-xx-xxxx
Barnes, James T.,	xxx-xx-xxxx
Barnes, Lee Roy, Jr.,	xxx-xx-xxxx
Barnhart, Herbert D.,	xxx-xx-xxxx
Barniea, William H.,	xxx-xx-xxxx
Barr, David A.,	xxx-xx-xxxx
Barrett, Eric A.,	xxx-xx-xxxx
Barron, Michael J.,	xxx-xx-xxxx
Barry, Jimmie R.,	xxx-xx-xxxx
Barth, Christopher,	xxx-xx-xxxx
Bartle, William J.,	xxx-xx-...
Bartley, Bruce Q.,	xxx-xx-xxxx
Bartley, James B.,	xxx-xx-xxxx
Bartolain, Bruce A.,	xxx-xx-xxxx
Barton, Gene C.,	xxx-xx-xxxx
Basquill, Timothy M.,	xxx-xx-xxxx
Basye, Richard E.,	xxx-xx-xxxx
Batchelder, Arthur,	xxx-xx-xxxx
Battles, Gary D.,	xxx-xx-xxxx
Batty, Thomas G.,	xxx-xx-xxxx
Bauman, Noel J.,	xxx-xx-xxxx
Baumberger, Gene C.,	xxx-xx-xxxx
Baur, Daniel J.,	xxx-xx-xxxx
Baylor, Curtis A.,	xxx-xx-xxxx
Beadle, Everett T.,	xxx-xx-xxxx
Beasley, Robert J.,	xxx-xx-xxxx
Beck, Stephen W.,	xxx-xx-xxxx
Becker, Charles T.,	xxx-xx-xxxx
Becker, Virgil V., Jr.,	xxx-xx-xxxx
Bell, Stephen N.,	xxx-xx-xxxx
Bellino, Michael D.,	xxx-xx-xxxx
Bellman, Robert J.,	xxx-xx-xxxx
Bendele, John L.,	xxx-xx-xxxx
Bene, Donald A.,	xxx-xx-xxxx
Benedict, Jonathan,	xxx-xx-xxxx
Benjamin, David J.,	xxx-xx-xxxx
Benko, James R.,	xxx-xx-xxxx
Benner, James H.,	xxx-xx-xxxx
Benson, Morgan,	xxx-xx-xxxx
Benson, Robert A.,	xxx-xx-xxxx
Bentley, John H.,	xxx-xx-xxxx
Bentley, Patrick S.,	xxx-xx-xxxx
Berle, Charles A.,	xxx-xx-xxxx
Berman, Michael D.,	xxx-xx-xxxx
Bernard, Joseph A.,	xxx-xx-xxxx
Bernat, Charles A.,	xxx-xx-xxxx
Berrey, Bedford H.,	xxx-xx-xxxx
Berry, Jeffrey C.,	xxx-xx-xxxx
Berry, Larry,	xxx-xx-xxxx
Berry, Robert P.,	xxx-xx-xxxx
Berry, Robert T.,	xxx-xx-xxxx
Berry, Robert W.,	xxx-xx-xxxx
Berry, Steven,	xxx-xx-xxxx
Bertrand, Gary T.,	xxx-xx-xxxx
Best, Hilton J.,	xxx-xx-xxxx
Best, Laurence J.,	xxx-xx-xxxx
Best, Martin H.,	xxx-xx-xxxx
Bethea, Thomas M.,	xxx-xx-xxxx
Beumer, Robert S.,	xxx-xx-xxxx
Bevers, Bill, Jr.,	xxx-xx-xxxx
Beyer, Walter R., III,	xxx-xx-xxxx
Bicking, Cortes J.,	xxx-xx-xxxx
Bielert, George J.,	xxx-xx-xxxx
Bilas, Boris J.,	xxx-xx-xxxx
Bilbo, Jon F.,	xxx-xx-xxxx
Bilodeau, Mark B.,	xxx-xx-xxxx
Bilyj Myron,	xxx-xx-xxxx
Bippus, David P.,	xxx-xx-xxxx
Birkhimer, James E.,	xxx-xx-xxxx
Bish, William C.,	xxx-xx-xxxx
Bishop, Christopher,	xxx-xx-xxxx
Bishop, Edward D.,	xxx-xx-xxxx
Bishop, George R.,	xxx-xx-xxxx
Bitner, Teddy D.,	xxx-xx-xxxx
Bixby, William G.,	xxx-xx-xxxx
Black, Christopher,	xxx-xx-xxxx
Black, Clifford P.,	xxx-xx-xxxx
Black, William M.,	xxx-xx-xxxx
Blahnik, Robert P.,	xxx-xx-xxxx
Blakley, Charles E.,	xxx-xx-xxxx
Blakney, Robert R.,	xxx-xx-xxxx
Blanchard, Frank T.,	xxx-xx-xxxx
Blanding, Zenola B.,	xxx-xx-xxxx
Bledsoe, Gill L.,	xxx-xx-xxxx
Block, Robert N.,	xxx-xx-xxxx
Blount, Benroe W.,	xxx-xx-xxxx
Boarman, David M.,	xxx-xx-xxxx
Boatwright, George,	xxx-xx-xxxx
Boden, John E.,	xxx-xx-xxxx
Bodre, Ronald A.,	xxx-xx-xxxx
Bolden, Andrew J.,	xxx-xx-xxxx
Bolding, Felix R.,	xxx-xx-xxxx
Bolling, Alexander,	xxx-xx-xxxx
Bond, Clinton W.,	xxx-xx-xxxx
Boner, William M.,	xxx-xx-xxxx
Bonin, John A.,	xxx-xx-xxxx
Bookout, Randall D.,	xxx-xx-xxxx
Borders, Brian T.,	xxx-xx-xxxx
Bortner, Thomas D.,	xxx-xx-xxxx
Borum, Benton H., Jr.,	xxx-xx-xxxx
Bossie, Stephen M.,	xxx-xx-xxxx
Boswell, Duane W.,	xxx-xx-xxxx
Boswell, Thomas H.,	xxx-xx-xxxx
Bowden, James A.,	xxx-xx-xxxx
Bowden, Thomas G.,	xxx-xx-xxxx
Bowen, James R.,	xxx-xx-xxxx
Bowe, Thomas G.,	xxx-xx-xxxx
Bowman, Richard .,	xxx-xx-xxxx
Boxberger, John I.,	xxx-xx-xxxx
Boy, Wayne W.,	xxx-xx-xxxx
Boyd, Corbett, W.,	xxx-xx-xxxx
Boyd, Robert P.,	xxx-xx-xxxx
Boyer, Lloyd L.,	xxx-xx-xxxx
Boynton, John G.,	xxx-xx-xxxx
Brabec, Don A.,	xxx-xx-xxxx
Braddy, William L.,	xxx-xx-xxxx
Bradford, David T.,	xxx-xx-xxxx
Bradford, Robert A.,	xxx-xx-xxxx
Bradley, Larry R.,	xxx-xx-xxxx
Brady, Thomas P.,	xxx-xx-xxxx
Brake, Jonathan W.,	xxx-xx-xxxx
Brand, Joseph J.,	xxx-xx-xxxx
Bratton, Edwin H.,	xxx-xx-xxxx
Brauer, Albert G.,	xxx-xx-xxxx
Braun, James N.,	xxx-xx-xxxx
Braun, Mark E.,	xxx-xx-xxxx
Brawley, Richard D.,	xxx-xx-xxxx
Brazeale, James L.,	xxx-xx-xxxx
Brazil, Thomas E.,	xxx-xx-xxxx
Breitenbach, Daniel,	xxx-xx-xxxx
Brennan, Alan H.,	xxx-xx-xxxx
Brice, David L.,	xxx-xx-xxxx
Brieden, John A., III,	xxx-xx-xxxx
Brieske, Carl W.,	xxx-xx-xxxx
Brinkley, Phillip L.,	xxx-xx-xxxx
Britain, William W.,	xxx-xx-xxxx
Britt, Randy M.,	xxx-xx-xxxx
Broadhurst, Walker,	xxx-xx-xxxx
Broadwater, Colby M.,	xxx-xx-xxxx
Brockman, Kenneth E.,	xxx-xx-xxxx
Brookhart, William,	xxx-xx-xxxx
Brooks, Johnny T.,	xxx-xx-xxxx
Brooks, Robert L.,	xxx-xx-xxxx
Brooks, Sidney A.,	xxx-xx-xxxx
Brosseau, Howard W.,	xxx-xx-xxxx
Broussard, Stephen,	xxx-xx-xxxx
Brown, Gene F.,	xxx-xx-xxxx
Brown, Harry D.,	xxx-xx-xxxx
Brown, Jerry R.,	xxx-xx-xxxx
Brown, John A.,	xxx-xx-xxxx
Brown, Walter A.,	xxx-xx-xxxx
Brown, William C.,	xxx-xx-xxxx
Browning, Frankie C.,	xxx-xx-xxxx
Brumbaugh, Kenneth,	xxx-xx-xxxx
Bruner, Ralph M.,	xxx-xx-xxxx
Bruscato, Frank E.,	xxx-xx-xxxx
Bryan, Joseph D.,	xxx-xx-xxxx
Bryant, Robert L.,	xxx-xx-xxxx
Buchanan, Brian L.,	xxx-xx-xxxx
Buchanan, Robert C.,	xxx-xx-xxxx
Buck, Randolph O.,	xxx-xx-xxxx
Buckwalter, John R.,	xxx-xx-xxxx
Bulger, Robert J.,	xxx-xx-xxxx
Bultsma, John H.,	xxx-xx-xxxx
Bundy, Earl D.,	xxx-xx-xxxx
Buntz, Edward C.,	xxx-xx-xxxx
Burell, Glenn R.,	xxx-xx-xxxx
Burgy, Ronald T.,	xxx-xx-xxxx
Burkett, Michael L.,	xxx-xx-xxxx
Burkley, Jon A.,	xxx-xx-xxxx
Burnett, George F.,	xxx-xx-xxxx
Burns, Cornelious,	xxx-xx-xxxx
Burns, Johnny L.,	xxx-xx-xxxx
Bursley, Ward L.,	xxx-xx-xxxx
Burton, Paul J.,	xxx-xx-xxxx
Bush, Robert P.,	xxx-xx-xxxx
Bushnell, Donald S.,	xxx-xx-xxxx
Buske, Ronald L.,	xxx-xx-xxxx
Butler, William D.,	xxx-xx-xxxx
Butt, Robert M.,	xxx-xx-xxxx
Buttine, John M.,	xxx-xx-xxxx
Cage, Jonathan M.,	xxx-xx-xxxx
Cahill, Thomas E.,	xxx-xx-xxxx
Cain, Francis M., III,	xxx-xx-xxxx
Caldwell, Paul W.,	xxx-xx-xxxx
Caldwell, Samuel R.,	xxx-xx-xxxx
Calvary, Roger W.,	xxx-xx-xxxx
Calvin, Arthel,	xxx-xx-xxxx
Camp, James T.,	xxx-xx-xxxx

Campbell, Bruce, [redacted].
Campbell, Jame E., [redacted].
Campbell, Philip L., [redacted].
Campbell, Thomas A., [redacted].
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Campos, Eduardo J., [redacted].
Canonico, Louis, [redacted].
Canton, Raymond P., [redacted].
Caplenor, Philip A., [redacted].
Capofari, Paul A., [redacted].
Carder, Stephen F., [redacted].
Carlson, David A., [redacted].
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Carmichael, Lawrence, [redacted].
Carmona, Waldemar E., [redacted].
Carmony, Tod J., [redacted].
Carpenter, Howard J., [redacted].
Carreker, Larry E., [redacted].
Carrico, Francis J., [redacted].
Carroll, Raoul L., [redacted].
Carter, J. Floyd III [redacted].
Carter, Ken W., [redacted].
Carter, Victor S., Jr., [redacted].
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Carulli, Thomas G., [redacted].
Cascio, Thomas J., [redacted].
Casey, Patrick W., [redacted].
Cash, Broady [redacted].
Cash, Dean W., [redacted].
Cassidy, Calvin C. [redacted].
Cassil, Danny R. [redacted].
Castle, Samuel Q., Jr., [redacted].
Castro, Steve A. [redacted].
Catts, Randall G. [redacted].
Caughey, Daniel M., [redacted].
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Cavise, Paul John J., [redacted].
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Cockerham, Terry V., [redacted].
Cockerill, Charles, [redacted].
Cody, Richard A., [redacted].
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Colby, Anthony H., [redacted].
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Davis, Oscar N., [redacted].
Dayvault, Thomas W., [redacted].
Dea, Godwin Y. [redacted].
Dean, Richard L., [redacted].
Debaca, Frank A., [redacted].
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Deery, Kevin, J., [redacted].
Dees, Robert F., [redacted].
Dejesus, Rafael [redacted].
Dekeukelaere, Karl, [redacted].
Delashaw, James M., [redacted].
Deleo, Anthony N., [redacted].
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Deshazer, MacArthur, [redacted].
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Devine, George K. [redacted].
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Diggs, Isaac W., [redacted].
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Dimiterchik, Michael, [redacted].
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Dirienzo, Anthony C., [redacted].
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Drumheiser, Phillip, [redacted].
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Dueweke, Michael J., [redacted].
Dufault, Jeffrey J., [redacted].
Dufoe, William S., [redacted].
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Dunn, Royce N., [redacted]
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Durgens, Elray, [redacted]
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Eley, Adrian S., [redacted]
Elliott, Clifford, [redacted]
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Enos, Gary W., [redacted]
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Erschen, Christopher, [redacted]
Ertwine, Dean R., [redacted]
Ervin, Darrel A., [redacted]
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Eskridge, Samuel E., [redacted]
Essman, Phillip C., [redacted]
Estes, Ray A., [redacted]
Etchemendy, Stephen, [redacted]
Etheridge, Howard S., [redacted]
Etzler, Norman W., II, [redacted]
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Evans, Thad H., [redacted]
Fabian, Michael D., [redacted]
Fader, Ralph P., [redacted]
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Faint, Donald R., [redacted]
Faircloth, William, [redacted]
Faith, Jonathan M., [redacted]
Fankell, Michael E., [redacted]
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Farrell, Joseph T., [redacted]
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Flick, Dale M., [redacted]
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Moyers, Larry D., [redacted]
Muchow, Daniel L., [redacted]
Mueller, Edward J., [redacted]

Muir, David N., [redacted]
Mulhaul, Daniel J., [redacted]
Mullen, Francis M., [redacted]
Mulliken, Steve K., [redacted]
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Mullins. Kenneth W., [redacted]
Multhauf, Jay R., [redacted]
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Nahrwold, Scott E., [redacted]
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Nason, Noah, III, [redacted]
Nelson, George R., [redacted]
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Newman, Theodore C. [redacted]
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Noe, John W., Jr., [redacted]
Noonan, Francis X. [redacted]
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Norrell, James A., [redacted]
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North, Gentry S., [redacted]
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Noto, Frank P. II, [redacted]
Novak, Thomas J., [redacted]
Nowlin, David L., [redacted]
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O'Brien, James D., [redacted]
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Padgett, David L. [redacted]
Page, Brent S., [redacted]
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Panning, Glen A., [redacted]

Paramore, Jerry S., [redacted]
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Schoolcraft, Joe W., [redacted]
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Severe, Kenneth J., [redacted]

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Sloan John W. III, [redacted]
Slone, James M. [redacted]
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Smalley, Jerome D., [redacted]
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VonBehren, Ronald, [redacted].
VonKamecke, Thomas, [redacted].
VonMerveldt, Joseph, [redacted].
Voss, James S., [redacted].
Vreeland, Kenneth R., [redacted].
Vross, Edward W., [redacted].
Vuksich, Paul M., [redacted].
Wade, Kenneth, R., [redacted].
Wagner, Dennis A., [redacted].
Wagner, Frank H., [redacted].
Wagner, Stephen B., [redacted].
Wagnon, Russell C., [redacted].
Waitschies, Gary E., [redacted].
Walborn, Gary S., [redacted].
Waldbueser, William, [redacted].
Walker, Charley H., [redacted].
Walker, James D., [redacted].
Walker, Jerry L., [redacted].
Walker, Kenneth T., [redacted].
Walker, Paul C., [redacted].
Wallace, James T., [redacted].
Wallace, Thomas R., [redacted].
Waller, Thomas G., [redacted].
Walsh, Michael A., [redacted].
Walsh, Patrick J., [redacted].
Walsh, William E., [redacted].
Walter, George R., [redacted].
Walter, James V., [redacted].
Walters, David E., [redacted].
Walton, Thomas K., [redacted].
Wampler, Richard L., [redacted].
Wamsted, Ronald D., [redacted].
Wank, Robert H., [redacted].
Ward, Ray E., [redacted].
Ware, Charles C., [redacted].
Warnement, Jerry J., [redacted].
Warner, Charles C., [redacted].
Waronicki, Theodore, [redacted].
Warren, Michael D., [redacted].
Warwick, Gerard T., [redacted].
Waskom, William W., [redacted].
Wasnik, Michael A., [redacted].
Waters, Benjamin B. [redacted].
Waters, Tommy W., [redacted].
Wayt, Timothy P., [redacted].
Weaver, Joseph H., [redacted].
Weaver, Timothy A., [redacted].
Webb, Duane E., [redacted].
Webb, George S., [redacted].
Webb, William L., [redacted].
Weber, Alfred J., [redacted].
Weber, James W., [redacted].
Weekley, John C., [redacted].
Weersing, Gary M., [redacted].
Weimer, Michael B., [redacted].
Weiss, James R., [redacted].
Welch, John C., [redacted].
Welch, Michael K., [redacted].
Welch, William G., [redacted].
Welles, Peter B., [redacted].
Welling, Richard D., [redacted].
Wellman, Gerald T., [redacted].
Wells, Brian F., [redacted].
Wells, Wayne C., [redacted].
Wentlent, Mark S., [redacted].
Wentrcek, Roy C., [redacted].
Werb, Thomas J., [redacted].
Wesley, Bartley D., [redacted].
West, Sterling G., [redacted].
Wheatley, David U., [redacted].
Wheeler, Michael E., [redacted].
Wheelock, John G., [redacted].
Whitaker, Michael J., [redacted].
White, Clifton F., [redacted].
White, Paul E., [redacted].
Whitley, Ted D., [redacted].
Whitley, Terry D., [redacted].
Whitlock, Robert B., [redacted].
Whitney, Floyd G., [redacted].
Wierzbicki, Bogusla, [redacted].
Wigal, Michael R., [redacted].
Wightman, William E., [redacted].
Wigner, Charles G., [redacted].
Wilcox, Timothy J., [redacted].
Wilcynski, John M., [redacted].
Wilderman, David J., [redacted].
Wildes, David G., [redacted].
Wildrick, George C., [redacted].
Wiley, William A., [redacted].
Wilhelmy, Geoffrey, [redacted].
Wilkerson, Timothy, [redacted].
Wilkes, Robert W., [redacted].
Wilkinson, Stephen, [redacted].
Willey, Barry E. [redacted].
Willey, James M., [redacted].
Williams, Allen J., [redacted].
Williams, Bennie E., [redacted].
Williams, Carter J., [redacted].
Williams, Charles A., [redacted].
Williams, Clyde W., [redacted].
Williams, Edgar B., [redacted].
Williams, Emmett F., [redacted].
Williams, Garry A., [redacted].
Williams, Hilary M., [redacted].
Williams, John H., [redacted].
Williams, Richard J., [redacted].
Williams, Robert W., [redacted].
Williams, Thomas A., [redacted].
Williams, Thomas D., [redacted].
Williamson, Herbert, [redacted].
Williamson, Joel E., [redacted].
Willis, Clifford K., [redacted].
Wills, Wesley O., [redacted].
Wilson, Albert R., [redacted].
Wilson, Fred R., [redacted].
Wilson, Frederick G., [redacted].
Wilson, Tod J., [redacted].
Wilson, William J., [redacted].
Wines, Robert C., [redacted].
Wing, Timothy R., [redacted].
Wirick, David W., [redacted].
Wise, Douglas H., [redacted].
Wishcamper, Joe E., [redacted].
Wismann, Joseph B., [redacted].
Wittman, Robert J., [redacted].
Wohleen, David B., [redacted].
Wojdakowski, Walter, [redacted].
Wold, James R., [redacted].
Wolfe, Shuey E., [redacted].
Wolford, Stephen W., [redacted].
Wong, Chadwick W., [redacted].
Wong Gregory K., [redacted].
Wonson, George H., [redacted].
Wood, James E., [redacted].
Wood, John R., [redacted].
Woodman, Ronald C., [redacted].
Wortham, Terry H., [redacted].
Woznek, Keith W., [redacted].
Wright, Eugene J., [redacted].
Wright, Robert L., [redacted].
Wright, Steven W., [redacted].
Wunder, Robert D., [redacted].
Wyatt, Robert L., [redacted].
Wylie, James R., [redacted].
Wysocki, Henry V. [redacted].
Yakobitis, Edward C., [redacted].
Yamamoto, Clifford, [redacted].
Yarnell, Albert R., [redacted].
Yarrow, William M., [redacted].
Yaws, Neil S. [redacted].
Yee, Bobby, [redacted].
Yellen, Howard W. [redacted].
Yolda, James J., [redacted].
Youmans, Robert D., [redacted].
Young, Donald L., [redacted].
Younger, Norman M., [redacted].
Yuen, Raymond K., [redacted].
Yuill, Robert G., [redacted].
Yuknis, Christopher, [redacted].
Zahaczewsky, George, [redacted].
Zamperini, Mark E., [redacted].
Zeeb, William R. [redacted].
Zerkow, Paul F., [redacted].
Ziegler, Richard J., [redacted].
Zimmerman, Charles, [redacted].
Zimmerman, Michael, [redacted].
Zimmerman, Richard, [redacted].
Zipf, Carl H., [redacted].
Zmolek, Gerry R., [redacted].
Zolner, Eric C., [redacted].
Zoubek, Charles E., [redacted].
Zuelke, Gordon, S., [redacted].
Zurian, Steven A., [redacted].

WOMEN'S ARMY CORPS

To be first lieutenant

Gibson, Elizabeth L., [redacted].
Stiller, Roberta P., [redacted].

MEDICAL SERVICE CORPS

To be first lieutenant

Balloch, Steven M., [redacted].
Bantz, Eric W., [redacted].
Beam, Thomas E. [redacted].
Blom, Stephen D., [redacted].
Bowman, Greg A., [redacted].
Boyd, James F., [redacted].
Brown, Steven W., [redacted].
Brown, Theodore S., [redacted].
Bryant, Clarence J., [redacted].
Burgess, John B., [redacted].
Burroughs, Michael, [redacted].
Burton, Lloyd R., [redacted].
Calverley, Mickey J., [redacted].
Canella, James J., [redacted].
Caprard, Thomas A., [redacted].
Carey, William G., [redacted].
Carroll, Dale A., [redacted].
Christopher, Harold, [redacted].
Cisneros, Guillermo, [redacted].
Clark, Bruce F., [redacted].
Clemente, Jeffrey P., [redacted].
Coburn, Dale P., [redacted].
Comin, Larry E., [redacted].
Conlan, Lawrence S., [redacted].
Cork, Timothy R., [redacted].
Cornell, Floyd M., [redacted].
Cotten, Frank R., Jr., [redacted].
Cowart, Eric P., [redacted].
Dalton, Brian W., [redacted].
Davidson, Howard, [redacted].
Davis, Ford R., [redacted].
Davis, Larry D., [redacted].
Degiacomo, Frank G., [redacted].
Dellinger, William, [redacted].
Dempster, Robert S., [redacted].
Dobler, Michael T., [redacted].
Downey, Gordon O., [redacted].
Dukes, Michael W., [redacted].
Dye, Scott F. [redacted].
Egmon, Gary W., [redacted].
Ellis, Larry D., [redacted].
Evans, Eddie D. [redacted].
Fine, Darwin E., [redacted].
Flanery, Colbert L., [redacted].
Floyd, Charles R., [redacted].
Fortuna, Lawrence J., [redacted].
Frank, Jon S., [redacted].
Garner, John G., [redacted].
Gaschen, Fredrick S., [redacted].
Graski, George M., [redacted].
Gresham, Obediah C., [redacted].
Haas, Royce A., [redacted].
Hanson, Dale M., [redacted].
Haring, John H., [redacted].
Hill, Marvin E., [redacted].
Hilts, Barry W., [redacted].
Hinkle, David A., [redacted].
Horak, Bernard J., [redacted].
Howard, Freddie L., [redacted].
Huebner, Michael F., [redacted].
Hugley, Clarence L., [redacted].
Isenhower, Nelson N., [redacted].
Jones, Randall D., [redacted].
Kiger, Kenneth J., [redacted].
Kindred, Gary R., [redacted].
Lakso, Charles D., [redacted].
Levens, Jack L., [redacted].
Lievsay, Alvin L., [redacted].
Lyday, Richard L., [redacted].
Martinez, Phillip T., [redacted].
Mayes, Tommy W., [redacted].
McCabe, James M., [redacted].
McGuinness, John P. [redacted].
McMurdo, Strathmore, [redacted].
Mein, Calvin E., [redacted].
Miller, Douglas W., [redacted].
Moody, Gary W., [redacted].
Moon, William A., Jr., [redacted].

Muller, Thomas W., [redacted].
Nolan, David L., [redacted].
Omori, Dexter H., [redacted].
Opio, Roger M., [redacted].
Orme, Terry J., [redacted].
Page, James R., [redacted].
Pendlyschok, Charles, [redacted].
Penrod, James R., [redacted].
Perry Ray H., [redacted].
Pigford, Joe N., [redacted].
Plautz, Henry S., [redacted].
Plymyer, David A., [redacted].
Pumphrey, Robert S., [redacted].
Ramirez, Hector, Jr., [redacted].
Randol, Doyle E., [redacted].
Rebecca, George S., [redacted].
Reeder, Michael D., [redacted].
Reid, Michael L., [redacted].
Ross, Allan L., [redacted].
Rowe, Gregory L., [redacted].
Russ, David W., [redacted].
Sexton, Rodger, [redacted].
Siedor, Christopher, [redacted].
Slominski, Martin W., [redacted].
Sly, Leonard J., [redacted].
Smith, Rodney R., [redacted].
Snide, William H., [redacted].
Steinweg, Kenneth K., [redacted].
Stinson, Karl R., [redacted].
Stone, Steven J., [redacted].
Struve, Donald W., [redacted].
Sutton, James E., [redacted].
Swafford, Keith B., [redacted].
Swenson, Gerald B., [redacted].
Swilley, Benjamin M., [redacted].
Theodorakos, George, [redacted].
Timmons, Mitchell, [redacted].
Troutman, Carrick T., [redacted].
Truett, Walter K., [redacted].
Truxal, Daniel J., [redacted].
Tucker, Frank T., [redacted].
Ursone, Richard L., [redacted].
Wanzer, Christopher, [redacted].
Warren, Leland S., [redacted].
Weeks, Kenneth D., Jr., [redacted].
Welter, Richard F., [redacted].
Yakuma, Wayne T., [redacted].
Young, Robert M., [redacted].
Zurcher, John W., [redacted].

ARMY MEDICAL SPECIALIST CORPS

To be first lieutenant

Selle, Grace A., [redacted].

ARMY NURSE CORPS

To be first lieutenant

Archer, Salley E., [redacted].
Boggess, George H., [redacted].
Brooks, Raymond R., [redacted].
Faust, Elizabeth W., [redacted].
Gilbert, Derl, [redacted].
Kinsinger, Daniel H., [redacted].
Stalbaum, Harriett, [redacted].
Zuelke, Lorene E., [redacted].

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Roberta M. Baro
Kathryn P. Cooney
Edwina E. Davis
Lajuana G. Fagan
Constance G. Gilchrest
Kathryn A. Gordon
Margaret P. Hughes
Cathy A. Kocourek
Karen A. Laino
Kathleen E. Lewis
Barbara A. Martin
Lynda J. Neithammer
Melinda A. Nepfel
Lorraine D. Ribalta
Betty R. Sewell
Susan E. Steiner
Janice K. Williams
Nancy K. York

The following-named officers of the Marine Corps for temporary appointment to the grade of captain:

Bruce J. Adkins
Paul D. Allen, Jr.
Kenneth C. Allison, Jr.
James F. Amos
Charles L. Armstrong
Ronald J. Armstrong
James P. Atkins, III
Gerald D. Badinger
Calvin D. Baker, Jr.
Robert E. Ball
Richard W. Bates
Thomas W. Battaglia
Philip B. Baysden
Larry E. Beagley
Jonathan M. Beall
Peter R. Beavins
George G. Berg
Dan T. Bergstrom
William L. Bettes
Albert H. Bickmore
Jerome F. Bierly
Michael J. Bixiones
Douglas M. Black
Robert R. Blackman, Jr.
Charles E. Boyer, III
John Boyle, IV
Floyd D. Braaten
Brooks J. Breece
Donald C. Brewer, Jr.
Andrew J. Broadstone, I
William F. Broderick
Clifton R. Brooks, Jr.
Donald R. Brown
Thomas A. Browne
Paul V. Bruckner
Bruce E. Brunn
Johnny Bruntlett
Gerard Buckley
Thaddeus H. Burak, Jr.
Gary C. Burch
Timothy L. Burfield
George C. Caldwell, Jr.
John V. Calkins
Thomas J. Callan, Jr.
Kenneth D. Cameron
Matthew R. Campbell
Martin D. Carpenter
Thomas T. Carpenter
Robert L. Carr
William H. Carroll, Jr.
James G. Casler
Barry L. Cassidy
Norman A. Chandler II
Jimmy H. Church
Robert M. Churchill
Anthony J. Ciotti, Jr.
Jay M. Cluelow
James K. Cobb
Henry J. Colyar, Jr.
James T. Conway
Leroy J. Cook
Bruce P. Couturier
Joseph R. Crockett, Jr.
Philip L. Croteau, Jr.
Eugene P. Cuccaro
John D. Curd, Jr.
Joseph J. Day
Mark L. Danin
John B. Danuser
James B. Darcy, Jr.
Charles E. Davis, Jr.
John W. Davis
Marshall B. Deforrest
William W. Dehart, Jr.
Timothy G. Delaney
Glenn C. Demunck
Robert J. Depass
Lawrence S. Derrig
Kurt M. Dieterle
Alphonso B. Diggs, Jr.
Paul R. Dippolito
Peter A. Dolan, Jr.
John T. Donahue
Cleve B. Doster
Dennis R. Dowling
Ronald M. Dressin
Will L. Dryer, Jr.
Christian F. Dubia, Jr.
Charles O. Duff, Jr.
William G. Duncan
Marc W. Durham
Richard G. Duvall
Robert A. Edmond
James B. Egan
Paul C. Ehlers
Robert P. Eichorn
Richard K. Eisert
Thomas L. Ekle
John M. Elder
Arthur F. Elzy
Roger L. Emch
Richard A. Engel
William J. Esmann
Philip F. Fargotstein
Jim Farlee, Jr.
Jon W. Farmer
Brian L. Faunce
Paul M. Felix
Ord J. Fink, Jr.
Vincent L. Fischer, Jr.
John S. Flack
Jan P. Fladeboe
Marshall B. Foore
Eugene R. Fordham, Jr.
Robert A. Forrester
Ronald W. Forrester
Percy E. Foster, Jr.
Charles K. Freeman
Joseph B. Freeman
Peter R. Freeman
Alan S. Frederick
Richard B. French
Roland V. Funk
Edward A. Gabarra, Jr.
Timothy M. Gahan
John M. Gaieski
Dennis O. Garcia
Vito F. Gentile
William J. Gibbons
Richard A. Glover
Harold C. Goodman
Phillip M. Gordon
Franz M. Gottleib
Donald E. Guldin, Jr.
John A. Granger
Robert A. Grice
Thomas K. Griffin
Orrin L. Grover, III
William C. Grubb, Jr.
Rembert S. Gunter, Jr.
Peter R. Gustafson
Ralph T. Gutierrez
Earl W. Hacker
William M. Hale
Stephen D. Haley
John B. Hall
Robert J. Halliday
James C. Hardee
Robert R. Hare, III
Martin D. Hargas
Richard L. Harmon
Roger F. Harris
Michael J. Havrilla
Mark J. Heinrich
Werner Hellmer, Jr.
David H. Henderson, Jr.
Leon F. Henley, Jr.
Bruce A. Henry
John P. Hertel
John P. Hickman
Richard V. Hildebrand
Kenneth W. Hillman, Jr.
William D. Holcomb
Louis S. Hollier, IV
William D. Hollister
James E. Hollopeter
Timothy L. Holt
Ben E. Hoover
Richard D. Hoyle
Thomas W. Hoysa
Philip E. Hughes
Gary H. Hughey
Dennis B. Ioerger
Timothy J. Ireland
Gary E. Jackson
Gordon R. Jackson
Joseph D. Jeffares
Sigurd L. Jensen, III
Brian T. Johnson
Edward L. Johnston
Robert L. Jones
Timothy J. Joyce
Larry J. Jurica
Kenneth M. Jurjevich
Jerry W. Kahler
Terry R. Kane
Raymond J. Kaufman
Johnny R. Keckler
Clifford H. Kittle, Jr.
Gerard P. Kelly
Michael J. Kennedy
Michael M. Kephart
George H. Kerr
Robert J. Kimble, Jr.
David L. King
Michael A. Kirkpatrick
Herbert W. Klein, Jr.
Bruce C. Knudson
Clifford J. Kolson, II
Gregory C. Koons
Jeffrey C. Kotora
Raymond M. Kruse
Walter M. Kubiak
Gregg C. Kubu
Mitchell A. Kudla
William P. Kyle
Paul A. Lambert
Harry J. Landau
Charles E. Landry, Jr.
John Langdon, II
Ronald L. Lard
Charles R. Larkin, Jr.
Michael W. Leach
David J. Lee
Dean J. Legidakes
Gregory G. Lemmer
Valentino L. Lendaro
Fleet S. Lentz, Jr.
James F. Leonard
Richard C. Lepley
Leonard W. Lewis
Terry N. Lewis
William J. Lewis
Robert J. Livingston
Carl J. Loguidice
Herbert B. Long, II
Michael E. Lowe
John F. Lucas
Edmund A. Lucke
John K. Lynn
James W. MacMurray, Jr.
Don B. MacNamee
John E. MacQuigg
Thomas A. Manfredi
Esmond W. Marks
Thomas M. Marsilio
Terry L. Martin
Harold Mashburn, Jr.
William L. Maxey
Thomas R. Maxfield
Jerry C. McAbee
Robert P. McAleer
Robert F. McCarthy
Larry H. McCollum
Boyd S. McCord
Terry W. McKinsey
Billy D. McMillin
William J. P. Melby
Robert Mell
Robert G. Mellon
Charles D. Melson
John J. Melville
Richard D. Metcalf
Peter T. Meyer
Robert D. Michael
Daniel R. Miller
Gene A. Milleson
Thomas P. Milne
Raymond B. Moffatt
Donald J. Monroe
Michael H. Monroe
William M. Moore
James E. Moorehead
Terrence C. Morgan
Dan E. Mossman
Louis R. Moyzan
John C. Mullane, Jr.
Robert S. Mutchler
John W. Muth III
Danny L. Myers
William N. Myers
Neal M. Nadler
James H. Napier
Lannie D. Neal
John G. Nemec, Jr.
Robert F. Newton, Jr.
Paul S. Nickolaus
Ignatias J. Niemszyk
Philip D. Norton
William R. Norton III
Bernard J. Nownes
John B. Nuttall
Raymond L. Nymeyer
Willard D. Oates
Ward C. Ogle
David M. Oleksy
Steven E. Olmstead
John C. Osborne
John A. Otterbeck
Paul R. Ottinger
John R. Page
Robert G. Page, Jr.
Michael D. Pannek
Joseph J. Pantalone
John T. Paparone
Charles A Parlier II
James W. Parrish
Clarence F. Patten III
William W. Pattison II
Terry L. Paul
Reuben B. Payne III
Wiley H. Pearson
Frederick C. Peck
John F. Phelps
Ronald E. Pipkens
Carl O. Plath, Jr.
Richard A. Poggemeyer
Allan J. Polachowski
Raymond L. Polak
James J. Porter, Jr.
Gregory M. Potter
Ronald G. Powell
Daniel E. Price, Jr.
James L. Pritchard
David A. Proffitt
Henry A. Pyzdrowski, Jr.
Mark A. Queern
Brett D. Rayman
Edward J. Reardon, Jr.
Steven S. Reinemund
John H. Reynolds
Harold P. Rhodes
Larry J. Richardson
Dwight G. Rickman
David W. Riggle
James W. Rinschler
Edward J. Robeson IV
Robert S. Robichaud
David P. Robinson
James R. Robinson II
Earl W. Rogers
Jeffrey A. Rogers
Richard D. Rollins
Paul F. Roques, Jr.
Winston E. Rorabaugh
James M. Rosen
Michael C. Rowse
Robert M. Rudolf
Jeffrey C. Rupp
Robert A. Rys
David W. Sanasack
Edward J. Sandrick
Roger A. Sager
James E. Sall, Jr.
Ervin W. Scarlett, Jr.
Jeffrey E. Scheferman
David K. Schmidt
Warren C. E. Schmitt
Ronald R. Seaman
James E. L. Seay
William J. Seemeyer
Robert M. Shea
Steven A. Shepherd
Charles R. Sherrill
Jimmy R. Shideler
Thomas J. Short
Mark R. Sinclair
Ronnie E. Sirmans
Joel M. Skousen
Thomas J. Skubisz
Kenneth A. Sloan
James L. Smee
William G. Smith

Jon W. Smythe
Leslie Solymossy
Robert E. Sonnenberg, Jr.
Craig E. Sooy
Donald R. Speacht, Jr.
Jerry L. Spencer
Joseph F. Startari
Richard M. Stearns
David L. Steele
Jon O. Steiner
Robert E. Steinhorst, Jr.
Thomas G. Stephen
Thorys J. Stensrud
Bruce M. Stevens
Ronald L. Stevens
David A. Stockwell
Kenneth E. Stutely
Gerald L. Stutz
Alan P. Sullivan
Andre D. Summers
Leonard M. Supko
David T. Swan
Donald F. Swanda, Jr.
John R. Switzer
Aloysius Sypniewski
Theodore Z. Szymanski
Michael E. Tallent
James M. Tarkington
Rex N. Taylor
Coulter D. Tillett
David G. Titus
Aaron C. Toepfer
Theodore K. Tolle
Robert F. Turbyfill
Craig J. Turner
Douglas D. Tyler
Richard B. Vanantwerp
Martin R. Vandenbrook
David Vanesselstyn
David D. Vankirk
David E. Vlasak
Steven M. Walsh
Lawrence C. Walt
Larry D. Walters
James G. Ware
Rogers P. Warren
Barry D. Weber
David M. Webster
Steven G. Western
Donnie E. Wheatley
Robert G. White
Hensley C. Williams
Leo V. Williams III
Nicholas J. Williams, Jr.
Robert L. Williams, Jr.
James H. H. Williamson
Clarence E. Willie, Sr.
Douglas G. Wilson
Thomas E. Wilson
James M. Wire
Max D. Withrow
Thomas S. Wolfe
Gary J. Wright
Douglas D. Wyatt
James L. Young, III
Randall H. Young
Thomas H. Young
William E. Zales, Jr.
George E. Zakielarz
Anthony G. Zographos
James G. Zumwalt, II.

HOUSE OF REPRESENTATIVES—*Wednesday, October 2, 1974*

The House met at 10 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Not every one that saith unto me, Lord, Lord, shall enter into the kingdom of Heaven; but he that doeth the will of My Father who is in Heaven.—Matthew 7: 21.

Almighty and eternal God, we bow our heads in Thy presence and lift our hearts unto Thee praying for clear minds, clean hearts, and creative spirits as we face the tasks of this new day. Make us wise in making decisions, firm in our allegiance to what is right, kind in our relations to one another, and faithful to the highest we know in all that we do.

We thank Thee for this land of life and liberty in which we live, founded by our fathers and fostered by our faith. Do Thou bless our people, we pray Thee, and grant them grace to surmount the differences which separate them and as one people may they pursue one purpose to live together in peace for the good of all.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 12471) entitled "An act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act."

The message also announced that the Senate agreed to the House amendment to the Senate amendment numbered 6 and that it receded from its amendments numbered 1, 3, 4, 5, 7, 8, 9, 10 to the bill (H.R. 11546) entitled "An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes."

The message also announced that the Senate agreed to the House amendments to the Senate amendments numbered 1, 3, 7, 8, 10 and that it receded from its amendment numbered 2 to the bill (H.R. 10088) entitled "An act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes."

The message also announced that the Senate agreed to the House amendments to the Senate amendment numbered 5 and that it receded from its amendments numbered 3 and 4 to the bill (H.R. 4861) entitled "An act to amend the act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 9075. An act to authorize the disposition of certain office equipment and furnishings, and for other purposes; and

H.R. 10834. An act to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes.

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3817. An act to amend the National Bank Act, the Federal Deposit Insurance Act, the National Housing Act, the Small Business Investment Act, and for other purposes; and

S.J. Res. 234. Joint resolution transferring to the State of Alaska certain archives and records in the custody of the National Archives of the United States.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORTS

Mr. **MADDEN**. Mr. Speaker, by direction of the Committee on Rules, I ask unanimous consent that the committee may have until midnight tonight to file certain reports.

The **SPEAKER**. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONGRESSMAN STRATTON ANNOUNCES SUBCOMMITTEE HEARINGS ON MILITARY RETIREMENT LEGISLATION

(Mr. **STRATTON** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **STRATTON**. Mr. Speaker, the Armed Services Committee's Subcommittee on Military Compensation, of which I am chairman, will begin hearings on October 8 on H.R. 12505, the Department of Defense proposed legislation to modernize the military retirement system. At the time the military procurement authorization conference report was adopted, the chairman of the full committee, the gentleman from Louisiana (Mr. **HÉBERT**), stated that he wanted the advocates of military recomputation to have an opportunity to appear at these hearings to state their views and express any new information which they may have developed since the last recomputation hearings 2 years ago.

Therefore, on Wednesday and Thursday of next week, October 9 and 10, my subcommittee will be prepared to hear those who wish to testify on the recomputation issue, as well as on the Defense retirement proposal.

We will begin by hearing Members of Congress on Wednesday, October 9.

Members wishing to testify should notify the subcommittee as soon as possible.

Committee rules require that witnesses submit sufficient copies of their prepared statements to the committee 48 hours in advance of presentation.

Recognizing that the very busy schedule at this time will prevent some Members who wish to testify from appearing, the subcommittee will be prepared to receive statements for the record; and Members who wish may have their statements incorporated in the printed hearings.

TOO MUCH TIME ON CONGRESSIONAL REFORM

(Mr. **SIKES** asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. **SIKES**. Mr. Speaker, day after day the time of the House has been taken up with so-called congressional reform. Day after day the accomplishments in this field are minimal. Day after day more important work of the Nation goes begging.

Surely the Congress realizes the Nation is much more concerned with inflation, with fuel prices, with high interest rates, and with tight money than with the way in which the House is organized. It is proposed that Congress recess in another week. That means Congress will defer much significant legislative action until mid-November. That leaves little time for any impressive program to cope with the major threats to the economy.

I question that we can be proud of the

time spent or the results shown in the name of congressional reform. It would be a much more logical thing to put first things first and see to the Nation's business.

INCREASING THE NUMBER OF POSITIONS OF EXPERT TRANSCRIBERS TO OFFICIAL COMMITTEE REPORTERS

Mr. HAYS, from the Committee on House Administration, reported the following privileged resolution (H. Res. 1299, Rept. No. 93–1408), which was referred to the House Calendar and ordered to be printed.

H. RES. 1299

Resolved, That, effective upon enactment of this resolution, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation for the employment of one additional expert transcriber to official committee reporters of the House of Representatives, to be appointed in the same manner, and to receive the same rate of compensation, as the other expert transcribers to official committee reporters.

Mr. HAYS. Mr. Speaker, I call up House Resolution 1299 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. GROVER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 552]

Adams
Archer
Badillo
Blackburn
Blatnik
Boggs
Brasco
Brown, Calif.
Burton, John
Carey, N.Y.
Chisholm
Clark
Collier
Conyers
Crane
Culver
Davis, Ga.
Dent
Derwinski
Diggs
Dingell
Dorn
Drinan
Eckhardt
Evans, Colo.
Fish
Fisher
Flowers
Fountain
Fraser
Gaydos
Gray
Gubser
Hanna
Hébert
Helstoski
Hillis
Hogan
Holifield
Hosmer
Johnson, Colo.
Lehman
Long, Md.
McClory
Macdonald
Madigan
Mathias, Calif.
Mayne
Michel
Minshall, Ohio
Mitchell, Md.
Moorhead, Calif.
Nelsen
Pike
Podell
Powell, Ohio
Price, Tex.
Rarick
Rees
Reid
Rooney, N.Y.
Runnels
Ruppe
Sandman
Shuster
Steelman
Steiger, Ariz.
Teague
Tiernan
Treen
Udall
Ware
Wolff
Yates
Young, Alaska
Young, Ga.

The SPEAKER. On this rollcall 358 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO SIT TOMORROW WHILE THE HOUSE IS IN SESSION

Mr. RONCALIO of Wyoming. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have a full committee meeting tomorrow morning at 10 o'clock, notwithstanding the fact that the House is in session in the Committee of the Whole House under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS BILL, 1975

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 16900, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Before the Committee rose yesterday, the Clerk had read down to and including line 11 on page 6 of the bill.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 6, line 11, insert the following: "*Provided further*, That of the sums appropriated herein, not to exceed $575,000 shall be available to carry out section 625 of the Education of the Handicapped Act."

Mr. QUIE. Mr. Chairman, yesterday this body adopted the Roybal-Veysey amendment. One of the parts of it was to increase the money for the handicapped. What my amendment does is, of the amount of money appropriated for the handicapped, $575,000 will be used to carry out section 625 of the Education of the Handicapped Act. At the outset I want to say this does not add money to what is already in the bill pursuant to the action taken yesterday.

Section 625 provides funds for regional programs for the deaf.

There are three such regional programs now in existence—one in Seattle, one at the University of California at Northridge, and one in St. Paul—which provide the type of training authorized in section 625 for deaf students. These programs are unique in that they provide services to deaf students from across the entire Nation. The funds provided in my amendment insure the continuation of these three excellent programs. The $575,000 would provide $200,000 for the St. Paul program, $175,000 for the Seattle program, and $200,000 for the University of California at Northridge.

Section 625 was an amendment that I offered to the Elementary and Secondary Education Act of 1974 which was accepted and became part of the public law and authorizes the Commissioner of Education to make grants to institutions of higher education, including junior and community colleges, vocational and technical institutions, and other appropriate nonprofit educational agencies for the development and operation of specially designed or modified regional programs of vocational, technical, postsecondary or adult education for deaf and other handicapped persons.

Section 625 was included in the legislation because several institutions had been working on a demonstration basis in an attempt to fill a clear void in the area of training for the deaf that exists throughout the country. The problem stems from the fact that although there are some dollars available for training professionals to work with the deaf but very few dollars to provide actual training for the adult deaf themselves.

As I indicated earlier, there are three programs which operate on a demonstration basis. They are the St. Paul Technical Institute for the Deaf in Minnesota, the Seattle Technical Institute for the Deaf in Washington, and the University of California at Northridge. These programs demonstrate that deaf people can more easily reach their optimum potential if they are given adequate technical or vocational training in specialized areas using many types of media in existing facilities which normally serve hearing students. The concept behind these three programs has been that the deaf will have to function in a hearing world and, therefore, if they can be trained and function within the world, they will be better able to cope with and accept it once they enter. This has the same effect on hearing students working with the deaf as they gain a better understanding of the deaf, and the benefits which accrue go to the hearing, to the deaf, and to all of society.

What is significant about these three institutions is that deaf students totally integrate with hearing students and compete academically with them. The deaf students receive special attention through interpreter services, tutorial services, and whenever necessary, guidance counseling.

Deaf students have successfully received training in over 38 major areas but what was most significant in these demonstration projects was that over 95 percent of all deaf students that completed the program were successful in gaining employment or going on to continuing education. To give you some indication of how effective the St. Paul Technical Vocational Institute is in making deaf students self-supporting, I quote from their final report, dated August 1974:

> Dollar averaging indicates that the earning power of St. Paul TVI's 225 deaf graduates during the first five years equals $3,570,000. This combined figure yields an approximate Federal income tax of $856,800. The total Federal dollar input for this five year period was $767,000. In effect tax dollars returned to the Federal government were $89,800 more than the Federal investment.

Similar statistics come from the other institutions.

What makes these programs even more unique is that they serve students from all over the country. So that my colleagues can understand the extent of these programs, the following is a listing of States from which students come that are presently being served by these three institutions.

St. Paul Technical Institute—presently has 116 students from 31 states, the District of Columbia.

The following is a listing of the States represented at the St. Paul School:

Arizona, Connecticut, District of Columbia, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland.

Massachusetts, Michigan, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio.

Oklahoma, Pennsylvania, Rhode Island, South Carolina, South Dakota, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming.

Seattle Technical Institute for the Deaf—presently has 78 students from 14 States plus Guam, Hong Kong.

The following is a listing of the States represented at the Seattle school:

Washington, Oregon, California, Idaho, Montana, Arizona, New Mexico.

Alaska, Nevada, Arkansas, New Jersey, Utah, Colorado, and South Dakota.

University of California at Northridge—presently has 121 students (80 undergraduate and 41 graduate students) which come from 26 States, as well as several oriental countries.

Students come from the following States:

Arizona, California, Colorado, Florida, Indiana, Iowa, Georgia, Hawaii, Louisiana, Maryland,

Massachusetts, Michigan, Minnesota, Missouri, New York, North Carolina, New Mexico, Ohio, Oklahoma, Pennsylvania,

Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

My amendment is critical for the survival of these three programs. Their demonstrations are over and without this funding it is my understanding that they will be terminated within the next few months. These three programs represent a natural resource which is producing great dividends for the deaf of this Nation. The budgetary needs for these three programs are $200,000 for St. Paul, $175,000 for Seattle, and $200,000 for the University of California at Northridge.

Because virtually every State has deaf students receiving benefits from these three programs, it is my feeling that every Member of this body can vote for this amendment with the full knowledge that it will benefit deaf individuals from his or her own State.

Mr. CORMAN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. CORMAN. Mr. Chairman, I am pleased to rise in support of Mr. QUIE's amendment to restore the $900,000 appropriation for the deaf in H.R. 16900, the supplemental appropriation bill.

It is an unfortunate and inappropriate austerity measure to bypass that segment of our population deprived of the ability to respond to normal noise or engage in the listening pleasure of music. Yesterday, this great legislative body restored funding for the physically handicapped. Today, we must not deprive the deaf of appropriations for their schooling.

The $900,000 slashing of funds from this bill will seriously affect three sites of graduate and undergraduate education for the deaf. The institution receiving the minimal appropriation but of greatest concern to me is the program at California State University at Northridge. The $200,000 which will be made available to Northridge if this amendment receives the majority support it most assuredly deserves, will permit students to continue their much needed and exceptionally successful education. The unique training provided at Northridge does not adhere to provincial attitudes of separating the deaf from others without hearing impairments. Sightless and sighted, deaf and hearing students share the common classroom of learning and because of this rare approach they are better equipped to cope with the situations beyond the perimeters of college. This experiment in teaching the deaf is working and we will jeopardize its existence or perhaps even terminate the program completely if we fail to appropriate the necessary supplemental funds here today.

My colleague, Mr. QUIE, is joined by my California neighbor Mr. GOLDWATER who, as we know, has been an outspoken advocate for the deaf. I enthusiastically endorse their efforts to restore the full $900,000 which will permit those unable to hear, the joy of learning.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Texas, the chairman of the committee.

Mr. MAHON. Mr. Chairman, do we have three of these centers in operation at this time?

Mr. QUIE. That is correct.

Mr. MAHON. Approximately how many personnel are there for each center and approximately what is the annual cost?

Mr. QUIE. The annual cost for the three centers is the $575,000.

Mr. MAHON. How extensive will this program become? What kind of price tag will be on it? Is it anticipated we will place these centers throughout the United States and have several dozen of them or what is the plan?

Mr. QUIE. That could be in the future but this amendment does not provide funding for additional centers. It provides funding only for the three that are presently in operation which presently serve students from most of the other States in the Union. How much more would be necessary in the future would have to be determined by HEW and they would have to come up and ask for it.

Mr. FLOOD. Mr. Chairman, as I understand it, the purpose of this amendment is to earmark $575,000 of the funds agreed to yesterday by the House for education of the handicapped in the so-called Roybal amendment.

Mr. QUIE. The gentleman is correct.

Mr. FLOOD. Under those circumstances we accept the amendment

Mr. GOLDWATER. Mr. Chairman, I move to strike the last word and I rise in support of this amendment.

Mr. Chairman, the moneys for these programs were authorized in the Elementary and Secondary Education Amendments of 1974 and for one reason or another they were neglected when the supplemental came to the floor. These are very fine programs, they are effective and they should be allowed to continue. The schools involved are training professionals who are teaching the deaf.

The unfortunate part about this is there are not sufficient funds to actually train the adult deaf themselves. The important concept to remember is that the deaf must operate in a hearing world and therefore under this program are fully integrated in the school population and in the curriculum. They are essence treated as a hearing person with special provisions such as interpreters who are provided, they take the normal courses and the normal curriculum. It is very important if we are to provide this opportunity for the deaf students in other parts of the country, other than in Washington, D.C., and one or two of the deaf schools on the east coast, that we make these services available. The dollars are critical if we want to see to the survival of these programs which have proven themselves very effective. I would point to one as a fine example of success, and I refer to California, at Cal State University at Northridge under the direction of Ray Jones, as providing just such an educational opportunity for the deaf students.

I urge my colleagues to vote in favor of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota (Mr. QUIE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. HEINZ

Mr. HEINZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEINZ: Page 6, insert immediately after line 11 of the following:

ETHNIC HERITAGE STUDIES PROGRAMS

For carrying out title IX of the Elementary and Secondary Education Act, $2,500,000.

Mr. HEINZ. Mr. Chairman, the amendment that I offer will include in the bill if adopted by this body, $2,500,000 for the funding of the ethnic heritage studies program, which is title IX of Public Law 93–930. I had intended to offer this amendment earlier and attempt to take some of the money from title III so that this $2,500,000 would not be in addition to the money in the bill. Unfortunately, the Roybal substitute was carried without my offering an amendment to it.

I am constrained to offer this, therefore, in addition to the money in the bill; however, it is a modest amount.

The program, the ethnic heritage studies program, is clearly an excellent program. It is based, as I am sure many know, on the recognition that a good background in a greater understanding of one's own heritage and especially that of the contribution other heritages make for more appreciative and more patriotic Americans.

The ethnic heritage sutdies program was funded in the fiscal year 1974 with $2.5 million. For fiscal 1975 no funds have been appropriated, and it is my hope that we will correct this mistake. I do understand that HEW did drag its feet last year on the writing of guidelines for this program. The guidelines were not published until April 1964. In the month of May some 4,000 organizations applied for assistance under this program. Nine hundred and thirty of the applications were judged to be eligible within the guidelines. Only 38 grants, including some 42 projects, were funded. Clearly there is a need for continuing funding of this program.

Now, the Labor-HEW appropriations this House passed, I think it was on June 27, did not include any funding for this program, because HEW did not actually get around until the end of the fiscal year, June 30, 1974, to funding and allocating any of the fiscal year 1974 money. Therefore, there was good reason, I think, why the original Labor-HEW appropriations did not include this $2.5 million; however, as of now nothing is available for fiscal year 1975.

I would urge the committee to adopt the amendment.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HEINZ. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I spoke to the gentleman about this and the amendment of the gentleman from Minnesota (Mr. QUIE). If the gentleman will revise his amendment, the same as did the gentleman from Minnesota (Mr. QUIE), we can accept it.

Otherwise, under no circumstances can we accept this. The purpose of the amendment, we understand, like that of the gentleman from Minnesota (Mr. QUIE), was to accomplish a certain thing. I spoke to my friend about this and I suggested a way to do this.

Mr. HEINZ. Mr. Chairman, will the gentleman make a proposal as to how the amendment may be revised?

Mr. FLOOD. It should be revised in just the same way as the gentleman from Minnesota did. If it were proposed that way, I would have no objection.

I told the gentleman from Ohio the same thing yesterday when he suggested a similar amendment. In fairness to my friend from Ohio, I would certainly hope the gentleman would do this. Then, we would have no objection.

Mr. HEINZ. Mr. Chairman, because I am concerned about losing my right of offering this amendment, I would ask unanimous consent that I be allowed to return to this portion of the bill with a perfected amendment.

Mr. FLOOD. Mr. Chairman, I would have no objection to that.

Mr. HEINZ. Mr. Chairman, I ask unanimous consent that I be permitted to return to this section of the bill with a perfected amendment.

The **CHAIRMAN.** Is there objection to the request of the gentleman from Pennsylvania?

Mr. GROSS. Mr. Chairman, I object.

The **CHAIRMAN.** Objection is heard.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield further, I am suggesting exactly the same thing the gentleman from Minnesota (Mr. QUIE) did in providing for regional centers. The same thing could be done here. If the gentleman can do that, then we have no objection. I do not want to be placed in the position of offering this as a substitute myself.

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. HEINZ

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

> Amendment offered by Mr. STEIGER of Wisconsin as a substitute for the amendment offered by Mr. HEINZ: On page 6, line 11, insert the following: "*Provided further*, That of the sums appropriated herein, not to exceed $2,500,000 shall be available to carry out section 907 of the Elementary and Secondary Act."

Mr. STEIGER of Wisconsin. Mr. Chairman, the amendment is self-explanatory. It would make available the funds for this purpose out of the money already agreed to, so that it does not add any new money.

Mr. Chairman, I find myself in a rather difficult position, because I really am not much of a supporter of this program, but I do think the gentleman from Pennsylvania has made an eloquent case in its defense. Therefore, I hope the amendment is accepted.

Mr. HEINZ. Mr. Chairman, will the gentleman yield to me?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I would very much like to most sincerely thank the gentleman from Wisconsin for bringing to the floor a significant improvement over my amendment, which I hope will insure its adoption.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, I was about to make the observation that before blindly accepting the amendment, we would like to know a little something about what we are expected to do with this $2.5 million. The gentleman has pretty well conceded that he has not overwhelmed us with the validity, intent, and purpose of it.

Are we going to have a special cultural study for every country now represented at the U.N.? If we are to have these studies for our German, French, Italian, Greek, Turkish, Lebanese, and Chinese heritage groups, what are we to do about all the others from Zaire to Timbuktu.

Mr. STEIGER of Wisconsin. I would say to my friend from Illinois (Mr. MICHEL), that I would hope he would be willing to accept this modest effort to insure that all of those who have applied—and there are many—can get consideration.

This runs across the gamut in terms of the ethnic Americans who do have a very real belief and commitment in, and I think a valid hope, that we can expand the understanding of their cultural heritage and make it more available for more Americans. That is the intent of the amendment.

The gentleman from Pennsylvania said that there were about 4,000 applications and only a small number could get any funds.

That is what the intent of the amendment is.

Mr. HEINZ. There are 4,000 applications, 938 of them have met the guidelines and only 38 could be funded.

Mr. MICHEL. I'm not impressed with that argument for we are never going to run out of applications. If there is some Federal money available, you can bet your bottom dollar someone out in the hinterlands will submit an application to get their hand in the till.

Will the gentleman yield a further moment?

Mr. STEIGER of Wisconsin. Yes, I yield to the gentleman.

Mr. MICHEL. I am not opposing the gentleman's substitute for the amount because it does not raise the overall figure. I do feel, however, that we ought to have some better justification other than getting some brownie points with the ethnic electorate back home.

Mr. STEIGER of Wisconsin. Let me first comment, and then I must yield to the gentleman from Iowa, who I know has some cogent comments he would like to make.

I would hope the gentleman from Pennsylvania and the gentleman from Illinois might be willing to accept the substitute. Let us get on with this bill and let us not stay here and talk much more about it.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the attention of the gentleman from Wisconsin (Mr. STEIGER), who has rushed to the rescue of the gentleman from Pennsylvania (Mr. HEINZ), to spend $2½ million as an add-on for some special group or groups.

In the first place, where does he propose to get $2½ million to add to all of the other millions that are going out in related projects?

Mr. STEIGER of Wisconsin. If the gentleman will yield, I do not propose to add on. I propose to take from that which is available in the bill.

Mr. GROSS. But where does the gentleman propose to get all of the money to take care of the bilingual, ethnic, cultural projects.

Mr. STEIGER of Wisconsin. Not bilingual, ethnic culture.

Mr. GROSS. What is that?

Mr. STEIGER of Wisconsin. Not bilingual, ethnic culture. Just the ethnic culture.

Mr. GROSS. Where does the gentleman propose to get the money for all of this? What kind of precedent is the gentleman setting here? Who is to be benefited by all of this? Are they from Wisconsin, Pittsburgh, or Pennsylvania, or where?

Mr. HEINZ. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman from Pennsylvania (Mr. Heinz).

Mr. HEINZ. So that we are absolutely clear, the substitute offered by Mr. Steiger does not increase the amount of money in the bill. What it does is take the amount already appropriated in the bill, earmark up to $2,500,000 for ethnic purposes.

Mr. GROSS. So the gentleman is going to take it away from the general educational projects and put it into some kind of special ethnic group?

Mr. HEINZ. Take it away from some of the projects the gentleman is opposed to.

Mr. GROSS. In the first place, how many workers in a catsup factory or a pea packing factory does it take to put together, through taxes on income, $2½ million?

Mr. HEINZ. If the gentleman is referring to the area of education, I cannot say. But they do have 4,000 people who are very interested in trying to build upon the heritages that we are all so very proud of in this United States of America.

Mr. GROSS. What heritage is the gentleman talking about?

Mr. HEINZ. I, for one, am very proud of my German heritage. My wife is of Italian heritage and Portuguese heritage.

Mr. GROSS. Why does the gentleman not spend his money for the purpose of promoting his heritage and clinging to it, or whatever it is? Why does the gentleman not spend his money for it? Why go to the taxpayers of this country?

I will say to the gentleman that I cannot forget former President Teddy Roosevelt's statement on this subject. He said:

> There is no room in this country for hyphenated Americanism . . . The one absolutely certain way of bringing this Nation to ruin, of preventing all possibility of its continuing to be a Nation at all, would be to permit it to become a tangle of squabbling nationalities.

Is this what the gentleman wants to promote?

President Teddy Roosevelt went on to say:

> We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans and not as dwellers in a polyglot boarding house.

Mr. HEINZ. To respond to the gentleman's question, the gentleman knows full well that America is a melting pot and that it is the objective to be not only an American but to be proud of all others.

Mr. GROSS. Do you have to go to the U.S. Treasury and all the taxpayers to get $2.5 million for that purpose?

Mr. HEINZ. We sustain a number of very worthy things.

Mr. GROSS. Of course, the gentleman is proud of his hertiage.

Mr. HEINZ. I think the gentleman will agree with my last statement.

Mr. GROSS. I think that the largest single ethnic group in this country is composed of Germans. Who is asking for money for the Germans for cultural purposes as an ethnic group?

This amendment ought to be sunk without a trace.

The CHAIRMAN. The question is on the amendment offered by Mr. Steiger of Wisconsin as a substitute for the amendment offered by Mr. Heinz.

The question was taken; and on a division (demanded by Mr. Heinz) there were—ayes 15, noes 76.

So the substitute for the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Heinz).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

For carrying out title I of the Act of September 30, 1950, as amended (20 U.S.C., ch. 13), and the Act of September 23, 1950, as amended (20 U.S.C., ch. 19), $593,416,000, of which $573,416,000, including $43,000,000 for amounts payable under section 6 shall be for the maintenance and operation of schools as authorized by said title I of the Act of September 30, 1950, as amended, and $20,000,000, which shall remain available until expended, shall be for providing school facilities as authorized by said Act of September 23, 1950: *Provided*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 60 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(b) of title I: *Provided further*, That none of the funds contained herein shall be available to pay any local educational agency in excess of 90 per centum of the amounts to which such agency would otherwise be entitled pursuant to section 3(a) of said title I if the number of children in average daily attendance in schools of that agency eligible under said section 3(a) is less than 25 per centum of the total number of children in such schools: *Provided further*, That, with the exception of up to $1,000,000 for repairs for facilities constructed under section 10, none of the funds contained herein for providing school facilities shall be available to pay for any other section of the Act of September 23, 1950, until payment has been made of 100 per centum of the amounts payable under section 5 and subsections 14(a) and 14(b): *Provided further*, That of the funds provided herein for carrying out the Act of September 23, 1950, no more than 47.5 per centum may be used to fund section 5 of said Act.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roybal: Strike out beginning with line 12, page 6, down through and including line 18, page 7.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I understand this is a technical thing resulting from the adoption of the gentleman's amendment yesterday.

Since the Roybal amendment did pass, of course, we have no objection to that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Roybal).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EDUCATION FOR THE HANDICAPPED

For carrying out, to the extent not otherwise provided, the Education of the Handicapped Act, $229,609,000: *Provided*, That of this amount $70,000,000 for part B shall become available July 1, 1975, and shall remain available through June 30, 1976.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roybal: Strike out beginning with line 19, page 7, down through and including line 24, page 7.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Roybal).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LIBRARY RESOURCES

For carrying out title II of the Elementary and Secondary Education Act, $90,250,000.

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roybal: Page 8, line 9, strike out "$90,250,000" and insert in lieu threof "$95,250,000".

Mr. ROYBAL. Mr. Chairman, yesterday during the debate on the Roybal-Veysey amendment I gave notice that on page 8, line 9 of this bill I would move to strike out "$90,250,000" and insert in lieu thereof "$95,250,000," adding $5 million to this section.

This amendment merely brings the section on library resources into conformance with what the House voted yesterday. The $198.6 million in the original package include $5 million for library resources, and does not add one dime over the $198.6 million that was included in the original Roybal-Veysey package.

Now, this program, as we all know, serves all children in the elementary and secondary schools of our country by providing an essential teaching tool to every school in the form of a library and media center. It is a State-planned program, where the needs of schools are met on the basis of providing the services and the materials to those who need them most.

Mr. Chairman, this is a very laudable program which has been elicited.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Chairman, I will say, of course, as chairman of the Labor-HEW Subcommittee on Appropriations that I must, of course, object to this, but I understand the technical problem in which the gentleman found himself yesterday when he proposed his amendment that was agreed to by the House.

I repeat that I understand his action very well, and I know why he has to do what he is doing now. However, under the circumstances, I think it is worthwhile that we understand just exactly where we find ourselves and where the gentleman finds himself with reference to the issue of library resources amendment.

Mr. ROYBAL. Mr. Chairman, is the gentleman then accepting this amendment?

Mr. FLOOD. No, I cannot accept it,

but I will state very clearly and I will repeat what I just said a few moments ago.

I understand why the gentleman is required to do what he is doing now. Because of the technical situation he found himself in, he had to strike "Libraries" section of the Roybal amendment, and that is why the gentleman is bringing it in today in this amendment.

I, of course, as chairman of the subcommittee, must oppose it, as I did yesterday.

Mr. ROYBAL. That is correct. This is really a technicality. It was intended to be included in the original package. It had to be taken out at that particular time, because of the fact that the Obey amendment did not include it.

Mr. Chairman, it is for this reason that it was not included in the Roybal-Veysey substitute. This merely brings back the $5 million, and completes the original package as it was intended to be presented to the House.

Now, the technicality is merely one that took place simply because an amendment was made to a motion already at the table which did not include the $5 million for library resources.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, other than the gentleman's statement that this is just a technicality, I would appreciate it if the gentleman would give me a good justification for increasing this $5 million, other than the fact that a Member wants to get credit for increasing library support by $5 million.

What are the grounds for the increase?

Mr. ROYBAL. First of all, Mr. Chairman, it is not a matter of getting credit for securing anything. Every one of these amendments which we have presented to this House, have been presented after carefully considering the great need for these resources.

Mr. MICHEL. What kind of resources?

Mr. ROYBAL. For instance it costs an average of $400,000 to set up an elementary school library. With the figure that was proposed by the committee we are, of course, able to get some libraries, but with the additonal $5 millon we are able to place 12.5 more libraries in various schools throughout the Nation which at the present time lack libraries altogether. At least one-third of the schools in the United States do not have any libraries at all. This is a resource that should be provided for schoolchildren regardless of where they happen to be living, and regardless of the school they happen to be attending.

It seems to me that to provide library resources to our students is definitely a part of our educational process, and that it should definitely be provided by legislation passed by the House of Representatives and the Congress as a whole.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MICHEL. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

I was unfortunately absent yesterday, Mr. Chairman, during part of the debate, and therefore did not participate in the entire debate, and missed the discussion preceding this particular item. But we are now up against the fact that we are trying to come up with an HEW appropriation bill which is in conference with the Senate now with the hope of getting it signed into law rather than to be operating under a continuing resolution after a possible veto if we cannot get it through.

Here we are in a supplemental appropriation bill where, frankly, the $90 million that we provided for these library programs would seem to be adequate. I see no real justification for jumping it by $5 million so that we can have 12 more schools provided with libraries. Why not 50 or 100 more schools?

Where will these be placed? In what States and in what local communities?

Are not the States and local communities doing something about library facilities? I know that my own community is doing something about this, and it is a continuing debate at every meeting of the school board.

The same question might be asked with regard to the State as to the amount of revenue-sharing funds that have gone to the States. I made mention during the general debate on this subject of the $700 million of the States having been funneled into educational needs from general revenues.

I do not believe it is necessary to bust the budget with a $5 million item.

Of course, some can say that it is only $5 million as against a $300 million budget, but let me mention that it is these little nickel and dime items, these $5 million and $15 million items that bring it up over the budget when they are all added in, and when this is done we get a veto.

The vote yesterday on the Roybal substitute has been characterized as a vote for education.

Actually, it is a vote against education. It is a vote for a veto of this bill.

Your committee bill is already $159.7 million over the budget request. Now we have added another $193.6 million with this education package.

This puts us $353.7 million over the budget—about 6.5 percent. This would be the equivalent of being more than $2 billion over the budget on the regular $33.5 billion Labor-HEW appropriation bill.

To put this in perspective, last week the conferees on that Labor-HEW bill received a letter from the President telling us that the $750 million that bill is over the budget on discretionary programs is unacceptable, and unless it is reduced he will have to consider a veto. We are talking about $750 million out of $33.5 billion, or 2.2 percent of that bill.

If the President is warning of a veto on a 2.2-percent average, how do you think he will look at 6.5 percent?

Now, do you know what happens if we get a veto? Sure you do. We fund these programs under a continuing resolution at last year's level. Do you know what that is for these education programs? Maybe you had better check.

If we get a veto, the continuing resolution would not allow spending of the $150 million increase proposed in the President's budget and in the committee bill for title I grants to local education agencies. It would not allow an $11.7 million increase for bilingual education, and an additional $5 million related to bilingual in civil rights advisory services. Neither would it allow spending of the increase for education for the handicapped which the committee put in. It would not allow forward funding of the title I program and the consolidated categorical programs.

Maybe you should be giving some little thought to what you are doing to your local school districts by inviting a veto of this bill.

I have a table here showing what each State will receive in grants to local education agencies under the continuing resolution, and what they would receive if this bill were signed. I suggest that every Member take a close look at this, because for most States the continuing resolution level is substantially less than what they would get under this bill.

Maybe you can go back to your district and say, "I voted for another $10 million for education in my State," but what do you say when your local school people respond, "Yes, but by doing that you gave us a $5 million decrease."

Think about it.

ESTIMATED DISTRIBUTION OF FUNDS UNDER CONTINUING RESOLUTION COMPARED WITH COMMITTEE RECOMMENDATION—TITLE I, ESEA; PT. A. LEA GRANTS

	Fiscal year 1975 continuing resolution	Fiscal year 1975 committee recommendation (budget request)
United States and outlying areas	$1,651,831,918	$1,798,734,347
Difference	+146,902,429	
50 States and District of Columbia	1,601,757,695	1,751,960,924
Difference	+150,202,329	
Alabama	37,802,143	41,376,109
Alaska	4,554,764	5,152,055
Arizona	15,243,827	16,345,205
Arkansas	22,883,370	26,163,698
California	130,117,491	149,581,944
Colorado	15,479,140	16,753,516
Connecticut	15,388,280	16,794,759
Delaware	4,664,058	5,345,706
Florida	59,519,759	62,586,701
Georgia	41,797,790	46,069,242
Hawaii	4,885,726	5,117,645
Idaho	4,585,349	5,780,016
Illinois	78,381,164	91,198,247
Indiana	23,524,326	24,665,831
Iowa	15,155,319	15,879,453
Kansas	12,281,660	13,765,717
Kentucky	30,711,103	33,021,876
Louisiana	47,351,139	50,338,707
Maine	6,308,979	7,087,969
Maryland	26,716,892	29,350,498
Massachusetts	29,533,650	35,101,810
Michigan	67,302,067	75,221,576
Minnesota	24,498,084	26,887,621
Mississippi	36,677,791	40,337,123
Missouri	28,184,388	31,659,696
Montana	5,340,726	5,946,596
Nebraska	8,481,814	9,164,038
Nevada	2,211,063	2,373,337
New Hampshire	3,018,731	3,336,604
New Jersey	53,322,625	55,195,328
New Mexico	12,446,483	15,017,519
New York	206,023,815	209,019,783
North Carolina	50,604,729	53,205,042
North Dakota	5,272,083	5,634,336
Ohio	52,796,450	57,968,544
Oklahoma	18,644,098	20,545,103
Oregon	15,342,386	17,065,800
Pennsylvania	76,451,418	86,804,848
Rhode Island	5,941,481	6,618,727
South Carolina	30,808,468	33,522,343
South Dakota	5,699,184	6,189,481
Tennessee	35,122,381	38,735,699
Texas	110,769,193	120,995,642
Utah	5,431,804	5,988,561
Vermont	3,507,301	3,744,835
Virginia	34,855,843	38,424,950
Washington	20,267,679	24,974,378
West Virginia	16,529,448	17,399,375
Wisconsin	25,921,604	28,210,291
Wyoming	2,435,299	2,739,475
District of Columbia	10,958,330	11,060,669

It is ridiculous to stand here and say that we have to have $5 million more for the library resources around the country. Fifty-five percent goes for books, 45 percent goes for audio and visual equipment.

I read in the paper recently about the vast number of breakins in our schools because of all the costly audio and visual equipment that is available there.

I think frankly that we have just gone too far too fast. There is no good reason why this could not be voted down right now. I say that the $90 million is sufficient.

I urge defeat of the amendment.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. Yes, I yield to the gentleman from Indiana.

Mr. MYERS. Mr. Chairman, as I understood the explanation by the author of the amendment, the gentleman from California (Mr. ROYBAL), this constitutes a perfecting amendment that is necessary.

I ask the gentleman from Illinois what would happen if this amendment is not adopted.

Mr. MICHEL. We will simply save $5 million and have the original amount of $90 million.

Mr. MYERS. So that it is not really tied into the amendment accepted yesterday as a necessity.

Mr. MICHEL. The gentleman from California said that the other amendment did not include this item, so that from that standpoint it becomes a technical question.

Mr. MYERS. Then it is not actually required that we adopt the amendment in view of what we did yesterday?

Mr. MICHEL. No.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, if I understood the gentleman from California (Mr. ROYBAL), what the gentleman is saying is that he did not get quite as much in his amendment yesterday as he had hoped. He is now trying to get $5 million more. It certainly is going to add $5 million that is not now in the bill.

Mr. MICHEL. I thank the gentleman.

Mr. VEYSEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, perhaps I can clarify the situation which I think has become a little bit clouded. The original package of changes in this bill which was offered to the Members yesterday and described to them yesterday as the Roybal-Veysey substitute and adopted overwhelmingly, included this amount of $5 million for libraries for the acquisition of additional books and teaching materials. There was a technical problem because of the fact that the Obey amendment was offered first, and our amendment had to be offered as a substitute. That technicality eliminated the $5 million for libraries. Nonetheless, I am sure that every Member here on the floor was thoroughly informed that the $5 million for libraries was a portion of the package and a portion of the total that was in everyone's minds when we were voting yesterday. The record is clear on this matter.

I should not like to see a technicality reverse the decision the House made yesterday. Surely there is need, and surely we all made an appeal in our remarks yesterday, for the additional library material. There has truly been a knowledge explosion in the last several years, and without adequate materials accumulated in libraries, we cannot conduct good and effective teaching programs; indeed, it is very shortsighted to spend 85 percent of our funding for schools on teachers' salaries and to shortchange them on adequate library material.

If we assembled a room full of books as of 5 years ago, we would find that not one of them made reference to the fact that a man had walked on the Moon. This points up, I think, the need for updating, revising, and keeping current these materials in the libraries at all times.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from New York.

Mr. PEYSER. I thank the gentleman for yielding.

It seems to me, just to restate this case, that the House yesterday by a substantial majority supported the Veysey-Roybal amendment, which specifically included this $5 million for libraries. It seems to me to bring up and try to fight this on a technicality is merely a delaying action, let us go right to a vote. I believe it carried by over 100 votes yesterday. I am convinced that it will carry again today.

The need for libraries is no less today than it was yesterday, so I certainly hope that we will move ahead with this.

Mr. VEYSEY. I think my colleague, the gentleman from New York, has expressed the situation correctly.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman for yielding.

The gentleman from New York just said that the $5 million was specifically included in the package yesterday. It was not. It was not technically possible to do that, and this is the very reason I am arguing the way I am today. It was excluded from the package. It is a separate item today, and we do not need to be dutybound to support that part of any kind of package.

Mr. VEYSEY. I should like to respond to that, if I may. I am sorry the gentleman was not here yesterday to hear the debate. This item was very specifically referred to at all times during the debate because it had been within the original package as it was put together. Technically it was knocked out due to the interaction of the two amendments, but I think it was clearly in the minds of every Member yesterday when we voted on this matter, and the House accepted the package by a heavy vote.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I yield to the gentleman from Indiana.

Mr. MYERS. I thank the gentleman for yielding.

Then is the gentleman saying that this amendment takes $5 million from the action we took yesterday and adds it today, or is this 5 million new dollars?

Mr. VEYSEY. No, no. The amount stated to the Members yesterday was $198.6 million, which included the $5 million we are talking about now. Everybody had that in mind when we voted yesterday, when we talked about this yesterday. Indeed, it was only very late that we discovered that by a technicality this was knocked out. I think that it was very clear in everyone's minds that $198.6 million was the entire package, and that is what received the vote.

Mr. MYERS. But if the gentleman will yield further, does this $5 million come out of the $198 million?

Mr. VEYSEY. Yes.

Mr. MYERS. It is not additional dollars?

Mr. VEYSEY. It was within the *$198* million.

Mr. MYERS. But today, is this, today, $5 million coming out of the $193 million, or is this $5 million added on top of it as additional money?

Mr. VEYSEY. The $5 million was included in the $198 million discussed yesterday, but technically it was knocked out, so it comes now as an addition.

Mr. MYERS. Will the gentleman answer my question: Is the $5 million coming out of the $198 million discussed yesterday?

Mr. VEYSEY. Yes, it was.

Mr. MYERS. I do not interpret it in that way. If we knock this out, then it would be $193 million?

Mr. VEYSEY. We had yesterday firmly in mind the $198 million which was discussed.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am afraid this still has left some confusion in people's minds the way the answers have come, and I think the gentleman from Indiana is correct in pursuing this to find out.

Yesterday we adopted the Roybal-Veysey amendment which amounted to $193.6 million more than the committee came out with.

When they previously had put their amendment together they had expected to have this $5 million as part of it, making a total of $198.6 million, but there is not anything technical about it. They did not offer it in that way yesterday. The reason they did not offer it is that it would not have tracked with the Obey amendment and they would not have been able to offer it as a substitute. It would have been prevented by a point of order, and we would have had to vote on the Obey amendment first. However, they chose to track it with the Obey amendment and they did not offer the $5 million here offered.

If we want $5 million more for the library resources, it will mean $5 million more added to the bill. But it ought to stand on its own merits and it ought to be presented today on its own merits, which are support for library resources which I do but increasing spending above the budget after we already had increased it by $193.6 million without cutting anything else.

I know the organizations behind the move for the Roybal-Veysey amendment felt it was a part of this agreement and it may cause them a little difficulty if one of their team got left out today, but I think we ought to be aware of what we are doing in this time of high inflation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYBAL).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROYBAL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 280, noes 120, not voting 34, as follows:

[Roll No. 553]

AYES—280

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Barrett
Bell
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Diggs
Donohue
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Fascell
Fish
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frey
Froehlich
Fulton
Fuqua
Gettys
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hinshaw
Holifield
Holt
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
King
Kluczynski
Koch
Kyros
Lagomarsino
Leggett
Lent
Litton
Long, La.
Long, Md.
Luken
McCloskey
McCormack
McDade
McKinney
McSpadden
Madden
Madigan
Maraziti
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Brien
O'Hara
Owens
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reid
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stokes
Stubblefield
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Whalen
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wydler
Wylie
Wyman
Yates
Yatron
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOES—120

Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Breaux
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
Downing
Erlenborn
Evins, Tenn.
Findley
Flood
Flynt
Frelinghuysen
Frenzel
Gibbons
Goodling
Green, Oreg.
Gross
Haley
Harsha
Hastings
Hosmer
Huber
Hutchinson
Jarman
Jones, Tenn.
Kemp
Ketchum
Kuykendall
Landgrebe
Landrum
Latta
Lott
Lujan
McCollister
McEwen
McFall
McKay
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Michel
Milford
Miller
Mizell
Montgomery
Myers
Nelsen
Obey
O'Neill
Passman
Patten
Poage
Powell, Ohio
Price, Tex.
Quie
Rhodes
Robinson, Va.
Robison, N.Y.
Rogers
Satterfield
Scherle
Schneebeli
Shoup
Shuster
Smith, N.Y.
Steiger, Ariz.
Steiger, Wis.
Stratton
Sullivan
Symms
Treen
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Williams
Winn
Wright
Wyatt
Young, Fla.
Young, S.C.

NOT VOTING—34

Badillo
Blackburn
Blatnik
Brasco
Brown, Calif.
Carey, N.Y.
Clark
Dent
Derwinski
Dingell
Dorn
Evans, Colo.
Fisher
Gaydos
Gray
Gubser
Hawkins
Hillis
Hogan
Johnson, Colo.
Lehman
McClory
Macdonald
Mayne
Parris
Podell
Rarick
Rooney, N.Y.
Runnels
Sandman
Teague
Ware
Young, Alaska
Young, Ga.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT

HUMAN DEVELOPMENT

For carrying out, except as otherwise provided, Title VII of the Older Americans Act of 1965, as amended, $99,600,000.

AMENDMENT OFFERED BY MR. PEPPER

Mr. PEPPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEPPER: Page 8, beginning on line 13 and ending on line 14, strike out $99,600,000." and insert in lieu thereof the following: "$125,000,000."

Mr. PEPPER. Mr. Chairman and members of the Committee, in 1972 the Congress enacted a bill of which I was the original author, approved by the President, providing for aid to the extent of 90 percent for a program for rendering social services and nutrition to the elderly of this country, of whom we have something over 20 million.

The bill provided that in 1973 the amount authorized was $100 million. In 1974 the authorized amount was $150 million.

That was a short-term program.

The program proceeded so well and it was so popular at the State and local level that under the leadership of the able gentleman from Indiana (Mr. BRADEMAS), the Congress passed earlier this year an extension for 3 years of that program. The authorization of the extended bill was $150 million for 1975, $200 for 1976, and $250 million for 1977.

With respect to 1972 when the bill was first enacted, I have here a pamphlet from the Department of Health, Education, and Welfare for July 1972 stating in a headline "New Nutrition Programs to Serve $250,000 Meals a Day." They said the new nutrition programs would serve 250,000 meals a day for not less than 5 days a week.

In 1973, when the representative of HEW was appearing before the Committee on Appropriations, this is what the representative of HEW said the program was to provide, and I quote Mr. Phillip J. Rutledge, Deputy Administrator, Social and Rehabilitative Services:

"The major objective for fiscal year 1974 is to put in place efficient and effective nutrition and State and substate programs. The goal of the nutrition program will be to provide 250,000 meals tor, Social and Rehabilitative Services:

Mr. Chairman, this program, as I said, has served, at the present rate, 211,000 meals a day for a minimum of 5 days a week for the elderly of this country, and provides certain social advantages as well as food to these people.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to my distinguished friend, the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I thank my colleague for yielding.

I rise to support the gentleman's amendment and commend him for the leadership he has demonstrated in this program.

Beyond any question, it has been one of the most successful of these types of programs. The immediate need is certainly there, if our district is any criteria of the need.

Mr. Chairman, the program has been immensely successful and I trust that this additional funding will be available.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, do I understand that this would increase spending for this purpose by some $26 million?

Mr. PEPPER. Mr. Chairman, the figure is $25,400,000.

Mr. GROSS. Mr. Chairman, if the gentleman will yield further, would one have to take up residence in the State of Florida to participate?

Mr. PEPPER. Mr. Chairman, I will state to the able gentleman from Iowa that living in Florida would certainly make participation in the program all the more delightful, but it is available also to those who live in the good State of Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman.

Mr. PEPPER. Mr. Chairman, this amendment would add $25,400,000 to $99,600,000 now in this bill, as provided in this year's budget. The bill before the House would provide only the same amount appropriated last year—or, on account of inflation, fewer meals than the 211,000 served last year.

If my amendment were adopted it would provide to the elderly, most of whom are poor, about 250,000 meals at least 5 days a week. This is the number the program was intended to provide when it was adopted, but there has not been enough money available to make possible that number.

Mr. Chairman, I cannot see how we can give so much to so many people in other parts of the world and, as to those who are 65 years of age and over, 70 percent of whom are below the poverty level and 37 percent of whom are minority group members, deny them the opportunity to have at least one nutritious meal a day for at least 5 days a week.

Mr. Chairman, I hope the amendment will be adopted.

Mr. GILMAN. Mr. Chairman, I rise in support of the amendment offered by my colleague from Florida (Mr. PEPPER) which provides for $125 million for title VII, the Older Americans Act, in lieu of the $99.6 million recommended in the supplemental appropriations bill (H.R. 16900).

The nutrition program for the elderly has become virtually a necessity in the lives of more than 200,000 of our Nation's elderly, 70 percent of whom have incomes below the Bureau of Census poverty threshold and 37 percent of whom are members of minority groups. The Bureau of Labor Statistics reports that food costs for the elderly have increased more rapidly than for the average family.

With a 14-percent increase in the cost of food projected for this year and at an estimated $2 per meal to carry out this year's full nutrition program for the elderly, the cost to cover these meals would be more than $100 million.

While the administration justifies that the $99.6 million in this bill is on the same dollar level as the 1974 appropriation, it overlooks the fact that the Administration on Aging operates the program on an October-to-September basis. In terms of available cash for 1 year, the States will have only about $110 million, since $30 million of the $146 million for fiscal year 1974 has now been consumed in program operations for the months of July to October 1974.

Last July Congress authorized $150 million for the nutrition program for the elderly for fiscal year 1975, but the bill was enacted too late for consideration in the regular Labor-HEW appropriation bill. I enthusiastically supported this amount, considering the severe impact of the devalued dollar on the nutrition program and after receiving many reports from program directors in my district that even by stretching the food out, a reliance on local funding is a necessity to meet current demands.

In my district, the Rockland County Council for Senior Citizens, Inc., has been fortunate in getting this private funding enabling it to serve from a planned 500 meals each week to 650 at its four locations throughout the county. In Orange and Ulster Counties similar programs are underway. However, if Federal funding is not increased, the immediate result will be the equivalent of a 20-percent decrease in funds, due to the effects of inflation on the costs of raw food, paper goods, and other supplies. Therefore, it has been recommended that a minimum increase of 25 percent will be necessary to maintain only the present level of meals served under the nutrition program for the elderly.

Accordingly, Mr. Chairman, I urge my colleagues to give their favorable support to this amendment, adding $25 million to the present funding level recommended for this program. This is an absolute minimum needed to prevent our elderly from going hungry and from becoming the scapegoat for inflation.

Mr. GUNTER. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Florida.

Mr. GUNTER. Mr. Chairman, my distinguished Florida colleagues, floor amendment to title VII of the Older Americans Act to provide a $125 million appropriation, in lieu of the $99.6 million supplemental appropriation for fiscal 1975 for the nutrition program for the elderly, is entirely appropriate and essential.

From its inception in March 1972 the older American's nutrition for the elderly program has received encouraging response and overwhelming participation. Within a relatively short time—6 months—all States had developed programs. Frequently, actual participation in the program, both initially and over extended periods, has far exceeded official expectations. Such enthusiastic use of this program reflects the urgent need among our rapidly growing number of elderly for both nutritious meals and informal, congenial social contact.

Most of the large number of elderly Americans must live within a fixed income, often limited to only social security and other Government benefits. Thus their only method of adjusting to current high inflation rates is to curtail expenditure. With their small incomes, the elderly are forced to drastically reduce the quality and quantity of their diet and their social contact or obtain these illegally. In Florida, a haven for the elderly due to its warm climate, people who have never before stolen in their lives now must resort to petty thievery from food stores merely to survive. Out of desperation honest people are forced to engage in criminal behavior.

According to the September 1974 Community Nutrition Institute's estimate of current needs under the Nutrition Program for the Elderly, the State of Florida is now serving 9,300 persons daily in 19 projects. All of these projects, however, are forced, due to insufficient funds, to limit participation, so that less than 3 percent of those eligible are currently being served. So many eligible elderly have demonstrated their desire to participate in these programs that administrators are no longer able to accurately estimate current excessive demand for this service. The present allocation for this program in Florida under title VII is $4.7 million. To merely maintain the clearly insufficient current service would require an additional $.8 million. And $.5 million more is necessary to serve currently unmet needs.

Particularly disturbing is that 4 to 10 additional projects are ready to begin serving meals to the elderly but lack administrative funds. Sarasota County, unable to estimate its needs under previous allocations, currently has need for several programs. Marion, Lee, and Alachua Counties also have no programs. The Dade County program, serving the Greater Miami area, currently has resources for only 100 people. Further, only 10 percent of current funds are allocated to provide at-home service for nonambulatory elderly, while a much larger percent of the elderly are restricted to their homes.

Without the additional funds provided in the floor amendment to title VII past investments will be unproductive and current needs unmet. The Nutrition Program for the Elderly has been deemed from a cost-benefit standpoint one of the most effective Federal programs ever instituted. At a time when scarce resources must be carefully budgeted, such an economically effective and socially beneficial program should not be made inefficient merely by a refusal to supply the degree of funds necessary to allow for operation of current programs.

Finally, this program provides the elderly with congenial locations for informal social contact. Social contact is especially important for the elderly in order to combat loneliness leading to the mental depression and deterioration to which they are prone. Yet, due to illness or lack of financial resources, many have difficulty in pursuing social contacts. I commend my distinguished colleague, Representative CLAUDE PEPPER, on his foresight in anticipating these urgent needs of elderly Americans and in advocating this program. Due to his efforts to establish this nutrition program, the elderly will be provided not only with good meals, but with comfortable, accessible, and safe places of congregation.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I remind the Committee that this is an appropriation bill. Let me tell the Members something. Let me tell the Members what we are faced with now. Let us not play games.

Listen to this. I have been through four or five veto operations on the Labor-HEW appropriation bill, plus an education bill.

Now, this is a very unpleasant situation, because you go out in the hall and you turn around and come back with another cut. How much of a cut? Probably it includes all the things that we are for.

Mr. Chairman, I will ask the Members to listen to these figures. We came on this floor, and this bill was $160 million over the budget. Look at what we are faced with now. We are now, because of our action yesterday, $358 million over the budget. How do you like that? Do the Members know that?

We are $358 million over the budget. If we take this amendment, we will then be $383 million over the budget.

Now, what do you think? Let us not kid the truth.

Mr. Chairman, there is no Member of this committee or in this House who is more concerned about this program than am I. After all, I am from the coal fields of Pennsylvania. The average age in my congressional district is 50½ years, above the national average. I do not know what this problem is in my district.

I want the Members to listen to this: There is now in the pipeline in the States $142 million not spent.

The States at 20 minutes to 12 today have $142 million in the pipeline.

Now, some of the Members are laughing, but I think they may be laughing out of the other side of their faces when they see these figures.

Let me repeat, there is $142 million this very minute to be spent for this project that is not spent. It is not spent; why, I do not know. It should be, but it is not. You cannot do anything about that.

That is in addition to the $96.6 million in this bill. So that is $96.6 million plus $142 million.

We have no quarrel with this program. Who in the world would have? Nobody is against this program at all. But this is an appropriations committee. We are trying to do a job for you. Do not just vote willy-nilly and walk out. This is a can of worms, so do not do that. Take a look at this thing: An increase of 25 percent.

Let me add this: The agricultural people are here, I see them. Do you know this: Here is the language we have—now, hear this:

> In fiscal year 1975 the Title VII program will not be required to contribute to the administrative cost of the State agencies on aging, nor will there be a recurrence of capital investment costs incurred in the initial stage of the program. The combination of these two factors should make available an estimated additional $5 million to help offset the rising cost of food.

Five million dollars more.

In addition to that, under title VII surplus commodities from the Department of Agriculture in the near future to a value of 10 cents per meal for every meal from the Department of Agriculture. And, besides that, they have also just issued regulations in the Department of Agriculture that these meals will now be available for food stamps—food stamps.

Food stamps, the commodities in the Department, $5 million plus when you eliminate the cost of the administration, plus $96.6 million, plus $142 million not spent. There is no need for this, or I would be the first man for it.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. PEPPER, and by unanimous consent, Mr. FLOOD was allowed to proceed for 1 additional minute.)

Mr. FLOOD. I thank the gentleman for the additional time, and I am sorry I could not yield to the gentleman before this.

Mr. PEPPER. If the gentleman will yield, I have requested the additional time for the gentleman in order to ask a question.

Has not the able gentleman's committee been advised by the administration that they are not going to spend any amount in excess of the amount of $99.6 million? And, unless Congress provides an increase, that the government will not add to the number of meals that will be provided for the elderly people of this country?

And, second, is it not a fact that whatever savings there may have been by the elimination of certain previous administrative costs, that those savings are wiped out, by the increase in inflation which has occurred to make the meals more expensive than they were last year?

Mr. FLOOD. I will agree, but the $142 million is in that pipeline at 18 minutes of 12, $142 million for the next breakfast.

Mr. PEPPER. But that will not be spent.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MAHON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I, of course, strongly support helping the elderly poor in every meaningful way, and that is one reason I support the $99 million that we have provided in this bill for nutrition for the elderly. In this bill we are providing $99 million, the budget estimate, for these programs of nutrition for the elderly. But this program is prefunded, that is, it is advance funded.

The program currently has $142 million in funds that can be spent for food for the elderly this year, as was so well pointed out by the gentleman from Pennsylvania (Mr. FLOOD). In this bill we are talking about advance funding for the next year. I emphasize that, in addition to the $142 million that will be available for this year, the $293 million that is estimated to be used by the elderly in the food stamp program can also be used here. This use of food stamps in the elderly nutrition program is new and should considerably expand the impact of this program.

Only $58 million was spent in the nutrition program in fiscal year 1974, so the $142 million that will be available, plus the funds generated through the food stamp program will be a dramatic increase.

Mr. Chairman, we ought to try to get a bill that will not be vetoed. I think this bill will be vetoed if we keep moving as we are going now. And this would not be helpful to the elderly and all others who would otherwise receive funds in this bill.

Mr. Chairman, in the real interests of the elderly, who are perhaps ravaged by inflation more than any other group and who do need the funds that an unvetoed bill would provide, I urge that this amendment be defeated.

Mr. MICHEL. Mr. Chairman, will the chairman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr MICHEL. I appreciate the chairman's yielding.

Mr. Chairman, I should like to make a similar appeal if, for example, we are faced with a veto, and we have to go along with a continuing resolution that is unacceptable for many of these items, or, taking another consideration, if in order to get this within an overall budget ceiling figure we have to have some kind of overriding proviso in which we would allow reduction of the bill by a certain figure, and then cut no item less than 5, or 6, or 7 percent to live within that figure, the problem is that many of our other favorite programs which are ongoing would be hurt with the expense of an exorbitant increase for one single program here in the amount of $25 million. I just think it makes it tougher for us, frankly, to answer to our people back home for all these other programs.

I encourage the Members to take heed of what the chairman of our committee is saying here, that we have a responsibility, all of us—including the overall package—to try to get something that will be signed that everybody will know they will have at the local level to distribute in specific amounts for laudable purposes like nutrition for the elderly.

I cannot fault the gentleman from Florida for making the kind of pitch he has, and there are several others that would be in similar positions, but I think as a body here we ought to take heed of what the chairman says.

Mr. MAHON. I thank the gentleman for his remarks.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and any amendments thereto do now close.

Mr. RANDALL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and any amendments thereto conclude at 12 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous consent request was agreed to will be recognized for 1¾ minutes each.

The Chair recognizes the gentleman from Missouri (Mr. BURLISON).

Mr. BURLISON of Missouri. Mr.

Chairman, we have a national problem in this country known as the problem of inflation. This bill provides more than the President's budget for the services covered in the bill. I think the problem of inflation is a serious one and that is the amendments and that is the reason I am voting against this amendment.

Speaking as one Member of this body I am going to be very reluctant to vote to override the President's veto on this bill. If we keep going at the present rate, the veto is inevitable. I think we have to use some sense about Government spending and show some sense of judgment and I hope the Committee will reject this amendment.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I associate myself with the remarks of my friend and colleague, the gentleman from Missouri.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I associate myself with the remarks of the gentleman from Missouri. This will be the first time I will have voted against some of the educational appropriations and I do it because we are overspending and going beyond all bounds of reason, and I regret to have to do it.

I do not think anyone in this House would say I am insensitive to the needs of the poor and the aged because I have always supported them within the limits which we can go and remain anywhere near fiscally responsible.

I thank my friend, the gentleman from Missouri, for yielding.

Mr. BURLISON of Missouri. Mr. Chairman, I thank my friend, the gentleman from Kentucky.

The CHAIRMAN. The Chair recognizes the gentleman from Delaware (Mr. DU PONT).

Mr. DU PONT. Mr. Chairman, I am rising in support of the amendment.

I want to give the Members some statistics as to what has happened in this program and to dispel the notion that we are expanding this program. We are not expanding anything. We are trying to continue to stay with the number of meals we are serving now. Since November of last year the cost of these meals has gone from 75 cents to 82 cents in February, 87 cents in May and 90 cents in July. These are food costs alone; they do not take into account other increases in costs, such as the increase in the minimum wage, utilities costs, or the increase in the cost of gasoline for the Meals on Wheels program.

If we do not add this money, the result is very simple: We will force some people out of the program, and we will end up providing less meals.

I urge the Members to vote in favor of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Chairman, I strongly support the amendment of the gentleman from Florida (Mr. PEPPER) to increase funding for hot meals for our older Americans which is called Meals on Wheels. But pending further remarks let me say I would hope some of us would be given the opportunity for fuller discussion. The procedure to limit debate on an important matter like this should not become the pattern.

We enacted the Older Americans Act with all of its benefits for our senior citizens. Now we are telling our older folks that we did not mean what we said. For instance in the Older Americans Transportation Act we will not have hardly any money this year. I refer to the program called OATS. Some of the States who have started on that program will have to curtail it or suspend it.

We hear a great deal of talk about this supplemental appropriation bill being over the budget. Well that may be so but it would have been better not to start these programs such as Meals on Wheels and the minibus transportation known as OATS at all, than, after we have started them curtail or suspend them.

We make pious declarations about what we are going to do for our older Americans. Then we do a little but soon thereafter have to cut back or cut them out. That is pure and simple Indian giving to give and then take back. Our older Americans deserve better treatment than that.

Mr. PERKINS. Mr. Chairman, I rise in order to indicate my wholehearted support for the amendment offered by our distinguished colleague, the gentleman from Florida (Mr. PEPPER).

Initially, I want to compliment the sponsor of this amendment for his continued interest and dedicated work on behalf of the elderly and in particular on behalf of the program which is commonly referred to as "Meals on Wheels." I was pleased to join with Mr. PEPPER in cosponsoring this legislation in 1971. I am pleased also that the Committee on Education and Labor and subsequently the Congress approved this measure which subsequently became Public Law 92-258. And, I am pleased that once again today we have an opportunity to support a proposal which is of immense importance to our elderly citizens.

Just recently because of my intense interest in this program, I inquired as to the status of its operation and implementation in my own State of Kentucky. I would like to share with my colleagues some of the information I received just last month because I think it will indicate to them the necessity for supporting this amendment.

In the State of Kentucky we received a total of $1,549,402 out of fiscal year 1973 appropriations. Despite the inflationary trend, which hits this nutrition program as hard as any I can think of, there was no increase in the fiscal year 1974 funding. Nevertheless, there are substantial accomplishments occurring, and may I cite a few just in my own congressional district.

The Northeast Kentucky Development program at Olive Hill is serving meals to over 1,600 persons each week with over 1,500 of these receiving transportation services. A total of 3,500 elderly citizens are registered for the program. Another program in Licking Valley serves 500 meals weekly. Transportation services mostly to the meal distribution center but also for food stamps, physician appointments and other necessary services were provided to 1,543 people.

In July, a new program was initiated in the Morehead area under a grant of $48,000. It serves 500 meals weekly.

Mr. Chairman, in gathering together this information, I heard time after time: Please more adequate funding. As I have already mentioned, the inflationary crisis in this Nation is having a particularly adverse impact on this type of program. Projects have been forced to limit participation or reduce nutritional levels because of increased costs. A 10- to 20-percent increase in funding is needed in order to maintain projects at their present levels and much more is needed if we are to meet the current waiting list of demands for new projects.

Mr. Chairman, $150 million has been authorized for title VII under legislation emanating from the Committee on Education and Labor which became law on July 12. It would be my preference to have full funding of the program. We should do no less than provide at least the $25 million increase proposed by this amendment. I urge its overwhelming approval.

Mr. FRENZEL. Mr. Chairman, the Pepper amendment is a good one. The program is a good one. In normal times it should be supported.

But these are inflationary times. Members of Congress talk endlessly of economy, of reduced spending, of priorities. But we add to every spending bill without compensatory reductions elsewhere, and without any thought of budget-balancing through increased taxes.

We have already added about $200 million to this bill in two amendments. Both were for good programs, but inflationary spending does not do anyone, especially the clientele served, any good.

These programs are good. A sound budget cutting plan does not have to reduce, or not increase, everything. However, according to the subcommittee chairman, there is over $140 million in the spending pipeline in addition to the nearly $100 million already in this bill. Incidentally, the participants are mostly poor, but the program is not restricted to the poor.

Before we are finished with this bill, we will be another half a billion dollars over budget. How are we helping any segment of our society, especially our seniors, who generally have fixed, and limited, incomes, by causing more, and worse, inflation.

The amendment is a good one, all right, but its adoption will do more harm than good.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. CEDERBERG).

Mr. CEDERBERG. Mr. Chairman, I understand the real importance of the situation, and I recognize part of this bill we are considering today will affect areas that are politically enticing. They are things I would like to vote to increase, but it was not long ago that we passed a Budget Control Act, and we are setting up the Budget Control Committee now for the sole purpose of holding Federal spending at a reasonable and sensible level.

It just seems to me if we are going to try to reduce this budget on spending this year from $305 billion to $300 billion, it just will not be possible if we are going to continue to increase, with these amendments these very politically attractive areas in a very political year.

As far as I am personally concerned, I yield to no one in my concern for the education of our children and the care of our senior citizens; but these people are concerned and are hurt by inflation as much as anyone else. If we are going to continue year after year to finance budget deficits by going into the money markets and raising interest rates, this has an inflationary impact on the very people we are trying to assist; so I do not think we are helping the senior citizen or anyone else by going way above the spending levels outlined in the budget.

I can assure the Members there is no way I believe that the President can approve an appropriation bill that is going to wind up probably half a billion dollars more in expenditures over and above that which was contained in the budget.

It just seems to me that the time has come for us to be politically responsible or fiscally responsible and not politically expedient.

I am aware that when the roll is called today that we will probably be overwhelmingly defeated. I say that a vote to increase these appropriations way above what they are in the budget is going to just fuel the fires of the inflation more.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman, we all know the Federal Government has its budget problems, but are we going to cure the Government's budget problems by taking away food from the elderly, 70 percent of whom are below the poverty line and 37 percent of whom are in the minority groups?

All I am asking is that our appropriation be enough to give the elderly the 250,000 meals a day all over America out of the 4 to 5 million that are eligible for this program. As I said in the well the Government intended to do this in the inception of this program.

I have examined this matter carefully. The Government is only going to spend the $99,600,000 now in the bill unless my amendment is adopted and those funds are increased $25 million. At issue, therefore, are about 40,000 more meals a day for the elderly poor of America to be served.

Mr. Chairman, I think if we have to decide between the budget needs of our Government and the needs of thousands of the elderly poor of our country, for at least one decent meal a day at least 5 days a week, we should give those hungering and deserving people a little break.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, there are many benefits that are now available to the elderly. One of the major new benefits recently accorded to the elderly is the fact that food stamps which are now available to them can be used in the elderly nutrition program. So it seems to me that we should go along this year with the $142 million which is available now plus food stamps and other forms of assistance to the elderly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. PEPPER).

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. PEPPER. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will advise the gentleman that under the rules one cannot object to the vote on the ground that a quorum is not present in the Committee of the Whole.

RECORDED VOTE

Mr. PEPPER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 282, noes 125, not voting 27, as follows:

[Roll No. 554]

AYES—282

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Bafalis
Barrett
Bauman
Bell
Bergland
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Carney, Ohio
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Donohue
Drinan
Duncan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Fascell
Findley
Fish
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Howard
Hudnut
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jordan
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Lagomarsino
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
McCloskey
McCormack
McKay
McKinney
McSpadden
Madden
Madigan
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Peyser
Pike
Preyer
Price, Ill.
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Reid
Reuss
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roy
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Scherle
Schroeder
Seiberling
Shipley
Sisk
Skubitz
Slack
Smith, Iowa
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Vander Jagt
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Wampler
Whalen
White
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOES—125

Archer
Arends
Armstrong
Ashbrook
Ashley
Baker
Beard
Bennett
Bevill
Brown, Ohio
Burleson, Tex.
Burlison, Mo.
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
Downing
Dulski
Edwards, Ala.
Erlenborn
Eshleman
Evins, Tenn.
Flood
Flynt
Frelinghuysen
Frenzel
Gettys
Goodling
Green, Oreg.
Gross
Hamilton
Hansen, Idaho
Hastings
Hébert
Hosmer
Huber
Hutchinson
Ichord
Jarman
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kemp
Ketchum
King
Kuykendall
Landgrebe
Landrum
Lujan
Luken
McCollister
McDade
McEwen
McFall
Mahon
Mallary
Mann
Martin, Nebr.
Mazzoli
Michel
Milford
Miller
Minshall, Ohio
Montgomery
Moorhead, Calif.
Myers
Nelsen
Nichols
Passman
Pettis
Pickle
Poage
Powell, Ohio
Price, Tex.
Regula
Roberts
Robinson, Va.
Robison, N.Y.
Roush
Rousselot
Ruth
Satterfield
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Smith, N.Y.
Snyder
Steed
Steiger, Ariz.
Symms
Taylor, Mo.
Taylor, N.C.
Treen
Ullman
Veysey
Waggonner
Ware
Whitehurst
Whitten
Wiggins
Williams
Winn
Wright
Wyatt
Young, S.C.

NOT VOTING—27

Blackburn
Blatnik
Brasco
Breaux
Carey, N.Y.
Derwinski
Dingell
Dorn
Evans, Colo.
Fisher
Gray
Hogan
Johnson, Colo.
Lehman
McClory
Macdonald
Mayne
Podell
Quie
Rarick
Rhodes
Rooney, N.Y.
Runnels
Sandman
Teague
Van Deerlin
Young, Ga.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. MATHIS OF GEORGIA

Mr. MATHIS of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MATHIS of Georgia: Page 8, immediately after line 14, insert the following: "No part of any appropriation made in chapter II of title I of this Act shall be expended for any purpose until the efforts of the Department of Health, Education, and Welfare to promote the desegregation of public schools are being applied with the same intensity, standards, and sanctions in every region of the United States."

POINT OF ORDER

Mr. FLOOD. Mr. Chairman, I make a point of order against the amendment.

The **CHAIRMAN.** The gentleman will state his point of order.

Mr. FLOOD. Mr. Chairman, I make a point of order against this amendment on the ground that, although it is written in the form of a limitation, it is not a true limitation.

Let me point this out. This is legislation upon an appropriation bill. I will tell the Members why.

Mr. Chairman, this amendment, as we can see, very clearly gives positive and affirmative direction to the Secretary of Health, Education, and Welfare with respect to official functions.

This is what it does:

It requires the Department of Health, Education, and Welfare to apply efforts to promote the desegregation of public schools "with the same intensity, standards, and sanctions in every region of the United States."

Now, the present law does not require this. That objection in itself should be sufficient.

Mr. Chairman, let me add this as a matter of precedent:

I further call the attention of the Members, Mr. Chairman, to the word, "until," which is in this amendment.

Concerning the word, "until," as Chairman Frederick Hicks of New York stated on January 8, 1923—

> As a general proposition whenever a limitation is accompanied by the words "unless", "except", "until", "if", "however", there is ground to view the so-called limitation with suspicion, and in case of doubt as to its ultimate effect, the doubt should be resolved on the conservative side.

In this case, this applies to a point of order against this amendment.

I, therefore, Mr. Chairman, renew and insist upon my point of order.

The **CHAIRMAN.** Does the gentleman from Georgia (Mr. MATHIS) desire to be heard on the point of order?

Mr. MATHIS of Georgia. Very briefly, Mr. Chairman.

My good friend, the gentleman from Pennsylvania (Mr. FLOOD), says that this language contained in the amendment which I have offered contains no limitation. In fact, there could be no stronger or no more stringent limitation, Mr. Chairman, than the total withdrawal of funds or the lack of authority to expend these funds by the Department of Health, Education, and Welfare until such time as they comply with the law that is existing on the books today, as a result of the Fountain-Green amendment which this Congress adopted in 1969.

Mr. Chairman, I simply point out that in this amendment we simply reaffirm the law. I am rather surprised at my friend, the gentleman from Pennsylvania, making a point of order. I would think that this would be one amendment which the committee would accept and which the House would adopt unanimously, because it simply applies equal justice to all Americans under the law.

The **CHAIRMAN** (Mr. WRIGHT). The Chair is prepared to rule.

The gentleman from Pennsylvania (Mr. FLOOD) has made a point of order against the amendment offered by the gentleman from Georgia (Mr. MATHIS) on the ground that it would impose new duties on the part of administrative officials and would, therefore, constitute legislation in an appropriation bill in violation of clause 2, rule XXI.

Having carefully examined the language of the amendment, the Chair observes that it would prohibit the expenditure of any appropriations under title II, chapter II, by any of the various agencies therein enumerated for any purpose until a determination has been made that—

> . . . the efforts of the Department of Health, Education, and Welfare to promote the desegregation of public schools are being applied with the same intensity, standards, and sanctions in every region of the United States.

The Chair is not aware of existing legislation requiring precisely those determinations to be made, and while the Chair believes this language quite clearly would be in order if offered to an authorization bill, the Chair believes that a judgmental determination on the part of each of the enumerated agencies with respect to whether or not these efforts were being applied with the same intensity in every region of the country would impose new duties upon each of the enumerated administrative officials. For that reason the Chair concludes that this amendment would constitute legislation in an appropriation bill, and sustains the point of order.

The Clerk will read.

The Clerk read as follows:

SALARIES, OFFICERS AND EMPLOYEES

> For an additional amount for "Salaries, officers and employees", $130,000, including: the House Democratic Steering Committee, $65,000; and the House Republican Conference, $65,000.

AMENDMENT OFFERED BY MR. LANDGREBE

Mr. LANDGREBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. LANDGREBE: Page 8, strike out lines 18 through 22.

Mr. LANDGREBE. Mr. Chairman, the amount that is involved here, $130,000, may seem to some people too insignificant for anyone to raise their voice against. However, for those Members who might not know, this has to do with placing the photographers, both the Democrat and the Republican, on the Federal payroll, thereby relieving the said political parties of maintaining this service to their congressional Members here on Capitol Hill.

It seems to me that, with all the oratory by both parties regarding their great concern and love for working people, that those political parties would provide for their employees' working conditions, fringe benefits, and pensions at least equal to that provided for Government employees.

I might mention also that one of the joys of my congressional office has been to provide my visitors from Indiana with pictures taken on the steps of the Capitol and to explain to them that this is a service of the Republican Congressional Committee. They were always pleased. They appreciated it. Upon their return home many of them had these pictures placed in their local newspapers. I felt good and they felt good. I do not believe I am going to feel so good when in the future they ask me, who is paying for the pictures, and I will have to say, "You are. Yes, you the taxpayers are."

So, while I like Bob and Mickey, and I can assume that the majority party photographers are also fine people doing an excellent job of selling the Democrat Members of this House. I think that national committees of both political parties should and can give these people working conditions that are at least equal to those of Government workers and people employed in the marketplace. This is simply another giveaway deal with absolutely no provision made for the funds envolved.

Mr. CASEY of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the Senate photographers are on the payroll and have been for several years. They, of course, are entitled to retirement benefits and other benefits that Federal employees receive. Photographers on the House side, as the gentleman who offered the amendment stated, have been paid by the respective committees, the House Republican Conference on the other side of the aisle and the House Democratic Steering Committee on this side of the aisle.

Our committee received requests from the chairman of the House Republican Conference and the chairman of the House Democratic Steering Committee to place the photographers on the payroll so that they could have the same retirement benefits accorded to those on the Senate side. This is just the salary. The expenses of the office materials, cameras, development, film, and all of that, are still going to be paid for by the respective committees, the House Republican Conference and the Democratic Steering Committee.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Indiana.

Mr. DENNIS. I thank the gentleman for yielding.

This is a small item in the bill, and I had not even thought about it until my colleagues from Indiana raised it. But my understanding of what being on the public payroll means, particularly on the pension rolls—which is really involved here, as the gentleman pointed out—is that the persons involved are performing some public service. I am just wondering whether the people the gentleman and I represent really think that publicity photographs to be used for strictly political purposes is a public service or anything that the public ought to pay for. It seems to me it is exactly the kind of thing that political parties are for and ought to pay for.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. CASEY of Texas. I yield to the gentleman from Florida.

Mr. SIKES. I think that the amendment certainly should be defeated. I do not know any group that works harder around the Capitol to help the Members than photographers. They are tireless in their endeavors. They do a good job. I think they deserve what is proposed, and I trust the amendment will be defeated.

Mr. CASEY of Texas. Mr. Chairman, I urge that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. LANDGREBE).

The amendment was rejected.

(By unanimous consent, Mr. LUJAN was allowed to proceed out of order.)

CASTRO CALLS FOR REVOLUTION IN VENEZUELA

Mr. LUJAN. Mr. Chairman, I take this time to inform the Members of some of the things that are happening. I just came into possession of the speech that the Communist dictator of Cuba, Fidel Castro, made on Saturday, the 28th, just the day before he met with two U.S. Senators. If anyone believes that the tiger of the Sierra Madres has lost his stripes, he ought to take a look at this speech, because the stripes are not even whitewashed.

Mr. Chairman, Castro blasted Americans as being the cause—the cause, mind you—of the high oil prices in the world. Along with that, he issued his same old inflammatory statement calling for revolution in South America. Specifically, he zeroed-in on our good friends from Venezuela and told them to take a lesson from the Cuban revolution.

Mr. Chairman, when a man speaks so plainly as he did, I suggest that we listen. Regardless of what his apologists in this country may say, his own words and actions clearly prove him to be America's most vicious enemy in this hemisphere. and as long as he claims that title, I see no logic in denying him either the title nor the consequences.

The CHAIRMAN. The time of the gentleman from New Mexico has expired.

Mr. DENNIS. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for 1 additional minute.

Ms. HOLTZMAN. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

COMMITTEE ON THE BUDGET (STUDIES)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101 (c), 606, 703 and 901(e), of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, $138,000.

AMENDMENT OFFERED BY MR. LANDGREBE

Mr. LANDGREBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANDGREBE: Page 8, strike out line 23 through line 4, page 9.

Mr. LANDGREBE. Mr. Chairman, this amendment involves a small amount of money at the outset. Perhaps it is too small a matter to bring up for discussion.

However, inflation, deficit spending, fiscal irresponsibility are the dominant concerns of most Americans today. People are worried about our national debt, which is increasing year after year. President Ford has called a summit meeting, and a number of conferences to deal with the problem. He is doing everything that he can to call to the attention of the public and, of course, to the Congress that we must change our ways if we are going to save this country from utter chaos.

But what is this House doing about it? That is the question. When are we going to have our summit meeting? When are we going to have our conference? When are we going to discuss these issues right here in this House where the responsibility lies for deficit spending?

What are we doing about the problem? Well, here we go again, funding another committee to look into the problem at a cost of $138,000 to start.

Let me remind the Members that in the 92d Congress we Congressmen were costing the American taxpayer less than $1 million per individual Member. In the 93d Congress we are costing the taxpayer $1⅓ million per Member. Is it not about time that we use some of those funds to study our problems, if study it we must?

We Congressmen are talking about inflation out of one side of our mouth, blaming it, at least in part, on irresponsible spending by the body of Congress. From the other side of our mouths we are proclaiming "Don't blame me, I am clean, I am lily white." When are we going to tell the people: "I am a Member of Congress and I receive the same money as each other Member. I have got to be responsible."

When are we going to, as individuals, refuse to vote aye on programs such as this, with its modest $138,000 beginning, but knowing full well that by next year this same committee will require at least a half million.

There is one way to balance the budget and that is for each Member of the Congress to vote responsibly on each and every bill. If the bill is over the budget then we must vote against it. That is how we are going to solve our fiscal problems, and our fiscal problems are getting very serious

In fact, we must remind ourselves we are paying a half billion dollars interest, weekly, on our half trillion dollar Federal debt.

Sure, we are going to take care of the photographers. They should have a better deal with their own political parties. Our parties are not a half trillion dollars in debt. How long are these Government pensions or any other pensions going to be worth the paper they are written on? How long will our social security program survive if we do not soon accept our individual responsibilities instead of passing the buck to some committee or to the body of Congress?

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, how did the gentleman vote on the budget reform bill?

Mr. LANDGREBE. I voted against it.

Mr. CEDERBERG. The gentleman voted against it.

Mr. LANDGREBE. Yes, sir.

Mr. CEDERBERG. Then the gentleman is on good grounds. But if we are going to have the committee—and I have always expressed some reservation about what the results of this committee will be—then I see no way to have the committee without providing the funding. I do not know of any other way. If the gentleman wants to repeal the legislation, I think he is on better grounds, but if he is trying to cut this money out which is absolutely necessary if the committee is going to operate, I cannot see that.

Mr. LANDGREBE. The point is each Member of the Congress, each Democrat, each Republican, each male, each female Member of the Congress is costing the taxpayer $1⅓ million a year. Each of us must accept his own responsibility. Use his own judgment, instead of relying on the advice of any committee. That is what we are paid for, that is what we must do.

Let us rise to our responsibilities, let us get about the job of saving this country. Time is running out. Only prompt, responsible action can save this Republic.

Mr. CASEY of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr Chairman, the gentleman has stated this is no place for this money to be in a continuing resolution. I want to correct him in this regard. This is a supplemental appropriation bill and the money very properly belongs in here, for the reason that this House created the Committee on the Budget. We now have an active committee and the idea of the creation of this committee was to show the responsibility which the gentleman is demanding; however, with the results we have seen in the previous sections of this bill, I think this committee is very much needed. They have been holding hearings daily. The gentleman from Oregon (Mr. ULLMAN) is the chairman of the committee. If we want to do the work we expect them to do, we have to give them the money. This money is to reimburse other Federal agencies when they have to use these agencies on a reimbursable basis; $138,000 for this purpose is all we asked for in that regard.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr CASEY of Texas. I yield to the gentleman from Iowa

Mr. GROSS. Do I understand the new Budget Control Committee is now meeting daily, or at least frequently?

Mr. CASEY of Texas. I will stand corrected. It has not been daily, but they have had meetings.

Mr. GROSS. Frequently?

Mr. CASEY of Texas. Yes.

Mr. GROSS. The results are not very apparent, if they are economy minded. The results are not very apparent on the House floor, particularly in connection with this bill.

Mr. CASEY of Texas. Well, if the gentleman will yield, the committee is fairly new and they have not had an opportunity to perform the functions they have been instructed to do. It is true, it has no function in the appropriations here today.

Mr. GROSS. If their philosophy with respect to the economy means anything, it certainly is not evident there today, nor has it been evident previous to that.

Mr. CASEY of Texas. They are not supposed to show anything until next year, as far as that is concerned. They have to get the data together and make a presentation to this House according to the directions of the bill we passed creating the committee.

I know the gentleman did not vote for it, so he is on the same firm ground as the gentleman that offered the amendment. The majority of the House did and if they want the committee to perform its responsibility, they have to give them the money to do it.

Mr. GROSS. I knew it would not take long for the committee to demonstrate that it is meaningless.

Mr. CASEY of Texas. They have not had time to show that.

Mr Chairman, I urge defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. Landgrebe).

The amendment was rejected.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Wright, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had come to no resolution thereon.

APPOINTMENT OF CONFEREES ON HOUSE JOINT RESOLUTION 1131, FURTHER CONTINUING APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 1131 making further continuing appropriations for the fiscal year 1975, and for other purposes, with the Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROSENTHAL. Mr. Speaker, I reserve the right to object.

I shall not object. I merely want to ask the distinguished chairman of the committee when he foresees the conference taking place.

Mr. MAHON. Mr. Speaker, the conference is planned for this afternoon. As of midnight Monday night, operating authority for much of the Government lapsed so we are going to meet this afternoon and hope to move vigorously on this further continuing resolution which is absolutely essential.

Mr. ROSENTHAL. Mr. Speaker, if I may proceed, when does the distinguished chairman anticipate that an agreement or report can be brought back to the House?

Mr. MAHON. We intend to act as rapidly as possible, but there is no way to tell when we can come to an agreement with the other body. However, we will do our best to get early action.

Mr. ROSENTHAL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. Mahon, Whitten, Sikes, Passman, Evins of Tennessee, Slack, Cederberg, Michel, Davis of Wisconsin, and Shriver.

CALL OF THE HOUSE

Mr. MOSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 555]

Ashley
Blackburn
Blatnik
Boggs
Brasco
Breaux
Carey, N.Y.
Carter
Clark
Conable
Conyers
Derwinski
Dorn
Dulski
Edwards, Calif.
Erlenborn
Evans, Colo.
Fisher
Fraser
Fulton
Gray
Griffiths
Hanna
Harsha
Hébert
Holifield
Horton
Johnson, Colo.
Lehman
McClory
McEwen
McSpadden
Mayne
Mitchell, Md.
Parris
Podell
Quie
Rarick
Rees
Reid
Reuss
Rooney, N.Y.
Rousselot
Ryan
Sandman
Shuster
Smith, N.Y.
Stokes
Symington
Teague
Tiernan
Ullman
Van Deerlin
Vander Jagt
Young, Ga.

The SPEAKER. On this rollcall 379 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE REFORM AMENDMENTS OF 1974

Mr. BOLLING. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution. House Resolution 988, with Mr. Natcher in the chair.

The Clerk read the title of the resolution.

The CHAIRMAN. When the Committee rose on yesterday, there was pending the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. Hansen), the amendment offered by the gentleman from Nebraska (Mr. Martin) as a substitute for the Hansen amendment, and the amendment offered by the gentlewoman from Missouri (Mrs. Sullivan) to the amendment offered as a substitute by the gentleman from Nebraska (Mr. Martin).

Mr. BOLLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would hope that we could dispose of the Sullivan amendment in a reasonable time. I believe that this afternoon the Committee should make an effort to come to some conclusion as to the way in which it wishes to deal with this matter. What I propose to do is to seek to dispose of the Sullivan amendment in whatever way the Committee chooses in a relatively short time, and then I hope to be able to get recognition to pursue another matter, which I think will enable us to then see really where we are, to find out whether the Committee wishes to consider this matter in a serious and orderly fashion, and whether it wishes to structure itself so that it will not be impossible for Members this late in the month, even though it is early in the month of October, it is late in the month of October to some of us, to know what they are doing. In other words, to arrive at some kind of a structuring as to when the Committee might choose to dispose of the matter before us. But the preliminary step would be to dispose of the Sullivan amendment in an orderly fashion. And I would seek to find how many Members wish to speak on that particular matter so that it would be possible to arrive at some kind of reasonable time.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. BOLLING. I would be delighted to yield to the gentleman from Kentucky.

PARLIAMENTARY INQUIRY

Mr. PERKINS. Mr. Chairman, my parliamentary inquiry is this:

How can the gentleman from Missouri ask for a limitation of the time when some Member may want to offer an amendment to the Hansen amendment in the nature of a substitute before we vote on the Sullivan amendment?

How can the gentleman make a request that would bar other Members who may want to offer an amendment to the Hansen substitute? I would feel that the gentleman is out of order in making that request at this time.

The CHAIRMAN (Mr. Natcher). The Chair would like to state that of course the gentleman from Missouri can respond to the inquiry of the gentleman from Kentucky, but the Chair would state that as the Chair understands the matter the gentleman from Missouri (Mr. Bolling) is only inquiring as to how many Members wish to speak on the amendment offered by the gentlewoman from Missouri (Mrs. Sullivan) to the amendment offered as a substitute by the gentleman from Nebraska (Mr. Martin).

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I do not wish to interfere with the efforts of the gentleman from Missouri in finding out how many Members want to speak on the Sullivan amendment, but I noted with great interest the reference of the gentleman to the fact that the gentleman hoped to dispose of that amendment and one other matter that the gentleman has not identified, and that then the committee could try to find out how it could structure itself in such a way as to conclude their consideration and their deliberations on this very important reform legislation.

I personally have been somewhat upset, if that is the proper word to use, at the somewhat cavalier fashion in which we deal with this matter for several hours, and then we go to another bill, and then we drop that bill and come back to the Select Committee on Reform and consider its resolution, and then we set that aside after a couple of hours and go back to some other legislation.

Is there any way that we have the power in connection with that—and I am referring to the Committee of the Whole—to offer some suggestions that would be binding in nature, that we proceed in an orderly fashion to conclude our consideration of the Select Committee on Reform's legislation?

Mr. BOLLING. Mr. Chairman, I would like to try to respond to the gentleman from Illinois. I believe there are ways. And I would have to tell the gentleman from Illinois that it is not the fault of the leadership that we have had intermittent consideration of this matter.

It is by an agreement reached by the gentleman now speaking and the chairman of the Committee on Appropriations, who made a very good case that there were urgent matters that needed to be considered, and we worked out a method of proceeding which allowed the select committee's matter to be before the House for a reasonable time each day, but at the same time we were giving the Committee on Appropriations an opportunity to proceed to deal with other urgent matters. I believe that has been a responsible and constructive way to proceed.

What I have in mind, however, is not any attempt today, to limit debate, but to get to a situation sometime today where we understand whether the House seriously intends to proceed with this matter—there is a way to arrive at that and after we dispose of the Sullivan amendment I will suggest that way—and then proceed with no great rush. Contrary to all comments that have been made heretofore, there is a remarkably light legislative schedule before the House. We do not have urgent matters except for the appropriations matters and some few others, for which there is plenty of time. All I am seeking to do is to arrive at a decision on one matter now. I should like to see if we cannot agree on a unanimous consent agreement as to when we will vote on the Sullivan amendment alone, and then the next matter that I will suggest will be a suggestion to those who are the most bitter opponents of the bill, and when that is resolved, then I think we will be in a position, with no mystery, to decide as a group how we wish to proceed. There are no tricks; there is no mystery; it is all completely in the hands of the committee.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield further for just a brief comment?

Mr. BOLLING. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I certainly did not wish to be understood as being critical in any way of the chairman of the select committee in his yielding to the entreaties of the chairman of the Committee on Appropriations, and that is, perhaps, understandable. However, I should express the hope that it would be possible, now that we have made that particular accommodation, to proceed to a conclusion of our consideration of this bill without further interrupting those deliberations by taking up other matters, be they appropriation bills or not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOLLING. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Chairman, reserving the right to object, sorely for the purpose of appropriate colloquy with the Chair with regard to a parliamentary situation, and for the purpose of reserving a point of order which I will make against the unanimous consent request at a time later, I should like to make a parliamentary inquiry of the Chair at this particular time.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DINGELL. Mr. Chairman, in order to clarify the situation, I understand that we have at this time four amendments in different states of readiness pending before the House. We have the Bolling proposal; we have the Hansen substitute pending; we have the Martin substitute for the Hansen substitute also pending.

The CHAIRMAN. The gentleman is partially correct.

Mr. DINGELL. As I understand, there is no other amendment pending to the Hansen substitute at this particular time.

The CHAIRMAN. That is correct.

Mr. DINGELL. But such could be offered at any time; am I correct on that, Mr. Chairman?

The CHAIRMAN. The Chair would like to remind the gentleman that the amendment offered by the gentlewoman from Missouri (Mrs. Sullivan) is pending to the Martin substitute.

Mr. DINGELL. That is correct, but an amendment could be offered by any other Member to the Hansen substitute, which would require that amendment at that time to be voted on prior to the amendment offered by the gentlewoman from Missouri.

The CHAIRMAN. The gentleman is correct. The Chair would like, in the interest of saving time and orderly procedure, to dispose of the Sullivan amendment as soon as possible. The gentleman is correct in his statement.

Mr. DINGELL. My parliamentary inquiry, Mr. Chairman, is if the gentleman's unanimous consent request is agreed to, would Members be foreclosed at that time from offering amendments to the Hansen substitute, and would they be denied the right to have a vote in orderly fashion on their amendments, as occurred previously under the rule, as I understand, prior to the vote on the amendment offered by the gentlewoman from Missouri (Mrs. Sullivan).

The CHAIRMAN. The Chair would like to advise the gentleman that Members would not be barred from offering amendments to the Hansen substitute.

Mr. DINGELL. Even if the unanimous-consent request which the gentleman from Missouri is about to propose is agreed to?

The CHAIRMAN. The Chair would like to advise the gentleman from Missouri that his unanimous-consent request has not been made up to this time.

Mr. ICHORD. Mr. Chairman, further reserving the right to object, I assume that the gentleman from Missouri (Mr. Bolling), in view of the advice of the Chair that amendments to the Hansen resolution would be in order and would be voted upon before the Sullivan amendment to the Martin resolution, plans upon making a unanimous-consent request that we vote upon the Sullivan amendment before voting upon any amendments to the Hansen resolution.

Mr. BOLLING. If the gentleman will yield, the unanimous-consent request I had in mind is a very simple one, that we limit further debate on the Sullivan amendment, without reference to anything else, but since this matter seems to be causing more confusion than enlightenment and I was really only intending to do my colleague from Missouri a courtesy and give an opportunity for her matter to be considered before I made my second suggestion, I have decided to make my second suggestion now.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. BOLLING. I did not make that unanimous-consent request. I said I was thinking about it.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri (Mr. Bolling) that he be permitted to proceed for 5 additional minutes?

Mr. ARENDS. Reserving the right to object, Mr. Chairman, I would like to ask the gentleman from Missouri (Mr. Bolling) in view of the fact that we have had two bills bouncing around in the air for a couple of days, whereby we discussed the supplementary appropriation bill earlier today and now we are on the gentleman's resolution and maybe we will finish this part of the procedure or continue until 4 o'clock.

Mr. BOLLING. It is 4:30.

Mr. ARENDS. And then we go back to the other matter at 4:30, what will we do tomorrow? Are we going to continue this process of juggling two bills until we get the two bills done?

This measure which the gentleman brings has been kicking around for weeks and weeks and weeks and another day or two will not make too much difference in time whereas we have the appropriation bills which are vital and which ought to be considered. I personally feel that would be a more orderly procedure and at 4:30 we should go ahead with that bill and get it done.

Mr. BOLLING. I could not agree with that. I would not feel that I was obeying the rules of the House and my responsibility as a chairman of the committee if I agreed to that.

Mr. Chairman, I renew my request.

The CHAIRMAN. Will the gentleman restate his request?

Mr. BOLLING. Mr. Chairman, I asked unanimous consent that I might proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Chairman, I thank the Chairman and the Members for their patience.

The matter which I wish to bring up, since I evidently caused more confusion than light with the previous procedure which was only designed to do a courtesy to my distinguished colleague and friend from Missouri, is this.

There were a number of Members who came to me yesterday and suggested that the way to settle this matter was to make a motion to strike the enacting clause, and since there is no enacting clause they would have to make a motion to strike the resolving clause.

If I may have a reasonable amount of order, Mr. Chairman, I want it very clearly understood that I bitterly oppose stopping the consideration of this matter, but I feel strongly that those who feel that they can delay the matter to death should discover whether or not at this stage of the debate the House wishes to proceed seriously with the matter.

We had an overwhelming vote on the rule, overwhelming and perhaps tactically overwhelming; but I think that those who would kill the bill should offer a motion to strike the resolving clause. Then if it fails, as I hope it will overwhelmingly, it will be clear that we are going to proceed to the conclusion. It seems to me very clear that we will be much kinder to the Members of the House if today we were able to say we are going to continue with this matter to a conclusion, that on tomorrow we are going to amend Hansen and Martin, that then next week if there is agreement among the leadership that they will support this, we will attempt to amend House Resolution 988, if that is still necessary. Then the matter will come to a final vote.

There are many Members—I do not happen to be one—who have urgent commitments over this weekend. There are many Members who wish to know whether we are going to go late tomorrow night or finish early. There are many Members who wish to know whether we are going to meet on Monday.

I have no responsibility for scheduling; but as a Member of the House and the chairman of this committee, I think I have a responsibility to the Members not to leave them hanging in the wind, to try to develop an orderly procedure whereby this matter can be considered and finalized, in whatever way the committee chooses.

It seems to me that the best way to do that is to find out this afternoon if the Members desire to strike the resolving clause or if they wish to pursue this matter to a conclusion.

Mr. WAGGONNER. Mr. Chairman, will the gentleman from Missouri yield?

Mr. BOLLING. I will be glad to yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, the suggestion that the gentleman has made about the advisability of offering a motion to strike the resolving clause of the resolution would be, I hasten to say, a tactical mistake at this point in time. One offers a motion to strike the resolving clause when one thinks he has the votes. At the present time, I do not think that such a motion would pass.

Now, the gentleman is correct that that was a consideration yesterday. At a point in time yesterday there were considerable votes for it, but not enough; so as honest as I can be with the gentleman, neither of us have ever kidded the other, if a motion is offered to strike all after the resolving clause of the resolution it will be at a point in time when we think there is a chance for it to succeed. Until we reach that point in time, we will not; however, offer such a motion.

If the gentleman from Missouri, who knows the rules of this House as well as anybody does, chooses to use that ploy, that is his privilege.

Mr. BOLLING. I would like to comment on the remarks of my distinguished friend, the gentleman from Louisiana.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. Waggonner and by unanimous consent, Mr. Bolling was allowed to proceed for an additional 5 minutes.)

Mr. BOLLING. Mr. Chairman, I would like to comment on the gentleman's statement. The gentleman, as usual, has been very straightforward. I would say the only flaw in his reasoning is that it leaves all the Members of the House very unsure as to where we are and where we are going. That being the case, he having been so frank, at a later time, not now, the gentleman from Missouri will attempt to make it more possible for more Members to know what the schedule will be. It will be more difficult, given the circumstances, since the gentleman has reserved the opportunity to move to strike when he thinks it more propitious; but I had only hoped we could find out whether the House was serious or whether we were really going to see an attempt frankly stated by those as honest as the gentleman from Louisiana, including some who testified before the Committee on Rules, that their full intent was to delay the whole matter to death.

All I am doing is, in effect, serving notice that I will attempt to prevent that from happening in due course.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I am wondering about this: Since it seems to me that the serious contest is between the Hansen proposal and the Bolling proposal, time spent amending the Martin proposal is, to my way of feeling, time lost. So then, why not just leave the Sullivan proposal pending for a couple of days so that we will not waste any more time on new amendments on the Martin proposal, and then we will be working on the Hansen proposal and getting something perfected which we can vote on?

It seems to me it would be better not to try to push for an early vote on the Sullivan proposal.

Mr. BOLLING. Is the gentleman capable of getting an agreement that there will be no further amendments to the Martin proposal?

Mr. SMITH of Iowa. No.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I concur in the efforts of the gentleman from Missouri to accommodate the gentlewoman from Missouri. In fact, I, out of the same considerations, did not ask recognition for an amendment to the Hansen resolution to accommodate the gentlewoman from Missouri. But, under the ruling as announced by the Chair, the gentleman will have to make a request that amendments to the Hansen resolution will not be in order until the Sullivan amendment is concluded.

If someone offered an amendment to the Hansen resolution, the time would run on the Sullivan amendment. We would be debating the Hansen resolution and voting on the Sullivan amendment so I would hope the gentleman will include in his request, his unanimous consent request, that amendments to the Hansen resolution not be in order until the Sullivan amendment is concluded.

Mr. BOLLING. The gentleman from Missouri has no intention at this point to make any request. He was seeking to accommodate the gentlewoman. It became obvious that it was not possible, and he then proceeded to say what he was going to say after the gentlewoman had been accommodated.

I have no desire to do anything at this particular time. I just want it to be clear where we are, and I assume from the facts that the proponents of striking the resolving clause do not seem to have the votes now——

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, as capable as the gentleman from Missouri happens to be, I am sure he would agree with me that the gentlewoman from Missouri is likewise capable of taking care of her own amendment. I do not think the gentleman needs to explain too much along that line.

Mr. BOLLING. Mr. Chairman, I thank the gentleman for his contribution, but I regret to say that I cannot see his point.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I thank the gentleman for yielding to me.

I beg to disagree completely with the gentleman from Iowa, who speaks from a personal opinion. I would like to inform the gentleman that there is very strong support on both sides of the aisle, of which he evidently is not aware, for the compromise resolution which I have presented to the House, and which is before the House at the present time.

The gentleman is not completely up on what seems to be going on around here, and I prefer, in addition to those remarks, Mr. Chairman, to state that I want to see the House follow regular order under the Rules of the House in allowing the Members to offer amendments to both the Martin substitute as well as the Hansen substitute.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MARTIN of Nebraska. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am now serving notice on the committee that all amendments offered from now on, this side of the aisle is going to insist that that particular amendment or all amendments be read in full. The Rules of the House, under rule XXIII, clause 5, provide the following:

> Upon the offering of any amendment by a Member, when the House is meeting in the Committee of the Whole, the Clerk shall promptly transmit to the majority committee table five copies of the amendment and five copies to the minority committee table.

Yesterday we were not provided on this side of the aisle with a copy of the amendment of the gentleman from New Jersey until after the committee had risen. We were advised by the gentleman in his opening remarks, that it was a very short amendment, as I recall, two lines. I have not checked the remarks, actually, in regard to that, but in the RECORD this morning his amendment consists of three columns.

I would like to further call to the attention of the committee this portion of his amendment which, to my knowledge, was not presented nor explained to the committee yesterday—and let me read from the gentleman's amendment:

> From the funds provided to the minority pursuant to the preceding sentence, the ranking minority party member of each full committee shall provide the ranking member on each standing subcommittee of the committee a sum of money not to exceed 75 percent of the maximum salary allowable for committee staff to be used.

In other words, the interpretation and the meaning of these words of the gentleman's amendment, which was not adequately explained to the committee yesterday, is that these additional staff members as provided by his amendment to the minority would be paid 75 percent of what the majority members receive. I do not think Members of the House understood that. I do not think this was adequately explained yesterday and, in view of the fact that so much confusion existed, many Members voted for this amendment without having full knowledge of what was in the amendment.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Nebraska. I yield to the gentleman from Missouri.

Mr. BOLLING. I would urge that the gentleman not rigidly insist upon the amendments being read, because clearly one could come in with one that included the dictionary and we would be here until shortly before we adjourn on the 11th.

We got two amendments that purported to be the Thompson amendment. I think that was a mistake.

The gentleman really means everybody should comply with the rules that there be furnished a certain number of copies to both desks, and I hope he will remain flexible in the notion of not insisting on every occasion that the whole amendment be read because it plays into the hands of those who would filibuster.

Mr. MARTIN of Nebraska. I am going to insist that the rules of the House be followed, that we have copies of amendments furnished at the minority desk. In all circumstances, unless it is not completely reasonable, I am going to insist they be read. I am not going to be caught, as I was yesterday. I admit that it was my responsibility to insist that the amendments be read in full.

AMENDMENT OFFERED BY MR. KUYKENDALL TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. KUYKENDALL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington.

The Clerk read as follows:

> Amendment offered by Mr. KUYKENDALL to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington: Page 59, strike out lines 15 through 17, and insert in lieu thereof the following:
>
> "(4) Civil aeronautics.
>
> "(5) Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.
>
> "(6) Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission."
>
> Page 59, line 18, strike out "(5)" and insert in lieu thereof "(7)".
>
> Page 59, line 20, strike out "(6)" and insert in lieu thereof "(8)".
>
> Page 59, line 23, strike out "(7)" and insert in lieu thereof "(9)".
>
> Page 59, line 24, strike out "(8)" and insert in lieu thereof "(10)".
>
> Page 59, line 25, strike out "(9)" and insert in lieu thereof "(11)".
>
> Page 60, line 1, strike out "(10)" and insert in lieu thereof "(12)".
>
> Page 60, line 2, strike out "(11)" and insert in lieu thereof "(13)".
>
> Page 60, line 4, strike out "(12)" and insert in lieu thereof "(14)".
>
> Page 71, line 1, strike out "and Transportation".
>
> Page 72, strike out lines 2 through 10.

Mr. KUYKENDALL. Mr. Chairman, this is the amendment that I am offering to the Hansen amendment and is not necessarily to be offered to the Martin amendment because all the goals of the amendment I am now proceeding to offer or proceeding to explain are accomplished in the Martin amendment.

Several times yesterday the gentlewoman from Missouri (Mrs. SULLIVAN) spoke of the human element of a particular change or a particular reversal being made in the attempt to reform the Congress. Then one of the proponents of the Bolling resolution would almost invariably proceed to say, "But this would do damage to the structure."

It distresses me greatly when more attention is given to the so-called integrity of a structure than is given to the people who are going to make whatever plan we eventually adopt work.

The Committee on Aeronautics and Transportation has been part of the Committee on Interstate and Foreign Commerce since its inception in the late 1700's. In fact, transportation was the first element placed in the Committee on Interstate and Foreign Commerce.

The Bolling committee totally removes transportation from Interstate Commerce. The Hansen amendment takes railroads only and returns them to the Committee on Interstate and Foreign Commerce, but leaves a cross jurisdiction, particularly with aviation, because, Mr. Chairman, aviation is also under the Railway Labor Act, just as barge lines and truck lines are under the regulation of the ICC.

My amendment would reconcile the elements of transportation that are now in the Committee on Interstate and Foreign Commerce and would prevent the cross jurisdiction that is now in the Hansen committee or under the Railway Labor Act, and would prevent the cross jurisdiction that is now in the Hansen amendment under the Interstate Commerce Commission, and by adding the Civil Aeronautics Board and putting the Federal Aviation Administration back to its original position would create no new cross jurisdiction.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Washington.

Mr. ADAMS. I rise to support the gentleman's amendment which would place transportation basically in one committee.

It has been my position and that of the gentleman that transportation should not be divided. By doing that, we get into cross jurisdictional matters.

I support the reforms that are being attempted to be made, and I know we are going to have one of these various proposals agreed to.

I think in this case that the gentleman is trying to place the jurisdiction of the Interstate Commerce Commission before one committee, where it has traditionally been for many, many years.

Mr. Chairman, I think we have presently pending legislation that demonstrates the necessity of having a comprehensive approach to all matters under the regulatory agencies. I may take differing positions at other points in the bill if this fails.

I do not believe in delay, I do not believe we should put off a reform measure, but I think the gentleman's amendment has merit. I serve on the committee with the gentleman, and I think that committee does have an expertise that would be of value to this House.

Mr. KUYKENDALL. Mr. Chairman, I would like to take a moment in order to ask the gentleman from Montana (Mr. Shoup) if he would join in the colloquy.

The gentleman from Montana and the gentleman from Washington (Mr. Adams), are jointly due the greatest credit for some legislative action and for the legal success before our courts this week.

The massive and very necessary Northeast railroad bill was passed several months ago, after 7 months of hard work. Those Members in the Northeast quadrant of the United States should pay particular attention to what I am attempting to say before they ever agree to separate transportation from this committee, because as of this week this act was declared constitutional. This is important, because it means that now we can move forward. We can move forfard toward saving the railroads in the Eastern part of the United States.

Mr. Chairman, I think particularly the gentleman from Montana (Mr. Shoup), whose name is on the bill, and the gentleman from Washington (Mr. Adams), as well as the gentleman from Michigan (Mr. Dingell) and others, are due credit for this success.

The CHAIRMAN. The time of the gentleman from Tennessee (Mr. Kuykendall) has expired.

(By unanimous consent, Mr. Kuykendall was allowed to proceed for 5 additional minutes.)

Mr. SHOUP. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Chairman, I thank the gentleman for yielding.

Would it be the gentleman's feeling that in the enactment of the Northeast rail bill it was the mandate of this body that rail transportation would not become publicly owned transportation but would, rather, remain as private enterprise?

Mr. KUYKENDALL. The gentleman is correct. This is our goal.

Mr. SHOUP. Then, logically, how can we assume we will achieve our goal by transferring a private enterprise function from a dedicated committee into the Committee on Public Works? What will we gain by doing that, if that is the idea of the reformation we are going through at the present time?

Mr. KUYKENDALL. Mr. Chairman, I think the gentleman's point is well made.

Mr. SHOUP. Mr. Chairman, if the gentleman will yield further, can the gentleman explain in any way with his expertise which he has in transportation how the splitting of the oversight jurisdiction of the ICC and other regulating bodies that is presently held by the Committee on Interstate and Foreign Commerce, will achieve the goal of more efficient operation?

Mr. KUYKENDALL. Mr. Chairman, the gentleman has pointed out a very important item.

The splitting of the jurisdiction of the ICC is quite important. The Committee on Interstate and Foreign Commerce has just reported out a new surface transportation bill, with some major reforms of the whole ICC regulatory process, and this is one of the most important pieces of legislation we have. I am hoping that it can be gotten out of the Committee on Rules and on the floor before the 93d Congress has finished its work. This is a very important issue, as to the jurisdiction of the ICC.

Mr. SHOUP. Mr. Chairman, will the gentleman yield further?

Mr. KUYKENDALL. I yield to the gentleman from Montana.

Mr. SHOUP. Mr. Chairman, I thank the gentleman for yielding.

I would like to say that I do support the gentleman's amendment, and I refute any charges that have been made that the Committee on Interstate and Foreign Commerce has not been effective or that we are not moving as we should, moving forward efficiently in getting necessary legislation before this body.

Mr. Chairman, I thank the gentleman.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I would be happy to yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Chairman, I appreciate the gentleman's yielding.

I have become a little confused in checking on this. I notice on page 71 there is a measure relating to the construction of roads, which is in the Committee on Public Works at the present time, and which has been for years and years.

In my quick reading of the gentleman's amendment, I find that he strikes lines 2 through 10 on page 72, and one of the items contained there in No. "(11)" is "roads and the safety thereof."

Mr. KUYKENDALL. Mr. Chairman, I will say to the gentleman from New Jersey (Mr. Howard) that I can assure him of this: I am not an attorney, and I have, of course, to trust the attorneys on my staff to write these amendments. This was not intended in the amendment. I did not think it is in there and I do not think it is in there.

However, if it is there, I would then hope there will be a perfecting amendment offered immediately to remove it.

Mr. HOWARD. Mr. Chairman, however we stand on roads, which is also mentioned on page 71 and is not touched by the gentleman's amendment, what is taken out here is "Roads and the safety thereof."

So if we did support the gentleman's amendment, we would, in effect, be taking highway safety away from the Committee on Public Works.

Mr. KUYKENDALL. No, sir; this is not the way the amendment reads.

Mr. HOWARD. I am talking about the last part.

Mr. SARBANES. Mr. Chairman, if the gentleman will yield, I obviously disagree with the policy of the gentleman's amendment, but I also want to say to the gentleman that his amendment is technically defective in terms of what the gentleman seeks to accomplish. It does simply restore to the Committee on Interstate and Foreign Commerce jurisdiction over transportation matters which were switched away in the proposed resolution, but also takes additional jurisdiction. This points out rather clearly one of the problems involved in such amendment because of the interrelationships between jurisdictions.

Mr. HOWARD. Will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from New Jersey, and I would hope the gentleman would introduce a perfecting amendment.

Mr. HOWARD. I would rather the original amendment had been perfect.

Mr. KUYKENDALL. My lawyer will find that out in a few moments, too.

Mr. HOWARD. Concerning mass transportation, which is very difficult to find out where it is here, to go to the Public Works Committee, which had been in the Committee on Interstate and Foreign Commerce, I believe.

Mr. KUYKENDALL. That is correct.

Mr. HOWARD. In the reference, the only one we find, transportation and related agencies, page 72, you strike out lines 2 through 10, you strike out transportation, including civil aviation except railroads, railroad labor, and pensions, so that it would seem to me besides railroads and railroad labor and pensions, and civil aviation, it also takes in mass transit, whose responsibility had been in banking and currency, would go to public works, and therefore I think with reference to striking out lines 2 through 10 that the gentleman gets back all that he wanted, also mass transit in its entirety, highway safety, and puts a doubt concerning highways and roads.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. Kuykendall was allowed to proceed for 3 additional minutes.)

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I will be glad to yield to the gentleman from Texas.

Mr. ECKHARDT. I would suggest to

the gentleman that an addition at the end of the amendment where it states "page 72, strike out lines 2 through 10," could be added by the following language: "and insert in lieu thereof:

"(10) roads and the safety thereof;
"(11) Mass Transit."

Then there would be no question but that the questions the gentleman from New Jersey has made would be answered favorably to his position, and I should like to ask unanimous consent that the amendment be so amended.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. BOLLING. Mr. Chairman, reserving the right to object, and I do so because it is difficult to try to approach this in a relatively orderly process: If I object a new amendment could be drafted and offered. But there may be a situation where it will be necessary to object to clarify the situation, and it seems to me very important that we have as orderly a process as possible, and I need to inquire of the Chair as to whether I am not correct that the addition could not be offered as an amendment to the amendment.

The CHAIRMAN. Is the gentleman asking a parliamentary inquiry?

PARLIAMENTARY INQUIRY

Mr. BOLLING. Yes, Mr. Chairman, I make a parliamentary inquiry of the Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BOLLING. Am I not correct that if the new language were offered as an amendment to the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL) that it would be out of order as an amendment in the third degree?

The CHAIRMAN. The Chair would like to advise the gentleman from Missouri that the gentleman is correct that this would be in the third degree.

Mr. BOLLING. Therefore, it would be possible to object, really, on a point of order to the unanimous-consent request.

The CHAIRMAN. The gentleman from Missouri is correct

Mr. BOLLING. I do not propose to object to this particular one because the gentleman from Tennessee could perfect his amendment and reintroduce it. I do not wish to delay the Committee, but I wish to serve notice that if it seems to the Committee that it adds confusion that we will be strict in the construction at the amendment stage, I would withdraw my reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. SARBANES. Mr. Chairman, reserving the right to object, would the maker of the unanimous-consent request again state what the request is?

Mr. KUYKENDALL. I should be glad to. It would be to add to the end of the amendment as presently stated certain language, and I shall read all of that paragraph. It begins with page 72:

Page 72, strike out lines 2 through 10 and insert in lieu thereof:

"(10) Roads and the safety thereof."
"(11) Mass transportation."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. STEIGER of Wisconsin. Mr. Chairman, further reserving the right to object, under my reservation, Mr. Chairman, may I inquire as to whether or not the Public Works Committee's name is also changed so that it becomes just Public Works Committee and loses the title contained in the Hansen Committee Draft?

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding.

The answer is, that is correct, according to one lawyer. I think for the sake of the House I should like to make a short statement. I have asked six lawyers whether it says this or not. They are exactly split three and three as to whether the language is even necessary, because I believe that the language was not necessary in the first place. However, to make legislative history and to show absolute good faith to the gentleman from New Jersey and the gentleman from Maryland that that is the reason, I feel that the request for unanimous consent from the gentleman from Texas should be accepted.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I will yield to the gentleman from Texas, further reserving the right to object to his unanimous consent request.

Mr. ECKHARDT. I thank the gentleman for yielding.

I agree entirely with the gentleman in the well. However, I think it is desirable to completely clarify the matter in order to satisfy the gentleman from New Jersey, and I believe this would do it.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Further reserving the right to object, Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman for yielding.

It seems to me, Mr. Chairman, that in order to get a clarification of the purport of the gentleman's amendment that we should object to this request and have him perfect it. Quite obviously, there is need for more intensive discussion on the significance of the language than be provided by this kind of a discussion. If the gentleman from Wisconsin does not object, I feel constrained to do so.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. FRELINGHUYSEN. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The time of the gentleman has expired.

Mr. KUYKENDALL. Is it in order, Mr. Chairman, to present a perfecting amendment?

The CHAIRMAN. The Chair would like to advise the gentleman that it could only be done by unanimous consent at this time.

Mr. KUYKENDALL. I ask unanimous consent that I be allowed to present a perfecting amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. HAYS. I object.

The CHAIRMAN. Objection is heard.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of woods.

Mr. Chairman, I have no objection to the gentleman's presenting a perfecting amendment. Perhaps he will have time to do so, but I have been waiting to speak to another matter and specifically to the matter raised by the gentleman from Nebraska (Mr. MARTIN) as to the language and the intent of the Thompson resolution on pay. What it does, as simply as I can explain it, is say that from the one-third money provided to the minority, each ranking subcommittee chairman may appoint one person to the committee staff at a salary not to exceed 75 percent of the legal maximum which at the moment is $36,000, which would mean that he could appoint a fellow for not more than $27,000.

What I have done on my Committee on House Administration by agreement with the committee up to now has been to provide each subcommittee chairman with I believe it is $30,000 or $32,000, and he can appoint one person and a secretary if he can find them to pay them out of that amount, or he can appoint one person, but that is the intent of the Thompson language.

I must say that the gentleman from New Jersey (Mr. THOMPSON) did explain it yesterday, and at least I understood it that way, and I have reread it and I know that is what it means.

I only want to say one other thing about the motion to strike the resolving clause. I agree with the gentleman from Louisiana (Mr. WAGGONNER) that if anybody offers—and I have not the intention to offer it—such a motion, the person who offers it should not let the gentleman from Missouri (Mr. BOLLING) pick the time to do it. I think that was a very good ploy on the chairman's part and I give him credit for using a great deal of imagination, but I do not think whoever may decide to offer it would have thought this was the tactical time, if such time comes. But let me say that it may come if we keep on spending time like this when the country's business needs to be consummated.

I will say there is some important business that needs to be consummated this week and the next. I hope to be able to get a conference report up on the election reform next week.

I do not know what the leadership is going to do around here, but at lunchtime one member of the leadership, when asked the question whether we are going to work on Friday, said flatly, "No." When asked how long we are going to work on Thursday, he said he thought it was the intention of the leadership to rise at approximately 4 o'clock because many Members have plane reservations and commitments for speeches out of town on the grounds that it had already been announced we would not work Friday. This place does not always exactly run like a crack railroad and I do not know whether that deadline will be met but I hope it will be because I am one of those who has commitments.

Mr. CLARK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Pennsylvania.

Mr. CLARK. Mr. Chairman, I agree 100 percent with the gentleman in the well, the gentleman from Ohio (Mr. Hays). Our country's problems are certainly much greater than this reorganization bill known as the Bolling bill. We have taxes and social security and housing and veteran legislation and we have inflation, and of course, the most important problem is the economic problem, which we should consider today. Let us get on with the business of this House.

As far as I am concerned, I am not going to be a tool or a yes man for Common Cause.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. HAYS. If I have the time, I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I thank the gentleman for clarifying the situation. I suggest to our colleague that on page 33337 of the Record of yesterday the Thompson amendment is very clearly spelled out. I simply want to reassure the minority that the same amount or the same limitation, if the Members please, of approximately $27,000 applies to the majority as well as the minority and it is a floor, rather than a ceiling. If one can persuade his chairman out of investigative funds to provide him with an amount in excess of that to supplement a salary, that is possible, but the same restriction applies equally to the majority and the minority.

Mr. HAYS. I thank the gentleman from New Jersey.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, the gentleman from Ohio is pointing out that the concern of our good colleague from Nebraska (Mr. Martin) is clearly not well founded. The Thompson amendment does not establish an absolute ceiling for majority and minority staffing.

Mr. HAYS. It is not intended to be a ceiling but a guideline, and as the gentleman from New Jersey said, if the ranking minority Member decides to make it a little more and gets agreement of the committee, that is all right, but what we are trying to do is equalize these two employees, the amount for one which has been set by caucus and one by the amendment adopted yesterday.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Phillip Burton, and by unanimous consent, Mr. Hays was allowed to proceed for 1 additional minute.)

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. PHILLIP BURTON. Mr. Chairman, I commend the gentleman for his statement. As I understand the statement of the gentleman from New Jersey, the chairman of the Accounts Subcommittee, the Thompson amendment passed yesterday will provide one-third to the minority, and within that it is not to be a ceiling but a floor, and the subcommittee chairman on our side as well as the ranking minority member will be given staff at roughly the dollar amounts mentioned by the gentleman in the well and to the extent the gentleman in the well and the gentleman from New Jersey can produce such results. Is that correct?

Mr. HAYS. That is substantially correct.

PARLIAMENTARY INQUIRY

Mr. YOUNG of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. YOUNG of Florida. What is the status of the Kuykendall amendment at the present time?

The CHAIRMAN. The Chair would like to advise the gentleman that the Kuykendall amendment is now pending before the Committee.

If the gentleman will permit, the Chair would like to yield to the gentleman from Tennessee (Mr. Kuykendall) for a request.

Mr. KUYKENDALL. Mr. Chairman, I would like to ask unanimous consent to withdraw the amendment as originally presented, and introduce a new amendment that counsel on both sides say leaves no doubt as to the intent.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. FRELINGHUYSEN. Mr. Chairman, reserving the right to object, do I understand the gentleman is going to offer a substitute amendment now?

Mr. KUYKENDALL. I asked unanimous consent to withdraw my amendment and introduce a new amendment to clarify the language in the original amendment.

Mr. FRELINGHUYSEN. At this moment?

Mr. KUYKENDALL. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDMENT OFFERED BY MR. KUYKENDALL TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. KUYKENDALL. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute offered by Mrs. Hansen of Washington.

The Clerk read as follows:

Amendment offered by Mr. Kuykendall to the amendment in the nature of a substitute offered by Mrs. Hansen of Washington: Page 59, strike out lines 15 through 17, and insert in lieu thereof the following:

"(4) Civil aeronautics.

"(5) Railroad labor and railroad retirement and unemployment, except revenue measures relating thereto.

"(6) Regulation of interstate and foreign transportation, except transportation by water not subject to the jurisdiction of the Interstate Commerce Commission."

Page 59, line 18, strike out "(5)" and insert in lieu thereof "(7)".

Page 59, line 20, strike out "(6)" and insert in lieu thereof "(8)".

Page 59, line 23, strike out "(7)" and insert in lieu thereof "(9)".

Page 59, line 24, strike out "(8)" and insert in lieu thereof "(10)".

Page 59, line 25, strike out "(9)" and insert in lieu thereof "(11)".

Page 60, line 1, strike out "(10)" and insert in lieu thereof "(12)".

Page 60, line 2, strike out "(11)" and insert in lieu thereof "(13)".

Page 60, line 4, strike out "(12)" and insert in lieu thereof "(14)".

Page 71, line 1, strike out "and Transportation".

Page 72, strike out lines 2 through 10 and insert in lieu thereof the following:

"(10) Roads and the safety thereof.

"(11) Mass transportation."

Mr. KUYKENDALL. Mr. Chairman, the perfecting amendment that was accepted by unanimous consent simply confirms the questions of the gentleman from New Jersey and the gentleman from Maryland that the jurisdiction over highways, highway safety and mass transportation stay exactly as they are today.

One of the marks of the effectiveness of a subcommittee and the people and the staff that make up a subcommittee through the years is the quality of the legislation brought to this floor and the scarcity, if you will, of the amendments that are made to this legislation. When we look over the fact that we have passed massive railway, labor reform and railway pensions, surface transportation, hijacking, just now we are working I say desperately, without any reservation, to try to figure some way within the system and without subsidies to save Pan American from being lost from the international scene. These are all the tasks now facing a group of Members and staff people who have accumulated over the years an expertise which would take, no matter how dedicated, years to be recreated in any other committee.

So, those members of the Committee who are interested in seeing the success of the reorganization of the eastern railroads, attempts to make Amtrak finally work, attempts to try to save our international air carriers, I think should value this expertise and leave it in the place it belongs.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. KUYKENDALL. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I simply want to emphasize what the gentleman said about the technical nature of the matter he has been working on, together with the gentleman from Michigan (Mr. Dingell) and the gentleman from Washington (Mr. Adams).

Further, I want to emphasize what he said with respect to the court cases that have arisen under the Regional Rail Reorganization Act of 1974. There are two cases involving essentially the same subject matter. In United States Railway Association against Connecticut General Insurance Corporation, the U.S. District Court for the Eastern District of Pennsylvania held the act unconstitutional as failing to properly protect the rights of creditors. Just yesterday, however, a special court created by the act sustained the action of our committee and of Congress as being fair and equitable to creditors, and this will undoubtedly bear great weight with the Supreme Court in its ultimate determination of the case. But I refer to these cases in order to emphasize the diligence and knowledgeability of the Subcommittee on Transportation within the Interstate and Foreign Commerce Committee. The gentleman from Washington (Mr. ADAMS) filed an amicus curiae brief in the Supreme Court on matters which I think were not fully understood even by counsel for the Justice Department.

That is the kind of expertise that is needed in this delicate field. To throw that experience away would be a great tragedy in this Member's view.

Mr. KUYKENDALL. For the information of the Members of this body, and again commending the gentleman from Washington (Mr. ADAMS) and others, I know of no other time and can find no other record of a subcommittee member's actually having interceded in a Federal court case to reconfirm the intent of the Congress. This committee did that, and this intent was declared constitutional by the special court this week.

Mr. Chairman, I urge the acceptance of the amendment to the Hansen amendment to preserve this resource for this country at a time when it is so much needed.

Mr. MILFORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one of the reasons why it is necessary to bring the Bolling resolution or Hansen resolution before the House of Representatives is because of a tremendous overload in some of the congressional committees. Another reason is because of the vital need to put all transportation together in one committee.

In the last few weeks, we have been hearing a lot about expertise and experience, particularly as it related to aviation, trains, and mass transportation. If any Members feel expertise and experience are factors of importance, let me present a few to them.

Before coming to this Congress in 1973, I was a nationally recognized consultant in aviation and meteorology. I worked with major airlines, aircraft manufacturers, aviation insurance underwriters, and aviation legal firms and it is a matter of record. I feel that I know at least a little bit about air transportation, even though I do not sit on the Aviation Committee in this House.

Air transportation has problems, serious problems. During my short tenure as a member of the Public Works Committee, I have learned that two other modes of transportation also have problems. They are highways and mass transportation, and their problems also are very serious.

One of the key problems of all modes of transportation can be traced directly to the Congress of the United States. We are the policymaking body for this Nation. Every Member of this House will agree that transportation is one of the most vital elements necessary for national survival. Yet, we have no national transportation policy. As long as the various segments of transportation jurisdictions are scattered out over multiple committees, we will not have a national transportation policy.

Recently, in our Public Works Committee, we tried to pass a $20 billion mass transit bill. In the Commerce Committee, they annually spend billions of dollars for aviation and railroads. In the Banking and Currency Committee, more billions concerning mass transit are considered.

No committee is tying the various modes together into a national transportation plan and policy. My friends, our taxpayers are the losers.

The various committees compete with each other for Federal funds. One says we need more mass transit and less highways. Another, the opposite. One says we need more rails. Another says we need less.

In truth and in fact, no one really knows. No committee in this House is studying our national transportation problems without bias. Jurisdictional disputes prevent a rational approach to our problems.

I would strongly urge the Members to defeat this amendment and place all modes of transportation under one committee. Then, and only then, will we be able to rationally draft a national transportation policy and responsibly spend taxpayers' funds.

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield?

Mr. MILFORD. I yield to the gentleman.

Mr. KUYKENDALL. I would like to ask the gentleman, I believe the Public Works has the highway trust funds under its jurisdiction?

Mr. MILFORD. Yes.

Mr. KUYKENDALL. What position does the gentleman take as far as diverting Highway Trust Fund into mass transit purposes?

Mr. MILFORD. Since the highway trust fund is just that, a trust fund, established for a purpose and, in effect, a user tax, I would not want to transfer those funds to anything. I would be in favor of setting up additional funds and taxing the users, as we do those using the highways.

Mr. KUYKENDALL. Would the gentleman support an amendment to set up a completely separate transportation committee instead of having the tail wagging the dog in the case of attaching this huge thing to public works?

Mr. MILFORD. I would support placing all modes of transportation——

Mr. KUYKENDALL. As a separate committee?

Mr. MILFORD. Yes; my argument here is to get them all together. You can put them in the outhouse committee, if you want to, but put them together so that we can formulate a national transportation policy.

Mr. KUYKENDALL. The idea of putting them together is more important than the work that is being done, is that correct?

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. MILFORD. Yes, I yield to the gentleman.

Mr. SARBANES. I would like to point out that grouping of transportation under the Public Works and Transportation Committee, in effect, accomplishes just that purpose, grouping the various modes of transportation in one place, so that a national transportation policy can be rationally developed, as the gentleman has emphasized.

Mr. STAGGERS. Mr. Chairman, I think the gentleman from Texas made an incorrect statement about trying to draw the transportation together.

I would like the gentleman from Maryland to know that our committee only last week voted out a bill which would bring together all surface transportation in America for the first time. The bill should pass in this session of Congress and is ready to go to conference when we complete action on it. It would be the first time since 1958 for such a major regulatory reform bill to go before the Committee on Rules.

Now we have every mode of surface transportation working together.

Does the gentleman think the Public Works Committee has more expertise? I want to compliment the members of that committee. They are good men, the same as all of the rest of them, but they cannot do something that men who have had expertise have been and are doing.

Incidentally, if this kills it, the Members will have done a great disservice to America. I say to the Subcommittee on Transportation is a very able committee, one of the best in this House.

Now, there are those in this Congress who would like to reach out and grab for power. Be honest about it. This is what it is all about.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. Yes, I yield to the gentleman from California.

Mr. HOLIFIELD. The gentleman is speaking in accord with what the House did when it set up the Transportation Department. Jurisdiction over the three facilities of transportation are in his committee. Now to scatter them in other committees of the House is going against the Bolling committee's very objective, which is to concentrate. They say they want to concentrate, and then they act to scatter the jurisdiction among several committees.

Mr. STAGGERS. I thank the gentleman.

I would just like to say that in this time in history, in all the years that I have been in this House, 26 years, we have had more unanimity in the railroads between management and labor than we ever had. We were able to get them to work together on the railroad retirement bill. We have more unanimity in the airlines between labor and management since I have been in the House, all the time that I have been here. We have worked hard for unanimity. To transfer all of this to a new committee that has no expertise whatsoever and has not worked on the subject and to try to get it to work again is something like what I said yesterday when I was talking. It is like trying to train a man to be a carpenter, and after he is trained, saying, "All right. I want you to be a plumber."

No one can do it, and it cannot be done with transportation.

Mr. Chairman, I would just like to say that transportation is the very fundamental essence of commerce in America. Why have a Committee on Commerce without transportation?

Public works is still public works. The Members ought to know that. Everybody else knows that, but this is just an attempt to put something on someone, and that should not happen in any land, especially in any government that is trying to serve the people and trying to serve them well in every way.

Commerce was put under the Committee on Commerce in the early 1800's, including inland waterways. This other transportation came along, the railroads and the airlines. They were put right where they belong because it was commerce, and now they want to take it over by putting it in some other committee.

We just recently passed a bill to help the airlines. It is $5 billion up to now, and we are extending it next year by another $5 billion to make our air commerce better and more acceptable so that people can get into the rural areas through better air service in this land.

I do not know what a new committee could do with some of the plans that have been suggested.

Another thing is that the Hansen committee already has, under the Railway Labor Act, jurisdiction over all the railroads themselves. The airlines come under the Railway Labor Act, and they are guided by that and that has everything to do with it. Yet, to put it over into another committee would be completely wrong, I think, because you are dividing it.

As I said recently, after a long year, we approved, with all agreeing, measures relating to the inland waterways and to surface transportation. All of it met with agreement. We got a bill out of the subcommittee and the full committee. It is now before the Committee on Rules. We hope to have a rule on it by next week and to get it before this House right away and to get it passed so that we can go into conference with the Senate.

If the Members pass this and get it before another committee, that thing will have to fall apart necessarily because who would take up the job and get the thing done?

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(By unanimous consent, Mr. STAGGERS was allowed to proceed for 5 additional minutes.)

Mr. STAGGERS. Mr. Chairman, I will not take the 5 minutes.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I will yield now to the gentleman from Texas.

Mr. ECKHARDT. In one of the last statements the distinguished chairman of the committee made a minute ago, he stated that under the Hansen bill railroads are under the Committee on Interstate and Foreign Commerce.

If this amendment is not passed, would we not do exactly what the gentleman from Texas (Mr. MILFORD) fears?

Would we not separate railroad transportation from aviation in such a manner that we would have part of the Railroad Labor Act, which applies to railroads, handled by our committee, and we would have part of the administration of the Railway Labor Act handled by the other committee? I would suggest that the gentleman might well wait to make the choice between committees.

So if the gentleman wants to consolidate transportation including railroads and airlines in a single committee he should vote for the amendment, it would seem to me.

Mr. STAGGERS. Mr. Chairman, I will say to the gentleman that I do not think he has this quite correctly stated, because under the Bolling proposal they take everything out of our committee. But the Hansen committee has put back railway, everything that pertains to the railways, including the Railway Labor Act, so necessarily the airlines should go under that.

I do not think the Bolling proposal, as it is now constituted, has much chance in this House, if I can read this House correctly, because of the many factors that are contained in it.

So I would urge that this amendment be adopted and brought back to the Members so that we can get to the business of this House.

Mr. Chairman, I would like to point out here some of the things we are suspending right now. We have a markup in our committee on a bill that should have come out yesterday to correct a lot of the inequities and the bad things that are happening on Wall Street, and the purpose of that is to give America a little more confidence in the money markets of America. That is one thing that is important right now. I do not think that can come out for our consideration now, because of the delays created by consideration of this measure. I do not know how we can get it out.

These are fundamental things that affect this land, and without corrective legislation, these things could bring our country to its knees. I think we ought to get rid of this matter right now and get back to the consideration of things we are supposed to do.

We have four conferences with the Senate which are being held up right now because of our consideration of this legislation. We need to get to those conferences, because these are things that are important to America. They include health services for rural America, for the rural areas of America and for the ghettos of America. These are things that need to be done. We have a conference on Amtrak. There are two others, including auto safety. These are things that are needed now, and this matter is holding all those things up.

Mr. Chairman, I say that the Hansen amendment should be voted up. This amendment should go to the Hansen substitute, because if it does not, then it disrupts several items, and that should not take place. It would divide things up more than they should be divided, and this should be put back into the Hansen amendment.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, the aviation community cites, as one of the main reasons why transportation must be transferred from the Commerce Committee, is because of the very difficult feat of getting legislation through that committee due to the extremely heavy workload. That also seems to be the gentleman in the well's message.

Mr. STAGGERS. Mr. Chairman, the gentleman knows that is not the fact. Every piece of legislation that has to do with railroads or with any kind of transportation has been brought up immediately, and I think all the members of our committee will vouch for that.

I have heard that false accusation before, and those who are spreading that accusation know it is fallacious. I would like to use a stronger word than that.

The committee can tell the gentleman that we have acted on every piece of legislation that has been needed for the Nation. I think that is one of the most important things about our committee.

Our committee has never neglected these matters.

The gentleman ought to know a little bit about these matters. He ought to sit in on the committee hearings. We do not ask anything from any other committee, but we do not want one committee coming and saying, "We want this, and that is all there is to it."

Mr. DEVINE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, first let me commend the chairman of our Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS), upon his emotional and enthusiastic loyalty for the work of our committee. The gentleman has been a dedicated man over the years for the cause of transportation, particularly in the Committee on Interstate and Foreign Commerce.

Mr. Chairman, you know, it is virtually impossible for me to imagine the Committee on Interstate and Foreign Commerce without transportation, because transportation is indeed commerce. The Bolling report, as reported, decimates the Commerce Committee as it relates to aviation and railroads and other forms of transportation. The Hansen substitute does not help it very much. The Martin substitute does keep transportation where it belongs in the Committee on Interstate and Foreign Commerce.

I would say to the Members of the House that the Kuykendall substitute in my opinion restores the proper jurisdiction to the Interstate and Foreign Commerce Committee where it belongs.

I have had the honor to serve on this committee for 16 years. I am now the ranking minority member, and I have observed the work of the committee, and particularly that of the professional staff, who have devoted years to becoming experts in the field of transportation. We have emerged with a great deal of legislation in the transportation field. We are presently in conference on Amtrak, and it necessitates a good deal of time, because the Members all recall the controversy involved there. As I say, we have a staff that knows everything that can be known about transportation.

To take this jurisdiction and give it to the Committee on Public Works, the "goodies" committee, I think would be doing an injustice to the overall field of commerce.

But, rather than getting into any very emotional discourse about the facts of life and about who wants power and who does not want power, I think that logic dictates that commerce includes transportation.

We in the Committee on Interstate and Foreign Commerce are very busy, of course, and we do come in with more than our share of legislation before the House, probably more than any other committees of the House.

So, Mr. Chairman, I would urge the Members, on the basis of logic, to vote for the Kuykendall amendment.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. DEVINE. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I cannot think of anything that would be more disastrous to the transportation system of this country than to have the problems of transportation considered by different committees. The problems of transportation are closely related. What is done for the airlines affect the railroads and vice versa. To resolve the issues fairly and adequately requires control over the total package, not a part.

I do not believe there is any committee in the House that requires more technical knowledge in dealing with problems relating to the field over which it has jurisdiction than does the Committee on Interstate and Foreign Commerce.

Mr. DEVINE. Mr. Chairman, I agree with the gentleman from Kansas who serves on the Transportation Subcommittee, and has firsthand knowledge, as, indeed, does the distinguished gentleman from Oklahoma (Mr. JARMAN), the chairman of the Subcommittee on Transportation and Aeronautics, and I might also point out that the gentleman from Tennessee (Mr. KUYKENDALL) is the ranking minority member on that same Subcommittee on Transportation and Aeronautics. To take this jurisdiction away from the committee would make the Committee on Interstate and Foreign Commerce virtually nothing more than a health committee, and I think that the committee deserves more than that.

Mr. STUDDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I will be glad to yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, had any of us been in the House in 1946 when the Reorganization Act was passed, we would have heard the same arguments that are being made here this afternoon, and that is that we must continue with the 58 standing committees rather than reduce them to 19 committees. Of course, the stimulation of the thought at that time was to reduce the conflict that existed jurisdictionalwise in the various committees. Now the same proposition has arisen at the present time, and that is we are trying to continue through the Hansen and Bolling report, and the concept of the gentleman from Nebraska (Mr. MARTIN), as to the best way in which to eliminate these kinds of problems.

I would like to assure the Members of the Committee of the Whole that there is not a single member of the Committee on Public Works who made overtures for this jurisdiction that has been awarded us under the terms of the two propositions. Not one time has it been ever said that we were lecherous or desirous of obtaining this jurisdiction. But I can assure the Members that there is just as much capability, genius, originality, and dedication among the members of the Committee on Public Works as there is in the Committee on Interstate and Foreign Commerce.

Since when does the Commerce Committee have such an attraction and such wide capabilities that they would despair that the Public Works Committee could not handle its new task.

We have authorized billions and billions of dollars on projects accepted by the House. We now have a mass transportation bill. We are in the throes of a jurisdictional dispute between the Committee on Banking and Currency and the Committee on Public Works which has almost stopped us from obtaining mass transportation legislation.

If it is worthy of consideration that these transportation problems should be resolved in the best interests of the country, make them repose in one committee, and let them function coordinately.

Mr. STUDDS. Mr. Chairman, I should like to make an observation if I do have time. I should like to make a simple observation, which I suppose is particularly appropriate for a new Member of this House—to make a simple observation. It is my understanding that the heart, or at least the theoretical heart, of all of the proposals before us is to rationalize the committee jurisdiction of this body. All of us know that in some very, very key areas we have scattered and fractured our jurisdiction all over the map. Several of those areas are involved in the amendment offered by the gentleman from Tennessee, particularly health and transportation.

It seems to me that the thrust of the gentleman's amendment essentially is to take aviation jurisdiction and put it in the health committee. I question the rationality of that. What we are trying to do—at least what most of us are trying to do, and theoretically all of us are trying to do—is to take major areas of jurisdiction, transportation, for example, and consolidate them into one committee so we get some rational, coordinated approach to legislation in the Congress.

A similar situation exists with health. The Hansen committee has placed railroads in the health committee, presumably because they are sick. I can think of no other reason that they belong in the health committee. To compound that irrationality, by taking airlines and putting them in the health committee certainly would make a mockery of what we ought to be about in our efforts to rationalize the committee jurisdiction of this House.

I think the gentleman would have been far more logical, as suggested by the gentleman from Kansas a moment ago, to move to take railroads out of the health committee and put them in the transportation committee. Why should that be an illogical thing for this House to be doing?

On the question of expertise, it is perfectly true, as has been argued by the gentleman, and by some members of the Commerce Committee, that we have expertise existing there on the question of aviation, railroads, and other things. Every committee of this House has expertise, obviously, on the matters of its current jurisdiction. If we accept that as an argument, we will have no change whatsoever at any time. If we are unwilling to shift responsibility, if we are convinced that we are all old dogs, incapable of learning new tricks, we will have adopted an argument for preserving the status quo, come what may. And clearly in that case nothing will ever come.

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. I thank the gentleman for yielding.

I guess I somewhat resent the gentleman's calling me, a member of the Committee on Interstate and Foreign Commerce, a member of the Health Committee. I am not willing yet to accept that name. It is still the Committee on Interstate and Foreign Commerce.

Mr. STUDDS. The gentleman's amendment leaves the title as the "Committee on Commerce and Health."

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. KUYKENDALL, Mr. STUDDS was allowed to proceed for 3 additional minutes.)

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield?

Mr. STUDDS. I yield to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, I have stated off and on this floor before these debates and up to the present time if the Bolling committee had seen fit to form a Committee on Transportation, which it should have done, I would not be fighting this at all today, because we could have taken the staff members and Members of the House and combined them into a committee that would have been worthy certainly of one central committee.

I would like to comment on one last thing to the gentleman from Alabama for whom I have great respect. We have in no way implied that there is not expertise in the Public Works Committee.

Our committee knows nothing about the highways and highway safety and truck widths and truck lengths and truck weights and we do not claim we do, and I also know that they do not claim they have expertise in the fields of aviation and railroads, I know they do not have the expertise in the fields in which we are expert.

So I would like to make this clear to the gentleman from Alabama, that I think their expertise is great in the fields they have handled so well in these years.

Mr. MEEDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. DINGELL. Mr. Chairman, a point of order. The gentleman from Washington offers an amendment in the proscribed degree and cannot be recognized on that basis.

The CHAIRMAN. The gentleman will please take a microphone.

Mr. DINGELL. Mr. Chairman, I make the point of order the gentleman is offering an amendment which is not proper under the rules.

The CHAIRMAN. The gentleman from Washington will state his purpose for rising.

Mr. MEEDS. Mr. Chairman, I move to strike the last word.

Mr. DINGELL. Mr. Chairman, and I make the point of order that is not in order.

The CHAIRMAN. Without objection, the gentleman from Washington is recognized for 5 minutes.

Mr. MEEDS. Mr. Chairman, I seek this time to attempt to determine if there is some way to ascertain a consensus on time on this amendment, and for that purpose I would ask unanimous consent that all debate on the Kuykendall amendment end in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. GIBBONS. Mr. Chairman, I object.

Mr. DINGELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. ECKHARDT. Mr. Chairman, I rise to speak in favor of the amendment.

Mr. Chairman, I find myself in the position of agreeing with two members of the Public Works Committee who have spoken on the basis of their argument but not on their conclusions. I think they are absolutely right that railroads and airlines should be under the same jurisdiction. Indeed the Bolling bill keeps them under the same jurisdiction.

The difficulty and the reason for the amendment is that in the Hansen bill the railroads are where they have always been, in the Interstate and Foreign Commerce Committee, but airline jurisdiction has been transferred to the Public Works Committee.

Mr. MILFORD. Mr. Chairman, will the gentleman yield briefly?

Mr. ECKHARDT. I yield to the gentleman from Texas (Mr. MILFORD).

Mr. MILFORD. Mr. Chairman, let us clearly understand exactly what the gentlemen in the Public Works Committee were saying. We did not just speak about the airlines and railroads. We said all modes of transportation and that means mass transit, rail, highways, and airlines.

Mr. ECKHARDT. I understand the gentleman's position, and for that reason the gentleman probably would support the Bolling proposal, but the point I am making is that this is the wrong time to oppose an amendment that would place within the same committee's jurisdiction two modes of commercial transportation both of which are governed with respect to their labor aspects by the Railway Labor Act and with respect to their rates and commercial aspects by legal concepts and agency structures that have much in common. Whatever we believe about which committee is the most competent in order to control these modes of transportation—and I am not making an argument here for one committee or another, I understand we could debate that from now on—the distinguished chairman of the Interstate and Foreign Commerce Committee who holds my strongest fealty and the Members who speak for the Public Works Committee who have my high regard, neither one will be convinced that their committee is not infinitely wise and capable with respect to these fields—the point is that the choice should ultimately be a choice between the retention of airlines and railroads in Interstate and Foreign Commerce or the removal of both airlines and railroads to Public Works.

This is not the time to make that decision. This is the time to at least create one vehicle in which both airlines and railroads would be in the Committee on Interstate and Foreign Commerce. That is the only decision that is to be made here.

The distinguished Members from the Committee on Public Works can raise the question where it ought to be, where all transportation ought to be, at a later time; but this is not the time to raise it.

This is, in effect, a perfecting amendment that would give the ultimate choice of deciding that railways and airlines should remain in Interstate and Foreign Commerce, or at a later time, if we choose to place them in Public Works, we can vote for the Bolling report.

But under any circumstances it is utterly illogical to put one in one committee and one in another.

For instance, in the Surface Transportation Act we have the very difficult question of trying to provide a means by which there can be flexibility of railway rates, by a railroad changing its rates within a 7-percent margin in either direction, and at the same time protecting the resulting competition of barges or even airlines. We have got to balance many factors with respect to many transportation modes.

Now, wherever we put the jurisdiction, airlines and railroads should be in the same committee and that is precisely what the amendment of the gentleman from Tennessee does.

When we want to ultimately decide which committee it goes to, we will have that choice; but at least at this time airlines should be moved to the same committee in the Hansen report that railroads are in.

Mr. MARTIN of Nebraska. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to point out that the compromise substitute which is currently before the committee, along with the Hansen substitute, that my substitute does exactly what the gentleman from Tennessee (Mr. KUYKENDALL) is attempting to do by his amendment in amending the Hansen substitute. The gentleman and I are in complete agreement on this matter. In view of the fact, however, that the amendment, to my judgment, would somewhat strengthen the monstrosity that we have before us, which I refer to again as the Hansen substitute, I am in opposition to this amendment to the Hansen substitute.

Mr. PHILLIP BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as some of us know, I served with the distinguished gentlewoman from Washington on the so-called Hansen committee. I spent a little time and effort working on that report.

I have a significant number of grave reservations, about the Bolling committee recommendations; but if there is any recommendation that made sense, it was to unify the transportation delivery system of this country, because it makes no sense by any measurement.

The Hansen proposal similarly recognizes the need for additional unity. As a matter of fact, if we look at the proposed rules in this respect that represent 11 disparate points of view on the Democratic side, we agreed completely with the 10 bipartisan Members representing the disparate points of view on the Bolling committee.

Then, we recognize purely and solely out of love and affection for the beloved gentleman from West Virginia, and for no possible other reason that one could justify our decision, because we know his intimate interest with railroads. We broke up the entire unity on the transportation delivery system for that one exception. It is compounding an error with outrageous judgment if we further fracture the transportation system and then add to the Interstate Committee, which I would note under both the Bolling committee, a bipartisan 10, and under the Hansen committee, a partisan 11, we both fully agreed that health care, at least to the extent it was generally funded, should be united in the Health and Commerce Committee.

So, the Health and Commerce Committee is already enormously beefed up, enormously strengthened, and it is in part justified, in my view, because we spread the effort that now will be in the Transportation Committee, known as Public Works.

So, whether a Member is for Hansen or whether he is for Bolling—and my heavens, let us not compound any further the one provision that at one point was virtually identical in both proposals affecting both the Interstate Committee and the Public Works Committee.

These decisions, I must submit, were not based on philosophical questions. The philosophical spread was too great. There was a belief that general fund health care had to be united, and to the extent that people had to say that, the transportation delivery system should be united.

Therefore, my colleagues, I urge the sound rejection of this proposed amendment.

Mr. WYDLER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have two things to say about this particular vote, one being specific and one general.

First, of course, I have an interest in the amendment which is being offered because I am the ranking Republican on the Aeronautics Subcommitee of the Committee on Science and Astronautics. The transfer proposed by the Bolling resolution and the Hansen resolution and the Martin resolution, all of them having seen the light and decided that the aviation R. & D. section should go to the new Science and Technology Committee. That makes very good sense, quite frankly, because there is a totally fractured R. & D. situation at the present time.

The R. & D. done by the Federal Aviation Administration is under the Commerce Committee, and the aviation R. & D. that is done by the National Aeronautics and Space Committee is under our jurisdiction. This has caused great problems. As a matter of fact, there is a very serious one in the jet noise retrofit program where both agencies were working on and have worked on a different type of retrofit program.

So, I think this step being offered in this amendment would be a great step back and should be rejected out of hand.

But, on the general situation we have here—and I am going to suggest this to the chairman of the committee (Mr. BOLLING)—I think this particular amendment is a better vote on the sentiment of the House for committee reform than his proposal, which is very unique, to try to strike the resolving clause to prove whether Members really want congressional reform.

The argument made here—and it will be offered in any case, of course, where any suggestion of any change of jurisdiction in any committee is made by either the Bolling, Hansen, or Martin resolutions—that there is expertise in the committee from which the particular jurisdiction is being taken from will be lost, and that is true.

So, this argument, if once sustained by the House, would seem to me to go to any amendment offered hereafter to keep jurisdiction in the place where it is. Once accepted by the House, it would make any change of committee jurisdiction academic. Therefore, I hope the House will respond rather forcefully on this particular amendment, reject it and let us get on with the business before us.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that we ought to remember that the amendment pends to the resolution offered by the distinguished gentlewoman from Washington and that her resolution is far superior to that curious device that has been presented to us by the Bolling committee. Both of them create, I think, clearly a number of compromises. In all fairness, it must be said that there are strong arguments to putting all transportation in one committee, but I think if the Members will read the Hansen proposal or the Bolling proposal they will find that indeed neither put all transportation in one committee. As a matter of fact, the amendment, the Hansen proposal, would affect a great deal of transportation so noticeably as to create major splits. What it does is say that aviation goes in with railroads and that ICC regulated industries fall under the same committee.

I think that an analysis of what that does is not very hard to come to. For example, airline labor and railway labor both fall under the Railway Labor Act. They should be in the same committee so as to receive uniform and consistent treatment.

It does strike me that putting railroad labor in one committee and the statute under which the trade unions in that industry happen to be regulated, and putting the airline labor in another committee does not make very good sense. It means the transportation industry and its workers regulated by different committees under the same statutes will be differently treated. As a result of this, jurisdictional conflicts and disparate treatment of labor in times of dispute and crises when the national railroad labor legislation comes before this House is certain to follow.

The House has just finished consideration of surface transportation legislation, and in that legislation was involved a great number of considerations involving four modes of transportation. For example, the committee considered rates and other similar transportation questions which might shift the cargo from trucks to railroads, or to barges, or indeed, which might shift passengers from railroads to airlines, or vice versa.

It does not seem possible or unwise, to me, to put proposals affecting those closely regulated subjects in the same committee. Regardless of whether or not transportation ought to go to the Committee on Public Works or the Commerce Committee is really not an important question before this body, but rather it is the rational handling of the problem, seeing to it that transportation problems are handled in the same fashion, by the same committee, giving consideration to all questions relative to the different modes of transportation.

Railroads can be very definitely affected on legislation affecting trucks, and in like fashion airlines might be desperately affected by legislation which might create or expand Amtrak. Fairness to the public interest, and to the regulated industries and not to any Member of Congress or any committee, Public Works Committee or Committee on Commerce, but rather it is to those industries who know that their problems will be wisely considered is the reason for supporting the amendment.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Yes, I will yield to the gentleman.

Mr. MILFORD. Mr. Chairman, it is my intention, if this amendment fails, to introduce an amendment placing all elements of transportation in the same committee.

Mr. DINGELL. I think there are some arguments against that, but the gentleman has a right to do so. The hard fact of the matter is that the proposal as presented to us, although it purports to put all transportation in one place, it does not. While we are considering that question, it might be recognized that the Bolling report represents to this body a similar large group of curious compromises.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Tennessee (Mr. KUYKENDALL), to the amendment in the nature of a substitute, offered by the gentlewoman from Washington (Mrs. HANSEN).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. STAGGERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 239, answered "present" 1, not voting 22, as follows:

[Roll No. 556]

AYES—172

Adams
Addabbo
Alexander
Andrews, N. Dak.
Archer
Arends
Ashbrook
Beard
Biaggi
Biester
Bray
Breckinridge
Brinkley
Brooks
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Byron
Camp
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Clancy
Clark
Collier
Collins, Tex.
Corman
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, Ga.
Delaney
Denholm
Dent
Devine
Dingell
Downing
Dulski
Duncan
Eckhardt
Eshleman
Evins, Tenn.
Flynt
Forsythe
Frey
Fulton
Gaydos
Gettys
Gibbons
Gilman
Goodling
Gross
Gubser
Haley
Hanley
Hastings
Hawkins
Hébert
Heinz
Helstoski
Hinshaw
Hogan
Holifield
Huber
Hudnut
Hunt
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Karth
King
Kuykendall
Kyros
Landgrebe
Latta
Leggett
Lent
Lott
Lujan
Luken
McCollister
McFall
McSpadden
Macdonald
Madigan
Mallary
Mann
Matsunaga
Metcalfe
Michel
Mills
Mink
Mollohan
Montgomery
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Nelsen
Nix
Passman
Patman
Patten
Pepper
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quillen
Reuss
Robinson, Va.
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Rousselot
Roy
Runnels
Ruth
St Germain
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Staggers
Steiger, Ariz.
Stratton
Stuckey
Sullivan
Symington
Symms
Taylor, N.C.
Tiernan
Towell, Nev.
Treen
Van Deerlin
Waldie
Wampler
Ware
Whalen
Whitehurst
Whitten
Wilson, Bob
Winn
Wyatt
Young, Alaska
Young, Ill.
Young, Tex.
Zion

NOES—239

Abdnor
Abzug
Anderson, Calif.
Andrews, N.C.
Annunzio
Armstrong
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Bell
Bennett
Bergland
Bevill
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Broomfield
Brotzman
Burgener
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Casey, Tex.
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Dellums
Dennis
Dickinson
Diggs
Donohue
Drinan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Fountain
Fraser
Frelinghuysen
Frenzel
Froehlich
Fuqua
Giaimo
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hays
Hechler, W. Va.
Heckler, Mass.
Henderson
Hicks
Hillis
Holt
Holtzman
Horton
Hosmer
Howard
Hungate
Hutchinson
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Lagomarsino
Litton
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McEwen
McKay
McKinney
Madden
Mahon
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Moorhead, Calif.
Moorhead, Pa.
Mosher
Natcher
Nedzi
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Perkins
Pike
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reid
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rose
Rosenthal
Roush
Roybal
Ruppe
Ryan
Sarasin
Sarbanes
Schroeder
Shipley
Shuster
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stubblefield
Studds
Talcott
Taylor, Mo.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Traxler
Udall
Ullman
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Walsh
White
Widnall
Wiggins
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, S.C.
Zablocki
Zwach

ANSWERED "PRESENT"—1

Goldwater

NOT VOTING—22

Anderson, Ill.
Blackburn
Brasco
Brown, Ohio
Carey, N.Y.
Derwinski
Dorn
Evans, Colo.
Fisher
Gray
Hanna
Johnson, Colo.
Landrum
Lehman
McClory
Mayne
Podell
Rarick
Rooney, N.Y.
Thornton
Waggonner
Young, Ga.

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. YOUNG OF FLORIDA TO THE AMENDMENTS IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. YOUNG of Florida to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington:

Page 15, immediately after line 2, insert the following new paragraph:

"(h) There shall be in the House the permanent Select Committee on Aging, which shall not have legislative jurisdiction but which shall have jurisdiction—

"(1) to conduct a continuing comprehensive study and review of the problems of the older American, including but not limited to income maintenance, housing, health (including medical research), welfare, employment, education, recreation, and participation in family and community life in self-respecting citizens;

"(2) to study the use of all practicable means and methods of encouraging the development of public and private programs and policies which will assist the older American in taking a full part in national life and which will encourage the utilization of the knowledge, skills, special aptitudes, and abilities of older Americans to contribute to a better quality of life for all Americans;

"(3) to develop policies that would encourage the coordination of both governmental and private programs designed to deal with problems of aging; and

"(4) to review any recommendations made by the President or by the White House Conference on Aging relating to programs or policies affecting older Americans."

Mr. YOUNG of Florida. Mr. Chairman, after his amazing lack of success earlier this day I am somewhat reluctant to state to our colleagues that I offer this amendment in conjunction with our colleague, the gentleman from Pennsylvania (Mr. HEINZ), but I also will say Mr. Chairman that this amendment is not particularly to try to make the Bolling or the Martin or the Hansen proposals look better one than another and it is not a ploy to try to slow down action and debate in consideration of this measure before us today. It is however a very sincere effort to do what some 200 of our colleagues have already introduced resolutions to do, and that is to create a Select Committee on the Aging.

Mr. Chairman, this amendment was published in the RECORD on July 23 and again on September 23 when the scheduling was changed and copies have been given to all the appropriate leaders of the committees and subcommittees.

This amendment is to create a Select Committee on the Aging and it does nothing to interfere with any legislative jurisdiction of any committee created by the Bolling proposal or the Hansen proposal or the Martin proposal.

In 1971 the White House Conference on the Aging listed a series of recommendations for making the Federal Government more responsive in the needs of our older Americans. One major recommendation was to call for a Special Committee on Aging which should be established in the U.S. House of Representatives functioning in a comparable role to that of the U.S. Senate Special Committee on Aging. In the 3 years since the publication of that recommendation nearly 200 Members of the House of Representatives have endorsed it by the introduction of resolutions to do just that.

This new select committee to be established by this amendment will have no legislative jurisdiction and will undertake oversight functions only along the same lines as the Special Committee on Aging in the Senate. The committee would be charged with conducting a continuing and comprehensive study and review of the problems of our older Americans and with developing policy recommendations to assist older Americans in taking full part in national life and developing policies of coordination of both governmental and private programs designed to deal with the problems of the aging.

There are problems of the aging, and I just want to read a paragraph that appeared in one of the news magazines this week about the problems of the aging, that we should be aware of.

Mr. Chairman, I really want to point out some of the problems that older Americans have that we may be interested in from time to time; I want to just read this. It relates to a situation that exists in St. Petersburg, Fla., today. That is in the district that I have the privilege of representing. I would wager it exists in almost every congressional district in this country and we ought to be aware of it.

The title is, "Down, Out, and *Getting* Older":

> Mrs. Marie Scaglione, a 76-year-old widow, lives alone in a damp garage in a high-crime neighborhood in St. Petersburg, Fla. She owns the house next to the garage—but she has to rent it out in order to live. What food she can afford is stored in a secondhand refrigerator on an open porch and prepared in her "kitchen"—a rusty hot plate and an ancient, metal laundry sink. She has no bathroom, no heat and only a bare light bulb for illumination. She must stretch her monthly income of less than $200 so far that she can't even afford to buy all the food stamps to which she is entitled. On top of all this, Mrs. Scaglione is going blind.
>
> While her case may be extreme, Marie Scaglione shares the fate of millions of Americans to whom inflation is particularly cruel: elderly men and women living on fixed incomes. For them, rising prices do not mean switching from steak to hamburger or giving up the pleasure of a weekly movie. Instead, inflation for the elderly often means doing without any food at all for a day or two or forgoing badly needed medical care.

Mr. Chairman, I am not going to read any more of the article. I think what I have read so far has made the point.

There are 21 committees of the House today that have some jurisdiction with legislation relating to older people. There are seven committees that have some major jurisdiction. What I am suggesting here is the creation of a select committee whose job it will be to follow the programs of the elderly to see what the problems are, to try to keep coordination, to make recommendations.

I believe it is a good amendment. I believe that those 200 Members of the House who have already introduced resolutions to do this very thing have made a good move. I believe the appropriate time, the appropriate place to create this select committee is right now while we are talking about reorganization of the committees of the House of Representatives.

Mr. Chairman, I thank my colleagues for the serious attention they have paid to this amendment. I think we are going to have a successful vote on this matter.

I know there are some who will feel obligated to oppose this amendment in order to sustain the integrity of one of the three proposals before us; but we intend to offer this at this point or at any other point that might be appropriate, so that when we finish committee reform we will have, in fact, created that select committee that will be concerned with the many problems of older Americans.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment to create a Select Committee on Aging. I do so for more than one reason. At the outset, I should make clear that the Select Education Subcommittee, which I have the privilege to chair, of the Committee on Education and Labor does have jurisdiction over the Comprehensive Older American Services Act.

I think that the record will show that over the years since that law was first enacted, this House and the Congress in general have made significant and substantial progress in providing a variety of programs to meet the needs of the older people of our society.

I think the record will also show, Mr. Chairman, that our subcommittee and committee have been rather aggressive in carrying out what I believe most of us would agree is a crucial responsibility of Congress, namely, to oversee the effective implementation of the measures that we have written into law.

And Mr. Chairman, I think that there is a great deal to be said for keeping the oversight authority together with the authority in both the authorizing committee and the relevant appropriations subcommittees rather than to proliferate a variety of committees that do not have either authorizing or appropriating responsibilities. For these select committees, although carrying out the kind of oversight responsibility that I believe the gentleman's proposal has in mind, do not have the capacity to be effective in terms of modifying the authorizing legislation.

So the first point I want to make in opposition to this amendment is that I think the subcommittee, at least the Subcommittee on Education and Labor which has jurisdiction over problems of the elderly, has been doing a competent job both in terms of authorizing legislation and in terms of oversight.

Mr. Chairman, there is a second reason that it seems to me this amendment should not be passed, why it is unwise. Passage of this amendment could set a precedent for a proliferation of other similar select committees in a wide variety of fields.

For example, we could have proposals to establish a Select Committee on Consumer Products; a Select Committee on Energy; a Select Committee on Inflation; a Select Committee on Transportation. All one has to do is to enumerate the variety of the problems with which we as legislators are faced, and to consider the attention that may at any given moment in the life of the country be focused on a particular area, to understand that by creating this kind of committee in this particular field, we will only set a precedent for making possible one select committee after another.

If there is anything to be said for some of the several proposals now before the House to make more rational, to make more reasonable, to make more efficient, to make more effective the operation of the House of Representatives, it is that most of them avoid the already considerable proliferation of responsibilities in the House of Representatives.

Therefore, I hope, Mr. Chairman, that this proposal will be defeated, because I think it carries the seed of a considerable degree of irresponsibility in our being able effectively to meet the responsibilities of the House of Representatives.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I wonder how the gentleman would reply to this question: The space is completely filled up in all of the three House office buildings, as well as the House side of the Capitol. To create another committee would require additional space. Should we build another House office building?

Mr. BRADEMAS. Mr. Chairman, I think the gentleman is right. In fact, one of the problems of which all of us are aware, a problem which already exists, is that the staff of the existing subcommittees and existing committees often do not have adequate space within which to carry out their responsibilities.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, I think the gentleman from Indiana has made an excellent argument. I agree with him, and I would like to add to his argument one with which he would disagree.

That is, that in House Resolution 988, we split education and labor and provide very clearly for the aging and elderly to be in education, so that they would get additional attention. I do not think it is a good idea to have a proliferation of select committees, although I am the chairman of one.

Mr. BRADEMAS. I thank the gentleman from Missouri.

Mr. HEINZ. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first I want to commend the gentleman from Florida (Mr. YOUNG) for offering this amendment. I would like to reemphasize his point, that this amendment will be offered to the three versions of the Reform Act; the Hansen which we are considering; the Bolling and the Martin resolutions. I will offer it to the last two.

Mr. Chairman, I also particularly want to bring to the committee's attention a letter I recently received from Mr. John B. Martin, a former U.S. Commissioner of Aging and presently a consultant to the AARP, the American Association of Retired Persons, and to the National Retired Teachers Association.

Let me read a few brief portions of the letter from Mr. Martin. I quote:

> Since the Senate has had a Special Committee on Aging since 1961, it is worth examining the experience of the Senate with such a committee for whatever it may show as to its manner of operation and results. As a Special Committee, it has no legislation referred to it. It has no bills to act upon or report out. At the same time, it has remained alert to all developments in the field of aging. It has held, through its seven subcommittees, more than 190 hearings on matters of current interest and has issued some 60 reports based on such hearings and on independent research. This stead flow of authoritative material has been of great advantage to persons both inside government and in private voluntary activity on behalf of our older population.

I say that, particularly in recognition of some real disagreement between the remarks of the gentleman from Indiana and myself, that in fact there is a major role to be played by such a select committee.

Mr. Martin goes on to say, and I quote:

> My own assessment of the Senate Special Committee during my four years as U.S. Commissioner on Aging, may be of value. I think it is fair to say that it would have been impossible to accomplish what has been accomplished during those years without the many hearings, the competent staff work and the well-informed activity of committee members.

Mr. Chairman, I think that the House also, with the fine expertise and experience of the Members, can contribute a great deal to providing a base for effective action dealing with the problems of today's 20 million Americans, and who knows how many more American people we will have over 65 in the years ahead.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. HEINZ. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, when I hear the gentleman from Indiana talking about how there is no room to place this select committee, it makes me wonder about some of the older folks back in my district who ask me the very question, "What do you intend to do with us? Where do you expect to put us older Americans who have problems," and there are many of them.

Mr. Chairman, I would like to make this point: As we extend the lifespan, which we are doing, and people are living longer than ever before and not being taken care of in many cases by their own children, as they probably should be, when we consider the only other alternative to growing old—being a senior citizen is not all that bad. Acceptance of this amendment will help make their lot a little better.

Mr. RANDALL. Mr. Chairman, I rise in support of the amendment of the gentleman from Florida, which would create a Select Committee on the Aging.

I listened to the gentleman from Indiana (Mr. BRADEMAS) and to his opposition. I hope that he might agree that the subcommittee which I headed in the 92d Congress and which devoted all of its time to the problems of the aging—contributed to the passage of the amendments to the Older Americans Act and the creation of the Administration on Aging.

The amendment we have before us, I note, is offered as an amendment to the Hansen substitute. In that context I was encouraged to hear the gentleman say that he intends to offer his amendment to all three of the reorganization plans, Bolling and Martin, as well as Hansen.

We hear so much about what we are doing under the Older Americans Act. It is pleasant to realize we finally were able to have it passed. The next question is—how is it working—how efficiently and effectively? That requires oversight.

I want to say to the gentleman from Indiana, and I hope he will agree, that in the 92d Congress, there was an effort by a Member of our body from Arkansas to create a Select Committee on the Aging. At that time leadership thought that because we were plagued with space problems, the work of a committee on the aging should be done by a standing committee which had assigned quarters. The assignment was made to the Special Studies Subcommittee on Government Operations, which I was privileged to chair. We held hearings throughout the United States listening to the problems of the older Americans, and isolating special problems in different geographical areas.

The gentleman from Pennsylvania (Mr. HEINZ) was a member of that subcommittee. I am pleased to note he supports this amendment to create a select committee today. There is no doubt about it—our continued efforts contributed to the passage of the amendments to the Older Americans Act. I am sure that the gentleman from Pennsylvania agrees that our work was a significant contribution to the improvement of the Older Americans Act.

We hear so frequently that this is not the time to do this or do that. Let us wait. Well this is the time to create this Select Committee on the Aging because this is a reorganization measure. The other body has a select or special committee on the aging. Let use not cause our concern about space problems to scuttle this proposal today. We had problems about office space back in the 92d Congress. But we found there were plenty of places we could use. We were ready if it came to that to carve off a portion of the garage, and put in some partitions and use that.

A Select Committee on the Aging is needed. The other body has one. We should have one. Now is the time to create it—in one of these reorganization bills.

I urge all Members to support the amendment of the gentleman from Florida, and I commend him for his good work in the preparation of this amendment.

Mr. DENT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that the memories of the Members in this House are not too short so that they cannot recollect, not too far back, the deceased and beloved Judge Hogarty who sponsored the Commission for the Aged and Problems of the Aged in this House for many years.

I became chairman of the Select Education Committee. It was turned over to me for action, and the Older Americans Act is in that committee right now. We created in the administrative body the Commission on the Problems of the Aged. We took from every department the jurisdiction they had over aged citizens' bureaus and put them all under one head. We financed that Commission with a great deal of money. It has been working and working well.

If at any time there were any problems while I was chairman, I can assure the gentleman from Indiana (Mr. BRADEMAS), in dealing with problems of the aging and aged, they have been handled immediately.

If we keep on creating and selecting ad hoc and special committees—and this is what we are up here for today—we could have done this job very well and reorganized through the regular channels. No, we had to create two special committees, to spend $1 million under one and I do not know how much under the other. If we can get any more confused than we are, someone is going to have to write a book and show me how.

I do not think we are going to do a thing for the aged persons that we cannot do now by just coping with any problems by referring them to the Standing Committee of the House concerned.

I can find an excuse and a reason to break up every committee into segments, with ad hoc and special committees. That is an easy job to do. It is very simple to do.

We created a committee for one purpose. I will not mention the committee, but we committed it and spent money on it. It is a going committee. It was supposed to do a little job, and it did it.

All of a sudden, the subcommittee which has been in existence from time immemorial finds it desirable to create a special ad hoc committee. Is that what we intended to do?

We ought to stop all this foolishness now and do the job right. Let us take 6 months. Let us work on the House floor and divide up whatever has to be done, but we just cannot keep creating money-consuming and time-consuming—and somebody said space-consuming—committees.

We have the material now. We can send a couple of committees up to the Moon and have them stay there until they have their minds made up, but the situation is that now we have a working, very intelligent, and very effective Commission on the Problems of the Aged.

I am in touch with the aged as much as any Member of this Congress, and I have yet to hear of anybody writing me a letter and saying they are not getting service, that they are not getting proper treatment, or they are not getting answers to their problems.

This is just for the sake of naming a committee, setting up a few more office spaces somewhere, and giving another group of people $38,000 or $39,000 a year before the next couple of years pass by. If that is what the Members want to do, they can vote for it.

Mr. Chairman, I have a great deal of respect for the gentleman from Pittsburgh, who is my colleague, but I think that if we look into this, we will find that the work is being done now under a commission that this House created after many, many years of effort on the part of John Fogarty and the Select Committee on Education.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to compliment the gentleman on his statement.

As the gentleman points out, there is already a focal point within the House for this kind of responsibility, and with the basic principles of reorganization which we surely recognize, we should try to avoid the addition of new select committees on any of these subjects, as politically attractive as they may seem.

Mr. HEINZ. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Pennsylvania.

Mr. HEINZ. Mr. Chairman, I just want to say that the Select Committee on Education has done very fine work, but I think that we ignore the fact that there is no single committee that is the focus for problems of the elderly.

The Committee on Ways and Means has jurisdiction over medicare and medicaid and social security, the Committee on Veterans' Affairs has jurisdiction over veterans' pensions, and there are, in fact, eight committees which have major pieces of legislative jurisdiction which affect in one way or another the problems of the elderly.

I know that the gentleman in the well has an excellent record of supporting legislation for the elderly, and I must say that I do respect and appreciate the differences he has expressed. But notwithstanding this, the fact remains that we need a Select Committee on the Aging, not to report legislation, but to assist the House in the same very meaningful way the Senate select committee does the other body.

Mr. DENT. Mr. Chairman, I understand that. However, I do not think that we quite recognize the fact that all of these legislative authorities in the various committees have been bundled up under one administrative agency: the Commission on the Problems of the Aged. This includes their problems, for instance, on discrimination on account of age, the problems where they have the pension difficulties, and getting into jobs on account of the holdback on the part of employers. These things were all handled by the respective committees of the House which have jurisdiction over certain elements of the problems. But all of the legislative history shows that when any legislation dealing with the aged comes before the House and is passed as an effort on the part of the House, the Commission handles these problems.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. DENT) has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 2 additional minutes.)

Mr. DENT. Mr. Chairman, I will use this time for the purpose of answering questions, but first there is one other point I want to make.

When this legislative body has spoken through the voice of the committees having jurisdiction over various problems of the aged, then that particular effort is put into the Commission for the Aged. If we create a special committee, it would have to do the same thing, because it would have to go through that administrative body which has already been created and set up to do the job.

Mr. RANDALL. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to my friend, the gentleman from Missouri.

Mr. RANDALL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, none of us can at this time predict which of the three reorganization plans, Bolling, Hansen, or Martin proposals will prevail. If Government operations happens to be made Track A committee then there would be some oversight of the Older Americans Act. If Government operations is a Track B committee then it would be downgraded and perhaps—less interest in oversight. The Bolling Act makes Government operations Track A, but Bolling 988 may not be adopted. Oversight is important. I hope the gentleman from Pennsylvania would agree that a program as important as the implementation of the Older Americans Act deserves careful and constant oversight by a select committee—which can devote its full attention to the problems of 20 to 30 million older Americans. These Americans deserve nothing less. Their lives have awaited the most efficient and effective implementation and application of all law enacted for their benefit. That is why there should and ought to be a select committee that can give its full time to oversight of problems to our older Americans.

Mr. DENT. Mr. Chairman, the gentleman's committee, as far as jurisdiction is concerned and dealing with problems of older Americans, has no oversight. Our committee has the oversight, and we have used it, and we have used it well in the consideration of the problems having to do with older Americans when they came to our attention.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Michigan.

Mr. FORD. Mr. Chairman, the gentleman from Pennsylvania (Mr. HEINZ) has confused me a little bit, unless I misunderstood the amendment. I understood the amendment was for the purpose of proposing a select committee without legislative authority, and he made it seem as if this was going to be a supercommittee, one that would bring together the concerns which are now in several committees and which would more effectively fashion legislation affecting our older Americans.

If I understand the author of the amendment correctly, the select committee would be prohibited from fashioning legislation. In fact, if there is an advisory capacity here, it is being fulfilled by the executive commission which was set up, as stated by the gentleman in the well.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. DENT) has expired.

(By unanimous consent, Mr. DENT was allowed to proceed for 1 additional minute.)

Mr. DENT. Mr. Chairman, I just want to ask this question:

If the problem of how to handle the tax problems of the aged persons has relation to social security, does it not belong in the Committee on Ways and Means? If it does not belong there, where does it belong?

If the question of discrimination against the aged does not belong in the Committee on Labor, where does it belong?

Now, when we get that problem, we come before the House with an amendment on our particular jurisdiction. But once the House agrees or disagrees with it, if it agrees, then the problem is taken to the Commission on the Aged, where all the problems are synchronized, as this bill dictated it be done, on a very strong unanimous vote.

Mr. STEELE. Mr. Chairman, I rise in strong support of my colleague's amendment which would create a permanent select committee on aging. As chairman of the House Republican Task Force on Aging, I have spent a great deal of time on the problems of aging and I am impressed with the enormity of those problems the more I try to tackle them.

We have heard a catalog of some of those problems today during the debate on this amendment; therefore, I will not repeat them. I think that I can add to this discussion from the viewpoint of a Member who has served for the past 2 years as chairman of a task force that has been exclusively involved with the problems of aging.

The task force has 15 members including the distinguished gentlemen, Messrs. HEINZ and YOUNG, who are offering this amendment. We also have freshmen Members and several very senior Members, including Mr. MOSHER, the ranking minority member of the Science and Astronautics Committee, and Mr. WIDNALL, the ranking minority member of the Banking and Currency Committee. In fact, we are represented on virtually every major committee in the House. What has become apparent is that each of those committees has something to do with issues concerning the aged. The most obvious is, of course, the jurisdiction of the Ways and Means Committee over the social security system. But to the obvious, I can add the jurisdiction of the Agriculture Committee over the food stamp program, of Veterans' Affairs over pensions, of Banking and Currency over housing, of Education and Labor over the Older Americans Act itself, and of Interstate and Foreign Commerce over its public health subcommittee. The list goes on.

What body is there to coordinate the policies of these different committees? To date, there is no bipartisan group, and only my task force on the Republican side. Let me take a minute to tell you what our Task Force has done in its year and a half of existence, just as an introduction to what a committee could do.

We have developed recommendations in the area of elderly housing that have been supported by virtually every elderly advocacy group in this country. I offered the heart of those recommendations as an amendment to the Housing and Community Development Act of 1974. This amendment was overwhelmingly adopted by a vote of 274 to 112. The bill, now Public Law 93-383, was signed by President Ford on August 22. The Task Force did not take the place of the Housing Subcommittee; instead, we worked closely with it, providing a strong advocate for elderly interests.

I have testified on behalf of the task force at hearings before the Senate Special Committee on Aging on nursing home regulations and before our own Special Studies Subcommittee of Government Operations on fire safety in elderly housing.

We have held numerous meetings with Government officials from the executive branch and have disseminated the results to Members.

We have sent "dear colleague" letters on many issues to bring Members up to date or point out the effects of a measure on the elderly.

We jointly sponsored a bipartisan congressional staff conference dealing with older Americans.

Finally, we have developed a working relationship with all the elderly advocacy groups and with scholars in the field. We are accepted as an access point for their views. In return, we are able to provide members with information quickly and accurately whenever they request it. We have conducted research in such diverse areas as zoning regulations in Ohio and age-segregated communities in Arizona. Our activities have ranged from talking to private developers of a high rise for the elderly in Illinois to sponsoring a panel discussion at the American Bar Association convention last summer on law and aging.

In short, the task force has been attempting to act like a committee, but we lack the resources to really do the job as it should be done. All we have is the commitment of 15 concerned Members who contribute part of their staff salaries to our efforts. We have a staff that consists of a full-time director who is also a full-time law student. We have developed an internship program with graduate schools of gerontology and law schools whereby academic credit is given for work with the task force. In this way, we have managed to produce accurate and innovative work with a minimum of salary. But, as a result of this "shoestring" operation, we lose the continuity of an expert staff. It was my intent from the beginning that this task force serve as a vanguard for a permanent bipartisan Committee on Aging in the House. I think we have shown the need for such a committee as well as how much dedicated people, both Members and staff, can accomplish. I do not think, however, that we can delay any longer in providing all Members of the House with the expert support of a committee that is so desperately needed.

Mr. Chairman, the elderly are the fastest growing population group in this country. If present trends continue, by the year 2020 there will be over 40 million Americans over age 65. Thus, a Committee on Aging is likely to increase in importance with time as the issues of retirement, health, income, and transportation, to name only a few, grow more and more complex for this rapidly growing segment of the population.

Let me cite just one area where I think a Committee on Aging could be especially helpful; that is, the area of income security. We are all under constant pressure to raise social security benefits, and justifiably so. The private pension system is a growing proportion of the income of the older American. What committee looks at the interaction of these two systems on an ongoing basis? None.

The Senate Committee on Aging has conducted an ongoing series of hearings entitled "Future Directions in Social Security," and has explored similar questions. But are we in the House going to depend on the committees of the other body to do our research. We need the expertise on this side of the Capitol, and we need dedicated members on such a committee who will become experts in this field. I have spent more time on the issue of aging than on any other issue during this Congress, and I can tell that it is not a simple issue. The problems of the aging are complex, affecting a tremendous and readily identifiable portion of the population. They cry out for the expert and coordinated attention that only a committee can give.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida (Mr. Young) to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. Hansen).

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 323, noes 84, not voting 27, as follows:

[Roll No. 557]

AYES—323

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Biaggi
Biester
Bingham
Boggs
Bowen
Bray
Breckinridge
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conlan
Conte
Conyers
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dennis
Devine
Dickinson
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Findley
Fish
Flood
Flynt
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kuczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McEwen
McSpadden
Macdonald
Madden
Madigan
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nix
O'Brien
Owens
Parris
Passman
Patman
Patten
Pepper
Pettis
Peyser
Pike
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Randall
Rangel
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Walsh
Wampler
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Wydler
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOES—84

Ashley
Bell
Bevill
Blatnik
Boland
Bolling
Brademas
Breaux
Brooks
Burleson, Tex.
Burlison, Mo.
Casey, Tex.
Clay
Cochran
Collins, Tex.
Corman
Danielson
Davis, Ga.
Davis, Wis.
Dellenback
Dent
Diggs
Dingell
Eckhardt
Erlenborn
Evins, Tenn.
Fascell
Flowers
Foley
Ford
Frelinghuysen
Gettys
Goodling
Griffiths
Gross
Hansen, Idaho
Hawkins
Helstoski
Holifield
Hosmer
Johnson, Calif.
Jones, Ala.
Kastenmeier
Long, La.
McFall
McKay
McKinney
Mahon
Martin, Nebr.
Mazzoli
Meeds
Metcalfe
Mink
Nedzi
Nichols
Obey
O'Hara
O'Neill
Perkins
Pickle
Poage
Railsback
Rees
Robison, N.Y.
Roybal
Sarbanes
Smith, N.Y.
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Thompson, N.J.
Treen
Udall
Ullman
Waggonner
Waldie
Ware
Whitten
Wiggins
Winn
Wright
Wylie
Yates

NOT VOTING—27

Anderson, Ill.
Blackburn
Brasco
Brinkley
Brown, Ohio
Carey, N.Y.
Derwinski
Dorn
Evans, Colo.
Fisher
Hanna
Hastings
Johnson, Colo.
Landrum
McClory
Mathis, Ga.
Mayne
Minshall, Ohio
Moss
Podell
Rarick
Reid
Roncallo, Wyo.
Rooney, N.Y.
Ruppe
Young, Alaska
Young, Ga.

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. ICHORD TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. ICHORD. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Ichord to the amendment in the nature of a substitute offered by Mrs. Hansen of Washington: Page 67, immediately after line 19, insert the following:

Sec. 314. Rule X of the Rules of the House of Representatives, as amended by the previous sections, is further amended by adding at the end thereof the following:

"(1) Committee on Internal Security.

"(1) Communist and other subversive activities affecting the internal security of the United States.

"(2) The Committee on Internal Security, acting as a whole or by subcommittee, is authorized to make investigations from time to time of (A) the extent, character, objectives, and activities within the United States of organizations or groups, whether of foreign or domestic origin, their members, agents, and affiliates, which seek to establish, or assist in the establishment of, a totalitarian dictatorship within the United States, or to overthrow or alter, or assist in the overthrow or alteration of, the form of government of the United States or of any State thereof, by force, violence, treachery, espionage, sabotage, insurrection, or any unlawful means, (B) the extent, character, objectives, and activities within the United States of organizations or groups, their members, agents, and affiliates, which incite or employ acts of force, violence, terrorism, or any unlawful means, to obstruct, or oppose the lawful authority of the Government of the United States in the execution of any law or policy affecting the internal security of the United States, and (C) all other questions, including the administration and execution of any law of the United States, or any portion of law, relating to the foregoing that would aid the Congress or any committee of the House in any necessary remedial legislation. The Committee on Internal Security shall report to the House (or to the Clerk of the House if the House is not in session) the results of any such investigation, together with such recommendations as it deems advisable."

And renumber the following sections accordingly.

Page 67, line 23, strike out "(l)" and insert in lieu thereof "(m)".

Page 68, strike out line 24.

Page 69, line 3, strike out "(m)" and insert in lieu thereof "(n)".

Page 70, line 9, strike out "(n)" and insert in lieu thereof "(o)".

Page 71, line 1, strike out "(o)" and insert in lieu thereof "(p)".

Page 72, line 14, strike out "(p)" and insert in lieu thereof "(q)".

Page 73, line 1, strike out "(q)" and insert in lieu thereof "(r)".

Page 7-, line 3, strike out "(r)" and insert in lieu thereof "(s)".

Page 74, line 10, strike out "(s)" and insert in lieu thereof "(t)".

Page 75, line 9, strike out "(t)" and insert in lieu thereof "(u)".

Page 76, line 3, strike out "(u)" and insert in lieu thereof "(v)".

Mr. ICHORD. Mr. Chairman, this amendment has been printed in the Record. Did I understand that the gentleman from Nebraska would object to all unanimous consent requests?

The CHAIRMAN. No such objection has been made.

Mr. ICHORD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

Mr. WYDLER. Mr. Chairman, reserving the right to object, has the gentleman supplied the committee with copies of his amendment?

Mr. ICHORD. This gentleman has supplied 15 copies; 5 up here, 5 to the majority and 5 to the minority and it has been printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Chairman, because of the peculiar parliamentary situation with the Hansen amendment being in order and the Martin resolution being in order as a substitute, I have prepared and have pending at the desk, in order to protect my position and, I hope, the position of the majority of the House, amendments to all three resolutions.

All three resolutions do precisely—precisely, Mr. Chairman—the same thing. They retain the House Committee on Internal Security in precisely the same position it now occupies, with no more authority than it now has. The Hansen resolution purports to transfer the House Committee on Internal Security to the Judiciary Committee.

There is a question, I think, as to whether it does so transfer, because it abolishes the House Committee on Internal Security and adds the words, "Internal Security" to the jurisdiction of the Judiciary Committee, with no mention of Communist and other subversive activities, as does the Bolling resolution.

Mr. Chairman, in one way I welcome the opportunity to test the will of the House, because the opponents of the House Committee on Internal Security, when the committee appropriations are considered, invariably complain that the House does not have the opportunity to pass upon the merits of maintaining a House Committee on Internal Security. This, Mr. Chairman, is that opportunity. I hope by this debate and by our vote this afternoon that we will settle the issues once and for all.

Mr. Chairman, I also hope that the Members of the House are not misled by the perennial misrepresentations as to the work of the committee. The committee does not keep dossiers on Members of Congress. It does not prosecute or try anyone. It does not persecute any citizens for having unpopular ideas or unpopular philosophy. It is not concerned with ideas or philosophy.

It is concerned only with the activities that would undermine or overthrow our constitutional form of government by civil violence or unlawful means. It is primarily, Mr. Chairman, as now constituted, an investigative committee. It has very little legislative jurisdiction, and the dearth of legislative measures that are referred to the committee, or that emerges from the committee, does not concern me.

In fact, those who complain the most about the lack of legislation should, in reality, be the last to complain. I have been convinced by long experience on the committee that the best way to combat Communist and subversive activities is not through legislation. We have tried that time and time again and failed with the Smith Act, with the Communist Control Act of 1954, and with the Internal Security Act of 1950.

I think that the best way, Mr. Chairman, to combat subversive activities is through disclosure, because in the main, we are dealing with clandestine organizations, and of course the public has the right to know the objectives.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent Mr. Ichord was allowed to proceed for 3 additional minutes.)

Mr. ICHORD. The public has the right to know, Mr. Chairman, of the extent of subversive activities, the objectives of the various individuals and groups concerned, the numbers of such organizations and the threat which such organizations do present, if any, to our democratic form of government.

Mr. Chairman, I have said time and time again that it is not important as to what committee does this work. What is important is that the work is done. The Hansen committee, which purports to transfer the jurisdiction of the House Committee on Internal Security to the Committee on the Judiciary, contains, Mr. Chairman, no assurance that the work will be done. I know that it is not the objective of the members of the Hansen committee, but in fact the recommendation of the Hansen committee dovetails exactly with the recommendation of a long-standing organization that was established to abolish the committee, first the National Committee Against HUAC, then it changed its name to the National Committee Against HUAC–HCIS, and I believe it is now known as the National Committee Against Repressive Legislation.

For those reasons, Mr. Chairman, I am offering this amendment which will give the House the opportunity to finally settle the issues. As I stated previously, I hope this vote, whichever way it turns out, will finally decide the question as to whether we do the necessary work which I discussed at length in general debate by the judiciary or the Committee on Government Operations or the Committee on Internal Security.

Mr. Chairman, I renew my motion and I ask the Members to support the amendment.

Mr. ZION. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment proposed by Chairman Richard H. Ichord of the House Committee on Internal Security. As a member of this committee, I can testify to the importance of its work and the expertise displayed by the members and the staff in carrying out the mandate of the House.

Terrorism, subversion, and the use of violence to interfere with the civil rights of others, have all been thoroughly investigated by this committee. Organizations ranging from the Communist Party, USA, the Ku Klux Klan, the Black Panther Party, Students for a Democratic Society, and many other enemies of American freedom, have been subject to the committee's scrutiny. The information needed by Congress to understand these threats to our society and to pass legislation to cope with them can only come from the House Committee on Internal Security.

There has been some discussion of the minority staffing proposal made in the Bolling, Martin, and Hansen resolutions. Our committee is the best example of the effective use of minority staffing. By agreement between the chairman and the ranking minority member, the minority received additional staff over and above the three required by law. Our chairman, Mr. Ichord, saw the need to provide the minority members with a sufficient backup team to enable them to fully participate in the work of the committee. In our committee the minority is not an opposition, but a partner in accomplishing the committee's work. Minority members participate actively in the hearings and deliberations of the committee. The minority staff makes a significant contribution in the preparation of hearings and the writing of reports and staff studies. Minority staffing on our committee is not partisan or politically motivated, but is a useful tool in getting the work done. Incidentally, no one has asked the members of either the majority or the minority staffs whether they are Republicans or Democrats. They are employed as professionals, not as politicians. They are experts in the field of internal security. Read our latest staff study on terrorism. It is the most comprehensive work done on this subject by anyone. I urge my colleagues not to allow this valuable committee to be lost in the highly complicated procedure of modernizing the House of Representatives.

Mr. BRAY. Mr. Chairman, will the gentleman yield?

Mr. ZION. I will be pleased to yield to my good friend, the gentleman from Indiana.

Mr. BRAY. Mr. Chairman, I want to congratulate my colleague, the gentleman from Indiana (Mr. Zion), for the stand he has taken. I commend him for supporting this amendment. I want to join in support of this amendment.

Mr. ZION. I thank the gentleman.

Mr. DRINAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I speak as a member of this committee over the past 4 years, but it is not necessary to get to the merits or demerits of the House Committee on Internal Security today to vote against this proposition.

One of the very first things with respect to which the Bolling recommendations, the Hansen recommendations, and the Martin recommendations are all unanimous and firm is this, that the jurisdiction of internal security should be transferred from the House Committee on Internal Security to another committee.

If anybody is for congressional reform, this is the bedrock issue. Are we going to disagree on what wise people here have told us on a nonpartisan basis, having studied the matter?

There is not a single dissent in any one of these three reports all of which recommend the discontinuation of the House Committee on Internal Security. This is a basic and fundamental issue concerning the reform of the House of Representatives. If anyone votes to continue this particular committee, he must justify to this House and to his constituents why he wants to spend another million dollars or more every single year for a purpose that could be accomplished just as well by the Committee on the Judiciary or by another committee.

No one can pretend that he is for reform of the Congress if he votes to continue this particular committee.

All agree that treason and subversion obviously deserve and demand the investigation and the oversight function of this House. But let me speak about some of the things that I have learned about the House Committee on Internal Security over 4 years. Over $4 million has been spent since I became a Member. That expense goes in large part to the continuation and extension of the files on 752,000 Americans in the Cannon Building, in the documents of this House.

This is an obsolete committee acting as a permanent unit. The Subversive Activities Control Board has been abolished. Virtually every State agency like the House Committee on Internal Security has been abolished in this era of détente. This committee was established on January 3, 1945, by a vote of 146 to 134. Congressman John McCormack was opposed, as were many others. Others protested that this was done on a Monday, the very first day of the session, January 3, 1945, when not all the Members were here.

Every year since that time this House has been brought into disrepute by the antics of this committee.

Today there is a decision to be made by this body as to whether to merge the jurisdiction and the function of this committee. No one, to repeat, disputes that function as legitimate and necessary for this body.

By doing so, we will do many things. We will improve the image of Congress. No political science expert or no authority on the Congress has ever recommended the continuation of this committee.

We will, secondly, protect the privacy of citizens, and we will say to the whole world that this committee and this House is not invading the privacy of private individuals.

We will save at least $1 million a year.

Mr. Chairman, I beg the Members, therefore, to vote against this amendment. It is one of the few things on which all of those Members desiring to modernize this House agree, and I beg the Members, therefore, to vote against the amendment offered by the distinguished gentleman from Missouri and side and vote with Bolling and Hansen and Martin.

I urge the Members to vote against this resolution and for the reform of the House recommended across the board by Bolling, Hansen, and Martin.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I join with my colleague, the gentleman from Massachusetts, in urging that this amendment be voted down. For years, I, along with a growing number of my colleagues, have contended that the House Internal Security Committee does not warrant separate committee status because it has played one of the most shocking and disgraceful holes in our country's history.

First created in 1938 under the leadership of Martin Dies, the "Dies committee" pioneered the whole spectrum of slogans, techniques, and political demagoguery that would later be called McCarthyism. It was the Dies committee which popularized in the United States the technique of guilt by association, through which a person is considered suspect because of the organizations to which he belongs or the friends whose company he keeps. There is no denying that the technique of "naming names" or using vague phrases such as "I have reliable evidence which I am not at liberty to disclose at the present time," was an effective one.

While no one has ever tabulated the number of innocent Americans persecuted by the red-baiting tactics of the committee because they were named as Communists, fellow travelers, or "fifth amendment" Communists in unsubstantiated testimony before the committee, the casualties most surely are in the thousands. The penalty for them was usually the loss of their job, and therefore their livelihood. But no less than the irreparable ruining of their reputations.

From its inception, the committee has conceived of its function as one of ferreting out "subversives." To this day, the committee unconstitutionally pries into the privacy of many Americans in search of a nonexistent Communist conspiracy which supposedly has infiltrated private, activist organizations in this country.

In unequivocal language, the first amendment says that Congress shall pass no law abridging freedom of speech, press, assembly, or petition. I contend that the activities of the House Internal Security Committee do precisely that through exposure, praying on popular prejudices, and public scorn. If we condone the activities of this committee, we all here are saying that the first amendment really means: "Congress shall pass no law abridging freedom of speech, press, assembly, and petition, unless the Congress reaches the conclusion that on balance the interest of the government in stifling these freedoms is greater than the interest of the people having them exercised."

I cannot agree with the notion that first amendment freedoms must be abridged in order to "preserve" our country. Such a notion rests on the unarticulated premise that this Nation's security hangs on its power to punish people because of what they think, speak, or write about, or because of those with whom they associate. I challenge the position that ideas can be proscribed under our Constitution—a constitution which assumes that the commonsense of the people and their attachment to our country will enable them, after free discussion, to withstand ideas that are wrong.

Mr. Chairman, the time has come for Congress to break with history; not just the history of this country, but the history of all governments which have employed punishment by humiliation and public shame when they could not punish their citizens by law. It is one of the oldest forms of governmental oppression known to mankind, whether it was done through the pillary, branding, or ostracism. Within the last 20 years, the technique has been used against actors, writers, public servants; against civil rights organizations in the 1960's and even as recently as 1970 when the House Internal Security Committee attempted to publish a report containing lists of guest speakers at colleges and universities who the committee felt were "subversive."

The time has come for change. If my colleagues do not choose to eliminate the jurisdiction of "internal security" completely, then it is clear that such investigatory powers should reside with a committee sensitive to the private, constitutional rights guaranteed to all American citizens. Both the Bolling and Hansen resolutions recommend that the House Internal Security Committee be dissolved. Its workload in comparison to other House committees is inadequate to rate even "B" or "nonexclusive" committee status. I oppose Mr. Ichord's amendment, and express my support for the recommendations of the Hansen report that internal security matters be included in the jurisdiction of the Judiciary Committee. This I believe, is a necessary step in the House's reaffirmation of the Bill of Rights.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the House Committee on Internal Security serves as a watchdog for the Congress of the United States. Its function is to watch those groups which advocate violence to attain their revolutionary objectives as well as those controlled by unfriendly foreign powers.

Our committee has been the only committee in the House to investigate terrorism. It is the only committee in the House to investigate the role of subversives in fomenting and exploiting prison unrest. It is the only committee in the House to investigate attempts to subvert our Military Establishment by members of groups whose loyalty is to foreign principals. It is the only committee in the House to constantly watch such violence-oriented groups such as the Black Panther Party, Students for a Democratic Society, Progressive Labor Party, Socialist Workers Party, Revolutionary Union and Venceremos organizations, and most recently the Symbionese Liberation Army. It is the only committee of Congress to consistently monitor the activities of American subsidiaries of foreign Communist powers, such as Communist Party, U.S.A., controlled by the Soviet Union, the Revolutionary Union, controlled by Red China, as well as groups in the United States which give financial and propaganda aid to foreign terrorist movements.

At this time when American diplomats and businessmen are being kidnaped and held hostage by Communist terrorists it is not a sensible thing to destroy the one committee with both the responsibility and capability of advising Congress on this subject. The subterfuge of abolishing the committee by placing its responsibilities in the hands of one or another already overworked standing committees must not be permitted. I urge that my colleagues give their overwhelming support to the amendment introduced by the chairman of the House Committee on Internal Security to retain the committee as a standing committee of the House, and to allow it to continue its work.

One of the major proposals made by the Select Committee on Committees for the restructuring of the committees of the House of Representatives has been that certain issues are scattered among various competing committees. The issue of the energy crisis has been offered by members of the select committee as a case in point because several committees have had the subject of energy under consideration.

But one must ask, what has this argument and others similar to it, have to do with abolishing the House Internal Security Committee? Its thrust escapes me.

HISC's chartered jurisdiction has never been shared by other House committees. In effect it is a single-issue committee, that is, internal security. It investigates organizations which "incite or employ acts of force, violence, terrorism, or any unlawful means to obstruct or oppose the lawful authority of the Government of the United States in the execution of any law or policy affecting the internal security of the United States."

The fact that it has been doing just that, and in as professional a manner as humanly possible, has been recognized by numerous authorities in the field, as well as by those who follow the committee's work closely, such as the score of veterans organizations who have formally endorsed HISC during the spring of 1974.

HISC has not accorded to itself the jurisdiction of other committees, nor have other committees been permitted to usurp its given prerogatives. Moreover it has, by "sticking to its own knitting," developed a vast body of information on the "extent, character, objectives and activities" of those organizations whose interest are antithetical to those of America. By so doing its members and its staff have themselves developed a high degree of expertise which would be difficult to match anywhere, particularly on the Hill. Clearly, it would take years for a new committee and its Members and staff to equal the degree of professionalism which the current committee enjoys.

It would be as ridiculous to transfer the functions of the Committee on Science and Astronautics to HISC or vice versa, as it would be to transfer HISC responsibilities to a new or present standing committee. In addition to HISC expertise on the subject matter per se is her familiarity gleaned from her oversight hearings on the executive branch's security programs and the personnel who administer those programs.

Any such contemplated transfer of HISC authority to another committee of the House as proposed by the Bolling or Hansen recommendations would be a tragic and irreplaceable waste and therefore directly counterproductive and contrary to the sought-after efficiency called for in those very proposals.

G. K. Chesterton, the noted English writer and philosopher, once facetiously remarked that if one had 10 boys and 8 hats one merely decapitated 2 boys in order to accommodate the 8 hats available.

Mr. Chairman, I cannot help but sense a somewhat similar dilemma faced by the House in certain of the measures to reorganize the committee structure. I have a feeling that we are decapitating committees to accommodate the issues rather than the other way around. Issues need to be resolved here, not committees. The game of musical chairmanships and the wholesale juggling of committees it seems to me can create a crisis in the House of monumental proportions, be it in the name of "streamlining" or "efficiency" or what have you, than the reverse; namely, assigning the issue to fit the standing committee.

I also have a feeling not easily dismissed that attendant to this restructuring proposal is a parallel exercise in semantics whereby the new committees will be assigned names corrsponding to the current problems of the day such as energy. But who is to say that the issues of 1984 will be the same as those of 1974. Do we again dissolve and again create whole new standing committees every 10 years?

And what is in a name? The overriding issue is problem solving, is it not? And secondly, whether the committee members and their staffs have the leadership, the credentials, and the courage to meet and dispatch a given issue to the best of their ability.

For example, the Senate Finance Committee and the House Ways and Means Committee—not the respective Foreign Commerce Committee of the two bodies—are responsible for the complex issue of America's foreign trade and tariff matters. But while these committee's names do not reflect the subject matter, their members and their staffs are the most knowledgeable people available on Capitol Hill in this highly technical field. I ask you, would you create new committees called the House or Senate Trade and Tariff Committees, and then abolish the two most informed committees in the Capitol in matters of foreign trade in deference to some quest for a superficial semantics?

The search here today is for commonsense and not to play games of namesmanship.

Mr. Chairman, as I noted all through the late winter and spring of 1974 I have placed numerous articles in the RECORD which have recorded the achievements and accomplishments of the House Internal Security Committee as well as supportive endorsements from those whose judgments I value. The Members of the House have been fully informed, as well, of the detailed activity of HISC by its able chairman, Mr. ICHORD.

Nevertheless, that same vocal clique—a mere handful—of House Members, and we all know who they are, continue to clamor for the abolishment of the Committee on Internal Security.

It is well known among most of the Members that the chairman and the committee members have been both cost conscious and efficiency minded.

HISC funds in relation to all committee appropriations ranks 12th out of 21 and while it has decreased over the years, others have increased. Her recent appropriations are as follows:

1971	$570,000
1972	525,000
1973	475,000
1974	475,000

HISC employee roles have also been painfully reduced over that same period and also rank 12th in the House.

1971	53
1972	46
1973	42
1974	39

And still the clamor continues: "Abolish HISC."

As terrorism rises here and abroad and as groups expousing revolutionary, anti-American causes increase, HISC self-policed herself as have few other House committees, decreasing her funds and pruning her staff "to a rock bottom minimum."

Yet the shrill voices continue to cry: "Abolish HISC, abolish HISC."

HISC is damned if she does and damned if she doesn't:

If her procedures are fair, they're called foul,
If her investigators probe, they're smeared rogues
If her hearings are comprehensive, they're termed offensive
If her reports are scholarly, they're rated dastardly,

But for me, may I say, let the committee's record speak forth in its own clear voice, a voice which is fair but firm, and suited to and timely for the era in which we live.

Mr. WIGGINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to oppose the amendment offered by the gentleman from Missouri, but not for the reasons stated by some who have preceded me in the well.

I wish to compliment the gentleman from Missouri (Mr. ICHORD), who is the chairman of the Committee on Internal Security, for the responsible way in which he has conducted himself and the responsible way in which the committee has conducted itself in recent years. It has not served to discredit the House, in my opinion. Quite to the contrary, it has served as a source of information to the American public about subversive forces within our society, and in doing so it certainly has performed a public service.

However, that is not the issue this afternoon. The issue before us is whether or not the Committee on Internal Security justifies separate committee existence.

Mr. Chairman, when we as a House reflect upon all of the concerns which demand a legislative response in this country and attempt to compartmentalize all of those concerns into a rational system of committees, can we say in good conscience that the work now performed by the committee chaired by the gentleman from Missouri (Mr. ICHORD) is of such overriding importance as to justify a separate committee existence? I answer that question in the negative.

I want the work of the committee to continue. I hope it does continue. But it cannot continue in a rational system of committee organization as a separate committee.

If that be true, then the question is what do we do with it? Where is its functions to be transferred? There is some logic in moving such functions to the Committee on the Judiciary, but the logic of that conclusion has to be tempered with some commonsense. It is my belief as a member of the Committee on the Judiciary that if the important work of the House Internal Security Committee were transferred to the Committee on the Judiciary that work would not be performed. I would hope that my speculation is incorrect, but I am persuaded on the basis of the present personnel of the Judiciary Committee and the likelihood that its personnel will continue in the foreseeable future, that my guess is correct.

If the House Committee on the Judiciary is inappropriate to receive the functions of this committee, Mr. Chairman, what then? The selection of the Committee on Government Operations to conduct necessary investigations into possible subversive activities is not an irrational choice. I would expect that the Government Operations Committee, as it reconstitutes itself, would see fit to devote a full subcommittee assignment to the present functions of the Committee on Internal Security. I would hope that such a subcommittee created within the Committee on Government Operations would borrow heavily from the expert professional staff of Internal Security because they have, indeed, developed a certain competence in the field.

This, then, is a pragmatic reason perhaps for selecting the Committee on Government Operations, but it is satisfactory to my mind, and one that is persuasive, and I hope that it will be persuasive to the Members.

I would ask the Members to vote on the issue before us. The issue is not whether we support the activities of the Internal Security Committee. Of course we do. The issue is, rather, how do we reorganize the Congress? That is the question. A proper reorganization involves reducing the separate committee existence of this committee to that of a subcommittee in some other standing committee.

I urge a rejection of the amendment.

Mr. PREYER. Mr. Chairman, I have had the satisfaction of serving under the distinguished gentleman from Missouri (Mr. ICHORD) of the Committee on Internal Security for the past 5½ years. I support his amendment because I agree with him that the responsibilities of the House with respect to the Nation's internal security can best be performed under the present format of a standing Committee on Internal Security.

I simply want to remind my colleagues of my remarks earlier this year during the debate on the Committee on Internal Security appropriation.

I then asked the question how a democratic society escapes the dilemma of tyranny or anarchy. How do we avoid the tyranny of unjust laws, on the one hand, or the anarchy resulting from the freedom to do anything one's conscience dictates? Basically we resolve this dilemma in a democratic society by submitting the question to continued public debate, through which we work out reasonable compromises to live and let live. Tyranny is avoided by allowing the dissenter to remain free to agitate for repeal. Anarchy is avoided by obeying the majority decision as the law, after the votes are counted.

To conduct such a dialog, two sides are necessary. HISC generally emphasizes the conservative pole of the argument—the dangers of anarchy. I submit that it is the only committee in Congress devoting its major attention to this side of the dialog. If it is eliminated or merged into another committee, its role as a counterbalance will be lost or seriously diluted.

HISC is viewed by a large part of the public as the one sure watchdog on the right, sometimes barking at the mailman instead of a real intruder, but always ready to raise the alarm and so hold the question up for inspection. The academic world and the most influential section of the media—in short, most intellectuals—emphasize the dangers to our free institutions from restrictive laws and bureaucratic overreaching and play down the dangers arising from subversion and from the actions of those who would use our freedoms to destroy our free institutions. I think this emphasis is proper, believing as I do that our most serious dangers will arise from too little freedom rather than too much. But, surely the other pole of the argument is entitled to be heard. The public is right in insisting that this side of the argument be heard, and that full-time attention be given to the internal security of this country.

The threat of subversion remains a present danger, and always will as long as power rather than love is the reality that controls relationships in foreign affairs. Détente and an age of cooperative relationships does not change this underlying reality. We can wish that it is love that makes the world go around; we can hope that some day this will be the case. But unfortunately today it is power.

Our Government must have a strong and fair internal security system. The public must have confidence that no Communist or revolutionaries are holding tax-supported jobs. Government employees must have pride in being public servants and the high morale which comes from the knowledge that only people without reproach hold such jobs. The system must work so well that there can be no possible excuse for setting up "plumbers" units or vigilante groups operating outside the lawful internal security system. Extensive hearings by HISC have indicated that we do not have that kind of system now and that a number of weaknesses need to be corrected.

The advent of urban terrorism as a means of achieving social objectives by force is a recent development which requires sustained attention. HISC is the only committee that has developed expertise in this area.

These are solid areas of inquiry, and not "witch-hunting." They are areas that make the committee's activities more relevant and more important today than in the past.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD) to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN).

The question was taken; and the Chairman announced that the Chair was in doubt.

RECORDED VOTE

Mr. ICHORD. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 246, noes 164, not voting 24, as follows:

[Roll No. 558]

AYES—246

Abdnor
Alexander
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Boggs
Bowen
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conlan
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Devine
Dingell
Donohue
Downing
Dulski
Duncan
Edwards, Ala.
Eshleman
Evins, Tenn.
Fish
Flood
Flowers
Flynt
Fountain
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hays
Hébert
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holt
Hosmer
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Lott
Lujan
McCollister
McDade
McFall
McSpadden
Madigan
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Melcher
Milford
Miller
Mills
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
O'Brien
Parris
Passman
Patman
Pepper
Pettis
Peyser
Pickle
Poage
Preyer
Price, Tex.
Quillen
Randall
Regula
Rhodes
Roberts
Robinson, Va.
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rousselot
Roy
Runnels
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Staggers
Steed
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Towell, Nev.
Treen
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOES—164

Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Barrett
Bergland
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Breckinridge
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney, Ohio
Chisholm
Clay
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Culver
Daniels, Dominick V.
Danielson
Dellenback
Dellums
Diggs
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fascell
Findley
Foley
Ford
Forsythe
Fraser
Frelinghuysen
Frenzel
Fulton
Giaimo
Grasso
Gray
Green, Pa.
Griffiths
Gude
Hamilton
Hanna
Hansen, Wash.
Harrington
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holifield
Holtzman
Horton
Howard
Johnson, Calif.
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
Long, La.
Long, Md.
Luken
McCloskey
McCormack
McEwen
McKinney
Macdonald
Mallary
Matsunaga
Mazzoli
Meeds
Metcalfe
Mezvinsky
Michel
Minish
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Mosher
Nedzi
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Perkins
Pike
Price, Ill.
Pritchard
Quie
Railsback
Rangel
Rees
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stokes
Studds
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Waldie
Ware
Whalen
Wiggins
Wilson, Charles H., Calif.
Wolff
Wylie
Yates

NOT VOTING—24

Anderson, Ill.
Bell
Blackburn
Brasco
Brown, Ohio
Carey, N.Y.
Derwinski
Dickinson
Dorn
Evans, Colo.
Fisher
Hudnut
Johnson, Colo.
McClory
McKay
Madden
Mayne
Minshall, Ohio
Podell
Powell, Ohio
Rarick
Reid
Rooney, N.Y.
Young, Ga.

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

Mr. LUJAN. Mr. Chairman, I rise in strong support of this bill to reorganize the House of Representatives along more efficient, workable lines and I urge my colleagues on both sides of the aisle to put aside all thoughts of narrow partisan advantage and get on with the job that urgently needs doing.

There is not a single Member of this Chamber who does not advocate congressional reform. And yet we are seeing Member after Member defending their own areas of jurisdiction while urging all others to reform theirs.

Our archaic committee structure cannot function to meet the needs of this Nation and we all know it. The Bolling report spells out the problem in detail and offers a solution. Are we now going to talk the solution to death by rehashing the problem?

Of course, there will be some political power lost by a few committees. But that is long overdue. Entrenched pockets of power have blocked our national progress for too long.

Of course, there will be a realinement of committee functions. The changing needs of our times demand it. Our failure to meet the energy crisis with swift action stems directly from the fact that no single committee has the responsibility or power to take action. The bill before us creates such a committee with both the responsibility and the power to meet the crisis.

At a news conference on Monday, Senator HENRY JACKSON said for the 100th time that the United States needs a "massive conservation program" to reduce American oil consumption.

But I ask my colleagues, Where in this House could a "bipartisan energy program" originate? What committee has the jurisdiction, responsibility, and power to marshal all of our energy resources into a single program and offer it to the administration as the congressional initiative to meet the present crisis?

The answer, of course, is that there is no such committee. Under the present House structure, one committee has jurisdiction over water power; another committee has jurisdiction over atomic power; another controls the mining of coal; another controls the land transportation of coal and still another the water transportation of coal; another controls the regulation of oil and gas; another controls the harnessing of the tides, and no committee has sole responsibility for the development of solar, geothermal, and wind energy.

With this crazy-quilt diffusion of committee jurisdiction over our energy sources, how in the name of Heaven can this Congress create any comprehensive energy program, "bipartisan" or otherwise?

The field of energy legislation is just one of many that are victims of our outmoded organization structure. It is time to change, and this bill provides that change. Let us pass it and get on with the work of solving America's pressing problems.

Mr. BIAGGI. Mr. Chairman, I rise in unqualified support of the amendment offered by Mr. ICHORD to restore the powers of the House Internal Security Committee.

There are those among my colleagues who feel that this Nation has no longer any need for HISC, and therefore, the committee should be disbanded. I take particular exception to this belief, and instead feel that not only should the committee be maintained but more attention should be paid to its work by all Americans.

In the past year, we have noted with some alarm the emergence of a number of terrorist elements in this country who seem bent on imposing their will over this Nation at any cost. We have seen the rise of such extremist elements as the Symbionese Liberation Army, and the American Revolutionary Army, who have attempted large scale extortion through the kidnappings of prominent American citizens.

The committee recently released a comprehensive report on terrorism in this Nation, which unfortunately many people will choose to ignore. Yet let us not be deceived into thinking that terrorism does not represent a most serious threat to our international security. Unless its roots are cut now, it will continue to flourish, and may in the future place the very structure of the Nation in peril.

For more than a decade, HISC has kept an effective tab on the subversive elements which exist in our society today. Let us not be hasty in our efforts to destroy that which is necessary. The proposal that the duties of the committee can be taken over by the Judiciary Committee are unacceptable to me, and those who recognize the dangers inherent in this action. I contend that if the work of HISC is transferred into the Judiciary Committee, the net effect would be to effectively obscure this important work. I applaud the committee and the particular efforts of their distingiushed chairman (Mr. ICHORD) to keep the committee alive. They have my continued support and that of all Americans who realize that our internal security is still a matter of paramount national importance.

Mr. KETCHUM. Mr. Chairman, I rise in support of the amendment offered by the distinguished gentleman from Pennsylvania, and the distinguished gentleman from Florida. This House needs a Select Committee on Aging, and this is our chance to create one. I hope we make good use of it.

There are now more than 21 million Americans over the age of 65. All indications are that the percentage of our population classified as senior citizens will increase in the years ahead.

We are all aware that there are innumerable problems faced by the elderly which are the concern of the House. Under the present committee structure, however, eight different committees have jurisdiction over legislation which affects the elderly. We have special housing programs, special transportation programs, special food programs, health and welfare programs, and on down the line, but there is no coordinated effort.

A Select Committee on Aging would give us the chance to develop a sane and comprehensive legislative program for the elderly. It will help us avoid overlapping research and responsibiilty that has hindered our response to the elderly's problems. The Senate already has such a committee's and more than half the members of the House have cosponsored legislation to create such a permanent Select Committee. I urge my colleagues to vote for the Young/Heinz amendment, and for a congressional commitment to older Americans.

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the House of Representatives, had come to no resolution thereon.

CONFERENCE REPORT ON S. 3792, AMENDING AND EXTENDING EXPORT ADMINISTRATION ACT OF 1969

Mr. PATMAN submitted the following conference report and statement on the Senate bill (S. 3792) to amend and extend the Export Administration Act of 1969:

CONFERENCE REPORT (H. REPT. No. 93–1412)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3792) to amend and extend the Export Administration Act of 1969, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Export Administration Amendments of 1974".

SHORT SUPPLY POLICY

SEC. 2. Section 3(2)(A) of the Export Administration Act of 1969 is amended by striking out "abnormal".

MONITORING AND CONSULTATION

SEC. 3. (a) Section 4 of the Export Administration Act of 1969 is amended by redesignating subsections (c) through (e) thereof as subsections (d) through (f), respectively, and by inserting after subsection (b) a new subsection (c) as follows:

"(c)(1) To effectuate the policy set forth in section 3(2)(A) of this Act, the Secretary of Commerce shall monitor exports, and contracts for exports, of any article, material, or supply (other than a commodity which is subject to the reporting requirements of section 812 of the Agricultural Act of 1970) when the volume of such exports in relation to domestic supply contributes, or may contribute, to an increase in domestic prices or a domestic shortage, and such price increase or shortage has, or may have, a serious adverse impact on the economy or any sector thereof. Information which the Secretary requires to be furnished in effecting such monitoring shall be confidential, except as provided in paragraph (2) of this subsection.

"(2) The results of such monitoring shall, to the extent practicable, be aggregated and included in weekly reports setting forth, with respect to each article, material, or supply monitored, actual and anticipated exports, the destination by country, and the domestic and worldwide price, supply, and demand. Such reports may be made monthly if the Secretary determines that there is insufficient information to justify weekly reports."

(b) Section 10 of such Act is amended—

(1) by inserting "(a)" after "SEC. 10."; and

(2) by adding at the end thereof the following:

"(b)(1) The quarterly report required for the first quarter of 1975 and every second report thereafter shall include summaries of the information contained in the reports required by section 4(c)(2) of this Act, together with an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for articles, materials, or supplies subject to monitoring under this Act, (B) the worldwide supply of such articles, materials, and supplies, and (C) actions taken by other nations in response to such shortages or increased prices.

"(2) Each such quarterly report shall also contain an analysis by the Secretary of Commerce of (A) the impact on the economy and world trade of shortages or increased prices for commodities subject to the reporting requirements of section 812 of the Agricultural Act of 1970, (B) the worldwide supply of such commodities, and (C) actions being taken by other nations in response to such shortages or increased prices. The Secretary of Agriculture shall fully cooperate with the Secretary of Commerce in providing all information required by the Secretary of Commerce in making such analysis.".

(c) Section 5(a) of such Act is amended—

(1) by striking out "hereunder" in the first sentence and inserting in lieu thereof the words "or monitored under this Act"; and

(2) by inserting immediately after such first sentence the following: "Such departments and agencies shall fully cooperate in rendering such advice and information.".

(d) Section 5(a) of such Act is further amended by adding the following at the end thereof: "In addition, the Secretary of Commerce shall consult with the Federal Energy Administration to determine whether monitoring under section 4 of this Act is warranted with respect to exports of facilities, machinery, or equipment normally and principally used, or intended to be used, in the production, conversion, or transportation of fuels and energy (except nuclear energy), including but not limited to, drilling rigs, platforms, and equipment; petroleum refineries, natural gas processing, liquefication, and gasification plants; facilities for production of synthetic natural gas or synthetic crude oil; oil and gas pipelines, pumping stations, and associated equipment; and vessels for transporting oil, gas, coal, and other fuels.".

INTERNATIONAL COOPERATION TO SECURE ACCESS TO SUPPLIES

SEC. 4. (a) Section 2 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraph:

"(5) Unreasonable restrictions on access to world supplies can cause worldwide political and economic instability, interfere with free international trade, and retard the growth and development of nations."

(b) Section 3(3)(A) of such Act is amended by striking out "with which the United States has defense treaty commitments".

(c) Section 3(5) of such Act is amended—

(1) by striking out the word "and" immediately preceding clause (B); and

(2) by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and (C) to foster international cooperation and the development of international rules and institutions to assure reasonable access to world supplies.".

HIGH TECHNOLOGY EXPORTS

SEC. 5. (a) Section 4 of the Export Administration Act of 1969, as amended by section 3 of this Act, is amended by adding at the end thereof the following new subsection:

"(g) Any export license application required by the exercise of authority under this Act to effectuate the policies of section 3(1)(B) or 3(2)(C) shall be approved or disapproved not later than 90 days after its submission. If additional time is required, the Secretary of Commerce or other official exercising authority under this Act shall inform the applicant of the circumstances requiring such additional time and give an estimate of when his decision will be made."

(b) Section 5(c)(1) of such Act is amended by striking out the next to the last sentence thereof and inserting in lieu thereof the following: "Each such committee shall consist of representatives of United

States industry and Government including the Departments of Commerce, Defense, and State, and, when appropriate, other Government departments and agencies.".

(c) Section 5(c) of such Act is amended by adding at the end thereof the following new paragraph:

"(5) To facilitate the work of the technical advisory committees, the Secretary of Commerce, in conjunction with other departments and agencies participating in the administration of this Act, shall disclose to each such committee adequate information, consistent with national security, pertaining to the reasons for the export controls which are in effect or contemplated for the grouping of articles, materials, and supplies with respect to which that committee furnishes advice.".

(d) Not later than one year after the date of enactment of this Act, the Secretary of Commerce shall include in a quarterly report under section 10 of the Export Administration Act of 1969 an accounting of actions taken to expedite the processing of export license applications as required under section 4(g) of the Export Administration Act of 1969.

OPPORTUNITY TO COMMENT ON LICENSING

SEC. 6. Section 5(b) of the Export Administration Act of 1969 is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end thereof the following:

"(2) Upon imposing quantitative restrictions on exports of any article, material, or supply to carry out the policy stated in section 3(2)(A) of this Act, the Secretary of Commerce shall include in his notice published in the Federal Register an invitation to all interested parties to submit written comments within fifteen days from the date of publication on the impact of such restrictions and the method of licensing used to implement them.".

TECHNICAL AND CONFORMING CHANGES

SEC. 7. Section 4(d) of the Export Administration Act of 1969, as redesignated by section 3 of this Act, is amended to read as follows:

"(d) Nothing in this Act or the rules or regulations thereunder shall be construed to require authority or permission to export, except where required by the President to effect the policies set forth in section 3 of this Act.".

HARDSHIP RELIEF

SEC. 8. The Export Administration Act of 1969 is amended by inserting after section 4 the following new section:

"PROCEDURES FOR HARDSHIP RELIEF FROM EXPORT CONTROLS

"SEC. 4A. (a) Any person who, in his domestic manufacturing process or other domestic business operation, utilizes a product produced abroad in whole or in part from a commodity historically obtained from the United States but which has been made subject to export controls, or any person who historically has exported such a commodity, may transmit a petition of hardship to the Secretary of Commerce requesting an exemption from such controls in order to alleviate any unique hardship resulting from the imposition of such controls. A petition under this section shall be in such form as the Secretary of Commerce shall prescribe and shall contain information demonstrating the need for the relief requested.

"(b) Not later than 30 days after receipt of any petition under subsection (a), the Secretary of Commerce shall transmit a written decision to the petitioner granting or denying the requested relief. Such decision shall contain a statement setting forth the Secretary's basis for the grant or denial. Any exemption granted may be subject to such conditions as the Secretary deems appropriate.

"(c) For purposes of this section, the Secretary's decision with respect to the grant or denial of relief from unique hardship resulting directly or indirectly from the imposition of controls shall reflect the Secretary's consideration of such factors as—

"(1) Whether denial would cause a unique hardship to the applicant which can be alleviated only by granting an exception to the applicable regulations. In determining whether relief shall be granted, the Secretary will take into account:

"(A) ownership of material for which there is no practicable domestic market by virtue of the location or nature of the material;

"(B) potential serious financial loss to the applicant if not granted an exception;

"(C) inability to obtain, except through import, an item essential for domestic use which is produced abroad from the commodity under control;

"(D) the extent to which denial would conflict, to the particular detriment of the applicant, with other national policies including those reflected in any international agreement to which the United States is a party;

"(E) possible adverse effects on the economy (including unemployment) in any locality or region of the United States; and

"(F) other relevant factors, including the applicant's lack of an exporting history during any base period that may be established with respect to export quotas for the particular commodity.

"(2) The effect a finding in favor of the applicant would have on attainment of the basic objectives of the short supply control program.

In all cases, the desire to sell at higher prices and thereby obtain greater profits will not be considered as evidence of a unique hardship, nor will circumstances where the hardship is due to imprudent acts or failure to act on the part of the appellant.".

INTERAGENCY REVIEW

SEC. 9. Section 4 of the Export Administration Act of 1969, as amended by sections 3 and 5 of this Act, is amended by adding at the end thereof the following new subsection:

"(h)(1) The Congress finds that the defense posture of the United States may be seriously compromised if the Nation's goods and technology are exported to a controlled country without an adequate and knowledgeable assessment being made to determine whether export of such goods and technology will significantly increase the military capability of such country. It is the purpose of this subsection to provide for such an assessment and to authorize the Secretary of Defense to review any proposed export of goods or technology to any such country and, whenever he determines that the export of such goods or technology will significantly increase the military capability of such country, to recommend to the President that such export be disapproved.

"(2) Notwithstanding any other provision of law, the Secretary of Defense shall determine, in consultation with the export control office to which licensing requests are made, the types and categories of transactions which should be reviewed by him to carry out the purpose of this subsection. Whenever a license or other authority is requested for the export of such goods or technology to any controlled country, the appropriate export control office or agency to whom such request is made shall notify the Secretary of Defense of such request, and such office may not issue any license or other authority pursuant to such request prior to the expiration of the period within which the President may disapprove such export. The Secretary of Defense shall carefully consider all notifications submitted to him pursuant to this subsection and, not later than 30 days after notification of the request, shall—

"(A) recommend to the President that he disapprove any request for the export of any goods or technology to any controlled country if he determines that the export of such goods or technology will significantly increase the military capability of such country;

"(B) notify such office or agency that he will interpose no objection if appropriate conditions designed to achieve the purposes of this Act are imposed; or

"(C) indicate that he does not intend to interpose an objection to the export of such goods or technology.

If the President notifies such office or agency, within 30 days after receiving a recommendation from the Secretary, that he disapproves such export, no license or other authorization may be issued for the export of such goods or technology to such country.

"(3) Whenever the President exercises his authority under this subsection to modify or overrule a recommendation made by the Secretary of Defense pursuant to this section, the President shall submit to the Congress a statement indicating his decision together with the recommendation of the Secretary of Defense.

"(4) As used in this subsection—

"(A) the term 'goods or technology' means—

"(i) machinery, equipment, capital goods, or computer software; or

"(ii) any license or other arrangement for the use of any patent, trade secret, design, or plan with respect to any item described in clause (i);

"(B) the term 'export control office' means any office or agency of the United States Government whose approval or permission is required pursuant to existing law for the export of goods or technology; and

"(C) the term 'controlled country' means any Communist country as defined under section 620 (f) of the Foreign Assistance Act of 1961."

EXPORT FEES AND LICENSES

SEC. 10. Section 4 of the Export Administration Act of 1969, as amended by sections 3, 5, and 9 of this Act, is amended by adding at the end thereof the following:

"(i) In imposing export controls to effectuate the policy stated in section 3(2)(A) of this Act, the President's authority shall include, but not be limited to, the imposition of export license fees."

ECONOMIC POLICY ACTIONS

SEC. 11. Section 3 of the Export Administration Act of 1969 is amended by adding at the end thereof the following new paragraph:

"(7) It is the policy of the United States to use export controls, including license fees, to secure the removal by foreign countries of restrictions on access to supplies where such restrictions have or may have a serious domestic inflationary impact, have caused or may cause a serious domestic shortage, or have been imposed for purposes of influencing the foreign policy of the United States. In effecting this policy, the President shall make every reasonable effort to secure the removal or reduction of such restrictions, policies, or actions through international cooperation and agreement before resorting to the imposition of controls on the export of materials from the United States: *Provided*, That no action taken in fulfillment of the policy set forth in this paragraph shall apply to the export of medicine or medical supplies."

ALLOCATION OF LICENSES

SEC. 12. Section 4(b)(1) of the Export Administration Act of 1969 is amended by adding at the end thereof the following: "In curtailing the exportation of any articles, materials, or supplies to effectuate the policy set forth in section 3(2)(A) of this Act, the President is authorized and directed to allocate a portion of export licenses on the basis of factors other than a prior history of exportation."

EXPIRATION DATE

SEC. 13. Section 14 of the Export Administration Act of 1969 is amended by striking "September 30, 1974" and inserting in lieu thereof "September 30, 1976".

PRESIDENTIAL REVIEW

SEC. 14. The President is directed to review all laws, regulations issued thereunder by the Atomic Energy Commission, the Department of Commerce, and other Government agencies, governing the export and reexport of materials, supplies, articles, technical data or other information relating to the design, fabrication, development, supply, repair or replacement of any nuclear facility or any part thereof, and to report within six months to the Congress on the adequacy of such regulations to prevent the proliferation of nuclear capability for nonpeaceful purposes. The President is also directed to review domestic and international nuclear safeguards and to report within six months to the Congress on the adequacy of such safeguards to prevent the proliferation, diversion or theft of all such nuclear materials and on efforts by the United States and other countries to strengthen international nuclear safeguards in anticipation of the Review Conference scheduled to be held in February 1975 pursuant to Article VIII, section 3 of the Treaty on the Non-Proliferation of Nuclear Weapons."

And the House agree to the same.

WRIGHT PATMAN,
THOMAS L. ASHLEY,
THOMAS M. REES,
PARREN J. MITCHELL,
FERNAND J. ST GERMAIN,
RICHARD T. HANNA,
EDWARD I. KOCH,
ANDREW YOUNG,
JOHN J. MOAKLEY,
WILLIAM B. WIDNALL,
BEN B. BLACKBURN,
GARRY BROWN,
ALBERT W. JOHNSON,
STEWART B. MCKINNEY,
BILL FRENZEL,
Managers on the Part of the House.

ADLAI E. STEVENSON III,
ALAN CRANSTON,
WILLIAM D. HATHAWAY,
JOE BIDEN,
BOB PACKWOOD,
BILL BROCK,
EDWARD W. BROOKE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3792) to amend and extend the Export Administration Act of 1969 submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment:

The Committee of Conference has agreed to a substitute for both the Senate bill and the House amendments. Except for clarifying, clerical, and conforming changes, the differences are noted below:

The House amendment did not contain a short title. The Senate bill contained a short title. The conferees agreed to accept the Senate short title.

The Senate bill contained a provision amending Section 3(2)(A) of the Export Administration Act of 1969 by striking the word "abnormal". There was no comparable provision in the House amendment. The conferees accepted the Senate provision.

In the past, one of the impediments to effective use of export controls has been the need to show that the foreign demand which produces an excessive drain of scarce materials and serious inflation is "abnormal." The term "abnormal" suggests the need to show, by reference to some earlier period, that the pattern or magnitude of foreign demand has changed significantly. However, determination of an appropriate reference point for assessing whether foreign demand is normal or abnormal is impossible to do with any degree of certainty, since trade patterns fluctuate. Moreover, in some situations, an excessive drain of scarce materials and serious inflation can result even if foreign demand levels have not changed significantly. This could occur when total supply declines for one reason or another. In that circumstance, even if foreign demand is at pre-existing levels, there can be an excessive drain of scarce materials and serious inflation.

It is the intent of the conferees that foreign demand need not be abnormal before export controls may be imposed. Instead, controls may be used when foreign demand results or will result in an excessive drain of scarce materials and serious inflation. However, as at present, foreign demand must be a significant factor in present or prospective inflation before controls may be imposed.

It is the intent of the conferees that export regulations implementing this policy reflect that foreign demand need not be the major cause of serious inflation in the price of a commodity as a condition to permit the use of export controls. It is sufficient that such demand be a significant factor in causing inflation in the price. It is also the intent of the conferees that controls should be imposed to prevent an excessive drain of scarce materials from taking place and that controls need not be held in abeyance until such an excessive drain has actually occurred.

The authority to control exports in fulfillment of this policy should be implemented within the context of an international economic policy that places long-term priority on the maintenance of an open international trading system with a minimum of governmental interference.

Export controls, when required, should be imposed in a timely manner, with consideration of the impact of the controls upon sectors of the domestic economy and upon traditional foreign purchasers. Embargoes should be avoided except in extraordinary circumstances and quantitative limitations should be imposed sufficiently early to effectively cushion adverse effects on the domestic economy and at a level that would minimize the disruptive effects on historical supply relationships. To the extent feasible, the imposition of export limitations should be preceded by consultations with the principal importing countries affected by such limitations.

The Senate bill contained a provision directing the Secretary of Commerce to monitor exports and contracts for exports (other than for commodities subject to Section 812 of the Agricultural Act of 1970) when such exports contribute or may contribute to domestic price increases or shortages and such price increases or shortages have or may have a serious adverse impact on the domestic economy or any sector thereof. The provision further requires that the Secretary issue periodic reports indicating the results of such monitoring and analyzing the domestic and international impact of shortages and price increases. The provision further requires that the Secretary consult with the Federal Energy Administration to determine whether such monitoring is warranted for energy-related exports. There was no comparable provision in the House amendment. The conferees accepted the Senate provision with an amendment deleting the requirement that the Secretary of Commerce report his analysis of the probable duration of shortages or increased prices.

The Senate bill contained a provision which makes it national policy to foster international cooperation and the development of international rules and institutions to assure reasonable access to world supplies. The House amendment contained no comparable provision. The conferees accepted the Senate provision.

The Senate bill contained a provision requiring that export license applications required pursuant to national security policy provisions of the Export Administration Act be approved or disapproved within 90 days of their submission or, in the alternative, that the applicant be informed of the circumstances requiring additional processing time. The Senate provision further specifies that the Departments of Commerce, Defense, and State be represented on the technical advisory committees with respect to such exports. The provision further requires that such technical advisory committees be provided with adequate information, consistent with national security, to facilitate their work. The House amendment contained no comparable provision. The conferees accepted the Senate provision.

The Senate bill contained a provision requiring the Secretary of Commerce, upon imposing quantitative restrictions on exports pursuant to the policy stated in Section 3 (2)(A) of the Export Administration Act, to publish in the Federal Register an invitation to all interested parties to submit written comments on the impact of such restrictions. There was no comparable provision in the House amendment. The conferees accepted the Senate provision.

The Senate bill provided for a petition procedure for hardship relief from export controls, together with certain criteria to be considered by the Secretary of Commerce in decisions with respect to the granting or denial of such relief. The House amendment contained no comparable provision. The conferees accepted the Senate provision.

The conferees recognize that export controls may in certain situations work a hardship on domestic manufacturers and their employees. For example, one domestic manufacturer, American Motors, stated that, as a result of export controls on scrap steel, its continued domestic production of a major consumer product has been endangered with potential dislocation of the economy and employment. A critical component of this manufacturer's final product is provided by its facility in Canada pursuant to the terms of the United States–Canada Automotive Products Agreement of 1965. This component, the engine block, is produced in part from scrap steel exported from the United States. Such scrap is presently subject to controls. Relief in the past has been unavailable to the manufacturer, and there has existed a threat that the manufacturer's American production lines would be closed as a consequence of the export control program.

It is the intent of the conferees that the Secretary consider relief in situations such as may be represented by a domestic manufacturer who produces or causes to be produced from materials exported to a foreign subsidiary, division or firm, a critical component of the product which it assembles or manufactures in the United States with domestic labor. Exemption from export controls is warranted in such a case because the domestic economy benefits through the uninterrupted and efficient production of the domestic product. In such instances, the exported commodity or material is returned for use in a domestic product and sold for use in the United States. Alternatively, it may be exported, with a value greater than the value of the component raw material otherwise restricted from export, thus contributing favorably to the balance of payments.

The Senate bill contained a provision authorizing and directing the Secretary of Defense to review proposed exports of goods or technology to certain countries to determine whether such exports will significantly increase the military capability of such countries and to recommend to the President that exports which would make such a significant increase be disapproved. The Senate provision authorized the President to overrule the Secretary provided that the President submits to the Congress a statement indicating his decision, together with the recommendation of the Secretary. The Senate provision specified that the Congress may disapprove the action of the President by concurrent resolution within 60 days of such a statement.

The Senate provision further required that any modification of the COCOM international commodity control lists require agreement of the President and that any such action be subject to disapproval by the Congress within 60 days of such agreement.

The House receded to the Senate provision with an amendment which eliminated references to modification of the COCOM lists and to Congressional disapproval and which specified that the Secretary of Defense determine, in consultation with the export control office to which licensing requests are made, the types and categories of transactions which should be reviewed.

The Senate bill contained a provision specifying that, in imposing export controls to effectuate the policy stated in Section 3(2)(A) of the Export Administration Act, the President's authority shall include, but not be limited to, the imposition of export license fees and the auction of export licenses. The House amendment contained no similar provision. The House receded to the Senate with an amendment which eliminated explicit reference to the auction of export licenses.

The Senate bill contained a provision requiring the Secretary of Commerce to establish regulations for the licensing of all police, law enforcement, or security equipment manufactured for use in surveillance, eavesdropping, crowd control, interrogations, or penal retribution. The provision required that any license for such exports be reviewed by the Attorney General and submitted to Congress with an opportunity for disapproval by resolution of either House within 60 days. The Senate provision further provided for exemption of individual countries and specific categories of equipment from the Congressional review and disapproval provision upon a finding by the Secretary of Commerce that exports of such equipment would not threaten fundamental human and civil liberties. The House amendment contained no comparable provision. The Senate conferees receded to the House.

The Senate bill contained a provision directing the President to review laws and regulations governing the export and reexport of nuclear materials and technology and the adequacy of domestic and international safeguards to prevent proliferation of such materials and technology and further required that the President report to the Congress within six months on the adequacy of such laws, regulations and safeguards. The House amendment contained no similar provision. The House receded to the Senate.

The Senate bill provided for an extension of the Export Administration Act of 1969 to June 30, 1977. The House amendment provided for an extension to September 30, 1976. The Senate receded to the House.

In granting this extension, the conferees intend and expect that the Department of Commerce will more fully comply with its responsibility to report to the Congress. The Export Administration Act requires that the President and the Congress be provided with a quarterly report of operations performed under the Act. Before 1973, the Office of Export Administration was responsible for preparing and publishing the report, but in 1973 control of the report was shifted to the Bureau of East-West Trade.

Placing responsibility for the report in the Bureau of East-West Trade produced a change in its subject matter. The report now focuses on the expansion of East-West Trade and relegates the subject of export controls to one chapter. The primary emphasis of that chapter is on strategic export controls.

The report provides only a limited description of short supply export control actions and does not provide substantive analysis and assessment of the domestic and international impact of export control decisions. Moreover, quarterly reports have not been published in a timely manner and not within 45 days of the end of the calendar quarter, as specified in the Act. The conferees expect these situations to be promptly remedied.

The Senate bill contained a provision directing the Comptroller General to conduct a continuous review of the effectiveness of procedures of the Secretary of Commerce in administering export controls and further directing the Comptroller General to report to Congress when he determines that there is a domestic shortage of a commodity. The House amendment contained no similar provision. The Senate receded to the House.

The Senate bill contained a provision amending the Mineral Leasing Act of 1920 to prohibit the export of domestically produced crude oil transported by pipeline over federally-granted rights of way unless the President finds that such export will not, directly or indirectly, increase the price thereof to domestic petroleum purchasers. The House amendment contained no similar provision. The Senate receded to the House.

The Senate bill contained a provision requiring the Secretary of Agriculture, within 90 days after the beginning of a crop year, to determine which commodities subject to the reporting requirements of Section 812 of the Agricultural Act of 1970 are likely to be in short supply, and to submit, with the concurrence of the Secretary of Commerce, his findings to Congress together with a plan to cope with the anticipated shortage. The House amendment contained no similar provision. The Senate receded to the House.

The Senate bill contained a provision making it the policy of the United States to use export controls to secure removal by foreign nations of restrictions on access to supplies if such restrictions have or may have a serious impact on the economy or have been imposed for purposes of influencing U.S. foreign policy. The provision directs the President to make every reasonable effort to secure the removal or reduction of such restrictions through international cooperation and agreement before resorting to the imposition of retaliatory export controls. The provision further required that the President consult with the Tariff Commission and congressional committees before exercising his authority thereunder. The House amendment contained no similar provision. The House receded to the Senate with an amendment deleting reference to prior consultation with the Tariff Commission and congressional committees.

It is the intent of the conferees that the exercise of the authority conferred by this provision be implemented, whenever feasible, through international cooperation rather than unilateral action.

The House amendment contained a provision authorizing and directing the President to allocate a portion of export licenses on the basis of factors other than prior export history in effecting the policy set forth in Section 3(2)(A) of the Export Administration Act. The Senate bill contained no similar provision. The Senate receded to the House.

Wright Patman,
Thomas L. Ashley,
Thomas M. Rees,
Parren J. Mitchell,
Fernand J. St Germain,
Richard T. Hanna,
Edward I. Koch,
Andrew Young,
Joe Moakley,
William B. Widnall,
Ben B. Blackburn,
Garry Brown,
Albert W. Johnson,
Stewart B. McKinney,
Bill Frenzel,
Managers on the Part of the House.
Adlai E. Stevenson III,
Alan Cranston,
William D. Hathaway,
Joe Biden,
Bob Packwood,
Bill Brock,
Edward W. Brooke,
Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 1769, FIRE PREVENTION AND CONTROL ACT OF 1974

Mr. TEAGUE submitted the following conference report and statement on the Senate bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes:

Conference Report (H. Rept. No. 1413)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Federal Fire Prevention and Control Act of 1974".

FINDINGS

Sec. 2. The Congress finds that—

(1) The National Commission on Fire Prevention and Control, established pursuant to Public Law 90-259, has made an exhaustive and comprehensive examination of the Nation's fire problem, has made detailed findings as to the extent of this problem in terms of human suffering and loss of life and property, and has made ninety thoughtful recommendations.

(2) The United States today has the highest per capita rate of death and property loss from fire of all the major industrialized nations in the world.

(3) Fire is an undue burden affecting all Americans, and fire also constitutes a public health and safety problem of great dimensions. Fire kills 12,000 and scars and injures 300,000 Americans each year, including 50,000 individuals who require extended hospitalization. Almost $3 billion worth of property is destroyed annually by fire, and the total economic cost of destructive fire in the United States is estimated conservatively

to be $11,000,000,000 per year. Firefighting is the Nation's most hazardous profession.

(4) Such losses of life and property from fire are unacceptable to the Congress.

(5) While fire prevention and control is and should remain a State and local responsibility, the Federal Government must help if a significant reduction in fire losses is to be achieved.

(6) The fire service and the civil defense program in each locality would both benefit from closer cooperation.

(7) The Nation's fire problem is exacerbated by (A) the indifference with which some Americans confront the subject; (B) the Nation's failure to undertake enough research and development into fire and fire-related problems; (C) the scarcity of reliable data and information; (D) the fact that designers and purchasers of buildings and products generally give insufficient attention to fire safety; (E) the fact that many communities lack adequate building and fire prevention codes; and (F) the fact that local fire departments spend about 95 cents of every dollar appropriated to the fire services on efforts to extinguish fires and only about 5 cents on fire prevention.

(8) There is a need for improved professional training and education oriented toward improving the effectiveness of the fire services, including an increased emphasis on preventing fires and on reducing injuries to firefighters.

(9) A national system for the collection, analysis, and dissemination of fire data is needed to help local fire services establish research and action priorities.

(10) The number of specialized medical centers which are properly equipped and staffed for the treatment of burns and the rehabilitation of victims of fires is inadequate.

(11) The unacceptably high rates of death, injury, and property loss from fire can be reduced if the Federal Government establishes a coordinated program to support and reinforce the fire prevention and control activities of State and local governments.

PURPOSES

Sec. 3. It is declared to be the purpose of Congress in this Act to—

(1) reduce the Nation's losses caused by fire through better fire prevention and control;

(2) supplemental existing programs of research, training, and education, and to encourage new and improved programs and activities by State and local governments;

(3) establish the National Fire Prevention and Control Administration and the Fire Research Center within the Department of Commerce; and

(4) establish an intensified program of research into the treatment of burn and smoke injuries and the rehabilitation of victims of fires within the National Institutes of Health.

DEFINITIONS

Sec. 4. As used in this Act, the term—

(1) "Academy" means the National Academy for Fire Prevention and Control;

(2) "Administration" means the National Fire Prevention and Control Administration established pursuant to section 5 of this Act;

(3) "Administrator" means the Administrator of the National Fire Prevention and Control Administration;

(4) "fire service" means any organization in any State consisting of personnel, apparatus, and equipment which has as its purpose protecting property and maintaining the safety and welfare of the public from the dangers of fire, including a private firefighting brigade. The personnel of any such organization may be paid employees or unpaid volunteers or any combination thereof. The location of any such organization and its responsibility for extinguishment and suppression of fires may include, but need not be limited to, a Federal installation, a State, city, town, borough, parish, county, fire district, fire protection district, rural fire district, or other special district. The terms "fire prevention", "firefighting", and "firecontrol" relate to activities conducted by a fire service;

(5) "local" means of or pertaining to any city, town, county, special purpose district, unincorporated territory, or other political subdivision of a State;

(6) "Secretary" means the Secretary of Commerce; and

(7) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, the Canal Zone, Guam, American Samoa, the Trust Territory of the Pacific Islands and any other territory or possession of the United States.

ESTABLISHMENT OF THE NATIONAL FIRE PREVENTION AND CONTROL ADMINISTRATION

Sec. 5. (a) Establishment of Administration.—There is hereby established in the Department of Commerce an agency which shall be known as the National Fire Prevention and Control Administration.

(b) Administrator.—There shall be at the head of the Administration the Administrator of the National Fire Prevention and Control Administration. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates (5 U.S.C. 5315). The Administrator shall report and be responsible to the Secretary.

(c) Deputy Administrator.—There shall be in the Administration a Deputy Administrator of the National Fire Prevention and Control Administration who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate now or hereafter provided for level IV of the Execu-Schedule pay rates (5 U.S.C. 5316). The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

PUBLIC EDUCATION

Sec. 6. The Administrator is authorized to take all steps necessary to educate the public and to overcome public indifference as to fire and fire prevention. Such steps may include, but are not limited to, publications, audiovisual presentations, and demonstrations. Such public education efforts shall include programs to provide specialized information for those groups of individuals who are particularly vulnerable to fire hazards, such as the young and the elderly. The Administrator shall sponsor and encourage research, testing, and experimentation to determine the most effective means of such public education.

NATIONAL ACADEMY FOR FIRE PREVENTION AND CONTROL

Sec. 7. (a) Establishment.—The Secretary shall establish, at the earliest practicable date, a National Academy for Fire Prevention and Control. The purpose of the Academy shall be to advance the professional development of fire service personnel and of other persons engaged in fire prevention and control activities.

(b) Superintendent.—The Academy shall be headed by a Superintendent, who shall be appointed by the Secretary. In exercising the powers and authority contained in this section the Superintendent shall be subject to the direction of the Administrator.

(c) Powers of Superintendent.—The Superintendent is authorized to—

(1) develop and revise curricular standards for admission and performance, and criteria for the awarding of degrees and certifications;

(2) appoint such teaching staff and other personnel as he determines to be necessary or appropriate;

(3) conduct courses and programs of training and education, as defined in subsection (d) of this section;

(4) appoint faculty members and consultants without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and, with respect to temporary and intermittent services, to make appointments to the same extent as is authorized by section 3109 of title 5, United States Code;

(5) establish fees and other charges for attendance at, and subscription to, courses and programs offered by the Academy. Such fees may be modified or waived as determined by the Superintendent;

(6) conduct short courses, seminars, workshops, conferences, and similar education and training activities in all parts and localities of the United States;

(7) enter into such contracts and take such other actions as may be necessary in carrying out the purposes of the Academy; and

(8) consult with officials of the fire services and other interested persons in the exercise of the foregoing powers.

(d) Program of the Academy.—The Superintendent is authorized to—

(1) train fire service personnel in such skills and knowledge as may be useful to advance their ability to prevent and control fires, including, but not limited to—

(A) techniques of fire prevention, fire inspection, firefighting, and fire and arson investigation;

(B) tactics and command of firefighting for present and future fire chiefs and commanders;

(C) administration and management of fire services;

(D) tactical training in the specialized field of aircraft fire control and crash rescue;

(E) tactical training in the specialized field of fire control and rescue aboard waterborne vessels; and

(F) the training of present and future instructors in the aforementioned subjects;

(2) develop model curricula, training programs, and other educational materials suitable for use at other educational institutions, and to make such materials available without charge;

(3) develop and administer a program of correspondence courses to advance the knowledge and skills of fire service personnel;

(4) develop and distribute to appropriate officials model questions suitable for use in conducting entrance and promotional examinations for fire service personnel; and

(5) encourage the inclusion of fire prevention and detection technology and practices in the education and professional practice of architects, builders, city planners, and others engaged in design and planning affected by fire safety problems.

(e) Technical Assistance.—The Administrator is authorized, to the extent that he determines it necessary to meet the needs of the Nation, to encourage new programs and to strengthen existing programs of education and training by local fire services, units, and departments, State and local governments, and private institutions, by providing technical assistance and advice to—

(1) vocational training programs in techniques of fire prevention, fire inspection, firefighting, and fire and arson investigation;

(2) fire training courses and programs at junior colleges; and

(3) four-year degree programs in fire engineering at colleges and universities.

(f) Assistance.—The Administrator is authorized to provide assistance to State and local fire service training programs through grants, contracts, or otherwise. Such assistance shall not exceed 4 per centum of the amount authorized to be appropriated in each fiscal year pursuant to section 17 of this Act.

(g) SITE SELECTION.—The Academy shall be located on such site as the Secretary selects, subject to the following provisions:

(1) The Secretary is authorized to appoint a Site Selection Board consisting of the Academy Superintendent and two other members to survey the most suitable sites for the location of the Academy and to make recommendations to the Secretary.

(2) The Site Selection Board in making its recommendations and the Secretary in making his final selection, shall give consideration to the training and facility needs of the Academy, environmental effects, the possibility of using a surplus Government facility, and such other factors as are deemed important and relevant. The Secretary shall make a final site selection not later than 2 years after the date of enactment of this Act.

(h) CONSTRUCTION COSTS.—Of the sums authorized to be appropriated for the purpose of implementing the programs of the Administration, not more than $9,000,000 shall be available for the construction of facilities of the Academy on the site selected under subsection (g) of this section. Such sums for such construction shall remain available until expended.

(i) EDUCATIONAL AND PROFESSIONAL ASSISTANCE.—The Administrator is authorized to—

(1) provide stipends to students attending Academy courses and programs, in amounts up to 75 per centum of the expense of attendance, as established by the Superintendent;

(2) provide stipends to students attending courses and nondegree training programs approved by the Superintendent at universities, colleges, and junior colleges, in amounts up to 50 per centum of the cost of tuition;

(3) make or enter into contracts to make payments to institutions of higher education for loans, not to exceed $2,500 per academic year for any individual who is enrolled on a full-time basis in an undergraduate or graduate program of fire research or engineering which is certified by the Superintendent. Loans under this paragraph shall be made on such terms and subject to such conditions as the Superintendent and each institution involved may jointly determine; and

(4) establish and maintain a placement and promotion opportunities center in cooperation with the fire services, for firefighters who wish to learn and take advantage of different or better career opportunities. Such center shall not limit such assistance to students and graduates of the Academy, but shall undertake to assist all fire service personnel.

(j) BOARD OF VISITORS.—Upon establishlishment of the Academy, the Secretary shall establish a procedure for the selection of professionals in the field of fire safety, fire prevention, fire control, research and development in fire protection, treatment and rehabilitation of fire victims, or local government services management to serve as members of a Board of Visitors for the Academy. Pursuant to such procedure, the Secretary shall select eight such persons to serve as members of such Board of Visitors to serve such terms as the Secretary may prescribe. The function of such Board shall be to review annually the program of the Academy and to make comments and recommendations to the Secretary regarding the operation of the Academy and any improvements therein which such Board deems appropriate. Each member of such Board shall be reimbursed for any expenses actually incurred by him in the performance of his duties as a member of such Board.

(k) ACCREDITATION.—The Superintendent is authorized to establish a Committee on Fire Training and Education which shall inquire into and make recommendations regarding the desirability of establishing a mechanism for accreditation of fire training and education programs and courses, and the role which the Academy should play if such a mechanism is recommended. The Committee shall consist of the Superintendent as Chairman and eighteen other members appointed by the Administrator from among individuals and organizations possessing special knowledge and experience in the field of fire training and education or related fields. The Committee shall submit to the Administrator within two years after its appointment, a full and complete report of its findings and recommendations. Upon the submission of such report, the Committee shall cease to exist. Each appointed member of the Committee shall be reimbursed for expenses actually incurred in the performance of his duties as a member.

(l) ADMISSION.—The Superintendent is authorized to admit to the courses and programs of the Academy individuals who are members of the firefighting, rescue, and civil defense forces of the Nation and such other individuals, including candidates for membership in these forces, as he determines can benefit from attendance. Students shall be admitted from any State, with due regard to adequate representation in the student body of all geographic regions of the Nation. In selecting students, the Superintendent may seek nominations and advice from the fire services and other organizations which wish to send students to the Academy.

FIRE TECHNOLOGY

SEC. 8. (a) TECHNOLOGY DEVELOPMENT PROGRAM.—The Administrator shall conduct a continuing program of development, testing, and evaluation of equipment for use by the Nation's fire, rescue, and civil defense services, with the aim of making available improved suppression, protective, auxiliary, and warning devices incorporating the latest technology. Attention shall be given to the standardization, compatibility, and interchangeability of such equipment. Such development, testing, and evaluation activities shall include, but need not be limited to—

(1) safer, less cumbersome articles of protective clothing, including helmets, boots, and coats;

(2) breathing apparatus with the necessary duration of service, reliability, low weight, and ease of operation for practical use;

(3) safe and reliable auxiliary equipment for use in fire prevention, detection, and control, such as fire location detectors, visual and audio communications equipment, and mobile equipment;

(4) special clothing and equipment needed for forest fires, brush fires, oil and gasoline fires, aircraft fires and crash rescue, fires occurring aboard waterborne vessels, and in other special firefighting situations;

(5) fire detectors and related equipment for residential use with high sensitivity and reliability, and which are sufficiently inexpensive to purchase, install, and maintain to insure wide acceptance and use;

(6) in-place fire prevention systems of low cost and of increased reliability and effectiveness;

(7) methods of testing fire alarms and fire protection devices and systems on a noninterference basis;

(8) the development of purchase specifications, standards, and acceptance and validation test procedures for all such equipment and devices; and

(9) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section.

(b) LIMITATION.—The Administration shall not engage in the manufacture or sale of any equipment or device developed pursuant to this section, except to the extent that it deems it necessary to adequately develop, test, or evaluate such equipment or device.

(c) MANAGEMENT STUDIES.—(1) The Administrator is authorized to conduct, directly or through contracts or grants, studies of the operations and management aspects of fire services, utilizing quantitative techniques, such as operations research, management economics, cost effectiveness studies, and such other techniques and methods as may be applicable and useful. Such studies shall include, but need not be limited to, the allocation of resources, the optimum location of fire stations, the optimum geographical area for an integrated fire service, the manner of responding to alarms, the operation of citywide and regional fire dispatch centers, firefighting under conditions of civil disturbance, and the effectiveness, frequency, and methods of building inspections.

(2) The Administrator is authorized to conduct, directly or through contracts or grants, research concerning the productivity and efficiency of fire service personnel, the job categories and skills required by fire services under varying conditions, the reduction of injuries to fire service personnel, the most effective fire prevention programs and activities, and techniques for accurately measuring and analyzing the foregoing.

(3) The Administrator is authorized to conduct, directly or through contracts, grants, or other forms of assistance, development, testing, and demonstration projects to the extent deemed necessary to introduce and to encourage the acceptance of new technology, standards, operating methods, command techniques, and management systems for utilization by the fire services.

(4) The Administrator is authorized to assist the Nation's fire services, directly or through contracts, grants, or other forms of assistance, to measure and evaluate, on a cost-benefit basis, the effectiveness of the programs and activities of each fire service and the predictable consequences on the applicable local fire services of coordination or combination, in whole or in part, in a regional, metropolitan, or statewide fire service.

(d) RURAL ASSISTANCE.—The Administrator is authorized to assist the Nation's fire services, directly or through contracts, grants, or other forms of assistance, to sponsor and encourage research into approaches, techniques, systems, and equipment to improve fire prevention and control in the rural and remote areas of the Nation.

(e) COORDINATION.—In establishing and conducting programs under this section, the Administrator shall take full advantage of applicable technological developments made by other departments and agencies of the Federal Government, by State and local governments, and by business, industry, and nonprofit associations.

NATIONAL FIRE DATA CENTER

SEC. 9. (a) GENERAL.—The Administrator shall operate, directly or through contracts or grants, an integrated, comprehensive National Fire Data Center for the selection, analysis, publication, and dissemination of information related to the prevention, occurrence, control, and results of fires of all types. The program of such Data Center shall be designed to (1) provide an accurate nationwide analysis of the fire problem, (2) identify major problem areas, (3) assist in setting priorities, (4) determine possible solutions to problems, and (5) monitor the progress of programs to reduce fire losses. To carry out these functions, the Data Center shall gather and analyze—

(1) information on the frequency, causes, spread, and extinguishment of fires;

(2) information on the number of injuries and deaths resulting from fires, including the maximum available information on the specific causes and nature of such injuries and deaths, and information on property losses;

(3) information on the occupational hazards faced by firefighters, including the causes of deaths and injuries arising, directly and indirectly, from firefighting activities;

(4) information on all types of firefighting activities, including inspection practices;

(5) technical information related to building construction, fire properties of materials, and similar information;

(6) information on fire prevention and control laws, systems, methods, techniques, and administrative structures used in foreign nations;

(7) information on the causes, behavior, and best method of control of other types of fire, including, but not limited to, forest fires, brush fires, fire underground, oil blow-out fires, and waterborne fires; and

(8) such other information and data as is deemed useful and applicable.

(b) METHODS.—In carrying out the program of the Data Center, the Administrator is authorized to—

(1) develop standardized data reporting methods;

(2) encourage and assist State, local, and other agencies, public and private, in developing and reporting information; and

(3) make full use of existing data gathering and analysis organizations, both public and private.

(c) DISSEMINATION.—The Administrator shall insure dissemination to the maximum extent possible of fire data collected and developed by the Data Center, and shall make such data, information, and analysis available in appropriate form to Federal agencies, State and local governments, private organizations, industry, business, and other interested persons.

MASTER PLANS

SEC. 10(a) GENERAL.—The establishment of master plans for fire prevention and control are the responsibility of the States and the political subdivisions thereof. The Administrator is authorized to encourage and assist such States and political subdivisions in such planning activities, consistent with his powers and duties under this Act.

(b) REPORT.—Four years after the date of enactment of this Act, the Secretary shall submit to the Congress a report on the establishment and effectiveness of master plans in the field of fire prevention and control throughout the nation. Such report shall include, but need not be limited to—

(1) a summary of the extent and quality of master planning activities;

(2) a summary and evaluation of master plans that have been prepared by States and political subdivisions thereof. Such summary and evaluation shall consider, with respect to each such plan (A) the characteristics of the jurisdiction adopting it, including, but not limited to, density and distribution of population; ratio of volunteer versus paid fire services; geographic location, topography, and climate; per capita rate of death and property loss from fire; size and characteristics of political subdivisions of the governmental units thereof; and socio-economic composition; and (B) the approach to development and implementation of the master plans;

(3) an evaluation of the best approach to the development and implementation of master plans (e.g. central planning by a State agency, regionalized planning within a State coordinated by a State agency, or local planning supplemented and coordinated by a State agency);

(4) an assessment of the costs and benefits of master plans;

(5) a recommendation to Congress on whether Federal financial assistance should be authorized in order that master plans can be developed in all States; and

(6) a model master plan or plans suitable for State and local implementation.

(c) DEFINITION.—For the purposes of this section, a "master plan" is one—which will result in the planning and implementation in the area involved of a general program of action for fire prevention and control. Such master plan is reasonably expected to include (1) a survey of the resources and personnel of existing fire services and an analysis of the effectiveness of the fire and building codes in such area; (2) an analysis of short and long term fire prevention and control needs in such area; (3) a plan to meet the fire prevention and control needs in such area; and (4) an estimate of cost and realistic plans for financing the implementation of the plan and operation on a continuing basis and a summary of problems that are anticipated in implementing such master plan.

REIMBURSEMENT FOR COSTS OF FIREFIGHTING ON FEDERAL PROPERTY

SEC. 11. (a) CLAIM.—Each fire service that engages in the fighting of a fire on property which is under the jurisdiction of the United States may file a claim with the Administrator for the amount of direct expenses and direct losses incurred by such fire service as a result of fighting such fire. The claim shall include such supporting information as the Administrator may prescribe.

(b) DETERMINATION.—Upon receipt of a claim filed under subsection (a) of this section, the Administrator shall determine—

(1) what payments, if any, to the fire service or its parent jurisdiction, including taxes or payments in lieu of taxes, the United States has made for the support of fire services on the property in question;

(2) the extent to which the fire service incurred additional fire-fighting costs, over and above its normal operating costs, in connection with the fire which is the subject of the claim; and

(3) the amount, if any, of the additional costs referred to in paragraph (2) of this subsection which were not adequately covered by the payments referred to in paragraph (1) of this subsection.

(c) PAYMENT.—The Secretary shall forward the claim and a copy of the Administrator's determination under subsection (b)(3) of this section to the Secretary of the Treasury. The Secretary of the Treasury shall, upon receipt of the claim and determination, pay such fire service or its parent jurisdiction, from any moneys in the Treasury not otherwise appropriated but subject to reimbursement (from any appropriations which may be available or which may be made available for the purpose) by the Federal department or agency under whose jurisdiction the fire occurred, a sum no greater than the amount determined with respect to the claim under subsection (b)(3) of this section.

(d) ADJUDICATION.—In the case of a dispute arising in connection with a claim under this section, the Court of Claims of the United States shall have jurisdiction to adjudicate the claim and enter judgment accordingly.

REVIEW OF CODES

SEC. 12. The Administrator is authorized to review, evaluate, and suggest improvements in State and local fire prevention codes, building codes, and any relevant Federal or private codes and regulations. In evaluating any such code or codes, the Administrator shall consider the human impact of all code requirements, standards, or provisions in terms of comfort and habitability for residents or employees, as well as the fire prevention and control value or potential of each such requirement, standard, or provision.

FIRE SAFETY EFFECTIVENESS STATEMENTS

SEC. 13. The Administrator is authorized to encourage owners and managers of residential multiple-unit, commercial, industrial, and transportation structures to prepare Fire Safety Effectiveness Statements, pursuant to standards, forms, rules, and regulations to be developed and issued by the Administrator.

ANNUAL CONFERENCE

SEC. 14. The Administrator is authorized to organize, or to participate in organizing, an annual conference on fire prevention and control. He may pay, in whole or in part, the cost of such conference and the expenses of some or all of the participants. All of the Nation's fire services shall be eligible to send representatives to each such conference to discuss, exchange ideas on, and participate in educational programs on new techniques in fire prevention and control. Such conferences shall be open to the public.

PUBLIC SAFETY AWARDS

SEC. 15. (a) ESTABLISHMENT.—There are hereby established two classes of honorary awards for the recognition of outstanding and distinguished service by public safety officers—

(1) the President's Award For Outstanding Public Safety Service ("President's Award"); and

(2) the Secretary's Award For Distinguished Public Safety Service ("Secretary's Award").

(b) DESCRIPTION.—(1) The President's Award shall be presented by the President of the United States to public safety officers for extraordinary valor in the line of duty or for outstanding contribution to public safety.

(2) The Secretary's Award shall be presented by the Secretary, the Secretary of Defense, or by the Attorney General to public safety officers for distinguished service in the field of public safety.

(c) SELECTION.—The Secretary of Defense, and the Attorney General shall advise and assist the President in the selection of individuals to whom the President's Award shall be tendered and in the course of performing such duties they shall seek and review nominations for such awards which are submitted to them by Federal, State, county, and local government officials. They shall annually transmit to the President the names of those individuals determined by them to merit the award, together with the reasons therefor. Recipients of the President's Award shall be selected by the President.

(d) LIMITATION.—(1) There shall not be presented in any one calandar year in excess of twelve President's Awards.

(2) There shall be no limitation on the number of Secretary's Awards presented.

(e) AWARD.—(1) Each President's Award shall consist of—

(A) a medal suitably inscribed, bearing such devices and emblems, and struck from such material as the Secretary of the Treasury, after consultation with the Secretary, the Secretary of Defense, and the Attorney General deems appropriate. The Secretary of the Treasury shall cause the medal to be struck and furnished to the President; and

(B) an appropriate citation.

(2) Each Secretary's Award shall consist of an appropriate citation.

(f) REGULATIONS.—The Secretary, the Secretary of Defense, and the Attorney General are authorized and directed to issue jointly such regulations as may be necessary to carry out this section.

(g) DEFINITIONS.—As used in this section, the term "public safety officer" means a person serving a public agency, with or without compensation, as—

(1) a firefighter;

(2) a law enforcement officer, including a corrections or court officer; or

(3) a civil defense officer.

ANNUAL REPORT

SEC. 16. The Secretary shall report to the Congress and the President not later than June 30 of the year following the date of enactment of this Act and each year thereafter on all activities relating to fire prevention and control, and all measures taken to implement and carry out this Act during the preceding calendar year. Such report shall include, but need not be limited to—

(a) a thorough appraisal, including statistical analysis, estimates, and long-term projections of the human and economic losses due to fire;

(b) a survey and summary, in such detail as is deemed advisable, of the research and technology program undertaken or sponsored pursuant to this Act;

(c) a summary of the activities of the Academy for the preceding 12 months, including, but not limited to—

(1) an explanation of the curriculum of study;

(2) a description of the standards of admission and performance;

(3) the criteria for the awarding of degrees and certificates; and

(4) a statistical compilation of the number of students attending the Academy and receiving degrees or certificates;

(d) a summary of the activities undertaken to assist the Nation's fire services;

(e) a summary of the public education programs undertaken;

(f) an analysis of the extent of participation in preparing and submitting Fire Safety Effectiveness Statements;

(g) a summary of outstanding problems confronting the administration of this Act, in order of priority;

(h) such recommendations for additional legislation as are deemed necessary or appropriate; and

(i) a summary of reviews, evaluations, and suggested improvements in State and local fire prevention and building codes, fire services, and any relevant Federal or private codes, regulations, and fire services.

AUTHORIZATION OF APPROPRIATIONS

Sec. 17. There are authorized to be appropriated to carry out the foregoing provisions of this Act, except section 11 of this Act, such sums as are necessary, not to exceed $10,000,000 for the fiscal year ending June 30, 1975, and not to exceed $15,000,000 for the fiscal year ending June 30, 1976.

FIRE RESEARCH CENTER

Sec. 18. The Act of March 3, 1901 (15 United States Code 278), is amended by striking out sections 16 and 17 (as added by title I of the Fire Prevention and Control Act of 1968) and by inserting in lieu thereof the following new section:

"Sec. 16. (a) There is hereby established within the Department of Commerce a Fire Research Center which shall have the mission of performing and supporting research on all aspects of fire with the aim of providing scientific and technical knowledge applicable to the prevention and control of fires. The content and priorities of the research program shall be determined in consultation with the Administrator of the National Fire Prevention and Control Administration. In implementing this section, the Secretary is authorized to conduct, directly or through contracts or grants, a fire research program including—

"(1) basic and applied fire research for the purpose of arriving at an understanding of the fundamental processes underlying all aspects of fire. Such research shall include scientific investigations of—

"(A) the physics and chemistry of combustion processes;

"(B) the dynamics of flame ignition, flame spread, and flame extinguishment;

"(C) the composition of combustion products developed by various sources and under various environmental conditions;

"(D) the early stages of fires in buildings and other structures, structural subsystems and structural components in all other types of fires, including, but not limited to, forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires, with the aim of improving early detection capability;

"(E) the behavior of fires involving all types of buildings and other structures and their contents (including mobile homes and highrise buildings, construction materials, floor and wall coverings, coatings, furnishings, and other combustible materials), and all other types of fires, including forest fires, brush fires, fires underground, oil blowout fires, and waterborne fires;

"(F) the unique fire hazards arising from the transportation and use, in industrial and professional practices, of combustible gases, fluids, and materials;

"(G) design concepts for providing increased fire safety consistent with habitability, comfort, and human impact in buildings and other structures; and

"(H) such other aspects of the fire process as may be deemed useful in pursuing the objectives of the fire research program;

"(2) research into the biological, physiological, and psychological factors affecting human victims of fire, and the performance of individual members of fire services, including—

"(A) the biological and physiological effects of toxic substances encountered in fires;

"(B) the trauma, cardiac conditions, and other hazards resulting from exposure to fire;

"(C) the development of simple and reliable tests for determining the cause of death from fires;

"(D) improved methods of providing first aid to victims of fires;

"(E) psychological and motivational characteristics of persons who engage in arson, and the prediction and cure of such behavior;

"(F) the conditions of stress encountered by firefighters, the effects of such stress, and the alleviation and reduction of such conditions; and

"(G) such other biological, psychological, and physiological effects of such stress, and the alleviation and reduction of such conditions; and

"(3) operation tests, demonstration projects, and fire investigations in support of the activities set forth in this section.

"The Secretary shall insure that the results and advances arising from the work of the research program are disseminated broadly. He shall encourage the incorporation, to the extent applicable and practicable, of such results and advances in building codes, fire codes, and other relevant codes, test methods, fire service operations and training, and standards. The Secretary is authorized to encourage and assist in the development and adoption of uniform codes, test methods, and standards aimed at reducing fire losses and costs of fire protection.

"(b) For the purposes of this section there is authorized to be appropriated not to exceed $3,500,000 for the fiscal year ending June 30, 1975 and not to exceed $4,000,000 for the fiscal year ending June 30, 1976."

VICTIMS OF FIRE

Sec. 19. (a) Program.—The Secretary of Health, Education, and Welfare shall establish, within the National Institutes of Health and in cooperation with the Secretary, an expanded program of research on burns, treatment of burn injuries, and rehabilitation of victims of fires. The National Institutes of Health shall—

(1) sponsor and encourage the establishment throughout the Nation of twenty-five additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs, and twenty-five additional burn units, which shall comprise specialized facilities in general hospitals used only for burn victims;

(2) provide training and continuing support of specialists to staff the new burn centers and burn units;

(3) sponsor and encourage the establishment of ninety burn programs in general hospitals which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries; and

(7) sponsor and support other research and training programs in the treatment and rehabilitation of burn injury victims.

(b) Authorization of Appropriation.—For purposes of this section, there are authorized to be appropriated not to exceed $5,000,000 for the fiscal year ending June 30, 1975 and not to exceed $8,000,000 for the fiscal year ending June 30, 1976.

PUBLIC ACCESS TO INFORMATION

Sec. 20. Copies of any document, report, statement, or information received or sent by the Secretary or the Administrator shall be made available to the public pursuant to the provisions of section 552 of title 5, United States Code: *Provided*, That, notwithstanding the provisions of subsection (b) of such section and of section 1905 of title 18, United States Code, the Secretary may disclose information which concerns or relates to a trade secret—

(1) upon request, to other Federal Government departments and agencies for official use;

(2) upon request, to any committee of Congress having jurisdiction over the subject matter to which the information relates;

(3) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public when he determines such disclosure to be necessary in order to protect health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days by the party to which the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to health and safety).

ADMINISTRATIVE PROVISIONS

Sec. 21. (a) Assistance.—Each department, agency, and instrumentality of the executive branch of the Federal Government and each independent regulatory agency of the United States is authorized and directed to furnish to the Administrator, upon written request, on a reimbursable basis or otherwise, such assistance as the Administrator deems necessary to carry out his functions and duties pursuant to this Act, including, but not limited to, transfer of personnel with their consent and without prejudice to their position and ratings.

(b) Powers.—With respect to this Act, the Administrator is authorized to—

(1) enter into, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) such contracts, grants, leases, cooperative agreements, or other transactions as may be necessary to carry out the provisions of this Act;

(2) accept gifts and voluntary and uncompensated services, notwithstanding the provisions of section 3679 of the Revised Statutes (31 U.S.C. 665(b));

(3) purchase, lease, or otherwise acquire, own, hold, improve, use, or deal in and with any property (real, personal, or mixed, tangible or intangible), or interest in property, wherever situated; and sell, convey, mortgage, pledge, lease, exchange, or otherwise dispose of property and assets;

(4) procure temporary and intermittent services to the same extent as is authorized under section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for qualified experts; and

(5) establish such rules, regulations, and procedures as are necessary to carry out the provisions of this Act.

(c) Audit.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the recipients of contracts, grants, or other forms of assistance that are pertinent to its activities under this Act for the purpose of audit or to determine if a proposed activity is in the public interest.

(d) Inventions and Discoveries.—All property rights with respect to inventions and discoveries, which are made in the course of or under contract with any government agency pursuant to this Act, shall be subject to the basic policies set forth in the President's Statement of Government Patent Policy issued August 23, 1971, or such revisions of that statement of policy as may subsequently be promulgated and published in the Federal Register.

(e) Coordination.—To the extent practicable, the Administrator shall utilize existing programs, data, information, and facilities already available in other Federal government departments and agencies and, where appropriate, existing research organizations, centers, and universities. The Administrator shall provide liaison at an appropriate organizational level to assure coordination of his activities with State and local government agencies, departments, bureaus, or offices concerned with any matter related to programs of fire prevention and control and with private and other Federal organizations and offices so concerned.

ASSISTANCE TO CONSUMER PRODUCT SAFETY COMMISSION

Sec. 22. Upon request, the Administrator shall assist the Consumer Product Safety Commission in the development of fire safety standards or codes for consumer products, as defined in the Consumer Product Safety Act (15 U.S.C. 2051 et seq.).

CONFORMING AMENDMENTS

Sec. 23. Section 12, of the Act of February 14, 1903, as amended (15 U.S.C. 1511), is amended to read as follows:

"BUREAUS IN DEPARTMENT

"Sec. 12. The following named bureaus, administrations, services, offices, and programs of the public service, and all that pertains thereto, shall be under the jurisdiction and subject to the control of the Secretary of Commerce:

"(a) National Oceanic and Atmospheric Administration;

"(b) United States Travel Service;

"(c) Maritime Administration;

"(d) National Bureau of Standards;

"(e) Patent Office;

"(f) Bureau of the Census;

"(g) National Fire Prevention and Control Administration; and

"(h) such other bureaus or other organizational units as the Secretary of Commerce may from time to time establish in accordance with law."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to reduce losses of life and property through better fire prevention and control, and for other purposes."

And the House agree to the same.

Olin E. Teague,
John W. Davis,
James W. Symington,
Charles A. Mosher,
Alphonzo Bell,
Managers on the Part of the House.
Warren G. Magnuson,
John O. Pastore,
Frank E. Moss,
Ted Stevens,
J. Glenn Beall, Jr.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1769) to reduce the burden on interstate commerce caused by avoidable fires and fire losses, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text for the Senate bill, and the Senate disagreed to the House amendments. The House amendment amended the Senate title of the bill.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the Senate bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill. The committee of conference also recommends that the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill, with an amendment which is a substitute for both the title of the Senate bill and the House amendment to the title of the Senate bill. The following statement explains the resolution of differences between the Senate bill and the House amendment thereto:

STRUCTURE OF THE NEW FIRE PROGRAM

Both the Senate bill and the House amendment established a comprehensive fire prevention and control program to be located primarily in the Department of Commerce. Both programs included, but were not limited to, a fire education program, a national fire academy, a fire research and development program and a national data gathering program.

The Senate bill created the new position of Assistant Secretary of Commerce for Fire Prevention and Control. The Assistant Secretary would have been responsible for carrying out the provisions of the Act under the direction of the Secretary. The Assistant Secretary would have been appointed by the President, by and with the advice and consent of the Senate and would have received compensation at a rate prescribed by law for Assistant Secretaries of Commerce (currently a level IV position).

Title I of the House amendment established in the Department of Commerce a National Bureau of Fire Safety which was to be headed by a Presidentially appointed Director. The Fire Bureau would have undertaken programs of technology development, training and education, data collection and analysis, and public education. Title II of the House amendment established a Fire Research Center in the Department of Commerce which was intended to carry on the fire program of the National Bureau of Standards. Specifically, it would have conducted basic and applied research on the phenomenon of fire. The Director of the Fire Bureau would have received compensation at a level V and would have implemented his duties under the general direction of the Secretary of Commerce.

The Conference Substitute includes a compromise position between the Senate bill and the House amendment. The committee of conference recognized the importance of a separate and distinct fire program within the Department of Commerce while at the same time utilizing the expertise and resources of the National Bureau of Standards for implementing the fire research program. As a result, Section 5 of the Conference Substitute would establish, within the Department of Commerce, an agency which shall be known as the National Fire Prevention and Control Administration. The new Administration is modeled after the existing National Oceanic and Atmospheric Administration. The committee of conference agreed to propose a separate administration with an Administrator, who would report directly to the Secretary of Commerce to insure that the fire prevention and control program would be a highly visible program. In addition, the Administrator would be responsible only to the Secretary.

The conferees, after carefully considering the merits of the organizational arrangements in the two bills, unanimously agree that it would reduce the effectiveness of the program if it were to be located under the auspices of the Assistant Secretary for Science and Technology. Accordingly, the committee of conference has agreed that a new Fire Administration to implement all aspects of the fire program, with the exception of the research program, should be established. The research program, the conferees concluded, should be implemented by the National Bureau of Standards and Section 18 of the Conference Substitute amends the act of March 3, 1901 to reflect this intent.

The new Fire Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. He shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates. The Conference Substitute also establishes the position of Deputy Administrator. The Deputy Administrator shall be appointed by the President by and with the advice and consent of the Senate and he shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates. The Deputy Administrator shall perform such functions as the Administrator shall assign or delegate and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the Office of the Administrator.

While the Conference Substitute structurally separates the research activities from the rest of the Fire Prevention and Control Program, the conferees intend that the Secretary of Commerce shall coordinate the two so that they are complementary. In view of the fact that the Administrator is to report directly to and be responsible to the Secretary of Commerce, the Secretary will be in a good position to coordinate research priorities for the research program with the Administrator.

PUBLIC EDUCATION PROGRAM

Both the Senate bill and the House amendment stressed the importance of a comprehensive fire education program.

The Senate bill would have authorized the Secretary to take all steps necessary to educate the public and to overcome public indifference as to fire safety and fire prevention.

The House amendment would have required the Director to undertake, in collaboration with existing public and private organizations, a continuing and extensive program of public education in fire prevention and fire safety which would have included specialized information aimed at those particularly vulnerable to fire hazards. In addition, the education program would have included research into new methods of public education in fire prevention.

The committee of conference agrees on the importance of public education as a part of the effort to reduce fire losses. Section 6 of the Conference Substitute requires the Administrator to take all steps necessary and practicable to educate the public and to overcome public indifference as to fire and fire prevention. Such steps may include, but are not limited to, publications, audio-visual presentations, and demonstrations. The public education efforts shall include programs to provide specialized information for those groups of individuals who are particularly vulnerable to fire hazards, and shall also include sponsorship and encouragement of research, testing, and experimentation to determine the most effective means of such public education.

NATIONAL ACADEMY FOR FIRE PREVENTION AND CONTROL

The Senate bill would establish a National Academy for Fire Prevention and Control, while the House amendment provided for the establishment of a United States Fire Academy.

The committee of conference agreed that a central training facility for the nation's fire fighting forces is of the highest priority if the effort to reduce the losses from fires is to succeed, and accordingly section 7 establishes a National Academy for Fire Prevention and Control. In arriving at this conclusion, and in reconciling the provisions contained in the two bills regarding the specific functions of the Academy, the committee of conference carefully considered the several objectives which the Academy is established to serve. The committee of conference wishes to emphasize that it is not the intent that the National Academy for Fire Prevention and Control become a large, degree granting institution on the model of the service academies, the Coast Guard Academy, or the Merchant Marine Academy. Rather, the Fire Academy is modeled on the highly successful F.B.I. Academy, and on a number of national fire academies abroad. The intent of the conferees is that the National Fire Academy, by establishing a small, but excellent campus with a first class staff and facilities, will serve as a focal point for the professional training of fire officers.

Conduct of Short Courses and Conferences.—The House amendment gave the Fire Academy Superintendent authority to conduct short courses, seminars, workshops, conferences, and similar activities in all parts of the United States. The Senate bill contained general authority for the Academy to implement similar programs.

The committee of conference agreed to include the House provision in the Conference Substitute.

Fire Prevention Practices.—The House amendment included a provision requiring the fire program to encourage the inclusion of fire prevention technology and practices in the education and professional practice of architects, builders, city planners and owners engaged in design and planning affected by fire safety problems. The Senate bill did not contain similar provisions.

The committee of conference agreed to include the House provision in the Conference Substitute.

Assistance to Fire Training Programs.—The House amendment authorized the Fire Academy to assist and support existing education and training programs conducted by State and local fire units, and by private institutions. The Senate bill authorized the Fire Academy to provide three special forms of assistance to existing fire training programs: educational materials such as model curricula, correspondence courses, and model promotion examinations.

The committee of conference agreed to include authority for such assistance, but with certain limitations. The authority for financial assistance would be authorized for all types of state, local, and private institutions, but would be limited to four percent of the total amount authorized for the program of the Fire Administration.

Academy Site and Construction Costs.—The Senate bill provided that the Department of Commerce must obtain the approval of the Committees of jurisdiction in the House and the Senate before funds exceeding $100,000 are expended for planning or construction. The House bill contained no corresponding provision, but provided that the Secretary of Commerce shall appoint a Site Selection Board to advise him on the selection of a site for the Academy. The Board shall observe certain criteria including the possible use of a facility declared surplus by the Federal Government.

The committee of conference agreed to include a limitation on the facility construction costs in the amount of $9,000,000 embodying the intent of the Senate bill and the site selection provision from the House amendment.

Student Financial Assistance.—The House amendment provided that the Academy would be authorized to give financial assistance to students engaged in a number of different fire training and education activities. Such financial assistance would be provided to students attending the Fire Academy and to students attending Fire Engineering Programs at colleges and universities. It also included provisions for loans to individuals attending college undergraduate fire research or engineering programs. The Senate bill did not include provisions for direct financial assistance to students.

The committee of conference agreed to include the provisions of the House amendment which would authorize partial financial support for students attending the Academy and for students attending non-degree training programs at junior colleges, colleges, and universities. The loan program for undergraduate and graduate students is also included in the Conference Substitute.

Placement Service.—The Senate bill provided that the Academy would operate a placement assistance program for the fire services. The House amendment contained no comparable provision.

The committee of conference agreed to include this provision in the Conference Substitute.

Board of Visitors.—The Senate bill provided for a Board of Advisors for the Fire Academy, to be selected by the Secretary, but the size of the Board was not specified. The House amendment provided for the establishment of a Board of Visitors to the Fire Academy, made up of eight members selected by the Secretary.

The committee of conference agreed to include a Board of Visitors composed of eight members selected by the Secretary of Commerce in the Conference Substitute.

Accreditation.—The House amendment included provisions for the establishment by the Academy of a Committee on Fire Training and Education. The purpose of this Committee would be to inquire into and make recommendations regarding the desirability of establishing a mechanism for accreditation of fire training and education programs on a nationwide basis. This Committee would complete its report and submit its recommendations within 1 year of its appointment. The Senate bill did not include provisions for such a Committee.

The committee of conference agreed to include this section from the House amendment after changing the life of the Committee from 1 to 2 years.

Admissions.—The House amendment included a section providing that admission to the Academy shall be open to members of the fire-fighting, rescue, and civil defense forces of the Nation, and that adequate representation of all geographic regions of the nation shall be included in the student body. The Senate bill did not include a comparable provision.

The committee of conference agreed to include the section on admissions from the House bill in the Conference Substitute.

Continuing Study of Educational Needs.—The House amendment included a section providing that the Fire Academy shall conduct a continuing study of the needs and content of the education and training programs both at the Academy and elsewhere. The studies would be coordinated with the Civil Defense Staff College. The Senate bill did not include a comparable section.

The committee of conference agreed to omit this provision from the Conference Substitute.

TECHNOLOGY PROGRAM

The Senate bill included provisions for a program of development, testing, and evaluation of equipment for the use of the Nation's fire services. The House amendment included similar provisions aimed at the same goal of making available to the Nation's fire, rescue, and civil defense services improved equipment for fire suppression, detection, and prevention.

The committee of conference agreed to include the fire technology program as section 8 of the Conference Substitute. The provision in the House bill providing for research on productivity measurement related to the fire services, and the provisions specifying the types of fire technology to be developed were incorporated into this section of the Conference Substitute.

NATIONAL FIRE DATA CENTER

Both the Senate bill and the House amendment provided for the operation of a comprehensive, integrated National Fire Data Information System. The language in each bill describing the type of data to be collected was identical. Both bills would have encouraged without compelling uniform reporting of fire data by local departments, utilization of existing data gathering activities, and the wide dissemination of the data collected.

The Senate bill authorized the Secretary of Commerce to establish a data center or information bank on all aspects of fire prevention and control. The Secretary was mandated to "insure dissemination to the maximum possible extent of fire data collected and developed under this section." He was also authorized to make "full use of existing data, data gathering and analysis organizations. . . ."

The House amendment authorized the Director of the National Bureau of Fire Safety to operate an integrated comprehensive national program of collecting, analyzing, and publishing fire data. Three kinds of data and information were to be collected under the comprehensive system: statistical, practical, and technical.

The Conference Substitute adopts the language of the Senate bill and the House amendment which were identical, describing the nature of the information to be gathered and analyzed. Under section 9 of the Conference Substitute, the Administrator of the National Fire Prevention and Control Administration shall operate directly, or through contracts or grants, an integrated, comprehensive National Fire Data Center for the selection, analysis, publication, and dissemination of information related to the prevention, occurrence, control, and results of fires of all types. The Data Center is designed to fulfill five needs: (1) provide an accurate nationwide analysis of the fire problem; (2) identify major problem areas; (3) assist in setting priorities; (4) determine possible solutions to problems; and monitor the progress of programs to reduce fire losses.

The Conference Substitute also adopts much of the House language describing how the program of the Data Center is to be carried out. Specifically, the Administrator is authorized to develop standardized data reporting methods, encourage and assist State, local, and other agencies, public and private, in developing and reporting information and make full use of existing data gathering and analysis organizations, both public and private. Additionally, the Conference Substitute adopts the House language which requires the Administrator to insure dissemination to the maximum extent possible of fire data collected and developed by the Data Center. The Administrator is also directed to make such data, information and analysis available in appropriate form to Federal agencies, State and local governments, private organizations, industry, business, and other interested persons.

MASTER PLANS

The Senate bill authorized and directed the Secretary of Commerce to establish master plan demonstration projects. Specifically, the Senate bill included an authorization of appropriations ($10 million total) for grants to at least five, but not more than eight States to prepare a master plan for fire prevention and control in their area. The master plan concept is designed to insure that each local fire jurisdiction sets goals and priorities for the fire services to meet the changing needs of the community. The master plan should seek to allocate resources for the maximum payoff in fire protection, and it should provide for data systems for continual monitoring for cost effectiveness.

The Senate bill outlined criteria for eligibility for master plan grants. It also established a procedure for obtaining a grant and declared that the Federal share may not exceed 80 percent of the total cost of the master plan demonstration project approved. Of the Federal funds, 50 percent shall go to planning and 50 percent to implementation of the plan. It further set forth the basic ingredients in an acceptable state master plan which is financially assisted under the act, such as the following: survey of existing systems; needs; plan for meeting the need; and estimated cost of problems in implementation of the plan. Three and one half years after enactment of the act, the Secretary was to have reported to Congress his evaluation of the master plan demonstration project program and shall have advised the Congress whether master plan grants should be authorized in order that master plans can be developed in all the States. Under the Senate bill, no more than 20 percent of the funds appropriated under the master plan program may be spent in any one State.

The House amendment contained no similar provision.

Section 10 of the Conference Substitute provides that the establishment of master plans for fire prevention and control are the responsibility of the States and the political subdivisions thereof. However, the language also recognizes the importance of the master plan concept by authorizing the Administrator to encourage and assist the States through the use of his powers under the Act in the development of master plans.

The Conference Substitute further requires the Secretary, four years after the date of enactment of the Act, to submit to Congress a report on the establishment and effectiveness of master plans for fire prevention and control. The report shall include, but is not limited to (1) a summary of the extent and quality of master planning activities; (2) a summary and evaluation of master plans that have been prepared by States and political subdivisions thereof; (3) an evaluation of the best approach to the development and implementation of master plans; (4) an assessment of the costs and benefits of master plans; (5) a recommendation to Congress on whether federal financial assistance should be authorized in order that master plans can be developed in all States; and (6) a model master plan or plans suitable for State and local implementation. The report should be designed to provide Congress with guidance on what future action the federal government should pursue in the area of master planning.

Finally, section 10 contains a definition of a "master plan".

REIMBURSEMENT FOR COSTS OF FIREFIGHTING ON FEDERAL PROPERTY

The House amendment included a section providing that a fire department or fire district may be reimbursed for the direct losses and direct costs it incurs in fighting fires on Federal property. Claims for such reimbursement would be made to the Federal agency provided in the bill and would be reduced by an amount equal to any payments in lieu of taxes made for fire protection services to the local government. The Senate bill did not contain a corresponding provision.

The committee of conference agreed to include this provision with certain minor changes affecting the administrative aspects of the submission, evaluation, and payments of such claims. These changes give the Administrator of the Fire Administration the responsibility for evaluating and making determinations on claims, give the Secretary of the Treasury the responsibility for paying claims in amounts not to exceed the sum determined by the Administrator, and provides that the adjudication of any disputes arising under any such claim shall be under the jurisdiction of the United States Court of Claims.

REVIEW OF CODES

The Senate bill authorized the Secretary of Commerce to review, evaluate, and suggest improvements in State and local fire prevention building codes, fire services, and any relevant Federal and private codes, regulations, and fire services. In evaluating such a code or codes, the Secretary was to consider the human impact of all code requirements, standards, and provisions in terms of comfort and habitability for residents or employees as well as the fire prevention and control value or potential of each such requirement, standard, and provision. The Secretary was required to annually submit to Congress a summary of such reviews, evaluations, and suggestions.

The House amendment contained no similar provision.

Section 11 of the Conference Substitute adopts the Senate provision with one minor change. While the Senate provision would have required the Secretary to report to Congress annually on his review, evaluation, and suggestions for improvements in codes, the Conference Substitute requires such review, evaluation, and suggestion to be included in the Secretary's annual report to Congress, required pursuant to section 16 of the Conference Substitute.

FIRE SAFETY EFFECTIVENESS STATEMENTS

The Senate bill authorized the Secretary of Commerce to encourage owners and managers of residential multiple unit, commercial, and industrial, and transportation structures to prepare and submit to him for evaluation and certification a Fire Safety Effectiveness Statement, pursuant to standards, forms, rules, and regulations to be developed and issued by the Secretary. Any person who submitted such a statement and received certification, was entitled to attach the following statement to any contract of sale or lease or any advertisement or notice which pertains to the structure as to which such statement has been submitted: "A Fire Safety Effectiveness Statement has been prepared regarding this structure and this structure has been certified as meeting the requirements of the United States Department of Commerce."

The House amendment contained no similar provision.

Section 13 of the Conference Substitute adopts the Senate provision with modifications.

The committee of conference agreed to include the provision encouraging owners of buildings to prepare Fire Safety Effectiveness Statements. However, it deletes the procedure of submitting the Fire Safety Effectiveness Statement to the Secretary of Commerce for his evaluation and certification. While this deletion no longer requires the Secretary to evaluate and certify a Fire Safety Effectiveness Statement, it is not intended to preclude him from doing so if he determines that such a procedure is desirable. In addition, the Conference Substitute deletes the provision allowing for a Fire Safety Effectiveness Statement to be included in contracts of sale, leases, advertisements or notices pertaining to the structure. Once again, the Secretary is not precluded from administratively establishing a similar procedure.

ANNUAL CONFERENCE

The Senate bill authorized the Secretary to organize or participate in organizing an annual conference of fire prevention and control. In addition he was authorized to pay in whole or in part the expenses of participants and all of the Nation's fire services were eligible to send representatives to each such conference.

The House amendment contained no similar provision.

Section 14 of the Conference Substitute adopts the Senate provision.

PUBLIC SAFETY AWARDS

The Senate bill established two classes of honorary awards for recognition of outstanding and distinguished service by public safety officers. These two classes of awards were the President's Award for Outstanding Public Safety Service and the Secretary's Award for Distinguished Public Safety Service. The program was designed to recognize achievement by outstanding firefighters and law enforcement officers, and was to be administered jointly by the Secretary of Commerce and the Attorney General. The Secretary and the Attorney General were to select candidates for the President's Award and the Secretary's Award and submit them to the President for decision and awarding of the conferred distinctions. Not more than 12 President's Awards were to be conferred each year but there was no limit on the number of Secretary's Awards.

The House amendment contained no similar provision.

Section 15 of the Conference Substitute adopts the Senate provision and also provides for similar awards to be made to civil defense officers. The Secretary of Defense as well as the Secretary of Commerce and the Attorney General are to jointly administer the program of public safety awards.

ANNUAL REPORT

The Senate bill provided for the submission of an annual report to the Congress. The House amendment contained no similar provision.

The Committee of Conference agreed to the inclusion of this provision as section 16 with minor changes to conform with the Conference Substitute.

FIRE RESEARCH CENTER

The Senate bill included provisions for the conduct of a program of basic and applied research aimed at developing an understanding of the fundamental processes underlying all aspects of fire. The research program would have been placed under the Assistant Secretary for Fire Prevention and Control rather than in a Fire Research Center in the National Bureau of Standards.

The House amendment provided for the establishment of a Fire Research Center to perform basic and applied research related to fire. The Fire Research Center would have been established by amending the organic act of the National Bureau of Standards to include this Fire Research Center in the Bureau. The Research work of the Fire Research Center would include research on all aspects of fire with the aim of providing scientific and technical knowledge applicable to the prevention and control of fires.

The committee of conference concluded that the continuation of the existing fire research program at the National Bureau of Standards would best serve the intent of the legislation. By basing the expanded fire research program on the existing staff and facilities, the research program will be able to take full advantage of the expertise and capabilities built up over the years. The committee of conference therefore included, as section 18 in the Conference Substitute, the provisions of the House amendment which establishes the Fire Research Center in the National Bureau of Standards by amending the organic act of the National Bureau of Standards.

VICTIMS OF FIRE

Both the Senate bill and the House amendment included identical provisions for the establishment of an expanded program of research on burns, the treatment of burn injuries, and the rehabilitation of the victims of fire within the National Institutes of Health. However, the Senate bill included authorization for appropriations for this program in the amount of $7,500,000 for fiscal year 1974, $10,000,000 for fiscal year 1975, and $10,000,000 for fiscal year 1976, totaling $27,000,000 while no funds were authorized for this program in the House amendment.

The committee of conference agreed to include, as section 19, the Victims of Fire provision in the Conference Substitute, and to authorize funding for 2 rather than 3 years. The authorized funding included in the bill is in the amount of $5,000,000 for fiscal year 1975, and in the amount of $8,000,000 for fiscal year 1976.

The House conferees note that in the House of Representatives jurisdiction over the National Institutes of Health is not within the purview of the Committee on Science and Astronautics, and that agreement to restore these funds was reached only in view of the importance attached by the committee of conference to the burn research and treatment program, and with the understanding that in the House of Representatives the appropriate legislative Committee will further review and authorize this program.

PUBLIC ACCESS TO INFORMATION

The Senate bill provided that any information received by the Program for Fire Prevention and Control shall be made available to the public upon identifiable request and at reasonable cost, subject to limited exceptions.

The House amendment contained no similar provision.

Section 20 of the Conference Substitute includes a provision similar in intent to the Senate provision but with minor style alterations. The provision makes clear that this section is in addition to, and not in lieu of, the provisions of the Freedom of Information Act.

CIVIL DEFENSE

The Senate bill included no provisions specifically stating that the civil defense activities and personnel throughout the United States would be eligible to participate in the fire prevention and control activities provided for in the bill. The House amendment provided that the civil defense activities and personnel would be eligible to participate in the activities contemplated under the amendment.

The committee of conference agreed to include in the Conference Substitute those specific provisions from the House amendment which include civil defense activities most directly related to fire prevention and control activities. The Conference Substitute authorizes civil defense personnel to be admitted to the Fire Academy (section 7); the Fire Technology program to include civil defense related technology for use in fire prevention and control (section 8); and civil defense personnel to be eligible for the Public Safety Awards (section 15).

FIRE PROTECTION ASSISTANCE

The Senate bill amended the National Housing Act's section on mortgage insurance assistance by providing that the Secretary of Housing and Urban Development may guarantee loans made to nursing homes and intermediate care facilities to pay for fire safety equipment which is needed to bring the facility into compliance with the latest "Life Safety Code".

The House amendment contained no similar provision.

The Senate provision was deleted in the Conference Substitute because this section has been enacted into law as Public Law 93-204.

STUDIES

The Senate bill authorized and directed the Comptroller General of the United States to study the financing of the Nation's fire services to determine whether moneys available through State and local taxation and Federal-State revenue sharing is adequate. In addition, the bill authorized and directed the Secretary to prepare a comprehensive study of the organization and operation of the Nation's fire services.

The House amendment contained no similar provision.

The Conference Substitute deletes both studies. While the conferees believe both are important, the Administrator, under his general powers to implement the Fire Prevention and Control Program, is already authorized to conduct such studies if he deems it appropriate.

AUTHORIZATION

In the Senate bill, funding was authorized for 3 years in the total amount of $127,500,000. For fiscal year 1975, $25,000,000 was authorized for the Fire Program, and $7,500,000 for the Victims of Fires activities. For fiscal year 1976, $30,000,000 was authorized for the Fire Program, and $10,000,000 for the Victims of Fires activities. For fiscal year 1977, $35,000,000 was authorized for the Fire Program, and $10,000,000 for the Victims of Fires activities. In addition, $10,000,000 was authorized for Master Plan Demonstration Projects.

In the House amendment the authorization was for 1 year. It provided, for fiscal year 1975, $2,000,000 for the Fire Bureau, and $3,500,000 for the Fire Research Center. No funds were authorized for the Victims of Fire (burn treatment) activities or for the Master Plan Demonstration Projects. Thus the House amendment authorized a total of $5,500,000 for fiscal year 1975.

The committee of conference agreed to authorize funding for 2 years in the total amount of $45,500,000. For fiscal year 1975, $10,000,000 would be authorized for the Fire Administration (section 17), $3,500,000 for the Fire Research Center (section 18), and $5,000,000 for the Victims of Fire activities (section 19), for a total of $18,500,000. For fiscal year 1976, $15,000,000 would be authorized for the Fire Administration (section 17), $4,000,000 for the Fire Research Center (section 18), and $8,000,000 for the Victims of Fire Activities (section 19), for a total of $27,000,000.

Olin E. Teague,
John W. Davis,
James W. Symington,
Charles A. Mosher,
Alphonzo Bell,
Managers on the Part of the House.

Warren G. Magnuson,
John O. Pastore,
Frank E. Moss,
Ted Stevens,
J. Glenn Beall, Jr.,
Managers on the Part of the Senate.

CONFEREES AGREE ON GI BILL

(Mr. TEAGUE asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous matter.)

Mr. TEAGUE. Mr. Speaker, I think every Member of this body will be interested in this announcement. After months and months of arguing, the House and Senate conferees have agreed on a GI bill.

This bill provides for a 23-percent increase; it provides for 45 months in order for a veteran to receive a bachelor of science degree; it provides for a $600 loan provision.

It is $600 million less than the Senate bill. It is $400 million more than the House bill. We think every Member will be satisfied with this bill.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO FILE REPORT

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations have until midnight tonight to file a report on the bill (H.R. 16373), the Privacy Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS BILL, 1975

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 16900, with Mr. Wright in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose, the Clerk had read down to and including line 4 on page 9 of the bill.

If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

JOINT COMMITTEE ON PRINTING

For an additional amount for "Joint Committee on Printing", $66,000.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the third day that we have had under consideration this supplemental appropriations bill. I know the Members would like to know what the schedule is for the rest of the day as regards this bill.

We propose to finish this bill tonight, regardless of the hour that may be required. I hope we can get out at a reasonable hour, but if we are going to get our work done and get our bill over to the Senate and hope to pass it before we go home on October 11, we have to pass it today.

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: page 9 following line 25 insert:

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

For additional amounts in the following appropriation accounts:

Capitol Buildings, $3,200,

Senate Office Buildings, $3,600,

House Office Buildings, $6,600:

Provided, That notwithstanding any other provision of law, effective on the first day of the first applicable pay period which begins on or after the date of enactment of this Act, the positions of registered nurses compensated under the foregoing appropriations shall be allocated by the Architect of the Capitol to grade 10 of the General Schedule and compensated initially at the same steps in such grade, currently in effect for their present grades, so long as such positions are held by the present incumbents.

Mrs. GREEN of Oregon. Mr. Chairman, I have discussed this amendment with the distinguished chairman of the subcommittee, Mr. CASEY; the distinguished gentleman from Michigan, Mr. CEDERBERG; the ranking member of the subcommittee, the gentleman from New Hampshire, Mr. WYMAN; and several other members of the subcommittee. They have all advised me this meets with their approval.

Several months ago, the chairman of the Subcommittee on Legislative Appropriations asked the General Accounting Office to do a complete study of all salaries paid, individual staff responsibilities, and training and experience of all personnel to see if equal pay was being provided for equal work. The GAO study supports views of 30 or 40 of my colleagues in this House who have come to me to complain and to ask if some kind of equity could be provided for registered nurses.

The GAO study, in part, states:

> The Civil Service Commission standards state that a nursing position requires "a knowledge of diversified professional nursing concepts and practices gained through the *completion of a professional nursing program* and through supplementary education and experience, and the ability to apply such knowledge with judgment and perception. (emphasis added) In evaluating the background of all the nurses we found that none of the male nurses had completed a professional nursing program.
>
> We found the current job descriptions to be inadequate and misleading; the overgrading of the positions was more prevalent for the male nurses.
>
> The overgrading of four of the five male nurses ranged from four to eight grades. The remaining male nurse and female nurses were only overgraded by two grades.
>
> The Attending Physician's analysis was misleading in that it seemed to indicate that all of the male nurses and hospital corpsmen were capable of performing duties outlined.
>
> The Attending Physician testified that he disagreed with the use of the term nurse for the five former corpsmen and he expressed the belief that these individuals were physician assistants. (The Architect's Office took no action because of the study by the Subcommittee) The Administrative Assistant informed us that this was only a change in job title and not in job duties . . . The Army, Navy, and George Washington University have developed programs to train physicians assistants . . . All three physicians assistant programs require classroom training. We were advised by the male nurses that none of them were currently taking formal medical training.
>
> The Attending Physician advised us that the former corpsmen and (active) corpsmen are valuable because of their versatility and that the former corpsmen's pay should be based on this versatility. Our observation of the work performed by OAP employees disclosed that the versatility does not come from the former corpsmen but from one active corpsman.

Mr. Chairman, I want to especially thank the chairman of the subcommittee for his very effective work, his patience with me, and his commitment to fairness and equity regardless of sex.

The subcommittee believes that the report by the General Accounting Office clearly shows that there has been discrimination in setting and maintaining the salaries of male and female employees in the Office of the Attending Physician.

This amendment to the bill itself together with the recommendations in the committee report will be the first steps in bringing about some equity. I refer you to pages 20 and 21 of the report of the supplemental appropriations bill, 1975.

All of the registered nurses have had from 3 to 5 years of professional training. Some have had additional training beyond this. Mrs. Hall, for example, has a public health nursing certificate which involved 1 year and 4 months of training beyond the 3 years for the R.N. professional training. Miss Middleton has had 5 years of professional training with the degree. Miss Grozak has had 3 months of special training in inhalation therapy beyond her R.N. professional training of 3 years—plus additional refresher courses. Mrs. Cropp has had the following additional training: 4-month course in public health and tuberculosis nursing; industrial nursing course by U.S. Steel Corp.; specialty nursing courses in psychology and medicine, U.S. Navy; refresher course in all aspects of nursing, 1968, Arlington Hospital, Arlington, Va.; advanced first-aid course, 1968, Northern Virginia Ambulance and Rescue Squad; Cardiopulmonary Resuscitation, 6-weeks course, George Washington University Hospital, 1971.

In fact, Mr. Chairman, every registered nurse—serving in the Capitol, in the Senate and House office buildings has taken beyond the R.N. training additional special training or refresher courses.

I am sure that all of us—or our families—or the members of our staffs have been indebted to them for their professional services. According to the GAO report, "none of the male nurses had completed a professional nursing program." Yet some with less than 1 year medical or Naval Hospital Corps training receive much higher salaries. I do not suggest the male nurses have not taken refresher courses or some special training. Some have.

Mr. Melton, according to GAO information, has had 2 years training in the work he's actually performing, and is without doubt a very competent and qualified lab technician. Mr. Dunn has had 2 years training as an X-ray technician. There is no question about his competence in the work he does. This was recognized because for over 2 years Mr. Dunn was an instructor at Bethesda Naval Hospital to train other X-ray technicians. The GAO report also singles out the active duty corpsman, Mr. Gary, as being a very valuable employee because he has versatility and can therefore substitute in at least three different areas. He also has had nearly 2 years of special training. Personally, I happen to believe these three well-trained male nurses are not paid as generously as other male nurses with far less training. However, the other half of the GAO report will not be completed until mid-October and at that time we can deal with this and other allegations on office management.

In offering this amendment—I do not detract from the training the corpsmen have had nor their services to Members. I would argue, however, that the registered nurses have all had, without exception, more professional training, and in several instances more years of experience, and yet are paid lower salaries.

Let me give one example:

One registered nurse with 3 years R.N. professional training—plus refresher courses—and 40 years nursing experience received a salary in 1973 of $14,520. Two retired male corpsmen with 24 weeks of training and 32 and 31 years of experience respectively received salaries of $21,582 and $20,293. In addition, under dual compensation the male nurses receive retirement pay of $3,500 and $5,200. The R.N. with 40 years experience has had over 15 years on the Hill—while the medical corpsmen have been on the Hill for 20 years in one case and 8 years in the other. Surely a salary differential of $7,000 raises serious questions about fairness and equity.

There is a pattern of discrimination as I see it—even omitting the military retirement pay which four of the male nurses receive in addition to their salaries and overtime.

All Members of this House should be extremely grateful to these registered nurses for their patience, their faith in the membership of this House that when the inequities were clearly shown, the House would act. In other instances where sex discrimination has occurred, picket lines and court suits resulted. In the paper only this week there is a report of such a suit.

EQUAL PAY

> Prince William Hospital must pay its female nurses aides the same salaries it pays its male orderlies, the 4th U.S. Circuit Court of Appeals in Richmond ruled yesterday. The appeals court overturned a ruling by U.S. District Court Judge Oren R. Lewis, who said the hospital was not violating the equal pay provisions of federal law. The hospital contended male orderlies were required to have skills not required of nurses, so should receive extra pay. The appeals court disagreed, finding little difference in skills.

The registered nurses here had plenty of cause but did not resort to this kind of action. I'm personally very grateful to them for this and many of you have expressed to me your gratitude for the professional care you have received from these R.N.'s and also their patience with us in correcting an injustice of long standing.

The following charts show training, experience, and salaries:

	Training	Experience	Years experience on Capitol Hill	Salary
Female R. N	3 yr	40 yr	15 yr 7 mo	$14,520
Male	24 weeks	32 yr	20 yr	21,582
Female R. N	3½ yr	33 yr	5 yr 7 mo	12,942
Male	24 weeks	31 yr	8 yr	20,293
Female R.N	3 yr	27 yr	1 yr 9 mo	10,787
Male	1 yr 46 weeks	23 yr	5 yr	12,407
Female R.N	3½ yr	19 yr	6 yr 10 mo	13,220
Male	1 yr 14 weeks	17 yr	8 yr	15,766
Do	2 yr 2 weeks	26 yr	11 yr	14,438
Female R.N	3 yr	13 yr 3 mo	6 yr 3 mo	13,027
Male	24 weeks	13 yr	5 yr	12,962
Female R.N	3 yr	9 yr	1 yr 8 mo	9,839
Male	24 weeks	6 yr	1 yr	10,366
Female R.N	5 yr	21 yr	4 yr 9 mo	14,404
Male	1 yr 28 weeks	16 yr	6 yr	13,207
Female R.N	3 yr	11 yr 5 mo	2 yr 4 mo	11,057
Male	1 yr	10 yr	2 yr	11,925
Do	1 yr 4 weeks	12 yr	4 yr	13,596

Note: Male experience includes training. Female experience does not include training.

Mr. CASEY of Texas. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the distinguished chairman of my committee.

Mr. CASEY of Texas. Mr. Chairman, I thank the gentlewoman for yielding. As the gentlewoman has stated, the amendment is quite acceptable to me and to the members of our subcommittee, and I think it is the thing to do, and I am pleased she offered it.

This is in no way a criticism of the medical corpsmen. They are excellent. This is a point brought to the attention of the subcommittee, and I am pleased we are getting it resolved.

Mr. CEDERBERG. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I will be happy to yield to the gentleman from Michigan, the ranking Republican on the full committee.

Mr. CEDERBERG. I would just like to say that we join the gentlewoman in support of this amendment. I know of no opposition to it.

Mrs. GREEN of Oregon. I thank the gentleman for his statement.

Mr. ROYBAL. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. Yes, I yield to the gentleman from California.

Mr. ROYBAL. I would like to join the gentlewoman in her remarks. I am quite pleased that there appears to be unanimity on this matter before us. I fully join in urging the approval of her amendment.

Mrs. GREEN of Oregon. I thank the gentleman for his strong support during these many months.

Ms. ABZUG. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. Yes, I yield to the gentlewoman from New York.

Ms. ABZUG. I want to compliment the gentlewoman from Oregon in assuming the leadership on this very important question.

I trust that the equality of women in all other pieces of legislation affecting this particular piece of legislation will also be attended to.

I thank the gentlewoman.

Mr. ANNUNZIO. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. Yes, I yield to the gentleman from Illinois.

Mr. ANNUNZIO. I also want to commend the gentlewoman from Oregon for her leadership on this particular matter. It is a job that needs to be done and I associate myself with her remarks.

Mr. PRICE of Illinois. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. I want to join my colleague, the gentlewoman from Oregon, in urging support of this amendment.

Other Members of the House and I know the work that she has put into this effort and I am behind the amendment 100 percent.

Mrs. GREEN of Oregon. Mr. Chairman, I especially want to thank my colleague, the gentleman from Illinois, because he was with me on this from the very beginning. His encouragement and his efforts have helped greatly in bringing this amendment to the floor today. I am very grateful to him.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon (Mrs. GREEN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For an additional amount for "Economic Development Assistance Programs", including activities authorized by Title IX, $51,500,000.

Mr. ADDABBO. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I take this time to ask the gentleman from West Virginia (Mr. SLACK), the acting chairman of the State, Justice, Judiciary, and Commerce Subcommittee, a question.

I note that all of the program funds for EDA are included in one lump-sum appropriation.

As I understand the congressional intent expressed during consideration of the authorization legislation for EDA, not to exceed 20 percent of section 302 planning funds would be expended for grants to States and 80 percent would be made available for other economic development planning.

Will that distribution be maintained by EDA?

Mr. SLACK. Mr. Chairman, if the gentleman will yield, the Department of Commerce has assured me that funds appropriated to EDA will be used in accordance with congressional intent expressed during consideration of the Public Works and Economic Development Act, which was signed by the President last Friday, as well as guidance obtained through discussions on this appropriation bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EXPENSES, PRESIDENTIAL TRANSITION

For expenses necessary to carry out the provisions of the Presidential Transition Act of 1963 (3 U.S.C. 102 note), $245,000, to be available from August 9, 1974, and to remain available until February 9, 1975, as authorized by law.

POINT OF ORDER

Mr. LEGGETT. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. LEGGETT. I rise to make a point of order against chapter VI, page 12, lines 15 to 21, dealing with expenses of Presidential transition.

This particular item is out of order because it violates rule XXI, section 2, of the Rules of the House, which states:

> No appropriation shall be reported in any general appropriation bill . . . for any expenditure not previously authorized by law.

Section 4 of the Presidential Transition Act, which this section purports to fund, specifies that the funds in question are authorized to each former President and each former Vice President for a period not to exceed 6 months from the date of the expiration of his term of office as President or Vice President.

The term of office of Richard M. Nixon has not expired. It continues until January 20, 1977, and is presently being completed by Gerald R. Ford, our current President. Therefore, Richard M. Nixon is not eligible for benefits under the Presidential Transition Act.

In support of my point of order, I would cite the following:

First, article II, section 1, of the Constitution states that the President "shall hold his Office during the term of four years."

So that is one source of definition of "term of office" which is used in section 4 of the act we are concerned with.

Second, section 1 of the 20th amendment of the Constitution states:

> The terms of the President and Vice President shall end at noon on the 20th day of January * * * of the years in which such terms would have ended if this article had not been ratified. . . .

So that is a second definition which is helpful to us in the definition of what is "term."

Third, section 1 of the 22d amendment of the Constitution states as follows:

> No person shall be elected to the office of the President more than twice, and no person who has held the office of President, or acted as President, for more than two years of a term to which some other person was elected President shall be elected to the office of the President more than once.

This amendment explicitly defines a President's "term" as a 4-year period, as opposed to the length of time in which a person actually serves. We cannot interpret the word "term" to mean "duration of active service" without clearly violating this provision of the Constitution and confounding its meaning.

Mr. Chairman, I would like to refer the chairman to an analysis which I have already presented to the Chair from the Library of Congress on the eligibility of former Presidents for transitional expenses provided by the Presidential Transitional Act of 1963:

> The Presidential Transition Act of 1963 authorizes various services and facilities to be provided to Former Presidents and Presidents-elect.

Mr. Chairman, I think if we look at the act, the Presidential Transition Act, we can see that the preamble, the legislative history, and virtually the total bill was aimed at the period from November 5 through January 20 of election years and was aimed at that period of time when campaigns were running up very, very large expenditures to get ready to take over the office of the Presidency.

I will just cite at this point the language of the House report which states as follows:

> This bill—

Which is the transition bill—

> deals with the transfer of Executive power when there is to be a change of Administration. It is related to the problem of campaign financing because it was estimated by the Commission that in 1952–53, the cost of a special Republican committee of the transition period between the election and the inauguration of President Eisenhower exceeded $200,000. In 1960–61, the cost of the Democratic National Committee for the transition period preceding the inauguration of President Kennedy totaled at least $360,000. Other costs were borne by private individuals and groups. There may have been a time in American history when a President could take power with few preliminaries. But the size and complexity of our Federal Government today, to say nothing of the difficult domestic and international problems that the President must face, make it a vital necessity that the machinery of transition as smooth as possible.

The Library of Congress report continues as follows:

> Section 4 of the Act authorizes the Administrator of General Services to provide various transitional expenses to "each former President . . . for a period not to exceed six months from the date of the expiration of his term of office as President." The Act does not contain a definition of "former President" nor of the phrase "expiration of his term of office." However, since section 2 declares the purpose of the Act "to promote the orderly transfer of the Executive power in connection with the expiration of the term of the office of a President and the inauguration of a new President, it would appear that "expiration of office" should be interpreted to mean those regular, scheduled departures from office that can be predicted in advance and are accompanied by the inauguration of a new President.
>
> Thus former Presidents who left office prior to the expiration of their scheduled term by disability, resignation, or removal from office by impeachment would not appear to be eligible for transitional expenses under the act.

That is the conclusion of the Library of Congress. They state this conclusion is confirmed by a statement of Senator JACKSON of Washington, the floor manager for the conference report on the bill H.R. 4638, which became the Transition Act. He stated:

> I also wish to point out that this authorization includes the cost of the outgoing President and Vice President for a period of six months from January 20 of the year in which they leave office.

The report and the debate are replete with references to change of administration as a consequence of an election as the activity upon which the operational clauses of the Transition Act are premised.

The Library of Congress states:

> An examination of the legislative history of the Act shows quite clearly that the primary purpose of the Act was to defray the mounting Presidential campaign expenses that had previously been contributed by private groups and individuals. The extension of paying these transition expenses of former Presidents appears to have been of secondary importance. Indeed, Section 4 states that the transitional services and facilities authorized to be provided to former Presidents are "of the same general character as authorized by this Act to be provided to Presidents-Elect." Thus the transitional services and facilities provided Presidents-Elect are the standard by which transitional services and facilities to former Presidents are measured.
>
> This view that the provisions of the Transition Act do not apply to those Presidents who left office by means other than the normal electoral process is also supported by reference to Section 5 of the Act.

And this section states:

> The President shall include in the budget transmitted to the Congress, for each fiscal year in which his regular term of office will expire, a proposed appropriation for carrying out the purposes of this Act.

The report goes on to say:

> The use of the term "regular term of office" is still another indication that the Transition Act is intended only to apply to foreseeable, electoral transitions of Presidential office.

Indeed, we could refer to a number of pragmatic questions that obviously are envisioned—that amendments to the Constitution envisioned—that the Presidents could be removed from office; they could resign, they could be assassinated, or there could be all kinds of things that could occur. I believe in these circumstances that it probably is not necessary to be pragmatic, but to interpret the law as it is drawn, and argued on the floor of this Congress and on the floor of the other body.

I believe there are some holes in the bill, and there are some holes in the Transition Act. I believe that if you interpret the act to cover situations where Presidents leave office other than by the termination of their regular term then you would be faced with a situation as an example, where under the Past Presidents Act the past President would be specifically precluded from a pension because he either impeached himself because, if you want to be pragmatic, and since that is a termination of office when he is impeached, it would provide him with transition payments under the Transition Act.

I do not believe we intend to cover payments to a past President when he is impeached under the Transition Act; likewise I do not think he gets the payments when he resigns, or when there is a disability.

For these reasons I believe the point of order is good. The Library of Congress believes that the point of order is good. We believe that pragmatism and practicality really are not part of the legislative interpretation when the law involved has a plain meaning on its face, and I submit that the law here involved has a plain meaning on its face.

The CHAIRMAN. Does the gentleman from Oklahoma desire to be heard on the point of order?

Mr. STEED. I do, Mr. Chairman.

I rise in opposition to the point of order.

Mr. Chairman, it is well and good to quote the Library of Congress on some things, but I think in a matter of this sort the better authority would be the ones that I would like to cite, which say that this item is proper.

I am going to quote opinions from the Attorney General, and from the Comptroller General of the United States. On August 15, 1974, a letter was written to Mr. Arthur Sampson, Administrator of the General Services Administration. I will now read this letter.

> This is in response to your letter of August 13, 1974, requesting our views concerning whether the benefits accruing to a former President of the United States under the Presidential Transition Act of 1963 (hereafter PTA) (P.L. 88–277, March 7, 1964, 78 Stat. 153) and the Former Presidents Act of 1958 (hereafter FPA) as amended (P.L. 85–745, August 25, 1958, 72 Stat. 838), which may be found as notes to 3 U.S.C. § 102.
>
> It is our conclusion that former President Nixon immediately qualifies for a pension under Section (a) of the FPA and, subject to an appropriation under Section 5 of the PTA, qualifies for the staff, office and other benefits of Section 4 of the PTA for six months from the date of his resignation, at which time he would qualify for the FPA office and staff provided for by the FPA.
>
> The FPA provides certain benefits to "former Presidents." A former President is defined in Section (f) as a person who has been President, is not currently President, and who was not removed from office pursuant to impeachment and conviction in the Senate. The statutory language is unambiguous and Mr. Nixon clearly meets the statutory definition of a former President.
>
> Section 4 of the PTA authorizes the Administrator to provide certain benefits to each "former President" for a period not to exceed six months from "the date of the expiration of his term of office." The term "former President" is not defined in the PTA, as it is in the FPA. The PTA, was enacted subsequently to and with full knowledge of the FPA, including the FPA definition of a former President. It therefore can be assumed that Congress intended the term "former President" in the PTA to apply to the same persons as it did in the FPA. Nothing in the language of the PTA or its legislative history require a contrary conclusion. The benefits provided under the PTA reflect the recognition of Congress that a significant amount of time and facilities would be required by those who had been President or Vice-President to wind up the affairs of their offices; the Congressional debate on the PTA reflected the view that there would be a vast accumulation of personal papers and effects which would require some sort of disposition. Under our system of government, it is desired that a President be an active President

to the day of the inauguration of a new President; he or she should not be forced to wind up his or her affairs while still President. The fact that Mr. Nixon's departure occurred before the end of the four year term to which he has been elected does not alter his similar need to wind up his affairs and make determinations regarding the various papers and effects accumulated during his term of office.

I have a letter from the Comptroller General of the United States directed to me as chairman of the subcommittee, and the same opinion went to the chairman of the subcommittee of the Senate, dated September 30, 1974. I will read:

This is in response to an informal request on your behalf that we provide you with our opinion concerning whether an appropriation to the General Services Administration (GSA) to provide transition services and facilities for former President Richard M. Nixon would be authorized under the Presidential Transition Act of 1963. While this matter is by no means clear, we believe, for the reasons stated hereinafter, that the Presidential Transition Act does apply in former President Nixon's situation.

The purpose of the Presidential Transition Act of 1963, approved March 7, 1964, Pub. L. 88-277, 78 Stat. 153, 3 U.S.C. 102 note, as stated in section 2 thereof, is "to promote the orderly transfer of the executive power in connection with the expiration of the term of office of a President and the inauguration of a new President." To this end, section 3 (a) authorizes the Administrator of General Services to provide, upon request, to each President-elect and each Vice-President-elect, for use in connection with his preparations for the assumption of official duties, necessary services and facilities including (1) suitable office space appropriately equipped and furnished; (2) compensation for office staffs, including the detail of Federal employees; (3) payment of experts or consultants or organizations thereof; (4) travel and subsistence allowances, including rental of Government or hired motor vehicles; (5) communications services; (6) printing and binding expenses; and (7) reimbursement to the postal revenues for the value of mailing privileges authorized under subsection 3(d). Section 4 of the Act provides in part:

"The Administrator is authorized to provide, upon request, to each former President and each former Vice President, for a period not to exceed six months from the date of the expiration of his term of office as President or Vice President, for use in connection with winding up the affairs of his office, necessary services and facilities of the same general character as authorized by this Act to be provided to Presidents-elect and Vice-Presidents-elect. * * *"

Section 5 authorizes the appropriation of such sums as may be necessary for carrying out the purposes of the Act but not to exceed $900,000 "for any one Presidential transition * * *."

There are certain fairly specific limitations upon the applicability of the Presidential Transition Act. For example, under the definitions of "President-elect" and "Vice-President-elect" contained in subsection 3(c), services and facilities are available only to persons to accede to such offices as successful candidates in a general Presidential election. Also, incumbent Presidents and Vice Presidents who are reelected are not eligible for transition services and facilities; nor would a new Vice-President-elect who is the running mate of a reelected incumbent President. *Cf.*, H. Rept. No. 301, 88th Cong., 1st sess., 5; S. Rept. No. 448, 88th Cong., 1st sess., 3.

In general terms, and even beyond that portion of the stated purpose in section 2, quoted previously, it is obvious from the basic statutory scheme and legislative history that the Transition Act was enacted only in consideration of a transition occurring through the normal electoral processes. Clearly, no thought was given to the possibility of a Presidential resignation, and, accordingly, it may fairly be said that Congress never specifically intended to make transition services and facilities available to a former President who had resigned. This observation might reasonably be considered sufficient to justify the conclusion that former President Nixon is not eligible for such services and facilities. However, we believe that the absence of a specific affirmative legislative intent in this regard need not be considered dispositive provided that the furnishing of transition services and facilities to a former President by resignation, albeit not foreseen as a possibility, may nonetheless be considered consistent with the express terms of the Transition Act and its general purposes. We further believe that both of these conditions are satisfied.

As noted previously, section 4 of the Transition Act authorizes the provision "to each former President" of services and facilities of the same general character as those authorized for Presidents-elect and Vice-Presidents-elect for a period not to exceed six months "from the date of the expiration of his term of office * * *." While the Transition Act itself does not elaborate upon the quoted language, consideration must be given in this regard to the so-called "Former Presidents Act," approved August 25, 1958, Pub. L. 85-745, 72 Stat. 838, as amended, 3 U.S.C. 102 note. This statute authorizes the provision to each former President of a pension, office space, and staff allowances for the remainder of his life. A pension is also provided for the widow of a former President.

The relationship between the Transition Act and the Former Presidents Act appears significant in several respects. First, subsection (f) of the Former Presidents Act defines a "former President" as an individual who has held the office of President and whose service in that office terminated other than by removal through impeachment and conviction. Secondly, section 4 of the Transition Act expressly provides that the Former Presidents Act, except for the pension provisions, shall not become effective with respect to a former President until six months after the expiration of his term of office as President. This six-month delay in the operation of the Former Presidents Act was included on the assumption that a former President would, for the first six months after he leaves office, receive services and facilities under the Transition Act, and, therefore, was designed to avoid duplication and confusion resulting from the simultaneous operation of both acts during the six-month period. See H. Rept. No. 301, *supra*, 2-3; S. Rept. No. 448, *supra*, 4.

In view of the integral relationship between the two statutes, we believe it is reasonable that the definition of "former President" contained in the Former Presidents Act should be considered applicable as well under section 4 of the Transition Act. Former President Nixon would, of course, fall within this definition since he was not actually removed from office by impeachment and conviction.

A related matter is whether former President Nixon's "term of office" has expired for purposes of the Transition Act. The concept of "term of office" has different meanings in different contexts. See generally 67 C.J.S., Officers, § 42, p. 196; 41 Words and Phrases, "Term of Office," pp. 621-628. While none of the contexts presented in the cited references are particularly analogous to the present consideration, there is some authority to the effect that a fixed term of office expires when the occupant leaves that office. See, for example, the following passage from the opinion of the New Jersey Supreme Court in *Board of Chosen Freeholders* v. *Lee*, 76 N.J.L. 327, 70 A. 925, 926 (1908):

"The words 'term of office' may in a sense be used to indicate the statutory period for which an officer is elected. We speak of the term of office of the President of the United States and the term of office of the Governor of the state, meaning that the first was four years and the latter three years; but the words 'term of office' may also mean a period much shorter than that for which the particular officer was elected. His term of office may be terminated before the expiration of the statutory period for which he was elected by impeachment, or resignation, or death of the particular officer. The happening of these contingencies is an implied limitation upon the right of the elected officer to continue in office for the period for which he would otherwise be entitled to hold. When such a contingency occurs, the officer's term expires, there is a vacancy, and upon the appointment or election to fill the vacant office the term of another officer begins. To assert that a term of office of an impeached or deceased officer continues is to assert that there may be two terms of office running together, although the office can be filled but by a single person. * * *"

It seems to us that the relationship between the Former Presidents Act and the Transition Act sheds further light upon this matter. Former President Nixon's term of office either expired on the date of his resignation or it must, in effect, be viewed as continuing until January 20, 1977. The latter approach would produce the incongruous result, by literal application of section 4 of the Transition Act, that he would not qualify for application of the Former Presidents Act, other than the pension provision, until six months after January 20, 1977. Even if former President Nixon's term of office is considered to have expired on the date of his resignation, section 4 of the Transition Act would by its terms still delay operation of the Former Presidents Act in his case, other than the pension, for six months. This result, coupled with a holding that the substantive provisions of the Transition Act do not apply, would also be incongruous since, as noted previously, the only basis for the six-month delay is the assumption that a former President is receiving services and facilities under the Transition Act during this period.

We recognize that there are constitutional provisions referring to the term of office of the President. The Twentieth Amendment states in part that "the terms of the President and Vice President shall end at noon on the 20th day of January * * *"; and the Twenty-second Amendment states in part:

"No person shall be elected to the office of the President more than twice, and no person who has held the office of President, or acted as President, for more than two years of a term to which some other person was elected President shall be elected to the office of the President more than once. * * *"

However, in our view, these constitutional provisions were designed with reference to other purposes and are not governing in construing the Presidential Transition Act and the Former Presidents Act. Also, as noted hereinabove, to interpret "term of office" in the instant context as capable of meaning only the date of expiration of the full term of office for which a President was elected, even if he has resigned, would produce seemingly untenable consequences under the operation of the two statutes.

For the foregoing reasons, we believe that former President Nixon may be considered eligible for services and facilities consistent with the express terms of the Transition Act; and, as indicated above, the opposite conclusion would seem to produce results which appear clearly at odds with a reasonable construction of the two statutes taken together. It is also our view that provision of transition services and facilities to a President who has resigned would be consistent with the general objectives of the Transition Act. As noted previously, section 2 of the Act states its purpose to be to promote the orderly transfer of executive power "in connection with the expiration of the term of office of a President and the inauguration of a new President." Section 2 goes on to state, in part:

"* * * The national interest requires that such transitions in the office of President be accomplished so as to assure continuity in the faithful execution of the laws and in the conduct of the affairs of the Federal Government, both domestic and foreign. Any disruption occasioned by the transfer of the executive power could produce results detrimental to the safety and well-being of the United States and its people. Accordingly, it is the intent of the Congress that appropriate actions be authorized and taken to avoid or minimize any disruption. * * *"

Simply stated, we can perceive of no reason why a transition resulting from the resignation of a President would be any less significant in terms of the foregoing considerations as stated in section 2 than a transition following a general election; nor does it appear that the needs of a former President for services and facilities in connection with winding up his official affairs would be any less severe merely because he had resigned. On the contrary, such considerations and needs might even be considered more compelling following a Presidential resignation.

In sum, while former President Nixon's resignation gives rise to a unique situation in consideration of the Presidential Transition Act, it is our view that, on balance, a holding that he is eligible for transition services and facilities is less troublesome in terms of the design, operation, and general objectives of the Act than would be the contrary conclusion.

The analysis and conclusions expressed above do not take into account the particular circumstances leading to former President Nixon's resignation since such circumstances are, in our view, irrelevant to the legal issues presented. Thus the legal issues would necessarily be the same regardless of the reasons for a President's resignation. Finally, it is noted that the Presidential Transition Act is essentially operative on the basis of appropriations made pursuant to the authorization of section 5. Whether or to what extent appropriations are actually justified in the case of former President Nixon is a separate matter which must, of course, be determined by the Congress.

We might offer several additional observations with reference to the Presidential Transition Act which may be of assistance in the consideration of the pending appropriation request for former President Nixon. First, it is our view that the provision of nonreimbursable services under the Act is limited to the express authority contained in section 3(a)(2), and applicable as well under section 4, to detail present Federal employees "on a reimbursable *or nonreimbursable basis* * * *" (underscoring supplied). Accordingly, we do not believe that any other services or facilities may be furnished without reference to appropriations made pursuant to the Act. Second, section 4 of the Act authorizes the furnishing of transition services and facilities only for use by a former President "in connection with winding up the affairs of his office * * *." Any and all services and facilities furnished to former President Nixon under the Act, including the detail of Federal employees, would clearly be restricted to this purpose.

So in the light of these opinions, Mr. Chairman, I urge that the point of order be overruled and that the matter in the bill be declared proper.

Mr. LEGGETT. Mr. Chairman, I would like to be heard further.

The CHAIRMAN. The gentleman from California is recognized.

Mr. LEGGETT. Mr. Chairman, the Chair I know is familiar with the Library of Congress analysis, and despite the fact of the pragmatic, perhaps, need to provide for transition services, there was no reference whatsoever in the legislative history at the time of the Transition Act and enactment of the Former Presidents Act and the definition contained therein.

Furthermore, I would refer to another letter I have got from the Comptroller General of the United States and I will read only part of it. It states:

> There are certain fairly specific limitations upon the applicability of the Presidential Transition Act. For example, under the definitions of "President-elect" and "Vice-President-elect" contained in subsection 3(c), services and facilities are available only to persons to accede to such offices as successful candidates in a general Presidential election. Also, incumbent Presidents and Vice Presidents who are reelected are not eligible for transition services and facilities; nor would a new Vice President-elect who is the running mate of a reelected incumbent President. Cf., H. Rept. No. 301, 88th Cong., 1st Sess., 5; S. Rept. No. 448, 88th Cong., 1st Sess., 3.
>
> In general terms, and even beyond that portion of the stated purpose in section 2, quoted previously, it is obvious from the basic statutory scheme and legislative history that the Transition Act was enacted only in consideration of a transition occurring through the normal electoral processes. Clearly, no thought was given to the possibility of a Presidential resignation, and, accordingly, it may fairly be said that Congress never specifically intended to make transition services and facilities available to a former President who had resigned.

Now the agencies go on to explain that perhaps certain practical exigencies of the matter might require the payment, but I think we as the legislative body are called upon to interpret the statute and not to make determinations which may seem practicable under the circumstances.

I know the distinguished subcommittee chairman, the gentleman from Oklahoma, has conducted rigorous hearings, has pared the amounts requested by the former President down, and for that he is certainly to be commended; but I believe that the plain meaning of this language is that former Presidents who resign, who have not completed their term of office or who may be impeached, are not entitled to transitional payments, are not entitled to the niceties that we had in mind when we spent a lot of time deliberating the situation of very, very high expenditures, for newly elected Presidents and Vice Presidents coming into office. Covering expenditures of outgoing Presidents was strictly an afterthought. It is covered only in 1 page of a 5- or 10-page bill.

I believe the plain meaning is that the term of Richard M. Nixon is not yet completed and he is, therefore, not entitled to this consideration.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from California makes a point of order against the paragraph on page 12, lines 15 through 21 on the grounds that the funds contained therein to carry out the provisions of the Presidential Transition Act of 1963 are not authorized by law and, therefore, would be a violation of clause 2, rule XXI.

The Chair has listened carefully to the arguments presented on both sides and has reviewed the language contained in the enabling legislation.

In addition, the Chair has read the opinions prepared and presented on behalf of the Library of Congress and of the Comptroller General in this instance and the Justice Department.

Section 4 of the act authorizes the Administrator of General Services to provide transitional expenses to each former President for a period of not to exceed 6 months from the date of expiration of his term of office as President.

Another question involved is a consideration of the definition of the term "former President." While the Presidential Transition Act of 1963 does not itself contain a definition of the phrase "former President," the Chair believes that it must be read in connection with the Former Presidents Act which preceded it, and by the terms of that act, Richard Nixon clearly qualifies as a former President.

With respect to the phrase "term of office" the act of 1963 contains no precise definition. The legislative history of the 1963 act does not directly indicate whether or not Congress specifically intended to make transition services and facilities available to former Presidents who have resigned. It does not expressly include such a contingency and it does not expressly exclude such a contingency. There seems to be a paucity of case law on the definition of the term "term of office." The Comptroller General's opinion cites one case heard by the supreme court of the State of New Jersey in which the following language is contained:

> We speak of the term of office of the President of the United States and the term of office of the Governor of a State, meaning that the first was four years, and the latter three years. But the words "term of office" may also mean a period much shorter than that for which the particular officer was elected.
>
> The term of office may be terminated before the expiration of a statutory period for which he was elected by impeachment or resignation, or death of the particular officer. When such a contingency occurs, the officer's term expires, there is a vacancy, and upon the appointment or election to fill the vacant office, the term of another officer begins.

The Chair is loath to place the final reliance upon this finding of a supreme court of one of our States, but finds little other reference in cases to define the term. The Chair notes from the presentation given by the gentleman from Oklahoma, when the question was raised about the authorization of these transitional funds, the Committee on Appropriations made a diligent attempt to ascertain whether the appropriation was, in fact, authorized.

The gentleman has cited authority to the effect that there is such an authorization. On the basis of these legal opinions which have been quoted, the subcommittee and then the full Committee on Appropriations voted to include these funds in the pending bill.

The Chair believes that the Committee on Appropriations has been diligent and has acted with due regard for the law and the rules of the House. The Chair would point out that if the paragraph should be held to be in order as authorized, then the Committee of the Whole still would retain ultimate control of the funds in the paragraph through the amendment process.

While the Chair is impressed by the caliber and the scholarship of the arguments on both sides of this issue, the Chair has determined to overrule the point of order.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ADDABBO: Page 12, line 19, strike $245,000 and all that follows through the end of line 21 and insert in lieu thereof the following: "$100,000 to be available until February 9, 1975, as authorized by law."

Mr. ADDABBO. Mr. Chairman and my colleagues, it had been my intention to offer en bloc an amendment to cut both the funds under the Presidential Transition Act, and the Former Presidents Act, but because there is great controversy over both provisions and because of the fact that further amendments will probably be offered to cut further the funds under the Presidential Transition Act, I will submit an amendment to each separate section.

We are now considering the Presidential Transition Act. This is for the funds covering the period from retirement of President Nixon to February 9, 1975. Under the Presidential Transition Act $900,000 could be requested, but that is for a President and Vice President-elect, and former President and former Vice President.

Therefore, President Ford sent up the message for $450,000 for the President's Transition Act.

Under that act it has been decided that $450,000 would be both for the former President and the former Vice President. Therefore, that $450,000 would, on its face, immediately be excessive.

The committee listened carefully to the testimony by Mr. Sampson, of GSA, under the Presidential Transition Act. The funds are requested to provide the former President with funds for office expenses; payment of compensation for members of the staff, maximum rate of compensation GS-18, now $36,000; payment of services of experts and consultants, maximum rate $100 a day; payment of travel expenses and other allowances for the Federal Government to provide motor vehicles, communication service, payment for printing and postal expenses.

As we have heard, there is some question of the legality of this section of this particular bill. Under the act, President Nixon is defined as a former President and he is entitled to funds. The former President was in office for almost 6 years. We wish him to cooperate with us. If we give him no funds, we may not possibly receive any cooperation. We need no other excuses for no cooperation. I feel the figure allowed by the committee of $245,000 is excessive.

Under the transitional act, GSA has the right to assign staff, nonreimbursable staff, to former Presidents. It has done so. It has supplied over 25 staff members, to a tune of over $300,000.

I feel that for the period to February 9, 1975, the $100,000 would be more than sufficient. It is to receive the cooperation of former President Nixon, so far as the tapes are concerned, so far as the records are concerned, to have the orderly transition under the act to come about.

We do not have a President-elect. We have a President from the same administration, same party, and a Vice President immediately taking over, so that, to me, cuts much of the expenses. I feel $100,000 will comply with the act and will give former President Nixon sufficient funds to carry out the purposes of the act.

We will then reach after this point the Former President's Act, as to retirement funds and other expenses that will take effect after February 9, 1975. At this point we are only talking about the period of retirement to February 9, the transition period.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I will yield to the gentleman.

Mr. GIAIMO. Mr. Chairman, I would like to make this clear. This is Presidential transitional money which the gentleman is talking about now; is that correct?

Mr. ADDABBO. That is correct.

Mr. GIAIMO. Is there any money here for his pension?

Mr. ADDABBO. The pension comes under the next section of the Former President's Act.

Mr. GIAIMO. But there is no money in the $100,000 for pension?

Mr. ADDABBO. That is correct.

Mr. GIAIMO. Then the moneys that are provided, the $100,000, are for what?

Mr. ADDABBO. Expenses that he may incur for communication, postage——

Mr. GIAIMO. Could it also be used for staff assistants' salaries?

Mr. ADDABBO. It could be used for staff for the transition purposes with a maximum of $36,000.

Mr. GIAIMO. But it does not have to be?

Mr. ADDABBO. It does not have to be. It could be used for other purposes.

Mr. GIAIMO. One further question: Is any funding under the act mandated by law?

Mr. ADDABBO. Under the Presidential Transition Act, it states that $900,000 is to be authorized under this act. Under the legislative history, that is so.

Mr. GIAIMO. Must be or can be?

Mr. ADDABBO. Can be.

Mr. GIAIMO. So then if under this act we were to appropriate nothing, or zero, the U.S. Government would not be subject to a claim by former President Nixon, as it might be, or would be, for example, in the case of failure to fund his pension?

Mr. ADDABBO. That would be my understanding.

Mr. GIAIMO. Is that a fair distinction?

Mr. ADDABBO. That would be my understanding.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADDABBO. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

(By unanimous consent, Mr. ADDABBO was allowed to proceed for 1 additional minute.)

Mr. ADDABBO. We cannot cut off the allocation of GSA of staff on a nonreimbursable basis in this act today. All we can do today is appropriate money to the President for work under the provisions of the act only, whatever staff has been given to him on a nonreimbursable basis cannot be effected here today.

Mr. GIAIMO. That is separate and apart from the $100,000?

Mr. ADDABBO. Yes.

Mr. GIAIMO. So that this $100,000 does not apply to the staff given to him under the Presidential Transition Act by GSA, but is paid for with other funds by the GSA?

Mr. ADDABBO. It can be, because the funds given to the President are on a nonreimbursable and reimbursable basis.

Mr. GIAIMO. As a matter of fact, at the present time they are providing him with staff, and it is not being charged against this $100,000?

Mr. ADDABBO. Not at the present time.

Mr. MOSS. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. I yield to the gentleman from California.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. Moss and by unanimous consent, Mr. ADDABBO was allowed to proceed for 3 additional minutes.)

Mr. MOSS. What is the $100,000 for? What limitations are there upon its use?

Mr. ADDABBO. The limitation or limitations set by the Presidential Transition Act. They can be used for office space, furnishings, payment of compensation of members of his staff, up to a limit of $36,000, which they can be paid. They can be used for experts or consultants at a maximum rate of $100 a day. They can be used for payment of travel expenses, communication expenses, payment for the services of printing and binding and for postage.

Mr. MOSS. For anything, in other words?

Mr. ADDABBO. Yes, pursuant to the conditions of the Presidential Transition Act.

Mr. MOSS. Can it be used for the employment of counsel?

Mr. ADDABBO. It can be used for the employment of counsel, but there is a letter in the file that we have received from the Comptroller General's Office that no counsel can be paid under the Presidential Transition Act for services related in any way to any Watergate proceedings.

Mr. MOSS. Can it be used for his personal use, unrelated to any demands which might be made? I cannot conceive of any demands that might be made upon a resigned President, but can he use it personally.

Mr. ADDABBO. He cannot use it personally.

Mr. MOSS. Where is the part of the language that talks about that?

Mr. ADDABBO. It must be used for transition purposes only.

Mr. MOSS. Where is the part of the language that talks about that? Where does that occur?

Mr. ADDABBO. That is provided for under the law.

Mr. MOSS. The period of time provided for in the Presidential Transition Act is 6 months after the expiration of the term, but what service or what function does the ex-President who left the office under less than honorable conditions perform on behalf of the people of the United States that justifies this gratuity of $100,000?

Mr. ADDABBO. It is not a gratuity.

Mr. MOSS. It is not mandated, is it?

Mr. ADDABBO. The money must be used for the orderly transition purposes only.

The President has made trips to China. The President has made trips to Russia. There is much that must be worked on.

Mr. MOSS. Has he agreed to supply any reports?

Mr. ADDABBO. Has he agreed?

Mr. MOSS. Yes.

Mr. ADDABBO. There is an agreement which we think is not a full agreement and is to be negotiated further. We hope that we will be able to negotiate a proper agreement as to the tapes and the papers.

Mr. MOSS. This is $100,000 advanced on hope.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

I want to do the very best I can to try to keep this matter in perspective so that we stay as far away from the emotional heat of the situation as we possibly can.

First, let me say that I regret I must oppose the amendment of my good friend, the gentleman from New York. He is a member of our subcommittee, and I know that all the members of the subcommittee have worked hard and long and very cooperatively with me.

Mr. Chairman, I wish to express my deep gratitude for the way they handled this very difficult problem. I understand exactly what their views are and what their feelings are, and I have the greatest sympathy for their viewpoint.

However, as chairman of this subcommittee, I think I carry a very special responsibility to lay before the House as calmly and as completely as I can just what we are confronted with here. I do not think there is any question but what President Nixon qualifies as a former President. The act under which we are now operating was passed by this House. It has been in effect for many years.

I have been chairman of this subcommittee every time it has been invoked for former Presidents. It has always gone through this House without any question. We are not doing this afternoon as we have done in other cases for former Presidents.

The results of having this transition program for all the Presidents who have been eligible for it, I think, are known to anybody who has ever visited one of the several Presidential libraries. We have been able to protect the public interest with regard to these very valuable records, and I think they constitute today a really priceless asset of our country.

Mr. Chairman, what we are concerned with here is a law that authorizes up to $450,000 in transition expenses for a former President.

First, let me make it crystal clear that we are not appropriating anything directly to former President Nixon. This money is being appropriated for the General Services Administration, to be used by the General Services Administration to assist former President Nixon in winding up his affairs following his occupancy of the Presidency.

This money can be used for all the purposes that are involved in transition, which includes transportation, freight, the buying of materials such as letterheads, envelopes, postage, communications, telephone, and employment, as well if they see fit, of a staff to carry out the work.

Mr. Chairman, since the former President left the White House, he has received something in excess of 400,000 letters. This mail should be dealt with. Some of it comes from heads of foreign states, some of it from all over the world. Some of it may not be important, but some of it is vital to the completion of files that were pending in the President's office when he left that office. Unless it is tended to, the value that this may have to history will be lost.

Mr. Chairman, they set up a budget here on the basis of 11 months, although the law says, "6 months," because 6 years ago this extension of time was granted in the appropriation bill to former President Johnson, and as a result of that we were able to do a lot better job with less money, because of the advantage of time. But here we are staying exactly within the law.

So on the basis of the $450,000 being set up to carry on this work for 11 months, since the law only permitted 6 months, we took 6/11ths of $450,000, which is $245,000, believing that this amount would provide the General Services Administration with a sufficient budget to carry on for the authorized 6 months.

After 6 months, the Former Presidents Act takes over, and the work that is left to be done can be picked up and carried on.

Mr. Chairman, I know there is a lot of feeling about this. I know that many of the Members are not as fortunate as I am. I am already automatically reelected, and I do not have to worry about November.

The CHAIRMAN. The time of the gentleman from Oklahoma (Mr. STEED) has expired.

(By unanimous consent, Mr. STEED was allowed to proceed for 3 additional minutes.)

Mr. STEED. Mr. Chairman, if I could take the whole brunt of this on my own shoulders and spare all of the other Members, I would be glad to do that, because I know all of the Members who have been here for any length of time know that the Presidential Transition Act has been a good investment for our country.

We know that during the last 5½ years some of the most important events in the history of our Nation have occurred, and it would be a tragic loss to our country unless we were to do something to protect the records of that period. We should not be so foolish as to do something that would jeopardize or cause us the loss of these records.

This is a matter that is in the public interest and we wish to protect that public interest. No personal gain can go to a former President out of this; the only thing it has to do with is the handling of these official records.

The matter of who is going to keep all of the papers, of course, is of great concern. Our subcommittee did not like the agreement that was made, and the Congress does not like it. The proper legislative committees of the House and Senate now in the process of considering legislation which they expect to have completed in the near future that would clarify the ownership and the disposition of these papers to protect the public interest. That is the only way it can be done. We should not attempt to deal with it here. I think that part of the problem is being handled very well, and we will be able to rest assured that these records will be made available for the historic information they hold for our country.

This is a matter that I think we ought to consider purely in the light of the public interest, and purely in the spirit in which this act of Congress was enacted in the first place, and that the individual that is involved makes no difference.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Ms. HOLTZMAN, and by unanimous consent, Mr. STEED was allowed to proceed for 1 additional minute.)

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. At the present time former President Nixon is receiving funds for personnel under the Presidential Transition Act, pursuant to directions of President Ford; is that correct?

Mr. STEED. That is correct.

Ms. HOLTZMAN. Then is there anything in this bill that will prohibit President Ford from continuing to supply personnel and manpower and chauffeurs to the former President?

Mr. STEED. No. I can say to the gentlewoman from New York that the act the Congress passed gives the President that authority, and there is no way this committee can deal with it in any way, shape or form. That is one of the reasons the committee recommended less than the amount authorized.

Ms. HOLTZMAN. That is the point. Then if former President Nixon already has 14 employees in the White House to handle the correspondence, and chauffeurs to drive his cars, then what is the point of the additional appropriation?

Mr. STEED. Former President Nixon does not now have control of his records; they are stored here at the General Services Administration.

Ms. HOLTZMAN. Let us talk about the items in here.

Mr. STEED. There are no physical facilities; the office, the equipment, and the material is not provided yet, and will not be provided until and unless we make available the money requested here.

Ms. HOLTZMAN. So that under the Former Past Presidents Act, and the appropriation, the former President has and will continue to have personnel under the Presidential Transition Act, and will continue to get them.

Mr. STEED. He can be provided with personnel, but not with equipment or material to work with. He can be provided only with people, and there are other needs which can only be provided under the Presidential Transition Act.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman from New York indicated that we were waiting for official reports from the former President on his visits to China, and other countries. Is there any requirement under the agreement between the General Services Administration and the former President that would require Mr. Nixon to turn over such reports?

Mr. ROYBAL. Not to my knowledge.

I have looked very carefully at the so-called agreement with the GSA, and I do not see anything that mandates the former President to turn over anything.

Mr. YATES. It is purely within his whim and his discretion; is that correct?

Mr. ROYBAL. That is my understanding.

Mr. YATES. I thank the Chairman.

Mr. ROYBAL. Mr. Chairman, there has been much discussion about the proper level of funding for the former President under the Presidential Transition Act, and the Former Presidents Act.

During the discussion before the committee we examined very carefully the Presidential Transition Act, which ends on February 9, 1975. There were some of us in the committee that definitely believed that the former President's term did not expire; that his term ended voluntarily.

I still hold that "belief." We believed then, as I believe now, that the former President was not entitled to moneys under the Transition Act since the term to which he was elected has not expired and consequently a transition has not taken place. However, during the committee's deliberations, we were presented with a ruling by the Department of Justice which said that he in fact was entitled to the moneys that were to be made available by the Presidential Transition Act.

Then we proceeded to find out just how much was needed. We asked the General Services Administration to give us a complete breakdown of the needs. The General Services Administration responded that he needs office space; office equipment; money for travel; and communications, which incldues postage. This amendment makes funds available for these purposes but only to the extent actually needed. Some of us in the committee disagreed with the committee's action when they agreed that the amount requested should be divided by six-elevenths in order to determine the proper amount that was needed for the Transition Act.

We disagreed with that particular formula, and that is the reason why we bring now before this House a further reduction in the amount to $100,000, with regard to the Presidential Transition Act. We arrived at this figure on the following basis.

First of all, Mr. Nixon now has at his disposal a fully equipped office in San Clemente that cost the taxpayers $718,000. I had the privilege of visiting that complex. I saw his home, saw the various things that were made available to him by this Government, and I saw the sophisticated communications equipment that was made available to the then President of the United States. So we then came to the conclusion that he already has the office space that is needed, and the sophisticated communication equipment already at San Clemente. Therefore, we concluded that he should receive nothing under this act.

Then we proceeded with our examination. We looked at the office equipment that was available and which I, myself, saw in that tremendous San Clemente office complex. We came to the conclusion that he no longer needed more office equipment, with perhaps one exception. The General Services Administration said that what was needed was automatic typewriters due to the fact that he has thousands of letters that must be answered, all within a 6-month period. The gentleman from New York (Mr. ADDABBO) and I agreed that perhaps they were right, and made an allowance for that purpose.

Then we came to postage. We know that he is going to have to mail the letters, so we allowed a certain amount for postage. There is no doubt that he must have a certain number of personnel to do the work and be paid for through this act. Before deciding what to do we looked at what actually exists within the Nixon personnel structure. At the present time Mr. Nixon has on his staff 21 people. They have been detailed to him on a nonreimbursable basis from the White House and various Government agencies. The annual cost of the detailees exceeds $440,000. There is no limit to the number of detailees who may be assigned to Mr. Nixon under the Presidential Transition Act. We therefore conclude after very carefully considering all of the facts that $100,000 for this purpose is equitable and an amount sufficient for the former President to carry out the purposes of the Presidential Transition Act.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PASSMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment.

Mr. Chairman, it has been my privilege to serve in this body 28 years. There have been some five Presidents come and go since I have been here.

I do not remember having done anything like this to other Presidents. If we are not very careful we may outsmart ourselves. Think carefully and twice before you vote to deny these privileges to this President that other Presidents have had. I plead with you, my colleagues; please do not do this.

AMENDMENT OFFERED BY MR. STOKES TO THE AMENDMENT OFFERED BY MR. ADDABBO

Mr. STOKES. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from New York (Mr. ADDABBO).

The Clerk read as follows:

Amendment offered by Mr. STOKES to the amendment offered by Mr. ADDABBO: Strike "$100,000."

Mr. STOKES. Mr. Chairman, I am being joined in the offering of this particular amendment by the distinguished gentleman from Alabama (Mr. BEVILL).

The effect of this amendment would be to strike the $100,000 which is set forth in the Addabbo amendment, the further effect of which would be to eradicate or remove from this section of the bill all of the funds being provided for the President's transition.

I think it is important that we understand that this does not in any way affect the President's pension. The President's pension comes in the next section of the act which comes up under the Former Presidents Act.

I think there are two basic reasons why this particular amendment ought to be sustained. First, there was absolutely no justification for payment under the testimony which was adduced by our committee.

Second, the Presidents Transition Act makes provision for detailees to be assigned to a former President with or without reimbursement to the agency that such personnel come from. In view of the many extraneous circumstances in this situation, I think that any further appropriation would be out of order.

I would like for us to take a very quick look at how the amount in the bill was arrived at, that is the $245,000 set forth in the bill. We did not at any time break down into any category or classification any kind of appropriation for this particular amount of money. For instance there was no specific request for a specific number of employees. Basically what they were saying was: "Give us the money and then we will take care of the specifics later."

Mr. Sampson had requested funds to be provided for an 11-month period and the statute provides specifically that the funds be provided for a period not to exceed 6 months from the date of expiration of his term of office as President.

Further, our report which is before the Members is somewhat misleading when the committee says the committee prorated this request and limited availability of the funds to 6 months.

Section 4 of the Presidential Transition Act prescribes a 6-month period. What the committee did was to take six-elevenths of this unauthorized period of time under the statute and awarded six-elevenths of the sum of $450,000.

The $100,000 set forth in the Addabbo amendment is the same kind of basic figure because it was just plucked out of the air and not based upon any specific items relative to a budget.

On the budget itself I asked Mr. Sampson the following: "Who helped to prepare this budget for you?" And he said:

> I instructed my staff to go over the experience of President Johnson and gather as much material as possible in that respect and then for them to confer with OMB and arrive at a joint budget, which was what was accomplished.

Then I asked Mr. Sampson this:

> Other than OMB, did Mr. Nixon designate any aides to meet with you and discuss his budget?

Then Mr. Sampson replied:

> In addition to OMB, I did go to San Clemente on August 10 and stayed on August 11 and conferred with Mr. Nixon's staff and got their input into the budget. I think it is important to note that they have had no experience in this area, and when I went to them I showed them what materials we had to give them a feel of what had to be done so they would participate in the final budget we came up with.

It seems to me that in the appropriation of taxpayers' funds the American people ought to have a little better way of having their money spent for them. There are presently 21 detailees assigned to the President under this act at an annual salary of $443,000. Included in that are Mr. and Mrs. Minola Sanchez, detailed from the National Park Service. She is detailed as a maid and he as a butler, supposedly for transitional reasons.

Included in his 21 transition detailees are also 3 military drivers at an annualized salary of $33,000.

Just a few days ago the other body recalled Mr. Sampson. The House report does not reflect this information.

In addition to the $443,000 we are paying these detailees, we are also paying per diem costs, plus the hotel bills for 13 of the 21 employees, up to a rate of $40 per day.

At this point, Mr. Chairman, I ask unanimous consent to insert in the Record that list of employees receiving the per diem.

The CHAIRMAN. That permission will have to be obtained in the House.

Mr. STOKES. Mr. Chairman, let me read from this per diem data. It reflects the per diem expenses of personnel detailed to the office of former President Nixon, San Clemente, August 9–September 14, 1974. It reads as follows:

PER DIEM EXPENSES OF PERSONNEL DETAILED TO OFFICE OF FORMER PRESIDENT—SAN CLEMENTE

AUGUST 9–SEPTEMBER 14, 1974

NAME, PERIOD, TOTAL

Steve Bull, 8/9–9/14, $1,096.93.*
Frank Gannon, 8/9–9/14, $955.00.
Ann Grier, 8/9–9/14, $555.00.
Jeanne Quinlan, 8/9–9/2, $666.93.
Diane Sawyer, 8/9–9/14, $880.28.
Nora Vandersommen, 8/14–9/14, $468.75.
Jo Walker, 8/17–30, $365.74.
Ron Ziegler, 8/9–9/14, $1,480.00.*
Ken Khachigian, 8/17–9/7, $656.73.
Mike Sterlacci, 8/21–9/7, $511.03.
Rose Mary Woods, 8/30–9/2, $123.75.*
Pat Buchanan, 8/30–9/2, $120.00.
Ray Price, 8/15–26, $450.12.
Total, $8,330.26.*

Mr. Chairman, it reflects a payment of $8,330.26 for this period of time.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. Henderson and by unanimous consent, Mr. Stokes was allowed to proceed for 2 additional minutes.)

Mr. HENDERSON. Mr. Chairman, will the gentleman yield to me?

Mr. STOKES. I yield to the gentleman from North Carolina.

Mr. HENDERSON. I understand from the gentleman's remarks that the present Administrator, Mr. Sampson, of the General Services Administration has the attitude that he is making the decision how the amount of money in the bill would be spent in connection with the former President's staff and their expenses; is that correct?

Mr. STOKES. Yes. Mr. Sampson has never talked with Mr. Nixon regarding this bill, nor has he seen fit to talk with him concerning the agreement on the materials. He sat with some aides at San Clemente on the 10th and 11th and as stated in the record they advised him they knew nothing about the transition and if we go by this testimony, they had no real input.

Mr. HENDERSON. I am very reluctant to join in striking all the money in this particular case. I think it is only fair to point out our knowledge in the House that satisfied me, that Mr. Sampson's track record with regard to appointments under Civil Service and the General Services Administration was that we could not rely upon his judgment to be very good and judicious with regard to the great latitude of expending money.

I am very reluctant to see this House grant that kind of authority to Mr. Sampson as Administrator of the General Services Administration.

Mr. ROBISON of New York. Mr. Chairman, I rise in opposition to the Addabbo amendment.

Mr. Chairman, general debate took place so long ago now on this bill that I suspect whoever heard my remarks, then, has since forgotten them.

Let me repeat this much, then, of what I sought to explain to you late on Monday afternoon about this item under this chapter of the bill.

The authority for the item is the Presidential Transition Act of 1963—PTA, for short. Benefits not to exceed $900,000 are extended, on a shared basis, between an outgoing and an incoming administration by the PTA to cover the cost of such items as staff assistance and related costs, the provision of office space and equipment, plus whatever Congress deems necessary to cover travel and communications costs—with reimbursement for postage being included under the phrase "communications costs."

In this instance, President Ford waived any such assistance but requested the full $450,000—one-half of the authorization—to cover Richard Nixon's transitional costs. After carefully considering the request, a majority on the Steed subcommittee reduced the request to $245,000, which Mr. Addabbo now says is too much, offering instead $100,000, while Mr. Stokes asks that the item be wiped out entirely.

Now, clearly, in my judgment $100,000 is better than zero, but I am asking you to support the subcommittee compromise by voting down both amendments.

The PTA's stated purpose was "to promote the orderly transfer of executive power," and I would argue that at least $245,000 is now required to smooth out the transition that is still going on as between the Nixon and the Ford administrations. In our continuing obsession with Richard Nixon, now a private citizen, and encouraged by the execssive publicity that has been given to these two items, I fear we have lost sight of the fact that there is a valid national purpose to be served by providing at least a reasonably adequate amount, here, for transitional purposes.

It is true that Richard Nixon may receive some indirect benefits out of having that money made available—by way of having his papers sorted for him; by way of some office help and postage, and so on, being provided to him so he can try to acknowledge the 400,000 or so letters he has received, many from foreign lands, since his resignation, and by way of having some additional office equipment temporarily assigned to his use so he can get at that and other tasks involved in winding-up his Presidential affairs.

But President Ford has, I submit, an even greater interest—and so does the Nation—in obtaining access to those Nixon papers in such a way as to insure the desired continuity between the old and the new administrations that enactment of the PTA was intended to provide.

Until the troubling question of ownership of those Nixon papers is settled one way or another—perhaps by legislation now working its way to the Senate floor—President Ford now finds himself uncomfortably in the same position of a Member-elect to this House who takes office only to find his predecessor has taken the office files home with him. As I see it, that problem was one reason for obtaining that "agreement" as between Mr. Nixon and the GSA Administrator, the terms of which can quite properly be questioned, but which now appears to be more or less in "limbo."

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* Per diem rate is $15.00 per day plus hotel bill, not to exceed $40.00 in total.

That agreement is not really at issue, here, but the underlying problem is also one reason, as I further see it, for President Ford having continued to detail certain employees—with Rose Mary Woods being a prime example of what I have in mind—to Mr. Nixon's use, at least until Congress provides the former President with some direct transitional funds.

At the same time, I would join Mr. ADDABBO and others in criticizing and questioning the propriety of other "detailees"—such as the valet and maid, the military aide, and the military drivers we have heard about. I doubt they serve any valid transitional purpose and, when President Ford can get to it, these persons' Federal employment should be terminated through transfer to Mr. Nixon's personal payroll if he wishes to retain their services.

I would expect this to happen shortly. In fact, I am asking President Ford to personally reexamine this situation as soon as possible. But, in the meantime, someone has to get to work on this great mass—some 42 million pages—of Nixon papers. Even if appropriate legislation freezes them in their present location, under the unique circumstances here pertaining, liaison people acceptable to Mr. Nixon will be needed to work out transitional problems with President Ford's people. I know of no other authority than that provided by the PTA—which authority, please note, runs out on next February 9—for providing such people. If we short the subcommittee recommendation to either zero, or even to only $100,000, then clearly President Ford can only provide such people through the "detailing" authority given him by section 4 of the PTA; but such a result would represent a distortion of the intent and purposes of the PTA for which President Ford should not thereafter be criticized.

Now, finally, if you have not been blinded to the facts of our only prior experience in applying the benefits of the PTA to an outgoing President, either because of the excessive publicity given these two items or the thought running, I know, through many of your heads that Mr. Nixon needs to somehow be further "punished" by either withholding or drastically cutting this request further than has the subcommittee, let me tell you what we did for Lyndon Johnson under the same authority.

Mr. Johnson had, as you know, 9 months to prepare to leave the White House, as opposed to Mr. Nixon's unplanned and precipitate departure therefrom.

During those 9 months, he had help from White House staff and other agency personnel—including Archives liaison services having an estimated value of $244,000—so that, long before Inauguration Day, most of his papers had been sorted, crated, and shipped to Austin, Tex., where he had an office especially designed and fully equipped, at taxpayer expense, waiting for him.

Thereafter, over an 18-month period, he also received through GSA $136,000 worth of office supplies and other equipment, plus communications expenses, and was also provided with the use of military aircraft when he wished to travel.

Nevertheless, and despite all that, Congress still voted him another $375,000 under authority of the PTA to cover such other transitional expenses as he might find, and further voted another $75,000 for the same purposes to the use of HUBERT HUMPHREY, as outgoing Vice President.

Mr. Chairman, I submit the subcommittee's recommendation of $245,000 is little enough under any circumstances, even including the unique ones we face here, and I ask that it be supported by defeat of both of the pending amendments.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Stokes-Bevill amendment.

Mr. Chairman, we have here, actually, at least four acts on the books that affect the former President. One is the Library Act, which the taxpayers finance, and rightly so, for cataloging and taking care of the former President's papers, and they are made available to the public, Government, and everyone. That act is not involved in this.

The next thing we have is the Secret Service and nobody is questioning this. This is now approximately $660,000 a year, and with the 5½ percent raise yesterday, this is going to go up. But nobody is questioning that. We are not talking about that.

The next act we have is the Former President's Act. This is not involved in either the Addabbo amendment or the Stokes-Bevill amendment to the Addabbo amendment. It is not involved whatsoever.

The Former President's Act provides the pension. We are not raising any question about that. It provides for a staff. It provides for some $153,000, as it was reported from the committee. We are not talking about this $153,000. We are not talking about that. We are only talking about one thing, and that is the Presidential Transition Act which was passed in 1963, which provides and authorizes up to $450,000, for up to 6 months, if that amount is appropriated.

We are talking now about one of the acts that applies to a former President, the $245,000, not to be confused with the $153,000, which includes a pension. We are not questioning the pension.

We are talking about $245,000 for transition expenses. The Stokes-Bevill amendment says, "Strike it all out as far as transition expenses are concerned."

If we pass the Stokes-Bevill amendment, the President is still going to have all these other things in addition to his pension and his staff. He has $153,000 that the General Service Administration will just about be able to cut any way they want to as far as the former President is concerned, as has been pointed out, because it does not specify anything other than the $5,000 a month for the pension.

Let me point out to the Members that during the testimony presented by the General Services Administrator, Mr. Sampson, my question was: "Would you tell me what benefit the taxpayers will get from the transition expense appropriation that you are seeking?"

His answer is this, and it is in the record: "The benefit the taxpayers will receive is the records of the former President and we will have those for historical purposes."

This is good, but I am telling you what he said.

The second thing that he pointed out was that the taxpayers, the people, would have the benefit of his wisdom and his advice.

Then I looked at the contract that Mr. Samson had been testifying about for so long there, which was signed by President Nixon and signed by Mr. Sampson.

In effect, this is all this contract says: "I am letting you, Mr. Sampson, you and the General Services Administration keep my records, all of them, except the tapes, for 3 years. You may keep the White House tapes for 5 years, but in the meantime, nobody is going to have access to any of them. I will have permission to go in and copy them. I may go in and authorize anybody I want to, but nobody else has any authority to touch them."

Therefore, we are being asked here to appropriate $245,000 to catalog and obtain all these records over which we have no control whatsoever, nothing.

My position is that we should not appropriate any money whatsoever for transition until some agreement has been reached on these records to the effect that they will be given to the public or will be made available to some library or the public so that there will be some benefit to the people who actually paid the bill on this.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I gather from what the gentleman has said that if the funds under the Presidential Transition Act are reduced to zero, as he says, he still would not oppose funding under the Former Presidents Act.

Mr. BEVILL. I have no objection to the funding under the Former Presidents Act, which will not be touched by this amendment. We are just talking about this $245,000 to catalog these records, when we do not get any assurances that we are going to even have the records or that they will be placed in any library or elsewhere.

The President in this agreement says: "I plan to donate some of these records." That is the extent of it.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. Yes, I yield to the gentleman.

Mr. CEDERBERG. There is nothing new about that. Former Presidents have papers now that still have to be cataloged and that are not available to the public. They are kept for security reasons. Many of the Johnson papers are in the library in Texas.

Mr. BEVILL. I ask the gentleman what the taxpayers are going to get for this $245,000. Nothing is what I believe they would get. I read the contract and the public may not get anything.

Mr. CEDERBERG. We get it just like the others did. One cannot take any Presidential papers where there are vital conversations that have gone on. We cannot do it.

Mr. BEVILL. I am quoting the man who came before our subcommittee, and this is the reason he gave for asking for this money.

Mr. CEDERBERG. It is the same reason we always have had.

Mr. BEVILL. We do not get anything.

Mr. CEDERBERG. That does not mean that we do not go ahead and get the papers in the proper order so that when the time comes they can be made available to the public without any security problems.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, Mr. BEVILL was allowed to proceed for 2 additional minutes.)

Mr. BEVILL. This is what the gentleman stated to us. What I am stating is that until the General Services Administration comes before our committee and makes out a case justifying appropriating funds for transition purposes, we should not appropriate the money.

Mr. CEDERBERG. The gentleman is talking about the papers. In the case of President Johnson it is 31 million pages. President Nixon has 40 million pages. Many of those papers are censored. Many of them, obviously, are not, but it takes a long time, in some instances, to get them.

Mr. BEVILL. Mr. Chairman, I did not mention this before, but the President has 20-some persons at his disposal now, as authorized by the White House and other agencies.

Mr. CEDERBERG. Mr. Chairman, that has nothing to do with these papers. We must have people who know how to handle these papers, people who know how to put them into their proper perspective and who know how to classify them.

Then when they go to the library, or whenever they are going, they are held there. Many of the papers, especially those that are sensitive, are held there for a long period of time. But the gentleman says that we should not do this.

Mr. BEVILL. I say that we should not give them anything until it is justified. If the gentleman would say, "I want to turn these records over to the library" or "I want to turn these records over to the Archives," then I would think we might have something to go on.

Mr. CEDERBERG. That has nothing to do with this subject.

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Ohio.

Mr. STOKES. Mr. Chairman, let me ask the gentleman this:

Is it not a fact that in the testimony before our subcommittee Mr. Sampson testified that 90 percent of the records, materials, and tapes of this administration are presently under court order and cannot be moved anywhere to be worked upon by anyone? Was that not his testimony?

Mr. BEVILL. There was testimony by Mr. Sampson. I do not recall the testimony in detail, but he testified that many of them were under court order. The gentleman is correct.

Mr. CEDERBERG. But, if the gentleman will yield, that is not included in these 400,000.

Mr. BEVILL. Mr. Chairman, I urge support and ask the Members to vote for the Stokes-Bevill amendment to the Addabbo amendment.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as if the subject were not complicated enough, my proposal will complicate it even further. Later in the consideration of the bill I shall offer an amendment which I think is pertinent, an amendment which proposes to prevent the turning over to former President Richard Nixon of any of the documents, records, or tape recordings of his administration because many of them are the property of the people of the United States. I suggest that while he is entitled to his personal papers, he is not entitled to papers that are the official documents of the United States.

Yes, I am aware of the fact that ever since the time of George Washington it has been traditional that Presidential papers be turned over to the retiring Presidents, and they have sold them or given them away or destroyed them, or, in later years, they have built libraries as depositories for them.

But the point is that never before has this practice been questioned before the Congress. Congress just assumed that this was what ought to be done and made no objection. However, the bizarre and peculiar circumstances of the administration of Richard Nixon have brought into the forefront the manner in which these papers are turned over to former Presidents.

Yes, personal papers can be turned over to the President, but not official papers, official papers which may have great value, official papers which belong to the people of the United States.

I suggest that the Constitution of the United States is very clear about property that belongs to the people of the United States. It says as follows:

> The Congress shall have the power to make all needful rules and regulations respecting the territory and other property belonging to the people of the United States.

The Congress has not exercised that power. Therefore, President Ford has no power to turn such papers over to Mr. Nixon.

Mr. Chairman, the time has come to recognize that the practice and the precedents in previous administrations of automatically turning over all of the papers to a retiring President violates the law by depriving the people of this country of valuable public documents, documents which belong to them. They should not be delivered to retiring Presidents in order that they may possibly enrich themselves or their families, any more than a retiring President should be able to take White House furnishings or White House furniture or even the White House car; nor should the President be allowed to destroy any Presidential documents at his whim, as he will be able to do under the agreement that was signed between the Administrator of the General Services Administration and the former President of the United States.

Mr. Chairman, I am aware of the fact that Attorney General Saxbe has written an opinion in which he says that the documents and the papers belong to the former President of the United States. But Attorney General Saxbe's opinion did not quote the one case in the law that bears on this subject, and that was the Rickover case. Admiral Rickover was sued by his publishing company for a declaratory judgment to permit them to publish some of the speeches that he had made.

Admiral Rickover contested that suit, contending that the papers were his personally. The case went all the way up to the Supreme Court, it was sent back to the district court, and the district court ruled that inasmuch as Rickover had performed these services after hours on his own time the papers were properly his, and he had a proper right to copyright. But the court went on to say that for the work that Rickover did for the Navy, the work he had done in an official capacity, those papers belonged to the Government.

So I suggest to the Members that the papers that my friend, the gentleman from New York (Mr. ADDABBO) would like to receive, the report of the President's trip to China, I say that those official documents do not belong to Mr. Nixon, they belong to the people of the United States.

What I think should be done, perhaps as the result of this discussion, is that the appropriate committees of the House and the Senate who are now engaged in considering the matter, should decide what to do with the papers.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, the gentleman from Illinois knows quite well that the Presidential transition law did not establish any of the guidelines to which the gentleman now believes we should subscribe. I will make the gentleman a proposition that if he wants to propose some new rules——

Mr. YATES. I am not proposing anything.

Mr. WAGGONNER. I will support the amendment if the gentleman will offer another amendment to require the return of all other similar papers from all other

Presidents that have been given away before or claimed as personal property.

Mr. YATES. Perhaps that is what ought to be done.

Mr. WAGGONNER. Is not the gentleman man enough to treat everybody alike?

Mr. YATES. I do not appreciate the form of the gentleman's question but let me point out that the papers are made public in the Johnson Library, the Kennedy Library, the Eisenhower Library, and the Roosevelt Library, but under this agreement President Nixon does not have to make anything public. He can keep everything for himself or destroy them if he so desires.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. CEDERBERG, and by unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Chairman, I think the gentleman from Illinois raises a very interesting problem, and one which should be given some consideration.

Mr. YATES. I believe that is correct.

Mr. CEDERBERG. I do not believe that an amendment on this bill is the place to do this. I think what we really need is a joint committee, some time to study this, and study not only the Presidential papers but congressional papers. The gentleman from Illinois was here, and then the gentleman ran for the Senate in Illinois, and then he went to the United Nations. I do not know what the gentleman did with his papers.

Mr. YATES. I can tell the gentleman. I turned all my papers over to the Truman Library pursuant to their request, and I did not, incidentally, take any tax deduction.

Mr. CEDERBERG. That is an example of what can be done, but did the gentleman have the right to do it the way that he said he did?

Mr. YATES. Under the assumption that was prevalent at that time, I had the right.

Mr. Chairman, may I say to the gentleman from Michigan what my amendment proposes in order to have the whole record complete?

My amendment will propose to freeze the papers in the possession of the various Government offices until the end of the fiscal year, June 30, to permit the appropriate committees of the Congress to consider the question and decide what ought to be done, which is exactly what the gentleman says he wants to do.

Mr. CEDERBERG. I just do not think that should be done in this bill.

Mr. YATES. The gentleman just got through saying it ought to be done.

Mr. CEDERBERG. Not through an amendment to this appropriation bill.

I say that is a matter that is worthy of some kind of a study group to consider this; that they should study what should be done in the case of Presidential papers and other governmental papers, for instance, Supreme Court Justices' papers and papers of Members of Congress who retire.

I just wanted to raise that problem.

Mr. YATES. Apparently, we are in agreement, but I say nothing should be done to the papers until the Congress acts. Would the gentleman desire me to request additional time to further discuss this?

Mr. CEDERBERG. No; I do not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BINGHAM. Mr. Chairman, included in the supplemental appropriations bill (H.R. 16900) before us today is funding for expenses and benefits authorized but only in part required by the Presidential Transition Act and the Former Presidents Act. The House Appropriations Committee has recommended a total of $398,000 for the funding of these two acts for fiscal year 1975, a substantial cut from the $850,000 originally requested by the administration.

Since I have been in Congress I cannot remember an appropriations request from an administration which has engendered so much frustration and outrage from the people I represent. The communications I have received from them on this issue express disbelief that a President who has escaped impeachment by resigning should be rewarded by the Federal Government with moneys and benefits even in excess of those given other former Presidents. Some have even suggested that appropriating 1 cent for the former President would be tantamount to placing a seal of approval on the way he conducted himself while in office and the way he escaped constitutional justice by resigning before being impeached.

The cries of outrage are understandable given the dire economic squeeze most taxpayers and the families are facing, and given their knowledge that Mr. Nixon would not have been entitled to such moneys and benefits had he stayed in office to face almost certain impeachment, conviction and removal from office.

While I am most sympathetic to the feelings about this issue of those I represent, I have concluded that Congress has a legal obligation to provide the minimum benefits he is entitled to as a former President. But I see no reason why the U.S. taxpayers should have to pay for any so-called transition funds, and I therefore support the Stokes-Bevill amendment which would eliminate altogether $245,000 recommended by the committee for transition expenses.

The $850,000 requested by the administration under the Presidential Transition Act and the Former Presidents Act was outrageously out of line. The $850,000 request reflected maximum funding for almost a full year—August 9, 1974, to June 30, 1975—under the two acts as if they were effective concurrently. But as congressional experts pointed out to administration officials, this was not proper. The funding authorization under the Transition Act expires 6 months after a President leaves office—February 9, 1975, in the case of Mr. Nixon—and then and only then do the provisions of the Former Presidents Act become effective, other than that covering the former President's pension. The House Appropriations Committee, taking this administration mistake into consideration, appropriately reduced the amounts requested under the two acts to reflect the proper time periods involved. Thus the $450,000 asked for under the Presidential Transition Act was reduced to $245,000—6 months funding—and the $400,000 requested under the Former Presidents Act was cut to $153,000—covering the $55,000 pension and 5 months of funding for staff, office, and related expenses, $98,000.

This last cut also reflects the committee's wise rejection of the administration's request for $110,000 to build a vault and secure the former President's tapes and documents in a facility near Mr. Nixon's home, pursuant to an agreement hastily worked out between the Ford administration and the former President. As the committee points out, the question of the disposition of these tapes and documents has not been settled and until it is, any request regarding these materials is premature. Under the Nixon-Ford agreement which has drawn so much opposition from Congress and the public, Mr. Nixon, not the Government, would be sole possessor of all the tapes and documents and would reserve the right to destroy them after September 1, 1984 or at his instructions upon his death, whichever came earlier. I strongly feel that this material belongs to the American people, not Mr. Nixon, and Congress must take action immediately to secure control of these vital tapes and documents, and I have so testified recently before two House subcommittees.

This being so, I am naturally opposed to providing Mr. Nixon with funds which are said to be needed for the processing of his Presidential papers. Since he does not now have custody of those papers, and in my opinion should not have, there is no need for such funding.

It should be noted that under the Presidential Transition Act, the General Services Administration, presumably acting under the instructions of President Ford, has detailed to Mr. Nixon some 21 Federal employees including a maid and butler who are drawing government salaries at an annual rate totaling $440,000. This does not include Secret Service protection authorized by the President for Mr. Nixon which is estimated to cost $650,000 annually. There is no assurance from the Ford administration that, if Congress were to appropriate transition funds to the former President, they would be used for staff to replace the detailed Federal employees. And, as I have said, until the question of the ownership and control of the tapes and documents is settled, Mr. Nixon is spared the expense of having to process them as other former Presidents. If and when this situation changes, Congress can then consider a supplemental request.

The President has called on Congress to think of the overburdened taxpayer and appropriate money cautiously. The request before us offers us a chance to put this philosophy into action by approving the minimum needed to meet our legal obligations while deferring the question of additional amounts to a future time when necessity might dictate a change. I urge my colleagues to support the Stokes-Bevill amendment.

Mr. STEED. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Here, again, I find myself necessarily having to take issue with some very loyal members of my subcommittee but, in fairness to the House, I must point out what I believe we must do about this particular issue.

We must remember that the mandate of the law compels us to bring here what we have now in the most prudent way that we could.

Let me say, first, that there are many papers, records, and documents involved here. I think the Members of the House are all aware that at the moment they are all in storage here in Washington under the jurisdiction of the General Services Administration or the White House. Some of the tapes and other records and documents are in storage under guard by court order. The situation is very involved, but some of the papers, tapes, and documents will not be moved until certain other things take place, some of which will be under the jurisdiction of the courts.

I understand that legislation is now in process which will resolve a lot of questions here about not only the disposal but the ownership of these documents. What we are trying to do here is to have available some money to do something about this, if and when these matters are cleared up.

All this has to take place in the first 6 months after the resignation; 2 months of this 6-month period has already elapsed. If we are unwilling to appropriate any funds here at all, and if these other matters do take place, then we may be paralyzed until the end of this 6-month period, which happens to be, in this case, February 9, 1975.

I think the Members should know that what we are talking about here is something like 71 crates of records, containing about 42 million pages of documents on which the information we are talking about is contained. A lot of this is highly classified. Some of it may be worthless. But all of it has a very great and lasting public equity and interest, as has been stated by the Congress when it enacted these acts.

It has been illustrated over and over again through the other Presidents who participated under this program, and in the Presidential library program that the public has a great deal to gain. I think everybody is aware that there is a tremendous public equity involved. We are trying to protect that equity. We are trying to do this in an orderly way.

I hope the House will support the subcommittee and defeat both of these amendments.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was here on that day of July 25, 1963, when the Presidential Transition Act was passed. I recall that I inserted in the CONGRESSIONAL RECORD on that day a statement by President John F. Kennedy which was contained in the report accompanying the bill, in which Mr. Kennedy stated:

> Enactment of these proposals will go a long way to improve the political climate.

Has the political climate been improved?

I recall that I had a part in developing the fact that under the Presidential Transition Act, which called for the appropriation of $1,300,000, that 20 percent of those funds could be expended without any accounting to anyone on the part of either the President or the Vice President. The President could give the Vice President in the transition period 10 percent of the 20 percent and there would be no accounting on the part of either the President or Vice President. The President could spend it all—20 percent of $1,300,000—without an accounting to anyone.

I offered the motion to recommit the bill, and was defeated. Only 29 Members of the House, and I was one of them, voted against the Presidential Transition Act on July 25, 1963. During the debate, I tried to find out, without success, how we got along for 175 years in the Federal Government of this country without a Presidential Transition Act. Eleven years ago, a majority on both sides of this Chamber voted for the Transition Act.

Now, you live with it. Live with it.

I said at that time:

> I do not see anyone on the horizon of Presidential candidates who needs this legislation and the $1,300,000 it would dig out of the taxpayers. I know of not a single potential Presidential candidate in 1964 who is going to have to worry about where his next sandwich is coming from. I do not think any of them will have to go around town with a tin cup in hand to get the money to sustain himself in the interim between the day of election and the inauguration. I do see some taxpayers who are getting tired of being fleeced for purposes of this kind.

I say again to the Members who approved this law, now you live with it. I cannot be consistent and vote to spend money under legislation to which I was unalterably opposed in 1963 and to which I am still opposed.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the Subcommittee on Appropriations, the subcommittee chaired by the gentleman from Oklahoma (Mr. STEED), held hearings, exhaustive hearings, and made a recommendation to the full committee. The full committee agreed to the recommendation, and the recommendation of the subcommittee and the full committee is contained in the bill before us. The committee is not inflexible but it seems to me the thing to do is to defeat the pending amendment to the amendment which strikes all the funds in this paragraph from the bill.

I would hope the amendment would be defeated. I urge defeat of the amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close by 6:40.

Mr. WALDIE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 6:45.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and on a division (demanded by Mr. JAMES V. STANTON) there were ayes 98, noes 39.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DANIELSON).

(By unanimous consent Messrs. JOHN L. BURTON, MITCHELL of Maryland, and WALDIE yielded their time to Mr. DANIELSON.)

Mr. MITCHELL of Maryland. Mr. Chairman, Richard Nixon is fully entitled to receive the pension he accrued as a Representative and a Senator in the U.S. Congress. In my opinion, he is not entitled to Presidential retirement money. He is not entitled to a penny in transitional money.

Many Members of this body are in a quandary. How do we do the right thing and, at the same time, provide for the needs of Richard Nixon now that he is out of office. As we face this dilemma, we must bear in mind three salient facts.

First, we are facing runaway inflation. Second, we are trying to reduce "excessive Federal spending." Third, we are trying to curb mounting unemployment.

Bearing these three salient facts in mind, I wish to offer a series of recommendations which will enable us, in part, to provide for Mr. Nixon.

Many cities, including my city of Baltimore, have effective homestead programs. Under this program homes can be purchased for a dollar, and mortgage funds for rehabilitation purposes can be obtained at very low interest rates.

Clerical and secretarial help will be needed for the transitional period. I suggest that such employees can be obtained from Model Cities programs, the concentrated employment program and, or other manpower training and antipoverty programs which are still operative.

Recognizing that additional manpower is needed to perform household or household related work, I recommend that such additional assistance as is required can be obtained through the work release programs operated by the various State correctional agencies.

Members of the House, if we but put our minds to it, we can tap almost unending resources to aid in the transition. I suggest strongly that we do so.

Mr. DANIELSON. Mr. Chairman, I am not a member of the committee and I do not know what was in the testimony that came out to support this appropriation. I am not able to say whether it is enough or whether it is too much. I do not have that information. However, I have attended throughout this entire debate, and listened to every word. And I have read the committee report, and I find that there is no itemization of this proposed appropriation therein.

The way this appropriation reads now it is like a blank check, a lump sum, we are just buying a pig in a poke. We have no idea what we are buying.

I am responsible to my constituents and I can tell the Members that on this sensitive issue they want to know, what did we buy for our money? Many people are fed up right to here and they would be fed up further if they were not standing on something.

What I would like to know is this. There is nothing in this report that tells us what we are buying. It says here "suitable office space," "suitable equipment." Equipped with what?

I have read in the press that the man wants 71 typewriters. I have just heard about 71 crates of paper. I am reminded of that famous song about 76 trombones; at least they had a purpose.

The report speaks of the procurement of services of experts and consultants. Experts and consultants for what? What does the man need. He is no longer the President.

There is a category of "travel and subsistence allowance." Where is he going? He has already gone. What travel expense does he need? If he is coming back to be a witness in a trial, he will get per diem and first-class transportation, like any other witness.

Then we have postage, printing, and binding. There may be some validity in the postage; but I can say that people in my district think he will have franking privileges. Probably there is postage attached to that; but, if so, for heaven's sake, explain it. When I spend $150,000 or $250,000 of my taxpayers' money on anything like that, I want to know what we are buying. I think the very least we are entitled to is an itemization. Where is this money going?

The last little point, we heard about a contract or agreement. Do not tell me that the former President is holding those papers for ransom in order to get some money out of the taxpayers of the United States.

I would like to ask this as a lawyer. Who gave the Administrator of the GSA any authority to contract on behalf of the people of the United States as to whether or not those documents are the property of the United States? When I went to law school I learned that when there was a question of title, it was up to the courts to decide that issue.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Florida (Mr. Young).

(By unanimous consent Mr. Young of Florida and Mr. Pepper yielded their time to Mr. Robison of New York.)

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Robison).

Mr. ROBISON of New York. I would say to my friend, the gentleman from California, who just wanted to know what we were "buying" here, that there is an itemization and an explanation of the basis for the original request in the extensive hearings that the Steed committee had on the difficult issues involved here. I would refer the gentleman to that volume of hearings for the information he sought.

Let me say further, repeating what I said during remarks on the Addabbo amendment, that there is a valid national purpose to be served by providing at least a reasonably adequate amount of transitional funds under the authority of the Presidential Transition Act in this instance, even under these unique circumstances.

The amount the subcommittee has recommended, $245,000, is a substantial reduction from the original request. I question whether it is sufficient under all the circumstances, but certainly it is needed, and I hope the committee will support it for the reasons I have previously outlined.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. Holtzman).

Ms. HOLTZMAN. Mr. Chairman, the gentleman from New York said that this appropriation was documented, but, in fact, this is an absolutely open-ended appropriation.

The committee has said that it wants $245,000 under the Presidential Transition Act, but that sum is in addition to absolutely unspecified amounts which may be supplied by President Ford under that act. President Ford has already spent $316,000 on Mr. Nixon over the past 6 weeks under the Transition Act. On a 6-month basis, these expenditures could amount to $1 million. So this is not a $245,000 appropriation; it is a $1,245,000 appropriation.

Moreover, since the Appropriations Committee has determined that $245,000 is the maximum amount to which Richard Nixon is entitled under the Transition Act then nothing should be appropriated for him in this bill. Already $316,000 of the taxpayers' money has already gone to provide Nixon with maids, valets, chauffeurs, speechwriters and the like. Indeed, at least 23 persons have already been assigned to Richard Nixon's staff and President Ford may continue to assign these and other persons throughout the duration of the Presidential Transition Act.

Nor are Richard Nixon's benefits limited to that $316,000. Newspapers have reported that Ken Clawson, a former Nixon aide who is still on President Ford's White House payroll, has been detailed to San Clemente to assist Richard Nixon in writing his memoirs. The taxpayers' money is being spent to permit Richard Nixon to reap enormous royalties from the sale of a book.

If we are talking only of dollars and cents, we cannot forget that Richard Nixon still has not paid the $140,000 in back taxes he still owes to the U.S. Treasury. Although be has promised to pay these funds, he has still not done so. There is no reason for Richard Nixon to get the benefit of that $140,000—which belongs to the people of this country—and receive on top of that a benefit of additional funds in this bill.

Finally, we cannot look only at the dollar amounts. And I must point out that the Appropriations Committee has failed to give the particulars of the moneys to be spent, much less the justification for any of these amounts. Richard Nixon committed high crimes and misdemeanors. In my judgment he would have been convicted not only in an impeachment trial but in a criminal trial as well. How can we, the representatives of the people, spend their money to benefit a man who disgraced his office and betrayed their trust? How can we reward with governmental largesse a man who sought to undermine the free election process which is the heart of this democracy? How can we reward a man who used his enormous powers to corrupt the criminal justice system and to abridge the precious liberties of the people of this country? How can we justify giving any funds to a man who used his office to accumulate personal wealth, to escape paying taxes and to construct enormous palaces at the taxpayers' expense?

Think for a moment of our young people. It must have been difficult enough for teachers and parents to instill a pride in this country and its elected leaders after the revelations of Richard Nixon's criminality. If we reward that criminality today, who can tell them that there is justice for all? Who can look them in the eye and say the system works?

I urge that all of the appropriations under the Presidential Transition Act and the former President's Act be stricken in their entirety.

(By unanimous consent, Ms. Abzug, Messrs. Randall, Carney of Ohio, Obey, James V. Stanton, and Giaimo yielded their time to Mr. Stokes.)

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Stokes).

Mr. STOKES. Mr. Chairman, just so that when we vote this $245,000 item on the Presidential transition, we have it in its proper perspective, I just want the Members to know that in addition to the $316,000 which has been paid out in less than 8 weeks for Presidential transition costs, that the information supplied to us, as best we can calculate, excluded the $675,000 of security equipment and $56,000 of office equipment and furniture located at San Clemente, Calif.

The GSA has also testified in the other body that Federal security at Key Biscayne, now being closed out, operated between August 9, 1974 and September of 1974, was primarily for security and communications and estimated it at a $99,000 rate of expenditure.

Government equipment at Key Biscayne is estimated to cost $573,000, which is also being surveyed for removal.

So that we can put it in further perspective, at Key Biscayne today we still have a buildings manager at $19,246; general mechanic at $5.77 per hour; general mechanic at $4.85 per hour; and a gardener at $4.88 per hour; for total annualized salaries of $53,566.

The question posed in the other body to Mr. Sampson a few days ago was, "Who owns the land?"

His answer was:

Part of the land is owned by Mr. Rebozo; part of it is owned by Mr. Nixon; two parts are owned by individuals who lease homes to the General Services Administration.

The United States does not own any of this land. Mr. Chairman, I cannot add a bonus of either $245,000 or $100,000 to these transitional funds Mr. Nixon already receives. I hope this body will support my amendment to take all transitional funds out of this section.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. Mr. Chairman, I rise in support of both the Addabbo and Stokes amendments. The former President is entitled to $5,000 per month in salary and $2,000 per week in office expenses. He is entitled to suitable office expenses. In addition to that, his widow gets a pension.

I do not believe a President who has resigned after the report made to this Congress charging him with the charges made by the Judiciary Committee is entitled to any more dough.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman, I think it needs to be said that Mr. Nixon has not asked for one penny. The request which we are considering here today was made by the President of the United States as provided for in public law.

Mr. Chairman, if ever an administration needed to have their records preserved for posterity so that history could accurately be established, that questions could be answered, this administration does. Continuity is most necessary.

I submit to the Members that we are being negligent if we do not provide money to do it. Then, too, we are being petty. Do not cut this money out of the appropriation.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON), chairman of the committee, to close debate.

Mr. MAHON. Mr. Chairman, I yield back the balance of my time and I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. STOKES) to the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the chairman announced that he was in doubt.

RECORDED VOTE

Mr. STOKES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 169, noes 228, not voting 37, as follows:

[Roll No. 559]

AYES—169

Abzug
Adams
Alexander
Anderson, Calif.
Andrews, N.C.
Annunzio
Badillo
Bennett
Bergland
Bevill
Biaggi
Bingham
Boland
Brademas
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Chisholm
Clark
Clay
Collins, Ill.
Conyers
Corman
Cotter
Cronin
Daniels, Dominick V.
Danielson
de la Garza
Dellums
Denholm
Dent
Diggs
Dingell
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Evins, Tenn.
Fascell
Flowers
Flynt
Foley
Ford
Froehlich
Fulton
Gaydos
Giaimo
Gibbons
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Gross
Gude
Hammerschmidt
Hanna
Harrington
Hays
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hogan
Holifield
Holtzman
Howard
Hungate
Ichord
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Long, La.
Long, Md.
Luken
McCloskey
McCormack
Maraziti
Matsunaga
Mazzoli
Melcher
Metcalfe
Mezvinsky
Mills
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Morgan
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nichols
Nix
O'Hara
O'Neill
Owens
Patman
Pepper
Perkins
Pike
Poage
Price, Ill.
Randall
Rangel
Rees
Reuss
Riegle
Rinaldo
Roberts
Rodino
Roe
Roncalio, Wyo.
Rose
Rosenthal
Ryan
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Slack
Staggers
Stanton, James V.
Stark
Steelman
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thornton
Tiernan
Traxler
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Wilson, Charles H., Calif.
Wolff
Yates
Yatron
Young, Tex.
Zablocki
Roncallo, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stratton
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOES—228

Abdnor
Addabbo
Andrews, N. Dak.
Arends
Armstrong
Ashbrook
Ashley
Aspin
Bafalis
Baker
Bauman
Beard
Bell
Biester
Blatnik
Boggs
Bolling
Bowen
Bray
Breaux
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dellenback
Dennis
Devine
Donohue
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Findley
Fish
Flood
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fuqua
Gettys
Gilman
Goldwater
Goodling
Green, Oreg.
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Harsha
Hastings
Heinz
Henderson
Hicks
Hillis
Hinshaw
Holt
Horton
Hosmer
Huber
Hunt
Hutchinson
Johnson, Pa.
Jones, Okla.
Kastenmeier
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Lent
Litton
Lott
Lujan
McCollister
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Meeds
Michel
Milford
Miller
Mitchell, N.Y.
Mizell
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Mosher
Myers
Nelsen
Obey
O'Brien
Parris
Patten
Pettis
Peyser
Pickle
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Regula
Robinson, Va.
Robison, N.Y.
Rogers

NOT VOTING—37

Anderson, Ill.
Archer
Barrett
Blackburn
Brasco
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Derwinski
Dickinson
Dorn
Eshleman
Evans, Colo.
Fisher
Hansen, Wash.
Hawkins
Hébert
Hudnut
Jarman
Johnson, Colo.
McClory
McKay
Madden
Mayne
Minshall, Ohio
Murphy, N.Y.
Passman
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Shuster
Sikes
Teague
Young, Ga.

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chair announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MEEDS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 342, noes 47, answered "present" 4, not voting 41, as follows:

[Roll No. 560]

AYES—342

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez

Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mallary
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncalio, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Seiberling
Shipley
Shoup
Shriver
Sisk
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOES—47

Arends
Carter
Cederberg
Collier
Collins, Tex.
Crane
Davis, Wis.
Dennis
Devine
Frelinghuysen
Gettys
Goldwater
Goodling
Gross
Gubser
Hansen, Idaho
Hinshaw
Hosmer
Huber
Landgrebe
Lott
McEwen
Mann
Martin, Nebr.
Michel
Montgomery
Myers
Nelsen
O'Brien
Patman
Powell, Ohio
Robison, N.Y.
Rousselot
Sebelius
Skubitz
Spence
Steed
Steiger, Ariz.
Symms
Treen
Veysey
Waggonner
Ware
Wiggins
Williams
Young, Fla.
Young, S.C.

ANSWERED "PRESENT"—4

Burton, John
Conyers
Harrington
Mitchell, Md.

NOT VOTING—41

Anderson, Ill.
Archer
Barrett
Blackburn
Brasco
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Davis, Ga.
Derwinski
Dickinson
Diggs
Dorn
Eshleman
Evans, Colo.
Fisher
Hawkins
Hébert
Hudnut
Jarman
Johnson, Colo.
Jones, N.C.
Kuykendall
McClory
McKay
Madden
Mayne
Minshall, Ohio
Murphy, N.Y.
Passman
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Shuster
Sikes
Smith, N.Y.
Teague
Young, Ga.

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. If there are no further amendments to this section, the Clerk will read.

The Clerk read as follows:

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For an additional amount for "Allowances and Office Staff for Former Presidents", $153,000, to be available as authorized by the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note).

POINT OF ORDER

Ms. ABZUG. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentlewoman will state her point of order.

Ms. ABZUG. Mr. Chairman, rule XXI, clause 2, provides that no appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress.

After having read both the Presidential Transition Act and the Former Presidents Act, it is clear that there is no present authorization in existence for the appropriation of any funds, other than pension funds, under the Former Presidents Act.

Specifically, section 4 of the Presidential Transition Act of 1963, as amended, states:

> The provisions of the Act of August 25, 1958, (72 Stat. 838; 3 U.S.C. 102, note), other than subsections (a) and (e), shall not become effective with respect to a former President until 6 months after the expiration of his term of office as President.

Clearly then, the Presidential Transition Act states that the Former Presidents Act, with the exception of subsections (a) and (e), which are the pension subsections, will not come into effect until February 9, 1975. Until that date—that is, until we actually reach the 6-month period beyond the time that he has left office—there is no act on the books at present which authorizes the appropriation of any money to former President Nixon until February 9, 1975, with the exception of his pension benefits.

Therefore, I believe that on page 12, lines 22 to 26, the point of order should be sustained to strike the whole paragraph.

Let me add, if I may, that in the statement of the Comptroller General of the United States which was read by Chairman STEED a while ago in discussing their legal opinion, this view is confirmed. His statement says that the 6-month delay in the operation of the Former Presidents Act was included on the assumption that a former President would, for the first 6 months after he left office, receive services and facilities under the Transition Act and, therefore, we have the language in the Transition Act which very specifically says that—

> Nothing in the Former Presidents Act will become effective until 6 months after the expiration of the term of his office.

What this means is that it was contemplated that the only thing a former President could get under the Former Presidents Act was a pension. Everything else that could be given him in the 6-month period after leaving office is for transition purposes and comes under the Presidential Transition Act.

We cannot accept what the committee has argued that all they are doing is saying, "We are authorizing and appropriating now, but we are not allowing that money to be spent until 6 months afterwards."

The fact is, there is no effective authorization on the books at this time. Otherwise, we would not have a transition act for this 6-month transition period. The reason is apparent. It was intended to give the President or his widow a pension under ordinary circumstances right away. The Transition Act takes care of the 6 months after he leaves office. And it was intended that it be determined 6 months later whether any additional allowance would be authorized and appropriated.

The clear statement of both of these acts, the Presidential Transition Act and Former Presidents Act, is that there is at present, I submit, Mr. Chairman, no effective authorization. The committee had no authority, in fact, to make an appropriation at this time, over and above the appropriation although it may try to do so and it could be in order 6 months after the day he left office.

Mr. STEED. Mr. Chairman, I rise in opposition to the point of order.

Mr. Chairman, the matter before the House is H.R. 16900, entitled, "Making Supplemental Appropriations for the Fiscal Year Ending June 30, 1975, and for Other Purposes."

The matter on page 12, line 22, Allowances and Office Staff for Former Presidents, says on line 24, "to be available as authorized by the Former Presidents Act of 1958, as amended."

That means that on the 9th of February the funds herein contained becomes effective.

The precedents are replete with instances where appropriation bills over the years have contained item after item after item after item of instances where money has been appropriated for a date certain within a fiscal year, and that is what we have here.

Mr. Chairman, I urge the overruling of the point of order.

The CHAIRMAN. The Chair is prepared to rule.

The gentlewoman from New York makes the point of order under the paragraph on page 12, lines 22 through 26, pertaining to funds for allowances for the former President as being in violation of clause 2, rule XXI, asserting that those funds are not, at this time, authorized by law.

Specifically, the gentlewoman from New York cites section 4 of the Presidential Transition Act, providing that said sums shall not become effective with respect to a former President until 6 months after the expiration of his term of office.

The Chair notes that the paragraph against which the point of order was raised appropriates $153,000 to be available as authorized by the Former Presidents Act of 1958.

The Chair believes that the Former Presidents Act—and the Committee on Appropriations in its report on page 35 has indicated—that the funds provided under this authority will become available under the Former Presidents Act of 1958 6 months after the President left office.

The Chair will also note that subsections (b) and (c) of the Former Presidents Act are statutory requirements. The provisions are on the books. They are directed to the Administrator of the General Services Administration concerning services which that agency must make available to the former President. By delaying the effectiveness of subsections (b) and (c) for 6 months, therefore, Congress is directing the General Services Administration not to provide services under those subsections until that period has expired.

The Chair feels, however, that the Committee on Appropriations may include funds for those purposes in a general appropriation bill, so long as the availability of those funds to the General Services Administration is delayed until the expiration of the 6-month period.

Although the Committee on Appropriations could have waited until the expiration of 6 months before appropriating those funds, the Chair does not believe that the law compels the committee to do so.

For those reasons, the Chair is of the opinion that there is sufficient authorization in law to include the funds in this bill, subject to the required delay of their availability.

The Chair, therefore, overrules the point of order.

AMENDMENT OFFERED BY MR. ADDABBO

Mr. ADDABBO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ADDABBO: Page 12, line 24, strike $153,000 and all that follows down through line 26 and insert in lieu thereof the following: "$55,000 to carry out the provisions of subsection (a) of the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note); $45,000 solely to carry out the other provisions of the Former Presidents Act, as amended."

Mr. ADDABBO. Mr. Chairman, the budget request under the Former Presidents Act was for $400,000.

The Former Presidents Act takes effect 6 months from retirement on February 9, 1975, except for the pension provisions, which take effect as of the time and date.

My amendment breaks down the figures into two sections: $55,000 for the pension and $45,000 for the other purposes under the Former Presidents Act,

A lump sum figure would permit GSA to use the money for part pension, part other expenses.

We are now strictly putting a limitation on use for each section, $55,000 for the Presidential pension and $45,000 for other expenses.

The other expenses, again, can only go into effect by law after February 9, 1975.

At that time the Congress can again look at this appropriation to see whether these funds or any other funds are necessary.

It is presumed, as in the past, that we will have a second supplemental appropriation bill sometime in early 1975. As has happened in the past, that probably will not come about until after February 9, 1975. Therefore, my limitation of $45,000 would put a ceiling on what the GSA could commit because right now GSA has committed funds under the Presidential Transition Act because of the belief that they would receive funds under the Presidential Transition Act.

Consequently, there would be some control by the House at the time the Former Presidents Act takes effect on February 9, 1975.

I have made the subdivision of $55,000 for the Presidential pension and $45,000 for other expenses.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. ADDABBO. Yes, I yield to the gentlewoman from New York.

Ms. ABZUG. Has the gentleman any knowledge as to how much money has, as I believe he said, been authorized by the General Services Administration under this act?

Mr. ADDABBO. Under this act, there can be a request for funds. There is no dollar figure authorized.

Ms. ABZUG. What about the $45,000? What is that supposed to be for? Who requested it?

Mr. ADDABBO. The $45,000 is a reduction of what the committee has allowed.

Ms. ABZUG. I did not read the record of the hearings. Can the gentleman tell me who asked for that money and what does he mean by seeking to limit the GSA authority when the committee has just said that it is not authorizing anything, that it is just simply delaying it to another time?

Was there testimony before the gentleman's committee in which the GSA said that they were seeking authorization for certain funds under this section and under the Former Presidents Act? Just answer that question.

Mr. ADDABBO. Under the law, there is authority to request funds, under the Former Presidents Act. That request was made. A request for $400,000 was made. The committee cut that request to $153,000. My amendment would now cut that further and specifically set forth $5,000 for pension, and $45,000, which would be a limitation on what could be spent until this committee takes another look at it.

Ms. ABZUG. I am not talking about the Presidential Transition Act.

Mr. ADDABBO. The Former Presidents Act.

Ms. ABZUG. Which is not supposed to be in effect except for pension funds until 6 months after he leaves office.

Mr. ADDABBO. These funds cannot be used until February 9, 1975, funds for communication expenses, and so forth.

Ms. ABZUG. When the gentleman says that a certain amount is requested and that he is going to allow the GSA only to request certain funds, that, in effect, is putting a seal of approval on the amount of money that we have to commit orselves to even though the law does not authorize us to do so until 6 months from now.

Mr. ADDABBO. Yes, but it would be reviewed at the next supplemental.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

What we are dealing with here is that starting on the 9th of February, 1975, the Former Presidents Act, becomes effective. Under ordinary circumstances, the program that we start here would continue throughout the lifetime of a former President.

The $153,000 that we have allowed in this bill is, I think, the very minimum that we can appropriate to carry out what the law directs to be done in this instance, $55,000 of it represents 11 months of pension that the President is entitled to.

The other $98,000 will go to pay the staff, buy all the supplies, pay for all of the postage and communications and otherwise take care of the entire cost of the office of the former President.

Now, the Transition Act that we have talked about and voted on recently left a safety valve in this in that the President could assign personnel from other Government agencies to help with the transition problem. But none of that could be done under this provision.

The only funds that will be available to carry on the office of the former President will be this item here, and this will be the time when the most intense work starts, when the help of the President and his staff to the historians and the archivists evaluating the Presidential papers will be needed.

Mr. Chairman, I think if the Members have read the hearings, they understand what this is. If they know what we have done in these cases with all the other former Presidents, no one would really want to cripple this provision.

The amendment would only leave $45,000. And that would do what? Former President Nixon would have to pay a staff, buy all the supplies, pay for all the postage and all the other incidental costs of running an office.

Mr. Chairman, it would be really a farce, and I hope the Members will stay with the committee on this item, because this is an altogether different proposition than the one we just voted on.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. STEED. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I want to join with the gentleman from Oklahoma in opposition to the pending amendment.

This amendment goes entirely too far. We have made a sharp reduction in this appropriation, and we have already made a sharp reduction in the transition money.

It seems to me it would be most ill-advised for the House to go below the $153,000 that has been recommended. I am hoping that the House will not adopt the Addabbo amendment. I urge the defeat of the amendment.

Mr. STEED. Mr. Chairman, this started out to be a $400,000 item.

Mr. MAHON. The gentleman is correct, it was to be $400,000.

Mr. STEED. It has been cut to $153,000, and I do not believe we can reasonably go any lower than that.

Mr. MAHON. Mr. Chairman, if the gentleman will yield further, it does seem to me, that it would be most ill-advised and improper under all the circumstances, for the House to take this additional sharp and punitive action against the former President.

Mr. STEED. Mr. Chairman, in all sincerity, I urge the House to support the subcommittee and defeat this amendment.

AMENDMENT OFFERED BY MR. STOKES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ADDABBO

Mr. STOKES. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

> Amendment offered by Mr. STOKES as a substitute for the amendment offered by Mr. ADDABBO: In lieu of the matter proposed to be inserted by the amendment, insert the following: "$55,000, to be available as authorized by the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note)."

Mr. STOKES. Mr. Chairman, my amendment to the Addabbo amendment does not disturb the former President's pension. It leaves the $55,000 in the act to pay his pension.

What the amendment does do is take out of the act the $45,000 which the Addabbo amendment would give him.

Now, the purpose for these funds under the Former Presidents Act is for pension, office staff, and related expense. I say to the Members that the testimony before our committee is that there will be no records in San Clemente for the people they are hiring to work on.

The testimony by Mr. Sampson, in response to the distinguished chairman's questions at the hearing, was as follows:

> Mr. STEED. What part of the access to and the use of, the moving and all that of these tapes and materials, is subject to the jurisdiction of the courts?
>
> Mr. SAMPSON. Again, I am not completely familiar with all the details. But my understanding is that it's those materials that are under double lock that are presently under the most contention. It is also my understanding at the present time that, just to be safe, the courts have instructed Mr. Buchen that none of the Nixon materials are to be moved until there is further negotiation by the courts. In other words, even the materials we have in our archives or warehouses cannot be moved.

I say to the Members that it would seem to me to be an altogether vain act for us to supply a staff to work on some records that cannot be moved out of these warehouses. In addition, I think we have to look at the justification given us by Mr. Sampson for the appropriation of these funds.

He said that the Congress has recognized and respected the special role of a former President by granting to him benefits such as a pension, office space, staff, travel funds and related support, so that he can maintain a creative presence as an adviser in national and international public life.

He said that this former President will be called upon, as have others before him, by citizens and scholars, journalists and public officials, to provide his views on a great variety of issues. The funds requested will enable him to respond to these requests and allow us all to benefit from his experience as President.

Mr. Chairman, I think that in justifying the appropriation of these funds we have to take into account the actions and conduct of this former President during the eight weeks he has been out of office. During those two months he has been a recluse. He has not been available to citizens, scholars, journalists and public officials, nor do we have any evidence or testimony before the committee that anyone in this category has sought him out.

We have no evidence of any intention on the part of this former President to maintain a creative presence in national and international public life.

There is no evidence before this Congress of his being sought out for his views and advice.

It seems to me that any grant of appropriations over and above the $55,000 for his pension here is certainly unwarranted under the circumstances.

Mr. Sampson said to us that the worth of a former President's records and advice is inevitable. The funds requested will make both available to the American people and the world.

Obviously with 90 percent of his records under court order, with no indicia as to when we can expect their release, this statement of Mr. Sampson is not true. If the statement is not true, then we have no justification for the appropriation of the funds.

In other words, we are confronted at this time with an agreement that is a joke. This agreement signed by Mr. Sampson and Mr. Nixon does not give the records and materials of Mr. Nixon to the American people.

At some future date Mr. Nixon says he will donate such documents as he desires. All we have at this time is his expression of an intent to donate. The agreement further provides for such restrictions as he determines.

He retains all legal and equitable title to the materials.

He provides for deposit of these materials where he designates, and for access to be gained only by the use of two keys, one to be held by him and one by Mr. Sampson.

After 3 years he can withdraw from deposit any or all materials on deposit.

Any official of the United States who is served with a subpena relative to any of these materials must immediately notify Mr. Nixon and let him respond.

The tapes are to remain on deposit for 5 years, until September 1, 1979, at which time he makes a gift of the tapes to the United States subject to the provisions that the United States must destroy such tapes as he directs.

No American can even listen to one of these tapes without Mr. Nixon's written approval under this agreement.

I say that there is no justification for the $45,000, and I urge my colleagues to support my amendment.

Mr. ROBISON of New York. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the pending amendment.

Mr. Chairman, we are now again in about the same situation with respect to this item as that which pertained a few months ago when we were considering the transition moneys. Again, the majority on our subcommittee contemplates a squeeze play of sorts under which, in order to maintain the $153,000 recommendation that we have in the bill—which is a $247,000 reduction from the original request—we have to oppose both the pending amendments.

My good friend, the gentleman from Ohio (Mr. STOKES), suggests $55,000, or just the pro-rate portion, this fiscal year, of the Nixon pension: the gentleman from New York, Mr. ADDABBO, who is also a good friend, suggests $100,000, including the $55,000 pension.

By way of background, again, the request was for $400,000, under the authority of the Former Presidents Act, under which, please remember, no benefits can be afforded to Mr. Nixon until after next February 9, or 6 months, that is, after he left office, with such benefits as are provided him under the Presidential Transition Act, whatever they may turn out to be, being supposed to take care of his needs until then.

The subcommittee reduced the original request in a major way by deleting, in its entirety, the $110,000 included originally therein to construct a vault in a Federal facility near San Clemente to temporarily house the classified portion of the Nixon papers. We felt that matter ought to be held in abeyance, pending a review of the tentative agreement made as between Mr. Nixon and the GSA Administrator concerning disposition of those papers, and pending, also, some possible legislative solution affecting Mr. Nixon's ownership and control over the same under the existing, and unprecedented, circumstances.

We then further reduced the request by proportioning it off against the 5 months in this fiscal year, after February 9, and then included the full $55,000 for the eleven-twelfths portion of the pension to which Mr. Nixon would appear to be entitled during this fiscal year.

Deducting the $55,000 for the pension, then, from our recommended figure of $153,000 would actually leave Mr. Nixon, after February 9th, with only $98,000 available for staff, postage, and other expenses such as were provided to other former presidents.

I suppose, based upon what we did a few moments ago, that very few of us want to be confused with the facts, the historical facts, that is, but by the way of contrast, Lyndon Johnson received benefits under the Former Presidents Act in fiscal 1972—his last full year of benefits thereunder—amounting to the sum of $206,599 even though, by that time, he was well out of his earlier transitional period.

In my judgment, and that of a slim majority on the subcommittee, the sum we recommend is, then, little enough under the circumstances, and we urge the Members to support us and defeat both of the pending amendments.

AMENDMENT OFFERED BY MR. WALDIE TO THE AMENDMENT OFFERED BY MR. ADDABBO

Mr. WALDIE. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

> Amendment offered by Mr. WALDIE to the amendment offered by Mr. ADDABBO: In the amendment of the gentleman from New York, Mr. ADDABBO, strike out the language "$55,000 to carry out the provisions of subsection (a) of the Former Presidents Act of 1958, as amended (3 U.S.C. 102 note);"

Mr. WALDIE. Mr. Chairman, this amendment addresses only the pension. All other actions thus far have excluded the pension from any consideration. My own personal belief is that the action the House takes on this $5,000 a month gratuitous pension will be the most instructive action as to what the House of Representatives believes is the nature of the service that Richard Nixon rendered the Nation in his years as President of the United States. It does not seem to me that any such judgments are involved in any decisions relative to the moneys payable for transition expenses of the Presidency. If we believe his service was honorable and deserving of reward, we should vote a Presidential gratuitous pension of $5,000 a month as this bill proposes. If, on the other hand, we believe that his service was not honorable, was not deserving of reward, then we ought to oppose the Presidential pension of $5,000 a month.

In argument of the latter thesis, let me suggest the two presumptive bits of evidence that we must consider, the first one being the action of the Committee on the Judiciary—unanimous, if you will—that the President committed an impeachable offense that merited his impeachment and his removal from office after a trial and conviction in the Senate.

The President agreed that was the certain consequence that he was confronting, and in his resignation announcement stated that he was resigning because he was persuaded that the House would impeach, the Senate would convict, and he would be removed from office. Had that occurred, he would not be deserving of or receive a pension.

The second instance that we ought to consider in examining and evaluating the nature of the conduct of service rendered by Mr. Nixon during his years as President is the determination that President Ford made about that conduct when he extended him a pardon for having committed criminal acts during his Presidency.

President Ford said to the Nation that the extension of the pardon presumptively meant that Mr. Nixon had in fact committed criminal conduct during the time he was President of the United States, and any doubts that might exist with respect to that were removed when the former President accepted the pardon, which was the admission on the former President's part that he too believed he had dishonored that office during his service.

If that be the case we ought not to vote $5,000 a month pension as a reward for honorable service as President of the United States.

The former President is already drawing his pension that accrued and properly so during the years of his legislative service and his Vice Presidential service. He applied for, and I was told by the Civil Service Commission he received that pension, although the amount properly was not disclosed to me. He applied for and received that pension commencing on August 1, so it is not a question of being entitled to a pension or removing a pension to which he has been entitled by reason of honorable service. It is only the question of the gratuitous Presidential pension which is a pension to which he is not entitled unless this House and the Senate vote the funds to pay that pension.

That is a discretionary act and in the exercise of that discretion that essential judgment for history will have been made as to what the Congress judged to be the nature of the former President's conduct while he served as President of the United States.

Mr. ROBISON of New York. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from California (Mr. WALDIE).

Mr. Chairman, I regret to intrude again upon the patience of this House but these I think will be the final remarks I will make this evening and, if the Members are lucky, or my congressional career.

Mr. Chairman, the gentleman from California raises, with his amendment, an interesting proposition.

If I understand him correctly, he wishes to deprive Richard Nixon of the pension—$60,000 per annum at the moment—to which he would otherwise be entitled for his services as President, on the grounds that such a pension was only to be, and I quote from his remarks on Monday, ". . . awarded as a result of a recognition of meritorious and honorable service"; and Mr. WALDIE thereafter argues, quoting again from his remarks on Monday with reference to Mr. Nixon, that:

> His conduct and his service was not meritorious. It was unworthy. It was not honorable; it was dishonorable, and we ought to reflect our judgment on that aspect by this vote . . .

He also asks us to remember—and again I quote from his remarks on Monday—that—

> This House will be accorded only this one opportunity to present our judgment on record as to what we think of the nature of the service that Richard Nixon rendered as President of the United States. There will be no other opportunity to cast a vote on that subject unless someone introduces a resolution of impeachment.

In other words, my friend from California is seeking to somehow equate this vote on this amendment with a vote on the question of impeachment, which the Members of this House were spared from doing by the former President's decision to resign.

In fact, Mr. WALDIE asks each of us how we would have voted had we, in fact, been confronted with such a vote upon impeachment.

To answer only for myself, let me go on record—as I already have previously—by saying that, in such an event, I would have voted for the Articles of Impeachment as reported by the Judicial Committee, or at least, certainly, for both articles I and II, thereof.

Indeed, unless all the "nose counts" taken then were wrong, that is how the vast majority of us, here in this House would have voted—absent that resignation. Thereafter, then, there would have been a Senate impeachment trial and while, certainly, it seems to many that Mr. Nixon would have been found guilty of having committed an impeachable offense, or offenses, and removed from office—thus forfeiting his right to this same pension—such a result is still somewhat conjectural since, as we and a watching Nation learned during those days of the televised Judiciary Committee hearings, a different standard of proof from that required here in the House would have applied at a Senate trial and, of course, Mr. Nixon would have had his chance to offer whatever defense he had, in law or fact, to the charges brought against him.

For better or for worse, none of that happened, of course—but some of us are still obsessed with the question of Richard Nixon even though it would seem clear, at least to me, that the "system" worked, as they say, and that the great constitutional battle over the Nixon Presidency was "won" on the day he left office.

Of course, it would have been more satisfying for some if he had left in sackcloth and ashes, so to speak, confessing all his sins like the Ancient Mariner to all who would hear.

But so, what do we do, now, with Richard Nixon—private citizen, albeit also a former President whose political career is ruined beyond all repair?

To me, personally, it matters little.

But I would venture to suggest we let him go, in peace—for, as I noted Monday, there is good and bad in each of us, and not just in those chosen few who serve us as Presidents; and, surely, there was enough that was good and meritorious during those 6 years of Mr. Nixon's Presidency to at least weigh off against some of that which, in the end, appeared evil enough to warrant our votes, as House Members, for his impeachment.

What standard, then, do we raise here, today?

Do we rate Richard Nixon's services all bad, and vote him nothing in the way of a pension?

Do we rate him, on the other hand, "half-bad," and vote him half his pension?

Or do we recognize, instead, that we owe an obligation greater than that measurable solely in dollars to any man who ventures to serve us as President in these dangerous and tumultuous times, and vote the Waldie amendment down?

The latter is what I hope we will do; thus taking a small step to help end the vengeful spirit that still seems to be abroad in our land among a few people who—and I certainly do not imput such a motive to the author of this amendment—will forget nothing and forgive nothing.

Let me close with the same quotation I used from columnist Vermont Royster, on yesterday, relative to further "punishment" of Richard Nixon:

> The simple truth is that Richard Nixon has been punished for his transgressions, with a punishment no man can feel who has not been President of the United States. He did not merely lose an office. His life has been destroyed, his place in history sullied, his 40 years of public service smashed. He wears already the stigma of the outcast; the shame must haunt him forever. That he brought it on himself makes it no less a punishment.

Mr. Chairman, it is time to close the book on this sorry chapter in our history, and to begin to look to the future rather than the past.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to commend my ranking colleague on the subcommittee for trying to make these issues clear.

The issue here is not Richard Nixon. Section (a) of the Former Presidents Act merely states that, in effect, former Presidents shall receive a pension equal to that of the salary of members of the President's Cabinet.

Now, Richard Nixon has been determined by all the authorities to be a former President. If we are going to be petty enough not to appropriate the money as the law provides, then, of course, he will have to resort to legal action. We might be able to belittle ourselves tonight, but we cannot prevent the former President from receiving his pension. I hope the House will conduct itself honorably by rejecting this amendment.

Mr. HARRINGTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this may take up where Mr. Robison of New York and my testimony left off on September 12 of this year, after the courtesy extended to me by the chairman of the subcommittee involved who allowed me to address the committee about 5:30 that evening.

I would like to make some points, not, as I told the gentleman from New York (Mr. Robison) out of a sense of vengeance or retribution, but because I think they deal with realities that surround the issue.

Gerald Ford began, at least up to 11 o'clock on September 8, to nurture our rather fragile confidence in the political process that had been so badly damaged over the last half generation. I say the last half generation deliberately, not the last 4 or 5 years but the last half generation, encompassing two administrations—one Democratic and one Republican.

On 11 o'clock that morning, I think he did himself irreparable damage politically and, more importantly, did us, as public servants, and the country irreparable damage by shattering once again the promise of at least a beginning to rebuild that confidence.

My purpose, and what prompted me to go before the committee on September 12, was not to deprive the President of what he may be determined to be entitled to by the sections of these acts, but rather, to ask that committee, and to ask this House now, to broaden the dimensions of our concern; to look at the reality today in this country; to look at what has been done to public confidence after the event of September 8; and to begin to consider not in narrow isolation from the event, what amounts of money should be involved.

Apparently, our present President was not successful in attempting to get more from Mr. Nixon by way of appreciation for what caused his departure from the Presidency. If we take the remarks of August 8 of this year, 16 minutes' worth in entirety and take that portion which addressed his reasons for leaving, we have one great explanation—it was a loss of political support.

If we take the remarks made almost simultaneously with the statement made by the present President pardoning Richard Nixon on September 8, we get an appreciation of how little California has heightened his awareness as to the problems attendant in handling the issue called Watergate.

Nowhere is there in that dialog anything resembling the approach of the protagonist in the Rhyme of the Ancient Mariner, or calling for the diminution of a person. But, moreover, nowhere in what we have done here is there any greater appreciation for what is really at stake.

What do we do as people representing this country to begin to restore confidence in the governmental process? I suggest to the Members today that the amount of money involved is really only what somebody else earlier sought. It would make little difference to the estimate of this President if we, on the part of a substantial segment of the public, do act effectively now to contribute toward rebuilding that confidence through responsible action.

All I ask is that we understand that reality, that we use the leverage we have, as cruel as it may be, to deal in those terms and that language, and get at least what we can by way of an appreciation for what was involved.

The grounds go beyond erosion of a political support, or the perspective brought about by a California location and instead go to a central understanding of what brought about a Watergate and the widespread support for Articles of Impeachment. We should, it seems to me, begin to nurture what I think was promised for at least a brief period on the part of Gerald Ford.

So, I hope that is part of the appreciation in what we decide to do today, and we develop in some fashion or act in some fashion which will signify our appreciation for this reality.

Mr. PEYSER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and my colleagues, I must say that I would never have imagined taking the well of the House to speak again of the problems and the situations involving our former President. I, as a Republican and as an American citizen, such as all the members of the committee are, would have voted to impeach the President if the House of Representatives had been called on to do so.

I personally felt betrayed by the President and by his actions in his last 2 years in the White House, but in spite of those feelings that I have, and in spite of my feelings concerning President Ford's pardon of President Nixon, which I felt was wrong, the one thing I hope that this Congress has not lost, if it truly represents the American people, is a feeling of compassion and love for our fellow man. I would suggest that the amendment that is being offered now is an action that speaks directly against what I think is one of the strongest points of the American people: the willingness to forgive, the willingness to act with some sense of human kindness toward someone who has done wrong and has particularly wronged them.

This country in every war that it has fought—and certainly in the war that I personally fought in World War II—at the end of that war, and in spite of the many atrocities that took place, this Congress at that time had the compassion under the leadership of a Democratic President to move ahead and to forgive and to try to rebuild those countries that had committed these atrocities. The Congress did what was right. All I am asking the Members to do tonight is to show that same compassion that the American people have shown time and time again and to overwhelmingly defeat this effort to take from a former President of the United States, who served for six years, a pension that the law clearly states he is entitled to.

I think for the Members of this House to act in any other way at this time would be betrayal of the American people and a betrayal of our office.

Mr. MAHON. Mr. Chairman, I rise to fix the time as to the pending amendment, the substitute amendment, and the amendment to the substitute.

I ask unanimous consent that all debate on all amendments now pending close at 8:15 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MOSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on all the amendments now pending close at 8:20 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MOSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

I have all of the patience in the world and I am prepared to wait until we have order, and I should certainly get it from the side that has such a compassionate sense at this moment toward the former President.

Let me make it very clear that I have not a sense of vindictiveness, nor have I the inclination to undertake to reward what constitutes the greatest betrayal of the American Nation by a man given its highest honor in its entire history—and that is precisely what is being asked of this House.

There is not a Member here who participated in voting for the Former Presidents Act who can honestly say that they ever anticipated that they would be faced with the difficult, onerous task of having to determine whether a former President was a fit person to receive this gratuity from a nation that is instinctively generous and forgiving, a characteristic which he did not evidence at any time during his course of service in office. He rendered some of the harshest judgment upon others that have been rendered by any President of these United States.

Did he show compassion, the degree of compassion that President Ford has shown to those who committed transgressions during the war in Southeast Asia? No, indeed, he did not. He spoke out vigorously against giving even the slightest semblance of compassionate treatment to those involved there, many mere youths.

But this was no youth. This was a mature, experienced man who had been honored twice by this Nation through election to its highest office. He engaged in the most reprehensible kind of misconduct when there was no need for it.

Richard Nixon was reelected in 1972 without the need of a campaign, and everyone knew it. Yet, he went on and on in a grasping, greedy manner, a grab not just for power, but for the corrupting of a system.

Now you say, "Be compassionate. Be forgiving."

He gets $18,000 as a pension. Let him have it and enjoy it. That he has earned.

The $60,000 a year he forfeited when he broke faith with the American people. He forfeited it when he lied to his friends and his defenders, as he did to men prominent in this Chamber here; and he has not to this moment admitted to the transgressions of which he is guilty, of which he is obviously guilty.

The Members are not just acting on behalf of their own individual views here. We are, in effect, the servant of every person in our particular district, and they do not feel at the moment that sense of compassion that I have heard voiced here. They are embittered, they are angered, they are outraged; and every one of us should be because there has been an act, a reflective act, on the part of the people of a lack of confidence in the institutions of this Nation. We are not going to restore that through the kind of generosity, the kind of forgiving of all sins and forgetting of all past transgressions.

If you can, do so. History will not do it. I do not intend to either.

Mr. MAHON. Mr. Chairman, I move that all debate on the pending amendment, the substitute amendment, and the amendment to the substitute and to the paragraph having to do with allowances and office staff for the former President, be concluded at 8:20 p.m.

The motion was agreed to.

The CHAIRMAN. Members standing at the time the motion was agreed to will be recognized for approximately 15 seconds each.

(By unanimous consent, Mr. OBEY yielded his time to Ms. HOLTZMAN.)

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. Mr. Chairman, as a member of the Committee on the Judiciary, during our impeachment inquiry I engaged in the grimmest business that I have ever been engaged in.

The question before us is what happened under Richard Nixon's administration to this country and the institutions that we cherish and what one man, Richard Nixon, did to betray and subvert them. We cannot so easily forget his criminality. Nor can we erase from our minds the profit that he made from his Presidency—witness the millions of taxpayers' money spent on his private homes—and the benefits that are presently being given to him—witness the hundreds of thousands of dollars spent since his resignation.

Mr. Chairman, I urge adoption of the amendment offered by the gentleman from California (Mr. WALDIE), and I urge rejection of all the funds under this act to be provided for a man who disgraced the office to which he was elected and who betrayed the great trust and confidence of the people of this country.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. DENNIS).

Mr. DENNIS. Mr. Chairman, back where I come from we used to say, "Don't kick the slats out of a man when he is down." And even the lowest and the meanest kids in the neighborhood lived up to that precept pretty well.

It is just too bad if this House cannot do at least as well as we used to do back in those days.

Mr. Chairman, I hope we will beat all of these stupid and vindictive political amendments.

(By unanimous consent, Messrs. MITCHELL of Maryland, DANIELSON, and LEGGETT yielded their time to Mr. HANNA).

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. HANNA).

Mr. HANNA. Mr. Chairman, I thank the gentlemen for yielding their time to me.

Mr. Chairman, I want to speak on this matter just in the vein of commonsense. I think we had better look at this thing in terms of what this means for the future, not just what it means for the personality of Richard Nixon.

Before this House in its wisdom voted $25,000 per year for Harry Truman as an ex-President, we in the United States did nothing over and above the regular Federal pension for ex-Presidents. Several ex-Presidents suffered severe economic hardship. But our tradition and principles separated starkly the man and the office of President. The office of President indeed all elective offices were held in trust. The office was important above the holder.

Recent history has blurred this basic concept and belief. This gives rise to a question of ownership, custody, control and so forth of the papers and documents of office. We have, I believe, swung the pendulum to far in favor of the office holder, we once ignored. Please review with me the commonsense explanation to the ordinary tax-paying citizen who gets along on $15,000 to $20,000 per year usually with a family, that we here today determine a President of the United States leaving office under a cloud shall receive $100,000 for 6 months as transition funds, $18,000 to $20,000 for life as a Federal pension, starting February 1975; $60,000 per year for life as a Presidential pension and then not more than $96,000 for life for assistance, help and expense money—all this and a pardon, too.

It in my judgment will challenge the tolerance of commonsense to the average tax-paying American. Particularly when there is an already announced intention to put to special private profit—the experience, the papers, the documents all made possible by a public trust betrayed.

I do not think the American people are vindictive nor that they lack a sense of fairness or a feeling of compassion. But do not fail to give some credence to their commonsense and compassion or appreciation for that balance of benefits and burdens that tends to make sense.

Mr. Chairman, we need to use discretion as well as compassion in this vote today and this House needs to reexamine the basic authorizing laws affecting all ex-Presidents—the pendulum must swing back to less consideration for the office holder and more concern for the trust and the Office of President.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. JOHN L. BURTON).

Mr. JOHN L. BURTON. Mr. Chairman, I am not a vindictive person. I have never kicked anyone when he is down.

I will only point out to the Members that in addition to the pension that is vested, Mr. Nixon has received a guarantee of $2 million to write his book.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. KOCH).

Mr. KOCH. Mr. Chairman, we do not reward those people that we send to jail, like those who are rotting in the Washington, D.C. jail, or Lorton with emoluments of office and pensions. I think that former President Nixon is a lucky guy, in that he is not sitting with them. We are not taking away with this vote his vested pension earned as a Member of Congress and Vice President. But we have every right not to reward him with an additional $60,000 annual payment which should be reserved for those who honorably serve as President. He dishonored that office, left in disgrace and was pardoned for his crimes by President Ford. The pardon does not restore the emoluments of office, it simply prevents his prosecution and conviction, and that is yet to be tested in court.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Chairman, I think it is the American public that deserves our compassion. They do not see things the way we do. They do not see this the way we do at all. The way they see it, is that here is a man who is going to unjustly enrich himself. And that we enrich him because he is part of our club and we hold him above the ordinary standards we apply to others. If we believe in equal justice, then I think it is quite clear and fair to say that we cannot reward someone who has dishonorably left public office. If we do so then we shall have to deal differently with other and more ordinary situations. Do we open up the situations in which men who were dishonorably separated from positions in public service, in military service, and private industry and stripped of pecuniary payments that may otherwise have been due them, and now reward these people with these payments. And if we do not where is our compassion for these people, who have suffered as has the President as a result of the acts they have committed.

The Former Presidents Act was never intended to apply to a situation in which a President was to be impeached if he did not resign.

We do dishonor to ourselves and the American people if we vote this appropriation for Richard Nixon.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. ROBISON).

Mr. MARTIN of Nebraska. Mr. Chairman, would the gentleman yield?

Mr. ROBISON of New York. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. I thank the gentleman for yielding me this time.

Mr. Chairman, it seems to me the people who are promoting these amendments on the other side of the aisle are once again asking for a double standard, one for the Members of Congress, and one for someone else. It seems strange to me that Mr. Gallagher, a former Member of this body, and Mr. Dowdy, another former Member of this body, and others who have been convicted, are receiving their pensions, and they say this should not apply in this situation.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON) to close debate.

Mr. MAHON. Mr. Chairman, I ask for a vote.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from California (Mr. WALDIE) to the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. YOUNG of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 46, noes 344, not voting 44, as follows:

[Roll No. 561]

AYES—46

Abzug
Anderson, Calif.
Breckinridge
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Chisholm
Clay
Collins, Ill.
Conyers
Corman
Dellums
Diggs
Dingell
Drinan
Edwards, Calif.
Eilberg
Fascell
Ford
Gibbons
Green, Pa.
Hanna
Harrington
Hechler, W. Va.
Holtzman
Koch
Leggett
Metcalfe
Mezvinsky
Mitchell, Md.
Moss
Nedzi
Nix
O'Hara
Rangel
Rees
Riegle
Rosenthal
Sarbanes
Schroeder
Stanton, James V.
Stark
Stokes
Waldie
Wilson, Charles H., Calif.

NOES—344

Abdnor
Adams
Addabbo
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Donohue
Downing
Duncan
du Pont
Eckhardt
Edwards, Ala.
Erlenborn
Esch
Evins, Tenn.
Findley
Fish
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Gross
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Horton
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Reuss
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NOT VOTING—44

Anderson, Ill.
Barrett
Blackburn
Blatnik
Boggs
Brasco
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Derwinski
Dickinson
Dorn
Dulski
Eshleman
Evans, Colo.
Fisher
Frelinghuysen
Fulton
Gettys
Griffiths
Haley
Hawkins
Hébert
Hudnut
Johnson, Colo.
McClory
McKay
Madden
Mayne
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Smith, N.Y.
Teague
Towell, Nev.
Young, Alaska
Young, Ga.
Zwach

So the amendment to the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. STOKES) as a substitute for the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chair announced that the noes appeared to have it.

RECORDED VOTE

Mr. STOKES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 107, noes 277, answered "present" 5, not voting 45, as follows:

[Roll No. 562]

AYES—107

Abzug
Adams
Alexander
Anderson, Calif.
Ashley
Badillo
Bennett
Bevill
Bingham
Boland
Brademas
Breckinridge
Brooks
Brown, Calif.
Burke, Calif.
Burton, Phillip
Carney, Ohio
Chisholm
Clay
Collins, Ill.
Corman
Cotter
Cronin
Danielson
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Drinan
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Flowers
Foley
Ford
Gaydos
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Green, Pa.
Gude
Hanna
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Hungate
Jones, N.C.
Jones, Tenn.
Jordan
Koch
Kyros
Leggett
Lehman
Long, Md.
Luken
Matsunaga
Mazzoli
Mezvinsky
Mink
Moakley
Morgan
Moss
Nedzi
Nix
O'Hara
O'Neill
Patman
Pepper
Pike
Rangel
Rees
Reuss
Riegle
Roe
Roncalio, Wyo.
Rosenthal
St Germain
Sarbanes
Schroeder
Seiberling
Shipley
Stanton, James V.
Stark
Steele
Stokes
Studds
Sullivan
Symington
Taylor, N.C.
Thompson, N.J.
Tiernan
Traxler
Van Deerlin
Vander Veen
Vanik
Waldie
Wilson, Charles H., Calif.
Wolff
Yates
Young, Tex.

NOES—277

Abdnor
Addabbo
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Bauman
Beard

Bell
Bergland
Biester
Bolling
Bowen
Bray
Breaux
Brinkley
Broomfield
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Devine
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Erlenborn
Esch
Evins, Tenn.
Findley
Fish
Flood
Flynt
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fuqua
Gilman
Ginn
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hays
Heinz
Henderson
Hillis
Hinshaw
Hogan
Holt
Horton
Hosmer
Howard
Huber
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Lott
Lujan
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKinney
McSpadden
Macdonald
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Meeds
Melcher
Michel
Milford
Miller
Mills
Minish
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Pa.
Mosher
Murphy, Ill.
Murtha
Myers
Natcher
Nelsen
Nichols
Obey
O'Brien
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Thornton
Treen
Udall
Ullman
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Ill.
Young, S.C.
Zablocki
Zion

ANSWERED "PRESENT"—5

Burton, John
Conyers
Harrington
Metcalfe
Mitchell, Md.

NOT VOTING—45

Anderson, Ill.
Barrett
Biaggi
Blackburn
Blatnik
Boggs
Brasco
Brotzman
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Derwinski
Dickinson
Dorn
Eshleman
Evans, Colo.
Fisher
Frelinghuysen
Fulton
Gettys
Griffiths
Hawkins
Hébert
Holifield
Hudnut
Johnson, Colo.
McClory
McKay
Madden
Mayne
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Smith, N.Y.
Teague
Towell, Nev.
Young, Alaska
Young, Ga.
Zwach

So the substitute amendment for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. ADDABBO).

The question was taken; and the Chairman announced that he was in doubt.

RECORDED VOTE

Mr. ADDABBO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 321, noes 62, answered "present" 6, not voting 45, as follows:

[Roll No. 563]

AYES—321

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Boland
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney, Ohio
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Devine
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Esch
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holt
Holtzman
Horton
Howard
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
McSpadden
Macdonald
Madden
Madigan
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Mills
Minish
Mink
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Seiberling
Shipley
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Ill.
Young, Tex.
Zablocki
Zion

NOES—62

Arends
Beard
Bolling
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Camp
Carter
Casey, Tex.
Cederberg
Collier
Collins, Tex.
Crane
Davis, Wis.
Dennis
Duncan
Edwards, Ala.
Erlenborn
Goldwater
Gubser
Hansen, Idaho
Hinshaw
Hosmer
Huber
Hutchinson
Jarman
Jones, Okla.
Kuykendall
Landgrebe
Long, La.
Lott
McEwen
Mahon
Mallary
Mann
Martin, Nebr.
Michel
Milford
Miller
Montgomery
Myers
O'Brien
Passman
Powell, Ohio
Quillen
Robison, N.Y.
Schneebeli
Sebelius
Shoup
Sikes
Spence
Steed
Steiger, Ariz.
Symms
Veysey
Waggonner
Ware
Wiggins
Williams
Wyatt
Young, Fla.
Young, S.C.

ANSWERED "PRESENT"—6

Burton, John
Conyers
Harrington
Metcalfe
Mitchell, Md.
Waldie

NOT VOTING—45

Anderson, Ill.
Armstrong
Barrett
Biaggi
Blackburn
Blatnik
Boggs
Brasco
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Chamberlain
Derwinski
Dickinson
Dorn
Eshleman
Evans, Colo.
Fisher
Frelinghuysen
Gettys
Griffiths
Hawkins
Hébert
Holifield
Hudnut
Johnson, Colo.
McClory
McKay
Mayne
Minshall, Ohio
Moorhead, Calif.
Murphy, N.Y.
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Smith, N.Y.
Teague
Towell, Nev.
Treen
Young, Alaska
Young, Ga.
Zwach

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. There being no further amendments to this paragraph, the Clerk will read.

The Clerk read as follows:

CHAPTER VII

CLAIMS AND JUDGMENTS

For payment of claims settled and determined by departments and agencies in accord with law and judgments rendered against the United States by the United States Court of Claims and United States district courts, as set forth in House Document Numbered 93-350, Ninety-third Congress, $50,569,662, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That unless otherwise specifically required by law or by judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of the Act.

AMENDMENT OFFERED BY MR. FROEHLICH

Mr. FROEHLICH. Mr. Chairman, I offer an amendment for a new section on this page. Is it in order at this time?

The **CHAIRMAN.** The amendment is in order at this time.

The Clerk read as follows:

Amendment offered by Mr. FROEHLICH: On page 13, following line 19, insert the following:

"CHAPTER VIII

"DEPARTMENT OF THE INTERIOR

"BUREAU OF INDIAN AFFAIRS

"OPERATION OF INDIAN PROGRAM

"For an additional amount for 'Operation of Indian Programs,' $2,214,000 for implementation at the Menominee Restoration Act (Public Law 93–197), including $239,000 for assistance to the Menominee Restoration Committee.

"ROAD CONSTRUCTION (LIQUIDATION OF CONTRACT AUTHORITY)

"For an additional amount for 'Road Construction (Liquidation of Contract Authority),' $500,000 to remain available until expended."

Mr. FROEHLICH. Mr. Chairman, in 1973 we passed a bill, Public Law 93–197, that restored to Federal Indian status the Menominee Indians.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. FROEHLICH. I yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, in the interest of the conservation of some time I would say to my colleague I discussed this amendment with him and I know he discussed it with the other side. We have no objection if it is in fact corresponding to the terms and conditions we discussed.

Mr. FROEHLICH. It is.

Mrs. HANSEN of Washington. Mr. Chairman, will the gentleman yield?

Mr. FROEHLICH. I yield to the gentlewoman from Washington.

Mrs. HANSEN of Washington. Mr. Chairman, we have no objection to the amendment.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. FROEHLICH. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I do not know what the House wants to do but I want to know what we are voting on and I do not care who accepts it.

Mr. FROEHLICH. Mr. Chairman, in 1973 we passed a bill to restore the Menominee Indians to Federal status and that bill was signed into law in December 1973, too late for the normal budgetary process to fund the BIA for the Menominee needs at an equal rate with all other federally supervised Indians.

Mr. DENNIS. How much money is involved?

Mr. FROEHLICH. It is $2.7 million.

Mr. DENNIS. Is it the gentleman's idea that in view of the performance of the House this afternoon he wants to give the country back to the Indians?

Mr. FROEHLICH. No, but I want to give the Indians in Wisconsin equal status with the Indians throughout the country. This amendment does just that in the area of Indian education, career development, road maintenance and construction, social services, law enforcement, tribal government, housing, business development, credit, forestry and agriculture management services, trust services and administration. It also provides $239,000 for the Menominee Indian Restoration Committee so that it can conduct the business it is charged with under the law.

In perfecting this amendment and explaining it to the Members prior to this action, I would like to thank publicly Mr. OBEY and Mr. MEEDS. I know that without their enthusiastic support and assistance this amendment would not have been accepted. Thank you all for your consideration and understanding.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Wisconsin.

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JOHNSON OF CALIFORNIA

Mr. JOHNSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of California: On page 13, after line 19, insert the following:

"CHAPTER 8

"DEPARTMENT OF THE INTERIOR

"SALINE WATER CONVERSION

"For an additional amount for 'Saline water conversion', $2,900,000, to remain available until expended."

Mr. JOHNSON of California. Mr. Chairman, I am happy to rise in support of the amendment to add an item of $4.9 million to H.R. 16900, supplemental appropriations for fiscal year 1975.

The purpose of this amendment is to provide financing for absolutely essential developmental work by the Office of Water Research and Technology, of the Department of the Interior, on membranes for the treatment of brackish and saline water.

I would like to point out that my Subcommittee on Water and Power Resources, in reporting H.R. 13221 earlier this year to the Interior and Insular Affairs Committee and to the House, included this sum in the amount to be authorized for the Department of the Interior. The House approved this authorization, as did the other body, and it was signed into law by the President.

Unfortunately, the authorization was not implemented by the Congress when it enacted the Interior Department's Appropriations Act for fiscal year 1975.

Accordingly, this is the first opportunity that the House has been afforded to consider the appropriation of these very badly needed funds.

The purpose of this money, if appropriated, will be to finance continuing developmental-type work on membrane systems to be utilized in the 100 million gallon per day desalting plant to be built on the Colorado River as this Nation's contribution to solving the salinity problems of that stream.

It is fair to say that the seven States of the Colorado River Basin gave their support to the solution worked out by Ambassador Herbert Brownell for solving this long-standing international dispute, on the understanding that such developmental work would be continued apace by the Federal Government.

The interests of the basin States in this matter are very simple.

If continued, developmental research would result in increased recovery rates of product water and less brine would be produced and wasted to the sea.

The amount of this reduction is available within the basin for our own citizens to use.

Mr. Chairman, failure to appropriate this sum of $2.9 million is a breach of agreement between the Federal Government and the seven States of the Colorado River Basin.

The States would be fully justified in withdrawing their support from the agreed upon solution to the international salinity control program unless this money is appropriated.

I further think it is fair to say that without this support it will be difficult, politically, to secure the funds for implementaton of the international salinity control program.

There are other less obvious, but equally persuasive, reasons to support this appropriation.

It is urgently needed to develop the technology for solving salinity problems upstream on the Colorado River and elsewhere. It is, also, important from the standpoint of preserving the Department's institutional capacity to function in the saline water field.

The administration would have you believe that the job is done in the saline water R. & D. area.

In this Member's opinion, this is simply not so. It has barely begun.

Accordingly, I urge every Member of this House to join with us in this effort to keep faith with the Colorado River Basin States—one-seventh of the land area of this Nation—and to preserve the momentum that our technical programs have gained to this time. This can be done by voting for the pending amendment.

Mrs. HANSEN of Washington. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, I think probably one of the most important problems in the entire West is that of water. I think it is one of the great tragedies of this century that after the very exciting and excellent work done by the Office of Saline Water, suddenly the OMB decides to curtail this money.

Therefore, I am very happy to join the gentleman from California in supporting this amendment. I think it is important to the entire west coast; the importance of water, particularly as it is related to the Colorado Basin and the relationship of Mexico to the United States.

Mr. McDADE. Mr. Chairman, I rise in reluctant opposition to the amendment.

I would first say, Mr. Chairman, that I agree with the author of this amendment that the work of the Office of Saline Water is important work which should be continued. It is certainly not the intention of the Appropriations Committee, nor of the authorizing committee that this work should be "phased out." It is likewise my understanding that the administration has no intention of phasing this program out.

The Department of the Interior and related agencies appropriation bill for 1975 included $3,007,000 for the Office of Saline Water. In addition, there is $1,840,020 carried over from the previous years, making a total program of $4,847,020 for fiscal year 1975. Of this total, $600,000 is provided for brackish water membrane research directly supporting the Colorado River International Salinity Control Program. Although this is not the "optimum" program which some believe should be followed, it is consistent with today's need for fiscal restraint and is within the President's budget request.

Mr. Chairman, in addition the committee has had no opportunity to hold hearings on the need for this additional $3.5 million. I think the normal appropriation process should be followed and if the Department justifies this need to the committee, funds can be provided at a later date. This effort is a long-term project and certainly a delay of a few months to hold hearings and determine the need will not adversely affect the ultimate outcome of this project.

Mr. Chairman, the bill before us is already more than $78 million over the budget. This amendment would add to that—it is all over the budget. While the amount may be small, we have learned the hard way over the years that "nickels and dimes" very soon add up. If we provide more money for this worthy cause, there are thousands of other worthy causes in waiting lines for more money. In the interest of improving the economy, I urge that the amendment be defeated.

Mr. WYATT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of this amendment, and in reluctant opposition to my ranking member.

I have been interested, Mr. Chairman and members of the Committee, in the saline water program for the past 10 years. I frankly think it is in a crisis condition now if we do not add at least this very minimum amount at the present time. This program is going to be phased out of existence.

Mr. Chairman, I urge my colleagues to add at least this bare minimum to keep the program alive and keep it going until we can have an authorization bill we can look to in order to authorize an appropriation in the normal situation. We have not done so in the past. I would urge my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. Johnson).

The question was taken; and on a division (demanded by Mr. McDade) there were—ayes 153, noes 76.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Yates: On page 14, after line 5, insert a new section as as follows:

"Sec. 203. No part of any appropriation contained in this act may be used to pay any expenses of any kind to send, ship, transmit, convey, or deliver any of the presidential documents, written materials, or tape recordings of former President Richard M. Nixon from the custody of Federal officials or agencies now in possession of them until the passage by the Congress of legislation determining the ownership of said documents, written materials, and tape recordings; provided that this limitation shall expire on June 30, 1975; *and provided further*, That this limitation shall not prevent compliance with subpoenas duly issued by State or Federal Courts or by the United States House of Representatives or the United States Senate.

Mr. YATES. Mr. Chairman, I have previously made my arguments in favor of my amendment.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Oklahoma.

Mr. STEED. I thank the gentleman for yielding. I have had a discussion of the pending amendment with the gentleman from Illinois. I have no objection to it. I am sure it is in line with what I assume every Member of this House wants done, and I would be willing to have it accepted.

Mr. YATES. I thank the gentleman.

Mr. ROBISON of New York. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. ROBISON of New York. I have looked at the amendment of the gentleman from Illinois. I do not disagree with the direction in which the gentleman is trying to move by virtue of the amendment. I have some doubts the gentleman will get very far through this amendment. I have some reservations about some parts of its language. However, remembering back on what has happened to me tonight on a couple of votes, I am beginning to feel that the whole world is a tuxedo and I am a pair of brown shoes. I am not going to oppose the amendment, but reserving my right to raise a question relative to the language I would accept it.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. YATES. Yes, I yield to the gentleman.

Mr. MYERS. Mr. Chairman, I have one question. This provision would terminate on June 30, 1975; is that correct?

Mr. YATES. That is correct.

Mr. MYERS. What would happen if Congress does not take action by that time?

Mr. YATES. It still terminates on that date. What this amendment does is give Congress a chance to pass upon the propriety of giving to the public the documents of the former President.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Yates).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JAMES V. STANTON

Mr. JAMES V. STANTON. Mr. Chairman, I offered an amendment.

The Clerk read as follows:

Amendment offered by Mr. James V. Stanton: On page 14, line 5 after the period insert

"Sec. 203. No funds shall be available for expenditure under this act until such time as Richard M. Nixon has made restitution to the United States Government in the amount of $92,298.03 as previously determined by the Joint Committee on Internal Revenue Taxation on page 201 of its report dated April 3, 1974."

POINT OF ORDER

Mr. STEED. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. STEED. Mr. Chairman, I make a point of order against the amendment.

This amendment would impose some duty upon an agency of Government in this bill. The Internal Revenue Service is the only agency that can collect taxes. This obviously would require duties not now required by law. It is obviously legislation in an appropriation bill, and therefore it is subject to a point of order.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard?

Mr. JAMES V. STANTON. Mr. Chairman, I desire to be heard.

Mr. Chairman, the $92,298.03 does not represent taxes. It does not represent any duty imposed upon the Internal Revenue Service or any other department of the Government. It represents no burden on any agency of the Government. It calls for no action.

It merely indicates that the Joint Committee on Taxation, of which the gentleman from Arkansas (Mr. Mills), the chairman of the Committee on Ways and Means, is a member, met. They determined that the President of the United States owed the U.S. Government $92,298.03 for such items as a cabana, a shuffleboard court, fence and hedge systems, landscape maintenance, and heating facilities at San Clemente and Key Biscayne residences.

All of these items are subject to tax, as outlined in the report by Mr. Mills and his committee on page 201 which states that it is additional taxable income because the expenditure of Federal funds at the President's property was illegal.

It imposes no duty or burden upon any agency because it is already previously determined.

POINT OF ORDER

Mr. MAHON. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MAHON. Mr. Chairman, I make a further point of order.

The amendment, in my judgment, changes existing law. It is legislation in an appropriation bill and subject to a point of order.

The CHAIRMAN (Mr. Wright). The Chair is prepared to rule.

The Chair has examined the amendment. It does appear to contain a limitation. It merely delays the availability of certain funds here appropriated until a certain state of facts exist.

It does not impose any duty upon a Federal official, in the opinion of the Chair. The only duty it imposes by its terms, would be upon President Nixon, who is no longer a Federal official.

It was held on February 23, 1932, Cannon's VII, 1651, when Mr. Tierney of Connecticut offered an amendment providing that no further appropriation shall be allotted to a beneficiary failing to comply with certain requirements, that this was in order as a limitation upon an appropriation bill.

There is one other citation. On February 24, 1916, when a post office appropriation bill was under consideration, an amendment was offered providing that moneys appropriated should not be used to cover certain expenses until a majority of patrons had performed certain tasks, and that amendment was held to be in order.

Under the precedents and under the rules that the Chair has been able to examine, the Chair is of the opinion that this amendment might be in order.

If the gentleman from Texas (Mr. Eckhardt) wants to be heard on the point of order, the Chair will withhold his final ruling.

Mr. ECKHARDT. I do wish to be heard, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. ECKHARDT. Mr. Chairman, I wish to be heard on the point of order, and I also wish to raise a parliamentary inquiry as to whether or not the point of order raised by the gentleman from Texas (Mr. Mahon) had been acted on here.

The Chair is undoubtedly correct, that this does not impose additional duties under the standards set out in various cases. However, the objection of the gentleman from Texas (Mr. Mahon), as I understand it, is that this does not impose additional duties but creates substantive law. It establishes a liability in effect on the President of the United States, which liability does not exist by any judicial determination unless this action is taken by this body.

Mr. Chairman, what we are in effect doing is passing a special bill with respect to liability of the President of the United States for an amount of money that has only been determined by a committee of this House and not by a court. If we pass this, we are in effect saying that until he pays a certain amount of money, which we say he owes by virtue of passing a law today, he will not receive money that he would otherwise receive.

I find this a very, very extensive legislative determination, one which I would have doubts about on constitutional grounds, even if it were brought up as a separate piece of legislation.

I understand that the question of constitutionality is not before the Chair with respect to a point of order, but I merely point that out in emphasizing the great substantive effect of this amendment.

The CHAIRMAN. Does the gentleman from Michigan (Mr. O'Hara) desire to be heard on the point of order?

Mr. O'HARA. Very briefly, Mr. Chairman.

The CHAIRMAN. The Chair will be pleased to hear the gentleman.

Mr. O'HARA. Mr. Chairman, the amendment offered by the gentleman from Ohio (Mr. James V. Stanton) does not establish any legal liability and it does not make any determination that Richard M. Nixon is legally liable to pay anything to anyone. It simply says that the funds appropriated shall not be available for payment to Mr. Nixon until he reimburses the Government certain moneys.

That makes no legal determination. If he does not want to take the money provided in the appropriation, he does not have to take it, Mr. Chairman.

Mr. MAHON. Mr. Chairman, may I make further reference to the point of order?

The CHAIRMAN. Indeed, the gentleman from Texas may.

Mr. MAHON. Mr. Chairman, the amendment says that no funds shall be available for expenditure under this act until such time as Richard M. Nixon has made restitution to the U.S. Government in the amount of $92,000.

Mr. JAMES V. STANTON. The gentleman is correct.

Mr. MAHON. Mr. Chairman, no court at all has determined or no law at all says that he owes this money, and, therefore, it is establishing an obligation which has not been legally adjudicated in any court in the land. I cannot see how it is proper.

The CHAIRMAN. The Chair will be pleased to hear from any Member with respect to the point of order. The Chair would hope that Members will address themselves to the point of order rather than to the substance of the amendment.

Mr. SCHNEEBELI. Mr. Chairman, I would like to address myself to the point of order.

I think the Chair will find that the Joint Committee did not come out with this determination. The Joint Committee made no determination whatsoever. The Joint Committee merely released an examination by the staff with no recommendations whatsoever. That was the release of a staff report with no determination by the Joint Committee as to whether there was any obligation owing, and the Joint Committee never made any such recommendation.

Mr. JAMES V. STANTON. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Ohio.

Mr. JAMES V. STANTON. Did not President Nixon agree to pay the amount determined by the Joint Committee?

Mr. SCHNEEBELI. The Joint Committee released the staff report at noon. Later that afternoon the President said he would make payment of what he considered proper. The Joint Committee made no recommendation whatsoever.

The CHAIRMAN. The Chair is attempting to be as understanding and as indulgent of every Member as he possibly can. The gentleman was making a point which the Chair construed as his right.

Mr. SCHNEEBELI. Mr. Chairman, I was a member of the Joint Committee, and the Joint Committee made no recommendations whatsoever.

Mr. HOSMER. Mr. Chairman, I have a separate point of order to raise.

The CHAIRMAN The Chair will state that the Chair will be pleased to hear the gentleman's point of order after the Chair disposes of this point of order.

Mr. GUBSER. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from California.

Mr. GUBSER. Mr. Chairman, as the Members know, I am not a lawyer, and I suppose I should not inject myself into this, but it strikes me that it might be proper to apply a little farm-horse sense to this, and that is that the key word happens to be "restitution," and the word "restitution," if I understand the English language correctly, this would imply that the funds were held by Richard Nixon illegally. Therefore if we sustain this point of order and we allow this amendment to stand, we are clearly creating what should be a judicial decision, and we are giving it legislative sanction, and it is therefore legislation on an appropriation bill. Therefore I think the point of order should be sustained.

Mr. STEED. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Oklahoma.

Mr. STEED. Mr. Chairman, this amendment says "no funds in this act", and that means if this amendment is adopted unless former President Nixon paid this amount of money the whole bill is dead. If that does not constitute legislation on an appropriation bill I do not know what does.

The CHAIRMAN (Mr. Wright). The Chair must observe that the Chair is not in a position to rule as suggested by the gentleman from Texas (Mr. Eckhardt) on a question of constitutionality. The gentleman's point may quite well be valid, but the Chair is not in a position to rule on constitutionality, nor is the Chair in a position to rule upon the validity of the commentary offered as to whether or not the Joint Committee on Internal Revenue Taxation may or may not have established this precise figure as being owed. Nor is the Chair really in a position at this point in a point of order to make a determination as to whether some of the other arguments that would go to the merits of the proposition are/or are not valid.

The Chair is, however, impressed by the most recent comment made by the gentleman from Oklahoma (Mr. Steed) wherein the gentleman from Oklahoma points out that by the terms of the amendment itself funds under the entire act and not just funds for the former President, would be inhibited. Let the Chair read the amendment.

> No funds shall be available for expenditure under this act until such time as Richard M. Nixon has made restitution.

The Chair is persuaded that the availability of some of the funds in the act for other purposes will be based upon an unrelated contingency, and the Chair is prepared to state on the basis of the additional argument made since his preliminary determination that he has changed his opinion regarding the scope and effect of the amendment and sustains the point of order.

Are there further amendments?

Mr. BIAGGI. Mr. Chairman, I rise in support of the amendments offered by Mr. Roybal and Mr. Obey, which seek to increase the amount of funds available for the education of handicapped children.

The figure of $159 million, which is provided in the bill, for handicapped education, is a pitifully deficient sum when measured against the growing educational needs of handicapped children. First and foremost, more than half of the States in the Union are now under court order to provide equal educational opportunities for the handicapped children in their jurisdiction. This will mean an increase of some 2.7 million handicapped children in class this year over last. As it is, the funding available to service the 3.5 million handicapped children currently in school is barely enough. The bill provides a mere $12.5 million increase over fiscal year 1974 appropriations, and most importantly only a $13 million increase in the critically important State formula grant program, which must administer the above-mentioned court orders. These figures will not even begin to solve the many problems confronting handicapped education in the United States today, thus the end result will be continued inferior educational opportunities for the handicapped children of this Nation.

What is being proposed is an increase of some $30 million overall for handicapped education. This to me represents a more realistic fiscal commitment to this major educational challenge.

This inadequate funding for handicapped education is to me another example of the grossly distorted economic priorities of this Nation. Why is it that those most in need of assistance from their Government encounter the most obstacles in getting it? What higher priority do we have as a nation than to provide all of our children with the means to a decent education. We should relish the opportunity to make a sizable investment in our Nation's future, for it is the children of this Nation, handicapped or otherwise, who will hold the key to the future course of this American Nation.

I have become concerned over the letters which I have received from school administrators and parents of handicapped students in New York regarding the seeming failure of the New York State Education Department to fully adhere to the terms of section 4407 of the State education law which guarantees full educational opportunities for handicapped children. Part of the problem is a result of insufficient funding available to carry out the program. Yet again, who is it that really suffers from this lack of funding, it is certainly not the legislators in Congress who vote to restrict funding, but rather it is the young handicapped child, yearning for a decent education who suffers the most.

Mr. Chairman, I implore my colleagues today to support these efforts at increasing funding for handicapped education. This represents a sound fiscal expenditure, for those children who we are helping today will some day be contributing to the future well being of this Nation. Let us provide them with this chance.

Mr. Chairman, I am also in support of the amendment which will establish a new Select Committee on Aging in the House of Representatives. Passage of this amendment will help insure that the special problems of the elderly are given the close attention of the House which they deserve.

The crisis which the elderly face in this Nation, particularly with respect to coping with inflation, represents one of this Nation's most serious problems. No group in this Nation suffers more from the weight of inflation than the senior citizen who is forced to exit on a fixed income. While traditionally, the Congress has been an ally of the older American in terms of enacting legislation on their behalf, the creation of a special committee dedicated entirely to the aged, could serve to open up new horizons of communication between the elderly and their elected officials in the Congress.

This new committee could serve as a sort of ombudsman for senior citizens who desire information or seek improvements in existing older American legislation. The committee could effectively combine forces with the Ways and Means Committee to make the 94th Congress the most responsive in history to the needs of our senior citizens.

When one considers the gamut of programs currently serving senior citizens, as well as the fact that the elderly population in this country is rapidly growing, all clearly point to the need for this special committee.

I believe passage of this amendment will achieve the true goal of committee reform which we all seem committed to. I strongly recommend its passage to you today.

Mr. BRADEMAS. Mr. Chairman, although I rise in support of the Roybal-Veysey amendment, I want also warmly to commend the gentleman from Wisconsin for the deep concern he has shown for the rights to education of handicapped children, and to say a word about the importance of this amendment to one of the most vulnerable groups in our society: the 7 million youngsters in America who are disabled in mind or body, including the emotionally disturbed.

Mr. Chairman, the Education Amendments of 1974 authorized a 1-year increase of $666 million for State grants for the education of the handicapped.

That was an impressive increase, Mr. Chairman, over the $47.5 million being spent in fiscal year 1974.

Before my colleagues question if such an increase is justified, let me assure them that it is.

Congress was persuaded to approve such a large increase for several reasons.

First, we were mindful of the following shocking statistics: Fully 60 percent of the handicapped youngsters in our society are not receiving the educational services they need.

Second, it costs, on the average, twice as much to educate a handicapped child as it does to educate a nonhandicapped child.

Third, court decisions all across the land have held in the last 2 years that handicapped children are entitled to the special educational services they need. Mr. Chairman, obviously the States will require assistance in order to implement the court decrees.

So, in order to help the States implement these court orders, Mr. Chairman, the Congress prudently decided on a large 1-year increase in funding for special education.

For fiscal 1975 only, Congress agreed to change the formula by which assistance grants to the States under part B of the act are made.

In place of the existing allotment formula, Mr. Chairman, the conferees agreed that in 1975 alone, the formula would be based on an entitlement grant to each State of $8.75 per child between the ages of 3 and 21.

Our estimates indicated that this entitlement approach would make available in fiscal 1975 $666 million to States for the education of handicapped children. We hope, in particular, Mr. Chairman, that these moneys will enable States which are required by State law or State constitutions to provide full educational opportunities to the handicapped, to make greater progress in complying with such requirements in order to meet court orders, or to avoid possible litigation.

In 1976 and 1977, Mr. Chairman, the existing allotment formula would be continued with appropriations authorized of $100 million and $110 million, respectively.

Mr. Chairman, let me remind my colleagues that we are discussing the funding of programs for those children with the most severe and tragic physical, mental, and emotional problems.

And the educational services required by these children do not always focus on reading writing and arithmetic.

In some instances, the services require, first, that the child be taught to speak.

In others, he must be taught to walk, or to bathe himself.

Mr. Chairman, these kinds of programs require enormous expense, frequently involving costly equipment and one-to-one teacher-student ratios.

Mr. Chairman, in approving a 1-year increase Congress recognized that a crisis existed with respect to educating the handicapped.

That crisis, Mr. Chairman, still exists. Indeed, it has become worse.

Let us not now break the pledge we made to handicapped children when approving the Education Amendments of 1974.

I urge my colleagues to support this amendment.

Mr. Chairman, I also support wholeheartedly an amendment offered by my good friend, the distinguished gentleman from Florida (Mr. PEPPER), and to commend him on his continued leadership on behalf of America's elderly.

The amendment would increase by $25.4 million the fiscal year 1975 supplemental appropriation for title VII of the Older Americans Act, the nutrition program for the elderly.

BACKGROUND

Rarely, Mr. Chairman, do we have an opportunity to support a measure which has more importance to the elderly citizens of our Nation. Title VII of the Older Americans Act is a nutrition program designed to provide Americans aged 60 years and older with one hot nutritious meal a day, 5 days a week. These meals are generally provided in centers which are easily accessible to the majority of elderly residents within a community.

In addition to supplementing the dietary needs of elderly Americans, the nutrition program also provides centers where senior citizens can meet with others who have similar interests and problems. Too often, the dietary problems of the elderly are compounded by physical isolation which can result in illness and chronic depression. The nutrition program is designed to break this vicious circle.

ACCOMPLISHMENTS

Mr. Chairman, allow me to share briefly with my colleagues some of the specific accomplishments of this program which I find the most gratifying. In 2 short years, the nutrition program for the elderly has reached 50 States and 5 territories, and the District of Columbia in which 665 nutrition projects are currently operating. Approximately 68 percent of these projects serve the elderly living in urban areas, while the remainder are located in rural settings. In total, nutrition projects are presently serving more than 211,000 meals daily, and an August 30, 1974, report from the States indicates that approximately 66 percent of the meals are being served to people below the Census Bureau's poverty threshold. The same report also indicates that more than 30 percent of those being served are members of minority groups.

Mr. Chairman, I think that by almost any standard of measure the nutrition program must be viewed as effective and successful, and I am sure that most Members of the House will agree.

NEED FOR MORE SUPPORT

The nutrition program for the elderly is now beginning its third year, Mr. Chairman, and in the past Congress has generously provided the necessary appropriations to support this vital program. However, the current supplemental appropriation measure merely extends the 1974 appropriation for this program. Allow me, Mr. Chairman, to point out why simply continuing to fund the nutrition program at its fiscal year 1974 level of $99.6 million is completely inadequate.

First, few of us need to be reminded of the inflationary crises that our Nation is currently going through. As John T. Dunlop, Director of the Cost of Living Council, said before the House Banking and Currency Committee on March 6, 1974:

> The inflation in the prices of primary commodities in 1973–74 has been world-wide, unexpected, and beyond the range of previous experience.

To demonstrate the severe impact of inflation on the nutrition program, Mr. Chairman, allow me to remind my colleagues of some of my remarks before this body on March 19, 1974, when I spoke in favor of increasing the authorizations for the nutrition program.

At that time, our best estimates were that $150 million in fiscal year 1975 would provide approximately 319,000 meals per day. Moreover, we anticipated that $200 million in fiscal year 1976 and $250 million in 1977 would provide about 425,000 and 532,000 daily meals respectively.

Today, Mr. Chairman, we are all painfully aware of how badly double digit inflation has altered our expectations. In 1974 alone, we are anticipating a loss of more than 16 percent of the projected 250,000 daily meals because of inflationary erosion. Clearly, our expectations for future years must be adjusted to reflect even larger losses.

Second, Mr. Chairman, I have been informed by Mr. Rodney Leonard of the Community Nutrition Institute that nutrition centers across the country are under heavy pressure to expand their services. Waiting lists and limits on participation are becoming more and more common as centers attempt to allocate equitably their limited funds to an ever growing population of participants. Obviously, Mr. Chairman, there is little hope that the nutrition programs will be able to maintain even their current level of service, not to mention expansion of these services, if funding is not increased.

Finally, Mr. Chairman, let me point out that just this past weekend our distinguished colleague from Minnesota (Mr. QUIE) the ranking minority member on the House Education and Labor Committee, told those attending the economic summit that "those who suffer the most from inflation should not be asked to suffer more."

Indeed, said the Washington Post in an editorial this past Sunday:

> One of the great reiterated themes of the two days was the absolute requirement to protect the poor, the sick, and especially the elderly.

For these reasons, Mr. Chairman, I strongly support the amendment offered by Mr. PEPPER which requests a supplemental appropriation of $124.6 million for title VII of the Older Americans Act.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and the amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DELLENBACK. Mr. Speaker, on that I demand the yeas and nays.

POINT OF ORDER

Mr. MYERS. A point of order, Mr. Speaker. The question has not been properly put. The yeas and nays have not been asked for yet.

The SPEAKER. The Chair understood that the gentleman from Oregon demanded the yeas and nays.

Mr. MYERS. Earlier this afternoon, Mr. Speaker, the ruling was made that the yeas and nays have to be asked and then the question put after the yeas and nays are requested under rule II.

The SPEAKER. The Chair put the question on the passage of the bill.

Mr. MYERS. The yeas and nays have not been ordered.

The SPEAKER. The Chair understood that the gentleman from Oregon requested that the vote be taken by the yeas and nays.

Mr. MYERS. A further point of order, Mr. Speaker.

Earlier today the Parliamentarian ruled that the question is not properly put until the yeas and nays are taken.

The SPEAKER. We are operating in the House where the yeas and nays can be demanded by a Member and ordered by one-fifth of those present at the time the Chair puts the question.

The Chair requests those Members who do not desire to stand on the question of ordering the yeas and nays to be seated, and the Chair will count all those Members standing as in favor of taking the vote by the yeas and nays.

Evidently a sufficient number has risen.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 317, nays 72, answered "present" 3, not voting 42, as follows:

[Roll No. 564]

YEAS—317

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Bell
Bergland
Bevill
Biester
Bingham
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Diggs
Dingell
Donohue
Downing
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Fraser
Frey
Froehlich
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonazlez
Grasso
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Wash.
Harsha
Hastings
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCollister
McCormack
McDade
McFall
McKinney
McSpadden
Madden

Madigan
Mahon
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murtha
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Pritchard
Quie
Railsback

Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarasin
Sarbanes
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stephens
Stokes

Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wyman
Yates
Yatron
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion

NAYS—72

Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bray
Burleson, Tex.
Butler
Camp
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conable
Conlan
Crane
Daniel, Dan
Davis, Wis.
Dellenback

Dennis
Devine
Drinan
Duncan
Flynt
Frenzel
Gibbons
Goodling
Gross
Hansen, Idaho
Hosmer
Huber
Hutchinson
Jarman
Landgrebe
Landrum
Latta
Lott
Luken
McEwen
Mallary
Mann
Martin, Nebr.
Martin, N.C.

Mathis, Ga.
Michel
Miller
Mizell
Montgomery
Myers
Powell, Ohio
Price, Tex.
Quillen
Robinson, Va.
Rousselot
Satterfield
Schneebeli
Shuster
Snyder
Steiger, Ariz.
Steiger, Wis.
Symms
Taylor, Mo.
Treen
Waggonner
Ware
Wylie
Young, Fla.

ANSWERED "PRESENT"—3

Conyers
Harrington
Waldie

NOT VOTING—42

Anderson, Ill.
Barrett
Biaggi
Blackburn
Blatnik
Boggs
Brasco
Brown, Ohio
Broyhill, Va.
Carey, N.Y.
Chamberlain
Derwinski
Dickinson
Dorn

Eshleman
Evans, Colo.
Fisher
Frelinghuysen
Gettys
Griffiths
Hawkins
Hébert
Hudnut
Johnson, Colo.
Kuykendall
McClory
McKay
Macdonald

Mayne
Minshall, Ohio
Murphy, N.Y.
Podell
Rarick
Reid
Rhodes
Rooney, N.Y.
Sandman
Smith, N.Y.
Teague
Young, Alaska
Young, Ga.
Zwach

So the bill was passed.

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Rarick.
Mr. Hébert with Mr. Podell.
Mr. Rooney of New York with Mrs. Griffiths.
Mr. Biaggi with Mr. Dorn.
Mr. Carey of New York with Mr. Derwinski.
Mr. Hawkins with Mr. Blatnik.
Mr. Murphy of New York with Mr. Blackburn.
Mr. Teague with Mr. Chamberlain.
Mr. Young of Georgia with Mr. Gettys.
Mr. Fisher with Mr. Eshleman.
Mr. Reid with Mr. Brown of Ohio.
Mr. Barrett with Mr. Dickinson.
Mr. Evans of Colorado with Mr. Hudnut.
Mr. Macdonald with Mr. Frelinghuysen.
Mr. McKay with Mr. Broyhill of Virginia.
Mr. Rhodes with Mr. Mayne.
Mr. Sandman with Mr. Minshall of Ohio.
Mr. McClory with Mr. Zwach.
Mr. Anderson of Illinois with Mr. Smith of New York.
Mr. Young of Alaska with Mr. Kuykendall.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF DEADLINE FOR SUBMISSION OF SPEECHES FOR THE RECORD TONIGHT

Mr. BRADEMAS. Mr. Speaker, I would like to make this announcement for the information of the membership.

Due to the fact that at the present time we have a 9 o'clock deadline on submission of speeches for the CONGRESSIONAL RECORD, and also because of the lateness of the hour, I take this opportunity to advise the membership that remarks will be accepted at room H132 until 12 o'clock midnight tonight.

PERSONAL EXPLANATION

Mr. FRENZEL. Mr. Speaker, today I was obliged to vote against the supplemental appropriation bill, H.R. 16900. Most of the money provided in it is needed, but it is $400 million over budget. It is a sorry indication of our inability to match our spending appetites with our willingness to tax. Congress has indeed become a part of the problem.

DOMESTIC OIL INDUSTRY NEEDS INCENTIVES NOT DISINCENTIVES

(Mr. JARMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. JARMAN. Mr. Speaker, last winter, the term "energy crisis" became part of our vocabulary. Our energy supply problem, however, did not "just suddenly happen" last winter. It has been building for years, as thousands of former oil and natural gas producers quit the business—because exploring for petroleum fuels became progressively less worthwhile in relation to the skyrocketing costs. As we found and developed less domestic oil and gas, our dependence on foreign energy increased dramatically. By 1974, we had to have 6 million-plus barrels daily of foreign oil just to balance supply with our daily demand.

We have been in an "energy crisis" for several years. It took the Arab oil embargo to bring home to the American people the discomforts and inconveniences of having inadequate oil to meet our own needs.

Since the Arab embargo was terminated, we have replaced the term "energy crisis" with the rallying cry of "Project Independence." In this slogan, we express our resolve never to let it happen again. It is an expression of our determination to restore relative energy self-sufficiency, thus insulating the United States from future actions by the OPEC cartel to use its oil as an economic, military, or political weapon.

But "Project Independence" is only a slogan. Policies and programs to provide incentives to stimulate increased domestic production of energy generally, and oil and gas in particular, are vitally needed. Instead of assuring incentives and stability, we in the Congress seem bound and determined to innovate disincentives instead. I can think of no better example than the adverse tax treatment that would be accorded domestic crude oil producers under provisions that have been approved by the Committee on Ways and Means.

As I read these changes, they would increase the tax burden on domestic crude oil production by about $2 billion yearly. With exceptions which would terminate in 5 years, the percentage depletion provision would be generally phased out in 3 years. In addition, a so-called "windfall profits" tax on crude oil would be imposed on a basis that has nothing to do with profits. As constructed, this feature of the bill approved by the committee would be nothing more than a rollback in domestic crude oil prices, with the benefits going to the Treasury rather than consumers.

Consumers would continue to pay the current or higher prices, but would have no benefit of increased domestic production to which they are entitled.

Instead, under this punitive bill, the consuming public and the Nation would be assured of less drilling, less development and less oil and gas from secure domestic sources—and an accelerating dependence on foreign oil produced by the OPEC cartel. This bill, Mr. Speaker, would more aptly advance the cause of "Project Dependence," rather than "Project Independence," and it would play right into the hands of the OPEC cartel. It would unavoidably increase our dependence on foreign oil.

There has been a lot of tough talk, and some outraged talk, in this body, directed at the "international oil companies" and at the OPEC group of producing countries which have quadrupled their oil prices in the past year. I believe some of my colleagues are laboring under a misconception that the oil tax changes approved by Ways and Means would somehow strike at the "international oil companies" and indirectly at OPEC. My colleagues should know that, in fact, these provisions would hardly lay a glove on the multinational companies insofar as taxing or reducing their foreign earnings which are the primary source of their recently increased profits. The oil changes in this bill apply primarily to domestic crude oil, and would seriously impair incentive primarily for the 10,000 or so small independent producers who provide the major share of the effort that has resulted in discovery and development of the bulk of domestic oil and natural gas resources. In the first 6 months of 1974, independent producers accounted for 87 percent of the exploratory wells drilled in the United States.

In the mid-1950's there were some 20,000 business concerns, small, medium, and large; individuals, partnerships, companies, and corporations—searching for and producing oil and natural gas. Due to increasingly unhealthy economic conditions in the 1960's and early 1970's, about half of these concerns simply merged out or sold out and quit the oil business. This spinoff of literally thousands of explorers resulted in a 17-year decline in domestic petroleum exploration, brought on declines in our reserves of both oil and natural gas, and needlessly accelerated our dependence on foreign oil.

Now, with improved economic conditions, the domestic petroleum producing industry has gone back to work. In the first half of this year, for example, rotary drilling rig activity was up 27 percent from the first half of 1973. Natural gas well completions are up 26 percent, and oil wells 20 percent. Throughout the older producing areas of the United States programs are underway to increase production from existing reservoirs through secondary and advanced recovery technology. We have been 17 years building a serious oil supply gap in this country, and it cannot be closed overnight; but given a chance, I am convinced the domestic oil and gas producing industry—particularly the thousands of independent producers—will significantly increase our domestic petroleum supplies.

They will, that is, unless the Congress takes unwise and disruptive actions such as those contemplated in the ways and means tax bill. This bill, Mr. Speaker, would indeed "punish" the oil industry as some of my colleagues have expressed an intent and desire to do. But it would primarily punish the independents who have been the backbone of the domestic oil and natural gas producing industry. It would also punish the consuming public by bringing to a halt the ongoing efforts that promise to increase our domestic supplies of oil and gas, thus increasing our dependence on unreliable foreign oil and gas costing far more.

There is no getting around one fact: removing $2 billion a year from the domestic industry cannot help but substantially curtail badly needed efforts to find and develop new oil and gas supplies. I submit that such a result would be the worst course we could take on energy policy if we are to give more than lipservice to the idea of "Project Independence." We are going to have to develop secure energy supplies, Mr. Speaker, if we are ever to come to terms with the inflation problem. Increased productivity is the only real answer to that problem. If we put American industry in the position of being permanently and increasingly dependent on foreign energy supplies, available only at extortion prices, we will never solve the inflation problem.

This is one of the gambles that Congress would be taking if it approved these punitive changes in oil tax treatment. We are already dependent on foreign oil for 6 million barrels daily. If we want to make it 10 million, and later 14 million, I say we should pass this bill.

I hope my colleagues will examine just one question: At this critical time, what do we need most—more tax dollars or more secure energy supplies? If the answer is more energy, and I believe it to be, then, I hope this body will very carefully examine these proposed tax changes and their critical impact on thousands of independent oil and gas producers who need and deserve encouragement, not more disincentives.

REINTRODUCTION OF BILL TO LIMIT POWER OF ENVIRONMENTAL PROTECTION AGENCY

(Mr. CASEY of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CASEY of Texas. Mr. Speaker, I am today reintroducing a bill to limit the power of the Environmental Protection Agency to compel the adoption of land use plans without regard to local sentiment or need.

The necessity for this legislation is urgent, as I hope my colleagues realize, because unless we act, these regulations will take effect January 1, 1975. Once in effect, the EPA regulations will force upon every consumer, as well as the builders and construction trades workers of our districts, the uncalculated and unnecessary expense caused by detailed impact statements, construction delays and fines.

I am pleased to note that over 60 Members of the House who have seen the need for this legislation are joining with me in introducing this legislation.

The House voted earlier this year not to consider land use legislation which would have relied on the option of the State and local governments.

Now we have these proposed EPA regulations which are much stronger in that they compel State land use plans under the guise of indirect emission controls.

Whatever our views toward land use, I think we can agree that this is a legislative issue which must be settled on the floor of the House, not by the director of an administrative agency.

Some of our colleagues may be interested in more careful study of technical findings regarding so-called "indirect source" pollution. If so, I recommend the report made recently by the National Academy of Sciences to the Senate Public Works Committee.

The report clearly shows that emission controls are the most important aspect of our efforts against pollution. It specifically noted that programs such as transportation controls and indirect source regulations are "a limited or mixed possibility at best."

The report makes the point that any controls which seek to limit the growth of our urban areas for the sake of the environment "may well hurt more than help."

Mr. Speaker, evidence mounts almost daily that these proposed indirect source regulations will actually do little or nothing to combat pollution, but will waste the money of everyone in the construction industry at a time when our Nation can least afford it.

Now, of all times—in this period of economic uncertainty—these regulations are an expensive and frivolous experiment we cannot afford.

As my distinguished colleague on the other side of the aisle, Mr. HINSHAW, noted so forcefully in hearings before the Subcommittee on Public Health and Environment last week, on September 23, these regulations impose additional expense on all sectors of the economy. They add to the cost of living of every citizen. They contribute to inflation, and in a time when all Government programs are being reexamined for their inflationary effect, these rules will not stand up under close examination by the Congress.

Once again, I am pleased to reintroduce this bill. I commend it to the attention of the House and hope that those who have not yet joined as cosponsors will give it a careful reading.

ALASKAN PIPELINE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. MITCHELL) is recognized for 30 minutes.

Mr. MITCHELL of Maryland. Mr. Speaker, millions of Federal dollars are being used to undergird and support massive construction projects throughout the country. Despite all of the rhetoric and lipservice commitments to include minority businessmen in these projects, little if anything is really being done to guarantee that the minority contractors, the minority architects, the minority housing specialists firms have an equal access to compete for contracts in these projects. In many instances it appears that the Federal Government operates in collusion with the private sector to deny us equal access to compete.

Let us now look at what I consider to be the best illustration of Government and the private sector working in collusion to deny black business persons equal access to compete. I am talking about the Alaskan pipeline which will cost in excess of $4.5 billion. If ever there was an illustration of that kind of collusion, the Alaskan pipeline project represents it.

Let me trace parts of the scenario. In tracing the scenario I intend to be blunt and critical.

The U.S. Department of Interior has followed a pattern of evasiveness and duplicity when it comes to spelling out an affirmative action program for blacks and other minorities in these projects. For more than 6 months, I and other Members of the Congress have met with and written to Interior urging that the Federal regulations be issued to insure full minority participation in this huge project. For an equal number of months, the Interior Department said it was working on the regulations, or the regulations would soon be out, or that some other agency was holding up the publication of the regulations. The regulations were finally published in the Federal

Register on September 24, 1974. However, to my astonishment, the regulations were sent in advance, prior to publication in the Federal Register, to the Alyeska Pipeline Service Co. This company, a consortium of seven major oil companies—Exxon, Arco, Amerada, Hess, Phillips, Sohio, and Union Alaska—obviously assumes that the equal opportunity regulations must be tailored to its desires, not the needs of minorities. Here we have a blatant case of private corporation dictating to the Federal Government. When the equal opportunity regulations were finally printed in the Register, we were denied the opportunity to suggest revisions and improvements in those regulations. Alyeska, the big seven oil companies, will prevail, because they dictate the terms.

Not only does this corporation dictate to the Department of the Interior but it defies the Members of Congress. Congresswoman YVONNE BURKE, who authored the equal opportunity provisions in the Alaskan pipeline legislation; Senator BROOKE, Senator JACKSON, Congressman JOHN CONYERS, and I, sought time and time again to get the corporation to solidly commit itself to a minority involvement program. We, the Members of Congress, have been given evasive answers, glib promises, or we have been ignored. In a public statement made in January 1974, Senator HENRY JACKSON avowed that if Alyeska did not create a meaningful program for minorities, he would conduct public hearings. Well, the corporation has made no provision to utilize the capabilities of the organizations here today and others and so, Senator JACKSON, the time is here and now to begin those public hearings.

The equal opportunity regulations themselves will help to deter the full participation of minority businessmen. As presently written they do not require set asides for minorities. All of us know that the only way we have gotten a tiny slice of the action is through set aside programs. The regulations prohibit funds being given to trade associations. All of us know that the strength, the real strength of black participation in massive projects rests with our black trade associations. The regulations will lean on title VII of the Civil Rights Act, but title VI is far more meaningful for this situation. I have written to the General Services Administration voicing my concern over the inadequacies of the regulations and ask unanimous consent that they be made a part of the RECORD.

Let us now come to an ironic part of the scenario for the exclusion of blacks from the Alaskan pipeline project. The Office of Minority Business Enterprise has embarked on a program as of July 1974, to "identify minority firms nationally that have the capabilities related to the construction or supply and services opportunities to be made available by Alyeska and its major contractors." We do not need that service by OMBE minority trade organizations are fully capable of, and have indeed identified those firms. Men like Reginald Frye, president of the 3–A Gas & Electric Co., Inc., and other minority businessmen in the Pacific Northwest and in California have completed the process of identifying minority firms. Despite this, OMBE will proceed with identifying; while Alyeska will proceed with issuing permits for the gas pipeline, which action is clearly in violation of the law, because the equal opportunity regulations have not yet been officially published.

The situation with Alyeska is typical of the kind of frustrating experiences blacks must endure because when it comes right down to us making money in major construction projects, both the Federal Government and the private sector will do all that is possible, including being outright dishonest, in an attempt to deny us that opportunity. A classic example of dishonesty is the statement made by Alyeska that $44 million in minority contracts have been let. This is simply not true. The $44 million let has gone to white contractors who utilize Indian subcontractors who may see $400,000 out of the $44 million.

I believe it is time that we stage a confrontation with this public-private sector unholy alliance against black entrepreneurs. Toward that end I shall initiate the following actions next week:

First. I shall request that all of the members of the Congressional Black Caucus and other Members of Congress, join with me in transmitting to the President and to the Secretary of the Interior a strongly worded protest against the exclusionary practices followed by Alyeska against black business.

Second. I shall request that all of the Members of Congress and in particular the Congressional Black Caucus join with me in seeking the legal talent required to file injunctive action against Alyeska and the Department of the Interior.

Third. The Members of the Congress will be requested by me to file a request with the Equal Opportunities Commission asking for an investigation of the Alyeska Corp.'s failure to meaningfully utilize black entrepreneurs.

Fourth. I shall ask that the Banking and Currency Committee's appropriate subcommittee hold hearings on the Alaskan pipeline construction. A similar request shall be made to the Subcommittee on Minority Enterprise and Franchising of the House Permanent Select Committee on Small Business. If action is not initiated by the appropriate subcommittees, I shall then request the Congressional Black Caucus to authorize me to initiate and implement public hearings on this issue.

It may well be that all of these efforts will not produce the results we seek to achieve. It may well be that this unholy alliance can and will defy or subvert the will of the Equal Opportunity Commission, the Congress, and the courts. But I say we must try.

SUPPORT GROWS IN THE CONGRESS AND AMONG THE PEOPLE FOR THE ENACTMENT OF THE FISCAL INTEGRITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, support continues to grow—in this Chamber and among the people—for the earliest possible enactment of the Fiscal Integrity Act.

As it becomes increasingly clear that the "new" answers being offered to take the Nation out of its present economic slowdown are little more than a rehash of the same tired, stale, Keynesian doctrines of the past 40 years—which have contributed mightily to getting us into the economic mess in which we now find ourselves—many in the Congress and a large voice among the people are calling for a genuinely new approach.

The Fiscal Integrity Act is a genuinely new approach. More accurately phrased, it is a renewed approach, for the principles which underlie its provisions are the tested and proved principles of individual economic and political liberty, fiscal, and monetary restraint on the part of Government and self-imposed fiscal prudence in the Congress.

These ideas are as old as man's first successes with economic interactions free from the restrictions of artificial Government regulation, but they are, at the same time, the cornerstones of that classic liberal philosophy of government and economics which ushered in, and continued to grow from, our Declaration of Independence, our Constitution, and our Bill of Rights. They are, at the same time, as new as man's continued, present preference for the self-balancing interaction between consumers and producers, exercised freely in millions of transactions daily, as opposed to the stale, centralized economic planning of government, no matter how well-*intentioned*.

This is why support for the enactment of the Fiscal Integrity Act mounts daily.

SUPPORT GROWS IN THE CONGRESS

The Fiscal Integrity Act, when enacted, will reestablish the fiscal integrity of the Federal Government by establishing revenue and budget outlays ceilings in relation to aggregate national income. It will also reestablish that integrity by tightening congressional oversight over the issuance of additional money supply and by imposing on ourselves—on the Houses of Congress—a requirement that the projected costs of programs proposed in bills and resolutions be stated on their first pages—an inflation impact statement, so to speak.

The growth in bipartisan support for this bill is heartening, and I call that growing support to the attention of the Committee on Ways and Means to which it has been referred for consideration.

I first introduced the Fiscal Integrity Act on July 24, as H.R. 16111. It now has 43 cosponsors in the House.

In alphabetical order, they are: Mr. ABDNOR, of South Dakota; Mr. BRAY, of Indiana; Mr. BROYHILL, of North Carolina; Mr. BURGENER, of California; Mr. BYRON, of Maryland; Mr. COCHRAN, of Mississippi; Mr. COLLIER, of Illinois; Mr. COLLINS, of Texas; Mr. CONLAN, of Arizona; Mr. DEVINE, of Ohio; Mr. DICKINSON, of Alabama; Mr. DUNCAN, of Tennessee; Mr. FISHER, of Texas; Mr. FROEHLICH, of Wisconsin; Mr. GOLDWATER, of California; Mr. GOODLING, of Pennsylvania; Mr. HALEY, of Florida; Mr. HINSHAW, of California; Mrs. HOLT, of Maryland; Mr. HUBER, of Michigan; Mr. HUNT, of New Jersey; Mr. ICHORD, of Missouri; Mr. KETCHUM, of California; Mr. KING, of New York; Mr. LAGOMARSINO, of California; Mr. LOTT, of Mississippi; Mr.

Lujan, of New Mexico; Mr. Mitchell, of New York; Mr. Moorhead, of California; Mr. Murtha, of Pennsylvania; Mr. Parris, of Virginia; Mr. Regula, of Ohio; Mr. Robinson, of Virginia; Mr. Runnels, of New Mexico; Mr. Thone, of Nebraska; Mr. Towell, of Nevada; Mr. Treen, of Louisiana; Mr. Veysey, of California; Mr. Wampler, of Virginia; Mr. Bob Wilson, of California; Mr. Young, of Florida; Delegate Won Pat, of Guam; and, of course, myself.

We invite other Members to join with us in the sponsorship of this important measure.

ENACTMENT IS ESSENTIAL IF THE CONGRESS IS TO CONTROL SPENDING

Why is enactment of the Fiscal Integrity Act necessary?

The proposed Federal budget for fiscal year 1975—forecasting expenditures of over $304 billion—exceeds the previous year's budget by a full $20 billion. That is a 7-percent increase in just 1 year. In 1940 our entire Federal budget was only $10 billion, one-half this year's increase.

It took this country 185 years to get to an annual Federal spending level of $100 billion, but it took only 9 more years to double that to the $200 billion level, and then only 4 more years to reach the $300 billion annual level. Unless brought under immediate control, this growth rate will overwhelm us, our institutions, our system of government.

The mushrooming national public debt now stands at $495 billion—nearly half a trillion.

It took us over 150 years after 1789 to reach the $200 billion debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion—up to half a trillion.

The spiraling rate of inflation could be as high as 14 percent this year. Only a few years ago it averaged around 4 to 5 percent, a much more manageable figure.

The bureaucracy sustained by these expenditures has grown substantially out of proportion to our population. Between 1789 and 1974, the population of our country multiplied by 60 times; but, the bureaucracy multiplied by 8,170 times. Between 1930 and 1974, while the population grew 71 percent, the bureaucracy grew by 462 percent. In 1930, 1 of every 204 people was employed by Government; today, it is 1 of every 77. And, in our work force of 88 million, 1 of every 6.5 employees is on a government payroll of one form or another—Federal, State, or local.

The average amount of taxes the Federal Government will have to collect from every man, woman, and child in the Nation to meet expenses this fiscal year is $1,492 per person—or $5,968 for the average family of four. In 1940 it was only $77 per person—or $308 for that average family of four.

And, recent analysis shows that the total sum of new funds which would be authorized by only 400 bills introduced this Congress would be in excess of $873 billion. And, nearly 15,000 bills have been introduced this Congress—and we still have the post-election session to go.

BALANCING THE FEDERAL BUDGET IS CRUCIAL, BUT IT ALONE IS NOT THE ANSWER TO CONTROLLING SPENDING

We have for too long tried to control spending only where the money flows from the Treasury. We have been trying to plug holes in the Treasury's dike or to heighten it, when we should have been trying to control the level of water—tax collections—behind it.

It is always easier to control a problem at its source. The source here is the level of revenue raised by the Government from which programs are then funded. To deal with the question of expenditures alone is to work only with the result of our problem—spending—instead of its cause—too much being taken from the taxpayers with which to do that spending.

When an institution, like the Congress, knows that it will have a known amount of dollars with which to work, it devises means of spending those dollars. It is simply human nature.

Parkinson's law, recognizing this proclivity, states that spending rises to meet income. That is a truth demonstrated by our national experience as a government.

There is a corollary to Parkinson's law which accurately describes the tendencies of Congress: Present spending rises to exceed present income in expectation that increases in future income will cover that spending. When an institution operates from those premises—and the Congress has operated from those premises for far too many years—it means either an ever-increasing amount of dollars being taken from the taxpayers, or bigger deficits, or both.

Federal, State and local tax collections have risen markedly, as percentages of national income, during the past half century. In 1929, such tax collections constituted only 13 percent of total national income. By 1950, it had risen to 26 percent. And, by 1972 it had risen to 34 percent. The increase is even more dramatic when compared to total national personal income: 1930, 15 percent; 1950, 30 percent; and 1972, 43 percent.

If present trends continue, by 1985, total government's share of national personal income will have increased to 54 percent—54 cents out of every $1—more than half the people's earnings.

In light of these statistics, is balancing the budget all we have to do? No.

The Congress has tried for nearly 200 years to control overall, total spending by controlling the overall level of appropriations as each individual appropriations bill came to the floor. These efforts—commendable though they may be and successful though some may have been on occasion—simply have not worked sufficiently.

The figures which I have cited today—the level of spending, the national debt, the amount taken from each family in taxes, the cost of new programs being proposed—attest to the failure of this institution to hold the line adequately on spending. And, the Budget Reform Act, as enacted, will not be adequate either, for its mandatory ceiling is not prospective.

The reason these efforts do not work adequately is that the intentions underlying them are not directed at the one point where more effective control really could be exercised—at the level of revenue, of income.

Government spending—and the raising of revenue requisite to that spending—has a historical ceiling beyond which it invites either or both the collapse of the economic strength of a nation or the loss of political and economic freedom.

Government must realize that it cannot indefinitely tax the people at constantly increasing levels without destroying the people's ability to support themselves and their families.

We are now at a point where we must either acquiesce in the unlimited growth of government, or establish a reasonable ceiling on that growth. This is what title I of the Fiscal Integrity Act is all about.

REVENUE AND BUDGET OUTLAYS CONTROL

Title I would establish for each fiscal year a revenue and budget outlays limit for the Government. No appropriation could be made for any fiscal year by the Congress in excess of the revenue and budget outlays limit for that fiscal year.

This revenue and budget outlays limit is the next step which should, by logic, now be added to the procedures established in the recently passed Budget Reform Act. That Budget Reform Act requires the establishment of an initial spending ceiling each spring, but, only as a goal. The final ceiling—the mandatory one—is established in the fall as an after-the-fact ceiling, meaning that expenditures can still exceed revenue and can still add to the debt. A balanced budget requirement should have been in that act; it was not. A prospective, mandatory, spending ceiling should have been in that bill; it was not. This proposed act provides for both.

How would the limit work?

The revenue and budget outlays limit for each fiscal year shall be the amount derived by multiplying the estimated aggregate national income for such fiscal year by a "Federal revenue factor."

Thus, from the first year of the operation of this provision, a ceiling in relation to national income is established on Government revenue and spending. As the economy grows, new dollars would be available for existing or new programs, but a greater percentage of the people's income would not be available.

Once that computation is made for the first year, it will—in that first year only—be reduced by 2½ percent in order to cut off the top some of the excessive spending which we now have. Thereafter—for the next 20 years—it will be cut by one-fourth of 1 percent each fiscal year, a more gradual reduction, but one eventually leading to an additional reduction in excess of 5 percent or a 7.5-plus percent total reduction over 21 years.

One should note that a cut in outlays is accompanied by a cut in revenue—and vice versa—so that cutting revenue will not result in creating a greater deficit—as is now a danger—and cutting outlays should result in a cut in taxes.

The bill specifically requires that, if during any fiscal year the revenue of the Government exceeds the *established* limit for that year, the amount in excess shall be used for the payment of the public debt of the Government. It cannot be carried over to be spent on programs during any subsequent fiscal year.

The limitations, determinations, estimates, and calculations required to be made by this title shall be made by the Congressional Budget Office, acting through its Director.

What if an emergency arises—such as a large-scale war or severe economic crisis—which absolutely requires spending beyond the revenue level?

In that case—in that emergency—a resolution passed by no less than two-thirds of each House of Congress may suspend the limitation, but only to the extent necessary to meet that particular emergency and only for that fiscal year within which the resolution was passed. If the suspension is to be continued beyond that fiscal year, the Congress must pass a new resolution allowing it. A vague, general, "times-are-tough" emergency resolution would not be allowable.

It should also be made clear that the powers of the House Committee on Ways and Means and the Senate Committee on Finance as to substantive tax reform are not impaired by this bill. Within the overall revenue limitation, those committees can carry out any degree of tax reform deemed necessary—increase certain taxes, reducing others—eliminating old taxes, impose new ones. The only limitation required by this bill is one placed upon the Congress and that is that the total revenue collection not exceed that percentage established in relation to aggregate national income for that period.

Is this revenue and budget outlays ceiling, as proposed here, a scheme devoid of support by economists? Not in the least.

Paul W. McCracken, Edmund Ezra Day professor of business administration at the University of Michigan and former Chairman of the President's Council of Economic Advisers, stated:

> While I have resisted the idea of arbitrary limits on public spending, I have also reluctantly concluded that they may be necessary.

Prof. C. Lowell Harriss of Columbia University and the president of the National Tax Association and Tax Institute of America offered the following personal comments:

> More than normal restraints are appropriate in protecting individuals year in and year out. Experience, the record, must confirm the conclusions about the wisdom of restraining the growth of spending. . . . Federal Government spending is already huge by any reasonable criteria . . . [If the bill were enacted] Centralization would not be allowed to grow as it has. Freedom to use State-local government would remain. In a basic sense, I would argue, the proposal would enhance freedom, opportunity, and the fundamentals of humanism.

Additional individual and personal support has also been received from Prof. Milton Friedman of the University of Chicago, the former president of the prestigious American Economics Association and a member of the research staff of the National Bureau of Economic Research; from Prof. Murray L. Weidenbaum of Washington University in St. Louis, a former member of the Council of Economic Advisers and a former Assistant Secretary of the Treasury; from Prof. James M. Buchanan, the director of the Center for the Study of Public Choice of the Virginia Polytechnic Institute; and from the noted economic columnist, Henry Hazlitt.

CONTROL OF THE GROWTH IN THE MONEY SUPPLY

When money is printed and there is no increased productivity to stand behind that new money, it robs each of us that holds a dollar of some of its purchasing power.

The short term gains of pumping more money into the economy—which is principally a device allowing Government to pay for much of its debt without borrowing funds for it—produce long-term losses for us all. We are each a little poorer when new money is printed and no productivity accompanies it.

The Board of Governors of the Federal Reserve System now has the power to issue new money supply. Congress gave it that power long ago. It was a mistake.

When new money supply is kept at about 4 or 5 percent, it is at least manageable—even though it still contributes to inflation. But, when that new supply is up around 8 or 9 or even more of a percentage, it results in the 11, 12, 13, even 14 percent inflation we have been experiencing. The charts are clear on this phenomenon; the increase in money supply produces an increase in prices. There is a direct, commensurable correlation between additional money supply and higher prices.

Title II of the Fiscal Integrity Act provides that the Board of Governors of the Federal Reserve System must keep additional issuance of money at no more than 1¼ percent per fiscal quarter during ordinary times and 1½ percent per fiscal quarter during extraordinary times—with Congress having to specifically act upon allowing that 1½-percent level.

The Board can tie the issuance of new money directly to national productivity, if it is less than either 1¼ or 1½ percent per fiscal quarter, because the bill does not require any new issuance of money at all, if the Board is so inclined. This allows the use of absolute monetarist theory or the use of reasonable, manageable increases in supply beyond present productivity, but it does not allow for excessive issuance.

As a matter of both philosophy and theoretical economics, I do not believe there should be an additional increase in the money supply which is not coupled with a like increase in national productivity. That is the only way to insure that the printing of additional new money will not contribute to inflation.

We do not, however, live today under either normal or particularly healthy economic conditions. To insist that we immediately require by law that increases in the money supply be coupled with productivity is to put an additional pressure, potentially counterproductive at this time, upon the economic recovery capabilities we now have. It would switch us from one policy immediately 180° in favor of another. I think that would be too drastic and would incur too many risks.

We should, therefore, take a halfway step, and that is what title II of the Fiscal Integrity Act is. It is a step in the right direction but one which would not require an immediate and total reversal in prior policy. As a step in the right direction, once we have reached a stage of economic recovery adequate to take the other step without running unnecessary economic risks, then we can amend the law to do so.

ADDITIONAL FISCAL DISCLOSURE REQUIREMENT

The Congress has taken an important first step—in the enactment of the Budget Report Act—toward reestablishing its authority with respect to the preparation of the budget for the Government. The motives which underlay the enactment of that act are praiseworthy. Let us hope that the Budget Reform Act does work, and if it does not, as enacted, let us hope we will move quickly to rectify its weak provisions.

An important aspect of *budget control* was left off the Budget Report Act as it worked its way through Congress. I speak of a requirement that each bill introduced or reported—which would authorize the expenditure of money—contain at the bottom of the first page of that bill the exact costs of implementing its provisions.

Let us be frank with ourselves. Too many bills are introduced without any real knowledge—even among its sponsors—of the total eventual costs of implementing its provisions, if enacted.

I think it would make all of us stop and think twice about introducing a bill to expand an existing—or enact a new—program, if we knew how much it would cost the taxpayers. As this initial level, this first step, in the process of how our laws are made, it would be a good thing for us to require, of each other and of ourselves, to disclose how much these bills would cost the taxpayers.

Similarly, title III of my bill would require a bill which would save money to show how much money would be saved.

Title III establishes a fairly simple procedure for obtaining the figures for these fiscal notes, one which ought to be able to be done with existing staff of the departments and agencies.

TEXT OF THE PROPOSAL

Mr. Speaker, the full text of the bill follows:

THE FISCAL INTEGRITY ACT

A bill to reestablish the fiscal integrity of the Government of the United States and its monetary policy, through the establishment of control, with respect to the levels of its revenues and budget outlays, the issuance of money, and the preparation of the budget, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fiscal Integrity Act".

FINDINGS

SEC. 2 (a) The Congress hereby determines that—

(1) it is the joint and several responsibility of the legislative and executive branches of the Government of the United States to reestablish the fiscal integrity of the Government through the establishment of requirements that budget outlays not exceed revenue, that the issuance of additional money not contribute to inflation, and that each such branch have adequate capability to

prepare the budget of the Government in a manner to insure the reestablishment and maintenance of such fiscal integrity;

(2) the Government has been, and is now, making budget outlays for nontrust budget items in excess of revenues received from all nontrust sources;

(3) such existing fiscal policy has resulted in substantial borrowing by the Government from both public and private sources, an increase in the public debt of the Government and the interest payments required to carry such debt, and an increase in the issuance of additional money;

(4) such deficit spending has contributed to inflation in the economy and an attendant lessening of the value of the dollar in terms of its ability to purchase goods and services in both domestic and foreign markets;

(5) allowing the continuation of policies and activities which lessen the fiscal integrity of the Government is detrimental to the general welfare of the people and ought, therefore, to be ended.

TITLE I—REVENUE AND BUDGET OUTLAYS CONTROL

SEC. 101. (a) There is established for each fiscal year a revenue and budget outlays limit for the Government. Budget outlays shall consist of the total of expenditures and net lending of funds under budget authority. No appropriation shall be made for any fiscal year by the Congress in excess of the revenue and budget outlays limit for such fiscal year.

(b) If during any fiscal year the revenue of the Government exceeds the limit established by subsection (a) of this section, the amount so in excess shall be used for the payment of the public debt of the Government.

(c) The revenue and budget outlays limit for each fiscal year shall be the amount derived by multiplying the estimated aggregate national income for such fiscal year by the Federal revenue factor for such year.

(d) For the fiscal year beginning more than one hundred and eighty days after the date of enactment of this Act, the term "Federal revenue factor" shall mean the number derived by dividing the estimated aggregate revenue of the Government for the preceding year by the aggregate national income for such year, reduced by 0.025 per centum.

(e) For each of the following years, the term "Federal revenue factor" shall mean the number equal to the Federal revenue factor for the preceding fiscal year; except that for each of the twenty fiscal years beginning after the fiscal year to which this Act shall first apply, such term shall mean the number equal to the Federal revenue factor for the preceding fiscal year, reduced by an additional 0.0025 per centum.

(f) The limitations, determinations, estimates, and calculations required to be made by subsections (a), (c), (d) and (e) of this section shall be made by the Congressional Budget Office, acting through its Director.

SEC. 102. Upon an emergency, determined by a resolution passed by at least two-thirds of each House of Congress, the provisions of section 101 of this Act may be suspended, but only to the extent necessary to meet such particular emergency, and in no event shall such suspension apply to any fiscal year other than that fiscal year in which the resolution determining the existence of such emergency was passed.

SEC. 103. The provisions of this title shall apply to fiscal years beginning after the one hundred and eighty day period following the date of enactment of this Act.

TITLE II—MONETARY SUPPLY CONTROL

SEC. 201. (a) In carrying out its functions under section 324 of the Revised Statutes and under the Federal Reserve Act, as amended, the Board of Governors of the Federal Reserve System shall insure that any rate of increase in the amount of currency in circulation and demand deposits is not greater than 1¼ per centum per quarter fiscal year.

(b)(1) Notwithstanding the provisions of subsection (a) of this section, upon a finding and a report to the Congress by the Board of Governors of the Federal Reserve System that an extraordinary economic condition exists, the Board may exercise its functions so as to insure that the rate of increase in the amount of currency in circulation and demand deposits is not greater than 1½ per centum per quarter fiscal year during any fiscal year following the end of the first sixty days of continuous session of the Congress after the date on which the report is transmitted to it unless, between the date of the report and the expiration of the sixty-day period, either House passes a resolution stating in substance that it does not agree with the findings of the Board.

(2) For the purposes of paragraph (1) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day period.

(3) The provisions of sections 910 through 913 of title 5, United States Code, shall apply to the procedures applicable to the consideration of any resolution of disapproval under this subsection.

TITLE III—FISCAL DISCLOSURE

SEC. 301. A bill or joint resolution of a public or private character which has been introduced in either House of Congress or received by it from the other House shall be printed only when there appears at the bottom of the first page thereof a fiscal note. Such fiscal note shall state the amounts estimated to be the direct and indirect costs likely to be incurred or the direct and indirect savings likely to be achieved in carrying out the provisions of such bill or joint resolution in the fiscal year in which it is introduced or received and in each of the five fiscal years following such fiscal year, or for the authorized duration of any program authorized by such bill or joint resolution if less than five years, except that in the case of measures affecting revenue, the fiscal note shall state only the estimate of the change in revenues for a one-year period.

SEC. 302. (a) A copy of each bill or joint resolution required by section 301 to have printed on its first page a fiscal note shall, upon introduction or receipt, be transmitted immediately to the instrumentality of Government which will carry out the provisions of such bill or joint resolution.

(b) Not later than seventy-two hours following the receipt of any bill or joint resolution transmitted under subsection (a) of this section, such instrumentalty shall transmit the text of the fiscal note for that bill or joint resolution to the Public Printer for printing by him.

(c) If a Member of Congress notifies the instrumentality of government which will carry out the provisions of the bill or joint resolution that he intends to introduce a bill or joint resolution required under section 301 to be printed with a fiscal note, and submits a copy of the bill or joint resolution to such instrumentality, such instrumentality shall provide such Member with the text of the fiscal note for that bill or joint resolution. Such fiscal note shall be placed at the bottom of the first page at the time of introduction. A copy of any bill or joint resolution introduced with a fiscal note in accordance with this subsection shall be transmitted to the Public Printer for printing, and the provisions of subsections (a) and (b) of this section shall not apply to any bill or joint resolution so introduced.

SEC. 303. A bill or joint resolution ordered reported by a committee of either House which authorizes a budget outlay shall be printed only when there appears at the bottom of the first page thereof a fiscal note consistent with the requirements of, and prepared in a manner consistent with, sections 301 and 302 of this title.

CALL FOR ACTION

Mr. Speaker, I believe more effective revenue and budget outlays ceilings and improved monetary supply oversight by the Congress are ideas whose times have come. It is the only way to stop the growth of the Federal Government in relation to the people's livelihood.

I believe—and I think I speak for those who have joined with me in the sponsorship of this Fiscal Integrity Act—that whether these proposals are enacted this year, or at some subsequent point, they will be enacted. For if we do not, we run the risk of destruction both of our free enterprise economy and our political and economic freedoms. When those two alternatives are set forth, I see no way in which to go but to opt for freedom.

I ask the Committee on Ways and Means, to which the bill was referred by the Speaker, to consider this matter as it weighs measures to bring our spending and inflation under control.

It seems to me that when as many Members as this—Democrats and Republicans, liberals and conservatives, traditionalists and libertarians—join in the sponsorship of a measure that it warrants the consideration of the House. This is particularly true during this time when there is a growing recognition among the people—manifesting itself more and more in both the executive and the Congress—that Government spending and inflation must be brought under more effective control. That level of spending demands ever-increasing tax burdens from an already overtaxed people, and it contributes mightily to the spiraling inflation we are experiencing.

This bill should become law. We would all be better for it.

SELECT COMMITTEE ON AGING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, I lend my support to the proposal being made in the House of Representatives to reform and restructure our committee system. In particular, I would like to endorse legislation to create a Select Committee on Aging.

As a member of the Republican Task Force on Aging, which has only the power to make recommendations, I am acutely aware of the need for a permanent committee in the House which will deal solely with the problems affecting our older Americans. Presently, we have several committees which handle legislation pertaining to the elderly, but with the gaps and overlapping jurisdiction which have resulted, we only shortchange our older Americans in not being able to conduct extensive research or develop the most effective legislative solutions.

The elderly comprise approximately 21 million people in this country and face increasingly difficult and unique problems in areas of employment, housing, pensions and meaningful use of retirement years. And, of course, the root cause of many of these problems is our cruel, pervasive inflation which has hit the elderly especially hard. Almost daily they face increasing costs for their basic necessities such as food, clothing, and medical care and for those, in particular, who are on fixed incomes, this is proving to be an onerous and intolerable burden. It is time for the House of Representatives to make a strong commitment to our older Americans. They are not to blame for our present high cost of living and I feel it is up to us to take responsible and decisive action in giving them the special attention they need and deserve.

The establishment of a Select Committee on Aging is an essential first step if we are to meet our responsibility and I urge my colleagues to approve this legislation.

NEED FOR COMMITTEE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. RAILSBACK) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, one of the most important pieces of legislation in the 93d Congress is before us this week, and I would just like to add my full support to the so-called Bolling report.

We are all aware of the numerous organizational problems facing the Congress. Not since 1946 has there been any significant reform, and yet there have been jurisdictional disputes, ineffective oversight, proliferation of subcommittees, uneven workloads, and procedural problems in the area of proxy voting, conferee selection, and subpena powers.

The work of the Bolling committee marks the first effort to combat such problems. Their report—a bipartisan package of proposals—was based on nearly a year and a half of extensive study and deliberation, and was unanimously approved by the Select Committee on Committees this March.

I urge that we wait no longer to approve the Bolling report. It is certainly a logical followup to our earlier action of establishing new budget committees to revamp our budgetary and appropriations procedures. Such reform could also go a long way in helping restore the American public's confidence in this Government institution.

Mr. Speaker, these points were clearly articulated in a memorandum by Ruth Clusen, president of the League of Women Voters. Because our thinking is much the same on this very important issue and because I believe it will be of assistance to my colleagues in determining their votes, I include the memorandum to be inserted in the RECORD immediately following my remarks:

MEMORANDUM

THE LEAGUE OF WOMEN VOTERS
OF THE UNITED STATES,
September 10, 1974.

From Ruth C. Clusen, President.

Re Recommendations on House Committee Reform.

The League of Women Voters of the United States urges the House to carry through to final adoption the reform of its own committee system—a process begun when it established the Select Committee on Committees and appropriated $1.5 million to it for the purpose of developing recommendations for reorganization of the House committee system. House members should approach this challenge in the same spirit of objective examination and determination to complete a difficult and sensitive job that was displayed by the Judiciary Committee in its pursuit of the impeachment inquiry.

Adopting general committee reform is a logical follow-up of action the House took in establishing the new Budget Committee and in revamping budgetary and appropriations procedures. Polls now indicate that confidence in Congress, even though still far too low, is increasing. Now is the time for the House to build on that upbeat feeling and take another step to put its own house in order. The options in the Bolling and Hansen resolutions present some practical opportunities for furthering the process of committee reorganization and reform and thus strengthening Congress.

League concern in this issue stems from a membership position adopted in 1972. In a nutshell, members agreed that Congressional structure and procedures must be characterized by accountability, representativeness, improved capability for decision making and effective performance. Committee structure and procedures are central to continuing improvement of Congress' capacity to meet those standards. For that reason we support committee reorganization which would:

Simplify and clarify committee structure;

Make committee jurisdictions more rational and more in tune with contemporary needs and realities;

Make membership on committees more representative of diverse interests;

Open up committee procedures and make committee information and resources more readily accessible to the public;

Strengthen committee membership and staff capacity for independent research.

To those ends we submit for your consideration the following League proposals relative to action on the Bolling and Hansen resolutions:

1) *The end goal we want* for this session is adoption of the Bolling resolution modified by adoption of amendments to incorporate aspects of the Hansen plan. These modifications are outlined in the green sheet attached.

2) *Steps necessary to attain that goal are:*

A House vote to adopt the open rule;

A House vote to reject a motion to substitute H. Res. 1248 (or any other proposals) for H. Res. 988;

House votes to amend H. Res. 988 to incorporate certain proposals from the Hansen plan;

A final House vote to adopt the amended Bolling proposal.

ANTICONSUMER GROUP RATES CONGRESS ON SUPPORT OF BIG GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 20 minutes.

Mr. ASHBROOK. Mr. Speaker, a number of very narrow special interest groups compile ratings of how Members of Congerss vote on issues before this body. One group, the Consumer Federation of America—CFA—rates Congressmen in its own words, according to "the best interests of consumers." An examination of the issues that this group has chosen makes one wonder if they are proponents of the consumer or proponents of big government, bigger bureaucracy and greater spending.

We have in recent years seen a spate of these undemocratic, irresponsible organizations which purport to speak for senior citizens, the environment and consumer interests. They are, in great measure, an outgrowth of the Ralph Nader approach. I have made an effort on a number of occasions to get their memberships and see just how many people they represent. More often than not, they are small, one-room type outfits with only a handful of people involved. They say they represent the senior citizen, the consumer and the environment but are usually self-appointed and self-perpetuating. They favor big government and the regulation and strangulation of business, which hurts all of us.

I call them undemocratic because they have little if any grassroots support. Yet, they issue ratings of the Congress and these are picked up by the papers which report that Congressman X voted for or against the consumer, the senior citizen or environmental interests. For my part, I disagree with them, their objectives and their tactics. It is little wonder they rate me low. I rate them even lower. The public should give them no rating at all.

A good look at the Consumer Federation of America illustrates. They recently rated the Congress on a few votes. No one seems to know much about them. Who are they? Who and where is their membership? Who makes the decisions? Let us look at the 13 issues they chose to get an insight into how they operate.

First. An amendment to H.R. 9989—real estate settlement procedures: This amendment would have retained a provision in the 1970 law regarding Department of Housing and Urban Development control over real estate closing costs.

Assistant Secretary of HUD Sheldon Lubar has testified that Federal control of closing costs would result in a "new and extensive rate-regulating bureaucracy" which would have "very high administrative costs, widely out of proportion to the benefits that would be received by consumers." Even a representative for Ralph Nader's Public Citizens Projects has stated:

> I oppose the creation of a permanent agency to establish maximum costs applicable to all or almost all transactions. Once such bureaucracies get started they have a way of hanging on forever.

I voted against the amendment and thereby against the Consumer Federation's position on this issue thus incurring their wrath. I opposed it because its passage would only lead to creation of another bureaucracy with greater Federal spending. On this issue the interests of consumers, or by another name—taxpayers—are served by economy in Government.

Second. Amendment to H.R. 15472—agricultural, environmental, and consumer protection appropriations: This was an amendment which would have done away with restrictions on the Federal Trade Commission in that agency's use of information. The Consumer Federation states:

> A yes vote is the right vote for consumers.

The issues involved in this vote dealt with the questions of privacy for confidential information provided by individuals or businesses and with keeping certain controls on the Federal Trade Commission. To classify it as an important consumer vote seems to be somewhat farfetched. I would classify a vote against the amendment as a vote for keeping controls on bureaucratic agencies and limiting bureaucratic power.

Third. An amendment to H.R. 5529—motor vehicle and schoolbus safety amendments: Congressman WYMAN offered an amendment that removed the requirement for the interlock ignition system and sequential warning system in automobiles. Seatbelts and shoulder harnesses will still be required. In opposing the amendment, the Consumer Federation maintained:

> The consumer should not be required to pay extra for basic safety equipment.

The Wyman amendment, which the federation opposed, did not provide for consumers to pay extra for safety equipment. It did the exact opposite. The interlock system and the various assorted buzzers have added dollars to the cost of each new car. The removal of these requirements, while keeping seatbelts and shoulder harness, will make the costs involved optional to the purchaser. The purchaser will decide for himself or herself if he or she wants the various gadgets. A vote for the Wyman amendment was not, as the Consumer Federation said, a vote against consumers, but a vote for consumers and individual choice.

Fourth. Amendment to H.R. 12993—broadcast license renewal: The Consumers Federation opposed an amendment which increased the license period from 3 to 5 years for broadcasting stations. I supported the extension because the present 3-year period works a particular hardship on the small radio station. While large stations have the money, attorneys, and backup forces to handle license renewal every 3 years, the small station is faced with a large burden. I do not think it is in the interests of the consumer or the country to make it more difficult for the small radio station to stay in business. The extension of licenses from 3 to 5 years is an overdue reform which the Consumer Federation opposed.

Fifth. Amendment to H.R. 13113—Commodity Futures Trading Commission: This amendment was somewhat of a complicated one which would have made the Commissioners full-time employees of the Commission rather than citizens serving in a part-time capacity. In explaining the amendment, the federation stated in part, "that the fifth member, the Secretary of Agriculture, not be appointed chairman of the body." What all this has to do with consumers is open to some question. But on top of the questions raised, the federation's analysis at the minimum is misleading in what the amendment would have done if passed. The amendment did not prohibit the Secretary of Agriculture from becoming chairman.

Sixth. An amendment to H.R. 13163—Consumer Protection Agency: The federation opposed the amendment. In my opinion, this amendment, limiting the Consumer Protection Agency's authority to seek judicial review is necessary to prevent disruption and uncertainty in our Federal regulatory agencies. The CPA would have legal authority to intervene as a full party in departmental or regulatory agency proceedings. Even after a final decision had been rendered by such an agency, the CPA could appeal the decision to the courts. Without this amendment we are left with an absurd situation where a final decision of a department or regulatory agency is really not final until the CPA decides to forego taking the matter to court. Thus, one agency of Government would be taking other agencies of Government to court. To me, this seems a bureaucrat's dream to guarantee more make work bureaucratic jobs.

The Federal regulatory agencies were established by Congress to regulate matters within their jurisdiction. Let the regulatory agencies do their job. We should not turn over final decision-making to the CPA and the already overcrowded courts. It will only mean more Government redtape and more delay.

Seventh. An amendment to H.R. 13163—Consumer Protection Agency. The Federation opposed this amendment to put certain restrictions on this proposed new agency. The legislation already allows the Consumer Protection Agency to initiate judicial review when it has not participated in the regulatory agency's deliberations and final judgment. This is an almost unparalled right. This amendment would require the CPA to bear the burden of proof that it is in the interest of justice to initiate judicial review when it has not been a party to the original proceeding. Otherwise this new agency—if it did not like what the other regulatory agency decided after weighing all the evidence—could second-guess the agency and challenge the decision in court, whether or not there was a real grievance.

Eighth. H.R. 13163—Consumer Protection Agency. The Federation also used final passage of this measure as one of the votes for its ratings. Although consumer protection is a worthy goal, the problems created by this bill far outweighed the benefits. It would increase Government control over private businesses. It also would establish another clostly Federal agency with broad powers over business and industry.

In addition, it would disrupt the work of the Federal regulatory agencies. The CPA is empowered to intervene in departmental or regulatory agency proceedings. Even after a final agency decision, the CPA could challenge the decision in court. Our free enterprise system would be burdened with one more layer of redtape and Federal bureaucratic control.

Ninth. S. 2589—National Energy Emergency Act. The CFA opposed the deletion of a provision authorizing a rollback in the price of domestic oil. While a legislated rollback in prices sounds good, in practice it would have resulted in further dependence on foreign oil at higher prices and would have worked against American self-sufficiency in energy.

The CFA analysis states "that consumers would be forced to pay higher prices while windfall profits went to the industry." The rhetoric is impressive but misleading. The provision that the CFA wanted retained did not deal with windfall profits. I supported efforts to stop excessive profit-taking by oil companies. The section that CFA is using in their vote tally has nothing to do with windfall profits and should not be so confused.

Tenth. S. 2589—National Energy Emergency Act. The CFA thought another vote on this bill of importance. The provision of concern to CFA was one giving the President authority to impose gasoline rationing on all Americans. The CFA is in favor of gasoline rationing.

I was opposed to gasoline rationing then and am now. Rationing would not lower prices, nor provide more gasoline. It would have set up more government bureaucracy and regulations.

Eleventh. S. 2589—National Energy Emergency Act. Once again CFA counted a vote on the same act in their totals. It contained the two provisions discussed previously plus a $500 million increased authorization for the unemployed.

Anyone who opposed gasoline rationing and the other provisions previously discussed also would be opposed to final passage of the bill. I certainly did.

Twelfth. An amendment to H.R. 11793—Federal Energy Administration. This amendment was another price rollback amendment. The same as the language already found in a section of S. 2589 which was note No. 9 above. Thus, the Federation counts twice what in fairness is the same vote.

Thirteenth. H.R. 13834—Standby Energy Emergency Authorities Act. The Federation chose a motion to suspend the rules which would have brought the bill to the floor. This bill contained rollback provisions, authority for rationing, and other items found in the National Energy Emergency Act. Rationing would have necessitated the growth of greater bureaucracy. In actuality this vote was a repeat of other votes the Federation already included in their rating. The result is to make Members of Congress who oppose such things as rationing to appear to be against consumers. The question of rationing was involved in almost one-third of the votes that the Federation chose to base their ratings on.

After analysing the votes chosen, it appears that the Consumer Federation of America equates consumer interests with that of greater governmental expenditures, larger governmental bureaucracy, and more governmental regulation. While the Consumer Federation gave much attention to energy votes, the votes were basically the same ones—gasoline rationing and rollbacks. These two issues are involved in 5 of the 13 votes that were chosen. The Consumer Federation gave no thought to votes on measures designed to increase our energy sources, to do research on possible new energy sources, nor to make the United States self-sufficient.

Rather, the Federation supported efforts which would make our energy shortages worse and make our reliance on foreign sources of energy greater. This may be to the benefit of foreign governments but I fail to see how it benefits the American consumer. Nor do I see how a constant call for more government expenditures, bureaucracies and regulations necessarily aids the consumer or the taxpayer who are usually the same individual.

Mr. Speaker, the Consumer Federation

of America does not speak for the consumer. The consumer has had it with big government, higher and higher taxes and escalating inflation. This very liberal so-called consumer organization advocates the type of regulation and strangulation which has destroyed jobs, ruined business, and made the United States fall behind as an industrial power. I am proud that they rate me zero.

SANDMAN SURVEY SHOWS IMPACT OF INFLATION ON ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. SANDMAN) is recognized for 10 minutes.

Mr. SANDMAN. Mr. Speaker, soaring inflation and high taxes are having an increasingly devastating impact on the lives and incomes of older Americans in my congressional district and throughout the Nation.

Specific proof of that fact in heretofore unavailable numbers, percentages, and other statistics, is now available as a result of a comprehensive "Survey of Older Americans" just completed in the Second Congressional District of New Jersey.

Nearly 35,000 citizens who are over 65 years of age participated in this survey, conducted both door to door and by mail with the help of my entire staff and some 830 volunteer survey-takers during this past summer.

While I was hopeful that more of the estimated 75,000 senior citizens in my congressional district would have participated, the 45.5 percent who did have made this now-completed survey easily the largest and most comprehensive survey ever conducted on the needs and financial status of older Americans.

This new data not only confirms what we have all suspected as to the dire straits many of our senior citizens are in today, but some of the alarming information gleaned from these survey results point to specific problems that need prompt solutions by Congress and other branches of the Federal Government.

For example, Mr. Speaker, property taxes and the Federal income tax are taking an inappropriate percentage of the incomes of the elderly—too great a bite from their normally low, fixed retirement incomes. We must provide tax relief for these citizens. They have paid their share of the bills over their years as taxpayers. They have earned relief from such overburdening taxation.

Another alarming aspect of this survey's findings is the clear indication that too many needy older Americans are not taking advantage of existing, established programs designed to help them.

According to the results, only 49.5 percent of the elderly homeowners are taking advantage of the New Jersey senior citizen deduction from their property taxes. I estimate from these figures that there are some 10,000 older Americans who are eligible for the deduction, but who are not taking advantage of it. They are overpaying their taxes as a result.

Also, only 62.5 percent of this huge sampling of senior citizens are taking advantage of medical benefits under medicare and medicaid. Nearly all of them are eligible for those benefits and no doubt need them, too.

Participation in various other public services is also very low, Mr. Speaker. For the entire Second Congressional District, homeowners take advantage of the following services in low numbers: Supplemental security, 5.4 percent; public assistance, 4.6 percent; food stamps, 4.8 percent; public disability, 6.6 percent; and all other probrams combined, 6.6 percent.

It is very obvious to me at the outset that a much better program of public education and outreach is essential to acquaint those who need help with the programs that are available and how they can secure those benefits.

DISTRICT RESULTS

A summary of the survey results for the entire congressional district follows for the nearly 35,000 homeowners who participated: 75.1 percent of the older Americans own their own homes; 71.5 is the average age of those participating in the survey; 1.7 is the average number of persons in each household; 63.4 is the average age of "other" persons in the households; 87 percent consider themselves "retired"; 10 percent of those over 65 are employed; 86.6 percent receive social security payments; 43.2 percent receive private pensions; 56.8 percent have no other income than social security; pensions received average only one-third of the worker's last salary before retiring; $4,605 is the average total income for older Americans who reside in the Second Congressional District of New Jersey; $12,764,350 is the projected amount of real estate taxes paid annually by elderly homeowners in the Second District—$585 average; and $12,225,117 is the projected amount of Federal income taxes paid by older Americans in the district every year—38 percent pay such taxes at an average of $868.

BUDGET ITEMS

Mr. Speaker, one of the most complicated and difficult sections of the survey asked participants to assign a percentage to what they annually spend on various budget items.

Of the 62 percent who answered this question, the following average district budgets on both a household and individual basis have been determined:

TABLE I.—HOUSEHOLD AND INDIVIDUAL BUDGETS

	Annual	Monthly	Weekly	Daily
HOUSEHOLD BUDGET				
Housing and utilities	$1,013.10	$84.42	$19.50	$2.78
Food	1,293.40	107.78	24.87	3.55
Taxes	572.85	47.74	11.02	1.57
Medicine and insurance	506.55	42.21	9.75	1.39
Clothing	368.40	30.70	7.08	1.01
Miscellaneous	644.70	53.72	12.40	1.77
INDIVIDUAL BUDGET				
Housing and utilities	595.94	49.66	11.46	1.64
Food	758.47	63.21	14.58	2.08
Taxes	460.50	38.38	8.85	1.27
Medicine and insurance	297.97	24.83	5.73	.79
Clothing	216.70	18.06	4.17	.60
Miscellaneous	379.23	31.60	7.29	1.04

Let me stress that these budget figures are averages. For example, some elderly citizens have more than $2.08 per day to spend for food, but others somehow manage to exist on less.

Awful as it sounds, this information is proof of the dire straits many of our older Americans find themselves in. Perhaps that $2.08 figure explains why only half of the pet food produced in the United States is consumed by animals. The rest, according to recent testimony before the Senate, is eaten by humans who lack the funds with which to purchase more substantial food.

INFLATION TARGET

While many in government, the media, and a large segment of the public were preoccupied with the Watergate scandals during this past year, my staff and I along with all those generous volunteers were busy collecting and tabulating the survey.

For many long months, certainly all of 1974, I have insisted that the single most important problem our Nation faces is inflation and what it is doing to our economy and our people.

Back in May, Mr. Speaker, I introduced H.R. 14977, a bill to provide property tax relief for low-income elderly homeowners through direct cash reimbursements from the Federal Government.

Called the Older Americans' Tax Savings Act of 1974 or OATS in short, the legislation was widely applauded for aiming at a very serious problem—the terrible burden property taxes are to many low income elderly homeowners. Initially, two dozen other Members of Congress cosponsored the legislation and numerous others endorsed it.

In the OATS bill, I estimated that in New Jersey, the average property tax paid by senior citizen homeowners amounted to $600, but there was no statistical proof. The survey shows the amount is $585.

If those eligible elderly homeowners take advantage of the State's senior citizens tax deduction, and only 62.5 percent do, then I estimated back in May that a Federal reimbursement of $40 per month or up to $480 per year would be sufficient to cover the unpaid balance of the average senior citizen's property tax bill to his municipality. These new statistics bear out that result too.

When the OATS bill was referred to the Ways and Means Committee, the most serious obstacle which I and other advocates of property tax relief have had was in proving the need and providing the necessary statistics to verify it.

Now, Mr. Speaker, we have the necessary facts in hand. They are accurate, they come from a very extensive sampling of our senior citizen population, and they are compelling.

I call upon the Congress, particularly those who will be returning for the 94th Congress, starting in January of 1975 to make provision for such property tax relief for eligible, low-income elderly homeowners a priority for our attention.

People over 65 have paid their share of the costs of educating America's young people, which is what the lion's share of their property taxes are used for in New Jersey. They paid their share during the years when they most likely had children who benefit from their tax payments.

Surely now that they have retired, now

that their own children have completed their schooling and have begun to pay property taxes on their own, these low-income elderly homeowners should be spared the continued burden of paying property taxes. I think so.

By granting nationwide property tax relief for senior citizens, a large percentage of their existing incomes will be freed so they can buy more and better food, clothing and other essentials. The results of this survey make it crystal clear that the need for such legislation exists.

And as each day passes, the situation gets worse, not better. We must act with dispatch.

A table follows:

OFFICIAL RESULTS OF THE 1974 "SURVEY OF OLDER AMERICANS" IN THE 2ND CONGRESSIONAL DISTRICT OF NEW JERSEY, CONDUCTED BY U.S. REPRESENTATIVE CHARLES W. SANDMAN, JR.

TABLE II.—COUNTY RESULTS AND DISTRICT TOTALS FOR ELDERLY HOMEOWNERS

	Atlantic	Cape May	Cumberland	Salem	Ocean and Burlington County, N.J.	District total
1 Average age	73.3	68.3	74.7	71.6	70.2	71.5
2 Sex of respondant (percent):						
(a) Male	59	58	62	54	76	64
(b) Female	41	42	38	46	24	36
3 Average number of residents in household	1.8	1.6	1.8	1.7	1.7	1.7
4 Average age of others who reside in household	63.9	64.8	60.1	63.8	65.5	63.4
EMPLOYMENT DATA						
5 Presently employed (percent)	7	2	19	19	4	10
6 Retired (percent)	96	83	81	80	94	87
7 Average annual salary at retirement	$9,731	$11,999	$6,070	$6,560	$9,476	$8,767
8 Now receiving a pension (percent)	36.2	51	22	46	61	43.2
9 Average amount of pension	$3,013	$3,551	$2,273	$2,937	$2,805	$2,942
INCOME AND TAXES						
10. Receiving social security (percent)	82.7	85	86	91	89	86.6
11. Average 1973 SS income	$2,416	$2,434	$2,392	$2,374	$2,683	$2,460
12. Average "Other" income	$2,592	$4,072	$3,319	$1,906	$2,784	$2,935
13. Average total income	$4,474	$5,383	$2,958	$4,705	$4,409	$4,605
14. Paying income taxes (percent)	22	42	22	43	43	34.8
15. Average payment to IRS	$704	$1,154	$1,170	$616	$697	$868
HOUSING AND TAXES						
16. Average assessed value of respondant's home	$15,693	$25,052	$17,342	$15,428	$23,406	$19,340
17. 1973 property tax paid	$585	$583	$655	$614	$491	$585
BUDGET ITEMS						
18. Provided budget figures (percent)	57.0	66	57	65	67	62
19. Averagefiguresoffered(percent):						
(a) Housing and utilities	24.0	20	23	21	22	22
(b) Food	29.0	23	26	27	34	28
(c) Taxes	17.0	16	20	19	13	17
(d) Medical and insurance	10.0	11	11	12	11	11
(e) Clothing	5.6	9	9	9	7	8
(f) Other	14.4	21	11	12	13	14
PUBLIC SERVICES						
20. Taking advantage of (percent):						
(a) Supplemental security	3	7	5	2	10	5.4
(b) Public assistance	5	3	3	2	10	4.6
(c) Food stamps	5	3	6	6	10	4.8
(d) New Jersey senior citizens deduction	50	29	61	36	57	50.5
(e) Medicare/medicaid	55	51	75	67	65	62.5
(f) Public disability	7	3	3	10	10	6.6
(g) Other	5	0	10	2	10	6.6

FOOD STAMP PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. McKINNEY) is recognized for 5 minutes.

Mr. McKINNEY. Mr. Speaker, today I have introduced a bill which would amend the Bolling Committee bill by keeping jurisdiction over our Nation's food stamp program under the House Agriculture Committee. The attempt by the Bolling recommendation to place the program under the jurisdiction of the Ways and Means Committee will I believe, ultimately result in the demise of a program which attempts to aid our working poor.

The proponents of the Bolling recommendation state that this program properly belongs under the Ways and Means Committee because the committee is responsible for overall jurisdiction of social security and public assistance measures. This statement is not accurate. It is true that the Ways and Means Committee has jurisdiction over the Social Security Act, however the committee by no means has jurisdiction over all public assistance measures. The Bolling committee's recommendations in dealing with other welfare programs illustrates the desire not to put all welfare programs under Ways and Means by placing food programs for children under the Education Committee and public housing assistance under the Banking and Currency Committee.

Furthermore, the social security and other welfare programs which are presently under Ways and Means are cash outflow programs, that is, programs which give direct monetary payments to their constituents. Food stamps, unlike the other welfare programs does not provide direct cash payments.

The food stamp program is not a general welfare program. Rather it provides assistance to the working poor. It is completely separate from social security. Even more importantly, the administration of the food stamp program should and will remain under the Department of Agriculture. The food and nutrition service of USDA handles all food assistance programs and has developed a working report with the Agriculture Department.

At a time when the Congress is attempting to reform its committee system to more efficiently deal with specialized problems it would be a mistake to give jurisdiction to a committee which is not the best equipped to deal with them. In this case the overpowerful and overworked Ways and Means Committee is not in a position to either deal more satisfactorily with the food stamp administration nor will this switch in committees benefit the House reform effort generally.

I therefore ask all my colleagues in the House to join with me in amending House Resolution 988, to keep food stamp jurisdiction under the Agriculture Committee. The result I am sure will be a more efficient and responsible public assistance program.

AMENDMENTS TO HOUSE RESOLUTION 988 OFFERED BY MR. MCKINNEY

Page 3, after line 10, insert the following new subparagraph:

"(11) Food stamp programs.

Page 21, lines 4 and 5, strike out "; and food stamp programs".

INNOVATIVE APPROACH TO TRANSIT PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRENZEL) is recognized for 20 minutes.

Mr. FRENZEL. Mr. Speaker, today I am cosponsoring legislation previously introduced by my distinguished colleague from Pennsylvania (Mr. MOORHEAD) titled the "Urban Mass Transportation Amendments of 1974." This highly innovative approach to our transit problem evolved out of extensive hearings which were held earlier this year by Mr. MOORHEAD as chairman of the Joint Economic Committee's Subcommittee on Urban Affairs. In my opinion this bill adopts by far the most enlightened approach to transit development of any proposal currently before the Congress.

I had expected there would be an opportunity to suggest this approach during Senate hearings on the House passed public works bill. So far the Senate has steadfastly refused to take it up. Yesterday the President urged the Senate to take the House public works bill off the table and complete action before adjournment. Whether or not the Senate agrees to this suggestion, I thought it might be useful to lay before the House some of the major differences between the Moorhead-Frenzel approach to the problem and the approach of the other major transit bills currently being discussed.

Let us look first at the $11 billion public works bill which passed the House. It suffers from three serious deficiencies. First, the big city bias built into the bill needs to be removed. As it now stands, 54 percent of the funds go to nine cities with only 33 percent of the urban population. This clear-cut inequity cannot be justified.

Second, we should drop those provisions in the bill which provide a strong incentive for cities to build obsolete fixed rail systems. These types of systems have performed miserably in the marketplace and should be discouraged rather than encouraged.

Third, and perhaps most important, the bill fails to provide any meaningful performance incentives to encourage greater efficiency in the operation of our debt-ridden transit systems.

The other major transit bill currently under consideration is S. 386, the Minish-Williams stopgap emergency legislation. This bill has undergone several revisions and in the latest version provides $600 million over a 2-year period for either capital equipment or operating assistance. The funds would be distributed on a formula basis weighted 50 percent on population and 50 percent on population density.

S. 386 is the worst of the proposals. It is an improvement over the Public Works bill only in the sense that it is less biased toward big cities and it contains no blatant fixed rail tilt. But it is a short-term answer to a long-range problem and it is totally devoid of any meaningful performance incentives. Furthermore it is less desirable than the Public Works bill in the sense that it contains no data gathering section. The need for more accurate, reliable and comprehensive transit statistics is critical. This is billed as emergency legislation but it is more likely to exacerbate the problem than effect a cure.

Since 1965 the Federal Government has provided $3 billion in transit aid and we have nothing but a declining transit market and soaring deficits to show for it. During this period patronage declined 22 percent while operating deficits in recent years have increased an average 33 percent each year. Unless we begin to change course, the future looks even bleaker. A recent study commissioned by Congress predicts a doubling of automobile trips in our major urban centers by 1990 if we fund the kinds of transit systems currently on the drawing boards. It is time to take a serious look at some new alternatives.

The Moorhead-Frenzel bill is designed specifically to accomplish what our national transportation policy should be all about—encouraging drivers to become riders at the minimum possible cost to the taxpayer. Our bill is a 5-year plan totaling $18 billion of which $15 billion is new money. A truly balanced transportation will not come cheap but it will never happen if we do not focus our attention on cost-effective alternatives.

The Moorhead-Frenzel bill would distribute $10.5 billion on a formula of 50 percent population and 50 percent work trips carried on transit. Two years into the program, a measure of transit's market share of total urban trips would replace the work trips portion of the formula. This would directly encourage local transit authorities to deploy the kinds of transit systems which people will be willing to ride. These funds would be available on a 70–30 matching basis for either capital equipment purchases or operating assistance.

The bill also contains a $5 billion categorical capital assistance program. This would give the Department of Transportation the means to help finance cost-effective transit proposals which are likely to reduce automobile congestion, minimize energy consumption and improve the quality of urban life.

The Secretary of Transportation would also have the authority to distribute $1.2 billion from a performance incentive fund to those urban areas with transit systems that demonstrate above average operating efficiencies. These funds could also be used for either capital or operating assistance.

Finally the bill would insure that accurate data would be gathered so that we can better gauge transit performance and more effectively structure Federal support. The information currently available is totally inadequate and helps to explain why current transit programs are so poorly focused.

All in all I believe this package provides us with the best hope for putting some balance back into the urban transportation market. I make no promise of miracle cures. But it is certain to produce more favorable results than have been predicted if we continue our current shotgun approach.

I hope the Senate will accept the President's suggestion, hold hearings, adopt cost-effective criteria and performance incentives and complete action this year.

EXCESSIVE BUDGET CUTTING TO FIGHT INFLATION IS BAD ECONOMICS AND BAD POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 30 minutes.

Mr. REUSS. Mr. Speaker, at the September 27–28 Summit Conference on Inflation, Congress was repeatedly admonished to slash Federal spending, to balance the budget or generate a surplus immediately, to rein in drastically Treasury borrowing and the borrowing of federally sponsored credit agencies.

The proponents of massive budget-cutting advance two arguments:

First. Federal expenditures, they say, are today the major cause of inflation, putting excessive demands on our economy's limited productive capacity. Federal spending, they claim, when added to the already heavy investment needs of business and essential consumer spending, runs our economic machinery at too fast a pace. We have to make massive cuts in Federal spending, the argument goes, to bring under control any time soon the double-digit inflation of this past year.

Second. Their second claim is that Treasury borrowing, plus the borrowing of the federally sponsored credit agencies, has caused today's high interest rates by putting heavy pressure on credit markets where funds are already scarce. Cutting Treasury borrowing by cutting spending, and clamping down on the borowing of the credit agencies, is advocated as the only way to ease credit market pressures and bring down interest rates.

True, there is a need to moderate Federal spending. In its "Action Program To Reduce Inflation and Restore Economic Growth," the Joint Economic Committee called for a $6 billion cut in the fiscal 1975 budget.

But is massive budget-cutting needed? Is a giant cutback in borrowing by federally sponsored credit agencies called for? Do these proposals bear any resemblance to what is actually needed to curtail inflation?

There are strong arguments for a more moderate and more responsible fiscal policy.

First, the Federal budget has ceased to be expansionary. During the second quarter of this year it has even moved into a small surplus.

Prior to 1973, as table 1 shows, excessive budget deficits contributed heavily to inflationary pressures. In 1970, the Federal deficit—on the national income accounts basis—was $12 billion. In 1971, it was $22 billion; in 1972, $17.5 billion.

But in 1973, when inflation really took off, the deficit fell to $6 billion. It fell further during the first quarter of this year to $1.5 billion at an annual rate, and during the second quarter we ran an anti-inflationary surplus of almost $1 billion at an annual rate.

Thus, during the past 18 months, the Federal budget has become *increasingly* anti-inflationary, without massive cuts in necessary spending programs.

When we add in the budget surpluses of our State and local governments, the deflationary impact of Government activity becomes even more pronounced. State and local governments have been running in the black since 1969. In 1970, 1971, and 1972, these surpluses were not sufficient to offset the Federal Government's deficits; the overall impact of Government spending was expansionary.

But last year and this, Federal, State, and local governments have run a combined surplus of about $3 billion annually. This is anti-inflationary. Taken together, these figures belie the contention that Government spending is contributing to our current runaway inflation.

Even more fundamental, however, is whether excessive demand, to which Government spending is held to contribute, is the cause of the current inflation at all. Have we been pushing too hard against the productive capacity of our economy?

Most economic indicators suggest just the opposite.

We have 4.9 million people unemployed today, people who are willing and able to work and who are actively looking for jobs. We have another 1.3 million people working only part-time, who would put in full workweeks if they could.

And we have much unused industrial capacity. During the first half of 1974, manufacturing plants were working at only 80 percent of capacity, compared with 90 percent during the prosperous years of 1965 to 1969.

Certainly, there are bottlenecks, particularly in raw materials, that have caused some prices to double and even triple during the past year. According to Federal Reserve data, many major raw material producers operated at more than 90 percent of capacity during 1973 and the first part of this year, with some industries such as paper and pulp, textiles, and petroleum refining working at more than 95 percent of capacity. Price rises in these industries have reflected this capacity scarcity.

Bottlenecks, however, should be treated specifically—through advance planning of capital needs and channeling of credit into productive capital investment. Let us not wreck the whole economy just to cure the ills of a few specific industries.

With high unemployment and large amounts of unused capacity in most industries, the costs of massive cutbacks in Federal spending far outweigh any possible benefits. Minor easing of inflation would yield large unemployment increases. Studies by the University of Michigan and Data Resources, Inc., have demonstrated that a $5 billion cut in Federal spending would cut inflation by only one-tenth of 1 percent, while leaving about 200,000 more jobless. Massive cuts would hurt even more.

A second argument against an excessively deflationary fiscal policy is that excessive corporation borrowing from credit markets, not Treasury borrowing, has been the thing forcing up interest rates.

From the figures in table 2, it is quite apparent that the yearly increase in Treasury borrowing from the public, while outrageously large 3 or 4 years ago, has recently fallen to zero. Specifically, in 1971—the year of a huge budget deficit— the increase in the Federal debt was $24.8 billion. In 1972, it was a little less, $15.3 billion, and even less in 1973, $7.9 billion.

For the first half of this year, in contrast, Treasury borrowing from the public actually decreased, by almost $3 billion.

Meanwhile, if you look at the borrowing by manufacturing, retail, and other nonfinancial corporations, there has been a huge increase. During 1968, 1969, and 1970, the year-to-year increase in the debt of these corporations was moderate—on the order of $30 to $40 billion each year. But recently it has skyrocketed. In 1972, it grew $55 billion; in 1973, it grew $67 billion. And for the first half of this year, it is already up by $38 billion, an annual rate of $76 billion.

When you look at total public and private debt—tables 3A and 3B—corporation borrowing, now more than $1 trillion, far exceeds Treasury borrowing. During the past few years, 1968 to 1973, the debt of corporations—banks, insurance companies, as well as manufacturing and other nonfinancial businesses—has been triple the Treasury debt, and has been growing faster. Since 1968, the Treasury debt has grown 20 percent, from $292 billion to $349 billion. By comparison, corporate borrowing has grown 76 percent, from $631 billion in 1968 to $1,111 billion in 1973.

It is this rapid growth in corporate borrowing that is forcing up interest rates and fueling inflation. This is the money that is bidding up inventory prices, bidding up raw material prices, bidding up real estate prices. This is the money that is going out of this country by the billions in order to take part in dubious foreign loans and in currency speculation.

It is foolish to knock ourselves out over a nonexistent increase in the Federal debt and continue to do nothing about this huge increase in corporate borrowing.

Nor should we clamp down hard on the borrowing and lending of the federally sponsored credit agencies to reduce interest rates. The federally sponsored credit agencies, to be sure, do borrow a good deal in the market. But, as table 4 shows, they promptly return it, supplying it right back to credit markets. This year they supplied even more than they borrowed, thus relieving rather than increasing pressure on credit markets.

What these credit agencies do is channel credit into priority sectors of the economy. The Federal National Mortgage Association, the Federal Home Loan Bank Boards, the Federal Land Banks, the Federal Intermediate Credit Banks, the Banks for Cooperatives, all use their borrowed funds to support housing, agriculture and other activities which do not receive adequate credit from banks and financial institutions. As Alan Greenspan, Chairman of the Council of Economic Advisers, said at the September 26, 1974, hearings before the Joint Economic Committee:

> The very purpose of those federally-sponsored credit agencies, which are largely, as you know, to support housing, is to move the mortgage instrument in a way higher up on the credit rationing crew, if you want to use those terms. And were those agencies not there, you will probably get less mortgages supplied in our system.

If we did curb the borrowing and lending of these credit agencies, there probably would be a reduction in the interest rates paid by some economic sectors, those already favored by banks—large corporations, real estate speculators, foreign currency speculators. But we would just compound the already impossible credit problems of low- and middle-income housing, small business, farms and other essential sectors. Let us not make this mistake.

There is an abundance of inflationary waste in the Federal budget. There is an abundance of inflationary waste in the private sector as well. We should search it out and pare it away wherever it occurs.

But we should not bludgeon the budget indiscriminately, cutting excessively the very social programs that do most to protect those most hurt by inflation—the unemployed, the poor, the aged, the residents of our afflicted inner cities. Which are better expenditures—social programs in the Federal budget, or the private expenditures that would expand with funds cut from the budget—is a matter of social priorities that should be decided independently of the fight on inflation.

Federal spending today is no longer the major cause of inflation. Excessive budget-cutting now would be bad economics and bad policy.

I include the following:

TABLE 1.—BUDGET IMPACT OF FEDERAL GOVERNMENT AND ALL GOVERNMENTS, 1968 TO DATE

Billions of dollars; seasonally adjusted annual rates, national income accounts basis]

Year	Federal Government surplus	State and local government surplus	Total Government surplus
1968	−6.5	−.3	−6.8
1969	8.1	.7	8.8
1970	−11.9	1.8	−10.1
1971	−21.9	3.4	−18.5
1972	−17.5	12.3	−5.2
1973	−6.1	9.6	3.5
1974 (I)	−1.5	3.4	1.9
1974 (II)	.9	1.9	2.8

Source: Board of Governors of the Federal Reserve, Division of Research and Statistics, Flow of Funds, seasonally adjusted, 2d quarter, 1974, p. 1.

TABLE 2.—COMPARISON OF ANNUAL NET INCREASE IN TOTAL BORROWING BY NONFINANCIAL CORPORATIONS AND THE U.S. TREASURY

[Billions of dollars; seasonally adjusted annual rates]

Year	Net increase in total borrowing from financial markets by nonfinancial corporations	Net increase in Treasury borrowing from the public
1968	31.5	
1969	38.9	−2.6
1970	39.5	11.8
1971	46.8	24.8
1972	55.3	15.3
1973	67.2	7.9
1974 (I)	77.4	[1] 3.3
1974 (II)	75.0	[1] −6.3

[1] Not seasonally adjusted: actual change in Treasury borrowing from the public during the quarter.

Source: Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds, seasonally adjusted, 2d quarter, 1974, p. 6. U.S. Department of Commerce, Bureau of Economic Analysis. Survey of Current Business, June 1974, p. 8.

TABLE 3A.—SECTORAL DISTRIBUTION OF NET PUBLIC AND PRIVATE DEBT

[In billions of dollars]

Sector	1968	1969	1970	1971	1972	1973	1974(II)
Total debt	1,582.5	1,736.0	1,868.9	2,045.8	2,270.2	2,525.8	NA
Total public	437.1	453.2	484.9	528.2	557.6	593.4	NA
Federal	291.9	289.3	301.1	325.4	341.2	349.1	346.1
Credit agencies	21.4	30.6	38.8	39.9	41.4	59.8	65.4
S. & L. Governments	123.9	133.3	145.0	162.4	175.0	184.5	NA
Total private	1,145.4	1,282.9	1,384.0	1,517.6	1,712.7	1,932.4	

TABLE 3B.—SECTORAL DISTRIBUTION OF NET PUBLIC AND PRIVATE DEBT

[In percent]

Sector	1968	1969	1970	1971	1972	1973
Total debt	100.0	100.0	100.0	100.0	100.0	100.0
Total public	27.6	26.1	25.9	25.8	24.6	23.5
Federal	18.4	16.7	16.1	15.9	15.0	13.8
Credit agencies	1.4	1.8	2.1	2.0	1.8	2.4
S. & L. Governments	7.8	7.7	7.8	7.9	7.7	7.3
Total private	72.4	73.9	74.1	74.2	75.4	76.5

TABLE 3A.—SECTORAL DISTRIBUTION OF NET PUBLIC AND PRIVATE DEBT—Continued

[In billions of dollars]

Sector	1968	1969	1970	1971	1972	1973	1974 (II)
Corporate	631.5	734.2	797.7	869.3	978.3	1,111.1	1,149.1
Individual and noncorporate	513.9	548.7	586.3	648.3	734.4	821.3	NA
1- to 4-family mortgages	246.5	261.5	278.9	305.2	339.8	374.6	NA
Consumer loans	110.8	121.1	127.2	138.4	157.6	180.5	NA

Source: U.S. Department of Commerce, Bureau of Economic Analysis. Survey of Current Business, June 1974, p. 8. Data for 1974 (II) computed from Federal Reserve Flow of Funds bulletins.

TABLE 3B.—SECTORAL DISTRIBUTION OF NET PUBLIC AND PRIVATE DEBT—Continued

[In percent]

Sector	1968	1969	1970	1971	1972	1973
Corporate	39.9	42.3	42.7	42.5	43.1	44.0
Individual and noncorporate	32.5	31.6	31.4	31.7	32.3	32.5
1- to 4-family mortgages	15.6	15.1	14.9	14.9	15.0	14.8
Consumer loans	7.0	7.0	6.8	6.8	6.9	7.1

Source: U.S. Department of Commerce, Bureau of Economic Analysis. Survey of Current Business, June 1974, p. 8.

TABLE 4.—NET INCREASES IN LENDING AND BORROWING BY FEDERALLY SPONSORED CREDIT AGENCIES

[Billions of dollars; seasonally adjusted annual rates]

Year	Net increase in lending (1)	Net increase in borrowing (2)	Excess of lending over borrowing (3)
1968	3.2	3.2	
1969	8.9	9.1	−0.2
1970	10.0	10.8	−.8
1971	3.2	3.3	−.1
1972	7.0	6.5	.5
1973	20.3	21.8	−1.5
1974 (I)	13.0	12.1	.9
1974 (II)	27.0	26.1	.9

Source: Board of Governors of the Federal Reserve System, Division of Research and Statistics, Flow of Funds, seasonally adjusted, 2d quarter, 1974, p. 7.

THE AMERICAN FILM INSTITUTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I am today introducing a bill which would authorize the American Film Institute as an independent Federal agency.

Joining me in sponsoring this measure, Mr. Speaker, are the gentleman from Kentucky, the distinguished chairman of the Committee on Education and Labor, Mr. PERKINS; the gentleman from Minnesota, the ranking minority member of the committee (Mr. QUIE), the gentlewoman from Hawaii (Ms. MINK), the gentleman from New Jersey (Mr. THOMPSON), the gentlewoman from Washington (Mrs. HANSEN), the gentleman from Washington (Mr. MEEDS), the gentleman from New York (Mr. PEYSER), the gentleman from Idaho (Mr. HANSEN), the gentleman from Connecticut (Mr. SARASIN), and the gentleman from Michigan (Mr. CEDERBERG).

A companion bill will be introduced in the other body by our distinguished colleague from Rhode Island, Senator CLAIBORNE PELL, chairman of the Special Subcommittee on Arts and Humanities.

Mr. Speaker, the American Film Institute—AFI—was created in 1967 by the National Endowment for the Arts, following a commitment made by President Lyndon B. Johnson when he signed the National Foundation on the Arts and Humanities Act of 1965.

Said President Johnson:

> We will create an American Film Institute, bringing together leading artists of the film industry, outstanding educators, and young men and women who wish to pursue this 20th century art form as their life's work.

I am happy to be able to report, Mr. Speaker, that the AFI has been admirably pursuing those goals under the direction of its capable and hardworking director, George Stevens, Jr.

AN AMERICAN ART FORM

Mr. Speaker, the purpose of the American Film Institute has been, and continues to be, to enhance the art of film and its role in American culture.

That filmmaking is today a worldwide enterprise is a fact in which this Nation can take justifiable and genuine pride.

That is why Charlton Heston, the distinguished 1958 academy award winner who serves as chairman of the board of the institute, last year told the Select Subcommittee on Education, which I have the honor to chair:

> If film is the art of our time, it is also the art of our country. American artists have contributed more significantly to world cinema than they have to any other art form.

And, he continued:

> The preeminent artists of American film significantly shape the work of the great filmmakers of all nations, while American financing and film technology remain dominant.

Concluded Mr. Heston:

> American films speak for our nation more clearly, communicate more tellingly than any ambassador we can send to the rest of the world.

A DEGREE OF RESPONSIBILITY

But, Mr. Speaker, with the pride that we take in this history comes a concomitant degree of responsibility to assure that the treasures of early film art are preserved, that new generations of Americans are given an opportunity to enjoy the best films of the past, and that new practitioners of the art are encouraged to improve their skills.

ACHIEVEMENTS OF THE INSTITUTE

And those are the responsibilities that the AFI has been taking seriously in the 7 years of its existence.

The Institute's activities have resulted in:

The preservation in the Library of Congress of over 9,500 American films—including the original negatives of "Birth of a Nation"—which might otherwise have been lost;

The completion of work on 2 volumes of a 19-volume catalog of American films;

The opening, in the John F. Kennedy Center for the Performing Arts, of the American Film Institute Theater, which shows American and foreign films, and provides lectures on the film art;

The establishment of the AFI Center for Advanced Film Studies, in Los Angeles, to provide training and stipends to talented young directors, producers, film writers, and cameramen.

I should note, also, Mr. Speaker, that the Institute has inaugurated the annual AFI Lifetime Achievement Award dinner, at which director John Ford was honored in 1973, and actor James Cagney was honored this year.

Finally, Mr. Speaker, I must point out that the Institute, with the cooperation of 4,000 theaters across the Nation, has arranged National Film Day as part of a major fundraising effort.

On National Film Day, part of the proceeds of cooperating theaters will be earmarked each year to support the Institute's programs. The achievements of the American Film Institute to date are, in my estimation, substantial. And they have been made possible by the active support of two Presidents, Congress, and the National Endowment for the Arts.

The private sector, also, contributes more than $1 million annually to the AFI as well as countless hours of professional talent.

UNREALIZED POTENTIAL

But, Mr. Speaker, the AFI's value to the country—to students, artists, and to millions of Americans who simply enjoy good films in theaters and on television—is potentially much greater than has been realized so far.

For example, Mr. Speaker, the Institute should be able to make its programs and educational services available to communities and schools throughout America.

It should assist efforts to produce films for patriotic, educational, and other public purposes—including films made to celebrate the 1976 Bicentennial.

In addition to its work in the preservation of early motion pictures, the Institute should be helping to preserve and house the landmark first films of television.

In brief, Mr. Speaker, the American Film Institute should become a readily available resource for every American interested in studying and advancing the art of film, as well as for those who want to enjoy and learn from the classic films.

INDEPENDENT STATUS NEEDED

But to achieve this potential, Mr. Speaker, the AFI must be afforded the status within the Federal Government commensurate with its promise and responsibilities.

For, unlike the vast majority of the enterprises supported by the National Endowment for the Arts, the Institute is a national institution with an impact on the entire range of the film art.

Other nations, Mr. Speaker, including Canada, Great Britain, and Sweden, have created government institutions to encourage the art of filmmaking.

And, as I have tried to suggest earlier in my remarks, such formal recognition of the value of the film art is even more appropriate in the United States.

The AFI, Mr. Speaker, must be established as an independent Federal agency designed to enrich America's consciousness of the historic contributions made by this country to the film art during the first three-quarters of the 20th century, and to promote the development of that art in the quarter-century to come.

THE PROPOSED LEGISLATION

Mr. Speaker, the bill we are introducing would establish the American Film Institute as an independent agency of the Federal Government.

The bill would also require that the Institute be directed by a Board of Trustees of 23 members.

The trustees would be made up of 7 ex-officio members of the executive branch, 4 Members of Congress, and 12 members appointed by the existing AFI Board.

I believe, Mr. Speaker, that the stipulated composition of the Board of Trustees will help maintain and increase the flow of private sector contributions to the American Film Institute and, at the same time, ensure that the Institute is responsive to the needs and policy directions of Federal officials.

Mr. Speaker, the Board of Trustees would be authorized to:

Maintain the present conservatory of advanced film studies;

Preserve older films;

Publish scholarly works on the art of film;

Perform related functions necessary to enhance the public's appreciation of the film art.

The Board would also be required to report annually to Congress on its operations, revenues, and expenditures.

I urge all of my colleagues to join me in support of making the American Film Institute an independent agency within the Federal Government.

Such status would confirm the unique role film has played in American culture.

It would allow the Institute to strengthen its important and valuable contributions toward preserving our film heritage.

It would better enable the Institute to meet its responsibilities to the young artists and film technicians now being trained for the future.

In brief, Mr. Speaker, such status would immeasurably enhance the value of the American Film Institute as a focal point of this important American art form.

HEARINGS SCHEDULED

Mr. Speaker, let me also take this opportunity to announce that the Select Subcommittee on Education, which I have the honor to chair, has scheduled hearings on this measure.

The hearings will be held on Monday, October 7 and Tuesday, October 8.

The witnesses scheduled to appear include: Academy Award Winner Charlton Heston, Chairman of AFI's Board of Trustees; AFI Director George Stevens, Jr.; Roger Stevens, Director of the John F. Kennedy Center for the Performing Arts; and Nancy Hanks, Chairman of the National Endowment for the Arts.

Also scheduled to appear are: John A. Schneider, president of CBS Broadcast Group; John Hancock, director of "Bang the Drum Slowly"; and Richard Brandt, president of Translux Corp., and Chairman of the AFI Executive Committee.

AMENDMENT OFFERED BY MR. YOUNG TO THE HANSEN SUBSTITUTE FOR HOUSE RESOLUTION 988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. Brinkley) is recognized for 5 minutes.

Mr. BRINKLEY. Mr. Speaker, I take this time to applaud passage of the amendment to create a permanent Select Committee on Aging. As one of the original cosponsors of legislation on the 92d Congress to establish such a committee, along with Representative David Pryor of Arkansas, I am enthusiastic about the action taken today.

While the problems confronting our senior citizens require action by various committees of Congress, their problems are highly interrelated and require coordinated review and recommendations which must go beyond the bounds of any existing committee. Indeed, these problems are of such vital national concern that they require the full-time attention of such a specialized committee.

Approval of this amendment will contribute to the quality of life for our elderly and will better enable them to retain the respect and security to which they are entitled.

I thank the gentleman from Florida for his leadership in this area and wish to express to him my sincere and genuine appreciation.

Mr. YOUNG of Florida. Mr. Speaker, I thank the gentleman from Georgia for yielding. As the author and introducer of the successful amendment to create a Select Committee on Aging, I want to compliment him for his remarks and thank him for the many efforts he has made to get favorable consideration of such an amendment.

GENERAL LEAVE

Ms. HOLTZMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous material on the subject of the special order today of the gentleman from Georgia (Mr. Brinkley).

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

MOMENT OF TRUTH FOR CO-OPS: BUTZ IS AGRIBUSINESS' MAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. Melcher) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, cooperatives in the United States have recently been startled to learn that Secretary of Agriculture Earl L. Butz, who once professed to regard them as the great white hope for farmers, actually contends that they are a greater monopoly threat than private monopolies, that they enjoy tax advantages, and that they should be curbed.

We are indebted to Congressman J. Henry Heinz III of Pennsylvania and others on the Republican Task Force on Antitrust and Monopoly Problems for bringing Secretary Butz' views out into the public.

The public should know that agriculture is not the No. 1 target of antitrust and antimonopoly studies, when there are such things around as the energy crisis, ITT, galloping food price spreads, and dozens of burgeoning conglomerate corporations.

Some of us have known for a long time that Mr. Butz is the big agribusiness corporations' friend—Ralston Purina, International Minerals & Chemical, the big grain dealers who handled the Russian wheat sale, and others. Livestock men are just learning that he is willing to sacrifice them by the hundreds and thousands in the bankruptcy courts to stop—or in an attempt to stop—the inflationary spiral without injury or inconvenience to his business friends—to let the farmers be the goats of inflation via low meat, milk and other agricultural produce prices.

It is no fault of the Department of Agriculture that grain prices are not at bankruptcy levels, too. The Department has issued an abundant crop of make-believe crop projections and phoney crop forecasts this year intended to jawbone them down.

Mr. Butz now stands clearly revealed as big business' Secretary of Agriculture—not the farmers'. Farmers and ranchers cannot afford him. He is breaking them by the hundreds and the thousands while food prices continue to go up.

But, getting back to his anticooperative stand:

On August 14, the Republican Task Force on Antitrust and Monopoly Problems heard Mr. Butz. There was little publicity until August 23 when Chairman Heinz issued a statement giving the Butz view that Congress should reexamine the "special privileges" granted farmers under the Capper-Volstead Act, that monopolies under it would be lawful, that a co-op monopoly would be worse than a private monopoly because co-ops allegedly have tax advantages, and revealing that the Department of Agriculture is studying legislative action to prevent farmer monopolies under the 1921 act. We are also indebted to Chairman Heinz for making available minutes of the Task Force session with Butz revealing that the Department looked into allegations of price fixing by two giant food chains—A. & P. and Safeway—and found them blameless shortly before a California jury awarded about $32 million to six cattlemen who had charged A. & P. and some other chains with meat price fixing. The minutes say Mr. Butz declined to comment on that verdict on the basis that he did not know the particulars of litigation.

One cannot avoid speculating a little whether USDA, where private monopolies are concerned, currently follows the three monkeys' philosophy: see no evil, hear no evil, speak no evil.

Nor can one avoid speculating a little as to whether the drive to spotlight farmer cooperatives, including such movements as the National Farmers Organization effort to establish collective bargaining for farmers under the Capper-Volstead Act, might be designed to divert attention from some of the real monopoly threats to our consumers and our economy.

I leave the conclusions to my colleagues.

To guide them in their thinking, I include in the Record the texts of two documents: First, the Task Force minutes on the Butz statement and, second, a short letter transmitting it to members of the National Council of Farmers Cooperatives which indicates that an effort was made to get Secretary Butz to correct, clarify, or amend his reported statements, but to no avail.

We must assume that Secretary Butz stands on the accuracy of the minutes, including his tired old charges about tax inequities which for decades have been dragged up and down legislative halls to smear cooperatives.

Meeting of Task Force on Antitrust and Monopoly Problems

Chairman Heinz called the meeting of the Task Force to order at 3:38 p.m. in Room H-236. Attending the meeting, in addition to Mr. Heinz, were the following members: Messrs. Dellenback, Eshleman, Johnson, Lott, McCloskey, Mallary, Mayne, Pritchard, Regula, and Winn.

Testifying before the Task Force was the Secretary of Agriculture, Earl L. Butz, accompanied by Thomas Kay of the Office of Legislative Affairs and Marshall Godwin, Deputy Administrator of the Farmer Cooperative Service.

Secretary Butz opened his remarks by noting that the Task Force and he both shared a concern over concentration of economic power, if that power should lead to price abuse. He went on to say that the food industry, however, is substantially competitive. He said that it was nearly impossible for any one producer, (even a large corporate producer) to have any impact on prices. He noted, however, that there were exceptions to this rule. He said that a large producer could have an effect where the production of an agricultural commodity is concentrated in a small geographic area. He said eggs, broilers, lettuce, and some fruits were commodities where concentration could be a problem.

He also mentioned that cooperatives might be able to exercise substantial power, and pointed to the AMPI case as an example of a significant co-op abusing its power. He said this abuse included buying up other co-ops.

Secretary Butz also discussed market orders. He said he believed that market orders were needed for milk, both when the statute was enacted in 1937, and today. He said their function was to share the burden of overproduction which characterized the milk industry during certain seasons of the year. Mr. Mayne asked the Secretary to further explain the milk orders, as he felt they were not only important, but extremely complex. Mr. Heinz noted that personnel charged with administering milk marketing orders had already explained the technical aspects to the Task Force. Mr. Butz said the orders were intended to prevent chaotic pricing, and predatory practices.

The Secretary went on to discuss fruit and vegetable market orders noting that they could be misused and become anticompetitive. He spoke particularly of the Florida Table Tomato Order, noting that that order set size and quality regulations, and because the statute required that such an order be given equal effect on imports, (competition for Florida tomatoes comes from Mexican tomatoes), it was possible for the Florida tomato people to use the order to restrain trade, and they may have even done so in the past. He said he did not think they had misused the market order during the period that he has been Secretary of Agriculture.

Mr. Butz noted that some states also had Market Order Statutes and that the United States Department of Agriculture had no authority over the state market orders. Mr. Heinz asked whether the Secretary believed the Congress should prohibit state market orders, and Mr. Butz replied that he did not think they should be prohibited.

Secretary Butz made some general remarks about farmers cooperatives, noting that they were often very useful and necessary, but stating that some co-ops may have outgrown the need for some of the special privileges to which they are entitled under the current law. He said these privileges derived not only from Capper-Volstead but also from the tax laws.

Mr. Heinz noted that Capper-Volstead contains a provision giving the Secretary of Agriculture authority to stop cooperatives from using monopoly power to "unduly enhance prices," and that the Task Force had heard allegations that AMPI had used its market power to manipulate the Wisconsin-Minnesota milk market price, with the effect of raising federal and consumer milk prices throughout the nation. He asked whether the Secretary has looked into these allegations, and the Secretary replied that he did not personally know what had been done in respect to those allegations, but he assumed his people had looked into them. He added that he would check on the matter and report back to the Task Force. Mr. Heinz asked whether the Secretary would consider AMPI's activities, if the allegations are proven to be an undue enhancement of price.

Secretary Butz responded that he believed that such activity would be an undue enhancement of price. Mr. Eshleman asked about A & P's ability to control prices when it bought farm products. Secretary Butz said that the Department of Agriculture has looked into allegations that both A & P and Safeway have controlled prices of farm produce. He said that the Department has not found the allegations to be substantiated. Mr. Johnson asked if the Secretary would comment on the current antitrust litigation in which A & P has been found to be liable for damages for fixing the price of beef. Secretary Butz declined to comment on the basis that he did not know the particulars of that litigation.

Mr. Heinz asked whether the Department of Agriculture was concerned about vertical integration in the food industry. Mr. Butz responded that the Department is concerned, and pointed to the recently issued food lot regulations, which are designed to prohibit packers from owning custom feed lots. He said the regulations did not, however, prohibit packers from owning feed lots which were used exclusively for feeding their own cattle. Mr. Heinz asked the Secretary's opinion of such organizations as the National Broiler Marketing Association (NBMA). The Secretary responded that he did not know the particulars of NBMA's activities. He went on to state that the broiler industry was highly concentrated, vertically integrated, but also competitive. Mr. Heinz asked whether processors should be allowed in farmer's cooperatives, and the Secretary responded that in the broiler industry the processor and the producer are the same, and this vertical integration was very good for efficiency. Mr. Heinz asked why the Department was treating the beef industry differently from the broiler industry, and the Secretary responded that they were different industries.

Mr. Lott asked if the Secretary could foresee any danger in having the chicken processors in a cooperative, and the Secretary responded that he did not foresee any. Mr. Lott asked why NRVA had been formed in the first instance, and Mr. Butz responded that he believed it was an attempt to eliminate the violent market fluctuations that have been prevalent in the industry.

Mr. Regula asked if there was any data available on the percent of consumer food costs which were added by ICC regulations. Secretary Butz said that he believed there were such figures, and would supply them. He went on to say that he felt the ICC regulation was bad for the food industry, particularly the problem of backhauls for exempt carriers. He said many labor rules and government regulations added costs. He gave as examples rules which prevented beef from being precut at the slaughter house and rules which kept refrigerated box cars of lettuce from being more than two-thirds full. Mr. Heinz asked about the Secretary's use of his authority to intervene in ICC proceedings. The Secretary said that he was not sure of the specifics of any intervention, but in general his authority was quite limited. Mr. Heinz asked if the Secretary would check on what proceedings he had intervened in, and if he considered his authority to be insufficient, and his suggestions on statutory changes. The Secretary agreed to supply both information and suggestions. Mr. Mayne asked whether the items mentioned by the Secretary as increasing costs were a result of ICC regulations. Secretary Butz responded that the lettuce situation was, while the beef situation was caused by the labor union rules, rather than by the ICC. Mr. McCloskey requested that the Secretary supply a specific list of ICC regulations which were in need of revision, and the Secretary responded that he would do so. Secretary Butz said the farmer only gets 39 cents out of the food dollar and indicated that he felt there should be a way to reduce total food costs.

Mr. Heinz discussed the Ocean Spray cooperative and the cranberry marketing order, noting that the cooperative controlled about 85% of production and the order limited new production. He asked the Secretary to comment on that situation; and Secretary Butz said that there was a limited market for cranberries and the farmer needed a marketing mechanism. He said it was possible that the cooperative might be attempting to keep a monopoly position. Mr. Heinz asked the Secretary's opinion on entry restrictions in farming. Secretary Butz stated that he was opposed to statutory provisions which prohibited the entry of new persons into the production of agricultural commodities.

Mr. Heinz asked the Secretary's view of Mr. Kauper's suggestion that the Marketing Order Statute be amended to require the Secretary to consider competitive effects prior to issuing an order. Secretary Butz said that he would welcome a change in the statute which would require consideration of competition.

Mr. Regula asked the Secretary whether substitutability of agricultural commodities was significant, and whether this kept cooperatives from abusing their power. Secretary Butz responded that many agricultural commodities were highly susceptible to substitution by consumers, and that this did place a limitation on the ability to increase prices. Mr. Heinz noted that Chairman Engman of the FTC had indicated his feeling that it was advisable to have the authority for antitrust type decisions, such as Section 2 of the Capper-Volstead Act, placed in an agency not directly concerned with the persons controlled. He asked the Secretary to comment on that notion, and whether it should be applied to the Department of Agriculture. Secretary Butz noted that there was always a potential for abuse, but he did not feel there was a need for any change in the administration of Section 2.

He went on to state, however, that the Congress should take a hard look at Capper-Volstead to see whether the Act should be retained in its present form. He noted that some cooperatives were quite large, and that significant portions of many agricultural commodities were controlled by cooperatives. Mr. Heinz asked whether that was only true for perishable agricultural commodities, and the Secretary responded that co-ops now sold approximately 26% of the cotton crop, 30% of the rice crop, and 40% of the more general category of food grains.

Mr. Lott asked whether Capper-Volstead was not very similar to the Norris-LaGuardia Act, one being for farmers and the other for laborers, and whether they should both be repealed. The Secretary responded jocularly that he would have to say yes for the labor exemption, and no for the farmer exemption.

Mr. Heinz asked whether it now was possible for a cooperative to have 100% control over a market, and whether from the Secretary's point of view, that was a good idea. Secretary Butz said that he does not believe in complete monopolies for co-ops or anyone else, but that it is lawful for a co-op to have a monopoly. Mr. Heinz asked for suggestions from the Secretary for legislative change to prevent that possibility. Mr. Butz said that he did not have any suggestions at this time, but that he might after studying the question with his associates at the Department. He went on to note that a co-op monopoly could be worse for the public than a private monopoly, because the tax laws for cooperatives allow a modicum of inefficiency not available to the ordinary corporate enterprise.

Mr. Lott asked if there had been a recent increase in cooperative mergers. The Secretary responded that there had been no recent proliferation of co-op mergers; however, there had been a growth of the so-called super-co-ops (federations of cooperatives). He noted that some of the super-co-ops were necessary to decrease cost of such things as transportation, pointing to the need for significant size to make use of a unit train.

Mr. Heinz asked whether in milk markets where there was a Federal Marketing Order, the ability of cooperatives to obtain prices above the order price constituted an undue enhancement of price. Secretary Butz said that the milk order price is only a minimum price, and that there was nothing in the law to prevent over-order pricing.

After thanking the Secretary for his appearance, Mr. Heinz adjourned the meeting at 4:57 p.m.

NATIONAL COUNCIL OF FARMER
COOPERATIVES,
Washington, D.C., September 9, 1974.

To: NCFC Members, Board of Directors, Presidents, Farm Credit Banks.

Re: Secretary of Agriculture Butz's Testimony Before the Republican Antitrust Task Force.

GENTLEMEN: The enclosed news release of August 23 from Congressman H. John Heinz, III, chairman of the Republican Antitrust Task Force, and the two accompanying transcripts of the testimony given by Secretary Butz before that committee, are self-explanatory.

We have delayed distributing this statement to you until we could achieve some softening or amendment of the obvious harmful impact of the Secretary's statement. So far no correction or amendment has been made.

Sincerely,

KENNETH D. NADEN.

THREAT OF A RISE IN THE FEDERAL GASOLINE TAX SHOULD NOT BECOME A REALITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BOLAND) is recognized for 5 minutes.

Mr. BOLAND. Mr. Speaker, I would like to make a few comments about the proposal made yesterday by the Federal Energy Administration to increase Federal gasoline taxes by as much as 30 cents per gallon. I have previously expressed public opposition to a 10-cent increase. I am no less opposed to an even heavier tax—quite the opposite, in fact. What the FEA's proposal seems to me to be is just pure folly.

No one today could be unaware that inflation has laid seige to our Nation's economic stability. President Ford has called it "public enemy No. 1." Ever spiraling prices are literally picking the pockets of our citizens at a rate which, if it represented a rise in crime, would necessitate calling out the National Guard. Under such circumstances, at such a time, it is incomprehensible to me that the administration should seriously advocate so radical an increase in the cost of motor gasoline—especially in the face of the certainty that gasoline prices are bound to rise of their own accord.

The two single most important commodities that have skyrocketed in price in recent months—the two most guilty parties as far as inflation is concerned—are oil and food. The demand for both, in addition, is fairly inelastic, aside from the margin represented by whatever wasted fuel may result from such uses as pleasure driving and excessive auto speeds. In any event, radically higher priced gasoline will not, in my judgment, result in a natural economic adjustment in such areas. The vast majority of our citizens drive their own automobiles to their place of work. While this undeniably represents a greatly inefficient use of a precious energy source, gasoline, it is a condition which cannot easily be changed. As an example, we either do not have sufficient mass transit facilities or our urban-suburban layouts preclude any viable transportation patterns other than automobile commuting, so that a rapid changeover in urban travel patterns is an impossibility.

This inflexibility of our transportation systems—our devotion and great dependence on the automobile—must change. I could not agree more with President Ford or the FEA on that score. However, a 30-cent-per-gallon gasoline tax can only hurt the working man, those on fixed incomes and the commuter in a way that offers them no viable alternatives for that traveling they must do. Carpools will not solve the problem of higher gas prices for commuters. Truck sizes simply cannot double to minimize higher costs. Railroads may offer some relief in freight haulage, but not now—not in the condition under which they now operate. And every item which must be shipped with the aid of the internal combustion engine will go up in price.

Mr. Speaker, additional gasoline prices do not offer us a way out of our dependence on foreign oil. All they will produce is new impetus to the inflationary surge that currently threatens to send this country into an economic tailspin. We must develop solutions to the waste that characterizes our energy use, it is true. But we simply cannot afford measures such as this which can only exacerbate the very serious problems faced by this country.

Be it ever so unglamorous, we must continue to advocate conservation efforts on a family, town, State, and National level. Be it ever so slow, we must eliminate our energy dependence through assiduous development of Project Independence. Be it ever so expensive, we must build and expand coordinated urban transit systems that are both convenient, safe, and rapid. Finally, be it ever so painful, we must stop producing giant gas guzzlers in Detroit and start watching every highway mile that we log.

Such efforts, Mr. Speaker, will bring us the results that the administration points to in asking for a 30-cent-per-gallon price increase. They would not come quickly, or easily, but they will come in a fashion and at a pace that Americans can adjust to without serious side effects.

Mr. Speaker, at this point I would ask unanimous consent to insert into the RECORD an editorial from the October 1 edition of the Springfield Union which is published in my hometown of Springfield, Mass. I feel that the logic with which the editorial attacks a 10-cent-per gallon increase holds even better ground against a higher gasoline tax. I commend it highly to my colleagues of this body.

The editorial follows:

"GAS" TAX HIKE STILL A THREAT

Now that an increase of 10 cents or more in the federal tax per gallon of gasoline is contemplated by the administration, consumers are faced with a penalty for their conservation efforts in the past year.

The increase, according to White House sources, is intended to force a drop in gasoline consumption while adding to federal revenues that can be used for programs such as public service employment.

Unemployment is more of a problem in this part of the nation than in most others. It follows that the Bay State, among others, would benefit the most from public service employment.

Whether that benefit would outweigh other effects of the tax increase is questionable, however. A steep increase in the gasoline tax would mean an economy-wide escalation of prices.

Every business that depends on gasoline for transportation would pass along the extra cost to customers. For commuters, car pools and mass transit would be a partial answer.

But for many who must rely wholly on their own automobiles for getting to work and back, the increase would be a new burden. And it would further restrict travel for other purposes.

Those who can least afford such an increase—but to whom transportation is no less important—would suffer the most. Furthermore, the possibility exists that price controls will be removed from all domestic oil. That could raise both gasoline and heating oil by as much as five cents a gallon.

If the administration includes the tax increase in its anti-inflation recommendations to Congress, that body will have the opportunity to put it in reasonable perspective.

"Let's cut the budget—yours, not mine" has been the theme of discussions on cutbacks in federal spending. A more cooperative, less selfish approach in Congress would be the best anti-inflation weapon of all.

It was President Ford himself who said last August that a 10-cent-a-gallon increase in the gasoline tax would be "exorbitant, unwise and unnecessary."

MORE ON THE DAIRYLEA COOPERATIVE MILK FRAUD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 20 minutes.

Mr. KOCH. Mr. Speaker, on September 25, I brought to the attention of the House correspondence that I have had with Chairman POAGE, Attorney General Saxbe, and John Murphy, Esq., of the Justice Department's Criminal Division, concerning the Dairylea co-op fraud practiced upon the citizens of the State of New York. That milk cooperative engaged for more than 5 years in the adulteration of milk sold to the public. The consumer fraud was uncovered about 10 months ago and the only penalty paid to date by the offending corporation was an administrative fine of $150,000 levied by the New York State Department of Agriculture. No Federal action has been taken. Because of the attention given to this matter by the news media, the attorney general of the State of New York has now initiated grand jury proceedings and the first hearing will occur I am advised, on October 10.

I believe that it is incumbent upon the Federal Government, its law enforcement agencies and the Congress itself to pursue those who engaged in this despicable consumer fraud.

Tomorrow the Dairylea Cooperative Inc. is holding a breakfast at 8 a.m. in room B354 of the Rayburn House Office Building and its letter of invitation states:

> It is our earnest hope that Members of Congress, representing both rural and urban areas will find time to be there, so that we and the dairy farmer members of our Executive Committees can better acquaint them with current matters affecting dairy farmers.

Mr. Speaker, I intend to be there and to raise with them the question of their consumer fraud and point out to them that there is some inconsistency between the statement contained in their letter. "We are certain that the importance of assuring an adequate supply of fresh, quality milk, at a reasonable price, will be impressed upon all in attendance" and fraudulent actions which deprive the consumer of obtaining "an adequate supply of fresh, quality milk, at a reasonable price."

Mr. Speaker, it is at times like this that I am happy I take my coffee black.

I am appending again the pertinent correspondence so that the Members will have the background information necessary to acquaint themselves with this matter:

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 25, 1974.
Hon. EARL BUTZ,
Secretary of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: Ten months ago the Dairylea Cooperative in the State of New York admitted adulterating thousands of gallons of milk and falsifying records to cover it up. Since that admission, neither state nor federal law enforcement agencies have initiated criminal proceedings against the individuals responsible. According to an investigation of the situation by the New York Times, it appears that millions of quarts of mislabelled watered-down milk were sold over a five and one half year period. Reportedly, criminal proceedings against individuals responsible have not taken place because of confusion over jurisdiction and a lack of communication.

The Federal government, and the Department of Agriculture in particular, has a responsibility in that its Federal "market orders" protect milk producers by establishing minimum milk prices. The government also subsidizes other manufactured milk products. Indeed, even the Federal government has been the unwitting purchaser of some of the adulterated milk through its food purchasing programs.

You are continually talking of the farmer and how he must be assisted. I agree. But what of the bleeding consumer, fleeced by wolves in lambs clothing. It was only yesterday that the President talked of dealing with crime in the streets. How about crime in the corporation? What answer can we give to those who look at our system of justice in a jaundiced way and see it is not even handed. Is it not incumbent upon you and your department and the U.S. law enforcement agencies to immediately initiate criminal proceedings against those responsible for these consumer crimes? I am convinced that unless individuals who now hide behind the corporate veil are personally indicted for the crimes which they have executed in the name of the corporation that there will not be adequate redress. Put one of these directors in jail and see if that will not inhibit others who would conspire to defraud the consumer. Unless and until we equate the white collar crime with crime in the streets there will not be justice in this country.

I await your response, and hope that it will indicate that you will press the Department of Justice to commence criminal proceedings forthwith.

Sincerely,

EDWARD I. KOCH.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., September 23, 1974.
Attorney General WILLIAM SAXBE,
The U.S. Justice Department,
Washington, D.C.

DEAR MR. SAXBE: I am enclosing a letter sent to Secretary of Agriculture Earl Butz with regard to the adulteration of thousands of gallons of milk by the Dairylea Cooperative of New York State. This is a deplorable situation that I believe requires the immediate attention of the Department of Justice.

I also want to bring to your attention a statement made by Bruce Snow, public relations manager of Dairylea. Mr. Snow described the adulteration as an act of true desperation "by an industry trying to remain solvent." In view of the tragic series of events to which our country has recently been subjected, I find that particular defense most appalling.

I urge that you initiate criminal proceedings forthwith against the individual directors of Dairylea responsible for this outrage.

Sincerely.

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 25, 1974.
Representative W. R. POAGE,
Chairman, House Agriculture Committee,
Longworth House Office Building,
Washington, D.C.

DEAR MR. CHAIRMAN: I would appreciate it if you would bring to the attention of the Members of the House Agriculture Committee the serious situation which has taken place in New York State regarding milk adulteration by the Dairylea Cooperative. Ten months ago, the Cooperative admitted watering down thousands of gallons of milk and falsifying records to cover it up. Since that admission, neither state nor federal law enforcement agencies have initiated criminal proceedings against the individuals responsible.

While the offenders in this case must be indicted and prosecuted, we must also take steps to prevent recurrences of such practices.

It is my hope that after consideration, the Agriculture Committee will urge U.S. law enforcement agencies to immediately initiate criminal proceedings against those responsible for the Dairylea crimes, and that it will urge the FDA to include the watering down of milk in its supervisory duties regarding state and local inspection of milk.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 25, 1974.
Mr. ROBERT BRANDENBERG,
Associate Commissioner for Compliance, Food and Drug Administration, Rockville, Md.

DEAR MR. BRANDENBERG: Ten months ago the Dairylea Cooperative in New York State admitted adulterating thousands of gallons of milk and falsifying records to cover it up. Since that admission, neither state nor federal law enforcement agencies have initiated criminal proceedings against the individuals responsible.

Obviously, those who are hurt most by this sort of white collar crime are the unwitting consumers, who have paid high prices for what they believed to be whole milk. I understand that while the Food and Drug Administration audits the operation of state and local inspection facilities which test for bacteria and other contamination in milk, no test is given by the local facilities to check on the watering down of milk, after it has been processed.

I would like to propose that the Food and Drug Administration include the watering down of milk in its oversight activities, and would appreciate your comments on this matter.

Sincerely,

EDWARD I. KOCH.

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 25, 1974.
Hon. LOUIS LEFKOWITZ,
New York Attorney General,
The Capital, Albany, N.Y.

DEAR MR. ATTORNEY GENERAL: I was very distressed to read in the September 25th New York Times the case of milk adulteration by the Dairylea Cooperative. It greatly disturbs me that while milk prices continue to rise, the consuming public has been cheated and deceived by this organization.

I find the situation abhorrent. Enclosed is a letter I have written to Attorney General Wm. Saxbe on the matter.

Since the Times story alleges that crimes have occurred in at least six New York counties, I feel it is incumbent upon your office to undertake a thorough investigation of the practice to discover and duly punish all persons involved.

I most anxiously await your reply.

Sincerely,

EDWARD I. KOCH.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., September 26, 1974.
Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: Thank you for your letter of September 25. Certainly I cannot condone the deliberate watering down of milk and the falsifying of this particular cooperative's records. Obviously a disservice to the public has been rendered. Of course I think that in such instances prompt investigations should take place and, if warranted, prosecution should not be delayed.

I am sending a copy of your letter to the Chairman of our Dairy and Poultry Subcommittee, the Honorable Ed Jones and the Ranking Minority Member of that Subcommittee and also of our full Committee, the Honorable Bill Wampler.

I appreciate and share your concern. With every good wish, I am

Sincerely,

W. R. POAGE, *Chairman.*

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1974.

JOHN MURPHY ESQ.,
Criminal Division, Department of Justice, Washington, D.C.

DEAR MR. MURPHY: I want to reiterate that which I pressed upon you today. And that is that the federal government cannot abdicate its responsibility in the Dairy Co-op milk fraud by leaving the prosecution of that case to the State of New York. The State of New York had years within which to pursue this matter and failed to do so. It is now pursuing it because the New York Times brought it to public attention.

I believe that the federal government must investigate this matter and prosecute the individuals responsible for the illegal corporate acts. It was the federal government which prosecuted illegal action of corporate officers of General Electric years ago. This resulted in corporate officers being very careful to observe the law because they knew they could not hide behind the corporate veil. Apparently memories are short and a new lesson must be learned by those individuals who use the corporate board room to commit consumer fraud.

I wrote to Attorney General Saxbe on September 25 and basically stated that which I told you on the telephone and in this letter. I urge the Department of Justice to enter this matter. You indicated that unless there were a felony statute involved, there might only be a $500 fine and misdemeanor covering the matter. I think that the enormous fraud committed must be covered by some felony statute involving at least the mails or interstate commerce. If that were not so and a fraud of these dimensions could be committed subject simply to a misdemeanor charge and a $500 fine, then this country and its citizens are really in trouble.

I am enclosing the statement that I made on the Floor of the House which contains my correspondence with Attorney General Saxbe. I intend to pursue this matter as I hope you will.

Sincerely,

EDWARD I. KOCH.

Mr. Speaker, after preparing the foregoing I received a visit from Eugene J. Vandenbord and Richard E. Redmond of Dairylea Cooperative Inc., who had read my earlier statement of September 25 on this matter. They informed me that they were distressed by the situation. And they said it had happened without the knowledge of board members. They said that the actions had been taken by plant employees who wished to show greater production records and that no profit so far as they were aware of had accrued to the benefit of the corporation. They sought to inform me on how the technically adulterated milk was in fact at least as good in quality as the law required if not better. I advised them that I am not an expert in this matter and that is why all of the facts should be investigated by the Department of Justice. They stated that they had no disagreement on that. I told them that I would be attending their breakfast tomorrow which somewhat surprised them and also told them that I would raise the subject matter at the breakfast. I reiterated to them my belief that white collar crime must be dealt with as severely as street crime. When they left, they understood that I intend to pursue this matter.

SECRETARY BREHM'S SPEECH TO THE NATIONAL GUARD ASSOCIATION

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES, Mr. Speaker, last week in San Juan, Puerto Rico, the National Guard Association of the United States observed its 96th General Conference. It was an outstanding convention in every respect. More than 3,000 dedicated members and their families participated under the leadership of Maj. Gen. Henry McMillan, a distinguished Floridian and one of the great leaders of today's military program.

Among many outstanding participants was the Honorable William K. Brehm, Assistant Secretary of Defense for Manpower and Reserve Affairs. His excellent speech deserves the consideration of the Congress and I am pleased to present it for printing in the RECORD:

ADDRESS BY THE HONORABLE WILLIAM K. BREHM

General McMillan, delegates, distinguished guests, ladies and gentlemen. It certainly is a pleasure for me to participate in this, your 96th General Conference. It is equally a pleasure to be able to join you here in Puerto Rico, the home of the 92nd Infantry Brigade, the 156th Tactical Fighter Group, and the 140th Air Control and Warning Squadron of the Puerto Rico National Guard.

I noted in your constitution that the stated purpose of the National Guard Association is to promote the national security. That purpose is more relevant now than at any other time in recent history and will serve to underline what I say here today.

As most of you are aware, the Selected Reserve units of the Reserve Components presently comprise 30% of the forces immediately available for national security emergencies. The Selected Reserve, together with the Individual Ready Reserve, provide nearly 50% of the trained manpower available to the Country upon mobilization. Guard and Reserve forces constitute about 50% of today's Army division forces, including about 30% of Army helicopter forces. We now have an objective for the Reserve Components upon mobilization to furnish 50% of the air crews for the strategic airlift mission. And this year 56% of our tactical airlift aircraft are assigned to the Air Guard and Air Force Reserve.

Thus, there can be no doubt that the Reserve Components are, in fact, the primary source of augmentation for the active forces. There are two factors that serve to assure this, both today and in the future. First our Defense policy requires forces-in-being—forces manned with people who are already trained. While the Selective Service machinery must be kept in good working order as a hedge against the possible need for general mobilization, the Selective Service System cannot deliver and the Armed Services train new personnel in much less than five months. A major war in Europe could be over by then.

Second, today's manpower economics require that a portion of our forces-in-being be on reserve status. Manpower costs now consume more than 55% of the Defense Budget. Moreover a high rate of inflation may be a phenomenon that we are going to have to cope with for some time. We must get the most for our manpower dollar, and greater dependence on the Reserve Components is a way to help us do that. We cannot afford, in our judgment, to reduce overall force levels. Such reductions inevitably would impact on our conventional forces since they are the largest consumers of manpower. Yet a condition of nuclear parity with the Soviet Union has made it all the more necessary to maintain a strong conventional capability to keep the nuclear threshold as high as possible. And the situation is further exacerbated by the fact that Soviet military forces have grown by more than a million men during the past decade.

We must of course pursue *all* opportunities to improve manpower utilization and maximize effectiveness. For example, we must have quality equipment that multiplies the effectiveness of our military personnel, and it must be available at a cost we can afford so that we procure sufficient quantities to plug any gaps in our material readiness. That's a major challenge for the R&D community. Also, we must eliminate all marginal billets in our command and management superstructure and convert those spaces to effective combat strength.

To meet the equipment challenge, we are moving in the direction of the hi-low mix, a concept that provides, first, a moderate amount of the most advanced equipment we can design and produce, and second, sufficient quantities of less-sophisticated equipment to ensure that *all* of our forces are properly equipped. A good example of this concept, of course, is found in our Air Force programs where we have developed the F–15 to meet the most advanced threat and now are bringing along the new Air Combat Fighter to meet our quantity needs. The concept can be applied to our land and naval forces as well.

And what about the elimination of marginal headquarters functions? Our principal initiative in this area has been the headquarters review initiated by the Secretary of Defense last October. In decisions to date, we have thus far through consolidation and streamlining been able to identify a total of 22,400 headquarters and headquarters support spaces which are now being converted to increase our combat forces and readiness. The Army's share of these savings represents a major factor in permitting the active Army to build toward 16 active divisions, three more than they have today. Similarly, in the past year alone, the Air Force has converted sufficient headquarters and support manpower to more than man a C–130 tactical airlift wing. The Services have built up real momentum in their streamlining efforts, a fact that reflects the thoughtful and spirited leadership of men like the late Army Chief of Staff, General Creighton Abrams, a man we all miss both personally and professionally—a man who set a tremendous example.

But now let's come back to the Reserve Components. What do we mean when we talk about placing greater reliance on the reserves to achieve greater Defense capability for the dollar? Well, to me it means four things: (1) giving them valid missions; (2) giving them modern equipment; (3) providing better more meaningful training; and (4) assurance that the reserves will actually be called upon if needed. What specifically, are we doing in these four areas?

First, let me talk about missions. As the active Army builds to its new level of 16 active divisions, it will have three divisions with only two brigades each instead of the normal complement of three. The National Guard will provide three separate brigades which will be affiliated with those divisions during peacetime, and which will become an organic part of those divisions—will deploy and fight with them—upon mobilization.

In addition to those three brigades, another 22 Reserve Component separate maneuver battalions will affiliate with active divisions which do not have a full complement of battalions in their active structure, and they too will become organic parts of the active divisions upon mobilization.

Altogether, these round-out units total 30 battalions. This represents 25% of the combat power of the eleven active Army divisions in the affiliation program—maneuver capability which they definitely would need to be fully effective in combat.

But that's not all there is to the affiliation program; another seven separate brigades with 21 battalions will affiliate with active divisions to acquire training support. The concept is that upon mobilization these brigades would also deploy with the active divisions, and would operate, at least in initial combat, as "fourth" brigades, if you will; a concept that is entirely compatible with the organizational flexibility of the modern Army division.

The affiliation program for our land forces, involving 51 maneuver battalions and some artillery battalions, is for real; it is not just a paper shuffle. I recently had the opportunity to see for myself both at Fort Hood and Fort Knox how the active forces are supporting the affiliated reserve units during summer training—supporting them with equipment and with manpower. The concept is working. Sure we're still in the learning stage. But the affiliation concept is real because it *has* to be real.

Now to turn to equipment. This is perhaps the most difficult issue to come to grips with, and it is one that is getting a great deal of attention in the Total Force study we are presently conducting. Equipment procurement has a long lead time, and production lines often have capacity limitations. In the early 1960's we finally started to buy equipment for the Reserve Components; but by the time it was delivered, it was needed to equip new active units being formed and deployed to Southeast Asia. Eventually, as the active forces phased down, much of that equipment *did* get to the reserves, but the dry spell was long, and we still have not met all of our needs for modernization. While some of these problems will take years to solve, we must have solutions with annual milestones worked out in detail.

There is, however, one equipment-related issue that I can address specifically today, and it falls within the category of "the good news." For that matter, it is also a mission issue. The Secretary of Defense has authorized me to announce today that the Defense Department is planning to transfer, beginning in Fiscal Year 1976, 128 KC–135 jet tanker aircraft from the active Air Force to the reserve forces. Most of these will go to the Air National Guard. The transfer, which will take place over a period of several years, will permit the phasing out of obsolescent KC–97 aircraft. It will also assist in the phase-out of other older aircraft types, as we maintain our 91 Air Guard flying units. And since the KC–135 tankers will support SAC, this will, for the first time, place the Air National Guard squarely in the strategic offensive mission. The Air Force is now working out the detailed basing plans for the KC–135 transfer, and we will be keeping the Congress fully informed as we proceed. It is hard for me to imagine a more persuasive example of our desire to achieve maximum utilization of the Reserve Components.

The third factor involved in making the concept of greater reliance on the reserves a viable one, is that of providing meaningful training. Many of our training problems, where they do exist, can be solved through providing better equipment. But there is much more to it than that, and I think this is particularly true for our land forces. Our Total Force Study has made it clear that we cannot guarantee meaningful training merely through establishing new policies. In the final analysis, it falls to the unit commanders to do that.

And the time has come to deal with this issue in a forthright manner. We must have imaginative leadership across the board. That means tailoring training programs to fit the unique needs of each unit. We need not be bound by traditional patterns. How many times does a man have to practice changing a tire on a deuce-and-a-half, or opening a valve in a fuel-transfer unit? How many hours of dry lecture does he need on first aid?

The men and women volunteering for service in the Reserve Components today are there because they want to be; they are not running from the draft. We have an obligation to them, and to the reserve mission, to design training programs that are challenging and useful. Imagination and hard work are key ingredients. I cannot overemphasize how important it is that every unit commander approach the problem from this point of view and make maximum use of every training minute. Only then can the reserves achieve their full potential. Only then will all of our young Guardsmen and Reservists be proud of what they are doing and invite their friends to join up. When Mr. Will Hill Tankersley, the President's nominee for the position of Deputy Assistant Secretary of Defense for Reserve Affairs, comes on board, this issue will receive his highest priority attention. He and I have had a number of discussions on the matter, and it is very clear to me that he understands the problem fully and will, if confirmed by the Senate, pursue it—with vigor.

Finally, we come to the matter of whether the Reserve Components will be called if needed. The degree of force interdependence we are creating as we integrate the Army National Guard with the Active Army and as we increase our dependence on the Air Guard for strategic and tactical airlift, tactical air, and now for strategic offense, means that we must change the perception of those who believe that the reserves will be mobilized only if there is a World War II type of contingency.

The reserves must never be called-up capriciously. But they must be available for a variety of circumstances, else the concepts of "strengthening of the reserves" and "greater reliance on the reserves" have no meaning. This is perhaps the most basic reservation expressed by active duty military personnel whenever discussions of transferring meaningful missions to the Guard or Reserve arise. And it is an understandable mind-set, considering historical trends. If the active forces don't believe that the Guard and Reserves will be available to them in time of need, it is unlikely that they will enthusiastically support such transfers.

As a result of our hearings with the Senate Armed Services Committee concerning this matter, we are preparing proposed legislation that would authorize the President or the Secretary of Defense to mobilize reserve units involving up to 50,000 members of the Selected Reserve at any one time for up to 90 days without prior approval or declaration of a national emergency.

We clearly recognize that such authority, if granted, must be used judiciously and that to do otherwise could have an adverse impact on Guard and Reserve retention and recruiting. We are also very aware that volunteers from the Guard and Reserve have in the past provided excellent support to the Active forces during times of crisis—without mobilization. This would continue to be our preferred source of manpower for smaller emergencies whenever and wherever possible. But there can be instances when we will need selected units of the Guard and Reserve quickly to protect the national interest. The proposed legislation will give us the capability to fill this need under most, if not all, circumstances and will provide the assurance needed to offset concerns with respect to non-availability of the reserves. I believe that the mere knowledge that such a proposal is in the works has already had a positive effect on the Active Forces. What it comes down to, really, is credibility. And that credibility must extend across the oceans to our allies and potential adversaries alike or else a major part of the deterrent value of our military forces could be lost, and that would be tragic indeed.

There are my thoughts about the role of the reserve components in the serious business of national security. I have tried to be specific where I could, and to avoid glittering generalities because they neither solve our problems nor accurately portray our progress.

I think it is quite apparent from what I have said that we are relying on the National Guard to assume an expanding role in our national defense posture. If our Total Force—active and reserve—has the clear capacity to deploy rapidly in a crisis situation, we both reduce the chance of our forces being needed, and assure ourselves of a better outcome if they are. That, of course, is what it's all about.

Thank you.

DEPARTMENT OF DEFENSE RECRUITING RESULTS FOR AUGUST, FISCAL YEAR 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, in my continuing effort to keep the Members of the House apprised of the most recent information on the Department of Defense's recruiting results, I am again placing in the RECORD the applicable figures for August.

These figures show that the total strength of the four military services at the end of July was about 2,161,000 or 99.7 percent of the services' planned strength for that time:

ACTIVE MILITARY STRENGTHS

[In thousands]

	July 1974		Authorized for end fiscal year 1975 (June 1975)
	Plan	Actual	
Army	784	783	785
Navy	550	547	540
Marine Corps	188	189	196
Air Force	645	642	628
Total, DOD	2,167	2,161	2,149

In August 49,500 men and women were recruited. The total objective of 49,600. This was 4,200 or 9 percent above the July total of 45,300 and 10,700 or 28 percent above the 38,700 total recruited in August 1973. It should also be noted that although the Navy had fallen somewhat below its desired objectives in July and August, the 23,500 men and women the Navy has recruited in these 2 months is 3,400, or 17 percent above its total for the same period last year. The Navy does expect to meet its total strength and accession objectives for the fiscal year as a whole.

ENLISTED ACCESSIONS ALL SOURCES, AUGUST 1974

Service	Objective	Actual	Percent
Army	22, 000	23, 500	107
Navy	14, 000	12, 200	87
Marine Corps	6, 200	6, 300	101
Air Force	7, 400	7, 500	100+
Total, DOD	49, 600	49, 500	99+

In August, 89 percent of all nonprior service enlistees were in mental categories I–III which are the average and above average mental groups. Approximately 67 percent of the enlistees were high school graduates. There were also about 4,200 enlistments of military women in August. Black enlistments accounted for 22 percent of August enlistments compared to 23 percent during July.

FISCAL YEAR 1975 SELECTED RESERVE STRENGTHS

[In thousands]

	ARNG	USAR	USNR	USMCR	ANG	USAFR	DOD total
Authorized end strength	405. 5	226. 4	106. 2	29. 2	90. 7	50. 2	908. 3
Actual:							
June 30, 1973	385. 6	235. 5	126. 2	37. 5	90. 4	43. 8	919. 0
Sept. 30, 1973	384. 9	231. 5	119. 1	35. 3	90. 5	43. 3	904. 6
Dec. 31, 1973	392. 5	227. 2	119. 1	33. 1	92. 5	43. 5	908. 2
Mar. 31, 1974	404. 9	226. 2	115. 4	31. 8	93. 6	44. 4	916. 2
June 30, 1974	403. 4	234. 9	114. 9	31. 2	93. 9	44. 9	923. 1
July 31, 1974	397. 0	233. 1	113. 6	31. 1	93. 6	45. 4	913. 8
Change from previous month	−6. 4	−1. 8	−1. 2	−. 1	−. 3	+. 5	−9. 3
Net short/over authorized end strength	−10. 5	−3. 8	+8. 1	+. 8	+1. 0	−7. 0	−11. 4
Percent short/over	−2. 6	−1. 6	+7. 7	+2. 8	+1. 1	−13. 4	−1. 2

* Unaudited preliminary reports from services.

CHAIRMAN F. EDWARD HÉBERT PRESENTED THE AMERICAN LEGION DISTINGUISHED SERVICE AWARD

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, when the American Legion held its 56th annual convention in Miami in late August, it took an action long overdue and highly commendable. That body presented to Chairman F. EDWARD HÉBERT of the Committee on Armed Services its Distinguished Service Award.

It is coincidental, but significant, that Chairman HÉBERT's service in the Congress commenced in the year our Nation entered World War II. His service to the Nation, its servicemen and women, and the veterans of its conflicts has been significant. He has been a staunch advocate of a strong national defense, and an active supporter of the best interests of those who comprised our defense forces.

I believe his colleagues in the House will find Chairman HÉBERT's acceptance entertaining as well as informative, and I respectfully request that it be reprinted in the RECORD at this time.

HON. F. EDWARD HÉBERT'S ACCEPTANCE OF DISTINGUISHED SERVICE AWARD

I guess I should probably say, "Thank you, General Eaton," but I say, "Bob, thank you very, very much."

We are such old friends, members of The American Legion, it is certainly a great privilege and an honor for me to be able to be here today.

This presentation, as the General will tell you, was "comme ci comme ca", as we say in Cajun country. We did not know whether we would make it or not because of the legislative session in Washington, which has cleared up a little bit. But I do want you to know that I appreciate this particular honor given to me today.

It is something I will always treasure.

The American Legion, of course, has meant a great deal to me in Louisiana. I can remember as a boy when the first Legion convention was held in New Orleans, and I can also remember the youngsters in those days, they were youngsters just after World War I, and I was a youngster in those days myself, still in high school. And the man that I worked for, the family that I worked for so many years, John D. Ewing, was one of the original founders of The American Legion and former Governor of Louisiana; and Sam Jones was one of the most prominent figures of the Legion and Leon Chajon was the Adjutant from Louisiana.

And I may tell you aside, that I was the first King of the Carnival of Louisiana in Washington, and the only reason I became King was that Chajon became sick on that day. He was to be the King. I was the only man big enough to wear his uniform, so I became the first King.

So you can understand how much this really means. Al LaBiche, from down in New Orleans, is one of our dearest friends. He is known perhaps to every Legionnaire in the country.

But I would like to make myself a little bit better known to you. So I appreciate the glorious and rather far-reaching presentation given me today.

I would like today, at a time that there is confusion going on in the country, to talk to you simply as I can. But I am not here to make a great political presentation nor give you a great forensic show.

I just want to talk to you as if we were sitting down over a can of beer, martini or scotch, if you've got it. But if you haven't got any of that, just anything with alcohol in it will suit me fine.

Now, of course, you folks come from all over the United States. I know every one of you is wondering how in the hell can a man spell his name "H-e-b-e-r-t" and pronounce it "A-Bear". Well, the Adjutant of Louisiana is named Hebert, and the two golf champions, Lionel and Jay, are also named Hebert. One of them has a club here in Florida.

I want you to know that they are my first cousins. They are from Lafayette, Louisiana. I never heard of them until they won a championship.

When Jay won the championship, my wife said he had done more in eighteen holes of golf than I had done in eighteen years in Congress.

I go back to the days of my newspaper days. I thought I was a fairly good reporter. I was catapulted into Congress. I never had any intention of coming into Congress until I participated in breaking the Long machine in Louisiana thirty-four years ago, and I came up to stay one term.

On Saturday, I was elected for the eighteenth consecutive time, which is more times than any man in the history of Louisiana has ever been elected to public office.

But I have slipped a little bit, and I am a little down today. I won only by eighty-two percent. I was very disappointed.

Down in one area, there were 252 votes for the fellow running against me and 5,552 for me. We are still looking for the 252 to find out when they are going to come back to the Parish the next time.

Seriously, let me talk with you and not to you.

Going back to the Cajon country, if I may say it, the Cajons have a very cute way of talking, a very fond way. I can't speak a word of French, so I say, "A-Bear", and the only other man in Congress whose name is Hebert speaks French beautifully, Senator Hebert. He has never learned how to pronounce his name.

So, anyway, the Cajons in the country, down in that beautiful country, tell the story of the little Cajon boy on the road when the City man was driving through, and came to a section where one road goes this way, and one road goes that way, and the other road goes that way, and the City man stops his automobile.

He says, "Boy, where does that road go?" And the little boy, in typical Cajon talk, said, "I don't know".

He says, "You don't know?" The little boy said, "No, I don't know."

"Where does this road go?"

"I don't know".

"You don't know that, either?"

The little boy said, "No, I don't know".

He said, "Where does that road go?"

"I don't know."

In disgust, the man looked at him and said, "What do you know?"

The little boy said, "I know I ain't lost."

As I talk to you now and I want to say to you, I know I am not lost; the things I am going to say I hope to leave some impression with you because this is a time when an individual who knows what he wants to say, says it.

I will not talk to you in diplomatic rhetoric or bureaucratic humdoodle. I will not say "intestinal fortitude", I will say "guts".

Let's look at this country today and find out exactly what we are facing.

Never before in the history of this nation have we as a people or as a nation gone through what we have gone through in the last several years.

Thomas Paine said, "These are times that try men's souls," and they certainly do, now more than ever.

And I am not a doomsdayer, I am not a doomspeaker, but your country depends now more than it ever has on you and you and you, from all over this nation.

This is the message I would like to leave here today: What we have seen happen in Washington proves beyond any doubt that this constitutional government can exist, and that the system does work, and that is what counts.

And that is in spite of the problems in this country where so much in government is distorted, confused, and misrpresented.

I am not going to be swayed by that idiot tube that is threatening to destroy this country today. And I mean television where the fate of the nation is being placed in the hands of the few who distort and lead and pound and and pound and pound until they get their views enforced.

Now, who is at fault for that? Who is at fault? You are.

And that is all the people are asking for, instead of the majority ruling.

I just told you I won by 82 percent in my election last Saturday in New Orleans, and I am a minority candidate. Of 202,000 voters in my District, only 80,000 voted. Less than 40 percent of them came out to vote.

When Jerry Ford became Vice President, they had a special election in his old district, and 31 percent voted.

When they had a special election in Maryland, 21 percent voted.

Here is where the challenge comes to you. Here is where the gauntlet is thrown to your meeting, for you to pick it up if you believe in the system of America and the survival of this country.

You leave this convention; you leave it, yes, and you go back home and make up your minds that there is more to it than what you served in the past. The future is a challenge to you, to do your civic duty of making your fellows get out and vote, lest this become a nation of bullets instead of ballots.

The greatest tribute paid to the system was the day that Jerry Ford took the oath of office. I didn't see a tank on the streets in Washington, and I didn't see a soldier marching up and down.

And that very day, or the very next day, we passed a two billion dollar military construction bill by a vote of 322 to 30 in the House of Representatives.

That is the system.

But it won't continue unless we protect it.

The words I speak here, if they fall on hollow ears and if you just leave and say, "Well, he said these things and those things," that just does no good. It does no good.

It only does some good, if you leave this convention and return to your homes determined that you will endorse Benjamin Franklin's reply to the woman when he came out of Independence Hall and she said, "Doctor, what kind of government have we got?"

And he said, "A republic, if you can save it."

It is up to you to save the republican form of government today—and by this I mean the representative government, not in the political sense of the word.

I don't care which side you vote, or for whom you vote; but get out and vote and try to build up this country, because you have a minority government today.

You have a minority government and not a majority government. That is the impression I would like to leave with you and try to get over.

Let's pass on a little bit now. Let's look at something else.

I came here to see men and women who wore the uniform of their country, who were ready to sacrifice their lives when they either volunteered or were called up and did not run the desert their flag and their country.

That is what you represent and that is why I honor you.

I am still of the schoolboy's attitude, maybe the emotional type, that may disagree with what my country does, may violently disagree with some decisions made on other levels, but once that decision is made, it's my country.

My country in intercourse with foreign nations, may she forever be right; but right or wrong, my country.

That is what I feel.

Now, there has been much said and talked about so-called amnesty. Any one of those 50,000 who ran out of the country, who deserted their country, should be brought back and put in jail for a violation of the law.

That is the way I feel.

I am not just saying that today. I said it yesterday. I said it the day before and I will say it tomorrow, next week and next month.

I will not change.

It makes me shudder and it makes me wonder that because of those 50,000 who fled the country, how many others are casualties, because they shunned their duty and somebody else got called in their stead?

How many of them are missing in action or are never coming back? How many are dead because cowards ran away?

I can't condone it.

As I speak to you and talk about the transition of the government, our country and this nation, let me again say that I support the presidency of the United States and I am not talking about a man, I am talking about that office.

I am very happy in one area, with Mr. Ford, because the most difficult thing to me is going to be to call him President. I called him Jerry all the time. I have known him ever since he was in Congress.

He talked in an address to the Joint Session the other night when he stressed above anything else that we are not going to cut down on our national defense and our national security.

What people don't understand, or don't want to understand, is that the military has only one mission in this world—only one mission, not two, one—and that mission is the defense and security of this country.

And if this country is not defended to the hilt and secure in fullness, it doesn't make a bit of difference what the give-away programs are, because there will be nobody to give them away to, if the country fails.

I say this every day, and I will tell you I have been around 34 years. I served under seven Presidents, and there are only four men in Congress that have been there longer than I have been there—and, of course, that is another thing I say parenthetically, the discussion about seniority.

Now is the day of youth, the youngster has come up. Old men like me, we must go.

You know, those youngsters, when they get to Congress they hate seniority when they get there, and as every day goes on, they like it more.

And when they get my age, they never want to give it up.

National defense faces some of its greatest challenges today, not from the outside against our military, but from within the Congress itself.

In spite of that, on the House side now, the Armed Services Committee has done tremendously well.

In committee debate, the highest number of votes against us out of 44 members was 5. We have a bipartisan committee. It is not Republicans or Democrats, it's all Americans on that Committee.

The House has this little bloc that fights anything that has a uniform on. But the House respects what the Armed Services Committee does.

Now, when we move over to the Senate we have our problems with the whole Senate.

On the Procurement Bill, they put 61 amendments on it, 61 amendments, everything you could think of.

Now, as we look to the future, the Senate has cut a billion dollars more than the House Appropriations Committee.

People come along and make wild, irresponsible, foolish statements and propose to cut five billion dollars from the defense budget.

I asked them, "Where are you going to cut it? Where?"

"We don't know. You can cut it."

Fifty-five percent of our DOD budget goes to paying salaries, retirement, and other personnel costs.

The American soldier is the highest-paid soldier in the world.

They say, "You can get a cheaper submarine."

"All right, tell me where I can get a cheaper submarine?"

"I don't know, but you ought to know. You can get a cheaper bomber than the B–1."

"Tell me where."

"I don't know, but you ought to know."

They can never pinpoint it. It is just this reckless talk, this emotionalism that they stir up.

And these are the things that you must be on the alert for and on the lookout for.

The things I have said, I have said before. There is nothing new here.

I will repeat them as I repeat a daily prayer, but I can only tell you, an audience that comes from all over the United States, an organization to which I am so grateful for having so singularly honored me here this morning, to please start thinking American and the survival and subsistence and sustenance of this nation.

Please begin to think, "I want the military to have the virtues of the past. I want the recognition of authority and the acceptance of discipline. I want a hard fighting corps."

And I may say in passing here, the volunteer Army is a dream.

In saying that, I will pay due respect to Secretary Callaway, who I think is a great guy and has done a magnificent job, but, as I said before, I'll believe in a volunteer Army when I see it.

Do you realize—and you were soldiers, sailors, Marines, and airmen—in recruiting for the volunteer Army, the DOD is asking for the living quarters for recruits with a family?

Since when are we recruiting families to fight?

A hundred and sixty-five million dollars was asked for transportation for those families. Is this the kind of Army we want?

I predict within four years you will have the draft in peacetime. You will not have a volunteer Army, and that is going to be found out as we go along. I hope I am proven wrong.

Carry it away with you. The citizen has to give more thought to his government and his Armed Forces.

I tried to talk plain English. I tried to speak as though, as I said before, I was sitting and having a drink with you, because that is what I feel inside of me.

There is nothing that awes me or anything of that nature. I don't want to be awed. I want to be humble. I want to be simple.

And I want to cry or cheer when I see that American flag pass by. I'm not ashamed of that. I believe in it.

And when I hear that Star Spangled Banner played I feel every note of it.

And I can cry, and I don't apologize for it.

I may as well leave you on that note, except to say this:

It is my daily prayer, and I suggest that it be your daily prayer, to repeat the words of Daniel Webster:

"I was born an American, I have lived an American and I will die an American."

FROM CASTRO'S PRISONS, A CHRONICLE OF INHUMANITY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, when the reports become more and more frequent and ominous that our country is considering changing its policy toward Castro and Cuba and coming into a friendly relationship with this Communist regime, I think it is well that we should remember the murders, the robberies, the larcenies, the assaults, the brutalities, and the barbarities which Castro has inflicted upon so many people in the once beautiful Cuba which he has perverted to Communism.

A good chronicle of some of the crimes of Castro appeared in the September 7, 1974 issue of the Miami Herald in a column by Jack Anderson. I hope our country will consider the record of Castro before we allow ourselves to take in friendship such a bloody and foul hand as his.

I ask, Mr. Speaker, that the article from the Herald appear in the body of the Record following these remarks:

From Castro Prison, a Chronicle of Inhumanity

(By Jack Anderson)

A less bombastic Fidel Castro is now on his best behavior, as he strives to bring Cuba into the society of Western Hemisphere nations. But hidden from the prominent visitors he has enticed to Cuba is an unspeakable world of political oppression.

We have written about the terror and torture in the prisons of Brazil's right-wing dictatorship. Now we have received evidence of similar tactics in the prisons of Cuba's left-wing dictatorship.

Just as Brazilian political prisoners smuggled their stark stories to us through priests, Castro's prisoners have managed to smuggle letters, affidavits and other evidence to the U.S. with directions, that they be delivered to us.

We have checked out their charges, as best we could, with former prisoners who have been released from Castro's custody. We are willing to make a personal inspection of these prisons, if Castro will permit it, as we also offered to do in Brazil.

The letters and affidavits describe a horror which, for the unhappy souls who run afoul of Castro's political police, usually begins with a frightening, after-midnight arrest.

"You and your family are all fast asleep," states one affidavit, "when the tremendous knocking at your front and back doors starts. About six or seven G–2 men, armed to the teeth with Russian machine guns, rush in your house, screaming, pushing your family, searching your home, not allowing your wife or children to go to the bedroom to put their clothes on.

"They insult you with every filthy name in the book. Finally they push you outside, with your family crying, and put (you) into a G–2 car."

The victim is hustled to G–2 headquarters where, according to the affidavit, "you are taken into a small room, have all your clothes taken away from you, searched even within your body, then given a pair of mechanic overalls without any sleeves."

The interrogation takes place in a small office. "The officers all put their guns on the table in front of you to scare you," recounts the affidavit. "Then the questioning begins, with insults, the threats, the false accusations, where everybody is accused of being the CIA."

If the prisoner doesn't give the answers they want, he is held alternately in overheated and frigid cells. "The heat is so bad, you faint. And then you are brought in a special cell that has air conditioning so cold you freeze. All this to make you talk."

The prisoners are permitted to see their families once a week. "You are shaved by a gorilla, without shaving cream, then taken to a small room, all bugged, with your investigator sitting next to you, and are given six or seven minutes with your family, after your family has been given a lecture to tell you to confess."

The letters and affidavits described the food in Cuban prisons as scarcely enough for survival. At La Cabanas Fortress prison, 160 men were crowded into galleries without windows, nothing but an iron grill at the end. It was so hot in the summer that the prisoners couldn't bear to wear clothes. When it rained, the water washed into the living quarters.

"At one time," stated an affidavit, "we were not allowed to have water to shower for 23 days." Another describes the hour in the sun which the prisoners were permitted once a month.

"But we had to run in double time. All the time we were running, we were being hit by the guards with clubs, bayonets and iron sticks. Then down again into the hole, again being hit by the guards."

Most of all, the prisoners dreaded the "riquisa," as the cell searches were called. "The guards come into your gallery after midnight," according to one account, "and line you up outside or against the wall. They start to throw everything you own outside and douse water all over your bed, which normally is thrown from one end of the gallery to the other.

"You also get beat up. When you are taken outside, nude, the militianas (women guards) stand in the patio and laugh at your nakedness."

At the Isle of Pines prison, the prisoners were welcomed off the ferry boats by "guards on both sides of the gangplank, hitting us as we passed by them, and I mean hitting with clubs and sticking us with their bayonets, just for fun, I guess," states one letter.

The prisoners at the Isle of Pines got up at 5 a.m. and worked until 6 p.m. "cutting, weeds, painting trees, picking fruit." "God forbid," reported one former prisoner, "if they should catch you eating a piece of fruit. The guards would make mince meat out of you with their bayonets."

The prisoners were subjected to daily beatings, according to the smuggled documents. "There was seldom a month in the island when they did not kill one or two prisoners in the work camp, or cut them up, crippling them, or something," charges an affidavit.

The documents give detailed descriptions of the prisons, enclose typical menus and name some of the most brutal guards. One prisoner, risking almost certain retaliation, has asked us to tell his personal story. This will be published in a future column.

GLOBAL INTERDEPENDENCE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter).

Mr. PEPPER. Mr. Speaker, the Honorable Mark O. Hatfield recently addressed the annual dinner of the Members of Congress for Peace Through Law on the interdependence of the peoples of the world in the present struggle for security and prosperity among nations.

I wish to call Senator Hatfield's thoughtful speech of September 11, 1974, to the attention of our colleagues. Under the title of "Global Interdependence: Life, Liberty, and the Pursuit of Happiness," his remarks make a significant contribution to greater understanding of the intimate relationships among all peoples and nations of the world.

I include the text of his remarks as follows:

Global Interdependence: "Life, Liberty, and the Pursuit of Happiness" in Today's World

(By Senator Mark O. Hatfield)

Constantly we hear the term "national security" invoked to justify policies and programs as if no other explanation is necessary. What we must do is define exactly what we mean by this term. It is a prevalent and frequent mistake to assume that our nation's security is wholly identical to our military might. That can be a component, but only one component, of what constitutes, in reality, our "national security."

Fundamentally, the security of our nation means the guarantee that we can live in a way and under a government that is committed to insure us the rights, as endowed by our Creator, of "Life, liberty, and the pursuit of happiness." The threats to those basic rights can come from numerous sources both within and without the nation. Social disintegration, ecological deterioration, economic erosion, morally destitute corporate values held as a people, domestic and international injustice, and world-wide forces of instability are a few of the threats to our nation's security apart from the military power of governments whose ideology is hostile to our own.

Further, it is these other threats which, in fact, seem far more imminent to the fundamental rights and qualities that define our security. Thus, we should analyze with care precisely what it means to preserve and insure the ideals of "life, liberty, and the pursuit of happiness" in today's world.

There is one central truth we must realize: Protecting and preserving the life of citizens in America is directly dependent upon the conditions that will preserve and nurture life throughout the world. This increases as we realize the finite limitations to the resources necessary to preserve life. In a ultimate but very real way, the conditions for securing life here in America are dependent upon conditions and resources for sustaining life everywhere. We are tied together with mankind in a single destiny.

A major threat, economically and even militarily, to our national well being and the world's peace is posed by the division between those, like us, with a monopoly of the world's basic resources, and those struggling to allow their people to eat and live. Such a world is inherently prone to violence, and provides no guarantee to security for either the rich or the poor. The greatest threat to wars in the future will stem from potential "wars of redistribution" for the world's wealth and resources.

Consider our past quest for security. Since World War II all the nations of the world have spent $3,699 trillion in this quest. The United States alone has spent half of that amount, or about the same as all the other nations of the world combined. With our nuclear arsenals, man possesses the capability of releasing exposive power equivalent to 15 tons of TNT for every man, woman, and child on the face of the earth. In a world of nearly four billion people, there exists the capacity or destroying 400 billion people. In a matter of a moment, a thermonuclear explosion 3,000 times as large as the bomb dropped on Hiroshima can be directed to any point on the globe.

America is the number one military power in the world. Yet, we are 14th in the infant mortality. We are 8th in the ratio of doctors per patients. We are 22nd in life expectancy. We are 14th in literacy.

The U.S. budgets for military spending have continued to rise, over and above inflation, despite the end of the war. Further, this is the first time in recent history that military spending has risen following a war; after World War II and following the Korean war, there was a marked decline in our defense budgets. But today, we are spending more in "peace" than we were in "war."

Winston Churchill once said that increasing nuclear strength serves only to "make rubble bounce." Yet we have continued to increase our nuclear forces in what we call a quest for "security." Further, we still believe that security is primarily a function of military strength and international diplomacy. However, it is becoming more and more clear that the forces shaping our nation's and the world's real security go far beyond what can be even insured by treaties and arms.

We must accept the growing global interdependence of the world, and also recognize the position of dominance and frequent exploitation that has characterized our role. So far, total U.S. investment in developing nations has been very profitable, far more so than U.S. investment in industrialized nations. The United States invested $16.23 billion in Europe and $10.9 billion in Canada from 1959 to 1969. Repatriated profits for these investments amounted to $7.3 billion from Europe and $4.7 billion from Canada for the ten-year period. However, in the Third World nations of Latin America, Africa, and the Middle East, U.S. investment from 1959 to 1969 amounted to $5.8 billion. Repatriated profits from these investments were $15.1 billion, more than a 250 percent return. This situation may very well change, however, as the poor countries of the world realize how dependent the industrialized nations are upon the Third World's natural resources, and begin to charge prices more in keeping with the demand.

Consider the United States' dependence on the mineral resources of the poor countries. Like other rich countries that industrialized early, the United States has sorely depleted its indigenous sources of basic industrial raw materials. Thus we have reached an era of growing dependence on the largely unexploited mineral reserves of the poor countries. Of the thirteen basic industrial raw materials we require, the U.S. in 1950 was dependent on imports for more than half of its supplies of four—these were aluminum, manganese, nickel, and tin. By 1970, zinc and chromium were added, bringing to six the number of raw materials for which we were dependent on imports for more than half of our supplies. By 1985, the list will grow to nine as iron, lead, and tungsten are added. By the year 2000, we will depend on foreign sources for more than half of our supply of each of the 13 raw materials except phosphate. Most of these sources are Third World developing nations, such as Bolivia, Peru, Chile, Zambia, Zaire, Ghana, and Nigeria.

Will the developing nations of the world continue to abide the demands put on them to fuel the industrialized nations when they have their own very real needs at home? I believe not, especially when the demands of the industrialized nations arise out of wasteful consumer consumption and ever-increasing military budgets.

Although Americans comprise only 6 percent of the world's population, we consume 40 percent of the world's resources, and ⅓ of the world's total energy. Our society is awash in more and more consumer goods designed for the affluent society, and sold to us by advertising techniques that even try to induce these "needs" within the public. Our consumptive style of abundance and waste contributes to the inequity and exploitation of the poor.

What pierces any sensitive heart most deeply is the suffering of the hungry of the world. Most of humanity is hungry. This is a daily struggle for millions of people, at home and throughout the world. Each day literally thousands lose that struggle and die of starvation. One-third to one-half of the world's people suffer from continual hunger or nutritional deprivation, and its effects. During a year, our diets require a ton of grain to support our consumption of meat, poultry, dairy products, and other ways of getting protein. But the person in a poorer country has only 400 pounds of grain available each year for his diet. It takes five times the limited resources of land, water, and fertilizer to support our diet than to support the diet of a Nigerian, or Colombian, or Indian, or Chinese.

It is crucial we realize that there are limits to the "size of the pie." Famine will not be averted by simply thinking we can just increase the pie. Most arable land in the world is in use. The seas are being "overfished." The pie is limited, and it must be shared more equitably.

So what does all this mean? We can no longer suppose that our extra abundance—the crumbs from our table—can feed the hungry of the world. Rather, the world will be fed only by the sharing of resources which the rich of the world have assumed to be their unquestioned possession, and through the changing of values and patterns of life which the affluent have barely questioned.

At least 60 percent of all those 2.5 billion people living in the poorer, developing world are malnourished. We have not even touched on how malnutrition leads to death through disease for millions of people. One can have enough food to keep himself alive, but malnourished, making him far more susceptible to disease and death. Even more tragic is the evidence that malnutrition during a mother's pregnancy and the first months of an infant's life can cause permanent damage to the mental abilities of the child.

The world produces enough food to feed all its inhabitants. But when one third of the world's population—all those who are comparatively the "rich"—consume two-thirds of the world's protein resources, then millions of the other two-thirds of the world suffer, starve, and die.

Ghandi put it cogently and well: "The earth provides enough for everyman's need, but not for everyman's greed." There is no problem faced by this world more likely to breed instability and conflict, threatening our security and that of the entire world in the years ahead, than the disparity in distribution of food and basic resources for sustaining life.

To add to this global picture, we see that the gaps between the rich and the poor in the world have continued to widen. The gap between the per capita Gross National Products of the rich and poor nations was $2000 in 1960. But currently, according to reports it approaches $3000. Further, in the next 35 years the world's population is projected to double, with the greatest increases coming amongst the world's poor. Yet, in 1970, the world's military expenditures totaled $204 billion, a sum exceeding the entire income of the poorest half of mankind.

True peace is not the absence of conflict. It is the fulfillment of human needs. "Shalom" is the historic term emodying this vision of wholeness, fulfillment, and true peace. Our world will never know the hope for peace, and we will never have a generation of peace, until man can believe that the basic needs of life can be provided for him and for his children.

This is the vision of Members of Congress for Peace through Law. We are trying to look at our world, not from the narrow perspective of blind nationalism, nor from the limited view of what the present seems to require, but rather from what is mandatory for mankind to survive in peace during the decades ahead of us. We believe that recognizing our inter-dependence and striving for a global community through law is the only alternative we have that leads to true security and peace. This is the overriding aim of all our efforts. These issues which will shape our future will be considered, in one way or another, by the Congress. Whether we act on them parochially, or from a global perspective, depends on how well our vision can be articulated to our colleagues in the Senate and House.

Recently, I read a frightening article. It suggested that the vision of the world today is like that of a lifeboat amidst a sea of people struggling to stay afloat. The lifeboat could only hold so many people, so those who were in had the right to keep the others out—to even beat them back with oars—in order for the boat to survive. The conclusion was that the rich of the world had the right not to make any room for the poor. Such a callous, inhumane view will be heard among those who cannot bear to face the realities of the future.

In contrast is the recognition of our common humanity: That we all inevitably ride together on spaceship earth; and that our destiny is linked together with all of God's children who inhabit the earth. This is the image which compassion instills in our hearts, and which can save our future.

We are approaching the 200th anniversary of the Declaration of Independence. Those men who signed that document saw the truth of their times, and were captured by a vision to which they pledged their lives, their fortunes, and their sacred honor. Today, if we are to act in that same spirit, we should issue a Declaration of Inter-dependence, pledging to it our lives, our fortunes, and our sacred honor.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Sarasin) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 15 minutes, today.
Mr. Steelman, for 5 minutes, today.
Mr. Railsback, for 5 minutes, today.
Mr. Ashbrook, for 20 minutes, today.
Mr. Sandman, for 10 minutes, today.
Mr. McKinney, for 5 minutes, today.
Mr. Frenzel, for 20 minutes, today.

(The following Members (at the request of Ms. Holtzman) to revise and extend their remarks and include extraneous material:)

Mr. Reuss, for 30 minutes, today.
Mr. Drinan, for 15 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Flood, for 5 minutes, today.
Mr. Brademas, for 5 minutes, today.
Mr. Brinkley, for 5 minutes, today.
Mr. Melcher, for 5 minutes, today.

Mr. Boland, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, October 3, 1974.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Dennis, to include extraneous matter in the Committee of the Whole today.

Mr. Gilman to revise and extend his remarks prior to the vote on the Pepper amendment to H.R. 16900.

Mr. Steele, to revise and extend his remarks and include extraneous matter prior to the vote on the Young amendment during consideration of House Resolution 988 in the Committee of the Whole today.

Mr. Preyer, to revise and extend his remarks immediately prior to the vote on the Ichord amendment.

Mr. Bingham, to follow the remarks of Mr. Yates on H.R. 16900, in the Committee of the Whole today.

Mr. Perkins, to revise and extend his remarks, prior to the vote on the Pepper amendment, on H.R. 16900, in the Committee of the Whole today.

Mr. Frenzel, to extend his remarks prior to the vote on the Pepper amendment.

(The following Members (at the request of Mr. Sarasin) and to include extraneous matter:)

Mr. Landgrebe.

Mr. Lujan.

Mr. Bob Wilson.

Mr. Walsh.

Mr. Frenzel in two instances.

Mr. Frey.

Mr. Froehlich.

Mr. Gilman in two instances.

Mr. Wydler.

Mr. Wyman in two instances.

Mr. Ashbook in three instances.

Mr. Cronin.

Mr. Armstrong.

Mr. Shoup.

Mr. Steiger of Wisconsin.

Mr. Ketchum.

Mr. Rousselot in two instances.

Mrs. Heckler of Massachusetts.

Mr. Bell.

Mr. Hanrahan.

Mr. Bray in two instances.

Mr. Huber.

Mr. Spence.

(The following Members (at the request of Ms. Holtzman) and to include extraneous matter:)

Mr. Charles Wilson of Texas in 10 instances.

Mrs. Grasso in 10 instances.

Mr. Minish.

Mr. Kyros in seven instances.

Mr. Edwards of California in two instances.

Mr. Alexander in 10 instances.

Mr. Gaydos.

Mr. Fraser in two instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Anderson of California in two instances.

Mr. Hamilton in five instances.

Mr. de Lugo in 10 instances.

Mr. Obey in four instances.

Mr. Bennett.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 234. Joint resolution transferring to the State of Alaska certain archives and records in the custody of the National Archives of the United States; to the Committee on Post Office and Civil Service.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 1276. An act for the relief of Joe H. Morgan;

S. 2337. An act for the relief of Dulce Pilar Castin (Castin-Casas);

S. 2382. An act for the relief of Caridad R. Balonan; and

S.J. Res. 192. Joint resolution to grant the status of permanent residence to Ivy May Glockner formerly Ivy May Richmond nee Pond.

ADJOURNMENT

Ms. HOLTZMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 9 minutes p.m.), the House adjourned until tomorrow, Thursday, October 3, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2815. A letter from the Deputy Assistant Secretary of Agriculture, transmitting the second preliminary report on the implementation of the pilot special supplemental food program for women, infants, and children, pursuant to section 17 of the National School Lunch Act, as amended; to the Committee on Education and Labor

2816. A letter from the Assistant Secretary of the Interior, transmitting a determination relating to deferment of a portion of the August 1, 1975, construction payment due the United States from the Arch Hurley Conservancy District, Tucumcari project, N. Mex., pursuant to section 1 of Public Law 86–308 [43 U.S.C. 485b–1(b)]; to the Committee on Interior and Insular Affairs.

2817. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 18, United States Code, to provide for the protection of U.S. probation officers; to the Committee on the Judiciary.

2818. A letter from the Secretary of Health, Education, and Welfare, transmitting the second annual report of the National Professional Standards Review Council, pursuant to section 1163(f) of the Social Security Act, as amended; to the Committee on Ways and Means.

Received From the Comptroller General

2819. A letter from the Comptroller General of the United States, transmitting a report on the management of aircraft modification programs in the Army, Navy, and Air Force; to the Committee on Government Operations.

2820. A letter from the Acting Comptroller General of the United States, transmitting the report and recommendation of the General Accounting Office concerning the claim of Joseph J. Andrews against the United States, pursuant to 45 Stat. 413 [31 U.S.C. 236]; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS: Committee on House Administration. H. Res. 1299. Resolution increasing the number of positions of expert transcribers to official committee reporters (Rept. No. 93–1408). Ordered to be printed.

Mr. EDWARDS of California: Committee on the Judiciary. H.R. 8864. A bill to amend the act to incorporate Little League Baseball to provide that the league shall be open to girls as well as to boys; with amendment (Rept. No. 93–1409). Referred to the House Calendar.

Mr. EDWARDS of California: Committee on the Judiciary. H.R. 13054. A bill to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps; with amendment (Rept. No. 93–1410). Referred to the House Calendar.

Mr. SISK: Committee on Rules. H. Res. 1387. Resolution amending rule XXIII, clause 6, of the rules of the House (Rept. No. 93–1411). Referred to the House Calendar.

Mr. PATMAN: Committee of conference. Conference report on S.3792 (Rept. No. 93–1412). Ordered to be printed.

Mr. TEAGUE: Committee of conference. Conference report on S.1769 (Rept. No. 93–1413). Ordered to be printed.

Mr. PRICE of Illinois: Joint Committee on Atomic Energy. H.R. 16074. A bill to provide available nuclear information to committees and Members of Congress (Rept. No. 93–1414). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 12071. A bill to amend the Department of Agriculture Organic Act of 1944 to authorize the Secretary of Agriculture to enter into negotiated contracts for the protection from fires of lands under the jurisdiction of the Department of Agriculture, and for other purposes (Rept. No. 93–1415). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOORHEAD of Pennsylvania: Committee on Government Operations. H.R. 16373. A bill to amend title 5, United States Code, by adding a section 552a to safeguard individual privacy from the misuse of Federal records and to provide that individuals be granted access to records concerning them which are maintained by Federal agencies; with amendment (Rept. No. 93–1416). Referred to the Committee of the Whole House on the State of the Union.

Mr. MADDEN: Committee on Rules. House Resolution 1410. Resolution providing for the consideration of S.J. Res. 40. Joint resolution to authorize and request the President to call a White House Conference on Library and Information Services in 1976 (Rept. No. 93–1417). Referred to the House Calendar.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 1411. Resolution providing for the consideration of H.R. 16204. A bill to amend the Public Health Service Act to assure the development of a national health policy and of effective area and State health planning and resources development programs (Rept. No. 93–1418). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 16992. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOMFIELD:

H.R. 16993. A bill to prohibit the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on the Judiciary.

By Mr. BROTZMAN (for himself, Mr. Clancy, and Mr. Mills):

H.R. 16994. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. CASEY of Texas (for himself, Mr. Bafalis, Mr. Roncallo of New York, Mr. Riegle, and Mr. Huber):

H.R. 16995. A bill to amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from requiring an indirect source emission review as a part of any applicable implementation plan; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 16996. A bill to amend the Internal Revenue Code of 1954 to provide that the deduction for charitable contributions shall be allowable whether or not the taxpayer takes the standard deduction; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS (for himself, Mr. Dent, Mr. Biaggi, Mr. Patten, Mr. Minish, and Ms. Holtzman):

H.R. 16997. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide additional jobs for unemployed persons through programs of public service employment; to the Committee on Education and Labor.

By Mr. DENNIS:

H.R. 16998. A bill to amend the Internal Revenue Code of 1954 to provide for the valuation of a decedent's interest in a closely held business for estate tax purposes; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 16999. A bill to amend the Civil Rights Act of 1964 to provide a limitation of 2 years on civil actions brought to prevent unlawful employment practices; to the Committee on Education and Labor.

By Mr. SNYDER (for himself, Mr. Taylor of Missouri, Mr. Hunt, Mr. Shriver, Mr. Winn, Mr. Guyer, Mr. Baker, Mr. Veysey, Mr. Scherle, Mr. Abdnor, Mr. Hillis, Mr. Walsh, Mr. Miller, Mr. Hanrahan, Mr. Wampler, Mr. Young of South Carolina, Mr. Wiggins, Mr. Hutchinson, Mr. Sarasin, Mr. Quillen, Mr. Findley, Mr. Rousselot, Mr. Carter, Mr. Madigan, and Mr. Huber):

H.R. 17000. A bill to prohibit the Federal Energy Administration from imposing any tax or fee on gasoline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER (for himself, Mr. Towell of Nevada, Mr. Bray, Mr. Steiger of Arizona, Mr. Ashbrook, Mr. Gross, Mr. Wylie, Mr. Parris, Mr. Burgener, Mr. McCloskey, Mr. Powell of Ohio, Mr. Railsback, Mr. Forsythe, Mr. Collier, Mr. Duncan, Mr. Maraziti, Mr. Mitchell of New York, Mr. Collins of Texas, Mr. Fish, Mr. Gilman, Mr. Froehlich, Mr. Conte, Mr. Martin of North Carolina, Mr. Symms, and Mr. Myers):

H.R. 17001. A bill to prohibit the Federal Energy Administration from imposing any tax or fee on gasoline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH:

H.R. 17002. A bill to amend the Public Health Service Act to enlarge the authority of the National Institute for Neurological Diseases and Stroke in order to advance a national attack on multiple sclerosis, epilepsy, muscular dystrophy, and other diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. GRAY:

H.R. 17003. A bill to amend the National Visitor Center Facilities Act of 1968; to the Committee on Public Works.

By Mr. JOHNSON of Pennsylvania:

H.R. 17004. A bill to provide for the development of a long-range plan to advance the national attack on arthritis and related musculoskeletal diseases and for arthritis training and demonstration centers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 17005. A bill to amend title 18 of the United States Code to establish a revolving fund for making loans to individuals released from prison; to the Committee on the Judiciary.

By Mr. KYROS (for himself, Mr. Vigorito, Mr. Hechler of West Virginia, Mr. Sarasin, Mr. Satterfield, Mr. Pike, Mr. Koch, and Mr. Gude):

H.R. 17006. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

By Mr. LENT:

H.R. 17007. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI:

H.R. 17008. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. MATHIAS of California:

H.R. 17009. A bill to amend title IX of the Education Amendments of 1972 to prohibit age discrimination in any education program or activity receiving Federal financial assistance; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 17010. A bill to establish a working capital fund in the Department of Justice; to the Committee on the Judiciary.

By Mr. RONCALLO of New York (for himself, Mr. Patman, Mr. Brown of California, Mr. Burgener, Mr. Gude, Mr. Harrington, Mr. Hawkins, Mr. Wright, and Mr. Young of Georgia):

H.R. 17011. A bill to prohibit certain conflicts of interest between financial institutions and corporations regulated by certain agencies of the United States; to the Committee on Banking and Currency.

By Mr. SARASIN:

H.R. 17012. A bill to provide a means for a compensating U.S. air carriers for excessive or discriminatory airport landing fees charged such carrier in a foreign country; to the Committee on Interstate and Foreign Commerce.

By Mr. SIKES:

H.R. 17013. A bill to provide for the conservation and management of fisheries, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STEELE (for himself, Mr. Badillo, Mr. Culver, Mr. Eshleman, Mr. Frey, Mr. Fuqua, Mr. Gaydos, Mr. Gilman, Mr. Harrington, Mr. Helstoski, Mr. Mollohan, Mr. Parris, Mr. Preyer, Mr. Quie, Mr. Roe, Mr. Thompson of New Jersey, and Mr. Won Pat):

H.R. 17014. A bill to increase the availability of reasonably priced mortgage credit for home purchases; to the Committee on Banking and Currency.

By Mr. STEELE (for himself, Mr. Long of Louisiana, and Mr. Matsunaga):

H.R. 17015. A bill to provide financial assistance to the States for improved educational services for exceptional children; to establish a National Clearinghouse on Exceptional Children; and for other purposes; to the Committee on Education and Labor.

By Mr. STUDDS:

H.R. 17016. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mr. WHITEHURST:

H.R. 17017. A bill to reestablish the fiscal integrity of the Government of the United States, through the establishment of controls with respect to the levels of its revenues and budget outlays, by reducing the wages and other emoluments of Members of Congress in any fiscal year in which Government budget outlays exceed revenues; to the Committee on Post Office and Civil Service.

By Mr. BOB WILSON (for himself, Mr. Archer, Mr. Scherle, and Mr. Kemp):

H.R. 17018. A bill to prohibit any change in the status of any member of the uniformed services who is in a missing status under chapter 10 of title 37, United States Code, until the provisions of the Paris Peace Accord of January 27, 1973, have been fully complied with; to the Committee on Armed Services.

By Mr. BOB WILSON (for himself, Mr. Evans of Colorado, and Mr. Young of Texas):

H.R. 17019. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. WYDLER:

H.R. 17020. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $1,000 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. BRADEMAS (for himself, Mr. Quie, Mr. Perkins, Ms. Mink, Mr. Hansen of Idaho, Mr. Thompson of New Jersey, Mr. Peyser, Mr. Meeds, Mr. Sarasin, Ms. Hansen of Washington, and Mr. Cederberg):

H.R. 17021. A bill to amend the National Foundation on the Arts and the Humanities Act of 1965 to create the American Film Institute as an independent agency; to the Committee on Education and Labor.

By Mr. DANIELSON (for himself, Mr. Del Clawson, Mr. Collier, Mr. Corman, Mrs. Heckler of Massachusetts, Mr. Rees, and Mr. St Germain):

H.R. 17022. A bill to amend section 204 of the Federal Water Pollution Control Act to authorize the use of ad valorem taxes to satisfy the user charge system requirement; to the Committee on Public Works.

By Mr. DUNCAN:

H.R. 17023. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENZEL:

H.R. 17024. A bill to amend the Urban Mass Transportation Act of 1964 to encourage urban transportation planning, to authorize additional funds for grants and other assistance to urban mass transportation, and for other purposes; to the Committee on Banking and Currency.

By Mrs. GRASSO:

H.R. 17025. A bill to provide for public ownership of all documents prepared for or by any elected Federal official in connection with the performance of the duties of such official; to the Committee on House Administration.

By Mr. GRAY:

H.R. 17026. A bill relating to former Speakers of the House of Representatives; to the Committee on House Administration.

H.R. 17027. A bill to amend the National Visitor Center Facilities Act of 1968; to the Committee on Public Works.

By Mr. HAMMERSCHMIDT:

H.R. 17028. A bill to amend title 38 of the United States Code in order to increase the subsistence allowances payable to veterans pursuing vocational rehabilitation training, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 17029. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mrs. HECKLER of Massachusetts (for herself, Mrs. Holt, Mr. Cohen, Mr. Don H. Clausen, Mr. Burke of Florida, Mr. Broomfield, and Mr. Peyser):

H.R. 17030. A bill to prohibit the Federal Energy Administration from imposing any new tax or fee on gasoline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 17031. A bill to amend the Duck Stamp Act with respect to the treatment of moneys received from sale of migratory-bird hunting stamps, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KEMP (for himself, Mr. Fisher, Mr. Collier, Mr. Hunt, Mr. Robinson of Virginia, Mr. Runnels, Mr. Veysey, Mr. Young of Florida, Mr. Huber, Mr. Moorhead of California, Mr. Regula, and Mr. Won Pat):

H.R. 17032. A bill to establish the fiscal integrity of the Government of the United States and its monetary policy, through the establishment of controls with respect to the levels of its revenues and budget outlays, the issuance of money, and the preparation of the budget, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Mr. Conyers, Mr. Yates, Mr. Mayne, Mr. Fuqua, Mr. Hechler of West Virginia, Mr. Ketchum, Mr. Gunter, Mr. Eilberg, Mr. Taylor, of North Carolina, Mr. Gaydos, Mr. Conlan, Mr. Charles Wilson of Texas, Mr. Alexander, Mr. Hanrahan, Mr. Murtha, Mr. Won Pat, Mr. Cleveland, Mr. Fauntroy, Mr. Riegle, Mr. Boland, Mr. Heinz, and Mr. Guyer):

H.R. 17033. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. OBEY:

H.R. 17034. A bill to extend the deadline for seeking assistance with regard to disaster relief under the Consolidated Farm and Rural Development Act; to the Committee on Agriculture.

By Mr. O'BRIEN:

H.R. 17035. A bill to amend the Internal Revenue Code of 1954 to provide that amounts not in excess of $500 a year received by volunteer firemen shall not be subject to income tax; to the Committee on Ways and Means.

By Mr. STEELMAN:

H.R. 17036. A bill to require certain records concerning foreign travel by Members of Congress and employees of Congress to be published in the Congressional Record, and to require such records for certain executive branch appointees to be submitted to the respective Appropriations Committees and to be published in the Congressional Record; to the Committee on Foreign Affairs.

By Mr. SYMINGTON:

H.R. 17037. A bill to designate certain lands in the Mingo National Wildlife Refuge, Wayne and Stoddard Counties, Mo., as wilderness; to the Committee on Interior and Insular Affairs.

By Mr. SYMMS:

H.R. 17038. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. WYMAN:

H.R. 17039. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. ESCH:

H.J. Res. 1153. Joint resolution to authorize and request the President to issue annually a proclamation designating January of each year as "March of Dimes Birth Defects Prevention Month"; to the Committee on the Judiciary.

By Mr. BYRON:

H. Res. 1402. Resolution expressing the sense of the House that Federal buildings should be designed or modified so as to provide adequate recreational and athletic facilities for persons employed in such buildings; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H. Res. 1403. Resolution expressing the sense of the House of Representatives of the United States of America that the people of Wales be permitted to exercise the right of self-determination; to the Committee on Foreign Affairs.

By Ms. HOLTZMAN (for herself, Mr. Conyers, Mr. Rosenthal, Mr. Reuss, and Mr. Stokes:

H. Res. 1404. Resolution directing the President to provide to the House of Representatives information relating to certain services, facilities, and payments provided by the United States to Richard M. Nixon and members of his immediate family; to the Committee on Government Operations.

By Mr. JARMAN (for himself and Mr. Kuykendall):

H. Res. 1405. Resolution expressing the concern of the House of Representatives with respect to the financial situation of United States flag carriers engaged in international air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN:

H. Res. 1406. Resolution providing funds for the Committee on Rules; to the Committee on House Administration.

By Mr. QUILLEN:

H. Res. 1407. Resolution to create a Select Committee on Aging; to the Committee on Rules.

By Mr. BIAGGI:

H. Res. 1408. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on Foreign Affairs.

By Mr. KEMP:

H. Res. 1409. Resolution that it is the sense of the House of Representatives that there should be no continuation of the announced general program of amnesty for Vietnam-era draft dodgers or deserters until a full accounting is made of American servicemen missing in Southeast Asia; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FISH:

H.R. 17040. A bill for the relief of Suk Chin and Hae Suk Chin; to the Committee on the Judiciary.

H.R. 17041. A bill for the relief of Sang Kook Chung and Hwa Soon Chung; to the Committee on the Judiciary.

H.R. 17042. A bill for the relief of Mee Kyung Cho and Hee Kyung Cho; to the Committee on the Judiciary.

H.R. 17043. A bill for the relief of Ae Sook Song and Mi Yun Lee; to the Committee on the Judiciary.

By Mr. MYERS:

H.R. 17044. A bill for the relief of certain employees of the Naval Ordnance Systems Command; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

528. The SPEAKER presented a petition of Norman Malloyd, Parchman, Mississippi, relative to redress of grievances, which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE HOME HEALTH SERVICE AMENDMENT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. FRASER. Mr. Speaker, the conferees will meet presently to consider H.R. 14214, the Health Services Act. This measure provides for Federal funding of family planning programs, community-based health centers for both primary treatment and mental health care, and expanded health services for migrant workers, all through a program of revenue sharing.

In addition to these, the Senate version, S. 3280, includes an important provision for home health care programs that is not part of the House bill. That provision originally appeared as a freestanding bill, H.R. 15186, the Home Health Services Act, which was sponsored by Mr. Steelman of Texas and myself, along with a number of our colleagues. As a cosponsor of H.R. 15186, I strongly urge the conferees to adopt the Senate amendment which provides for home health care.

It has been argued that home health services do not provide significantly better patient care than that offered by institutions. I believe that, from both a medical and a psychological standpoint, home health care can be shown to be superior to institutionalization in most cases. To corroborate my position, I would like to share with my colleagues a letter that I recently received from Ms. Eunice B. Cooper. She is a community health nurse whose long experience in the field of home health treatment has led her to endorse the home health services plan.

The letter follows:

McLean, Va.,
September 3, 1974.

Hon. Donald M. Fraser,
House Office Building,
Washington, D.C.

Dear Congressman Fraser: I wish to state my support for your bill, H.R. 14120, co-sponsored with Alan Steelman of Texas. My qualifications for making this statement include the following:

I am a community health nurse of long standing, with experience in home health care in New York City, Boston, Massachusetts, Washington, D.C., and Northern Virginia. I hold the degree of Master of Science in Nursing and have been a member of the nursing faculty at two area colleges. My nursing experience has included considerable contact with nursing home patients.

It is my firm conviction, based on observation of patients both at home and in nursing homes, that geriatric patients frequently maintain a higher level of health, are more contented, remain in touch with reality and in the mainstream of life longer when cared for at home. It is my further conviction, based on experience, given adequate nursing support many families can learn to take care of their elderly members and would prefer to do so. I have observed that many patients require minimal nursing support for relatively long periods of time, but that without this support some form of institutional care becomes necessary.

Aside from the humanitarian aspects of home health care, the cost differential between this type of care and institutional care is considerable. As an illustration I should like to describe a personal experience.

This summer I had the privilege of assisting a neighbor in the care of her mother during the last six weeks of her life. The patient had been hospitalized, and transfer to a nursing home for the terminal phase of her illness was recommended. Instead, my neighbor chose to accept the responsibility for caring for her mother at home. I functioned in much the same way as a visiting nurse. The nursing support which I provided consisted of teaching the fundamental nursing skills required in the care of the patient, making adaptations to that care as the patient's condition declined; doing for the family a few things that they were not able to do for themselves, and helping the family prepare for the inevitable death. Extensive nursing care was required which the family was able to provide under my supervision. The patient's death was dignified and she remained able to contribute to the life of the family until the end.

If the patient had been in a nursing home it is unlikely that she would have received the consistently high quality, concerned and loving care given by her daughter and other members of the family. In addition, the family would have been required to meet the full cost of the nursing home, since the patient was 61, too young for Medicare and, although not wealthy, too affluent to qualify for Medicaid. The family investigated the cost of a nursing home in this area and found that for the intensive nursing care which this patient required, the cost would have been $1500 per month. If I had been employed by a local Visiting Nurse Association, the cost would have been $21 per visit, or approximately $650 for the number of visits I made during this six-week period.

This is a single illustration of a widespread phenomenon.

Other community health nurses could cite many such examples.

Sincerely,
Eunice B. Cooper, R.N., M.S.N.

PIERRE TO HOST NORTH AMERICAN FINALS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ABDNOR. Mr. Speaker, just over a month ago, this Nation witnessed the historic and unprecedented change of leadership when President Ford became the 37th President of the United States. Because of the magnitude of the significance of that occasion, other important events which occurred at that time escaped the attention of the Nation that they otherwise might have received. One such event was the North American Championship Buffalo Chip Flip which occurred in Pierre, S. Dak. Because my colleagues may not have noted that event for the reason stated, I would like to set forth the following article which foretold that significant occasion. The article, which was taken from the July 1974 edition of Buffalo, the official publication of the National Buffalo Association, follows:

Pierre To Host North American Finals

Historically, buffalo chips have been used for a wide variety of purposes including fertilizer and heating fuel, but on August 8 in Pierre, South Dakota buffalo chips will be put to an entirely new use as a missile in competition for the North American Championship Buffalo Chip Flip.

The international event is being sponsored by American Buffalo Association which is headquartered in Pierre and will highlight activities during 1974 Oahe Days, August 7–11 in Pierre-Ft. Pierre.

The open competition will be based on speed, distance and accuracy in men's, women's and kid's divisions. A grand champion will be awarded the Roy Houck Presidential trophy.

Roy Houck, president of National Buffalo Association and the largest producer of buffalo in the country will also provide the chips for the flip.

In commenting on the competition, Houck said, "The Pierre-Ft. Pierre area is the buffalo capital of the world, and it is only fitting that the North American finals be held here."

According to experts of the competition, there are two ways to launch the chip into flight. One is to sail the composition similar to a frisbee, and the other is to approach putting a chip into flight like a discus thrower.

Like rodeos, chip flipping is an original American sport which started before recorded history. Early hunters of buffalo used to throw the chips in frustration after missing a shot at the king of the plains.

Chip flipping reached a high in popularity during the 1860's and 70's when early pioneers collected them for heating and cooking. Developing an accurate flip allowed gatherers of the chips to cover a larger area without having to move the horse and wagon.

The sport died late in the 19th century when herds of buffalo disappeared from the Great Plains and chip production diminished.

From a herd of less than 100 raised by Scotty Philip in the Ft. Pierre area in the early 1900's, the total number of buffalo has grown to more than 40,000. Of this number, approximately 5,000 are in the Pierre-Ft. Pierre area.

As a result, the popularity of chip flipping is reviving. "We realize that chip flipping is not as popular as cow pie throwing, because cow pies are more common and accessible to more people," said Houck, "but at the same time, a good cow pie thrower can become a chip flipper with very little practice."

In the North American Championships, each contestant will be allowed three tosses within 30 seconds with the best toss recorded for championship honors. The event is scheduled to start at 8 p.m. on August 8 in downtown Pierre, with $1 entry fee.

AN ENGINEER IN CONGRESS TELLS IT LIKE IT IS

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, we have in Congress individuals from a wide range of backgrounds. There are among us a large number of lawyers and businessmen; however, very few engineers now serve.

Our distinguished colleague, Vic Veysey, who has his engineering degree from California Institute of Technology and his M.A. from Harvard, by dint of his contributions has made an excellent argument for greater participation in the political arena by those from the engineering field. Vic has shown himself to be a thoughtful, conscientious and effective legislator.

A recent issue of Mechanical Engineering magazine featured an interview with Vic Veysey. That interview merits the consideration of all Members of Congress, and I would like now to share it with all readers of the Record.

An Engineer in Congress Tells It Like It Is

Victor V. Veysey (R. 43rd District, Calif.) was elected to the U. S. Congress in 1970. Veysey was born in Los Angeles. He received his engineering degree from California Institute of Technology and his MA from Harvard. He worked as an engineer on rockets and ordnance for the Navy and later for the Atomic Energy Commission; but he has also been a rancher, industrial relations manager, and plant manager. In his first term, Veysey served on the House Committee on Education and Labor and the Committee on Administration. Now in his second term, he is on the powerful House Appropriations Committee. What follows is an informal interview with Veysey by William P. Miller, ASME Washington Representative; Ralph L. Clark, Director, IEEE Washington Office; and Nancy Rueth, News Editor, ME. Photographic coverage was provided by Mary Paris, Assoc. Editor, *Professional Engineer* magazine.

Miller. As you are aware there are very few engineers who have entered the political arena. I wondered if you would give us your views on that.

Veysey. I think the technical type of mind is attracted to engineering and science, and they are not so prone to feel at home and venture into the intangibles and the imponderables of political life. That's the big difference. As an engineer I was always taught there is no physical problem that's not solvable if you have the time, money, and other resources. In the political arena, I am not at all sure that some of the problems can be easily solved. This makes engineers and scientists feel pretty uncomfortable—when they can't put numbers down and say with some confidence that this is so and that is so within a certain margin of error. You can't say that! The political field is under a different set of rules than that of the physical laws. So I think most engineering types just don't find themselves comfortable in the political field, and that probably accounts for the disproportionate number of us who venture into it.

MILLER. Since there are a lot of legislative problems that involve technology, do you feel the engineer has an obligation to society to speak out?

VEYSEY. Well, I think he does. I think we would be much better off for having that input when important decisions are being made. All too often the practitioner in the political field doesn't understand the technology. But we are getting into a more and more complex technical society all of the time. You'd better be able to cope with that.

MILLER. I get this question when I go on speaking tours: How should we go about getting involved in our local community affairs? How do we get started?

VEYSEY. Well, it is awfully easy to get involved, really. The decision they have to make is that it is of interest to them to pursue these other areas and that there is value in the participation. Once they make that decision they have no trouble getting involved. There are many ways by which they can slip into it, anywhere from discussion groups in the neighborhood or precinct level or any level of politics.

RUETH. What if they are interested in advising government, but not getting involved in politics per se?

VEYSEY. Well, there are a lot of chances to do that too. I was just looking over the list of the Office of Technology Assessment Advisory Council. Of course this is a very high level. It's a distinguished group. The advice is needed at many levels of government, and I think we're changing our ways of handling that here in Washington. We did have a science adviser to the president for some time. The latest one was a scientist, a very well-qualified scientist, who never did learn how to function comfortably in the political arena; so I don't think he enjoyed his tour here, and maybe it was not as successful as it could have been. Now that function has been put in the National Science Foundation.

The Congress is going to have its own group to advise on the adequacy of our procedure in a number of technical fields. I have Senator Kennedy's news release describing a half dozen areas they have decided to investigate, including energy, the ocean, food and drugs, health, transportation, and materials.

CLARK. The president asked Dixy Lee Ray to prepare the overall energy R&D plan.

VEYSEY. Yes, Dixy Lee Ray prepared this energy program, which I wrote some criticism about. I applaud the direction it is seeking, but I detected in its makeup the same thing the press is now criticizing. That is a pretty heavy AEC bias. I criticized this several months ago, when it first came out. My particular pet interest is geothermal development in California. This is the coming thing and there is only slight mention of geothermal in that project. It suggests huge amounts for nuclear work and fusion way down the line. All of these things are great; I can't be against any of them. At the same time I'm not sure they are really looking at the close-range aspects, and I wrote her about it. She responded that if you look at the percentage increases, we only raised atomic energy by 60 percent while we raised geothermal by 100 percent; 100 percent of one dollar is only one dollar.

MILLER. I noticed that you wrote a bill on energy research and development and also a few on the oil problems. Would you like to say something about those bills?

VEYSEY. Well, I think that my bill on the overall field of energy is the only one I've seen moving on a number of different fronts at the same time, in such a way as to implement readily what she [Dixy Lee Ray] was talking about in terms of funding proposals—to get on down the road toward independence at the earliest possible time. We put together a number of different things in one bill and persented that as a package. However, that isn't the way things are going to move in the Congress. It makes a good talking position, but things move in various committees.

CLARK. What's your general reaction to H.R. 11510 that sets up the Energy Research and Development Administration?

VEYSEY. Well, we really need to get on with some of these organizational changes. We need a bill that sets up a unified office of energy, pulling together the efforts of the AEC, Interior, and wherever else it may be within the government. Then we need the research to back it up. I think the government ought to take the lead in putting a substantial amount of money in research and development in this field. Our R & D effort has been really declining if you consider inflation and things like that over the past several years. This is very unfortunate as it's an investment in the future we must really keep at a high level. I suppose that private business kind of parallels what the government does. The government does approximately 45 percent of the R & D investment, but that is an indication to others as to which way to go.

RUETH. Are you willing to make any guesses as to when we are going to have a bill like this? In light of the veto of the Emergency Energy Bill, it seems rather questionable whether we are really going to get any big energy bills or reorganization.

VEYSEY. Do you know the way I think reorganization is really done in Washington? The executive branch goes ahead and does it and everybody in Congress complains like hell. Then in about a year Congress comes around and cleans everything up. That's the way it's usually done. I think this is a sad commentary on the Congress. I don't think that with all of the complaining Congress does that it shows any leadership at all. There are a few exceptions—Mike McCormack is one good example.

CLARK. He's picked out particular items such as solar energy and geothermal energy to get something done before they're lost in the big shuffle.

VEYSEY. Exactly. I have worked with him on some of those things, testifying to the subcommittee on these matters. It's unfortunate there aren't more in Congress, especially those in leadership and power, who will move. You know they sit there and say, "Well, you know, the executive branch will send down a bill to us one of these days and we'll take a look at that and we'll fix it a different way and we'll send it back."

MILLER. I'd like to get your feelings on possible revisions to EPA clean air and water regulations versus our energy problems. Obviously some of these are going to be in conflict.

VEYSEY. Yes, you are right, and particularly when it comes to dividing a limited amount of federal dollars between energy sources and cleaning our environment. Somewhere along the line, that creates quite a real conflict. There will be no end to that type of balancing, and I think we can do both things reasonably well.

Going back to the Clean Air Act of 1969 or 1970 we really didn't have the right scientific information on which to act. Congress wrote into that bill hard and fast limitations on automobiles in terms of so many grams per mile there can be by such and such a date. They had no basis except the thinnest scientific data to lean on. Now we have found out more about some of the effects and noneffects on health. We'd probably take a different point of view and not write the absolute numbers into the bill today if we were doing it today.

RUETH. Do you think they will revise the absolute numbers out of the bill?

VEYSEY. That is another matter. It is a little like revising down Social Security. To the engineer that's easy. If you make a mistake you correct it. Here you can't do that. If you get Social Security too high you can't take it away from the people. You raise everybody else up to match and remove the inequity that way.

Taking the numbers out of the bill is in effect saying we were wrong, and everybody would yell, "Wow, you've let the big oil companies and the auto industry do it to you again." We will have to find some way to get a solution to this technical problem. I was deeply concerned about this when I first came, back in 1971. We held an air-pollution conference in California attended by manufacturers, engineers, and the oil companies. We had somebody from the Justice Department present so they could not be accused of collusion or restraint of trade for something they said or did. We got some very interesting insight into this field. I came to the conclusion we were on the wrong track, not in terms of the long-range objectives but in terms of writing in absolute numbers.

RUETH. On pollution-control legislation, Senator Muskie has said that if you legislate a change and enforce it, the technology will come along. Do you give any credence to this?

VEYSEY. There is some credence in this, as people need a reason to solve a problem; either a financial reason, social reason, political reason, or legal reason. You have to be tough enough to stick with it. You can say we're going to shut Detroit down, that they're not going to build one car in the United States until they meet a certain standard no matter how wrong that standard is; and you'll get an answer. Now maybe it's an answer that is enormously costly in fuel, in money, in maintenance, in retooling, and everything else. Is that what you want to force on the people by saying we're going to make you go to 1.7 grams per mile and no more?

CLARK. The tragedy of the situation is that there are engineering projects that will potentially meet this requirement, like the stratified-charge engine, but Detroit is still going down the road with catalytic converters.

VEYSEY. That's right, because that's the simplest way to go in a hurry. The Detroit people say, "When you started phasing in the clean-air standards you forced us to divert all the enginers to the task of meeting the standard. You pressed us too fast. We didn't have people to look ahead to 1976 and how to meet those standards." I think it's partly an excuse. You can surely do both things.

I've been doing a little research with the Library of Congress on using methanol as a fuel augmentation and as a way to transport energy without going to cold-temperature technology. Solid waste and garbage, as well as coal, can also be converted to methanol.

CLARK. They say that 33 pounds of waste can produce a gallon of fuel.

VEYSEY. That's right. This is a technology we're going to have to get into—solving two problems simultaneously—energy and waste disposal. We can do it, too.

RUETH. Speaking realistically, could or will a lot of this be done by the private sector and the government working together as a team rather than as adversaries?

VEYSEY. I think we could get a lot of this done if we resolve to pull together. The first engineering work I did after college was rocket development with the Navy, and later atomic bomb work in the Manhattan Project. I stood in awe of what you can achieve when you single out just one clear objective and then have the government bring the manpower, materials, and resources to focus on that objective. Our trouble is in deciding on the one thing we want to do and then clearly going about it.

RUETH. Now that the energy crisis is just a problem, are we really going to put forth this big unified effort?

VEYSEY. I hope we do, or we'll be right back in a crisis very soon. The Arabs are not going to stay put. They have learned that they could turn the valve off.

RUETH. In the area of mass transit, do you think there will be operating subsidies for commuter trains and buses?

VEYSEY. It's an awful can of worms because it's a rat hole you can never fill. The bigger the subsidy, the bigger they have to be. We ought to be moving stronger into the available types of mass-transit systems. I have to think of our unique situation in southern California, which is the worst problem of any area. Buses are probably the only answer there, and we need a rapid step forward in that technology. There is a whole generation of new ways of moving people coming along.

RUETH. Some mass-transit people say they cannot operate without either federal, state, or local subsidies.

VEYSEY. I don't know that the federal government ought to control subsidies. Considering the effectiveness and scope of the operation, I just don't think it would work satisfactorily.

RUETH. Then what can we do to increase and improve mass transit without making it too expensive?

VEYSEY. It depends on the price of gasoline. If it gets to one dollar a gallon people will use mass transit. They'll have to. If you start thinking in terms of a fixed-rail rapid transit system from the Los Angeles area going 60 miles in every direction, the subsidy would be a number that hasn't been invented yet.

CLARK. They had a system at one time.

VEYSEY. Yes, I used to ride the Pacific Electric system when I was attending Cal. Tech. During the war when we didn't have gasoline my wife and I would ride it to Los Angeles for an evening's entertainment. We lost what was a fairly good system and what could have been a good system today.

MILLER. Do you see any possibility of getting any OSHA amendments this year?

VEYSEY. Well, OSHA was passed before I came to the Congress. I think that's a good way to start this conversation. I sat on the Education and Labor Committee when we reviewed OSHA. There were and are darned few people who will stand up and say, "Let's throw OSHA out and kill people on the job." You know that just isn't right. You can't do that.

Now I think the application of OSHA and the way they went about enforcement was outrageous. We had hilarious examples. One I remember was a Navajo Indian from Arizona who said: "Hey, what's this OSHA? I got mine out there. Me, only me. They tell me I gotta have a telephone from the office to the bottom of the mine. When I'm in the mine nobody calls me. When I'm in the office there's nobody in the mine to call. What good is a telephone?"

MILLER. There has been a lot of controversy about OSHA's levying penalties on its first visit without any prior consultation.

VEYSEY. There is a bill that would soften OSHA in that area. It would provide for consultation to the smaller employer who does not have a safety engineer on the premises. I voted for deleting for a year or two the funding for enforcement against the real small employer. I said that you can't do the whole world in one day, so start where it makes the most sense. The bigger employers can cope with OSHA and do the job. That's why we delayed the funding for the small employer, but that doesn't mean he's immune. If you get killed with a small employer you're just as dead as if you were killed working for General Motors. Safety has to be an educational project for both the employer and the employee, not a means for putting people in jail or levying fines.

MILLER. In metric legislation, will we see anything passed in this Congress?

VEYSEY. The AFL/CIO is dead set against it. We all know it is going to be and has to be accomplished. We also know it will be better once you get over the conversion. The conversion pains are more difficult for some people. You have to think about the little guy who's a member of the machinist's union, or something like that. Since you can't do it any better in meters than in inches, he cannot understand why he has to scrap his tools.

REUTH. Would you be willing to subsidize his retooling?

VEYSEY. Well, I think we're going to have to give it a little more time if we're going to get it done realistically. If you start subsidizing in the sense of buying everything for everybody, there is no way to stop, and the bureaucracy would be staggering.

CLARK. Tools are worn out and replaced.

VEYSEY. They are replaced in a few years. That mechanic is not going to have many of the tools in 10 years that he's got today. People are really conservative. They just don't want to change. They are afraid of having to change their thinking to go into the metric system. But, really, it will be easier than the present system.

CLARK. With some leadership in an orderly manner, the transition would be cheaper overall.

VEYSEY. I believe every other country has made the change. Aren't we just about the last to hold out?

CLARK. We are certainly the last large country.

MILLER. After this election, are there any particular committees you'd like to be on?

VEYSEY. Yes, I'd like to stay on the Appropriations Committee. I had a long hard battle to get on it and I believe it's a very important committee. I get more of an overview of what government is doing through appropriations than I could anywhere else. Everywhere in government they spend money, and their activities are reflected in appropriations. This involvement is what I like. I'd also like to get on the Joint Committee on Atomic Energy.

CLARK. Do you have any thoughts about converting that to a "Joint Committee on Energy" as a whole?

VEYSEY. That wouldn't be bad, and we could do it. That might come about after the committee shuffling act is completed. Of course it would be an awful lot to preside over.

MILLER. Your colleagues are mainly lawyers. Have they sought you out at all for your technical knowledge?

VEYSEY. I'd say very rarely.

RUETH. Are you incognito? Do they know you are an engineer?

VEYSEY. No, I don't know whether it sticks out or not, as I don't carry a slide rule anymore, although I did for many years. Lawyers have an interesting way of believing that you really don't need any knowledge of the subject matter. All you have to know is the law; that will get you through. There are some exceptions. I know patent attorneys who were engineers first, and they are a different breed of cat. The types you meet in politics are the corporate-type lawyers or ambulance-chaser types. They gravitate toward politics.

I asked John Rhodes the other day how he got into politics. He went to Harvard Law School and fell into the trap like many young lawyers. Just out of law school you can't advertise. The best way to become known is to file for a political race, meet people, talk with them, and tell them how great you are. You talk about things they are worried about, and pretty soon you have a following that says you're a pretty fine guy. No matter whether you win or lose, you still win. I think John was the first Republican Representative elected in Arizona. He didn't expect to win, and it destroyed his law career.

MILLER. Is there any subject of national or engineering interest you'd like to discuss?

VEYSEY. I suppose I'm burdened a little bit, as everyone is, by thinking we are going through a wrenching set of changes in our approach and outlook on many things. I think we very seriously need the help, the participation of our technical societies.

I think that—not intending this as a criticism—by and large we have gotten less push in the political arena from the scientific and engineering professions. That used to be true of doctors, but they learned their lesson. Before I came here the Congress passed Medicare and several other pieces of medical legislation. Before they knew it the doctors were darn near federalized. Then they decided they'd better get with it, and now they do a very aggressive, active job in terms of their representation. The doctors come to me all the time and say, "Look, we are working on this and we want to do this and that."

Do the engineers speak out? No, I can't find them! One time the California Society of Professional Engineers presented me a legislative award. That's all I've ever seen of them except when I seek them out for some information as in the case of geothermal energy, solar energy, transportation, or something like that. The time has passed when engineers can say that certain people are running the country and we have confidence in them. Hell, nobody has confidence in anybody any more. They had better get into representation and help see that everything gets steered in the right direction.

On top of this is the rising intensity of technical implications on every part of our lives. Computer technology alone opens up so many new capabilities that we'd better have technical people more involved in government than they have been. My hope is for them to seek their new roles! The government has got to be willing to listen, to learn, and to seek out information that it needs in fields beyond its capability. Even more important is the need for the citizen engineer to come forward and make his presence felt.

CLARK. The problem is that engineers concentrate on their educational activities and their professional societies. They feel that getting into politics is beyond their scope.

VEYSEY. I know they feel that way. And this goes back to something more fundamental. Engineers have been pretty narrowly educated, and that's an error. I went to Cal. Tech. when it was more narrowly oriented, but they have evolved out of that program. Now they have many programs of interest to the engineer while he is still malleable and able to adapt to changes. The engineer has to be able to do more than solve the technical problems. He's got to be a very important, respected citizen in our society. He has to be able to assume roles of responsibility. As a highly educated individual, he has to be a leader.

CLARK. He's got to translate his technology into the social, economic, and political spheres.

VEYSEY. That's hard to do. But without his input we'll never get down to solving our problems; so we have to encourage them to be shakers and movers.

EDITORIAL CALLS FOR TVA RATE POLICY REEXAMINATION

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. EVINS of Tennessee. Mr. Speaker, a recent editorial published in the Tennessean newspaper of Nashville, Tenn., has called for a reexamination of rate policies by the Tennessee Valley Authority.

The editorial entitled "TVA's Rate Policies Need Reexamination" points out that the small electric consumer in the area is being directed by TVA to make an unequal sacrifice to conserve energy and stretch out coal supplies through the winter.

The small consumer actually pays more per kilowatt hour than large industries. Yet the small consumer is being asked to make the most sacrifice in conserving energy this winter, according to the editorial.

Because of the interest of my colleagues and the American people in this vital and important matter, I place herewith a copy of the editorial in the RECORD:

TVA's Rate Policies Need Reexamination

Once again the small electricity customer is being asked to make an unequal sacrifice to stretch out the region's scarce and expensive coal supply through the winter.

The Tennessee Valley Authority has asked for a voluntary reduction of 20% in the use of electricity by all customers, elderly widows and giant manufacturing plants alike. The threat of rationing or blackouts for periods of time has been raised to frighten us all into turning down the thermostat and dimming the lights.

TVA issued guidelines for residential customers that included tips like wearing coats indoors and putting more blankets on the bed.

It also issued guidelines for business and commercial firms and industry. Those lists dealt mostly with matters like outdoor lighting and advice to unplug the water cooler.

TVA has so far failed to mention the fact that families huddled in their overcoats inside darkened homes would add very little to the supply of power.

Last year, facing the same crisis, a Commerce Department official urged manufacturers to streamline their production processes.

The official estimated that almost 75% of the nation's energy supply is used by industry. He said that if industry could achieve only a 5% reduction in energy use, it would equal turning off every light in America for a year.

Yet the TVA continues to penalize unfairly the small customer by charging more per kilowatt hour than the big, bulk users.

It was the promise of cheap electric power which first lured manufacturers to the region. But while the supply of power has lately grown critical, TVA continues its philosophy of the 30s, telling its big customers, "The more you use, the cheaper it is."

It is time to reexamine that philosophy in light of facts of today. Coal has skyrocketed from $4.50 a ton to $30. A strike by the United Mine Workers is a virtual certainty.

Chances are, the last price hike, due to escalating contracts with coal suppliers, has made the residential customer a confirmed conservationist as a matter of economic necessity.

Only this week, in a Senate hearing on the problems of the elderly, a Ford Foundation official said the rate structure is to blame for the plight of the poor and aged, who may have to choose between food and fuel this winter.

"The poor pay high prices precisely because they use less," he told the senators.

Officials say that rates cannot be compared directly, because commercial and industrial customers pay demand and equipment charges that homeowners do not. But they also admit that use charges to the biggest customers are five or six times cheaper than to the smallest. Is that any incentive to use less?

Increased costs for power would ultimately be passed on to the consumer, of course. But industry might look for imaginative alternatives or at least eliminate waste if the rate structure were turned upside down.

TVA should at least begin to talk about treating all its customers fairly.

A LETTER RECEIVED FROM UNDER SECRETARY OF THE NAVY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ASPIN. Mr. Speaker, on September 11 the Under Secretary of the Navy answered my letter of July 23 which asked for the Navy's understanding of Congress' order that enlisted crewmembers be given 120 days' notice prior to grounding and loss of flight pay. The Navy, like the Army and Air Force, has tightened its procedures as a result of the insistence of the Military Compensation Subcommittee that Congress' order to the military services was meant to be obeyed.

Although the Defense Department and each of the military services have finally been heard from, the enlisted men whom Congress thought it was protecting are not yet guaranteed 120 days' notice of loss of flight pay. It may be that legislation will be necessary. In the meantime, the Armed Services Committee should monitor the situation closely and should require a periodic report of all cases where the required notice was not or could not be given.

My letter to the Navy, Under Secretary Potter's answer, and the relevant Navy directives follow:

JULY 23, 1974.

Hon. J. WILLIAM MIDDENDORF,
Secretary of the Navy,
The Pentagon, Washington, D.C.

DEAR MR. SECERTARY: Subcommittee #4 of the Armed Services Committee has recently questioned General Benade and the Air Force's Deputy Chief of Staff, Personnel, General Roberts, about Congress' requirement that enlisted crew members cannot be removed from flying status without 120 days' notice. General Benade has said he needs legislative authority to accomplish this, but General Roberts has found the administrative measures available to him sufficiently flexible to allow his service to observe the order of Congress. The Air Force has now centralized grounding actions that cannot be accommodated at lower command levels and will allow temporary overmanning authority so that 120 days' notice of grounding can always be given.

The Subcommittee was asked to grant some exceptions to the 120 day requirement. These were crew members grounded for cause or because of medical disqualification for flying duty. The third exception was not enlisted noncrew members who are assigned flight duties for a period or for a task specified in orders. Since these categories are the same for officers and enlisted men and because they seem fully justified exceptions, the Subcommittee did not object to them

General Roberts has suggested one other exception that could, in rare cases, he required. When aircraft are not available, the legal requirement of "frequent and regular aeriel flight" might not be met. Since "frequent and regular" are defined by executive order, granting exceptions might be a way of avoiding the perhaps complex procedure to change executive orders. In any event, this one area of exception does not appear to require a legislative solution.

Nevertheless, Chairman Stratton has suggested legislation might be the best way to insure enlisted crew member save-pay for 120 days or some other period. If you think the matter should be considered by Congress, I would like you to tell me what features you wish to see in an enlisted flight pay protection bill.

In addition to your legislative suggestions would you also comment on the Air Force's interpretations of the 120 day notice requirement? Please send me copies of whatever instructions or directives on this subject you have sent to your bases and units.

I am sending a letter similar to this one to General Benade and to the Secretary of the Army.

Thank you for your assistance.

Sincerely,

LES ASPIN,
Member of Congress.

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, D.C., September 11, 1974.

Hon. LES ASPIN,
House of Representatives,
Washington, D.C.

DEAR MR. ASPIN: This is in response to your letter of July 23, 1974, regarding the 120-day prior notification of involuntary removal from flying status for enlisted members. In addition to a discussion of recent statements by Air Force officials and General Benade, Deputy Assistant Secretary of Defense for Military Personnel Policy, you asked for comments on the instructions or directives on the same subject that were promulgated within the Department of the Navy.

With regard to commenting on Air Force interpretations or the need for additional legislation, it is considered that this is a subject for the Office of the Secretary of Defense. Department of the Navy views and comments in this area have been furnished the Secretary of Defense for proper consideration.

The Department of the Navy fully concurs in the intent of the Congressional statement of the 120-day notification provisions. Two additional exceptions to the 120-day notification not mentioned in your letter of July 23rd should be included to cover certain contingencies. First, an exception provision should be included for the unprogramed deactivation of units which occur with less than 120 days prior notice. Such a situation occurs infrequently; however, some provision should be made for it. Second, an exception should be made in the case of unprogramed manpower readjustments in which the overall number of aircrew billets within a command is reduced. This situation could occur in response to budgetary limitations, manpower reductions, or manpower realignments as a result of operational necessity (i.e., times of conflict, crises, or national emergency). With the inclusion of the two aforementioned exceptions, the 120-day notification requirement becomes a more viable policy.

The Department of the Navy has taken affirmative action to implement the will of Congress in regard to this area of importance to our enlisted members. The Navy has promulgated Bureau of Naval Personnel Notice 1326 of 25 July 1974 and implemented further guidance in NAVOP 139 dated 16 August 1974. The Marine Corps has issued Marine Corps Order 1326.25 and Marine Corps Bulletin 1326 of 25 July 1974. Headquarters Marine Corps is presently drafting a new directive based on additional Department of Defense guidance on 120-day notification. This new directive will be promulgated in the very near future. These directives emphasize and implement the will of Congress. Copies of the present directives are forwarded as enclosures for your information.

It is hoped the foregoing has satisfactorily answered your inquiry.

Sincerely yours,

D. S. POTTER,
Under Secretary of the Navy.

DEPARTMENT OF THE NAVY,
BUREAU OF NAVAL PERSONNEL,
Washington, D.C., July 12, 1974.
BUPERS NOTICE 1326

From Chief of Naval Personnel.
To All Ships and Stations (less Marine Corps field addresses not having Navy personnel attached)
Subject Advance notification of involuntary removal of enlisted personnel from flight duty
Reference (a) BuBersInst 1326.3.

1. *Purpose.* To promulgate the requirement that enlisted personnel on indefinite temporary flight orders be given 120 days notice prior to involuntary removal from flight duty.

2. *Background.* In order to alleviate adverse financial impact on enlisted personnel and to assist in aviation personnel stability, enlisted personnel on temporary flight orders will be given 120 days notification prior to involuntary removal from flight duty.

3. *Action*

a. Effective immediately all commanding officers will take positive action to ensure that enlisted personnel on indefinite temporary flight orders will be given a 120-day notification prior to involuntary removal from flight duty. It is recognized there are certain situations under which it would not be feasible to give advance notification of termination of flight duties. Exceptions to the 120-day notification rule are as follows:

(1) Medical grounding where it is established the medical disqualification is permanent in nature.

(2) Failure to maintain qualifications as aircrew (i.e. NATOPS, Non-performance, etc.)

(3) Removal from flight status for cause.

(4) Deactivation of a command or aircraft transitions within a command.

(5) Unprogrammed manpower readjustment in which the number of aircrew billets are reduced within a command with a corresponding reduction of the number of flight orders available from the allocation manager.

(6) PCS Orders other than at normal Projected Rotation Date (PRD). (i.e. Humanitarian Transfers, Hardship Discharges, etc.)

b. Advance notification of termination of non-crew definite flight orders is inherent with the present system (i.e. the individual is aware of the effective period for the TFO's at the time they are issued.), therefore, formal 120 day notification is not required.

4. *Cancellation Contingency.* This notice is cancelled upon incorporation of its provisions into reference (a).

C. H. GRIFFITHS,
Rear Admiral, U.S. Navy,
Acting Deputy Chief of Naval Personnel.

Message from Chief of Naval Operations, 16 Aug. 1974.
Subject Advance notification of removal of enlisted personnel from flight duty.
A. Bupersnote 1326 of 12 July 74.
B. Bupersinst 1326.3.
C. DODPM.

1. Ref. A. Promulgated the requirement that enlisted personnel on indefinite temporary flight orders (TFOS) be given 120 day-notice prior to involuntary removal from flight duty. Additional guidance as stated herein received from SECDEF is effective immediately until incorporated Ref. B.

2. Enlisted members being involuntarily removed from flight duty shall be furnished written notification by competent authority, or verbal notification confirmed by an appropriate memorandum for the record, at least 120 days prior to termination of TFOS, except as specifically provided below. This notification may be furnished by a memorandum to the member from his command in the fifth month prior to the respective member's projected rotation date (PRD), scheduled decommissioning of the activity, or scheduled reduction of TFO allocation, etc., notifying him of expected transfer, etc., and required termination upon detachment/reduction in allocation.

3. The term involuntarily means through no fault of their own and does not include members removed due to their own actions or inactions.

4. Members removed due to medical disqualification shall be furnished written notification promptly, but no basis presently exists for payment beyond the date of final medical disqualification when permanent in nature.

5. An enlisted crew member may be removed from flight status without regard to the 120-day notification requirement when removed due to failure to maintain qualifications (NATOPS, non-performance, etc.) or removal from flight status for cause (unauthorized absence, etc.).

6. Assignments of enlisted air crewmembers will be closely managed by the chief of naval personnel and commanding officers in order to achieve the required advance notification prior to removal from flight status and the attendant loss of flight pay. Exceptions to the 120-day notification requirement may be granted only by the chief of naval personnel and will be considered in cases such as unscheduled (less than 120-days advance notice) decommissionings and unplanned TFO allocation reductions. The command to which the individual is attached will submit, by message or letter as appropriate, a request for exception to the chief of naval personnel (pers 514) with full explanation and only after consideration of possible alternatives. A member may waive the 120-day notification provision if he desires in which case a request for exception need not be granted.

7. Members being ordered to flight duty by orders of limited duration, i.e. definite TFOS shall be informed of the duration of the orders at the time of issuance.

8. Failure to adhere to the intent and letter of the above causes undesirable financial impact to enlisted crewmembers and violates the will of Congress and policy of the Department of Defense. Any instance of failure to observe the contents of this notice will be reported to the chief of naval personnel.

9. Nothing herein shall be construed as providing an exception to or basis for deviation from the provisions of REF C and other pertinent pay directives.

10. Report symbol Bupers 1326-6 has been assigned to the reporting requirement in paragraph 8.

THE GREAT DEPRESSION: NOT LIKELY TO RETURN

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HANRAHAN. Mr. Speaker, there is much talk about the economic conditions in our country. President Ford just completed his economic summit, but no big decisions were made. The country is worried about heading toward a depression. I think my colleagues will find the following article from the Washington Post of interest:

"THE GREAT DEPRESSION": NOT LIKELY TO RETURN

As the Ford administration works its way up to its economic summit, a good many Americans, and apparently a lot of Western Europeans as well, seem to be working themselves into a mental replay of the Great Depression. The very word "depression" has become the terror image of an impending catastrophe. George Meany sees "every indication that we are going into a depression" possibly worse than that of the 1930s. Sen. Mike Mansfield says the current situation "has all the earmarks of the 1930s. And I don't want to see a return to that tragic period."

Nor does anybody else, even those who think the economy needs to be shaken down with a considerable dose of unemployment in order to halt the rampant inflation. But we are in danger of words. Most everybody agrees that the United States is in a "recession"—probably the only thing the economists can agree on. But "depression" or "the Great Depression"? We ought to think about it.

Nobody ever really knew how many Americans were out of work in the Great Depression, but the number ran into what now would be called "double digit" millions. Pictures of men selling apples for a nickel from street corner boxes come to mind. Herbert Hoover, the unlucky President of the times, had his name forever attached to the "Hooverville" wood and tar paper shacks in which uncounted thousands, probably hundreds of thousands, were forced to live. Youngsters by the thousands aimlessly rode the freights across America.

Worst of all was the psychology, the "fear itself" of which Franklin D. Roosevelt spoke in his inaugural: Will I be the next to take a pay cut or lose my job? Will my savings be wiped out in a bank closing?

To most Americans, the Great Depression is something from the history books. But to the elders, the Meanys and Mansfields among them, it is a very real memory. There are *still* many who abhor buying on credit because of that recollection. If ever we had a generation gap, it is over the Great Depression.

Today the idea of something worse than the current combination of inflation and recession seems to be on the verge of permeating our society. The Arab oil squeeze on the industrialized nations adds to this anxiety. Mr. Nixon's utter failure in the realm of economics has been followed by the floundering around of Mr. Ford. His chief economic adviser tells representatives of the poor, the aged, the ill that Wall Street brokers have suffered the most, proportionately, from the economic decline. The Ford administration seems to be digging itself in as the old Republican Party of fat cats and privilege, as far as the public image goes, whatever its real intentions may be.

Beyond question there are very real reasons for very real concern. The pollsters and the politicians know what Americans are talking about and that it is going to be reflected at the polls in November.

Before this state of affairs reaches that of a self-fulfilling prophecy, we ought to look back at the Great Depression with a clear eye. It is hard to remember, but it is true, that in the Hoover era the dominant Republicans jacked up tariffs and insisted that relief of the farmer and city dweller was a job for local communities and the Red Cross. Hoover himself led a campaign for a Red Cross relief fund. Intervention by the federal government was still considered a violation of the American economic system, and it took the Great Depression to alter the popular attitude.

To very many Americans it was not the "black Friday" and the "black Tuesday" of the 1929 stock market crash but the bank runs and bank closings that really spelled disaster. There was no federal insurance of bank deposits.

Washington, with a government payroll to sustain it, was a lucky city. Not until Congress cut government pay by 8⅓ per cent and local banks got into trouble did most Washingtonians really feel the crunch.

Hunger marches and bonus marchers of course, had brought the word to the capital of what was going on back home.

In 1931, for reasons nobody ever fathomed, a run began on one of the city's stronger institutions, the Perpetual Building Association. Some $800,000 was withdrawn one day by scared depositors lincd upon the sidewalk. The run was stopped only after the President of the Riggs National Bank, Robert V. Fleming, rushed over to Perpetual, jumped up on a counter and from a sachel drew forth bundles of hundred and thousand dollar notes to show the depositors. The Washington Post the next day noted that "on the balcony running above the barricaded valults, a picked squad manned a machine gun, prepared for any eventuality with a clean sweep of the two exposed sides of the building . . ." Newbold Noyes of the Evening Star "climbed into a window niche at the bank and reassured the crowd, declaring that he had just deposited $25,000 on behalf of the afternoon newspaper he represented."

The scene was the same or worse in many American cities. I cite all this to get a fix on what the word "depression," in our historical context, really means. Of course, things could get that bad or worse. And I certainly am no advocate of a Coué theory of economics, the practice of government saying that "Every day in every way things are getting better and better;" Treasury Secretary William Simon the other day sounded a bit like that. One of the faults of the Hoover era was the constant reiteration of the corner turned and worst-over theme, almost to the depth of the Great Depression.

Today Americans expect their government to be activist about the economic crisis, and that is why Mr. Ford is having an economic summit. Whether it will produce a new idea, or a new technique of value may be something else again. But this is a very different environment from that to which Meany, Mansfield and others have been referring with recollections of the Great Depression. We ought at least recognize that and go on from there to meet today's problems.

INTRODUCTION OF CLEAN BILL ON CREDIT DISCRIMINATION

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mrs. SULLIVAN. Mr. Speaker, the Committee on Banking and Currency met this morning to begin markup of the bill H.R. 14856, to prohibit discrimination on the basis of race, color, religion, national origin, age, sex, or marital status in the granting of credit. As chairman of the Subcommittee on Consumer Affairs, I had introduced the bill on May 16 on behalf of 13 members of the subcommittee, and we held hearings on it in June. After four subcommittee markup sessions in August and September, we referred to the full committee a revised version of the legislation containing numerous amendments to improve its operation, but also including two which I vigorously oppose.

One of those amendments removed the bill's protections against discrimination for reasons of "color, religion, national origin, age" leaving only race, sex, and marital status. Another established a limit of $100,000 or 1 percent of a creditor's net worth, whichever is less, on punitive damages in class action suits based on violations of the act. Both amendments were adopted in the subcommittee by votes of 7 to 2, with 6 members absent. Had there been a full attendance, I am convinced these two anticonsumer amendments would have been rejected in the subcommittee. I hope they will be in the full committee.

I make this explanation because I am today introducing as a clean bill the version of H.R. 14856 approved by the subcommittee. I am doing this in order to overcome some procedural difficulties we ran into this morning in the full committee in considering a committee print of the bill showing all amendments approved by the subcommittee.

Unfortunately, the full committee got bogged down in a parliamentary dispute over a substitute for the subcommittee amendment deleting color, religion, national origin, and age, and although the purpose of the substitute was to restore those categories to the bill, there were so many misunderstandings about the amendment that the bells rang calling us to the House floor before the procedural questions could be resolved.

It was felt that a clean bill would enable the members to overcome these procedural difficulties in the consideration of the subcommittee version of the legislation, and that is why I am introducing such a bill today. I repeat, however, that I strongly oppose the two provisions I mentioned in the bill as I am introducing it, and will do everything I can to take them out of the bill at the next meeting of the full committee.

The discussion in the committee this morning made clear that many members of the committee join me in opposing the deletion of "color, religion, national origin, age" from the bill's coverage. If we take up a clean bill, it will then be up to those of us who oppose the subcommittee action on this issue to seek to amend the bill to restore the categories in question, instead of merely opposing the subcommittee-approved amendment. The same would be true on class action limitations.

EXPLANATION OF THE PENDING LEGISLATION

Mr. Speaker, as I explained to the members of the Committee on Banking and Currency this morning, 13 of the members of the subcommittee joined in introducing the basic bill, H.R. 14856, on May 16, to prohibit discrimination in all areas of credit by reason of race, color, religion, national origin, age, sex, or marital status. Another member of the subcommittee introduced a somewhat different bill dealing only with sex and marital status. The subcommittee held hearings on June 20 and 21, copies of which were sent to all of the members of the full committee, including an appendix containing a vast amount of background information on this whole issue. The subcommittee held four markup sessions in August and September, improving the bill in numerous respects but, in my opinion, seriously weakening its consumer protections in at least two areas.

I shall, of course, vigorously oppose those two particular amendments adopted by the subcommittee. One eliminates from the bill's coverage the categories of color, religion, national origin, and age—thus leaving out Spanish-speaking Americans, particularly, and Indians, who are among the most discriminated against citizens of this country in the credit area, and also people under 25 and over 65, who are also discriminated against for reasons which have nothing to do with their own individual creditworthiness. The other very controversial amendment agreed to in the subcommittee sets a limit of $100,000 or 1 percent of net worth—which ever is the lesser—on punitive damages in class action suits.

Before going into those provisions, I will summarize the good things done in the legislation.

APPLIES TO EVERY FORM OF CREDIT

The bill applies to every form of credit in the United States—not just consumer credit, residential real estate lending, and agricultural credit, which are the only areas of credit covered in the Truth in Lending Act. So this bill applies to business credit, securities credit, and so on, which are not covered in Truth in Lending.

The National Commission on Consumer Finance, in going into the subject of discrimination against women in the credit field, pointed out that much of this discrimination has been the result of outmoded policies by the business community based on assumptions that no longer have any validity—that is, that married women generally do not work and are therefore dependent entirely on their husbands for support. As a result of the Commission's hearings on this issue 2 years ago, many of the major retailers, banks, credit card companies, and other creditors whose antiwoman credit practices were exposed in those hearings immediately changed their policies to begin to take into account the creditworthiness of the individual woman applicant.

But the Commission pointed out that many State laws dealing with alimony, support, dower and curtesy, homestead, and community property, insulate a married woman from the certain creditor remedies and thus make her less creditworthy than a single woman. The Commission called upon the States to reexamine any such laws on their books which inhibit the extension of credit to creditworthy married women in their own right, but few of the States so far have done so.

CREDITWORTHINESS IS CRITERION

Hence, this bill allows a creditor to take into account in determining a married woman's creditworthiness the provisions of State laws which limit the creditor's rights of recovery of the debt from a married woman. If we defeat the amendment of the subcommittee dealing with age, the same situation would apply—a creditor could inquire into an applicant's age for the purpose of determining if the applicant is old enough to contract, or if the debtor's age otherwise affects the creditor's rights and remedies in obtaining repayment.

Basically, however, what we do is to require the creditor to look at the individual's creditworthiness, not as statistics of loss experiences among a class of debtors, in making a determination as to whether to extend credit.

ENFORCEMENT STRUCTURE

The enforcement structure of this bill is in many respects similar to the enforcement machinery of the Truth in Lending Act. That is, the Federal Reserve Board would issue all regulations; would have the benefit of an advisory committee of creditors and consumers in establishing workable regulations; would make annual reports to Congress on the operations of the act; could make adjustments or exemptions for special situations or circumstances; and would supervise and correlate the enforcement work of the numerous Federal agencies responsible for assuring compliance among the creditors they normally regulate. Bank regulatory agencies such as the Fed, FDIC, and Home Loan Bank Board, would be responsible for compliance by banks and savings and loans; the Federal Credit Union Administration would have jurisdiction over credit unions; and the ICC and CAB would handle compliance by carriers under their authority. We have also brought in the Farm Credit Administration, the SEC, and the Small Business Administration for enforcement and compliance in their areas. The Federal Trade Commission would handle everything else, just as it does in truth in lending. This system of multiple agency enforcement sounds cumbersome, but it actually works well in truth in lending and avoids establishing a new bureaucracy to handle this field. A further provision allows the Attorney General to initiate enforcement action whenever he discovers a pattern and practice of discrimination.

AVOIDANCE OF DOUBLE PENALTIES

The bill as amended prevents double jeopardy for a creditor if, in a particular transaction, he violates both this act and the Fair Housing Act—he could be assessed damages only under one or the other, not both—the penalties in this bill are higher than under the Fair Housing Act—up to $10,000 in punitive damages in this bill instead of the $1,000 limit in the Fair Housing Act. Since there are now many State laws prohibiting credit discrimination, no one could collect damages under the Federal law if recovery has been obtained under a state antidiscrimination law for the same transaction.

SPECIAL LOAN PROGRAMS FOR PARTICULAR GROUPS

Concern was expressed in the hearings that a law prohibiting discrimination in credit by reason of race, color, religion, national origin, age, sex, or marital status would prohibit credit unions set up to serve a limited membership—such as a church-affiliated credit union—from turning down for a loan someone not eligible for membership in the credit union; and might outlaw Small Business Administration loans to minority enterprises, or special programs by banks and other lenders to help disadvantaged groups. An amendment was adopted in subcommittee to make clear that special loan assistance programs expressly provided for by law, or operated by nonprofit organizations for their own members, were not contrary to this act. Also, profitmaking organizations can operate special loan programs to meet social needs, under standards to be set down by the Federal Reserve Board.

DELETION OF "COLOR, RELIGION, NATIONAL ORIGIN, AGE

When the subcommittee amendment is reached deleting "color, religion, national origin, age" I will oppose it as vigorously as I can. I hope other Members will join in voting it down. In my opinion it is completely unjustified to allow discrimination for these reasons if we disallow it for race, sex, or marital status.

THE CLASS ACTION LIMITATION

Similarly, I will oppose the limitation on punitive damages for class action damage suits. The 1 percent of net worth limitation means that a creditor who borrows the money he lends out and has little net worth would be able to violate the law with virtual impunity from punitive damages. The $100,000 limitation is only a slap on the wrist for a really large bank or other creditor. The credit industry has been trying for 5 years to get a similar limitation written into the Truth in Lending Act because the prospective damages in a class action are the biggest deterrent to violations.

Unlike the situation in Truth in Lending class actions, there is no minimum recovery under this bill, and the courts have full discretion to limit the punitive damage recovery to reflect the magnitude of the offense, the actual damages sustained, the persistence of failure to comply, the resources of the creditor, the number of persons affected, and the extent to which the offense was intentional.

PREEMPTION OF STATE LAWS

Certain State laws prohibit separate extensions of credit to husband and wife, because, under graduated usury ceilings, the splitting of a dual husband-wife account into two separate accounts would result in higher finance charges for the same outstanding total of credit. This bill permits husband and wife to voluntarily ask for separate credit, knowing they might thereby have to pay a higher finance charge. In such a situation, the wife and husband are made solely responsible for debts they separately and voluntarily contract for, regardless of the provisions of State law to the contrary.

TEXT OF THE SUBCOMMITTEE-APPROVED BILL

Mr. Speaker, under unanimous consent I submit the text of the legislation as it now stands, following subcommittee action, as follows:

H.R. 16963

A bill to prohibit discrimination on the basis of race, sex, or marital status in the granting of credit

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Equal Credit Opportunity Act".

FINDINGS AND PURPOSE

SEC. 2. The Congress finds that there is a need to insure that the various financial institutions and other firms engaged in the extensions of credit exercise their responsibility to make credit available with fairness, impartiality, and without discrimination on the basis of race, sex, or marital status. Economic stabilization would be enhanced and competition among the various financial institutions and other firms engaged in the extension of credit would be strengthened by an absence of discrimination on the basis of race, sex, or marital status, as well as by the informed use of credit which Congress has heretofore sought to promote. It is the purpose of this Act to require that financial institutions and other firms engaged in the extension of credit make that credit equally available to all creditworthy customers without regard to race, sex, or marital status.

SEC. 3. For purposes of this Act—

(1) The term "applicant" means any person who applies to a creditor directly for an extension, renewal, or continuation of credit, or applies to a creditor indirectly by use of an existing credit plan for an amount exceeding a previously established credit limit.

(2) The term "Board" means the Board of Governors of the Federal Reserve System.

(3) The term "credit" means the right granted by a creditor to a debtor to defer payment of debt or to incur debt and defer its payment or to purchase property or services and defer payment therefor.

(4) The term "creditor" means any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who participates in the decision to extend, renew, or continue credit.

(5) The term "person" means a natural person, a corporation, government, or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.

EQUAL RIGHTS UNDER THE LAW TO OBTAIN CREDIT

SEC. 4. (a) It shall be unlawful for any creditor to discriminate against any applicant on the basis of race, sex, or marital status with respect to any aspect of a credit transaction.

(b) The declination of credit on terms offered pursuant to—

(1) any loan assistance program expressly authorized by law for an economically disadvantaged class of persons;

(2) any loan assistance program administered by a nonprofit organization for its members or an economically disadvantaged class of persons; or

(3) any special purpose loan program offered by a profitmaking organization to meet special social needs which is specifically approved by the Board or meets standards prescribed in regulations by the Board; shall not constitute a violation of this section.

REGULATIONS; ADVISORY COMMITTEE

SEC. 5. (a) The Board shall prescribe regulations to carry out the purposes of this Act. These regulations may contain but are not limited to such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this Act, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith.

(b) In prescribing regulations under subsection (a), the Board shall provide—

(1) that an inquiry by or on behalf of a creditor of the marital status of any applicant is not a violation of section 4 if the inquiry is to ascertain the creditor's rights and remedies; and

(2) that a request by or on behalf of a creditor for the signature of both parties to a marriage to create a valid lien, pass clear title, waive inchoate rights to property, or to assign earnings is not a violation of section 4.

(c) The Board shall prescribe its regulations as soon as possible after the date of enactment of this Act, but in no event later than its effective date.

(d) The Board shall establish an advisory committee to advise and consult with it in the exercise of its functions under this Act. In appointing the members of the committee, the Board shall seek to achieve a fair representation of the interests of creditors and consumers. The committee shall meet from time to time at the call of the Board. Members of the committee who are not regular full-time employees of the United States shall, while attending meetings of such committee, be entitled to receive compensation at a rate fixed by the Board, but not exceeding $100 per day, including traveltime. Such members may be allowed travel expenses, including transportation and subsistence, while away from their homes or regular place of business.

ADMINISTRATION ENFORCEMENT

SEC. 6. (a) Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency,

(B) member banks of the Federal Reserve System (other than national banks), by the Board and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation.

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and section 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions,

(3) the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal Credit Union,

(4) the Acts to regulate commerce, by the Interstate Commerce Commission with respect to any common carrier subject to those Act,

(5) the Federal Aviation Act of 1958, by the Civil Aeronautics Board with respect to any air carrier or foreign air carrier subject to that Act,

(6) the Packers and Stockyards Act, 1921 (except as provided in section 406 of that Act), by the Secretary of Agriculture with respect to any activities subject to that Act, and

(7) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, and production credit association;

(8) the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to brokers and dealers; and

(9) the Small Business Investment Act of 1958, by the Small Business Administration, with respect to small business investment companies.

(b) For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise for the purpose of enforcing compliance with any requirement imposed under this Act any other authority conferred on it by law. The exercise of the authorities of any of the agencies referred to in subsection (a) for the purpose of enforcing compliance with any requirement imposed under this Act shall in no way preclude the exercise of such authorities for the purpose of enforcing compliance with any other provision of law not relating to the prohibition of discrimination on the basis of race, sex, or marital status with respect to any aspect of a credit transaction.

(c) Except to the extent that enforcement of the requirements imposed under this Act is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this Act shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this Act, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

(d) The authority of the Board to issue regulations under this Act does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this Act.

CIVIL LIABILITY

SEC. 7. (a) Any creditor who violates section 4 or any regulation prescribed under section 5 shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such applicant acting either in an individual capacity or as a member of a class.

(b) Except with respect to any government or governmental subdivision or agency, any creditor who violates section 4 or any regulation prescribed under section 5 shall be liable to the aggrieved applicant for punitive damages in an amount not greater than $10,000, in addition to any actual damages provided in subsection (a), except in the case of a class action the total recovery shall not exceed the lesser of $100,000 or 1 per centum of the net worth of the creditor. In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

(c) Upon application by an aggrieved applicant, the appropriate United States district court may grant such equitable and declaratory relief as is necessary to enforce section 4 or any regulation prescribed under section 5.

(d) In the case of any successful action under subsection (a), (b), or (c), the costs of the action, together with a reasonable attorney's fee is determined by the court, shall be added to any damages awarded by the court under such subsection.

(e) No provision of this Act imposing any liability shall apply to any act done or omitted in good faith in conformity with any official regulation or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Any action under this section may be brought in the appropriate United States district court without regard to the amount in controversy. No such action shall be brought later than one year from the date of the occurrence of the violation, except—

(1) whenever any agency having responsibility for administrative enforcement under section 6 commences its enforcement proceeding within one year from the date of the occurrence of the violation and obtains compliance with this Act by a creditor who was in violation of such Act, or

(2) whenever the Attorney General commences a civil action within one year from the date of the occurrence of the violation in an appropriate United States district court under this section against a creditor who is found by the court to be in violation of this Act,

then any applicant who has been a victim of the discrimination with respect to the administrative action under paragraph (1) or the judgment of the court under paragraph (2) may, within one year after the date of compliance with the administrative action or within one year after the date of the judgment of the court, as the case may be, bring an action under this section against such creditor.

(g) The agencies having responsibility for administrative enforcement under section 6, if unable to obtain compliance with section 4, are authorized to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted.

(h) When a matter is referred to the Attorney General pursuant to subsection (g), or whenever he has reason to believe that one or more creditors are engaged in a pattern or practice in violation of this Act, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(i) No person aggrieved by a violation of this Act shall recover under this Act on any transaction for which recovery is had under the laws of any State relating to the prohibition of discrimination on the basis of race, sex, or marital status.

(j) No person aggrieved by a violation of this Act and by a violation of section 805 of the Civil Rights Act of 1968 shall recover under this Act and section 812 of the Civil Rights Act of 1968, if each such violation is based on the same transaction.

ANNUAL REPORTS TO CONGRESS

SEC. 8. Not later than February 1 of each year after 1976, the Board and the Attorney General shall, respectively, make reports to the Congress concerning the administration of their functions under this Act, including such recommendations as the Board and the Attorney General, respectively, deem necessary or appropriate. In addition, each report of the Board shall include its assessment of the extent to which compliance with the requirements of this Act is being achieved, and a summary of the enforcement actions taken by each of the agencies assigned administrative enforcement responsibilities under section 6.

MISCELLANEOUS PROVISIONS

SEC. 9. (a) Consideration or application by a creditor of any State law which relates to the creditor's rights and remedies against the applicant in the event of default is not a violation of section 4.

(b) Any provision of State law which prohibits the separate extension of consumer credit to each party to a marriage shall not apply in any case where each party to a marriage voluntarily applies for separate credit from the same creditor: *Provided,* That in any case where such a State law is so preempted, each party to the marriage shall be solely responsible for the debt so contracted.

(c) When each party to a marriage separately and voluntarily applies for and obtains separate credit accounts with the same creditor, those accounts shall not be aggregated or otherwise combined for purposes of determining permissible finance charges or permissible loan ceilings under the laws of any State or of the United States.

EFFECTIVE DATE

SEC. 10. This Act shall take effect one year after the date of its enactment, except section 5 shall take effect on the date of its enactment.

TEXAS ENERGY AND NATIONAL POLICY

HON. BOB CASEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. CASEY of Texas. Mr. Speaker, it now seems that each day we become more acutely aware of this Nation's need to realize the objective of Project Independence: To make our Nation self-sufficient in energy resources.

While the time that this goal will require remains questionable, the instability of world petroleum supplies and the prices that are draining away our monetary resources into the coffers of oil exporting nations really leave us little choice. For the sake of America's future we must pursue and achieve that goal.

I am proud, Mr. Speaker, that the State of Texas has played a major role in supplying this Nation's energy resources in the past. I also know that with our experience and the talent amassed in Texas, we can play a leading role toward achieving Project Independence.

With those thoughts in mind, I would like to share with my colleagues the following testimony by Dr. Allen Commander, director of the Energy Institute at the University of Houston, presented in Houston on September 17, 1974, to the regional hearings on Project Independence held by the Federal Energy Administration:

TEXAS ENERGY AND NATIONAL POLICY

(Statement by Dr. Allen Commander)

INTRODUCTION

The special position of the state of Texas in national energy production and utilization prompted the State Legislature in 1973 to provide funds to the University of Houston for the establishment of an Energy Institute. The Institute's missions include sponsoring and conducting policy and technological research and the gathering and dissemination of energy data. Recently the Institute sponsored a study of energy flows and forecasts for Texas. A historical survey of the years 1960 and 1970 provided the basis for prediction of the growth of energy demands and estimates of supplies for 1980 and 1985. From these projections it has become clear that important policy decisions and legislation, both state and federal, will be required in the near future in order to preserve and enhance economic health in Texas, and indeed, in the nation.

TEXAS AS AN ENERGY ECONOMY

The Texas economy is particularly important to the rest of the nation, as Texas has about 27 percent of the country's refining capacity, and that percentage is likely to increase in the next few years. The world's largest single refinery is being completed by the expansion of a major refining complex near Houston, and will be refining over 700,000 barrels of oil per day in 1976.

Texas contributes a major proportion of the nation's petrochemicals; approximately 36 percent of the carbon black, 54 percent of the propylene, 67 percent of the methanol, and 87 percent of the butadiene for the country is being produced in Texas. Texas not only plays a significant role in the manufacture of petroleum based products, but because of the supply of natural gas and oil, (in 1970 Texas contributed 40 percent of the nation's crude oil and 39 percent of its natural gas) a large industrial base has grown up in the state.

Texas is the largest consumer of energy in the nation by a wide margin, exceeding the consumption of the next nearest state, California, by over 30 percent. The availability of energy has led to the location in Texas of large basic metal and processing facilities. Because of the size and climatic character of the state, it is the nation's largest supplier of ten food and fiber commodities and a major exporter of agricultural products. Given the reliance of agricultural production on chemical fertilizers, pesticides, herbicides, etc., that are petroleum derivatives, Texas production of energy assumes a role of great importance in the economy of the state. Two of every seven non-farm jobs in Texas are directly related to the petroleum resources of the state, and industry is the largest single consumer of energy.

Since fossil fuel energy dominates the state's economy, the impact of a diminishing supply over the next ten to fifteen years is likely to be heavy. From our point of view, the Texas economy must be optimized to accommodate future constraints of diminishing supplies of petroleum and natural gas.

ENERGY PROBLEMS AND THEIR SOLUTIONS

Short and intermediate term solutions to the problems caused by energy imbalances can be achieved mainly through conservation, but a long term program based on limiting usage would be contrary to the American tradition of free choice. We must, therefore, improve technology in the energy field, develop new energy resources, and pass legislation which will guarantee the success of these actions.

The Energy Institute of the University of Houston is undertaking a number of studies designed to aid policy-makers at various levels. Two of my colleagues will be reporting to you later this week on specific results attained so far. Dr. Michael Johnson, Professor of Law and Associate Dean of the Bates College of Law, will talk to you Wednesday concerning state regulatory policy as it relates to national regulation in the energy industry. On Thursday, Dr. David Gottlieb, Professor of Sociology and Acting Dean of the College of Social Sciences, will present the preliminary results of a study of the impact on the Texas citizen of the recent energy crisis, with implications for policy-makers. Because of time limitations in these hearings, rather than testifying, I have asked another colleague, Dr. Bill Thomas, to submit for the record a brief of his important work, a regional econometric model for energy analysis.

In addition to policy research, technology research which has been ongoing at the University of Houston for some years has been supported and enhanced by The Energy Institute. On Thursday you will hear from Dr. Alvin Hildebrant, Professor and Chairman of the Department of Physics at the University of Houston, as he describes progress and needs for work to make solar energy practical as a means of generating electricity on a large scale in the very near future.

This afternoon I would like to touch on four points:

Energy conservation and environment.

The importance of support for energy research and development.

The collection and dissemination of energy data.

The importance of treating energy producing states and regions of the country differently from energy consuming areas, in order to achieve maximum energy supplies for the whole country.

CONSERVATION AND ENVIRONMENT

The transition from a surplus of energy to a temporary shortage of energy has major implications for housing. The housing of people and industry must reflect higher conservation efficiency, but at the same time be responsive to the psychological needs of human beings. Decisions concerning the location of cities and towns must begin to be related to the production and consumption of energy. We have at The Woodlands, just north of Houston, an exciting new city under construction by the Mitchell Energy and Development Corporation, which embodies this type of planning.

Research and development in the integration of energy conservation requirements into construction systems needs performing. This kind of urban systems oriented research and development is being accomplished in the Architectural College of the University of Houston and federal support of this effort needs enhancing.

RESEARCH AND DEVELOPMENT TO PROVIDE NEW SOURCES OF ENERGY

Whole solar energy has been utilized on a limited scale for water heating, space heating, and air conditioning, the sun offers an unlimited source of power of non-polluting character for electric power generation. There is much promise in the work at the University of Houston, which Dr. Hildebrandt will describe Thursday, of developing technology for using the sun's heat to economically generate electrical power which could become a part of the nation's electrical power grid. I would like to point out that this work, if properly supported, could proceed at a more rapid pace than heretofore. We understand Washington currently plans to provide $288 million over the next five years for the central power solar energy concepts. It is important that these amounts be authorized and that an effective government management mechanism be created for utilization of the funds. The University of Houston is now organizing all of its research on solar energy into a single administrative unit in order to make a major contribution in this area.

One final thought on energy R & D. Traditionally, when massive resources are marshalled in this country to address a complex problem involving efforts of both the public and private sector, there is the ever present danger of overlaps and duplication of effort.

This could be avoided if Washington would implement the concept of "lead laboratories" where solar research, for example, could be focused in one facility charged with the responsibility to coordinate the research of other labs around the country and provide, in addition, a single entity for information exchange.

Along with national economic information related to energy, data on energy research and development needs collation and dissemination, since energy companies, colleges, universities, special research organizations, under federal, state, and local sponsorship are at work on energy research and development. There is a need to establish a national clearinghouse on energy research and development, perhaps building on the previous work of the Science Information Exchange of the Smithsonian Institution, but extending it far beyond its present capabilities.

COLLECTION AND DISSEMINATION OF ENERGY DATA

Sound public policy decisions are based on accurate, up to date, and properly analyzed data. Presently, national and state energy data are collected and housed in various agencies. In Texas alone, energy data are the province of three state agencies, The Railroad Commission, The General Land Office, and The Comptroller's Office. At least three separate data banks are maintained, each of which is incompatible with the others. Since there is no central collection point, there is no way to cross check data in these systems. Thus no central source of information exists for decision makers.

The Energy Institute at the University of Houston has recommended to the state of Texas that one fully automated and centralized state energy data system, with necessary standardized formats and cross indices, be built. We recommend to the Federal Energy Administration that a national data system be set up in cooperation with each state. The

City of Houston represents a natural location for a national data center, because of the tremendous concentration of energy industry here. Arrangements for collecting and analyzing data with the cooperation of the outstanding industry data scientists would be easy to make.

From the energy data it would be appropriate to construct the special kinds of econometric models which would permit analysis of energy related problems. Production levels could be related to employment, income, energy utilization and trade patterns could be studied so that the impact of changing resource prices on production of new energy sources could be predicted. This is the kind of research presently being conducted by Dr. Thomas that I referenced earlier.

DIFFERENTIATING AMONG ENERGY PRODUCING AND CONSUMING STATES IN POLICYMAKING AND REGULATION

The implications for interstate commerce caused by Texas' position as an export state in oil and natural gas are such that there should be greater coordination between Texas and the federal government, and Texas and other producing states. Specific agreements between states are prohibited by the Constitution without authority from Congress. The following suggestions all need Congressional approval:

1. Joint action should be encouraged between states especially where one state supplies raw materials and another state produces end products. Sharing resources and revenue would be mutually beneficial. For example, coal might move from another state into Texas to be converted into gas in Texas refineries and ultimately utilized in chemical plants to be made into other profitable items. There should be mechanisms to return to the people of the coal originating state a share of the revenue so produced.

2. Discussion has centered on the need to conserve natural gas for use as a feedstock instead of being burned for industrial heat. Coal could be substituted, but it is far dirtier with respect to the environment. Plants which switch from gas to coal would pollute their communities. Some mechanism needs to be devised to provide an incentive to convert, and the incentive then used to install cleaning devices. Interstate agreements should be provided so that one state does not profit disproportionately from conversion from a clean to a dirty fuel in another state.

3. Texas is the only state in the union which does not have a readily recognizable utility commission. Statutes regarding energy regulation need to be developed so that the clear authority of states and the federal government concerning the end use of oil and natural gas and other resources is spelled out. A single state agency should be designed for each state as the primary promulgator of regulations concerning the siting of energy production facilities. Applicants should deal with only a single group in securing state and federal approvals.

4. Because Texas economy has derived a large percentage of the total tax dollar from the oil and gas industry, Texas has not had to levy personal and business income taxes which have been required of most states. In the event of federal allocation of energy resources, there should be a careful study of the impact of such allocation on Texas energy industries, the state budget, state taxes, and federal needs.

5. Deep water oil and gas unloading facilities need to be made available for the Texas refining industry, and while there are controversies over the types of facilities to be constructed and whether they should be privately or publicly owned, there should be early federal resolution of these problems so that construction can begin. The time is near when such facilities will be required in view of our projections of the lessening of supplies of Texas resources over the next ten years.

In closing, I am appreciative of the major problems which the Federal Energy Administration is dealing with, in a complex economy, with a complex energy supply and consumption system. We realize that there are no simple solutions to our energy problems, but the University of Houston is pledged to play our part as a means of conducting and communicating to the various publics the results of research and the implications of research for policy decisionmaking.

The University of Houston Energy Institute will be host to a symposium on federal-state energy relationships on October 31 and November 1. I would like to extend an invitation to those present to attend. Members of the Federal Energy Administration, other federal government agencies, state and local officials along with the academic community will be present for further exploration of some of the items which I have just discussed. Thank you.

MAN SHOT ACCIDENTALLY IN GUN SHOP

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HARRINGTON. Mr. Speaker, on March 5 I introduced legislation to amend the Gun Control Act of 1968 in an effort to prohibit possession of handguns except for the police, the military, licensed pistol clubs, licensed security guards, and antique gun collectors.

The statistics in this regard are appalling, and paint a profile that is all too clear. Where gun ownership is highest, deaths caused by guns are also highest.

An article, "Man Shot Accidentally in Gun Shop," by John Cullen, which appeared in the September 23, 19, issue of the Boston Globe, explained that—

> People want to carry guns because of psychological needs. Many feel that everybody in the world is out to get them or they just want to feel safe when they take a walk.

Granted that people feel strong impulses to cling to "symbols" of self-sufficiency, handgun owners must realize that their perceived means of self-protection are in reality a potential means of self-destruction. The available evidence, sparse as it is, indicates that handguns do not afford real security for their owners. The Commission on the Causes and Prevention of Violence concluded from a study of Detroit, for every thief confronted by a homeowner bearing a handgun, four of those homeowners or their relatives were killed in handgun accidents. The Commission also observed that only about 2 percent of home robberies result in the trespasser being shot by the homeowner. The Commission concluded that—

> Possession of a gun undoubtedly provides a measure of comfort to a great many Americans. But the data suggest that this comfort is largely an illusion bought at the high price of increased accidents, homicides and more widespread illegal use of guns.

It seems to me that firearms are at the root of a uniquely American tragedy; in an attempt to protect ourselves against criminal elements and preserve a measure of self-sufficiency, we have ended up killing ourselves and our neighbors instead.

It is appalling that in 1972, guns were used in 2,900 accidental deaths, 10,000 suicides, and 200,000 accidental injuries. In 1973, according to the National Safety Council, 2,700 people were killed by "accidental discharge of firearms." The Boston Globe article describes just one of the many accidental shootings that have occurred this year.

Would those accidental killings and injuries have taken place if the possession of handguns was prohibited—or is it reasonable to assert that the same consequences would have occurred through the use of alternate weapons. Would those 10,000 people have committed suicide if the United States had responsible gun control laws? I feel that the answer is no.

Since the day the Pilgrims landed at Plymouth Rock, guns have been an important part of American life. Not only were they sources of pride and power, but in those days they held the key to survival. It is almost 1975, and the handgun is no longer a key to survival in any sense. In fact it may hold for us the master key to destruction.

I would like to insert in the RECORD the article which appeared in the September 23 edition of the Boston Globe for the information of my colleagues.

The text follows:

[From the Boston Globe, Sept. 23, 1974]

MAN SHOT ACCIDENTALLY IN GUN SHOP

(By John F. Cullen)

BOXBORO.—A 20-year-old Lunenberg businessman's attempt to buy a gun Friday night led to his being seriously wounded in a freak shooting accident.

Police say a gun fell from a cabinet in a gun store and discharged, wounding Ronald Pursley in the head.

The gun had been taken from a holster by the store owner and placed on the cabinet a short time before the accident took place, police said. Pursley yesterday was reported in critical condition at Emerson Hospital in Concord after five hours of surgery. He owns an auto parts shop in Ayer.

HANDGUNS IN AMERICA

Boxboro Police Chief Bruce Barker said Pursley entered the Leisure Time Living Sports Center, 674 Massachusetts av., shortly after 7 p.m. and had been in the store about 30 minutes when the accident took place.

Chief Barker said Pursley had gone to the store to purchase a gun and was looking at a gun catalogue when the shooting occurred.

Chief Barker said store owner Donald K. Griffin had been carrying a .38 caliber gun in a holster and then placed the gun on top of the cabinet. Police quoted Griffin as saying he opened the cabinet drawer to get some catalogues when the gun fell to the floor and discharged.

"The doctors at the hospital are very confident that Mr. Pursley will live but he still isn't out of danger yet. However, they did say that the bullet passed through the back of the skull—missing the brain by less than an inch or so," Chief Barker said.

For Bruce Barker, 26-year-old police chief of Boxboro and Littleton, the shooting pointed to need for tighter firearms controls.

"This shooting doesn't make me feel good because I feel that perhaps the shooting could have been prevented," Chief Barker said.

Barker said requests for gun permits are up substantially. "People are afraid that pretty soon they won't be able to get them—so now we are having a run on permits," he said.

"People want to carry guns because of psychological needs. Some people feel that everybody in the world is out to get them or they just want to feel safe when they take a walk.

"I'm not saying that this incident was one of those cases but I guess I honestly have to ask myself why someone carries a gun in a store unless they are expecting trouble. Boxboro is a number of miles from the Combat Zone," Barker said.

"Most likely Pursley will recover and feel very few side effects. But that won't be the case with Mr. Griffin—he is very much down and will be for a while.

"I wish that people with guns on their sides would take a couple of minutes out of a day to stop and think about how they would emotionally deal with the fact that they have just taken another human being's life or made a person nothing but a vegetable," Barker said.

"It's not a pleasant thought, granted, but it's reality. And people have to begin to be consciously aware that guns are killers and maimers."

CHILDREN LEARN CAPITALISM THROUGH "MINIECONOMY"

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. CRANE. Mr. Speaker, one of the real shortcomings of American education has been its inability to explain to young people the essential elements of economics.

Because so many Americans are ignorant of the basic rules of economic life, they find themselves unable to understand the causes of the inflation under which they are now suffering and, as a result, do not know which kinds of policies and approaches to support in an effort to end it and to restore stability to the Nation's economy.

Only through economic education which begins at the earliest possible moment in the educational process can we reverse the current trend. Fortunately, there are a number of men and women working to provide such education.

One example of real success in economic education can be seen in California where a new program, known as the minisociety is being used to encourage creativity and independence.

Under this program, upper elementary schoolchildren—grades 3 through 6—generate a miniature economy in their classroom. Students freely interact and bear the consequences of their decisions. The teacher's primary role is an advisory, not an authoritarian one.

Dr. Marilyn Kourilsky, an economist, who is now director of the UCLA Center for Economic Education, and architect of the minisociety, states:

> Students participate in a classroom environment where economic concepts are concrete realities rather than mere abstractions. They learn about scarcity because they experience scarcity; correspondingly, they learn to cope with scarcity by living in a classroom community where economic mechanisms to cope with scarcity spontaneously evolve.

Discussing this important new program, Arnold Stemberg, formerly an assistant to Senator JAMES BUCKLEY of New York and editor of the New Guard, the magazine of Young Americans for Freedom, writes:

> Dr. Kourilsky and her associates are now engaged in a seminar-type program to explain the minisociety to elementary school teachers throughout the United States. Dr. Kourilsky warns teachers that the purpose of the minisociety is not behavior modification, but a learning experience to teach students to interact, accept responsibility, and cope with reality.

Mr. Steinberg concludes:

> When public schools began teaching sex education, it was predicted that the teachers would make sex as dull as everything else they teach. It can be said with certainty that everything else remained dull. Hopefully, the introduction of the minisociety can make other subjects as exciting as economics.

I wish to share with my colleagues the article, "Children Learn Capitalism Through 'Minieconomy'," by Arnold Steinberg which appeared in the August 24, 1974, issue of Human Events, and insert it into the RECORD at this time:

CHILDREN LEARN CAPITALISM THROUGH "MINIECONOMY"

(By Arnold Steinberg)

A new approach to education, which teaches elementary school children the fundamentals of economics and responsibility, is challenging the public school system's preoccupation with mediocrity.

The "mini-society" is an innovative, highly motivating instructional system designed to encourage creativity and independence. Upper elementary school children (grades 3 through 6) generate a miniature economy in their classroom, but the mini-economy is no game or simulation. Students freely interact and bear the consequences of their decisions. The teacher's primary role is an advisory, not authoritarian, one.

"Students participate in a classroom environment where economic concepts are concrete realities rather than mere abstractions," according to Dr. Marilyn Kourilsky, an economist who is now director of the UCLA Center for Economic Education, and architect of the mini-society. "They learn about scarcity because they experience scarcity; correspondingly, they learn to cope with scarcity by living in a classroom community where economic mechanisms to cope with scarcity spontaneously evolve."

Scarcity is, of course, the most pervasive economic fact of life: Human wants exceed the resources available to satisfy those wants. From the mini-society's inception, the children *experience* scarcity, consistent with Dr. Kourilsky's assumption that learning is enhanced when children participate in:

(1) *real* as opposed to *vicarious* experience;

(2) *active* rather than *passive* roles in the learning situation; and

(3) *actual decision-making* whose consequences they will bear.

Scarcity is illustrated when the teacher selects, and makes accessible to the students, materials (puzzles, tape recorders, games) which are in high demand. When the children eventually complain that there is not enough of a particular item, the teacher stimulates a discussion group to identify the problem, establish a list of behaviors (e.g., classroom participation, punctuality) which will be rewarded by income, and to assign a value to labor.

Children will identify alternative means of distribution: "divide up" (egalitarian), "first come, first served" (speed), "pick a number" (lottery); they will discuss the advantages and disadvantages of using "force" to distribute the goods, or accepting "need" as the criterion. Since the children eventually assign a positive value to various types of behavior, and a negative value to undesirable behavior, it is only natural that the rewards generated by their behavior are used to purchase the desired materials.

The entire process cannot be detailed in this brief article. The children, however, inevitably choose the price mechanism as a way to allocate the scarce resource. Within a few days a currency system is developed, and a regular system of paydays. Spontaneous buying and selling of small items (pencils, erasers, snacks) teaches the children to learn from their mistakes.

The teacher, a catalyst who acts as a consultant to the students, raises questions in discussion groups. The teacher can also guide the group. For example, if the class does not, on its own, decide to have an auction, the teacher can suggest it. The auction process usually leads to the formation of a bank, since some students will overbid and require loans from their friends (to honor their bid).

The teaching methodology, developed over a five-year period of testing in 30 classrooms in 15 public schools, primarily in the Loe Angeles area, is described by Dr. Kourilsky in *Beyond Simulation: The Mini-Society Approach to Instruction in Economics and Other Social Sciences* (Educational Resources Associates, $3.95). The program, typically one hour of classroom time a day, has been successful in both suburban high-income and inner-city schools. It works best in the upper fourth grade.

In her teaching manual, Dr. Kourilsky explains how banks, loan companies, insurance companies, a stock market, a newspaper and even consulting arrangements emerge spontaneously in the children's economy. Even the teacher's advice to the youthful entrepreneurs is no longer given free.

As Dr. Kourilsky explains, "the concept of the teacher as a paid consulting agent carries over to other parts of the school day. Without warning, the teacher may announce that (s)he is now selling time, and anyone wishing to take advantage of the opportunity can do so for a stated rate. . . .

"Many children ask questions to which they already know the answers, simply to get reassurance or attention from the teacher. They often reconsider and work without extra help when they realize there is a price tag attached to their possible choice of actions."

To insure continued innovation, student aides from neighboring junior high and high schools can be brought in for "consulting."

An exciting film, describing five classrooms' experience with the mini-society, shows activities ranging from tutorial services to pawn shops, entertainment to accounting. The common denominator of every good or service is relevance to an actual miniature economy in which the children assume *real* roles in *real* situations.

The California Council for Economic Education noted that the mini-society represents a real-life economy for the children:

". . . mini-economies developed in each classroom are different—not by design, but because the children are different. To sum it up, if you asked the teacher 'How do the children know what to do in their mini-economy?', (s)he might answer with another question: 'How do *you* know what to do in *your* economy?' "

The concepts, which usually emerge spontaneously and are reinforced in discussion groups with the teacher, include scarcity, economic cost, cost-benefit analysis, present consumption vs. capital accumulation, sunk cost ("Don't cry over spilled milk"), demand, supply, market price, effects of price ceilings and floors, money and inflation, and property rights.

The mini-society profoundly affects the entire educational process:

A Los Angeles *Times* article (Oct. 12, 1973) reported that a class using the mini-society approach improved its reading scores from the 50th percentitle to the 99th percentile and ranked third highest in reading scores in a district of approximately 437 schools.

Students dramatically improve mathematical skills. They quickly learn that basic computational skills are necessary to buy and sell goods, compute profit, allocate one's income, pay interest, etc.

The mini-society provides an incentive for students to devote more attention to "regular" subjects. Children soon learn that to advertise one must write copy, to make signs one must learn design and art. In short, students are alert during the entire learning process for new knowledge and skills to enhance their performance in the mini-economy.

Since the mini-society requires a high degree of social interaction, normal segregation barriers (e.g., sex, ethnic background) give way to the cooperative effort which usually characterizes productive enterprise. Children who have never succeeded on the basis of nice clothes, athletic ability or achievement in a single academic field gain recognition and achieve success in a special field of endeavor. Each child acquires the self-respect and dignity uniquely associated with individual achievement.

Unlike most elementary school children who equate fairness with "sharing," the students in the mini-society understand that "fairness" is subjective, depending on one's position and outlook. The children grasp the meaning of responsibility, and the need for an individual to bear the consequences of his decision, as evidenced in their discussion of topics like government subsidy.

The children learn that money is not an end in itself, but a means to achieve a variety of other ends. They understand scarcity—that no one can satisfy all his wants simultaneously, so choices must be made. Money simply helps to measure the value consumers place on alternative goods, services—even their time. Money does not necessarily measure satisfaction.

Finally, children are more enthusiastic about school. One teacher in a "ghetto" school noted that her class experienced a significant increase in attendance.

Dr. Kourilsky and her associates are now engaged in a seminar-type program to explain the mini-society to elementary school teachers throughout the United States. Dr. Kourilsky warns teachers that the purpose of the mini-society is *not* behavior modification, but a learning experience to teach students to interact, accept responsibility and cope with reality. She urges teachers to allow their young students the freedom to make mistakes and bear the consequences of their decisions.

When public schools began teaching sex education, it was predicted that the teachers would make sex as dull as everything else they teach.

It can be said with certainty that everything else remained dull.

Hopefully, the introduction of the mini-society can make other subjects as exciting as economics.

EQUALITY FOR FILIPINO AMERICANS: AN OPEN LETTER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ANDERSON of California. Mr. Speaker, an open letter was published as an editorial in the September 5, 1974, edition of the Bataan News, of Sacramento, Calif. This letter was intended as an attempt to let the President of the United States and the U.S. Congress know that equality is still not yet extended to the Filipino Americans.

I wish to thank Mr. M. H. Jacaban, publisher of the Bataan News, for bringing this sorry situation to my attention. One can not help but agree that the problem of equality of opportunity deserves national attention and that the Congressional Record is the best forum by which Members of the U.S. Congress can be alerted to the intense desire of the Filipino Americans to be equal with the rest of the American population, not only before the eyes of the law, but equal in the opportunity to improve their future.

Mr. Speaker, I insert at this time the text of this timely letter into the Record:

An Open Letter to President Ford

September 5, 1974.

Dear Sir: You will please note that by your declared intention of keeping the door of the White House open and listen to the voice of the people, I am constrained to write this letter to you regarding the intense desire of the Filipino Americans to solve their problems of inequity which they are still faced with. It is my most sincere hope and fervent prayer, and I am sure that it is also the hope and prayer of all Filipino Americans, that their demand for equality with the rest of the American population touches a responsive chord in your heart.

We very well realize the enormity of your responsibilities in the exercise of your office as President of the United States of America, and the preciousness of your time that you must devote to keep up with the daily business of the most powerful nation on earth, but the Filipino Americans are also an important part of the American population as a whole, and whose problems must become also the problems of the White House.

It must be mentioned here, sir, that the Filipino Americans have poverty problems, but those problems are not their own making. They are neither lazy or indolent. Their poverty problems are results of racial bias that was extended them in times past. Justice demands that the Filipino Americans be made equal with the rest of the American population.

The desperately critical problems that the Filipino Americans are faced with are:

1. Housing. A large number of them are especially the elderly and farm workers, living in rat-ridden dwellings. Reports show that quite a number of them who are living in those unsanitary conditions, have contracted tuberculosis. Poor housing conditions and improper diet are given as the causes for the prevalence of TB among Filipino American elderly.

It is estimated that 200,000 housing units are needed to meet the needs of the Filipino Americans.

2. Employment discrimination. Equal employment opportunity has not as yet been fully extended to the Filipino Americans. There are Filipino engineers, attorneys, and other professionals who are working as farm workers, porters, busboys and dishwashers because employers have refused to give due recognition to their professional qualifications.

There are among Filipino Americans professors of Colleges and Universities, physicians and surgeons, writers and journalists, priests and ministers of the gospel, public administrators, etc. Yet there are only two Filipino Americans who were appointed by the previous administrations in Washington. Even then, those two appointments are only honorary. And there are thousands of Blacks and hundreds of Chicanos who are now assuming federal positions of responsibility with salaries ranging from $40,000 a year and up.

3. Education. Because of the racial bias extended them in the past, the Filipino Americans were relegated to the lowest paying jobs. Hence, the Filipino American families had not saved enough money to be able to send their children to higher institutions of learning.

4. Drug addiction. Due to the lack of proper guidance, the Filipino American youths are the subject of immoral assault regarding drug traffic. The Filipino families were close-knit unit, but because of these illicit drugs gnawing at the morals of our Filipino youths, many Filipino families are being broken.

The Filipino Americans are definitely an important part of the American population . . . they have been proven during World War II the most loyal group among the ethnic minorities to the principles of democracy. And they are a neglected minority within a minority (because they are categorized as Spanish-surname) whose poverty problems are real and critical.

It must also be mentioned here that a large number of those who are victims of poverty are those who had served in the reconquest of the Philippines from the Japanese and had participated in the battles of Leyte and Lingayen. Some are sons and daughters and widows of the men who, in spite of the overwhelming odds against them, stood to the last and finally died in the heroic defense of Bataan and Corregidor. Some are the survivors of the infamous "Death March" between Bataan and Manila.

Could America have the heart to deny equality to those Filipino American heroes who have laid their lives on the line in defense of America in her greatest hour of need?

Equality must not be denied to the Filipino Americans. They must be made a part of the mainstream of American life. They must be allowed to take part on equal terms in the realization of the American dream.

Your devoted servant,
M. H. Jacaban,
Chairman, National Association of Filipino Americans.

A CENTURY OF MORAVIAN SISTERS

HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 26, 1974

Mr. ROONEY of Pennsylvania. Mr. Speaker, in commemoration of the 250th anniversary of the birth of Col. Michael Kovats, the Hungarian-American hero of the Revolutionary War, I would like to call to the attention of my colleagues his activities among the Pennsylvania Moravians, only a small part of his total war effort on behalf of the American Colonies:

Elizabeth Lehman Myers writes in her fine book, "A Century of Moravian Sisters" about the visit of Count Casimir Pulaski and Col. Michael de Kovats to Bethlehem, Pa., the center of the Moravian Church:

> It was these very dangers and troubles (of the warring times) however, that were responsible for one of the most famous romantic stories of the Revolution, the story of the Pulaski banner.

> Count Casimir Pulaski was first in Bethlehem on Maunday Thursday, in the Holy Week of 1778, accompanied by Colonel Kobatsch (i.e. Kovats), a Prussian officer. The two foreigners attended the church service always held on Maunday Thursday, and at that time in the Old Chapel on Cedar Square, and were very much impressed by the solemnity of the occasion.

While Count Pulaski may have been in Bethlehem for the first time, we know—again from the various notes of the Moravian chroniclers—that Colonel Kovats visited the Pennsylvania Moravians as early as in September 1777, when the diary of the Nazareth Moravians make the first mention of the presence of Colonel Kovats, the "famous Prussian Hussar officer" who had already been in the country for some time. Kovats' fame thus preceded him everywhere among the Moravians, the followers of Count Zinzendorf, whose estates and activities in the German lands around the middle of the 18th century were well known to Kovats who, from 1745 to 1761, served in the army of Frederick, the Great, King of Prussia.

It has to be accepted also as a historical fact that the news about Kovats' past was spread most eagerly by the deaconess of the Moravian Sisters, Countess Susan von Gerdorf, who came from a prominent German family deeply grateful to the Hungarian-born Hussar officer. Kovats' last assignment as a commander in the Prussian Army was with a unit known as the "Gersdorf Free Hussars," the remnants of a famous regiment which, without its own fault, was captured by the Austrian Army and, as was the rule in Frederick's army, fell into disgrace. Known for his excellent character traits and professional abilities as a cavalry commander, Michael Kovats, then a captain of the Hussars, was appointed as the commanding officer of this corps, whose soldiers and officers were burning with desire to restore their high reputation in the eyes of the Prussian King. Kováts did an impeccable job and earned the gratitude of the Von Gersdorf family.

In the United States, Count Pulaski, himself a Catholic, must have followed the suggestions of his Hungarian friend, a Protestant, to establish close contacts with the Protestant Moravians. Later events focused all attention upon the colorful and impressive personality of the young Polish aristocrat, and, thus, we find the following story of the presentation of the "Pulaski Banner" in the above-mentioned source:

> Pulaski made several visits, and was shown around the village by the guide appointed for such purposes. The brethren found it necessary to have an official guide, as so many people came to visit Bethlehem, that it took up entirely too much time for the pastor or his assistants, and so a special position was created, and a brother appointed to fill it
>
> Count Pulaski was charmed with all that he saw and heard in Bethlehem and when again unruly troops threatened the seclusion and peace of the poor sisters, he, too, detailed a guard for its doors, and one night stood guard himself.
>
> The sisters were so grateful to him that they desired to express their appreciation in a substantial way. Sister von Gersdorf suggested the making of a banner for the Gallant Pole, and placed the matter in the hands of Sister Rebecca Langly.
>
> Becky, as she was called, was an expert needle-woman, who had introduced the making of fine embroideries into the Sisters' House, and she designed the banner. Six young women, one of whom was her sister, Erdmuth, assisted her, and when completed it was a thing of beauty. Not large, it was designed to be carried on a lance. Made of scarlet silk, with a green fringe, it had a very elaborate design upon it embroidered in yellow.
>
> I regret to say, there is no record of a presentation such as there was of the gift of General Gates, and so the beautiful poem written by Longfellow, is only exquisite fancy. But the lines,
>
> "The warrior took the banner proud
> And it was his martial cloak and shroud"
>
> were partly true, as Pulaski fell at the battle of Savannah while carrying it.
>
> Wounded unto death, he was carried aboard a vessel in the harbor. His first lieutenant caught the banner as it fell, and through him it was sent to Baltimore, where it was finally presented to the Maryland Historical Society in whose care it now is. The brilliant crimson is darkened by time to a reddish brown, the yellows are dulled, but the exquisite stitchery is still there, put in by the skilled fingers long since crumbled to dust.
>
> The banner was carried in the procession which welcomed Lafayette to Baltimore in 1824. Perhaps the sight of the banner recalled the sweet Moravian sisters to Lafayette, for once more he came to Bethlehem. His faithful little nurse (who cared for him in 1778 while, wounded, he rested at Bethlehem) lay in the old graveyard, her ministry over; but he chatted with his step-mother then living in the Gemein House . . .

The colors of the banner, long faded, approximated those of the Hungarian national flag, red-white-green, reflecting the same composition of colors in the uniforms of the Pulaski Legion which were designed by their "Colonel Commandant," Michael de Kovats. As it appears in George Gray's mural in the Hotel Bethlehem, the uniforms of the Pulaski Hussars were similar to those of the contemporary Hussar regiments which, following the Hungarian example in the training and organization of the light cavalry, further emphasized their "true Hungarian character" by the adoption of the Hungarian Hussar uniform and armament.

However, far beyond such impressive episodes of lasting memory, it was here, in Bethlehem and its environment, where the smaller units of the Pulaski Legion conducted their assigned duties and received their progressive training in the Hussar type tactics of light cavalry, that the thoughts of Pulaski and his Hungarian senior officer crystallized and led to improved concepts of a new American cavalry as an independent branch of the Armed Forces of the United States.

The everlasting memory of their chivalric and gentlemanly behavior might have helped to cement the acceptance of the cause of liberty and independence of the United States on the part of the Moravian Brethren whose position on this important matter was formally defined by a conference of 30 ministers in Bethlehem in 1781—as reported in the splendid work, entitled "Bethlehem of Pennsylvania, the First One Hundred Years, 1741 to 1841," a publication of the Bethlehem Chamber of Commerce issued in 1968. The agreement took the form of a covenant, called the "Brotherly Agreement," and carried the assurance that the Brethren who were, by the way of their worldwide contacts and affiliated organization in England, very often adversely influenced against the American cause, will henceforth cordially subject themselves to the government that is in power over them, and "will conform to all human ordinances of the land" in which they live.

The soldiers of the Pulaski Legion were largely recruited from this same area, Col. Michael de Kováts, partly by his fluency in German, conducting the recruiting here till the early months of 1771. It is noteworthy that a "Recruiting Ballad," dated in 1778, and extolling the virtues of the new "Pulaski Chorus" was found among the relics of this age, and published by John Joseph Stoudt in his collection "Pennsylvania German Poetry, 1685–1830," in the 1955 volume of "Pennsylvania Folklore."

Many are the relics and memories which will help us and dedicated scholars and public leaders to recall the spiritual and political heritage of the most important period of American history, the dramatic founding years of this democracy.

The service rendered by Col. Michael de Kovats of Hungary to this country will always be remembered and will be regarded as the foundation of the friendship and mutual dedication to the cause of freedom, liberty, and democracy by Americans and Hungarians alike.

CATHOLIC BISHOPS URGE UNITED STATES HELP IN WORLD FOOD CRISIS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. FRASER. Mr. Speaker, the Executive Committee of the U.S. Catholic Conference has taken a firm stand for U.S. leadership in helping the world meet the challenge of the food crisis. In a statement issued September 19, 1974, the bishops called for U.S. Government support at the forthcoming World Food Conference for an international food reserve, short-term emergency relief in areas threatened by starvation, and technical assistance to help increase food production in developing countries. The statement also urges that the United States in implementing such policies, should protect the domestic interests of Americans by seeing that "those Americans least able to pay do not bear the brunt of our policy."

A resolution now pending in the Committee on Foreign Affairs includes all of the main elements of the policy recommended by the Catholic bishops. The resolution was produced as a result of hearings held in the Subcommittee on International Organizations and Movements, and is based on two like-minded resolutions introduced some months ago by our colleagues JOHN CULVER, of Iowa, and

PIERRE DU PONT, of Delaware. This resolution deserves the support of the full House when it comes to the floor.

I include the statement of the Executive Committee of the U.S. Catholic Conference in the RECORD:

CATHOLIC BISHOPS' BODY URGES JUST U.S. POLICY ON WORLD FOOD CRISIS

WASHINGTON.—The Executive Committee of the United States Catholic Conference (USCC) has called on the U.S. government to "bring a broadly conceived and just policy" to the World Food Conference which will take place in Rome in November.

"To be in the U.S. position as prime exporter of foodstuffs is an awesome responsibility: we are literally involved in judging who will live or die," the USCC body declared in a statement on the international food crisis.

While the average per capita consumption of grain in the developing nations is approximately 400 pounds per year, in the U.S. and Canada it is 1,000 pounds per year. The U.S., with 6% of the world's population, accounts for approximately 40% of its consumption of overall resources.

The Executive Committee statement urged a U.S. food policy embracing:

An international food reserve permanently available to meet global emergencies;

Increased short-term emergency relief to areas where starvation threatens;

Technical assistance to developing nations to help them increase food production.

Members of the USCC Executive Committee are John Cardinal Krol of Philadelphia, President of the conference, John Cardinal Dearden of Detroit, Coadjutor Archbishop Leo C. Byrne of St. Paul and Minneapolis, Archbishop Thomas A. Donnellan of Atlanta, and Bishop James S. Rausch, General Secretary of USCC.

Following is the text of the statement:

"In the face of a global food crisis, we wish to highlight certain moral implications. The right to eat flows directly from the right to life. Food, therefore, is a unique commodity. To be in the U.S. position as prime exporter of foodstuffs is an awesome responsibility: we are literally involved in judging who will live or die.

"As a nation, we must treat our food resource as a sacred trust, not simply a matter of money and markets. In the past, we have helped to feed others from our surplus; today, we are asked to share our scarcity. Where once we shared in charity, we must now share in justice. The law of the market, like every human creation, has its moral limits. When it denies food to starving people, it must be modified.

"We urgently appeal to our government to bring a broadly conceived and just policy to November's World Food Conference. We encourage those in our government who would support:

"First, an international food reserve to provide a permanent supply to meet global emergencies;

"Second, an increase in short-term emergency relief to areas threatened with starvation;

"Third, technical assistance for developing nations to increase their food-producing capacity.

"Meeting our international responsibilities will have domestic implications. We appeal to our government to see that those Americans least able to pay do not bear the brunt of our policy: specifically, the independent farmer, often the most vulnerable person in the chain of food production, processing and sales, and the consumer from the middle and lower income categories.

"The American food policy must be characterized by justice as we share our scarcity with those whose right to eat is now in our hands as a trust and responsibility."

ANOTHER SWEETHEART WHEAT DEAL

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. GAYDOS. Mr. Speaker, the Egyptian Government announced the other day that we have agreed to supply 100,000 tons of wheat to its country in the first quarter of 1975 in what can be judged only as a sweetheart deal of absurd proportions.

The wheat, valued at $16 million, is to be paid for over a 20-year period at an interest rate of just 3 percent, a ridiculous figure in this era of high-cost money. Can anything more gullible be imagined as far as we Americans are concerned?

In the first place, we may not have the wheat to share in the months ahead because of the recent drought in the Midwest which has cut harvests sharply in some areas. And, although 100,000 tons is not a large amount compared to our total wheat production, the fact remains that it could be enough in an overall shortage situation to start another round of price increases here on bread and other bakery items.

We well remember what a similar bargain-basement deal on wheat to the Russians did to our supply 2 years ago. We sold our surplus to the Soviets at below cost to us and, unwittingly I am sure, created the grain shortages here which began the continuing explosion of prices in the food markets. Are we to play the same game with the Egyptians?

The size of our wheat stocks in the first quarter of next year is still a matter of guess by those who keep track. But even so, the money terms of the sale to Egypt already are agreed upon, according to the Cairo announcement as carried by the Associated Press. Egypt is to pay on the installment plan at the token 3 percent interest charge.

This means, of course, that our Government will have to borrow the money to buy the sheat in the first place. Deficit ridden, it has no money on hand for anything. It will be compelled to go into the tight money market to get the $16 million needed and pay interest rates for it almost three times that which it has agreed to charge Egypt. The latest Treasury issues were sold for more than 8½ percent, according to Business Week magazine.

So we will be borrowing money at more than 8½ percent to buy up still scarce and highly expensive U.S. wheat to turn over to the Egyptians who will pay us back at the rate of 3 percent stretched over two decades. The deal comes down to that simple fact. And yet the American public is expected to stand for it on the explanation that it might have something to do with the success of our foreign policy which, I might add, has a very poor track record. The deal is glossed up for popular acceptance as being part of the food-for-peace program.

The Egyptians may need wheat either from us or from some other source. I do not question this at all. But what I do question is why, as an ally of the oil-rich Arab States, Egypt must be subsidized by us. If the nation is so hard up, why doesn't it borrow from the bulging treasuries of its Middle Eastern confederates? A report in the Pittsburgh Press recently said Saudi Arabia has cut its spending budget because it has more money piled up than it has the means to spend.

It is significant that our Egyptian giveaway was arranged at the same time that Saudi Arabia reached a decision to purchase "several billion dollars" of what the New York Times describes as a "special bond issue" by the U.S. Treasury. Although the Times said the terms are still to be worked out, it is certain the interest we will pay on this issue will far exceed what we are charging Egypt. It would be the height of irony if part of the proceeds of these bonds went to buy the wheat.

And Saudi Arabia is not the only oil-gouging ally of Egypt to be eyeing U.S. bonds. Kuwait also is reported involved in a deal to invest its riches here.

How much longer, Mr. Speaker, can we go on robbing our people in the manner of the Egyptian wheat sale? I ask this question mindful that the deal already made, according to the Cairo report, is for only the first quarter of 1975. There are indications of more such bargains in the offing. I enter my protest against them now and hope that others in Congress will join me.

DOLLARS LOSING ENERGY

HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. GUNTER. Mr. Speaker, Dr. Howard T. Odum, professor of environmental engineering sciences at the University of Florida, was interviewed in a recent article on the relationship of money and energy on the world marketplace.

The interview is included in an article by Ted Brooks, energy editor of the Wichita Eagle and Beacon, entitled "Dollars Losing Energy." I am grateful to Tom Robertson of the Energy Center, University of Florida at Gainesville, for bringing this article to my attention and would like to share it with my colleagues:

DOLLARS LOSING ENERGY

(By Ted Brooks)

One of civilized mankind's most reassuring axioms is that money and capital are the source of temporal and physical power and worldly happiness. Since the beginning of the industrial revolution 200 years ago it has been undisputed.

Another revolution—the current energy revolution—is clouding anciently conceived economic theory with grave doubts. There is a growing army of ecologists, environmentalists and biologists—even a few economists—who insist the axiom is piffle.

The 200 years of unrestrained growth enjoyed by the developing world, they say, has resulted from a borrowing and profligate use of stored fossil fuels from the world's energy bank. The run on the bank has been so excessive that now the end of nature's savings are in sight. The loans are beginning to be called.

But dollars alone won't repay the loans, they contend. In fact, they insist, dollars are but representative mediums of exchange around which an entirely distorted view and system of economics has grown.

At a recent growth conference in Monterey, Calif., one of the crusading ecological economists, Jean Matthews, contended the world's overall system of energy flow and use has been obscured by preoccupation with the dollar. People insist that the primary reality is the number of dollars in the bank. "Even when these dollars begin to shrink, in alarming but predictable proportion to the shrinking supplies of energy, we continue to focus on 'the economy' alone—as though the economy of dollars were real compared to the ecology."

Energy, Matthews insists, is the real powering action that runs the worldwide, integrated process of which people and their institutions and their possessions are but a part. "In other words, energy does work, as opposed to dollars, which are nothing more than pervasive symbols of work and work potential."

Matthews' view is representative of a total world energy system of economics that is growing under the acknowledged leadership of Dr. Howard T. Odum, professor of environmental engineering sciences at the University of Florida. Essentially, they view the earth and all of its plant and animal inhabitants as being a single integrated system, carefully balanced by eons of selected growth under that life-sustaining source of virtually all energy, the sun. Of all the creatures derived from this process, man has achieved the capacity to accelerate the flow of energy and alter the ecology and environment to satisfy his short-term desires. He thus has the capacity to upset the balance and destroy himself.

Odum and his followers are not alone. Nicholas Georgescu-Roegen, Vanderbilt University economist, has outraged classical economists with similar conclusions. In his book, Entrophy Law and the Economic Process, he contends current economic theory assumes unlimited supplies of materials and energy. Abundance is no longer assured, he says, and we are experiencing the result as inflation.

The new school of thought thus supplies an answer to the mystery of "stagflation" which has baffled conventional economists—unbridled inflation accompanying unemployment in violation of historic economic dogma.

The new wave in ecological economics is beginning to be taken seriously by many who once thought it a crackpot theory.

The Florida legislature is considering a "carrying capacity" plan inspired by Odum. It is based on an analysis of Florida's ability to support a swelling population as energy resources dwindle.

In Oregon, Gov. Tom McCall has set up a council which will use Odum's energy accounting principals in which energy units are substituted for dollars in proving cost effectiveness.

The Bureau of Mines in Washington, the Federal Energy Administration, Environmental Protection Agency and Council on Environmental Quality have all started to include energy cost effectivenes in their studies.

Corporations are interested. Texaco Inc., one of the nation's largest oil companies, recently decided to forego bidding on oil shale as a result of net energy studies.

"It was hard not to make a bid, but we couldn't justify it," a Texaco executive was quoted in a recent issue of Business Week. After developing necessary technology, building plants, moving tons of earth, reclaiming the land and processing the rock, the energy consumed would almost be equal to the energy produced. It was considered an energy standoff.

Implied by the Texaco decision is the practicality of using the energy cost effectiveness principal. While many firms, figuring in terms of utterly unknown future dollars, decided oil shale development would be commercially feasible, energy studies indicate it is touch and go. If energy is the real thing, rather than dollars, there will not be enough money around in the shale future for a pay-out.

By the same token, if dollars continue to be accepted as the supreme measure of reality, the Kansas oil man may end up with a truck load of $1,000 bills worth nothing. In other words the money-to-energy ratio loses connection with reality. People may end up trading goods and services rather than swapping depreciated dollars.

MR. ADAM PETERSEN

HON. RON DE LUGO

OF THE VIRGIN ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DE LUGO. Mr. Speaker, in visiting our beautiful Virgin Islands, certainly many of my colleagues have had the opportunity to enjoy the unique cultural traits of our people, particularly that of quadrille dancing.

One very understanding individual who is a significant contributor to the preservation and growth of this very popular performing art is Mr. Adam Petersen, affectionately known as "Mr. Adam," who is still very active at the age of 73. Mr. Adam is especially admired for his gifted talent in this traditional dance, his untiring efforts to pass on his knowledge to the younger generation, and his capable role as quadrille floormaster.

Mr. Adam only completed "book four" in what was then the Danish school system. Nevertheless, this fine man has always taken great pride in his work, despite a very unfortunate injury he had in 1951 when the middle section of his body was crushed by a loaded trailer while working at a local sugar factory. The fine qualities, and exemplary character of this man most certainly epitomizes the character and determination of the people of this great territory.

On my visit to the islands recently, I was most fortunate to attend a testimonial ceremony held for Mr. Adam and therefore join with all Virgin Islanders to pay our highest tribute to this fine citizen.

At this time, I wish to share with my colleagues the following article written by Ms. Hortense M. Rowe, commissioner of conservation and cultural affairs, which summarizes Mr. Adam's productive life and contributions:

The article is as follows:

ADAM PETERSEN

(By Hortense M. Rowe)

He was born November 15, 1900 at Estate Hope, St. Croix (now the site of Amerade-Hess Oil Refinery), and proudly boasts that he has never left the island, neither by plane nor by boat. "I have never travelled, not even as far as the Cay", meaning the Protestant Cay, the nearest land mass to Christiansted, St. Croix. His parents raised him and were both natives of St. Croix. His mother Roslyn Williams died in 1941, and David Petersen his father in 1921; both were buried in the Christiansted Public Cemetery. He had four brothers and three sisters. The only other surviving member is his sister, Miss Elizabeth "Betty" Petersen of Frederiksted. His sister has three children, and four grandchildren, who are his nieces, nephew, and grandnieces.

He is affectionately known as "Mr. Adam", an active Roman Catholic and he has no children. He stands 6'3" tall. His trades include being a saddler, field-foreman, tractor operator, and floormaster. He has been a resident of the Herbert Grigg Home for the Aged since 1953, after a long illness.

EDUCATION

His education was at the Peter's Rest school, under the leadership of Mr. and Mrs. Joseph, the schoolmaster and schoolmistresses. He recalls very fondly that they came here from the "islands", referring to an island in the Eastern Caribbean unknown to him. He recalls also that unlike today his teachers resided on the school premises. Also mentioned were Georgiana Payne and Viola Petersen, an assistant schoolmistress. He completed Book Four, according to the system during the Danish times.

WORK EXPERIENCE

At Estate Castle Coakley, he was a part of a small gang they called 3rd class. After school, he would go home to get a bite and proceed into the fields to work earning four cents ($.04) per afternoon, and on a holiday working all day he would earn eight cents ($.08).

He chose the trade of a saddler, and told an interesting story as to why he left that trade at an early date to take up a job with his father as a water carrier, carrying water for the gang. The other jobs he occupied were, "direct hard work" with the "hoe and bill, also known as a Tommy Hawk", then to a "cartman". He later moved to Estate Bethlehem where he worked at the Sugar Factory as a "Coal timer" or "Fireman". These jobs were held from 1916 to 1929.

Between 1929 and 1934, he worked at the Public Works Department, Frederiksted, running an asphalt boiler. He returned to the sugar industry when he worked for the Virgin Islands Corporation (VICORP), from 1934 to 1951. He worked as a foreman in the fields until the time of his accident.

On Friday afternoon 24, of August 1951, he was the victim of a serious accident at Estate Bethlehem yard, when he fell under a trailer. The trailer was loaded with people and ran over the central portion of his body. The accident caused him to spend one year and twenty-five days in the Frederiksted Hospital. During this time he underwent both minor and major surgery.

SPECIAL WORK OCCUPATION

Today he is known to us as a master Floormaster. The motivation to this vocation was as a direct result of his love for dance and music as well as the respect he had for those men considered to be great in the field. He and a friend Ezekiel Sammuel wanted to emulate two older men who were friends like themselves. These men were the late George Richards, and Ambrias Williams.

He recalls also that during 1914 and 1915, after school Mr. George Richards kept dancing practices at a dancing house at Estate Jerusalem. A tent built with "posts" of cedar or manjack wood and coconut branches was constructed, this was known as a dancing house at that time. Dancing practice he defines as "an activity where people went to learn how to dance at a dance house". His friend Ezekiel Sammuel (deceased since 1923), and he wished to emulate two other friends namely George Richards, and Ambrias Williams". He describes Mr. Richards as a "mannish" fellow, and he admired such people.

By 1917 "we were acquainted with the orders, and were qualified to go into the ring, and ironically both George Richards and Ambrias Williams stopped calling at that time". The two young pioneers set forth to call such dances as the Original Quadrille, all the different round dances, and the Pola Quadrille, also the Lancers.

From 1917 to July 3, 1951, he worked as a Floormaster, conducting his last dance at the famous dance hall in Christiansted, known as "Happy Hours". He recalls that 1966 was the first time he left the "Home" to go anyplace. Since his retirement to the Kingshill Home for the Aged, he has been active on a part-time basis. His activities involve an attempt to impart his knowledge to the young, the middle aged, and to old, who express a serious interest in learning to dance, as well as to call folk dances. He teaches at Kingshill, as well as outside. These persons include children at the St. Joseph High School, Mr. Milton Payne (his cousin), members of the St. Croix Cultural Dancers, Inc., and many others.

He explained that "one of the key things in teaching and calling, is the ability of the teacher or caller to be able to dance. If you the Floormaster is lively, then the dancers are bound to be lively also. I can no longer dance because of my past injuries, but please take note of this name, Mr. Vincent Harris". Thus, it was necessary for him to ask Vincent Harris, (brother of the deceased Ambrias Williams, one of his teachers) to assist him in teaching.

Today he feels very useful and insisted that I include in this short story of his life, those persons whom he feels indebted to forever, as in his words "they saved his life". He continued "to the best of my memory those persons are, Dr. Melvin Evans, Governor, Dr. Eller (deceased), Dr. Karrell, Dr. Conrad Stevens, Miss Ingeborg Nesbitt (deceased), Miss Octavia Bolling, Miss Clarissa Milligan, Miss Ina Pedro (now married), Mrs. Vera Allick Daniels, Mrs. Delores Walcott Brewster, the staff and management of the Herbert Grigg Home for the Aged, and many many others."

He is seriously interested in "giving of his talent to persons interested, before it is too late," saying "when I go it goes with me, and it would be of no use to me, whereas, now I am happy and willing to give it to all who are interested."

Speaking of talent, he has high praise for Mr. Stanley Jacobs, the flutist. He recalls with pride that it took him three days to learn to play the Lancers, when I taught him. He considers him to be the only flutist on the island today qualified to play the Lancers. Another person he would like to work very closely with Mr. Ira Sammuel of Frederiksted, the saxophonist. He likes the way Mr. Sammuel plays one of his favorite songs, *"Who been sen you go eat dove pork and okra fungi"*.

To Adam Peterson, a long, healthy, happy, and comfortable life.

PAN AM SUBSIDY SHOULD BE REJECTED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. EVINS of Tennessee. Mr. Speaker, a recent editorial published in the Nashville Banner of Nashville, Tenn., points out that a proposed Federal subsidy of Pan American World Airways which President Ford has rejected would have benefited only a favored few businessmen and tourists.

The editorial entitled "Pan Am Subsidy Rejection Just" contends that fewer than 6 percent of Americans have ever been abroad, and that the request for $10 million per month subsidy for the airline would have disproportionately benefited businessmen and tourists who can afford to travel to foreign countries.

In addition, this editorial suggests a number of belt-tightening measures the airline can take to reduce its losses.

Because of the interest of my colleagues and the American people in this vital and important matter, I place in the RECORD herewith a copy of the editorial.

The editorial follows:

PAN AM SUBSIDY REJECTION JUST

A giant step for all taxpayers was taken by President Ford in rejecting Pan American World Airways' plea for an emergency $10 million-a-month emergency federal subsidy.

Not only that, the President even offered some suggestions as to how Pan Am might improve its foundering financial position.

Mr. Ford said the subsidy was unfair to taxpayers, a view shared by the Civil Aeronautics Board, which not only also rejected that subsidy, but ordered an investigation of Pan Am's financial and managerial practices.

The CAB also turned down an $80 million-a-year subsidy request by Trans World Airlines.

Pan Am blames government policies for much of its difficulty, so it believes the government should bail it out.

Since 1969 the airline has lost money every year. These losses through 1973 total $173 million. In the first half of 1974, its losses amounted to $32.8 million. Pan Am has kept itself aloft through massive borrowing, but bank loans are harder to come by now.

Pan Am is not alone. TWA which, like Pan Am, is in international service, lost $25.8 million in the first half-year of 1974.

Pan Am says its imminent financial crisis was triggered by the oil price increase. TWA also blames its dilemma on the soaring price of jet fuel.

The CAB said it was not convinced that Pan Am had taken "all the belt-tightening measures" necessary to ease its financial crisis. The administration offered some:

A campaign to persuade Americans to make overseas flights on U.S. airlines.

Fair hikes "more closely reflecting" rising airline costs.

Discussions of possible air route mergers with other airlines.

Agreements with foreign airlines to cut excessive passenger capacity.

It should be pointed out that fewer than 6 per cent of Americans have ever been abroad and the subsidies would have disproportionately favored trips of businessmen and of tourists who can afford a vacation in Europe.

Hopes of encouraging more travel abroad, however, have dimmed with an announced further 10 per cent hike in Atlantic fares, bringing total increases in 1974 to nearly 30 per cent.

Pan Am says it is hurt by subsidized foreign airlines. More than 30 major airlines serve overseas routes. About 65 per cent of all transatlantic passengers are Americans, yet Pan Am and TWA together get only about 45 per cent of the business.

Pan Am contends it must serve as many foreign cities as possible in order to maintain its reputation as the premier American international air carrier. Now this "prestige before profit" has come to haunt the airline. By law, it must serve all its routes or give them up, yet Pan Am is hanging on to all of them.

A better solution than dipping into the public purse would be a merger of Pan Am with another airline to provide the domestic feeder service that is vital to successful international service.

Instead of merging with TWA, which has been rumored, it seems to us it would be better for it to merge with a strong domestic carrier which is seeking international routes.

As Mr. Ford indicated, there is no reason for the American taxpayer to underwrite Pan Am's mistakes, even though some of the errors were compounded by poor federal policies, which could be corrected, or improved upon, with a revision of international air travel routes and rules which now encourage discrimination against American-flag carriers, and to promote efficiency rather than cut-throat competition.

DOMESTIC ENEMY NO. 2

HON. GILLIS W. LONG

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. LONG of Louisiana. Mr. Speaker, all Americans—and we in the Congress especially—are very concerned with the causes of and solutions for inflation. A few months ago I inserted an article into the RECORD by Mr. A. W. Clausen, president of the Bank of America, because it represented what I thought was a unique approach to inflation—an approach that I thought was worthy of attention by those of us here in the Congress.

Now, another article has come to my attention which I believe represents another unique view of our economic problems—and because of my intention to insert items into the RECORD which will expand our scope of inquiry on this subject, I am pleased to insert an article by Mr. Arnold Saltzman, president of The Seagrave Corp. Mr. Saltzman is a well-respected member of the business community who has served four U.S. Presidents on a variety of economic and foreign policy assignments. The following article was printed in the New York Times, and it details some of Mr. Saltzman's views on our current economic plight.

[From the New York Times, Sept. 20, 1974]

DOMESTIC ENEMY NO. 2

(By Arnold A. Saltzman)

We are suffering from two terrible illnesses—not just one.

We are being throttled by Recession, not only Inflation.

To improve one while we die from the other is not good medicine.

To say that the whole world has the same trouble is not true.

Germany and Japan have inflation but no unemployment.

Iran and Kuwait have no unemployment and a heck of a lot of our money. And they'll have lots more of our money while we keep discussing our make-believe energy program.

Since when is America satisfied to be less than the best, and do less than the best for its people?

Who says we can stand 6% or 7% unemployment before we react to the suffering of our people? Since when are Americans statistics instead of living, breathing, hungering individuals? One percent more unemployment means that 900,000 fathers or mothers come home to face their families with no work—no money—no pride.

Since when is 12% interest rates the only way to cure inflation—or even the best? With 12% interest, we can't build housing. Without adequate housing, rents go up—and so does crime.

Of what use is a Monitoring Board to tell us what we already know—that prices are too high—and with no authority to roll them back?

It's time we got off the dime. It's time we looked to where we ought to be, not where we have been. It's time we realized how great and strong this country and its people are and stopped being afraid to do what is necessary to insure the future for ourselves and our children.

Let's expand with jobs for everyone, not contract into stagnation and hunger. Every day a man doesn't work, the potential wealth he creates—bricks, shoes, a sewing machine, bread,—is wasted. It's like pouring milk down a sewer.

We have not only money problems, we have people problems. Ask the employed people, "How do you feed husband, wife, and three children, drive to your jobs with 60¢ gasoline, and make the payments on your house with property taxes 300% higher than when you bought the house?"

Ask the unemployed people in Harlem, the South Bronx, Buffalo, and Long Island, how they feel about the advice to help cure inflation by "spending less." Ask the 25% of disadvantaged young people getting out of school with no jobs where they will get the self-confidence and hope to keep out of trouble.

Everybody needs something to look forward to, to have a reason to wake up in the morning. Telling us we need patience for two or three years is not good enough. There was a time when only the poor people were in deep trouble. Now there is trouble enough for everyone—including the factory owner who is half shut down because of shortages of commodities we ship out of our country.

We can eliminate Public Enemy No. 1 if No. 2 is sapping our strength and our will. We must and can destroy them both simultaneously.

Inflation and Recession can be cured by producing lots more of everything—not creating scarcity.

Inflation and Recession can be cured by first keeping for ourselves everything we need and shipping only the excess out of the country.

Inflation and Recession can be cured by reducing the interest rate which at 12% and more contributes to Inflation and Recession both.

Simultaneously, Government must legislate real price, wage, rent, interest, money and export controls.

Government should roll back the prices of all grains and soybeans and thus reduce the price of bread as well as milk, meat, cheese, eggs and poultry. Subsidizing the farmer is by far the cheapest place to reduce food costs.

Government should buy all surplus food for export and make the profit instead of the speculator. Such profit can help with subsidies and with bonuses for increased production.

Our Government refuses to establish real controls. Big Business—Big Labor—Big Agriculture don't want them. But who speaks for people?

Trying to starve Inflation feeds Recession. Trying to starve Recession feeds Inflation. We must tackle them both together and with strong medicine. Our country is still strong and rich. We will get out of this mess when the people understand the facts and the politicans face up to them.

The media and your Government are not getting and sending the messages to and from the people.

That's the reason for this message.

That's why, as a concerned citizen, not running for anything, I'm raising my voice, and ask that you do the same now. Tell Washington, and Albany, and your Mayor, newspaper and TV station that the American people are not afraid to carry the burden of renewing America's greatness. All we ask is that the burdens be equally shared.

SEND FERTILIZER, NOT JUST FOOD, TO STARVING COUNTRIES

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DULSKI. Mr. Speaker, if the recent world population conference did not produce solutions to the problems of a population explosion, it did heighten awareness of world food supplies becoming more and more inadequate.

With nature's devastating effects on this year's crops, the prospects of world wide food shortages are suddenly very real. It is hoped that some global food policy can be evolved at the upcoming World Food Conference in Rome, but long-range planning coupled with international cooperation will be essential.

In this context, I would like to insert a thought-provoking column from the Buffalo Courier-Express of September 20, 1974.

SEND FERTILIZER, NOT JUST FOOD, TO STARVING COUNTRIES

(By Peter C. Andrews)

WASHINGTON.—Buffalo's internationally recognized food production expert, Dr. Raymond Ewell, at a recent hearing in Congress pointed out that it would be much more efficient for the United States and other industrial nations to ship fertilizer to the starving nations of the world than to send them food.

Of course, this requires a little advance planning, since people cannot eat fertilizer, and in emergency situations food shipments may be necessary, but the food-short areas of the world are relatively predictable. With this fact, it simply becomes a question of sending those nations with food problems the required amount of fertilizer and let them grow their own food—which they could do in a year if they use proper methods.

It may seem strange, but in the last few weeks, food has become widely recognized as being as important as oil in international diplomacy. As a matter of fact, it is one of the major weapons in the United States economic arsenal.

The importance of food is underscored by the fact that the total population of the world is expected to increase from the present 4 billion to 6.5 billion by the year 2000. Of this 2.5 billion increase, 2.1 billion is expected to be in the developing countries, which by and large have not yet taken advantage of the use of fertilizer to increase food production.

President Ford and Secretary of State Kissinger have both made a major point of stressing food in international relations in recent speeches.

The most important single factor in increased food production in the last 20 years has been the increased use of fertilizer.

There is an acute world fertilizer shortage, which Dr. Ewell thinks will probably be with us the rest of the foresseable future of mankind.

One of the primary reasons for this is that it takes enormous amounts of capital to build modern fertilizer plants. The world capital expenditure needed to build fertilizer plants this year is $8 billion, according to Dr. Ewell, and this will rise to about $12 billion per year by 1980, he adds.

The production of nitrogen fertilizer in the next four years will increase 6 per cent a year, while demand will increase 9 per cent a year.

An optimistic note, he states, is that through the use of fertilizer, world food production can be made to increase at a faster rate than the anticipated rise of total world population.

During the last 20 years, although the world population has increased 48 per cent, total grain production per capita has increased 20 per cent because grain production has increased 77 per cent. This was accomplished largely through a 345 per cent increase in the use of fertilizer, Dr. Ewell observed.

It should be noted, however, that the developed countries of the world (U.S.A., U.S.S.R., Europe, etc., 30 countries in all) have been getting most of the benefit from the increased world grain *production*. The population of those countries in the last 20 years has increased 25 per cent while grain production per capita has increased 49 per cent.

The developing countries (China, India, Brazil, Mexico, Nigeria, etc., 106 countries in all) have made only a 5 per cent gain in grain production per capita during this period and have had a population increase of 59 per cent.

It is interesting to note that many of the starving countries in the world have it within their power to lift themselves out of this dilemma by converting into nitrogen fertilizer the large supplies of natural gas they are now wastefully burning off in flares.

Of course, the nations with the largest unused supplies of natural gas are those oil-rich Arab nations that are now causing world economic disruption through their high oil pricing policies. They could put some of their vast oil revenues into the building of fertilizer plants and thereby alleviate some of the world food shortage—and increase still further their stranglehold on a vital factor in world economics.

The complex equipment needed in modern fertilizer plants is only produced by the developed nations of the world—the U.S., Europe, the U.S.S.R. and Japan. But since these are the nations that need a major export to pay for their oil consumption needs, the manufacture of this equipment would be of benefit to both the buying and the selling nations.

The economics of sending fertilizer instead of food to starving nations is pointed out by Dr. Ewell's calculations that the fertilizer needed to produce 4½ million tons of wheat costs only $230 million, but sending the wheat itself would cost $760 million.

China, that new addition to the world superpowers, was about even with India in food production in the middle 1950s. It has less land under cultivation than India does, and yet through the more efficient use of fertilizers, produces substantially more food today than India does now and is able to feed her population of 800 million while India, with (only) 600 million, is starving.

There is a lesson for all of us here.

THE BARTLETT ANTI-ABORTION AMENDMENT

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. FRASER. Mr. Speaker, the conferees will meet again tomorrow on H.R.

15580 the Labor and Health, Education, and Welfare appropriation bill. They are facing the important decision on whether or not to include the Bartlett amendment of the Senate version in the final measure. That amendment prohibits the direct or indirect use of funds appropriated under the act "to pay for or encourage the performance of abortions," except in cases where the mother's life is endangered.

This amendment, if passed, could have far-reaching consequences for groups such as all medicaid recipients, and those served by Community Health Services, Public Health Service hospitals, and Community Mental Health Centers, among others. It further raises problems concerning the instruction of abortion techniques by medical schools receiving HEW funds—as virtually all of them do, and the performance of abortions by hospitals and other health facilities functioning under HEW-supported programs.

Finally, the language of the amendment permits no exceptions for women who have had rubella during pregnancy or for victims of rape. The Bartlett amendment thus effectively prohibits the constitutional right to abortion from being made available equally to all American women. Therefore, I urge the conferees to exclude it from the conference report on H.R. 15580.

To further illuminate this issue, I wish to share with my colleagues an article which appeared last Friday in the Washington Post. It illustrates the profound effect which the Bartlett amendment would have upon abortion services in the District of Columbia. Such stark predictions of its consequences for one urban area should offer us insight into the Bartlett amendment's potentially deleterious effects upon our Nation as a whole.

The article follows.

[From the Washington Post, Sept. 27, 1974]

Abortion Fund Cutoff Opposed

(By Elizabeth Becker)

Congressional efforts to cut off federal medical aid for abortions would apparently affect thousands of low income women in Washington, according to city statistics.

From July 1, 1973, through June, 1974, Medicaid paid for 5,626 abortions in the District of Columbia, the city said yesterday. The year before, 4,759 abortions were covered by the federal program, according to Department of Human Resources statistics.

The so-called Bartlett Amendment to the House Labor and Health Education and Welfare appropriations bills, now awaiting committee action, would prohibit the use of Medicaid funds for abortions.

The bill's sponsor, Sen. Dewey Bartlett (R-Okla.), has said that he felt it was wrong to make the taxpayer foot the bill for abortion and his office said the senator is totally against abortion. Yesterday, the House Appropriations Committee adjourned without taking action on this or 97 other amendments.

The National Association for the Repeal of Abortion Laws is lobbying against the amendment on the grounds that it is unconstitutional.

"In two cases before U.S. District Courts this year, judges ruled that public funding limitations violate the equal protection of poor women who seek to terminate pregnancies," said Gail Rosenberg, co-director of the abortion law repeal association.

Directors of several Washington abortion clinics say they are opposed to the amendment.

"In the D.C. area in particular the effect will seem discriminatory because most Medicaid abortion patients are black," said Gretchen Wharton of the Hillcrest Abortion Clinic whose patients are primarily black and many on welfare.

Under a District Court ruling, Washington was one of the first cities to have liberal abortion regulations, and in 1971 became a center for women from states in the South and East where abortions were banned. About 40,000 abortions were performed here in 1972, according to the most recent city statistics.

In 1973 the Supreme Court ruled that abortion was a matter between a woman and her physician during the first three months of pregnancy. The number of abortions in Washington seems to have dropped since the ruling by about 25 per cent, according to clinic directors.

"Our volume has stabilized," said Liz Abernathy of Preston Clinic, "and we begun concerning ourselves with the quality of abortions. This (Bartlett) amendment would be a real setback."

All the clinics have some sort of deferred payment system to cover the women who can't afford an abortion and aren't covered by Medicaid.

"We can all provide some free abortions but we can't take up that load if the amendment passes," said Lee Mensh of Washington Hospital Center's Woman's Clinic. "We're talking about a lot of unwanted pregnancies."

Besides attacking the amendment as unconstitutional, the abortion law repeal group and abortion clinics say it is impractical.

"Instead of spending federal funds on abortions, the government will be financing unwanted children for 18 years since most women on Medicaid are also on welfare," said Florence Kissling of the Laurel Clinic.

A number of former Hillcrest Abortion Clinic patients, both on or ineligible for Medicaid have written to congressmen saying they would rather pay for abortions than provide welfare for unwanted children.

"But I don't think women will have their unwanted babies even if the amendment passes," said Kissling. "The bill will send the poor to someone who does a bad job or force women to start self-aborting as they did years ago."

OPPOSITION TO MASS TRANSIT OPERATING AID IS PENNYWISE BUT POUND FOOLISH

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. BINGHAM. Mr. Speaker, the Ford administration has been increasing the level of rhetoric in opposition to operating subsidies for mass transit systems. This is an unfortunate and contradictory stance for the President to take, given his expressed desire to reduce inflation. When the Congress considered the Federal Mass Transit Assistance Act of 1974, I argued that assisting mass transit systems was anti-inflationary.

The House, however, at the insistence of the White House, slashed operating assistance funding, and now the bill, even in its skeletal state, faces a Presidential veto.

Otto Eckstein, who served on the Council of Economic Advisers during the Johnson administration, has found, on the basis of a just concluded economic study, that it would be pennywise but pound foolish to stop the use of Federal mass transit funds to meet operating deficits.

I include herewith an article which appeared in the September 25 edition of the New York Daily News describing Mr. Eckstein's findings:

Finds We All Would Save by Transit Aid

Washington, September 24.—The Ford administration's opposition to the use of federal funds to help the nation's mass-transit systems meet operating deficits may turn out to be penny-wise but pound foolish, according to economist Otto Eckstein.

Eckstein, of Harvard, a member of the President's Council of Economic Advisers during the Johnson administration, has concluded after looking at all the facts that it would be less inflationary for the government to provide the operating subsidies than to sit back and do nothing.

Using an economic "model" perfected by his firm, Data Resources, Inc., he forecasted that the Consumer Price Index would be slightly lower in 1975 and 1976 if operating subsidies were approved by Congress than if they were not.

Nationally, the difference is not significant—a 16.7% rise in consumer prices over the two years with the subsidies, as opposed to a 16.8% hike without them. But the impact is much greater in individual localities like New York City.

If the present 35-cent-fare was raised by 25 cents to cover the Transit Authority's 1974–75 operating shortage of $266 million, Eckstein says it would mean 28% more inflation for the New York-Northern New Jersey area over the next year.

Among other things, the economist warns that the higher fare would mean a loss of 10,200 manufacturing jobs in New York City alone. Ridership would decline 15% to 20%, he predicts, and those still using the subways to commute to work would be paying almost double for the privilege, triggering pay hikes linked to the Cost of Living Index. Those switching to cars would add to the city's traffic congestion and air pollution.

New York Mayor Beame will be armed with the Eckstein study when he appears before an extraordinary public hearing of a Senate and House conference committee tomorrow to plead for a stopgap appropriation to help save the 35-cent fare for New York.

In citing the Eckstein findings, Beame will make the point that New York is not alone in its need for federal transit operating subsidies. He will point out that transit fares in the 23 largest cities in the nation account for 1% of the Consumer Price Index.

FATHER RICHARD MADDEN OF YOUNGSTOWN, OHIO, CELEBRATES 25TH ANNIVERSARY AS A PRIEST

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. CARNEY of Ohio. Mr. Speaker, on Sunday, September 22, 1974, Father Richard R. Madden, O.C.D., nationally known retreat master and founding superior of the Carmelite Monastery in Youngstown, Ohio, celebrated the 25th anniversary of his ordination into the priesthood.

A jubilee mass was concelebrated for Father Malden at St. Columba Cathedral, followed by a reception at Powers Auditorium which was attended by more than 500 of Father Madden's relatives, friends, and well-wishers.

Father Madden was ordained on December 14, 1949, in Washington, D.C., by Archbishop Patrick O'Boyle. An accomplished writer, Father Madden has authored three books: "Father Madden's Life of Christ," "Men in Sandals," and "A Boy and His Teens," countless articles, including a weekly column that ran 18 years in Hi Time magazine, a magazine used nationally by high school CCD students, and he has served as editor of Mt. Carmel magazine.

In addition, Father Madden is an instructor of the Carmelite minor seminary in Washington, vocations and rector at the minor seminary in Holy Hill, Wis., 1951–57, and helped found the St. Theresa Monastery in 1957, serving as superior until 1960. He was reelected superior in 1969 and still holds the position.

As a retreat master, Father Madden has worked with Air Force men and high school students throughout the United States and in foreign lands. He has worked with juvenile delinquents and prison inmates as well. He has served on the board of the "Jobs for Vets" campaign and the Northeast Ohio Drug Abuse Commission. A recipient of the Don Bosco Award for his nationwide influence on youth, Father Madden is listed in the Who's Who of American Catholics.

Last year, Father Madden gave the opening prayer in the U.S. House of Representatives. Father Madden's prayer contained an important message, and I insert his prayer in the RECORD at this time:

> The House met at 12 o'clock noon.
>
> Rev. Richard R. Madden, superior, Carmelite Monastery, Youngstown, Ohio, offered the following prayer:
>
> Dear Lord, so many times we stand before You, as now, and say nothing. So many times, we praise You with our lips, while our minds are far from You. But at this moment, we beg You, hear us.
>
> You have entrusted us with high dignity. You have made us the fond hope of our great land. Give us the wisdom to understand that we are only Your instruments—that You use our hands, our eyes, and our minds to accomplish Your will. And let us never forget that far more important than our own personal needs are the needs of our people, who have no one but us.
>
> Help us know that you made an imperfect world deliberately, so that each one of us, by our integrity, by our strength, and by our love, might add our finest touch to Your great masterpiece. In Jesus' name. Amen.

Mr. Speaker, I extend my sincere congratulations and best wishes to Father Madden for the great service he has performed to the Catholic Church and for his fellow man.

INCOME AND EXPENSE TAX INFORMATION SUMMARY

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ROUSSELOT. Mr. Speaker, my income and expense records for the years 1971, 1972, and 1973 are submitted herewith along with a statement of my current assets and liabilities:

Item	Year		
	1971	1972	1973
Congressional salary	$42,500	$42,500	$42,500
Honoraria	150	0	2,500
Dividends and interest (less exclusions)	1,226	1,345	1,482
Net Income from commercial real estate	4,060	5,405	5,134
Net capital loss	(1,000)	0	0
Miscellaneous income (loss)	885	249	(1,126)
Adjustment to income (travel expense etc.)	(8,231)	(8,644)	(7,047)
Adjusted gross income	39,590	40,855	43,443
Itemized deductions claimed	(7,459)	(7,889)	(8,762)
Exemptions claimed	(3,375)	(3,750)	(3,750)
Taxable income	28,756	29,216	30,931
Federal income tax paid	7,161	7,539	8,243
California income tax paid	1,398	1,899	1,722

Net worth statement as of July 31, 1974, for John H. Rousselot

Assets:	
Bank accounts	$7,480
Commercial real estate estimated fair-market value	110,000
Other assets	30,531
Total assets	148,011
Liabilities:	
Accounts and notes payable	$12,798
Trust deeds payable on real estate	45,050
Lease deposit	1,050
Total liabilities	59,447
Net worth	88,564
Total	148,011

SAVING FARMLAND: A NATIONAL PROBLEM

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. UDALL. Mr. Speaker, it has become increasingly apparent in recent years that one of the most pressing problems facing this country is the loss of prime agricultural land to development of all kinds. Indeed, each month thousands of acres of farmland are being lost from food and fiber production under the constant pressure of suburban sprawl and speculative development. In addition, with the corresponding rise in property taxes that often precedes and accompanies development, many farmers are finding it economically impossible to remain on the land and farm.

At a time when food demand is rising, this problem is becoming a national issue that affects every citizen. The facts speak for themselves: In California 375 acres of land is lost to development daily; in New Jersey, "America's Garden State", nearly 44 percent of the farmland has been bulldozed since 1950; and in the Nation as a whole cropland is being lost at such a rate that if left unchecked there will be none at all within 100 years. This land cannot be replaced.

The question we must ask ourselves in the light of increasing food shortages and rising food prices is whether we, as a nation, can let this irrational waste of our most valuable resource go on? I submit that we cannot, and that we must direct our efforts on the national, State and local level to reverse this trend.

A recent article in Audubon magazine by Constance Stallings entitled "There Are Ways To Protect Our Vanishing Farmland" provides an excellent description of the problem and of some of the various ways in which we may save this Nation's indispensable croplands. I submit it to the Members' attention:

THERE ARE WAYS TO PROTECT OUR VANISHING FARMLAND

(By Constance Stallings)

It may not be strictly true that what's good for the farmer is good for the country, but the statement is more valid than for an automobile manufacturer. Not everybody drives, but everybody has to eat.

When the value of farmland increases, so does the price of food. And the value of American farmland has been increasing since World War II as more and more of it disappears—turned into housing developments and shopping centers.

The decline has other implications. The agricultural industry accounts for substantial employment. Farmers contribute to tax rolls. Most people prefer a local supply of fresh produce to canned and jarred commodities. Farms are buffers between expressways and suburbia. Not least of all, preserving farmland assures a legacy of open space.

Farmland typically vanishes like this: City-weary people move into developments in the country. Frequently these are "leap-frog" subdivisions whose builders have jumped over farmland to areas where land is cheap, the taxes are low, and the local government has done little about zoning. Residents of the new developments soon demand sewers, schools, street lights, better roads, more fire and police protection.

To finance these services, the communities raise property taxes on surrounding farmland. But the farmers' income remains static as their tax bills rise. Some give up and sell to land speculators, who eventually sell to developers at a big profit. The developers build more houses, new residents demand more services, and local officials again raise taxes.

In a few years all the farms are gone, and the green environment that was the suburbanites' mecca dwindles to a point where it is not much of an improvement over the cities they fled. So they look for another community to move to, farther into the country, and the process begins again.

Meanwhile, although there is less productive farmland, the demand for food keeps growing because the population keeps growing. Last January the U.S. Department of Agriculture announced that the number of American farms had declined 18 percent during the previous ten years. With increased demand and decreased supply, the price of food goes up and up.

Many states have tried various ways of keeping the farmer down on the farm. Nine states have preferential assessment laws, according to a recent Department of Agriculture report. The land is assessed on its value for agricultural production rather than its potential as housing sites or shopping centers. New Hampshire's 1973 open space law may be the most thorough; it applies not only to farmland but to forests, wetlands, flood plains, and recreation land.

Agricultural assessments often are coupled with tax deferrals; if a farmer eventually sells his property, he pays the difference in taxes between its agricultural value and its market value for a retroactive number of years. States with such laws include New Jersey, Minnesota, Pennsylvania, Oregon, Michigan, and California. A few states, among them Hawaii and California, have established agricultural zones or conservation districts, where farmers pledge not to sell out for a specified length of time.

Vermont has linked property taxes to the landowner's income, enabling poor and elderly farmers to stay put when the selling price of land around them skyrockets. And to discourage speculators from buying land with the intention of selling quickly at a big profit, the state established an enormous capital gains tax—as high as 60 percent—on land sales. Vermont hopes to protect farmland further by requiring permits that are granted only after developers meet stringent environmental requirements.

Another promising method of keeping farms farmed is the purchase of development rights by the taxing government. The farmer still owns and works the land and pays his taxes. This scheme is the successor to the scenic easement, which conservationists touted during the 1960s.

But the surest way to control use of land is to buy it. During the 1960s the National Capital Commission in Canada purchased 37,000 acres of farmland around Ottawa and leased it back to farmers. The province of Saskatchewan, after losing 42 percent of its farms in two decades, is operating a multimillion-dollar land bank: it buys farmland from the poor and elderly and leases it at an annual 5 percent of the purchase price (with an option to buy) to young people who are eager to farm but lack the capital. Officials claim they are saving Canada's farms from being devoured by American corporations.

Purchase and leaseback of farmland has been studied in the United States, but not adopted anywhere. Reasons abound. Professor William L. Park, head of the Department of Agricultural Economics and Marketing at Rutgers University, in New Jersey, says: "In my opinion it would not be a very satisfying arrangement for the farmer. Leasing rates could become a problem. Also unless the farmer is given a long-term lease, like 99 years, he's not going to have the incentive to care for the land and upgrade his facilities."

Professor Howard E. Conklin of the Department of Agricultural Economics at New York's Cornell University finds other drawbacks. "Once the government owned title, do-gooder organizations would come in and say, 'Since the people own the land, we shouldn't use migratory labor. We shouldn't use pesticides, either.' Once the public owns the land they will quickly make it economically unfeasible to farm it."

Nevertheless, purchasing and leaseback almost became a reality in Suffolk County on eastern Long Island. Suffolk has long been New York's most important agricultural county, growing everything from cauliflower and lettuce to nursery stock and sod. Potatoes are the biggest crop; the people of Suffolk like to tell you it is the third largest after Aroostook, Maine, and Boise, Idaho.

What has happened to Suffolk since World War II is a familiar story.

Suburbia first swallowed up the rich potato farms of Nassau County, immediately to the west. Today Nassau is 96 percent developed, buried under housing tracts, neon strips, and shopping centers. Then the bedroom communities jumped into Suffolk as the extension of highways made commuting feasible. For 20 years Suffolk has had the greatest growth rate of any country in the United States. In 1973, building permits for a thousand new houses were issued in just one 89,000-acre town, Southhampton.

According to the New York Department of Agriculture and Markets, the statewide decline in farmland from 1963 to 1973 was 30 percent. In Suffolk County, the number of acres being farmed fell from 123,346 in 1950 to 68,000 in 1972, a drop of almost 45 percent, and today there are only 45,000 acres left in production. The growing days of those farms, moreover, are numbered. In one town alone, Riverhead, speculators have purchased 10,000 of the 18,000 acres of farmland left; the original owners remain only as interim tenant farmers.

In January 1972, Suffolk's new county executive, John V. N. Klein, decided to face the problem. "I was flying in a helicopter and was awe-struck by the tremendous value of the farmland from not only an economic but an environmental standpoint. I decided to salvage as much as possible. In my first annual report I proposed that we preserve farmland, and I formed a committee of 14 farmers to identify their problems and determine how we could deal with them." The result was a plan, approved by the county legislature, to acquire 9,000 acres of farmland for $45 million over a period of three years.

But the farmers of Suffolk County were not enthusiastic. Many were apprehensive about the possibility of unilateral action by the county once it held title.

Klein and his Agricultural Advisory Committee kept on, however. "We consider every approach"—from local agricultural districts, to scenic easements, to legislation in Congress reforming farmers' inheritance taxes. Ultimately, there was a major switch in emphasis. Suffolk's Farm Preservation Plan now is based on the purchase of development rights. The county will acquire all rights except ownership and use of the land for farming.

Klein estimates that development rights constitute 80 percent of a property's value. When a farmer sells those rights, his taxes will become proportionately lower. Additionally, his heirs will not be forced to liquidate to pay steep inheritance taxes. And by selling his development rights he will receive an equity he can use to expand his operation by buying other farmland.

Suffolk County will not have to use condemnation proceedings, Klein believes. "There is sufficient support within the farming industry so that we'll have more real estate than we can handle." Priority will be given to farms of more than 200 acres or to adjacent farms which amass 200 acres, and the county has budgeted $60 million to obtain development rights to 12,000 acres over the next four years.

Klein has received inquiries about the Long Island program from 30 states. It is obvious that Suffolk County has taken an important lead in land-use control. And the State of New Jersey may not be far behind.

The reason for New Jersey's shrinking farmland is its geography. It not only has several large cities of its own, but it is adjacent to New York City and Philadelphia. Ten thousand New Jersey farms disappeared between 1951 and 1961. Special agricultural assessments and tax rollbacks have slowed the process but have failed to solve the problem. According to Professor Park at Rutgers, "Forty-two percent of New Jersey's farmland has been lost during the past 20 years." New Jersey and imports 85 percent of its food supply—a disgraceful comedown for America's Garden State.

In 1971 New Jersey's governor appointed a 21-member commission to develop recommendations for preserving the one million acres of farmland that was left. Its report pointed out that: agriculture exists in the public interest; New Jersey farmers don't need New Jersey because they can sell and farm somewhere else, but New Jersey needs its farmers; agriculture provides tax-paying open space; New Jersey's rich crops of blueberries, tomatoes, corn, and asparagus are highly desirable to local consumers; $1 billion a year of the state's income is dependent on agriculture; and farms are a good way to preserve land for future generations.

The commission recommended a "development easement purchase plan" under which each New Jersey municipality would be required to set aside 70 percent of its prime farms in open-space preserves. The land could be used only for agriculture and related purposes, and the owners could sell their development rights to the state. The purchase would be financed by a four-mill real estate transfer tax that would bring in $26 million. In effect, New Jersey would tax escalating real estate values to pay for saving its farms.

The Farm Bureau Federation, New Jersey's major farm organization, has endorsed the plan; and in a straw vote of 3,200 visitors at the New Jersey Flower and Garden Show in Morristown, 97 percent favored establishing agricultural open-space preserves and buying development rights, while 84 percent favored a transfer tax as the method of financing.

Some individual farmers are still extremely apprehensive about the plan. "I can't blame them," says Professor Park. "We're talking about a lot of land. But unless something is done, New Jersey's agriculture has numbered days."

The success of this and other schemes for keeping farmland in production will do much to determine the ability of the United States to preserve its fertile land, and will even affect its ability to remain a bounteous source of food for a shortage-plagued world.

TINIAN "WE LOVE AMERICA COMMITTEE"

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. WON PAT. Mr. Speaker, as the ongoing negotiations between the United States and the residents of the Northern Marianas proceed to a conclusion, it is only natural that individuals with widely differing opinions will speak out.

Earlier this month, at the request of the duly-appointed officials and several residents of the island of Tinian, I inserted in the Record a statement of their concern over the plans by the Department of Defense to occupy two-thirds of that island for a military base.

Today, I insert in the Record another side of the coin, so to speak. This time, I am pleased to receive the request of the members of the "We Love America Committee" of Tinian. These individuals have presented to me a petition signed by other Tinian residents who urge that status negotiations between our country and theirs proceed swiftly. The agreement would provide for the establishment of a major military facility on Tinian in return for a Commonwealth status with the United States for the North Marianas Islands. In recent weeks, others on the island have voiced their disapproval of the proposal to take two-thirds of the island for military purposes and the relocation of the village of San Jose. The "We Love America Committee" wishes to take this opportunity to express their support of the Marianas Political Status Commission efforts to establish more permanent ties with the Northern Marianas.

In this day and age, it is not often that Americans are privileged to encounter such overt enthusiasm for our goals amongst foreigners. I, for one, find it gratifying to know that there are individuals who are desirous of being a part of the American Commonwealth Community.

Thank you.

The petition follows:

WE LOVE AMERICA COMMITTEE,
Tinian, M.I., July 10, 1974.

Hon. JOSE R. CRUZ,
Tinian Representative to the Marianas Political Status Commission, Tinian, M.I.

DEAR MR. CRUZ: The undersigned, WE LOVE AMERICA COMMITTEE, respectfuly submits the enclosed PETITION OF TINIAN PROC-

LAMATION, dated May 29, 1974, and signed by two hundred six (206) Tinian qualified voters, of which please forward same to the U.S. Ambassador Franklin Haydn Williams for his kind attention and consideration.

Sincerely yours,

Antonio S. Borja, Chairman; Leonardo F. Diaz, Member; Jose B. King, Member; Mrs. Ann SN. Cruz, Member; Maria Evangelista (Mrs.) Member; Juan C. Villagomez, Member; Harry L. Cruz, Member; Alfonso Borja, Member; Jose Pangelinan, Member; Juan B. King, Member; Manuel Dela Cruz, Member; Paulino SN. Manglona, Member.

TINIAN PROCLAMATION

We, the undersigned, of legal age, citizens of the Trust Territory of the Pacific Islands, and residents of Tinian, Mariana Islands District, do hereby proclaim as follows:

1. That we do not share the decisions reached by the Tinian Proclamation, dated May 19, 1974, instituted by the Tinian Committee for Justice; and

2. When the Tinian Proclamation, dated May 19, 1974, was circulated, it was written in English and was never translated nor fully explained to us; and

3. The Tinian Committee for Justice exerted undue influence and coercion to gain public support and more particularly in obtaining signatures on the document; and

4. We recognize and respect the mandate of the Marianas Political Status Commission as the duly constituted body to negotiate for all the people of the Mariana Islands District with the United States to develop a status of commonwealth of the Marianas; and

5. The undersigned support the Marianas Political Status Commission in its efforts to represent and negotiate for the people of the Mariana Islands District of the Trust Territory of the Pacific Islands; and

6. We supported the original United States proposal to relocate the village of San Jose, and we recognize the benefits that would have accrued to the people of Tinian by such relocation; and

7. We recognize the many advantages from the establishment of a Multi-Service Military Complex on Tinian; and

8. We, the undersigned, hereby urge the Marianas Political Status Commission to negotiate and reach decisions in the many important areas of close association such as land needs, economic needs, political status, and transition to and for the benefit of all the people of the Mariana Islands District.

Dated this 29th day of May, 1974.

Signed by Jose B. King and 206 others.

VIC MILLER: ATTORNEY GENERAL

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, the office of attorney general of the State of Wisconsin has been blessed with men of exceptional capability over the years. Our distinguished colleague, VERNON THOMSON, has held that post, as have three lawyers who are now Federal judges, John Reynolds, Thomas Fairchild, and Robert Warren.

Bob Warren has been confirmed by the Senate, and he will take over his new duties as Federal judge on October 8. To replace him as State attorney general, Gov. Patrick Lucey has selected a man I am proud to count as one of my constituents, Attorney Victor A. Miller of St. Nazianz. That the Governor would make the decision to reach out to Vic Miller and ask him to accept this position on an interim basis until a new attorney general is elected is, I think, a tribute to Vic's special qualities and his extraordinary talents. Immediate past president of the State Bar of Wisconsin and a practicing attorney for more than 34 years, he has gained the deep respect of all those who know him.

I commend to your attention an article from the September 13 Manitowoc Herald-Tribune-Reporter on Vic Miller:

MILLER IS INTERIM ATTORNEY GENERAL

Atty. Victor A. Miller, 58, of St. Nazianz, immediate past president of the 9,000 member State Bar of Wisconsin and a practicing attorney for more than 34 years, has been appointed interim attorney general by Governor Patrick J. Lucey.

Miller will replace Atty. Gen. Robert Warren who resigns Oct. 8 to become federal judge of the Eastern District of Wisconsin.

Warren will be in office until within an hour of taking office as a new federal judge at Milwaukee, and Miller will then officially be the new attorney general.

The governor's office called Miller about a week ago regarding the appointment. The interim assignment will be until Jan. 1, 1975.

Normally, the interim appointment might have gone to deputy Atty. Gen. David Mebane, but he has been appointed a U.S. Attorney and is expected to assume that job soon.

"We've talked about a briefing session with Warren prior to the changeover," Miller said Friday.

Miller emphasized that he will continue his law practice.

"I don't plan to surrender my residence here or my concern for my community and this area, as this is only very temporary, and I have no great governmental ambitions beyond that," Miller stated.

"I do this out of a sense of duty and a lawyer's respect for the office," Miller said.

Except for work with the Democratic Party and concern for government, Miller has never been a candidate for political office.

Governor Lucey said earlier that he was considering appointing the winner of Tuesday's Democratic primary for attorney general to the interim post, but the four candidates all said they would prefer not being named.

However, Lucey is expected to appoint the winner of the November election to serve the rest of Warren's term, so Miller's service will probably be brief.

The candidates are former Atty. Gen. Bronson LaFollette, a Madison Democrat, and Republican State Sen. Gerald Lorge of Bear Creek.

"The attorney general has a staff of over 400 people," Miller noted. "He heads the Department of Justice which is of legislative creation, and spans activities ranging from training in law enforcement to investigating practices of corporations."

The department also cooperates with local law enforcement officers in crime detection and solution, Miller said.

"The job (of attorney general) has two faces," Miller stated. "On the one hand you are counsel for the state and on the other the State Legislature has moved the whole Department of Justice into that office."

Miller plans to be the chief counsel of the state "and that will be top priority," he stated.

"The state needs advice of counsel and its departments require it. That must be an independent and totally impartial judgment," Miller declared.

"I am an interim appointment, but that office demands daily concern and I plan to be totally committed to the concerns of that office as if I was full term," Miller also declared.

He said he could recall no other such (internship) situation for the attorney general's office in the past.

"The state has had many great lawyers in this position and three are currently on the federal bench," Miller said, naming Judge John Reynolds, Thomas Fairchild and now Warren. He also noted that Vernon Thompson, another former attorney general, is now in Congress.

Miller earned a degree in business administration in 1938 and his law degree in 1940 from Marquette University, and has practiced law in St. Nazianz since he and his son, John have a law firm there.

Early in his career he became recognized as a farm tax and farm law expert and has lectured extensively on these subjects.

He currently is advisor to the regional commissioner of Internal Revenue and formerly to the State Department of Internal Revenue.

Miller also currently is a member of the Consumer Credit Review Board of the State Department of Banking.

He has continued his interest in the farm equipment business and is now on the National Dealer Council of the International Harvester Co.

Miller is an officer of the John Miller Supply Co. He recently received a 25 year award from the Pontiac Division of General Motors.

Miller, who was appointed to the Board of State Bar Commissioners for a term of seven years in August, 1971, said he will continue to complete this seven year term.

He is vice president of the St. Nazianz State Bank and in April, 1974 was named to the Equestrian Order of the Knights of St. Gregory by Pope Paul VI. This is one of the highest orders a Catholic layman may receive in the church.

Attorney and Mrs. Miller, the former Isabel Gimm of Whitelaw, have five children, Attorney John Miller, a Georgetown University graduate; Mrs. Patrick (Mary) Caldwell, in Germany where her husband is a captain in the U.S. Air Force; Jane, who is working at Madison; Meg, a recent graduate of Northwestern University with a bachelor of arts degree is now working in the Manitowoc County area and planning to continue her education in the study of the aging at some university later this year, and Mark, a senior at JFK Prep.

AMENDMENTS TO COMMITTEE REFORM AMENDMENTS

HON. DAVID W. DENNIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DENNIS. Mr. Speaker, I am today offering several amendments to the resolutions reforming the structure, jurisdiction, and procedures of the committees of the House of Representatives. It seems to me that committee reform is probably a good thing and my amendments are offered to cure, what I consider to be, certain defects in the Committee Reform Amendments of 1974. My amendments:

First, strike out the provision of only one major committee for each Member;

Second, puts administration of the Panama Canal Zone back into the Committee on Merchant Marine and Fisheries where it formerly was; and

Third, takes Subversive Activities from the Committee on Government Operations and puts it in the Committee on the Judiciary.

Copies of the proposed amendments follow. They are drawn so as to apply either to House Resolution 988 or to House Resolution 1321, as the case may be. Points 2 and 3 above, in each case, require two amendments. Texts of the amendments are as follows:

Amendments to House Resolution 988 by Mr. Dennis:

No. 1. Page 39, line 19, strike out lines 19 through 24 inclusive, and on page 40 strike out lines 1 and 2.

No. 2. Page 10, lines 8 and 9, strike out in lines 8 and 9 the words "and the administration and Government of the Canal Zone".

No. 3. Page 16, after line 2, insert the following: "(7) The Administration and Government of the Canal Zone."

And renumber subsequent lines accordingly.

No. 4. Page 11, strike out lines 12 and 13.

No. 5. Page 14, after line 7, insert the following:

"(19) Communist and other subversive activities affecting the internal security of the United States."

AMENDMENTS TO HOUSE RESOLUTION 1321 by MR. DENNIS

No. 1. Page 41, line 1, strike out lines 1 through 8 inclusive.

No. 2, Page 11, strike out in lines 18 and 19 the words "and the administration and Government of the Canal Zone".

No. 3. Page 17, after line 16, insert the following:

"(7) The Administration and Government of the Canal Zone".

And renumber subsequent lines accordingly.

No. 4. Page 16, after line 2, insert the following:

"(19) Communist and other subversive activities affecting the internal security of the United States".

And renumber subsequent lines accordingly.

No. 5. Page 12, strike out lines 24 and 25.

PULASKI DAY

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. ROONEY of New York. Mr. Speaker, October 11, 1779, was a black day for all American colonists for on that day 195 years ago a burst of grape shot from British guns took the life of one of America's greatest and most revered Revolutionary War heroes. It was, indeed, a tragic loss to Gen. George Washington and his Continental Army when this gallant young Pole lost his life at the battle of Savannah. Not only did Washington lose one of his finest general officers, but he lost a warm and admired friend.

The name Pulaski is known to almost every man, woman, and child here in America. This is partly true because of the numerous monuments, bridges, highways, and parks which bear his name. It is true also because of the splendid efforts of Polish-American organizations all over America to pay just and lasting tribute to this young Polish cavalry officer who lived, who fought, and who died for his adopted country.

Casimir Pulaski was born of wealthy parents who were among the elite of Poland. His schooling and training was that of patriotism and love of Poland. Early, he chose friends from all walks of life who plotted secretly to overthrow the rule of Russia. In consequence and at the age of 20 he joined in the bloody rebellion against Russia and fought valiantly to free his country.

Because of his military type schooling and his expert horsemanship he was made a leader of the horse troops engaged in the uprising which was destined to fail. Many of the leaders were arrested, imprisoned or executed. Pulaski was able to escape in exile to France where he continued to work on behalf of Poland's independence. In this cause of freedom he met one of America's foremost colonial leaders, Benjamin Franklin, who was in Paris seeking French assistance for his own country's fight for independence.

Pulaski, following Franklin's appeal, made his way to Philadelphia where General Washington accepted his offer of service and appointed him to his own staff.

Pulaski soon distinguished himself at the Battle of Brandywine and other engagements with the overwhelming British forces. Washington was so impressed with the young officer's ability and military accomplishments that he recommended that the Continental Congress commission him as a brigadier general. Soon thereafter General Pulaski asked and was granted permission to form an independent corps of cavalry which became known as the Pulaski Legion. This unit and its leader soon became famous for its prowess in battle. Consequently, Pulaski and his troops were dispatched to the South to bolster General Lincoln's command. It was here during the Battle of Savannah that Pulaski suffered his fatal wounds.

As Americans, we are all indebted to Pulaski for his prowess as a soldier and for his leadership in developing raw recruits into trained and well-disciplined troops. We are grateful that he was the founder of our famed American cavalry which earned honor and glory for itself in every subsequent war.

But, Mr. Speaker, America is proudest of the fact that Casimir Pulaski taught us that independence is not a mere theory or a way of life and that liberty is not just a noble aspiration. Through his own magnificent example he showed us and the world that independence and self-reliance are attainable by all who are willing to fight for them.

These teachings of this young Polish zealot, combined with his magnificent personal leadership, earned for Pulaski an eternal place of honor among the hallowed great of the United States of America.

It is fitting, therefore, that on this coming Sunday afternoon Pulaski Day will properly be celebrated in New York City with the annual Pulaski Day parade up Fifth Avenue participated in by many hundreds of thousands of paraders and viewers.

MR. BOB MOSS

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DE LUGO. Mr. Speaker, one of the best known and most respected media personalities in the Virgin Islands, Mr. Bob Moss, is leaving his post as president and general manager of WBNB-TV. Often controversial, but always fair and responsible, Bob will be greatly missed by the viewing public. In the best traditions of the communications profession Bob Moss distinguished himself through his community service and dedication to public service causes. The esteem with which he is held in the Virgin Islands is indicated by the editorial comment on Bob's departure, two examples of which I am pleased to insert in the RECORD at this point:

[From the St. Croix (V.I.) Avis, Sept. 25, 1974]

WELL DONE, MR. COMMUNITY

We in the news business sometime receive press releases which give pause. Such was delivered the other day and duly reported in the AVIS columns. From the new proprietors of WBNB, Channel 10, St. Thomas. It listed its plans for the future in which it was stated "We aim to establish a firm bond with the community." To which we can but add that if the bond becomes any firmer, we'll be gasping for breath, so to speak.

The new owners—and we wish them well—might not be aware of the station's present and past bond with the community, certainly one to be admired and which is in large part due to the indefatigable Bob Moss, who has been at the helm since the station, the first in the Virgin Islands, went on the air thirteen or fourteen years ago. And with him a staff to which long hours meant little so long as there was a community effort at stake. The telethons, for instance, which enriched the Community Chest, the Red Cross, the Blook Bank, etc. And gratifying have been Bob Moss' hard-hitting editorial stands in which he hesitated not to tell it as it was. For sure he made enemies for the station and himself, but he can be smug in the knowledge that they are by far outnumbered by friends in all walks of Virgin Islands life.

It is understood that Mr. Moss will remain with the station for one year on a consultant basis. We earnestly hope that during this time the new owners heed his expertise in maintaining the established and enviable rapport which he has built and the fine entertainment he has provided day in, day out.

The new guiding hands, in their press release stated "We will transform Channel 10 into a first rate television station in both performance and capability."

We always felt that is what we have had.

[From the Daily News, Sept. 25, 1974]

A MAN WHO'LL BE MISSED

With the changing of ownership at WBNB-TV, Channel 10, a familiar personality will be missing from Virgin Islands' television screens as Bob Moss steps down as the station's president and general manager.

As one of those who pioneered television in these islands, he has been responsible in the past decade for what a great many people were watching and listening to every night. As such, he was inevitably a controversial person, being the one everybody blamed if the tape for their favorite program got lost or delayed, if the show they wanted to watch was preempted or never scheduled to be aired at all, and a host of other matters for which the viewer tends to become enraged at the television station.

All too often in such matters, the complaints sometimes outweigh the praise for few of us are as quick to commend as we are to condemn. On the whole, however, Bob Moss must be credited with scheduling and programming in a responsible manner. While there are undoubtedly things that some feel were omitted or under-covered, it seems here that for the most part Channel 10 under his management devoted a substantial amount of responsible coverage to community matters of importance and interest.

More important than general coverage, however, is the fact that in a media which tends to shrink from taking public stands, Bob Moss was willing to stand up and state his opinions. While we did not always agree with him, we must acknowledge that he presented his ideas in an eloquent and capable manner, and that he spoke as a man sincerely dedicated to the betterment of the community. As such, even for those who disagreed with his opinions, his editorial comments were valuable because of the discussion they aroused and the thinking they stimulated.

Bob Moss also deserves substantial credit for his community involvement, both as president and general manager of Channel 10 and as an individual. The Community Chest, Boy Scouts, Blood Bank and other worthwhile community activities have all benefited from telethons and promotional activities by the station, and he has donated generously of his own time and effort to such projects.

The new owners of Channel 10 are fortunate in that, through the efforts of Bob Moss, they have acquired an organization with a tradition of public service and community concern. We trust that they will continue to build on this foundation.

ATTICA AND THE ROCKEFELLER NOMINATION

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. BADILLO. Mr. Speaker, in recent weeks a number of vital issues pertaining to the qualifications of Nelson A. Rockefeller to serve as Vice President of the United States have been raised. One of the most important is the manner in which he handled the disturbance at the Attica prison in September 1971—a tragic event which resulted in the deaths of 39 men. It becomes very important that the events which took place during this period be thoroughly reviewed in order that we may know what led to Governor Rockefeller's decision to order the armed attack.

Last week Mr. Rockefeller responded to a number of questions on the Attica affair during his Senate confirmation hearings. I was very interested to learn of his comment that members of the observers' committee at Attica, during a crucial point in the negotiations, left one by one "fearing their lives." I served as a member of the observers' committee and know for a fact that this was not the case. In fact, we pleaded with the Governor for additional time and for the opportunity to personally meet with him to further explore the situation. We had been at Attica for 4 days and were willing to remain for 4 weeks if necessary if the crisis could have been resolved peacefully. Unfortunately, the Governor did not heed our requests for additional time. After the attack, while still at the prison, my reaction to the need for the Governor's action was "There's always time to die. I don't know what the rush was."

My good friend and colleague on the observers' committee—Tom Wicker—has prepared a very timely and perceptive article comparing Mr. Rockefeller's recent Senate testimony and the actual conditions which prevailed at the time of the disturbance. As Mr. Wicker has so properly noted, hindsight on this affair just will not wash and the fact remains that the Governor refused to come to Attica to meet with the observers' committee and to afford us some additional time in which to bridge the gap to the rebellious inmates.

Mr. Wicker's article appeared in this morning's New York Times and I submit it herewith for inclusion in the RECORD. I urge that our colleagues—and most especially those on the Judiciary Committee—give it close and careful attention. There can be no question but that the whole Attica tragedy is an item which warrants the Judiciary Committee's most detailed scrutiny during its confirmation hearings in an effort to determine whether Nelson Rockefeller is qualified to serve as Vice President.

The article follows:

[From the New York Times, Oct. 1, 1974]

HINDSIGHT ON ATTICA WON'T WASH

(By Tom Wicker)

Congress ought to explore thoroughly the qualifications and attitudes of any man who is to stand a heartbeat from the Presidency. But last week before the Senate Judiciary Committee, the response of Nelson Rockefeller to a question about the Attica prison rebellion raised serious questions about his memory, his veracity or both; the committee only let the matter drop.

Mr. Rockefeller did concede, tacitly but for the first time, that as Governor of New York, he should not have permitted the armed attack on the prison on Sept. 13. That attack resulted in the deaths of 39 guards and inmates and the wounding of more than 80 other men. Two days later, Mr. Rockefeller said the attackers—the New York State Police—had done a "superb job."

To the Judiciary Committee, he said last week, "The procedure . . . namely to go ahead at the beginning without weapons and which was stopped in the process, which procedure has now been re-established by the State, is the best procedure and . . . if this would happen again I would think that was the proper way to proceed." It may comfort the families of 39 dead men that Mr. Rockefeller now believes it would have been better not to use firearms.

Mr. Rockefeller's other testimony on Attica largely obfuscated or distorted what happened there, including his own role. He said, for example, that Bobby Seale of the Black Panthers and William Kunstler, the attorney, "coincidentally arrived on the scene." Both men, in fact, were asked to come as "observers" by the rebelling inmates, as a part of their demands for a negotiated settlement and the state agreed to their presence.

Again, Mr. Rockefeller told the Senators that "by about the third or fourth day" of the rebellion, his Commissioner of Corrections, Russell G. Oswald, was "fearful of his life" and would not go back into the prison. The fact is that Mr. Oswald did not return to the prison after the second day, not because he was "fearful of his life"—he had gone courageously into the prison yard three times—but because of a direct inmate threat to take him hostage.

At a crucial point in the negotiations, Mr. Rockefeller said of the observer group that the state had helped to assemble, "One by one they left . . . fearing their lives and the only man who was left who had the courage to stay and to argue with the prisoners was Mr. Clarence Jones of the Amsterdam News. . . ."

Clarence Jones is a brave man who repeatedly proved it at Attica. But on the occasion to which the Governor referred, at least half the observer group remained in the prison yard with him. The other half left only because they thought the entire group was leaving, and because a pledge had been exacted from them by Commissioner Oswald that all would leave togther. The group who left included this writer. It included also Representative Herman Badillo of New York, one of the most courageous and effective of the observers, as well as Mr. Kunstler. But when he heard that the Jones group had remained in the prison yard he immediately returned there and made a bold speech that Mr. Oswald later praised and which many of the other observers, including *Clarence* Jones, thought might have saved them from being taken hostage.

Nelson Rockefeller was at that time and throughout the rebellion and the State Police attack nowhere near the Attica prison yard. When members of the observer committee asked him to come, he told the Judiciary Committee, "I think . . . that they had failed and that therefore, rather than to have to say we have failed in this maybe if somebody else would come, maybe something would happen. . . ."

This is a false and gratuitous slur on the observers' motives. Mr. Jones, Mr. Badillo, State Senator John Dunne of New York and this writer all told Mr. Rockefeller by telephone that if he would come to Attica to talk with the observers (*not* the inmates), time might be gained in which a negotiated settlement might be arranged, and the Governor's good faith in seeking such a settlement would be demonstrated to the inmates.

Before the Senate committee, Mr. Rockefeller attributed to himself a proposal that he come to Attica after the inmates had given up their hostages. In fact, Russell Oswald made that proposal to Nelson Rockefeller, who turned it down. Mr. Rockefeller also said the deaths of ten guards from State Police gunfire was due mainly to "overfire" from troopers trying to protect one another from inmate attack. The New York Commission on Attica raised serious doubts about this explanation two years ago; and it is simply not true, as Mr. Rockefeller claimed, that "the instructions of the State Police were not to use their weapons unless one of their own had to be defended."

The irrefutable truth is that for six solid minutes, that bloody morning, New York State Police poured indiscriminate buckshot and rifle fire into a milling mass of gas-blinded inmates. The result was that one of every ten persons in the prison yard and a quarter of the hostages were hit. Thirty-nine died, and no hindsight or prevarication will bring them back.

THE ROLE OF THE PRIVATE PSYCHIATRIST IN TREATMENT OF MENTAL ILLNESS

HON. WILLIAM H. HUDNUT III

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. HUDNUT. Mr. Speaker, since World War II there has been a gradual increase in the acceptance of mental illness on the same basis as any other illness. In view of this fact, there is increasing interest in efforts to provide for equal coverage for emotional or mental illness in all health insurance plans as well as Government programs.

In my view any discussion of proposed national health insurance or other health programs would not be complete unless some thought is given to the role of the private psychiatrist in the delivery of services pertaining to mental health.

Dr. Dwight W. Schuster of Indianapolis went into this subject in a clear, concise statement to a committee of the Indiana General Assembly last April. Although his remarks were directed to a State legislative body, I believe they are applicable to the national level as well in view of the legislation we have passed concerning community mental health centers and the possible action this year or next on some plan for national health insurance. Therefore, I would like to share them with my colleagues.

Certainly the private psychiatrist will continue to stand at the front line in the medical treatment of emotional and mental illnesses. Community mental health centers, HMO's, private group clinics have a role and serve a need particularly in areas where there is a lack of private resources. However, the relationship between these sources and private psychiatric care should be one of mutual support rather than that of adversaries—partners all in a pluralistic system of health care delivery.

The remarks of Dr. Schuster follow herewith:

Statement

Re A complete delivery system for mental health and mental retardation services in the future.

At the outset let me say that my remarks are directed toward mental illness, *not* mental retardation. Although the survey authorized by the Indiana General Assembly pertains primarily to those mental health services delivered by the State and through the general tax revenues of the State, any discussion would be incomplete without including the role and extent of the services provided on a private fee for service basis. Since World War II there has been a gradual increase in the acceptance of mental illness on the same basis as any other illness. We are still striving for equal coverage for emotional or mental illnesses in all insurance coverage and in all government programs.

There are reasons for the slowness of development of such coverage; the main reason is the difficulty in claims review since emotional illnesses do not lend themselves to computer analysis nearly as easily as surgical conditions for example. However, statistics in significant volume now show that in general, emotional or mental illnesses are *not* more costly to treat than physical illnesses.

The private care of emotional illnesses has been and probably will continue to be directed primarily to the acute, short term cases. Statistics are not as easily come by in the private sector as in government programs, but I believe that the same treatment programs used in government plus some which are distinctly or predominantly used in the private sector have resulted in impressive results.

One of the results has been a sharp decline in the number of patients who are referred on to governmental programs at the three levels: local, State, and Federal. Probably the main reason for the above mentioned result is the availability of excellent psychiatric facilities in general and psychiatric hospitals, and the availability of third party finances, primarily private insurance plans, to permit more people access to the private sector of care.

I have statistics primarily from Methodist Hospital, here in Indianapolis, which help illustrate the above point. These will be made available tomorrow as further discussion continues.

You are well aware that private psychiatric care encompasses much more than hospital treatment. Some psychiatrists limit their practice to office or out-patient care, but the majority utilize office treatment, day and night care, hospital out-patient treatment as well as twenty-four hour hospital care. In addition to private psychiatrists, it should be kept in mind that there are tremendous numbers of emotionally ill individuals who are cared for by family physicians and other medical practitioners as well as the many ancillary medical groups who contribute tremendously to the care of the emotionally ill. I point out all of these to remind you of the great load if the government at all its levels should undertake the responsibility for all mental illness. It seems apparent that no one segment of the mental health system is or will be able to handle the entire load.

A logical conclusion is that there is need, both from the financial and quality of care standpoints, for pluralistic but cooperative approaches. The private fee for service physician stands at the front line in medical treatment of emotional and mental illnesses. Due to the great variety of these ills, there is need for variety of treatment approaches. Community mental health centers, Health Maintenance Organizations, private group clinics have a role and serve a need particularly in areas where there is a lack of private resources.

However, the relationship with private care should be mutually supportive and not isolation or rejection of each other. Likewise, there is a definite need for state hospitals and longer term care. Even if there is a national push to eliminate the State hospitals, experiences in California and New York have painfully pointed up the fact that community health centers are not the total answer to the State's responsibilities for care of the mentally ill. Careful study of statistics reveal that reduction of patients in State hospitals is not what it might appear. Rather there is a continual shuffling of people back and forth in the system with increased admissions to State hospitals countering their increased dismissals. It is clear that there has been and probably will continue to be a jockeying by the various governmental units to shift the cost of care to one or another. In the final analysis, it is the tax payer who pays regardless of the governmental unit. The patient is the one who suffers through these bureaucratic maneuverings.

Private psychiatrists hope there will be continued effort on the part of all concerned groups to put quality of care first and we stand ready to contribute our efforts to make a comprehensive system work.

Thank you for this opportunity to present these views.

AMENDMENTS TO HOUSE RESOLUTION 1321, HOUSE COMMITTEE REFORM AMENDMENTS OF 1974

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. DINGELL. Mr. Speaker, I herewith insert by permission previously granted a listing of the amendments I will offer to House Resolution 1321, the House Committee Reform Amendments of 1974.

Amendment No. 1. To Limit the Term of the Speaker

Page 75, immediately after line 13, insert the following new section, and redesignate the ensuing sections accordingly:

"SPEAKER OF THE HOUSE

"Sec. 401. Rule 1 of the House of Representatives is amended by adding at the end thereof:

"'(8) No Member shall serve as Speaker who shall have been elected as Speaker in the two successive Congresses immediately preceding.'"

Page 91, immediately after line 24, insert the following new section, and redesignate ensuing sections accordingly:

"(b) Section 401 shall become effective at the beginning of the ninety-fifth Congress."

Amendment No. 2. To Balance Legislative Jurisdiction Between Committees on Energy and Environment, Commerce and Health, and Merchant Marine and Fisheries

Page 7, immediately after line 11, insert new sections:

"(8) Disposition of solid wastes; noise control.

"(9) Nonenergy aspects of air quality, including industrial pollution.

"(10) Safety of drinking water."

Page 9, strike out lines 18–21 inclusive, and insert:

"(2) Environmental aspects of production and consumption of fuels and generation of power; land-use planning, and conservation of resources."

Page 9, strike out line 23, and insert: "resources, irrigation, and reclamation."

Page 10, strike out lines 7 and 8.

Page 17, immediately following line 16, insert new sections:

"(7) Wildlife and its protection, including research, refuges, and conservation.

"(8) Ocean dumping and coastal zones.

"(9) Deepwater ports.

"(10) Environmental policy."

Amendment No. 3. To Assign Duties of Proposed Legislative Classification Office to House Committee on Administration

Page 30, line 18, immediately after the letter "(d)", insert the number "(1)".

Page 30, line 20, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 31, immediately after line 16, insert the following new subsection:

"(2) The Committee on House Administration shall develop, supervise, and maintain for the House and its committees and Members a cross-referencing capability based on the authorization statutes, showing committee jurisdiction, appropriation Acts, budget authority, budget outlays, unexpended balances, other relevant systems which or may not be compatible, and the relationships between them.

"In connection therewith, the Committee shall:

"(A) work closely with the House standing committees in all phases of the development of the cross-referencing capability and coordinate with the Congressional Research Service and General Accounting Office, in the development, implementation, and operation of the cross-referencing service.

"(B) advise the House of developments which could improve the operation of the classification service and issue an annual report to the House on the progress in implementation and use of the service, and plans for the coming year.

"(C) make available (as development permits) publications or information in an appropriate format for use of the House committees and Members and provide the capability to answer specific queries on the available information.

"(D) make an annual report to the House on its progress in carrying out the functions specified in Subsections (d)(2) of this section, and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in subsection (d)(2) of this section, provided, however, that such staff shall not be assigned any duties other than those specified therein."

Page 78, strike out line 1, and all that follows through page 81, line 2, inclusive, and redesignate ensuing sections accordingly.

Amendment No. 4. To Provide a Procedure for Referral of Bills to Committees Concurrently or in Sequence

Page 34, strike out line 24 and all that follows through page 39, line 7 inclusive, and insert:

"6. (a) Any bill, resolution or other matter which relates to a subject under the jurisdiction of more than one standing committee named in Clause 1, may, at the request of a committee chairman seeking referral of the matter to his committee, be referred by the Speaker under the provisions of sections (b) and (c) of this clause.

(b) The Speaker may refer the matter simultaneously to two or more committees for concurrent consideration or for consideration in sequence (subject to appropriate time limitations in the case of any committee after the first), or divide the matter into two or more parts, reflecting different subjects and jurisdictions) and refer each such part to a different committee, or refer the matter to a special ad hoc committee appointed by the Speaker with the approval of the house (from the members of the committees having legislative jurisdiction) for the specific purpose of considering that matter and reporting to the House thereon.

(c) Any referral under the provisions of this clause shall be subject to the approval of the House."

Amendment No. 5. To Formalize Current Practice in the Appointment of Conferees

Page 41, line 18, immediately after the word "position", insert a period and strike out all that follows through line A inclusive.

Amendment No. 6. To Assign the Duties of the Proposed House Commission on Information to the Committee on House Administration

Page 30, line 18, immediately after the letter "(d)", insert the number "(1)".

Page 30, line 20, strike out the number "(1)", insert the letter "(A)", and redesignate the ensuing paragraphs accordingly.

Page 31, line 16, strike out the period, insert a comma and the word "and", and add the following new paragraph:

"(E) conducting a complete study of:

(i) the information problems of the House of Representatives against the background of the existing institutions and services available to the House, and to make such recommendations with respect thereto as may be appropriate, and

(ii) the administrative services, facilities, and space requirements of the Members and committees of the House, including staff personnel, administration, accounting, and purchasing procedures, office equipment and communication facilities, record-keeping, space utilization, parking, and the organization, responsibility, and supervision to provide adequate, efficient, and economical services and space utilization.

"(2) The studies conducted by the Committee pursuant to this subsection should include, but need not be limited to:

(A) House resources for information, including the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment, and the organizational framework that makes them effective and ineffective;

(B) information management, collection, and dissemination for the House;

(C) resources outside the Congress for information and their utilization;

(D) methods for setting up and organizing the flow of information from and to the executive;

(E) experimental or pilot approaches to information problems, such as the creation of mechanisms for outside groups, or for pooling of resources; and

(F) the creation of a congressional staff journal or other process for communication.

(G) the staff required to provide the House Legislative Counsel with the capability to fully meet the needs of the Members of the House.

"(3) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsections (1)(E)(i) and (ii), and may make such additional reports, or recommendations, as may appear appropriate.

"(4) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsections (1)(E)(i) and (ii) of this section, without regard to the numerical limitations provided in Rule XI, Clause 6, sections (a)(1) and (b)(1), provided, however, that such staff shall not be assigned any duties other than those specified in this subparagraph."

Page 81, strike out line 3 and all that follows through page 84, line 9, inclusive, and redesignate ensuing sections accordingly.

Amendment No. 7. To Establish the Legislative Jurisdiction of a Committee on Crime and Internal Security

Page 7, immediately after line 17, insert a new subsection, and redesignate ensuing subsections accordingly:

"(g) Committee on Crime and Internal Security, the legislative jurisdiction of which shall include:

"(1) Crime prevention.

"(2) Internal Security generally.

"(3) Federal law enforcement agencies, and law enforcement assistance.

"(4) Mutiny, espionage, treason, and counterfeiting.

"(5) Protection of public officials.

"(6) Nonjudicial aspects of federal crimes.

"(7) Corrections, and federal penal institutions.

"(8) Internal security aspects of immigration and customs.

"(9) Communist subversion.

"(10) Organized crime.

"(11) Domestic terrorism and paramilitary extremists.

"(12) Security of classified information."

Page 12, strike out lines 24 and 25, and redesignate ensuing subsections accordingly.

Page 14, line 23, strike out the semicolon and insert a comma and the word "and".

Page 14, line 24, immediately after "criminal" insert a period, strike out all that follows through line 25 inclusive, and redesignate ensuing subsections accordingly.

Page 16, strike out line 1, and redesignate the ensuing subsection accordingly.

Amendment No. 8. To Establish Certainty in Transfer of Seniority

Page 89, line 20, strike out "should" and insert "shall".

Page 90, line 1, strike out "should" and insert "shall".

Page 90, line 4, strike out the comma and all that follows through the word "in" on line 6 inclusive, and insert "shall determine".

Amendment No. 9

To assign duties of proposed Office of Law Revision Counsel to Committee on Judiciary

Page 31, immediately following line 16, insert a new section, and redesignate ensuing sections accordingly:

"(e)(1) The Committee on the Judiciary shall have the functions of reviewing, developing, and keeping current an official and positive codification of the laws of the United States. Pursuant thereto, the Committee is authorized to:

(A) Prepare, and submit to the House, one title at a time, a complete compilation, restatement, and revision of the general and permanent laws of the United States which conforms to the understood policy, intent, and purpose of the Congress in the original enactments, with such amendments and corrections as will remove ambiguities, contradictions, and other imperfections both of substance and of form, with a view to the enactment of each title as positive law.

(B) Examine periodically all of the public laws enacted by the Congress and submit to the Committee on the Judiciary recommendations for the repeal of obsolete, superfluous, and superseded provisions contained therein.

(C) Prepare and publish periodically a new edition of the United States Code (including those titles which are not yet enacted into positive law as well as those titles which have been so enacted), with annual cumulative supplements reflecting newly enacted laws.

(D) Classify newly enacted provisions of law to their proper positions in the Code where the ttiles involved have not yet been enacted into positive law.

(E) Prepare and submit periodically such revisions in the titles of the Code which have been enacted into positive law as may be necessary to keep such titles current.

"(2) The Committee shall make an annual report to the House on its progress in carrying out the functions specified in Subsection (d)(1), and may make such additional reports, or recommendations, as may appear appropriate.

"(3) The Committee is authorized to appoint and provide for the compensation of such additional staff as may be necessary for the performance of the functions specified in Subsection (e)(1), provided however, that such staff shall not be assigned any duties other than those specified therein."

Page 84, strike out line 11 and all that follows through page 87, line 24 inclusive.

Amendment No. 10. To Provide for Election of Select Committees by the House and Election by a Select Committee of Its Chairman

Page 40, immediately after line 25, insert the following new section, and redesignate ensuing sections accordingly:

"(c) Select committees which the House may order from time to time shall be composed of members elected by the House. The members of each such committee shall elect one of their number as chairman."

Page 41, line 9, immediately after "standing", insert "or select".

Page 41, line 14, strike out "all select and".

Amendment No. 11. To Transfer Commerce Provisions From the Jurisdiction of Committee on Judiciary to Committee on Commerce and Health

Page 6, line 20, immediately after "practices" insert a comma, and immediately thereafter insert "protection against unlawful restraints and monopolies."

Page 15, strike out lines 19 and 20, and redesignate ensuing subsections accordingly.

Amendment No. 12. To Delete Higher Pay Provision for House Officers and Certain Staff

Page 88, strike out line 24 and all that follows through page 89, line 8 inclusive.

Amendment No. 13. Authorizing a Committee To Bring Up a Report Without a Rule From the Committee on Rules

Page 88, immediately after line 14, insert the following new section, and redesignate ensuing sections accordingly:

AMENDMENT TO RULE XVI

Sec. 408. Rule XVI, clause 9, is amended by adding at the end thereof the following: "At any time after the reading of the Journal but not before the consideration of motions permitted by the first sentence of this clause, the Speaker may, in his discretion, recognize the chairman of a standing committee or a member of such committee if either is acting at the direction of that committee (such direction having been given by a separate vote on a day following the day the measure was ordered reported from the committee) to move that the House resolve itself into a Committee of the Whole for the purpose of considering a bill or resolution reported by the chairman's committee and on the House or Union Calendar subject to the provisions of clause (2)(1)(5) of Rule XI. Such motion shall specify the number of hours, and the division and control of such time for general debate in the Committee of the Whole on the bill or resolution to be considered therein, is not debatable and may not be amended. If such motion is adopted, at the conclusion of consideration in the Committee of the Whole of the bill or resolution specified in the motion, the Committee shall rise and report the bill or resolution to the House with such amendments as may have been adopted in the Committee of the Whole to the bill or resolution. The previous question shall be considered as ordered on the bill or resolution and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions."

Amendment No. 14. To Transfer Jurisdiction Over Copyrights and Trademarks to the Committee on Commerce and Health, and Jurisdiction Over Patents to Committee on Science and Technology

Page 7, immediately after line 11, insert "(8) Copyrights and trademarks."

Page 15, strike line 21, and renumber ensuing sections accordingly.

Page 19, immediately after line 20, insert "(8) Patents."

WE ARE PROUD TO BE

HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. SCHERLE. Mr. Speaker, Jan Porter a most perceptive columnist from Tabor, Iowa's Beacon Enterprise has aptly expressed what many of us from farm regions often feel. The amount of pride a farmer puts into his work is more than a vocational drive—it is a way of living that involves a myriad of jobs.

In addition to the tasks we normally attribute to farmers, they tackle the extraordinary feat of contending with the vagaries of weather, pit their wits against the hazards of business, and have supplied the front-line defense for our environment.

Agriculture's contributions to our economy and America's very way of life surpasses the cursory image most people attach to the profession. I offer Jan's article for those who have not had the opportunity to view farmers from this incisive perspective:

We Are Proud To Be

(By Jan Porter)

I get an Irish itch when someone replies with a look of shock.

"You are farmers? Well, you certainly don't look like farmers!"

How do farmers look? With flour sack dresses? Minnie Pearl walks? I always wonder. In my neck of the woods, Hee Haw characters are a rarity.

In almost all the farmer's professional magazines the problem of the farmer's image is discussed. We are asked, "Are you a hayseed? Can you always distinguish fellow farmers by the suntan that begins at the eyebrow? Is your farmer husband the Marlboro man driving his Bronco up a steep hill? Or is he a rich dude flying an airplane?"

Even with such harrassing questions the farmer is too busy a man to worry about his image let alone dream up just what it is. And, as a rule, he is too darn independent to join forces with others, pool finances, hire some good PR men who will drown the consumers with information about his industry . . . the only industry he wants to work in.

Therefore, International Harvester found that (1.) a majority of city people think farmers get much of their income from government payments. (2). Many non-farmers think farmers "do too much belly-aching." (3). Over 60% of the people surveyed want ceilings put on all food prices in the stores. (4). More than 40% of non-farm people feel farmers are using pesticides unwisely and unsafely. (5) Almost half of the people questioned felt food quality is fair to poor . . . and getting worse.

We can't ignore these attitudes. Attitudes spawn actions. The recent beef boycotts prove that. We need rapport with our consumer not hostility. Yes, I shall gulp too, when 10 pounds of sugar reaches $4.00; but knowledge of the drought extending into the sugar beet crop area and foreign exportation helps me to accept it. When any problem exists, communication helps.

In fact, communication is the big key. For years we've had all sorts of Princesses and Queens elected to tell our products' story. What an enormous job for someone with a smattering of knowledge and a pretty smile. Now is the time for a fellow (and his wife) with ten, twenty, or thirty years of experience to get out and sell the farming profession. We need to invite the local and the city children out for a tour of our farms. Few have Uncles or Grandpas on the farm whom they can visit. We need to tell city acquaintances we meet on planes or in other public places what our way of life is all about. It's one to be proud of. Folks need to understand that a farmer is an educated businessman who runs his operation like any other businessman . . . city or country.

He's an efficiency expert, always trying to cut his costs and increase his slim margin of profit.

He's an investor . . . handling each dollar wisely, but putting it in a business that isn't known for its high rate of return.

He's an environmentalist and a conservationist, treating his resources wisely so his land will still be productive when the next guy is ready for it.

He's a speculator, gambling on the weather, insects and disease. And hoping the law of supply and demand will treat him favorable in the marketplace.

Most of all he's an optimist, knowing next year will be better . . . . it has to.

These are a few of the things we farmers are. But the ranks of us will be thinned unless we all do something about it. That something is unification for communication. Find a farm organization you rather like and support it. Right now we're lucky. We can still pick and choose. Maybe you are too busy. Send them ten dollars and help promote your beef, your pork, your corn, your soybeans, your wheat. Alone we can do little, but together we can tell the country that we're the world's most important businessmen. And they'll respect us for it.

GASOLINE SURTAX WOULD BE HARMFUL

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. BRAY. Mr. Speaker, there is no denying that the country has two serious problems: inflation, and energy. Unfortunately, there are no short-range, immediate solutions for either one. We will enter a fool's paradise indeed if we assume there are.

The two are tied together in some ways—for instance, the sudden jump in the price of imported oil has caused certain inflationary pressures, as well as considerable difficulties in providing the energy needed. I do believe steps are being taken to remedy our energy crisis; much is being done, and more can yet be done. This applies to inflation, as well.

But, again, what seem to be attractive, short-term solutions often carry within them potential for great harm to the economy as a whole, and individual citizens. I refer here to consideration in some quarters to putting a 10 cent or 20 cent tax surcharge on each gallon of gasoline.

In theory, this would cut down the use of gasoline, and also provide money for public service jobs that would ease the unemployment rate. These premises are questionable at best; 78 percent of all Americans drive to work, in their own cars, or, today, in car pools. What is an increase in the price of gasoline going to do to their already over-strained budgets? Will it not put them further and further behind? To be sure, the price increase may cut down pleasure driving, but what percentage of driving in this country is pleasure, and what percentage is absolutely necessary? From information I have seen, pleasure driving has already dropped considerably.

The Federal Government has absolutely no business in placing, upon the necessities of life, an extra financial load that would burden the taxpayer even further. Ideas and options to handle the inflation and energy crises are certainly welcome, but some of them should be scrapped out of hand.

The possible surtax on gasoline certainly should.

HON. BARBER CONABLE'S REMARKS AT INFLATION SUMMIT

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, our distinguished and thoughtful colleague from New York Mr. CONABLE, attended nearly all the presummit conferences on inflation and all of the summit. His closing remarks at this weekend's summit deserve the careful attention of all who are concerned about our efforts to control inflation. I am proud of his contribution and share his belief:

REMARKS

(By Congressman CONABLE)

Senator Humphrey and I were allowed a total of 20 minutes, and I would say he is a tough act to follow in more ways than one under those circumstances.

We are at the end of a very interesting and encouraging experiment in representative government.

As a member of the Steering Committee for this conference, I have been to six of these meetings, and I can attest that a wide range of interests and aspirations have been represented in the pre-summits as in this room. It should be apparent that the process has not been rigged because so many people have been permitted to charge it was.

Here the American people have been able to watch representatives engage in open dialogue with the President and Members of Congress about the gravity of a problem that concerns us all.

I hope others are as proud as I am that such a process is possible. Such openness will help renew our confidence.

The President's patience and unfailing good nature in presiding here so long yesterday and his returning under the circumstances of today to close this conference show the high priority he gives to the battle against inflation.

We know difficult decisions lie ahead, and the inspiration of such leadership is essential if we are to accept those decisions and carry the resulting programs to a successful conclusion.

The Members of Congress present are grateful that the President understands the relevance of Congress to this battle and that he will offer and expect more than politics as usual in our mutual relations no matter how imminent the political season.

Here and at the pre-summits, what we have been seeking is understanding and consensus. As a Republican in Congress, I have none of the pleasure in minority status that Professor Galbraith seems to enjoy. My purpose is to summarize here the majority views of these meetings as I see them. The limitations of time and participation yesterday and today may have made the outline sketchy, but the total record of all the meetings will show, I believe, widespread agreement about the following seven points.

First, fiscal discipline is needed even though the immediate trade-off between spending cuts and the short-term rate of inflation is not all that impressive.

Our current calamity results in substantial part from the cumulative impact of careless though well-intentioned overstimulus from spending more than we taxed.

Further, undisciplined fiscal behavior at this time by the Government will rob us of our right to lead America out of the economic swamps because the people understand instinctively what the Government has apparently been a long time learning, but we can't continue to spend beyond our means.

Second, monetary discipline is also needed although many believe we have reached the point where serious dislocation will occur if pressure is not taken off interest rates.

Third, to maintain public support for a substantial monetary and fiscal discipline, we in Government must be wisely sensitive to the special problems our troubled economy inflicts on the poor, the potentially unemployed, the elderly, the small businessman and farmer, the housing industry, and the consumer. It is going to require judgment, flexibility, and real leadership to find the right balance between toughness and human concern.

Fourth, there is virtually no support in industry, labor or among rank-and-file congressmen for wage and price controls. Talk about their inevitability, which many of us think is cynically based upon the expectation of short public memories, should be discouraged. Things were bad in August of 1971 but they are worse now after three years of controls.

Fifth, many believe that too many industries have the power to raise prices beyond what a healthier competition would permit. Many also believe that labor should be given incentives rather than coercion to moderate its wage demands even where real wages have eroded by inflation. Perhaps such incentives should be built into any tax adjustment given to lower-income people.

Sixth, great emphasis should be put on conservation of resources and the reduction of waste particularly in the energy field.

Seventh, the world depends upon American prosperity and economic stability.

One of the frightening things one learns as a Congressman is that so often we legislate not just for 210 million people but for the whole world.

The leadership needed from the United States now is not military or political but economic. Cartel-type price-fixing in oil and basic materials can probably be dealt with only if America encourages and leads a collective response from the consuming developed and less-developed nations.

Trade bill completion by the Congress will help as a first step in needed negotiating authority.

Now, the President may see the elements of consensus differently than I do. Since he speaks with one voice while we in Congress speak with many, the advantage in finding consensus and in initiating programs lies with the presidency. In dealing with this problem, complexity is our enemy but strong and decisive leadership can give us faith that the underlying realities are being dealt with. Whether or not we agree about the details, if the program is fair, all Americans will be willing to accept necessary sacrifice even though we as a nation have become quite self-indulgent compared to our grandparents.

But those involved in these summits urge the President and the Congress not to lose the momentum of these meetings as a preliminary to action. We understand it is not going to be easy or quick. It cannot be done with mirrors.

An element of consensus that I have not mentioned before is that the problem is urgent and we all want to get at it—everyone who has attended these meetings. We don't just want action for the sake of action. Our economic and political freedoms are at stake in some of the nostrums which have been proposed. It will require wise leadership in this voluntary nation of ours to keep our sense of urgency alive and effective as long as it must be kept alive, but those of us in the Congress who know the President so well think both branches of Government now have what it takes.

Thank you.

AMTRAK

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. HILLIS. Mr. Speaker, I had the opportunity to return to Washington from my congressional district in Indiana this weekend by way of Amtrak. On Sunday afternoon, September 29, 1974, at 5:40 p.m., I boarded the James Whitcomb Riley at its scheduled stop in Peru, Ind. We arrived at Union Station in Washington, D.C. the following afternoon at 12:45 p.m.—on time.

During the 19-hour train ride from Indiana to Washington, I had the opportunity to inspect Amtrak equipment and the quality of service. I found everything to be in good condition. The refurbished cars were clean and modern. Personal service was friendly and cordial. Our schedule was maintained throughout the trip across the country.

I talked with a gentleman passenger who was an efficiency expert for another railroad traveling on Amtrak. He told me that he had conducted a study on the efficiency of rail services. Results indicated that trains were 200 times as efficient, energywise, as a Volkswagen. That figure should impress anyone.

A good passenger rail system is essential in the United States. Other countries have shown us that rail passenger travel is a viable means of transportation when track is kept in good working condition and only the best of equipment is used.

Energy problems are still with us and the American people must be made aware of its potential effects and encouraged to use public transportation whenever possible. It is interesting to note that passenger trains have proven to be the most efficient means of moving people. They consume less energy per person per mile than do automobiles, buses, or airplanes.

Many passengers whom I talked with indicated to me that they were pleased with the service and efficiency of Amtrak. Everyone said that they would make the same trip again by train when the occasion arose.

I firmly believe that the James Whitcomb Riley train should remain on its present schedule and am encouraging Amtrak to maintain this route. On the old route, the train ran anywhere from 2 to 4 hours late. This past weekend, on the new schedule, we were able to be on time for all stops from Indiana to Washington at complete safety to the passengers on board.

It can be concluded from my experiences this past weekend that Amtrak is working and becoming an even more important part of the national transportation system.

EMMA TOFT

HON. HAROLD V. FROEHLICH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. FROEHLICH. Mr. Speaker, I would like to insert in the RECORD at this time a tribute to Miss Emma Toft. She is a resident of Baileys Harbor, in the Eighth Congressional District of Wisconsin, which I have the honor to represent.

Miss Toft is well known for her dedication to the causes of conservation and the arts and this tribute is a fitting commemoration of her tireless devotion and her hard work. She is a "doer" and we can all profit from the example she has set.

The tribute follows:

EMMA TOFT: QUEEN OF THE PENINSULA

(By George Anastaplo)

> . . . like the hyacinth which the shepherd tramples underfoot on the mountain and which still blooms purple on the ground.—Sappho

I have been asked to say a few words about Emma Toft. I have been asked to do so by the right person, a decade-long friend of Miss Emma's, my teen-aged daughter. I would not otherwise regard myself as at all competent to speak about so feminine a woman.

I do venture to speak, moreover, because this is a way of teaching ourselves something about The Clearing and what it tries to do, something we should remind ourselves of as still another week together here in Door County draws to an end. I trust Miss Emma will put up with my pedagogy at her expense: she has taught me a thing or two, and I must try to pass on to others what I have learned from her. So, I conclude our joint efforts this week and our festivities this evening by welcoming Miss Emma to The Clearing.

Now, this may seem rather strange, to welcome her *at the end* of an evening's festivities. It may seem strange to welcome her after we have been graced by her presence here all week. It may seem even stranger to welcome someone who was brought up in Door County much more than half a century ago, someone who has visited the Clearing hundreds of times during her long life on this peninsula.

But there *are* reasons for welcomng her at this time. There is about Miss Emma a natural freshness and an unpredictable shyness which we usually associate with the young, with those among us for the first time. Indeed, we can welcome her because she is so young, by far the youngest among us this week, unencumbered as she is by what the everyday world is burdened with. Her loping stride, both graceful and purposeful, is that of someone who has instinctively preserved her independence of petty concerns and daily vexations.

To welcome Miss Emma, then, is like recognizing nature for what it is. It is like welcoming the lifegiving sun in the spring, the shimmering aspen in a light summer breeze, the peaceful snow of winter. We have spent much of this week studying poetry, the poetry of Sappho, so you will understand if I borrow of the poetic in what I say tonight in talking about the woman of steady eye and honest hand we have so often met, regally attired, in her soft white hair, her musical voice and her faded blue denim.

I remind you of vignettes revealing the freshness of Miss Emma: the day she invited Mertha Fulkerson and Jens Jensen over to see the arethusa blooming in her front yard—it turned out that the "front yard" was a swamp which ruined Miss Fulkerson's dress-up shoes; the day she brought a baby skunk to The Clearing to lighten Mr. Jensen's deathbed; the days she has gone out on snowshoes from her winter quarters in Bailey's Harbor to feed the deer on her side of the peninsula. (She did become somewhat "disgusted" with those deer last winter when she learned that they were bringing "a lot of their relatives with them" for her food, repaying her hospitality by stripping the greenery off many of the young cedars.)

I remind you also of the places with which Miss Emma has been associated: the wildlife sanctuary of The Ridges; the 300 acres of virgin timber and unspoiled lakeshore at Toft Point, which she has managed to have had preserved for generations yet unborn; and, of course, The Clearing founded by Jens Jensen and Mertha Fulkerson. She has contributed to the perpetuation and enrichment of all these, and to other institutions as well. She is one of those people who sense that the most spiritual of associations, as well as the home and the community, depend on a proper respect for the physical things of this world. Most important has been her contribution through the institution with which she has been associated, and perhaps even more through precept and example, to the formation of character in Door County.

Since we have, under the devoted ministration of Leo Paul deAlvarez, also been reading the Old Testament this week, it does seem appropriate to say something more on this occasion about the formation of character. One is naturally obliged to wonder, as one thinks about the Bible, what kind of people is likely to be produced by various teachings and by various institutions. Thus, even the skeptic should wonder what the effect is of a belief in certain tales or of an adherence to certain old ways. Indeed, the responsible skeptic may even be able to do something respectful of piety which the pious multitude cannot, in principle, do. That is, he may deliberately choose to encourage that belief and that way which reason determines to be, in his time and circumstances, most salutary for both human beings and citizens.

What has been the influence of Miss Emma, as teacher and institution, upon those whose lives she touches? What should we especially call attention to on this occasion? Miss Emma stands as a constant rebuke to unthinking change. But she is not merely negative. In fact, she is very much a constructive influence in the lives of her family, her friends and her community. This makes even more telling her occasional negative comments on what is happening around us, comments quietly made on behalf of solid, old-fashioned virtues. Her comments include the soft-voiced insistence that everyone should contribute, and should be permitted to contribute, what she or he can to the life of the community—contributions which include that which is represented among us by the simple but overwhelming fact of "a life fitly lived."

It is a tribute to The Clearing that Miss Emma can find it so congenial, and that it can take her to its heart so effortlessly—especially at a time when so much around us, and unfortunately even here in Door County, is suffering from the ravages of unnatural appetites for self-gratification and hence for novelty. It is, as I have said, nature itself which is delightfully exhibited and respectfully reaffirmed in Miss Emma. She is, as I have also said, a teacher. She once taught, many decades ago, small classes of young children in a country school; she now teaches an entire peninsula of children and adults alike. She reminds the jaded and the fragmented and the harried of what real people are like. We can perceive through her what a sense of wholeness means; we can see what it means to be able to rely upon the sureness and grace which result from such wholeness. In this, as in so many other ways, she is very much like her old friend and fellow teacher, Mertha Fulkerson.

I dare to say all these things about Miss Emma, and in her presence, because she is indeed the most gentle of creatures. I can trust her to scoff at my presumptuousness, to casually correct my errors, and (since she is free of false humility) even to acknowledge what is sound in what I say. When I emphasize her gentleness, I do not mean to overlook in her what is today called a sense of realism. She can be, as the occasion warrants it, tough and shrewd and even calculating.

Thus, I often associate with her what she showed me once at The Ridges about the startling fierceness one can encounter in nature. She coolly sacrificed several desperate ants to my education. Our companions were squeamish, and even horrified, as she conjured up the awesome ferocity displayed by the ant lion, that tiny insect which ruthlessly drags struggling ants into the depths of its conical pit. One has not lived until one has seen, through the unsentimental eyes of someone such as Miss Emma, the many faces in nature of death—that death which can be at the same time an end for some and a beginning for others.

Thus, one should speak of Miss Emma as a remarkable blend, so mixed as to assure long service, of vinegar and honey. She is, in this respect, like the ancient Sappho. She is also like Sappho in her rich friendships with other women of distinction. And, like the schoolteacher she has always been, she constantly tests us: we can measure ourselves and others by gauging how we and they respond to the wholesome wholeness she embodies.

And so I conclude my welcome to Miss Emma—that is to say, I conclude my invitation to us all to recognize and cherish the best in ourselves as human beings in knowing association both with one another and with the natural forces all around and within us.

WANTED: WOMEN FOR THE WHITE HOUSE FELLOWS PROGRAM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. FRASER. Mr. Speaker, the President's Commission on White House Fellows is now accepting applications for 1975–76. The purpose of this program is to draw bright young people to Washington for a closer look at the governmental process. The program was initiated by the late President Lyndon B. Johnson on October 3, 1964, and each year since that time approximately 20 young citizens have been assigned to White House staff members, the Vice President, members of the Cabinet, the Director of the Office of Management and Budget and the Administrator of the Environmental Protection Agency.

Besides the actual assignment, the fellowship includes an education program—a series of discussions with prominent representatives from both the public and private sectors. The program also includes exposure to international affairs through the vehicle of a foreign trip. The education program and portions of the selection process are supported by private funds from foundations and companies.

Applications are open to all persons except employees of the executive branch of the Government who will be at least 23 years of age but not over 36 years of age on September 1, 1975. Fellows receive a Government salary of up to $30,147 for the year depending on previous earnings, education, and experience.

Because of the tremendous opportunity for a look at the workings of Government from the inside and a chance to meet and converse with some of the present leaders of our country, I would urge interested persons to apply and I ask my colleagues to do the same. Women and other disadvantaged groups should be especially encouraged as they have been underrepresented from the start of the program. Last year only 4 of the 18 Fellows were women, yet that was an increase over the year before.

Application forms and other information may be obtained from the President's Commission on White House Fellows, 1900 E. Street NW., Washington, D.C. 20415. All applications must be postmarked by December 1, 1974.

PUNISHMENT CAN SOLVE THE CRIME CRISIS

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. GAYDOS. Mr. Speaker, one of the most disturbing factors in the currently rising crime rate across America is the governmental and public apathy concerning it.

Nothing in our Nation is more important, or calls for firmer action. And yet we appear to be doing nothing. News that the rate, which seemed to have been under control a year or so ago, is on the rampage again makes only the inside pages of our newspapers.

What does this mean? It means murder, rape, and robbery. It means unsafe streets in our cities. It means danger to our homes. It means, as the latest FBI statistics show, a march of crime into the suburbs of our country on an unprecedented scale.

There is an answer, of course. And I am glad that two of our top law enforcement officials addressed themselves to it in speaking appearances recently before the International Association of Chiefs of Police in convention here.

The problem rests now, as it has rested since the crime rate began its soar, with the permissiveness which has become prevalent in our thinking about criminals and with the injection of this idea into the courts and the offices of the criminal prosecutors.

The notion is that, because crime cases are piled up, we should go to any extreme to keep the criminals out of prison. We should slap their wrists and send them on their way. We should parole them at every opportunity. We should let them cop pleas on the slightest pretext.

It is the kind of coddling which claimed the attention of Attorney General William B. Saxbe and FBI Director Clarence M. Kelley in their addresses to the Nation's police chiefs.

Mr. Saxbe said:

> Too many dangerous convicted offenders are placed back in society in one way or another and, that simply must stop. With so few dangerous offenders being convicted something has got to be wrong somewhere. Much of the fault, as I see it, must rest with prosecutions and the courts.

Director Kelley blamed "easy bail for hardened criminals" and "unreasonable plea bargaining" and then, according to the New York Times, said something in defense of our law enforcement officers that needed to be said. He declared it "fallacious and unfair" to blame the climbing crime figures on the police and added:

> Our profession should not be a whipping boy, we have behaved extremely well.

I agree with Director Kelley's judgment. Most police departments, in my opinion, are composed largely of able and dedicated men whose main hurt is in the fact that they too often are not backed up by the courts in their efforts to combat crime or, indeed, supported by the public.

Some have told me of working hard on a case only to have the offender freed by a court and back on the streets in no time. They resent the willingness of prosecutors to bargain and courts to be tolerant when they know the criminals they arrest are dangerous and unrepentant and that society has a right to be protected from them.

We have been willing in Congress to vote funds to increase the police activity in the country, but we should know that the answer to the crime condition is not in an insufficiency of enforcement forces. It is in a return to the idea that wrongdoing must be punished and that those punished must serve as an example to others.

Until our tolerant times this was the philosophy of criminal justice and it can be noted that, when punishment was the key word, crime was not the gigantic problem it is today and that few Americans were endangered with their neighborhoods the prey of burglars and muggers. We have these conditions now. And they are the result of indulgence in our courts and in some prosecution offices and I endorse the finding to this effect by Attorney General Saxbe and FBI Director Kelley.

What can be done about it? I commend Attorney General Saxbe and Director Kelley for bringing it to public attention. Others who have an understanding of the matter should do likewise. We in Congress, regardless of other burdens, should recognize the gravity of the again-rising crime rate and speak out in favor of those in the police departments who are trying to check it and against those judges and prosecutors who too often negate the policeman's work. When the people generally are aroused to the point of demanding a return of strict punishment for the hardened criminal, then crime can be contained. This is the only solution and it is time that we who bear a responsibility in the public service do what we can to bring it about.

NEW TUITION FIGURES STARTLING

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. WALSH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

EASTERN AND MIDWESTERN VIETNAM VETERANS FACE CONTINUED LOSS OF HUNDREDS OF MILLIONS OF DOLLARS IN GI BILL OPPORTUNITIES UNDER PENDING AMENDMENTS

When new statistics are examined showing GI Bill payments by States, they show that veterans in low tuition Western States, with few private colleges are able to make dramatically better use of the GI Bill. For example, Pennsylvania and Texas house 386,000 Vietnam era veterans. The two States' full-time college enrollment of all kinds of students are almost equal. Yet in FY 74 alone, Texas veterans used $181,360,000 in GI Bill benefits, while Pennsylvania used $117,680,000 in those unique educational opportunities, a difference of almost $64,000,000.

Under an Office of Education formula grant program—the Special Educational Opportunity Grant, designed to ensure that States receive a fair share of Federal funds—in fiscal year 1974 Pennsylvania received $9,400,000 in scholarships, while Texas received $9,600,000. California veterans using its unique system of low cost two and four year colleges, where tuition is $165 per year, used almost $1,100,000,000 more in GI Bill benefits than New Yorkers between fiscal year 1968 and 1974 used $1,726,620,000, versus $634,000,000. Under the formula grant program, designed to prevent inequities, New Yorkers received 90% of the benefits of Californians. Yet what program should have fewer inequities than the GI bill, where men from the same platoon from different States have a widely different chance at obtaining the educational opportunities that were equally available to their fathers who served in World War II, no matter what State they were from—and what its structure of postsecondary education?

	GI bill payments, fiscal year 1968–74	Tuition costs	Vietnam veterans population	Junior and 4 yr college GI bill use rate (percent)	Per capita payments, 1968–74
California	$1,726,090,000	$165	820,000	41.4	$2,106
New York	634,000,000	750–900	513,000	23.2	1,236
Pennsylvania	483,600,000	1,012	386,000	17.5	1,253
Texas	656,740,000	266–366	386,000	29.1	1,703
Ohio	432,000,000	750	361,000	18.6	1,199
Michigan	403,000,000	704	286,000	25.2	1,412
Indiana	195,000,000	682	181,000	15.2	1,082

STATE-BY-STATE GI BILL PAYMENTS CONTRASTED WITH HEW'S FORMULA GRANT—SPECIAL EDUCATIONAL OPPORTUNITY GRANTS (FISCAL YEAR 1974) (RANKED BY VIETNAM VETERAN POPULATION)

	Vietnam veteran population	Percent of California population	GI bill payments fiscal year 1974	State GI bill payments as percent of California payment	State EOG grants as percent of California payment	State EOG grants, fiscal year 1974	Additional GI bill payments if based on EOG formula
California	820,000		$456,620,000			$23,200,000	
New York	513,000	62.6	162,280,000	35.5	72.4	16,800,000	$168,485,400
Pennsylvania	386,000	47.1	117,680,000	25.8	40.9	9,400,000	68,946,600
Texas	386,000	47.1	181,360,000	39.7	41.3	9,600,000	8,305,600
Ohio	361,000	44.0	112,980,000	24.7	38.3	8,900,000	62,097,600
Illinois	346,000	42.2	132,350,000	29.0	44.3	10,300,000	69,859,800
Michigan	286,000	34.9	108,750,000	23.8	36.3	8,500,000	57,075,000

Note: EOG is an HEW scholarship program which allocates funds on the ratio that the State's FTE higher education enrollment bears to national FTE higher education enrollment. GI bill dollar data taken from Federal outlays compiled by the Treasury Department. VA data is the other source.

	Jounior and 4-yr college GI bill use rate (percent)	Tuition costs	Percent of male students in private colleges
California	41.4	$165	14.4
New York	23.2	$750-*$900	44.2
Pennsylvania	17.5	900-1,050	44.7
Texas	29.1	266-366	17.2
Ohio	18.6	750	27.0
Illinois	23.9	472-611	32.3
Michigan	25.2	704	15.5

Note: Figures for State University of New York system. CUNY charges no tuition. State GI bill covers tuition but not $200 in fees.

GI BILL AND EOG INFORMATION, FISCAL YEARS 1968-74

[States ranked by Vietnam veteran population]

	GI bill payments fiscal years 1968-74	State payments as percent of California payment	Veteran population as percent of California veteran population	Vietnam veteran population	Additional payments if used at California rates	EOG grants, fiscal years 1968-74	Junior and 4-yr college GI bill use rates
California	$1,726,620,000			820,000		$123,170,000	41.4
New York	634,280,000	36.7	62.6	513,000	$446,580,000	111,380,000	23.2
Pennsylvania	483,680,000	28.0	47.1	386,000	329,560,000	61,160,000	17.5
Texas	657,360,000	38.1	47.1	386,000	155,880,000	63,240,000	29.1
Ohio	432,980,000	25.1	44.0	361,000	326,730,000	58,010,000	18.6
Illinois	527,350,000	30.5	42.2	346,000	201,280,000	63,390,000	23.9
Michigan	403,750,000	23.4	34.9	286,000	198,840,000	55,790,000	25.2
Florida	435,860,000	25.2	30.5	250,000	90,760,000	31,170,000	25.4
New Jersey	241,680,000	14.0	27.6	226,000	234,870,000	27,780,000	16.4
Massachusetts	252,970,000	14.7	24.8	203,000	175,230,000	46,250,000	19.1
Indiana	195,820,000	11.3	22.1	181,000	185,760,000	31,630,000	13.8

Notes: EOG is an HEW scholarship program which allocates funds on the ratio that the State's FTE higher educational enrollment bears to national FTE higher education enrollment. GI bill dollar data taken from Federal outlays compiled by the Treasury Department. VA data is the other source.

GI BILL ENROLLMENT IN PRIVATE COLLEGES WORLD WAR II AND TODAY

	1947-48 enrollment			1971-72 enrollment		
	Total	Veterans	Percent veterans	Total	Veterans	Percent veterans
Stanford University	15,800	7,011	44	18,000	291	1.6
Notre Dame	4,200	3,587	85	6,439	108	1.7
Holy Cross	1,079	939	87	2,379	13	.5
Harvard	5,600	3,326	59	6,073	89	1.5
Yale	5,676	3,365	59	4,739	37	.8
Northwestern	21,128	9,941	47	9,372	90	1.0
Whittier	1,249	507	41	1,815	66	3.6
Johns Hopkins	1,757	1,083	62	2,020	25	1.2
St. Olaf	1,660	564	34	2,650	5	.2
University of San Francisco	2,250	1,496	66	4,728	375	8.0
Xavier University	3,163	1,715	54	2,918	175	6.0
John Carroll	2,246	1,488	66	3,210	187	5.8
Swathmore	1,068	389	36	1,166	10	.9
Pepperdine	4,431	2,299	52	4,641	639	13.8
Northeastern	3,806	7,176	81	29,000	4,400	15.2
Dartmouth	3,167	1,847	58	3,987	95	2.4
New York University	26,438	14,359	54	10,932	463	4.2

PRESIDENTIAL PENSION

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 1, 1974

Mr. WALDIE. Mr. Speaker, in accord with the provisions of House Rule XXIII, clause 6, I hereby give notice of an amendment which I propose to offer in debate on the consideration of H.R. 16900.

On page 12 of the reported bill, line 24, strike out "$153,000" and insert "$98,000" in lieu thereof."

This amendment is intended to eliminate $55,000 appropriated for a pension to Mr. Nixon by reason of his service as President. It is my belief that such a pension is dependant on the recipent having rendered honorable service. The resignation of the former President with the knowledge that his impeachment and conviction was a certainty, combined with the extension to Mr. Nixon of a Presidential pardon for criminal acts committed by him during his tenure as President and the acceptance thereof by Mr. Nixon constitute clear and convincing proof that the service of Mr. Nixon was not honorable and not deserving of the reward of a pension.

AMENDMENTS TO MARTIN SUBSTITUTE

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. BENNETT. Mr. Speaker, in accordance with my remarks made during debate on congressional reform on Tuesday, I insert in the RECORD at this point, the amendments I intend to offer to the Martin substitute, House Resolution 1321. These are to eliminate from the legislation all increases in staffing and partisanship provisions:

Amendments to the Martin Substitute (H. Res. 1321) To Be Offered by Mr. Bennett

Page 69, line 9, strike out "eighteen" and insert "six".

Page 69, line 17, strike out "six" and insert "two".

Page 70, line 10, strike out "or age" and insert "age, or political affiliation".

Page 70, line 24, strike out "twelve" and insert "six".

Page 71, line 5, strike out "or age" and insert "age, or political affiliation."

Page 71, line 14, strike out "four persons" and insert "one person".

Page 73, line 22, strike out "seven or more" and insert "two".

Page 74, line 16, strike out "six" and insert "two".

Page 74, line 17, strike out "four" and insert "one".

Page 67, strike out "entitled" in line 15 and all that follows down through page 68, line 3, and insert "entitled to and shall receive fair consideration in the appointment of committee staff personnel pursuant to each such primary or additional expense resolution."

ELDERLY WANT SOLUTIONS TO INFLATION

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. BIAGGI. Mr. Speaker now that the heralded "economic summit" meeting has come and gone, it is now time for this administration to come to grips with the problems of inflation and propose the kinds of solutions which can curb the growth of this dreaded national malaise.

A number of proposals, some worthwhile, some specious were offered during the course of the summit, but at the present time we are conspicuous of an absence of any real direction from this administration.

One of the more constant solutions offered to curb inflation is one which I think holds the real key, namely significantly cutting Government spending, and the achieving of a balanced Federal budget.

The people of this Nation will be anxiously awaiting the actions of the Congress and the administration in the coming weeks and months. The interests of all Americans, particularly the elderly, who are enduring the worst hardship from inflation, must be taken into consideration in any inflation fighting proposals which may be offered.

Mr. Speaker, at this point in the Record, I would like to insert an editorial which was printed in the October edition of the American Association of Retired Persons News Bulletin. The points raised in this editorial are worthy of the consideration of all my colleagues.

The text of the editorial entitled "Inflation: A Matter of Survival" follows:

Inflation: A Matter of Survival

Few Americans argued with President Ford when he defined inflation as the nation's top problem. But arguments abound as he searches for a consensus on how to deal with the problem. Reconciling the arguments and finding an effective policy to control inflations is a matter of urgency for all citizens. For millions of older Americans, it is a matter of survival.

Medical care, food, housing and fuel, for example, are basic necessities on which older citizens spend a proportionately larger share of their income than do younger citizens. Those still in the work force can probably "tighten their belts," spend less on "luxuries" and change their lifestyle in other ways to cope with the problem.

But for millions of older citizens there is no way to fight back. How can they cut down on "luxuries" when all of their fixed income must go for necessities? How can they alter their already basic diets, except by eating less? And how can they avoid the high cost of being sick?

Health care prices have increased 50 percent faster than the economy as a whole since price controls on the health industry were lifted in May. The secretary of Health, Education and Welfare estimates that inflation in health care will increase the nation's cost by $4 billion this year and $9 billion in 1975 with "some 70 percent of these higher costs coming—by one route or another—out of the consumer's pocket.

Food prices continue their upward spiral. In July the "economy" food plan used by the Department of Agriculture to determine food stamp allowances actually cost $2.50 more than low-income people received in stamps.

In housing, rents and taxes are skyrocketing. In one Midwestern state last year more than 8,000 elderly homeowners living on less than $1,000 a year paid 30 percent of their incomes on property taxes alone.

If fuel prices soar as threatened this winter, consumer columnist Sylvia Porter predicts that households with income less than $8,000 per year "face financial disaster." She reports that the average cost of heating a home in Maine doubled in one year, the price of No. 2 heating oil in New England rose from 20 to 40 cents per gallon and that coal prices increased as much as fivefold in some areas.

As President Ford prepares for his economic summit conference later this year, our Association has recommended a number of general and specific steps to ease the burden on older citizens living on fixed incomes. A paper submitted by our President at a meeting with President Ford in August noted:

"We believe that monetary policy and fiscal policy must be coordinated if the purchasing power of the dollar is to be stabilized (The Congressional Budget and Impoundment Control Act, which we strongly supported, is an important first step in that direction.)

"Since we are not convinced that restrictive monetary and fiscal policies alone are sufficient to control inflation, we strongly favor the dilution of excessive concentrations of market power and the encouragement of competition. In certain industries such as energy, metals and automobiles, it is apparent that such concentrations of market power are stifling free and competitive enterprise, frustrating the basic economic principles of supply and demand, and fostering inflation. We believe that acute competition is the best restraint on price increases.

"If price stability in certain industries can be promoted by increased competition and/or increased regulations, we would support necessary remedies, including more vigorous enforcement of antitrust laws, enactment of additional anti-trust legislation designed to accelerate the judicial process, more open foreign trade policies to stimulate competition from foreign sources, and even government competition of the TVA-type.

"While we do not favor blanket economic controls, which produce great disruption and misallocation of resources in essentially competitive markets, we would favor the imposition of selective controls as a first step toward restraining inflation in particular areas—such as health care.

"We urge the continued development of a comprehensive food policy to maximize food production and to eliminate where necessary barriers to the importation of foreign farm products."

More specific recommendations to help neutralize the impact of inflation on retirement incomes include:

Use of general tax revenues rather than increases in the payroll tax to finance Social Security cost-of living increases;

Removal of the Social Security earnings limitation test coupled with expansion of government sponsored, socially beneficial employment programs for those older citizens who desire or find it necessary to work;

Enactment of legislation requiring that private pension plans include cost-of-living adjustment features, and encouragement of employers to provide retroactive cost-of-living adjustments to their present pensioners; and

Development of a special Consumer Price Index based on the spending patterns of older citizens to reflect more accurately the impact of inflation on the elderly.

President Ford has said that his consciousness of the plight of older Americans "serves only to strengthen my determination to bring the forces of inflation under control." Through the series of "mini-summits" now under way, he seems determined to seek a truly effective and national consensus on solving the inflation problem. As our Association continues to participate in that effort, we welcome your views on the subject and will devote most of our "Reader Says" column to member suggestions in the next few issues.

NEW LIONS DIRECTOR LOOKS TO THE FUTURE

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. CHARLES WILSON of Texas. Mr. Speaker, I am honored to represent as one of my constituents a new director of Lions International, Don Buckalew of Conroe, Tex.

Lions International is the largest humanitarian service club organization in the world. It is a nonpolitical, nonsectarian association with over 1 million members in 146 nations and geographic areas. Don's election by Lions from all over the world to the directorship is testimony to his years of community service.

As a member of the Conroe Noon Lions Club, Don received the Outstanding Lion Award for 1970–71. He had earlier served as district governor of Lions International District 2–S2, and because of his accomplishments in that office was honored with the 100 percent District Governor's Award and the Lions International Extension Award.

His concern for Texas' youth was illustrated in his past service as director of the Texas Lions League for Crippled Children and his current chairmanship of the Camp Improvements Committee.

In 1969, his efforts on behalf of all citizens were recognized by the Lions International president, who named *the* Conroe Lion recipient of the Ambassador of Goodwill Award.

Don has also served the community in many capacities outside the Lions Club: he is past president of the Montgomery County Chamber of Commerce Embassy Club; past president of the Montgomery County Chamber of Commerce; past president of the Montgomery County Hospital Board of Managers.

This portrait of an unselfish, public-spirited citizen would not be complete without adding that his wife, Dale, and their children, Debbie, Don, Jr., Denny, and Deann, have been a constant source of encouragement and motivation for Don.

As he begins his role as a Lions international director, Don can look back with pride on his accomplishments. But those achievements show that he is a man who does not look back, so I am betting that Don will assume the directorship with his sights trained on the future. His skills and generosity will help make the future a better one.

PROJECT INDEPENDENCE

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. WYDLER. Mr. Speaker, one of my constituents in the Fabulous Fifth Congressional District, Jeffrey Ellis Aronin, AIA, FRIBA, recently appeared, on August 20, at a public hearing on Project Independence. This statement, coming from one on the firing line as an architect, had some sensible suggestions to make, and I would like to share them with my colleagues.

The statement follows:

STATEMENT BY JEFFREY ELLIS ARONIN AT PROJECT INDEPENDENCE PUBLIC HEARINGS

Mr. Kleinfeld, Members of the Panel, Ladies and Gentlemen: My name is Jeffrey Ellis Aronin, Architect, based in Woodmere, New York, with offices also in several countries around the world.

What I am concerned with as an architect is common old-fashioned horse sense, the sort of thing which our forefathers possessed and native civilizations have used for centuries in the design and orientation of buildings and cities.

I have been involved in saving energy all my professional life, even as a student in university. And back in 1946—28 years ago—I persuaded my professor to let me go on a 54-man, 3-month army expedition to Canada's far north. It was an eye-opener; it was there that not only could I see how the Eskimo mastered the climate but I learnt my first lesson in how to keep warm in an igloo. One night when it was −58 degrees Fahrenheit outside, the inside temperature was 29 degrees above—a difference of over 87 degrees, and the only heat generator was the warmth of our bodies which was captured inside. I won't tell you who was there.

My life-long work in this field led to my graduate research at McGill University and the writing of my book, "Climate and Architecture," published in 1953, 21 years ago, in which the fundamentals of moulding our communities to the climate were discussed. And I am pleased to say that it has now been translated into several languages and has been published in toto by the Russians, who conveniently ignored paying their royalty fees. In that year I also said, and I am on record for that in many newspapers of 1953 and 1954, that there would be a shortage of fossil fuels by 1975 and that architecturally we must do something about it.

Now I mention this because I am not going into specifics regarding the multitude of solutions which are within our capabilities technologically, using solar energy, the wind, temperature differences, precipitation, geothermal energy, the tides, and other factors of the climate.

Suffice it to say, however, that significant energy savings can be effected if:

1. Communities are laid out with respect to climate. Zoning plans should take this into account. In England, long-term growth patterns, land-use designs, etc. prepared by the government, have recognized this.

2. If the building site is properly selected vis-a-vis the microclimate and topography.

3. If the mass of the building is designed to receive those elements of the climate considered desirable and reject those considered undesirable. It is ridiculous that buildings are symmetrical. On a skyscraper here in New York the forces exerted on a north and south wall in winter are in the ratio of 1:100. Annually they are in the ratio of 1:70. It is like the walls being thousands of miles rather than yards apart.

4. If the features of the building and the skin are designed similarly to admit desirable elements and reject undesirable ones. The skin should be a dynamic element, breathing perhaps as does our own skin, responding to different light radiations, temperatures and so forth. It should move as a whole unit with the entire organism. A building envelope designed to receive the impact of the environment and reflecting, admitting, or controlling its flow into the main body of the building would increase efficiency, economy and comfort and also open up many new aesthetic options. Yesterday I heard one speaker say that you should be able to open windows. Certainly you should, but our buildings of tomorrow should not look like the ones he has built over the past, and which Frank Lloyd Wright described as sanitary slums.

Our technology is quite capable of doing all this, but how can the government and business help the design professions towards Project Independence?

1. Building codes and regulations should not require traditional or specific air conditioning or heating systems if others can perform the same function, the same way or better.

2. Energy regulations should not be restrictive.

3. Mortgage bankers should not prejudice a loan for unconventional designs that accommodate the climate and reduce the use of fossil fuels.

4. A life-cycle energy cost analysis should be made for every projected building, to be approved by appropriate authorities.

5. Government should subsidize manufacturers until cost of solar-heating equipment, wind generators, etc. are reduced to acceptable levels. These can be direct subsidies or in the form of tax reductions.

6. Buildings should be designed for 24-hour use rather than 8-hours as is often the case for educational facilities, offices, industries, etc. Some structures can have more than one use.

7. The Government should sponsor adequate building research activities, with its own experimental facilities, as do so many other countries of the world, so well.

8. Layouts of communities should be such as to reduce transportation between home and work.

9. Structural elements should be fabricated in new sizes to conserve materials, conserve weights, conserve transportation fuel, conserve fuel used in the fabricating or refining processes.

10. The science of geotecture, or underground buildings, should be advanced where necessary.

11. Old communities should be rehabilitated. Grass should be grown on the roofs of our cities, to reduce heat buildup in summer and prevent, through insulation, heat loss in winter. It would also provide recreational space for countless millions.

12. The design professions, (and the American Institute of Architects Board has adopted a policy which includes this among other things) have an ethical responsibility to see that buildings are designed to conserve energy.

I could go on and on. I like to think that our profession has a perspective which will be useful in contributing something to the worthy goals of Project Independence and I hope that we may be privileged to do our part.

Thank you.

GI BILL EXPANSION URGENTLY NEEDED

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. EDWARDS of California. Mr. Speaker, as the House and Senate conferees again meet to discuss the veterans' education bill, I thought the enclosed recent editorial from the San Jose Mercury to be worth noting. I could not agree more with this editorial that Congress has delayed too long in fulfilling its responsibility to our Vietnam veterans.

I would strongly urge my colleagues on the conference committee to work for a substantial increase in monthly educational benefits, for an extension of eligibility from 36 to 45 months and for a reasonable educational loan program. I would further urge my colleagues in the House to act favorably on the conference report and to extend these vital benefits to our veterans as soon as possible.

The editorial follows:

[From the San Jose Mercury, Sept. 24, 1974]

GI BILL EXPANSION URGENTLY NEEDED

Congress has produced considerable rhetoric on the undue neglect of Vietnam veterans. Unfortunately, it has failed to take the positive actions required to remedy matters, including approval of a bill to increase GI educational benefits.

Such legislation has been under study and in and out of conference committees for several months. Meanwhile, veterans have returned to classes. The report is unanimous. The vets find it increasingly difficult to meet living and educational expanses on benefit checks that have not been increased in the past two years despite a nearly 20 per cent increase in the cost of living during the same period.

Sen. Alan Cranston (D-Calif.) has told veterans' representatives that he expects Congress to approve a compromise GI benefits bill within a week. This timetable may be overly optimistic, but it should not be far off the mark. Congress must not dally longer in providing fair treatment for Vietnam and post-Korean veterans.

Having stripped the bill of a proposal to revive a post-World War II tuition-payment plan, a House-Senate conference committee approved a 23 per cent increase in basic monthly payments and authorized a program of student loans to veterans. This compromise was rejected by the House.

Men and women who served their country can be excused if they feel they are getting a raw deal, particularly with so much concern expressed over amnesty for persons who avoided service.

Veterans' educational benefits should be increased to reflect higher living costs. Also in order are an extension of schooling eligibility for an additional nine months and the authorization of a properly funded student loan program for veterans.

Improved benefits are needed to enable many Vietnam veterans to continue their schooling, and to provide them with benefits that are more on a par with those provided in the post-World War II period.

CRISIS FACING PAN AMERICAN WORLD AIRWAYS

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. DULSKI. Mr. Speaker, on September 19, 1974, I called to the attention of my colleagues the crisis facing Pan American World Airways, and inserted some material detailing steps that can be taken to alleviate the problem.

Since then, I have requested President Ford to meet with me and the heads of our principal international airlines to discuss the unfair mail transportation rates for U.S. air carriers versus foreign air carriers.

The following editorial from the Washington Post of September 28, 1974, summarizes the issue very neatly:

Pan Am and Unfairness

One of the most effective advertisements we have seen recently is that published in this newspaper and elsewhere by the employees of Pan American World Airways. It contended that Pan Am is on the verge of financial disaster because the government of the United States has treated it unfairly over the years. By focusing on this simple issue of fairness, and by documenting it to some extent, this ad has attracted more interest on Capitol Hill than had all the entreaties of Pan Am's executives.

As evidence of unfairness, the employees cited the higher rates foreign airlines get for carrying international mail, the lower interest rates at which foreign airlines can finance airplane purchases, the high landing fees charged to American airplanes at some foreign airports and the consistent refusal of the Civil Aeronautics Board to give Pan Am any domestic air routes.

There is considerable truth to these claims, even though they do not tell the whole story of Pan Am's decline from its once dominant position in commercial aviation. If the Post Office paid American airlines at the same rate for hauling mail that foreign airlines are paid by other governments, for example, Pan Am would get around $35 million a year more than it now does. If Pan Am could have borrowed money for its airplane purchases through the Ex-Im Bank, as most foreign airlines have, its debt charges would be millions of dollars less than they now are. If landing fees at foreign airports were the same as they are at American airports, Pan Am would spend substantially less money each year. If the CAB had given Pan Am domestic routes, it would not be in the critical financial position it is in today; its position would only be serious—as is that of the other major American international airline, Trans World.

While we think the government ought to move to alter some of these conditions (and it has already begun to consider the mail rate question), none of them gets to the real heart of the troubles in the international air business. Those troubles are enormously complex and derive from a mixture of foreign policy considerations, national pride, international trade policy, incorrect business judgments and the idea of oompetition between privately-owned companies, like Pan Am, and government-owned companies, like a majority of its competitors.

It makes little economic sense, for example, to have more than a hundred international airlines. There is Pan Am, flying to 124 cities in 78 countries, and there is Air Siam, flying to four cities in four countries with, apparently, two airplanes. Nor does it make much sense to have 24 airlines competing for passengers across the North Atlantic, particularly when their estimated losses this year on these routes come to a total of around $300 million.

These costly oddities exist because each country wants to have its own airlines, first for domestic flights and ultimately for international flights. And once established the international flight becomes a matter of pride, regardless of the cost, which is often subsidized by the airline's government.

Perhaps Pan Am's predicament will provide the incentive needed to start an overhaul of the whole international air business and of the American government's policy toward it. It seems clear that most other international airlines are also in financial trouble. KLM, for instance, recently estimated its losses in the current fiscal year at $30 to $40 million. As deficits of this size mount, other governments may be more inclined to set national pride aside and begin to consider the economic facts.

In any event, for the Ford administration, which wisely turned down Pan Am's request for an emergency subsidy, the goal ought to be the rationalization of the situation, not the salvation of Pan Am. If the American national interest—primarly the maintenance of a complete international air network—requires only one major airline, a Pan Am-TWA merger would make sense. If that interest requires two major carriers, Pan Am will need other kinds of help, including, perhaps, a merger with a domestic airline. The important thing is for the administration to do more than just provide Pan Am with a quick shot in the arm or with an elimination of the unfairness now existing. It needs to aim at the larger goal of making sense out of an industry that is spending itself into bankruptcy.

CONGRESSMAN CLIFFORD McINTIRE—LONG CAREER OF PUBLIC SERVICE

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. KYROS. Mr. Speaker, Maine people were deeply grieved this week at the death of former Congressman Clifford McIntire, and it was an occasion of special sadness to me, since I have known him well throughout much of his long career in public service.

First elected to the 82d Congress to fill the vacancy caused by the death of Frank Fellows, he was reelected to the 83d and to the five succeeding Congresses. His years of distinguished achievement in the Congress therefore ran from October 1951 to January 1965.

Born in Perham, Aroostock County, Maine, May 4, 1908, he attended the public schools there and Washburn, Maine, High School. He was graduated from the University of Maine College of Agriculture in 1930, and then engaged in farming in his hometown of Perham.

Later he became an appraiser, supervisor, and regional manager for Farm Credit Administration's Springfield office, and was named general manager of the Maine Potato Growers, Inc., at Presque Isle prior to his election to Congress.

After trying unsuccessfully for the U.S. Senate, he became director of the American Farm Bureau Federation, a member of the task force on rural development, and a member of the Advisory Council of the Public Land Law Review Commission. Recently President Ford nominated him to serve as a director of the Federal agency charged with helping to restructure the bankrupt rail lines in the Northeast.

Throughout his 66 years, and his many years of service, Clifford McIntire justly earned the respect of the citizens of the State of Maine. His work on Capitol Hill was well known and will be greatly missed.

He was a man who worked hard and with great dignity all his life; who loved the outdoors; and who especially loved the people and the State of Maine.

All of us who knew "Cliff" McIntire are deeply saddened by his death.

OCTOBERFEST FEATURES ED McMAHON

HON. PAUL W. CRONIN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. CRONIN. Mr. Speaker, this weekend Lowell, Mass., will have the third regatta festival which will celebrate the increased use of the Merrimack River for boating and also the ethnic diversity which came to this area to man the mills along the Merrimack River. The feature of this Octoberfest will be Ed McMahon, costar of "The Tonight Show" with Johnny Carson. Although Ed was born on March 6, 1923 in Detroit, Mich., he was raised in the Fifth District of Massachusetts—in Lowell. Ed was educated in Lowell public schools and was a member of the class of 1940 of Lowell High School. His high school graduation exercises were held in Lowell Memorial Auditorium, which his father used to run and where Ed will do a show this Saturday night. Before World War II he attended Boston College, and then completed his B.A. degree in speech and drama after the war at Catholic University. During the war Ed was a Marine Corps pilot as well as a flight instructor; he is still a member of the reserves. During the Korean war he reentered the Marine Corps as a fighter pilot.

Ed began his radio and television career in Lowell with a job on WLLH radio station. His career was interrupted by World War II and his educational pursuits, but after completion of his degree, in Philadelphia he began his television career. Another interruption came about as the result of the Korean war.

Ed is probably best known for his television appearances, but he has also done many night club acts and has appeared on Broadway in "The Impossible Years" and in a leading role in the movie "The Incident." Ed McMahon and Johnny Carson began their partnership in 1954 for the program "Who Do You Trust?"

He continued his sidekick role when "The Tonight Show" began in October 1962. In addition to his well-known role on "The Tonight Show," he has hosted three daytime series and has starred in many NBC-TV specials.

Ed has participated in many civic and community events throughout his career. In recognition of his service to his fellow man, Lowell Technical Institute is awarding him an honorary degree as well as making him a member of the alumni association. In addition, the class of 1975 salutes him as an honorary member.

This Octoberfest is the third of what is becoming a series of events that bring people back to their cultural heritage at the site where the industrial revolution in this country came of age—the site which will soon be incorporated into an urban cultural park. Mr. Speaker, I welcome home this weekend, Ed McMahon, native of Lowell, to be honored by his friends and admirers.

THE VOTER

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. HAMILTON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include my Washington Report of October 2, 1974, entitled "The Voter":

THE VOTER

As I walked down the street in a small Indiana town, one man said to me, "I vote for every candidate of my party—a straight ticket—and I always have. It's the only way." About 20 paces down the street I encountered a second person, who said, "I split my ballot, and vote for the candidate, not the party. That is the only way to assure we get the best qualified candidate."

In the mysterious workings of American democracy neither of these persons is wrong and both may be right. A good argument can be made to support either view.

The straight ticket voter reasons something like this: (with appreciation to Clinton Rossiter for a few borrowed phrases) There is no America without democracy; there is no democracy without politics; there is no politics without political parties; and there are no political parties unless some people are loyal to the party and faithfully support it with time, talent, and treasure.

Generally, such a voter sees the political party playing a central role in the functioning of a democratic society because it controls, directs and brings into the open the struggle for power, serves as an immense personal agent to put forward candidates for office, helps make public policy, and educates the American public on issues He sees the vitality and strength of a political party as an essential aspect of American political life, and he can "vote it straight" with a clear conscience and sound conviction.

But so can the independent voter. Today, relatively few Americans vote for only one party. Most Americans value their independence, and they often change their minds about candidates, cross party lines, and split their tickets. Every politician knows that the habit of independence among voters is growing, that party lines are becoming blurred, and that party affiliations count much less than they once did. The independent voter reasons simply that the way to get good government is to have good office holders, and the best way to get good office holders is to elect the best candidate to the office, without regard to party label.

The straight ticket voter must make a special effort to be fair and openminded, and the independent voter must make a special effort to decide how to vote. But neither need apologize for his manner of voting.

What follows are a few suggestions for the independent voter on questions he might ask in determining how he will vote.

(1) Is the candidate a person of integrity and character? The founding fathers of this nation saw an essential connection between good government and good character. They knew something more was needed to preserve ordered liberty than a perfect plan of government. They knew the people and their representatives needed moral principles in order to keep the government they had constructed working. Perhaps more than in previous elections, voters in 1974 are seeking candidates with character and honesty.

(2) Does the candidate understand the issues? One survey of voter attitudes found that the single most important factor in determining how voters select a candidate is whether or not they feel the candidate understands the issues. The beginning of wisdom in politics today is to realize the complexity of the problems before the nation. Some candidates want to ignore them, or propose simple solutions to them when there are none, or merely recite them, as if that were enough. It is heartening to see voters recognizing that politicians deal with an enormous variety of complex and tough problems, and requiring of them, not expertise in each field, but sufficient understanding of the essentials of each problem that they can usually make sound judgments.

(3) Does the candidate try to deal seriously and constructively with the issues? Anyone can be against or toss around easy slogans. But people today, as they look at the qualifications of a candidate, want to know if the candidate is a problem-solver or merely a part of the problem.

(4) Does the candidate have the commitment and the ability to get things done? Obviously, it doesn't help much if a candidate of good character understands the issues and is willing to deal with them constructively but doesn't have the ability to get things done in the decisionmaking processes of the country.

(5) Do I agree with the candidate on most issues? The voter may be conservative or liberal, isolationist or internationalist, left wing or right wing, anti-government or pro-government, or he may be a one issue voter. Under our system each voter has the right to select and vote for the candidate whose views most nearly correspond with his own. With the wide range of issues today, a voter cannot reasonably expect to agree with a candidate on every issue, but he can expect to find a candidate who generally fits his approach to the issues.

American democracy allows the voter to choose whether he will be a party-line or independent voter, and, if the latter, how he will choose his candidate. These decisions make the system work, and it is part of the genius of this system that it permits either approach.

BIG THICKET

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. STEELMAN. Mr. Speaker, the vote to approve the House-Senate amendments on the Big Thicket National Preserve fulfills the dreams of many Texans and environmentalists nationwide.

And, although this legislation does not represent all of the provisions many of us fought for so long, it does preserve 84,550 acres of an area only 100 years ago that was over 30 times this size and is referred to by scientists as the "biological crossroads of North America."

This is a tribute to many people and certainly one of the leaders is the former Senator from Texas, Ralph Yarborough. Senator Yarborough fought long and hard in the other body to protect this area. Thanks to the Big Thicket Coordinating Committee and many individual environmental groups the Big Thicket will now be preserved and signal a new era in the National Parks Service system.

Known as a preserve, the Big Thicket will not only be available for outdoor recreation but will serve as a scientific and educational living laboratory so students of various disciplines can observe this area unique to the United States—a mixture of zoological and botanical life both temperate and tropical, western and eastern.

Mr. Speaker, many of us feel very firmly that the legislative taking provision in the House bill was best since it would save money in the long run, be most fair to landowners, and immediately save an area being decimated at an estimated rate of 30 to 50 acres a day. However, the intransigence on this point by the Senate led most Texans and the House Interior Committee to the conclusion that our primary goal of preservation must be realized this Congress and legislative taking would have to be given up for now. Therefore, I am happy to see at least a provision calling for the Secretary of Interior to draw up a plan within 1 year, detailing an acquisition schedule to be completed 5 years thereafter. Of course, this can also be supplemented by the Secretary filing a declaration of taking on any area under immediate danger and I plan to review carefully any possible deterioration of the units designated in this legislation and ask the Secretary to move expeditiously to insure the integrity of this preserve as described in H.R. 11546.

Mr. Speaker, this body is to be commended for passing strong and unique environmental legislation, the Big Thicket National Preserve. But most importantly, I believe we should salute hundreds of environmentalists, most from Texas, but many from throughout the United States, who spent thousands of hours of their own time and thousands of dollars of their own money in the realization of this dream. It is as a result of their painstaking work and substantial sacrifice exploring, studying, protecting, and publicizing the Big Thicket that this new environmental concept came into being.

A LETTER RECEIVED FROM MR. U SAM OEUR

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. LANDGREBE. Mr. Speaker, I recently received a letter from Mr. U Sam

Oeur, the delegate of the Khmer Republic to the General Assembly of the United Nations, informing me that the Republic is facing great difficulty in retaining its seat in the General Assembly of the United Nations, because of the pressure and threats of the Communists within and without that organization. In response to Mr. U Sam Oeur's letter, I addressed a letter to Mr. John Scali, the Representative of the United States to the United Nations, asking him to do everything in his power to protect the seat of the Khmer Republic in the United Nations and the freedom and independence of the Republic as well. I have received the assurances of Mr. Scali that he will do everything in his power to support the Khmer Republic.

But Mr. Scali's efforts are not enough. I believe that the Members of Congress ought to know the urgency of the situation of the Khmer Republic, which is now the frontline in the battle against the Communist imperialism in Southeast Asia. Not only do these people face the Communist diplomatic threat in the United Nations, they also face the Communist military threat in their own country. As Members of the Congress of the United States we ought to appreciate the valiant struggle against communism that is being waged by the people of Cambodia and do what we can to protect not only their seat in the United Nations, but also their independence from the Communist Empire.

Let us all respond to the request for help from the Khmer Republic and use the vast moral, diplomatic, and political power of the United States to insure the survival of freedom in Southeast Asia and particularly in the Khmer Republic.

VIRGIN ISLANDS EDUCATOR HONORED

HON. RON DE LUGO

OF THE VIRGIN ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. DE LUGO. Mr. Speaker, it is a pleasure to insert in the RECORD two newspaper accounts of a testimonial banquet honoring Mrs. Juanita Gardine, an outstanding Virgin Islands educator, and a distinguished civic leader. Mrs. Gardine's motto is "Always remember: Strive for perfection in all things," and her career is the proof that she has done just that. The women of the Virgin Islands have made exceptional contributions to our development and well-being as Mrs. Gardine's service to her community so dramatically illustrates. Her life is an inspiration for all and the recent fete in her honor is a measure of our gratitude and the esteem in which we hold her. The articles follow:

[From the Daily News, Sept. 25, 1974]

EDUCATOR HONORED AT ST. CROIX FETE

CHRISTIANSTED.—Her motto is "Always remember: Strive for perfection in all things."

And according to those who gathered recently to honor her, Juanita Constantia Forbes Gardine has taken that motto to heart in her years of service to the Virgin Islands.

A native of Christiansted, Mrs. Gardine has long been active in St. Croix in the fields of education, civic activities and church work.

Mrs. Gardine was educated at the Christiansted Public Grammar School and attended most of the seventh grade at the junior high school before moving to New York.

She stayed in New York until 1934, earning a bachelor's degree from Hunter College.

When she returned to St. Croix, she began her long climb up the educational ladder, starting as a fifth grade teacher at the Christiansted Public Grammar School.

Mrs. Gardine later served as assistant principal and principal of Christiansted High School, principal of Frederiksted Junior High School, assistant superintendent of education, dean of community colleges, and supervisor of statistics.

In the midst of this work, she spent four summers—from 1937 to 1940—studying at Columbia University's Teacher's College for her master's degree in teaching mathematics.

Her most recent position in the Department of Education was as principal of Christiansted Public Grammar School, a job she held from 1963 until August of this year.

Despite her heavy working schedule, Mrs. Gardine has found the time to take an active role in St. Croix community affairs.

Currently she is president of the Christiansted Business and Professional Women's Club, chairman of the Supervisory Committee of the Credit Union, a member of Episcopal Church Women and a member of Women of St. John's Church.

She was once president of the Teachers' Association, president of the Municipal Employees' Association, president of the Mental Health Association, secretary of the American Red Cross Board of Directors, president of the Women of St. John's Church, board member of Episcopal Church Women, secretary of the School Health Committee, and secretary of the State Federation of BPW Clubs.

The testimonal dinner for Mrs. Gardine, held recently at the Beach Hotel, drew a star-studded list of speakers, including Gov. Melvin H. Evans and Commissioner of Education Harold C. Haizlip.

[From the Virgin Islands Post, Sept. 29, 1974]

JUANITA GARDINE HONORED IN CEREMONY

Juanita Constantia Forbes Gardine, a native of Christiansted, St. Croix, attended Christiansted Public Grammer School and the seventh grade of the Junior High School. She went to New York in 1925 and attended Harriet Beecher Stowe Junior High School, Wadleigh High School and Hunter College earning the B.A. She returned home in November 1934 and in December 1934 started to teach for a teacher, who became ill, in the fifth grade of Christiansted Public Grammer School. Since there was a great need for a mathematics teacher she was transferred to Christiansted High School in the Junior Division. She later taught in the Senior division.

During the summers of 1937, 1938, 1939 and 1940 she studied at Columbia University in Teachers College and earned the M.A. in the teaching of mathematics in 1940.

She remained at Christiansted High School until June 1941. Before leaving she acted as Assistant Principal for the last half year since the Principal had resigned and the Assistant Principal had gone away. The Superintendent was Acting Principal but was not at the school very long so she was practically in charge.

In September 1941 she was made Principal of Frederiksted Junior High School teaching Mathematics and Geography where she remained until 1947. In September of 1947 she went to live in New Jersey but returned home in February 1948, but did not return to the Education Department in St. Croix until September 1948. In New Jersey she was a substitute teacher of Mathematics, Physics and English.

In St. Croix, she returned to teach at Christiansted High School being the home-room teacher of the 12th grade teaching English and Mathematics to that and other classes.

In January of 1949 she was appointed Assistant Superintendent of Education. However, since no replacement could be found for the High School she remained there until March doing both jobs. She continued as Assistant Superintendent with duties of Supervisor of School Lunch and Elementary Schools until 1955 when the two municipalities were made one with one Commissioner and Assistant Commissioner. She was then made Dean of Community Colleges which title was held for two years but funds ran out and she actually went back to supervising elementary schools.

In 1957 she was asked to become Principal of Christiansted High School which position she held for a year. She taught evening classes in Mathematics for Catholic University of Puerto Rico Extension in St. Croix.

In 1958 she was asked to organize the Statistics Department for which a Federal Grant was available. This position was first Supervisor of Testing and Statistics and later Supervisor of Statistics only. Part of each month was spent in St. Thomas since this was necessary to do the work for all three islands.

There was some disagreement with Dr. Sanchez, the Commissioner of Education, and she resigned from the Department in 1961 and a few months later became a Social Worker in the Department of Social Welfare.

In 1963 (September) she went back to the Christiansted High School as a remedial teacher but was asked by Dr. Richards, who was then Commissioner, to take over the Principalship of the Christiansted Public Grammar School. That position she held until August 20, 1974.

In 1960 she went to New York University and was matriculated for 6th year degree. Courses were taken here under the New York University Program. Thirty-three credits were earned from New York University. Three credits were earned by correspondence from the University of Chicago and six credits in Special Education under two professors from Cheyney College during the summer of 1967 in St. Thomas.

At present she is a member of the American Statistical Association and National Association of Elementary School Principals, National Federation of BPW Clubs, Inc. and State Federation of BPW Clubs.

Locally she is President of Christiansted BPW Club, Chairman, Supervisory Committee of the Credit Union, Member of Episcopal Church Women and Women of St. John's Church.

She was once President of the Teachers Association, President of the Municipal Employees Association, President of the Mental Health Association, Secretary of the American Red Cross Board of Directors, President of the Women of St. John's Church, Board Member of Episcopal Church Women, Secretary of the School Health Committee and Secretary of the State Federation of Business and Professional Women's Clubs.

She hopes to work part time at the College of the Virgin Islands and do some traveling when possible. Her interest will always be in the education of the children of the Virgin Islands. But to date only few * * * have been thrown in honor of one who has done outstanding work among the children of these islands.

Last weekend's testimonial banquet organized for veteran St. Croix educator Mrs. Juanita Constantia Forbes Gardine, at the Beach Hotel on St. Croix was one of those few.

Despite intermittent rains, hundreds of friends, co-workers and students of Mrs. Gardine turned up to honor this grand old lady of V.I. Education, returning some of the friendship she had given over her 40 years working in the Education system of this island.

Heading the impressive list of speakers was Governor Melvin H. Evans, who told Mrs. Gardine "if there were many more like you today, the world will be different." Also addressing the gathering were Education Commissioner Dr. Harold Haizlip, St. Croix' acting Administrative Assistant, Rudolph Shulterbrandt; Mrs. Elena L. Christian and special guest speaker Dr. Elam Hertzler, Special Assistant to the U.S. Commissioner of Education in Washington, D.C.

The speeches refreshed the minds of many as to the type of teacher Mrs. Gardine was, devoted and dedicated, never giving up in spite of the constant struggle which began way back when it was work without pay and funds running out.

The guest of honor received very many gifts but one of the most remarkable and most lasting was the naming of Christiansted Grammar School in her honor.

In her remarks to her guests, Mrs. Gardine said, "I did it all through these years, because I wanted to." She explained that was the reason why she kept on coming back although there were so many hardships, and yet today she emphasizes "I have no regrets."

She said she hoped to work a little at the College of the Virgin Islands because her interest will always be in the education of the children of the Virgin Islands.

Mrs. Gardine has four children, three of which are presently working in the mainland and the other is a teacher at the school.

DUBIOUS ACHIEVEMENT

HON. ROBERT P. HANRAHAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. HANRAHAN. Mr. Speaker, a spending and inflation index has recently been compiled by a group called the Connecticut State Taxpayers Association. They are checking the votes of the U.S. Senators and Representatives. It might be of interest to my colleagues, this group notes those who do not just talk about fiscal economy but actually vote for it. I wish to insert the following Wall Street Journal article:

[From the Wall Street Journal, Oct. 2, 1974]

DUBIOUS ACHIEVEMENT

A group calling itself the Connecticut State Taxpayers Association is on to something, judging from its press release that crossed our desk recently. Instead of limiting its concern to state issues, as in the past, the nonpartisan organization has compiled a unique Spending and Inflation Index.

The way it works, the association analyzed 15 votes in the U.S. Senate and 15 in the House of Representatives, encompassing such things as public works, foreign aid and mass transit subsidies. According to the association's calculations, the 123 Congressmen who voted for every measure voted in effect to spend more than $10 billion, a figure representing about two-thirds of this year's federal deficit. They, along with 36 Senators, were given the association's "Most Inflationary Politician of 1974 Award."

Obviously, votes on issues are not really as cut-and-dried as all that. It's possible to fashion good arguments for most of the 30 proposals in question. Still, the politicians who qualify for the association's award are the most part precisely those any reasonably informed follower of public affairs would expect. Moreover, we see no good reason why the Connecticut group shouldn't rate Congress by its own fiscal yardstick when the ADA, ACA, AMA, NEA, COPE, and others rate Congressmen according to how closely they adhere to organizational policy lines.

But there is a more important reason why a "Spending and Inflation Index" strikes us as potentially useful. Political democracy is so constituted that the legislators who are most often forced onto the defensive are those who oppose excessive spending and who favor balanced budgets—that is, those who don't just talk about fiscal economy but actually vote for it.

There are exceptions, to be sure. Certain congressional districts, even an occassional state, will send a fiscally conservative delegation to Washington. And there are signs the public no longer looks with quite the same favor upon big spenders. But by and large, constituencies are built and maintained by voting to spend more and more on bigger and bigger programs. Few politicians ever lost votes by dipping their fist into the congressional pork barrel.

In short, a big spender, who claimed to be motivated by "compassion" could usually prevail over a skinflint opponent who put "budgetary concerns above social needs." But political compassion would probably take on a far different light if it came equipped with some sort of reliable price tag.

FLORIDA PROFESSOR HELPS OTHERS TO HELP THEMSELVES

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. FUQUA. Mr. Speaker, the Bennett family of Florida is a proud family. Diligence and integrity have been watchwords for those who know the family and so it is no surprise that a current generation of brothers carry on a proud tradition.

All of my colleagues know of the service which has been rendered by our friend and colleague, CHARLES E. BENNETT, in the U.S. House of Representatives. No man is more highly respected.

What I want to do here is to pay tribute to another Bennett, his brother, who has carved out a distinguished record of service in the academic world and in service to his fellow man.

Dr. Robert E. Bennett teaches chemical engineering at the University of Florida in Gainesville, Fla. I am proud to represent that institution in the Congress, and I am particularly proud to pay tribute to a gentleman who has made such lasting contributions as Dr. Bennett.

I think a recent article in the Gainesville Sun, written by student journalist Randy Bellows, says what should be said.

Needless to say I am proud of Dr. Bennett and doubly proud that I have been privileged to serve for 12 years with his brother here in the House. As I said at the outset, this is a tremendous family and mankind is richer because of their unselfishness:

PROFESSOR AT UF HELPS OTHERS HELP THEMSELVES

(By Randy Bellows)

Belohorizonte, Brazil, may never know it but Northeast Gainesville is in its debt.

Ask Robert Bennett about it. He'll only be too happy to explain.

It was 14 years ago when Bennett first stepped on Brazilian soil. The University of Florida professor of engineering had been invited to organize and begin a chemical engineering department at one of the nation's universities.

"I had read a great deal about Brazilian poverty in North American newspapers and was anxious to see what it was like in Belohorizonte where the school would be," says Bennett.

What he found was a community gently protected by almost "perfect" weather which was its own shelter.

"I got back to Gainesville in 1962, looked around and immediately noticed the difference," Bennett, who at 64 proudly proclaims that he still takes the steps "two at a time," continued.

"Gainesville didn't have Brazil's weather and because of it many parts of the city has housing worse off than in Brazil itself. I decided that since I couldn't help my good friends in Brazil, I'd spend my time working in Gainesville."

And thus began, precisely a dozen years ago, a neighborly love affair between Dr. Robert B. Bennett—chemical engineer, handyman, bricklayer, banker and entrepreneur—and a tidy piece of turf called Northeast Gainesville.

The clippings lay on his desk in an uneven, jagged pile but it takes nary a moment for Bennett to zero in on the right one.

"Here it is," he proclaims. "Look at this."

His target is a fading photocopy of Look Magazine's article announcing Gainesville's selection as an All-America city. But his particular target is the lead picture—that of Dr. Robert Bennett before an aging Gainesville resident, with the caption: "A College Town Where Everybody Gets Involved."

And for Bennett, that's what it's all about.

For the past 10 years—on weekends, after class, late at night—Bennett has become both the father and son of an "adopted" community, the area in and around the Northeast's Bartley Temple, 1936 NE 8th Ave.

For one day, almost every week, he sheds the garb of a university professor, dons workman's clothes, and goes to work helping Northeast Gainesville to build—and rebuild—itself.

He has torn down houses, patched up bathroom floors, laid concrete porches and dug fences. He's gone to bat for family services, found medical care for the community's residents and become a won't-be-denied citizen advocate when needed services were not forthcoming.

And so when sewer hookups became a Gainesville reality, it was not completely surprising that he poured $2,000 of his own money into an informal network of long-term, no-interest loans. Loans made on trust; loans paid on trust.

His is a unique situation, a fact he bemoans. But he quickly adds that his work is not charity, but the opportunity for a community to gain a sense of confidence all its own.

"I will never take on a project unless the family agrees to work with me," he says. "They may only mix the mortar or hand me the tools but they have to be part of it.

"And soon they can do the work on their own. They know how to use the tools but more importantly they have the confidence to know they can make something work.

"And the loans—not only does it give them a chance to buy things they otherwise might not be able to get, but they learn to manage their own affairs," he said.

But "helping them to help themselves"—a phrase Bennett also has adopted—takes time and takes trust and takes money and that is what Bennett bemoans: that more individuals have not done it.

"Every now and then I'll get a group of students or some other people to come out on a project with me. They'll come out one day and never come back. They say they've done their part.

"But have they?"

Bennett had really no idea what he was getting into 10 years ago when he first joined the Coordinated Council of Concerned Citizens—a group of Gainesville residents.

"I didn't really do much in the group itself. Not as much as the others. But I met people there who said, 'Hey, you're an engineer, do you think you can help with our houses?' "

Bennett, although lamenting that he was just an amateur, agreed to try. Laughing today, he tells of the very first job:

"This family had a rotten bathroom beam. I had to get an 8-ton jack to prop up the house and put in a new beam. It's still the toughest job I've had to do."

But the others have been none too easy either.

"I got a request one time to see if I could get some concrete blocks for a Newberry church. I found two abandoned houses and the owner agreed to let me take it apart and use the materials.

"At first I just wanted the blocks. But soon there were people all over, wanting to help me take down the houses, and use the materials.

"I went home and got every tool I had and gave it out mostly to kids and teen-agers who wanted to help. We ended up using the metal roof to patch up one house, the lumber on another and the concrete bricks to build porches, steps and to put under other houses.

"Oh, the church decided it didn't want the bricks after all. They wanted to do it alone."

And so it goes. But by far his most ambitious effort has been in financial aid to the community's residents.

Beginning simply as an informal way to help a dozen people pay for their sewer hookups, Bennett estimates that he has now loaned out some $4,000 since late 1969.

And it hasn't all gone for sewers either: Refrigerators, second-hand trucks, tools, bathroom installations, fencing material—"I could go on all day," he says. All have been paid with Bennett's financing.

Often the money does not come back very quickly. Rather, it is usually torturously slow in returning to Bennett's wallet—$5 a week for some, $15 a year for others.

"But in the end I've gotten it all back," he says. "I haven't lost a dime. And you know why? It's because of trust. When these people find they can trust you, you find you can trust them.

"And once you get to know these people, you could never find a better friend."

That's part of the reason Bennett does it. But there is more. There is something else.

"People need to see results from what they do," he explains. "A man publishes a book—it takes a long time before the letters and reviews start coming in.

"But this work is different. It is so gratifying to see the immediately good results that come from this. To feel that you've really helped someone, even to only help repair the door."

And that's why—although Bennett sits on any number of community service communities—his biggest joy comes from "seeing things done, from getting out there and working with the people."

And although he's going on 65, he is not yet ready to stop.

Spritely and agile with thin, wire rimmed glasses (the original kind), he explained: "The longer I do it, the longer I'll be able to do it. I expect to keep it going as long as I'm here and am physically able to do the work.

"For you see, it's the human reaction that counts, that's most important. The chemical reaction and physical reaction are nice. But it's the human being that is the most puzzling. And the most satisfying."

And with those words the University of Florida professor of chemical engineering turned back to his work; ordering some equipment for the chemistry lab.

BUREAUCRATIC CASE FOR ZOOS?

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. SPENCE. Mr. Speaker, a recent column by John Chamberlain has generated much interest in legislation pending before Congress which would have an impact on the Nation's zoological parks. I understand that the column appeared in more than 100 newspapers throughout the country.

In his column, Mr. Chamberlain quotes at length from observations made by Mr. John Mehrtens, director of our very fine Columbia Zoological Park which is in my congressional district. Mr. Mehrtens is widely known and highly regarded in zoological circles throughout the Nation and his views merit careful consideration. They will also be of great interest and I would like to share them with my colleagues. I am therefore happy to include as a part of my remarks the article by Mr. Chamberlain which appeared in the Chicago Tribune of Tuesday, September 17, 1974. The article follows:

BUREAUCRATIC CASE FOR ZOOS?

(By John Chamberlain)

There is a move on in Congress to federalize the zoos. Now, really!

The idea, of course, is well meant. But if the wild animals of North America could be interviewed on the subject of the federal government as nursemaid, one would surely be deafened by a hideous concatenation of yelps, screeches, yowls, and barkings, all sounding their objections.

The noble Department of the Interior, is supposed to be the keeper of wildlife on public lands. But not so long ago it was planting something called "1080" in explosive cartridges. Topped off with bait, or an appealing scent, the cartridge would be nibbled at by a coyote. The explosive would drive the "1080" down the coyote's throat and he would die in agony.

Livestock owners can make a good case that the coyotes are vermin, but the trouble with "1080" is that it also appealed to kit foxes, bobcats, pumas, and even domesticated dogs. Hoping to find a less indiscriminate killer, Interior has substituted sodium cyanide for "1080." But the kit foxes and pumas are, according to disinterested reports, still dying along with the coyotes.

The Golden Eagle supposedly counts on our Washington nursemaids for survival. But if a rancher shoots a Golden Eagle over his own acres from an airplane on the theory that his calves are endangered, nothing is done about it.

The reason for protecting sheep and cattle from wild predators is economic and is not to be condemned out of hand in a world that is short of protein. But what the history of federal coyote control proves is that Washington is always subject to pressure groups. Only a dictatorship could change that, and who wants a dictatorship? If the zoos of the nation were to be federalized, the humane societies would surely dominate the pressure on whatever zoo bureacracy happened to be set up by the White House.

Well, what would be wrong about that? Let John Mehrtens, who runs the very successful Columbia Zoological Gardens in Columbia, S.C., tell you what is wrong.

The average save-the-animals American, he says, is a biological illiterate, and his reaction is always emotional. This illiterate deplores it when a cheetah is taken from its native habitat in South Africa, or when an Indian tiger is wrenched from his home in the Indian jungle. But the truth is that, in the not so distant future, the cheetahs and Indian tigers may very well owe their existence to protected zoo breeding banks.

"Habitat destruction," says Mehrtens, "is remorseless everywhere, and in South Africa the cheetah is regarded as vermin to be exterminated."

The Mehrtens' statistics are ominous. A few years ago there were 40,000 tigers in India; today the number has dwindled to 1,800. There are more registered Siberian tigers in zoos than in the whole of Siberia. The last wild Balinese tiger was recently shot by a poacher. So the Balinese tiger is now extinct simply because nobody had taken a pair out of their native habitat for a Western zoo. One of three orangutans are now born in captivity, as are two of every four gorillas. As for the African lion, 50 years hence he will be lucky to be living a game park.

Mehrtens' point is that zoos are merciful as well as useful, provided, of course, they are well run. In a period of inflation, Congress, tho it would surely be responsive to the emotional pressures of the humane societies, would hardly be willing to provide money to make the zoos better or to build up their breeding banks of endangered species.

Rather than have a timorous and poorly funded Washington bureaucracy running our zoos for the 103 million people who visit them in a year, and doing the usual sloppy federal job of it, Mehrtens would have the American Association of Zoological Parks and Aquariums take the responsibility for the animal show much as the doctors and the lawyers provide professional competence for their own ranks.

Washington has run the U.S. currency into the ground, devastating thousands of human beings. Why, then, should it be trusted to keep the animals happy?

GILMAN SEEKS FREEDOM FOR UKRAINIANS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. GILMAN. Mr. Speaker, in the interests of expressing our Nation's humanitarian concern, I am today joining several of my colleagues in cosponsoring a concurrent resolution with the Senate seeking the freedom of two imprisoned Ukrainians, Valentyn Moroz, a 38-year-old historian, and Leonid Plyushch, a 34-year-old mathematician.

These two prominent Ukrainian intellectuals who are incarcerated in a prison near Moscow, are reported to be subjected to extreme physical harm because of their protests against the inhumane and illegal conditions of their confinement and for their continued pleas for constitutional rights of national identity, national language and freer cultural expression. Valentyn Moroz began a hunger strike in protest against solitary confinement on July 1 and his condition is reported to be deteriorating rapidly.

I am appealing to my colleagues to join in supporting this resolution of congressional concern to bring international cognizance that by these transgressions the Soviet Government and the Ukrainian SSR are in flagrant violation of the Universal Declaration of Human Rights to which they are signatory parties.

This resolution, expressing our desire to apply the standards of human justice and human rights so common to all of us, urges the President to use appropriate means to request the Soviet Government to release Mr. Moroz and Mr. Plyushch, permitting them and their immediate families to emigrate from the Soviet Union to the country of their choice.

Our Nation must continue, with relentless resolve, to safeguard basic human rights for the suffering and for the persecuted, wherever they may be found.

TAX REFORM VIA FOOLPROOF MINIMUM INCOME TAX

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. JAMES V. STANTON. Mr. Speaker, pursuant to an appointment by you, which I greatly appreciate, I attended last week a couple of the warm-up sessions preceding President Ford's economic "summit" conference. I would like to report back to Members of the House an important point I raised there, because I believe it is one that has not been given in this Chamber the attention it deserves.

I sat through a briefing by officials of the Office of Management and Budget and the Council of Economic Advisers who, unfortunately, appear to feel that the main road out of the economic mess we find ourselves in is through cuts in the Federal budget—no matter what the human cost.

These officials did not seem at all concerned with the fact that budget cutting would have the effect of curtailing existing domestic programs, such as in the areas of health and pollution, and precluding the promulgation of much-needed new programs in these areas.

If fiscal stability is one answer to our economic problems, then, I submit, there is another way to achieve this goal. An alternative to cutting Government spending is to increase Government revenues, and this we can accomplish through meaningful and effective tax reform.

Whenever we try to achieve tax reform in this Congress, we find ourselves bogged down at every loophole, battling special interests tooth and nail at every comma and semicolon. I submit, Mr. Speaker, we can avoid much of this strife and find a shortcut to tax reform by making an end run around the loopholes.

The way to do this, it seems to me, is to enact a foolproof minimum income tax with no escape hatch for wealthy individuals who manipulate their investments in such a way that they are left with tax-free incomes.

Last year, Mr. Speaker, as our distinguished colleague, the Honorable Brock Adams has already pointed out to us, 402 Americans with incomes of $100,000 a year or more paid no income taxes at all. Because of situations like this, we enacted a so-called minimum tax in 1969, before I became a member of this body. The idea was to make sure that everyone would pay his fair share of the cost of the Government. But it turns out now that even the 1969 provision in the code is full of loopholes. We have had enough time to close them, and there is no excuse for us to wait any longer. We ought to have action on H.R. 968, the Tax Reform Act of 1973, which so far has got nowhere. Introduced by our learned colleague, the Honorable Henry Reuss, this bill numbers me as one of its many cosponsors. It contains a title VIII which concerns itself with the minimum tax.

I realize that our Ways and Means Committee has been holding hearings on this very important topic, and I urge its members to follow through with some concrete legislative proposals. This could be a very worthwhile undertaking because I have seen estimates which hold that we could pick up as much as $4 billion in additional revenues annually by restructuring the minimum tax.

This would not only be profitable; it would be fair.

To encourage discussion of this issue, I append here, as an example of what could be done, an excerpt from the testimony of tax authority Kenneth A. Goldman, who appeared recently before the Ways and Means Committee. I recommend to my collagues, Mr. Speaker, that they closely peruse the portion of the testimony which follows:

EXCERPT FROM THE TESTIMONY OF KENNETH A. GOLDMAN

III. THE MINIMUM TAX

A. Rationale underlying the minimum tax

The "minimum tax for tax preferences" was enacted in 1969 as one response to the disclosure that 154 taxpayers with adjusted gross incomes in excess of $200,000 has paid no tax. Its objective was to bring within the tax base the principal items of income (direct or indirect) not taxed under the "regular" tax base. In particular, it was an attempt to achieve to some degree the following goals:

(1) Assurance that each person or corporation above a minimum income level contribute meaningfully to the costs of Government;

(2) Imposition of a significant tax on persons otherwise paying a relatively smaller share of taxes than those similarly situated;

(3) Reduction of the disparity of tax burdens among persons having similar economic incomes;

(4) Imposition of a meaningful tax upon those who accumulate so many tax preferences that they pay little or no regular tax;

(5) Increased revenue; and

(6) Reduction of the attractiveness of "tax shelter deals".

It is painfully self-evident that the minimum tax, as enacted, has accomplished virtually none of these goals. Let me emphasize however, that the failure is not due to the concept or structure of the minimum tax, but rather to some very specific inadequacies that are readily identifiable and easily corrected. As presently enacted, the minimum tax does not produce a meaningful tax contribution from those affected by Sections 56–58 of the Code. Consider, for example, a married individual whose income consists only of $300,000 of capital gains. His "regular" tax on this $300,000 would be $76,980 (an effective rate of 25.66%) and his minimum tax would amount to $4,302 (an effective rate of 1.43%). The minimum tax has resulted in less than 1½% tax burden! It is also interesting to note that the combined effective tax rate on this $300,000 is 27.09%; and a wage earner reaches a marginal rate of 28% at only $16,000 of taxable income and an effective rate of 27% at only about $32,000.[5] *In other words, the wage earner with $32,000 of salary pays taxes at about the same effective rate as an individual with $300,000 of capital gains income, even including the minimum tax as now imposed.* (This, of course, does not even deal with an individual earning tax-exempt income who pays no taxes whatsoever, since "tax preferences" do not include tax-exempt interest income.)

The examples appended to this statement demonstrate that even with the minimum tax, there is no equality of tax treatment for taxpayers similarly situated. Five individuals, each with a real income of $300,000, pay taxes at effective rates ranking from 0% to 60%. And for the three individuals who have income not included in the tax base, the minimum tax as now structured imposes tax at effective rates of 0%, 9% and 1.43%.

The minimum tax has had little effect on either the structuring or marketability of tax shelter deals. The volume of tax shelter syndications would appear to have markedly increased since 1969; and the effect of the minimum tax is typically discussed only briefly in a paragraph tucked in the back of a prospectus. One of the reasons for the lack of impact is the fact that few taxpayers are affected by the minimum tax. For example, a taxpayer having $100,000 of taxable income will not have to pay any minimum tax until he has more than $75,000 of stock option spread or realized more than $425,000 of capital gain.

It is thus evident that the minimum tax as presently imposed has not achieved the goals originally set. It is equally clear, however, that most of these goals can be achieved—or nearly achieved—in the framework of retaining those tax subsidies desired by Congress by making three specific changes.

B. The Minimum tax base

The basic theory underlying the minimum tax is to bring into an additional tax base those items of tax preference which Congress had intentionally decided should remain as subsidies in the "regular" tax system. It is not at all inconsistent to take the position that while certain tax subsidies are desirable, a taxpayer who takes advantage of such subsidies in an excessive amount or who reduces his tax contribution to a less than relatively meaningful amount should be required to include such excess in a tax base. The purpose is not to reduce the amount of the tax subsidy, except in those cases in which taxpayers take undue advantage of such subsidies through excessive accumulation.

To achieve a meaningful minimum tax the items of tax preference must be expanded to include all major tax subsidies. Only then can Congress assure the average taxpayer that no person or entity is reducing or eliminating his tax by excessive accumulation of such subsidies, and that persons with similar "real" economic incomes are bearing similar tax burdens. Out of the numerous subsidies granted through the Internal Revenue Code, only 9 items are included in the minimum tax base; and of these 9 items, only five[6] have general application. The other 4 items are important tax preferences, and must be recognized as such, but basically affect only specific businesses.[7]

To actually achieve what the average tax-

Footnotes at end of article.

payer thinks is achieved by "the minimum tax", the tax preference base must be expanded to include the following:

(1) *Tax-exempt interest income.*—To the extent that Congress subsides those persons who invest in municipal bonds, this is the clearest item of preference that should be included in the minimum tax base. As seen in the appended examples, the individual or corporation receiving $300,000 of real income from this source pays a tax of 0%, while his counterpart wage earner pays tax at an effective rate of 47.35% and marginal rate of 50%.[5] Even if the federal subsidy is reduced, as advocated in prior panel discussions, whatever subsidy remains should be included as a tax preference, unless the exemption is eliminated altogether.

(2) *Intangible drilling and development costs.*—The ability to expense that which investors in other businesses must capitalize is a clear and intentional tax subsidy. There can be no mistake that the advantages of both tax deferral and conversion of ordinary deductions to capital gain are tax preferences provided by the ability to expense intangible drilling costs. This preference is perhaps the single biggest factor relied upon by the numerous oil exploration tax syndications, and yet it is not included as an item of tax preference.

(3) *Foreign tax credit.*—Companies paying taxes to foreign governments are given a dollar-for-dollar credit against their U.S. income taxes;[9] whereas, taxpayers in the U.S. are given only tax deductions for taxes paid to state and local governments. This difference in treatment—and consequent tax subsidy—should be a tax preference.

(4) *Farm losses.*—As with expensing intangible drilling costs and the ability to use accelerated depreciation, current deductibility of most agricultural costs enable a taxpayer significantly to defer his tax. As is discussed later, the provisions in the regulations allowing current deductibility were originally promulgated to help small farmers avoid accounting problems. They have resulted, however, in the proliferation of giant farming syndications. Section 1251 was enacted in an attempt to correct this abuse. However, the provisions of Section 1251 do not deal with deferral, but only with conversion of ordinary income to capital gain. As in other areas, deferral here is clearly a tax subsidy and should be treated as an item of tax preference.

(5) *Appreciation on property donated to charity.*—By donating appreciated property to charity, a taxpayer is entitled to deduct from his income property and gain on which he paid no tax. The taxpayer has disposed of the property in an event which should trigger recognition of gain, particularly since the disposition gives rise to a deduction which includes the amount of the appreciation. This is unlike other taxpayers who dispose of appreciated property and pay tax on the appreciation. The failure to include this appreciation in the tax base, while still recognizing the appreciation for calculating the charitable deduction, is a direct tax subsidy.

(6) *Life insurance proceeds.*—Sizable amounts of "real income" are excluded from the tax base when received as life insurance proceeds. In many cases, these amounts are modest and in such event, would fall within the $30,000 floor; but in some cases, these proceeds can be quite significant, do represent untaxed income, and should be included as a tax preference.

(7) *Prepaid expenses not required for valid business purposes.*—As noted above, prepayments or accelerated deductions constitute a direct tax subsidy by providing a deferral of taxes. In some cases, prepayment of expenses is required by business conditions; and in such instances no federal subsidy is received. However, taxpayers often attempt to defer taxes by prepayment of expenses that ordinarily would not be paid until a subsequent year. The Internal Revenue Service has successfully attacked such attempts in some cases, but has ignored, permitted or been unsuccessful in others. For example, in numerous real estate tax shelter syndications, one year's interest is prepaid in reliance upon the leeway provided in Revenue Ruling 68-643. Typically, this is not a requirement of the lender. If a prepayment is permitted, and a tax deferral thus attained, the amount of the prepayment (where not required by business conditions) ought to be subject to the minimum tax.

(8) *Research and development costs.*—As with intangible drilling costs, the Code specifically permits research and development costs, which would ordinarily be capitalized for accounting purposes, to be currently deducted. This is a specific tax subsidy, grants a tax deferral to the taxpayer, and should be an item of tax preference. In this instance, it may be that the taxpayer has no income and therefore has a net operating loss; if so, the existing structure of the minimum tax would enable the minimum tax to be deferred until income is achieved or at least until the losses produced are able to be used against such income.

C. The rate of the minimum tax

The minimum tax is intended to impose a meaningful tax burden on items of income not otherwise included in the tax base. Its goal, accordingly, is to attempt to equalize the tax burden of similarly situated persons and to require most taxpayers to contribute meaningfully to the costs of Government. The *lowest* tax rate under the "regular" tax is 14%, and this rate applies to taxable income from $1.00 to $1,000. On the other hand, a person could have, for example, $300,000 of tax preference items and his tax rate on those preferences is only 10%.[10]

The existence of such a low rate of tax violates at least two principles and goals: First, it ignores the concept of a progressive income tax system. Second, rarely, if ever, does it impose a significant or meaningful relative tax burden. As seen in the appended example of $300,000 of capital gains, the minimum tax by itself results in a tax payment of only $4,302, or 1.43% of the $300,000 capital gains.[11] This is particularly egregious when one considers that the taxpayer who has been the recipient of a very significant subsidy from the government is making such a relatively small contribution toward its costs.

Accordingly, Congress should incorporate a sliding scale, progressive rate of tax into the minimum tax system. It would seem appropriate at least that rates equal to not less than one-half of the rates in the "regular" tax system be used; that is, from 7% to 35%. Only then can the average taxpayer believe that all persons are paying a meaningful amount of tax. If this suggested rate structure is effected, the $30,000 floor could be left intact so that the minimum tax would reach only those who accumulate a large amount of federal tax subsidies. Even then, I might point out, the tax subsidies intended and enacted by Congress would remain quite effective even for those who accumulated preferences in excess of $30,000 each year.

D. Deduction for taxes paid

Perhaps the most illogical and self-defeating part of the present minimum tax structure is the deduction allowable for "regular" taxes paid. The reason a minimum tax is needed is that the taxpayer has amassed certain items of income which he has not included in the regular tax base. These excluded items stand apart from, and in addition to, the items normally taxed. The reason the taxpayer is subject to the minimum tax is that his "regular" tax is too low in relation to his real income because of the tax preferences; to give him credit for this relatively low tax burden makes little sense. The tax on included income is simply unrelated to the tax on excluded items of tax preference.

It should be noted that at least one state—California—has enacted a minimum tax without the deduction for "regular" taxes paid. Even though the California minimum tax rate is only 2½% compared to the federal minimum tax rate of 10%, in a great many cases the California minimum tax liability is greater than the same taxpayer's federal minimum tax burden. This result is because of California's refusal to include the illogical deduction for regular taxes paid.

E. The $30,000 floor

Assuming that the changes advocated above are wholly or partially adopted, the $30,000 preference floor ought to be maintained at the same level. While there is no magic in that number, an individual accumulating less than that amount of tax preferences (particularly with an expanded base of tax preferences) has not abused the system of tax subsidies which presumably the Congress intends. The purpose of the floor is to exclude from the minimum tax the vast majority of taxpayers who have utilized only a relative small dollar amount of tax preferences. For example, an individual earning taxable income of $110,000 who has tax preference items of $10,000 still pays tax at an effective rate of $38.24% while the comparable $110,000 wage earner with no preferences pays an effective rate of 42.78%. Clearly, the minimum tax is intended to reach those who are paying taxes at a disproportionately low effective rate as compared with others similarly situated (as in the examples appended).

F. Stock options

The inclusion as a tax preference of the "spread" in stock options between the fair market value at the time of exercise and the exercise price is appropriate. However, the timing of the payment of the tax produces harsh results. This is the only tax preference item in which there is no item of realized income (or deduction from other realized income). Instead, the taxpayer must pay a tax on income he has yet to receive; and he may even be in a position whereby, under the Securities laws, he cannot dispose of the stock to pay the tax.

It would seem appropriate that the following correction be made: While the tax should be measured at the time the option is exercised, it should not be imposed until the stock is sold, exchanged or hypothecated. The price at which the stock is later sold, exchanged or hypothecated would be irrelevant. This structure for stock options would be similar to that now in effect for tax preferences incurred by a taxpayer in a year in which he has an operating loss; in such cases, the minimum tax is payable in any later year when the taxpayer has taxable income.

G. Effect on the maximum tax

Under Section 1348, the amount of earned income qualifying for the preferential 50% maximum tax is reduced by the amount of tax preferences in excess of $30,000. This interrelationship is important, and should be retained. The maximum tax is a preference itself, and its benefits should be reduced to the extent the taxpayer benefits from tax preferences within the regular tax system. Although it could be said that the minimum tax is thus having a double effect this would not be a logical conclusion. The tax preference will still reduce the amount of tax due under the regular tax system—although not to the same extent if the maximum tax had been available—and should accordingly be retained in the minimum tax base, as is the case under the present structure. The interrelationship of Sections 56 and 1348 should therefore be left unchanged.

FOOTNOTES

[5] This assumes, for purposes of comparison, that the two taxpayers have no deduc-

tions or exemptions from gross income other than the capital gains deduction.

[6] These are accelerated depreciation on real property, accelerated depreciation on net leased personal property, stock options, depletion and capital gains.

[7] These are special amortization of pollution control facilities, special amortization of railroad rolling stock, bad debt reserves for banks, and special amortization of job training and child care facilities.

[8] These rates assume the applicability of the maximum tax on earned income and would increase to 60% and 70%, respectively, if the maximum tax were not applicable.

[9] Within the limitations imposed under Section 904.

[10] Actually, the rate is less than 10% because it applies only to tax preferences above the $30,000 floor. Thus, for example, the minimum tax on $300,000 of total tax preferences equals only $27,000, or 9%.

[11] This is due principally to the offset for "regular" taxes paid, the $30,000 floor, and the 10% rate.

PUBLIC DOCUMENTS ACT

HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mrs. GRASSO. Mr. Speaker, last month's agreement through which the GSA acknowledged former President Nixon's ownership of all his Presidential papers has generated criticism from Congress, academia, and the media. Along with some of my colleagues in the House and thousands of fellow citizens throughout the Nation, I emphatically disagree with this decision and believe it must not be allowed to happen again.

As the Hartford Courant noted in a recent editorial, Presidential papers "belong to the public insofar as they relate to the public's business; the exceptions would include letters of personal nature, written or received by the President or members of his family." To grant exclusive control over the papers of any former President to that individual is contrary to the public interest.

A great deal has been written in recent months about the right of former Presidents to their public papers. In the past, these papers were removed at the conclusion of a President's term, and either destroyed, stored, or donated. Over the past 185 years, the precedent of George Washington has become tradition. Yet, as Prof. Arthur S. Miller, of George Washington University, has pointed out:

> There is no Supreme Court decision on this point. Nor is there any statute that expressly states that Presidents have legal title to White House documents. . . . The question of title to White House documents has never been examined by Congress.

Mr. Speaker, in light of recent developments, it is imperative that the Congress deal with this situation. Congressional scrutiny, however, should not be limited to Presidential, or even Vice Presidential, papers. It must encompass the public papers of all publicly elected Federal officials—the Members of the House and of the other body inclusive.

Our papers are valuable to the people of this Nation, because of the nature of our office. As public servants, we conduct the public's business. Our papers have been prepared by people on the payroll and should ultimately become the property of the public. Article IV of the Constitution gives Congress the power to "make all needful rules and regulations respecting the—property belonging to the United States." In my estimation, the public papers, documents, files, et cetera of elected Federal officials are property of the United States and should be treated as such.

Consequently, I am introducing the Public Documents Act of 1974. The bill stipulates that the correspondence, films, and other material of an elected officer of the United States shall be transferred to the Administrator of General Services within 180 days of that official's leaving office. A President, Vice President, Senator, or Member of the House, Delegate, or Resident Commissioner would relinquish personal control of those documents which were prepared in connection with his or her office and which would not have been prepared had that person not held elective office. Failure to comply with the law would constitute a violation of the Criminal Code. In the past many officials have deeded or transferred their papers to universities, or to State or private libraries, and my bill would allow this practice to continue.

In speaking of former President Nixon's papers, the Hartford Courant stated:

> The public also has the right to the clear record of the Presidency, whether that record be inspiring or depressing, whether it is an example to be followed or avoided by future Presidents.
>
> That record is the ultimate transcription, most important record of the highest and, hopefully, the most respected office in the nation. It must be preserved: the public has the right to know the news of the present administration, and the historic record of past administrations, however they served the people.

This sentiment is held by many of my constituents and, undoubtedly, by millions of other Americans throughout our great country.

A public office is indeed a public trust. The documents associated with our work with the Congress and the documents of a President and Vice President should ultimately be made available to scholars, historians, archivists, and other interested citizens. These papers and films are part of the public record and history of our Nation and should be preserved for posterity. Present law does not assure the preservation of Presidential papers and present law fails to cover other elected officials.

To rectify this situation, Congress must pass the Public Documents Act which I introduced today.

CONTINUING PLIGHT OF SOVIET JEWS

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. BELL. Mr. Speaker, I would like today to call to the attention of my distinguished colleagues in the Congress the plight of Mr. Joseph Pikarsky of Tiblisi, Georgia, U.S.S.R.

Joseph Pilkarsky applied for an exit visa to emigrate to Israel in 1973. His wife and child were permitted to leave, but he was denied permission, and they are now in Israel awaiting his arrival.

Mr. Pilkarsky was denied his visa because of his alleged "knowledge of Soviet secrets." This claim was apparently based upon the fact that he had, until 1968, served in the Army, where he worked in a canteen.

I understand that on September 29 Mr. Pilkarsky commenced an indefinite hunger strike to bring attention to his case.

Mr. Speaker, I have recently written to Soviet officials requesting their aid and consideration in helping Mr. Pilkarsky obtain his visa to allow him to emigrate to Israel. I urge my colleagues who are concerned about the plight for universal justice and freedom, and thus the plight of the Soviet Jews, to join me and do likewise in an attempt to rectify this deplorable situation.

THE POLITICS OF IMPEACHMENT: WHAT SYSTEM IS IT THAT HAS WORKED?

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. CONYERS. Mr. Speaker, in the aftermath of Richard Nixon's resignation, the Congress received congratulations and unending praise for having restored public confidence in Government. The ponderous procedures of the Constitution ground on, slowly but inexorably, to protect the people's rights and liberties from a cabal of men who violated the accepted mores of American politics.

Such an analysis may confuse the specific offenses of the Nixon administration with the more basic defects of the political system of which Nixon and his cohorts sought to take advantage. To more fully appreciate the limits of our accomplishment, I commend to my colleagues' careful attention an article by Prof. Sheldon Wolin in "The New York Review of Books" of September 19, 1974. Professor Wolin, author of "Politics and Vision," is a distinguished political scientist on the faculty of Princeton University.

The article follows:

FROM JAMESTOWN TO SAN CLEMENTE

[Excerpted from a book review written by Sheldon S. Wolin for the New York Review of Books, Sept. 19, 1974, at pp. 3-8.]

(By Sheldon S. Wolin)

The special service which mystification renders to pseudo politics is to deprive us of the resources of political memory when they are most needed. Our present crisis is, in the most fundamental sense, political: it concerns constitutional power, the political virtues of citizens. By blanking out our political past, we invite solutions that are dangerous because ignorant of all but the market-place understanding of politics.

The original question of the member of the House Judiciary Committee ["How in the world did we get from the *Federalist Papers* to the edited transcripts?"] is likely to be forgotten quickly, overborne by the universal relief following Nixon's resignation and by the new myth which is beginning to take hold already. The new myth turns relief into national self-congratulation, old fears and outrage into childish fantasies: it tells us that the near-impeachment of Nixon proves that "the system works" and that, therefore, it is time to return to the real business of government. The courts have upheld the rule of law; Congress has discharged its constitutional duties in exposing the misdeeds of the President; a new president has been installed; and we may even expect that, in 1976, the opposition party will peacefully regain the presidency.

Before we are wholly numbed by the refrain "the system has worked," we may want to raise a few questions: What is the sense in which the system has worked? What system is it that has worked? What system is it that is working when, for the first time, we now have a president who, in no sense, has been elected; who is the hand-picked appointee of the man who was nearly impeached; and who has now presented us with our second unelected vice president in less than a year?

The most common answer to the first question is that Nixon was almost impeached by the system prescribed in the law and the Constitution and carried out in various ways by the courts, House and Senate committees, and special prosecutors. The common answer, however, has an uncommon side that is likely to be expressed by professional politicians, lawyers, and political scientists when they try to explain the sense in which the system has worked. The system was successful because it kept the issue of Nixon's removal within the narrowest possible legal bounds. Beginning with the investigations of the Ervin committee, continuing through the House committee's debates on the articles of impeachment, and persisting in the present efforts to protect Nixon from prosecution, there has been an unrelenting pressure to confine the issues to legal categories, the hearings to courtroom norms, and the abuses to the standard of the criminal law. The pressures came not only from the President's lawyers but from congressmen and senators as well. They worked to prevent a broad political debate about our recent past and the continuing crisis in our national life.

The surface signs of the crisis were first evident in 1968 at the turbulent convention of the Democratic party when two things became visible: the emergence of the presidency as an immense apparatus of power and the Vietnam war as the measure of its uncontrollability. The special significance of the convention was that, a few months earlier, Johnson had been forced to resign at the end of his first full term. His acknowledgment that he could not run again signified something new in American politics, something that we have been encouraged to forget. Johnson's resignation was not the result of congressional or party pressures, but of the political climate created mainly by the extralegal and unofficial politics which flourished during the Sixties, the politics of the campuses, ghettos, streets, and suburbs. Although the economic demands of minority groups were an important element in the ferment, the peculiar quality of that politics was that it was significantly political and cultural.

The official system was unaccustomed to noneconomic politics in which bargains and trade-offs were not second nature. And so, with the help of psychiatrists and social scientists, the political renewal that took place was diagnosed either as a "generational" revolt (although that analysis was forgotten when all of the young Nixon men went before the bar) or as confusion on the part of the middle class about the proper relationship between revolution and deprivation. Nonetheless, the political culture of the Sixties persisted, penetrating the movies, the press and television, schools, and everyday life, and preparing the American consciousness for the unthinkable the indictment of its highest official and symbol of national unity.

Without that preparation, it is doubtful that Nixon would have ever resigned. From the outset Congress did not want either resignation or impeachment; it accepted the latter course not simply because Nixon forced it or because the evidence was overwhelming, but because impeachment afforded a better chance of limiting the scope of the problem. At the same time that Congress was instinctively trying to prevent new political forms and values from entering the official system, it was also defending a political system significantly different from the one prescribed by the Constitution. The system that "worked" is the one familiar to political and social scientists, the system that mutes issues and screens out popular dissidence; a system which is affiliated to the idea of democracy only by rhetoric and whose highest art is to encourage democratic illusions without arousing democratic expectations. This system has a constitution but it is not confined to the Constitution. It stretches beyond the president, Congress, the civilian and military bureaucracies, the major political parties, to include the corporate structures of business, agro-business, and finance, big science and education, trade unions, and the press and television.

It would be foolish to contend that this system has stage-managed the recent spectacle of Watergate; but it is correct to say that it succeeded in establishing limits to the controversy and controlling its effects. It will give us the phony issue of campaign expenditures, knowing full well that no one is going to legislate big money out of politics unless they mean to destroy the existing party system and the network of influence which connects politics to the power centers of society. It will not tolerate, however, reopening the question of the secret bombing of Cambodia because that would inevitably raise the great question of presidential power. The reason why that question is a sensitive one and why, since the Gulf of Tonkin resolution, Congress has raised it only halfheartedly is that the inflation of presidential power has become a fundamental part of the new constitution.

Several years ago a famous constitutional scholar observed that the end of World War II marked the completion of a constitutional revolution in which our system had evolved from a constitution of restraints to a constitution of powers. Subsequently any "reasonable" exercise of power would be countenanced by the courts so long as procedural niceties were respected. The main beneficiaries of the new system were the president and, through him, the civilian and military bureaucracies. But at the same time that governmental power was being increased, the structures of power outside government were also increasing: big business was joined by big labor, big education by big science. Since each thrived on expansion and growth, it was inevitable that they should realize their dependence on one another.

They learned, too, that the presidency was the one political institution which possessed the power to galvanize expansion. Congress was too fragmented in its leadership to serve as anything but a tactical device, useful when obstruction was called for. All that was needed to complete the new constitution was for its constituent parts to realize how to convert dissidence into a force for expansion. If, for example, women and minorities could be taught to package their demands in the form of economic opportunities within the system, then the forces of change would be linked to economic expansion and made to promote the power of the new system.

A notable example of how the new system has reshaped the old is in the institution of the opposition party. The traditional justification for a two-party system is that the party out of power will help to control the party in power by exposing misbehavior and proposing alternatives. To be sure, we have all become educated to believe that no substantial differences distinguish the two major parties; but we had not been prepared for the policy of silence which the Democratic party has observed since the summer of 1972. The reason, of course, is obvious: the Democrats hope to inherit the system that produced Watergate.

It might seem that the role of opposition party has been picked up by the press, which discovered Watergate and kept it alive. This interpretation is plausible if we remember that the mass media belong to the same system of power which has been superimposed on the traditional constitutional arrangements. Its affiliations are with big business and finance, advertising, big science, and the multiversity. If this is true, then it is possible to explain the tenacity with which the press and the networks pursued Richard Nixon.

From the beginning the Nixon Administration served notice of its intention to "get" the media, or rather, their most powerful representatives. The situation came to a head in the court battle over the Pentagon Papers. It was clear then that the press was fighting for its existence not as defined by the First Amendment but as defined by the new constitution of corporate structures. Nixon could get away almost indefinitely with violations of the old Constitution if he had not egregiously threatened the new system. Anyone who has doubts about the system to which the loyalties of the media are attached need only recall the media's treatment of the movements of the Sixties. That experience, combined with the Eagleton affair, the McGovern campaign, and, now, Nixon's resignation, reveal the new role of the press and television in our new system: they are the power that defines the tolerable limits of deviation within the new system.

It is, then, the new system that has worked to produce Nixon's resignation and to prevent his impeachment. Its success has obscured what should have been the ultimate political significance of Watergate and of Richard Nixon. Watergate was America's first genuine experience of tyranny. The Huston Plan, the role of the FBI and CIA, the attempts to bribe and corrupt the courts, the efforts to make the federal bureaucracy into an instrument of ideology, the studied contempt for Congress, the promotion of repressive legislation—it is a catalogue of abuses fit to be placed alongside the list which the colonists attached to the Declaration of Independence.

But Nixon's tyranny was not George III's. In his inept and visionless way he was the underlaborer of the new system, clearing away the debris of the old system, accomplishing his task in a faceless, private way, indifferent to the value of public things except as pomp or squalid profit, preaching political quietism in the guise of the work ethic. It is fitting that technological society, which dwarfs men by things, should have found so mean an instrument.

KANG SHIM OK SENTENCE PROTESTED

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. FRASER. Mr. Speaker, I would like to insert in the Record a telegram which was sent by Niall MacDermot, Secretary-General of the International Commission of Jurists to President Park Chung Hee of the Republic of Korea. The Commission protests the 8 year sentence given to the defense lawyer Kang Shim Ok.

Mr. Ok served as the defense lawyer of a number of political dissidents and objected, in court, to the severe sentences including the death sentence which had been given to some of his clients. For this statement, he was arrested and given an 8-year sentence.

The action against Mr. Ok by the Park government represents a serious infringement of human rights. President Park has lifted the emergency decrees but he has not released the persons, such as Mr. Ok, who were arrested and convicted under these decrees. Unless these people are released and freedom of expression and the other internationally recognized human rights are restored, Congress should begin to reduce U.S. military assistance to South Korea.

The telegram follows:

SEPTEMBER 11, 1974.

L. T.

President PARK CHUNG HEE,
Seoul, South Korea.

International Commission of Jurists protests against extremely harsh 8-year sentence given by secret military tribunal against defence lawyer Kang Shim Ok for matter of professional conduct stop as law under which convicted now repealed urge immediate review and release.

MACDERMOT,
Secretary-General.

INCREASE IN MASS TRANSIT IS OPPOSED

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. HUBER. Mr. Speaker, it has been popular for some time now to stress that the use of the automobile must be cut down. Last year, with the coming of the energy crisis, the clamor to subsidize mass transit systems grew. It was said that we would save a great deal of energy by subsidizing mass transit. However, the left hand of the Federal Government does not appear to know what the right hand is doing. The Environmental Protection Agency is going great guns in its drive to cut down the use of the automobile, while Mr. Train acknowledges that in order for this to work, we need a simultaneous increase in public transit systems.

In another part of Washington, the press reports that the Department of Transportation will soon release a study showing that better fuel economy will save 20 percent in total energy over a 20-year span and that car pooling would save another 13.9 percent. Switching to other means of mass transit would only save 1.8 percent and require an investment of $6.2 billion over the next 10 years. So, in my view, we ought to go slow on mass transit subsidies until we have a better assessment of what can be accomplished with such things as better fuel economy and car pooling. The taxpayers might appreciate it. The relevant articles from the Detroit Free Press of September 18, 1974, and the Detroit News of September 17, 1974, are included for the serious consideration of my colleagues:

[From the Detroit News, Sept. 17, 1974]

INCREASE IN MASS TRANSIT IS OPPOSED

(By John E. Peterson)

WASHINGTON.—More efficient use of more efficient cars—not increased mass transit—is the best way to conserve fuel, according to a report being readied by the Department of Transportation (DOT).

The report, scheduled for release early this fall, says that improved car efficiency would save nearly six times as much energy as could be saved by shifting passengers from cars to buse and train.

Improved automobile gas mileage, increased car pooling and retention of reduced speed limits would save about 37 percent of the nation's projected energy consumption over the next 15 years and cost an added $10 billion, the report said.

By contrast, the energy savings gained by switching car passengers to rail and bus mass transit, intercity trains and buses and even bicycles and walking would total, at best, 6.5 percent and cost $14.2 billion over the same time span, the report said.

The bulk of the report was completed by four researchers at DOT's Transportation Systems Center (TSC) in Cambridge, Mass., last October and then sent to DOT headquarters in Washington for final approval.

Myron Miller, director of DOT's Office of Transportation Energy Policy, indicated the report is one of the key factors in DOT's decision to begin seeking alternatives to rapid mass transit, which it once boosted as a panacea for the nation's transportation ills.

Among the alternatives DOT plans to push, Miller said, is one that would allow cars with three or more passengers to share high speed freeway lanes with express buses during rush hours. Such cars also may get substantially reduced fares over toll roads and bridges during times of heavy traffic.

Similar plans have encouraged car pooling in the San Francisco area, Miller noted.

DOT also has asked that auto makers be required to manufacture cars with greater fuel economy and that the national speed limit be kept at 55 m.p.h.

Ranking the options in terms of "ultimate" savings, researchers found that improving fuel economy through better engineering of new cars headed the list—with savings of more than 20 percent in total energy over a 20-year span. The savings would require an investment of an additional $10 billion.

Increased car pooling was second with a 13.9 percent energy savings within a two-year period.

Continuing reduced speed limits would conserve another 2.9 percent of the country's projected transportation energy needs and cost an extra $2 million, the report said.

The best savings in energy found possible by switching passengers from autos to urban bus and rail transit was only 1.8 percent. To effect that saving, the report said, would require 10 years and an investment of $6.2 billion.

Transferring auto passengers to intercity trains and buses for longer trips, the report said, would save another 2.9 percent with a cost of $6 billion over 15 years.

Shifting auto commuters to bicycles and foot, the report found, would save about 1.8 percent in energy and cost about $2 billion for additional bikeways and footpaths..

The reoprt also contains similar findings relating to freight shipment.

Improving the operating efficiency of trucks would save 6.3 percent of the total energy used in transportation over the next 15 years and cost about $3 billion, it said.

Increasing the maximum legal weight of truck loads would save another 3.2 percent in energy during a 10-year span, it said, and cost nothing.

Together, the two measures would save 9.5 percent of the total transportation energy consumption over 15 years and cost less than $3 billion.

Shifting cargoes from truck to rail, the TSC report said, would produce energy savings of only 1.6 percent at a cost of $15 billion in the same time span.

Overall, the report found that improving the efficiency of cars and trucks would result in a combined energy saving of 46.3 percent at a cost of about $13 billion over 20 years.

A massive shift to rail and bus transit, however, would save only 8.1 percent in transportation energy consumption over a 15-year period and cost $29.2 billion, according to the report.

[From the Detroit Free Press, Sept. 18, 1974]

MILEAGE GAINS OF 20 PERCENT SEEN ON SOME 1975'S

The head of the Environmental Protection Agency, Russell E. Train, told a Chicago meeting of the American Automobile Association Tuesday that fuel economy improvements on 1975 model cars will "in some cases be 20 percent or more."

Train, who will hold a press conference Friday in Washington to announce the specific mileage results from EPA 1975 model tests, said "we are very encouraged" by the improvement.

He acknowledged that in some cases the fuel economy improvement was less than that. But the results of the tests the EPA is finishing have proved earlier statements that a seven percent improvement was "too conservative," Train said.

"These gains merely bring us to a temporary plateau in our efforts to meet the (emissions) standards," he said. "Evidence of the serious consequences of failing to meet those standards continues to mount."

Train said the auto manufacturers, in response to EPA queries, said they foresee no significant problems from eliminating the lead from gasoline.

Some reports had predicted a substantial increase in "knock" from use of unleaded gasoline.

Catalytic converters will be standard equipment on 60 to 85 percent of all 1975 cars. For the pollution-controlling catalytic converter to work it requires unleaded gasoline.

In another address to the AAA, John C. Sawhill, chief of the Federal Energy Administration, called the car "our least efficient means of transporting people" in terms of gasoline usage. He urged a program of federal "disincentives" to compel Americans to leave their cars in the garage and take more effective buses, trains and rapid transit.

He joined Train in reiterating the EPA's commitment to "transportation control" a timetabled program to drastically cut the number of cars driven in the central city.

Both men conceded that asking Americans to use other means than autos to get to work would be foolhardy without a simultaneous increase in public transit systems.

There was a subdued response from AAA convention delegates when Sawhill said of the gas-guzzling cars now jamming the nation's roadways:

"I know it sounds drastic, but the way to prevent this is for government at all levels to actively discourage us—I will not use a stronger term—from using our cars in the central city."

There was a veiled hint of mandatory action at some future date. The disincentives Sawhill mentioned included higher bridge tolls, parking fees and special rush-hour licensing.

> He also suggested that employers require workers to pay for parking space.
>
> Sawhill took some of the edge off when he noted, "I'm not saying the auto won't remain the backbone of our transportation system. I love cars. We just have to stop pampering them."

OIL-EXPORTING COUNTRIES

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. HILLIS. Mr. Speaker, I wish to express my full support of President Ford's statements of displeasure regarding recent actions taken by certain oil-exporting countries. I also urge my colleagues to give full support to our President in this matter.

It is easy to understand the frustration which the administration feels with regard to the world energy situation. President Ford and Mr. Kissinger have worked diligently at seeking solutions to the world's energy and economic problems. They have extended the cooperation of the United States at every door.

In return for their efforts we recently have seen the countries of Libya, Kuwait, and Venezuela curtail production rather than reduce the price of petroleum. Saudi Arabia canceled a proposed August oil auction. In addition to this came the announcement of another price increase from the OPEC nations.

In his address to the United Nations on September 23, Secretary Kissinger stated:

> The world cannot sustain even the present level of prices, much less continuing increases.

To those delegates he also pointed out:

> Unlike food prices, the high cost of oil is not the result of economic factors, of an actual shortage of capacity or of the free play of supply and demand. Rather it is caused by deliberate decisions to restrict production and maintain an artificial price level.

The Secretary of State has warned that the economic threats to world stability are becoming uncontrollable and that these threats could lead to "a general depression" and acts of world aggression. However, most oil-exporting nations have remained deaf to warnings of an international economic collapse.

President Ford has not called for a return to precrisis prices. We all realize that energy will no longer be the cheap commodity we once took for granted. No one is quarrelling with the right of OPEC countries receiving a reasonable profit from the export of petroleum.

However, the President has called on OPEC nations to assume the responsibility concomitant with their new positions in the world. With power goes responsibility. Perhaps never in the history of the world, has such tremendous power been suddenly thrust into the hands of the leaders of heretofore internationally insignificant nations. If these leaders wisely assume their newfound economic power, history will praise them. If they refuse to assume these responsibilities, along with the benefits of their economic power, the world will not remain idle while its foundations crumble.

President Ford's stern warning to OPEC leaders, shows commendable insight into the dangers of present OPEC policy. His insistence that the United States is not considering military action does not rule out the possibility of action by other nations if the present menace continues. The President's call for an energy consumer cartel is a step taken for world peace as well as world economic order.

In his Detroit address, President Ford stated that "war brings unacceptable risks for all mankind" and that "there is no rational alternative to international cooperation." But, if the OPEC nations continue their present irrational policies, they could possibly lead to irrational retaliation.

The recent behavior of certain oil-producing countries could easily be interpreted as a belligerant act on the stability of the world and well-being of its citizens. The economic missiles of the OPEC nations are as destructive as any warhead. The specter of famine, death and untold human suffering are the results of the economic warfare which certain countries seem to want to wage.

I applaud the firm approach to these problems which President Ford and Secretary Kissinger have taken recently at international meetings. It is time for our Government, in concert with our allies, to recognize fully the danger inherent in the unconscionable actions taken by certain oil-exporting countries.

ACCOMPLISHMENTS OF THE MANPOWER RESEARCH AND DEVELOPMENT PROGRAM

HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. STEIGER of Wisconsin. Mr. Speaker, MDTA is now history and those of us who have been involved in this landmark effort to improve the employability of the unemployed and poor take pride in its accomplishments. Many lessons from a dozen years of MDTA experiences will be passed on to the local manpower administrators responsible for programs under the Comprehensive Employment and Training Act of 1973—CETA.

However, an aspect of MDTA often overlooked is its title I, which supported a modest research and development program over those years—modest in cost but not in accomplishment. Much of the success—and modification where lack of success was discovered—which has marked the manpower experience is attributable to that research effort.

Commendation is due Dr. Howard Rosen of the Labor Department Office of Research and Development and his staff who have leveraged a limited funding into outstanding and extensive contributions to knowledge and policy.

Three years ago, Dr. Garth L. Mangum, director of the Human Resources Institute of the University of Utah, did an assessment of the manpower research experience for the Industrial Relations Research Association. Because CETA lacks that research title and must depend on administrative and congressional decisions to allocate an appropriate amount of research support from program funds, I would like my colleagues to read some excerpts from that appraisal:

> MANPOWER RESEARCH AND MANPOWER POLICY
>
> (By Garth L. Mangum)
>
> Traditionally, a hierarchy of acceptability has existed, particularly in academic circles, between those "pure" researchers pursuing research for truth's sake and those "applied" researchers who view their search for information and insights primarily as a prerequisite to implementation in more effective policies. Perhaps other social scientists may view manpower researchers with some disdain, but in the manpower fraternity the hierarchy has been inverted. The prestige accrues to those whose research results have affected policy.
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> In few other fields of academic endeavor has there been such explicit concern with identifying research areas primarily in hopes of impacting upon policy and so much effort to bring that knowledge to the consciousness of the decision maker and entice him to use it.
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> That does not mean that all manpower research affects policy or even that it deserves to. Researchers and policy makers are separate groups and types, though there have been important areas of overlap in manpower. But there has been much builtin communication. There have been sincere attempts by policymakers to tape the research community. There have been even greater efforts of researchers to "sell their wares."
>
> Without denigrating other efforts and groups, it seems fair to credit one piece of legislation, MDTA, and one set of "midwives," those responsible for research, evaluation, and policy planning within the U.S. Department of Labor, with more than their share of impact on both the conduct of research and its implementation in policy . . .
>
> The amazingly rapid switch which occurred from industrial relations research to manpower research in the early 1960s and the crowd of young researchers attracted to the field during the decade could only have been bought by an infusion of public funds and aggressive government recruitment. Interests do not normally shift that rapidly. Though the research funds were essential, so was a philosophical commitment to an "active manpower policy"—the notion that government ought to intervene in the labor market on behalf of those it was not serving adequately and that researchers ought to make their contributions. The success is relative, of course. There are still policy problems suffering for lack of research and research results lying around unutilized, but relative to comparable fields, the interaction between policy and research in manpower has been unusually great.
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> This review explores the relationships between research and policy within the generally accepted boundaries of the manpower field: those activities having to do with the utilization of human beings as an economic resource or the role of employment as a source of income and status to human beings. Having explored the research/policy boundaries, actual research efforts will be chosen for review by the test: "which have significantly affected the course of manpower policies and programs during the past decade?" The review ends with some examples of significant research results not yet incorporated into policymaking and policy

problems not yet adequately researched. Since the most relevant research has been sponsored from one source and that source, the Labor Department's Office of Research and Development has itself summarized and disseminated the results of that research, this review accepts no obligation to be exhaustive. Only those research efforts having the most direct impacts on policy or those best illustrating the interrelations between research and policy are cited.

Most important of all was the alertness and vigor of the staff to which research administration was assigned within the Labor Department. Rather than an academic concentration on the rigor of research methodology or a bureaucratic concern for dispensing funds in a risk-free manner, their almost total absorption from the moment manpower research funds became available was, "how could the funds be used to influence policy?"

The Manpower Development and Training Act emerged in 1962 with its Title I written primarily within the Labor Department and dedicated to research into: (1) technological changes, establishment of techniques for their detection in advance, and development of solutions to the problems of displacement; (2) study of labor mobility-restricting practices of employers and unions; (3) appraisal of the "adequacy of the nation's manpower development efforts to meet foreseeable manpower needs and recommendation of needed adjustment"; and (4) dissemination of the information thus obtained. Through the various reorganizations from the Office of Manpower, Automation, and Training; the Office of Manpower Policy Evaluation and Research; and the Office of Research and Development, the same leadership, drawn largely from BLS, pursued a steady course, attempting to forsee policy issues and have information available at the critical moments.

Few researchers were committed to manpower studies and only with the advent of the manpower programs was there a source for funding and promoting manpower research. The later the program in the manpower history the more likely it was to have a research background. Also, the more policy decisions emerged internally from administrative rather than legislative action, the more likely research was to have contributed. In 1963, military officers alerted Labor Department officials to the extraordinary fact that one-half of all Selective Service selectees were being rejected for physical and educational reasons. A hastily mounted internal research effort by the Labor Department found that, when volunteers were included, the overall rejection rate was one-third of a nation. The first result was an almost meaningless effort to refer all rejectees to the Employment Service for remediation or placement. More meaningful in the longer run was Project 100,000, the decision to admit 100,000 per year with slightly poorer mental and educational qualifications and observe their performance.

The Labor Department, through the United States Employment Service, had established apprentice information centers throughout the country to aid youth, minority and otherwise, in gaining access to apprentice programs. A city-by-city review of this experience by Ray Marshall and Vernon Briggs not only demonstrated that their centers were accomplishing little and that discrimination in apprentice selection was rife, but identified the one program that did seem to have promise. A handful of aggressive young blacks in New York City working under the aegis of the Worker's Defense League were recruiting other young blacks of considerable promise and coaching them until they were able to corner the top slots on most rosters of apprenticeship applicants. This Apprentice Outreach program then spread nationwide, as the Department of Labor's prime weapon in the fight for equal employment opportunity in construction. Involved was a carefully planned strategy by Labor Department research administrators to bring the research results in dramatic form to the attention of the Secretary of Labor, achieving a drastic revision of Labor Department policy and practice.

By 1967, a certain amount of disillusion was setting in vis-a-vis manpower training programs. They seemed to work well in suburban and modest sized city settings were job locations and residency of target populations were not too discontinuous. But for the central city residents who had become the prime targets of manpower programs, completion of a skill training program was rewarded too often only with a hunting license to search for jobs which were out of reach. A sub rosa debate had continued from the formulation of the antipoverty program. Were the obstacles to employment inherent in the individual's lack of education, skills and incentive, or were they institutionalized into the structure of the labor market—was the individual at fault or was the system? Research into the hiring and internal promotion practices of firms and into the employment patterns of ghetto labor markets by Peter Doeringer and Michael Piore were influential among those pressures shifting the weight of opinion. Training programs had assumed the former, now attention shifted to the hiring system.

Kalacheck, Knowles, Reder and others had posited at the beginning of the sixties, by deduction rather than research, that the labor market could be usefully viewed as a queue with workers ranked according to their productivity. Employers were expected to move smoothly from one member of the queue to the next as economic growth added to the purchasing power of their customers. Mangum, observing experience in the early days of the manpower programs, thought it more useful to emphasize discontinuities in the system. He saw a queue which was also a "shape-up" with workers having access to jobs ranked by employers' subjective judgments. All employers were viewed as an aggregate hiring boss. At the back of the line might be those with limited education, skills and experience, but it was just as likely to be those whose age or skin color clashed with the employer prejudices. Discontinuities occurred because, as an alternative to digging deeper into the queue, individual employers could meet expansion needs by competing for those at the front of the line, with inflationary effects. But on the other hand, operating on the specific reasons for low ranking in the queue—training, remedial education, improved labor market services, forbidding discrimination, subsidizing employment—could make it possible for some to improve their ranking and become more competitive. But there would always be those at the back of the line dependent upon subsidized employment, publicly created "last resort" jobs and income maintenance.

Piore and Doeringer added two additional notes of sophistication to the queue concept: (1) Employers, too, were in a queue. Workers chose among jobs and between employment and non-employment and some jobs had few takers or experienced high turnover; (2) there was a primary labor market of good jobs with reasonable pay, security, advancement and status and a secondary labor market of jobs lacking all of these prerequisites. And there was a practically impervious wall between the two markets. The first was clear from the fact that certain jobs "went begging," even in areas of high unemployment or low labor force participation. The discontinuity and imperviousness of the wall between the hypothesized dual markets was less firmly demonstrated. The policy recommendation was clear, however, Particularly for semiskilled and unskilled jobs the system was more at fault than the worker. For those entry level jobs which people normally entered without special training, it was more logical to focus on reforming the labor market and the employer than on changing the worker.

Such a momentous policy decision rested upon more than one series of research projects, of course. The Chicago Labor Market Studies, headed by George Shultz and Albert Rees, had reiterated the message that job access was primarily an informal system of "who do you know?" Alice Kidder had demonstrated that Negroes and other minorities had less access to the informal machinery than non-minority workers and were forced to rely on the formal placement agencies which touched only margins of the labor market. Experimental and demonstration projects had recruited employer support and subsidized them to hire the disadvantaged and train them on the job. There had been some experience with locating plants in ghettoes, with and without government encouragement, financial support or contracts for goods and services. On the basis of this experience and research, the National Alliance of Businessmen-Job Opportunities in the Business Sectors (NAB–JOBS) program was launched . . .

Whereas the relationship between research and political decisions on manpower problems tended to be coincidental, the relationships in the evaluation, feedback and modification of existing programs could be more deliberate. Of particular note are experimental and demonstration efforts (E&D) and evaluative research.

As pointed out above, the Labor Department's experimental and demonstration efforts, began as a strategy to divert funds from the initial state-run MDTA program for adult, nondisadavntaged workers to a clientele needing assistance and without other resources. However, even though it was not until the mid-1960s that a research discipline was built into the E&D projects, there was considerable learning by experience in the earlier ones.

Early E&D projects made direct contributions to the original design of the Community Action program, Neighborhood Youth Corps, New Careers, NAB–JOBS and CEP. However, its greater contributions had been in the modification of existing program and the development of supporting institutions. Emphasizing ways of dealing with the problems and the institutions of the disadvantaged, E&D projects, both in the Department of Labor and OEO, have tended to draw heavily on psychology, sociology and other social scientists than the economists who have tended to dominate manpower research.

As examples of policy contributions from E&D efforts are involvement in the development of concepts and practices of outreach, experience in group counseling and use of nonprofessionals as aides, work sample testing, postplacement counseling (job coaching), one stop neighborhood multi-service centers, training, placement and support of prison inmates, the role of growth as tutors to youth, and private employer involvement. It made substantial contributions to the development of preapprenticeship and some of the concepts of skills centers. A major effort has been the development of racially or ethnically concentrated private nonprofit self-help institutions. In addition to developing new institutions new techniques have been developed for integration into existing agencies such as the Employment Service. Rarely was an innovation thoroughly validated before it was grabbed and put into action. The hunger for working tools was too great to wait when any approach showed possibilities of success. But there was a mechanism for innovation and some semblance of testing.

Evaluative research evolved into a major activity after 1966 and influenced policy by suggesting modification of existing forms. Nowhere in public policy in the United

States (or anywhere else) has the demand for evaluation been so intense, nor the response so thorough as in the antipoverty and manpower areas. Education had never been called to account for the billions in public investment. Evaluation in that field meant only a look at the inputs to see if conventional notions of "best practice" in pedagogy were being followed. The value of the output was never questioned. The present demand for accountability in education may be a reaction to overinvestment in schooling of the existing types. However, it (the demand for accountability in education) has been heavily affected by spillover from closely allied manpower program evaluations. No strong demand has yet been heard for objective evaluation of the cost-benefit or cost-effectiveness results of agricultural parity programs, national defense, highways, or space exploration, or various business subsidies. Reclamation projects and the vocational rehabilitation program have long used cost-benefit jargon to argue for continued and expanded funding, but not to question the worth of their activities . . .

RESPONSE TO SHORT QUESTIONNAIRE

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. FRENZEL. Mr. Speaker, last week, in response to a short questionnaire distributed at the doorways and plant gates of some local Minnesota firms, I received the letter reproduced below. One short personal paragraph has been deleted from the letter, and the sender's name and address also have been removed. What remains, however, ought to make informative reading for any Member of Congress, and I commend it to all of my colleagues. The letter follows:

DEAR CONGRESSMAN: I received a copy of your questionnaire the other morning when you were outside of my place of employment.

I felt that the questions indicated were important, but much too important for the simplistic answers that of necessity are required by a questionnaire. Therefore, I am going to expand on the themes mentioned. Many of these items of necessity are intimately related.

I do not believe that the wage and price control programs, as implemented, was effective generally. In my employer's case the wage controls were very effective, but the exceptions to the controls were much too readily available, especially to the people with political clout.

To help fight inflation, I would favor both reduced Federal spending and some raising of taxes. I am in favor of a very careful examination of all items in the budget, but the Congress should keep in mind that inflation has hit the cost of everything so that of necessity an adequate defense program and the continued funding of ongoing programs must require more of the cheaper dollars of 1975.

I doubt that the budget can be balanced by raising taxes, but I believe that some increases in taxes are justified particularly on the windfall profits of the oil industry.

Aside from this issue (inflation control) I feel that simplistically the tax system should be revised so that one could look at the amount of money required by the federal budget could be compared with the gross income of all taxpayers and a gross income tax of the appropriate percentage be levied across the board, subject to a maximum income of a modest level on which there should be no tax.

For example, if the federal budget is $3,000,000,000 and the sum of the gross income exceeding $3,000 per taxpayer is $30,000,000,000, then all taxpayers cough up 10% of their gross income.

I believe that environmental standards should be relaxed to some reasonable level to save energy. In addition I believe that conservation as advocated by some people is foolish. For example, would it not be better to utilize renewable crops such as timber for paper and building material rather than let timber die and rot in the woods.

I believe that all of the groups listed on your card are to blame for the energy shortage. Government probably most of all, for poor or non-existent planning based on a predictable increase in consumer demand. Government for failure to sell nuclear power for the generation of electricity. Government for failure to encourage the proper use of energy—petroleum for small mobile vehicles—coal for large mobile vehicles (i.e., trains)—coal and nuclear power and water power for electricity generation.

Government and industry for failure to investigate with vigor other energy sources such as solar, geothermal and windpower. Look what a clearly stated objective and a well defined program did to put man on the moon—and all the people working on that program paid taxes and bought goods from people who also paid taxes.

Election reform is necessary, but I don't believe in public financing of any campaigns—I as an old line democrat surely don't want my money supporting a George McGovern because through some weird spasms within the party becomes a candidate. I feel a limit on what any one person or group should be able to give to a candidate would be adequate and would allow me to support my choice of candidates of whichever party.

I don't believe Congress should limit the length of a campaign—I think financial limits would take care of that.

I think Congress is doing generally a lousy job. Some of the reasons for this belief have already been listed. More are: The great amount of carping about the usurpation of power by the executive branch of government. Hell, Congress gave that power away piecemeal and apparently quite willingly until it became a political issue. Congress' contribution to inflation particularly as related to the automobile industry—mandatory pollution controls that I believe are excessively strict—Why does the guy buying and using a car in say Minot, North Dakota have to pay for all that garbage because of Los Angeles' auto traffic and peculiar geography—One beautifully convenient way to allow Detroit to hoist car prices. Mandatory 5 mph bumpers to save small damage claims but increasing the cost of repairs astronomically when that protection level is exceeded. Mandatory seat belt interlock systems and air bags that quite obviously *nobody* wants. (Happy to say, the house has finally done something about that monumental boo-boo). These legislated improvements? have led to auto price increases of $500-$1000 per unit.

How about pollution control, bumpers and air bags made desirable by a system of incentives—a pollution tax if you will, insurance company discounts for cars with good bumper systems.

(I realize a few companies have that now but it followed the legislation). How about an incentive system to get people to wear existing seat belts. Say a bonus if you are in an accident and would have been hurt but for a seat belt. Or, a negative incentive—the medical insurance payments on your car are reduced if you are hurt in an accident and are not wearing seat belts.

Our most pressing problems are twofold as I see it are our combination inflation/recession—exorbitant interest rates—bottom out of the stock market—Oil company profits and high fuel prices. If the oil companies need all that windfall money for oilfield development and exploration—why isn't it spent there.

The second problem is excess government—the auto examples—invasions of privacy and civil rights violations. I ran into one here in New Hope on operation Crime Watch. The identifying of one's property with an NCIC number which is fine *except* that some local police departments insist on an inventory of all one's personal property that has been marked even before issuing, the Operation Identification window stickers. Laws written with specific provisions and then embelished with the phrase "And other such provisions as the director (or similar word) may require" are particularly onerous because they often submit the will of the legislative body passing the law.

Please excuse my rambling and what may sound like bitterness, but I did want to express some opinions beyond checking boxes on a form.

NATIONAL RIFLE ASSOCIATION ENDORSES SPEEDY TRIAL LEGISLATION

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. FISH. Mr. Speaker, during the past 2 weeks the Subcommittee on Crime of the House Committee on the Judiciary has conducted hearings on legislation which would provide for the speedy disposition of criminal cases in Federal courts. Under consideration is the Speedy Trial Act of 1974, S. 754, which passed the Senate unanimously on July 23, and eight related House bills. A number of distinguished witnesses have testified on this legislation from each of the components of the criminal justice system including the courts, prosecution, and the public and private defense bar.

In addition, other interested individuals and organizations have expressed their views in correspondence to the subcommittee; and I am pleased to include in the RECORD the endorsement of S. 754 by the National Rifle Association which was expressed in the following letter to the chairman of the Subcommittee on Crime, Representative JOHN CONYERS, JR.:

NATIONAL RIFLE
ASSOCIATION OF AMERICA,
Washington, D.C., September 24, 1974.

Hon. JOHN CONYERS, JR.,
Chairman, House Judiciary Subcommittee on Crime, Washington, D.C.

DEAR MR. CONYERS: As Executive Vice President of the National Rifle Association of America, I am taking this opportunity to express our views briefly on S. 754, the Speedy Trial Act of 1974. NRA is the largest and oldest national sportsmen's organization in the United States with over one million members. One of the many objects and purposes listed in our bylaws is to promote law and order in the United States. Accordingly, we are interested in all types of legislation designed to modernize and improve the criminal justice system in our nation. S. 754 is, in our estimation, such a bill, in tune with the basic principles of our organization and worthy of favorable consideration by you and your colleagues.

The two main concepts embodied in S. 754 have been discussed in depth by legal and judicial experts from across the country. NRA joins these learned spokesmen for the legal profession in supporting these concepts to affect a long overdue change in the criminal trial procedure in our nation.

First, S. 754 would establish a comprehensive planning process for trying criminal cases to which our criminal trial procedure must adhere. This process would also diminish injustice by assuring all citizens their Constitutional right to a speedy trial.

Second, and most important in our opinion, S. 754 would authorize pilot projects to facilitate pretrial release and, when necessary, provide pretrial supervision of high-risk persons released pending trial. This supervisory system, coupled with the reality of speedy trial, will decrease the likelihood of a law breaker from committing a second crime while awaiting trial for the first offense.

NRA views these two concepts as steps which will establish a more effective criminal justice system and which will automatically establish a more effective crime control system. This highly desirable goal is shared by all responsible persons and organizations. Accordingly, Mr. Chairman, NRA urges you and your colleagues to report favorably S. 754, and guide its passage through the Congress so that the American public will have concrete proof that its concern over law and order has been realized and manifested in appropriate legislation.

If NRA may be of further assistance in this matter, please let me know.

Sincerely,

MAXWELL E. RICH,
Major General, retired,
Executive Vice President.

TRIBUTE TO THOMAS W. "TEDDY" GLEASON, LABOR LEADER-PATRIOT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. BIAGGI. Mr. Speaker, I recently had the honor and privilege to be on the dais for the dinner which was held in honor of one of America's greatest labor leaders and patriots, Thomas W. "Teddy" Gleason, president of the International Longshoremen's Association, who was designated as the 1974 winner of the prestigious AOTOS award.

Teddy Gleason for almost 60 years has been one of the most respected and admired leaders of the maritime community in this Nation. Teddy Gleason's commitment to the longshoremen of this Nation stretches back to the days when he was working with his father at the young age of 15. He saw and experienced then, first hand, the rugged and oftentimes dangerous conditions which existed on the waterfront. After this experience, Teddy Gleason dedicated his life to improving the quality and dignity of life for all men on the docks in this Nation.

He began his rise in the ranks of the International Longshoremen's Association soon thereafter, and his ascent reached its apex in 1963 when he was elected president of the ILA. Throughout the succeeding 11 years up to the present, Gleason has continued to hold this high and important office, and it has been during these years that the entire Longshoremen's Association with Gleason at the helm has gained a national and worldwide reputation as being one of the most progressive labor movements in the world.

Several key characteristics have aided Teddy Gleason during his years as president of the ILA. One of these has been his ability to adapt to the changing and expanding needs of the maritime industry. He has successfully incorporated new technological and automated improvements in the industry, but has been equally successful in insuring that the workers of the ILA are able to benefit from these improvements, rather than be displaced by them. Further, he has demonstrated an exceptional ability to deal on both sides of the bargaining table, as exhibited by the landmark contract agreement worked out for the ILA members, which was accomplished without a strike and well before the September 30 deadline.

In addition to his duties as president of the ILA, Teddy Gleason, in recognition of his immense contributions to the international maritime industry, was elected in 1974 as the vice president of the International Transport Workers Federation, an association which boasts a membership of more than 6 million transport workers in 78 countries of the free world. In 1968, he was elected vice president and executive council member of the AFL–CIO, and was reelected to these posts in 1973.

Yet in addition to his distinguished career in labor, Teddy Gleason has gained worldwide fame as one of America's foremost patriotic spokesmen. He has demonstrated an unyielding allegiance to the cause of freedom and democracy in this country, and recent Presidents have looked to Teddy Gleason for support in times of adversity, and unfailingly he has answered each call. Some memorable examples to Teddy Gleason's unique form of patriotism include: during the height of the Vietnam war, Teddy responded to a call from U.S. military personnel who were alarmed about the blocked harbors which were preventing U.S. supplies from reaching South Vietnam. Teddy personally flew to Vietnam and secured the safe and open passage of the harbors for U.S. vessels. Other examples came in the late 1950's and early 1960's when Gleason and the ILA refused to load or unload any Russian ships during key crises in the "cold war" between our two nations.

The accompanying words of the AOTOS award "In recognition for his pioneering of the maritime industrial revolution and for his bringing about a historical partnership on the waterfront of machines and men," represents only part of the Teddy Gleason story. To both millions of longshoremen in this Nation as well as to the overall American labor movement, Teddy Gleason is looked upon as a giant. A giant in the class of other esteemed labor leaders of the past and present such as John L. Lewis, Walter Reuther, and George Meany. He is looked upon by many others as a true American statesman as well due, to his effective and action oriented support of the goals which keep this great Nation strong.

Mr. Speaker, it is always an honor for me to have the opportunity to pay tribute to a man of the caliber of Teddy Gleason. He is a man who has dedicated his life to achieving a better life for the longshoremen of America and the world. He is an exemplary leader, able to rally thousands to his side. He is a man richly deserving of the AOTOS award, and I join with the many dignitaries from the President on down in extending to Teddy Gleason my personal congratulations on receiving this award, as well as my best wishes for continued successes in the future.

MRS. FORD DESERVES A LITTLE PEACE AND PRIVACY

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, yesterday's Washington Star-News carried a column by Mary McGrory which I feel very eloquently expresses the thoughts of millions of Americans whose thoughts and prayers are with our new First Lady, Betty Ford. It is a touching tribute to a charming woman.

I would like to place the article in the CONGRESSIONAL RECORD with a warm wish for Mrs. Ford's quick recovery:

MRS. FORD DESERVES A LITTLE PEACE AND PRIVACY

(By Mary McGrory)

Mrs. Ford's sudden, awful illness has made us a family, something we haven't been in a long time. We all would like to take her hand and tell her we wish it hadn't happened.

She isn't First Lady now. She's every woman who has had the operation that women dread most, radical mastectomy, the ugly name for the ugly fact of breast-removal. Gerald Ford, the leader of the Western world, is just an anxious lonely husband.

When the woman of the house is away—if it's the Executive Mansion or a housing project—the house is empty.

Everybody sat in the hospital waiting room last Saturday morning. The news they heard turned the whole country pale. It was cancer.

What makes Mrs. Ford's experience so poignant too is that it struck her when she was beginning to flower a little. She never wanted her husband to be president—her ambition is to go back to Grand Rapids. Ford's remark that he would let Betty decide if he should run in 1976 tells the story. It was the best comfort he could offer.

She had not looked forward to the White House, obviously. Her face, the day he was sworn in, was tense and strained. But like some other retiring women, she found that life there is bearable, and offers a measure of control undreamed of outside.

All of life's little worries are ironed out by the perfect servants. For a woman, particularly one like Mrs. Ford who was in her younger days a fashion model, it makes a difference that she doesn't have to dash to the hairdresser—he makes house calls. Clothes are brought to her. Schedules are presented. She can say yes or no. She's never late. Social events begin when she arrives.

She saw her husband probably more in the last seven weeks than in 25 years of married life—no more waiting around for telephone calls from the banquet hall in Sioux City or the rally in Westport. He was right there, a floor below. She was an essential part of the picture. After years of being pulled apart by demands of family versus politics, her life had come together.

Before she married Ford, a mutual friend told her that she would have a good marriage if she could reconcile herself to the fact that politics would come first and the marriage second. Mrs. Ford seems to have accepted that hard truth, but by her own account, she had a thin time of it.

She had almost the whole responsibility of bringing up four children, three boys and a girl. She felt overwhelmed by it. She developed a pinched nerve. She consulted a psychiatrist, took tranquilizers. Characteristically, she made no bones about it.

In the White House, she found that people wanted to know what she thought about things. As "just a wife," she had seldom been consulted. Her part was to nod and smile on the platform and murmur inanities to interviewers. Her first press conference was rather uneasy, but proved she had her own ideas. She was open with the press. She told about her husband's conversation with San Clemente.

She plainly took to the social life.

After all those years of tripping over tricycles, wiping noses and driving carpools, this pleasant unassuming woman obviously enjoyed being dressed to the nines and dancing with heads of state. She was coming into her own.

Last Thursday, she went to the doctor, dutifully, for a routine check-up. He found the lump. She carried on. Friday, she made her rounds—the Lyndon Johnson Grove dedication, the Salvation Army fashion luncheon. Saturday, very game, she was taken to surgery, and ever since the world has been immersed in clinical detail about her case. She may even be philosophical about that. It seems a bit much.

People say that since it's the First Lady, we have the right to know, but do we? What about her right to privacy? She's not president. Could we leave her alone and let her regroup in her own way? Maybe she will in time want to talk about her experience, to alert or encourage other women. Right now, she deserves a little peace. We're always ransacking our First Family's lives for "humanizing" data. A cancer operation does not require that treatment.

Her husband says we should send contributions to the American Cancer Society. It seems the best way to express our sympathy.

CONGRESSIONAL REFORM PLAN A "TIMID" APPROACH

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. ARMSTRONG. Mr. Speaker, the Select Committee reorganization plan is a timid and faltering step. It falls far short of the sweeping reforms the House so urgently needs.

To hear the howls of anguish from special interest groups, and some Members, one would think Congress was considering a major overhaul. Indeed, the public has been led to believe House Resolution 988 will drag Congress into the 20th century at long last.

Nothing could be further from the truth. This proposal is far more notable for reforms which are ignored than for those which are fostered.

NONGERMANE AMENDMENTS

This proposal does nothing to eliminate the curse of nongermane amendments which have resulted in confusion, delay, and bad legislation.

For example, when the House passed a routine environmental bill—amendments to the Scenic and Wild Rivers Act—the Senate hooked on the National Emergency Energy Act. When the House passed the 1973 extension of the so-called temporary debt ceiling extension, the Senate insisted on adding provisions for a Presidential election campaign fund to be financed by a tax return checkoff. Similarly, the Senate added a 10-percent increase in social security benefits to a bill extending the Renegotiation Act.

Mr. Speaker, these are but three of many, many instances in which totally unrelated proposals are hooked together in a manner that often results in killing bills and passing bad ones and, in the process, makes it impossible for Members to give proper consideration to the proposals.

Unfortunately, the reform proposals now being considered do not solve this problem.

CONFLICTS OF INTEREST

This proposal does nothing to eliminate conflict-of-interest voting. It is disgraceful for Members of Congress to vote on legislation directly affecting their own pocketbooks. But this is exactly what happens under present rules and precedents.

Congress should promptly adopt a rule requiring Members to excuse themselves from voting whenever their own personal interests are directly affected—to avoid the unsavory situation of farmer-Congressmen voting on agriculture subsidies, land developer-Congressmen voting on land use, broadcasters on FCC bills, owners of mining stock voting on strip-mining legislation, Members with oil interests voting on oil tax preferences, and so forth.

EXCESSIVE POWERS OF CONFEREES

This legislation does nothing to curb the excessive powers of conferees. Conference committees have become the Nation's super legislative body. Over and over again, conferees ignore the wishes of the House and rewrite legislation in conference.

When every major bill goes through this process, conferees are in a position to dictate the final terms of settlement and present the House with a take-it-or-leave-it proportion. It is time to curb the power of conference committees. The Bolling-Martin proposal does not do so.

This legislation does nothing to straighten out the idiotic scheduling procedures of the House, such as the procedures that are being used in consideration of this very bill. On Monday, the House began consideration of committee reform. On Monday evening the House was urged by the Appropriations Committee chairman to drop committee reform and begin work on supplemental appropriations. We were told this matter is so urgent and the deadline for passage so pressing it would be foolhardy to put off until Tuesday consideration of this matter. So debate began.

However, after a couple of hours, the House adjourned for the day and when we resumed on Tuesday started again on committee reform. After working on this for a while, the House again turned its attention to supplemental appropriations—the matter which had previously been described as urgent.

Today, we are advised by the majority leader, the House will work from 10 a.m. until 12:30 on supplemental appropriations, from 12:30 to 4:30 on committee reform, and then we will go back to the supplemental appropriations bill. This is lunacy.

Haphazard scheduling like this is typical of the way the House is being run. And it is no more inconvenience. It leads to confusion in consideration of legislation, and sometimes an atmosphere that approaches hysteria, as we have seen on all-too-many important bills. Sometimes things get so wrapped around the axle neither the presiding officer nor Members of Congress know exactly what is going on. As a consequence, serious legislative mistakes occur.

A well-defined calendar, with adequate advance notice and firm scheduling is long overdue in the House. But the resolution before us does not establish such a calendar.

No, Mr. Speaker, the Bolling-Martin recommendations do not constitute the kind of far-reaching reforms the House needs. However, this proposal does provide a somewhat more logical grouping of committee responsibility along functional lines as it upsets some of the cozy relationships between Members and lobbyists. All to the good.

In addition, the Bolling-Martin proposal will outlaw proxy voting in committee—which should never have been permitted in the first place—and will assure adequate staffing for the minority which should never have been denied. So despite the fact that this reform package does not go far enough and is only a faltering step, it is clearly a step in the right direction, in my opinion. Therefore I do intend to vote in favor of this proposal.

But I cannot help wondering whether or not the reforms, modest as they are, will really be permanent. When the Legislative Reorganization Act of 1970 was adopted, some of these same reforms were written into law. But when Congress reconvened in January of 1971, the majority party promptly turned its back on such reforms as minority staffing. Will this happen again? I trust not. But such action has already been threatened.

Mr. Speaker, this bill has come to the floor ballyhooed as a great reform.

Certainly changes in the House Committee structure are long overdue. Last year's energy crisis proved that—when 94 committees and subcommittees wrangled over the energy problem and debated fruitlessly for months before slapping a legislative bandaid over the entire gaping question, gasping in relief when the Arabs lifted the boycott and allowed Congress to get off the hook temporarily. But the Bolling-Martin recommendations, worthwhile though they are, are only a start. When this proposal is adopted, it is essential that we proceed to the consideration of other necessary reforms.

A VETO-PROOF CONGRESS WOULD REPEAL 14(b)

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 2, 1974

Mr. CRANE. Mr. Speaker, the phrase, "a veto-proof Congress" is becoming very familiar to all of us in this election year. One result of such a Congress which has not been discussed at great length is the possible repeal of section 14(b) of the Taft-Hartley Act.

One of my constituents, Charlies Holmes, of Schaumburg, Ill., has called to my attention the comments of Mr. Walter E. Trauffer, editor of Pit and Quarry magazine, on this subject and I would like to share them with my colleagues:

A VETO-PROOF CONGRESS WOULD REPEAL 14(b)

(By Walter E Trauffer)

Ever since the Taft-Hartley Act became law in 1947, there has been steady pressure from labor unions to repeal this law or to invalidate it by scratching out one paragraph, Section 14(b). This Act legalizes the union shop, but says in Section 14(b) that if states wish to outlaw the union shop, state law in this respect shall supersede the federal law. Nineteen states now have such "right to work" laws in effect, and labor unions are constantly working to get these laws repealed and to keep other states from passing similar laws. Industry is now faced with the possibility that the labor unions might achieve this purpose by electing a Congress that could repeal Section 14(b), even over a presidential veto.

Leading in the fight to retain freedom of choice for the worker with respect to union membership has been the National Right to Work Committee, a non-profit organization, which has for over 20 years been committed to defend at all levels an American citizen's right to hold a job without being forced to join a labor union. The Committee has done its job well, and an important factor in its success is the "National Right to Work Newsletter," a monthly publication devoted to this cause. It has repeatedly called attention to special efforts to repeal the Taft-Hartley Act or Section 14(b).

A Pit and Quarry editorial in November, 1953, quoted an article, "How to save Taft-Hartley," in the September 21, 1953 issue of *The Freeman*, by Joseph H. Ball, former senator from Minnesota. An authority on labor relations and labor legislation, he pointed out in detail the danger to the Act, and what must be done to save it. Among other things, he presented a chronological sequence of events in the development of labor policy under the Eisenhower administration. In September, 1952, President Eisenhower, speaking to the AFL convention, emphatically opposed repeal of the Taft-Hartley Act and favored only minor amendments.

In December 1952, the President announced the appointment of Martin P. Durkin, then president of an AFL union as Secretary of Labor. From that time on, there was one indication after another that Taft-Hartley was under fire. This culminated on July 31, 1953, in the "proposed Eisenhower message" to Congress, which suggested 19 amendments, including 24 concessions to union demands, and left out all of the industry proposals that were opposed by Mr. Durkin.

"Protests by Vice President Nixon and others stopped this message. . . ."

The March 26, 1974 issue of the "Newsletter" warns against the latest, and perhaps the most serious threat against Section 14(b) of the Taft-Hartley Act. We quote: "The election of a Congres with a two-thirds majority controlled by George Meany & Company would undoubtedly mean the end to state Right to Work Laws."

According to the March 11, 1974 "Washington Report" of the Chamber of Commerce of the United States: "Organized labor is determined to seize upon Watergate—plus inflation, plus the energy crisis, plus unemployment—to win the 1974 Congressional elections in overwhelming style.

"For the AFL-CIO and COPE, its political arm, winning means more than gaining a working majority in both Houses of Congress. Labor wants to win by such sizable margins that President Nixon's veto power is rendered useless the last two years of his term.

"Under the slogan "Target for '74—A Veto-Proof Congress," the campaign is already under way to elect 20 to 23 additional pro-labor friends in the House and five to 10 additional Senators who can be counted on to do labor's bidding on veto countdowns."

Quoting the June 26, 1974 "Newsletter," a special issue: "A new national survey, showing that most Americans feel union officials have too much power, indicates clearly that the so-called "veto-proof" Congress demanded by George Meany and top AFL–CIO officials would be inconsistent with the public interest.

"The study shows that some 70% of the American voting-age public—95 million people—*favor* voluntary unionism, *favor* curbs on union political spending and think union officials already have far too much power. A "veto-proof" Congress would extend compulsory unionism to all 50 states, allow unions to spend even more compulsory membership dues on politics, and greatly increase the power of top union officials.

"Right to Work supporters are urged to use the new survey material to win pledges from their U.S. House and Senate candidates to support the Right to Work principle, in accordance with the wishes of the vast majority of their constituents."

HOUSE OF REPRESENTATIVES—*Thursday, October 3, 1974*

The House met at 12 o'clock noon.

The Reverend Robert N. Meyers, founder and director of the Christian Service Corps, Washington, D.C., offered the following prayer:

Almighty God, we worship You today as Father, Son, and Holy Spirit. We confess our sins—sins of selfishness, indifference, mistrust. We ask for divine forgiveness. May we be open to hear Your voice in times of plenty, in times of want, in crisis, war, and peace. We are grateful for the redemption that You offer to us and to all men through repentance and faith in Christ, and we pray that we will continue to listen as You speak to us through His words and parables.

We pray that You will bless this legislative body. We remember people around the world today in their physical and spiritual need. In gratefulness and thankfulness to You for Your many blessings, we pray in Jesus' name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 14215. An act to amend the Developmental Disabilities Services and Facilities Construction Act to revise and extend the programs authorized by that act.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3204. An act to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps; and

S. 3265. An act to amend the Jury Selection and Service Act of 1968, as amended (28 U.S.C. 1861 et seq.), by revising the section on fees, section 1871, and by adding a new section 1875, and for other purposes.

The message also announced that the President pro tempore, pursuant to Public Law 93–426, appointed Mr. TUNNEY and Mr. BROCK to the National Commission on Supplies and Shortages.

REV. MR. ROBERT N. MEYERS

(Mr. QUIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. QUIE. Mr. Speaker, the Reverend Mr. Robert N. Meyers, our guest chaplain today, is the founder and president of the Christian Service Corps.

The Christian Service Corps is a private program of volunteer service, designed to challenge men and women of all ages, in all walks of life, to use their skills and share their faith in Christ with people in physical and spiritual poverty throughout the world. Each volunteer receives a choice of assignment with established mission agencies in the United States or overseas. After a minimum level of support is raised, the corpsman is trained intensively in language, culture, and Christian witness before proceeding to his assignment. The corps has placed volunteers with over 60 different mission organizations in 42 countries in Asia, Africa, Europe, North America, and South America.

The Christian Service Corps has its headquarters in Washington, D.C., where it trains the volunteers prior to their mission service. I am pleased to note that Dana B. Ebeling from Farmington, Minn., is one of these trainees. She is a registered nurse and will be serving in Yurimaguas, Peru, with Regions Beyond Missionary Union, working among the Chayahuitas Indians. The Chayahuitas

Indians are a small tribe of about 5,000 located in Yurimaguas, Peru. I was especially pleased to learn that Dana is a CSC volunteer since I went to Northfield High School with her father, Edwin A. Ebeling.

Mr. Speaker, I am happy to wish the Christian Service Corps the greatest success in pursuing the worthwhile objectives of ministering to people in spiritual and physical poverty around the world.

PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, OCTOBER 4, 1974, TO FILE CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1131, FURTHER CONTINUING APPROPRIATIONS, 1975

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, October 4, 1974, to file a conference report on the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93–1424)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1131) "making further continuing appropriations for the fiscal year 1975, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, and 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 5, 8, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

"SEC. 4. The fourth unnumbered clause of section 101(b) of such joint resolution, relating to foreign assistance and related programs appropriations, is amended by striking out all that follows "as amended" and inserting in lieu thereof ": *Provided*, That in computing the current rate of operations of military assistance there shall be included the amount of obligations incurred in Department of Defense appropriations during the fiscal year 1974 for military assistance to Laos;".

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3.

GEORGE MAHON,
JAMIE L. WHITTEN
(except as to foreign aid),
ROBERT L. F. SIKES,
OTTO E. PASSMAN,
JOE L. EVINS
(except as to amendment No. 6),
JOHN M. SLACK,
ELFORD A. CEDERBERG,
ROBERT H. MICHEL,
GLENN R. DAVIS,
GARNER E. SHRIVER,
Managers on the Part of the House.
JOHN L. MCCLELLAN,
JOHN C. STENNIS,
GALE W. MCGEE,
DANIEL K. INOUYE,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 9),
EDWARD W. BROOKE
(except as to amendment No. 9),
MARK O. HATFIELD
(except as to amendment No. 3),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year 1975, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment Nos. 1 and 2: Provide authority as proposed by the Senate to permit the United States Information Agency to continue to operate under the terms and conditions of the continuing resolution until enactment of basic authorizing legislation.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment. The amended paragraph would read as follows:

"SEC. 3. None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means) or for the transportation of any military equipment or supplies to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or any agreement entered into under such Acts by making good faith efforts to reach a negotiated settlement with respect to Cyprus."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 4: Deletes language relating to the drawdown authority for Cambodia being included in computing the current rate of operations for military assistance and restores the language relating to the inclusion of the obligational amount provided in the Department of Defense appropriations for fiscal year 1974 for Laos in computing this same rate of operations for military aid.

Action by the conferees continuing on annual "rate for operations" for the Military Assistance Program of $550,000,000 should not be construed as an obligation or intention of either House to appropriate this level in the annual 1975 appropriation bill.

Amendment No. 5: Includes language as proposed by the Senate which would authorize the use of available funds for foreign assistance to be used to provide relief, rehabilitation and reconstruction assistance in connection with the floods in Honduras and Bangladesh and civil strife in Cyprus of not to exceed $15,000,000.

Amendment No. 6: Deletes language proposed by the Senate which would have reduced funds under the resolution for activities, programs, projects, or other operations funded by the Foreign Aid Appropriations Act of 1974 by 30 percent in November and by 10 percent each month thereafter.

The conferees are deeply concerned by the continuing delays in enactment of legislation to provide direction for the nation's foreign assistance program and to establish authorized levels for the various components of that program.

Amendment No. 7: Deletes language proposed by the Senate which would have cut off funds under the resolution for military assistance, security assistance, sales, credit sales, guaranties, excess defense articles or items from DOD stockpiles to Chile.

Action by the conferees regarding military assistance to Chile should not be construed as a lack of concern over the situation in that country. The conferees take note of the Senate vote indicating its concern over disregard of human rights in Chile. The conferees anticipate that the Congress will undertake a continuing review of our aid program in Chile.

Amendment No. 8: Includes language proposed by the Senate which provides that not to exceed $85,000,000 of the funds made available by the resolution may be obligated to procure fertilizers for, and to provide fertilizers to South Vietnam.

Amendment No. 9: Deletes language proposed by the Senate which would have provided $200,000,000 in supporting assistance and $100,000,000 in military assistance for Israel in addition to the funds already provided for these purposes. The current "rate for operations" in the continuing resolution would permit $50 million in supporting assistance and $300 million in military credit sales for Israel. In the absence of a budget estimate or authorization the conferees recommend adherence to the traditional continuing resolution concept of continuing existing programs at the current rate or budget estimate.

GEORGE MAHON,
JAMIE L. WHITTEN
(except as to foreign aid),
ROBERT L. F. SIKES,
OTTO E. PASSMAN,
JOE L. EVINS
(except as to amendment No. 6),
JOHN M. SLACK,
ELFORD A. CEDERBERG,
ROBERT H. MICHEL,
GLENN R. DAVIS,
GARNER E. SHRIVER,
Managers on the Part of the House.
JOHN L. MCCLELLAN,
JOHN C. STENNIS,
GALE W. MCGEE,
DANIEL K. INOUYE,
MILTON R. YOUNG,
ROMAN L. HRUSKA,
NORRIS COTTON,
CLIFFORD P. CASE
(except as to amendment No. 9),
EDWARD W. BROOKE
(except as to amendment No. 9),
MARK O. HATFIELD
(except as to amendment No. 3),
Managers on the Part of the Senate.

MAKING IN ORDER CONSIDERATION OF CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1131, FURTHER CONTINUING APPROPRIATIONS, 1975, ON MONDAY NEXT OR ANY DAY THEREAFTER

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order in the House on Monday next or any day thereafter to consider a conference report on the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year ending June 30, 1975, and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER CONSIDERATION OF BUSINESS FROM THE COMMITTEE ON THE DISTRICT OF COLUMBIA ON THURSDAY, OCTOBER 10, 1974

Mr. **O'NEILL**. Mr. Speaker, I ask unanimous consent that business in order under clause 8, rule 24, from the Committee on the District of Columbia, may be in order on Thursday, October 10, 1974.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. **GROSS**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **O'NEILL**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

Mr. **HUNT**. Mr. Speaker, the electronic device is not working.

The **SPEAKER**. The electronic device is not in operation.

The Chair is going back to the rollcall rule, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 565]

Biaggi
Blackburn
Blatnik
Brasco
Broomfield
Burke, Calif.
Carey, N.Y.
Chappell
Chisholm
Clark
Cohen
Conable
Conyers
Davis, Ga.
Derwinski
Dorn
Drinan
Erlenborn
Esch
Evans, Colo.
Giaimo
Grasso
Gubser
Harsha
Heckler, Mass.
Hogan
Holt
Hudnut
Jarman
Johnson, Colo.
Johnson, Pa.
Kuykendall
McClory
McKay
Macdonald
Martin, N.C.
Mayne
Metcalfe
Michel
Mitchell, Md.
Obey
Podell
Rarick
Rees
Reid
Rhodes
Riegle
Rooney, N.Y.
Rooney, Pa.
Satterfield
Shuster
Snyder
Steele
Steiger, Ariz.
Symington
Teague
Tiernan
Udall
Vander Veen
Whitehurst
Williams
Young, Ga.

The **SPEAKER**. On this rollcall, 372 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFIRMATION OF GEN. FRED C. WEYAND AS ARMY CHIEF OF STAFF

(Mr. **HÉBERT** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **HÉBERT**. Mr. Speaker, I would ask that we note for a moment the comforting fact that our colleagues in the Senate have confirmed Gen. Fred C. Weyand as the Army Chief of Staff. I am convinced that General Weyand was the right choice for that demanding position; his prompt confirmation is indeed a responsible action.

General Weyand is one of our country's great soldiers. He first learned the bitter truth of war in Burma in World War II. His battalion fought long and hard in the grim period following the outbreak of war in Korea. He commanded a division, a field force, and subsequently the entire U.S. military effort in Vietnam. He knows the costs of war and the dreadful added costs of unpreparedness. We are fortunate to have a man with that perspective as the Army's top soldier.

Apart from leadership in battle, General Weyland has excelled as a staff officer, having held a number of key positions on the Army staff. Many of us recall his superior service as the Army's liaison officer to the Congress.

On the international scene, General Weyand has gained the insight of the diplomat, repeatedly serving in positions requiring the utmost in tact and delicacy, yet insisting upon our country's continuing strength and the unflagging pursuit of its best interests.

As Vice Chief of Staff, he served ably and productively as alter-ego to Gen. Creighton Abrams, a great soldier and a much respected human being. He is pledged to continue many of the goals and programs initiated under General Abrams' leadership. General Weyand takes charge of the Army at a challenging time. I am certain that the President's confidence in him, reinforced by the action of our colleagues in the Senate, will be vindicated in years to come.

I am proud to call him not only my friend, but my old friend.

RALPH NADER OPPOSES HOUSE RESOLUTION 988

(Mr. **DINGELL** asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. **DINGELL**. Mr. Speaker, I have in my hand another letter from the major citizens group in opposition to the so-called Bolling resolution, House Resolution 988. This letter is signed by Ralph Nader, who goes on to point out that the Hansen proposal will serve the public interest far better than the select committee proposal, House Resolution 988.

Thus, Ralph Nader has joined a long list of citizens' groups in opposition to House Resolution 988. I will read some of the groups who oppose this outrageous proposal: The Fund for Animals, the Society for Animal Protective Legislation, Friends of the Earth, Committee for the Preservation of the Tule Elk, National Fisheries Institute, the Wildlife Society, Conservation Foundation, Sport Fishing Institute, National Coalition for Marine Conservation, Rachel Carson Trust for the Living Environment, Inc., Wildlife Management Institution, Citizens' Committee on Natural Resources, Trout Unlimited, Environmental Action, Sierra Club, Environmental Policy Center, Consumer Federation of America, Public Citizens' Congress Watch (Ralph Nader).

Mr. Speaker, House Resolution 988 ought to be summarily disposed of, and the House ought to go on with solving the important, pressing problems of today.

Mr. Speaker, the letter from Ralph Nader follows:

Hon. CARL ALBERT,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: As the House prepares to act on reform of its organization and procedures, it should be clear that with respect to energy and environment jurisdiction, the Hansen Committee proposal will serve the public interest better than the Select Committee proposal. Both plans suffer from an underlying failure to attack the seniority system by adopting mandatory rotation between committees. Given this limitation, the essentially status quo approach to energy jurisdiction of the Hansen Committee is preferable to the Select Committee's proposal for a monolithic energy committee.

Under a rule of exclusive membership on major committees and without mandatory rotation, the fate of a consolidated energy committee will be domination by representatives of energy production interests who are contemptuous of the issues of public health, environmental protection, resource conservation, free competition, and consumer protection that are intertwined with energy policy. This problem is particularly acute in view of the fact that the majority members of the Ways and Means Committee will continue to function as the Committee on Committes and thus determine committee assignments for new members. The Hansen proposal, on the other hand, allows the formation of coalitions to protect the public interest on an issue by issue basis from among the wide number of Representatives on the several committees dealing with energy-related matters. If jurisdiction is consolidated, this advantage will be lost, and the leverage of the oil, coal, and utility lobbies increased.

The overriding energy issue is, of course, nuclear power. The Select Committee proposes to strip the Joint Commitee on Atomic Energy of all jurisdiction over non-military nuclear energy. But it is doubtful that this result can be achieved without an act of the whole Congress to repeal Chapter 17 of the Atomic Energy Act of 1954 which requires that all atomic energy matters be referred to the JCAE. The Hansen Committee proposes to give special oversight over non-military nuclear energy to the Interior Committee. This is a modest beginning to the redistribution of responsibility over nuclear energy and appears to be as far as the House can go without action by the Senate.

It is regrettable that the current round of House reorganization activity has not brought forth more fundamental reforms to the operation of the committee system. Yet many of the structural and procedural proposals by both the Select Committee and the Hansen Committee will be useful improvements. However, the Select Committee's proposed energy and environment committee presents a grave danger to the Public interest and should be rejected by the House.

Sincerely,

RALPH NADER.

OPPOSITION TO GASOLINE TAX

(Mr. **HUNT** asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **HUNT**. Mr. Speaker, yesterday, Federal Energy Administrator John Sawhill proposed that the Federal Government levy a 20- to 30-percent surtax on each gallon of gasoline. Sawhill said the tax would be refundable through the income tax system.

Mr. Speaker, let me tell you that as one Member of Congress, I am unalterably opposed to an increase in the Federal tax on gasoline. The motorist has been bearing the brunt of these ridiculous gasoline costs long enough. They are thoroughly saturated. We understand that taxation has its limits. The Government should be the first to recognize this fact and I tell you today that I will be in the forefront of the fight against any additional tax on gasoline regardless of who proposes it, or when it is brought up.

I am cosponsoring legislation that will require any tax of this nature to be acted upon by the Congress. The people deserve a voice in this matter and this way they will have one.

REMARKS OF HON. JOHN PAUL HAMMERSCHMIDT ON H.R. 17028

(Mr. HAMMERSCHMIDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAMMERSCHMIDT. Mr. Speaker, last evening the House and Senate conferees reached agreement on the provisions of H.R. 12628, the Vietnam Era Veterans Readjustment Assistance Act of 1974.

Since the report will soon be filed and printed in the CONGRESSIONAL RECORD, I will not discuss the details of the conference agreement except to say it represents a generous compromise.

Unfortunately, because of the parliamentary situation in which both House and Senate versions of the bill authorized an 18.2-percent increase in subsistence allowances for veterans pursuing programs of vocational rehabilitation and a similar increase in monthly payments for veterans pursuing apprenticeship and job training programs, it was not possible to authorize the 22.7 percent increase agreed to by the conferees for other educational programs. Had the conference agreement provided for a 22.7-percent increase in all programs, including vocational rehabilitation, it would have again been subject to the point of order that the conferees had exceeded their authority.

I do not believe, Mr. Speaker, that it is in the interest of this body or the other body to authorize a lesser percentage increase for disabled veterans pursuing programs of vocational rehabilitation than is authorized in other veterans educational programs. Certainly, it was not my intention.

Accordingly, I have introduced H.R. 17028, a bill to increase the subsistence allowance payable to veterans pursuing vocational rehabilitation training, as well as those pursuing programs of apprenticeship and job training by 22.7 percent. I am hopeful that the Congress can enact this legislation prior to the forthcoming recess so that these deserving veterans may receive the same percentage increase in their monthly payments as has been authorized by the conference report to other veterans and dependents educational programs.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO HAVE UNTIL SATURDAY, OCTOBER 5, 1974, TO FILE REPORT ON H.R. 14689

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs have until midnight, Saturday, October 5, to file a report on the bill (H.R. 14689) to provide for a plan for the preservation, interpretation, development, and use of the historic, cultural, and architectural resources of the Lowell Historic Canal District in Lowell, Mass., and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 566]

Andrews, N.C.
Archer
Biaggi
Blackburn
Blatnik
Brasco
Broomfield
Brown, Mich.
Carey, N.Y.
Clark
Cohen
Conyers
Corman
Derwinski
Diggs
Dorn
Drinan
Erlenborn
Evans, Colo.
Flowers
Fraser
Frey
Goldwater
Grasso
Green, Oreg.
Grover
Gubser
Hastings
Heckler, Mass.
Hogan
Holifield
Howard
Hudnut
Jarman
Johnson, Colo.
Johnson, Pa.
Kuykendall
Landrum
Leggett
Litton
McClory
McKay
Macdonald
Mathis, Ga.
Mayne
Metcalfe
Montgomery
Murphy, N.Y.
Owens
Passman
Patman
Pike
Podell
Rarick
Rees
Reid
Rooney, N.Y.
Rooney, Pa.
Roush
Ruth
Ryan
Shuster
Sikes
Sisk
Snyder
Stanton, J. William
Stanton, James V.
Steele
Teague
Thornton
Tiernan
Vander Veen
Whitehurst
Williams
Wilson, Charles H., Calif.
Wright
Young, Ga.

The SPEAKER. On this rollcall 357 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE REFORM AMENDMENTS OF 1974

Mr. BOLLING. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DAVIS of South Carolina. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The Clerk called the roll, and there were—yeas 384, nays 2, not voting 48, as follows:

[Roll No. 567]

YEAS—384

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hébert
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Hosmer
Howard
Huber
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Minshall, Ohio
Mitchell, Md.
Mitchell, N.Y.

Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Powell, Ohio
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Reid
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Traxler
Treen
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—2

Davis, S.C.
Stuckey

NOT VOTING—48

Biaggi
Blackburn
Brasco
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Carey, N.Y.
Cohen
Derwinski
Diggs
Dorn
Evans, Colo.
Goldwater
Grasso
Gubser
Hanna
Hastings
Heckler, Mass.
Hogan
Horton
Hudnut
Johnson, Colo.
Johnson, Pa.
Kuykendall
Leggett
McClory
McKay
McKinney
Mayne
Mosher
Patman
Poage
Podell
Preyer
Price, Tex.
Rooney, N.Y.
Rooney, Pa.
Sikes
Snyder
Stark
Steele
Stephens
Teague
Udall
Vander Veen
Whitehurst
Williams
Young, Ga.

So the motion was agreed to.

Mr. YOUNG of Texas changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution House Resolution 988, with Mr. NATCHER in the chair.

The Clerk read the title of the resolution.

The CHAIRMAN. When the Committee rose on yesterday, there were pending the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN) and the amendment offered as a substitute by the gentleman from Nebraska (Mr. MARTIN) for the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN), and the amendment offered by the gentlewoman from Missouri (Mrs. SULLIVAN) to the amendment offered as a substitute by the gentleman from Nebraska (Mr. MARTIN).

AMENDMENT OFFERED BY MR. WAGGONNER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. WAGGONNER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

> Amendment offered by Mr. WAGGONNER to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington: Page 36, line 5, strike everything after "Rule XVI" through the word "business" on line 9.
>
> Page 51, beginning on line 17 strike all that follows through line 18 on page 52.

Mr. WAGGONNER. Mr. Chairman, this amendment is to the Hansen amendment which is in order as a substitute and it does just two things. The net effect of these two changes would be to delete language from the Hansen amendment, and restore to the House Committee on Rules their present authority. If this amendment is enacted, the Committee on Rules would remain unchanged as far as authority is concerned. They would operate as they do now.

Those changes are: First. It would delete the language on page 36 of the Hansen bill which says:

> Nor shall it report any rule or order which shall require the consideration of the business which is the subject of the rule or order or which shall require the Speaker to recognize a Member for the purpose of bringing up such business.

The net effect of deleting that language is that the Rules Committee would then do as they do now. They would report rules as they chose which would say: "*Resolved,* That upon adoption of this resolution"—and these are the significant words—"the House shall resolve itself into the Committee of the Whole House". Without this change the committee would be prevented from doing this. The amendment would prevent going immediately into a Committee of the Whole House by issuing a rule which says they shall immediately resolve themselves into the Committee of the Whole House.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I am happy to yield to the distinguished gentleman from Oklahoma, the Speaker of House.

Mr. ALBERT. Mr. Chairman, I rise to state to the gentleman from Louisiana that I support his position. I feel that the Rules Committee needs the authority that it now has to perform a useful function in the House.

Of equal importance it seems to me is that if the Rules Committee does not have this authority, it is reduced almost to a nonentity in the House, and it would throw burdens upon the leadership of the House which would require an unconscionable amount of time in deciding which bills shall be brought up and in what order, or it would require the leadership, the Speaker, to have a staff to do it, and we would have the programing of legislation, as I see it, that would perhaps be done by an appointed bureaucracy rather than by Members of the House on an important committee.

I regard this as one of the most important committees of the House. This committee has cooperated. This committee as it is presently constituted deserves the overwhelming commendation of the House, and I commend the gentleman for his amendment.

Mr. WAGGONNER. Mr. Chairman, I thank the distinguished Speaker for his support in this effort. I have been aware for some time that he was opposed to this language in the Hansen proposal. I was opposed as a member of the Hansen committee to the inclusion of this language.

But now and perhaps more importantly there is something else that is deleted which restores the authority of the committee, and that is, if the Members will look at the Hansen resolution beginning on page 51, line 17, what is proposed as amendment to rule XVI, on page 51 through line 18 on page 52 is deleted and the net effect of deleting this language is to not allow, to prevent bypassing the Rules Committee.

A committee chairman or a Representative of a committee by direction of a committee cannot rise on the floor and seek recognition and be able to bypass the Committee on Rules by bringing a bill to the floor. They will be prohibited from that privilege.

Some of us will remember the argument we had a couple of Congresses ago when we were beginning to adopt our rules, there was an effort made then to reinstate the 21-day rule, which provided a bypass.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

(By unanimous consent Mr. WAGGONNER was allowed to proceed for an additional 2 minutes.)

Mr. WAGGONNER. This Congress rejected it. I do believe we should stick in this instance with the established procedures. I do think it offers more protection to the House as a whole. I have had that shoe on both feet. It works for me sometimes and it works against me sometimes; but I believe it is a good proven tool that offers something in the way of checks and balances.

I believe we should adopt this amendment and leave the authority in the Committee on Rules, where it is. I ask adoption of the amendment.

Mr. O'HARA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am under no illusion about what is going to happen on this amendment. It is clear that support for this amendment is not as strong as I had hoped and it's too bad, because this amendment, more than any other provision of any one of these three resolutions before us represents real reform of the committee structure. It is the old fight that is familiar to Members who have been here awhile.

The question has been, should a committee of the House have the ability to prevent the work of other committees from coming to the floor, even when the Speaker wants to have that legislation scheduled?

I do not think that any committee of the House ought to have that kind of power over the other committees. The provisions that the gentleman from Louisiana has offered to strike would permit the Speaker, in his discretion to recognize the chairman of a legislative committee for the purpose of bringing up a bill that did not permit the Committee on Rules to report a rule that would require that a bill be brought up over the opposition of the Speaker as they have done on a couple of occasions in the past.

I urge the committee to reject the amendment.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from California.

Mr. PHILLIP BURTON. I would like to fully associate myself with the gentleman's remarks. I join him in urging defeat of the pending amendment. As the gentleman has so aptly stated, the Hansen proposal does no more than authorize the Speaker, if the Speaker sees fit, to recognize the committee chairman to bring legislation approved by their policy committee to the floor.

The second point, the Hansen proposal eliminates the requirement that whether or not the Speaker chooses to recognize the Committee on Rules that legislation initiated by the Committee on Rules be brought to the floor.

Mr. Chairman, I urge the rejection of the amendment before us.

Mr. O'HARA. Mr. Chairman, I ask that the amendment be defeated.

Mr. MADDEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we all fully realize that in considering these three involved pieces of legislation to revolutionize the House of Representatives, and particularly the operations of our complex committee system, we certainly must take a number of days of debate and prolonged discussion.

The House must be very careful to guard against any misguided and unanalyzed provisions of changes and restrictions presented for legislative change on rules and procedures or we will pay the penalty in the future.

To my mind, back over the years approximately 95 percent of the conduct of legislative action by this body has been tried, tested, and proved successful. At different periods during the last century, the House of Representatives has made changes in its legislative operations, most of which have been highly successful. Those which have not have been revised or repealed in order to streamline and make the House for all practical purposes the most efficient and perfectly functioning legislative body in the world.

I wish to call to your attention, especially the younger Members, one of the real legislative carbuncles removed from this House approximately 70 years ago when a great legislator by the name of Congressman George W. Norris was elected from Nebraska. He was the prime mover in eliminating the dictatorial power that had existed for many years giving the Speaker of the House complete control over all the legislative processes within the House Chamber.

At that time, Speaker Joseph Cannon, of Illinois, was the autocratic one-man boss of the national House of Representatives. Speaker Cannon had the power of appointing the Rules Committee, which consisted of himself and two other members, one Republican and one Democratic. The average Congressman had practically nothing to say when Speaker Cannon dictated the legislative processes as Speaker of the House.

The amendment now presented is an effort to prevent the House of Representatives from reverting to that deplorable condition of centralized power existing 64 years ago, and fortunately removed at that time.

I was interested in listening to the remarks of our good friend Mrs. HANSEN, chairman of the so-called Hansen committee, last Monday and I will quote her verbatim:

> Our committee, in general, attempted to increase the power of the Speaker while the Committee on Committees moved toward a more powerful Rules Committee. This includes a provision authorizing the Speaker, at this discretion, to recognize the chairman or a member at the direction of a committee, to consider any bill or resolution pending on the House or Union Calendar. In order to make this request, our rule required that a full committee vote on bypassing the Rules Committee be taken on a day separate from the day the bill was reported. The House certainly should accept this change.
>
> Our proposal prohibits the Rules Committee from reporting a rule which requires the consideration of business that is the subject of the rule or which requires the Speaker to recognize a member for the purpose of bringing up such business, an issue ignored by House Resolution 988.
>
> House Resolution 988 grants to the Speaker discretionary power with regard to the referral of legislation to the various committees in the House. We concur in this recommendation but do not concur with the suggestion that the Committee on Rules also have the authority to arbitrate this bill referral process. This is the responsibility of the House and there are methods which have worked. We simply strike the authority of the Rules Committee to arbitrate jurisdictional disputes.

I was also very much interested in and highly endorse a statement which Chairman HANSEN made on page 32966 in last Monday's RECORD, pertaining to the turmoil which will exist in the coming session of Congress unless the House, in considering the so-called changes, puts a damper on some of the impractical and unrealistic changes proposed in some of these three reorganization bills now under consideration. I again quote our good friend from the State of Washington (Mrs. HANSEN).

> Beyond question, the first session of the 94th Congress stands to rank among the most tumultuous in history. The sheer burdens of meeting and understanding the new obligations of the Budget and Impoundment Control Act will test the patience and understanding of every Member of the new Congress. This legislation is major reform and deserves an opportunity to be brought into play without other massive new jurisdictional realinements. The timing is poor for a major revamping of committees.

The Members must vote for Congressman WAGGONNER's amendment to preserve the House Committee on Rules.

Mrs. HANSEN of Washington. Mr. Chairman, I move to strike the last word.

Mr. Chairman, first of all I rise to thank my very distinguished colleague and chairman of the Rules Committee for having read what I said. I wish more people would have read the record of the Committee on Appropriations.

I appeared before the Committee on Rules the other day, and I felt like an early Christian in a den of lions. It is a great place for me to appear to ask for a rule.

The third thing I would like to point out is that in the so-called discussion with the committee chairmen we were discussing jurisdiction. We did not change the jurisdiction. We changed the procedure.

The Hansen committee had 11 members, including myself. There was a wide divergence of opinion within the committee. We have Mr. WAGGONNER, we have Mr. PHILLIP BURTON, we have Mr. HAYS, we have Mr. ANNUNZIO, we have Miss JORDAN. I could go on down the list. They are some of the finest Members in this House. But needless to say, nothing is adopted unanimously in the beginning, without a great deal of discussion and a great deal of talk.

However, after the committee, in considering the problem of reform, came out with a proposal agreed to by every member of the committee to offer the leadership the opportunity to have one more flexible means of being able to bring a bill to the floor, we have such a provision in this proposal.

This is in no sense or was in no sense a criticism of the present Committee on Rules. I happen to have been in legislative bodies all my life. There are ways in every State legislative body to bring bills to the floor if the Committee on Rules is not cooperative.

In this body the only single means is through the discharge petition or paying the price of suspension of the rules.

Therefore, I thought this was a good tool—the committee thought so—a good tool for the leadership to use to expedite the business of the House. In this House we have been going around in all kinds of circles. The Committee on Rules seems to feel that we are going to make them into a sewing circle.

May I say that even though I believe in this reform sincerely, as a member of the committee, in deference to my apparently very disgusted friend and my very distinguished colleague, the chairman of the Committee on Rules, I am going to join the Speaker and join one of the members of the committee, the gentleman from Louisiana (Mr. WAGGONNER) and vote to support his amendment.

Other members of the committee are not going to do so, but I feel in this instance, that you are right.

Mr. PERKINS. Mr. Chairman, I move to strike the last word.

When I first came to the Congress, soon after I took the oath in January 1949, one of the first revisions of the rules that appeared before the Congress was the 21-day rule.

It was necessary at that time because legislation was being blocked in the House Committee on Rules and would never see the light of day.

That 21-day rule was sponsored by Speaker Rayburn, and at the end of the 81st Congress, early in January 1951, it was repealed. After that rule was repealed, on numerous occasions the Committee on Rules killed vital legislation. Even as late as 1958 or 1959 I witnessed an education bill come before this House after it passed the Senate, and because of an individual objection, that important bill went before the House Committee on Rules and it died.

What I am leading up to, however, is that with the Committee on Rules as presently constituted, we do not need the 21-day rule. We have great leaders on the Committee on Rules. The chairman of the Committee on Rules, the gentleman from Indiana, RAY MADDEN, is one of the most honorable gentlemen in this country; and so is the gentleman from New York (Mr. DELANEY). I do not think that any of us, including those gentlemen who may be chairmen of the Committee on Rules, would like to see this 21-day rule adopted.

I just wanted to make some comments about why you should vote for the Waggonner proposal.

In the first place, Mr. Chairman, the amendment offered by the gentleman from Louisiana strikes a provision that is now not needed. We have a respondent Rules Committee. A Rules Committee that has cooperated with the leadership of the House in all respects since the gentleman from Indiana became chairman.

Second, Mr. Chairman, I want to take this opportunity to alert the House to the provision in the Bolling proposal with regard to the Rules Committee. If you think this House is capable of being tied up and not being able to operate under its own rule just consider for a moment what would happen if we were unwise enough to adopt the Bolling proposal. As it is, Mr. Chairman, the Rules Committee would have two opportunities to thwart the will of the majority of this House.

First in the initial referral process the Rules Committee would take from the Speaker his rightful power to refer legislation to the standing committees of the House and second, the Rules Committee would have the function of operating in a fashion as it can now to keep legislation from being considered on the floor of the House.

Mr. Chairman, the provision that the Waggonner amendment seeks to strike is not in the best interest of this House at this time and the provisions in the Bolling report with regard to the Rules Committee are not in the best interest of the House at this time.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(By unanimous consent, Mr. PERKINS was allowed to proceed for 3 additional minutes.)

Mr. PERKINS. Mr. Chairman, as the Committee on Rules is presently constituted, there is no excuse to have any 21-day rule. If we were to adopt the Bolling report, we may find that some time this committee may not be constituted of good members as it is presently constituted. This House could be put in a position where, instead of expediting, we would be delaying. It might be worse than anything that we have ever witnessed during the tenure of any Member in this House.

I know that we do not want to see a Committee on Rules with any such superstructure, with superpowers such as those embodied in the Bolling report, where they could say, "Yes, this has been assigned to the Committee on Education and Labor, but we are going to refer this now, or a portion of it, to the Committee on Ways and Means"—or it might be to the Committee on Interstate and Foreign Commerce.

With the overlapping that we have had up to now in the way the Speaker has referred bills, this Congress has worked well. The Bolling report only compounds this overlapping.

In my judgment it behooves the entire committee to support the Waggonner amendment to the Hansen amendment in the nature of a substitute because there is no need for the 21-day rule at this time. Let us let an effective and efficient and responsible House committee, as is the Committee on Rules, and work the way they have in a way responsive to the Members of this Congress. If the time ever should come that we do have the members of the Committee on Rules differently constituted, this House will not stand for what it stood for many, many years ago, and the necessary change naturally would be made at that time.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I will yield to the distinguished gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I want to aline myself with the remarks of the chairman of the committee, and to say that I also want to associate myself with the remarks of the Speaker. He made a very telling remark, and I think it ought to impress many of us, when he said if we do not go along with the Waggonner amendment the Committee on Rules would be a nonentity.

I might say that if you read through the Bolling report it makes quite a number of the committees nonexistent.

Mr. PERKINS. I hope the Members will support the Waggonner amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ANDERSON of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I listened with great interest a few minutes ago to the distinguished chairman of the committee on which I serve, the Committee on Rules, when the gentleman related to the members of this committee his experience some weeks ago in being summoned before what he referred to as the Hansen committee, and the summons came on a day when the committee which he chaired was meeting, and apparently he was greatly concerned about the possible conflict that attendance upon the so-called Hansen committee might produce, the conflict that that might impose upon him and his duties in connection with the Committee on Rules.

Then the gentleman later quoted extensively from an article referring to Chairman HANSEN.

Now, it was my impression that the distinguished gentlewoman from Washington was the chairman indeed of a subcommittee of this House, I believe dealing with appropriations for the Department of the Interior and various other agencies of the Government, but I was not aware that the gentlewoman was the chairman of a committee of this House, and I therefore thought it incumbent upon myself to set the record straight; because it seemed to me that in all of this reference to the so-called Hansen committee and Chairman HANSEN, what we are dealing with in the so-called amendment in the nature of a substitute is the work product of a partisan committee of the Democrat Caucus. I would hope that there would be no confusion in anyone's mind on that score.

Maybe—just maybe—part of the problem that we are having here this afternoon that leads the gentleman from Louisiana (Mr. WAGGONNER) to now offer the amendment that is before the Committee, is that the recommendations of that committee are the recommendations of a partisan committee of the Democratic Caucus, and not the recommendations of a committee of this House.

I hold the gentlewoman from Washington in great esteem, make no mistake about that. But I do think that when we are laboring on matters that are of such vital importance that they involve the procedures of this House and the committees of this House, we would be better off if we were to take the conclusions of a bipartisan committee.

As I recall it, the so-called Bolling committee was composed of five Democrats and five Republicans who held very extensive hearings over a period of many months and then issued an interim report, and then waited some months before they finally in March of this year issued a final report on the product of their deliberations.

I, for one, may support some amendments to House Joint Resolution 988, but on the whole I find it a vastly preferable product to that produced by the so-called Hansen committee, which, I repeat, was a partisan committee of the Democratic Caucus. I think we ought to, therefore, when we get their recommendations on matters involving the whole House, have that very central and important point in mind.

Mr. MATSUNAGA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the Waggonner amendment. When I first came here to the 88th Congress, the Committee on Rules was chaired by the Honorable Howard Smith. There was considerable abuse of power in that committee, particularly by the chairman of that committee. So in the 89th Congress the House adopted the 21-day rule. But then there was so much abuse of that 21-lay rule during the 89th Congress that the Speaker, himself, the Honorable John McCormack, practically led the fight to repeal the 21-day rule in the 90th Congress.

When I was approached by Speaker McCormack to serve on the Committee on Rules at the beginning of the 90th Congress, I asked him, "What are you going to do about the 21-day rule?" He said he was for repealing it. I said, "Fine. Then I will serve."

Now the Hansen resolution proposes not a 21-day rule but a complete disembowelment of the Committee on Rules, taking away all of its powers, making the Committee on Rules nothing, without influence.

Even the Speaker himself is opposed to that provision of the Hansen resolution and will support, I am told, the Waggoner amendment.

I am sorry. I was not here when the Speaker spoke. I have just been advised he did speak in support of the Waggonner amendment. Had I known that, I would not have taken the floor. I will make this short.

If the Waggonner amendment is defeated, I would not want to serve on the Committee on Rules, believe me. I will turn my resignation in. Who, as a representative of the people of our districts, would want to serve on a committee, an exclusive committee which has no power at all, no legislative authority, to speak of? Heavens—we had better stay home than come to Congress, without being able to do anything for our people in our districts. That is what would happen if we served on the Committee on Rules, unless the Waggonner amendment is adopted.

Mr. Chairman, I urge adoption of the Waggonner amendment.

Mr. JOHN L. BURTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to say not only do I have the greatest respect for the distinguished chairman, Mr. MADDEN, Mr. DELANEY, and Mr. BOLLING, but I have a great deal of respect and affection for the Honorable MORGAN MURPHY, a member of that committee. The distinguished chairman talked about the fact that there were going to be maybe 95 new Members, and being the newest Member here in this body, I will have seniority over those 95.

I was elected from a reform district, I came from a State legislature—although it certainly was not as honorable a body as this honorable body—where I chaired a procedural committee. As I discussed reform with people in my district—Common Cause, the League of Women Voters—I cannot understand why it is important to have jurisdictions consolidated when after that policy committee unanimously votes out a piece of legislation it would never come before the Congress for vote.

I do not mean this with any disrespect, I am a new Member, so I may not understand, but I really believe that procedure is as important as substance. I really believe that if a policy committee after many months of determination votes out a bill, even if I do not like it, somehow or other that bill ought to come to the floor for the Members to vote up or down or sideways as the case may be.

I strongly support the procedural provisions in the Hansen proposal because I feel it is reform. I chaired a procedural committee and I know what we can do with procedure. I mean no disrespect to the gentleman from Louisiana (Mr. WAGGONNER) or to the gentleman from Nebraska (Mr. MARTIN), I have read them all, the Bolling and the Hansen and the Martin proposals, and they are all fine people and I am indebted to the work they have put in on this project, but this language of the Hansen report, to me is the biggest reform in the whole package.

What is the difference if the transportation bill comes in from the committee chaired by the gentleman from West Virginia (Mr. STAGGERS) or from some other committee if we cannot vote for it on the floor? What is the difference if a tax bill comes out if we cannot vote for it on the floor?

So I really do not think jurisdiction is as important as the procedure. So again I apologize as No. 435 for taking up the time of the Members, but I thought I had to say this because in my district they look to reform, and the 95 people when they come here will look to reform and they will say, "When do we get this?" We know how long it took for the Bolling report to come to this floor. I just think the Hansen proposal, if it is superior in any way—save for education and labor—is superior in this one regard, so again with my great respects to everybody and especially my fine friend, the gentleman from Illinois, MORGAN MURPHY, I thank the Members for letting me take their time.

Mr. TEAGUE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I intend to vote for the Waggonner amendment but I do not intend to do so without saying a little bit about the role of the Rules Committee. I think they are all my friends and I respect all of them, but this year our committee went to the Rules Committee with a bill that had been reported I think maybe unanimously except for one person who voted "present" and we asked for an open rule. We had a proviso that the department that would administer this bill had told us it was impossible to administer, so that great generous Rules Committee gave us a rule which made germane a nongermane amendment, so they are not all pure and holy and right. I just want to make that point.

Mr. PHILLIP BURTON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from California (Mr. PHILLIP BURTON).

Mr. PHILLIP BURTON. Mr. Chairman, under the current rules and under the Hansen amendment that very procedure would still be a procedure the House could follow.

Mr. TEAGUE. I will forgive them that one mistake.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, is it not a fact that every rule that comes out of the Rules Committee is subject to approval by the membership on this floor and if they do not like the rules that come out the membership of this House can change the rules?

Mr. TEAGUE. That is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. WAGGONNER) to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PHILLIP BURTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by clerks; and there were—ayes 295, noes 104, not voting 36, as follows:

[Roll No. 568]

AYES—295

Abdnor
Albert
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bevill
Blatnik
Boggs
Boland
Bowen
Brademas
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Cotter
Crane
Cronin
Daniel, Dan
Daniels, Dominick V.
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Erlenborn
Eshleman
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gray
Green, Oreg.
Gross
Grover
Guyer
Haley
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Hastings
Hawkins
Hays
Hébert
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Hosmer
Huber
Hungate
Hunt
Hutchinson
Jarman
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
Ketchum
King
Kluczynski
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Lott
McCloskey
McCollister
McCormack
McEwen
McFall
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Metcalfe
Michel
Milford
Miller
Mills
Mink
Minshall, Ohio
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nelsen
Nichols
Nix
O'Brien
O'Neill
Parris
Passman
Patman
Pepper
Perkins
Pettis
Peyser
Pickle
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rostenkowski
Roush
Rousselot
Roy
Ruth
Ryan
St Germain
Sandman
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, N.Y.
Spence
Staggers
Stanton, J. William

Stanton,
James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Towell, Nev.
Treen
Ullman
Vander Jagt
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitten
Widnall
Wilson, Bob
Wilson,
Charles H.,
Calif.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Alaska
Young, Ill.
Young, Tex.
Zablocki
Zion
Zwach

NOES—104

Abzug
Adams
Addabbo
Aspin
Badillo
Bell
Bergland
Biester
Bingham
Bolling
Breckinridge
Brown, Calif.
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Chisholm
Clay
Conte
Conyers
Corman
Coughlin
Culver
Davis, S.C.
Dellums
Drinan
Eckhardt
Edwards, Calif.
Esch
Fish
Ford
Fraser
Froehlich
Giaimo
Green, Pa.
Griffiths
Gude
Gunter
Hamilton
Hanrahan
Harrington
Hechler, W. Va.
Heinz
Helstoski
Hogan
Holtzman
Horton
Howard
Ichord
Kastenmeier
Koch
Kyros
Long, Md.
Lujan
Luken
McDade
McKinney
Macdonald
Mazzoli
Meeds
Melcher
Mezvinsky
Minish
Mitchell, Md.
Mitchell, N.Y.
Mosher
Nedzi
Obey
O'Hara
Owens
Patten
Pike
Pritchard
Reid
Reuss
Riegle
Rinaldo
Roe
Roncalio, Wyo.
Rosenthal
Roybal
Runnels
Sarbanes
Schroeder
Shuster
Smith, Iowa
Stark
Steelman
Stokes
Studds
Symington
Traxler
Udall
Van Deerlin
Vanik
Waldie
Whalen
Wilson,
Charles, Tex.
Wolff
Yates
Yatron
Young, Fla.
Young, S.C.

NOT VOTING—36

Biaggi
Blackburn
Brasco
Carey, N.Y.
Cohen
Daniel, Robert
W., Jr.
Danielson
Derwinski
Dorn
Evans, Colo.
Goldwater
Grasso
Gubser
Heckler, Mass.
Hudnut
Johnson, Colo.
Johnson, Pa.
McClory
McKay
McSpadden
Mayne
Montgomery
Poage
Podell
Rarick
Rooney, N.Y.
Ruppe
Snyder
Steele
Stephens
Thornton
Vander Veen
Whitehurst
Wiggins
Williams
Young, Ga.

So the amendment to the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HANSEN OF IDAHO TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. HANSEN of Idaho. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

> Amendment offered by Mr. HANSEN of Idaho to the amendment in the nature of a substitute offered by Mrs. HANSEN of Washington: On page 5, after line 18, insert the following new paragraph:
>
> "(f) The Committee on Small Business shall have the function of studying and investigating, on a continuing basis, the problems of all types of small business."
>
> And on page 74, strike out lines 3 through 6 and insert in lieu thereof the following:
>
> "(r) Committee on Small Business.
>
> "(1) Assistance to and protection of small business, including financial aid.
>
> "(2) Participation of small-business enterprises in Federal procurement and Government contracts.
>
> In addition to its legislative jurisdiction under the preceding provisions of this paragraph (and its general oversight function under clause 2(b)(1)), the committee shall have the special oversight function provided for in clause 3(f) with respect to the problems of small business."

The CHAIRMAN. The Chair recognizes the gentleman from Idaho (Mr. HANSEN) in support of his amendment.

PARLIAMENTARY INQUIRY

Mr. MEEDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MEEDS. Mr. Chairman, I did not hear the first part of the amendment. It is not in the copy which we have.

Mr. MARTIN of Nebraska. Mr. Chairman, a point of order.

We do not have this amendment at our desk.

The CHAIRMAN. Does the gentleman have a copy at this time?

Mr. MARTIN of Nebraska. Mr. Chairman, I do not think this is the right one. I do not think this is the one that was read.

The CHAIRMAN. Without objection, the Clerk will rereport the amendment.

There was no objection.

The Clerk reread the amendment.

Mr. HANSEN of Idaho. Mr. Chairman, the purpose and the effect of the amendment which has just been read is to incorporate the language of the Bolling resolution—that is House Resolution 988—relative to the creation of a standing Committee on Small Business into the text of the Hansen substitute, House Resolution 1248.

Mr. Chairman, the small businessmen of our country need and deserve the recognition of the House that will focus on their special problems.

The small business sector comprises 96 percent of all U.S. business establishments, produces 43 percent of our gross national product, pays 20 percent of all business taxes, and represents 50 percent of our gross business product. It receives over 70 percent of the total dollar volume generated by wholesaling, 72 percent of that in retailing, 82 percent in the service industries, and 85 percent in construction. Even more importantly, small business employs nearly 60 percent of our private, nonagricultural work force and provides the daily needs for over 100 million Americans.

Small business is the backbone of this Nation's economy, yet the division of authority represented in the current committee setup—and which would be retained by the present language of the Hansen substitute resolution—has tended to treat this economic backbone as if it were fingers on the left and right hands of the body economic. This can obviously create a situation where the left hand does not know what the right hand is doing. This fragmentation of responsibility is illogical, because it produces a congressional astigmatism when we need, instead, a clear congressional focus on the very real problems of this major sector of our economy.

In my view, the present Small Business Committee setup does not adequately serve the needs of this Nation's small businessmen, nor does it serve those of us in Congress who are committed to the preservation of the small business sector as a viable segment of our economy.

The Select Committee on Committee's wisely concluded, after thorough and exhaustive deliberation, that a separate standing committee with both oversight and legislative jurisdiction is the most logical and responsible approach to the needs of small business.

I am sure that many of my colleagues have been deluged with mail, as I have, from concerned small businessmen in their congressional districts. Can we, in good conscience, cavalierly ignore this tremendous outpouring of sentiment favoring the establishment of a Small Business Committee with both legislative and oversight authority? These businessmen who have asked for our help are not seeking a narrow, self-interest concession. They are simply asking that the entity that represents their interests in Congress also have the force to institute remedial legislation where it is clearly required.

Without the legislative authority to back up the oversight function of a Small Business Committee, we are defending the bastion of small business with an impotent knight in rather fragile armor, armed with only the force of recommendations and unable to forge those recommendations into a meaningful instrument to defend the fort.

Surely, the thousands of men and women engaged in small business enterprises throughout our Nation deserve something better than the present committee arrangement. They want, and need, an effective advocate in the House in the form contained in the Bolling resolution and offered now in my amendments.

Some opponents of a legislative Small Business Committee have argued that its creation would trigger jurisdictional disputes, claiming that it would challenge the authority of other standing committees on such issues as occupational safety and health, metric conversion and consumer protection. This is a specious argument. In fact, House Resolution 988 combines the present jurisdiction of the Subcommittee on Small Business over SBA with that of the Select Committee on Small Business. It invests the new committee with no additional authority; therefore, it will not create any new jurisdictional disputes.

Additionally, the new Small Business Committee could prove very helpful to other standing committees of the House. It will retain the authority of the present select committee to investigate any and all small business problems and its findings could be of great value to the appropriate standing committee in drafting its own legislation.

For those who have concern about the withdrawal of the small business jurisdiction from the Banking and Currency Committee, the Select Committee on Committees decided that—

> The relationship between small business matters and the other concerns of the Banking and Currency Committee—such as banking, insurance, credit, housing and economic stabilization—was not so direct—nor small business jurisdiction so critically important to the committee—as to necessitate leaving SBA matters there.

It is also important to note that our esteemed colleague, Mr. STEPHENS, of Georgia, who serves as the chairman of the Banking and Currency Committee's Subcommittee on Small Business—which will be abolished under the provisions of the Bolling resolution and my own amendments to this bill, not only concurred in the judgment of the Select Committee on Committees on this matter, but also introduced the proposal that suggested the change. His concern for the best interests of the Nation's small business men and women over and above his consideration for continuing the role of his own subcommittee, reflects the highest degree of statesmanship. His great gesture will win him, I am sure, the acclaim and deep appreciation of the entire U.S. small business community. I greatly admire and respect our colleague, who has risen above self-interest to recognize a greater, more compelling need. He is, indeed, a great credit to this House.

As a tribute to our colleague's gesture, I urge my fellow Members to support these amendments creating a new Small Business Committee.

As a recognition of the importance of the small business sector and its need to have an effective mechanism to develop appropriate legislative responses, I urge the passage of these amendments.

And, most importantly, as a demonstration of our collective concern to do what is right for those who look to us for help and leadership, I urge that this amendment be adopted.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I would like to praise my good friend and distinguished colleague, the gentleman from Idaho (Mr. HANSEN) for presenting this Hansen amendment to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN).

This amendment which I hope will be accepted, will guarantee that whichever House reform proposal becomes law, either Hansen of Washington, or Bolling, the voice of small business will be heard. I associate myself with the remarks of the gentleman from Idaho (Mr. HANSEN).

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HANSEN of Idaho. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I rise to urge adoption of the amendment offered by my friend from Idaho (Mr. HANSEN) to the Hansen substitute resolution. This amendment would make the present Select Committee on Small Business a permanent standing committee of the House with authority to report legislation as well as continue with its present oversight activities. The Hansen amendment thus embodies the proposal of our Select Committee on Committees as contained in its resolution (H. Res. 988) as reported from that select committee.

Mr. Chairman, I wish to commend my colleague from Idaho on taking this initiative to bring the Democratic caucus substitute resolution into conformity with the Bolling resolution on this important issue. The caucus resolution, as it now stands, would simply leave the Select Committee on Small Business as is, that is, without authority to report legislation. I think the Bolling committee report contains a very sound justification for transferring legislative jurisdiction over the Small Business Administration from the Banking and Currency Committee to the Small Business Committee. It is noted that the present oversight responsibilities of the Select Committee on Small Business do not alone justify its continued existence as a committee of the House, and thus, the choice became either to abolish it or strengthen its role. As the Banking and Currency Committee already has a substantial and diverse workload, unrelated in the main to the small business community, the decision was made to shift SBA legislation to the Small Business Committee where there is already considerable expertise and experience in the problems of small business.

Mr. Chairman, there will be those who will argue that establishing a standing House committee to handle legislation involving one special sector of our society is antithetical to the functional realinement being attempted in these committee reform amendments. While on the surface this argument may have some merit, a closer examination of the real issue will reveal that we are not talking about singling out a small, isolated and insignificant sector for special consideration by a committee. The fact is that small businesses form the very backbone of the American economy. As my colleague from Idaho has already pointed out, small businesses comprise 96 percent of all business establishments, produce 40 percent of our GNP, represent 50 percent of our gross business product, and pay 20 percent of all business taxes. I would have to disagree with "Engine Charley" Wilson's premise that, "as goes General Motors, so goes the Nation." I would submit that he was overlooking the vital and viable force exerted by the small business community in promoting the health, stability and growth of our national economy. The small business sector may not be as visible as the corporate giants, yet in terms of actual strength it forges the real steel which undergirds and holds our economy together.

Mr. Chairman, elevating the role of the Small Business Committee should certainly not be viewed as a panacea for the problems of small business. The fact is that under the reform proposals, other items affecting small business will remain within the jurisdictions of other committees. Nevertheless, at this critical juncture in our Nation's economic history, this is a step in the right direction because it will focus greater attention and constructive action on this most vital sector of our economy. I urge adoption of the Hansen amendment.

Mr. DINGELL. Mr. Chairman, I rise in strong opposition to the amendment. I rise as a member of the Select Committee on Small Business, the committee which the amendment before us would confer legislative jurisdiction to. I think that this is most unwise. I recognize that the gentleman from Idaho has the best of intentions but he is wrong. But the results of this amendment are the most incredible hodge-podge of jurisdictional conflicts between the projected Legislative Committee on Small Business and a number of other committees in this Congress, and if anything will be urgently needed at that point, it will be some special mechanism to resolve the incredible number of jurisdictional conflicts and disputes which will result.

The Committee on Small Business was originally programed by the Bolling committee to be abolished. The only reason that the proposal is in there for a Committee on Small Business is that the small business groups rallied around, and the Bolling committee could not stand the heat, so to make peace with the small businessmen, they gave that committee legislative jurisdiction.

I have served on the Committee on Small Busines for a number of years, and we have found that we can contribute mightily to the well-being and the welfare of the small business community by utilizing the investigative jurisdiction that is available to us.

For example, we ran a special investigation of the antitrust laws and antitrust law enforcement. It resulted in a turnaround of enforcement with regard to antitrust laws insofar as they affect small business, and a whole turnaround of the policy of the Federal Trade Commission. For years we have been doing special work in procurement that has resulted in many changes in administrative policy on procurement by all Government agencies.

In addition to this, we have run a number of investigations and studies with regard to the Small Business Administration, and many different Government policies.

If this amendment is adopted, first of all, the committee is going to have to find out what its legislative jurisdiction is. I must say that the offer of the amendment at this time may be valuable because it tends to point up some of the grossest failures in the Bolling proposal.

Let us take a look at the language of the amendment which says:

> In addition to its legislative jurisdiction under the preceding provisions of this paragraph . . . the committee shall have the special oversight function . . . . with respect to the problems of small business.

That power the committee already has, but it gives legislative jurisdiction. The legislative committee gives "assistance to the protection of small business."

Under the Hansen proposal, that responsibility with regard to assistance and loans right now resides in the Committee on Banking and Currency. The problems that exist with regard to money and loans with regard to small business lie not in the Committee on Small Business or in the Committee on Banking and Currency, but in the Bureau of the Budget and in the Committee on Appropriations, and in the fact that far too little money is made available for the Small Business Administration to assist the small businessmen of the country. It says "protection of small business."

Perhaps the gentleman from Missouri, who is probably the author of this—although I am not sure, but it comes from his language—can tell us. It says "protection of small business." Does that mean the antitrust laws, the Clayton Act, the Sherman Act, the Robinson-Patman Act? Maybe the gentleman from Missouri can tell me what it means. I do not know. Perhaps the gentleman from Missouri will inform the House.

Mr. BOLLING. If the gentleman from Michigan will yield, I shall be delighted to give him my view.

Mr. DINGELL. I would like to get it.

Mr. BOLLING. I would like to tell the gentleman that the person who most strongly supported this in the select committee happens to be the man who has the legislative jurisdiction over small business in the Committee on Banking and Currency.

Mr. DINGELL. Supposing the gentleman from Missouri just answers my question.

Mr. BOLLING. I shall be delighted to.

Mr. DINGELL. I am waiting. The House waits.

Mr. BOLLING I am proceeding. Does the gentleman wish me to proceed?

Mr. DINGELL. I just want the gentleman to tell me what "protection of small business" means.

Mr. BOLLING. It means a great many things to a great many different people.

Mr. DINGELL. What does it mean to the gentleman from Missouri?

Mr. BOLLING. It means that they would have an opportunity to do legislatively what the select committee, the permanent select committee, now does.

Mr. DINGELL. Let me ask the gentleman from Missouri, does it give them jurisdiction other the Sherman Act, the Clayton Act, the Robinson-Patman Act?

Mr. BOLLING. It gives jurisdiction over the Small Business Act.

Mr. DINGELL. Over the Small Business Act; is that it?

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Maryland. Maybe the gentleman from Maryland can answer the question.

Mr. SARBANES. I will try; I am not certain I will succeed.

Mr. DINGELL. I have some doubts, too.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Dingell was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. Maybe the gentleman from Maryland can tell us what it means.

Mr. SARBANES. The legislative jurisdiction now exercised by the Subcommittee on Small Business of the Committee on Banking and Currency would become the legislative jurisdiction of the Standing Committee on Small Business.

Mr. DINGELL. Does the gentleman from Maryland mean to say that is all the jurisdiction that this amendment is going to bestow?

Mr. SARBANES. That is the legislative jurisdiction that would run with this language, yes.

Mr. DINGELL. That is all the jurisdiction it is going to give? That, I must confess, as a potential member of that committee, I find contemptible. Let us look at what we are doing. We are going to give a committee that is going to have that piddling jurisdiction and that tremendous amount of jurisdictional conflict with other committees thirty $36,000 a year staff members. That is an affront, and it is an affront not only to the committee but it is an affront also to the House of Representatives and it is an affront to the small business community, but most assuredly it is an affront of the grossest sort to the taxpayers.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the able chairman of the Small Business Committee.

Mr. EVINS of Tennessee. Mr. Chairman, I fully agree with the remarks of the gentleman in the well and I find I am in agreement, but with respect to jurisdiction does the gentleman mean jurisdiction presently held by the Small Business Committee under the Banking and Currency Committee? It does not embrace the Interstate and Foreign Commerce Committee or the antitrust laws or the Clayton Act as now enforced by the Judiciary Committee? I interpret it to mean only the jurisdiction over the Small Business jurisdiction presently held by the Banking and Currency Committee.

Mr. DINGELL. I would rather yield to the good chairman of that committee to see if he is for or against it.

Mr. EVINS of Tennessee. I just said I associate myself with the gentleman's remark but I was interpreting the latest jurisdiction proposed by the Bolling proposal. The Bolling proposal and the Martin proposal propose that the Small Business Committee be under our committee. We think we are capable of handling it. The Hansen legislation has a select committee under the Speaker and we feel it should be left this way. It would be the Speaker's committee and the Speaker would select it.

There is one question I have on page 5, if the gentleman will yield further?

Mr. DINGELL. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I would like to ask the distinguished chairman of the committee a question. It says here that any member of a committee who served during the 93d Congress on the committee, and if a significant portion of that House committee is transferred to another committee, he shall be permitted to join that other committee if he so chooses. It says:

> It is also recommended that a Member who presently serves on a committee which has significant jurisdiction transferred may be permitted to join that committee to which the jurisdiction is assigned, with his or her service on the former committee appropriately recognized.

Does that mean his service on the former committee as well as in the House and any former House institutions will be recognized as the chairman or the former ranking minority member also? Does that mean a ranking member from another committee would jump members on my committee?

Mr. BOLLING. Mr. Chairman, if the gentleman will yield, that would have to be determined in the caucus.

Mr. EVINS of Tennessee. There is a possibility that the present 19 members could be jumped by other members of another committee. We see nothing in the report about preserving the status of members who have served on the committee for a number of years and who have expertise in this area. We give more preference to those who are transferred than to those who are presently on the committee.

Mr. DINGELL. We have been trying to get answers from the gentleman from Missouri about what happens to the members who will be transferred. He gives us no answers.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(On request of Mr. Evins of Tennessee, and by unanimous consent, Mr. Dingell was allowed to proceed for 2 additional minutes.)

Mr. EVINS of Tennessee. Mr. Chairman, I am serious. We understand the Bolling committee's proposal gives us jurisdiction. We are ready and willing and able to handle it but a question arises as to what happens to the members of the committee who will be bumped.

Mr. BOLLING. It is impossible for me to clarify it.

Mr. EVINS of Tennessee. It is impossible for the gentleman to clarify it Therefore I prefer the other proposal.

Mr. BOLLING. I am trying to answer the question and I will if I have the time

Mr. DINGELL. I yield to the gentleman. I await his reply with some interest.

Mr. BOLLING. Mr. Chairman, if the gentleman will yield I will reply.

Mr. DINGELL. I yield to the gentleman from Missouri hopefully and prayerfully.

Mr. BOLLING. Mr. Chairman, the select committee did not intend to take over the duties of the Democratic Caucus or the Republican Caucus. It might well have been possible for the Hansen committee to come up with some specific caucus recommendations but we did not deal with this particular matter in detail in this proposal because we think it is a matter for the caucus in conference.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Maryland if the gentleman from Maryland can give us some answers.

Mr. SARBANES. If the gentleman will recall in the Democratic Caucus the membership clearly felt that this issue was an issue which ought to be decided with respect to the Democrats by the caucus and not decided on the floor of the House as a part of the rules.

Mr. DINGELL. But a committee does not know what this legislation does.

Mr. EVINS of Tennessee. I really came here to get some clarification. I have spoken to the Speaker about this matter.

The rights of those transferred on the committee are protected. Those on the Banking and Currency Committee are protected in the report. Those on the

Small Business Committee are not protected.

The gentleman says the rights of the Members and other senior Members shall have their rights considered. It certainly interfered with the caucus, as far as that is concerned, to interfere with the Committee on Banking and Currency; but they have not done that for the Small Business Committee.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I happen to serve on the Small Business Committee, too; but whether I stay on it is not the basis of my statement or opinion on this matter. I think what is important is that we know what we are voting on.

I happen to be one who thinks small business in this country is in a lot of trouble. There has not been a time since the turn of the century when anticompetitive activity has run at the rate it is now. Small business is in for even more trouble. As we enter a period when some commodities are in short supply, then those who control such materials from the top through vertical integration or affiliation with a conglomerate can just wipe out those down at the bottom who may be more efficient but not have the right connections.

This is a serious matter. Now, all the jurisdiction given to small business under this amendment would be the teeny-weeny bit of jurisdiction that relates to the Small Business Administration.

The gentleman from Georgia, BOB STEPHENS, has been doing a good job with that jurisdiction, and his subcommittee would no longer be working on small business problems. The amendment would take jurisdiction from some Members who have been doing a good job. Since they also have oversight now, it would reduce the small business oversight activity in the House. If we want to do something for small business, we have to give them jurisdiction over the Clayton Act, the Sherman Act, the Robinson-Patman Act. We should give them some jurisdiction that has not been exercised for 10 or 15 years—and it would need jurisdiction over the Federal Trade Commission.

To form a committee with enough jurisdiction to act on the problems affecting most small business, we have to take jurisdiction from three or four other committees instead of just giving them the little teeny-weeny bit of jurisdiction proposed in this amendment. To claim that this gives small business more attention for the problems it faces is a fraud.

Now, if somebody wants to propose an amendment that will give them some meaningful jurisdiction, I am for it. I want them to have it; but let us not exclude other committees from working on these problems while only giving the Small Business Committee a small amount of less important jurisdiction.

Mr. MOSS. Mr. Chairman, I move to strike the necessary number of words, and I rise in opposition to the amendment.

Mr. Chairman, I agree with the remarks made by the gentleman from Michigan, the gentleman from Tennessee and the gentleman from Iowa.

This is not going to constitute the broad sweeping reform that its authors claim for it. It is typical of the completely transparent phoniness of the so-called reform package that is before this body today. It is change, but not reform.

I happen to chair the Commerce and Finance Subcommittee. I do not think that any committee in the exercise of its jurisdiction in dealing with matters touching upon both large and small business has given more careful attention to the needs of small business as those needs are brought into the parameters of the Federal Trade Commission, the Federal Commission on Consumer Product Safety, than has the Subcommittee on Commerce and Finance.

The gentleman from Nebraska (Mr. MCCOLLISTER), one of the very distinguished members of the minority on that committee, I believe, is as articulate and effective a spokesman for small business as any Member of this House anywhere.

We cannot treat small business totally separate from the entirety of the business and industrial community of this Nation. Every committee that has anything to do with the industrial art and commercial activities of this Nation has an impact upon small business. If small business is to be given adequate attention, it is going to receive it because of the awareness of the Members who serve on each of the committees of this House.

That is the kind of oversight, or the kind of attention that best serves the needs of small business. I think that the Small Business Committee, the select committee, has performed an outstanding public service in its role in pointing out special needs.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, ever since I have been in the Congress, I have heard about small business. We are all for small business. Everybody looks after small business, but what have we done for small business in this Congress?

Mr. MOSS. Mr. Chairman, I will tell the gentleman that he is now asking for a philosophical discourse which would lead us long beyond the time that even this effort is going to take, because the answer to what can be done is not contained in the so-called Bolling proposal; it is not contained in the so-called Hansen proposal. The answer to what can be done is the collective application of the wisdom and the intelligence of the Members of this House as they approach each and every item of legislation.

This Member is not going to be pinned down to the narrow confines the gentleman from Texas is attempting to impose.

Mr. KAZEN. Mr. Chairman, if the gentleman will yield further, I did not ask what was going to happen. I asked what has been done.

Mr. MOSS. We have done a great deal.

Mr. KAZEN. What, sir?

Mr. MOSS. That is a most interesting question. It is a most interesting question. I might ask the gentleman what he has done in his committee for small business. I might ask the Committee on Banking and Currency what it has done in that committee for small business. I can ask every committee of this House what it has done for small business, and each one of them could go back into their legislative activities and find that they have done many things specifically bearing upon the welfare of small business.

Again, we have to go to the definitions of small business. Certainly, they are contained within the Small Business Administration Act. But, we know that there are other definitions of small business, and we are not going to serve the public by trying to tie them off in a neat little package and sending them over here. We are going to look at the Small Business Act and then say, "Gentlemen, we have given you all the attention you need, and you need no more; you are taken care of."

That is illusory. That is fooling ourselves. This whole package is an illusion.

Mr. YOUNG of Florida. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as a member of this committee, I think the record would establish that I was probably the least enthusiastic, of the 10 members, of the work product produced. The record would establish that my recommendations and thoughts were probably rejected by that committee more than any of the other 10 members.

But, Mr. Chairman, when I hear the gentleman from California talking about the phoniness of the Bolling recommendations, I am compelled to state to our colleagues that there is no phoniness about them at all.

Mr. Chairman, this committee—and I do not think the general membership knows this—but our committee met almost every morning during its existence, and almost every afternoon. Mr. Chairman, this committee met on Saturdays, and this committee met on Sundays, and this committee spent a lot of time attempting to get really into the heart of the recommendations being made, not only by the members of the committee but by the Members of the House of Representatives.

Whether we agree or disagree with the recommendations that have been presented, believe me, Mr. Chairman, there was no phoniness involved in creating this work product.

The gentleman from Michigan said that the Bolling recommendations were not understood, and nobody really knew what they would do. Mr. Chairman, that happens an awful lot when we are legislating. Many times, bills are brought to the floor, and there is very strong disagreement on what those bills might do or might not do if they are enacted into law. To say the Bolling recommendations are any different in that regard would be to say that black is white and white is black.

Mr. Chairman, let me say there are still features in the so-called Bolling recommendations that I do not agree with, but they are not phony.

They were developed after many, many hours and many, many days of people working strongly together, no one trying to force his will upon anyone else, no one trying to hide anything or be sneaky, but an effort to do a real constructive work product.

Mr. Chairman, I thank the gentleman for yielding.

Mr. HANSEN of Idaho. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Florida. Yes, I will be happy to yield to the gentleman.

Mr. HANSEN of Idaho. Mr. Chairman, I thank the gentleman for yielding. I want to express my appreciation for his remarks and for his work on the committee.

I think it may be helpful to try to put this in perspective. This amendment does not provide any kind of panacea for the problems of small business, the problems that, indeed, are going to grow more complex and more severe in their impact on small business as we face shortages, inflation and bigger government with its expanding influence over the business community. But what this does attempt to do is to put in one place, rather than two places, the oversight responsibility and the legislative authority. When the committee, in exercising its oversight jurisdiction, determines that there is a problem that has a legislative solution, then it has the authority to act. But there are, as has been noted, a great many areas where that authority does not extend.

What we are doing here, it seems to me, is taking two steps: One is recognizing that small business is deserving of the visibility and the attention that the proposed committee status will bring. We are also taking a necessary step, however small and modest, but a positive step in trying to deal effectively with the problems of small business in America.

Mr. MITCHELL of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have the honor of serving on two of the subcommittees of this House that deal with small business; the subcommittee chaired by the distinguished gentleman from Georgia, Mr. Stephens, and the subcommittee of House Permanent Select Committee on Small Business, chaired by the gentleman from New York (Mr. Addabbo).

It is on the basis of my experience on both of those committees that I reluctantly rise to speak against the amendment. It has been a very sad experience for me to watch the destruction of various programs for minorities, to watch them whittled down or destroyed, leaving just one major hope, a commitment by the administration and a commitment by the House, one major hope, and that was in the area of minority enterprise.

In the three and a half years that I have been in the Congress, I have seen what has happened to that commitment and I have seen what has happened to minority enterprise.

Just last week I met with the third conference of United Minority Enterprise people, involving four organizations, one of them the United Mortgage Bankers Association. Their membership is down by 50 percent over what it was in 1970. I would submit to the Members that the minority businessmen who are part of the National Association of Black Manufacturers are working at 40 percent of their capacity. That is all. They are gradually being destroyed.

I would further submit to the Members that we have glaring inconsistencies between the kinds of services and the kinds of advantage given to small business by the bureaucratic agencies. I am talking specifically about the Small Business Administration, and specifically about the Office of Minority Business Enterprise.

Let me give the Members one case to illustrate what I am talking about. I have a small businessman who did not need any Government money at all. He did not need to go to the SBA to get any money. He wanted to go into the oil transporting business. He raised on his own respect by mortgaging his property and a part of the business, and by making a bank loan. He had, and still has, a quarter of a million dollars to go into the oil transporting business. He cannot go into it because the Federal Energy Office has promulgated regulations cutting off the number of people who can go into this business. He cannot get a certification from the Small Business Administration to do it because the Small Business Administration says that the FEO has exhausted the list of possible transporters.

Mr. Chairman, it is against that background that I want to oppose the amendment. If we are going to solve, or even address the problems of small businessmen, we have to go beyond the point of that tiny first step in bringing everything under one jurisdiction. We must, as my friend, the gentleman from California (Mr. Moss), indicated, lay out the array of economic problems affecting this country and the agencies dealing with them and match them alongside the plight of the small businessmen.

There is no point at all in providing for oversight hearings and giving functions to just one committee unless that committee is empowered to deal with all of the agencies of government and all of the existing law, directly or indirectly relating to small business enterprise.

If we proceed as we are doing right now, if we proceed to adopt this amendment, all that we are going to do is to insure the further deterioration of small business in America and, in particular, minority small business enterprise.

I have a great deal of respect for my distinguished colleague, as he knows; but I cannot, in all good faith, support this amendment.

What is needed, first of all, in my opinion, is a task force appointed by this Congress to study the small business problems exhaustively. Out of that task force recommendations, we will then come up with the one committee and the one agency having power and jurisdiction over a whole host of legislation.

If we do not, then we will simply doom small business in America.

Mr. McCOLLISTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am going to vote for the amendment. I do so though agreeing with some of the things said by those who have spoken in oposition to the amendment.

I have long felt that, with the background that I have in being on the Commerce and Finance Subcommittee of the Committee on Interstate and Foreign Commerce and the Select Committee on Small Business, I have been given the most fortunate committee assignments that I could have had. I take great pride in the work of both of those committees.

I think that the gentleman from Idaho (Mr. Hansen) said it very well when he pointed out that what the small business community needs is the focus of that additional attention, the status coming to the Select Committee on Small Business as a consequence of that, which, for this Member, at least, outweighs the argument which leads the gentleman from Idaho and the gentleman from California and others to the opposite conclusion.

I do not feel that there is any jurisdictional contest between the Commerce and Finance Subcommittee on which I serve and the jurisdiction now held by the Committee on Banking and Currency.

Small business is in a desperate situation.

Earlier the gentleman from Idaho (Mr. Hansen) recited the economic impact of small business on our total business community. The fact is that in recent years the amount of business done by small business has decreased drastically; and although all business today is having difficulty in gaining capital, the small business community in particular has that trouble. Having no opportunity to raise capital usually in the equity market, it must rely on its own activities, its own earnings to finance its expansion. We desperately need a place to which small business can come with a greater likelihood of commanding attention and of having its interests dealt with.

Mr. Chairman, I would hope that this small step—and I agree that it is not any great delegation of legislative authority—would be taken to come to the rescue of the small business community.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. McCOLLISTER. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I thank the gentleman for his remarks.

Mr. Chairman, I rise in support of the creation of a Committee on Small Business with legislative authority over the Small Business Administration. I believe it makes eminent sense to combine the present jurisdiction of the Banking and Currency Committee in such matters with the oversight functions of the Select Committee on Small Business. I agree with the members of the Select Committee on Committees' concern that "small businesses—shall—have what they can perceive as an entity in the House which will focus on their problems."

Small business is a very significant part of our economy—one which I fear, and I know my constituent small businesses fear, has been overlooked in recent years under a growing trend toward "bigness" in just about every enterprise we Americans undertake. Small business, however, accounts for 95 percent of all the business establishments in the United States, and approximately 40 percent of our GNP. Most importantly, small business employs over one-half of our private, nonagricultural work force. We simply cannot deny the importance of greater congressional coordination over the affairs of a segment of our economy which provides so much toward the everyday needs of American society.

By setting up a committee with legislative authority in regard to small business, we recognize a community which has its own unique needs and interests. We recognize the need for better focused oversight of the Small Business Administration. And we enhance the efficiency of operations of the people's Congress.

I urge my colleagues' support for the Hansen amendment.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I wish to state to my colleagues in the House that I reluctantly rise in opposition to the proposed amendment. I do so because I have the very distinct feeling that every Member of this House of Representatives, no matter who he is or where he might be from, has as I do a real and genuine concern for what we know to be small business in this country.

I am not concerned about the jurisdictional aspects of this proposed amendment. I am concerned about other aspects of the proposal, and I want to talk to you for a moment or two about those aspects.

Basically, when we began discussing reform of the congressional committees, we did so because we said, as they did in 1946, that we have too many committees and we must do something about it.

How many of you have stood here in the well of this House or sat here in this House of Representatives and said that we must consolidate this function or that function under one umbrella? This is your argument to create an energy committee. We have said that it is too fragmented, there is too much proliferation, and that we must put it all together, so to speak. We have made this argument over and over again.

Now we are going in exactly the opposite direction in this respect when we do what you now propose to do, whether we realize it or not, in creating an additional committee. We are making in effect a standing committee out of what amounts to a subcommittee. Presently this is a subcommittee.

One can make almost the same argument, if we wish to fragment this Congress, for every subcommittee that exists in Congress today or special interest groups in this country today.

What about a standing committee for consumers? What about a standing committee for youth?

While we are talking about the relative merits of standing committees, what about those Members who in good faith—and I know they did it in good faith—yesterday voted to create not a standing committee, but a Select Committee for the Aged? How can we justify that to the old people in this country, that they are not worth a standing committee, they are only worth a select committee, by comparison?

Mr. Chairman, the principle is exactly the same.

Mr. SARBANES. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Maryland.

Mr. SARBANES. Mr. Chairman, I think there is a good deal of force in the point the gentleman is making, except for the fact that in this area we are taking the legislative jurisdiction of a subcommittee of one of the standing committees and combining it with the jurisdiction of a permanent select committee to create a standing committee with legislative jurisdiction.

Therefore, no additional committee has been created. This is not simply the matter of taking a subcommittee and making it a committee, because in this proposal you are also are combining with a subcommittee's jurisdiction that of an existing permanent select committee.

Mr. WAGGONNER. Mr. Chairman, in that narrow point of view, I will say to the gentleman from Maryland (Mr. Sarbanes) that he is exactly right.

But what about the arguments advanced here yesterday by the gentleman from Texas (Mr. Poage) and other Members about the enlargement of staffs and the spending of all this additional money on staffs? We are doing exactly that when we do this.

Mr. SARBANES. Mr. Chairman, if the gentleman will yield further so I can respond to that question, there is, of course, existing staff for the permanent Select Committee on Small Business, and there is existing staff for the Subcommittee on Small Business of the Committee on Banking and Currency so there would be no growth or addition in that respect.

Mr. WAGGONNER. Mr. Chairman, the gentleman would not presume to tell me, I do not believe, that those combined staffs equal the numbers of a standing committee and I am sure the total expense is not in excess of one million dollars.

Mr. SARBANES. Mr. Chairman, the Select Committee on Small Business staff at present number 25. I will say to the gentleman I do not have a listing of the number of staff for the Subcommittee on Small Business of the Committee on Banking and Currency but I am told the number is 6. Those combined numbers would be in excess of the statutory staff provisions in the proposed resolution.

Mr. WAGGONNER. Mr. Chairman, the point I want to make is that one can make this argument for every segment of American life today. Every group which considers itself a special interest group or considers itself of special importance can, by the same token, advance the same argument.

What about the young? What about ethnic groups? What about just any group that we might want to talk about?

How many of the Members would stand here and make this argument: Suppose we might want to create a Select Committee for Big Business in this country today? After all, big business is broke in this country, too, by and large.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I will be happy to yield to the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, if it would work out the way the gentleman from Maryland (Mr. Sarbanes) says that it would work, that then would mean less people will be working on small business than there are now. We will have less people working on these important problems if we eliminate the subcommittee and put it all in the other committee.

Mr. WAGGONNER. We may not get any more performance out of the standing committee than we get out of the select committee. We will be proliferating the committees of this Congress. We would be making a standing committee out of a subcommittee, the Subcommittee on Small Business, and we will be saying to the old folks, "All right, you are worth a select committee, but business has a standing committee."

Mr. Chairman, small business is an important segment of the economy, it is currently being given adequate attention by the select committee and the Banking Subcommittee. Granting this partial jurisdiction is not in the best interests of small business in the United States.

Mr. J. WILLIAM STANTON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, one of the pluses for the Bolling proposal was this very suggestion.

For what it is worth, I have had the pleasure and the privilege for 8 years of serving on the Select Committee on Small Business, and for 10 years on the Committee on Banking and Currency. I am the ranking minority member on the Small Business Subcommittee.

Our chairman on that subcommittee is Bob Stephens. We like to think between Bob and myself we probably have the best rapport and the best subcommittee of any committee in this Congress, and I know that if he were here he would say that he wholeheartedly agreed with me. The practicalities of the operations over the last couple of years have pointed out to me that, indeed, the investigative authority of the Select Committee on Small Business, which is much broader in scope than our Subcommittee on Small Business of the Committee on Banking and Currency, should be combined under the same committee.

Let me explain how this has come about from a practical point of view. We have found—and I mean our subcommittee in the Committee on Banking and Currency—and this is no reflection to the chairman or to any of the members, and I think the gentleman from Maryland (Mr. Mitchell) and I have had the privilege of serving on both committees, each arriving at a little different conclusion, but what we have are members who are so busy and so involved, and it seems that until this past year when we got into the investigative operations of the Small Business Administration that we used to meet on the average of maybe once or twice or three times a year. The fact is that I would leave that committee, which is in charge of bringing to this floor all of the legislation involving hundreds of millions of dollars of the Small Business Administration, and as I say, I would leave that committee and I would go to the Select Committee on Small Business, where indeed we would delve into the depths of the individual problems.

As a result, throughout the years the members of the Select Committee on Small Business have gained more expertise. The gentleman from Maryland (Mr. Mitchell) is absolutely right, there is a more sympathetic airing of the problems of small business, because that is its sole purpose.

Again I say that this amendment has the wholehearted sentiment and support of our chairman, the gentleman from Georgia (Mr. Bob Stephens), and I say that speaking as the ranking minority member and from a practical viewpoint, and from practical experience over the last several years. I am sure that if that gentleman were here he would join me in saying that this is worthwhile, it is the right proposal.

Mr. BOLLING. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Chairman, the gentleman from Ohio is absolutely correct, as the gentleman knows, because the provision that we are now talking about that is in House Resolution 988, this amendment that comes to us now, is Bob Stephens' provision.

Mr. J. WILLIAM STANTON. I know that he has always been for it.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate very much the statement the gentleman has just made, and it is true that the chairman of the Select Committee on Small Business has known about this, and fully agreed with it, the fact that there should be a standing committee on small business, that we should have a permanent committee, and the legislative authority for that is the result of Bob Stephens' very strong belief that the two ought to be tied together.

Mr. J. WILLIAM STANTON. That is right.

Mr. STEIGER of Wisconsin. And they would serve the interest of small business far better than if they were continued as separate entities.

Let me make one further point, if the gentleman from Ohio will yield further, and that is that this whole argument about whether or not we were given enough authority in Robinson-Patman and the Clayton act, and all of these other things, the select committee knows, and anyone who has read the hearing record will know, that at one point I made that offer.

I said, "All right, if we are going to really talk about the full range of problems for small business, then let us have a full and complete standing committee as an eight-track committee. Take out the Commerce Committee, the Federal Trade Commission; take out the Judiciary Committee, all the antitrust; combine it with the Small Business Act, the Small Business Administration, and really make it a full standing committee."

That was not agreed to, and there were many, both in and out of the small business community, who basically said, "No; that is not what we need. What we do need is specific legislative authority of the Small Business Administration combined with the extraordinarily good record of the Select Committee, and for them to keep tied together."

It makes sense from a small business standpoint. So I support the amendment.

Mr. THOMSON of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. J. WILLIAM STANTON. Mr. Chairman, I should like to yield to a very outstanding member of the Select Committee on Small Business, the gentleman from Wisconsin (Mr. Thomson).

Mr. THOMSON of Wisconsin. I thank the gentleman for yielding.

Mr. Chairman, I want to associate myself with the remarks of the gentleman from Ohio. I am disturbed about the complaints that we should not take one small step forward to give small business the stature of a standing committee in this House. If we do not take the one small step, we are never going to get the mile that we have to go. I think small business deserves the recognition that this small step gives them, and I hope that we do not get mixed up in the prejudices and prerogatives of people who have served a long time in this House. Let us put aside our little personal disagreements and do something that will be in the best interests of small business in this country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. I think it is a well written amendment by the gentleman from Idaho. I think a substantial amount of thought has gone into this effort to make sure that the small business community is adequately and properly recognized in this Congress. I do serve on the Small Business Subcommittee of the Committee on Banking and Currency. We have agreed with our subcommittee chairman, the gentleman from Georgia (Mr. Stephens), that this is needed legislation and the time to enact it is now.

Mr. J. WILLIAM STANTON. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. J. WILLIAM STANTON. I thank the gentleman for yielding.

One final point, which I am sure the gentleman from Georgia would make if he were here, has to do once again with the number of increased staff, and so forth. In my years on the Select Committee on Small Business, we have bowed to the full committee, despite the status of the gentleman from Georgia, whatever its legality is. He has no special staff or a single person on the Subcommittee on Small Business to devote full and complete time to small business.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho (Mr. Hansen) to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. Hansen).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 63, noes 32.

So the amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENTS OFFERED BY MR. BENNETT TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MRS. HANSEN OF WASHINGTON

Mr. BENNETT. Mr. Chairman, I offer amendments to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendments offered by Mr. Bennett to the amendment in the nature of a substitute offered by Mrs. Hansen of Washington: Page 13, line 21, insert "(1)" after "(b)".

Page 14, after line 4, insert the following new subparagraph:

"(2) No Member shall serve as chairman of any standing committee for more than three full terms: *Provided,* That this prohibition shall not apply to any chairman serving as such on the date of the enactment of this House resolution."

Mr. BENNETT. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. BENNETT. Mr. Chairman, this amendment is designed to eliminate defects in the system of always giving the chairmanship to the senior member. At the same time it would preclude objectionable features to be expected in electing chairmen in any real political contest.

The worst defect of the present system is that it fails to provide the American people with the fresh and new leadership needed to produce constructive changes in changing times.

The next worst thing about the present system is that it discourages many able persons from staying in Congress or from coming here in the first place.

Election of chairmen has been suggested as a reasonable alternative to always taking the senior, but this has been available now for several years and has had no results for various reasons. First, is that to deprive a chairman of his chair would be almost tantamount to impeachment in the minds of many of the public and in Congress. With such a heavy implication of wrongdoing or incompetence, Congressmen can be expected to go on reelecting the most senior Members without exception, except in cases of wrongdoing or incompetence. Under these circumstances reform by election offers no reform at all.

Even if real elections became feasible in fact, it might well be that palace guard politics and logrolling might bring about worse results than any we have now experienced. Lobbying interests might see an opening here they have not seen before and the defects of such a system might far exceed anything now seen or thought of.

I think I have offered a constructive reform which is practical and helpful. It would help everyone and hurt no one. It would strengthen the Congress as a tool; and it would better serve the needs of the American people. In limiting the term of a chairman to 6 years, this would give each chairman a reasonable time and a concrete challenge to use these 6 years for constructive leadership. It would give to those just less senior adequate time to prepare for such leadership in the future. It would tend to retain able men in Congress because it will offer them a reasonable chance for effective future leadership.

Mr. PEYSER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from New York.

Mr. PEYSER. Mr. Chairman, I would like to ask a question. Do I understand this does not affect any chairman presently serving?

Mr. BENNETT. The amendment specifically says that it does not affect any chairman now serving. There is more language in it saying that it affects no present chairman than language in the prohibition part itself.

Mr. PEYSER. I would like to say this is one of the most forward moving amendments we have had on this reform legislation. I totally support it. I think it is an excellent suggestion.

Mr. MARTIN of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Nebraska.

Mr. MARTIN of Nebraska. Mr. Chairman, I wonder if it also applies to the ranking minority member on each committee, this prohibition?

Mr. BENNETT. No, it has no relationship to that at all.

Mr. MARTIN of Nebraska. It applies just to chairmen?

Mr. BENNETT. Yes. It does not apply to the ranking minority members.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Texas.

Mr. TEAGUE. Mr. Chairman, will the gentleman state to the House how a chairman who was elected this year could have been elected under any more democratic way than we did it?

Mr. BENNETT. If the gentleman had heard what I just said, he would realize I did discuss that in my remarks. I said, absent wrongdoing or something that would really cause one to want to impeach somebody, the present system, although democratic in theory, in practice does not offer the opportunities for fresh leadership as in the measure I have suggested.

The measure I suggest offers an opportunity for a concrete period of time for a man to be chairman and to work out his ideas. It is a long time. It is not a short time. It is 6 years, this would also allow other people to prepare to take over those responsibilities and allow other people who will become chairmen to prepare for it and to become available, so it is in no way an aspersion on anybody who is chairman under the present system.

I think I am being consistent. I do not think anybody is going to be voted down under our present system unless he has done something pretty awful. What I am seeking is the positive advantage of continuing opportunity for fresh leadership. The present system does not furnish this and never will in my opinion.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Texas.

Mr. TEAGUE. This year we did elect chairmen by secret ballot in our caucus and every Member had a chance to vote for or against by secret ballot. They are limited to 2 years, not 6 years.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(By unanimous consent Mr. BENNETT was allowed to proceed for 3 additional minutes.)

Mr. BENNETT. I would like to repeat now what I have tried to say now three times. I will say it for the third time, that we are just not going to use the present secret ballot election system as a method of advancing able people to the chairmanship. That is because we love each other and it is too painful to oust our brother unless he is involved in something pretty bad that Congress cannot approve. This existing procedure therefore does not give the fresh leadership we need on a continuing basis, if not too frequent. That is what I am seeking. I am not trying to destroy any chairman. Actually this amendment provides that no seated chairman will be eliminated at all.

Mr. MEEDS. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Washington.

Mr. MEEDS. I agree with the thrust of the gentleman's remarks; but unfortunately, what the gentleman is dealing with is a matter that should be taken care of in the caucuses. I know that the House elects the chairmen, but the real chairmen and election, as the gentleman from Texas pointed out, takes place in the caucus.

I would be glad to join the gentleman from Florida and those here next year to do something like this in caucus, because I really think it needs doing.

Mr. BENNETT. I appreciate the gentleman's comments. However, the matter can be handled right here and now. It does not have to wait for a caucus.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Michigan.

Mr. FORD. I understand the gentleman's amendment only applies to chairmen of full committees or subcommittees.

Mr. BENNETT. Just chairmen of full standing committees.

Mr. FORD. It does not apply to the ranking minority members.

Mr. BENNETT. It does not. It only applies as I just said.

Mr. FORD. The ranking minority member has a considerable amount of patronage. Now, he has a considerable amount of authority held by tradition. Does the gentleman not think in all fairness that the same system of rotation should apply, so that our minority brethren would have an opportunity as well?

Mr. BENNETT. The answer to that is no. If they want to offer that and they have some reason for doing that, there might be arguments for it. That has nothing to do with the purpose of this amendment. The purpose of this amendment is to get fresh leadership in the chairmanship of the committees.

The CHAIRMAN. The time of the gentleman from Florida has again expired.

(At the request of Mr. FORD and by unanimous consent, Mr. BENNETT was allowed to proceed for an additional 2 minutes.)

Mr. FORD. Mr. Chairman, will the gentleman yield further?

Mr. BENNETT. I yield to the gentleman from Michigan.

Mr. FORD. Let me understand. I am not trying to be quarrelsome with the gentleman. I might say I admire the new-found sensitivity of my colleague, the gentleman on the Committee on Education and Labor, for those areas in which we are attempting to legislate what should be the proper function of the caucus with respect to the two parties; but it seems to me the gentleman is saying we ought to let the House deal with the majority, but leave the minority to settle their own problems as they see fit. That does not seem to be either fair or consistent.

Mr. BENNETT. I am not opposed to an amendment to this amendment dealing with the minority leadership. I am only trying in my simple way to provide a thrust for a more vibrant, more vital and more effective and more progressively ongoing Congress. That is all I am trying to do. If some Members think that is such a good idea they want to give it to the minority, I have no objection. I would agree. There is nothing wrong however in just doing this with the chairmanship.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman's amendment place any limitation on age?

Mr. BENNETT. No. I think that it is entirely proper that it does not.

After all, there was one Congressman, who first came to the Congress when he was 80, if I remember correctly.

Mr. GROSS. Is there someone here 80 years old?

Mr. BENNETT. There was once a Member here who was 80 when he came to Congress, I believe.

Mr. GROSS. I did not think there was anyone here older than I am.

Mr. BENNETT. I believe the gentleman from Iowa is not old in spirit.

Mr. GROSS. Well, I am a graybeard.

Mr. BENNETT. The gentleman is still young in heart.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the real defect of this

amendment is that it does nothing for a Republican. I have been here for 26 years and have served in one Republican Congress. The gentleman from Illinois (Mr. ARENDS), has been here a few years longer. This proposal to limit the tenure of committee chairman comes awfully late. There has been no opportunity for some of us around here to join the exalted ranks of the chairmen.

The defect is that they have had too many Democrats, and this so-called reform ought to do something about the Democrat majority and its almost absolute rule of Congress.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my good friend from Illinois.

Mr. ARENDS. Mr. Chairman, the gentleman from Iowa has brought up a very interesting subject. It reminds me of that old saying, "Always a bridesmaid, never a bride."

I guess that is the situation with some of us who have been here many years, and it is the situation of our party which has not had sufficient numbers on our side of the aisle. That is the situation which needs correcting.

Mr. GROSS. We could do it right here. There is hope, but it comes awfully late for the gentleman from Illinois and myself.

Earlier this afternoon I heard the gentleman from Indiana (Mr. MADDEN), predict that in the next session of Congress there would be all kinds of turmoil and tumult. Perhaps the gentlemen on the Democrat side of the aisle would be doing themselves a favor if they broadened this amendment to provide for the election of a few Republican chairmen and share with the minority a little bit. They might even save themselves from some of that turmoil and tumult.

I will not be here for the next session, but I wish you Democrats would give it some thought.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, as the gentleman knows, in many ways I regret deeply that he will not be here next year, but I cannot help but say that is going to reduce by about 30 percent the turmoil and tumult he is referring to.

Mr. GROSS. Mr. Chairman, it is obvious my suggestion fell on deaf ears, and on that note I yield back the balance of my time.

Mr. SCHNEEBELI. Mr. Chairman, the legislation before us is of great importance not only to this great body and its Members but to the country as well. It will determine the procedures under which we shall be writing the laws of the land. In a sense, it may be the most critical matter we will consider for many years. Mindful of the serious nature of this legislation and interested in seeing this body change in appropriate ways to meet the challenges of our changing society, I was happy to support the establishment of the select committee and to encourage its work. During the period preceding the release of its interim report last December, I was hopeful that it would present us with solid, rational recommendations on the realinement of committee jurisdiction and make other recommendations for the improvement of our procedures.

In at least the first instance—the realinement of committee jurisdiction—I was greatly disappointed. The interim report of the select committee made recommendations largely devoid of a good rationale. Rather than attempting to provide the basis for meaningful consideration of public policy issues by consolidating the jurisdictions, in most cases it provided for the fragmenting of committee jurisdictions. In total, it amounted to a great step backward rather than any kind of step forward.

Additionally, the select committee recommendations would place significant roadblocks in the way of expediting consideration of legislation by giving certain committees oversight and veto responsibilities over the action of other committees. This is not progress by any definition and will certainly slow the orderly flow of legislation rather than hasten it.

Also, the idea of granting to an oversight committee the privilege of offering a package of amendments to a bill reported by a legislative committee based on oversight findings without regard to the rule sought by that committee is obviously designed to confuse and delay the legislative process rather than clarify and expedite the consideration of bills. These are merely a few of the bad features of the select committee's recommendations but they should not be forgotten while our mail attention is directed at the realinement of the jurisdictions of the various committees.

In order to illustrate the fact that the select committee's recommendations provide for fragmentation rather than consolidation, let me cite some examples which relate to the changes the select committee would make in the jurisdiction of the Committee on Ways and Means on which I serve.

I. TRADE LEGISLATION

House Resolution 988 would give the Foreign Affairs Committee jurisdiction over international trade policy and reciprocal trade agreements. But, at the same time, it would give the Ways and Means Committee jurisdiction over "tariffs and customs administration."

It would be inconsistent and confusing to leave tariffs with Ways and Means while moving jurisdiction over the trade agreements program to Foreign Affairs. The trade agreements program involves the delegation by Congress of its constitutional authority to impose import duties to the executive branch under carefully defined conditions. If Ways and Means is to continue to have jurisdiction over tariffs, it would have authority over the Trade Agreements Act because this act historically has been concerned with the delegation of Congress authority over tariffs. Therefore, if the Foreign Affairs Committee is to have jurisdiction over reciprocal trade agreements, two different committees would have jurisdiction over the same subject—tariffs.

> In recent years, nontariff barriers to trade have mushroomed. It is often difficult to distinguish between a nontariff and a tariff barrier; thus, the committee controlling tariffs should have authority over nontariff barriers also if "one-stop" consideration of trade legislation is desired. Additionally, any grant of authority would deal with interrelated questions and should be consistent as to both tariff and nontariff barriers. This could not easily be achieved if the authority were requested from and considered by two different committees.
>
> Nontariff barriers often are based in the way duties are administered—through customs administration. Ways and Means would retain jurisdiction over customs administration, with expertise and authority in this area, yet the Foreign Affairs Committee would have the responsibility to determine the scope of negotiating authority in matters affecting customs administration.
>
> Another inconsistency concerns oversight for tariffs and customs administration. While the Ways and Means Committee is given specific jurisdiction over "tariffs and customs administration," the resolution also provides that "Foreign Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities dealing with or involving tariffs and customs administration." Thus, while Ways and Means would have jurisdiction over tariffs and customs, special legislative oversight specifically would be given to Foreign Affairs.

The specific allocation of oversight responsibility for tariffs and customs administration to Foreign Affairs presumably takes precedence over the general language relating to oversight of all standing committees. If not, both Ways and Means and Foreign Affairs would have legislative oversight responsibilities in this area, the former by virtue of general oversight provisions in the resolution, and the latter by virtue of specific designation in the resolution. Additionally, Government Operations would have legislative oversight responsibilities in all areas, presumably including tariffs and customs administration.

Such allocation of responsibilities among different committees in the trade area would make it very difficult for Congress to enact future trade bills and extend the reciprocal trade agreements program which has been the cornerstone of our international economic relations since the mid-1930's.

II. UNEMPLOYMENT COMPENSATION

The cochairman of the select committee in supplemental views pointed out the difficulties in the select committee's recommendation to divide the tax and nontax aspects of the unemployment compensation insurance program between the Committee on Ways and Means and the Labor Committee which would be established under House Resolution 988. The arguments he presented in those views need not be repeated here. They can be summarized best by this statement from the supplemental views:

> To attempt to divide the unemployment compensation program between two committees or between tax and nontax aspects, is like attempting to unscramble eggs. It is not only difficult conceptually, but as a practical matter will severely undermine a program that has successfully provided protection against the risks of unemployment to American workers for nearly four decades.

III. HEALTH INSURANCE

House Resolution 988 leaves the Ways and Means Committee with jurisdiction over the tax aspects of medicare and national health insurance, while transferring to the new Commerce and Health Committee jurisdiction over the benefits provided under medicare or a national health insurance program. Additionally, jurisdiction over medicaid is transferred to the new Commerce and Health Committee.

Again, this fragmentation of jurisdiction is exactly the opposite of the "one-stop" procedure the Bolling committee report mentions. This division of jurisdiction will undermine the fiscal responsibility of the program by making one group of individuals responsible for meeting the demand for benefits, while requiring another committee to impose the correlative payroll taxes necessary to finance these benefits. Any program providing benefits through wage-related taxes requires a consideration of the distribution of the tax burden and the distribution of benefits in order to provide an equitable program. This is made more difficult by fragmenting these considerations.

IV. TAX POLICY

House Resolution 988 provides that each committee "shall have the function of reviewing and studying on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction." Our comprehensive income tax with its overriding goal of assessing the costs of government in accordance with ability to pay, is bound to have a pervasive impact on all aspects of our highly developed economy. Additionally, since a tax based on ability to pay will take into consideration some personal expenses—extraordinary medical expenses, heavy casualty losses, special problems of low-income people and large families—a comprehensive income tax necessarily affects all aspects of American life, even those beyond the economic realm.

The provision above quoted requiring all committees to study tax policy will make it very difficult to continue to work toward a broadly based tax law. It is difficult with tax policy in one committee to move toward a more comprehensive base in view of the various interest groups desiring to preserve provisions benefiting them. Other legislative committees with jurisdiction over legislation directly related to specific interest groups or activities—such as veterans, the military, housing, transportation, and agriculture—may tend to favor retention of provisions assisting these interest groups if previous experience is any guide. To the extent they have a procedural means for bringing pressure to bear on specific items without the responsibility or experience to look at the tax law as a whole, it may make comprehensive tax reform and base broadening much more difficult to achieve.

The budget reform legislation recently enacted gives the new Budget Committees significant responsibilities in the area of tax expenditures. If the various legislative committees, as well as the Government Operations Committee, are going to have oversight responsibilities in these areas, along with the Ways and Means Committee, it really makes the goal of the Bolling committee for achieving "one-stop" policy consideration meaningless. The old adage about too many cooks spoiling the broth may be applicable to the important area of tax policy.

Mr. Chairman, the illustrations I have just discussed clearly indicate the lack of rationale and logic behind the select committee's recommendations. The fact that the Democratic Caucus voted to have the recommendations reviewed by a subcommittee and the fact that the Hansen subcommittee made significant revisions in it support the position I have described.

I support the Hansen substitute because, at the very least, it is rational in content and approach. While I am not in agreement with all of its recommendations—particularly the transfer of medicaid to the new Commerce and Health Committee—I believe it is a responsible reform package that will provide the basis for the more expeditious and orderly conduct of business by the House. It is obviously grounded in the philosophy that all changes is not progress and that there are many worthy procedures presently in operation here that should not be scuttled under the mistaken label of "reform."

For these reasons, I urge the adoption of the Hansen substitute and its final approval.

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives, had come to no resolution thereon.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO HAVE UNTIL MIDNIGHT, FRIDAY, OCTOBER 4, 1974, TO FILE CONFERENCE REPORT ON H.R. 11221

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight, Friday, October 4, to file the conference report on H.R. 11221, to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON BANKING AND CURRENCY TO HAVE UNTIL MIDNIGHT, FRIDAY, OCTOBER 4, 1974, TO FILE CONFERENCE REPORT ON S. 386

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight, Friday, October 4, to file the conference report on S. 386, to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 93-1427)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 386) to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "National Mass Transportation Assistance Act of 1974".

FINDINGS

SEC. 2. The Congress finds that—

(1) over 70 per centum of the Nation's population lives in urban areas;

(2) transportation is the lifeblood of an urbanized society and the health and welfare of that society depends upon the provision of efficient economical and convenient transportation within and between its urban area;

(3) for many years the mass transportation industry satisfied the transportation needs of the urban areas of the country capably and profitably;

(4) in recent years the maintenance of even minimal mass transportation service in urban areas has become so financially burdensome as to threaten the continuation of this essential public service;

(5) the termination of such service or the continued increase in its cost to the user is undesirable, and may have a particularly serious adverse effect upon the welfare of a substantial number of lower income persons;

(6) some urban areas are now engaged in developing preliminary plans for, or are actually carrying out, comprehensive projects to revitalize their mass transportation operations; and

(7) immediate substantial Federal assistance is needed to enable many mass transportation systems to continue to provide vital service.

TITLE I—INCREASED MASS TRANSPORTATION ASSISTANCE

AUTHORIZATION

SEC. 101. (a) The first sentence of section 4(c) of the Urban Mass Transportation Act of 1964 is amended by striking out "$6,100,000,000" and inserting in lieu thereof "$10,925,000,000".

(b) Section 4(c) of such Act is further amended by adding at the end thereof the following new sentence: "Of the total amount available to finance activities under this Act (other than under section 5) on and after the date of the enactment of the National Mass Transportation Assistance Act of 1974, not to exceed $500,000,000 shall be available exclusively for assistance in areas other than urbanized areas (as defined in section 5(a)(3))."

TRANSPORTATION PLANNING

SEC. 102. Section 3(a) of the Urban Mass Transportation Act of 1964 is amended—

(1) by inserting "(1)" after "SEC. 3. (a)";

(2) by redesignating clauses (1) and (2)

of the third sentence as clauses (A) and (B) respectively;

(3) by striking out the sixth and seventh sentences; and

(4) by adding at the end thereof the following:

"(2) It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States in the development of long-range plans and programs which are properly coordinated with plans for improvements in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. The development of projects in urbanized areas under this section shall be based upon a continuing, cooperative, and comprehensive planning process covering all modes of surface transportation and carried on by the States and the governing bodies of local communities in accordance with this paragraph. The Secretary shall not approve any project in an urbanized area after July 1, 1976, under this section unless he finds that such project is based on a continuing comprehensive transportation planning process carried on in conformance with the objectives stated in this paragraph."

FORMULA GRANT PROGRAM

SEC. 103. (a) The Urban Mass Transportation Act of 1964 is amended by striking out section 5 and inserting in lieu thereof the following new section:

"URBAN MASS TRANSIT PROGRAM

"SEC. 5. (a) As used in this section—

"(1) the term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the acquisition, construction, or reconstruction of facilities and equipment for use in mass transportation, including designing, engineering, locating, surveying, mapping, acquisition of rights-of-way, relocation assistance, and acquisition and replacement of housing sites;

"(2) the term 'Governor' means the Governor, or his designate, of any one of the fifty States or of Puerto Rico, and the Mayor of the District of Columbia; and

"(3) the term 'urbanized area' means an area so designated by the Bureau of the Census, within boundaries which shall be fixed by responsible State and local officials in cooperation with each other, subject to approval by the Secretary, and which shall at a minimum, in the case of any such area, encompass the entire urbanized area within the State as designated by the Bureau of the Census.

"(b) The Secretary shall apportion for expenditure in fiscal years 1975 through 1980 the sums authorized by subsection (c). Such sums shall be made available for expenditure in urbanized areas or parts thereof on the basis of a formula under which urbanized areas or parts thereof will be entitled to receive an amount equal to the sum of—

"(A) one-half of the total amount so apportioned multiplied by the ratio which the population of such urbanized area or part thereof, as designated by the Bureau of the Census, bears to the total population of all urbanized areas in all the States as shown by the latest available Federal census; and

"(B) one-half of the total amount so apportioned multiplied by a ratio for that urbanized area determined on the basis of population weighted by a factor of density, as determined by the Secretary.

As used in the preceding sentence, the term 'density' means the number of inhabitants per square mile.

"(2) The Governor, responsible local officials and publicly-owned operators of mass transportation services, in accordance with the procedures required under section (g)(1), with the concurrence of the Secretary, shall designate a recipient to receive and dispense the funds apportioned under paragraph (1) that are attributable to urbanized areas of two hundred thousand or more population. In any case in which a statewide or regional agency or instrumentality is responsible under State laws for the financing, construction and operation, directly, by lease, contract or otherwise, of public transportation services, such agency or instrumentality shall be the recipient to receive and dispense such funds. The term 'designated recipient' as used in this Act shall refer to the recipient selected according to the procedures required by this paragraph.

"(3) Sums apportioned under paragraph (1) not made available for expenditure by designated recipients in accordance with the terms of paragraph (2) shall be made available to the Governor for expenditure in urbanized areas or parts thereof in accordance with the procedures required under subsection (g)(1).

"(c)(1) To finance grants under this section, the Secretary may incur obligations on behalf of the United States in the form of grants, contracts, agreements, or otherwise in an aggregate amount not to exceed $3,975,000,000. There are authorized to be appropriated for liquidation of the obligations incurred under this paragraph not to exceed $300,000,000 prior to the close of fiscal year 1975; not to exceed $500,000,000 prior to the close of fiscal year 1976; not to exceed $650,000,000 prior to the close of fiscal year 1977; not to exceed $755,000,000 prior to the close of fiscal year 1978; not to exceed $850,000,000 prior to the close of fiscal year 1979; and not to exceed $900,000,000 prior to the close of fiscal year 1980. Sums so appropriated shall remain available until expended.

"(2) Sums apportioned under this section shall be available for obligation by the Governor or designated recipient for a period of two years following the close of the fiscal year for which such sums are apportioned, and any amounts so apportioned remaining unobligated at the end of such period shall lapse and shall be returned to the Treasury for deposit as miscellaneous receipts.

"(d)(1) The Secretary may approve as a project under this section, on such terms and conditions as he may prescribe, (A) the acquisition, construction, and improvement of facilities and equipment for use, by operation or lease or otherwise, in mass transportation service, and (B) the payment of operating expenses to improve or to continue such service by operation, lease, contract, or otherwise.

"(2) The Secretary shall issue such regulations as he deems necessary to administer this subsection and subsection (e), including regulations regarding maintenance of effort by States, local governments, and local public bodies, the appropriate definition of operating expenses, and requirements for improving the efficiency of transit services.

"(e) The Federal grant for any construction project under this section shall not exceed 80 percentum of the cost of the construction project, as determined under section 4(a) of this Act. The Federal grant for any project for the payment of subsidies for operating expenses shall not exceed 50 per centum of the cost of such operating expense project. The remainder shall be provided in cash, from sources other than Federal funds or revenues from the operation of public mass transportation systems. Any public or private transit system funds so provided shall be solely from undistributed cash surpluses, replacement or depreciation funds or reserves available in cash, or new capital.

"(f) Federal funds available for expenditure for mass transportation projects under this section shall be supplementary to and not in substitution for the average amount of State and local government funds and other transit revenues such as advertising, concessions, and property leases, expended on the operation of mass transportation service in the area involved for the two fiscal years preceding the fiscal year for which the funds are made available; but nothing in this sentence shall be construed as preventing State or local tax revenues which are used for the operation of mass transportation service in the area involved from being credited (to the extent necessary) toward the non-Federal share of the cost of the project for purposes of the preceding sentence.

"(g)(1) It is declared to be in the national interest to encourage and promote the development of transportation systems, embracing various modes of transport in a manner that will serve the States and local communities efficiently and effectively. To accomplish this objective the Secretary shall cooperate with the States in the development of long-range plans and programs which are properly coordinated with plans for improvement in other affected forms of transportation and which are formulated with due consideration to their probable effect on the future development of urban areas of more than fifty thousand population. The development of projects in urbanized areas under this section shall be based upon a continuing, cooperative, and comprehensive planning process covering all modes of surface transportation and carried on by the States and the governing bodies of local communities in accordance with this paragraph. The Secretary shall not approve any project in an urbanized area after July 1, 1976, under this section unless he finds that such project is based on a continuing comprehensive transportation planning process carried on in conformance with the objectives stated in this paragraph.

"(2) The Governor or designated recipient shall submit to the Secretary for his approval a program of projects for utilization of the funds authorized, which shall be based on the continuing comprehensive planning process of paragraph (1). The Secretary shall act upon programs submitted to him as soon as practicable, and he may approve a program in whole or in part.

"(3) An applicant for assistance under this section (other than a Governor) shall submit the program or programs to the Governor of the State effected, concurrently with submission to the Secretary. If within thirty days thereafter the Governor submits comments to the Secretary, the Secretary shall consider such comments before taking final action on the program or programs.

"(h)(1) The Governor or the designated recipient of the urbanized area shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such surveys, plans, specifications, and his entering into a grant or contract agreement with respect to any such project shall be a contractual obligation of the Federal Government for the payment of its proportional contribution thereto.

"(2) In approving any project under this section, the Secretary shall assure that possible adverse economic, social, and environmental effects relating to the proposed project have been fully considered in developing the project, and that the final decisions on the project are made in the best overall public interest, taking into consideration the need for fast, safe, and efficient transportation, public services, and conservation of environment and natural resources, and the costs of eliminating or minimizing any such adverse effects, including—

"(A) air, noise, and water pollution;

"(B) destruction or disruption of man-made and natural resources, esthetic values, community cohesion, and the availability of public facilities and services;

"(C) adverse employment effects, and tax and property value losses;

"(D) injurious displacement of people, businesses, and farms; and

"(E) disruption of desirable community and regional growth.

"(i) Upon submission for approval of a proposed project under this section, the Governor or the designated recipient of the urbanized area shall certify to the Secretary that he or it has conducted public hearings (or has afforded the opportunity for such hearings) and that these hearings included (or were scheduled to include) consideration of the economic and social effects of such project, its impact on the environment, including requirements under the Clean Air Act, the Federal Water Pollution Control Act, and other applicable Federal environmental statutes, and its consistency with the goals and objectives of such urban planning as has been promulgated by the community. Such certification shall be accompanied by (1) a report which indicates the consideration given to the economic, social, environmental, and other effects of the proposed project, including, for construction projects, the effects of its location or design, and the consideration given to the various alternatives which were raised during the hearing or which were otherwise considered, and (2) upon the Secretary's request, a copy of the transcript of the hearings.

"(j) (1) The Secretary may discharge any of his responsibilities under this action with respect to a project under this section upon the request of any Governor or designated recipient of the urbanized area by accepting a certification by the Governor or his designee, or by the designated recipient of the urbanized area, if he finds that such project will be carried out in accordance with State laws, regulations, directives, and standards establishing requirements at least equivalent to those contained in, or issued pursuant to, this section.

"(2) The Secretary shall make a final inspection or review of each such project upon its completion and shall require an adequate report of its estimated and actual cost, as well as such other information as he determines to be necessary.

"(3) The Secretary shall promulgate such guidelines and regulations as may be necessary to carry out this subsection.

"(4) Acceptance by the Secretary of a certification under this section may be rescinded by the Secretary at any time if, in his opinion, it is necessary to do so.

"(5) Nothing in this section shall affect or discharge any responsibility or obligation of the Secretary under any other Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), section 4(f) of the Department of Transportation Act (49 U.S.C. 1653(f)), title VI of the Civil Rights Act of 1964 (42 U.S.C. 200(d) et seq.), title VIII of the Act of April 11, 1968 (Public Law 90-284, 42 U.S.C. 3601 et seq.), and the Uniform Relocation Assistance and Land Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

"(k) (1) As soon as practicable after the plans, specifications, and estimates for a specific project under this section have been approved, the Secretary shall enter into a formal project agreement with the Governor, his designee or the designated recipient of the urbanized area. Such project agreement shall make provision for non-Federal funds required for the State's or designated recipient's pro rata share of the cost of the project.

"(2) The Secretary may rely upon representations made by the applicant with respect to the arrangements or agreements made by the Governor or the designated recipient where a part of the project involved is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

"(3) The Secretary is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, as amended, to make advance or progress payments on account of any grant or contract made pursuant to this section, on such terms and conditions as he may prescribe.

"(l) The Secretary shall not approve any project under this section unless he finds that such project is needed to carry out a program, meeting criteria established by him, for a unified or officially coordinated urban transportation system as a part of the comprehensively planned development of the urban area, and is necessary for the sound, economic, and desirable development of such area, and that the applicant or responsible agency has the legal, financial, and technical capacity to carry out the proposed project. A project under this section may not be undertaken unless the responsible public officials of the urbanized area in which the project is located have been consulted and, except for projects solely to pay subsidies for operating expenses, their views considered with respect to the corridor, location, and design of the project.

"(m) The Secretary shall not approve any project under this section unless the applicant agrees and gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that the rates charged elderly and handicapped persons during nonpeak hours for transportation utilizing or involving the facilities and equipment of the project financed with assistance under this section will not exceed one-half of the rates generally applicable to other persons at peak hours, whether the operation of such facilities and equipment is by the applicant or is by another entity under lease or otherwise.

"(n) (1) The provisions of section 13(c) and section 3(e) (4) shall apply in carrying out mass transportation projects under this section.

"(2) The provision of assistance under this section shall not be construed as bringing within the application of chapter 15 of title 5, United States Code, any nonsupervisory employee of an urban mass transportation system (or of any other agency or entity performing related functions) to whom such chapter is otherwise inapplicable.".

(b) Section 4(a) of such Act is amended by striking out "Except as specified in section 5, no" and inserting in lieu thereof "No".

ELIGIBILITY OF QUASI-PUBLIC DEVELOPMENT CORPORATIONS

SEC. 104. (a) The first sentence of section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting "(1)" after "financing", and by inserting before the period at the end thereof the following: ", and (2) the establishment and organization of public or quasi-public transit corridor development corporations or entities".

(b) The second sentence of section 3(a) of such Act is amended to read as follows: "Eligible facilities and equipment may include personal property including buses and other rolling stock and real property including land (but not public highways), within the entire zone affected by the construction and operation of transit improvements, including station sites, needed or an efficient and coordinated mass transportation system which is compatible with socially, economically, and environmentally sound patterns of land use."

COORDINATION OF URBAN MASS TRANSIT PROGRAMS WITH MODEL CITIES PROGRAMS

SEC. 105. Section 103(a) of the Demonstration Cities and Metropolitan Development Act of 1966 is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively, and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) any program which includes a transportation component as a project or activity to be undertaken meets the requirements of section 3(e) of the Urban Mass Transportation Act of 1964;".

PROCUREMENT

SEC. 106. The fifth sentence of section 3(a) of the Urban Mass Transportation Act of 1964 is amended by inserting before the period at the end thereof the following: ", nor shall any grant or loan funds be used to support procurements utilizing exclusionary or discriminatory specifications".

INVESTIGATION OF SAFETY HAZARDS IN URBAN MASS TRANSPORTATION SYSTEMS

SEC. 107. The Secretary of Transportation shall investigate unsafe conditions in any facility, equipment, or manner of operation financed under this Act which creates a serious hazard of death or injury for the purpose of determining its nature and extent and the means which might best be employed to eliminate or correct it. If the Secretary determines that such facility, equipment, or manner of operation is unsafe, he shall require the State or local public body or agency to submit to the Secretary a plan for correcting the unsafe facility, equipment, or manner of operation, and the Secretary may withhold further financial assistance to the applicant until such plan is approved or implemented.

FARES FOR ELDERLY AND HANDICAPPED PERSONS

SEC. 108. Nothing contained in this title shall require the charging of fares to elderly and handicapped persons.

SCHOOLBUS OPERATIONS

SEC. 109. (a) Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof (immediately after subsection (f)) the following new subsection:

"(g) No Federal financial assistance shall be provided under this Act for the construction or operation of facilities and equipment for use in providing public mass transportation service to any applicant for such assistance unless such applicant and the Secretary shall have first entered into an agreement that such applicant will not engage in schoolbus operations, exclusively for the transportation of students and school personnel, in competition with private schoolbus operators. This subsection shall not apply to an applicant with respect to operation of a schoolbus program if the applicant operates a school system in the area to be served and operates a separate and exclusive schoolbus program for this school system. This subsection shall not apply unless private schoolbus operators are able to provide adequate transportation, at reasonable rates, and in conformance with applicable safety standards; and this subsection shall not apply with respect to any State or local public body or agency thereof if it (or a direct predecessor in interest from which it acquired the function of so transporting schoolchildren and personnel along with facilities to be used therefor) was so engaged in schoolbus operations any time during the twelve-month period immediately prior to the date of the enactment of this subsection. A violation of an agreement under this subsection shall bar such applicant from receiving any other Federal financial assistance under this Act."

(b) The first sentence of section 3 (f) of such Act is amended by striking out "purchase of buses" each place it appears and inserting in lieu thereof "purchase or operation of buses".

ALTERNATE USE OF CAPITAL GRANTS

SEC. 110. Section 3 of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof (after the new subsection added in section 109 of this Act) the following new subsection:

"(h) Notwithstanding any other provision of this Act, or of any contract or agreement entered into under this Act, up to one-half of any financial assistance provided under this Act (other than under section 5) to any State or local public body or agency thereof for the fiscal year 1975 or any subsequent fiscal year may, at the option of such State or local public body or agency, be used exclusively for the payment of operating expenses (incurred in connection with the provision of mass transportation service in an urban area or areas) to improve or to continue such service, if the Secretary finds (in any case where the financial assistance to be so used was originally provided for another project) that effective arrangements have been made to substitute and, by the end of the fiscal year following the fiscal year for which such sums are used, make available (for such other project) an equal amount of State or local funds (in addition to any State or local funds otherwise required by this Act to be contributed toward the cost of such project). Any amounts used for the payment of operating expenses pursuant to this subsection shall be subject to such terms and conditions (including the requirement for local matching contributions), required for the payment of operating expenses under other provisions of this Act, as the Secretary may deem necessary and appropriate."

DATA AND FINANCIAL REPORTING SYSTEMS

SEC. 111. Section 15 of the Urban Mass Transportation Act of 1964 is amended by striking out the entire section and inserting in lieu thereof the following:

"REPORTING SYSTEM

"SEC. 15. (a) The Secretary shall by January 10, 1977, develop, test, and prescribe a reporting system to accumulate public mass transportation financial and operating information by uniform categories and a uniform system of accounts and records. Such systems shall be designed to assist in meeting the needs of individual public mass transportation systems, Federal, State, and local governments, and the public for information on which to base planning for public transportation services, and shall contain information appropriate to assist in the making of public sector investment decisions at all levels of government. The Secretary is authorized to develop and test these systems in consultation with interested persons and organizations. The Secretary is authorized to carry out this subsection independently, or by grant or contract (including working arrangements with other Federal, State, or local government agencies). The Secretary is authorized to request and receive such information or data as he deems appropriate from public or private sources.

"(b) After July 1, 1978, the Secretary shall not make any grant under section 5 unless the applicant for such grant and any person or organization to receive benefits directly from that grant are each subject to both the reporting system and the uniform system of accounts and records prescribed under subsection (a) of this section."

TITLE II—FARE-FREE MASS TRANSPORTATION

DEMONSTRATIONS

SEC. 201. The Secretary of Transportation (hereinafter referred to as the "Secretary") shall enter into such contracts or other arrangements as may be necessary for research and the development, establishment, and operation of demonstration projects to determine the feasibility of fare-free urban mass transportation systems.

SEC. 202. Federal grants or payments for the purpose of assisting such projects shall cover not to exceed 80 per centum of the cost of the project involved, including operating costs and the amortization of capital costs for any fiscal year for which such contract or other arrangement is in effect.

SEC. 203. The Secretary shall select cities or metropolitan areas for such projects in accordance with the following:

(1) to the extent practicable, such cities or metropolitan areas shall have a failing or nonexistent or marginally profitable transit system, a decaying central city, automobile-caused air pollution problems, and an immobile central city population;

(2) several projects should be selected from cities or metropolitan areas of differing sizes and populations;

(3) a high level of innovative service must be provided including the provision of cross-town and other transportation service to the extent necessary for central city residents and others to reach employment, shopping, and recreation; and

(4) to the extent practicable, projects utilizing different modes of mass transportation shall be approved.

SEC. 204. The Secretary shall study fare-free systems assisted pursuant to this title, and other financially assisted urban mass transportation systems providing reduced fares for the purpose of determining the following:

(1) the effects of such system on (i) vehicle traffic and attendant air pollution, congestion, noise, (ii) the mobility of urban residents, and (iii) the economic viability of central city business;

(2) the mode of mass transportation that can best meet the desired objectives;

(3) the extent to which frivolous ridership increases as a result of reduced fare or fare-free systems;

(4) the extent to which the need for urban highways might be reduced as a result of reduced fare or fare-free systems; and

(5) the best means of financing reduced fare or fare-free transportation on a continuing basis.

SEC. 205. The Secretary shall make annual reports to the Congress on the information gathered pursuant to section 204 of this title and shall make a final report of his findings, including any recommendations he might have to implement such findings, not later than June 30, 1975.

SEC. 206. In carrying out the provisions of this title, the Secretary shall provide advisory participation by interested State and local government authorities, mass transportation systems management personnel, employee representatives, mass transportation riders, and any other persons that he may deem necessary or appropriate.

SEC. 207. There are hereby authorized to be appropriated not to exceed $20,000,000 for each of the fiscal years ending on June 30, 1975, and June 30, 1976, respectively, to carry out the provisions of this title.

TITLE III—RAILROAD GRADE CROSSINGS

SEC. 301. The Secretary of Transportation shall enter into such arrangements as may be necessary to carry out a demonstration project in Hammond, Indiana, for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings. The Federal share payable on account of such project shall be that provided in section 120 of title 23, United States Code.

SEC. 302. There are authorized to be appropriated to carry out this title not to exceed $14,000,000, except that two-thirds of all funds expended under authority of this section in any fiscal year shall be appropriated out of the Highway Trust Fund.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the Senate bill, insert the following: "An Act to amend the Urban Mass Transportation Act of 1964 to provide increased assistance for mass transportation systems."

And the House agree to the same.

WRIGHT PATMAN,
JOSEPH G. MINISH,
TOM S. GETTYS,
JIM HANLEY,
PETE STARK,
EDWARD I. KOCH,
WILLIAM COTTER,
ANDREW YOUNG,
JOE MOAKLEY,
GARRY BROWN,
WILLIAM B. WIDNALL,
STEWART B. MCKINNEY,
Managers on the Part of the House.

JOHN SPARKMAN,
WILLIAM PROXMIRE,
HARRISON WILLIAMS,
JOHN TOWER,
ED BROOKE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 386) to amend the Urban Mass Transportation Act of 1964 to authorize certain grants to assure adequate commuter service in urban areas, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

STATEMENT OF FINDINGS

The short title of the House amendment was cited as the "Urban Mass Transportation Assistance Act of 1974". The Senate short title of the bill was cited as the "Emergency Commuter Relief Act". The conference report cites the bill as the "National Mass Transportation Act of 1974."

The House amendment contained no Congressional statement of findings. The Senate bill contained seven statements of findings which outlined the importance and necessity of quality urban mass transportation for the United States. The conference report contains the Senate findings.

INCREASED MASS TRANSPORTATION ASSISTANCE

On September 25, 1974, the conferees on the bill, S. 386, conducted a public hearing to explore means of improving and modifying S. 386, the Emergency Urban Mass Transportation Act. At these hearings, witnesses, including members of Congress, Governors, Mayors, transit industry officials, labor representatives, business and community leaders, and the Administration testified on the need for a long-term comprehensive mass transit program this year. In particular, the Administration testified that they would oppose legislation that was not a long-term comprehensive bill. The Administration also raised additional objections to S. 386 as it was reported to the House on February 26, 1974 (House Report 93–813). During discussions with members of the conference committee and in a letter dated July 26, 1974, to

House Minority Leader John Rhodes, Secretary Brinegar stated that S. 386 had the following "critical weaknesses":

(1) it effectively eliminates participation by State governments in planning and executing public transportation programs;

(2) the formula for distributing funds in S. 386 is unsound; and

(3) the funding authorizations in S. 386 are out of line with the need to fight inflation.

In addition, the Administration argued for a long-range bill in order to deal comprehensively and effectively with the mass transportation needs of the country. In an effort to accommodate the Administration and in the spirit of cooperation with the new President, the conferees agreed to make major modifications in this conference report.

Authorizations

The conference report amended section 4(c) of the Urban Mass Transportation Act of 1964 by striking $6.1 billion and inserting $10,925,000,000. Of this $3.1 billion was obligated as of the end of Fiscal Year 1974. $3 billion is previously authorized authority. Thus, this conference report provides $4,825,000,000 of new authority. This provides for a 6-year capital program of $7,825,000,000 available for obligations of which $500 million will be reserved for a new rural public transportation capital assistance program. By combining the existing authority and the new authority in this conference report, approximately $1.2 billion on the average per year will be authorized for the existing capital grant program. The obligation for Fiscal Year 1974 for this program was $1.2 billion and the estimate for 1975 is $1.350 billion. Thus, no substantial major increases are anticipated in the existing capital grant program. This conference report will have little or no budgetary impact during Fiscal Year 1975.

Transportation planning

All projects approved under the existing capital grant program have had to be in compliance with regional comprehensive plans. In many urbanized areas in this country, regional planning has not been coordinated with state transportation planning. A new section would be added to the capital grant program which would provide for long-term coordination of mass transit planning and the Governors, along with local officials, would be required to develop long-range plans to improve and coordinate all forms of transportation within urbanized areas as a condition to receiving Federal funds. This addition would add Governor participation to the planning requirements which are not now required under existing law.

Formula grant program

A new formula grant program is authorized by this conference report. $3,975,000,000 is authorized in the next 6 years with the following liquidation schedule provided:

1975, $300 million.
1976, $500 million.
1977, $650 million.
1978, $775 million.
1979, $850 million.
1980, $900 million.

These funds would be available to be allocated to states or urbanized areas on a formula basis and would be available to finance capital projects or pay operating costs of public transportation systems.

This multiple purpose of these funds and the development levels of funding are very similar to the formula grant program embodied in the Administration's UTAP proposal.

One of the bases of criticism of the original S. 386 was the distribution formula. The use of revenue passenger and vehicle miles as factors in the formula were criticized because they were not reliably ascertainable numbers and were potentially susceptible to manipulation. Therefore, the conference adopted the factors of population and population weighted by density that are based upon the 1970 census figures. The 50 percent population and 50 percent population weighted by density factor formula was initially recommended by the Administration.

In urbanized areas of 200,000 population, a designated recipient will be selected by the Governor, local officials, and officials of the transportation authority. In any case in which a State agency is responsible under State law for financing, construction, and operation, directly by lease, contract, or otherwise public transportation services, the Secretary shall designate such State agency as the designated recipient to receive and dispense funds apportioned. In urbanized areas under 200,000 population, the State will be the recipient of these funds.

The apportioned funds, if used by the Governor or designated recipient for capital purposes, shall be on an 80 percent Federal share. Where the Governor or designated recipient uses these funds to pay operating expenses, they shall be on a 50 percent share basis.

The conference report would make the charter bus restrictions in section 3 of the Urban Mass Transportation Act of 1964 applicable to grants under this section. To be eligible for grants under this provision, the recipient must continue to maintain State and local operating and capital funds, and the transit system must maintain other revenues such as advertising, concessions, and property leases. This maintenance of effort provision is to be a two-year average of the total of State and local funds used to finance operating costs and other non-farebox income. The State and local revenues and other incomes can be used as local matching share but that revenues gained by farebox shall not be eligible.

Mass transportation systems receiving assistance under this provision must charge half fares to the elderly and the handicapped during non-peak hours. In the case of areas served by privately owned public transportation systems, the applicant will be the Governor or designated recipient who by lease contract or otherwise shall make the funds available to these privately-owned public transportation systems.

The Governor or the designated recipient of the urbanized area shall submit to the Secretary for his approval such surveys, plans, specifications, and estimates for each proposed project as the Secretary may require. In addition, the Governor or the designated recipient must certify to the Secretary that he has conducted public hearings or afforded the opportunity for such hearings.

The conferees recognize that in order to minimize the deficits now being incurred, all possible efficiencies of operation should be encouraged. There is also a need to improve the operating systems and eliminate inefficiencies in them. The conferees desire that no part of this conference report shall be construed to limit or alter the responsibility of each recipient of assistance from initiating and implementing all necessary and desirable efficiencies.

School bus operations

Recipients under the existing capital grant program who have not engaged in school bus operations are not eligible to do so. A similar restriction for recipients of formula grant funds under section 5 is provided.

Alternate use of capital grant program

Up to one-half of any financial assistance provided under the discretionary capital grant provisions of the Urban Mass Transportation Act of 1964 may be used, at the option of the grantee, for the payment of operating expenses if the Secretary finds that effective arrangements have been made to make available an equal amount of State or local funds for completion of the project for which the Federal funds were to have been used. Where a grantee chooses to use funds for operating rather than capital assistance under this provision, the terms and conditions applicable to other operating expense projects under the Act (including local share and maintenance of effort) shall be applied to projects under this subsection. The substitute funds must actually be made available to the project no later than the end of the fiscal year following the fiscal year for which the sums were used for operating expenses.

Data and financial reporting systems

Governors designated recipients or public transportation systems who are beneficiaries of funds apportioned under section 5 shall be required to adopt and operate a uniform reporting system. The Secretary has until January 10, 1977, to devise such a uniform reporting system. After July 1, 1978, all recipients or beneficiaries of grants must be participants in this national system of uniform accounts. In addition, the establishment of a new formula grant program will insure an equitable distribution of funds among the various cities and States throughout our Nation as does the new rural capital grant program. Therefore, in the opinion of the conferees, section 15 of the present Act is unnecessary; and, thus, the conference committee deleted this section.

Eligibility of quasi-public development corporations

The House amendment contained a provision making eligible for capital grants quasi-public transit corridor corporations and would expand the definition of facilities eligible for such grants to include station sites and transit corridors. The Senate bill contained no similar provision. The conference report contains the House provision.

Coordination of urban mass transportation programs with model city programs

The House amendment contained a provision requiring that model city transit programs must comply with the labor provisions of the Urban Mass Transportation Act. The Senate bill contained no similar provision. The conference report retains the House provision.

Sole source procurements

The House amendment contained a provision prohibiting, except in unusual circumstances, sole source procurements utilizing exclusionary or discriminatory specifications. The Senate bill contained no similar provision. The conference report contains the House provision with an amendment that strikes out the reference to sole source procurements, but would retain the prohibition on exclusionary or discriminatory specifications.

Investigation of safety hazards

The House amendment contained a provision directing the Secretary of Transportation to conduct investigations into unsafe conditions in any facility, equipment, or operation financed under the Act which creates serious safety hazards and would direct the Secretary to require mass transit systems to submit a plan for correcting any unsafe conditions and directs him to withhold further financial assistance until such plan is approved or implemented. The Senate bill contained no similar provision. The conference report retains the House provision.

Fares for elderly and handicapped

The House amendment contained a clarification with regard to the fares for elderly and handicapped persons. The clarification specified that fares for such persons may be lower than one-half the regular fare. The Senate bill contained no similar provision. The conference report contains the House provision.

TITLE II—DEMONSTRATIONS PROJECTS FOR FREE FARES

The Senate bill contained provisions authorizing the Secretary of DOT to enter into contracts or other arrangements for research, development, establishment, and operation of demonstration projects to determine feasibility of free fare urban mass transit systems. Federal grants for such payments shall cover not to exceed 80 percent of the cost of the project. This provision authorizes not to exceed $20 million for fiscal year 1974 and $20 million for fiscal year 1975.

TITLE III—RAILROAD GRADE CROSSINGS

Title III of the conference report would authorize an appropriation not to exceed $14 million to be used to carry out a demonstration program in Hammond, Indiana, for the relocation of railroad lines for the purpose of eliminating highway railroad grade crossings.

WRIGHT PATMAN,
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TOM S. GETTYS,
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Managers on the Part of the House.
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JOHN TOWER,
ED BROOKE,
Managers on the Part of the Senate.

PERMISSION FOR COMMITTEE ON SCIENCE AND ASTRONAUTICS TO HAVE UNTIL MIDNIGHT, FRIDAY, OCTOBER 4, 1974, TO FILE REPORT

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that the Committee on Science and Astronautics may have until midnight Friday, October 4, 1974, to file a report on the Senate bill (S. 3234) to authorize a vigorous Federal program of research, development and demonstration to assure the utilization of solar energy as a viable source for our national energy needs, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, I have taken this time to ask the majority leader if he will kindly advise us of the program for next week.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I will be happy to respond.

Mr. ARENDS. Mr. Speaker, I will be happy to yield to the gentleman.

Mr. O'NEILL. Mr. Speaker, the program for the House of Representatives for the week of October 7, 1974, is as follows:

For Monday and the balance of the week: On Monday we have scheduled the call of the Consent Calendar.

We will consider the following bills and resolutions under suspension of rules:

H.R. 15903, per diem for Government employees; H.R. 16424, Commission on Federal Paperwork; H.R. 13561, Intercoastal Shipping Act amendment.

S. 2348, transfer of marriage licenses in the Canal Zone;

H.R. 17027, National Visitors Center Facilities Act amendment; H.R. 17026, former Speaker's bill; H.R. 13364, piracy of sound recordings.

Senate Joint Resolution 123, portrait and bust of the late Chief Justice Earl Warren; H.R. 12972, Harper's Ferry National Monument; S. 3362, Columbia River Transmission System (Bonneville); H.R. 14689, Lowell Historic Canal District; and House Joint Resolution 898, National Legal Secretaries' Court Observance Week.

Rollcall votes will be postponed until the end of all suspensions. We will follow then with consideration of House Resolution 988, the committee reform amendments, votes on amendments and resolution.

We will also take up H.R. 16901, Agricultural-Environmental and Consumer Protection appropriations, fiscal year 1975.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield at that point?

Mr. O'NEILL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If the gentleman can tell me, I would like to know what time the agricultural appropriation bill is coming up.

Mr. O'NEILL. At the present time, unless the Committee on Reform finishes earlier than Wednesday, and they anticipate they will be finished on Wednesday, that matter will be coming up on Thursday.

Mr. WHITTEN. Have we done any checking to see whether there is any chance of the Senate's taking it up before they take a recess? If we take it up on Thursday, there is no indication that they will be able to handle it on the Senate side, which raises a question about whether we call it or not.

Mr. O'NEILL. We will have to check into that because I thought there was an agreement with the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. The agreement with me last night was that we could call it up at any time if I could get through with it. Of course, if it comes up, there is a question of whether the Senate could act on it or not. If not, they will have to bring it up after the holiday.

Mr. O'NEILL. In going over the program, I understood there was an agreement.

Mr. WHITTEN. The gentleman from Texas (Mr. MAHON) said he had no such agreement. I do not know.

Mr. O'NEILL. If there was a misunderstanding along the line, and we will discuss it. It is on the schedule.

Mr. WHITTEN. I thank the gentleman.

Mr. O'NEILL. Mr. Speaker, to continue with the program for next week, on Thursday, which is a special District day, we will take up two bills, H.R. 15888, Community Development Corporation and H.R. 16925, technical corrections to the District of Columbia pay bill.

Then we will have H.R. 13002, safe drinking water, subject to a rule being granted;

H.R. 16373, Privacy Act, subject to a rule being granted;

House Resolution 1387, place for amendments in CONGRESSIONAL RECORD;

Senate Joint Resolution 40, White House Conference on Libraries, under an open rule with 1 hour of debate;

S. 3906, nonpilots commanding flying units, subject to a rule being granted; and

S. 1296, Grand Canyon National Park, subject to a rule being granted.

Conference reports may be brought up at any time. Any further program will be announced later.

It is anticipated that we will work on Friday next, and then we will go into recess, at the close of the session on Friday, October 11, until noon on November 12.

Mr. ARENDS. Mr. Speaker, I thank the gentleman.

ADJOURNMENT TO MONDAY, OCTOBER 7, 1974

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule on Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'NEILL. Mr. Speaker, if I can have the attention of the minority leader, I would like to remind Members that with the recess coming we will have several important conference reports possibly coming up including, but not limited to, the following: Continuing appropriations, supplemental appropriations, Labor-HEW appropriations, GI education, stripmining, campaign reform, deposit insurance, mass transit, nine duty bills from Ways and Means, Export Administration, Eximbank, freedom of information (which will be called up Monday).

Mr. Speaker, there is the anticipation and we hope that we will work every night next week.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. Is the gentleman sure that we have enough to do?

Mr. O'NEILL. We want to send the

Members home feeling that they have earned their pay.

Mr. ROUSSELOT. And we are going to do this all in one week with a quorum of the House to boot?

Mr. O'NEILL. We are going to do as much as we can. I imagine that some of it is of an emergency nature. If it is not, we will postpone it until we come back.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Iowa.

Mr. GROSS. Then I cannot get home.

Mr. O'NEILL. I did not hear the gentleman.

Mr. GROSS. I would just like to say that I might find myself divorced if I do not get home for supper just once next week.

Mr. O'NEILL. I was at the gentleman's party, and considering the glowing eyes of that beautiful woman, such a thing would never happen.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS TO FILE REPORTS ON H.R. 17026 AND H.R. 17027

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may have until midnight tonight to file reports on H.R. 17026 and H.R. 17027.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RE-REFERRAL OF H.R. 17026 FROM COMMITTEE ON HOUSE ADMINISTRATION TO COMMITTEE ON PUBLIC WORKS

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the bill, H.R. 17026, be re-referred from the Committee on House Administration to the Committee on Public Works.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

NOW IS THE TIME FOR BASIC WELFARE REFORM

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, welfare today is a huge operation and includes aid to dependent children, financial assistance for the aged, blind and disabled. In addition to these welfare programs we have veterans' pensions and social security; food stamps and other subsidized food programs; unemployment insurance; subsidized housing, health, child care. These are all forms of Federal assistance.

In all some 62 separate programs are involved and expenditures in 1973 for these amounted to 36 percent of the Federal budget. Yet no single committee in the Congress and no single executive agency has oversight to assure that all these programs function properly, reach those in need, are equitable and effective.

Consequently, programs are uncoordinated and frequently work at cross-purposes. There are gaps, overlaps, inequities, administrative inefficiencies, penalties for working and supporting your family, wastes of taxpayers' money.

We all want decent living standards for all our people, nutritious food for children, safe and sanitary housing, adequate and affordable health care. We are a generous people and willing to help others to achieve these goals. But under our present welfare programs when families participate in several of these help programs they often find it pays them not to work because they can receive more from a combination of support money and services than they could if they took a job, had to pay taxes, buy their own food, provide clothing and transportation for work.

Moreover, there are cases when individuals who have no dependents and who are not old enough to fall under social security, who have no disability but who have no skills find that they cannot receive any form of assistance. Families in which the father stays in the home and works at a meager salary may find themselves cut off from many of these avenues of help so we end up discouraging stable family life.

If we intend through these assistance programs to help people help themselves, we are failing and even defeating our own purposes.

Basic welfare reform had a good chance of passage several years ago and the House passed such a bill, but the administration did not support the bill and it failed in the Senate. Now Congresswoman MARTHA GRIFFITHS, chairman of the Joint Economic Subcommittee on Fiscal Policy, has released a comprehensive study of the multiple Federal benefits available to individuals. It is time for congressional reform action on these findings, preferably now, but certainly no later than when the 94th Congress convenes next January.

DISCLOSURE OF PERSONAL FINANCIAL ASSETS

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, as has been my practice before each general election campaign, I am again submitting for the RECORD a disclosure of my personal financial assets.

All of us are required to file financial statements with the House Ethics Committee, but the data are rather limited in scope, and only part of it is available to public scrutiny.

In perusing the RECORD, I have noted that a large number of our colleagues have taken to making complete disclosures that far exceed the minimal requirements of existing law. In view of the scandals and doubts which have clouded the administration of Government in recent months, I feel sure this is a healthy trend.

Under California's community property law, Mrs. Van Deerlin and I own a mortgaged residential rental property of about 2½ acres in Poway, Calif. We acquired this for $12,500 in 1951; today it is worth about $100,000, against which we owe $23,500.

We have equity of $48,000 in our present residence at 3930 Argyle Terrace NW., Washington, D.C. We own one commercial and one residential lot at Salton Sea in Imperial County, Calif., which we hope are still worth the $15,000 paid for them, and 10 undeveloped acres worth perhaps $27,000 near Hilo, Hawaii.

We own no corporate stocks nor bonds of any sort. My salary as a Congressman accounts for virtually all our gross income.

For the year 1973 we paid $6,846 Federal income tax and $1,494.21 California State tax on a gross adjusted income of $43,234.52.

Without casting aspersions on anyone who thinks differently, I continue to believe that the people of my district are entitled to know, before casting their votes, that I am free of any financial ties that might influence my actions as their representative.

My IRS forms and/or State tax returns remain available for inspection by the news media.

A SALUTE TO CLIFFORD EVANS, NEW VICE PRESIDENT OF THE WASHINGTON NEWS BUREAU OF RKO GENERAL BROADCASTING

(Mr. DELLUMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELLUMS. Mr. Speaker, a man whom I am proud to call a friend, Mr. Clifford Evans, has been named vice president of RKO General Broadcasting. I know no one more fitted for this challenging role, by training, by temperament, and by inclination than Cliff Evans. I congratulate Mr. Evans on his new assignment and wish him a successful and fulfilling career.

At this time Mr. Speaker, I would like to submit for the RECORD the following news item:

Clifford Evans has been named vice president of the Washington News Bureau of RKO General Broadcasting by Bruce Johnson, President of RKO General Radio, and Robert Glaser, President of RKO General Television.

Mr. Evans, who joined RKO General Broadcasting in 1963 as producer and moderator of "Ladies of the Press" moved to Washington, D.C., in 1966, to become director of the Washington News Bureau.

Prior to joining RKO General, Mr. Evans had enjoyed an outstanding career in many phases of news gathering: having been on the staffs of the New York Herald Tribune, World Telegram, and Post Newspapers, as well as having been the director of television and motion pictures for the City of New York; and as associate producer and special reporter on the "Today" Television program.

As a winner of many awards, including the United Nations Award for Best News Coverage; the Human Relations Award; and the Newspaper Guild Award for Radio Journalism, Mr. Evans has consistently brought to RKO General's Broadcasting facilities the consummate professionalism and expertise demanded of the first-line news pro.

Mr. Evans' elevation to the status of vice president of the RKO General Washington News Bureau is yet another indication of the importance placed on outstanding news reportorial talent by RKO General Broadcasting.

GAO STATISTICS: BUREAU OF PRISONS NOT USING AUTHORIZED RELEASE FUNDS FULLY—BILL TO ESTABLISH OFFENDER REHABILITATION FUND

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, the life of an inmate of a Federal prison is frequently a composite of fear, isolation, confusion, and confrontation. Study after study has shown that there are few if any rehabilitative results from prison life. Incarceration "will change the committed offender, but the change is more likely to be negative than positive." (Nat'l. Adv. Comm. on Crim. Justice Standards and Goals.) It is no surprise, therefore, that the inmate looks with such hope toward his release. Unfortunately, too often the world that he meets outside the gates is one which welcomes neither him nor his energies. Former inmates are met with suspicion and disdain. They frequently lack a marketable skill, and the opportunities for training are slim. Prison life is not conducive to developing or maintaining personal relationships, and it is not uncommon for families and friends to develop an aloofness toward the new releasee.

Each of these problems is compounded by an added thorn in the side of the newly released inmate: immediate poverty. The statutes provide that upon release a prisoner shall be furnished with clothing; transportation to his home; and may be loaned up to $150, plus given a gratuity of up to $100 at the discretion of the Attorney General. This very small assistance from the Government to an individual who has paid the penalty for his crime was originally intended by Congress to assist the releasee in finding employment and settling into what would hopefully be a productive and law-abiding life.

Last spring, I requested the GAO to thoroughly study the gratuity and loan practices of the Bureau of Prisons. They conducted a survey of the awards given to inmates by the BOP over the last 10 years. The complete report is being released by me today.

A review of the report indicates that: First, the Bureau of Prisons is not utilizing its statutory option to loan even the small amounts that Congress intended to be used; second, those inmates in need of the loan funds are not receiving them at all; third, the gratuity program is run on a ridiculously low scale, with the average gratuity equaling less than half of the authorized maximum, and again the inmates most in need, particularly youths, are not receiving adequate assistance; fourth, the Bureau of Prisons has failed to keep accurate or up-to-date records on any of these programs, nor have they maintained any sort of concise picture of what effect these programs have or could have on the rate of recidivism.

I appreciate Senator PERCY's portrayal of prisons as "Graduate Schools of Crime" and am concerned that rather than helping a lawbreaker rehabilitate himself, we are actually increasing his propensity to break the law by incarcerating him in today's prisons. Consequently, if there is anything which we can do to help these inmates upon their release to find employment and construct a life in which they are productive and law abiding, we ought to be doing it. The statutes allow the Department of Justice to provide that assistance in the form of gratuities and loans to releasees. However, these programs are not being used to their fullest, and consequently, I think we are actually contributing to the crime rate by sending these men out on the street following a disastrous prison stay without any option other than returning to a life of crime.

The crux of the matter is the issue of recidivism. Repetition of criminality is really what many people are concerned about when they talk about the failures of the prisons. While there is considerable argument as to what the actual recidivism rate is for released offenders—with assertions ranging from 35 percent up to 75 percent or more—it is clear that a good portion of the men and women walking out of the prison gates today will be returning fairly soon, or at least returning to a life of crime.

The most difficult period for the offender—and thereby, for society at large—is the first few weeks following release. Financially, the prison releasee is usually close to destitution, having earned little or nothing in prison because of minimal pay for work performed, on top of there being only a limited supply of paying jobs in the prison. And added to that is the prisoner's ability to save even less, since he must pay within the prison for various necessities such as cigarettes, books, toothpaste, and commissary goods.

It is this destitution and the resulting return to crime which has compelled the Government to take on some of the responsibility for the inmates' survival upon release. I maintain here that the Department of Justice and the Bureau of Prisons are not meeting that responsibility in four specific ways.

LOANS NOT BEING USED

First. The Bureau of Prisons is simply not using the law which permits them to loan funds out of their commissary profits to any inmate who is released. Despite an incredibly low "bad debt" figure of less than 2 percent for the last 10 years, in 1973 the Bureau of Prisons loaned no money to those inmates released on a regular status; that is, without participation in a program of employment or treatment. Despite a 1973 commissary profit of $96,463 no funds were loaned to regular releasees and of the total 12,619 inmates released that year only 287 work releasees; that is, those with guaranteed jobs on the outside, were loaned an average of $60 each. The law permits a maximum of $150 to be loaned to any releasee. There is no stipulation that the inmate must have a job upon release in order to qualify for a loan. Despite the low bad debt figure, the Bureau is not willing to take even a $50 risk on men who will be under the close supervision of parole boards.

THOSE MOST IN NEED NOT RECEIVING ASSISTANCE

Second. While it is commendable that the Bureau is lending money to those with guaranteed jobs, I submit that those who need the money most are those who will have to begin the long and difficult process of finding a job. A destitute man on the street looking for even the lowliest of employment soon becomes a desperate man on the street looking for any means of survival. The return to crime for the unemployed ex-inmate is frequently not a step of choice but rather of necessity. The loan program was set up by Congress to help stem this unfortunate situation, but the Bureau of Prisons is subverting its purpose by refusing to loan any funds to regular releasees. In the last 8 years 12 regular releasees have received loan funds; 12 out of the over 14,000 inmates released. I maintain that this is not a record of crime fighting excellence, but rather one of callous disregard for the needs of the inmates and the community.

GRATUITY PROGRAM ARBITRARY AND INSUFFICIENT

Third. The gratuity program, while reaching more inmates than the loan program, is, in my judgment, equally misdirected. In 1963, when the gratuity maximum was raised from $30 to $100, Attorney General Kennedy reported to Congress that—

> The purpose of the gratuity is to enable the released prisoner to support himself until he is able to receive his first pay from a job. (87th Congress, Rep. No. 757)

This is the understanding which Congress had on how this program would be used. However, in practice, the Bureau of Prisons is operating under a Bureau policy statement dictating that the gratuity should be sufficient for the release:

> To provide frugally for his needs for one week at the place of discharge. (P.S. 7300.11)

This statement does not represent a policy geared toward aiding a releasee in his efforts to get back into society. Rather it appears from both the policy statement and the actual gratuity statistics that the Bureau of Prisons is sending these inmates out onto the street in a state close to destitution. The average gratuity awarded in 1973 was $45.08 going to 53 percent of the Federal releasees, the other 47 percent received no gratuity at all. Combined with prison earnings and personal assets the gratuity raises the average releasee's "wealth" to approximately $100. This is an arbitrary level established by the Bureau of Prisons and is not based on any study of what it actually costs to survive on the street, even "frugally for 1 week," let alone until one can find a job.

Further, women and youths are given even less of a gratuity upon their release. Presumably this policy is based on the notion that husbands and families are able and willing to provide support for these releasees. I think this is very faulty reasoning, particularly in the case of youthful offenders. In every Bureau of

Prisons facility for youths and young adults, except one, the average gratuity in 1973 was less than the national average of $45.08. In the Seagoville, Tex., young adult facility the average award was $27.63. Yet the recidivism rate of young offenders is higher than any group, and the promptness of their return to crime following release is staggering. These are the people that need most to be steered from crime and into productive, law-abiding lives. I think we can do much better than providing them with $27.63.

POOR RECORDKEEPING SYSTEM

Fourth. One of the major reasons that this report has been so long in coming is that the GAO investigators had to struggle through a patchwork of records and data kept in numerous Bureau of Prisons offices. If we are ever to have an understanding of our corrections needs and goals, we must have accessible and accurate information on past programs and procedures. If the Bureau's policy statements are to have any relation to the actual life of prison inmates, a reflective set of statistics must be available. In a system that permits so much individual warden discretion it is crucial that we maintain a national perspective of what exactly is happening at each prison. I point out that the GAO report finds that—

> BOP does not have information which shows (1) how and why planned expenditures differed from actual expenditures or (2) a basis for management determining that gratuity and loan payment variances among institutions are based upon acceptable factors, such as, availability of prison industry jobs.
>
> BOP does not have, in our opinion, a sufficient information base and reporting structure to provide key management personnel with the means to adequately monitor release payment activities.

I urge the Bureau to move speedily into their planned computer auditing system, and to attempt to utilize the information provided in this report when reviewing their future policy.

OFFENDER REHABILITATION FUND

I recognize that the problems raised in this statement are caused by many factors, including the low pay provided by the Federal prisons industries, general unemployment rates, and national economic factors. However, in an effort to meet some of the need, I am introducing today a bill which will establish a Federal Offender Rehabilitation Fund to replace existing section 4284 of title 18. This provision now authorizes the Attorney General to use so much of the trust fund derived from commissary receipts as surplus to other needs of the fund, for advances to released prisoners. The limit of such advances is $150 and they are repayable monthly by the releasee with annual interest at a rate of 5 percent.

The bill creates a revolving fund, funded at $1.5 million, which may be employed for loans to Federal releasees. The moneys in the offender rehabilitation fund are derived from an initial appropriation, and subsequent loan repayments, interest payments, and penalty payments derived from borrowers.

Loans are authorized up to $150 a month, but not in excess of a total of $600 for any one releasee. The loans are limited to the first year following release of the prisoner. In determining whether a releasee shall receive a loan, the Attorney General is to consider the releasee's savings, the amount of gate money given him, the availability of other resources, the releasee's needs, and such other factors as the Attorney General may deem appropriate.

If the Attorney General feels it would not be in the best interest of the releasee to directly provide him with funds, then services and goods—such as housing, tools, and so forth—can be provided instead, again subject to the dollar limitations of no more than $150 monthly and no more than $600 total.

To obtain a loan, the releasee must agree to pay it back over no more than a 5-year period, with repayment suspended for the time the releasee is in the armed services, and terminated if the releasee dies or becomes permanently and totally disabled. Interest is to run at 5 percent annually.

Failure to repay will result in the creation of a debt to the United States, and penalties shall be assessed at as much as 8 percent.

A loan program for prison releasees is by no means unique. Late last year I wrote to every State department of corrections, as well as the departments in the District of Columbia and Puerto Rico, requesting information as to any such program which they might be implementing. To date, I have received 46 responses. Eleven States currently have loan programs in operation. These are California, Connecticut, Iowa, Kansas, Kentucky, Maine, Michigan, Nevada, South Dakota, Washington, and Wisconsin.

In 10 other States, some sort of loan program or extended grant program—either privately funded, funded by inmates, or funded through another State agency—is operating. These are Arizona, Arkansas, Idaho, Illinois, Nebraska, New Hampshire, New Mexico, New Jersey, North Dakota, and Oregon.

Moreover, in those States not having a loan program directly applicable to all, or most, prison releasees, several correspondents have noted the utility of such a program. Their comments follow:

> Raymond W. May, Director of Corrections, Idaho State Board of Correction: "In my opinion one of the contributing factors to recidivism is a man going out of the Institution without proper financial support to carry him through the first few months until he is established in work or on a regular income. Consequently, having money available to make loans to men going out on parole to help them through the first few months is a very important factor in his staying out.
>
> "For this reason, I heartily support what you are trying to do in establishing a loan program for federal prisoners. Having served over thirty-four years in the Federal System, moving from Correctional Officer to Warden of a Federal Institution, I heartily endorse your proposal and personally want to commend you for your interest in the federal prisoner."
>
> A. Wm. White, Director of Education, Department of Corrections, The Penitentiary of New Mexico: "I have observed a number of men leave this institution on parole during the past year and a half. I think one of their most difficult problems is that of having funds to see them get back on their feet. Hence, it would seem to me that a program providing such assistance would attack the root of many of the difficulties."
>
> Allen Cook, Director, Department of Corrections, State of Arizona: "[I]n our meetings with [numerous state agencies, we have] mutually agreed that a special public offender credit union operation would be extremely beneficial in the resocialization process. Accordingly, we would support efforts to establish such an operation."
>
> David Fogel, *then*-Commissioner, Department of Corrections, State of Minnesota: "We do believe . . . [a loan arrangement for offenders upon release from incarceration] would have merit."
>
> Elayn Hunt, Director, Department of Corrections, State of Louisiana: "I think a program to provide loans for all offenders released from incarceration would be highly desirable and deserving of serious consideration. Hopefully, you will be able to establish such a program not only for federal prisoners, but for state prisoners, as well."
>
> Edward E. Haynes, Deputy Director, Department of Corrections, State of Missouri: "We do not have such a program in Missouri, I can see where it would be a very good program."
>
> Carl Hocker, Warden, Nevada State Prison: "I am in favor of a loan or grant made to prisoners who meet an established criteria."
>
> W. J. Estelle, Jr., Director, Texas Department of Corrections: "I am in complete support of any program that provides for the loan of monies sufficient to provide a man with necessary tools, clothing, and any other living expenses until he is able to get himself on his feet and on regular payroll. These monies to be loaned on a condition that they be paid to the disbursing agency prior to his discharge from parole, and I would propose that in view of the circumstances such loans be made on a non-interest bearing note. For those few states that have engaged in such a program, the recovery rate is amazingly high."

CONGRESS CAN DO MORE TO DEVELOP DOMESTIC ENERGY SOURCES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 20 minutes.

Mr. HOGAN. Mr. Speaker, the state of the economy is the country's most urgent problem. And the shortages and high cost of energy are the principal contributors to that problem, as well as to the present frightening rate of inflation.

Congress is well aware of the critical need to increase domestic sources of energy. A few months ago, we passed the Geothermal Energy Act, H.R. 14920, authorizing more than $45 million a year for exploration, research, and development. More recently, we passed the Solar Energy Act, H.R. 16371, beginning a program that in time will have great significance.

But there are relatively long-range efforts and they depend on the so-called exotic sources of energy. The situation, I am convinced, is serious enough to merit even larger efforts using known resources, such as rapid expansion of nuclear energy.

This country also has vast resources of coal and oil-bearing shale. We have delayed converting coal to gasoline—and to synthetic natural gas—for economic reasons. With foreign oil at $10 or $11 a barrel, we cannot afford delay.

As for shale oil, a few enterprises have been trying to develop its potential for years. It ought to be possible for the Congress to provide incentives to channel private investment capital into that area, with an energy potential almost as great as coal.

With an oil balance-of-payments deficit of well over $20 billion staring us in the face for 1974 alone, we can well afford to surrender a few hundred million in tax revenues in the interest of creating a new and viable shale-oil industry.

This morning, I attended and was one of the witnesses at the Federal Energy Administration Region III hearing on Project Independence in Philadelphia. The States are looking to Congress and the administration for leadership and action in solving energy problems.

The general public does not fully understand the complex relationship of the cost of a barrel of oil from the Middle East and the skyrocketing cost of living.

Because this subject is of great concern, I would like to insert in the Record the text of my remarks at today's Project Independence hearing:

ENERGY AND THE ECONOMY

Mr. Chairman, I appreciate the opportunity to attend this Region III meeting on our urgent energy problems.

Perhaps the greatest service we can all do when we return to our jobs and our home communities is to make it clear to the widest possible audience—in the strongest possible way—that this current energy situation is, in fact, a crisis, almost certainly the worst we have faced since World War II.

It doesn't stop at the gasoline pump, or with the cost of home heating oil, even though those two items contribute substantially to the present unacceptable rate of inflation.

It affects everyone who pays an electric bill, and worries because it is half again higher than the bill of about a year ago.

It also plays a considerable part in the rising cost of growing, harvesting, transporting and marketing food. It is directly linked with the fertilizer shortages that threaten hunger or famine in many countries less fortunate than our own.

Millions of Americans are not only alarmed but also completely confused by the present economic situation.

When growth declines, when interest rates zoom, when unemployment increases, prices are supposed to go down, according to past experience, but instead they are now going up faster than ever before.

More than any other single factor—even more than the huge government deficits of the last decade—the energy crisis is responsible for the current topsy-turvy situation that combines rapid inflation with a growing recession.

The artificial, politically inspired quadrupling of petroleum prices by the cartel of oil-producing countries threatens to hold our economy hostage for years to come—unless we take drastic steps quickly at home and obtain further relief through international diplomacy.

Countries such as England, Italy and Japan are even worse off than we are, because they are much more dependent on imported oil.

A dramatic illustration of these rising costs is the large number of complaints and expressions of indignation my office is receiving from customers of the Potomac Electric Power Company.

Bills in general are up 50 percent or more from twelve months earlier. Approximately two-thirds of the increase can be attributed to the "pass along" fuel adjustment representing the higher price which PEPCO paid for oil.

Higher utility bills are a special hardship on elderly citizens and others with fixed incomes. We cannot allow the runaway prices for electricity to continue unchecked.

Another example is the natural gas situation. Many utilities have been unable to take on new customers for two or three years. In Washington, the local gas utility asserts that an end-use allocation plan, favored by the Federal Power Commission, is imperative.

Otherwise, the utility says, residential customers can only be served if they pay higher prices—at least 10 percent more in a relatively short time.

In Baltimore, industrial firms with interruptible contracts for natural gas despair of obtaining the oil they would need if they are denied gas. They foresee plant closings, with the loss of tens of thousands of jobs.

A pro-rata curtailment system—rather than an end-use policy favoring homeowners—would enable the Baltimore utility to meet residential demand and still furnish a substantial amount of gas to industry. A final decision is not due until next year.

Obviously, the Federal Power Commission is going to make a great many people unhappy, no matter what course it takes.

What we really need is a greatly increased supply of competitively priced energy from dependable domestic sources. Before the complex energy problems are solved, we will face many difficult choices. We must set priorities wisely and make allocations fairly. But it ought not to be necessary to close down plants and throw workers out of jobs, simply to make sure that homes can stay warm and that hospitals and essential businesses can continue to operate.

The serious potential of our energy problems will force us to re-evaluate other priorities. In the 1960's, we tried to have "guns and butter" and it didn't work. In this crisis, for example, we will be forced to balance environmental concerns against economic needs.

In the United States, we have been relying more and more on foreign oil throughout the 1960's and the 1970's. Demand in this country goes up about 4 or 5 percent every year. Despite private investment totaling billions of dollars, we have been unable to increase the level of domestic petroleum production.

So the United States now must import nearly 40 percent of its oil. This comes to about nine million barrels a day. And because domestic production leveled off in 1970, every additional gallon has come from abroad. This trend will continue into the foreseeable future. So every day we have become more dependent on imports from the countries that are now banded together in the oil producers' cartel.

Only two years ago, our oil imports bill was six billion dollars. This year, it will be about 24 billion.

The entire international monetary system is threatened by this oil blackmail. Unless something is done about it, a worldwide depression in a few years is not only conceivable, it is a distinct possibility.

The Administration has taken a much tougher and more realistic stance on this matter in the last two weeks. The President has warned the oil-producing countries that the Free World cannot see its security undermined, and its economy ravaged, by unjustified and unreasonable increases in the price of an essential commodity.

The President said that wars have been fought in the past for just such reasons, but he spoke in a spirit of conciliation and compromise, and offered to change the name of the program we are discussing today from Project Independence to *Project Interdependence*.

Although we must hope that international cooperation—along with concerted action by the consumer countries—will contribute to early relief on oil prices and supplies, we cannot afford to wait for these results—or be satisfied if we get them.

The problem was growing steadily and it was only a matter of time before we had to take drastic steps to develop dependable domestic sources of energy.

Even with the old prices, we would have faced an unmanageable balance of payments deficit, from oil alone, in another five to ten years.

Realizing the need for self-sufficiency, Congress in the last few months has passed legislation to begin development and demonstration programs for both solar energy and geothermal energy. I was a sponsor of solar energy legislation and worked actively for passage of that program.

But, at the present rates, these programs will take years before they have any major effects in terms of substantial supplies. Our overall energy-sufficiency program needs to be pressed with the same high priority, and the same sense of urgency, that made the Space Program such an outstanding success. In the long run, this effort we are discussing today is of equal importance to the nation's welfare. But so far, the amounts actually appropriated are less than the cost of one moon launching.

There are additional programs that can be profitably pursued, along with those dependent on the so-called "exotic" sources such as the sun, ocean tides, and geothermal energy.

With foreign oil as high as eleven dollars a barrel, it becomes economically feasible to produce gasoline from coal, and to gasify coal to supplement our diminishing natural gas supplies. The United States has approximately half of the world's coal reserves, and we must begin to use them in ways that would have been too costly even to consider only a few years ago.

Shale oil is another major potential source that should be encouraged and developed. Locked in shale deposits, mostly on Government-owned land in the Far West, there is enough oil to supply the nation's needs for decades.

Until recently, it could not compete in price with oil or gas from conventional sources, even though the technology exists to exploit these shale reserves. The incentives now must be provided through legislation to make shale oil production profitable, or the Government must proceed with a full-scale effort of its own.

Down the road, of course, we must harness the energy of the sun, the wind and the tides.

Now, we must conserve energy in every way possible because it is essential that we do so.

We must somehow eliminate the administrative and judicial bottlenecks that have impeded the construction of nuclear power plants. Nuclear energy does more than reduce our dependence on domestic or imported oil. The largest and most advanced nuclear power plants can produce electricity for a lower cost per kilowatt than plants burning either coal or oil.

The public interest must consider potential nuclear hazards, thermal pollution, and other environmental concerns—but the larger public interest demands that nuclear energy be used to its fullest potential to help solve energy shortages and our economic problems that are so closely linked to the price of oil imports.

We must also find better ways to remove sulfur from coal, so that coal can be used by utilities and manufacturing industries, saving oil and gas for higher-priority applications.

We must open up additional offshore areas to oil and gas exploration and production, and do so quickly, with the necessary precautions to avoid environmental damage.

I am convinced that, within this great country, we have the resources to make Project Independence a reality.

The questions are:

Do we understand the urgency of the problem, what it means to the pocketbook and the future security of every person here and every family in the country?

Do we have the will to do what is necessary to solve the problem and to urge our legislators to take action promptly and decisively?

While motorists were lining up for a mile or more at service stations to get gasoline not so long ago, demands for swift action were loud and clear. Now that it is primarily a matter of cost, public opinion is not as sharply focused.

However, the economic aspects of the energy crisis are the most important of all. They will not go away and they cannot be ignored. They affect our own lives, and the lives of people throughout the world, in innumerable ways.

If rationing of oil and gas becomes necessary, distasteful as these measures are, we must be fair and reasonable in our consideration of the alternatives. One of the world's most distinguished historians, Arnold Toynbee, is so pessimistic about the current economic developments that he foresees the end of democratic government in many parts of the Free World as a fearsome possibility.

We must not let it come to that. But our courage and resolve could well be the deciding factor. I extend my best wishes to all of you for success in your efforts, and my appreciation to the Federal Energy Administration for the chance to be here and express these views.

PUBLIC DISCLOSURE OF LOBBYING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. STEELMAN) is recognized for 5 minutes.

Mr. STEELMAN. Mr. Speaker, I am proud to go on record in strong support of public disclosure of lobbying. Lobbying is, and always will be, a characteristic activity of our governmental system. However, for too long, lobbying activities have operated to a large degree in secret. Public officials and the public have the right to know the sources of pressure upon all branches of government, the desired goals and objectives of such groups, and the methods by which such groups operate.

Legislation which I have sponsored provides the necessary reforms to insure disclosure of how much lobbies are spending, and how they are spending it. The bill provides for an expanded definition of lobbying and lobbyist, comprehensive disclosure requirements, and a diverse lobby disclosure commission.

Recent events have led to efforts for full financial disclosure by candidates and Members of Congress, progress in the area of campaign reform, and now we must continue our efforts to become an open and public government by working for public disclosure of lobbying. I do not favor restriction or prohibition of lobbying activities, but what we must work for is publicizing and identifying the operational activities and goals of groups that influence governmental decisionmaking.

The voice of the people reflects needs, hopes, and directions for the future, and this voice must not be shrouded by special interests whose methods are not fully known by the people and by the Congress, a Congress which must be responsive to the will of all the people.

WILLIAM B. WIDNALL—INTRODUCTION OF EMERGENCY HOUSING FINANCE ASSISTANCE ACT OF 1974

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. WIDNALL), is recognized for 5 minutes.

Mr. WIDNALL. Mr. Speaker, I have just introduced H.R. 17050, the Emergency Housing Finance Assistance Act of 1974, which is designed to reduce the disproportionately severe impact of inflation on housing. The bill would authorize the Government National Mortgage Association—GNMA—to aid the "conventional" mortgage market by creating a supply of credit for mortgages at a reasonable interest rate.

Under the bill, GNMA would provide assistance for conventional mortgages similar to that provided FHA and VA mortgages by making commitments to purchase mortgages at a predetermined price and subsequently disposing of such mortgages in the secondary market during selected periods. Purchase assistance is also authorized for existing mortgages where the seller agrees to reinvest the proceeds of the sale in other mortgage investments.

GNMA would be authorized to purchase and hold as much as $8 billion worth of these mortgages at any one time under this proposal. To the extent such mortgages are later resold by GNMA, additional mortgages can be purchased up to the ceiling. Mortgages up to $45,000 would be eligible for purchase under this program, with the Secretary of HUD given the discretion to set the interest rates and discounts to suit market conditions. This authority to purchase conventional mortgages would enhance housing construction and mortgage finance activities now.

This is of course only one action among a great variety of proposals dealing with inflation, credit availability and housing which have come forth from the White House Conference on Inflation in which I was pleased to participate. We must also move on the broad front on total issues in order to restore lasting economic stability. This bill is "emergency" in nature and directs itself to the problem of equity for the residential construction and housing finance industries.

It is my hope that the Housing Subcommittee, under the able leadership of Chairman BARRETT, and the Banking and Currency Committee, under the able leadership of Chairman PATMAN, will expedite consideration of this proposal for interim housing aid. It is not a cure-all, but right now we must seek to keep the patient alive in order that we can develop the comprehensive wonder drug so urgently sought.

In the New York/New Jersey housing market, where my district lies, 1974 projections are that housing permits will be the lowest of the post-war era and less than half of the average of the past decade. In the last year, permits have dropped over 50 percent in this area. Nationwide the drop has been almost 40 percent. When we couple this with an unemployment rate of about 35 to 40 percent in the construction industry in northern New Jersey and over 11 percent nationwide, we know that immediate action is necessary.

In hope of early action on this proposal, I am providing a copy of the bill and a section-by-section analysis for the benefit of my colleagues in the House.

Mr. Speaker, I ask permission to revise and extend my remarks.

SECTION-BY-SECTION ANALYSIS: EMERGENCY HOUSING FINANCE ASSISTANCE ACT OF 1974

SECTION 1. SHORT TITLE

Would provide that the bill, upon enactment, may be cited as the Emergency Housing Finance Act of 1974.

SECTION 2. FINDINGS AND PURPOSE

(a) Would set forth Congressional findings in support of the bill, indicating that inflation and governmental actions to control inflation have given rise to an urgent need for an *additional* authority which can be immediately implemented to provide governmental assistance in ameliorating the credit and high interest rate problems affecting the housing industry.

(b) Would set forth the purpose of authorizing GNMA special assistance to conventional mortgages to the extent the Secretary of HUD determines such assistance is necessary to limit or reduce interest rates or expand the supply of housing credit.

SECTION 3. DEFINITIONS

Would define the terms "Secretary" (Secretary of Housing and Urban Development) and "Association" (Government National Mortgage Association).

SECTION 4. AUTHORITY TO PURCHASE MORTGAGES

Would set forth the basic power of the Secretary to authorize GNMA to purchase and deal in conventional mortgages involving new construction or existing dwellings and old, as well as new, mortgages as appropriate to carry out the purposes of the legislation. Terms of GNMA purchases and objectives would be as prescribed by the Secretary except that mortgages would have to meet, as a minimum, the loan-to-value restrictions that apply to FNMA purchases of conventional mortgages and could not have principal obligations in excess of $45,000 per family residence or dwelling unit. Also, mortgages would have to meet basic quality standards normally applicable to GNMA special assistance operations. In purchasing mortgages that are more than one year old, the Secretary would require that the seller agree to reinvest an equivalent sum in additional mortgage investments.

SECTION 5. AUTHORITY TO GUARANTEE SECURITIES

Would authorize GNMA to guarantee mortgage based securities which are issued by GNMA itself or by FNMA or other approved issuers and which are based on conventional mortgages assisted under the legislation. These securities would be subject to the provisions of law governing GNMA guaranteed securities based on FHA or VA mortgages except that the Secretary would be specifically authorized to issue partial guarantees that do not cover payment of the full principal and interest on the securities to which they relate.

SECTION 6. DELEGATION OF FUNCTIONS

Would authorize GNMA to delegate mortgage processing and servicing functions relating to its conventional mortgage operations under the Act to FNMA and FHLMC. Would also indicate that amounts paid for services under such delegations, or under contracts with FNMA or FHLMC or other agencies or organizations, would be exempt from statutory limits on GNMA administrative expenses.

SECTION 7. LIMITATION AND EXPIRATION DATE

Would indicate that the total outstanding principal amount of assisted mortgages under the Act could not at any one time exceed $8 billion. Would also indicate that no mortgages could be purchased by GNMA under the Act after October 31, 1976, except pursuant to prior commitments.

GAS TAX: ROBBING PETER TO PAY PAUL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GOLDWATER) is recognized for 5 minutes.

Mr. GOLDWATER. Mr. Speaker, the latest Government proposals to fight inflation—that of imposing a 30-cent tax on each gallon of gasoline—has got to be one of the most incredible ideas to come down the pike.

This proposal is a prime example of "robbing Peter to pay Paul."

Every person who finds it necessary to use a car to get to work, school, church, or shopping, will be directly subsidizing those who do not.

Moreover, it will only serve to drive prices up higher on most consumer goods. Does our Government think all goods are shipped exclusively by train?

Paying almost a dollar for a gallon of gas will throw the trucking industry, which carries many of our commodities, into a turmoil. The cost of shipping by sea and air will also be terribly affected. All the subsidiary industries—such as recreation, tourism, and the free flow of business for the small businessman—will also be severely affected.

I harbor a deep suspicion that this latest tax proposal is being made to pave the way for a smaller tax increase, but an increase just the same. For instance, most people will be so startled at the thought of paying 30 cents more for gas, they will be almost relieved when the added tax is lowered to 10 cents, which is what the original proposal called for, but was shouted down.

This is a wretched game being played by the Government, with the consumer the loser. I am going to fight it in the Congress.

GASOLINE SURTAX PROPOSALS ARE BUREAUCRATIC PIPEDREAMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRAY) is recognized for 10 minutes.

Mr. BRAY. Mr. Speaker, "Timeo Danaos et dona ferentes," wrote Virgil, in his Aeneid, centuries ago; the famous line, in translation, "I fear the Greeks bringing gifts" has gone into the English language as a well-known phrase, without any intention at all of being a slur on the Greeks themselves nor their country.

I would like, however, to sort of revise this—but not in Latin—to: "I fear the bureaucrats bringing ideas"; and I feel this is particularly appropriate now when it comes to "ideas" dealing with the energy situation.

Last year we had the trial balloon of rationing of gasoline floated over our heads. This was in spite of the fact that any sort of rationing plan, today, would have turned into a hideous bureaucratic monstrosity, contributed to black market, crime, cheating, swindling, what-have-you. Rationing during World War II was bad enough; last year the Treasury Department, in a thorough study, noted there had been "a nationwide black market" and, while not included in the study, there was this comment by one of the officials who worked on the report: "What we have found is that almost everything that can go wrong with government activity went wrong with rationing."

In spite of this, 4.8 billion rationing coupons were printed at a cost of $12.5 million. They are now gathering dust in some warehouse.

Two days ago I came out strongly against the proposed surtax on gasoline that, theoretically, was to cut down on usage of fuel. Now, this morning—and I quote from the Washington Post of October 3, 1974, first paragraph of the story:

> Federal energy chief John C. Sawhill yesterday outlined a new conservation plan in which gasoline would be priced so high that people would buy less of it.

This would be, according to the story, only for those who burned more than 500 gallons of gas per year. I have not seen any figures on how many persons this would cover, but I cannot imagine there are many Americans whose consumption of gasoline is under 500 gallons annually.

The FEA says this would encourage less driving and also encourage production of cars that get better mileage without loading more taxes on the poor. Well, the poor must drive to work, the same as 78 percent of the American working public—the percentage who use their own cars, or are in car pools. And production of cars that get better mileage is not something that can be done at once and come out with, say, next year's models.

I repeat the points I made 2 days ago: this surtax would work irreparable damage to the American economy. It cannot be called anti-inflationary; how do you cure inflation by raising the price on a necessity—and gasoline is, for the most part, a necessity, not a luxury item.

The idea also has within it the seeds of layer upon layer of more bureaucrats, stacked up like so many waffles, to administer the boxcar full of rules and regulations that would surely follow. It is a bureaucratic pipedream; I wonder what they are puffing in some offices these days.

Such proposal, of course, would have to pass Congress. I would not make any bets on it getting through. It certainly will not have my vote.

MIZELL PROPOSES GASOLINE TAX BAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MIZELL) is recognized for 5 minutes.

Mr. MIZELL. Mr. Speaker, I rise for the purpose of introducing legislation to prohibit the imposition of any fee or additional tax on petroleum products without the consent of Congress.

I am introducing this bill, Mr. Speaker, in response to published reports that the Federal Energy Administration is considering the imposition of a 20- to 30-cent-per-gallon levy on gasoline, in an attempt to conserve fuel.

FEA Administrator John C. Sawhill claims his agency has the power to impose a "conservation fee" without any congressional action, though acknowledging very generously that a tax increase would have to be approved by the Congress.

Mr. Speaker, the Federal Energy Administration's proposal to unilaterally and arbitrarily impose a very severe surcharge on gasoline is an insult, as well as an injury, to the working people of this country who depend on gasoline for their livelihood.

And the farmer, who depends on gasoline for the production of food and fiber for the Nation, will be especially hard hit, as will the consumer in the long run.

The fact that FEA intends that these ill-gotten gains be refunded at year's end in no way alleviates the burden that millions of inflation-pinched Americans would be required to bear with the imposition of this exorbitant increase in gasoline costs.

It is essential, Mr. Speaker, that we look at the total economic picture in this country, which is what I thought we were doing in the summit conference just concluded.

We cannot expect people to increase their savings, and let those savings be used for such purposes as the rejuvenation of the housing industry, if we insist on taking money out of their pockets which they need for life's essentials.

And the place to keep that overall picture in mind is here in the Congress, not in a Federal agency with a narrow advocacy role to play.

To delegate this much power to an agency—enough power to disrupt, and even devastate, the budgets of millions of American families—would be an enormous mistake for this people's assembly to make.

And so I urge all my colleagues, especially those who share with me a hearty disdain for the self-aggrandizing penchant of certain Federal bureaucrats, and for tax increases from any source, to join with me in seeking early passage of the legislation I am introducing today.

NEED FOR LEGISLATIVE ACTION ON HOUSING LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. BAUMAN) is recognized for 5 minutes.

Mr. BAUMAN. Mr. Speaker, less than 2 weeks ago I introduced legislation, which if enacted by the Congress would reverse the present increase in home mortgage rates, and stimulate a boom in the depressed homebuilding industry in this country. This would be done by amending the Internal Revenue Code to provide for an annual exclusion from gross income for tax purposes of the first

$750 of interest on an individual return or $1,500 on a joint return received from savings account deposits in lending institutions. I introduced this legislation not because I felt it would be a panacea for all the ills of the mortgage and housing industries, but because it will encourage greater involvement by private industry in providing necessary housing for all segments of our society and provide a solution to the problem of "tight money."

As I have traveled around the First District of Maryland during the past few weeks, the comments that I have received from leaders in the banking and housing industry in my district, and from those concerned individuals who would like to purchase a home but who cannot obtain financing at a realistic rate of interest, were indicative of the impact of the present housing crunch on all segments of the economy. Many of the individuals that I talked to have proposed or supported the type of legislation that I have introduced in the Congress and this legislative concept was supported by many of the participants at the White House Conference on Inflation last weekend.

While I and other Members of the Congress, in remarks on the floor, have offered cogent reasons for the quick consideration and adoption of this legislation, a mailgram which I and probably other Members of the House received from John A. Stastny, Chairman of the Board of Directors of Federal Home Loan Bank in Chicago, sets forth four concise reasons for the enactment of this legislation. I include in the RECORD at this point, for my colleagues' consideration, a copy of the correspondence from Chairman Stastny:

FEDERAL HOME LOAN BANK OF CHICAGO,
October 1, 1974.

Hon. ROBERT E. BAUMAN,
House Office Building,
Washington, D.C.

The Board of Directors of the Federal Home Loan Bank of Chicago, by unanimous resolution, urges revision of the Internal Revenue Code to exclude the first $1,000 of interest and/or dividends received annually from taxable income (or provide an equivalent tax credit) for the following reasons:

(1) The incentive for increased savings will help to defeat inflation.

(2) It is time, in fairness, to extend to small savers, opportunities for nontaxable income now available only to sophisticated, wealthy investors.

(3) Increased savings will provide capital necessary for:

(A) The financing of housing, thereby aiding a dangerously depressed industry, extending opportunities for home ownership and restoring employment to hundreds of thousands of people in construction and related industries;

(B) Strengthening of financial institutions;

(C) Financing the expansion of our Nation's industrial capacity and productivity.

(4) The short run decrease in tax revenues would be more than offset by the long run increase in tax revenues generated by increased capital formation, rising employment and the deflationary impact of the proposed revision.

We respectfully urge you to support this noninflationary tax reduction which will aid depressed industry, increase the equity of our tax laws, and provide additional capital for our Nation's economy.

Sincerely,

JOHN A. STASTNY,
Chairman of the Board of Directors.

Mr. Speaker, as indicated in the mailgram, any short-run decrease in tax revenues would be more than offset by the longer increase in tax revenues generated by increased capital formation, rising employment, and the deflationary impact of the proposed revision. This point clearly answers those critics of this legislation who have stated that adoption of this proposal would mean a huge loss to the U.S. Treasury. I believe that while there would be a short-term decrease in tax reevnues, this would be more than counterbalanced by increased tax receipts obtained from corporations and individuals employed in the housing industry.

Mr. Speaker, I am sending a letter to the President requesting that he include this recommendation in his upcoming message to the Congress and the American people regarding steps which will be proposed by the administration to combat inflation. If this legislation is proposed by the administration, I would hope that the House Ways and Means Committee and the Senate Finance Committee will take immediate action on this proposal which can result in increased employment in the homebuilding industry, additional tax revenues to the Federal Treasury, and curb inflation by providing the impetus for the flow of increased funds into lending institutions.

CIA DIRECTOR COLBY CLAIMS CIA'S LAOTIAN OPERATION WAS A "SUCCESS"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, the justifiable furor over the CIA's effort to destabilize Chile's popularly elected government has diverted public attention from the significant remarks by CIA Director William Colby concerning an earlier CIA operation, reported in the September 30, 1974, issue of Time magazine. In his rare on-the-record interview with Time correspondent Strobe Talbott, Mr. Colby cited the CIA's operation in Laos as an example of a successful covert action. When considered in the context of what the CIA actually did in Laos, Mr. Colby's praise of that operation reveals the principles of immorality, illegality, and brutality which underlie the secret work of the CIA.

HISTORY OF THE CIA'S OPERATION IN LAOS

The CIA's involvement in Laos began shortly after the signing of the Geneva Accords in 1962. By signing the Geneva agreement, the United States pledged to respect the neutrality of an independent Laos and to refrain from military intervention in that nation's affairs. In spite of that pledge, the United States quickly began working through the CIA to undermine the popularly elected government of Souvanna Phouma and to wipe out the Laotian Communists—the Pathet Lao. The architect and director of this covert operation was William Colby, who was named head of the Far East Division of the CIA's Clandestine Services Branch in 1962, where he remained throughout the sixties.

As civil war broke out between the Pathet Lao and the government forces, the CIA put its plan into operation. Committed to Laotian neutrality, the United States could not openly intervene in Laos' civil war. Moreover, no such intervention had been authorized by Congress. To circumvent these apparent restrictions, the CIA sent 40 or 50 agents into Laos under Colby's command to recruit, organize, train, equip, and command a secret irregular army to battle the Pathet Lao. Colby and his agents recruited most of the manpower for this "L'Armee Clandestine" among Laotian tribesmen. The CIA hired civilian pilots in the United States to fly air support and bombing missions in Air America planes. All of this was implemented, at the taxpayers' expense, without the knowledge or consent of Congress and the American people.

THE COST OF COLBY'S SECRET WAR

The CIA continued to conduct its secret war aganst the Pathet Lao for more than 10 years. When the CIA's army of Laotian tribesmen was decimated by heavy casualties, desertion, and disease, the agency turned to Thailand, hiring thousands of mercenary soldiers and airlifting them into Laos to continue the war. This practice not only lacked congressional approval, it was explicitly forbidden by an amendment to the Defense Department appropriations bill for fiscal 1971.

The total expense borne by American taxpayers for this secret war is estimated at $5 billion. None of these funds were appropriated by Congress for this purpose. Less than 10 percent of the money for the Laotian operation actually came out of the secret CIA budget. Most of the money was misdirected from Defense Department funds appropriated for other purposes and from AID funds mandated for economic and social relief.

The great monetary cost of the CIA's Laotian operation was far outweighed by the toll of human suffering. While no cumulative casualty figures have been made available, some reliable statistics surfaced in reports of the Senate Foreign Relations Committee resulting from staff investigations in 1971 and 1972. Out of Laos' total population of 3 million, between 800,000 and 1 million were made refugees as a result of the "secret war." Approximately 100,000 Laotians died in the course of the war and an even larger number were wounded. The terrifying image of 15 million American casualties with 60 million left homeless, which corresponds to the toll wrought by the war on the Laotian population, provides a grim frame of reference for contemplating the human impact of the CIA's operation in Laos.

ASSESSING THE OPERATION

For all of the billions of dollars spent, lives lost, and people displaced, it is difficult to grasp what the CIA accomplished through its decade-long secret war in Laos. The situation in 1973, when a cease-fire was arranged and a coalition government established, differed little from conditions 10 years earlier. Over one-half of Laos was under Pathet Lao control. More importantly, the people of this small beleaguered nation were far worse off. The once fertile Plain of Jars had been transformed by American bombs into a barren wasteland. Nearly a third of the population had been killed, wounded, or left homeless as a result of the fighting.

Nevertheless, Mr. Colby points to the Laotian operation as a great success. Why does he think so? First, the CIA "succeeded" for many years in keeping its covert war secret from Congress and the American people. Second, the CIA "succeeded" in misdirecting Defense Department and AID appropriations for its own use in conducting the Laotian operation. Third, the CIA "succeeded" in keeping American casualties to a minimum, despite the fact that tens of thousands of Laotians in its irregular army were killed or wounded.

These are the criteria by which Mr. Colby and his associates measure the success of a CIA venture. They are inimical to the principles of self-determination, public accountability, and compassion which the United States purports to stand for. I share the insightful appraisal of the CIA's Laotian operation offered by Norman Cousins. Mr. Cousins wrote:

> Our tragedy was that we thought we could cope with communism by imitating it at its worst rather than being true to a vision of America at its best.

Mr. Colby may be proud of the secret war he directed in Laos. As one American, I am deeply outraged and ashamed at this operation conducted by Mr. Colby and the CIA in the name of the American people without their knowledge or consent. I pledge to do all that I can, through the establishment of effective congressional oversight, to insure that no such operation shall ever occur again.

PAY CABLE TV

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 10 minutes.

Mr. MURPHY of New York. Mr. Speaker, it has come to my attention that the Federal Communications Commission has scheduled oral arguments on the issue of pay cablecasting for October 23, 24, and 25, 1974. This will be the second consecutive year that the Commission has received testimony on this matter, having failed to act last year, and I feel that this is a significant issue which warrants comment in these Chambers

Let me point out first that there appears to be a misunderstanding by some of us with regard to just what is pay cablecasting. It has been portrayed in recent years as a vast network, or a multimillion-dollar scheme by broadcasters, or an effort by the cable television people to take programs away from so-called free TV.

Mr. Speaker, what this new industry of pay cablecasting actually is, however, is private enterprise in the truest and most fundamental sense of the term.

A pay cablecaster is a private businessman in a community who is seeking to provide a service to citizens wanting a greater selection in television entertainment. These businessmen are the kind of entrepreneurs that built this Nation—those who are willing to take the risk under adverse economic conditions to establish a new and appealing industry that will benefit the American public.

Establishing this new industry under present FCC regulations has been practically impossible. Let me give you some specifics.

One of the most attractive aspects of pay cablecasting, and one to be considered by the FCC during its hearings, is the service of offering the consumer top quality motion pictures—uninterrupted by commercials. This service is offered to a very small degree today and I think it should certainly be allowed to be offered on as large a scale as the market will support.

At present, however, this service is restricted by FCC regulations which essentially only allow pay cablecasters to show movies that are less than 2 years old. Pay cablecasters are further restricted with regard to the programing of motion pictures exceeding 10 years of age. Only 12 of these older films may be shown each year and only 1 of the 12 can be shown each month for a limited viewing period of 1 week. I fail to see any reason for such a restrictive rule, but the effect is quite clear—this Government, through such a ruling, is effectively denying the pay cablecasting industry the right to market a product.

Another service that pay cablecasters could offer the public would be various forms of film or program series. This service could range from a weekly series of strictly local interest to those series that were produced but never shown on network television.

It is easy for me to understand why the public would like to have this service available, and I think it should be allowed. But the FCC at present says "no" to the producing or programing of any form of series by pay cablecasters.

Here again, the FCC is denying pay cablecasters a product to offer and also denying the consumer a choice in television programing.

The present FCC regulations also deny pay cablecasters the right to even provide live coverage of major professional sporting events that are not offered by commercial television.

On this aspect of sports coverage by pay cablecasters, we are not talking about the so-called blackout by the teams—but rather merely allowing a pay cablecaster the right to provide this coverage if such is not otherwise made available by commercial television.

The pay cablecaster would have to provide all the expensive cameras and equipment, and he would also have to pay the fees charged by the teams just as networks are required to do.

I certainly feel that if a pay cablecaster is able to provide this sports coverage, the Government should not interfere. Furthermore, why should the FCC deny the public a televised sports event merely because the networks are not interested in providing such coverage?

Mr. Speaker, it is time for fairness and equity to be applied in any regulations placed on pay cablecasting, and I want this message to be heard loud and clear by my friends at the FCC. For some years now, this Government, through the FCC, has effectively denied this new industry the opportunity to establish itself and to offer a service to the American public. This type of overbearing Government interference in private business is sharply at odds with what I have always known and respected as this Nation's system of free enterprise.

I, for one, am intent on seeing that Chairman Wiley and the Commission realizes this, and that appropriate action is taken to substantially relax these regulations without further delay.

Let me say that I hope that my colleagues who share my concern over these policies by the FCC would also take the time to make their positions known to the Commission before these hearings are held.

LEGISLATIVE SMALL BUSINESS: A VITAL ASPECT OF THE BOLLING RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. YATRON) is recognized for 5 minutes.

Mr. YATRON. Mr. Speaker, it is widely acknowledged that the sound economic foundation of this great country rests with the continued vitality of its small business community. For all the notoriety given its big business and multinational corporations, America is still a nation of small businessmen.

In fact, over 96 percent of all the business establishments in this country are small businesses and they account for almost 45 percent of our gross national product. Small businesses employ nearly 50 percent of our total work force and provide food and lodging for well over 100 million Americans. Without them there would be no big business and the United States would not be the same.

Can there be more compelling reasons, therefore, to give our full and active support to the crucial recommendation of Select Committee on Committees, for the establishment of a legislative Small Business Committee.

Unfortunately, while small business plays such a tremendous role in our lives and in our Nation, too often its problems and needs are ignored or forgotten. They simply do not receive the national focus they deserve. To create a full standing committee to protect its interests is one of the most desirable and welcome aspects of the committee's entire proposal. And, this has been a long-time goal of the 375,000-member National Federation of Independent Business for some time. The NFIB has for many years been an extremely effective and meaningful voice of the small business community. I have been honored to have worked with the Federation on various matters of relevance and importance to small business.

Because of this dedication and diligence, I would like to commend the efforts of the National Federation of Independent Business to my colleagues in the Congress.

Mr. Speaker, I cannot think of a single aspect of the Bolling committee's outstanding efforts more important or desirable than the establishment of a permanent legislative Small Business Committee. I urge that my colleagues also recognize its importance to the viability of our free enterprise system and the future economic strength of our Nation.

SAVING THE OCEANS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, I am introducing legislation today to impose specific regulations as to the construction and operation of oil tankers in order to prevent the pollution of the marine environment.

Though tanker spills are most noticeable when they pollute our beaches, they represent a more serious threat to the oceans. Under the Ports and Waterways Safety Act, Congress gave the Coast Guard the authority to issue regulations that would insure the protection of the marine environment. Unfortunately, the Coast Guard has relinquished this authority by issuing regulations that are unnecessarily weak. When one considers the irreparible damage that could result from a supertanker oil spill, it is time that Congress establish specific regulations through legislation.

My bill sets standards to improve vessel maneuvering and reduce the possibility of accidents between tankers. These standards include controllable pitch propellers, multiple screws and multiple rudders, bow and stern thrusters, double-bottomed hulls, and inert gas systems to prevent explosions in cargo tanks.

The results of a major oil spill, such as the collision of two supertankers each carrying millions of gallons of oil, would be disastrous. I believe that to prevent such an occurrence, the best available antipollution equipment must be incorporated into the construction of oil tankers. This legislation would mandate these safety standards.

FUQUA OPPOSES GAS TAX HIKE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes.

Mr. FUQUA. Mr. Speaker, it is urgent that the President halt any further consideration of raising the Federal tax on gasoline.

In this period of economic crisis, this is one of those measures that are being considered, and it is my contention that speculation that such a tax might be enacted is disquieting to the American people and its enactment would be counterproductive.

The President considered such a tax once before, in August, but changed his mind because in the President's own words, "such a tax would be exorbitant, unwise and unnecessary."

I want to remind the President that his original characterization of the tax still applies. While he has not advocated such a measure, he has not said that he is unalterably opposed to it.

I also oppose a proposal by Energy Administration Administrator John Sawhill that would penalize those who drive over a certain number of miles per year. This is nothing more than a tax on driving to work or to school.

Take my district for example. We have no adequate mass transit facilities. Many people drive to neighboring communities from outlying rural areas each day to earn their livelihood. With gas prices at record levels already, it is grossly unfair to penalize them further.

It is my hope that an agreement can be worked out soon that will equalize the prices which States pay for oil. States on the eastern seaboard, such as Florida, must pay outrageous prices for foreign oil while the inland States have the benefit of lower priced domestic oil.

A pooling arrangement has been proposed whereby foreign oil would be averaged in with the domestic oil. The inland States would have to pay a little more, but those States on the coast would see a reduction. This seems to be the only fair solution.

THE MODERN SHERIFF: A NEW BREED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. MCFALL) is recognized for 5 minutes.

Mr. MCFALL. Mr. Speaker, the modern sheriff as a new breed is described in a New York Times article today that I commend to the attention of House Members.

I was particularly proud to note that the Times selected as its prime example Mike Canlis of San Joaquin County, Calif., a friend of more than 25 years, who is known and respected throughout the Nation for his innovative approach to law enforcement techniques.

Following is the full text of the article:

THE MODERN SHERIFF: A NEW BREED

(by Andrew H. Malcolm)

STOCKTON, CALIF.—He sits behind his desk in a tan business suit, talking of computers, multi-million-dollar budgets, in-service training, personnel requirements and management objectives.

An advertising executive? An investment counselor? A production manager? No, he's a sheriff, one of a new breed of men, and a handful of women, wreaking revolution on the oldest law enforcement office in the English-speaking world.

It is a well-known but little understood office whose holders daily find new demands, dilemmas and difficulties facing them as development and the nation's population shifts from the old central cities to the burgeoning frontiers of suburban and rural America, long the assigned territory of the sheriff.

"We're right on the front lines here," said Michael N. Canlis, one of the country's 3,099 sheriffs, whose law enforcement responsibilities now cover shopping centers, high-rise office buildings, feuding criminal syndicates, ethnic ghettos and faction-filled farm fields.

American sheriffs have long had county-wide authority but prime responsibility only beyond city limits. New York City's sheriff handles only supoenaes and other court papers, but most sheriffs deal with both judicial and criminal affairs. California sheriffs are also coroners and here, a growing number of suburban communities contract with a sheriff for local police protection.

A BUSY WORKDAY

Sheriff Canlis oversees law enforcement in San Joaquin County, a sprawling, 400 square miles of city and rich farm land marbled by 1,000 miles of canals east of San Francisco. Here, 300,000 reside in the path of rampant rural development.

On one recent day the 56-year-old sheriff monitored a continuing labor conflict between the International Brotherhood of Teamsters and the United Farm Workers, delved into parts of his $6-million budget, consulted with the Governor's office, participated in a helicopter crash inquiry, met with militant pickets, checked the installation of his department's new computerized communications system, consoled the relatives of an injured deputy and chatted with countless friends and petitioners in the hallway, where bullet-proof vests casually decorate the walls.

"It's a long ways from the old days," the sheriff said. He referred to the nineteen thirties, but he could have gone back farther than that.

Some historians say the sheriff's office derived from the Roman proconsul or the Arab's sharif (nobleman). Others trace it from the Anglo-Saxon shire reeve, an elected official who combined police and judicial powers in Britain's shires counties).

Some even say the United States was named for the Sheriff of Bristol, Richard Amerycke, who helped reward John Cabot's New World explorations.

In this country, a Philadelphia sheriff named John Nixon gave the first public reading of the Declaration of Independence while another American, Augustine Washington, was a Virginia sheriff, Mr. Washington is perhaps better known as George's father, to whom the cherry tree lie was not told.

The sheriff's gun-toting image grew through Western tales, perhaps modeled on Arizona's John Slaughter. As Cochise County's Sheriff, he once rejected a new jail as unnecessary. Undesirables were given an hour or two to leave town, after which time Sheriff Slaughter simply gunned them down.

But in recent years the political role of the nation's more youthful sheriffs has changed. Although all but 11 sheriffs are still elected, law enforcement competence has crept in as a qualification.

When Mr. Canlis joined the department here beck in 1939, a sheriff's political connections were more important than any ability to ferret out criminals. Those were the days of dirt roads when pale yellow butterflies covered the alfalfa fields here, when the 40 deputies earned around $90 a month to investigate bicycle thefts and when drug seizures were measured in grams and ounces.

MANY DEPUTIES HAVE DEGREES

Nowadays, the alfalfa fields are housing tracts, spliced by four-lane paved arteries. The 274 deputies, many with degrees in police science, earn around $1,200 a month and investigate such crimes as last year's mass murder of nine persons near here. Drug seizures are measured now by the ton.

When Sheriff Canlis was hired as an identification clerk, fingerprinting was a science. Now it is a routine. Portable radios were once rare and one-way. Now they are standard and six-channel.

Reports once were written longhand. Now they are dictated by phone to a recorder, transcribed by a clerk and computerized. Crime scenes are not simply photographed for evidence; they are videotaped with a running commentary.

"These days," notes Sheriff Canlis, "we're asked to handle problems that the old-timers couldn't pronounce, let alone spell." Like stolen urani or elicit chemical stimulants or ethnic communications. Mr. Canlis's staff is trilingual—English, Spanish and Filipino—for the sizable Oriental population here.

For adopting such methods, Sheriff Canlis is recognized nationally as an innovative law enforcement officer unafraid to change. Locally, he was elected recently to his fourth four-year term, receiving 70 per cent of the vote in a three-man race.

SON OF COMEBACK—AN INSIDER'S VIEW OF HOLLYWOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I offer for the attention of my colleagues the following article entitled "Son of Comeback" which appeared recently in Barron's magazine. It is an insider's view of Hollywood and clearly details the risks—and benefits—involved in the movie business:

SON OF COMEBACK: THIS TIME HOLLYWOOD SWEARS IT'S THE REEL THING

(By David A. Loehwing)

HOLLYWOOD.—Norton Simon now is hopeful that he will be able to resolve his differences with the management of Twentieth Century-Fox Film Corp., thereby sparing the company another round of disruptive proxy fights and lawsuits. After a recent meeting with Board Chairman Dennis C. Stanfill and others in top management, he says: "I feel that the likelihood of our getting a constructive relationship is much better. If that occurs, I will become supportive of management to the degree in that it will not have to worry about threats from various people who feel it would be nice to be in the picture business."

Fox is proxy fight-prone, and Hollywood, which loves a good corporate donnybrook almost as much as a titillating divorce case, long has been expecting renewed internecine warfare at the Century City Studio. To be sure, the Stanfill team has made progress since 1971, when it took over and put an end to the tiresome squabble between Darryl Zanuck and his son, Richard. However, first-half earnings of 25 cents per share looked skimpy by comparison with the 59 cents of 1973, even though the latter were swollen by a big hit picture, "The Poseidon Adventure" The price of 20th Century-Fox common sagged to less than half of book value, and, since the stock is loosely held, it became what Mr. Simon calls "a threatened company."

PREMIUM PRICE

The first threat came from Broadway producer David Merrick, who corralled 740,900 shares and demanded the right to name five of the 17 Fox directors. That challenge was adroitly countered by a lawsuit charging he had made an illegal tender offer, and Mr. Merrick bowed out. The company bought up his shares for a little over $9 each. Trouble was, that a bit of a preminum over the market price of 5⅞, and the deal promptly triggered a spate of stockholder suits.

Mr. Simon, who owns some 200,000 shares and probably could muster proxies from at least twice that number in the hands of "friends," was mightily displeased. The more so because the purchase of Mr. Merrick's shares was announced by Fox the day after the annual meeting, during which management declined to answer. Mr. Simon's queries about it. In subsequent months, although he had no interest in taking over control of the company himself, he had discussions with "various groups" which did. His recent talks with management, on the other hand, have been encouraging, and a solution may be at hand.

One of Mr. Simon's main concerns, when he considers the future of 20th Century-Fox, is that it not become a conglomerate. Many of the country's current difficulties, in his view, stem from the merger excesses of the past decade, when corporate managements lost sight of real objectives. As for the broadly diversified, $1.6 billion concern that bears his name, Mr. Simon says it was put together so gradually it is no more a conglomerate than Proctor & Gamble or General Electric. One reason Fox is so attractive to would-be corporate raiders, Mr. Simon opines, is that it is one of the least diversified of the movie studios. He thinks it should stick to movie-making and concentrate on becoming "as creative as its best competition."

NERVOUS STOMACHS

Mr. Simon's statement, while surely soothing nervous stomachs at 20th Century-Fox, also points up some recent trends in the motion picture industry. One is that a lot of people, not just those hoping to oust Mr. Stanfill, think it would be nice to be in the picture business these days. Via tax-sheltered participation deals, they are pouring millions into film production, easing Hollywood's shortage of investment capital. There's some question as to how many of the tyros will find themselves backing hits, but the basic idea looks sound. As in previous periods of economic slowdown, the outlook for the movies currently appears to be—if not exactly super-colossal—at least relatively bright. The studios are making money, not by diversifying into other businesses or selling their real estate, but by making movies.

True, some firms are suffering from the impact of towering interest rates. Motion picture companies perennially are in hock to the banks for sums ranging into the hundreds of millions, so today's high borrowing costs eat heavily into earnings. For those able to finance their own production, however, a lively market for entertainment presents an opportunity to realize peak profits. Not only are customers flocking to theater box offices all over the world, but also television is clamoring for more and better film fare. A few Cassandras fear that returning prosperity will encourage Hollywood once more to splurge on super-flops like "Cleopatra," "Hello Dolly," and "Tora Tora Tora," which brought it to the verge of ruin four or five years ago. But the moguls now managing the dream factories insist that the higher-budget pictures now being produced justify their cost on a risk-reward basis. In any case, new "saturation" promotion techniques can turn even an artistic blooper like "The Great Gatsby" into a box-office smash.

It is true, as Norton Simon points out, that short of getting involved in a tax-shelter film syndicate it is difficult for an investor to find a pure play in the movies. Of the major studios, Paramount is now a subsidiary of Gulf & Western, while United Artists is part of Transamerica. Metro-Goldwyn-Mayer, about 50% controlled by financier Kirk Kerkorian, has gone out of the film distribution business and plans to limit its production to between four and eight pictures per year; the MGM Grand Hotel in Las Vegas now accounts for most of earnings. Less than a quater of Walt Disney's revenues are derived from film rentals; the bulk comes from Disney World in Florida and Disneyland in Southern California. Warner Communications boasts interests in banking, cable television, publishing and parking lots, along with a sizeable portfolio of utility securities, to dilute its movie earnings; the later, however, are getting a lift this year from the phenomenal success of "The Exorcist," a Warner release.

RECORD FILM RENTALS

Only 20th Century-Fox, Columbia Pictures and MCA, among the major studios, still count on the movies for most of their profits. At MCA, slightly over half came from Universal Studios last year, but the proportion is rising this year because of "The Sting" and other big hits, plus a full 13 hours per week of prime time television programming. MCA President Lew Wasserman says both his company and Warner will surpass the all-time record of $167 million in film rentals for one company in a single year. Smaller publicly-held movie makers and/or distributors include Avco (Embassy Pictures), Allied Artists, Filmways, Artists Entertainment Complex, Cinema 5 and Cinerama.

Earnings of movie makers (see accompanying table) generally have been in a rising trend this year, although some firms, for varying reasons, reported unfavorable comparisons with last year. As noted earlier, 20th Century-Fox showed lower first-half net because of the effect of "The Poseidon Adventure" release last year. Mr. Smith looks for a strong second half, which could boost operating earnings above last year's 90 cents per share.

Nine-month results at Walt Disney were adversely affected by the gasoline shortage, which in the second quarter caused a 17% drop in attendance at Disney World, the firm's big amusement park in Florida. Disneyland in Southern California fell off less sharply, apparently because of its proximity to Los Angeles; company officials say local people went to the park in greater numbers, offsetting the decline in tourist revenues. In any case, President Cardon Walker says that attendance at both parks picked up as soon as the gas crisis abated. Aided by price increases of 8–12% at Disneyland and 13–15% at Disney World, plus record film rentals, the firm should have a "good year," Mr. Walker says. Street estimates of $1.55 per share, down from $1.67 in fiscal '73, probably will need to be revised upward.

BETTER BOTTOM LINE

	Gross revenues (millions)		Earnings per share	
	1974	1973	1974	1973
Allied Artists [1]	$14.6	$15.2	$0.32	$0.37
Avco [2]	329.5	319.1	.96	[3] 12.97
Columbia [1]	187.4	169.9	[3] 10.33	[3] 12.29
Walt Disney [4]	279.3	259.3	.95	1.00
Filmways [5]	51.8	38.5	52	.32
Gulf & Western [6]	1,656.3	1,376.8	4.26	3.35
MCA [2]	305.6	160.0	3.01	1.50
MGM [7]	174.9	118.9	3.26	.45
20th Cent.-Fox [2]	126.3	126.1	.38	.59

[1] 9 mo to Mar. 30.

[2] 6 mo to June 30.

[3] Deficit.

[4] 9 mo to June 30.

[5] 9 mo to May 31.

[6] 9 mo to Apr. 30.

[7] 40 weeks to June 9.

EVIL SPIRIT

Soaring box-office receipts from "The Exorcist"—it grossed over $65 million before reaching neighborhood theaters—helped to boost gross revenues of Warner Communications 30% in the first half, but the gain in net was less than 8%, largely due to the influence of an evil spirit the company was unable to exorcise—high interest rates. At the end of 1973, the company had $267 million in long-term debt outstanding. The per-share gain was hiked to 26% via Warner's purchase of four million shares of its own stock. Since it paid an average $15.26 for the shares, as against their current market value of $9, that maneuver was not wholly advantageous. For the full year, Sutro & Co., a brokerage firm that follows the industry, estimates Warner earnings at $2.75 per share, against $2.26 in 1973.

MGM also has been buying up some of its common stock via a tender offer which expired August 9. Three dollars in cash and $23 principal amount of 10% subordinated debentures were offered for each share of common, recently selling in the $14–$15 range. About 1.25 million shares were tendered, of which 1.05 million were accepted, including 500,000 from Mr. Kerkorian. A stockholder suit filed after the company made its tender offer charges that it was an illegal attempt to bail out Mr. Kerkorian, all of whose shares are pledged to the Bank of America as security for loans, and asks that it be enjoined.

PAYLESS TV

The prospectus issued in connection with the offering shows that in the 40 weeks to June 8, MGM's motion picture earnings, at $6.4 million, were nearly double those of the comparable 1973 period. However, that sum was slightly less than the company's interest expense for the period, and over 80% of the $18.2 million pre-tax net for the period came from the Las Vegas hotel and gambling operation. Those earnings could be somewhat reduced if a reserve of $2.35 million for losses on $9.6 million (as of May 31) of credit extended to gambling customers proves inadequate. Gambling debts are not legally collectible, but Las Vegas casinos historically have had good luck in persuading losers to pay up.

A rescue operation mounted at Columbia Pictures a year ago, after the company posted a $50 million deficit for fiscal '73, appears to be enjoying some success. Sutro estimates that the firm will report earnings from operations of 15 cents per share for the fiscal year ended June 30. The chief drain on earnings, a closed-circuit pay television network for hotels, was sold to Time Inc. in May, for about $4 million (Columbia had pumped about $25 million into it), and the write-down on that deal will mean an overall net loss for the year of about 30 cents per share, it is estimated. President Alan J. Hirschfield, who formerly was with the Wall Street firm of Allen & Co., was brought in to save Columbia. He notes that it is starting off fiscal '75 with a top box-office attraction—"For Pete's Sake," starring Barbara Streisand—and that debt has been trimmed from $160 million to $142 million. If interest rates come down, Columbia could turn the corner decisively this year.

By far the biggest earnings gains in Hollywood this year are being scored by MCA, chiefly because of "The Sting," which Mr. Wasserman says will gross over $100 million to become one of the top 10 hits of all time—"maybe in the top five." With a full schedule of major releases coming up for fall and winter, Mr. Wasserman sees no letdown. Regarding Street estimates of $5 per share for the full year, he says: "I think that figure is on the conservative side." So far this year, MCA has prepaid $36 million of its long-term debt, reducing the total outstanding to $64 million.

Do rave studio earnings reports mean that Hollywood, at long last, is staging a comeback? Such a conclusion may be premature, but certainly the current upswing in movie attendance is the most impressive and sustained of any since television began seriously to erode box office receipts in the early 'Fifties. According to Variety, the "Show Biz Bible," the revival began last December, when both "The Exorcist" and "The Sting" hit the marquees, and was still picking up steam through July, when box-office receipts in the 24 major markets covered by the paper's computerized survey recorded a "boffo" $41.8 million in four weeks, compared with $43.7 million for a five-week July in 1973. For the first seven months of this year, Variety shows domestic box office up 28%.

UNDERSTATED CASE

MCA's Lew Wasserman, who heads the Association of Motion Picture & Television Producers, insists that Variety understates the case. He says film rentals of the major studios (in both domestic and foreign markets) were up more than 50% in the first half. "Of course, some of the smaller companies may not be doing as well," Mr. Wasserman smiles, adding: "Our own rentals were up 268%."

A number of factors, including inflation, account for the box-office surge. Variety figures admission prices are up about 6%, leaving a real gain of 22% in attendance. Movie makers, for the most part, say improved product is "pulling 'em in." Besides "The Exorcist" and "The Sting," they point to hits like "American Graffiti" (MCA), "For Pete's Sake," "The Golden Voyage of Sinbad," "The Lords of Flatbush" (all Columbia), "Dirty Mary and Crazy Larry," "Spys," "Claudine" (all Fox), "Herbie Rides Again" (Disney), "The Great Gatsby," "Chinatown" (Paramount), "Blazing Saddles" and "Billie Jack" (Warner) as being chiefly responsible for the box-office lift. Revivals of "Butch Cassidy and the Sundance Kid" (Fox), "2001, A Space Odyssey" (MGM) and "Mary Poppins" (Disney) also have been doing extremely well. According to Lew Wasserman, when the public is pleased by a few pictures, attendance jumps even at films which are less popular.

If better movies are coming out of the Hollywood dream factories, it may be because more money is going into their production. After a number of costly failures in the 1969–70 era, studios generally began trying to limit their risks by holding production costs on any one film to $2 million or less, but that tactic wasn't particularly successful. James Aubrey, then president of MGM, was the foremost advocate of the under-$2 million rule, and he watched MGM's operating profits skid from $19 million in 1971 to $3 million last year. Mr. Aubrey recently resigned, to be succeeded by Frank E. Rosenfelt, formerly the firm's general counsel. Meanwhile, "The Poseidon Adventure," on which 20th Century-Fox spent $4.5 million, grossed a socko $143 million, and large production budgets promptly come into vogue again. "The Towering Inferno," a soon-to-be-released spectacular, cost $12.5 million. However, Fox and Warner made it as a joint venture in order to spread the risk.

ESCAPIST FARE

Studio executives are convinced the energy crisis and the subsequent rise in gasoline prices have given movie attendance a lift. People, particularly in Europe, where gas now costs $1.65 a gallon, are thought to be seeking out forms of entertainment other than joy-riding in cars. Mr. Wasserman also thinks the movies have provided a welcome relief for Americans fed up with bad news out of Washington. Pointing out that the greatest heyday of the motion picture industry was during the Depression, the MCA chief thinks Hollywood will thrive during the recession into which the U.S. and other countries now are heading. Moves are still cheap—the average admission price is under $1.90—and offer, if only for a few hours, escape from reality.

If the movie makers are pulling audiences away from the tube with their improved film fare, they are also profiting from television's efforts to recapture those same audiences. As illustrated by last month's deal in which NBC will pay Paramount $10 million for a one-time showing of "The Godfather," the networks are bidding higher and higher prices for recent Hollywood output.

More importantly, after years of pretending to ignore its electronic rival, Hollywood finally is learning to use television astutely to sell its product. Via a technique called "four-walling," the major distributors are promoting selected films with "saturation" TV advertising. Until recently, only Walt Disney had had any success with TV promotion of films, via its weekly programs; other exhibitors, in the words of a Warner Brothers executive, "simply hoped that if we didn't support TV it would dry up and go away." The use of TV commercials to promote films seemed uneconomic because, normally, a given film wouldn't be playing in enough theaters at one time.

With four-walling, however, that handicap is overcome. The normal method of distribution, wherein films are leased to exhibitors for a share, usually 30%, of the gross box-office take, results in sparse market penetration because theater owners want exclusivity. Under the new technique, the distributor leases a large number of theaters in a market (the "four walls"), pays the owners a flat fee, and shows his picture in all of them simultaneously. Patrons are enticed by means of a whirlwind TV and newspaper ad campaign.

First tried with a pair of low-budget nature films, "American Wilderness" and "Cry of the Wild," four-walling turned them into smash box-office hits. Then Warner Brothers used it for a re-release of a 1971 film, "Billy Jack," which had met with a mediocre response in its first go-around. With a take in Variety's 24 metropolitan markets of $13.8 million, it now ranks fifteenth among the 50 top-grossing films of the year and has spurred others to try four-walling.

The results of these experiments have not always been happy. Warner Brothers' four-wall campaign in New York on behalf of "The Exorcist" was termed disappointing, and most distributors now will be reluctant to use the technique where the film is a hit without it. Moreover, the industry is fearful that the Justice Department will rule four-walling a violation of the 1949 Paramount decree barring movie producers from operating theaters. Hence, 20th Century-Fox, notably, is experimenting with other methods of lining up sufficient theaters for saturation ad campaigns without actually leasing the houses. Studio chiefs all recognize, in any case, that TV commercials can build theater box office phenomenally, and they plan to make more use of the medium.

PARTICIPATION DEALS

Hollywood's other innovation of the moment is co-financing of movie production. Sky-high interest rates are taking most of the profit out of movie-making where conventional bank financing is used, and the studios' need for alternate sources of capital has been matched by investors' search for more lucrative (than the stock market) places to put their money. The upshot: millions of dollars are being invested in tax-sheltered film participation deals.

How the participation deals work is illustrated by the case of "The Great Gatsby," a Paramount release which, despite the groans of critics, now is expected to gross about $35 million worldwide and yield its outside "angels" a handsome return. The latter were mostly clients of a Chicago lawyer named Burton Kanter, who has put together a number of movie participation deals. To finance Gatsby, a limited partnership called Fitz Service Co. was set up to raise $1.8 million of the $6.6 million projected cost; 18 participations were sold for $100,000 each, all to investors in 50%–70% tax brackets. The remaining $4.8 million was borrowed from a New York bank by Paramount on a non-recourse basis and advanced to Fitz as the producing company.

Since the entire $6.6 million was spent in 1973 for production of the film, with no income, the partnership could show that amount as a loss for the year. A partner in a 70% tax bracket, on an outlay of $100,000, could shelter $242,000 of income. Profits from the film, to be sure, must be reported as ordinary income, but the $10.2 million which

Fitz is due to receive will be spread over five years.

MIXED REVIEWS

Some Hollywood studios, notably MCA, scorn co-financing. "If it's a risk that should be taken, we'll take it," says Mr. Wasserman. "If we're right we want to reap all the benefits." On the other hand, Mr. Hirshfied concedes that co-financing has been the salvation of Columbia. Nearly half of the company's current $38–$42 million production program is being co-financed.

However, for the individual investor intrigued by the potential of co-financing, the word is caution. It comes from Neil Baizer of the Hollywood office of Alexander Grant & Co., certified public accountants, who has investigated innumerable such deals for clients. He points out that in reality movie participations aren't tax shelters at all, but only tax deferrals. The profits are taxable as ordinary inome in later years. Moreover, pitfalls are plentiful. Investors should be especially wary of going into any co-financing deal unless the general partner has obtained a completion bond guaranteeing that the film will be made on schedule and unless ironclad contracts have been signed for distribution. Even if those conditions are fulfilled, the investor still is likely to come out on the short end. "For you to make money, the film has got to earn a profit, regardless of the tax aspects," Mr. Baizer emphasizes. "Just remember that only about one in 20 of the films Hollywood cranks out ever makes back its production cost."

REJUVENATION OF PHILADELPHIA'S GARMENT INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG), is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, a major step toward the rejuvenation of Philadelphia's garment industry was taken Monday morning, September 30, with the start of construction of a unique garment center in the center of the city.

The multipurpose six-story building at Eighth and Arch Streets will be the first built for the needle-trades in Philadelphia in 46 years.

The center marks another step in the city's long-range program to revive the garment industry which has lost 15,000 jobs in the last decade.

William Ross, manager of the Philadelphia Dress Joint Board and vice president of the International Ladies' Garment Workers Union, said:

> Philadelphia is the first city to try anything like this and we are able to do so because of the good working relationship between the City Administration, labor and management, and the financial community.

The $5 million garment center will hold ground floor commercial shops and upper floor office and manufacturing space. It will be unique in providing a day-care facility for the employees' children, a job training section run by the industry itself, and a health care unit operated by the ILGWU.

The handsome garment center will be adjacent to the most historic neighborhood in the Nation—Independence National Historical Park and Society Hill.

Construction of the center is to start immediately and completion is anticipated in 12 months. The Philadelphia Redevelopment Authority made the site available and Continental Bank agreed to finance the project with the assistance of the Philadelphia Industrial Development Corp. The Thomas McCloskey Co. will build the structure. Office tenants are being solicited and industrial tenants have leased space in the center.

Mayor Frank L. Rizzo announced the formation of the joint administration-labor-management civic program to restore the city's ailing garment industry last June when the Philadelphia Garment Industry Board was formed. The 52-member board is a private, nonprofit coalition of industry, labor, government, and civic leaders.

The Board's revitalization program called for immediate environmental and security improvements of the garment districts in Philadelphia and construction of the unique garment center.

The first step in the rejuvenation process involved the creation of Garment Square last September. The Square, bounded by Broad Street, Lehigh and Glenwood Avenues, was restored through the combined efforts of city agencies and area manufacturers.

Expanded police protection was provided to the Square, with canine and mounted patrols. Subway stations were refurbished and new lighting installed on the streets.

The garment industry, manufacturing men's and women's clothing and accessories, is Philadelphia's largest single blue-collar employer, with 6.5 percent of all city jobs. However, employment in the industry has plummeted from 62,000 jobs in 1966 to 47,000 in 1974. Ross said:

> This does not reflect a decline in the industry's basic viability.

Mayor Rizzo said:

> The fact is, some businesses folded or fled because their neighborhoods deteriorated, and other owners retired when moved by redevelopment.

The Philadelphia Garment Industry Board was formed at a meeting sponsored by the Greater Philadelphia Movement, which helped to coordinate efforts between the industry and financial institutions in Philadelphia. The GPM was instrumental, some 20 years ago, in the development of the Food Distribution Center, an international model for food marketing.

Philadelphia's garment industry revitalization program was initiated in 1971 by James Mahoney, business agent for the Dress Joint Board; James Martin, executive director of the Old Philadelphia Development Corp.; and Joseph Egan, Jr., director of commercial client relations, Philadelphia Industrial Development Corp.

PROPOSED FEDERAL GASOLINE TAX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman for Texas (Mr. DE LA GARZA), is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Speaker, everybody knows what has happened to gasoline prices this year. Now serious proposals are being made to increase its cost astronomically by imposing an additional Federal tax of 20 to 30 cents per gallon.

These proposals may be serious, but they are also preposterous. They would place a heavy burden on people least capable of bearing it, on men and women who must use their automobiles in their work or to get to and from work and on the greater majority of low-income people.

In the south Texas area I represent, citizens have responded wholeheartedly to the need for conserving fuel. When the gasoline shortage was at its worst, they extended the utmost cooperation to the varied energy conservation programs set up by the Government.

Now they are faced with the threat that their restraint will be met by an unconscionable increase in the Federal tax on the gasoline they must have for their everyday needs. I hope the Congress will turn back this threat. I hope that Congress will heed what President Ford said as recently as August 10—that even a 10-cent-a-gallon increase in the gasoline tax would be "exorbitant, unwise, and unnecessary." It would indeed be cruel to burden the working people and the poor with the full responsibility of the Nation's problem with fuel shortages. Rationing, as distasteful as it might be, would be more just and equitable under the circumstances. All would share in the task.

MR. NIXON'S TRANSITION BUDGET: WHAT WILL HE DO WITH THE MONEY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 10 minutes.

Mr. DANIELSON. Mr. Speaker, yesterday, during the course of the debate on the supplemental appropriation request, H.R. 16900, I observed that, despite my best efforts, I was unable to obtain from any available source an itemization of the proposed transition budget for former President Nixon. Such an itemization was not set forth in the bill, nor in the accompanying report, No. 93–1378, nor were the figures given in the debate.

Following my comments, which appear at page 33608 of the October 2, 1974, CONGRESSIONAL RECORD, the gentleman from New York (Mr. ROBISON) directed my attention to the transcript of the hearings which were conducted before the Subcommittee on Treasury-Postal Service-General Government of the Appropriations Committee on September 12, 1974. I have great respect for my colleague from New York, who is now retiring after serving with distinction in this body since the 85th Congress.

I have read through the referred-to appropriation subcommittee hearings in search of an itemization of the Nixon transition budget, and have found that the hearings on the proposed transition budget begin at page 649 of the committee hearings. Therein, on page 664, there appears a table of the proposed transition budget submitted by the General Services Administration. It can, at best, be described as a "categorization" rather than an "itemization." It is as follows:

GENERAL SERVICES ADMINISTRATION

Proposed transition budget, Aug. 9, 1974–June 30, 1975

Personnel compensation (effective Dec. 19, 1974)	$171,000
Overtime	15,000
Benefits	12,000
Travel	15,000
Printing	8,000
Office supplies	67,000
Communications/telephone (through Feb. 29, 1975)	37,000
Postage	75,000
Equipment	55,000
Total	450,000

Where, as here, the funds requested for appropriation are referred to under such general headings as "travel" and "equipment," the Members of this House, and the taxpayers, are left in the dark. This is not merely a question of semantics. During the course of the subcommittee hearings, the following exchange took place between the gentleman from West Virginia (Mr. SLACK) and General Services Administrator Arthur F. Sampson, regarding the $55,000 appropriation request for "equipment":

> Mr. SLACK. I want to know your breakdown of the $55,000. Did you pull it out of the air?
>
> Mr. SAMPSON. We did not make a breakdown item by item.

The itemization which I sought yesterday is a "breakdown item by item," which, in Mr. Sampson's own words, was not made.

Also, the categorization which was included in the hearings does not contain the same dollar amounts which were set forth in H.R. 16900, and which were voted upon yesterday. The categorization of expenditures submitted by the General Services Administration and printed in the hearings, but not in the Committee Report No. 93–1378, totals up to $450,000, whereas the amount set forth in the bill is $245,000, a difference of $205,000. So even to the extent that the categorization in the hearings might have been considered an accurate description of how the money would be spent, it now has been superseded and rendered obsolete by the changed level in funding recommended by the committee.

I am not recounting these matters today for the purpose of splitting hanks of hair or quibbling over hundreds of thousands of dollars. The American people have been very generous with former Presidents. They do not wish former Chief Executives, who have devoted their talents and energies towards improving the Nation, to spend their years of retirement in poverty or disgrace.

But Richard Nixon left office under circumstances vastly different from any change of power which has ever occurred in our Nation's history: circumstances I need not recount at this time. Suffice it to say that the American people are not inclined to be prodigal in lavishing their tax money under these circumstances, and they are entitled to a strict accounting of how their money is spent on behalf of former President Nixon.

ALBERT SHANKER ON EARLY CHILDHOOD EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRADEMAS) is recognized for 5 minutes.

Mr. BRADEMAS. Mr. Speaker, I want to bring to the attention of my colleagues a significant column on early childhood education written by Albert Shanker, president of the American Federation of Teachers.

Mr. Shanker argues that efforts to expand the day care, educational, and other services for young children, must take full advantage of the ability of the public school systems to administer and operate such programs.

Mr. Shanker, therefore, is joining other distinguished leaders of American education, such as Terrell Bell, U.S. Commissioner of Education, and Edwin Martin, Associate Deputy Commissioner for the Bureau of Education for the Handicapped, in advocating an expanded role for the public school system in providing early childhood education programs.

The article to which I refer follows:

[From the New York Times, Sept. 8, 1974]

EARLY CHILDHOOD EDUCATION IS A JOB FOR THE PUBLIC SCHOOLS

(By Albert Shanker)

In 1971 former President Nixon vetoed a bill which would have provided care for preschool children. But the setback he dealt a worthy movement was only temporary. Sentiment continues to grow for a major federal effort to provide child care and early childhood education. The demand for such a program stems from many considerations, two of which are most important: first, that the early childhood years are the period in which the intellectual development of children can most effectively be aided, and second, that early childhood services are urgently needed by mothers who cannot afford to pay for private services but deserve what well-to-do women now enjoy—the freedom to pursue a career. Early childhood projects are already being funded under the 1970 Education of the Handicapped Act. Early this summer a major bill in this field was introduced by Senators Walter F. Mondale (D-Minn.) and Jacob Javits (R-N.Y.) and Representative John Brademas (D-Ind.). Known as the Child and Family Services Act of 1974, the bill will surely generate significant legislative action in the next session of Congress.

As we move toward a comprehensive early childhood program, it is important that some of the shortcomings of earlier legislation be avoided. Programs such as Head Start and the Job Corps suffered greatly as a result of political compromises in which many different public, private, profit and non-profit agencies won government contracts for the needed services. The same helter-skelter pattern is already evident in the grants for projects to aid the handicapped, with sponsors as diverse as the University of Colorado, the Salvation Army of Honolulu, La Raza (a militant Chicano organization) and the Mister Rogers' Neighborhood television program. Since the Mondale-Javits-Brademas Bill also provides for a broad range of sponsoring agencies (with limits greater than heretofore on the private profit-making sector) some warnings recently voiced by Edwin W. Martin, Acting Deputy Commissioner of the U.S. Bureau of Education for the Handicapped should be studied carefully before we move further ahead. In a talk before a group of educators in Boston, Martin observed that the provision of preschool and early childhood education "seems destined to be based on the same assumptions that my wife and I use in what she has called our Buddhist approach to gardening. That is, with a reverence for all living things, we allow to grow around our house what will. I can report to you that this approach involves a minimum of prior planning, that the results are judged to be uneven at best by third-party evaluators, and that later revisions are costly and difficult."

Martin raises basic questions: Who shall be responsible for delivering early childhood services? Should the system be all public or should there be an essential role for the private sector? Should there be a single public agency with responsibility or should we assume that employing many agencies will lead to "creative pluralism" and "flexibility"? Martin doesn't limit himself to question-raising; he is a forthright advocate. He proposes: "1) Public policy makers should 'bite the bullet' and begin the process of making a specific decision about where the responsibility for early childhood education services should be lodged. No more Buddhist gardening. 2) Public policy must be based on the assumption of equal access for all children, and so a public system must be developed based on this 'zero reject' concept. Private agencies can offer alternatives for those who can afford them, or serve as subcontractors for the public agency. 3) A single public agency should be charged with the primary responsibility. 4) That agency should be the public education agency."

In arguing his position, Martin anticipates that there will ultimately be universal early childhood education but that it will evolve in a "randomized" fashion "by extending public school programs; expanding Headstart; developing new Federal initiatives in family and child services such as those proposed by the Mondale and Brademas bills, recently reintroduced by the development of new state offices of Child or Human Development; day care centers; community health and mental health programs; and a variety of profit and non-profit agencies."

"I think," he asserts, "that such a development process will result in all of the problems we now see in many of our governmental programs: conflicting responsibilities and assumptions, duplication and overlap, gaps and unevenness of access, wide variations in qualities of services, etc. . . ." Since there are 17.2 million children under 5 years of age "I believe it is accurate to say that no formalized public service delivery system, other than the schools, deals with such a large population and its attendant logistical problems." It is the public school system, he contends, which should be responsible for early childhood education. The public schools have the building, and, with the decline in the birthrate, will soon have much of the needed space. The public school system "has the capacity to set standards, to certify, regulate, etc. The capacity to train educators and specialists is in place, and it, too, is seeking new avenues for development, as we now face a 'teacher surplus.' "

Only the public schools, Martin claims, are prepared to administer early childhood education in functional continuity with their regular instructional program. "Will some other agency," he asks, "provide parallel services . . . with all the attendant problems of continuity of programming when the youngsters reach school age? I hope not."

Universal early childhood education is a must, but previous pitfalls must be avoided. The demands of special interests must give way to coherent public policy. As we expand the education of our children, the responsibility for the enlarged program should be borne by the public schools. The public schools are not perfect, but they are a far cry from the Buddhist garden.

THOUGHTS ON THE ECONOMIC SUMMIT CONFERENCE

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, President Ford's economic summit conference is behind us and although we here in the House had relatively little to do with arranging the conference, as you have so ably pointed out, it will fall to us to implement whatever programs are distilled from that conference.

To me, two major things came from that conference. The first was the willingness displayed by the President to embrace some of the proposals flatly rejected by the previous administration. The second was the willingness to lay out all of our economic problems so that the American people could judge for themselves what the problems are, how serious they are, and what must be done to resolve them.

The summit conference itself was an admission that we do not have programs and policies that are effective in the fight against inflation-recession, and have not had for the past 5 years. One might say that President Ford has indicated a willingness to admit to the failure of past Republican policies. I believe that admission was the essential first step that had to be taken in order to change directions and start to move forward.

While we do not yet have a report from the President, there is reason to believe he will recommend such things as a tax break for low- and middle-income families who are hardest hit by the inflation.

It was not so long ago that the administration practically booed and hissed when Mr. Mansfield and Mr. Mills proposed such a tax cut.

There are also indications the President will boost the public service jobs program, another Democratic program that was decried by the previous administration.

Mr. Speaker, these are but two of the areas in which the President has indicated his willingness to bend. Right now I do not know that either will come to pass, but I draw my encouragement from the willingness to cooperate.

I think, Mr. Speaker, we should not consider this a one-way street, or that President Ford will come over and embrace all of our programs and we will not have to embrace any of his.

For myself, I will continue to fight against any administrative proposal I feel is wrong, or that carries greater long-range damages than short-term benefits.

But at the same time, I intend to give every benefit of the doubt to each and every proposal that comes from the administration. I am willing to be sold, Mr. Speaker, and I urge all of my colleagues, on both sides of the aisle, to adopt the same attitude.

I cannot help but think that the President, by laying all of the problems out on the line, did this country a great service even as he cut the feet from under those in his own party who had been trying to blame all the woes of the Nation on the Congress.

I think most of us here in the House had chafed under the constant and unfair criticism, and I believe that unrelenting barrage made it more difficult for us to get down to work on the root problems. The public was beginning to demand things we could not deliver without doing more harm to our economy.

The summit conference laid those arguments to waste. I believe the American people, now that they have had an opportunity to glimpse the problem in all its complexity, will be more tolerant and more supportive of us as we try to do our job.

The summit conference made it clear, Mr. Speaker, that our top businessmen, our top labor leaders, our top economists, and our top government officials are in almost total disagreement as how best to proceed. They could not even agree on the causes, let alone the solutions.

This is a situation where the Congress cannot just run in and start passing legislation. This is a situation where the things we do to help our inflation problem may well worsen our recession problem, and the things we do to help our recession problem may well worsen our inflation problem.

This is a very delicate situation. There is not a doubt in my mind that whatever we do will call for sacrifices on the part of the American people. We must be careful that those sacrifices are spread evenly, that one or two segments are not asked to carry all the burden while others go free.

Our task is not an easy one, Mr. Speaker, but neither is it impossible.

INFLATION AND THE DECLINING VALUE OF THE DOLLAR

(Mr. MILLER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER. Mr. Speaker, the main subject of concern in this Nation today is inflation. During the past 34 years inflation has eroded the value of the dollar by 71 cents. The 1940 dollar is worth about 29 cents today. One of the reasons for the decline of the value of the dollar is the $316.1 billion Federal deficit accumulated during this same period. The following chart illustrates dramatically the decline in the value of the dollar and underscores the need to put the brakes on deficit Federal spending:

INFLATION SINCE 1940

Year	Decreased purchasing power of dollar (percent)	Value of dollar	Federal deficit (billions)
1940	0	$1.00	−$2.7
1941	−4.9	.95	−4.7
1942	−9.7	.86	−19.3
1943	−5.8	.81	−53.8
1944	−1.6	.80	−46.1
1945	−2.2	.78	−45.0
1946	−7.8	.72	−18.2
1947	−12.6	.63	+6.6
1948	−7.2	.58	+8.8
1949	+1.0	.59	+1.0
1950	−1.0	.58	−2.2
1951	−7.4	.54	+7.5
1952	−2.2	.53	+.49
1953	−.8	.52	−.52
1954	−.4	.52	−1.1
1955	+.3	.52	−3.0
1956	−1.5	.52	+4.0
1957	−3.4	.50	+3.2
1958	−2.7	.48	−$2.9
1959	−.8	.48	−12.8
1960	−1.6	.47	+2.69
1961	−1.1	.47	−3.4
1962	−1.1	.46	−7.1
1963	−1.2	.46	−4.7
1964	−1.3	.45	−5.9
1965	−1.6	.44	−1.5
1966	−2.8	.43	−3.7
1967	−2.8	.42	−8.7
1968	−4.0	.40	−25.1
1			
1969	−5.1	.38	+3.2
1970	−5.6	.36	−2.8
1971	−4.1	.35	−23.0
1972	−3.2	.33	−23.2
1973	−5.9	.31	−14.3
1974[1]	−7.5	.29	−3.5

[1] Estimates.

Sources: U.S. Bureau of Labor Statistics, U.S. Office of Management and Budget.

THE 28TH NATIONAL CONVENTION OF THE POLISH UNION OF THE UNITED STATES

(Mr. FLOOD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FLOOD. Mr. Speaker, the Polish Union of the United States of North America held its 28th national convention in Scranton, Pa., on September 15, 1974.

The Polish Union of the United States is a fraternal insurance organization, founded in 1899, with headquarters in my hometown of Wilkes-Barre. Presently, it has some 16,000 members in 10 States and over the years has allocated funds for scholarship aid to needy students, contributed to numerous worthwhile civic, charitable, and religious organizations during its many years of existence.

The principal address delivered at the banquet held in conjunction with the convention was made by Attorney Mitchell P. Kobelinski, director of the Export-Import Bank of the United States.

The text of Attorney Kobelinski's address follows:

Address of Mitchell P. Kobelinski, Director

Mr. Chairman, your excellencies, distinguished guests, ladies and gentlemen, I am honored to be invited to address you.

In 1976, we celebrate the Bicentennial of our Country. One clear fact will ring out, and that is the state of Pennsylvania is truly the cradle of American democracy. It is here where the input of the colonists, from all thirteen colonies was brought together and formalized in the historic documents that we know as the Declaration of Independence, the Constitution, and the Bill of Rights. I am happy to be in the state that is the birthplace of the most successful experiment in human relations in the history of the world, the American democratic system.

Perhaps at no time since those days two centuries ago has democracy been at work in a more effective way than it is today in the United States. The voices of people from organized labor, from various races, ethnic and religious groups, industries and occupations, from various ages, and from each of the sexes, are heard loud and clear these days in Washington and in the various State capitals. There is no question that democracy is as vibrant and viable a concept as it ever has been. Recognizing this fact, it is more important than ever that the ethnic fraternal organizations, such as the Polish Union of the U.S. of North America, continue their work and expand their effectiveness.

However, the challenges are much different today than they were when these organizations were first instituted. In the early years, our immigrant forefathers sought certain mutual assistance and death benefits as well as the enjoyment of social contact with persons of their own heritage in a new and strange land. Today, these early purposes have lost much of their meaning to the second, third, and fourth generation Poles, although we continue to cherish our traditions. However, new needs and new challenges exist for the fraternal organizations, and they must either accept these changing times with the new challenges and the new goals and purposes with much broader social, political and economic meaning, or they must wither on the vine and die with their old membership and founders.

In the past several years in my public remarks to gatherings such as this, I have repeated the phrase that "the 70's is the decade of the ethnics." I sincerely believe that to be true, just as the 60's was the decade of the blacks.

In retrospect, we can see tremendous progress that our brethren in the black community achieved through the strenuous efforts they put forth during that decade. Perhaps we cannot agree with the methods used at all times, but on the whole it was an exercise in democracy. Perhaps taking example from the achievements of the blacks, we have seen an increasing amount of activity by Americans of eastern and southern European heritage, particularly within the last several years. In Chicago, I had the pleasure of taking part in the founding of the Consultation on Ethnicity back in the year 1970. This group, composed of representatives from the various organized ethnic communities in the Chicago area, has made its voice heard in numerous ways in our community. Through the efforts of the Consultation members, Ed Kolyszko, formerly of the University of Minnesota Center for Immigration Studies, was just made Director of Federally Funded Ethnics Studies at the University of Illinois. Two years ago, I had the pleasure of being the co-founder of the Polish-Italian Conference, another effort at cooperation between two major ethnic groups in the city of Chicago, with the common goal of fighting discrimination and bigotry in business, social and political spheres.

In the 1972 political campaign, we saw the Republican party turn to the ethnic community and form, for the first time, a Heritage Council. This was an appeal to America's "New Majority". I have just participated in a two-day conference of the Republican Heritage Council, held in Boston. I assure you that the ethnics are at work in the Republican Party, and that our voice and impact is being heard in Washington and in the Party in various states, and I encourage our Democratic counterparts to do the same. Ethnicity is alive in every major city of the country. It is the ethnic vote in the major cities that really carries the balance of victory in every national election. Americans who share our heritage are concentrated primarily in the northern industrial cities. It is precisely these cities and these northern states that hold the balance of power. It is up to us; it is our task to make sure that we have our voice heard in the local politics of our respective states and cities, so that our views can be reflected in the national scene.

If we had in the past, acted in concert with our fellow ethnics who share our philosophy of individualism, hard work, devotion to God and country, the politicians of both parties would not have been encouraged to institute programs which, in effect, burdened those who work hard and save and build America while pampering and soliciting popularity with that element in our country devoted to laziness, procrastination, welfarism, socialism and give-aways.

Whether it is in the political party—be it Republican or Democratic—whether it is in the generally non-partisan atmosphere of local politics—whether it is in labor unions, community organizations, church organizations or clubwork, the essential need today is involvement, the involvement of ethnics, and particularly our Polish-American community. Here is the challenge for the fraternals of this day—organize new lodges or reorganize old lodges along new lines with *separate* clear-cut goals—invite membership on the basis of common interest, either in politics or certain community goals, common interest in social goals, whether they be service to youth or service to the aged, service to the ill or the poor. We can reorganize on the lines of professional, business, or economic interests. Let's get all our retailers together in a lodge. Let's put our professional people in other lodges. Let's get our tradespeople in another lodge. Let us recognize that it is no longer enough to be of Polish heritage to entice membership into fraternal lodges. There must be some additional and perhaps more dynamic common interests to bring people together and keep them together—also, let's try to establish and expand organized relations with other ethnic groups with similar goals. In other words, work in unity for the preservation of diversity, a diversity that is the essence of our MULTI-CULTURAL society.

I have been active for years in the Polish American Congress, having served as President of the Illinois Division for almost three years. I have attempted to deliver the same message to the Polish American Congress, which I believe is the most effective instrument we have to serve Americans of Polish heritage. It deserves the support of this fraternal; it deserves the personal support of each and every one of you. The motto of the Congress for years has been "strength in unity." There is no question that the voice that will be heard is the strong unified, voice. I encourage you to give every support possible to this organization.

As you know, I have served in Washington as a Director of the Export-Import Bank for the past year. I refer to myself as the "token Pole" in the Administration. Regrettably, I am the only Presidential Appointee of Polish heritage now serving in the executive branch of Government in Washington. However, there is a second nominee—Mr. Lenard Walentynowicz of Buffalo, New York, who is awaiting confirmation by the Senate for an equally important post in the Administration. I am in Washington, thanks to the efforts of Al Mazewski, National President of the Polish American Congress, and Mr. Walentynowicz has been appointed precisely under the same auspices. There is still a third appointment awaiting confirmation, and that is Mr. Henry J Osinski, to be a Presidential Delegate to the Vatican. This is not enough, as you well know. However, it is more than we have had in the past, and I hope far less than we will have in the future. But that depends on organizations such as yours, plus your support of the Polish American Congress.

Permit me to address myself to Washington for a few moments, and matters that have become my concern since being in Washington. Perhaps, to many of you, the Export-Import Bank of the United States is an absolutely unknown government institution. The fact is, it has been in existence since 1934, when it was created by Decree of the President, Franklin Roosevelt, with the purpose of promoting American exports. At that time, when this country first recognized Communist Russia, it was thought that much trade would flow between the two countries, and that the Eximbank, as we are known, would be the principal instrumentality for financing this trade with Soviet Russia. President Roosevelt was correct, except he didn't realize that it would be 38 years before this trade with Eximbank involvement would really start. The first Soviet loans were made after President Nixon's visit to Moscow in 1972. But let me tell you just a little more about the Bank, because it is something that all taxpayers should know.

The Bank went through a reorganization in 1945 right after the war. It became a creature of the Congress, an independent agency capitalized with a billion dollars from the United States Treasury, which is our sole stockholder. Since 1945, the Bank has paid regular dividends to the Treasury, its stockholder, currently at the rate of 5 percent, or $50 million annually. The total of these dividends has now amounted to almost $900 million. In other words, that billion dollar investment has been almost totally repaid to the United States Treasury. *In addition*, we have earned another billion and a half dollars, which has been retained as a reserve in the event of losses and as additional capital available for loans; this is after payment of all operating overhead and expenses.

When it comes to losses, our record has been almost too good! The Bank has collected 99 and 98/100 percent of every dollar it has loaned out. In other words, the losses amount to 2 cents on each $100. There is not a commercial bank in this country that can point to that kind of a record. My criticism is that perhaps we have been too conservative in the past years. In the last fiscal year ending June 30, we supported over $13 billion of exports from the United States, with $3.8 billion of direct loans and the balance in guarantees or insurance. In other words, we have offered our guarantee of loans made by private commercial banks, or we have insured credits which have been extended either by exporters or by commercial banks.

What does that $13 billion in exports mean to the United States? It means over 750,000 full-time jobs in America. It also means that we have helped keep our dollar strong because whenever our exports do not equal our imports, we have what is called a negative trade balance. The result of this we have seen when in 1972 it became necessary for President Nixon to devalue our dollar, not once but twice. Consequently, our dollar fell 12½% in value in relation to the other major currencies of the world. That meant our goods became cheaper to buyers from overseas, thus encouraging people to buy more American goods. But, it also meant that anything we bought from overseas became that much more expensive and therefore it increased the cost of raw materials, imported cars, imported clothing, food, and anything else which we brought in. One thing is clear, we cannot stop importing because we need many basic raw materials, plus many labor intense goods which would be far too expensive to produce in the United States with our high cost of labor. So, the cold facts are that now, more than ever, we must not only import but we must export in order to keep a balance of trade.

In order to induce foreign buyers to buy our goods, particularly our large capital goods items such as hydro and nuclear powered generators, locomotives, airplanes, etc., we must offer credit terms that are at least as good as the credit terms being offered by other major exporting industrial countries. That is where the Export-Import Bank performs its duties. You may hear criticism that our Bank offers interest rates to foreign buyers of 8%, when the prevailing rates in the United States are 12% and 13%. These critics don't know the facts of life. We offer our credit only on a part of the loan, usually from 30 to 45%. The majority of the loan still comes from the commercial banks at regular rates, whereas our competitors overseas offer the total loan at very, very attractive interest rates, such as 6%—6½%—and 7% in Japan, England, and France, etc. But the important point is, we do this lending without asking the taxpayer for any assistance because we borrow money in the public market and we have the $2½ billion capital which I mentioned earlier. Therefore, our average cost of money is still only approximately 7%, while we are lending at 8%. We still make money while helping our goods to go forward in the world markets. If we do not do this, and our competitors do, the result is obvious.

Recent years have made it abundantly clear that we live on an interdependent planet with not unlimited resources. We are therefore compelled to find avenues by which we can work together with the other nations and the other peoples of the world. The Eximbank serves this other purpose of being an instrument of peace and progress. We cannot continue to emphasize the negative in our international relations. We must set aside our political differences and understand that peoples all over the world, no matter what their politics or what their government, desire the same thing. I call international trade the "spaghetti bowl avenue to peace".

When all countries become interdependent upon one another for various goods and services, we are so intertwined, like a spaghetti bowl, that no country can afford to, or is likely to, go to war against anyone else because it depends upon the other country too much, and no one can go to war against you because they need your goods and services. Furthermore, through trade we get to know each other better and fear based on ignorance disappears, and, as we know, most human conflict is caused by fear and ignorance. Today the humanitarian problems must have priority over political problems.

Therefore, trade with Socialist countries is a must. We need many of the raw materials which they have in abundance, and we can enjoy some of the products which they produce, including foodstuffs such as the Polish hams and Wyborowa Vodka that we all enjoy.

Let me turn to trade with Poland for a few moments.

There are five Directors at the Export-Import Bank. Three of us divide the world geographically, and take special responsibility for certain continents. I have all of Europe and Africa. I wish I had time to tell you about the interesting things happening on the very, very rich continent of Africa, the richest continent in the world. But time will not permit, so let's talk for just a few minutes about trade with Poland, potentially one of the richest countries in Europe.

Permit me to explain why I say "potentially one of the richest countries in Europe." In the past couple of years, we have seen a phenomenal increase in the price of minerals and all raw materials. It is precisely these countries that are most richly endowed in these basic minerals and other raw materials, that have come now to be recognized as the countries with the greatest potential. I will enumerate Poland's situation:

Coal.—The best supplies in Europe in a variety of grades of coal. At current rates of extraction, the supplies could last as long as twenty-five hundred years.

Sulphur.—World's third largest reserves.

Copper.—The largest proven reserves in Europe, and they are just beginning to be exploited with plans that will make Poland the biggest producer and processor of copper in the world.

Iron Ore.—Large new deposits have been discovered of reasonably high grade ore, enough to make Poland self-sufficient in iron ore for decades to come.

Zinc and Silver.—Fairly substantial amounts.

Salt.—Certainly everyone knows of the great salt mines of Poland which have been in operation for hundreds of years with virtually inexhaustible reserves;

Natural gas.—Abundant supplies with new reserves being found regularly.

A new excitement is *oil exploration*. Poland has spent very little money in the past on oil exploration, and the geologists indicate that there could be substantial oil reserves, both in the offshore areas in the Baltic as well as in a couple of places on land.

But, its wealth doesn't stop there. As you know, agriculture has long been the mainstay of Poland's economy. A couple of years ago Gierek removed the compulsory supply of specific quantities of agricultural products to the government stores. As a result of that, the more than 85 percent of the agricultural land which is in private hands now virtually operates on a free market basis. The results have been phenomenal. The last two years have brought an 8 percent increase each year in productivity, which is more than double than any previous year under the old system. When I was in Poland just five or six weeks ago, I was told that this year should be at least as good, with an increase that might go even to 10 percent.

Shipbuilding.—Poland stands fifth in shipbuilding today, and is recognized as one of the world's biggest shipbuilding nations. It has just signed agreements to build several new 250,000 ton tankers. Its shipyards are modern, and continuing to expand.

Tourism.—I need not tell you much about tourism because you are well aware of the hundreds of thousands of visitors who pour into Poland each year from the United States, as well as other parts of the world. If you have been there in the last several years, you know that only its need for additional hotel rooms holds back even further increases in tourism.

Industry.—It is precisely this area that is being rapidly expanded through phenomenally large investments for plant modernization and for the construction of new plants and new industries.

Labor.—Any of you who are at all familiar with Poland know that, in the last twenty-five years, an exceptional effort has been put forth for the education of the masses. Poland is virtually one hundred percent literate, and a high percentage of its young population has an excellent technical education, preparing it for assuming the duties in these rapidly expanding industries. As a matter of fact, the problem that seems to loom on the horizon is that in perhaps three to five years Poland will be faced with a labor shortage. It's a happy problem as compared to having unemployment; however, it can be a problem nonetheless, and therefore Poland is beginning to put a great emphasis on labor-saving devices and labor-saving techniques in industry.

All of this, of course, has occurred under a Socialistic system of government. We can only conjecture as to what Poland's progress might have been and what its standing could be today under a free enterprise system.

Just a few years ago, our trade with Poland—totalling the trade in both directions—hardly exceeded $100 million. This year it should reach about ¾ of a billion dollars, and by next year it should exceed $1 billion. By 1980—the end of the decade—trade should undoubtedly exceed $2 billion. Up until recently, we bought far more foodstuffs and other goods from Poland than Poland bought from us. So, we had a negative balance of trade with Poland.

For the first six months of 1974, we have sold Poland $100 million more of our goods than we have purchased from Poland. As a result, we now have a positive balance of trade with Poland. This large positive balance results from the importation by Poland of investment goods from the United States, in other words, machinery and other capital goods, most of which have been financed through credits from the Export-Import Bank and matching credits from the commercial banks. Poland has an excellent credit record, and there is every reason to believe that it will keep this record unblemished; 26 years almost no international borrowing.

It may appear that I have rambled all over from fraternalism in the community to international relations and trade. But this is not really as disjointed as it seems because it all deals with our basic need for involvement—to face up to the new challenges in the area of human problems.

If you will notice the major things being done through the United Nations these days are very humanitarian. They are *people* oriented, not political or country oriented. For example, note the big conference held in Caracas, Venezuela on the "law of the sea" (to try to put some order in the way in which we fish our food for survival out of the sea). Just recently there was a big Environmental Conference in Stockholm, Sweden, followed by a Population Conference in Bucharest, Romania, and there is a forthcoming conference on food in Rome, Italy. You and I are being represented there, and our children and their children will be affected by what happens at these conferences.

Do we or do we not want our wishes known in these worldwide conferences? Do we want a voice in the destiny of our children and grandchildren? Do we want discrimination against any and all minorities to end? Do we want our Catholic-Christian attitudes and principles to prevail? Do we want the United States to be represented by people who share our ideals? Our answer obviously must be "yes".

Then, let's get off our backsides and recognize today's needs. Let's become involved and become leaders—not sheep. This takes personal sacrifice and dedication, something our Polish forefathers had plenty of when they came here.

Our ethnic group has a heritage of individualism, independence, patriotism, leadership, love of freedom and personal liberty. And when I say "individualism," I mean individual freedom, individual dignity, and above all, inividual *responsibility*. And, if you'll please excuse the comparison, we are hound dogs, not *lap* dogs. We don't seek handouts; we take care of ourselves. Let's espouse and promote these ideals instead of polkas, vodka and "Kielbasa," (all of which I truly enjoy).

In closing, permit me to repeat, "Let's work in unity for the preservation of our cherished diversity." Let's involve our Polish-American fraternals in the new challenges that face the world. Let's do our part to keep America a free and beautiful land for our children and the generations that follow.

Thank you.

DR. OLIVER S. WILLHAM

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, Dr. Oliver S. Willham, president-emeritus of Oklahoma State University, died early Sunday, September 29, in Stillwater, Okla., following a long bout with cancer. He was 73 years old.

Dr. Willham was the first OSU graduate to become president of the University, a post which he ably held for 14 years. During his tenure, OSU grew rapidly in size and reputation, but Dr. Willham took special pride in the university's emphasis on the individual student and faculty member. He himself was widely known for his ready accessibility, particularly to students.

Following his retirement in 1966, after 43 years of service to higher education in Oklahoma, Dr. Willham remained active in civic, charitable, professional, and church organizations. He was the recipient of numerous honors, including election to the Oklahoma Hall of Fame.

Oliver Willham will be remembered fondly by those whose lives he touched, and by the future generations who will benefit from his life's work.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. COHEN (at the request of Mr. ARENDS), for today, on account of attending the funeral of former Congressman Clifford G. McIntire.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GUYER) to revise and extend their remarks and include extraneous material:)

Mr. HOGAN, for 20 minutes, today.
Mr. KEMP, for 15 minutes, today.
Mr. STEELMAN, for 5 minutes, today.
Mr. WIDNALL, for 5 minutes, today.
Mr. GOLDWATER, for 5 minutes, today.
Mr. BRAY, for 10 minutes, today.
Mr. MIZELL, for 5 minutes, today.
Mr. BAUMAN, for 5 minutes, today.

(The following Members (at the request of Mr. JOHN L. BURTON) to revise and extend their remarks and include extraneous material:)

Mr. DRINAN, for 15 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. MURPHY of New York, for 10 minutes, today.
Mr. FLOOD, for 5 minutes, today.
Mr. YATRON, for 5 minutes, today.
Mr. KOCH, for 5 minutes, today.
Mr. FUQUA, for 5 minutes, today.
Mr. MCFALL, for 5 minutes, today.
Mr. CORMAN, for 5 minutes, today.
Mr. EILBERG, for 5 minutes, today.
Mr. DE LA GARZA, for 5 minutes, today.
Mr. DANIELSON, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. FLOOD, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the CONGRESSIONAL RECORD and is estimated by the Public Printer to cost $625.50.

(The following Members (at the request of Mr. GUYER) and to include extraneous matter:)

Mr. HUNT.
Mr. CLANCY in two instances.
Mr. CRANE in five instances.
Mr. GILMAN in two instances.
Mr. ESCH in two instances.
Mr. WIDNALL.
Mr. WYMAN in two instances.
Mr. SYMMS in three instances.
Mr. WYDLER.
Mr. ARCHER.
Mr. SMITH of New York.
Mr. HOSMER in three instances.
Mr. BAFALIS in five instances.
Mr. WAMPLER.
Mr. LAGOMARSINO.
Mr. HUBER.
Mr. BRAY in three instances.
Mr. MIZELL in five instances.
Mr. PRITCHARD.
Mr. TAYLOR of Missouri.
Mr. LOTT.

(The following Members (at the request of Mr. JOHN L. BURTON) and to include extraneous matter:)

Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. ANDERSON of California in two instances.
Mr. OBEY.
Mr. KYROS.
Mr. GAYDOS.
Mr. RODINO.
Mr. CORMAN.
Mr. BLATNIK.
Mr. VAN DEERLIN.
Mr. EILBERG.
Mr. HARRINGTON in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3265. An act to amend the Jury Selection and Service Act of 1968, as amended (28 U.S.C. 1861 et seq.), by revising the section on fees, section 1871, and by adding a new section 1875, and for other purposes; to the Committee on the Judiciary.

[Omitted from the Record of Oct. 2, 1974]

S. 3817. An act to amend the National Bank Act, the Federal Deposit Insurance Act, the National Housing Act, the Small Business Investment Act, and for other purposes; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4861. An act to amend the Act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes;

H.R. 10088. An act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes; and

H.R. 11546. An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 4861. An act to amend the Act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes;

H.R. 10088. An act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes;

H.R. 11546. An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes; and

H.R. 16102. An act to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October 1974 through the last Sunday in February 1975.

ADJOURNMENT

Mr. JOHN L. BURTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 11 minutes p.m.), under its previous order, the House adjourned until Monday, October 7, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2821. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting a copy of an international agreement other than a treaty entered into by the United States, pursuant to Public Law 92–403; to the Committee on Foreign Affairs.

2822. A letter from the Assistant Attorney General for Administration, transmitting the Department of Justice's annual report for fiscal year 1974 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

2823. A letter from the Assistant Secretary of Agriculture for Administration, transmitting the Department's annual report for fiscal year 1974 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

2824. A letter from the Administrator, National Aeronautics and Space Administration, transmitting NASA's annual report for fiscal year 1974 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

2825. A letter from the Secretary of the Interior, transmitting a proposed plan for the use and distribution of Yankton Sioux judgment funds awarded in docket 332–B before the Indian Claims Commission, pursuant to section 2(a) of Public Law 93–134 (87 Stat. 466); to the Committee on Interior and Insular Affairs.

2826. A letter from the Chairman, U.S. Consumer Product Safety Commission, transmitting a transcript of hearings held between the Commission and the Office of Management and Budget concerning the Commission's budget proposals for fiscal year 1976, pursuant to section 27(k)(1) of Public Law 92–573 (86 Stat. 1229); to the Committee on Interstate and Foreign Commerce.

2827. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation, together with a list of the persons involved, pursuant to section 244(a)(1) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254 (c)(1)]; to the Committee on the Judiciary.

2828. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a copy of the order suspending deportation in the case of Mr. Sun Hing Dong, pursuant to section 244(a)(2) of the Immigration and Nationality Act, as amended [8 U.S.C. 1254 (c)(1)]; to the Committee on the Judiciary.

2829. A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide for the defense of judges and judicial officers sued in their official capacities; to the Committee on the Judiciary.

2830. A letter from the Under Secretary of the Air Force, transmitting a report on Air Force military construction contracts awarded without formal advertisement during fiscal year 1974, pursuant to section 704 of Public Law 92-545; to the Committee on Armed Services.

2831. A letter from the General Manager, U.S. Atomic Energy Commission, transmitting the Commission's annual report for fiscal year 1974 on its disposal of foreign excess property, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949 [40 U.S.C. 514(d)]; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALEY: Committee on Interior and Insular Affairs. S. 2439. An act to amend the Wild and Scenic Rivers Act of 1968 by designating a segment of the New River as a potential component of the National Wild and Scenic Rivers System; with amendment (Rept. No. 93-1419). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.J. Res. 1117. Joint resolution to provide for the establishment of the American Indian Policy Review Commission (Rept. No. 93-1420). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 1227. An act to amend section 415 of the Communications Act of 1934, as amended, to provide for a 2-year period of limitations in proceedings against carriers for the recovery of overcharges or damages not based on overcharges (Rept. 93-1421). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 1479. An act to amend subsection (b) of section 214 and subsection (c)(1) of section 222 of the Communications Act of 1934, as amended, in order to designate the Secretary of Defense (rather than the Secretaries of the Army and the Navy) as the person entitled to receive official notice of the filing of certain applications in the common carrier service and to provide notice to the Secretary of State where under section 214 applications involve service to foreign points (Rept. No. 93-1422). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 2457. An act to amend the Communications Act of 1934, as amended, to permit the Federal Communications Commission to grant radio station licenses in the safety and special and experimental radio services directly to aliens, representatives of aliens, foreign corporations, or domestic corporations with alien officers, directors, or stockholders; and to permit aliens holding such radio station licenses to be licensed as operators (Rept. No. 93-1423). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee of conference. Conference report on H.J. Res. 1131 (Rept. No. 93-1424). Ordered to be printed.

Mr. BLATNIK: Committee on Public Works. H.R. 17026. A bill relating to former Speakers of the House of Representatives (Rept. No. 93-1425). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H.R. 17027. A bill to amend the National Visitor Center Facilities Act of 1968 (Rept. No. 93-1426). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee of Conference. Conference report on S. 386 (Rept. No. 93-1427). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS (for himself, Mr. Ullman, and Mr. Corman):

H.R. 17045. A bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States; to the Committee on Ways and Means.

By Mr. BROWN of Michigan (for himself and Mr. Hanna):

H.R. 17046. A bill to provide mortgage credit assistance to the housing industry; to the Committee on Banking and Currency.

By Mr. DINGELL (for himself and Mr. Kuykendall):

H.R. 17047. A bill to amend the Federal Aviation Act of 1958 to prohibit the solicitation or acceptance of rebates by shippers of property in air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

My Mr. DOWNING (for himself, Mr. Breaux, Mr. Butler, Mr. Roe, Mr. Riegle, Mr. Studds, Mr. Bauman, Mr. Mr. Satterfield, Mr. Dingell, Mr. Whitehurst, Mr. Dan Daniel, Mr. Sandman, Mr. Robert W. Daniel, Jr., Mr. Ginn, and Mr. Kyros):

H.R. 17048. A bill to protect the domestic fishing industry by granting to it the same protections granted to the coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. FREY:

H.R. 17049. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WIDNALL (for himself, Mr. Blackburn, Mr. J. William Stanton, and Mrs. Heckler of Massachusetts):

H.R. 17050. A bill to provide mortgage credit assistance to the housing industry; to the Committee on Banking and Currency.

By Mr. GILMAN:

H.R. 17051. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HEINZ:

H.R. 17052. A bill to amend the Internal Revenue Code of 1954 to extend and liberalize the amortization provisions for pollution control facilities; to the Committee on Ways and Means.

By Mr. HUBER:

H.R. 17053. A bill to amend the Social Security Act to prohibit the disclosure of an individual's social security number without his consent unless specifically required by law, and to provide that (unless so required) no individual may be compelled to permit the use of his social security number for any purpose not directly related to the operation of the old-age, survivors, and disability insurance program, to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 17054. A bill to impose additional standards with respect to the construction, conversion, and operation of oil tankers in order to prevent the pollution of the marine environment, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KYROS (for himself and Mr. Carney of Ohio):

H.R. 17055. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

By Mr. LANDGREBE:

H.R. 17056. A bill to amend the act of November 5, 1966, providing for the establishment of the Indiana Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LITTON (for himself, Mr. Bevill, Mr. Breckinridge, Mr. Heinz, Mr. Koch, Mr. Melcher, Mr. Whitehurst, Mr. Gude, Ms. Schroeder, Mr. Anderson of Illinois, Mr. Conyers, Mr. Pritchard, Mr. Hechler of West Virginia, Mr. Satterfield, Mr. Quie, Mr. Giaimo, Mr. Kemp, Mr. Mosher, Mr. Ruppe, Mr. Ware, Mr. Whalen, Mr. Boland, Mr. Roe, and Mr. McSpadden):

H.R. 17057: A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. LONG of Maryland (for himself, Mr. Whitehurst, Mr. Harrington, Mr. Young of Alaska, Mr. Koch, Mr. Carney of Ohio, Ms. Abzug, Mr. Moakley, Mr. Sandman, and Mr. Casey of Texas):

H.R. 17058. A bill to amend the Internal Revenue Code of 1954 to provide individuals a limited exclusion from gross income for interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. LUKEN (for himself, Mr. Murphy of New York, and Mr. Nix):

H.R. 17059. A bill to amend title XVI of the Social Security Act to require that the value of maintenance and support furnished an individual by a nonprofit retirement home be excluded from income for the purpose of determining eligibility for supplemental security income benefits under such act; to the Committee on Ways and Means.

By Mr. MIZELL:

H.R. 17060. A bill to prohibit the imposition of fees or additional taxes on the sale of petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. REES:

H.R. 17061. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 17062. A bill to amend the Federal Reserve Act to permit the Federal Reserve Board to allocate credit to national priority needs; to the Committee on Banking and Currency.

H.R. 17063. A bill to reform consent decree procedures, to increase penalties for violation of the Sherman Act, and to revise the Expediting Act as it pertains to appellate review; to the Committee on the Judiciary.

By Mr. ROE (for himself, Mr. Clay, and Mr. Litton):

H.R. 17064. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H.R. 17065. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. STEELMAN (for himself, Mr. McKAY, Mr. ANDERSON of Illinois, Mr. ADAMS, and Mr. STOKES):

H.R. 17066. A bill to enforce the first amendment and fourth amendment to the Constitution and the constitutional right of privacy by prohibiting any civil officer of the United States or any member of the Armed Forces of the United States from using the Armed Forces of the United States to exercise surveillance of civilians or to execute the civil laws, and for other purposes; to the Committee on the Judiciary.

By Mr. STRATTON (for himself, Mr. ABDNOR, Mr. ASHLEY, Mr. ASPIN, Mr. BADILLO, Mr. BROWN of California, Mr. CAREY of New York, Mr. CARNEY of Ohio, Mr. DEL CLAWSON, Mr. DIGGS, Mr. DRINAN, Mr. FAUNTROY, Mr. FREY, Mr. GILMAN, Mr. GINN, Mr. GOODLING, Mr. HARRINGTON, Mr. HAWKINS, Mr. HELSTOSKI, Mr. HICKS, Ms. HOLTZMAN, and Mr. HOWARD):

H.R. 17067. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STRATTON (for himself, Mr. ICHORD, Mr. JOHNSON of Pennsylvania, Mr. LUKEN, Mr. McKINNEY, Mr. MARAZITI, Mr. MICHEL, Mr. MITCHELL of New York, Mr. MORGAN, Mr. NICHOLS, Mr. RIEGLE, Mr. ROE, Mr. ROSENTHAL, Mr. SARBANES, Mr. STUDDS, Mr. THOMPSON of New Jersey, Mr. VAN DEERLIN, Mr. WALSH, Mr. WHITEHURST, Mr. WILLIAMS, Mr. WON PAT, and Mr. WRIGHT):

H.R. 17068. A bill to prohibit any increase in the price of certain consumer commodities by any retailer once a price is placed on any such commodity by such retailer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TREEN:

H.R. 17069. A bill to amend the Clean Air Act to declare that it is not the intent of the act to require or authorize standards more stringent than primary and secondary ambient air quality standards; to the Committee on Interstate and Foreign Commerce.

By Mr. TREEN (by request):

H.R. 17070. A bill to amend the Tariff Schedules of the United States in order to permit, under certain conditions, the importation of alcoholic beverages by returning residents who are age 18 but not age 21 or over; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 17071. A bill to suspend until the close of June 30, 1977, the duties on calcined petroleum coke not commercially suitable for use as a fuel; to the Committee on Ways and Means.

By Mr. ULLMAN (for himself and Mr. McCORMACK):

H.R. 17072. A bill to amend the Geothermal Steam Act of 1970 to establish preferred status for public utilities with respect to bidding for lands to be leased under the provisions of such act; to the Committee on Interior and Insular Affairs.

By Mr. DONOHUE:

H.R. 17073. A bill to amend the Tariff Schedules of the United States to provide for the duty-free entry of potassium fluotantalate and synthetic tantalite/columbite concentrate; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 17074. A bill to provide for the monthly publication of a Consumer Price Index for the Aged which shall be used in the provision of cost-of-living benefit increases authorized by title II of the Social Security Act; to the Committee on Ways and Means.

H.R. 17075. A bill to amend title II of the Social Security Act to provide that the automatic cost-of-living increases in benefits which are authorized thereunder may be made on a semiannual basis (rather than only on an annual basis as at present); to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 17076. A bill to establish a fuel stamp program which will provide fuel stamps to certain low-income elderly households to help meet fuel costs incurred by such households; to the Committee on Interstate and Foreign Commerce.

By Mr. HASTINGS (for himself, Mr. NELSEN, and Mr. HEINZ):

H.R. 17077. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MARAZITI:

H.R. 17078. A bill to prevent windfall profits in the sale of food; to the Committee on Agriculture.

By Mr. MIZELL:

H.R. 17079. A bill to exclude from gross income the first $1,000 of interest on deposits in savings institutions; to the Committee on Ways and Means.

By Mr. MOORHEAD of Pennsylvania:

H.R. 17080. A bill to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes; to the Committee on House Administration.

By Mr. MYERS:

H.R. 17081. A bill to amend section 303 of the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. PIKE:

H.R. 17082. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO:

H.R. 17083. A bill to prohibt the shipment in interstate commerce of dogs and other animals intended to be used to fight dogs or other animals for purposes of sport, wagering, or entertainment; to the Committee on the Judiciary.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. CARTER, Mr. HEINZ, and Mr. HUDNUT):

H.R. 17084. A bill to amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS (for himself, Mr. KYROS, Mr. PREYER, Mr. SYMINGTON, Mr. ROY, Mr. CARTER, Mr. HASTINGS, Mr. HEINZ and Mr. HUDNUT):

H.R. 17085. A bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training; to the Committee on Interstate and Foreign Commerce.

By. Mr. ROY:

H.R. 17086. A bill to prohibit the Federal Energy Administration from imposing any tax or fee on gasoline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H.R. 17087. A bill to authorize the Secretary of Agriculture to convey certain lands in the Sierra National Forest, Calif., to the Madera Cemetery District; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY:

H.J. Res. 1154. Joint resolution proposing an amendment to the Constitution of the United States to provide for the special election of a Vice President in cases of vacancy in that office; to the Committee on the Judiciary.

By Mr. GUDE (for himself and Mr. STOKES):

H.J. Res. 1155. Joint resolution to require the Watergate Special Prosecution Force to make available to the public a report on all information it has concerning Richard M. Nixon in offenses against the United States; to the Committee on the Judiciary.

By Mr. LENT:

H.J. Res. 1156. Joint resolution proposing an amendment to the Constitution of the United States relative to the balancing of the budget; to the Committee on the Judiciary.

By Mr. CONLAN:

H. Con. Res. 655. Concurrent resolution to provide an opportunity for an orderly and cohesive policy toward inflation and economic stability by declaring a reduction in all appropriations for fiscal year 1975; to the Committee on Government Operations.

H. Con. Res. 656. Concurrent resolution to provide an opportunity for an orderly and cohesive policy toward reducing the rate of inflation; to the Committee on Government Operations.

By Mr. HUBER (for himself and Mr. MATHIAS of California):

H. Con. Res. 657. Concurrent resolution to provide an opportunity for an orderly and cohesive policy toward reducing the rate of inflation; to the Committee on Government Operations.

By Mr. CONABLE:

H. Res. 1412. Resolution amending rule XIII of the Rules of the House to require reports accompanying each bill or joint resolution of a public character (except revenue measures) reported by a committee to contain estimates of the costs, to both public and nonpublic sectors, of carrying out the measure reported; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FORSYTHE introduced the following bill (H.R. 17088) for the relief of Renato Riva, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

529. By the SPEAKER: Petition of Robert Hilton Simmons, Washington, D.C., relative to his ejection from a press conference at the Hirshhorn Museum; to the Committee on the Judiciary.

530. Also, petition of the National Association of State Budget Officers, Jackson Hole, Wyo., relative to general revenue sharing; to the Committee on Ways and Means.

SENATE—*Thursday, October 3, 1974*

The Senate met at 11 a.m. and was called to order by Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Our God and Father, who has placed us here and given us work to do, give us grace to do it as in Thy sight. Deliver us from the coldness of heart which keeps us from Thee, from spiritual blindness which obscures Thee, from all insensitiveness and skepticism which will not trust Thy love. Under Thy guidance and by Thy power, make us allies in high and in humble tasks, that we may give our best service to the Nation. Keep us so close to Thee that Thy providence may be fulfilled in the movement of history. Grant us peace in our hearts and peace among men and nations.

Through Him who is Prince of Peace and Lord of Lords. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 3, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WALTER D. HUDDLESTON, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HUDDLESTON thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, October 2, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nomination will be stated.

DEPARTMENT OF THE INTERIOR

The second assistant legislative clerk read the nomination of Lynn Adams Greenwalt, of Maryland, to be Director of the U.S. Fish and Wildlife Service.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER FOR CONSIDERATION ON TUESDAY OF H.R. 12993, BROADCAST LICENSE RENEWAL ACT

Mr. MANSFIELD. Mr. President, it is the intention of the leadership to call up, on Tuesday next, Calendar No. 1133, H.R. 12993, a bill to amend the Communications Act of 1934 to provide that licenses for the operation of broadcasting stations may be issued and renewed for terms of 4 years, and for other purposes. After consultation all around, I should like to make a unanimous-consent request in relation to this measure.

I ask unanimous consent that there be a limitation of 1 hour on the bill, one-half hour on amendments, 15 minutes on amendments to amendments, motions or appeals; that rule XII be waived; and that the regular procedure be followed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the calendar, beginning with Calendar No. 1137, up to and including Calendar No. 1147.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DR. LAWRENCE CHIN BONG CHAN

The bill (S. 1534) for the relief of Dr. Lawrence Chin Bong Chan, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Lawrence Chin Bong Chan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas and conditional entries which are made available to natives of the country of the alien's birth under paragraphs (1) through (8) of section 203(a) of the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1196), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Dr. Lawrence Chin Bong Chan. The bill provides for the payment of the required visa fee and for an appropriate visa number deduction.

JOSE ISMARNARDO REYES-MORELOS

The Senate proceeded to consider the bill (S. 3397) for the relief of Jose Ismarnardo Reyes-Morelos, which had been reported from the Committee on the Judiciary with an amendment on page 1, in line 8, after "States", strike out "and the provisions of section 245(c) of the Act shall be inapplicable in this case", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, section 204(c) of the Act, relating to the number of petitions which may be approved in behalf of children, shall be inapplicable in the case of a petition filed in behalf of Jose Ismarnardo Reyes-Morelos by Mr. and Mrs. Lawrence A. Lemmen, citizens of the United States: *Provided,* That the brothers or sisters of the beneficiary shall not by virtue of such relationship be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1198), explaining the purposes of the measure.

There being no objection, the excerpt

was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry of the beneficiary into the United States as an immediate relative of the U.S. citizen parents by whom he is to be adopted. The purpose of the amendment is to delete reference to section 245(c), since the beneficiary is not in the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LUCILLE DE SAINT ANDRE

The bill (H.R. 6477) for the relief of Lucille de Saint Andre was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1197), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to waive the excluding provision of existing law relating to one who has been arrested for a crime involving moral turpitude in behalf of Lucille de Saint Andre.

INCREASE IN DUES FOR INTERNATIONAL CRIMINAL POLICE ORGANIZATION

The Senate proceeded to consider the bill (H.R. 14597) to increase the limit on dues for U.S. membership in the International Criminal Police Organization, which had been reported from the Committee on the Judiciary with an amendment on page 1, at the end of line 9, strike out "$20,000" and insert in lieu thereof "$30,000".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1199), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL AS AMENDED

The purpose of H.R. 14597, as amended, is to substitute $120,000 for the present statutory ceiling of $80,000 on the total annual dues authorized to be paid for membership of the United States in the International Criminal Police Organization (Interpol) and to authorize payment of $30,000 to meet the unpaid balance of dues for calendar year 1973, which has not been paid because of the existing $80,000 ceiling.

United States participation dates from 1938 when the Department of Justice, through the Federal Bureau of Investigation, acted as the first U.S. representative to Interpol. An informal affiliation of the Department of the Treasury with that organization commenced in 1951 and in 1958 that department was officially designated as the U.S. representative to Interpol.

Interpol maintains a secretariat in Paris staffed by experts in various fields and its primary purpose is to coordinate international law enforcement efforts by compiling and exchanging with member governments information concerning international criminal operations. In order to fulfill this objective, Interpol has established a complex communications network consisting of an international radio network as well as telex and cable facilities. In addition to collecting, exchanging and retrieving information on international criminal activities. Interpol organizes seminars and schedules meetings to consider law enforcement issues of international concern. It also conducts research projects and publishes articles on topics ranging from new criminal investigative techniques to police ethics.

The Treasury Department has advised the Committee that the United States receives valuable information and services from Interpol especially in the area of combating international narcotics traffic, smuggling, counterfeiting and forgery. Furthermore, as a result of the increasing awareness by the member countries of the services provided by Interpol, the case load of that organization is increasing. Due to the rising international crime rate and the increasing ease and availability of international travel, greater reliance is being placed upon Interpol's role in combating such crime. For example, the Washington office of Interpol processed a total of 3,918 foreign and domestic requests for investigative information in Fiscal Year 1973. Of this number, 1,098 were requests from U.S. enforcement agencies for foreign investigations—representing an 800% increase over similar U.S. requests that were made in Fiscal Year 1969.

The Committee is convinced that U.S. membership in Interpol is of substantial value.

The present statutory limitation of $80,000 per year falls short of the current dues assessment of $91,251 applicable to the United States as a so-called "Group I member" (other Group I members which each pay approximately 6% of the total dues of the organization are France, Germany, the United Kingdom, and Italy). As a result, the United States will be unable to pay its 1974 dues and a portion of the calendar year 1973 dues remains unpaid. In addition, the Committee has been advised that the General Assembly of Interpol is expected to vote an additional 21% increase in September of this year which will raise the U.S. dollar equivalent in dues to approximately $117,420 at the current exchange rate.

This bill is designed to raise the limit on annual dues from $80,000 to $120,000, thereby enabling the United States to pay its proportionate share of annual dues and to provide a small cushion to account for future fluctuations in the money market.

In accordance with a committee amendment, H.R. 14597 also authorizes the amount of $30,000 for the payment of unpaid calendar year 1973 dues. As passed by the House of Representatives, the authorization for payment of back dues in the subject bill was limited to $20,000. However, it was necessary to amend the House-passed measure in this one respect in order to correct a clerical error of the Department of the Treasury (see Executive Communication of August 1, 1974, *infra.*).

The 1973 deficiency amounts to $22,382.52 in current American dollars. The $30,000 ceiling will allow the United States to become current in its dues and provide the flexibility to meet the almost daily fluctuation in international exchange markets.

CONCLUSION

Although sound arguments can be advanced for providing a somewhat broader margin for dues payments to Interpol, the Committee recommends the prompt enactment of the subject bill as reported in order to obviate the possibility of further embarrassment for failure to promptly meet a relatively minor financial responsibility.

REFERRAL OF BILL TO THE COURT OF CLAIMS

The resolution (S. Res. 203) to refer the bill (S. 2698) for the relief of John J. Egan to the Chief Commissioner of the Court of Claims was considered and agreed to, as follows:

Resolved, That S. 2698, entitled "A bill for the relief of John J. Egan", together with all accompanying papers, is hereby referred to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code, for further proceedings in accordance with applicable law.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1201), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the resolution is to refer the bill, S. 2698, entitled "A bill for the relief of John J. Egan", now pending in the Senate together with all the accompanying papers, to the Chief Commissioner of the U.S. Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any legally or equitably due from the United States to the claimant.

STATEMENT

The facts of the referred bill, S. 2698, as contained in the Department of the Navy report, are as follows:

"After Mr. John J. Egan had served on active duty in the grade of first lieutenant in the Marine Corps Reserve, he was relieved from active duty on October 28, 1943, and discharged on April 11, 1944, as not physically qualified for active duty by reason of permanent psychosis.

"On April 7, 1948, pursuant to a decision by the Board for Correction of Naval Records, the Commandant of the Marine Corps issued orders cancelling Mr. Egan's discharge of April 11, 1944, and substituting an honorable discharge without reference to physical disqualification.

"Mr. Egan subsequently filed suit in the Court of Claims in regard to his service. The Court concluded that (1) his promotion to captain effective March 1, 1943, had been improperly withheld; (2) his October 28, 1943, release from active duty was illegal; (3) his discharge did not validly occur until April 7, 1948; and (4) he continued in an active duty status until the date of his valid discharge. Consequently, he was awarded a judgment for the difference between the pay and allowances of a captain and those of a first lieutenant from March 1, 1943, to October 28, 1943, and for the pay and allowances of a captain from October 29, 1943, to April 7, 1948, less net civilian earnings for this period. See *Egan* v. *United States*, 141 Ct. Cl. 1. It appears that Mr. Egan is now seeking additional payments for the period after April 7, 1948, a period not covered by the Court of Claims decision. "The Department of the Navy has been advised that S. Res. 203 has been introduced to effect the referral of S. 2698 to the Court of Claims for a finding of facts and the formulation of conclusions sufficient to inform the Congress whether Mr. Egan's claim is in law or in equity or is a gratuity, and of the amount, if any, which is legally or equitably due him.

"In view of the foregoing, the Department of the Navy has no objection to the enactment of S. Res. 203. The Department of the Navy recommends that no action be taken on S. 2698 pending receipt by the Committee of a report from the chief commissioner of the Court of Claims."

The Committee, in the consideration of this legislation, believes that there are sufficient facts set forth to justify the finding that the resolution should be referred to the Chief Commissioner of the Court of Claims to report thereon, giving his findings of fact and conclusions sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, and the amount, if any, which might be due from the United States. Accordingly, the Committee recommends favorable consideration of Senate Resolution 203, without amendment.

Favorable action on this resolution would be in accordance with established precedents.

DONALD L. TYNDALL, ET AL.

The bill (H.R. 3532) for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–1202), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to pay the persons named below the amounts shown in full settlement of their claims against the United States for medical and hospital expenses, funeral expenses, personal injuries, death, property damage and other damage resulting from an automobile accident involving a U.S. Marine Corps truck driven by a member of the Marine Corps which occurred in North Carolina near the town of Beulaville on October 5, 1967.

Donald L. Tyndall, $24,000.00

Bruce Edward Tyndall, a minor, $12,000.00.

Kimberly Fay Tyndall, a minor, $2,000.00.

Lisa Michele Tyndall, a minor, $12,000.00.

The bill would provide the payments in behalf of the minors would be paid to the Clerk of the Superior Court of Duplin County, North Carolina to be administered under North Carolina general statute 7A–111 entitled "Receipts and Disbursements of Insurance and other Moneys of Minors and Incapacitated Adults".

STATEMENT

The facts of this case, as contained in House Report 93–1005, are as follows:

"On the evening of October 5, 1967, Donald L. Tyndall, then 24 years of age, with his wife Elizabeth—24, and their three small children, was driving a 1957 Chevrolet on Highway 24 in Duplin County, North Carolina near the town of Beulaville. While apparently attempting to pass another vehicle, Private First Class Robert H. Braathe, U.S. Marine Corps, drove a Government owned six wheel stake truck head on into the Tyndall vehicle. The Tyndall car was totally destroyed, Mrs. Elizabeth M. Tyndall was killed and Donald L. Tyndall and their children all suffered injuries. Private First Class Braathe was also killed in the collision. Subsequent investigation indicated that the Marine driver was intoxicated and had taken the truck without permission. As a result of the foregoing circumstances and a subsequent court proceeding, it was held that the Marine driver was not acting within the scope of his employment. The action was brought in a United States district court under the Federal Tort Claims Act but the determination as to lack of official duty status was the basis of a dismissal. The decision was affirmed on appeal.

"A subcommittee hearing on the bill H.R. 3532 was held on October 31, 1973. In addition to the testimony presented at the hearing, the subcommittee requested and received from the Department of the Navy copies of depositions taken in 1968 of witnesses in the civil proceedings in the Federal Court, *Donald L. Tyndall* v. *United States;* statements obtained from witnesses in the course of the investigation by Marine authorities of the accident; and a copy of the Marine Corps investigation report of the accident. On the basis of its consideration of all the facts of the matter, this committee has concluded that this is an appropriate case for legislative relief in the reduced amounts recommended in the committee amendment. As outlined in its report on the bill, the Department of the Navy has opposed relief. However, the Navy position as amplified by its testimony at the hearing, is primarily based upon the right of the claimants to recover under the law applicable to tort proceedings or the laws governing administrative relief administered by the Department. The bill H.R. 3532 embodies an appeal to Congress for the redress of grievances. The Navy report itself recognizes that legislative action in cases such as these is based upon a congressional recognition of a moral obligation. Of course, this authority extends beyond the departmental authority referred to by the Navy which is provided in section 2737 of Title 10 of the United States Code.

"The power of Congress to recognize moral or equitable claims has been exercised since the early days of the Republic. The Supreme Court in the case of *United States* v. *Realty Co.* 163 U.S. 427 (1896) commented on this power of Congress. The court pointed out that the language of Article 1, section 8 of the power to lay and collect taxes "to pay the the Constitution provides the Congress with the power to lay and collect taxes "to pay the debts of the United States." It held that these debts are not limited to those evidenced by some written obligation or those of a strictly legal character. Specifically, the Court stated that:

" 'The nation, speaking broadly, owes a 'debt' to an individual when his claim grows out of general principles of right and justice; when, in other words it is based upon considerations of a moral or merely honorary nature, such as are binding on the conscience or the honor of an individual, although the debt could obtain no recognition in a court of law. The power of Congress extends at least as far as the recognition and payment of claims against the government which are thus founded * * *'

"The committee finds that the facts and circumstances of this case do involve particular equities which provides the basis for relief.

"The facts developed by the investigation establish that this accident was caused by a Marine who was operating the truck. The same investigation made it clear that the acts and omissions of other Marine Corps personnel in failing to take appropriate action, created a set of circumstances that enabled an intoxicated member of the Marine Corps to gain access to the keys of a truck after having been observed to have been under the influence of alcohol, appropriate that truck and drive it through a guarded gate of the Marine facility onto a public highway. He then caused an accident, the consequences of which have been borne by the Tyndall family without compensation.

"The Navy investigation found that the Marine who took the truck was observed by a number of persons on the Marine base who subsequently testified that he was under the influence of alcohol when they saw him prior to his taking the truck. The investigation also stated that he was observed in the barracks with alcoholic beverage contrary to existing regulations prior to taking the vehicle. The investigation further found that the vehicle taken by the Marine was not turned in to the Motor Pool on the day it was taken in accordance with existing orders and verbal instructions. It was also found that the keys were not removed from the vehicle in accordance with applicable Marine regulations.

"The committee feels that the most significant omission in this case was the failure on the part of Marine personnel to properly control the vehicle and, in particular, the failure to stop the vehicle from leaving the base. The investigation found that the Marine Private left the Marine Corps Air facility at about 10:00 P.M. on October 5, 1967 through or adjacent to the main gate with the Government vehicle and that the gate sentries either failed to notice the truck or failed to attempt to stop it. The findings in the investigation included a statement that the physical area of the base is such that it prohibits the exit of any wheeled vehicles from the facility except in an area within 40 yards of the main gate.

"The committee points out that had proper diligence been exercised concerning the matters outlined above, this tragic accident could have been averted. The committee amendment provides for payments based on general principles of equity and justice. It should also be noted that, as provided in the committee amendment to the bill, the payments in behalf of the minor children would be made to the Clerk of the Superior Court of Duplin County, North Carolina, to be administered under North Carolina general statute 7A–111 entitled "Receipts and Disbursements of Insurance and other Moneys of Minor and Incapacitated Adults." The committee has been advised that this North Carolina statute would make it possible for the court to supervise the administration and disbursement of the funds paid in behalf of the minor children as provided in the amended bill. It is concluded that the facts of the matter justify the payments provided for in the committee amendment and it is recommended that the bill be considered favorably."

In agreement with the views of the House of Representatives this Committee recommends that the bill be favorably considered.

THOMAS C. JOHNSON

The bill (H.R. 6202) for the relief of Thomas C. Johnson was considered, ordered to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–1203), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to relieve Thomas C. Johnson of liability in the sum of $2,382.94 for overpayments of active duty pay as a member of the United

States Army from July 5, 1967, to July 4, 1969, which liability arose as the result of an administrative error in crediting him with service in the Advanced Reserve Officers' Training Corps program.

AMENDMENT OF THE MILITARY PERSONNEL AND CIVILIAN EMPLOYEES' CLAIMS ACT OF 1964

The bill (H.R. 7135) to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damages to, or loss of, personal property incident to their service, was considered, ordered, to a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93-1204), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

Purpose

The purpose of the proposed legislation is to amend section 3 of the Military Personnel and Civilian Employees' Claims Act of 1964, to increase the limit on payments for losses of personal property incident to federal service from $10,000 to $15,000.

STATEMENT

The facts of this case, as contained in House Report number 93-1320, are as follows:

"The Department of State and the Department of the Air Force in their reports to the Committee stated they were in favor of the amendment. A favorable report was also received from the Civil Service Commission.

"The bill H.R. 7135, as amended by the Committee, would amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended (31 U.S.C. 240-243) to increase from $10,000 to $15,000 the amount of a claim for damage to or loss of personal property incident to service which may be paid by—

"(a) The Secretary of a military department, when the claim is made by a member of the uniformed services under the jurisdiction of, or by a civilian officer or employee of, that department;

"(b) the Secretary of Transportation, when the claim is made by a member of the uniformed services under the jurisdiction of, or by a civilian officer or an employee of, the Coast Guard when it is not operating as a part of the Navy; or

"(c) the Secretary of Defense, when the claim is by a civilian employee of the Department of Defense not under the jurisdiction of a military department or the Coast Guard.

"H.R. 7135, as amended by the Committee, would, in addition, increase to $15,000 the amount of such a claim which may be paid by the head of any other agency, when a claim is made by a member of the uniformed services under the jurisdiction of that agency or by a civilian officer or employee of that agency. Some of these other agencies now may pay a claim for no more than $10,000; some only a claim for no more than $6,500.

"As to the Military Departments and the Coast Guard, the present limitation on the payment of personnel claims incident to service was established in 1965. The elements of the Department of Defense and the Coast Guard have demonstrated their ability to administer this Act, as well as the other laws authorizing payment of claims against the United States, with fairness to the claimants and concern for the protection of the public funds. Since the $10,000 limitation was established, the cost of repairing or replacing property of the type whose loss or damage may give rise to claims within the terms and purpose of this Act has increased significantly. The increase is due primarily to the general inflationary trend which has raised the price of virtually all household items. One method of calculating increased costs of such goods is the consumer price index. According to the U.S. Bureau of Labor Statistics, the consumer price index in May 1964 was 92.7, and in May 1973 it was 131.5, an increase of 41.9 percent. If this increase is correlated with the Congressional intent in 1964, when the $10,000 limit was established, at least $14,190 would be required to provide the same protection today A $15,000 limit appears to be more in line with the current value of such property or its repair. An increase in the limit to $15,000 would thus serve to maintain the level of protection that was previously considered appropriate for this property by Congress as a matter of fairness, support for morale, of Government personnel. As to the Armed Forces such protection would be a further inducement for entering and continuing membership in the Armed Forces.

COST

"The additional cost to the Government is not possible of exact computation since it would relate only to those cases of large loss which would exceed the present limits. An indication of the potential for such losses can be gained from the report of the Department of the Air Force which details the experience of the military services as to claims which exceeded the $10,000 limit in the period since July 1, 1969. In that period the Army had 53 such claims, the Navy 42 and the Air Force 53. Of course such an analysis would not result in the full increase being paid in every case for only the amounts proven and recognized under applicable regulations and standards as losses subject to compensation could be paid.

"The bill as originally introduced provided for a measure of retroactive effect in that it would have permitted a reconsideration of previously adjudicated claims to the extent of providing authority for the payment of proven losses which were not paid because of the previous limit for payments. It would have permitted payments up to the new limit upon application within one year of the effective date of a new law. However the committee has recommended an amendment striking this provision. It is felt that the new limit should have prospective force only.

"In summary, therefore, it can be said that Section 3 of the Act now provides for a limit of $10,000 as to the military departments and the Coast Guard in subsection (a), and in subsection (b) there is a limit of $6,500 for civilian departments or agencies, but (as a result of a 1972 amendment) the Peace Corps, the Overseas Private Investment Corporation, State Department, AID, USIA and the U.S. Arms Control and Disarmament Agency have $10,000 limit.

"The amended bill would provide a uniform limit of $15,000 for all agencies and departments.

"It is recommended that the amended bill be considered favorably."

In agreement with the views of the House of Representatives, this Committee recommends that the bill be favorably considered.

LEAH MAUREEN ANDERSON

The Senate proceeded to consider the bill (S. 3718) for the relief of Leah Maureen Anderson which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert the following:

That notwithstanding any statute of limitations, lapse of time, bars of laches, or any proceeding, jurisdiction is hereby conferred upon the Secretary of the Army and the United States District Court for the District of North Carolina to receive and adjudicate under the provisions of sections 2401 and 2672 of title 28, United States Code, any claim upon behalf of Leah Maureen Anderson of Hopkinsville, Kentucky, for compensation for personal injury, and expenses and damages sustained by her due to a collision on March 26, 1971, between a Department of the Army vehicle and the automobile in which she was a passenger on the Fort Bragg Military Reservation, North Carolina, such collision having occurred as the result of the alleged negligent operation of the truck by United States Army personnel while acting within the alleged scope of their Federal employment. Nothing in this Act shall be construed as an inference of liability on the part of the United States.

Sec. 2. Such claim shall be filed with the Secretary of the Army, or his designee, no later than six months after the date of the enactment of this Act. In the event that an offer of settlement, if any, if not accepted on behalf of the aforesaid Leah Maureen Anderson, suit may be filed in the Federal district court no later than six months after the Secretary of the Army, or his designee, has mailed a notice of final disposition of the claim to the representatives of Leah Maureen Anderson.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93-1205), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE AMENDMENT

The purpose of the amendment is to enable the claimant to pursue her administrative remedies before instituting action in Federal District Court under the provisions of the Federal Tort Claims Act.

PURPOSE OF THE BILL AS AMENDED

The purpose of the bill, as amended, is to waive the statute of limitations which presently bars any action under the Federal Tort Claims Act which Maureen Anderson may file against the U.S. Government for compensation for injuries she sustained as the result of a collision on March 26, 1971, between a Department of the Army vehicle and the automobile in which she was a passenger on the Fort Bragg Military Reservation, N.C.

STATEMENT

The records of the Department of the Army disclose the following facts.

On March 26, 1971, at 1445 hours Sgt. Walter H. Richardson, age 31, was operating a passenger vehicle at Fort Bragg, N.C., in a southerly direction on Sixth Street. He had two passengers, Mrs. Maria L. Davidson, age 37, and Leah M. Anderson (the present claimant), who was then 5 years of age. Pvt. Johnnie O. Evans, age 18, was operating an Army vehicle and was proceeding in an easterly direction on C Street. Neither street has stop or warning signs. Sergeant Richardson was on the dominant road. At the time of the accident it was raining and the roads were wet. When Richardson was in the intersection of Sixth and C Streets, Private Evans' vehicle struck the right side of Sergeant Richardson's car.

The impact demolished Sergeant Richardson's car and injured all of the occupants. Mrs. Davidson was dead at the time of arrival at Womack Army Hospital, Fort Bragg. Leah Anderson was found to have suffered a compound depressed skull fracture with dural and cortical lacerations, severe head injuries, and fracture of the right femur. Sergeant Richardson was treated for minor injuries and released.

A claim was filed on a timely basis on behalf of the deceased Mrs. Davidson and an award was made by the Chief, Army Claims Service. However, Leah Anderson was represented by a different attorney and he did not file a claim until February 19, 1974. On April 2, 1974, the Chief of the U.S. Army Claims Service denied the claim because it was cognizable only under the provisions of the Federal Tort Claims Act (28 U.S.C. 2671-2680) and the 2-year statute of limitations prescribed by the act had expired [28 U.S.C. 2401(b)].

The Department of the Army is not opposed to the bill.

Although the Department is generally opposed to the waiver of the statute of limitations, it would be equitable to make an exception in this bill for two reasons. The Government will not be prejudiced in adjudicating the claim because the accident was thoroughly investigated and the facts were fully developed in the companion claim involving the deceased Mrs. Davidson. The second compelling reason for the waiver is based upon the fact that the delay of an attorney in filing a claim should not be attributed to a 5-year-old under the tragic circumstances of this case.

It is the opinion of the Department, however, that the bill should be amended to provide that upon the waiver of the statute of limitations, the claims should be adjudicated under the remaining provisions of the Federal Tort Claims Act. This procedure would enable the claimant to seek administrative relief and if she is successful, time consuming and costly litigation would be avoided.

FARM LABOR CONTRACTOR REGISTRATION ACT AMENDMENTS OF 1974

The Senate proceeded to consider the bill (H.R. 13342) to amend the Farm Labor Contractor Registration Act of 1963 by extending its coverage and effectuating its enforcement, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That (a) this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision the reference shall be considered to be made to a section or other provision of the Farm Labor Contractor Registration Act of 1963 (7 U.S.C. 2041).

SEC. 2. Section 3 of the Act is amended by striking out the word "interstate" each place where it appears therein. The first sentence of section 3(b) is amended to delete therefrom the phrase "ten or more" and the phrase "at any one time in any calendar year". The second sentence of section 3(b) is amended to read as follows: "Such term shall not include—

"(1) any nonprofit charitable organization, public or nonprofit private educational institution, or similar organization;

"(2) any farmer, processor, canner, ginner, packing shed operator, or nurseryman (A) who personally engages in any such activity for the purpose of supplying migrant workers solely for his own operation; or (B) who indirectly engages in any such activity through an agent or by contract, where he first determines that the person so engaged possesses a certificate from the Secretary that is in full force and effect at the time he contracts with such person so engaged;

"(3) any full-time or regular employee of any entity referred to in (1) or (2) above who engages in such activity solely for his employer on no more than an incidental basis;

"(4) any person who engages in such activity (A) solely within a 25-mile intrastate radius of his permanent place of residence, and (B) for not more than 13 weeks per year;

"(5) any person who engages in any such activity for the purpose of obtaining migrant workers of any foreign nation for employment in the United States if the employment is subject to—

"(A) an agreement between the United States and such foreign nation; or

"(B) an arrangement with the government of any foriegn nation under which written contracts for the employment of such workers are provided for and the enforcement thereof is provided for through the United States by an instrumentality of such foreign nation;

"(6) any full-time or regular employee of any person holding a certificate of registration under this Act; or

"(7) any common carrier or any full-time regular employee thereof engaged solely in the transportation of migrant workers."

SEC. 3. Section 3(d) of the Act is amended to read as follows:

"(d) The term 'agricultural employment' means employment in any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)), or section 3121(g) of the Internal Revenue Code of 1954 (26 U.S.C. 3121(g)) and the handling, planting, drying, packing, packaging, processing, freezing, or grading prior to delivery for storage of any agricultural or horticultural commodity in its unmanufactured state.".

SEC. 4. Section 5(a) is amended by—

(1) striking the word "and" after paragraph (2),

(2) striking the period at the end of paragraph (3) and inserting in lieu thereof a semicolon, and

(3) adding the following new paragraphs:

"(4) has filed proof of posting a bond in such manner and in such amount (but not less than the sum of $5,000), as the Secretary may from time to time prescribe, which bond shall provide security against liability in such farm labor contractor to any third person, including any employer, employee, or person recruited, solicited, or transported by him while engaging in activities as a farm labor contractor;

"(5) has filed, under such terms as the Secretary may prescribe, a statement identifying each vehicle to be used by the applicant for the transportation of migrant workers, and all real property to be used by the applicant for the housing of migrant workers, during the period for which registration is sought, along with proof that every such vehicle and all such housing currently conform to all applicable Federal and State safety and health standards to the extent that such vehicle and all such housing are under the applicant's ownership or control; and

"(6) has consented to designation of the Secretary as the agent available to accept service of summons in any action against such farm labor contractor at any and all times during which such farm labor contractor has departed from the jurisdiction in which such action is commenced or otherwise has become unavailable to accept service, under such terms and conditions as are set by the court in which such action has been commenced.".

SEC. 5. (a) Section 5(a)(2) is amended by striking the second sentence and inserting in lieu thereof the following: "In no event shall the amount of such insurance be less than the amounts currently applicable to vehicles used in the transportation of passengers in interstate commerce under the Interstate Commerce Act and regulations promulgated pursuant thereto, or amounts offering comparable protection to persons or property from damages arising out of the applicant's ownership of, operation of, or his causing to be operated any vehicle as provided herewith;".

SEC. 6. Section 5(b) is amended by—

(1) striking "or" at the end of paragraph (9);

(2) striking the period at the end of paragraph 10 and inserting a semicolon in lieu thereof; and

(3) adding after paragraph (10) the following new paragraphs:

"(11) is not in fact the real party in interest in any such application or certificate of registration and that the real party in interest is a person, firm, partnership, association, or corporation who previously has been denied a certificate of registration, has had a certificate of registration suspended or revoked, or who does not presently qualify for a certificate of registration; or

"(12) has used a vehicle for the transportation of migrant workers, or has used real property for the housing of migrant workers, while such vehicle or real property failed to conform to all applicable Federal and State safety and health standards, to the extent of any such vehicle or real property coming within the ownership or control of such farm labor contractor."

(4) adding at the end of paragraph (7) the following: "prostitution or peonage; where the date of the judgment of conviction of any crime as specified herein has been entered within a period of five years preceding the action of the Secretary under this subsection;"

(5) striking all after the words "of" in paragraph 6 and inserting in lieu thereof the following: "any person, who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment."

SEC. 7. Section 5 is amended by adding at the end thereof the following new subsection:

"(d) Persons issued a certificate of registration under this section shall provide to the Secretary a notice of each and every address change within 10 days after such change. The Secretary shall maintain a public central registry of all persons issued certificates of registration under this section. Persons issued a certificate of registration under this section shall provide to the Secretary documentation required under section 5(a)(5) of the Act applicable to any vehicle which the applicant obtains for use in the transportation of migrant workers and any real property which the applicant obtains or learns will be used for the housing of migrant workers during the period for which the certificate of registration is issued, within ten days after he obtains or learns of the intended use of such vehicle or real property, to the extent that such vehicle or such real property is under the ownership or control of such persons who have been issued certificates of registration.".

SEC. 8. Section 6(a) of the Act is amended by inserting immediately before the semicolon at the end thereof the following: "and shall be denied the facilities and services authorized by the Act of June 6, 1933 (29 U.S.C. 49), upon refusal or failure to exhibit the same;".

SEC. 9. Section 6(b) of the Act is amended by striking the word "and" before paragraph (5), and by striking the semicolon at the end of paragraph (5) and adding at the end thereof the following: "(6) the period of employment, (7) the existence of a strike or other concerted stoppage, slowdown, or interruption of operations by employees at a place of employment which he knows or would discover in the exercise of reasonable diligence, or which has been so certified by an authorized agency of Federal or State government, and (8) the existence of any arrangements with any owner, proprietor, or agent of any commercial or retail establishment in the area of employment under which he is to receive a commission or any other benefit resulting from any sales provided to such commercial or retail establishment from the migrant workers whom he recruits. The disclosure required under this subsection shall be in writing in a language in which the worker is fluent, and written in a manner understandable by such workers on such forms and under such terms and conditions as the Secretary shall prescribe."

SEC. 10. (a) Section 6 is amended by—

(1) striking "and" after paragraph (d),

(2) striking the period at the end of paragraph (e) and inserting in lieu thereof a semicolon, and

(3) adding at the end thereof the following new paragraphs:

"(f) refrain from recruiting, employing, or utilizing, with knowledge, the services of any person, who is an alien not lawfully admitted for permanent residence or who has not been authorized by the Attorney General to accept employment;

"(g) promptly pay or contribute when due to the individuals entitled thereto all moneys or other things of value entrusted to the farm labor contractor by any farm operator for such purposes; and

"(h) refrain from requiring any worker to purchase any goods solely from such farm labor contractor or any other person."

(b) Section 6(e) of the Act is amended by striking "interstate" each time it appears.

(c) Section 6(e) of the Act is further amended by striking the last sentence and substituting the following: "He shall additionally provide to the person to whom any migrant worker is furnished all information and records required to be kept by such contractor under this subsection, and all information required to be provided to any migrant worker under this subsection. The Secretary may prescribe appropriate forms for the recording of information required by this subsection;"

(d) Section 2(b) of the Act is amended by striking the word "interstate" the second time it appears.

SEC. 11. Section 7 is amended by adding at the end thereof the following: "The Secretary may issue subpenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary may administer oaths and affirmations, examine witnesses, and receive evidence. For the purpose of any hearing or investigation provided for in this chapter, the provisions of sections 9 and 10 of the Federal Trade Commission Act of September 16, 1914 (15 U.S.C. 49, 50) (relating to the attendance of witnesses and the production of books, papers, and documents), are made applicable to the jurisdiction, powers, and duties of the Secretary. The Secretary shall conduct investigations in a manner which protects the confidentiality of any complainant or other party who provides information to the Secretary with respect to which the Secretary commences an investigation. The Secretary shall monitor and investigate activities of farm labor contractors in such manner as is necessary to enforce the provisions of this Act.".

SEC. 12. Section 9 of the Act is amended by inserting the subsection designation "(a)" at the beginning thereof and by striking the period at the end thereof and adding the following: ", sentenced to a prison term not to exceed one year, or both, and, upon conviction for any subsequent violation of this Act, shall be punishable by a fine not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both. The Secretary shall report on enforcement of the provisions of this Act in the annual report of the Secretary required pursuant to section 9 of the Act entitled "An Act to create a Department of Labor", approved March 4, 1913 (37 Stat. 738, 29 U.S.C.). The reporting hereunder shall include, but shall not be limited to, a description of efforts to monitor and investigate the activities of farm labor contractors, the number of persons to whom certificates of registration have been issued, the number of complaints of violations received by the Secretary and their disposition, and the number and nature of any sanctions imposed.

"(b) Any farmer, processor, canner, ginner, packing shed operator, or nurseryman who indirectly engages in activity as a farm labor contractor either through an agent or by contract, and who fails to satisfy the requirements of section 3(b) (2) (B) of this Act shall be liable for any damages arising from the acts or omissions of anyone engaging on his behalf in activities as a farm labor contractor without a certificate of registration as required herein, in any action brought under the Act, regardless of whether the farm labor contractor is an independent contractor or an agent of such person.

"(c) (1) Any person who commits a violation of: (A) the notice or documentation provisions of subsection 5(d); (B) section 6; (C) or section 14 of this Act; or any regulations promulgated thereunder, may be assessed a civil money penalty of not more than $1,000 for each violation. The penalty shall be assessed by the Secretary upon written notice, under the procedures set forth herein.

"(2) In determining the amount of the penalty, the Secretary shall take into account the gravity of the violation, degree of culpability, any history of prior offenses, ability to pay, size of the business entity, effect upon ability to continue in business, and such other matters as justice may require.

"(3) The person assessed shall be afforded an opportunity for agency hearing, upon request made within thirty days after issuance of the notice of assessment. In such hearing, all issues shall be determined on the record pursuant to section 554 of title 5. The agency determination shall be made by final order subject to review only as provided in paragraph (4). If no hearing is requested as herein provided, the assessment shall constitute a final and unappealable order.

"(4) Any person against whom an order imposing a civil money penalty has been entered after an agency hearing under this section may obtain review by the United States district court for any district in which he is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within 30 days from the date of such order, and simultaneousness sending a copy of such notice by registered or certified mail to the Secretary. The Secretary shall promptly certify and file in such court the record upon which the penalty was imposed. The findings of the Secretary shall be set aside if found to be unsupported by substantial evidence as provided by section 706 (2) (E) of title 5.

"(5) If any person fails to pay an assessment after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the Secretary shall refer the matter to the Attorney General, who shall recover the amount assessed by action in the appropriate United States district court. In such action the validity and appropriations of the final order imposing the penalty shall not be subject to review.

"(6) All penalties collected under authority of this section shall be paid into the Treasury of the United States."

(d) Notwithstanding subsection (a) of this section, any farm labor contractor who commits a violation of subsection 6 (f) of the Act or any regulations promulgated thereunder shall upon conviction be fined not to exceed $10,000 or sentenced to a prison term not to exceed three years, or both, if the person committing such violation has failed to obtain a certificate of registration pursuant to this Act or is one whose certificate has been suspended or revoked by the Secretary.

SEC. 13. (a) The Farm Labor Contractor Registration Act of 1963 is amended by redesignating sections 12, 13, and 14 thereof as sections 15, 16, and 17, respectively, and by inserting after sectiton 11 the following:

"CIVIL RELIEF

"SEC. 12. (a) Any person claiming to be aggrieved by the violation of any provision of this Act or any regulation prescribed hereunder may file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to citizenship of the parties and without regard to exhaustion of any alternative administrative remedies provided herein.

"(b) Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complianant and may authorize the commencement of the action without the payment of fees, costs, or security. If the court finds that the respondent has violated any provision of this Act or any regulation prescribed hereunder, it may award damages up to and including an amount equal to three times the amount of actual damages, reinstatement or other equitable relief, and a reasonable sum for attorney's fees and court costs to the presenting party. Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

"(c) If upon investigation the Secretary determines that the provisions of this Act have been violated, he may petition any appropriate district court of the United States for temporary or permanent injunctive relief.

"(d) Except as provided in section 518(a) of title 28 relating to litigation before the Supreme Court, the Solicitor of Labor may appear for and represent the Secretary in any civil litigation brought under this chapter but all such litigation shall be subject to the direction and control of the Attorney General.

"PROHIBITED ACTIONS

"SEC. 13. (a) It shall be unlawful for any person to terminate, suspend, demote, transfer, or take adverse action against any migrant worker in retaliation for the exercise of any rights secured under this Act.

"(b) A presumption that an action is retaliatory shall arise from any action described in subsection (a) of this section which occurs within a period of 180 days following an action by a migrant worker which constitutes an exercise of a right secured under this Act.

"(c) Any person who believes that he has been subjected to retaliation as defined in subsection (a) may, within 180 days after such violation occurs, file a complaint with the Secretary alleging such retaliation. Upon receipt of such complaint, the Secretary shall cause such investigation to be made as he deems appropriate. If upon such investigation the Secretary detemines that the provisions of this section have been violated, he shall bring an action in any appropriate United States district court against such person. In any such action, the United States district courts shall have jurisdiction, for cause shown, to restrain violations of this section and order all appropriate relief including rehiring or reinstatement of the migrant worker to his former position with back pay. Within 90 days after receipt of a complaint filed under this section, the Secretary shall notify the complainant of his determination under this subsection.

"Sec. 14. Any person who is furnished any migrant worker by a farm labor contractor shall maintain all payroll records required to be kept by such person under Federal law, and with respect to migrant workers paid by a farm labor contractor such person shall also obtain from the contractor and maintain records containing the information required to be provided to him by the contractor under section 6(e) of the Act."

Sec. 14. The Act is amended by addition at the end thereof of the following new sections:

"WAIVER OF RIGHTS

"Sec. 18. Any agreement by an employee purporting to waive or to modify his rights hereunder shall be void as contrary to public policy, except a waiver or modification of rights or obligations hereunder in favor of the Secretary shall be valid for purposes of enforcement of the provisions of the Act.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 19. There are authorized to be appropriated to carry out the purposes of this Act, such sums as may be necessary for the effective enforcement of this Act for the fiscal year ending June 30, 1975, and for each fiscal year thereafter."

"EFFECTIVE DATE

"Sec. 20. Section 5(a)(4) of the Act as amended herein shall become effective on the one hundred and eightieth day following the date of enactment."

Sec. 15. Section 17 of the Act (as redesignated by the Act) is amended by striking "of sections 4, 5, 6, and 8."

Sec. 16 (a) Section 19(d) of the Longshoremen and Harbor Worker's Compensation Act (33 U.S.C. 901) as amended, is further amended by adding after the words "under the Act" the following: "including any amendment or extension thereto,".

(b) Persons appointed by the Secretary of Labor after December 30, 1969, and before September 1, 1974, for the purposes of conducting hearings under title IV of the Act of December 30, 1969, Public Law 91–173), shall for such purposes only, and not for the purposes of subsection (c) of this section and until they vacate their position, be deemed qualified hearing examiners within the meaning of section 19(d) of the Longshoremen and Harbor Worker's Compensation Act.

(c) All positions, within the Department of Labor, for hearing examiners qualified under section 3105 of title 5, United States Code, and appointed by the Secretary for the purposes of conducting hearings in accordance with section 554 of that title with respect to this Act and any law in effect on the date of enactment of this Act, shall be compensated at not less than the rate prescribed for GS–16 under section 5332 of title 5, United States Code. This subsection shall not require any individual who holds such a position at less than a grade GS–16 within the Department of Labor on the date of enactment of this Act and who does not qualify for a grade GS–16 under applicable law to be compensated at the rate prescribed under this subsection, nor shall it affect the eligibility of such persons to continue to exercise the duties of the position which they hold on the date of enactment of this Act, nor does it require such individuals who do not qualify for grade GS–16 to be removed or vacate the positions which they hold on the date of enactment. Notwithstanding any other law, the Secretary, in addition to positions within grades GS–16, GS–17, and GS–18 allotted or assigned to the Department of Labor in accordance with law, is authorized such additional positions within grade G–16 as may be necessary to effectuate the purposes of this subsection and subsection (d) of this section. The Secretary may appoint to such positions only hearing examiners qualified under section 3105 of title 5, United States Code, and employed by the Department of Labor at grade G–15 on the date of enactment of this Act, and who have been appointed for the purposes of conducting hearings in accordance with section 554 of title 5, United States Code, with respect to any law in effect on the date of enactment of this Act.

(d) Notwithstanding any other law, the members of the Benefit Review Board established under the Longshoremen and Harbor Worker's Compensation Act shall be placed in positions not less than grade GS–16.

Mr. WILLIAMS. Mr. President, I rise to voice my strong support of H.R. 13342, as amended by the Committee on Labor and Public Welfare.

Migrant and seasonal farmworkers have long been among the most exploited groups in the American labor force. Despite their hard toil and valuable contribution to our Nation's economy, their lot has historically been characterized by low wages, protracted hours, and horrid working conditions. The families, and particularly the children, of these workers have also suffered from the typical symptoms of chronic poverty being undereducated, ill-fed, poorly housed, and lacking even the most rudimentary health and sanitary facilities. The tragedy is further compounded when it is realized that the victims of this poverty are in fact the working poor, those who offer an honest day's labor, but are denied the full benefits such work ordinarily should provide and which are so desperately needed to provide the most basic necessities of life.

As chairman of the Senate's Subcommittee on Migratory Labor for some 8 years—1961–68—I have witnessed firsthand the hardship and suffering of farmworkers and their families.

During that period of my chairmanship I devoted a considerable effort toward accomplishing a single goal—to arouse a nation's conscience and focus its attention on the plight of those who were at the bottom rung of the country's economic ladder. I, of course, was not alone in this fight to gain social dignity and economic self-sufficiency for the migrant laborer. I was joined by many of my colleagues, some of whom continue with me today in the forefront to achieve these illusive goals.

Many of our efforts in this area have been indeed noteworthy and successful, while others admittedly have been less so.

I wish to point to two such endeavors which have, I believe, achieved a large measure of their purpose. The first is the Migrant Health Act of 1962, and the second is the Elementary and Secondary Education Act Amendments of 1966. In both cases significant Federal resources have been directed to help remedy specific problem areas of migrant farmworkers and their families.

During the early 1960's extensive hearings were held by the Migratory Labor Subcommittee on the emergence and evolution of the farm labor contractor to a position of prominence as the primary supplier of agricultural labor.

Although the specific functions of the farm labor contractor, often called a crew leader or crew pusher, might vary from job to job, his role essentially remains the same—a bridge between the operator and the worker. In many instances, the contractor is not only the recruiter, hirer, and transporter, but acts as the supervisor, foreman, and paymaster as well. In addition, the contractor frequently effectuates control over such things as housing and other items vital to the workers' everyday needs. In the vast majority of cases, the crew leader is the link between not only the worker and the grower, but also acts as an intermediary with the nonfarming community as well. In the latter role, the crew leader functions as a sort of cultural broker, mediating between the worker and the outside, often alien, community.

Because of these factors, the contractor has been permitted to exercise an inordinate amount of leverage over the workplace situation. The contractor's unchallenged bargaining position is clearly one of detriment to both the farmworker and operator.

It is unfortunately an all too common experience for workers to be abused by farm labor contractors. Evidence has also emerged of contractor exploitation of farmers.

In 1963, Congress sought to remedy some of these abuses by enacting the Farm Labor Contractor Registration Act, which I originally introduced.

In essence, that act requires that all contractors or crew leaders be registered with the Secretary of Labor, upon a showing of moral and fiscal responsibility. Registration is subject to denial if an applicant has been convicted of certain crimes, fails to perform contracts with farm operators, or gives false or misleading information to migrant workers concerning the terms of farm employment. The act requires all crew leaders to inform each worker at the time of recruitment of: First, the expected area of employment; second, the crops and operations on which he will be employed; third, the transportation facilities; fourth, the types and cost of housing upon arrival at each place of work; fifth, the wage rates to be paid; and sixth, any charges that the crew leader expects to make for his services.

In addition, the crew leader is required at each place of employment to post the terms and conditions of employment at that particular place. If he manages the housing facilities, he is required to post the terms and conditions of occupancy. If he is the paymaster, he is required to keep payroll records and deduct from the wages all payments required under Federal law. In regard to transportation, the crew leader is required to provide vehicle insurance. Violation of any of the above requirements can result in the revocation of the certificate or in criminal prosecution, with a fine up to $500, or both.

However, recent testimony before the Congress indicated that the act of 1963 has failed to achieve some of its original objectives. Officials of the U.S. Department of Labor report that of an estimated 6,000 crew leaders operating across State lines, fewer than 2,000 are registered as required by the present law.

The purpose of H.R. 13342 is to remedy the deficiencies of the Farm Labor Contractor Registration Act of 1963. The bill extends the act's coverage, and strengthens its enforcement mechanisms.

H.R. 13342 deletes the act's limitation of coverage by including intrastate as well as interstate transactions, although dealings of a purely local and casual nature continue to be exempted. The bill also adds coverage for employment involving the proceeding of agricultural commodities in an unmanufactured state.

The Secretary of Labor is authorized to issue a certificate of registration to applicants who fully describe their activities, who show proof of having vehicle insurance, and who have not been convicted of certain specified crimes. All registered contractors are required to carry and disclose such certificates of registration at designated times. The bill broadens the information requirement that the farm labor contractor must provide migrant workers with regard to the nature of the worker's prospective employment. All such information must be in writing, in a language in which the worker is fluent, and be in a form prescribed by the Secretary of Labor.

The bill requires proof of posting of a security bond at the time of application; requires farm labor contractors to establish proof that their vehicles and property comply with Federal and State health and safety standards; and establishes amounts of vehicle insurance comparable to amounts applicable to vehicles operating under the Interstate Commerce Act.

H.R. 13342 also places responsibility for payroll recordkeeping on the person to whom workers are furnished by a contractor. However, contractors would still be required to provide migrant workers with specified payroll information.

In addition, H.R. 13342 creates a Federal civil remedy for persons aggrieved by violations of the act. It also empowers the Secretary of Labor to enforce the act through investigations, by the issuance of subpenas, and by the imposition of civil penalties for designated serious violations of the act, subject to administrative and judicial review. The bill raises the maximum criminal penalties, and prohibits discrimination against persons who exercise their rights under the act.

Mr. President, there is one new provision which I deem to be of such importance, that I wish to discuss it in some detail.

The bill redefines the act's existing prohibition on contractors regarding illegal aliens, and establishes a criminal penalty, in addition to the current sanction of registration revocation, for certain violators. Any farm labor contractor who has not registered under the act, or whose registration has been revoked or suspended, will be subject to a criminal penalty of up to a $10,000 fine or a prison sentence of up to 3 years (or both), if such contractor has knowingly engaged the services of an illegal alien. Illegal alien has been defined to mean any person who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment.

I believe that a criminal penalty is warranted in this limited instance as past experience has indicated that the act's worst and most persistent offenders were generally those who have refused to register.

Illegal aliens have become an increasingly large source of farm labor in this country, and the services of a contractor are often utilized to procure this clandestine workforce. The existing act generally prohibits such activities by making it grounds for revoking or suspending the contractor's registration. However, if this tide of illegal immigration is to be stemmed, stricter enforcement and stronger penalties must be applied against those who violate the act. These additional steps are necessary in light of the adverse effect such importation of illegal aliens has had on the wages and job security of our own citizens, especially in times such as these of high unemployment.

This fact was dramatically underscored during a recent speech—September 18—by the Commissioner of the U.S. Immigration and Naturalization Service, Leonard F. Chapman, Jr. Commissioner Chapman noted:

> There are probably from six to 10 million illegal aliens in the country today. They are occupying jobs that unemployed Americans ought to have.

Commissioner Chapman went on to say that stricter law and more vigorous enforcement could save more than 1 million jobs for unemployed Americans generally. No doubt, illegal farm labor would account for a sizable share.

H.R. 13342, as amended, is intended to eliminate existing loopholes which arise from artificial distinctions between "farm labor contractors," crew leader," and "crew pusher," or between an ostensibly independent contractor and the employee of another who engages in substantially the same activity. All persons who engage in defined activity as a labor contractor are covered under the bill unless they do so on a basis purely incidental to other primary duties.

The bill will also vest in the Secretary of Labor an array of new enforcement weapons including the power to issue subpenas, to seek civil injunctive relief, to prefer violations for prosecution under tougher penalty provisions, and to impose civil money penalties. Past departmental practice of seeking compliance with the act largely on a voluntary basis among contractors can change under this bill in favor of affirmative efforts to secure registration among all persons covered and to secure compliance with the act's many substantive provisions. It empowers the Secretary with strong sanctions which may be imposed on a widespread basis where needed to make the law's protections a reality.

In addition, H.R. 13342, as amended, has created a private Federal judicial remedy which is independent of, and supplemental to, those provisions which strengthen governmental sanctions. Providing an aggrieved farmworker with a Federal forum will help secure the Federal protections to which he is entitled.

Mr. President, I urge a speedy adoption of the measure which will help so many of our citizens, who are unfortunately not always in a position to help themselves.

Mr. JAVITS. Mr. President, the depressing and degrading working conditions of migrant farmworkers in this country have been well documented through congressional hearings and other investigations over a period of many years. One of our responses was the enactment of the Farm Labor Contractor Registration Act of 1963, which was intended to check the exploitive practices of the crew leaders who recruit these workers.

After 10 years of experience, however, we find that this act has largely been ignored and cannot be effectively enforced. In hearings held by the Labor and Public Welfare Committee, overwhelming evidence was produced that the abuses we attempted to prevent are still widespread and that most farm labor contractors, often called crew leaders or crew pushers, have not even met the requirement of the 1963 act to register with the Department of Labor.

The bill before us today, the Farm Labor Contractor Registration Act Amendments of 1974, will provide an effective enforcement tool for the Department by:

First. Extending coverage of the act to crew leaders who recruit on an intrastate basis;

Second. Requiring that crew leaders post a bond of at least $5,000 as security to employers and migrant workers;

Third. Increasing the required insurance coverage of vehicles used to transport migrant workers;

Fourth. Requiring that the vehicles or housing provided for migrant workers meet applicable Federal and State health and safety standards;

Fifth. Providing migrant workers at the time they are recruited with a written statement describing the terms of their employment;

Sixth. Increasing the criminal penalty provisions to include imprisonment for up to 1 year for a first offense, and up to 3 years and a $10,000 fine for a subsequent offense;

Seventh. Establishing a new civil money penalty for violations of the act, an administrative remedy enforceable by the Secretary of Labor and subject to judicial review;

Eighth. Granting the Secretary of Labor authority to seek injunctive relief in Federal district courts to restrain violations of the act;

Ninth. Creating a private remedy for aggrieved workers who may bring suit for damages resulting from a contractor's violations of the act;

Tenth. Denying the services of the U.S. Employment Service to any crew leader who fails to register with the Department as required; and

Eleventh. Adding new penalties for

crew leaders who knowingly recruit aliens who have illegally entered the United States.

Mr. President, these are the highlights of this imporant bill, which I am pleased to report has the support of the administration.

Finally, I would like to note here that the committee has adopted several of my amendments to the bill as originally introduced (S. 3202), including the civil money penalty provision which I already mentioned. Another amendment concerns the exemption for growers and their employees. The original act covered only those contractors who transport 10 or more workers at any one time, a sometimes difficult test for compliance officials to prove. This has now been deleted entirely and in its place are two provisions which I believe are more suitable to the original purpose. The first is an exemption for "any full-time or regular employee of any entity—who engages in such activity solely for his employer on no more than an incidental basis." The second is an exemption for anyone who engages in such activity "solely within a 25-mile intrastate radius of his permanent place of residence—for not more than 13 weeks per year."

Mr. President, I believe that the passage of this bill is critical to the protection of migrant farmworkers, and I urge the support of my colleagues for it.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–1206), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Background and Need for the Legislation

Migrant agricultural labor has been used extensively in this country since the latter part of the nineteenth century. Typically the migrant labor force has been composed of large ethnic blocks. During the early part of this century, Chinese, Japanese, and Filipinos constituted the majority of those who worked the West Coast fields, while their East Coast counterparts included many Irish, Italian, and Scandinavian workers. Today, the bulk of the migrant workforce is made up of Mexican-Americans, Puerto Ricans, West Indians, and native born black Americans.

Migrant and seasonal farm workers have long been among the most exploited groups in the American labor force. Despite their hard toil and valuable contribution to our nation's economy, their lot has historically been characterized by low wages, protracted hours, and horrid working conditions. The families, and particularly the children, of these workers have also suffered from the typical symptoms of chronic poverty—being undereducated, ill-fed, poorly housed, and lacking even the most rudimentary health and sanitary facilities. The tragedy is further compounded when it is realized that the victims of this poverty are in fact the working poor, those who offer an honest day's labor, but are denied the full benefits such work should provide, which are so desperately needed to provide the most basic necessities of life.

Exploitation of migrant and seasonal farm labor has continued despite, or perhaps even because of the startling transformation in American agriculture that has taken place since World War I.

The small family farm, though, still many in number, has been effectively replaced because of productivity by large commercial operations. Indeed, it is "agribusiness" which is not the mainstay of modern American farming. Although the impact of mechanization and crop specialization has diminished the overall demand for farm workers generally, the periodic need for such seasonal labor unions remains acute.

Basically, there are two types of seasonal farm laborers: the migrants who travel from state-to-state along fairly established patterns and those who live permanently in the agricultural area where they work. In both cases, the primary users of such labor—farmers, growers, and packing shed operators, have experienced great difficulty in obtaining a sufficient supply of agricultural labor either directly or through the offices of the United States Employment Service.

The result has been the emergence and evolution of the farm labor contractor to a position of prominence as the primary supplier of agricultural labor. Although the specific functions of the farm labor contractor, often called a "crew leader" or "crew pusher", might vary from job to job, his role essentially remains the same—a bridge between the operator and the worker. In many instances, the contractor is not only the recruiter, hirer, and transporter, but acts as the supervisor, foreman, and paymaster as well. In addition, the contractor frequently controls housing and other vital aspects of the workers everyday needs. In the vast majority of cases, the crew leader is not only the link between the worker and the grower, but also acts as an intermediary with the non-farming community as well. In the latter role, the crew leader functions as a sort of cultural broker, mediating between the worker and the outside, often alien, community.

Because of these factors, the contractor has been permitted to exercise an inordinate amount of leverage over the workplace situation. The contractor's unchallenged bargaining position is clearly one of detriment to both the farmworker and operator. Patterns of abuse have been well documented in Congressional hearings over the years.

It is unfortunately an all too common experience for workers to be abused by farm labor contractors. Testimony revealed that in many cases the contractor: exaggerates conditions of employment when he recruits workers in their home base, or that he fails to inform them of their working conditions at all; transports them in unsafe vehicles; fails to furnish promised housing, or else furnishes substandard and unsanitary housing; operates a company store while making unitemized deductions from workers' paychecks for purchases, and pays the workers in cash without records of units worked or taxes withheld.

Evidence has also emerged of contractor exploitation of farmers. The contractor would agree to arrive with a crew on a designated date, and simply fail to show up because better opportunities presented themselves elsewhere. This would leave the farmer with no help to harvest his ripening crop. More common is the practice of leaving after the first picking when the second and third pickings become more difficult, and consequently less profitable.

In 1963, Congress sought to remedy some of these abuses by enacting the Farm Labor Contractor Registration Act. In essence, that Act requires that all contractors or "crew leaders" be registered with the Secretary of Labor, upon a showing of moral and fiscal responsibility. Registration is subject to denial if an applicant has been convicted of certain crimes, fails to perform contracts with farm operators, or gives false or misleading information to migrant workers concerning the terms of farm employment. The Act requires all crew leaders to inform each worker at the time of recruitment of (1) the expected area of employment, (2) the crops and operations on which he will be employed, (3) the transportation facilities, (4) the types and cost of housing upon arrival at each place of work, (5) the wage rates to be paid, and (6) any charges that the crew leader expects to make for his services. In addition, the crew leader is required at each place of employment to post the terms and conditions of employment at that particular place. If he manages the housing facilities, he is required to post the terms and conditions of occupancy. If he is the paymaster, he is required to keep payroll records and deduct from the wages all payments required under Federal law. In regard to transportation, the crew leader is required to provide vehicle insurance. Violation of any of the above requirements can result in the revocation of the certificate or in criminal prosecution, with a fine up to $500, or both.

However, testimony before the Congress has shown that the Act of 1963 has failed to achieve its original objectives. It has become clear that the provisions of the Act cannot be effectively enforced. Noncompliance by those whose activities the Act were intended to regulate has become the rule rather than the exception.

Officials of the United States Department of Labor report that of an estimated 6,000 crew leaders operating across state lines, fewer than 2,000 are registered as required by the present law. Department of Labor investigation of over 1,100 farm labor contractors last year revealed violation of the Act by more than 70% of those checked. While those found in violation were brought into compliance with the Act, including getting those unregistered to register, the Department was unable to locate thousands of unregistered crew leaders.

It is quite evident that the Act in its present form provides no real deterrent to violations. Since the Act's inception, only four persons have been referred to the Department of Justice for criminal prosecution; and only one person has ever been convicted and sentenced.

There are several causes for the Act's ineffective enforcement to date. These include the difficulty of proving that the contractor is engaged in recruitment across state lines; the absence of any requirement that those who benefit from the work of migrant laborers assume responsibility for engaging only registered farm labor contractors; the relatively mild penalties provided by the Act; and the lack of a private remedy for aggrieved workers. The Committee is deeply concerned about this situation, and seeks to provide the Department with a more realistic arsenal of remedies in order to deter and correct the widespread violations that now exist.

The lack of adequate statutory authority with which to deter and correct the abuses of migrant workers by farm labor contractors has been compounded by the relatively meager resources available to the Department for enforcement and administration of the Act. The Committee urges the Department to reallocate its resources to the maximum extent possible in order to assure a more effective enforcement effort.

The additional enforcement authority provided by the amendments should enable the Labor Department to select and apply corrective action as needed for the differing types of violations it discovers in its enforcement program. At present, the Department is basically limited to a choice between referral for prosecution, which carries a nominal penalty of $500, or suspension or revocation of a certificate of registration, in cases where the contractor has one. Such suspension under the applicable provisions of the Administrative Procedure Act cannot be accomplished in the ordinary case without first giving the contractor the opportunity, over a period of time, "to demonstrate or achieve compliance with all lawful requirements."

It is the intent of the amendments that the Labor Department should no longer have to seek voluntary compliance with the law from a violator who has plainly disregarded it. The Department should clearly be able to institute proceedings to impose appropriate statutory sanctions without unnecessary delay where there is clear evidence of aggravated, serious, or repeated violations of the Act. In such instances, the public interest requires that the contractor be subject to immediate proceedings for suspension or withdrawal of his certificate unless he can show cause to the contrary. Such violators should not be permitted to obtain postponement or avoidance of this sanction on the unrealistic assumption that they will comply voluntarily in the future.

The Committee is aware that illegal aliens have become an increasingly large source of farm labor in this country, and that the services of a contractor are often utilized to procure this clandestine workforce. Although the existing Act generally prohibits such activities by making it grounds for revoking or suspending the contractor's registration, such sanction in itself is ineffective since the majority of contractors have in the past ignored the Act's registration requirement. Thus, if this tide of illegal immigration is to be stemmed, stricter enforcement and stronger penalites must be applied against those who violate the Act. These additional steps are necessary in light of the adverse effect such importation of illegal aliens has had on the wages and job security of native Americans and lawfully admitted aliens, especially in times of high unemployment.

The Committee has been informed by the Commissioner of Immigration and Naturalization Service that some government agencies have permitted the employment of illegal aliens as tree planters, thinners and other forest laborers by awarding contracts to forestry contractors who regularly employ aliens who have illegally entered the United States. The provisions of this bill and its penalties are intended to apply to such contractors. The Committee urges the appropriate authorities to investigate this matter and to take all steps necessary to assure that such contracts are not awarded to these contractors.

HISTORY OF THE LEGISLATION

S. 2070, on which S. 3202 was based, was introduced on June 26, 1973 by the Chairman of the Subcommittee on Employment, Poverty and Migratory Labor (Mr. Nelson). Hearings were held on February 8, 1974 in Fresno, California and on April 8 and 9 in Washington, D.C. Testimony was offered by representatives of growers, farm labor contractors and migratory and seasonal farm workers.

Numerous organizations presented favorable views including the United States Department of Justice, the International Brotherhood of Teamsters, the United Farm Workers of America, AFL-CIO, the California Department of Industrial Relations, and the Colorado Department of Labor and Employment. The Department of Labor has strongly endorsed the enactment of legislation to broaden and strengthen the provisions of the Farm Labor Contractor Registration Act, and during the Subcommittee's hearings expressed its support for the provisions of S. 3202.

Legislation seeking to remedy many of the same deficiencies has already been passed by the House of Representatives this session (H.R. 13342).

S. 3202 was reported out of Subcommittee, and after amendment by the Full Committee, its language was substituted for that passed by the House. H.R. 13342 as amended was then ordered reported by unanimous voice vote from the Full Labor and Public Welfare Committee on August 15, 1974.

There was no rollcall vote in Committee.

SUMMARY OF THE LEGISLATION

The purpose of H.R. 13342 (as reported) is to remedy the deficiencies of the Farm Labor Contractor Registration Act of 1963. The bill extends the Act's coverage, and strengthens its enforcement mechanisms.

H.R. 13342 deletes the Act's limitation of coverage by including intrastate as well as interstate transactions, although dealings of a purely local and casual nature continue to be exempted. The bill also adds coverage for employment involving the processing of agricultural commodities in an unmanufactured state.

The Secretary of Labor is authorized to issue a certificate of registration to applicants who fully describe their activities, who show proof of having vehicle insurance, and who have not been convicted of certain specified crimes. All registered contractors are required to carry and disclose such certificates of registration at designated times. The bill broadens the information requirement that the farm labor contractor must provide migrant workers with regard to the nature of the worker's prospective employment. All such information must be in writing, in a language in which the worker is fluent, and be in a form prescribed by the Secretary of Labor.

The bill requires proof of posting of a security bond at the time of application; requires farm labor contractors to establish proof that their vehicles and property comply with federal and state health and safety standards; and establishes amounts of vehicle insurance comparable to amounts applicable to vehicles operating under the Interstate Commerce Act.

H.R. 13342 also places responsibility for payroll recordkeeping on the person to whom workers are furnished by a contractor. However, contractors would still be required to provide migrant workers with specified payroll information.

In addition, H.R. 13342 creates a federal civil remedy for persons aggrieved by violations of the Act. It also empowers the Secretary of Labor to enforce the Act through investigations, by the issuance of subpoenas, and by the imposition of civil penalties for designated serious violations of the Act, subject to administrative and judicial review. The bill raises the maximum criminal penalties, and prohibits discrimination against persons who exercise their rights under the Act.

The bill redefines the Act's existing prohibition on contractors regarding illegal aliens, and establishes a criminal penalty, in addition to the current sanction of registration revocation, for certain violators. Any farm labor contractor who has not registered under the Act, or whose registration has been revoked or suspended, will be subject to a criminal penalty of up to a $10,000 fine or a prison sentence of up to 3 years (or both), if such contractor has knowingly engaged the services of an illegal alien. Illegal alien has been redefined to mean any person who is an alien not lawfully admitted for permanent residence, or who has not been authorized by the Attorney General to accept employment.

ESTIMATE OF COST

The Committee has determined the basis of the increased number of persons who would be defined as farm labor contractors under this legislation that it will be necessary to assign at least an additional 30 positions to the Department's Employment Standards Administration. The Committee therefore estimates the additional cost associated with the legislation to be $525,000 for fiscal year 1975, and $750,000 in each fiscal year through 1979.

AMENDMENT OF THE WILD AND SCENIC RIVERS ACT AND THE LOWER ST. CROIX RIVER ACT OF 1972

The Senate proceeded to consider the bill (S. 3022) to amend the Lower Saint Croix River Act of 1972 which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Wild and Scenic Rivers Act (82 Stat. 906), as amended, is further amended as follows:

(a) In subsection (a) of section 5 after paragraph (27) insert the following new paragraphs:

"(28) Au Sable, Michigan: The segment downstream from Foot Dam to Oscoda and upstream from Loud Reservoir to its source, including its principal tributaries and excluding Mio and Bamfield Reservoirs.

"(29) Manistee, Michigan: The entire river from its source to Manistee Lake, including its principal tributaries and excluding Tippy and Hodenpyl Reservoirs.

"(30) Wisconsin, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien.

"(31) West Fork of the Sipsey Fork, Alabama: The segment, including its tributaries, from the impoundment formed by the Lewis M. Smith Dam upstream to its source in the William B. Bankhead National Forest.

"(32) Cahaba, Alabama: The segment from its junction with United States Highway 31 south of Birmingham downstream to its junction with the United States Highway 80 west of Selma.

"(33) Kettle, Minnesota: The entire segment within the State of Minnesota.

"(34) Upper Mississippi, Minnesota: The segment from its source at the outlet of Itasca Lake to its junction with the northeastern boundary of the city of Anoka.

"(35) American, California: The North Fork from Mountain Meadow Lake to the Auburn Reservoir and the lower 7.5 miles of the North Fork of the North Fork.

"(36) Tuolumne, California: The main river from its source on Mount Dana and Mount Lyell in Yosemite National Park to Don Pedro Reservoir.

"(37) Illinois, Arkansas and Oklahoma: The entire river from Tenkiller Ferry Reservoir upstream to its source, including the Flint and Barren Fork Creeks and excluding Lake Frances.

"(38) Shepaug, Connecticut: The entire river.

"(39) Colorado, Colorado and Utah: The segment from its confluence with the Dolores River, Utah, upstream to a point 19.5 miles from the Utah-Colorado border in Colorado.

"(40) Gunnison, Colorado: The segment from the upstream (southern) boundary of the Black Canyon of the Gunnison National Monument to its confluence with the North Fork.

"(41) Los Pinos, Colorado: The segment from its source, including the tributaries and headwaters within the San Juan Primitive Area, to the northern boundary of the Granite Peak Ranch.

"(42) Big Thompson, Colorado: The segment from its source to the boundary of Rocky Mountain National Park.

"(43) Green, Colorado: The entire segment within the State of Colorado.

"(44) Conejos, Colorado: The three forks from their sources to their confluence, thence the Conejos to its first junction with State Highway 17, excluding Platoro Reservoir.

"(45) Elk, Colorado: The segment from its source to Clark.

"(46) Cache la Poudre, Colorado: Both

forks from their sources to their confluence, thence the Cache le Poudre to the eastern boundary of Roosevelt National Forest.

"(47) Piedra, Colorado: The Middle Fork and East Fork from their sources to their confluence, thence the Piedra to its junction with Colorado Highway 160, including the tributaries and headwaters on national forest lands.

"(48) Encampment, Colorado: The Main Fork and West Fork to their confluence, thence the Encampment to the Colorado-Wyoming border, including the tributaries and headwaters.

"(49) Yampa, Colorado: The segment within the boundaries of the Dinosaur National Monument.

"(50) Dolores, Colorado: The segment from the west boundary, section 2, township 38 north, range 16 west, NMPM, below the proposed McPhee Dam, downstream to the Colorado-Utah border, excluding the segment from one mile above Highway 90 to the confluence of the San Miguel River; the segment of the main stem from Rico upstream to its source, including its headwaters; and the West Dolores from its source, including its headwaters, downstream to its confluence with the main stem.".

(b) In subsection (a) of section 4—

(1) in the third sentence strike "1978". and insert in lieu thereof "1978; with respect to all rivers named in subparagraphs 5(a) (28) through (49) of this Act no later than October 2, 1979; and with respect to the river named in subparagraph 5(a) (50) of this Act no later than October 2, 1975."; and

(2) in the fourth sentence: (A) between "rivers" and "with" insert "(i)", and (B) strike "system." and insert in lieu thereof "system, and (ii) which possess the greatest proportion of private lands within their areas.".

SEC. 2. Subsection (a) of section 6 of the Lower Saint Croix River Act of 1972 (86 Stat. 1174) is amended by deleting "$7,275,000" and inserting in lieu thereof "$19,000,000".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93-1207), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I. PURPOSE, BACKGROUND, AND SUMMARY OF S. 3022, AS ORDERED REPORTED

SUBSECTION (a); STUDIES OF 23 RIVERS

Subsection (a) of S. 3022, as ordered reported, would amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of twenty-three rivers in ten States for study to determine whether they should be added, by subsequent legislation, to the national wild and scenic rivers system established by that Act.

The studies would be authorized by amending subsection (a) of section 5 of the Wild and Scenic Rivers Act. This subsection contains a list of rivers designated for study. Under the Wild and Scenic Rivers Act, a river so designated is to be studied by either the Bureau of Outdoor Recreation of the Department of the Interior or the Forest Service of the Department of Agriculture to determine its suitability for inclusion in the national wild and scenic rivers system; whether administration should be undertaken by the State or Federal government, and if the latter, which agency should be given the administrative task; and in which of the three categories established by the Act—wild, scenic, or recreational—the entire segment of the river or portions thereof should be classified. The study, once completed, is submitted to the President who, in turn, transmits his recommendations to the Congress. Congress must then enact further legislation should it wish to designate the river as a component of the wild and scenic rivers system. (An exception to this procedure allows the Secretary of the Interior to designate a river without Congressional action if the relevant State or States assume responsibility for its management and recommend it to the Secretary for inclusion in the system.) During the period of study, the Wild and Scenic Rivers Act affords certain protection to a river, including a prohibition against the construction of water resource projects upon it.

The Wild and Scenic Rivers Act designated twenty-seven rivers for study and eight rivers to be immediately included in the system. Since the Act's enactment in 1968, two State-administered rivers have been added to the system by the Secretary of the Interior. In addition, Congress has enacted into law two measures which designated segments of the Lower St. Croix River in Minnesota and Wisconsin (the Lower St. Croix River Act of 1972, 86 Stat. 1174) and the Chattooga River in North Carolina, South Carolina, and Georgia (Act of May 10, 1974, 88 Stat. 122) as components of the system. These two river segments had both been on the original list of twenty-seven study rivers and the reports on them, submitted by the Administration, recommended the Congressional action which was subsequently taken.

The period of study provided for the 27 study rivers in the Wild and Scenic Rivers Act was ten years; however, the provisions in the Act which afforded protection to the study rivers from water resource projects contained a five year expiration date (October 2, 1973). When it became apparent that the studies of all 27 study rivers would not be completed prior to the deadline for protection against water resource projects, the Administration submitted proposed legislation (S. 921, introduced by Senator Jackson and Fannin (by request) on February 20, 1973) to extend the protection period for five more years (to October 2, 1978) to coincide with the study period. The Act of May 10, 1974, in addition to designating the Chattooga River and making several amendments to the Wild and Scenic Rivers Act, also provided this extension of the protection period.

Now that the study task mandated in the Wild and Scenic Rivers Act is nearing completion, numerous proposals for additional rivers to study have been made. Twenty-seven bills proposing a total of fifty-four rivers for study have been introduced by various Senators this Congress. Three bills (S. 1101, S. 1391, and 2439) proposing segments of the Wisconsin, Au Sable, Manistee, and New Rivers for study have already passed the Senate and are awaiting House action. Furthermore, on June 27, 1974, Senators Jackson and Fannin introduced (by request) S. 3708 proposing 32 new study rivers. This bill, an Administration measure, is the result of an inter-agency review to determine which potential wild and scenic rivers should next be studied.

The Subcommittee on Public Lands has held five days of hearings on most of the proposed bills. Subsequent to these hearings, on July 29, 1974, the Subcommittee, by unanimous voice vote, approved for full Committee action S. 3022, as amended. The full Committee gave unanimous, voice vote endorsement to the bill on September 10, 1974.

The twenty-three river segments designated for study in subsection (a) of S. 3022, as amended, contain river segments proposed in S. 30 (Moss), S. 449 and S. 2319 (Dominick), S. 2151 and S. 2216 (Allen and Sparkman), S. 2386 and S. 3186 (Cranston and Tunney), S. 2443 (Mondale), S. 2691 (Mondale, Humphrey, Nelson, and Proxmire), S. 3130 (Ribicoff), and S. 3628 (Bellmon and Bartlett), and the river segments contained in S. 1101 (Hart and Griffin) and S. 1391 (Nelson), as already passed the Senate. Six of these river segments were also proposed for study in S. 3708.

Section II of this report contains descriptions of the segments of the twenty-three rivers which would be studied pursuant to subsection (a) of S. 3022, as amended. Below is a list of those river segments, their approximate length, and the States in which they are located:

1. Au Sable, 75 miles, Michigan.
2. Manistee, 75 miles, Michigan.
3. Wisconsin, 74 miles, Wisconsin.
4. West Fork of the Sipsey Fork, 24 miles, Alabama.
5. Cahaba, 85 miles, Alabama.
6. Kettle, 58 miles, Minnesota.
7. Upper Mississippi, 330 miles, Minnesota.
8. American, 53.5 miles, California.
9. Tuolumne, 96 miles, California.
10. Illinois, 255 miles, Arkansas and Oklahoma.
11. Shepaug, 25 miles, Connecticut.
12. Colorado, 55.5 miles, Colorado and Utah.
13. Gunnison, 30 miles, Colorado.
14. Los Pinos, 18 miles, Colorado.
15. Big Thompson, 12 miles, Colorado.
16. Green, 35 miles, Colorado.
17. Conejos, 35 miles, Colorado.
18. Elk, 30 miles, Colorado.
19. Cache La Poudre, 70 miles, Colorado.
20. Piedra, 20 miles, Colorado.
21. Encampment, 50-55 miles, Colorado.
22. Yampa, 65 miles, Colorado.
23. Dolores, 265 miles, Colorado.

As subsection (a) of S. 3022, as amended, amends the Wild and Scenic Rivers Act, all the provisions of that Act concerning study procedures and management of rivers during study apply to the twenty-three rivers named in the subsection. Section III of this report contains a discussion of these provisions of the Wild and Scenic Rivers Act as well as the provisions which would apply to the rivers if, following completion of the studies, they are designated by Congress as components of the national wild and scenic rivers system.

SUBSECTION (b) (1): FIVE-YEAR STUDY PERIOD

As noted above, the Administration is now completing the 27 river studies which it was required to conduct by section 5(a) of the Wild and Scenic Rivers Act. The Committee, in reviewing this experience, attributed the extension beyond the 5-year protection period made necessary by the completion schedule for the original 27 studies to the slow start on the studies during the "start-up" period in which personnel to conduct the studies were being assigned, funds appropriated, and the study methodology designed. As no start-up period would be required for the 23 new studies which S. 3022, as amended, would mandate, the Committee determined that a little over 5 years would be sufficient time to complete those studies. The Administration estimates that now that funds are available and personnel are in place the average time necessary to complete a river study is 18 months. The Committee believes that the possibility of staggering the one and half year studies throughout the 5-plus years will further diminish any pressure which S. 3022, as amended, might exert on existing human and financial resources in the Bureau of Outdoor Recreation and the Forest Service.

For these reasons, subsection (b) (1) sets October 2, 1979, as the deadline for all but one of the 23 studies.

The one study to which this deadline does not apply is the Dolores River in Colorado. The importance of this river as a potential wild and scenic river is described below in section II of this report. However, the river and its water are also critical to the economy of the southwestern region of Colorado. A good number of private landowners, most of them engaged in ranching, have property along its banks. Furthermore, a major water resource project—the Dolores Project—is planned for portions of the river. Its most important facility—the McPhee Dam—is well into the planning stage, and, although the stretch of river on which it would be located is not to be studied, the question of compatibility of the dam and the proposed wild and scenic river segments below it is not altogether certain. An early completion of the study will insure that the McPhee Dam is not delayed by this uncertainty. Furthermore, most observers believe the study will demonstrate that the construction and operation of the dam and designation of segments of the Dolores as components of the national wild and scenic rivers system are compatible—that the dam proponents can guarantee a minimum flow sufficient to reassure river runners and other recreationists that the Dolores will provide a true wild and scenic river experience.

To insure the desired quick completion of the Dolores study, subsection (b)(1) provides a 1-plus year deadline—October 2, 1975—for completion of the Dolores study.

Section (b)(1) sets both the 5-year and 1-plus year deadlines by amending subsection 4(a) of the Wild and Scenic Rivers Act to insert the two dates immediately after the deadline for the 27 original studies.

The study deadlines provided by subsection (b)(1) do not fully coincide with the period of protection provided study rivers. The Act of May 10, 1974 (88 Stat. 122) amended section 7(b) of the Wild and Scenic Rivers Act (82 Stat. 906, 914) to provide protection against water resource projects for rivers under study for a period of 10 years after the enactment of the Wild and Scenic Rivers Act (October 2, 1978) or 3 fiscal years after enactment of an Act providing for study of an additional river or rivers. S. 3022, however, allows the studies it mandates to run until October 2, 1979.

Thus, S. 3022, as amended, presents the same anomaly as that contained in the original Wild and Scenic Rivers Act—a shorter protection period than a study period. Of course, the reason for the difference between the study and protection periods in the present situation is that the 3 fiscal year protection limitation provided in the 1974 law for future legislation was based on the theory that each individual legislative proposal would, at most, name only two or three study rivers at a time. Although Congress could make the two periods coincide, at some future date, the Chairman of the Subcommittee on Public Lands has announced that he will consider offering an amendment to correct this anomaly when the Senate takes up S. 3022, as amended.

SUBSECTION (b)(2): PRIORITY OF STUDIES

The purpose of subsection (b)(2) of S. 3022, as amended, is to shorten the period of uncertainty landowners would experience when the rivers along which they live or work are designated for study under the Wild and Scenic Rivers Act.

Subsection (4)(a) of the Wild and Scenic Rivers Act, as amended by the Act of May 10, 1974 (88 Stat. 122), establishes a basis for determining the order in which rivers are to be studied. The fourth sentence of the subsection provides that "In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments, which, if undertaken, would render the rivers unsuitable for inclusion in the national wild and scenic rivers system."

Subsection (b)(2) would amend that sentence by providing a second basis for determining priority: early consideration is also to be given those rivers "which possess the greatest proportion of private lands within their areas". This basis for establishing priority would insure that those studies involving river segments which have a great number of private landowners along their borders will be completed quickly. This will serve to reduce the period of uncertainty landowners would otherwise experience while the study is being conducted and the President's recommendations determined.

A brief study period for rivers involving a high percentage of private land is particularly important in light of subsection 6(b) of the Wild and Scenic Rivers Act. This subsection is as follows:

"(b) If 50 per centum or more of the entire acreage within a federally administered wild, scenic or recreational river area is owned by the United States, by the State, or States within which it lies, or by political subdivisions of those States, neither Secretary shall acquire fee title to any lands by condemnation under authority of this Act. Nothing contained in this section, however, shall preclude the use of condemnation when necessary to clear title or to acquire scenic easements or such other easements as are reasonably necessary to give the public access to the river and to permit its members to traverse the length of the area or of selected segments thereof."

Clearly, landowners along any river segment designated for study the area of which is less than 50% federally-owned are placed in a particularly difficult situation during the study period. They do not know whether the river will be determined to meet wild and scenic river criteria and thus make condemnation of their property a distinct possibility. They do not know whether the proposed boundaries of the river will be redrawn to exclude their property or to establish an area which will include their property but which enjoys more than 50% Federal ownership. If the latter alternatives develop, then, of course, the threat of condemnation of fee title is eliminated. While the threat hangs over the landowners they will obviously be reluctant to improve their businesses or residences and they may very well experience difficulty in obtaining any loans using their property as collateral. This amendment to subsection 4(a) would insure that the periods of uncertainty for private landowners affected by S. 3022, as amended, and other legislation designating river segments for study will be as brief as possible.

SUBSECTION (C): AMENDING THE LOWER SAINT CROIX RIVER ACT

Subsection (c) amends section 6 of the Lower Saint Croix River Act of 1972 (86 Stat. 1174) by increasing from $7,275,000 to $19,000,000 the authorization for the acquisition and development of land and interests therein along the 27 mile segment of the Lower Saint Croix River to be administered by the Secretary of the Interior. This authorization increase will permit the National Park Service to acquire the necessary land and interests in land to provide the degree of protection to the Federal segment of the wild and scenic river which was intended in the Wild and Scenic Rivers Act and the Lower Saint Croix River Act of 1972.

The Lower Saint Croix River is one of the most intensely studied rivers in the Nation. Congress, itself, has devoted a great deal of attention to the river. Bills to protect the river were introduced by Senator Nelson in 1965, 1967, and 1971. Section 5(a)(21) of the Wild and Scenic Rivers Act specifically mandated the Federal Government to study the river and determine its suitability as a component of the national wild and scenic rivers system. In January 1970, a joint Federal-State team initiated the study. The preliminary findings of the study team contained the conclusion that the Lower St. Croix met the criteria for inclusion in the national system as set forth in section 2(a)(i) of the Wild and Scenic Rivers Act.

During the 1972 Subcommittee on Public Lands hearings on legislation to implement the recommendations of the study team's preliminary findings and designate the Lower Saint Croix River as a component of the national wild and scenic rivers system, a map was submitted by the study team. This map, entitled "conceptual development plan for the Lower St. Croix River" contained the recommendations of the Federal-State study team as to the best management for the river, recommendations which were concurred in by the Wisconsin and Minnesota congressional delegations. The development plan called for the Federal Government to acquire title and scenic easements for all of the land from the dam at Taylor Falls to the Washington County Line. From the Washington County line to Stillwater, Minnesota, a distance of approximately 17 miles, the development plan clearly contemplated that the Federal Government would acquire limited fee title and large amounts of scenic easements. The remainder of the river, from Stillwater to its confluence with the Mississippi would be managed jointly by the States of Wisconsin and Minnesota.

The preliminary findings included a $7,275,000 cost estimate for the implementation of the Federal portion of the development plan.

On October 25, 1972, Congress enacted the Lower Saint Croix River Act of 1972, which, based upon that development plan and cost estimate, added the river to the national wild and scenic rivers system.

The preliminary findings of the study team were reaffirmed in the Department of Interior's final report on the river entitled "Scenic River Study of the Lower St. Croix" published in February 1973, four months after enactment of 1972 Act. This report sets forth the conceptual guidelines for the classification, development, and management of the river as a component of the national wild and scenic river system. Page 93 of this report bears the statement that, in the 27 mile federal portion, 5,400 acres of land would be acquired in fee or easement. Within the recreational segment which will be protected by the states of Wisconsin and Minnesota an estimated 2,500 acres of land was to be protected including the acquisition of 2,470 acres of easements and 30 acres in title. The final report estimates the cost of the entire 52 mile project at $8,680,000; $1,405,000, to be spent by the States. The report estimates that $7,275,000 should be spent on the entire 27 mile Federal sector and $1,405,000 spent on the lower 25 miles.

The record time in which the Lower Saint Croix River Act of 1972 was passed—5 days from the initial mark-up by the Senate Interior Committee through Committee and floor action in the House—attests to the urgency Congress attached to protecting the river in view of the immediacy of the threat to it posed by potential development.

As noted by Senator Mondale in testimony at the June 20, 1974 hearing of the Subcommittee on Public Lands on S. 3022:

"This sense of urgency was fully justified. If the Congress had not moved as quickly as it did to pass the Lower Saint Croix River Act, cliff dwelling townhouses and a mid-rise apartment building might today scar the bluffs of the river. For even as Federal-State planners first met to develop the specific details of the protection program, one developer was proceeding with his own plans for the construction of a housing project which included townhouses and an apartment building to tower over the valley.

"Even with the Act, it took massive pressure from the Governors of the two States, members of the Congress, and a lawsuit filed by the Attorney General of Minnesota to force the developer to reconsider his plans. In the face of the lawsuit the developer signed an agreement last September 27th, resulting in the modification of his plans to conform to riverway guidelines.

"Although this project was stopped in time, there is nevertheless no assurance today that another developer could not attempt to press for a similar project and win even in the courts."

The basic reason for the statement made in the last sentence of the quoted passage is the discovery that funding authorization in subsection 6(a) of the Act to provide for the protection of the 27-mile segment of the river to be administered by the Federal Government was only slightly more than one-third the actual funding necessary.

The initial estimate of the cost of the project which was included in the preliminary findings of the study team, the Department's final report, and the Act, itself, was developed by the Bureau of Outdoor Recreation. It was based upon the average per acre price of land in the Saint Croix Valley. Neither the Congress nor the States had any reason to question this estimate of $7.275 million of acquisition and development in the federal zone, and this figure was included as the authorization ceiling in the Lower Saint Croix River Act. Only later, after more detailed appraisals, was it discovered that the actual cost, based on the price of land per foot along the river, would be much higher.

The discovery of this cost discrepancy prompted Governors Wendell R. Anderson of Minnesota and Patrick Lucey of Wisconsin to write, on October 22, 1973, a letter to the Secretary of the Interior, Rogers C. B. Morton. The letter contained the following statements:

"As you know, the State governments of Minnesota and Wisconsin are participating with your Department through the National Park Service in the formulation of the Federal-State Comprehensive Master Plan for the protection of the Lower Saint Croix River under P.L. 92–560.

"We are, however, distressed that the funding provided by last year's Lower Saint Croix River Act for acquisition and development of lands in the 27-mile federally administered river zone appears to be inadequate. Nearly two-thirds of that segment will have to be controlled through a fragmented system of local zoning codes, rather than through full or partial public interest in lands by your department. We are concerned as to how this serious gap occurred since there seemed to be no question at the State or Federal levels during negotiations on the bill that the $7,275,000 sought for the federally administered segment would be sufficient to protect the full 27 miles of the river valley through fee or easement purchase on river front lands, except within four small municipalities and State-owned areas."

The Governors requested Secretary Morton's assistance in seeking additional funds from the Congress. But in its reply, dated December 6th, the Department rejected this plea. Instead, the National Park Service circulated for discussion a draft master plan which sets forth the protection efforts possible within the constraints of the $7,275,000 authorization ceiling. The plan provides for acquisition of land and easements in the first 10 miles of the Federal zone. However, except for the proposed purchase of a few acres for a visitors' center above Stillwater, the plan provides for no acquisition of land or easements along the shore of the remaining 17-mile stretch, which comprises almost two-thirds of the Federal portion of the riverway. In effect, the plan would require the States of Minnesota and Wisconsin and their subdivisions to assume responsibility for protecting the additional 17-mile segment of the river which the lower Saint Croix River Act of 1972 made the responsibility of the Federal Government.

This draft master plan and the response of the Department to the Governor's letter prompted members of the Minnesota and Wisconsin Congressional Delegations on December 20, 1973 to request a meeting with Ronald H. Walker, Director of the National Park Service. The meeting was held in the Capitol on February 6, 1974. Assistant Secretary John Kyl, Dr. Richard Curry, Robert Chandler, Richard Whittpen and others represented the Department of the Interior. Governor Wendell R. Anderson, Commissioner Robert Herbst and Assistant Commissioner Archie Chelseth of the Minnesota Department of Natural Resources attended on behalf of Minnesota. Farnum Alston appeared for Governor Lucey and James Harrison and James Johnson for the Minnesota-Wisconsin Boundary Area Commission. Finally, Senators Nelson, Humphrey and Mondale and Representatives Blatnik, Fraser, Karth, Quie and Thomson took part in the discussion.

Subsequent to this meeting, on May 17, 1974, Assistant Secretary John Kyl wrote to each of the Congressional participants. His letter indicated that $18,775,000 would be required to carry out the program of full protection for the entire 27 mile Federal segment of the river suggested in the preliminary report of the study team and clearly envisioned by Congress in enacting the Lower St. Croix River Act of 1972.

The letter states:

"In response to your suggestion that the draft master plan be modified, we are preparing an amendment to the master plan which would provide for this alternative regarding the protection of the lower 17 miles of the Federal portion of the riverway. The amendment would be applicable if additional funding is secured. However, I have under advisement the following recommendations of the Land Planning Group:

"1. The National Park Service be instructed to direct the field planners to reevaluate the areas proposed for acquisition and to identify those areas in the Federal sector of the Lower Saint Croix that are under immediate threat and would be lost if acquisition is not made immediately.

"2. The National Park Service begin immediate acquisition with the money authorized by Public Law 92–560 ($7.275 million) and to acquire on a first priority basis those 18 areas identified by the States that are under immediate threat and would destroy the resources of the river.

"3. Wherever possible, less than fee title to the lands be acquired

"4. The Department of the Interior, at this time, submit a negative report on the legislation H.R. 12690 (S. 3022), amending the Lower Saint Croix Act of 1972 until there is sufficient evidence resulting from the National Park Service acquisition of the areas along the Saint Croix to show that funds available under Public Law 92–560 are not sufficient to carry out the acquisition program for these areas.

"5. As soon as it becomes evident and experience is available that as a result of the land acquisition in the Lower Saint Croix area that the costs of acquiring the land will exceed the monies authorized for the acquisition, the Department should advise Congress that additional funding is needed and request such additional authorization and funds needed to carry out the acquisition to protect the resources of the Lower Saint Croix according to Public Law 92–560.

The Committee firmly believes that to await further recommendations of the Administration as to what, if any, additional funding may be required is to run the risk that the intent of Congress as embodied in the Lower Saint Croix River Act of 1972 will not be fulfilled. If the draft master plan is followed, nearly two-thirds or 17 miles of the Federal segment of the river will not be protected by Federal acquisitions of land or interests in land. Under the plan, the only controls on land use in the 17-mile stretch would be through zoning. The reason for reliance on zoning in this segment is clearly articulated on page 28 of the draft master plan, which states, "The provisions of Section 6 [Ceiling on Appropriations] have exerted the greatest constraints on preserving a significant portion of the Federal segment of the riverway."

Yet, the deficiencies in the use of zoning were recognized on page 51 of the draft master plan:

"Historically, zoning has proven to be the weakest tool available for the protection of riverway corridors. At times, zoning laws can be changed by political and economic pressures. A few variances, if incompatible with the National Wild and Scenic River Program, could jeopardize the environmental quality of the Lower Saint Croix Riverway. In addition, it has been extremely difficult in the courts to justify zoning primarily on the basis of esthetics."

Furthermore, the zoning power was declared to be clearly inadequate to protect the scenic zone. Page 33 of the plan contained the statement that:

"Given the level of funding authorized in Public Law 92–560, it is not possible to acquire lands in fee or scenic easements in the Federal recreation zone without seriously compromising the preservation intent of the scenic zone."

In reply, Senator Mondale noted:

"If the absence of fee and easement acquisition would compromise the preservation intent in the scenic zone, it is obvious that the lack of such acquisition would seriously jeopardize protection for the 17-mile Federal recreation zone.

"The Federal Government should not be in the position of abandoning all protection of two-thirds of the area it is supposed to administer in order to save the upper one-third. While there is just enough development in the lower segment to require that it be legally defined as recreational rather than scenic, there is in fact no abrupt change in the river environment below the boundary between the two classifications. On the contrary, the river maintains for the most part the intimate island and slough setting and the essentially unspoiled natural beauty which led to its designation as a component of the national wild and scenic rivers system."

As, under the draft master plan, aggressive land and easement acquisition programs will be conducted by the Federal Government on the upper 10 miles of its 27-mile segment and by the two States on their 25 mile segment, the 17-mile gap, to be protected only by zoning, will be subjected to intense development pressures.

A study developed by the Minnesota-Wisconsin Boundary Area Commission has revealed some 19 current proposals for development along the Lower Saint Croix. Six of these proposals involving 3,280 acres are already targeted for the 17-mile unprotected corridor in the Federal zone. They would involve 500 or more units of housing and a commercial recreation complex with possible construction of a hotel and restaurant facilities for skiing and a trails network.

This development pressure cannot easily be forestalled while Congress awaits new Park Service cost estimates, particularly when the Department has not evinced a firm commitment to a program of full protection of the 27 mile Federal segment of the river envisioned by the Congress in the Lower Saint Croix River Act of 1972.

This Committee believes that the intent of Congress must be effected and that the only way to insure this result is to promptly raise the authorization level in the 1972 Act. Furthermore, if the Congress is to be responsible the Committee believes that it must match the funding level to the program which it has mandated. The raising of the authorization has the full support of the Governors of the two States, the Minnesota-Wisconsin Boundary Area Commission, the Saint Croix River Association (representing local residents), and State and national conservation organizations.

II. Descriptions of the 23 Rivers To Be Studied

Set forth below are brief descriptions of the 23 rivers of which segments would be designated by subsection (a) of S. 3022, as amended, for study to determine their suitability for inclusion in the national wild and scenic rivers system. Designation of these river segments for study does not, of course, constitute a Congressional determination that they meet all the criteria for wild and scenic river designation. Instead, it does indicate a Congressional finding that the testimony of the hearings has made at least a prima facie case for such a determination. The studies themselves will prove or disprove that case.

1. AND 2. THE AU SABLE AND MANISTEE RIVERS, MICHIGAN

(28) Au Sable, Michigan: The segment downstream from Foot Dam to Oscoda and upstream from Loud Reservoir to its source, including its principal tributaries and excluding Mio and Bamfield Reservoirs.

(29) Manistee, Michigan: The entire river from its source to Manistee Lake, including its principal tributaries and excluding Tippy and Hodenpyl Reservoirs.

Together the Au Sable and Manistee Rivers span nearly the entire State of Michigan. Each river is approximately 75 miles in length and has its headwaters in the north central portion of Michigan's lower peninsula.

The Au Sable River has its source in the Gaylord-Grayling area and flows halfway across the lower peninsula to its mouth on Lake Huron at the city of Oscoda. The entire river is proposed for study with the exception of the reach between Foote Dam and Loud Reservoir and the Banfield and Mio Reservoirs. A major portion of the river is within the Huron National Forest.

Conditions vary widely along the various segments of the river dependent on land ownership and topography. Segments of the river are relatively remote with limited access, while other areas have easy access with roads paralleling portions of the river. The Au Sable River and adjacent areas support a good fishery and diversified wildlife population. Brown, rainbow, and brook trout predominate in the main river area and northern pike, walleye, small and largemouth bass, and panfish are present in the impounded areas.

The Manistee River flows west from north central Michigan through the Manistee National Forest before emptying into Manistee Lake, which in turn drains into Lake Michigan at the city of Manistee. The entire river is proposed for study with the exception of Tippy and Hodenpyl Reservoirs. Between the reservoirs and below the lowest dam, the river flows through some ruggedly glaciated areas, offering a spectacular view of varied land forms and vegetation. The drainage is served by an excellent system of roads which provide access to river areas from the downstate population centers. The Manistee River offers one of the best combinations of cold and warm water fisheries which exist in the State of Michigan. The free flowing segments provide quality cold water fishing.

At the July 16, 1973 hearing on S. 1101, all witnesses, including representatives of the administration and a number of environmental organizations, concurred in the judgment that the Manistee and Au Sable Rivers are deserving of study for possible inclusion in the national wild and scenic rivers system. In fact, these rivers had already been identified by the administration in 1970 as appropriate for study. No opposition to S. 1101 was communicated to the Committee.

3. THE WISCONSIN RIVER, WISCONSIN

(30) Wisconsin, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien.

The seventy-four mile segment of the lower Wisconsin designated for study is situated in the southwestern portion of the State of Wisconsin, beginning at Prairie du Sac and flowing west to its confluence with Mississippi River at Prairie du Chien. The river corridor contains some 98,500 acres, of which about 16,000 acres are public lands, 3,603 acres are public utilities land, 55,000 acres are private land, and approximately 21,000 acres are covered by water. At the hearing on S. 1391 before the Subcommittee on Public Lands, Senator Gaylord Nelson, author of S. 1391, described the proposed study river, as follows:

"The lower Wisconsin is one of the most beautiful and unspoiled rivers in the nation. It was first discovered in 1673, during the travels of two French explorers. The travels of Father Jacques Marquette and Louis Joliet from Green Bay to the mouth of the Mississippi River led them to travel down the length of the Wisconsin River, and to note the vast and varied resources which grace the shoreline.

"The discovery of the Mississippi River by Marquette and Joliet enhanced the use of that river as a means of transportation for material from the heartland of the nation to the port at New Orleans. But the Wisconsin River, although a tributary of the Mississippi, did not fit into the pattern of transportation, because of its west to southwest direction. . . .

"So while the Mississippi River, over the past 300 years, has been substantially developed as a major transportation resource, the Wisconsin River has remained in its natural state, presenting to the people a unique recreational and environmental resource.

"The value of the lower Wisconsin as an asset to the nation has been recognized by both government and the public. Those who worked hard to prevent the kind of development which leads to the ultimate destruction of a shoreline, and the State of Wisconsin owns some 16,000 acres of land along the river, utilizing the area in four state parks and a number of smaller state-owned recreational and hunting areas.

"16 communities dot the shore line of the river, although only four actually touch the river. There are no impoundments at present on the river, and development by private citizens has not gone beyond the construction of simple cottages, of which there are few.

"Thus . . the addition of the lower Wisconsin River to the Wild and Scenic River study list would afford an excellent opportunity for a full-scale study of the river, and of the most effective means to protect its valuable resources for the enjoyment and benefit of future generations."

Witnesses representing the Administration and a number of environmental organizations concurred in the judgment that this segment of the lower Wisconsin River is deserving of study for possible inclusion in the wild and scenic rivers system. No opposition to the proposal was communicated to the Committee.

4. AND 5. THE WEST FORK OF THE SIPSEY FORK AND THE CAHABA, ALABAMA

(31) West Fork of the Sipsey Fork, Alabama: The segment, including its tributaries, from the impoundment formed by the Lewis own private property along the river have M. Smith Dam upstream to its source in the William B. Bankhead National Forest.

(32) Cahaba, Alabama: The segment from its junction with United States Highway 31 south of Birmingham downstream to its junction with United States Highway 80 west of Selma.

As stated by Senator Sparkman in the June 20, 1974 hearing of the Subcommittee on Public Lands:

"The enactment of S. 2151 and S. 2216 is important to the people of Alabama because these bills offer protection to two unique rivers. Both the Cahaba and the West Fork Sipsey are beautiful rivers which flow through scenic forests. If these rivers are to be preserved, action is needed now. Timber cutting, strip mining, and the growth of the areas along these rivers pose threats that could destroy their special character."

The *West Fork of the Sipsey Fork*, proposed for study meanders through deep canyons with vertical sandstone cliffs bordering both sides of the river in many cases. Bottomland hardwoods and hemlock are the most common trees. The area is very rich botanically and a unique species of fern has been discovered along the river banks. The area abounds in archeological areas, including a cliff overhang dwelling which shows evidence of long-time Indian habitation and sandstone carvings made by primitive man sharpening stone tools.

Extensive measurements of water quality and flow have been made by the U.S. Geological Survey at their benchmark gauging station near Grayson, Alabama. The major results of the study can be summarized as follows:

"Based on the fecal coliform count, the river is well within Public Health Service standards for swimming all year long, even at low flow in the summer; much of the time the river water quality will probably meet drinking water standards; the river is clear and silt-free except at flood stage; and pesticide and mineral content are very low. There are few streams with higher water quality in the east and southern United States."

The river is canoeable, with perhaps only 2 or 3 short portages, from Thompson Creek at Northwest Road (FS 208) to the highway 33 bridge for approximately 5 to 6 months during the year, a canoe trip which can be made in 2 or 3 days. In this stretch of river there are several shoals which offer a beginning canoeist a safe but exciting white water experience. December through May is the best canoe period, although the river can be floated on a tube during other months. the December–May period coincides with the most enjoyable time for backpacking and canoeing in Alabama.

Fishing in the study area is good. The primary game fish are black bass and spotted bass. The world-record spotted bass was taken in Smith Lake adjoining the study area. Fly and spin-fishing for bass in the study area is productive year round. The streams are easily waded. The area is famous among the local residents for *trotline* fishing for catfish at night. A favorite family weekend for nearby residents is to hike into the river for catfishing during the spring and summer.

The area has an extremely high recreational potential for Alabama and the Southeastern United States.

A portion of the river runs through the Spisey area of Bankhead National Forest. This area is proposed as a wilderness area in the Eastern Wilderness Areas Act which this Committee reported and the Senate passed earlier this Congress.

In addition to its renowned beauty, the *Cahaba River* has great historical significance. The first permanent capital of the State of Alabama was located on its banks. The Cahaba also served as a major means of transport during the settlement of Alabama and the development of the cotton trade of the Old South. Indian canoes, settlers' barges and rafts, and steamboats plied the river. It was especially important to the Indians of Alabama, and derives its name from the language of those who lived along its banks. The Cahaba too has fine potential for canoeing and other forms of recreation.

6. THE KETTLE RIVER, MINNESOTA

(33) Kettle, Minnesota: The entire segment within the State of Minnesota.

Originating in Carlton County, the Kettle River winds its way southward toward the town bearing its name and then flows into the Saint Croix. Essentially a wild river with only a few scattered dwellings throughout most of its length, it is a spectacular area enjoying a national reputation for its excellence, as a white water canoe river. Rapids interspaced with long tranquil pools offer a challenge to even the most experienced canoeists, as well as a chance for quiet reflection. Deep gorges, moraines, glacial outwash, plains, kettle holes and caves illustrate the glacial geology of the area. Deer, muskrats, beaver, herons and hawks are only a few examples of the abundant wildlife that inhabit the valley. In the clear waters of the Kettle, fishing is excellent, especially for walleyes, sturgeon and small mouth bass.

From its headwaters in Carlton County, the Kettle flows in a generally north-south direction. For the first six miles the river flows through an area of glacial moraine where pools and rapids are closely interspaced. Heavy forests of aspen and birch, dotted with occasional stands of Norway and white pine, extend almost to the water's edge, enclosing the river and creating an intimate and intensely natural setting.

As the river widens, the pools and rapids become longer and deeper. Islands become a dominant feature of landscape, and the main channel soon becomes difficult to distinguish. Below the point where the Moose River joins the Kettle, the ever-widening stream flows through a valley of farmland and open woods.

At Banning State Park the Kettle flows through a gorge approximately 130 feet deep, which forms the nationally celebrated Hell's Gate Rapids. These rapids, approximately one mile in length, consist of four major drops of about five feet each.

Further downstream the river passes through several short rapids and pools of up to 20 feet in depth. It widens out below this point to a series of rapids that are of moderate difficulty and very popular with canoeists.

Nearly two-thirds of the Kettle River basin is forested. There are some farms along the river and a number of small communities. From the town of Sandstone some 53 miles to the mouth of the Kettle at the St. Croix, there are only about five homes visible from the river. Public land ownership in the General C. C. Andrews State Forest, Banning State Park, the Sandstone Game Refuge, Chengwatan State Forest and St. Croix State Park has helped to protect the primitive values of the area.

Nevertheless, conditions favoring future development of the Kettle are rapidly emerging. Two-thirds of the land along the Kettle is in private ownership. Taxes are escalating, and it is becoming more and more expensive for people to maintain undeveloped property. The populous Twin Cities and Twin Ports areas are exerting increased pressure for second home development, and visitor use in the major State Parks along the Kettle has tripled during the past five years. Finally, Federal protection under the Wild and Scenic Rivers Act of the Saint Croix (into which the Kettle flows) and of the Saint Croix's other major tributary, the Namekagon, will inevitably heighten development interest in the Kettle.

The Kettle River has been designated for study under the 1973 Minnesota Wild and Scenic Rivers Act. The State study is now nearing completion, and all indications are that the Minnesota Department of Natural Resources will be prepared to move ahead with a program for the Kettle.

In light of this State study, Senator Mondale, sponsor of S. 2691, which proposes the Kettle for Federal study described the prospective role to be played by the Federal study:

"A study of the features of the Kettle most deserving of national protection is clearly warranted. The fact that the State study is now almost complete should not serve as a deterrent to action, but rather as a means to expedite a federal evaluation. The work of the federal study team would be greatly facilitated by drawing upon the analysis already done by the Minnesota Department of Natural Resources. This study, I would hope, would focus primarily on what the appropriate roles of Federal, State and local government should be in providing for an effective preservation program. If the study findings reveal that the State of Minnesota has all of the financial and management tools required to avoid any destruction of the scenic and primitive values of the Kettle, the federal government's responsibilities might be confined merely to recognizing the unique nature of this resource. But if the study reveals that federal back-up protection is required to safeguard the Kettle, then an appropriate State, Federal and local government management program could be devised."

7. THE UPPER MISSISSIPPI, MINNESOTA

(34) Upper Mississippi, Minnesota: The segment from its source at the outlet of Itasca Lake to its junction with the northwestern boundary of the city of Anoka.

The Mississippi River, America's best known river, needs no introduction. For most of its 2,350 mile length, however, the Mississippi today could scarcely be considered an untouched natural resource. In many areas it has been heavily impacted by pollution. Competing commercial uses have by and large overshadowed attention to the recreational potential of the river. But, winding from its source at Lake Itasca south to the City of Anoka, Minnesota, the 330-mile stretch of the river offers opportunities for visitors to enjoy a variety of excellent wild, scenic and recreational qualities. In this area much of the river still warrants Mark Twain's description, written nearly a century ago:

"The majestic bluffs that overlook the river, along through this region, charm one with the grace and variety of their forms, and the soft beauty of their adornment. The steep verdant slope, whose base is at the water's edge, is topped by a lofty rampart of broken, turreted rocks, which are exquisitely rich and mellow in color—mainly dark browns and dull greens, but splashed with other tints. And then you have the shining river, winding here and there and yonder, its sweep interrupted at intervals by clusters of wooded islands threaded by silver channels; and you have glimpses of distant villages, asleep upon capes; and of stealthy rafts slipping along in the shade of the forest walls; and of white steamers vanishing around remote points. And it is all as tranquil and reposeful as dreamland, and has nothing this-worldy about it—nothing to hang a fret or a worry upon."

Today, as it was a century ago, it is possible to float down stretches of the Mississippi's still serene waters, to enjoy untouched forests and plains, and to swim and fish in water of superb quality.

From the standpoint of a wild river experience, Itasca State Park, at the source of the Mississippi, embraces roughly 50 square miles of exceptional wilderness, forested with virgin Norway and white pine. The Chippewa National Forest adjacent to the Mississippi offers miles of clear northern water with excellent stands of pines and an abundance of wildlife. Rugged beauty can be seen near Ball Club Lake where the river becomes exceedingly tortuous, and a double stream of water encloses a series of large islands.

The early history of Minnesota and the conquest of the frontier unfold mile by mile along the riverway. Ancient Indian mounds and battlefields, early routes of exploration, and pioneering trading posts. Fort Ripley, Minnesota's second oldest military post, from which Zebulon Pike, Sieur Duluth, Father Hennepin and Jonathan Carver set out upon their historic voyages, can be found along the banks of this stretch of the river.

The geologic origins of Minnesota are also traced along the Mississippi from the ancient bed of glacial Lake Aitken, where the river meanders across a broad alluvial plain to the glacial till stretching south toward St. Cloud and further downstream to the Anoka Sand Plain where fine sand through the years has formed striking dunes visible from the river.

At least 52 different species of fish have been identified in the Upper Mississippi, including Walleye, Northern Pike, Yellow Perch, Smallmouth Bass, Black Crappie, and Muskie. Wildlife of all shapes and sizes abound in the river valley, and rare and endangered species native to the North Central Region of the United States are frequently sighted there.

The entire river segment proposed for study under the National Wild and Scenic Rivers Act enjoys excellent scenery. Clear, tree-lined lakes, waterfalls, pine forests and valleys offer at times a quiet and spectacular view of the river as it has remained untouched for centuries. Even the community of St. Cloud, one of the most developed along this stretch of the river, still largely fits the description of a special correspondent from Harpers Magazine who wrote the following in 1859:

"St. Cloud is today of only three years growth and though it has a couple of fine hotels, a large number of stores and is tastefully laid out, it is less remarkable for its size, its rapid progress and the good quality of its components than for its natural beauties and picturesque location. It stands on a high wooded bluff, at the bend of the Mississippi, and is on all sides surrounded by trees."

Some 1,700 resorts located within easy access of the river attest to the appeal this area holds for recreationists. The Mississippi offers opportunities for fishing, camping, hiking, canoeing, swimming, boating and many other water based sports. Given the proximity of the Upper Mississippi to the Twin Cities Metropolitan area and to the Duluth-Superior ports, the demand for such recreational activities is high and rapidly growing.

But the increasing recognition of the Upper Mississippi as a high quality recreational resource constitutes a threat to its wild and scenic river characteristics. This is especially true in the counties nearest Minneapolis-St. Paul where the character of the river valley is expected to rapidly change from agricultural to residential-commercial. Anoka, at the southern boundary of the proposed study area, is, according to the latest figures, the fastest growing county in the State. To get an idea of the tremendous development pressures on the river, one need look only to the figures on building permits and plats in 1973. For Wright County there were 90 such permits and 14 plats containing up to 250 lots per plat in 1973. For Stearns County there were 181 permits and 15 plats. In Sherburne County there were 160 permits and 6 plats. Existing plats alone could lead to 10,000 or more new housing units in the lower segment of the valley.

The State of Minnesota, in approving the 1973 State Wild and Scenic Rivers Act, officially responded to the obvious need for action on behalf of the Upper Mississippi by selecting it as one of 16 rivers in the State to be studied for possible protection under that Act. The Minnesota Department of Natural Resources is moving forward on the evaluation of the Mississippi between Anoka and St. Cloud—the segment that is under the most intensive pressure for development. But this study in itself constitutes a formidable task for that Department, and even after the State study is complete, there are severe limitations on the ability of the Department to effectively control development along the river. Currently, there are no funds whatsoever for acquisition, and the State lacks the condemnation authority provided under the National Wild and Scenic Rivers Act. Voluntary cooperation through zoning and willingness not to develop on the part of thousands of private landowners and numerous communities would be required to preserve the Mississippi under such circumstances. A Federal study will help determine whether these protective tools alone are sufficient to hold the actions of developers in check without the fee title and easement acquisition authority and funding provided by the Federal Wild and Scenic Rivers Act.

8. THE AMERICAN RIVER, CALIFORNIA

(35) American, California: The North Fork from Mountain Meadow Lake to the Auburn Reservoir and the lower 7.5 miles of the North Fork of the North Fork.

The North Fork of the American River originates in the Tahoe National Forest in eastern Placer County at an elevation of 7,000 feet, and joins the Middle Fork at Auburn to form the American River. The 46 miles between the Cedars, a private resort near Soda Springs, and the Auburn Reservoir, under construction by the Bureau of Reclamation, would be studied. This portion of the North Fork has both wild and scenic characteristics, comprising a landscape of contrasting beauty and a variety of scenic features, including broad panoramas, views of the steep canyon, numerous tributaries, great gorges, waterfalls, wooded canyons, and many wildflowers.

The North Fork of the American River from the Cedars to Colfax remains one of the last undisturbed stretches of wild river in the Northern Sierra Nevada. For nearly forty miles, the river winds through a scenic canyon, inaccessible except by foot trails which wind precipitously along tributaries and through notches to the canyon floor. Except during heavy spring runoffs, the water runs perfectly clear on its pebble bed, potable throughout and free from contamination. The North Fork originates in the western part of Placer County near Lake Tahoe and joins the Middle Fork at Auburn to form the American River. The river generally flows west to southwest and is bounded on the north by the watershed between the American and Yuba River basins along which runs Interstate 80, and on the south by the Foresthill Divide, whose back country separates the North Fork from the Middle Fork and Rubicon Rivers.

From the towering cliffs of Royal Gorge and Giant Gap to the spacious meadows and pine forest of Green Valley, the entire length of the North Fork affords unparalleled vistas of Northern Sierra terrain. The river here forms an important wilderness river fishery for native rainbow trout and other species, and lies within the heart of the Blue Canyon winter deer range. Along the tributaries, picturesque mines and placers long abandoned and reclaimed by nature testify to the rich human history of the area. On river camps and bars, remnants of old vineyards and orchards bring to mind the fluorishing settlements of mining days where some of the most prominent men of the state and some of the roughest went to seek their fortunes.

There appears to be little controversy over the proposed study of the North Fork. The State of California already has demonstrated its support for wild river protection as the State Legislature added a portion of the river to the California Wild Rivers System in 1972.

The State statute, however, applies only to State and private lands, while in the case of the North Fork canyon more than 50 percent of the property is Federally owned. S. 3022 would insure that the entire stretch would be considered as a unit. And if the study is favorable and Congress responds that both the Federal and State segments would receive protection.

As the Department of Agriculture has concluded from a field examination that the North Fork of the American River above the Cedars and extending to Mountain Meadow Lake and the lower 7½ miles of the North Fork of the North Fork also are undisturbed and should be studied, they have been added to the description of the river segments to be studied.

9. THE TUOLUMNE RIVER, CALIFORNIA

(36) Tuolumne, California: The main river from its source on Mount Dana and Mount Lyell in Yosemite Park to Don Pedro Reservoir.

The 158-mile long Tuolumne River begins in mountainous Tuolumne County, California, and then meanders through agriculturally-rich Stanislaus County. The upper 96 miles are proposed as a study river.

This river, which is the fifth largest flowing from the Sierra Nevada, has its source on 13,053 foot Mt. Dana in Yosemite National Park and on Mt. Lyell, the highest peak in the Park.

The first flowing water can be seen near 12,000 feet where it emerges from the Lyell Glacier. The John Muir Trail and the Pacific Crest Trail follow the Lyell Fork for more than 11 miles. The Lyell and Dana Forks join near a campground in Tuolumne Meadows and continue as a placid high mountain stream of exceptional clarity, which is often filled with small trout.

Suddenly the river starts its swift descent, passing over Waterwheel Falls and enters the Muir Gorge, passes through Hetch Hetchy Valley, the smaller twin of Yosemite Valley. Hetch Hetchy is now a reservoir supplying drinking water to 8% of California's population. It contains numerous waterfalls, both thunderous and light.

As the river leaves the Park and enters the Stanislaus National Forest, the vegetation in the 2000-foot deep canyon changes from bare granite slab to chaparral and scattered pine. Still descending at 100 feet per mile, the 12-mile stretch below Hetch Hetchy and the 8-mile stretch below Cherry Creek confluence is deserted except for wildlife and an occasional fisherman.

The next 15 miles in the Stanislaus National Forest below Lumsden Campground, followed by 3 miles administered by the Bureau of Land Management, comprise what many regard as the best white water canoe and kayak stretch in California. With a gradient of from 45 to 35 feet per mile, this stretch provides a truly exciting white water raft run.

The Federal agencies regulate commercial raft operations at a level that preserves the wild environment as well as the feeling of solitude. The commercial raft use of this stretch was 2300 paid customer days in 1973.

Fishermen carefully guard the location of the pools that contain trophy-size native trout.

Next the river passes under Wards Ferry Bridge and enters the Don Pedro Reservoir with water level about 830 feet above sea level. This reservoir is a multipurpose project owned and operated by the Modesto and Turlock Irrigation Districts and the City and County of San Francisco.

Nearly all of the 96 miles of the river designated for study and the land within sight of it is federally owned or administered by the City and County of San Francisco, except about one mile of scattered inactive mine claims. No commercial timber is within sight of the river. In this 96-mile stretch 10 bridges span the stream; five of these are wooden footbridges and one other has no floor. San Francisco administers portions of the river at Hetch Hetchy Reservoir and for about 2 miles at Early Intake where their powerhouse, aqueduct intake dam, switchyard, overhead transmission lines, one of the road crossings, and the only permanent dwellings within sight of the river are located. Also there are also a number of mine buildings and historical structures along the 96 miles, plus two or three stream gauges, four campgrounds, two concessioner-operated camps, and a rumor of Indian caves in the steep canyon side. The general feeling, however, is of a rugged and remote place, largely unchanged by man.

In some areas along the river there is pressure by people desiring freer access to the river and for increased use by commercial raft companies and private white water boaters. Proposals for construction of dams and diversions of water for power generation have been in the early stages of investigation by the City and County of San Francisco for the last seven years.

10. THE ILLINOIS RIVER, ARKANSAS AND OKLAHOMA

(37) Illinois, Arkansas and Oklahoma: The entire river from Tenkiller Ferry Reservoir upstream to its source, including the Flint and Barren Fork Creeks and excluding Lake Frances.

The Illinois River originates in northwest Arkansas and flows first northerly, then curves westerly through the Ozark National Forest, and finally flows southwesterly into east central Oklahoma. The main stem is approximately 125 miles long and the major tributaries run for approximately 130 miles.

The upstream areas are in forested Ozark mountain country of exceptional beauty. The watershed is sparsely populated and has abundant wildlife including the great blue and green herons and egrets. Above Lake Frances the stream would appear to be an excellent candidate for wild river classification.

Below Lake Frances the river becomes more pastoral and the threat of commercialization more imminent. Agricultural activities and summer homes sometimes intrude to the water's edge. Here the water quality is still good and the fishing excellent, especially for black and spotted bass.

Seventy-five canoe liveries are reported on the river with several hundred canoes being rented. There is considerable use by boating and fishing enthusiasts as well as swimmers and hikers.

About 25 to 30 percent of the river appears to be national forest and the balance essentially in private ownership. The Oklahoma Scenic Rivers Act of 1970, designates the river from above Tenkiller Ferry Reservoir and its tributaries, Flint and Barren Fork Creeks, as initial components of the system.

S. 3628, as introduced by Senators Bellmon and Bartlett on June 12, 1974, proposed only the Oklahoma portion of the river for study. Subsequently, however, the Administration submitted its proposal, S. 3708, which would designate the Arkansas segment, as well. At the request of Senators Fulbright and McClellan, the Arkansas segment, the segment of truly exceptional beauty which bears the characteristics of a wild river, was added to S. 3022, as amended.

11. THE SHEPAUG RIVER, CONNECTICUT

(38) Shepaug, Connecticut: The entire river.

The Shepaug is a surprisingly untouched river located close to several of the country's major population centers. It is within an hour's drive of 10 Connecticut cities. Along most of its 25 mile length it is bordered by forest, and the only homes are well back from the river or screened by vegetation. Water quality is excellent. The Appalachian Mountain Club's canoe guide says the river "provides some very fine, not too difficult white water running." While most of the remaining areas are accessible only by unpaved access roads, there is one 10 mile stretch below Washington Depot on which there is no road access and the setting is one of wilderness character. In some spots, the river becomes a torrent of white water and rapids running through a series of gorges which rise up more than 700 feet.

The Shepaug River valley remains if not the only, at least one of the very last, largely undeveloped major watersheds in southern New England. Over twenty-five miles of forested hills are scarcely broken by three small, essentially rural communities.

The American Indian has lived in this region for at least 9,000 years—at times in vast numbers and with a highly evolved culture. One five-mile stretch of the river now being explored by local archaeologists contains eight Indian sites, most of which were occupied for 5,000 years or longer.

The Shepaug is now threatened by development. Four sites for damming it are already sketched on topographical maps—along with projected 345 kv transmission lines which would cut a path parallel to the river.

12. THE COLORADO RIVER, COLORADO AND UTAH

(39) Colorado River, Colorado and Utah: The segment from its confluence with the Dolores River, Utah, upstream to a point 19.5 miles from the Utah-Colorado border in Colorado.

The Colorado, like the Mississippi which is also among the rivers which have segments for study under S. 3022, as amended, needs no introduction to anyone remotely familiar with American geography or history. Like the Mississippi, the Colorado has been subject to intense developmental pressures. However, unlike its sister, the Colorado has also always been recognized for its recreational qualities.

The Colorado is a wide river, averaging upwards of 400 feet, of navigable depth (up to 20 feet). The flow is subject to rapid and extreme fluctuations somewhat regulated by upstream and tributary impoundments. The entire length is boatable in the spring season and does enjoy considerable boating use. The course is stable, but there are changeable sandbars. Together with the Dolores River, also to be studied under S. 3022, as amended, the river offers entrenched and colorful canyon areas, white water, and rugged canyon country terrain. The segment of the Colorado River to be studied includes a flat water stretch through the Ruby Canyon of the Colorado side and a wild water stretch in Westwater Canyon on the Utah side. Vegetation is sparse and features principally desert types with some cases of cottonwood and other water-loving types at springs. There is a modest sport fishery, with catfish the dominant catch. Mule deer, rodents, reptiles are common; bighorn sheep, rabbits and chukar occur along the river.

In addition, the River and its side canyons possess unique geological and paleontological values beyond the semiarid desert canyon atmosphere it presents to the visitor. Dinosaurs were one prolific in the area and gastroliths can still be found there. The ages revealed by the river's carvings engender a sense of timelessness to the river traveler.

Water quality is still relatively good. Access is available by roads, but portions of the river are relatively inaccessible.

13 THROUGH 23. THE GUNNISON, LOS PINOS, BIG THOMPSON, GREEN, CONEJOS, ELK, CACHE LA POUDRE, PIEDRA, ENCAMPMENT, YAMPA, AND DOLORES RIVERS, COLORADO

(40) Gunnison, Colorado: The segment from the upstream (southern) boundary of the Black Canyon of the Gunnison National Monument to its confluence with the North Fork.

(41) Los Pinos, Colorado: The segment from its source, including the tributaries and headwaters within the San Juan Primitive Area, to the northern boundary of the Granite Peak Ranch.

(42) Big Thompson, Colorado: The segment from its source to the boundary of Rocky Mountain National Park.

(43) Green, Colorado: The entire segment within the State of Colorado.

(44) Conejos, Colorado: The three forks from their sources to their confluence, thence the Conejos to its first junction with State Highway 17, excluding Platoro Reservoir.

(45) Elk, Colorado: The segment from its source to Clark.

(46) Cache la Poudre, Colorado: Both forks from their sources to their confluence, thence the Cache la Poudre to the eastern boundary of Roosevelt National Forest.

(47) Piedra, Colorado: The Middle Fork and East Fork from their sources to their confluence, thence the Piedra to its junction with Colorado Highway 160, including the tributaries and headwaters on national forest lands.

(48) Encampment, Colorado: The Main Fork and West Fork to their confluence, thence the Encampment to the Colorado-Wyoming border, including the tributaries and headwaters.

(49) Yampa, Colorado: The segment within the boundaries of the Dinosaur National Monument.

(50) Dolores, Colorado: The segment from the west boundary, section 2, township 38 north, range 16 west, NMPM, below the proposed McPhee Dam, downstream to the Colorado-Utah border, excluding the segment from one mile above Highway 90 to the confluence of the San Miguel River; the segment of the main stem from Rico upstream to its source, including its headwaters; and the West Dolores from its source, including its headwaters, downstream to its confluence with the main stem.

The rivers of the State of Colorado are of vital importance to the nation. Six major rivers of the West have their sources in Colorado's mountains: Colorado, Rio Grande, Arkansas, North and South Platte, and Republican Rivers. The waters of these rivers flow out of the State into eighteen neighboring States, Colorado, itself, has 231 rivers, traveling a total of 14,000 miles within the State. The Bureau of Outdoor Recreation of the Department of the Interior has found that only 90 of these Colorado rivers, totalling 3,400 miles, remain, which have significant free-flowing waters. Yet even these 90 rivers are under constant threat of impoundment or diversion.

Of course, impoundment and diversion lessens the opportunity for canoeing, kayacking, rafting and other forms of river-running recreation. However, other recreational pursuits are also threatened by such development. According to the Colorado Division of Wildlife, fish life has been, virtually eliminated from over 2,800 miles of Colorado streams by dams, channelization, stream alteration, and pollution. Since 1900, 220 miles of prime trout streams have been lost to onstream construction of reservoirs. The Division estimates that within the next three decades between 250 to 500 stream miles where fishing now occurs will be eliminated by water resource projects. The fishery values of such streams range from $28,500 to $50,000 per stream mile and are increasing rapidly.

In short, these remaining freeflowing rivers provide countless hours of recreation and peace of mind for many Coloradoans, as well as tourists from all over the United States. Summer tourism brings in over $550 million per year and a substantial part of Colorado's image revolves around its mountain streams.

Despite the importance of Colorado's rivers and the increasing pressure to impound and divert them, not one of them is a component of the wild and scenic rivers system. Nor have any of them been designated for study.

S. 3022, as amended, would designate, in addition to a segment of the Colorado River, segments of eleven of these ninety remaining rivers with freeflowing waters. All eleven rivers were on the list of fourteen rivers contained in S. 2319, introduced by Senator Dominick on August 1, 1973, and two of those are also contained in the Administration proposal, S. 3708. In several cases, to be discussed below, alterations were made in the segments to be studied. The three rivers in S. 2319 deleted from S. 3022, as amended, are the North Platte, Laramie, and Michigan. These rivers were withdrawn at the joint request of Senator Dominick, sponsor of S. 2319, and Senator Haskell, Chairman of the Subcommittee on Public Lands which gave the initial consideration to both bills. The reason for the deletion was the very high percentage of private land along the three rivers and the excellent voluntary efforts by the landowners—most of whom are ranchers—to preserve those rivers' wild and scenic river characteristics which they themselves cherish. The other Colorado river in S. 3708—the White—was dropped because of the lack of a hearing record on it in this Congress. It will be the subject of hearings when S. 3708 is given consideration in the next Congress.

The eleven Colorado rivers were discussed more fully in hearings than any of the other twelve rivers which subsection (a) of S. 3022, as amended, would designate for study. S. 2319, which contains all eleven rivers was considered in a field hearing by the Subcommittee on Public Lands in Durango, Colorado on May 13, 1974, as well as the Washington, D.C., hearing on June 20, 1974. None of the other twelve rivers were the subject of field hearings.

The eleven Colorado rivers possess a unique variety of plant and wildlife, scenic, historic, archeological and recreational values and display an extraordinary range of environments from desert to alpine, from forested mountains to rock canyons.

The *Dolores River*, known to Indians for centuries and first visited by the Fathers Escalante and Dominques on August 11, 1776, in the course of their wanderings toward the settlements of Monterey, still contains today much of the mystical charm it held then. The river is best known for its striking desert environment, its red brown waters, its natural sandstone canyons, and its primitive cliff dwellings and pictographs.

The most popular stretch is that between Cahone and Bedrock. From Cahone to Slickrock, the river undergoes a startling transition from a subalpine to a desert stream. It is rare to be able, in a single day's journey, to travel so abruptly from one zone to the next. Its value is further heightened by the consideration that this is one of the very few remaining rivers anywhere in the United States with this type of character and which is still largely in its natural state.

Between Slickrock and Bedrock, the Dolores becomes a true desert river, with many interesting side canyons to explore. However, its most spectacular feature is its narrow, deep, sandstone canyon of sheer red walls and fantastic overhangs. It is the only known example of a Glen Canyon type formation with a navigable river flowing through it in the United States. In contrast to the part from Cahone to Slickrock, which requires expert boatmanship to run, this part provides a most beautiful 3-day trip which an amateur can easily make.

The Dolores differs from other desert rivers in that its flood waters are icy cold, its descent rapid, its channels more rock cluttered, and its lability of flow more extreme.

S. 2319 originally called for a study of the entire Dolores and its West Fork from their sources to the Utah border. However, the Committee gave consideration to a point made by a representative of the Dolores Water Conservancy District at the Durango hearing:

"We suggest that the Dolores River above the proposed McPhee Dam be excluded from S. 2319 in that essentially all of this reach of stream valley is currently developed and used for ranching enterprises."

Because of the high percentage of private ownership above the proposed McPhee Dam and in light of the desire of the two Colorado

Senators not to interfere in any way with the Dolores Reclamation Project (see discussion below), the request of the District was honored when the Subcommittee on Public Lands ordered S. 2319 reported to the full Committee on July 29, 1974 with only the stretch below the McPhee Dam designated for study.

Subsequent to the Subcommittee's action, the Subcommittee Chairman received the following communication from the Dolores Water Conservancy District.

"In response to proposed Senate bill 2319 as it would affect the Dolores Reclamation Project, the board of directors of the Dolores Water Conservancy District, is vitally interested and it is the concensus of the board that the inclusion of that part of the Dolores River approximately 1 mile below McPhee Dam: described as, beginning at the west boundary of section 2, township 38 N, range 16 West, NMPM to the river bridge near Cahone, Colo., would be necessary and advantageous to the Project development.

"The reason for the inclusion of this part of the Dolores River in Senate bill 2319 is that it would be compatible with the proposed storage release of water for the enhancement of fisheries and wildlife which is an intregal part of the Project development.

"In addition, it is also the consensus of the board of directors of the Dolores Water Conservancy District, that the inclusion of the West Fork of the Dolores River from Dunton, Colo., to its headwaters and the east fork of the Dolores River from Rico, Colo., to its headwaters should receive consideration in Senate bill 2319, for study under the national wild and scenic rivers act as these rivers afford excellent fishing and recreation areas, and we do not believe that they should in any way interfere with the Dolores Reclamation Project.

"We hope this information will be of value to you and your committee and the final draft of the proposed study bill. If we can be of assistance to you in any way, please let us know."

Reflecting this suggestion, the full Committee, in its mark-up of S. 2319, added the headwaters of the main stem upstream from Rico to its source. However, the Committee also added the entire West Dolores from Forks to its source, not just the headwater above Dunton as suggested by the District. Although the West Dolores does contain a good percentage of private land, a close study of the map revealed that, as easy access to the river is possible, the land would not be threatened by easement condemnation.

Finally, the Subcommittee and full Committee excluded a stretch of river in the Paradox Valley in Montrose County so as not to interfere with the Paradox Valley unit of the Colorado River basin salinity control program. The unit was authorized in section 202(1) of the Colorado River Basin Salinity Control Act (Act of June 24, 1974, 88 Stat. 266, 271).

Paradox Valley is underlain by a collapsed salt dome known to be 14,000 feet thick. Within the valley, the pure salt source is within 60 to 100 feet of the ground surface. The Dolores crosses the valley near its midpoint and picks up over 200,000 tons of salt annually from rising groundwater entering the river. This area has been under consideration as a salinity control project for many years.

Detailed investigations began in 1972 with the installation of stream gauging and water quality stations. Data from these stations verified earlier estimates of the quantities of salt being added to the river system. Geophysical surveys and exploratory drilling conducted in 1972 and 1973 defined the area of salt pickup and the movement of saline groundwater into the river. At about midvalley there is a sharp interface between the saline and fresh groundwaters which appears to be stable. A test well has been drilled into the fractured salt dome cap and pumping tests performed to evaluate the proposed control plan.

The results of this testing indicate that the salt being added to the Dolores in Paradox Valley can be effectively controlled by pumping saline groundwater from the brine zones. The estimated annual removal of salt by the proposed program is 180,000 tons.

The project plan for the unit calls for the installation of a field of about 8 brine wells, 250 feet deep, that would lower the fresh water-brine interface by pumping, thus preventing the brines from rising to the ground surface and entering the river. The pumped brines would be conveyed about 20 miles from the well field at an elevation of 4,940 feet, through a series of pumping stations, to the proposed Radium evaporation reservoir at about 7,000 feet elevation. Radium reservoir would be constructed on an impervious, marine shale. Tests indicate that there would be no leakage from either the dam or reservoir.

The U.S. Bureau of Reclamation estimated cost of construction, based on 1973 prices, for the brine wells, pumping plants, pipeline, and evaporation reservoir is $16 million, and interest during construction raises the total capital costs to $17,650,000. The annual operation, maintenance and replacement costs based on the expected life of equipment and a 6⅞% interest rate is $350,000. Total annual costs, including amortization of the capital costs over 100 years at an interest rate of 6⅞% would be $1,600,000.

The importance of the unit and the reason for deletion of this portion of the Dolores from study can be demonstrated by the following statistics: The unit, once constructed, could remove 180,000 tons per year of salts from the Colorado River system. This would reduce the river's salinity at Imperial Dam by 20 ppm in the year 2000. This would result in a reduction in damages to users of $4,600,000 per year, for a benefit/cost ratio of 2.9 to 1.

The *Green and Yampa Rivers* also offer desert type canyon experiences, though rather different from the Dolores. The Upper Green River actually cuts through the east-west Uinta Mountain Range, rather than run along it as rivers conventionally do. This is analogous to the Lower Dolores River cutting across Paradox Valley (thus its name) rather than threading its length. Both the Green and Yampa are rather large rivers, possessing exciting, heart-stopping rapids. The Yampa, one of the few Colorado rivers which is free-flowing throughout its entire length, is characterized by high canyon walls, cactus, and pinyon trees. The Green is a beautiful desert river with medium-to-wide stretches bounded by sandstone cliffs. The upper portion of the Green is an excellent natural fishery. Bighorn sheep and mountain lions inhabit the isolated canyons which the two rivers have carved in the Dinosaur National Monument. Taken together, the Dolores, Yampa, and Green offer the first opportunity to preserve examples of desert river eco-systems in the national wild and scenic rivers system. Both rivers are exceptionally popular for boating. The segment of the Yampa designated for study lies entirely within the National Monument. A stretch above the Monument was deleted because of the extensive private holdings along its banks. Approximately 70% of the Green lies within the National Monument and much of the remainder is on the lands of the Browns Park National Wildlife Refuge.

Not all rivers deserve protection due to their recreational potential. Some, like the *Gunnison River* as it fights its torturous path through the famed Black Canyon National Monument and BLM's Gunnison Gorge, have unique natural attributes unequaled elsewhere in the Nation. This stretch grinds its way through spectacular canyons and Precambrian formations. The isolation provided by these canyons makes them prime wildlife habitat. Bobcat, mountain lion, prairie falcon, ravens, and golden and bald eagles are all residents of the canyons, but the most significant species found in the lower sections are peregrine falcon and ospreys. The Colorado Division of Wildlife has identified the Gorge area as an exceptional habitat for peregrine falcon and ospreys. Dr. Anderson of Colorado College, a raptor expert, has reported that fewer than half a dozen pairs of peregrine or ospreys exist in the entire State. The topography of the canyons, the delicate soils, and the solitude required for the eagle, peregrine, osprey, bobcat, and Bighorn sheep make the Gunnison a river imminently suitable for study as a potential wild and scenic river.

Most of the remaining streams—the Los Pinos, the Poudre, the Conejos, the Elk, the Piedra and the Encampment—are primarily noted for their scenery and wildlife and fishing opportunities.

The *Conejos River* originates along the Continental Divide east of Pagosa Springs and flows approximately 50 miles before its junction with the highway. It is a good trout stream with naturally propagating populations of brown trout, cutthroat, and eastern brook trout. The river ecosystem supports a variety of wildlife including the especially rare and endangered peregrine falcon. One pair of peregine falcon has been sighted in the main canyon of the Conejos River.

The early portion of the segment borders the South San Juan roadless area and the entire segment lies within the Rio Grande National Forest. The Platoro Reservoir (built in 1951 for irrigation and flood control purposes) was excluded from, and the three forks were added, to the river description in S. 2319.

Both the *Los Pinos River* and the *Piedra River* have their sources high in the mountain peaks of the proposed Weminuche Wilderness (S. 1363, passed the Senate on February 7, 1974, and H.R. 12884, passed the Senate on August 1, 1974). The segment of Los Pinos to be studied lies entirely within the proposed wilderness, while the Piedra flows south through the First Fork Roadless Area. The First Fork Roadless Area is a presently untouched section of the San Juan National Forest with an exceptional stand of virgin timber. Except for the rugged box canyons of the Piedra, it is generally characterized by relatively wild terrain with comparatively easy accessibility. The timber contained here is an unusual example of the original terrain found in the State. Due to the absence of roads in the river drainages, very excellent fisheries have been maintained in both the Los Pinos and the Piedra. Both river systems support large and growing populations of elk and black bear. Consequently, in this area there is intensive outdoor recreation in the form of elk and bear hunting. Rocky Mountain goats have been sighted on Pyramid Peak at the northern end of the Piedra drainage. Bald and golden eagles winter in the southern Los Pinos River area. As their natural diet is fish, these eagles use sections of the Los Pinos, Piedra, and the Animas River as a food source during the winter. The Colorado Division of Wildlife in Durango states that recent evidence indicates that the grizzly bear still survives on a limited population in these two drainages. The San Juan National Forest is the only forest in Colorado in which grizzlies are believed to exist, and the Los Pinos and the Piedra River drainages are two of these prime grizzly areas.

Ranking as one of the two best recreational rivers in the Denver area, the *Poudre River* sports the dual advantage of possessing prime white water and an excellent fishery. One of the best white water rivers in Colorado, the Poudre accommodates a wide range of boating skills. Beginner and intermediate boating capabilities are suitable for the lower reaches. Further upstream is the site of the 1972 Olympics qualifying slalom course where, for the past four years, the Poudre wildwater and slalom race has been sponsored by the Colorado White Water Association. An excellent natural spawning stream for trout, the Poudre is the subject of fishery research conducted by Colorado State University and the Colorado Division of Wildlife. A major portion of the Poudre is located in the Rocky Mountain National Park and Commanche Roadless Area. Virtually all of the segment lies within the park boundaries and the boundaries of the Roosevelt National Forest.

The *Encampment River* flows north to the Wyoming border through a choice wilderness setting of heavy virgin forest adorning gently rolling hills and with occasional openings into verdant parks. Much of the area is proposed as an extension to the Mt. Zirkel Wilderness. The Encampment and its tributaries boast not only an outstanding and singular wilderness environment, but also large self-sustaining populations of brown and rainbow trout. There is no private property along the segment designated for study.

The *Elk River* originates just across the continental divide from the Encampment in the Routt National Forest and flows 30 miles south and southwest within the national forest until it reaches Clark, the termination for the segment designated for study. A beautiful stream, bordered by conifers and narrow canyons, the Elk possesses a medium flow of quality water. It offers excellent fishing for rainbow trout and enjoyable boating through fairly continuous rapids.

None of these rivers has escaped totally from suggestions of alternative use, whether it be mining (e.g., Piedra, Los Pinos, and Dolores), timbering (e.g., Encampment and Piedra), or impoundments (e.g., Gunnison and Dolores).

The Committee took special recognition of three impoundment possibilities. The first is the Dolores Reclamation Project authorized by the Congress on September 30, 1968 as a part of the Colorado River Basin Project Act (P.L. 90-537). Through storage at the McPhee Reservoir site, located immediately downstream from Dolores, Colorado, it would develop surplus flows of the Dolores River for municipal, industrial, rural, domestic, irrigation, flood control, recreation, and fish and wildlife purposes. It would include a substantial development of the resources of Ute Mountain Indian land and would aid an area of Southwestern Colorado which is in need of economic development.

As noted earlier, because this project is in the advanced planning stage and the question of compatibility of the McPhee Dam and the proposed wild and scenic river segments below it has not been determined with certainty, the study of the Dolores would be limited to a one plus year period. In addition, the McPhee Dam and Reservoir are specifically excluded from the segments under study. Although the Committee felt this deletion was unnecessary. Senators Haskell and Dominick requested this action in order to reassure local residents of their intention that the wild and scenic river study was not to interfere with the Dolores Project.

Also on the Dolores in the Paradox Valley is the proposed Paradox Valley project authorized in section 202(1) of the Colorado River Basin Salinity Control Act (88 Stat. 266). As discussed above in this section of the report, a segment of the Dolores in the valley has been deleted to accommodate this project.

Finally, the Committee noted that the City of Delta, Colorado, has a conditional decree out of the Gunnison River for domestic water purposes. The point of diversion is located on the left bank of the Gunnison River south of the South Fork at a point 1,420 feet west and 1,000 feet south of the east one-quarter corner of Section 24, Township 15 South Range 94 West of the 6th P.M. The Committee believed that exclusion of this diversion point should not be made at this time, because unlike the Dolores, the Gunnison is not otherwise divided into separate segments for study and unlike the McPhee dam, the Delta diversion is not in as an advanced state of planning. However, the Committee wishes it clearly understood that the entire segment of the Gunnison is designated for study only at this time. The Committee will take a fresh look at the proposed diversion at such time as it might consider legislation to designate the Gunnison a permanent component of the wild and scenic rivers system.

III. THE WILD AND SCENIC RIVERS ACT AND ITS RELATIONSHIP TO THE RIVERS TO BE STUDIED PURSUANT TO S. 3022

Very few of the 3 million miles of rivers and tributaries of the United States appear as they did two or three centuries ago. Rivers have been altered and dammed for flood control, navigation, hydroelectric power, water supply, and irrigation. These uses of rivers were clearly necessary for the development and settlement of this nation. Our modern economy, despite its intensive use of advanced technology, has not lost its dependence on our water resource.

Early in the sixties, however, there developed a new concept in our national management of water resources; the protection of free-flowing rivers. In 1965 a study by the Secretaries of Agriculture and the Interior recommended that rivers be protected from dam construction and be preserved in a "wild and free-flowing" state. In 1968, under the leadership of Senator Frank Church and Representatives Wayne Aspinall and John Saylor. Congress enacted legislation which embodied this recommendation—the Wild and Scenic Rivers Act (82 Stat. 906).

The new management concept of preserving free-flowing rivers was forcefully expressed as national policy in the Act's introductory provisions:

". . . certain selected rivers of the Nation which, with their immediate environments, possess outstanding remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural or other similar values, shall be preserved in free-flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations. The Congress declares that the established national policy of dam and other construction at appropriate sections of the rivers of the United States needs to be complemented by a policy that would preserve other selected rivers or sections thereof in their free-flowing condition to protect the water quality of such rivers and to fulfill other vital national conservation purposes." (Section 1(a).)

The Act fleshes out the management concept in the following manner:

1. *The River Study*. Even if S. 3022, as amended, were to be enacted by Congress, it would not automatically place the segments of the 23 rivers named in subsection (a) in the national wild and scenic rivers system. The Wild and Scenic Rivers Act requires that each river be reviewed in great detail, with full participation of the public involved, before a decision is made to include or exclude it in or from the system.

First either the Forest Service in the Department of Agriculture or the Bureau of Outdoor Recreation in the Department of the Interior must conduct a study of each river segment to determine if it meets the qualifications for inclusion. Each study must not only discuss the river's qualifications but also show, among other things, the current status of land ownership and use; reasonable, foreseeable, potential uses of the land and water which would be enhanced, foreclosed or curtailed if the area were included; and the estimate of the cost of acquiring necessary lands and interests in land and administering the area as a wild and scenic river.

Furthermore, the Act specifically states that each study "shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act."

Before each study can be transmitted to the President and the Congress, it must be submitted for comments to the Secretary of Agriculture, Secretary of the Army, Chairman of the Federal Power Commission, the head of any other affected Federal department, and the Governors of the relevant States.

Most important, the Wild and Scenic Rivers Act requires that, as an integral part of each study, a hearing, with full advance notice, must be held in the vicinity of the river segment. All interested parties are to be heard.

Finally, even if the President's recommendations to Congress on a particular river segment are favorable, the Interior Committees of both the House of Representatives and the Senate must hold additional hearings and both Houses of Congress must pass a bill before that particular segment can officially become a component of the national wild and scenic rivers system.

2. *The Multiple Use Approach*. Because the word "wild" is a part of the Wild and Scenic Rivers Act, many assume that the wild and scenic rivers areas are treated like wilderness areas. It is completely erroneous to make an analogy between the Wild and Scenic Rivers Act and the Wilderness Act. The Wild and Scenic Rivers Act should more properly be considered a multiple-use act, save one use. The only use strictly prohibited is impoundment; the river segment must remain free flowing.

The Wild and Scenic Rivers Act sets forth three management categories into which various sections of a wild and scenic river may be placed:

The "recreational" river category refers to river sections readily accessible by road or railroad which may have some development along shorelines and which may have undergone some impoundment or diversion in the past.

The "scenic" river category is given to sections of rivers free of impoundments with shorelines and watersheds largely undeveloped but accessible in places by roads.

The "wild" river category is reserved for these sections of river segments which are free of impoundments and generally inaccessible except by trail, with watershed and shorelines essentially primitive and unpolluted.

In the first two categories, most traditional uses—roads, bridges, residences, farming, grazing, timber harvesting, hunting and fishing, and various commercial activities—may be allowed. Even the most restrictive management category—that of "wild" river—limits development activities less than is done in areas under the Wilderness Act.

The Wild and Scenic River Act does not interfere substantially with the mining and mineral leasing laws, except under the "wild" river category where mineral development may be limited within a quarter mile from the bank of the river. The Act provides that claims perfected and leases let in a river corridor after its inclusion in the system may be operated subject to regulations designed to protect the natural values of the river. Prior claims and leases are not subject to such regulation.

The designation of any river segment is not a reservation of its waters for purposes other than to preserve the river in a free-flowing state. The State's jurisdiction over waters of any river is not affected, and the Act in no way changes established principles of existing water law. The waters above or below a wild and scenic river are not affected as long as water projects do not invade or significantly detract from the scenic status of the designated river segment.

The Act's only prohibition concerns water resource projects within the wild and scenic river segment. The segment of the river must continue in its "free-flowing state to be a part of the system though some minor impoundments may be allowed. But the decision to include the river segment in the wild and scenic rivers system will be made only after it has been decided that the segment is more important for its value as a free-flowing river than the value for a proposed alternative use of its water.

Generally, the Federal lands within wild and scenic river corridors under the jurisdiction of the Agriculture Department are managed according to the principles of the Multiple Use-Sustained Yield Act which are applied to the National Forests. The Federal lands within rivers under the jurisdiction of the Department of the Interior are managed in conformance with the laws relating to that Department's lands.

3. *Effect on Landowners*. The Federal government's authority to acquire land—particularly by condemnation—along wild and scenic rivers is greatly restricted.

First, the boundaries of a designated wild and scenic river are limited to an average of not more than 320 acres per mile on both sides of the river. However, Federal acquisition of lands *by any means* cannot occur everywhere within this corridor. The Act prohibits the Federal government from acquiring land beyond an even narrower corridor of 100 acres per mile on both sides of the river. Beyond that point, the Federal government's acquisition authority would be limited to scenic easements only.

Of course, most landowners are concerned about only one means of land acquisition—condemnation. The Wild and Scenic Rivers Act prohibits Federal condemnation of private property within the 100 acres per mile corridor if 50 percent or more of the corridor's land is in public ownership. Even on rivers where less than 50 percent of the land is publicly owned, condemnation cannot occur freely. First, the Federal government is stopped from further exercising the eminent domain authority as soon as the 50 percent mark is reached. And, second, even if less than 50 percent of the land is publicly owned, private land cannot be condemned if it is within a city or town which has a valid zoning ordinance which conforms to the purposes of the Wild and Scenic Rivers Act. The only exception to these limitations is that condemnation of easements in land (but not fee title) may be employed for the purpose of obtaining access to the river without regard to the percentage of land in Federal ownership.

IV. Cost

S. 3022, as amended, does not authorize the appropriation of any funds to conduct the 23 river studies. Experience suggests that the total cost of the studies will be approximately $3,450,000 or an average of $690,000 per year. (The river studies are averaging $150,000 apiece.) These sums will be divided between, and included, as required, in the annual budget submissions of, the Forest Service and the Bureau of Outdoor Recreation.

Whereas the practice has been not to specifically authorize appropriation of funds to conduct river studies in the legislation mandating those studies, authorizations have been included in all legislation designating wild and scenic rivers. These authorizations are for the purpose of land acquisitions in the river corridors. Subsection (c) of S. 2033 amends the Lower St. Croix River Act of 1972 (86 Stat. 1174) by increasing the $7,275,000 authorization in subsection 6(a) of that Act to $19,000,000. The result is that S. 3022, as amended, provides for an $11,725,000 increase in obligational authority.

V. Legislative History

The twenty-three rivers of which segments are designated for study in subsection (a) of S. 3022, as amended, were originally proposed for study in the following bills:

S. 30, Colorado River in Utah, introduced by Senator Moss, January 4, 1973;

S. 449, Colorado River in Colorado, introduced by Senator Dominick, January 18, 1973;

S. 1101, Au Sable and Manistee Rivers in Michigan, introduced by Senators Hart and Griffin, March 6, 1973;

S. 1391, Wisconsin River in Wisconsin, introduced by Senator Nelson, March 27, 1973;

S. 2151, Cahaba River in Alabama, introduced by Senators Allen and Sparkman, July 12, 1973;

S. 2216, West Fork of the Sipsey Fork in Alabama, introduced by Senators Allen and Sparkman, July 20, 1973;

S. 2319, Gunnison, Los Pinos, Big Thompson, Green, Canejos, Elk, Cache La Poudre, Piedra, Encampment, Yampa, and Dolores (also North Platte, Laramie, and Michigan, deleted from S. 3022, as amended) in Colorado, introduced by Senator Dominick, August 1, 1973;

S. 2386, American River in California, introduced by Senators Cranston and Tunney, September 6, 1973;

S. 2443, Upper Mississippi River in Minnesota, introduced by Senator Mondale, September 19, 1973;

S. 2691, Kettle River in Minnesota, introduced by Senators Mondale, Humphrey, Nelson, and Proxmire, November 13, 1973;

S. 3130, Shepaug River in Connecticut, introduced by Senator Ribicoff, March 7, 1974;

S. 3186, Tuolumne River in California, introduced by Senators Cranston and Tunney, March 19, 1974;

S. 3628, Illinois River in Oklahoma, introduced by Senators Bellmon and Bartlett. June 12, 1974; and

S. 3708, Au Sable and Manistee Rivers in Michigan, Green River in Utah and Colorado, Ilinois River in Arkansas and Oklahoma, American River in California, and Colorado (including the Dolores) River in Colorado and Utah (and 26 other rivers), introduced by Senators Jackson and Fannin (by request), June 27, 1974.

The following Subcommittee on Public Lands hearings were held on legislation related to wild and scenic rivers:

1. July 16, 1973, Washington, D.C., on S. 101 and S. 1391.
2. October 10, 1973, Washington, D.C., on a bill to designate the Chattooga River a component of the national wild and scenic rivers system (Act of May 10, 1974, 88 Stat. 122).
3. May 11, 1974, Durango, Colorado, on S. 30, S. 449 and S. 2319.
4. June 20, 1974, Washington, D.C., on S. 30, S. 449, S. 2319, S. 2151, S. 2216, S. 2386, S. 2443, S. 2691, S. 3130, S. 3186, and S. 3628.
5. August 15, 1974, Washington, D.C., on S. 3835 (Hatfield, introduced July 30, 1974) and S. 3708.

S. 101 and S. 1391 were ordered reported to the Committee by the Subcommittee on Public Lands on July 30, 1973. They were ordered reported to the Senate by the full Committee on September 14, 1973, and were passed by the Senate on September 21, 1973.

S. 1101, S. 1391, and the other measures listed above were ordered reported in a single legislative package to the full Committee by the Subcommitee on July 29, 1974. The Committee ordered reported the package, bearing the number S. 3022, as amended, on September 10, 1974.

S. 3022 was introduced by Senators Nelson, Humphrey and Mondale, on February 19, 1974. It was ordered reported by the Subcommittee as subsection (c) of the legislative package on July 29, 1974. The full Committee ordered the entire package reported with S. 3022's bill number. (For a more comprehensive legislative history of S. 3022 and the Lower Saint Croix River Act of 1972, see Section I of this report.)

All votes taken by the Subcommittee and the full Committee were unanimous, by voice vote, in open mark-up sessions.

The principal changes in the river segments as proposed in the original bills are as set forth below. All changes except the first one were requested by the Senators who sponsored those bills:

1. Colorado River in Utah and Kettle River in Minnesota: S. 30 and S. 2691 would have immediately designated the rivers as components of the national wild and scenic rivers system. The Subcommittee and full Committee followed the policy that all rivers should first proceed through the study procedures established by the Wild and Scenic Rivers Act to determine their potential as wild and scenic rivers before they are so designated.
2. American River in California: The lower 7.5 miles of the North Fork and the upstream portion of the North Fork were added to the segment proposed in S. 2386 for the reasons discussed in secton II of this report.
3. Illinois River in Oklahoma and Arkansas: S. 3628 did not contain the Arkansas segment, whereas S. 3708 did. The Arkansas segment was included in S. 3022, as amended, for the reasons discussed in section II of this report.
4. Conejos River in Colorado: The three forks were added, and the Platoro Reservoir excluded, from the segment proposed in S. 2319.
5. Los Pinos and Piedra Rivers in Colorado: The headwaters and tributaries are added to the segments proposed in S. 2319 because they are on naitonal forest land and largely within defacto wilderness.
6. Yampa River in Colorado: The portion of the segment proposed in S. 2319 upstream from Dinosaur National Monument was excluded for the reasons stated in section II of this report.
7. Dolores River in Colorado: The numerous changes from the segments proposed in S. 2319 and S. 3708 are discussed in the description of the Dolores River in section II, and the summary of subsection (c) in section I, of this report.

VI. Committee Recommendation

The Committee on Interior and Insular Affairs, in open mark-up session on September 10, 1974, by voice vote, unanimously recommended that S. 3022, as amended, be enacted.

Mr. HASKELL. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HASKELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

On page 5, between lines 12 and 13, insert the following language:

"(c) In clause (i) of subsection (b) of section 7 strike the final comma and the fololwing word 'and' and insert in lieu thereof a colon and the following proviso: *'Provided*, That if any Act designating any river or rivers for potential addition to the national wild and scenic rivers system provides a period for the study or studies which exceeds such three complete fiscal year period the period provided for in such Act shall be

> substituted for the three complete fiscal year period in the provisions of this clause (i); and'."

Mr. HASKELL. Mr. President, this amendment, although it effects a substantive change in the bill, is technical in nature.

The Wild and Scenic Rivers Act, as amended by the act of May 10, 1974, provides protection to any river designated for study by an Act of Congress for a full 3-fiscal-year period after enactment of that act. This protection period was provided in the 1974 amendments to the Wild and Scenic Rivers Act. At the time these amendments were enacted we expected that the full 3 fiscal year protection period would be sufficient in that most legislative proposals would only designate one or two study rivers and thus would mandate only one or two studies at a time.

However, S. 3022 has combined all these various individual study bills and provides for a total of 23 studies. Because of the large number of studies the committee agreed to a 5-plus year study period. However, with only a 3 fiscal year period of protection provided under the Wild and Scenic Rivers Act, these rivers would be exposed to developmental pressures for perhaps as much as 2 years prior to the completion of the studies and submission of the President's recommendations to Congress.

My amendment simply limits the application of the full 3 fiscal year protection period to any legislation proposing rivers for study which does not establish its own study period. Under my amendment, whenever legislation provides a study period different from the 3 fiscal year period then the protection would run for the period established in the legislation. This will insure that the rivers designated for study under S. 3022 will be protected for the full 5-plus year protection period.

This is a technical amendment. I say to the distinguished Senator from Michigan that I have not discussed this amendment with the minority on the Interior Committee. I am informed that the staff has discussed it. In my view, it is a technical amendment, and I ask that it be adopted.

Mr. GRIFFIN. Mr. President, if the Senator will yield, I will say for the RECORD that I appreciate the very candid explanation of the Senator. I am informed, however, that the minority has no objection to the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

Mr. HASKELL. Mr. President, I am informed that the distinguished Senator from Oregon (Mr. HATFIELD) has an amendment and that he is on his way to the Chamber. Before he arrives, I should like to mention what this bill does and why I think it is very important both for the Nation and for my State of Colorado.

Subsection (a) amends the Wild and Scenic Rivers Act by designating 23 rivers in 10 States for study to determine whether they should be designated as components of the national wild and scenic rivers system.

Subsection (b) provides a 5-year deadline for 22 of the studies and a 1-year deadline for the study of the Dolores River in Colorado.

In addition—and I believe this is extremely important—subsection (b) provides that rivers that have the most private lands on both sides be studied first. I think it is important to the private landowners these rivers be studied first.

Additionally, subsection (c) raises the authorization in the Lower Saint Croix River Act of 1972 from $7.275 million to $19 million.

I am pleased to note that 12 of these 23 rivers designated for study, are in Colorado. We had hearings on the Colorado river both in Washington and in Colorado. As a result of the hearings in Durango, Colo., we both extended and contracted the segments of certain of these rivers to be studied. We also eliminated three rivers because of the testimony taken there. These were the North Platte, Laramie, and Michigan Rivers.

Mr. President, pending the arrival of the Senator from Oregon, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I send to the desk an amendment to S. 3022 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 3, between lines 7 and 8, insert the following new subparagraphs:
>
> "(39) South Fork Owyhee, Oregon: The main stem from the Oregon-Idaho border downstream to the Owyhee Reservoir.
>
> "(40) John Day, Oregon: The main stem from Service Creek Bridge (at river mile 157) downstream one hundred and forty-seven miles at Tumwater Falls (at river mile 10)."
>
> On pages 3 and 4, renumber subparagraphs (39) through (50) as subparagraphs (41) through (52).
>
> On page 5, line 4, strike "49" and insert in lieu thereof "51".
>
> On page 5, line 6, strike "50" and insert in lieu thereof "52".

Mr. HATFIELD. Mr. President, I thank the Senator from Colorado for yielding at this point. I commend him on the fine hearings and the manner in which he has conducted development of this bill.

The amendment I am proposing today to S. 3022 would provide for the study of two Oregon rivers for possible inclusion in the national wild and scenic rivers system.

In November of 1970, Oregon voters approved an initiative measure providing for the creation of a State scenic waterways system to protect several of the outstanding streams in our State. Included in the system were segments of the Rogue, Illinois, Dechutes, Minan, John Day, and Owyhee Rivers. In June of 1971, Governor McCall of Oregon requested that the Oregon rivers be included in the national system under section 2(a)(ii) of the National Wild and Scenic Rivers Act, which provides for the inclusion of rivers—

> That are designated as wild, scenic or recreational rivers by or pursuant to an act of the Legislature of the State or States through which they flow, that are to be permanently administered as wild, scenic or recreational rivers by an agency or political subdivision of the State or States concerned without expense to the United States, that are found by the Secretary of the Interior, upon application of the Governor of the State or States concerned . . . to meet the criteria established in this Act. . . .

Secretary of the Interior Morton turned down the State's request, stating that—

> We do not believe it was the intent of Section 2(a)(ii) to provide this Department authority to add free-flowing rivers to the national system whenever substantial blocks of Federal land are involved.

Secretary Morton stated that it would be necessary for separate Federal legislation to accomplish this.

It is important, Mr. President, for rivers which have been included in the Oregon scenic waterways system to be considered for inclusion in the national wild and scenic rivers system precisely because there are substantial blocks of Federal land surrounding them. There is no guarantee that these lands will be managed in a manner compatible with the State designation and there is no guarantee that Federal licensing of dam projects on these rivers would be prohibited.

Therefore, Mr. President, I introduced S. 3835 on July 30 of this year, which would provide for the inclusion of three of these Oregon rivers in the study category—the Minam, the South Fork of the Owyhee, and a segment of the John Day. Other rivers which are presently protected by the State are being considered in one way or another for Federal protection now.

The Senate Subcommittee on Public Lands, which the Senator from Colorado chairs, conducted a hearing on my proposal on August 15. At that time, administration spokesmen supported inclusion of the John Day and Owyhee Rivers in the study category. However, they opposed inclusion of the Minam. Thomas C. Nelson, Deputy Chief of the U.S. Forest Service, indicated that because 28 miles of the 45-mile river are within the Eagle Cap Wilderness Area and with 19 within the National Forest boundary and currently being studied for wilderness suitability, only 8 miles of the Minam could possibly be in any danger of development. These lands are owned by the Boise Cascade Corp., and the Forest Service is presently negotiating with Boise Cascade to acquire these lands through an exchange program. Also, there are no major impoundment proposals for the Minam. Mr. Nelson concluded that—

> Under present authorities, we believe the river will be fully protected. We could at some future time consider the more com-

prehensive wild and scenic river study if major conflicting uses of the river are identified or if the current study and planning indicate major consideration should be given to addition of the Minam River to the National Wild and Scenic Rivers System.

Because of the large number of rivers which the administration is presently being directed to study, and because the Minam River does not appear to face any imminent threat of development, I will not push for study of this river at this time. However, should the situation change, I will again introduce legislation to protect the Minam. I expect the Forest Service to keep me and other members of the Public Lands Subcommittee apprised of any actions which may affect this river.

The amendment I am proposing today would provide for the study of the main stem of the John Day River from Service Creek Bridge downstream to Tumwater Falls, the portion which is included in the Oregon Scenic Waterways System. I should point out that my amendment would not provide for the study of the North Fork of the John Day, as proposed by the administration. I do not necessarily oppose study of this portion, but we have not had the opportunity to have the proper local input on this proposal. The hearings were held on my legislation, not on an administration bill. Perhaps at some point in the future the Subcommittee on Public Lands can hold full hearings on the administration's proposal.

My amendment would also provide for the study of the South Fork of the Owyhee River, from the Oregon-Idaho border downstream to the Owyhee reservoir. Most of this area is included in the State scenic waterways system. According to Mr. Dave Talbot, Oregon State Parks Superintendent, a middle section of the river was inadvertently omitted by the State and I have included this portion in my amendment.

Mr. President, there is a great deal of support for my proposals in Oregon. Governor McCall supports Federal study of these rivers, as does Mr. Talbot. Senator Packwood was a cosponsor of S. 3835. The administration approves of the study of these two rivers. I urge adoption of my amendment.

Basically, Mr. President, my amendment proposes that we include in the study the sections of the Owyhee River in the State of Oregon to which I have made reference and sections of the John Day from Service Creek Bridge downstream to the Tumwater Falls.

The reason that I am offering this amendment from the floor is that when the Subcommittee on Public Lands which Senator Haskell of Colorado chairs, marked up several wild and scenic rivers bills, hearings had not been conducted on my proposals. Since that time I introduced my proposals as a separate bill and the hearing by the Senate Public Lands Subcommittee was held I have discussed the matter with the Senator from Colorado. This will comply with the criteria set by the Senator for the inclusion of these Oregon rivers for the comprehensive study that the Wild and Scenic Rivers Act provides.

I ask that the amendment be accepted or that we have a vote on it, as will please the Senator from Colorado.

Mr. HASKELL. I thank the distinguished Senator from Oregon. I am very pleased to accept this amendment.

Merely for the Record, I reiterate what the Senator has said. The Senator asked that these two rivers be added at the July 29, 1974, markup of S. 3022 in the Public Lands Subcommittee. At that time, there had not been a hearing, so we could not add them. I stated to my colleague that I would be happy to hold a hearing on these rivers if he would introduce his amendment in the form of a bill; and, after completion of the hearing, we could then add the rivers during the full committee markup of S. 3022. I am happy to say my colleague was satisfied with this approach and he did introduce his amendment as S. 3835 on the following day, July 30, 1974. As these same two rivers were in the administration's proposal, S. 3708, the testimony at the August 15 hearing was unanimous in favor of adding the rivers to the list of study rivers in subsection (a) of S. 3022.

Unfortunately, when the full committee marked up S. 3022 on September 10, my colleage was unable to appear and propose his amendment.

I am happy now to accept the amendment in light of the hearing and unanimous testimony in its favor.

Mr. HATFIELD. I thank the Senator from Colorado for his cooperation.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oregon.

The amendment was agreed to.

Mr. HASKELL. Mr. President, before making a motion to pass the bill, I reiterate that, in my opinion, there is great value to field hearings, because it was as a result of field hearings in Durango, Colo., on May 11, 1974, that it became evident that rivers that have the most private lands on each side of them should be given priority of study. Subsection (b) of S. 3022 contains such a provision which I offered as an amendment during full committee markup. In addition, as I said earlier, certain rivers in Colorado were eliminated because they went almost entirely through private lands. I believe that this bill, with the amendment of the Senator from Oregon, is deserving of passage. I move its adoption.

Mr. GRIFFIN. Mr. President, I ask unanimous consent to have printed in the Record a statement by the senior Senator from Colorado (Mr. Dominick).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Statement by Senator Dominick

S. 3022, to amend the Wild & Scenic Rivers Act, which has been reported by the Senate Interior Committee, has my full support.

The bill, which proposes several rivers in the United States for study as possible additions under the National Wild and Scenic Rivers Act, contains twelve rivers located in my state of Colorado. Although other Senators may have a different opinion, all Coloradans agree that they live in a state and area of this country that has been uniquely blessed as a place of beauty by the creator of the universe. It is entirely proper that we protect certain of Colorado's mountain streams from federal encroachment and impoundment. It is also fitting that Colorado assume a leadership position in the protection of its environment. Because of the state in which they live, Coloradans are the most environmentally conscious people in the country.

This bill contains with certain modifications—which I will discuss in more detail—twelve of the fifteen rivers that I had proposed in legislation previously introduced. These bills have had the benefit of hearings in Durango, Colo., as well as in Washington, D.C. This bill, which will pass the Senate today, represents the foundation of our efforts to protect certain of our free-flowing streams for future generations.

Mr. President, on August 1, 1973, I introduced S. 2319, the Colorado Rivers Preservation Act, which proposed that fourteen stretches of stream in Colorado be studied as possible additions to the National Wild and Scenic Rivers Act. This bill is a companion and followup to S. 4109, which I introduced in the 92nd Congress and S. 449, which I introduced earlier in the 93rd Congress. These bills propose a section of the Colorado River downstream from Loma to the Utah border be included for study as a possible addition to the National Wild and Scenic Rivers Act.

The inception of the idea that special attention should be given to the dwindling number of American streams that are still in a relatively natural state dates back at least as far as 1960. At that time, the National Park Service recommended to the Senate Select Committee on National Water Resources "that certain streams be preserved in their free-flowing condition because their natural, scenic, scientific, esthetic and recreational values outweigh their value for water development and control purposes" and that a study be made to determine what streams in America possess such values as these.

The Senate passed the Wild and Scenic Rivers Act in 1966 and 1967, and I voted in favor of that bill. Under the leadership of former Congressman Wayne Aspinall, the House Interior Committee reported and the House passed a Wild and Scenic Rivers bill. The President signed the bill into law on October 2, 1968. At that time, eight rivers were placed in the Wild and Scenic Rivers System, and 27 rivers were designated for possible incorporation. The studies on these rivers are to be completed within ten years of enactment.

Mr. President, it should be emphasized that the National Wild and Scenic Rivers Act is a multiple use Act. Water resource projects are prohibited while other uses, such as mining, hunting, fishing, timber harvesting, grazing of domestic livestock, and agricultural uses, may continue. It does not prohibit the construction of roads and bridges.

The National Wild and Scenic Rivers Act provides that if more than 50% of the land along the river unit is privately owned, the Secretary of Agriculture or Interior is authorized to condemn the fee title to land for an average of no more than 100 acres per river mile on both sides of the river. Because of the concern expressed to me, I asked that the North Platte, Laramie and Michigan Rivers be excluded from this omnibus bill. From the testimony at the hearings, it appeared that more than 50% of the land bordering these rivers was privately owned. Inclusion of these streams would raise the potential for acquisition of these lands by eminent domain. That possibility has been eliminated by my request.

In the case of each of the twelve Colorado streams in the bill, whcih we are considering today, more than 50% of the land along the river unit is in public ownership. Accordingly, condemnation of the fee title to any of the private land would be prohibited.

The Wild and Scenic Rivers Act barred

Federal Power Commission licensing of any power project on a river or river segment designated as part of the national rivers system and placed a five-year moratorium on licensing of projects on any of the 27 rivers designated for study. Provision was made, however, for licensing of power projects above or below designated components if the natural values of the unit would not be directly and adversely affected.

The Wild and Scenic Rivers Act introduced a new concept to our national management of water resources. In the words of the legislation—

"It is hereby declared to be the policy of the United States that certain selected rivers of the nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, shall be preserved in free-flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations. The Congress declares that the established national policy of dam and other construction at appropriate sections of the rivers of the United States needs to be complemented by a policy that would preserve other selected rivers or sections thereof in their free-flowing condition to protect the water quality of such rivers and to fulfill other vital national conservation purposes."

The passage of the Wild and Scenic Rivers Act provides us with the opportunity to assure the protection of the natural quality of another key element of the American landscape. Like the Wilderness System, a few rivers will remain as they were for the enjoyment of generation after generation of Americans. The National Wild and Scenic Rivers Act complements the Wilderness Act of 1964 and the National Trails System Act, which I cosponsored with Senators Jackson and Nelson in 1967.

Further, Mr. President, the Wild and Scenic Rivers Act provides that nothing contained in it shall affect the jurisdiction or responsibilities of the states with respect to fish or wildlife. Hunting and fishing shall be permitted on lands and waters administered under the Act unless in the case of hunting, land is within a national park or monument. The jurisdiction of the states and the United States over waters of any stream included in the Wild and Scenic Rivers System shall be determined by established principles of law. Designation of any stream or portion thereof shall not be construed as a reservation of the waters of such streams for purposes other than those specified in the Act.

Mr. President, at the turn of the century, it is estimated that Colorado had 13,500 miles of free-flowing streams that support fishlife. Today, we have 9,000 miles of fishing streams. A 1970 Wildlife Management Institute report indicated that Colorado supports more non-resident fresh water fishermen than any of the other thirteen western states.

Colorado has 231 rivers, traveling a total of 14,000 miles in the state. The Bureau of Outdoor Recreation has pointed out that over 90 Colorado rivers, totaling 3,400 miles, have been identified as having significant free-flowing values, yet not one river in the state has been given protection under the Wild and Scenic Rivers Act. Many of these 90 streams and rivers are under constant threat of having their flows impeded in one way or another, by diversion or impoundment. Demands on the state's rivers are numerous including those for flood control, power development, industrial, municipal, and irrigation use and nearby subdivisions. Thus, decisions must be made now as to which rivers or sections of rivers should be included in and protected by the Wild and Scenic Rivers Act.

When the Act was passed, it would have been impossible, of course, to include all the nation's rivers which at that time were worthy of being a part of the National Wild and Scenic Rivers System. Many of them had not been studied at any great length in order to determine their qualities and even with the several that are now proposed additions to the System, the Departments of the Interior and Agriculture have difficulty in finding the time and the manpower to conduct the necessary studies.

Yet, Mr. President, it is still hard to believe that not one river in Colorado is now a part of the national system. Six major rivers in the Western part of the United States have their sources in the mountains of Colorado. They are the Colorado, Rio Grande, Arkansas, North and South Platte Rivers, and the Republican River. The waters of these rivers leave Colorado and spread out through 18 neighboring states. This fact alone indicates the vital importance of Colorado's rivers not only to the state itself, but to the entire nation. There is no question that a serious error has been made in not including up to this time many of the Colorado rivers which are important tributaries to the rivers mentioned before or are valuable for various other reasons.

The Wild and Scenic Rivers Act states that eligible rivers will be classified, designated and administered as a wild river, scenic river, or recreational river or as a combination of those categories depending on the character of the segments of the eligible rivers. To be classified as "wild", the river or segment must be free of impoundments and generally inaccessible except by trail, with watersheds or shorelines essentially primitive and waters unpolluted. These represent vestiges of primitive America. The definition of "scenic river areas" is those that are free of impoundments, with shorelines or watersheds still largely primitive and shorelines largely undeveloped, but accessible in places by roads. The third category is "recreational" river areas and those are rivers or river segments that may have some development along their shorelines and may have undergone some impoundments or diversion in the past.

Mr. President, a study as required by this bill would determine into which of the three categories—wild, scenic or recreational—a river belongs. Also, one river may have segments which fall into all three categories. The rivers set forth represent a vast cross-section of the rivers located in Colorado. There are great differences in geographic location, physical dimensions and potential use.

The twelve Colorado rivers set forth in this bill possesses a vast cross-section of characteristics and are more specifically described in the report of the Senate Interior Committee. Those rivers are—

Colorado River—The segment from its confluence with the Dolores River, Utah, upstream to a point 19.5 miles from the Utah-Colorado border in Colorado;

Gunnison River—The segment from the upstream (southern) boundary of the Black Canyon of the Gunnison National Monument to its confluence with the North Fork;

Los Piños River—The segment from its source, including the tributaries and headwaters within the San Juan Primitive Area, to the northern boundary of the Granite Peak Ranch;

Big Thompson River—The segment from its source to the boundary of Rocky Mountain National Park;

Green River—The entire segment within the State of Colorado;

Conejos River—The three forks from their sources to their confluence, thence the Conejos to its first junction with State Highway 17, excluding Platoro Reservoir;

Elk River—The segment from its source to Clark;

Cache la Poudre River—Both forks from their sources to their confluence, thence the Cache la Poudre to the eastern boundary of Roosevelt National Forest;

Piedra River—The Middle Fork and East Fork from their sources to their confluence, thence to the Piedra to its junction with Colorado Highway 160, including the tributaries and headwaters on national forest lands;

Encampment River—The Main Fork and West Fork to their confluence, thence the Encampment to the Colorado-Wyoming border, including the tributaries and headwaters;

Yampa River—The segment within the boundaries of the Dinosaur National Monument; and

Dolores River—(1) The segment from the West boundary, Section 2, Township 38 No, Range 16 West, NMPM, below the proposed McPhee Dam, downstream to the Colorado-Utah border, excluding the segment one mile above Highway 90 to the confluence of the San Miguel River; (2) The segment of the main stem from Rico upstream to its source, including the headwaters; (3) West Dolores from its source, including its headwaters, to its confluence with the main stem.

Mr. President, if one looks at the map, one will see that the large majority of the rivers I have proposed are already located within federally owned parks, forests or monuments. Therefore, by this bill there will be little effect on individuals who own land bordering on the rivers in this bill, yet at the same time, many miles of beautiful Colorado rivers will receive maximum attention and protection which is available only under the Wild and Scenic Rivers Act.

Mr. MONDALE. Mr. President, I would like to commend the distinguished chairman of the Parks and Recreation Subcommittee and the chairman and members of the Senate Interior Committee for their prompt and favorable action on S. 3022. As reported by the committee, this measure contains two provisions with which I am especially concerned.

The first provision would increase the funding for the lower St. Croix River protection program from the current ceiling of $7.275 million to a level of $19 million. This additional authorization is essential if the National Park Service is to carry out the legislative mandate of the 1972 Lower St. Croix River Act to assure the perpetual preservation of this important scenic and recreational resource.

In passing the original Lower St. Croix River Act, the Congress established a unique approach to the preservation of a scenic and recreational riverway. This approach involved a sharing of responsibility for the riverway among the Federal Government and the States of Minnesota and Wisconsin. At the time that the law was enacted in 1972, it was understood that the Federal Government would purchase lands and scenic easements to protect the upper 27 miles of the riverway and that the States through parallel programs would protect the lower 25 miles of the riverway.

Unfortunately, as a result of an error in the cost estimates prepared by the Bureau of Outdoor Recreation, the initial authorization approved by the Congress was far too low to carry out a full program of protection in the Federal management zone. In fact, subsequent appraisals showed that a funding level of $7.275 million would permit protection of only about one-third of the Federal segment of the river.

At a meeting last February, members of

the Minnesota and Wisconsin congressional delegations together with Gov. Wendell Anderson of Minnesota and a representative of Governor Lucy of Wisconsin discussed this problem with officials of the Park Service and the Department of the Interior. From the discussion it was obvious that there was no feasible method of living up to the mandate of the 1972 act without a substantial increase in funding. Neither concentrating the funds exclusively in the upper 10-mile scenic zone of the river, nor buying property on a patchwork basis throughout the 27-mile Federal segment provided a workable alternative. Developers would have a field day in either case. We, therefore, requested an estimate from the National Park Service of the cost of a program of full protection for the riverway. It is this figure that provided the basis for the introduction of S. 3022 upon which the Senate is voting today.

At a hearing last June, the Parks and Recreation Subcommittee received testimony from State and local government officials, conservation groups and others unanimously in support of this bill. In cross questioning, officials of the National Park Service even stated that they had advocated a favorable report on the bill from within the Department of the Interior.

In approving S. 3022 today, the Senate can insure that the priceless natural values of the lower St. Croix River are not destroyed but preserved for people today and for generations to come.

The second provision of this bill that I am particularly interested in relates to the designation of new rivers for study as potential additions to the National Wild and Scenic Rivers System. I am very pleased that the Senate Interior Committee has included in the list of study two rivers in Minnesota, the upper Mississippi and the Kettle, in accordance with legislation which I introduced last year.

The Kettle is among the finest canoe rivers in America. It is a wild river abounding in fish and wildlife and only barely touched by residential development. The State of Minnesota has already conducted a preliminary study of the Kettle under the State wild and scenic rivers act, and it is prepared to cooperate fully with the Federal Government in avoiding any duplication of effort in connection with the national study. Making use of the information already collected by the State of Minnesota, I would hope that the Federal-State study could concentrate on what Federal resources might be necessary to adequately insure the protection of the Kettle.

With respect to the upper Mississippi River, there can be no doubt of the unique national interest in this waterway. From its source at Lake Itasca to the boundary of the city of Anoka, the upper Mississippi is predominantly a wild and scenic river with some stretches that might be classified recreational.

This past summer I had an opportunity to personally visit the Mississippi at Monticello, Minn. I was impressed by the remarkable quality of the water, by the serenity of the scenic view, and especially by the fact that these natural values can still be found on the Mississippi within 30 miles of a major urban center.

In the case of the Mississippi, like the Kettle, the State of Minnesota has already initiated a study under its scenic rivers program. But with a river segment more than 400 miles long, there is no hope that Minnesota can safeguard this resource wthout substantial Federal help. Cooperation between Federal and State agencies could, however, expedite the national study so that a full-scale protection program can be launched before development pressures become insurmountable.

In passing S. 3022 today, the Senate has an opportunity to begin the process toward what I hope will eventually be permanent protection of the Mississippi and the Kettle, as well as the lower St. Croix.

As further evidence of the need for such action, I should like to have included in the Congressional Record today copies of my statements before the Parks and Recreation Subcommittees last June.

Mr. President, I ask unanimous consent that the following statements be printed in full at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

TESTIMONY OF SENATOR WALTER F. MONDALE ON LOWER ST. CROIX RIVER

Mr. Chairman, I am grateful for this opportunity to testify before the Committee on S. 3022, the bill Senators Nelson, Humphrey and I have introduced to increase the authorization for the Lower St. Croix River Preservation program.

This Committee has probably devoted as much or more attention to the Lower St. Croix as it has to any other river in the country. Interior Committee consideration of legislation affecting the river dates back to 1965, and you are by now well aware of the natural attributes to this unique resource. Qualities such as the spectacular rock formations of the Dalles of the St. Croix, the intimate islands threading the river between Taylor Falls and Stillwater, and the majesty of Lake St. Croix, in 1972 prompted the Congress to designate the Lower St. Croix as the first federally protected addition to the original National Wild and Scenic Rivers System.

An unprecedented agreement for cooperative federal-state river management was adopted in the Lower St. Croix Act. The federal government was designated as the administering agent for the upper 27 miles of the river while the states of Minnesota and Wisconsin were to share administrative responsibility for the lower 25 miles of the river. A coordinated approach to the overall protection program was to be achieved through a joint master plan to be developed within one year of the date of enactment (October 25, 1972) and submitted for consideration by the Congress.

The obvious aim of the Congress in passing the Lower St. Croix River Act (P.L. 92–560) was to assure the perpetual preservation of the scenic and recreational opportunities afforded by this remarkably unspoiled metropolitan river.

This concept of perpetual preservation lies at the heart of the wild and scenic rivers system, and it is a guarantee, backed by the resources of the federal government, that however man's intrusion may destroy or desecrate other natural resources, rivers included within the system will be fully protected for people living today, for their children, and for generations to come.

Embodied in the form of legislation, this objective of permanent preservation of the Lower St. Croix won the near unanimous endorsement of State and local officials representing the river valley, of residents, of conservation groups, and ultimately of both Houses of the Congress and the Administration.

The record time in which the Lower St. Croix River Act was passed—five days from the initial mark-up by the Senate Interior Committee through Committee and floor action in the House—attests to the urgency Congress attached to protecting the river in view of the immediacy of the threat posed by developers.

This sense of urgency was fully justified. If the Congress had moved as quickly as it did to pass the Lower St. Croix River Act, cliff dwelling townhouses and a mid-rise apartment building might today scar the bluffs of the river. For even as federal-state planners first met to develop the specific details of the protection program, one developer was proceeding with his own plans for the construction of a housing project which included townhouse and an apartment building to tower over the valley.

Even with the Act, it took massive pressure from the Governors of the two States, members of the Congress, and a lawsuit filed by the Attorney General of Minnesota to force the developer to reconsider his plans. In the face of the lawsuit the developer signed an agreement last September 27th, resulting in the modification of his plans to conform to riverway guidelines.

Although this project was stopped in time, there is nevertheless no assurance today that another developer could not attempt to press for a similar project and win even in the courts.

It is against this backdrop that today's hearing takes place. Less than a month after the agreement with the developer was reached, two new obstacles emerged to jeopardize the immediate goal of completing the master plan and implementing the preservation program. The first and relatively minor problem was the unanticipated need for an environmental impact statement on the project. The second and by far the most serious obstacle was the discovery of a major deficiency in the funding for the federal share of the program.

The initial estiamte of the cost of the project was developed by the Bureau of Outdoor Recreation. It was based upon the average per acre price of land in the St. Croix Valley. Neither the Congress nor the States had any reason to question this estimate of $7.275 million for acquisition and development in the federal zone, and this figure was included as the authorization ceiling in the Lower St. Croix River Act. Only later, after more detailed appraisals, did we discover that the actual cost, based on the price of land per front foot along the river, would be much higher.

This discovery on October 22, 1973 prompted Governors Wendell R. Anderson and Patrick Lucey to write the following letter to the Secretary of the Interior.

"As you know, the State governments of Minnesota and Wisconsin are participating with your Department through the National Park Service in the formulation of the Federal-State Comprehensive Master Plan for the protection of the Lower St. Croix River under P.L. 92–560.

"We are, however, distressed that the funding provided by last year's Lower St. Croix River Act for acquisition and development of lands in the 27-mile federally administered river zone appears to be inadequate. Nearly two-thirds of that segment will have to be controlled through a fragmented system of local zoning codes, rather than through full or partial public interest in lands by your department. We are concerned as to how this serious gap occurred since there seemed to be no question at the State or Federal levels during negotiations on the bill that the $7,275,000 sought for the federally administered segment would be sufficient to protect the full 27-miles of the river valley through fee or easement purchase on river front lands, except within four small municipalities and State-owned areas."

The Governors requested Secretary Morton's assistance in seeking additional funds from the Congress. But in its reply, dated December 6th, the Department rejected this plea and effectively told the States that notwithstanding the federal commitment to protect the zone, Minnesota and Wisconsin would have to assume the full responsibility for preservation of two-thirds of the federal segment.

Interior's letter prompted members of the Minnesota and Wisconsin Congressional Delegations on December 20th to request a meeting with Ronald H. Walter, Director of the National Park Service.

The meeting was held in the Capitol on February 6, 1974. Assistant Secretary John Kyl, Dr. Richard Curry, Robert Chandler, Richard Whittpen and others represented the Department of the Interior. Governor Wendell R. Anderson, Commissioner Robert Herbst and Assistant Commissioner Archie Chelseth of the Minnesota Department of Natural Resources attended on behalf of Minnesota. Farnum Alston appeared for Governor Lucey and James Harrison and James Johnson for the Minnesota-Wisconsin Boundary Area Commission. Finally, Senators Nelson, Humphrey and myself and Representatives Blatnik, Fraser, Karth, Quie and Thomson took part in the discussion.

Our common goal was to seek assurances of Administration support for legislative action to afford adequate and timely funding for the project at a level which would guarantee perpetual protection of the entire river corridor. We also sought an assurance that high priority handling would be granted by the Department at all levels for both the completion of the environmental impact statement and the approval of the master plan.

At this point I should like to have inserted in the hearing record a copy of a letter from Assistant Secretary John Kyl received by each of the Congressional participants in the February 6th meeting. This letter indicates that $18,775,000 would be required to carry out a program of full protection for the entire 27-mile federal segment of the river. This estimate is, incidentally, based upon the level of protection envisioned by the Congress when the Lower St. Croix River Act was passed. At that time a conceptual development plan had been prepared by the federal-state Lower St. Croix study team and made available to members of the Congress and the public. This plan appears on page 103 of the Interior Committee's hearing recorded on S. 1928, the Lower St. Croix River Act. It shows federal acquisition of lands on both sides of the river throughout the upper 12-mile segment of the river classified recreational.

Unquestionably, this is the program for the federal segment which the States and the Congress had in mind when the Lower St. Croix River Act was passed.

Turning back to Secretary Kyl's letter, we find what I believe to be tacit recognition of the total inadequacy of a program, based on the $7.275 million ceiling, which would rely on local zoning as the sole tool for protection of the lower 17 miles of the federal segment of the river.

Assistant Secretary Kyl states:

"In response to your suggestion that the draft master plan be modified, we are preparing an amendment to the master plan which would provide for this alternative regarding the protection of the lower 17 miles of the Federal portion of the riverway. The amendment would be applicable if additional funding is secured. However, I have under advisement the following recommendations of the Land Planning Group:

1. National Park Service be instructed to direct the field planners to reevaluate the areas proposed for acquisition and to identify those areas in the Federal sector of the Lower St. Croix that are under immediate threat and would be lost if acquisition is not made immediately.

2. The National Park Service begin immediate acquisition with the money authorized by Public Law 92–560 ($7.275 million) and to acquire on a first priority basis those 18 areas identified by the States that are under immediate threat and would destroy the resources of the river.

3. Whenever possible, less than fee title to the lands be acquired.

4. The Department of the Interior, at this time, submit a negative report on the legislation H.R. 12690 (S. 3022), amending the lower St. Croix Act of 1972 until there is sufficient evidence resulting from the National Park Service acquisition of the areas along the St. Croix to show that funds available under Public Law 92–560 are not sufficient to carry out the acquisition program for these areas.

5. As soon as it becomes evident and experience is available that as a result of the land acquisition in the Lower St. Croix area that the costs of acquiring the land will exceed the monies authorized for the acquisition, the Department should advise Congress that additional funding is needed and request such additional authorization and funds needed to carry out the acquisition to protect the resources of the Lower St. Croix according to Public Law 92–560."

Mr. Chairman, if it were possible to adequately protect the Lower St. Croix for less than the $18.7 million figure provided by the National Park Service, the sponsors of S. 3022 would not have requested this hearing today. But it is the unanimous view of the Governors of Minnesota and Wisconsin, the Minnesota-Wisconsin Boundary Area Commission, the St. Croix River Association and a host of conservation groups in the two states that it cannot.

Without legislation to increase the authorization for the Lower St. Croix Protection Program, we are essentially faced with two alternatives. The first alternative is reflected in a draft master plan prepared by State and Federal field representatives and submitted to the Departmental officials in Washington and Philadelphia on October 23, 1973. The second alternative is that outlined in Secretary Kyl's letter.

Mr. Chairman, I should like to have inserted at this point in the Record a copy of the map which appears on page 145 of the draft master plan. This map, entitled Federal Boundary, illustrates the proposed program for protection of the federal segment of the riverway based on a funding level of $7.275 million. As you will note, the map provides for acquisition of land and easements in the first 10 miles of the federal zone to be classified scenic. However, except for the proposed purchase of a few acres for a visitors' center above Stillwater, the plan provides for no acquisition of land or easements along the shore of the remaining 17-mile stretch of the federal zone. It is this segment, which comprises almost two-thirds of the federal portion of the riverway, that would be jeopardized unless an additional authorization is secured. For the only controls on land use in this area would be through zoning. The reason for reliance on zoning in this segment is clearly articulated on page 28 of the draft master plan, which states, "The provisions of Section 6 [Ceiling on Appropriations] have exerted the greatest constraints on preserving a significant portion of the Federal segment of the riverway." Simply put, this means without more money the National Park Service cannot do the job Congress directed it to do.

Here is why a lesser program will not work. In an area which is already heavily impacted by development, zoning can be an adequate and appropriate tool to guide future development. But for areas that are essentially natural in character, zoning authority is not sufficient to prevent the loss of existing scenic and recreational values.

National Park Service field personnel, as well as the Governors of Minnesota and Wisconsin, recognized the inadequacy of zoning powers to preserve scenic areas and commented on page 33 of the draft master plan, "Given the level of funding authorized in Public Law 92–560, it is not possible to acquire lands in fee or scenic easements in the Federal recreation zone without seriously compromising the preservation intent of the scenic zone."

In the absence of fee and easement, acquisition would compromise the preservation intent in the scenic zone. It is obvious that the lack of such acquisition would seriously jeopardize protection for the 17-mile federal recreation zone.

The federal government should not be in the position of abandoning all protection of two-thirds of the area it is supposed to administer in order to save the upper one-third. While there is just enough development in the lower segment to require that it be legally defined as recreational rather than scenic, there is in fact no abrupt change in the river environment below the boundary between the two classifications. On the contrary, the river maintains for the most part the intimate island and slough setting and the essentially unspoiled natural beauty which led to its designation as a component of the National Wild and Scenic Rivers System.

Regarding the adequacy of zoning, the draft master plan states on page 51:

"Historically . . . zoning has proven to be the weakest tool available for the protection of riverway corridors. At times, zoning laws can be changed by political and economic pressures. A few variances, if incompatible with the National Wild and Scenic River Program, could jeopardize the environmental quality of the Lower St. Croix Riverway. In addition, it has been extremely difficult in the courts to justify zoning primarily on the basis of esthetics."

Because of this problem, Minnesota and Wisconsin in the management plan for the State administered segment of the Lower St. Croix will be purchasing easements on all riverfront property in private ownership outside of incorporated villages; and in the case of critical areas in the State zone, easements would be sought even within incorporated municipalities.

In considering the potential effectiveness of Interior's draft master plan, it is important to note that either fee title or easement will be purchased along the upper 10 miles and that at a minimum easements will be purchased by the States in the lower 25 miles of the river. This leaves a 17-mile gap in the protective program where only zoning, the weakest preservation tool, stands between the developers and the scenic character of the riverway. It is inevitable that all of the development pressures along the river would be funneled into this 17-mile gap, and it is to combat these very pressures that the Congress designated the Lower St. Croix for preservation.

A study developed by the Minnesota-Wisconsin Boundary Area Commission has revealed some 19 current proposals for development along the Lower St. Croix. Six of these proposals involving 3280 acres are already targeted for the 17-mile unprotected corridor in the federal zone. They would involve 500 or more units of housing and a commercial recreation complex with possible construction of a hotel and restaurant facilities for skiing and a trails network.

These proposals were brought to the attention of Departmental and Park Service officials at the February 6th meeting, and it is the information presented at this briefing that provided the impetus for the alternative recommendations of the Land Planning Group discussed in Secretary Kyl's letter.

That alternative contemplates a program of spot purchases of easements where possible and of lands where necessary to protect areas throughout the 27-mile federal segment of the riverway. But because of limitations on program funding, such a plan would necessarily involve compromising the preservation of the upper 10-mile scenic segment of the river. And in the absence of a guarantee of full protection for even two small contiguous segments of the federal zone, the developers would be given an invitation to speculate on properties throughout the upper 27 miles of the river. By moving from one potential site to another before the Park Service could react, it would be the developers, rather than the federal government, who would dictate the fate of the river. Thus, without any form of overall guidance, such a program would result in a checkerboard pattern of developed and scenic areas with no rational relation to the spirit of preservation which is basic to the wild and scenic rivers system.

The lower St. Croix River program depends for its success on the cooperation of Federal, State and local government. Each level must do its share or the entire effort will collapse. The States of Minnesota and Wisconsin have each passed implementing legislation to assure that they have the authority to safeguard the segment of the river entrusted to their administration. Both States are committed to purchase easements and to manage existing State owned lands in a manner which will provide for the perpetual preservation of this unique resource.

It is now for the federal government, for the Administration and the Congress, to live up to their part of the agreement. A plan to utilize the $18.775 million in funding has already been prepared. It is ready for implementation as soon as Congress gives the word. The bill before you today to carry out this plan has the support of the Governors of the two States, of the Minnesota-Wisconsin Boundary Area Commission, of the St. Croix River Association representing local residents, and of state and national conservation groups.

The responsibility lies here with us today. I am hopeful that this Committee and the Congress will react swiftly and favorably. There is not much time left, and it would be a tragedy for the citizens who have worked so hard to secure protection for the Lower St. Croix to have the battle lost at this late stage for lack of funds. But above all, it would be a tragedy for the river and for the millions of people who are by law entitled to use and enjoy it.

There is no need for extended debate on this legislation. We are dealing not with a question of priorities, but of our obligation to honor our own commitment firmly written into the Lower St. Croix River Act. We must meet this obligation.

Testimony of Senator Walter F. Mondale on Upper Mississippi and Kettle Rivers

Mr. Chairman, I am grateful for this opportunity to appear before the Committee to testify on behalf of wild and scenic rivers system studies of two outstanding rivers in my State.

The first river I should like to discuss hardly needs an introduction, it is the best known river in the United States, the Mississippi. For most of its 2,350 mile length the Mississippi today could scarcely be considered an untouched natural resource. In many areas it has been heavily impacted by pollution. Competing commercial uses have by and large overshadowed attention to the recreational potential of the river. But, winding from its source at Lake Itasca south to the City of Anoka, Minnesota, the river offers opportunities for visitors to enjoy a variety of wild, scenic and recreational qualities that are among the finest in our nation. In this area the river still warrants Mark Twain's description, written nearly a century ago:

"The majestic bluffs that overlook the river, along through this region, charm one with the frace and variety of their forms, and the soft beauty of their adornment. The steep verdant slope, whose base is at the water's edge, is topped by a lofty rampart of broken, turreted rocks, which are exquisitely rich and mellow in color—mainly dark browns and dull greens, but splashed with other tints. And then you have the shining river, winding here and there and yonder, its sweep interrupted at intervals by clusters of wooded islands threaded by silver channels; and you have glimpses of distant villages, asleep upon capes; and of stealthy rafts slipping along in the shade of the forest walls; and of white steamers vanishing around remote points. And it is all as tranquil and reposeful as dreamland, and has nothing this-worldly about it—nothing to hang a fret or a worry upon."

Today, as it was a century ago, it is possible to float down stretches of the Mississippi's still serene waters, to enjoy untouched forests and plains, and to swim and fish in water of superb quality.

Whether for its fish and wildlife, geologic, scenic, wild, historic or recreational values, the Mississippi River in Minnesota fully satisfies the criteria for recognition under the National Wild and Scenic Rivers Act.

Throughout its 330 mile course from Lake Itaska to Anoka, the river offers a great variety of scenic and recreational advantages rivaling those provided by the finest rivers in America.

From the standpoint of a wild river experience, we find Itasca State Park at the source of the Mississippi, embracing roughly 50 square miles of exceptional wilderness, forested with virgin Norway and white pine. The Chippewa National Forest adjacent to the Mississippi offers miles of clear northern water with excellent stands of pines and an abundance of wildlife. Rugged beauty can be seen near Ball Club Lake where the river becomes exceedingly tortuous, and a double stream of water encloses a series of large islands in its sinuous folds.

The early history of Minnesota and the conquest of the frontier unfold mile by mile along the riverway. Ancient Indian mounds and battlefields, early routes of exploration, pioneering trading posts and Fort Ripley, Minnesota's second oldest military post, can be found along the banks of the Mississippi. Here Zebulon Pike, Sieur DuLuth, Father Hennepin and Jonathan Carver set out upon their historic voyages.

The geologic origin of Minnesota are also traced along the Mississippi from the ancient bed of glacial Lake Aitken, where the river meanders across a broad alluvial plain to the glacial till stretching south toward St. Cloud and further downstream to the Anoka Sand Plain where fine sand through the years has formed striking dunes visible from the river.

At least 52 different species of fish have been identified in the Upper Mississippi, including 'Valleye Northern Pike, Yellow Perch, Smallmouth Bass, Black Crappie, and even Muskie. Wildlife of all shapes and sizes abound in the river valley, and rare and endangered species native to the North Central Region of the United States are frequently sighted there.

The entire river segment proposed for study under the National Wild and Scenic Rivers Act is draped by unparalleled scenery. Clear, tree-lined lakes, waterfalls, pine forests and valleys offer at times a quiet, at times a spectacular view of the river as it has remained untouched for centuries.

Even the community of St. Cloud, one of the most developed along this stretch of the river, still largely fits the description of a special correspondent from Harpers Magazine who wrote the following in 1859:

"St. Cloud is today of only three years growth and though it has a couple of fine hotels, a large number of stores and is tastefully laid out, it is less remarkable for its size, its rapid progress and the good quality of its components than for its natural beauties and picturesque location. It stands on a high wooded bluff, at the bend of the Mississippi, and is on all sides surrounded by trees."

Some 1700 resorts located within easy access of the river attest to the appeal this area holds for recreationists. The Mississippi offers opportunities for fishing, camping, hiking, canoeing, swimming, boating and many other water based sports.

Given the proximity of the Upper Mississippi to the Twin Cities Metropolitan area and to the Dututh-Superior ports, the demand for such recreational activities is high and rapidly growing.

But the increasing recognition of the Upper Mississippi as a high quality recreational resource constitutes a threat to the very values people admire. This is especially true in the counties nearest Minneapolis-St. Paul where the character of the river valley is expected to rapidly change from agricultural to residential-commercial. Anoka, at the southern boundary of the proposed study zone, is, according to the latest figures, the fastest growing county in the State. To get an idea of the tremendous development pressures on the river, one need look only to the figures on building permits and plats in 1973. For Wright County there were 90 such permits and 14 plats containing up to 250 lots per plat in 1973. For Stearns County there were 181 permits and 15 plats. In Sherburne County there were 160 permits and 6 plats. Existing plats alone could lead to 10,000 or more new housing units in the lower segment of the valley.

Recognizing the priceless value of the river corridor, local units of government have tried to provide protection through the only mechanism available to them—zoning. Nevertheless, with scores of villages, counties, and townships involved, the difficulties of achieving a common and effective zoning standard are obvious. Under these circumstances the accepted level of protection often becomes the lowest, rather than highest, common denominator; for the mistake of one municipality will inevitably jeopardize the best efforts of all.

The State of Minnesota, in approving the 1973 State Wild and Scenic Rivers Act, officially responded to the obvious need for action on behalf of rivers that possess outstanding natural values. The Upper Mississippi was selected as one of 16 rivers in the State for study for possible protection under the Act. At the present time, the Minnesota Department of Natural Resources is moving forward on the evaluation of the Mississippi between Anoka and St. Cloud—the segment that is under the most intensive pressure for development.

But this study in itself constitutes a formidable task for the Minnesota Department of Natural Resources, and even after the State study is complete, there are severe limitations on the ability of the Department to effectively control development along the river. Currently, there are no funds whatsoever for acquisition, and the State lacks the condemnation authority provided under the National Wild and Scenic Rivers Act. Voluntary cooperation on the part of thousands of private landowners and countless communities would be required to preserve the Mississippi under such circumstances. But without the resources to check the actions of unscrupulous developers or the ability to offer compensation to private landowners for protection of the corridor through purchase of scenic easements, it is unrealistic to expect that such a degree of cooperation could be achieved.

I have received indications from the Interior Department that they are not prepared to support S. 2443. As I understand it, they are unwilling to assign priority to a study of the Mississippi because they believe that the section of the river above St. Cloud does not need additional protecton, and the segment below St. Cloud is developed to such an extent that it does not warrant protection. There is ample evidence to dispute both conclusions.

Anyone who has travelled the Mississippi between St. Cloud and Anoka knows that it possesses natural qualities that are nearly unique in a river located so near a major metropolitan area. There are thickly forested stretches in this segment that provide a near wilderness experience for visitors. The waters teem with fish, and scenic bluffs overlook the Mississippi's broad expanse. These qualities exist today, but they will not exist forever unless action is taken to protect them.

Turning to the argument that the portion of the river above St. Cloud is not in need of study, I would like to call the Committee's attention to letters from government officials in this region that I will submit for the record at the end of my statement. Officials representing the communities of Brainerd, Crow Wing County, St. Cloud, Pine River, Little Falls and Itaska County have all indicated that they feel the study is not only warranted, but necessary.

The choice is therefore not between Federal protection or State and local protection. The choice is between a major effort—utilizing the resources of Federal, State and local units of government—or a minor effort to preserve the last relatively unspoiled portions of our country's most famous and most beloved river. It is obvious that this choice warrants the careful study contemplated by S. 2443. For these reasons the Governor of Minnesota and the Department of Natural Resources, the Twin Cities Metropolitan Council, conservation groups including the American Rivers Council, the Minnesota Wildlife Federation, the National Audubon Society, the Sierra Club, the Izaak Walton League, and valley residents represented by the Central Minnesota Supporters of the Wild and Scenic Rivers Act, have all expressed their enthusiastic endorsement of this proposal. For these reasons I am hopeful that it will receive favorable consideration by the Committee.

Mr. Chairman, I should like to have included in the hearing record copies of letters which I have received from residents of the Mississippi Valley about the river, the advantages it offers, and the pressures that threaten to destroy it.

The second river I would like to discuss today is the Kettle River. Also located in Minnesota, the Kettle is essentially a wild river area with only a few scattered dwellings throughout most of its length.

Originating in Carlton County, the river winds its way southward toward the town bearing its name where it flows some 57 miles to empty into the St. Croix.

It is a spectacular area with a national reputation for its excellence as a white water canoe river. Rapids interspaced with long tranquil pools offer a challenge to even the most experienced canoeists, as well as a chance for quiet reflection.

Deep gorges, moraines, glacial outwash, plains, kettle holes and caves illustrate the glacial geology of the area.

Deer, muskrat, beaver, herons and hawks are only a few examples of the abundant wildlife that inhabit the valley. In the clear waters of the Kettle, fishing is excellent, especially for walleyes, sturgeon and small mouth bass.

From its headwaters in Carlton County, the Kettle flows in a generally north-south direction. For the first six miles the river flows through an area of glacial moraines where pools and rapids are closely interspaced. Heavy forests of aspen and birch, dotted with occasional stands of Norway and white pine, extend almost to the water's edge, enclosing the river and creating an intimate and intensely natural setting.

As the river widens, the pools and rapids become longer and deeper. Islands become a dominant feature of landscape, and the main channel soon becomes difficult to distinguish. Below the point where the Moose River joins the Kettle, the ever-widening stream flows through a valley of farmland and open woods.

At Banning State Park the Kettle flows through a gorge approximately 130 feet deep, which forms the nationally celebrated Hell's Gate Rapids. These rapids, approximately one mile in length, consist of four major drops of about five feet each. I should like to have inserted in the hearing record an article by Mike Link, resident naturalist of the Kettle River area, about the Hell's Gate. As Mr. Link describes, this breathtaking scene: "The waters from the Kettle take their time approaching the rapids, but once they reach the canyon, they take off on a terrific downhill run that seems to explode through the canyon." The enthusiasm expressed by this writer is fully justified for a river that offers rapids as exciting to the veteran canoeist as it does to the novice.

Further downstream the river passes through several short rapids and pools of up to 20 feet in depth. It widens out below this point to a series of rapids that are of moderate difficulty and very popular with canoeists.

Nearly two-thirds of the Kettle River basin is forested. There are some farms along the river and a number of small communities. From the town of Sandstone some 53 miles to the mouth of the Kettle at the St. Croix, there are only about five homes visible from the river.

A number of factors have helped to maintain the Kettle as a wild river. Past concentration of development interest in the St. Croix coupled with the Kettle's low lying character and inaccessibility have helped to discourage large-scale development. Public land ownership in the General C. C. Andrews State Forest, Banning State Park, the Sandstone Game Refuge, Chengwatan State Forest and St. Croix State Park has helped to protect the primitive values of the area. But by far the greatest contribution to the preservation of the river has been made by many private landowners who have traditionally been unwilling to sell to developers.

Nevertheless, conditions favoring future development of the Kettle are rapidly emerging. Two-thirds of the land along the Kettle is in private ownership. Taxes are escalating, and it is becoming more and more expensive for people to maintain undeveloped property. The populous Twin Cities and Twin Ports areas are exerting increased pressure for second home development, and visitor use in the major State Parks along the Kettle has tripled during the past five years. Finally, new public ownership of the St. Croix will inevitably heighten development interest in the Kettle.

Like the Upper Mississippi, the Kettle River has been designated for study under the Minnesota Wild and Scenic Rivers Act. The State study is now nearing completion, and all indications are that the Minnesota Department of Natural Resources will be prepared to move ahead with a program for the Kettle.

However, the Department of Natural Resources faces many of the same problems with the Kettle as it does with the Mississippi. In the case of rivers that are of purely State, rather than national significance, the tools available under the Minnesota Wild and Scenic Rivers Act should be adequate. But a wild river like the Kettle deserves at the very least a federal study as envisioned in my bill.

Aside from the beauty and quality of the recreational opportunities afforded by the Kettle, there is also significant national interest already established on this river by virtue of its status as a major tributary of the St. Croix. Like the Namekagon, the other principal river flowing into the St. Croix, the Kettle is unspoiled. Like the Namekagon, the quality of the waters contributed by the Kettle will have a major impact on the St. Croix. Like the Namekagon, the Kettle is within easy reach of the Twin Ports of Duluth and Superior, and it is easily accessible to the 1.8 million residents of the Twin Cities metropolitan area. But unlike the Namekagon and the St. Croix, the Kettle today exists without any form of national protection.

A study of the features of the Kettle most deserving of national protection is clearly warranted. The fact that the State study is now almost complete should not serve as a deterrent to action, but rather as a means to expedite a federal evaluation. The work of the federal study team would be greatly facilitated by drawing upon the analysis already done by the Minnesota Department of Natural Resources. This study, I would hope, would focus primarily on what the appropriate roles of Federal, State and local government should be in providing for an effective preservation program. If the study findings reveal that the State of Minnesota has all of the financial and management tools required to avoid any destruction of the scenic and primitive values of the Kettle, the federal government's responsibilities might be confined merely to recognizing the unique nature of this resource. But if the study reveals that federal back-up protection is required to safeguard the Kettle, then an appropriate State, Federal and local government management program could be devised.

Local residents, government officials, and the Governor of Minnesota have communicated to me their strong support for this type of study. I should like to have inserted in the hearing record a sample of the letters I have received attesting to this support. During the hearing you will hear the American Rivers Council endorsement of the proposal.

One of the arguments that might be raised by some officials in Washington against federal studies of the Kettle and even of the Mississippi is that since Minnesota already has a State Scenic Rivers Act, why should the federal government become involved with these rivers? The Minnesota program was passed with two views in mind, one of protecting those rivers which are strictly of State significance, the other of providing essential interim protection for nationally significant rivers until they can be considered for inclusion in the Federal Wild and Scenic Rivers System.

Should the federal government adopt the view that rivers should be precluded from national consideration because the States have tried to provide some interim help, this policy would undoubtedly hasten the destruction of critical resources. If anything, our policy should be the reverse; we should encourage the States to act whenever possible.

At the beginning of my statement I quoted Mark Twain, who said of the Mississippi:

"And it is all as tranquil and reposeful as a dreamland, and has nothing this worldly about it—nothing to hang a fret or worry upon."

Unless we do a bit of worrying about rivers like the Mississippi and translate our concern into action, the tranquility and repose of which Twain so eloquently spoke could all too literally become but dreams and distant memories.

I hope that the Committee will act promptly and positively on studies of the Mississippi, the Kettle, and the many other deserving rivers that are under consideration today.

Mr. NELSON. Mr. President, S. 3022 amends the Lower St. Croix River Act of 1972 by increasing the authorization from $7,275,000 to $18,725,000 for the protection of the 27-mile Federal sector of the river that runs from Taylor Falls, Wis. to Stillwater, Minn.

This bill will permit the National Park Service to amend the current master plan for the Lower St. Croix thus protecting the scenic and outstanding recreational values of a river that was added to the National Wild and Scenic Rivers System almost 2 years ago. This additional money will finally provide sufficient funds to acquire limited fee title and extensive scenic easements in the section of the river that runs from the Washington County line to Stillwater, and culminate a 10-year effort to provide perpetual Federal protection for this outstanding natural resource.

The increased authorization will give perpetual Federal protection to the last scenic and recreational river that is surrounded by a major urban area. The Twin Cities are just a short distance away from the St. Croix. This area of the country is the 14th largest metropolitan area in the entire Nation.

The total increase is high because this is the only segment of the entire national system that is composed primarily of private lands. All other segments of the National Wild and Scenic Rivers System are largely composed of either national forest lands, National Park Service lands, or other lands the Federal Government already owns.

The increased authorization is clearly in the public interest for the people of Wisconsin and Minnesota as well as the countless people across the country who come by droves to enjoy the unique and superb scenic and recreational values of the Lower St. Croix. It was specifically for these reasons that in 1965, 1967, and 1971, I introduced legislation to protect this river. The people who live along the river want a perpetual Federal interest in the Federal zone. They want to be sure the river stays as it is today. S. 3022 provides these assurances.

The proposed master plan that was circulated to the Wisconsin and Minnesota congressional delegations by the Park Service continues despite two meetings with high-ranking Park Service personnel to be a matter of controversy and concern because it does not fulfill the needs of the people of the St. Croix and the intent of the Congress. The plan the Park Service has presented provides protection only in the upper 10-mile section of the river. The lower 17 has no Federal protection. This plan is not acceptable.

This river is one of the most studied rivers in the Nation. Bills to protect the St. Croix were introduced in 1965, 1967, and 1971. The parent act, the Wild and Scenic Rivers Act of 1968, specifically mandated the Federal Government to study the lower St. Croix and determine its suitability as a component of the national system.

Pursuant to this mandate a Federal-State study team convened in January 1970, to evaluate the potential of the river and to draft management guidelines. The study team concluded that the lower St. Croix met the criteria for inclusion in the national system as outlined in section 2(a)(i) of the 1968 act.

Field hearings were conducted in Wisconsin during October 1971. Washington hearings followed in April 1972.

The congressional intent as to what kind of protection is to be afforded to the 27-mile Federal sector of the river is clear and concise. Page 102 of the hearing record of the Senate Subcommittee on Public Lands contains a map that served as an overall guide that contained the congressional intent and the recommendations of the Federal-State study team. This study also served as the basis for the cost estimate for adding the lower St. Croix to the national system.

The map, entitled "conceptual development plan for the lower St. Croix River" combines the recommendations of the Federal-State study team as to the best management for the river as well as correctly reflecting the views of the Wisconsin and Minnesota congressional delegations. The development plan calls for the Federal Government to acquire title and scenic easements for all of the land from the dam at Taylor Falls to the Washington County line. From the Washington County line to Stillwater, Minn., a distance of approximately 17 miles, the development plan clearly calls for the Federal Government to acquire limited fee title and large amounts of scenic easements. The remainder of the river, from Stillwater to its confluence with the Mississippi will be managed jointly by the two States.

The study report estimated that the cost of the project would be $7,275,000. The Congress then proceeded to authorize that amount in the St. Croix's enabling legislation realizing that this amount would be spent acquiring title and easement in the upper 10 miles and limited title and scenic easements in the lower 17.

The preliminary findings of the study team were reaffirmed in the Department of Interior's final report on the river entitled "Scenic River Study of the Lower St. Croix" published in February 1973, 4 months after the river was added to the national system. This report sets forth the conceptual guidelines for the classification, development, and management of the river as a component of the National Wild and Scenic Rivers System.

Page 93 of this report states that in the 27-mile Federal portion, 5,400 acres of land will be acquired by fee or easement. Within the recreational segment that will be protected by the States of Wisconsin and Minnesota an estimated 2,500 acres of land should be protected including 2,470 acres by easement and 30 acres in title.

The final report estimates the cost of the entire 52-mile project at $8,680,000, $1,405,000 to be spent by the States. The report estimates that the entire $7,275,000 should be spent on the 10-mile Federal sector and $1,405,000 spent on the lower 25 miles.

We are now faced with a situation where the National Park Service has circulated for discussion a master plan that meets the protective requirements for the upper 10 miles but does nothing to the lower 17. This is not what the Congress had in mind.

We are now told that if the river is to have its primitive areas from Taylor Falls to the Washington County line protected and the outstanding recreational values in the lower 17 enhanced and properly managed, as envisioned by the 1968 and 1972 laws, the cost will be almost $19,000,000.

In the meantime, $2.5 million became available July 1, 1974, for the river but nothing can be done. The Congress has not been able to come to some agreement with the Interior Department concerning the scope and direction of Federal activity. S. 3022 provides that scope and direction. Someone made a serious mistake in estimating the cost of the program. The $7,275,000 figure does not represent really a ceiling on Federal spending; rather it is the figure that the study team determined would be necessary to fully protect the upper 10 miles and acquire easements and limited acquisition of fee title in the lower 17. In other words, that figure was to be spent to meet the mandate of the legislation and the intent of the Congress.

S. 3022 corrects the estimate for the cost of meeting the protection envisioned by the Congress when this scenic and recreational river was added to the National Wild and Scenic Rivers System.

S. 3022 speaks to several important points. First, the intent of the Congress dating back to 1968 was for perpetual Federal preservation of the 27-mile Federal zone. Second, in the professional opinion of the Park Service to achieve the intent of the Congress and the optimum management of the river for its scenic and recreational qualities would require the Federal Government to acquire in fee most of the land from Taylor Falls to the Washington County line and to acquire many scenic easements from that line to Stillwater as described by appendix D of the proposed master plan. Third, that this type of protection will cost approximately $19 million. And finally, the area is threatened with development and only swift congressional action can avoid permanent degradation.

This legislation that now goes to the House meets the intent of the Congress and keeps the promises made in 1972.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading, read a third time, and passed, as follows:

S. 3022

An Act to amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of certain rivers for possible inclusion in the national wild and scenic rivers system; to amend the Lower Saint Croix River Act of 1972 (86 Stat. 1174), and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Wild and Scenic Rivers Act (82 Stat. 906), as amended, is further amended as follows:

(a) In subsection (a) of section 5 after paragraph (27) insert the following new paragraphs:

"(28) Au Sable, Michigan: The segment downstream from Foot Dam to Oscoda and upstream from Loud Reservoir to its source, including its principal tributaries and excluding Mio and Bamfield Reservoirs.

"(29) Manistee, Michigan: The entire river from its source to Manistee Lake, including its principal tributaries and excluding Tippy and Hodenpyl Reservoirs.

"(30) Wisconsin, Wisconsin: The segment from Prairie du Sac to its confluence with the Mississippi River at Prairie du Chien.

"(31) West Fork of the Sipsey Fork, Alabama: The segment, including its tributaries, from the impoundment formed by the Lewis M. Smith Dam upstream to its source in the William B. Bankhead National Forest.

"(32) Cahaba, Alabama: The segment from its junction with United States Highway 31 south of Birmingham downstream to its junction with United States Highway 80 west of Selma.

"(33) Kettle, Minnesota: The entire segment within the State of Minnesota.

"(34) Upper Mississippi, Minnesota: The segment from its source at the outlet of Itasca Lake to its junction with the northwestern boundary of the city of Anoka.

"(35) American, California: The North Fork from Mountain Meadow Lake to the Auburn Reservoir and the lower 7.5 miles of the North Fork.

"(36) Tuolumne, California: The main river from its source on Mount Dana and Mount Lyell in Yosemite National Park to Don Pedro Reservoir.

"(37) Illinois, Arkansas and Oklahoma: The entire river from Tenkiller Ferry Reservoir upstream to its source, including the Flint and Barren Fork Creeks and excluding Lake Frances.

"(39) South Fork Owyhee, Oregon: The main stem from the Oregon-Idaho border downstream to the Owyhee Reservoir.

"(40) John Day, Oregon: The main stem from Service Creek Bridge (at river mile 157) downstream one hundred and forty-seven miles to Tumwater Falls (at river mile 10).

"(41) Colorado, Colorado and Utah: The segment from its confluence with the Dolores River, Utah, upstream to a point 19.5 miles from the Utah-Colorado border in Colorado.

"(42) Gunnison, Colorado: The segment from the upstream (southern) boundary of Black Canyon of the Gunnison National Monument to its confluence with the North Fork.

"(43) Los Pinos, Colorado: The segment from its source, including the tributaries and headwaters within the San Juan Primitive Area, to the northern boundary of the Granite Peak Ranch.

"(44) Big Thompson, Colorado: The segment from its source to the boundary of Rocky Mountain National Park.

"(45) Green, Colorado: The entire segment within the State of Colorado.

"(46) Conejos, Colorado: The three forks from their sources to their confluence, thence the Conejos to its first junction with State Highway 17, excluding Platoro Reservoir.

"(47) Elk, Colorado: The segment from its source to Clark.

"(48) Cache la Poudre, Colorado: Both forks from their sources to their confluence, thence to Cache la Poudre to the eastern boundary of Roosevelt National Forest.

"(49) Piedra, Colorado: The Middle Fork and East Fork from their sources to their confluence, thence the Piedra to its junction with Colorado Highway 160, including the tributaries and headwaters on national forest lands.

"(50) Encampment, Colorado: The Main Fork and West Fork to their confluence, thence the Encampment to the Colorado-Wyoming border, including the tributaries and headwaters.

"(51) Yampa, Colorado: The segment within the boundaries of the Dinosaur National Monument.

"(52) Dolores, Colorado: The segment from the west boundary, section 2, township 38, north, range 16 west, NMPM, below the proposed McPhee Dam, downstream to the Colorado-Utah border, excluding the segment from one mile above Highway 90 to the confluence of the San Miguel River; the segment of the main stem from Rico upstream to its source, including its headwaters; and the West Dolores from its source, including its headwaters, downstream to its confluence with the main stem.".

(b) In subsection (a) of section 4—

(1) in the third sentence strike "1978." and insert in lieu thereof "1978; with respect to all rivers named in subparagraphs 5(a) (28) through (51) of this Act no later than October 2, 1979; and with respect to the river named in subparagraph 5(a)(52) of this Act no later than October 2, 1975."; and

(2) in the fourth sentence: (A) between "rivers." and "with" insert "i", and (B) strike "system." and insert in lieu thereof "system, and (ii) which possess the greatest proportion of private land within their areas.".

(c) In clause (i) of subsection (b) of section 7 strike the final comma and the following word "and" and insert in lieu thereof a colon and the following proviso: "*Provided,* That if any Act designating any river or rivers for potential addition to the national wild and scenic rivers system provides a period for the study or studies which exceeds such three complete fiscal year period the period provided for in such Act shall be substituted for the three complete fiscal year period in the provisions of this clause (i); and".

SEC. 2. Subsection (a) of section 6 of the Lower Saint Croix River Act of 1972 (86 Stat. 1174) is amended by deleting "$7,275,000" and inserting in lieu thereof "$19,000,000".

The title was amended so as to read: "A bill to amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of certain rivers for possible inclusion in the national wild and scenic rivers system; to amend the Lower Saint Croix River Act of 1972 (86 Stat. 1174), and for other purposes."

Mr. HASKELL. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time consumed in debate on S. 3022 be charged jointly against the time allocated to the two leaders under the standing order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Idaho (Mr. McClure) is recognized for not to exceed 15 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be taken out of the order that was entered in behalf of Mr. Mansfield, without prejudice to the first Senator under the list of orders.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the special order reserving time for the Senator from New Mexico (Mr. Domenici) be transferred to the Senator from Oklahoma (Mr. Bartlett), and that he may proceed at this time without prejudice to the other Senators who have special orders for recognition today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETROLEUM PRICES AND THE ECONOMY

Mr. BARTLETT. Mr. President, the Senator from Oklahoma has been interested for some time in doing something about the problem of inflation and the other problems of our economy. As the present occupant of the Chair (Mr. Huddleston) knows, I joined with him and others as a cosponsor of Senate Resolution 363, calling for a domestic summit conference on the economy, and I would like to say that I am very gratified with its progress. It certainly has shown, on the one hand, that Congress and the administration are working at the problem of inflation, the problem of a possible recession, and the various aspects of our economy.

First, I would like to emphasize just how drastic inflation can be. A vivid example is that a person making $20,000 at age 30, with an inflation rate of 12.5 percent during his productive years until age 65, would have to make over $1 million per year at retirement to enjoy the same standard of living that he enjoyed when 30. This is intolerable and totally unacceptable.

There are those who contend that inflation can be reduced through price controls or price rollbacks; and there are those currently, today, who are advocating price rollbacks on oil, and presumably would like to see the low controlled price on natural gas remain where it is, rather than be deregulated.

Let us look at just what has happened in the past. Between the years 1951 and 1971, because of Government controls and Government programs, real electricity prices fell 43 percent, refined petroleum prices were down 17 percent, and coal prices dropped 15 percent.

Mr. President, I can recall that the price of crude oil in 1957 was $3.09 per barrel, and then went down and did not return to $3.09 until 1969, at which time Congress saw fit to decrease the depletion allowance from 27.5 percent to 22 percent, which had the effect of reducing the price of crude oil 17 cents a barrel.

Now, as a result of these lower energy prices during the 20-year period ending in 1971, domestic demand soared, and the domestic supplies of energy did not keep pace.

Foreign oil, at first cheap, as people were saying, "Let us import more cheap foreign oil," but their foreign oil later became very expensive, as it is today, set by a cartel of a number of exporting countries called OPEC, and have a very high price which is bankrupting the nations of the world.

This foreign oil has replaced much of the American oil and gas that was being produced then. The increased domestic demand and the decreased domestic supply of oil and gas resulting from Government programs and Government controls brought about greater shortages of domestic energy of oil and gas, and brought about greater imports of the very high-priced crude oil and other products, causing inflation.

I am not saying this has caused all the inflation, by any means; it certainly has not. But it caused inflation because it is a classical example of too many dollars chasing too few goods, of having the supply-demand equation out of balance.

So, yes, these controlled prices during this period did cause inflation. It decreased the supply and it increased the demand. So this is what would happen today if the prices were rolled back, and is what is happening today because of the controlled prices of natural gas and the controlled prices of crude oil.

All right. What is inflation also doing to the supply side of the coin so far as increased energy is concerned so that we will be less reliant on imported energy—oil and gas principally?

Mr. John Winger of the Chase Manhattan Bank has been estimating all along, and continues to estimate, that the requirements of capital worldwide for the period 1970 to 1985 amount to $1.2 trillion.

If there is 10 percent inflation, then this figure goes up to $2.1 trillion, and if there is 15 percent inflation, then this becomes $3.1 trillion. So the cost of energy sufficiency because of inflation increases tremendously.

The domestic supply of energy is certainly the lifeblood of our economy. Energy is the great multiplier of our gross national product of manufactured and agricultural products. Over a period of years, the increase in energy has been about 3.1 percent per year. The increase in gross national product has been about 3.1 percent per year. There has been a close relationship.

There is also a close relationship between gross national product and employment, and there are those who are saying, "Let us just have a flat energy supply."

Well, first I want to say that is a misleading statement because our supplies of energy continue to decline even though the drilling activity for oil and gas has increased rather sharply, although far behind what it used to be during the sixties.

So, first, we need to do more drilling, we need to bring on more coal, we need to have more research and more effort for alternate fuels in order to just stay where we are so that we do not decrease our supplies of domestic energy. It takes a lot of running to stand still as far as energy supplies are concerned because it is a finite commodity, and each producing oil well and gas well declines continually through its life.

Second, what will happen if we maintain just a flat supply of energy, not increasing it? Our employment would stay flat. But what would happen to the unemployment side? The figures show that by 1985 the unemployment would be 20 percent, a staggering figure and, again, totally unacceptable.

This would rise because of the rising labor force that we would have at that time in 1985.

The worst thing that could happen to us, I believe, from an energy point of view would be if the Arab countries decided at some point in the future to lower their price, undercutting our price, and undercutting a free market price if we had one at that time. There would be a hue and cry in this body, and from others, wanting to meet that lower price which, of course, would decrease supplies.

But just to give an idea of what their cost picture is in some of the Arab countries, and in one in particular, Saudi Arabia, compared to ours, I will give just a few figures, Mr. President, that I think show the point very clearly.

Naturally, our pay scale is much higher than that of Saudi Arabia. But besides that there are other very obvious differences in our ability to produce oil and gas at the same price.

The average size well of Aramco in Saudi Arabia—which, incidentally, produces about 9 million barrels a day, about the output of the United States—is 11,000, over 11,000, barrels per day. The average well in the United States is 18.3 barrels per day. So it is very obvious that a rollback in prices or an undercutting of our price structure subsidizes the high prices of imported oil. It undermines the domestic efforts for self-sufficiency. It guarantees a dependency upon the Arab nations, and other nations of the world, that are exporting oil to us, and it jeopardizes our future, it jeopardizes our foreign policy and our national security. So I say the first order of business for us in our economy is to know that we are going to have in the future a reliable supply of domestic energy. We must, in Congress, develop a full commitment behind a free market price to maximize our efforts for energy sufficiency, to know that the price is going to be fair; that with a given supply-demand situation a price will exist that will do several things: that will increase the supplies of oil, gas, and coal, as our known sources of energy, and bring on, very importantly, the alternate sources of energy that are in the development stage, gasification of coal, liquefaction of coal, oil from shale, and so on.

So, Mr. President, I think that our first order of business in addressing the problems of the economy is to know that we have the energy to keep the wheels of industry going, to keep the source of jobs going and expanding, and to know that we are going to have a rising GNP—gross national product—and a rising employment available.

Mr. President, in order to strengthen our economy it is absolutely necessary that we have a free market for oil, natural gas, and all sources of energy.

Mr. President, I yield the floor.

Mr. McCLURE. Mr. President, will the Senator from Oklahoma yield?

Mr. BARTLETT. I yield to the distinguished Senator from Idaho.

Mr. McCLURE. Mr. President, I commend the Senator from Oklahoma for the statement he has made about the necessity of economic health in this country.

I had a conversation just the other day with someone who was asking how in this period of inflation can we justify a deregulation of natural gas, and I think the answer is very simple: If consumers of this Nation are going to have enough natural gas in the pipeline to heat their homes, that there is going to have to be an increased supply, and in order to get that increased supply into the consumers' homes of the Northeast, in particular, there have to be some changes in the pricing structure.

The only alternative for them is an increased supply at much higher cost, is that not correct?

Mr. BARTLETT. Yes, that is certainly correct, and I would say to the distinguished Senator that he raises a very timely point that some of the sources that increase prices are unreliable. I know the Senator is aware that Algeria was wanting to sell liquefied gas that would be liquefied and shipped to the east coast, but now their interests are not in selling it to the United States but in selling it to Europe.

Also, they advised this Senator and two other Senators who were visiting Algeria——

The ACTING PRESIDENT pro tempore. The time of the Senator from Oklahoma has expired. Under the previous order, the Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, I yield to the Senator from Oklahoma.

Mr. BARTLETT. The three Senators were advised at that time that the Algerians would not ship gas for liquefaction, liquefied natural gas, to this country if there was an embargo.

The price from Canada has recently been raised.

The only readily available, least expensive but most reliable, source of gas is domestic natural gas and it also, of course, does not provide any problem with balance of payments.

But there is one other point that the distinguished Senator raised and I would like to comment on it very briefly. That is, there is a possible coal strike scheduled for November 12; there is a possible series of wildcat refinery strikes to take place in January; there is an assurance from the FPC that the interruptions of natural gas deliveries will be 81 percent more than last year this winter.

Also, I understand the weatherman is saying that we may have a very cold winter.

So I think that for many people—in their homes, hospitals, schools, and away from their jobs that they are not attending because of the interruption of gas—it is going to be a cold winter.

Certainly, the time is ripe right now to deregulate natural gas and move forward a free market price on natural gas.

Mr. McCLURE. I know statistics get very boring and sometimes we use too many figures in discussions, but I think it is useful to make some comparison here so people understand what they are confronted with, what kinds of choices they have to make.

The average price of natural gas in the interstate pipelines has been quite low and it has been regulated since 1954. Their price has been in the range of what figure, if the Senator from Oklahoma can tell us?

Mr. BARTLETT. Well, the price in Oklahoma, the average price until very recently, was about 23 cents, but just a couple of years ago it was around 15 cents.

Mr. McCLURE. But even today, the average interstate gas pipeline that supplies the great majority of the consumers of natural gas, the home heating and water heating that is done in the average residence, supplies through natural gas pipelines under regulated rates around 26 cents per thousand cubic feet.

Mr. BARTLETT. Yes.

Mr. McCLURE. And the result has been, as we had the environmental controls placed upon the use of alternative fuels, that a great many industries that could get natural gas in their areas without going through an interstate pipeline bought it in intra-State sales that are not regulated by the Federal Power Commission and those places have over the last couple or 3 years moved up to average better than double that which is in the interstate pipeline, is that not correct?

Mr. BARTLETT. The Senator is correct.

Mr. McCLURE. So if we see a deregulation of natural gas in the interstate pipelines, we will see perhaps a doubling of those pipeline prices and that has a very serious effect on the consumers of this Nation.

But the alternative will be something that is far worse, either they will not have supplies or they will begin to depend more and more upon the liquefied natural gas that comes in from Algeria or other places, and the average prices, compared to 26 cents now, will be $1.30 to $1.60 per thousand cubic feet of gas in the pipeline.

Another alternative that has been held out is producing synthetic gas from liquefaction of coal. The latest estimates, assuming we could get any very great quantity of that, will range now as high as $4 per thousand cubic feet.

So the range we might expect to increase to the average consumer of natural gas will not run from 26 cents to 40 cents, but the increase will run 26 cents up to as high as $4.

So I think we have to look at the alternatives and not necessarily just the desirable options that we would like to have. I think we have to look back to the fact that for all the periods since 1954 this has been building, just as other inflationary pressures in our society have been building, as a result of actions or inactions taken by the Federal Government. It is time for us to recognize that.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. McCLURE. I yield to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I commend the Senator from Idaho for taking this time to talk about the economic problems confronting the country, to talk about our energy sources and the adequacy of our supply of energy.

We are privileged to serve together on the Committee on Public Works and last week the committee had hearings with regard to the problems of the business community, including the housing industry, and we had the national president of a contractors' organization testify. He was asked what the primary basis was for the crisis confronting the business community, the primary causes of the problems confronting the contractors nationwide.

He emphasized the actions of Congress in connection with the environment, the Environmental Protection Agency, its regulations, the law as made by Congress permitting upon the Environmental Protection Agency to issue regulations, and that actually the Government was harassing business. He talked about occupational safety, the Health and Safety Act, OSHA, he also talked about fair employment policies.

Now I believe the gentleman intended to speak favorably of a clean environment and he was in favor of health and safety, he was in favor of fair employment, but he seemed to think that the laws we had enacted pretty much put business in a straitjacket and they could not operate in a businesslike and profitable manner, they could not expand to do things they wanted to because of the severity of some of these actions.

In my opinion, this is something that we ought to think about and we ought to review some of these laws that Congress passed that are handicapping the free enterprise system that we all believe in so much.

I thank the Senator for yielding.

Mr. McCLURE. I thank the Senator from Virginia for his contribution because I think he has touched on some points that have to be kept in mind as we look at the question of inflation and how we deal with it.

Let us not forget to look at the action or inaction of Congress because Congress, in my judgment, bears a major part of the responsibility for the economic chaos with which we are confronted today.

The examples the Senator from Virginia recites are only several of the very many that can be pointed to.

Yesterday, at some length, I pointed out the attempt by some in our country to find some scapegoat somewhere rather than confess that we bear some of the responsibility here. The Senator from Oklahoma made some reference to the need for secure energy supplies. Yesterday I pointed out that some people were now saying that somebody else is responsible for our inflation. It must be the Arabs, it must be the OPEC nations, or it must be someone else's increased energy supplies which has created the inflation.

Mr. WILLIAM L. SCOTT. On that point, if the Senator will yield, we have talked about this foreign aid bill. I know that Senators are split all kinds of ways with regard to foreign aid, but I do not see how we can avoid inflation when we have our budget out of balance and when we give away more than $200 billion to the nations all around the world, as we have done since World War II.

I am very much impressed with the terminology that was used by H. R. GROSS over in the other body, the foreign giveaway program.

I spoke briefly yesterday and suggested somewhat in jest—but it would not be entirely unfair—that we have cast our bread upon the waters. We have tried to help other nations. Maybe we ought to have some aid in reverse now. The other nations see our economic conditions. With some of them being in a better condition than we are, if they are not going to return the aid we have provided for a generation they can refrain from asking us to assist them further. It seems to me that we have to learn to say no to broad-brush giveaway programs and to vote against a lot of these big spending programs that come before Congress.

When I was in the House I took polls of constituents, and they are wholeheartedly opposed to a continuation of aid to almost all of the nations of the world. If some country has a severe drought, if somehow they have a special hunger problem, it is a humanitarian act for us to try to help them. But if we spread the assets that we have all over the world, I do not see how we can keep from bankrupting the Nation. I believe it is time to call a halt to this sort of thing.

Mr. McCLURE. I thank the Senator from Virginia.

I would point out that there are some of our friends overseas who, over the past several years, have been pointing to the mismanagement of our economy as one of the major reasons for inflation.

I recall, I think it was about 7 years ago, that the Minister of Finance of France was very bitterly opposed to what was happening in the buildup of Eurodollars in Europe as a result of the chronic imbalance of payments in the United States, largely linked with foreign policy, in which they had built up a tremendous dollar overhang in the European market.

Their comment at that time was, in effect, what we were doing was exporting the inflation that we had created at home, and that the European nations were being forced to accept an inflation which we created simply because we sent those excess dollars overseas where they build up in their markets instead of our own. We avoided the consequences of our self-created inflation by exporting it to them along with our dollars. They bitterly resented that.

I think it is no wonder, really, as you look at today's world situation, that you find a worldwide inflation about 15 percent a year. The United States suffers but does not suffer as much. Because we are such a dominant factor in the world's economy, we have been able to impose our policies upon them in a variety of manners. In foreign aid we have taken the excess dollars created in our own economy, put them into theirs, and then created the inflation which we then criticize them for having created. They justifiably resent it.

Today, we are trying to say that it is not our fault that we have inflation; it is somebody else's. It must be the oil prices.

I pointed out yesterday that even in Japan where they depended so heavily upon imported energy, the inflation rate that they suffer, in excess of our own, is only 4 percent caused by the increase in energy costs. In our own economy it is less than 1 percent of the inflation that is the result of the increased energy costs.

We are constantly trying to find someone else to blame for the ills which we have created in our own economy.

Someone suggested recently, as my good friend in the other body, Mr. UDALL, used to say, some very witty and wise man suggested, perhaps the real reason the world is in the problem it is in is because we have been sending our experts all over the world to tell them how to run their economy and they have been running it like we have been running our own. No wonder they are in trouble, because we are in trouble. We are in trouble because we have adopted bad monetary policies here.

We have suggested to our friends around the world that they adopt bad monetary policies, and they have taken our advice. Now the result is worldwide inflation that threatens to engulf us.

Instead of trying to find the basic causes and correcting the basic causes, we seek to find someone else to blame so we do not have to shoulder the blame or correct the abuses which we have inflicted upon our economy.

Mr. President, I say it is high time that the people of the United States speak, as I think they are speaking, loudly and clearly to those of us who have been given the responsibility for making national policy.

They have the opportunity to speak on November 5 by their votes. They better vote for people who have an understanding of economic and fiscal responsibility, domestically and internationally. I have the confidence that they will.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.) Under the previous order, the Senator from Virginia is recognized for not to exceed 15 minutes.

NOMINATION OF NELSON ROCKEFELLER TO BE VICE PRESIDENT

Mr. WILLIAM L. SCOTT. Mr. President, I take this time to discuss the nomination of Nelson Rockefeller to be Vice President. I understand from the report of the chairman of the Committee on Rules and Administration (Mr. CANNON), that we will be voting on this sometime after recess, probably in November.

Mr. President, immediately after the President stated his intention to nominate former Governor Rockefeller for the office of Vice President, constituents started calling our office indicating their disapproval.

Within a few days, we were receiving mail almost wholly in opposition. It occurred to me that this initial response by telephone and letter might be generated; that it might represent the thinking of only a small portion of the people of Virginia.

To resolve this question, I solicited the views of constituents in a newsletter mailed about 10 days ago. It seemed the best way to obtain a fair sampling of the thinking of Virginia citizens.

There is no doubt that this nomination is different from a person nominated to serve in the President's Cabinet, or even the more studied nominations to fill vacancies in other executive or judicial posts. Under the 25th amendment, in this instance we act for the people of the country in electing a Vice President.

Our newsletter, of course, goes to all parts of Virginia.

I asked that responses be furnished as soon as possible to assist in deciding how to vote on this important nomination.

Of the responses we have received to date from all sections of Virginia, 85 percent of those responding oppose Mr. Rockefeller's confirmation as Vice President.

Mr. President, let me share with you some of the representative letters from around our State indicating the reasons for this opposition. This is just a fraction of those received in my office.

A resident of Alexandria let me know how she felt in this manner:

> This letter is to register my vote against confirmation of Mr. Nelson Rockefeller as Vice President. I shall watch closely how well you represent me when Congress completes its investigation of Mr. Rockefeller. It has been said Mr. Rockefeller cannot be "bought," but how he can "buy" in many subtle ways. We need no more of that in high office.

Another lady from Clifton Forge had different reasons:

> Rockefeller's appointment to the vice presidency has concerned me deeply. I do not believe that a man with the awesome financial power that he has held will be good for the country.
>
> Neither do I believe that his personal life has entitled him to the position. His divorce and subsequent remarriage to a woman who lost custody of her children is a poor example for Americans, especially the youth, and I can see little chance of our nation getting back to a path under God (as President Ford said he desires) with a man such as Rockefeller in the second highest post.
>
> I also object to his fiscal irresponsibility in New York as well as his support of liberal abortion in that state.
>
> I find the man totally unacceptable and I urge you to vote against his confirmation.

One from Barboursville enumerated her reasoning as follows:

> It is my earnest hope that you will vote against the confirmation of Nelson Rockefeller for the vice presidency, for the following reasons:
>
> 1. His vast inherited wealth has involved him in special interests *outside* of the United States.
>
> 2. He has always belonged to the far-out, liberal wing of the Republican party—even refusing to support Barry Goldwater, the party's nominee in 1964.
>
> 3. His private life—deserting his wife of over thirty years—is hardly conduct Americans can admire.
>
> 4. His brother David's connections in financial circles—national and international—might have undue weight with him in making decisions.
>
> 5. Lastly, I am a fourth generation New Yorker, and have seen the Rockefeller family "in action" for many years and believe they have wielded more influence and power than is good for a healthy, democratic government.

A constituent from Portsmouth indicated he expected me to represent him by my vote:

> I am writing this letter to you to let you know my feelings concerning the nomination of Mr. Rockefeller for vice president. I voted for you in the last election in hopes that you would vote the way I thought. I do not think Mr. Rockefeller has mine and your best interest at heart. I hope you will vote against his appointment.

A president of a taxpayers organization from Covington had this to say:

> We of the Virginia Taxpayers Liberty Association, ostensibly oppose affirmation of Nelson A. Rockefeller as Vice President of the United States. We know what Rockefeller stands for and his past activities. We have had too much Socialism already!
>
> We beseech you for the good of America to vote against the affirmation of Rockefeller as Vice President of the United States!
>
> Enclosed is just a portion of what Rockefeller stands for and his acts in New York as Governor.

A couple from Leesburg were concerned about abortion:

> We firmly oppose the confirmation of Rockefeller as Vice President. He is well known for his anti-life stand. His advocating of abortion sends chills down our spines.

A Richmond physician expressed concern regarding taxes and spending.

> Without question, Nelson Rockefeller has had vast experience in controlling New York State. However, I do not believe we need a man with his socialistic philosophy of administration. Look at his 15 years record as Governor of New York State:
>
> The budget was quadrupled from $1.9 billion to $9 billion. Individual state income taxes were increased from seven percent to fifteen percent.
>
> State gasoline tax was raised from four to eight cents per gallon.
>
> A four percent sales tax was put into effect.
>
> New taxes were imposed and old taxes increased in eight of the fifteen years.
>
> The total state tax burden on the citizens of New York had quintupled during his 15 years as Governor.
>
> This man's philosophy is higher taxes and more government spending. Do we need such a man as this to be our Vice President, only a heart beat away from being President?
>
> Inflation is ruining our country and for the people trying to live on Social Security or the small pensions they receive, it is an impossible situation.
>
> Please, therefore, vote against this man for Vice President.

From Waynesboro discussing Rockefeller's past history:

Just a line in regard to Nelson Rockefeller.

Hope you will see your way clear to vote against him when he comes up for election.

I don't think he is the man for the job. Because of his past history as governor of New York, and because of his close ties with the leftists including Alger Hiss and many other reasons.

A Lynchburg lady opposed Rockefeller's philosophy:

Please vote against the confirmation of Gov. Rockefeller.

I am sure you know his past record on Taxes in New York State; his Liberalism; and all the other facts about him. We need men like you and Senator Byrd to oppose him.

A Chatham lawyer indicated no one in his area approved of the nomination:

I am unfavorably impressed with the record of former Governor Nelson Rockefeller in public life. I have talked with a number of people about the confirmation of him for Vice President. I have not found a single person who has voluntarily approved of the confirmation. However, I have found a number of people who have been neutral on the question.

Therefore, I hope that you may disapprove of the confirmation since there is always a remote possibility of a Vice President becoming President.

A lady from The Plains indicated that since the citizens did not have a right to choose they would depend on their elected representatives:

Since the American people have not had a chance to elect the Vice President they choose, then writing to our Congressmen is the only voice we have at this time. Certainly Mr. Rockefeller is not the choice when it should be remembered that his party never wanted him in previous years. Why should he be railroaded down our throats now? There are too many wealthy leaders in this country today who know nothing about poverty and surely Mr. Rockefeller would only have the interests of the rich in any decision he would make. It is time to have leaders who think of the low, and middle-income taxpayers who are truly concerned about this country.

A Vienna lady spoke of moral pollution:

I do not approve of Mr. Rockefeller becoming Vice-President. I do not think the majority of American people can take divorce and the abortion issue so casually—this leads others to follow in his footsteps, then what do we have as a nation?

The moral pollution is a pathetic enough situation with leaders who will do nothing about it. Now we are to condone leaders who act immorally?

A pharmacist wrote his views on a prescription pad:

I am opposed to the confirmation of Nelson Rockefeller as Vice-President of the United States.

A veterinarian from Staunton was concise with his views:

I am not in favor of the confirmation of Mr. Rockefeller for the Vice-Presidency.

A Richmond lawyer felt that Mr. Rockefeller had not been sufficiently concerned about the taxpayers' money while he was Governor of New York.

Thank you for your September-October, 1974, report. I would like to express to you that I do not feel Nelson Rockefeller should be approved for the Vice Presidency of the United States. His record while he was Governor of New York would lead one to believe that he is more concerned with social problems than with sound financial policy, and I feel that since he would be only a heartbeat away from the Presidency of the United States, we should have someone in that office who is more practical and whose views concerning the business and welfare of the country are more in line with the views of the citizens of the United States.

A Falls Church lawyer indicated Rockefeller was too far to the left.

I certainly would be disappointed to know that Nelson A. Rockefeller, who has courted every leftist anti-American with whom this Country has had to contend and at the same time became even more wealthy furnishing both raw and refined materials to our enemies which were used to kill American servicemen in two major wars, would be confirmed by a Senator from Virginia, as Vice President of the United States.

A Portsmouth lady states he is unprincipled:

I urge you to vote against the confirmation of Nelson Rockefeller for Vice President, as he is definitely not the man we need in so vital a position. He is unprincipled—didn't support the Republican candidate for President in 1964—in fact, did everything he could to hinder the election of Goldwater. Does he think the people have forgotten? I also am aware of his having attended Bilderberger meetings, and is also a member of the CFR (Council on Foreign Relations) which is supporting and working for a one-world government. How can someone belonging to organizations with this goal, swear to uphold our constitution, that is, with a clear conscience? I feel that Rockefeller is a very dangerous man, and hope and pray that you will vote NO on his confirmation.

A husband and wife from Farmville had a number of reasons for opposing the nomination:

We have nothing personal against Nelson Rockefeller; however, to have him as Vice President of our United States might well result in a virtual disaster to the U.S. This could conceivably result in his becoming President in case of the death of President Ford as a result of illness, accident, or assassination.

Nelson Rockefeller, a notorious spendthrift, master-minded the most lavish state government in the history of this Country.

During the 15 years as Governor, New York's taxes quintupled from $94 per capita to $460. New York's debt catapulted from $1 billion to nearly $10 billion. New York's taxes are 12% higher than the next top state and 50% above the U.S. average.

He failed to carry N.Y. State for Mr. Nixon in 1960. He refused to support Barry Goldwater in 1964. He didn't support Mr. Nixon in 1968. He is loyal to only one person, namely, Nelson Rockefeller.

Rockefeller's main support is derived from the Eastern Liberal Republican Establishment and the Ripon Society, but very little from the National Republican electorate.

Do we want such a man to be put in a position where he could, by the accident of death, become President of the U.S.? We say No. A thousand times NO!!

Now Mr. President, I do not say that all of these letters are accurate, but right or wrong, they represent the feeling of the people of Virginia and I feel that they may be useful to other Members of the Senate as representing the grass roots thinking of our citizens. Let me share the thinking of a lady from Norfolk:

My husband just received your September–October 1974 "Bill Scott Reports" and I felt that I should let you know what we thought and how we feel on the nomination of Nelson Rockefeller for the office of Vice President of the United States.

We are both against Nelson Rockefeller ever being our Vice President, and hope you do what is in your power to prevent this from taking place.

I believe President Ford has already done enough things that will hurt our Country, without this taking place, and I am sure that there are better men from this great nation, that will do a much better job than Rockefeller will do as being the Vice President of the United States.

If President Ford, is not stopped in this act, by the Senate and Congress, then there is no telling what road they will lead this nation down, that will lead to the downfall of this great nation.

An Arlington couple refers to him as a "dangerous man":

I am asking you to please commit yourself now to oppose Mr. Rockefeller as Vice President. His background is such that we feel he is, and would be, a most undesirable man for such a high office.

He tried twice to be elected as President—and was turned down by a wide margin, and his ambition to head this nation as President makes him a dangerous man to be so close to the Presidency—anything could happen. There are other men more needed, qualified, than this liberal, dangerous person. The nation can well do without him!

We have had enough scandal and the Republican Party needs a man we can depend on for leadership and strength.

Please, for the good of the country Say No!

A Newport News lady indicates that my vote will influence her when it is time to determine whether or not I should be returned to the Senate:

I am writing to you in regards to the upcoming confirmation of Nelson Rockefeller as Vice President of the United States. Due to his vetoeing of New York's 1972 Abortion Repeal Law, he has allowed millions of unborn to be condemned to death.

I am asking you to vote "nay" on his confirmation as my representative in Congress. Your actions in this matter will definitely influence me when it is time for you to return to Congress. Thank you very much.

An Alexandria engineer refers to Rockefeller's performance as Governor of New York:

I hope you will vote against Nelson Rockefeller for Vice President for the following two reasons:

1. We cannot afford him based on his performance in New York State.

1. There is a basic Conflict of Interest. His fifteen family controlled tax-free foundations and twenty-one corporations plus many interlocking directorates cannot be expunged from his influence. He and most of his foundations appear to favor Internationalist/Socialist projects not in the interests of the people of the United States.

Based on his performance alone he is not potential presidential material.

P.S. I voted for him when I lived in New York State to my regret.

A Galax couple is concerned about his internationalism and trade with the communists:

The contemptable and ironic nomination of Nelson Rockefeller for Vice President, by President Ford, has brought to my attention the morbid facts that Mr. Rockefeller's dealings with the Communists may well bring our nation to its knees under Communist rule.

I urge you to take a strong stand in opposing Mr. Rockefeller's confirmation for the Vice-Presidency. Our political representatives connot ignore the facts which prove Nelson Rockefeller incompetent for this position—a "heartbeat away" from the Presidency.

Nelson Rockefeller is of the super-rich clique and an internationalist. In 1967, Cyrus S. Eaton, Sr. and Mr. Rockefeller joined forces to promote trade with the Communist world. Combining the power of politics and the control of money forbodes a calamity far worse than Watergate. We frankly don't trust him to uphold the Constitution of the United States and the well-being of its citizens were he to become President.

I believe many Americans sense the dire consequences awaiting us because of past political experiences. Therefore, we urge you again to use your influence against confirmation of Mr. Rockefeller.

Quite a few of these letters appear to be from women, with a Colonial Heights lady indicating that the rank and file within the Republican Party do not support him:

When the time comes to vote for or against the confirmation of Nelson Rockefeller as the vice-president of this great nation, please take this into consideration:

This nation needs leaders that are supported by the people. Nelson Rockefeller has been defeated by the rank and file members of his party in his bid for the office of President. This should be sufficient in your determination on his acceptability as presidential material.

After he was rejected by the delegates at the convention he did not support the party's nominee Barry Goldwater. I supported Mr. Goldwater.

I wish more people had paid less attention to the press. This country needed a man like Goldwater rather than a Johnson or a Rockefeller.

This country needs a man that has fiscal responsibility. Nelson Rockefeller's record in New York shows the one thing he ain't is a conservative or even a moderate.

This country doesn't need Nelson Rockefeller as vice-president. The people have said no on several occasions. Cast a nay vote for us, please.

The chairman of the Lynchburg Chapter of the Society for Human Life is disappointed with his stand on abortion:

The nomination of Nelson Rockefeller for the Vice Presidency was a sad disappointment. Mr. Rockefeller is perhaps the single most influential abortion advocate in public life. Prior to the Supreme Court abortion decision of January 22, 1973 New York State had a State law which permitted abortion on demand. This law had been passed by one vote in 1970. Two years later, in 1972, a new State legislature repealed the permissive law, again greatly restricting the practice of abortion. Governor Nelson Rockefeller vetoed this law, thereby returning the State back to the practice of abortion on demand.

The Lynchburg Chapter of Virginia Society for Human Life opposes the Rockefeller nomination and asks that you do the same. The best interests of this country would be better served by someone more supportive of the right to life—the most basic of all rights.

An Arlington lady does not feel he should be forced upon the American people:

I want to let you know that I am opposed to the confirmation of Rockefeller as Vice President. The American people do not want him, and I do not think that Congress should force him on the American people. He is not going to help the American people, and he certainly is not going to stop inflation. We need a conservative as Vice President to offset those liberals that Ford is appointing to office.

I hope and pray that you will act wisely and vote no for his confirmation. You know that he is lying about his finances.

A Harrisonburg doctor considers him "unfit":

I have reviewed the record of Nelson Rockefeller in New York State and consider him unfit to become Vice President of the U.S. I hope you will vote against his confirmation.

A Lincoln couple speaks of his help to Communists:

Mrs. Vermilye and I feel very strongly about the nomination of Nelson Rockefeller for Vice President of the United States. We are against it.

Nelson Rockefeller is for international trade whether it is in the interests of the United States or not. His International Basic Economy Corp. with its affiliated Tower Corp of Cyrus Eaton are very actively promoting the exporting of our technological know-how to the Soviet Union under the guise of detente. This is a one-way exchange of ideas. Who will benefit from this exchange? The Rockefellers and the Eatons financially. The Soviets will use this information and highly sophisticated "tools" to "bury us" economically.

Will we ever learn? I have lived a lot longer than you, Senator and have seen it happen.

Please in the interest of long range planning, do not vote for this man.

A lady from Great Falls says the good of the country would be served by his rejection:

I urge you to vote against the confirmation of Nelson Rockefeller as Vice-President of the United States. In times such as these the good of our country should be considered before party politics.

An Alexandria lady indicates she cannot vote for anyone who votes for Rockefeller:

This is to express my deep opposition to the confirmation of Nelson Rockefeller for vice-president.

My feeling is based on two points: He controls too much money to be placed in a position of such potential power; According to newspaper reports he divorced his wife of many years to marry a younger woman. If he will treat his wife so selfishly what will he do to us taxpayers? I do not feel he has set an appropriate example for the rest of the country; as a leader this counts.

I have always voted for you but in the future I do not feel I could vote for anyone who votes for Rockefeller.

An Amherst gentleman indicates his past record is not good:

I received your news-letter a few days ago and thank you for sending it. In regard to the Rockefeller nomination, I am against his being confirmed as Vice President. His past record is not good and I don't think that he will do the country any good as Vice President. I am surprised that he accepted second place.

A couple from McLean objects to his connection with the oil monopoly:

As registered Virginia voters, we urge you to vote against confirmation of Nelson A. Rockefeller as vice-president of the United States.

In our opinion, much of the blame for the present troubled state of the economy and the country must be assumed by those who have allowed big business to control our political system. We heartily oppose awarding the vice presidency to a man whose very name is synonymous with big business.

We particularly object to Mr. Rockefeller's connections with the oil monopoly—and industry that has held the White House and much of Congress in the palm of its hand for the past six years. We think it is time that they relinquish the excessive power they have to control our lives, political and otherwise, and that we citizens take it back. This can't happen if one of their very own is second in command of the country.

In another light, we abhorred Mr. Rockefeller's handling of the now almost forgotten Attica Riots. His inept, tragic fumbling caused unnecessary bloodshed and heartache to many and demonstrated his inability to deal with social problems as well as pointing out the extent to which he is out of touch with real people.

As you make your decision on confirmation of Mr. Rockefeller, we urge you to take these and other opposing viewpoints into serious account. Big business has had your ear for a long time—its *our* turn!

A Portsmouth constituent is just against him:

Being a qualified voter in the state of Virginia, I feel I must inform you of my disapproval of Nelson Rockefeller as the Vice-President of the United States. Please vote against his appointment.

A history professor feels that he represents the leftist element:

Please allow me, as one of your most energetic supporters on this University's faculty, to urge that you cast your vote against confirmation of Nelson A. Rockefeller as Vice-President, when the Senate turns to consideration of Mr. Ford's nomination of the former New York governor.

Mr. Rockefeller represents a leftish element in the Republican Party seldom accepted (nationwide) by the public, and in Mr. Rockefeller's case always repudiated by the national party at large during the ex-Governor's bids for the Presidency.

I sincerely consider President Ford's nomination of Mr. Rockefeller to be a step toward national disaster and earnestly hope that you and Senator Byrd will refuse to vote to confirm this wretched and shocking White House choice.

A Norfolk gentleman refers to the moral issue:

Irresponsible or negligent rationalization, especially on moral issues, is one of the most destructive of the sacredness of the values inherent in our constitution, and thus of our Nation.

Nelson Rockefeller, in 1972 as Governor of New York, blatantly demonstrated this irresponsibility by his veto of that State's Abortion Repeal Law. I am unalterably opposed to his confirmation as vice president!

An Alexandria constituent states that his long range views are not in the best interests of the Nation:

I have just read your Bill Scott Reports, and my views are very strong AGAINST the nomination of Mr. Rockefeller as Vice President. This man's actions through his political career and private life have shown me that his true long-range desires ARE NOT in the best interests for this REPUBLIC!

And a Hot Springs couple indicates Rockefeller has hurt the economy and taxpayers in New York State:

As a taxpayer of Virginia I would like to request that you vote against the confirmation of Rockefeller as Vice President. It is no secret how Rockefeller has hurt the economy and the taxpayers of New York State. Do you want to see his policies to further boost the inflation that is destroying us today?

How long will it take the Senate to confirm him if they investigate the 300 corporations that he owns?

Also—the fact that he paid only $600.00 income tax in 1972. Less than a man making $6,000.00 a year.

So you can see what a man like that would do to our National economy.

Please, for the sake of all the people in these United States—"Look Before You VOTE".

Mr. President, I took this time and read samples of some of the mail we are receiving to let the Senate know the thinking of the people of Virginia regarding the Rockefeller nomination. I am sure most Senators have received mail for and against confirmation. The reason for reading such a large sampling of my mail is because of the overwhelming nature of it—85 percent against confirmation. This may well indicate how my vote will be cast.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. McINTYRE). Who yields time?

Mr. GRIFFIN. Mr. President, as I understand it, we are under special orders.

The PRESIDING OFFICER. Under a previous special order, the Senator from Montana is recognized for 9 more minutes.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Montana, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. PERCY. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GRIFFIN. Yes, I shall, but I have been asked first by the Senator from Nebraska (Mr. HRUSKA) to yield to him.

Mr. HRUSKA. Mr. President, I ask unanimous consent that Douglas Marvin, a member of the staff of the Committee on the Judiciary, be permitted to be on the floor during debate and vote on the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. With the permission of the distinguished majority leader, who has this time, I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I ask unanimous consent that William Lytton and Brian Conboy of the staff of the Committee on Government Operations be allowed the privilege of the floor during all debate on Senate Resolution 399, Senate Joint Resolution 240, and S. 4016, including votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. GRIFFIN. Mr. President, with the permission of the distinguished majority leader, I yield 4 minutes to the Senator from Virginia.

HOLD THAT LINE! HIT 'EM AGAIN! GET THOSE GRANTS! GET THOSE GRANTS?

Mr. HARRY F. BYRD, JR. Mr. President, on Tuesday and Wednesday I reported to the Senate on a number of examples of wasteful spending by the Federal Government. I shall continue to speak on this subject each day until the scheduled adjournment on October 11.

I think it is important that we focus on the inappropriate use of tax funds in this period of devastating inflation.

In my earlier speeches I outlined a number of projects that seemed to me to be inappropriate or mismanaged. They ranged from a $44 million outlay for Navy torpedo targets that cannot be used at sea to a $1,000 grant to a musician "to travel and study the Southern Plains style of American Indian flute playing with Doc Tate Nevaquaya, a Comanche flutist."

I have pointed out that with regard to many of the programs I have described, particularly the studies in the arts and the humanities, I make no judgment as to whether or not they are worthwhile.

My contention is that all too frequently, they do not represent a legitimate use of tax funds.

Today I want to look at another aspect of the funds paid out for studies: Who gets the money?

Analysis of grants for the current year by the National Science Foundation is most interesting. Leafing through the pages of this agency's list of grants for research in the social sciences, one is struck by the frequency with which one encounters awards to Harvard University and Yale University.

It turns out that the total of awards in the social sciences, which is only one of many grant programs, to these two institutions is $1,572,050.

Yale did a little better than Harvard: $834,750 to $737,300.

Now I have nothing against Harvard and Yale. They are noble and venerable institutions, and among their alumni are a number of my distinguished colleagues in the Congress.

But I fail to see how such huge sums can be justified for social science research at two schools.

Here are some of the subjects which will be explored at the taxpayer's expense at Yale and Harvard this year:

Early Phases of Hominid and Pongid Evolution. Yale, $55,500.

The Prehistory of Taiwan. Yale, $65,200.

Prehistoric Urban-Rural Relationships. Harvard, $28,600.

Organizations, Decisions and Welfare. Harvard, $32,700.

A Calculus of Social Networks. Harvard, $105,000.

Investigations of Ancient Mathematical Astronomy. Yale, $36,300.

Early History of the Measurement of Motion. Harvard, $14,700.

Influence of Dyadic Relationships on Adherence to Stressful Decisions. Yale, $46,600.

Unintentional Influence in Dyadic Interaction. Harvard, $50,300.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. MANSFIELD. Mr. President, how much more time would the Senator like?

Mr. HARRY F. BYRD, JR. Three minutes, Mr. President.

Mr. MANSFIELD. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. MANSFIELD. I yield 5 minutes to the distinguished Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the majority leader.

As I said earlier, I am not passing judgment on the value of these studies. I am sure that many will make a contribution to the body of human knowledge.

But is it appropriate for the Federal Government, at a time when every taxpayer is feeling the cruel pinch of inflation, to spend more than a million and a half dollars for such projects at only two universities?

I think not.

As to Yale and Harvard, they are certainly to be saluted for their enterprise in obtaining federal funds.

All of us know that the annual football game between these two great universities is a highlight of the year in New England. At this year's game, perhaps the cheerleaders might abandon the traditional rah-rahs in favor of a more realistic bit of rooting, something like this:

> Pull up your socks!
> Hitch up your pants!
> Get in there and fight for
> Your Federal grants!

Mr. President, I thank the Senator from Montana and yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana has 2 minutes remaining.

Mr. MANSFIELD. On that encouraging note, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. HUDDLESTON) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:03 a.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, in which it requests the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker has affixed his signature to the following enrolled bill:

S. 2382. An act for the relief of Caridad R. Balonan.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. HUDDLESTON).

At 1:30 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker has affixed his signature to the following enrolled bills:

H.R. 4861. An act to amend the Act of October 4, 1961, providing for the preservation and protection of certain lands known as Piscataway Park in Prince Georges and Charles Counties, Md., and for other purposes;

H.R. 10088. An act to establish the Big Cypress National Preserve in the State of Florida, and for other purposes; and

H.R. 11546. An act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H.R. 16900) making supplemental appropriations for the fiscal year ending June 30, 1975, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, October 3, 1974, he presented to the President of the United States the enrolled bill (S. 2382) for the relief of Caridad R. Balonan.

REPORTS OF COMMITTEES

The following reports of commitees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 4081. A bill to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday (Rept. No. 93-1218).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. Res. 90. A resolution to refer the bill (S. 1453) entitled "A bill for the relief of Thomas Raymond Pomaski" to the Chief Commissioner of the United States Court of Claims for a report thereon (Rept. No. 93-1219).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 5641. An act to authorize the conveyance of certain land to the New Mexico State University, Las Cruces, New Mexico (Rept. No. 93-1220).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 11013. An act to designate certain lands in the Farallon National Wildlife Refuge, Calif., as wilderness, to add certain lands to the Point Reyes National Seashore; and for other purposes (Rept. No. 93-1221).

By Mr. HART, from the Committee on the Judiciary, without amendment:

S. Res. 344. A resolution to refer S. 3666 to the Court of Claims. (Rept. No. 93-1222).

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs, with amendments:

S. 3979. A bill to increase the availability of reasonably priced mortgage credit for home purchases (Rept. No. 93-1223).

By Mr. ALLEN, from the Committee on Agriculture and Forestry, without amendment:

H.R. 7954. An act to direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the State of New York and to provide for the conveyance of certain interests in such lands so as to permit such States, subject to certain conditions, to sell such land (Rept. No. 93-1224); and

H.R. 9054. An act to amend the Act entitled "An Act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, South Carolina" (Rept. No. 93-1225).

By Mr. HARTKE, from the Committee on Veterans Affairs, with amendments:

S. 4040. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and dependency and indemnity compensation, to increase income limitations, and for other purposes (Rept. No. 93-1226).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND from the Committee on the Judiciary:

John A. Birknes, Jr., of Massachusetts, to be U.S. Marshall for the District of Massachusetts.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. STENNIS, from the Committee on Armed Services:

Gen. Frederick Carlton Weyand, for appointment as Chief of Staff, U.S. Army;

Will Hill Tankersley, of Alabama, to be Deputy Assistant Secretary of Defense for Reserve Affairs;

Harold L. Brownman, of Maryland, to be an Assistant Secretary of the Army;

H. Tyler March, of Massachusetts, to be an Assistant Secretary of the Navy; and

Gary Dean Penisten, of Connecticut, to be an Assistant Secretary of the Navy.

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nomination of Major General Wilson, U.S.A., to be lieutenant general; in the Air Force, Major General Tighe, Jr., to be lieutenant general and Major General Fish to be lieutenant general and in the Air Force Reserve Major General Pesch to be permanent major general and Brigadier General Guice to the grade of permanent brigadier general; in the Marine Corps there are six for the permanent appointment of major general and eight permanent appointments to brigadier general. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, in addition, there are 1,169 for the Army in the grade of colonel and below—most of which are Reserve officers—in the Navy and Naval Reserve there are 4,729 in the grade of captain and below; in the Marine Corps there are 4 appointments in the grade of lieutenant colonel and below; and, in the Air Force and Reserve of the Air Force there are 1,260 for promotion to the grade of colonel and below. Since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

(The nominations ordered to lie on the Secretary's desk were printed at the end of the Senate proceedings in the RECORDS of August 23, August 29, September 12, September 16, and September 23, 1974.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HRUSKA (for himself, Mr. ALLEN, Mr. CURTIS, Mr. DOLE, Mr. MONTOYA, Mr. WILLIAM L. SCOTT, and Mr. THURMOND):

S. 4081. A bill to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself, Mr. PACKWOOD, Mr. BENTSEN, and Mr. JAVITS):

S. 4082. A bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States. Referred to the Committee on Finance.

By Mr. FONG:

S. 4083. A bill to amend title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) in order to promote the use of U.S.-flag carriers by Government-financed passengers and property. Referred to the Committee on Government Operations.

S. 4084. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; and

S. 4085. A bill to amend the International Aviation Facilities Act (49 U.S.C. 1151–1160). Referred to the Committee on Commerce.

S. 4086. A bill to amend the Export-Import Bank Act of 1945 to authorize assistance to certain United States air carriers. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 4087. A bill to amend subsection (h) of section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). Referred to the Committee on Post Office and Civil Service.

By Mr. STAFFORD:

S. 4088. A bill to amend title II of the Social Security Act to permit certain full-time students who have not completed their education to continue to receive child's insurance benefits after attaining age 22. Referred to the Committee on Finance.

By Mr. TALMADGE:

S. 4089. A bill for the relief of Toizia Lepofsky. Referred to the Committee on the Judiciary.

S. 4090. A bill to provide for a balanced Federal Farm Credit Board. Referred to the Committee on Agriculture and Forestry.

By Mr. YOUNG:

S. 4091. A bill to provide indemnity payments to farmers whose crops are destroyed in whole or in part by certain wildlife. Referred to the Committee on Agriculture and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MONDALE (for himself, Mr. PACKWOOD, Mr. BENTSEN, and Mr. JAVITS):

S. 4082. A bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States. Referred to the Committee on Finance.

SOCIAL SERVICES AMENDMENTS OF 1974

Mr. MONDALE. Mr. President, I am pleased to introduce on behalf of myself and Senators PACKWOOD, BENTSEN, and JAVITS, legislation designed to end the long and bitter struggle over the future of the social services program, which began with the announcement of proposed new HEW regulations over 1½ years ago.

By sharply restricting eligibility, by excluding many services, by excluding use of privately contributed funds, these proposed new regulations threatened to fundamentally change the nature of the services program. In the past months, Congress has twice acted to suspend implementation of these regulations or modifications of them.

Yet, today, I am happy to be able to praise the constructive and cooperative spirit shown by the Department of Health, Education, and Welfare in working with my office and a broad range of interested groups and private agencies over a period of almost 6 months. Together, I believe we have produced a fundamentally sound bill, which would preserve State flexibility which has always characterized social services programs—and which at the same time maintains the Federal accountability which is the hallmark of a successful Federal-State partnership.

Under our bill the goals of the program are established as:

First, achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;

Second, achieving or maintaining self-sufficiency, including reduction or prevention of dependency;

Third, preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families;

Fourth, preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; or

Fifth, securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

This legislation is based on the old-fashioned notion that dignified work is better than welfare, that independence and self-sufficiency are better than life in a State-supported home.

By providing child care to children of working parents, the program can reduce the welfare rolls. By providing hot meals and home visits, the program can help the elderly to live normal lives in their own homes, and to avoid institutions which cost the taxpayer far more than these modest services. By providing treatment to alcoholics and drug addicts and special help to the handicapped, the retarded and emotionally disturbed, the program can help thousands each year gain more productive, financially independent and useful lives.

Mr. President, this is important legislation. It will govern our largest single domestic social program. I hope very much that those who have worked so hard to develop and improve this bill—and others interested and committed in the area of human services—will suggest improvements where they are needed in this legislation, and help us to achieve enactment of this bill in the present session of Congress.

Mr. President, I ask unanimous consent that the text of this legislation, a brief summary of the bill, and press release issued today by HEW Secretary Caspar Weinberger may appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 4082

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Services Amendments of 1974".

SEC. 2. The Social Security Act is amended by inserting at the end thereof the following new title:

"TITLE XX—GRANTS TO STATES FOR SERVICES

"APPROPRIATION AUTHORIZED

"SEC. 2001. For the purpose of encouraging each State, as far as practicable under the conditions in that State, to furnish services directed at the goal of—

"(1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

"(2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

"(3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

"(4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

"(5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions,

there is authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this title. The sums made available under this section shall be used for making payments to States under section 2002.

"PAYMENTS TO STATES

"SEC. 2002. (a) (1) From the sums appropriated therefor, the Secretary shall, subject to the provisions of this section and section 2003, pay to each State, for each quarter, an amount equal to 90 percent of the total expenditures during that quarter for the provision of family planning services and 75 percent of the total expenditures during that quarter for the provision of other services directed at the goal of—

"(A) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

"(B) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

"(C) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

"(D) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

"(E) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions,

including expenditures for administration (including planning and evaluation) and personnel training and retraining directly related to the provision of those services. Services that are directed at these goals include, but are not limited to, child care services, protective services for children and adults, services for children and adults in foster care, services related to the management and maintenance of the home, day care services for adults, transportation services, training and related services, employment services, information, referral, and counseling services, the preparation and delivery of meals, health support services, appropriate combinations of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, and alcoholics and drug addicts.

"(2) No payment with respect to any expenditures other than expenditures for personnel training or retraining directly related to the provision of services may be made under this section to any State for any fiscal year in excess of an amount which bears the same ratio to $2,500,000,000 as the population of that State bears to the population of the fifty States and the District of Columbia. The Secretary shall promulgate the limitation applicable to each State for each fiscal year under this paragraph prior to September 1 of the preceding fiscal year, as determined on the basis of the most recent satisfactory data available from the Department of Commerce.

"(3) No payment may be made under this section to any State with respect to any expenditure for the provision of any service to any individual unless—

"(A) the State's services program planning meets the requirements of section 2004, and

"(B) the final comprehensive annual services plan in effect when the service is provided to the individual includes the provision of that service to a category of individuals which includes that individual in the descriptions required by section 2004(2)(B) and (C) of the services to be provided under the plan and the categories of individuals to whom the services are to be provided.

The Secretary may not deny payment under this section to any State with respect to any expenditure on the ground that it is not an expenditure for the provision of a service or is not an expenditure for the provision of a service directed at a goal described in paragraph (1) of this subsection.

"(4) So much of the aggregate expenditures with respect to which payment is made under this section to any State for any fiscal year as equals 50 percent of the payment made under this section to the State for that fiscal year must be expended for the provision of services to individuals—

"(A) who are receiving aid under the plan of the State approved under part A of title IV or who are eligible to receive such aid, or

"(B) whose needs are taken into account in determining the needs of an individual who is receiving aid under the plan of the State approved under part A of title IV, or who are eligible to have their needs taken into account in determining the needs of an individual who is receiving or is eligible to receive such aid, or

"(C) with respect to whom supplemental security income benefits under title XVI or State supplementary payments, as defined in section 2007(1), are being paid, or who are eligible to have such benefits or payments paid with respect to them, or

"(D) whose income and resources are taken into account in determining the amount of supplemental security income benefits or State supplementary payments, as defined in section 2007(1), being paid with respect to an individual, or whose income and resources would be taken into account in determining the amount of such benefits or payments to be paid with respect to an individual who is eligible to have such benefits or payments paid with respect to him, or

"(E) are eligible for medical assistance under the plan of the State approved under title XIX.

"(5) No payment may be made under this section to any State with respect to any expenditure for the provision of any service to any individual who is receiving, or whose needs are taken into account in determining the needs of an individual who is receiving, aid under the plan of the State approved under part A of title IV, or with respect to whom supplemental security income benefits under title XVI or State supplementary payments, as defined in section 2007(1), are being paid, if any fee or other charge (other than a voluntary contribution) is imposed on the individual for the provision of that service.

"(6) No payment may be made under this section to any State with respect to any expenditure for the provision of any service, other than an information or referral service or a service directed at the goal of preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, to any individual who is not an individual described in paragraph (5), and who is a member of a family the monthly gross income of which exceeds—

"(A) if a fee or other charge reasonably related to income is imposed on the individual for the provision of the service, 115 percent of the median income of a family of four in the State, adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family, or

"(B) in any other case, the lower of—

"(i) 80 percent of the median income of a family of four in the State, or

"(ii) the median income of a family of four in the fifty States and the District of Columbia,

adjusted, in accordance with regulations prescribed by the Secretary, to take into account the size of the family.

The Secretary shall promulgate the median income of a family of four in each State and the fifty States and the District of Columbia applicable to payments with respect to expenditures in each fiscal year prior to September 1 of the preceding fiscal year.

"(7) No payment may be made under this section to any State with respect to any expenditure—

"(A) for the provision of medical or any other remedial care, other than family planning services, unless it is an integral but subordinate part of a service described in paragraph (1) of this subsection and Federal financial participation with respect to the expenditure is not available under the plan of the State approved under title XIX; or

"(B) for the purchase, construction, or major modification of any land, building or other facility, or fixed equipment; or

"(C) which is in the form of goods or services provided in kind by a private entity; or

"(D) which is made from donated private funds, unless such funds—

"(i) are transferred to the State and are under its administrative control, and

"(ii) are donated to the State without restrictions as to use, other than restrictions as to the services with respect to which the funds are to be used imposed by a donor who is not a sponsor or operator of a program to provide those services, and/or the geographic area in which the services with respect to which the contribution is used are to be provided, and

"(iii) do not revert to the donor's facility or use if the donor is other than a nonprofit organization; or

"(E) for the provision of room or board (except as provided by paragraph (11)(B)) other than room or board provided for a period of not more than six consecutive months as an integral but subordinate part of a service described in paragraph (1) of this subsection.

"(8) No payment may be made under this section with respect to any expenditure if payment is made with respect to that expenditure under section 403 or 422 of this Act.

"(9)(A) No payment may be made under this section with respect to any expenditure in connection with the provision of any child day care service, unless—

"(i) in the case of care provided in the child's home, the care meets standards established by the State which are reasonably in accord with recommended standards of national standard-setting organizations concerned with the home care of children, such as the Child Welfare League of America and the National Council of Homemaker-Home Health Aid Services; or

"(ii) in the case of care provided outside the child's home, the care meets the Federal interagency day care requirements as approved by the Department of Health, Education, and Welfare and the Office of Economic Opportunity on September 23, 1968, and in the case of care provided to a child under the age of three, there is at least one caregiver for every two children under the age of three who is responsible for the care of only those children, except as provided in subparagraph (B).

"(B) The Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives, after December 31, 1976, and prior to July 1, 1977, an evaluation of the appropriateness of the requirements imposed by subparagraph (A) together with any recommendations he may have for modification of those requirements. No earlier than ninety days after the submission of that report, the Secretary may, by regulation, make such modifications in the requirements imposed by subparagraph (A) as he determines are appropriate.

"(C) The requirements imposed by this paragraph are in lieu of any requirements that would otherwise be applicable under section 522(d) of the Economic Opportunity Act of 1964 to child day care services with respect to which payment is made under this section.

"(10) No payment may be made under this section with respect to any expenditure for the provisions of any educational service which the State makes generally available to its residents without cost and without regard to their income.

"(11) No payment may be made under this section with respect to any expenditure for the provision of any service to any individual living in any hospital, skilled nursing facility, or intermediate care facility (including any such hospital or facility for mental disease or for the mentally retarded), any prison, or any foster family home except—

"(A) any expenditure for the provision of a service that (i) is provided by other than the hospital, facility, prison, or foster family home in which the individual is living, and (ii) is provided, under the State's program for the provision of the services described in paragraph (1), to individuals who are not living in a hospital, skilled nursing facility, intermediate care facility, prison, or foster family home,

"(B) any expenditure which is for the cost, in addition to the cost of basic foster care, of the provision, by a foster family home, to an individual living in that home, of a service which meets a special need of that individual, as determined under regulations prescribed by the Secretary, and

"(C) any expenditure for the provision of emergency shelter provided to a child, for not in excess of 30 days, as a protective service.

"(12) No payment may be made under this section with respect to any expenditure for the provision of cash payments as a service.

"(13) No payment may be made under this section with respect to any expenditure for the provision of any service to any individual to the extent that the provider of the service or the individual receiving the service is eligible to receive payment under title XVIII with respect to the provision of the service.

"(b)(1) Prior to the beginning of each quarter the Secretary shall estimate the amount to which a State will be entitled under this section for that quarter on the basis of a report filed by the State containing its estimate of the amount to be expended during that quarter with respect to which payment must be made under this section, together with an explanation of the bases for that estimate.

"(2) The Secretary shall then pay to the State, in such installments as he may determine, the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to the State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

"(3) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

"PROGRAM REPORTING, EVALUATION, AND ADMINISTRATION REQUIREMENTS

"SEC. 2003. (a) Each State which participates in the program established by this title shall provide for the publication by the chief executive officer of the State or such other official as the laws of the State provide, within ninety days, or such longer period as the Secretary may authorize, after the end of each services program year (as established under the requirements of section 2002(a)(3)), of services program report prepared by the individual or agency designated pursuant to the requirements of section 2003(g)(1)(C) and, unless the laws of the State provide otherwise, approved by the chief executive officer which describes the extent to which the services program of the State was carried out during that year in accordance with the annual services program plan for that year and the extent to which the goals and objectives of the plan were achieved.

"(b) Each State which participates in the program established by this title shall have a program for evaluation of the State's program for the provision of the services described in section 2002(a)(1) which conforms to the description of the evaluation activities to be carried out by the State contained in its current final comprehensive annual services program plan.

"(c) Each State which participates in the program established by this title shall submit to the Secretary, and make available to the public, information concerning the services described in section 2002(a)(1) provided in the State, the categories of individuals to whom those services are provided, and such other related information as the Secretary may by regulation provide, at such times and in such form as he may by regulation provide. In establishing requirements under this subsection, the Secretary shall take into account other reporting requirements imposed under this title and other titles of this Act.

"(d) Each State which participates in the program established by this title shall make available to the public, within one hundred and eighty days, or such longer period as the Secretary may authorize, after the end of each services program year (as established under the requirements of section 2002(a)(3)), the report of an audit performed by—

"(1) a private certified public accountant or auditing firm utilizing certified public accountants, the services of which have been secured in accordance with procurement standards prescribed by the Secretary,

"(2) a publicly elected auditor utilizing certified public accountants, or

"(3) an office representing the legislature of the State utilizing certified public accountants,

of the expenditures for the provision of the services described in section 2002(a)(1) during that year which sets forth the extent to which those expenditures were in accordance with the State's final comprehensive annual services program plan (as developed under the requirements of section 2002(a)(3)), including any amendments thereto, and the extent to which the State is entitled to payment with respect to those expenditures under section 2002. So much of the report as relates to the extent to which the State is entitled to payment with respect to those expenditures under section 2002 shall be submitted to the Secretary.

"(e) Each State which participates in the program established by this title shall assure that the non-federal share of the aggregate expenditures for the provision of services during each services program year (as established under the requirements of section 2002(a)(3)) with respect to which payment is made under section 2002 is not less than the non-federal share of the aggregate expenditures for the provision of those services during the fiscal year ending June 30, 1973, or the fiscal year ending June 30, 1974, with respect to which payment was made under the plan of the State approved under title I, VI, X, XIV, or XVI, or part A of title IV, whichever is less, except that the requirements of this subsection shall not apply to any State for any services program year if the payment to the State under section 2002, for each fiscal year any part of which is included in that services program year, with respect to expenditures other than expenditures for personnel training or retraining directly related to the provision of services, equals the allotment of the State for that fiscal year under section 2002(a)(2).

"(f)(1) If the Secretary, after reasonable notice and an opportunity for a hearing to the State, finds that there is a substantial failure to comply with any of the requirements imposed by subsections (a) through (e) of this section, he shall, except as provided in paragraph (2), notify the State that further payments will not be made to the State under section 2002 until he is satisfied that there will no longer be any such failure to comply, and until he is so satisfied he shall make no further payments to the State.

"(2) The Secretary may suspend implementation of any termination of payments under paragraph (1) for such period as he determines appropriate and instead reduce the amount otherwise payable to the State under section 2002 for expenditures during that period by three percent for each of subsections (a) through (e) of this section with respect to which there was a finding of substantial noncompliance and with respect to which he is not yet satisfied that there will no longer be any such failure to comply.

"(g)(1) Each State which participates in the program established by this title shall have a plan applicable to its program for the provision of the services described in section 2002(a)(1) which—

"(A) provides that an opportunity for a fair hearing before the appropriate State agency will be granted to any individual whose claim for any service described in section 2002(a)(1) is denied or is not acted upon with reasonable promptness;

"(B) provides that the use or disclosure of information obtained in connection with administration of the State's program for the provision of the services described in section 2002(a)(1) concerning applicants for and recipients of those services will be restricted to purposes directly connected with the administration of that program, the plan of the State approved under part A of title IV, the plan of the State developed under part B of that title, the supplemental security income program established by title XVI, or the plan of the State approved under title XIX;

"(C) provides for the designation, by the chief executive officer of the State or as otherwise provided by the laws of the State, of an appropriate agency which will administer or supervise the administration of the State's program for the provision of the services described in section 2002(a)(1), including planning and evaluation;

"(D) provides that the State will, in the administration of its program for the provision of the services described in section 2002(a)(1), use such methods relating to the establishment and maintenance of personnel standards on a merit basis as are found by the Secretary to be necessary for the proper and efficient operation of the program, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods;

"(E) provides that no durational residency or citizenship requirement will be imposed as a condition to participation in the program of the State for the provision of the services described in section 2002(a)(1);

"(F) provides, if the State program for the provision of the services described in section 2002(a)(1) includes services to individuals living in institutions or foster homes, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions or homes which are reasonably in accord with recommended standards of national organizations concerned with standards for such institutions or homes, including standards related to admissions policies, safety, sanitation, and protection of civil rights;

"(G) provides, if the State program for the provision of the services described in section 2002(a)(1) includes child day care services, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such services which are reasonably in accord with recommended standards of national organizations concerned with standards for such services, including standards related to admissions policies for facilities providing such services, safety, sanitation, and protection of civil rights;

"(H) provides that the State's program for the provision of the services described in section 2002(a)(1) will be in effect in all political subdivisions of the State;

"(I) provides for financial participation by the State in the provision of the services described in section 2002(a)(1).

"(2) The Secretary shall approve any plan which complies with the provisions of paragraph (1).

"(h)(1) No payment may be made under section 2002 to any State which does not have a plan approved under subsection (g).

"(2) In the case of any State plan which has been approved by the Secretary under subsection (g), if the Secretary, after reasonable notice and an opportunity for a hearing to the State, finds—

"(A) that the plan no longer complies with the provisions of subsection (g)(1), or

"(B) that in the administration of the plan there is a substantial failure to comply with any such provision,

the Secretary shall, except as provided in paragraph (3), notify the State that further payments will not be made to the State under section 2002 until he is satisfied that there will no longer be any such failure to comply, and until he is so satisfied he shall make no further payments to the State.

"(3) The Secretary may suspend implementation of any termination of payments under paragraph (2) for such period as he determines appropriate and instead reduce the amount otherwise payable to the State under section 2002 for expenditures during that period by three percent for each clause of subsection (g)(1) with respect to which there is a finding of noncompliance and with respect to which he is not yet satisfied that there will no longer be any such failure to comply.

"SERVICES PROGRAM PLANNING

"SEC. 2004. A State's services program planning meets the requirements of this section if, for the purpose of assuring public participation in the development of the program for the provision of the services described in section 2002(a)(1) within the State—

"(1) the beginning of the fiscal year of either the Federal Government or the State government is established as the beginning of the State's services program year; and

"(2) at least ninety days prior to the beginning of the State's services program year, the chief executive officer of the State, or such other official as the laws of the State provide, publishes and makes generally available (as defined in regulations prescribed by the Secretary after consideration of State laws governing notice of actions by public officials) to the public a proposed comprehensive annual services program plan prepared by the individual or agency designated pursuant to the requirements of section 2003(g)(1)(C) and, unless the laws of the State provide otherwise, approved by the chief executive officer, which sets forth the State's plan for the provision of the services described in section 2002(a)(1) during that year, including—

"(A) the objectives to be achieved under the program,

"(B) the services to be provided under the program, including at least one service directed at at least one of the goals in each of the five categories of goals set forth in section 2002(a)(1) (as determined by the State), together with a definition of those services and a description of their relationship to the objectives to be achieved under the program and the goals described in section 2002(a)(1).

"(C) the categories of individuals to whom those services are to be provided, including any categories based on the income of individuals or their families,

"(D) the geographic areas in which those services are to be provided, and the nature and amounts of the services to be provided in each area,

"(E) a description of the planning, evaluation, and reporting activities to be carried out under the program,

"(F) the sources of the resources to be used to carry out the program,

"(G) a description of the organizational structure through which the program will be administered, including the extent to which public and private agencies and volunteers will be utilized in the provision of services,

"(H) a description of how the provision of services under the program will be coordinated with the plan of the State approved under part A of title IV, the plan of the State developed under part B of that title, the supplemental security income program established by title XVI, the plan of the State approved under title XIX, and other programs for the provision of related human services within the State, including the steps taken to assure maximum feasible utilization of services under these programs to meet the needs of the low income population,

"(I) the estimated expenditures under the program, including estimated expenditures with respect to each of the services to be provided, each of the categories of individuals to whom those services are to be provided, and each of the geographic areas in which those services are to be provided, and a comparison between estimated non-Federal expenditures under the program and non-Federal expenditures for the provision of the services described in section 2002(a)(1) in the State during the preceding services program year, and

"(J) a description of the steps taken, or to be taken, to assure that the needs of all residents of, and all geographic areas in, the State were taken into account in the development of the plan; and

"(3) public comment on the proposed plan is accepted for a period of at least forty-five days; and

"(4) at least forty-five days after publication of the proposed plan and prior to the beginning of the State's services program year, the chief executive officer of the State, or such other official as the laws of the State provide, publishes a final comprehensive annual services program plan prepared by the individual or agency designated pursuant to the requirements of section 2003(g)(1)(C) and, unless the laws of the State provide otherwise, approved by the chief executive officer, which sets forth the same information required to be included in the proposed plan, together with an explanation of the differences between the proposed and final plan and the reasons therefor; and

"(5) any amendment to a final comprehensive services program plan is prepared by the individual or agency designated pursuant to section 2003(g)(1)(C), approved by the chief executive officer of the State unless the laws of the State provide otherwise, and published by the chief executive officer of the State, or such other official as the laws of the State provide, as a proposed amendment on which public comment is accepted for a period of at least thirty days, and then prepared by the individual or agency designated pursuant to section 2003(g)(1)(C), approved by the chief executive officer of the State unless the laws of the State provide otherwise, and published by the chief executive officer of the State, or such other official as the laws of the State provide, as a final amendment, together with an explanation of the differences between the proposed and final amendment and the reasons therefor.

"EFFECTIVE DATE OF REGULATIONS PUBLISHED BY THE SECRETARY

"SEC. 2005. No final regulation published by the Secretary under this title shall be effective with respect to payments under section 2002 for expenditures during any quarter commencing before the beginning of the first services program year established by the State under the requirements of section 2002(a)(3) which begins at least sixty days after the publication of the final regulation.

"EVALUATION; PROGRAM ASSISTANCE

"SEC. 2006. (a) The Secretary shall provide for the continuing evaluation of State programs for the provision of the services described in section 2002(a)(1).

"(b) The Secretary shall make available to the States assistance with respect to the content of their services program, and their services program planning, reporting, administration, and evaluation.

"(c) Within six months after the close of each fiscal year, the Secretary shall submit to the Congress a report on the operation of the program established by this title during that year, including—

"(1) the evaluations carried out under subsection (a) and the results obtained therefrom, and

"(2) the assistance provided under subsection (b), during that year.

"DEFINITIONS

"SEC. 2007. For purposes of this title—

"(1) the term 'State supplementary payment' means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under title XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementation of such benefits, as determined by the Secretary, and

"(2) the term 'State' means the fifty States and the District of Columbia."

TECHNICAL AND CONFORMING AMENDMENTS

SEC. 3. (a)(1) Section 402(a)(5) of the Social Security Act is amended by striking out "(A)" and striking out everything after "proper and efficient operation of the plan" and inserting "; and" in lieu thereof.

(2) Section 402(a) of that Act is further amended by striking out paragraphs (13) through (15).

(3) Section 403(a)(3) of that Act is amended to read as follows:

"(3) in the case of any State, an amount equal to the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health, Education, and Welfare for the proper and efficient administration of the State plan—

"(A) 75 percent of so much of such expenditures as are for the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision, and

"(B) one-half of the remainder of such expenditures,

except that no payment shall be made with respect to amounts expended in connection with the provision of any service described in section 2002(a)(1) of this Act other than services the provision of which is required by section 402(a)(19) to be included in the plan of the State; and"

(4) Section 403 of that Act is further amended by striking out subsections (e) and (f).

(5) Section 406 of that Act is amended by striking out subsection (d).

(6) Section 422(a)(1)(A)(i) of that Act is amended by striking out "the State agency designated pursuant to section 402(a)(3) to administer or supervise the administration of the plan of the State approved under part A of this title" and inserting "the agency designated pursuant to section 2003(g)(1)(C) to supervise and coordinate the administration of the State's services program" in lieu thereof.

(7) Section 422(a)(1)(A)(ii) of that Act is amended by striking out "the organizational unit in such State or local agency established pursuant to section 402(a)(15))" and inserting "a single organizational unit in such State or local agency, as the case may be," in lieu thereof.

(b) Title VI of the Social Security Act is repealed.

(c) Section 1115 of the Social Security Act is amended by—

(1) striking out "or XIX" and inserting "XIX, or XX" in lieu thereof,

(2) striking out "or 1902" in clause (a) and inserting "1902, 2002, 2003, or 2004" in lieu thereof,

(3) striking out "or 1903" in clause (b) and inserting "1903, or 2002" in lieu thereof, and

(4) inserting "or expenditures with respect to which payment shall be made under section 2002," immediately after "administration of such State plan or plans," in clause (b).

(d) Section 1116 of the Social Security Act is amended by—

(1) striking out "or XIX" in subsections (a)(1) and (b) and inserting "XIX or XX" in lieu thereof,

(2) striking out "or 1904" and inserting "1904, or 2003" in lieu thereof in subsection (a)(3), and

(3) inserting "XX," immediately after "XIX," in subsection (d).

(e) Section 1130 of the Social Security Act is repealed.

(f) Any child day care service provided under any plan of a State approved under part A, or developed under part B, of title IV of the Social Security Act must meet the requirements applicable, under subsection (a)(9) of section 2002 of the Social Security Act, as amended by this Act, to child day care services with respect to which payment is made under that section. The requirements imposed by this subsection are in lieu of any requirements that would otherwise be applicable under section 522(d) of the Economic Opportunity Act of 1964 to child day care services provided under any plan of a State approved under part A, or developed under part B, of title IV of the Social Security Act.

(g) Section 12(a) of Public Law 93-233 is amended by striking out "January 1, 1975" and inserting "July 1, 1975" in lieu thereof. Notwithstanding the provisions of section 12(a) of Public Law 93-233, the Secretary may make any modification in any regulation described in that section if the modification is necessary to implement the provisions of this Act.

REPORT BY THE SECRETARY

SEC. 4. Prior to July 1, 1977, the Secretary shall submit to the Congress a report on the effectiveness of the program established by title XX of the Social Security Act, as amended by this Act, during calendar years 1975 and 1976, together with recommendations, if any, for improvements in that program.

DEFINITION OF SECRETARY

SEC. 5. As used in this Act and the amendments made by this Act, the term "Secretary" means, unless the context otherwise requires, the Secretary of Health, Education, and Welfare.

EFFECTIVE DATES

SEC. 6. (a) (1) The amendments made by section 2 of this Act shall be effective with respect to payments under section 2002 of the Social Security Act, as amended by this Act, for quarters commencing after June 30, 1975.

(2) Notwithstanding the provisions of section 2004 of the Social Security Act, as amended by this Act, the first services program year of each State shall begin on July 1, 1975, and end with the close of, at the option of the State—

(A) the day in the twelve month period beginning July 1, 1975, or

(B) the day in the twelve month period beginning July 1, 1976,

which is the last day of the twelve month period established by the State as its services program year under that section. Notwithstanding the provisions of subsection (h) of section 2003 of the Social Security Act, as amended by this Act, the aggregate expenditures required by that subsection with respect to the first services program year of each State shall be the amount which bears the same ratio to the amount that would otherwise be required under that subsection as the number of months in the State's first services program year bears to twelve.

(b) The amendments made by section 3 of this Act shall be effective with respect to payments under sections 403 and 603 of the Social Security Act for quarters commencing after June 30, 1975, except that the amendments made by section 3(a) shall not be effective with respect to the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.

SUMMARY OF SOCIAL SERVICES ACT

I. ELIGIBILITY AND PRIORITY FOR FEDERALLY REIMBURSEABLE SOCIAL SERVICES

The bill provides special priority for recipients of AFDC and SSI and Medicaid by requiring that 50 percent of the federal social services funds used in a State be for services to such individuals and families.

The bill proposes that federal limitations on States in establishing those in a State eligible for federally assisted social services relate to the income of the individual or family, and would remove the requirement that recipients be classified as "former or potential welfare recipients." Federal matching for free services is available for people with incomes up to 80% of the median family income in a State (or the full national median, now $12,041 if less) adjusted for family size, and services at some fee up to 115% of the median income of a State. The $2.5 billion limit on federal payments will continue to apply.

II. DEFINING SOCIAL SERVICES

The goals of the program are established as:

"(1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

"(2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

"(3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

"(4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

"(5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

Social services would be defined by the State, required to be directed at the social services goals with parameters for such definitions established by: prohibition against funding certain activities; prohibitions against reimbursing certain medical institutions for social services provided to those living in them (but other entities could provide social services to such individuals in such facilities); and prohibitions against funding child day care not meetng standards. The draft bill also specifically names certain services as examples of social services but it is not intended to be an all inclusive list.

III. SOCIAL SERVICES PROGRAM PLANNING, REPORTING, EVALUATION, AND AUDITING

Establishes new requirements for a State to conduct a program planning process to determine the services to be provided and who is to receive such services with primary emphasis on involvement by the citizens of a State. The Governor or such other official as the laws of the State provide is responsible for publishing the services plan for comment and approving the final services plan for the program year. The State is also required to conduct evaluations and provide required reports to HEW and the public.

Ninety days after the end of the services program year an "annual social services program report" is approved by the Governor or other official designated under State law describing the services provided during the past year.

IV. "STATE PLAN" SUBJECT TO PRIOR APPROVAL BY HEW

The State would submit to HEW approval prior to the beginning of the services program year a document which is still called a "State Plan". It would deal with State assurances regarding: fair hearings, confidentiality of information; designation of a single agency other than the Governor to supervise the administration of the State's social services program; no durational residency or citizenship requirement; and designation of state authorities for establishing and maintaining standards.

V. MAINTENANCE OF EFFORT AND MATCHING PROVISIONS

The bill establishes a maintenance of effort requirement for States which requires that the non-federal share of its aggregate expenditures for the provisions of services during each services program year are not less than the aggregate expenditures for the provisions of those services during fiscal year 1973 or 1974 (whichever is less) with respect to which payment was made under the Social Security Act. The Governor is also to provide to the citizens of the State comparison of non-federal expenditures between services program years.

Percentage of matching is not changed from present law, i.e.: 75% for all services except 90% for family planning services; 75% for training and retraining.

State matching may be in cash or in-kind by the State including provisions to the State by its political subdivisions. Private funds donated to the State are allowed to be utilized for non-federal match but with certain restrictions.

VI. FEDERAL EVALUATION, RESEARCH AND DEMONSTRATIONS, PROGRAM ASSISTANCE AND HEW REPORTS TO CONGRESS

HEW is authorized to grant waivers under the proposed new title XX for Social Services to any State now under the various titles of the Social Security Act and provide reports to Congress on the results of such research and demonstration programs.

He is also to provide to Congress prior to July 1, 1977 a report on the effectiveness of the social services program along with recommendations for improvements.

VII. EFFECTIVE DATE OF REGULATIONS PUBLISHED BY THE SECRETARY OF HEW

No final federal regulations for the program would be effective in a services program year for a State if the regulations are published within 60 days of the beginning of the States services program year.

VIII. CONTINUATION OF MORATORIUM ON NEW REGULATIONS UNTIL PROPOSED EFFECTIVE NEW LEGISLATIONS

Currently the law prohibits HEW from changing social services regulations until after December 31, 1974. The draft bill would have an effective date as to the payments of social services of July 1, 1975. The bill would also continue the moratorium on HEW implementing new regulations until July 1, 1975.

HEW NEWS

HEW Secretary Caspar W. Weinberger announced his full support for the social services bill introduced today by Senator Walter F. Mondale (Minn.), together with Senators Bob Packwood (Ore.), Lloyd H. Bentsen (Tex.), and Jacob K. Javits (N.Y.). The bill was developed jointly by the Congress and HEW and has the support of numerous interested groups including the National Governors' Conference.

"We wholeheartedly endorse this bill," the Secretary said. "It is the result of six months of cooperative effort and consideration on the part of the Congress, the Department, the National Governors' Conference, and many others, as well as key organizations concerned with services for children, families, the aged, and the disabled.

"All who have worked on the amendments believe their enactment would make possible a positive new Federal-State relationship within which States could more effectively target their social services resources to meet the needs of their own people.

"The proposed amendments make the State social services program answerable primarily to the State's citizens, within broad Federal guidelines. I am convinced that this new approach can free us all to concentrate on getting services to people.

"At present a Congressional moratorium on implementation of 1973 regulations is due to expire on January 1, 1975. The amendments would extend this moratorium until July 1, the effective date of the proposed changes. This is important so that States can plan their programs effectively, and is one reason we hope for speedy enactment."

Major changes affect State program eligibility, services planning, and accountability, but not Federal funding.

Federal funding would remain unchanged, with a total of $2.5 billion authorized for allocation among the States on the basis of their population. The Federal share of a State's social services expenditures would continue to be 75 percent, except for family planning services for which the Federal share would continue to be 90 percent.

Eligibility for services would be based on income rather than on welfare-relatedness (qualifying as a "former" or "potential" recipient), but approximately 50 percent of Federal funds must be spent for people eligible for AFDC (Aid to Families with Dependent Children), SSI (Supplemental Security Income), and/or Medicaid.

Social services goals are specified in the amendments; self-support; self-sufficiency; protection for children and for adults unable to protect themselves; de-institutionalization when appropriate; and institutional placement and services within some institutions when necessary.

An Annual Comprehensive Services Plan specifying one or more services to be offered to meet each of the established goals and specifying who is to be eligible to receive services would be developed in each State by means of an open planning process with emphasis on citizen involvement. The State planning process must meet HEW requirements, but prior HEW approval is not required for the program priorities and resource allocations expressed in the comprehensive services plan.

Prior HEW approval would be required for State plans in regard to: fair hearings; Statewide applicability; merit system; confidentiality; designation of a single individual or agency to supervise program administration; designation of State standard setting and enforcement authorities for facilities offering day or residential care; and absence of any eligibility requirement based on duration of State or local residency or of U.S. citizenship.

Public Accountability to citizens of the State is insured by means of the federally required open planning process; regular reporting; independent audits; and evaluation.

1968 Federal Interagency Day Care Requirements would remain in effect (at least until 1977) with one addition: for children under three there must be one adult for every two children.

Federal evaluation and program assistance to States would be mandated, as would a July 1977 report to Congress on program effectiveness.

Other major changes include (but are not limited to):

Prohibition of Federal matching under the program for certain clearly specified expenditures, such as facilities construction and services that fall under other Federal programs;

State-option income-related fees for services furnished to persons not eligible for cash assistance;

Fiscal sanctions for noncompliance with certain Federal requirements;

A delayed effective date for any Federal regulation promulgated less than 60 days before the beginning of a State's program year;

And maintenance of State fiscal effort in regard to social services.

Mr. BENTSEN. Mr. President, it gives me particular pleasure to join with my colleagues in introducing the Social Services Amendments of 1974. Senators MONDALE, JAVITS, PACKWOOD, and I are the Senators who introduced similar legislation last year.

This bill will, I believe, terminate a long period of uncertainty about the social services program, which is so vital to the States. In February 1973, HEW proposed a series of regulations so harsh and restrictive as to deny many recipients of social services the kind of support they needed to stay off the welfare roles and maintain productive lives. The original HEW regulations would have denied the use of private funds as State matching funds, limited services to families and individuals to very low-income levels, and denied Federal support for subsistence and other maintenance items.

These regulations were followed in May by revised regulations, which represented some improvement, but which were still overly restrictive.

Later in the year, I joined with the cosponsors of the present bill to introduce a new social services measure which would have eliminated many of the deficiencies in the HEW regulations. That measure, in large part, was incorporated into H.R. 3153, which, unfortunately remains unresolved in conference.

In the meantime, the social services program has been operating on temporary extensions, with no real certainty about the future uses of funds. Now, with this bill, which has been worked out in meetings with HEW and the States, I believe we have the basic concepts necessary to approve a measure which will be acceptable and which will meet the goals of a humane and realistic social services program.

Particularly important is the provision defining eligible recipients. In the original HEW regulations, social services would have been only available to "former or potential welfare recipients" and would have been limited to families and individuals having incomes not exceeding 133 percent of the State's payment level. The present bill eliminates the requirements that recipients be judged according to their present or potential welfare status and uses instead Federal matching for free services for people with up to 80 percent of the median family income in a State or the full national median, whichever is less. In addition, services for some fee are allowed for recipients having up to 115 percent of the median income of the State.

Mr. President, the purpose of the social service program is to reduce welfare dependency by providing Federal assistance to a wide range of services intended to move recipients into self-sufficiency. The old limitations in the HEW regulations were unduly restrictive, and would have eliminated hundreds of thousands of needy persons from receiving services.

There are a wide range of services allowed in the bill, from family planning to aid to the retarded to services for drug addicts and alcoholics. The bill leaves to the States the major responsibility of naming services, but sets certain parameters and makes suggestions as to what those services can include. In that sense, it is more flexible than the previous bill we introduced, which listed specifically the range of services that would be allowed.

The social services program has for too long been plagued by uncertainty and mismanagement. This bill attempts to direct the aid where it is really needed, without being completely rigid about services the States choose to include in their State plans.

The programs that will be served are of vital importance in determining whether disadvantaged and handicapped citizens in the various States are to be given the opportunity to attain dignity and self-respect. I am hopeful that this measure will pass the Congress before adjournment this year, and I intend to work with my colleagues on the Finance Committee and in the Senate to write these concepts into law.

Mr. JAVITS. Mr. President, I am pleased to join with Senators MONDALE, PACKWOOD, and BENTSEN, in introducing the "Social Services Act of 1974," a bill to amend the Social Security Act to establish a consolidated program of Federal financial assistance to encourage provision of services by the States.

This bill embodies an agreement reached between us and Secretary Weinberger of the Department of Health, Education, and Welfare, on the future of our vital social services programs.

It marks the end of a 20-month dispute over new rules to govern the program, during which the Congress—as a result of our efforts and those of others—twice acted to bar implementation of proposed HEW regulations which we considered to be undesirable; under the Renegotiation Act Amendments of 1973, which became law on July 10, 1973, HEW is barred from issuing any regulations through this calendar year 1974.

Mr. President, this agreement could not come at a more appropriate and important time since, as the President as well as others have noted, the poor and the near poor are being hit doubly by inflation and unemployment, and nothing is more key to their survival—next to a substantial public service employment and continuation of the antipoverty programs, as I and others have proposed—than social services.

It is very reassuring that the confrontations that have characterized the past in this vital area of social services have given way to this "rapproachment" between the executive branch and those of us who have been the chief opponents of the previous HEW position.

Mr. President, I now wish to note elements of the bill which I consider to be particularly meritorious, both in terms of the national interest, and particularly the interest of children and families in New York State.

First, States would receive 7-percent Federal matching for child care and other family services at considerably higher eligibility and payment standard levels than under existing law and practice.

Under the bill, States are authorized to offer free services to persons with incomes up to 80 percent of the State median income, adjusted for family size—or up to the full national median, if lower, and services based on a fee schedule to persons with incomes up to 115 percent of the State median.

This means that States could establish eligibility standards considerably above those now applicable in New York City and New York State.

Mr. President, these provisions are particularly important at this time in that New York City and New York State are still embroiled in a dispute over just these questions in respect to child care service in the city and this bill would make possible a remedy.

The State has sought to enforce its eligibility standards, which prescribe free services up to the $6,000 gross income level and eligibility for partial reimbursement up to $11,050.

The city has been insisting on free services up to at least $9,100 for a family of four and eligibility for partial subsidies up to at least $13,000 for such a family.

If the State standards are imposed, some 5,000 children now in child care programs in the city would be ineligible for services and will have to leave the program unless of course the city and State use their general funds to continue coverage, which the State, at least does not now seem disposed to do.

At this point the matter is in the courts and the southern district of the U.S. District Court has recently restrained the State temporarily from imposing the regulations—a hearing is schedule for next week.

Were the bill we introduce today in effect, the State could receive Federal matching funds for most, if not all, of the 5,000 children currently in programs, as well as others who are now precluded from enrollment.

Mr. President, these eligibility requirements and standards would replace the current law which applies the test of whether a participant may be considered a "former" or "potential" welfare recipient and related restrictions.

I believe that the eligibility standards proposed in our bill provide a much sounder and more realistic basis upon which to determine participation and although they do not relate specifically to the question of relationship to welfare, they will in fact, be very conducive to getting people to work and off the welfare rolls in New York State and New York City where the cost of living is so high.

Second, the bill would give the States further flexibility to provide a comprehensive range of services, under a State plan to be developed through a system of public hearings, directed at the following goals: self support; self sufficiency; protective services for children and adults and services to preserve or help reunite families; preventing or reducing inappropriate institutional care by providing community and home-based care; securing referral or admission for institutional care—and providing services in institutions—where appropriate.

This will permit new efforts in innovative programs to deal with the rehabilitation of alcoholics and drug addicts and other areas of great concern.

The Secretary's principal role would be to review the State's compliance with fair hearing and other due process aspects, in arriving at funding decisions, but unlike the present situation, the Secretary would not be required to sign off on the suitability of each and every one of the particular services provided.

This seems to me to be a sound division of Federal and State responsibility similar to that set forth in the Comprehensive Employment and Training Act of 1973.

Third, under the bill, the Federal Intergency Day Care Requirements of 1968 would continue to be applicable to insure quality child care programs. The Department of Health, Education, and Welfare's previous regulations had eliminated these requirements, with a great risk that programs could become purely "custodial," that is, lacking in educational, nutritional, and other components that are so key to human development. Indeed, nothing could have been more counterproductive in terms of the purposes of the Social Security Act since programs without these essential elements can only act to perpetuate the cycle of poverty for a new generation.

Mr. President, regrettably, we were not able to obtain agreement with the Department in respect to the $2.5 billion ceiling on Federal spending on social services which was imposed as a part of the State and Local Assistance Act of 1972.

This ceiling and the allocation formula contained in the legislation has acted to prejudice greatly industrial States, like New York—indeed the very States that bear so heavily the cost of welfare and have shown the greatest interest and competency in providing social services.

For this fiscal year, New York State plans to spend all of the $220 million allocated to it under the ceiling, compared with needs in the area of an aggregate of $800 million.

Most ironic, if not tragic, is the fact that while States like New York are straitjacketed in meeting their needs other States are not even using the funds available to them under the $2.5 billion ceiling.

In that connection, the Library of Congress advises that only $1,607,445,000 of the $2.5 billion was paid to the States by the Federal Government in fiscal year 1973, with the result that States failed to use $892,555,000 of funds available under the $2.5 billion ceiling. Final data are unavailable for fiscal year 1974, but HEW budget officers say that preliminary indications are that approximately $900 million again was unused.

Mr. President, this is ridiculous in itself, but particularly outrageous as a matter of public policy at a time when the poor, hit by inflation, are in greater numbers being forced onto welfare and at the same time, again because of inflation even the $1.6 billion spent will buy considerably less in services than when the ceiling was imposed.

Mr. President, I intend to introduce next week legislation to remedy this situation, both by raising the ceiling and by providing for adequate redistribution of funds not being used by the States.

Mr. President, in closing, notwithstanding that very important item of remaining business, I believe that this bill represents a great step forward and I shall work closely with Senators Mondale, Packwood, and Bentsen, who are members of the Senate Finance Committee which will consider this legislation, to insure that it becomes law at the very earliest moment, so that the machinery is in place to meet the very real crisis which the poor will continue to face in these difficult and threatening economic times.

Mr. President, I ask unanimous consent that a summary of the act, together with a chart for each State showing new eligibility and free payment standards, be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Summary of Social Services Act

1. ELIGIBILITY AND PRIORITY FOR FEDERALLY REIMBURSABLE SOCIAL SERVICES

The bill provides special priority for recipients of AFDC and SSI and Medicaid by requiring that 50 percent of the federal social services funds used in a State be for services to such individuals and families.

The bill proposes that federal limitations on States in establishing those in a State eligible for federally assisted social services relate to the income of the individual or family, and would remove the requirement that recipients be classified as "former or potential welfare recipients." Federal matching for free services is available for people with incomes up to 80% of the median family income in a State (or the full national median, now $12,041 if less) adjusted for family size, and services at some fee up to 115% of the median income of a State. The $2.5 billion limit on federal payments will continue to apply.

II. DEFINING SOCIAL SERVICES

The goals of the program are established as:

"(1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency,

"(2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency,

"(3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating, or reuniting families,

"(4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care, or

"(5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions.

Social services would be defined by the State, required to be directed at the social services goals with parameters for such definitions established by: prohibition against funding certain activities; prohibitions against reimbursing certain medical institutions for social services provided to those living in them (but other entities could provide social services to such individuals in such facilities) and; prohibitions against funding child day care not meeting standards. The draft bill also specifically names certain services as examples of social services but it is not intended to be an all inclusive list.

II. SOCAL SERVCES PROGRAM, PLANNNG, REPORTING, EVALUATION, AND AUDITING

Establishes new requirements for a State to conduct a program planning process to determine the services to be provided and who is to receive such services with primary emphasis on involvement by the citizens of a State. The Governor or such other officials as the laws of the State provide is responsible for publishing the services plan for comment and approving the final services plan for the program year. The State is also required reconduct evaluations and provide required reports to HEW and the public.

Ninety days after the end of the services program year an "annual social services program report", is approved by the Governor or other official designated under State law describing the services provided during the past year.

IV. "STATE PLAN" SUBJECT TO PRIOR APPROVAL BY HEW

The State would submit to HEW approval prior to the beginning of the services program year a document which is still called a "State Plan". It would deal with State assurances regarding: fair hearings; confidentiality of information; designation of a single individual or agency other than the Governor to supervise the administration of the States social services program; no durational residency or citizenship requirement; and designation of state authorities for establishing and maintaining standards.

V. MAINTENANCE OF EFFORT AND MATCHING PROVISIONS

The bill establishes a maintenance of effort requirement for States which requires that the non-federal share of its aggregate expenditures for the provisions of services during each services program year are not less than the aggregate expenditures for the provisions of those services during fiscal year 1973 or 1974 (whichever is less) with respect to which payment was made under the Social Security Act. The Governor is also to provide to the citizens of the State comparison of non-federal expenditures between services program years.

Percentage of matching is not changed from present law, i.e.: 75% for all services except 90% for family planning services; 75% for training and retraining.

State matching may be in cash or in-kind by the State including provisions to the State by its political subdivisions. Private funds donated to the State are allowed to be utilized for non-federal match but with certain restrictions.

VI. FEDERAL EVALUATION, RESEARCH AND DEMONSTRATIONS, PROGRAM ASSISTANCE, AND HEW REPORTS TO CONGRESS

HEW is authorized to grant waivers under the proposed new title XX for Social Services to any State now under the various titles of the Social Security Act and provide reports to Congress on the results of such research and demonstration programs.

He is also to provide to Congress prior to July 1, 1977 a report on the effectiveness of the social services program along with recommendations for improvements.

VII. EFFECTIVE DATE OF REGULATIONS PUBLISHED BY THE SECRETARY OF HEW

No final federal regulations for the program would be effective in a services program year for a State if the regulations are published within 60 days of the beginning of the States services program year.

VIII. CONTINUATION OF MORATORIUM ON NEW REGULATIONS UNTIL PROPOSED EFFECTIVE NEW LEGISLATIONS

Currently the law prohibits HEW from changing social services regulations until after December 31, 1974. The draft bill would have an effective date as to the payments of social services of July 1, 1975. The bill would also continue the moratorium on HEW implementing new regulations until July 1, 1975.

State (family of 4)	80 percent of adjusted median income[1]	115 percent of adjusted median income
Alabama	$8,629	$12,404
Alaska	12,758	18,334
Arizona	10,309	14,818
Arkansas	7,774	11,175
California	10,676	15,345
Colorado	10,376	14,915
Connecticut	12,387	17,805
Delaware	10,918	15,694
District of Columbia	10,078	14,479
Florida	9,768	14,041
Georgia	9,463	13,563
Hawaii	12,135	17,444
Idaho	9,116	13,103
Illinois	11,648	16,742
Indiana	10,698	15,378
Iowa	9,947	14,298
Kansas	9,720	13,972
Kentucky	8,519	12,245
Louisiana	8,677	12,472
Maine	8,765	12,599
Maryland	11,702	16,821
Massachusetts	11,424	16,420
Michigan	11,690	16,803
Minnesota	10,784	15,501
Mississippi	7,651	10,998
Missouri	10,049	14,444
Montana	9,130	13,123
Nebraska	9,437	13,564
Nevada	11,308	16,255
New Hampshire	10,411	14,964
New Jersey	12,179	17,507
New Mexico	9,736	12,557
New York	12,767	18,352
North Carolina	8,902	12,796
North Dakota	8,542	12,273
Ohio	10,037	15,721
Oklahoma	9,014	12,057
Oregon	10,402	14,952
Pennsylvania	10,281	14,777
Rhode Island	10,483	15,066
South Carolina	8,741	12,564
South Dakota	8,391	12,062
Tennessee	8,586	12,342
Texas	9,776	14,052
Utah	9,680	13,929
Vermont	9,535	13,658
Virginia	10,028	14,441
Washington	11,133	16,011
West Virginia	$8,325	$11,966
Wisconsin	10,780	15,496
Wyoming	9,745	14,007

[1] This figure may not exceed the full national median, currently $12,041.

By Mr. FONG:

S. 4083. A bill to amend title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) in order to promote the use of U.S.-flag carriers by Government-financed passengers and property. Referred to the Committee on Government Operations.

S. 4084. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; and

S. 4085. A bill to amend the International Aviation Facilities Act (49 U.S.C. 1151–1160). Referred to the Committee on Commerce.

S. 4086. A bill to amend the Export-Import Bank Act of 1945 to authorize assistance to certain U.S. air carriers. Referred to the Committee on Banking, Housing and Urban Affairs.

S. 4087. A bill to amend subsection (h) of section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376). Referred to the Committee on Post Office and Civil Service.

HELP FOR INTERNATIONAL AIR CARRIERS

Mr. FONG. Mr. President, today I am introducing five bills to assist major U.S.-flag carriers operating in the international air transport system, which are in deep economic trouble because they have been subjected over the years to needlessly discriminatory and unfair practices in their competition with foreign air carriers.

As a result of the President's recent decision—recommended by the CAB—denying Pan American's request for interim subsidy and dismissing Trans World Airlines' application in its entirety, we have all been made aware of the great inequities against which Pan Am, TWA, Northwest, and Braniff must compete in the international air transport business.

For those who are not familiar with some of the gross inequities that our airlines must face abroad in competing with the foreign air carriers, allow me to cite a few examples.

Pan American and all the other international airlines must pay the Australian Government $4,200 to land a Boeing 747 at Sydney Airport. On the other hand, Australia's Qantas Airways and the other international air carriers pay only $271 to land a 747 at the San Francisco Airport. Through the excessively high fees charged by the Australian Government, the air carriers are paying not only for facilities and services they receive at Sydney, but for maintaining airports they do not use in places like Perth and Brisbane.

At New York's JFK International Airport, British Airways pays a total of $391 in landing fees for each 747 landed. On the other hand, at Heathrow International Airport in London, Pan Am and TWA pay a total of $1,675 in landing fees. This startling disparity in landing fees is the result of the British Government's policy of charging landing fees not only for the use of London's Heathrow Airport but to subsidize four other airports and to provide a 14 percent return on investment for the British Airport Authority.

In Rome, U.S. airlines spent about $2 million for landing fees in 1973. On the other hand, Alitalia, the Italian national air carrier, paid nothing.

If an Italian businessman must come to the United States, his government requires—I repeat—requires him to fly on Alitalia. On the other hand, when an American businessman goes to Italy, the U.S. Government places no such restrictions or restraints on his air travel.

Because most foreign airlines are owned by their respective governments and because these government-controlled enterprises frequently control both domestic and international services, they are able to deny connecting domestic space to passengers who do not enter their countries via the respective national airlines of those foreign lands.

Discriminatory taxes and fees against U.S.-flag carriers are very common. For example, a country may tax the gross sales of a U.S. carrier but collect taxes only on the net income of its own national airline. Or it may exempt its own carrier from customs charges, while charging duty on support equipment imported by U.S. carriers.

Many countries, contrary to the practice that prevails in the United States, allow their airlines to own or control such travel subsidiaries as travel agencies, tour operators, and freight forwarders. This control of the retail marketing system in a foreign country by the national carrier severely curtails the marketing opportunities of U.S. carriers.

Mr. President, the above practices indulged in by other countries against U.S.-flag carriers have been characterized by the CAB as "questionable or unethical" at best and "obviously discriminatory" at worst. There is no question in my mind that prompt action is needed to counteract and correct the above abuses and unfair *practices.* I firmly believe that we must take all necessary steps short of Government subsidy to provide our U.S.-flag carriers with the equality of opportunity they need in order to compete with foreign air carriers on an equal basis.

INEQUITABLE TREATMENT OF U.S. INTERNATIONAL AIR CARRIERS

Mr. President, although many of the problems experienced by our airlines operating in the international air system are the result of actions taken by foreign governments, many others, unfortunately, stem from practices of our own Government. Let me cite a few examples.

Foreign airlines spend less for the airplanes they fly than do American carriers because foreign buyers are able to finance the purchase of American-built aircraft through loans from the Export-

Import Bank at interest levels far below the commercial prime rate, while those lower interest rate loans are not available to our carriers since they are not classified as foreign buyers. While in the past, U.S. international carriers have been able to obtain an effective interest rate more in line with Eximbank rates, in today's growing interest rate market, U.S. carriers are at a distinct disadvantage.

The U.S. Postal Service pays much higher rates to foreign carriers than to U.S. airlines for the transportation of international air mail. The United States, as a member of the Universal Postal Union, pays as much as $1.73 per ton-mile to foreign air carriers to transport U.S. mail, while it currently pays 31 cents per ton-mile to U.S. carriers. While I understand foreign airline carriage of mail is used only where no U.S. carrier serves a particular foreign destination, still the wide disparity in rates acts to increase the financial strength of foreign lines vis-a-vis U.S. carriers.

There is no law requiring that U.S.-financed travel be accomplished on U.S.-flag air carriers. On the other hand, most countries require that their national carriers be used not only for official government travel, but for transportation required by businesses and organizations financed in whole or in part by the respective governments.

While foreign governments spend a considerable amount of money to entice Americans to fly on their respective airlines, U.S. airlines do not receive similar promotional assistance from the U.S. Travel Service.

PROPOSED LEGISLATIVE REMEDIES

Mr. President, in an effort to remedy some of the above-mentioned problems, and to give our airlines a "fair shake" in their head-to-head competition with the foreign air carriers, I am introducing five bills which I hope will be given favorable consideration by my colleagues.

I. FLY U.S.-FLAG CARRIER ACT OF 1974

My first bill is designed to promote the use of U.S.-flag air carriers by government-financed passengers and property. It is called the Fly U.S.-Flag Air Carrier Act of 1974.

The primary purpose of this bill is to ensure that any activity financed in whole or part by the U.S. Government that requires air transportation of persons, including foreign nationals, and property fly on U.S.-flag air carriers whenever possible. This means that whenever the American taxpayers' money is used to pay for the transportation of an individual and his personal effects, such expenditures will not be allowed unless they are spent on a U.S.-flag carrier. Only in those instances where an American carrier is not able to provide the services will the use of foreign air carriers be allowed.

II. INVESTIGATION OF UNFAIR COMPETITIVE PRACTICES IN INTERNATIONAL AIR TRANSPORTATION

My second bill is designed to help us formulate a comprehensive policy that will assist in eliminating discriminatory and unfair competitive practices against U.S.-flag air carriers in the international air transportation business. It would require the Department of State, the Department of the Treasury, the Department of Transportation, the Civil Aeronautics Board, and other governmental agencies to keep under review, to the extent of their respective functions, all forms of discrimination or unfair competitive practices to which U.S. air carriers are subject in providing foreign air transportation services. It would also require them to take all appropriate actions within their respective jurisdictions to eliminate such forms of discrimination and unfair competitive practices found to exist.

In addition to correcting any wrongs found to exist against U.S.-flag air carriers the appropriate departments and agencies are asked to request from Congress such additional legislation as may be deemed necessary at any time it is determined there is inadequate legal authority for dealing with any form of discrimination or unfair competitive practices found to exist. This requirement will assure us that no Department or agency will have the excuse that it does not have the legal authority to take actions designed to eliminate discriminatory and unfair practices against our air carriers.

III. CORRECTING INEQUITABLE LANDING FEES AND OTHER USER CHARGES

My third bill proposes to correct the gross inequities that exist in the area or landing fees. The U.S.-flag air carriers have made it clearly known that they are not opposed to being charged a fair price for services they receive in the form of communications and navigation networks, air traffic control, and airports at which to land. However, they are very much against paying for facilities they do not use and against paying excessive charges that are not related to the cost of services received.

In a two-volume study on restrictive practices by foreign governments, published in 1973, the Civil Aeronautics Board stated that:

> The United States basically has no quarrel with levels of landing charges set to recover costs. But it is another question when the rates are designed to subsidize other airports—not used by U.S. carriers—or to meet unrealistic rates of return on assets. It is equally a problem for us when foreign air carriers are exempt . . . from payment of landing fees which U.S. air carriers must pay.

In an attempt to combat the problem of excessive and/or unfairly levied user charges, my bill will give our Government the authority to impose offsetting charges on foreign air carriers. Thus, the amounts collected would "accrue to an account established by the Secretary of the Treasury to make payments from that account to air carriers in such amounts as shall be certified by the Secretary of Transportation in accordance with such regulations as he shall adopt to compensate such air carriers for excessive or discriminatory charges paid by them to the foreign countries involved."

IV. FAIR RATES FOR INTERNATIONAL AIR MAIL

My fourth bill is designed to correct the present practice whereby the U.S. Postal Service pays under the Universal Postal Union Convention much higher rates to foreign carriers than to U.S. airlines for the transportation of international air mail. It would require the payment to U.S. airlines of mail rates no lower than those the Postal Service pays to foreign air carriers for the transportation of the same mail. Although the great bulk of our foreign air mail business is carried by U.S air carriers and although the Postal Service resorts to foreign carriers only in instances where our airlines cannot provide the air mail service because they do not fly to a particular area, I firmly believe that it was an error for our Government to agree to a rate schedule that is much higher for foreign carriers under the Universal Postal Union Convention than the rates the U.S. Postal Service pays our own international air carriers.

V. EXPORT-IMPORT BANK FINANCING FOR U.S. INTERNATIONAL AIRLINES

My fifth bill is designed to give U.S.-flag airlines access to Export-Import Bank financing for the purchase of U.S.-manufactured airplanes used primarily in competition with foreign air carriers which have received the benefit of Eximbank guarantees, insurance, or credit for the purchase of similar aircrafts. This measure would assure our international carriers that they would not be placed at a financial disadvantage in the purchase of airplanes manufactured in the United States and bought by their foreign competitors.

AIRLINES' PROBLEMS DISCUSSED WITH DOT OFFICIAL

Mr. President, yesterday at my request the Honorable Robert H. Binder, Assistant Secretary for Policy, Plans and International Affairs, Department of Transportation, came to my office and discussed the problems being faced by our international air carriers and the actions that are currently being taken by our Government to assist them in improving their financial and economic situation. We had a very candid and informative meeting.

Secretary Binder informed me that after a careful and comprehensive review of the situation facing Pan American, President Ford concluded that it would not be fair to the taxpayers to require them to support our international flag air carriers with direct cash subsidy payments. The issue that prompted this Presidential review and decision was the application of Pan American Airways to the Civil Aeronautics Board for an emergency interim operating subsidy of $10 million a month.

Although the President denied Pan Am's request for a cash subsidy, he recognized the serious financial difficulties facing that airline and the great importance of a healthy international U.S.-flag airline system to our country. Therefore, he directed Secretary of Transportation Claude Brinegar to move immediately to see what could be done to improve the competitive climate in which Pan Am and our other international air carriers operate.

Secretary Brinegar recently created a new aviation economic policy office, which has the responsibility of coordinating and implementing programs to improve the competitive and financial position of U.S. international airlines.

Secretary Binder assured me that as a result of President Ford's strong instructions, many positive actions are already underway and that others will be started very soon. I was told that not all of the proposed actions can be carried out entirely by the Department of Transportation. Most of them will require cooperative action by others, including the CAB and, in some cases, the carriers themselves.

After my lengthy meeting with Secretary Binder, I was most gratified to learn of the actions that are being considered by the Administration to assist our international air carriers. They include the following:

First. Fares More in Line With Costs. Fare structures that more closely reflect today's rising cost will hopefully soon be approved by the CAB. This will include fares of the scheduled carriers and the charter carriers, including those available to the military.

Although no one wants to see air fares go higher, we must recognize the plain fact that as costs go up—foreign fuel prices have tripled in the past year—the airlines must recover these increasing costs in higher ticket prices.

Second. Excess Capacity. It is a well-documented fact that many airlines, including U.S.-flag carriers that have rights to fly international routes to and from the United States, are flying too many flights in terms of current demands and needs. I was informed that agreements between U.S. carriers and the Italian and the British carriers for reductions in seating capacity during winter months were recently reached and that similar agreements are expected in the near future with the airlines of France and West Germany.

I was also advised that the State Department has an intensive review underway—working in conjunction with the Department of Transportation and the Civil Aeronautics Board—to determine which of the foreign carriers are flying capacity to the United States that exceeds the rights provided by their bilateral agreements. I have been assured that prompt action will be taken to correct any excesses found.

Third. Tariff Integrity. The Department of Transportation, along with the Department of Justice and the CAB, are pushing ahead on a program to eliminate, or at least reduce, "illegal ticket discounting." I was also informed that as part of this program, the Government is also "investigating the roles of the travel agents and tour operators to determine if some form of Federal licensing is needed."

Fourth. Fly U.S. Flag. Statistics show that while Americans constitute over 60 percent of those flying overseas to and from the United States, our flag airlines carry a far smaller share. I am told that an equitable balancing of these ratios would add some $200 million a year in new revenues to U.S.-flag carriers. The Department of Transportation and Department of Commerce, hopefully with the cooperation of our country's travel agents, are planning to push a "Fly U.S. Flag" program to encourage all Americans to increase their use of U.S.-flag airlines when they travel abroad.

Fifth. Mail Rate Increase. The Department of Transportation urged the CAB to act promptly to determine final international mail rates so that U.S.-flag carriers may receive the fair and reasonable rates of compensation for carrying the mail. The present rates for the transportation of international mail have been basically unchanged since 1968, despite substantial increases in airline costs.

Sixth. Overseas Discrimination. Because of repeated complaints that U.S.-flag carriers are being discriminated against overseas in terms of excessive landing and other fees, the Department of Transportation, together with the State Department and the CAB, are in the process of officially documenting the flagrant cases. I was personally assured that our Government "will seek immediate corrective action."

Seventh. Route Restructuring and Service Suspensions on Loss Operations. The Department of Transportation is strongly urging the U.S. international air carriers themselves to consider agreements on overseas route rearrangements and possibly even mergers. It is also recommended that unilateral actions be taken to suspend service to points which have inadequate traffic potential to cover costs. For its part, the administration will do what it can to see that meritorious proposals receive prompt approval.

CONCLUSION

Mr. President, I firmly believe that the bills I am proposing today and the administration's efforts to help our international airlines will go a long way to put our airline carriers in a much stronger position to deal competitively with the foreign carriers. The combined impact of the administration's proposals—many of them long overdue—will, in due course, contribute a great deal to improve the financial health and stability of all our international flag carriers, including Pan American.

Mr. President, I want to take this opportunity to commend President Ford, Secretary Brinegar, and all the other individuals for moving promptly to find ways to assist America's international air carriers. Were there no remedial actions being contemplated by our Government and no relief in sight, the recent rejection of Pan Am's and TWA's applications for a subsidy would have had a serious negative impact on not only the airlines involved, but on their loyal and hard-working employees. I am informed that Pan American and TWA together have over 67,000 employees who would be unemployed should their companies go bankrupt.

In view of the adverse consequences that the failure of our international airlines would have on our economy, I hope and trust the momentum already begun to assist these air carriers and their faithful employees will continue until our international airlines can once again become viable, strong, job-creating, and tax-paying enterprises.

I believe these actions will fulfill the challenge issued by the Air Transport Association when its representatives testified:

> We firmly believe it is time for the American government to be aware of these problems and to understand the necessity for equalizing the competitive balance that for years has rested in favor of the foreign competition. Our international airlines ask no more than an equal opportunity to compete.

Mr. President, the request for only "an equal opportunity to compete" and not for "handouts" was also eloquently made by the dedicated and highly motivated employees of Pan American in Hawaii. In an advertisement that appeared in the September 23 issue of the Honolulu Star-Bulletin and in the September 24 edition of the Honolulu Advertiser, the 1226 Pan Am employees in Hawaii stated:

> These men and women of Pan Am are just not the type who enjoy asking for a handout. The only subsidy that we have ever needed was fair treatment. From our own government.

Mr. President, I sincerely hope and believe that the actions being considered by the administration and the bills which I have introduced today will go a long way toward providing Pan American and our other international air carriers with the opportunity to compete on a more equitable basis with their foreign competitors.

Mr. President, I ask unanimous consent that the bills be printed in the RECORD at this time. I also ask unanimous consent that the Pan American employees' advertisement be printed in the RECORD following the printing of the bills.

There being no objection, the bills and amendment were ordered to be printed in the RECORD, as follows:

S. 4083

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SEC. 1. This Act may be cited as the "Fly United States-Flag Air Carrier Act of 1974."

TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

SEC. 2. Title XI of the Federal Aviation Act of 1958 (49 U.S.C. 1501–1513) is amended by the addition of the folowing new section:

"TRANSPORTATION OF GOVERNMENT-FINANCED PASSENGERS AND PROPERTY

"SEC. 1114. Whenever any executive department or other agency or instrumentality of the United States shall procure, contract for, or otherwise obtain for its own account or in furtherance of the purposes or pursuant to the terms of any contract, agreement, or other special arrangement made or entered into under which payment is made from funds appropriated, owned, controlled, granted, or conditionally granted or utilized by or otherwise established for the account of the United States, or shall furnish to or for the account of any foreign nation, or any international agency, or other organization, of whatever nationality, without provisions for reimbursement, any transportation of persons (and their personal effects) or property by air between a place in the United States and a place outside thereof or between two places both of which are outside the United States, the appropriate agency or agencies shall take such steps as may be necessary to assure that such transportation is provided by air carriers holding certificates under section 401 of this Act to the extent authorized by such certificates or by regulations or exemptions of the Civil Aeronautics Board and to the extent service by such carriers is available. The Comptroller General of the United States shall disallow any expenditure from appropriated funds or payment for such personnel or cargo transportation on an air carrier not holding a certificate under section 401 of this Act in the absence of satisfactory proof of the necessity therefor. Nothing in this section shall prevent the application to such traffic of the antidiscrimination provisions of this Act.".

S. 4084

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Investigation of Unfair Competitive Practices in International Air Transportation Act of 1974".

DECLARATION OF POLICY

SEC. 2. (a) United States air carriers operating in foreign air transportation perform services of vital importance to the national security and defense of the United States, to the foreign commerce of the United States including its balance of payments, to the United States Postal Service, and to the prestige of our nation abroad. Such carriers have become subject to a variety of discriminatory and unfair competitive practices in their competition with foreign air carriers.

(b) The failure of any principal American-flag air carrier under current world and domestic conditions would result in a decrease in the security capabilities of the United States, an increase in our balance of payments deficit, a substantial increase in unemployment, and a reduction in federal, state and local tax payments.

ELIMINATION OF DISCRIMINATORY PRACTICES

SEC. 3. (a) The Department of State, the Department of the Treasury, the Department of Transportation, the Civil Aeronautics Board, and the other departments or agencies, therefore, each shall keep under review, to the extent of their respective functions, all forms of discrimination or unfair competitive practices to which United States air carriers are subject in providing foreign air transportation services and each shall take all appropriate actions within its jurisdiction to eliminate such forms of discrimination or unfair competitive practices found to exist.

(b) Each of these departments and agencies of Government shall request from Congress such additional legislation as may be deemed necessary at any time it is determined there is inadequate legal authority for dealing with any form of discrimination or unfair competitive practice found to exist.

ANNUAL REPORT TO CONGRESS

SEC. 4. The Civil Aeronautics Board shall report annually to Congress on the actions that have been taken under subsection (a) and on the continuing program to eliminate discriminations and unfair competitive practices faced by United States carriers in foreign air transportation. The Secretaries of State, Treasury, and Transportation shall furnish to the Civil Aeronautics Board such information as may be necessary to prepare the report required by this subsection.

S. 4085

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The International Aviation Facilities Act (49 U.S.C. 1151–1160) is amended by redesignating section 11 as section 12 and by inserting immediately after section 10 the following new section:

"INTERNATIONAL USER CHARGES

"SEC. 11. The Secretary of Transportation shall survey the charges made to air carriers by foreign governments or other foreign entities for the use of airport property or airway property in foreign air transportation. If the Secretary of Transportation determines at any time that such charges unreasonably exceed comparable charges for furnishing similar airport property or airway property in the United States or are otherwise discriminatory, he shall submit a report on such cases promptly to the Secretary of State and the Civil Aeronautics Board, and the Secretary of State, in collaboration with the Civil Aeronautics Board, shall promptly undertake negotiations with the foreign country involved to reduce such charges or eliminate such discriminatory practices. If within a reasonable period such charges are not reduced or such discriminations are not eliminated through negotiations, the Secretary of State shall promptly report such instances to the Secretary of Transportation who shall determine compensating charges equal to such excessive or discriminatory charges. Such compensating charges shall, with the approval of the Secretary of State, be imposed on the foreign air carrier or carriers of the country concerned by the Secretary of the Treasury as a condition to acceptance of the general declaration at the time of landing or takeoff of aircraft of such foreign air carrier or carriers. The amounts so collected shall accrue to an account established by the Secretary of the Treasury to make payments from that account to air carriers in such amounts as shall be certified by the Secretary of Transportation in accordance with such regulations as he shall adopt to compensate such air carriers for excessive or discriminatory charges paid by them to the foreign countries involved.".

S. 4086

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(b)(1) of the Export-Import Bank Act of 1945 is amended by inserting after the second sentence the following new sentence: "In addition, the Bank may provide guarantees, insurance, and extensions of credit to United States air carriers whose principal competitors are foreign air carriers which have received the benefit of Bank guarantees, insurance, or credit."

S. 4087

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Subsection (h) of section 406 of the Federal Aviation Act of 1958 (49 U.S.C. 1376) is amended to read as follows:

"PAYMENTS TO FOREIGN AIR CARRIERS

"(h) In any case where air transportation is performed between the United States and any foreign country, both by aircraft owned or operated by one or more air carriers holding a certificate under this title and by aircraft owned or operated by one or more foreign air carriers, (1) the Postmaster General shall not pay to or for the account of any such foreign air carrier a rate of compensation for transporting mail by aircraft between the United States and such foreign country, which, in his opinion, will result (over such reasonable period as the Postmaster General may determine, taking account of exchange fluctuations and other factors) in such foreign air carrier receiving a higher rate of compensation for transporting such mail than such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and intermediate country on the route of such air carrier between such foreign country and the United States, and (2) the Board shall not fix and determine for any air carrier a rate of compensation for transporting mail by aircraft between the United States and such foreign country which is lower than the rate of compensation payable by the Postmaster General to or for the account of any such foreign air carrier when such carrier transports such mail between the United States and such foreign country. Nothing in this subsection shall be deemed to authorize the Board to fix and determine for any air carrier a rate of compensation for transporting United States military mail higher than the rates set for such mail without regard to the provisions of this subsection.".

AN OPEN LETTER TO THE PEOPLE OF HAWAII FROM THE EMPLOYEES OF PAN AM

After a decade of dangling in a storm of outrageous discrimination, both at home and abroad, and writhing every time the international oil cartels raised their oil prices, the 32,500 men and women of Pan American World Airways have a few confessions we would like to get off our chests.

We plead guilty, first of all, to having worked our tails off for nearly 50 years carrying the spirit of American private enterprise to the rest of the world. We admit also to pioneering every significant overseas air route.

We plead guilty of actively having prevented the outflow of more than $400 million a year from the American balance of payments and of kicking them directly into the nation's economy.

We plead guilty of having flown two million American servicemen out of Vietnam on five-day combat leaves on a cost-plus-dollar contract. We also admit providing the Defense Department a fleet of perfectly-maintained fully-crewed airplanes that were used extensively in World War II, in Berlin, Korea and Indochina.

We plead guilty of overtly supporting the American aerospace industry. Pan Am was the first to operate the flying boats, the intercontinental 707 and the jumbo 747. We cannot say at this point in time how many billions of dollars have been generated by foreign airlines following our leadership in the purchase of new American-built aircraft.

We plead guilty of having once been an enormously-successful private enterprise. We admit also failing to report a crime as it was taking place. The men and women of Pan Am have watched their great airline being reduced over the last decade from a healthy, contributing national resource to a poor, paralyzed, potential welfare patient.

Finally we've been bled white by this recent oil crisis business. Now we're in trouble and we think that the people of Hawaii can see why merely by asking a few simple questions of our own Federal government.

Ask our own government first of all why the Postal Department pays the foreign airlines as much as six times what it pays Pan Am for hauling the same U.S. Mail. Not receiving the same pay for the same work costs Pan Am $40 million a year.

Ask our own government why nothing is ever done about overseas airports that charge Americans exorbitant landing fees. Every foreign airline pays under $600 to land its jumbo 747's in Hawaii. Pan Am Pays $4200 to land its 747's in Sydney, Australia, for example.

Not paying foreign governments the same user fees that their airlines pay in America costs Pan Am twelve million dollars a year.

Ask our own government why the U.S. Export-Import Bank lends money to airlines of so-called "underdeveloped" nations like France, Japan and Saudi Arabia at six percent interest while Pan Am pays twelve percent. Their low-interest loans are used to buy airplanes which they use to compete against Pan Am.

Not allowing Pan Am access to these same interest rates means that we pay seven million dollars more than the foreign airlines pay for the same jumbo jet.

Ask our own government why it is opposed to letting Pan Am fly passengers within our own country. It just doesn't make sense. The domestic airlines now have rights to the international routes that we pioneered and the foreign airlines now serve more cities in the United States than we do. The right to compete freely at home—the most elemental privilege of a free-enterprise society—has always been denied Pan Am.

You see, when it comes right down to it, Pan Am does a lot more than compete with other airlines. We compete with whole countries—sometimes even our own. The men and women of Pan Am are just not the type who enjoy asking for a handout. The only subsidy that we have ever needed was fair treatment. From our own government.

If Pan Am were allowed to have domestic routes within the United States . . . to borrow from the Export-Import Bank . . . to pay reasonable landing fees overseas . . . and to receive equal postal rates from our own government, we wouldn't need any subsidy at all. In fact, the 1226 Pan Am employees of Hawaii wouldn't need to have taken up a collection to run this ad.

If you agree, you can help.

Write to one of the Congresspeople listed below. (Many of us already have.)

THE EMPLOYEES OF PAN AM.

The Honorable Hiram L. Fong, United States Senate, Washington, D.C. 20510.

The Honorable Daniel K. Inouye, United States Senate, Washington, D.C. 20510.

The Honorable Patsy T. Mink, U.S. House of Representatives, Washington, D.C. 20515.

The Honorable Spark M. Matsunaga, U.S. House of Representatives, Washington, D.C. 20515.

By Mr. STAFFORD:

S. 4088. A bill to amend title II of the Social Security Act to permit certain full-time students who have not completed their education to continue to receive child's insurance benefits after attaining age 22. Referred to the Committee on Finance.

Mr. STAFFORD. Mr. President, at present the social security benefit for dependent children terminates at age 18 unless they go on to full-time higher education, in which case the benefit terminates at the end of the 21st year.

But, there have been developing changing patterns in education. Now, many young people wait for a period of time after high school before going on to college or some other form of higher education. And, more and more students are taking a break from their academic life after they have enrolled in an institution or higher learning. In general, the academic community supports this new life style in learning as being beneficial.

Under current law, however, the student who takes such time off forfeits some benefits if the student reaches the age of 22 before completing the traditional 4 years of higher learning.

The bill I introduce today would revise this social security benefit to make it operate much as the GI bill does.

It would provide an additional 4 years time for a dependent student to complete the normal requirements of an institution of higher learning, but it would not increase the actual benefits the student would receive if he or she finished school in the traditional 4-year period.

In short, the bill would simply provide additional flexibility to achieve the fundamental purposes of the law during a period of changing life styles.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4088

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 202(d)(7) of the Social Security Act is amended by adding at the end thereof the following new subparagraph:

"(E) A child who—

"(i) has attained age 22 but has not attained age 26,

"(ii) has not completed the requirements for, or received, a degree from a four-year college or university, and

"(iii) has for fewer than 45 months been entitled to child's insurance benefits by reason of his status, for each of such months, as a full-time student,

shall, for purposes of the preceding provisions of this subsection which relate to entitlement to child's insurance benefits of individuals who are full-time students, be deemed not to have attained age 22 until the date on which any one of the following first occurs:

"(iv) such child attains age 26,

"(v) such child completes the requirements for, or receives, a degree from a four-year college or university, or

"(vi) such child has, for 45 months, been entitled to child's insurance benefits by reason of his status, in each of such months, as a full-time student."

(b) The amendment made by subsection (a) shall apply only with respect to monthly benefits under section 202 of the Social Security Act for months after December 1974; except that in case of an individual who was not entitled to a monthly benefit under such section 202 for December 1974 such amendment shall apply only on the basis of an application filed after the date of enactment of this Act.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3514

At the request of Mr. CHILES, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of the bill (S. 3514) to distinguish Federal grants and cooperative agreement relationships from Federal procurement relationships and for other purposes.

S. 3701

At the request of Mr. MATHIAS, the Senator from New York (Mr. BUCKLEY), the Senator from California (Mr. CRANSTON), and the Senator from Michigan (Mr. HART) were added as cosponsors of the bill (S. 3701) to provide that income from entertainment activities held in conjunction with a public fair conducted by an organization described in section 501(c) (3) and (5) shall not be unrelated trade or business income and shall not affect the tax exemption of the organization.

S. 3982

At the request of Mr. WEICKER, the Senator from Nevada (Mr. CANNON), the Senator from Michigan (Mr. HART), the Senator from Maryland (Mr. MATHIAS), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Indiana (Mr. HARTKE), and the Senator from Tennessee (Mr. BAKER) were added as cosponsors of the bill (S. 3982) to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes.

S. 4019

At the request of Mr. WEICKER, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor to the bill (S. 4019) to establish a Joint Committee on Intelligence Oversight.

S. 4031

At the request of Mr. MCCLURE, the Senator from Idaho (Mr. CHURCH) was added as a cosponsor of the bill (S. 4031) to authorize the Secretary of the Army to delegate to the States certain functions with respect to the location and plans for structures, excavations, or fills in or on certain navigable waters.

S. 4040

At the request of Mr. HARTKE, the Senator from Indiana (Mr. BAYH), the Senator from Maryland (Mr. MATHIAS), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Rhode Island (Mr. PASTORE), the Senator from California (Mr. TUNNEY), and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of the bill (S. 4040) to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and dependency and indemnity compensation, to increase income limitations, and for other purposes.

SENATE CONCURRENT RESOLUTION 116—AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF SENATE HEARINGS ON THE MARIHUANA-HASHISH EPIDEMIC AND ITS IMPACT ON U.S. SECURITY

Mr. EASTLAND. Mr. President, this morning the Senate Subcommittee on Internal Security released to the press the printed record of the hearings held last May and June on "The Marihuana-Hashish Epidemic and Its Impact on U.S. Security."

In my introduction to the printed record, I stated that I consider these hearings to be among the most significant ever held by the subcommittee or, for that matter, by any committee of Congress. I said that the information contained in the hearings and the interest generated by them might help to reverse a trend toward national disaster.

There can be no question but that the use of marihuana and hashish in the United States has now reached epidemic proportions. More than 30 million people of all ages are reported to have used marihuana, in one degree or another, while some millions of Americans must be classified as regular, or chronic, users.

The scale of the epidemic may be gaged from the statistics on marihuana and hashish seizures presented at the hearings by the Drug Enforcement Administration. According to their records, Federal seizures of marihuana in 1973 had increased 10-fold over a 5-year period, to a total of 780,000 pounds. During the same period, hashish seizures had increased 25-fold for a total of 54,000 pounds in 1973.

There are no figures available, unfortunately, for seizures by State and local authorities. But making a very conservative allowance for such seizures, and assuming that roughly 10 times as much got in as was seized—this, too, is a conservative estimate—we come up with the finding that more than 10 million pounds of marihuana and more than 600,000 pounds of hashish were consumed by Americans last year.

This is an absolutely staggering figure when you consider that an ounce of marihuana is good for from 12 to 20 intoxications, and an ounce of hashish for more than 100.

Part of the testimony presented at the hearings dealt with the origins of our current cannabis epidemic. The testimony and documentation presented to the subcommittee, in my opinion, establishes beyond any challenge that the epidemic was encouraged and facilitated by a widespread propaganda in favor of marihuana. It was recommended in glowing terms to the young people of our country, not only by the entire underground press and by certain New Left organizations, but also by a number of prominent academicians, headed by the infamous Dr. Timothy Leary.

The epidemic spread of marihuana was also encouraged by the widespread belief that it was a harmless as well as pleasant drug. The myth of harmlessness was based on no scientific evidence; actually, hard scientific evidence on the effects of chronic cannabis use has become available only in the last few years. But, with the assistance of a few best selling books, the myth of harmlessness over a period of years came to enjoy almost universal acceptance.

In order to make an intelligent assessment of the impact of cannabis use on U.S. security, it was obvious that the first thing we had to do was to try to find out just how it affects the human body and mind. To this end, the subcommittee arranged for the testimony of more than 20 top-ranking scientists, most of them medical researchers, some of them psychiatrists. The quality of these scientists is apparent from the fact that 14 of our witnesses were quoted in two recent articles on marihuana which appeared in Science magazine, the organ of the National Association for the Advancement of Science. It is further confirmed by the letter I received from Dr. Robert L. DuPont, director of the President's Special Action Office for Drug Abuse Prevention, congratulating the subcommittee for its "public service in bringing the scientific evidence of the health hazards of marihuana to public attention."

The collective testimony of the eminent scientists who appeared before the subcommittee points to massive damage or potential damage to the entire cellular process, to the reproductive system, and to the respiratory system. The evidence also pointed to the serious possibility of irreversible brain damage and genetic damage.

Some of the scientific evidence presented to the subcommittee must, admittedly, be subject to further confirmation before it can be accepted as definitely established: This was a point made by the scientists themselves. But there can be absolutely no question at this point on certain central findings. Among these are: First, the fact that THC tends to accumulate in the fatty tissues, including the brain and the gonads, in the manner of DDT; second, that chronic smoking of marihuana and hashish damages the lungs and respiratory system much faster—almost 10 times as fast—than cigarette smoking; and third, that it severely damages the body cells, including their ability to synthesize DNA and to reproduce new cells.

On the latter point, I note that when Prof. Gabriel Nahas of Columbia University reported on his finding that marihuana, at the three-times-per-week level, seriously reduces DNA synthesis and, in consequence of this, reduces the generation of immune cells—the T-lymphocytes—by a factor of 41 percent, this finding was assailed by the hard-line defenders of marihuana. A letter to the dean of the College of Physicians and Surgeons spoke of Dr. Nahas' so-called findings and scolded Columbia University for having sponsored the press conference at which the findings were announced. It quoted critiques of Nahas by certain promarihuana professors, which described his writings as "meretricious trash," and as "psychopharmacological McCarthyism." This kind of abuse, I might say, was characteristic of the treatment of those scientists who had the courage to swim against the tide of recent years.

Open-minded scientists on the other hand, took the stand that Dr. Nahas' research deserved serious attention, but that it would have to be replicated by others before it could be accepted as fact. Since our hearings took place, Dr. Nahas' findings have been essentially confirmed by four other scientists, working independently. At this point, the validity of these findings and their critical importance to any assessment of marihuana, would not be challenged by any reputable scientist.

The psychological impact of marihuana is just as frightening as its effects on the body.

Two Philadelphia psychiatrists, Drs. Kolansky and Moore, told the subcommittee that—

> Marihuana and hashish . . . produce a brain syndrome marked by distortions of perception and reality. This leads to an early impairment of judgment.

Dr. Harvey Powelson, chief campus psychiatrist at Berkeley from 1964 to 1972, told the subcommittee that—

> After one to three years of continuous use, the ability to think has become so impaired that pathological forms of thinking begin to take over the entire thought process.

Dr. Phillip Zeidenberg, a Columbia University psychiatrist, said:

> There is no doubt that a single dose of THC can cause an acute psychotic reaction in mentally healthy individuals.

Several of the scientists who testified said that, on the basis of the information now available, they consider it the most dangerous drug with which we must contend today.

It stands to reason that any person in Government employment or in the Armed Forces who is affected in this manner by cannabis use automatically becomes a security risk. Dr. Forest Tennant, who was in charge of the U.S. Army drug program in Europe in 1970 and 1971, told the subcommittee that at that time some 16 percent of the U.S. Army in Germany were using hashish in excess of three times a week. He said that it had become a matter of policy in the U.S. Army to deny secret or top secret or nuclear clearance to anyone who was known to be a cannabis user. He also stated that cannabis use had been responsible for many accidents and much damage to expensive military equipment. He recalled that there had been a number of instances where security clearances previously granted had to be revoked when it was discovered that the subject was on cannabis.

Spokesmen for the armed services made it abundantly clear in their testimony that they understand the danger of cannabis from a security standpoint. Unfortunately, it has come to the knowledge of the subcommittee that there are other Government agencies, at least one of them dealing in highly sensitive information, where security officers still operate with outdated manuals, according to which marihuana is not a seriously harmful drug. The failure to understand the medical and psychological dangers of marihuana in itself poses a risk to our national security. I have therefore asked the staff of the Senate Subcommittee on Internal Security to prepare a master memorandum bringing together the evidence that has a direct bearing on the question of security. When this memorandum is completed, I propose to send copies of it to all executive agencies for the information of their security officers.

The tremendous interest generated by these hearings is attested to by the fact that, in advance of publication, the subcommittee has already received going on 1,700 requests for copies of the testimony. The requests came from Government offices, law enforcement officers at every level, drug educators and counselors, churches and service organizations, medical doctors and concerned parents. Based on the interest already displayed by the media and the public, I truly believe that our hearings may succeed in turning the entire situation around. I feel that the evidence is so hard and so dramatic that even the skeptical will have to open their minds. After all, no young person wants to run the risk of irreversible brain damage, or of severe reductions in male hormone level and sperm count, or of genetic damage to his offspring.

Mr. President, in view of the great interest in this publication, I sent to the desk, for reference to committee, a resolution asking for the printing of 10,000 additional copies of the hearings for the use of the Subcommittee on Internal Security.

The concurrent resolution (S. Con. Res. 116) submitted by Mr. EASTLAND, which was referred to the Committee on Rules and Administration, reads as follows:

S. Con. Res. 116

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary ten thousand additional copies of the hearings before its Subcommittee on Internal Security during the present session entitled "The Marihuana-Hashish Epidemic and Its Impact on United States Security".

Mr. EASTLAND. Mr. President, I ask unanimous consent to insert in the Record the text of my introduction to the published record of the subcommittee's hearings on "The Marihuana-Hashish Epidemic and Its Impact on U.S. Security."

There being no objection, the material was ordered to be printed in the Record, as follows:

Introduction

(By Senator James O. Eastland)

Chairman, Senate Subcommittee on Internal Security

I consider the hearings which are the subject of this record to be among the most significant ever held by the Senate Internal Security Subcommittee, or, for that matter, by any committee of Congress. The widespread interest already generated by the hearings suggest that they may play a role in reversing a trend towards national disaster.

Without public awareness, our country has become caught up in a marihuana-hashish [1] epidemic that probably eclipses, in gravity, the national epidemics that have had so debilitating an effect on the population of a number of Middle Eastern countries. Speaking about this matter, Mr. Andrew C. Tartaglino, Deputy Administrator of the DEA, made this statement at the opening hearing on May 9, over which I presided:

"The traffic in, and abuse of, marihuana products has taken a more serious turn in the last two or three years than either the courts, the news media, or the public is aware. The shift is clearly toward the abuse of stronger, more dangerous forms of the drug which renders much of what has been said in the 1960's about the harmlessness of its use obsolete."

The epidemic began at Berkeley University at the time of the famous 1965 "Berkeley Uprising." Not only was pot-smoking embraced as a symbolic rejection of the establishment, but, together with the "dirty speech movement," the right to pot became an integral part of the catalogue of demands of the uprising. From Berkeley, the marihuana epidemic spread rapidly throughout the American campus community. Then it spread down into the high schools and junior high schools—and within the last year or two it has begun to invade the grade schools. It has also spread into the ranks of professional society and of the bluecollar workers, so that all sectors of our society are today affected by the epidemic. Today it is estimated that there are some millions of regular marihuana users in the country, and the evidence indicates that they are graduating rapidly to the stronger hemp drugs, hashish and liquid hashish.

The spread of the epidemic has been facilitated by the fact that most of our media and most of the academicians who have been articulate on the subject have been disposed to look upon marihuana as a relatively innocuous drug. (How the myth of harmlessness came to be so widely accepted is also part of the subject of this testimony.) There were some who even held that marihuana was a good thing, while most held that there really wasn't too much to worry about.

Taking advantage of the confusion and widespread ignorance, a variety of movements seeking the legalization of marihuana came into existence. They gathered strength rapidly. In fact, by early this year concerned scientists and government officials were almost ready to throw in the sponge because the battle looked so hopeless.

This situation, by itself was reason enough for concern. The Internal Security Subcommittee decided to look into it because of internal security considerations affecting the armed forces of the United States, and because of the evidence that clearly subversive groups played a significant role in the spread of the epidemic—both as propagandists and as traffikers. It was established, for example, in previous hearings of the subcommittee, that Timothy Leary's Brotherhood of Eternal Love had for a number of years been the largest producers of LSD and the largest organized smugglers of hashish in the country.

The hearings focused heavily on scientific evidence of physical or psychological harmfulness, because this was basic to any assessment of the impact of cannabis on security.

Important new scientific evidence had emerged within the last few years. But this evidence remained fragmented, sometimes inconclusive, and almost invariably completely unknown to the public. The situation was further confused by contradictory evidence and by the emergence of several best-selling books suggesting a more tolerent approach to marihuana.

One of the principal reasons why hard scientific evidence has been so slow in emerging is that it is only within recent years—in fact, since 1970—that accepted procedures for the quantitive analysis of marihuana have been established and that carefully standardized strains of marihuana have become available for research purposes. In the absence of standardized research materials and standardized analytical procedures, research scientists in the past, working with the utmost conscientiousness, often came up with sharply conflicting findings. Within the last few years, thanks to a remarkable program that has been developed at the University of Mississippi,[2] marihuana research is today moving forward without these handicaps—and, as this volume of testimony dramatically demonstrates, this research is producing some very significant results.

In the recent hearings, it was obvious that one of the first things that had to be done was to bring together the bits and pieces of recent research in an organized manner, because only in this way would the total significance of these findings become comprehensible. The subcommittee, therefore, issued invitations to some 20 prominent medical researchers and psychiatrists. Most of them were American, but six other countries were also represented in the panel of scientists. The pro-marihuana cabal could assail a single scientist whose research persuaded him that marihuana was a very dangerous drug: this they could get away with. But abuse and character assassination would no longer be persuasive at the point where it was demonstrated that a large number of top-ranking scientists who had done research on cannabis were convinced that it is a drug with deadly consequences.

With the assistance of several scientists who are internationally known for their research on cannabis and other drugs, the subcommittee staff put together a master list of scientific witnesses who, between them, could cover the newly available scientific evidence in a broad spectrum manner.

Among the eminent scientists who appeared before the Subcommittee were:

Dr. Harvey Powelson. Research Psychiatrist, Berkeley University; Chief of the Psychiatric Division of the Student Health Service at Berkeley from 1964 to 1972.

Dr. Henry Brill. Regional Director of the New York State Department of Mental Hygiene; member and/or chairman of drug dependence committees of American Medical Association, National Research Council, the World Health Organization, and the FDA; senior psychiatric member of the Shafer Commission.

Dr. Donald Louria. Chairman, Department of Preventive Medicine and Community Health, New Jersey Medical School; Chairman and President, New York State Council of Drug Addiction, 1965 to 1972.

Professor W. D. M. Paton. Head of the department of pharmacology at Oxford University; Chairman of committee overseeing the British Government's drug research program; author of a standard textbook of pharmacology and widely recognized as one of world's leading pharmacologists.

Professor Morton Stenchever. Chairman of the Department of Obstetrics and Gynecology at the University of Utah Medical School.

Dr. Gabriel Nahas. Research Professor at the Columbia University College of Physicians and Surgeons; simultaneously Visiting Professor at the University of Paris.

Dr. Akira Morishima. Research geneticist; Associate Professor, Department of Pediatrics, Columbia University College of Physicians and Surgeons; Chief of the Division of pediatric endocrine service at Babies Hospital, New York.

Dr. Cecile Leuchtenberger of Switzerland. Head of the Department of Cell Chemistry at the Institute for Experimental Cancer Research in Lausanne; founder and first Director of Cell Chemistry Department at Western Reserve University.

Dr. John A. S. Hall. Senior Physician and Chairman, Department of Medicine, Kingston Hospital, Jamaica, since 1965: Associate Lecturer in Medicine, University of West Indies and visiting Assistant Professor of Neurology at Columbia University.

Dr. Robert Kolodny. Director of the endocrine research section at the Reproductive Biology Research Foundation in St. Louis.

Professor M. I. Soueif. Chairman of the Department of Psychology and Philosophy at Cairo University; member of World Health Organization Panel on Drug Dependence; author of classic study on consequences of hashish addiction in Egypt.

Professor Nils Bejerot. Karolinska Institute, Sweden; author of "Addiction and Society" and several other standard texts on the epidemiology of drug abuse. Widely recognized as one of the foremost international experts in this field.

Dr. Andrew Malcolm. Toronto psychiatrist; member, Drug Advisory Committee, Ontario College of Pharmacy; formerly Senior Psychiatrist, Rockland State Hospital, New York (1955–1958).

Dr. Harold Kolansky. Currently Associate Professor of Psychiatry at the University of Pennsylvania School of Medicine; twice President of the Regional Council (Pennsylvania, New Jersey, Delaware) of Child Psychiatry; Director of Child Psychiatry, Albert Einstein Medical Center, Philadelphia, 1955–1969; Chairman, Department of Psychiatry, Albert Einstein Medical Center, 1968–1969.

Dr. William T. Moore. Currently Associate Professor in Clinical Psychiatry, University of Pennsylvania School of Medicine; Associate Professor of Child Psychiatry at Hahnemann Medical College for 13 years up until 1972; for the past five years Director of Training, Division of Child Analysis, Institute of Philadelphia Association for Psychoanalysis.

Professor Robert Heath. Chairman of the Department of Psychiatry and Neurology at Tulane University Medical School.

Dr. Phillip Zeidenberg. Professor of Psychiatry at Columbia University; Chairman of the Drug Dependence Committee of the New York State Psychiatric Institute.

Footnotes at end of article.

Dr. Julius Axelrod. Nobel Prize winning research scientist at the National Institute of Mental Health.

Professor Hardin B. Jones. Professor of Physiology and Professor of Medical Physics at the University of California, Berkeley; Assistant Director of the Donner Laboratory of Medical Physics at Berkeley.

Dr. Conrad Schwarz. Associate Professor, Department of Psychiatry, University of British Columbia and Consultant Psychiatrist to the Student Health Service; Chairman of the Drug Habituation Committee of the British Columbia Medical Association.

Dr. Forest S. Tennant, Jr. Medical Director for several drug abuse programs in the Los Angeles area; officer in charge of the drug abuse program of the U.S. Army Europe, 1971–1972.

THE SCIENTIFIC FINDINGS

That our hearings succeeded in achieving their objective has been demonstrated by the dramatic increase of interest, on the part of the scientific community as well as the press, in the new scientific evidence on marihuana. For example, a recent issue of *Science* magazine (August 23, 1974) points out "the notion that marihuana is harmless has enjoyed a high degree of acceptability with only a minimum of scientific support. . . . Since 1969, when the federal government began making marihuana of controlled quality available to research scientists, evidence suggesting potential hazards has accumulated at a rapid pace. Those five years of research have provided strong evidence that, if corroborated, would suggest that marihuana in its various forms may be far more hazardous than was originally suspected." I think it worthy of note that ten of the scientists whose findings were quoted by the article in *Science* were among the witnesses who testified in the subcommittee's recent hearings.

The collective testimony of the eminent scientists who came to Washington to testify may be summarized as follows:

(1) *THC, the principal psycho-active factor in cannabis, tends to accumulate in the brain and gonads and other fatty tissues in the manner of DDT*. This was established beyond challenge by the research of NIMH Nobel Laureate, Dr. Julius Axelrod, and his associates. As a corollary of this, they found that THC persists in the body long after the act of ingestion. In some parts of the body, residual amounts could be found as much as a week after ingestion.

(2) *Marihuana, even when used in moderate amounts, causes massive damage to the entire cellular process:*

(a) It reduces DNA and RAN synthesis within the cell, which in turn sharply reduces the mitotic index, or the rate at which the cells give birth to new cells. (Nahas, Morishima, Zimmerman, Leuchtenberger, Paton).

(b) In the case of the T-lympocytes (the cells involved in the immune process), marihuana use at the three-times-a-week level results in a 41 percent reduction in cell birth. (Nahas and associates)

(c) It results in far more cells with defective chromosome complements—from 38 to 8 chromosomes instead of the normal complement of 46. (Morishima)

The findings of five of the scientists who testified converged on the central theme of cellular damage. Other research that had been done in this field was also referred to. Professor W. D. M. Paton of Oxford University, one of the world's leading pharmacologists, summarized this recent research in these terms:

"Numerous such effects have now been described, including actions on microsomes, on mitochondria, on neurones, fibroblasts, white blood cells, and on dividing cells, affecting metabolism, energy utilization, synthesis of cellular constituents, and immunological responses."

On the specific question of cellular damage, additional evidence is becoming available almost by the week. Since Dr. Nahas testified, for example, his findings on damage to the immune cells have been confirmed by two nationally prominent medical scientists, Dr. Louis Harris and Dr. Louis Lemberger. Other aspects of cellular damage will be covered in several research papers, prepared under official auspices, which are shortly to be published.

Needless to say, the confirmation that marihuana does such serious damage to the entire cellular process opens up an entire spectrum of frightening possibilities.

(3) *Tied in with its tendency to accumulate in the brain and its capacity for cellular damage, there is growing body of evidence that marihuana inflicts irreversible damage on the brain, including actual brain atrophy, when used in a chronic manner for several years.* Psychiatrists who testified said that they knew of many cases of brilliant young people who went on prolonged cannabis binges, and then tried to go straight—only to discover that they could no longer perform at the level of which they had been capable (Heath, Powelson, Kolansky and Moore, Paton) Professor Paton referred to animal experiments which demonstrated that rats exposed to marihuana had smaller brains than rats which were not exposed, and to research by Dr. Campbell and associates in England which found brain atrophy in a group of young cannabis smokers comparable to the atrophy that is normally found in people aged 70 to 90. Professor Heath reported that, in experiments with rhesus monkeys exposed to marihuana, highly abnormal brain wave patterns persisted after the marihuana was withdrawn, suggesting long-term or permanent damage to the brain.

(4) *There is also a growing body of evidence that marihuana adversely affects the reproductive process in a number of ways, and that it poses a serious danger of genetic damage and even of genetic mutation.* Scientific testimony presented pointed to the following conclusions:

(a) Male hormone (testosterone) level was reduced by 44 percent in young males who had used marihuana at least four days a week for a minimum of six months. (Kolodny)

(b) Sperm count was dramatically reduced in the same group of marihuana smokers, falling almost to zero with heavy smokers, so that they had to be considered sterile. (Kolodny A similar result was found with mice. (Leuchtenberger)

(c) Very heavy smoking in a number of cases resulted in impotence. Potency was recovered in some of these cases when marihuana was given up. (Kolodny, Hall)

(d) In animal experiments, the spermatids (the precursors of the sperm cells) were found to be abnormal in the sense that they carried reduced amounts of DNA. (Leuchtenberger)

(e) Regular marihuana use, even down to the once a week level, results in roughly three times as many broken chromosomes as are found in non-users. While further research is necessary, this suggests the possibility of genetic abnormalities. (Stenchever)

(f) In a number of animal experiments, marihuana was found to cause a very high rate of fetal deaths and fetal abnormalities, including runting and lack of limbs—the thalidomide effect. (Paton)

(5) *Chronic cannabis smoking can produce sinusitis, pharyngitis, bronchitis, emphysema and other respiratory difficulties in a year or less, as opposed to ten to twenty years of cigarette smoking to produce comparable complications.* (Tennant, Paton, Kolansky and Moore) Professor Paton pointed out that emphysema, which is normally a condition of later life, is now cropping up with increasing frequency in young people, opening up the prospect of "a new crop of respiratory cripples" early in life.

(6) *Cannabis smoke, or cannabis smoke mixed with cigarette smoke, is far more damaging to lung tissues than tobacco smoke alone. The damage done was described as "precancerous."* (Tennant, Leuchtenberger) Although further research is indicated, preliminary observations suggest that marihuana may be a far more potent carcinogen than tobacco.

(7) *Chronic cannabis use results in deterioration of mental functioning, pathological forms of thinking resembling paranoia, and "a massive and chronic passivity" and lack of motivation—the so-called "amotivational syndrome."* (Powelson, Bejerot, Zeidenberg, Malcolm, Schwarz, Jones, Kolansky and Moore, Hall, Soneif, Tennant)

Describing the zombie-like appearance of chronic cannabis users, Dr. Tennant said: "Major manifestations were apathy, dullness and lethargy, with mild to severe impairment of judgment, concentration and memory . . . physical appearance was stereotyped in that all patients appeared dull, exhibited poor hygiene, and had slightly slowed speech. . . ."

Several psychiatrists suggested that the total loss of their own will would make a large population of cannabis users a serious political danger because it makes them susceptible to manipulation by extremists. (Powelson, Kolansky and Moore, Malcolm.)

THE SOCIAL CONSEQUENCES OF THE MARIHUANA EPIDEMIC

The scientific evidence presented to the subcommittee points to an array of frightening social consequences, or possible consequences.

(1) If the cannabis epidemic continues to spread at the rate of the post-Berkeley period, we may find ourselves saddled with a large population of semi-zombies—of young people acutely afflicted by the amotivational syndrome. There is evidence that many of our young people, including high school and junior high school students, are already afflicted by the "amotivational syndrome." The general lack of motivation of the current generation of high school students is a common complaint of teachers. Some of them point out that the growth of this phenomenon in recent years has roughly paralleled the spread of the cannabis epidemic.

(2) We may also find ourselves saddled with a partial generation of young people—people in their teens and early twenties—suffering from irreversible brain damage. Their ability to function may improve if they abandon cannabis, but they will remain partial cripples, unable to fully recover the abilities of their pre-cannabis years.

(3) The millions of junior high school and grade school children who are today using marihuana may produce another partial generation of teenagers who have never matured, either intellectually or physically, because of hormonal deficiency and a deficiency in cell-production during the critical period of puberty. This fear was expressed in particularly urgent terms by Dr. Paton and Dr. Kolodny. As Dr. Paton put it, we may witness the phenomenon of a generation of young people who have begun to grow old before they have even matured.

(4) There are other frightening possibilities, too. There is the possibility of which Dr. Paton spoke that we may develop a large population of youthful respiratory cripples. And there is the possibility—which can only be confirmed by epidemiological studies—that marihuana smokers are producing far more than their quota of malformed or genetically damaged children.

(5) There is the growing body of evidence that marihuana use leads to indulgence in other drugs.

(6) If the epidemic is not rolled back, our society may be largely taken over by a

"marihuana culture"—a culture motivated by a desire to escape from reality and by a consuming lust for self-gratification, and lacking any higher moral guidance. Such a society could not long endure.

These are some of the reasons why we cannot legalize marihuana, and why society cannot remain indifferent to the epidemic.

THE EPIDEMIC POTENTIAL OF CANNABIS

What makes the prospect even more terrifying is the extraordinary epidemic potential of cannabis. It is doubtful that any other drug in common use today has a comparable potential.

I do not underestimate the damage done by the abusive use of alcohol. But the nature of alcohol places certain limitations on its epidemic spread. It is impossible, or at least very difficult, to take a quart of whiskey or a six-pack of beer to one's place of work, or, in the case of a teenager or grade schooler, to take it to school. If one did take it to school or to work, it would be difficult to find the time during the workday or during school hours to get oneself really intoxicated on alcohol. And if a worker or a student did manage to get himself stoned on alcohol, he would be given away by his drunken stagger or by the smell of alcohol on his breath.

But with marihuana, there are no such limitations. It is cheap enough so that even a fourth or fifth grader can afford to buy a joint or two with his weekly allowance. It is compact enough so that a few joints can easily be concealed on the body. All it requires is a 10 or 15 minute break to get thoroughly stoned. And, apart from a tired and passive look which may suggest that user is short on sleep, there are no telltale symptoms; the user, though stoned, does not walk with a stagger, nor is there any odor on his breath. A student could sit through an entire day in a cannabis stupor, and learn nothing—and his teacher would be none the wiser.

On top of this, users of marihuana suffer from a much more compelling urge to proselytize and involve others than do users of alcohol. One can attend a cocktail party and drink ginger ale, and not be harassed and pushed by one's cocktail friends to get in on the act and drink. At pot parties, the pressures are infinitely greater.

Another factor contributing to the spread of the cannabis epidemic is the tremendous potency of the material available and the ease with which it can be concealed and transported. A pound of "liquid hashish"—a concentrated distillate derived from either marihuana or hashish—would theoretically be enough to intoxicate a city of 15,000 people.

Still another factor is that, with marihuana and hashish, chronic abuse begins at a use level which would be insignificant with alcohol. A person who took a drink of whiskey once a week or even three times a week, would be considered a light drinker; it has yet to be argued that alcohol consumption at this level can do any damage. But a person who smokes marihuana three times a week or more is generally considered a chronic smoker; and there are some scientists who insist that even once a week smoking constitutes chronic use. In support of this contention, they point to the facts that THC persists in the brain for a week or more after smoking, and that some of the research covered in our recent hearings found dramatic changes even at the once a week level (cf. Stenchever on chromosome damage.).

Finally, there is the almost unbelievable rate at which—if it is readily available—a cannabis user can escalate from occasional social use to chronic and massive abuse. It generally takes years before a chronic drinker escalates to a quart a day. But, according to Dr. Tennant, GI's who arrived in Germany as casual marihuana users, would a month or two later be consuming 50 or 100 grams—and in some cases up to 600 grams—of hashish monthly. Three grams of hashish a day, it should be pointed out, is roughly 12 times the amount required to produce a hashish intoxication.

WHERE THE EPIDEMIC STANDS TODAY

There are conflicting estimates of the number of chronic cannabis users in our country. According to some estimates, there are roughly 20 to 25 million people who have used marihuana in one degree or another, but only one to two million who may be considered regular users. According to the estimate of NORML (National Organization for the Reform of Marihuana Laws), the total number of Americans who have been exposed to marihuana runs close to thirty-five million, while the number of regular users is past the ten million mark.

Figures on seizures of marihuana and hashish submitted to our hearings by the Drug Enforcement Administration strongly suggest the validity of the higher estimate. According to DEA, federal seizures of marihuana over the past five years have increased tenfold, to a total of 780,000 pounds in 1973, while federal seizures of hashish over the same period of time increased twenty-five fold, to a total of almost 54,000 pounds. These figures do not include seizures by state and local law enforcement authorities. Assuming that ten times as much got into the country as was actually seized—a fairly conservative estimate—this would mean that total consumption of marihuana in 1973 was probably close to ten million pounds, while total consumption of hashish probably exceeded 600,000 pounds. (These estimates make some allowance for non-federal seizures—for which no figures are available.)

These are truly staggering quantities when one understands just how potent marihuana and hashish are and how little is required to become intoxicated. No one could possibly get intoxicated on an ounce or two ounces of hard liquor. An ounce of hashish with a 10 percent THC content is sufficient for a hundred intoxications; an ounce of marihuana with a 1.5 percent THC content is enough for roughly twelve intoxications. And when it comes to "marihuana oil," or "liquid hashish," as it is sometimes called, the THC content of which can run as high as 60 to 90 percent, we have a substance with an almost lethal potential for mass intoxication. One drop of liquid hash is enough to send the user into the stratosphere, while a pound of the strongest variety would be enough to intoxicate a population of 15,000.

These figures provide some clue—but only a partial clue—to the damage done by the massive quantities of marihuana and hashish consumed in our country last year.

THE EMERGENCE OF AN ALCOHOL-CANNABIS EPIDEMIC

It must be emphasized that those who are caught up in the cannabis epidemic are not using marihuana or hashish as a substitute for alcohol. With increasing frequency they are being consumed together. The scientists who testified before the subcommittee were agreed that adding marihuana to alcohol, or alcohol to marihuana does not produce an arithmetic effect but a synergistic, or compounding, effect. The combination of the two intoxicants produces a far more potent and dangerous form of intoxication, whose short and long term consequences we still know very little about. While there are reported to be some 10 million problem drinkers in our country, the overwhelming majority of those who use alcohol are what we call social drinkers, who take it occasionally and with moderation. But at the point where a person takes one drink of whiskey with a joint of pot, we are no longer dealing with a social drinker—we are dealing with someone who is suffering from a highly dangerous form of intoxication.

In its own right, the scale of the current cannabis epidemic would give us plenty to worry about, and so would the scale of alcohol abuse. The emergence of an alcohol-cannabis epidemic is even more worrisome.

THE MYTH OF HARMLESSNESS

The spread of the epidemic has been facilitated by the widespread impression that marihuana is a relatively innocuous drug. This impression has been shared by liberals and conservatives, by laymen and judges, and even by people actively involved in the war on drugs. For example, in March of 1973 an advisory committee consisting of some 40 prominent D.C. citizens filed a report urging the complete legalization of marihuana on the ground that:

"No demonstrable medical evidence is available to support the assertion that marihuana use is hazardous or detrimental to the physical or mental health of the user."

The widespread acceptance of the myth of harmlessness has been due to several things. Certainly a role of some importance was played by the militant pro-marihuana propaganda campaign conducted by many New Left organizations, by academicians sympathizing with the New Left, and by the entire underground press, ever since the Berkeley uprising.

Some of this propaganda was positively euphoric on the virtues of marihuana. Dr. Joel Fort of San Francisco, a member of the Sociology Department of the University of California and a former consultant on drug abuse to the World Health Organization, had this to say on the subject: "Cannabis is a valuable pleasure giving drug, probably much safer than alcohol, but condemned by the power structure of our society." An article in "The Sciences" by L. Greenwald in 1968 went even further. "Marihuana," said Greenwald, "restores to the student his ability to feel in an often hostile environment, and the liberating action of that drug is going to allow him to experience more intimate social contact."

But the myth of harmlessness has been stimulated in even greater degree by a number of highly publicized writings and by reports, some official, some unofficial, which have taken a rather benign attitude toward marihuana. A major role was also played by the generous attention which the media bestowed on militant drug enthusiasts like Timothy Leary and Jerry Rubin. The damage was further compounded by the virtual blackout imposed by much of our media—at least until recently—on adverse scientific evidence about the effects of marihuana. The result has been that Congress and the American public have been exposed for years to an appallingly one-sided presentation of the marihuana controversy.

Another factor contributing to the myth of harmlessness was the selective manner in which the Shafer Commission Report was handled by the media. This report, as several witnesses pointed out, contained a number of apparently contradictory passages, which made it possible to write a story suggesting caution, or to write one suggesting that its emphasis was on tolerance. But it did contain quite a number of fairly strong cautionary passages. It was for the purpose of setting the record straight on the Shafer Commission Report that one of the first witnesses heard by the Subcommittee was Dr. Henry Brill, who had served as senior psychiatric member of the Commission. This is what Dr. Brill had to say on the subject:

"I am concerned about the misinterpretations which have developed with respect to the marihuana report of that Commission. These misinterpretations result from reading the reassuring passages in the report and ignoring the final conclusions and recommendations and the passages in the report on which they were based. As a result it has been claimed that the Commission's report was intended to give marihuana a clean bill of health, and as a covert or direct support for legalization of this drug in the near future, or as a step in that direction. Nothing could be further from the truth.

"From my knowledge of the proceedings of the Commission, I can reaffirm that the report and the subsequent statements by the Commission meant exactly what they said, namely that this drug should not be legalized, that control measures for trafficking in the drug were necessary and should be continued, and that use of this drug should be discouraged because of its potential hazards."

It was because of this pervasive imbalance in dealing with the question of marihuana that so many intelligent people have been under the impression that the scientific community regards marihuana as one of the most innocuous of all drugs. Part of the purpose of our recent hearings was to correct this imbalance—to present the "other side" of the story—to establish the essential fact that a large number of highly reputable scientists today regard marihuana as an exceedingly dangerous drug. We make no apology, therefore, for the one-sided nature of our hearings—they were deliberately planned this way.

MARIHUANA AND THE LAW

In previous statements, I have made it clear that I am opposed to the decriminalization of marihuana use and that I believe some penalties have to be retained. However, a man would have to be devoid of compassion if he did not sympathize with the plight of a youthful offender who was caught smoking marihuana because he succumbed to peer pressures or to the bad advice he received from older students and from a small but vociferous group of academicians. (The academic propagandists for marihuana are protected by the First Amendment, but in my judgment they are far more culpable than the young people who have heeded their advice!) In most cases involving youthful offenders, especially first offenders, the purpose of justice is not served by sentencing them to prison and giving them criminal records. Our federal laws and many of our State laws have in recent years been modified in a manner that reflects a more compassionate approach, and the law is further tempered by the compassionate understanding which the great majority of judges have for the problems of young people.

Although there is still some unevenness in the state laws governing the use of marihuana and although there is always room for review and improvement, in practice very few young people are being sent to prison for simple possession of marihuana, especially when they are first offenders. On this point, there is such broad agreement that I feel it is no longer at issue.

But there is a militant lobby in our country which has been agitating and lobbying for the complete legalization of marihuana. As a stepping stone in that direction, they are working for the complete *decriminalization* of simple possession. This means that personal use of marihuana would no longer be covered by criminal law, that it would not even be considered a misdemeanor under the law. These matters still *are* at issue—and I truthfully believe that they cannot intelligently be decided without an assessment of the known and potential dangers posed by marihuana use.

Not all drugs are equal—no one, for example, has yet proposed that we deal with coffee and heroin, or tobacco and heroin, in exactly the same manner. And the evidence I have presented in the preceding pages should be sufficient to establish that the dangers of cannabis are much closer to the dangers of heroin, in scope and quality, than they are to the admitted but far more limited dangers of coffee or tobacco—or, for that matter, alcohol.

The scientists who testified before the subcommittee were unanimous on the point that it made no sense to send young people to prison for simple possession of a few joints of marihuana. On the other hand, they were strongly opposed to legalization, and not one of them spoke in favor of decriminalization. They expressed the belief that it would seriously undercut any national effort to discourage marihuana use if all penalties were removed for simple possession, as the Shafer Commission had recommended—and which remains the continuing objective of the pro-marihuana lobby. Dr. Brill, who, as a member of the Shafter Commission, had voted in favor of eliminating all penalties, indicated to the subcommittee that he was now rethinking this recommendation.

Commenting on the proposal that the decision on whether or not to use drugs, and especially marihuana, should be left to the individual, Dr. Andrew Malcolm, a distinguished Canadian psychiatrist, called for a combination of education and the law. Said Dr. Malcolm:

"It is necessary to have some external restraint when, indeed, some of the people are incapable of exercising internal restraint. But those people who propose [that the matter be left to] 'wise personal choice' usually are unalterably opposed to any kind of external restraint. It is very foolish, because what we need, in fact, is both of these elements."

Dr. Phillip Zeidenberg, Chairman of the Drug Dependence Committee of the New York State Psychiatric Institute, while he held that the marihuana epidenmic could not be eradicated by legal measures alone, nevertheless strongly opposed legalization and said that there have to be some penalties for use. These were Dr. Zeidenberg's words:

"I believe that legalization will turn on a 'green light' which will enormously increase the number of chronic heavy users, just as it has in every other country where de facto legalization exists. Once this happens, marihuana will become an integral part of our social structure and take on complicated social and symbolic significance, as tobacco and alcohol already have. Once this happens, it will be virtually impossible to remove it.

"Ultrapunitive measures taken against individuals occasionally using the drug can only lead to the backlash of pressure for legalization. Offenders should be given light, but significant sentences, enough to be a sufficient deterrent to repeated use. Chronic heavy users should be offered psychiatric treatment, not jail. . . . The job of the law is to find the appropriate deterrent so that the marihuana problem is kept as a minor drug abuse problem, without crucifying errant adolescents."

Warning about the drive to legalize cannabis in the United States, Professor Nils Bejerot of Sweden said:

"The demand for legalized cannabis has been strongest in those countries which have had the shortest experience and the weakest forms of the drug. Correspondingly, I consider that as a phychiatrist one's attitude to cannabis becomes more negative the more one sees of its effects.

"If cannabis were legalized in the United States, this would probably be an irreversible process not only for this country and this generation, but perhaps for the whole of Western civilization. As far as I can see, another result would be a breakdown of the international control system regarding narcotics and dangerous drugs."

The pro-marihuana lobby brandishes the statistic that there were some 400,000 arrests nationwide for marihuana offenses last year. They do so in a manner which creates the impression that 400,000 young people went to jail because they were caught with a few joints in their possession. The actual situation is quite different.

The number of arrests involving marihuana was very high, among other reasons because virtually every petty criminal arrested for shoplifting or burglary or mugging or other similar offenses had marihuana in his possession at the time of his arrest. But according to many reports, our law enforcement authorities—federal, state, and local—in most cases do not even bother to make arrests when they find young people smoking marihuana or in possession of less than an ounce.

The cases that do come to court for the most part receive suspended sentences or fines, while most states now have a provision in their laws, similar to the provision in the federal law, calling for the expunging of the record for first offenders after one year, if parole is satisfactorily completed.

However, the law is uneven from state to state. Some states, while they have the theoretical power to send first offenders to prison, in practice rarely use this power. But here and there, it must be conceded, simple possession is still punished by prison terms.

I believe it would be helpful in dealing with this situation if the federal law and state laws could be brought into basic harmony on the question of marihuana. I do not suggest that the states slavishly adapt their laws to the current federal model; in many respects, in fact, I think federal law has something to learn from existing state statutes.

There is one state statute that does not recommend itself as a model: that is the marihuana law recently adopted by the State of Oregon. Under this law, simple possession of small quantities of marihuana is not treated as a violation of the criminal law but as a civil violation—something akin to a parking ticket. While the maximum fine provided is one hundred dollars, in practice the fines imposed rarely exceed thirty dollars. And those thus fined, if they can afford it, can go on collecting marihuana violations just as freely as some chronic illegal parkers collect parking tickets.

This approach, I submit, is altogether too permissive and just doesn't take into account the serious social damage done by marihuana or the compelling need to protect society against the spread of the habit. It doesn't take into consideration the basic fact that all drug addiction—including marihuana addiction—is like a contagious disease. Society can't remain indifferent to the spread of this disease.

The law must be framed in a manner that makes it unmistakably clear to young people that smoking marihuana *is* a crime against society. This is something that decriminalization would completely destroy. I believe that the kind of escalated penalties provided by state law in New Mexico, to give one example, make much more sense. Under this law, the possession of one ounce or less for a first offender is punishable by a fine of $50 to $100 and/or 15 days in jail. The jail sentences are rarely imposed, but this much discretion is given to the judge. The penalty for repeat offenders is a fine of $100 to $1,000 and/or one year in jail. Suspended sentences are frequently given and there is provision for expunging the record after one year.

New legislation governing the use of drugs requires the most careful consideration by Congress because—as Dr. Bejerot pointed out—concessions to tolerance, once made, are very difficult, if not impossible, to eradicate. However, as far as marihuana use is concerned. I believe that the philosophy guiding such legislation might well be based on the opinions expressed by Dr. Zeidenberg and the other scientists who testified before the subcommittee. I think there is much merit to Dr. Zeidenberg's proposal, for example, that instead of jail sentences, we might consider sending chronic abusers for a period of time to an institution where they will be given intensive education on drugs and psychiatric treatment if they need it.

When it comes to the pushers and the traffickers, I think our federal and state laws have got to be reinforced, I find it an outrage that, over and over again, criminals caught in the possession of hundreds and even thousands of pounds of marihuana get off with very light sentences or even with six months suspended sentence. For the pushers and traffickers, there have got to be heavy minimum sentences, and they have got to be mandatory.

The suggestion has been made that it might help to break up the traffic in drugs if offenders at every level—users, pushers, and small and intermediate traffickers—could be assured of suspended sentences if they cooperated by identifying the source, or sources, from which they had obtained their drugs. This is a proposal which merits serious consideration.

There are some who argue that tough law enforcement is not the answer to the drug problem, that we won't be able to deal effectively with the drug problem until we eliminate our slums, eliminate poverty, eliminate unemployment, and create a social utopia. I am all in favor of doing everything we reasonably can do to improve the quality of our society. But the fact is that every year the early sixties has witnessed a massive increase in the amount we spend for new social programs—and the same period of time has witnessed a staggering increase in our drug problem.

No drug problem has ever been controlled by determinalization or by social reforms. In every country where the drug problems have been effectively controlled, it has been thanks to strong laws against both the use and sale of the drug. That is how it is controlled in Communist countries; and that is how it has been controlled in some non-Communist countries, both authoritarian and democratic. There is no serious drug problem, for the indigenous population or for the GI's, in either Taiwan or South Korea. Nor is there one in Japan. The contrast between Germany and Italy is most instructive in this connection. In Germany, where drug laws are lax and law enforcement ineffective because it is fragmented among the *Laender*, or states, there has been a runaway epidemic of hashish consumption among the American GI's. (According to Defense Department witnesses, this situation has now improved significantly—although it still remains serious.) In Italy, where the drug laws are much stronger, drug use among GI's has been kept to a minimal level. The GI's in both countries are basically the same. The difference is the law.

THE NEED FOR A NATIONAL EDUCATIONAL PROGRAM

The scale of the marihuana-hashish epidemic makes it essential that we embark—with as little delay as possible—on a national educational program directed in the first place to our young people.

Can the facts that are assembled in this volume be communicated to young people who are disposed to be skeptical about information they receive from "the establishment?" I am convinced that this evidence *can* be communicated to young people and *can* influence them—because it is far more graphic, far more persuasive and far more authoritative than any information that has heretofore been available for marihuana education programs.

Dr. Forrest Tennant, who was in charge of the U.S. Army drug program in Europe from 1970 to 1972, told the subcommittee that at one point he had actually given up on anti-cannabis educational programs because the material at that time was not too persuasive, and while the programs discouraged some GI's, they stimulated the curiosity of others, so that there was no real net progress. He expressed the conviction, however, that armed with the recent evidence that had been presented to the subcommittee by so many eminent scientists, it would be possible to mount an educational program that GI's would find credible. The fact is that no young person wants to run the risk of irreversible brain damage, and no young male wants his male hormone level reduced by more than 40 percent or his sperm count reduced to close to zero. Nor does any young person, boy or girl, want to run the risk of genetically damaged children. These are dangers that young people will respond to.

There is an even larger matter that should be considered by every young person who finds himself yielding to the temptation of drugs or to peer pressures. Whatever each of us does, affects, for better or for worse, all those around us. And the fact is that every young person who takes marihuana or hashish or other drugs, drags down not only himself, but drags down his friends, drags down his family, drags down his community, drags down his nation. I would commend to every young person who is prepared to stop and think the wise words of Dr. Gabriel Nahas, one of the eminent scientists who appeared as a witness before the Subcommittee:

"One may wonder . . . how long a political system can endure when drug taking becomes one of the prerequisites of happiness. If the American dream has lost its attraction, it will not be retrieved through the use of stupefying drugs. Their use only delays the young in their quest to understand the world they now live in and their desire to foster a better world for tomorrow."

A final word of an editorial nature. So many scientific papers and supporting documents were left with the subcommittee by the witnesses that the inclusion of all of them would have made this a document of almost prohibitive length. In the interests of economy, only a portion of these documents have been included in the Appendix. I particularly regret that it was not possible to include a bibliography of some 800 cannabis research papers which Professor W. D. M. Paton of Oxford prepared for the subcommittee, because this volume was already in page proof at the time of its arrival. I ask the indulgence of the scientists who gave supplementary material to the subcommittee which has not been included in the printed Appendix. Hopefully, this material can be included in a followup study or documentation.

On behalf of the subcommittee, I want to thank the many distinguished witnesses who gave so generously of their time to make these landmark hearings possible.

FOOTNOTES

[1] Marihuana and hashish are both derived from the cannabis, or hemp plant. Marihuana consists of the leaves and female flowers; hashish comes from the resin of the plant. Hashish is roughly 8 to 10 times as strong as marihuana.

[2] The program is known as the Marihuana Project of the Research Institute of Pharmaceutical Sciences, which is part of the School of Pharmacy at the University of Mississippi. The program was established in 1968, as part of a national program of research, by Dr. Coy Waller, formerly Vice President in Charge of Research at Meade-Johnson and consultant to the National Institute of Mental Health, who today serves as the Director of the Research Institute. The first Director of the Marihuana Project, from 1968 to 1971, was Dr. Norman Doorenbos. Since 1971, it has been under the direction of Dr. Carlton Turner, who also serves as Associate Director of the Research Institute.

In addition to standardizing the marihuana used for research purposes, Dr. Turner's scientists have developed analytical methods which enable them to give accurate readings on ten different cannabinoids contained in marihuana samples—a few years ago, they were able to analyze for only three cannabinoid components. The marihuana the Institute cultivates is now used routinely for all research projects sponsored through the National Institute of Mental Health, while the United Nations Narcotics Commission has recommended that the analytical procedures developed at the University of Mississippi be used worldwide.

If today we know far more about marihuana than we did two or three years ago, it is thanks in large measure to the pioneering work done at this internationally unique research center.

Mr. EASTLAND. Mr. President, I also ask unanimous consent to insert in the RECORD a letter received from a New Jersey father whose 16-year-old son hanged himself after becoming involved, first with marihuana and then with other drugs. In taking his life, he left a letter to his parents which I also want to insert into the RECORD, because I think it constitutes an eloquent warning to the millions of young people who try pot on an experimental basis.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNION CAMP CORP.,
Wayne, N.J., July 24, 1974.

Hon. JAMES O. EASTLAND,
U.S. Senate,
Washington, D.C.

DEAR SENATOR EASTLAND: I was pleased to learn from Mr. David Martin that your Subcommittee on Internal Security is actively studying the marijuana problem. In particular, I was impressed that you have been giving, with the help of qualified professionals and scientists, close scrutiny to the harmful effects marijuana can and does have on many individuals.

Proponents of more lenient use laws, and even legalization, do not seem to recognize or care about the very real dangers involved. The question of eased laws, or ultimate legality, has got to *follow*, not precede, the question of potential harm.

Recently my 16-year-old son, David, took his own life by hanging. He was a beautiful young man in every respect, and his last act was to leave us a letter as a warning to others. I would appreciate it very much if you and other members of your subcommittee would review the enclosed article giving details of his life and death.

Note in particular that David pinpointed the regular smoking of marijuana as his "mistake." Also, he specifically says that marijuana led him to try LSD. Based on David's letter and on subsequent talks I've had with students and police officials, I personally believe that marijuana is the most insidious of all drugs. It's the bait that gets our youth involved at the outset, and leads many on to other drugs. Narcotics officers tell me that most hard drug users started with pot.

We were unaware of David's use of marijuana, and like many parents, were completely ignorant of the symptoms. Since, but too late to help David, we know them well and now they're all too clear—drowsiness, depression, and some apparent psychosomatic symptoms that his doctors felt were imaginary. We also subsequently learned from his friends that David had been working hard to cure himself of his addiction to this drug. Doctors frequently make a distinction between physical and psychological addiction, and say that marijuana can cause the latter. I think there is an implication that psychological addiction is less onerous. My only comment on that is that the final morning in school before taking his life, he told a close buddy that he "couldn't keep off pot" and needed it. All I've learned about David's last few weeks of life convinces me that marijuana, not LSD, precipitated his suicide.

David's case may not be as extreme an example as it appears. I believe that many teenage suicides stem from this cause. I also believe that marijuana is driving a wedge between parents and children in thousands, probably millions, of homes across the country. You don't hear much about this because families with marijuana problems don't find it a subject they care to discuss, even among their closest friends.

Finally, I believe it is entirely illogical to have criminal penalties for the production and sale of a drug like marijuana, while at the same time ease penalties or possibly legalize possession and use. Moves in this direction will condone use, broaden the market and increase the profits for those engaged in illegal trafficking. Worst of all, we would be increasing the likelihood of irreparable harm to the young people of this country.

Mrs. Beggs and I thank you, Senator Eastland, and your fellow committee members for your diligence on this most serious subject. We also hope that David's warning proves helpful to you and to the young people of this country.

Sincerely yours,

HERBERT S. BEGGS.

LETTER FROM DAVID BEGGS TO HIS PARENTS

DEAR MOM AND DAD: You have probably wondered why I have been acting so strange lately. The reason is simple.

During my freshman year, I tried pot. I liked it. Soon I started smoking it regularly. That was my mistake. This led to the trying of LSD. I tried this drug several times.

I am now at the point where clear thinking is impossible. My friends have noticed it and I think you have too.

You have been great parents to me and please don't blame yourselves for any of this.

Warn Andy and the girls about this.

Love,

DAVID.

Mr. EASTLAND. Mr. President, I further ask unanimous consent to insert in the RECORD the text of the letter to which I have referred from Dr. Robert L. DuPont, Director of the Special Action Office for Drug Abuse Prevention.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 6, 1974.

Hon. JAMES O. EASTLAND,
U.S Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: I have followed with interest the Internal Security Subcommittee hearings on the potential dangers of marihuana use. The Committee—and you as its chairman—have performed a valuable public service in bringing the scientific evidence of the health hazards of marihuana to the public attention:

My congratulations for the excellent job done, and my sincerest thanks as well.

Cordially,

ROBERT L. DUPONT, M.D.,
Director.

Mr. EASTLAND. Finally, Mr. President, I ask unanimous consent to insert in the RECORD the text of a resolution on cannabis and its derivatives adopted this last September 25 by the General Assembly of the International Criminal Police Organization-Interpol, by a vote of 90 for, with none against and no abstentions. This resolution is highly significant because it demonstrates that around the world, those who are charged with the responsibility for law enforcement have absolutely no doubt about the serious dangers of marihuana and the other cannabis derivatives.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON CANNABIS AND ITS DERIVATIVES

Noting that the ICPO–Interpol General Assembly at its 40th, 41st, and 42nd sessions adopted resolutions recommending the eradication of illicit cannabis cultivation as well as programs warning the public of the direct and indirect dangers of cannabis and its derivatives.

Recognizing that numerous seizures of increasingly large quantities of cannabis indicate growing traffic and abuse.

Particularly concerned at the growing traffic in and abuse of the extremely dangerous extract known as "liquid hashish."

The ICPO–Interpol Genreal Assembly, meeting in Cannes from 19th to 25th September, 1974, at its 43rd session,

Reaffirms the recommendation contained in the above-mentioned resolutions,

Calls the attention of all member countries to the necessity for intensifying the struggle against the traffic in liquid hashish.

Adopted September 26, 1974 by a vote of 90 for, 0 against, 0 abstentions.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 352

At the request of Mr. Moss, the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of Senate Resolution 352, a resolution to amend rules XXV and XVI of the Standing Rules of the Senate with respect to jurisdiction over energy research and development matters, and for other purposes.

SENATE RESOLUTION 418

At the request of Mr. AIKEN, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of Senate Resolution 418, a resolution relating to the need for an increase in the price support for milk.

AMENDMENTS SUBMITTED FOR PRINTING

DEEPWATER PORT ACT OF 1974—S. 4076

AMENDMENTS NOS. 1953 AND 1954

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted two amendments intended to be proposed by him to the bill (S. 4076) to regulate commerce, promote efficiency in transportation, and protect the environment, by establishing procedures for the location, construction, and operation of deepwater ports off the coasts of the United States, and for other purposes.

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT—S. 4016

AMENDMENT NO. 1955

(Ordered to be printed and to lie on the table.)

Mr. HRUSKA submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1944

At the request of Mr. SCHWEIKER, the Senator from Utah (Mr. BENNETT) was added as a cosponsor of amendment No. 1944, intended to be proposed to the bill (S. 3265) to amend the Jury Selection and Service Act of 1968.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Edward S. King, of New York, to be U.S. marshal for the western district of New York for the term of 4 years—reappointment.

Marshall F. Rousseau, of Texas, to be U.S. marshal for the southern district New York for the term of 4 years—repointment

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, October 10, 1974, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

PRESS ATTACKS ON PRESIDENT FORD

Mr. THURMOND. Mr. President, since President Ford acted to pardon former President Richard Nixon, he has been subjected to criticism of nearly every action he has taken. This effort to weaken confidence in our Nation's new President is taken note of in two articles in the Aiken Standard newspaper published in Aiken, S.C.

The first article appeared on this newspaper's editorial pages under the title "Hatcheting Mr. Ford." The second article, written by Ralph de Toledano, appeared as a column under the title "Making Mincemeat of a New President."

It would seem that the press, recognizing Mr. Ford is the only President we have, would give him some time to adjust to this new and awesome responsibility. I doubt very seriously Mr. Ford will ever suit papers such as the Washington Post and the New York Times, but whatever success he may have in the White House will certainly be diminished if public confidence in his competence is destroyed within a month after his taking office.

Mr. President, I ask unanimous consent that these two editorials be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials ordered to be printed in the RECORD, as follows:

[From the Aiken Standard Sept. 23, 1974]

Hatcheting Mr. Ford

Speculation on Richard Nixon's health ranges all the way from fear of suicide, heretofore a taboo subject but now openly discussed in the press, to labeling of the former President as a habitual charlatan now making a play for sympathy as a sick man. The picture is further confused by comments from his doctor and younger members of his family.

Having no inside information, we reserve judgment on Mr. Nixon's health. While in the White House he seemed to have a rugged constitution, both physically and mentally, but the strains he has undergone are enough to wreck a person both ways.

Whether President Ford was justified by these considerations in granting a pardon which has shut off prosecution of Mr. Nixon thus becomes a matter of opinion based on incomplete information. Nevertheless, the issue is being used by the enemies of Richard Nixon to punish Gerald Ford.

The hatchetman are out to cut down Mr. Ford with Watergate memories as their ax. They are portraying a humane act as a political blunder, or even a sinister deed, in either event casting doubt on President Ford's capability of reaching momentous decisions. One gathers that these critics welcome an end to a short-lived honeymoon and rejoice in further erosion of public confidence in national leadership.

Perhaps in response to such criticism, President Ford is clearing out the Nixon advisers, notably Gen. Alexander M. Haig Jr. According to some accounts Gen. Haig was virtually acting President during the final months of the Nixon presidency. The critics are blasting his assignment to command NATO on the ground that it is a political reward, lifting him above seniors in the military establishment.

If one listens to the hatchetmen, nothing good can be expected of a Republican, a partisan opinion that the public should recognize and receive with skepticism.

[From the Aiken Standard, Sept. 26, 1974]

Making Mincemeat of a New President

(By Ralph deToledano)

In my lifetime, I have seen three presidents cut up into small bite sizes by the media and the politicians. The first of these was Herbert Hoover who was blamed (1) for causing the depression of the thirties, and (2) for not trying to do anything about it. History now records that Hoover was a victim of an international financial panic and that his efforts at fighting that depression were blocked by the Democratic Party and by Franklin D. Roosevelt. The second was Lyndon B. Johnson, who never understood what hit him. The third, of course, is Richard Nixon.

Someday, I truly believe, there will be a better understanding of President Johnson—his strengths and his shortcomings—which will demonstrate that he was not the monster that the Kennedy-oriented media depicted.

As for Richard Nixon, too much has been written for any comment at this time. Whatever his crimes, they hardly merit the punishment he has received at the hands of the media.

In the case of Richard Nixon, the media tasted blood. They demonstrated that even a president with an overwhelming electoral mandate could be chewed to pieces—and now the Washington press corps, having proved its kingship, is out to prove its power by doing in President Gerald Ford. During the French Revolution, the press claimed legitimacy as a recognized part of government—the fourth estate—and today it is out to ram home the "validity" of that claim.

Mr. Ford, let's face it, is a tainted man in the eyes of the Washington press corps. He has an unabashed faith in God. He subscribes to all the ridiculous Judeo-Christian beliefs in justice and mercy. And worst of all, he is a Republican.

(At the National Press Club, a Republican may be admitted to the bar, but he always measures the distance to the nearest exit.) It might be observed, parenthetically, that unlike John F. Kennedy, who regarded the media with glorious cynicism, Mr. Ford takes the Washington press corps with disturbing seriousness.

There was much talk of the "honeymoon" for the first weeks of President Ford's tenure. But in the private conversation of Washington correspondents, it never really existed. They were merely biding their time. The moment he pardoned Nixon for the crimes he committed or may have committed in the Watergate affair, Mr. Ford was fair game for the chop-chop, slice-slice technique so dear to some of my colleagues. Dan Rather of CBS set the stage for the attack by stating flatly that the pardon was a "deal."

But what kind of deal? What benefit could accrue to Mr. Ford from the pardon?

What quid pro quo could Richard Nixon, hiding in San Clemente, offer the President of the United States? A child could have predicted that this act of compassion to a man broken in spirit and in bad health would be hurtful to the White House. The accusation that a "deal" had been made, however, was only the first orchestrated note.

Within hours of the pardon, President Ford was being assailed from all sides for not having also pardoned those convicted or facing trial for their complicity in the Watergate affair. There might have been some logic to this if it could have been demonstrated that the John Mitchells, the H. R. Haldemans and the John Ehrlichmans had acted under presidential orders—but there is little evidence to this effect.

President Ford accepted this onslaught in good faith. And in good faith, he let it be known that he would give careful consideration to what was being urged.

Predictably, the unleashed new attacks—and from those who had made the point of a general pardon in the first place. For Mr. Ford, it was: "Tails you win, heads I lose." For when the destruction of a president begins, he can do no right. He is always in the wrong. For the country this can only mean that the tremendous problems of inflation and the federal budget will have to wait while the Washington press corps goes about its business of attempting to make mincemeat of a new President.

DEVELOPMENTAL DISABILITIES—A MAJOR BILL FOR THE HANDICAPPED

Mr. BENTSEN. Mr. President, the passage by the Senate of S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act, represents a significant stride forward for America's millions of handicapped citizens. As a cosponsor of this legislation, I am pleased that it extends for 5 years our programs to combat retardation, epilepsy, cerebral palsy, autism, and a wide range of other disabling diseases.

Not only does the Senate bill extend present programs; it improves them. It requires coordination at the State level to assure that the handicapped are more effectively served. It writes into law the recommendations of the Joint Commission on the Accreditation of Hospitals' standards for residential and community facilities for the mentally retarded and other disabled individuals, beginning the process of improving facilities which have for many years frequently been substandard and degrading. It broadens and clarifies the term "developmental disabilities" to serve a wide range of conditions which have received inadequate attention before.

There are some 46 million handicapped Americans. They seek little more than other Americans—to learn and grow, and, as adults, to have a job, to be secure, to contribute to society and to enjoy the benefits of our land. I believe the passage of S. 3378 is a clear signal to these Americans that the Congress intends to address their needs decisively.

DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT

Mr. HOLLINGS. Mr. President, I am pleased the Senate has passed S. 3378, the Developmentally Disabled Assistance and Bill of Rights Act. This legislation is a milestone in providing a framework by which States and local communities can address the problem of the developmentally disabled individual. Up to now, some 3 to 4 million children who are defined as developmentally disabled have been served only through fragmented efforts of States, local communities, and private foundations. Certainly, we can commend these efforts, but I am pleased that Congress is considering a proposal which commits Federal assistance to help these individuals.

I am particularly gratified that this legislation includes autism within its scope by authorizing moneys for research, teacher training, and construction of facilities to treat autistic children. As the Labor and Public Welfare Committee reported, "autism has been the most neglected of childhood disabilities partly because of ignorance and misunderstanding".

The problems of autistic children were brought to my attention several years ago, and I have been actively working to have legislation enacted which would establish a comprehensive plan for the care and treatment of these children. An autistic child is usually described as one having severe behavior and communication disorders. By a conservative count, there are approximately 1.4 million children under age 18 who have severe emotional problems, and the hard core of these children could be described as autistic. The autistic child is helplessly withdrawn from the reality of life around him and requires constant care and attention. It is with difficulty that they are able to communicate with their world at all and without treatment these children are usually placed in a State mental institution where they receive merely custodial care.

However, it has been shown that with treatment programs, these children can become productive members of their community. Many of them can recover completely, and many can be taught self-help skills to allow them to live and work in half-way houses and workshops. I am very proud of the program that was established recently by the South Carolina Department of Mental Retardation to teach autistic children socially acceptable behavior and basic skills of living. In addition, this program provides parental training in the care of autistic children. However, the States' resources are limited and by itself cannot serve the some 25,000 autistic or emotionally disturbed children within the State.

With the passage of S. 3378, the millions of individuals suffering from a developmental disability will have the opportunity to enjoy life—and receive the care and treatment they deserve. I am pleased these individuals have been so recognized.

HOW U.S. AIRLINES ARE TAKEN

Mr. GOLDWATER. Mr. President, S. 3481 is going to be before us relatively soon for a vote and so that my colleagues might be better informed as to why this is so badly needed, I ask unanimous consent that an article from the Airline Pilot of August, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW U.S. AIRLINES ARE TAKEN

(By Danna K. Henderson)

The Australian government charges Pan American World Airways $4,200 to land a Boeing 747 at Sydney Airport. At San Francisco, Australia's Qantas Airways pays $271 for a 747 landing.

In Rome, Trans World Airlines is billed about $600 for each 747 landing (plus a 50 percent surcharge if the landing is at night). The Italian national carrier, Alitalia, pays nothing.

When U.S. airlines want to add airplanes to their fleets, they borrow money from commercial banks at interest rates currently in the 11-12 percent neighborhood. When a foreign airline wants to buy a U.S.-built airplane, it finances the purchase at 7 percent through the Export-Import Bank. As a result, the U.S. airline pays about $7 million more for a wide-body jet than does the foreign airline that competes with it on its routes.

If an Italian industrialist needs to come to the U.S. on business, the Italian government requires him to fly on Alitalia. When an American businessman goes to Italy, the U.S. government places no restraints on his mode of travel. (If his destination is somewhere other than Rome, however, he may find that connecting space on Alitalia is "not available" if he crosses the Atlantic on a U.S. carrier. But the space will magically become available if he changes his transatlantic reservations to Alitalia.)

These startling facts are just a sampling of the discriminations with which U.S. flag airlines must contend as they compete for business in the world transportation marketplace. When the burdens of discrimination are coupled with traditional enormous wage disparities and the recent extraordinary escalation in fuel costs around the world, it is little wonder that the future viability of U.S. flag carriers is currently in serious question.

The gist of the problem facing the U.S. international airlines, says the Air Transport Association, is that they must vie as free enterprises against competitors that are controlled and financed by governments, and must do so in a market in which both prices and the costs of doing business are also a matter of government edict. What's more, foreign airlines have virtually unrestricted access to the U.S. passenger market, while U.S. carriers are hampered at every turn in their efforts to do business abroad.

That this nation's airlines aren't faring very well in the competitive arena is evidenced by the statistics.

In 1973, U.S. airlines exported an estimated $1 billion in air transport services to foreign countries, but the U.S. imported $1.7 billion worth of services from foreign carriers. The U.S. provided 68 percent of the passengers that crossed the North Atlantic, but 58 percent of the total passengers flew on foreign airlines. There are 57 foreign carriers providing service to and from the U.S.; only four U.S. carriers (Pan Am, TWA, Braniff and Northwest) are engaged in scheduled international service in a major way.

LANDING CHARGES[1] AT SELECTED UNITED STATES AND FOREIGN AIRPORTS—BOEING 747B (200 PASSENGERS)

	Landing fee	Per A/C charge	Per pax charge	Total pax charge	Total charges
U.S.:					
New York (J.F.K.)[2]	$291	$48.86	$5.82	$1,164	$1,503.86
Chicago (O'Hare)	328		.40	80	408.00
Miami	118				118.00
Los Angeles	178				178.00
San Francisco	237		.17	34	271.00
Seattle	902				902.00
Honolulu	494				494.00
Foreign:					
Amsterdam	$1,036		$3.27	$654	$1,690.00
Frankfurt[3]	1,395	$177.25	1.96	392	1,964.25
London[4]	840	296.10	1.90	780	1,516.10
Paris[5]	1,180	94.94	3.54	708	1,982.94
Sydney[3]	4,200				4,200.00
Tokyo	1,215				1,215.00

[1] Landing charge defined as any charge related to movement of aircraft, passengers or cargo into or out of an airport paid by an airline.

[2] Charges estimated for processing passengers through the International Arrivals Bldgs.

[3] To be increased.

[4] Plus $150 peak-movement charge.

[5] Night surcharge: $12.50.

It is against this background that the U.S. flag carriers are currently seeking redress in Congress against the unfair and unequal competitive treatment visited upon them from two sources: foreign governments and their own government. "We have now reached the point where America's international airlines can no longer accept such unequal treatment and continue to be viable competitors carrying the United States flag around the world," says ATA.

The discriminations that disturb the carriers the most are those practiced by the U.S. government. For example:

(1) Foreign airlines spend less for the airplanes they fly than do American carriers because they are able to finance the purchase of U.S.-built aircraft through the Export-Import Bank at interest levels far below the U.S. prime rate. Over the past 17 years, Eximbank has loaned $4.2 billion to nearly 100 airlines for the purchase of 1,009 commercial jets, giving these airlines a significant cost advantage over their American competitors.

Congress is now considering legislation that would extend the Eximbank charter for another four years and increase its lending authorization to $30 billion. The U.S. airline industry is seeking to attach to this legislation an amendment that would give U.S. carriers access to Eximbank financing for the purchase of U.S.-manufactured airplanes used primarily in international service. ATA cites as precedent for its request the maritime industry policy of providing a construction cost differential for ships built in the U.S.

"More favorable financing of foreign carrier aircraft purchases has become too much of a burden for the privately owned and financed U.S. carriers to bear," ATA told the Senate Banking Committee. "We believe that this major cost of doing business must be equalized for the U.S. flag airlines operating in competition with foreign carriers."

(2) The U.S. Postal Service pays much higher rates to foreign carriers than to U.S. airlines for the transportation of international air mail. The present rate paid to U.S. carriers is 31 cents per ton-mile, but the U.S. government, as a member of the Universal Postal Union, pays as much as $1.73 per ton-mile to foreign airlines to transport U.S. mail.

In an effort to rectify this and similar inequalities, the airline industry has rallied behind H.R. 14266, a bill "to deal with discriminatory and unfair competitive practices in international air transportation." One section of the bill would require the payment to U.S. airlines of mail rates no lower than those the Postal Service pays to foreign airlines for the transportation of the same mail.

(3) There is no legislative mandate requiring that U.S.-financed travel be accomplished on U.S. flag carriers. Most other nations, by contrast, require that their national carriers be used not only for official government travel, but for transportation required by businesses and organizations financed in whole or in part by the government. In many countries, most corporations have some measure of government control; thus, such policies mean that U.S. airlines are denied access to a large proportion of the world's business travel market.

H.R. 14266, if passed, would help this situation by requiring that U.S. government-financed movements of both people and cargo be accomplished on U.S. airlines wherever possible.

U.S. ROUTE CARRIERS ENGAGED IN FOREIGN OPERATIONS AND FOREIGN POINTS SERVED AS OF JUNE 30, 1973

Area	Countries	Points
Europe	21	39
Africa	14	14
Asia	17	22
Oceania	5	6
Western Hemisphere	32	58
Total	89	136

(4) Foreign governments spend a considerable amount of money to entice U.S. citizens to fly on foreign airlines, but U.S. airlines do not receive equal promotional assistance from the U.S. Travel Service. To remedy this problem, H.R. 14266 would require USTS to "encourage to the maximum extent feas-

ible travel to and from the U.S. on U.S. carriers."

The second source of the discriminations suffered by U.S. flag carriers are the actions through which foreign governments extend preferential treatment to their national airlines.

The problems faced by U.S. carriers in this area are well recognized by the U.S. government. They were documented in country-by-country detail by CAB in a two-volume study published by 1973, and they are currently under study by an inter-agency task force that is engaged in a major effort to improve the financial situation of U.S. international airlines.

As ATA put it in testimony prepared for congressional hearings on H.R. 14266 and its Senate equivalent, S. 3481: "(We) emphasize most strongly the shocking difference between the competitive conditions U.S. airlines find in many foreign countries and the complete freedom and equality of opportunity found by foreign airlines in their operations here in the United States."

CAB was even more blunt: "(Foreign) government aviation policy is designed to protect the government interest and the carrier at all costs, or without regard for cost, as the case may be."

As described by CAB and ATA, here are some of the practices with which U.S. carriers must cope abroad:

(1) Because the government-owned national carrier frequently controls both domestic and international services, it is able to deny connecting domestic space to passengers who do not enter the country via the national airline. On occasion a rebate of the domestic portion of the transportation is also granted in return for booking the international portion on the national carrier.

(2) Discriminatory taxes and fees are often imposed on U.S. airlines. For example, a country may tax the gross sales of a U.S. carrier but collect taxes only on the net income of the national airline. Or it may exempt its own carrier from customs charges. Or it may charge duty on support equipment imported by U.S. carriers but not on equipment brought in by its own airline. In some instances, countries have reduced the duties charged on imported goods if the goods are transported by the national airline.

(3) Contrary to the policy that prevails in the U.S., many countries allow their airlines to own or control such travel subsidiaries as travel agencies, tour operators and freight forwarders. Since more than half of the total business of international airlines is produced by travel agencies and similar organizations, control of the retail marketing system in a foreign country by the national carrier severely curtails the marketing opportunities of U.S. carriers. By contrast, the vast U.S. travel retailing system is available on an equal basis to U.S. and foreign airlines.

(4) Currency restrictions create financial problems for U.S. carriers in many countries. Often a U.S. airline is not allowed to accept local currency in payment for air transportation. Some countries require elaborate authorization procedures of citizens who wish to use local currency to pay U.S. airlines, but impose no such restrictions on payments to the national airline. U.S. airlines experience long bureaucratic delays in seeking to convert and remit funds they hold in the national currency.

(5) The national carrier often is given preference in air traffic control handling, assignment of terminal and gate space, baggage handling, schedule slotting and similar matters. In some countries, the national airline is provided with free services by other elements of the government.

CAB characterizes the practices indulged in by other countries as "questionable or unethical" at best and "obviously discriminatory" at worst. Where the restrictions severely curtail the competitive freedom of U.S. carriers, says CAB, efforts to counteract them should receive "high priority" in bilateral negotiations. The prime objective of the United States, adds CAB, should be "equality of opportunity for U.S. carriers to compete for the national traffic on an equal footing with the national carriers."

Although governmental policies aimed at giving national carriers an edge in the market are looked upon with disfavor by U.S. airlines and the government, they are not nearly as objectionable as are the blatantly discriminatory user charges that are found in many countries.

The airlines emphasize that they are not in any way opposed to paying a fair price for services they receive in the form of communications and navigation networks, air traffic control, and airports at which to land. What they object to is footing the bill for things they don't use, or paying excessive charges that are not related to the cost of the services rendered.

The "for instances" occupy a full volume of the CAB study of restrictive practices.

In some countries, like Italy and Greece, U.S. carriers pay healthy landing fees while the national carriers pay none. For example, U.S. airlines spent some $2 million for landing fees at Rome in 1973; Alitalia spent nothing.

To the argument that the payment of fees by a government-owned airline to a government-owned airport authority amounts merely to a transfer of funds from one pocket to another, the airlines reply that payment of such fees is carried as an expense in an airline's books and thus forms a part of the cost base for ratemaking purposes. Moreover, says ATA, "it must be assumed that the landing fee charged to the U.S. carrier is sufficient to compensate for the exemption to the national carrier." In other words, all of the airport's costs are being paid by outside users.

In other countries, like England and Australia, a different practice prevails. Here the airport authority has two mandates from the government: to operate a network of airports and to return a profit. It fulfills its obligation by establishing for its principal airport a landing fee structure high enough to balance the losses incurred at secondary landing fields.

It is for this reason that U.S. airlines pay $4,200 to land a 747 at Sydney Airport, and $1,965 for a 707 landing. Qantas, the government-owned carrier, pays the same charges to the government airport authority. Through these fees, the carriers are paying not only for the facilities and services they receive at Sydney, but for maintaining airports they do not use in places like Perth and Brisbane.

The situation is similar in Great Britain. There, the fees paid by airlines using London's Heathrow Airport are used not only to subsidize four other airports, but to provide a 14% return on investment for the British Airport Authority. This rate of return, incidentally, is somewhat above the 12% rate established by CAB as desirable for U.S. airlines, and seldom if ever achieved by them.

The startling disparity in landing fees that results from such policies becomes evident in a comparison between Heathrow and New York's JFK International. At JFK, where it has its own terminal, British Airway pays $291 to land a 747, plus about $100 in aircraft-related charges such as ramp fees, for a total of $391. At Heathrow, Pan Am and TWA pay an $840 landing fee for their 747s, plus a $282 terminal air navigation facility charge, $14.10 for the use of loading bridges, and $380 in passenger service charges for 200 passengers—along with an additional $150 surcharge if the airplane arrives during peak hours. The total bill comes to $1,675.

Says CAB: "The United States basically has no quarrel with levels of landing charges set to recover costs. But it is another question when the rates are designed to subsidize other airports—not used by U.S. carriers—or to meet unrealistic rates of return on assets. It is equally a problem to us when foreign air carriers are exempt . . . from the payment of landing fees which U.S. air carriers must pay."

CAB is also alarmed at the sharply rising levels of airways and enroute charges being levied around the world in a growing move to recover the costs of these services from the people who use them. "There is nothing inhrently wrong with this objective if the increases are introduced in an orderly manner and the cost recovery objective remains centered," says CAB. "The real crux of the problem is whether the entire cost of recovery can be passed on to the carriers and users without doing harm in a wide economic context."

In an effort to combat the problem of excessive and unfairly levied user charges, the airline-backed unfair competitive practices bill proposes to give the U.S. government the authority to impose offsetting charges on foreign carriers. The amounts collected would accrue into a special account from which payments would be made to U.S. carriers "to compensate (them) for excessive or discriminatory charges paid by them to the foreign countries involved."

The airlines regard the offset charge authority primarily as an "ultimate weapon" to strengthen the U.S. position in bilateral negotiations, rather than as a revenue-producing venture. Pointing out that efforts to moderate excessive fees have not met with notable success to date, ATA contends that the authority to retaliate will give the government the clout it needs to force a more reasonable approach to user charges.

The airlines are hopeful that their efforts to improve their competitive position in the world will bear fruit this year, and that Congress will act on the unfair practices bill before it becomes embroiled in the impeachment proceedings this fall.

ATA summarizes the position of the U.S. flag carriers succinctly:

"We firmly believe it is time for the American government to be aware of these problems and to understand the necessity for equalizing the competitive balance that for years has rested in favor of the foreign competition. Our international airlines ask no more than an opportunity to compete."

Mr. GOLDWATER. Mr. President, I would call my colleagues' attention to the great discrepancy in landing fees that are charged our airlines by foreign countries and what we charge foreign countries' airlines. For example, the landing fee in Sydney, Australia, is $4,200, but an Australian airliner landing in, say, San Francisco pays $237. I think it is high time that we treat other countries as they treat us. In other words, if Sydney is going to charge us $4,200 to land, let us charge them $4,200 to land and, also, let us require them to pay the same price for fuel that our airlines pay overseas.

CAPITAL—AGRICULTURE'S LIFEBLOOD—DRYING UP

Mr. HUMPHREY. Mr. President, we are all aware of the administration's efforts to restrain inflation through the use of high interest rates and a tight money policy. We are also aware that this broad deflationary policy, a principal tenet of the "old time economic religion," is not effectively doing the job of holding down prices.

In fact, Dr. Alan Greenspan, Chairman

of the President's Council of Economic Advisers, admitted last Thursday in testimony before the Joint Economic Committee, that the rate of inflation will accelerate to 12 or 13 percent by Christmas. This is bad news for all of us. But, it is even worse news to our family farmers who are bearing an unfair burden as a result of the administration's anti-inflation efforts.

Tight money has pushed up interest rates; but unlike large corporations, farmers cannot simply pass this higher cost on to consumers. Family farmers must pay these higher production costs out of their own savings. Even more alarming is the flow of loanable bank funds due to high interest rates, through the Federal funds market, to big New York City banks and out of our agriculture areas. Congress has passed legislation guaranteeing livestock loans, for example, but it does no good if the tight money policies of this administration continue to dry up farm loans. By next spring, many family farmers will be driven out of business, after generations on the farm, if the extreme tight money policy is allowed to continue.

Mr. President, I do not understand how ruining the small farmer is going to put a stop to rising food and fuel prices. Maybe the White House economic advisers know something the rest of us do not, but if past performance is any guide, they are way off base.

It is important that the administration understand the dominant role now played by credit, by commercial loans, in agriculture. Without credit, we cannot grow food in large quantities; and without abundant food supplies next year, we will see inflation soaring even faster than at present. Contrary to the administration's views, we need an "easier" money policy to hold down inflation next year.

Yesterday, Mr. E. A. Jaenke, Governor of the Farm Credit Administration, outlined in a clear and comprehensive way to the Joint Economic Committee the role of credit in farming. He makes a very persuasive argument that credit must be available to farmers if our economy is to regain full health. He forcefully states what I know to be a fact, that "credit is the lifeblood of American agriculture." I urge the administration not to prevent the cure and kill the patient by continuing the overly tight money policy which only treats the symptoms while the disease gets worse.

Mr. President, I ask unanimous consent that Mr. Jaenke's remarks before the Joint Economic Committee on October 2, 1974, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF E. A. JAENKE, GOVERNOR, FARM CREDIT ADMINISTRATION, OCTOBER 2, 1974

Mr. Chairman and Members of the Subcommittee, my name is Ed Jaenke and I am Governor of the Farm Credit Administration. FCA is an independent Federal agency responsible for supervising and regulating in the public interest a nationwide network of farmer-owned credit institutions which are currently lending about $25 billion to agriculture annually. These organizations—the Federal Land Banks, Federal Intermediate Credit Banks, Production Credit Associations and Banks for Cooperatives—are the largest lending group in agriculture, providing nearly 40 percent of the institutional credit extended to farmers.

Mr. Chairman, perhaps nowhere else in the economy have events changed so rapidly in the past 2-3 years as they have in agriculture. No longer can we assume, as most people did in the past, that American agriculture would automatically overproduce the market and that food would be abundant and reasonably-priced.

Today, the situation is entirely different. American people are worried about high prices for food and there is great concern over food scarcities in countries which are unable to produce enough to meet their needs.

Not since World War II has agriculture been in its present position, where farmers are being exhorted to go all-out and produce fence-row-to-fence-row. Now people are reverting to growing "Victory Gardens" and even the crop reports, once of little interest, are major news stories.

As we entered the 1974 crop season, the supply-demand balance was tight. Extra plantings and a bountiful harvest were anticipated. But just when we needed her cooperation, Mother Nature let us down. We had a wet spring, a drought this summer, a hurricane that tore up the sugar cane crop, and just last week an early frost hit several Midwestern States, badly damaging corn, soybean and canning vegetable crops. It has been a bad year for both farmers and consumers.

What this unfortunate set of circumstances means, of course, is a need for greater production next year. Further translated to the agricultural lending community, the message is clear: Farmers, particularly those who suffered losses this year, will need to use more borrowed capital if they are to increase production.

There is another even more compelling reason why farmers will require additional capital in their operations next year. And that reason is simply that in many sectors of the agricultural economy earnings are down and many farmers are sustaining significant losses. Dairymen, beef feeders, cow-calf ranchers and poultry raisers are in an economic bind because of high feed costs and lower prices for their products. Farmers in areas hard-hit by drought or whose crops were wiped out by frost also will need additional borrowed capital to get going again next spring, and need to know now that it will be available.

At the beginning of this year, farm debt totaled $84 billion, an increase of $9 billion from the year before. The Federal Reserve Bank of Chicago recently forecast that this year's increase in farm debt would be about $11 billion. In light of the frost and other recent developments, this prediction may wind up on the conservative side.

Although the aggregate debt numbers are large, it is important to recognize that individual farmers have found credit essential. The average Farm Credit System borrower in 1973—a typical commercial farmer—managed farm assets of $350,000 and debts of $130,000. For these borrowers their debt was 37 percent of their assets and 59 percent of their net worth.

The rapidly escalating use of credit in agriculture is attributable in large part simply to inflation. Farmers' production costs have risen dramatically. Production expenses last year totaled $65 billion and current estimates are that they will climb to $76 billion this year.

Farmers are deeply concerned and apprehensive over the inflated costs of production. Just in the past year, for example, the U.S. Department of Agriculture Prices Paid Index reports the price of fertilizer climbed 60 percent, seed up 50 percent, diesel fuel up 70 percent, farm machinery up 15 percent, and farmland up 25 percent. All Americans are familiar with the higher cost of borrowed money—some farmers, for example, are paying twice as much to borrow money in 1974 as they paid for interest last year.

Other factors in the rising use of credit in agriculture are the increased size of farms, further specialization among farmers and the adoption of new technology. In such a situation, farmers will continue to substitute capital for labor.

The factors of further specialization and use of new technology also have reversed the historic pattern of the type of credit farmers use. Prior to 1972, real estate debt outstanding always exceed non-real estate debt. Now the opposite is true, as farmers increasingly use more short-term credit for operating funds and more intermediate term credit to purchase machinery, equipment, or feeder cattle.

One of the troublesome aspects of the change is now evident in the livestock feeding and poultry industry. High feed prices coupled with lowered live animal prices have reduced farmers' receipts, while at the same time their costs and expenses continue to climb. Many are having difficulty generating enough income to live and meet their obligations.

Feeders who have a solid collateral position in their land can refinance these short-term debts on a long-term basis. For these individuals, the problem is one of loss of equity and not of providing collateral for a loan.

Those whose net worth position isn't as solid are in a much more difficult bind. To illustrate how rapidly livestock producers can experience this equity squeeze, consider a typical cattle feedlot situation.

Earlier this year feeders bought cattle at an average price of about $40 per hundred pounds. To finish the cattle out to proper weight costs about $50 per hundred pounds. Instead of selling at higher prices, cattle sold at prices below both the purchase price and cost of grain. Thus, the more cattle a farmer finished the larger was his loss. Financial leverage was working against him.

What happens to this feeder now in this example is this his current liabilities are exceeding his current assets, thus posing big problems for him and his creditors, who do not want to further erode his savings or foreclose on his operation.

Another way to view the problems in the livestock and poultry industries is to examine the livestock-feed ratios—ratios which measure the price of livestock relative to the price of grains used to feed the animals. In all cases—the Corn-Hog Ratio, Beef Steer-Corn Price Ratio, Milk-Feed Price Ratio, Broiler-Feed Price Ratio and Egg-Feed Price Ratio—the relationships are at or near historic lows. Never before has the price of feed been as high relative to the price of live animals, poultry or milk.

Obviously, something has to give. And what is happening is that livestock production is being cut back. There are fewer placements of cattle in feedlots at this time. This means that within a few months, meats will be in short supply and demand will bid up the price again. There are, of course, historic and regular swings in cattle supplies and prices. But the difference now is the extent of the swings, which are far greater.

One of the more uncertain aspects of farming today is the business of planning. Adverse weather and unfavorable consumer reactions are but two of the factors that have made markets more volatile in recent years and made the job of planning more difficult.

Looking at agriculture from a long-range view, we see from agriculture's balance sheet at the beginning of this year that total assets were $478 billion, with farm real estate accounting for more than two-thirds of the total. The debt to asset ratio of 17.6 percent was 1.8 percentage points below the ratio of a year earlier. This decrease is due to an astounding 25 percent increase in the value of farm real estate, which gained $65 billion in value in that year.

Agriculture's debt to asset ratio, then, is favorable compared to other industries. When we look at the figures closely, however, there are other conclusions to be drawn. For example, only about one-half of the farmers in the U.S. use credit. Many of these, of course, are not what would be considered by any definition commercial farmers. Thus, they account for only a small portion of the agricultural production.

Additionally, of the approximately million farmers who do use credit, we estimate that their debt to asset ratio averages about 35 percent. This figure has been slowly rising over the years.

Another way to look at the use of credit in agriculture is in terms of capital flow. In 1973, $21.6 billion of capital flow was utilized by these million farmers.

Of this $21.6 billion, 43 percent, or $9.3 billion, was debt financed. It should be noted that annual capital flow to agriculture last year was the largest ever recorded and it came in a year when farm income was the highest ever realized. I would also like to point out that the percent of the capital flow that was debt financed—43 percent—was nearly 4 times the level of debt financing that prevailed in the period 1950–54.

There are 4 primary sources of funds available to farmers: (a) increase in debt, (b) capital consumption allowances, (c) net farm income, and (d) nonfarm income. Until the mid-1960's, net farm income was the primary source of funds for farmers and it was not until the 1970's that the percent of annual capital flow realized through debt exceeded 40 percent.

Looking to the future, we can see no letup in the proportion of capital flow which will be debt financed and there is a distinct possibility that the percent could go even higher, while the part financed from net income will be less. Even assuming a slower rate of inflation in future years and a less rapid increase in land prices, the annual capital flow projections remain about $20 billion per year.

There appears to be a general agreement that inflation is best halted through increased productivity. If the million farmers who use credit and who produce nearly all of our food are to achieve required additional efficiencies, it is essential, then, that they have access to adequate amounts of credit and at the appropriate time in their production cycle.

Generally speaking, adequate amounts of credit have been available to agriculture in recent years, although there have been adjustments in the percentages of credit supplied by the various credit institutions. In 1973, for example, commercial banks and the institutions of the Farm Credit System—the Federal Land Banks and Production Credit Associations—provided about equal amounts of the annual capital flow for both real estate and non-real estate purposes, 33 per cent for commercial banks and 34 per cent for Farm Credit lenders. Life insurance companies provided about 4 per cent. Individuals and miscellaneous lenders provided 23 per cent of the real estate credit.

The principal changes in the contributions by the groups from 5 years earlier has been increases by commercial banks and Farm Credit Banks and declines by life insurance companies on real estate loans and declines by merchants and dealers in non-real estate credit.

Mr. Chairman, agriculture is recognized among the various industries in the nation as one in which technology, when put into practice, immediately realizes substantial efficiencies. Farm output per hour, for example, has tripled since the 1950–54 period. The number of persons supplied farm products by one farm worker has risen from 25 in 1960 to 52 in 1972.

One of the principal reasons for this gain is directly attributable to the fact that credit has been available to permit farmers to make use of the new advances in technology. In recent years there has been some concern expressed over the fact that the rate of productivity in agriculture, while still advancing, has slowed. And this is true. The curve has flattened out some.

There are a number of reasons for this occurrence. First, we should recognize that some of the easy and fast advances have already taken place. Examples are the exodus of a large labor force, the near total adoption of the use of fertilizer and improved cultural practices.

It appears to me that future gains in productivity in agriculture will be both slower and more difficult to achieve. Reasons include the fact that the best of our tillable land is already in production, the labor force adjustments have been made, new high-yielding varieties of grains are not on the immediate horizon and available plant nutrients are costly and in short supply.

This is not to say that progress won't be made. Of course it will. The American entrepreneurial system of agriculture, backed up by a solid network of government and private research facilities, will continue to make substantial progress. There are still avenues open in which to generate efficiencies.

Mr. Chairman, many think of the United States of America as an industrial nation. And we have a right to be proud of the manufacturing and technological sectors of our economy. But agriculture has been, and continues to be, a vital and influential force in the Nation's economy.

Agriculture, in its truest sense, is a growth industry. Now, as a matter of national policy, American farmers are being called upon to produce even more—to feed this country and other countries of the world.

I am convinced that our agricultural producers are equal to the task. America's agricultural productivity is unparalleled on this earth. But if our farmers are to do the job, they need the tools. They need not only the farm machinery, seed, feed, and fertilizers, but they need the capital. A good deal of that capital, as we have indicated, is in the form of credit.

Capital is the lifeblood of American agriculture. If its flow is cut off or even curtailed, there is no way the economy of the United States can be restored to full health. Adequate credit for agriculture at the lowest possible rates must be given top priority to assure the kind of productivity that will benefit this Nation and its neighbors around the world.

If all lenders do their job in making productive agricultural loans, capital allocation or credit rationing will be unnecessary. So long as the Farm Credit System has competitive access to the Nation's money and capital markets, farmers will have a dependable source of credit at competitive rates. The Farm Credit System cannot and should not be expected to carry the full load of financing agriculture. Other lenders must maintain their commitments to agriculture, for it is only through a united effort that needs can be met.

Mr. Chairman, I appreciate this opportunity to appear before you and express my views on the financing of modern agriculture.

THE PARDON OF FORMER PRESIDENT NIXON

Mr. MONDALE. Mr. President, several days ago, a thoughtful column appeared in the Minneapolis Star. Entitled "Measuring the Limits of a Pardon's Force," this article explores the historical debate over the scope and nature of the pardon power in an evaluation of the recent pardon of former President Nixon. I believe that Austin C. Wehrwein, who authored this column, raised a number of important questions in connection with the pardon power, questions which deserve careful consideration in light of recent events.

Mr. President, I ask unanimous consent that the full text of Mr. Wehrwein's article be printed in the RECORD along with an excerpt from a speech which I delivered at American University that appeared with it in the Star.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star, Sept. 18, 1974]

MEASURING THE LIMITS OF A PARDON'S FORCE

(By Austin C. Wehrwein)

Richard Nixon owes a debt of gratitude to the British kings against whose system the colonists revolted in 1776 that is as heavy as his debt to President Ford.

It was their kingly power to "wash away the legal stain" with a pardon that the Supreme Court in 1867 wrote into our Constitution, which merely says a president "shall have power to grant reprieves and pardons for offenses against the United States, except in cases of impeachment."

The imported doctrine was that he who held a royal pardon was in the eyes of the law as innocent as if he had never committed the offense.

So when the founding fathers were fashioning the Constitution, Alexander Hamilton drew on the royal rule. Speaking specifically of the power to pardon treason, but giving his words that broad application, he said:

"Humanity and good policy conspire to dictate the benign prerogative of pardoning should be as little (as possible fettered or embarrassed." The result is that to change it a constitutional amendment is necessary.

A century later in a case called Ex Parte Garland, Justice Field without attribution cited Hamilton's key words about the chief executive's absolute pardon power, and was off and running.

"A pardon reaches both the punishment prescribed for the offense and the guilt of the offender," Field said in the 6-to-3 opinion.

"And when the pardon is full, it releases the punishment and blots out the existence of the guilt, so that in the eyes of the law the offender is as innocent as if he had never committed the offense."

"If," the justice continued, "granted before conviction, it prevents any of the penalties and disabilities, consequent upon conviction, from attaching; if granted after conviction, it removes the penalties and disabilities, and restores to him all his civil rights; it makes him, as it were, a new man, and gives him a new credit and capacity."

There is one catch, Field warned: "There is only this limitation. . . . It does not restore offices forfeited, or property or interests vested in others in consequence of the conviction and judgment."

In other words, as the other Watergate defendants well know, Nixon's pardon and his "new man" status don't restore or rescue them.

In dissent, Justice Miller stated the nature of the power a bit less grandiloquently. The pardon power, he said, "relieves the party from all penalties, or in other words, from all the punishment which the law inflicted for his offense.

"But it relieves him from nothing more."

Nixon might well ruefully agree were he inclined to cast a pragmatic eye on his fate insofar as public reaction to any washing away of a stain is concerned.

Either way, it is ironic for Nixon perhaps that one ramification of the Garland rule is that courts hold that a pardon restores a person's competency as a witness. And in an old Ohio case, the state supreme court held that even though a full pardon is obtained by fraud it restores civil rights and privileges.

Who was the Garland whose pardon by the first President Johnson loosened Field's flood of royal rhetoric? A. H. Garland of Little Rock, an eminent attorney who practiced before the Supreme Court prior to the Civil War, was a representative and then a senator in the Confederate Congress.

Johnson in 1865 granted him a postwar "full pardon and amnesty" for any part he had played in the rebellion but conditioned it on a loyalty oath required by the U.S. Congress as the law said he must. The gist of the long oath was that the person taking it swore he had never supported the Confederacy in any way. For Garland that was a true Catch 22 trap.

Garland sought to get out of it by contending the loyalty oath was unconstitutional, or if it was constitutional the pardon released him from taking it. Field for the Supreme Court majority agreed. He held the exclusion that would have prevented Garland from practicing law in and federal court was a bill "of pains and penalties," an unconstitutional bill of attainder and an unacceptable ex post facto law that deprived Garland of a property right (the right to practice law) without due process. Congress, Field said, could prescribe qualifications for avocations, but not in the guise of punishment. Then Field swung into his expansive exposition of the pardon prerogative.

In his dissent, Justice Miller said practicing law was a privilege, not an absolute right, concerning which Congress could prescribe terms for admission, rejection or expulsion of attorneys. Because the oath as a condition for practicing law was not a punishment, the power of the president to pardon has no effect on releasing him from the oath.

A lawyer, he said, "may be saved by the executive pardon from the penitentiary or the gallows, but is not thereby restored to the qualifications which are essential to admission to the bar."

Nixon, of course, has apparently avoided any question about his disbarment by relinquishing his license to practice in New York and California.

But there remains a question about the meaning of the pardon as a tacit accusation. How can he be pardoned if he had never committed "offenses," as the constitutional formula puts it?

Or in Field's expatiation, note that he spoke of the pardon's reaching "every offense known to law" and said it can be exercised at any time after the offense's "commission "

Plainly, to get a pardon, it would seem one must first commit an act that makes a pardon necessary.

[From the Minneapolis Star, Sept. 18, 1974]

Pardon Power Should Be Limited

(By Sen. Walter Mondale, in a speech at American University)

I reject the notion that it would have been impossible for Richard Nixon to get a fair trial. That suggestion is an affront to the American jury system, to the American system of justice and to the American people.

If we cannot expect equal justice in this case through the judicial system because of Mr. Ford's unfortunate act, I believe we must seriously consider whether the true national interest might not be best served by a continuation of the impeachement process.

I believe we should consider whether a House vote on impeachment followed by a Senate trial might not provide another much-needed means for fully ventilating the Watergate facts and Richard Nixon's role. At the very least, we can then prevent Richard Nixon from again holding office in this nation.

One final measure must be given serious consideration in the wake of President Ford's action.

Although the pardon power has its rightful place in our constitutional system, it is one of the few powers that is unchecked. It is not subject to the normal process of checks and balances, found repeatedly throughout our Constitution.

In order to prevent abuse of that power, or use of that power in a questionable manner, I would propose a check on the pardon power. Specifically, I believe that we should consider a constitutional amendment which would allow an exercise of the presidential pardon power to be overriden by a two-thirds vote of both houses of Congress.

Sunday's events represent a sad chapter in American history. We saw the ultimate cover-up and the ultimate injustice.

As we all consider now where we go from here, how we are to put Watergate behind us in an honorable way, and how we are to prevent the results that may well follow from Sunday's events from ever happening again, I believe we will do well to remember the words of former Watergate prosecutor Archibald Cox. Although spoken in another context, they seem particularly relevant today:

"Regardless of the outcome, the value of the proceeding will depend on whether the process is so conducted that the country perceives it as a fair and legitimate measure for restoring the integrity to government."

ZOO MANAGEMENT

Mr. THURMOND. Mr. President, recently there have been some serious conflicts between curators of zoos and officials of the Animal and Plant Health Inspection Service, APHIS, of the U.S. Department of Agriculture. Managers of zoos naturally feel that their animal exhibitions provide an increasingly valuable educational and entertainment purpose in our rapidly urbanizing society. They also maintain that properly managed zoological environments offer the best hope of preserving many endangered animal species.

On the other hand, USDA animal health inspection officials are naturally concerned about the possibility of introducing into this country dangerous diseases or pests, which are sometimes found on imported wild animals and birds. They rightly have an obligation to protect our domestic pets and livestock from possible contamination by any imported disease organisms.

Several weeks ago I was glad to be of assistance in arranging a public meeting, at which representatives of APHIS and the Columbia Zoological Park discussed problems and mutual concerns. A number or recommendations for changes in APHIS regulations were presented at this meeting, and I understand that further conferences between zoo management representatives and USDA officials have been planned. I also understand that several bills relating to these matters have been introduced in this session of Congress, and I certainly hope that they will receive thorough study and careful consideration.

Mr. John M. Mehrtens, director of the Columbia Zoological Park in Columbia, S.C., recently sent me several copies of a commentary by John M. Chamberlain, which pertains to the advisability of Federal management of zoos. Mr. Mehrtens has requested that this thought-provoking column be printed in the Congressional Record. I believe that Mr. Chamberlain's remarks deserve wider attention, therefore I ask unanimous consent that this editorial be printed in the Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Chicago Tribune]

Bureaucratic Cage for Zoos?

(By John Chamberlain)

There is a move on in Congress to federalize the zoos. Now, really!

The idea, of course, is well meant. But if the wild animals of North America could be interviewed on the subject of the federal government as nursemaid, one would surely be deafened by a hideous concatenation of yelps, screeches, yowls, and barkings, all sounding their objections.

The noble Department of the Interior, is supposed to be the keeper of wildlife on public lands. But not so long ago it was planting something called "1080" in explosive cartridges. Topped off with bait, or an appealing scent, the cartridges would be nibbled at by a coyote. The explosive would drive the "1080" down the coyote's throat and he would die in agony.

Livestock owners can make a good case that the coyotes are vermin, but the trouble with "1080" is that it also appealed to kit foxes, bobcats, pumas, and even domesticated dogs. Hoping to find a less indiscriminate killer, Interior has substituted sodium cyanide for "1080." But the kit foxes and pumas are, according to disinterested reports, still dying along with the coyotes.

The Golden Eagle supposedly counts on our Washington nursemaids for survival. But if a rancher shoots a Golden Eagle over his own acres from an airplane on the theory that his calves are endangered, nothing is done about it.

The reason for protecting sheep and cattle from wild predators is economic and is not to be condemned out of hand in a world that is short of protein. But what the history of federal coyote control proves is that Washington is always subject to pressure groups. Only a dictatorship could change that, and who wants a dictatorship? If the zoos of the nation were to be federalized, the humane societies would surely dominate the pressure on whatever zoo bureaucracy happened to be set up by the White House.

Well, what would be wrong about that? Let John Mehrtens, who runs the very successful Columbia Zoological Gardens in Columbia, S.C., tell you what is wrong.

The average save-the-animals American, he says, is a biological illiterate, and his reaction is always emotional. This illiterate deplores it when a cheetah is taken from its native habitate in South Africa, or when an Indian tiger is wrenched from his home in the Indian jungle. But the truth is that, in the not so distant future, the cheetahs and Indian tigers may very well owe their existence to protected zoo breeding banks.

"Habitat destruction," says Mehrtens, "is remorseless everywhere, and in South Africa the cheetah is regard as vermin to be exterminated."

The Mehrtens' statistics are ominous. A few years ago there were 40,000 tigers in India; today the number has dwindled to 1,800. There are more registered Siberian tigers in zoos than in the whole of Siberia. The last wild Balinese tiger was recently shot by a poacher. So the Balinese tiger is extinct simply because nobody had taken a pair out of their native habitat for a Western zoo. One of three orangutans are now born in captivity, as are two of every four gorillas. As for the African lion, 50 years hence he will be lucky to be living in a game park.

Mehrtens' point is that zoos are merciful as well as useful, provided, of course, they are well run. In a period of inflation, Congress, though it would surely be responsive to the emotional pressures of the humane societies, would hardly be willing to provide money to make the zoos better or to build up their breeding banks of endangered species.

Rather than have a timorous and poorly funded Washington bureaucracy running our zoos for the 103 million people who visit them in a year, and doing the usual sloppy federal job of it, Mehrtens would have the American Association of Zoological Parks and Aquariums take the responsibility for the animal show much as the doctors and the lawyers provide professional competence for their own ranks.

Washington has run the U.S. currency into the ground, devastating thousands of human beings. Why, then, should it be trusted to keep the animals happy?

GENOCIDE AND EXISTING TREATIES

Mr. PROXMIRE. Mr. President, in 1949 the United Nations passed one of the world's most historic and significant pieces of international legislation, the Genocide Convention Accord. This was a direct reaction to the World War II extermination of millions of Jewish people, an appalling attempt to eradicate a people from the face of the Earth.

To date, 78 nations have joined together in ratification of this important document. But this country has failed to ratify the treaty.

Opponents of the treaty have often argued that genocide is largely a domestic matter and therefore not appropriate to the treaty making power. The subscribes to this school of thought, however, seem to overlook existing procedures in treaties concerning migratory birds, the hunting of seals, and the traffic in narcotics. They do not think mass murder is worthy of the same treatment.

Congress, as the stronghold of American ideals of freedom and justice, has a moral obligation to ratify the Genocide Convention Accords of 1949.

OUR $125-A-DAY HOSPITALS

Mr. McINTYRE. Mr. President, all of us are concerned about the rising costs in today's economy. Certainly one of the most startling rises is in the health care industry. Over the past 10 years, hospital costs alone have risen an alarming 500 percent.

We must consider, of course, that hospital expenses have risen as well, especially in the area of labor costs. But as a recent article by Mr. John Kelly points out, the proportion of the labor costs reflected in the patients bill has remained constant.

Mr. President, 4 years ago I introduced the National Healthcare Act. This bill called for an across-the-board effort aimed at increasing the efficiency, quality, and equity of our health system. It did so by focusing on measures to increase the supply and distribution of health manpower, continue and expand the health planning process, increase the number of ambulatory care centers, establish equitable charge structures, and promote prospective setting of reimbursement rates.

I have been pleased that separate bills dealing with the distribution and training of manpower, and increasing funds for ambulatory care centers, have been acted upon by this body. The health planning bill should soon be reported by committee, and will then be before us for action. I have long felt, Mr. President that passage of all these measures is mandatory if we are to come to grips with the problems in our current health system.

In the article by Mr. Kelly, from the September 29, 1974, issue of Family Weekly, we have further evidence of the seriousness of this situation. As we are soon to take up the health planning bill, this article is indeed timely, and I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Our $125-a-Day Hospitals: Where Does All That Money Go?

(By John Kelly)

Almost everything is more expensive than it was a decade ago. But no item in the economy can match the precipitous 500 percent rise in hospital costs. In terms of your paycheck, this means that while you now work one-and-a-third times longer than you did in 1964 to purchase a loaf of bread and three times longer to buy a sirloin steak, you work five times as long to pay for a day of hospitalization.

Why?

According to Alexander McMahon, president of the American Hospital Association, hospitals have been caught in the same inflationary bind as the rest of the country—"but in our case, the situation has been worse. Our workers' wages have risen nearly 70 percent in the last six years alone. That's much larger than the pay increases given employees in other industries. Moreover," he adds, "people now expect much more from hospitals both in the way of treatment and personalized care."

All of which is true. But McMahon's answer tells only part of the story. While he's right that hospital workers' wage increases have outpaced those of the employees in other industries, in terms of the percentage of the patient's bill, labor costs are just the same. According to Harvard economist Martin S. Feldstein, an expert on hospital financing, labor costs in 1955 accounted for 60 percent of a patient's bill, and in 1971, they accounted for exactly the same proportion—60 percent.

It is also true that patients expect more from hospitals. But Louis A. Orsini, vice president of the Health Insurance Association of America (HIAA), says that the effects of this demand have been distorted by hospital administrators' "edifice complex." "When federal-loan funds became available for hospital construction, a lot of institutions began adding new facilities whether they needed them or not," says Orsini. "Cardiac monitoring units or a handsome new pediatric ward may add to a hospital's prestige, but if they aren't utilized, the cost will be passed on to the institution's other patients."

Government figures show that many of these new facilities aren't even being partially used. A study by the U.S. Comptroller General's office says that in 1971 only about 40 percent of the country's pediatric beds were occupied—36,021 out of a total of 89,420. Considering that each of these units cost an average of $15,000 to build, that means hundreds of millions of dollars worth of new facilities went unused. And, with our declining population growth, they will probably remain empty for some time to come.

The figures on cardiac-care units and emergency rooms make equally depressing reading. In 1972, only about three percent of the 416 hospitals equipped to perform open-heart surgery used their *facilities more* than four times a week. And of the 6,200 hospitals with emergency rooms, 3,744, or well over half, cared for less than 13 percent of all emergency cases reported.

Oklahoma City illustrates how out-of-hand the overbuilding mania can get. With a projected population of 700,000 in 1975, the community theoretically needs 2,696 hospital beds. But by the end of next year it will have 4,642—a surplus of 1,946. Each of these extra beds costs about $50,000 to build and another $20,000 to maintain each year. And since the surplus is expected to remain at about the 1,000-bed level for the next 30 years, the unneeded units could end up costing Oklahoma City residents $650 million.

But overbuilding is not the only problem. Another major villain is what's known as the "cost-plus" method of payment. Nearly 90 percent of the more than $35 billion collected by hospitals last year was paid for by Medicaid, Medicare, Blue Cross and commercial insurance companies.

Under the usual arrangement, Blue Cross or a private carrier agrees to pay the hospital for the expenses it incurs caring for insured patients, as well as an extra bonus payment. In effect, the institution is guaranteed a profit no matter how inefficiently it operates. Hospital administrators claim that the third-party plans monitor their costs closely. But critics don't agree. Even Walter J. McNerny, president of the national Blue Cross Association, Inc., concedes "that the system is relatively unchecked."

Take a simple matter like hospital wages. As a rule, administrators and staff physicians can pay themselves pretty much what they choose without fear of being brought to task by the third-party plans footing the bill. Thus, it's not at all unusual for the chief pathologist in a hospital laboratory to earn $100,000 a year or more.

Far more serious and expensive, however, are the duplications and inefficiencies spawned by the cost-plus system. "There are so many areas of potential savings in an average hospital, it would make your head spin," says Herbert S. Denenberg, former Insurance Commissioner of Pennsylvania and a leading consumer advocate. "I know one institution, for instance, that pays $7.50 for tape measures it could buy for 25 cents." Laundry service may seem like a relatively minor budgetary expense. But 24 Boston hospitals cut their annual cleaning bills by over $1 million just by pooling their laundry facilities.

If private business operated so inefficiently, customers would be up in arms. But, says Harvard's Feldstein, hospital costs have been so cushioned through medical insurance that the average consumer really doesn't feel the pinch (except, of course, in his steadily rising insurance premiums).

Another way we could all save money is if hospitals would perform more diagnostic procedures and minor surgery in out-patient facilities. But insurance companies often won't cover out-patient treatment. This encourages hospitals to admit patients who really don't need full hospital care.

There *are* hospitals that are pointing the way to a brighter future. For example, whereas in most hospitals a private room costs any where from $100 a day upward, patients at Memorial Hospital in Long Beach, Calif., pay only $20 a day. The reason? Memorial's special daily unit. Patients scheduled for minor surgery or diagnostic procedures check into the hospital at 7 a.m. By 8 a.m. they've been given the necessary lab tests and presurgical preparations, and by 10 a.m. the operation is over. Most are home in time for dinner.

The 800-bed Albany Medical Center in Albany, N.Y., is also saving patients money. Instead of closing its operating rooms and labs at night and on weekends the center operates them on a seven-day around-the-clock basis. As a result, the average hospital stay at the institution has been cut from 11.6 days to 8.9 days. That adds up to savings of over $300 for the average Albany patient.

Baptist Memorial Hospital in Memphis, Tenn., has also been a leader in creating cost-saving programs. In its recently opened special minimal-care unit, blood pressures and temperatures are only taken when a physician requests them. The patients administer their own medications and go to treatments on their own. According to the hospital officials, the elimination of more elaborate forms of care cuts $20 to $30 off each patient's daily bill.

Can Hospitals Cut Costs?

HERE ARE 10 WAYS SUGGESTED BY CONSUMERISTS

1. Keep operating rooms and laboratory facilities open nights and weekends.
2. End needless duplication of costly facilities, such as intensive cardiac-care units. (Many communities that could easily get by with one ICCU have three or four.)
3. Full insurance-company coverage of outpatient services.
4. More coverage for extended-care facilities. (Many older patients are hospitalized simply because their insurance doesn't pay for care given in nursing homes and similar institutions.)
5. Limit the number of residents and interns a hospital may employ. (A large part of patients' bills go to pay their salaries.)
6. Hospitals should buy generic drugs rather than their more expensive brand-name equivalents.
7. Pool purchases of equipment and supplies. This would help save a great deal of money.
8. Each hospital should have at least one consumer representative on its board.
9. Liberalization of staff privileges. (A doctor should be permitted to practice in every hospital in his community.)
10. End overbuilding. The typical hospital administrator's "edifice complex" has resulted in the construction of thousands of needless, costly hospital beds.

WICKENBURG AND THE BUDGET

Mr. GOLDWATER. Mr. President, when a Senator goes home to campaign or to just visit around among the folks in his State, he invariably is approached by group after group and individual after individual as to how we can get more Federal money. At this stage in our history when more Federal money than we sensibly should spend has been spent, we find a time when we should be hearing from people that recognize too much Federal funding is the source of our present dilemma.

The other day I was in the little town of Wickenburg in Arizona. It is very close to me; my grandfather in 1868 ran the stamp mill for Henry Wickenburg when he discovered gold at the Vulture Mine and continue to run it for some time after Henry had sold the mine and left.

He later was a merchant in the town of Wickenburg. One of my relatives served on an autopsy board in Wickenburg to determine who was at fault in the event of a massacre by Indians that killed a number of people. The Hassayampa River, a famous river, runs through the town and they say if you drink looking upstream you will never tell the truth, but if you drink looking downstream, you will always tell the truth.

Frankly, on the occasion of my visit the other day drinking would have been hard, for the stream was dry. However, while I was there, the mayor of Wickenburg presented me with a letter which he had written to me in Washington explaining their feelings about Federal funds and because it is such a patriotic, loyal, and really needed type of thinking in this country, I ask unanimous consent that it be printed in the Record at this point in my remarks.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Town of Wickenburg,
Wickenburg, Ariz., September 17, 1974.

Subject: Federal Funds for the Town of Wickenburg and the Federal Budget.

Hon. Barry Goldwater,
Senate Office Building,
Washington, D.C.

Dear Senator Goldwater: We are writing to you, and identically to President Ford and to our Congressmen, to express our views on the need for and use of federal funds in our local community, and on balancing the federal budget.

We believe the federal budget must be balanced as soon as possible so that deficit spending will not contribute further to inflation. We view this as a priority matter in that continued inflation makes us less able to budget effectively for our community as well as ourselves.

We are not unaware of the importance of federal funds in supplying services to our community. Federal Revenue Sharing funds have made it possible for us to buy capital items and to provide services—an ambulance and ambulance service, for instance—the community would not otherwise have; federal funds will provide two flood control devices which will genuinely help protect local life and property; we hope for federal assistance with very necessary capital sewer and water improvement projects; federal funds have greatly helped local agencies provide necessary social services; and we could cite more examples.

Essential as federal assistance is in our community, we nevertheless would support postponement or a decrease of such local federal funds proportional to postponements or decreases in the funding of other federal programs in the interest of the more important matter of getting the federal budget in balance.

Yours truly,

E. Curtis Arnett, Mayor; Richard A. Hopfer, Vice Mayor; Julia Brooks, Councilwoman; Garth Brown, Councilman; Patricia A. Doom, Councilwoman; Fred Pisanelli, Councilman; Clifford Pollay, Jr., Councilman.

TENTH ANNIVERSARY OF SMALL BUSINESS SCORE PROGRAM

Mr. BIBLE. Mr. President, on October 5, 10 years ago, the U.S. Small Business Administration created a Service Corps of Retired Executives to provide free management counseling to small businesses. I am pleased to note that on its 10th anniversary, SCORE will receive the coveted Freedoms Foundation Award for its exemplary humanitarian service in "economic education."

Each SCORE volunteer has spent a lifetime developing successful small businesses. We join in honoring the dedicated men and women of SCORE for their selfless service, and for their invaluable contributions toward strengthening the free enterprise system.

SCORE is a nationwide program with a goal to serve every business community in the United States by matching specific volunteer skills with their corresponding small business problems. It is a businessman to businessman advisory relationship with services for every business, not just troubled ones.

The acceptance of SCORE by the small business community has influenced its rapid growth beyond original expectations. During the past 10 years, SCORE has grown from 1,000 volunteers in 100 chapters to 5,000 volunteers in 250 chapters across the country. They have responded to more than 250,000 requests for assistance and have a collective expertise that encompasses every realm of American business enterprise with an average business experience of 30 years. Today, the program is cosponsored by SBA and the volunteer ACTION agency.

Since 1964 the small business population has increased from 4.6 million to 8.8 million. Naturally, the complexities of managing a small firm in today's competitive market have increased as well. The years have demonstrated that 90 percent of all business failures are attributable to poor management.

As it is clear that plotting a proper course of action in implementing and improving business practices can be a matter of life and death for a small firm, and recognizing that experience and wisdom are vital national resources, SCORE's objective has been to make the small business owner-operator a better manager. Competent counseling and advice at the right time can save many failing businesses, strengthen those that are weak, and foster growth in well managed firms.

Mr. President, a strong, healthy, growing small business community is an integral part of our social and economic system. It is of the utmost importance that we strive to maintain freedom of opportunity in every way possible, while eliminating obstacles in the path of achieving that end. Indeed, the progress of this Nation rests on the cardinal principle of individual initiative with creative energies of the small entrepreneur, his wealth of new ideas, inventions and processes.

From inception, SCORE's purpose has been to provide advisory know-how to small businesses who need and want it, in a form that can be understood and used and convenient to the owner-operator at a charge that is affordable. During the first 18 months of operation, an estimated savings in counseling time of approximately $1 million was directly attributed to SCORE. This has multiplied over the years.

The SCORE effort has been an admirable and useful effort affording new and existing small businesses the best management decisions possible. Its volunteers are stalwart supporters of the free enterprise system freely giving of their time and talents. They offer highly competent experience that provides a balanced approach to business. They are both leaders and teachers, working through individual counseling, team assignments, workshops, conferences, problem clinics, courses, and community organizations.

I know my colleagues are pleased to join in congratulating SCORE on its excellent record and wish it every success in the years ahead.

MAYOR WHITE URGES AN ECONOMIC PROGRAM OF CONSERVATION AND EQUITY

Mr. HUMPHREY. Mr. President, one of America's outstanding mayors, Kevin H. White of Boston, submitted important testimony to the presummit conference on inflation.

In his testimony, Mayor White points out the unique nature of our current economic crisis, and states that the "old time religion" is only making a bad situation worse.

Mayor White wisely calls for a two-pronged program of conservation and equity to spread the burden of economic decline as evenly as possible and to reverse the process of decline as soon as possible.

The specific elements in the economic program proposed by the mayor of Boston are:

A community and economic development program with public employment;

Systematic, long-term economic planning; and

Tax relief coupled with loophole closing tax reform.

Mr. President, I ask unanimous consent that Mayor White's excellent statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Kevin H. White, Submitted to the State and Local Government Conference on Inflation, September 23, 1974

We all know the symptoms of our ailing economy: double-digit inflation, flat or negative growth, high and rising unemployment. But to prescribe a cure requires that we also recognize the disease underlying these symptoms.

What kind of inflation plagues us? What brought us to this point? Not excess demand. Excess-demand inflation is too much money chasing too few goods; there are indeed too few goods, but who has too much money?

Not excess Federal spending; the real volume of Federal spending is slightly lower now than it was at the end of 1972; and not runaway wages.

What then?

Quadrupled oil prices which then drove up other prices;

Increased food prices caused by short supply;

Imports and two devaluations of the dollar;

And the residual effects of the financing of the Vietnam War.

In addition, the fight so far has been waged with tight monetary policy which has driven interest rates up; has driven investment and employment down, and has brought both new housing and the rehabilitation of old housing stock to a virtual standstill.

What does this diagnosis imply?

That there is no immediate solution; prices next year will be higher than they are this year no matter what we do, and any politician who says it isn't so is either mistaken as to the facts or intentionally misleading his constituents;

That depressing aggregate demand by cutting the Federal Budget will only increase unemployment without significantly slowing the rate of inflation; and

That the costs of inflation have been distributed unequally and that deliberate governmental steps must be taken to redress these inequities. Income has been transferred from the urban wage-earner and consumer to the agricultural and fuel sector.

Yet what does this Administration propose to do? To return to the old time religion of tight money and budget cuts. This policy assumes we have classical demand-pull inflation when we don't. It will place even more burdens on the urban poor and urban wage-earner who have already been hurt the most.

What would a budget cut do? First, let's recognize what it won't do:

It won't lower oil prices;

It won't lower food prices; and

It won't head off or dampen a potential wage-price spiral, which will be self-perpetuating once begun, and it's not necessary—it's neither the only way nor the most effective way—to ease pressures on the credit market; the Federal Reserve can do that alone.

A budget cut of $5 to $10 billion will decrease the rate of inflation by less than one-third of one percent, but it will increase unemployment to 6.5% in the next year. Those who will be thrown out of work are the same people who now bear the heaviest burden.

A budget cut may look good or sound nice, but in reality it would attempt to fight inflation by making the country poorer, by throwing people out of work—putting them on welfare—and by decreasing economic activity.

Instead of fighting inflation by making the country poorer—by impoverishing the country, by throwing honest people out of work, by decreasing economic activity—we should be addressing the inequities exacerbated by the current inflation.

Nowhere is the impact of increased food and fuel prices greater than in the cities: where the cost of living is the highest; where unemployment is twice the national rate. Ironically, those in the city—who suffer the most—also offer the greatest opportunity to redress human equities and to keep our economy moving.

We must begin talking about a program of conservation and equity. Conservation means more than national parks; it also means preserving cities and enriching our most important natural resources—our people. We must not let 100 years of investment in the cities go down the drain through neglect and perverse tax incentives. Our urban areas are too important a part of the nation's productive capacity; the 30 largest cities account for one-third of the total output of goods and services in the economy; all metropolitan areas together account for four-fifths of the total output. In a period of shortages we should preserve the infrastructure of our cities. They offer an opportunity for increased productivity through better utilization of the economic infrastructure and existing capital investment, the existing housing stock and the urban labor force.

The other prong of the program—equity—means distributing burdens evenly. We cannot allow the continued bludgeoning of the working man and woman.

The elements of such a program are outlined below.

1. A community and economic development program combined with public employment. This would allow us to put local residents to work improving old and building new facilities which would then yield ongoing jobs. Note that we would not have created a group of people dependent on a PEP for their jobs, but that we would have used public funds as seed money, as an investment in the long-range enrichment of the city, its residents, and the nation. Public employment would thus pay for itself in real terms.

The Economic Development Administration program provides the outline: public works grants, public works improvement program employment, business loans and loan guarantees. Substantial funding of this program could provide funds to rebuild and preserve the urban infrastructure.

Housing infrastructure must also be preserved. Community Development Block Grants would provide funds for the rehabilitation of the central-city housing supply.

2. Long-range planning. A long-range enrichment program requires long-range planning. Currently no one in the Federal government is responsible for systematically looking ahead to employment needs, expanding capacity needs and programs, or economic growth requirements. Much of our current inflation is international in source and scope. We need to create a mechanism to foresee and evaluate global trends and to anticipate their impact on the United States.

3. Tax relief and tax reform to mitigate the inequities exacerbated by this inflation; to end incentives for unproductive activities; to end the favored position of unearned income, and to establish a social contract to head off or dampen the expected wage-price spiral.

Tax reform and tax relief would transfer money from those who benefit from loopholes and can afford to pay more to those who have suffered the most in the past. Prime candidates for immediate reform are: the oil depletion allowance, the foreign tax credit, and the (currently very ineffective) minimum income tax. Closing the capital gains loopholes would take longer, but the Congress should start now; there is no reason to tax income from stocks less than wages.

Tax provisions which make it more profitable for a business to leave an existing plant in the city to build a new one in the suburbs should be changed. It is time to begin a comprehensive review of tax incentives.

Tax relief should be targeted to those with incomes under $15,000. The burden of the social security payroll tax could be shifted without a loss in revenue by raising the ceiling on included income; this would at least stave off further increases in the rate. The option of a tax credit instead of a deduction for dependents would focus relief at this income level with the greatest benefit going to those with the least income.

In addition, a tax package could be used to forestall a wage-price inflationary spiral. Labor knows that wage increases gained this year will be stolen by price increases in an exorable process. If real wages were increased via tax cuts for those earning less than $15,000, wage demands could be moderated. If such a bargain could be explicitly negotiated between government and labor, a serious wage-price spiral could be dampened.

This package will not bring us to 4% inflation in the next year, but nor will the Administration's cure. There is no panacea, but we must avoid cures that will kill the patient. The Administration's approach would require two years of 8% unemployment to return to 4% inflation; that is too high a price to pay in lost economic growth and in human terms. The package proposed in this paper will let the economy revive without accelerating inflation and while redressing obvious inequities.

Attachments: Responses to questions posed in the conference invitation and other comments.

TIGHT MONEY AND AVAILABILITY OF CAPITAL

Inflation and tight money adversely affect the ability of a city to borrow money for capital projects. When the situation becomes severe there is danger of serious cutbacks and revision in capital investment plans. Tight money also negatively affects tax revenues; real estate developers who cannot get sufficient financing fall behind in their tax payments.

Everyone is aware that tight money depresses housing starts and hurts home buyers. It also hurts home improvers. This is especially important to the central city and to our efforts to conserve, preserve, and revitalize deteriorating neighborhoods.

Local governments are heavily dependent on the property tax for their revenue. Inflation skyrockets the cost of city government without a comparable increase in revenues. Boston has reduced municipal employment by 9% through an austerity programs, but double-digit inflation may wipe out the benefits of this effort. Boston has managed to hold the line on property tax rates for 44 months. When property taxes have to be raised to pay for city government, the burden on already over-burdened city residents will be increased and the city's dynamic economy injured.

INTERNATIONAL CONSIDERATIONS

Inflation today is international in scope; other nations, in fact, are in worse shape than we are. This is not an excuse for inaction, but it must guide our actions. Now is not the time for the United States to turn isolationist in its economic concerns. International cooperation is important. If oil profits are reinvested by the oil-producing countries in the United States, we must be willing to lend funds to nations in need. Export controls will only exacerbate the balance-of-payments problem and do nothing to aid the international fight against inflation and recession.

CONSUMPTION PATTERNS

One of the reasons that the food problem is severe world-wide is that the rest of the world has "discovered" beef. The consumption of beef instead of grain uses up about five times as much grain. The increased demand for beef then becomes an increased demand for grain as well.

Energy consumption patterns cannot be held responsible for the oil cartel's decision to quadruple oil prices. Our consumption of energy, however, does help to explain why the increase in oil prices had such a large and negative impact. Increased Federal investment in capital expansion of more efficient mass transit systems and subsidies of operating deficit will help to conserve energy.

REGULATIONS AND ENVIRONMENTAL PROTECTION REQUIREMENTS

Environmental protection requirements should not be viewed primarily as dampening the economy or as increasing costs. It is important to know where costs escalate sharply and what improvement in environmental protection we get for what increase in investment. Any cost-benefit analysis, however, should count environmental protection and preservation as a valued condition or output. It should also be remembered that some environmental protection requirements require new investment and can thus create more jobs.

A similar comment should be made about many regulations. It is not possible to accurately and fairly evaluate the impact of a regulation or ruling on productivity if all the valued outputs are not considered. For example, the impact of a safety regulation must be evaluated in a way that includes the improved safety or the lives saved.

SUPPLY REGULATIONS BY THE GOVERNMENT

I can only support the plea that the Federal government end regulations which serve only to increase prices. If deregulation of the transportation industry will decrease freight prices by 20%, prices to urban consumers might drop—or at least increase more slowly.

AIRLINES TROUBLES

Mr. DOMENICI. Mr. President, I support the concept that the U.S. Government must assist American companies attempting to compete for the world market. The authorization of the Export-Import Bank has just been extended by the Senate because it was felt that such a lending and guaranteeing institution was a necessary tool in promoting American industry abroad. I am, however, quite concerned that our economic policies of today are not realistic and beneficial to our domestic economy.

The doctrine of laissez faire has long since vanished from the economic systems of the world countries. We have seen more and more countries nationalize their industries to compete for raw materials and thus the world market. This is no longer only a case of Communist countries subsidizing or controlling their industries but today countries like England, Japan, France, Mexico and the Middle East have determined that world prices and competition for raw materials no longer make it possible for private industry to profitably compete. Such countries are using government subsidies, discriminatory taxes and fees for foreign competition and enforcing private use of these government controlled industries.

Mr. President, the American businessman is faced with higher labor costs, increased cost of raw materials and now must face foreign competition that in many cases is financed at a lower interest rate than commercial banks are allowing. It may very well be that many of our present economic policies have proven detrimental to the American businessman, especially those attempting to compete in the world market.

I recently read an article in the Airline Pilot magazine which addresses this very same point. These facts even though seen from the airline industry illustrate a rather alarming and discriminatory policy. Pan American Airlines pays $4,817 to land a Boeing 707 at Sydney Airport while Quantas Airways pays $271 for a 747 landing at San Francisco. Another example of our own Government discrimination is the U.S. Postal Service which pays much higher rates to foreign carriers than to U.S. airlines for the transportation of international airmail.

Mr. President, I think the comments by Dana K. Henderson are very illustrative and, therefore, ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

How U.S. Airlines Are Taken

(By Dana K. Henderson)

The Australian government charges Pan American World Airways $4,200 to land a Boeing 747 at Sydney Airport. At San Francisco, Australia's Quantas Airways pays $271 for a 747 landing.

In Rome, Trans World Airlines is billed about $600 for each 747 landing (plus a 50% surcharge if the landing is at night). The Italian national carrier, Alitalia, pays nothing.

When U.S. airlines want to add airplanes to their fleets, they borrow money from commercial banks at interest rates currently in the 11%–12% neighborhood. When a foreign airline wants to buy a U.S.-built airplane, it finances the purchase at 7% through the Export-Import Bank. As a result, the U.S. airline pays about $7 million more for a wide-body jet than does the foreign airline that competes with it on its routes.

If an Italian industrialist needs to come to the U.S. on business, the Italian government requires him to fly on Alitalia. When an American businessman goes to Italy, the U.S. government places no restraints on his mode of travel. (If his destination is somewhere other than Rome, however, he may find that connecting space on Alitalia is "not availble" if he crosses the Atlantic on a U.S. carrier. But the space will magically become available if he changes his transatlantic reservations to Alitalia.)

These startling facts are just a sampling of the discriminations with which U.S. flag airlines must contend as they compete for business in the world transportation marketplace. When the burdens of discrimination are coupled with traditional enormous wage disparities and the recent extraordinary escalation in fuel costs around the world, it is little wonder that the future viability of U.S. flag carriers is currently in serious question.

The gist of the problem facing the U.S. international airlines, says the Air Transport Association, is that they must vie as free enterprises against competitors that are controlled and financed by governments, and must do so in a market in which both prices and the costs of doing business are also a matter of government edict. What's more, foreign airlines have virtually unrestricted access to the U.S. passenger market, while U.S. carriers are hampered at every turn in their efforts to do business abroad.

That this nation's airlines aren't faring very well in the competitive arena is evidenced by the statistics.

In 1973, U.S. airlines exported an estimated $1 billion in air transport services to foreign countries, but the U.S. imported $1.7 billion worth of services from foreign carriers. The U.S. provided 68% of the passengers that crossed the North Atlantic, but 58% of the total passengers flew on foreign airlines. There are 57 foreign carriers providing service to and from the U.S.; only four U.S. carriers (Pan Am, TWA, Braniff and Northwest) are engaged in scheduled international service in a major way.

It is against this background that the U.S. flag carriers are currently seeking redress in Congress against the unfair and unequal competitive treatment visited upon them from two sources: foreign governments and their own government. "We have now reached the point where America's international airlines can no longer accept such unequal treatment and continue to be viable competitors carrying the United States flag around the world," says ATA.

The discriminations that disturb the carriers the most are those practiced by the U.S. government. For example:

(1) Foreign airlines spend less for the airplanes they fly than do American carriers because they are able to finance the purchase of U.S.-built aircraft through the Export-Import Bank at interest levels far below the U.S. prime rate. Over the past 17 years, Eximbank has loaned $4.2 billion to nearly 100 airlines for the purchase of 1,009 commercial jets, giving these airlines a significant cost advantage over their American competitors.

LANDING CHARGES[1] AT SELECTED UNITED STATES AND FOREIGN AIRPORTS—BOEING 747B (200 PASSENGERS)

	Landing fee	Per A/C change	Per pax charge	Total pax charge	Total charges
United States:					
New York (J.F.K.)[2]	$291	$48.86	$5.82	$1,164	$1,503.86
Chicago (O'Hare)	328		.40	80	408.00
Miami	118				118.00
Los Angeles	178				178.00
San Francisco	237		.17	34	271.00
Seattle	902				902.00
Honolulu	494				494.00
Foreign:					
Amsterdam	$1,036		$3.27	$654	$1,690.00
Frankfurt[3]	1,395	$177.25	1.96	392	1,964.25
London[4]	840	296.10	1.90	380	1,516.10
Paris[5]	1,180	94.94	3.54	708	1,982.94
Sydney[3]	4,200				4,200.00
Tokyo	1,215				1,215.00

[1] Landing charge defined as any charge related to movement of aircraft, passengers, or cargo into or out of an airport paid by an airline.

[2] Charges estimated for processing passengers through the International Arrivals Bldgs.

[3] To be increased.

[4] Plus $150 peak-movement charge.

[5] Night surcharge: $12,50.

Congress is now considering legislation that would extend the Eximbank charter for another four years and increase its lending authorization to $30 billion. The U.S. airline industry is seeking to attach to this legislation an amendment that would give U.S. carriers access to Eximbank financing for the purchase of U.S.-manufactured airplanes used primarily in international service. ATA cites as precedent for its request the maritime industry policy of providing a construction cost differential for ships built in the U.S.

"More favorable financing of foreign carrier aircraft purchases has become too much of a burden for the privately owned and financed U.S. carriers to bear," ATA told the Senate Banking Committee. "We believe that this major cost of doing business must be equalized for the U.S. flag airlines operating in competition with foreign carriers."

(2) The U.S. Postal Service pays much higher rates to foreign carriers than to U.S. airlines for the transportation of international air mail. The present rate paid to U.S. carriers is 31 cents per ton-mile, but the U.S. government, as a member of the Universal Postal Union, pays as much as $1.73 per ton-mile to foreign airlines to transport U.S. mail.

In an effort to rectify this and similar inequalities, the airline industry has rallied behind H.R. 14266, a bill "to deal with discriminatory and unfair competitive practices in international air transportation." One section of the bill would require the payment to U.S. airlines of mail rates no lower than those the Postal Service pays to foreign airlines for the transportation of the same mail.

(3) There is no legislative mandate requiring that U.S.-financed travel be accomplished on U.S. flag carriers. Most other nations, by contrast, require that their national carriers be used not only for official government travel, but for transportation required by businesses and organizations financed in whole or in part by the government. In many countries, most corporations have some measure of government control; thus, such policies mean that U.S. airlines are denied access to a large proportion of the world's business travel market.

H.R. 14266, if passed, would help this situation by requiring that U.S. government-financed movements of both people and cargo be accomplished on U.S. airlines wherever possible.

U.S. ROUTE CARRIERS ENGAGED IN FOREIGN OPERATIONS AND FOREIGN POINTS SERVED AS OF JUNE 30, 1973

Area	Countries	Points
Europe	21	39
Africa	14	14
Asia	17	22
Oceania	5	6
Western Hemisphere	32	58
Total	89	136

(4) Foreign governments spend a considerable amount of money to entice U.S. citizens to fly on foreign airlines, but U.S. airlines do not receive equal promotional assistance from the U.S. Travel Service. To remedy this problem, H.R. 14266 would require USTS to "encourage to the maximum extent feasible travel to and from the U.S. on U.S. carriers."

The second source of the discriminations suffered by U.S. flag carriers are the actions through which foreign governments extend preferential treatment to their national airlines.

The problems faced by U.S. carriers in this area are well recognized by the U.S. government. They were documented in country-by-country detail by CAB in a two-volume study published in 1973, and they are currently under study by an inter-agency task force that is engaged in a major effort to improve the financial situation of U.S. international airlines.

As ATA put it in testimony prepared for congressional hearings on H.R. 14266 and its Senate equivalent, S. 3481: "(We) emphasize most strongly the shocking difference between the competitive conditions U.S. airlines find in many foreign countries and the complete freedom and equality of opportunity found by foreign airlines in their operations here in the United States."

CAB was even more blunt: "(Foreign) government aviation policy is designed to protect the government interest and the carrier at all costs, or without regard for cost, as the case may be."

As described by CAB and ATA, here are some of the practices with which U.S. carriers must cope abroad:

(1) Because the government-owned national carrier frequently controls both domestic and international services, it is able to deny connecting domestic space to passengers who do not enter the country via the national airline. On occasion a rebate of the domestic portion of the transportation is also granted in return for booking the international portion on the national carrier.

(2) Discriminatory taxes and fees are often imposed on U.S. airlines. For example, a country may tax the gross sales of a U.S. carrier but collect taxes only on the net income of the national airline. Or it may exempt its own carrier from customs charges. Or it may charge duty on support equipment imported by U.S. carriers but not on equipment brought in by its own airline. In some instances, countries have reduced the duties charged on imported goods if the goods are transported by the national airline.

(3) Contrary to the policy that prevails in the U.S., many countries allow their airlines to own or control such travel subsidiaries as travel agencies, tour operators and freight forwarders. Since more than half of the total business of international airlines is produced by travel agencies and similar organizations, control of the retail marketing system in a foreign country by the national carrier severely curtails the marketing opportunities of U.S. carriers. By contrast, the vast U.S. travel retailing system is available on an equal basis to U.S. and foreign airlines.

(4) Currency restrictions create financial problems for U.S. carriers in many countries. Often a U.S. airline is not allowed to accept local currency in payment for air transportation. Some countries require elaborate authorization procedures of citizens who wish to use local currency to pay U.S. airlines, but impose no such restrictions on payments to the national airline. U.S. airlines experience long bureaucratic delays in seeking to convert and remit funds they hold in the national currency.

(5) The national carrier often is given preference in air traffic control handling, assignment of terminal and gate space, baggage handling, schedule slotting and similar matters. In some countries, the national airline is provided with free services by other elements of the government.

CAB characterizes the practices indulged in by other countries as "questionable or unethical" at best and "obviously discriminatory" at worst. Where the restrictions severely curtail the competitive freedom of U.S. carriers, says CAB, efforts to counteract them should receive "high priority" in bilateral negotiations. The prime objective of the United States, adds CAB, should be "equality of opportunity for U.S. carriers to compete for the national traffic on an equal footing with the national carriers."

Although governmental policies aimed at giving national carriers an edge in the market are looked upon with disfavor by U.S. airlines and the government, they are not nearly as objectionable as the blatantly discriminatory user charges that are found in many countries.

The airlines emphasize that they are not in any way opposed to paying a fair price for services they receive in the form of communications and navigation networks, air traffic control, and airports at which to land. What they object to is footing the bill for things they don't use, or paying excessive charges that are not related to the cost of the services rendered.

The "for instances" occupy a full volume of the CAB study of restrictive practices.

In some countries, like Italy and Greece, U.S. carriers pay healthy landing fees while the national carriers pay none. For example, U.S. airlines spent some $2 million for landing fees at Rome in 1973; Alitalia spent nothing.

To the argument that the payment of fees by a government-owned airline to a government-owned airport authority amounts merely to a transfer of funds from one pocket to another, the airlines reply that payment of such fees is carried as an expense in an airline's books and thus forms a part of the cost base for ratemaking purposes. Moreover, says ATA, "it must be assumed that the landing fee charged to the U.S. carrier is sufficient to compensate for the exemption to the national carrier." In other words, all of the airport's costs are being paid by outside users.

In other countries, like England and Australia, a different practice prevails. Here the airport authority has two mandates from the government: to operate a network of airports and to return a profit. It fulfills its obligation by establishing for its principal airport a landing fee structure high enough to balance the losses incurred at secondary landing fields.

It is for this reason that U.S. airlines pay $4,200 to land a 747 at Sydney Airport, and $1,965 for a 707 landing. Qantas, the government-owned carrier, pays the same charges to the government airport authority. Through these fees, the carriers are paying not only for the facilities and services they receive at Sydney, but for maintaining airports they do not use in places like Perth and Brisbane.

The situation is similar in Great Britain. There, the fees paid by airlines using London's Heathrow Airport are used not only to subsidize four other airports, but to provide a 14% return on investment for the British Airport Authority. This rate of return, incidentally, is somewhat above the 12% rate established by CAB as desirable for U.S. airlines, and seldom if ever achieved by them.

The startling disparity in landing fees that results from such policies becomes evident in a comparison between Heathrow and New York's JFK International. At JFK, where it has its own terminal, British Airways pays $291 to land a 747, plus about $100 in aircraft-related charges such as ramp fees, for a total of $391. At Heathrow, Pan Am and TWA pay an $840 landing fee for their 747s, plus a $282 terminal air navigation facility charge, $14.10 for the use of loading bridges, and $380 in passenger service charges for 200 passengers—along with an additional $150 surcharge if the airplane arrives during peak hours. The total bill comes to $1,675.

Says CAB: "The United States basically has no quarrel with levels of landing charges set to recover costs. But it is another question when the rates are designed to subsidize other airports—not used by U.S. carriers—or to meet unrealistic rates of return on assets. It is equally a problem to us when foreign air carriers are exempt . . . from the payment of landing fees which U.S. air carriers must pay."

CAB is also alarmed at the sharply rising levels of airways and enroute charges being levied around the world in a growing move to recover the costs of these services from the people who use them. "There is nothing inherently wrong with this objective if the increases are introduced in an orderly manner and the cost recovery objective remains centered," says CAB. "The real crux of the problem is whether the entire cost of recovery can be passed on to the carriers and users without doing harm in a wide economic context."

In an effort to combat the problem of excessive and unfairly levied user charges, the airline-backed unfair competitive practices bill proposes to give the U.S. government the authority to impose offsetting charges on foreign carriers. The amounts collected would accrue into a special account from which payments would be made to U.S. carriers "to compensate (them) for excessive or discriminatory charges paid by them to the foreign countries involved."

The airlines regard the offset charge authority primarily as an "ultimate weapon" to strengthen the U.S. position in bilateral negotiations, rather than as a revenue-producing venture. Pointing out that efforts to moderate excessive fees have not met with notable success to date, ATA contends that the authority to retaliate will give the government the clout it needs to force a more reasonable approach to user charges.

The airlines are hopeful that their efforts to improve their competitive position in the world will bear fruit this year, and that Congress will act on the unfair practices bill before it becomes embroiled in the impeachment proceedings this fall.

ATA summarizes the position of the U.S. flag carriers succinctly:

"We firmly believe it is time for the American government to be aware of these problems and to understand the necessity for equalizing the competitive balance that for years has rested in favor of the foreign competition. Our international airlines ask no more than an equal opportunity to compete."

ADMINISTRATIVE FAILURE OF FEDERAL POWER COMMISSION

Mr. MOSS. Mr. President, the General Accounting Office has recently published a scathing account of the administrative failure of the Federal Power Commission. While the GAO report concentrated on potential conflicts of interests among high-ranking FPC officials and illicit de facto deregulation of certain producers for short-term sales, it calls attention to this agency's overall mismanagement of the natural gas situation.

I realize that some would say that the serious shortage of natural gas we face this winter and in coming years is a result of the duty imposed on the Federal Power Commission to regulate natural gas producers' prices. I believe that the shortage, to the extent the FPC's regulation has had any effect, is more a function of the wishy-washy policies the FPC has implemented than of the fact of regulation itself. Since 1969 higher natural gas prices have constantly been dangled in front of gas producers' noses in one FPC proceeding after another, causing understandable uncertainty and hesitation about dedicating any gas at the lower prices which had already been approved and survived court review.

Regardless of whether one believes that poor regulation, regulation itself, or something else has led to the unavailability of sufficient natural gas, one would think that the FPC would take any steps necessary to remove obstacles blocking the transportation of natural gas which is available to customers who so desperately need it. There is no controversy about the FPC's authority and duty to do this. But here also, the FPC has apparently failed to live up to its responsibility.

A particularly egregious example of this failure has occurred in Utah. Mountain Fuel Supply Corp. has never had to curtail its firm natural gas customers. Through far-sighted planning, Mountain Fuel has obtained sufficient gas reserves to avoid curtailments this winter also. Yet because of the sluggish, if not dormant bureaucratic response on the part of the FPC, this gas may not get to those who need it, and Utah's first gas shortage could well ensue.

In February of 1973, more than 18 months ago, Mountain Fuel applied to the FPC for permission to build a small diameter pipeline over the Wasatch Mountains to bring gas from reserves in Coalville, Utah, to Bountiful, Utah, a distance of only 30 miles. No one has opposed this application, or even intervened in the proceeding. Mountain Fuel has the equipment, the pipe, and the right-of-way. Mountain Fuel has the contractors and crews lined up to do the work. The only thing that Mountain Fuel does not have is the FPC's permission to build the pipeline.

Only recently, the FPC denied Mountain Fuel's request to move the date of the hearing scheduled on the proposal up from October. This action removed the last slim possibility that this pipeline could be completed before the winter snows.

The lethargy of the FPC in this regard has jeopardized the jobs and security of the people of Utah. If this winter is severe, without the gas this pipeline could have provided, serious hardship will occur.

Mr. President, I can think of only one word which sums up my feelings about the FPC's wholly unwarranted lack of response to Mountain Fuel's application: outrageous. I ask unanimous consent to print in the RECORD a letter I have received from Mr. B. Z. Kastler, the president of Mountain Fuel, which eloquently describes the frustration he and the people of Utah must feel in the face of such an inexcusable and inexplicable delay on the part of the Federal Power Commission. I would also like to print a portion of the testimony of Mr. R. P. Work and Mr. Kastler presented on Mountain Fuel's behalf in a Senate Commerce Committee hearing I conducted in Salt Lake City in August.

There being no objection, the letter and articles were ordered to be printed in the RECORD, as follows:

MOUNTAIN FUEL SUPPLY CO.,
Salt Lake City, Utah, Sept. 17, 1947.

Senator FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR TED: Like you, I thought that following your Commerce Committee hearings there would be some action on our long delayed application to build the 30-mile line we so vitally need. Time was very short, even then.

Unfortunately, the F.P.C. again denied our application and refused to alter the October hearing date. Inasmuch as it is too late to begin now, we must simply take our chances this winter. We have already taken steps to notify our larger firm customers that a severe winter may force curtailment.

We felt very badly about it all because in 45 years we've never ever had to say this to any firm user. It's even harder to take because our planning and timing were all right since we applied way back in February of 1973. Toughest of all, however, is the fact that F.P.C. has never assigned *any* reason why a February 1973 application cannot even be heard until October of 1974, and the only reason given at all for hearing this uncontested matter involving a really miniscule job by their standards, was that they feel it necessary that the matter be fully inquired into.

While need for the line has never been controverted by any pleading, and there are no intervenors, full hearing was deemed necessary to test our allegations. Since the "test" and cross examination cannot occur in time to allow us to construct the line before next winter, it may well be that old man winter will be the real test.

To answer your question and your good offer, however, since we've passed the point of no return there simply isn't anything that anyone can do now except pray for a mild winter.

While I have great faith in prayer, I hate to burden the Almighty with problems that need and should not have occurred.

Thanks again, Ted, for your concern and your help.

Cordially,

B. Z. KASTLER.

PREPARED STATEMENT (EXCERPT)

This lag in the regulation process is not only confined to rate problems, but in the authorization for construction of facilities. For example, in February of 1973, Mountain Fuel applied to the Federal Power Commission for a certificate to construct and operate a 30-mile pipeline from Coalville to Bountiful. After numerous exchanges of information over an 18-month period, the Federal Power Commission last month denied our request for temporary authority and will not even hear the matter until this year's construction season in the high mountain area concerned is over. This addition to our facilities was designed to facilitate Mountain Fuel's ability to serve its market area under severe weather conditions for the coming winter. The Federal Power Commission is now considering our appeal for a reconsideration. Failure to construct these facilities in the next two months will make it impossible for Mountain Fuel to deliver all of its available supplies to the market area and may create some hardship in the market area should severe weather conditions occur. I might add here that the statement that Mountain Fuel will not have firm curtailments through 1980 is probably quite correct if Mountain Fuel is permitted to install the necessary facilities to haul this gas to market. However, Mountain Fuel will do its utmost in that event to minimize the hardship. We would rather, however, have constructed this short segment and not risked the economy or comfort of our service area; and we point out that we are now and have been ready, willing, and able to do just that for some period of time.

QUESTIONS AND ANSWERS—EXCERPTS

Senator MOSS. If there is further curtailment in the Canadian supply and that has to be passed onto Mountain Fuel, and if we have a particularly severe winter, is there any likelihood you would have to curtail some of your customers with a firm contract for delivery of gas?

Mr. WORK. This situation is independent of this Canadian price situation. Mountain Fuel has available to it at Coalville, just on the other side of the Wasatch Mountains, sufficient gas to meet the firm requirements for next winter under very severe weather conditions. Should those severe weather conditions occur next winter, without the use of this pipeline that we have been trying to get authority to build, there will be some shortage of firm gas, which will be a new thing for Mountain Fuel. Mountain Fuel has consistently avoided getting into this type of a situation, but I can assure you that should this deficiency occur, we will do everything possible to mitigate the impact of the thing on our customers.

Mr. KASTLER. The point is we have the gas at Coalville, and we have to have it here, and we need to do something here to get that gas here, and we had hoped to be able to do it by now, because it is critical, as you pointed out earlier, to construct a pipeline of that magnitude in high mountain country, so we felt a very grave sense of urgency about this for some time. We feel we must start, and very soon, or we are going to take that risk, and it is not really a supply problem as much as it is a problem getting it to market, and it has been pending for so long, we feel there should be a resolution of it.

Senator MOSS. Without that we might have a curtailment situation here and a reserve of gas sitting out stored in Coalville, that close, and unable to get it to market?

Mr. KASTLER. That is right. If we were to receive prompt authority, we still think we might be able to get that line in, but we hesitate, if that doesn't come soon, to even undertake a project of that magnitude in that kind of country, but we are hopeful we are going to get it, and if we do, we don't think we will have any problems this winter.

Now, if I might expand just a little bit more on your question, if supplies to the Northwest Pipeline Company were curtailed very deeply, this could present a problem to us, too, but we do not foresee, nor have they announced, any such curtailment to date. There will be some, but not enough to affect us, if it is handled on a pro rata basis, as you suggested. If it is handled on some other basis and our curtailment is deeper than anyone else's, or if they were to loose a substantial segment of their supply, which we have no reason to believe they will, that could be a different problem.

Senator MOSS. Well, it is already late in August. Would it be feasible to get the work done before the severe weather this winter, if you could start immediately?

Mr. KASTLER. If we could start right now, we feel we could. We have everything we need. We have the pipe, we have the contractors, we have the rights-of-way, we have done all of the work necessary, the matter has been bid, but we have been advised by our contractors that we will have to rebid it now if they are going to bid. We still are of the opinion that if we could start promptly, we can get that done. We had hoped to start early in June so we could do it in an orderly way. This would be a crash program now, but we think it is of sufficient importance that we should undertake it if we get prompt authority. A lot of this, Senator, depends on the weather. You have hunted around these hills enough to know sometimes it shuts in early in October, and sometimes you can go all the way to December.

Senator MOSS. That is true, that is an unpredictable factor, and I was wondering, it seems to me, even though it is only thirty miles, it has to go through very high terrain, I am sure.

Mr. KASTLER. That is true.

Senator MOSS. And this would pose a considerable hazard to it.

OCEAN POLICY

Mr. HOLLINGS. Mr. President, the Senate Ocean Policy Study, which I am privileged to chair, has been examining the present status of ocean policy and the role of ocean resources in the future development of the country.

A recent article in Sea Power magazine has managed in a few short pages to summarize the importance of ocean policy in coping with three broad national concerns—energy, food, and the environment. It has become evident that one cannot shape energy policy independent of ocean policy. The debate over deepwater ports, offshore development, and energy facilities siting has made the point emphatically clear.

Nor can we pursue a goal of plentiful low cost food without strong emphasis on fisheries development.

And finally we are painfully aware of the recreational and esthetic role of the ocean to the large majority of Americans who live near the sea. I commend this article to my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Sea Power, September 1974]

FROM THE NORTH SLOPE TO A PERILOUS OUTER BOUNDARY

(By Merle Macbain)

(NOTE.—Merle Macbain is a retired Navy commander and a former public affairs officer on the staff of the Oceanographer of the Navy.)

There are three hot items on the front burner in the field of oceanographic/oceanologic research and development.

Knowledgeable leaders in maritime matters in both congressional and executive branches of government, the ones exalted enough to be issued crystal balls, seem largely agreed that the areas due for the most attention in the Federal ocean program are: energy; food; and the environment.

Energy heads the list, for obvious reasons. The nation has just come through an energy crisis—specifically, a petroleum crisis. But the United States produces more oil than any other nation.

The domestic sources for significant increases in the oil supply are the outer continental shelf (OCS) and Alaska. *Less than* three percent of the continental shelf has been leased for exploitation, but it already accounts for 17 percent of domestic oil production, and 14 percent of natural gas. But the big pools are at the outer edges, where the U.S. Geological Survey estimates there are 160 to 190 billion barrels of oil and 820 to 1,110 trillion cubic feet of natural gas (three to four times the country's proven land reserves).

But if there is to be a crash program to get deep sea drilling underway by 1975, there will also have to be a crash research and development program. The R&D is needed to improve automatic downhole safety devices and to determine the best way to deal with oil spills on the troubled waters of the high seas.

Currently-programmed research by the National Oceanic and Atmospheric Agency (NOAA), the Environmental Protection Agency (EPA) and other government agencies will also have to be speeded up. There is a need to know a great deal more than is now known, for example, about the effects of oil on living sea organisms so that minimum environmental impact standards may be set up and policed.

With government and industry pulling together, officials say, the deep shelf can within a few years produce up to 2.6 million barrels of oil per day and as much as 9.1 trillion cubic feet of gas annually.

The North Slope of Alaska, once pipeline operations are underway, is also expected to produce 2.6 million barrels of oil per day, and 4.4 trillion cubic feet of gas per year. A Federal Task Force, with NOAA as lead agency, is already pushing research and development on a continuous environmental monitoring system of keep tabs on currents, seastates, and weather forecasts for the marine leg of the oil Coast ports. The information reports will be available to merchant shippers, fishermen and coastal residents as well as to the oil fleet.

SEA DOCK AND BUOY ARRAYS

Other oceanographic research keyed to the energy problem involves construction of offshore oil refineries, nuclear power plants and deep draft harbor facilities.

Since energy self-sufficiency, by the most optimistic estimates, is not possible before the 1980 target date, if then, the United States must continue to import oil.

This being so, it is expected that the next step to alleviate the energy crunch is the rapid construction of single-point mooring buoy arrays for unloading the super-supertankers which alone can provide economical transportation for their ever-more-costly cargoes. The loaded draft of the newest supertankers is approaching the 100-foot mark; no U.S. port can accommodate them. An application for construction with private funds of two such arrays has been made by a consortium of American oil and petrochemical companies who have agreed to make the facilities available as a public utility for non-member users.

Project Sea Dock, a six-buoy array costing $410 million and featuring 56-inch sea-bottom pipelines, is planned for location in 110 feet of water 30 miles off Freeport, Texas, south of the Houston-Galveston area.

Planning and mechanical R&D work has been completed for a similar array 23 miles at sea southwest of the New Orleans area. If state and federal enabling legislation permits construction to start this year, the target date for completion is mid-1976. By that time it is hoped the way will be cleared for four more arrays—two each off the East and West Coasts.

Food, item two on the marine research priority list, has not been dramatized with the suddenness of the energy crisis—fish is still available on both odd and even days. But it is no less urgent. Fossil fuel drives the slowing U.S. industrial machine, but protein is the fuel that keeps human beings moving. It is fortunate that the oceans hold significant volumes of both resources.

THE SCALLOP SEARCH

The U.S. now imports 70 percent of its fish products, at a cost of well over a billion dollars annually to the U.S. balance of trade.

Speaking recently at the NOAA-sponsored conference on "The Oceans and National Economic Development" in Seattle, Wash., Warren G. Magnuson, the marine-minded chairman of the Senate Commerce Committee, said: "An abundant food supply is still the world's most urgent need, and food, at reasonable prices, is the most important consumer issue in the United States today."

At the same conference, John K. Tabor, Under Secretary of Commerce, speaking for the executive branch, added these thoughts:

"The concept of limitless fish resources, which induced many nations to increase their fishing fleets enormously, has proven a myth. We are now fishing many species at maximum capacity, and we are beginning to impinge upon the total limits of ocean productivity.

"The world harvest from ocean fisheries is now 70 million metric tons. Many experts believe it cannot much exceed 100 million tons on a sustained basis, a perilous outer boundary that may be reached in about 10 years."

Government assistance to the beleaguered U.S. fisheries industry will be pushed on several fronts, nearly all requiring continuing research aimed at self-sufficiency.

Among the present ongoing research efforts:

MARMAP (Marine Resources Monitoring, Assessment and Prediction), a massive four-year survey inaugurated in 1972 by NOAA's National Marine Fisheries Service, will evaluate all living marine resources in American fishing waters.

The Shadowgraph System, a towed, side-scanning acoustical sonar device designed by the Navy to search out seabottom obstructions and recently tested by NOAA scientists to determine its value as a fisheries research tool—the shadowgraph not only sent back profiles of objects capable of fouling fishermen's nets but picked up images of migrating fish schools.

RUFUS, a photographic sled resembling a giant waterbug which was also tested by the NOAA team of scientists, proved repeatedly successful in locating and mapping scallop populations.

NOAA's Marine Fisheries Service also helps to secure loans and tax deferments for construction or modernization of commercial fishing vessels, and provides design advice based on up-to-date fisheries research. Emphasis is being placed on the use of lighter, stronger nets capable of larger hauls and engineered to avoid the inadvertent capture of protected marine mammals.

During the late 1960s—when the haddock, cod and flounder catches off the New England coast began to decline—the Fisheries Service staged a successful research and public relations campaign to introduce such plentiful but little known species as pollock, smoked whiting and ocean quohog to consumers. Numerous other neglected species were soon added to the list, and Fisheries' research determined that some species unacceptable to American taste buds (such as squids, eels, sea urchin roe and dogfish sharks) are prized abroad as delicacies.

Machinery developed for removing the once-wasted meat close to the fish skeleton represents an important mechanical advance. The new "minced" meat, attractively packed as snack foods, has found a substantial market.

Another area where research, nourished by the NOAA Sea Grant program, is now approaching the payoff stage is fish farming—called mari- or aqua-culture by the PHDs at Sea Grant.

Oyster farming is already a going business, but Sea Grant has to share credit with the Romans, who did it first.

Salmon is also now grown commercially, in enclosed sea-water nets. The experimental work was done at the University of Washington in cooperation with National Marine Fisheries. The pampered salmon are being marketed commercially in the Puget Sound area by Domesea, Inc., a Union Carbide subsidiary whose oceanographer-in-residence is Jon Lindbergh, talented deep-diving son of the late "Lucky" Lindbergh. Similar enterprises have been started in Maine and Oregon. And a Florida firm is now test-marketing bay area shrimp grown in a fenced-in enclosure.

Finally, experiments with cultured lobsters have produced systems that increase the growth rate by a factor of four to one or better, while increasing the survival rate from 10 percent in the ocean to 90 percent in culture.

Sea Grant's Dr. Robert Wildman believes the most promising new possibilities for commercial success are cultivated prawns, a delicacy somewhat larger than a shrimp which is now being test-marketed in Florida, California and Hawaii.

With research and financial aid on track the big need now is to provide adequate legal protection for American fishermen in their own waters to assure the country a healthy fisheries industry capable of supplying all of its sea food requirements by the end of the decade.

PRIVACY, MONSTERS, AND DEEP-SEA BLINKSMANSHIP

The third priority item, one that cuts across all others in the national ocean program, is an intensified environmental research effort that will leave the world's oceans with very little privacy.

Potent new and improved research tools are in hand or under development for a global probe into the two-way effects of the environment on man and man on the environment.

Computerized research ships, instrumented for every kind of specialized study, will be backed up by commercial ships of opportunity equipped to gather basic information as they pursue their own missions on the seven seas. Monster automated buoys at strategic points around the globe will relay preprogramed synoptic reports and even answer questions. Manned and robot submersibles will examine the ocean floor and the subbottom of the deepest deeps, while flying laboratories soaring high above the water gather gravity, geomagnetic, sea-state and weather data.

The ultimate tool in the oceanographer's kit will be the family of satellites now being developed by the Space Administration for NOAA, the Navy, and, by extension, the commercial shipping and fishing and other marine-oriented industries. The unblinking satellite eyes in the sky represent nothing less than an overnight quantum jump in marine research and prediction capabilities. While providing pin-point navigation fixes they also issue global and, more important, constantly repetitive photographic and computerized numerical reports on cloud cover, ice pack formations, storm paths, shifting ocean patterns, sea states, sea surface temperatures, beach erosion and pollution of various kinds.

NOAA scientists, examining images from sensors aboard the first Earth Resources Technology Satellite (ERTS–1), spotted large, far-traveling underwater oscillations (known as internal waves and previously considered invisible from the surface). Scientists now speculate that the energy released by such great submerged tidal waves breaking on shallow bottom slopes may be the real cause of the slowing down of the earth's spin and the gradual lengthening of the day over millions of years. But the waves are of more immediate interest to the Navy for their effect on long range sound detection.

It is believed, according to NOAA's Information Office, that no tropical storm at sea has gone undetected since the beginning of the operational satellite system. The saving of lives and protection of property in threatened areas and through the safe rerouting of ships has been of incalculable value.

This is the beginning. Space scientists are currently perfecting the instrumentation for SeaSat, scheduled for launch in 1978 as the first satellite ever designed exclusively for study of the oceans.

WEATHER CONTROL SOON?

The oceans play a lead role in creation of the weather, an environmental element that affects everyone. And one weather program of particular interest is the North Pacific Experiment (NORPAX), a long-term effort jointly funded by the Office of Naval Research and the National Science Foundation's International Decade of Ocean Exploration (IDOE). NORPAX will focus on the shifting upper waters of the North Pacific Ocean and their interaction with the atmosphere. The goal is to better understand and hence predict the influence of that interaction on long-range ocean conditions and on weather patterns over the entire North American continent.

An intriguing study aimed at improving ultra-long-range weather prediction methods is IDOE project CLIMAP. Using an archaeological approach, CLIMAP researchers will attempt to divine the future by studying global weather on a time scale of hundreds of thousands of years. The plan is to study the series of meteorological events between the two known stable states of world climate, the ice age and the temperate age, and thereby determine the pattern—if there was one.

One of the least talked about but most important areas of meteorological research involves weather control. Here, as NOAA's Administrator Dr. Robert M. White puts it, "The Genie is leaving the bottle."

Sea Power asked Senator Magnuson to comment on both the legal and technical status of weather modification. His response:

"The technology is available right now. Field experiments, which require advance approval by the Commerce Department, have been necessarily cautious but very promising. Several states have asked NOAA's National Weather Service for assistance in rainmaking projects, and there has been demonstrable success in these experiments. The dissipation of warm fog over airports can be done routinely and it has been proved that hurricane winds can be substantially reduced in velocity.

"Though more research is required, the present state of the art might well justify the launching of coordinated weather modification activities by the government and by private industry. What is lacking is the legal framework for such programs. Opening this Pandora's box calls for very careful consideration. Obviously, one man's rain can be another man's drought—or, also, another man's flood.

"My committee is studying the problem right now to the end that the Congress can be made aware of both the beneficial and potentially dangerous effects of weather modification. I believe we can have enabling legislation and move into a carefully supervised operational phase in weather control in the near future."

The other and less attractive side of the coin is man's effect on the environment.

WORLD'S BIGGEST GARBAGE CAN

Man-made pollution of estuaries, bays and near-shore areas has long been a highly publicized threat to the quality of life along crowded coasts. But a newer concern is the pollution of man's last frontier, the deep sea. The traditional belief that the very vastness of the great oceans insures their essential incorruptibility is now being seriously questioned.

"Business as Usual Pending Annihilation" was one subhead on a recent piece in the *Wall Street Journal* which pictured the oceans as "the ultimate sewer" where all wastes not piled, burned or buried on land must find their way. In support of the view that oceanic pollution may eventually kill the source of most oxygen necessary to life on earth, the article quoted Senator Ernest F. Hollings (D-S.C.), Chairman of the Senate Subcommittee on Oceans and Atmosphere: "We are killing the great oceans of this planet and, unless we stop this madness, mankind himself may perish from the face of this earth."

The favorite culprits in deep-ocean pollution have been radioactive fallout, tar from congealed oil, mercury (which gets into the human food chain through contaminated fish), the bits of immortal plastic that somehow find their way to sea and the indiscriminate dumping of human and industrial waste.

CRANK CASES AND OIL TARS

In a survey last year of 700,000 square miles of East Coast waters, NOAA scientists found oil-waste tar clumps and plastic particles cluttering the deep ocean environment from Cape Cod to South America. Strangely, oil contamination was greater in some open ocean areas than it was in the Gulf of Mexico, where so much oil production takes place. NOAA offered no explanation, but some theorists speculate that a large part of deep ocean oil pollution comes from crank case oil carried by rivers from cities to the ultimate sewer. But a substantial amount may simply be oil seeping from strata beneath the earth's surface—ancient mariners, including Columbus, skimmed similar tarry clumps from the sea surface and used them to caulk their leaky ships.

The preliminary opinion of NOAA investigators, incidentally, is that plastic bits are not necessarily harmful to immature fish and that, while the degradable life span of oil is yet to be determined, it is considerably less than eternal. Some of man's worst fears, as the *Wall Street Journal* pointed out, fail to stand the test of time.

Another example along the same lines; those crown-of-thorns starfish which were thought to be devouring the coral reefs of the Pacific as the result of some man-induced madness were, it developed, doing only what starfish have always done. And Smithsonian Institute researchers have found that the level of mercury in fish specimens preserved for thousands of years is about the same as the amounts more recently considered a modern phenomenon.

What oceanic-pollution research has proven is that more research is needed. The oceans, after all, *are* big enough to absorb a lot of punishment, so there is reason to hope that the final effect of man on the oceans will be less than catastrophic.

LEMMINGS UNLIMITED

Another field in which intensive environmental research is imperative is the so-called Coastal Zone, a limited sea coast strip, where 80 million Americans already make their home and more, like lemmings, keep coming. The United States has a combined Atlantic, Pacific and Arctic coastline of 88,633 miles, plus 10,980 miles bordering the Great Lakes.

To enable the Federal government to play the role of honest broker in such a fiercely competitive area of diverse interests and authority, Congress passed the Coastal Zone Management Act of 1972. After some delay, the Federal program is now underway, with first priority assigned to research, advisory guidance and matching fund assistance. The Department of Commerce, with NOAA as action agency, represents the national interest in protecting long-term values for all concerned.

Among the more highly-charged problems to be resolved are the location of coastal and offshore power facilities and deep-water ports, access to and development of marine recreation facilities, maintenance of water quality standards and protection of living marine resources. A blue ribbon array of Federal agencies will assist NOAA and the sovereign states in designing and implementing a workable master plan.

In addition to the three great research areas—energy, food, environment—oceanic planners and scientists are pushing research, both basic and applied, on a number of other oceanographic fronts. Among them:

Drugs—Several forms of marine organisms and bacteria offer possibilities for potent antibiotics and anti-tumor compounds.

Underwater Vehicles—Continued Navy work on automatic submersibles has resulted indirectly in two developments of interest to industry. One is a new type of long-lasting liquid battery cell which generates eight times the energy of a conventional dry cell and does not deteriorate when not in use. The second is an environmentally-conscious robot with the senses of touch, sight and hearing and the ability to obey commands in ordinary English.

Data Acquisition—Westinghouse research has developed, as an added capability for NOAA's global system of Monster Buoys, equipment to monitor pollution.

Navigation—Omega, the first truly worldwide radio navigation system (based on a new principle discovered by Harvard scientists working on an ONR research contract), will be fully operational by 1975. Experimental transmitters have given accurate fixes at ranges up to 8,000 miles. The Navy will make the system available to commercial ships and aircraft.

Diving—The technology is in hand to provide men with gills to enable them, like fish, to breathe water. Fluid breathers theoretically could go to depths of three miles or more. The only question, according to Captain George Bond of the Navy Medical Corps, who helped develop the Navy's current system of "saturation diving," is whether that trip is necessary.

Energy—A group of NOAA and Woods Hole oceanographers are investigating the possibility of capturing some of the almost limitless energy of the Gulf Stream with "underwater windmills." And Scripps Institute scientists, using Sea Grant funds, have developed a pump to harness the power of ocean waves. A single pump, so simple it has only one working part, can generate a thousand watts of electric power.

The economic impact of the revived national interest in the oceanological/oceanographic sciences is likely to be nothing short of stupendous, incidentally. A recent comprehensive study of "Military & Other Government Oceanography" by Frost & Sullivan, Inc., a technological market research organization headquartered in New York City (106 Fulton St. 10038), for instance, indicates likely expenditures in the billions of dollars for various Navy and NOAA programs already underway, and 10-year outlays of an estimated $120 million for feasibility studies alone of such future projects as "Deep Ocean Stations," "Seafront Stations," "Mobile Undersea Support Laboratory," "Large Stable Ocean Platform," and "Pilot Harbor Development Project."

Many additional research areas could be mentioned. Suffice to say that, if the current resurgence of interest in oceanographic research is translated into increasing financial support, the later part of the decade will see advances in the exploitation of the great mineral and protein resources of the oceans equal to the dramatic advances in oceanographic engineering capabilities of the 1960s.

THE EARNED REENTRY PROGRAM

Mr. JAVITS. Mr. President, I call to the Senate's attention a program designed as a positive response to President Ford's recently announced national amnesty program respecting the Vietnam war.

This plan was developed by my office in conjunction with the City University of New York and the New York City Board of Higher Education. It envisions the employment as tutors at the university of as many as 2,000 Vietnam military deserters or evaders who elect to participate in the President's earned reentry program. I have discussed this proposal, which constitutes an innovative form of alternative service, with our former colleagues Senator Charles E. Goodell, Chairman of the Clemency Board, and Attorney General Saxbe.

Mr. President, I ask unanimous consent that an exchange of correspondence between myself and the Honorable Alfred A. Giardino, chairman of the board of higher education of the city of New York be printed in the Record on this matter, as well as a news release from the City University dated September 22, 1974.

There being no objection, the letters and news release were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., Septmeber 16, 1974.

Hon. Alfred A. Giardino,
Chairman, Board of Higher Education, the City University of New York; New York, N.Y.

Dear Chairman Giardino: As one who has long supported the concept of Open Admissions at City University, I share with you and your colleagues at the Board of Higher Education a desire to maximize the success of this important program. I am aware that limitations in state and municipal funding have prevented the colleges of the University from mounting the kind of remedial effort that would fully tap the potential of the thousands of high school graduates who arrive on your campuses each year with academic deficiencies. I am also aware that when the Open Admissions program was first introduced its proponents urged that it include a massive tutorial component but that the cost of this tutorial effort subsequently proved to be beyond the fiscal reach of the University.

The "earned re-entry" program announced by President Ford today, in my opinion, provides the opportunity to implement that vital tutorial component at CUNY. There are, doubtless, many young men presently categorized as draft evaders or military deserters who possess the academic qualifications to serve as college tutors and who would be willing to make a meaningful contribution through service at City University. This is the kind of public service I believe the President had in mind when he made his announcement. Accordingly, I have discussed with my colleague, former Senator Charles E. Goodell, Chairman of the Clemency Board, the earned re-entry and the Open Admissions tutorial idea. Mr. Goodell has given me assurance of his support in helping to direct qualified re-entry volunteers toward service as tutors at CUNY.

Also, I will discuss this idea with Attorney General Saxbe, who has a coordinate jurisdiction in earned re-entry.

I would therefore appreciate hearing from you at your earliest opportunity as to whether you believe such a tutorial system would be desirable at CUNY. Also, if you feel this idea is worthwhile, I would like to advise Mr. Goodell as to the number of tutors you estimate CUNY colleges could use; when they could be employed; and the qualifications the University administration would want to set for this kind of service.

Although the full details of the "earned re-entry" program are not as yet fully articulated, I assume that persons seeking reentry would receive from the Federal Government remuneration, food and shelter comparable to that provided men who enter the armed services. If you wish to pursue this matter further, I will assign a member of my staff to assist the University in working out the details for such a tutorial program.

With best wishes,

Sincerely,

JACOB K. JAVITS,
U.S. Senator.

CITY UNIVERSITY OF NEW YORK,
BOARD OF HIGHER EDUCATION,
New York, N.Y., September 18, 1974.

Hon. JACOB K. JAVITS,
Russell Senate Office Building,
Washington, D.C.

DEAR SENATOR JAVITS: Many thanks indeed for your letter of September 16th just received. That earned reentry individuals may serve in substantial numbers as tutors to help those who enter City University with academic deficiencies is an exciting and highly constructive proposal. Such a program is both educationally sound and a major social contribution that will benefit the student recipients of such aid as well as those who will serve as tutors.

Immediately upon receipt of your letter I discussed the proposed program with Chancellor Kibbee who believes that it could make a substantial contribution to the academic success of our lesser prepared students.

While we have experienced an encouraging degree of success in our remedial programs, you are correct in identifying our severe fiscal constraints as having inhibited the massive tutorial assistance suggested by those who conceived open admissions. As you know, our university is still the victim of chronic financial shortfall and therefore would be unable to provide funds to support "earned reentry" volunteers other than for the managerial and administrative costs that would be involved for each campus. That is why the use of highly motivated reentry volunteers paid from federal funds is so ingenious an idea on your part. We were delighted to learn that the chairman of the clemency board appointed by the President under his amnesty proclamation has assured you of support of this imaginative and worthy proposal.

In response to some of the questions posed in your letter, you may wish to note the following:

1. A telephone survey today of our undergraduate campuses indicates that CUNY colleges could make immediate and effective use of up to 2,000 qualified tutors if that number is available. We expect our freshman enrollment for the current academic year to exceed 40,000, an all-time high. A substantial number will require tutorial assistance.

2. According to Dr. Kibbee, our minimum academic qualifications for tutors would be a baccalaureate degree from an accredited institution or successful completion of two years of undergraduate study with demonstrated tutorial competence in basic English, mathematics, the social sciences or the physical sciences. The university would want to select tutors from those who apply for this service, who are judged to be qualified and who meet our standards of character fitness and tutorial motivation.

The university is ready to assign administration of this program to its Office of Academic Affairs where it would come under the direction of Vice Chancellor Timothy S. Healy. Liaison with the colleges would be through that office and actual tutorial assignments would be supervised by the faculties of each of the colleges.

We have consulted with our college presidents and representatives of our faculty and can assure you of their enthusiastic support and cooperation. We are eager to move this program forward without delay. Yours is a brilliant proposal and your continued assistance would be invaluable in assuring cooperation with the federal agencies with whom we would work in implementing it. If you agree, we would like to make this plan public by announcing it over the weekend.

Sincerely,

ALFRED A. GIARDINO.

[News from The City University of New York, Sept. 22, 1974]

CUNY WILL SEEK 2,000 TUTORS UNDER JAVITS' AMNESTY PLAN

Senator Jacob K. Javits has initiated a plan whereby the City University of New York would make use of President Ford's "earned reentry" amnesty proclamation to recruit a small army of college tutors who would provide supplementary remedial assistance to academically disadvantaged high school graduates who enrolled in CUNY under its Open Admissions policy.

Announcement of the Javits Plan was made today by Alfred A. Giardino, chairman of the Board of Higher Education which oversees the 260,000-student City University system. Mr. Giardino said, CUNY "could make immediate and effective use of up to 2,000 qualified tutors if that number is available."

Elements of the Javits proposal were contained in an exchange of correspondence released by the B.H.E. chairman. In laying out his plan to tap a national pool of academic talent to strengthen CUNY's remedial efforts, Senator Javits revealed that he had already brought it to the attention of former Senator Charles E. Goodell who was named on Monday as chairman of the Presidential Clemency Board. Mr. Goodell indicated "enthusiastic support" for the idea, according to Senator Javits.

Chairman Giardino responded to the Javits Plan by describing it as "educationally sound and a major social contribution that will benefit the student recipients of such aid as well as those who will serve as tutors."

The B.H.E. chairman said that CUNY Chancellor Robert J. Kibbee had suggested "minimum academic qualifications for tutors" drawn from reentry service volunteers. A baccalaureate degree from an accredited institution of higher education or two years of successful undergraduate studies "with demonstrated tutorial competence in basic English, mathematics, the social sciences or the physical sciences," were the criteria stipulated by Dr. Kibbee.

The City University chancellor declared, "The infusion of 2,000 tutors into our system would fill a vital gap that has existed in CUNY's open admissions effort because of funding limitations from the very outset."

Under the Javits Plan, equivalent service volunteers would be made aware of CUNY tutorial openings through official listings at federal reception points throughout the country. They would submit applications to the university's Office of Academic Affairs which, if approved, would then be routed directly to one of CUNY's 18 undergraduate colleges. Specific tutorial assignments would be made and supervised by the faculties at each of the colleges.

Dr. Kibbee said that he had informed leaders of the union representing CUNY faculty that implementation of the Javits Plan would not displace university faculty or fill instructional positions normally funded through the university's budget.

MARITIME SOVEREIGNTY

Mr. BIDEN. Mr. President, in late August, the Delaware State Senate passed Resolution No 255 recommending that the 12-mile limit off the coastline of the United States be extended.

I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION NO. 255

Whereas, the established twelve-mile limit off the coastlines of the United States of America has been in effect for many years although at times posing a threat to our nation as a result of surveillance and spying by foreign powers; and

Whereas, commercial fishermen in this nation have respected the twelve-mile limit despite numerous hardships they have encountered because of its stringent enforcement; and

Whereas, fishermen of other nations, through the years, have fostered unending raids just beyond the twelve-mile mark on certain species of whales, salmon, and other varieties of fish important to the livelihood of this country's commercial fishing fleets; and

Whereas, other nations of the world, including Peru which has an established two hundred-mile limit, have extended their boundaries to benefit commercial and sports fishing interests of their nations, while at the same time heightening the national security of these nations; and

Whereas, it is most important that steps be taken by our elected representatives in the Congress to change the outmoded twelve-mile limit to a distance, perhaps one hundred to two hundred miles, which would be much more realistic in terms of national security and a healthy fishing economy.

Now therefore,

Be it resolved by the Senate of the 127th General Assembly in Extraordinary Session, that its members go on record as recommending that the United States Congress extend the present twelve-mile limit to a more realistic distance of one hundred to two hundred miles in the best interests of the nation's security and a healthy economy for United States' fishermen.

Be it further resolved that copies of this resolution be forwarded immediately to United States Senators William V. Roth, Jr. and Joseph R. Biden, Jr. and to United States

Representative Pierre S. duPont, IV at their respective offices with a plea for their support of the thoughts and ideas included in this resolution.

A 3,000-MILE JOG

Mr. MATHIAS. Mr. President, two young men, Phil Castleberg and Heinz Wiegand, recently completed a remarkable feat—a 3,000-mile jog across the United States. They did it to make the public aware of heart disease, America's No. 1 killer, and of the benefits of physical fitness. This extraordinary exercise had its origin in the city of Frederick, Md., and the two joggers appropriately stopped for "welcome home" ceremonies as they neared the end of the last leg of their trip. I am sure, Mr. President, that my colleagues from across the country join me in sharing with Frederick and the State of Maryland a large measure of pride in these two men and respect for what they have done. Mr. President, the Frederick News saluted this achievement in an editorial and the Honorable Ronald N. Young, mayor of Frederick, issued a proclamation in recognition of it. I ask unanimous consent that the editorial and the proclamation be printed in the RECORD.

There being no objection, the editorial and proclamation were ordered to be printed in the RECORD, as follows:

[From the Frederick (Md.) News, Sept. 23, 1974]

FOR OUR HEARTY LIVING

It is no freak thing two young men have done in jogging what will be some 3,000 miles For Our Benefit.

Heinz Wiegand and Phil Castleberg arrived "home" Friday to a warm welcome after jogging over 2,800 miles en route from the Pacific to the Atlantic.

More than just a "fling" or a "publicity stunt," these two spirited young men—Heinz accompanied by his wife, Phil by his sister—undertook this marathon jog to show what a healthy body and healthy mind can do for one's health.

They will be honored Sunday in Washington, D.C., and these and other honors are well deserved.

Even more noteworthy than the fact that their bodies and minds and faith could propel them through the heat and rains of such a long trek is the fact that the expenses have come not out of the sponsoring Heart Fund's money, but out of their own pockets.

Castleberg and Wiegand are adding their efforts to those of other major private and governmental programs of public education about heart disease prevention which have been identified as possible factors in the recent dramatic decline in fatal heart attacks in the United States.

The suggestion that there may be more to the decline than improved medical care for heart disease patients came from Dr. Richard Ross, president of the American Heart Association (AHA).

Dr. Ross was commenting on a study by the National Center for Health Statistics which shows that the death rate from coronary heart disease fell 10.5 per cent in the period from 1963 to 1971. The rate had risen 19 per cent in the period from 1950 to 1963.

The AHA and the President's Council on Physical Fitness and Sports (PCPFS) have been leaders in advancing regular vigorous exercise as one means of reducing the risk and the seriousness of heart attacks.

The AHA recommends a 6-point program: (1) reduce saturated fat and cholesterol in the diet; (2) avoid excess weight; (3) control high blood pressure; (4) stop smoking; (5) exercise regularly; and (6) have regular medical checkups.

In an effort to assist the AHA and the PCPFS in advancing regular, vigorous exercise as one way of reducing the risk of heart disease, our two Frederick runners have spent their summer jogging from Seattle, Washington to Rehoboth Beach, Del.

Heinz and Phil are avid joggers who have spent years training for this run. Averaging 30–45 miles per day, they have been through 13 states giving lectures, interviews and participating in testing programs to educate the public about the dangers of heart disease and ways of preventing it.

The duo will be honored by the AHA and PCPFS at the annual picnic of the Washington, D.C., Road Runners Club at 5 p.m. tomorrow in Rock Creek Park

A special program is planned to recognize the achievements of these two individuals who have committed so much of their time and energies to the battle against heart disease.

Not only should Frederick personally doff its hat to these two Hearty Living men, but, we, who have a need to, should also don our jogging garb and shape up for a longer, healthier life.

CITY OF FREDERICK—PROCLAMATION

Whereas, Phil Castleberg and Heinz Wiegand have nearly completed a three thousand mile cross country jog to promote physical fitness, and

Whereas, These gentlemen have ably represented the City of Frederick in this remarkable endeavor, and

Whereas, The administration and the people of Frederick City are extremely proud of their accomplishment on behalf of "hearty living" and physical fitness,

Now, therefore, I, Ronald N. Young, Mayor of the City of Frederick, Maryland, do hereby officially declare Friday, August 23, 1974, to be "Runners for Heart Association Day" in the City of Frederick.

In witness whereof, I have hereunto set my hand and caused the Seal of the Mayor to be affixed this twenty-third day of August, 1974.

RONALD N. YOUNG, *Mayor.*

ANTITRUST ACTION IN THE AGE OF CONSUMERISM

Mr. MOSS. Mr. President, Commissioner M. Elizabeth Hanford, of the Federal Trade Commission, has recently set forth an important program at antitrust law enforcement in a speech entitled, "The Antitrust Imperative in an Age of Consumerism." The consumer today has learned that the most important rules of the marketplace are the rules which foster competition. As long as competition is humming smoothly, the pitfalls which the consumer faces are significantly eliminated. But once anticompetitive practices take a foothold in the marketplace, the consumer suffers. The consumer suffers from the elimination of new ideas, the restriction on availability of goods or services, and the increased prices which an anticompetitive marketplace fosters.

Mr. President, I urge that my colleagues read the speech which Commissioner Hanford has given on this subject. I ask unanimous consent that the text of the speech be printed in the RECORD at the conclusion of my remarks.

There being no objection, the speech is ordered to be printed in the RECORD, as follows:

[From the Federal Trade Commission, Sept. 9, 1974]

THE ANTITRUST IMPERATIVE IN AN AGE OF CONSUMERISM

(An Address by M. Elizabeth Hanford, Commissioner)

It is always a pleasure to meet with women in varied leadership roles to explore important issues facing us all. When it was suggested to me that I focus my comments and observations on the consumer movement, I felt this would be a good opportunity to share with you my thinking as to where consumerism stands in the diverse American spectrum today—and, perhaps more importantly, where this powerful and important movement should direct its primary efforts in the future.

From my vantage point on the Federal Trade Commission, I think it is undeniable that we live in an age of consumerism. At a time when market forces seem to grow ever more impersonal—and complex—the American consumer appears less and less willing to accept unfairness in the nation's marketplaces; less willing to accept a lack of competitive product and service options, less willing to acept inadequate—or inaccurate—information concerning the products and services he buys; less willing to run undisclosed—or unreasonable—health and safety risks created on the seller's side; less willing to accept the frustration of a world in which his complaints too often remain unheard, unweighed, and unanswered.

In other words, the American consumer has found his voice—and that voice is strong and steady. The credibility of a Ralph Nader whose persistent dedication to principles of corporate accountability and citizen involvement are aimed at "making the system work" is not subject to dispute; or can one question the sincerity of a Virginia Knauer or a Bess Meyerson.

This cast of mind has not always been with us, for the primary demands of the American consumer have changed significantly in the past 40 years. In the difficult economic times of the early 1930's—the so-called "great depression"—the rudimentary problem facing the American consumer was to meet the family's basic needs in terms of providing food, shelter and clothing. There seemed to be little time for the problems of environmental quality, deceptive advertising or defective warranties. Most people—unable to borrow money—were hardly concerned with cost-or-credit disclosures of the type now mandated by law in the Truth-in-Lending Act. Then, the choice was not which cereal container would be selected, but whether cereal could be afforded at all. Then, the object of the trip to the grocery store was the purchase of day-old bread and no complaints were heard about proliferating packages of cakes and cookies.

Of course, we came out of that period in a burst of unprecedented productive capacity. Unparalleled demand was generated and sustained by a world war, a post-war baby boom, and the continued development of international markets. At the same time, more and more Americans completed high school and went on to college; and, as if in reward for two decades of severe strain and effort, increased automation gave us more leisure, and the credit economy gave us a new, high level of consumer buying power. In this context—with the leisure, and with the increased buying power, and, above all, with the increased educational opportunities—the American consumer reached a degree of sophistication unmatched in an earlier day. It is in this context that the current consumer movement emerged.

Now, I characterized the present time as an "age of consumerism," but I am certainly not suggesting that we have achieved the millenium. No, this is certainly not an age of consumerism in the sense that all our problems are solved. The continuing good-faith efforts of so many businessmen, working jointly with consumers and public officials throughout the country have doubtless been beneficial; but many challenges remain. I believe, however, that it is the very tension created by our expectations and demands—by our growth as a people—which ultimately provides the motor force for all social change; and it is this source of raw human energy which, if disciplined and directed, can generate meaningful solutions to the underlying causes of our frustrations. It is in this sense—in the sense of vast opportunity for achievement—that we are in an "age of consumerism."

It has been estimated that unresolved consumer controversies involve in excess of $100 million each year. Based on my years in the consumer field, I have seen enough egregious consumer wrongs, apparently without consumer remedies, to conclude that, as high as this might seem, it is not inconceivable that this $100 million figure may be too low an estimate.

I suspect this comes as no surprise to any of us who have experienced the frustration of seeking satisfaction when a purchase was delivered with a defect the warranty did not quite seem to cover—nor is it a surprise to those of us who have wondered in vain how justice would be done when it became clear that a purchased item was simply and indisputably not what it was represented to be. Shoddy workmanship: advertising filled with irrelevancies and half-truths, often pandering to the vulnerabilities of the young or the gullible; hard-core fraud—the range of actual and potential consumer abuses is wide indeed; and, to highlight one problem area from among them presents obvious pitfalls. Nevertheless, as I consider how the energies of Americans interested in consumerism could best be spent in the coming months, and years, one broad area stands out clearly in my mind.

I refer here to sustained enforcement of the nation's antitrust laws. Speaking again from my perspective as a Commissioner of the Federal Trade Commission—the federal agency jointly responsible in partnership with the Antitrust Division of the Justice Department for the enforcement of our antitrust laws—let me state clearly my commitment to a policy of vigorous and uncompromising antitrust enforcement. In essence, the heart of consumerism is antitrust.

It may strike some as surprising or strange that I should choose a women's forum—a forum taking the theme "today's woman"—as the appropriate setting for a discussion of antitrust; but I suggest to you that a view of antitrust enforcement as a man's issue is no more acceptable than the notion that consumerism is a woman's cause.

Unfortunately, to many consumers of both sexes, the notion of antitrust enforcement is an uncertain and ethereal concept—suggesting images of the early tobacco, sugar and oil trusts, robber barons, and the Grange and Populist movements of the late 19th Century. It suggests to many the seemingly impenetrable legal maze of anticompetitive corporate mergers, monopolization attempts, and subtle price-fixing conspiracies. But we can ill afford to view antitrust as either antiquated or unfathomable.

The national antitrust laws are no less than our most direct and vital affirmation of the free enterprise system. The goal embodied in these laws—that of maintaining markets in which consumers can turn to a multiplicity of sellers for their needs insures healthy competition for the consumer's dollar; significantly, such competition is most often reflected in lower prices, better service and workmanship, and an intensified effort at product development and innovation.

The statement of this goal, however, is not a self-fulfilling prophecy; and the history of increasing economic concentration in America makes it clear that markets, absent vigorous antitrust scrutiny, tend to lose their competitive character; that competitors can become colleagues in joint action against their customers; and that prices can go up while quality and value go down.

As we are all well aware, we find ourselves today in the midst of a severe economic crisis. The President has rightly determined that an important step in the fight against inflation is implementation of certain federal spending cuts; and the pending economic summit meeting will doubtless produce a number of additional government initiatives for an across-the-board effort to force spiraling prices downward. It is, I think, imperative that federal antitrust enforcement be enlisted as a potent weapon in this fight. This requires not only prompt prosecutorial initiatives, both by the FTC and the Antitrust Division, but—at a time when federal spending must be stringently curtailed—it requires significant increases in our budget commitment to antitrust. It appears to me that through the years the Federal dollar commitment to antitrust has clearly been inadequate to the challenge. Simply put: we must have more for this task. I think it vitally important that this message—the need for vigorous antitrust enforcement and for significant increases in funding—be focused upon in the current dialogue now underway in Washington.

In the final analysis the American people—the American consumer—will receive effective antitrust enforcement only to the extent that it is demanded; and I think that it will be demanded only if there is enough understanding of the underlying issues to appreciate that, in essence, lasting success with so many consumer problems is inexorably bound up with the success of antitrust enforcement. Let me add that I am in complete agreement with Attorney General Saxbe's recent commitment to an educational effort which will explain the implications of antitrust to an audience wider than the antitrust bar.

We meet here today as concerned citizens and concerned women. It is essential, in my view, for today's women to be increasingly active and involved in the economic affairs of our nation. I reiterate that consumerism should in no way be considered a woman's issue; yet opportunities for "today's woman" to participate in the challenging work of the consumer movement are manifold. The enhanced awareness of "today's woman" as a person of individual identity and potential, her increasing participation in the world of events beyond the home, her willingness to translate her potentialities into power and action combine with the day-to-day expertise so many American women possess on the dollars-and-cents issues that are basic to consumer programs.

While the opportunity for careers in consumer-related fields is increasing, much of the crucial work can be done on a volunteer, part-time basis, in perfect consonance with other career choices. Consider, for example, the young leader of a consumer organization who recently visited my office to express her group's concern that the sharp rise in prices which she continually faces as her family's chief procurement officer might, in some instances, be caused by anticompetitive behavior flourishing in the current inflationary climate. Citizens have joined in organizations throughout the country to reflect their consumer concerns before committees of Congress and state legislatures; they are in the forefront in urging that consumer education be taught in their schools; they are pressing businessmen to voluntarily resolve consumer frustrations in the market, to provide methods for handling consumer grievances in an effective and expeditious manner. In short, the opportunities for participation abound.

Thomas Wolfe was right: you can't go home again. The frustrations we feel as consumers—as well as women—will not abate in any permanent or lasting way until the problems are faced and solutions are found. It is ultimately a job we must do for ourselves as women—as well as consumers.

SENATOR WALTER MONDALE ON THE ECONOMIC CHALLENGE

Mr. HUMPHREY. Mr. President, I would like to bring to the Senate's attention an editorial in the Minnesota Tribune on October 2, 1974, concerning an article by the senior Senator from Minnesota (Mr. Mondale), which has recently appeared in Foreign Affairs magazine.

This article was prepared over the summer, before international economic issues had become fashionable. It sets out simply the fact that our economic problems are not just domestic and it also underlines the fact that our most pressing international problem is economic. It points out clearly the pressing problems we now confront because of the oil price hike, because of inflation, and in the field of trade. The article also spells out how economic issues must become the central touch stone of our evolving relations with the Soviet Union.

But the most important point, I think, is the Senator's argument that foreign policy must be an extension of domestic policy and not some abstract and separate arena of Government action. I believe this is a basic and challenging concept which deserves further thought by all of us.

Mr. President, I ask unanimous consent that a recent editorial in the Minneapolis Tribune regarding Senator Mondale's article, and the text of the Foreign Affairs article, entitled "Beyond Détente: Toward International Economic Security," be included in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Minneapolis Tribune, Oct. 2, 1974]

Mondale on the Economic Challenge

Sen. Walter Mondale argues that all other international security matters are now overshadowed by threats to the world economy. He is not alone in that view. President Ford and Secretary of State Kissinger have begun saying the same thing lately, and theirs are only the most prominent voices in a growing chorus.

Writing at length in the October issue of Foreign Affairs, Mondale reaches conclusions that break little new ground. If anything, he is less radical (in the sense of making fewer veiled threats) than the Ford administration, and he is more inclined to recognize that shortcomings in American policy have contributed to the problems.

Thus while he describes oil-price increases as "irresponsible price-fixing," Mondale mentions ways in which Western countries, including the United States, also have been guilty of destabilizing actions. And he recognizes that raw-materials cartels spring partly from feelings in underdeveloped supplier countries that they have been exploited in the past.

Mondale offers familiar solutions, including coordinated policies among industrialized nations and greater participation by oil-exporting countries in international economic policy-making. But his observations have significance at another level.

First, they suggest a moderation in certain views. For example, there is no suggestion in the Foreign Affairs article of the food embargo Mondale was advocating a year ago. Second, his analysis shows an increasing grasp of subjects beyond the domestic issues for which he is better known.

Mondale does not have the reputation of, say, a Jackson in national-security matters or a Fulbright in foreign affairs. But in 1968 he was in the forefront of the move to liberalize East-West trade when detente was not the accepted principle it is now. Later, when criticism of defense spending tended to be diffuse, Mondale focused on a specific, costly aspect: Although carefully researched, his challenge to the size of the Navy's carrier program seemed unlikely to have much effect. But it did.

The Minnesota senator's commentary on international economic problems extends that pattern; recognizing issues of ascending urgency, studying them with care and offering reasonable courses of action. This speaks well for his abilities as a senator. Some might even consider those abilities suited to a higher office.

[From Foreign Affairs, October 1974]

Beyond Détente: Toward International Economic Security

(By Walter F. Mondale)

Economic issues are now front and center for the world's political leaders, topping the agenda of both domestic and foreign policy concerns. While the major international security issues of the last quarter-century are still with us—the competition in strategic nuclear arms, the struggle of differing political systems, the confrontation of massively armed alliances in Europe, the menace of great-power involvement in local conflict—these are now being overshadowed by the risk that the operation of the international economy may spin out of control. For if this happens there will be no graver threat to international stability, to the survival of Western democratic forms of government, and to national security itself.

Last June West Germany Chancellor Helmut Schmidt spoke plainly at the NATO summit meeting. As he saw it, the most serious risks facing NATO were not military. The growing economic difficulties of its members, he said, "include dangers that cannot be exaggerated. Inflation and the necessarily following recession pose the greatest threat to the foundations of Western society."

Throughout the crisis of the President, it was difficult for the American public to focus on international issues. What serious discussion there was dealt almost exclusively with the problems of détente with the Soviet Union. It is on this issue that Secretary Kissinger has called for a great debate, and Senator Fulbright is responding by holding extensive hearings to air the views of both critics and supporters of the Nixon Administration's dealings with the Soviet Union.

Certainly détente is important. The gains in East-West relations must be consolidated on a realistic basis;; negotiations on strategic arms, the European Security Conference and the question of force levels in Europe must be pursued, and the attempt to progress toward a peace settlement in the Middle East (itself in part a test of the scope of détente) must command special and unremitting attention.

But just as inflation has now emerged as by far the most pressing domestic concern, so international economic policy is now our top external challenge. In terms of the scale of the problems and the imagination required for their solutions—and especially in light of the inadequate attention economic questions have received in recent years—this is the area which calls for our greatest efforts. The priority we have accorded for years to traditional political and security concerns must now be given to international economic issues. If we do not resolve them, the security problems that may ensue could dwarf those that now remain.

II

That economic problems have become critical in their own right should now be evident to us all. The first serious talk of major depression since World War II is gaining currency. Editors and economic analysts, from *The Journal of Commerce* to *The New Republic*, are pointing to the danger signs of economic collapse. By midyear, even though the shock of the Arab oil embargo and price rises had been largely absorbed in the United States, inflation was running above ten percent, real GNP was declining by 0.8 percent, while unemployment stayed higher at 5.2 percent and was expected to rise.

In Europe and Japan the situation is, if anything, worse. By August the rate of inflation was roughly 18 percent in Great Britain, more than 20 percent in Italy, 15–16 percent in France, and about 25 percent in Japan. Real GNP was dropping in Britain and Italy, while even West Germany, with the healthiest economy in Europe, and Japan, with almost miraculous growth rates in the past, were both down to only two percent growth. High interest rates have choked off investment everywhere while unemployment has grown ominously in almost all major European countries. To these grim statistics must be added the oil bill, which this year will contribute to a European balance-of-payments deficit estimated at $20 billion, and growing concern, fed by the collapse of the Herstatt Bank in Cologne and the near collapse of the Franklin National Bank in New York, that the world's major financial institutions may be in jeopardy. Bankers in Europe and the United States are deeply worried that more banks may go under.

The outlook for the bulk of the poor nations is even more bleak. The additional aid required this year to meet the increased cost of food and energy is not materializing. This shortfall, and the lower North American harvest now projected for this fall, may be laying the groundwork for widespread famine and food shortages.

So far, however, the main dangers lie in the future, at least for the industrialized countries. At this writing, competitive devaluations have not taken place. Arab oil receipts are being recycled. The IMF has acted to help Italy and other countries meet their massive balance-of-payments problems stemming from the oil price rise. In early July, central bankers meeting in Basel agreed to try to help banks in financial trouble. The OECD is now predicting a lower inflation rate in the major industrialized countries for the last half of 1974.

Yet industrialized countries will remain under economic pressure. Even if oil prices soften somewhat, the energy bill will remain staggering. In the United States serious proposals have recently been advanced for at least two more years of stagnant growth to tame inflation, and the prospect of more than six percent unemployment has been greeted with equanimity by Administration officials.

Austerity measures in Italy, France and West Germany now appear to be slowing inflation, but before these countries can breathe a sigh of relief they are already gritting their teeth over the possibility of recession. Europeans and others must confront growing internal pressure to resort to unilateral beggar-thy-neighbor actions—export and import controls, exchange controls, devaluations and dumping. Arab oil revenues may grow into a massive and mercurial threat to international financial stability. Informal cooperation among economic authorities in the major countries, which has been instrumental in containing the crisis thus far, may not be able to stand up under persistent stress.

Ultimately, the intensity and duration of the current economic crisis will depend upon what governments do about it. While it is imperative to avoid self-fulfilling prophecies of economic doom, there is no automatic guarantee that things will come out all right. Therefore, responsible leaders of all political persuasions throughout the industrialized world must, as a matter of prudence, give serious consideration to the grimmer assessments.

As they look upon the international economic scene, moreover, apprehension is fueled by frustration, because the problems are beyond the span of control of individual nations. With the growth in economic interdependence, the problems are inextricably linked, and only a comprehensive and systematic international efforts can deal with them.

III

There is nothing new in the idea of a comprehensive approach to dealing with the world's economic problems, nor in giving such concerns high priority in our foreign policy. Even as World War II raged, and with the consequences of the Great Depression still vivid, major efforts were made to build new economic institutions on a worldwide basis. The Soviet Union was represented at the Bretton Woods Conference in 1944, which established the International Monetary Fund and paved the way for the World Bank, and the Soviets also were invited to participate in the Marshall plan.

Both Bretton Woods and the Marshall Plan stemmed from the recognition of interdependence—that the economic health of the major countries of the world affected the security and well-being of the others. It was clear that some kind of international economic system would rise from the ashes of World War II and the real task was to assure that it promoted recovery and did not go haywire as it had after World War I.

During this same period, the late 1940s, there was a parallel effort to build a comprehensive system of collective military security via the United Nations. This, too, was based on the conviction that security was interdependent, or as it was fashionable to say at the time, indivisible.

These first tentative structures for a reasonably universal economic and security system cracked apart in the intensity of the cold war. The industrialized market-economy countries ended up organizing the international economic system on their own while the Communist countries withdrew into autarky and set up their own more rudimentary arrangements. The Third World was so dependent on the industrialized world as to be only an appendage of it.

Over the next two decades, the 1950s and 1960s, the colonial nations of the Third World became independent, but wielded little economic or political power. Competition between East and West, along with traditional ties to the West, assured the Third World a certain amount of development assistance. Over time the Communist countries grew stronger and came to trade more with both the West and the Third World, while the latter began to participate to some degree in the management of the international economic system through the World Bank and IMF—in particular the Committee of 20 dealing with monetary affairs.

But at the beginning of this decade, we in the United States and the rest of the Western industrialized world, including Japan, clearly controlled our own economic security. Interdependence seemed only limited. For practical purposes the international economy *was* the economy of the Western world. We did not depend on the economic behavior of the Communist world in any significant way, and we were largely in control of what we needed from the Third World, despite the clamor of its representatives for greater equity.

The situation has changed markedly in the last four years. The West's international economic system is no longer insulated. Both the Third World and the Communist countries have dramatically demonstrated a capacity to disrupt it through cartel pricing of oil and massive grain purchases respectively.

In addition, just this year a "Fourth World" has precipitated out from the Third. Its members are those who lack major resources or economic power. The nations in this group are more dependent, more deprived and more aware of it than any large segment of the world's population in history. That some of the desperate nations of this Fourth World now may have access to nuclear weapons only adds to the prospects for tragedy.

There is a new distribution of the economic power in the world and we must learn to deal with it. However, the sudden emergence of this changed economic equation is not just the result of Soviet grain purchases and the oil crisis. The impact of those developments has been directly proportional to the long-range changes already underway inside the Western international economic system.

By the early 1970s this system faced a visible breakdown in the way it managed its monetary affairs, and was already in the throes of an acute crisis of inflation—which spread from country to country in accordance with a sort of Gresham's Law toward the highest national rate. Inflation accompanied by stagnation was a new and bewildering phenomenon, undermining confidence in our ability to manage our industrial economies. Aid to developing countries had declined, generating increased desperation and resentment. In the last year, all these developments combined to form the essence of what may now be termed as a total crisis; one that is both economic and political and involves the entire international system.

Fortunately this crisis coincides with a period in which political and military security issues are muted, and some of the major divisions in the world are being bridged and even healed. But we must seize the opportunities presented by détente and other improvements in the international picture to deal effectively with our economic problems, or the progress we have made toward a more secure world may be undone.

In the late 1920s there was also a version of détente, symbolized by the Treaty of Locarno, and at the same time an emerging depression. When the nations of the world failed to cooperate to deal with the depression, its consequences rapidly unraveled the elements of that détente, and in the end economic collapse contributed mightily both to the emergence of grave threats from Germany and Japan and to the paralysis of other nations, including the United States, in the face of those threats.

It is not alarmist to suggest that something of the same sort could happen today. If the economic crisis continues to deepen, détente, now stalled at several key points, could well go into reverse. Already the economic pressures on the members of NATO are undermining their defense postures and reducing Soviet incentives to negotiate. A more grave economic crisis in the West could generate dangerous temptations for the relatively less-affected Communist countries, possibly reviving their hope for the "demise of capitalism" and encouraging a more aggressive and interventionist foreign policy.

However, the dangers are not solely from the Communist world. New or dormant ambitions may be kindled in countries internally divided by economic disruption. Economic differences could precipitate a breakdown in our security relationships with Japan and Europe, leading perhaps to go-it-alone defense policies with profound consequences for regional stability. Other countries may become so self-absorbed as to completely withdraw from their responsibilities for international security: Great Britain may be nearing this point already, and some believe that Italy is past it.

The time has come to face the fact that the fundamental security objectives underlying the process of détente are now linked to the world economic situation. The economic cooperation that is required will involve us most deeply with our traditional postwar allies, Western Europe and Japan, but it must also embrace a new measure of comity with the developing countries, and include the Soviet Union and other Communist nations in significant areas of international economic life. Only thus can the present precarious period of détente lead beyond uncertain balance-of-power arrangements to the worldwide sense of common economic interest that is an essential underpinning of a relatively peaceful world.

IV

The economic and financial dislocations created by last year's fourfold increase in oil prices pose the most urgent set of issues with which we must deal. The size of the price increase and the abrupt manner in which it was imposed (not to mention the use of oil as a political weapon) smacked of economic aggression. The first task of a foreign policy aimed at enhancing economic security should be to try to get an oil price rollback. Because of overproduction and decreased consumption there is some prospect for lower oil prices. We should do all we can to encourage the trend (and ensure its being "passed through" to the consumer), but as a realistic matter we must also plan our economic strategy on the assumption that high oil prices will continue.

The oil price hike is like a huge tax levied on most of the world's economies. However, it is a form of taxation without representation, for the size and expenditure of this tax is beyond the control of those who pay it or of their governments. Most of the payments made to the oil producers are remaining in Geneva, London and New York, where they are recycled back into the world economy. Nonetheless important problems remain:

The burden of recycling the oil receipts is threatening to undermine the stability of the international banking system; and

The recycling of oil "tax" receipts is not putting funds into the hands of those who need it most.

To these pressing issues must be added the longer-term problem of how to handle the continued acquisition of foreign exchange reserves by the oil-producing countries—an accumulation which could reach over a trillion dollars by 1980.

Today oil revenues are taking the form of short-term demand deposits in European, and increasingly American, banks, while the banks themselves must make longer-term loans for normal purposes such as capital investment, and now also to help governments meet the balance-of-payments cost of the oil price increases. The possibility of being caught in the squeeze (borrowing short and lending long) is real, particularly since no one knows how volatile the oil funds will prove to be.

Banks are also being pressed to hedge against potential exchange rate fluctuations stemming at least in part from the balance-of-payments drain of higher oil prices. This can involve extensive foreign exchange dealings of the kind that drove Franklin National and Herstatt to the wall.

The private international banking system must not be asked to take on alone this task of recycling oil receipts. Not only is it too great a burden on the system, but it also means that the recycling, the loans that are made, will be on the basis of commercial criteria when larger political and security objectives often should be controlling. Thus, we find bankers understandably concerned about the credit-worthiness of countries such as Italy, when unfortunately the overriding issue is whether democracy will survive or be replaced with a far Left or rightist revolutionary regime—with profound effects on NATO and stability in the Mediterranean.

To ensure that such political and strategic requirements are met, and to calm the anxieties of the international banking community, governments must not take on the task of reapportioning credit and financial resources. Acting together with the central banks and the IMF, governments must in some fashion assume the responsibility of lender of last resort. Clearly, certain safeguards must be built-in so that private banks do not have a blank check that they can cash to save themselves from the consequences of imprudence and mismanagement. But this risk is far less significant than the risk of collapse of major financial institutions and even of governments.

Such support for the international banking system, hopefully, will be sufficient to meet the reallocation problems of the industrialized countries without the need to resort to large-scale direct government aid, although such a possibility has been the object of lively debate among policy planners in Washington throughout the summer. For the have-not nations of the Fourth World, however, a substantial governmental aid effort is required.

The poorest countries—primarily on the Indian subcontinent, in Africa, and in parts of Latin America—are suffering severely from the oil price hike. It has been estimated that the increase in the oil bill for the developing countries this year more than cancels out the aid they are receiving. The skyrocketing costs of food and fertilizer are equally large. As a result, the developing countries face a total increase in import costs this year of $15 billion, which is twice the amount of all the aid they receive.

While some of the developing countries will get by, for others—notably India, Pakistan and Bangladesh—it is not an exaggeration to characterize the situation as desperate. Just to get through this year will require an estimated $3 to $4 billion in additional aid, if the lives of nearly one billion people are not to be threatened by economic collapse and ultimately starvation. The special $3 billion oil loan facility set up last June by the IMF will be of some help, but because of the IMF's formula for lending to its 126 members, the poorest countries cannot get sufficient assistance from this source.

Additional help is needed; it can take many forms, from financial assistance to concessional sales of food, fertilizer and energy. The U.N. Secretary-General's effort to develop a special emergency fund or the IMF's Committee of 20 proposal for an IMF-World Bank joint Ministerial Committee on aid to the less-developed countries could become means to work out a package of emergency help. Moreover, the joint Ministerial Committee in particular, to be set up in October with its membership from both the developed and developing countries and strong representation by finance ministers, holds out the possibility of becoming a much needed vehicle for more long-term planning and greater support for international economic development.

Whatever the means of international cooperative action, the main need now is for the United States, the other industrialized countries, and the oil-producing countries to make a firm commitment. We have to stop waiting for the other fellow to act, and as a practical matter this means the United States must take the lead in proposing a specific commitment for itself. Once that decision is made, the logjam should break on other countries' contributions, and we can turn to the resolution of technical issues such as whether assistance will be in the form of debt rescheduling, food assistance, etc.

Even though American leadership is essential, the United States cannot, and should not, become the primary source of increased development assistance—which by 1980 should amount to an estimated $12 to $13 billion annually according to a World Bank study. Along with Western Europe and Japan, the oil-producing countries and the Soviet Union need to pick up their share of this responsibility. The oil-producing Arab countries in particular will soon have massive reserves and liquidity. By the end of this decade it is estimated that Saudi Arabia, Kuwait, Qatar, the United Arab Emirates and Libya may accumulate up to $966 billion in reserves. A significant part of this should somehow be brought to bear on the plight of the Fourth World.

The vast projected increase in Arab financial reserves underscores the fact that the oil price crisis is not a one-shot affair. Even if oil prices soften, the balance-of-payments drain will go on and on. Loans and interest will pile up. The burden will be great not only in the developing countries but also on the industrialized countries which are the oil producers' largest customers. There will be a continuing challenge to handle the stresses of recycling on the banking system and the industrialized economies.

Over time there is hope that the oil producers will put their excess funds into longer-term securities and equity investments. We should welcome such investment. However, there may be real limits, political and economic, to the amount of Arab equity investment that can be absorbed in the Western industrialized countries, including the United States.

The problem is not just economic nationalism, although there is already popular concern in the United States about Arab and Japanese purchases of American industry and real estate—and it is not hard to imagine the reactions to a Saudi Arabian purchase of 25 percent of U.S. Steel along the lines of the recent Iranian investment in Krupp. There are serious policy questions, too. For example, we regard equity investment as an essentially long-term proposition, but it is not clear the Arabs view it the same way. If Arab countries bought large holdings and then pulled out from companies like General Motors or General Electric, this could have a major impact not only on the companies, but on the stock market and the U.S. economy. We and others will want some measure of control to provide safeguards against these and other possible actions inimical to our overall national interest.

On the other hand, Arab governments will be concerned about the hospitality their investments are to receive. Although they are now in the process of taking over the holdings of the international oil companies in the Middle East, they clearly do not want the same thing to happen to their foreign investments. Given the benefits and potential risks for both sides, there appears to be a reasonable incentive to work out reciprocal assurances on how Arab equity investments will be handled in the industrialized world.

Thus the outline of a new pattern of cooperative effort can be envisioned. The oil-producing countries should be granted a larger role in the IMF and the World Bank, where today they have almost no executive positions. The developed countries could make commitments to protect the equity investments of the oil-producing states in their countries in return for appropriate assurances about the stability of such investments. In addition, the oil producers should put some of their reserves into the international lending institutions and engage in long-term aid to the less-developed countries (and possibly provide some short-term balance-of-payments assistance to troubled developed countries). Such a broader distribution of oil producers' revenues would also serve to reduce somewhat the volume of short-term bank deposits, ease the pressure on the banking system, and limit the size of equity investments in the developed countries.

The difficulty in arriving at such a new pattern of relationships and responsibilities cannot be overstated. There is an impressive lack of enthusiasm on the part of the oil producers toward helping their former brethren of the Third World, apart from Arab nations and a few others with whom they seek special ties. But there are a few encouraging signs, too. The World Bank is apparently finding it possible to borrow from Saudi Arabia, Kuwait and even Venezuela, and if the rate is not exactly concessional (reportedly eight percent), it is a step in the right direction.

If some such pattern of greater cooperation is to come about, American leadership is again essential. The United States has the largest single voice in the World Bank and the IMF. It is our overall support that reduces the risks to the oil producers who are channeling funds to the less-developed countries through loans to the World Bank. The United States is the greatest potential market for Arab equity investment, and the response of the American government in providing assurances and establishing rules for such investment is likely to set the standard for the rest of the world.

V

We must also give priority attention to the international dimensions of inflation and the threat of recession. Inflation is the most politically regressive force at work in the world today. It has been said that no country has ever had an inflation rate of more than 20 percent and continued with a democratic government. There may be no magic in this figure, just as there is little precedent for our current situation. But it is sobering to recognize that the United States is about halfway to this rate of inflation, Britain and France are approaching it, and Italy and Japan have been beyond it. Elsewhere, among semi-industrialized and developing countries, rates are usually far higher. No other phenomenon provides as firm a common denominator for all the weak and minority governments now prevalent in the non-Communist world.

Even factoring out the impact of the oil price hike, the present economic situation is essentially unprecedented. The international economy, characterized for decades, if not centuries, by boom-and-bust cycles, was brought under reasonable control after World War II. The objective of full employment was for a time achieved in most developed countries through Keynesian management. However, "stagflation"—high inflation and low growth—began to appear in the 1960s in Great Britain and elsewhere. Now we have what *The Economist* has called "slumpflation," in which there is recession or zero growth while inflation is soaring.

Unfortunately, our comprehension of the problems involved in this phenomenon has not kept up with our vocabulary in describing it. There is grave concern that no one really understands the present economic conundrum, nor knows how to deal with it.

This concern is exaggerated. The monetary and fiscal tools of economic management can be adequate to deal effectively with the present situation. What is needed are new, more selective measures for the domestic application of these tools and a new appreciation of the need to take into account the international aspects of our economic difficulties.

It is an obvious but important fact that we are in the grip of two quite contradictory pressures. On the one hand, even the most economically powerful nations, the United States included, are now highly vulnerable to international economic developments. On the other hand, national governments are expected to deal effectively with all aspects of domestic economic conditions from unemployment to the supply of beef. The choice for governments is between trying to reduce problems to proportions they alone can manage, by seeking to insulate the domestic economy through a return to trade and monetary controls, or going on to a new and deeper level of international coordination of domestic economic policies.

One of the hopes in adopting a more flexible exchange rate system has been that it would make it possible for countries to pursue different national policies in their struggle with inflation and recession. While the system has worked well in many areas, it appears that the increased flexibility of countries to follow their own monetary and fiscal policies under the floating rate system may be seriously overrated. For example, if the policies of individual countries stray from the international norm, they may import too much inflation or suffer too much competition. Hence countries are likely to coordinate their monetary policy at least as closely with their major trading partners as they did under the fixed rate system—witness Giscard d'Estaing's recent and unprecedented pledge to conform France's policies and inflation targets to those of West Germany. This sense of interdependence significantly constrains most countries' abilities to fight inflation unilaterally, since monetary policy has become a central if not the exclusive weapon in this struggle.

Thus, although controlling inflation is preeminently a national responsibility, there is now a requirement for closer international coordination to ensure that the major countries are not working at cross purposes with one another. Several cooperative efforts can be envisioned. Adequate international funding for oil-generated balance-of-payments deficits will help avoid devaluations and the consequent boost to inflation. The balance-of-payments objectives of the major trading countries should be brought into line. Efforts to coordinate monetary policy, an elusive objective in the past, deserve renewed emphasis. Each country should try to assure that its domestic policies are not really exporting inflation or unemployment; all must avoid beggar-thy-neighbor reactions.

In effect, industrialized countries must coordinate their overall economic programs concerning growth, inflation and employment. The United States cannot, for example, consider unilaterally embarking on a policy of controlling inflation by two or more years of stagnant growth, oblivious to the fact that this could lead to a major recession in Europe (not to mention its impact on the American people).

We are fortunate that the American economy of all the market economies is least sensitive to international economic pressures. But we are not invulnerable, and ill-considered policies which look good in the short run can have an important adverse impact on our economy through the effects they have on others.

The United States therefore has an important stake in better international economic coordination, whether through existing institutions or through the creation of some new, more efficient international mechanisms. But even the existing institutions such as the OECD can be much more effective if we are prepared to exercise leadership, use our influence on behalf of increased international coordination, and, of course, accept the constraints that may well go with it.

VI

The handling of trade policy will have a major impact on whether we are effective in fighting inflation and holding the line against recession. In the short run, the most urgent task is to head off increasing pressures for trade restrictions. In the long run, we need to find ways to assure fair access to commodities and raw materials at prices which are stable and reasonable.

The liberal international trading system that exists today, and which has been one of the key elements in the growth of the international economy over the last two decades, is now under serious political and economic pressure. Increasing unemployment and sluggish growth in sectors of national economies are tempting governments to control imports and to subsidize exports in selected cases. At the same time, inflation or shortages in still other economic sectors encourage export controls.

With interest rates as high as they are, the utility of monetary policy alone as a tool to manage economies is approaching its limit, and the use of fiscal policy is constrained in many countries by the dictates of internal social and political cohesion. There is therefore a real prospect of increasing reliance by governments on a patchwork of import and export controls to manage their national economies. The likelihood of turning to trade restrictions is, of course, increased in many countries by the balance-of-payments drain resulting from high oil prices.

An encouraging sign came from the OECD in July when the members pledged not to resort to such controls. However, without more concrete action on the underlying economic issues, the pledge may count for little. Italy slapped on import restrictions in the teeth of major Common Market obligations. While she faced a clear emergency and the import control measures are supposedly temporary, other countries may face similar emergencies. Moreover, there is doubt about how temporary these controls are, since the consequences of the oil price rise will continue indefinitely.

To contain such pressures, it is imperative to start up the long-immobilized trade negotiations. The Europeans and Japanese, once reluctant participants, are now eager to move ahead before protectionist pressures in their countries intensify to the point that negotiations become impossible. The Europeans want to begin serious bargaining this fall and fear that further delay, even to December, could entail serious risks.

This requires prompt action on the trade bill which is before the Senate. The reasons for the delay on the trade bill illustrate the pull between the issues of the past and those of the future on our response to the international economic crisis.

From the outset, the Nixon Administration pursued the strategy of linking most-favored-nation treatment for the Soviet Union, a matter more political than economic, to the broader economic purposes of the trade bill. Confronted with the issue of the right of Jews in the Soviet Union to emigrate free of harassment, President Nixon stalled, apparently hoping the problem would either go away or that the need for the other parts of the bill, combined with the threat of a veto if an emigration amendment were included, would be sufficient to get the bill he wanted. In other words, his Administration viewed the trade bill primarily as a vehicle to advance its détente objectives rather than as an essential means for dealing with the grave international economic issues that confront us. Understandably, a vast majority of U.S. Senators also found it appropriate to pursue what they considred valid political objectives vis-à-vis the Soviet Union by tying MFN to freer emigration.

At this writing there are encouraging signs of progress on the emigration issue, as the Executive has come to realize that the only approach is to work out a firm agreement on this subject with the Soviet Union. Such a solution would pave the way for prompt passage and an early start to the next round of trade negotiations.

A major long-term issue, which should be given priority attention at the trade negotiations, is the issue of access to commodities and raw materials. The rules of the General Agreement on Tariffs and Trade (GATT) focus on the problem of access to markets. What is also needed are rules and other arrangements providing for fair access to sources of supply at reasonable and stable prices.

The impulse to assure access to supplies is not a new form of colonialism. First, while the oil price increases are one obvious example of the kind of irresponsible price-fixing that should be brought under control, it is important to recognize that this is not solely or even primarily, an issue between the less-developed and industrialized countries. The U.S. embargo on soybeans, the Japanese embargo on fertilizer, and widespread controls on scrap iron are all examples of steps by industrialized countries inimical to international economic stability.

Second, complicated equities are involved. Supplier countries which are also underdeveloped have an economic and moral case for an increased return on their products. Cartel pricing of oil and the efforts to build producer cartels in bauxite and copper are in part aimed at redressing what developing countries have always considered unfair terms of trade. Rightly or wrongly, they have felt that the industrialized countries set the price of their commodity exports as well as the price of their imports, and did so to the developing countries' disadvantage.

The problems the copper- and bauxite-producing countries have encountered in developing a cartel arrangement lend weight to the view that commodity cartels are difficult to achieve. However, efforts to construct such cartels have a destructive impact even if they fail; and continued inflation in the price of imported industrial goods will further stimulate efforts to raise commodity prices—if not by cartels then possibly by unilateral tax increases such as those imposed on bauxite by Jamaica.

The desire on the part of producers of raw materials to revalue their output is also based on concern over the exhaustibility of their resources. The developing countries now have a clearer appreciation of the enormity of the development task as well as little reason to believe that they can depend on anyone but themselves for the resources required. Those with finite resources are therefore particularly anxious to squeeze all they can out of them and are not likely to be very responsive to lectures on economic morality by the developed world.

Third, there may be justifiable reasons for individual countries to impose export controls in legitimate short-supply situations. However, the objective of such controls should be to allocate the short supplies equitably between the domestic economy and foreign purchasers and not solely to export inflation. Otherwise export controls can lead to retaliation, disruption in trade, and further disorder in the international economic system.

Stability in the price and supply of commodities is important if we are to deal with inflation over the long term. In comparison with other goods, most commodities were, until recently, low priced and there was thus a low rate of investment in producing them. With the surge in demand in 1972–73, production could not respond, causing shortages and large price increases. New investment in commodity production will bring the cycle down again, but this wide up-and-down swing in commodity supplies and prices is both wasteful and inflationary. It operates to the disadvantage of suppliers and consumers of commodities alike. To deal with this issue, as well as head off pressures for further cartels, means must be found for stabilizing individual commodity prices and supplies to the extent possible.

The United States bears a special responsibility and burden in this regard. We are now the major source of foodstuffs traded in world markets. Since 1971 U.S. farm exports have more than doubled and in 1973 amounted to $18 billion. The United States and Canada control a larger share of grain exports than the Middle East does of oil. The world has literally come to depend on U.S. agriculture for its well-being. At the same time, the surge in world food demand has also directly affected inflation in the United States. The temptation to resort to export controls, as we did briefly for soybeans last year, could well recur.

On the other hand, the United States also has a big stake in unfettered access to raw materials. For example, we import 100 percent of our chromium and tin and more than 90 percent of such important commodities as platinum and nickel. The United States thus has a particular interest in developing reasonable rules governing export controls, along with arrangements for assuring access to supplies at reasonable and stable prices. These rules must protect the domestic economy of countries from world inflation, and yet provide a responsible source of supply.

In addition to the clear need for new GATT rules on access to resources, and the urgent need to explore stabilization arrangements for specific commodities, there is the question of commodity reserves. At present the United States has large strategic reserves of several key raw materials, which might be used to help stabilize world prices more than has been the case to this point. However, if we move in this direction it should be in concert with others, and under arrangements through which other countries would share in the cost.

The creation of a world food reserve is urgent. This is a complex problem, made more difficult and pressing because American and Canadian reserves have been drawn down to perilously low levels in recent years. They should now be reconstituted, but if they are to form the bulk of a world food reserve (designed both for price stability and to meet famine situations) then others must act in parallel and the direct and indirect costs must be fairly apportioned.

Moreover, it is inconceivable that the United States could take on the task of world food supplier through a reserve system, while markets for American food exports are restricted and denied by trade barriers. The forthcoming World Food Conference can be a major forum for addressing proposals for world food reserves. At the same time the trade negotiations should give priority attention to reducing trade barriers to American foodstuffs.

VII

The task of working out suitable forms of economic cooperation on the foregoing issues will fall mainly to the industrialized market-economy countries and to a lesser extent, the developing countries. However, the actions of the Communist world can either help or hinder these efforts.

Today the Soviet Union and the other Communist countries, including China, are at least superficially insulated from the economic tides sweeping the rest of the world. But, as we saw in the 1972 Soviet grain purchases, their erratic actions in world markets can have profound effects on international economic stability and, in particular, inflation.

The problem is how to integrate the growing volume of economic transactions with the Communist countries into the world economy. Its solution will take patience and a long-term effort. We need to find ways to deal with the issue of unfair pricing and dumping on the one hand, and massive unpredictable interventions in short-supply situations on the other. The former willl be difficult because the Communists' concept of price, and of its function in their economies, is totally different from our own. The latter also will be hard, not least because the Soviet Union and other Communist countries do not perceive a problem. But a start can be made by pressing the Soviet Union to play a constructive role in alleviating the world food situation—at least to the extent of agreeing to provide the U.N. Food and Agricultural Organization (FAO) with all relevant agricultural information and not to jump into the market for large quantities of food without warning. And the Soviet Union should participate directly in whatever can be worked out for fertilizer supply and for a world food reserve.

The Soviet Union is also potentially a much greater source of economic development assistance than it is today. Total economic aid by the Soviet Union last year was only $622 million, while its military assistance was estimated at $1.7 billion. With the less-developed nations in such desperate condition, the Soviet Union should be persuaded to reorder its aid priorities.

Finally, the Soviet Union must be brought to realize that the need to exercise restraint in East-West political competition has an economic dimension as well. Soviet efforts to get the Arabs to maintain their oil cutback and embargo were just as menacing to Western security interests as Soviet military support (and apparent encouragement) for the October War. Certainly progress toward a reasonable and viable Arab-Israeli settlement is fundamental to a lasting arrangement on oil supplies and prices, and this in turn is a major economic security interest of the United States and its allies. This is an additional reason why, if the Soviet Union imposes obstacles to peace in the Middle East, it will be running grave risks of jeopardizing improved East-West relations.

We must, of course, have no illusions about the difficulty of moving the Soviet Union to recognize the long-run interest it has in cooperating in these areas. Soviet officials often regard the raising of legitimate trade problems as being "anti-détente." Economic aid to the less-developed world has always been regarded as a political weapon. The notion of exercising restraint is novel and controversial to Soviet leaders in regard to political issues, let alone economic interests.

Yet, the Soviet Union's hopes for basic internal improvement—hopes central to the power position of the Soviet leadership—hinge on the development of much greater economic ties with, and in effect economic assistance from, the industrialized world. Moreover, it was the Soviet Union that became in World War II the greatest victim of the chain of political and security consequences stemming from the Great Depression. If there is another worldwide depression, the Soviet Union too will suffer.[1]

Hence it should be in the Soviet interest to involve itself more responsibly in world economic cooperation. Indeed, the West is now justified in making such cooperation a central test and touchstone of détente. Western credits and peaceful non-strategic trade should be related to commitments on the part of the Communist countries to work out a reasonable code of economic behavior with the Western market-economy countries, and to participate in the new aid effort required for the developing countries.

Today, the fact that major aspects of détente—SALT, MBFR and the European Security Conference—are bogged down is raising serious questions about ultimate Soviet intentions and the durability of détente. However, we need not, indeed cannot, remain fixated on issues that divide East and West. By taking advantage of the measure of détente we now have, and by moving forward to systematically engage the Soviet Union in some of the economic problems besetting us, we can test the strength of détente and the broad intentions of the East. This also may be the only way to establish the kind of relationship that will enable us to resolve the East-West issues we still face.

VIII

From this examination of the specific immediate and long-term actions now required, it is possible to envision the general outlines of a system of international economic security:

A deeper measure of coordination of national and international economic policies among the industrialized nations in Europe, North American, and Japan;

A new role for the oil-producing countries in the management of the international economy and new responsibilities for aiding stability, growth, and in the poorest countries, economic development;

A new relationship between the industrialized and raw material producing countries assuring more stable prices and supplies; and

A more constructive involvement of the Communist countries, particularly the Soviet Union, in world trade and the task of economic development.

Not all of these broad objectives should be pursued at the same time or with equal vigor. Some of the specific issues in the present crisis are clearly more urgent than others, and for a few problems there may not be ready answers. But the important thing is that U.S. policies be informed by a comprehensive vision of the kind of world economic system we hope to achieve.

And we must begin at once. With each passing week the economic problems we face become less susceptible to wise solutions. Progress on the urgent issues will facilitate tackling the longer range questions.

Initiatives and cooperation must come from many quarters if such a vision of worldwide economic relationships is to be realized. In particular, American leadership is indispensable. We are still the largest single economy and have the greatest impact on international trade and finance. Only if the United States plays its full part can the current trend toward economic fragmentation and disorder be turned around in the direction of a comprehensive and global effort of economic cooperation.

At present our government is poorly equipped in terms of talent and organization to handle such a role. Compared to the credentials of the Secretary of State and Secretary of Defense in the field of international security, those charged with international economic affairs are by no means the kind of strong group the United States put together in 1947 on a bipartisan basis and could surely assemble again.

Organizational remedies are no substitute for political commitment and capable people. But one clear need is to coordinate the diverse governmental organizations that affect international economic policy: State, Treasury, Commerce, Agriculture, the Council of Economic Advisers, the Federal Reserve, etc. The present Council on International Economic Policy has never been able to perform the task of developing coherent policies and strategies. Perhaps what is needed is something more akin to the National Security Council, with a stautory base and a strong substantive staff that can cut through the welter of conflicting interests and views to develop clear policy alternatives.

But there should be at least one major difference from the NSC system: the director of such a staff on international economic policy must be accessible to the Congress and to the public. The issues involved are too closely related to domestic policy to be shrouded from public view by the trappings of diplomatic or even presidential confidentiality. And the Congress must, as it did in 1947 and 1948, play a crucial affirmative role. For this it will need to exert greater efforts to coordinate the work of the many committees and subcommittees that have an impact on our economy. The new Budget Committee and the congressional Office of the Budget can make an important contribution in this regard by exerting more responsive and responsible control over fiscal policy.

IX

Finally, an effective international economic policy must be grounded on a sound and equitable domestic economic program. Help for the international banking system or emergency aid for the have-not nations cannot possibly command the necessary support if the new Administration turns a blind eye to six percent unemployment. President Ford has an opportunity now to explain the facts of our current economic crisis to the American people and to take and propose decisive action. There may be strong differences over the right combination of policies and how the cost of meeting our present difficulties should be apportioned, but there is also a tremendous desire in Congress and the public for firm and bold leadership.

Because international economic issues bear so directly on our domestic concerns, moving toward a new system of international economic security and making it our first priority in world affairs could provide a basis for rebuilding the consensus among the American people in support of our foreign policy. The source of increasing isolationist sentiment in the United States is not some atavistic streak in the American character, but rather the fact that the ordinary American no longer sees his primary interests as being served by the current definition of American foreign policy.

If we can redefine our foreign policy and our national security to include not only the concern over strategic position and political influence but also the basic issues of inflation, economic stability, jobs and growth, and in fact make these a key concern, we will find that once again a broad consensus on our world role is possible. If such domestic needs gain a prominent place in our diplomacy, the American people will not only support efforts of international leadership, but will be willing as they have been in the past to accept short-term sacrifices in order to achieve long-range success. To meet the threat we now face to our economic security, foreign policy must truly become the extension of domestic policy by other means.

PRINCE GEORGES COUNTY HERITAGE DAY

Mr. MATHIAS. Mr. President, last weekend I was privileged to attend Prince Georges County Heritage Day, marking the 279th year of a county whose founding precedes that of our Nation itself. The history of Prince Georges County spans the era from the tobacco plantation economy of the 17th century to its present status as an active, modern county whose government has won nationwide recognition for many of its programs. The county has a rich heritage. John Hanson, President of the Congress and, therefor often called the "First President of the United States," lived at one time in

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[1] In a recent column, Victor Zorza comments on the Soviet attitude: "While some Soviet leaders appear to welcome the opportunity for gain with which the instability of the West may present them, others are not so sure. 'We are well aware,' says Georgi Arbatov, head of the Soviet Institute of U.S. Studies, 'that the crisis of bourgeois society may have various political results, that the crisis of the 1930s produced Roosevelt and the New Deal in the United States, and Hitler, Fascism and war in Germany'." *The Washington Post*, July 30, 1974.

Prince Georges County. It was the scene of crucial battles in the War of 1812, and it was in Riverdale that Samuel Morse perfected his invention, the telegraph. America's first thoroughbred horse, Selima, was stabled at "Belair." The county encompasses the Nation's first airport, at College Park, and the Goddard Space Flight Center. Its school system is the 10th largest in the Nation. Its history and its present role as a progressive example of local government are summarized in a brief history, for which I ask unanimous consent that it be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

Prince Georges County—A 300-Year Tradition of Achievement—Heritage Day 1974

More than 400 years ago—long before "progress" turned forests into freeways and lush wilderness gave way to high-rise apartments and sprawling suburbs—the land nestled between Maryland's Patuxent and Potomac Rivers was home for a handful of peaceful Indian tribes.

The Piscataways, Mattawomans, Chopticans, Patuxents and other tribes of the Algonquin nation hunted, fished and farmed along the river banks. They had towns and villages and even a simple form of government. Largest by far of the tribes was the Piscataways, a powerful band that lived along the Potomac at the creek that today bears their name. Their capital was Killamaqundi, about 15 miles south of Washington and there was a special residence nearby for their *tayac* or emperor.

Their land, destined to become Prince George's County in less than a century, was a green, fertile countryside. The woods teemed with game and the rivers were abundant with fish. The air was unpolluted and the hills had yet to echo with the sounds of war.

Until a summer morning in 1608, white men had yet to invade this rich, unspoiled tract of the new world. It was then that Captain John Smith, later associated with the Jamestown colony in Virginia and an Indian maid named Pocahontas, led a band of explorers as they sailed into Piscataway Bay.

Captain Smith plainly was impressed with what he saw, describing the region as "fed with many sweet rivers and springs . . . from the bordering hils. These hils . . . yield no lesse plentie and varietie of fruit, then the river exceedeth with abundance of fisth." He also drew the first maps of the area which were remarkably accurate for their time. Before sailing on to Virginia, he located a number of Indian villages, identified their tribal names and indicated they were more or less friendly to the pale-faced intruders.

Some 20 years after John Smith's exploration Piscataway, Sir George Calvert, the first Lord Baltimore, journeyed the Chesapeake Bay area of what is now Maryland and returned to England to seek a land grant from the King for a colony in the new world.

George Calvert died in 1632 before the charter could be granted. Later the same year, however, King Charles I bestowed on Calvert's eldest son, Cecil, what was possibly the largest land charter ever given to a single family—nearly 7,000,000 acres in all. In gratitude, Calvert dubbed the new colony Maryland, in honor of Queen Henrietta Marie.

An expedition of 200 persons, mostly Roman Catholics seeking religious freedom set out aboard the Ark and Dove for Maryland in 1633. Under the leadership of Leonard Calvert, the two ships arrived on the Virginia coast in February, 1633, remained a few days and sailed for the banks of the Potomac.

In March, Calvert's pilgrims landed at St. Clements Island in the Potomac where they planted the English flag and a cross as a symbol of the land or religious freedom they hoped to establish. Venturing on to Piscataway, Calvert met with the powerful emperor of the Piscataway Indians before sailing down the Potomac to erect the first permanent settlement at St. Mary's City in what is now St. Mary's County.

A rudimentary government was quickly founded with the first legislative assembly meeting in 1635 and again in 1639.

The Maryland colony drew settlers rapidly, particularly along the Patuxent River and the Chesapeake Bay. Gradually, civilization pushed inward from the river banks, due in large measure to numerous land grants made by Lord Baltimore. These land gifts, to families who were later to engage in profitable plantation operations and simple manufacturing and mining, thus set the stage for the baronial "plantation" way of life in the colony.

The early sessions of the Maryland Assembly found the "freemen" members at odds with the Calvert family and later, around 1650, the Maryland colony suffered because of disputes between the King and Parliament. It wasn't until 1660 that a member of the Calvert family, Philip, came to Maryland to govern in person.

By 1674, the counties began to emerge as local government entities and the Assembly provided each with a courthouse and jail. In 1695, mostly at the urging of discontented citizens from what was then Charles County, the Assembly created Prince George's County. The new jurisdiction encompassed all of what is now the District of Columbia, Prince George's, Montgomery, Frederick, Washington, Allegany and Garrett Counties—easily the largest of Maryland's counties. The original act, in fact, mentioned no western boundary because western Maryland was as yet unexplored.

It was named for Prince George of Norway and Denmark who was later consort to England's Queene Anne.

The difficulties of travel in those days and the county's original size made it all but impossible to govern efficiently, so in 1748, Prince George's was reduced to its approximate present size. The county was to yet undergo one more reduction in its area in 1791 when most of the land for a national capital, later Washington, D.C. was carved from it.

The actual colonial government consisted of the Governor of the state and two justices of the peace for each county whom he appointed. The High Sheriff was clerk to this combination administrative and judicial court. Each smaller section of the county, called a "hundred" was protected by a constable.

In time, the county government and the courts separated and evolved into the "county commissioner" form of government, still with strong ties to the state legislature. This survived until 1970 when the voters approved the present Charter and installed the elected County Executive-County Council form of government, thus becoming the fourth Maryland county to do so.

During pre-revolution days, Prince George's County grew and prospered both economically and culturally. Many of America's founding fathers, including George Washington and Patrick Henry were frequent visitors to the county for business and social purposes.

American horse racing got its start here at the present site of the Marlboro Race Course and General Washington, according to his diary, was among the first to wager and lose at the track. John Carroll, born in 1735 where the present courthouse stands, was an early American religious leader, founded Georgetown University, and was part of the delegation sent to Canada by Washington to seek aid for the colonists.

John Hanson, first President of the United States under the Articles of Confederation, lived for a time in the county and is buried at Oxon Hill Manor.

Although no battles were fought on county soil during the more than five years of the American Revolution, Prince George's contributed many soldiers to the struggle. Because of the county's easy access to the Chesapeake, county residents joined other Marylanders at watch stations along the Potomac in case of an attack by the British fleet.

When the first U.S. Census was taken in 1790, a little more than 21,000 persons were living in the country. The land still was largely wilderness. Farming, mostly of corn and tobacco, was the core of the economy. Upper Marlborough (original spelling) and Bladensburg bustled as shipping, commercial and cultural centers.

The War of 1812 found the county again in the thick of history. Battles near Marlborough and at Bladensburg were key military victories for the British in their march on Washington. The failure of the Americans to hold Ft. Washington on the Potomac as a first line of defense for the capital also contributed heavily to the city's destruction.

It was to negotiate the release of Dr. William Beanes of Marlborough that took Francis Scott Key to a British ship in Baltimore Harbor. As the two men watched the bombardment of Ft. McHenry, Key was moved to write "The Star Spangled Banner."

After the war, the county again began to grow and prosper. Westward expansion had begun with the invention of the "iron horse" and by the early 1830's, Prince George's was one of the first counties in America to have a railroad line.

It was during this same period that another event took place here that was to have an inestimable effect on the growth and development of America.

In 1832, Samuel F. B. Morse conceived the idea of sending messages in code over wires—the telegraph. After years perfecting the device, Morse, with the aid of Charles Calvert, a member of Congress and a prominent Prince Georgean, managed in 1843 to squeeze a $30,000 appropriation out of Congress to test his invention. Morse was to set up an experimental telegraph line from Washington to Baltimore. By April 9, the line had reached the vicinity of Riversdale, the home of Congressman Calvert in what is now the Riverdale section of Prince George's County. A preliminary test over the six-mile line was successful and about six weeks later the famous "What hath God wrought?" message was sent to Baltimore, thus sealing Morse's success.

Twenty years later, America was on the brink of Civil War and once more, Prince George's County was destined to play an important, though unpleasant role in the conflict.

As a border state with Confederate leanings, the county's role in the Civil War was often controversial. Prince George's was a popular hideout and a thoroughfare for southern spies and one county newspaper was barred from the U.S. mails because of its southern persuasion. Even so, in more than one battle, Marylander fought Marylander in this bloody and devisive war.

After assassinating President Abraham Lincoln, John Wilkes Booth fled into Prince George's County and to a Clinton tavern owned by Mary Surratt, an alleged coconspirator in the plot. The Surratts tavern still stands today, is owned by the county and is being restored as an historic landmark.

When industrialization swept the nation after the war, the character of the county began a gradual change. As the population grew, business, industry and federal facilities found their way into Prince George's County.

Shortly after the turn of the century, the county found itself in the forefront of aviation science. The College Park Airport near the University of Maryland was the first airport built in this country. There in 1908, Wilbur and Orville Wright taught many of America's early military flyers the skills of piloting. The nation's first airmail service was initiated there in 1918 and the first airborne weapons were tested at the airport as well. It was also the site of the earliest experiments with the helicopter in the 1920s. Planes still land and take off from this field and the local government now is in the process of purchasing the College Park Airport for preservation as an historic landmark.

Yet today, Prince George's County is the background for much of man's efforts to explore the heavens. At the federal government's Goddard Space Flight Center in Greenbelt, thousands of scientists and workers and millions of dollars worth of equipment form a major link in America's space program.

Among the other federal facilities in the county are the U.S. Agricultural Research Center and the National Agriculture Library in Beltsville, the Suitland Federal Complex which includes the U.S. Census Bureau and the U.S. Weather Service, Andrews Air Force Base, and the soon-to-be-opened Federal Law Enforcement Training Center.

By 1960, the county's population had been tabbed at about 350,000 people. The following 10 years saw a period of unprecedented growth and in 1970, the U.S. Census rang up a Prince George's population of well over 660,000, earmarking the county as the state's largest and one of America's fastest growing.

From a sleepy, rural community often thrust by fate into the heat of our nation's early history, the county had swelled into a throbbing suburban sprawl diverse in culture and economy, humming with commerce and industry and deeply committed to the future of the metropolitan Washington area.

And yet, along country roads and highways, tobacco and corn flourish on farms and plantations where the way of life still remains pleasantly free from the crunch of a burgeoning suburbia.

Prince George's County now is larger than six states and operates the nation's 10th largest school system. It is the largest and one of the most influential of the Washington suburban jurisdictions. In recent years the county government has been a leader in regional mass transportation programs and creative legislation in the fields of ecology, human relations, consumer protection, land use and economic development.

BUDGET REFORM

Mr. **BIDEN**. Mr. President, certainly history will note as one of the major accomplishments of the 93d Congress the passage of the Congressional Budget and Impoundment Control Act of 1974. As Murray L. Weidenbaum comments in an article in the September 1974 issue of Dunn's, it is "* * * the first comprehensive revision of congressional budget-making in over half a century."

Professor Weidenbaum, formerly Assistant Secretary of the Treasury, has just recently testified before the Senate Budget Committee and added much to its deliberations. I am encouraged to see that the interest of the business community in the new budget process is being stimulated by articles such as this. As Professor Weidenbaum comments in his article: "How far down the road to sensible budgeting Congress will actually go will depend in large measure on citizen support." Certainly the support and understanding of the business community will be essential.

This article points out the unique opportunity that the Congressional Budget Act offers, but warns of the difficulties of effective implementation and of dealing with so-called uncontrollable expenses.

Mr. President, I am pleased to see such articles. They serve a valuable educational purpose. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Dunn's, September 1974]

BUDGET REFORM—AT LAST

(By Murray L. Weidenbaum)

Although it has been overshadowed by more dramatic events, one of those watersheds that loom large in history may have occurred on July 12, 1974. That is the day President Nixon signed the Congressional Budget and Impoundment Control Act of 1974, the first comprehensive revision of Congressional budget-making in over half a century.

Superficially, the new law deals with internal fiscal procedures. To give Congress more time to consider the annual budget, the fiscal year will be moved from the traditional July 1 starting date to October 1. Budget committees will be created in both the Senate and the House. And to give the legislative branch the staff muscle it needs to grapple with the White House, the legislation calls for the creation of a Congressional budget office.

Yet there is good reason to dig deeper into the 47-page statute. It also requires Congress, early in the budget cycle, to set a ceiling on government spending for the coming year and—of even greater consequence—to put a ceiling on the amount of appropriations that can be enacted. That second step indicates that the new approach is not mere window dressing.

Too often in the past, Congress has enacted huge appropriations and then passed the buck to the President to keep spending down. If the new law just puts an end to that fiscal "con" game, it will be a fine contribution.

The new statute goes further toward enhancing Congressional power over the public purse. It requires Congress to allocate by May 15 of each year the budget ceiling by major categories that correspond to the committees with jurisdiction over budget matters. Thus, Congress will now have the opportunity to close the major gap in its budget review procedures—the inability to relate its actions on a specific appropriations or program authorization to the total fiscal picture.

Moreover, the new budget office provides Congress with staff to keep it informed of the progress of the budget as the numerous appropriation and authorization bills wend their way through the lengthy legislative process. This staff will also give legislators the ability to make independent appraisals of proposed federal activities and expenditures. A larger analytical role also is provided to the General Accounting Office, that fine nonpartisan agency that has done so much to ferret out waste and wrongdoing in federal programs.

The center of the action on the appropriation and expenditure ceilings will be the two new budget committees. Toward the end of the budget review cycle, they will reevaluate the expenditure and appropriation targets in light of changes in the economy. But if the actions of the individual committees exceed the targets, the new law requires Congress, no later than two weeks before the start of each new fiscal year, to decide whether the projected deficit (or, theoretically, the projected surplus) is acceptable. If not, it must pass a "reconciliation" bill that either reduces approved outlays or increases taxes. Thus, Congress will be forced to face up to the central budget issues.

The new law also severely limits the President's power to impound appropriations. The President can still order a federal agency not to spend money when he believes that the objective can be achieved at lower cost, but that action will become subject to veto by the Congress. Moreover, no President can any longer impound an appropriation for a program that he simply does not like.

The 1974 Budget Reform Act should not be viewed as a panacea. All of the details—and there is much more than I have space to cover here—boil down to giving Congress better tools to do its budget work. The real question, however, will be its willingness to use these new tools.

For example, when Congress gets down to the wire, will it raise the budget ceiling to accommodate popular programs? It will only take a simple majority to do so when Congress starts using the new procedures next year.

The current plan is for the budget committees and the Congressional budget office to begin operations for a trial run on the budget that the President will submit next February. The full system is slated to be operational for the budget for the fiscal year beginning October 1, 1975.

Yet the Act is merely a step forward. It does not come to grips with several key obstacles to effective governmental budget-making. The bulk of non-military spending is still dominated by "fiscal sacred cows," the many programs that are protected from being cut during the budget process by special legislation. These "uncontrollables," ranging from welfare benefits to farm price supports, severely limit the ability of Congress to reduce government spending during this inflationary period.

A study by the Washington-based American Enterprise Institute for Public Policy Research, *Matching Needs and Resources*, spells out the further changes that need to be made to achieve a truly modern federal budget procedure. A key proposal is a fundamental reexamination of the host and variety of ancient Congressional statutes that require the government to spend money for a particular program, regardless of how priorities have changed.

Advocates of budget reform should be pleased at the new breakthrough represented by the Congressional Budget Act. How far down the road to sensible budgeting Congress will actually go will depend in large measure on citizen support. If the initial advocates of exceptions to the budget ceiling—and there are bound to be many—succeed in constantly lifting the lid on federal spending, the effort will fail despite the bright prospects for reform. In the critical first few years under the new procedures, strong public support for economy in government will be the key to the outcome.

ECONOMIC REMEDIES

Mr. **MONTOYA**. Mr. President, when the President left the summit conference on Friday he promised a program of action within the next 10 days. Certainly the people of the United States had every right to believe that action program would include help for those "on whom the burden falls excessively," as the President promised, and especially tax relief for low-income Americans.

I am appalled to find that the first trial balloon floated by the White House on Monday of this week was the possibility of a 10 cent tax on gasoline. This was a proposal which we all thought Mr. Ford had rejected weeks ago. Yet press reports of White House "leaks" said this regressive excise tax was among the steps being considered by the new Economic Policy Board.

Today's paper reports another trial balloon by the Federal Energy Administration—this one the possibility of boosting the Federal gasoline tax to 30 cents a gallon as a "conservation fee" forcing people to spend their money elsewhere.

Surely, Mr. President, simple arithmetic would show the President's advisers that a 10-cents-per-gallon increase in the gasoline tax would raise the price of gasoline by 16.6 percent. Is that noninflationary?

The idea that raising the price to 80 or 90 cents a gallon with a 20- to 30-cent tax increase—the FEA's suggestion—is even more ridiculous.

One of the major causes of the inflation which the people of this Nation are now struggling to absorb is the massive increase in the cost of gasoline and home heating. That increase has pushed even higher the inflated food prices, and the inflated cost of other consumer items. It has added fire to demands for cost-of-living wage increases.

The most amazing thing about these ideas being floated by the White House is that they seem to indicate a complete lack of understanding by the President's economic advisers of the regressive nature of this kind of economic action. Those who would be hurt the most by these suggested taxes are the lower- and middle-income families who have already been hurt the most.

Why is it always necessary to remind the White House that the working men and women of this Nation are the victims, not the cause, of inflation? I am growing tired of having to point out over and over again that if we are going to solve our inflation problems we are going to have to do it with equity and fairness. Why is it that every new tax idea which comes from the White House means that the same group of American citizens has to run for cover? Why do the poor and the working poor and the middle income people have to cringe every time a White House "leak" is used to float another economic idea on inflation fighting?

Seventy-eight percent of all Americans use their cars to get to work. Working people would pay this tax—and they are the people least able to pay it. In areas of the country where farmers must use gasoline in order to run their machinery or their trucks, the inflationary impact of this tax would be totally destructive. In rural areas of the Nation where people must drive many miles to work, this tax would mean a cruel and unfair burden on those who can least afford to bear more.

In my own State of New Mexico we will use approximately 504 million gallons of gasoline in 1974. If we have to pay 10 cents more per gallon, this tax would cost us $5.04 million. If the tax were 20 cents that cost would be double, of course.

In most parts of my State the median income is less than $9,000—and the worker or the farmer is not wasting gasoline or money, I can promise you. If we ask these people to pay this exorbitant tax for transportation to and from work, we will simply be insuring that money needed for food or clothing will go for a regressive tax instead.

I notice that FEA suggests a possible tax refund at the end of the year if the 20-cent tax is imposed. The idea that lower income workers and farmers can afford to wait until the end of the year for such a refund while they pay this huge increased gasoline cost today is indicative of the complete lack of understanding which many of the President's advisers seem to have. These working people are already paying more than they can afford for gasoline. To add to their burdens at this time would cause incredible and unbearable suffering.

Beyond this insult to the individual taxpayer in the middle- and low-income brackets, the overall impact on the economy would be staggering. Through the mechanism of the "multiplier" the loss to the economy of New Mexico would be in the millions of dollars. My State cannot afford that loss, and I am sure that there are few States which can.

Mr. President, the time for playing games with the public is long past. The floating of this kind of threatening trial balloon has been a part of White House policy for too long. It is an advertising man's trick. "Run it up the flagpole and see who salutes!" is the advertising phrase which describes the practice, I believe.

I think the cruel burden of the inflation and the difficulties we face in the energy crunch are much too serious to allow this kind of advertising game-playing to go on in Government. The public is sick to death of "trial balloons" which are suggested by White House sources as a possible course of action only to find out how much adverse reaction results.

I can assure them the reaction to these two latest balloons is and will continue to be strong. But I think they should also realize that it is time to begin treating the people of this country with respect. That will mean going back to the drawing board and finding a solution to the twin problems of energy and inflation which involves some equitable measure of sacrifice by the upper income members of our society, the business and corporate interests of the economic community, as well as the middle and lower income working family.

When we tighten belts, as we probably will have to do, let us be sure all the belts are tightened the same amount—and that we have thought through the consequences of our "action plan."

COURT HOLDS FAIRNESS DOCTRINE UNFAIR

Mr. PROXMIRE. Mr. President, the U.S. Court of Appeals for the District of Columbia decided last week that the Federal Communications Commission should restrain itself when trying to interfere with investigative reporting by broadcasters.

The appeals court refused to sustain the FCC's ruling that NBC should provide extra air time so that private pension operators could tell how good they are. The decision was over a documentary called, "Pensions: The Broken Promise."

I call attention to this decision because, as the appeals court said:

> This is the first case in which a broadcaster has been held in violation of the fairness doctrine for the broadcasting of an investigative news documentary that presented a serious social problem.

The FCC's fairness doctrine—which I chose to call the unfairness doctrine, with some justification as this court decision shows—sounds good but is fraught with dangers to a free press. I have been pointing that out in a series of speeches. I have been maintaining that the fairness doctrine is unconstitutional.

The appeals court last Friday did not go that far. It stopped short of ruling on NBC's contention that the fairness doctrine violates the first amendment. The court said it did not have to consider that question because it reversed the FCC. The court found only that the FCC had misapplied the fairness doctrine.

The importance of the court's decision, I believe, is that it limits the application of the fairness doctrine. It makes it difficult for an agency of Government to interfere with the proper editorial judgment of a broadcast journalist.

Although the court did not rule on the constitutional question, it referred to the first amendment over and over again.

Here is what the court said at one point:

> The salutary intent of the fairness doctrine must be reconciled with the tradition against inhibition of the journalists' freedom. That tradition, which exerts a powerful countervailing force, is rooted in the constitutional guarantee of freedom of the press, a guarantee that has vitality for broadcast journalists, though not in exactly the same degree as for their brethren of the printed word. And the same statute that provides authority for the FCC to implement the fairness doctrine for its licensees contains a clear provision (in section 326) disclaiming and prohibiting censorship as part of the legislative theme. In construing the fairness doctrine, both the Commission and the courts have proceeded carefully, mindful of the need for harmonizing these often conflicting consideration.

In this case, of course, the court told the commission it should have been more careful in guarding the discretionary rights of the broadcaster.

Here is another reference to the first amendment in the opinion:

> Not only is state censorship forbidden, so also is the government prohibited from compelling editors to include state approved material. . . . In Miami Herald Publishing Company v. Tornillo, a "right to reply" law—analogous to the personal attack rule that is part of the fairness doctrine—was ruled unconstitutional. The "benign" purposes of the state statute were deemed irrelevant. . . .

The appeals court did not neglect looking at the argument that scarcity of radio frequencies is the basis for the fairness doctrine: limitations on the freedom of the broadcaster—even those that would be unacceptable when imposed on other media—are lawful in order to enhance the public's right to be informed.

Those are all very orthodox arguments in limiting application of the first amendment broadcasters. Circuit Judge Harold Leventhal, who wrote the appeals court's 2-to-1 decision, is very careful, to point out the warnings given in the Supreme Court cases on the fairness doctrine. But the judge goes out of his way to make clear that the FCC cannot step on the first amendment willy-nilly.

Judge Leventhal says that the Supreme Court in CBS against the Democratic National Committee—

> Reaffirmed the principle that scarcity requires that the broadcast media be treated differently than other forums of expression, but observed that this is not a principle without bounds, that not all regulation can be justified in the name of scarcity. Overzealous invocation of rules such as the fairness doctrine could cause an "erosion of the journalistic discretion of broadcasters in the coverage of public issues." . . . No broadcaster can present all colorations of all available public issues . . . Choices have to be made and, assuming that the area is one of protected expression, the choices must be made by those whose mission it is to inform, not by those who must rule.

At that point, Judge Leventhal quotes Chief Justice Burger in that CBS case in which the Supreme Court upheld the FCC in ruling that licensees legally could impose a blanket ban on all editorial advertising. In a footnote, Judge Leventhal noted that the Supreme Court used the same thought in the Tornillo case, which applies to newspapers.

That thought of Chief Justice Burger—which the highest court in the land applies to both publishers and broadcasters—is this:

> For better or worse, editing is what editors are for; and editing is selection and choice of material. That editors—newspaper or broadcast—can and do abuse this power is beyond doubt, but that is not reason to deny the discretion Congress provided. Calculated risks of abuse are taken in order to preserve higher values. The presence of these risks is nothing new; the authors of the Bill of Rights accepted the reality that these risks were evils for which there was no acceptable remedy other than a spirit of moderation and a sense of responsibility—and civility—on the part of those who exercise the guaranteed freedoms of expression.

In still another reference to the first amendment in this NBC decision, Judge Leventhal writes:

> The court has a greater responsibility than is normally the case, when it reviews an agency's fairness rulings that upset the licensee's exercise of journalistic discretion, both because the area is suffused with First Amendment freedom and because Congress has determined that the interest of the public, and its right to know, is furthered by giving primary discretion not to the government agency but instead to the regulated licensee.

Again, in the first paragraph of the decision's conclusion, Judge Leventhal writes:

> The First Amendment is broadly staked on the view that our country and our people—rich in diversity of strains and viewpoint—is best served by widest latitude to the press, as broadening input and outlook, through a robust and uninhibited debate that is subject only to minimum controls necessary for the vitality of our democratic society.

I hope I am not reading too much into his supplemental concurring statement, but Judge Leventhal apparantly thought he had to go beyond the opinion he wrote for the majority. He makes clear that the FCC watchdog can, if safeguards are not adhered to, become a censor. He writes:

> In the context of the fairness doctrine, the twin principles of latitude for the licensee and narrow review for the Federal Communications Commission merit special vigilance when the question is whether the "issue" in a program of investigative reporting is one of evils described or a broad subject canvassed, because government latitude to redefine the issue enfleshes the specter of a subtle and self-serving government censorship impeding the ventilation of abuses.

In the last paragraph of his supplement concurring statement, the judge again cites the constitutional issue:

> The First Amendment freedoms established in the interest of an informed citizenry "are protected not only against heavy-handed frontal attack, but also from being stifled by more subtle governmental interference."

Senior Circuit Judge Charles Fahy in his concurrence notes the first amendment mandate of wide latitude for the press, except for the limitation imposed by the fairness doctrine:

> One may hope that this latitude will not encourage in a different context abuses which, even though protected by the First Amendment, should be discouraged, or lead to claims of such protection which could not be sustained.

From a footnote, it is learned that Judge Fahy is worried about violence on television. Nevertheless, what comes through to me is the respect the FCC, the courts and others must have for the first amendment.

The dissent was written by Circuit Judge Edward A. Tamm. Judge Tamm is worried about the power of the television industry. And he, too, cites the first amendment and Bill of Rights. He writes:

> The history of democracy is a record of the fear and distrust by the people of unrestrained power. This is the womb in which was gestated the constitutional amendments which we identify as the Bill of Rights. First Amendment guarantees were and are designed to afford the people an effective weapon against the existence or use of destructive and abusive power. . . .

I would be able to agree with Judge Tamm 100 percent if he stopped there. I agree the Bill of Rights, which is led off by the first amendment, was designed to save ordinary people from an oppressive government.

There are five freedoms protected in the first amendment. In addition to the freedom of speech and the freedom of the press, there are those of religion, of peaceful assembly, and of petition for the redress of grievances. All of these freedoms were missing in the rest of the world when the Bill of Rights was adopted by the United States. Governments elsewhere had deprived their subjects of those freedoms.

Judge Tamm shifts abruptly—he does not even start a new paragraph—from unrestrained power of Government to the power of television. Within a few sentences he asks a rhetorical question, and still in the same paragraph:

> Is it an exaggeration to say that the telecasting industry constitutes a power system comparable if not superior to government itself but basically free of the restraints imposed on government power?

Mr. President, I think I have demonstrated that throughout this important court opinion—as well as in a concurring opinion, a supplemental statement and in the dissent—the first amendment could not be ignored. Even though the appeals court did not choose to act on the petition urging a finding that the first amendment had been violated, the fairness doctrine had to be addressed in terms of the freedom of the press.

The first amendment will not go away. It keeps pricking the conscience of the judges, those on both sides.

The courts will have to deal with the first amendment again in connection with the fairness doctrine. It is inevitable.

Only Congress could head off that encounter by removing the abridgement to the freedoms of speech and of the press that is the fairness doctrine.

Logic will win over emotion.

The fairness doctrine is a misnomer. The doctrine is not fair. It has, as Judge Leventhal noted, a "salutary intent." But it is also an inhibition against journalists' freedom. And that freedom is not intended for the benefit of the journalist; it is intended to give the people—to quote Judge Tamm—"an effective weapon against the existence or use of destructive and abusive power."

To carry on this syllogism, if the Government or its agent—the FCC—can make rules to force the media to be fair it can make rules to stop the media from reporting something or to make it report something. At that point, freedom of the press truly would have been abridged.

Freedom of speech, of religion, of peaceable assembly, of the right to petition for redress would be in danger under such circumstances.

It is time that we think clearly about this thing. It is time that we realize that seeking first-amendment freedoms for broadcasters is not a favor for broadcasters—although it could help them save some money in legal fees; it is a favor for us as citizens. It can keep Government from gaining more and more power over us.

And let us face it, the favor carries with it some work for us. The freer the broadcaster the more ideas will come tumbling out into living rooms—ideas we will have to sort out and either reject or accept; ideas that will be both pleasant and repugnant; ideas that will force us to do more than write letters of complaint to the FCC. We will have to join organizations, political parties, pressure groups, to get action on those ideas that we accept or to stop those that we reject.

We will have to become more active citizens.

This "pensions" case, when summed up, provides a lesson of how complex a job it is to sit in judgment on ideas.

Accuracy in Media, Inc., complained to the FCC that the NBC documentary did not tell the viewers enough about the good private pension systems. AIM complained that the program dwelt too much on the bad things about private pensions. The FCC, while actually praising the network for its journalistic effort and finding that NBC had in fact presented views on the overall performance of the private pension system, nevertheless concluded that although there were "propension" viewpoints expressed in the program that the "overwhelming weight" of "antipensions" statements required NBC, in light of the fairness doctrine, to present more propension views.

The court says no, NBC does not have to present more "propension" views. And it says the FCC should restrain itself in trying to decide what is controversial and what is not controversial.

That is an important point because the fairness doctrine requires that licensed broadcasters must devote time to controversial issues of public importance and that when such issues are presented, the broadcaster must present responsible conflicting views.

The appeals court ruled in this case that there was no basis for the FCC's conclusion that the need for reform legislation in the pensions field was a controversial issue. No controversy, no fairness doctrine requirement.

The court hinted that the ruling might have been different had the "pensions" program dealt with the specific proposals for legislation on pensions then before Congress.

Since then, of course, the Congress has passed and the President has signed a law regulating private pensions designed to protect persons from the very abuses persons complained about on camera in the telecast, "Pensions: The Broken Promise."

The court took note of that new law, but said in a footnote that its passage did not make the "pensions" case moot.

What we have then is a court saying that subject matter important enough to bring major new legislation was not controversial in the legal sense because the specifics of the bill were not treated in a broadcast before the bill was passed. We also have the FCC contending, although overturned by the court, that the question of private pensions is a controversial issue of public importance. We also have Accuracy in Media, a self-styled public interest group, complaining because the good pension plans were not given more air time. AIM complained that the bad features of the pensions—bad enough to get Congress to act—got too much air time on national television.

AIM also said in the course of the case that the Washington Post handled a story on the problems with private pension plans in a more balanced way than NBC. But, that newspaper article considered specific proposals for legislation.

What makes this whole case even more ironic is the fact that the NBC "Pensions" show ran a poor third on September 12, 1972, behind shows on the other two networks. NBC got only 16 percent of the potential audience that night. And it got revenue from only 2½ minutes of advertising time. Left unsold were 3½ minutes. For this program, NBC won four awards including the prestigious Peabody, and it was nominated for an Emmy.

Here we have a court opinion that says there is no occasion to consider the first amendment because it has decided the FCC misapplied the fairness doctrine. But even after that, the court discussed the fairness doctrine in light of the first amendment.

My point, Mr. President, in relating these ironic twists in this case is that a tangled web is woven when we begin to judge the right of others both to impart and receive information and opinion.

One sentence from the "Pensions" opinion shows the difficulties encountered:

> The licensee does not incur a balancing obligation solely because the facts he presents jar the viewer and cause him to think and ask questions as to how widespread the abuses may be.

Those people who want to control the press, print, and broadcast, really are afraid of ideas. They are afraid of being jarred by that which is repugnant to them. They are afraid that those who disagree with them will influence those who are neutral. They want freedom of speech for themselves; they do not want freedom of speech for others.

The tangle of the "Pensions" case should teach us a lesson other than the legal one.

The legal lesson is that the fairness doctrine can interfere with journalistic discretion, particularly in investigative reporting.

The other lesson is that the writer of the first amendment knew what he was doing when he wrote, "Congress shall make no law . . ." When we put limits on freedom—other than self-imposed limits—we have no freedom. Solomon in all his wisdom could not fathom the fairness doctrine.

Mr. President, I ask unanimous consent that the opinion of the U.S. Court of Appeals be printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

UNITED STATES COURT OF APPEALS

FOR THE DISTRICT OF COLUMBIA CIRCUIT

(No. 73–2256)

NATIONAL BROADCASTING COMPANY, INC., PETITIONER V. FEDERAL COMMUNICATIONS COMMISSION AND THE UNITED STATES OF AMERICA, RESPONDENTS

ACCURACY IN MEDIA, INC., INTERVENOR

(Decided September 27, 1974)

Petition by television network for review of a decision of the Federal Communications Commission that a television documentary entitled "Pensions: The Broken Promise" violated the Comission's "fairness doctrine". The Court of Appeals, Leventhal, Circuit Judge, held that the principle of deference to licensee judgments, unless the licensee has departed from underlying assumptions of good faith and reasonable discretion, is an integral part of the "fairness doctrine"; that the question before the court was whether the network exceeded its "wide degree of discretion"; that the court would abstain from determining whether the "fairness doctrine" should be reserved for license renewals; that the Federal Communications Commission's function is limited to correction of the licensee for abuse of discretion; that the reviewing court has greater responsibility than normally when it reviews a fairness ruling that upsets the licensee's exercise of journalistic discretion but it does not have authority to interpolate its own discretion or judgment; that where a broadcaster has made a reasonable judgment that a news or investigative journalistic program relates to the "broken promise" abuses in various private pension plans, and there is no controversy as to existence of such abuses, the "fairness doctrine" does not permit the Federal Communications Commission to make its own determination of the subject matter and require that an opposing view be presented; that the network did not act in bad faith or unreasonableness in exercise of its editorial judgment; that the program achieved a reasonable balance; that the record did not support the Commission's findings on controversiality of issue of need to reform legislation; and that it would be an impermissible intrusion on broadcast journalism to insist that it adopt techniques congenial to newspaper journalism.

Reversed and remanded with directions,

Fahy, Senior Circuit Judge, joined in the opinion of the court, and also filed concurring opinion.

Leventhal, Circuit Judge, also filed supplemental concurring statement.

Tamm, Circuit Judge, dissented and filed opinion.

UNITED STATES COURT OF APPEALS
FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 73-2256

NATIONAL BROADCASTING COMPANY, INC., PETITIONER V. FEDERAL COMMUNICATIONS COMMISSION AND THE UNITED STATES OF AMERICA, RESPONDENTS

ACCURACY IN MEDIA, INC., INTERVENOR

Petition for Review of an Order of the Federal Communications Commission

Decided September 27, 1974

Floyd Abrahams with whom *Dean I. Ringel* and *Howard Monderer*, were on the motion for petitioners.

John W. Pettit, General Counsel, with whom *Joseph A. Marino*, Associate General Counsel and *Lawrence W. Secrest, III*, were on the motions for respondent.

Timothy B. Dyk, with whom *J. Roger Wollenberg* were on the brief for Columbia Broadcasting System, Inc., as *amicus curiae*.

J. Laurent Scharff, was on the brief for Radio Television News Directors Association and the Society of Professional Journalists, Sigma Delta Chi, as *amicus curiae*.

Ellen S. Agress, with whom *Earle K. Moore* was on the brief for the Office of Communication, United Church of Christ, as *amicus curiae*.

Stanley H. Kamerow was on the motion for intervenor, Accuracy In Media, Inc. *Thomas F. Ragan* also entered an appearance for Intervenor, Accuracy In Media, Inc.

John B. Summers was on the brief of National Association of Broadcasters, as *amicus curiae*.

Douglas Caddy was on the brief for the Center for the Public Interest of the Robert M. Schuchman Memorial Foundation, Inc., as *amicus curiae*.

Ellen S. Agress was on the brief for National Citizens Committee for Broadcasting as *amicus curiae*.

Henry Geller was on the brief for the Rand Corporation, as *amicus curiae*.

Alexander Greenfield, was on the brief for New York Times Company as *amicus curiae*.

Carl D. Lawson, Attorney, Department of Justice, entered an appearance for Respondent, United States of America.

Before: Fahy, *Senior Circuit Judge*, Tamm and Leventhal, *Circuit Judges*

Opinion for the Court filed by *Circuit Judge* Leventhal.

Concurring opinion filed by *Senior Circuit Judge* Fahy.

Supplemental Concurring Statement filed by *Circuit Judge* Leventhal.

Dissenting opinion filed by *Circuit Judge* Tamm.

Leventhal, *Circuit Judge*: On September 12, 1972, the television network of the National Broadcasting Company broadcast its documentary entitled "Pensions: The Broken Promise," narrated by Edwin Newman. On November 27, 1972, Accuracy in Media (AIM) filed a complaint with the Federal Communications Commission charging NBC had presented a one-sided picture of private pension plans. The handling of this case by the Commission will be discussed in more detail subsequently (section II). For introductory purposes it suffices to say that on May 2, 1973—as it happens, the same day NBC received the George Foster Peabody Award[1] for its production—the Commission's Broadcast Bureau advised NBC that the program violated the Commission's fairness doctrine.[2] That decision was upheld by the Commission. We reverse.

I. THE PROGRAM

The "Pensions" program is the heart of the case, and for that reason it is set out in Appendix A to this opinion.

For convenience, we will summarize the main outlines of the program—with notation that certain aspects are dealt with more fully subsequently.

The "Pensions" program studied the condition under which a person who had worked in an employment situation that was covered by a private pension plan did not in fact realize on any pension rights. Its particular focus was the tragic cases of aging workers who were left, at the end of a life of labor, without pensions, without time to develop new pension rights, and on occasion without viable income.

The program had no set format, but its most prominent feature was a presentation of tragic case histories, often through personal interviews with the persons affected.

One group of workers lost pension eligibility when their company decided to close the division in which they had worked. The first of these was Steven Duane, who after 17 years with a large supermarket chain, lost his job as foreman of a warehouse when the company closed the warehouse and discharged all its employees, leaving them with no job and no pension rights. Now in his fifties, starting again with another company, he felt ill-used and frightened of the future.

There were a number of other specific examples of employees terminated by closing of plants or divisions. The program also focused on the problems of vesting, the years of service with the company required for a worker to become eligible under its pension plan. NBC interviewed employees with many years of service who were suddenly discharged just prior to the date on which their pension rights were to have become vested. Thus Alan Sorensen asserted that he was the victim of a practice—a "very definite pattern"—under which his employer, a large department store chain, fired men just prior to vesting, assigning "shallow" reasons to men who had served with records beyond reproach.

A similar account was given by Earl Schroeder, an executive fired by Kelly Nut Company, after he more than met his 20 years of service requirement but was six months shy of the age 60 condition.

The program also set forth abuses in the literature given employees ostensibly explaining their plans—pictures of contented retirees and words comprehensible only to the most sophisticated legal specialist. It took up examples where the company had gone bankrupt prior to their date of retirement, leaving the employees without pension funds.

The documentary gave instances of pensions lost for lack of portability, citing plans that required the employee be a member of the same local for the requisite period. NBC interviewed a number of teamsters who had worked for the same employer for over twenty years, but who later found that certain changes in work assignment entailed changes in union local representation and ultimately loss of pension.

Much of the program was a recount of human suffering, interviews in which aging workers described their plight without comment on cause or remedy. They told of long years of working in the expectation of comfortable retirements, finding out that no pension would come, having to work into old age, of having to survive on pittance incomes. Interspersed with these presentations by workers were comments by persons active in the pension field, public officials, and Mr. Newman.

None of those interviewed—and these included two United States Senators, a state official, a labor leader, a representative of the National Association of Manufacturers, a consumer advocate, a bank president, and a social worker—disputed that serious problems, those covered by the documentary, do indeed exist. Some of the comments related to the overall performance of the private pension system. We shall discuss these later (section VI B). In addition to comments on the private system generally, there were isolated expressions of views on the related but nonetheless quite distinct issue of the wisdom of reliance on private pensions, regardless of how well they function, to meet the financial needs of retirees.[3] Finally, several speakers gave broad, general views as to what could be done.[4]

There were also comments on legislative reforms that might be taken to cope with problems. These will be discussed separately in part VI D of this opinion.

Concluding Remarks

It may be appropriate to quote in full the concluding remarks of narrator Edwin Newman, since the FCC considered them "indicative of the actual scope and substance of the viewpoints broadcast in the 'Pensions' program." He said:

Newman. This has been a depressing program to work on but we don't want to give the impression that there are no good private pension plans. There are many good ones, and there are many people for whom the promise has become reality. That should be said.

There are certain technical questions that we've dealt with only glancingly, portability, which means, being able to take your pension rights with you when you go from one job to another, vesting, the point at which your rights in the pension plan become established and irrevocable.

Then there's funding, the way the plan is financed so that it can meet its obligations. And insurance, making sure that if plans go under, their obligations can still be met.

Finally, there's what is called the fiduciary relationship, meaning, who can be a pension plan trustee? And requiring that those who run pension funds adhere to a code of conduct so that they cannot enrich themselves or make improper loans or engage in funny business with the company management or the union leadership.

These are matters for Congress to consider and, indeed, the Senate Labor Committee is considering them now. They are also matters for those who are in pension plans. If you're in one, you might find it useful to take a close look at it.

Our own conclusion about all of this, is that it is almost inconceivable that this enormous thing has been allowed to grow up with so little understanding of it and with so little protection and such uneven results for those involved.

The situation, as we've seen it, is deplorable.

Edwin Newman, NBC News.

Success of program

Like many documentaries, "Pensions" was a critical success (*supra*, note 1) but not a commercial success. We shall consider the television reviews in more detail subsequently, but it may be observed here that they were generally enthusiastic. Critics called it, "A potent program about pitfalls and failures of some private pension plans . . . ." "a harrowing and moving inquiry . . .," and "a public service."[5] Dissenting notes were also struck.

As to the viewing public, "Pensions" ran in competition with a popular medical drama and a crime movie, and ran a poor third, garnering only a 16% share of the viewing audience. In fact, NBC was able to sell only two-and-one-half minutes of advertising time out of an available six.[6]

II. COMMISSION PROCEEDING

Watching the program with particular interest was Accuracy in Media ("AIM"), a "nonprofit, educational organization acting in the public interest"[7] that seeks to counter, in part by demanding aggressive enforcement of the fairness doctrine, what it deems to be biased presentations of news and public affairs. On November 27, 1972, the Executive Secretary *of AIM* wrote to the FCC complaining of the following:

"Our investigation reveals that the NBC report gave the viewers a grotesquely distorted picture of the private pension system of the United States. Nearly the entire program was devoted to criticism of private pension plans, giving the impression that failure and fraud are the rule. . . . The reporter, Mr. Newman, said that NBC did not want to give the impression that there were no good private pension plans, but he did not discuss any good plans or show any satisfied pensioners."[8]

In subsequent correspondence, AIM added the accusations that NBC was attempting "to brainwash the audience with some particular message that NBC is trying to convey"[9] and that the program was "a one-sided, uninformative, emotion-evoking propaganda pitch."[10] Thus AIM not only claimed that the program had presented one side of an issue of public importance, the performance of private pension plans, it also charged that NBC had deliberately distorted its presentation to foist its ideological view of events on the viewing public.

In its reply, NBC rejected the allegations of distortion. It asserted that the "Pensions" broadcast had not concerned a controversial issue of public importance:

"The program constituted a broad overview of some of the problems involved in some private pensions plans. It did not attempt to discuss all private pension plans, nor did it urge the adoption of any specific legislative or other remedies. Rather, it was designed *to* inform the public about some problems which have come to light in some pension plans and which deserve a closer look."[11]

Since, in the view of NBC, there was no attempt to comment on the overall performance of private pension plans, no controversial issue had been presented, for all agreed that the examples of suffering depicted were not themselves subject to controversy. Even so, NBC pointed out that it had presented the view that the system as a whole was functioning well; consequently, it asserted, even if it had inadvertently raised the issue of the overall performance of private pension plans, the side generally supportive of the system had been heard.[12]

In a letter to NBC,[13] the Broadcast Bureau of the Commission rejected AIM's allegations of distortion as being unsupported by any evidence but upheld the fairness doctrine complaint. The staff took issue with "the reasonableness of your [NBC's] judgment that the program did not present one side of a controversial issue of public importance" and concluded that the program's "overall

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thrust was general criticism of the entire pension system, accompanied by proposals for its regulation." [14]

The staff opinion included extensive quotation from the transcript of the documentary, but little explanation as to how the quoted portions sustained the staff's conclusion. Only four brief statements were singled out as containing "general views" on the overall performance of the private pension system. NBC appealed the Broadcast Bureau ruling to the entire Commission.[15]

On December 3, 1973, the Commission issued a "Memorandum Opinion and Order" affirming the decision of its staff.[16] Although it acknowledged that the broad issue upon review was "whether the Bureau erred in its ruling that NBC's judgment on these matters was unreasonable," it emphasized that:

"The specific question properly before us here is therefore not whether NBC may reasonably say that the broad, overall "subject" of the "Pensions" program was "some problems in some pension plans," but rather whether the program did in fact present viewpoints on one side of the issue of the overall performance and proposed regulation of the private pension system." [17]

The Commission found that "Pensions" had in fact presented views on the overall performance of the private pension system. It took note of the "pro-pensions" views expressed during the documentary, but concluded that the "overwhelming weight" of the "anti-pensions" statements required further presentation of opposing views. The Commission commended NBC for a laudable journalistic effort, but found that the network had not discharged its fairness obligations and ordered it to do so forthwith. This petition for review followed.

NBC petitioned the Commission for a stay, but was informed that the Commission "expects prompt compliance with its ruling." NBC filed a motion in this court for an expedited appeal, a stay, and expedited consideration. That motion was heard and granted on February 14, 1974, and the case was heard on the merits on February 21, 1974. AIM has intervened on the side of the Commission. The stay that has been in effect during the pendency of this appeal reflected, in part, an estimate of the likelihood of success by NBC as petitioner. We now set forth the reasons why we have decided that the case should be determined in favor of NBC.[18]

III. THE FAIRNESS DOCTRINE: GENERAL CONSIDERATIONS

Petitioners urge that the Commission's decision be set aside as a misapplication of the fairness doctrine and a violation of the First Amendment. Since we reverse on the former ground, we have no occasion to consider the latter.

Now twenty-five years old, the fairness doctrine imposes a double obligation on the broadcast licensee. First, he must devote a substantial portion of available time to the discussion of "controversial issues of public importance." [19] When he presents such an issue, the licensee has a further duty to present responsible conflicting views.[20] The doctrine, particularly as applied to newscasts and news documentaries, has been given statutory recognition in section 315 of the Communications Act,[21] and has been held to inhere in the "public interest" standard governing the grant of license applications and renewals.[22]

The essential task of the fairness doctrine is to harmonize the freedom of the broadcaster and the right of the public to be informed. Except for limited areas like libel and obscenity, the First Amendment generally forbids government regulation of the content of journalism. Not only is state censorship forbidden, so also is the government prohibited from compelling editors to include state approved material. Even a carefully limited statute giving political candidates attacked on a newspaper's editorial page the right to reply in kind was recently invalidated by the Supreme Court as an unconstitutional encroachment upon journalistic discretion. In *Miami Herald Publishing Company v. Tornillo*,[23] a "right to reply" law analogous to the personal attack rule that is part of the fairness doctrine was ruled unconstitutional. The "benign" purposes of the state statute were deemed irrelevant:

"[T]he Florida statute fails to clear the barriers of the First Amendment because of its intrusion into the function of editors. A newspaper is more than a passive receptacle or conduit for news, comment, and advertising. The choice of material to go into a newspaper, and the decisions made as to limitations on the size of the paper, and content, and treatment of public issues and public officials—whether fair or unfair—constitutes the exercise of editorial control and judgment. It has yet to be demonstrated how governmental control of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time." 94 S. Ct. at 2839–40.

But almost from the beginning, the broadcasting press has been treated differently. Congress created the Federal Communications Commission and its predecessor, the Federal Radio Commission, because the available space on the electromagnetic spectrum was far exceeded by the number of those who would use it.[24] It was necessary to ration this scarce resource, for "[w]ithout government control, the medium would be of little use because of the cacaphony of competing voices, none of which could be clearly and predictably heard." [25]

Scarcity required licensing in order to bring order to chaos, but the dangers of control in the hands of a relative few were early recognized. The public interest did not countenance delegation to a few licensees to pursue their purely private interests at the expense of listeners and viewers, and instead the broadcaster was held to have an obligation to serve and inform the public.[26]

Under the fairness doctrine the public is not to be confined to hearing only the views approved by those licensees, but is entitled to be informed of the diversity of opinion in the land, to have that presented by appropriate spokesmen for its consideration and judgment.

The salutary intent of the fairness doctrine must be reconciled with the tradition against inhibition of the journalists' freedom. That tradition, which exerts a powerful countervailing force, is rooted in the constitutional guarantee of freedom of the press, a guarantee that has vitality for broadcast journalists, though not in exactly the same degree as for their brethren of the printed word.[27] And the same statute that provides authority for the FCC to implement the fairness doctrine for its licensees contains a clear provision (in section 326) disclaiming and prohibiting censorship as part of the legislative scheme. In construing the fairness doctrine, both the Commission and the courts have proceeded carefully, mindful of the need for harmonizing these often conflicting considerations.

In *Red Lion Broadcasting Company v. FCC*, 395 U.S. 367 (1969), the Supreme Court approved the Commission's personal attack and political editorializing rules,[28] which are relatively narrow corollaries of the general fairness obligation. Under the personal attack rules a licensee must afford reply time to "an identified person or group" whose "honesty, character, integrity, or like personal qualities" are attacked in the course of presentation of views on a controversial issue of public importance. The political editorializing rule imposes a reply obligation where the licensee endorses or opposes a candidate for public office.

These rules were the target of sharp attack. The essence of the challenge was that no matter how slight, how narrow, or how precise, any limitation on the freedom of the licensee to broadcast what he chooses perforce violates the First Amendment. Rejecting this contention, a unanimous [29] Supreme Court reminded the broadcaster of the essential difference between the print and broadcast media: the physical limitations of the latter restrict the number of those who would broadcast whereas expression by publication is, at least in theory, available to all.

To posit a First Amendment restriction on government action taken to enhance the variety of opinions available to the viewer is to protect those fortunate enough to obtain broadcast licenses at the expense of those who were not. In now-famous language the Court stated:

"Because of the scarcity of radio frequencies, the Government is permitted to put restraints on licensees in favor of others whose views should be expressed on this unique medium. But the people as a whole retain their interest in free speech by radio and their collective right to have the medium function consistently with the ends and purposes of the First Amendment. It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount." [30]

This has become the guiding principle of the fairness doctrine: limitations on the freedom of the broadcaster—even those that would be unacceptable when imposed on other media—are lawful in order to enhance the public's right to be informed.[31] The Court's opinion, written by Justice White, reflects the circumspection of this principle of decision. While rejecting as unfounded claims that the personal attack and political editorializing rules would induce self-censorship by licensees in order to avoid the rigors of compliance with their requirements, the Court cautioned that its judgment might be different "if experience with the administration of these doctrines indicates that they have the net effect of reducing rather than enhancing the volume and quality of coverage.[32] . . ." And the Court expressly stated that in approving the personal attack and political editorializing rules, it did not "approve every aspect of the fairness doctrine.[33] . . ."

Four years later, in *Columbia Broadcasting System v. Democratic National Committee*,[34] the Court again discussed the fairness doctrine. The Commission had held that licensees could impose a blanket ban on all editorial advertising. An intermediate court ruling that such a ban, even if consistent with the fairness doctrine, violated the First Amendment,[35] was reversed by the Supreme Court, in an opinion by Chief Justice Burger.

In *CBS* the Court reaffirmed the principle that scarcity requires that the broadcast media be treated differently than other forums of expression, but observed that this is not a principle without bounds, that not all regulation can be justified in the name of scarcity. Overzealous invocation of rules such as the fairness doctrine could cause an "erosion of the journalistic discretion of broadcasters in the coverage of public issues." [36]

Journalistic discretion, the Court emphasized, is the keynote to the legislative framework of the Communications Act.[37]

The limitations of broadcasting both spawned the fairness doctrine and establish that it is dependent primarily on licensee discretion. Perfect compliance is impossible. No broadcaster can present all colorations of all available public issues. 412 U.S. at 111. Choices have to be made and, assuming that the area is one of protected expression, the choices must be made by those whose mission it is to inform, not by those who must rule. In the words of Chief Justice Burger:

"For better or worse, editing is what editors are for; and editing is selection and

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choice of material. That editors—newspaper or broadcast—can and do abuse this power is beyond doubt, but that is not reason to deny the discretion Congress provided. Calculated risks of abuse are taken in order to preserve higher values. The presence of these risks is nothing new; the authors of the Bill of Rights accepted the reality that these risks were evils for which there was no acceptable remedy other than a spirit of moderation and a sense of responsibility—and civility—on the part of those who exercise the guaranteed freedoms of expression." [38]

There are no other decisions on the fairness doctrine from the Supreme Court, but this court has had occasion to consider the doctrine in several cases and it has endeavored to maintain the balance between broadcaster freedom and the public's right to know. Commercial advertising cases present different considerations than those before us and we need not reexamine the doctrine as there applied.[39] More related to the present issue is the public service announcement discussed in *Green v. FCC*,[40] where we refused petitioners' request to require a licensee to present a point of view on the Vietnam conflict that had already received extensive coverage. In *Green*, as in the instant case, there was some initial difficulty in defining the issue allegedly presented in the offending broadcast. We stated that this determination, as well as the decision as to the number of views to be presented and the manner in which they are portrayed, is one initially for the licensee, who has latitude to make all pertinent judgments and is not to be overturned unless he forsakes the standards of reasonableness and good faith.[41] Reliance on the reasonableness standard, "which is all that is required under the fairness doctrine," [42] preserves licensee discretion and serves the essential purposes of the fairness doctrine "that *the American public must not be left uninformed*." [43]

In *Democratic National Committee v. FCC*,[44] we faced knotty problems in sorting out the fairness obligations generated by a radio and television address by the President and a reply by the opposition political party. In upholding the Commission decision that the licensees had not abused their discretion, Judge Tamm, writing for the court, stressed the importance of reliance on licensee judgment:

"By its very nature the fairness doctrine is one which cannot be applied with scientific and mathematical certainty. There is no formula which if followed will assure that the requirements of the doctrine have been met. Procedurally, *the doctrine can only succeed when the licensee exercises that discretion upon which he is instructed to call upon in dealing with coverage of controversial issues*." [45]

Finding no abuse of discretion, we affirmed.

In *Healey* v. *FCC*,[46] petitioner claimed to be within the ambit of the personal attack rule, which requires the licensee to afford opportunity to reply to an individual attacked in the course of a discussion of a controversial issue of public importance. As in the case now before us, the critical question was whether the broadcast involved a controversial issue of public importance. Petitioner, an American Communist, claimed that her role as a Communist within her community was such an issue. Judge Wilkey, the author of the *Green* opinion, pointed out that there is a substantial difference between what is newsworthy, *i.e.*, that which is interesting to the public, and what is controversial:

"Merely because a story is newsworthy does not mean that it contains a controversial issue of public importance. Our daily papers and television broadcasts alike are filled with news items which good journalistic judgment would classify as newsworthy, but which the same editors would not characterize as containing important controversial public issues." [47]

Converting every newsworthy matter into a controversial issue of public importance and requiring editors to "balance" every presentation creates a danger. Again in the words of Judge Wilkey:

"To characterize every dispute of this character as calling for rejoinder under the fairness doctrine would so inhibit television and radio as to destroy a good part of their public usefulness. It would make what has already been criticized as a bland product disseminated by an uncourageous media even more innocuous." [48]

The principle of deference to licensee judgments, unless the licensee has simply departed from the underlying assumptions of good faith and reasonable discretion, is an integral part of the fairness doctrine, and a fixture that has been reiterated and applied with fidelity by the courts.[49] It is the backdrop against which Judge Tamm's opinion for the court in the *Democratic National Committee* case takes note, that "in the opinion after opinion, the Commission and the courts have stressed the wide degree of discretion available under the fairness doctrine. . . ." [50]

The question is whether NBC has been shown to have exceeded its "wide degree of discretion" in its "Pensions" documentary.

IV. ABSTENTION FROM PRELIMINARY ISSUE—WHETHER FAIRNESS DOCTRINE SHOULD BE RESERVED FOR LICENSE RENEWALS

A preliminary issue has been presented to us by amicus curiae Henry Geller, Esquire, formerly general counsel of the Commission, and a serious student of the fairness doctrine.[51] Mr. Geller's view is that under the law the FCC could not properly issue the ad hoc fairness ruling on this program, but was limited to consideration of the matter only in connection with NBC's application for renewal of license, and then only to determine if some flagrant pattern of violation of the fairness doctrine is indicated by NBC's overall operation, with a renewal standard, comparable to that voiced in *New York Times v. Sullivan*, 376 U.S. 24 (1964), requiring a showing of "malice"—either bad faith, or "reckless disregard" of fairness obligations.

Initially, it appears, it was the FCC's procedure to refer complaints to the station as received, obtained its response, and then consider the matter definitively at renewal in connection with the overall showing of the station.[52] This practice was being followed in 1959, when the Communications Act was amended to codify the standard of fairness.[53] In 1962, the Commission changed its procedure to resolve all fairness matters as they arose and, if the station were found to have violated the doctrine, to direct it to advise the Commission within 20 days of the steps taken "to assure compliance with the fairness doctrine." [54]

Mr. Geller puts it that the resulting series of ad hoc fairness rulings "have led the Commission ever deeper into the journalistic process, and have raised most serious problems." [55] The effect, particularly on the small broadcaster, has been to inhibit the promotion of robust, wide-open debate. Thus, in a case where the FCC found that a licensee had afforded reasonable opportunity for opposing viewpoints,[56] the FCC process was long (decision 21 months after broadcast) and arduous. The licensee's burden included not only substantial legal (about $25,000) and other expenses (*e.g.*, travel), but also required top-level station personnel to devote substantial time and attention, with attendant disclocation of regular operational functions. In sum, Mr. Geller says that a substantial inhibiting effect derives not merely from any rulings adverse to the broadcaster, but the strain, time and resources involved in coping with particular challenges even if they are unsuccessful.

Amicus cites expressions in *Columbia Broadcasting System v. Democratic National Committee, supra*, rejecting a contention (right of access for editorial advertisements) that would involve the government too much in the "day-to-day operations of broadcasters' conduct," and stating the fairness doctrine, in terms of the legislative scheme and purpose, in these terms, 412 U.S. at 127:

"Under the Fairness Doctrine the Commission's responsibility is to judge whether a licensee's overall performance indicates a sustained good-faith effort to meet the public interest in being fully and fairly informed. The Commission's responsibilities under a right-of-access system would tend to draw it into a continuing case-by-case determination of who should be heard and when."

We have stated the amicus position at some length because we do not wish our opinion to be misunderstood as inadvertent on the point. The position is a serious one, and it deserves serious consideration.[57] The fact that *Red Lion* reviewed a particular ruling is no bar, for this point was not raised. Indeed, even as to points that were raised, the Court was careful to say that it would be alert to reexamine its assumptions upon an appropriate showing.

We do not think, however, that the present case is an appropriate vehicle for determination of the contention presented by amicus. It is resisted by petitioners, who seek reversal but not on this basis, which might enhance their risk. Moreover, it was not expressly considered by the Commission. While amicus states that a copy of the underlying study, see footnote 51, *supra*, was distributed to each Commissioner prior to the Commission's consideration of this case, that is not the same thing as putting the matter in issue in the proceeding. The proposal is one that merits consideration by the Commission before it can be discussed by this court as a legal imperative.[58] We abstain, then, from any determination in this case concerning the merits of the proposition put by amicus curiae.

V. APPLICATION OF THE FAIRNESS DOCTRINE TO NEWS DOCUMENTARIES

Our assumption of the propriety of the FCC's current practice that it may make rulings whether particular programs violate the fairness doctrine does not lessen our concern as to those rulings; it rather enhances the need for careful scrutiny, particularly where, as here, a ruling is challenged on the ground that it displaces the judgment entrusted to the broadcast journalist.

A. The function of the FCC

The principal controversial issue the Commission identified for the "Pensions" program is "the overall performance of the private pension plan system." In NBC's submission, the focus of the program was the existence of abuses, of "some problems in some pension plans." While one understands NBC's point as made, it might be refined as a statement that NBC was engaged in a study in abuses and did not separately examine how pervasive those abuses were. On what basis did the Commission reject NBC's position, and accept AIM's view that the point of the program was the performance of the common run of pension plans?

The staff ruling of May 2, 1973, said this (p. 11):

"The Pensions program thus did in fact present views which were broadly critical of the performance of the entire private pension system and explicitly advocated and supported proposals to regulate the operation of all pension plans. Your judgments to the contrary, therefore, cannot be accepted as reasonable."

One is struck by the palpable flaw in the staff's reasoning. The staff actually put it that because the staff found as a fact that

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the program was broadly critical of the entire private pension plan system, NBC's contrary judgment "therefore" cannot be accepted as reasonable. The flaw looms the larger, in that it appears in the ruling of the staff of an agency operating under the Rule of Administrative Law. Under that Rule, agencies daily proclaim that their findings of fact must be upheld if reasonable and if supported by substantial evidence, even though there is equal and even preponderant evidence to the contrary, and even though the courts would have found the facts the other way if they had approached the issue independently.

The Commission's opinion of December 3, 1973, corrected the staff's error of logic, but it made a mistake of law. It stated (see para. 17, JA 210):

"The specific question properly before us here is therefore *not whether NBC may reasonably say* that the broad, overall "subject" of the "Pensions" program was "some problems in some pension plans," but rather whether the program did *in fact* present viewpoints on one side of the issue of the overall performance and proposed regulation of the private pension system." [emphasis added.]

Thus the Commission ruled that even though NBC was reasonable in saying that the subject of "Pensions" program was "some problems in some pension plans," in determining that this was the essential subject of the program, its dominant force and thrust, nevertheless NBC had violated its obligation as a licensee, because the Commission reached a different conclusion, that the program had the effect "in fact" of presenting only one side of a *different* subject.

The Commission's error of law is that it failed adequately to apply the message of applicable decisions that the editorial judgments of the licensee must not be disturbed if reasonable and in good faith. The licensee has both initial responsibility and primary responsibility. It has wide discretion and latitude that must be respected even though, under the same facts, the agency would reach a contrary conclusion.

The pertinent principle that the Commission will not disturb the editorial judgment of the licensee, if reasonable and in good faith, is applicable broadly in fairness doctrine matters. It has distinctive force and vitality when the crucial question is the kind raised in this case, i.e., in defining the scope of the issue raised by the program, for this inquiry typically turns on the kind of communications judgments that are the stuff of the daily decisions of the licensee. There may be mistakes in the licensee's determination. But the review power of the agency is limited to licensee determinations that are not only different from those the agency would have reached in the first instance but are unreasonable.[58]

In *Columbia Broadcasting System v. Democratic National Committee, supra,* the Court stressed the wide latitude entrusted to the broadcaster. See 412 U.S. at 110–111:

"Congress intended to permit private broadcasting to develop with the widest journalistic freedom consistent with its public obligations.

"The broadcaster, therefore, is allowed significant journalistic discretion in deciding how best to fulfill the Fairness Doctrine obligations, although that discretion is bounded by rules designed to assure that the public interest in fairness is furthered."

While the government agency has the responsibility of deciding whether the broadcaster has exceeded the bounds of discretion, the Court makes clear that any approach whereby a government agency would undertake to govern "day-to-day editorial decisions of broadcast licensees" endangers the loss of journalistic discretion and First Amendment values. (412 U.S. at 120–21)

What is perhaps most striking and apt for present purposes is the figure used by Chief Justice Burger wherein the licensee is identified as a "free agent" who has *"initial and primary* responsibility for fairness, balance, and objectivity," with the Commission serving as an "overseer" and "ultimate arbiter and guardian of the public interest." [59] [Emphasis added.]

Our own decision [60] amplifies these basic propositions. Judge Tamm's opinion for the court in *Democratic National Committee v. FCC,* 148 U.S.App.D.C. 383, 460 F.2d 891 (1972) serves as a compendium and a wrap-up. That opinion refers to:

(1) *Mid-Florida Television Corp.,* 40 FCC 2d 620, 621 (1964), that the mechanics of achieving fairness "is within the discretion of each licensee, acting in good faith."

(2) *Applicability of the Fairness Doctrine,* 29 Fed. Reg. 10416, 40 FCC 598, 599 (1964):

"[T]he licensee, in applying the fairness doctrine, is called upon to make reasonable judgments in good faith on the facts of each situation—as to whether a controversial issue of public importance is involved, as to what viewpoints have been or should be presented, as to the format and spokesmen to present such viewpoints, and all the other facets of such programming."

(3) The concept that the Commission will "exercise substantial restraint in this area." *Id.*:

"[T]he Commission's role is not to substitute its judgment for that of the licensee as to any of the above programming decisions, but rather to determine whether the licensee can be said to have acted reasonably and in good faith."

(4) This court's other opinions [61] and such references therein as "the permissive 'reasonableness' standard of the fairness doctrine." The court therefore concluded (460 F. 2d at 903):

"Thus, in opinion after opinion, the Commission and the courts have stressed the wide degree of discretion available under the fairness doctrine. . ."

The range of journalistic discretion is not limited to the issue of how to comply with the fairness doctrine in the details of presenting both (or more) sides of an issue when the issue has been subsequently defined by the Commission. This would be narrow, and artificial. In *CBS,* the Court, in discussing the broadcaster's "significant journalistic discretion" under the fairness doctrine pointed out that the licensee must consider "such questions as whether the subject is worth considering" (412 U.S. at 111 & n.9).[62] And the Court cited with approval a passage, as old as the fairness doctrine itself, wherein the Commission stated that the licensee "is called upon to make reasonable judgments in good faith on the facts of each situation—as to whether a controversial issue of public importance is involved." [63]

Where the Commission has relatively specific rules under the fairness doctrine, as in the personal attack and political editorializing rules, it has a more ample role in determining whether the licensee was in compliance with his obligations. But when the claim is put in terms of the general obligation concerning controversial issues of public importance, there is primary reliance on the journalistic discretion of the licensee, subject to supervision by the government agency only in case he exceeds the bounds of his discretion. This yields as a corollary that if the broadcast licensee was reasonable in his premise, and his projection of the subject-matter of the program, he cannot be said by the supervising agency to have abused or exceeded his sound discretion.

The FCC's function becomes that of correcting the licensee for *abuse* of discretion, as our function on judicial review is that of correcting the agency for *abuse* of discretion.

The Commission in this case agreed that there was wide latitude of journalistic discretion in regard to news and news documentary programs. It said (par. 25) that it "cannot uphold a patently unreasonable exercise of that discretion which would deny the right of the public to be informed as to both sides of a controversial issue which in fact has been presented by such programming." The Commission's reference to "patently unreasonable exercise of discretion" by the licensee, as the standard that warrants agency intervention, captures the spirit of the scope of discretion entrusted to the licensee. We need not dwell on abstract issues such as whether a licensee whose exercise of discretion is unreasonable may validly claim it was not "patently" unreasonable; this is more a matter of mood than rule. In this case, we think it plain that the licensee has not been guilty of an unreasonable exercise of discretion. Where the Commission may have started on the wrong path in its approach is the place where the Commission undertook to determine for itself as a fact whether "the program did in fact present viewpoints on one side of the issue of the overall performance and proposed regulation of the private pension system." This is not a sufficient basis for overturning the licensee.

It is not clear from the Commission's opinion that it also appreciated the need for a finding of abuse of discretion by the licensee in concluding that no controversial issue had been presented. In any event, we are clear that the licensee's discretion was not abused in this respect.

On this issue, whether there was an abuse of discretion in NBC's determination concerning the subject matter of the "Pensions" documentary, the staff—which did see that this was the real issue—proceeded to resolve it adversely to the licensee by concluding that NBC was unreasonable in determining that the subject of the program was some problems of private pension plans. The Commission backed away from that staff conclusion.

A substantial burden must be overcome before the FCC can say there has been an unreasonable exercise of journalistic discretion in a licensee's determination as to the scope of issues presented in the program. Where, as here, the underlying problem is the thrust of the program and the nature of its message, whether a controversial issue of public importance is involved presents not a question of simple physical fact, like temperature, but rather a composite editorial and communications judgment concerning the nature of the program and its perception by viewers. In the absence of extrinsic evidence that the licensee's characterization to the Commission was not made in good faith, the burden of demonstrating that the licensee's judgment was unreasonable to the point of abuse of discretion requires a determination that reasonable men viewing the program would not have concluded that its subject was as described by the licensee.[64]

Here the Commission concluded that the program involved a controversial issue, namely the overall performance of the private pension plan system. If the agency had free rein to make the critical finding we might well support this conclusion as a reasonable exercise of agency discretion. But here the primary discretion was not vested in the government agency but in the licensee. And the agency could not premise any order on a conclusion contrary to that of the licensee unless it was willing and able to take the additional step—which it deliberately avoided—of finding the licensee's conclusion to be unreasonable. "A conclusion may be supported by sub-

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stantial evidence even though a plausible alternative interpretation of the evidence would support a contrary view."[65]

The situation here is unlike the case of an agency's review of a fact finding proposed by its hearing officer. In that situation, it is the agency that has the primary discretion, and it may differ with its hearing officer even though his finding is supported by substantial evidence.[66] Even there, where the agency has primary discretion, its "departures from the Examiner's findings are vulnerable if they fail to reflect attentive consideration to the Examiner's decision."[67] Certainly in a situation where it is the licensee that has primary discretion, and his judgment as to dominant impact is substantially supported by responsible persons skilled in judging these matters, this must be given attentive consideration before determining the licensee's judgment was unreasonable.

B. The function of the reviewing court

When an agency purports to exercise regulatory discretion conferred by Congress, a court reviewing its order generally accords wide latitude to the agency. The court has responsibilities and restraints. Its responsibility is to assure that the agency has not abused or exceeded its authority, that every essential element of the order is supported by substantial evidence, and that the agency has given reasoned consideration to the pertinent factors.[68]

The restraint arises out of the consideration that industry regulation has been entrusted by Congress "to the informed judgment of the Commission, and not to the preferences of reviewing courts."[69] If an agency has "genuinely engaged in reasoned decision-making . . . the court exercises restraint and affirms the agency's action even though the court would on its own account have made different findings or adopted different standards."[70]

In the case of the fairness doctrine, a reviewing court is under the same injunction against injecting its own preferences as the rule of decision. And so when the Commission, in the exercise of its discretion, affirms the licensee's exercise of its discretion, the role of the court is most restricted.[71] But the court has a greater responsibility than is normally the case, when it reviews an agency's fairness rulings that upset the licensee's exercise of journalistic discretion, both because the area is suffused with First Amendment freedoms[72] and because Congress has determined that the interest of the public, and its right to know, is furthered by giving primary discretion not to the government agency but instead to the regulated licensee. Congress has sharply narrowed the scope of agency discretion—which the court must see is not exceeded—to a government intervention permissible only for abuse of the licensee's journalistic judgment. If the Commission can claim wide latitude in and deference for its exercise of prerogative to overrule and discard the journalistic judgments of the broadcast licensees, the very premise of the legislative structure is undermined.

In Judge Tamm's phrase, in another case involving a Commission determination that the licensee violated the fairness doctrine, and aspects of intrusion on the licensee's journalistic freedoms: "Not only must the Commission take a hard look at the case in this light but so must this court."[73]

To restate, even in a fairness doctrine case the court is not given carte blanche or an authority to interpolate its own discretion or judgment as to what should be done by the agency or what should have been done by the licensee. But a court is properly exercising the high judicial function of assuring that agencies respect legislative mandates,[74] when it studies the record to make certain that the Commission has not interpolated its own judgment and wrested the primary discretion Congress placed in the licensee, without making the requisite showing of abuse of the licensee's journalistic discretion.

C. The need for selection latitude of broadcast and investigative journalism

The doctrine that respects licensee determination, if not unreasonable, concerning the issues tendered in a news broadcast, is a matter of concern for the vitality of broadcast journalism generally, and for investigative journalism in particular.

The Commission's opinion in this case reaffirmed—"our recognition of the value of investigative reporting and our steadfast intention to do nothing to interfere with or inhibit it." See *WBBM-TV*, 18 FCC 2d 124, 134 (1969); *Hunger in America*, 20 FCC 2d 143, 150 (1969).

In *Hunger in America, supra*, it not only commended CBS "for undertaking this documentary on one of the tragic problems of today" but it undertook to clarify its policy as to a claim that a licensee deliberately distorted the news, to avoid concern lest its inquiry in that case "may tend to inhibit licensees' freedom or willingness to present programming dealing with the difficult issues facing our society." 20 FCC 2d at 150. It reiterated the ruling of *ABC*, 16 FCC 2d 650 (1969), that it would require extrinsic evidence of *e.g.*, a charge that a licensee staged news events. "Otherwise, the matter would again come down to a judgment as to what was presented, as against what should have been presented—a judgmental area for broadcast journalism which this Commission must eschew." 16 FCC 2d at 657–58.

In the world of news documentaries, there is inherently an area of "judgment as to what was presented." And if its judgment is not unreasonable, the licensee cannot fairly be held faithless to fairness doctrine responsibilities.

Investigative reporting has a distinctive role of uncovering and exposing abuses. It would be undermined if a government agency were free to review the editorial judgments involved in selection of theme and materials, to overrule the licensee's editorial "judgment as to what was presented," though not unreasonable, to conclude that in the agency's view the expose had a broader message in fact than that discerned by the licensee and therefore, under the balancing obligation, required an additional and offsetting program.

The field of investigative exposures, as the Commission has noted, is one in which "[p]rint journalism has long engaged [and] been commended,"[75] and to which broadcast journalism, also part of the press is "no less entitled." Even for print journalism, not subject to the extreme time coverage limitations of broadcasters, a requirement like the Commission's would be considered a "millstone" burdening investigative reporting. We refer to the affidavit supplied to the Commission by J. Edward Murray, associate editor of the Detroit Free Press and immediate past president of the American Society of Newspaper Editors. These are representative excerpts:

"The whole process of investigative reporting is a complex and sensitive equation involving editors with high purpose and intuition, reporters with skill and courage, and publishers willing to incur heavy expense and the risk of offending both public opinion and advertisers. This equation, as I said, is powered by the drive to correct evils in the society.

"If we weight the equation with the requirement that the press look for, and report, good wherever it finds and reports evil, we might as well forget investigative reporting. We will have overwhelmed it with the deadly commonplace of things as they are.

"[I]t would be commonplace newspaper procedure that if an editor decided that some private pensions are flawed or useless, and published a typical expose to this effect, the expose would simply assume that the majority of private pension plans were more or less in acceptable shape. Otherwise, the forces of both law and business would have corrected so obvious a deficiency.

"The investigative reporter's thrust is against presumed evils in society. If he must always give an equivalent weight to the good (which is now presumed) in the situation he is investigating, his thrust would become so dulled as to be boring—and unread. Newspapers, including the Detroit Free Press, investigate and expose policemen who are on the 'take' in the dope rackets. If an equivalent weight or time must be given to policemen who are not on the 'take', the whole campaign becomes so unwieldy and pointless as to be useless.

"The suggestion of a positive non-expose, in the wake of an original negative expose, falls of its own weight. No one would read it. It would thus be a waste of space. And it would add one more millstone to the already considerable burden of legitimate investigative reporting." (*JA 140–42.*)

To like effect are affidavits in the record from broadcast journalists.[76]

The basic point merits emphasis: A report that evils exist within a group is just not the same thing as a report on the entire group, or even on the majority of the group. An expose that establishes that certain policemen have taken bribes, or smoked pot, or participated in a burglary ring, is not a report on policemen in general. It may be that the depicition of particular abuses will lead to broader inferences. Certainly severe deficiencies within an industry may reflect on the industry as a whole. When one bank fails, others may suffer a run. But the possible inferences and speculations that may be drawn from a factual presentation, are too diverse and manifold—ranging, as they inevitably must, over the entire span of viewer predilections, characteristics and reactions—to serve as a vehicle for overriding the journalistic judgment.

There is residual latitude in the Commission to condemn the journalist's vision as an unreasonable exercise of discretion. But if the Commission is to condemn a journalist's vision as excessively narrow, it must show that its own vision is broadgauged. Yet here we are reviewing a Commission opinion that says: "It is difficult to see why a network would devote its time and effort to a program with no broad impact or value." (Par. 20). But abuses in an industry are of interest to the public, and merit a documentary, if they exist in any significant amount, even though they are not the general rule. Failures on automobiles are an example. Yet this obvious underpinning for an editorial judgment to run a limited expose was not referred to by the Commission.

The Commission simply neglected our caution in *Healey v. FCC, supra*, 460 F.2d at 922:

"Petitioner's basic misapprehension here is a confusion of an issue over newsworthiness with a 'controversial issue of public importance.' Merely because a story is newsworthy does not mean that it contains a controversial issue of public importance."

The point is fundamental. In a case where NBC has made a reasonable judgment that a program relates to, and the public has an interest in knowing about, the "broken promise" abuses that its reporters have identified in various private pension plans, and there is no controversy concerning the existence in fact of such abuses, then the balancing of the fairness doctrine cannot permit the intrusion of a government agency to make its own determination of the subject and thrust of the program as a report that such abuses feature private pensions generally, and with such enlargement to a con-

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troversial status to burden the reporting with the obligation of providing an opposing view of the escalated controversy.

VI. THE PRESENT RECORD SUSTAINS THE LICENSEE'S EDITORIAL JUDGMENT AGAINST A CHARGE OF REQUISITE BAD FAITH OR UNREASONABLENESS

This is the first case in which a broadcaster has been held in violation of the fairness doctrine for the broadcasting of an investigative news documentary that presented a serious social problem. We have already stated that the Commission used an unsound legal standard in reviewing the licensee's exercise of discretion. What result ensues—on the record before us—from application of the sound legal standard?

A. The issues as to the issue

In law, as in philosophy, the task of ascertaining the sound rule or precept often turns significantly on rigor in the statement of the problem. Nowhere is this more the case than in the application of the fairness doctrine, for in regard to the determination that a program raised a "controversial issue of public importance," the first and often most difficult step is "to define the issue." [77]

In holding that "Pensions" presented views advocating only one side of a controversial issue of public importance, the Commission defined that issue in these terms: "that issue being the overall performance of the private pension system and the need for governmental regulation of all private pension plans." (Par. 19).

In so defining the issue, the Commission overruled NBC's judgment. NBC was called to answer AIM's complaint that NBC had given a one-sided view of a controversial issue of public importance—in its "picture of the private pension system of the United States." [78] NBC responded that "Pensions" was primarily designed to expose failures found in some private plans rather than to evaluate the overall performance of the private pension system and that the program did not urge any specific legislative or other remedies.[79]

The controversial "issue" identified by the Commission reflects a compound of issues—one, whether problems exist in private pension plans generally, and two, whether overall legislation should be enacted to remedy those problems. In aid of analysis, these issues will be discussed separately.

In our view, the present record sustains NBC as having exercised discretion, and not abused discretion, in making the editorial judgment that what was presented, in the dominant thrust of the program, was an expose of abuses that appeared in the private pension industry, and not a general report on the state of the industry. If this judgment of NBC may stand, there is no showing of a controversial issue. The staff's ruling that NBC was unreasonable in this judgment was not sustained by the Commission. And in our view, the present record does not establish a basis for the conclusion that the licensee's judgmental conclusion may be set aside as unreasonable and as constituting an abuse rather than a permissible exercise of discretion.

1. The description of the program in TV columnist reviews

NBC offered the Commission an exhibit showing the appraisal of some 25 television critics who reviewed the program, appraisals made contemporaneously, in September, 1972, immediately or shortly after the broadcast. Typically, the critical comments were favorable, reporting that the program was an important and worthwhile public news service, "superlative investigative reporting." Many noted that most viewers were likely glued elsewhere, as was apparently the case, though perhaps one may take heart from Clarence Peterson's observations in the Chicago Tribune: "Most viewers will have watched Marcus Welby instead but it takes only a few hard-nosed skeptics to rattle the cage."

More important for present purposes are the reviewers' descriptions of the program. These appear in Appendix B to this opinion. In general, the reviewers' appraisals of the nature of the program are consistent with NBC's editorial judgment. Examples include the Philadelphia Daily News: "A potent program about pitfalls and failures of some private pension plans of business and unions . . . it was an angry, incisive study that focused on some people who felt cheated by their blind faith in Pensions." More succinct was UPI: "Tough study of the failure of some private pension systems."

The note that the program undercut a "blind faith" in pension programs was struck in a constructive way in reviews like that in the Chicago Tribune: "Pension administrators may face some hard questions from employees when they get to work this morning. If so, NBC Reports will have done its job."

Other comments cut from a different angle. Thus, the review in Business Insurance put it: "The program was by no means objective; it could not have been . . . there was just not enough time to do it thoroughly. [Newman did] point out that there were many good pension plans." The Denver Post said the documentary had "a disorganized approach" and added: "Likewise nothing was said about what makes good pension systems work . . . but NBC should be commended for publicizing a condition of social anarchy." And intervenor AIM brings to our attention that John J. O'Connor in the New York Times has written: "The NBC program strongly implied that 90 per cent were failures. This title was, 'Pensions: The Broken Promise,' not 'Pensions: Broken Promises.'" AIM stresses that reviews in the Boston Globe, Chicago Today and Hollywood Reporter, reflected reactions to the program as commenting on the private pension system as a whole.

The Commission's opinion dismissed the newspaper reviews. It stated its determination of the question must rest with the program itself, and added (fn. 4): "Such brief and general one-line summaries provide no information as to what particular views on the subject of pensions may have been presented in the one-hour documentary, and hence are of little value in determining the applicability of the fairness doctrine. . . ."

Obviously, television reviews cannot be conclusive, for the obligation of licensees and the Commission to determine fairness doctrine questions is not delegable. The opinion of this court does not depend in any critical measure on television reviews. Yet we are here concerned, not with some broad question of fairness doctrine responsibility, but with something that is not only closer to a question of fact—the description of the program—but is a matter on which the reviewer is expected to make an accurate report to the public as his primary task.

Even if the Commission believed the reviewer to be wrong, it should have considered whether the review did not have more than minimal value on the issue of the NBC's reasonableness in saying that the subject of the program was that of abuses discovered, of some problems in some pension plans. If this was the primary thrust of the program, as discerned by persons trained to view such programs attentively and report their description to the public, it is a substantial factor—though, we repeat, not a conclusive one—to an agency exercising its surveillance role under correct standards of review. As for the Commission's comment that the brief format itself undercuts any significance for these newspaper reviews, this is belied by the quite different reactions recorded in the different newspaper reviews.

2. Application of the correct standard

Had the Commission applied the correct standard of review, the consequence clearly would have been an acceptance of NBC's position as a reasonable statement of the subject of the "Pensions" broadcast. There were a few explicit statements of views on the overall performance of private pension plans that are of no consequence in terms of fairness doctrine, as will be presently seen.* Otherwise, the plain heft of the program was the recitation of case histories that identified shortcomings of private pensions, and various interviews that identified the abuses in more general terms. But effective presentation of problems in a system does not necessarily generate either comment on the performance of the system as a whole, or a duty to engage in a full study. This is plain from our discussion of investigative journalism.

The licensee does not incur a balancing obligation solely because the facts he presents jar the viewer and cause him to think and ask questions as to how widespread the abuses may be.

The licensee's judgment on an issue of investigative journalism is not to be overturned unless the agency sustains a heavy burden and makes a clear showing that the licensee has been unreasonable, that there has been an abuse of journalistic discretion rather than an exercise of that discretion. We have been presented no basis for sustaining the view that there is such unreasonableness on the part of a licensee who presents undisputed facts—and no party has contended that the abuses identified by NBC do not exist—because it has failed to treat them as a general indictment of a system.

B. Comments on the "Overall" Performance of the Private Pension Plan

In previous sections of this opinion we have identified the dangers to broadcast journalism, and investigative reporting in particular, if descriptions of abuses in a system are converted inferentially into a broadside commenting adversely on the overall system.

A separate question is presented, however, by the comments in the program that differs from the description of particular evils.

1. Adverse comments on overall performance

We examine, seriatim, those passages of the "Pensions" program that may be taken as adverse comments on overall performance. We need not define whether a fairness doctrine obligation is generated by this kind of comment, either alone or with some kind of FCC determination. For in this case, as we shall see, NBC provided offsetting material on the overall performance of pension plans.

But this discussion will at least identify our concern with some of the problems. As we shall see, some statements are unquestionably to be given a different reading.

(1) The short passage spoken by a MAN (Tr. 1), who begins that the pension system is essentially a consumer fraud, and ends by saying it is "an insurance contract that can't be trusted." *Overall-Adverse.*

(2) Edwin Newman's statement (p. 2) that the availability of annual reports filed in the Labor Department "is a meager protection for the twenty-five million Americans who are in private pension plans."

Neither this nor the next sentence, that "very many of the hopes will prove to be empty" says that all, or even most, of the 25 million Americans will be unprotected. The statement that the mere filing of the reports is meager protection hardly seems controversial, as to the "very many" whose pension hopes will be lost by e.g., inability to meet stringent vesting provisions.

(3) Herbert Dennenberg, at Tr. 4: Paragraph ending "most pension funds are in-

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* In Part V–B.

adequate." This is *Overall-Adverse—Arguable.*

(a) Mr. Dennenberg says that those who retire under the plans typically receive only a thousand dollars a year, which is inadequate even with social security. This is a general comment, but we do not see what has been identified as a controversial issue. AIM's complaint of November 27, 1972, stresses:

"More than 5 million retired employees are receiving benefits from them [the plans] to the tune of about $7 billion a year."

This datum in AIM's complaint palpably confirms rather than contradicts $1,000 as a typical figure.[80] But if there is a controversial issue here which requires reference to AIM's datum, then it should be noted that this very fact was brought out on the "Pensions" program by Mr. Russell Hubbard of the National Association of Manufacturers (see Tr. 18).

(b) Whether a $1,000 annual amount is 'adequate even with social security," is a value question.

The complaint of inadequacy of pensions is also, perhaps, one meaning that might be given to the caption of "broken promise"—if one posits that there was a promise of an "adequate" retirement income. There is plainly no unreasonable abuse of discretion for the licensee to determine that the complaint of "inadequacy," though surfacing in the program, is simply not the main thrust of the program, which basically turns on whether pension plans do pay out the amounts that were held out to the employees when their work was done, and if not, why not. The FCC, disagreeing with its staff, has held the fairness doctrine would be both unworkable, and an intolerably deep involvement in broadcast journalism, if every single statement, inference, or sub-issue, could be built up into a requirement of countering presentation.[81]

(c) Mr. Dennenberg also says that over half the people will have nothing at all from pension plans. See also Tr. 5: "There have been studies that indicate that most people won't collect." Under current plans, pension rights depend on a combination of longevity, endurance in specified employment for a minimum vesting period, and lack of termination of the plan, and Mr. Dennenberg describes this as "an obstacle course."

Again AIM does not contradict the basic fact asserted by Mr. Dennenberg. Its complaint compares 5 million receiving pensions with 30 million workers now covered. But it does not assert that the number who worked under pension plans but have failed to qualify for pensions stands below 5 million. And Mr. Dennenberg's statement is not too different in impact from one in a Washington Post article that AIM lauds as balanced journalism.[82] Obviously a greater burden would have to be met by the FCC in identifying the existence and nature of a controversial issue of importance.

(4) Senator Harrison Williams (Tr. 4–5). Following a statement by Mr. Newman that many plans have restrictions and exclusions buried in fine print, comes Senator Williams' comment that the plans "suggest the certainty of an assured benefit upon retirement" which gives "a sense of false security."

NEWMAN. Senator, the way private pension plans are set up now, are the premises real?

WILLIAMS. The answer is, they are not.

Senator Williams enlarges that he wants descriptions of the realities of plans that are clear and that do not require a lawyer.

Here again we have a general comment on the plans, that the eligibility requirements are not clearly identified. But we do not see wherein this comment has been identified by AIM, the Commission or its staff, as inaccurate, or as presenting a controversial issue.

(5) Victor Gotbaum (Tr. 12).

In these four lines appears: "Pensions in the private area are a mockery." *Overall-Adverse.*

(6) Edward Kramer (Tr. 12–13): Mr. Kramer and Mr. Gotbaum identify the feelings of people who have retired only to find they are living in squalor. These people, says Mr. Kramer, feel "cheated by the pension system, cheated by social security." This is essentially a complaint of the inadequacy of amounts of payments, rather than denial of pensions. See comment as to Mr. Dennenberg under (3).

(7) Mr. Ralph Nader (at Tr. 18): "I think time is running out on the private pension systems. And it [sic] its abuses continue to pile up, and if its enormous popular disappointments begin to be more and more revealed, it might collapse of its own weight, and social security will have to take up the slack." *Overall-Adverse.*

2. Favorable comments on overall performance

Toward the conclusion of the program, comments were made, by Messrs. Hubbard, of the National Association of Manufacturers, and Anderson of the Bank of America, which the Commission recognized as generally favorable to the performance of the private pension plan system:

HUBBARD: Over a good number of years, the track record is excellent. It's unfortunate that every now and then some of the tragic cases make the newspapers and the headlines. But it's a question of perspective and balance. When you consider that there are thirty million people covered by the plans, that there are five million people receiving about seven billion dollars in benefits, I think that's a pretty good record. That's not to say that there aren't a few remaining loopholes that need closing but we ought to make sure that we don't throw out the baby with the wash water. (Tr. at 18.)

ANDERSON. You must remember that the corporation has set this plan up voluntarily. They have not been required by law to set it up. (Tr. at 18.)

ANDERSON. These pension plans are a part of a fringe benefit package. Like hospitalization insurance and so forth, but it's still a voluntary thing on the part of the corportation. (Tr. at 19.)

NEWMAN. This has been a depressing program to work on but we don't want to give the impression that there are no good private pension plans. There are many good ones, and there are many people for whom the promise has become reality. That should be said. (Tr. at 19.)

Moreover, Mr. Newman, earlier in the program, made specific reference to some generally good pension programs operated by Teamsters Unions:

NEWMAN. . . . .[I]n most respects, the pension programs run by the Chicago teamsters union locals are among the best. Benefits are generous and a teamster can retire as early as age fifty-seven. (Tr. at 9–10.)

C. Reasonable Balance

As the foregoing shows, there were a handful of comments on "overall performance" of the private pension plan system. Some were favorable, more were adverse, but there was adequate balance of both sides of that issue and a reasonable opportunity for presentation of both sides of that issue. The fairness doctrine "nowhere requires equality but only reasonableness." *Democratic National Committee v. FCC, supra,* 148 U.S. App. D.C. at 397, 460 F.2d at 905. On this aspect of the program, the FCC did not say, and in our scrutinizing review we do not consider it could rightfully say, that the licensee had failed to provide a reasonable opportunity for the presentation of contrasting approaches.

We repeat that Mr. Hubbard of N.A.M. brought out the fact given primary stress in AIM's complaint—that 5 million retirees were receiving $7 billion under private pension plans. As for AIM's notation that only 1 percent of pension plans have been terminated, while this precise statistic was not mentioned by Mr. Hubbard, he made the basic point that the overall track record is excellent, and the question is one of perspective and balance.

D. The non-controversial nature of the issue whether some reform legislation should be enacted

The FCC concluded that the "Pensions" program "supported proposals to regulate the operation of all private pension plans." NBC does not deny, and it would be patently unreasonable for NBC to deny, that it broadcast its view that there was a need for legislative reform. We refer to Edwin Newman's concluding paragraph, in which he capped his notation that the situation involved various technical problems (portability, funding, insurance, fiduciary relations) by saying (Tr. 20):

"These are matters for Congress to consider and, indeed, the Senate Labor Committee is considering them now. They are also matters for those who are in pension plans. If you're in one, you might find it useful to take a close look at it.

"Our own conclusion about all of this, is that it is almost inconceivable that this enormous thing has been allowed to grow up with so little understanding of it and with so little protection and such uneven results for those involved.

"The situation, as we've seen it, is deplorable."

An entirely different problem is presented by the Commission's conclusion that there was a controversial issue in "the need for governmental regulation of all private pension plans." The Commission stressed (para. 19) that at the time of the program "Congress was engaged in a study of private pension plans and considering proposed legislation for their regulation—legislation which was opposed in whole or in part by various private and public groups and spokesmen."

The fairness doctrine would require that when a controversial bill is pending, if advocates of its passage have access to a licensee's facilities, so must opponents.[83] But the Commission wholly failed to document its premise that there is a controversial issue in the assertion that there is a need for some remedial legislation applicable generally to pension plans. The record does not support the Commission's statements in its opinion (at para. 16, 23):

". . . NBC does not dispute the Bureau's finding that at the time the 'Pensions' program was broadcast the overall performance and proposed regulations of the private pension system constituted a controversial issue of public importance within the meaning of the fairness doctrine.[3]

"[3] The Bureau based this finding on AIM's uncontradicted submissions that proposals for the regulation of all private pension plans were pending before the Congress and that such proposals were opposed in whole or in part by 'various groups and spokesmen including the National Association of Manufacturers, several labor unions, the Chamber of Commerce of the United States, and the Nixon administration.' 40 F.C.C. 2d 958, at 967.

"NBC does not dispute that there are many private and public groups and spokesmen who oppose the view that the overall performance of the private pension system is so 'deplorable' as to require remedial legislation."

There was no occasion for NBC to reply to a claim that was never made. AIM's complaint to the FCC dated November 27, 1972, made no reference whatever to a stand on legislation as a controversial issue; it said criticism of pension plans was such an issue. AIM's letter to NBC dated December 6, 1972, stated that it was struck by a reference in

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Footnotes at end of article.

NBC's letter to the FCC that it had concluded that a program on pensions would be timely in view of Senate Reports 92–1150 and 92–1224. AIM added that this bill was opposed by some labor unions, the Chamber of Commerce and the NAM. AIM added: "While your program did not endorse any specific legislative proposal, it did emphasize the need for new regulatory legislation and it pointed out that the Senate Labor Committee had the matter under consideration." From this circumstance, and the fact that Senator Schweiker had inserted the transcript of the Pensions program in the Congressional Record for October 3, 1972, as dramatically showing the need for pension reform,[84] AIM evolved a contention this was a program "inspired by a contested legislative proposal" and presenting one side of that contest. Neither the staff nor the Commission supported AIM's efforts at such extrapolation or extreme conjecture.[85]

This case does not involve any controversial issue derived from favoring certain specific proposals under consideration by Congress.[86] And AIM did not contend before the FCC that at the time of the broadcast there were any significant groups opposed in principle to the idea of remedial legislation. Since NBC was not called on to dispute what was not asserted, the staff's statement is lacking in support and too lifeless to be a basis for a key Commission premise.

AIM transmitted a Washington Post article on pensions as one "exemplifying good journalism." In certain respects, the Post article, which recites the case of Stephen Duane (A&P) and others, and states these are not simply isolated horror stories (see fn. 82, *supra*) resembles the NBC program. In other respects it is different, for the Post article does undertake to examine and analyze the different specific legislative proposals made, and the arguments for and against, including "strong business and Nixon administration opposition to some of the more stringent reform proposals." But the fact that the Post ran an article on specific legislative proposals, their pros and cons, does not mean NBC was obligated to do so. In NBC's program Edwin Newman said that the question of particular approaches was difficult, beyond the scope of the program and "matters for Congress to consider."

We know as judges, as we knew as lawyers, that there is a profound difference between the kind of materials that can be presented effectively in oral form (on argument) and in written form (in briefs).

NBC specifically pointed out to the Commission on appeal that the Post article esteemed by AIM had stated: "The problem, then, is not whether there will eventually be pension reform legislation, but what kind."[86]

NBC's letter of July 13, 1973, called the Commission's attention to the wide span of sources supporting some form of remedial legislation.[87] And NBC specifically emphasized that there was no indication of any meaningful view opposing the concept of some reform legislation (JA 163, 171–172):

"In the 786-page transcript of the most recently published Congressional hearings with respect to pensions, in which 35 witnesses testified on all sides with respect to pensions, *not one* took the position that some kind of meaningful reform (usually mandated by legislation) of the pension system was unwarranted or should not be instituted. (*Hearings of Subcommittee on Labor of the Senate Comm. on Labor and Public Welfare*, US Senate, 93rd Cong., 1st Sess., 1973.) Nor is that view attributed to anyone in the *Washington Post* article on pensions annexed to Mr. Kalish's letter, the article that has apparently been awarded the AIM *imprimatur* for 'good' journalism (p. 13)." (Emphasis in original.)

In the light of this record, it is plain that while the "Pensions" program recommended that legislation regulating pension plans be passed, it did not address controversial issues, and there is no reasonable basis for invoking the fairness doctrine on this ground.

VII. CONCLUSION

The First Amendment is broadly staked on the view that our country and our people—rich in diversity of strains and viewpoint—is best served by widest latitude to the press, as broadening input and outlook, through a robust and uninhibited debate that is subject only to minimum controls necessary for the vitality of our democratic society.

The Court has sustained the fairness doctrine in broadcasting as an instance of a necessary control in the public interest. The broadcaster cannot assert a right of freedom of press that transcends the public's right to know. But application of the doctrine must still recognize the enduring values of wide latitude of journalistic discretion in the licensee. And when a court is called on to take a "hard look" whether the Commission has gone too far and encroached on journalistic discretion, it must take a hard look to avoid enforcing judicial predilections.

And so it is that a natural judicial tendency to respond to such conditions as conciliation, and recognition of the other's viewpoint in the broad interest of fairness, must yield to a vigilant concern that a government agency is not to intervene or burden or second-guess the journalist given primary discretion and responsibility, unless there is documentation of unreasonableness on the part of the licensee.

The foregoing observations are supported by, and indeed are a distillate of, pertinent decisions—including notably the opinions of the Supreme Court in *CBS v. DNC, Tornillo,* and *Red Lion*—all of which have been carefully studied and discussed.

Their application to this case convinces us that the Commission did not guide itself by the appropriate restrictive standards. The Commission has not acted in a rigidly bureaucratic manner, and it has in good faith sought to meet its responsibilities under the Act. There are areas where the Commission's duty of surveillance is considerable, and where there have been abuses on the part of licensees. But we are here concerned with the area of investigative journalism, where there is greatest need for self-restraint on the part of the Commission, and for keen awareness of the inhibitory dimension of impermissible intrusion of a government agency. Investigative journalism is a portrayal of evils, and there may be a natural tendency to suspect that the evils shown are the rule rather than the exception. But the question is not the Commission's view of what was broadcast, and what would have been reasonable if it were the Commission's role to determine what should be broadcast, but whether the licensee, who had this role, had been demonstrated to have maintained an approach that was an abuse rather than an exercise of its discretion.

We find no basis for the Commission's conclusion that the need for reform legislation in the pensions field was a controversial issue. There are controversies as to specific proposals, but they were not the subject of the Pensions broadcast.

The complaint is made that a more balanced presentation was made in a newspaper article that did consider specific proposals and their various pro's and con's. But there are different strengths and weaknesses in printed and oral presentation, as lawyers and judges well know, and it would be an impermissible intrusion on broadcast journalism to insist that it adopt techniques congenial to newspaper journalism. This approach might well undercut the particular values, of intensity of communication through interviews, that make broadcast journalism so effective in enhancing public awareness. The fairness doctrine—which rests, says *Red Lion*, on the distinctive characteristic of broadcasting—cannot be applied by the government to alter broadcasting's distinctive quality.

We have analyzed the various segments of the "Pensions" broadcast, and have not found them to justify the Commission's invocation of the fairness doctrine. We also take account of the Commission's statement that its decision was based upon the "overall impact" of the program. In some fields, the whole may be greater than the sum of its parts—according to the precepts of Gestalt Psychology. In general, however, the evils of communications controlled by a nerve center of Government loom larger than the evils of editorial abuse by multiple licensees who are not only governed by the standards of their profession but aware that their interest lies in long-term confidence. The fairness doctrine requires a demonstrated analysis of imbalance on controversial issues. This cannot be avoided by recourse to a subjective and impressionistic recording of overall impact.

This has not been an easy case to decide. But after sorting out all the strands of decision, we conclude that the Commission has not presented a justification sufficient to sustain its order under review.[88] The case will be remanded to the Commission with instructions to vacate its order adopted November 26, 1973.

So ordered.

FOOTNOTES

[1] In addition to the Peabody Award, the program was awarded a Christopher Award, a National Headliner Award and a Merit Award of the American Bar Association. It was also an Emmy nominee. *See* Schmerler Affidavit 10, JA 121–22.

[2] *See* Letter of FCC to NBC, May 2, 1973, JA 55, 66-67.

[3] *See* Dennenberg Statement, Tr. at 4; Kramer Statement, Tr. at 13–14.

[4] *See* Dennenberg Statement, Tr. at 5; Newman description of Nader position, Tr. at 18; Hubbard Statement at 18; Anderson Statement, Tr. at 18–19; Gotbaum Statement, Tr. at 18; Schweiker Statement, Tr. at 19.

[5] See summary of reviews, Appendix B.

[6] Frank Affidavit, JA 125–26.

[7] Letter of AIM to FCC, July 2, 1973, JA 143.

[8] Letter of AIM to FCC, November 27, 1972, JA 1.

[9] Letter of AIM to FCC, February 20, 1973, JA 48.

[10] Letter of AIM to FCC, April 11, 1973, JA 54.

[11] Letter of NBC to FCC, February 14, 1973, JA 41.

[12] *Id.*, JA 45–46.

[13] *Accuracy in Media, Inc.*, 40 FCC 2d 958 (1973).

[14] *Id.* at 963, 966.

[15] By letter of July 2, 1973, AIM replied to NBC's appeal and appended as an exhibit an article about pensions appearing in the Washington Post of November 26, 1972, written by Mr. Spencer Rich. AIM stated that this article "exemplifies good journalism." JA 155.

[16] 44 FCC 2d 1027 (1973), JA 201.

[17] 44 FCC 2d at 1034–35, JA 210.

[18] This opinion also serves to explain the continuation of the February 14, 1974, stay order during the preparation of the opinion on the merits. *See* note 88 *infra.*

[19] *In the Matter of Editorializing by Broadcast Licensees,* 13 FCC 1246, 1249 (1949).

[20] *Id.* This duty extends to making free time available if those holding responsible conflicting views are unable to purchase air time. *Cullman Broadcasting Co.*, 40 FCC 576, 577 (1963).

[21] 47 U.S.C. § 315(a) reads in part:

Nothing in the foregoing sentence shall be construed as relieving broadcasters, in connection with the presentation of newscasts, news interviews, news documentaries, and on-the-spot coverage of news events, from the obligation imposed upon them under this chapter to operate in the public interest and to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

[22] *Red Lion v. FCC*, 395 U.S. 367, 379–86 (1969).

[23] 94 S. Ct. 2831 (1974).

[24] *National Broadcasting Company v. United States*, 319 U.S. 190, 210–14 (1943).

[25] *Red Lion Broadcasting Co. v. FCC, supra*, 395 U.S. at 376.

[26] Other responses to the dangers of placing control over the broadcast media into the hands of a relative few include: the obligation of the licensee to operate in the public interest, *see* 47 U.S.C. §§ 307(a), 309(a) and 312(a)(2), the chain broadcasting and multiple ownership rules, *see National Broadcasting Co.* v. *United States*, 319 U.S. 190 (1943) and 47 C.F.R. §§ 73.131, 73.240, and the prime time access rule, 47 C.F.R. § 73.658 (k) (1973). *See also Columbia Broadcasting System* v. *Democratic National Committee*, 412 U.S. 94, 112 n.10 (1973).

[27] *See id.* at 117–18, 122.

[28] *Red Lion v. FCC*, 395 U.S. at 373–75:

"Personal attacks; political editorials.

"(a) When, during the presentation of views on a controversial issue of public importance, an attack is made upon the honesty, character, integrity or like personal qualities of an identified person or group, the licensee shall, within a reasonable time and in no event later than 1 week after the attack, transmit to the person or group attacked (1) notification of the date, time and identification of the broadcast; (2) a script or tape (or an accurate summary if a script or tape is not available) of the attack; and (3) an offer of a resonable opportunity to respond over the licensee's facilities.

"(b) The provisions of paragraph (a) of this section shall not be applicable (1) to attacks on foreign groups or foreign public figures; (2) to personal attacks which are made by legally qualified candidates, their authorized spokesmen, or those associated with them in the campaign, on other such candidates, their authorized spokesmen, or persons associated with the candidates in the campaign; and (3) to bona fide newscasts, bona fide news interviews, and on-the-spot coverage of a bona fide news event (including commentary or analysis contained in the foregoing programs, but the provisions of paragraph (a) of this section shall be applicable to editorials of the licensee).

"NOTE: The fairness doctrine is applicable to situations coming within [(3)], above, and in a specific factual situation, may be applicable in the general area of political broadcasts [(2)], above. See, section 315(a) of the Act, 47 U.S.C. 315(a); Public Notice: *Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance*, 29 F.R. 10415. The categories listed in [(3)] are the same as those specified in section 315 (a) of the Act.

"(c) Where a licensee, in an editorial, (i) endorses or (ii) opposes a legally qualified candidate or candidates, the licensee shall, within 24 hours after the editorial, transmit to respectively (i) the other qualified candidate or candidates for the same office or (ii) the candidate opposed in the editorial (1) notification of the date and the time of the editorial; (2) a script of tape of the editorial; and (3) an offer of a reasonable opportunity for a candidate or a spokesman of the candidate to respond over the licensee's facilities: *Provided, however*, That where such editorials are broadcast within 72 hours prior to the day of the election, the licensee shall comply with the provisions of this paragraph sufficiently far in advance of the broadcast to enable the candidate or candidates to have a reasonable opportunity to prepare a response and to present it in a timely fashion." 47 CFR §§ 73.123, 73.300, 73.598, 73.679 (all identical).

[29] Justice Douglas did not participate, and said in *CBS:* "I did not participate in that decision and, with all respect, would not support it." 412 U.S. at 154.

[30] 395 U.S. at 390.

[31] "Only when the interests of the public are found to outweigh the private journalistic interests of the broadcasters will government power be asserted within the framework of the Act." *CBS, supra*, 412 U.S. at 110.

[32] 395 U.S. at 393.

[33] *Id.* at 396.

[34] 412 U.S. 94 (1973).

[35] *Business Executives' Move for Peace v. FCC*, 146 U.S. App. D.C. 181, 450 F.2d 642 (1971).

[36] 412 U.S. at 124.

[37] *Id.* at 110–11.

[38] *Id.* at 124–25. This same thought appears in the *Tornillo* case, 94 S.Ct. at 2840 and is obviously an abiding constitutional consideration.

[39] *Neckritz v. FCC*, —— U.S. App. D.C. ——, —— F.2d —— (No. 71–1392, June 28, 1974); *Friends of the Earth v. FCC*, 146 U.S. App. D.C. 88, 449 F.2d 1164 (1971); *Banzhaf v. FCC*, 132 U.S. App. D.C. 14, 405 F.2d 1082 (1968, *cert. denied*, 396 U.S. 842 (1969).

[40] 144 U.S. App. D.C. 353, 447 F.2d 323 (1971).

[41] The Commission has said:

The fairness doctrine deals with the broader question of affording reasonable opportunity for the presentation of contrasting viewpoints on controversial issues of public importance. Generally speaking, it does not apply with the precision of the "equal opportunities" requirement. Rather, the licensee, in applying the fairness doctrine, is called upon to make reasonable judgments in good faith on the facts of each situation—as to whether a controversial issue of public importance is involved, as to what viewpoints have been or should be presented, as to the format and spokesmen to present the viewpoints, and all the other facets of such programming. See par. 9, *Editorializing Report*. In passing on any complaint in this area, the Commission's role is not to substitute its judgment for that of the licensee as to any of the above programming decisions, but rather to determine whether the licensee can be said to have acted reasonably and in good faith. There is thus room for considerably more discretion on the part of the licensee under the fairness doctrine than under the "equal opportunities" requirement.

In re Applicability of the Fairness Doctrine in the Handling of Controversial Issues of Public Importance, 40 FCC 598, 599 (1964).

[42] 144 U.S.App.D.C. at 360, 447 F.2d at 330.

[43] *Id.* at 359, 447 F.2d at 329 (emphasis in original).

[44] 148 U.S. App. D.C. 383, 460 F.2d 891, *cert. denied*, 409 U.S. 843 (1972).

[45] *Id.* at 392, 460 F.2d at 900 (emphasis added).

[46] 148 U.S.App.D.C. 409, 460 F.2d 917 (1972).

[47] *Id.* at 414, 460 F.2d at 922.

[48] *Id.* at 415, 460 F.2d at 923.

[49] *Brandywine-Main Line Radio, Inc. v. FCC*, 153 U.S.App.D.C. 305, 473 F.2d 16 (1972), *cert. denied*, 412 U.S. 922 (1973). Judge Tamm's opinion restated that "[t]he cornerstone of the doctrine is good faith and licensee discretion." That opinion sustained the denial of the application to renew the license only on the ground that the record of the licensee was "bleak in the area of good faith . . . [and] . . . shows an utter disdain for Commission rulings and ignores its own responsibilities as a broadcaster and its representations to the Commission." 153 U.S.App.D.C. at 333, 335–36, 473 F.2d at 44, 46–47 (1972).

[50] 148 U.S.App.D.C. at 395, 460 F.2d at 903.

[51] *See* H. GELLER, THE FAIRNESS DOCTRINE IN BROADCASTING: PROBLEM AND SUGGESTED COURSES OF ACTION, (The Rand Corporation, R-1412-FF, Dec. 1973).

[52] *See* Testimony of Mr. Joseph Nelson, Chief, FCC Renewal and Transfer Division, Hearings before the Senate Freedom of Communications Subcommittee, March 27, 1961, 87th Cong., 1st Sess., Report 994, Pt. 5, p. 21; *see, e.g., Dominican Republic Information Center*, 40 FCC 457, 457–588 (1957).

[53] *See* Section 315(a), 47 U.S.C. § 315(a); *Red Lion Broadcasting Co. v. FCC, supra*, 395 U.S. at pp. 380–385.

[54] *See Tri-State Broadcasting Co., Inc.*, 40 FCC 508, 509 (1962). This change apparently occurred in connection with personal attack cases, and was extended without discussion to all fairness cases. The only FCC treatment is in *Honorable Oren Harris*, 40 FCC 582 (1963). Chairman Harris of the House Interstate and Foreign Commerce Committee criticized this new approach, and urged that fairness ". . . be applied periodically (i.e., at the time of renewal) and upon an overall basis." *Id.* at p. 583. In its response, the Commission gave three reasons for its policy of resolving fairness questions at time of complaint rather than awaiting renewal: (1) It is not fair to the licensee to wait; he should have a chance to contest the fairness ruling by appealing to the courts; (2) awaiting renewal is unfair to the public, which then does not have the opportunity to hear contrasting views, such as in programs dealing with ballot issues; and (3) similarly, it would be unfair to candidates in political campaigns.

[55] Amicus Brief at 3–5. These problems, which are under FCC consideration, may be grouped as follows:

(a) Defining balance or reasonable opportunity to afford contrasting viewpoints on an issue.

(b) The stopwatch problem. Apparently, the FCC has on occasion literally used a stop-watch to time the presentations made on the various sides on an issue. *See* Concurring Statement of Chairman Burch in *Complaint of the Wilderness Society against NBC (ESSO)*, 31 FCC 2d 729, 735–739 (1971). *See also Sunbeam TV Corp.*, 27 FCC 2d 350, 351 (1971).

Even an apparently mechanical stop-watch approach involves sensitive judgments in determining whether particular segments of a program tilt for or against, or are neutral on a particular issue.

(c) The "stop-time" program. During the period of FCC consideration, the licensee may offer additional broadcasts (perhaps, to cover new developments). And these may affect the FCC's judgment on whether reasonable opportunity has been presented. *Complaint of Wilderness Society against NBC (ESSO), supra.*

[56] *Sherwyn M. Heckt*, 40 FCC 2d 1150 (1973). Licensee KREM–TV editorialized in favor of an Expo 74 for Spokane, and a supporting bond issue. There was a disparity in the time offered for anti-bond viewpoints. The station rejected an anti-bond spokesman, and was held to have a reasonable explanation (the spokesman did not appear to represent groups for which he claimed to speak). The station showed it had actively sought to obtain the views of leading spokesmen for the opposition, and did present them.

[57] The specter of renewal jeopardy for failure to comply fully with the fairness doctrine can have a serious inhibiting effect, as the Commission recognized in saying that it would consider refusing renewal only when a most substantial and fundamental issue is presented. *See Hunger in America*, 20 FCC 2d 143, 150 (1969).

[58] Amicus himself recognizes the desirability of particular rulings for the personal

attack and political editorializing rules. *See* Amicus Brief at 14 n.28: "[T]hese are specific rule situations which do not involve any 'stop-time' or 'stop-watch' considerations. There is also a need for prompt rulings as to political broadcasts."

[58a] Subsequent to the preparation of this opinion, a recent notice setting forth the FCC's present views on the fairness doctrine came to our attention. Fairness Doctrine and Public Interest Standards: Fairness Report Regarding Handling of Public Issues, 39 Fed. Reg. 26372 (1974). That order is presently being challenged on appeal in *National Citizens Committee v. FCC*, No. 74-1700 (D.C. Cir., filed July 3, 1974). In paragraphs 32-35, the Commission considers the problems in "the determination of the specific issue or issues raised by a particular program." The Commission states: "This would seem to be a simple task, but in many cases it is not. Frequently, resolution of this problem can be of decisional importance. . . . [A] broadcast may avoid explicit mention of the ultimate matter in controversy and focus instead on assertions or arguments which support one side or the other on that ultimate issue. [The Commission offers a hypothetical instance of a heated community debate over a proposed school bond, with the broadcast referring to conditions stressed by advocates of the bond although the spokesman does not explicitly mention or advocate passage of the bond.] [We] would expect a licensee to exercise his good faith judgment as to whether the spokesman had in an obvious and meaningful fashion presented a position on the ultimate controversial issue [approval of a bond]. . . . If a licensee's determination is reasonable and arrived at in good faith, however, we will not disturb it." *Id.* at 26376.

We find this exposition congruent with— and indeed supportive of—the approach taken in this opinion. The Commission also states, in a preceding section, that on the question whether an issue is "controversial" and of "public importance" it has not been able to develop detailed criteria, and continues (par. 29): "For this very practical reason, and for the reason that our role must and should be limited to one of review, we will continue to rely heavily on the reasonable, good faith judgments of our licensees in this area." *Id.* at 26376.

While the Supreme Court's recent opinions in non-broadcast areas do not undercut a role for the Commission in the fairness doctrine, the underlying principles underscore the appropriateness of confining that role. In addition to *Tornillo*, quoted above, see e.g., *Gertz v. Robert Welch, Inc.*, 94 S.Ct. 2997, 3010 (1974), referring to the "difficulty of forcing state and federal judges to decide on an *ad hoc* basis which publications address issues of 'general or public interest' and which do not."

[59] *See* 412 U.S. at 117:

The regulatory scheme evolved solely, but very early the licensee's role developed in terms of a "public trustee" charged with the duty of fairly and impartially informing the listening and viewing public. In this structure the Commission acts in essence as an "overseer," but the initial and primary responsibility for fairness, balance, and objectivity rests with the licensee. This role of the Government as an "overseer" and ultimate arbiter and guardian of the public interest and the role of the licensee as a journalistic "free agent" call for a delicate balancing of competing interests. The maintenance of this balance for more than 40 years has called on both the regulators and the licensees to walk a "tightrope" to preserve the First Amendment values written into the Radio Act and its successor, the Communications Act.

While this part (III) of the opinion of Chief Justice Burger was written for himself and Justices Stewart and Rehnquist, this particular paragraph is not contrary to the views of the other justices.

[60] See Part III, *supra.*

[61] *E.g.*, in *Green v. FCC*, 144 U.S.App.D.C. 353, 447 F.2d 323, and in *BEM for Vietnam Peace v. FCC*, 146 U.S.App.D.C. at 187, 450 F.2d at 648.

[62] Quoting *Report on Editorializing by Broadcast Licensees*, 13 FCC 1246, 1251-2 (1948). *See also* L. Jaffe, ***The Editorial Responsibility of the Broadcaster: Reflections on Fairness and Access***, 85 HARV. L. REV. 768, 772 (1972). "[T]he broadcaster has considerable discretion in operating the doctrine. He is to decide whether a question raises an issue of public importance."

[63] *Applicability of the Fairness Doctrine, supra*, 40 FCC at 599, approved by the courts in *e.g., DNC v. FCC, supra*, 148 U.S.App.D.C. at 392, 460 F.2d at 900.

[64] In this regard, see the discussion of the conclusions of professional reviewers, part VI. A, *infra.*

[65] *Western Airlines v. CAB*, —— U.S.App. D.C. ——, 495 F.2d 145, 152 (1974).

[66] *Id.* at ——; 495 F.2d at 153, *Lorain Journal Co. v. FCC*, 122 U.S.App.D.C. 127, 351 F. 2d 824 (1965), *cert. denied*, 383 U.S. 967 (1966).

[67] *Greater Boston Television Corp. v. FCC*, 143 U.S.App.D.C. 383, 395, 444 F.2d 841, 853 (1970), *cert. denied*, 403 U.S. 923 (1971), and case cited.

[68] *Mobil Oil Co. v. FPC*, 94 S.Ct. 2328 (1974); *see also Permian Basin Area Rate Cases*, 390 U.S. 747, 791-2 (1968).

[69] 390 U.S. at 767.

[70] *Greater Boston TV Corp. v. FCC, supra*, 143 U.S.App.D.C. at 393, 444 F.2d at 851.

[71] *E.g., DNC v. FCC, supra*, 148 U.S.App.D.C. at 404, 460 F.2d at 912; *Neckritz v. FCC*, 446 F.2d 501 (9th Cir. 1971), citing *American Tel. & Tel. v. United States*, 299 U.S. 232 (1936).

[72] *Compare WAIT Radio v. FCC*, 135 U.S. App.D.C. 317, 418 F.2d 1153 (1969).

[73] *Brandywine-Main Line Radio, Inc. v. FCC, supra*, 153 U.S.App.D.C. at 341, 473 F.2d at 52 (1972). Judge Wright did not consider the fairness doctrine ruling. Chief Judge Bazelon, dissenting, stated that the Commission's application of the fairness doctrine violated constitutional safeguards.

The general "hard look" doctrine of the Rule of Administrative Law originated in a case reviewing an FCC action, *see WAIT Radio v. FCC, supra*, though it has been extended to other areas, *see e.g., Natural Resources Defense Council v. Morton*, 148 U.S. App. D.C. 5, 458 F.2d 827 (1972).

[74] *National Automatic Laundry & Cleaning Council v. Shultz*, 143 U.S.App.D.C. 274, 281, 443 F.2d 689, 696 (1971).

[75] *WBBM-TV*, 18 FCC 2d 124, 134 (1969).

[76] An apt example appears in Mr. David Brinkley's affidavit concerning a program he narrated on highway construction: "I did not think at that time that I was obliged to recite (or find someone to recite) that not all highway construction involves corruption, that many highways are built by honorable men, or the like." JA 132-33.

[77] *Green v. FCC*, 144 U.S.App.D.C. 353, 359, 447 F.2d 323, 329 (1971); *Healey v. FCC*, 148 U.S.App.D.C. 409, 412, 460 F.2d 917, 920 (1972).

[78] AIM also said this was a "distorted" picture, but the FCC dropped the "distortion" charge out of the case. *See* text accompanying notes 10-13, *supra.*

[79] Letter of February 14, 1973 to FCC (JA 40), recording NBC's judgment that the program "constituted a broad overview of some of the problems involved in some private pension plans" and "did not attempt to discuss all private pension plans, nor . . . urge the adoption of any specific legislative or other remedies." JA 41.

[80] And AIM later cited with approval a Washington Post article that quoted Mr. Donald Landay of the Bureau of Labor Statistics as saying: "The median benefit being paid is slightly over $100 a month."

[81] *In re NBC* (Fairness ruling re Aircraft Owners and Pilots Assn.), 25 FCC 2d 735, 736 (1970).

[82] After referring to instances of pensions lost by Mr. Duane, and by an employee whose company went out of business, the Post article states:

These are not simply isolated horror stories. Experts say up to half the 30 to 35 million people now in jobs with pension plans may never receive a cent, because of shifts to another job, company shutdowns or employer bankruptcy—a prospect that threatens millions of Americans with economic insecurity in old age.

The Post article is discussed further in fn. 86 and text thereto.

[83] *In the Matter of Editorializing by Broadcast Licensees*, 1-3 F.C.C. 1246, 1250-51 (1949).

[84] 118 CONG. REC., S. 16,599 (daily ed. Oct. 3, 1972). Senator Schweiker stated: "This outstanding television special portrayed vividly the plight of the individual worker who is faced with the loss of expected pensions because of situations totally beyond the worker's control."

[85] AIM's pleading in this court goes so far as to say: "AIM has suggested that NBC produced the documentary in collaboration with the promoters of this legislation with the intention of arousing public opinion in favor of the legislation in question." AIM's Opposition to Motion for Expedited Appeal at 3.

[86] What the Post article indicated were controversial issues in regard to legislative matters related to items as to which no sides were taken in the "Pensions" broadcast— such issues as whether regulation should be by the Labor Department, a new agency, or through the Internal Revenue Code; details of eligibility, vesting formulae, funding, portability, fiduciary duties and disclosure standards.

[87] The letter noted, *inter alia*: "Support for some form of remedial legislation has come, for example, from the American Bankers Association, American Life Insurance Association, American Society for Personnel Administration members, American Society of Pension Actuaries, Chamber of Commerce of the United States, Investment Counsel Association of America and the National Association of Manufacturers.

[88] We conclude our opinion on the merits with a brief comment explaining that it has not been mooted by the passage of the Employment Retirement Income Security Act of 1974 (Public Law 93-406) signed by the President on Labor Day, September 2, 1974, while this opinion was being distributed to our colleagues for information, and readied for publication. First, the passage of the act does not technically moot any aspect of this case because legislation is always subject to reconsideration and modification. Second, we think the principle of *Southern Pacific Terminal Co. v. ICC*, 219 U.S. 498, 515-16 (1911) on recurring controversies is properly invoked.

Third, this opinion sets forth the reasons for maintenance of the stay pending appeal (*see* note 18 and text thereto). The case was expedited because the pensions bill was on a current legislative time table. Following oral argument on the merits the panel voted, with one dissent, that it would vacate the Commission's order, and continue the stay pending preparation of the opinion. All votes are subject to reconsideration, and if in the course of preparation of the opinion it had become evident that an opinion for reversal "would not write," the court would have reversed course. But the court continued to adhere to its vote, and this opinion on the merits is also, therefore, an opinion explaining why the court continued its stay in effect.

APPENDIX A

NBC REPORTS—PENSIONS: THE BROKEN PROMISE

ANNOUNCER. Tonight NBC reports on Pensions: The Broken Promise.

MAN. I figure I had twenty-three years seniority filled up, possibly last up until I was in my forty year sometime at least before I retired and then to look back and see it all fallen away. Everything that you planned on. Just seems like a waste of time.

WOMAN. There must be thousands maybe millions of them that's getting the same song and dance that my husband got. When they reach their time for retirement there is no funds to pay them.

MAN. This man, Hoffa, on there, retired with a one point seven million dollar lump sum pension. And I can't get three hundred dollars a month out of them on there for my retirement.

MAN. Where does all this money go that's been paid into these pensions.

MAN. The pension system is essentially a consumer fraud, a shell game and a hoax. As a matter of fact, when you say it's a consumer fraud, you pay it an undue compliment, because typically you think of consumer frauds in terms of short transactions, the purchase of an automobile, the purchase of a pair of pants, but with the pension system you really have a long term contract that may run fifty or a hundred years that's designed to guarantee the security of our population. Essentially, you have an insurance contract that doesn't perform. You have an insurance contract that can't be relied on. You have an insurance contract that can't be trusted. [Tr. 2]

MAN. And I think it's a terrible thing in this country where men who work forty-five years have to eat yesterday's bread. And I don't want to compete on my old age against other old men on old age running down a supermarket aisle to get dented cans and stale breads. I don't want to look forward to it. So I really have nothing to look forward to at sixty-five.

(Dance music.)

EDWIN NEWMAN. This is a story about ordinary people with the modest hope to finish their working careers with enough money to live in dignity. That is a modest hope but it's one that is all too often not realized.

NEWMAN. There is a widely held belief in this country that public disclosure is a good thing, that it inhibits misconduct and helps to keep people honest. That's why these files are full of pension plans, private pension plans. Under the law, all such plans must submit annual reports on their activities to the Department of Labor. And these annual reports wind up here, roughly thirty-four thousand of them in a building in Silver Spring, Maryland, just outside Washington.

The Labor Department has the right to audit them and to a limited extent, where wrongdoing is discovered, the government may prosecute. Also, the reports are available to anybody who asks to see them, but as it works out that is a meager protection for the twenty-five million Americans who are in private pension plans.

There are millions of hopes and dreams in these files. If experience is any guide, very many of the hopes will prove to be empty and dreams will be shattered and the rosy promises of happy and secure retirement and a vine covered cottage will prove to be false.

Understandably, there's a good deal of bewilderment about this and bitterness among those who find nothing where they thought that pension plan payments were going to be. The Labor Department therefore receives in addition to the annual reports of pension plans complaints about them and appeals for help. A lot of these are passed along by members of Congress.

For example:

WOMAN. I understood that I was covered under a very good pension plan to which I did not contribute. It was a hundred [Tr. 3] percent paid by the company. But it did mean a lot to me and I had several other job offers which I refused or didn't even consider because I knew I had security to build up for the future.

MAN. I started when I was nineteen years old.

NEWMAN. Steven Duane (?) used to be a warehouse foreman for the A&P supermarket people in New Jersey. Eighteen months ago the A&P closed the warehouse and discharged the men who worked there. Duane lost all his years of pension credits.

DUANE. . . . in my old age I would be happy and secure in the pension and the benefits that I thought I had with the A&P.

WOMAN. At the end of these fifteen years, the company was bought out and the new owners decided to close down the air (?) division so I had less than a week's notice and I was let go as well as everybody else in the air division with no severance pay, nothing, absolutely out in the street, after fifteen years with nothing.

DUANE. When the time came to talk about the pension, we were (unclear) . . . we did have books but nobody took bother in looking at the book, so you feel you're going to be pensioned and that's it. So when they finally told us that the men had to be fifty-five years and over to collect a pension, I was the big loser. I had a brother the same time as me down there. We were the big losers. Thirty-two years of our life was given up and we had nothing, absolutely nothing to show for it.

NEWMAN. Duane discovered what a lot of other people have, that it's not easy for a man in his fifties to find a new job. He wound up as a laborer in another warehouse, where he has to compete with much younger men. But no matter how hard Duane works, it's almost certainly too late for him to start building pension credits again.

DUANE. It's a terrible experience, an experience I would never like to see anybody else go through. That is why I feel so deep about this pension so that future men won't feel like I do. You wake up in the middle of the night, in a cold sweat, knowing all your work, all your life has gone down the drain. I was just number, number seventy-two was my number. No Steven Duane or a worker. I worked, I remember, I had seventeen years with only four days out. But what does that mean to them? That means nothing. They just turn you out in the street because it's an economy move. [Tr. 4] I personally wrote a letter to the president of the A&P, not yelling at him, I want to discuss some kind of moral obligation. Just me and him, how does he feel, how does he put his head on the pillow knowing that you have men walking the streets. I don't know. It's very—It's a deep emotional thing with me. Sometimes I'm ahead of it. Sometimes I'm not. That's my feelings on the thing.

RALPH NADER. We've come across in our questionnaires and other surveys, some of the most tragic cases imaginable. Where people who worked for twenty-five to thirty years and just because of a tiny quirk in the pension plan's fine print, they don't get anything.

HERBERT DENNENBERG. When you get to be sixty-five, you're out of work and you need a source of money and that's what a pension plan is supposed to do. Unfortunately, it's woefully inadequate. Over half the people have nothing at all from pension plans and those that do typically have only a thousand dollars a year so even if you have social security, most pension funds are inadequate.

SAM ZAGORIA. And there are a lot of people who just believe because something is printed and because they've heard some glowing words about it, that that means it's a lead pipe thing, that they're actually going to have it when they need it. It may not be so.

NEWMAN. Many employees form their ideas about pensions by reading the slick brochures that their company or union gives them. Most of these booklets do make a pension seem a sure thing. The many restrictions and exclusions are buried in fine print or concealed by obscure language.

The Senate Labor Committee has been looking at these brochures as part of its general study of the pension problem. Senator Harrison Williams is chairman of the committee.

SENATOR WILLIAMS. I have all kinds of descriptions of plans here and all of them just suggest the certainty of an assured benefit upon retirement. Here's a man—this was from a brewery, sitting relaxed with a glass of beer and checks coming out of the air; well, you see, this gives a false hope, a sense of false security.

NEWMAN. Senator, the way private pension plans are set up now, are the promises real?

WILLIAMS. The answer is, they are not.

[Tr. 5]

NEWMAN. So you want to get some reality behind the promise, Senator?

WILLIAMS. Exactly. We don't want just these golden general descriptions of what can be expected under the plan; we want clear and precise and understandable descriptions of the reality. The worst example that I've seen is the description that is wholly unintelligible to anybody but an advanced lawyer.

NEWMAN. If any employee makes the election provided for, is that the one?

WILLIAMS. Yes.

NEWMAN. If an employee makes the election provided for in Subparagraph Two of Paragraph B of this Section Six, his monthly pension is determined under either Section Three or Subparagraph One of Paragraph A of Section Four whichever applies, shall be reduced by the percentage set forth in Paragraph C of this Section Six as if the employee has made the election provided for in Subparagraph One of Paragraph B of this Section Six and shall be further reduced actuarially on the basis of the age of the employee and his spouse at the time such election shall become effective. The sex of the employee and the spouse and the level of benefits in the election provided in Subparagraph One of Paragraph B of this Section Six.

Maybe I didn't read it very well.

WILLIAMS. Well, of course, you understood it though.

DENNENBERG. It's almost an obstacle course and the miracle is when someone actually collects with the plan. There have been studies that indicate that most people won't collect. I think we need controls of the same type we apply to insurance companies, your money should be funded so it's going to be there at age sixty-five. Today, it's almost a miracle if it's there at age sixty-five.

You have to go to work for an employer, you have to stay with him, you have to stay in good health, you have to avoid layoffs, you have to take your money, turn it over to the employer, hope that he invests it safely and soundly, you have to hope that when you're age sixty-five the employer is still around and he's likely not to be in terms of the high mortality of business, so there's almost a sequence of miracles which you're counting on.

[Tr. 6]

Senator RICHARD SCHWEIKER. In one study made by our subcommittee of fifty-one pension plans, covering six point nine million workers since 1950, ninety-two percent of the workers in these plans left without any benefits whatsoever.

Workers are losing their pension rights when their companies go bankrupt, merge with other companies or simply go out of business. Workers are losing their pension rights when they are forced to leave one job to find another. We will hear testimony from five retired employees at Horn and Hardart, men and women in their sixties and seventies who have worked an average of forty years or more for the company. Today they are retired and forced to keep working because the company has hit financial difficulty and has had to give up its pension plan.

Man. They called me into the office, they say, Grimes you almost about time for you to go ahead. I say, is that so, well, I said, go out for what. I heard of people retiring, I mean, but they say, well, you know, everybody got to retire. And I say, I didn't know that. I say, I'm not ready to retire. I have no money. I say, I owe everybody in Philadelphia which I did. I said,—I told them, I'm not ready to retire.

Woman. They made me retire on account of the age. They call me in and Mr. Downey(?) was the man over the place at that time. And he said, (unclear) . . . what I would get and after taking out other compensations, I got fifty dollars and forty-eight cents a month.

Man. They claim that this plan would make us financially independent along with our social security and whatever income we might have saved. They said that this plan, you will not have to worry about anything. Then all of a sudden, they said, we can't pay you anymore, cause the funds has run out. And we have to sell some properties in order to recuperate and get some more funds into this . . .

Schweiker. And then that was cut off in October of '71 when they went into bankruptcy.

Woman. That's right. As Mr. Grimes said, we stop and then we started it again. And they finished it in November 1971 and that was it. I don't get anything at all. Nothing at all. For all those years.

Man. When I retired in '56, I was getting fifty-five dollars in pension money. I could make it with my social security.

Schweiker. Had you expected to get a full pension for the rest of your life?

Man. Yes, sir. At the time the pension plan was established, [Tr. 7] we got literature stating what we were going to get and I was satisfied with my share at that time. I was satisfied with social security. I suppose I knew I could sort of make it like that. But when it collapsed, I collapsed with it.

Schweicker. I have here a booklet called Horn & Hardart Retirement Pension Plan. I assume this was something that was passed out to the employee. No doubt you all have one. I'm sure that it spells out what you expected to get in terms of your benefits. I think significant on the inside back cover, it says: Happy Retirement to you when your turn comes.

(Laughter and applause.)

Announcer. Pension: The Broken Promise will continue after this message.

Newman. This was the Baldwin-Lima-Hamilton Heavy Equipment plant near Philadelphia where thirteen hundred men used to work. They were the sort of people who thought security was important and they had passed up bigger wage increases in favor of a better pension plan.

When the plant closed in April, many of the men discovered their pension rights had disappeared.

Man. I heard a lot of guys say, the only reason I stayed with it, for my pension. Now there is no pension. So in order to have all this go down the drain, let's face it, it affected every one of us in one way or another.

Man. What's going to happen to me? Here I am. I'm now fifty-nine year old. When people get up in age and the bottom drops out, like what happened to us, it's a crime. After thirty years and I've got nothing. I mean, it's gone down the drain, thirty years of service. Now I can make up—I can get up into another place and I'll get fifteen years, but that's not going to amount to anything.

Man. So there goes my future plans. I mean, I figure, well, I'd like to put the boys through college, but what can I do now? I'm afraid to.

Man. A younger person does have some chance to do it but at my age, you've made that round, there's no more. In other words, I missed the pension here by about four months.

Man. Everybody was just relying on a pension and if they knew today all the stuff, they would have never stayed there.

Man. Yeah, but George, you realize that there's so many [Tr. 8] people, working people under the impression that they've got a pension coming they don't even realize that they could be in the same fix . . .

Man. . . . complacency. They don't realize that this can happen. They think, oh, I'm doing all right, I've got my paycheck and I've got a pension but he didn't read the fine print.

Man. Well, we felt that way ourselves two years ago.

Man. This is where I thought I had it. I thought when I reached the age of sixty-five or even sixty-two, I'd have approximately forty-five to forty-seven years with the company. And I could turn around and retire at six dollars a month for every year of service.

(Cross talk.)

Man. As the years went on, that figure would have increased.

Man. I lose faith in a government that allows things like this. Not long ago I was in New York and I saw that inscription on the Statue of Liberty. And it sounded wonderful, you know. Give us your tired and so on. But what it actually said was, give us your labor; get these honkies here where we can put them to work for nothing. That's what it amounted to.

Newman. An employee becomes much more expensive to a company once he has been vested, that is guaranteed a pension. This man, Alan Sorenson says he helped to prove that point in a study he did for a large department store chain. After the study was made, so Sorensen says, the company got rid of many long service employees before they could achieve vested pension rights.

Sorenson himself was transferred out of company headquarters winding up in Salt Lake City as a store manager, that is Sorenson was a store manager until he was fired last year after twenty-two years of service. He now works as a check-out clerk in this Salt Lake City store.

Sorenson told us he had been only a few months away from his vested pension rights.

Alan Sorenson. I definitely feel that I was terminated because I was approaching an age when I would have vesting and they had terminated so many long service employees just prior to terminating me that it all seemed to fall into a very definite pattern.

[Tr. 9]

Interviewer. And the reasons you were given for being let go? How did they seem to you?

Sorenson. They seemed very shallow. Because my past record was such that it was above reproach. I had never had a serious shrinkage in the total time that I had been a store manager. Within the last two or three years before I was terminated they terminated a great many store managers with long service with the company.

Interviewer. People who would be approaching the . . .

Sorenson. Approaching the age of vesting and retirement. See, by terminating these people before they reached age sixty-five, this cuts their pension benefits back drastically.

Earl Schroeder. Out in Chicago, I worked for twenty-four years for the Kelly Nut Company. And . . .

Newman. Earl Schroeder was a corporate executive in a company that had been taken over by a large conglomerate. Several other executives had been fired and Schroeder was worried about what promised to be a substantial pension.

He was only six months away from his vested pension rights.

Schroeder. . . . a retirement plan at age sixty by having put twenty years service with the company. I had put in my twenty years, in fact twenty-four years with the company, but I did not have the age requirement of sixty. I was called from my office to a lunch with one of the executives of Kelly Nut Company, Corn Products Company, our vice president for finance. And informed that henceforth I would no longer be with the company.

And I said, Walter, what do you mean? He says, well, Earl, I hired you twenty-four years ago, today I'm firing you. Why? Well, we decided you're too good for the company. And we have no other spot for you.

I was at the time assistant secretary of the company. The secretary of the company he was lopped off at thirty years' service. I had a warehouse manager in Albany, George, Howell Free, who was lopped off two months before he would be vested in the plan; he had his time, he had his age, this poor individual became so ill and upset over it that he shot himself, took his own life.

Newman. Driving a truck in Chicago wears a man down fast, so the truckdrivers have always been concerned about pensions. And in most respects, the pension programs run by the Chicago teamsters union locals are among the best. Benefits are generous [Tr. 10] and a teamster can retire as early as age fifty-seven. Many feel that after twenty or thirty years behind the wheel, retirement can't come soon enough.

Man. When I was young, I was like a bull, I thought I was big and tough. When I started in the taxicab. Driving a cab. You sit. Your kidneys, your back, everything just goes. When you get older, same thing, only worse.

Man. Every truck driver I think thinks forward to the day that they're going to retire. And if you got the seniority you think you're well established. You're not thinking about somebody cutting, shooting you down or something. About cutting your pension off.

Newman. The trouble is, every teamster local in the Chicago area runs its own pension plan. And it's common practice for a man to be forced to transfer from one local to another, every time he changes his job. From driving to the loading dock, for example. Or from loading to checking waybills. Or from an outside to an inside job.

Sometimes, different groups of teamster members working for the same company or even in the same garage will be in different teamster locals.

A teamster must have twenty years of membership in one local to draw a pension. His pension rights are not portable. He cannot take them with him from one local to another.

A lot of drivers don't know that until it's time for them to retire. And when they do find out, they can't understand why it should be so.

Man. When they started up this pension plan, I don't think they were strictly honest with the people. I mean, with the people, I mean the truck drivers. They didn't come out in detail and say, you got to have twenty years in this local only that you can get a pension.

Man. As far as I'm concerned, with the amount of years that I have with the company, I should get a full pension. I've got my twenty years with the company, but you got ten years over here, I got eleven years over here.

Man. It's the same thing on there as you would put money in one bank and then go on the west side and put another part of your money in another bank on there and when it comes time to draw it out down there, they tell you, we're sorry out there. You put your money in two banks. We refuse to give it to you. This is the same principle. I have money in two different locals.

Man. Almost twenty-one years with one outfit and I can't [Tr. 11] see why one local can't get together with the other local which I'm in and there's nothing to it, this one has to give me half, the other one gives me half and they make a whole out of it. We'll take care of it. They don't.

Man. The union was to me a brother. And that they wouldn't sell me down the river. They wouldn't deprive me of something on there that was paid for that I was looking forward to by a little technicality on there.

Man. They're taking away by lying to the men, they're taking away by pulling out the fine print in their pension programs. They're taking away by keeping the man ignorant of these pension programs. Of these pension rules.

Man. You cannot change unions. So what do you do then? If you can't change unions, if you have to get another job and you have to go in another union, what are you going to do then? Do you start all over again? Are you going to go ahead and build up time time time? You can't do it . . .

Interviewer. What are your plans for the future?

Man. I have no plans. What can I do? I'm just going to have to live out my time and do the best I possibly can with (cross talk) . . . from social security.

Woman. And what we have in the bank.

Man. That's all I can look forward to. Nothing else.

Man. You've got people driving those trucks that are as high as sixty-eight years old. Sixty-eight years old driving a seventy-two or seventy-three thousand pound unit. With such commodities as explosives, jet fuels, gasolines, oils, plastics, sixty-eight year old man driving this truck. They're not going to last. Somebody's going to get killed. They should have been pensioned about ten or twelve years ago.

Man. That's the way I figured it was going to be. And that's the way we all figured. All the old timers, we figured that if we put in twenty or twenty-five years, when we retired, we would get a pension. But no, because they got cheated they still have to work. But can you imagine a sixty-eight year old man on an interstate with anywhere from seventy-two to seventy-three thousand pounds coming at you?

Announcer. Pensions: The Broken Promise will continue after this message.

Newman. The flaws in the private pension system have hurt [Tr. 12] middle class and working class people most. Rich people don't need pensions and the very poor never build up any pension rights they can lose.

People don't get the pensions they expect for many reasons. One is that most plans require you to work in the same place for twenty-five or thirty years or more. A lot of people lose their pensions because the plan runs out of money. At this moment the Coal Miners Fund is operating in the red and Railway Retirement System is running an annual deficit.

It's also common for workers to get smaller pensions than they expect, partly because many plans treat highly paid executives much better than lower and middle level employees.

Women get the worst treatment. They seldom work in one place long enough to qualify. And the wife of a pensioner usually gets nothing after her husband dies.

What's wrong with the system is most evident to the social worker helping the aged and to a few labor leaders who take an interest in retirement problems.

Victor Gotbaum. In the United States we have a magnificent ability to cover up our own diseases especially the disease of big business. Pensions in the private area are a mockery. They're a national disgrace. We know this.

Man. The place where it gets very difficult is with your fairly average middle income class person. Who arrives somewhere between sixty-two and sixty-five at retirement, finds their income cut sometimes as much as seventy percent. These are the folk that have the most difficult time. They're sometimes our most difficult client because they're bitter. They're resentful. Our society being what it is, they postpone thinking about old age and its problems. And all of a sudden, they find themselves old and poor.

Edward Kramer. These people feel who worked all their lives and let's say they worked thirty-five, forty years, and many of them have worked for one employer for all these years, are, they feel that now that they've retired, they're going to live a better life. They won't have to get up early in the morning. They won't have to work and they'll be able to do all the things that they couldn't do when they were working. And then they find themselves in the position that they have no money, they have no friends. And they live in squalor and they can't do these things. So what—they've really been cheated, cheated by the pension system, cheated by social security, cheated by their employer and they feel very angry at themselves because I think in the back of their mind, they knew this was going to happen. They knew that when the day came that they would retire, they would be [Tr. 13] worse off than when they were working. But they're afraid to admit it.

Gotbaum. They don't eat meat. It's soup. It's lower economy. When they go into the supermarket, something of a thing you discover is that they're special hunters. Their housing situation is an atrocity. We know this. We've now discovered them so we're trying to build housing for the aged. And there's a thrust in this direction. The aged poor. Well, there's not enough housing, there's not enough housing for the aged poor. So that, you'll find that the ghettos, interestingly enough, fascinating areas, the ghettos are composed mainly of the black and Puerto Rican poor and then you'll find spotted throughout aged whites as well as the black and Puerto Rican. This is integration of the poor, integration based on lower economic status.

Kramer. They're kind of waiting around. See, what we've done in our country is create God's waiting rooms all over the country. In Miami, New York and Boston, and Los Angeles, and Philadelphia, where old people kind of wait around for the day to come when they're going to die.

Man. We're living too long. In some area if we could just disappear, it would be very nice to the community at large. But we are not disappearing, we're still here. And we're growing older and older. The aged now are ninety and ninety-five is not too uncommon. Even a hundred is not too uncommon. And the result is this, that we have made no plans to retire.

Man. You can't make it on social scurity, maybe after that twenty percent increase we can. Far as I'm concerned, if you had just say a hundred and half more a month, we could make it pretty good. But now when a bill comes up, you gotta figure how you're gonna meet it. See, if the car breaks down for a hundred dollars, you gotta start skimping or go to the bank—you got two, three hundred left in there and draw one of them out. And that's like pulling teeth.

Woman. We'll get by, we'll just have to get by, we'll have to eat less. If we had any indebtednes at all, we'd never make it. Makes you feel bad and a lot of times you just sit there and think, at my age, what am I going to do, where am I going to go? (Unclear) . . .

Man. The average person—elderly person who lives on social security, old age assistance and perhaps some money they've been able to save, income runs about a hundred and eighty dollars a month. They've literally got to watch every nickel and penny.

Kramer. Going to a movie is a big expense, taking a bus to a clinic to visit a doctor is a big expense, buying a new pair of shoes is a big expense, getting ill and having to get medicine [Tr. 14] is a big expense. This is where, if there was an adequate pension system in the United States along with social security, some of these problems could be avoided.

Newman. Retired people like to live in places that are warm and cheap. There are towns in California and Florida where more than half the adult population is retired. Years ago, older people lived with their working age children. Now, in our mobile society, the elderly have taken to living in trailer parks filled with other retired people.

That means retirement is a lot more expensive than it used to be. And the elderly are complaining much more about needing money.

The average retired person depends on society security for most of his income, so the big day is the third of the month, the day the social security checks arrive.

Man. Everybody's out, they're standing at the door for the mailman, they grab this little check and they haul off to the bank with it. And we get in line up there to get your check. And we try to let it go till the next day because it takes too much of your time standing there. And then you run off to the grocery store. And the grocery stores all run big sales. On the day they're going to have this—you can get yourself a steak, if you're lucky, for a dollar and a half. But retirement's not, unless you can adapt yourself, it's not for the lively person, somebody that's sickly, he can't enjoy it, there's nothing to enjoy about it. But if you can prepare yourself to accept a quiet life, and you and your wife figure what you want to do with yourself during the day, then you can make it.

We have fishing and take an umbrella and a couple of chairs and go down to the beach and sit there for the early part of the day before it gets too hot and then we come back and turn the air conditioner on, spend the afternoon in the house. We have a couple of friends around here we visit with, but it's nothing exciting. And you don't have the money to get exciting, I mean, the wife likes to go and I would love to go too but you can't afford to drop ten or twenty dollars. You go down to these restaurants, none of them have a meal less than three dollars. But they got some beautiful malls and one thing and another, you can loaf around in air conditioning. We went in one yesterday, Ha's I think it was, and . . . pull about four bolts of material there . . . how do you like this and I go through the routine, it's a little loud, or a little conservative and she throws them back in the pile and walks on. And the girls follow around (unclear)

But that keeps them busy, you know, they got something to do. I imagine all these old people do that, I don't know.

[Tr. 15]

Newman. The crux of the matter now is that increasing numbers of Americans are reaching retirement age, they should not be expected to live in poverty or near poverty or a cut or two higher, lead a drab, penny-pinching sort of existence. Nor, obviously, is that anything the rest of us would want to look forward to. The refrain that runs through what we've been hearing is a kind of incomprehension. What emerges over and over again is that these people played the game. They did what Americans are expected to do; they worked and met their obligations. But at the end of their working lives, they found that they were in trouble. Put simply, they did not have enough money. The pension plans that they thought were going to take care of them didn't. Now, it may be that some of them did not save as much money as they might have. The urge to consume in American life is very strong. Also inflation played its part and maybe they were careless about what the pension plans they were in actually could do.

In any case, at the end of their working lives, they feel cheated and cast aside.

Announcer. Pensions: The Broken Promise will continue after this message.

Franklin D. Roosevelt. This social security measure gives at least protection to fifty millions of our citizens who will . . .

Newman. Most people didn't have any sort of steady retirement income until the first social security law was passed. Social security was to take care of working people when they got old. At least that was the impression given by this government publicity film but no one who ever had to live on social security alone has ever considered the monthly benefit to be enough. It was enough perhaps where people also saved money for their old age, or got help from their children.

The private pension system really got started when wage controls were put into effect during World War II. Fringe benefits were exempt from controls and since labor and management couldn't talk about much else, they began to negotiate pension plans. Companies also started using pension plans as a way to keep skilled employees. The idea was that a man would not be tempted to look for another job if he had a paid retirement to look forward to.

Today labor unions consider pension benefits to be part of the wage package, higher income workers now want more assurance that they'll actually get their pensions. Lower income workers think they have a right to better pensions than they get [Tr. 16] now.

For that matter, major league baseball players struck last spring for improved pensions.

In New York, not long ago, angry municipal workers paralyzed the city by opening drawbridges and blocking highways. They wanted their pensions improved to match the gains made by policemen and firemen. And by some workers in private industry.

If there is a pension crisis, it is, at least in part, a crisis of rising expectations.

Another crisis of sorts involves the vast amounts of pension fund investments. James Hoffa was convicted of criminally mishandling pension fund investments. So was the leader of a Chicago barber union.

Pension funds have outgrown the laws regulating them. No government agency has enough staff or authority to control them. The Justice Department's labor section believes it's common for the pension money to be incompetently or dishonesly invested.

Richard Benvinisti. Well, we've prosecuted cases involving embezzlement of pension funds, misuse of pension funds, for the personal benefit of the labor union officials who are charged with administering these funds. We've also prosecuted cases involving the receipt of kickbacks by pension fund employees and trustees for the granting of loans and for the use of this pension fund money.

Benjamin Schenck. It could be something as simple as using the money to buy a new vacation home for one of them, it could be the more complex, more subtle situations where the money in the trust fund is for example, loaned to the employer, to build him a new factory or loaned to the union to finance a new recruitment campaign.

Charles Ruff. We have no real idea of how much fraud there may be in the pension plan area. But you're talking about institutions, the pension plan area, generally, that deals in hundreds of billions of dollars. And when you have that much money involved, the federal government ought to take a more active role than it does.

Denenberg. We regulate insurance completely. We regulate the agent, the contract, reserve, the policies, the sales technique, the investment, we regulate insurance companies from birth to death. And yet we have a gigantic pension system, almost the size of the insurance industry, a hundred and fifty billion dollar business that's essentially unregulated.

Can you imagine what would happen if we would let insurance [Tr. 17] companies do whatever they wanted to? We can't even protect the public with full regulation in insurance, but essentially we have a pension system which is precisely an insurance plan and which is almost unregulated.

Newman. This is where most of the pension money now goes. To Wall Street. To be invested.

It's estimated that private pension fund assets now amount to something like a hundred fifty-three billion dollars. The way they're growing, they very likely will amount to two hundred fifty billion dollars by the end of this decade.

Pension funds are now the largest institutional investors in the country; they've passed the mutual funds and there is no end in sight.

Typically, the management of pension fund money is handed over to banks, mostly very big banks. Banks for the piling up of pension fund money. A few banks may administer significant and even controlling amounts of the common stock of very big corporations.

An example:

More than ten percent of such companies as IBM, Ford, IT&T, J.C. Penney, Westinghouse, and Boise-Cascade is held by three banks. Fifteen percent of Trans-World Airlines is held by two banks, Morgan Guaranty Trust and Chase Manhattan.

Man. We remain confident beyond 1973 on a . . .

Newman. There is so much pension fund money to invest, that just finding productive uses for it can be a problem.

This is something few outsiders see, an investment meeting at Bankers Trust Company in New York.

Man. One of our major concerns is to protect our accounts against risk, risk being defined as underperforming the market in a down market which it is true we do not forecast. My question is, how do you think the chemical stocks would fare in the event we do have a weak market over the next six months?

Man. Jerry, I was just talking this morning . . .

Newman. Critics of the big banks claim that they stick too much to safe investments in a big corporation. The bankers insist that their industry is competitive and that all banks seek the highest return with the least risk.

Bankers and critics agree that the trust fund investing industry has grown tremendously. The institutions managing trust [Tr. 18] funds have become so big that they often prefer to trade large blocks of stocks among themselves by computer, rather than using the stock exchange.

Pension fund money has become so important to the economy that nobody knows what would happen if the system were to be drasticaly changed. Incorporated in social security, for example.

Ralph Nader opposes that. Nader wants to take pension funds away from the banks and have the government set up a new set of institutions, responsible only to the pensioners.

Other critics would concentrate on insuring pension benefits and making it possible to take pension rights from one job to another. But almost everybody agrees that some changes are needed.

Ralph Nader. I think time is running out on the private pension system. And if its abuses continue to pile up, and if its enormous popular disappointments begin to be more and more revealed, it might collapse of its own weight, and social security will have to take up the slack.

Russell Hubbard. Over a good number of years, the track record is excellent. It's unfortunate that every now and then some of the tragic cases make the newspapers and the headlines. But it's a question of perspective and balance. When you consider that there are thirty million people covered by the plans, that there are five million people receiving about seven billion dollars in benefits, I think that's a pretty good record. That's not to say that there aren't a few remaining loopholes that need closing but we ought to make sure that we don't throw out the baby with the wash water.

Victor Gotbaum. The solution in the wealthiest country in the world is not do what they've been doing in terms of pensions. You fund a pension. You fund it on the basis of man's ability to live. You tie it into cost of living. The wealthiest country in the world ought to be able to do it.

Kenneth Anderson. You must remember that the corporation has set this plan up voluntarily. They have not been required by law to set it up.

Interviewer. So that it gets from the employer to the employee?

Anderson. That's what it amounts to.

Denenberg. I say it's the employee's money and I think that is the economic fact of life and I think in terms of the morals [Tr. 19] of the problem and in terms of the economics of the problem, that anyone would conclude that it does belong to the employee and yet it's not being used for his benefit.

Anderson. These pension plans are a part of a fringe benefit package. Like hospitalization insurance and so forth, but it's still a voluntary thing on the part of the corporation.

Gotbaum. So, all I can say is my God how can you hold to that view? Do you mean, people are supposed to starve, that people are supposed to live on a subsistence money because they are not unique, and that, by the way, is the same attitude. That gives top management stock options, gives them retirement after a small serving period whereas the middle worker, the lower economic worker takes a terrible beating.

Senator Schweiker. What we're proposing to do a little bit what was done with the bank failure problem. We didn't go in and take over the banks but we did, by means of insurance and Federal Deposit Insurance Corporation come in and guarantee that no depositor would lose his savings under a certain point. And I think that's what we're saying here, that once a worker has put in eight years time, once he's reached a certain age, once his company's reached a certain point, then he doesn't lose it, regardless of what happens to his company or the country.

Man. What are they waiting for? What the hell are they waiting for? Do they have to give us a certain quota, a certain number of people that have to be victims? Do they have to give us a certain amount of money? How many billions must it take before they do something about this? How many people have to starve? How many people have to lay on the sidelines and just hope and pray. How much misery do they want before they actually act upon it?

Newman. This has been a depressing program to work on but we don't want to give the impression that there are no good private pension plans. There are many good ones, and there are many people for whom the promise has become reality. That should be said.

There are certain technical questions that we've dealt with only glancingly, portability, which means, being able to take your pension rights with you when you go from one job to another, vesting, the point at which your rights in the pension plan become established and irrevocable.

Then there's funding, the way the plan is financed so that it can meet its obligations. And insurance, making sure that if plans go under, their obligations can still be met.

Finally, there's what is called the fiduciary relationship, [Tr. 20] meaning, who can be a pension plan trustee? And requiring that those who run pension funds adhere to a code of conduct so that they cannot enrich themselves or make improper loans or engage in funny business with the company management or the union leadership.

These are matters for Congress to consider and, indeed, the Senate Labor Committee is considering them now. They are also matters for those who are in pension plans. If you're in one, you might find it useful to take a close look at it.

Our own conclusion about all of this, is that it is almost inconceivable that this enormous thing has been allowed to grow up with so little understanding of it and with so little protection and such uneven results for those involved.

The situation, as we've seen it, is deplorable.

Edwin Newman, NBC News.

Appendix B: Summary of Description of "Pensions" Program Appearing in Reviews in Newspaper TV Columns Shortly After Broadcast

Name of newspaper, Date of article, and Description of program:

The Boston Globe, September 18, 1972: "[T]he private pension industry . . . is an unholy mess and last week some of the details were bared in a television documentary. . . . It was about time."

Business Insurance, September 25, 1972, Chicago (by Patrick Thomas): ". . . was by necessity, sketchy but revealed nothing new to anyone who spends any of his [time] in the pension area. . . . The program was by no means objective; it could not have been . . . there was just not enough time to do it thoroughly. [Newman did] point out that there were many good pension plans."

Chicago Sun-Times, September 13, 1972 (by Ron Powers): ". . . a hard look at failures in the pension system in the United States."

Chicago Today, September 13, 1972 (by Bruce Vilanch): " . . . dealt with the terrifying pension plan racket . . . As with all news documentaries, the accent was on hardship and sadness."

Chicago Tribune, September 13, 1972 (by Clarence Peterson): "Pension administrators may face some hard questions from employees when they get to work this morning. If so, NBC Reports will have done its job."

The Christian Science Monitor, September 22, 1972 (by Richard L. Strout): ". . . concentration of funds provides a pension system that is often imperfect, some times tragic, and almost wholly uncoordinated. . . . An hour long documentary . . . presented this situation vividly."

Daily News, Undated, but probably September 20, 1972 (by Kay Gardella): ". . . it did a hard-hitting job of examining a system that doesn't always pay back long-time workers."

Daily Variety Television Review, September 14, 1972: "was a penetrating, albeit depressing probe of pension plans, or, to be more specific, the victims of such plans. . . . It was a superior bit of investigative reporting."

"No one was knocking pension plans; the knock was over the fact that supposed recipients were often deprived of them."

The Denver Post, September 14, 1972, On the Air (by Barbara Haddan Ryan): "The presenting of tragic case histories, experts' opinions and Newman's clarifications seemed a disorganized approach to a critical issue that's widely misunderstood or ignored. Likewise nothing was said about what makes good pension systems work . . . but NBC should be commended for publicizing a condition of social anarchy. . . ."

The Evening Sun, Baltimore, September 13, 1972: "NBC Reports opened its season . . . with a long needed look at the many faults of private pension plans. . . . It heard a brief defense of the way private pension systems are run and examined possible remedies and alterations to correct the more glaring flaws in the system."

Hollywood Reporter, September 14, 1972, Television Review (by Glenn Lovell): "NBC reports into the world of old-age security was, as commentator Edwin Newman summed up 'a depressing program' which revealed a shockingly fraudulent American pension program. The report deals with its subject completely and sounds out many startling revelations."

"But . . . the investigation is most effective when it is least objective. While this makes for touching and sincere glimpses into the shattered dream of the retired without benefits, it makes one wonder if we are seeing the entire truth."

Houston Chronicle, September 13, 1972: "Edwin Newman said in summation and in all fairness he should have said it sooner—'I don't want to leave the impression that there are no good pension plans. Indeed there are many.' "

". . . an informative and provocative show."

The Indianapolis Star, September 12, 1972: "What [NBC Reports] attempts to do is pinpoint the existing problems in our private pension systems. . . ."

Kansas City Star, September 12, 1972: "Victims of the private pension systems will describe its failures through their own bitter experiences in an investigative report that will initiate NBC Reports. . . ."

Morgantown, N.C., News-Herald (Ed. F. Reading) September 19, 1972: ". . . there was a blockbuster of a documentary on NBC Reports last week treating with the abuse of pension funds."

The Newark Star Ledger, September 13, 1972: "The program pulled no punches. . . ."

N.Y. Post (by Bob Williams), September 13, 1972: "NBC Reports lived up to its promise last night in warning all contributors to pension plans to check the fine print in the contracts."

Philadelphia Daily News, The New Season . . . in review (By Rick DuBrow), September 13, 1972: "A potent program about pitfalls and failures of some private pension plans for business and unions . . . it was an angry, incisive study that focused on some people who felt cheated by their blind faith in Pensions."

The Pittsburgh Press, September 13, 1972: ". . . premiered with a probing look at retirement pensions."

Portland Oregonian (by Francis Murphy) Undated: ". . . Edwin Newman examined how millions of Americans are cheated out of pensions which they expected to receive upon retirement."

The Star-Ledger, September 12, 1972: "What it attempts to do is pinpoint the existing problems in our private pension systems by talking to middle class and working people . . . and then offering explanations about such flaws in those pension plans by . . . experts. . . ."

Toledo Blade, September 13, 1972: " 'NBC Reports' made an auspicious debut with a harrowing and moving inquiry into 'Pensions: The Broken Promise.' "

Variety, September 20, 1972: "No one can fault NBC News for exposing the national scandal of private pension frauds and the inhuman practices of big business and reckless practices of unions as regards pensions but even reporter Ed Newman, summing it up said this had been a depressing show to work on and one wonders why the network chose it to premiere the new telementary series when it is a sure bet that sales will be screaming about those nothing numbers soon enough."

Rick DuBrow—UPI Correspondent, September 13, 1972: "Tough study of the failures of some private pension systems."

Fahy, *Senior Circuit Judge:* I concur in the well reasoned and comprehensive opinion of Judge Leventhal for the court. The opinion upholds the wide latitude to be accorded the press as essential to the mandate of the First Amendment, notwithstanding the limitation upon complete freedom imposed by the Fairness Doctrine which is applicable to broadcasting licensed under the standards of the Communications Act. One may hope that this latitude will not encourage in a different context abuses which, even though protected by the First Amendment, should be discouraged,[1] or lead to claims of such protection which could not be sustained.

The television industry has consistently argued that its standards for the portrayal of violence and its machinery for enforcement of these standards are adequate to protect the public interest. We do not agree. . . .

We believe that the television networks, network affiliates, independent stations, and other members of the broadcasting industry should recognize the strong probability that a high incidence of violence in entertainment programs is contributing to undesirable attitudes and even to violence in American society. It is time for them to stop asserting "not proved" to charges of adverse effects from pervasive violence in television programming when they should instead be accepting the burden of proof that such programs are not harmful to the public interest. Much remains to be learned about media violence and its effects, but enough is known to require that constructive action be taken at once to reduce the amount and alter the kind of violent programs which have pervaded television. pp. 199–202.

The matter of course is aggravated by the lack of adequate control of firearms.

Leventhal, *Circuit Judge, supplemental concurring statement:*

I append a concurring statement in which I speak for myself, even though I have authored the opinion for the court, because I find that this device, which I have used in other cases,[1] gives reasonable latitude to offer comments that occurred to me in the course of my research and reflections on the subject under consideration, but which for one reason or another are not appropriate for the opinion of the court.

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[1] An example of abuses in an important area of national concern is documented in the well-balanced treatment of the relation of television broadcasting to the violence afflicting the nation contained in the Report of the President's National Commission on the Causes and Prevention of Violence (1969). This Commission was composed of an exceptional group of men and women under the Chairmanship of Dr. Milton Eisenhower, distinguished brother of the late President. The Report states in part:

"We do not suggest that television is a principal cause of violence in society. We do suggest that it is a contributing factor. Television, of course, operates in a complex social setting and its effects are undoubtedly mitigated by other social influences. But it is a matter for grave concern that at a time when the values and the influence of traditional institutions such as family, church, and school are in question, television is emphasizing violent, anti-social styles of life."

A judge confronted with a problem like this one has a natural tendency, born of his years of lawyering and judging, to try to strike a middle ground between the antagonists—here, between NBC and AIM.

The Commission's recognition of latitude to NBC as to how to give access to an opposing viewpoint tempts a judge to be swayed by the submission of Commission counsel that the "cost of presenting an opposition spokesman should be minimal."[2]

It is doubtless tempting not only to the judge but to counsel for a licensee—particularly if the problem should arise not for a network but as to a station owner—to say: "See if you can't run something that will satisfy the government officials."

What is overlooked is the stultifying burden on journalism. Even the monetary burden is not inconsequential, as the record indicates, and it is no answer to say that the license is profitable, because the problem is that the incremental burden will lead a licensee to acquiesce in the Government's instruction as to what he should broadcast. More important, however, is the unquantified burden, the bureaucrat peeking over the journalist's shoulder.

In the context of the fairness doctrine, the twin principles of latitude for the licensee and narrow review for the Federal Communications Commission merit special vigilance when the question is whether the "issue" in a program of investigative reporting is one of evils described or a broad subject canvassed, because government latitude to redefine the issue enfleshes the specter of a subtle and self-serving government censorship impeding the ventilation of abuses.

While journalists on the public airwaves are subject to fairness doctrine responsibilities, the risks of government interference are so oppressive as to require a plain showing of journalistic abuse before a government official can issue a direction that the journalist's report must be supplemented with a codicil. The danger of intrusion on journalistic discretion is no less real and profound because it rests, at base, in the spirit, in the way men carry on their functions. Journalism in America has had its evils and abuses, but in the large they are outweighed by its achievements in liberating the questioning mind and spirit. The public interest pulses in the investigative reporting that depicts whatever evils are seen wherever they are seen, and asks provocative questions.

Journalists may be stifled if they are steered from the way in which their profession looks at things, and channeled to another way, which however congenial to men of the law, dampens the investigative spirit.

"The major item in the diet of the press is controversy and confrontation. Lawyers are usually working to compose and accommodate differences. The press must try to make simple that which in fact is complex and to suppress factual detail in favor of the emotional jugular. The lawyers pull exactly the other way."[3]

The First Amendment freedoms established in the interest of an informed citizenry "are protected not only against heavy-handed frontal attack, but also from being stifled by more subtle governmental interference." *Bates v. Little Rock*, 361 U.S. 516, 523 (1960).

Tamm, *Circuit Judge* dissenting: This case presents us squarely with questions arising from the head on collision of First Amendment rights of freedom of the media and the right of the people to know. It requires again "an expression of the pervasive precept of fairness between government and governed that runs thru American jurisprudence. . . ." *Trailways of New England, Inc. v. C.A.B.*, 412 F.2d 926, 931 (1st Cir. 1969). Involved is not the so called "on the spot reporting" which makes up a substantial portion of television newscasts but a documentary type of presentation referred to in these proceedings as investigative reporting. The editorial supervision and selectivity frequently approved in judicial decisions was not herein discharged under the pressure of time considerations essential to the preservation of news values, but permitted, according to representations made to us, the digesting of eighty thousand feet of film into a two thousand foot final product. Most importantly we are not dealing with a printed publication utilizing its private property to disseminate its news and views in the exercise of that freedom of the press which is the central freedom of the whole democratic process. Our petitioner, the National Broadcasting Company, Inc. is the temporary licensee of a right to utilize the public's airways in the public interest and for the public welfare. To me this is the dominant element in distinguishing the rights and obligations of a telecaster from those of the press, which under controlling Supreme Court opinions has an unlimited freedom to report events in the public domain.

No right is absolute. It is elementary that each right carries with it an obligation. In accepting the right to use the public airways our petitioner, willingly or reluctantly, assumed the obligation of utilizing those airways in the public interest. The public interest in television programing expressed in fundamentals is to know the facts.

Petitioner argues that investigative reporting is somehow a special species to which the application of a fairness requirement is constitutionally repugnant. The majority opinion supports in substance this position and capsulized into its basic and ultimate holding concludes that fairness, meaning a presentation of both sides of a question of public interest, is not a practically enforceable obligation of a licensee of the public airways. This position means that a telecaster's presentation under the label of investigative reporting of a few factual bones covered with the corpulent flesh of opinion and comment fulfills the obligation of the network to give a fair picture to the public and to assist the public in knowing the facts essential to a determination of basic policies. The majority opinion fails to recognize that as a practical matter there is no real distinction between this type of so called investigative reporting and propaganda. The investigative reporter, regardless of his initial motivation, too often reaches a point where objectivity disappears and he becomes an ardent advocate for a particular position or viewpoint. Developing a feeling for what might or should be, rather than awareness of what is, he produces a manipulated and selective presentation which ignores all viewpoints and positions other than his own. There is no doubt but that embellishment, color and opinion often prove to be more interesting than objective presentation of both sides of an issue of public interest but is such a production a discharge of the responsibility of the telecaster to give a fair picture and a presentation of all points of view?

The history of democracy is a record of the fear and distrust by the people of unrestrained power. This is the womb in which was gestated the constitutional amendments which we identify as the Bill of Rights. First Amendment guarantees were and are designed to afford the people an effective weapon against the existence or use of destructive and abusive power. Does anyone doubt that a tremendous reservoir of power exists today in the radio and television industry? Are not television and radio newscasters and commentators dominant in the shaping of the public's viewpoints and opinions? Does not their ability to capture the public attention arm them with a weapon of such magnitude that public officials are too often completely subject to their influence? Is it an exaggeration to say that the telecasting industry constitutes a power system comparable if not superior to government itself but basically free of the restraints imposed on government power? We proudly proclaim that in our democracy all power is in the people, but is this power impartially exercised today upon a full knowledge of all facts which affect the public order? The answer is obviously dependent upon the public's ability to learn the facts and again we are face to face with the use which is made of the public airways by the licensees.

I recognize and will readily defend the constitutionally mandated right of the licensed media to exercise its choice of what to report and what not to report. Beyond this the right to editorialize with properly descriptive identification is judicially recognized, but confining my position to the record before us, in the presentation of a so-called investigative or documentary report I believe that there is a legally enforceable obligation on broadcasters to present a report in which all conflicting positions and viewpoints are fairly portrayed. To require less in my view is to permit an abuse of the public's right to know, and a desecration of the license to use the public airways in the public interest.

"Freedom of the Press" as a generic term has long been prominent in the lexicon of judicial opinions. It will never be fully defined because it is not a static phrase with final and permanent meaning. It defines a continuously evolving phenomenon with changing, disappearing, materializing and sometimes almost mystifying significance. Rapid development of the utilization of the public airways as a means of informing the public has placed tremendous power in these media. The fairness doctrine, as the Federal Communications Commission has exercised it in this case, is not a censorship, is not a prior (or subsequent) restraint, is not a usurpation of what the majority describes as "Journalistic Discretion" but is merely a policy that requires in the public interest all viewpoints be presented in factual matters of public interest. The doctrine, as it has been utilized here, is the yeast of fairness in the dough of the telecaster's right to exercise his journalistic freedom. The resulting problem of the Commission is then the securing of responsibility in the exercise of the freedom which the broadcasting industry enjoys. We are asked to rule that on the traditional scales of justice the right of the people to know is outweighed by the claimed right of the telecasters to exercise a constitutional infallibility in determining what the public is entitled to know. I cannot so hold. I would affirm the Commission's action.

TOO MANY DOLLARS: FOR TOO FEW GOODS

Mr. BROCK. Mr. President, I have presented my analysis of domestic inflation before. Today, I would like to expand on that to incorporate the worldwide inflation which we have been experiencing.

It has been pointed out by enough

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[1] *United States v. Poole*, 495 F.2d 115 (1974); *United States v. Ammidown*, 497 F.2d 615 (1973); *Bellei v. Rusk*, 296 F. Supp. 1247 (D.D.C. 1969) (3-judge court), *reversed*, 401 U.S. 815 (1971).

[2] Opposition to Motion for Stay, at 16.

[3] B. Manning, *If Lawyers Were Angels: A Sermon in One Canon*, 60 ABAJ 821, 822 (July, 1974). Mr. Manning is focusing on the lawyer advising the client as distinguished from the litigating lawyer.

economists and on enough occasions that when the rate of increase in the money supply, whether the result of fiscal or monetary policy, significantly exceeds the rate of increase in production, inflation is the inevitable consequence. Inflation is too many dollars chasing too few goods and services.

So far, three ways have been noted through which new money is created. Today we will expand on that. To review briefly, then, money is created: First, when Federal Government expenditures exceed receipts; second, when the open market operation of the Federal Reserve System injects money by its purchase of Federal Government securities; and third, when the Federal Reserve lowers its reserve requirements, thus allowing more dollars to be lent to the public. Perhaps we pay too little attention to the latter two factors.

In any case, as the rate of increase in the money supply exceeds the rate of increase in real production, the prices of goods and services must be bid up. To attempt to hold them down by legislation is analogous to turning up the pressure in a water hose and then covering the nozzle. The water must come out somehow and in the process the hose is damaged.

Holding prices down artificially by legislation in the face of excess dollars creates a tension—where do the excess dollars go? The answer is that in part, in some industries, the prices are held down. This has the effect of reducing profits and thus the incentive to invest and increase production. With less production the dollar to production ratio is increased and the inflationary pressure increased.

The huge built up excess of dollars, the initial excess caused by fiscal and monetary policy, plus the additional excess created in the industries in which price controls have held dollar expenditures down, all these dollars flow into those industries in which price controls are not or cannot be enforced. The result is a runaway inflation in those sectors.

But the sources of inflation are complex and it is to two additional aspects that I now turn.

Inflation takes on a life of its own. As people begin to expect further inflation, they prepare for future transactions accordingly. Because they expect higher prices, they insure them. Even if the money supply fails to increase at the expected inflationary rate, the effective money supply can be increased if people spend money more readily. The velocity of the turnover of money is as important as the physical supply. A dollar turned over twice during a year has the same inflationary effect as 2 dollars turned over once each. To bring inflation under control, therefore, people must believe that it is going to come under control.

The other important aspect of inflation is the international one.

As we know, since the end of World War II there has been a net outflow of dollars from the United States abroad. Since 1958, the U.S. balance of payments has been in deficit by billions of dollars each year. Through 1970, the United States had a regular surplus on its trade balance which was, however, more than offset by various unilateral payments and overseas investments. Since the trade deficits of 1971 and 1972, the total payments deficit rose markedly.

These developments took place under the Bretton Woods agreements which set fixed exchange rates among the leading nations' currencies. The large U.S. deficit plus the recurring balance-of-payments difficulties of England and other nations led to the breakdown of the fixed exchange system.

What had finally become clear was that different nations cannot be expected to grow at the same rate. Consequently, their currencies cannot be expected to maintain their absolute relative values. Inevitably, some must devalue or revalue relative to others. It is unrealistic to expect a nation to keep its economy depressed attempting to maintain its international position. And it is far better to have these devaluations and revaluations occur slowly and steadily, not periodically and by large jumps.

Fixed exchange rates, by holding currencies of diverging real values on a par, created a tension in which balance-of-payments deficits grew until a sharp devaluation allowed the imbalance to diminish.

If the dollar grows in value relative to the pound sterling because the American economy grows faster than the English, and if the dollar is not allowed to trade for an increased number of pounds, both currencies will flow into the United States. The U.S. economy, being more efficient, will sell goods at lower prices and all concerned will purchase goods from the United States instead of from England.

This flow of currencies into the United States will cause an English balance-of-payments deficit.

Eventually, the pound will have to be devalued so that each dollar will be traded for an increased number of pounds. With more pounds available per dollar, U.S. citizens get pounds more cheaply and begin to buy goods from England. This restores the English balance of payments. But, of course, since U.S. goods become more expensive to the English, and as goods leave England for the United States, the standard of living in England could drop. If, however, England was running at less than full employment, the stimulus could actually lead to increased employment and greater prosperity.

Yet another effect of having these currencies, dollars and pounds, enter the U.S. domestic economy is to aggravate inflation in the United States; that is, more dollars are chasing goods.

The abandonment of fixed exchange rates for floating rates has several advantages. First, the relative value of the various currencies adjusts regularly and smoothly without creating vast payments imbalances which eventually have to be corrected. Moreover, if one nation inflates its currency, other nations need not follow as readily. If the number of pounds sterling increases too rapidly to maintain their value, a second currency, that is the dollar, need not continue to trade for the pound at a fixed rate and thereby itself lose its own value. The exchange rate can float so that a dollar trades for an increased number of pounds.

The example is entirely hypothetical. The English economy after World War II did grow more slowly than other economies in the industrialized world. And under fixed exchange rates, the pound was not allowed to devalue relative to other currencies. Finally, of course, the English balance of payments deteriorated to the point where a massive devaluation was necessitated. After two such occasions, as well as other distortions in other currency valuations, the Bretton Woods system broke down until now we are on a virutally floating system.

The consequence for the United States has been profound. Prior to the breakdown, the United States had run deficits in its balance of payments and dollars were pouring out of the Nation. The dollar had been overvalued. With the end of fixed exchange rates, the dollar was devalued on world markets. This made U.S. exports a better bargain and, as hoped, the balance of trade improved considerably, attaining a surplus in 1973. The dollar outflow resulting from the trade balance reversed direction and dollars began to flow back into the United States.

This basically healthy development was accompanied by a continued increase in the money supply engineered by the Federal Reserve System and the Federal budget deficit. The dollars returning from abroad in addition to the domestic increase in the money supply coincided with the oil crisis which halted economic growth. The result: Too many dollars chasing too few goods and an unprecedented inflation.

The outlook for the future is questionable. In the face of increasing prices of raw materials, the positive trade balance may vanish. At the same time, the devaluation should have had its major effect; the dollar is now reasonably valued on world markets. The external impetus to our domestic inflation may have been reduced.

On the other hand, European nations have begun to pursue a more restrictive monetary policy which, if continued, will reduce their inflationary spiral. Since under floating exchange rates, inflation cannot so easily be exported—if a currency is inflated domestically, it will be devalued in international markets—we must take extreme care not to continue an inflationary policy here. The strength of the dollar is essential to world economic stability and growth.

WORLD FOOD CONFERENCE

Mr. JAVITS. Mr. President, I am most concerned that our entire foreign aid program is being damaged irretrievably at the very time that the world's developing countries face their most critical situation in decades. Nothing illustrates this better than our inaction in the face of a potentially catastrophic world food shortage. We have seen the food for peace program so distorted by political considerations that over half of it goes to Vietnam, where there is no starvation, leaving the rest for the entire world where millions may starve. No wonder people have reacted so strenuously to these distortions in our aid program.

Nevertheless, it is clearly wrong to think that we can avert our eyes from the tragedies now being played out on the global stage and fail to help adequately to meet the needs of mankind. It is astounding that even at this time we have developed no national food policy, we have no export licensing system for agricultural products in short supply, and we have no reserve program to prevent our stocks from being dangerously depleted. In fact, even my amendment to the Export Administration Act, to require the Secretary of Agriculture to develop a plan to cope with agricultural shortages, was deleted in conference.

Our Secretary of Agriculture insists that everything will be okay if we just trust him. But we have seen the weather play an unending series of tricks on his estimates, so that even the Secretary is forced to admit that food prices are likely to increase by 10 percent in the next year. Indeed, if food prices increase by no more than 10 percent while we continue to follow our present policies, it will be little short of a miracle.

In 1 month the World Food Conference, called at the initiative of Secretary Kissinger, will open in Rome. This meeting is a unique attempt to focus attention on world food problems, and comes at a time when action is urgent. Will the United States be prepared to meet the challenges of this conference, which we called for, by a willingness to participate in a world food reserve system and by joining in the far-reaching proposals necessary to meet the crisis? I am not encouraged by the preparations for the conference thus far, and I hope my colleagues will treat this issue with the seriousness the issue merits. I think all of us will have to pay a great deal more attention to this issue in the future.

I commend to my colleagues two articles that appeared in today's newspapers: An editorial by Jonathan Power in the New York Times and an article by Mary Bralove in the Wall Street Journal.

I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Oct. 3, 1974]

STARVATION IN LIVING COLOR

(By Jonathan Power)

London.—Six years ago, the distinguished scientist and novelist C. P. Snow, warned us in a speech at Fulton, Mo., that we were approaching the time when "many millions of people in the poor countries are going to starve to death before our eyes" and that "we will see them doing so on our television sets."

In the next few months it is going to become very clear that Mr. Snow was right; in recent weeks grim report has followed grim report on the state of the 1974 harvest.

In North America there has been drought and the crop is way below what was so confidently forecast early in the year. In Asia the monsoons have been bad—in some countries there has been dought, in others floods. In the Soviet Union there is certainty that the crop will be below last year's harvest.

For only the second time since World War II, the total world crop has fallen. Meanwhile, in the last year, the world population has grown by 70 million—half of this in Asia.

The years 1971 and 1972 brought a sudden end to the euphoria surrounding the Green Revolution—the use of so-called miracle seeds that doubled yields all over Asia and in parts of Latin America.

Bad weather was the principal cause of the setback. But a number of other coincidental developments compounded the problem. In particular there was the simultaneous boom in economic activity in the developed countries that led to increased demand for food.

From 1972 on, the situation rapidly deteriorated. The Russians, after their disastrous 1972 harvest, bought 20 million tons of wheat and 10 million tons of coarse grains, most of it American.

Under the impact of all these developments, American stocks began to decline to dangerously low levels. It was an act of criminal folly that will long be remembered that the United States did not take advantage of 1973 to bring all its idle farm land back into cultivation and rebuild its stocks.

The result of all this was that the world entered 1974 facing its most precarious food situation ever. By February, United States wheat for export cost almost four times as much as in June, 1972.

Millions of poor people in the Third World rapidly began to find that food was being priced out of reach.

In Bangladesh, between January and August, 1974, cereal prices doubled—they have risen fivefold in five years. In Thailand, the price of rice has doubled since August, 1973. One kilo of tunafish has gone from six to 22 bahts, yet the average factory worker is paid only 16 bahts a day.

For people who are spending 70 to 80 per cent, or more, of their incomes on food, these price rises mean less food, increased malnutrition and, over a period of time, a steady increase in the death rate.

It is against this background that this year's bad harvest must be viewed. The situation now can only get rapidly worse.

The Food and Agriculture Organization of the United Nations estimates that the deficit in developing countries' cereal production this year will be about 50 million tons—that is, if everyone were to be fed as well as they were in 1970.

Yet United States stocks are down to about 25 million tons. And it is on America that the Third World has principally depended when things have gone wrong before.

But this time around, unlike the nineteen-sixties, there will be no point in running to the American silos for food. It is just not there. More cannot be grown until next year. And it cannot, like manna, come down from heaven.

Some experts argue, however, that the Soviet Union is still sitting on a large part of the American grain it bought in 1972–73. But no one really knows. The Russians could have five million tons, or 50 million. In fact, it is probably nearer the lower end of that scale. Anyway, chances of the Russians bailing out more than a few special friends are slim indeed.

The fact of the matter is that the food that in coming months will be so desperately needed in the Third World is only likely to come from the West—from renunciation of the power of the purse by people who have the money to buy food.

There are two options to us. Either we can voluntarily decide to cut down our purchases of food—meat in particular, for meat is Western man's most inefficient and expensive way of consuming protein—liberating food at a reasonable price for governments to buy, or rich governments can intervene in the market and buy up grains that otherwise would be fed to livestock. This they can then sell on concessional terms to countries deficient in food.

Certainly it is not unrealistic to consider the first option: American families lowered their thermostats during the oil crisis. It can be done given the right kind of political leadership.

The second option is more difficult to carry out. It assumes the failure of the first option, so that a government would be taking on an unsympathetic, undereducated, even hostile public. It also means that government intervention would force up the price of grains even higher, exacerbating the severe inflation existing in most affluent countries.

The real danger is that these political and personal decisions may not be made until it is too late—until the television pictures of dying millions come into the living rooms of the rich countries. These decisions need to be made now, within the next three months, while there is still time to distribute the food where it will be needed.

[From the Wall Street Journal, Oct. 3, 1974]

THE FOOD CRISIS—WIDESPREAD SHORTAGES MAY PIT "HAVE NOTS" AGAINST THE "HAVES"

(By Mary Bralove)

If Gerry Connolly and friends request the pleasure of your company for lunch some time soon, you might think twice before accepting. The affair could well turn nasty before it's over.

An associate executive director of the American Freedom from Hunger Foundation, Mr. Connolly with his colleagues frequently give banquets that dramatize the current world food crisis. At such affairs, they wait for the ripe moment when stomachs are growling and heads ache from hunger before serving any food. Then one-third of the guests sit down to juicy prime ribs, steaming baked potatoes and all the trimmings. The other guests are served a mound of rice and tea.

"The hostility of those two-thirds eating rice and drinking tea is really something," Mr. Connolly says. "For some people it ceases to be a game."

That's his intention, of course. For a few hours, at least, those people invited to Mr. Connolly's "Hunger Banquet" acquire a visceral bond with the undernourished two-thirds of the world and a glimmer of understanding of what it might be like to be one of the tens of millions whose existence is threatened by food shortages.

To most Americans, hunger is an occasional pang of a delayed meal or a skipped breakfast. But for an estimated 700 million people, hunger is commonplace and the prospect of an agonizing death by starvation a grim fact of life. They live in India, Bangladesh, Pakistan and parts of Latin and Central America. Many live in the drought-stricken regions of Africa. Others live in the overpopulated small countries of Asia. Half of them are children.

THE ANGER OF THE HUNGRY

These people are angry that they must eat scraps of cereals and grains left over after the affluent nations of the world feed their cattle and poultry. They're angry at rich countries that gladly give away food when grainaries are overflowing but in times of shrinking supplies are tightfisted.

Such anger fuels revolutions and forges new political alliances. Increasingly, observers of the world food situation fear that those nations with plenty will someday be confronted in a fight by those with little and that the kind of hostilities that emerge at Mr. Connolly's Hunger Banquet could be enlarged to global proportions.

"The rich world is on a direct collision course with the poor of the world," says Georg Borgstrom, professor of food science and nutrition at Michigan State University. "The world at large (could be faced with) riots, famines and pestilence. We don't live in a protected oasis. We can't survive behind our Maginot Line of missiles and bombs."

To those who have heard all their lives that people in China or Armenia or some place else were starving, such dire predictions may seem overdrawn and unnecessarily alarmist. Throughout history there have been famines, such as the Irish potato blight of 1846, and accompanying doomsday prophets; each time, the world recovered somehow. Today, however, agricultural, nutritional and economic experts agree that the current world food situation is substantially more ominous than ever before.

"History records more acute shortages in individual countries, but it is doubtful whether such a critical food situation has ever been so world-wide," a recent U.S. State Department report asserts.

THE CAUSE OF THE PROBLEM

Several individually important factors have combined to create this critical problem, which will be thrashed out at the United Nations World Food Conference Nov. 5–16 in Rome. Foremost among them is the world's staggering population growth. Each week, the number of additional people to be fed burgeons by 1.4 million. This growth generates an unprecedented demand for food, which in turn increases demand for fertilizer, fuel and other agricultural inputs. Developing countries are hampered in producing more food by poor irrigation and backward agricultural methods and are constrained in importing more food by the lack of adequate capital. As if that weren't enough, recent agricultural gains in many countries have been wiped out by floods, droughts and typhoons.

In the past 40 years of plenty, North American food reserves have acted as a buffer against local famines. There was always food available in the U.S. and Canada to be purchased by or given away to those in need. In the last two years, those reserves have been depleted as world-wide demand for food has increased. In 1961, the world stockpile of grain amounted to a 95-day supply. Currently, it is less than 26 days.

In the U.S., the problem of feeding the world's hungry while keeping food prices at home low has touched off a heated controversy. Some, such as Sen. Hubert Humphrey, argue for increased food aid and establishing a program of food reserves. Others, such as Secretary of Agriculture Earl Butz, argue against increased foreign food aid and urge the transfer of technology and American know-how to underdeveloped countries, along with appropriate capital incentives. Still others argue for a redistribution of food that would require a radical change in the diets of people living in affluent nations.

"We are going to have to come to terms with this common interdependence," says Lester Brown, senior fellow of the Overseas Development Council, a think tank based in Washington, D.C. "We're now in the situation that if some of us (in the world) eat more, others are going to eat less."

Mr. Brown and others note that the U.S. and growing number of other nations, notably Japan and Northern European countries, are heavy eaters of grain-fed beef and poultry. As a result of this taste for meat, grain surpluses that once were diverted to poor nations now are sold to rich countries to feed their livestock. Prof. Borgstrom estimates that the livestock population of the U.S., for example, consumes enough food material to feed 1.3 billion people. If Americans were to switch to a diet resembling that of present-day China, the U.S. could feed some 800 million to a billion people, he figures. The average North American currently uses up to five times as much agricultural resources as the average resident of India, Nigeria or Cambodia.

A TRADITION OF EATING MEAT

Nonetheless, Americans accustomed to steaks and hamburgers aren't likely to throw it all over for rice and corn. Nutritionists and sociologists point out that diet is a matter of habit, custom and prestige. These aren't easily changed.

"America's massive consumption of dairy produce and meat is really a gesture rather than a natural taste preference," explains Alexander Comfort, an associate of the Center for the Study of Democratic Institutions in Santa Barbara, Calif. "We had a pioneer society based on a hearty reward for a hearty effort. Society has changed. We aren't all cowboys now, but eating meat is still part of our self-image and tradition."

On the other hand, tradition may give way under economic pressure. Meat may become too expensive for all but the very rich of the world to afford. "We will not (cut down on our meat consumption) by shaming people into it," asserts Lowell Hardin, program officer of the international division of the Ford Foundation. "We'll change because of economics. We're likely to ration food by prices. Grains will be too high-priced for animals to consume them."

If that happens and Americans are forced to eat grains directly, what happens to the people of, say, Zaire, who already lunch on fried patties of mashed beans and corn meal? The appalling truth, experts say, is that unless drastic and immediate steps are taken to increase food supplies, the world will face massive international starvation.

This is difficult to comprehend, and some food experts such as Lester Brown believe that even now agricultural economists haven't come to grips with it. "In 1970, not one in 100 economists anticipated that by 1974 the U.S. would plant all its farmland and having done so, we'd still be hanging on by our fingernails," says Mr. Brown, who admirers have called a one-man early-warning system and who critics dismiss as an alarmist. "Those of us who are food economists have failed to anticipate every major trend and direction."

MANY FAST CHANGES

Looking back, though, it's difficult to imagine how anyone could have foreseen the rapidity with which the world food situation changed. In August 1971, the U.S. in effect devalued the dollar, making U.S. agricultural products attractively priced in the world market. A year later, demand for American food intensified still further as world food production suffered climatic setbacks in a number of countries. Drought and typhoons slashed rice and corn crops in the Philippines while a severe drought continued over parts of West Africa. India's monsoon dropped below normal, cutting its cereal crop and eroding hopes of near-term self-sufficiency. In the U.S., corn and soybean harvests were stalled by wet weather in the fall of 1972. Finally, inadequate rains cut the grain crops in the Soviet Union, Argentina and Australia.

Traditionally, when the Russians came up short on production they steeled themselves to getting along on less by killing their livestock and eating their grains directly. But in 1972, instead of tightening their belts they made massive grain purchases on the world market.

The Soviet purchase of nearly one-fifth the total U.S. wheat supply in the face of world grain shortages sent commodity prices soaring. The result was that "the poor nations pay more for less and the rich eat what they will," wrote Quentin West, administrator of the U.S. Agriculture Department's economic-research service.

Although weather conditions in 1973 generally improved, demand for food for the world's swelling population continued to mount. To most Americans, high commodity costs meant higher supermarket prices. But for those people in the cities of South Asia who already spend 80% of their income for food, the global bidding for American food brought the specter of massive hunger.

EFFECT OF ARAB OIL POLICY

By the fall of 1973, the problem of feeding the world's hungry reached crisis proportions. Arab nations intent on influencing foreign policy of industrialized nations decreed an oil embargo. By restricting petroleum supplies they dashed hopes for any immediate increase in world food production. Farmers need gasoline to run their tractors, and they need diesel fuel to operate their irrigation pumps. Most important of all to farmers in such nations as India and the Philippines that grow nutrient-hungry, high-yield wheat and rice, they need fertilizer. And petroleum is the basic element in manufacturing fertilizer.

Today, fuel and fertilizer supplies are still tight. Fertilizer prices are double and triple what they were two years ago, and developing countries' food production is backsliding. In India, fertilizer shortages are expected to reduce grain production by some 10 million tons. This is a staggering setback in a country that requires an annual increase of 2.5 million tons of grain just to keep pace with its population growth.

"Asia is probably much more dependent on the Middle East now than it ever was on North America for its food supply," Ralph W. Cummings Jr., agricultural economist with the Rockefeller Foundation, wrote in a recent report.

At the same time, developing countries are blocked from importing vitally needed agricultural products by their precarious economic positions. "Most countries with the severest food problems have the severest balance-of-payments problems," notes Sol Chafkin, officer in charge of social development for the Ford Foundation. "They are under constant pressure to hold down imports or to increase exports."

CUTTING BACK ON AID

Industrialized nations also have balance-of-payments problems. They need most of their food surpluses to pay for their oil imports. Last year, for example, U.S. agricultural exports increased to $18 billion, nearly double the amount exported in 1972. But the quantities of cereal allocated to its Food for Peace program dropped to the lowest level since the start of the aid plan in 1954.

"It is possible to conclude that people who are on the brink (of famine) may die or be damaged as a result of what is happening to financial positions of their countries as surely as a natural calamity or a war," Mr. Chafkin says.

While economic and food experts are able to pinpoint the causes of the current crisis, no one can see any clear solutions. One proposed scheme set forth by the UN's Food and Agriculture Organization urges a "food security program" in which all nations contribute to a global grain reserve. Such a scheme not only assumes that the present depletion of stocks can be overcome—which, because of the complex array of causes, is uncertain—but also would depend on a nearly unprecedented degree of international cooperation.

"The answers aren't easy—they're going to be long-term and tortuous," says Mr. Connolly of the American Freedom from Hunger Foundation. He, like many other nongovernmental people, favors an immediate increase of American food aid.

Of course, it would be very helpful to curb population growth—a growth that adds the equivalent of the U.S. population to the world every 30 months. But birth-control efforts are stymied by political, moral and economic considerations, not to mention the psychological and emotional difficulties caused by malnourished youngsters dying prolifically.

EXPORTING KNOW-HOW

"It's awfully hard to persuade people to have fewer children when they're afraid the ones they have will die," says Bernard Berelson, president of the Population Council.

Along with efforts to curb population, experts say that developed countries should transfer their know-how and technology to underdeveloped nations. But efforts in this direction have had mixed results. American agricultural methods are highly mechanized and use a great deal of fuel and other energy. Exporting Western technology often carries with it higher unemployment and a deeper reliance on high-priced fuel and fertilizer. Some observers fear that modern technology may also wreak ecological havoc. In Egypt, for instance, the Aswan Dam prevents the annual flooding of the Nile and the replenishment of soil deposits. As a result, Egyptian soil is rapidly losing its fertility.

Yet some experts, such as John Hannah, deputy secretary-general for the World Food Conference, are hopeful that nations can solve some of these problems by acting together. Mr. Hannah notes for example, that natural gas burned and discharged into the atmosphere in the Middle East oil fields could, if harnessed, produce much-needed fertilizer. Still other experts, such as the Ford Foundation's Mr. Hardin, think that the techniques required to increase production are already within reach.

"Technically, the world could produce the calories for a reasonably adequate diet for 20 to 30 years into the future," he says. "Whether we do it depends on how big a priority governments give the agricultural sectors."

If the experts are right, the world's hungry won't be patient much longer.

SOCIAL SERVICES PROGRAMS

Mr. PACKWOOD. Mr. President, for the last 2 years, our social services programs have faced uncertain futures. Today, for the first time in many, many months it appears that disagreements over the goals and operations of these programs have been resolved to the satisfaction of both interested Senators and the Department of Health, Education, and Welfare, which must administer the program. I now have confidence that these vital programs will be able to continue in ways which will best serve those intended to receive assistance.

The new bill has much in common with legislation Senator MONDALE and I submitted last year, but has several modifications as well. As you know, our bill was passed last year here in the Senate, but never received the approval in the House. In the absence of such joint approval, social services programs have been operating tentatively under old rules and regulations, knowing that major changes would be made, but not knowing what those would be. Needless to say, such uncertainty is undesirable for both the providers of services and, more importantly, for those who receive the benefits of these programs.

Mr. President, the bill we are proposing will have significant favorable impact on the social services program which provides for the delivery by the States of a wide range of services to the poor and near-poor, including child care, family planning, employment services, special help for the elderly, protective services for children, counseling, alcoholism and drug treatment, and special services for the handicapped.

Our bill will strengthen the Federal-State partnership on social services and give the States greater flexibility in designing service programs aimed at the following goals: self-support; self-sufficiency; protection of children—also adults unable to protect themselves—including services which prevent neglect, abuse, or exploitation; prevention of reduction of inappropriate institutional care by providing for community based, home-based care or other forms of less intensive care; and referral or admission for institution care when other forms of care are not appropriate, or provision of services to individuals in institutions.

Our bill will increase the access of citizens to the social service decisionmaking process, and will restrict intervention by HEW into ongoing services programs. It will focus programs clearly on low-income families and individuals while allowing others to participate on a fee-paying basis. Under the bill, States would be authorized to offer free services to persons with incomes up to 80 percent of the State's median income—up to the national income median. Services could be offered on a fee basis to persons with incomes up to 115 percent of the State's median income level.

The existing 3-to-1 Federal-State matching requirement would continue, as well as the current $2.5 billion ceiling on Federal spending—providing combined total Federal-State spending of $3.3 billion if all States participate fully. Privately donated funds could continue to be included in the State share.

Mr. President, let me take this final opportunity to commend the fine spirit of cooperation and sincere effort on the part of officials of the Department of HEW, Members of Congress, the Governors' Conference, and the hundreds of dedicated individuals who have labored long and hard on this proposal. Their interest, concern, and plain old hard work have made this agreement possible, and have given us a new sense of optimism after 2 years of frustration and delay.

Senator MONDALE and I, as members of the Senate Finance Committee, will exert every effort in the upcoming weeks to encourage committee action and final passage before adjournment. That failing, a further temporary suspension will be necessary. Although such a suspension would protect ongoing programs, it would continue them in the current state of uncertainty in which they now exist, and I believe, Mr. President, that responsibility demands we do more.

ECONOMIC ANALYSIS

Mr. BROCK. Only a few weeks ago, Mr. President, we were worried that the energy crisis was part of a larger materials crisis. Today we see commodity prices falling. Copper, the world's most traded commodity is down by over one-third. And in general, we see surpluses appearing.

Only a few weeks ago, we feared an outflow of currency from the United States because of the high prices paid for oil. Today we see that most Arab investment dollars will be coming into the United States and, to a lesser extent, West Germany.

Mr. President, the point of these two selected economic trend reversals is that markets adjust rapidly, some may say too rapidly. But the common accusation that markets cannot adjust to complex and difficult problems fails to account for the facts.

Mr. President, an article by Joseph Alsop in the July 8 Washington Post, discusses the monetary phenomenon and some new problems which may lie ahead. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 8, 1974]

MONETARY PHENOMENON

(By Joseph Alsop)

The oil-producing countries are just gathering in another quarter's payments from the rest of the world. So the world's financial system is about to experience another money flood even bigger than the last one. Yet the last one proved almost unmanageable in a period of only three months from early spring.

The figures are remarkable. The first quarter's high-level payments for oil left the oil producers with about $13 billion that they had to store somewhere. The figure for the second quarter will be between $15 billion and $20 billion. By the end of the year, it is now clear that the cumulative total will be above $60 billion. In the U.S. financial community, a good many people are licking their chops because they hope that much of the second wave of the money flood will find its way to these shores. For several reasons, there is hardly anywhere else for the money to go, except to West Germany in lesser measure.

If the United States then becomes the semipermanent place of storage for the money flood, it will naturally have many dramatic results. Interest rates will be depressed. Stock market trends will be favorably altered if much of the flood goes into U.S. securities. The U.S. trade deficit will also be concealed by the balance of payments produced by huge inflows of oil money. Thus, the dollar will grow much stronger—at least for a while.

Yet the sums involved in the money flood are so enormous that there is no past experience with the right way to handle them. There is still a grave question whether the financial system of the world can stand all the resulting strains. It did not take much time, for instance, for the more obvious ways of storing the money flows from the higher oil prices to be completely used up; and this is the main reason the second wave of the money flood is expected to end in this country.

Making a short-term deposit in the bank is the most obvious way of storing money, after all. That is precisely what the oil-producing countries did with most of their first wave of $13 billion. The banks chosen were chiefly the great international banks working within the Eurodollar market. Before too long, all these banks consequently found themselves in the classically dangerous situation of borowing short and lending long, and on a vast scale, too.

In other words, they were accepting Arab and other oil producers' deposits that were instantly removable; and, in many cases, they were being forced to lend their money to governments, like that of Italy, which had begun to be miserably bad credit risks. Because of the high oil price and governmental weakness, Italy came near to open bankruptcy a few weeks ago.

The British situation is not much prettier than the Italian situation, and it has caused a local abnormality. Very quietly, some of the British banks are accepting Arab deposits with value guaranteed in dollars instead of British pounds. Apparently, the Bank of England has approved this because the Arab deposits in British banks have helped to paper over Britain's huge trade deficit.

More generally, the first wave of the money flood literally used up the storage capacities of the great international banks chosen to receive it. Thus the banks have begun either to refuse the oil producers' deposits outright or, more often, they have begun to accept the deposits only at rates of interest that are pitifully low compared, for instance, to the high U.S. prime rate. All these mysterious movements of the great underground river of gold have a new and vivid interest for everyone of us, moreover. If the world financial system really cannot stand the strain of the money flood, to begin with, there will be a loud crackup somewhere; and that will be the signal for a world depression.

If the money flood mainly pours into this country and West Germany, everybody else will be left with vast payments deficits and no funds to pay for the expensive oil they need.

So the United States will then be pressed to lend the British, Italians, French, Japanese and many others a lot of the money the United States will be, in effect, borrowing from the Arabs and other oil producers. The alternative, once again, will be a fatal crack of the world financial situation.

TRUTH IN SAVINGS—II

Mr. **HARTKE**. Mr. President, I have proposed the Consumer Savings Disclosure Act—S. 1052—in order to provide consumers with the information they need to do comparison shopping among competing savings institutions and to enable them to verify the amount of earnings which savings institutions credit to their accounts. It may come as somewhat of a surprise to my colleagues that the earnings calculated by the savings institutions on 85 percent of the savings accounts covered in a recent survey, differed from the consumers' understanding of their own accounts. The results of that study are a tragic indictment of the inability of savings institutions to explain their practices to consumer-depositors.

Mr. President, Dr. Richard L. D. Morse of the Department of Family Economics at Kansas State University and Mr. William R. Fasse of the Department of Family Economics at the University of Missouri have written an article on "Truth in Savings" which was printed in the winter 1973 issue of the Journal of Consumer Affairs, published by the University of Wisconsin Press. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRUTH IN SAVINGS[1]

Until recently consumer savings accounts have been relatively simple. Consumers put small amounts into a savings institution and several times a year the institution paid earnings. Over the years, consumers believed they understood the system and savings institutions also believed consumers understood the system. Such faith in comprehension is reflected by the typical contract statement which discloses only that the account will comply with the law.

Government-imposed maximum rates on savings and the advent of the computer have brought about a revolution in savings systems. New terms, such as "day in to day out", "compounded daily, paid quarterly," "compounded continuously" have brought the need for more explicit formal disclosures. This paper deals with this need in the context of the right of the consumer to be *supplied the information needed to make informed* choices and to function responsibly.

It is appropriate to ask:

1. Does the American consumer have sufficient information to make informed choices among savings institutions and their various savings plans? Consumers are busy people and have a multitude of decisions to make on a wide range of subjects. Do they have ready access to reliable and meaningful information? Standardized terminology for communicating about the various opportunities is essential for their efficient comparative shopping.

2. Are savings terms standardized so that they have clear, precise and universally comparable meanings? Consumers should always fulfill their responsibilities. This is of particular importance in the areas of savings and credit because a legal contract is involved. Do both parties know the terms of the contract and whether those terms are being met? Both parties have the responsibility of holding the other party to the terms of the contract, but is the consumer able to fulfill this responsibility?

3. Are the terms of the savings contract sufficiently described so that the two parties can check the performance of each other?

WHAT IS THE SITUATION TODAY, HOW DO PRESENT PRACTICES MEASURE UP?[2]

Savings terms are not standardized

Even the time period of a year is not precisely defined, so that tables currently in use by institutions for figuring interest may be on a 360 day, 365 day or 366 day basis for specified annual rates. Quarterly compounding in some situations may mean compounding at the rate of one-fourth the nominal annual rate, but in other situations at a rate which reflects the actual number of days in a quarter. So the quarterly rate varies. Furthermore, two savings institutions using the same annual rate and compounding on a 365 day basis may quote different interest factors for a specific number of days. For example, the published factor table of one bank gives 1.0441059518 as the factor for 274 days while another quotes 1.0440919 for the same period (274 days)—and both are based on daily compounding 5.75 percent and a 365 day year. This may sound like "nit-picking". However, small fractional differences are very significant for a multi-billion dollar industry.

The prevailing lack of standardization is not surprising in view of the disposition of the regulatory authorities not to define the significant terms. Cited below are excepts from two letters from the Office of the General Counsel of the Federal Deposit Insurance Corporation:

"You are advised that this Corporation's regulations permit banks subject to its regulatory jurisdiction to compound interest on any basis they desire. The regulations do not attempt to define terms such as "compounded daily" or "credit quarterly", etc. However, they do prohibit advertisements which are inaccurate or misleading, or which misrepresent a bank's deposit contracts." (April 16, 1971 letter) ". . . However, this Corporation has not attempted to define by regulation the myriad terms which may be employed in bank advertising. Such an effort would only serve to further complicate what has already become a complex area of regulation." (April 30, 1971 letter)

Information level is uneven

The *amount* of information supplied consumers, albeit not necessarily in a standardized terminology, varies from fairly complete to minimal. It is *not uncommon* for the passbook to state merely that the account is subject to the provisions of existing laws and regulations. Others give some detail, but usually no more than annual percentage rate and maturity date.

Vital information is lacking

One researcher undertook an extensive survey of savings plans; she discovered that the officers at savings institutions frequently were unable to fully describe their own plans in a manner which would permit comparison of one plan with another (4). Furthermore, it was possible for two institutions which would appear *to be* comparable (that is, pay the same annual rate and use the same compound period) to vary as much as 171 percent in the amount of earnings paid on a six-months savings program which she had developed (5). This is because of variations in methods used in computing the balance to which the rate was applied. Such information is not routinely fully disclosed.

Lack of this information can cost the consumer. For example, a consumer wondered whether he should withdraw savings or increase the amount of the car loan. In the absence of written information on his savings contract, he inquired at the savings and loan office. He was informed that the interest earned to date would be paid on the account if a $5 balance were left in the account. At the end of the year he did receive interest, a grand sum total of 12¢ which is interest for ½ year at 5 percent on the $5 balance. The cost of this misunderstanding was $22.65 lost by withdrawing these funds. He does not believe the institution deliberately misinformed him, but the clerk was merely ignorant of company procedures. No printed information was available to help him.

Advertisements could be more informative

Another researcher surveyed advertisements of savings institutions across the nation and concluded that the quality and amount of information supplied did not vary directly with the size of the advertisment (6). By her standards, 12 percent of the small ads were completely informative and 22 percent of the super ads (one-half to two full pages) gave almost no facts.

The accuracy of accounts is seldom checked

Consumers are not routinely supplied the information that would be needed to check the accuracy of their accounts so that no matter how mathematically skilled they are, it is impossible to check the accounts, particularly active accounts.

A statewide survey was made by 82 graduate students in 1971. Respondents were asked to verify, to their satisfaction, the earnings paid on their savings accounts; only 39 percent could verify and most of those had accounts with no activity. Furthermore, 85 percent reported insufficient information was supplied to enable them to verify their earnings. One consumer discovered the value of checking the accuracy of earnings. He had opened with the same institution two identical $500 accounts, each paying the same rate of interest, etc. At the end of the year one paid $18.96 and the other $22.04. The error was acknowledged by the savings institution and both accounts were subsequently credited with $22.04. This error of over 16 percent would not have been noticed had the accounts not been identical, nor if the consumer had not been thinking in terms of the need for savings information disclosure in order to check the accuracy of accounts.

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[1] The Truth in Savings Act was introduced in the 92nd Congress by Senator Hartke (S. 1848) and Rep. Dr. Bill Roy (H.R. 8365) (1). It was introduced in the 93rd Congress as the Consumer Savings Disclosure Act (S. 1052 & H.R. 4985). (2) Use of the word Truth in the title does not imply the prevalence of untruths, but follows in the precedent of the Truth in Securities Act of 1933. Truth in Lending and Truth in Packaging. (3)

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[2] The cases cited are illustrative of problems and practices known to exist; the degree of their prevalence is unknown.

The responsibility of the consumer to check the accuracy of his accounts became all the more important in light of subsequent correspondence with the Federal Deposit Insurance Corporation. The Chief of the Regulations and Opinions Unit wrote:

"Since limitations on personnel preclude us from doing more than making a spot check on individual accounts from time to time, we must rely heavily on a bank's customers to call irregularities in their accounts to our attention," (August 18, 1971 letter).

A POSITIVE PLAN

There is a demonstrated need for full disclosure of savings terms. A positive plan for a standardized form of disclosure is offered considering: (1) When the consumer needs such information, (2) What information is needed at those points in time, and (3). How full disclosure might be implemented.

When to disclose savings information

There are three critical points in the savings transaction when the consumer must have information in order to act intelligently and responsibly:

1. At the time the consumer is shopping for a savings institution in which to place his funds so he can select the one which meets his needs and thereby fulfill his responsibility of rewarding that savings institution.

2. During the life of the contract so he can exercise his responsibility to take advantage of opportunities in the market as they arrive.

3. When earnings are paid, to fulfill his responsibility to verify his account.

What needs to be disclosed

Basically five items need to be regularly disclosed in standardized terms to savings consumers.

1. *Time Period* is the "t" term in the simple interest equation $I=Prt$ which is: Interest earnings are the product of the principle balance, the rate per time period and the number of time periods. This time unit is the basis for compounding, and may be a quarter of a year, a month, day, hour, second, or an infinitely small time. The latter is mathematically possible and is called "continuous compounding".

2. *Periodic Percentage Rate* (PPR) is the "r" term in the above equation and is the rate which is *actually applied* in figuring earnings for each time period. (From the PPR are derived an APR and APY).

3. *Annual Percentage Rate* (APR) is the "periodic percentage rate" in an "annual" form. $APR=PPR \times$ number of periods in a year.

4. *Annual Percentage Yield* (APY) is a percentage expression of the dollars of earnings over a year's time per $100 of initial deposit resulting from applying the PPR at the end of each period to the initial deposit plus previous earnings, and assumes no other activity in the account.

5. *Balance* is the "P" term in the above simple interest equation. This is the amount to which the PPR is applied to figure earnings for the period. Since the principal balance of active accounts varies, the method of determining which balance will be used in figuring earnings needs to be disclosed.

The periodic percentage rate, probably the most misunderstood concept, deserves further discussion. It is not a new concept; it has been disclosed in open-end credit plans voluntarily for many years and by law since 1969 under the Truth in Lending Act. Both open-end savings and open-end credit plans characteristically apply periodic percentage rate to the balance for that period. As the balances from period to period within a year typically cannot be predicted, it is logical to use the periodic (not annual) percentage rate. The annual percentage rate remains the standard for consumers to use in comparing savings plans. The periodic percentage rate, the rate actually used, is appropriately referred to as the "applied" or "working" rate and, therefore, should be disclosed.

As Chairman of the Consumer Credit Committee of the first Consumer Advisory Council under President Kennedy, the senior author first recommended this concept in 1963 as a basic element in the full disclosure of consumer credit (7). Later, as Consultant to the U.S. Treasury on Truth in Lending, he succeeded in having the concept incorporated both in the Department of Defense Directive 1344.7 issued May 2, 1966 (8) and in the Truth in Lending bill (S. 5) introduced by Senator Proxmire in the 90th Congress First Session (9). Thus, the concept has been officially recognized for ten years.

The above are basic, but do not comprise all the information needed by savings consumers. Grace days, minimum periods, minimum balances, maturity dates, penalties and restrictions, dates when earnings are payable, insurance coverage are among the very necessary facts for the consumer to have available when decisions are being made and when the consumer is validating accounts.

How to implement full disclosure

Basically, there are three avenues for implementing full disclosure: (1) industry self-discipline, (2) regulation, and (3) legislation.

Industry Self-discipline

Historically, industry self-discipline rarely works. Either the industry lacks the clout needed to police the mavericks within the industry, or an industry which does have power to control its members is in violation of the prerequisites of free enterprise. Furthermore, peculiar to this industry is the added pressure resulting from the national policy of placing ceilings on the nominal rate of earnings. Since savings institutions are prohibited from competing on rates, they compete with gifts, gimmicks, services, and deceptive disclosures. Semi-annual and quarterly compounding have been replaced by daily, hourly or even continuous compounding with yield rates so over advertised that Regulation Q was introduced to bring order out of this chaotic competitive battle of semantics (10). Although many would wish that reform could be accomplished by voluntary action, those who view this as a realistic approach to reform overlook the history of self-regulation.

Regulation

Most, if not all, savings institutions are under the supervision of a Federal regulatory authority and a lesser number under State regulatory authorities. The Federal regulatory agencies can and often do synchronize and coordinate the issuance of regulations. For example, when the Federal Reserve Board issued Regulation Q to limit the prominence of the yield rate to that of the nominal rate, it was simultaneously issued by the FDIC, FSLI, and FHLB. State institutions were not necessarily covered (11). Thus the regulatory route for implementing an industry-wide plan depends on the full cooperation of all Federal and State agencies.

There is no evidence that any regulatory agency other than the FDIC has considered the adoption of regulations in this area. Failure of any one regulatory agency to cooperate may place the regulated institutions at a relative competitive disadvantage.

Chairman Frank Willie of the FDIC, on September 15, 1971, wrote Senator Sparkman that the FDIC ". . . favors the full and accurate disclosure to depositors of the applicable rates of interest and of the other terms and conditions governing their deposits." Furthermore, he expressed his belief ". . . that the Corporation's Board of Directors, the Board of Governors of the Federal Reserve System, and the Federal Home Loan Bank Board presently have statutory authority sufficiently broad to enable them to adopt any regulations necessary to accomplish the bill's (S. 1848) objectives with respect to insured banks and savings and loan associations."

Since no action has been taken by the regulators, either the FDIC found it could not draft adequate regulations, or it could not gain the cooperation of the other Federal agencies, notwithstanding that of the many state agencies. Thus the regulatory approach would seem to have gone by default.

Legislation

The legislation before the 93rd Congress incorporates the definitions and concepts developed by the authors who acknowledge assistance in the form of helpful criticism and suggested amendments from the Kansas Bankers Association. The Consumer Credit subcommittee, U.S. Senate, held hearings in June, 1973 on S. 1052 (12). It recommended study by the Federal Reserve Board of the effect of this bill on small banks. Thus, the legislative journey, after two years of waiting, has begun.

SUMMARY AND OBSERVATIONS

Truth in Savings is an effort to provide full disclosure of savings terms and practices. This would enable consumers to exercise their responsibilities more effectively and efficiently; namely, to police the market, to make informed choices, and to validate the accuracy of their accounts. This is a conservative measure. It is within the tradition of free enterprise economics which requires that consumers be fully informed.

It should be observed, however, that the supplying of all the information needed for consumers to be sufficiently informed to cope with today's finances may be so revealing of the baffling complexity that consumers may demand simplification. The problem, then, is not with the concept of full disclosure but with what it will reveal. This observation is based on what has happened under the full disclosure provisions of Truth in Lending. It has revealed such complexity in the various open-end credit plans that the public is demanding simplification.

What form simplification should take with respect to savings would be the subject of another paper. But an example of simplification might be to specify a method of figuring the balance to which the periodic rate is applied. A case can be made for limiting the method to the use of daily balances. Computer technology has made this entirely feasible for most businesses, and even those using pencil and paper methods of computation would find the daily rate and balance method feasible. Financial institutions would undoubtedly print tables of daily factors for the appropriate annual rate, with which consumers could recalculate the earnings for each day-interval of activity. Furthermore, if these daily rates and balances were also used in credit transactions, school teachers, creditors and others would have a common terminology, common methodology and common approach to money contracts. There would be a direct and logical relationship between the amount of principal involved, and either the earnings paid on savings or the finance charges for credit.

This suggestion of daily rates and balances is offered neither as a threat to obtain full disclosure nor as a promise of what lies ahead after full disclosure. However, it is worthy of serious consideration by those persons who wish to simplify life, education and business routines—and yet not curb unduly the freedom of choice in matters which are truly more significant than hassling over FIFO, LIFO, days of grace and other details.

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FOREIGN AID

Mr. DOMENICI. Mr. President, I voted against the foreign aid bill yesterday even though in the past I have supported with my vote the concept that the United States has a responsibility to share its bounty with the rest of the world. I am fully aware that the bill before us had substantially less money than last year.

I wish to compliment the distinguished Senator from Minnesota, Senator Hubert Humphrey, for his excellent work in support of this bill and for his foresight during the past many years in urging this Nation's foreign aid assistance program.

I am aware of our relationship to poorer and developing countries but while the United States faces economic stress at home it seems totally unrealistic to spend billions overseas when we have not yet decided what we are going to do to buttress and rebuild our own economy. For it is our economy that will be the force that saves the free world and without which the free world would soon succumb.

We now have no game plan from either the President or from the Congress for our economy. We do not know how much we will need to help Americans with their housing problems, nor how much we will need for the unemployed, which grows daily in number and need, nor how much may be needed for public works projects.

More importantly in the long term, we have not yet developed a concerted effort for energy independence. I believe that we still have a need for such an energy independence plan, and that one is not yet available, although some might disagree with me. I do not want to be in the position of voting against needed domestic projects at home on the basis that we have already spent too much, especially for a foreign aid bill. I regreted not being able to support this bill in this instance, but I believe that we have more demanding needs at home. This bill properly was deferred until we evaluate our own needs and develop a plan to meet them.

EFFICIENCY IMPROVEMENT IN TRANSPORTATION

Mr. HARTKE. Mr. President, I ask unanimous consent that the remarks of John A. Creedy, president of the Water Transport Association, as delivered to the New York Chapter of the ICC Practitioners Association on September 16, 1974, be printed in the Record following my remarks, to afford my colleagues the opportunity to study Mr. Creedy's thoughts concerning transportation efficiency and intermodal competition.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Built-In Bias Against Efficiency Improvement in Transportation: What To Do About It

(By John A. Creedy)

It is a pleasure to be speaking to you today on the eve of President Ford's mini-summit in Los Angeles on what the transportation industry recommends be done about inflation. The subject of inflation is on the front burner at long last. The water carriers have been urging that it deserved front burner attention for several years.

The President has challenged the business community—and of course labor and professional economists—to suggest the most appropriate government policies for the control of inflation.

I think the most important statement may have already been made by the President. He has said that he is committed to ending inflation by July 4th, 1976.

If he means that, he will try all the remedies until he find a working solution. Commitment to solve the problem is at least half of the battle. There is some reason for optimism. If one is committed to success, it follows that prior affection for particular theories or ideologies will take second place.

On the center of the stage are monetary and fiscal restraints, particularly proposals to cut the Federal budget. After that come incentives for increasing the supply of goods to produce surpluses which will exert a downward pressure on prices. Then, properly so, great emphasis is placed on improving productivity and efficiency throughout the economy.

It is the purpose of this paper to discuss the way in which government policies are biased against efficiency improvement in transportation and what might be done about stimulating rather than frustrating the kind of cost-cutting investments which can improve the stability of transportation prices.

The transportation industry isn't going to have much to say about how government deals with monopoly pricing by the oil-producinug countries except that we hope the government gives this matter the highest priority. We are told that Federal budget cuts are going to come hard in the short run. We can hope that some of the shortages and bottlenecks in supply can be eased and the prices moderated. We need good luck in the weather for food supplies. We would support a sound program of tax incentives for investment in expanded capacity. Tax incentives work.

We are told that wage and price controls are not to be used. The virtual unanimity on this score and the rhetoric denouncing controls are reminiscent of the disclaimers just before controls were imposed the last time.

We can be reasonably sure, however, that everything else will be tried before wage and price controls. But controls are on everybody's mind and cannot be counted out. After all, drastic, temporary measures are used to bring a runaway horse back to a trot and something temporary but drastic may be required for the economy.

The rhetoric against controls strikes an odd note with the regulated industries. We detect no groundswell for removing the regulatory lid on freight rates and letting the market place decide the freight rate level. Prices are severely regulated in transportation, the utilities and communications, but their costs are totally unregulated.

We read the solemn pronouncements that controls don't work with some amusement. They work all right. Transport freight rates, by any measure, lag far behind the wholesale and consumer price indexes. The goods and services the industry buys have gone up far more than the freight rates.

To deal with the surge of cost increases in transportation there is a somewhat cumbersome regulatory process by which rate increases are cost-justified. It is this process that is seriouslyy biased against improvement in efficiency.

There has been a great deal of constructive discussion of this problem in the past two years. The consensus of it all is that it is useless to expect decontrol of freight rate increases—the shippers simply won't stand for it.

If that is the reality, then we urgently need to improve the regulatory process for rate level changes. Almost by definition, the present process by which the rates are raised to catch up with massive cost increases inherently works so that rates never *do* catch up. There is always a sizeable gap. From the public point of view and from the point of view of combatting inflation, what's in the gap is the money needed for investment in cost-saving equipment and facilities. The transport industry is locked into a cost/rate spiral with no opportunity to break out.

The ICC has been dealing with cost increases with ever-improving dispatch in the past two years, but it cannot be expected to overcome the built-in bias of the process against improved efficiency.

I suppose one of the first things that would be constructive would be to improve the visibility of possibilities for cost-cutting improvements in transportation. In the present detailed rate process, which is firmly oriented to the past, there is no room for consideration of the potentials of future improvement in efficiency. And some observers are quick to say there never can be.

I happen to think that shippers would be delighted, as part of the rate change process, to see laid out on the table a showing as to how increased revenues are to be used, a prospectus for future investment in both expanded capacity to meet their service requirements and the investments needed to install cost-saving efficiency. In an unregulated environment, such investments would follow automatically from the forces of the market place. The present regulatory process deprives the carriers and the public of resources for investment in at least three fundamental ways.

In the first place there is inevitable regulatory lag. The massive upsurge of cost increases cannot be promptly matched by rate increases simply because the cost increases are coming too fast even for the fastest bureaucratic action. Time has to be allowed for objections and answers to objections and this inevitably takes weeks and months. In the course of the process hundreds of millions in fully justifiable revenues are foregone. Modifying the process to include some form of retroactivity might be useful to overcome this so far unavoidable problem.

Second is the problem of under-depreciation. This has lately begun to get the national visibility it deserves. We often read now of misleading inventory profits resulting from rapid price level change and equally misleading profits resulting from the reliance placed on depreciation based on using the historic cost of an asset. To the extent that the price of a commodity or service is related to depreciation of the original or historic cost, the price does not cover the true cost of production. This is now too well recognized to be debatable.

Almost all the analysis comes back to one 15-year-old very dubious study of trucking of frozen chickens which is regurgitated and extrapolated endlessly. This ancient so-called "research," is not questioned, it is simply quoted. The result is a monstrosity and a scandal. One of the first efforts of the mini-summit should be to clear the decks of this nonsense, possibly through a new subcommittee to examine the facts. The monster cannot stand the light of the day.

As often as not the ICC is attacked for things it has not done. The celebrated "Big John" grain rate case so often cited as an example of years of obstruction by the ICC of a rate innovation was nothing of the kind. The proposed rates went into effect after seven months and the railroads enjoyed the traffic all through the litigation, which incidentally the railroads in the end won. What would the critics propose: denial of due process to those shippers and competitors who objected to the rate?

In alleging the billions to be saved in freight rates if the ICC powers are curtailed, there is a review in the "studies" of the no-mixing rule issue involving the diseconomies of breaking up mixed tows of regulated and unregulated commodities by barge. The authors of the study seems not to know that the ICC decision was never enforced; that the ICC formally withheld enforcement at the request of the Congress until a quirk in the law was corrected which it finally was last year.

Blaming the ICC for an out-moded statute is hardly fair.

Finally, I will suggest to the mini-summit that we get into the question of improving the quality of competition in the transportation industry. Competition is the best hope of assuring maximum efficiency.

This is always a serious and important subject. We need proposals which are even-handed, which improve the competitive climate generally not just for one mode. The proprosals originating with the DOT this year have not been even-handed because they have given no recognition to the need to reform railroad practices which artificially frustrate water carrier competition.

The water carriers think that substantial progress could be made by adapting to transportation the principles of sound competition which have been found successful in the unregulated economy. There is much to be said for applying to transportation, the competitive policies which stimulate healthy competition in the manufacturing segment of the economy.

The water carriers, for example, have made a proposal for dealing with the rigidities stemming from railroad monopoly of service to and from river, Great Lakes and ocean ports.

For heavy movements of commodities such as coal, grain, iron ore and the like there is often no practical alternative to a rail connection.

For 30 years, the railroad has successfully wiggled out of the express desire of the Congress that services of different modes be coordinated so that the best efficiencies of the different modes in combination can be made available to the public. The water carriers believe that freight rate savings ranging from 10 to 50 percent can often be achieved when the best efficiencies of railroading and water carriers are joined together. Water carrier costs are normally half or one third of raiload costs. Perhaps the pressures of inflation will be added to other pressures to win for the public at long last the cost benefits of effective rail-water coordination which Congress mandated long ago.

The water carrier suggestion has simplicity on its side. They propose legislation to provide that rail rates to a water carrier port, where water-rail coordination is possible, should be comparable, costs and service considered, with the all-rail alternative to the water-rail service. The present situation under which railroads can hold their rates to the port high in order to protect the traffic on the all-rail route and so deprive the public of lower-cost water-rail service would be made clearly unlawful.

The suggestion has this advantage. If the rail rate and service to the port is comparable, the traffic will move water-rail only if the water-rail is more efficient; the market place will decide the question of efficiency. No elaborate ICC proceeding will be required.

Some of my colleagues in the transportation industry are skeptical as to the value of Mr. Brinegar's mini-summit. But I disagree. Chaotic as it may be, it is part of the process of developing sound policy. Everyone will have his say and perhaps most of it will be disregarded. But new ideas are needed and one hopes the ground will be fertile for them.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

FULL PUBLIC ACCESS TO CERTAIN PAPERS, TAPES, AND TRANSCRIPTS

The PRESIDING OFFICER (Mr. McIntyre). Under the previous order, the Senate will now proceed to the consideration of Senate Resolution 399, which the clerk will state.

The legislative clerk read as follows:

A resolution (S. Res. 399) urging full public access to all facts and the fruits of all investigations relating to Watergate and full public access to all papers, documents, memoranda, tapes, and transcripts during the period January 20, 1969, through August 9, 1974.

The Senate proceeded to consider the resolution.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I ask unanimous consent that the following staff members of the Government Operations Committee be allowed to remain on the floor during consideration of Senate Resolution 399 and S. 4016: Robert Bland Smith, Jr., Eli E. Nobleman, W. P. Goodwin, Jr., W. Thomas Foxwell, and Elizabeth Preast.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. ERVIN. Yes.

Mr. NELSON. Mr. President, I ask unanimous consent that Mr. Lew Paper of my staff be allowed the privilege of the floor during the consideration of S. 4016 and Senate Resolution 399.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, with the consent of the original introducer of the bill, the distinguished majority leader, I ask unanimous consent to modify Senate Resolution 399 by inserting the following words between the word "Ford" and the word "take" on line 1, "is urged to", so that the provision of the resolution will read:

Resolved, That President Ford is urged to take all steps necessary to assure full public access to all facts connected with and relating to Watergate matters and the fruits of all investigations conducted pursuant thereto;

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. ERVIN. Mr. President, I further ask unanimous consent that Senate Resolution 399 be modified on page 2, line 2, by inserting the words "is urged to" between word "Ford" and the word "afford" so that this provision, the second part of the resolution, will read as follows:

Resolved, That except in cases clearly vital to the national security interests of the United States, President Ford is urged to afford the American public full access to all such papers, documents, memoranda, tapes, and transcripts originating at any time during the period January 20, 1969, through August 9, 1974, at the earliest practicable time and in an adequate and effective manner.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The resolution, as modified, is as follows:

S. Res. 399

Whereas it is paramount to the national interest that the American public be made fully aware of all facts connected with and relating to Watergate matters and the fruits of all investigations conducted pursuant thereto; and

Whereas it is uncertain that there is now assured public access to all such facts as they are contained in papers, documents; memoranda, tapes, and transcripts; be it therefore

Resolved, That President Ford is urged to take all steps necessary to assure full public access to all facts connected with and relating to Watergate matters and the fruits of all investigations conducted pursuant thereto; be it further

Resolved, That except in cases clearly vital to the national security interests of the United States, President Ford is urged to afford the American public full access to all such papers, documents, memoranda, tapes, and transcripts originating at anytime during the period January 20, 1969, through August 9, 1974, at the earliest practicable time and in an adequate and effective manner.

Mr. ERVIN. With these modifications, Senate Resolution 399 is a sense of the Senate resolution that President Ford should undertake to do the things enumerated. It does not have the force of law and it does not compel him to do so, but it is an expression of the Senate that, in the opinion of the Senate, the American people are entitled to have full access to all facts connected with and relating to Watergate matters and the fruits of all investigations conducted pursuant thereto; and that unless vital national security interests of the United States require otherwise, that President Ford is urged to take such action as is necessary to consummate that purpose in respect to all documents and memoranda, tapes, and transcripts originating any time during the period January 20, 1969, through August 9, 1974, at the earliest practicable time and in an adequate and effective manner, leaving to President Ford to determine what is an adequate manner and what is a reasonable period of time.

It seems to me that this sense of the Senate resolution requires no explanation, because it explains itself and is based upon the proposition fundamentally that the American people are entitled to know what officials entrusted with great governmental and political power have done, and that they are entitled to know it from the original records of such actions.

That statement I think, is all of the debate that is needed on this resolution, I will yield the floor to anyone who wishes to speak.

I might say, before I do, however, that this resolution is to be followed by S. 4016, which, if adopted by both Houses of Congress and signed into law by the President, will deal with this matter on a legal basis.

S. 4016 recognizes that there is a controversy of substance as to whether or not the papers, tapes, transcripts, and other materials are the private property of former President Nixon or belong to the taxpayers.

The bill does not attempt to settle that matter, although I personally entertain the opinion that when an elected official, while receiving a salary from the taxpayers and while occupying buildings furnished to him by the taxpayers, makes records at the expense of the taxpayers, that in equity and good conscience those records belong to the public and not to the official individually. This is particularly true with reference to the President of the United States.

But the bill recognizes that in times past some Presidents have taken possession of their records, even though they were official in nature and even though they were made while they were being paid by the taxpayers for making them, and even though they were made entirely at the expense of the taxpayers, and treated them as their private property. But it leaves that matter to be determined by the courts.

The bill provides that former President Nixon can litigate this matter, and that if he elects to claim these as his personal property and the court decides that they are his personal property, that they will be condemned by the Government under the power of eminent domain, and that he will be given reasonable and just compensation for their value.

It also provides for access to these documents and tapes by the Special Prosecutor, or by anyone else pursuant to a subpena.

It also provides that former President Nixon can have access to them and copy them for any purpose he desires. It provides that these documents and tapes are to be in the custody of the United States under the conditions I have stated, and that they be maintained for the ultimate use and information of the public by the General Services Administration.

With that, I will yield the floor at the present time.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

Who yields time?

Mr. **HRUSKA**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MANSFIELD**. Mr. President, I rise in support of the sense of the Senate resolution (S. Res. 399) which is now before this body for consideration.

Mr. President, article IV, section 3 of the Constitution contains the following statement:

> The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States; and nothing in this constitution shall be so construed as to prejudice any claims of the United States, or of any particular state.

What is the United States? It is the people who live within its confines.

What is the Government of the United States? It is the people who comprise the structure on which that Government rests and, therefore, those of us who are fortunate enough to be elected, and that includes the President as well as Members of the Congress to whom we have to answer, because in the final analysis the Government of the United States is not the Senate, not the Presidency, not the House—it is the people.

This resolution speaks for itself. It calls upon President Ford to assure the American people that in the national interest they will be provided all of the facts of Watergate and all of the facts relating to matters connected therewith.

That the American people are entitled to these facts is unquestioned in my judgment; that they are not now assured of that opportunity is equally clear, however, and they will not and cannot be assured of that opportunity unless this amendment, and others, pass.

Watergate and all of its ramifications are not now behind us. They will not be behind us until the record is complete. To accomplish that objective in our free and open society will require full access by the American people to all relevant data and information. To justify this action I would refer to the words of Mr. Justice Story in a case cited by Attorney General Saxbe in his opinion issued by the White House on September 6:

> From the nature of the public service, or the character of the documents, embracing historical, military, or diplomatic information, it may be the right, and even the duty, of the government to give them publicity, even against the will of the writers. (Folsom v. Marsh, 2 Story 100, 1841)

Such a duty and such a right have been clearly and amply demonstrated with respect to the nature of Watergate and to the character of all information relating thereto.

In my opinion, the public papers of the Presidency used in the transaction of the people's business belong not to any one person, but to the Government and through the Government, to the people. There is no law which states that these papers become the property of a retiring or resigned President. I am somewhat surprised that Mr. Richard Q. Vawter of the General Services Administration, said recently that:

> We consider every piece of paper accumulated in the White House during the Nixon Administration to be Mr. Nixon's personal property.

It is interesting to note that our first President, George Washington, was of the opinion that his official papers belonged to the Government. To quote President Washington, he stated that his papers were "a species of public property, sacred in my hands."

In order to face up to what has become a custom based on precedents, but not on law, Senate Resolution 399 was introduced by a number of Senators from both sides of the aisle. It is, I think, an important resolution. I think it is a resolution which will meet with the approval of the majority of the Members of this body, Republican and Democrat, and I know it will meet with the approval of the American people as a whole.

Too many Presidents have stripped the White House of their official papers, some to preserve them in libraries, others to use them as a basis for books and interviews, and all of them being considered the private property of a President who was elected and who used public funds to be able to amass documents, papers, memoranda, tapes and transcripts, or whatever.

May I say that I am delighted that, insofar as I am aware, the Government Operations Committee to which this resolution was referred reported it out unanimously.

I am delighted, also, that both the House and Senate Subcommittees on Appropriations have seen fit to eliminate the $100,000 for the building of a vault in California to store these historic documents.

I would hope, Mr. President, in view of the times in which we live and the need for clarification and also for a better understanding of what has been happening in the country for all too many years, that this Senate today would vote in favor of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 399), as modified, was agreed to.

The preamble was agreed to.

The resolution, as modified, with its preamble, reads as follows:

S. RES. 399

Whereas it is paramount to the national interest that the American public be made fully aware of all facts connected with and relating to Watergate matters and the fruits of all investigations and conducted pursuant thereto; and

Whereas it is uncertain that there is now assured public access to all such facts as they are contained in papers, documents, memoranda, tapes, and transcripts; be it therefore

Resolved, That President Ford is urged to take all steps necessary to assure full public access to all facts connected with and relating to Watergate matters and the fruits of all investigations conducted pursuant thereto; and be it further

Resolved, That except in cases clearly vital to the national security interests of the United States, President Ford is urged to afford the American public full access to all such papers, documents, memoranda, tapes, and transcripts originating at anytime during the period January 20, 1969, through August 9, 1974, at the earliest practicable time and in an adequate and effective manner.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. HRUSKA. Mr. President, I had not anticipated that the Chair would act that summarily. He knows I have an outstanding interest in this matter.

I move that the action just taken by the Senate be reconsidered.

Mr. MANSFIELD. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on the motion to lay on the table.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Does the Senator want to vote on the motion to table and then put in a quorum call?

The motion to reconsider has been made and the motion to table has been made.

Mr. President, I suggest the absence of a quorum, and, to bring this matter to a head, it will be a live quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 448 Leg.]

Allen
Bible
Brooke
Byrd, Harry F., Jr.
Ervin
Helms
Hruska
Kennedy
Mansfield
McIntyre
Nelson
Percy
Roth
Talmadge
Weicker

The PRESIDING OFFICER. A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the presence of absent Senators.

The PRESIDING OFFICER. The question is agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After some delay, the following Senators entered the Chamber and answered to their names:

Abourezk
Aiken
Baker
Bartlett
Beall
Bennett
Bentsen
Brock
Buckley
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cotton
Cranston
Domenici
Eagleton
Eastland
Fannin
Fong
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hatfield
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Long
Magnuson
Mathias
McClellan
McClure
McGee
McGovern
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Stevenson
Symington
Thurmond
Tower
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Delaware (Mr. BIDEN), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent to attend a funeral of a former Congressman of Maine.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorada (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. CURTIS) is absent to attend a funeral.

The PRESIDING OFFICER (Mr. BURDICK). A quorum is present.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. PELL). The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the resolution (S. Res. 399) was agreed to. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Alabama (Mr. SPARKMAN), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Maine (Mr. HATHAWAY) is absent to attend a funeral of a former Congressman of Maine.

I further announce that, if present and voting, the Senator from Maine (Mr. HATHAWAY) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that the Senator from Nebraska (Mr. CURTIS) is absent to attend a funeral.

I further announce that, if present and voting, the Senator from New York (Mr. JAVITS) and the Senator from Illinois (Mr. PERCY) would each vote "yea."

The result was announced—yeas 58, nays 23, as follows:

[No. 449 Leg.]

YEAS—58

Abourezk
Allen
Bentsen
Bible
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Eagleton
Eastland
Ervin
Hart
Hartke
Haskell
Hatfield
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Weicker
Williams
Young

NAYS—23

Aiken
Baker
Bartlett
Beall
Bennett
Brock
Buckley
Cotton
Domenici
Fannin
Fong
Griffin
Gurney
Hansen
Helms
Hruska
McClure
Metcalf
Pearson
Scott, Hugh
Scott, William L.
Thurmond
Tower

NOT VOTING—19

Bayh
Bellmon
Biden
Church
Cook
Curtis
Dole
Dominick
Fulbright
Goldwater
Gravel
Hathaway
Javits
Johnston
Packwood
Percy
Sparkman
Taft
Tunney

So the motion to lay on the table was agreed to.

Mr. NELSON. Mr. President.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. MANSFIELD. Will the Senator yield?

Mr. NELSON. I yield without losing my right to the floor.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, there is a nomination for the new Chief of Staff of the U.S. Army, Gen. Frederick Carlton Weyand. I ask unanimous consent that the Senate go into executive session to consider the nomination.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

U.S. ARMY

The legislative clerk read the nomination of Gen. Frederick Carlton Weyand to be Chief of Staff, U.S. Army.

Mr. JACKSON. Mr. President, today we consider the nomination of Gen. Fred C. Weyand as Chief of Staff, U.S. Army. This is a critical time for the Army. The path laid out by General Abrams is a difficult and challenging one, and one which will place extraordinary demands on the Army's leaders.

We have an opportunity now to contribute to the strength of the Army's leadership by confirming General Weyand as Chief of Staff. Many of us know General Weyand, and are aware of his fundamental integrity and sound character, his depth, and the grasp he has not only of the Army's business but of the proper and essential relationship between the Army and the Congress. I remember well the excellence which characterized his service as the Army's Chief of Legislative Liaison. He is a man of honor.

His combat record in Burma, in Korea, in Vietnam speaks for itself. He holds the Distinguished Service Cross, a decoration second only to the Medal of Honor, in recognition of exceptional valor. His record of achievement in sensitive positions is equally strong. He served in Berlin as a senior intelligence officer in the wake of what has become known as the U-2 incident. He was the senior military adviser to the U.S. delegation at the Paris peace talks. And of course, as the last Commander of all U.S. forces in Vietnam, he directed the return of the final major increment of troops from that war-torn country.

Mr. President, I believe our country's security will be well served by the prompt confirmation of General Weyand as Chief of Staff, U.S. Army.

Mr. THURMOND. Mr. President, we are fortunate today to have the opportunity to confirm Gen. Fred C. Weyand as Chief of Staff of the U.S. Army. I respectfully submit that he is the right man to lead the Army today.

General Weyand has been a vital spark in the Army's program to deliver more real punch from the resources available and to bring the Army's readiness and professionalism to the peak necessary for our country's safety and security. He has also been instrumental in making the volunteer force concept a reality for the Army.

A native of California and a graduate of the Reserve Officer Training program, General Weyand exemplifies the best of American leadership. His courage has been repeatedly and successfully tested in battle. He is a consummate staff officer, as those of us who know him from previous appearances and associations with the Congress are well aware. He is an able and respected leader of men and women, in war and in peace.

Mr. President, the prompt confirmation of General Weyand as Chief of Staff, U.S. Army is one added way in which we can serve the country. We should seize that opportunity now.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. STENNIS. I thank the Chair and, Mr. President, I ask unanimous consent that the President be notified immediately.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. STENNIS. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

FULL PUBLIC ACCESS TO CERTAIN PAPERS, TAPES, AND TRANSCRIPTS

Mr. MANSFIELD. I thank the Senator from Wisconsin for yielding to me.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. HRUSKA. Will the Senator yield briefly?

Mr. NELSON. I yield to the distinguished Senator from Nebraska without losing my right to the floor.

Mr. HRUSKA. Mr. President, I rise to give an explanation of what happened by calling for the rollcall vote on the motion to table my motion to reconsider the passage of resolution 399.

There had been a brief debate on the resolution. It was participated in by two, and possibly three Senators.

This Senator, it is well known in the Chamber and has been for some time, is opposed to both the resolution and the bill.

I intend to offer a substitute for the bill in due time.

In what I thought was a little precipitous action on the part of the Presiding Officer, the resolution was declared approved inasmuch as no opposition was heard and inasmuch as no one appeared to get up in timely fashion to ask for recognition and ask for further debate.

I had anticipated that the ranking member of the Government Operations Committee would speak on the resolution. I apparently did not get up in time in order that the Presiding Officer would be able to recognize me.

Now, when he did declare the resolution approved I wanted to suggest, and did suggest, that these three measures should be considered together, not individually, because technically we would have one taken up after the other, but it was for that purpose I rose to make a motion to reconsider so that we could have the three of them considered in that light.

It was to that motion that the majority leader asserted a motion to table. He told me later, however, that it was his thought that I was making the motion to reconsider as a routine thing so we could get on to the next piece of business, and I want to respect that assumption. It was made in good faith, but I just did not think it was quite in order that the matter should have been placed on that basis in view of the fact that this is a matter of considerable importance, as I will explain as the day goes on.

I just wanted to explain to my colleagues why there was resistance to an apparently routine motion to table a motion to reconsider.

Mr. MANSFIELD. Will the Senator yield without losing his right to the floor?

Mr. NELSON. Yes.

Mr. MANSFIELD. Mr. President, I would have to state for the RECORD that when the distinguished Senator from New Hampshire (Mr. MCINTYRE) was in the chair, in my opinion he took an inordinately long time to put the question. He stated it twice. The bill was passed. Nobody said anything.

The distinguished Senator from Nebraska got up and moved to reconsider the bill that was passed. I thought he was being his usual courteous self.

I moved to table expecting him to join me and the rest of the Senate in a voice vote on approval to table. I find out later, that was not in his mind.

He has stated the RECORD correctly and I am glad that it has been done because just as I think the tapes and memorabilia and all matters connected with the subjects under discussion today should be made public, should be open to inspection, so do I think the moves made in this body should likewise be open to inspection.

I thank the distinguished Senator from Wisconsin.

Mr. HRUSKA. I am astonished, Mr. President, with the promptness with which the Chair declared the motion moved.

I would respectfully take exception on the element of time to the statement by the majority leader. It is a judgment of degree, but I did not think it was a sufficient length of time for a known opponent of the resolution to be given a chance to get up, and assert his right to the floor as promptly before the action was taken.

Mr. MANSFIELD. Now, the Senator from Nebraska is no neophyte in this body. He knows how the Senate functions.

I would like to ask that the reporter who took down those remarks state for the RECORD, on the basis of the remarks taken down, whether or not the Senator from New Hampshire (Mr. MCINTYRE) then presiding did not put the question twice and put it slowly.

The PRESIDING OFFICER. The Chair is sending for those remarks and they will be read out as soon as available.

Mr. MANSFIELD. I thank the Senator and at an appropriate time if he would yield.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. NELSON. Mr. President, I really think the distinguished Senator from Nebraska was in deep thought because immediately when the issue was raised, I said to my staff member that I thought he took a very long time.

I think the Senator was thinking and did not realize that Senator MCINTYRE was pausing and waiting.

I was surprised myself that the distinguished Senator did not address himself to the fact because I thought he was going to object.

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

Mr. NELSON. Mr. President, 2 weeks ago, I introduced S. 4016 with the cosponsorship of Senator Ervin and Senator Javits. As originally written, the bill concerned only the tape recordings made during Richard M. Nixon's tenure as President. The Senate Government Operations Committee, with my support and the cooperation of my staff, has revised the bill to include other Presidential materials from Mr. Nixon's tenure.

This legislation is an emergency measure. It will insure that the tape recordings and papers relating to Mr. Nixon's Presidency will remain available for use as evidence in pending or forthcoming criminal trials. This bill will also guarantee that, at some point in the near future, the American people will learn the full story behind the Watergate scandals.

The need for this legislation is clear. Last month, the White House negotiated an agreement with Mr. Nixon concerning the disposition of papers and materials relating to his tenure as President. Two aspects of that agreement are of particular concern here.

First, Mr. Nixon agreed to donate the tapes to the Federal Government by 1979. However, the agreement provides that after that date Mr. Nixon can order the destruction of any tapes he chooses. The agreement also provides "that such tapes shall be destroyed at the time of Mr. Nixon's death or on September 1, 1984, whichever event shall first occur." Therefore, if Mr. Nixon should die tomorrow, all the tapes would have to be destroyed.

Second, the agreement allows the Federal Government to retain custody over the Presidential papers of Mr. Nixon's tenure. But the agreement allows Mr. Nixon to have complete control over access to those papers. Moreover, after 1977 Mr. Nixon can withdraw any papers he chooses for any purpose. This seems to imply that Mr. Nixon can, if he so chooses, destroy any paper which he withdraws.

Mr. ERVIN. Mr. President——

Mr. NELSON. The bill S. 4016 is before us, is it not?

Mr. ERVIN. If the Senator will yield, I will ask the bill be made the pending business. That has not been done yet.

Mr. NELSON. It is not yet the pending business?

The PRESIDING OFFICER. It is not the pending business.

Mr. NELSON. I thought I had asked unanimous consent in my opening remarks.

The PRESIDING OFFICER. It has not yet been called up.

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

Mr. ERVIN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1125, S. 4016.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Government Operations with an amendment to strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Presidential Recordings and Materials Preservation Act".

Sec. 2. (a) Notwithstanding any other agreement or understanding made pursuant to section 2107 of title 44, United States Code, or any other law, the Administrator of General Services shall obtain, or, as the case may be, retain, complete possession and control of all tape recordings of conversations which were recorded or caused to be recorded by any officer or employee of the Federal Government and which—

(1) involve former President Richard M. Nixon and/or other individuals who, at the time of the conversation, were employed by the Federal Government;

(2) were recorded in the White House or the Executive Office Building located in Washington, District of Columbia; Camp David, Maryland; Key Biscayne, Florida; San Clemente, California; or any other place; and

(3) were recorded between January 20, 1969, and August 9, 1974, inclusive.

(b) Notwithstanding any other agreement or understanding made pursuant to section 2107 of title 44, United States Code, or any other law, the Administrator of General Services shall obtain, or, as the case may be, retain, complete possession and control of all papers, documents, memorandums, and transcripts which constitute the Presidential historical materials of Richard M. Nixon as defined in section 2101 of title 44, United States Code, covering the period between January 20, 1969, and August 9, 1974, inclusive.

Sec. 3. (a) None of the tape recordings, or other materials, referred to in section 2 above shall be destroyed except as may be provided by Congress.

(b) Notwithstanding any other provision of this Act, or any other law, or any agreement or understanding made pursuant to section 2107 of title 44, United States Code, the tape recordings and materials referred to in section 2 of this Act shall, immediately upon the date of enactment of this Act, be made available for use in any judicial proceeding or otherwise subject to court subpena or other legal process; *Provided*, That any request by the Office of Watergate Special Prosecution Force, whether by court subpena, or other lawful process, for access to the tape recordings and materials, referred to in section 2 of this Act, shall at all times have priority over any other request for such tapes or materials.

Sec. 4. If a Federal court of competent jurisdiction should decide that the provisions of this Act have deprived any individual of private property without just compensation, then the Administrator is authorized to provide such compensation, from funds in the Federal Treasury, as may be adjudged just by a Federal court of competent jurisdiction.

Sec. 5. The Administrator shall issue such reasonable regulations as may be necessary to assure the protection of the tape recordings, and other materials, referred to in section 2 above, from loss, destruction, or access to by unauthorized persons. Custody of such tape recordings and other materials shall be maintained in Washington, District of Columbia, except as may otherwise be necessary to carry out the provisions of this Act.

Sec. 6. The Administrator shall issue reasonable regulations governing access to the tape recordings referred to in section 2 above. In issuing these regulations, the Administrator shall—

(1) provide that information relating to the Nation's security shall not be disclosed, except pursuant to paragraph (2) below;

(2) provide that all tape recordings, and other materials, shall be made available for use in any judicial proceeding or otherwise subject to court subpena or other legal process;

(3) provide that there shall be access to the tape recordings, in addition to that provided for in paragraph (2) of this section, unless either (A) the Office of Watergate Special Prosecution Force certifies in writing that such disclosure or access is likely to impair or prejudice an individual's right to a fair and impartial trial; or (B) if a court of competent jurisdiction determines that such disclosure or access is likely to impair an individual's right to a fair and impartial trial; and

(4) provide that Richard M. Nixon, or any person whom he may designate in writing, shall at all times have access to the tape recordings, and other materials for copying or any other purpose: *Provided*, That such access shall be consistent with such regulations as the Administrator may issue pursuant to section 5 above.

Sec. 7. (a) The Federal District Court for the District of Columbia shall have exclusive jurisdiction to hear challenges to the legal or constitutional validity of any provision of this Act or of any regulation issued under the authority granted by this Act. Such challenge shall be heard by a three-judge court constituted under the procedures delineated in section 2284, title 28 of the United States Code, with the right of direct appeal to the United States Supreme Court. Any such challenge shall be treated by the three-judge court and the Supreme Court as a priority matter requiring immediate consideration and resolution.

(b) If, under the procedures delineated in subsection (a) above, a judicial decision is rendered that a particular provision of this Act, or a particular regulation issued under the authority granted by this Act, is unconstitutional or otherwise invalid, such decision shall not affect in any way the validity or enforcement of any other provision or regulation.

Sec. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provision of this Act.

Mr. ERVIN. Mr. President, I ask unanimous consent that the committee amendment in the nature of a substitute be agreed to and that the bill as thus amended be regarded for purposes of further amendment as original text.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ERVIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Ervin's amendment is as follows:

On page 4, line 1, after the word "law", insert "any Federal employee in possession shall deliver, and".

On page 4, line 2, after the word "shall" insert "receive" and strike out the words "as the case may be,".

On page 4, line 3, before the word "tape" insert "original".

On page 4, line 9, after the word "or" insert "in the office of the President in".

On page 4, line 12, strike out the words "or any other place;".

On page 4, line 19, after the word "shall", strike out the words "obtain, or, as the case may be, retain," and insert in lieu thereof the following: "receive, retain, or make reasonable efforts to obtain,".

On page 5, line 8, insert a comma after the word "available" and insert the following: "subject to any rights or privileges which any party may invoke,".

On page 5, line 21, after the word "issue", insert the words "at the earliest possible date".

On page 5, between lines 14 and 15, add a new subsection, as follows:

"(c) Richard M. Nixon, or any party whom he may designate in writing, shall at all times have access to the tape recordings and other materials referred to in section 2 of this Act for any purpose, subject to the regulations which the Administrator shall issue pursuant to section 5 of this Act."

On page 5, line 18, after the word "then", strike out all through and including the word "Treasury," on line 19 and insert in lieu thereof: "there shall be paid out of the general fund of the Treasury such amount or amounts".

On page 6, beginning with line 4, strike out all through line 4 on page 7, and insert the following:

"Sec. 6. (a) the Administrator shall, within 90 days after the enactment of this Act, submit to the Congress a report proposing and explaining regulations governing access to the tape recordings and other materials referred to in section 2 of this Act. Such regulations shall take into account the following factors:

"(1) the need to provide the public with the full truth, at the earliest reasonable date, of the abuses of governmental power, popularly identified under the generic term, "Watergate";

"(2) the need to make the tape recordings and other materials available for use in judicial proceedings;

"(3) the need to prevent general access, except for use in judicial proceedings, to information relating to the Nation's security;

"(4) the need to protect every individual's right to a fair and impartial trial;

"(5) the need to protect any party's opportunity to assert any legally or constitutionally based right which would prevent or otherwise limit access to the tape recordings and other materials;

"(6) the need to prevent unrestricted access to tape recordings and other materials unrelated to the need identified in paragraph (1); and

"(7) the need to give to Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are unrelated to the need identified in paragraph (1) above and are not otherwise of historical significance.

"(b) The regulations proposed by the Administrator in the report referred to in subsection (a) above shall take effect upon the expiration of 90 days after the submission of that report to the Congress."

Mr. ERVIN. Mr. President, this is an amendment which was drafted after the committee had made its report, to clarify certain matters in the bill, and largely at the instance of the General Services Administration, which pointed out that the original bill authorized it to adopt regulations and authorized it to control access to the materials mentioned. But GSA pointed out we gave them no time to formulate such regulations. They asked for some time.

This amendment, in addition to clarifying certain matters which do not affect the substance of the bill, gives the General Services Administration 90 days to adopt the regulations and report them to the Congress.

Now I understand the Senator from Wisconsin wants to continue speaking.

The pending business is the amendment I have just offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. NELSON. I have no objection to the amendment at all. Is the question on the amendment?

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HRUSKA. Mr. President, this is the second time that this has happened to me today. I hope it will not become a habit.

I asked for recognition and the Chair goes on with getting approval of these amendments.

I shall not oppose these amendments, but I do think I can have a word or two to say about them before we act on them.

Mr. NELSON. I do, too.

Mr. HRUSKA. I do, too.

Mr. President, I have no objection to these amendments. They are offered in routine fashion to accomplish technical changes in the bill along administrative lines, as I understand it, of the GSA. I would like to ask the Senator from North Carolina if that is not the fact.

Mr. ERVIN. With some minor variations. We probably would never have offered the amendment had not the GSA pointed out that they were required to make regulations and were given no time to make regulations. This does not affect the substance of the bill, except to the extent that it gives the GSA time to make regulations.

Mr. HRUSKA. Mr. President, I do want it understood that in not raising objection to it I do not want it to be taken that the bill is rendered any more desirable from its merits nor from the procedures by which it was adopted.

Mr. ERVIN. I would like to make it clear to the Senator that there were some changes made by us that were not asked by GSA, but they were designed to make the bill clearer in certain aspects and did not materially affect the substance of it.

Mr. HRUSKA. I am glad for that explanation. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. NELSON. The destruction of the Nixon tapes and papers would deprive the courts of criminal evidence. The destruction of those materials would also conceal forever the full truth about the Watergate scandals. Our generation and future generations would then be unable to learn exactly what happened and why. This, in turn, might inhibit efforts to correct the institutional and legal weaknesses which made Watergate possible.

The proposed legislation deals with this specific situation. It contains seven principal provisions.

First, since the Nixon tapes and papers are already in the custody of the Federal Government, the legislation would require the Federal Government to retain complete control and possession of the tapes and papers. The legislation would thus abrogate the agreement negotiated by the White House with Mr. Nixon. This inevitably raises questions about the ownership of these materials.

In the past, it has been generally accepted that a President's papers and materials are his private property. Because of this prior practice, the White House regarded Mr. Nixon's tapes and papers as his private property. I believe this view to be wrong. Certainly there is no judicial decision or congressional statute which expressly provides that a President's papers are his private property. Moreover, it does not make sense to treat Presidential papers and materials as the private property of the President which he can use for his personal profit. The Nixon tapes, for example, were made on machines purchased with public funds and operated by individuals on the public payroll. They involve conversations of individuals—including a former President—who were on the public payroll and presumably discussing public business. Because of the clear public investment in and public character of these tapes, they should be regarded as the property of the U.S. Government as a trustee for the public.

Fortunately, the purposes of this legislation do not require a resolution of the ownership question.

If the materials are public property then Congress enactment of this legislation is merely an exercise of its powers under article IV of the Constitution to control public property.

If the materials are Mr. Nixon's private property, then this legislation simply enables the Federal Government to take "protective custody" of them. Even the Attorney General recognizes the legitimacy of such a measure. In his opinion to President Ford, the Attorney General said that the Government may take "protective custody" of Presidential materials for important public purposes.

The Attorney General stated:

> Historically, there has been consistent acknowledgment that Presidential materials are peculiarly affected by a public interest which may justify subjecting the absolute ownertionship rights of the ex-President to certain limitations directly related to the character of the documents as records of government activity. . . . Upon the death of Franklin D. Roosevelt during the closing months of World War II, with full acceptance of the traditional view that all White House papers belonged to the President and devolved to his estate, some of the papers dealing with the prosecution of the War (the so-called "Map Room Papers") were retained by President Truman under a theory of "protective custody" until December 1946. Thus, regardless of whether this is the best way to approach the problem, precedent demonstrates that the governmental interests arising because of the peculiar nature of these materials (notably, any need to protect national security information and any need for continued use of certain documents in the process of government) can be protected in full conformity with the theory

of ownership on the part of the ex-President.—(Op. of the Att'y Gen., September 6, 1974, pp. 9–10).

"Protective custody" of the Nixon tapes and papers can be easily justified under the Attorney General's opinion. These materials probably contain additional evidence relating to the commission of statutory crimes. The materials contain extensive information which will enable the American people to learn the full truth of the Watergate scandals.

We cannot overestimate the importance of these materials. For the first time in our Nation's history, a President resigned because of clear and overwhelming evidence that he had committed impeachable offenses. More than three dozen individuals employed by the Federal Government or associated with Mr. Nixon's Presidency have been indicted for having committed statutory crimes. These crimes involved wiretapping, buggings, break-ins, and other violations of the freedoms guaranteed to every individual under our Constitution. Watergate, in short, represented a wholesale assault on those rights and liberties which are the glory of our political system.

The materials being preserved by this legislation are therefore clothed with an overwhelming public interest. The American people have a right to know to what extent their representatives in government abused the public trust. The American people are entitled to an accounting of the actions of those who were elected or asked to serve in their name. Unless we understand exactly what happened and why, our constitutional system will remain under the cloud of future Watergates, of future Presidents and Government officials who will strip the people of their basic freedoms.

If the people and Congress are to rectify the weaknesses in our system that made these dangerous abuses possible, we must have all the facts.

It is of course possible that a court will decide that this legislation does infringe upon Mr. Nixon's property rights. The second principal provision of the legislation anticipates this possibility. The legislation states that Mr. Nixon will receive just compensation from the Federal Treasury if a court should ultimately decide that these tapes and papers are really his private property.

The third principal provision of the legislation provides that the tapes and papers can never be destroyed. The reasons for this provision are obvious. These tapes and papers probably contain evidence relating to the commission of serious crimes. They probably also contain much information which can answer many questions as to how and why the Watergate scandals occurred. Without access to these tapes and papers, the interests of justice and history would be unduly compromised.

The fourth principal provision allows for the use of the Nixon materials in judicial proceedings. Any requests by the Watergate Special Prosecutor will receive priority. This provision would become operative immediately upon enactment of the legislation. This will insure that the legislation does not cause any delay in any judicial proceeding. This legislation, however, will not in any way change the relative positions of the parties to any lawsuit. Mr. Jaworski will still be able to get access to any materials he is entitled to under the law. Other parties will still be able to interpose any defenses, rights or privileges they may have to prevent or otherwise limit access to the materials.

The fifth principal provision states explicitly that Mr. Nixon will have access to the materials at all times. This access will be subject only to GSA regulations to protect against the loss or destruction of the materials.

The sixth principal provision concerns public access to the materials. A primary purpose here is to inform the American people of the full truth concerning the Watergate scandals. However, this purpose should not override all regard for the rights of the individual to privacy and a fair trial.

It is difficult within a short time to draft regulations governing public access which will accommodate these competing interests. Therefore, the legislation requires the Administrator of General Services to submit to Congress within 90 days a report which proposes and explains regulations governing public access to the Watergate materials. The report will also recommend which materials of historical significance should be retained. Such materials would include tapes and papers bearing on important policy decisions, departmental actions, diplomatic negotiations, records of gifts received from foreign powers, and the like. Materials which need not be retained would be purely personal items, such as birthday cards and thank-you notes. The legislation then affords Congress 90 days to take action on the Administrator's recommendations before they take effect.

This legislation, of course, may be subject to legal or constitutional challenges. In light of this possibility, the final principal provision states that all such challenges will be heard on an expedited basis by a three-judge court, with direct appeal to the Supreme Court. In this way, all legal and constitutional issues can be resolved quickly.

I understand, of course, that the problem concerning Presidential papers is a far-reaching one which deserves close examination and probably corrective legislation. The proposed bill does not deal with that larger problem. It deals instead with the specific situation involving the Nixon tapes and papers. This narrow and emergency treatment can be justified on two basic grounds.

On the one hand, the public's interest in his tapes and papers is particularly acute. The Watergate scandals represented an unprecented, dangerous and illegal assault on our political system's most precious commodity—individual freedom. It is therefore important that these tapes and papers be preserved for their possible use in criminal trials. It is equally important to preserve these materials in order to insure that, at some point in the near future, there be a complete understanding of how and why the Watergate tragedies occurred. The tapes and papers no doubt provide the information necessary to achieve or help to achieve the most possible complete understanding of that event.

On the other hand, the Nixon tapes and papers—unlike other Presidential papers—are in imminent danger of destruction. This makes immediate congressional action necessary.

Because this proposed legislation does deal with matters of critical national importance, it is my hope that Congress will act quickly on it.

Mr. President, I ask unanimous consent to have printed in the Record a Washington Post editorial, an article by Prof. Arthur Miller which discusses the need and legal justification for legislation such as this; an article from the New York Times; an editorial from the Washington Post of September 30, 1974; and an analysis of S. 4016 by the Congressional Research Service, which I think clearly demonstrates that this legislation does not violate any constitutional provisions.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Sept. 21, 1974]

Who Owns the Nixon Tapes and Papers?

(By Arthur S. Miller)

The question of who owns documents accumulated in the White House during a Presidents tenure has been thrown into sharp controversy by the "agreement" concluded between Richard Nixon and General Services Administrator Arthur Sampson. Two days before President Ford pardoned him, Mr. Nixon sent a letter to Mr. Sampson indicating that he desired "to donate to the United States, at a future date, a substantial portion of my Presidential materials . . ."

In the letter Mr. Nixon flatly stated the materials, including tape recordings, were his: "I retain all legal and equitable title to the Materials, including all literary property rights." Mr. Sampson agreed to the entire letter on Sept. 7, ceding to Nixon the power to destroy the tapes after Sept. 1, 1979. The letter purports to be a legal document, which binds both Mr. Nixon and Mr. Sampson (speaking for the government).

Presumably, Mr. Sampson relied on an Attorney General's opinion sent to President Ford on Sept. 6, in which William Saxbe concluded Mr. Nixon was the owner of the "papers and other historical materials retained by the White House Office" during the Nixon administration. As is the custom with the "President's lawyers' lawyer," Mr. Saxbe found that a practice traceable to George Washington meant that the materials are "the property of former President Nixon."

That conclusion seems more the result of reaching a desired decision than of a process of reasoning that could get by any middling competent law student. There are no Supreme Court decisions on this point. Nor is there any statute that expressly states that Presidents have legal title to White House documents. Mr. Saxbe relied on the Presidential Libraries Act of 1955 as a congressional "acknowledgement" of ownership by Presidents. But Congress did not say so; nor did it define what "presidential papers" are. The question of title to White House documents has never been examined by Congress.

One federal court decision of modern vintage (*Nichols v. United States,* decided by the 10th Circuit Court of Appeals in 1972) holds that President Kennedy's executor could validly restrict access to X-rays and other materials of the Warren Commission, even though the materials were not owned by the Kennedy family. That case, not mentioned by Mr. Saxbe, does not recognize a property interest of Presidents in White House materials. It thus could not be used to justify the Saxbe conclusion.

A proper analysis should begin with the Nixon-Sampson "agreement" itself. While Mr. Sampson had stautory authority to accept "papers and other historical materials" of a former President, nowhere is he given authority to agree to their destruction. Rather, 44 U.S. Code Sec. 2108 states in part that the GSA administrator, "in negotiating for the deposit of presidential historical materials, shall take steps to secure to the Government, as far as possible, the right to have continuous and permanent possession of the materials."

The agreement about destruction thus is a legal nullity, for any public administrator has only the authority delegated to him by Congress. The extent of Mr. Sampson's power was to agree to restrictions as to the "use" of presidential materials. "Use" can hardly mean destruction. Anything that goes beyond the statutory language is, in legal parlance, *ultra vires*—and that is so whether or not Mr. Nixon has title to the materials.

Despite the Saxbe opinion, the question of legal title for Mr. Nixon is still very much an open question. Under the Constitution, Congress has express power to "make all needful rules and regulations respecting the . . . property belonging to the United States." The materials—files, papers, tapes, etc.—were produced by public money on public property by people paid with public funds and now rest in publicly owned files. To rely, as did the Attorney General, on past practice to justify ownership by Richard Nixon is to put forth an untenable theory of law.

Under that theory, whatever occurs for a period of time becomes part of American law simply by custom and usage. But can that be so, particularly with respect to presidential powers? The answer must be negative if one examines some analogous claims by Presidents about other powers. Several may be mentioned.

President Nixon, both personally and through his minions in the Justice Department, maintained in 1973 that he had an unrestricted power to "impound" appropriated funds. Other than some flimsy statutory arguments, which do not hold up under scrutiny, the principal basis for the claim was past practice—said to go back to President Jefferson. Federal judges disagree: Of the more than three dozen judicial opinions in impoundment cases in the last two years, the vast majority emphatically rejected the broad claim of presidential power.

Presidents since at least the Hoover administration have engaged in wiretapping—with Nixon asserting an "inherent" power to do so without prior judicial approval. That claim was repudiated 8–0 by the Supreme Court in 1972.

In like manner, extravagant claims about executive privilege have been made, again by Mr. Nixon or his cohorts and again based on a reading of history. The Supreme Court knocked back that claim of "absolute power" unanimously in July of this year.

Both Presidents Johnson and Nixon asserted complete power to commit American troops to combat, under the "commander-in-chief" clause of the Constitution. Although the Supreme Court has consistently ducked that question, there can be little doubt that past practice would be rigidly examined and probably even rejected, should the Court ever rule on the merits.

In 1952, President Truman seized the nation's steel mills during a strike. Among other arguments to justify the seizure, government lawyers cited a series of other seizures, including one in 1941 upheld by then Attorney General Robert Jackson. Jackson, as Associate Justice, saw the matter differently 11 years later, saying: "I do not regard it [the 1941 seizure] as a precedent for this, but even if I did *I should not bind present judicial judgment with earlier partisan advocacy.*" (Italics added.)

That, if nothing else, should put an effective quietus on the Saxbe opinion. Government lawyers, it should be remembered, are legal apparatchiks—paid to take orders. As President Andrew Jackson reportedly said when faced with an Attorney General who had doubts about Jackson's actions concerning deposits of U.S. funds: "Sir, you must find a law authorizing the act or I will appoint an Attorney General who will." Or, as Senator Sam Ervin often reminded executive branch lawyers, "We have had thievery and homicide for thousands of years, but that does not make murder meritorious nor larceny legal."

The Saxbe opinion and the Nixon-Sampson "agreement" as to ownership are at most interesting historical oddities without legal validity. But even so, that still does not definitely settle the question of legal title to "presidential" or "White House" materials. That could, and should, best be done by congressional action under its Article IV power over the property of the United States.

Needed are two statutes. One, which should be enacted without delay, would vitiate the Nixon-Sampson "agreement" and place title where it belongs—in the government. If the former President contested that, a judicial ruling could then determine the question of legal title. Even if the courts ruled for Nixon, the papers and tapes could still be taken by eminent domain—provided of course, that the constitutional requirement of "just compensation" was paid. It is highly doubtful that the courts would rule against an express congressional decision. Further, there need be no worry that it be held to be an *ex post facto* law and thus invalid. Since *Calder* v. *Bull* (1798), it has been settled that the *ex post facto* prohibitions applies only to penal and criminal statutes.

The second statute should be long-range. The Presidential Libraries Act should be amended to provide that all documents officially produced by or for a President or Vice President are the property of the United States. Custody could, as now, remain with the National Archivist. Perhaps more presidential libraries could be built, although a valid reason for them is hard to find—other than the quest for symbolic immortality by chief executives. Just before he left office, Lyndon Johnson "raided" the executive branch, gathered millions of documents—some say as many as 75 million—for deposit in the Johnson Library in Austin, Tex. How most of those documents can be called "presidential" is completely mysterious. It is time to halt such a practice, and the imbroglio over the Nixon tapes and files provides an unparalleled opportunity to do so.

[From the New York Times, Oct. 3, 1974]

THE NIXON RECORDS

Clearing away the debris of the Nixon Administration is proving more difficult than cleaning up the Santa Barbara oil spill. A variety of questions relating to the former President's transgressions, records and upkeep are now making their tortured way through the Congress. A vote on the most important of these—the preservation of the Nixon records—is to come on the floor of the Senate today.

The measure up for Senate consideration is a commendable effort by the Government Operations Committee to modify the improvident agreement President Ford made with Mr. Nixon about White House tapes and papers. That agreement recognized Mr. Nixon's questionable claim of ownership of the materials and made access to them subject to his wishes, desires and assertions of legal right.

The principal aim of the proposed Senate bill is to give the United States immediate custody and control of the papers. It does not attempt to resolve questions of ownership or restitution, but it does provide for speedy judicial disposition of those questions.

The bill has two chief virtues. First, it forestalls transfer of custody of these records to Mr. Nixon. Second, it negates the provision of the Ford agreement permitting destruction of the White House tapes at the time of Mr. Nixon's death. Watergate questions that are left unanswered will haunt Americans through history. Preserving the records of the Nixon Administration is the first step toward answering those questions. The negotiations currently being carried on by Special Prosecutor Jaworski for access to the documents, are no adequate substitute for the Senate proposal. It should pass without delay.

[From the Washington Post, Sept. 30, 1974]

THE DISPOSITION OF THE TAPES

The Senate Government Operations Committee, acting with appropriate dispatch, has cleared a bill to override the arrangement allowing former President Nixon to determine the uses to which the tapes and other records of his presidency may be put and also to authorize their destruction. In so doing the committee has recognized the valid public interest in preserving this mass of documentation for prospective legal proceedings and for historical purposes. The Senate bill would put the tapes and other records in the possession and under the control of the government. Under the bill, the General Services Administration would keep and protect the materials and would be required to make them available to the Special Prosecutor and other litigants in accord with legal processes. Nothing could be destroyed without congressional permission.

In spelling out these elementary safeguards, the committee wisely sidestepped the thorny question of ownership of the materials. As Attorney General William Saxbe and others have argued, the papers of past Presidents have generally been regarded as their private property to be disposed of as they chose. However, the law is not explicit on this point, and the issue is now before a federal court in connection with two Watergate-related civil suits. Rather than trying to anticipate a judicial ruling, the Senate committee has proposed to place the tapes and other records in a form of official protective custody which would be consistent with either public or private ownership. As a precautionary step, the bill also provides for compensation to Mr. Nixon if a court should decide that this custodial arrangement deprived him of his property.

In these central respects, the bill would meet the potential needs of the Special Prosecutor and the system of justice. The committee went beyond that however, in an effort to respond to the widespread desire for a prompt public accounting of the full story of Watergate. Thus the panel approved two resolutions, sponsored by Senate Majority Leader Mike Mansfield, urging President Ford to provide full public access to all Watergate-related facts and the fruits of all pertinent investigations. The major bill, reaching even further, would require GSA to provide public access under reasonable rules to *all* the tapes and documents of the Nixon presidency, except where national security could be affected or individual's right to a fair trial might be impaired.

This is disclosure carried to a fault. It is one thing to believe, as we most assuredly do, that the rest of the discussions and documents relating to misconduct in the White House should be made public as soon as possible. There is a legitimate national interest in the airing of these facts. But it is something else to let the public rummage through the confidential files of any presidency before partisan tempers have cooled and the passage of time has lessened the danger of reckless assaults on individuals' reputations. The records of the Nixon years, like those of other presidencies, should eventually become fully accessible—but in accord with traditional archival practices, not in a hectic, disorderly response to an unprecedented situation such as the one we are now in.

The Senate committee has not resolved every question about the future of the Nixon tapes and documents. The pending legislation would, however, insure that those decisions would be made by public agencies more detached than Mr. Nixon himself and better able than the White House staff to manage all of the details involved. Most important, the bill would solve the immediate problem of protecting potentially crucial evidence. Once the needs of justice have been served, Congress will have time to consider general legislation making the records of future presidencies public property from the start.

Congressional Research Service,
Washington, D.C., October 3, 1974.
To: Honorable Gaylord Nelson.
From: American Law Division.
Subject: Analysis of S. 4016, Presidential Recordings and Materials Preservations Act.

At the request of your staff, we are sending the enclosed report analyzing the provisions of S. 4016.

Vincent E. Treacy,
Legislative Attorney.

Constitutional Questions Raised by S. 4016, a Bill To Protect and Preserve Tape Recordings of Conversations of Former President Nixon

"Presidential Recordings and Materials Preservation Act", S. 4016, 93d Congress, 2d Session, introduced on September 18, 1974, is designed to protect and preserve the tape recordings of conversations of former President Richard M. Nixon made during his tenure as President. To summarize briefly, the bill would direct the Administrator of General Services to obtain, or, as the case may be, retain, all of the tapes which meet the description set forth in the bill, and all the historical materials associated with the Nixon Presidency. Destruction of the tapes and historical materials would be prohibited, except as provided by Congress. The Administrator is to issue regulations governing access to the tape recordings and historical materials, including national security safeguards and curbs on pre-trial publicity.

The bill recognizes the possibility that the tapes and materials affected may be personal property and therefore authorizes just compensation to be paid in an amount adjudged by a Federal court of competent jurisdiction. The bill also establishes Federal court jurisdiction for challenges to the legal or constitutional validity of its provisions.

Numerous objections can be raised against the bill: 1) that it operates retroactively in possible violation of the *ex post facto* Clause of the Constitution; 2) that it applies to one named individual in violation of the Bill of Attainder Clause; 3) that it supersedes the Nixon-Sampson Agreement of September 6, 1974, in violation of the Obligation of Contracts Clause; 4) that it takes private property for a public use without due process or just compensation in violation of the Fifth Amendment.

Dealing with these issues in turn, we turn first to the problem of retroactivity. The Constitution provides, in Article I, Section 9, Clause 3, that no *ex post facto* law shall be passed by Congress. The Supreme Court held in an early case that this clause is applicable only to criminal or penal statutes, and is inapplicable to other kinds of retroactive legislation. *Calder* v. *Ball*, 3 Dall. (3 U.S.) 386, 393 (1798). This clause prohibits statutes which render criminal an act which was innocent at the time it occurred, or which increase the punishment for an act. The proposed bill does not provide criminal penalties, nor attach punishment to any past acts. It therefore does not appear to violate the *ex post facto* clause.

The second objection is to the specification of former President Nixon by name. Article I, Section 9, Clause 3, also provides that no Bill of Attainder may be enacted by Congress. This clause prohibits Congress from inflicting punishment on any person or upon an easily ascertainable group or classified persons. Under this clause, the Supreme Court has struck down statutes which barred Communists from holding office or employment with labor unions, *United States* v. *Brown*, 381 U.S. 437 (1965); which forbade use of appropriated funds to pay three allegedly subversive Government employees, *United States* v. *Lovett*, 328 U.S. 303 (1946); or which required attorneys, as a condition to the practice of law, to take an oath that they did not take part in the rebellion of the Confederacy during the Civil War, *Ex parte Garland*, 4 Wall (71 U.S.) 333 (1867).

As in the case of the *ex post facto* objections, because the proposed bill does not impose criminal penalties or other punishment, it would not appear to violate the Bill of Attainder Clause.

The third objection arises from the provision of Article I, Section 10, Clause 1, that no state shall pass any law impairing the obligation of contracts. By its terms, this clause does not prohibit the Congress, as distinguished from the states, from impairing the obligation of contracts. *Continental Bank* v. *Chicago, R.I. & P. Ry. Co.*, 294 U.S. 648, 680 (1935). From an early date, the Supreme Court has read this limitation into the Fifth Amendment, holding that Congress cannot pass a law that destroys or impairs the lawful private contracts of citizens. *Calder* v. *Bull*, 3 Dall (3 U.S. 386, 388 (1798). This principle is limited, however, to acts which operate directly to impair contracts; Congress has authority to pass legislation pertinent to any of the powers conferred on it by the Constitution, even though the legislation operates collaterally or incidentally to impair or destroy the obligation of private contracts. *Continental Bank v. Chicago, R.I. & P. Ry. Co.*, 294 U.S. 648, 680 (1935).

While the right to sue for the enforcement of contracts between individuals and corporations cannot be taken away, a different rule prevails with respect to contracts of sovereigns. Contracts between the nation and an individual are only binding on the conscience of the sovereign and have no pretensions to compulsive force. *Lynch* v. *United States*, 292 U.S. 571, 580–81 (1934), quoting Alexander Hamilton, *The Federalist*, No. 81. Thus, a law which takes away the right to sue the United States on a contract does not impair the obligation of contracts, since the United States may not be used without its consent.

In the light of the above principles, the proposed bills would not impair the obligation of contracts with respect to the agreement entered into by Mr. Nixon and the General Services Administration. The bill would represent an action of Congress, within its inherent sovereign power of eminent domain, to protect and preserve materials in the public interest. Its effect on the Nixon-Sampson Agreement would be incidental and collateral, not direct. To the extent that property rights are embodied in that agreement, any objection must be grounded on the Fifth Amendment rather than on the Obligations of Contract Clause. It is therefore necessary to turn to the Fifth Amendment issues raised by the fourth objection to the bill.

A valid contract with the United States is property, and the rights against the United States arising out of such a contract are protected by the Fifth Amendment; the Due Process Clause prohibits the United States from annulling these rights unless such action falls within the Federal police power or some other paramount power, *Lynch* v. *United States*, (292 U.S. 571, 579 (1934)). Moreover, such property may not be taken without just compensation. Furthermore, there is strong, if not conclusive, legal support for the principle that the papers, tapes and other historical materials of a President are his personal property. See, *e.g.*, Legal Opinion of Attorney General Saxbe, Sept. 6, 1974, reprinted in the Congressional Record, page 31176, Sept. 16, 1974).

Accordingly, it is important to determine if the provisions of S. 4016 afford adequate protection for whatever property rights that former President Nixon may have, whether these property rights are found in the papers themselves or in the Nixon-Sampson Agreement concerning storage and disposition of the papers.

In this respect, the proposed bill would appear to afford adequate protection to President Nixon's property rights. Provision is made for a judicial determination of his property rights, and funds are authorized to be appropriated to pay just compensation in the amount which a court of competent jurisdiction adjudges. By using the constitutional term "just compensation," the bill leaves no doubt that Mr. Nixon is to be accorded a full and fair compensation for the impairment of his property rights. To the extent that the Sampson-Nixon Agreement embodies contractual property rights running to Mr. Nixon, the just compensation provisions would apply to any impairment of those rights.

Finally, it would appear that the court proceedings provided in the bill would accord sufficient procedural due process. It can be assumed that the court determination of the amount of compensation due to Mr. Nixon would be made after full hearing on the evidence as to the value of the materials. Proposed amendments to the bill would direct the Administrator of General Services to issue regulations governing claims of privilege, such as the Executive or Presidential privilege established in *United States* v. *Nixon* (U.S. Sup. Ct. No. 73–1766, July 24, 1974). And the bill provides expedited treatment for all legal and constitutional challenges to its provisions, by expressly granting jurisdiction to the U.S. District Court for the District of Columbia.

Vincent E. Treacy,
Legislative Attorney,
American Law Division.

October 3, 1974.

Mr. NELSON. Mr. President, I ask unanimous consent that Mr. Lew Paper, a member of my staff, have the privilege of the floor not only during the consideration of this bill and any subsequent resolution on this matter, but also during the course of the rollcall votes on these measures.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. Domenici). The Senator from North Carolina is recognized.

Mr. ERVIN. Mr. President, during the hearings before the Senate Select Committee on Presidential Campaign Activities, uncontroverted testimony was presented relative to the existence of extensive tape recordings of conversations between Mr. Nixon and his various aides and associates in and out of Government service. It was further revealed that many of these tape recordings, as well as related documents, memorandums, and other materials, which might be classified as the Presidential historical materials of Mr. Nixon, contained evidence pointing to the commission of various violations of Federal and State penal laws. This information was substantiated in many respects by the record of the impeachment hearings held by the Committee on the Judiciary of the House of Representatives and the subsequent recommendation that Mr. Nixon be impeached. (See H. Rept. 93–1305.)

Following revelations of alleged criminal conduct on the part of various White House aides, associates of Mr. Nixon, some Government officials and officers and employees of the Committee to Re-Elect the President, commonly known as CREEP, substantiated by the tape recordings, and other materials, indictments charging the commission of various crimes were obtained, based substantially on these tapes, and other materials. Thereafter, a number of the indicted individuals pleaded guilty; others were tried and convicted; and still others are now being tried or awaiting trial.

On September 8, 1974, the White House announced and published the text of an agreement, dated September 6, 1974, entered into between Mr. Nixon and Mr. Arthur F. Sampson, Administrator of General Services, concerning the disposition of the papers, tape recordings, and other materials, relating to the period of Mr. Nixons service as President of the United States.

The agreement, which was made pursuant to title 44, United States Code, section 2101, et seq., presumes that all materials relating to Mr. Nixon's tenure as President are his private property. Under its terms, Mr. Nixon stated that he would donate a substantial portion of these materials to the Federal Government at some time in the future, and that all of the materials shall be kept in the custody of the Federal Government at a storage facility near Mr. Nixon's home in California.

The agreement provided further that, first, Mr. Nixon would control access to the materials, and that any requests for access to them, whether by court subpena or other legal process, must be referred to him; second, Mr. Nixon has the right to withdraw any materials—except tape recordings—from deposit after 3 years from the date of the agreement, for any purpose; third, Mr. Nixon agrees to donate the tape recordings to the Federal Government on September 1, 1979, subject to the condition that all the tapes in the Government's custody "shall be destroyed at the time of Mr. Nixon's death or on September 1, 1934, whichever event shall first occur"; and fourth, in any event, Mr. Nixon can direct the Administrator to destroy any tapes Mr. Nixon chooses after the gift becomes effective in 1979.

Mr. President, before I outline the major provisions of this bill, I wish to emphasize the fact that this bill provides only for custody of the tape recordings, and other materials, and does not deal with the question of ownership.

The purpose of S. 4016, as amended, is to: First, protect and preserve tape recordings of conversations, and other materials, recorded or prepared in the White House, the Executive Office Building, and certain other specified places, between January 20, 1969, and August 9, 1974; second, make them available for use by the Special Watergate Prosecution Force; and for ultimate access by the public, under regulations governing access to be promulgated by the Administrator of General Services, who would be required to receive, obtain or retain custody and control of such tapes and other materials; third, require that custody of the tapes and other materials be maintained in Washington, D.C.; and fourth, make all of these materials available to Mr. Nixon, or his designee, for any purpose and at all times, consistent with regulations promulgated by the Administrator for their safety and security.

In order to accomplish these objectives, the bill, as amended, directs the Administrator of General Services, notwithstanding the agreement or understanding he entered into with former President Nixon on September 6, 1974, pursuant to section 2107 of title 44, United States Code, or any other law, to receive, obtain, or retain complete possession and control of all tape recordings of conversations, and all papers, documents, memorandums, and transcripts which meet certain stated conditions.

With respect to tape recordings, the committee amendment covers all recordings of conversations recorded or caused to be recorded by a Federal officer or employee between January 20, 1969, and August 9, 1974, which, first, involve former President Nixon and/or others who, at the time of the conversations, were Federal employees; and second, were recorded in the White House, the Executive Office Building in Washington, D.C.; Camp David, Md.; Key Biscayne, Fla.; and San Clemente, Calif.

The papers, documents, memorandums, and transcripts are those which constitute the Presidential historical materials of Mr. Nixon, as defined in section 2101 of title 44, United States Code, covering the period between January 20, 1969, and August 9, 1974.

In order to insure the safety, preservation, and availability of the tape recordings, and other materials, the bill, as amended, provides that, first, they cannot be destroyed except as the Congress may provide; second, the Administrator of General Services is required to issue, at the earliest possible date, such reasonable regulations as may be necessary to insure their protection from loss, destruction, or access by unauthorized persons; and third, except as may otherwise be necessary to carry out the purposes of this act, custody of all such materials must be maintained in Washington, D.C.

In order to insure their availability for use in judicial proceedings, including court subpena and other legal process, prior to the effective date of the Administrator's regulations governing access thereto, all of the tape recordings, and other materials, are required to be made available, for such uses, subject to any rights or privileges which any party may invoke, immediately upon the date of enactment of the act; and requests for access to them by the Special Watergate Prosecution Force are specifically given priority over any other requests.

As previously noted, in order to insure their availability for use by Mr. Nixon, or any party whom he may designate in writing, all of the tape recordings, and other materials, must be made available to him, or his designee, at all times and for any purpose, subject only to the Administrator's safety and security regulations.

In order to protect Mr. Nixon's property, or other legal rights, if any, in the tape recordings and other materials, the bill, as amended, provides two specific remedies: First, it authorizes payment of just compensation, from funds in the general fund of the Treasury, to any individual found by a Federal court of competent jurisdiction to have been deprived of private property by the provisions of this act; and second, it vests in the U.S. District Court for the District of Columbia exclusive jurisdiction to hear challenges to the legal or constitutional validity of any provision of this act. It provides further that such challenges shall be heard by a three-judge court, with the right of direct appeal to the U.S. Supreme Court, and requires that such challenges shall be treated by both courts as priority matters to be given immediate consideration and resolution.

Finally, the bill, as amended, requires the Administrator of General Services to submit to the Congress within 90 days after the enactment of this act, a report proposing and explaining regulations governing access to the tape recordings, and other materials, and provides that they are to take effect upon the expiration of 90 days following their submission to the Congress.

It is further provided that these regulations must take into account the following factors:

First, the need to provide the public with the full truth, at the earliest reasonable date, of the abuses of governmental power, popularly identified under the generic term, "Watergate";

Second, the need to make the tape recordings, and other materials, available for use in judicial proceedings;

Third, the need to prevent general access, except for use in judicial proceedings, to information relating to national security;

Fourth, the need to protect every individual's right to fair and impartial trial;

Fifth, the need to protect any party's opportunity to assert any legally or constitutionally based right which would prevent or otherwise limit access to the tape recordings;

Sixth, the need to prevent unrestricted access to tape recordings, and other materials, which are unrelated to the need to provide the public with the full truth concerning "Watergate" abuses of governmental power; and

Seventh, the need to give to Mr. Nixon, or his heirs, for his sole custody and use, tape recordings, and other materials, which are unrelated to the "Watergate" abuses of governmental powers and are not otherwise of historical significance.

After the report on S. 4106 was filed, the General Services Administration requested a conference with the committee staff in order to clarify and improve certain provisions of the bill. Thereafter, representatives of the committee staff and the staff of Senator NELSON, sponsor of the bill, met with representatives of the General Services Administration and agreed upon a number of amendments which I have offered as committee amendments.

All but two of these amendments are technical and perfecting in nature and do not require any discussion. The two substantive amendments are important and merit an explanation.

The first of these is an amendment to section 3 which adds a new subsection (c), as follows:

> Richard M. Nixon, or any party whom he may designate, in writing, shall at all times have access to the tape recordings and other materials referred to in section 2 of this Act for any purpose, subject to the regulations which the Administrator shall issue pursuant to section 5 of this Act.

The purpose of this amendment is clear on its face. It is designed to insure that Mr. Nixon, or his designees, will at all times have access to the tape recordings and other materials, subject only to the safety restrictions which the Administrator of General Services is required by section 5 of the bill to issue in order to insure the protection of the tapes and other materials from loss, destruction, or access to by unauthorized persons. In this connection, I point out that one of the perfecting amendments requires that these regulations be issued by the Administrator at the earliest possible date. I point out further that this provision is entirely consistent with the basic premise of this bill—that the public interest requires protective custody of the tapes and other materials and there is no intent to deal with their ownership. It was originally contained in paragraph (4) of section 6 as an item to be included in the regulations. It was decided that this provision more properly belonged in the law rather than in a regulation.

The second substantive amendment would delete the present section 6 and insert in lieu thereof a new section 6, as follows:

> SEC. 6 (a) the Administrator shall, within 90 days after the enactment of this Act, submit to the Congress a report proposing and explaining regulations governing access to the tape recordings and other materials referred to in section 2 of this Act. Such regulations shall take into account the following factors:
>
> "(1) the need to provide the public with the full truth, at the earliest reasonable date, of the abuses of governmental power, popularly identified under the generic term, "Watergate";
>
> "(2) the need to make the tape recordings and other materials available for use in judicial proceedings;
>
> "(3) the need to prevent general access, except for use in judicial proceedings, to information relating to the Nation's security;
>
> "(4) the need to protect every individual's right to a fair and impartial trial;
>
> "(5) the need to protect any party's opportunity to assert any legally or constitutionally based right which would prevent or otherwise limit access to the tape recordings and other materials;
>
> "(6) the need to prevent unrestricted access to tape recordings and other materials unrelated to the need identified in paragraph (1) above; and
>
> "(7) the need to give Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are unrelated to the need identified in paragraph (1) above and are not otherwise of historical significance.
>
> "(b) The regulations proposed by the Administrator in the report referred to in subsection (a) above shall take effect upon the expiration of 90 days after the submission of that report to the Congress."

The proposed new section 6 is essentially similar to section 6 of the bill, as reported, in that it requires the Administrator of General Services to prepare regulations governing access to the tape recordings and other materials, and lists the matters to be included therein. It differs, however, in the following respects:

First, through a clerical error, the reference to "other materials," in addition to the tape recordings, was omitted from the bill, as reported. The new version corrects this error.

Second, the bill, as reported, required that the Administrator of General Services issue regulations governing access to the tape recordings without specifying either a time limit for their promulgation or submission to the Congress. The new version requires the Administrator to submit to the Congress a report proposing and explaining the regulations governing access to the tape recordings and other materials within 90 days after enactment and provides that they are to take effect upon the expiration of 90 days following their submission to the Congress.

The 90-day period was agreed to by the General Services Administration as representing a reasonable period of time within which to formulate the required regulations. The requirement for submission to the Congress, and the 90-day period prior to their effective date, is intended to afford the Congress a reasonable opportunity to determine whether the proposed regulations are acceptable.

Third, the new version places additional emphasis on, first, the need to provide the public with the full truth at the earliest reasonable date, with respect to Watergate abuses of governmental power; second, the protection of every individual's right to a fair and impartial trial; third, the protection of any party's opportunity to assert any legally or constitutionally based right which would prevent or otherwise limit access to the tape recordings or other materials; and, fourth, the need to insure to Mr. Nixon, or his heirs, the right to have sole custody or use of tape recordings and other materials which are unrelated to Watergate and are not otherwise of historical significance. This last item is designed to make certain that the Administrator's regulations will not in any way impair Mr. Nixon's right to sole custody of various categories of personal memorabilia which are of no public interest or concern.

Mr. President, I should like at this point to make a few additional observations.

When this bill was before the Committee on Government Operations, it was suggested that perhaps we ought to have permanent legislation which would apply to the official records made or maintained by any elected Federal official.

It was agreed by the Government Operations Committee, which reported this bill originally, that it would be unwise to attempt permanent regulation of all official records of all elected Federal officials in a summary fashion at this time.

The committee members present at the markup session on the bill agreed that the Government Operations Committee would take up the question of the desirability of making the official records of all Presidents, Vice Presidents, Senators, Congressmen, and other elected officials, such as delegates to Congress, the property of the Federal Government. I think that such legislation is wise, but I think it would be a mistake to put too heavy a burden on one little nag because you might break down that one little nag. This bill really deals with an emergency situation, because some of these documents are needed in the courts and by the general public in order that they might know the full story of what is known collectively as the Watergate affair.

This legislation provides that in the event of the untimely decease of former President Nixon that none of the tapes would be destroyed.

Now, I favor permanent legislation because I have a conviction that in equity and in good conscience all the official records made by an elected Federal official, at the expense of the taxpayers, while he is occupying a Federal office, and which would not have been made except for his occupancy of that Federal office, ought to be regarded as public property and placed in some place where they would be accessible to the public, such as the Archives or the Library of Congress or in the custody of some university or institution of learning which would grant access to those documents under reasonable regulations to persons interested in historical research or other matters of that kind.

This bill is a fair bill. This bill does not undertake to deal with the question of ownership. This bill recognizes that there is a substantial controversy as to whether Presidential papers of an official nature become the private property of the President after he ceases to hold office or whether they are the property of and belong to the public. It leaves that matter to be determined not by Congress but by a judicial proceeding. It expressly provides that if the courts should decide that these records of former President Nixon are his personal records, the Federal Government will pay to him just compensation as required by the Constitution in cases where the Federal Government takes under its power of emminent domain private property for public use.

I think it is a fair bill. I think it protects the national security. It is the kind of bill we need under the present circumstances.

I sincerely hope that the Senate will pass this bill without delay.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THURMOND). Without objection, it is so ordered.

Mr. DOMENICI. I wonder if I can ask the distinguished Senator from Wisconsin some questions. I have been listening attentively to both the discussions by the distinguished Senator from Wisconsin and the distinguished Senator from North Carolina.

First, might we refer to section VI, 1, which is, as I understand it, that provision which seeks to give the public, as it states there, there is a need to provide the public with full truth at the earliest possible date of the abuses of governmental power, and then we proceed to define that, popularly identified, under the generic term Watergate.

Now I ask the distinguished Senator if my understanding is correct, basically the Senator is saying to the General Services Administration, "We established this as a public need under this bill and we give you 90 days to promulgate rules as to how we can carry out the effect"—and I am referring now only to Arabic number 1.

It seems to me that we are asking the General Services Administration to do a couple of things and one of them kind of disturbs me.

I think it will be easy for them to establish access-type rules and regulations, and that is one of their functions throughout this bill, and obviously with reference to that Arabic 1, the need for the public to get the facts.

I would assume that they could establish a procedure for accessibility.

But now I ask the distinguished Senator, just from what I know it appears to me that there are going to be volumes of documents and reams of tapes, that someone is going to have to make a determination as to whether or not they contain information, whether or not they contain information——

Mr. NELSON. I wonder if the distinguished Senator will yield for a moment.

Mr. DOMENICI. I yield.

Mr. NELSON. The amendment which was adopted some moments ago was proposed by the distinguished Senator from North Carolina although I would be happy to undertake to answer the question, now that the proponent of the amendment has come into the room I think it would be more useful to address the questions to the distinguished Senator from North Carolina, if the Senator would not mind.

Mr. DOMENICI. I am delighted.

Mr. ERVIN. I think it gives a little too much credit, but these amendments were drafted largely at the suggestion of Senator NELSON, Senator JAVITS, and myself with the aid of their staffs and the staff of the Government Operations Committee.

All of these amendments, except two or possibly three, are really clarifying amendments. The bill provides that the custody of the tapes and materials taken by the GSA be under the control of the Administrator of the General Services Administration. The Administrator informed us, after the bill had been approved by the full committee, that he needed some time to prepare regulations. So we put in a provision giving him 90 days, and then providing that the regulations would not become effective until 90 days later, after they had laid before Congress for 90 days.

We specified the things that had to be covered in the regulations.

I will be glad to answer the Senator's questions.

Mr. DOMENICI. I thank the distinguished Senator for calling this to our attention, that it is a collective product, not a product only of the Senator from North Carolina.

Let me start over with my question. I think if I were the head of the GSA, I would have a very difficult time with one of the sections.

In good faith, I would like to get the Senator's idea of what we expect of the Administrator.

If the Senator would follow me for a moment, I will try to be very specific.

In section 6 the bill refers to the Administrator, 90 days after the enactment of this act, shall submit this report to Congress proposing and explaining regulations covering access to the tapes and materials.

He proceeds to say "The regulations shall take into account the following factors."

I would like to talk for a moment with the Senator about No. 1, the need to provide the public with the full truth at the earliest reasonable date of abuses of governmental power, popularly identified under the generic term Watergate.

I can understand how this 90-day promulgation of regulations will be easily administered in terms of access once we have determined which of the materials are popularly identified under the generic term Watergate. So I do not think the GSA has any trouble in reporting back to us within the 90 days how it will be made accessible.

A have a little bit of trouble understanding the GSA's power and duties in determining which of the materials is popularly identified under the generic term Watergate.

I ask the Senator, does he have in mind that perhaps the GSA would report to us that there is a screening mechanism that they will put into effect to make such determination, or do we intend that the GSA, which is not typically this kind of agency, be the one to go through and determine which of these come within this definition?

It would seem to me that they could mostly certainly report back in the 90 days an accessibility regulation, and also a game plan, so to speak, an approach for determining which of this mass comes within that which the public should have access to that is popularly identified under the generic term Watergate.

Mr. ERVIN. To answer that question, the committee staff and representatives of GSA discussed that, and the GSA said they would call upon the National Archives to assist them in that undertaking.

Mr. DOMENICI. The National Archives would do the screening?

Mr. ERVIN. They would advise him as to what would be considered the generic term "Watergate." Also, they would call upon the Special Prosecutor's office to help them, because the Special Prosecutor has dealt with so many of these things in cases which have been processed and cases which are awaiting trial.

Mr. DOMENICI. The Senator is indicating that the bill really intends that of that material delivered to the GSA, that truly only that which is popularly identified under the generic term "Watergate" be given full public access?

Mr. ERVIN. Yes. I think another very significant thing which is in writing in this connection, which would be a very good guide for them to follow, is the authority which was given the Special Prosecutor by the Attorney General as to the kinds of cases that he could bring. I think that, along with the help of the National Archives, would make it not too complex a job for the Administrator of the General Services Administration.

I might state that the purpose of this was to exclude access by the general public to matters to which access should be limited. In other words, the theory of the bill is that Government ought to keep only those materials which relate to Watergate and matters of historical importance; all things that were essentially personal would be returned to the former President.

Mr. DOMENICI. I do ask this in good faith, because certainly in the 90 days when they send us back their proposal we ought to understand how they are going to go to screen and then make this available to the public. If I understand the Senator correctly, we are not talking about limiting in terms of the Special Prosecutor—there are other provisions there about him—but they are to protect them for his rights, for access, subject to the court intervention as to privilege, or the like?

Mr. ERVIN. Yes.

Mr. DOMENICI. But this particular section says the public needs the information about Watergate, this one section.

Mr. ERVIN. Yes.

Mr. DOMENICI. So the General Services Administration has a very difficult and special responsibility here to give us a procedure whereby they will screen it, and a procedure whereby it will be made accessible to the public. Is that correct?

Mr. ERVIN. That is correct. In determining Watergate matters, they would have the guidelines laid down as to what the authority and jurisdiction of the Special Prosecutor was, and they would also have the expertise of the National Archives in making this determination.

Mr. DOMENICI. They might be telling us that when they propose the regulations?

Mr. ERVIN. Yes. In the regulations they could set out——

Mr. DOMENICI. This kind of an approach?

Mr. ERVIN. Yes.

Mr. DOMENICI. I thank the Senator.

Mr. ERVIN. I thank the Senator for a very illuminating question.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Domenici). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I congratulate the sponsors of this legislation, particularly Senators Nelson, Ervin, and Javits, as well as our distinguished majority leader, for their efforts in giving the Senate an opportunity to safeguard the tapes and documents of the Nixon administration. The agreement between Mr. Nixon and Mr. Sampson, the Administrator of General Services, is contrary to the public interest, and very possibly, contrary to law. Immediate action on the part of the Congress is called for, and that is what we are doing today.

I need not elaborate on the provisions of this bill, which have been discussed and explained already. However, I feel that it is my responsibility to raise the broader issue of the ownership of papers and documents produced by all elected Federal officials. The legislation before us deals only with the custody of the papers and tapes of one elected official—former President Nixon. I want to raise the broader issue of the ownership of the papers and material generated by all Federal elected officials.

When an elected official generates documents in the course of his official duties, and here I am speaking only of Federal officials, though the principle applies to State officials as well, those documents are the property of the public whom he was elected to serve. These documents are prepared by public employees, on paper paid for by the public, typed on machines paid for by the public, for the use of a public official in the course of his duty to serve the public. It does not make sense to say that such papers are the private property of the elected official.

I would like to take this opportunity to raise this broader issue. I was prepared to offer my amendment No. 1926, with the cosponsorship of other Senators, which would have resolved this problem; but I am reluctant to do so because it might in some way prejudice the speedy enactment of this measure. But I would like to discuss that amendment, and I am going to call upon the chairman of the Committee on Government Operations in just a moment, when I finish my comments, to comment and to get his judgment on the intended purpose of this amendment.

First, I want to give credit to the distinguished Senator from Indiana (Mr. Bayh), who introduced S. 2951 in February of this year. That legislation, which is now pending in the Government Operations Committee, is intended to establish by law the principle of public ownership. Building on the language of that important initiative and having elaborated on it somewhat, along with Senators Bayh, Ribicoff and Chiles, I have submitted amendment No. 1926.

This amendment would add a new title to the pending legislation and would establish that the papers of all elected officials—Presidents, Vice Presidents, Senators and Representatives—are to remain in the public domain. It would do this by stating very simply that "public documents of elected officials are the property of the United States." I am addressing myself only to Federal elected officials. "Public document" is defined to mean any documents or other materials which have been retained by an elected official, and "which were prepared for or originated by such individual in connection with the transaction of public business during the period when such individual held elective office and which would not have been prepared if that individual had not held such office."

Obviously, it is not the intention to retain as public documents such private correspondence as an elected official happens to carry on while he is in office. But if it is done in connection with his official duties and would not have been carried on if he had not been elected to Federal office, then it would be so classified.

Once an elected official leaves office, he can designate a trustee to be the depository for his public documents.

This trustee can be a library, an educational, historical or not-for-profit institution, or any Federal or State institution, such as the Archives. If, within 180 days of an elected official leaving office, he has designated no such trustee, then the Administrator of GSA is to deposit the public documents in the National Archives.

Because of the fact that some material in the files of an elected official may be potentially embarrassing to someone, or because some information should remain confidential, the elected official and the trustee, subject to the approval of the Administrator, may enter into an agreement which would restrict public access to certain materials. But any such agreement could restrict public access no longer than 25 years after the individual leaves office, or at his death, whichever occurs later. However, if a court orders that a document covered by such an agreement be produced for the use of that court, then the agreement would not apply. Of course, classified material or other material required to be kept secret by law would have to conform to the law.

As I indicated, I will not call up my amendment, because I feel that S. 4016 should pass the Senate quickly and unencumbered and be sent to the House. But I would like to receive, and would appreciate very much receiving, on this broader general question, the judgment of the distinguished chairman of the Committee on Government Operations. Even though he would not be here next year, if the hearings were held next year, I think that, as committee members, we certainly would respect his judgment as to whether at a very early date, the earliest possible date, hearings should be held on this broader issue, on the general principle that what is good for the goose is good for the gander.

If we are going to legislate in the executive branch of the Government and affect the President of the United States let us look at ourselves and see whether or not the present practice, which enables a Senator and a Representative to pull up a truck up against the office building and haul away everything in his files, is not contrary to public policy now. The principle should be established here and now, or as quickly as we can, but not on this bill since it would only encumber it.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. NELSON. Mr. President, I should like to associate myself with the remarks of the distinguished Senator from Illinois.

I do not think there is any doubt that papers accumulated by elected public officials, acting in their official capacity, properly belong to the public and ought to be turned over to a public institution or otherwise placed under the control of the Government as a trustee for the public.

I was glad to note that the Senator suggested that the public official could designate a nonprofit organization. In my State, for the entire length of my memory, every Governor—including myself, after I left office—has turned over his papers to the Wisconsin Historical Society, which is an historical society with a very fine reputation nationwide. It is important that public officials be authorized, as the Senator suggests, to turn their papers over to libraries in their own States or elsewhere.

I believe this is an important matter for us to address ourselves to early next year, and I know that the Senator from Illinois and the Senator from North Carolina (Mr. Ervin) have expressed that that should be done.

Sitting up particular standards and methods may be a little complicated. But there is an urgency in the situation now before us. Under the existing agreement between the GSA and Mr. Nixon, if Mr. Nixon died tomorrow, those tapes—if I read the agreement correctly—are to be destroyed immediately; it is also possible that the Nixon papers could be destroyed by 1977. This would be a catastrophy from an historical standpoint.

I agree completely with the Senator from Illinois, and I think his concept is correct. I am certain that Congress, early in the next session, will be able to address itself to this question and develop a piece of legislation which is urgently needed.

Mr. PERCY. Mr. President, I thank the distinguished Senator.

I yield to the chairman of the Committee on Government Operations.

Mr. ERVIN. Mr. President, I join the distinguished Senator from Wisconsin in saying that I agree completely with the position taken by the distinguished Senator from Illinois.

We discussed this matter in the committee, and it was the consensus of the committee that we should not add an amendment of this kind to the pending bill, but that we certainly should have hearings on the proposal of the Senator from Illinois at the earliest possible moment.

Senator Ribicoff, who in all likelihood will succeed to the chairmanship of the Government Operations Committee, stated during the colloquy among the committee members in discussing this point that if the people of Connecticut returned him to the Senate and he became the chairman of the committee—as he is in line to become—he would see that hearings were held.

In the event that a member of the present majority party does not become chairman of that committee, the distinguished Senator from Illinois would be in line for the chairmanship, and I am sure that he favors the proposition he has mentioned.

I agree with the consensus of the members of the committee, when we finally reported the bill, that it would be inadvisable to put too much baggage on one nag if we wanted to make that one nag make a swift journey.

I think the provisions of the proposal of the Senator from Illinois are very wise. They would take care of all the contingencies I can think of that can arise. I particularly like the provision that allows a Senator or a Representative to designate the repository of his official papers, with the understanding that they will be accessible to the public after a reasonable time, not to exceed 25 years.

I went so far as to volunteer to come back and testify in favor of legislation of this kind at a hearing before the Government Operations Committee.

I wish to take this occasion to say that one of the most pleasant experiences in my life, notwithstanding the fact that it entailed a lot of hard work, has been serving the past 2 years as chairman of the Senate Committee on Government Operations. I wish to pay especial tribute to the distinguished Senator from Illinois and the distinguished Senator from New York (Mr. Javits), who sit on the opposite side of the aisle in this body, but there was no opposite side of the aisle in the committee.

I think the committee brought forth some very fine legislation, which they were particularly helpful in formulating, along with other members of the committee. There was never any partisanship. There was nothing but a bipartisan basis at all times, and everybody cooperated wholly in trying to formulate good and wise legislation.

In all of the 20 years of my experience on Senate committees, I have never seen any committee exhibit in more magnificent fashion the legislative process working at its best than did the Committee on Government Operations. I give the Senator from Illinois a substantial amount of credit for that having been true.

I am glad that the Senator will not press his amendment. I hope the Congress will enact it into law at the next session.

Mr. PERCY. Mr. President, I thank my distinguished colleague. I wish simply to say that he has, in his gracious way, mentioned even miracles, that the minority could become the majority. Certainly, if I did succeed to the chairmanship of the Committee on Government Operations and believed in miracles, we would certainly have hearings on this matter and call, as our very first witness, our distinguished past chairman.

I very much appreciate the assurance that has been provided through our chairman with respect to the intentions of Senator Ribicoff should he become chairman. I shall look forward to early hearings then.

I shall not call up this amendment, because I do not wish to encumber or in any way delay enactment of this bill which I, once again, commend as well as our distinguished chairman and his role in drafting it. I pay particular tribute to Senator Nelson for his authorship of the bill and to Senator Javits for his cosponsorship. I thank my distinguished colleague and commend the legislation before us.

Mr. ERVIN. If the Senator has not done so, I think it would be well for him to insert in the Record his amendment in the form of a proposal so that the public may be apprised of it and know the reason why he did not press it.

Mr. PERCY. Mr. President, I ask unanimous consent that amendment No. 1926 be printed at the conclusion of my comments.

The PRESIDING OFFICER (Mr. William L. Scott). Without objection, it is so ordered.

(See exhibit 1.)

Mr. PERCY. Mr. President, I should like also to commend the staff of the Committee on Government Operations, which has always cooperated in a bipartisan spirit. It has been one of the most magnificent staffs I have ever worked with. I think its inspiration comes from the chairman.

Exhibit 1

At the end of the bill, add the following:

TITLE II

Sec. 1 (a) Title 44, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 39—PUBLIC DOCUMENTS OF ELECTED OFFICIALS

"Sec.
"3901. Definitions.
"3902. Public documents of elected officials.
"3903. Preservation of public documents.
"3904. Agreements limiting access to public documents.
"3905. Judicial review

"3901. Definitions

"For purpose of this chapter—

"(1) 'elected official of the United States' means the President, Vice President, Senator, and Member of (or Resident Commissioner or Delegate to) the House of Representatives, including any individual holding such office for any period by reason of appointment to such office or succession to such office; and

"(2) 'public documents' means, with respect to an elected official of the United States, the books, correspondence, documents, papers, pamphlets, models, pictures, photographs, plats, maps, films, motion pictures, sound recordings, and other objects or materials retained by an individual holding elective office under the United States and which were prepared for or originated by such individual in connection with the transaction of public business during the period when such individual held elective office and which would not have been prepared if that individual had not held such office; except that copies of public documents preserved only for convenience of reference, and stocks of publications and of public documents previously processed under this title are not included.

"§ 3902. Public documents of elected officials

"Public documents of elected officials are the property of the United States. Subject to the requirements of sections 3903 and 3904 of this title the Administrator of General Services shall obtain any objects or materials of each elected official of the United States who ceases to hold office and is no longer an elected official of the United States which the Administrator determines to be public documents within the meaning of section 3901(2) of this title, and such elected official shall transmit such documents to the Administrator. The Administrator has final authority with respect to the disposition of such documents.

"§ 3903. Preservation of public documents

"(a) The Administrator of General Services shall deposit in the National Archives of the United States the public documents of each elected official of the United States obtained under section 3902 of this title unless such official designates an alternate depository in accordance with the provisions of subsection (b) of this section.

"(b) An elected official of the United States may designate a trustee to be the depository for the public documents of such official. Such trustee may be a library, or educational, historical, or not-for-profit institution, or a State or Federal institution. The Administrator of General Services shall transmit such documents to the trustee so designated at the earliest practicable time after the date on which such trustee is designated as trustee, except that the Administrator shall not transfer any such document if such document is the subject of compulsory process in any court proceeding until such time as such proceeding has been concluded.

"(c) (1) If any public official fails to designate a trustee under the provisions of subsection (b) of this section within one hundred and eighty days after such official is no longer an official of the United States, the provisions of subsection (a) of this section shall apply.

"(2) Upon transfer of the public documents of an elected official of the United States to a trustee designated under the provisions of subsection (b) of this section any request for access to any such document, including any subpena issued by any court, shall be made to such trustee. Upon a finding by the trustee that access to any such document would violate any agreement made pursuant to section 3904 of this title, the Administrator of General Services shall, at the request of such trustee, take such action as may be necessary to determine whether such request shall be granted.

"§ 3904. Agreements limiting access to public documents

"An elected official of the United States may enter into an agreement with respect to granting public access to the public documents of such official with the Administrator, or in the case of any such official who has designated a trustee under section 3903 (b), may enter into an agreement with respect to public access to any such document with such trustee subject to the approval of the Administrator. In addition to any other materials required to be kept from public disclosure by law, any agreement under this section may provide for such limitations on public access to such documents as may be necessary to protect confidentiality of communications or to save embarrassment to any individual, except that no such agreement shall provide for restrictions on access for any period in excess of twenty-five years from the date on which such official ceases to be an official of the United States or upon his death, whichever occurs later. No such agreement shall have any effect on any subpena issued by any court for the production of any such document.

"§ 3905. Judicial review

"A decision by the Administrator of General Services that any object or material is a public document of an elected official of the United States within the meaning of section 3901(2) of this title shall be a final agency decision within the meaning of section 702 of title 5.".

(b) The table of chapters, preceding chapter 1 of such title 44, is amended by adding at the end thereof the following:

"39. Public Documents of Elected Officials ---------------------------------- 3901".

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unnanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, is there any time limitations on the bill?

The PRESIDING OFFICER. There are no time limitations.

Mr. JAVITS. Mr. President, I wish to address myself to the general challenge which the Senate faces on this bill. But first, Mr. President, I wish to salute the initiative of the majority leader, with whom I had the privilege of associating myself; second, to pay every credit to the urgency with which the chairman of our committee, Senator ERVIN, and the ranking member, Senator PERCY, addressed themselves to the problem so that the day after this legislation was introduced, the committee actually reported out a bill.

Third, I give credit to the fine initiative of Senator NELSON in presenting us with the original bill, which Senator ERVIN and I cosponsored.

Fourth, I should like to thank the committee for adopting the several changes which I suggested in our committee markup and in our further discussions prior to our consideration of the bill today. We seek today to preserve potentially crucial evidence until the needs of justice have been served. Because Senator PERCY has just expressed his view, which he also voiced most eloquently in the committee, that this ought to be a bill of universal application, I wish to say that I feel the same way. Indeed, when Senator MANSFIELD made his speech here, I was on my feet to suggest that I was going to introduce generic legislation to cover all Presidents.

Senator PERCY and Senator BAYH, whose model he is following, are seeking to extend the principle of this bill to include all Members of Congress. I can speak to this issue because I have already, myself, determined to donate all my papers, with no tax deductions, to my own alma mater, New York University. I add also that my former colleague in this office, Senator Goodell, I understand, has already donated his papers to the New York Public Library.

I can assure the Senate that my accountants told me the very same thing that former President Nixon's accountants and counsel told him, that it was a very good tax deductible item.

I felt that my papers had been gained in the public service, were an element of the public service, and that I owed them to the public without personal benefit to me. So, all of us have been animated by the same feelings and objectives.

The question is can we and shall we go forward with a generic bill, or shall we confine this bill to the papers which ex-President Nixon has in being, considering the state of the law? My judgment is as follows. One, the fact is that we are not in a hypothetical situation at the moment, but in a situation with an extended number of pending criminal investigations and proceedings and a Special Prosecutor of the United States who is charged with the responsiblity to prosecute the most serious cases arising out of one of the most extraordinary scandals in our Nation's history. A unique national emergency has been created, with reference to a particular President's official papers. The courts have in the past recognized unique situations as they are now in this particular situation, and authorized Government action analogus to what we seek to do in this bill.

Second, Mr. President, it is the fact that by the authority of the President, an agreement has already been entered into with respect to these papers between the Administrator of the GSA and former President Nixon, so that if anything is to be done about that agreement, it has to be done by law, obviously, and the law must stand constitutional tests.

Third, Mr. President, we not only need a law, we need one that is going to be passed now, because certain rights affix to these papers under that agreement, which, unless we stay the movement of events, may very well fix and prejudice what we, as a Congress, and, with the President's concurrence, as a country, think ought to be done about these papers.

Therefore, Mr. President, I think we have a very strong case. We are going right ahead with this bill as reported out by the Committee on Government Operations, allowing Senators who choose to do so to move to substitute or amend.

Indeed, Senator ERVIN, Senator NELSON, and I have offered several strengthening amendments which we proposed this morning dealing with certain aspects of the bill, and the need to confine the bill to the existing urgency, and then to pledge ourselves to proceed.

We are all resolved to deal with the more general question of ownership of all official papers—congressional as well as Presidential. I am sure, Sentaor ERVIN has or will pledge, as will Senator PERCY, and as will I.

Now, Mr. President, the bill addresses itself to the question of control and custody of these papers. It says that such custody should be in the United States. Considering all the pending criminal cases, and bearing in mind that the former President himself is involved in those pending criminal cases, either as a witness or, as the grand jury said, as an unindicted conspirator, the bill is most reasonable. We are not making those findings, the grand jury has done so already.

Second, Mr. President, the bill does not resolve questions of ownership. We were very careful about that. It simply sets up an expedited procedure by which that question may be resolved. If the papers and tapes are truly public property, then Congress is exercising its power under the Constitution to control public property. If they are the former President's private property, then, because of the exigencies of the case constituting an important public purpose, Congress may take protective custody of them for that important public purpose and will provide just compensation, if the courts determine that such is required.

Third, I am very much interested in the opinion upon which President Ford acted—and no one here is challenging the President's good faith or his interest in seeing that the ends of justice be served. I find, in the opinion which the Attorney General has himself given, the following statement. He says:

> Historically there has been consistent acknowledgement that presidential materials are specially affected by a public interest which may justify subjecting the absolute ownership rights of the ex-President to certain limitations, directly related to the character of the documents as records of government activity.

That is in the opinion of the Attorney General given to the President dated September 8, 1974. He then goes on to quote the case of Folsom against Marsh, in order to sustain that proposition, and then goes on to refer to the criminal code as applying that concept, even though the papers may continue in the possession of a former President, citing the precedent in Franklin D. Roosevelt, Sr.'s time.

If the court determines that the papers and tapes are Mr. Nixon's private property, the bill takes care of that contingency through exercising the right of eminent domain over any property right, whether in whole or in part. Even in our bill, there is no question about trying to challenge a property right. What we are dealing with is custody and control, and dedication to a public use, rather than actual ownership. We may or may not be found right on that score, but that is not germane to the issue in this bill, or to its purpose, because all the bill provides is that the tapes and papers shall not be destructible at some given time, as is contained in the agreement with the ex-President, but that they should be made continuously available, and that the Special Prosecutor shall receive priority.

So the protection which I have just described is one protection which does not challenge the property right, and even itself is subject to consideration in the courts.

There is a further excellent safeguard in the requirement of a report, which must be submitted to Congress within 90 days, proposing and explaining regulations which may be issued by the GSA respecting public access to these papers, the regulations taking into account various special criteria. The criteria, Mr. President, endeavor to protect due process for individuals who may be named in the papers as well as any privilege which may be involved in the papers, and of course the necessary access of the former President himself.

In short, the argument that the bill authorizes absolute unrestricted public access does not stand up in the face of the criteria and the requirement for regulations which we have inserted in the bill today.

There will be no broad and unrestricted public access which could nullify, the criteria to which I have referred.

So, in summary, Mr. President, we believe that here has been presented a scheme of legislation which reaches the immediate problem. Indeed, that is the only reason I or any of us could give as to why there were no hearings in this matter—because the immediate objective is so narrow and efficacious as to require no hearings upon this methodology.

So, Mr. President, we seek to deal in this particular legislation, only with this particular set of papers of this particular ex-President.

This is a matter of first impression, and although we would have an excellent precedent by passing this bill, it does not involve the subjects directly which were considered in all of the Watergate hearings, and therefore does not determine the particular issue as to what ought to be in other kinds of reform legislation.

If we write a bill involving the public papers of all Members of Congress and Senators, this legislation could get bogged down. If we address that complex matter generically in the manner that I have described and the manner Senator Percy's amendment would reach, instead of passing our bill promptly, we will have failed to respond to an urgent national challenge to the integrity of our criminal justice system.

Mr. President, I do not think anyone has any doubt that we will proceed along the generic lines for all future Presidents, having gone through the experience which we have respecting papers and tapes, and that the issue can broaden that public custody and control. As to the papers and tapes of Representatives and Senators, that issue will be fairly vented, and undoubtedly in some way will be acted upon, but with deliberation, because it is not subject to the existing urgency; and to try to stretch it to that point now, Mr. President, is only loading the camel so that his back will break, and we will have nothing at all.

Therefore, I would hope very much that we—that is, those of us who are involved in the drafting, management, and presentation of the bill to the Senate—will resist a simplistic analogy, because we are addressing ourselves to a particular problem which requires a particular and immediate solution, and we should not allow our rights to be prejudiced, or to effect a solution by trying to do infinitely more than the situation calls for, or that we know is capable of practicality within the span of time which we have.

Let us not forget, Mr. President, that these papers are already subject to an agreement and that, under existing law, may be binding upon the United States if nothing further is done; and that it is very perilous indeed to leave a matter like this in that condition where we can again divide the country in some awful quarrel because the responsibility is divided when it should not be, when it should be single at this point in time with that responsibility in the U.S. Government.

I hope very much that we will go through with this bill and that we will act on it quickly, and in the same patriotic spirit in which we have proposed it, because of the immediate exigencies to which it addresses itself. I hope that all may cooperate in this effort, testing whatever issues they wish to test, but doing it with that celerity which this situation demands.

Mr. ERVIN. Mr. President, if the Senator will yield, I commend the Senator from New York for his very excellent statement and for pointing out that the question of whether we would adopt a generic bill was considered fully by the Government Operations Committee at the time we voted to report this bill. It was the unanimous agreement that we should not attempt to do so.

I want to pay special tribute to the distinguished Senator from New York who assisted very much in revising the original bill which Senator Nelson and I introduced, and also in respect of the work he did after the committee had reported the original bill and the administrator of the General Services Administration asked us to adopt some amendments. The Senator made a wonderful contribution throughout the consideration of this bill, and the country owes him a debt of gratitude for it.

Mr. JAVITS. I thank my colleague very much.

I yield the floor.

Mr. GRIFFIN. Mr. President, I was so impressed by the argument made by the distinguished Senator from Illinois (Mr. Percy) in behalf of the merits of his amendment that I indicated to him before he left the floor that I wished he would offer it to the pending bill. Indeed, I told him that if he were not going to offer it himself that I might offer it.

So, I do so at this time. I send it to the desk, the amendment discussed by Mr. Percy—No. 1926—and ask that it be stated.

The PRESIDING OFFICER (Mr. William L. Scott). The clerk will report the amendment.

The assistant legislative proceeded to read the amendment.

Mr. GRIFFIN. Will the clerk read under "definitions" the words beginning with "for purposes of this chapter," and so on.

The assistant legislative clerk again proceeded to read the amendment.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

TITLE II

Sec. 1. (a) Title 44, United States Code, is amended by adding at the end thereof the following new chapter:

"Chapter 39—Public Documents of Elected Officials

"Sec.
"3901. Definitions.
"3902. Public documents of elected officials.
"3903. Preservation of public documents.
"3904. Arguments limiting access to public documents.
"3905. Judicial review.

§3901. Definitions

"For purposes of this chapter—

"(1) 'elected official of the United States' means the President, Vice President, Senator, and Member of (or Resident Commissioner or Delegate to) the House of Representatives, including any individual holding such office for any period by reason of appointment to such office or succession to such office; and

"(2) 'public documents' means, with respect to an elected official of the United States, the books, correspondence, documents, papers, pamphlets, models, pictures, photographs, plats maps, films motion pictures, sound recordings, and other objects or materials retained by an individual holding elective office under the United States and which were prepared for or originated by such individual in connection with the transaction of public business during the period when such individual held elective office and which would not have been prepared if that individual had not held such office; except that copies of public documents preserved only for convenience of reference, and stocks of publications and of public documents previously processed under this title are not included.

"§ 3902. Public documents of elected officials

"Public documents of elected officials are the property of the United States. Subject to the requirements of sections 3903 and 3904 of this title the Administrator of General Services shall obtain any objects or materials of each elected official of the United States who ceases to hold office and is no longer an elected official of the United States which the Administrator determines to be public documents within the meaning of section 3901(2) of this title, and such elected official shall transmit such documents to the Administrator. The Administrator has final authority with respect to the disposition of such documents.

"§ 3903. Preservation of public documents

"(a) The Administrator of General Services shall deposit in the National Archives of the United States the public documents of each elected official of the United States obtained under section 3902 of this title unless such official designates an alternate depository in accordance with the provisions of subsection (b) of this section.

"(b) An elected official of the United States may designate a trustee to be the depository for the public documents of such official. Such trustee may be a library, or educational, historical, or not-for-profit institution, or a State or Federal institution. The Administrator of General Services shall transmit such documents to the trustee so designated at the earliest practicable time after the date on which such trustee is designated as trustee, except that the Administrator shall not transfer any such document if such document is the subject of compulsory process in any court proceeding until such time as such proceeding has been concluded.

"(c) (1) If any public official fails to designate a trustee under the provisions of subsection (b) of this section within one hundred and eighty days after such official is no longer an official of the United States, the provisions of subsection (a) of this section shall apply.

"(2) Upon transfer of the public documents of an elected official of the United States to a trustee designated under the provisions of subsection (b) of this section any request for access to any such document, including any subpena issued by any court, shall be made to such trustee. Upon a finding by the trustee that access to any such document would violate any argument made pursuant to section 3904 of this title, the Administrator of General Services shall, at the request of such trustee, take such action as may be necessary to determine whether such request shall be granted.

"§ 3904. Agreements limiting access to public documents

"An elected official of the United States may enter into an agreement with respect to granting public access to the public documents of such official with the Administrator, or in the case of any such official who has designated a trustee under section 3903(b), may enter into an agreement with respect to public access to any such document with such trustee subject to the approval of the Administrator. In addition to any other materials required to be kept from public disclosure by law, any agreement under this section may provide for such limitations on public access to such documents as may be necessary to protect confidentiality of communications or to save embarrassment to any individual, except that no such agreement shall provide for restrictions on access for any period in excess of twenty-five years from the date on which such official ceases to be an official of the United States or upon his death, whichever occurs later. No such agreement shall have any effect on any subpena issued by any court for the production of any such document.

"§ 3905. Judicial review

"A decision by the Administrator of General Services that any object or material is a public document of an elected official of the United States within the meaning of section 3901 (2), of this title shall be a final agency decision within the meaning of section 702 of title 5.".

(b) The table of chapters, preceding chapter 1 of such title 44, is amended by adding at the end thereof the following:

"39. Public Documents of Elected
Officials ---------------------- 3901".

Mr. GRIFFIN. This amendment, as the Senator from Illinois (Mr. PERCY) had explained earlier, would extend general principles involved in the bill before us to all Presidents, Vice Presidents, Senators, and Congressmen.

I believe this amendment has considerable merit and I think we ought to vote on it.

Mr. ERVIN. Mr. President, I think the unwisdom of considering this amendment in connection with this bill has been made evident by the argument of the distinguished Senator from New York (Mr. JAVITS), the distinguished Senator from Wisconsin (Mr. NELSON), and by the unanimous action of the Government Operations Committee which reported the bill, that the addition of such an amendment as this was unwise.

If we attempt to put too much of a burden on one little nag that has to make a speedy journey we prevent the necessary speed being made, and it might break the back of the nag and I, therefore, move to table this amendment, and suggest the absence of a quorum.

Mr. GRIFFIN. Mr. President, will the Senator withhold his motion for just a moment or two? May I ask a question of the Senator?

Mr. ERVIN. Yes.

The PRESIDING OFFICER. Does the Senator withdraw his motion with respect to the absence of a quorum?

Mr. ERVIN. Yes, I withdraw the request for a quorum.

Mr. GRIFFIN. As I understand it, the principal argument is that we ought to have hearings on this amendment which would extend application of the bill to Senators and Representatives, but that we do not need hearings on the bill before us; is that correct?

Mr. ERVIN. I do not think we need any hearings on anything connected with Watergate. That is all we have been hearing about in this country for almost 2 years.

Mr. GRIFFIN. Does the Senator from North Carolina concede there are any constitutional questions in this bill before the Senate?

Mr. ERVIN. Not in this bill. This bill expressly provides that if anybody objects to any provision of the bill, he can go into court, and if he claims any privilege, he can go into the courts and, therefore——

Mr. GRIFFIN. I can say that would be true in the case of the amendment, as well.

Mr. ERVIN. We already have it in the bill so we do not need it in the amendment.

Mr. JAVITS. Mr. President, will the Senator withhold a moment in making his motion?

Knowing that this amendment would be proposed, I made the arguments about what I consider the simplistic nature of the approach to the problem which it adopts. We simply have to believe that Members of the Senate are more sophisticated than that. Sure, if we were people who just descended from Mars, it sounds so logical to apply this to all Presidents, and why not apply it to every elected official. I agree.

But we know that in a sophisticated sense if we try to do that we are being unfair to all the people concerned. The Senators and the Congressmen had no reason to suppose we were going to deal with their particular problems in this way. That was not the case with former President Nixon. President Nixon had every reason to suppose it because he made an agreement and thought through exactly how he would enjoy joint control. I am sure——

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. JAVITS. Not yet.

It was he who stipulated that at a given point the tapes could be destroyed, despite the enormity of all that has happened and the fact that important criminal cases are jeopardized by this agreement.

Now, I think again it is denigrating all of us that any of this should be construed or endeavored to be painted as being vindictive or mean to a former President.

I have myself said, although I thoroughly disagree with President Ford about the precipitate nature of a pardon, that all of us know that at some given point, there would be concurrence between Congress, the President and the American people that our former President be accorded clemency. I have said that myself when I objected, and I think that was the general opinion of Congress. So I hope that we will not feel embarrassed about discussing this in a legitimate and objective way, but let us also remember what is at stake here.

No one can fairly deny that there is a burning and thoroughly defensible public interest in preserving this particular ex-President's papers. They have been so hotly controverted that he himself has agreed to compromise what he considers his ownership interest in those papers.

It is not unqualified, it is not absolute. He has yielded some ground on that score in the agreement. I am a lawyer and I am the first to say so.

It is my conviction and, I gather, that of our whole committee which reported our bill unanimously that under the present circumstances it would simply be a travesty not to have the United States in unqualified and complete control and custody of these papers.

Personally I would say to my colleagues that I think it is rather unfortunate that we should be driven to these kinds of speeches on this matter, I really do.

Mr. GRIFFIN. I do, too. May I have a minute or two?

Mr. JAVITS. I am very unhappy about it.

Mr. GRIFFIN. May I have a minute or two?

Mr. JAVITS. Only 2 minutes. I am not making a long speech.

The PRESIDING OFFICER. The Senator from North Carolina (Mr. ERVIN) has the floor.

Mr. JAVITS. He has yielded to me.

Mr. ERVIN. I yield to the Senator from New York, without losing my right to the floor, and he can yield to the Senator from Michigan.

Mr. JAVITS. Mr. President, we are trying to be objective and, professional in this emergency. We have addressed ourselves to the emergency.

We fully appreciate the point of the Senator from Michigan and Senator PERCY's point. It is entirely well taken. But it is not apposite to the situation we face.

Mr. ERVIN. Mr. President, I believe I still have the floor in reservation.

Mr. GRIFFIN. Mr. President, will the Senator yield to me without losing his right to the floor?

Mr. ERVIN. With the understanding that I do not lose my right to the floor.

Mr. GRIFFIN. I want to say that I share the concern about some aspects of the existing agreement that has been entered into, particularly that part of it which would provide for the destruction of papers in the event of the death of the former President. I do not think that is wise and that should be changed.

I agree that Presidential papers and tapes of the former President should be held in custody and under some arrangement where they could be made available under court process and subpena in the event that there should be necessity for that, and, if indicated, that that would be necessary.

But this legislation goes much further than that and it is not just the rights of the former President that are involved. The Senator and others know that defendants and potential defendants have rights that are also going to be affected.

Mr. ERVIN. I might state that this bill gives them the right to assert any claim of privilege they may have.

Mr. GRIFFIN. It seems rather odd to me that there could not have been 1 or 2 days of hearings held to allow those that have a direct interest to come in and make the arguments on their behalf, rather than putting a bill out on the floor here with no hearings whatsoever, no consideration by the Judiciary committee of the very substantial constitutional issues that are involved, which the Senator from Nebraska has raised and will raise in great detail.

They are very significant, substantial questions, and yet the Senator wants us to go ahead and pass this. Yet, of course, when it comes to a similar measure that would apply to Senators and their papers, oh, no, we cannot do that, we have got to have hearings, we have got to take some time.

Mr. PERCY. Will the Senator yield for a question?

Mr. ERVIN. I have the floor.

Mr. GRIFFIN. The Senator from North Carolina has the floor.

Mr. PERCY. Will the Senator yield for a question?

Mr. ERVIN. I will just say that, so far as I have heard, no Senators have been allegedly involved in Watergate; therefore, that situation is not relevant to this bill.

Now, I will yield to the distinguished Senator from Illinois with the understanding that by so doing I do not lose my right to the floor, and I ask unanimous consent to that effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Will the Senator yield to me?

Mr. ERVIN. On the same terms.

Mr. JAVITS. Thank you.

Mr. PERCY. Under those conditions, I am happy to pose my question.

I would like to ask the distinguished Senator from Michigan, who was not here, unfortunately, during the course of the discussion of the so-called Percy amendment and did not have the benefit of all of the arguments that were made at that time as to why it would be unwise to offer it now and why hearings should be held on it, whether or not in the judgment of the Senator from Michigan it would not have been wise for the Director of GSA, Mr. Samson, to have had hearings before he precipitiously entered into an agreement?

Mr. GRIFFIN. Yes.

Mr. PERCY. Which bound the United States of America without any kind of law, and which may have been contrary to law, and which forced us to accept them in this matter simply as a response, not only to our conscience, but also to the outrage of the American people at this kind of an agreement, would it not have been wise then to have had hearings at that time before an agreement was signed and bound and a fait accompli, before anyone in Congress I know of knew anything about it?

Mr. GRIFFIN. Well, I have already said that I did not subscribe to or approve of all the provisions of the agreement. I have said that.

If this legislation before us were directed only and solely to that defect, there would not be any particular problem, but it goes much further than that.

It purports to determine ownership of these papers, and so forth, and that is a very serious question.

Mr. ERVIN. Will the Senator pardon me?

Mr. GRIFFIN. Yes.

Mr. ERVIN. That is a question that this bill does not undertake to determine at all. It leaves it to the courts.

Mr. GRIFFIN. The Senator means he allows the courts to upset the ruling, the determination?

Mr. ERVIN. The authors of this bill and those who support it in the Government Operations Committee, which was all members present, recognize there is a serious controversy as to whether or not the official papers of a President on his retirement become his personal property or remain the property of the public.

So we expressly do not undertake to decide the question of ownership in any form or fashion.

We say that matter can be litigated in court at the instance of the former President and that in the event the court adjudges that he is the owner of them, that he will be paid fair compensation for their value as fixed by the court.

Mr. GRIFFIN. Well, it is my view that this legislation—and I noticed that even the editorial in the Washington Post the other day recognized that was the case—goes too far. It goes beyond what is necessary to remedy the problem that we have and if we are going to go that far with respect to a former President, then I will vote for an amendment to make the same principles generally apply to all former Presidents and to Vice Presidents and to Members of the Senate and Members of the House of Representatives.

Mr. ERVIN. Including——

Mr. JAVITS. Mr. President, what we are talking about——

Mr. ERVIN. I yield to the Senator from New York on the understanding I do not thereby lose the floor.

Mr. JAVITS. What we are talking about now is a pending motion to table a particular amendment. If any Senator, Senator GRIFFIN or the distinguished minority leader or any other Senator, has any other ideas in respect to this bill, they will have to be brought up and dealt with.

Right now, all we are arguing against is the simplistic notion that you do what Senator GRIFFIN wishes us to do, which is that you apply this to everybody, and that, therefore, shows egalitarianism. We must reject that argument. We must also reject arguments which question the constitutionality of our bill. As Senator ERVIN and I and everyone else knows, courts can stay anything once we give them the authority, and they do have the authority, so they can stay any element of this bill if there is enough of a case made to justify that there is a reasonable doubt.

I have a very interesting and what I consider to be an outstanding brief by the Library of Congress Research Service on the alleged constitutional issues which I understand Senator NELSON has already placed in the RECORD. It is a most useful and persuasive document, and I commend it to my colleagues.

Mr. LONG. Will the Senator yield?

Mr. ERVIN. I yield without losing my right to the floor.

Mr. LONG. Let me make it clear, I am not sure whether I am going to vote for the resolution or the amendment or anything, I just walked in and heard some of the debate.

Now, if I understand what the thrust of the proposal is, simply, that certain information and certain material should not be destroyed without Congress or others who might have an interest in the matter having opportunity to find out what they could, is that correct?

Mr. ERVIN. Correct, and this only deals with existing information. It does not deal with information that may have been accumulated before the former President was inaugurated in January 1969, and it does not deal with any information accumulated after his resignation on August 9.

Mr. LONG. But it seems to me, this is parallel to something I thought I would discuss with the Senator when I had a chance to get around to it, when the press of business permits, a small matter, but it would be nice to have somebody investigate it, and when we seek to start an investigation, we would like to be sure those who have the evidence do not destroy it before we can find out what the evidence is.

But it does seem to me the controversy here is somewhat parallel to what there is when you seek a search warrant.

We have to allege that we have some reason to think there is something that is going on that should be looked into or that we have reason to think there is some evidence that would be obtained if we entered that dwelling place, or that place of business, and to indicate what it is that we are after, then we get the warrant.

But that does not give the right just to break into everybody's house unless we have reason to think somebody put something——

Mr. ERVIN. That is why I stated to the distinguished Senator from Michigan a while ago that there is no Senator and no Representative that has been allegedly involved in any way in the Watergate, so far as I have ever heard.

Mr. LONG. The though that occurs to this Senator is that if anybody has any reason to think there is any information any of us have in our files about some subject that might be thought to be criminal conduct of anybody, fine, bring in the resolution, order him to see his papers, but if we are just talking about the need of everybody on the theory everybody is a suspect, like Watergate—

Mr. ERVIN. There is an agreement between the Administrator of General Services and the former President that provides, in effect, that evidence which is relevate to criminal cases will be destroyed at the death of former President Nixon. It was made under a statute which gives the administrator authority to take steps regarding the use of official documents, but it does not give him any authority to provide for the destruction of official documents.

Mr. LONG. I thank the Senator. I wanted to know what it was that this whole thing was about, and, for that matter, what this had to do with papers of Members of Congress. I am not aware that there is any Member of Congress I want investigated right now, but I was concerned about the idea that because somebody wants to look at those papers, to know what might be in them, that that means we ought to initiate an investigation of every Member of Congress. I do not see how that quite follows.

Mr. ERVIN. This contract even includes within its embrace the tapes which the Supreme Court of the United States said the Special Prosecutor was entitled to have produced for use as criminal evidence in cases now pending.

Mr. GRIFFIN. Will the Senator yield to me?

Mr. ERVIN. I yield to the Senator from Michigan with the understanding——

Mr. GRIFFIN. Would the Senator from Louisiana pay particular attention——

Mr. ERVIN. Wait a minute. I yield to the distinguished Senator from Michigan with the understanding that I will not lose my right to the floor even though he may propound interrogation or engage in a colloquy with other Members of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I refer to the bill now before the Senate, particularly to page 4, beginning on line 16. Let us see what this bill would apply to.

The Senator from North Carolina has referred several times to the fact that the bill refers only to Watergate matters.

But the bill reads: "Notwithstanding any other agreement or understanding made," and so forth, "the Administrator of General Services Administration shall obtain, or, as the case may be, retain, complete possession and control of all papers, documents, memorandums, and transcripts which constitute the Presidential historical materials of Richard M. Nixon" * * * "between the period January 20, 1969, and August 9, 1974," which, of course, is the entire time during which he served.

Will the Senator from North Carolina accept an amendment to that language qualifying it so that it would apply to those papers, documents, memorandums, and transcripts which refer to, or relate to, the so-called Watergate matter?

Mr. ERVIN. I am sorry that the Senator from Michigan was not here when I explained this bill. This bill clearly makes a distinction between the Watergate matters and other matters. It provides for the impounding of the Watergate matters. It also provides for the impoundment of other matters only to the extent they are of historical importance. I think that situation is taken care of already.

Mr. GRIFFIN. The Senator does intend, then, for the bill to apply to all the papers of the former President during the period of his service?

Mr. ERVIN. All of his official papers, at least temporarily.

Mr. GRIFFIN. Not just those that relate to Watergate, but all of them?

Mr. ERVIN. All of them, but if the Senator——

Mr. GRIFFIN. I want that to be clear, that it applies to all the papers.

Mr. ERVIN. If the Senator will permit me, I will make it clear.

This provides that all of the papers are to be preserved by the General Services Administration. It also has mechanisms in it under which all the papers which do not relate to Watergate are not to be made accessible to the public. It also makes provision for the General Services Administration, with the help of one of its component subdivisions—the Department of Archives—to go through the papers. The ones that do not relate to Watergate and the ones that do not have historical importance will be surrendered to the President.

Mr. GRIFFIN. Will the Senator accept an amendment to this bill restricting its application to those papers that refer to, or relate to, the Watergate matter?

Mr. ERVIN. No, because we need them both. We have to look through the others for historical importance. I do not believe the President has a right to destroy papers that have historical importance in the history of our country.

I think this is a good bill as it is. It has been very carefully gone over and studied by a committee of many Senators.

At the present time, if I still have the floor, Mr. President, I move that the amendment offered by the distinguished Senator from Michigan be tabled, and I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Idaho (Mr. Church), the Senator from Iowa (Mr. Clark), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Massachusetts (Mr. Kennedy), the Senator from Maine (Mr. Muskie), the Senator from Alabama (Mr. Sparkman), and the Senator from Illinois (Mr. Stevenson) are necessarily absent.

I also announce that the Senator from Maine (Mr. Hathaway) is absent to attend a funeral of a former Congressman of Maine.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) and the Senator from Maine (Mr. Hathaway) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Massachusetts (Mr. Brooke), the Senator from New Jersey (Mr. Case), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Packwood), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that the Senator from Nebraska (Mr. Curtis) is absent to attend a funeral.

The result was announced—yeas 48, nays 32, as follows:

[No. 450 Leg.]

YEAS—48

Abourezk
Allen
Bennett
Bible
Biden
Burdick
Cannon
Chiles
Cranston
Eagleton
Eastland
Ervin
Hart
Hartke
Haskell
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metzenbaum
Mondale
Montoya
Moss
Nelson
Nunn
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Stennis
Symington
Talmadge
Tunney
Williams

NAYS—32

Aiken
Baker
Bartlett
Beall
Bentsen
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cotton
Domenici
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Helms
Hruska
Mansfield
McClure
Metcalf
Pearson
Roth
Scott, Hugh
Scott, William L.
Stafford
Stevens
Thurmond
Weicker
Young

NOT VOTING—20

Bayh
Bellmon
Brooke
Case
Church
Clark
Cook
Curtis
Dole
Dominick
Fulbright
Gravel
Hathaway
Kennedy
Muskie
Packwood
Sparkman
Stevenson
Taft
Tower

So the motion to table Mr. Griffin's amendment was agreed to.

The PRESIDING OFFICER (Mr. Helms). The Senator from Nebraska is recognized.

Mr. HRUSKA. Mr. President, in order that my position in the pending matter will be clear and that the orientation from which I approach it will be clear, I briefly state this: I am fully aware of the historical importance of the papers that are sought by the Ervin bill. I know of the insistent and wide demand of many members of the public for its right to know.

I am in accord with the concept that Presidential papers should be Government property. I am in favor of the proposition that the records should not be destroyed even though the current agreement to that effect is within the terms of the present law. It should be changed.

I am mindful of the fact that there are these very powerful arguments. But they are beside the point unless consider that the objectives of the bill should be achieved with due regard for other rights—not only the right of the public to know, but also other rights that arise from the very nature of releasing this material. There are many other competing rights which must be considered.

There are the rights of private property. The papers and records involved are the property of Richard Nixon. They are his personal property. If we depart from that norm, it will be at variance with every precedent since the time George Washington retired from office. Without variation and without any exception of any kind, those papers have always been regarded as the President's property.

We have obligations that arise by reason of the privilege of confidentiality which is accorded to the President with reference to these records. It is a privilege, Mr. President, that has been asserted by every President to whom was addressed a request for papers that he was unwilling to surrender. Recently, Mr. President, that right of executive confidentiality was confirmed and defined in solid constitutional law, less than 10 weeks ago, by the current Supreme Court in the historic case of United States against Nixon.

There is also the right of privacy involved in the issue before us, Mr. President, and that is a very precious right. I have heard many a debate here, on this floor and in committee rooms, on the right of privacy. There are a number of bills pending on the subject now. Curiously enough, many of those who are most outspoken for the right of privacy, we find as cosponsors of the present bill that we are considering, S. 4016. It is not only the right of privacy, Mr. President, of the former President, Mr. Nixon; it is also the right of privacy of the numerous individuals with whom he had conversations or conferences, and who are the subject of many of these papers that are now being sought for public access.

Mr. GRIFFIN. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order. The Senator is entitled to be heard.

The Senators are asked to take their conversations to the cloakroom.

Mr. HRUSKA. It is not only the right of privacy of Mr. Nixon with which we should concern ourselves, it is that of numerous other individuals, Mr. President.

There is the proposition of eminent domain. Eminent domain, the right of the government to take property, is not unlimited. It is an inherent power in the government, but it is not unlimited and some of the constitutional considerations which I have already mentioned are fundamental rights that will compete with the government's power to take under the right of eminent domain. I shall demonstrate that in due time.

Then there is the matter of due process, Mr. President. We had a curious turn of events here, where we were asked not to adopt an amendment that would make the proposed law apply to Senators and Congressmen, because it would be unfair to them. It was urged that they had no reason to believe that such an amendment would be proposed, and that Members of Congress ought to be given a right to be heard in hearings.

But Mr. President, the Committee on Government Operations did not hold a single minute of hearings on this bill. Mr. Nixon, people representing him, and others who have a concern in preserving some semblance of orderly procedure under the Constitution had a right to be heard.

The Senate is now being addressed by a Senator who would have dearly loved to be heard. For the first time, we get a forum here on the floor—after the fact. After the fact, after the bill has been reported, there has been more information placed in the RECORD—yesterday afternoon and that will be put in this afternoon—on this subject than has ever appeared any place in the deliberations or in the consideration of the committee that reported this measure.

Let me say that I firmly believe that the public has a right to know, subject to other rights. The papers in question are important. They should be protected and they should not be destroyed.

Mr. YOUNG. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

The Senator may proceed.

Mr. HRUSKA. They should not be destroyed and they should be made Government property. All these things I believe, but this should be accomplished in an orderly fashion and in compliance with the constitutional provisions and obligations.

Mr. President, S. 4016 presents some very deep-seated propositions bearing on the nature of the Office of the President of the United States and its continued viability; upon the separation of powers; and on the rights of numerous individuals. Many of these considerations are constitutional in nature or are grounded on policy or both. Because none of these fundamental issues was considered in the committee which reported this bill, no hearings have been held, and because the report on the bill fails to discuss these issues, I shall oppose the bill and also the resolution.

Because of the lack of a full consideration of the constitutional issues involved by the committee, I feel compelled to discuss those fully for the record.

At the threshold, I must admit that it would be easy to vote for this bill, Mr. President. In essence, it would be a vote against a man who is the first to be forced to resign from the Presidency, a man the House Judiciary Committee voted to impeach.

But I want to make it very clear that my arguments against this bill have nothing to do with Mr. Nixon as an individual, pro or con, and the positions he has taken or not taken in a political or social sense. My concern is with the Office of the Presidency as an institution and with the constitutional rights of those who wrote or spoke to the President.

I also want to make it crystal clear that by opposing this bill, it should not be inferred that I do not want to know all the facts about the Watergate break-in and coverup. I want the Watergate story told. I think that most of the story is known. In fact, Mr. Doar, the chief counsel to the House Judiciary Committee, has stated that the President's resignation does not represent something of an unfinished symphony. He said in an interview with the New York Times on September 13, 1974, that "the facts have been established." And additional information about the former President's conduct, Mr. Doar said, "would just be cumulative." I ask unanimous consent that the article to which I have referred be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. I rise in opposition to this bill because I am a lawyer who is deeply troubled by the measures contemplated by this bill. I firmly believe that this bill raises serious and fundamental constitutional issues. I am a Senator who took an oath to support and defend the Constitution, an obligation just as great as the obligation of the Supreme Court in the tasks assigned to it, and that obligation is just as serious and demanding as that of any other part of the Government.

If the subject of this bill were anyone other than Mr. Nixon, it is highly unlikely that it would even have gotten out of committee. So I ask my colleagues to try to put these matters in perspective. Consider whether the procedures embodied in the bill would be constitutional, let alone wise, if the subject of the bill were a Senator, Congressman, president of a large corporation, or some other famous figure.

Mr. President, we have already had the answer given as to Representatives and Senators. It was turned down as premature and untimely. It was not premature and untimely, apparently, for Mr. Nixon or the other people whose rights could possibly be infringed. It was not untimely for them, but for Members of Congress it has been decided by vote of the Senate that we do need hearings. And whether the private papers of a Senator or Congressman could legally be appropriated by the Government and made available to every litigant who wants them and every person who wants to rummage through them. For if the President's papers can be seized and disclosed to all the world, then surely the private papers of a Senator or Congressman or perhaps a corporation president, union leader, or other well-known person can be seized and disclosed to all potential litigants and to the curious. It is in this context that we should view this bill. I ask my colleagues to look at this matter in that perspective.

Mr. President, S. 4016 appears to suffer the same infirmity that is suffered by most bills that are introduced out of the passions and emotions of an unprecedented event. The infirmity is compounded here by the fact that this bill has been quickly brought to the floor without going through the regular legislative process and without an airing of even the very fundamental issues. No hearings were held. The infirmity is the confusion of a power's validity with the cause the power is to serve. In short, the philosophy adopted is that the end justifies the means.

Justice Jackson expressed this apprehension very well in the Steel Seizure case:

> The opinions of judges, no less than executives and publicists, often suffer the infirmity of confusing the issue of a power's validity with the cause it is invoked to promote, of confounding the permanent executive office with its temporary occupant. The tendency is strong to emphasize transient results upon policies . . . and lose sight of enduring consequences upon the balanced structure of our Republic. *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579, 634 (1952).

Mr. President, that is as good a quotation as could have been written to fit the situation at hand. It needs only one minor correction, and that would be to say, instead of "confounding the permanent executive office with its temporary occupant," to make it read "confounding the permanent legislative offices with a temporary occupant of an office in the executive branch." Then the citation would be completely applicable to the situation at hand.

Mr. President, this bill raises a number of very fundamental constitutional issues—issues that apparently were not even considered by the Committee on Government Operations because there is no discussion of the issues in their report. In fact, there were not any hearings to allow the issues to even be aired.

Before discussing these fundamental constitutional issues in more detail, I shall briefly list them.

First. The first involves the basic doctrine of separation of powers—the privilege of the Chief Executive to maintain in confidence those communications the disclosure of which would hamper or impair the effective functioning of the executive branch. The discussion of this privilege and its application to a former President is very cogently and simply discussed by President Truman in his letter to the House Committee on Un-American Activities in which he declined to comply with a subpena after he had left the Office of the Presidency. President Truman argued then that the privilege would be shattered and the proper functioning of the Office of the Presidency impaired if the privilege were not recognized. Those same concerns are just as compelling here, but they are ignored by S. 4016.

Second. The second issue involves the power of eminent domain. What S. 4016 purports to do is to require the U.S. Government to take into possession all the papers and recordings of the President. The Administrator of GSA would then exercise control of the papers and recordings and release them to the public and to litigants suing or prosecuting the President. This is a taking of literary property which is unprecedented. It is a taking of a man's ideas and innermost thoughts. If a former President's ideas, thoughts, and confidential communications can be exposed for all to see, then what would prevent any Senator's, Congressman's, businessman's or union leader's papers from being bared to the criticism of his fellowman.

Third. The third issue builds upon the second. It involves the first amendment. If an individual's papers and the recordings of his conversations can be taken from him and exposed to the public, it is obvious that his right to speak freely will be chilled. How could a man speak freely and candidly, if his conversations are going to be exposed to the cold winds of public criticism and discussion? How can any man, how can any person, have any conferences or any discussions or participate in any transactions or any negotiations knowing that his confidential conversations could be completely disclosed? The first amendment provides that no law shall be passed that infringes upon the right to speak and write. S. 4016 appears to violate that basic right.

Fourth. The fourth issue involves the right to privacy. S. 4016's forced disclosure of the tapes leads to a governmental invasion into the privacy of numerous individuals' innermost thoughts. Most of the individuals recorded on the tapes were unaware that their conversations were being recorded. They expected their private communications to remain just that—private. Yet this bill purports to repudiate that right.

Fifth. The fifth issue centers around the bill of attainder clause of the Constitution. A bill of attainder is a legislative act that applies to a named individual in such a way as to inflict punishment upon him without a judicial trial. S. 4016 certainly is a legislative act and it certainly applies to a named individual. The Senate has insisted that it will remain identified with only an individual, to the exclusion of any other elected official. Does it inflict punishment? The taking of the papers from their owner and the giving of them to every individual who files a case against the President for civil damages appears to be a penalty and, therefore, appears to violate the constitutional provision prohibiting a bill of attainder.

I will have more to say on that in a little bit.

This is a thumbnail sketch of the issues, Mr. President, these five points that I have just stated. But it is clear that just by an enumeration of them that they are fundamental and they are significant and, once again, I say it is very unfortunate that these issues were not considered.

But to elaborate on these issues, I offer for the RECORD a memorandum discussing these five issues and ask that it be printed at this point of my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM: CONSTITUTIONAL ISSUES RAISED BY S. 4016

I. EXECUTIVE PRIVILEGE

In *United States v. Nixon*, —— U.S. —— (1974) 42 U.S.L.W. 5237, 5244, the Supreme Court unanimously recognized that the confidentiality of presidential communications is of constitutional dimension. This privilege to maintain these communications in confidence is based on the doctrine of separation of powers. As the Court stated:

"Human experience teaches that those who expect public dissemination of their remarks may well temper candor with a concern for appearances and for their own interests to the detriment of the decision making process. Whatever the nature of the privilege of confidentiality of presidential communications in the exercise of Art. II powers the privilege can be said to derive from the supremacy of each branch within its own assigned area of constitutional duties. Certain powers and privileges flow from the nature of enumerated powers; the protection of the confidentiality of presidential communications has similar constitutional underpinnings."

Furthermore, the Supreme Court ruled that Presidential communications are "presumptively privileged":

"The expectation of a President to the confidentiality of his conversations and correspondence, like the claim of confidentiality of judicial deliberations, for example, has all the values to which we accord deference for the privacy of all citizens and added to those values the necessity for protection of the public interest in candid, objective, and even blunt or harsh opinions in presidential decision-making. A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately. These are the considerations justifying a presumptive privilege for presidential communications. The privilege is fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution."

While the Court recognized the constitutional underpinnings of an Executive privilege, it also recognized that the right to the production of all evidence at a criminal trial similarly has constitutional dimensions. The Sixth Amendment confers upon every defendant the right to use compulsory process to obtain evidence and the Fifth Amendment guarantees that no man shall be deprived of liberty without due process of law.

The Court, thus, had to balance one constitutional right against another and, in the end, held that the fair administration of criminal justice—because it involves the liberty of an individual—outweighs the privilege of confidentiality.

S. 4016 presents no such difficult analysis. There is no apparent constitutional right that the bill seeks to vindicate. It seeks to preserve the recordings and papers for the use of some future, unnamed litigant and for exposure to the general public. While interesting, the merit of such a purpose is not relevant. It is not of constitutional dimension and therefore must be outweighed by the constitutionally based Executive privilege.

The fact that the papers are those of a former President is immaterial with respect to the invocation of the privilege. Executive privilege, like all privileges, does not cease upon the termination of the relationship that gave birth to the privilege. A doctor-patient privilege does not cease when the patient chooses another doctor; a lawyer-client privilege does not expire when the client retains a different lawyer; a priest-parishioner privilege does not die when the priest moves to another parish. Freedom of discussion would be chilled if there was the risk that the communications would be exposed if the relationship changes.

Similarly, the rationale underlying Executive privilege and the interest it serves compel the conclusion that a former President may indeed invoke Executive privilege in the same manner as a sitting President. It must be obvious that future discussions with future Presidents would ever after be chilled by the knowledge that within at least eight years those discussions would be exposed to the public.

The question of the application of the privilege to a former President is not novel. President Truman, after he returned to private life, refused to comply with a subpoena issued by a House Committee on the basis of Executive privilege. He explained in a letter to the Committee that a move to subject former Presidents to inquiries into their acts while President would violate the separation of powers:

"It must be obvious to you that if the doctrine of separation of powers and the independence of the Presidency is to have any validity at all, it must be equally applicable to a President after his term of office has expired when he is sought to be examined with respect to any acts occurring while he is President.

"The doctrine would be shattered, and the President, contrary to our fundamental theory of constitutional government, would become a mere arm of the Legislative Branch of the Government if he would feel during his term of office that his every act might be subject to official inquiry and possible distortion for political purposes." The privilege thus is constitutionally based and it is applicable to a former President. S. 4016 would however repudiate that privilege. It would make the Nixon recordings available to the courts in any case, civil or criminal. While the privilege may be required to defer to the constitutional needs presented in a criminal trial, the privilege may outweigh any civil litigant's need for the privileged information. In fact, in *Committee for Nuclear Responsibility, Inc. v. Seaborg,* 463 F.2d 796, 799 (D.C. Cir. 1971)—a civil case—the court acknowledged the importance of confidentiality in contributing substantially to the effectiveness of government decision-making and held that if the privilege was rightfully invoked, that is, if it related to the information withheld, the privilege would be upheld. S. 4016 does not, however, acknowledge the right to assert a privilege in a civil proceeding. It does not provide for any balancing of rights. Instead, it makes the information, whether privileged or not, available to the adversary. S. 4016, therefore, appears to overrule by statute a judicial decision grounded on the Constitution.

But beyond that, S. 4016 would grant *public* access to the Presidential papers and communications without regard to the confidences upon which they were produced. This feature of the bill also appears to be unconstitutional. As the United States Court of Appeals for the District of Columbia Circuit recognized in *Nixon v. Sirica,* 487 F.2d at 715:

"We acknowledge that wholesale public access to Executive deliberations and documents would cripple the Executive as a coequal branch."

In short, S. 4016 purports to defeat a constitutional privilege and for that reason appears to be unconstitutional.

II. THE TAKING OF LITERARY PROPERTY BY EMINENT DOMAIN

S. 4016 represents a novel and unprecedented attempt to appropriate for public use the private papers of an individual. By taking custody of the papers and recordings and furnishing these communications to litigants and the public, S. 4016 purports to vest in the Administrator of GSA full dominion over the Presidential communications. An exercise of full dominion over another's property can be achieved only by the exercise of eminent domain—the taking of property of another by the government with the payment of just compensation for the individual's loss of his property.

While it is clear that the Government can take real property and personal property, it is unclear whether it can take literary or intellectual property—the personal papers of an individual, his innermost thoughts. The extent and nature of this exercise of eminent domain appears to be unprecedented. A step by the Government to appropriate an individual's personal papers, his thoughts and ideas, contemplates not only a novel exercise of eminent domain but also an invasion of privacy and an infringement of the First Amendment.

III. FIRST AMENDMENT RIGHTS

It is an understood principle that the right to free speech is not lost with election to high government office. Surely, even a President should not be denied the right to speak freely in public debate. Moreover, an extension of the principle of free speech in public is the private formulation of thoughts and ideas among intimates and friends.

Courts have not ruled on a First Amendment challenge to forced revelation of a continued pattern of an individual's comments, public and private for an extended period of time. They have, however, addressed a question of less magnitude with respect to attempts to discover a simple list of persons who belong to a political organization. In so doing, they have held that the privacy of a political organization is recognizably related to the notion of free thought and expression under the First Amendment of the Constitution:

"It is hardly a novel perception that compelled disclosure of affiliation with groups engaged in advocacy may constitute as effective a restraint on freedom of association as the forms of governmental action upon the particular constitutional rights there involved. This Court has recognized the vital relationship between freedom to associate and privacy in one's association." *NAACP* v. *Alabama,* 375 U.S. 449, at 462 (1958). See also *Shelton* v. *Tucker,* 364 U.S. 479 (1960).

As stated by Justice Brennan, ". . . inhibition as well as prohibition against the exercise of precious First Amendment rights is a power denied to government." *Lamont* v. *Postmaster General,* 381 U.S. 301, 309 (1965). The same principle must be applied to legislative attempts to monitor any man's daily political expression. *Cf. Eastern Railroad Presidents Conf.* v. *Noerr Motor Freight, Inc.,* 365 U.S. 127 (1961). The "chilling effect" of the knowledge that every political utterance or writing, whether tentative or experimental, will be exposed to public scrutiny would be an intolerable inhibition upon any man's thought and political development.

Yet this would be precisely the effect of S. 4016. It seeks to obtain and make available to the public the voluntarily-kept, daily record of a man's tenture in the Presidency.

No one can deny that perhaps there is a legitimate public interest in allowing every thought of the man occupying the White House to be made public. It holds much appeal. But it must be recognized that the development of presidential political thought differs little from that of any other man and is inhibited by the same factors. The right of the electorate to monitor the conduct of public officials should go to the decision made, not necessarily the options considered.

There is nothing in the Constitution, or in political theory which argues that high government officials must live in a fishbowl. *E.E.A.* v. *Mink,* 410 U.S. 73 (1973); *Carl Zeiss Stiftung* v. *V.E.B. Carl Zeiss, Jena,* 40 F.D.R. 318 (D.D.C. 1966). Rather, it is anticipated that those elected to public office will develop and modify their political assessments and judgments in the same manner as private citizens, through public debate and private discussion.

A President as much as any man is guaranteed freedom from restraints on his right to think and talk freely among his close associates and advisers. Knowledge that notes and tape recordings made for personal use can, by whatever means, be condemned and published will inevitably inhibit and constrain this process. As stated by Judge Learned Hand,

("The First Amendment) presupposes that right conclusions are more likely to be gathered out of a multitude of tongues, than through any kind of authoritative selection. To many this is, and always will be, folly; but we have stated upon it our all." *United States* v. *Associated Press* (52 F Supp. 362, 372) (S.D.N.Y., 1943)).

S. 4016 provides for the wholesale acquisition of a man's tape recordings and personal notes. It must be obvious to all that if the thoughts of a man in his office were published for all to see, the right of a man to speak, let alone think, would be chilled.

To the extent that criminal wrongdoing may be involved, the Constitution provides formal judicial mechanisms for the discovery of relevant material. *United States* v. *Nixon, supra.* As an alternative, any legislation directed to the acquisition of the personal notes and communications of a President, or any other high government official, should take into account the First Amendment guarantees which courts have long underscored as the foundation of a political system where the development of free expression is fundamental.

IV. THE RIGHT OF PRIVACY

Section 6 of S. 4016 grants to the Administrator of GSA the authority to release the tape recordings to the public. None of the restrictions to access enumerated in the bill serves to protect the right of privacy. The recordings would be made public notwithstanding any rights of those who talked with the President.

It is clear that most of those who communicated with the President were unaware that their conversations were being recorded. They spoke freely, frankly and they thought confidentially. This is how we would expect presidential advisers to speak with the President. Yet S. 4016 would thwart this confidentiality and make these innermost thoughts public.

The right to privacy has been recognized by the courts in many contexts—the First Amendment, *NAACP* v. *Alabama,* 357 U.S. 449 (1958); the Fourth Amendment, *Weeks* v. *United States,* 232 U.S. 383 (1914); and the Ninth Amendment, *Griswold* v. *Connecticut,* 381 U.S. 479, 486 (1965). And it is clear that the conversations of persons recorded on tapes are the type of material encompassed by the right of privacy.

Yet, S. 4016's forced disclosure of the tapes appears to constitute a governmental invasion into the innermost thoughts of many individuals. This disclosure is not for the purposes of a criminal trial. It is for the public's consumption. This invasion is unprecedented and apparently unwarranted.

V. THE BILL OF ATTAINDER CLAUSE

As construed by its sponsors this bill could constitute a bill of attainder as prohibited by Article I, Section 9, Clause 3 of the Constitution.

The Supreme Court has stated that "legislative acts, no matter what their form, that apply either to named individuals, or to easily ascertainable members of a group in such a way as to inflict punishment upon him without a judicial trial are bills of attainder prohibited by the Constitution." *United States* v. *Lovett,* 328 U.S. 303 (1946) at 315.

S. 4016 appears to fit this classic definition of a bill of attainder. S. 4016 certainly is a legislative act and it is certainly designed to apply to a named individual—specifically former President Richard Nixon. It would deprive him of his property rights. The former President would be deprived of title and rights pertaining to his papers by the provision of the bill authorizing the GSA Administrator to take complete possession and control of all his presidential materials.

The deprivation would be accomplished not by the judicial process but by legislative determination.

It appears that such a deprivation of property can be considered a form of punishment against Richard Nixon. Mr. Nixon's most private papers, Watergate related or not, would be subject to public scrutiny conflicting with his Fourth Amendment right to be secure "against unreasonable searches and seizures."

But more than that, by granting access to these tapes and papers to every litigant who wants them to be used against the President in any case, appears to inflict a punishment. Certainly if the case is criminal in nature—which it could be since the pardon applies only to Federal cases not State cases—this forfeiture of the papers appears to violate the Fifth Amendment's guarantee that no man can be used as a witness against himself.

No matter how fine the public policy arguments to the effect that important papers must be preserved, this bill if enacted would interfere with the former President's Constitutional rights and could therefore be construed as a form of punishment.

It should be noted that the same fine public policy argument regarding the presentation of records applies equally to those of other public officials, presidents and congressmen. The fact that this bill applies only to Mr. Nixon creates further suspicion as to its punitive character.

Mr. HRUSKA. Mr. President, I have heard some who say that we should pass this bill and let these issues be resolved by the courts. Is that not a novel theory? Proceeding into this very complex area of government, proceeding in a field fraught with constitutional difficulties, obstacles, and intricacies, and blithely passing a law saying, "Oh, well no harm will be done. The former President and anyone else affected can go to court and he can prove his case, he can attack the constitutionality, and everything will be all right." The Supreme Court in due time, several hundreds of thousand dollars later in costs and attorneys' fees is going to get the case. It may be a year or two or three, together with the expenditure of money, that the question will be resolved. I find it incredible that it is suggested that such a situation be brought about by a body of men and women composing the Congress of these United States. Every one of these Members has taken an oath to support and defend the Constitution, and has assumed the responsibility to do it just as conscientiously, just as competently, just as thoroughly, as the Supreme Court. Congress will dismally fail in that regard if it enacts this bill into law without regard to the legal consequences.

I believe that such a suggestion to let the courts cure any defects in the legislation reflects a lack of responsibility. Each of us has taken an oath to uphold and support the Constitution. To be responsible legislators, we must examine a bill very carefully to determine that it passes constitutional muster. We cannot pass a bill with a number of constitutional issues unresolved and then expect the individuals affected to spend a great deal of time and money in court attempting to vindicate their rights. Such a course is not only unwise; it is irresponsible.

I introduced a bill yesterday entitled the Official Documents Act. It preserves the tape recordings and papers of the President. At the same time, it also preserves the right of privacy and the privilege accorded Presidential communications. But I am not thoroughly satisfied that all of the constitutional objections have been obviated.

I would hope that my bill and S. 4016 can be used as a working basis to come up with a rational and reasonable and, most of all, constitutional measure. In order to insure that all of these issues will be thoroughly examined, it is my hope that S. 4016 and my bill will be referred to the Judiciary Committee for careful consideration.

Now then, Mr. President, the purpose of S. 4016 is clear. The thrust of it is to make available generally to the public a lot of material to which they are not entitled and which they should not have. No attempt is made to delineate what properly should be public and what should not. The public has the right to know, but there are other considerations that we should take due note of before a wholesale delivery is made of all documents.

Present law enables access to and the use of documents by prosecutors and litigants in criminal cases, in an orderly fashion without new legislation. Present law takes care of that. The Supreme Court clearly indicated there was an exception to the President's confidentiality privilege. That exception arises when there is a collision between the President's desire to withhold documents and the desire of a court to get certain documents for specific purposes; namely, either to prove a criminal case or to clear the charges brought in a criminal case against a defendant. This is also a constitutional right.

The entire effort, however, represented in this bill is regrettable. It is distressing, Mr. President, that there has been this total disregard for a well balanced and orderly consideration of a very far-reaching and important piece of legislation.

I do not want to say that all of the constitutional issues I have raised are positively fatal to the bill before us. I do mean to say, however, that these issues are serious enough to be considered and discussed in hearings to determine whether or not that is the case or whether some of them are applicable.

But the record, Mr. President, is completely silent to all of these constitutional considerations to which I refer. It is completely silent.

So, from the standpoint of procedure, it is the lack of opportunity for others to be heard and, especially, Members of Congress other than the members of the committee which reported the bill, which is a black mark against this attempted legislation.

Now, the subject matter of this legislation is of great importance. I have already stated that it is of wide interest, and it is of importance not only to preserve documentation of what has transpired, but also for such guidance as it may provide for us in the future.

There is a great and pressing desire by the general public to get at this Presidential information, all of it, Mr. President, Christmas cards and all. I know such cards are in a subcategory, but they are included, along with personal correspondence, and everything else from January 20, 1969, to August 9, 1974, under the terms of S. 4016. I have yet to hear anyone who suggested that Watergate started in January 1969.

Now, this Senator recognizes the importance of most of the papers, and I have said, and I mean it, that I have sympathy with the right of the public to know. But such a right should be and must be governed or balanced by other rights which exist. This is true with all constitutional rights.

The Supreme Court was faced with two fundamental and competing rights in the case of United States against Nixon. It was confronted with the right of Presidential confidentiality of records, and the right that there be a fair trial—that the prosecution on behalf of the people would get certain evidence and that the defendants in those cases would get certain evidence.

The court had to make a decision between the two of these rights.

What is the constitutional right that S. 4016 seeks to vindicate? What is the constitutional right that we must balance against the principle protecting the confidentiality of Presidential communications?

Mr. President, I believe that we should consider the facts surrounding and the current law applicable to the material in question.

Present law and long-observed practices are ample to provide for the preservation and proper availability of the Nixon papers, records, tapes, and transcripts, either through 44 U.S.C. chapter 21 or injunctive proceedings until we have hearings on this legislation.

If it is considered necessary to legislate, and I believe it is, it should be done by way of a general law, properly drawn and processed, and of wide application, rather than being directed against a single man. This narrow application, aimed at one individual, in my judgment, makes S. 4016 vulnerable as a bill of attainder and destructive of a number of the former President's rights.

It is also destructive of a number of other persons' rights, and it is violative of the safeguards of the office of the Presidency, not only the Presidency of Mr. Nixon, but the current President, the next President, and the President after that.

Now, as to the present law, the subject of Presidential documents is treated very extensively and in fine comprehensive fashion in 44 United States Code, chapter 21.

Now, the basic law there was passed, I believe, in 1948 or 1949 and has been amended from time to time, but not basically until 1968, just 6 years ago.

There was great care taken at those times to set forth the provisions of the law and prescribe what it would do and how it would operate in the case of presidential documents.

A little bit ago, we had discussion which included the suggestion that here was an agreement made between the former President and the GSA which had no foundation in law, made under the dark of the Moon, surreptitiously and before anybody knew anything about it.

Mr. President, the procedure under which the agreement was made had been the law a long time. I will read the language of this law which is found in the code that I mentioned, title 44, section 2108, and under paragraph (b):

> The Administrator, in negotiating for the deposit of Presidential historical materials, shall take steps to secure to the Government, as far as possible, the right to have continuous and permanent possession of the materials. Papers, documents, or other historical material accepted and deposited under section 3106 of this title and this section are subject to restrictions as to their availability and use stated in writing by the donors or depositors, including the restriction that they shall be kept in the Presidential archival depository. The restrictions shall be respected for the period stated, or until revoked or terminated by the donors or depositors or by persons legally qualified to act on their behalf.

Five printed pages of statute exist, Mr. President, dealing with the subject of how these arrangements should be made.

Now, it may not be a wise law and I do believe that the provision with reference to the destruction of those documents should be treated legislatively, if it is constitutionally possible to do so.

That would properly fall within the area of public policy, that there will not be a void in the country's historical records and in the conduct of the Nation's business over a period covered by these documents.

But, Mr. President, we are a nation of law, we are governed by laws, not men, and the Constitution frowns upon laws of this kind that are confiscatory in nature, that are destructive of constitutional rights and privileges and directed against one man.

Now, my bill provides that with respect to former Presidents, starting in 1929, their papers will be subjected to the provisions of the bill which I have introduced, which I will, in due time, offer as an amendment to the pending bill in the nature of a substitute.

It is a general law, it applies to all of these people, including Members of Congress, Mr. President, and that is the way it should be.

In the bill the procedures are spelled out on what may be kept and what must be turned over, and the procedures are spelled out, and there is a provision that those papers are Government property. But the accessibility and use of those papers are governed by restrictions contained in the Constitution, and as nearly as we can in a general legislation. But it would not be done in a punitive nor in a discriminatory way.

Now, Mr. President, an agreement has been made pursuant to the law here, to this statute. It has been entered into between Mr. Nixon and the GSA Administrator, and notwithstanding the committee's report to the contrary, there is no imminent danger of destruction, Mr. President.

The earliest that the tapes could be destroyed is in 1984 or upon the demise of the past President, Mr. Nixon. Even then, there would be ample time if that were to occur, at a relatively earlier date, it would be still competent for the Congress to legislate that offensive part of the agreement out of existence. The judicial system could perhaps also be utilized to get an injunction enjoining the destruction of the tape recordings.

And how is their safekeeping assured? It is assured from this fact: There are two keys that are provided for under this agreement. One will be held by the Archivist; the other will be held by the President, or whomever he designates. In either instance, and without both keys, the documents will not become available. There is the assurance that there will be joint control. It gives us that period of time which is necessary to properly process this legislation and do a good job of it, instead of doing a discriminatory job and one that is fraught with constitutional deficiencies.

It is for this reason, Mr. President, that I introduced S. 4080. I was highly complimented when I read the substance of the amendment of the Senator from Illinois. There is not a case of plagiarism, but there is high similarity between many of the propositions that are taken care of in his amendment, which was unfortunately turned down by the Senate, and the provisions of my bill.

I hope the Senate, after a little debate and a little bit of thinking, will reverse themselves on that point and accept this bill, if they are going to accept anything. It should be by way of a substitute. The preferable way would be, and I am frank to say it, to recommit the bill to the Government Operations Committee and simultaneously to refer it to the Judiciary Committee to thrash out some of these propositions, and get out on firm, hard ground. Then we will know where we are.

Mr. President, the second proposition I want to advance, and to which I have already referred, is that these papers are the property of the former President. There is not any question about that. There should not be any question about it. Here is the text of the Attorney General's opinion as it appeared in the CONGRESSIONAL RECORD yesterday, for the benefit of those who will read these remarks and who will be asking for the full text. At a very early part of his opinion, here is what the Attorney General said, and he documents his proposition very, very carefully and persuasively:

> To conclude that such materials are not the propetry of former President Nixon would be to reverse what apparently has been the almost unvaried understanding of all three branches of the Government since the beginning of the Republic, and to call into question the practices of our Presidents since the earliest times. In Folsom against Marsh—

I leave out the citation—

> Mr. Justice Storey, while serving in circuit, found that President Washington's letters, including his official correspondence, were his private property which he could bequeath, which his estate could alienate, and to which the purchaser could acquire a copyright. According to the testimony of the Archivist of the United States in 1955, every President of the United States, beginning with Washington, regarded all historical materials which accumulated in the White House during his administration, whether of a private or official nature, as his own property.

A classic exposition of this Presidential view was set forth by former President Taft in a lecture presented several years after he left the White House. I am informed by his grandson, who is one of our colleagues, that former President William Howard Taft donated his papers. He donated them and did not ask anything in return. But he recognized in the following quotation the proposition that those papers belonged to the President under whose administration they came into being.

I quote now from former President William Howard Taft:

> The office of the President is not a recording office. The vast amount of correspondence that goes through it, signed either by the President or his secretaries, does not become the property or record of the Government unless it goes on to the official files of the department to which it may be addressed. The President takes with him all the correspondence, originals and copies, carried on during his administration.

That was before the days of the tapes, Mr. President, but that would apply equally well to any tape, transcript, photo, or anything in which likeness is portrayed.

Mr. President, the Joint Committee on Internal Revenue Taxation came to the same conclusion when they were assessing the situation pertaining to the former President's income tax return. They came to the same conclusion. There is found at page 28 of that report a subsection E, which is entitled "Who Owns the Presidential Papers?"

I ask unanimous consent that at this point in the RECORD that subsection be printed.

There being no objection, the subsection was ordered to be printed in the RECORD, as follows:

WHO OWNS PRESIDENTIAL PAPERS?

A question that has been raised in connection with President Nixon's gift of his pre-Presidential papers is whether he actually owns the papers generated during his public career. If the papers were considered to be public property rather than personal property, the President would not, of course, be permitted to take a charitable contribution deduction for the donation of any of these papers. The staff has, therefore, examined the question whether the papers of a President are appropriately considered public papers.

Since the time of George Washington it has been customary for Presidents of the United States to treat their papers as their own personal property. In addition, Congress by action in this area has suggested that it agrees with this view. In 1950, Congress enacted the Federal Records Act (64 Stat. 583) which provides for the deposit of personal papers of Presidents of the United States. The Act specifically provided that the Administrator of GSA may accept for deposit "the personal papers and other personal historical documentary materials of the present President of the United States." This Act is now known as the Presidential Libraries Act (44 U.S.C. 2101 et seq.). As far as the staff can determine, this custom of treating papers generated during a public career as personal property has been followed in the case of public officials generally. As a result, the staff believes that the historical precedents taken together with the provisions set forth in the Presidential Libraries Act, sug-

> gest that the papers of President Nixon are considered his personal property rather than public property.[8]
>
> Of course, conditions have changed significantly since George Washington was President. A President's papers now contain not only much that is of historical value but also may contain much that is essential in conducting the national business in subsequent administrations. Questions have also been raised as to whether it is desirable for Presidents of the United States to derive profit from the sale of materials that were produced while they were public servants.
>
> The 1969 Tax Reform Act limited one way in which public officials could profit from their public service (that is, by claiming charitable contribution deductions for donations of their papers). However, officials can still profit by selling their papers or by bequeathing them to someone who can then make tax-deductible gifts. (Gains on the sale of papers are taxed at ordinary income rates, however, and bequests of them are subject to estate tax.)
>
> On the other hand, the fear has been expressed that the 1969 change in the tax laws may cause future Presidents to scatter their papers widely and make future historical work more difficult. There also are problems with limiting public officials' ownership of their papers. They may be tempted to destroy certain sensitive papers, instead of holding them until they become sufficiently less sensitive to be released. Also, it is difficult to draw the line between personal papers, which presumably should remain the property of the official, and official papers.
>
> In view of these diverse considerations, it may be that the whole question of the ownership of papers of public officials is a matter which the appropriate congressional committees may want to consider.

Mr. HRUSKA. I read only one sentence:

> As a result, the staff believes that the historical precedents, taken together with the provisions set forth in the Presidential Libraries Act, suggest that the papers of President Nixon are considered his personal property rather than public property.

Mr. President, maybe that is bad law. I believe it is. I believe those papers should belong to the Government. The question arises though: Do they belong to the Government? Is Congress competent to change that? Very likely, yes. But the point should be carefully considered as to method and mechanics after it is determined that Congress is competent to do so. It should be on a general basis, applicable to other past Presidents within a reasonable range of time; and it should be in conformity with the Constitution. It should recognize other constitutional rights and powers in the provisions which will be created in legislation and enacted into law.

That has not been done here. It should be done.

Now let me get to the subject of the separation of powers. For a long time I served on the Separation of Powers Subcommittee, chaired by the distinguished Senator from North Carolina. It was a real education in the respective jurisdictions and the realms of the legislative, the executive, and the judicial branches of Government.

I have already referred, Mr. President, to the decision of the Supreme Court on the subject of Presidential executive confidentiality of documents and other materials.

The issue arose, of course, on the demand of the Special Prosecutor for certain papers which the then President decided he should not yield.

During the course of the opinion, here is what the Supreme Court said:

> Human experience teaches that those who expect public dissemination of their remarks may well temper candor with a concern for appearances and for their own interests to the detriment of the decisionmaking process. Whatever the nature of the privilege of confidentiality of Presidential communications in the exercise of Art. II powers the privilege can be said to derive from the supremacy of each branch within its own assigned area of constitutional duties. Certain powers and privileges flow from the nature of enumerated powers; the protection of the confidentiality of presidential communications has similar constitutional underpinnings.

The Court goes on in the course of its opinion to reach the point where they speak of Presidential communications as being presumptively privileged.

It unanimously held on this point, Mr. President, as follows:

> The expectation of a President to the confidentiality of his conversations and correspondence, like the claim of confidentiality of judicial deliberations, for example, has all the values to which we accord deference for the privacy of all citizens and added to those values the necessity for protection of the public interest in candid, objective, and even blunt or harsh opinions in presidential decision-making. A President and those who assist him must be free to explore alternatives in the process of shaping policies and making decisions and to do so in a way many would be unwilling to express except privately. These are the considerations justifying a presumptive privilege for presidential communications. The privilege is fundamental to the operation of government and inextricably rooted in the separation of powers under the Constitution.

Mr. President, that is a clear statement. Its basis and its necessity are very clearly demonstrated, and of course, it is highly applicable.

In 1953, former President Truman was invited by a House committee or subcommittee to appear before them, and there to give testimony about certain things which will develop as I read the text of the letter. It is dated November 12, 1953. He said:

> In spite of my personal willingness to cooperate with your committee, I feel constrained by my duty to the people of the United States to decline to comply with the subpoena.
>
> In doing so, I am carrying out the provisions of the Constitution of the United States; and am following a long line of precedents, commencing with George Washington himself in 1796. Since his day, Presidents Jefferson, Monroe, Jackson, Tyler, Polk, Fillmore, Buchanan, Lincoln, Grant, Hayes, Cleveland, Theodore Roosevelt, Coolidge, Hoover and Franklin D. Roosevelt have declined to respond to subpoenas or demands for information of various kinds by Congress.
>
> The underlying reason for this clearly established and universally recognized constitutional doctrine has been succinctly set forth by Charles Warren, one of our leading constitutional authorities, as follows:
>
> "In this long series of contests by the Executive to maintain his constitutional integrity, one sees a legitimate conclusion from our theory of government. * * * Under our Constitution, each branch of the Government is designed to be a coordinate representative of the will of the people. * * * Defense by the Executive of his constitutional powers becomes in very truth, therefore, defense of popular rights—defense of power which the people granted to him.

President Jackson was quoted, and then President Truman went on to say:

> I might commend to you reading the opinion of one of the committees of the House of Representatives in 1879.

And he refers to that document, which went into the subject and came to the same conclusion. To wit:

> The Executive is as independent of either house of Congress as either house of Congress is independent of him, and they cannot call for the records of his actions, or the action of his officers against his consent, any more than he can call for any of the journals or records of the House or Senate. House Report 141, March 3, 1879, 45th Cong., 3d Sess.

President Truman then discussed the application of the privilege to former Presidents:

> It must be obvious to you that if the doctrine of separation of powers and the independence of the Presidency is to have any validity at all, it must be equally applicable to a President after his term of office has expired when he is sought to be examined with respect to any acts occurring while he is President.
>
> The doctrine would be shattered, and the President, contrary to our fundamental theory of constitutional government, would become a mere arm of the Legislative Branch of the Government if he would feel during his term of office that his every act might be subject to official inquiry and possible distortion for political purposes.
>
> If your intention, however, is to inquire into any acts as a private individual either before or after my Presidency and unrelated to any acts as President, I shall be happy to appear.

So said President Truman.

Mr. President, curiously enough—I do not know why; there are some reasons—the stand that Mr. Truman took in 1953 received great public acclaim. It was in my first year in Congress, and I was pleased to see that there was the idea that the Constitution in this respect meant something. It met with public acclaim and approval. People clapped hands all over the country, and rightly so.

Of course, a Democratic ex-President was involved. Of course, it was a Republican-controlled Congress, the second Republican-controlled Congress that this country has been fortunate enough to have since 1930. That might have been some factor. I do not know. At any rate, that was received with great acclaim.

Now we have an attempt to deny the very tenets of that very sound constitutional position.

Mr. President, I want now to get to the right of privacy. We tried to deal with the right of privacy in one context a couple of years ago. We passed eavesdropping laws to secure an individual's privacy. We passed a wiretapping bill that made it illegal to have wiretaps and electronic measures of certain kinds unless they were approved by a court and for specified purposes.

Great concern is shown about the right of privacy. Yet, this bill bares to the public conversations which individuals did not know were being recorded. While the recording did not constitute eavesdropping as the offense is defined in title 18, because one of the participants in the conversation knew of the recording, the privacy of numerous individuals will be infringed by granting public access to these conversations.

It is clear that most of the persons who did speak to the President were never aware that their conversations were recorded. Yet, the innermost thoughts of those individuals would be exposed to the curiosity of the public. It would result in a wholesale release of every recording and every scrap of paper upon which abstracts or transcripts of such interviews were recorded. They would be produced as being fair game for any member of the public to satisfy his curiosity, or to furnish material for a book or a column in the newspapers or a picture show, on TV, or whatever.

Frankly, when I considered this bill and read it in its fullness, it surprised me a great deal to see the blatant infringement of the right of privacy contemplated by it. It cannot be said that it is directed to Watergate. There was no Watergate on January 9, 1969. That did not come until a full 3½ years later. All those papers, all those records, all those materials are called for in two or three places in this bill, S. 4016.

So we have the issue of the rights of privacy, and those rights are not limited to the former President alone. It embraces hundreds and hundreds of people.

Section 6 of the pending bill would result in an abridgement of the constitutionally guaranteed right of privacy with respect to all persons whose conversations were the subject of tape recordings to be condemned and made public by the bill.

Section 6 gives the Administrator the authority to release the tape recording to the public, subject to only three restrictions: First, information relating to the Nation's security. That must not be disclosed.

Second, there shall be no release if the Office of Watergate Special Prosecution Force certifies in writing that such disclosure or access is likely to impair or prejudice an individual's right to a fair and impartial trial.

Third, there shall be no release if a court of competent jurisdiction determines that such disclosure or access is likely to impair an individual's right to a fair and impartial trial.

Those availabilities to the prosecutor and to the court generally have already been established by the Supreme Court. That is firm law now, and it is totally understood. The rest of the material not sought for criminal prosecution or criminal defense purposes is all fair game, with one exception of national security.

I understand that in the amendment that was proposed today, there was some broadening, also, of some other provisions, but the major part of the proposition still stands. The bulk of this material, if it is required to be made available to the public, will constitute a very flagrant and massive violation of the right of privacy.

Mr. President, I should like to discuss the subject of eminent domain. This is a wide field of the law. It is very important. It is said that the right of eminent domain is inherent in government, and it is. The question arises, therefore, whether this attribute of sovereignty, this method of exercising sovereignty, could work such a change in the law of private property and its uses as is contemplated in the bill.

In order for that to be done, Mr. President, it seems to me that there would be a collision with certain other powers, certain other responsibilities, and certain other privileges which are granted by the Constitution.

The power of eminent domain exists as an attribute separate and apart from the written Constitution, to be sure. But does that mean that it is an absolute power? Can it be granted in spite of Presidential confidentiality? Executive privilege, for example, which is so deeply rooted—can the Federal Government go in and take records and, notwithstanding this doctrine of Presidential confidentiality, wipe that one out? Or wipe out the private ownership of these records to a point where the man, having acquired it under present law legally and properly, could be deprived of it?

That is the question which would be raised and would have to be resolved.

If there is a taking, which of the other rights and responsibilities of the Constitution will be discarded in its favor, which will survive as being paramount to the right of Government to exercise eminent domain?

This exercise of eminent domain provided in the bill is of a novel type, Mr. President. It extends to literary property, to personal papers, and to the most personal possessions; indeed, the innermost thoughts of Richard Nixon as he expressed or recorded them.

Not only is the subject matter of the condemnation novel, but the extent of it is unique, extending to every piece of paper produced in the White House, personal or official, whether existing there as a home or as an office, for over 5 years. This is without precedent and contemplates an invasion of privacy unparalleled in congressional history.

In stark contrast to the wholesale condemnation proposed by the pending bill is the approach used in Public Law 89–318. There, evidence was accumulated by the Warren Commission, and it was to be considered by the Attorney General in order to determine which particular items it was necessary for the United States to obtain. The items so determined were condemned, and the provision was made for just compensation.

This exercise of eminent domain demonstrates a responsible and constitutional approach of condemning only that property necessary for public use. It would be well to incorporate those considerations into the bill which we are processing.

On the subject of the first amendment, Mr. President, I have made a brief allusion to first amendment rights. It is an understood principle that the right of free speech is not lost with election to high government office. Surely even a President should not be denied the right to speak freely in public debate.

Moreover, the extension of the right of free speech in public life is the private formulation of thoughts among intimates, friends, and associates. Courts have not ruled on a first amendment challenge to forced revelation of a continued pattern of an individual's comments, public and private, for an extended period of time. They have, however, addressed a question of lesser magnitude with respect to attempts to discover a simple list of persons who belong to a political organization.

In so doing, they have held that the privacy of a political organization is recognizably related to the notion of free thought and expression under the first amendment of the Constitution.

Quoting from the case of NAACP against Alabama:

> It is hardly a novel perception that compelled disclosure of affiliation with groups engaged in advocacy may constitute as effective a restraint on freedom of association as the forms of governmental action upon the particular constitutional rights there involved. This Court has recognized the vital relationship between freedom to associate and privacy in one's association [375 U.S. at 462] *See* also *Shelton* v. *Tucker,* 364 U.S. 479 (1960).

It was Justice Brennan who said that inhibition as well as prohibition against the exercise of precious first amendment rights is a power denied to government.

And, Mr. President, when it is denied to Government, that means Government under our Constitution, which includes and provides for eminent domain to be exercised by the Federal Government. The same principle must be applied to the legislative attempts to monitor any man's daily expression. The chilling effect of the knowledge that every political utterance or writing, whether tentative or experimental, or whether by way of position paper, will be exposed to public scrunity—that would be an intolerable inhibition upon any man's thoughts and political development.

Yet this would be the precise effect of the pending bill. It seeks to obtain and make available to the public the voluntarily kept daily record of a man's tenure in the presidency.

No one can deny that perhaps there is a legitimate public interest in allowing every thought of the man occupying the White House to be made public. It holds much appeal. But it must be recognized that the development of presidential political thought differs little from that of any other man, and is inhibited by the same factors. The right of the electorate to monitor the conduct of public officials should go to the decision made, not necessarily to the options considered.

There is nothing in the Constitution or in political theory which urges that high government officials must live in a fishbowl. That was so held in the case of the Environmental Protection Agency against Mink, as recently as 1973. Rather, it is anticipated that those elected to public office will develop and codify their political assessments and judgments in the same manner as private citizens, through public debate and private discussion.

A President, as much as any man, is guaranteed freedom from restraints on his right to think and talk freely among his close associates and advisers. Knowledge that tapes or notes made for personal use can, by whatever means, be condemned and published, will inevitably inhibit and constrain that process. The revered Judge Learned Hand put it this way:

> [The First Amendment] presupposes that right conclusions are more likely to be gathered out of a multitude of torques, than through any kind of authoritative selection. To many this is, and always will be, folly, but we have staked upon it our all. *United States* v. *Associated Press* [52 F. Supp. 362, 372 (S.D.N.Y., 1943)].

The pending bill provides for the wholesale acquisition of a single man's tape recordings and personal notes. It must be obvious to everyone that if the thoughts of a man in his office were to be published for all to see, the right of a man to speak, let alone think, and the right of people speaking and conferring with him to think and speak and express themselves, certainly would be chilled; and it is that kind of a chill that the Supreme Court has frowned upon and forbidden. I venture to say when that priority will be established as between the effect of eminent domain and its exercise as against the continuance of this first amendment power, I have the clear idea in my own thinking that it will be the first amendment which will prevail. And it should be.

Now, Mr. President, I should like to turn to the proposition of what part in this does bill of attainder type of legislation play? What is there in it that can give us a little enlightenment?

To start out with a description or a brief definition of a bill of attainder, we can quote from the Lovett case. The Supreme Court stated in that case:

> Legislative acts, no matter what their form, that apply either to named individuals or to easily ascertainable members of a group, in such a way as to inflict punishment upon them without a judicial trial, are bills of attainder prohibited by the Constitution.

That case was decided in 1946. It pretty well defines what the bill of attainder is, and if we turn to the Constitution annotated, we find a brief treatment of a definition therein written in the commentaries of the Constitution by Justice Story.

Among other things, he says:

> Bills of attainder . . . are such special acts of the legislature, as inflict capital punishments upon persons supposed to be guilty of high offenses, such as treason and felony, without any conviction in the ordinary course of judicial proceedings. If an act inflicts a milder degree of punishment than death, it is called a bill of pains and penalties. . . . In such cases, the legislature assumes judicial magistracy, pronouncing upon the guilt of the party without any of the common form and guards of trial, and satisfying itself with proofs, when such proofs are within its reach, whether they are conformable to the rules of evidence, or not. In short, in all such cases, the legislature exercises the highest power of sovereignty, and what may be properly deemed an irresponsible despotic discretion, being governed solely by what it deems political necessity or expediency, and too often under the influence of unreasonable fears, or unfounded suspicions.

That is the end of the quotation from Justice Story.

But the note of the annotation goes on to say that the bill of attainder includes the bills of pains and penalties to which reference has been made. But the clause thus prohibits all legislative actions, no matter what their form, that apply either to any individual or to easily ascertainabe members of the group in such a way as to inflict punishment upon them without a judicial trial.

And there is punishment here, Mr. President. There is punishment here, and it need not be punishment in the sense of a punitive penalty or a retributive remedy. It can also be punishment of a preventive kind. That was held in the opinion written in the Brown case which was decided back in 1965, with Chief Justice Warren writing the opinion.

So we have, in this situation here, by legislative fiat the situation of Congress reaching out and saying to Mr. Nixon, "Give us those papers; in fact, we are going to take them from you, and then we will give them to every litigant who decides to sue you. We will not allow you to assert a defense or privilege to the production of the papers." This is a forfeiture of property. It is the use of a man's own papers against himself in a trial. This is the nature of the punishment. The Garland case is a good precedent in which the Supreme Court held that the forbidding of a man from practicing law before certain courts for failure to take an oath is punishment. Forbidding employees to find a new job, or forbidding Communists from holding office, are also punishments subject to a Supreme Court decision in an effort to find out the nature, the impact, and the constitutional prohibition of a bill of attainder.

Mr. President, after even this rather cursory treatment of some of the major constitutional points and difficulties, some of them formidable, I am confident that a number of them constitute very substantial constitutional issues. It seems to me that the debate we have had here yesterday and today, and which I presume will continue tomorrow, this field of constitutional law, and the law and compassion extending to an individual who has been in high office, and to the many associates which he had, the many visitors, and the many dignitaries with whom he talked, not only about national security but other things, should all be taken into consideration. We should deliberate upon them properly and studiously, so that we will turn out a first-class legislative problem, and not yield to the influence of what one would almost call instant law, because the summary fashion in which this legislation was processed—or rather not processed—is very serious indeed.

Mr. President, in due time it will be my purpose to offer an amendment to the pending bill. It will be in the nature of a substitute. I do not know whether the text of that amendment is printed yet; it was not a few hours ago. But the text of the amendment, which is not too long, is to be found in the CONGRESSIONAL RECORD of yesterday; and for the curious who might want to know where it is located, it is at page 33416.

It provides, Mr. President, that papers and other reported communications of recent Presidents and other elected officials, namely, Vice Presidents, Senators, and Congressmen, shall constitute public property.

A concern that has troubled many of my colleagues is the profiting that can result when an elected official sells the papers that he originated at a time when he was serving the public and for which he was being compensated by the public.

Mr. ERVIN. Mr. President, will the Senator yield for a question on that point?

Mr. HRUSKA. I would be happy to yield.

Mr. ERVIN. The way I read that bill it does not constitute property of the person unless it is acquired by him before his tenure of office has expired, which would eliminate President Nixon on that point because his tenure of office expired on August 9.

Also it does not constitute public property unless it has been deposited with the General Services Administration. President Nixon's tapes are not deposited with the General Services Administration. Some of them, we are told, are in the White House, and some of them are in the office of the Special Prosecutor, and some of them God knows where, I do not. But I know they are not at the General Services Administration. So that would not solve the problem as to public property.

Mr. HRUSKA. If the Senator from North Carolina will read the text of the bill he will see section 2203(a) which says:

> Notwithstanding any other agreement or understanding made pursuant to section 2107 of title 44, United States Code, or any other law, the Administrator of General Services shall obtain, or, as the case may be, retain complete possession and control of all the official communications of a President or former President of the United States for all terms served since March 20, 1929.

Mr. ERVIN. Yes, it says that at one place. But the place where it defines what the public property is it has no relationship whatsoever, and it applies to public property only if the tenure of the President expires after this bill is enacted or only as to matters that have been deposited with the General Services Administration. Neither one of those events has occurred with respect to President Nixon.

Mr. HRUSKA. That definition applies to officials other than the President.

Mr. ERVIN. It applies to every public official because it talks about what official papers are public property.

Mr. HRUSKA. If the objection is on the ground that the simple declaration of making it public property will not make it public property, that can be achieved by a change of drafting the bill. That is its intent, and that is one of the purposes of a hearing, to find out how to do it properly and to do it effectively.

Mr. ERVIN. It says:

> The official communications of an elected official of the United States compiled during the tenure of an elected official ending after the date of enactment of this bill—

And the tenure of President Nixon ended on August 9, long before this bill or a substitute will be enacted.

Mr. HRUSKA. Mr. President, I submit that there will be a clarifying amendment to section 2202 of the bill which I have introduced. It would then read:

> The official communications of an elected official of the United States compiled during the tenure of an elected official, or deposited or to be deposited with the Administrator of General Services under section 2203 of this title shall constitute public property.

It seems to me that will take care of that. If that will be inadequate let us contrive something that will be adequate. Again, I say, that is the purpose of hearings.

The Senator from North Carolina brought forward a two- or three-page list of amendments which he asked to be made operative to the measure he introduced. They were afterthoughts. I am sure if we spend a little more time canvassing his bill we may find other things that may require change.

When we get into the orderly process of hearings on it and there is due deliberation in executive session by the committee——

Mr. ERVIN. The Senator, in addition to clarifying his proposal, should clarify a statement he made just a moment ago. The Senator referred to the bill which he introduced. Do I understand the Senator's proposed substitute is now the pending business? Has it been introduced formally?

Mr. HRUSKA. No, I have not submitted the amendment yet.

Mr. ERVIN. That clarifies the Senator's statement.

Mr. HRUSKA. I said in due time it would be my intention to propose an amendment in the nature of a substitute.

Mr. ERVIN. The Senator said in due time he was going to introduce it, which he said he had introduced, and I just wondered if he had.

Mr. HRUSKA. Excuse me, I misspoke myself.

Mr. ERVIN. I thank the Senator.

Mr. HRUSKA. But the Senator's bill was introduced.

Mr. ERVIN. Oh, yes.

Mr. HRUSKA. And the Senator's bill was amended by two or three pages with a great number of little clarifying amendments, which I welcomed and which I approved.

Mr. ERVIN. Which made it just about as perfect a piece of legislation as has been presented to the Senate of the United States in many years. [Laughter.]

Mr. HRUSKA. Well, to all appearances there was not that much confidence in it because it was not submitted, Mr. President, to a series of public hearings where people having different ideas on the subject would be allowed to speak out and to give some reasons.

This Senator has raised some propositions which, I am sure, in due time will be very thoroughly canvassed.

Mr. ERVIN. This bill relates to Watergate, the material that relates to Watergate, and there have been more hearings about Watergate, weeks of hearings, months of investigation by the Department of Justice, weeks of hearings by the Senate select committee, weeks of hearings by the House Judiciary Committee, a long trial in the courts, and I think there have been more hearings about Watergate than there have been about anything in the world since the earth began except, perhaps, the salvation of man. [Laughter.]

Mr. HRUSKA. Mr. President, let me patiently say once again that there is more involved within the scope of the pending bill than Watergate matters. That was brought out by the Senator from Michigan. If necessary, we can bring it out again. But, even so, the law of property with reference to Presidential papers does not say that those Presidential papers belong to former President Nixon except for Watergate-related matters. It says all of them.

Mr. ERVIN. It says that the General Services Administration take control of all these papers; that all of the papers which do not relate to Watergate will be returned to the sole custody and use of President Nixon, and that the only other papers not to be returned would be the ones that they say are of great historical importance.

Mr. HRUSKA. All of the objections on the right of privacy being invaded, the right of property, and the separation of powers that I have enumerated here, together with others, apply even if that were the impact, even to the bill so bobtailed as that.

Mr. ERVIN. Not with the amendments. The amendments say that the man who made this agreement with the President allowing the President—providing that all the tapes will be destroyed if the President dies, and providing that even after the President gives them to the United States that they be destroyed, anyone he selects, this man is given the power to write a regulation that would deny access to anything except the Watergate material.

Mr. HRUSKA. The bill is still one which partakes of the characteristics of a bill of attainder, no matter how abridged it might be, and it is objectionable for that reason, as well as all of these other reasons.

Now then, if we want a bill that will take care of this matter, let us retire to the committee room and form a list of witnesses and have them come in and testify on it. Let us then make it of general application. Why single out this matter when there are many other matters about which the American people have been very curious over a sustained period of time, and I understand there will be an amendment offered some time tomorrow which will seek to broaden that a little bit.

Mr. ERVIN. Why have hearings? There are 26 books of hearings by the Senate select committee, there are hearings by the House committee about this high. There are tapes that have been released that are in the Supreme Court report. Why any more hearings?

But about the bill of attainder, a bill of attainder is a legislative act which condemns a person of wrongdoing without a judicial trial and inflicts punishment on him.

This bill does not condemn anybody and does not inflict punishment, so it is not a bill of attainder.

Mr. HRUSKA. First, with respect to hearings—no hearings were held on the custody and availability of Presidential papers, the subject of this bill.

Second, with respect to the bill of attainder, the punishment is the forfeiture of a man's papers so that they can be used by any litigant who sues him. This is a denial of his right to defend himself in court and to me that is punishment.

Mr. President, the amendment which I will in due time submit in the nature of a substitute would go also to the proposition of making all official communications of these elected officials public property and require they be preserved and protected.

This provision prevails notwithstanding any agreement executed between elected officials to the contrary.

If it deprives any individuals of any papers or recordings now considered to be property without just compensation, the General Services Administrator is authorized to provide such compensation, which is similar to the provision in the bill, S. 4016.

There is a provision that grants the elected official other than the President an option to allow him to donate his papers to a university, museum, or library open to the public. If he chooses not to exercise the option, the papers remain public property and would be deposited in the National Archives.

Then the bill does establish standards for public access to the public communications. The standards established are similar to those prescribed by every President from Herbert Hoover on to the present.

For example, official communications that are properly classified communications that might be used primarily to embarrass, damage, injure or harass any living person, and communications the disclosure of which is likely to impair or prejudice an individual's right to a fair and impartial trial.

All these could be withheld from public disclosure. There are seven such classifications in the bill.

The bill provides for the maintenance of any records for use in any judicial proceeding.

Consistent with the requirements of the Constitution, the bill preserves the right of the elected individual to assert any privilege or defense to a subpena or motion to produce the records.

So that will be the proposition which will be contained in the amendment which in due time I shall propose and which I shall advocate.

Again, I want to say, Mr. President, so that my position is not misinterpreted, I know that sometimes those things happen either because of incomplete reporting or perhaps for other reasons, I am in thorough sympathy with the Government owning these papers. I am in thorough sympathy and have complete awareness of their importance. They should not be destroyed, but measures should be taken, and in due time and properly to revise the existing agreement between the former President and the GSA so that that clause will be eliminated.

The right of the public to know should be accorded full consideration, but not in total and absolute disregard of other very important constitutional rights.

It is on that basis that I offered these discussions this afternoon and which I would like to pursue to some degree when I offer my amendment tomorrow.

Mr. President, I yield the floor.

EXHIBIT 1

[From the New York Times, Sept. 13, 1974]

DOAR SAYS PARDON CAN'T CHANGE FACTS

(By James M. Naughton)

WASHINGTON.—John M. Doar, the House Judiciary Committee's special counsel on impeachment, declared today that the record of President Nixon's role in the Watergate scandal was clearly established for history despite President Ford's pardon of his predecessor. Mr. Doar said he was "firmly convinced that justice was done" in the forced resignation of Mr. Nixon.

Mr. Doar declined, in the first interview he has granted since assuming direction of the House committee's impeachment inquiry nine months ago, to discuss directly what he described as "current events"—the pardon granted by Mr. Ford last Sunday and the furor that has followed.

Nonetheless, he clearly disagreed in the 75-minute interview with those in Congress and elsewhere who have objected to the pardon on the ground that it foreclosed the opportunity to document Mr. Nixon's Watergate role through the judicial process.

FACTS "ESTABLISHED"

"The facts have been established," Mr. Doar said in his slow, laconic style as he sprawled on a blue leather couch in his cluttered office in a one-time hotel that now houses Congressional staffs. Armed guards continue to secure the secrecy of some of Mr. Doar's documents. Any additional information about the former President's conduct, Mr. Doar said, "would just be cumulative."

He said that "the die was cast" when the Judiciary Committee voted, 27 to 11, on July 27 to approve the first of three articles of impeachment, accusing Mr. Nixon of playing a central role in the Watergate obstruction of justice.

"Anything after that, as I look back on it, would have been anticlimactic historically," Mr. Doar said.

Explaining why he was confident that justice had been done in Mr. Nixon's case, Mr. Doar said:

"The President committed high crimes and misdemeanors that warranted his impeachment and removal from office. The facts were presented in a way that afforded the President and his counsel an understanding not only for the charges against him, but of the facts that underlay the charges.

"He had every opportunity to state his position. There were no surprises. The American people had an opportunity to understand the nature of the charges and the facts that supported the charges.

"I had no frustration, or no disillusionment or no despair with the way the process ended," he said, tapping a pencil on the arm of the sofa. "Speaking from a legal standpoint, because I've never felt it was my place to express a political view on whether anyone should vote for impeachment, I thought that the case for impeachment and conviction [in a Senate trial] had been established."

Asked if Mr. Nixon's resignation, followed by the abandonment of the formal attempt to remove him from the White House, had not represented something of an unfinished symphony, Mr. Doar said, with rare emphasis, "No. No. Not at all. The facts have been established."

NO SENSE OF INCOMPLETENESS

Concluding the Congressional inquiry by filing the thick report, rather than acting on it, Mr. Doar added, had not left him with a sense of an incompleted task.

"If you're in any kind of contest," he said, "and your opponent doesn't come out for the second half there is nothing you can do about it."

Nor, Mr. Doar replied, did he believe that any damage had been done to the system in the precedent set by Mr. Nixon's resignation.

"I assume there is nothing about the way the President left office that either you or I are not familiar with," he said. "Faced with the vote of the Judiciary Committee, faced with the surrender of the June 23 [1972] tape, he decided he'd resign.

"I do not feel the process was short-circuited because of that. It was inevitable, a fact of life."

Mr. Doar said his belief that President Nixon was deeply enmeshed in the Watergate cover-up had come gradually and could not be traced to any specific moment in the impeachment inquiry or to a single, compelling piece of evidence.

TRANSCRIPT DIFFERENCES

But he said that "the thing that was highly persuasive to me was the differences between our transcripts and the White House transcripts" of Mr. Nixon's Watergate conversations.

Mr. Doar recalled the months of the inquiry as an "awfully tough" physical strain. He said that the inquiry staff had about one day a month off and frequently went for days on four hours sleep a night.

Now, rested—or, at least, lacking the bags beneath his eyes that had become a fixture—he smiled and said:

"I'm alive and well and part of a very historic experience. I'm very proud of that. I don't think it's ever hurt anybody to work hard. It didn't hurt me."

He called James D. St. Clair, the Boston attorney who represented Mr. Nixon in the inquiry, a "formidable adversary." But Mr. Doar appeared bemused as he reflected that, "by the time the hearings started, it was clear to me that Mr. St. Clair and I were talking about two different cases."

He said Mr. St. Clair's "premise was that you can't prove the President knew anything about the cover-up before March 21 [1972] so therefore he didn't."

"A LOT OF EVIDENCE"

By contrast, he said, the inquiry staff's premise was that "we might not be able to reach a standard of proof the Congress or the country might set, but that there was a lot of evidence that the President did know before March 21," the date of his fateful meeting with John W. Dean 3d, the former White House legal counsel.

"We had," he elaborated, "a series of circumstances and we had some direct testimony which, in ordinary affairs of adult citizens, would have caused you to inevitably draw one conclusion.

"It was amazing to me how reluctant the general public opinion was to draw that conclusion against the President. That was explicable, because everybody wanted to believe their President. I wanted to believe my President."

After three weeks of vacation, during which Mr. Doar said he encountered a wide variety of citizens in New York, where he had directed a Bedford-Stuyvesant self-help project, and in Wisconsin, his native state, he was persuaded that the nation had accepted the outcome.

"The impeachment proceeding is not a procedure to punish," he said. "It's a corrective procedure. The whole point was that the committee was not concerned with an individual, but with the preservation of a system of government."

Had it been preserved?

"I believe," Mr. Doar said, "that it has."

The PRESIDING OFFICER. What is the will of the Senate?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FULL DISCLOSURE OF WATERGATE WRONGS IS NECESSARY

Mr. CRANSTON. Mr. President, I support S. 4016. The Watergate events and the offenses charged against Richard Nixon by the House Committee on the Judiciary have greatly lowered public confidence in our Government. The President's pardon of Mr. Nixon for any and all offenses he may have committed during his tenure in office exacerbated the distrust of millions of citizens of their Government, and their concern that this principle that everyone is equal under the law is being violated.

Restoration of public confidence in government can only be earned; it cannot be commanded or wished for. The first step toward earning renewed confidence in government is to permit, consistent with the vital security interests of the United States, full and open access to all of the papers and tape recordings of the Nixon administration from January 20, 1969, until August 9, 1974, the day Richard Nixon left office. Only this way will we learn why and how Watergate happened and the full story of the Nixon administration.

We cannot wait for future historians to delve into dusty archives long after we are gone from the scene to determine what did and did not actually happen in the Nixon administration. Public confidence in our institutions of government is impaired right now.

Extremely serious allegations of wrongdoing have been raised against the administration of Richard Nixon. The conviction of many of his former aides and the indictments of others, including his two closest advisers, H. R. Haldeman and John Ehrlichman, makes more urgent than ever the need for a complete disclosure of Presidential involvement in the outrageous Watergate events and abuse of our political system.

Tens of millions of Americans wanted the final questions of guilt or innocence of Richard Nixon settled in a court of law.

The expectation has been denied by President Ford's unwise pardon of Nixon. Furthermore, the former President's resignation has effectively blocked further congressional inquiry through the impeachment process to determine the extent of his involvement in the criminal offenses and abuses of our political system attributed to his administration.

It now appears that further disclosures could be cut off by the agreement dictated by Richard Nixon to Arthur F. Sampson, Administrator of the General Services Administration, giving the former President control of the bulk of the papers and tapes generated during his tenure in office.

It is my own view this is wrong. I do not believe that the papers and records of a President should be his personal property to be controlled, commercially exploited, or destroyed as he may see fit. That issue, however, is not presented for our consideration by S. 4016 and I agree that it can be put off until another day. What cannot wait is the question of full disclosure of the records of events transpiring during the administration of Richard Nixon.

No other administration in the history of the country has been so thoroughly impeached by its own words and deeds. No other President has had to resign to avoid impeachment. Subsequently, the resigned President accepted a full pardon from President Ford for any and all offenses he may have committed against the United States from January 20, 1969, through August 9, 1974, inclusive. By accepting a pardon, Richard Nixon gave a tacit admission of his guilt for having committed offenses known and as yet unknown. No other President has left office under such circumstances.

This situation requires that the American people must know once and for all exactly what did and did not happen in the Nixon administration.

S. 4016 fully protects the vital security interests of the United States. No other public interest is served by additional secrecy.

S. 4016 also permits those individuals charged with having committed crimes while holding office in the Nixon administration to have full access to the record of truth in order to make their defense. Their concern is required by our Constitution.

Mr. President, Richard Nixon, that troubled man, is left to find his own peace. We, in the Congress, on the other hand, must work to rebuild what has been destroyed—confidence of the people that their Government will not take part in coverups of wrongdoing by those holding positions of great trust and power.

S. 4016 will open to the cleansing power of truth and knowledge the dark crannies which still hide unknown secrets of the Nixon administration.

Mr. HUDDLESTON. Mr. President, the unfortunate episode in our past which we now familiarly refer to as "Watergate" left the American people with a legacy of unanswered questions. Our efforts to dig out the answers, especially those contained in Mr. Nixon's Presidential tapes and papers, have been consistently hampered, interfered with and discouraged by the dilatory practices of the previous administration. However, through the persistence of the Congress, courts, and Special Prosecutor we have freed a great deal of revealing and sometimes shocking information about Watergate and related matters.

Within the last month another obstacle has risen which threatens to forestall the disclosure of further relevant facts regarding Watergate. This obstacle is the agreement negotiated between Mr. Arthur F. Sampson, Administrator of the General Services Administration, and Mr. Nixon. In accordance with this agreement Mr. Nixon retained full title to his Presidential papers, documents, materials, tapes, and transcripts and the GSA accepted custody of them for deposit purposes only. Mr. Nixon agreed to make future donations of substantial portions of the materials and not to withdraw any material for 3 years. The provision dealing with the tape recordings is most discouraging. Pursuant thereto the tapes would be donated to the United States in 1979 with the understanding that they would be destroyed at the time of Mr. Nixon's death or in 1984, whichever occurred first. Subsequent to 1979 the Administrator is required to destroy any tapes that Mr. Nixon may designate. Thus, the tapes, which contain valuable information relevant to Watergate and related matters, have been placed in a situation where they are subject to being destroyed at any time. The recent illness of the former President underscores the precarious position the tapes now occupy.

Last week the Government Operations Committee reported S. 4016, introduced by Senator NELSON, cosponsored by myself and other Senators, which would authorize the Federal Government to retain custody and possession of all Mr. Nixon's Presidential papers, tapes, documents, memorandums and transcripts. This bill would assure the safety and continued existence of the papers and tapes and make them available for use in any future or present legal actions. Furthermore, the Administrator of the GSA would be required to establish reasonable regulations governing access to the tapes.

Also reported was Senate Resolution 399 introduced by Senator MANSFIELD and Joint Resolution 240 introduced by Senator ERVIN. Senate Resolution 399 would urge President Ford to afford the American public full access to all facts connected with and relating to Watergate matters including access to all of Mr. Nixon's Presidential papers, documents, memoranda, tapes and transcripts, except where national security matters are included. Senate Joint Resolution 240 would require President Ford to make such disclosures.

I believe that these pieces of proposed legislation go as far as Congress can to protect and preserve the tapes and papers. On their face, they appear to settle the matters of disclosure, possession and custody. However, I would be less than candid if I did not recognize that the legal intricacies revolving around this matter will probably propel the issue into the courts for final disposition.

There is a very real question as to who has legal title to the papers and tapes. The Attorney General, in an opinion dated September 6, 1974, has held that Mr. Nixon has full title to them. While the weight of authority tends to support such a position, we must realize that such authority is mostly a concoction of inferences and tradition. There is no clear-cut precedent on the issue, nor is there a specific statute granting a President title to his official papers. The leading case on the issue, Folsom against Marsh, is over 100 years old and subject to question on several points.

Although S. 4016 deals only with the possession and control of the papers and tapes, the question of title would have a direct bearing on the matter.

A very sound argument can be put forth that all papers, documents, memorandums, tapes and transcripts generated by a President in his official capacity are the property of the U.S. Government. The paper on which the material is set forth is provided by the Government, the machines on which it is prepared are owned by the Government, the secretaries and clerks who assist in the preparation are employees of the Government and the material relates to official Government business.

The logical conclusion to draw from all this is that title and right to the material rests with the Government and not the official who instigated its preparation.

Nevertheless, should a party who claims a property right in the papers or tapes contest the action of Congress in the courts and it is found that private property rights have been interfered with, S. 4016 provides that compensation shall be awarded. This, of course, would be consistent with the constitutional requirement that the Federal Government not take private property without just compensation.

The history of Presidential papers has a poignant lesson which we should profit from. Every President since George Washington has treated the papers generated by his office as his own private property—a tradition that arose more by accident than design. The result of this practice is a relatively incomplete picture of the administrations of many past Presidents. Numerous documents were destroyed by accident such as fire while others were deliberately destroyed either by Presidents or their relatives. Whether or not this destruction was in the best interest of a particular President we will never know, but we can be certain that it was not in the best interest of the American public. In order to adequately assess an administration and learn from its successes and failures we must have access to all of the facts. Without sufficient information our conclusions and evaluations will never be completely valid.

The controversy surrounding Mr. Nixon's Presidential papers and tapes has served to highlight this problem. Serious and far-reaching accusations have been made against the former President—accusations which reach to the very heart of our democratic system of government. If the President or his advisers did engage in illegal acts which abrogated certain of our constitutional rights, the public has the right to all the related facts and the Congress has the duty to provide the means of access. Furthermore, if the accusations are incorrect the public has to know this also. Only in this way can the American people regain the confidence and trust in their Government which is necessary for a healthy political system.

I seems to me that the most important thing we can do in the aftermath of a tide of events that led to the resignation of a President of the United States and numerous indictments and convictions of high public officials is to assure that the American people know the complete story—not just the present generation, but all generations to come.

It should be made clear that this proposed legislation is not designed to cause Mr. Nixon any additional embarrassment, humiliation or suffering. In my opinion his resignation from the highest office of the land has been substantial punishment in itself and we should not seek to inflict more. This is why the pending legislation affords the former President every protection and consideration while at the same time protecting the right of the public to be completely informed about a matter that affects us all so intimately.

There is a maxim which says we should learn from history in order not to repeat our mistakes. However, if one man is allowed to selectively edit a substantial portion of our history at his own discretion we may very well be destined to repeat our mistakes, only on a grander scale next time. This is why it is extremely vital that we provide the means for settling this matter as soon as possible.

Mr. RIBICOFF. Mr. President, the bill pending before us, S. 4016, is of utmost importance. Materials involving information relating to Watergate crimes, are in danger of imminent destruction. The still secret White House tapes may now be locked up or destroyed. The New York Times in an editorial today addresses itself to this issue, and I ask unanimous consent that the contents of that editorial be inserted in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIBICOFF. I lend my support to S. 4016 as a cosponsor and as an elected official concerned with the preservation of the documents of all elected officials.

S. 4016 concerns itself specifically with the protection and preservation of tape recordings of conversations, and other materials involving former President Richard M. Nixon during the period of January 20, 1969, and August 9, 1974.

No Presidential records ever contained information so vital to the American people. No former President has ever before resigned his office. No former President has ever accepted a full pardon for all possible crimes committed during his term of office. No former President has ever before sought specific assurances from the Government that he be allowed to destroy Presidential documents. Mr. Nixon has already been spared the judgment of the courts—must he also be spared the judgment of history?

Surely, legislation must now address itself to the immediate question of the preservation of these tapes and documents.

According to the agreement between Mr. Sampson, Administrator of the General Services Administration and Mr. Nixon, on September 8, 1974, the Presidential tapes could be destroyed after 1979, or upon Mr. Nixon's death. For 3 years, the former President would share access to the tapes with the Federal prosecutors who could subpena them for use in Watergate-related trials. However, any requests for access to them, no matter by what legal processes, must be referred to Mr. Nixon. The main assumption of the agreement is that all the materials during Mr. Nixon's Presidency are his private property. This agreement was made pursuant to section 2107, title 44, United States Code, which allows the Administrator of General Services to accept for deposit the "papers and other historical materials of a President or former President of the United States—subject to restrictions agreeable to the Administrator as to their use."

Although Mr. Sampson has the statutory authority to accept these materials, he is given no authority to agree to their destruction. On the contrary—the Administrator, according to title 44, section 2108, United States Code, must "take steps to secure to the Government, as far as possible, the right to have continuous and permanent possession of the material." Surely, a protective intent is not permission to allow destruction.

S. 4016 does not seek to determine ownership of the tapes. There is no Supreme Court decision on this point. Nor is there any statute which expressly states that a President has legal title to his documents during or after office. If a Court should determine that legislation deprives Mr. Nixon of private property, just compensation is provided for by the Administrator from funds in the Federal Treasury. This is in accordance with the Federal Government's power of "eminent domain." (*United States ex rel TVA* v. *Welch*, 327, U.S. 546 (1946); *Backus* v. *Fort Street Union Depot Co.*, 169 U.S. 557 (1898). What we are concerned with is the custody of the tapes by the Government so that valuable documents may be preserved.

Public Law 373 provides "for the acceptance and maintenance of Presidential libraries." The Federal Government has trusted the preservation of Presidential documents not to the protection of law, but to the good will of each succeeding President. The Government can only take advantage of the generosity of Presidents, former Presidents, their associates and friends. For instance, the papers of Lincoln were sealed by his son until 1947—82 years after Lincoln's death. Should such important papers, so vital to the history of our Nation, be kept from public scrutiny for so long a time? Might it not be better for Congress to mandate its intent by legislation for the permanent custody of documents such as these?

S. 4016 provides the necessary criteria so that these materials will be preserved, that they will be made available for use in judicial proceedings or other legal process, and that there shall be public access to tape recordings.

Our version of Mr. Nixon's role in the Watergate matters will no longer depend on information which has been edited and revised. History will be able to judge the unanswered questions before us.

Now, for a moment, I would like to comment briefly on the amendment to S. 4016 introduced by Senator PERCY and Senator BAYH and cosponsored by myself. This amendment is similar to a bill introduced by Senator BAYH in February 1974. It requires that all elected officials turn over to the National Archives "all papers and documents dealing with official business" within 180 days after leaving office. Public papers and documents of public officials transacting public business should belong to the public. Our amendment provides that public documents of elected officials are the property of the United States. Elected officials of the United States may enter into agreements with the GSA Administrator regarding public access to the documents. The historical custom of letting public officials remove their files and then sell them back to the Government should be challenged. Historians and archivists have been continually concerned with this problem.

Congress must insure that all the records of Federal employees which are produced by public funds remain the property of the Government. Congress is surely empowered to set such a regulation under its power to regulate Federal employment and to control the expenditures of the executive branch.

Numerous court cases have dealt with the right of State governments to maintain access to the records of public employees which were produced in the performance of official duties. The principle of the State's access to State documents has been set forth in *Coleman* v. *Commonwealth*, 25 Grattan (66 Va.) 865:

> Whenever a written record of the transactions of a public officer in his office, is a convenient and appropriate mode of discharging the duties of his office, it is not only his right, but his duty to keep that memorial whether expressly required so to do or not; and when kept in becomes a public document—a public record belonging to the office and not the officer; is the property of the state and not of the citizen, and is in no sense a private *memorandum*.

S. 4016 is based on similar reasoning.

Records maintained by Government officers in the discharge of their assigned duties are the property of the Government. This practice has been applied to Government employees in the past. Yet, for some reason, the records of elected officials have been exempt from this practice.

Mr. President, the assumption in our amendment that public documents of elected officials of the United States belong to the public is an issue which I hope will be considered during hearings and debate at the earliest possible opportunity.

We can continue to allow the erosion of trust and confidence in our Government, or we can begin to restore the belief that Government can be used to advance that trust and confidence. Surely, elected officials have an opportunity to alleviate fears about the working of our Government by allowing their documents to become the property of the United States in whose hands their trust is maintained and perpetuated.

EXHIBIT 1

THE NIXON RECORDS

Clearing away the debris of the Nixon Administration is proving more difficult than cleaning up the Santa Barbara oil spill. A variety of questions relating to the former President's transgressions, records and upkeep are now making their tortured way through the Congress. A vote on the most important of these—the preservation of the Nixon records—is to come on the floor of the Senate today.

The measure up for Senate consideration is a commendable effort by the Government Operations Committee to modify the improvident agreement President Ford made with Mr. Nixon about White House tapes and papers. That agreement recognized Mr. Nixon's questionable claim of ownership of the materials and made access to them subject to his wishes, desires and assertions of legal right.

The principal aim of the proposed Senate bill is to give the United States immediate custody and control of the papers. It does not attempt to resolve questions of ownership or restitution, but it does provide for speedy judicial disposition of those questions.

The bill has two chief virtues. First, it forestalls transfer of custody of these records to Mr. Nixon. Second, it negates the provision of the Ford agreement permitting destruction of the White House tapes at the time of Mr. Nixon's death. Watergate questions that are left unanswered will haunt Americans through history. Preserving the records of the Nixon Administration is the first step toward answering those questions. The negotiations currently being carried on by Special Prosecutor Jaworski for access to the documents are no adequate substitute for the Senate proposal. It should pass without delay.

Mr. MUSKIE. Mr. President. I rise in support of S. 4016 and the companion resolutions Senate Resolution 399 and Senate Joint Resolution 240. I wish to commend the work of the majority leader, the distinguished chairman of the Committee on Government Operations, the senior Senator from New York and the Senator from Wisconsin for their able and conscientious efforts to bring forward this important legislation.

During the past 2 years we have heard first one call and then another to bring an end to Watergate—to terminate this national nightmare and relegate it to the past. All too frequently, however, the pleas for ending Watergate were accompanied by efforts to prevent either the judicial system or the public from knowing what really happened.

Those demands for an end to Watergate are reminiscent of efforts to hide the family skeletons simply by closing and locking the closet door. However, Watergate will not die if the facts are buried first. It will continue to be a national issue until we bring to a fair and orderly conclusion the related criminal proceedings in the courts and are able to assure the public that all of the relevant facts have been made known to them. The momentum of this national tragedy has been sustained in the past by the repeated disclosure of new elements or facts with the passing of each day or week. More than 2 years after the initial Watergate buglary, when many people believe that most of the facts had finally emerged, it was the previously undisclosed release of a June 23 tape recorded conversation which started the final chain reaction that led to our Nation's first Presidential resignation.

The events surrounding that resignation comprise a sad, but nevertheless, vital segment of our Nation's history. Our generation and future generations will profit from that experience. But judgment cannot be rendered without all the facts at hand.

The agreement signed on September 6 by former President Nixon and General Services Administrator Sampson, would frustrate that objective. Under it's provision, Mr. Nixon is given control over the tape recordings and is permitted to destroy any of them after September 1, 1979. In addition the agreement provides that all the tapes will be destroyed upon Mr. Nixon's death or on September 1, 1984, whichever comes first.

The uncertainty of human life dictates the importance of immediate action by the Congress to assure access to the tape recordings and other materials for present and future judicial proceedings.

Without attempting to decide the more complex question of who should have title in the presidential documents, this legislation addresses itself to the immediate problem of court access to the Nixon Presidential tapes and materials as well as to the need to provide the public with the full truth at the earliest possible date of abuses of Government in power, identified by the term "Watergate."

The authors of the measure before us have given careful attention to the many problems associated with the handling of the Presidential materials in question. In addition to making them available to appropriate judicial proceedings, they have recognized the need to guard against the disclosure of national security information involved and the need to protect every individual's right to a fair trial. In order to assure that appropriate procedures are adopted for access to these materials, GSA is directed to promulgate regulations. Within 90 days of the effective date of this act. Congress could then examine those regulations to see if they meet the purposes and goals of this legislation.

The legislation before us is not an effort to deprive Mr. Nixon of his property. Rather it is designed to recognize both Mr. Nixon's need for access to these Presidential tape recordings and materials as well as the public need for protecting these materials and assuring their availabilty to judicial proceedings and historical study.

In order to avoid any further delay or legal proceedings, a procedure is wisely provided for review of any challenge to this act by a three-judge Federal court.

This is a twilight area defined more by procedure than by the law. Without attempting to decide the question whether title and custody of future records of Presidential actions should be placed in the American people, this legislation meets an immediate need for assuring the immediate safety and appropriate use of the Nixon Presidential tapes and materials.

Again, I commend the efforts of the Senators who have worked on this legislation and hope that it will receive the approval of the Congress.

ORDER FOR ADJOURNMENT UNTIL 9 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR THURMOND, SENATOR WEICKER, AND SENATOR MANSFIELD TOMORROW AND FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on tomorrow, the following Senators be recognized, each for not to exceed 15 minutes and in the order stated: Mr. THURMOND, Mr. WEICKER, and Mr. MANSFIELD; after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited to 5 minutes each, at the conclusion of which the Senate will resume its consideration of the measure now pending.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMPLOYEE PARTICIPATION IN STOCK OWNERSHIP

Mr. LONG. Mr. President, I am pleased to note that the Committee on Finance has moved again in the direction of implementing a proposal that workers for companies in this Nation, particularly the large ones, should have the benefits of ownership of stock in those companies. The U.S. Senate has now placed its stamp of approval, twice, on the so-called kelso plan, or the proposal that corporations have employee stock ownership plans, which would mean that over a period of time, in addition to the pay that a worker receives for his efforts, he would receive some stock in the company.

The Committee on Finance had proposed, as a part of seeking to provide jobs where a payroll moves away from an area due to the impact of increased imports, that there be a very positive and forward looking community development program. It is interesting to note that one aspect of this is that there should be an employee stock ownership plan in cases where the Federal Government guarantees loans.

I read from a press release issued yesterday by the Committee on Finance:

> Yesterday, the Committee approved a new program of guaranteed loans to companies establishing or expanding facilities in areas impacted by increased imports. Today, the Committee agreed to require that a firm whose loan is guaranteed directly or indirectly by the guarantee program would be required to establish an employee stock ownership plan involving stock worth one-quarter of the amount of the loan guarantee. (The employee stock ownership plan has been adopted twice by the Senate in connection with pension reform legislation and the railroad reorganization legislation.)

Mr. President, we see now that Pan American Airways is plagued by a number of problems, not all of them that company's making by any means, and there is talk of passing legislation to assist the company. There is also talk of permitting a merger of Pan American and TWA, in order that those companies might, working together, solve a problem they could not solve separately.

If such legislation comes before Congress, Mr. President, I intend to propose, as a part of whatever the solution—be it aid, loan guarantee, merger, or whatever it may be—that there be an employee stock ownership plan required of those companies. I only regret that I had not thought of using that approach in connection with the Lockheed loan. If we are going to guarantee a loan to a company such as Lockheed, then why should not the fellows who get out there and work to make Lockheed a success day by day by the sweat of their brows share in some of the good fortune of saving that corporation and putting it on a sound financial basis?

We have made a similar approach in guarantees or Federal grants and Federal gifts to help a company establish itself and move ahead, I find myself wondering, why did we not make an effort to see that, in the event the endeavor was a success, not just the outside creditors and shareholders who had the benefit of the Federal loan but the workers, who in the last analysis made it possible for the firm to succeed by dint of hard work, would have a piece of the action?

So we on the Senate Finance Committee have simply moved forward one more stride with the trend that had been developed in Congress in the Commerce Committee and in the Ways and Means Committee of the House of Representatives, in implementing the approach that when the Government is going to use its power to give special help and special advantages to some group, even though they may be in distress, the Government should require, as a part of that consideration, that the beneficiaries of this Government assistance include the employees of the affected company. By so doing, through the requirement of an employee stock ownership plan, we move toward the day when many in this country will own an interest in the means by which wealth is produced—I refer to the tools rather than the labor in this case—rather than the means of production being owned by about 3 percent of the people, as is the case today.

I really think, Mr. President, that those people who are so fortunate as to own millions or hundreds of millions of dollars worth of stock in companies will be far safer and more secure in what they own against the vicissitudes of life than one might expect for the years ahead if ownership continues to be concentrated in the same company, without broadening the base and appeal of that ownership.

In other words, I think that a Rockefeller or anyone else who has the good fortune of owning a huge amount of wealth will be safer and more secure in what he owns if there are millions of working people in this country who own a little of the same.

Sears, Roebuck & Co. has had one of the most successful employee stock ownership plans. It is my good fortune to know a number of workers of that company who have worked as long as 30 years for the company, who have accumulated fairly substantial estates. In a modest way, one can say they are independently wealthy because of their accumulated stock ownership in that company under the foresighted policy that the company had in designing, for those who worked for it, an employee stock ownership plan.

We believe we shared the same foresightedness when we added a stock ownership program and plan to the community adjustment assistance proposal. I am pleased to say that that proposal has been supported enthusiastically by both Democrats and Republicans. It has been supported by the Senator from Arizona (Mr. FANNIN) and by a number of other Republicans in this body, as well as by some of us on this side of the aisle.

I ask unanimous consent that a press release issued by the Senate Finance Committee on October 2 be printed in the RECORD at this point.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

> FINANCE COMMITTEE CONTINUES ACTION ON TRADE REFORM BILL
>
> The Honorable Russell B. Long (D., La.), Chairman of the Committee on Finance, announced that the Committee had continued its work on the Trade Reform Act in executive session today, making tentative decisions outlined below.
>
> 1. Community adjustment assistance: tax provisions deleted.—Yesterday, the Committee tentatively approved a program of community adjustment assistance which, in addition to grants, direct loans, and loan guarantees, would have included two types of tax credits to encourage the development of new jobs in areas where increased imports have led to higher unemployment. Today, the Committee agreed not to include the tax provisions as amendments to the trade bill so as to keep the bill limited to trade and tariff matters.
>
> 2. Community adjustment assistance: employee stock ownership plans.—Yesterday, the Committee approved a new program of guaranteed loans to companies establishing or expanding facilities in areas impacted by increased imports. Today, the Committee agreed to require that a firm whose loan is guaranteed directly or indirectly by the guarantee program would be required to establish an employee stock ownership plan involving stock worth one-quarter of the amount of the loan guarantee. (The employee stock ownership plan has been adopted twice by the Senate in connection with pension reform legislation and the railroad reorganization legislation.)
>
> 3. Positive Congressional approval procedure for non-tariff barrier agreements.—The Committee agreed to modify its earlier decisions concerning the Congressional procedure by which non-tariff barrier agreements would be considered by the Congress for positive approval. Specifically, the Committee agreed that 45 legislative days after a resolution to implement a trade agreement has been introduced, the Committee (or Committees) to which the resolution has been referred would be discharged from further consideration (if the Committee had not already reported the resolution). The Senate or House would then have 15 legislative days to approve or disapprove the resolution. No amendments to the resolution could be adopted.
>
> 4. Packaging of Non-Tariff Barrier Agreements for Submission to Congress.—In another action, the Committee provided for a formal consultation requirement, under which the full membership of both the House Committee on Ways and Means and the Senate Committee on Finance, would be given an opportunity to determine (through consultation with the Special Trade Representative) prior to the conclusion of any trade agreement involving changes in U.S. laws, the manner in which specific non-tariff barrier agreements may be combined for submission as a package to Congress for it approval. No non-tariff barrier trade agreement package could be submitted to Congress prior to such consultation. Generally, the Committee felt that such agreements should be as self-contained as is feasible, and that the Committee report would indicate that it would be undesirable to combine many unrelated trade agreements affecting U.S. laws in one package.

Mr. LONG. Mr. President, I was proud to propose this amendment by the committee, and was joined in it by the Senator from Arizona (Mr. FANNIN). I hope very much that the Senate will agree with our judgment when we have occasion to act on the trade bill later on in this session of Congress.

ORDER FOR ADJOURNMENT ON TOMORROW UNTIL 12 O'CLOCK ON MONDAY, OCTOBER 7, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in adjournment until the hour of 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HARRY F. BYRD, JR. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the distinguished Senator from Connecticut (Mr. WEICKER) has finished speaking under the order previously entered, the distinguished senior Senator from Virginia (Mr. HARRY F. BYRD, JR.) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

S. 4016—UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that time for debate on the Presidential Recordings and Materials Preservation Act S. 4016, the measure now pending before the Senate, begin running at the conclusion of routine morning business on tomorrow, and that it be equally divided between and controlled by Mr. ERVIN and Mr. HRUSKA; that at the hour of 1:30 p.m. tomorrow the vote occur on a motion to be made by Mr. HRUSKA to refer the bill (S. 4016); that if that motion is not adopted, a vote then immediately occur without any intervening motion or amendment on an amendment in the nature of a substitute to be offered by Mr. HRUSKA; and provided further, that a vote on the final passage of S. 4016, with paragraph 3 of rule XII waived, then occur.

The PRESIDING OFFICER (Mr. HART). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the rollcall vote, which will occur at 1:30 p.m. tomorrow, any subsequent back-to-back rollcalls be limited to 10 minutes each on such rollcalls with the warning bells to be sounded after the first 2½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Will the distinguished majority whip yield to me?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I believe this is an acceptable arrangement, after checking around with those on our side whom I have any reason to believe are interested in this matter.

I wonder if the leadership on both sides should not protect themselves, however, with the understanding, perhaps the modification of the agreement, that if there are Senators—and I know of none—who do want to offer an amendment to this pending measure that, of course, they can come over and do so during the period of time prior to 1:30, when we vote on the bill, with the understanding that a vote on such amendment would occur at 1:30 p.m., although this would be a modification of the agreement. Or would the vote come prior thereto?

Mr. ROBERT C. BYRD. We could modify the agreement so that it could go either way. But I believe, based on the understanding that was reached, if such votes are to occur they probably ought to be disposed of prior to the hour of 1:30.

Mr. GRIFFIN. Prior to 1:30.

Mr. ROBERT C. BYRD. So that at 1:30 the vote could occur on Mr. HRUSKA's motion to refer.

Mr. GRIFFIN. That is acceptable. I did want some discussion of the possibility that other amendments could at least be offered and considered because I do not think we want to completely cut off all Senators from that possibility.

Mr. ROBERT C. BYRD. Yes.

Well, could we have this understanding: If any such amendments are to be offered that rollcall votes on such amendments would have to be completed by 1:30.

Mr. GRIFFIN. 1:30.

Mr. ROBERT C. BYRD. No later than the hour of 1:30 p.m., but this would not rule out any intervening amendments without debate thereon to immediately follow the vote on the amendment in the nature of a substitute by Mr. HRUSKA, and immediately prior to final passage.

Mr. GRIFFIN. I see.

Mr. ROBERT C. BYRD. It still would leave an opening there for an amendment, but without debate.

Mr. GRIFFIN. All right; that is satisfactory.

The PRESIDING OFFICER. There is no request for further modification?

Mr. ROBERT C. BYRD. Mr. President, I believe the way I worded the request, no intervening amendment or motion can come in following the vote on the motion to refer and prior to the vote on the amendment in the nature of a substitute by Mr. HRUSKA.

However, such intervening amendments can come in following the vote on the Hruska substitute and prior to the vote on final passage, but without debate.

The PRESIDING OFFICER. The Senator is correct; the understanding is clear.

Mr. ROBERT C. BYRD. Now, if the distinguished assistant Republican leader would seek to incorporate into the agreement the understanding previously reached with respect to votes on other amendments, that they must be completed prior to the hour of 1:30, we could do that, or we could go just on an understanding, which is not a very good way to proceed, I think.

Mr. President, I also wish to incorporate in the agreement that aside from intervening amendments which can come in just prior to the vote on final passage, without debate, if there are other amendments called up during the morning or during the day prior to 1:30 p.m., that any rollcall votes thereon must be completed by the hour of 1:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Was it intended to protect against votes occurring before 1:30?

Mr. ROBERT C. BYRD. No. I am glad the Chair raised that question.

Might I ask the distinguished assistant Republican leader and the distinguished Senator from North Carolina if we might also agree that there will be no rollcall votes prior to the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Is there objection to such an understanding of the agreement? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I revise the unanimous-consent request as follows: I ask unanimous consent that the vote on the motion by Mr. HRUSKA to refer occur at 1:30; that immediately thereafter, if that motion is not adopted, a vote occur, without intervening motions or amendments, on the amendment in the nature of a substitute to be offered by Mr. HRUSKA; that immediately thereafter a vote occur on final passage of the bill (S. 4016) with paragraph 3, rule XII waived; with the further proviso if any other rollcall votes have been ordered on amendments, debatable motion, or appeals, such votes occur, without further debate, immediately following the vote on the amendment in the nature of a substitute by Mr. HRUSKA, and prior to the passage of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. And the agreement has already been entered into that all votes, all rollcall votes, after the first rollcall votes, which will occur at 1:30 p.m., will be 10-minute rollcall votes.

The PRESIDING OFFICER. That is agreed to.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows: There will be certain modifications in the program as against the orders previously entered and I ask unanimous consent that the program as stated be the order to be followed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, the Senate will meet at the hour of 9 a.m. tomorrow.

After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. WEICKER, Mr. HARRY F. BYRD, JR., Mr. THURMOND, and Mr. MANSFIELD; after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each; at the conclusion of which period for the transaction of routine morning business, the Senate will resume consideration of S. 4016, a bill to protect and preserve certain tape recordings, with the time for debate thereon being equally divided and controlled by Mr. HRUSKA and Mr. ERVIN, with the first rollcall vote tomorrow to occur at the hour of 1:30 p.m., such vote to be on the motion by Mr. HRUSKA to refer S. 4016 to a committee.

Immediately upon the disposition of that vote, if the motion fails, the Senate will proceed to vote by rollcall on the amendment in the nature of a substitute to be proposed by Mr. HRUSKA; that vote will be followed by a rollcall vote on final passage of S. 4016; and all rollcall votes after the first vote will be 10-minute rollcalls.

There is a further understanding which was included in the agreement, that if rollcall votes, in addition to those aforementioned, are ordered prior to the hour of 1:30 p.m., such rollcall votes will occur immediately prior to final passage of the bill (S. 4016) and following the vote on the amendment in the nature of a substitute to be offered by Mr. HRUSKA.

It is further understood that this statement of the program does not order rollcall votes by unanimous consent. None of the rollcall votes which I have mentioned have yet been ordered, but undoubtedly they will be ordered on tomorrow by request and by a sufficient number of seconds.

So, there will be at least three rollcall votes tomorrow and there may be more.

I would say that upon the final disposition of S. 4016 tomorrow no further rollcall votes are anticipated tomorrow.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ROBERT C. BYRD. Under the order entered, the motion to refer which will be voted on at 1:30 p.m. tomorrow, would not be subject to a tabling motion, am I correct?

The PRESIDING OFFICER. If the request is that the vote shall be on the adoption of that motion, it would, I am advised, not be subject to a tabling motion.

Mr. ROBERT C. BYRD. That was the understanding of all parties, so I make such request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, on the amendment to be offered in the nature of a substitute, it was the intention that that amendment not be subject to a tabling motion.

The PRESIDING OFFICER. If it is on the adoption of the substitute, without objection, it will not be subject to tabling.

Mr. ROBERT C. BYRD. Very well.

Then, Mr. President, the right to table all other amendments, motions and appeals would be preserved under the order.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. I thank the Chair.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and at 6:46 p.m. the Senate adjourned until tomorrow, Friday, October 4, 1974, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate October 3, 1974:

OFFICE OF MANAGEMENT AND BUDGET

Paul H. O'Neill, of Virginia, to be Deputy Director of the Office of Management and Budget. (New position.)

IN THE AIR FORCE

Col. William A. Orth, [redacted]FR, for appointment as permanent professor, U.S. Air Force Academy, under the provisions of section 9333, title 10, United States Code.

The following-named Air Force officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Lieutenant colonel to colonel

Vissotzky, Raymond W., [redacted]

LINE OF THE AIR FORCE

Major to lieutenant colonel

Adams, John H., [redacted].
Barbay, Lawrence, [redacted]
Bowman, William R., [redacted]
Brady, Ronald L., [redacted].
Byrne, Thomas E., [redacted].
Richmond, James R., [redacted]
Stocker, Henry, [redacted].

MEDICAL CORPS

McGee, James W., IV, [redacted]
Palmer, Jaques J., [redacted].

BIOMEDICAL SCIENCES CORPS

Johnson, Arthur L., [redacted]

The following-named persons for appointment as reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation as a medical officer, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Armstrong, Raymond G., [redacted]
Betts, Stanley L., [redacted].
Childers, Leland E., [redacted].
Goslin, Frederick B., [redacted].
Jannett, Andrew F., [redacted].
Jones, Otis W., [redacted].
Schultz, Morris A., [redacted].
Smith, Herbert T., [redacted].
Young, Robert M., [redacted].

To be lieutenant colonel

Nash, George W., [redacted].
Schmidt, John Z., [redacted].
Silver, James A., [redacted].
Stalzer, Edward V., [redacted].

The following-named persons for appointment as Temporary officers in the United States Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation as Medical Officers, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be colonel

Nash, George W., [redacted]
Schmidt, John Z., [redacted]

To be lieutenant colonel

Acevedo, Julio E., [redacted]
Calcagni, John A., [redacted]
Laborati, Juan C., [redacted]
Mills, Billy G., [redacted]
Rapatz, Edward R., [redacted]
Silver, James A., [redacted]

The following-named officer for appointment as a reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code:

LINE OF THE AIR FORCE

To be lieutenant colonel

Swingle, Alfred R., [redacted]

The following-named officer for appointment in the reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593, 8351 and 8392, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Murphy, Francis J., [redacted]

The following-named officers for appointment as a reserve of the Air Force, in the grade indicated, under the provisions of sections 593 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Shaddix, Willis J., [redacted]

DENTAL CORPS

To be colonel

Watt, Robert S., [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate October 3, 1974:

DEPARTMENT OF THE INTERIOR

Lynn Adams Greenwalt, of Maryland, to be Director of the U.S. Fish and Wildlife Service.

IN THE ARMY

Gen. Frederick Carlton Weyand, [redacted], Army of the United States (major general, U.S. Army), for appointment as Chief of Staff, U.S. Army, under the provisions of title 10, United States Code, section 3034.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

A TRIBUTE TO THE NATIONAL SLOVAK SOCIETY

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. GAYDOS. Mr. Speaker, I rise today to commend an organization which observed the 84th anniversary of its founding during a recent convention in the city of Pittsburgh, Pa.

The National Slovak Society was founded February 16, 1890, in Pittsburgh and it is interesting to note today the foresight demonstrated by the group's original leaders. In establishing the long-range objectives of the society, these men proved themselves to be far ahead of their time.

Life was hard in 1890 for immigrants to the United States. Work, particularly in the mines and mills of heavy industrial areas where many Slovaks settled, was extremely hazardous. There were few, if any, Federal social programs for people. There was no medicare, social security, job safety, or pension protection. Because of the risk involved, many commercial insurance companies refused to sell policies to these workers. If a man was killed or crippled on his job, his widow and family receive no benefits. They were forced to depend on relatives, friends, or neighbors just to survive.

The National Slovak Society knew the need of its people and when it was established it vowed "to protect the widowed, orphaned, sick, disabled, distressed, and aged" among its members. Remember, gentlemen, this was in 1890—84 years ago. To date, the National Slovak Society has distributed millions of dollars to its sick and disabled. It has disbursed millions more in death benefits. It has gone beyond its objective by substantial expenditures for educational, literary, cultural, and patriotic purposes.

In contrast, I might point out, the Federal Government did not pass legislation creating similar programs for all Americans until some time later. For example, social security came into existence in the

1930's, medicare in the 1960's, health and safety laws for workers in the early 1970's, and pension benefits were not guaranteed until September 2, 1974.

I would also like to note that long ago the Slovak people demonstrated their love and loyalty to the United States. The threads of their contributions to the heritage of this country are woven into the tapestry of Americana, from the War of Independence to the present; from Maj. Jan Ladislav Polerecky to Astronaut Eugene A. Cernan. Major Polerecky was among those Slovaks who helped America win her freedom. He later became a citizen and his naturalization papers were signed by the man who boldly scrawled his signature on the Declaration of Independence, John Hancock. Commander Cernan, of course, was part of the Apollo space program and his signature, in the shape of footprints, has been left for eternity in the dust of the Moon.

However, Slovaks did not begin to migrate to America in great numbers until the last half of the 19th century. At the time, they found America comprised of strangers among strangers. Almost of necessity, because of cultural and social bonds, each nationality sought the companionship of their own kind. Slovaks were no exception. But, in joining together, they planted the seeds of the National Slovak Society.

As they recognized the need for programs to help victims of disaster and distress, the Slovaks began forming small beneficial societies. Inevitably, the idea was conceived that more could be accomplished if many small groups were merged into one, strong organization.

Among those who vigorously supported such a union was Peter V. Rovnianek, who came to the United States in 1888. A journalist, he used his writings to generate Slovak interest in a single society and, gradually, his efforts bore fruit. Finally, on February 16, 1890, delegates from several small assemblies gathered in Pittsburgh, formed the National Slovak Society and elected Mr. Rovnianek its first president. Among those attending that first convention was Mr. John Rybar, a representative from the Slovak assembly in Braddock, Pa., which is part of my 20th Congressional District.

Mr. Speaker, as a Slovak American and a member of the NSS, I take great pride in citing the accomplishments of the Slovak people to the Congress of the United States. As a Member of that Congress, I am equally proud to extend, on behalf of my colleagues, formal congratulations to the estimated 2 million Slovak Americans for their contributions to the growth of our Nation.

BUGABOO OF JOBLESSNESS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. LAGOMARSINO. Mr. Speaker, at the request of a constituent I am submitting the attached Barron's article for the Record:

BUGABOO OF JOBLESSNESS—THE UNEMPLOYMENT RATE IS A POOR GUIDE TO PUBLIC POLICY

Inflation in the U.S. is currently running at a rate which most people deem unacceptable. However, the fiscal policies that would help dampen inflation seem to be the very ones which also might cause a rise in unemployment. As a result, the authorities have been reluctant to act. To what might be called the conventional wisdom on the issue, we hereby set forth a contrary opinion. In our view, unemployment, properly analyzed, is not a major problem in this country. Furthermore, the unemployment rate could rise substantially without causing significant economic hardship.

Full employment is usually defined as unemployment which does not exceed 3%–4.5%. As of last month, the unemployment rate was 5.3%. In consequence, many believe that joblessness is already "too high," and that anti-inflationary policies such as tight money or tax increases would only worsen an already bad situation. However, the unemployment rate for all civilian workers (which yields the 5.3% figure) may not be an appropriate measure of economic discomfort. For one thing, as Table I indicates, the unemployment rate for males aged 20 years and over is significantly below the total rate, as it has been for the past decade. Despite recent sociological trends, this group still constitutes the nation's breadwinners. Hence, to report a rate of unemployment of 5.3% is to overstate the case.

Even if one views recent sociological trends as significant, Table I still provides evidence to support the contention that 5.3% is an inflated figure. The unemployment rate among household heads can be substituted for the figure given above. This would take into account women who support families. But if one uses this figure, the situation improves, for unemployment among household heads for the past 10 years has run lower than that for men over 20.

One must also look beyond the bare-bones unemployment rate and examine the duration of unemployment. It the average length of time spent out of a job is short, little hardship results. From Table I, it can be seen that a very small fraction of the unemployed are out of work for longer than 15 weeks. Indeed, last year the average length of unemployment ran to only 10 weeks, down from over 13 weeks a decade ago.

TABLE I.—UNEMPLOYMENT INDICATORS

[In percent]

Year	All civilian workers	Men 20 and over	Women 20 and over	Both sexes 16 to 19	Household heads	Married men	Unemployed longer than 15 weeks
1964	5.2	3.9	5.2	16.2	3.3	2.8	1.3
1965	4.5	3.2	4.5	14.8	2.8	2.4	1.0
1966	3.8	2.5	3.8	12.8	2.2	1.9	.7
1967	3.8	2.3	4.2	12.9	2.1	1.8	.6
1968	3.6	2.2	3.8	12.7	1.9	1.6	.5
1969	3.5	2.1	3.7	12.2	1.8	1.5	.5
1970	4.9	3.5	4.8	15.2	2.9	2.6	0.8
1971	5.9	4.4	5.7	16.9	3.7	3.2	1.4
1972	5.6	4.0	5.4	16.2	3.3	2.8	1.3
1973	4.9	3.2	4.8	14.5	2.9	2.3	(1)
1974	5.2	3.5	5.1	15.6	3.1	2.6	1.0

[1] Not available.

Source: Handbook of Labor Statistics, U.S. Department of Labor, Bureau of Labor Statistics.

TABLE II.—UNEMPLOYMENT RATE, DURATION OF UNEMPLOYMENT, AND AN INDEX OF UNEMPLOYMENT SEVERITY

Year	Unemployment rate (percent)	Average duration of unemployment		Index of employment severity: Days of unemployment per person in the labor force
		In weeks	In days	
1964	5.2	13.3	66.5	3.5
1965	4.5	11.8	59.0	2.7
1966	3.8	10.4	52.0	2.0
1967	3.8	8.8	44.0	1.7
1968	3.6	8.5	42.5	1.5
1969	3.5	8.0	40.0	1.4
1970	4.9	8.8	44.0	2.2
1971	5.9	11.4	57.0	3.4
1972	5.6	12.1	60.5	3.4
1973[1]	4.9	10.0	50.0	3.5

[1] Calculations for 1973 are the author's.

Source: Geoffrey H. Moore, "How Full is Full Employment," Washington, D.C.: *American Enterprise Institute for Public Policy Research*, 1973.

Geoffrey Moore, a noted authority on unemployment and business cycles, has sought to measure the severity of unemployment. In his book, "How Full is Full Employment," he observed: "The unemployment rate measures the number of unemployed persons per hundred in the labor force, but takes no account of how long they have been unemployed, or how long it will take them to find a job. The duration of unemployment has, of course, a great deal to do with the seriousness of the situation from the standpoint of the individual. Unemployment for a week or two is very different from unemployment that lasts for months."

In order to account for duration of unemployment, Mr. Moore has constructed a "severity index," which appears in the accompanying Table II. The "severity index" may be used as another measure of the length of time an unemployed person remains in this condition. For policy purposes, the criteria given above apply. If the time is long, it is a problem: if not, the "problem" is not severe. Table II suggests that the average length of unemployment per person in the labor force is insignificant.

If unemployment were to rise, the main burden would fall upon secondary and tertiary wage earners. Over the past few years, the U.S. has experienced an increase in the number of women and teenagers coming into the labor force, and both groups are not usually primary wage earners.

In addition, both groups traditionally have had high unemployment rates, particularly if they are new entrants. It is this trend that has driven up the unemployment rate in recent years. Table III (see page 8) shows that unemployment for men has fallen by 7.2% over the past 10 years, while unemployment for women has risen 24.3% and unemployment for teenagers has gone up 40.3%.

These two groups are biasing the unemployment rate in an upward direction and thereby distorting economic policy, for, by reacting to this distortion, policy makers are fueling inflation. Since the unemployment rate for heads of households is not as high as that of the total labor force, the latter is not the proper yardstick to use for policy decisions. Moreover, by examining Table IV (page 8), one sees that in all cases since 1967, the rate of unemployment caused by job loss is less than half of the total unemployment rate.

Unemployment statistics rise if people lose their jobs, but they also rise if more people quit or more people try to enter the labor force. The accepted belief is that rising unemployment rates are caused solely by people being thrown out of work. This is simply not true. As can be seen in the foregoing tables, much of the rise in the unemployment rate is due to women and teenagers looking for work. Unemployment due to job loss accounts for less than half of the unemployment for all workers.

In view of the above, it is the author's belief that policy steps should be taken without undue concern over the inevitable rise in the unemployment rate, which, as has been shown, is simply not a valid measure of hardship. It overstates the case and freezes fiscal and monetary policy into an expansionary mode, feeding inflation and disrupting the market place. The unemployment rate, as traditionally viewed, can probably double without a significant damage being done to the economic structure.

For 40 years, it has been this country's policy to react whenever the unemployment rate rises. It is time that horizons be expanded to include new data, or fresh interpretations of old ones. Since the Great Depression, major programs have been established which serve to cushion the shock of unemployment. The basic necessities of life are not denied if one loses his job. An income still flows in. Thus policymakers should look past the unemployment rate and focus instead upon the havoc that is being wrought by an inflation that is not far from runaway.

TABLE III.—UNEMPLOYMENT

[In thousands]

Year	Number of men in the labor force	Percent change	Number of women in the labor force	Percent change	Number of teenagers in the labor force	Percent change
1964	1,718	−12.9	1,195	−1.6	873	−1.1
1965	1,435	−16.5	1,057	−11.5	864	−1.0
1966	1,119	−22.0	920	−13.0	836	−3.2
1967	1,060	−5.3	1,077	+17.1	839	+.4
1968	992	−6.4	985	−8.5	839	0
1969	962	−3.0	1,016	+3.1	853	+1.7
1970	1,636	+70.1	1,347	+32.6	1,105	+29.5
1971	2,085	+27.4	1,650	+22.5	1,258	+13.8
1972	1,928	−7.5	1,610	−2.4	1,302	+3.5
1973	1,594	−17.3	1,485	−7.8	1,225	−5.9

TABLE IV.—RATES OF UNEMPLOYMENT BY CAUSE

Year	Total unemployment rate [1]	Rate for job losers	Rate for job leavers	Rate for new and returning entrants
1967	3.8	1.6	0.6	1.7
1968	3.6	1.3	.5	1.7
1969	3.5	1.2	.5	1.7
1970	4.9	2.2	.7	2.1
1971	5.9	2.8	0.7	2.5
1972	5.6	2.4	.7	2.5
1973	4.9	1.9	.8	2.2
1974 [2]	5.2	2.2	.8	2.2

[1] Errors in total due to rounding.

[2] June.

Source: Handbook of Labor Statistics.

GEN. FRED C. WEYAND: NEW U.S. ARMY CHIEF OF STAFF

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. BRAY. Mr. Speaker, many of my colleagues have heard me remark that in these critical days for the Army, Gen. Creighton Abrams and Gen. Fred C. Weyand comprised the best possible team for leading the Army. We were all saddened by the loss of General Abrams; he was a great soldier and leader. But we can take a great measure of comfort in the fact that General Weyand was readily at hand, as Vice Chief of Staff, to take up the reins before they fell slack.

Today, the Senate confirmed General Weyand as Chief of Staff. I am encouraged that they acted without delay to confirm him for that post, so that the Army can continue its progress uninterrupted.

General Weyand has the earmarks of a great Chief of Staff. He is an experienced and much-decorated combat leader, having served in the most trying days of three wars. He is well versed as a staff officer. He knows the intricacies of the international scene, having served in diplomatically sensitive positions in Berlin, in Paris, and, of course, in Vietnam.

Secretary of the Army Callaway introduced General Weyand to the Senate Armed Services Committee with these words:

> He is the right man at the right place at the right time to meet a truly unique challenge.

I concur in Secretary Callaway's assessment. As long as our country can produce men of General Weyand's stature for positions of great responsibility in the Armed Forces, we can be confident of our strength, and of our continued well-being as a nation.

PRICE GOUGING COULD LEAD TO MASSIVE CONSUMER REVOLT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. ROSENTHAL. Mr. Speaker, last week I asked the Federal Energy Administrator, John Sawhill, to explain to Congress and the American people how small independent marketers of gasoline could afford to undersell their major oil company competitors. My request was based on an Associated Press wire service report that the independent service stations across the country were underselling the branded dealers by as much as 13 cents per gallon.

Since the major oil companies have historically paid less for the gasoline they sell, I told Mr. Sawhill that they may be engaged in the biggest consumer swindle in American history.

Now, Mr. Speaker, along comes Safeway stores—the Nation's largest supermarket chain—to announce a doubling of its third quarter profits, from $16.4 million in 1973 to $32 million in 1974.

Mr. Speaker, before it is too late, we must wake up to the fact that the so-called economic law of supply and demand has been repealed by corporate America's rush for greater and greater profits.

How in good conscience can the administration ask the American people to shoulder the major burdens of inflation, while corporations reap record profits?

Honorable people may differ as to what constitutes "reasonable" profits, but if price gouging is American business' answer to the high cost of credit and the depressed value of stocks, then this Nation faces a consumer revolt the likes of which it has never before seen.

GILMAN SEEKS HELP FOR DAIRY FARMERS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. GILMAN. Mr. Speaker, today, along with several of my colleagues from the State of New York, I met with representatives of our State's dairy farmers and representatives of the three dairy cooperatives serving our region, the Eastern Milk Producers Cooperative Association, Inc., the Northeast Dairy Cooperatives Federation, Inc., and Dairylea Cooperatives, Inc.

These three dairy cooperatives represent the majority of the dairy farmers in order 2, the largest Federal order milk market in the country. It is the first time they have come together with their congressional representatives to discuss the drastic changes that have occurred in the costs of milk production. This is a threat not only to the dairy farmer and the agribusiness community but also to the consumer's assurance of an adequate supply of fresh high-quality milk at a reasonable price.

The spiraling costs of feed grains, fertilizers, and fuel have inflicted such severe burdens on our farmers that as many as one-third of the dairymen in New York may not be able to survive the crisis facing them.

Permit me to cite a portion of a letter I recently received from a dairy farmer in my district of New Hampton, Orange County, N.Y.

> Last week my cow feed went to $180 per ton with no end in sight.
>
> Imports of millions of pounds of cheddar-type cheese alone has deflated our milk price while grain exports continue to skyrocket our feed prices.
>
> Our government regulations force U.S. Dairymen to produce a pure, clean product to protect U.S. consumers while imports (only 10 percent of imports are inspected) show 15 percent of all shipments are contaminated with dirt, rodent hair and droppings and flies.
>
> Help support good, clean dairy products produced by U.S. Dairymen. For every dairyman that goes out of business, many, many more people in related jobs in your district will be put out of work. Something must be done soon!

This letter describes concisely the sentiments expressed in today's meeting with our dairymen who stressed the need for immediate policy changes by the Department of Agriculture.

Although hearings will soon be conducted by the Department on October 8 in Chicago concerning the price of class I—fluid milk—it is important to our dairymen that they also look into the prices of class II—soft cheese, cream, and ice cream—and class III—hard cheese, powdered milk and butter—milk. The Department must also change its policy of importing large amounts of dairy products from abroad, which, in the long run, only serve to cut American dairy production, adding to our already burdensome economic troubles.

Accordingly, I urge support by my colleagues, particularly those from districts in which dairying plays an important economic role, demanding that the Secretary of Agriculture promptly prepare and develop more acceptable solutions to the severe problems confronted by our dairymen.

TRUE PICTURE OF OIL INDUSTRY PROFITS

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. ARCHER. Mr. Speaker, there has been much discussion in this Congress and the press over so-called excessive profits of the oil industry. If we are going to consider legislation to assist us in meeting the "energy crisis," we will have to know the true situation of the oil industry. What is the truth? Prof. Robert R. Sterling, a professor of accounting at Rice University in Texas, has completed an independent study of the oil industry profits and recently released the results of these findings. I would like to enter the results of his study in the CONGRESSIONAL RECORD:

RICE PROFESSOR COMMENTS ON OIL COMPANY PROFITS

A Rice University professor of accounting said Saturday that oil companies, "despite general clamor to the contrary," have been earning less than the average of all other industries.

Dr. Robert R. Sterling, Rice's Jesse H. Jones Professor, said the correct profit picture of the oil industry had now been established through independent research.

"I have no special affection for the oil industry, but I do have affection for the truth," Sterling said.

Sterling stressed particularly that the true effect of expropriations of some oil companies by certain foreign governments has not yet been fully revealed. He described this effect as "catastrophic but hidden through the deficiencies in the accounting system now employed."

Sterling has long been a proponent of current value accounting which would bring such expropriations immediately to the surface in the financial statements of the companies. The Sterling-proposed system would be a departure from the traditional cost accounting methods currently in use.

In support of his statement on oil company earnings, Sterling gave these comparisons covering the 1964–1973 decade:

10 YEAR (1964–73) AVERAGE RETURNS

	Average oil returns (percent)	Average returns all other industries (percent)
Return on common equity	10.9	12.4
Return on owner's equity	9.8	11.7
Return on owner's equity plus long term debt	8.7	10.7
Return on total assets (or total equities)	6.9	7.7

EQUAL PAY FOR EQUAL WORK

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. LEHMAN. Mr. Speaker, in the last 3 weeks, I have been deluged with letters from my constituents who are very concerned about the future of Pan Am, and rightfully so.

The questions they raise are ones for which I have found no justifiable answers. For example, why are U.S. air carriers paid lower rates for carrying U.S. international mail while foreign air carriers are paid Universal Postal Union rates?

Why are our airlines forced to pay exorbitant landing fees abroad, while foreign airlines are not subject to the same discriminatory fees when landing in the United States?

Why are foreign airlines, with home bases such as France, Japan, and Saudi Arabia, eligible to receive U.S. Export-Import Bank loans at 6 percent, while our domestic carriers must pay 12 percent interest?

The Subcommittee on Transportation, chaired by my distinguished colleague from Oklahoma, Mr. JARMAN, held hearings earlier this year on legislation to correct these inequities. The Senate Commerce Subcommittee on Aviation is now in the process of marking up similar legislation. I urge my colleagues in both the House and the Senate to give this legislation their early and favorable consideration.

Mr. Speaker, I am inserting below an editorial which was broadcast over WTVJ in Miami on September 27, with which I wholeheartedly agree:

PAN AM DESERVES A BREAK

SEPTEMBER 27, 1974.

The going has not been great for the people of Pan American World Airways.

Pan Am reported its August profits were down 48 per cent over a year ago. And last week, President Ford said "no" to a $10,000,000 a month government subsidy.

The airline, which in 1927 began its service by flying from Key West and Havana . . . and a year later moved to Miami . . . is in very serious trouble. In the last decade after pioneering routes throughout the world Pan Am has turned from a profitable operation to a financial disaster. Certainly, some of the blame is Pan Am's. But a long list of obstacles . . . not of the airlines own doing has greatly hurt the carrier.

Mail shipments are a problem. Some foreign carriers get six times what U.S. carriers receive for carrying our mail. Pan Am figures this costs it $40,000,000 a year.

Landing fees pose another financial threat. U.S. rates are low . . . foreign airports can be very high. This discrepancy costs Pan Am $12,000,000 a year.

Loan money is strike three.

The U.S. Export-Import Bank loans money at six per cent interest to foreign airlines yet charges Pan Am 12 per cent. This differential in loans to buy airplanes costs Pan Am $7,000,000 extra for a 747 than a foreign airline would pay.

But the biggest blow of all is the fact that Pan Am is prohibited from flying from city to city in its home country.

It is encouraging to note that Pan Am employees are using their own money to publicize their company's plight. We agree with their position.

Forgetting a direct subsidy . . . our government still has an obligation to place Pan Am on equal footing with favored treatment accorded foreign carriers . . . carriers owned, operated and subsidized by their governments. There's an old expression about charity beginning at home . . . this certainly applies in the case of Pan Am.

THE PACIFIC NORTHWEST NATIONAL SCENIC TRAIL

HON. JOEL PRITCHARD

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. PRITCHARD. Mr. Speaker, the following article by Mr. Ronald Strickland appeared in a recent issue of Backpacker magazine. Mr. Strickland proposes the creation of a hiking trail which would join the Appalachian and Pacific Crest Trails in the National Trail System. At a time when people are calling for both increased use and protection of our national resources, I submit this article for my colleagues attention:

YOUR SUPPORT IS NEEDED FOR THE PACIFIC NORTHWEST SCENIC TRAIL

(By Ronald Gibson Strickland)

I propose that Congress create a Pacific Northwest National Scenic Trail from the Continental Divide to the Pacific Ocean. This trail would join the Appalachian and the Pacific Crest Trails in the National Trail System.

No other region of our country is so well endowed as the Pacific Northwest with magnificent hiking country suitable for a new national trail. And perhaps nowhere else can hiker's pent-up demand for new trails be so well accommodated. Imagine taking a hike from the Continental Divide near fabulous Boulder Pass in Glacier National Park across the Northwest's mountains, deserts and river valleys to Olympic National Park's Pacific Beach. From well above treeline to luxuriant forests, from one inland wilderness area to another, to the most mysterious of all wildernesses—the sea—will someday stretch a dream trail, a passionate walker's trail.

It will be as much as possible a *wilderness* trail with relatively difficult access, relatively few signs and shelters, and relatively great attention given in planning to its walkers' potential wilderness experience.

It will be a trail of superb backpacking—not pale, bland, crowded trail slumming—but adventurous frontier walking. Today there is a great obligation upon those who would create a new natonal scenic trail to avoid the mistakes of the past. Overcrowding, poor design and location, determination of wilderness values and rampant vandalism can all be minimized if enough thought, dedication, and money are devoted to the Pacific Northwest Trail. I strongly believe that creating a new trail to serve the geometrically growing numbers of backpackers need not be a disservice to the country through which that trail passes.

In fact, in addition to its other values, the creation of this trail would help to protect many fine roadless areas that are now in danger of development. The National Trails Act of 1968 provides some direct protection for every footpath designated as a national scenic trails. Even more helpful would be the incentive the Pacific Northwest Trail would provide for federal administrators to emphasize wilderness values in their management of land on either side of the trail, as well.

Since most of the Washington portion of the trail would be on existing paths and tracks, you can already hide it. You may even discover a better route than mine.

Backpackers must assume the burden of leadership in creating America's National Trails System.

MILL RACE HISTORICAL VILLAGE

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. ESCH. Mr. Speaker, at a time when a great deal of our national attention is directed toward our country's bicentennial, I wish to make note of one example of patriotic industry that can be found in the Second District of Michigan. The people of Northville, with much effort and enthusiasm, have begun work on a project to coincide with the Nation's Bicentennial called the Mill Race Historical Village. Under the auspices of the Northville Historical Society and its president, James B. Harris, the people of Northville have raised funds from various sources in order to preserve several architectural structures illustrative of the town as it was in the years 1840 through 1890. In some cases, it has meant acquiring authentic buildings still standing, moving them to a 7.5-acre site close to the present center of Northville, and restoring them. In other cases, consideration is still in progress on structures that will be appropriate. Finally, plans have been formulated to construct buildings that cannot be acquired by other means. In the end, Mill Race Village will consist of eight structures representative of Victorian-era Northville, including a library, general store, blacksmith shop, school, and several residences. All the buildings will be refurbished and stocked with accouterments which typify the era.

However, it is not the intention that these buildings merely stand as curiosities, however fascinating as such they might be. The society plans that these buildings be used, become not only a symbol of the past, but very much a part of the Northville of today. For instance, the school will be available to elementary school teachers for educational activities, and the old library building will serve as a community meeting house and museum.

It appears to me that in the Mill Race Village, the community of Northville and its historical society have captured the very best of the spirit of the Nation's Bicentennial: by utilizing a proud heritage, they are helping to create a better community for today. I am proud to have the privilege of representing the city of Northville, Mich., whose citizens are working to build a living memorial to our Nation's anniversary.

DISASTER LOAN PROGRAM

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. OBEY. Mr. Speaker, late in 1973 the Congress passed a disaster loan program to help farmers of the United States who had suffered damages from floods or other natural disasters, and the President signed it into law. Many farmers throughout the country benefited from Public Law 93-237, which called for 1 percent disaster assistance loans from the Farmers Home Administration, and a $5,000 forgiveness clause.

However, many farmers in Wisconsin did not benefit from this program because the agency charged with administering the program effectively chose to keep the program a secret. In many areas only limited publicity was given to this program, and in others there was no publicity at all. In some instances where farmers were aware of the program, administrative bungling and lack of knowledge of the program itself deprived many, many farmers from participating in it.

I have been in touch with the Secretary of Agriculture and the administrator of the FMHA in Wisconsin on this problem for quite some time. The Department of Agriculture indicated that they would do a thorough investigation of the situation, but a final report on that investigation is long overdue and appears to be little more than a whitewash.

The fact is that the problem with the administration of the disaster loan program is just one example of the chaos which now reigns at the FMHA in Wisconsin. People are disgusted with the FMHA and the programs which promise help but produce headaches.

I have asked Secretary Butz to remove the administrator of the FMHA in Wisconsin, simply so that the agency, and the programs which it sponsors, can once again regain the public credibility it deserves.

However, the Department of Agriculture is thus far unwilling to recognize its responsibility for the mismanagement of the disaster loan program in Wisconsin, and is evidently willing to let farmers pay for the mistakes of FMHA personnel. I cannot buy that. Therefore, Mr. Speaker, I am introducing in the House today a bill to reopen the disaster loan program so those who were legitimately eligible to apply for such loans can do so. To be eligible farmers must have suffered damages from natural disasters between December 26, 1972 and April 20, 1973.

I ask that a copy of the bill appear at the end of my remarks, as well as a copy of my most recent letter to Secretary Butz.

H.R. 17034

A bill to extend the deadline for seeking assistance with regard to disaster relief under the Consolidated Farm and Rural Development Act

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, with regard to all disasters occurring on or after December 27, 1972, the Secretary of Agriculture shall extend for 45 days after the date of enactment of this Act the deadline for seeking assistance under section 321 of the Consolidated Farm and Rural Development Act.

HOUSE OF REPRESENTATIVES,
Washington, D.C., September 30, 1974.
Hon. EARL BUTZ,
Secretary, U.S. Department of Agriculture, Washington, D.C.

DEAR MR. SECRETARY: I feel compelled to write to you about a matter which, as you know, has been of great concern to me for quite some time—the state of Farmers Home Administration programs and their administration in the State of Wisconsin.

In my judgment, those programs are not being administered efficiently or fairly, and as a consequence, public support for the programs themselves has eroded. No public agency should suffer from the type of cynical distrust which farmers, bankers and businessmen have developed for the FmHA in Wisconsin. No public official should, or could, continue in elective office if he or his staff maintained the same kind of non-responsive posture to the public's needs that is shown, day after day, by the FmHA in some areas of my state. And, in my judgment, the only way that the FmHA in Wisconsin—and the programs which it sponsors—can regain the public credibility it deserves, is with the removal and replacement of the present Administrator, Mr. Willis Capps.

Mr. Capps should be removed for two reasons: the unprofessional manner in which he administers FmHA programs, and the insensitive and unprofessional manner in which he deals with the FmHA staff. The first has resulted in a subversion of Congressional programs, with the benefits of FmHA programs not reaching those they are intended to help. The second has resulted in the transfer and resignation of experienced personnel, has dissipated staff morale to a dangerous degree, and has made the jobs of too few people doing too much work even more difficult.

PROGRAMS

Proof of Mr. Capps' lack of ability to properly administer a program is shown particularly in the administration of the disaster relief and guaranteed loan programs.

Mr. Secretary, I have been in contact with you before on the administration last winter of the disaster loan program in a number of central and northern Wisconsin counties. At that time, I asked that an audit of the entire program be conducted because people had not been informed about the program, were misinformed about the program or had received rude treatment when attempting to apply. Information was also available which seemed to indicate that a deliberate attempt had been made to make the benefits of this program available to as few people as possible.

In response to my request, I was told that an audit would be conducted on all aspects of the administration of that program in Wisconsin. However, I have since learned that the audit which was done was not a complete audit at all—but only related to the publicity which was given to the program.

Mr. Secretary, I know that before you came to Wisconsin in mid-August, you were briefed on the outcome of that audit. Unfortunately, I have not been given a copy of that final audit report—even though I was told I would get such a copy almost two months ago. Nonetheless, I have reason to believe that the summary of the situation as explained to you gave you far less than a total picture of what went on, and that the audit conclusion is—to be blunt—a whitewash.

I have reason to believe, for example, that the persons in charge of the audit were not aware of, or chose to ignore, basic and highly important facts which clearly show just how badly that program was administered in Wisconsin. These include the fact that (1) at a briefing for county agents in February, 1974 in which FmHA personnel outlined current FmHA programs available to Wisconsin farmers, the disaster loan program was not ever discussed; and (2) an FmHA board member submitted a written statement that he and his fellow board members were misinformed about the program by FmHA personnel. The USDA audit division people requested documentation of these charges—*after* you were briefed on this situation, *after* the audit had been totally or substantially completed, and *even though they had been given such documentation at least 6 weeks prior to your Wisconsin visit.*

I am concerned too because conversations with Department personnel seem to indicate that the Department will be satisfied with Mr. Capps' efforts to publicize the loan program as long as press releases were sent out announcing the availability of disaster loans in certain counties. It doesn't seem to matter to the Department that in many cases these press releases were not printed, or that, in the original USDA press release sent out, Portage County was not listed as an eligible county when in fact it was.

Mr. Secretary, farmers are not psychic. They do not learn about programs in their dreams. They could not learn about the disaster loan program unless the media printed stories saying loans were available. You have ample evidence which indicates that the press on this program was sparse in some places, and even nonexistent in others. I, for one, will find it very difficult to accept as anything but a whitewash a report which says there was adequate publicity on the availability of the disaster loan program.

Moreover, since the Department seems unwilling to recognize its responsibility for the mismanagement of the program and is evidently willing to let farmers pay for the mistakes of FmHA personnel, I have no choice but to act within Congress in an attempt to re-open that program.

And Mr. Secretary, the administration of other FmHA programs in Wisconsin seems to leave almost as much to be desired as the disaster loan program.

There is, for example, a lack of information about guaranteed loan programs on the part of bankers and farmers alike. Bankers in Superior, Poplar, Phillips and Hayward have all complained to me that they are unable to get adequate information about loan programs from the FmHA.

Lack of information by FmHA personnel causes other problems, resulting in frustration for those applying for FmHA programs and increased expenses for taxpayers.

For example, one Wisconsin Indian Tribe applied for a business and industrial loan through the FmHA. The application should have been for farm production loan funds, and when the state FmHA office received that application, it should have returned it to the Tribe, advising them to resubmit the loan through farm production channels. That was not done.

In another case, the FmHA approved a $35,000 loan, to build a barn, in March, 1974. The family involved was advised its money would be available in July, and further advised by the County Supervisor to purchase $8700 in steel for the barn because steel prices were going to increase in April. The FmHA loan money has still not been made available, but the family has paid $200 in interest on a short term loan used to buy the steel, and the steel itself is rusting in their front yard!

In some cases, the FmHA seems to discriminate about the information that it wants to publicize. For example, I'm told that in one county office last year the staff was told not to promote the real estate guaranteed loan program because it would deplete FmHA sources for other types of FmHA loans. They were told they could contact bankers on other aspects of loan programs.

Such lack of enthusiasm for certain programs by FmHA is not unique. An assistant supervisor in our county admitted that in 1972 no encouragement or assistance was given by the state FmHA office to assist 3 counties which were declared disaster areas because of flooding. The local FmHA office had to deal with the situation with help provided by the ASCS.

The administration of the emergency loan program is headed in the same direction. The Secretary of the Wisconsin Department of Agriculture said last week that hundreds of applications for FmHA loans still must be processed as a result of the drought last summer, and yet FmHA fieldmen are visting only two farms a day. That being so, how in the world can farmers expect any action soon on loan applications which will be made because frosts last week destroyed millions of dollars of corn and soybeans?

My files are full of complaints from constituents who complain that it takes 4 to 6 months—or double that—for FmHA to process a loan, that FmHA personnel do not show up for scheduled appointments and that people are told that no FmHA money is available *after* it had been promised. Some have been asked to bring to FmHA offices information relative to their loans applications and when they do, they are told they need to bring in something else.

In short, Mr. Secretary, people cannot make plans because they do not know whether or when they can expect a loan. And they are disgusted with Federal programs which promise help but produce headaches.

Frankly, it would be hard to convince a great many Wisconsin residents that anything but chaos reigns at the Wisconsin FmHA. I want to see that situation changed—and soon.

STAFF

The intensive way Mr. Capps deals with the FmHA staff can best be illustrated by his use of a goat to degrade and demoralize Federal employees. The goat, named Hi D, has in the past been entrusted by Mr. Capps to the district director with the highest number of delinquent loans. Perhaps Mr. Capps finds that amusing. I do not. Nor do I think it serves any useful purpose. It is insulting and degrading and it discourages an agency which is supposed to take some risks to help people from doing so. It encourages a conservative banker mentality when something more humane is what the Congress had in mind.

What would happen if the President established a monthly "Nose and Tusk Award" and entrusted an elephant to a Cabinet officer who was somehow in disfavor. And suppose the elephant were given to you. Would it increase your efficiency and heighten your morale or embarrass and degrade you? I contend that Mr. Capps' goat award is in the same category.

I have received complaints from experienced and highly trained FmHA personnel who say that they have received ultimatums—either pack their families and their belongings and be transferred to other FmHA offices, or leave the agency. Some have declined "promotions" in order not to move, but were not allowed to do so. One employee—put into such a squeeze—told me Mr. Capps said "you're a Democrat, aren't you? I don't want any Democrats on my staff. You're going to be transferred out of here." That employee is no longer with the agency.

Mr. Secretary, I am not naive enough to think that all FmHA's problems will disappear if Mr. Capps is retired. Congress has some responsibilities in this matter, and so do you.

In 1960 the FmHA was a narrow-purpose agency, handling about $300 million in farm loans. Today it is a general-purpose agency, handling 30 or more types of loan programs of importance to rural communities as a whole, and with a loan volume of $2.7 billion.

In Wisconsin, and throughout the country, there are too few people trying to administer these complex programs and perhaps too little money to help all those who need it.

I share the disappointment, expressed in several House Appropriation Committee reports, that the Office of Management and Budget (OMB) has consistently refused to allow FmHA to hire the number of people needed to properly do its job. That is a disservice to badly overworked FmHA employees, to the programs themselves, to Congress which spent many hours enacting them, and most of all, to the taxpayers of this country who are FmHA's customers.

In the post-veto appropriation bill for FY 1975 which the Congress is about to enact, the Department is directed to convince OMB to increase FmHA's personnel consistent with the workload increase which the agency has. If you are truly willing to fight like a wounded steer for American farmers, that is one place you can start. I am sure it will help to alleviate many of these problems.

I think the Congress ought to look more closely at FmHA to see whether it is providing more than its share of financing for rural programs. We ought to ask ourselves too whether guaranteed loan programs are of substantial benefit to farmers or whether we are naively pretending that farmers can borrow themselves out of debt.

Nonetheless, Mr. Secretary, the situation in Wisconsin is serious, and I know you are aware of many of the kinds of complaints I have cited. The Department of Agriculture was represented at a hearing of farmers, bankers and real estate brokers in Ladysmith, Wisconsin last week where similar problems are charges were aired. A promise was also made there, by FmHA Deputy Administrator Joseph Hanson, that the FmHA would look into these complaints.

Needless to say, I would welcome an investigation of the FmHA in Wisconsin, but I will not be satisfied—nor will the residents of Wisconsin be satisfied—with a narrowly-conceived investigation which is designed to conclude there are no unusual or correctable problems there.

In my judgment, we need a comprehensive no-holds-barred investigation of the FmHA in Wisconsin. We need to permanently replace the present Administrator, Mr. Capps. We need a substantial increase in personnel to more quickly handle the workload.

I would certainly be willing to assist the Department in any way I can in the investigation which is conducted, and I encourage you to give the citizens of Wisconsin an opportunity—through public hearings—to make their views on this matter known.

Sincerely yours,

David R. Obey,
Member of Congress.

NO CANNING LIDS FOR SALE

HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. ESCH. Mr. Speaker, it should be clear to many members as a result of their mail that the shortage of canning jars and lids is of epidemic proportions in the United States. Virtually each day's mail brings another letter to my office from a citizen who has been unable to find the lids or jars at any price.

The media too has been reporting on this situation which is extremely frustrating to the thousands and thousands of home gardeners who had hoped to beat the high cost of food by canning their own produce. In one such account, a woman from Maybee, Mich., described how she was forced to travel 150 miles into Canada to purchase jar lids at small country stores. The same account appearing in the Monroe, Mich., Evening News tells how an Erie produce farmer may throw away 1,000 bushels of perfectly good tomatoes primarily because his usual customers cannot purchase canning lids with which to can the produce.

Moreover, I have been informed by residents of Michigan that the price of these lids has risen in 1 year from 19 and 22 cents per dozen to over $1 per dozen. Other have complained that they have been told by supermarket workers that the store managers ordered that the lids not be placed on the shelves for sale. In addition, some of these people have complained that there are rumors in their communities of storehouses filled with the lids, apparently in an effort to keep the lids in short supply and the price at an inflated level.

The tragedy of all this is that many citizens undertook to plant gardens in an effort to cut food costs and also inflation. They were doing so at the urging of our Government and now they are understandably upset with the prospect of seeing their produce rot in backyard gardens because of the lack of proper canning materials.

As a result of this incredible situation, I have asked Chairman Lewis Engman of the Federal Trade Commission to undertake an investigation of this problem so that consumers may know whether there have been any violations for which the consumer is being unfairly penalized. In addition, I have been assured by a spokesman for President Ford that the President and appropriate staff members have been told of my concerns and that the problem will get careful attention. I have also received a communication from Attorney General Saxbe's office stating that my concerns have been referred to the Antitrust Division.

It should be noted that I have no evidence of restraint of trade being practiced in the sale or manufacture of canning lids. The high price and shortage of the lids may very well be a result of shortage of raw materials, the price freeze which could have sent tin abroad for a higher price, or any other number of variables which could affect price and supply in a free market economy.

However, in view of the present burdens on families and individuals as a result of high prices I believe an explanation is in order to the many thousands of persons who have been denied an opportunity to can their home-grown produce. I look forward to sharing the results of the FTC study with my colleagues and ask that at this point in the Record there be printed my letter to Chairman Engman to be followed by the article dated October 1 from the Monroe Evening News.

The article follows:

September 17, 1974.

The Hon. Lewis A. Engman,
Chairman, Federal Trade Commission, Washington, D.C.

Dear Mr. Engman: During a recent trip to the Second Congressional District I learned from many constituents of the serious shortage of reusable jar lids used primarily for the canning of home grown foods. This shortage—and the cost which has doubled from a year ago when the lids were readily available—has been mentioned by residents of the Second District at open office hours I hold regularly and in a survey of supermarket pricing being undertaken by many residents of the district.

I believe this shortage and the incredible cost increase demand the immediate attention of the Federal Trade Commission. The inability to purchase canning lids is especially discouraging for home canners who had hoped to offset the high cost of vegetables and fruits. Many are now faced with the prospect of seeing their produce rot in backyard gardens because of the lack of proper canning materials. Obviously this is an absurd situation when the government has been encouraging the use of backyard gardens as a means of cutting food costs and inflation.

As an indication of the extent of this problem I have enclosed an article from the September 10 issue of the Detroit News which describes the frustration of many home canners. Not only must these consumers wait in long lines to purchase jar lids, they must also pay a price that is more than double last year's 40-cent-a-dozen average cost.

It may be that the shortage of canning lids and jars is a result of a shortage of raw materials or production capability. I have no evidence of restraint of trade being practiced by manufacturers, but I would urge your agency to undertake a thorough and expeditious study of the situation to determine whether there have been any violations for which the consumer is geing unfairly penalized.

Finally, I hope you will give this problem prompt attention with a report back to me as soon as possible.

Sincerely,

Marvin L. Esch,
Member of Congress.

Canning Supply Victim: 1,000 Bushels of Tomatoes

With dry weather and other problems causing shortages of just abut everything edible, Myron Jacobs may throw out 1,000 bushels of perfectly good tomatoes.

The Erie produce farmer normally grows 3,000 to 4,000 bushels of tomatoes a year, much of which he sells for home canning.

This year, however he estimates he has only had about a third as many customers at his Dixie Highway farm as he had in past years, and of those who do come, he said, may buy only one bushel with the comment that they would buy more if they could get the canning lids.

As to why he doesn't give his leftover tomatoes away to a school or orphanage instead of destroying them, Mr. Jacobs said he tried to do that in the past but the response was always that they would be glad to take them provided he would do the picking.

The farmer is not under contract to any commercial canners and has not been able to sell any excess tomatoes to that source.

Mary Bacon grows tomatoes on seven acres near Maybee.

She was able to sell all her tomatoes, however, because for $1.50 a bushel more than most others were charging for tomatoes, she included two dozen jar lids.

Where did she get the almost non-existent lids? Canada.

Indicative of the shortage, however, when she made her first trip across the border about a month ago, she was able to buy them right across the river from Port Huron.

On her second trip a couple of weeks ago, however, she had to journey about 150 miles inland and had to buy them in small country stores.

Ultimately, she was able to purchase 107 dozen lids.

Why the shortage of canning jars and lids? One supermarket manager in Monroe said he understands there is a shortage of potash needed for making the glass jars and of those that have been made, commercial packers received first priority.

As for the jar lids, the special steel needed is being sold in foreign countries where manufacturers can get a higher price for it.

Since last spring, he said, his store has received only one shipment of canning supplies—in August—and that didn't last long. At present, his company is not even listing such supplies in its order book.

"With the high cost of food," the store manager commented, "it's very sad. People have grown their own food, which is commendable, and then they can't get the jars to can it."

In a time of shortages, people often try to develop substitutes, which has led to some dangerous practices.

Michigan State University Cooperative Extension Service food specialist Anita Dean warns that paraffin can only be used successfully to seal foods such as jellies and jams with high sugar and low water content, which limits growth of organisms.

Sealing jars of canned fruit and tomato products with paraffin, as some have attempted, does not prevent molds from developing.

Another unwise practice is using mayonnaise or other large jars instead of special canning jars.

The mouths of such jars are the right size for the lids but the necks are too short to screw on the metal screw band all the way. The result is poor sealing.

Also, such jars are not designed for placing in boiling water, part of the canning process, and are liable to break.

TAYLOR OPPOSES GUN CONTROL LAWS

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. TAYLOR of Missouri. Mr. Speaker, I have noticed that once again a number of bills have been dropped into the legislative hopper that seek to place more gun control regulations on the Federal statute books.

Once again, I am beginning to hear certain Members of Congress talk about confiscating an individual's firearms, Federal gun registration, restrictions on gun ownership, and some have even stated their desire to seize every weapon in the Nation and melt it down.

Now, mind you, these bills are not directed at the criminal element of this country, but at the law-abiding American citizen who either uses his weapon for sport or target shooting, or has a hobby of collecting guns.

We certainly cannot be naive enough to believe that anyone who intended to use a gun in a commission of a crime would either have it registered or give it up. On the contrary, those guns would never be confiscated.

Mr. Speaker, our forefathers recognized that citizens have a basic right of defense—for the lives of their families and themselves and for the protection of their property. The recognition was written into our Constitution.

Furthermore, I think that we must recognize that guns are not inanimate objects that go around killing people. People kill, weapons are merely the instrument of the killing. People pull the trigger.

I would like to point out that some 35 or our State constitutions recognize the right to bear arms. Our Founding Fathers set this right square in the Bill of Rights and good men have been fighting off efforts to abridge that bill for almost 200 years.

Mr. Speaker, I assure you that I will follow the lead of our Founding Fathers and use my vote in the House of Representatives to oppose any bill that would seek to disarm the law-abiding citizens of this Nation.

BRINGING HEALTH MANPOWER TO UNDERSERVED AREAS

HON. PETER N. KYROS

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. KYROS. Mr. Speaker, while the Congress, in its discussion of health manpower, has heard over and over again that our greatest problem is maldistribution rather than an actual shortage of medical personnel, practically no effective ideas for permanently placing personnel in underserved areas have been suggested. What we usually hear is the suggestion that medical school graduates spend a few years in an underserved area, before beginning their careers where the money is—in the big cities and suburbs.

Maine's regional medical program, however, has an impressive record in terms of bringing medical personnel to underserved rural areas on what looks to be a more permanent basis. In fact, Maine's RMP seems to have been able to correctly identify the kind of young people who actually prefer to work in underserved areas to escape the many negative factors of big city living.

We all know that many of today's best young people are actively searching for careers where clear, significant life values rank high. They want to make a good living, but they want to do so on terms that help preserve the best in today's society, while building an even better society for the future.

The success of Maine's RMP to date is sketched in the organization's recent newsletter. I commend it to the attention of my colleagues:

INTRODUCING MAINE

Maine needs more doctors, nurses, therapists and other kinds of health manpower—that is a fact proven by the present health manpower shortage and the poor distribution of health care providers in the State's vast rural areas. It is also a fact that while a great many newspaper and magazine stories have been written about the shortage, there have been few working projects designed specifically to help ease the demand and meet the need.

However, several such projects have been launched in recent years by Medical Care Development, Inc. and judging from the early returns of an effort that began at the start of this summer, one of the keys to providing Maine with needed health personnel is to introduce the State to young people planning medical and health related careers.

Because of the national movement toward the redemption of past values, many young people are anxious to get "back to the land" to return to a way of life that they hope and expect will be more fulfilling than urban and suburban living. Few of them ever get the opportunity, however, to test their expectations, to learn about rural living and rural careers first-hand, and do it without making irrevocable decisions—decisions like giving up the apartment lease before finding a place to live in the country, or even knowing what part of the country they might, or might not like.

The reality of such decisions and the persistence of doubt in the face of the unknown have kept many a person from moving to the country, even though he or she may have wished for years that such a move could be made.

It is just these kinds of hurdles the current MCD Multidisciplinary Preceptorships (MDPS) project was designed to clear. The program, funded by a $44,000 grant from the National Health Council, is designed to:

Bring teams of health students from colleges and universities across the nation to Maine for a summer of work;

Give those students a chance to see rural Maine first-hand; to get to know its people and places; and, most of all, become familiar with the realities of a rural environment and rural health care without the dislocation and trauma of a permanent move;

Provide a variety of small Maine health-care facilities with an opportunity to participate in teaching teams of students, probably the best way of assuring the maintenance of the skills of their staffs.

Judging by the number of persons who responded to a modest communications effort, there are a great many young health students who are most anxious to be introduced to Maine. About 115 applications were received for the 50 Preceptorships available; they represent 14 different and distinct health-care disciplines and they came from colleges and universities across the nation.

Grouped in 20 separate teams for periods ranging from four to eight weeks—and longer for several Preceptees who have asked to extend their stays—the students are working in 14 different Maine locations. Because so many of the working visitors expressed an interest in rural Maine and rural health care training, much of the project is emphatically oriented to country communities and their health-care facilities.

Students in Blue Hill, for example, are getting their on-the-job training and introduction to Maine performing such duties as:

Learning how a 24-bed country hospital operates;

Discovering that modern technology is also a benefit in rural areas where the tools of the past are still put to good use. The combination is exemplified by the Blue Hill Hospital-Stonington interactive television link which "extends" a health-care provider's energies by allowing him or her to get the patient's problems to a hospital, even though the hospital is more than 25 miles away from the physician or nurse associate's examining room.

Representing medicine, nursing, dentistry, speech, physical and occupational therapy, laboratory technology and other skills, the 50 students working in multidisciplinary teams not only learn from each other, but from their presence in Maine—a 24-hour environment which is most new to all of them.

MCD designers and directors of the project created it and give it their enthusiastic support because, as Maine people, they are convinced that once many of these young health care providers get to know Maine firsthand, they will be convinced that this is the place where they want to live and work.

Already, feedback from this summer's Preceptees indicates the validity of this conviction. Consider the brief observations of two "big-city" students from the Boston School of Nursing, Ollie Meyers and Linda J. Newman.

Here is what Ollie Meyers has to say: "I set out to explore community health in the towns around Augusta, and it has been a nursing inspiration for me. The more you look into communities, the more you learn about them . . . . My experiences have been so varied that it is difficult to encapsulate them all and evaluate the finished product. However, everything from discussions at the nursing school to peering into a baby's ears fostered a sense of independence within me that will help me throughout my nursing service . . . . The expanded role of the nurses in Maine is proving itself very well, and I have gained much knowledge of the State, medicine, nursing and people. From the beginning, I was open to all things in this program, and I received much more than I expected."

And Linda Newman had these observations:

"If it had not been for this program, I might never have had the chance to meet people I admire as much as any national "Heroes"—women like the visiting nurses, and Family Nurse Associates at the Family Medicine Institute in Augusta. Individuals like these that I met during my seven-week stay in Maine charged me with excitement and interest in nursing . . . . A thorough evaluation of the program would require me to write a book, so, to make it short and to the point, I felt my seven weeks were definitely exciting, thought provoking, at times exhausting and emotionally draining, but definitely worthwhile.

"I value my experience in Maine because it exposed me to so many new and exciting aspects of health care. I came to Maine as an idealistic student, and I left it even more idealistic. Being exposed to the working world of rural medicine did not shatter my illusions. On the contrary, I saw my dreams being put into action!"

Precisely. It is just such introductions to the realities of Maine that the Multidisciplinary Preceptorships Project was designed to provide. There are many statements like those of Ollie Meyers and Linda Newman which indicate the project is working. In the final analysis, of course both the people of Maine and the health-care providers who return here to stay will benefit.

SECURITY BREACH IN RECENT CENTRAL INTELLIGENCE AGENCY "INSIDE STORY"

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. BRAY. Mr. Speaker, the following column that appeared in the July 7, 1974, Detroit News by Col. Robert D. Heinl, Jr., puts into perspective a recent widely publicized book that supposedly tells what really goes on inside the CIA.

The authors, as Colonel Heinl notes, stand condemned as having violated their sworn oaths of secrecy. What they were after, I do not know.

But the following article speaks for itself:

Book on CIA Is Termed a Security Breach

(By Col. R. D. Heinl, Jr., USMC (Ret.))

Washington.—During the 14 years March 23, 1955, and Sept. 2, 1969, Victor Marchetti—once special assistant to the deputy director of the Central Intelligence Agency (CIA)—signed at least 15 solemn pledges under oath. The central burden of these pledges was clear and simple.

In no circumstance or fashion—Victor Marchetti swore not once, but over and over again—would he ever divulge the secrets or the secret intelligence which are the lifeblood of the CIA.

Now, writing in collaboration with a former State Department intelligence specialist, John D. Marks, who was bound by similar oaths and who has already taken the Fifth Amendment at least once during proceedings on this case, Marchetti has foresworn himself. He has done so by coldly setting out in print all he knows—and it is a good deal—about the intelligence agencies and operations of the United States.

(Attributing rare elasticity to all those oaths, Marchetti recently told viewers of NBC's "Today Show": "The secrecy oath was never intended, I don't think, to mean that one couldn't criticize the policies or practices of the CIA, and give examples of what's wrong.")

At any rate, for the Marchetti-Marks revelations ("The CIA and the Cult of Intelligence," A.A. Knopf), the consideration reportedly amounted to a $10,000 advance on a 40,000-copy hardback first printing as well as U.S. and international newspaper serialization.

This case clearly represents a momentous security breach, on its face premeditated yet wholly unpunishable, let alone remedial. It was "far more destructive than Daniel Ellsberg," somberly concluded one observer who knows a good many state secrets. To see how this came about, a brief background summary is revealing.

Marchetti was no mere pilfering clerk, but a $35,000-a-year CG–15 in the CIA mainstream. Through he was a staff man he was never an agent, as he sometimes represents himself to have been. He had jobs in which he saw just about everything the CIA put on paper. At some point he must have decided quite coldbloodedly that what he was seeing would interest the wide world beyond the walls of CIA Headquarters in Langley, Va. From then on he began making—and no doubt taking—records, as months and years went by. They now surface in his writings and in the countless damaging, gossipy allusions that his publishers, animated by similar patriotism, have printed from place to place in boldface type so no reader can fail to be titillated.

When Marchetti resigned from the agency in 1969, swearing one final secrecy oath as meaningless as his others, he had quite a bundle and meant to exploit it. But there was one catch: Marchetti couldn't then, and still really can't write.

After trying his apprentice hand in the hard world of the freelance, Marchetti seemed to be getting nowhere, save perhaps for a little magazine-exposure and a TV show or two in which he first displayed a propensity for dropping off bits of classified information which naturally got back to CIA.

Marchetti did, however, attract the notice of Marks, a former State employe who admits he beat the draft by working as a government civilian for 18 months in Vietnam. Despite his limited background, Marks—bright and articulate by all accounts—then took on a job surprisingly near the top of the State Department's sensitive Bureau of Intelligence and Research. There he stayed long enough, in his own words, to be "introduced to the whole worldwide network of American spying."

In 1970, loaded with top-secret information, Marks went to work for Sen. Clifford P. Case, R-N.J., one of CIA's and the intelligence community's most uncompromising challengers. Not long afterward he heard about Marchetti and the CIA man who couldn't write (as his lone novel, published in 1969, abundantly demonstrates) teamed up with Marks, who could. Marks probably has more animus in the matter than does Marchetti, whose specialty is knowing where the bodies are buried.

Soon after the collaboration was consummated in 1972, Marchetti submitted a detailed proposal for what became the book to Doubleday, whose editor, Stewart Richardson, declined to touch it.

"I simply didn't feel this was the sort of book we wanted to publish," Richardson told The Detroit News.

Following this rebuff, Marchetti took his outline to Knopf, which—evidently less squeamish where national security was involved—quickly accepted.

These developments had not escaped the CIA, already aware of leaks emanating from Marchetti and Marks. The latter have hinted the CIA simply stole and reproduced Knopf's files (an action probably not beyond agency capabilities), but informed sources close to the case maintain this didn't happen.

"Not everyone at Knopf was that enthusiastic over the idea," commented one source who asked not to be identified.

At any rate, in April, 1972, the CIA went to court to restrain Marchetti from disclosing what clearly seemed to be U.S. intelligence secrets of first magnitude. Curiously for a case involving national security in its most central aspects, CIA's court action took the form of a civil suit to restrain Marchetti from breaching the contracts represented by his 15-odd sworn undertakings.

(Legal sources explain that the World War I Espionage Act, under which such cases once might have been criminally tried, is a virtual dead letter and that—save for civil action such as this—the government is today powerless to take effective legal action to safeguard any secret.)

Without pursuing the involved litigation, virtually all of it behind closed doors because of the high-voltage secrecy of the subject matter, the CIA eventually was forced to withdraw objection, for tactical reasons, on 171 passages. U.S. District Judge Albert V. Bryan, on what seems an extraordinary view of government security procedures, ruled that 141 more (the most hotly contested) were not properly classified, although senior CIA officials unanimously said they were.

Bryan's ruling is being vigorously appealed by an appalled CIA, which feels its back is to the wall, not only insofar as the present disclosures are concerned, but because it will lose all future power of enforcing secrecy among its more than 15,000 employes.

(During a recent TV appearance, Marchetti gloated, "There are now other CIA agents writing books.")

Going beyond the serialized material, which appears more sensational than it really is, the case already has caused an obvious degradation of security. Secret briefs, reproduced in 25 copies, have been made available to lawyers, law clerks and court reporters. Material which was so "hot" that the CIA is said to have had to issue special clearances even to its own team pursuing the case is now stored in desk drawers or old-fashioned courtroom safes. These are guarded, if at all, by night watchmen or bailiffs rather than the electronic surveillance, patrols and special alarm systems at Langley.

More fundamentally than even specific security breaches, however, the Marchetti-Marks expose raises certain questions and begs others:

With a sanctimony inconsistent for those who willfully break the most solemn oaths and ethical commitments a man can make, the two authors preach at what they call the "wrong secret interference with other governments."

"Just because the Russians do it," said Marchetti, "is no reason why we should do it." This is simply a plea for unilateral American disarmament, in the intelligence battle, vis-a-vis Russia. After all, decades before the CIA was conceived, the Soviets were maintaining the world's most powerful secret intelligence agency which routinely plotted, and often achieved, the overthrow of victim or adversary governments, organizations or individuals.

Marchetti ignores the policy purposes of the CIA operations he describes, just as he does the fact that no CIA operation of any consequence ever takes place save on authorization by the White House and usually by the National Security Council.

What these disclosures do raise, in most irreconcilable form, is the age-old conflict between the need for government secrecy and the people's right to know.

Even Britain, the font of Anglo-Saxon liberties, has its Official Secrets Act, with sharp teeth in it for the likes of Marchetti and Marks.

Still more to the point, it is easy but unpleasant to imagine what Russia would do to a pair of KGB agents caught writing such a work. It is also easy to imagine what a triumph it would be for the United States if such an expose of the KGB reached Washington.

Hardly anybody would welcome a U.S. official secrets act, least of all the American press and publishing trade. If, some fine day, such a law is enacted, it can only have been provoked by Daniel Ellsberg and by certain newspapers which rammed the Pentagon Papers into print, and—beyond any doubt—by Marchetti, Marks, and A. A. Knopf.

PAN AM'S CASE FOR SURVIVAL AND GOVERNMENT SUBSIDIES

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. HUBER. Mr. Speaker, recently some employees of Pan Am took out a full-page ad in the newspapers pointing out the difficulties their firm is encountering in competing with foreign airlines, who are given certain benefits by our Federal Government to which Pan-Am is not entitled, and at the same time coping with rising fuel prices. Since Pan Am is one of our oldest pioneer airlines, I think points made by these employees should be read and heeded by my colleagues in their deliberations on inflation in the days ahead. The "open letter" from the Pan Am workers follows:

AN OPEN LETTER TO THE AMERICAN PEOPLE FROM THE EMPLOYEES OF THE WORLD'S MOST EXPERIENCED AIRLINE

After a decade of dangling in a storm of outrageous discrimination, both at home and abroad, and writhing, every time the International Oil Cartel raised their prices, the 32,500 men and women of Pan American World Airways have a few confessions we would like to get off our chests.

We plead guilty, first of all, of having worked our tails off for nearly fifty years, carrying the spirit of American private enterprise to the rest of the world. We admit also, pioneering every significant overseas air route.

We plead guilty, of actively having prevented the outflow of more than four hundred million dollars a year from the American balance of payments, and of kicking them directly into the nation's economy.

We plead guilty, of having flown two-million American servicemen out of Viet Nam on five day combat leaves, on a cost-plus one dollar contract. We admit also, providing the Defense Department a fleet of perfectly maintained, fully crewed airplanes that were used extensively in World War II, Berlin, Korea and Indo China.

We plead guilty, of overtly supporting the American aerospace industry. Pan Am was the first to operate the flying boats, the Intercontinental 707s and the Jumbo 747s. We cannot say, at this point in time, how many billions of dollars have been generated by foreign airlines following our leadership in the purchase of these new airplanes.

We plead guilty, of having once been an enormously successful private enterprise. We admit also, failing to report a crime, as it was taking place. The men and women of Pan Am have watched their great airline being reduced, over the last decade, from a healthy, contributing, national resource, to a poor, paralyzed, potential welfare patient.

Finally, we've been bled white by this recent oil crisis business . . .

Now we're in trouble, and we think that the American people can see why, merely by asking a few simple questions of our own government.

Ask our own government, first of all, why the Postal Department pays the foreign airlines as much as five times what it pays Pan Am for hauling the same U.S. mail. Not receiving the same pay for the same work costs Pan Am thirty-five million dollars a year.

Ask our own government, why nothing is ever done about overseas airports that charge Americans exorbitant landing fees. Qantas Airlines, for example, pays under three hundred dollars to land their Jumbo 747 in San Francisco. Pan Am pays forty two hundred dollars to land in Sydney, Australia. Not paying foreign governments the same user fees that their airlines pay in America costs Pan Am twelve million dollars a year.

Ask our own government, why the U.S. Export-Import Bank loans money to airlines of "underdeveloped" nations, like France, Japan and Saudi Arabia, at six percent interest while Pan Am pays twelve percent. Their low interest loans are used to buy airplanes that they use to compete against Pan Am. Not allowing Pan American access to these same interest rates means that we pay seven million dollars more than the foreign airlines for the same Jumbo jet.

Ask our own government, why it is opposed to letting Pan Am fly passengers within our own country . . . it just doesn't make sense. The domestic airlines now have rights to the international routes that we pioneered, and the foreign airlines now serve more cities in the United States than we do. The right to compete freely at home, the most elemental privilege of a free enterprise society, has always been denied Pan Am.

You see, when it comes right down to it, Pan Am does a lot more than compete with other airlines. We compete with whole countries, sometimes even our own. The men and women of Pan Am are just not the type who enjoy asking for a handout. The only subsidy that we have ever needed was fair treatment . . . From our own government.

If Pan Am were allowed domestic routes within the United States. . . or to borrow from the Export-Import Bank . . . or to pay reasonable landing fees overseas . . . or to receive equal postal rates from our own government, we wouldn't need any subsidy at all!

In fact we wouldn't need to have taken up a collection to run this ad.

THE 32,500 EMPLOYEES OF PAN AM.

(By Authority of Captain Terrence Beasley, First Officer James Hotchkiss and Flight Engineer Dennis Panzer for the Aware Committee of the Employees of Pan American.)

(The opinions expressed herein are strictly those of the employees and do not necessarily represent the official position of the management of Pan American World Airways, Inc.)

POLITICAL REPRESSION IS SAVAGE IN CUBA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. CRANE. Mr. Speaker, there is much discussion at the present time to the effect that the United States should recognize the Cuban Government of Fidel Castro, initiate trade with that country, and, in the spirit of "détente," welcome it back into the family of nations.

Those who present this thesis seem to misunderstand the basis for our present Cuban policy. It is not the United States which has isolated Cuba, but the Communist government of that country which has, through its actions, isolated itself.

Cuba continues to train and to arm guerrilla fighters who are actively engaged in efforts to overthrow legitimate governments throughout Latin America as well as in other parts of the world, particularly the southern part of Africa. Cubans have, for example, been active in the terrorist movements in Mozambique and Portuguese Guinea.

In their efforts to change American policy toward Cuba, many in our country have shown themselves to be indifferent to the repressive regime which Fidel Castro has inflicted upon the Cuban people.

In an important column concerning political repression in today's Cuba, Jack Anderson reports that his information describes a situation in which "the food in Cuban prisons is scarcely enough for survival. At LaCabana Fortress Prison, 160 men were crowded into galleries without windows, nothing but an iron grille at the end. It was so hot in the summer that the prisoners couldn't bear to wear clothes. When it rained, the water washed into the living quarters.

Mr. Anderson reports that—

> At the Isle of Pines prison, the prisoners were welcomed off the ferry boat by "guards on both sides of the gangplank, hitting us as we passed by them, and I mean hitting with clubs and sticking us with their bayonets, just for fun I guess," says one letter.

The government of Fidel Castro has never been elected by the Cuban people. It has repressed political and religious freedom in that country, has eliminated freedom of speech, and has stirred terror and turmoil in other parts of the world. To advocate a "good neighbor" policy with a country which is determined to be a bad neighbor makes little sense.

It is important that Americans understand the reality of life in Castro's Cuba. I wish to share with my colleagues the column, "Political Repression Savage in Cuba," by Jack Anderson as it appeared on September 7, 1974, in the Washington Post, and insert it into the RECORD at this time:

POLITICAL REPRESSION SAVAGE IN CUBA

(By Jack Anderson)

A less bombastic Fidel Castro is now in his best behavior, as he strives to bring Cuba into the society of Western Hemisphere nations. But hidden from the prominent visitors he has enticed to Cuba is an unspeakable world of political oppression.

We have written about the terror and torture in the prisons of Brazil's right-wing dictatorship. Now we have received evidence of similar tactics in the prisons of Cuba's left-wing dictatorship.

Just as Brazilian political prisoners smuggled their stark stories to us through priests, Castro's prisoners have managed to smuggle letters, affidavits and other evidence to the United States with directions that they be delivered to us.

We have checked out their charges, as best we could, with former prisoners who have been released from Castro's custody. We are willing to make a personal inspection of these prisons, if Castro will permit it, as we also offered to do in Brazil.

The letters and affidavits describe a horror which, for the unhappy souls who run afoul of Castro's political police, usually begins with a frightening, after-midnight arrest.

"You and your family are all fast asleep," states one affidavit, "when the tremendous knocking at your front and back door starts. About six or seven G-2 men, armed to the teeth with Russian machine guns, rush in your house, screaming, pushing your family, searching your home, not allowing your wife or children to go to the bedroom to put their clothes on.

"They insult you with every filthy name in the book. Finally they push you outside, with your family crying, and put you into a G-2 car."

The victim is hustled to G-2 headquarters where, according to the affidavit, "you are taken into a small room, have all your clothes taken away from you, searched even within your body, then given a pair of mechanic overalls without any sleeves."

The interrogation takes place in a small office. "The officers all put their guns on the table in front of you to scare you," recounts the affidavit. "Then the questioning begins, with insults, the threats, the false accusations, where everybody is accused of being the CIA."

If the prisoner doesn't give the answers they want, he is held alternatively in overheated and frigid cells. "The heat is so bad, you faint. And then you are brought in a special cell that has air conditioning so cold you freeze. All this to make you talk."

The prisoners are permitted to see their families once a week. "You are shaved by a gorilla, without shaving cream, then taken to a small room, all bugged, with your investigator sitting next to you, and are given six or seven minutes with your family, after your family has been given a lecture to tell you to confess."

The letters and affidavits describe the food in Cuban prisons as scarcely enough for survival. At LaCabana Fortress prison, 160 men were crowded into galleries without windows, nothing but an iron grille at the end. It was so hot in the summer that the prisoners couldn't bear to wear clothes. When it rained, the water washed into the living quarters.

"At one time," states an affidavit, "we were not allowed to have water to shower for 23 days." Another describes the hour in the sun which the prisoners were permitted once a month.

People's Republic of China at "taxpayer sub-

"But we had to run in double time. All the time we were running, we were being hit by the guards with clubs, bayonets and iron sticks. Then down again into the hole, again being hit by the guards."

Most of all, the prisoners dreaded the "riquisa," as the cell searches were called. "The guards came into your gallery after midnight," according to one account, "and line you up outside or against the wall. They start to throw everything you own outside and douse water all over your bed, which normally is thrown from one end of the gallery to the other.

"You also get beat up. When you are taken outside, nude, the milicianas [women guards] stand in the patio and laugh at your nakedness."

At the Isle of Pines prison, the prisoners were welcomed off the ferry boat by "guards on both sides of the gangplank, hitting us as we passed by them, and I mean hitting with clubs and sticking us with their bayonets, just for fun I guess," states one letter.

The prisoners at the Isle of Pines got up at 5 a.m. and worked until 6 p.m. "cutting weeds, planting trees, picking fruit." "God forbid," reported one former prisoner, "if they should catch you eating a piece of fruit. The guards would make mincemeat out of you with their bayonets."

The prisoners were subjected to daily beatings, according to the smuggled documents. "There was seldom a month in the island when they did not kill one or two prisoners in the work camp, or cut them up, crippling them, of something," charges an affidavit.

The documents give detailed descriptions of the prisons, enclose typical menus and name some of the most brutal guards. One prisoner, risking almost certain retaliation, has asked us to tell his personal story. This will be published in a future column.

WOLFF NEWSLETTER

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. WOLFF. Mr. Speaker, periodically, I distribute a newsletter to my constituents in a continuing effort to keep them informed of my activities as their representative in Washington. And often, I use the newsletter as a vehicle to obtain their views on major issues, thus allowing me to function more effectively on their behalf on Capitol Hill. I would like to share with my colleagues my latest newsletter:

WOLFF NEWSLETTER

DEAR FRIEND AND CONSTITUENT: As the second session of the 93rd Congress enters its final period, I believe this to be the appropriate time for me to highlight some of the recent actions I took as your Representative.

First of all, I am most pleased to report that Turkey has bowed to Congressional pressure, brought to bear at my insistence, and has proposed to implement a "fail safe" method to control her opium poppy production and deny heroin from reaching illegal channels.

This plan calls for a total prohibition on the extraction of opium gum at the farm level and, instead, mandates that all poppy crops be harvested intact and transported to a government operated refinery where the opium could be removed only through a complicated scientific process performed by specially trained government personnel.

If this plan is properly implemented and adequate surveillance is effected by Turkish and international law enforcement officials, the control procedures should work to prevent the flow of heroin to the illicit narcotic trafficker.

Make no mistake, once Turkey announced she was revoking the two-year-old ban on opium cultivation—the ban which had successfully stemmed the availability of illegal hereoin in our American communities—the defunct French Connection was immediately forged anew to be ready and waiting to again convey the lethal doses from their origin in the poppy fields of Turkey to the scurrilous street peddlers of New York.

Turkey answered our pleas that she not lift the ban with the callous retort that heroin addiction was not a Turkish problem, but was ours alone.

However, Congress would not take "no" for an answer and, determined to protect American youth from further threat of heroin addiction, overwhelmingly supported my House Resolution to cut off U.S. aid to Turkey if she resumed opium production or failed to impose controls strict enough to gain U.S. approval.

I also introduced an amendment to the Foreign Assistance Act of 1974 to sever the flow of your American dollars to Turkey if she did not agree to our demands. Now there were some who insisted Turkey has the right to determine her own policies. Right, but not when the Turkish policy funded with American aid dollars, produces poppies which undermined America's war on drug abuse and prey upon our youth like a parasite.

Some have criticized me in the past for taking a hard line with nations that do not cooperate with us in our attempts to stop the flow of illegal narcotics to our shores. But a man must stand up for what he believes and so must a nation. I maintain the United States must receive a return for her aid dollars and stop the "giveaway" programs that sap our country's energies and resources.

While we must now make every effort to be certain the Turks adhere to their plan to control the cultivation and production of their opium poppies, I am gratified that a giant first step has taken place. The Turks' decision to finally cooperate with the United States in our battle against narcotics addiction and related crime is in the best interests of all concerned.

PEACE RESTS IN BALLOT BOX

My continuing concern for the violence and destruction still being wrought in Northern Ireland and for the plight of the victims of discrimination has convinced me that we, as a nation, must appeal to the United Nations to seek the establishment of a United Ireland as the only course remaining to ultimately achieve a lasting peace settlement.

Consequently, I along with Rep. Gilman of upstate N.Y., have introduced a bi-partisan Resolution in the House calling on the Congress to urge the President to direct our Ambassador to the U.N. to officially request the unification of Ireland through free elections to be conducted under the auspices of a U.N. Commission and the outcome to be determined by the peopes of both north and south Ireland.

I deplore the age-old discrimination in Northern Ireland as I do racism and bigotry wherever it exists in our country, anti-Semitism in the Soviet Union and apartheid in South Africa and Rhodesia. I believe the one way to end the civil strife in Ireland is to have all the citizens of Ireland decide their destiny by choosing their future at the ballot box.

GRAIN EXPORTS SHORTCHANGE AMERICANS

As you are aware from my previous newsletters to you, I firmly believe that a serious cause of our nation's inflation-ridden economy is the continuing foreign wheat and grain deals that have depleted our resources when we could least afford it.

The wheat and grain from American farms were exported to the Soviet Union and the sidized" prices and sent to them in "taxpayer subsidized" ships at the same time our food supply program called for cutbacks in the production capacity of our farmers and created needless shortages. This is why the prices of all commodities connected in any fashion with grains and their by-products have skyrocketed—food, leather, fertilizers.

My Export Priorities Act, HR 10844, to control the export of agricultural commodities until such time as our domestic needs are met at prices the consumer can afford has now gained significant new support in the House of Representatives. We must provide food for the American table, in sufficient supply and at reasonable cost, before we ship abroad. Once our at-home needs are met, then we can export any surplus to take care of our balance of trade.

However, in light of prediction of crop failures resulting from both this summer's midwest drought, and flooding conditions, there will be no surplus again this year. Yet, new commitments have been made to sell vast tonnage of our grains abroad, now even to some Arab nations as well as Russia and Red China—arrangements that will only further penalize the American consumer already swamped by inflationary prices.

We must take care of hunger in the world; however, we also must take care that food is available to Americans at prices they can afford to pay.

A WOMAN'S RIGHT TO CREDIT

Congressional hearings have been held on the Equal Credit Opportunity Act, a measure I fully support as essential to assure that impartial and unbiased treatment is afforded all women seeking to establish credit. I am hopeful of early passage of this legislation for sex should not be used as a determination or a deterent in the granting of credit.

This legislation is a natural follow-up action to the Women's Equal Rights Amendment, which I co-authored in 1967, to eliminate discrimination.

WOLFF LEGISLATION AIMS TO GIVE TAXPAYERS A BREAK

My legislation to allow a federal income tax deduction on interest derived from deposits in savings institutions (up to $400 a year for a single taxpayer and $800 for a couple filing a joint return) has gained widespread support during the past few months and I anticipate that renewed action to incorporate this measure in overall tax reform legislation will come about early next year.

Just recently I received an impressive number of petitions, signed by more than 500,000 New Yorkers alone indicating the support of both the small depositor in savings banks and savings and loan associations for HR 14859, which I have turned over to the House Ways and Means Committee.

The immediate impact of my proposed legislation would be to increase deposits in savings institutions and spur activity in the depressed housing sector of our economy. Historically, savings institutions have invested a major portion of their funds in mortgage loans. Hence, when inflation curtails their ability to finance housing and forces a record number of small depositors to withdraw savings, either to seek a higher return elsewhere or to meet a need for cash to pay higher cost-of-living expenses, the lending institutions are faced with a scarcity of capital for home mortgages.

Obviously, this massive outflow of deposits from savings institutions has compounded our economic woes. I want to reverse this outflow without creating still more inflation and, at the same time, provide a much needed tax break for the small depositor—the American hardest hit by inflation.

The answer does not lie in direct government subsidies or in raising interest rates. Both are inflationary measures and will only result in even higher mortgage costs.

My proposal, a tax incentive for savers, is a deflationary measure for it would curtail consumer spending of savings and generate taxable activity in the construction and supplier industries. In my view this increase in economic activity would more than offset any immediate loss of revenue to the Treasury which is the major argument being raised against HR 14859.

The Office of Tax Analysis at Treasury estimates that the loss of revenue from a $1,000 tax exclusion of interest on deposits in savings institutions would be $790 million. In response to this contention, the U.S. League of Savings Associations estimates that a $1,000 exclusion would attract $24 billion annually in additional deposits and would enable these institutions to lend mortgage money for 750,000 residential units, nationwide, including funds for 300,000 new homes. Building this number of new homes would create 500,000 jobs in the construction and supplier industries and the long-range effect would be to increase the Gross National Product by $30 billion.

Further, the League offsets the Treasury estimates by forecasting an estimated revenue gain to the Treasury of $1.4 billion from increased taxes paid by construction workers, offsite wage earners, home builders and suppliers, financial institutions and reductions in unemployment benefit payments.

I believe it is indeed a tragedy for the lifetime savings of a retired couple, or the nest egg of a middle income family to be eroded by inflation. These small depositors, deserve a tax break—they have already paid a tax on the money they placed in a savings account and I believe we should end this inequity of taxing them again.

WOLFF WORKS TO UPGRADE VIETNAM VETERANS BENEFITS

As the NY member of the House Committee on Veterans' Affairs, I believe that, in spite of Administration provoked setbacks, the 93rd Congress has taken some significant steps forward on behalf of our nation's veterans. However, much more must be accomplished if we are to meet our national commitment and provide our Vietnam veterans with their rightful level of educational benefits that is on par with the opportunities we provided our World War II vets.

It is my firm conviction that we ultimately must upgrade the educational benefits for Vietnam veterans if we are to honor our obligation and offer them a chance at attaining enriching and productive lives.

While the new GI Bill goes a long way towards increasing education subsistence allowances and extends benefits eligibility time, it still falls short of its necessary goal for it fails to take into account today's high tuition costs that prevents hundreds of thousands of Vietnam vets from gaining a higher education so essential in today's complex world. I cannot condone the Administration's contention that the $250 million needed to upgrade educational benefits for Vietnam veterans is inflationary while we continue to spend billions to bolster the faltering economies of some thankless and corrupt foreign governments, such as Vietnam.

One major achievement on behalf of all our veterans—and one with which I shall always be proud and grateful to have been associated—is the transfer of St. Albans Naval Hospital to the Veterans Administration. Congress has appropriated $4.6 million this year to modernize the hospital into an extended care facility for Nassau and Queens veterans and their families and a limited outpatient clinic is expected to be fully operational within the next six months. This transfer of St. Albans to the VA is a tremendous and hard-earned victory for all New Yorkers, especially those members of our veterans' organizations whose untiring support made this effort a reality.

Congress also was successful this year in transferring the National Cemetery System to the VA, a proposal that I sponsored with assurances from the VA that every consideration would be given to establishing a new national cemetery on Long Island.

JOHNNY HORIZON '76 CLEAN UP AMERICA MONTH

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. HUNT. Mr. Speaker, our Nation's 200th birthday is less than 2 years away, and much has been accomplished through the U.S. Department of the Interior's Johnny Horizon '76 program toward improving the environment of our country for this historic event. To date thousands of schools; churches; youth groups; chambers of commerce; conservation, civic and commercial organizations, and millions of private citizens have joined in partnership with Johnny Horizon '76 in a wide range of projects to create environmental awareness and to beautify America.

I am especially proud of the example set by the citizens of Franklin Township in my district. It is a model of what can be accomplished by concerned citizens and organizations.

Earlier this year the Franklin Township Environmental Commission sponsored a Johnny Horizon '76 environmental improvement campaign under the chairmanship of Mrs. Lorraine Kiefer. The campaign began with studies and projects to create environmental awareness among schoolchildren and youth groups, and culminated in a townshipwide, month-long cleanup and beautification of lake shores, school grounds, roads, yards, and cemeteries.

Hundreds of citizens participated in the campaign. Among these were municipal officials; students and teachers in seven elementary, junior high, and senior high schools; three Parent-Teachers Associations; nine Girl Scout troops; four Boy Scout troops; four 4–H Clubs; five neighborhood groups; four church groups; Franklin Township Senior Citizens; Franklin Little League; Little League Women's Auxiliary; Delsea Regional Band, and the Star Cross Fire Co. The local news media gave vigorous support to the campaign with stories and pictures.

Needless to say, the countryside and communities in this rural southern New Jersey area are looking brighter, cleaner, and more beautiful as the result of this project inspired by the Johnny Horizon '76 program. More than 10 dump trucks of litter have disappeared from the landscape; abandoned automobiles have disappeared; trees, flowers, and shrubs have been planted; paper and glass are being recycled; dozens of birdboxes have been put up, and most importantly, the schoolchildren have become more aware of the necessity for improving our environment.

During Johnny Horizon '76 Clean Up

America Month, September 15 through October 15, 1974, we should encourage Americans in other communities to follow the lead of the citizens in Franklin Township. Get involved, organize clubs and groups, select cleanup and beautification projects, and work toward the goal of the Johnny Horizon '76 program to "Clean Up America for Our 200th Birthday."

HOW TO FIGHT INFLATION

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. CLANCY. Mr. Speaker, one of the presentations to the mini-Summit Conference on Inflation September 19 in Detroit was by Philip O. Geier, Jr., chairman of the board of Cincinnati Milacron and president of the National Machine Tool Builders Association.

Mr. Geier's statement directly and simply outlines a program for combating inflation without getting into the complicated causes of inflation. What he said is expert and authoritative, because it is based, not on theory and prophecy, but on the invaluable lessons of years of experience in the economic world.

I commend it to the attention of my colleagues, because it clearly defines how we in Congress can best bring inflation under control. It would be well for many Members to act now in what they know to be the best interests of the economy of this country.

I submit the statement by Philip O. Geier, Jr.:

BUSINESS AND MANUFACTURING CONFERENCE ON INFLATION

We all know that inflation results from many actions over a period of years. There is no single, quick cure; a combination of remedies, both short and long term, are needed. The process will require belt tightening by government, by labor and business, and by all citizens.

I would like to devote my comments to courses of action to be followed.

We support a 1975 fiscal year budget at a level of three hundred billion dollars, and endorse a balanced fiscal year 1976 budget.

We believe a closely-monitored monetary policy of restraint is a necessary element in bringing inflation under control. However, some easing of Federal Reserve policy might, at times, be desirable.

We are opposed to all forms of direct wage and price control. Experience has shown that controls, over a period of time, aggravate rather than alleviate inflation.

We support health, safety and pollution controls but feel that some of them have been applied over-zealously and too quickly. Some have resulted in excessive cost and price increases which have increased inflation.

We fully support the program for increased independence from outside energy and raw material sources.

In my judgment, U.S. industry must improve its *productivity* to remain competitive with other industrialized nations in supplying home as well as overseas markets. Investment in highly productive equipment is the only way for U.S. industry to combat rapidly increasing labor and material costs, and thus keep unit manufacturing costs as low as possible.

Since the Korean War, U.S. industry has not invested in new capital equipment at a rate comparable to other industrialized nations. Our investment rate, expressed as a percentage of GNP, has been the lowest of all in each of the last ten years.

Further, many of today's *shortages*, which contribute to inflation, are the result of insufficient capacity due to inadequate past investment in equipment and plant.

When considering how to improve productivity and alleviate shortages, it is important to recognize that present U.S. *capital recovery allowances* are only equal, at best, to the lowest capital recovery allowances permitted our overseas competitors. As you know, U.S. capital recovery allowances are the sum of the investment tax credit and depreciation rates permitted under the ADRs. I strongly recommend that the investment tax credit be increased and faster depreciation be allowed on a permanent basis so U.S. industry overall can be competitive in the years ahead, so our standard of living can be maintained, and so jobs will be available for our increasing workforce.

We favor a further increase in our historic favorable balance of trade. This can be furthered:

(1) By early passage of the trade bill, a prompt start on the GATT negotiations, and on negotiations to reduce non-tariff trade barriers.

(2) By making long term trade credit terms competitive with those of our overseas competitors through a permanent strengthening of the Export Import Bank.

(3) And by a further liberalization of East-West trade.

In closing, I appreciate the opportunity to express these views on a subject so critical to our nation's present and future well-being.

"HENRY KENT HEWITT"

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. LOTT. Mr. Speaker, I am always pleased when another Member of Congress visits my congressional district in south Mississippi. I was particularly pleased that the gentleman from New Jersey, the Honorable WILLIAM B. WIDNALL, participated in the recent christening ceremonies for the *Henry Kent Hewitt*, DD-963, another ship in the fleet of modern DD-963 destroyers produced in Pascagoula, Miss., by Ingalls Shipbuilding Division of Litton Industries.

As I have pointed out to my colleagues many times, I am enormously proud of the fact that Ingalls has been building ships—some of the world's finest vessels—since 1938. The work force at Ingalls is equally proud of their shipbuilding prowess and have, in fact, demonstrated that prowess time and again simply by doing what they do best: Build ships.

As the ranking minority member of the Joint Defense Production Committee, Congressman WIDNALL is well-versed in the defense requirements of this Nation. He is also familiar with the shipbuilding process. He knows full well that it takes literally thousands of people to build a ship. And he knows that the Pascagoula shipyard is a fully capable and productive shipbuilding facility.

Mr. Speaker, I wish to congratulate and commend Congressman WIDNALL on his remarks in Pascagoula, and I herewith submit those remarks for inclusion in today's RECORD:

SPEECH BY CONGRESSMAN WILLIAM B. WIDNALL

It was with great enthusiasm that I accepted this invitation from the Navy to speak at the christening of the U.S.S. *Hewitt*. I have been deeply impressed both with the versatility of the man and the ship. Admiral Henry Kent Hewitt and I were born in the same town, Hackensack, New Jersey. I personally knew Kent Hewitt and I well know how much this recognition befits him.

It is an honor for me to be here, but I feel rather like Representative Barbara Jordan of Texas did when she helped christen the destroyer escort *Dorie Miller*. Her comment was, "It is unique for me, since it is the first time I have ever helped bring into active service an eight million pound weapon." Since the U.S.S. *Hewitt* weighs almost twice that, I am even more in awe.

Of late, the Navy has certainly been changing rapidly. Vice Admiral Hiram G. Rickover said not long ago, "Changes in the Navy often come at a distressingly slow pace. It took two-thirds of a century for our Navy to change from sail to steam. . . ." Two years ago Admiral Rickover and I had across the corridor rooms at Bethesda Naval Medical Center, and I know how pithy some of his comments are. However, with Admiral Elmo R. Zumwalt's relaxation of dress codes, longer hair, mustaches, women on ships and the like, a new navy has been emerging. The U.S.S. *Hewitt*, fourth in a planned series of thirty multi-mission destroyers, is a fine example of our modern navy.

The Ingalls shipbuilding division of Litton Industries is to be congratulated for their fine efforts in building and designing these destroyers. And, although *Hewitt* is being produced here in Pascagoula, I was pleased to note that $16.3 million in contracts has been let in Admiral Hewitt's and my own home state of New Jersey. There is also involved a company within the Seventh Congressional District—the Okonite Company of Ramsey, which is providing electric cable for the project.

Hewitt contains the best that modern technology has to offer, and is a far cry from the first destroyer, the U.S.S. *Bainbridge*, commissioned in 1902. These "Spruance series" destroyers, named after Admiral Raymond A. Spruance whose first command was the *Bainbridge*, have been designed to maintain our strength on the high seas into the 21st Century. These ships have been developed primarily to deal with enemy submarines, including nuclear and missile-launching subs.

However, I was interested to learn of the many other duties the destroyers can undertake. They can: bombard enemy shore positions; provide support for amphibious assaults, one of Admiral Hewitt's specialties, incidentally; establish blockades; be involved in search and rescue missions; operate alone or with carrier task forces and ship convoys; and other similar activities.

The U.S.S. *Hewitt* has also been designed to make living conditions aboard the ship more tolerable. It is air conditioned, colorful, quieter and requires less upkeep than older destroyers. *Hewitt* has a rustproof superstructure, bulkheads which can be cleaned with a damp cloth, and vinyl tile or fireproof carpeting on most decks. All this means that the Spruance class series can be run with a minimal crew of 250 officers and enlisted men, which is about 80 per cent of those required to operate a similar sized combat ship.

With all of these improvements, *Hewitt* will actually save the taxpayers money. The reduction in personnel alone could save the Navy more than a billion dollars over the life cycle of the new destroyers. Further, money could be saved through the advanced

Hewitt design—to take advantage of any improvements in electronic systems which may be developed in the future. No extensive structural changes are expected to be necessary. Changes to the system can therefore be made at low cost, with very little time out of service for the ship.

With all the concern being expressed these days over water and air pollution, I was pleased to note that the U.S.S. *Hewitt* has been designed with an eye to the environment. Its marine gas turbine engines, which have been developed from jet aircraft technology, are cleaner and quieter than the old steam turbines. Further, the waste disposal system is far more advanced—our oceans will not be polluted by these destroyers.

All in all, the U.S.S. *Hewitt* and its sister ships go far toward modernizing the United States Navy. There is little argument that a strong navy is important to the defense of our country. Yet, according to the Secretary of the Navy, four years ago we had 950 ships and we now have only 508.

Since the Cuban Missile Crisis in 1962, and probably as a result of our Navy's success during that crisis, that Soviet Union has been rapidly expanding its own navy. Addressing a NATO meeting last week, Admiral Zumwalt said that the Soviet Union is close to achieving a "significant margin of strategic superiority," over the NATO allies. The USSR currently has a fleet of 2,000 ships compared with our 508. This does not necessarily mean we are weaker, since our Navy is heavier in bulk. It does mean we as Americans must be aware of the possible threat, even during this era of détente, and strive to overcome any advantage the Soviets may have.

As the ranking minority Member of the Joint Defense Production Committee, I have been an advocate of a strong deterrent force for this country. Just this week, I was pleased to receive a 90 per cent National Security Voting Index from the American Security Council, so I certainly agree with George Washington when he said: "To be prepared for war is one of the most effectual means of preserving peace." Although our defense establishment is expensive, it is far less costly than a major war would be. I believe the U.S.S. *Hewitt* and the other Spruance class destroyers are an important part of our defense preparation and our deterrent capabilities.

It is interesting to note the growing stress on the importance of the Navy in our defense expenditures. In 1972, for the first time since the Department of Defense was formed in 1947, the Navy received a higher appropriation than either the Army or the Air Force. This amounted to 30.9 per cent of the entire Defense budget. In fiscal year 1975, the Navy will account for 31.4 per cent of the DOD budget. This year, funds for shipbuilding and conversion will amount to 12 per cent of the Navy budget, the highest it has been for some time, testifying to the importance attached to beefing up our Navy.

The increasingly obvious need for a strong Navy can be explained in a number of ways. First, and I believe most important for the future, is something we should all be concerned with. The world population is growing rapidly. With this growth, we are depleting our natural land resources and we must look elsewhere for additional supplies. Much of the research being done with marine resources is still highly experimental, but it seems apparent that the earth will have to turn increasingly to the seas for help. We will look to the water for food, medicine, mineral resources and perhaps even living space. The astronaut Scott Carpenter quit the space program and became an "aquanaut" because of his belief that our future rests more in the oceans than in the skies.

With this new interest, a strong, modern Navy is an absolute necessity, not only for national defense, but to protect America's interests in this developing field.

The second explanation is the increasing activity of the Soviet Union, which I have already mentioned. Third, there is more and more evidence of the interdependence of all nations, and the necessity of insuring the even flow of world trade—our Navy has a major place in protecting that commerce.

And, fourth, has been the high visibility of the larger ships needed to handle the soft landings involved in the space program. This is undoubtedly one of the best known activities of the Navy in recent years. Who can forget the thrill of seeing live, on television, men who had finally walked on the moon, also walk on the decks of the U.S.S. *Hornet*.

The U.S.S. *Hewitt* and the other *Spruance* class destroyers will play a major role in implementing this nation's sea policies between now and the 21st Century. That is why I am personally pleased that this ship has been named after a fellow New Jerseyan. He is probably the most distinguished former resident of Hackensack. A man of great character and sound accomplishment. There is much local pride in the municipality, Bergen County and the state of New Jersey over an outstanding citizen and one of our nation's heroes.

Admiral Hewitt had an almost unparalleled Navy record of achievement and accomplishment. He was a destroyer commander during World War I, he commanded the U.S.S. *Cummings* and was employed in convoy escort work. He also briefly commanded the destroyer *Ludlow* in 1919.

As testimony to Kent's versatility, he was involved in teaching as well as field command. He served for some years on the Naval War College Staff, and later became head of the Department of Mathematics at the U.S. Naval Academy.

During World War II, Admiral Hewitt was the commander of U.S. Naval forces which participated in the invasions of North Africa and Sicily, working with General Patton. He commanded the Allied Forces which established the Seventh Army on the shores of Southern France and conducted support operations for French troops.

For his honorable service, he was awarded the Navy Cross as commander of the U.S.S. *Cummings*, and a gold star for his command during the invasion of Salerno. He was awarded the Navy Distinguished Service Medal for his command in North Africa, and a gold star during his command of the Eighth Fleet. He was also honored by the Army with a Distinguished Service Medal as commander of the Amphibious Force Fleet during the landing on French Morocco, and an Oak Leaf Cluster in connection with the invasion of Southern France. In addition, he has been decorated by just about every country in Europe, and Brazil, Ecuador and Tunis.

In September of 1972 while away from home, I read with real distress a newspaper article telling the sad news of Admiral Hewitt's death. My wife and I drove to Annapolis to attend the memorial service in the chapel. It was just a small way that would show our respects for the exemplary service performed by Kent Hewitt. His bravery, his leadership, and his professionalism under fire have proved and will prove an inspiration to all who serve on the U.S.S. *Hewitt*.

May she have calm seas and fair winds on all her voyages.

ECONOMIC CRISIS—INFLATION AND FUEL

HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. BRAY. Mr. Speaker, the world is facing a severe economic crisis due to heavy inflation and, while the rate of inflation is less in the United States than in the rest of the world, it is critical here. Our Government itself is greatly responsible for that condition. For over 40 years our country has been spending money it does not have until today our national debt is approaching $500 billion and the interest on this debt, within the year, will reach about $40 billion per year, which is about $178 for every man, woman, and child. Each month the Government must borrow more money which continues to raise the interest rate higher and higher which takes more money from the banks and building and loans, money that should be used for building homes, business expansion, and other needs. This increases the cost of everything.

Inflation is caused by "too many dollars chasing too few goods." What can we do? Merely passing a law to forbid inflation, of course, would be useless. There is no easy, simple, or quick solution to this inflation problem. However, the United States is the best equipped nation to break this inflationary spiral. The United States has the world's greatest know-how and labor productivity, together with the most productive farms on earth. By greatly increasing productivity, we can take a great step forward in slowing this ruinous inflation. Also, it is imperative that our Government quit spending money we do not have. It is going to take courage but it must be done.

The other principal factor destroying our economy is that we have allowed ourselves to become a captive to the oil of the Middle East because it is available and was cheap. This is seriously damaging our economy. We must break ourselves loose from that captivity and commence using more of our own resources for energy. We cannot force the Middle East to sell us oil at our price, although we can point out to them that it is to their advantage to cut the price. We cannot send our Navy, Marines, or Army to get this oil.

Many things can and are being done to help solve the energy crisis. We can practice greater economy in the use of fuel. We should accelerate the development of the production of gasoline from shale and coal as well as developing the use of geothermal and solar heat, and the greater use of nuclear energy. All of these methods are being developed and we are progressing in these fields. However, the really extensive use of producing energy by these methods in great quantities is some years ahead.

However, there is one course of action we can take now to assist us in solving our fuel problems. We can greatly increase the use of our coal resources, a mineral of which we have the world's greatest supply—much of it is in Indiana—enough to supply our country for hundreds of years. This will be a double advantage for our money will stay home. There will be ample coal in our country for centuries after the oil of the Middle East is gone, but we desperately need to use that coal now.

Yet, despite the great need for coal, there has been a constant effort on the part of many to curtail the use of coal. These same people have been persistent in blocking the construction of refineries, the construction of plants to produce gas and oil from shale, the construction of nuclear energy plants, offshore drilling for oil and gas, and, for 5 years, blocked the construction of the Alaskan pipeline. We have the coal resources to materially help in solving our problems. We must have the intelligence and courage to use these resources.

The Federal Power Commission has estimated that nearly half the electric power generating capacity that uses oil as a fuel today could easily be converted to coal within a year. Much more would come later. Within a year's time we could convert enough electric generating plants from the use of oil to coal, thereby effecting a savings of 181.3 million barrels of oil a year. If the 181 million barrels of oil is converted to gasoline, this would certainly be a firm step in the freeing of our economy from being held captive by the Middle East oil countries.

Let us become self-sufficient through the use of our own resources, coupled with hard work and frugal commonsense. We can and must do this.

THE ECONOMICS JITTERS

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. BLATNIK. Mr. Speaker, inflation continues to soar into the double-digit figures, eating into the wages of working people, making new housing loans impossible, burdening unemployed families with worry and frustration.

Most of us are not economists and do not understand the complicated inter-relationships between supply and demand, inflation and unemployment or the conflicting diagnoses of the nature of this particular inflation. But we do understand that our grocery money must be stretched farther each week, that shortages and bottlenecks combine to raise the prices of consumer goods and that the inflation casts a disproportionate burden on the lower-income groups.

Housing starts are 30 percent below last year, continued rising rates of unemployment seem almost certain and interest rates have risen in recent times to the highest since the Civil War. Despite our dependence on statistics to describe the problem, unemployment affects the lives of real men and women in a major way—the heartbreak and the fear of yet another day without work, the attempts to make ends meet and the dollar stretch are real and tragic and has particularly harshly affected the people in my own distressed area of Minnesota.

Mr. Speaker, I would like to submit this article from the September 15 Washington Post because one point comes through clearly—the uselessness of trying to fight inflation just by controlling Federal spending and maintaining a tight fiscal policy:

The Economic Jitters—the United States Needs Strong Plan To Avoid Deep Recession

No amount of summitry can disguise the dismal state of the economy:

The stock market has plunged to a 12-year low, below the 630 mark on the Dow-Jones index, and no one in Wall Street would bet that it won't move lower.

The wholesale price index for August rose 3.9 per cent, which works out to the phenomenal annual rate of 58.2 per cent compounded in recent past years, a figure like 3.9 per cent was considered a hefty advance for a whole year, not just one month.

The price pattern will get worse before it gets better; utilities are raising their prices, with the government's blessing; food costs are moving higher; and automobile prices are being jacked up by Detroit to a level that should encourage consumer resistance. Officially, the government concedes that double-digit inflation is here to stay for the rest of the year.

According to Economic Council Chairman Alan Greenspan, "There is a pretty large inventory overhang at the moment," which means that there will be further declines in production, and an increase in the present 5.4 per cent unemployment rate over the next four to six months.

The housing industry depression is beginning to ripple throughout the economy, with layoffs affecting not only construction workers, but those in the appliance, wood, stone, clay and glass industries.

International financial markets are verging on the edge of panic, waiting daily for new bank failures—or troubles in other institutions (worrisome signs of "illiquidity"—a money pinch—already have shown up in utilities). The rich nations' central bankers met last week at Basel, Switzerland, to talk about ways of preventing a collapse of the banking structure. Reports differ about the degree of their accomplishment, but the problems are so complex that it would have been surprising if they had found a quick solution. One probability: other nations besides Italy will be putting up part of their gold reserves as collateral for cash loans.

The oil cartel nations still have the industrial world over a barrel. But as the balance of payments deficits mount, the consuming nations have failed to evolve a response to the cartel. Finance ministers all over the world brood about the high price of oil, but do nothing while disaster stares over the horizon. In this country, Project Independence is a bust—at best, it is a public relations gimmick and nothing more.

And finally, the good feeling about President Ford that had begun to emerge in his first three weeks in office vanished over his precipitate and ill-considered pardon of former President Nixon. Those who looked to Mr. Ford to lead the nation out of an economic morass now find him enmeshed in Watergate matters again.

If there is one point that came through loud and clear at the pre-summit meetings held so far, it is the uselessness of trying to fight the current, complex economic problems just by tight budgets and tight money.

As AFL-CIO President George Meany pointed out, "Today's inflation is not caused by excessive demand, which is the classic reason for inflation—too many dollars chasing too few goods." The problem relates, instead, to shortages of some materials (food and oil are prime examples) which push prices up; and an incipient cost-push spiral which will get worse as wage demands accelerate this year.

"Inflation will not be stopped simply by continuing current overall monetary and fiscal policies aimed primarily at lowering demand," former Federal Reserve Governor Sherman Maisel told the construction pre-summit in Atlanta.

"Imagine the surprise of a man from outer space if he arrived today, and was told inflation was our No. 1 problem, and that we are fighting it primarily by 'cutting back on production and investment,'" Maisel declared. "Clearly, he would think we were mad to try to bring down prices by creating supply shortages. Yet, that is what present policy depends on."

The country needs a strong economic program that will avoid deep recession. Laissez-faire won't do the job. And even beyond our problems at home, we need a coordinated program worked out with other oil consuming nations to bring down the price of oil. There is a time-bomb ticking away in the Persian Gulf, and the Western World's politicians are ignoring it. That is the major reason for global economic jitters.

EX-POW'S RESUME NORMAL LIFE

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. SYMMS. Mr. Speaker, I think that all Americans have admired the patriotism and loyalty shown by our Vietnam POW's. Most of us will probably never know the turmoil these men and their families endured in behalf of freedom. Recently the Idaho Statesman did a feature story on four Idaho POW's and their return to normal life. I would like at this time to read this story into the Record and again offer my appreciation to these men and their families for their service to our country:

Ex-POWs Resume Normal Life

(By Mary Pickett)

When the Vietnam prisoners of war returned home one and a half years ago the country rejoiced. Idaho had cause to celebrate, too, because four native sons were among those released.

What are the former POWs doing now, 18 months after being welcomed home by their families?

All four former POWs have moved from Idaho as did one other POW with Idaho ties. While those five are settling back into professions and family life interrupted by the Vietnam conflict, the fate of eight other Idahoans still listed as missing in action is uncertain.

Capt. Larry Chesley, who was greeted after his release in his hometown, Burley, by a parade hundreds attended, now is studying for a master's degree in business administration at Arizona State University at Tempe, his mother, Mrs. Veri R. Chesley, said.

Although he didn't go back into flying, she said her son still is in the Air Force and would like to teach ROTC when he finishes his degree.

Chesley, who was a prisoner in North Vietnam for seven years, will undergo physical and mental exams twice a year for the next five years. According to tests so far, "He seems to have adjusted very well," Mrs. Chesley said.

Chesley keeps in touch with other former POWs and frequently travels to make speeches about his experiences, Mrs. Chesley said.

Asked if it was good to have him back, she replied, "Yes, it really is. I don't worry about him now that I know where he is."

Capt. Frederick C. McMurray of Coeur d'Alene and Lt. Col. Donald Waltman of Kellogg both moved from Idaho with their families after their release. Charles Willis, a civilian working for the Voice of America before being held captive for five years, could not be located in Pocatello where his family lived at the time he returned to the United States.

Lt. Col. Robert J. Sandvik, whose parents live in Coeur d'Alene, now is stationed at Reese Air Force Base near Lubbock, Tex.

No longer flying, Sandvik still plans to stay in the Air Force, Mrs. Adina Sandvik said. Earlier this summer, he attended an air war college in Alabama with former POW Waltman, she said.

"He's doing fine and back to normal," she said.

As the controversial conflict fades from minds of most Americans, the families of the men who didn't return continue the battle for a full accounting of their loved ones.

The Idaho POW-MIA group still functions with the National League of Families of POWs and MIAs in Southeast Asia, Mrs. Eleanor Bodahl, 2412 Cherry Lane, said.

Although it closed its formal headquarters in January, the POW-MIA organization has board meetings and is concentrating on three areas of concern to MIA families, Mrs. Bodahl, a former chairman, said.

The group wants congressional action preventing the Army from changing the status of an MIA to a KIA (killed in action) until the family of a missing man is consulted. Although it is not supposed to do so now, the Army has changed some men's status without their relatives' knowledge, she said.

Second, POW-MIA is pressuring Congress to refrain from granting North Vietnam reconstruction aid and trading with that country's allies until a search for the missing men is allowed.

An amendment introduced by Idaho Sen. James McClure, which would pay for travel expenses of a family of an MIA to memorial services, also is supported by POW-MIA groups.

Mrs. Bodahl said there is a provision now which pays for a KIA's family travel expenses to funeral services when there are remains of the dead man, but no transportation money is given when remains haven't been found.

An aide in Sen. McClure's Boise office said a similar amendment has been introduced in the House by Rep. Steve Symms and the two provisions should move through Congress with little difficulty.

Mrs. Bodahl's son, Air Force Maj. John Bodahl—shot down during the Vietnam conflict—was listed as missing in action until his wife requested a review of his status. He was declared killed in action earlier this summer and memorial services were held.

Asked if she has given up hope of her son's survival, Mrs. Bodahl said, "We have no definite proof that he is not alive."

DESERT WATCH PATROL PROGRESS REPORT

HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. PETTIS. Mr. Speaker, I have addressed you and the rest of my colleagues in the past on behalf of legislation to protect this Nation's desert regions. Today I would like to present an article summarizing the progress which has been made by a group of volunteers in my district toward safeguarding the California desert area. It is extremely unfortunate, and frustrating, that governmental processes move as slowly as they do—a fact which greatly increases one's appreciation of volunteer groups and the work they do. Ike Eastvold is to be congratulated on the successful campaign he has spearheaded to save the desert area in California, and the prehistoric artwork it contains, from ruin. I also wish to thank all those who helped in this worthwhile project for the work they have done.

The following article, written by Dennis Kelly, appeared in the Sun-Telegram, San Bernardino, Calif., September 30, 1974.

[From the San Bernardino (Calif.) Sun-Telegram, Sept. 30, 1974]

DESERT WATCH PATROL PROGRESS REPORT

(By Dennis Kelly)

Start with volunteer help, add government aid, throw in a pinch of publicity and sprinkle with donations of equipment.

That is Ike Eastvold's recipe for halting the problem of prehistoric art ripoffs in the desert and he says the proof is in the pudding.

Eastvold, chairman of the California Desert Archaeology Committee, said thefts of petroglyphs, art carved in rocks, have dropped nearly out of sight in the California Desert since last fall.

"The kind of public information effort we got off the ground was successful in getting the word out that not only does this art exist in the desert, but it's getting ripped off," Eastvold said.

Steps to protect the prehistoric art were undertaken because of increasing thefts over the last six years, he explained.

Working as a consultant to the Bureau of Land Management (BLM) from 1968 to 1974, Eastvold took more than 14,000 black and white photographs, each showing several groups of petroglyphs. The carvings shown in more than 3,000 of those photographs have been destroyed by vandals or black marketeers, Eastvold says.

The thefts reached a peak last Thanksgiving weekend when more than one ton of rocks were hauled away from the desert, largely from an area called Woods Wash, north of Essex.

Since last December however, when 30 volunteers began a "Desert Watch" to protect petroglyph sites, the destruction has decreased markedly.

"There have been a few incidents of stealing since then but nothing on as large a scale as Woods Wash," Eastvold said.

The effort has since picked up more volunteers including members of the Mojave River Valley Chapter of the San Bernardino County Museum, the California Association of Four Wheel Drive Clubs, and two gem and mineral societies.

Congress has passed legislation which has given the BLM 29 new Rangers whose primary function is the patrol of petroglyph sites. (More than 90 per cent of this ancient art exists on lands administered by the federal government, Eastvold explained.)

Prior to Congressional action, there were only 11 rangers to patrol 14 million acres of desert lands and these rangers did not have enforcement powers, he said.

Officials of the Santa Fe Railroad in Barstow donated 400 used railroad ties for use in building barricades outside petroglyph sites to prohibit vehicle access. The BLM has also purchased aluminum railing for the same purpose.

Eastvold says it is now the job of his Rock Art Subcommittee to establish priorities for petroglyph protection. He said his committee along with Herrick Hanks, an archaeological consultant, has come up with 15 major sites for protection.

Eastvold, who is critical of the BLM bureaucracy, says the committee did in one year what it would have taken the government 15 years to do.

He said construction of barricades on the first site for protection is scheduled for the first week in November.

He said he will be working with the BLM to expedite the work on protecting the remaining 14 sites.

Eastvold said the BLM may be alloted $15,000 to install electronic devices at these sites which would set off an alarm when unauthorized visitors enter the area of a petroglyph.

He said the BLM is also patrolling by air, particularly watching for destruction of intaglios, which are large carvings on the desert floor.

Eastvold said the prehistoric art in the California Desert is a heritage not only of statewide but national significance.

GILMAN PROPOSES FEDERAL HOME MORTGAGE FUND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. GILMAN. Mr. Speaker, yesterday I joined several of my colleagues in introducing the Home Mortgage Purchase Assistance Act, creating a source of mortgage credit for home buyers during these critical times of short supply of moneys available for home mortgage lending.

This legislation, which will not incur any expense to the taxpayer, establishes a housing trust fund to draw upon the Treasury for loans for both new and existing housing of up to $10 billion per year. The mortgage money would be available through the Government National Mortgage Association, GNMA, to purchase mortgages on homes with prices ranging up to $45,000. Mortgages purchased by GNMA would bear interest rates comparable to the long-term Treasury borrowing rate, currently at 8¾ percent. The market rate for mortgage money, where available, is now in the range of 9½ to 10 percent.

The housing construction industry is in its worst depression in years. In my own congressional district, Rockland County's population has increased 68 percent since the 1960 census. But despite the dire need for new housing, the lack of mortgage money and soaring interest rates has brought the housing industry to a standstill causing severe unemployment in the building construction trades. Young families, previously comprising the best market for new homes, now find that they have neither the savings for a downpayment, nor the income needed to repay the extremely high rates of interest on borrowed money. Many who have been saving for years to purchase a home have given up hope and lower income families are being locked into substandard housing in deteriorating neighborhoods.

In order to stimulate residential mortgage lending, I introduced a measure, H.R. 16157, to exclude from income tax the first $400 of interest on a savings account and to encourage savings, expanding the availability of funds for home mortgage lending. Last week, I presented to Ways and Means Committee Chairman, WILBUR MILLS, petitions from more than 500,000 New York State citizens supporting this proposal exempting savings interest from income tax. I am still trying to convince the Ways and Means Committee to include this measure in the omnibus tax reform measure currently under consideration.

It is significant to note that the National Savings Association League has compiled statistics showing that a $1,000 interest exclusion would result in new deposits of $24 billion annually, 500,000 new jobs and vastly increased income tax revenue, pointing out that even if these figures were revised in proportion to the proposed $400 exclusion, the proposal would not drain any Federal revenues.

The home mortgage measure I cosponsored yesterday is another essential step in easing the money crunch without imposing any further burden on our taxpayers.

Accordingly, I urge my colleagues and particularly the House Banking and Currency Committee to support this proposal as a realistic solution to the problems of the rapid growth regions of our Nation which are experiencing severe economic depression.

COMMITTEE REFORM AND CIA OVERSIGHT

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. HARRINGTON. Mr. Speaker, I would, at this time, like to call upon my colleagues for support of an amendment I intend to offer to the Hansen substitute to the Bolling resolution.

Under the Bolling resolution, which I support, the House Foreign Affairs Committee gains concurrent oversight jurisdiction, with regard to intelligence activity, namely the Central Intelligence Agency. Unfortunately, the Hansen committee leaves this oversight function solely in the hands of the Committee on Armed Services. My efforts will be directed in assuring that the Hansen substitute also contain the provision that the House Foreign Affairs Committee gains concurrent oversight jurisdiction over the CIA.

In recent weeks we have learned that the CIA authorized over $8 million for covert activities aimed at thwarting the election of the late Salvador Allende-Gossens and destabilizing the Government of Chile. While it is no secret that the CIA has engaged in similar activities throughout its 27-year existence, it is my feeling that there is no justification for our Government to intervene in the internal affairs of another country. This, in fact, is the articulated policy of the United States—but the secret policy proved to be something quite different.

Under the present rules of the House Armed Services Committee is responsible for overseeing CIA activity. The Bolling proposal would restructure oversight so that the Committee on Foreign Affairs would gain "concurrent jurisdiction", with the Committee on Armed Services, over foreign and military intelligence, including the CIA.

As Congressman MORGAN, chairman of the Committee on Foreign Affairs, wrote Congressman BOLLING on January 4, 1974:

> Foreign intelligence is an integral part of the foreign policy process. No policy can succeed unless it is based upon accurate and timely information. The task of intelligence is to provide that information. The CIA, for example, plays a major role in the foreign policy-making process and by its activities is capable of exerting—and has exerted—a very substantial influence on our relations with other nations, as recent developments in Chile and Thailand have shown.
>
> For these reasons, sharing of jurisdiction in this field by the Foreign Affairs and the Armed Services Committees is eminently sensible. We strongly support the tentative proposals advanced in this area by the Select Committee on Committees.

Congressional oversight of the CIA under present procedures is really a fiction. The House Armed Services Subcommittee overseeing CIA activities was not told about U.S. intervention in Chile until after the fact. Senator SYMINGTON, a member of the Senate Armed Services subcommittee overseeing CIA activities, stated that he was unaware of CIA activities in Chile until he read about them in the newspaper.

The CIA Oversight Subcommittee of the Armed Services Committee and the Appropriations Committee have no obligation to meet if they do not so desire; records and transcripts of their hearings are only available to other Members of Congress with special permission, and in some cases are not kept at all; there are no members of the Foreign Affairs Committee overseeing the CIA in the House, although these are the members with the expertise and particular interest in the foreign policy implications of CIA activities which are often undemocratic and beyond their charter.

While it is not known how often each of the various oversight committees meet, a good indication can be found in the Senate Armed Services subcommittee which apparently did not meet once during 1974. In addition, staffing for the present part-time oversight committee is inadequate; not even one full-time staff member has been hired to help oversee the intelligence community and the CIA budget of approximately $6 billion.

The more complete indication of congressional failure to control the CIA is the CIA's activities in and of themselves. Although CIA's activities in Chile were undemocratic and seem to be beyond its legislative charter to engage only in "intelligence related activities," Congress, unaware of these activities while they were ongoing, failed to check them, halt them, or even call them to the public's attention.

There is a definite need to reform the oversight function, and the proposed Bolling resolution represents a clear step in the right direction. I sincerely hope that you will support my effort to assure that the Hansen substitution does the same.

INFLATION

HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. MIZELL. Mr. Speaker, my monthly newsletter to residents of North Carolina's Fifth Congressional District concerned what President Ford has correctly called America's No. 1 public enemy: Inflation.

For the benefit of my colleagues, all of whose constituents are affected by the scourge of inflation as well, I am inserting the text of my newsletter in the RECORD at this time:

> MIZELL NEWS, SEPTEMBER 1974
>
> INFLATION
>
> Without question, the number one problem facing Americans today is the problem of inflation—the rampant rise in the cost of living that eats away at every American's buying power and threatens the economic stability of the nation and the world.
>
> It is essential that we deal candidly with this problem, that we acknowledge its critical nature and that we recognize the urgent need for its solution.
>
> Our national rate of inflation is currently running at just over 11 percent annually, which means we are losing eleven cents' worth of purchasing power from every dollar every twelve months.
>
> As the dollar continues to "shrink" and prices continue to climb, we are faced with other economic problems that are direct consequences of the inflationary spiral.
>
> For example, interest rates have risen apace with inflation and are now reaching levels not seen since the Civil War. As a consequence, the nation is now weathering a very serious housing crisis. Homebuilders seeking construction loans find the interest rates they must pay too high to make their operations profitable, and mortgage interest rates for potential homebuyers are also climbing into the prohibitive range.
>
> And as all of us know, prices for consumer goods have also risen at an alarming rate in the last several months. Food prices, which had leveled off earlier in the year, promise to rise again in the future, partly in response to the national inflation and partly because of the severe drought that struck much of the "Farm Belt" this year.
>
> Fuel prices have doubled in the last year, as well. Following last winter's oil embargo, Arab oil-producing nations—working in concert—doubled the price of oil extracted from their mammoth reserves, and this price-gouging tactic has contributed very substantially to inflation trends, not only in this country but throughout the industrialized world.
>
> The problem of inflation, however, is more pervasive and more dangerous than rising prices and rising interest rates alone would indicate.
>
> The end result of inflation is, first, a loss of confidence in the dollar, and second, an ultimate loss of value in the dollar. The loss of confidence is already being demonstrated in the stock market where key indicators of our economic condition have fallen to dangerously low points, and we must arrest and reverse this downward trend as quickly as possible.
>
> I believe it is essential that the people of the Fifth District and people throughout America know of the seriousness of our economic ills, so that they may be better prepared, and more willing, to take the strong medicine needed to cure those ills.
>
> Senator Barry Goldwater of Arizona, in a thought-provoking speech to the Senate a few weeks ago, called inflation "the great pretender. Like a tranquilizing drug, inflation has given us a pleasant sensation of well-being. Our paychecks are fatter, and we like that. If we own property, it has increased in value, and we like that. If we are unemployed, we can turn to the government for support, and we like that. New money dumped into the economic system by deficit financing has helped us to indulge our appetites beyond our ability to pay, and we like that."
>
> But the time has come, at long last, when our economic health demands that we begin the painful withdrawal from this artificially-

induced tranquility, and begin to deal effectively with our very real economic disease.

The best remedy for this disease is the most intensive program of austerity in government spending we can possibly devise. Reckless government spending over the past decade is, in my view, the root of all the economic evils we confront today.

The pervasive and detrimental influence of government spending on our economic condition can be easily and effectively demonstrated by the following:

(1) The federal budget, now at the level of $300 billion, represents nearly one-third of the United States gross national product.

(2) Since 1964, our national debt has increased from $317 billion to nearly $490 billion through an alarmingly consistent policy of deficit spending by the federal government. We are now paying nearly $26 billion a year—nearly ten percent of the total federal budget—just for the interest on the *national* debt.

(3) Because tax revenues have been insufficient to pay for much of federal spending in the last several years, the government has been competing in private money markets with private enterprise for available funds, drying up the supply of money and thereby driving up interest rates.

(4) To compensate for this government-imposed "money crunch", the federal treasury has manufactured more paper dollars without sufficient gold or credit reserves to maintain their value, and thereby has fed inflation.

It is obvious, then, that government spending policies have a direct and dramatic effect on the nation's economy, and the key to solving our economic problems lies in a strong commitment to major reform of our spending policies.

For the past six years, I have been trying to bring government spending under control, urging my colleagues in the Congress to recognize that the federal treasury is not an inexhaustible source of funds, and that even the most worthwhile of programs should be funded within the firm constraints of available revenues.

It is easy to vote for millions and even billions of dollars for popular government programs; it is not so easy to say "no" occasionally to proposals for higher and higher levels of funding for these programs.

A vote in favor of fiscal responsibility and economy in government is often misconstrued as a vote against a particular program or a particular group of beneficiaries, and it is sometimes difficult to make people understand that a vote against exorbitant spending—which feeds inflation and robs our pocketbooks—is a vote for every taxpayer, every wage-earner, every grocery shopper, every welfare recipient, every citizen in this country.

In each of the last two Congresses, I have been awarded a "Watchdog of the Treasury" trophy for my efforts to curb government spending. My votes for economy in government—though they have not been universally applauded here in the Fifth District—would have saved us $35 billion in the past six years.

In the remaining weeks of the 93rd Congress, I intend to continue that commitment to fiscal responsibility, making the hard choices that must be made in the interest of fighting inflation and restoring stability and real growth to our economy.

THE SOVEREIGN GREEK ORDER OF ST. DENNIS OF ZANTE

HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. WYDLER. Mr. Speaker, I recently was given the honor, extended by Pericles Count Voultsos, Prince Grand Master of the Sovereign Greek Order of St. Dennis of Zante, to be awarded the decoration of the Sovereign Order of St. Dennis of Zante. I was recommended by Dr. Herman Bayern and was pleased to accept. This order has an interesting background starting just about 20 years ago.

The Resurgence of the Greek Order of St. Dennis of Zante, Formerly of St. John of Jerusalem, Cyprus, and Rhodes—1953

A little more than twenty years ago, a small group of dedicated Americans, prompted by philanthropy and guided by our Patron Saint, were inspired to the resurgence of this ancient Order in these United States, seeking to relieve the distressed, comfort the hapless.

On April 29, 1953, a Charter was granted under an Act of Congress and the ancient Equestrian Order was revived under the auspices of the International American Institute of Washington, D.C.

This important event was the culmination of several years of correspondence between Dr. Pericles Voultsos of New York and the Rt. Rev. Daniel Gigantes, Abbot of the Monastery of St. Dennis in Zante, Guardian of the Saint's Sacred Body, seeking to devise ways and means of aiding the island, its people and all needy, regardless of race or creed, according to the example set by the Saint and practiced by the Knights after dedication of the Order to His Holy Memory in the Eighteenth century.

Through legend and history we know that the Order was dedicated to St. John, patron of the Crusades, when the Knights of Zante, under the leadership of Favius Segur, an ancestor of St. Dennis, embarked upon this pious venture.

They followed the fortunes of their Western brothers through Jerusalem, Cyprus and Rhodes, until weary of wandering, their descendants returned to the Commandery of the Knights of Rhodes, as they were known then, settling in Kallipado, home of the Vourtzis family, Priory of St. Ann and St. Jerusalem in the sixteenth century, applying themselves solely to deeds of philanthropy and benevolence. They realized that laurels gathered in the realm of fraternal charity, are no less glorious than those garnered in the battlefield.

However, the Knights of the Order never failed to respond whenever liberty was at stake. Thus we find them battling the infidel at Lepanto in 1571, alongside their old comrades-at-arms of the Order of Malta (formerly of Jerusalem, Cyprus and Rhodes), under the leadership of Marinos Sigouros, a cousin of the Saint, who participated in this glorious battle with his own galley Judith. This glorious event was celebrated in the United States with the presentation of the Grand Cross of the Order of St. Dennis, to Richard Cardinal Cushing, Archbishop of Boston on December 20, 1963; to Francis Cardinal Spellman, Grand Protector of the Order of Malta, Archbishop of New York, on February 26, 1964; as well as to his successor Terence Cardinal Cooke on June 3, 1969, thus sealing the christian ecumenical spirit and brotherhood between the two Orders.

We read in several issues of the March 1972 proceedings of the 92nd Congress of the United States of America, of Major Vourtzis, an ancestor of the present Grand Master and a descendant of Michael Vourtzis, a renowned Byzantine General, Duke of Antioch, who had been awarded this title by the Emperor Nicephorus Phokas for the Capture of that city in 969 A.D. Major Michael Vourtzis, with his volunteers in the Continental Armies of George Washington, an aide-de-camp to General Lafayette, true to the Knightly tradition of the Order, struck a blow for the cause of freedom in the American colonies. After the battle of Yorktown, in 1781, he attempted to install a Commandery in the New World, by establishing Priorities in Philadelphia and New York, unsuccessfully, unfortunately, due to the antipathetic feelings of the period to anything implying aristocracy or nobility. However, through this noble heritage, Dr. Voultsos proudly holds membership in the Society of the Sons of the American Revolution, both here and in France.

On August 12, 1953, less than four months after the official resurgence of the Order, cruel fate struck. A tragic earthquake followed by a 10 day all-consuming fire, laid the fair island of Zante to rubble and ashes.

All of the nations outside the Iron Curtain, aided mother Greece in facing this tremendous challenge. To the Knights of the recently revived Order, however, it was destiny itself demanding fulfillment of their vows. Grand Master Designate Voultsos, sounded the clarion call to duty. The Knights, noble in purpose, resolute in achievement, mindful of their obligation, rose to the occasion and met the challenge. Cognizant that the heart of America has always gone out to the suffering and the needy, the members of the Order appealed and aroused the charitable public of the 48 states, acquainting them with the plight which befell the citizens of Zante, and the indication of hardship and suffering undergone by them.

On December 30, 1954, Dr. Pericles Voultsos, at the invitation of the island's authorities, visited Zante. He was officially installed as Grand Master for Life of the Order, proclaimed an Honorary Citizen and later cited by King Paul of Greece, as well as the National Red Cross Organization of that country for the contributions of the Order to the Island.

Today, the Knights of St. Dennis, can proudly point to the gleaming new city which like the mythical phoenix rising from the ashes, they helped build, and which with justified pride, in all humility, proclaims the charitable understanding and christian solidarity of the American people. As well, proud to know that the American Knights were instrumental in a great manifold measure, in aiding the rehabilitation and rebirth of their legendary home. The Priory of St. Jerusalem and St. Ann of the Knights of Rhodes, as they were known then.

The Knights of St. Dennis, continuers of their legacy, are bountiful in their eleemosynary achievements, never straining the quality of mercy, ever mindful of the ancient tradition of the Order, dedicated to its purpose, based on the observance of the charitable precepts of the holy St. Dennis, propagate them ever.

With humility, the Knights stand on the long record of their philanthropic contributions of the last twenty years, proudly pointing to their living legend of achievement hewn in gold, on the scrolls of timeless gratitude in the hearts of their benefited fellows. A goal, a gauntlet, a challenge to all to emulate. Without discrimination as to race or creed. With faith in the brotherhood of man and the fatherhood of God. Noble in purpose, resolute in spirit.

The Knights of St. Dennis, mindful of their solemn obligation, concretely apply the Order's ancient motto: Faith-Courage. Dedicated to Duty, they comfort the hapless, ameliorate their misery, console adversity and combat want, without discrimination as to race or creed.

King Constantine of Greece, in appreciation of the many contributions of the American Knights to the rehabilitation of Zante, at the grateful proposal of the National Foundation cited the Order. Upon Minister Emmanuel Kothris' visit, the Order's banner was decorated at the New York Royal Consulate on May 27, 1966.

DÉTENTE IS A TWO-WAY STREET

HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. CLANCY. Mr. Speaker, much publicity has been given lately to people who doubt the need for the U.S. Central Intelligence Agency and who question the motives and activities of American agents.

I assure my colleagues in Congress that there is a need and we must guard against any proposal which would expose the work and the members of the CIA and its associated organizations. There are foreign nations which oppose and would destroy our system of government which has made this Nation great. We must maintain our vigilance.

The most recent newspaper article revealing some of the activities of the Soviet Union was written by Richard Starnes, Scripps-Howard newspaper alliance. It is a shocking revelation to learn that many of the 1,700 Soviet "technicians and trade officials" visiting America are agents of the KGB, a Soviet agency whose basic function is investigative, not business or industry.

Mr. Starnes' article, headlined "Soviet Spies 'Steal' American Technology" as it appeared in the Cincinnati Post, follows:

SOVIET SPIES "STEAL" AMERICAN TECHNOLOGY

(By Richard Starnes)

WASHINGTON.—Soviet spies, operating under the cover of the trade, scientific and technical missions which have arrived in the United States under the banner of detente, have been using their easy access to American manufacturing plants to gain knowledge about some of this country's most sophisticated production techniques.

More than 1700 Soviet "technicians and trade officials" arrived in the first eight months of this year, and the total is expected to reach 2500 by the end of the year. U.S. officials estimate that at least 50 per cent of the Soviet delegates are espionage agents.

Soviet delegations have gained admittance to dozens of this nation's most advanced technical and scientific manufacturing plants. And although the Soviets display American production techniques, there appear to be several prime targets of the Soviet espionage:

Computer technology, a key defense area in which the Soviet Union is known to lag far behind the United States.

The U.S. aircraft industry. Russian aircraft specialists have long been desperately interested in upgrading the Yak–40 transport, a crude copy of the highly successful Boeing 727.

With no difficulty at all, Soviet experts gained free access to the Boeing plant in Seattle, where they quickly pin-pointed Boeing's solutions to design and manufacturing problems that had been plaguing Yak–40 production. A simple but effective wing de-icing system developed by Boeing engineers has now been incorporated into the Yak–40, replacing the Soviet aircraft's earlier cumbersome and heavy equipment.

One reason that these Soviet delegations have had little difficulty gaining access to this technical information is that many U.S. companies, lured by the promise of profitable contracts, have rolled out the welcome mat for them.

"These people have been given technical and trade secrets, and been instructed in highly sophisticated production techniques that American industrialists routinely keep secret from their competition on the other side of town," one leading U.S. counterespionage agent said.

Also, because of the enormous complexity of such devices as inertial guidance systems (a self-contained, computerized navigation system that, among other applications, guides Minutemen missiles and spacecraft to their targets), most of the components are manufactured with no security labels.

Not until the device is finally assembled does it merit a "secret" tag, "but any sophisticated engineer can learn enough about the separate pieces to assemble one," one official noted. "The 'secret' label on the final assembly is all but meaningless."

U.S. counterspies say they are certain that the huge Soviet "trade" delegations are chiefly espionage teams, but they have been frustrated in their effort to block them.

"Deep" surveillance of suspected espionage agents is difficult and time-consuming. Estimates vary, but it is said that up to a dozen full-time operatives are needed to keep one suspect under 24-hour watch, which is virtually impossible with the available manpower, one American official said.

In all, there are probably more than 1000 active Soviet espionage agents who have operated in this country during 1974.

One known intelligence agent admitted to the U.S. last May, despite the fact he was "pre-identified" as a member of the KGB, is Aleksandr Konstantinovich Guryanov. He first came to this country in 1955 as a member of the Soviet U.N. delegation and was expelled a year later for playing a role in the repatriation of five Soviet seamen who had defected to the U.S.

Another known KGB agent, admitted as a part of the detente trade program, is Nikolay Vasilyevich Zinovyev, who held talks with high U.S. Treasury and Commerce Department officials in April.

Others are Vladimir Pavlovich Pavlichenko, who spent 60 days in the coutry early last winter, and Ilya Vyacheslavovich Petrov, who came here with the inaugural flight of Aeroflot (Soviet National Airline) that reached Dulles International Airport (Washington) last May. Petrov is known to be a ranking member of KGB.

The crowning irony of the enormous Soviet penetration of sensitive U.S. industrial plants is that often very little real trade develops.

A typical example was a visit by a Soviet "trade" delegation to Digital Equipment Corp., in Maynard, Mass., last July. The firm had developed a highly sophisticated system for computer monitoring of the assembly of timepieces. Under the ruse of placing an order, the Soviet delegation extracted information on processes it had taken Digital years to perfect, then left after placing only a token order.

Such U.S. industrial giants as IBM, Control Data Corp., Singer, Lockheed, McDonnell-Douglas, Aeronautical Radio Inc., Texas Instruments Corp., Union Carbide, Fairchild Semiconductor Corp., National Engineering Co., International Paper Co. and Alliance Tool International Corp. also have been visited.

"These Soviet technicians are not ham-and-egg guys," a U.S. official close to the problem noted. "They are all highly skilled technicians and/or intelligence officers. All of them have useful command of English. Many of them are fluent and would be indistinguishable from Americans."

One curiosity that emerged when the activities of the Soviet delegates came under scrutiny was the attitude of some U.S. industrialists who were painfully eager to do business with the Russians under almost any terms. One plant flew the red hammer and sickle flag of the Soviet Union when the Russian delegates arrived.

Another U.S. businessman actually turned aside U.S. agents who were accompanying the Soviet technician-spies, disguised as civilian escort officers, but admitted the Russians to his plant.

The biggest Soviet trade-technical delegation in the U.S. at this time is in Pittsburgh. About 125 Russian technicians, scientists and security agents are attached to the Swindler-Dressler Co., the U.S. firm that is prime contractor for the billion-dollar Kama River truck plant, an enormous industrial complex being built 550 miles east of Moscow.

The Soviet delegation, which lives at the Bigelow Apartment Hotel in downtown Pittsburgh, is primarily concerned with learning U.S. production techniques to be transferred to the huge truck plant in Russia.

Swindler-Dressler's share of the vast project is about $42.6 million. Other U.S. firms have subcontracts totaling $270 million. One of these, the C-E Cast Equipment Co. of Cleveland, has contracts totaling $34.5 million for the Kama complex.

BIAS IN THE NATIONAL NEWS MEDIA

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. SYMMS. Mr. Speaker, for a long time now my colleagues have talked about bias in the national news media. However, I have an excellent example of "editorializing." Last summer Time magazine wrote an article on OSHA; I disagreed with some of the points they made and wrote them a letter to that effect to explain my position of this controversy. For the benefit of my colleagues I read into the RECORD the text of my letter to Time and their response:

JULY 31, 1974.

EDITOR,
Time Magazine, New York, N.Y.

DEAR SIR: I read with great interest your article in the July 8, 1974, issue of *Time* entitled "OSHA Under Attack". I see that *Time* is still editorializing in its news articles.

I am certainly not opposed to job safety. I am, however, opposed to a law such as OSHA which allows fines, and possibly jail sentences, to be levied by an administrative agency, which carries with it a presumption of guilt until proven innocent. I am also opposed to regulations that are unreasonable and in some cases actually reduce job safety. I thing that there are serious Constitutional questions raised by this law; consequently, I have sponsored the bill (which now has 50 co-sponsors) to repeal the Occupational Safety and Health Act rather than amend it.

What is really at issue is whether job safety is a result of Federal regulations or whether it is really a result of individual responsibility and cooperation between employee and employer.

In any case, your responsibility should be to report the news—not editorialize in news articles.

Yours for a free society,
STEVE SYMMS,
Member of Congress.

TIME,
THE WEEKLY MAGAZINE,
New York, N.Y., August 28, 1974.

Congressman STEVE SYMMS,
Congress of the United States, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN SYMMS: Thank you for writing to us about our recent article on

O.S.H.A. We regret that we were unable to publish your letter.

TIME did indeed express an editorial view in that article, which is something that the magazine has been doing for 50 years on matters which the editors consider important. In this case, it is our view that O.S.H.A. would be more valuable—and popular—if its inspectors were permitted to advise businessmen on work safety, rather than be obliged to fine them for infringements of regulations. We believe that there is a need for such an agency, in that not all employers can be trusted to spend the necessary time and money on job safety voluntarily, but we also believe that businessmen should not regard O.S.H.A. as a punitive Big Brother. If O.S.H.A. were amended in the way we—and some in Congress—suggest, it should be able to gain the willing cooperation of employers.

We realize that your views are opposed to ours, but we nevertheless appreciated hearing from you.

Sincerely,

MARY FERNANDEZ.

TIPPING THE WORLD TOWARD DISASTER

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. WYMAN. Mr. Speaker, undoubtedly the most serious problem the entire world faces as it struggles against almost universal inflation, is the prospect of international financial disaster if the oil-long nations persist in their astronomical and unwarranted posted oil prices. The dimensions of this crisis, which is very real, are indicted by the following article by Smith Hempstone appearing in the Washington Star-News of October 2.

A program to develop a commercially feasible process for making oil out of coal should be the first order of business for this Nation in the energy field. We have coal in long supply. We know of existing technology but the cost to do it is presently too high to be commercially feasible.

I have had legislation pending for 4 years for Government assistance to a privately owned corporation to get the job done on a government gets its money back basis. If we can make oil from coal for about $7 per barrel it will break the back of the OPEC blackmail and we should get on with this without delay.

The article follows:

[From the Washington Star-News, Oct. 2, 1974]

TOWARD A NEW DARK AGE

(By Smith Hempstone)

In this column on March 8, at a time when everyone was concerned with the shortage of oil, the following point was made:

"The truth is that the world's political leaders have not yet identified the principal problem that we face, let alone devised a plan to deal with it: It is the *price* of oil, not the shortage of it. If the Middle Eastern oil that costs 15 cents per barrel to produce is to be allowed to sell for $8 per barrel, there is no way a worldwide economic dislocation can be avoided. Such a price wipes out all the benefits of economic aid to underdeveloped countries, distorts the price structure of the developed nations and necessarily will lead to inflation and unemployment."

The predicted worldwide economic dislocation, inflation and unemployment have come to pass. The kernal of the problem—the price of oil—finally has been identified. But not one of the world's leaders, including President Ford, seems to have the foggiest notion as to what to do about it.

Abandoning Israel will not solve the problem. Many big producers such as Iran, Indonesia and Venezuela are not anti-Zionist. Even among the Arab states, the principal motivation for high prices is not political but economic: the not unnatural desire to conserve a wasting asset for as long as possible at as high a price as is feasible.

Despite thinly veiled threats from Ford and Secretary of State Kissinger, the option of employing military force or subversion to seize control of the oil fields can be ruled out. Leaving aside any question of morality, it simply wouldn't work.

While the oil fields of the Persian Gulf easily could be seized, this would result in the destruction of American interests elsewhere in the Middle East, a long-term guerrilla war that we have demonstrated we lack the stomach to fight, and possible Soviet intervention.

It would be equally easy for the CIA to "destabilize" the governments of half a dozen oil-rich sheikdoms. But the Arab princeling who agreed to a free flow of oil at a low price would not last long upon his throne.

Imposition of food or arms embargoes against the Iranians, Saudis and other oil-rich peoples would be in neither our political nor our economic interest. Even if a solid West European-American-Japanese front could be maintained, which is highly unlikely, the oil producers would simply buy their arms and food from Communist Eastern Europe and the Soviet Union, with a concomitant damage to our political leverage and domestic economy.

The crunch cannot be avoided. But there are three ways—none of them pleasant—its impact in this country can be reduced:

Restrict demand for foreign oil by taxation and, if necessary, rationing.

Press the search for new sources of domestic oil and the development of alternative fuels such as coal, thermal heating and nuclear power.

Convince the oil-producing states that a serious worldwide economic dislocation will thwart their desire for rapid industrialization and eat up their balance of payments surpluses, as indeed it would.

History teaches that civilizations collapse when they lose their capacity to respond to internal or external challenges. We face such a challenge today, and there is no easy way out. The end or at least the deferral of growth—for that is what inflation really means—for many will mean the end of hope, the postponement of aspirations. It will bring to the surface class, racial and political tensions that have been glossed over by the easy affluence of the past.

At least and at last, the leaders of the industrialized world, who met here last weekend, have recognized the dimensions of the problem. Now they have to work out a common policy for dealing with it, convince their people of the seriousness of the situation and show that the necessary hardships entailed will be equitably distributed.

If they fail in this, the consequences will be unimaginably bad for mankind as a whole, for we teeter on the brink of a new Dark Age.

THE AMERICAN INDIAN PROBLEM—A PARTIAL SOLUTION

HON. DICK SHOUP

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. SHOUP. Mr. Speaker, I insert in the RECORD the thoughts of one of my constituents and his views on how we can solve some of the problems American Indians are faced with in our society: ciety:

THE AMERICAN INDIAN PROBLEM—A PARTIAL SOLUTION

(By Herbert S. Schmidt)

The modern day Indian, for the most part, is a far cry from the "Proud Redman" they used to teach about in school. He's more often looked down upon. Pride has often turned to frustration, and has led to languor, privation, and alcoholism. And with all this, we, as a nation, have been doing precious little to improve things. Just the opposite appears to be true.

Putting the Indians on reservations and handing them out a dole is not doing them a favor. . . . It is doing them a disfavor. This "handout" type existence is demoralizing and leads to lack of incentive. It's not sufficient to really make it on, but just enough to rob the individual of the initiative to get up and make it on his own. And that's the way—the only way—the Indian is ever going to solve his problems: on his own. The same way that other ethnic groups and races in the country have done it. The Polish, the Jews, Italians, Irish, Orientals, and others all had to overcome discrimination and getting kicked around when they came to this country as immigrants. They did overcome—without handouts from the Federal Government—strictly on their own. Some obtained free land through homesteading, but they had to work, and work hard to keep it and make it prosper.

Indians need to do the same. And many do work hard and have broken away from the "handout" system. But many more are willing to sit by and accept the system. These need help to be rid of some of the entanglements which are choking them.

Here are three ideas which can help the Indians—and thereby help the nation:

First: Abolish the Bureau of Indian Afafirs (BIA). The BIA is doing little good for the Indian. May, in fact, be doing more harm than help in some instances. And it's costing the taxpayers a bundle. Just in expenses to run the BIA—not for any projects for building or such for the Indians—but just for salaries, rents, office expenses, etc., the 1975 fiscal year budget is over $51,000,000. Even in these days of multi-billion dollar budgets that's a lot of money. Money that could be better funneled through state and county assistance programs rather than bureaucratic salaries and expenses.

Second: Take the Indians off the Federal dole. If they need financial assistance, let them get it the same way as everyone else: from the local and state welfare and other assistance plans.

Third: Make the Indians subject to the municipal, county, and state laws and regulations just the same as every other citizen of the country. If they want to be first class citizens, then they must obey the laws set up for everyone else. No longer can they retreat inside the boundaries of the reservations and say "You can't touch me here. I'm not subject to your laws—only to Federal laws. I can evade payment of taxes on cigarettes and other state and county taxes, because you can't enforce them on my reservation."

I don't mean to imply that we should take away the reservations. Surely we treated the Indians badly in times past. The invading White Man conquered them—just the same as countless other nations throughout the world and throughout time have been conquered. Most of those vanquished received nothing but a hard time from their conquerors. The U.S. Government at least gave the Indians some land. And some of it turned out to be exceedingly valuable, despite the fact that most of it appeared pretty useless at the time.

Let the Indians keep their culture and keep the land they have. It's their land to do anything within legal limits which they wish to do. They can run it individually, collectively, lease it, sell it, charge for recreational rights. But that land will no longer be a federal domain, subject only to federal laws. It will simply be part of the county and state within which it lies; subject to the same laws and same taxes, of all kinds, that all the other land, and people who live on that land, are subject to.

No longer can the Indians operate the Reservations as if they were separate enclaves within the boundaries of the United States. The Indians are certainly entitled to all the rights and privileges that go with living in this great country. But to have those rights they must conduct themselves as first class citizens, subject to all the laws.

Many will cry that once again we are a nation of "Treaty Breakers". But the salvation of the Indian lies in breaking the reservation system as it now stands. As long as that system prevails, the Indian is more a slave than a free and proud man in his own land.

LIST OF NEW JERSEY VOLUNTEERS IN CIVIL DEFENSE

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. MINISH. Mr. Speaker, many Americans are seeking ways to serve their country in a volunteer capacity, and I would like to convey to my colleagues in the House of Representatives a way their constituents may give important services to their communities.

At the same time, I wish to recognize several hundred Civil Defense Disaster Control volunteers in Essex County, N.J., for more than 100,000 hours of volunteer service given this year as in years past as auxiliary fire and police, members of radiological detection and emergency radio communication teams, and many other disaster services, all for the safety, protection and well-being of our residents.

To recognize these volunteers for their service and dedication and to encourage others, I wish to print their names in the Record as follows:

List of Volunteers

Mr. Larry White, Mr. Sal Berretta, Mr. Bill Quist, Mr. Jeff Rudden, Mr. Kevin Killeen, Mr. Keith Nicolliello, Mr. Jack Wieners, Mr. John DeJessa, Mr. James O'Brien, Mr. Fred Shoeing, Mr. R. Landolfi.

Mr. W. Hoey, Mr. N. Bonfante, Mr. N. Ucci, Mr. A. Avino, Mr. D. Coffey, Mr. R. Iacobelli, Mr. L. Marchese, Mr. J. Nicosia, Mr. L. Rogers, Mr. J. Sherwood, Mr. A. Vecchione, Mr. C. Baio, Mr. A. Battershall, Mr. James Bordino.

Mr. A. Bottone, Mr. W. Butler, Mr. C. Civinski, Mr. J. Civinski, Mr. A. Colandro, Mr. C. Colandro, Mr. R. Dapuzzo, Mr. J. DeFabbi, Mr. J. Detrolio, Mr. J. DeVito, Mr. A. DiPaolo, Mr. J. Drexler, Mr. J. Eleneski, Mr. T. Findlay.

Mr. H. Fulmer, Mr. H. Goldstein, Mr. S. Graziano, Mr. J. Lautenbacher, Mr. V. Marrone, Mr. J. McCabe, Mr. R. McHale, Mr. J. Pereira.

Mr. S. Rae, Mr. R. Russomano, Mr. E. Sands, Mr. B. Schlagenhaft, Mr. F. Segarra, Mr. G. Skrutski, Mr. J. Tadrick, Mr. L. Tice, Mr. D. Verdicchio, Mr. P. Wentworth, Mr. M. Holden, Mr. N. Thompson, Mr. G. Kupp.

Mr. C. Strenck, Mr. W. Murray, Mr. J. Graham, Mr. E. Dluhos, Mr. Anthony J. Panis, Mr. Bernard Scheper, Mr. Vito Barletta, Mr. Elwood Carswell, Mr. Roger Minkoff, Mr. John DiRisio, Mr. Joseph Folignio, Mr. Patrick Tornillo, Mr. Paul Zavocki, Mr. Thomas Bollaro, Mr. William Wertz.

Mr. David Weber, Mr. Leonard Maiocco, Mr. Kenneth Baresch, Mr. William Huthmaker, Mr. William Ray Smith, Mr. Robert Roche, Mr. John Jenkins, Jr., Mr. John Barnes, Mr. Walter Mattheiss, Mr. Frank Tansey.

Mr. Harry Smith, Mr. Arthur Kester, Mr. Hiller Hahn, Mr. William Fisher, Mr. Joseph Graziano, Mr. William Turner, Mr. Robert Boyd, Mrs. Betty Boyd, Mr. Walter Hawk, Mr. Joseph Leggett, Mr. Robert Cicala.

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Thomas Kacedon, Mr. David Pezza, Mr. Lawrence Plesh, Mr. James Suma, Mr. Ben Szlachta, Mr. Robert Harding, Mr. Gary Caputo, Mr. Harold Flagg, Mr. John DeStefano, Mr. James Lawrence, Mr. Larry Mitschke, Mr. Michael Roberts, Mr. Quentin Osterle, Mr. Je Mongiello.

Mr. Nathan Aiken, Mr. Andrew J. Bagin, Mr. Harry Bland, Mr. Anthony Cavigliano, Mr. Leroy Chandler, Mr. John Cortellacci, Mr. Willie Crawley, Mr. Edsen Dowe, Mr. Samuel DuBois, Mr. William Fagg, Ms. Rosalind Gagliardo.

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Mr. Charles McRae, Mr. Lafayette Mitchell, Mr. Milton Nixon, Mr. Alan Peterson, Mr. George Pierson, Ms. Catherine Powell, Mr. Nelson Powell, Mr. Milliard Riddick, Mr. William Stoss, Mr. Peter Ventola, Mr. Nelson Vreeland, Mr. Lloyd Wills.

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Mr. Andrew Calabrees, Mr. Melvin Cohen, Mr. Thomas Dockery, Mr. Robert Epstein, Mr. James Furris, Mr. Henry Hoffman, Mr. Paul Loeb, Mr. William Lloyd.

Mr. Erwin Melhorn, Mr. Stanley Mittledorf, Mr. Thomas Richardson, Mr. Henry Roller, Mr. William Speezio, Mr. Kenneth Vreeland, Mr. Peter Cobrin, Mr. Stanley Orlinski.

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Mr. R. Lord, Mr. D. Zirk, Mr. R. Aleide, Mr. D. Stone, Mr. D. Initi, Mr. C. Minardi, Mr. A. Olster, Mr. M. DeMontaigne, Mr. G. Picone, Mr. R. Ledward, Mr. T. Martin, Jr.

AMERICANS ARE GETTING READY FOR THE LEGALIZATION OF GOLD OWNERSHIP

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. SYMMS. Mr. Speaker, after much debate and legislative deliberation the American people have finally joined most other citizens of the world's free nations in obtaining the right to own gold.

This right was arbitrarily taken from them during the days of the New Deal and, for a variety of reasons, the prohibition remained until August 14, 1974 when President Ford signed into law a bill passed by the Congress which provides, for the first time in 41 years, for the right of Americans to own and trade gold bullion.

Discussing the historic importance of this legislation, Dana L. Thomas, writing in the August 26, 1974 issue of Barron's, notes that—

> When legalized gold trading comes, it could be as powerful psychologically as the lifting of the ban on drinking alcoholic beverages in the Thirties. For gold is a highly emotional issue. Americans used it as a store of value from the birth of the nation until 1934, when President Roosevelt, acting under the Gold Reserve Act, ordered all citizens to turn in their holdings. Since then, possession of as little as two ounces could mean a jail sentence.

One reason Americans view the ownership of gold as being of vital importance is that paper money, as a result of Government's policy of deficit spending and artificially increasing the money supply, has become an unstable commodity. Mr. Thomas notes that—

> Ownership of gold . . . possesses practical as well as emotional features. With paper money rapidly losing its value as the result of runaway inflation, gold is looked upon by many people as the No. 1 hedge against financial disaster. For centuries it has been readily negotiable anywhere when governments and their paper currencies collapsed.

In his article, Mr. Thomas discusses the manner in which commodities marts, brokerage firms, mints and banks are preparing for the legalization of gold ownership.

I wish to share the article, "New Gold Rush?" by Dana L. Thomas with my colleagues, and insert it into the Record at this time:

[From Barron's, Aug. 26, 1974]

NEW GOLD RUSH?—COMMODITIES MARTS, BROKERAGE FIRMS, MINTS, BANKS GET READY

(By Dana L. Thomas)

During all the furore surrounding the resignation of President Nixon early this month, a bill passed by Congress lay neglected in the Oval Office until the afternoon of August 14, when the new President, Gerald R. Ford, signed it into law. Nonetheless, the bill promises to have a wide impact on the financial dealings of many Americans. For the first time in 41 years, they soon will be permitted to own and trade gold bullion. More precisely, starting December 31, Americans will have the same opportunities enjoyed for centuries by millions of people around the globe, ranging from French peasants and Swiss industrialists to Bombay smugglers and Mafia bagmen.

EMOTIONAL ISSUE

While the President can authorize gold ownership before the end of the year, this isn't considered likely. In fact, Treasury Secretary William Simon recently said that Congress may be asked to extend the December 31 deadline, "if international monetary conditions warrant."

At any rate, when legalized gold trading comes, it could be as powerful psychologically as the lifting of the ban on drinking alcoholic beverages in the 'Thirties. For gold is a highly emotional issue. Americans used it as a store of value from the birth of the nation until 1934, when President Roosevelt, acting under the Gold Reserve Act, ordered all citizens to turn in their holdings of the yellow metal. Since then, possession of as little as two ounces could mean a jail sentence.

Ownership of gold, of course, possesses practical, as well as emotional, features. With paper money rapidly losing its value as the result of runaway inflation, gold is looked upon by many people as the No. 1 hedge against financial disaster. For centuries it has been readily negotiable anywhere when governments and their paper currencies collapsed.

ANYBODY'S GUESS

When gold ownership becomes legal in this country, there will be no dearth of supply sources. Banks and jewelers will sell bars of various sizes, while brokers will trade futures on various commodity exchanges. What happens to prices is anybody's guess. Most people who were least able to legally own the metal have passed from the investment scene. Hence there are few guidelines, track records or backlogs of experience to help predict the outcome.

Most Americans are unaware of how narrowly the right to own gold was won. The bill was passed in a maze of intrigue and infighting unusual even by Washington standards. For several years, the Senate has been favorable to gold legislation but the bill had been bogged down in the House, owing to the opposition of Rep. Wright Patman (D., Texas) and other adherents of the Treasury Department's anti-gold-ownership position.

However, last spring, proponents, including Rep. Philip Crane (R., Ill.) and others, who had been fighting unsuccessfully to get a bill through the House for three years, were presented with an opportunity to do some legislative horse-trading. Since 1961, the U.S. had been giving aid to underdeveloped nations via the International Development Association affiliated with the World Bank. Appropriations had become nearly exhausted last June, and new legislation was needed to renew the funding. The Senate passed it, but it was defeated in the House by the conservative bloc.

At this point, Rep. Crane offered to support the IDA bill and bring along some 18 votes if the Patman forces would agree to tacking on a clause that would automatically legalize American ownership of gold, without leaving it up to the discretion of the President as had previously been proposed. In their urgent need for IDA votes, House liberals accepted the deal and the IDA bill with the gold clause sailed through the House by an 85-vote margin—much more than the liberals needed. Had it not been for their miscalculation, the gold clause might not have been accepted.

The bill was sent to the Senate, which had already passed similar legislation. But just before it was to be rushed to the White House, gold ownership sponsors discovered that there was nothing in the measure specifying that it would supersede all existing legislation that could nullify it. Currently there are two such laws: the Gold Reserve Act of 1934 and the Trading With The Enemy Act. Under the former, President Roosevelt had called in the nation's gold, under the latter the President, by decreeing a national emergency, could seize private gold holdings.

After more infighting between pro- and anti-forces, an amendment was finally inserted and the bill went to the White House—just as the storm broke that led to President Nixon's resignation. For several days, no one knew whether or not he had signed it. It turned out that he hadn't, and the suspense ended August 14 when President Ford affixed his signature to the bill.

INFLUX OF RETAILERS

Although the Treasury Department opposed the measure for years, its director of gold and silver operations, Thomas Wolfe, says the Department is working out the mechanical arrangements to make gold trading possible. Once the law goes into effect, numerous wholesalers and retailers will go into the business. W. M. Townsend, president of Handy & Harman, a leading refiner and dealer in precious metals, believes everybody now merchandising silver will move into the gold trade.

About 1,400 dealers currently are licensed to sell gold to industrial users, and they, too, will get into the act. Nor will the jewelry industry pass up the opportunity. Points out a spokesman for Engelhard Minerals & Chemicals Corp., America's largest gold refiner: "The jewelers allowed the silver bar business to slip through their fingers. They're not going to let the gold business get away from them."

STEEP MARKUPS

Private mints like Franklin and Royal already are advertising aggressively to build a mailing list of people interested in buying bullion. Engelhard has been holding a round of meetings to gear up production to meet the expected demand. Dr. A. M. Kashmiry, general manager of Engelhard's bullion operations, estimates that during the first year, at least two to five million ounces of physical gold may be sold to Americans. In fact, Engelhard, which gets supplies from its own refinery, as well as from London, the Winnipeg Exchange and other sources, believes the U.S. will become the world's leading gold market.

Although Handy & Harman's Townsend reports he has had many calls from jewelers eager to sell gold bars, he believes the big trading will be in future contracts. He expects the bars to be sold mostly to small buyers who, if they aren't careful, could be socked with steep mark-ups as all kinds of people, reputable and otherwise, start vending gold.

Mocatta Metals, a major dealer in precious metals, is tooling up to sell bullion to retailers, in sizes ranging from 5 grams to kilos. Henry Weissblatt, Mocotta's gold coin dealer who has been doing a brisk business in old coins, predicts that demand for mini-bars bullion will be heavy when trading begins, but that the initial markups will be stiff because refiners will be unable to crank out enough bullion. His advice to investors: be wary of the smallest bars, which will carry the highest premiums.

Franklin Mint, the world's largest private minter of coins, plans to eschew bullion and sell freshly minted, as well as older coins, which previously were the only ones that could be legally bought. President C. L. Andes says that the firm has been getting over 1,000 queries a day from an ad it has been running on gold coins. He predicts that American demand for gold will not be as vigorous as that of the French, who for centuries have been stuffing gold under the mattress. However, he believes it will be more lively than in Japan, where, after an initial spurt of interest when gold ownership was legalized two years ago, residents got bored and trading slackened.

BOLSTER BROKERAGE REVENUES

It remains to be seen whether Wall Street brokers will try to bolster their sagging revenues by trading in gold. Bache & Co., the only commission house on the Street with a license to sell the metal to industrial users, plans to provide bullion to clients in bars of 50 ounces and up. Irving Lewis, Jr., general manager of its metals department, believes there will be no money for Bache in peddling smaller bars; he expects whatever profits there are in this field to be reaped by banks providing them as an ancillary service to customers.

Disagreeing as to such profitability is Samuel Weiss & Co., which has three seats on the NYSE. Weiss is the first member to win approval, albeit grudgingly, from the Big Board to sell gold bullion to American investors. Weiss has arranged a tie-in with Engelhard to supply it with bars ranging from half an ounce up to 50 ounces. The customer will put down a 15% deposit, and the purchase will be completed at the official bullion price prevailing on the following day. All trading will be in cash—no margins.

Engelhard will ship the gold directly to Weiss' customers or provide space for those who don't want to store it themselves. Weiss will not make a market and his customers will have to sell their bars elsewhere. However, Engelhard will put its well-known assay mark on the gold, certifying its genuineness and weight, so that Weiss' customers should be able to readily sell it.

COMPETITION FROM ABROAD?

One of the first banks to announce plans to sell gold is Sterling National Bank & Trust Co., a subsidiary of Standard Prudential. Chairman Theodore Silbert says that the bank will offer gold in half-ounce wafers, one- and five-ounce bars, as well as 400-ounce ones for bigger investors. He expects the mark-up to run to 6%-7% to cover selling and delivery costs. Other banks undoubtedly will move into the business. Engelhard, for example, reports it has been talking to various ones in Chicago, Detroit and New Jersey about supplying them with bullion. However, American banks may face competition from European bankers, via their U.S. branches. They are old hands at dealing in gold; the Big Three of Switzerland even own refineries.

The bullion market is expected to attract mostly small and medium-sized buyers who are looking for an inflationary hedge, rather than a financial killing. The big speculators will try their luck trading in gold futures. Some observers expect this to draw money away from silver and other commodities.

The Commodity Exchange Inc. (Comex), in New York, which pioneered silver trading, has announced plans for dealing in gold futures. Chairman Charles Mattey says that Comex originally had intended to use a minimum contract of 400 troy ounces, which is the current international unit of trading. But with gold at over $150 an ounce, this would have required a commitment of more than $60,000, so Comex decided to trim its contract to 100 ounces; this would mean an investment of $15,000 (at $150 an ounce).

Comex is considering a minimum margin of 15% for trading. With gold at $125 or cheaper, the minimum would be $1,000 per contract; at $125.05 to $150, the margin would climb to $1,250; and at $175, the tab would go to $1,500. In short, an additional $250 margin would be required for every $25-per-ounce raise in gold. In addition to the Exchange's margin, individual members will require ones of their own, based on the credit standing of a customer and the volatility of the market.

DAILY PRICE LIMIT

Comex expects to impose a daily price limit of $8 an ounce, up or down. Price changes will be registered in multiples of five cents per ounce, or $5 a contract. Trading will be conducted for delivery in any 17-month period beginning with the current calendar month, February, April, June, August, October, and December. The seller will deliver to the buyer a negotiable receipt by an exchange-licensed depository, covering gold which bears a serial number and the identifying stamp of an approved refiner.

The Chicago Board of Trade, the nation's biggest commodity exchange, which has been trading silver bar futures since 1969, also had considered several types of gold contracts but, like Comex, settled on the kilo bar as the trading unit. Reason: it is the accepted medium abroad and the exchange wants to attract foreign traders who already are familiar with the metric system. The contract will be for 100 ounces, in three one-kilogram bars.

While no minimum margin has been publicly announced, minimum price fluctuation will be 10 cents per ounce, or $9.64 per contract. The maximum daily price fluctuation limit would be $8 an ounce above or below the prior day's settlement price, with a maximum of $771.52 per contract. Deliveries will be made on depository vault receipts, issued by gold storage institutions approved by the Exchange.

The International Monetary Market of the Chicago Mercantile Exchange also has announced a basic contract of 100 ounces. Minimum price fluctuations will be in multiples of 10 cents an ounce, or $10 a contract. The daily maximum price fluctuations will be $10 an ounce or $1,000 a contract above or below the previous day's settling price.

MINI-SIZE CONTRACTS

A different type of contract will be employed by the Chicago-based Mid America Exchange, which for over 100 years has been wooing smaller traders with mini-size contracts in grains and metals. The third most active exchange in America, Mid America in recent years has been rapidly boosting its share of the market for rank-and-file investors, thanks to its low entrance stakes.

Between 1967 and 1973, the number of contracts traded jumped from 235,000 to 3.9 million. Under its "odd-lotter" contract, customers will be able to trade gold in one kilogram (32.15 ounces) units. The minimum daily price movement will be 10 cents an ounce or $3.22 a contract; the maximum price limit will be $8 an ounce ($257.18). At least two other exchanges—the New York Mercantile and the Pacific Commodity Exchange—are readying gold contracts.

Executives of the various exchanges are trying to determine what the demand and trading pattern for gold will be once the green light is flashed. For clues they are studying the record of Canada's Winnipeg gold futures exchange, the only one in existence. True, the former chairman, Robert Purves, believes his exchange's experience may not be indicative of what will happen in the U.S., because of the latter's much larger population and the fact that Americans have been deprived of gold ownership so long.

VOLUME SOARS

Nonetheless, the Winnipeg Exchange—which has 112 registered member firms, some of which are U.S.-licensed dealers—reports that volume has soared since trading began in November 1972. Last February, at the peak of the gold fever during the energy crisis, trading reached a record 7,924 contracts. Currently volume ranges from 2½ to 5 tons a day.

Until recently, the minimum contract was 400 ounces; the exchange's margin, plus members' charges, amounted to $6,000 a contract. However, last June, to attract smaller investors, the exchange introduced a 100-ounce contract; in the first 60 days it has traded 2,703 such units. Minimum margin for the exchange and its members on this contract is $2,000.

Winnipeg futures prices have been closely related to the spot bullion quotations in the European markets; the spreads between bid and asked also have compared favorably with the latter. Indeed, Mr. Purves points out that on occasion Winnipeg prices even have influenced the London cash market, instead of the other way around.

MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 3, 1974

Mr. SMITH of New York. Mr. Speaker, it is my privilege to insert in the Record each month the Monthly Calendar of the Smithsonian Institution. The October Calendar of Events follows:

October at the Smithsonian

TUESDAY, OCTOBER 1

Museum Talk.—Campaigning American Style. Speaker: Herbert Collins, Associate Curator, Political History. 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

Anais Nin.—A reading and discussion of her works and life by the author. 8 p.m. Baird Auditorium, Natural History Building. Sold out.

WEDNESDAY, OCTOBER 2

Free Film Theatre.—*The Wizard Who Spat on the Floor: Thomas Alva Edison*. A biographical and historical film on the genius, inventor, eccentric and the practical man. Actual film footage of Edison is included. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

THURSDAY, OCTOBER 3

Creative Screen.—*Gelede*—Documentary covering the poetic rituals, paint making and traditional and improvised dancing of the masquerade festival of the Gelede, a secret society of Yoruba men in Nigeria. *New Images*—The skills of craftsmen, dancers, actors, musicians and designers of Oshogbo, a western Nigerian trading city and the focal point for art in the African society. Complete program begins 11 a.m. and 12:30 p.m. The Renwick Gallery. Free.

Free Film Theatre.—*The Wizard Who Spat on the Floor: Thomas Alva Edison*. Repeat program. See October 2 for details. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

FRIDAY, OCTOBER 4

Rehabilitation Medicine Films.—*Quick—What's Your Blood Pressure*, distributed by the Washington Hearst Association; *Kevin Is Four*, distributed by Ohio State University. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Similar films are shown each Friday in connection with the current exhibition, Triumph over Disability. Free.

National Shadow Theater of Malaysia.—First program in a series entitled *Man and His Culture*. 8 p.m. Baird Auditorium, Museum of Natural History. $5.50 general; discounts for students, senior citizens and Resident Associates. Remaining programs are scheduled for November 17 and April 18. Series tickets available. For reservations call 381-5395.

SATURDAY, OCTOBER 5

Exhibition.—*Figure and Fantasy:* Forty-eight works by six artists who have used both modern materials and techniques to express fantasy—a persistent theme in art throughout the history of man. Both peaceable dreams and fearful creatures are represented with creations that include insectlike monsters by sculptor Christopher Ray and humanoid animals of fabric maché by Joan Danziger, Bill Steward, ceramicist, Norman Labiberté, Michelle Gamm, Clifton and Tommy Simpson complete the list of artists represented in this show. The Renwick Gallery, through February 9, 1975.

SUNDAY, OCTOBER 6

Sci-Fi Festival.—*It Came from Outer Space* by Joseph M. Newman. 4 p.m. *This Island Earth* by Jack Arnold at 8 p.m. Carmichael Auditorium. History and Technology Building. These showings conclude the series organized by the Hayden Planetarium of the best in science fiction films. $1.50 each program. Tickets will be sold at the door if available.*

TUESDAY, OCTOBER 8

Museum Talk.—Subject to be announced. 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

WEDNESDAY, OCTOBER 9

Free Film Theatre.—*To Search for America*—the best, the most and the biggest—insights into the American way. *The Immigrant Experience: The Long, Long Journey*—a dramatization of the number and variety of experiences that have made us. Complete program beigns 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

Illustrated Lecture.—*Contemporary Nigerian Art*. Speaker: Mrs. Jean Wolford. Mrs. Wolford will discuss the origins and development of the important art movement underway in Oshogbo, Nigeria during the last decade. Held in conjunction with the exhibition currently on display at the gallery. 8 p.m. The Renwick Gallery. Free.

THURSDAY, OCTOBER 10

Free Film Theatre.—*To Search for America; The Immigrant Experience: The Long Long Journey*. Repeat program. See October 9 for details. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

Lecture.—*The British Style in Gardening*. Edward C. R. Fawcett of the British National Trust, will discuss the evolution of English landscape gardens and compare the main design elements of English gardens to those of France, Italy and Holland. Mr. Fawcett is a member of the Council for the Protection of Rural England, the Institute of Landscape Architects, and the Society of Architectural Historials. 8 p.m. Carmichael Auditorium, History and Technology Building, $3.*

FRIDAY, OCTOBER 11

Rehabilitation Medicine Films.—*The Flow of Life*, Washington Heart Association; *The School that Love Built*, Abilities Inc.; *Because She Lived*, Sister Kenny Foundation. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

SUNDAY, OCTOBER 13

Museum Talk.—*Adventures of an Art Detective*. Speaker: Alfred Frankenstein, art critic, San Francisco Chronicle. 2 p.m. Hirshhorn Museum and Sculpture Garden Auditorium. Free. This is the first lecture to be held in the newly opened museum.

Jazz Heritage Series.—*The Bill Evans Trio*. Baird Auditorium, Natural History Building. Free Workshop 4:30 p.m. Admission Concert 8 p.m. $4.50 general, with discounts available for students, senior citizens and Resident Associates. For reservations call 381-5395.

TUESDAY, OCTOBER 15

Exhibition.—*Abandoned Mines*. Photographs and artifacts depict what mining was like in the once-booming "Tri-State" lead

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Footnotes at end of article.

and zinc district of Kansas, Missouri, and Oklahoma. Oil paintings of the quiet landscape as it is today contrasts with the scenes of earlier days. Museum of History and Technology.

MUSEUM TALK.—*Restorations for the Centennial Exhibition.* Speaker: Bill Henson, Conservation Laboratory, Smithsonian Institution. 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

ILLUSTRATED LECTURE.—*Victorian London.* His Royal Highness the Duke of Gloucester will discuss the architectural development of London from Victorian times to the present. The Duke of Gloucester is a practicing architect in London and a member of the Royal Institute of British Architects. Cosponsored by the Victorian Society of Great Britain, Inc. and the Smithsonian Resident Associate Program. 6 p.m. Baird Auditorium, Natural History Building. $4.*

ORIENTAL ART LECTURE.—*Nizami's Khamsah: Modes of Illustration in 15th Century Iran.* Speaker: Dr. Priscilla Soucek, University of Michigan. 8:30 p.m. The Freer Gallery of Art. Free.

WEDNESDAY, OCTOBER 16

RECENT ACQUISITION.—Portrait of John Brown, by Peter Hansen Balling, will be placed on exhibition today at the National Portrait Gallery, for a six-week period.

LUNCHBOX FORUM—*Apollo-Soyuz Test Project.* Speaker: Susan McLafferty, The Center for Earth and Planet Studies, National Air and Space Museum. 12 noon. Room W531—Botany Seminar Room. Natural History Building. Free.

LUNCHEON TALK.—*The Freer Collection of Chinese Ceramics.* Speaker: Hin Cheung Lowell, Assistant Curator, Freer Gallery of Art. First in a series of slide-illustrated talks on world-renowned porcelain collections. Fee includes buffet luncheon. Remaining programs are scheduled for October 23, 30 and November 13, $12 individual program. $42 series.*

FREE FILM THEATRE.—*The Masses and the Millionaires: The Homestead Strike*—the violent episode that led into the rise of organized labor. *Andrew Carnegie: The Gospel of Wealth*—the amazing accumulation of money and power that existed in the hands of a few until fairly recently in our democracy. Complete program begins 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

COSMIC SAGA.—Dr. Richard Berendzen, astronomer and historian of science, will discuss the origin and evolution of the universe, including the birth, life and death of stars, culminating in such phenomena as black holes. The emergence of life in this cosmic setting, mankind's place in the universe and the possibility of extraterrestrial beings will also be examined. 8 p.m. Baird Auditorium, Natural History Building. $3.*

THURSDAY, OCTOBER 17

FREE FILM THEATRE.—*The Masses and the Millionaires: The Homestead Strike; Andrew Carnegie: The Gospel of Wealth,* Repeat program. See October 16 for details. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

LECTURE.—*Scottish Firearms.* Speaker: Claude Blair, Keeper of Metalwork, Victoria and Albert Museum, London. Presented by the Smithsonian's Division of Military History, Museum of History and Technology. 8 p.m. Carmichael Auditorium, History and Technology Building. Free.

ROMANTIC VERSUS CLASSIC ART.—A new film series written and narrated by Lord Kenneth Clark, dealing with the turbulent world of late 18th and early 19th century painters and sculptors. Each film is devoted to an individual artist whose work, themes and style are investigated in depth. The first program, entitled *The Romantic Rebellion,* is an introductory film defining the principal themes and motifs. Subsequent programs are scheduled each Thursday for seven weeks. 6:30 and 8:30 p.m. Baird Auditorium, Natural History Building. Series tickets: $14. Individual program tickets sold only at the door. $2. *

EXHIBITION.—*Plant Portraits.* Fifty botanical watercolors of pharmaceutical plants, combining great accuracy with sensitive insight, painted by the late Ida Hrubesky Pemberton. Museum of Natural History, through December.

FRIDAY, OCTOBER 18

REHABILITATION MEDICINE FILMS.—*Three Times a Day,* Washington Heart Association, *Children and Language Disorders,* Home of Crippled Children; *The Way Back,* Northwestern University. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

SUNDAY, OCTOBER 20

CONETIC DANCE THEATRE.—Eight young actor-dancers, directed by Martha Myers, Chairman of the Connecticut College Dance Department, present a program for children of improvisation, voice, acting techniques, and choreographed movement. A workshop follows. Performance: 2 p.m.—$3. Workshop: 3:30 p.m.—$2.50 Baird Auditorium, Natural History Building. *

WOMEN IN COUNTRY MUSIC.—*Wilma Lee and Stanley Cooper and the Clinch Mountain Clan.* 8 p.m. Baird Auditorium, Natural History Building. $5.50 general, with discounts available for students, senior citizens and Resident Associates. For reservations call 381–5395. Presented by the Smithsonian Division of Performing Arts.

MONDAY, OCTOBER 21

AUDUBON LECTURE.—*North American Wildlife.* Speaker: Larry Linnard, wildlife photographer and conservation lecturer, will discuss North American wildlife and screen his film showing the buffalo, caribou, wolverine, bighorn and pronghorn elk and Kodiak bear in their natural habitat. 5:30 and 8:30 p.m. Baird Auditorium, Natural History Building. Cosponsored by the National Audubon Society and the Smithsonian Resident Associate Program. $3 adults; $1.50 children under 16. Discounts available for members of both organizations.*

LECTURE.—*Through Poetry and Glass to a View of Life.* Laurence Whistler, distinguished English glass engraver, links the mediums of poetry and glass with readings from his poetry and slides of his glass engraving, as he discusses the ideas behind his works. Mr. Whistler's poetry has won the King's Gold Medal for Poetry. 8 p.m. The British Embassy Rotunda. $5.*

TUESDAY, OCTOBER 22

MUSEUM TALK.—Subject to be announced. 1 p.m. Carmichael Auditorium. History and Technology Building. Free.

WEDNESDAY, OCTOBER 23

LUNCHEON TALK.—*Sèvres: Porcelain of Kings.* Speaker: Carl Dauterman, Curator Emeritus, European Decorative Arts, the Metropolitan Museum of Art. 12 noon. $12.50. Fee includes buffet luncheon. See October 16 for further details.

FREE FILM THEATRE.—*The Lure of Empire: America Debates Imperialism*—the controversy over our annexation of the Philippines begins a debate that lasts to the present time. *Teddy Roosevelt: The Right Man at the Right Time*—the crucial influence of the American presidency at a time of social and economic transition. Complete program begins 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

PHILATELIC DEDICATORY LECTURE.—*The Art of Currier and Ives.* Speaker: Sinclair Hitchings, Keeper of Prints, Boston Public Library. 8 p.m. Carmichael Auditorium, History and Technology Building. Sponsored by the Smithsonian Division of Postal History, Museum of History and Technology, and the U.S. Postal Service. Free.

THURSDAY, OCTOBER 24

CREATIVE SCREEN.—*Gelede; New Images.* Repeat program. See October 3 for details. 11 a.m. and 12:30 p.m. The Renwick Galley. Free.

FREE FILM THEATRE.—*The Lure of the Empire: America Debates Imperialism and Teddy Roosevelt; The Right Man at the Right Time.* Repeat program. See October 23 for details. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

ROMANTIC VERSUS CLASSIC ART.—*Jacques Louis David, Gian-Battista Piranesi and Henry Fuseli.* See October 17 for series details. 6:30 and 8:30 p.m. Baird Auditorium, Natural History Building. Tickets sold at the door. $2.*

NATIONAL CAPITAL SHELL CLUB.—Monthly meeting and program 8 p.m. Speaker to be announced. Call 381–5604 for location. The public is invited to attend. Free.

FRIDAY, OCTOBER 25

REHABILITATION MEDICINE FILMS.—*What Goes Up,* Washington Heart Association; *Smoking and Heart Disease.* Washington Heart Association; *Goodbye to Captain Hook,* Dr. Leonard Bender. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

SUNDAY, OCTOBER 27

LECTURE.—*Mycenaeans and Phoenicians at Kition.* Dr. Vassos Karageorghis, Director of Antiquities, Cyprus Museum in Nicosia, discusses the recent excavations around Kition that have uncovered the remains of a town built by Achaeans from the Peloponnese in the 13th century B.C. 7 p.m. Carmichael Auditorium, History and Technology Building. $3.*

CONCERT.—*The American Popular Song,* featuring Margaret Whiting. 8 p.m. Baird Auditorium, Natural History Building. $5.50 general, with discounts available for students, senior citizens and Resident Associates. Presented by the Smithsonian Division of Performing Arts. For reservations call 381–6525.

TUESDAY, OCTOBER 29

MUSEUM TALK.—*Recipes, Remedies and Cures for the Teeth.* Speaker: Everett Jackson, Museum Specialist, Division of Medical Sciences. 1 p.m. Carmichael Auditorium, History and Technology Building. Free.

WEDNESDAY, OCTOBER 30

FREE FILM THEATRE.—*Catlin and the Indians*—paintings by George Catlin and the Journal he kept of his travels. *Custer: The American Surge Westward*—the inevitable conflict between two forces that had become obsolete. Complete program begins 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

LUNCHEON TALKS.—*Eighteenth Century German Porcelain,* by Jay Jefferson Miller, Curator, Division of Ceramics and Glass, Smithsonian Institution. 12 noon. $12.50. Free includes buffet luncheon. See October 16 for series details.

CONCERT.—*Concentus Musicus, Vienna.* Chamber orchestra of Vienna performing works by Handel, Pergolesi, Vivaldi, and Telemann. 8:30 p.m. Hall of Musical Instruments, History and Technology Building. $3.50 general, $1 students and senior citizens. First in a series of four concerts presented by the Division of Musical Instruments. Remaining programs are scheduled for November 2, 11, and 25: Series tickets: $12. Call 381–6525 for reservations.

THURSDAY, OCTOBER 31

FREE FILM THEATRE.—*Catlin and the Indians;* and *Custer: The American Surge Westward.* Repeat program. See October 30 for details. 12:30 p.m. Carmichael Auditorium, History and Technology Building. Free.

ROMANTIC VERSUS CLASSIC ART.—*William Blake* and *Francisco Goya.* See October 17 for series details. 6:30 and 8:30 p.m. Natural History Museum. Tickets sold at the door. $2.*

Footnotes at end of article.

OTHER ACTIVITIES

Sponsored by the Smithsonian Resident Associate Program. Call 381-5157 for information or reservations.

American Theatre Greats.—A series of three American classics performed at the Arena Stage followed by discussions with the directors. A case party follows the second production. October 22—*Death of a Salesman* by Arthur Miller. Zelda Fichandler, director. November 12—*Who's Afraid of Virginia Woolf* by Edward Albee. December 10—*The Front Page* by Ben Hecht and Charles MacArthur. Edward Call, director. Series $27, general; $22 Associates.

Tours

Calvert Cliffs Fossils, October 5 or 19.

Shenandoah Valley Fossils. October 21, 27 or November 3.

Dixieland on the Potomac (cruise). October 23.

Harper's Ferry. October 20.

Chesapeake Bay Center for Environmental Studies. October 5, 19, or November 9.

Georgetown's "Holy Hill". October 6 or 20.

Fallingwater, designed by Frank Lloyd Wright. October 12, 26, November 16.

Philadelphia Art Tour (2-days). October 17-18.

History and Antiques in Marietta, Penna. October 19 or November 9.

Classes

For a complete schedule for both adults and young people, call the Resident Associates office. Adult classes in the Arts, Humanities, Sciences and Studio workshops begin the week of October 7. Young People's classes (ages 3-18) begin the week of October 12.

Workshops (Young People)

Enameling. Conducted by Sylvia Hamers and Belle Kuhn. October 27 10 a.m.-1 p.m., October 27 (ages 9-12); 10 a.m.-4 p.m. (ages 12-18).

Workshops (Adults)

Advanced Photography Seminar. Conducted by Ralph Hattersley. 5 weeks beginning October 15. $40 general; $32 Resident Associates.

Creative Knitting. Conducted by Mary Walker Phillips. 10 a.m. to 4 p.m. November 1 or 2.

Pottery. Seminar (4 days). October 19, 20, 26, and 27. Hancock, Maryland. $95 general; $80 Resident Associates.

HIRSHHORN MUSEUM AND SCULPTURE GARDEN

Opening October 4, the Smithsonian's newest museum houses a collection of painting and sculpture of the past 125 years. The Inaugural Exhibition of approximately 400 paintings and 500 sculptures is arranged in historical sequence with European and American works side by side, reflecting major trends and styles that have evolved from the latter part of the 19th century to the present time. Major art movements of the 20th century are included such as Realism, Abstract Expressionism, Pop and Minimal Art. The Inaugural Exhibition will continue through September 15, 1975.

On opening day—October 4—a brass ensemble will provide music. Films and slides will be shown throughout the day in the auditorium and a museum shop will offer an inaugural book, posters specially commissioned for the museum's opening and painting reproductions. Self tours through use of an audio-guide system, will be available at $1.

The entire sculpture collection is comprised of approximately 2000 works in every medium by European and American masters such as Rodin, Moore, Picasso, Calder, Manzu and many others. The painting collection of 4000 works covers styles of modern American paintings from the late 19th and the 20th centuries; European painting of the last three decades is also well represented.

The Hirshhorn Museum and Sculpture Garden will be open seven days a week from 10 a.m. to 5:30 p.m. except Christmas Day. It is located on Independence Avenue at 8th Street, SW.

EXPERIMENTARIUM

Air and Space Building

To see the Earth as it truly it.—A journey that begins in Washington, D.C., goes past the moon, the solar system, the Milky Way galaxy to a hypothetical distant cluster of galaxies, and looks back at each point to see the earth and its place in the universe. Tuesdays through Fridays—1:30, 2:30, 3:30, 4:30 p.m. Saturdays and Sundays—11 a.m., 12, 1, 2:30, 3:30, 4:30 p.m. Please note: Shows start promptly, and doors cannot be opened for late arrivals. The show lasts 33 minutes.

DOMESTIC STUDY TOURS

For information on the following tours, contact Mrs. Howe, Room 106-S1, Smithsonian Institution, Washington, D.C. 20650, or call 381-5910.

Everglades: Nov. 10-15, 1974.

Weekend at Sturbridge: Jan. 17-19, 1975.

Baja Whale Watch: Feb. 6-15, 1975.

RADIO SMITHSONIAN

Radio Smithsonian, a program of music and conversation growing out of the Institution's many activities, is broadcast every Sunday on WGMS-AM (570) and FM (103.5) from 9-9:30 p.m. The program schedule for October:

6th—*Opening in Washington*. A look at the Smithsonian's new Hirshhorn Museum and Sculpture Garden, featuring an outstanding collection of modern art. Guests include Joseph Hirshhorn and museum director Abram Lerner.

13th—*Thelonius Monk*. Martin Williams, Director of the Smithsonian's Jazz Studies Program, focuses on one of the giants of contemporary jazz.

20th—*Life in the Ice Age*. A look at the great events of the Ice Age, including the emergence of man, as depicted in a new exhibit at the Museum of Natural History.

27th—To be announced.

Dial-A-Phenomenon.—737-8855 for weekly announcements on stars, planets and worldwide occurrences of short-lived natural phenomena.

Dial-A-Museum.—737-8811 for daily announcements on new exhibits and special events.

PUPPET THEATRE

The Book of Three, by Lloyd Alexander, performed by Allan Stevens and Company. The story follows a 13-year-old boy, eager to become an heroic adult but unable to find the key, and the cast includes enchantresses, an enchanter and bard with harp. Performances are scheduled Wednesdays through Sundays at 10:30 and 11:30 a.m., with an added performance on Saturdays and Sundays at 1:30 p.m. $1.25 per person with discounts available for groups of 25. For information or reservations call 381-5395. Presented by the Smithsonian Institution Division of Performing Arts.

ZOO CLASSES

Three series of classes beginning October 12, 1974, conducted at the Zoo and supplemented by slides and movies. Sponsored by Friends of the National Zoo. Call 232-7703 for applications.

Growing Up! Young Animals and Their World. (ages 5-7 years) How young animals learn to survive, what they know by instinct and how much is learned from parents and peers. Saturdays 9:30 a.m.—four weeks.

Behind the Scenes. (8-11 years) Zoo keepers will discuss their animal's living accommodations, their general behavior and reaction to people. A special tour of the Zoo commissary will show how food is prepared for the animals. Saturdays 1-2 p.m.—eight weeks.

The Development of Play and Social Behavior in Young Mammals. (adults) Young mammals from birth to maturity with emphasis on social behavior and the art of observing animals with a minimum of equipment. Saturdays 10:30 a.m.-noon—eight weeks.

HOURS—OPEN 7 DAYS A WEEK

Arts and Industries Building, National Air and Space Museum, National Museum of History and Technology, and the National Museum of Natural History. Freer Gallery of Art, National Collection of Fine Arts, National Portrait Gallery. The Renwick Gallery, Smithsonian Institution Building—10 a.m.-5:30 p.m.

Anacostia Neighborhood Museum—10 a.m.-6 p.m. Monday through Friday; 1-6 p.m. weekends.

National Zoo Buildings—9 a.m. to 4:30 p.m.

DEMONSTRATIONS

Museum of History and Technology

Spinning and Weaving.—Tuesday through Thursday, 10 a.m.-2 p.m. 1st floor.

Printing and Typefounding.—Monday, Tuesday, Thursday, Friday, 2-4 p.m., 3rd floor.

Musical Instruments.—A selection of 18th and 19th century instruments, and American folk instruments, Hall of Musical Instruments, 3rd floor, 11 a.m. Mondays and Fridays—18th century keyboard; Wednesdays—lutes and guitars; Thursdays—Folk.

Machine Tools.—Tuesday through Friday, 1-2 p.m. 1st floor.

MUSEUM TOURS

National Portrait Gallery.—Permanent collections or special exhibition *in the Minds and Hearts of the People: Prologue to Revolution: 1760-1774*. Daily between 10 a.m. and 3 p.m.

Museum of History and Technology.—Highlights—Monday through Friday: 10:30, 11:30 a.m. and 1:30 p.m.

Saturday and Sunday: 10:30 a.m., 12 noon, 1:30 p.m. and 3 p.m.

First Ladies Gowns—Monday through Friday: 10:15 and 11:30 a.m.

Spirit of 1776.—Tuesday through Friday. Group tours only, call 381-5030.

MISCELLANEOUS

Change of Address or calendar requests: Mail to Central Information Desk, Great Hall, Smithsonian Institution Building, Washington, D.C. 20560. For changes of address, please include mailing label.

Deadline for November calendar entries: October 7. The Smithsonian Monthly Calendar of Events is prepared by the Office of Public Affairs. Editor: Lilas Wilshire.

Use of funds for printing this publication approved by the Director of the Office of Management and Budget, June 3, 1971.

U.S. Government Printing Office: 1974—546-600/15.

RECENTLY OPENED

Dean Acheson Portrait, by Gardner Cox.—A replica of the artist's earlier work that hangs in the State Department building. Through October 15 at the National Portrait Gallery.

Life in the Universe.—Slide shows, films and other graphics speculate on the possibility that there might be life beyond earth. Drawings and cartoons furnish information on earth—the only planet known to support life—and other visuals portray strange forms of life one scientist considers could possibly evolve on other plants. Chef Julia Child is featured in a film preparing a primordial soup. Other films are *Powers of 10* by Charles Eames and *Theories of the Origin*

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*Indicates programs sponsored by the Smithsonian Resident Associate Program. Discounts are available for members and students. For attendance or other information call 381-5157. Unless otherwise indicated, tickets should be purchased in advance, and will be sold at the door only if available.

of the Universe and Solar System. A model of the Viking spacecraft scheduled to land on Mars in 1976 and a globe of Mars that was mapped by Mariner 9 are among the other objects on display. National Air and Space Museum, Arts and Industries Building.

DISCOVERY ROOM VOLUNTEERS

Volunteers are needed to conduct tours in the Discovery Room in the Museum of Natural History. Applicants must be willing to work one day a week on a regular basis. Call Peggy Mahood, 381-5546 or 381-5985 for information and application.

SENATE—*Friday, October 4, 1974*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Come to us, Thou Light of the World, to banish our doubt, restore our faith, and direct our labors. Lift our eyes to the wide horizons above the noise and strife and tumult of our turbulent times. Help us to remember that each of us is an immortal soul with an eternal destiny—that while we labor in the fields of time, life is finally assessed by the enduring dimension of eternity. Spare us from being little souls with small ideas and narrow views. Light up our days with the knowledge that we belong to the kingdom which is both visible and invisible, temporal and eternal, a kingdom of love and peace and joy. Then may we offer our work to Thee and worship Thee—the ever-living, ever-loving God, to whom our prayer ascends.

Through Him who is the Light of the World. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, October 3, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of John A. Birknes, Jr., of Massachusetts, to be U.S. marshal for the district of Massachusetts.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF DEFENSE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Defense.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. AIR FORCE

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Marine Corps.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—AIR FORCE, ARMY, NAVY, AND MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, the Army, the Navy, and the Marine Corps, which had been placed on the Secretary's desk.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Does the Senator from New Hampshire desire to be heard?

Mr. COTTON. No, Mr. President, I do not desire to be heard.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be taken out of my time.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I understand that under the previous order, the Senator from Connecticut (Mr. WEICKER) was due to speak for 15 minutes, to be followed by the Senator from Virginia. I ask unanimous consent that that order be reversed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Virginia (Mr. HARRY F. BYRD, JR.) is recognized for not to exceed 15 minutes.

TO BEAT INFLATION GET A GRANT (THE PAY IS GOOD)

Mr. HARRY F. BYRD, JR. Mr. President, concern is increasing throughout the country about the enormous deficits which the Federal Government has been running.

More and more Americans are rightly demanding that the Government set an example in the fight against inflation by showing restraint in its own spending.

I think there is now a consensus among economists that the huge deficits of the Government—$133 billion, or more than one-fourth of the total national debt, in the 6 years ending next June—are a major factor if not the major factor, in the inflation which is eroding the buying power of the worker's dollar.

In an effort to contribute to the fight against inflation, on Tuesday I began a series of speeches pointing out examples of wasteful and inappropriate uses of tax funds. This is my fourth report in this series, which I shall continue daily until the scheduled adjournment of the Congress on October 11.

I have mentioned previously some of the grant awards and policies of the National Science Foundation, which sponsors studies of such obscure subjects as "Early Phases of Hominid and Pongid Evolution" at public expense, and which has awarded more than $1.5 million in grants for studies at Yale University and Harvard University in the field of social sciences alone.

Today I want to point out that NSF is a most generous paymaster.

Many of the principal researchers on NSF social research projects are paid at an annual rate of up to $45,000.

For example, the principal investigator in charge of a project titled "Interpersonal Relations Within the Family" is drawing $7,212 for 2 months' work, which is an annual rate of $43,272.

Another investigator, associated with a study of "Conflict, Justice, and Cooperation," received $7,575 in salary for 2 months' work, which on an annual basis works out to $45,450.

Nice work, if you can get it.

Both these rates of pay are higher than the annual compensation of Members of the Congress and all but the top officials of the executive and judicial branches of the Federal Government.

Such pay rates no doubt contribute to the large size of many grants for studies by the National Science Foundation. I have mentioned some of these studies in earlier speeches, but I want to cite here two six-figure grants as a further illustration.

One of these studies, entitled "Trends in Tolerance of Nonconformity," has cost the taxpayers $350,000.

The other, an experimental demonstration of "interactive television" in Stockton, Calif., carries a price tag of $246,700.

These are not isolated examples. In fact, NSF has made at least two such awards in the millions of dollars, which I shall discuss next week.

But I do not wish to dwell too long on the National Science Foundation. Examples of inappropriate spending by the Government are everywhere.

The Department of Health, Education, and Welfare sponsors a program of faculty research abroad. Among recent subjects explored under this program are "The Growth of Karachi as a Trading Center and Development of the Sindhi Mercantile Community Under British Rule (1843–1947)," for $11,790 and "Changes in the Polish Family," for $5,800.

The Department of Defense operates a joint Army-Navy-Marine Corps band school at the Little Creek base near Norfolk, Va. Although soldiers, sailors, and marines must be proficient musicians before being accepted into their services as bandsmen, the school conducts a 26-week course for entering musicians at a cost of $5.4 million per year.

Navy band leaders receive 1½ years of training at the school—as much as a jet fighter pilot.

The Air Force has an extensive band program of its own and does not participate in the joint school.

While I favor keeping a reasonable number of military bands—an old and honorable tradition of armed forces everywhere—I question the length and expense of this particular training.

The National Endowment for the Humanities encourages work by young scholars under a program called "Youthgrants."

Apparently, youth will be served. One young researcher will receive $7,857 "to conduct intensive field work in San Francisco in order to analyze the multiplicity of ways children at play utilize the urban environment as a theatrical and mythical arena." Translated, I guess that means watching kids play soldier and cops-and-robbers.

I want to restate a caveat which I have issued before about the critique I am making of spending, particularly in the areas of research. I do not judge the merits of the research; hopefully, many of the studies will be valuable.

It is my contention, however, that it is unfair to force the hardpressed taxpayers of this country, laboring under the burden of inflation, to pay for projects with little or no relation to their welfare.

It is essential that we cut Federal outlays in order to fight inflation, and if we are serious about this, we must reexamine closely the way in which the taxpayers' money is being spent.

Mr. President, how much time do I have remaining?

The PRESIDENT pro tempore. The Senator has 8 minutes remaining.

Mr. HARRY F. BYRD, JR. Mr. President, I yield to my distinguished colleague from Idaho (Mr. McClure).

Mr. McCLURE. Mr. President, I thank the Senator from Virginia for yielding. I do not need to remind this body or the taxpayers of this Nation of the great service that the Senator from Virginia has provided over the years in calling attention to excessive Government spending and the impact that it has upon our Nation's economy. Other voices are being raised today, but none so consistently as his.

I was quite interested in a recent rating which was issued by the Connecticut Taxpayers' Association, which rated the inflationary aspects of spending votes by the Members of Congress itself, pointing out that Congress bears the responsibility for the spending levels, and that the inflation that results from that spending can be measured from key votes in both the Senate and the House of Representatives.

In my remarks on the economy Wednesday, I referred to this new rating of Members of Congress based upon an inflation index. The Connecticut Taxpayers' Association is to be commended for issuing the rating, because it is quite simply the one and only rating of which I am aware that deals with the most important problem facing our country today.

That same day, the Wall Street Journal addressed itself editorially to the new rating system and drew this conclusion:

> Political democracy is so constituted that the legislators who are most often forced onto the defensive are those who oppose excessive spending and who favor balanced budgets—that is, those who don't just talk about fiscal economy but actually vote for it . . . in short, a big spender who claimed to be motivated by "compassion" could usually prevail over a skinflint opponent who put "budgetary concerns above social needs." But political compassion would probably take on a far different light if it came equipped with some sort of reliable price tag.

Perhaps, Mr. President, this sort of reasoning was behind the legislative proposals advanced by the Senator from Kansas (Mr. Dole) and the Senator from Wisconsin (Mr. Proxmire) that we put a price on each legislative proposal introduced or which is reported out of committee.

In any event, I think it would be well for my colleageus to ponder the editorial, and I ask unanimous consent to have printed in the Record the editorial to which I have referred, entitled "Dubious Achievement," and published in the Wall Street Journal of October 2, 1974.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Dubious Achievement

A group calling itself the Connecticut State Taxpayers Association is on to something, judging from its press release that crossed our desk recently. Instead of limiting its concern to state issues, as in the past, the nonpartisan organization has compiled a unique Spending and Inflation Index.

The way it works, the association analyzed 15 votes in the U.S. Senate and 15 in the House of Representatives, encompassing such things as public works, foreign aid and mass transit subsidies. According to the association's calculations, the 123 Congressmen who voted for every measure voted in effect to spend more than $10 billion, a figure representing about two-thirds of this year's federal deficit. They, along with 36 Senators, were given the association's "Most Inflationary Politician of 1974 Award."

Obviously, votes on issues are not really as cut-and-dried as all that. It's possible to fashion good arguments for most of the 30 proposals in question. Still, the politicians who qualify for the association's award are for the most part precisely those any reasonably informed follower of public affairs would expect. Moreover, we see no good reason why the Connecticut group shouldn't rate Congress by its own fiscal yardstick when the ADA, ACA, AMA, NEA, COPE, and others rate Congressmen according to how closely they adhere to organizational policy lines

But there is a more important reason why a "Spending and Inflation Index" strikes us as potentially useful. Political democracy is so constituted that the legislators who are most often forced onto the defensive are those who oppose excessive spending and who favor balanced budgets—that is, those who don't just talk about fiscal economy but actually vote for it.

There are exceptions, to be sure. Certain congressional districts, even an occasional state, will send a fiscally conservative delegation to Washington. And there are signs the public no longer looks with quite the same favor upon big spenders. But by and large, constituencies are built and maintained by voting to spend more and more on bigger and bigger programs. Few policians ever lost votes by dipping their fist into the congressional pork barrel.

In short, a big spender who claimed to be motivated by "compassion" could usually prevail over a skinflint opponent who put "budgetary concerns above social needs." But political compassion would probably take on a far different light if it came equipped with some sort of reliable price tag.

Mr. McCLURE. I thank the Senator again for yielding.

Mr. HARRY F. BYRD, JR. I am grateful for the kind remarks of my friend from Idaho.

A SUGGESTION FROM THE SHENANDOAH VALLEY

Mr. HARRY F. BYRD, JR. Mr. President, one of the ablest and most thoughtful editorial writers in the State of Virginia is Maj. Gen. E. Walton Opie. General Opie for many years has been editor and publisher of the Staunton, Va., Leader, an excellent newspaper published in the heart of the Shenandoah Valley.

General Opie is not only thoughtful and able, but he is forthright in the expression of his views. He has an interesting and excellent editorial page.

I was particularly impressed with his editorial of October 1, 1974, captioned "Suggestion to President and Nation." In that editorial General Opie expressed deep concern, and indeed alarm, at the economic condition in which the Nation and the world finds itself today. I quote several sentences from his editorial:

> Another war is on today. It is oppressing Americans and those of many other countries. The forces waging it are not military, but economic. But they threaten freedom, they are causing privations, with starvation in some countries. They are robbing those who have made savings in their varied forms, and stealing the weekly earnings of those who have families to support.

Then General Opie urges an all-out war on inflation, and makes suggestions to the Congress, to the President, and to the Nation.

While I am not prepared to endorse every aspect of the editorial's suggested program, it does have, I feel, considerable merit. I invite the attention of my colleagues to the editorial. It is thoughtful and well reasoned.

I ask unanimous consent that the editorial entitled "Suggestion to President and Nation," published in the Staunton, Va., Leader, of October 1, 1974, be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SUGGESTION TO PRESIDENT AND NATION

(By E. Walter Opie)

Aren't the people of the United States as patriotic today as they were in World Wars I and II, when there was almost universal recognition that freedom was in jeopardy and any sacrifice to preserve it was justified?

There are some grounds for doubting that patriotism, involving individual as well as national, corporate sacrifice, is not as strong as it was at fever pitch to "save the world for democracy" and to destroy Germany's Nazi regime of murders and slave drivers. These doubts, however, surely apply to only a small percentage of our people.

Another war is on today. It is oppressing Americans and those of many other countries. The forces waging it are not military, but economic. But they threaten freedom, they are causing privations, with starvation in some countries. They are robbing those who have made savings in their varied forms, and stealing the weekly earnings of those who have families to support.

This war, like predecessors, threatens freedom itself, for it could lead to dictatorships under a "man on horseback". Britain may be the first to succumb. Portugal, Italy, and India are not far behind.

The United States could not be sacrosanct to such an enemy as inflation, which has multiple impacts, some which oppress us all. Should it bring a major depression, political upheaval would be the almost certain result, Authoritarian government in some form akin to communism, could follow.

Successive U.S. president have seen some of these dangers and have made war on inflation, but without success. President Ford's first action was to declare renewed war on this enemy. He has just concluded a summit conference of knowledgeable leaders to generate new ideas for the coming offensive, but again there was division as to strategy and tactics.

No war on inflation is going to succeed without predominance of patriotism that will make sacrifices not only acceptable but a joyous surrender of self for a people's victory against a common enemy.

No war on inflation is going to succeed unless the spirit of patriotism is thoroughly aroused and harnessed.

Remember the bond drives which won heavy sacrifices by the people to provide funds for waging the wars against the Kaiser and later against Hitler?

Why not a drive now to obtain signatures to pledges by every worker, whatever the color of collar, to accept without delay a pay reduction of five percent as a starter? Of every labor union, professional, business, industrial and transportation organization, of government leaders, workers and military forces? Of banking institutions to lower interest charges? Of members of Congress?

To arouse and use patriotism, why not organize along the lines of those buy bond drives, with public gatherings, bands, parades, stars of movies, television, theatre and opera, political leaders of states and nation, with supporting campaigns by all communications media?

If there is going to be a real war on an enemy that has become insatiable and relentless, threatening not only the well-being of the nation and its populace, let there be a rousing effort to awaken every citizen to his peril, to the fact that every free man, woman and child is in the same boat, and that only sacrifice and hard work for production such as that which won the country's other wars can win this one.

Unless, Mr. President, your campaign plan includes such measures to awaken the American people, it cannot win.

Mr. HARRY F. BYRD, JR. Mr. President, I yield back the remainder of my time.

The **PRESIDENT** pro tempore. Under the previous order, the Senator from South Carolina (Mr. THURMOND) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I believe the distinguished Senator from Connecticut (Mr. WEICKER) had priority, unless an agreement has been worked out.

Mr. WEICKER. I yield.

INFLATION

Mr. THURMOND. Mr. President, we must recognize the gravity of our current economic crisis. If prices keep rising at their current level, the very future of our Nation is in jeopardy. Many of the causes of this inflation can be identified. In 1972, crop harvests in a number of countries were disappointing. In 1973, we saw a dramatic increase in worldwide demand for labor, raw materials, and finished goods. The oil exporting Arab countries then drastically altered the traditional supplies of petroleum products. Wage and price controls that were implemented resulted in economic distortions, and their termination brought a bulge in wages and prices. However, the basic cause I believe, has been continued irresponsible spending by the Federal Government.

Mr. President, contrary to the apparent thinking of some Members of Congress, problems do not go away just because you spend excessive sums of money on them. We live in a world of limited resources and cannot continue the naive assumption that the Federal Government can spend its way to Utopia. Somewhere, someday, someone must bear the consequences. Our citizens are paying the price now with the ever-decreasing value of the dollar.

Mr. President, I would like to examine a few of the contributing factors to inflation for which the Congress has to accept responsibility. Inflation results not only from excessive and irresponsible spending, but from other programs which increase the cost of goods and services to our consumers.

This Congress should be aware that the overburdening maze of regulations cast on our Nation's businesses and industries has resulted in a definite and measurable increase in our inflation. I realize the value of some Federal restrictions in the area of environmental protection and other areas affecting the health and well-being of our citizens. However, we must not forget that this is a balancing process and excessive Federal regulations and restrictions can be inflationary. This is true because the price of goods and services is forced up by the costs of attempting to comply with all these regulations. I challenge my colleagues to consider the full impact of the decisions they make which affect the productivity of our Nation's industries and businesses.

Another factor contributing to inflation is our present food stamp program. This program should be directed only to those who are in need and cannot help themselves, not to those who can and should provide for themselves. Mr. President, I do not believe our present program accomplishes this objective. Furthermore, as I have previously stated on several occasions, the distribution of food stamps to a household where the head of the household chooses to participate in a labor strike should be stopped. The purpose of the food stamp program should not be to subsidize those who have jobs and are able to support their families. How can the Congress continue to ask our taxpayers to bear the ultimate burden of financing a program that is just another example of the excessive spending of Congress? Mr. President, I feel that once again we should take time to reevaluate our present food stamp program in light of the urgent need to curb Federal spending to fight inflation. This is certainly one area in which adjustments can and should be made.

In this same vein, it is my feeling that this Congress has been too susceptible to the power and influence of certain interest groups and has not always exercised sound judgment in making decisions on expenditures. For instance, I have been concerned about the great influence wielded by the labor unions in this country. I feel labor unions can serve, and in many instances have served, useful purposes. However, more and more frequently, I see their influence being exerted to the detriment of our citizens. One example that comes to mind is the recent proposal of amendments dealing with the Occupational Safety and Health Act to the Labor/HEW appropriations bill. The influence and power of the labor unions apparently played a major role in defeating attempts that were made to modify the present law to make it more acceptable, reasonable, less costly, and in line with the objectives of voluntary compliance and safety.

Another example is H.R. 8193, the Energy Transportation Security Act of 1974. Apparently ignoring the inflationary effects that this piece of legislation would have on energy prices in this country, Congress steamed-rolled ahead and passed what, in effect, is a subsidy to the maritime unions. I sincerely hope the Senate will reconsider this legislation when the conference report comes before us in the near future. It has been estimated that this bill will increase our energy costs $25 to $31 billion over the 1975 to 1985 period.

On July 24, 1973, I introduced S. 2237, a bill which would remove from the antitrust laws exemptions now granted to labor unions. Although the hearings that were originally scheduled on this bill have been temporarily postponed in order not to prejudice pending litigation, I am hopeful consideration of this legislation will be continued soon.

We must be careful that power and influence do not become concentrated in any one particular group, be it labor, business or some other group. When special interest groups become so powerful that the interest of our Nation's people and the stability of our Nation is sacrificed for the short-term benefit of a few, we cannot make the difficult decisions to keep our country sound.

I was pleased at President Ford's interest in the recent Summit Conference on Inflation held here in Washington. President Ford has committed himself solidly in the battle against inflation. However, he cannot fight the battle alone. He needs the assistance of this Congress. Quite frankly, I was disappointed at the Senate's adoption of Senate Resolution 394, which overrode the President's decision to defer a pay raise for Federal workers. Congress rejected President Ford's first specific request in his program to counter inflation. As I expressed at that time, I did not feel that Federal employees should be the only ones to make a sacrifice in the fight against inflation. However, I felt this deferral was a necessary first step in the battle we must wage.

In recent years, numerous criticism and concern have been expressed over the waning influence of the legislative branch of our Government as compared to the executive branch. I support a strong legislative branch, on an equal par with the executive and judicial branches of our Government. Such is essential for the proper functioning of our Government. However, those of us who advocate a strong legislative branch must be willing to bear the responsibility for the action, or inaction, in assisting the administration in its efforts to curb inflation. Let us ever be mindful of this responsibility and act accordingly.

We must cooperate with the President to keep Federal expenditures for fiscal year 1975 at or under $300 billion. In my opinion, this is the most important single step we can take. This is a step forward in attaining a balanced budget. I recently joined in support of a resolution proposed by the distinguished Senator from Nebraska (Mr. CURTIS) which calls for a constitutional amendment to require a balanced budget. This proposal is realistic and sensible in light of the absence of fiscal responsibility that has been displayed by the U.S. Congress. It is unfortunate that a balanced budget cannot be attained more readily. As an elementary matter, we cannot, as a country, continue to spend more than we take in.

I believe some action should be taken to relieve the seriously depressed housing market in our country. I have been favorably impressed by the proposal that we consider a Federal tax exemption on interest earned on savings accounts. This would encourage our citizens to save and, at the same time, provide additional money to bolster the sagging housing industry. After taking this step to increase money available for mortgages, the Federal Reserve can continue to maintain control over the money supply.

We, as Americans, must be ever mindful that the employment of conservation measures can be a positive step in combating inflation. Energy conservation was mentioned numerous times at the recent Conference on Inflation as an immediate step we could all take together. As was pointed out at the conference, conservation actually attacks two causes of inflation. It cuts down on excessive demand and increases limited supply.

In addition, I am of the opinion we should consider tax incentives to encourage capital expansion to increase the productivity of our industries, particularly in the energy area. This capital expansion should combat unemployment and provide increased goods and services for consumption. Action should also be considered to increase the productivity of the agricultural sector.

As a final matter, I would like to comment on one point of concern to me. Our fight against the problem of inflation must be a united one. We cannot afford to divert our attention to petty partisan politics on this issue. To those of my Democratic friends who fall to such temptation—there are some and probably will be more—I would only remind them that it has been the policy of the Democratic Party to spend excessively. Big Government, big spending and big deficits, as opposed to fiscal responsibility, has characterized the Democratic Party not the Republican. So let us move together for a day of reckoning is coming, my colleagues. The people of this Nation are not going to stand for a Congress, be it of Republican or Democratic majority, that continually expresses concern over inflation but continually does nothing about it.

Mr. President, I yield the floor.

Mr. McCLURE. Will the Senator yield?

Mr. THURMOND. Mr. President, I am very pleased to yield to the able Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from South Carolina for the leadership he was shown in pointing out some of the positive things Congress can do as well as some of the things Congress in the past has done to contribute to the inflationary rate we have today.

I think it was Harry Truman who said, "The buck stops here."

The buck stops here on our desks.

I thank the Senator from South Carolina for the leadership he has shown in pointing out that Congress has a responsibility and that Congress can respond to that responsibility.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Idaho.

I simply want to say that the President of the United States does not authorize money, he does not appropriate money. It is the Congress of the United States that holds the purse strings. We can bring a balanced budget if we want to do it. Congress can stop deficit spending. We, the Senators and House Members, can stop spending more than we take in. The responsibility is ours. It rests on our shoulders.

I believe the people of this Nation are going to realize that, and they are going to hold Congress responsible, and Congress is responsible.

If we want to maintain sound fiscal matters in this Nation, Congress can do it. I challenge Congress, of which I am a Member, I challenge Congress to meet this responsibility and let us balance this budget, quit spending more than we take in. This, I think more than any other one thing, will help to remedy this terrible curse of inflation.

The PRESIDENT pro tempore. Under the previous order, the Senator from Connecticut (Mr. WEICKER) is recognized for not to exceed 15 minutes.

Mr. WEICKER. Thank you, Mr. President.

THE ENERGY CRISIS

Mr. WEICKER. Mr. President, a year has passed since the Nation grappled with a visible energy crisis.

Visible in the sense that we as Americans were:

Stalled in long lines at gas stations.

Often immobilized by gas shortages across the country.

Forced to pay half again as much for gasoline.

Required to slow down with lower speed limits.

And utilities were constrained to cut output for lack of fuel supplies.

Here it is 1 year later and though the crisis is not as visible, the harsh realities of the world energy situation can no longer be ignored. For the crisis has worsened with sky-high oil prices being exacted by Arab and other foreign producers, resulting in economic disruption around the world and the threat of economic disaster facing many Western as well as the developing nations.

And what has this Nation's response to the crisis been? Have we developed as one might expect—

Bold initiatives to promote Project Independence?

Full funding for mass transit?

Accelerated development of alternative energy sources as solar energy, nuclear energy?

Mandatory fuel conservation programs to reduce high demand and consumption levels?

No, very sadly, none of these logical responses have been forthcoming.

Rather, in 1 year's time, the only new development is that we have simply accepted dependence on and blackmail by, the Arab States and other foreign producers.

I submit that this Nation cannot afford to resolve any problem in such a fashion. It can no longer ignore the economic and energy facts of life.

Therefore, I am again urging that Congress and the administration deal with hard solutions to a crisis that cannot be compromised.

Specifically I am convinced that we as a nation must reduce our heavy reliance on imported oil and institute stringent fuel conservation measures to hold down demand. And consumption can be reduced successfully, without completely sacrificing the mobility and employment opportunities of the people, only if we are willing to make a full commitment to developing transportation modes other than the automobile.

Let me now discuss three critical areas of realistic action toward solving the energy crisis.

In February of this year, I introduced legislation mandating some form of nationwide gasoline rationing. This proposal did not endorse a coupon system, rather contemplated consideration of a number of fuel conservation programs. At that time I emphasized that we had to face up to the reality of a prolonged energy crisis and effect immediately a program of reduction in a nationwide energy consumption. A rationing system would insure an equitable solution toward reducing consumption by all Americans rather than rationing a few by price, the poor and disadvantaged, those with fixed income, those of low and middle incomes.

Now, Mr. President, I would recommend consideration of a system which would involve the following.

In each family, the first car would be left in the garage 1 day a week, a day chosen by that family, a sticker placed on the windshield so that if the car was on the road that particular day enforcement would take place either by local or State police officials.

If there are two cars in the family, then just the second car would have to remain, again on days chosen by the family, in the garage 2 days a week.

Anything over two cars in the family, the car would stay in the garage 5 days a week.

Now, by that minimal sacrifice by all Americans and done in a way which is best tailored to their particular needs, by that minimal sacrifice, believe me, our demand would plummet, and when the demand plummets the price plummets. When the price plummets insofar as gasoline is concerned, then it also goes down in those areas associated with gasoline, fuels, utility bills, and so on down the line.

I notice mass trial balloons are being flown by the White House. Former Secretary Laird mentioned the possibility of rationing today.

I want the President to know, before he goes before Congress next week, that I am willing to stand beside him and ask that we do engage in some form of sacrifice to resolve this problem.

I am not afraid of rationing, and I am not afraid of asking the American people to engage in some form of sacrifice in order to get us out of the bind we are in.

In that sense, I support this because it is much fairer than raising the prices that we already have. Let us all take a bit of the burden on our shoulders.

Mr. MANSFIELD. Will the Senator yield?

Mr. WEICKER. I am happy to yield to the Senator.

Mr. MANSFIELD. Mr. President, I wish to aline myself with the remarks made by the distinguished Senator from Connecticut.

I am somewhat perturbed at talk about a 10-cent increase in the price of a gallon of gas, a 20-cent increase, some even mentioned a 30-cent increase in the price of gas and that will be most inequitable because it will fall on the people who can least afford to pay and will fall on people who need gasoline in their cars to get them to and from work to make a livelihood.

So I think that would be counterproductive.

Rationing, I think, under the proper conditions, on an equitable basis, would be one way to face up to a situation which I think too many of our people are taking for granted. They have forgotten the days of last winter when they had to wait in lines and scurry around to get 2, 3, or 4 gallons of gasoline at a time.

I am delighted that the Senator has made this statement again. This is not the first time for him. Last year he was advocating the same thing. I received a good deal of criticism, or some criticism, last year when I came out for rationing, especially in my home State. But this is far more preferable than an increase in the price of gasoline. It is far more equitable. It is one way that we can bring about a reduction in the use of energy, and in that way face up at least partially to our responsibilities.

I commend the Senator.

Mr. WEICKER. I thank the distinguished Senator from Montana who has indeed been in the forefront in calling for solutions which, had they been enacted a year ago, would be far less painful than today.

In this Nation today does anyone understand that, whereas we have a horror of additional taxes, what is being paid in the way of increased oil prices to the Arab nations is really just the same as a tax? Only we are not paying it to our own Government; we are paying it to the Arab governments.

I would much rather pay whatever money it is I am going to pay to my own Government to create that quality of life, in terms of energy self-sufficiency, mass transportation and so on, which assures us we will be independent and enjoy mobility.

As I said, this fuel crisis is still with us.

In the short run, we are all suffering. It originally affected the poor and those of moderate income, but now all Americans understand the severe effects of inflated prices of oil imposed upon us by the OPEC nations. An international cartel of oil producing nations continues to raise oil prices, fueling the fires of serious inflationary spiral among Western industrial nations in decades, and causing economic dislocation and disruption and suffering worldwide.

As a complement to a program of nationwide energy conservation, I submit that the United States should reinstitute the oil import quota system, this time with strict and well-defined policy directives emanating out of the Federal Energy Administration. Conservation at home and limitation on importation from abroad form a two-pronged attack to eliminate our dependency on foreign oil. Such an effort would further promote the proper economic and political incentives for full exploration and development of indigenous natural resources. A brief analysis of the facts dictates the need for decisive governmental action.

Government and private industry studies indicate a continued rise in domestic energy needs and consumption and a corresponding increase in the dependence upon foreign oil supplies. In 1959 this country's oil imports accounted for roughly 10 percent of its energy needs. Now, the Federal Energy Administration estimates that imports account for 30 percent of our oil needs. At our present rate of consumption, it has been estimated that over 50 percent of our oil requirements will be imported by 1980, at a cost that will surely wreak economic havoc on this Nation and the international financial system. One only need consider our present balance-of-trade problem—a record August balance-of-payments deficit of $1.1 billion—to recognize the devastating dislocation of the energy crisis on all nations.

Along with the attack on our dependency on foreign oil, and a commitment to providing economic and political incentives for exploration and development of U.S. energy resources, we must surely address the issue of alternative transportation systems to move Americans.

Yesterday, a House-Senate conference committee, responding to a threat of a veto, agreed to a comprehensive $11.8 billion program providing Federal assistance for mass transit over the next 6 years. That is less than $2 billion per year and that is not enough to build a decent rail system in Connecticut or Massachusetts, never mind the United States. In fact, the Department of Transportation, noting that the required costs for new rail guideways continue to outpace federally authorized funds, projected that capital improvements done would require over $3 billion per year through 1990.

In the period of 17 years, between 1950 and 1967, automobile ownership doubled; at the same time, public transportation ridership and facilities declined. Since 1967, the trend has continued. To adequately address this imbalance in our transportation system, will demand a massive Federal commitment to the improvement and modernization of urban mass transit systems, bus and rail.

Therefore, today I am calling for a substantial increase in the authorization of the Federal Mass Transportation Act of 1974; $11.8 billion over 6 years is totally inadequate to do the job that needs to be done. I believe it is essential to double the Federal commitment during this 6-year period. If if should mean increased taxes, and it should, if we are to remain fiscally healthy, then I say fine, because I would rather pay my money to my Government and get a train than pay blackmail to an Arab and get the back of his hand.

It seems to me the time has come to stop the talk, assume the mantle of leadership, and give direction to this Nation in that area which is most responsible for the present economic uncertainties—the impact of international oil cartels.

I think with the programs that I have laid forth here indeed we can do more than just yell invectives at the Arab nations. We give ourselves the necessary muscle to achieve a positive result of this Nation.

Mr. President, I yield back the remainder of my time.

The PRESIDENT pro tempore. Under the previous order, the Senator from Montana (Mr. MANSFIELD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I shall take only a few minutes. All I want to do is agree with and follow up on what the distinguished Senator from Connecticut has said this morning. I call to the attention of the Senate that, a week ago this morning, I had the following to say at the opening of the Summit Conference on Inflation. This is a recommendation, a personal recommendation on my own part.

> Beginning an equitable rationing system for energy and other scarce materials to the end that dependency on foreign sources of petroleum can be reduced and beginning, too, a stringent conservation system including measures to enforce the speed limit—

Which is supposed to be at 55 miles an hour to conserve gasoline. If you can find anybody traveling at 55 miles an hour today you are looking at someone who is a rarity on the road.

> And to bring about a reduced of wastage in the utility and other industrial fields;

I believe the distinguished Senator from Wisconsin (Mr. NELSON) and also the Secretary of the Treasury, Mr. Simon, have indicated on several occasions that we waste somewhere between 30 and 40 percent of the energy which we use. Certainly, there must be some way that we can face up to that loss, do something about it, and, in that manner, also decrease our dependence on imports of foreign petroleum.

I would hope also that ways and means could be found to establish at least a 6-months petroleum reserve in this country, preferably one year, so that we would never again be caught as short as we were last fall and winter when the embargo was placed against the nations of the West by the oil-producing nations of the Middle East primarily, joined in shortly by other oil-producing nations as well.

Mr. President, I ask unanimous consent that a copy of my remarks before the Conference on Inflation, at the Washington Hilton Hotel, Friday, September 27, 1974, be placed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR MIKE MANSFIELD

There have been mini-meetings of this Conference in Washington and across the land. These meetings have been educational and instructive. They have brought to light many views on the state of the economy. But what thing of value to the people of the nation will come out of these meetings? That is the critical question. As one who was among the first to welcome the President's call for this Summit Conference, I must state in all candor that I am not too optimistic about the results.

This conference has had the participation of the foremost economists in the country—in and out of government. They have told us what the inflation and recession are all about—in a hundred versions. The talk has been of micro-economics, macro-economics, econometrics and what not. Of these things, of importance to economists, the public knows nothing. Of inflation, the public knows a great deal. Of recession, the public is learning more and more each day. The public knows, too, that little has been done to stem the inflation or to halt the march of recession, anywhere by anyone.

Everyone recognize that petroleum is one of the main sources of the problems which confront us. Yet, today, we are importing 40% of our petroleum needs as compared to 35% a year ago. The price of crude has skyrocketed and the end is not in sight. In 1972, $4.7 billion was spent on imports; $8.2 billion in 1973; $27 billion plus in 1974. The trend is up, up, up.

For America and many other countries, a major source of inflation lies in these figures, in the manipulated spigot of international petroleum flow. As far as the United States is concerned, the other factor is Viet Nam. Viet Nam is water under the bridge only in the sense that we cannot undo what has already been done. Its terrible cost will extend far into the first half of the next century. It will be paid by the sacrifices of several generations.

Inflation has turned the world of the past two decades upside down. Things that are going up should be coming down and they are not. Retail prices are up by 47% annually. Unemployment is up. Interest rates are up. Medical costs are up by 36%.

Things that are coming down should be going up and they are not. The stock market is down—$500 billion in values have been lost and 31 million people are affected. Real income is down. Our international trade balances have hit a record low. Auto sales are down 22% from a year ago. Unemployment in Michigan stands at 9.3%, compared to 5½% overall in the country. Housing is down 45% and yet in some places, construction wages have been increased by 20%. How can more houses be built and sold when prices are higher, interest rates are higher and construction wages are higher.

I am not an economist and make no pretenses. What is clear to me, however, is that the time for words—micro, macro or whatever is at the end. Words will no longer satisfy the nation. Inflation is social dynamite; walk through any food market in any suburb and take note of the comments. Recession is social dynamite; walk through areas of high unemployment in any city and ask what lies ahead. The divisions among people, among societies, among nations, are on the rise. They will not wait for the "self-adjusting mechanisms" of the economy to self-adjust.

What is the answer? Mostly, we hear talk about the need for a tight Federal budget and tight money. Of course, we need to keep rein on government expenditures, in good times and bad, and especially on the extravagant and the irrelevant. At best, however, the Federal budget is only a fragment of the answer to our difficulties.

It is said, too, the fault lies with the American consumer. Tell that to the grocery-shopper who *feeds a family* on inflation-eroded wages or a fixed income. Tell it to the home-owner who uses oil to keep out the cold and to the worker who uses gasoline to get to work. The fact is that the *laissez faire* application of the laws of demand and supply no longer correct the economic ills of a society already bound in by a massive complex of intervention built up over decades. The clock cannot be turned back to Adam Smith's Eighteenth Century England.

The nation is in an economic emergency. The people expect government to confront that emergency and to act on it in the general interests of the people. We have not done so and even now, seem to lack the capacity to do so.

Take the problem of energy-supply as an example. A year ago, we talked of crash programs to increase our own production and to develop substitutes to reduce the dependency on imported oil. Congress has appropriated vast funds and stands ready to appropriate more for this purpose. But what have we really achieved with this year of grace? What have we really done? We have allowed the self-adjusting mechanisms of the economy to operate quite freely in petroleum. We have let prices find their own level. In a society grown universally dependent on petroleum that is the cruelest form of rationing. The burden falls heaviest on those with the least income.

The need is for a new action—equitable action—by this Administration in cooperation with the Congress. It exists not only with regard to petroleum but in many other matters. As the President has already been informed, the Senate majority believes that integrated action in seven fields is needed to curb inflation and to halt the recession.

These fields are: (1) budget reductions, (2) wage, prices and profit control, (3) selective monetary credit easement, (4) tax adjustments, (5) positive action to deal with shortages and supplies (6) development of new employment, and (7) readjustment of international policies.

Credit curbs alone are not enough. Budget cutting alone is not enough. Indeed, the budget has already been cut by Congress and will be cut further. But how much inflation can really be squeezed out of the economy by this method and at what price? How much will it cost in lost jobs, lost output, lost public services and business failures?

As for the international economic situation, particularly as it involves petroleum, the Senate and all Americans welcome the call for increased cooperation among consuming nations; and, indeed, there is no reason not to extend the call to the producing nations. We welcome joint policies designed to assure international distribution of essential commodities. The answer will not be found in confrontation with other nations but in cooperation by our own people with others. Some countries like Italy and the United Kingdom face bankruptcy. A whole corridor of humanity spanning the African Continent is starving. Along with petroleum, these and countless other specific situations are all parts of a world-wide whole. International petroleum problems must be dealt with in that context.

There are many areas that must be addressed in regard to our economic predicament. We must address them candidly and act on their dictates within the framework of this nation's basic tenets. At this time, I offer on my own behalf, for the consideration of this Conference, a nine-point program of Federal action. I do not think we are going to come to grips with the mounting problems of the economy unless we begin to move in the direction of:

1. Establishing, as needed, mandatory wage, price, rent and profit controls.
2. Reviving the Reconstruction Finance Corporation to deal with the credit needs of ailing businesses such as Penn Central, Lockheed and Grumman, Pan American, TWA and many more headed in the same direction; Congress is not the proper forum for specific decisions involving government bailouts;
3. Restoring Regulation W to require larger downpayments on credit purchases and shorter periods for repayment and allocating credit on a priority basis in the light of the nation's critical needs;
4. Beginning an equitable rationing system for energy and other scarce materials to the end that dependency on foreign sources of petroleum can be reduced and beginning, too, a stringent conservation system including measures to enforce the speed limit and to bring about a reduction of wastage in the utility and other industrial fields;
5. Developing a broader system of indexing to the end that the real incomes of wage earners can be tied to real living costs;
6. Moving without delay to establish a Commission on Supplies and Shortages, legislation for which has already passed the Congress;
7. Curbing excessive profits and controlling the flow of investments abroad through the taxing power while conversely, cutting taxes on Americans hardest hit by inflation, those in low and moderate income categories and those on modest fixed income;
8. Creating, without delay, a job-program which puts people to work in public services and elsewhere as necessary, to keep down the level of unemployment; and
9. Working with all nations prepared to work with us to deal with cartel-created shortages in petroleum or other commodities, recognizing that petroleum is only one aspect of the largest question of the interrelationship of the economic well-being of all nations and the stability of the world.

Sacrifices are needed across the board if we are going to restore the nation's economy. In my judgment, the people of this nation are prepared to make those sacrifices. They will do whatever must be done, so long as the burdens are borne equitably. That is the job of the President and the Congress—to insure that the sacrifices are fairly distributed. It is time to put aside the evasions and the circumlocutions. The bell is tolling. There is no need to send to find out for whom. It is tolling for all of us.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MONDALE). Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, six items on the calendar have been cleared on both sides, and I ask unanimous consent that the Senate proceed to the consideration of the following: Calendars Nos. 1149, 1150, 1152, 1154, 1155, and 1156.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF THE FEDERAL WATER POLLUTION CONTROL ACT

The bill (S. 4073) to extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 104(u) of the Federal Water Pollution Control Act, as amended (86 Stat. 825), is amended by—

(a) striking in paragraph —— "and the fiscal year ending June 30, 1974," and inserting in lieu thereof "the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975,";

(b) striking in paragraph (2) "fiscal years 1973 and 1974" and inserting in lieu thereof "fiscal years 1973, 1974, and 1975";

(c) striking in paragraph (3) "fiscal year 1973" and inserting in lieu thereof "fiscal years 1973, 1974, and 1975";

(d) striking paragraph (4) "and June 30, 1974," and inserting in lieu thereof "June 30, 1974, and June 30, 1975,";

(e) striking in paragraph (5) "and June 30, 1974," and inserting in lieu thereof "June 30, 1974, and June 30, 1975,"; and

(f) striking in paragraph (6) "and June 30, 1974," and inserting in lieu thereof "June 30, 1974, and June 30, 1975,".

SEC. 2. Section 105(h) of the Federal Water Pollution Control Act, as amended (86 Stat. 826), is amended by striking "and the fiscal year ending June 30, 1974," and inserting in lieu thereof "the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975,".

SEC. 3. Section 106(a)(2) of the Federal Water Pollution Control Act, as amended (86 Stat. 827) is amended by striking "June 30, 1974;" and inserting in lieu thereof "June 30, 1974, and the fiscal year ending June 30, 1975;".

SEC. 4. Section 112(c) of the Federal Water Pollution Control Act, as amended (86 Stat. 832), is amended by striking "and June 30, 1974," and inserting in lieu thereof "June 30, 1974, and June 30, 1975,".

REFERRAL OF A BILL TO THE COURT OF CLAIMS

The resolution (S. Res. 364) to refer the bill S. 3799 entitled "a bill for the relief of Mrs. Agnes J. Wong and Doctor Samuel J. Wong, Junior," to the Chief Commissioner of the U.S. Court of Claims for a report thereon was considered and agreed to, as follows:

Resolved, That bill (S. 3799) entitled "A bill for the relief of Mrs. Agnes J. Wong and Doctor Samuel J. Wong, Junior", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with such bill in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practical date, giving such findings of fact and conclusions thereon as will be sufficient to inform the Congress of the nature and character of the demands as a claim, legal or equitable, against the United States, or as a gratuity, and the amount, if any, legally or equitably due from the United States to the claimants.

ADJUSTMENT OF THE PRICE SUPPORTS FOR MILK

The resolution (S. Res. 418) relating to the need for an increase in the price support for milk was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

Whereas the Agriculture and Consumer Protection Act of 1973 requires that the price of milk be supported for the 1974–1975 marketing year at such level not in excess of 90 per centum nor less than 80 per centum of the parity price as the Secretary of Agriculture determines necessary in order to assure an adequate supply of pure and wholesome milk to meet current needs, reflect changes in the cost of production, and assure a level of farm income adequate to maintain production capacity sufficient to meet anticipated future needs; and

Whereas in March 1974 the Secretary determined and announced that the support level for the 1974–1975 marketing year would be at the statutory minimum; and

Whereas milk producers have incurred rising production costs of a magnitude that greatly impair their ability to remain in business, and the Nation is faced with the threat of a massive liquidation of dairy farms; and

Whereas milk producers are in desperate need of an improvement in farm income if the Nation is to retain the dairy industry as a basic source of food production: Now, therefore, be it

Resolved, That it is hereby declared to be the sense of the Senate that, pursuant to the statutory mandate that the price of milk be supported at such level as to assure the maintenance of productive capacity sufficient to meet anticipated future needs, the Secretary of Agriculture redetermine and set the support level at 80 per centum of parity for the remainder of the 1974–1975 marketing year, based on the latest available data, thereby enabling milk producers to offset part of their rising production costs.

EXEMPTION OF CERTAIN ACTIONS OF THE SEC

The bill (S. 2904) to improve judicial machinery by amending subsection (g) of section 1407, chapter 87, of title 28, United States Code, to exempt action brought by the Securities and Exchange Commission under the Federal securities laws from the operation of that section, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assmebled, That subsection (g) of section 1407, chapter 87, of title 28 of the United States Code, is amended to read as follows:

"(g) Nothing in this section shall apply to—

is a complainant arising under the antitrust laws. 'Antitrust laws' as used herein include those acts referred to in the Act of October 15, 1914, as amended (38 Stat. 730; 15 U.S.C. 12), and also include the Act of June 19, 1936 (49 Stat. 1526; 15 U.S.C. 13, 13a, and 13b) and the Act of September 26, 1914, as added March 21, 1938 (52 Stat. 116, 117; 15 U.S.C. 56); but shall not include section 4A of the Act of October 15, 1914, as added July 7, 1955 (69 Stat. 282; 15 U.S.C. 15a);

"(2) any action brought by the United States Securities and Exchange Commission, including any action brought under the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Public Utility Holding Company Act of 1935 (15 U.S.C. 79 et seq.), the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.), the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.), or the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.)."

ELIGIBILITY FOR MEMBERSHIP IN THE AMERICAN LEGION

The bill (S. 4013) to amend the act incorporating the American Legion so as to redefine eligibility for membership therein, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to incorporate the American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45), is hereby amended to read as follows:

"Sec. 5. No person shall be a member of this corporation unless he has served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941, to December 31, 1946; June 25, 1950, to January 31, 1955; August 5, 1964, to August 15, 1973; all dates inclusive, or who, being a citizen of the United States at the time of entry therein, served in the military or naval service of any of the governments associated with the United States during said wars or hostilities: *Provided, however,* That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates.".

HONORARY CITIZENSHIP FOR ALEKSANDR I. SOLZHENITSYN

The joint resolution (S.J. Res. 188) to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States was announced as next in order.

Mr. HELMS. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–1216), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the joint resolution is to provide that the President of the United States is hereby authorized and directed to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States.

STATEMENT

On February 12, the noted Russian author and intellectual leader Aleksandr I. Solzhenitsyn was forcibly removed from his apartment by seven Soviet police agents and taken away for interrogation. The whole world knew that Solzhenitsyn had invited the confrontation, indeed, had welcomed it, despite the dangers involved to his family and to his compatriots fighting in the same cause.

That cause is the cause of freedom—the freedom to think, the freedom to write, and the freedom to publish it. It is also the cause for the right to dissent from totalitarian ideology, and the right for those trapped under oppression to move about freely. These are all rights which are fundamental aspects of a free society.

Despite the lack of these rights in Soviet society—indeed, despite the aggressive campaign against them—Solzhenitsyn had no desire to leave his native land. Instead, he wanted to use his special gifts to improve conditions for his fellow citizens. He spoke as an Old Testament prophet, castigating the ills he saw in a sick society. His prophecy first took the form of imaginative literature which aroused millions all over the world, and which won the Nobel Prize for literature. But hidden in secret places he kept the most devastating work of all, composed from the many voices of suffering and of oppression that he had listened to in the transit camps and the prisons and recorded in his memory. These were voices that had been stifled, voices from the grave. But strangely enough, it was only these voices of the dead and dying that kept Solzhenitsyn alive. He blackmailed his oppressors with their guilty secret, threatening to release it if they moved against him. They in turn adopted the very methods which he, as a prophet, had discerned in their political system. They moved against him step by step, drawing the menacing circle tighter.

S.J. Res. 188 is a very simple resolution that proposes a very high honor. It is the highest honor that this Republic can bestow. It is not an honor that can be given lightly or for reasons of passing moment. It would not impose any legal obligations upon him, or prejudice his standing with his native land. Technically, he is a stateless person. This honor is unsought, as his Nobel Prize was unsought. It does not imply that he must accept or reject. It merely places the United States on record, in a most emphatic way, that this nation honors him for his contributions to the freedom of mankind.

It is urgent that we make this gesture. Solzhenitsyn is in the West, but his friends are still under a totalitarian system. And millions more are waiting to see what the United States is going to do. Solzhenitsyn himself has complained of the "spirit of Munich" that seems to pervade the relations of the United States with the Soviet Union, and our amoral policy of ignoring oppression so that we can make deals—deals for food, deals for trade, deals for disarmament.

He said:

"The spirit of Munich has by no means passed away, it was not just a brief episode in our history. I would dare to say even that the spirit of Munich is the dominant one of the 20th Century. The timorous civilized world, confronted by the sudden renewed onslaught of a snarling barbarism found nothing better to oppose it with than concessions and smiles."

This action was taken when the United States conferred honorary citizenship upon Lafayette. It was conferred upon Winston Churchill. Solzhenitsyn, the Nobel Prize winner, has performed meritorious service for freedom at great personal risk.

The honor conferred upon Lafayette, of course, was not done by an act of Congress, because this Congress was not yet in existence. It was done during the period of the Articles of Confederation by the legislatures of Virginia and Maryland.

Sir Winston Churchill was given honorary citizenship by proclamation of President Kennedy pursuant to an act of Congress in 1963. The report of the Committee on the Judiciary set forth the legal ramifications—or rather, the lack of them—when the bill was brought to the floor. The language of this resolution is identical to that of the act passed for Churchill, and the same considerations would apply.

The Committee deems it clear that no legal obligations of citizenship apply, and no tax complications arise. It is an honor pure and simple.

The Committee deems this resolution highly meritorious and, accordingly, recommends favorable consideration.

The joint resolution (S.J. Res. 188) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is hereby authorized and directed to declare by proclamation that Aleksandr I. Solzhenitsyn shall be an honorary citizen of the United States of America.

Mr. HELMS. Mr. President, this resolution was introduced on February 19, 1974, a few days after Aleksandr I. Solzhenitsyn had been arrested at his home in Moscow, hustled off to interrogation like millions of victims of the Soviet Secret Police before him, and then, inexplicably, deported into exile in the West. Many events have transpired since then. We have not only the publication in the West of the first section of the great prose masterpiece, the "Gulag Archipelago," but also his "Letter to the Soviet Leaders." We have seen world opinion force the Soviets to reunite his family with him. We are beginning to learn the true dimensions of the humanitarian work which he carried on underground on behalf of the political prisoners and their families, many of them suffering religious persecution for being faithful to the tenets of Orthodox Christianity, Judaism, the Baptists, and other church groups.

His Nobel Prize for Literature, given in 1970, was only a precursor of recognition by the world of the full extent of the man and his character.

Since his enforced exile, he has continued this work, devoting his own funds to the alleviation of distress, and using the secret channels that were established before he left. But above all he continues to write, for his writing is his greatest legacy to the future. I invited him to come to the United States to meet his many friends and admirers here, and I still hope that someday he will come. But for now he has told me that he cannot postpone the writing which is his lifework.

He feels that time has its hand on his shoulder as he works, and that the period yet allotted to him may be too short. As a man who has escaped from the death of the camps, who has escaped from the death of cancer, and who has escaped perhaps even from execution, he has a set of priorities that places a low value on travel and social intercourse.

But it does not matter. The personal witness of Solzhenitsyn on behalf of human rights has placed him in a category with only a handful of men in history. Millions of people have suffered from oppression, but they have suffered silently. It is Solzhenitsyn who has brought the suffering of the oppressed to the notice of the world. His personal courage in challenging the system of Soviet oppression forced changes even within that closed society, and shamed the West into dealing with the questions of human rights, religious persecution, and freedom.

His "Gulag Archipelago" is more than a publishing phenomenon. As a high work of literature, it cannot be classified as narrative, history, political, economy, philosophy, or memoirs; yet it is all that. It is almost an invented form of literature that somehow makes graphic the horrors of the system at the same time that it makes a fundamental criticism of the principles of the system itself. Solzhenitsyn will not allow anyone to say that Stalinism is an aberration from communism, or that the system can be reformed by trimming certain "excesses" which it has exhibited throughout history.

His critique goes to the heart of Marxism-Leninism itself as a fundamental distortion of human nature. The restoration of human rights will not be accomplished until the Communist system is fundamentally changed.

It is significant that his personal crusade for freedom has been driven by his own fundamental conversion from Marxism to the profound faith of a religious believer.

The instant and phenomenal success of the "Gulag" in every Western country cannot be explained upon the level of literature alone. It contains a message which lay unarticulated in the hearts of free people everywhere. Millions of copies have been sold in many languages. Despite the somber message which it contains, the difficulty of the history—which is unfamiliar except to specialists, the length of the volume, and the originality of style, it has been eagerly accepted everywhere. For it contains a message of hope. And that message is that if, from the depths of despair and from the uttermost degradation of human spirit, there can arise a voice of strength and unflinching courage and criticism, then salvation is possible for a world beset with problems and despondency. The publication of "Gulag" must be described as a humanitarian act.

On another occasion, I have described Solzhenitsyn as an Old Testament prophet telling us of our lapses from God's economy. In the months since he has come to the West, his courage has taught us that we must deal with human rights directly and not sidestep fundamental issues.

It is difficult to assess the impact of a single book, since books are read in solitary by individuals over a period of time. But in that time, a mood of realism has crept over the West, assailed as it is by many troubles both political and economic. But the euphoric attitude has largely evaporated. If the Soviets want to work with us for a peaceful world, it is now clear that immigrants cannot be held hostage, and Christians and Jews cannot be persecuted for not recognizing the atheism of the State.

It is for such reasons that I and the cosponsors of this joint resolution urge that the President be directed to declare Aleksandr I. Solzhenitsyn as an honorary citizen of the United States of America. The report of the Judiciary Committee makes it clear that this is an honor pure and simple and that no further legal ramifications arise. Indeed, it would be beside the point to propose actual citizenship for such a man. Despite his forced exile, his heart remains with the Russian peoples, his spirit abides as a beacon of hope to all the oppressed in the Soviet Union, and the thought is evermost in his mind that one day he will be able to return to his homeland when the Communist tyranny no longer blots out human rights. We therefore propose honorary citizenship. I have communicated directly with Mr. Solzhenitsyn, and he informs me that he would deem it a singular honor and most gratifying, if Congress should agree to this proposal.

Mr. President, it is noteworthy that the support for this measure is broadly based on both sides of the aisle. There are times, as we all know, when the distinguished Members of this body are divided on partisan or philosophical lines, but this is not one of those times. There are 43 cosponsors of this bill, who are united on the issue of honoring this champion of human rights, and I think that their names should be spread upon the Record.

Mr. President, I ask unanimous consent that the list of cosponsors of Senate Joint Resolution 188 be printed in the Record at the conclusion of my remarks.

There being no objection, the list was ordered to be printed in the Record, as follows:

Cosponsors of S.J. Res. 188

Mr. Helms, Mr. Bartlett, Mr. Bayh, Mr. Beall, Mr. Bennett, Mr. Bible, Mr. Brock, Mr. Brooke, Mr. Buckley, and Mr. Chiles.

Mr. Curtis, Mr. Dole, Mr. Domenici, Mr. Dominick, Mr. Ervin, Mr. Fannin, Mr. Gurney, Mr. Hansen, Mr. Hart, and Mr. Hatfield.

Mr. Hollings, Mr. Hruska, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. McGee, Mr. McIntyre, Mr. Moss, Mr. Nelson, and Mr. Nunn.

Mr. Packwood, Mr. Pell, Mr. Ribicoff, Mr. Schweiker, Mr. Scott, Hugh, Mr. Scott, William, Mr. Stevenson, Mr. Taft, Mr. Thurmond, Mr. Tower, Mr. Tunney, Mr. Weicker, and Mr. Williams.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. 3802. A bill to provide available nuclear information to committees and Members of Congress (Rept. No. 93–1228).

By Mr. NUNN, from the Committee on Armed Services, with an amendment:

S. 3191. A bill to amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force (Rept. No. 93–1229).

By Mr. EASTLAND, from the Committee on Agriculture and Forestry, with amendments:

S. 3943. A bill to extend the time for using funds appropriated to carry out the rural environmental assistance program (REAP) and the rural environmental conservational program (RECP) for the fiscal years ending June 30, 1973, and June 30, 1974 (Rept. No. 93–1230).

By Mr. CHILES, from the Committee on Government Operations, with an amendment:

S. 3619. A bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts (Rept. No. 93–1231).

REPORT OF THE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS OF THE COMMITTEE ON THE JUDICIARY (S. REPT. NO. 93–1227)

Mr. ERVIN. Mr. President, on behalf of the Senate Committee on the Judiciary and its Subcommittee on Constitutional Rights, I present the duly approved report of the said subcommittee for the period beginning on March 1, 1973, and ending on February 28, 1974.

The PRESIDING OFFICER. The report will be received and printed.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUGH SCOTT:

S. 4092. A bill for the relief of Edward N. Deutschmann. Referred to the Committee on the Judiciary.

By Mr. RIBICOFF (for himself, Mr. Muskie, Mr. Clark, Mr. Pell, Mr. Pastore, Mr. McGovern, Mr. Williams, Mr. Cranston, Mr. Eagleton, Mr. Gravel, Mr. McIntyre, Mr. Mondale, Mr. Bentsen, Mr. Tunney, Mr. Mansfield, Mr. Randolph, Mr. McGee, Mr. Hart, Mr. Jackson, Mr. Bayh, Mr. Hartke, Mr. Humphrey, Mr. Montoya, Mr. Chiles, Mr. Kennedy, Mr. Bible, Mr. Hughes, Mr. Robert C. Byrd, Mr. Hathaway, Mr. Moss, Mr. Abourezk, Mr. Magnuson, and Mr. Burdick.

S. 4093. A bill to amend the Social Security Act to freeze medicare deductibles. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. RIBICOFF (for himself, Mr. Muskie, Mr. Clark, Mr. Pell, Mr. Pastore, Mr. McGovern, Mr. Williams, Mr. Cranston, Mr. Eagleton, Mr. Gravel, Mr. McIntyre, Mr. Mondale, Mr. Bentsen, Mr. Tunney, Mr. Mansfield, Mr. Randolph, Mr. McGee, Mr. Hart, Mr. Jackson, Mr. Bayh, Mr. Hartke, Mr. Humphrey, Mr. Montoya, Mr. Chiles, Mr. Kennedy, Mr. Bible, Mr. Hughes, Mr. Robert C. Byrd, Mr. Hathaway, Mr. Moss, Mr. Abourezk, Mr. Magnuson, and Mr. Burdick).

S. 4093. A bill to amend the Social Security Act to freeze medicare deductibles. Referred to the Committee on Finance.

FREEZING MEDICAL DEDUCTIBLES AND COPAYMENTS

Mr. RIBICOFF. Mr. President, today, I am introducing with Senator Clark and 31 other Senators a bill to freeze at present levels the medicare deductibles and copayments which patients have to pay. Under present medicare law these payments go up annually as the average daily cost of hospital care goes up. It is unconscionable to force older Americans to bear the brunt of inflation.

It was recently announced that on January 1, 1975, these deductibles will go up again.

There is no doubt that the cost of hospitalization has increased since medicare was enacted in 1965. But we cannot keep putting heavier cost burdens squarely on the shoulders of the poor, sick elderly members of our population whose incomes are frozen.

The sad fact is that the 23 million medicare beneficiaries are paying more of their own money out of pocket for medical expenses than they were before medicare was enacted. Since medicare was enacted, premium and coinsurance rates have shot up 10 percent. It is time to put a stop to this cost burden which hits hardest at those who can least afford it.

The average out-of-pocket payment for Americans aged 65 and over has grown from $234 in 1966 to $311 in 1973, the latest year for which complete statistics are available.

In Connecticut alone over 290,000 Americans enrolled in medicare would have to pay more for hospital care.

If this bill is not enacted, medicare patients will have to pay the first $92 of these hospital bills rather than the first $84.

Because of the increase in the hospital deductible present law also requires other cost increases. Thus, when a medicare beneficiary has a hospital stay of more than 60 days he will be forced to pay $23 a day for the 61st through the 90th day, up from the present $21 per day. If he has a post-hospital stay of over 20 days in an extended care facility he will be forced to pay $11.50 per day instead of the present $10.50. And if a medicare beneficiary ever needs more than 90 days of hospital care, his "lifetime reserve" of 60 days will cost him $46 a day instead of the present $42 per day.

Under our proposal the deductibles would be kept at their present level. That means the 1st day of hospital care will cost $84 instead of $92. The deductible for the 61st to the 90th day will cost $21 instead of $23. The deductible for extended care after 20 days will cost $10.50 instead of $11.50. And the deductible for the medicare lifetime reserve will cost $42 instead of $46.

It is time once and for all to put an end to these additional cost burdens on older Americans who cannot afford to shoulder them.

Our proposal will provide long overdue relief to millions of older Americans.

I ask unanimous consent that the certain tables I have had prepared be printed at this point in the Record.

There being no objection, the tables were ordered to be printed in the Record, as follows:

MEDICARE DEDUCTIBLES AND COPAYMENTS

	Levels as of 1975	Ribicoff-Clark
1st day hospital deductible	$92.00	$84.00
61st–90th day hospital deductible	23.00	21.00
Extended care after 20 days	11.50	10.50
Lifetime reserve days	46.00	42.00

INCREASES IN DEDUCTIBLES SINCE MEDICARE ENACTED

For benefit period beginning in—	Inpatient deductible	61st–90th day	Lifetime reserve days
1966	$40	10	20
1969	44	11	22
1970	52	13	26
1971	60	15	30
1972	68	17	34
1973	72	18	36
1974	84	21	42

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Iowa (Mr. Clark), I ask unanimous consent that a statement prepared by him in connection with the bill introduced by the Senator from Connecticut (Mr. Ribicoff) be printed in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Clark

TIME TO FREEZE MEDICARE COSTS FOR ELDERLY

Mr. President, recently the administration announced that copayments and the deductible under medicare hospital insurance would have to be increased by almost 10 percent in 1975 due to rising costs in hospital care. In order to prevent this substantial increase in the cost of health care for older Americans, Senator Ribicoff and I are offering a bill to freeze the medicare copayments and the deductible at the current levels.

If this measure is not enacted, the deductible—the amount a hospital patient must pay before medicare takes over—would increase from $84 to $92 in 1975. Also, the coinsurance charges—the portion of costs that patients must pay for hospital stays longer than 60 days and for nursing home care after 20 days—would likewise increase by almost 10 percent in 1975.

What this means is that medicare beneficiaries will have to pay $23 a day instead of the present $21 a day for the 61st through the 90th day in the hospital, and $46 a day instead of the present $42 a day for the 91st through the 150th day in the hospital.

For a post-hospital stay in a nursing home of more than 20 days, the coinsurance would be $11.50 a day compared to the current cost of $10.50 per day, as this table indicates:

IMPACT OF RIBICOFF-CLARK LEGISLATION ON MEDICARE COSTS

	Levels for 1975	Proposed levels under Ribicoff Clark proposal
1st day of hospital deductible	$92.00	$84.00
61st to 90th day hospital copayment	23.00	21.00
91st to 150th day hospital copayment	46.00	42.00
Nursing home copayment after 20 days	11.50	10.50

Almost one out of every four aged and disabled medicare beneficiaries is expected to be hospitalized next year, a total of over 5½ million people. We can be sure that the scheduled increase would fall hardest upon the aged and infirm—those individuals who already have been the hardest pressed to bear the burden of inflation.

Because of inflation, many people are being forced to eliminate even those items essential to a minimum standard of living. Older people have to pay a disproportionate amount of their income for essentials like food, fuel, utilities and health care, and these are the very items which have led the ever-increasing consumer price index. If we allow the medicare deductible and copayments to rise, we will increase their suffering.

To avoid that prospect, we must act favorably and expeditiously on this vitally important measure.

This legislation will not cost the taxpayers more money. Neither the wage base nor the payroll tax under social security would have to be increased. The unusually large assets of the hospital trust fund could cover the estimated cost of $70 million for 1975 without impairing the long-term soundness of the program.

It should also be pointed out that the deductibles and coinsurance costs under medicare have risen tremendously over the past 6 years. At the end of 1968, for example, the hospital deductible was $40. Currently it is $84. If we allow the cost to go up to $92 in 1975, the rate will have risen well over 100 percent.

Especially now, during this time of double-digit inflation, this would be intolerable for all too many of our older citizens. I urge the adoption of this bill.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 3418

At the request of Mr. Ervin, the Senator from Washington (Mr. Magnuson), was added as a cosponsor of S, 3418, to establish a Federal Privacy Board to oversee the gathering and disclosure of information concerning individuals, to provide management systems in Federal agencies, State and local governments, and other organizations regarding such information, and for other purposes.

S. 3619

At the request of Mr. Mathias, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of S. 3619, a bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts.

S. 3921

At the request of Mr. Moss, the Senator from Oklahoma (Mr. Bellmon), the Senator from Missouri (Mr. Eagleton), and the Senator from Minnesota (Mr. Humphrey) were added as cosponsors of

S. 3921, a bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes.

S. 3979

At the request of Mr. Mansfield, the Senator from New York (Mr. Javits) and the Senator from Maryland (Mr. Mathias) were added as cosponsors of S. 3979, a bill to increase the availability of reasonably priced mortgage credit for home purchases.

S. 3985

At the request of Mr. Williams, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 3985, the Anti-Dog-Fighting Act.

S. 4021

At the request of Mr. Hugh Scott (for Mr. Dominick), the Senator from New Mexico (Mr. Domenici) was added as a cosponsor of S. 4021, a bill to exclude from the gross income of individuals the interest on an amount of savings not in excess of $20,000.

S. 4040

At the request of Mr. Hartke, the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 4040, a bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and dependency and indemnity compensation, to increase income limitations, and for other purposes.

S. 4079

At the request of Mr. Nelson, the Senator from Minnesota (Mr. Humphrey), the Senator from California (Mr. Tunney), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of S. 4079, the Emergency Public Service Employment Act of 1974.

S. 4081

At the request of Mr. Hruska, the Senator from Wyoming (Mr. Hansen), the Senator from Indiana (Mr. Hartke), the Senator from North Carolina (Mr. Helms), the Senator from Idaho (Mr. McClure), the Senator from West Virginia (Mr. Randolph), the Senator from Vermont (Mr. Stafford), and the Senator from Georgia (Mr. Talmadge) were added as cosponsors of S. 4081, a bill to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday.

SENATE JOINT RESOLUTION 240

At the request of Mr. Ervin, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of Senate Joint Resolution 240, requiring full public access to all facts and the fruits of all investigations relating to Watergate and full public access to all papers, documents, memoranda, tapes, and transcripts during the period January 20, 1969, through August 9, 1974.

SENATE RESOLUTION 419—SUBMISSION OF A RESOLUTION TO ESTABLISH A SELECT COMMITTEE TO STUDY GOVERNMENTAL OPERATIONS WITH RESPECT TO INTELLIGENCE ACTIVITIES

(Referred to the Committee on Government Operations.)

Mr. MATHIAS (for himself and Mr. Mansfield) submitted the following resolution:

S. Res. 419

Resolved, That (a) there is established a select committee of the Senate to be known as the Select Committee to Study Governmental Operations with Respect to Intelligence Activities (hereafter referred to in this resolution as the "select committee").

(b) The select committee shall be composed of eight Members of the Senate equally divided between the majority and minority parties to be appointed by the President of the Senate.

(c) The select committee shall select two co-chairmen from among its members, one from the majority party and one from the minority party. A majority of the members of the select committee shall constitute a quorum thereof for the transaction of business, except that the select committee may fix a lesser number as a quorum for the purpose of taking testimony. Vacancies in the membership of the select committee shall not affect the authority of the remaining members to execute the functions of the select committee.

(d) For the purposes of paragraph 6 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member or chairman of the select committee shall not be taken into account.

Sec. 2. It shall be the function of the select committee to conduct a study and investigation with respect to all matters relating to (1) the operations of the United States Government with respect to domestic and foreign intelligence activities, and (2) the past effect and future role of such activities of agencies of the United States Government within the United States and overseas.

Sec. 3. (a) for the purposes of this resolution, the select committee is authorized in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, (3) to hold hearings, (4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate, (5) to require, by subpena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents, (6) to take depositions and other testimony, (7) to procure the service of individual consultants or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946, as amnded, and (8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

(b) The co-chairmen of the select committee shall preside over meetings of the select committee, except that (1) in the absence of one of the co-chairmen, the other co-chairman may preside, and (2) in the absence of both co-chairmen, any other member of the select committee designated by both co-chairmen may preside.

(c) Either co-chairman of the select committee or any member thereof may administer oaths to witnesses.

(d) Subpenas authorized by the select committee may be issued over the signature of either co-chairman, or any other member designated by the co-chairmen, and may be served by any person designated by the co-chairman or member signing the subpena.

Sec. 4. The select committee shall make a final report of its findings, with respect to such period together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than two years after the date this resolution is agreed. The select committee may also submit to the Senate such interim reports as it considers appropriate. Upon submission of its final report, the select committee shall cease to exist.

Sec. 5. (a) From the date this resolution is agreed to, through February 28, 1975, the expenses of the special committee under this resolution shall not exceed $325,000, of which amount not to exceed $75,000 shall be available for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended.

(b) The select committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to the study and investigation for which expenditures are incurred out of funds made available under this section, to the Senate at the earliest practicable date, but not later than February 28, 1975.

Sec. 6. Expenses of the select committee under this resolution shall be paid from the contingent fund of the senate upon vouchers approved by the two-cochairmen of the select committee.

ADDITIONAL COSPONSORS OF RESOLUTIONS

SENATE RESOLUTION 399

At the request of Mr. Ervin, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of Senate Resolution 399, urging full public access to information regarding the Watergate investigation.

SENATE RESOLUTION 418

At the request of Mr. Griffin, the Senator from New York (Mr. Javits) and the Senator from Idaho (Mr. McClure) were added as cosponsors of Senate Resolution 418, relating to the need for an increase in the price support for milk.

AMENDMENTS SUBMITTED FOR PRINTING

BROADCAST LICENSE RENEWAL ACT—H.R. 12993

AMENDMENT NO. 1956

(Ordered to be printed and to lie on the table.)

Mr. BENTSEN. Mr. President, on behalf of myself and Senators Tunney, Mansfield, Hugh Scott, Hollings, Cook, Beall, Hruska, Bayh, Young, Allen, Stafford, Bartlett, Humphrey, Curtis, Mondale, Chiles, and Nunn, I am today introducing an amendment to H.R. 12993, the Broadcast License Renewal Act, to authorize the Federal Communications Commission to extend the broadcast license term to a maximum of 5 years. A similar amendment was offered on the House floor and was approved overwhelmingly by a vote of 308 to 84.

This amendment is a simple one. At present the maximum license term is 3 years and H.R. 12993, as reported by the Senate Commerce Committee, makes no change in this situation. My amendment merely provides that the FCC shall have the authority to grant and renew broadcast licenses for a term of not to exceed 5 years. Although this amendment will lengthen the maximum license term, it will in no way inhibit the authority of the Commission to grant licenses for a shorter period.

At the outset, the very focus of the Broadcast Renewal Act ought to be made clear. This is a bill which strikes primarily at the heart of a small industry. While there can be little doubt that broadcasting has its giants, the plain fact of the matter is that the mass of the Nation's 8,000 licenses are essentially small businessmen. And unlike other small businessmen in this country their's is a fully regulated industry, imposing on even its smallest outlet a whole range of bureaucratic responsibilities.

Mr. President, the lengthened license term is strongly recommended by the principles of good business. With the addition of 2 years to his license period, broadcasters will have a more reasonable period within which they can plan the financial future of their business. Increasingly heavy capital investments can be amortized over a more reasonable period of time, capital investments that are necessary to improve broadcasting service to the community. This bill recognizes the instability that has developed in the broadcasting industry as a result of the regulatory and judicial events of the last decade; and so will the lengthened license term provide the kind of stability necessary for financial institutions to lend the money for improved technological development of broadcast facilities.

While the renewal burden on the licensee has increased in recent years, a like increase in the workload of the FCC has been quite evident. It is not uncommon for the renewal application to consist of several hundred pages, all of which must be weighed and assessed by the staff of the Commission. While the paperwork burden can undoubtedly be decreased somewhat, it is nonetheless unrealistic to expect it to slacken to any significant degree. Comprehensive filings on all aspects of station operations will continue to be required so that the Commission will have the information it needs to adequately assess whether the licensee is fulfilling its duty to perform for the public interest, convenience, and necessity.

However, if a licensee were required to seek renewal every 5 years, other than every 3 years, a corresponding drop in the work load of the FCC could be expected with a consequently improved review of each individual application. Instead of processing 2,800 applications each year, only about 1,700 would need to be submitted and reviewed annually. Instead of an increasingly burdensome process for both applicant and commission, more time and energy could be spent on improving programing in the public interest. This would assure a savings of money and manpower for the taxpayer, yet the FCC would, as I have noted, retain the ability to inquire into problem areas on a continuing basis.

Moreover, permitting a 5-year term for broadcast stations will conform the length of the term to that of other communications services such as common carriers and cable systems.

In sum, Mr. President, with this amendment we reduce the staggering time, paperwork, and personnel costs of the renewal process; we allow more time and talent to be invested in community programing needs; and we improve the FCC's ability to review each individual license application. I urge the Senate's support of this amendment and ask unanimous consent that Senator TUNNEY's separate views in the report of the commission on commerce on this matter be printed at this point in the RECORD.

There being no objection, the views were ordered to be printed in the RECORD, as follows:

SEPARATE VIEWS OF MR. TUNNEY

The wide dissemination of ideas is crucial to the proper functioning of a democratic society. The Federal Communication Commission with its oversight and licensing powers over the airwaves plays a critical role in this process and must be vigilant in assuring the excellence and public service of the broadcast media.

I believe the license renewal legislation approved by the Senate Commerce Committee has gone far in clarifying the Federal Communications Commission's responsibilities in this area.

With a tightened definition of the F.C.C.'s regulatory role, there should also be consideration of developing more orderly procedures for license renewals.

Since first entering Congress 10 years ago, I have felt that the short three year license renewal period for broadcasting should be extended to five years. As a Congressman, I introduced legislation in 1968 which would have provided for this longer period. A five year renewal period, I believe, would allow the FCC to more carefully scrutinize and review broadcast licenses.

The license renewal process, which at one time was a fairly simple and straightforward procedure, has become extremely complex and time consuming. Enormous amounts of information and filings are now required by the F.C.C. This burden weighs particularly heavily on the many small broadcast stations on which millions of Americans depend for news and public service broadcasting throughout our Nation.

Also, the mountains of paperwork generated by this process have tended to clog the functioning of the FCC. Right now, there are close to one-hundred, thirty contested cases backlogged in the FCC. Some of these cases will take months and possibly years to decide.

A five year renewal period would immediately ease the FCC's burden. It has been estimated that it would reduce the number of applications which the Commission must review from approximately 2,800 a year to about 1,700. This extensive but more limited number of renewals would allow the FCC to focus its efforts on a more thorough and expedited review of each applicant.

Additionally, it will permit stations to eliminate frequent submittals and concentrate more on public service and on plans for capital expenditures and growth to meet community needs.

The House already has voted overwhelmingly for the five year renewal period and it is my hope that the Senate will concur in this decision.

Tight entry and renewal procedures plus a reasonable renewal period are the right way to assure the best possible programming for the American public.

JOHN V. TUNNEY.

SUPPLEMENTAL APPROPRIATIONS, 1975—H.R. 16900

AMENDMENT NO. 1957

(Ordered to be printed and to lie on the table.)

EMERGENCY PUBLIC SERVICE JOBS AMENDMENT

Mr. HUMPHREY. Mr. President, the U.S. Department of Labor today announced that the Nation's unemployment rate for September increased to 5.8 percent from the August level of 5.4 percent. This represents more than a 25 percent increase from the 4.6 percent level of last October.

The economy is in retreat. The sharp rise in unemployment to 5.8 percent means nearly 5½ million Americans out of work. We have jumped out of the "economic frying pan and into the economic fire."

The Dow-Jones average on the stock market is below 600 for the first time in 12 years; the Cost of Living Index continues to soar; our foreign trade deficit is out of control; and the forecast for the months ahead is for a continuing sharp rise in prices and more unemployment.

These are the sad economic facts. We are in a serious recession. We are slipping dangerously close to a depression.

The President will have a message for us Tuesday. Bold action is needed with specific proposals designed to check the growing inflation, stop the rise in unemployment and, to turn the economy around.

We simply must have:

A massive program of public service jobs;

Tax relief for low- and middle-income families;

An all-out effort to conserve fuel and mount a massive research program for alternative fuel sources, in particular, solar energy;

Allocation of credit for housing, small business and agriculture, coupled with a determined Government policy to reduce interest rates; and

Immediate implementation of the Wage-Price Stability Council.

These are the minimums. There can be no delay. We are entering a long, cold winter of our economic discontent, unless we buckle down, exercise self-discipline, and have strong action by the Government, with all-out cooperation from business, labor, and consumers.

As a first step in reversing the disastrous trend in employment, I am today submitting an amendment to the supplemental appropriation bill to immediately appropriate an additional $1 billion for public service jobs. It is estimated that this measure alone can create 167,000 new jobs beginning as soon as November 1. The machinery is there; all we need is to have the will to respond to the desperate plight of the swelling ranks of unemployed Americans.

The emergency public service jobs proposal I am introducing today is offered as an amendment to H.R. 16900, the supplemental appropriations bill which is expected to come to the floor of the Senate for action next week.

Mr. President, the time for action is at hand. We have done enough talking, it is time to deliver.

TEN-YEAR TERM FOR THE DIRECTOR OF THE FBI—S. 2106

AMENDMENT NO. 1958

(Ordered to be printed and to lie on the table.)

SENATE CONFIRMATION OF ADMINISTRATOR, SOCIAL AND ECONOMIC STATISTICS ADMINISTRATION (SESA)

Mr. PROXMIRE. Mr. President, I send to the desk an amendment to S. 2106 which would provide that the appointment of the Administrator of the Social and Economic Statistics Administration, SESA, in the Department of Commerce, made on or after the date of enactment of this act, be subject to the advice and consent of the Senate. I ask unanimous consent that the reading of the amendment be dispensed with.

The Administrator of SESA is a very important post. At least 16 of the most important and sensitive statistics the Government produces are prepared by this agency. They are equaled in importance only by the unemployment figures and the Consumer and Wholesale Price Index.

The first reason, therefore, that this appointment should be with the advice and consent of the Senate is not only its fundamental and intrinsic importance but that its counterpart, the Commissioner of the Bureau of Labor Statistics is confirmed.

Second, the Administrator of SESA has under him the Census Bureau whose Director must be confirmed by the Senate. We now have the anomalous situation where the subordinate is confirmed but the boss is not.

The third, and most important reason why this post must be confirmed is the issue of the reliability and credibility of the Government statistics.

There is a credibility gap with respect to our statistics. This was caused by the appointment by President Nixon of wholly unqualified people to the post of Administrator of SESA and Director of the Census. Further, at the BLS, key professional personnel were fired, the public press conferences were eliminated, and ultimately the Commissioner himself, Mr. Geoffrey Moore, was sacked by the White House even though he had done a highly professional and honorable job.

UNQUALIFIED HEAD

Mr. Edward Failor, who now holds the job as head of SESA is unqualified for it. He has no statistical background whatsoever. He came to the job directly from CREEP—the Committee to Re-Elect the President. Prior to that he was Chief of the Office of Assessment and Compliance of the Bureau of Mines where his stewardship received a stinging rebuke from the General Accounting Office. His only other qualification is that he was once legislative lobbyist for the Association of Coin Operated Laundries in Iowa.

The bill I originally introduced, S. 2020, on this issue, would have required confirmation retroactively. That, of course, is a contentious and argumentative and controversial point. I think Mr. Failor should still have to be confirmed. But such bills passed by Congress in the past have been vetoed. Therefore, I have made my prospective so that it would only affect future appointees to the office of Administrator of SESA, in order to avoid any controversy about the point.

VITAL STATISTICS

We are now in a period when Government statistics with respect to unemployment, prices, the growth of the GNP, expenditures for new plant and equipment, and many others, are not only important in themselves but may be highly political and contentious issues.

What we must have in all of our governmental statistical agencies is the highest confidence that the statistics are as accurate as highly trained and highly competent professional men can make them.

When political hacks are put in charge of them, then let the country beware. My amendment would provide merely that Congress would have some say in these matters. And that, itself, may well bring the appointment of more highly qualified and professionally competent men to these positions.

We have just witnessed men at the highest levels of government committing criminal acts for the purpose of winning an election. These included burglary, bugging, breaking and entering, perjury and other acts.

But think how much simpler it might be to jigger the unemployment figures or the cost of living figures in a period in which there was a hotly contested election. It would be done without resorting to crime. While it is a crime for citizens to give false information to their Government, it is not a crime as yet for the Government to give false information to its citizens.

An election could be influenced or rigged without resorting to criminal acts merely by manipulating the crucial figures. The temptations are even greater than resorting to crimes and the consequences might well be more widespread.

For all these reasons we must have highly competent professionals in charge of the Government's statistics. And one way to help insure that is to make such appointments subject to the advice and consent of the Senate.

I therefore urge the adoption of my amendment providing that the Administrator of SESA be confirmed by the Senate.

ADDITIONAL STATEMENTS

POLITICKING FROM THE BENCH

Mr. ERVIN. Mr. President, over the last few years, Americans have properly expressed concern that members of the judicial branch should not engage in extrajudicial activities that serve to bring into question their necessary objectivity as judicial officers. This concern has been prompted by a series of events which sometimes reflect merely bad judgment, but other times come perilously close to a violation of the standards of judicial ethics.

The recent examples are familiar to most of us. Judges have often served as members of nonjudicial government bodies, thus confusing their role as judicial officer with those of the executive. They have counseled Presidents on matters of policy or legislation or politics. On one occasion, extrajudicial activities led to the call for the impeachment of a justice of the Supreme Court, and was a factor in his eventual forced resignation.

We have also seen examples in which members of the High Court have been charged with lobbying against bills pending in Congress. The charges have been that this was done quietly, or by the actions of a subordinate assistant, or by thinly veiled speeches on presumably "judicial" topics.

The picture of a Supreme Court Justice using his prestige and that of the High Body it is his honor to represent to campaign on political matters is exceedingly disturbing. A Supreme Court Justice brings the weight of his prestige to any observation on current affairs and can be highly influential. His words are picked up by the press, and are given currency far beyond those of a less exalted official.

At the same time, the entrance of a Supreme Court Justice into a matter of legislative controversy brings his own objectivity into serious question. One wonders, sometimes out loud, whether the Justice's future decisions on the subject will be objective or merely a reflection of his personal views on the legislation. And when the Justice is the author of decisions in the area which are already highly controversial, even greater question is raised.

Against this background, Mr. President, I wish to express my dismay over reports in this weekend's newspapers about speeches of a Supreme Court Justice which appear, from the reports, to be expressing opinions on legislation now before both Houses. Just last week the House and Senate Government Operations Committees reported legislation to protect privacy. While most legislators support the concept of privacy, there is no question that the two bills are extremely controversial in their approaches and may be the subject of much dispute.

At the same time, the Judiciary Committees are actively considering legislation to control the unrestricted use and dissemination of arrest records. It goes without saying that this legislation is controversial. Some law enforcement officials have expressed concern over the legislation. While I believe their concerns are overstated and well-answered by the bill now in the Constitutional Rights Subcommittee, major issues of public policy and state control over law enforcement will have to be resolved before the legislative process is complete.

For a member of the Supreme Court,

then, to join in this debate is highly inappropriate. His intercession at any time would be questionable, but to speak out publicly when each of the bills is at a critical legislative turning point, is all the more unwarranted.

I have as yet only the press reports of those remarks. If accurate, and I hope they are not, they demonstrate the extent to which the Justice has interjected himself into the nonjudicial sphere. The article appeared in the Sunday New York Times, September 29, 1974. The justice's own words appear in the quotes that follow.

He observes, quite properly, that privacy is threatened by increased Government activity in social programs. Then he says that we should repeal these programs rather than enact special privacy laws.

> What I have in mind is that the fight for retention or expansion of privacy may be waged in the legislative halls not in terms of measures which would increase privacy but detract from effective law enforcement, but head-on against the expansion of substantive government regulation of our lives.
>
> A logical corollary of such an effort would be a counter-movement dedicated to repeal of regulatory laws currently on the books.

And he noted that "some responsible opinion" favors decriminalizing prostitution, procuring, and the use of marihuana.

Without endorsing such proposals, he believed—

> A very compelling argument can be made that it is preferable to repeal a law which makes a particular act criminally punishable, rather than keeping the law on the books but making it very difficult to enforce against those who transgress it.

On the subject of the arrest record legislation, the article says the Justice had little sympathy for those who would restrict the circulation by the Federal Bureau of Investigation of arrest records to local law enforcement agencies on the ground of privacy. An arrest, he said, "is not a private event."

Then, quoting from the speech:

> I think it would be a rather bold person who would suggest that if one of the suspects in an investigation of a serious crime had a record of several arrests for similar offenses, that sort of information would not be of significant help to the investigating authorities.
>
> The question of whether arrest records should be made available, outside the criminal justice system, to public and private employers "seems to me to be a closer one."
>
> To me the question posed by these situations is not an issue of core privacy since I think as a policy matter it is quite justifiable for the Government to collect arrest data. The question is simply whether or not the Government ought to spend its funds and use its manpower to supply this information to inquiring potential employers.

Mr. President, I think it would be highly in order for this Justice to keep off the legislative grass and, to mix a metaphor, stick to his own judicial knitting. Participating in legislative policy matters is improper and unseemly. If the judicial business is not exciting enough or leaves too much idle time on his hands, then perhaps any judge feeling this way ought to take off his robes and run for Congress. Then he can politic all he wants.

HARD TIMES FOR THE LIVESTOCK INDUSTRY

Mr. HANSEN. Mr. President, many segments of our economy are depressed and suffering under the heavy burden of inflation. The housing industry is depressed, the financial market is in the doldrums, and the people are frustrated and frightened by the turmoil in the economy.

The farmers and ranchers of this country are being squeezed unmercifully by skyrocketing costs on the one side, and depressed prices for their products on the other. It is concerning the critical plight of agriculture that I want to speak today, Mr. President.

Recently, a Torrington, Wyo., dairy farmer wrote:

> We are paying inflation prices for feed, but getting depression prices for our milk. We are currently going behind $1,000 to $1,500 per month because of the high cost of producing milk. So, of course, at that rate, we will have to sell out at a great loss.

A cattle producer writes:

> I am now a foreman on a ranch and own 20 cows, but with the price as it is now, the cows I purchased last fall for $400 per head are worth less than $200 per head this year. Their calves are worth $80 to $100 per head and the interest on 20 cows is $750. Please tell me how I can stay in the business.

Says a Greybull, Wyo., woman:

> My folks, who are ranchers in the Ten Sleep area, attended a sale yesterday. Calves were selling for 27 cents a pound, yearlings were selling for 15 cents a pound. When meat prices in the grocery store range from 89 cents to $2.29 per pound, someone is making lots of money and it definitely is not the rancher.

PRODUCERS GETTING LESS—NOT MORE

It is a fact, Mr. President, that cattle producers are getting this fall half or less for their animals than what they were getting a year ago. It might be possible for producers to hitch up their belts another notch and ride it out if their expenses did not increase. But they are in double trouble, because not only are they receiving way less for their livestock, they are having to pay double and triple costs of operating.

The price for a ton of fertilizer has doubled in a year's time. Baling wire, when it can even be obtained, has tripled in price in most areas. The cost of fuel to run equipment is higher. A tractor which cost between $11,000 and $12,000 last year now brings $15,000 to $16,000. And, because they are consumers like everyone else, farmers and ranchers are paying, in addition to these unbelievably high operating costs, the greatly increased prices everyone else pays for the ordinary goods and services they require to exist.

Everyone, of course, is adversely affected by the current burden of inflation and by the economic dislocations it is causing. Inflation decreases the value and purchasing power of every dollar of income.

Some people are fortunate enough to receive increases in income sufficient to offset the purchasing power lost to inflation. Those not so fortunate must rearrange their budgets to compensate for the erosion of income inflation causes. But few are faced with the nearly hopeless situation of seeing their income cut in half at the same time their expenses double.

WHO'S GETTING THE MONEY?

Livestock producers reeling from the double-whammy of lower income and higher expenses tend to get cranky with those who, noting the price of meat in the supermarket, assume the producer is getting rich at the expense of the consumer.

The fact is, along with consumers, these producers would like to know who is getting the rather substantial difference between what they receive for the animals, and what is charged at the retail level. And they would like consumers to recognize the fact that, not only are they receiving only a tiny fraction of what is charged at the retail, they are getting half what they got last year while the price consumers pay has remained the same or increased.

Who is getting the increasing difference between the producer's price and the retail price? The middleman, say some. Who is the middleman? He is the feeder; the packer; the power company serving the packer; the processor; the trucker whose wages may have just increased; the fuel dealer who sells gas to the trucker's boss; the meatcutter; the checkout girl; and on and on. There is no middleman. There are hundreds of middlemen. So complex are the processes that take place between the ranch and the consumer's table that the Federal Trade Commission recently announced plans to investigate the reasons for the growing difference between what the producer receives and what the consumer pays.

DEPRESSED DAIRY INDUSTRY

Similarly for dairy farmers, whose income is subject to a government program, the costs of operating — feed, equipment, replacement cows, fuel, et cetera—have doubled and tripled in the past year, while income has remained the same or decreased. It may be possible to continue an operation for a short time at no profit, but it is not possible to continue when there is a loss every month. This is the situation facing many dairymen, including the many who testified recently about their problems before the Senate Agriculture Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices.

A Wyoming dairyman, in a recent letter to Secretary of Agriculture Earl Butz, expressed the problem in terms of the future:

> The average age of dairymen, I understand, is about 50 years. With no incentive to bring young men into this business and with lots of us in the 50-year bracket going broke, I see a very dark future for the consumer in the years ahead. She will think the price she is paying now is nothing compared to what it will be if we rely on foreign markets.

Mr. President, whether we in Congress represent primarily agricultural States, such as Wyoming, or heavily urbanized areas of the country, we must concern ourselves with the well-being of the agricultural industry and with the present critical problems of this industry. All 213 million of us depend on this industry for food. In addition, millions of Americans owe their jobs to this industry, and many, many communities with agricultural economic bases will suffer in direct proportion to the ill fortune of agriculture. Millions of people in other countries depend on American agriculture.

WHAT CAN BE DONE?

Constructive and reasonable efforts to help farmers and ranchers survive their present problems will benefit not only the farmers and ranchers, whose immediate livelihood is at stake, but will benefit as well each one of us, because only if there is an adequate supply of food will the American standard of living prevail. It is in the national interest—indeed, in the interest of mankind—to insure a healthy and strong agricultural industry in the United States, and the present depressed condition of the industry must be reversed.

Every one of us in the Senate has heard from ranchers and farmers back home who are in serious trouble, and who look to Government to do something to stabilize the economy. In certain instances, it is more a case of what Government should not do, rather than what it should do. No livestock producer has forgotten the chain of events beginning with a ceiling on meat prices. Indeed, it likely could be said that action triggered the present problems.

In 1972, when cattlemen were finally getting for their product a price equal to what they had received 20 years earlier, the issue of increased foreign imports reared its ugly head. Today, the United States is the only major beef-consuming nation in the world that has not acted to reduce the influx of cheap imports. Foreign beef that normally would have gone to other nations now is flooding American markets, because other countries are more inclined to consider the impact of these imports on their own livestock industry.

There is no single, trouble-free answer to the problems of livestock producers. There is no magic solution that could be rushed through the Congress today, in order to solve the problem tomorrow. Indeed, the problem is symptomatic of decades of deficit spending by Government and unwise and hurtful Government programs, such as wage and price controls.

There are, however, some actions I believe Government should take immediately which would put us on the right road to the eventual solution to the problems plaguing the livestock industry today.

The administration should act now to stem the flow into this country of certain agricultural imports, such as red meat and dairy products. The administration should observe the intent of the 1964 meat import quota law, and the Congress should act now on pending legislation to close the loophole in the law which Presidents have used to import millions of pounds of meat above the quota levels established by the law.

Every year since I came to the Senate in 1967, I have tried to push legislation to close this loophole in the 1964 meat import quota law. This year, when the problems of feeders were so serious and they finally awakened Washington to the fact they were losing $100 to $200 per head, nearly half the Senate signed a letter to the President urging an immediate halt to meat imports. What we should do is approve pending legislation that would require the President to honor the quota law. We are past the letter-signing stage.

Further, the Congress can and must act immediately to drastically reduce Government spending, which would help reduce inflation. The combined approach of curtailing the flow of imports of meat and dairy products, and actually reducing spending, would go a long way toward helping restore the faith and confidence of people in agriculture toward their Government. These steps would help demonstrate that Government is cognizant of agriculture's importance, that Government realizes the problems now existing.

Mr. President, I ask unanimous consent that a series of letters from Wyoming livestock producers and dairymen, and a series of articles dealing with the current problems of the industry, be printed in the Record at the conclusion of my remarks.

There being no objection, the letters and articles were ordered to be printed in the Record, as follows:

Pavillion, Wyo.,
August 26, 1974.

Senator Clifford P. Hansen,
Washington. D.C.

Dear Sir: The United States seems not to realize that the Dairy Industry is hurting.

We operate very conservately as we don't like to pay this high interest on the debts that have to be made.

Every year we find it more difficult to keep up with the expenses. The milk prices go down making a smaller spread.

This year we have had to pay $50.00 a ton for hay.

Now we will have to pay 10% more for Electricity. We use a lot of this to milk, refrigerate, pump water to clean and for the cows to drink, and lights.

We heat the barn so we can stand to milk without freezing to death in the winter and not have the pipes for water and milk freeze up. We have natural gas for this and that goes up in price on Aug. 26th, we hear.

We have rather old machinery as the new ones are so expensive. We have to keep repairing these and the price of repairs is so high if you can even get them. They have to back order so often.

We raise all the feed we can for our Dairy cows. We never have enough, therefore we buy some too.

We will have our corn cut for silage. This will cost us $22.50 an acre this year. We have 40 acres and will buy some as we need more. We pay cutting on that plus the price of standing corn which we haven't heard the price of yet.

Last year we paid over $2000.00 for water, construction and taxes (County). This year water for irrigation will be higher again. They have been raising this every year for some time now.

We haul all of our manure out on the fields. We also buy commercial fertilizer which is twice as high as last year. We were afraid we wouldn't even get it this year. We need that to raise more feed.

Then it takes much fuel, (gas, oil and diesel) to run the machinery and vehicles. This too, has gone up in price.

We, the family, do the work here except for custom corn cutting to hold the expenses down all we can.

We are required to buy insurance in case we have accidents, hospital expenses, liability etc. which does really take a lot of money too.

We have 50 cows which really isn't very many compared to most people. We plan to sell 10 as it doesn't pay to feed them if they don't do pretty good.

We have another farmer raise our replacement heifers for $300 a head. We feel it would cost this much if we had to buy feed for them. These people raise most of the feed on their place to raise them.

This is just part of the story, but just wanted you to know that it is hard to keep pace. It seems that the authorities don't realize that it is hard for the dairy people.

Really milking isn't that appealing so that we just like to milk if we can't make ends meet.

Thank you!

Yours truly,
Mrs. Elton Williams.

Torrington, Wyo.
September 5, 1974.

Hon. Clifford P. Hansen,
U.S. Senate,
Washington, D.C.

Dear Mr. Hansen, I am writing in regard to the seriousness of the dairy farmers' situation. We are paying inflation prices for feed, but getting depression prices for our milk. We are currently going behind $1,000 to $1,500 per month because of the high cost of producing milk. So, of course, at that rate we will have to sell out at a great loss.

Also, we would like to know why we are not eligible to get some money through the emergency feed bill which was just passed. If we could get a loan to pay off some feed bills it could be the deciding factor in whether we have to sell our dairy herd.

Any help you could give us in getting dairy price supports would certainly be appreciated.

Very truly yours,
Richard L. Patterson.

Greybull, Wyo.,
September 17, 1974.

Hon. Clifford Hansen,
Senator, State of Wyoming, New Senate Office Building, Washington, D.C.

Dear Senator Hansen: I am writing first in regard to the terribly low prices ranchers are getting for their beef. My folks, who are ranchers in the Ten Sleep area, attended a sale yesterday. Calves were selling for 27c a lb, yearlings were selling for 15c a lb. When meat prices in the grocery store range from 89c to $2.29 a lb., someone is making lots of money and it definitely is not the rancher. As one neighbor rancher stated, "We'll show them, we'll all go broke." "Them" being those persons who are making all the money between the rancher and the meat counter, or maybe it is the grocery stores. Someone—and those someones are the ones I am concerned about—needs to be delt with—not only in the meat prices but in all grocery prices. Perhaps you can tell me: 1. Why ranchers are getting such low prices, prices comparable to 20 years ago; 2. Why grocery prices have soared ridiculously; 3. Who is making all the money off these raised prices and why they are allowed to do this; 4. How people who live on a fixed income are expected to exist on what they receive with prices constantly soaring and 5. Why our President is so concerned when Congress cut back on certain foreign aid yet wants Congress to cut back on help for domestic purposes? Shouldnot our country be more concerned with our problems right now? I am.

Please excuse me if this letter wanders slightly. I am very upset about all these problems and would like some answers. Perhaps you can help me. I thank you in advance if you can.

Very Sincerely,

Mrs. Martha Sutherland.

Nile Valley Dairy,
Torrington, Wyo., September 17, 1974.
Hon. Clifford Hansen,
Senate Office Building, Washington, D.C.

Dear Senator Hansen: Enclosed is a letter I have sent to Secretary Butz which indicates the extent to which the dairy industry and the livestock business in general has deteriorated. I respectfully request your attention to those problems I have outlined in same. We have no where else to turn, and without further help from you gentlemen in Washington, this business is doomed. Help must come quickly as feed costs are escalating everyday, and our livestock and milk prices can not possibly catch up without some kind of emergency measures. Thank you for past assistance and for any you can give us now.

Best regards,

Dick Lyon.

Nile Valley Dairy,
Torrington, Wyo., September 16, 1974.
Secretary of Agriculture Butz,
U.S. Department of Agriculture,
Washington, D.C.

Dear Mr. Secretary: Enclosed is a check for $39.68. This represents the proceeds from two very nice baby calves, four days old. To say that I was shocked would be an under statement. I enclose said check to dramatize and bring to your attention what has happened to the dairy industry and the livestock business in general. Last spring those two calves would have brought $75.00 a piece.

This only illustrates how dramatically the policies of your administration have failed the livestock producer. We in the dairy business have our backs to the wall. We have no where to turn. I am discouraged, disgusted, disappointed, and down right mad. I know that much of our problem has been brought about by the administration's attempt to balance the deficit in trade, but you have brought about chaos in the livestock business because you have thrown us out of balance with the grain farmer and feed raiser. Our projection for the future doesn't look very bright either as we are told we can expect no higher prices, and even less possibly, than last spring. Add that to the increase in the cost of feed since last spring and I only see the spectacle of bankruptcy staring me in the face.

At a convention I attended not too long ago I heard you say, and I quote: "Dairymen are only one swallow away from prosperity!" And I heard from another person, and I quote: "Consumers are now one swallow away from no milk at all!" Now where is the sense in all of this? I consider you to be the first real Secretary of Agriculture we have had in many years, but you have sure bungled this one. You now have livestock men not only competing against all the foreign markets in the world, but competing against our own feed raiser as well, and it has us whipped. "Please" Mr. Secretary, let American livestock producers and the American Dairymen supply the needs of the American Consumer. We can do it if you take away the spectacle and threat of import every time we start to make a little money.

We humans in this world still travel on our bellies and don't you ever forget it. We dairymen have nature's most perfect food and it can be marketed at a price that is fair if you would only let us alone. Use the laws that are already there, is all we ask. Let us compete but not against governments who subsidize their dairy farmers much higher than ours.

The average age of dairymen, I understand, is about 50 years. With no incentive to bring young men into this business and with lots of us in the 50 year bracket going broke, I see a very dark future for the consumer in the years ahead. She will think the price she is paying now is nothing compared to what it will be if we rely on foreign markets.

I agree that inflation must be checked and I agree that the balance in trade has to be straightened out. I am happy for the grain farmer, he has needed a break, but shouldn't the other segments of agriculture have consideration too?

I think I have made my point and to sum it all up. If you want the American Dairy farmer to produce the dairy products for Americans, please give us some consideration NOW. Already it's too late for many but it takes a while longer for some of us, but not much longer.

I would appreciate it if you would see that the check gets to some organization who would use it to buy MILK for the needy. It may be their last chance. I am sending copies of this letter to each of Wyoming's senators and representatives. Thank you for your time and hopefully your consideration to a nearly broke dairyman.

Best Regards.

Dick Lyon.

[From the Washington Star-News, Sept. 15, 1974]

MOTHER NATURE KILLS HOPES FOR RECORD CORN CROP

(By John Fialka)

Otoe County, Nebr.—The seemingly endless rows of corn that line the country roads here have a healthy green color. Bulging ears protrude here and there, giving the casual observer the impression of another bumper crop.

It is another irony in what may be a year of terrible ironies for some Midwest farmers and most American consumers: there are no kernels on the corn cobs inside the ears.

The mirsummer drought cooked the pollen-filled tassels on the corn before the plant could fertilize itself. The fields are really almost barren.

A failure in what was supposed to have been a record corn crop is no small thing. Together, the people in American agriculture represent the nation's largest and most efficient industry.

Their biggest product line is corn; they produce more of it than all of the rest of the world's farmers combined. The corn becomes a major component of our food chain. It is the principal livestock feed and is used in hundreds of thousands of food products.

Falling short of corn, then, is to the food chain something like General Motors running low on steel.

Here, if it is any consolation, America's vaunted farm technology almost made it. The eerie, life-like green comes from expensive, high-powered fertilizer. The impeccably weed-free fields are a product of herbicides. The dense stands of corn, plants growing sometimes less than nine inches apart, are a result of new, super hybrids.

But mother nature was still needed to complete this chain of technology and, for once, she did not cooperate.

"It wouldn't help this corn if it rained from now till Christmas," said Harvey J. Harms Jr. as he bounced alongside his fields in a pickup truck.

The rains that broke the drought in the corn belt early last month have cut the dust and have even produced mudholes where the land had cracked open in July. But by then, the damage was done, damage that will reverberate for months and play havoc with government plans to contain inflation.

So Harms has already cut down 30 acres of his corn and buried it in a pit that is covered by a black plastic sheet weighed down by old automobile tires. It is a homemade silo and there will be thousands of these burial pits in Nebraska and western Iowa this fall.

Harms will use the resulting sweet-smelling silage to feed his cattle, but it will not do much toward protecting him from the losses caused by the drought.

Like most of a dozen farmers interviewed recently, Harms had little idea how much his final losses might be because, like the nation's consumers, he may be looking at only a glimmer of the damage that is yet to come.

Although the Agriculture Department has said little about it, it is the frost that will be the final arbiter of damage in this calamitous year in agriculture.

The latest 30-day forecast calls for abnormally cool weather over most of the Midwest through September. For Harms, who has already taken one blow from the weather, it is a bad omen.

"That frost has got to hold off," he says as the pickup truck jounces past his other fields, planted in soybeans, and past some of his neighbor's grain sorghum. These crops survived the heat and are being revived by the rains.

Both plants have a capability of protecting themselves during a severe dry spell by going dormant, stopping growth for a while to wait for moisture. As a result, substantial areas of as yet undamaged crops in Nebraska, Iowa, South Dakota and Kansas are as much as two weeks late and thus vulnerable to an early killing frost.

Unusually cool nights early this month have already brought a light frost to parts of Iowa, Minnesota, South Dakota and Nebraska. The damage was believed to be slight, but it was not a good omen.

"The specter of frost damage also hangs over the more fertile eastern end of the corn belt. In Indiana and Illinois as much as 20 percent of the corn crop was washed out by heavy spring rains and had to be replanted, delaying it for several weeks.

In the middle of Iowa, where farmers got both the spring rains and the drought, the soil first became soupy and then was baked to a brick-like hardness, strangling the corn.

That resulted in a queer notation on some of the thousands of damage estimate forms that are now making their way toward Washington: "Damage due to excess moisture and drought."

Last month, Agriculture's Agricultural Stabilization and Conservation Service, which receives the damage reports conducted a survey of the drought damaged areas and came up with an estimate of $500 million.

More recently, ASCS officials have admitted that the possibility of frost damage and other imponderables may make the $500 million estimate a premature figure. "That estimate was very shallow on facts," said Glenn A. Weir, associate administrator of ASCS. "We may have missed it by a country mile."

All of this is unsettling to both Agriculture and the Office of Management and Budget. Agriculture Secretary Earl Butz encouraged farmers to plant heavily this year in order to reduce major crop subsidy payments to zero for the first time in many years. OMB, currently grasping for ways to reduce federal spending to ease inflation, must find money to pay farmers for a portion of their losses under a law passed last year.

But the disaster payments are only one part of a triple whammy that the crop damage will deliver to the anti-inflation effort.

Last Spring Agriculture announced that this year's corn crop could be as much as 12 percent bigger than our biggest previous bumper crop. It would be big enough, Butz reasoned, to keep food prices low. Using their slide rules, food marketers had visions of corn selling for $2 a bushel.

After the drought, Agriculture's estimators decided that the corn crop was going the other way. It would be 12 percent smaller than last year's bumper crop. Corn hit an unheard of $4.00-a-bushel price in some cash markets during August.

The plan for lower food prices was then jettisoned by Agriculture, which had predicted food costs would "flatten out" in the fall and begin declining by early winter. Instead, consumer food prices would climb another three or four percentage points, the department advised.

Agriculture had also projected a bin-busting crop as the prime way to solve the nation's balance of trade problems. The original scenario was to offset the inflationary oil bills by hustling more international grain deals.

By late August though, Secretary Butz was hustling in the other direction, trying to convince Common Market buyers not to buy as much of our corn as they wanted.

It was the start of a strange, new game for American agriculture. The surplus crops, which represented a huge cushion against potential adverse weather conditions in the 1960s, had been sold. The nation's stocks of feed grains (corn, and grain sorghum) had slumped to the lowest point in over 20 years.

Thus, this year's corn crop was not going to be just another bumper crop. It had to be a record crop to make Agriculture's plans come out right.

The failure of such grand strategy emerged slowly out of an almost euphoric spring in Nebraska. Farmers in other states had had their problems with heavy rains, but the weather in this southeastern corner of the state was ideal for planting.

There would be a bumper crop, said Washington, and Nebraska farmers were planting heavily. They could see the market for all that corn would be there. The steel storage bins that once dotted the Nebraska landscape were gone.

The bins were once the government's way of housing surplus corn. Early this spring, the government emptied the last of them here. They contained corn that was 17 years old. But it was still good and found ready buyers.

Then the bins were sold at auction. Nebraska corn farmers engaged in some sharp bidding for them because they would be needed to house the enormous fall harvest.

Corn planters were adjusted to plant the corn closer together and, although fertilizer was in short supply and high priced, prodigious quantities were applied.

"You had to shoot for all out," said Harms, who asserted that farmers faced with increasingly high prices for their supplies and equipment had to gamble that corn would be this year's big money crop.

And in early June, when the sea of young green plants appeared on the land, it was a heady sight indeed. Floyd W. Bohlken of nearby Nemaha County had farmed since the dust bowl in the 1930s. He remembers getting off his cultivator one day in June and looking at his fields.

"I said to myself that I've never seen things look so good," he recalls. "It was so good I began to wonder if something wasn't going to happen."

By the time the drought had already begun. The rains had stopped in May, but the damage did not become obvious until mid-July when the temperature rose to over 100 degrees for a dozen days in a row.

During the day the heat was accompanied by searing, dry winds. At night the humidity dropped so low that not even the dew was there to aid the scorched fields in the morning.

Ministers in country churches all across eastern Nebraska and western Iowa began praying for rain every Sunday and farmers like Bohlken began hoping "well, maybe it will rain tomorrow."

But corn does not hold up under such stress, especially if it comes during the crucial time of pollination. Bohlken knew this, but he kept on hoping until one day in late July when he went out to dig some potatoes.

The ground was too hard to dig. Bohlken discovered he could stick the 18-inch blade of his torn knife into some of the cracks that had opened between the corn rows without touching bottom.

The time had come to look at the corn. "I always thought it looked nice 'till I got to walking around. There were so many of those ears with nothing on them," he recalls.

One night in early August it rained. It poured as much as three inches on the fields in a few hours. Farmers can almost pinpoint the moment the drought was broken because the rain came the same evening President Nixon gave his resignation speech.

But by that time nothing could help or hurt much of the eastern Nebraska corn. Thousands of Nebraska farmers were already applying for federal crop disaster payments.

Paul Holechek heads one of the many teams of federal crop adjusters who are now walking the corn fields, estimating damage. Often, as the late summer turns increasingly wet and cool, the men have had to don wading boots to get through the muddy black gumbo soil.

Holechek believes that this year the heavy fertilization and dense planting may have aggravated the damage. "Some corn fields that weren't fertilized and are planted on the thin side, they've got some corn."

Holechek, who works for the Federal Crop Insurance Corp., spends his days picking corn in small, measured sample areas of a given field. Then he weighs the corn on a device that looks much like a baby scale to determine how many bushels the field might yield per acre.

At one point this spring, Agriculture estimated that the nation's average yield would be 97 bushels of corn per acre. Some parts of Bohlken's fields will now produce about 5 bushels per acre, a yield that Holechek says is relatively good compared to many fields he has seen which have had to be written off as total losses.

If Bohlken had been fortunate enough to produce a corn field equal to the projected national average, he would have made somewhere around $3.50 a bushel, or about $345 an acre.

As it stands, he will make about $30 an acre under the Federal Crop Insurance program and probably a similar amount under Agriculture's crop disaster payment program. The combined payments will probably not cover the costs of the seed, fertilizer and herbicide he has put in the ground.

Still, Bohlken is one of the lucky ones. Only about one in 11 farmers paid premiums for Federal Crop Insurance. Most Nebraska farmers will only be eligible for the second program, the crop disaster aid program, which will pay farmers in this area about 46 cents a bushel for their losses, based on their average yields from past years.

As yet, it is difficult to see the extent to which the farmers' losses will impact on the economy of Nebraska, or on the nation as a whole.

According to local ASCS officials, the losses will have a geometric impact on farm communities because each dollar created in income by the farmer initiates about $8 worth of business before it leaves the state.

"Farmers are famous for spending what they make," he adds, noting that the average Nebraska farmer must have about $250,000 worth of land and capital equipment to farm. "This year they will have no income, some of them, but there are still bills to pay and mortgage payments to make."

Farm equipment does not come cheap. A small tractor can cost $16,000. A small combine can run $40,000. A rear tire on a tractor is a $300 item.

After the drought of the 1930s, farmers had to cut their seared corn with their corn knives and bring it into the barn to be chopped into feed. This year they will pull chopping machines into the field that can quickly reduce whole acres of promising-looking corn into green mush to feed to the cows.

High technology farming may mask some of the hardship of the drought. Secretary Butz and other Agriculture officials in Washington may ease some of the apprehension by pointing out that "there is no need for panic," and that this year's crop may still be the fourth largest on record.

But nobody denies that the weather is now master of the men who farm on the plains. There are a number of people who feel that, despite the continued, sanguine predictions, the full damage has yet to surface.

"No man living today can predict within 500 million bushels how large the actual 1974 corn crop will be," asserts Walter Goeppinger, board chairman of the National Corn Growers Association.

"It all depends on the timing of the first killing frost."

Goeppinger's group believes the probable size of the crop will be in a range running from just slightly above Agriculture's most recent 4.99 billion bushel estimate to a possible low of 4.5 billion.

And Goeppinger, whose group has an interest in sustaining high corn prices, asserts that Butz is putting a "rosy" picture on the situation because he is trying to "jawbone" his way out of a problem.

Pointing out there are now believed to be no major surplus grain supplies anywhere in the world, Goeppinger argues further that "any new unexpected demand or shrinkage of output anywhere in the world could change the picture overnight, putting much more pressure on the American crop.

"We're not the only country that could have an early frost," he added. "Canada and Russia have planted grain late this year."

Frost is just one of the threats the weather poses, now that the long era of crop surpluses is over and, as Goeppinger puts it, "the supply string is now stretched to the limit."

According to Lyle Denny, a meteorologist for Agriculture's weather service, the midsummer dryness has robbed the soil of the moisture it will need to sustain a winter wheat crop.

Planting of the crop will soon be under way in Nebraska and other Plains states. If there is a major deficit in this crop, it will be known by December and put still further upward pressure on basic food prices.

Prospects for winter wheat are, according to Denny, a "tossup affairs." Rains have restored moisture to the fields of the Texas panhandle, where the drought started, but the fields of central and southwest Kansas have not recovered.

If the frost holds off and the winter wheat crop comes through, there is still the knotty question of whether the dryness of the summer of 1974 was the start of another drought cycle.

For the last 100 years, droughts have recurred in the high plains area west of the Missouri River and east of the Rockies every 20 years.

It is a stunning phenomenon to the nation's meteorologists who are now divided over whether the cycle is reasserting itself again. If it is, it means that the nation may look forward to not just one dry year, but probably four in a row.

Denny asserts that this year's dryness does not yet qualify as a drought and believes that the 20-year patterns have been largely coincidence. "We feel from the outset that such things are of random occurrence."

Dr. Murray Mitchell, senior research climatologist for the Department of Commerce's Environmental Data Service, is more impressed with the evidence of a drought cycle.

The dust bowl ran from 1932 to 1936 and

extended from the mountains as far east as Ohio. Droughts recurred in 1952, beginning in Arizona and extending over widespread areas in the Midwest, he pointed out.

Since then, he notes, "we have had an extraordinary run of good crop weather in the U.S. It's been about 16 years running. Normal weather is much more variable."

The odds against such a string continuing, he believes, are now "very high." "Frankly it makes me very nervous," he adds.

But the mechanics of American agriculture in this new age of low-surplus, high technology farming must go on. Bills must be paid. Mouths must be fed.

Recently Secretary Butz urged farmers to "go all out" next year and plant another record crop.

Soon Harvey Harms will clear the corn stubble from his land and prepare the fields for winter wheat.

Last year was a good year and next year might be another, reasons Harms.

"Gamblin," he shrugs. "Always gamblin."

[From the Washington Star-News, Sept. 16, 1974]

FOUR DOLLAR CORN HITS BROILER CROP

(By John Fialka)

EASTON, MD.—While news of the drought's impact on the 1974 corn crop has sent tremors through the nation's entire food production chain, the first real earthquake is happening here.

This is chicken country. The Delmarva peninsula is the birthplace of the American broiler chicken, believed to be the world's most automated animal. He is a creature of our technology—fed by computers, raised by machinery and protected by wonder drugs and vitamins in climate-controlled houses.

But he is vulnerable to one natural predator: high-priced corn. And when the economic turmoil is over out here, this vulnerability will have been passed on to the consumer in the form of a shorter supply of high-priced poultry products.

Raising poultry has been an increasingly shaky business since the summer of 1972, when the Russian wheat deal sent the price of chicken feed upward.

So this year, when the Agriculture Department predicted that the nation was about to produce a record corn crop, poultry men thought they saw an end to their difficulties.

"We thought at one point we were looking at a 6.7 billion bushel corn crop and maybe $2 a bushel corn," says Ed Covell Jr., president of Bayshore Foods, Inc., a company which normally has about 7 million beaks to feed.

Now, largely because of the drought in the Midwest, Agriculture has had to revise its estimate downward to 4.9 billion bushels and Covell and the rest of his industry are looking at a new phenomenon in the chicken business: the $4 bushel of corn.

Corn at that price is a kind of economic monster. It is about three times what livestock men have been used to paying for it. At the moment, the entire American meat industry is grasping for new ways to use less corn.

Some producers have options. Cattlemen, for instance, are feeding their animals lots more grass and are even experimenting with such things as treated chicken manure as a new, low-cost feed ingredient.

But chickens cannot be put out to pasture. Their regimen is fixed by automation. It begins with corn from day one. Since the market price for broilers is, according to poultry men, not high enough to pay for his feed, the industry is stuck. It has no option other than to cut its flocks.

The diminution of the nation's chicken population is now under way and it will continue until the market price goes high enough to pay for the corn.

Covell's company is in the process of cutting back its flock by about 15 percent, roughly a million birds. Its huge, three-story growing houses, where one man can grow up to 100,000 birds at a time, will be vacant for longer periods of time.

The number of eggs set to become broilers dropped last month by 12 percent, measured against a year ago. "There has never been a drop like that that I can think of," commented one government poultry expert.

The number of egg-laying hens now being culled out and targeted for chicken soup is up by a whopping 17 percent. Eggs that might have been hatched into broilers are now being sent to "breaker plants," where they wind up as ingredients in cake mixes and other processed foods. Breaker plant activity, according to a Agriculture spokesman, is "up sharply."

All of this is being closely watched by hog and cattlemen because they, too, will soon face the same problem. The growing cycles of their animals are longer, however, so the impact of cuts in production will take longer to reach the supermarket.

But a fuzzy chick takes only eight weeks to turn into drumsticks, so what the poultry men are doing is likely to hit the consumer sometime this fall.

The price of eggs, which have a still shorter production cycle, already has jumped a dime a dozen during August on the key New York wholesale markets.

The broiler industry has never had a major cutback in production since it began booming shortly after World War II. It has always tried to solve its economic problems by scaling up. Bigger is better. If a two-story chicken house won't pay, build a three-story one.

Recently one major Maryland broiler production facility, owned by Otis Esham of Parsonsburg, Md., went into bankruptcy. Esham does not want to talk about it. "It all happened so quickly that I'm not sure what went wrong," he told a reporter.

According to George B. Watts, president of the industry's major trade association, the Nation Broiler Council, three other major companies have had to close down major parts of their plants for lack of operating funds.

Watts calls the sudden decline in Agriculture's estimate of the corn crop a "catastrophe" that the industry had not been prepared for and one that gives it almost no room to maneuver.

Paul Davis, president of Empire Farms, a major egg production facility near Atlanta, Ga., put it another way:

"Corn is the basic, it is the meat and potatoes of chickens. I don't know of anything in the world we could substitute to any great extent."

The vulnerability of the business to price fluctuation is illustrated by the scale of Davis's operation, which is in the upper medium range of egg production plants.

He has half a million laying hens. Every week, rain or shine, drought or no drought, Davis's machinery is programmed to deliver them a small mountain of corn, 10,500 bushels. And every week his completely automated equipment picks up 2,160,000 eggs in tribute.

The hens are packed four to a cage in gigantic laying houses, one of which contains 120,000 birds. Food and water automatically appear in front of the cages, so the hens never leave during their year-long laying cycle.

It takes four pounds of feed to make a dozen eggs. Roughly 60 percent of the feed must be corn, the other ingredients may be fishmeal or soybean meal or other types of feed, depending on market prices. Davis, like most high volume operators, depends on a computer that remembers market prices and programs a ration that will produce eggs at the least possible cost.

The feed is made up in the farm's own mill. The eggs, when they appear, slide down a chute onto a belt. The belt moves the eggs onto a cross belt which takes them to a machine that packs them and crates them.

"Nobody touches them unless there's something wrong with a machine or something," said Davis.

Each of his hens will lay up to 240 eggs a year. No part of the operation can be cut back very much. "You've got to keep the feed mill and the egg plant moving at a high volume because you've got everything geared up to do a certain job."

Bigness creates leverage. "You can drive all over the country around here and you'll very seldom see a farm house that's got chickens any more. They can't do it. It'll cost them more to produce those eggs if they keep up with it than they can go to the store and buy 'em," Davis asserted.

But leverage can also work against you. Four weeks ago Davis began buying $4.03 a bushel corn, the highest price he has ever seen in 22 years of business. Every dozen eggs that came rolling out cost him over 50 cents to produce, he estimates, while the wholesale market price for them was 43 cents a dozen.

By the first week in September the market price had reached an average of 55 cents a dozen, about the point where Davis believes he can begin breaking even. "We're going to have to get that kind of average from now on," he said. Davis's operation is relatively simple compared to a broiler operation.

Covell's Bayshore Foods is one of 175 "factories" that produce the 3 billion broilers that America eats every year. They too suffer from reverse leverage.

It all began with a Delaware woman, Mrs. Wilmer Steele, whom the industry reveres as the "Henry Ford of chickens." In 1923, when she began her experiments, chicken was a luxury items, selling for as much as $1 a pound.

They were traditionally raised in the barnyard in the spring and hit the market around the Fourth of July, hence their name: "spring chicken."

Mrs. Steele ordered 50 chicks, but the hatchery sent her 500 by mistake. She was a determined woman however, and found that with the right feed you could raise chickens indoors on a year-round basis.

That called for corn, which supplies some of the nutrients that the chickens got from sunlight. Later feed companies enhanced the mixture with such things as artificial amino acids, antibiotics and vitamin D.

Feed prices went up, but the growers always stayed ahead of the costs by finding ways to reduced costs through automation. As a result, the price of the broiler kept going down.

By the late 1950s, the industry seemed to hit its stride. Growing houses contained acres of chickens, packed together so they didn't waste calories running around.

Automatic feeders supplied water and feed. Use of hybrid birds cut the growing cycle from 13 weeks to 8 weeks. High-powered feed meant that where it formerly took 4 pounds of feed for a pound of chicken, it now took 2 pounds of feed.

All of this added up to chicken at 29 cents a pound. Covell grows wistully when he thinks about it. "Gee, that was kind of a magic number. We sold chickens at that during the late 1950s and all through the sixties. It never seemed to vary much. But you can see those days are over."

It now costs Bayshore 45 cents a pound to grow a chicken and send it to New York, where the wholesale price on the day Covell was interviewed was 39 cents a pound.

When you deal in 7 million chickens at a crack, a loss of 18 cents per bird is nothing to sneeze at. And, for once, there seems to be no new technical innovations on the horizon.

"We've gotten to the bottom of the barrel now and our costs are accelerating faster than we can increase our efficiency. You see you get so efficient after a while where there's not much more you can get and we're at that point," asserts Covell.

A 12 percent reduction in eggs that are hatched to become broilers means 23 million pounds of chicken that will not be coming to market each week, according to Watts.

According to Agriculture figures, the cutback has been at that level throughout August. And the cutback in the flocks that lay the eggs for hatching has been even sharper. Once the laying flocks are cut, it takes about 18 months to re-establish the cycle.

Thus, a drought over eastern Nebraska is quickly translated into smaller chicken flocks. It is delivering a jolt that will throw the nation's most automated animal food business out of its normal cycle for months.

That will, in turn, probably mean that the consumer will pay more for his chicken and eggs, but the farmer, the man who grew the $4 bushel of corn, may have to pay too.

When it is running at full tilt, the chicken industry consumes a prodigious amount of corn. As one poultry man ruefully put it: "If they grow a bumper crop next year, there ain't going to be a whole lot of birds around to eat it."

[From the Washington Star-News, Sept. 17, 1974]

Lean Years Ahead for Steak Lovers

(By John Fialka)

Kuner, Colo.—There are lean years ahead for lovers of that most venerated item of American cuisine, the tender, juicy steak.

The people who developed the awesome technology that stands behind the American steak are preparing for a basic jolt to their business, a jolt that eventually will transform the average consumer's dinner menu with smaller portions of his favorite meat at increasingly higher prices.

Kuner is the site of a "steak factory," one of two enormous feed lots operated by Monfort of Colorado, a company which, in normal times, can turn 500,000 scrawny yearlings into delicious beefy animals each year by stuffing them with corn-based feed.

The cattle are here, as always, standing patiently in pens extending about a half mile in all directions from this pungent-smelling cross-roads about an hour northeast of Denver. They are waiting for the trucks to come by with their next computer-prepared meal.

But these are not normal times for Monfort or anyone else in the cattle feeding business, which claims to have lost as much as $2 billion during the turmoil of recent months, turmoil capped off by a drought which cut about 1.8 billion bushels out of this year's expected corn crop.

The drought has sent the price of cattle feed soaring. It is completing a grim scenario of events that beef people have been anticipating for some weeks.

The scenario begins with an illusion for the nation's shoppers. A huge supply of cheaper beef, primarily hamburger, cold cuts, wieners and the like will begin appearing in supermarkets this fall.

The deluge of cheap beef probably will drive the nation's per capita consumption of beef—higher than for any other meat and highest in the world—still higher. The supply will give the impression that the age of the cheap hamburger will be with us forever.

But that does not appear to be the case. Market forces already at work will end the wave of plenty sometime in 1976. Beef prices may then begin to escalate to unheard-of levels and supplies will suddenly drop sharply. Both movements probably will continue for at least two years after that.

The first signs of this scenario are already apparent. The Department of Agriculture's meat experts, looking at preliminary data from the month of August, believe that more cattle were killed last month than in any other month in the nation's history.

Included in the data, which will be announced at the end of this month, are indications that the slaughter of calves may be up as much as 70 percent over last year. The slaughter of cows also is believed to be up sharply.

The cows and their calves of what might have been a continuing age of plenty for beef consumers are coming to market early.

The impact of this slaughter will be delayed because about two years are required to bring a steer to market—the longest growing cycle of any major food product.

The cycle used to take longer than that, but in the late 1930s, Warren H. Monfort hit on an idea that probably has changed American life as profoundly as have some of its technological inventions.

Cattle used to be fed entirely on grass. Animals that were rounded up by cowboys for the trip to market were often over three years old, and their meat was often stringy and tough. There were some good steaks, but cattlemen could not produce them with mass-production consistency.

Younger consumers might find it hard to believe, but people used to be willing to pay more for pork than for beef. Even chicken sold at a premium compared to beef.

Monfort and other pioneer cattlemen, however, saw the flaw in the old system and turned the market completely around. Cattle spent too much time running around, the cattlemen decided, and could be brought to market sooner at a heavier weight if they were confined in pens.

During their confinement, their diet should consist not of grass or hay but primarily of corn, Monfort decided. Corn produces the marbling, the fat and the texture of what we recognize today as the steak.

The winters here, just east of the Rockies, are mild. And Monfort was able to take the seasonal element out of the market by fattening cattle year-round.

By World War II, he had scaled up to a size that amazed the industry, feeding 3,500 animals at one time. By 1960, he could feed 32,000 head.

The new 1,200 pound animal on his way to market was barely an adolescent, 24 months old. Sometimes it was just a calf, weighing about 400 lbs. when it was put on a feedlot to be stuffed with a mixture of corn, sugar beets, soybean meal and other delicacies never found out on the range.

But the cattle feeding business had just begun to scale up. Somebody came up with the astounding discovery that a synthetic hormone, diethylstilbestrol, would make penned cattle gain weight faster on less corn.

Cattlemen began mixing the drug, known familiarly as DES, with an animal's feed or implanting it as a tiny pellet in its ear. The upshot was that the feeding cycle was shortened by as much as 20 days, saving all that corn for the next batch of animals.

At present, the average feedlot stay for an animal is 150 days. In new automated feedlots, such as the one here and another being built nearby by Farr Farms Inc., a Monfort competitor, these are days of leisure.

Antibiotics placed in cattle feed have reduced the animals' mortality rate and there is little for them to do except mill around the crowded pens until the next feed truck rolls by, dumping its heated, specially mixed ration into the concrete troughs as it goes.

Each pen's ration and feeding time is remembered by a computer, which also remembers feed prices and mixes the ration according to the least cost for a given amount of nutrition. Machinery has, by and large, replaced the cowboy. The Farr Farms lot, when full, will have 35 employees feeding 40,000 cattle.

This method has meant money for Monfort, which drew up plans to feed 250,000 cattle at a time and added its own packing house on the end of the production line.

Monfort of Colorado now sits at the apex of an industry that feeds as much as 75 percent of all the cattle that are slaughtered. About a third of the industry is composed of big companies with feeding units of 16,000 head or more.

Bigness begat bigness. The tremendous demand for beef set the plans two years ago for the country's largest cattle herd in history. Approximately 138.3 million cattle are walking the nation's ranges or its feedlots.

And bigness often has been its own reward. Feeders who feed animals by the thousands have been able to buy cheaper feed—only the beginning of the benefits of scale.

Consider the example of just one of Monfort's feed lots. It produces 500,000 tons of manure a year.

That small mountain of manure is scraped from the pens by highway-sized road scrapers and piled and compacted by bulldozers. The manure is sold to farmers for fertilizer. Soon, however, Monfort and a group of scientists will build a $5 million plant to convert the manure to methane, or pipeline quality natural gas, by bacterial action.

The gas from the manure will be fed into a nearby pipeline owned by a company which will pay the going market rate. Carbon dioxide, a bi-product, will be compressed into dry-ice pellets which are used by Monfort in the packaging of its frozen steaks. The manure residue left over from the process will, according to experimental data, have better fertilizer properties than the original.

But something happened in the last few months that began to tarnish what had been a continually brightening picture for cattle feeders. Some cattlemen say it was the Russian wheat deal that caused basic cattle feed prices to begin moving upward.

Others blame a tax loophole which allowed outside investors to take a shot at the big money in cattle feeding.

Some cattle feeding operations thrived on this type of business. An outside investor would become a paper partner in a feeding business. Even if he lost money, he could come out ahead by paying for large amounts of feed in advance, thus shifting taxable income from one year to another.

Last year, according to cattle feeders, was a year of grief. The price of feed, barbed wire, fence posts, and fuel began to send the overhead of the business soaring. And there were new limits imposed on the price he could get for his fattened cattle.

The consumer beef boycott imposed one ceiling. Then the Cost of Living Council imposed another. When the price was right, the truck strike prevented the feeder from getting his product to market.

Then the Food and Drug Administration decided that DES should be banned and ordered it to be removed from the market. The drug, the agency pointed out, is a known cancer-causing agent and experimental data showed that traces had begun showing up in meat. (The ruling was later withdrawn after a court challenge and the FDA was sent back to gather more evidence.)

Curiously, the basic cost of the industry, the market price of feeder cattle, the young animals the feeders bought for their pens, did not reflect these fluctuating forces. It moved steadily upward, from $50 per hundredweight in January of 1973 to an unprecedented $74.72 in August.

Some people think that the scale of the business demanded mass production at any cost. Some cattle feeders argue that it was not the scale but the influx of outside money—the dentist from New Jersey who had discovered cattle feeding as a tax shelter and bought cattle regardless.

"Amazingly, the feeder cattle price did not drop for a long time," explained Kenneth Monfort, who has now taken over the reins of the company from his father.

"You see there was so much 'outside money,' Wall Street investors, tax gimmick people in the business, that it just couldn't drop. They simply had to own a lot of cattle on January 1, 1974 . . . they had to have prepaid feed and interest, they had made money feeding cattle or knew someone else that had and where else in town could you find a game like this . . . ?"

The forces driving the costs up coincided with the mass of beef hitting supermarkets at the end of the price freeze, driving down the retail price.

Then, cattle feeders say, they began losing $100 a head. Small operators went under. Outside investors withdrew what money they had left and looked for tax shelters elsewhere. (The Internal Revenue Service attempted to close this loophole, but was later forced to withhold the ruling by a court challenge, which is still pending.)

But it was difficult for cattlemen to go elsewhere or even to slow down. They had built huge, capital-intensive plants, complete with cement feeding troughs and automatic feeding systems.

William D. Farr, of Farr Farms Inc., feeds about 100,000 cattle a year, and is second in size only to Montfort in Colorado.

He put his problems to a reporter this way: "So I subsidized you as a consumer for eight months to the tune of about $100 a head . . . Now then I'm damn near broke. I've had to mortgage farms which I've never done in my life in order to stay in the business."

Currently, Farr, Montfort and a number of other feeders are doing what might have been unthinkable in the business up to a year ago. They've stopped buying cattle. Farr's feedlots are two-thirds empty and Montfort's are down by about a third.

"We're being stubborn. We've lost so much money for so many months that we cannot afford to take the extra risk at the moment until we can buy cattle and be sure we can make some money, so we're just going to quit feeding cattle. We'll let the plant sit idle. It's cheaper to pay the overhead and taxes," Farr explained.

This non-buying is designed to shift the losses to sellers of feeder cattle, ranchers who normally shift animals off the range and into the feedlots before winter.

Prices for feeder animals suddenly have gone into a tailspin, down $40 from the high of $72 a hundredweight and may go lower before winter.

The ranchers, Farr believes, will have to sell yearlings at a loss or rent space in feedlots and pay for the high-priced feed themselves. The result, he believes, will fill up the feedlots once again.

Referring to the record number of animals now "out there in the sagebrush," Farr adds, "They're either going to have to stay out there and wait their turn or die in the winter, one of the two."

Sam Addoms, vice president in charge of finance for Montfort, claims the company has lost almost $5 million during the last 9-month period by buying high and selling low. He sees the future in equally cold-blooded terms:

"The rancher is next in line to get the shaft and he is going to respond by being a reluctant seller. First he's going to cull his cow herd. He's going to cull older cows. Then he'll have to decide whether he will sell his heifers or his remaining cows and my guess is it'll be some of both."

Cow meat, according to Addoms, is tougher because it is older and it does not look good under cellophane in supermarket meat cases. "Hamburger prices will really be depressed and should really be a bargain. You'll be buying hamburger made out of cow."

Thus, according to the scenario, cow hamburger will soon be raining on consumers as a result of the bloody economic battle between cattle feeders and ranchers.

The younger liquidated cattle, being sent to slaughter by the ranchers right from the ranges, will probably be sold as veal or "baby beef."

Sometime, perhaps by late 1976 or 1977, the nation's great record cattle herd will be cut to a fraction of its former size.

What happens next? "In 1977 and 1978 the price will begin to escalate dramatically," explains Addoms, "and nobody will be able to do a damn thing about it because there's no way to respond immediately."

Ranchers will see the price moving rapidly upward and hold back some of their young cows to rebuild their herds. "That'll accelerate the price even more. O.K.? And then we're into another cycle," Addoms says.

How the consumer will respond to the cycle is a part which Addoms finds "really interesting."

"I don't know how he's going to come out. Is he going to cut out potato chips and convenience foods and go back to the old-fashioned concept of can your own foods?

"You're certainly going to see the consumer's expenditures for food exceed the 16 or 17 percent Mr. Butz (Secretary of Agriculture Earl Butz) has predicted. It's going to go to 20 and 21 and 22 percent and, more than that, you're going to see consumer pricing be much more volatile than we have seen it in the past, much more cyclical," Addoms says.

Farr sees the Americans' per capita beef consumption dropping from around 116 pounds per year to somewhere in the 90s as part of the "new ballgame" taking shape for 1976.

"The public just hasn't paid the cost of it. What the market says is that the desire is there but not enough to get people to produce it."

Meanwhile, the whole beef feeding movement has turned around. It's back to grass for those animals who are not culled out of the herds this fall.

A proposed new Department of Agriculture meat grading system, favored and championed by the cattle feeders, places less emphasis on corn-produced fat in the meat. The system will shorten the feedlot cycle

Cattle feeders also have turned to buying range-fed animals at 700 pounds or heavier to shorten further the animals' feeding time on expensive corn.

According to Farr, once the consumer gets over the dent the the new beef will take out of his pocketbook, he will find no taste difference. Steaks will still be juicy and rare if the animal from which they are cut has spent some time lounging in a feedlot.

And so it will be, according to men who know, the nation's beef business as well as anyone, that the impact of the drought of the summer of 1974 and other events will not reach the "queen of meats" until 1976.

But by that time, if inflation has not been mastered, a lot of the other "fat" will have been removed from the American lifestyle and the lean, new beef in meat cases may fit into it more neatly.

"God put a cow on this earth with his four stomachs to eat leaves and grass and hay," Farr points out, "and we've got to utilize the animal for what it was meant for and put on as little weight as possible with this high-priced grain."

[From the Washington Post, Sept. 22, 1974]

EAT, EAT—BUT NOT SO WELL

(By Dan Morgan)

For Don Hoppe, as for millions of other Americans, the neighborhood supermarket is contributing powerfully to a sense of bewilderment and discontent in the late summer of 1974.

Hoppe, 38, and his wife Cecelia, 34, who own the Riverside Lodge just outside Berryville, Ark., in the Ozark Mountains, have resorted to the "hamburger cow" to feed themselves and their two children.

The "hamburger cow," says Hoppe, is one that is so old—12 to 15 years, maybe—that "she's not good for anything but hamburger." Hoppe recently bought a half interest in an 850-pound animal of that kind, and had it slaughtered, packed and quick-frozen. His half cost $140.25.

"All you can do is grind it up," he says. "The meat's too tough for roasts and steaks. We tried some stew meat and my wife boiled it for hours, and it was still too tough to chew."

The "hamburger cow" is Don Hoppe's personal answer to a relatively new but deeply troubling phenomenon. In the world's most productive agricultural nation, the high cost of buying basic things to eat has become a pervasive concern.

Hoppe's solution may seem a radical one. Yet there are experts who fear that unless things change in the American agricultural economy, Hoppe may turn out to be ahead of his time in lowering his tastes and reducing his dietary expectations.

"We are heading into a period of 5, 10, 15 per cent less pork and broilers by mid-1975," says an Illinois economist.

According to Kenneth R. Farrell, deputy administrator of the Agriculture Department's Economic Research Service, the country is worse off than it realizes. "We're teetering on the verge of having available relatively less meat than we were used to in two or three years," he warns.

Cattlemen are taking losses of from $50 to $200 a head, according to agricultural agents around the country. Eliot Y. Johnson, who grows corn on 900 acres of tillable land in Ashland, Ill., got out of the livestock business five years ago. He sells his corn for cash now instead of feeding it to animals. Last year, he received a record $3.10 a bushel for some of his corn. But some of his friends and neighbors were not so lucky.

"They've lost their shirts on livestock," he says. "It's unbelievable how much money you can lose. It's tragic. A lot will be wiped out. They can't take it. They're passing grain through their hogs at a terrific loss."

Some hog men are getting out of the business for good this winter. They feel they have sunk below the breakeven point. "Lots of them are killing off their animals and going to Florida this winter, instead of slogging through the mud slopping pigs," says a member of the Chicago Board of Trade.

To the people on the other end of the food production cycle—the American consumers—there is something fundamentally baffling about the pessimism, the rising food prices, the threatened shortages.

Through the years of the country's failures in war, and disappointments in politics, there was always the comforting assumption that the United States was a land of agricultural abundance and inexpensive food.

And then, with unexpected speed, the country's vast reserves of grain were nearly gone and the prices of all the basic things people eat in order to survive soared upward. The situation is all the more puzzling because American farming is revved up to full power. Millions of reserve acres held back in the 1960s are back in cultivation.

Some of the changes seemed to defy the laws of economics. In 1973, for instance, the American croplands, which are the most productive in the world, yielded some of their largest harvests ever. Never before had there been so many cattle grazing on rich grasslands, or fattening in super-efficient feedlots.

Yet in that same year the cost of retail food rose more than 16 per cent, and American consumers paid out $20 billion more than the previous year for reduced quantities of beef, pork and eggs.

Between August and September, 1973, a pound of choice beef in the supermarket remained steady at a near-record $1.44, while the price that packing houses offered cattle owners slipped sharply, from $53.24 to $44.84 a hundred pounds.

Yet the livestock men's losses haven't been translated into lower retail prices. This year, according to Agriculture Secretary Earl L. Butz, those prices will rise another 15 per cent.

It is still true, as John Gunther wrote in "Inside U.S.A." in 1947, that "the national stomach cannot possibly contain everything that the farms produce." So plentiful is the food supply that Don Paarlberg, director of the Agriculture Department's division of agricultural economics, says that the farms could support a tripling of the U.S. population, provided Americans were willing to consume a less tasty, though adequate, diet.

Americans still spend far less of what they earn for food than most other nationalities: 16.6 per cent in 1973. But the share is rising, and in 1973 American retail food prices climbed more sharply than they did in Britain, Italy, France or Japan.

Agriculture in America has always been a risk-filled venture at best. In the last two years, however, the money stakes have become enormous. Many are gambling blindly, knowing that the results will be determined by factors like world weather patterns and crop results in distant countries, all beyond local control.

This year's Midwestern drought, which severely damaged the corn crop, reminded Americans that they, too, are vulnerable to the ravages of nature, for all their strides in science and technology.

The ultimate, frenetic expression of the uncertainty is the din-filled trading floor of the Chicago Board of Trade, where commodity futures are traded. The prices fluctuate wildly, and brokers concede that they can only counsel clients to keep their fingers crossed.

"What am I supposed to tell a food processing plant in southern Illinois that needs to buy food for its production line?" asks a broker. "A year ago, everything was easy. They contracted with farmers directly for their corn. Now the farmers won't do that, so these poor guys have to come here and bid for the basic raw material of their trade. I try to help them where I can."

In their bewilderment, consumers feel somebody has to be at fault for the high prices: "middlemen," speculators, Russians, the grain companies.

But all those explanations are surely too simple.

For at least a decade before the inflation hit hardest, the world had been consuming more food than it produced.

That ominous reality was evident in a steady decline in the world's grain reserves. Through the 1960s, the world's population grew by 70 million people a year. Meat eating also increased steadily, as richer populations demanded better diets. That strengthened demand for feed grains with which to fatten animals, or soybean meal to raise chickens.

Americans were scarcely aware of these trends, however, because of the existence of an enormous government-held stockpile of grain (roughly 100 million tons in the early 1960s), which kept prices here far below world levels.

The United States couldn't sell, eat or give away all it produced. The psychology of surplus persisted even as stronger foreign demand began to whittle down the reserves.

Then, in 1972, nature dealt a powerful blow to much of mankind. Bad weather and droughts caused crop failures in the Soviet Union, Australia, South Asia and sub-Saharan Africa. Countries such as the Soviet Union made up for shortfalls with unprecedented purchases in international markets.

Japan and Western Europe also bought heavily. The result was that world grain reserves sank to a record low, and most of the American surplus simply drained away, as the U.S. government released more and more of it in a futile effort to dampen domestic prices.

Suddenly, U.S. grain prices had climbed to a par with those in the rest of the world. The international grain companies sold their holdings to the highest bidder, whatever the country. The padding of the protective American stockpile was stripped away. "The American housewife is now competing with housewives in Germany and India for basic foodstuffs," explains an executive of an Arkansas rice growers cooperative.

Even before that watershed was reached, the devaluation of the dollar in August, 1971, had set the stage for higher food prices and more foreign demand.

The step helped the U.S. balance of payments, because foreign buyers could acquire American food more cheaply than before. From 1972 to 1973, food exports rose from $9.4 billion to $17.6 billion. But it also stepped up foreign competition for American food, and gave an upward thrust to prices.

The step also increased the prices which American importers paid for a whole line of essential food commodities: sugar, coffee, cocoa, tea, bananas and beef.

Meanwhile, the general inflation began to hit all parts of the agricultural system. Corn—the basic feed for fattening cattle and hogs—rose from 92 cents a bushel in part of 1972 to $3.65 in August, 1974.

Farmers began paying dramatically more for most of the necessities of advanced agriculture: fuel, herbicides, electricity and fertilizer. As grain prices increased, farmers expanded the amount of land they cultivated and poured on more fertilizer to boost yields. This doubled the cost of nitrogen fertilizers, as surging demand outstripped supplies.

Land prices (and mortgage payments) rose sharply: In a rich, corn belt area of northwest Illinois, the price per acre has risen from $875 two years ago to $2,250 today.

Wilbur McKay, a farmer in Wilmington, Ohio, complains that "fertilizer is nearly twice as high, diesel fuel has doubled, repairs are up 30 to 40 per cent . . . We bought a new combine this year and from the time we ordered it until the time we got it, the price went up $1,500. There are little bits of shortages in everything."

These added farm expenses were less disastrous to consumers than the inflation which meat packers, millers, food processors and retailers felt.

The cost of the farm ingredients is a minor part of the final cost of most products in supermarkets. The wheat, non-fat dry milk, lard and shortening in a one-pound loaf of white bread selling at an average price of 34.7 cents cost only 6.1 cents to procure. The rest is labor, transportation, packaging, advertising, taxes—and profits.

These costs have risen sharply between 1972 and 1974. A year ago, it cost $1700 to ship a truckload of lettuce from the West Coast to the East Coast. Now it costs $3000, because of higher fuel prices and lower speed limits on highways.

Containers and packaging—major items in food costs—rose 18 per cent between last September and March.

By early 1973, the American food economy had cranked many of the inflationary elements into its prices. Then, in mid-1973, the housewives boycotted meat counters and the government froze retail prices. Those two events reversed a 14-year trend in the United States toward more meat consumption, and disrupted the system.

Thousands of cattlemen and operators of feed lots (where cattle are fattened on expensive grain and protein concentrates) miscalculated—ruinously and tragically. They held back in hopes of still higher prices. When the freeze ended, they rushed their animals to market. As volume swelled, prices for cattle were slashed. Consumer demand was weak. The meat pipeline became glutted. Still, supermarkets held the price line, perhaps to make up for losses during the freeze.

To consumers, the widening margins between farm prices and meat prices in the market looked abnormal. But economists say they may not have been. It's in the nature of U.S. agriculture that farm and retail prices are only loosely connected—and usually then only with long lag times.

Also prices which have reached a plateau are slow to come down. Retailers argued that they were locked into new, expensive labor and freight contracts which couldn't be reversed. The livestock men found themselves locked into a production line that couldn't be turned off.

Nonetheless, economists are still posing serious questions about the price margins between farm and store, which this year are expected to be 21 per cent wider than in 1973.

Somebody received the extra $20 billion for food shelled out by consumers in 1973. But who? Were consumers and farmers alike victims of a massive ripoff by profiteering middlemen?

The Federal Trade Commission is investigating the retail food industry in six cities now. Beyond that, consumer advocates charge that the nation's agribusinesses, wholesale conglomerates, meat packing empires and baby food and breakfast cereal producers are overdue for a hard governmental look.

"Economic power is very closely held in those areas," says one official. "The chance for noncompetitive price setting is certainly very great."

Demand for meat has picked up again this year, which means that the demand for feed grains will also stay high. Abroad, developed nations have shown little inclination to slow the increase in their grain consumption. Analysts in Chicago expect that the Soviet Union will go shopping again this year for grain, because it is still building up its livestock supply.

Export controls would immediately lower prices at home. The United States now exports a quarter of its corn crop, about half of its wheat and rice crop and about half of its output of soybeans and soybean meal. In some cases, it is the sole source of supply.

Controls would alleviate the impact of the drought-inflicted 20 per cent shortfall in the corn crop and maybe slow the killing off of animals. But such a step would have far-reaching international repercussions.

It could worsen the U.S. trade deficit. It could also persuade America's customers to retaliate by closing their markets to other U.S. commodities. It would also give oil producing nations a new argument for limiting their own exports of petroleum. Nutritionists note sarcastically that one by-product of export controls on corn would be to make it cheaper for Americans to continue overeating fatty beef.

The administration could also take the advice of cattlemen and block the import of over $1 billion worth of foreign beef a year. But such a step would hardly help American consumers, and it would infuriate European countries which already are grappling with a meat glut produced by their own angry farmers.

So far, the administration leans toward a wide array of less dramatic anti-inflation measures: reducing waste in the agricultural system, changing certain regulatory policies and working for reduced trade barriers.

"We're not at the last resort stage yet, but we could get there," says a senior government economist.

"We wonder how we muddle through," says a Midwestern agricultural agent. "I would say the word is frustration."

RESOLUTION ADOPTED BY THE CRAWFORD COUNTY FARM BUREAU

Mr. NUNN. Mr. President, I recently received a resolution adopted by the Crawford County Farm Bureau which outlines many of the problems confronting the farmers of their area.

I am deeply concerned about the plight of the farmers in Georgia and throughout the Nation and feel that the situations outlined in this recommendation should receive the attention of this body as well as the Department of Agriculture, the Environmental Protection Agency, and other Government officials whose action directly affects agriculture.

I ask unanimous consent that the resolution of the Crawford County Farm Bureau be inserted in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

The Crawford County Farm Bureau Resolutions Committee, would like to recommend the following resolutions to be studied and worked on to alleviate the situation.

SITUATION

The Farm-Retail Spread in the Consumers Market Basket in 1974 is 25.6% higher than in 1973, and 58% higher than 1967. The spread on food groups from 1973 to 1974, by food groups increased by these percentages: Meat 29.3; Dairy 21.8; Poultry 2.9; Eggs 8.9; Baking and Cereals 31.1; Vegetables 25; Fats and Oils 43.9.

The average increase in farm value of these products has only been 3.4% from 1973 to 1974. The average farm value of Meat Animals has decreased by 14.4% from 1973 to 1974. The cost of production has risen 50 to 100% on many farm products.

RESOLUTION

With these facts in mind we recommend that investigations be done and controls made to slow the profit of the middleman, and the increasing retail price, and to give farmers a larger percentage of the retail dollar.

SITUATION

Even though there have been efforts to eradicate the Fire-ant, the job has not been accomplished. Fire ant infestation is worse and in more areas.

RESOLUTION

We recommend that legislation be passed to override EPA controls, and that an eradication program be set up according to research findings that will complete the job.

SITUATION

We are told that a fertilizer shortage exists, and that this has caused an increase in the price.

RESOLUTION

We call on all Georgia farmers to discontinue the use of fertilizer or hold purchases to a minimum until production can supply the demand and the price be dropped to a reasonable figure.

SITUATION

There are shortages of many products which are essential for farm operation. Many times the shortage occurs when the products are held for higher profits, Example: Antifreeze, Baler twine.

RESOLUTION

Investigations be made into hoarding situations, and price controls be set up.

INFLATION

Mr. TAFT. Mr. President, the Government and the Nation have been extremely fortunate that during the economic summit and presummit meetings, some of the most accomplished leaders in the private sector have been willing to contribute their thoughts.

One of these leaders from the business sector is Ralph Lazarus, chairman of Federated Department Stores, Inc. Mr. Lazarus, who participated in the business and manufacturing conference on inflation held in Detroit on September 19, has long been a well-recognized spokesman from the business community. His constructive statements have been extremely helpful to the Government's consideration of many issues over the years.

I believe that a review of Mr. Lazarus' statement would be most helpful to my colleagues. Although it is far from the only important point in the statement, I would like to call attention to Mr. Lazarus' call for increased incentives to promote savings. Because this goal is important both as an anti-inflation and proinvestment device and for provision of relief to the distressed housing market in particular, I have introduced legislation which exempts the first $500 of savings interest from taxation.

I ask unanimous consent that the statement appear in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMENTS BY RALPH LAZARUS, SEPTEMBER 19, 1974

Inflation is clearly America's number one problem today. We must agree as a nation to a course of positive action and then carry it out consistently and energetically. One caution, however—in our zeal to conquer inflation, we must not be so headstrong that we bring on a major recession.

If we are to prescribe, however, we should be certain we agree as to the basic causes of this serious illness. What are the underlying factors that have produced today's inflation? They are:

A world-wide boom in demand for key materials and goods. This is presently moderating;

Major declines and dislocations in world food supplies in 1972 and 1973;

Devaluations of the U.S. dollar;

Abrupt and major energy cost increases;

Shortages of capacity in key processing industries;

A major shift from productive investment to speculation;

Failure of Free World governments to exercise balanced fiscal and monetary policies.

Assuming these are the basic causes, then what principles should guide us as we seek to get things back on an even keel? Generally, we should attack the problem on three broad fronts. We should strive for a balanced Federal budget; we should positively encourage a major increase in personal savings and investments; and we should increase the country's production capacity.

In order to accomplish these things we must set as our highest priority the definition and adoption of economic policies which will, in both the short and longer run, encourage and promote the fullest and most productive use of all our resources—human, natural, industrial and financial. This should be done in a manner consistent with achieving and maintaining stability in prices.

The control of inflation will require that government, business, labor and the consumer shoulder the burden equitably. Economic statesmanship must come before politics as usual or business as usual.

I would suggest these guidelines:

It would be a mistake to restrict demand in such a way that would discourage expanded production.

We must encourage a substantial expansion of productivity.

We must develop a major increase in our industrial and resource-producing base.

Inefficiencies and inequities in our financial system which discourage investment must be eliminated.

The government of the United States must adopt, as a continuing program, the objective of a Federal budget in relative balance.

The Federal Reserve should set as its goal a steady, consistent growth in money which will not finance inflationary pressures or encourage inflationary psychology.

The United States has to exercise its leadership responsibilities in the free world and promote a cooperative approach to our mutual economic problems.

Now to the specific actions I would suggest:

In Government, the Administration and the Congress should commit publicly to the position that in Fiscal Year 1975, expenditures in the Unified Budget will be held below $300 billion.

This would require that the official budget be reduced by $5.5–$6 billion this year. In addition, we should seek a balanced budget or a small surplus in Fiscal 1976. I believe that national leadership should identify its priorities and state its position and reasoning to the public honestly and clearly as to necessary budget reductions.

Most important, I believe the Administration and Congress should adopt, as a long-range commitment, the position that expenditures in the Unified Budget in future years shall not be permitted to exceed their 1976 proportion of National Income. An exception would be made, of course, in those years defined by the Congress as periods of national military and socio-economic emergency. In addition, if this limit is exceeded then it must be offset by new taxes.

In Monetary Policy, the Federal Reserve must move gradually and consistently to decelerate money growth. This should be done at a pace consistent with the tempo of change in the Unified Federal Budget as it approaches balance in Fiscal Year 1976. However, recognition must be given to the conditions presently prevailing in the nation's financial system. Interest rates are at extraordinary levels. Capital markets are increasingly disorganized. Financial institutions, particularly thrift institutions, are experiencing severe disintermediation. It would be extremely unwise for monetary policy to move precipitously toward either restraint or stimulus.

The key consideration is that fiscal and monetary policy be coordinated and complementary. The onus of restoring stability to prices and to the nation's financial system mst be shared equally by the Federal government and the Federal Reserve. Fiscal and monetary policies in the months ahead must act in concert if inflation and financial distortion are to be ameliorated without severe damage to our economic system.

Business and Industry should make every effort to expand production and increase productivity. To assist this we should perhaps consider changes in taxation to encourage expansion of productive capacity. I would suggest a temporary 10 percent surtax on all corporate profits. This surtax would be remitted fully to corporations which, in the twelve months following the years covered by the surtax, invest or commit to invest an amount equal to their surtax liabilities in plant and/or equipment which improves either productivity or expands product capacity.

In order to ensure that incremental productive investment occurs, corporations would be required in the years covered to maintain their 1972/1973 proportion of capital spending to pre-tax profits—before qualifying for remission of the 10 percent surtax.

As to the Consumer, we should adopt policies which will help us achieve a fair balance between spending and saving.

Consideration could perhaps be given to the immediate exemption from Federal Income Tax Liability of all interest earned by families or individuals. As an alternative approach, we might consider exemption of interest earned by families or individuals up to annual limit of $750 or 10 percent of adjusted gross income—whichever is less. Those families or individuals with annual incomes under $7,500 could be given a tax credit for interest earned.

We might also consider ending the deductibility of interest paid by consumers on short term installment debts.

Fundamentally, this recommendation is made to recognize the need to eliminate existing disincentives to saving in the tax laws. As these laws now stand, interest paid in the process of consumption is subsidized, while interest earned through saving is penalized. This measure would not only treat the small saver more equitably, but would encourage reduced consumption at the taxpayer's option and perhaps, more importantly, also create a possible source of additional long-range funding for investment.

Congress should study the desirability of making inflation accounting mandatory—such things as LIFO and replacement depreciation. This would allow individual companies to generate their own capital to finance the inflation segment of their inventory and maintain the efficiency of their plants.

If loss of government receipts from corporate profits throws the Federal budget out of balance then the corporate tax should be increased to offset it. They should also allow corporations to report loss of earnings because of inflation accounting to its shareholders.

Finally, I believe the U.S. should reaffirm its commitment to cooperation in international economic affairs. Leadership must be demonstrated in such vital areas as monetary reform, trade liberalization and resource development. As we have learned to our cost, inflation girdles the globe. Controlling such a world-wide condition cannot be solely the responsibility of any one nation or part of a nation. Everyone must make the effort and sacrifices which will be required.

FAIRNESS DOCTRINE IS UNFAIR

Mr. PROXMIRE. Mr. President, a corollary to the Federal Communications Commission's fairness doctrine is the personal attack rule. Briefly stated, that rule requires that when one person attacks another on a broadcasting station, the station must inform the person attacked, give details, and offer a chance to reply.

That sounds fair.

But the same idea, written into Florida law to apply to newspapers, was ruled unconstitutional by the Supreme Court this year in *Miami Herald Publishing Co.* v. *Tornillo* (94 S. Ct. 2831).

The Miami Herald on September 27 editorialized on the fairness doctrine in an editorial headlined, "Fairness Doctrine Is Unfair."

Here is a newspaper that knows what freedom of the press is about. It carried its fight to the U.S. Supreme Court and won. The Court's landmark decision said in part that—

> The Florida statute fails to clear the barriers of the First Amendment because of its intrusion into the function of editors.

The Herald editorial did not mention the case to which it was a party. Yet, it recognized that the fairness doctrine also has difficulty clearing the barrier of the first amendment.

Mr. President, I ask unanimous consent that the Herald's editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAIRNESS DOCTRINE IS UNFAIR

Freedom of the press is guaranteed by the Constitution, but one large segment of the media must operate with a wary eye on a set of highly restrictive government regulations.

Put forth in the name of "fairness," these regulations enforced against broadcasters by the Federal Communications Commission often have the effect of stifling the free and open airing of controversial issues, especially at the local level. They also lead to endless litigation, with more than 30,000 complaints filed against stations in the last five years alone.

True fairness is a matter of integrity and cannot be effectively enforced from Washington by applying mathematical formulas to particular cases under rules such as the famous "equal time provision." There are better ways to insure fairness. Any broadcaster who consistently acts unfairly can be checked by members of the public who tune away. A sustained pattern of unfairness can be a legitimate cause for complaint at license renewal time, when it becomes a proper concern of the FCC.

But day-to-day government meddling in the content of broadcast programming has proved to be unwise for several reasons. For one thing it is unnecessary. As Sen. William Proxmire pointed out in criticizing the "fairness doctrine," newspapers generally manage to be fair without government restraints. Broadcasters deserve the same freedom.

In addition, government meddling is unwise because it is self-defeating. Instead of encouraging the free exchange of ideas, it has led stations to avoid controversial topics for fear of encountering the expense of litigation or facing a challenge to license renewal.

Finally, any government meddling with an important segment of the media bears watching as a potentially dangerous situation. Letting a federal agency be the final arbiter of "fairness" confers immense power, especially when the same agency has life-and-death power over broadcast licenses.

For these reasons, then, we concur with Sen. Proxmire in his call for elimination of the FCC's authority to act as arbiter of fairness in the day-to-day decisions of broadcasters about program content. It is the only fair thing to do.

SENATOR MATHIAS PROPOSES SOLUTIONS FOR OUR POLITICAL AND ECONOMIC PROBLEMS

Mr. HATFIELD. Mr. President, one of the most serious problems facing our Nation is the growing loss of confidence of many Americans in our political and economic institutions. The test of our leadership today will be whether or not we act decisively and wisely to deal with the underlying causes of this widespread concern.

In a recent speech before the Jaycees of Bowie, Md., the senior Senator from Maryland (Mr. MATHIAS) addressed the twin problems of political corruption and economic deterioration and suggested a series of positive steps which this Congress should take forthwith. I believe Senator MATHIAS' remarks deserve the attention of a wider audience, and accordingly, I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

POLITICAL AND ECONOMIC REFORMS SHOULD GO HAND IN HAND

(By Senator MATHIAS)

For the past decade, the American people have been besieged with mounting political corruption and steady economic deterioration. Our Constitution has been ignored, bypassed, or frontally assaulted. Our free enterprise system has been undermined and distorted by leaders in both the public and private sectors.

It is time to admit that the economic problems of today will not be solved by economists alone, but rather, they will be solved only when we recognize that they are inescapably intertwined with political failings.

Consider these examples:

A complacent, lethargic, antiquated Congress forfeited in the past two decades its two most fundamental responsibilities—the war-making power and the power of the purse.

One result was that billions of dollars, millions of hours of American labor, and thousands of young American men were devoted to an unwanted and unnecessary war which bypassed the Constitution.

Another result is that Congress has permitted the Federal government to run a deficit of $160 billion in the past decade, despite the fact that we know that billions of dollars are wasted in programs that don't work, or programs for which no standards exist to determine whether or not they are working, while proven programs are continually under-funded.

We became so absorbed in the Vietnam quagmire that we totally ignored an energy crisis which was forecast by Presidential Commissions more than two decades ago.

We have permitted huge conglomerates, such as ITT, to play on political weaknesses in Washington in order to gain special treatment to escape from the reach of our antitrust laws, and from the healthy discipline of competition and the free market.

Our tax system continues to bear down on the middle class, while the well-to-do and multi-national corporations continue to exploit special loopholes, and yet Congress is about to adjourn without even a serious debate on tax policy. Public confidence in the equity of Federal taxes has plummeted so low that Treasury officials predict serious problems of enforcing even the most basic rules.

For 25 years we paid huge subsidies to farmers not to grow food, and now we face serious shortages both at home and abroad.

These examples can be multiplied many times over, but the point is clear—the well-being of our political and economic systems go hand-in-hand.

And so we must push programs that deal with both. Domestically, these must include:

Reform of political campaigns so candidates do not have to depend on "big money from special interests."

Full disclosure of the personal finances of all elected officials and candidates.

Reform of Congressional procedures so that Congress will be fiscally and socially responsible and a positive partner in the Federal government.

Immediate action by the Federal Reserve to gradually lower interest rates.

Revision of the Nation's anti-trust laws, which were written more than 70 years ago, so that they make sense in modern times and are strictly enforced.

Tax reform so everyone pays a fair share and no more.

Relief for those hurt most by stagflation, including public service jobs, liberalized unemployment compensation, and fuel stamps.

Farm policies that pay farmers to produce rather than not to produce so there is more food in the stores at lower prices.

In addition to these domestic initiatives, we must attend to the international aspects of our economic problems.

The largest price increases in the past year have concerned fuel, food, and basic raw materials—all of which are high on the list of items traded among nations.

Economic problems are thus international in scope, and while U.S. leadership is essential to a solution, we cannot solve the problem in isolation. Cooperation among nations is the only way.

Western nations cannot ignore the quadrupling of oil prices by Arab nations. While we push a strong energy conservation program at home, and develop new energy sources on an accelerated schedule, we must work with other oil importing nations to ensure the economic and political integrity of all nations. As Secretary Kissinger and President Ford have pointed out, there is no higher priority for the United Nations or other international organizations than these related problems of food and fuel.

These are some of the domestic and international programs which I believe are important and on which most Americans can agree. But we will make progress on this agenda only if our political institutions are more responsive and responsible than they have been in the past. There are some encouraging signs that this may be the case.

One was the enactment, just this summer, of the Congressional Budget Reform law. This measure recognized and dealt with the fact that the economic realities of Federal budget deficits were traceable to structural problems within the Congress itself.

Its passage is a major step forward, and it demonstrates, I believe, that our political and economic problems are solvable. Whether we build on this beginning depends in large part on the interest and concern displayed by citizens such as yourselves.

AIR FORCE ASKED TO PROBE C-5A CRASH

Mr. PROXMIRE. Mr. President, the crash and total destruction of a C–5 aircraft a week ago will cost the taxpayer about $60 million, the amount it took to build each of the giant cargo planes.

The C–5 is mainly noteworthy for the mammoth $2 billion overrun that broke the record for overruns on a single weapons system and also broke the taxpayers' heart.

I am informed by the Air Force that the plane was in a training flight on September 27, 1974, when a fire broke out and cabin and hydraulic pressure were lost.

The plane crash-landed near Clinton, Okla., and was totally consumed by fire. All crew members survived.

The Air Force is following its usual procedures in investigating what is being called a one-of-a-kind accident.

Training flights have been discontinued temporarily but operational flights continue.

Until the Air Force investigation is completed there is no way of knowing the cause of the accident.

Pilot error does not seem to be a factor. Indeed, the pilot saved the lives of the crew by his skillful handling of the crash landing.

I will reserve my judgment until all the facts are in and the Air Force announces its conclusions. I am asking the Air Force to provide me with its findings as soon as they are available.

It does seem curious that another of these expensive airplanes has been destroyed by fire. There have been serious structural problems with the C–5 and we can only hope that it is not basically unsound.

QUESTIONING HAIG'S ROLE

Mr. PROXMIRE. Mr. President, this morning's article in the Washington Post by Walter Pincus raises some disturbing questions about the role of Gen. Alexander Haig in the Nixon administration.

He states that:

> General Haig has a highly selective and disciplined memory and is adroit at devising a version of events that, in those instances, neatly served the Nixon Administration by providing less than the whole truth.

Mr. Pincus then goes on to document a number of these instances of "less than the whole truth."

There is the question of the wiretaps that documents say General Haig authorized for William Safire and Henry Brandon, both correspondents, which Haig says "are puzzling to me."

General Haig cannot remember the authorizations for Anthony Lake and Winston Lord although documents show he gave the names to the Justice Department.

And then there is General Haig's advice to John Ehrlichman that it might be better to delay the Ellsberg trial until after the November Presidential election. Can anyone deny that this is a political general speaking?

Mr. President, the Senate seems to be delaying on taking any action with regard to General Haig.

I would like to suggest a compromise with regard to the Haig confirmation. The Army says General Haig does not need to come up for confirmation because he already has the rank necessary for the job. I believe that to be a bureaucratic circumvention of the "advice and consent" power of the Senate.

Nonetheless there is controversy on this point. As a compromise I ask the Armed Services Committee to request that General Haig appear before the committee in open session without prior restrictions, to answer any and all questions but not with reference to a confirmation vote. Surely General Haig will want to clear the air and discuss the serious questions raised about his role in the Watergate tragedy.

Mr. President, I ask unanimous consent that the Walter Pincus article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

QUESTIONING HAIG'S ROLE

(By Walter Pincus)

Critics of Gen. Alexander Haig, Jr., have asked Sen. John Stennis to hold hearings before his Armed Services Committee on the former White House staff chief's appointment by President Ford to be supreme allied commander in Europe. The NATO post unlike that of army chief of staff which Haig turned down, does not require Senate confirmation—at least that is what Department of Defense lawyers have ruled. But this is a major appointment, and if there are doubts, a Senate committee hearing would give Haig an opportunity to answer questions about the role he played in the Nixon White House.

If such hearings ever come about, the senators who would cross-examine the general had better bone up on their man. Three Haig appearances—before the Senate Foreign Relations Committee on the Nixon so-called "national security" wiretaps, before Judge John Sirica's inquiry into the missing and erased White House tapes, and at the trial of Daniel Ellsberg—show that Haig has a highly selective and disciplined memory and is adroit at devising a version of events that, in those instances, neatly served the Nixon administration by providing less than the whole truth.

On July 30, 1974, Haig testified under oath before J. W. Fulbright's committee. With not much enthusiasm, the committee had agreed to look into Henry Kissinger's part in the 1969–71 wiretapping of White House aides, government officials and newsmen. The day of Haig's appearance, the House Judiciary Committee gave final approval to the three impeachment articles, one of which referred to wiretapping as an example of Mr. Nixon's abuse of power. After reviewing more than 100 FBI wiretap reports that had been sent to the White House, the committee majority found the wiretapping had been used to gain domestic political intelligence and not merely information relevant to national security. Haig said he had no individual responsibility for the wiretaps: "I never viewed myself as anything but an extension of Dr. Kissinger . . . I would never presume to do anything in this area that I had not discussed with him or had specific authority for."

FBI records list Haig as the requester of taps on 12 of the 17 individuals concerned. He said he only received orders to tap four individuals directly from the President on one occasion, May 2, 1970, at the time of the Cambodian invasion. Haig gratuitously added that he believed that Kissinger was with the President "or had just left him" when Mr. Nixon called. Haig also testified that "all other names that I ever conveyed were names given to me by Henry." He was just the errand boy.

When the senators got down to specific names, Haig again danced away from responsibility. The first four who had been tapped were National Security Council staff members Morton Halperin, Daniel Davidson and Helmut Sonnenfeldt, along with Gen. Robert E. Pursley of the Pentagon. Though Haig is listed on the records as the one who brought the four names to the FBI on May 10, 1969, Haig said he "did not consider that I was bringing any names over then. I was confirming a program that had already been approved at the highest level by the director (J. Edgar Hoover) . . . I think quite frankly those names came from the director because they expressed, they represented his concern regarding a number of people on Henry's staff." That statement is supported both by Kissinger and, to a degree, by other facts. Where the new Haig/Kissinger version of events gets thin is when it comes to Gen. Pursley. Haig and Kissinger knew Pursley was aware of the secret Cambodian bombing.

Hoover was not. So Pursley was substituted by Haig, and the FBI records confirm that. That fourth man Hoover originally wanted to tap, London Sunday Times correspondent Henry Brandon, was subsequently tapped beginning May 29, 1969. And though Haig's name was on the request for that tap, as well as one initiated two months later on then White House speechwriter William Safire, Haig swore he did not ask for them. "They are . . . puzzling to me," he testified.

Both Haig and Kissinger blanked out on the May 13, 1970, taps on the phones of Anthony Lake and Winston Lord, Kissinger's past and present personal assistants. Kissinger said he did not remember requesting them and Haig, who is listed in the FBI records as bringing the names to the bureau, also could not recall doing so—but he added that if he had, Kissinger would have given him the names.

Haig's involvement in the tapping program, now that the impeachment issue has been shelved, needs clarification, as well as another aspect of his activities stemming from that program.

In April 1973, Haig, then army vice chief of staff, appeared in uniform at the trial of Daniel Ellsberg. He was to counter the testimony of Halperin, who had appeared on behalf of Ellsberg. Outstanding at the time of Haig's appearance was the trial judge's order that the government turn over any wiretaps on Ellsberg and those of his consultants, of whom Halperin was one. Haig had not only reviewed the Halperin tap as a member of Kissinger's staff, but he also was probably aware of Ellsberg's calls picked up from the tapped Halperin phone.

On the stand at the Ellsberg trial, Haig coolly attempted to discredit Halperin's prior testimony by stating the former NSC aide never had access to the most sensitive information on the Vietnam negotiations. This was not the first time Haig had shown interest in the Ellsberg case. In December 1971 he sent a memo to Nixon aide John Ehrlichman citing information he had received that Ellsberg planned to use his trial as a political event. Haig wondered "if it wouldn't be the better part of wisdom to seek to have the trial delayed until after November" and the presidential election.

How much was Haig involved in efforts to keep the White House tapes from becoming public? And in what way were his actions just "an extension of Richard Nixon"? Less than a month after Haig replaced Haldeman as White House Chief of Staff, Haig, according to a June 4, 1973, White House tape, was urging the President to attack former White House counsel John Dean, calling Dean a "son-of-a-bitch" and agreeing that Haldeman could handle any problem associated with the famed March 21, 1973 conversation between Dean and the President.

In late September 1973, it was Haig who arranged for Nixon's secretary, Rose Mary Woods, to go to Camp David to type up transcripts of the tapes, assisted by Nixon aide Steve Bull. When Bull was unable to locate two of the subpoenaed conversations, it was Haig to whom he passed on that information.

Early the following month it was Haig who went to Sen. Stennis to ask that Stennis serve as a verifier of the tapes, in a plan that eventually led to the dismissal of Special Prosecutor Archibald Cox. Haig, according to Stennis aides, never told the Mississippi senator that any tapes were missing. In November 1973, at the height of the White House campaign to have Mr. Nixon overcome his critics by telling the "truth" with "operation candor," it was Haig who took responsibility for withholding from the President the news that there was a gap on one tape. Mr. Nixon assured GOP governors that day there were no more bombshells coming. It was also Haig who suggested to a group of congressmen that former Attorney General Elliot Richardson may have been drinking during negotiations that led up to the Cox firing.

Is Haig to be taken on faith, by the Congress, by the public, by NATO? It would be better to have a full accounting from him of his past conduct. The Senate Armed Services Committee has the responsibility to order that accounting.

SENATOR RANDOLPH BELIEVES GASOLINE TAX INCREASE WOULD BE INEFFECTIVE AND INEQUITABLE

Mr. RANDOLPH. Mr. President, I was relieved to read in the newspapers today that President Ford apparently has rejected the suggestion that the Federal gasoline tax be increased by 20 cents a gallon.

If this report is correct, then the President has wisely turned down an ill-advised recommendation—one that would have done great harm and would have been counter-productive.

As I understand it, the proposed 500-percent boost in Federal gasoline taxes was intended to reduce fuel consumption and to finance programs to help the poor in this time of economic hardship. I seriously doubt that it would have achieved either purpose.

As with any such tax, the burden would have rested most heavily on the shoulders of those least able to support the additional cost. Even with the complicated system of tax credits for those who use less than 500 gallons a year, the poor and those who have no alternative form of transportation would have no choice but to pay.

The greatly increased tax may have stimulated more use of public transportation. There are many parts of this country, however, where public transportation is woefully inadequate or simply nonexistent. Rural residents, miners, and construction workers, often must travel long distances to work. The additional 20 cents a gallon would increase their cost of earning a living, reduce effective income, and contribute to the very economic conditions we are trying to correct.

Our experiences of last winter indicated that higher costs will not significantly affect gasoline consumption over the long run. The most recent report from the Department of Transportation shows that the amount of gasoline bought in the United States is now higher than at the same time a year ago. At best, today's higher prices were only temporarily effective in dampening demand. Other factors, chiefly short supplies, contributed earlier this year to the downturn in fuel consumption.

Mr. President, I am gratified that the President turned a deaf ear toward those advocating a 20-cent increase in gasoline taxes. Much more realistic and workable methods to cut fuel consumption are available. I hope the President will seek them out and support them. It is time for the Federal Government to stop public policy being dictated in too great degree by persons who have had minimal association with the problems of working people. They know little of the severe impact on most Americans of such regressive measures as the gasoline tax increase.

A substantial and permanent reduction in energy consumption in the United States is essential. It can be achieved without imposing hardship on working people. Positive action would contribute greatly to the restoration of economic stability. We would also slow the depletion of our energy supplies and advance our environmental goals if we realistically cut back on energy use, particularly that produced by petroleum.

The idea of an additional 20 cents tax on gasoline was mercifully short-lived. I know we will receive more workable and better reasoned proposals to resolve the twin dilemmas of expensive energy and economic instability.

THE AMERICAN DOUBLE STANDARD OF JUSTICE: THE GENOCIDE TREATY

Mr. PROXMIRE. Mr. President, there is not a single proposal that has been before the Senate as long as the 25 years of the Genocide Treaty. Similarly, seldom does legislation come before the Senate which would restore the integrity and good faith this Government has possessed in the area of international affairs.

However, until this body agrees with these assertions, the very integrity and good faith of this Government will continue to be questioned by many nations of the world.

One significant example of this double standard occurred in 1964, when the U.S. delegation to the U.N. vigorously endorsed a Costa Rica proposal that would have created an independent office, the high commissioner for human rights. The commissioner would function as an international ombudsman. This proposal would have marked a significant breakthrough in the area of international human rights enforcement.

Representatives of the Soviet Union denounced the Americans who "resolutely refused to accept legal obligations" through ratification of the Genocide Convention. They claimed that the United States was "hypocritical" to advocate the establishment of special human rights institutions in the international field under the existing circumstances.

Indeed, this feeling was exemplified by testimony given by former U.N. Ambassador Arthur J. Goldberg, before a subcommittee of the Senate Foreign Relations Committee in March 1971. He stated:

> When I was United States ambassador to the United Nations, I was often asked to explain our failure to ratify the genocide convention. Frankly, I never found a convincing answer. I doubt anyone can. It is inconceivable that we should hesitate any longer in making an international commitment against mass murder.

I appeal to my colleagues sense of integrity and logic. After 25 years, it is inconceivable that we should hesitate any longer in ratifying the Genocide Convention Accord, and thereby make an international commitment against mass murder.

RETURN TO THE GOLD STANDARD

Mr. GOLDWATER. Mr. President, on the evening of October 2 it was my distinct honor and pleasure to have addressed the 85th Beefsteak Dinner of the Columbia Club in Indianapolis, Ind. My remarks there were directed at the need, in my opinion, to return to the gold standard.

If my memory serves me correctly, no country in the history of the world has survived unless its money was backed by gold, and we, certainly, are no exception.

I ask unanimous consent that this presentation be printed at this point in the Record.

There being no objection, the presentation was ordered to be printed in the Record, as follows:

RETURN TO THE GOLD STANDARD

(By Senator BARRY GOLDWATER)

Our Nation is passing through one of the most serious peacetime crises in its history. It is a monetary crisis popularly known as inflation. Throughout the course of history many countries have experienced serious inflation, sometimes with disastrous results as in the cases of France and Germany, leading to the loss of precious freedoms and to dictatorships. I don't wish to see that happen here.

Both President Nixon and President Ford have made important public addresses in recent weeks emphasizing the importance of curing the dollar's inflationary disease but one word, which has great bearing on the necessary remedy, was missing in both speeches. It is the word gold. This is not surprising, for our beloved nation has been brainwashed for forty years, as in Great Britain, with Keynesianism which dismisses gold as a "barbarous" metal and endorses the use of political power to achieve "full employment" as a monetary guide.

Ever since the administration of Franklin Delano Roosevelt, who embraced the economic views of John Maynard Keynes, the intellectual theorists, dreamers and other Keynesian disciples, have had great influence in policy making in our Government. They have penetrated deeply into politics. I have here a list of seventy distinguished economists, including a Nobel Prize winner, who bent every effort to elect Senator McGovern, the Democratic candidate for the Presidency in 1972. The list includes former members of Presidential economic councils. They all advocated more Government control in the true spirit of Keynesianism.

Their candidate was overwhelmingly defeated in the election but the episode distresses me for the restoration of confidence in our dollar and again making it a store of value, as William McChesney Martin urged a few years ago, cuts across party lines.

How did we get into the current monetary mess? It began forty years ago when two Cornell professors persuaded FDR to raise the price of gold as a cure for a raging business depression. This action required confiscating the gold holdings of the people, so they would not profit from an increased price of gold, and devaluing the dollar.

Far more serious was the destruction of the sanctity of contracts which used the gold clause for the protection of the contracting parties.

When the grave moral issue involved in that momentous step reached the Supreme Court, a five to four decision upheld the Government's stand, but the minority termed the devaluation "counterfeiting" and stated: "Loss of reputation for honorable dealing will bring us unending humiliation; the impending legal and moral chaos is appalling." How prophetic! The chaos is here with a vengenance.

The current helplessness of the people to understand the complexity of money is not relieved by the practice of some intellectuals to clutter their economic papers with mathematical formulas giving the impression of erudition and scientific finality. If you don't believe it, examine the report on inflation prepared for the use of the Joint Economic Committee in 1972. Incidentally, the cure suggested was more Government control.

This reminds me of the observation of the late Canadian economist with a sense of humor, Stephen Leacock of McGill University who remarked:

". . . Most of all, if we can't understand it let's see that outsiders don't. Let's dress up economics in esoteric language, give it a jargon of its own, and break away from the plain terms like labor and profit and money and poverty. Let's talk of "categories" and "increments" and "margins" and "series." Let's call our appetite for breakfast our consumer's marginal demand. That will fool them. And if I buy one cigar but won't buy two, call that my sub-marginal saturation point for nicotine."

It is not necessary to be an economist to understand a monetary fundamental principle today. It is the simple issue: which is better, a Federal Reserve note redeemable in gold at will, or the kind of paper money in use currently, a greenback, which is not redeemable? The quality of our money is just as essential as the quantity printed.

It is almost unbelievable that it has taken forty years to return the traditional right of Americans to own gold bullion without fear of criminal penalty. Where have the liberty loving Americans been during the interval? No wonder the remedial congressional act has been strongly resisted by Keynesians for it marks the first step toward the restoration of the gold standard, unpalatable as that may be to them. It impairs their political influence and power.

The struggle for a sound dollar has been advanced. Contracts may again use the gold clause as protection against further devaluation of the dollar. Fundamentally there is no escape from gold.

If we are to continue to print irredeemable greenback dollars, the door is open wide for the international speculator in currencies. This can lead to disaster. Observe the recent failure of the Franklin National Bank in the United States and the failure of the Herrstatt Bank in Germany resulting from foreign exchange speculation. Are more on the horizon? I hope not, as the Federal Reserve has limited rescue power.

And yet, if political decisions are to govern the destiny of the dollar, the temptation to speculate becomes attractive given inside or outside information of Government plans. Self preservation may also play a role. Government pronouncements may not be reliable. Note, for example, the statement of the Secretary of the Treasury Connally, in Munich, Germany, as recently as May of 1971. He said that "We are not going to devalue. We are not going to change the price of gold. We are controlling our inflation." Three months later the gold window was closed! Moreover, the dollar was devalued not only once, but twice, later on.

Is that the kind of a monetary system best for Americans based upon political announcements warranting not only skeptical but also some move for self protection? Of course not, but that is why I am reconciled to more monetary trouble until the dollar once again is redeemable in gold. It may take a long time as it did after the Civil War, but that national experience has a lesson for us today. It shows that when the Civil War greenbacks became convertible into gold until the beginning of World War I, which ruined the gold standard, the price level showed no inflation and was remarkably steady.

It is unquestioned evidence confirming the conclusion of the late great international monetary expert, Ludwig Von Mises that:

"The eminence of the gold standard consists in the fact that it makes the determination of the monetary unit's purchasing power independent of the measures of governments. It wrests from the hands of the economic Tsars their most redoubtable instrument. It makes it impossible for them to inflate. That is why the gold standard is furiously attacked by all those who expect they will benefit by bounties from the seemingly inexhaustible government purse."

Incidentally, when 1879 rolled around the citizens returned gold to the banks; they did not withdraw it to cash their greenbacks!

But let's face it, the forces against a return to the gold standard are dishearteningly powerful. Consider the position of many respected business and banking leaders who, in the committee for economic development's report on strengthening the world monetary system, advocate the international adoption of green backs knows as special drawing rights and ultimately doing away with gold absolutely as a monetary reserve. The store of value quality in money is to be destroyed. How typically Keynesian. It will be interesting to observe how many Middle Eastern petroleum producing countries accept special drawing rights in place of dollars, or gold. As one distinguished French economist, Rene Berger, has stated, special drawing rights are an insult to intelligence.

The entire world is witnessing an amazing spectacle, Great Britain, the cradle of Keynesianism, appealing to Iran for financial assistance to ease its monetary predicament. This is ample evidence to convince me that the Keynesian road is not one for our Nation to travel.

Oddly enough, John Maynard Keynes was a strong advocate of the gold standard back in 1922. But the attraction of political power to achieve economic ends during a serious depression evidently overrode his scruples.

The late great economist and teacher, Wilhelm Roepke, has wisely noted that John Maynard Keynes, like Karl Marx, will go down as a great intellectual ruiner in history. Roepke's observation about the gold standard in his classic text "The Economics of a Free Society" is worth repeating here.

"The most finely spun theories on the stupidity of the gold standard, all the clever satires on mankind's frenetic digging for the yellow metal, and all the ingenious schemes for creating a goldless money will never change the truly remarkable fact that for thousands of years men have continued to regard gold as the commodity of highest and surest worth and as the most secure anchor of wealth."

Strong as our dollar continues to be and vast as the resources of our country, nevertheless, Europe and the Middle East will have a lot to say about the kind of money acceptable internationally and without question. And let us not forget the growing trade with the socialist nations. Recently the president of the Bank of Hungary called for an international currency based upon gold. This is not surprising as trade between any nations, whether free enterprise or socialistic, depends, in the last analysis, upon mutual trust and confidence. Gold supplies that ingredient.

For guidance in the current monetary crisis we would be wise to ponder the words of a great humanitarian president of the United States, who never took a cent of salary for his services to the Nation. Listen to these words from a much maligned servent of the people—indeed the whole world—Herbert Hoover:

"Currency convertible into gold of the legal specifications is a vital protection against economic manipulation by the government. As long as currencies are convertible, governments cannot easily tamper with the price of goods, and therefore the wage standards of the country.

"They cannot easily confiscate the savings of the people by manipulation of inflation and deflation. They cannot easily enter into currency expansion for government expenditures. Once free of convertible standards, the executives of every 'managed-currency' country had gone on a spree of government spending, and the people thereby lost control of the public purse—their first defense against tyranny. With 'managed currency,' international exchange rates come under the control of the government. The consequence is currency war, as their manipulators in the end invaribly seek to shift international prices to the supposed advantage of their own country. Uncertainty of values robs people of their power to test values and lessens their initiative. Depriving the people of confidence in their currency plants a fear in their hearts which causes them to hestitate in pursuing productive enterprises and renders them dependent upon the government. A convertible currency is the first economic bulwark of free men. Not only is this a question of economic freedom, but more deeply it is a question of morals. The moral issue lies in the sacredness of government assurances, promises, and guarantees.

"Civilization moves forward on promises that are kept. It goes backward with every broken promise."

SENATOR RANDOLPH STRESSES CRITICAL PROBLEMS OF ALCOHOLISM — MAGAZINE ARTICLES ARE CITED

Mr. RANDOLPH. Mr. President, alcoholism continues to be one of the most critical social problems confronting our Nation. It affects all segments of our citizenry. This week the National Institute on Alcohol Abuse and Alcoholism reported that one-third of the Nation's 9 million alcoholics are women, and that 5 percent of the high school population gets drunk once a week. The latter statistic is dramatically emphasized in a stark series of television programs currently being broadcast by Washington's WTOP Channel 9. The series, entitled "Not My Kid," illustrates the contention of NIAAA's director, Dr. Morris E. Chafetz, that many teenagers are turning from marihuana and other drugs to the most accessible and most abused drug of all—alcohol.

When we translate the statistics of alcoholism into terms of human suffering, into lost jobs and lost hopes, into illness and death and destroyed lives, the problem of alcoholism ranks as one of the most disastrous epidemics of our society.

Dr. Chafetz also notes that women comprise the largest increase in the problem-drinking population in recent years. In the September issue of the Lion magazine, published by Lions Clubs International, author Paul Martin writes a chilling portrayal of the so-called hidden alcoholic. He contends that the number of women afflicted by alcoholism, mostly housewives, may account for almost half of the total number of alcoholics in America. Because of understandable protectiveness by their families, many of these victims of the Nation's No. 1 drug problem go uncounted in the statistics, until disablement or death occurs. I commend this article along with another service magazine article on the drunken driver, and the harsh legal measures being taken in Norway to get the drunken driver off the road. Since alcohol is involved in about half of the highway fatalities in America, the Norwegian measure might be worthy of close study.

Mr. President, I ask unanimous consent that the Lions' article be placed in the Record, along with the Rotarian story on Scandinavian efforts to curb the incidence of drunken driving.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Lion magazine, September 1974]

She's the Hidden Alcoholic

(By Paul Martin)

Mary Benson is a university graduate who lives in a comfortable middle western suburb in a four-bedroom home on a quiet tree-lined street. Her husband is a steel company executive. They have a boy and girl in grammar school and a son in his third year of high school. Now in her late 30s, Mary is no longer active in the P.T.A. She spends far less time with old friends than she did a few years ago. Sometimes a friend will stop by during the day to visit. No one responds to the doorbell's ring, though Mary's car is visible in the garage and she seldom walks anywhere. Twice in the past 18 months she's been away from home for several weeks. Her husband explains that his wife had gone to take care of her parents in Nebraska.

Mary Benson is a 9-to-3 alcoholic. She is one of several million women alcoholics in the United States. Many are shielded and protected by families ashamed to let others learn of their problem. Current estimates point to nine million alcoholics in the country. Authorities in the field figure that women account for anywhere from 30 to 50 percent of this number.

Phyllis Snyder, executive director of Chicago's Alcoholic Treatment Center, leans toward the 50 percent figure. "We're sure that half of all alcoholics are women, but we can't find and count them, because it's so easy for them to hide at home. In my experience, the woman alcoholic is more disturbed than the male alcoholic. She is more likely to use tranquilizers or barbiturates to avoid the pain of facing problems. The husband frequently does not want his wife known as an alcoholic and may object to her going to A.A. to get well."

Studies indicate that the hidden housewife alcoholic is typically between 35 and 55 years old and from the middle, upper-middle or upper economic groups. Her family works full time at keeping the word of Mother's drunkenness from seeping out into the community. If she goes to the hospital to dry out, the family invents a trip to explain her absence. In some instances, the family moves frequently in an effort to conceal the truth from the husband's employer, the family's friends and the children's playmates.

Prone to prescription drugs, the housewife alcoholic often becomes heavily addicted to pills prescribed by a doctor who is unaware of her drinking problem or ignorant of the lethal effects of combining alcohol with other drugs. Frequently she switches completely to pills because they give her the effect she seeks without any revealing odor. More than 10 million housewives regularly and legally use a stimulant or depressant prescribed by a physician. This is not necessarily a safeguard. One of every 20 hospital admissions in the country is for adverse reactions to legally prescribed drugs.

Dr. Robert Fairburn, a St. Louis psychologist, recently declared that more than 15 percent of the wives in the United States are addicted to alcohol or pills by the time of their eighth wedding anniversaries. In his view, the swift pace of today's society creates shattering confusions for many women. They are torn between caring for their husbands and children and trying to find an identity in the world outside their homes. The frustration drives them to alcohol or pills and sometimes a combination of both.

One of the country's foremost authorities on alcoholism, Dr. Seldon Bacon, is director of the Center of Alcoholic Studies at Rutgers University. "Since it is quite difficult for a wife to tote a bottle wherever she goes," Bacon explained, "pills provide her with the perfect answer. There's no odor, they're small, and she can always tell curious people she's taking them for medicinal purposes.

"As a matter of fact, they've become so popular that if you stopped 50 wives at random on the street, you'll find a majority of them have at least two kinds of pills in their pocketbooks. With men, on the other hand, you'd be lucky if you found any at all."

Against this chilling background, the addiction to alcohol complicated by pills looms as one of our most costly and baffling health problems. The A.M.A. declared alcoholism a disease in 1956. Today it ranks third in the nation, behind heart disease and cancer. Alcoholics account for 31 percent of the suicides in the nation, a rate 58 times higher than for non-alcholics. Alcoholism is a leading cause of broken marriages and emotional problems.

Out of every 100 women admitted to a mental hospital for the first time, 50 suffer from alcoholism. About 60,000 persons will be killed in automobile accidents this year and alcohol will figure in at least half of these deaths. Almost 7 million workers in the United States have drinking problems. Contrary to the views of many, less than 5 percent of the nation's alcoholics are found on Skid Row. Finally, and perhaps most significantly, each alcoholic adversely affects the lives of at least four other persons.

Unhappily and unfairly, some of these other persons are not yet born when they are affected. One of the most shattering effects of a mother's uncontrolled drinking is fetal damage during pregnancy. Dr. Kenneth Jones at the University of Washington directed a study showing that children of alcoholic mothers are born with malformations and suffer growth deficiencies thereafter.

The doctor studied eight children who were not related and found that each of them suffered from some malformation of the head, the face, legs, arms or the heart. Each one of these children had an alcoholic mother who drank heavily during pregnancy. Five of these mothers had been treated for cirrhosis of the liver although their average age was only 31. Six of the children have been hospitalized because they were not thriving. Three of the eight are in foster homes today. All of the children were below normal in intelligence, weighed less, were 20 percent shorter than the average infant and were all *permanently* retarded in growth. In a shocking conclusion, the research group headed by Dr. Jones estimated that as many as 20 percent of alcoholic mothers give birth to deformed children.

For thousands of years men and women have been attracted to alcohol as a way to change their lives without changing themselves. It offers a welcome respite from the harsh reality of tiresome responsibilities and in most countries of the world 70 to 90 percent of the adult population drink alcohol in some form. In many cultures alcohol has been used sacramentally as an avenue to higher levels of consciousness and through the ages has played a key role in the lives of a significant percentage of men and women in almost every corner of the world.

In the United States about 90 million persons drink alcohol. About 10 percent of this group drink destructively enough to be classed as alcoholics. Somewhere between 3 million and 4½ million of these problem drinkers are women. Dr. Marvin Block, the Buffalo physician with extensive experience in the field of alcoholism, says the number of alcoholics among women actually equals or exceeds the number among men.

Dr. Ruth Fox of New York, widely known

for her work in alcoholism, defines the disease as a "behavioral disturbance in which the excessive drinking of alcohol interferes with the physical or mental health of the individual. It is usually accompanied by a disturbance in the interpersonal relationships within the family, in the work life, and in the social environment. It is also an addiction, which means that there is both an emotional and a physiological dependence on the drug alcohol."

Why does a woman drink and become an alcoholic? A clinical psychologist at Harvard Medical School, Dr. Sharon C. Wilsnack, studied a group of 20 young women for their reactions after two drinks. They reported feeling warm, loving, considerate, expressive, pretty, affectionate, sexy and feminine. She reviewed several studies on female alcoholics that suggest they are concerned about their adequacy as women and confused about their own sex roles. According to these studies, the alcoholic drinks to alleviate this confusion.

Dr. Vernelle Fox, a well-known authority on alcoholism treatment, points to stress as a major factor in the house-wife's growing dependence on alcohol. Dr. Fox lists specific examples:

The middle-aged women who finds life meaningless because her children are grown and her husband is married to his business.

The young wife and mother who is unable to deal with the pressures of keeping house and raising her young children.

The wife who has become unhealthily dependent on her husband and suddenly finds herself having to face life without him.

The wife who seeks solace in the bottle because her husband is gone most of the time.

A mentally retarded or emotionally disturbed child who may create a painful stress situation for the mother.

The pressures of entertaining coupled with the husband's outside schedule may prove overwhelming.

Any of these problems will become vastly more difficult if there are substantial economic difficulties at the same time. As the wife's drinking becomes more severe here family grows more distant and her feelings of isolation and hopelessness become more acute. So she drinks some more.

Helen R. has been sober for nearly eight years in Alcoholics Anonymous and provides some additional insights on why homemakers become alcoholics. "Women often associate the beginning of their uncontrolled drinking with some shattering emotional experience," she said. "It might be a divorce, an abortion, the loss of a particularly close family member, a severe snub, a bad depression following childbirth, guilt concerning a sexual experience, perhaps moving to a new and not very friendly community. With every alcoholic housewife I've known, however, it turns out that the problem drinking began after a substantial period of social drinking that had effectively reduced boredom, tension, shyness, anxiety, fear or frustration.

"Once she gets into compulsive drinking there will be a clearly marked deterioration in her relationships with others, especially those close to her. At this time she may make a superhuman attempt to keep up her looks. She may start making long, semicoherent phone calls while drunk that betray her secret to her friends. The alcoholic housewife has a rare and distinctive talent for concealing liquor around the house. She may hide it in a hot water bottle, an ice bag, the flush tank of the toilet, hat boxes, the bottom of a cereal box, in the vacuum cleaner. They all serve as hiding places for the woman who needs to drink to keep going. I heard of one case where the husband of a lady lush took away all her clothing to keep her from going out for liquor and she still managed to hide a pint of Scotch in her Bikini."

Experienced workers in the field of alcoholism say that at this stage the housewife loses interest in her home, neglects cleaning, meals are hit or miss, she becomes increasingly withdrawn and hides from social obligations, women's groups and community affairs. As her husband watches this unfold he is likely to deny the reality of the situation because he desperately hates to admit that *his* wife is a drunk. Sometimes the children prefer things this way because with Mother drunk they can do what they want. A look at police records reveals that even if the alcoholic housewife is arrested she is treated much more leniently than the male alcoholic. Often she is not even booked but sent home in a cab or a friend or relative is called.

Helen continued, "None of us can ever get help with our drinking problem until we stop lying about the state of our lives and quit blaming others for what we're doing. My family tried to protect me, but my marriage was a mess, my children were totally bewildered and our home was a shambles. All of this in spite of the fact that few of our friends knew the extent of my drinking. Once I admitted my problem there was a chance for me to begin with the recognition that I'm an alcoholic and can't ever drink and control it."

Responsible opinion in the field of alcoholism agrees that once an alcoholic crosses the line into alcoholic drinking, that individual can never again become a controlled drinker. "The aim of therapy for the alcoholic," says Dr. Ruth Fox, "is not only total and complete sobriety for life but a better functioning in all areas . . ." Periodically, treatments spring up claiming to retrain alcoholics into social drinkers but invariably further investigation of the glowing claims shows that it just hasn't worked out that way.

Little can be done for the alcoholic housewife until *she* decides to do something. Threats, anger, cajolery, appeals for the children; none of these will have any permanent effect. The decision to stop drinking remains up to the individual because short of incarceration, there is no way to keep an alcoholic sober against his or her will. Once the tippling homemaker admits her dependence on alcohol and declares her willingness to do whatever is necessary to get well, she has taken her first major step toward recovery.

Alcoholics Anonymous has by far the best record in helping the problem drinker stay sober. In his book, *Alcoholims: Mechanisms and Management*, Dr. Max Hayman says, "There is no longer any question that Alcoholics Anonymous has been responsible for the sobriety of more alcoholics than any other method—social, religious or medical."

For the alcoholic housewife who has reached the point of surrender, help is as close as her telephone because A.A. is listed in the telephone directory of virtually every community in the United States. Each member is encouraged to stay away from the first drink a day at a time and work the Twelve Steps of the recovery program that rebuild the individual into a person who can say "No thank you" to a drink and make it stick.

Each alcoholic affects the lives of at least four other persons and there is help, too, for the family of the alcoholic housewife. Often badly battered by her erratic behavior, the husband can turn to Alanon and the children will find help in Alateen, two organizations not specifically a part of A. A. that can be reached by calling the A. A. number in the phone book. Sometimes the husband with an alcoholic wife subtly resists her recovery because as long as she stays drunk she is far easier to manipulate and control and this factor may cause severe problems when she stops drinking and begins to get better. Alanon can be of substantial aid in this situation.

The nation's No. 1 drug problem, alcoholism reaches into the lives of some 45 million men, women and children in the United States and its cost in human suffering is beyond calculation. When the housewife finally faces the truth of her uncontrolled drinking then, and then only, she becomes able to accept the help that will save her life. It begins with the fundamental truth that she will be an alcoholic as long as she lives and can never again safely take one drink.

Are You an Alcoholic?

To answer this question, ask yourself the following questions and answer them as honestly as you can either "yes" or "no."

Do you lose time from work due to drinking?

Is drinking making your home life unhappy?

Do you drink because you are shy with other people?

Is drinking affecting your reputation?

Have you ever felt remorse after drinking?

Have you gotten into financial difficulties as a result of drinking?

Do you turn to lower companions and an inferior environment when drinking?

Does your drinking make you careless of your family's welfare?

Has your ambition decreased since drinking?

Do you crave a drink at a definite time daily?

Do you want a drink the next morning?

Does drinking cause you to have difficulty in sleeping?

Has your efficiency decreased since drinking?

Is drinking jeopardizing your job or business?

Do you drink to escape from worries or troubles?

Do you drink alone?

Have you ever had a complete loss of memory as a result of drinking?

Has your physician ever treated you for drinking?

Do you drink to build up your self-confidence?

Have you ever been to a hospital or institution on account of drinking?

If you have answered yes to any one of the questions, there is a definite warning that you may be an alcoholic!

If you have answered yes to any two, the chances are that you are an alcoholic.

If you have answered yes to three or more, you are definitely an alcoholic.

Note.—(The above test questions are used by Johns Hopkins University Hospital, Baltimore, Md., in deciding whether or not a patient is alcoholic.)

[From the Rotarian magazine]

In Norway Drinking and Driving Don't Mix

(By C. Hart Schaaf)

The accused is an attractive and well-dressed 26-year-old woman employed as a factory technician in Oslo. When her car lurched from the street onto a lawn there was no collision; no one was hit or hurt. But police suspected she had been drinking, and she was found to have a Blood Alcohol Concentration of 0.18 percent. Now she must pay the price: 24 days in jail.

In the drunk driving wing at the police detention center are others who pay the price, too. A dentist there says he is thoroughly ashamed and is considering moving to another town. A chimney mason laments the loss of his driver's license in addition to his imprisonment. The lesson is obvious. In Norway, common sense and the law dictate that driving after even one small drink isn't worth the risk.

Since 1926, Norwegian law has required a *minimum prison sentence of three weeks* for virtually any driver found with a Blood Alcohol Concentration (BAC) of 0.05 percent or more (five or more drops of alcohol per 1,000 drops of blood). A two-ounce whiskey and soda, a strong martini, or two bottles of beer can produce this result in a person of medium weight and normal metabolism.

With years of experience, Norway's police have developed simple but sophisticated techniques to detect drivers who have been drinking. To begin with, they have the right to stop any driver at any time to inspect his license. Then comes a first test. Policemen say that if a driver looks at the officer as he hands his license and car registration through the car window, he probably has not been drinking. But if, however cooperative and amiable, he looks away, he's probably trying to conceal an alcoholic breath.

But the law requires more concrete evidence, so a policeman may invite a suspected driver to take a roadside breath test. The driver inflates a six-inch plastic balloon, blowing through a glass mouthpiece containing golden chemical crystals which breath-alcohol turns green. If that happens, the office escorts the suspected drunk driver to a doctor for a *mandatory* blood test (or sometimes a urine test, if the driver claims to have hemophilia). A few drops of blood are extracted from an earlobe or finger; minute quantities are placed in spaghetti-like glass tubes and sent to the National Forensic Laboratory for independent examination by six different technicians. The coordinated finding goes back to the police.

All sentences require a court judgment. The judge may not impose a sentence of less than 21 days, but he may exercise discretion regarding extension of sentence beyond 21 days and imposition of costs. He may also—although this almost never happens—decree that extenuating circumstances warrant a suspended sentence, usually with a fine in lieu of imprisonment. Such a sentence might be appropriate, for example, for a father who after a few evening drinks finds he must rush a sick child to a hospital when no taxi or other conveyance is available.

Conviction in drunk driving cases also results in suspension of a driver's license for at least a year and sometimes permanently. Drunk driving is also heavily penalized by Norwegian insurance regulations. A drunk driver causing an accident receives no insurance compensation, nor is insurance paid his estate if his accident is a fatal one. His insurance covers third-party losses, but insurance companies sue insurees for repayment.

Another deterrent against driving while intoxicated is that about four months has generally elapsed between blood test and court summons; and another four between sentence and imprisonment; all these delays are harrowing, and psychologically discourage future misconduct.

Norway's 0.05-per cent BAC limit, stringent imposition of three-week-minimum jail sentences, withdrawal of driving license, and rigorous insurance regulations make this Scandinavian country's approach to drunk driving probably the toughest in the world.

Does the hard-boiled Norwegian approach actually curtail drunk driving and produce fewer accidents? The answer appears to be yes. In 1970–72, detailed studies financed by the government and several foundations were directed by Dr. Olav Bø, a leading surgeon in accident emergency cases who is also a skilled social statistician. Autopsies were performed on all traffic fatalities, and police and hospital accident reports were scrutinized. The findings: only 2.8 per cent of *all drivers stopped* had any blood alcohol whatsoever. The tough, impartial penalties *do* deter.

Spot checks are conducted regularly. In Oslo, for example, motorists have learned to expect them about once a month. During one such chcek, 2,000 drivers were stopped at scattered points in the city between 10 p.m. Saturday and 2 a.m. Sunday. Only 16—less than one per cent—had BACs of 0.05 per cent or more.

An amazing aspect of the no-nonsense Norwegian strategy for drinking and driving is that, in other areas of life, Norwegian attitudes are considered to be rather easygoing. The prison population per capita is the second lowest in Europe. Thoughtful Norwegian literature for years has extolled social freedom; frayed jeans, long hair, and girlie magazines are the fad in Norway as elsewhere. Traffic swirls densely and swiftly. Gross national product per captia is fifth highest in the world, topped only by the U.S., Canada, Switzerland, and Sweden.

Norwegians are anything but non-drinkers. The U.S. Department of Health, Education and Welfare reports Norwegian consumption of 1.13 gallons of absolute alcohol per person per year.

This contrast between stringency toward drunk driving and leniency otherwise was illustrated in a case in which a stereo radio was stolen from a man's car. "If they catch the thief, they'll give him a sympathetic lecture and dismiss him," bemoaned the robbery victim. "But if I'm caught moving my car from the street to the garage after having a martini, I'll go to jail!"

Yet Norwegians support the tough rules. The current Norwegian government, elected in October, 1973, confirms that they plan to retain the 0.5-per cent BAC legislation and that it has not been a matter of political discussion or controversy.

Enforcement costs are reputed to be slight. There are no special police or courts, and forensic laboratory equipment, though expensive, is durable and simple to operate, making cost per examination very low. Prison expenditure is offset by working the prisoners, mostly in forests, where unskilled labor is always in demand. And in considering the cost-benefit ratio one must also take into account the value of property *not* damaged or destroyed, of human bodies *not* twisted and maimed, and human lives *not snuffed out.*

In addition to the threat of imprisonment, Norway attacks the problem from a more positive angle. Many motivational programs, under both government and private auspices, are carried out in schools, among civic groups, and through the media. Notable are the continuing campaigns of the Norwegian Temperance Automobile Association. Professor Jacab Molland of the Oslo University Medical Faculty, a world authority on alcohol use and abuse, characterizes the overall effort. "Drinking," he says, "is an ancient problem going back to Biblical Old Testament days and before. But drinking as it affects driving is a modern problem. In Norway we believe that a modern society should equip itself with a full spectrum of modern measures, ranging from motivational to punitive, to combat this modern problem."

Other countries might do well to emulate Norway's approach. Although governmental and nongovernmental programs continue to multiply around the world, traffic accidents involving alcohol mount steadily. Statistics from the United States exemplify the trend. Of the annual traffic death toll of more than 56,000, at least half are attributable to alcohol. And the rate of alcohol involvement in traffic deaths in the U.S. is swelling cancerously. It was 18 per cent a generation ago, compared to 50 per cent today. Many countries are having similar problems.

Shouldn't the governments of all people who care about traffic safety and saving human lives arm themselves with what Professor Molland calls a "full spectrum" of measures to combat this deadly and increasing menace? Norway's experience provides an answer worth serious consideration.

(NOTE.—C. Hart Schaaf is a longtime United Nations official who gained international recognition when he supervised development of the Lower Mekong Delta from 1959–1969. A Rotarian and prolific author, he now serves as U.N. Resident Representative in Sri Lanka.)

U.S. POLICY TOWARD CUBA

Mr. GURNEY. Mr. President, last Saturday evening, Cuba's Fidel Castro decided to give another vitriolic anti-American speech. In and of itself, that would not be new, but the fact that it was given—in stronger than usual terms—while two of our colleagues were in Cuba for a visit, underlines the fact that Castro is totally disinterested in any sort of meaningful improvement in relations between the United States and Cuba.

Not only did Castro deliberately attempt to embarrass our colleagues, and it seems evident that the reason he allowed those 29 reporters to cover the visit and the speech was for the purpose of embarrassment, but he attacked our President, he attacked our policies, and he spewed forth rhetoric that suggests not a relaxation of Cuban-American tensions but a heightening of them.

For instance, Castro, in his speech, called not for the readmission of Cuba to the OAS but for an OAS that would not include the United States. Moreover, in the space of four paragraphs, the Cuban dictator termed the OAS "shameless, discredited, prostituted, ridiculous, faint-hearted," and "an instrument in the worst tradition of neo-colonialism"—even as that organization prepares to meet in Quito next month to consider lifting the trade embargo against Castro.

And, speaking of the trade embargo, Castro gave no indication of wanting it to end. Instead, he encouraged the oil-producing nations to use oil prices and revenues as an economic lever against the United States and other nations of the free world. The irony of Castro talking about making things tougher for us economically at the same time consideration is being given to making things easier for him economically cannot, and should not, be overlooked.

Mr. President, I have repeatedly stated my opposition to the reopening of diplomatic ties with Castro, the sale of cars and trucks to Castro, and the ending of the trade embargo against Castro until such time as Castro is willing to change his policies toward us. Last Saturday night Castro made it once again clear—he underlined it in fact—that he intends to make no changes in policies. In fact, by making such a speech while our colleagues were in Havana, he has indicated that the only things he is interested in are those that would benefit him, the Soviet Union and the rest of the Communist-bloc world.

If Castro had truly been interested in making the visit of our two colleagues into something other than an anti-American propaganda show, he could have talked about cutting ties with the Soviet Union, or about ending his exportation of revolution to the rest of the hemisphere, or about compensating U.S. businesses for the properties he expropriated, or about releasing the tens of thousands of political prisoners from Cuban jails, or about restoring freedom to the 8 million-plus Cubans who have been subjected to such ruthless tyranny these past 15 years.

But he mentioned none of these things. Instead, he stepped up his attacks on the United States and encouraged others to get tough with us. As far as I am concerned, as long as he feels that way, there is no reason for anyone in this country, or elsewhere for that matter, to have the slightest reluctance to be tough with him. Dealing with Castro strictly on his terms will contribute nothing to either Détente or the cause of world peace.

Mr. President, as time goes by, I intend to go into this Cuban business more thoroughly. It is important that the American people know that Castro has changed neither his tune nor his backers and that doing business with him—until he has a change of heart—would be a grave mistake indeed.

Mr. President, I ask unanimous consent to have two newspaper articles and Fidel Castro's speech printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 30, 1974]

Castro Blasts United States During Senators' Trip

HAVANA, September 29.—As the first U.S. senators to visit Cuba in 13 years watched on television, Prime Minister Fidel Castro attacked President Ford in one of the harshest anti-American speeches he has delivered in recent years.

Speaking last night to hundreds of thousands of Cubans celebrating the anniversary of the grass-roots Committees for the Defense of the Revolution, Castro assailed the involvement of the U.S. Central Inteligence Agency in Chile and said the United States alone is responsible for the world economic crisis.

Alluding to President Ford's recent defense of CIA funding of groups opposed to the late President Salvador Allende of Chile, Castro said: "The new president of the United States, to the surprise and stupefaction of Latin American public opinion, has declared that such actions were carried out in the best interests of the United States.

"Thus, the government of the United States proclaims openly the right to intervene by any means, regardless of how illicit, dirty or criminal, in the internal processes of the nations of the hemisphere."

Castro, who in speeches over recent years had toned down his criticism of the United States, made his remarks on the same weekend that the first members of Congress were visiting here since before relations were broken in 1961.

Sens. Jacob K. Javits (R-N.Y.) and Claiborne Pell (D-R.I.) watched the speech on television at the home of the Swiss charge d'affaires, who handles U.S. interests here.

The senators later had dinner with Castro. They were scheduled to return to Washington Monday.

Javits and Pell both expressed disappointment with Castro's speech. "I thoroughly disagree with him and I will tell him so," Javits told reporters before the dinner.

"I am here to see if something can be done to improve relations, and I stress the word 'if'," Javits said.

Only hours before Castro spoke, Javits told newsmen after a meeting with Cuban Foreign Minister Raul Roa that it was his clear impression that Cuba was prepared to discuss a more normal relationship with the United States.

Castro's speech was unusually short, 45 minutes, but was devoted exclusively to his grievances with the United States. Half of the address dwelt on Ford's appeal to oil-producing countries for a lowering of oil prices.

Castro said international inflation is a result of American policies. Alluding to the "hundreds of billions of dollars" the United States has spent on its "war budget" Castro said: "In these deplorable imperialistic policies are the roots of inflation, which emerged long before the oil price increases."

Twenty-nine American journalists, the largest group admitted to Cuba since relations were broken off, were given privileged positions in the stands near Castro as he spoke in the Plaza de la Revolucion above a sea of waving Cuban flags.

Castro also lashed at the Organization of American States, which is to meet in Ecuador in November to vote on lifting the trade embargo imposed on Cuba in 1964.

Describing the OAS as a "prostitute, shameless and ridiculous" and an instrument of the worst form of neocolonialism," Castro called on Latin American states to form an organization excluding the United States. During their visit here, Javits and Pell have met with many top Cuban leaders as well as visiting several showcase places of interest and walking freely through the streets of Havana.

[From the Washington Star-News, Sept. 29, 1974]

Castro Assails United States During Senators' Visit

(By Merwyn K. Sigale)

HAVANA.—Cuban Prime Minister Fidel Castro delivered a severe attack on the United States and President Ford last night on the eve of a planned meeting with two U.S. senators here testing the climate for U.S.-Cuba detente.

Castro devoted all of a 45-minute speech to criticisms of U.S. policies, dealing mainly with intervention in Chile affairs and what he said were threats by Ford against oil producing countries over rising prices.

"The strategy of the United States is clear," he said. "It is to solidify the capitalist countries, divide the nations of the Third World and isolate the oil-producing nations. For this it threatens them with a food crisis and war."

Castro said that Ford recently justified the actions in Chile as being in America's best interests. "Thus, the United States proclaims the right to intervene for whatever reason in the internal processes of other peoples," the Cuban leader said.

Sens. Jacob Javits, R-N.Y., and Claiborne Pell, D-R.I., did not attend the speech in Havana's Plaza of the Revolution before tens of thousands of persons who applauded frequently. An aide said the two senators chose to stay away.

But Castro did not seem to close any doors to detente. He reaffirmed past views in the toughest language, suggesting that he possibly wanted to serve notice that Cuba would not abandon its principles for detente.

Earlier yesterday, Javits and Pell said that the time for detente seems to be "propitious" and that they sensed the Castro regime was reviewing its policy towards Washington. They gave newsmen their impressions after conferring with Cuban Foreign Minister Raul Roa for more than an hour.

Apart from Castro's tough speech, his regime appeared to be signaling that it views the Javits-Pell visit—the first by any U.S. official in a dozen years—as a significant step.

They were given a cordial but not effusive welcome Friday, granted appointments with high Cuban officials and taken on a whirlwind round of sightseeing that ranged from department stores to a block party to nightclubbing at the Tropicana.

All of that took place in the full glare of publicity, which was obviously encouraged by the Castro regime. The 29 reporters from the United States who flew in Friday—the largest number admitted in at least seven years—were allowed to cover every activity of the senators, except for sitting in on their private talks with high officials.

In addition, the presence of the senators and the reporters was publicized in the Cuban press and radio, though without comment on its significance:

The senators, both members of the Foreign Relations Committee, said the admission of so many American newsmen may represent a greater breakthrough than their own visit.

After the session with Roa, Javits said it was clear that "some day, somehow, somewhere, some normalization of relations will have to take place. The time does seem to be propitious." He added that it was his "feeling, based on the totality of their approach in their conversation," that the Cubans were reviewing their own policy toward Washington.

The Senators exchanged views with Roa on the grievances each country has toward the other. Javits said he and Pell were "taking the very strong position that whatever is done, if anything, is very bilateral. There is lots that Cuba would have to do to satisfy the people of our country. . . ."

Javits said some of the questions he and Pell raised with Roa involved Americans held in Cuban jails, Cuban political prisoners, the seizure of "enormous properties" without compensation, and the separation of Cuban exiles from their families still living on the island.

According to Pell, Roa countered with complaints about the U.S. economic boycott of Cuba, the treatment of Cuban U.N. diplomats, U.S. policy on visas, and the 1961 Bay of Pigs invasion. Pell said that when Roa brought up the Bay of Pigs, he countered with the 1962 Cuban missile crisis.

"He listened, just as we listened," said Pell. "We emphasized throughout that we were not here to negotiate, we were here to listen and to relay reaction back and forth."

The session with Roa preceded a lunch with Deputy Premier Carlos Rafael Rodriguez, Castro's chief diplomatic troubleshooter, and a call on President Osvaldo Dorticos.

Earlier, Javits and Pell discussed briefly one possible avenue for U.S.-Cuban cooperation—that of public health. Pell said it came up "tangentially" in a meeting with Public Health Minister Jose Guttierre Muniz.

Fidel Castro Addresses CDR Anniversary Commemoration Rally

(Speech delivered by Prime Minister Fidel Castro at Revolution Plaza, Havana, marking the 14th anniversary of the Committees for Defense of the Revolution.)

Guests, Comrades of the party leadership and of the government, comrades of the Committees for the Defense of the Revolution (CDR): exactly a year ago on this same square on the occasion of another anniversary of the CDR founding, we held a gigantic event in solidarity with the Chilean people and in tribute to the heroic President Salvador Allende. (Applause) Since then, the bloodiest and most grotesque tyrannies mod- Chilean people have endured one of the ern times can recall. In the wake of 11 September 1973, tens of thousands of Chileans have been tortured, murdered, jailed or banished by the ferocious and bloody government which emerged from the Fascist military coup.

Hundreds of thousands of workers have lost their jobs. The nationalized industries have been returned, for the most part, to the former owners, and Chile's doors have again been opened to the penetration and domination by foreign monopolies. Finally, as an additional service to Imperialism, in recent days the Fascist junta shamelessly violated the Cartagena Agreements by granting special privileges to foreign investments, and, threatening the very survival of the Andean Pact in which many South American countries place their hopes for development and economic integration, the fascist Junta has given of itself everything that its imperialist masters expected and has had the bitter results which a stirred up public opinion of all the world's people expected from the sad events.

The enormous wave of solidarity in all the world's nations, generated by the Chilean tragedy, has not weakened with the passing of time. On the first anniversary of the heroic death of President Salvador Allende, his figure is enlarged before the eyes of the world public opinion and the peoples are doubling their condemnation and repudiation of the Fascist junta. No event in recent time has really hurt world sensibility so much or produced such unanimous repudiation in all corners of the world. No government is so unpopular and morally isolated as the Chilean Fascist government.

And what is it that in recent days has generated the fullest world public indignation? What is it that makes even more grotesque and repugnant the role played by the Chilean Fascist clique? The full and confessed confirmation of U.S. Government participation in the process which ended with the overthrow and death of President Allende (remainder of sentence drowned in crowd chanting.) U.S. officials then were quick to deny what everyone suspected—the responsibility of that country's government in the Chilean events. After 1 year, it has been learned, with the luxury of details, that the CIA intervened shamelessly in the Chilean process under orders of the highest U.S. leaders during 10 consecutive years so as to prevent, first, a triumph by the popular unity (UP), to block assumption of the government after the (UP—FBIS) victory, and finally, to work actively on the overthrow of President Allende.

It is known today—from the release of the report by CIA Director William Colby before the House of Representatives Armed Services Committee's Intelligence Subcommittee on 22 April 1974 and other revelations by CIA agents published by the U.S. Press itself—that in the 1964 elections the CIA delivered to the Christian Democratic Party $3 million, to support its candidate, Eduardo Frei, against Salvador Allende; that in 1970 elections, the CIA invested huge sums to again block the triumph of the popular candidate; that the same year after the victorious election of the popular forces, it invested $350,000 to bribe the Chilean Congress not to ratify Allende's election; that immediately after the UP government was constituted, the CIA spent $5 million in support of opposition candidates and to influence the news media; and lastly, that in the summer of 1974, the CIA financed the counterrevolutionary demonstrations, truckers and shopkeepers strikes in which tens of thousands of Fascists participated, and other events which directly led to the criminal and treacherous coup of 11 September of that year.

These large amounts of money were negotiated in the black market above official rates, thereby contributing to the speculation and aggravating monetary difficulties.

Without considering the close relationship between the Pentagon and the Chilean armed forces to which they (the U.S.—FBIS) continued supplying arms, while the popular government was suppressed all credits in the United States and in international financial organizations controlled by the United States, the CIA clearly played a decisive role in the creation of conditions and preparation of the groundwork for the Fascist coup which has caused so much mourning, blood and tragedy for the Chilean people.

The Central Intelligence Agency and the top U.S. officials who promoted and heated up that policy are directly responsible for the thousands of Chileans who have been tortured, murdered, jailed and banished, and for the awful conditions of repression, unemployment and poverty which millions of persons are now suffering in that sister country.

The pure, revolutionary and heroic blood of Salvador Allende, (applause), assassinated on 11 September, ineradicably stains before history the U.S. rulers. Out of the long list of acts of aggression by that country against Latin American countries—which go back from the invasion and occupation of half of the Mexican territory in the last century to today, from the despoilment of the Panama Canal Zone, interventions in Cuba, Nicaragua, Mexico, Haita, Santo Domingo, Guatemala and so forth: some of them in the past, others current, overt or covert, to first take over and later loot the natural resources of our peoples and subject them to its dictates and interests—few have been so repugnant, sordid and treacherous as this immoderate interference in the domestic affairs of Chile.

If it is true that responsibility for such events falls on previous U.S. administrations, the new President—to the surprise and amazement of Latin American public opinion—has declared that such events were carried out for the sake of the best interests of the United States. In other words, the U.S. Government at this point in time openly proclaims the right to intervene by any means, regardless of how illegal, dirty or criminal they might be, in the domestic processes of the people of this hemisphere, as long as the reactionary and niggardly interests of that country make such intervention advisable.

Is this not, perhaps, a flagrant contradiction of all the standards of international law and the fundamental principles which rule the United Nations? Is it not against the international agreements and treaties imposed by the United States on the people of this hemisphere? What does the shameless OAS have to say about this (applause, cheering), the discredited OAS, the prostituted OAS (cheering)? Can anyone imagine that there remains even an atom of virtue, or moral authority, or reason for existing, from that ridiculous and faint-hearted institution? (Shouting from the crowd).

Let us say so frankly. The ones largely responsible for these events are those who were accomplices of the United States in its aggression against other Latin American countries, those who tolerated, seized on and even supported events such as the overthrow of Arbenz in Guatemala, the massacre against Panamanian students and people in the Canal Zone, and the invasion of Santo Domingo by the Yankee Marine Corps in 1965.

How about the history itself of U.S. acts of aggression in the OAS against the Cuban revolution? How about the economic blockade, the Giron invasion, the piratical attacks from Central American countries and Miami, and the subversion, terrorism and sabotage fomented by the CIA against our people for many years? It cannot be forgotten that in its policy of aggression against Cuba, the United States bought the shameful complicity of many governments by distributing among them the sugar quota and spoils of the Cuban economy.

Is it so strange that—with elemental lack of respect and consideration toward our peoples—the United States has now confessed and justified intervention in Chile, while it threatens Venezuela and Ecuador, among other oil-producing countries, with reprisals of hunger and even worse if they do not yield to its demands of reducing the price of oil? Will it be, perhaps, the OAS—an instrument in the worst tradition of neocolonialism—which will defend, integrate and politically unite the peoples of Latin America in the face of U.S. haughtiness and dominance? (Crowd chants "No")

The African countries have their organization of African states in which South Africa, Rhodesia or Europe is not included. And those African people, who recently reached the world of independence and are incomparably poorer than Latin America, have on the other hand a much higher and worthy concept of the meaning, functions and rule of a pure regional organization. (Applause).

The United States on the one hand and the Latin American and Caribbean countries on the other are two worlds as different as Europe and Africa. There is no room for both in the same community. The Strait of Gibraltar, which is a miniscule sea, separates them there. Here we are separated by the Rio Grande and the Florida strait.

THE FLORIDA STRAIT

In both cases, it is a technological chasm and absolutely different cultures. The United States is already a great community. The peoples of Latin America and the Caribbean still have ahead the historic (task) of forming theirs, as the indispensable condition for freedom, development and survival. And that can never be achieved in unworthy promiscuity and hodge-podge (relations) with the United States. (Applause.)

Together, our peoples will have sufficient strength to give ourselves the security and guarantee that neither the Inter-American Mutual Assistance Treaty nor the OAS have ever offered vis-a-vis the domination, aggressions and interferences of the United States.

Moments ago I mentioned the U.S. threats against the petroleum-exporting countries—two of which are in Latin America, Venezuela and Ecuador—in demand of a cut in prices. The way the petroleum issue has been posed, in usually harsh terms, by the U.S. President and other leaders of that country, at the United Nations and at the Ninth World Energy Conference in Detroit—where the Yankee authorities in fact prevented Cuba's participation by denying visas—gives it dramatic profiles.

In a concerted and perfectly blueprinted action, the leaders of that country have demanded that the petroleum countries reduce prices, holding them responsible for the imminence of a worldwide economic crisis and threatening them with possible varied reprisals. The U.S. press agencies themselves have taken it upon themselves to particularly stress the dramatic nature of those pronouncements. And they have not lacked a basis for it.

In Detroit the President of the United States said, textually: throughout history, states have gone to war, contending for natural advantages such as water, food or more accessible land or sea routes. But in the nuclear era any local conflict can become a world catastrophe. War creates risks that are unacceptable to all humanity.

He added: in the nuclear era there is no reasonable alternative to international cooperation. And further on he stated: sovereign nations strive not to depend on other countries which exploit their own resources to the detriment of other states. Sovereign nations cannot allow the policy they should follow to be dictated, nor that their fate be determined by means of artificial manipulation and distortion of world product markets. No one can predict the extent of the damage or the end of disastrous consequences if countries refuse to share the goods nature gave them for the benefit of all humanity. Last week at the United Nations General Assembly I said that any attempt made by one country to employ a product with political aims would inevitably tempt other countries to use their products for their own ends.

And in conclusion, he asserted: It is very difficult to talk of energy problems without falling into apocalyptical language.

The U.S. President's remarks were complemented by similar statements from the U.S. Secretaries of State and Treasury. The U.S. strategy is quite clear: to closely group under its direction the developed capitalist countries; to divide the nations of the Third World and isolate the petroleum-producing countries with the aim of imposing U.S. conditions on them. And for that, it not only threatens them with food reprisals but even war.

In the first place it is unjust to blame the petroleum countries for the worldwide inflation and the international monetary crisis. The responsibility for such problems fundamentally rests with the United States itself. They foisted on the community of nations the monetary system that gave the dollar a privileged position vis-vis all the other monies.

They flooded the world, and the reserves of the Central Banks of almost all countries, with U.S. bills that far exceeded their gold backing. They blocked and separated the socialist community from international commerce. They began the cold war. They unleashed the armaments race. They and their allies in military pacts invested hundreds of billions annually in weapons, for a quarter of a century.

They promoted the war in Vietnam that cost upwards of $150 billion. The U.S. war budget exceeds the figure of $80 billion annually. And the CIA alone annually spends billions.

The fact is that the roots of the inflation are the monetary crisis, which emerged long before petroleum prices rose, lie in that fateful imperalist policy. And, finally, they established the society of consumption and the unlimited squandering of countries' natural resources. In any event, the increase in petroleum prices heightened the crisis situation that had been set off by the imperialist society itself.

In the second place, the Organization of Petroleum Exporting Countries emerges as a just reaction of the producing countries that belong to the underdeveloped world to defend themselves from unfair prices, unequal interchange, and the exhorbitant profits of the big transnational companies that essentially are North American.

Those who invented the monopolist prices of petroleum far above production costs were not the producing countries but the huge petroleum companies which, by doing so, reaped fabulous profits for the benefit of the imperialists' monopolies.

For many years petroleum suffered the same fate as the raw materials produced by the underdeveloped world.

THE UNDERDEVELOPED WORLD

But oil is a special kind of raw material, because iron, aluminum, tin, copper, nickel, uranium, lead, manganese and many other products are used almost exclusively by industrialized countries. Oil, however, is needed to a greater or lesser degree by all the peoples of the world. Among all raw materials it is the most essential and the most indispensable. Therein lies the strength and also the weakness of the countries which produce it in this confrontation with imperialism. As soon as the oil prices rose, after the latest crisis in the Middle East, the developed capitalist countries quickly increased the prices of equipment, technology and industrial products, to a greater degree than the cost of energy increased the cost of production.

They responded to the increases in oil by immediately increasing the prices of their exports. They have this resource for confronting their difficulties, but there are many countries in the world which are not industrialized and which do not have oil, and the prices of their agricultural products and raw materials do not compensate for the great increase in industrial products and energy. It is for the great increases in industrial products and energy. It is for this reason that the imperialist strategy takes into account that, for the ears of many poor countries, the demand that oil prices be reduced will have a pleasant sound. This could result in a great division of the third world countries and therefore in the defeat of the oil-exporting countries—a defeat that in the long run would be a defeat for all producers of raw materials and would mean the worsening of the unequal exchange which the imperialists have imposed on our peoples.

Oil has a privileged position among all raw materials. That is why it is in the vanguard in this struggle. However, this imposes a great responsibility on the OPEC countries. If we want all the underdeveloped nations to make the oil battle their own, it is necessary for the oil-producing countries to adopt the struggle of the underdeveloped world. [Applause.]

It is not by investing oil revenue in industralized capitalist countries, or in the international financial organizations controlled by the imperialists that the support of the underdeveloped world can be obtained. Those resources should be primarily invested in the third world—in the struggle against underdevelopment—so that the oil battle will be a real banner and a hope for all the marginally subsisting peoples of this world. If not, a large part of the underdeveloped world would have nothing to gain in this struggle, except to pay more for manufacured products and energy and be resigned to greater poverty in an already critical situation.

ALREADY CRITICAL SITUATION

Neither the oil producers nor the other underdeveloped peoples can allow themselves the luxury of missing this historical opportunity. Now is the time for all the third world countries to join forces and take up the imperialist challenge. If the oil-producing countries remain united and firm, if they do not let the U.S. threats intimidate them (applause), if they seek the alliance of the rest of the underdeveloped world, then the industrialized capitalist countries will have to accept as inevitable the disappearance of the shameful and unjust conditions of exchange which they have imposed on our peoples.

The nonalined countries could join together and give a firm, united and emphatic answer to the threats and pressures of the United States. (Applause.) In the face of the imperialist divisionist strategy, a more determined unity is necessary. In this way (rhythmic applause) in this way, the necessary international cooperation would not be imposed in the terms which the imperialists demand, but would rather be based on the aspirations and the more legitimate interests of all the peoples of the world.

The Venezuelan government has responded vigorously and with dignity to the speech of the President of the United States. (Applause.) However, only a few Latin American countries—several of which are oil producers, or potential exporters—have given Venezuela their support. Many governments have kept silent. When Venezuela nationalizes iron and oil in the near future as its government announced, it can be assumed that the imperialist policy toward Venezuela will be hardened. This is the historic moment in which Venezuela needs the support of the peoples of Latin America, and Latin America (lengthy applause) and Latin America needs Venezuela. We must view its struggle as a struggle of all our peoples. At the same time Venezuela—with the extraordinary financial resources which it can generate as the fruit of a firm and victorious oil policy—could accomplish as much as Simon Bolivar's soldiers did in the last century for the unity, integration, development and independence of the peoples of Latin America. (Applause.)

Cuba, which with the generous aid of the Soviet Union (applause) has not suffered the energy crisis, and whose development marches onward despite the imperialist blockade and the cowardly behavior of many regimes of this continent, does not hesitate to proclaim its support for the fraternal country of Venezuela (applause) and that country's government in its just aspirations vis-a-vis the United States' claims. Let the Venezuelans gain from the experience of the Cuban revolution's example which, under the most incredible conditions of blockade and hemispheric isolation, stanchly and unflinchingly withstood the imperialist attacks. (Prolongued rhythmic applause and shouts.) And after 15 years it emerges victorious and unvanquished as an irreversible fact on this continent. Venezuela will not be alone in this hemisphere as Cuba was (shouts), and perhaps fate has reserved again for the fatherland of the illustrious liberator a foremost and decisive role in the final independence of the Latin American nations. Fatherland or death! We shall overcome! (Applause.)

THE PLIGHT OF THE CATTLE INDUSTRY

Mr. CURTIS. Mr. President, for many months I have risen on the floor and called attention to the plight of the cattle industry. Other Members of the Senate who are knowledgeable in the field of agriculture have done likewise. The problem has not been solved. It seems to get worse.

Only this morning I received a telephone call from a cattlefeeder in Nebraska. This man is an intelligent and energetic operator. He reports that a year ago last March he had a net worth of $250,000 and that all of that is gone and that at the present time if he sold all the cattle that he has on hand, he would still owe the bank $200,000. He may have to sell his land and all of his machinery to pay this off.

Mr. President, last year all cattle feeders were in dire circumstance. Today the disastrous situation is hitting with full impact upon the ranchers that produce the cattle.

Mr. President, this Congress, the Department of Agriculture, and the President must do everything that can be done to rectify the situation. We should stop importing meat. We should increase the purchase of beef. We should promote the sale of beef and a wider use of that fine product. Attention should be given to the price spread between what the consumer pays and what the feeders receive and pursue whatever action is appropriate.

Mr. President, a big factor in the cause of the cattlemen's plight was the wrongful price ceiling placed upon beef and the Government has an obligation to right the wrong.

SOCIAL SECURITY IS NOT BANKRUPT

Mr. WILLIAMS. Mr. President, in recent months critics of social security have circulated several myths about the value and worth of this essential program.

One of the most serious charges is that social security is threatened with bankruptcy.

Nothing could be further from the truth.

Quite to the contrary, social security has a reserve of approximately $50 billion.

A recent report by the Board of Trustees does point to a need for additional financing over the long range. This is primarily because the birth rate has declined in recent years. If this trend continues, there will be a larger ratio of elderly persons to workers in the 21st century.

But, it should also be pointed out that the revised population projections will have no major impact for the immediate future.

Additionally, the Trustees' report reveals that there will be sufficient funding to meet all benefit obligations for many years. Moreover, there is ample time to review the emerging long-term imbalance and take whatever remedial action is necessary.

In fact, the Secretary of Health, Education, and Welfare has appointed an Advisory Council—composed of representatives from labor, management, and the public sector—to examine the long-range financial status of the social security system. One of their chief missions will be to develop recommendations to bring the social security trust funds into actuarial balance on a long-term basis.

Unfortunately, the recent "scare" stories about social security have only served to create needless anxiety and concern on the part of beneficiaries and workers.

However, I think that it is important to emphasize that no social security beneficiary is in any danger of losing his monthly check.

Social security is still sound and working effectively.

It continues to be the economic underpinning for most older Americans.

More than 90 percent of all persons in the 65-plus age category are eligible for retirement benefits under social security.

Approximately four out of five persons aged 21 to 64 have disability protection.

And 19 out of 20 children under 18 and their mothers have survivor protection if the father in the family should die.

In a very real sense, social security is family security. And, it affects almost every American in one form or another.

Consequently, it is absolutely essential that public understanding of this vital program be based upon concrete facts and not myths.

An editorial in the September 26 edition of The Machinist admirably responds to some of the false charges directed at the social security system.

Mr. President, I commend this article to my colleagues and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Social Security

Recently, Social Security has been the target of a barrage of attacks. Some charge that the system is bankrupt or nearly bankrupt. Here is a reply condensed from the current issue of the Senior Citizens News, official publication of the National Council of Senior Citizens.

The basis for this incredibly false charge—that Social Security is bankrupt or about to be—lies in the fact that there is "only" some $52 billion in reserves in the Social Security trust funds and this amount is held in Treasury Bonds.

The argument is advanced that the $52 billion is not really even in the trust fund but has been taken out and replaced by some sort of IOU's. These so-called IOU's are the U.S. Treasury Bonds which are purchased to increase the trust fund's financial strength.

To call these Bonds IOU's—with the implied inference that they are unsecured—is a malicious twisting of fact and a libel against the very good name of this nation.

Any time anyone lends money, he receives in return a promise from the recipient to repay the amount received plus a certain amount of interest. To argue that the Federal Treasury Bonds are "worthless IOU's" is to argue that the U.S. Government is worthless.

The next time some writer or speaker attempts to make this point of the "worthlessness" of Uncle Sam's word to pay—simply offer to purchase that individual's holdings in U.S. Savings Bonds at 50¢ on the dollar. It will still be an absurdly easy proposition to obtain a bank loan for the purchase of Saving Bonds at half their value. For every banker knows that the U.S. Savings Bond, like U.S. Treasury Bonds, are the most secure investment in the nation. They are guaranteed by the U.S. Treasury at the express order of Congress.

ATTACK, IRRESPONSIBLE, UNPATRIOTIC

The critics of Social Security are telling the people of this country and the people of the world, in effect, "don't trust the word of the U.S. Government, for it is worthless." This irresponsibility transcends mere difference of opinion and brings into question the very patriotism of those attacking Social Security on this basis.

Also tied to this notion that Social Security is bankrupt or about to become so is the claim that there is not sufficient money in the trust funds today to pay off all its possible obligations in the future.

Those who seek to cloud confidence in Social Security charge that to be really solvent the trust funds need somewhere between $400 billion and $2.1 trillion in reserves. This is justified, according to opponents, by the theory that if Social Security were a private insurance company this amount would be needed to insure that all benefits for an indefinite future could be paid to present enrollees, even if all contributions to the system were to stop immediately.

This is a patently fallacious assumption, since Social Security is a valid ongoing system with over 80 million contributors not now drawing benefits. The opponents' requirements that the Social Security trust funds be obligated to have the monies on hand now to pay off any future possible debts is unfair and defies logic.

If a young couple having an income of $12,000 a year and $5,000 in the bank and with two small children, go to the local banker for a loan to purchase a house, do you believe that the banker is going to turn them down with the response, "Sorry, folks, but our private projections indicate that—what with your two small children, the cost of their education, health care and all, you will probably accumulate obligations over the next 30 years totaling more than a quarter-million dollars and you simply do not have the money on hand right now to pay off those possible future obligations."

Of course, no banker would refuse a loan on those grounds. He would look not only at the debit side of their lifetime ledger but also at the credit side—the potential increased earning power and the proved record of amassing savings. This is precisely what the critics of Social Security fail to do.

FUND, AS SOUND AS THE U.S.A.

But, contrary to these unfounded and unfair charges, there is now—with a reserve of some $52 billion—sufficient money to pay all beneficiaries their full monthly benefits for at least nine months, even if all contributions to the system were to cease.

Even at the worst of the 1929 crash, employment dipped by only 25%. If this calamitous situation were to recur, with a resultant drop of about 25% in contributions to the Social Security system, the trust fund reserves would be sufficient to continue to pay at full benefit level for four to five years and still not exhaust the reserves!

If the same standards which some seek to apply to Social Security were applied to the Civil Service Retirement Fund, most state and local government retirement funds and most private pension plans, as well as the majority of private insurance firms—all would be bankrupt, which they surely are not. Neither is Social Security.

DACE EPERMANIS

Mr. HUGH SCOTT. Mr. President, in the Wall Street Journal of October 2, Columnist Vermont Royster wrote of the happy events in the life of Dace Epermanis since her arrival in the United States in May 1950. She was 12 years old at that time when she came to this country from Latvia as the 150,000th refugee from war-torn Europe.

Mr. Royster's postscript of the American dream she found is most moving, and I would like to share it with my colleagues.

And it calls to mind, Mr. President, that her neighbors from Lithuania who have emigrated here have a wistful way of recalling their dream for a new and better life in this land. They made the journey to our shores as displaced persons and, in fact, they called themselves "DPs." But the initials stood for "Dievo pauksteliai." The words were used sometimes wryly but always with hope. They mean: "God's birds."

Mr. President, I ask unanimous consent that the postscript be printed in the Record.

There being no objection, the postscript was ordered to be printed in the Record, as follows:

Postscript: In May, 1950, I wrote on this page about Dace Epermanis, the 12-year-old Latvian girl who arrived here to a ceremonial welcome because fortune made her the 150,000th refugee from war-torn Europe. Last week I recalled her story and hoped that she found what she dreamed of, a place in her new land.

Now I know she has. She grew up in Buffalo, where her father worked first in a factory and later as an accountant. In time she graduated from the University of Buffalo law school and in 1962 was appointed to the N.Y. State Attorney General's office. Today, in her adopted state, she is Assistant Attorney General.

Sometimes the American dream does come true.

THE GRAVE DANGER PRESENTED BY THE INTERNATIONAL PRICE OF OIL

Mr. JACKSON. Mr. President, at the recent Summit Conference on Inflation, Senator Nelson, as one of the representatives of the Senate Interior Committee, presented a statement emphasizing the grave danger presented by the international price of oil to our economy and the economies of most other industrial countries. By focusing on price, Senator Nelson gives a proper perspective for evaluating correct energy and tax policy, both at home and abroad.

As Senator Nelson states:

It is clear that today there is no market price of oil; that is, a price determined by the forces of supply and demand. In fact, there are two controlled prices of oil: one, set by the U.S. Government on domestic production, attempts to limit windfall profits and price gouging, and the other, set by the OPEC countries, attempts to achieve, among other things, maximum windfall profit and price gouging. Producers of domestic oil, to the extent their production is decontrolled, enjoy these windfall profits. There is no justification for allowing one American industry to profit from a policy that is crippling the rest of the country and the world. Increases in domestic prices have already resulted in inflation to the American public and in windfall profits to the oil industry.

For the benefit of my colleagues, I ask unanimous consent to insert in the Congressional Record, at this time, Senator Nelson's valuable statement.

Mr. President, I also ask unanimous consent that a letter of September 14, 1974, that the junior Senator from Colorado (Mr. Haskell) and I sent the President be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATEMENT BY SENATOR GAYLORD NELSON, WHITE HOUSE CONFERENCE ON INFLATION, SEPTEMBER 27–28, 1974

THE IMPACT OF OIL PRICES ON THE WORLD

The international price of oil is the greatest single danger to our economy and the economies of most other industrial countries. Paradoxicaly these oil prices, while adding to world inflation also, by constricting demand, create the specter of world-wide depression. The more than 300% increase in the price of oil is the result of an international cartel of a handful of underdeveloped and unpopulous states, mainly in the Middle East, known as the Organization of Petroleum Exporting Countries (OPEC).

Obtaining the highest possible price for oil for their maximum political and economic gain, these countries are engaging in global economic warfare, financially crippling other countries and toppling governments. This action could easily result in:

(a) world-wide inflation and depression;

(b) national bankruptcies and widespread malnutrition and even massive starvation and death in the underdeveloped countries, and

(c) a liquidity crisis for the world monetary system similar to that which contributed to the breakdown of the world's financial and trading systems in the 1930's.

INTERNATIONAL CONSEQUENCES

World oil prices are identical in their economic impact to a tax imposed by the oil producing countries on the rest of the world. We are witnessing the greatest transfer of wealth in the history of the world. According to latest Treasury figures, the OPEC countries, who received $15 billion for their oil trade in 1972 and $25 billion in 1973, will receive $80 billion this year. As recently as 1970, Saudi Arabia held less than $700 million in reserve assets. Their reserves jumped to $3.1 billion in mid-1973, and to $7.1 billion on June 30, 1974—a one-year gain of 129% that places this country of 8 million people ahead of Britain, Canada, the Netherlands, and Italy. Iran had $208 million in reserve assets at the close of 1970. Iranian reserves hit $5.4 billion on June 30, up 350% in a single year, and up 2,600% in 3½ years. The sharpest one-year gain of all was by Nigeria, up 360% in the 12 months ending June 30. This is only the beginning. The World Bank estimates that the 13 OPEC countries could accumulate reserves of $650 billion by 1980 and $1.2 trillion by 1985. This is madness and can only lead to world bankruptcy.

This transfer of wealth creates two immediate technical problems. First, how are the importing countries to pay for their oil needs without disrupting normal international trading relationships, and secondly, how to get this money back, or "recycled" into the international monetary system so it works. Recycling however, by its very success creates a dangerously volatile, international economic system, lending long and borrowing short. For example, about $20 billion of loans to oil importing countries have been made by commercial banks of Europe and the United States. The resources to make these loans have come from the oil-producing nations, which have placed the bulk of their receipts for oil on short-term deposit with banks—principally on call or at most, 30 days.

Even assuming the oil importing countries can somehow manage the balance of payments and recycling problems created by the present world oil price, there are much more fundamental questions:

(a) Do we want most of the developed countries' standard of living substantially reduced and developing countries driven to ruin to pay for artificially created world oil prices?

(b) Do we want, because of a freak of nature, so much of the world's wealth and economic power concentrated in the hands of a few industrially undeveloped, and politically unstable countries?

It seems to me that the answer to those questions is a resounding "No".

DOMESTIC CONSEQUENCES

In the United States, it is estimated that one-third of the rise in the Consumer Price Index for the last 12 months is attributable to the increased cost of energy. In dollar amounts, this means that the American public had to pay $55 billion more for the same amount of energy. Nothing has a more pervasive impact on our economy. It is reflected in everything we do and consume. For example, one-fifth of the inflation in agricultural products was caused by increases in the cost of energy.

It is clear that today there is no market price of oil; that is, a price determined by the forces of supply and demand. In fact, there are two controlled prices of oil, one, set by the U.S. Government on domestic production, attempts to limit windfall profits and price gouging, and the other, set by the OPEC countries, attempts to achieve, among other things, maximum windfall profit and price gouging. Producers of domestic oil, to the extent their production is decontrolled, enjoy these windfall profits. There is no justification for allowing one American industry to profit from a policy that is crippling the rest of the country and the world. Increases in domestic prices have already resulted in inflation to the American public and in windfall profits to the oil industry.

For example, the price of controlled oil was raised last year from $4.25 to $5.25 a barrel resulting in an inflationary $2 billion additional cost to the American public. More importantly, the price of 40 percent of our domestic oil has been decontrolled, 3.8 million barrels a day, adding $14.8 billion more to the cost to the public.

For these increased costs, the American public has received no benefit. As shocking as the price rises is that while domestic prices have gone up, domestic production has gone down. In 1971, domestic production, on an annual basis, was 9.8 million barrels a day. In 1972, 9.1 million barrels; and 1973, 8.9 million barrels. For 1974, it is estimated that domestic production will remain at 1973 levels.

While the country has not received any benefit from previous price rises, the Administration proposes to decontrol all domestic production, creating another $10.3 billion of inflationary cost to the country and windfall profits for the oil companies. Until the power of the international cartel is broken, and the price of energy reflects the forces of the market, further decontrol of domestic oil production cannot be justified.

While there is hope that oil prices will decline, somewhat, because of an existing world oil surplus of about 2 million barrels a day we should take every economic and political step necessary to break the cartel. Internationally, we need a program of co-operation and co-ordination, which would provide for:

(a) an emergency sharing of oil from all sources if there is a new threat to supplies;

(b) direct dealing between oil importing and oil exporting countries, as Federal energy chief John Sawhill observed, oil pricing and production negotiations are too important to be left to private corporations.

(c) establishing and coordinating research and development programs. We should eliminate unnecessary and time-consuming duplication of research and concentrate our efforts where the best results can be obtained.

(d) Establishing a concurrent and consistent program of energy conservation.

(e) Refraining from efforts to resolve balance-of-trade problems by restricting imports from other importing countries which can only seriously weaken the international economy.

(f) Abstaining from trying to obtain unilateral advantages by special deals with a particular oil-producing country. Such deals only maintain the power of the cartel and make others even more dependent on it.

(g) Resisting attempts to gain a special relationship by the competitive rearming of the various Middle East countries. Vietnam shows the danger of this kind of policy.

The actions of the oil-producing countries represent economic warfare which could cripple countries and topple governments. We have no choice but to vigorously oppose those actions.

CONSERVATION: ANTI-INFLATION AND ANTI-CARTEL POLICY

Domestically, for economic as well as national security reasons, it is essential that we develop all domestic sources of energy to break the power of the cartel.

We must have a vigorous program of research and development to use all possible sources of energy. Research should move briskly ahead to develop such energy sources as sun, heat and light, hot water and steam from the earth, coal from deep deposits that cannot be mined economically now, hydrogen that is available in enormous quantities from seawater, heat generated where layers of warm and cold water meet at the sea, and organic waste. New energy producing devices and policies that should get attention in a research program including coal conversion into gas and oil, gasification and liquefaction, hydrogen fusion (the same process as is in the sun), photovoltaic cells (direct conversion of solar energy), magnetohydrodynamic power (electricity from coal gas), fuel cells, and transmission of energy.

Development of energy takes time, but in the interval, we can still challenge and hopefully lower the world oil price by practicing the conservation actions we adopted when the Arab embargo began.

Conservation means we must fundamentally change how this country goes about its business. As former energy czar Simon was fond of saying, we are a country of "energy wastrels." We don't just use energy, we wallow in it. Conservation doesn't mean going without, it means using our energy more efficiently; eliminating the waste.

Our enormously wasteful habits of the past 30 years must come to an immediate end. The Office of Emergency Preparedness estimated in 1972 that we could save at least 30% of the energy we consume without lowering the standard of living or degrading the environment.

The National Bureau of Standards reports that 40% of the energy we use for air conditioning and space heating is wasted. The waste amounts to the equivalent of 61 billion gallons of oil a year, 13.5% of the nation's energy consumption. We use more energy for air conditioning than 800 million Chinese use for everything.

Industrial use of energy has been increasing exponentially, doubling every 14 years. American industry could save approximately 30% of the energy it now consumes by applying existing energy conservation technology that is economically justifiable at today's fuel prices. It has been estimated that a saving of only 10% in energy consumption by industry would be the equivalent to about 2.5 million barrels of oil per day—more than the U.S. currently imports from the Middle East. A savings of 10% on our present energy consumption is the equivalent of developing 200,000 new oil wells, or 2,930 new coal mines or 211 additional nuclear plants. Industrial waste accounts for 12 percent of the nation's energy bill.

We need a total re-evaluation of our transportation program. We need smaller, lighter cars with more efficient engines. We need mass transit for our urban areas and improved intercity and intracity buses for our rural citizens.

If half of the estimated 113 million cars expected to be on the road by 1980 got 22 miles per gallon instead of the current 14, we could save 17 billion gallons of gasoline. I can't believe that we will hand over our standard of living just because of sloth.

OIL PRICE AND TAX POLICY

The present prices for oil, however, compel Congress to repeal some of the extraordinary tax subsidies provided the petroleum industry. In this regard, it is particularly essential that percentage depletion allowance be repealed because, as presently written, as the price of oil increases, the larger the amount of the tax gift to the petroleum industry. As everyone knows, there have been numerous economic studies questioning the effectiveness and need of the percentage depletion allowance. For example, Secretary of the Treasury William Simon in a former position in the Department of the Treasury wrote to Senator Jackson, Chairman of the Senate Interior Committee: "in the short run, changes in percentage depletion rates should have little effect on the rate of expenditure of discovery efforts."

Further on, he states, "in the long run, changes in percentage depletion should have no effect, per se, on the rate of production." Putting Mr. Simon's words into simple English, he is saying that changes in the depletion allowance will have little effect on exploration and no effect on production. While there are many economic studies supporting Mr. Simon's conclusions, there are also some common sense observations about percentage depletion suggesting Mr. Simon is right.

First and foremost, as percentage depletion is written, it is an incentive for oil men to pump from existing wells rather than an incentive to explore for new sources of petroleum.

Secondly, percentage depletion is claimed by owners of oil royalties, even though they are completely passive renters who do no drilling and take no risks.

Thirdly, depletion allowances can be claimed for income for producing wells abroad which do not necessarily insure a source of oil for the United States, secure or otherwise.

Fourthly, percentage depletion, because of the net income limitation, is of doubtful significance to marginal wells, because it is far more valuable to productive rather than marginal wells.

Fifthly, percentage depletion encourages misallocation in the energy area, providing tax incentive for undertaking oil and gas activities as opposed to undertaking research and development of alternate sources of energy.

I have stated some of the reasons that suggest why percentage depletion is a wasteful and expensive tax subsidy and should be repealed. The current world oil price allows us, however, to disregard its past validity and consider only its present justification. Prior to 1973, U.S. oil prices were about $1 to $1.50 above the world price, and many felt that we had to protect the domestic oil industry. Whether or not this protection policy was the wisest thing we could have done, it was what we did. We decided that the domestic oil industry was sort of like Penn Central; it couldn't compete without being protected. The important fact now is that the need for protection has vanished because the world price is above the U.S. price. This change of price does not suggest that the percentage depletion doesn't make sense for foreign oil; it suggests that it doesn't make sense on any oil.

It should be understood that recent price increases not only remove the reason to shelter the domestic oil industry from the outside world, but more than adequately compensate them for the loss of the percentage depletion. One expert has calculated that assuming oil companies were expecting $4 a barrel, a price of $4.70 a barrel would make up the difference for repeal of the depletion allowance. In fact, price expectations for most existing oil contracts is probably in the neighborhood of $3.00 a barrel. When one considers that the average price of crude oil, less than two years ago was $3.50, and today the estimated average price for domestic crude as of January 1, is $5.25 in the case of old oil and $10.00 in the case of new oil, it is clear that price increases have already richly rewarded the oil industry for any loss suffered by repeal of the percentage depletion.

POLLUTION ABATEMENT, ENVIRONMENTAL QUALITY, AND INFLATION

Enactment of the Federal Water Pollution Control Act Amendments and the Clean Air Act committed this nation to clean up its fouled air, restore its polluted waterways, and prevent the earth's physical environment from further degradation. Much progress has been made toward achieving these goals. It has been expensive but the consequences of not establishing a vigorous national pollution abatement effort would result in higher capital investments, a continued loss of aesthetic values, and continued pollution-related human sickness and death.

Pollution abatement efforts must continue as scheduled. Energy production projects that utilize federal funds must not be exempted from the requirements of section 102 (2) (C) of the National Environmental Policy Act (NEPA). Before the federal environmental budget is cut further, one must take a hard look at the role federal and private pollution abatement spending has on inflation.

Over the last three years the federal government's environmental protection program has been severely reduced. Half of the funds authorized and appropriated by the Congress for the construction of wastewater treatment facilities have been impounded. During FY 72–74, over 15% of the funds Congress authorized for the National Park Service, Fish and Wildlife Service, Bureau of Outdoor Recreation, Land and Water Conservation Fund, and the Bureau of Land Management have been impounded. Federal spending in FY 75 for pollution abatement will amount to one-fifth of one percent of total budgetary authority. Federal expenditures for environmental purposes are less than for any other major program area.

If conservation, preservation, and recreational resource management expenditures are added to direct pollution control costs the total dollar figure $3.3 billion, would equal 1.1% of the sought-after national $300 billion budget.

The President's Council on Environmental Quality (CEQ) has been looking into the role public and private environmental pollution control spending has had on inflation. CEQ's most recent study of the impact of environmental programs on the economy indicates that public and private pollution abatement spending accounts, at most, for only one-half of one percent of the 17% increase in the Wholesale Price Index in the year ending March, 1974.

CEQ reports that public and private expenditures to meet the requirements of federal air and water pollution legislation amounts to seven tenths of one percent of the nation's total Gross National Product (GNP) in 1974, and 1.2 percent in 1976, the year of maximum impact. These expenditures amounted to two to three percent of all private sector investments. It represents five to six percent of the total expenditures made on plant and equipment.

CEQ estimates that project investment and operating costs for pollution abatement programs that will satisfy federal requirements over the next ten years will have an insignificant impact on GNP growth.

There are other costs that must be weighed before budgets are cut and legislation redrafted. The Environmental Protection Agency (EPA) estimates the direct cost to human sickness and death attributable to air pollution at $9.3 billion a year. Air pollution does another $8 billion damage annually to residential property. In addition, air pollution destroys $7.6 billion worth of materials and vegetation, a total of $25 billion a year in additional costs, excluding aesthetic values.

Excluding aesthetic values, water pollution costs Americans at least $11 billion a year. Seven hundred million of this figure is directly attributable to human sickness and death.

CEQ recently estimated that $210.4 billion (in 1973 dollars) would be needed from 1973–1982 to meet the federal requirements enacted several years ago. Without these programs, the nation would suffer over $360 billion in pollution attributable damages.

There is much work to be done. EPA reported in 1972 that the estimated cost effects of the Clean Air Act of FY 77 would be: damages without controls—$24.9 billion; damages with controls $10.8 billion; cost controls $12.3 billion. It would be cheaper to install and operate the pollution control equipment than to suffer the monetary damages that are bound to result if the equipment is not installed or if the installation is delayed. Installation later will be more expensive.

The costs of pollution abatement must not be calculated solely on the basis of capital needed to purchase equipment. The costs to health, and the desire for clean water, clean air and a healthful environment that have been repeatedly emphasized by the public must be considered. The water pollution program authorized by the Congress has been cut in half. The lake restoration program has never received Administrative fiscal support.

The Clean Air Act and NEPA must not be the scapegoats for an inflation caused by the oil producing cartel raising crude oil prices four times in the last twelve months. Another price increase in December, at the height of fuel oil demand, is being threatened. Food (28.2%) and fuel (22.3%), neither of which are significantly affected by environmental controls, are responsible for over half of the increase in the wholesale price index from April, 1973 to April, 1974. Environment has been made a strawman for inflation; there is no evidence to support this mirage and justify additional fiscal reductions.

COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
Washington, D.C., September 14, 1974.
The PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: As members of the Senate who serve on committees which have important responsibilities for the development and oversight of Federal energy, natural resource, recreation and environmental policy, we welcome the opportunity to participate in the September 16th Natural Resources, Recreation and Environmental Conference on Inflation in Dallas, Texas. We are hopeful that this conference will result in effective and meaningful policy recommendations for the Washington, D.C. September 27–28 Conference on Inflation.

We are in complete agreement that the serious economic crisis the Nation is currently experiencing is our number one domestic problem. Effective action to control inflation, to prevent widespread unemployment, to restore confidence in the economy, and to maintain the viability of the world economy will require a bipartisan effort. We stand ready to contribute to that effort and present the following remarks in the hope that they will lead to a better analysis of the economic problems we face and the development of a balanced program which will prevent total economic collapse and move the Nation into an era of economic well-being.

NEED FOR FOCUS ON CAUSES AND OPPORTUNITY AREAS

It is our view that both the White House agenda of August 30 and the more detailed Department of the Interior agenda of September 10 for the Dallas conference fail to provide any focus on the real aspects of resource, energy and environmental policy which contribute to inflation. By the same token, neither agenda provides focus on the real opportunity areas in which meaningful action could be taken to control inflation while, at the same time, maintaining employment and avoiding additional recessionary pressures.

For example, a large portion of the proposed agenda focuses on how funding requirements for various Interior programs could be reduced. Yet, the total appropriations for Department of Interior programs for fiscal year 1974 were only slightly more than $2.8 billion. A more productive area of inquiry, in our view, would be a detailed review of the economic justification for allowing the price level of 40 percent of the Nation's domestic oil production to float to arbitrary price levels of $10 to $12 per barrel established by an international cartel of oil producing nations. In this one area alone there is a tremendous opportunity to control inflation by reducing consumer costs from $5 to $10 billion per year without materially reducing incentives for increased domestic oil production. Further, action in this area could be taken now, without new legislative authority, under the existing pricing authority vested in you by the Emergency Petroleum Allocation Act.

There are a number of other areas in which we have serious reservations concerning the analytical and policy implications contained in the agenda proposed for the Conference. In addition to U.S. oil price control policy these include the domestic impact of OPEC price policy, Administration proposals to deregulate natural gas, the economic consequences of Project Independence, the oversimplified characterization of environmental laws as a major cause of inflation, and others. These are discussed below in greater detail.

OIL PRICE POLICY

The dramatic rise in the price of oil over the last year was the biggest single blow our economy and the world economy have suffered in their current crisis. High prices for crude oil have pulled up the prices of other fuels and together they impart a vicious cost-push to a world economy already ravaged by inflation. On the other hand, high energy prices act as a tax that deprives consumers of the income they need to buy the products of industry and so, at the same time, move us closer to a worldwide depression.

The oil price increase was initiated by a handful of nations, mainly in the Middle East. Face to face with a cartel of these countries, the United States and the other wealthy nations are in disarray. Our economic bargaining strength, our overwhelming superiority in petroleum technology, logistics and marketing, and our diplomatic and strategic power have been impotent to halt, much less reverse, the price rises that are pushing the world's economy to the brink of ruin. None of the major importing countries, including the United States, seems to have any policy to counter the high prices which threaten their collective economic destruction—except perhaps supplication to the rulers of the exporting countries.

It is astounding that the agenda for the Dallas "economic summit" has not focused on the oil price issue. Ignored are both the necessity of a policy to reduce the price and the insecurity of imported oil, and the fact that domestic oil prices have also been set at the levels dictated by the Organization of Petroleum Exporting Countries, despite the fact that these prices exceed by far the levels that are necessary or desirable to encourage energy conservation and development of new energy supplies.

The prices of 40 percent of our domestic oil have been decontrolled, and have almost tripled at a consumer cost of $8 billion per year. Prices of the remaining 60 percent that is still under controls were permitted to increase by more than one third in December of 1973, costing the economy another $3 billion. Recent press reports indicate the Administration now proposes to decontrol this portion of supply as well, creating another $10 billion in windfall profits for the oil companies at the expense of the rest of the economy.

More attention should be given to the impacts of exorbitant oil prices, which are simultaneously inflationary and depressive to the economy, as well as to the serious and complicated economic issues involved in controlling prices. The distortions and inefficiencies created by the two-tier system, and the exploration of alternatives to this system other than total price decontrol merit serious consideration.

The impact upon the economy of the Administration's proposal to remove controls from the price of domestic natural gas and to allow domestic gas prices to rise to the level of prices decreed by the oil exporting nations warrants the attention of the inflation conference. The present system of controls on natural gas producers is clearly outmoded and counterproductive, but it seems to us that the Dallas meeting ought to consider remedies that do not add another massive boost to inflation and windfall profits.

THE ECONOMY, SELF-SUFFICIENCY AND RESEARCH AND DEVELOPMENT

A bold national strategy is necessary tc stimulate the development of domestic energy resources. The Congress has enacted, and is now working on, many elements of such a strategy. The Administration has committed itself through Project Independence to such a program. A conference considering the relationship between energy and the economy needs to consider the relationship between the short- and mid-term problems of our economy and the long-term need for energy. We face an excruciating dilemma over the drive for energy self-sufficiency: many of the technologies and facilities advocated—nuclear energy, the gasification and liquefaction of coal, for example—require exceedingly large capital investments per unit of daily output, and in some cases their technologies are far from proved.

A massive construction effort today would be necessary if these projects were to contribute significantly to the national energy supply in the foreseeable future, and even so there would be great uncertainty about the size and timing of ultimate payout. Such a massive effort to create new, capital-intensive energy facilities is, however, massively inflationary, bidding up the prices of those commodities, services and capital goods that are in shortest supply—specialized steel and process construction capacity. Because the payoff in new energy production will come only in the distance future, such construction projects will not relieve current inflationary pressures by increasing current supply. Because they are so capital intensive and involve bottleneck industries, they will not even make a significant contribution to relieving unemployment.

There needs to be a clear recognition of the fact—clearly demonstrated in reports by M.I.T. and the National Academy of Engineering—that we cannot do everything, particularly in an era of raging inflation and widespread bottlenecks. A sense of realism and a hard examination of energy priorities is necessary.

ENERGY CONSERVATION

In view of the tremendous impact the dramatic rise in oil prices over the past year has had on substitute fuel costs, inflation and on the average consumer, it is essential that policies be implemented to both control oil prices and to reduce non-essential energy demands. There are great opportunities to reduce energy consumption in many sectors—transportation, space heating, and industrial uses. The Nation is capable of doing more with less energy and the Conference should consider recommending budget increases to develop programs and undertake new research and development efforts which will improve energy conservation and efficiency of use.

ENVIRONMENTAL QUALITY AND THE ECONOMY

Throughout the proposed agendas for the Conference there are repeated general references which imply a need to relax, modify or rescind existing pollution control and other environmental laws. Where there are real problems these should be addressed on the merits, in specific terms and with full recognition of the short- and long-term social costs that would be involved in changes in existing policy.

It is our belief that the social and economic benefits—whether measured in terms of public health or more general indicators of the quality of life—to be attained from pollution abatement programs and better resource planning efforts outweigh any public benefit involved in a general relaxation of environmental laws. Better environment planning in the form of legislative enactment of a National Land Use Policy, for example, could increase domestic energy supplies and improve the quality of life by facilitating the siting of refineries, power plants, transmission lines and other major components of the Nation's energy system. Again, this is an area that would require new programs and new expenditures, but these expenditures would pay impressive returns.

THE NATIONAL INTEREST FIRST

There are, of course, many important subject matter areas we have not addressed in this letter which deserve and require consideration at the Dallas conference. These include tax policy, material scarcity, and the problems facing our electrical utilities. We anticipate that these subjects will be addressed in Dallas and at the Conference on Inflation in Washington, D.C., later this month.

In dealing with the economic problems which threaten our country and the nations of the world we are committed to the belief that the national interest must come first. Partisanship or commitment to ideological answers will not create a climate in which rational analysis can lead to a set of policies which will get this Nation moving again. This is not to say that there will not be wide divergencies in both analysis of the causes of our economic problems or the types of policies which can best solve these problems.

We assure you and Secretary Morton, Chairman of the Dallas Conference, of our best efforts and our support in addressing the critical issues posed by the state of the Nation's and the world's economy.

Sincerely yours,

Henry M. Jackson,
Chairman.
Floyd K. Haskell,
Member.

THE ECONOMY

Mr. TAFT. Mr. President, I am quite pleased that the Economic Summit and Pre-Summit meetings gave Americans the opportunity to obtain thoughts on the economy from some of the most distinguished experts in the private sector. One of the business community's leaders who has contributed many times to the Government's economic understanding is Philip O. Geier, Jr., president of Concinnati Milacron, Inc. Mr. Geier was the participant in the Business and Manufacturing Conference on Inflation in Detroit on September 19. I believe that Mr. Geier's statement should be reviewed most carefully. I would like to call attention in particular to his comments on the need for increasing productivity, an extremely important goal. Since Mr. Geier's industry, the machine tool builders, will be a crucial part of any such effort, Mr. Geier is extremely familiar with this issue.

I ask unanimous consent that Mr. Geier's statements be inserted in the Record at this point.

There being no objection, the statements were ordered to be printed in the Record, as follows:

Statement by Philip O. Geier, Jr., Business and Manufacturing Conference on Inflation, September 19, 1974

We all know that inflation results from many actions over a period of years. There is no single, quick cure; a combination of remedies, both short and long term, are needed. The process will require belt tightening by government, by labor and business, and by all citizens.

I would like to devote my comments to courses of action to be followed.

We support a 1975 fiscal year budget at a level of three hundred billion dollars, and endorse a balanced fiscal year 1976 budget.

We believe a closely-monitored monetary policy of restraint is a necessary element in bringing inflation under control. However, some easing of Federal Reserve policy might, at times, be desirable.

We are opposed to all forms of direct wage and price control. Experience has shown that controls, over a period of time, aggravate rather than alleviate inflation.

We support health, safety and pollution controls but feel that some of them have been applied over-zealously and too quickly. Some have resulted in excessive cost and price increases which have increased inflation.

We fully support the program for increased independence from outside energy and raw material sources.

In my judgment, U.S. industry must improve its *productivity* to remain competitive with other industrialized nations in supplying home as well as overseas markets. Investment in highly productive equipment is the only way for U.S. industry to combat rapidly increasing labor and material costs, and thus keep unit manufacturing costs as low as possible.

Since the Korean War, U.S. industry has not invested in new capital equipment at a rate comparable to other industrialized nations. Our investment rate, expressed as a percentage of GNP, has been the lowest of all in each of the last ten years.

Further, many of today's *shortages*, which contribute to inflation, are the result of insufficient capacity due to inadequate past investment in equipment and plant.

When considering how to improve productivity and alleviate shortages, it is important to recognize that present U.S. *capital recovery allowances* are only equal, at best, to the lowest capital recovery allowances permitted our overseas competitors. As you know, U.S. capital recovery allowances are the sum of the investment tax credit and depreciation rates permitted under the ADRs. I strongly recommend that the investment tax credit be increased and faster depreciation be allowed on a permanent basis so U.S. industry overall can be competitive in the years ahead, so our standard of living can be maintained, and so jobs will be available for our increasing workforce.

We favor a further increase in our historic favorable balance of trade. This can be furthered:

(1) by early passage of the trade bill, a prompt start on the GATT negotiations, and on negotiations to reduce non-tariff trade barriers.

(2) by making long term trade credit terms competitive with those of our overseas competitors through a permanent strengthening of the Export Import Bank.

(3) and by a further liberalization of East-West trade.

In closing, I appreciate the opportunity to express these views on a subject so critical to our nation's present and future well-being.

Inflation and the Machine Tool Industry

(By Philips O. Geier, Jr.)

I have been asked to comment on the effects of inflation on the machine tool industry, and to give my views on the outlook for machine tools and the capital goods industries.

ORDERS, SHIPMENTS AND BACKLOG

The machine tool industry is a relatively small one. It will ship slightly over two billion dollars of product in 1974—a boom shipment year. Appendix 1 shows new orders, shipments, and order backlog for 1966 through mid-1974. The indices are based on current dollars with 1967=100. The last peak in new orders occurred in 1966, the low point was 1970, and orders have accelerated from that time to present record levels. The shaded areas show the time the investment tax credit was in effect.

Shipments reflect the long lead time between order placement and shipment, characteristic of the industry. Shortages in manpower, raw materials, and purchased items have kept shipments from expanding more rapidly.

Order backlog reflects the inability of shipments, even though increasing, to keep up with the new orders in recent years.

COSTS

Appendix 2 portrays the rapid increase in the last five years of the major elements of machine tool industry costs: metals, purchased intermediate materials and hourly wages, including overtime, but no fringes. Beginning in 1973, and for the first time in my experience, metals and intermediate materials are having a greater relative impact on overall costs than hourly wages, even though the industry is very labor intensive.

By appropriately weighting these Department of Labor indices (wages 50%, intermediate materials 35%, and metals 15%), a composite cost index for machine tools has been calculated (Appendix 3).

In the last three years, the annual percent increase has gone from 6.8% in 1972 to an estimated and astonishing 22.6%! (Appendix 4).

PRICES

What about prices? The industry has had an historical pricing practice of pricing at the time of the receipt of the order rather than time of shipment. Appendix 5 compares the Department of Labor's cost and price indices. Note that the gap between the price and cost indices did not begin to narrow until the past three or four quarters. The fairly stable prices of 1971 and 1972 were during the period of price control. Prices began to increase in 1973, but still lag about one year behind mounting cost increases; hence the severe profit squeeze in the machine tool industry. From this graph one might conclude that prices are starting to catch up with costs. This is not necessarily true.

As shown in Appendix 6, average deliveries have steadily lengthened from a low of 24 weeks in the second quarter of 1971 to 72 weeks in the second quarter of this year. The graph in Appendix 7 shows the effect of long deliveries on prices and revenues. The price index line has been replotted to the right by the average delivery times shown in Appendix 6. Even though current prices are rising, they are not invoiced or collected until over a year later and, in the meantime, costs continue to rise.

For example, a machine tool with a two year delivery time and shipping at mid-year 1975, will be invoiced at a price that was established at midyear 1973.

This situation might explain why, in 1974, machine tool industry members, acting separately, at different times, and having pricing policies differing in detail, have insisted on escalation clauses, and, in some cases, on down and progress payments.

I think this shows how inflation has impacted the machine tool industry, and why the industry finds itself in a boom, but low profit period.

OUTLOOK

What about the Outlook for capital equipment and machine tools in particular? First, the short term outlook.

Plant and equipment spending for all industries should show a 12.5% increase for 1974 and a 9.7% increase for 1975 (Appendix 8).

The graph in Appendix 9 shows plant and equipment spending since 1966.

Spending for machine tools should be equally as good through 1975, because the industry, on the average, is sold out for that period.

What is the outlook beyond 1975?

There are many reasons, from the demand point of view, why the outlook is favorable.

First, U.S. industry must improve its productivity to remain competitive with other industrialized nations in supplying home as well as overseas markets.

Investment in highly productive equipment is the only way to combat rapidly increasing costs and keep unit manufacturing costs as low as possible.

Since the Korean War U.S. industry has not invested in new capital equipment at a rate comparable to other industrialized nations. Our investment rate, expressed as a % of GNP, has been the lowest of all in each of the last ten years.

Second, many of today's shortages are the result of insufficient capacity due to a lack of past investment.

Third, there is a need to replace obsolete equipment—equipment that is technologically obsolete as well as that which is worn out.

Fourth, new equipment will be needed to produce new products resulting from the accelerating pace of technology.

Fifth, EPA and OSHA regulations will require increasing investment in safer, cleaner and quieter equipment, and for the machinery to produce it.

Finally, there will be increased demand from the existing good markets in eastern Europe, as well as from the developing nations and China.

But there is a cloud hanging over the long range outlook: Will U.S. industry be able to generate sufficient cash from earnings and from capital recovery allowances to invest in productivity-improving equipment? Can it supplement these funds in the equity market? Will sufficient funds be available for U.S. industry to borrow either on a short or long term basis?

Funds available to U.S. industry for investment will be less because our capital recovery allowances are not competitive. Since present U.S. allowances, composed of the investment tax credit and the A.D.R., are only equal to the lowest capital allowances permitted our overseas competitors, it is essential both the tax credit and the A.D.R.s be increased.

My concern over the availability of capital is heightened by the realization that profits are grossly overstated in this inflationary economy of ours.

George Terborgh of MAPI has recently published a study emphasizing the extent to which we are undercharging the real cost of asset consumption—both fixed assets and inventories—and counting the shortfall as profits.

Mr. Terborgh's analysis employs Department of Commerce statistics in determining total understated costs.

The understated cost of fixed asset consumption is computed by comparing current-cost double-declining-balance depreciation with depreciation allowed for income tax purposes.

The understated cost for inventory consumption is calculated by allowing for inventory consumption presently charged for income tax purposes by LIFO and other current costing procedures, and converts only the balance under historical costing systems.

Appendix 10 shows that the understated costs were relatively low in the mid-1960s. Since then, as the purchasing power of the dollar shrank, the understatement of costs increased. Last year it amounted to $26.3 billion.

If previously incurred costs were measured in terms of the revenue dollars against which they are charged rather than against historical costs, after-tax-profits last year would have been less than half of those actually reported: $23.6 billion instead of $49.9 billion (Appendix 11).

And after provision for dividend payments, reported retained earnings would be further reduced.

In fact, adjusted retained earnings, shown in the right hand column of Appendix 12, have been woefully inadequate in recent years: only $1.3 billion last year, compared to $19.2 billion in 1965.

The difference between reported and adjusted retained earnings, of course, is the result of understated costs (Appendix 13). As Mr. Terborgh points out, it is apparent that American business has not been able to protect itself against inflation.

When measured realistically, retained earnings are woefully inadequate.

Radical changes in accounting practices for depreciation and for recognizing the cost of inventory replacement are needed to reflect the effects of both inflation and rapidly expanding technology. Tax reform is even more essential. The present policy of taxing a part of capital consumption as income really compounds the problem of understated costs.

To sum up, the long term outlook from the demand point of view is good, but I am very concerned about U.S. industry having the funds to invest in modern capital equipment which is badly needed to improve productivity and to ease shortages by increasing supply.

ERTS HELPS PROTECT FLORIDA EVERGLADES

Mr. MOSS. Mr. President, the Senate Committee on Aeronautical and Space Sciences for some years now has recommended strongly that the Government take a more aggressive posture with respect to earth resources satellites. Specifically the committee has recommended that the executive branch create the institutional structure necessary to assure continuous availability of earth resources satellite data.

On several days this month and last month, the committee held hearings on this matter. The witnesses, with the exception of those from the executive branch, all urged that steps be taken to insure continuation of data by remote sensing using earth resources satellites. The executive branch, led by the Office of Management and Budget, has opposed the idea of insuring the continuation of earth resources satellites largely on the basis that they are not satisfied that such satellites produce benefits commensurate with their cost. Nevertheless, daily we read in the Nation's newspapers and magazines of the enormous benefits these satellites have brought to mankind in helping discover previously unknown resources, in helping to keep track of our food and fiber resources, discovering and monitoring water resources, monitoring the environment and locating sources of pollution, and providing the information to update maps rapidly.

The Government itself has issued numerous press releases on the usefulness of the Earth Resources Technology Sattellite, ERTS. An example of the great usefulness of ERTS was recently announced by NASA. This release describes the use of ERTS to preserve the Everglades National Park in Florida. This work is under the direction of Dr. Aaron L. Higer of the U.S. Geological Survey in Miami. ERTS data on the Everglades is collected both by imagery and from small data collection platforms located strategically throughout the Everglades. Dr. Higer says that data is now available from the most inaccessible regions of the Everglades usually from 25 to 40 minutes after the measurements are taken.

The information provided by ERTS is important not only to the vegetation and animals of the Everglades but to the 2½ million inhabitants of southeast Florida and to all those in this country who treasure the Everglades as a natural resource. With the information now being provided, it is possible to monitor the Everglades closely, particularly the soil moisture and, as necessary, to regulate human entrance into danger areas, to pump in additional water or to increase fire surveillance.

Mr. President, I ask unanimous consent that the NASA release be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOSS. Mr. President, in assessing the value of Earth resources satellites, how much value is assigned to the ERTS system for providing the information which enables the USGS to better manage such an enormous natural resource? We do not know; we cannot find out. But those who treasure man's natural and renewable resources and believe in the future argue that the assigned value should be large. The committee believes that Earth resources satellites are important to mankind's future and the committee does not understand the reluctance of our Government to move forward to aggressively insure continuation of the acquisition of resource and environmental data by remote sensing using satellites.

EXHIBIT 1

ERTS HELPS PROTECT FLORIDA EVERGLADES

Satellite technology is helping to preserve Florida's Everglades National Park through environmental assessments made possible by teamwork between the U.S. Geological Survey and NASA's Goddard Space Flight Center, Greenbelt, Md.

Under the direction of Aaron L. Higer, of the USGS in Miami, the ecological balance of the 3,600-square-kilometer (1,440-square-mile) area is constantly surveyed by 20 small data collection platforms (DCPs) situated strategically for water resource management. The DCPs radio their readings to NASA's Earth Resources Technology Satellite (ERTS–1) when it passed overhead, and the satellite relays the reports to a ground station.

The information is important not only to the animals and vegetation of the Everglades, but to the 2.5 million human inhabitants of southeast Florida, including those in densely populated Miami.

Until the platforms were emplaced it was difficult to get accurate readings of the amount of water in surface storage because of the large area involved, the shallow water depths, the flat terrain, and the large amount of vegetation. Except for a few radio microwave reports, all readings were made as a result of personal visits to individual stations in the Everglades about once a month. The analyzed data reached users about two months after initial recording.

Now that the DCP network is operational, Higer says users can have data from the most inaccessible regions in the Everglades—even from the middle of Lake Okeechobee at the top of the water-feeding chain to Everglades—usually within 25 to 40 minutes after measurements are taken. In addition, malfunctions in a platform are known immediately and a maintenance man can be dispatched by truck, airboat, or helicopter to make repairs.

The DCP measurements include amount of rainfall, water levels, water flow, evaporation rates, humidity, water and air temperatures, salinity, oxygen content, pollutants present, and soil moisture.

"There is probably no limit on the types of measurements we can make with the DCPs," Higer says.

The data obtained are transmitted direct from the DCP to ERTS, which passes within 2,414 kilometers (1,500 miles) on either side of the DCP, at 917 kilometers (570 miles) altitude. ERTS relays the messages to tracking stations located at either Goddard in Greenbelt, Md., (where the ERTS Project is managed), or Goldstone, Calif. From these stations the data are teletyped to the Geological Survey's Miami office, processed through a small computer into suitable format for users, and retransmitted by land line to the U.S. Army Corps of Engineers, Central and Southern Florida Flood Control Districts, the United States Park Service, and the Florida Fish and Wildlife Office.

ERTS imagery also can provide information on the real extent of water surface, but procedures are not yet operational because picture processing is too time consuming. It requires as much as eight weeks, for delivery of pictures to users. The imagery has been useful, especially during the 1973–74 winter-spring drought situation, in comparing the surface water area with the range of water levels to calculate the amount of water stored in the various lakes, canals, and conservation areas.

Knowing the surface inflow and outflow, makes it possible to calculate the amount of seepage and evaporation and the surface water distribution. Knowledge of such hydrological conditions is necessary for the management of water resources by state and federal agencies.

Higer says he is now installing sensors on the DCPs that will report when a lack of sufficient soil moisture reaches a point indicating a fire potential. As Everglades muck dries in a drought situation, it becomes a peat-like soil easily set afire by human carelessness or even through a form of spontaneous combustion. Monitoring the soil moisture daily will make it possible to prohibit human entrance into danger areas, to pump in additional water, or to increase fire surveillance.

Some 22,500 kilometers (14,000 miles) of canals and levees in the Everglades watershed, as well as numerous dams and pumping stations, regulate the water supply, especially in drought and flood situations. The problem is to keep a good balance by allotting water from lakes such as Okeechobee (north of the Everglades) to farmers for irrigation purposes; keeping a sufficient flow of canal water for animals, fish, and vegetation; preventing salt water intrusion; and making certain there is sufficient water to recharge the underground water supply from which the city of Miami draws fresh water.

"This ERTS data-relay system has been very reliable," says Higer, "and by coupling the ground information with ERTS imagery, a modeling technique is available for water resource management in southern Florida."

FAIR COMPETITIVE PRACTICES ACT

Mr. YOUNG. Mr. President, two of the Nation's largest international airlines: Pan Am and TWA, have petitioned the Civil Aeronautics Board for emergency subsidy to meet a financial crisis caused by rising fuel costs and declining traffic. Pan Am has informed the CAB that its situation is so critical it may be unable to pay its bills by the end of this year unless it receives emergency funds.

I have no quarrel with the administration's position that direct subsidy is ill advised and inexpedient, if other means of assisting the U.S.-flag system can be initiated. It appears that the one solid example of this assistance is the International Air Transportation Fair Competitive Practices Act, which would reduce the inequities posed by a number of discriminatory actions taken by foreign-flag airlines and their governments against U.S. carriers.

There is no question but that the maintenance of the U.S.-flag system is in the interest of the American people. Pan Am and TWA together make up nearly 75 percent of the U.S.-flag system, which is acknowledged to be vital to the national economy and defense. The two airlines employ more than 65,000 people, the vast majority of which are U.S. citizens. Jobs for another 140,000 citizens depend on the viability of the U.S.-flag system.

In the case of Pan Am, this airline has committed for standby military use a fleet of more than 60 jet transports—greater than any other U.S.-flag airline—which would cost the U.S. Government over $1 billion if it had to go out and buy them today. Pan Am is the only U.S. airline presence in 40 countries overseas, where its ground-support facilities and personnel are at the call of our Defense and State Departments. And they have been used frequently, as recently as the disturbance in Cyprus.

I think everyone will agree that it is entirely unacceptable to suggest that the United States should have to rely on foreign flag airlines for the maintenance of its links with the outside world, much less for its national defense. Yet that is a very real prospect if Pan Am and other U.S.-flag airlines were to cease their international operations.

Mr. President, passage of the fair competitive practices legislation would at least bring equity and parity to the situation faced by our own airlines, vis-a-vis their subsidized foreign-flag counterparts. It would address the issue of excessive landing fees and airway user charges. And it would provide that our airlines receive the same pay for carrying U.S. overseas mail as do foreign airlines—from our own Government, no less.

I urge my colleagues to move quickly to pass the Fair Competitive Practices Act so that our airlines will at least be given equitable treatment in their battle for survival in the international marketplace.

PROJECT SURVIVAL

Mr. HARTKE. Mr. President, since last winter's oil embargo we have heard much talk about Project Independence, the name attached to the goal of national energy self-sufficiency.

Implementation of this goal must be a multifaceted process, involving simultaneous research into and development of a variety of energy source alternatives. One aspect of this program, solar energy, has already received congressional attention. But faced, Mr. President, with an international economic crisis fraught with the most dire consequences for the Western World, we should be acting more quickly and more decisively on both the short- and long-range sides of Project Independence.

Final achievement of energy self-sufficiency lies well in the future—exactly how far out, no one is quite sure. But, every day of delay in full implementation not only increases the price we will eventually have to pay but raises the danger to our civilization. To realize the full implications of Project Independence will be expensive and painful. I have seen little evidence that the administration or the Congress is realistically cognizant of what has to be done or emotionally prepared to take the necessary steps.

We are in the throes of a debate over the immediate future. The reduction of oil imports has become the rallying point; everyone is looking to emulate, in one form or another, France's admittedly courageous move. By no means do I wish to demean this new national resolve: long-term survival presumes short-term success.

However, we must recognize that this will be little more than a holding action unless combined with realistic, future-oriented programs. The alternative is a dismantling of our society as it is presently constituted into one less complex, less industrial, and, therefore, less reliant on energy producing fuels. Even those great black oceans beneath the Arabian deserts will be all but depleted in a generation at present rates of consumption.

It is always possible that major new reserves will be discovered; but that would alter the inevitable timetable by a few years or a decade at best. There is an absolute limit on the availability of fossil fuels. The United States in concert with the other industrial nations must seek out totally new alternatives which it must integrate into its technological structure; it must, in a word, develop a positive heritage for the future rather than leave the next generation a wasted world.

Officials within the administration and the Federal Energy Administration are engaged in building a national energy program that will be presented, at least in part, to the Congress in a matter of days. One item that will apparently figure prominently in the President's program is a 20 cents per gallon excise tax on gasoline to be coupled with some type of tax credit. The tax is designed to significantly reduce the demand for gasoline—which together with diesel fuel—constitutes at least 30 percent of our total consumption of oil—and to create additional revenues that, in the administration's view, would otherwise have helped to fuel inflation.

Having already expressed my reservations on the excise tax because of its regressive nature which overly burdens lower- and middle-income groups, I will not reiterate that position now. But if we are to have such taxes, the revenues generated should, to the extent necessary, be earmarked for the development of new energy sources. There will be a critical period shortly after the turn-of-the-century when natural oil and gas reserves, regardless of the present oil struggle, will be thinning out and before we have fully perfected any radically new energy source or had sufficient time to integrate it into our technological system. This transition will be necessarily long and difficult.

For that interim we will need traditional fuels; and the only reasonably plentiful source will be coal. We must begin now to perfect and make economical the liquefication and gasification of coal. Beyond the technical problems which are well within our capacity, there is the broader and more expensive task of establishing the industrial capacity sufficient to the task of producing these fuels in the necessary quantities.

We must raise liquefication and gasification of coal to the head of our list of national priorities in conjunction not just with Project Independence, but with Project Survival. If we do not make the commitments and the sacrifices now, we will have to live with the knowledge that we were the last to have had the opportunity to reverse the process that will transform our great civilization into a decaying, powerless, energyless wasteland.

Looking even further beyond the horizon there is the demonstrated need to transform our technology from one that relies on the consumption of scarce fossil fuels into one that is ever less reliant on transient or consumable energy sources. Solar energy is the most obvious candidate, but there are other possibilities whose potential may be even greater. It is only commitment that stands between us and a future of inexhaustible energy. We must and will learn to adapt and utilize the heat and movement of the Earth, the radiations of the Sun, and the physical laws of the universe.

So crucial to our survival is this problem that we must be constantly vigilant that we do not become once again complacent. Our ingrained sense of optimism together with a deep desire to "return to normalcy" can easily lead to the suicidal attitude that the situation will eventually right itself. The greater our short-term success in dealing with the present oil crisis, the more prone we will be to an erosion of our commitment and dulling of our memory. This we must not do. Our future, indeed, the future of all mankind, is at stake.

HOW WE PROVIDE OUR FOOD AID

Mr. HUMPHREY. Mr. President, I was troubled by two recent articles on the U.S. food aid program. Dan Morgan's article, "Dacca Aid Tied to Cuba Ban," in the September Washington Post, and the September 21 New York Times article, "Ford Aides Split Sharply on Food and Oil," by Leslie Gelb, are worthy of serious attention.

The Washington Post article reports that the United States told the Bangladesh Government that it would have to stop exporting locally made gunny sacks to Cuba if it wished to receive further U.S. food aid on concessional terms.

Shortly thereafter, our Government waived the same trading restriction in order to authorize $27 million in concessional loans to Egypt for 100,000 tons of wheat and 4,000 tons of tobacco.

It would seem to me that at least we should have treated the two countries equally. No one claims that the gunny sacks have a strategic value, and a poor country like Bangladesh needs whatever trade it can develop.

The New York Times article outlines in some detail how our Government has struggled over reaching a decision on our level of food aid. While I recognize that our food availabilities have been reduced by bad harvests, we have not given adequate priority to the world food problem and the critical position we occupy on this issue. Preparations for the World Food Conference also have lagged as a result.

Mr. President, I commend these articles to my colleagues, and I ask unanimous consent that they be included at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 21, 1974]

FORD AIDES SPLIT SHARPLY ON FOOD AND OIL

(By Leslie H. Gelb)

WASHINGTON, September 20.—President Ford's speech at the United Nations Wednesday, linking the world's food and energy problems, represented a compromise of sharp differences with the Administration.

The speech, which implied that the oil-producing nations would have to "give" on oil if United States was to "give" on food, also reflected Mr. Ford's apparent recognition that Washington had little direct leverage on the oil producers.

The Administration debate pitted the State Department, which wanted to almost double the food aid program to about $1.8-billion, against the Office of Management and Budget, headed by Roy L. Ash, and the Council of Economic Advisers, which opposed any increase.

In the middle and with shifting positions were the President's Council for International Economic Policy, the Treasury Department and the Agriculture Department. They favored a small conditional increase. Secretary of Agriculture Earl L. Butz, in particular, spoke against increases publicly but basically supported Mr. Kissinger in private.

OFFICIALS INTERVIEWED

The unfolding of the Administration debate and the blackground and underlying meaning of the President's speech were pieced together from interviews by The New York Times with officials throughout the Administration.

On Tuesday, Mr. Ford met with Secretary of State Kissinger, Secretary Butz and Alan Greenspan, chairman of the Council of Economic Advisers.

Before them was a draft of the speech, the speech, the distillation of hundreds of conflicting memos that had been written by their aides. Embodied in the draft was Mr. Kissinger's central point—that the United States could not expect oil nations to expand production and hold down prices unless the United States demonstrated a willingness to do the same and to share its food resources with the needy.

The President accepted this point and approved an increase in the dollar amount of American food aid, thus ending a battle among agency heads that had begun six months before during the Nixon Administration.

Although Mr. Kissinger had to scale down his dollar demands, the speech was a victory for him. The Food for Peace program was increased by what was described as a substantial amount, reportedly from about $900-million to about $1.35-billion, and there is the prospect of an additional increase depending on economic conditions.

But the President's speech was also seen as a compromise by the participants and had something in it for almost all of the departments and agencies.

For the Agriculture Department, the Council of Economic Advisers and the Treasury Department, no mention was made of the new dollar total, in an effort to dampen the inflationary effects of the increase. Their concern was that the increase might spark panic buying and drive prices up.

For the Agriculture Department, the speech clearly stated the principle that other nations must share in the food effort.

For the Treasury Department and the Council on International Economic Policy, the speech included pointed references to the responsibilities of the oil nations in energy matters.

For the Office of Management and Budget, interested in holding back Government spending, the dollar total was lower than the State Department wanted.

DISPUTE BEGAN IN FEBRUARY

The evolution of the conflict over food aid and prices dates back to February and the Washington energy conference. At that time, the consensus within the Nixon Administration was to do nothing about food aid and prices. In this way, the officials hoped, the poorer nations caught in a food and energy price squeeze would turn on the oil producers and force them to lower prices.

But Mr. Kissinger, under the influence of aides and friends, changed his stance after the conference and this brought him into conflict with George P. Shultz, who then was Secretary of the Treasury. This dispute reached its peak when Mr. Kissinger was preparing a speech on food and energy for delivery to the United Nations General Assembly in April.

Mr. Kissinger's speech treated food and energy as interrelated parts of the problem of world inflation. Mr. Shultz flatly objected to Mr. Kissinger's giving this kind of speech, but Mr. Kissinger went ahead anyway.

The speech was a call for a world food conference. It was not well received at the United Nations, where many saw it as a last-minute effort to capture the spotlight. But American officials immediately set to work to determine whether additional food aid would be possible and to formulate a position on world food reserve stocks.

The Agriculture Department argued that the State Department was grossly exaggerating the world hunger problem. A new study was undertaken by the Agriculture Department and a consensus was reached that the hunger problem was real, but Mr. Butz remained more optimistic about it than Mr. Kissinger.

The State Department was arguing that the Agriculture Department, the Council of Economic Advisers and the Treasury were overdramatizing the inflationary impact of more food aid. A study was undertaken by the Office of Management and Budget and showed that more wheat aid, for example, would not increase the price of bread more than about one cent a loaf.

Moreover, it was generally agreed that unexpected price effects could be moderated by not disclosing the extent of the food-aid increase and by making decisions on food aid shipments quarterly so their effect on domestic prices could be more accurately gauged.

CROPS REPORT AWAITED

The Treasury wanted to increase cash food sales abroad to offset increasingly higher oil prices and the balance-of-payments problem. It was told that it would have to await a new American crop report.

Officials hoped that predictions of bumper crops of wheat and corn would prove accurate and that a large crop would make their decision easier. But the August report was not encouraging, particularly on corn and other feed grains. Meanwhile, prices were rising. It was decided to wait for the September crop report. That one largely confirmed the August report—the wheat crop was a record but less than predicted; soybean and corn were still disappointing despite August rains.

[From the Washington Post, Sept. 30, 1974]

DACCA AID TIED TO CUBA BAN

(By Dan Morgan)

The United States told the Bangladesh government this summer that unless it stopped exporting locally made gunny sacks to Cuba, it would be ineligible to receive further loans on easy terms to buy urgently needed American food.

The U.S. position on Bangladesh's noneligibility for credit under the Food for Peace program came shortly before President Ford waived restrictions resulting from Egypt's continuing trade with Cuba, "in the national interest."

During the period in which the Dacca government was seeking to overcome the obstacles to American aid, Washington authorized loans to Cairo totaling $27 million for the purchase of 4,000 tons of U.S. tobacco and 100,000 tons of wheat.

American officials reported last week that Bangladesh had now agreed to cease all future shipments to Cuba of the gunny bags, one of the country's few export items. Gunny is a strong, coarse, loosely woven material made from jute. The bags are used all over the world to carry rice, grain, sugar and fertilizer.

As a result of the agreement, the officials said, it is expected that the United States will sign contracts in Dacca in a few days providing for shipment of 100,000 tons of wheat and 50,000 tons of rice to the flood-stricken country.

Officials at both the State and Agriculture Departments denied that the Cuban trade problem had resulted in the United States withholding food that could have kept people from starving in South Asia. They said that no firm allocations of wheat or rice under the aid program were made until September in any case, because of drought caused commodity shortages in this country.

In addition, officials of the U.S. Agency for International Development said that current stocks of food in the hands of the Dacca government exceed 250,000 tons and were adequate to prevent mass starvation and hunger. About 73,000 tons of U.S. wheat from last year's program arrived in Dacca in July, a month after the Cuban problem arose.

Nevertheless, critics of Washington's food policy said privately that the comparison of the U.S. handling of the Egyptian and Bangladesh food requests was symbolic of current American aid priorities.

Sources here said that despite pronouncements by Mr. Ford and Secretary of State Henry A. Kissinger at the United Nations that the United States would "increase" its food assistance this year, no such decision had yet been taken.

Also, Kissinger has told government policy makers that "security assistance" must continue to take priority over development aid or humanitarian considerations in the U.S. food credit program called Public Law 480.

Updated Agriculture Department figures show that 70 per cent of all such low-interest, long-term credits granted in fiscal 1974 went to Vietnam or Cambodia. The proceeds from the local sale of the American commodities were available to the governments.

Administration officials have said that priorities will change in the 1975 program, and Congress is seeking to place limits on the amount of food aid that can be allocated to Indochina.

However, three sources said last week that representatives of government departments "tentatively" decided last Monday to give priority in the coming months to food requests from South Vietnam, Cambodia, Egypt, and Syria. Following those countries on the priority list were Chile and Bangladesh.

India, which is facing a potential food deficit of some 6 million tons this year, but which has not explicitly sought loans to buy food, was not listed.

During his Middle East diplomatic efforts this spring, Kissinger pledged the United States to substantial aid efforts there. But funding for these projects is now threatened by Senate opposition to the new foreign aid bill.

The aid bill reported by the Senate Foreign Relations Committee includes a $100 million "special requirements" fund, earmarked for Syria, and $253 million in aid to Egypt, both new in the program.

Administration strategists say that if the foreign assistance package fails in the Senate, these commitments may be made up by allocating funds authorized under Public Law 480. Under this plan, the Middle East governments could sell agricultural commodities purchased under the long-term, low-interest credits and use the proceeds for local development projects.

Since a projected shortfall in several major American crops this year has reduced the amount of food available for shipment under the government program, massive food sales to the Middle East would require economies in other areas of the world, officials said.

Bangladesh and Egypt are both seeking 700,000 tons of food through the U.S. credit program.

Bangladesh planners pressed their case in Washington last week with top U.S. officials, but according to an Agriculture Deparmtent aide, "Until the domestic and overseas needs are evaluated, they'll have to wait."

Dacca officials described the U.S. offers so far as "short of what is required."

AID officials maintain that Bangladesh has fared relatively well under the food aid program. In the previous year, they said, the country got 400,000 tons of wheat under the program, the most for a single country. Officials said that the United States exceeded a 1972 pledge to provide more than $60 million worth of food as part of an international effort.

Requests for vegetable oils have been turned down because of a shortage in the United States.

Dacca has estimated its coming food deficit at 2.3 million tons. Officials here say the country needs food badly but add that estimate is too high.

The Cuban trade problem arose in June, when a sale valued at several million dollars to Havana of the gunny bags showed up on export reports.

"We had to tell the (American) authorities we didn't know about the provision in the law," a senior Bangladesh official said. "We had to promise not to do so in the future . . . that is why the delay took place."

U.S. officials conceded that Washington's own policy toward Cuban trade may have added to the confusion.

On April 18, the State Department announced that export licenses would be issued to American subsidiaries of General Motors, Ford and Chrysler in Argentina so that they could sell equipment to Cuba.

Since 1967, foreign countries that sell to Cuba and North Vietnam have been ineligible for credits through the U.S. food aid program. But the President could waive the ban "in the national interest," providing the sales were only of medical supplies, food or agricultural goods.

On Aug. 14, Mr. Ford, in one of his first acts as President, issued such a waiver for the sale of 100,000 metric tons of wheat to Egypt. The deal, valued at $17 million, was signed in Cairo on Sept. 12.

However, on June 7, the United States had concluded a credit to Egypt for $10 million for the purchase of more than 4,000 tons of tobacco. Agriculture Department officials said that they could find no presidential waiver covering the Cuban trade problem for that loan.

"My supposition is the order to have a program for Egypt came down from Kissinger's office, and having found there was a problem they went to the White House," an official said.

Officials said that Egypt's trade with Cuba was not in contention, although the details of it were not available. However, they said that Egyptian exports, such as cotton, were excludable under the terms of the 1967 law. They said no such exclusion was possible for the gunny sacks made in Bangladesh.

PRESERVING MINNESOTA RIVERS

Mr. HUMPHREY. Mr. President, I am highly gratified that on October 3, the Senate passed an important bill of which I am a cosponsor—S. 3022, amending the Wild and Scenic Rivers Act and the Lower St. Croix River Act of 1972.

One purpose of this bill is to preserve the natural environment of the lower St. Croix River. This section of the river, located near Minneapolis-St. Paul, retains its natural beauty but is subject to development pressures. Although the Lower St. Croix River Act of 1972 provided funds for land purchases, cost evaluations have shown this authorizational level to be seriously inadequate to assure protection of the 27 miles for which the Federal Government is responsible for preserving. Therefore, S. 3022 raises the authorization ceiling from $7.275 milion to $19 million. It will be recalled that a highly significant agreement was achieved under the 1972 law, whereby the States of Minnesota and Wisconsin are undertaking parallel programs of land purchases and scenic easements to protect another 25 miles of the riverway for which they are responsible.

Under the amendments to the Wild and Scenic Rivers Act of 1968, two additional Minnesota rivers would be studied for incorporation into the system, to assure their continued protection. One of these, the Kettle River, is now being studied by the State of Minnesota. The Kettle River is almost totally unspoiled. Wildlife and fish abound in the area. It is one of the finest rivers in the United States for canoeing.

Also included for study is the upper Mississippi, from Itasca Lake to the city of Anoka. The geological origins of Minnesota can be found along the banks of the upper Mississippi, and the river itself is widely known as a panorama of serenity and beauty. However, serious harm can result from uncontrolled recreational use.

Mr. President, enactment of this legislation would provide vital environmental protection for all Americans. I urge that final action be taken prior to the adjournment of Congress.

GREENSPAN TESTIFIES

Mr. HUMPHREY. Mr. President, last Thursday, September 23, Mr. Alan Greenspan, Chairman of the Council of Economic Advisers, testified before me and the other Members of the Joint Economic Committee on the inflation problem. I called these hearings because I believed it was essential to have a true picture of the inflation outlook before the Economic Summit.

I found the hearing productive because Mr. Greenspan is an intelligent, candid witness. The committee was spared another round with Dr. Pangloss, as had been the case so often in the past with Mr. Greenspan's predecessor. Instead, the committee was provided with some straight talk about the serious economic situation.

In fact, Mr. Greenspan agreed with me that our economic outlook is extremely serious, and it could get worse before it gets better. Let me just repeat one of the exchanges Dr. Greenspan and I had on this matter:

> Senator Humphrey. Let me just say, Mr. Greenspan, that I do not think that we are going to find any miracle cure to restore the economy to a healthy growth and a sudden stop in inflation, and a sharp reduction in unemployment. But I think the point that we are trying to make is, surely we have got to move some way to some improvement. . . . We should tell this audience and we should tell this country that unless something is done that is very different from what we have done, the consumer price index is going to be up; the people are going to pay more for what they buy; the worker's income and his purchasing power is going to go down; the gross national product is going to decline; and we are going to be in serious economic trouble.
>
> Now, that is not an exaggeration of the facts. Would you agree with that?
>
> Mr. Greenspan. It is not an exaggeration.

Mr. President, I now anxiously await the package of new economic proposals that President Ford will soon submit to the Congress. My comments at the Economic Summit indicate that I am ready to cooperate with the President, if he comes up with truly new and equitable policies. If he does not, the Congress must continue to shoulder the major burden for the formulation of new economic policies.

Mr. President, I ask unanimous consent that my opening statement and Mr. Greenspan's testimony for the September 26 hearing be included in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

[Congress of the United States Joint Economic Committee, September 26, 1974]

OPENING STATEMENT OF SENATOR HUBERT H. HUMPHREY

Today the Joint Economic Committee is pleased to have before it Mr. Alan Greenspan, Chairman of the Council of Economic Advisers, to discuss the inflation outlook. This is Mr. Greenspan's first appearance before the Committee as Chairman of the CEA and we welcome him. We hope to have a good working relationship with him, as we have had with the Council in general, and we hope he will bring more luck to us in the area of economic policy than did his predecessor.

The economic situation is grave. Prices rose at an annual rate of nearly 11 percent during the first half of this year. Real output fell at about a four percent annual rate during the first half, and it now appears that output may continue to decline, or at best, remain flat for the rest of the year. The unemployment rate has risen from 4.6 percent last October to 5.4 percent in August and can be expected to rise much further. Credit scarcity, record high interest rates, and uncertainty regarding economic outlook have created a situation of great stress in financial markets.

I could go on enumerating many of the other woes that beset the economy of this Nation, but that is obvious to all but the blind, and serves no useful purpose at this time.

One purpose of this hearing will be to assess if recent price statistics mean inflation and the economic outlook is getting worse. The August increase in wholesale prices of 3.9 percent, for example, coming on top of the 3.7 percent increase in July, has accelerated wholesale prices in the last three months to an annual rate of increase of 37 percent. Consumer prices have also shown some acceleration, jumping 1.3 percent in August alone, which means a 13 percent annual rate of increase in the last three months.

These statistics raise several questions.

Can we expect the rate of inflation to continue to accelerate in the months ahead?

Why are all these prices accelerating in a slack economy that is in the throes of a recession?

Finally, will this recent acceleration of inflation throw the Nation into a more severe recession?

The take-home pay of the average consumer dropped about one percent in August alone, and is now down about four percent from a year ago. I frankly do not see how consumers can continue to afford to buy homes, cars, food, and many other products at current price levels.

I think it is essential that we have the best answers to these questions that we can get before we try to formulate sensible and effective economic policies at the Economic Summit.

With respect to the Economic Summit, it seems to me that the Nation must choose between three packages of economic prescriptions.

The first package of policies is what has commonly come to be called the old time religion—drastic cuts in the Federal budget accompanied by very tight monetary policy. I reject this position because there is no evidence to show that our current inflation has arisen from profligate fiscal action by the Federal Government, and extremely tight monetary and fiscal policy at this time could throw the Nation and the world into a more severe recession. We need fiscal discipline but not the old time religion.

A second set of policies is what I would call the middle-of-the-road or the consensus package. This set of policies, a great improvement over the old time religion, advocates a slight easing of monetary restraint, a more vigorous jawboning on wages and prices by the Federal Government, an expansion of public service jobs to help the unemployed, a tax cut for the poor, as well as other worthwhile proposals. I support this consensus package and hope that it is the very least that we can get out of the Economic Summit.

But I am not sure this middle-of-the-road package is enough to break the inflationary psychosis that has the economy in its grip. I think we ned to consider more drastic action, including: credit allocation, reactivation of housing subsidies, tax credits tied to wage and price restraints, a wage-price freeze and a much tougher price-incomes policy, a new Secretary of Agriculture and a new set of agricultural policies, refusal to buy the OPEC oil above a certain price, establishment of constant purchasing power bonds, and the establishment of an improved economic management and planning system in the Federal Government. Perhaps we will have a chance to discuss some of these in the course of the hearings. Mr. Greenspan, please go ahead with your formal presentation.

STATEMENT OF ALAN GREENSPAN

I share Senator Humphrey's concern as expressed in his letter inviting me to appear here today that the wholesale price index for August presages further inflationary pressures in the months ahead. Indeed while I wish it were otherwise, the balance of evidence at this point supports this view. There are some faint, preliminary suggestions of an easing in price pressures including some very early indications that the reduction in demand for inventories in a number of sectors is beginning to induce some shadings and discounts in a number of prices. I also find some comfort in the fact that the most recent report of the National Association of Purchasing Management, a report I find to be a quite sensitive indicator of economic activity, indicates some evidence of slippages in a number of prices. While this evidence should not be disregarded it is still too fragmentary to warrant any real conviction that a significant diminution in the rate of inflation is at hand.

Certainly the outlook for food prices is not encouraging. It had appeared as recently as mid-June that bountiful crops and enlarged supplies of livestock would stabilize agricultural and food prices throughout the remainder of 1974 and well into 1975. The unfortunate occurrence of the drought and the most recent frost has sharply curtailed the crop outlook and farm prices have moved up. Food prices, as you know, were reported to be up 1.4 percent (seasonally adjusted) at retail during August and preliminary indications suggest a further strong advance in September. There may be some modest decline in the rate of increase in food prices in the months immediately ahead but it is certainly not an encouraging outlook.

Hopefully large plantings for the 1975 crop will help suppress any major expansion in crop prices beyond the first of the year. However, we cannot count with assurance on significant price declines early next year in anticipation of enlarged supplies following next year's harvest. While there is a reasonable expectation of favorable 1975 crops, we must recognize that the 1975 crops are a long way off and at this point we must assume that food and farm prices will be rising at an unacceptably high rate during the period immediately ahead.

Moving to the nonfood side, increases in the industrial commodity component of the Wholesale Price Index as you know have been quite rapid. I would generally characterize these price increases as (1) attributable to shortages of capacity, (2) oil price related or (3) reflecting passthrough of materials cost increases stemming from the two preceding sources. This is a rather simplistic classification but, nonetheless, it does shed some light on the composition of the industrial price increases. Classification albeit crude of the industrial price increases from June to August into these three categories suggests about half of the overall rise was owing to capacity shortages and the remainder was attributable about equally to crude-oil related increases and to cost passthroughs.

The sharp price rises in metals, paper and many industrial chemicals are attributable in large measure to capacity shortages. In addition the various freezes and phases which ended on April 30th of this year resulted in a number of prices being well below what I would call the equilibrium market price—that price which yields a rate of return in the longer-term sufficient to support a rate of capacity expansion which meets the long-term needs of the American economy. I believe, for example, that the very sharp run-up in steel prices reflects this phenomenon. As you may recall a large and growing proportion of United States steel consumption was being supplied by foreign steel mills. In fact, steel capacity expansion in the United States lagged for some time because of the ability of foreign producers to fill a growing proportion of U.S. needs at competitive prices and the widespread expectation that much of the future increase in the steel needs of American industry would come from abroad. The devaluation of August 1971, however, significantly diminished foreign competitive strength and meant that the American steel industry would have to expand rapidly in order to fill the gap that previously was expected to be filled from foreign sources. Unfortunately earnings expectations at then existing prices were not adequate to support expansion. Price increases during the control period which ended last April apparently were not adequate to generate expectations of sufficient rate of return to engender expansion in the industry. As you know, we have since had very substantial increases in steel mill product prices.

I must say that earlier this year I believed that steel mill prices under Phase IV were still well under their equilibrium price. At this point after the recent substantial rise I do not know whether we are above, below, or at the equilibrium point. But the profit outlook has clearly improved considerably and I would expect some major expansion in steel mill products.

Paper, industrial chemicals and a number of other industries also exemplify sharp price increases stemming from capacity shortages and earlier efforts to hold prices well below equilibrium levels.

The sharp surge in petroleum prices has been a second major source underlying industrial price increases. Although we have not seen any significant easing of foreign crude oil prices, the rate of increase has slowed dramatically both for refined products and domestic crude oil. However, the secondary effects of higher oil prices are and will continue to be felt in a number of diverse industrial products. The sharp run-up in petrochemical feedstock costs, for example, has affected resins, plastics, fibers, etc. although some of the effect is now diminishing. It has also, of course, put significant pressure on other fossil fuels and consequently has been a major contributor to the rise in electric power rates.

Finally there is the very large number of industrial products where price increases reflect general inflation. After a relatively long period of modest price behavior prices of machinery and equipment have begun to rise more rapidly reflecting large increases in underlying costs. Similar developments are occurring in the transport equipment area, auto, trucks, railroad equipment and so forth.

As the Committee knows the price forecasting performance of the economic profession is less than distinguished. The reasons are not difficult to find. The world has been buffetted by a series of largely unprecedented forces. But even if we had been able to anticipate many of the major international events in the commodity markets and in the financial markets, it is still not clear how successful we would have been in forecasting prices. There has been and there continues to be considerable differences among economists on how they view the price making processes. Even our more sophisticated econometric models have not captured the very subtle elements which have entered into major price changes. We at the Council of Economic Advisers are endeavoring to improve our price analysis techniques.

In the longer-term and as I testified at the House Budget Committee yesterday, the general price level is essentially a financial phenomenon which largely reflects changes in unit money supply. But it is not clear in the most recent period whether the rapidly rising prices of certain types of products produced an accommodation of increasing credit and money supply via the Federal Reserve or to what extent the capital markets and fiscal policy have been pressing on the money supply to induce an underlying unit money supply increase. But while I am convinced that in the longer-term sense inflation is a financial problem short-run price forecasting must nonetheless continue to attempt to analyze and project the individual price components which make up our indexes. Hopefully our price analysis techniques will improve enough to shed more light on the inflationary process.

SUPPLEMENT TO TESTIMONY

ELEMENTS IN THE INTERPRETATION OF PRICE STATISTICS

High rates of inflation serve to call considerable public attention to the measures we use to chart inflation's course. There are a number of elements which must be understood in order to put each month's statistics into proper perspective.

Each month we are exposed to a summary statistic on the Wholesale Price Index—the percentage change from the preceding month. The results are usually viewed as a harbinger of what will happen to the Consumer Price Index later on. But two consecutive monthly increases of the same amount can have much different implications. This is because the WPI is an aggregation of price changes which in total have little meaning but which when properly dissected do indeed contain important information about the future course of commodity prices in the CPI.

The two major components of the WPI are farm products and processed foods and feeds, and industrial commodities. These two components should be viewed separately because they frequently are influenced by quite different factors. But each component in turn contains three kind of items—crude or relatively unprocessed items, semi-processed items made from them, and finished goods made from both. Now if crude prices rise, intermediate and finished goods prices are likely to do so as well. In the WPI increases for all three kinds of items are added together. This leads to double, even triple counting. A rise in iron ore prices will likely increase steel prices which will result in higher auto prices. It is the higher auto prices which will affect the CPI, not the sum of the higher iron ore, steel, and auto prices. It follows that both the farm and food and industrial commodity components of the WPI will likely show higher overall increases than prices of the finished goods in each of the two components. In table 1, it can be seen that this is largely so and would be even more apparent if the finished goods components were lagged to reflect the time it takes crude and intermediate product prices to influence finished goods prices. But even then it will not always be so, particularly when other costs such as labor costs are rising faster than materials costs.

TABLE 1.—WPI COMPONENTS, PERCENT CHANGE, SEASONALLY ADJUSTED ANNUAL RATE

6 mo. ended	Farm prods. and processed foods and feeds	Consumer foods	Difference	Industrial commodities	Consumer finished goods except food	Difference
June 1969	10.1	9.1	1.0	3.3	3.1	0.2
December 1969	5.2	8.0	—2.8	4.6	2.9	1.7
June 1970	—2.0	—2.9	.9	3.5	2.3	1.2
December 1970	—0.4	—1.6	1.2	3.7	5.3	—1.6
June 1971	6.8	7.1	—.3	3.5	1.6	1.9
December 1971	5.5	4.9	.6	3.0	2.0	1.0
June 1972	4.5	2.5	2.0	4.0	2.3	1.7
December 1972	25.1	14.1	11.0	3.2	2.1	1.1
June 1973	45.8	27.0	18.8	10.6	6.7	3.9
December 1973	10.4	18.5	—8.1	10.9	8.1	2.8
June 1974	—11.5	—1.1	—10.4	34.0	26.8	7.2

The foregoing underscores the need to look at WPI increases in a stage-of-processing framework. We do this at the CEA both in analyzing past price developments and forecasting future ones. The framework we use is set forth in the Appendix Supplement to our testimony before this Committee on July 30, 1974.

Another element in the interpretation of both the CPI and WPI is that some components are measured with a lag. That is the percentage change in these items actually occurred prior to the monthly change purportedly measured by the current and previous month's index. One important instance is the fuels component of the WPI industrial commodity index. This component has been improved as a result of a program undertaken some time ago to obtain actual transactions prices for refined petroleum products instead of relying on a trade publication sources which provide primarily spot market prices. BLS now obtains average realized prices on sales by producers to distributors but these prices come to BLS too late for inclusion in the index for the month to which the changes refer. As a result they are put in the following month's index.

In table 2, estimates appear of what the WPI industrial price changes would have been if the fuels component, much of which is lagged, were in fact not lagged. Obviously, there is no estimate for August 1974 because the fuel component for that month will be published as part of the September WPI. As can be seen, lagging the component can cause significant distortion in some months. Prices of many industrial chemicals are also lagged in the WPI. Lagged prices are also found in the CPI.

TABLE 2.—WPI INDUSTRIALS, MONTHLY PERCENTAGE CHANGES (NOT SEASONALLY ADJUSTED)

	As reported	As adjusted for fuel component lag
1973:		
August	0.5	0.6
September	.6	.6
October	.9	1.1
November	1.2	1.4
December	1.6	1.9
1974:		
January	2.3	2.5
February	2.1	1.8
March	3.0	2.8
April	2.9	2.8
May	2.7	2.6
June	2.1	2.4
July	2.7	2.3
August	2.4	NA

Another element to be considered in the interpretation of price changes arises because the market basket or set of weights used in the construction of both our Consumer and Wholesale Price Indexes (CPI and WPI) are quite out of date. Most of the information about weights for the CPI was derived from a survey of consumer expenditures done in 1960 and 1961. Thus, in 1973 it appeared that the weight implied in the relative importance of food in the CPI market basket was overstated by about 5 percentage points. During 1973 the CPI rose 8.8 percent, the food component, 20.1 percent. If the food weight were lowered by 5 percentage points and the weight of other items increased by 5 percentage points, the rise in the overall CPI would have been 8.1 percent, or almost 10 percent less. Similar examples of distortion can also be found elsewhere in the CPI and in the WPI.

Of course, no weighting structure, no matter how current, is perfect. In the short run, as well as in the long run, consumers and producers adjust their purchases to obtain the most satisfaction or input for the least cost. These substitutions in response to relative price changes may cause fixed weighted indexes such as the CPI and WPI to differ from what true cost of living or cost of production indexes would show, if we could estimate them.

The price quotations in both the CPI and WPI are rendered inaccurate to the extent quality change in the items being priced goes undetected. This is a longstanding problem, particularly difficult to remedy in the areas of prices of personal services. And sometimes changes in discounts that are unreported to BLS cause some prices in the WPI particularly to vary from the actual transactions prices obtaining in markets. The introduction of realized prices for refined petroleum products and some industrial chemicals and the use of prices paid by purchasers of aluminum ingots have improved the WPI in these important areas.

Apart from the analysis of inflation, price indexes are used to deflate the purchases represented in GNP to arrive at an estimate of real GNP or output. Many of the problems noted above, by affecting the price measures, affect the calculation of output changes. So does another element not yet mentioned. Where WPI series are used as deflators (some CPI series as well) a distortion arises because WPI prices relate more closely to the prices at which new orders are taken, not the prices applying to the actual shipments. In some cases like machinery and equipment the lag may be quite lengthy. Thus, current WPI series should themselves be lagged before they are divided into purchases to obtain real GNP.

Finally, the analysis of inflation suffers from the lack of price data for all economic sectors. There are gaps in information about prices paid by final purchasers, particularly by governments and plant and equipment purchasers in the private sector. Less is known about prices paid by intermediate purchasers. The WPI, after all, covers only agriculture, mining and manufacturing—and there are gaps in its coverage of manufacturing. We have little valid information about transportation and communication rates, imports, commercial rents and prices of other business services. So even the WPI, CPI and GNP deflator taken together do not tell all the story.

A TIME FOR PETROLEUM PRICING LEADERSHIP

Mr. HUMPHREY. Mr. President, we have been awaiting firm leadership from the administration to deal with the burgeoning crisis America and the world face from the cartelization of international oil. The Arab nations have the industrialized and most third world countries in a vise—we must pay any price they ask for oil or we can watch our massive economies grind to a halt.

Each year, the oil-exporting countries are asking that we ship to them between $80 and $100 billion—which they can use to disrupt international money markets or to acquire real property and companies in the industrialized nations. The time for forceful action to seek a reduction in Arab oil prices is slipping away. Every day, they receive $300 million in oil revenues, revenues which can be used to withstand any type of economic sanction imposed by nations attempting to force oil prices down. Yet, the administration's only action has been to publicly display its internal bickering over oil policy. The administration must stop talking and start developing a sound program to deal with both the short-run and the long-run implications of the oil cartel.

We must conserve energy. What has been the administration's response to energy conservation? Another tax on consumers in the guise of a gasoline tax hike is hardly the answer when real consumer incomes have fallen 5 percent in the past year.

We must turn to the quick development of alternative energy sources. What has the administration recommended to achieve new breakthroughs in alternative sources of energy? The Republicans originally rallied around what was termed "Project Independence." We do not hear much about Project Independence anymore. What we do hear is that oil production from our domestic wells is declining—it is now down 5 percent from the same period last year. I would call that Project Dependence. The Congress is seeking to develop other energy sources; my solar energy bill to provide some $1 billion for this major alternative energy source to oil has been approved by both Houses specifically to meet the challenge of Project Independence.

Mr. President, our economic well-being is severely threatened by the soaring price of international oil. The many-faceted dangers we face are outlined very well in an editorial entitled, "The Real Economic Threat," from the September 22, 1974, New York Times. The Congress is facing up to these dangers. The administration is not. As the editorial notes—

> There should be no further delay in this country's launching of an energy program capable of meeting both the immediate and long-range challenges.

We can wait no longer for that leadership from the White House.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE REAL ECONOMIC THREAT

The United States and the rest of the non-Communist world are facing an extreme threat to the global economy that is receiving only peripheral attention in the conferences President Ford has initiated to fight "public enemy No. 1"—inflation. The threat is unprecedented; it involves sudden and massive transfers of income, wealth and power to the small group of oil-exporting countries, with corresponding drain of staggering dimensions upon the resources of oil-importing countries. Only a few days ago the oil exporters, meeting in Vienna, again made clear their determination to maintain and even increase their "take."

I. DIMENSIONS OF THE CHALLENGE

As a result of a quadrupling of oil prices in the last year, the accumulation of foreign funds by the Arab states and other members of the international oil cartel will in this year alone amount to some $75 billion.

The problem will intensify the longer it lasts—and there is no end in sight. With two to three billion dollars flowing to the oil producers every week for years to come, the World Bank estimates that the Organization of Petroleum Exporting Countries (OPEC) could accumulate $650 billion within five years and $1.2 trillion by 1985. By comparison, the international reserves of foreign exchange and gold owned by the United States now amount to $14 billion, and those held by Germany—at present the largest holder of gold and foreign exchange in the world—total $34 billion.

If anything like the shift of wealth indicated by the World Bank's projections comes about, the oil producing states of the Middle East will become the center of world wealth and power. Those nations will be able to import vast quantities of armaments and advanced military technology from the West, as they have already begun to do. They will have a growing influence over the business and government establishments of many other countries and will be able to acquire vast holdings of industrial and real estate properties in the West.

The sudden skyrocketing of oil prices by the international monopoly is now a major source of inflation and balance-of-payments instability, as importing nations struggle to meet their foreign oil bills. For many countries, the oil bill simply cannot be paid if present prices hold. Nations with weak economies and weak international payments positions—such as India and Italy—are being driven into insolvency. Their breakdown could spread to other nations and financial institutions throughout the world.

The internal prices of most oil-importing countries have already risen in sharp response to the rise in the international price of oil, thus moving toward a theoretical balance at a highly inflated level. But if the oil importers permit international balance to be achieved in this way the results will be disastrous. The worldwide inflationary spiral would surely get out of hand, undermining the value of all currencies. In any event, the oil producers appear determined to maintain their new relative price advantages by raising oil prices further as inflation continues. Some are prepared to cut back their oil production in order to keep prices up and in fact have already begun to do so.

II. NEED FOR A COUNTERFORCE

The time has come to speak plainly. The United States and its allies must take effective economic action against the international oil cartel.

A viable program is now urgent to counter the double threat of world inflation and world depression. The first requirement is to recognize, at the series of conferences President Ford is holding with economists, business, labor and other leaders, that inflation cannot be solved without a fundamental attack on the worldwide energy problem. Simply stated, the price of oil must be brought down, and this country and others must develop alternative sources of energy on a "crash" basis.

Optimistic economists have contended that the problem of "recycling" oil dollars can be dealt with by normal capital markets—this on the theory that the oil-producing states must invest their money "somewhere." Unfortunately, an automatic re-establishment of equilibrium is not a realistic possibility; the flows are simply too huge. The international imbalances grow daily.

Unless equilibrium is restored to the world economy by sharply reducing the oil price, not only the United States and other oil-importing states but the oil-producing countries themselves will suffer in a general economic catastrophe. Their seeming wealth will prove worthless paper; their development programs will founder; their security will be jeopardized.

Powerful though such considerations should be, the United States cannot depend on their force alone to bring down the oil price, nor can it meet the challenge by simply offering its own economic cooperation to foreign development programs.

The only effective counterforce will be a demonstration by the United States and its allies that they mean business, that they are prepared to act in their own defense to safeguard the world economy from breakdown.

III. PROGRAM FOR SURVIVAL

Since the primary obligation will rest on this country, an essential starting point is a call by President Ford for an all-out program of energy conservation, beginning here at home. This means a Presidential call on all Americans to make genuine sacrifices far beyond anything implied for former President Nixon's "Project Independence." Such a plan will necessitate a program to restrict or penalize the wasteful use of petroleum, whether in autos, air-conditioning, heat or industrial use.

To the degree possible, such an austerity program should depend on voluntary measures and on taxation designed to limit energy consumption. In the interests of fairness to all citizens and of balance to the economic system, a stand-by program of rationing and fuel allocation may also be required.

The United States has to be prepared to put forward specific plans for sharing its own fuel with those who will be affected even more severely by the necessity for energy conservation. At the same time, the President will have to revitalize the faltering efforts initiated a year ago to provide this country and others with alternative fuel sources. Similar efforts to conserve fuel and to develop energy sources will be needed in other industrialized nations, most of which are vastly more dependent on Middle East oil than is the United States.

In recognition of this disparity, the United States must do now what it would have to do in any case by the end of this century: develop other energy sources including especially coal, natural gas and nuclear and solar energy.

This country has enormous recoverable coal reserves—33,588 quadrillion B.T.U.'s of energy, more than seven times the oil reserves of the entire Persian Gulf and North Africa. To develop its own coal and other energy resources, the United States will have to insure an adequate price for coal and other fuels. American producers and investors will need the assurance of a profitable long-term supply price if they are to be willing to make the billions of dollars in necessary investment.

The difficulties of such a program cannot be underestimated. There will be transitional problems of production and employment as some industries retract and change their technologies and others expand; national policies to facilitate the conversion and ease the burdens on particular industries and workers may be necessary.

The preservation of environmental quality, without lowering current and projected standards of improvement, presents difficult problems that can and must be overcome by willingness to meet the necessary expenditures for continued environmental protection.

To carry through the needed conversion without sacrificing protection and improvement of the natural environment will necessitate intelligent social planning and a readiness to cover the costs, through a combination of adjustments in energy prices, profits and taxes, and through governmental subsidies to protect the nation's air, water and earth.

IV. INTERNATIONAL COOPERATION

The President should offer the full cooperation of the United States to other countries in a major program of research and development for existing and new forms of energy. And this country should work with others in building up stocks of fuel that will enable it and its partners to withstand the threats, blackmail or embargoes of the members of the international oil cartel. Work in that direction has already begun through the Energy Coordinating Group nations of North America, Western Europe and Japan, but that work needs vast acceleration, with heads of state giving the task highest priority.

The United States and other major industrial countries which have been treated as a safe haven for the growing hoard of petrodollars could bring additional pressures on the oil-exporting countries by limiting their right to invest in these safe countries beyond the amounts needed to cover the deficits in balance of payments. Such action might persuade the cartel to see the necessity of reducing oil prices and restoring relative equilibrium to the world trading system.

American leadership could head off a mad and needless world economic catastrophe as fraught with danger to political stability and peace as was the Great Depression. The solution to both domestic and world inflation hinges on the international energy problem, as does the hope of avoiding a world depression and breakdown in trade and payments.

V. MR. FORD'S OPPORTUNITY

The nation now needs a short-term and long-term plan on energy. Here is the President's opportunity to enable the nation to regain control over its own destiny and to serve the interests of the entire world in the process.

If Mr. Ford will tell the nation the truth about the urgency and scope of the energy crisis and the necessity of meeting it with a full-scale conservation and development program, he will find Americans ready to respond as they have to other threats to their security and well-being. And if the United States takes the lead and proves it is ready to make the necessary sacrifices and expenditures of money and effort, other threatened oil-importing nations will almost surely join in.

It is impossible to know in advance precisely what will be required to drive down the price of oil and lessen Western dependence on the oil cartel, or how long it will take. Flexible tactics and strategy will be essential, depending on the fruits of research and development, the response of other oil-importing countries, and the countermoves of the international oil cartel.

If the United States and its partners succeed in breaking the cartel or bringing oil-producing states to their senses, with a consequent fall in the price of oil, the scale and rate of Western energy conservation and development would be affected but the need for such a program would not be eliminated. Indeed, the greatest argument for an all-out effort now is that it will not only help to prevent a worldwide economic and political disaster in the short run but that it is vital to world economic development in the long run.

The world economy must convert, within the next few decades, from dependence on the limited and disappearing supply of petroleum to other energy resources and technologies. Sensible conservation measures are crucial to bridge the transition. And it is essential to find practical ways to combine energy development with environmental protection, for the sake of human survival as well as the economic wellbeing of all people. There should be no further delay in this country's launching of an energy program capable of meeting both the immediate and long-range challenges.

THE PENNSYLVANIA GUBERNATORIAL ELECTION

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that two articles from the Philadelphia Inquirer be inserted at this point in the RECORD. They both attempt to show further developments of the Pennsylvania gubernatorial election. I think they warrant the attention of my colleagues.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

MR. SHAPP CAN COME CLEAN TODAY

In seeking to persuade Commonwealth Court to block a House of Representatives subpena for his income-tax records, Gov. Shapp argued Wednesday through his lawyer that the returns could cause the governor political damage if they became public before Nov. 5, election day.

That argument, on its face, says a great deal about Mr. Shapp's behavior for months now in regard to more than $2 million that ostensibly was spent on his 1970 election campaign.

We will await the Commonwealth Court's ruling on that issue—with the hope that it comes swiftly enough to avoid what might be an inevitable surmise that any unexplained delay would serve Mr. Shapp's political motives nicely.

But we believe the governor's strategy is a grossly misconceived one. For we do not believe a concert of shoulder-shrugging will wash with the voters of Pennsylvania in the age of Watergate, stonewalling and secret funds.

Only last Monday, Mr. Shapp's campaign manager, Robert Kane, said he had "no idea" when the governor would be able to explain what happened to more than $400,000 in funds raised some three and a half years ago. "When the information is complete," Mr. Kane said, "we'll release it to the public."

Mr. Kane was talking about funds that were gathered by an outfit called Pennsylvanians for Progress soon after Mr. Shapp was elected. That group still has not accounted for at least $242,000 in contributions and $415,000 in disbursements.

That is a great deal of money. It is implausible to us that the governor could be unaware of it; it is inconceivable that its contributors would long let him remain unaware.

Today, Mr. Shapp is scheduled to appear before the House committee whose subpena he is resisting. There are many questions to be answered—starting with the vast sums of money in the 1970 post-election kitty. Other important questions involve Mr. Shapp's intimate and personally lucrative involvement in the state's cable-television industry and its regulation. Another overdue explanation involves Mr. Shapp's long-time fund-raiser and recently fired state secretary of property and supplies—and why Mr. Shapp waited long after catching him lying about a money deal before firing him.

Those all are complex matters. But most of them go back three years and more. Assertions that more time is needed for explanations are simply incredible.

With 33 days to go before he faces the voters, Mr. Shapp today can either lay the full record before the House committee and the public—or he must be held to the presumption that he has a great and sinister deal to hide.

SHAPP TO RELEASE GOP MACING DATA

(By Paul Critchlow)

HARRISBURG.—On the eve of Gov. Milton J. Shapp's appearance before a legislative investigating committee, Shapp administration sources released documents Thursday that appear to show widespread and systematic macing of state employes under the former Republican administration.

The source said that the documents would be used today by the governor during his testimony before the Republican-controlled House committee that is investigating state contract practices.

Shapp was expected to be grilled extensively by Republican committee personnel about claims by dozens of state highway equipment lessors that they were forced to make kickbacks from their state earnings to the Democratic Party.

The Republicans are expected to attempt to show or imply that Shapp tolerated the alleged political extortion by highway department officials and that Shapp himself may be corrupt.

As part of the counterattack, sources said, Shapp will reveal files and documents showing that high-ranking officials in the Agriculture Department, the state Highway Department and the governor's office systematically asked hundreds of employes for contributions to an organization called the Pennsylvania Republican Club.

The documents show that the computerized fund-raising program was carried out by high department officials under former Gov. Raymond P. Shafer, a Republican, from 1967 to 1970.

"Gov. Shapp will stress that when he became governor, he found systematic and professional fund raising, which he in effect ended," said the source. "This contrasts with the fund-raising efforts by us, which have been done on an informal basis.

"The Republican Administration ran a campaign for contributions that is almost as professional as the way we conduct the United Way campaign," he said.

In one lengthy memorandum, dated April 13, 1967, between high-ranking officials of the Agriculture Department, a computerized campaign for soliciting and collecting contributions based on employe salaries is detailed.

The memo, from then department controller Raymond W. Reisner to then deputy secretary Jack R. Grey, assigned responsibility for soliciting and collecting contributions to bureau heads and district managers.

The memo contains a "suggested guide for contributions" and directed that "all employes should be contacted and a contribution or pledge made by June 23, 1967."

It also directed that no departmental stationery be used for the campaign.

"Suggested contributions" ranged from $250 for persons earning more than $20,000 to $10 for persons earning under $5,000.

The memo further stated that all bureau heads and supervisory personnel would be furnished with computerized lists of all employes, their salaries and whether they were patronage or civil service employes.

Other documents, labeled "departmental remittance sheets," contain lists of hundreds of employes and the donations they made in 1969. Many of the donations were listed as cash.

A tally sheet entitled "Pennsylvania Republican Club—Payroll," provided a breakdown of all contributions by state departments and showed that more than $287,000 was collected in 1968 for the "club."

THE FOOD CRISIS

Mr. HUMPHREY. Mr. President, on October 2 I had the pleasure of debating food and agricultural problems with Secretary of Agriculture Earl Butz at the National Town Meeting.

The discussion was vigorous, and it was clear that the Secretary and I disagree on what our agricultural policies should be. He continues to place total faith in the free market, and I feel that this is not being very realistic.

For the farmer, placing total faith in the free market is likely to put him at the mercy of powerful forces over which he has little influence. In my remarks at the National Town Meeting, I urged that the antitrust laws should be enforced to bring increased competition.

In the last few months, I have received many calls from farmers throughout the Nation. They are angry, and they are disturbed. The inputs they require—such as fertilizer, propane, fence posts, twine, machinery, labor, and financing—have all increased in cost and some by as much as 400 percent. Producers of these commodities are in a position to pass on increased costs; the farmer does not have this power.

Our consumers feel that farmers must be doing well financially because food prices have gone up. Actually, the prices received by farmers are, in many cases, no higher than they were 5 or 10 years ago.

Food and agricultural policies, and particularly for the United States, must now be developed with their global implications clearly in mind.

We cannot allow the exportation of huge chunks of our crops without considering the impact on our own domestic consumers. We need more careful monitoring of our exports if we are to restore some stability to our markets.

In a world where scarcity and hunger are becoming commonplace, we also need to do some serious thinking about what our role should be in providing food aid. It is clear that this topic has been given very low priority by this administration.

Mr. President, I call to the attention of my Senate colleagues my formal statement of October 2 at the National Town Meeting, the October 3 Washington Post article, "Town Meeting: Butzing Heads With Humphrey," and the October 3 Wall Street Journal article, "The Food Crisis: Widespread Shortages Could Stir Hostilities, Putting the 'Have Nots' Against 'Haves.'" I ask unanimous consent that these items be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

Our agricultural system is at a crossroads today. Its productive capacity has never been greater. But at the same time it faces continuing instability and the potential for economic disaster.

The American housewife long has taken for granted a wide variety of food at bargain prices. For the average American worker, less than sixteen per cent of his take-home pay has gone for food in recent years—a record unmatched anywhere in the world.

But times are different now. In 1972 world food production declined, and the Soviet Union made its massive purchases of 28 million tons of grains, 18 of which came from the United States. A chain reaction demand set in as other nations—and some of them our regular customers—scrambled to make purchases to meet their own needs.

The energy crisis dealt another serious blow to stable prices for food and the cost of producing it.

These events set in motion a series of world wide economic trends which increased the farmer's 1973 production costs by $12 billion above the previous year.

Our consumers, meanwhile, began paying far more for their groceries—$17.1 billion more in 1973 over 1972. For 1974, I envision a further increase of perhaps 20 to 25 billion dollars.

Despite increased food prices, many farmers have not received higher prices for their produce. While grain prices have risen sharply, our dairy, poultry and livestock producers have had trouble breaking even and staying in business.

Our livestock and dairy producers are in serious trouble. We had to pass emergency loan guarantee legislation to enable our livestock producers to stay in business. This was a stopgap measure.

With this year's reduced harvests, it is quite clear that feed costs will increase even further. The inevitable result will be further reductions in the numbers of poultry, hogs, and beef cattle.

In 1975, American consumers can expect reduced supplies and further cost increases in their milk, meat, and eggs.

And since poultry and livestock producers are the main users of grains, 1975 could bring reduced requirements and seriously depressed prices to grain producers. This would come as a result of a reduction in animal feed units.

The prices paid to our dairy farmers have gone down by about $2 per hundred pounds of milk—or 25 per cent—in the last six months. Meanwhile, the production costs for our dairy farmers are estimated to have gone up by 29 percent during the past year.

As examples of increased production costs, farm tractors have increased from around $11,000 to $15,000; diesel fuel has increased from 23 cents to 39 cents per gallon; bailer twine has gone from $7 to $8 per bale to $33 per bale. Nitrogen fertilizer has more than doubled in price in less than a year. And labor costs are estimated to have gone up by 15 percent.

These inputs not only have increased in cost, but they often have been unavailable at any price.

The prospect for farm inputs during the coming year is for continuing cost increases and tight supplies. As a typical case, our fertilizer inventory is all but gone, yet prices and demand will continue to increase.

Our farmers will need an adequate return to continue to produce. And we need to produce not only for our own people, but for our export market and humanitarian needs.

The Administration proposes that the government get off the back of the farmers so that we can rely on the free market to increase production.

But we do not really have a free market either at home or abroad. While the prices received by the farmer are subject to supply and demand, most of his inputs come under what is referred to as administered prices.

The only way a farmer can stay in business is for the prices of his products to remain strong and at least even with his ever advancing costs.

While we certainly need a high level of exports, in a tight supply situation we must monitor our export sales carefully and license exporters to make certain that our supplies of food and fiber are not sold out from under us.

We cannot sell whatever a nation wishes to buy without first considering our domestic needs. And we also must be a reliable supplier to our regular export customers.

I have proposed legislation to raise the basic floor prices of wheat, feed grains, soybeans and cotton. In today's chaotic market, the government must share some of the risk with our farmers.

We also need a modest reserve program which is related to a sound export program in order to assure that we have adequate supplies of food and at reasonably stable prices.

In spite of recent monitoring steps taken by the Department of Agriculture and jawboning by the Secretary, we do not have a program adequate to meet the need.

In my view the Administration has not freed the farmer. It has thrown him to the wolves.

With experts pointing out that the world's weather may become even less favorable for agricultural production, the farmer is beset by uncertainty.

In today's highly capitalized agriculture, we must face the need to keep our farmers in production and help share in that risk.

To do otherwise is to invite continued boom and bust prices and further decreases in the numbers of farmers. If we do not act, the end result will be less food and at higher prices.

Town Meeting: Butzing Heads With Humphrey

(By Marian Burros)

Maybe the Secretary of Agriculture loves a good fight because he usually has the last word. But he finally met his match yesterday when he and Hubert Humphrey needled each other through an hour of debate in a National Town Meeting at the Kennedy Center. The fact of the matter is, few people can outtalk the junior senator from Minnesota.

Often such spirited debates give off a lot of heat, but little light. In this instance, though neither protagonist budged from his position, the audience at the Kennedy Center had an opportunity to hear opposing points of views on the American food supply.

The hour-long program, second in the fall series of Town Meetings to be taped by public television, will air Sunday afternoon at 4:30 on Channel 26 (WETA).

Both men, born on farms, have two basic areas of agreement: Farmers should receive a fair and steady return on their investment; farmers get too little for what they produce while consumers pay too much.

Butz believes in a totally free market. He equates export limitation on American foodstuff with Arab "cartels and cutbacks" of oil. He says that government-held reserves of farm commodities will depress farm prices.

Humphrey said that controls, monitoring of exports and government reserves are essential to prevent a repeat of the 1972 situation when the Russians bought such tremendous quantities of American wheat that the total market was disrupted.

When Butz reminded Humphrey that the Agriculture Department is monitoring exports on a daily basis, Humphrey smiled sweetly, then said: "That's only because I put a blowtorch to you."

While Republican Butz and Democrat Humphrey both believe that the middleman is getting too large a share of the food dollar, each has a different idea on how to reduce this amount. Butz would like to institute a series of marketing reforms which he claims would reduce the retail price of beef by 5 cents a pound.

Humphrey wants the Federal Trade Commission and the Department of Justice to investigate anticompetitive practices in the food industry which he says drives up prices.

Butz pulled his now-famous "bread act" to show that the farmer gets only the equivalent of 4 slices of a loaf while the middleman gets 16 slices. Then he turned to Humphrey and said: "Here's the heel for you, senator."

Not to be outdone, Humphrey shot back: "It takes one to know one."

The debaters so warmed to their subject that the town-meeting format was all but lost. Gladywn Hill of The New York Times and Alan McConagha of The Minneapolis Tribune, as members of the panel, along with the audience (made up mostly of students from T. C. Williams High School) were supposed to ask questions but they had little opportunity to get in a word. It was moderator Harrison Salisbury who had his work cut out for him.

The Food Crisis—Widespread Shortages May Pit "Have Nots" Against the "Haves"

(By Mary Bralove)

If Gerry Connolly and friends request the pleasure of your company for lunch some time soon, you might think twice before accepting. The affair could well turn nasty before it's over.

As associate executive director of the American Freedom from Hunger Foundation, Mr. Connolly with his colleagues frequently gives banquets that dramatize the current world food crisis. At such affairs, they wait for the ripe moment when stomachs are growling and heads ache from hunger before serving any food. Then one-third of the guests sit down to juicy prime ribs, steaming baked potatoes and all the trimmings. The other guests are served a mound of rice and tea.

"The hostility of those two-thirds eating rice and drinking tea is really something," Mr. Connolly says. "For some people it ceases to be a game."

That's his intention, of course. For a few hours, at least, those people invited to Mr. Connolly's "Hunger Banquet" acquire a visceral bond with the undernourished two-thirds of the world and a glimmer of understanding of what it might be like to be one of the tens of millions whose existence is threatened by food shortages.

To most Americans, hunger is an occasional pang of a delayed meal or a skipped breakfast. But for an estimated 700 million people, hunger is commonplace and the prospect of an agonizing death by starvation a grim fact of life. They live in India, Bangladesh, Pakistan and parts of Latin and Central America. Many live in the drought-stricken regions of Africa. Others live in the overpopulated small countries of Asia. Half of them are children.

THE ANGER OF THE HUNGRY

These people are angry that they must eat scraps of cereals and grains left over after the affluent nations of the world feed their cattle and poultry. They're angry at rich countries that gladly give away food when grainaries are overflowing but in times of shrinking supplies are tightfisted.

Such anger fuels revolutions and forges new political alliances. Increasingly, observers of the world food situation fear that those nations with plenty will someday be confronted in a fight by those with little and that the kind of hostilities that emerge at Mr. Connolly's Hunger Banquet could be enlarged to global proportions.

"The rich world is on a direct collision course with the poor of the world," says Georg Borgstrom, professor of food science and nutrition at Michigan State University. "The world at large (could be faced with) riots, famines and pestilence. We don't live in a protected oasis. We can't survive behind our Maginot Line of missiles and bombs."

To those who have heard all their lives that people in China or Armenia or some place else were starving, such dire predictions may seem overdrawn and unnecessarily alarmist. Throughout history there have been famines, such as the Irish potato blight of 1846, and accompanying doomsday prophets; each time, the world recovered somehow. Today, however, agricultural, nutritional and economic experts agree that the current world food situation is substantially more ominous than ever before.

"History records more acute shortages in individual countries, but it is doubtful whether such a critical food situation has ever been so world-wide," a recent U.S. State Department report asserts.

THE CAUSE OF THE PROBLEM

Several individually important factors have combined to create this critical problem, which will be thrashed out at the United Nations World Food Conference Nov. 5–16 in Rome. Foremost among them is the world's staggering population growth. Each week, the number of additional people to be fed burgeons by 1.4 million. This growth generates an unprecedented demand for food, which in turn increases demand for fertilizer, fuel and other agricultural inputs. Developing countries are hampered in producing more food by poor irrigation and backward agricultural methods and are constrained in importing more food by the lack of adequate capital. As if that weren't enough, recent agricultural gains in many countries have been wiped out by floods, droughts and typhoons.

In the past 40 years of plenty, North American food reserves have acted as a buffer against local famines. There was always food available in the U.S. and Canada to be purchased or given away to those in need. In the last two years, those reserves have been depleted as world-wide demand for food has increased. In 1961, the world stockpile of grain amounted to a 95-day supply. Currently, it is less than 26 days.

In the U.S., the problem of feeding the world's hungry while keeping food prices at home low has touched off a heated controversy. Some, such as Sen. Hubert Humphrey, argue for increased food aid and establishing a program of food reserves. Others, such as Secretary of Agriculture Earl Butz, argue against increased foreign food aid and urge the transfer of technology and American know-how to underdeveloped countries, along with appropriate capital incentives. Still others argue for a redistribution of food that would require a radical change in the diets of people living in affluent nations.

"We are going to have to come to terms with this common interdependence," says Lester Brown, senior fellow of the Overseas Development Council, a think tank based in Washington, D.C. "We're now in the situation that if some of us (in the world) eat more, others are going to eat less."

Mr. Brown and others note that the U.S. and a growing number of other nations, notably Japan and the Northern European countries, are heavy eaters of grain-fed beef and poultry. As a result of this taste for meat, grain surpluses that once were diverted to poor nations now are sold to rich countries to feed their livestock. Prof. Borgstrom estimates that the livestock population of the U.S., for example, consumes enough food material to feed 1.3 billion people. If Americans were to switch to a diet resembling that of present-day China, the U.S. could feed some 800 million to a billion people, he figures. The average North American currently uses up to five times as much agricultural resources as the average resident of India, Nigeria or Colombia.

A TRADITION OF EATING MEAT

Nonetheless, Americans accustomed to steaks and hamburgers aren't likely to throw it all over for rice and corn. Nutritionists and sociologists point out that diet is a matter of habit, custom and prestige. These aren't easily changed.

"America's massive consumption of dairy produce and meat is really a gesture rather than a natural taste preference," explains Alexander Comfort, an associate of the Center for the Study of Democratic Institutions in Santa Barbara, Calif. "We had a pioneer society based on a hearty reward for a hearty effort. Society has changed. We aren't all cowboys now, but eating meat is still part of our self-image and tradition."

On the other hand, tradition may give way under economic pressure. Meat may become too expensive for all but the very rich of the world to afford. "We will not (cut down on our meat consumption) by shaming people into it," asserts Lowell Hardin, program officer of the international division of the Ford Foundation. "We'll change because of economics. We're likely to ration food by prices. Grains will be too high-priced for animals to consume them."

If that happens and Americans are forced to eat grains directly, what happens to the people of, say, Zaire, who already lunch on fried patties of mashed beans and corn meal? The appalling truth, experts say, is that unless drastic and immediate steps are taken to increase food supplies, the world will face massive international starvation.

This is difficult to comprehend, and some food experts such as Lester Brown believe that even now agricultural economists haven't come to grips with it. "In 1970, not one in 100 economists anticipated that by 1974 the U.S. would plant all its farmland and having done so, we'd still be hanging on by our fingernails," says Mr. Brown, who admirers have called a one-man early-warning system and who critics dismiss as an alarmist. "Those of us who are food economists have failed to anticipate every major trend and direction."

MANY FAST CHANGES

Looking back, though, it's difficult to imagine how anyone could have foreseen the rapidity with which the world food situation changed. In August 1971, the U.S. in effect devalued the dollar, making U.S. agricultural products attractively priced in the world market. A year later, demand for American food intensified still further as world food production suffered climatic setbacks in a number of countries. Drought and typhoons slashed rice and corn crops in the Philippines while a severe drought continued over parts of West Africa. India's monsoon dropped below normal, cutting its cereal crop and eroding hopes of near-term self-sufficiency. In the U.S., corn and soybean harvests were stalled by wet weather in the fall of 1972. Finally, inadequate rains cut the grain crops in the Soviet Union, Argentina and Australia.

Traditionally, when the Russians came up short on production they steeled themselves to getting along on less by killing their livestock and eating their grains directly. But in 1972, instead of tightening their belts they made massive grain purchases on the world market.

The Soviet purchase of nearly one-fifth the total U.S. wheat supply in the face of world grain shortages sent commodity prices soaring. The result was that "the poor nations pay more for less and the rich eat what they will," wrote Quentin West, administrator of the U.S. Agriculture Department's economic-research services.

Although weather conditions in 1973 generally improved, demand for food for the world's swelling population continued to mount. To most Americans, high commodity costs meant higher supermarket prices. But for those people in the cities of South Asia who already spend 80% of their income for food, the global bidding for American food brought the specter of massive hunger.

EFFECT OF ARAB OIL POLICY

By the fall of 1973 the problem of feeding the world's hungry reached crisis proportions. Arab nations intent on influencing foreign policy of industralized nations decreed an oil embargo. By restricting petroleum supplies they dashed hopes for any immediate increase in world food production. Farmers need gasoline to run their tractors, and they need diesel fuel to operate their irrigation pumps. Most important of all to farmers in such nations as India and the Philippines that grow nutrient-hungry, high-yield wheat and rice, they need fertilizer. And petroleum is the basic element in manufacturing fertilizer.

Today, fuel and fertilizer supplies are still tight. Fertilizer prices are double and triple what they were two years ago, and developing countries' food production is backsliding. In India, fertilizer shortages are expected to reduce grain production by some 10 million tons. This is a staggering setback in a country that requires an annual increase of 2.5 million tons of grain just to keep pace with its population growth.

"Asia is probably much more dependent on the Middle East now than it ever was on North America for its food supply," Ralph W. Cummings Jr., agricultural economist with the Rockefeller Foundation, wrote in a recent report.

At the same time, developing countries are blocked from importing vitally needed agricultural products by their precarious economic positions. "Most countries with the severest food problems have the severest balance-of-payments problems," notes Sol Chafkin, officer in charge of social development for the Ford Foundation. "They are under constant pressure to hold down imports or to increase exports."

CUTTING BACK ON AID

Industrialized nations also have balance-of-payments problems. They need most of their food surpluses to pay for their oil imports. Last year, for example, U.S. agricultural exports increased to $18 billion, nearly double the amount exported in 1972. But the quantities of cereal allocated to its Food for Peace program dropped to the lowest level since the start of the aid plan in 1954.

"It is possible to conclude that people who are on the brink (of famine) may die or be damaged as a result of what is happening to financial positions of their countries as surely as a natural calamity or a war," Mr. Chafkin says.

While economic and food experts are able to pinpoint the causes of the current crisis, no one can see any clear solutions. One proposed scheme set forth by the UN's Food and Agriculture Organization urges a "food security program" in which all nations contribute to a global grain reserve. Such a scheme not only assumes that the present depletion of stocks can be overcome—which, because of the complex array of causes, is uncertain—but also would depend on a nearly unprecedented degree of international cooperation.

"The answers aren't easy—they're going to be long-term and tortuous," says Mr. Connolly of the American Freedom from Hunger Foundation. He, like many other nongovernmental people, favors an immediate increase of American food aid.

Of course, it would be very helpful to curb population growth—a growth that adds the equivalent of the U.S. population to the world every 30 months. But birth-control efforts are stymied by political, moral and economic considerations, not to mention the psychological and emotional difficulties caused by malnourished youngsters dying prolifically.

EXPORTING KNOW-HOW

"It's awfully hard to persuade people to have fewer children when they're afraid the ones they have will die," says Bernard Berelson, president of the Population Council.

Along with efforts to curb population, experts say that developed countries should transfer their know-how and technology to underdeveloped nations. But efforts in this direction have had mixed results. American agricultural methods are highly mechanized and use a great deal of fuel and other energy. Exporting Western technology often carries with it higher unemployment and a deeper reliance on high-priced fuel and fertilizer. Some observers fear that modern technology may also wreak ecological havoc. In Egypt, for instance, the Aswan Dam prevents the annual flooding of the Nile and the replenishment of soil deposits. As a result, Egyptian soil is rapidly losing its fertility.

Yet some experts, such as John Hannah, deputy secretary-general for the World Food Conference, are hopeful that nations can solve some of these problems by acting together. Mr. Hannah notes for example, that natural gas burned and discharged into the atmosphere in the Middle East oil fields could, if harnessed, produce much-needed fertilizer. Still other experts, such as the Ford Foundation's Mr. Hardin, think that the techniques required to increase production are already within reach.

"Technically, the world could produce the calories for a reasonably adequate diet for 20 to 30 years in the future," he says. "Whether we do it depends on how big a priority governments give the agricultural sector."

If the experts are right, the world's hungry won't be patient much longer.

SUBCOMMITTEE ON FOUNDATIONS

Mr. HARTKE. Mr. President, I ask unanimous consent that a statement of the Senate Subcommittee on Foundations be printed in the RECORD following my remarks.

The conclusions and recommendations contained in this statement are my own and are concurred in by the other individual members of the subcommittee to the extent indicated therein.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE SENATE SUBCOMMITTEE ON FOUNDATIONS TOGETHER WITH ADDITIONAL VIEWS

(VANCE HARTKE, Chairman, Oct. 1, 1974)

Beginning in October of 1973, the Senate Finance Subcommittee on Foundations took both written and oral testimony on the impact of the Tax Reform Act of 1969 on private foundations and recipients of foundation grants. The Subcommittee gave special attention to the subjects of the four percent excise tax and the minimum distribution requirements of the Internal Revenue Code. It is to these two subjects which this statement is addressed.

A. FOUR PERCENT EXCISE TAX ON PRIVATE FOUNDATIONS

1. Legislative history

The Tax Reform Act of 1969 (Public Law 91-172) included several provisions which established a special status for private foundations in comparison with other charitable organizations. The imposition of a four percent excise tax on net investment was a requirement imposed on private foundations only.[1]

The Tax Reform Act of 1969 defined "private foundation" by exclusion rather than inclusion.[2] In essence, it excluded various classes of charitable organizations from private foundation status, in most cases because of the relative amount of financial support which such organizations derive from the public. The apparent theory is that organizations which derive much of their support from the public are likely to be responsive to the public, while private foundations—which derive most of their financial support from a limited number of donors—are less likely to be responsive to the public will and, thus, more in need of public super-

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Footnotes at end of article.

vision. This contention has been opened to question in articles which have appeared within the past few months in major newspapers and periodicals and in hearings held by the Senate Subcommittee on Children and Youth.

Historically, private foundations in the United States have been treated as charitable organizations and have been free from Federal taxation. In 1964, the Treasury Department conducted a comprehensive review of private foundations and the laws then applicable to them. In early 1965, Treasury reported to the Senate Finance Committee and to the House Ways and Means Committee that the Federal tax laws governing foundations should be revised.[3] While the legislative recommendations of this report became the basis for most of the Tax Reform Act of 1969's regulatory provisions for private foundations, the Treasury Department did not recommend imposition of any tax on foundation investment income.

Similarly, when the Treasury Department presented its recommendations on private foundation law in the 1969 tax reform hearings of the House Ways and Means Committee, it proposed no such tax.[4] On May 27, 1969, the Ways and Means Committee issued a press release announcing its tentative decisions with respect to private foundations. Included in those tentative decisions was one that the net investment income of private foundations be subject to an income tax of five percent. Later, when the Committee ordered its tax reform bill reported to the House, it elevated the rate of this tax to 7.5 percent.[5]

The record of the hearings before the Ways and Means Committee indicates the central importance of foundations in the tax reform bill. The hearings reflect the significant attention paid by Ways and Means to several foundation practices which the Members believed were abuses not adequately covered by existing Federal law. One of the reasons cited by the Committee in support of the imposition of a tax on investment income was the contemplation of increased enforcement efforts by the Internal Revenue Service in the exempt organization field and the belief that these costs should be underwritten by private foundations, rather than by taxpayers generally. Second, the Committee suggested that it would be appropriate for private foundations to bear a portion of the general costs of government.[6]

The House passed the "Tax Reform Act of 1969" in August, 1969, with the provision for a 7.5 percent income tax on foundations intact. An exchange between Representative Edward I. Koch of New York and Chairman Wilbur D. Mills of the Ways and Means Committee expounded on the Committee's rationale for the 7.5 percent tax.[7] Chairman Mills explained that money donated to foundations is usually not spent right away. In addition, foundations often receive stocks from their creator. If they were treated as taxable corporations, they would pay an income tax, and their stockholders would pay a tax on dividends received. In the case of foundations, however, this second level of taxation is non-existent since the dividends received from corporate stocks held by the foundation are tax exempt.

Chairman Mills also explained the justification for the 7.5 percent rate of taxation proposed in the bill:

"In the case of a corporation you get a deduction of 85 percent of the total amount of dividends received. This leaves 15 percent subject to the tax, and at a 50 percent rate the tax amounts to 7½ percent. . . . We did not want to tax the foundations to pay more than that." [8]

Footnotes at end of article.

In the fall of 1969, the Treasury Department presented testimony to the Senate Finance Committee, which was then beginning its consideration of the Tax Reform Bill as passed by the House. The Treasury testimony recommended a reduction in the rate of the tax on foundation investment income from 7.5 percent to 2 percent.[9] The Treasury Department based its recommendation upon the argument that other provisions of the Tax Reform Bill would eliminate the abuses thought to be prevalent in the private foundation community and that, once these abuses were corrected, it would not be appropriate to limit the funds available for charitable activities by imposing a tax greater than an amount which would be sufficient to offset the enforcement efforts undertaken by the Service under the regulatory provisions of the bill.

In response to the Treasury testimony and that of other interested parties, that Finance Committee modified the tax in several respects. First, consistent with Treasury's recommendation, the committee rejected the view that the tax should be imposed at a rate which would produce revenue beyond that needed to fund IRS enforcement efforts. Second, the Committee was concerned that the form of the tax adopted by the House would lead some to believe that foundations were no longer tax exempt.

To alleviate these concerns, the Committee cast the tax as an excise tax, rather than as an income tax, and measured the tax by a percentage of the value of a private foundation's investment assets.[10]

As reported to the full Senate, the Finance Committee bill provided for an audit fee equal to one-fifth of one percent of the fair market value of foundation assets.[11] On the Senate floor, the rate of tax was reduced from one-fifth of one percent to one-tenth of one percent of the value of foundation assets.[12] As so reduced, it was anticipated that the tax would produce approximately the same amount as would be produced by a tax equal to two percent of investment income.

During the House-Senate conference on the tax reform legislation, the conflicting views of the two Houses were resolved by a compromise. The rate of the tax was set at four percent. In addition, responding to Treasury's objection to measuring the amount of the tax by reference to the value of foundation assets, the conference agreed to cast the tax as an excise tax on net investment income.[13]

2. Revenues from the 4-percent excise tax

In practice, the tax imposed at a rate of 4 percent of net investment income has produced more than twice the amount expended by the Internal Revenue Service with respect to its compliance activities for all tax exempt organizations—including such organizations as social clubs, trade associations, mutual ditch companies, labor organizations, and other non-charitable groups.

The revenue yield of the tax and Internal Revenue Service costs for all years since the effective date of the tax are as follows: [14] [15]

		IRS costs (millions)	
Fiscal year	Revenue from 4 percent tax	Foundations	All exempt organizations
1968		$1.6	$7.1
1969		2.1	7.5
1970		3.5	11.0
1971	[1] $24,589,000	8.6	15.4
1972	56,045,000	12.9	19.3
1973	76,617,000	12.3	18.6
1974	NA	12.2	21.1

[1] Because of the interrelationship of the effective date of the tax and return-filing dates for private foundations, this figure includes only a part of the revenue yield of the tax for its 1st full year of operation. It does not include taxes paid by foundations reporting their income on the basis of fiscal years ending Feb. 28, 1971, through Dec. 31, 1971. A number of the largest foundations were in this group.

3. IRS compliance activities for all tax-exempt organizations [16]

Several functions within the Internal Revenue Service are involved with tax exempt organizations. The Assistant Commissioner (Compliance) has responsibility for the audit portion of the Service's exempt organization program. The Exempt Organizations Examination Branch within the Audit Division plans, monitors, and evaluates nationwide programs for the examination of exempt organization returns and records.

Within each of the Service's seven regional offices, there is an exempt organization program manager who monitors the exempt organization program of the key districts within the particular region. Actual field operations are carried out by the Office of International Operations and sixteen key districts located throughout the country.[17] Within the audit divisions of these key districts there are exempt organization groups which process applications for recognition of exemption and conduct examinations of exempt organizations.

The current audit program has private foundations audited on a five-year cycle, with the largest, most complex ones examined every two years. Other exempt organizations are audited on a scale which is designed to provide representative coverage.

The Assistant Commissioner (Technical) is primarily responsible for providing basic principles and rules for the uniform interpretation and application of the Federal tax laws administered by the Service. The Miscellaneous and Special Provisions Tax Division, through its Exempt Organizations Branch, carries out this function in the area of exempt organizations. The Branch's activities include providing rulings to taxpayers, furnishing technical advice to IRS district offices, reviewing regulations, preparing Revenue Rulings and Procedures, and conducting in-depth studies of difficult technical issues. Also in the Technical arm of IRS, the Tax Forms and Publications Division works with the Exempt Organizations Branch in developing explanatory publications, forms, form letters, and other materials for the use and guidance of Service personnel and the public.

The Assistant Commissioner (Accounts, Collection, and Taxpayer Service) has responsibility for the computer processes necessary to administer the exempt organization program and for the collection of delinquent returns and accounts due by exempt organizations.

For the fiscal year 1974, budgeted figures for the exempt organization program within IRS were as follows:

	Audit	Technical	ACTS	Totals
Man-years	845	160	206	1,211
Man-hours	1,757,600	332,000	428,480	2,518,080
Amount	$15,198,000	$3,100,000	$2,849,000	$21,147,000

By December 31, 1974, the Service plans to have audited substantially all private foundations at least once during the previous five-year period. Audit coverage of other exempt organizations is not done on the basis of 100 percent coverage. Through a classification system, the Service selects the returns of organizations whose affairs most need to be examined. Areas which show patterns of non-compliance are stressed.

The Service's private foundation audit actively for fiscal year 1974 involves approximately 1,123,000 man-hours with a budgeted amount of $9,711,522. These figures represent 63.9 percent of the total exempt organization examination program.

4. Impact of 4-percent excise tax on private foundations

Considerable testimony has been presented to the Subcommittee on the impact of the 4 percent excise tax on private foundations. The thrust of most of this testimony is that the money raised by this tax is money denied, not to the private foundation, but to the charitable recipient of the foundation's money.

Of course, any tax imposed is subject to a similar argument. A tax imposed on a business often means the consumer must pay higher prices for the products produced or sold by that business, and a tax imposed on an individual only means that the individual has less to spend on products, thus inhibiting the creation of new jobs and the expansion of the economy. No government can exist without adequate revenues, so taxes are imposed to raise those revenues which are necessary to operate the government and its programs.

Having said this, it is important to weigh the merits of the 4 percent tax in light of its impact on both private foundations and the recipients of foundation money, as well as on the desirability of maintaining private foundations as part of the non-governmental charitable family of organizations which exists in the United States.

Private foundations have been a part of American society since colonial days. Although once confined to aiding the poor and the destitute, they have expanded their horizons to include almost every conceivable interest and concern of the American people. There are those who would contend that some of the money held by private foundations has been squandered on useless activities, but the fact remains that "useless" is a highly subjective term. History is replete with examples of ideas which appeared to be without substance or merit when first propounded, but which later came to receive broad public acceptance.

This is the very strength of private foundations. They have significant resources (although their grants in 1972 amounted to only ten percent of all private giving and only 2,000 of the 28,000 private foundations hold assets of one million dollars or more) to fund activities which are innovative. In our pluralistic society, we should never depend on government alone to support research and innovation. Foundations offer an alternative to that dependence, and—as such—they should be welcomed and encouraged.

The debate leading to passage of the Tax Reform Act of 1969 made it clear that some foundations were far more self serving than innovative. These were foundations which hoarded their money rather than spending it for charitable purposes, or foundations which used their money for the selfish, profit-seeking motives of donors.

The Tax Reform Act of 1969 changed the climate within private foundations. It is significant that the Subcommittee on Foundations has received a mere handful of comments suggesting abuses on the part of foundations. On the other hand, the Subcommittee has received a significant amount of testimony indicating the adverse impact which the 4 percent excise tax has had both on foundations and the recipients of foundation grants.

In October of 1973, the Subcommittee of Foundations held two days of hearings, receiving testimony from a variety of persons with specialized knowledge of foundations and foundation law, and from representatives of a number of private foundations. Much of this testimony stated support for reduction of the tax on foundation investment income from its present 4 percent rate to a rate appropriate to produce the amount of revenue necessary to finance Internal Revenue Service enforcement activities concerned with exempt organizations.[18] Testimony to the same effect was presented to the House Ways and Means Committee in the course of that Committee's hearings on general tax reform in April, 1973, and to the Subcommittee on Domestic Finance of the House Banking and Currency Committee.[19]

Additional hearings were held by the Subcommittee on Foundations in May and June of 1974. At the May, 1974, hearing, Senator Dewey Bartlett of Oklahoma presented testimony outlining the reasons the rate of tax should be reduced to bring the revenues produced by the tax more into line with the IRS enforcement costs. At the June 1974, hearings, Internal Revenue Service Commissioner Alexander presented a letter from the Secretary of the Treasury stating the Treasury Department's support for a reduction in the rate of tax from 4 to 2 percent, thus conforming the tax to that recommended to the Finance Committee by the Treasury Department in 1969.

5. Treasury Department position on the 4-percent excise tax

The Treasury Department's support for a reduction in the level of the excise tax from 4 to 2 percent was contained in a letter from Treasury Secretary William E. Simon to Subcommittee on Foundations Chairman, Senator Vance Hartke, dated June 3, 1974. That letter stated:

THE SECRETARY OF THE TREASURY,
Washington, June 3, 1974.

Hon. VANCE HARTKE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HARTKE: For the record of the hearing on private foundation matters, we submit the following statement of the position of the Treasury Department regarding the 4 percent tax on private foundation investment income.

The tax on private foundation investment income was enacted as part of the private foundation provisions of the Tax Reform Act of 1969. The House bill provided for a 7½ percent tax. The 7½ percent figure was justified by some as equal in amount (though unrelated in logic) to the net tax on intercorporate dividends. The legislative history indicates that the supporters of the 7½ percent tax looked upon it not as an audit fee but rather as a species of minimum tax. It was intended by them to generate tax revenue from private foundations.

The Treasury Department recommended to the Senate Finance Committee that in lieu of such a revenue-raising levy, a supervision tax be imposed to offset the cost of administering the audit program for foundations. We estimated that 2 percent of net investment income would be sufficient for that purpose. The Senate bill contained a tax based on the value of foundation assets (as distinguished from income) calculated to raise approximately half as much revenue as the House bill's 7½ percent tax. The Conference Committee compromised the divergent House and Senate positions by adopting the present 4 percent tax on income, which was expected to raise revenue roughly equivalent to the Senate bill.

While we have collection data for only a limited period, the available data indicate that the revenues raised by the 4 percent tax greatly exceed the cost of auditing private foundations. The cost of administering the tax provisions relating to all exempt organizations is about $21 million with the larger part allocable to the program for private foundations. Collections from the 4 percent tax on private foundation investment income totaled about $24.6 million in fiscal year 1971, $56 million in fiscal year 1972, and $76.6 million in fiscal year 1973. There is reason to believe that the $76.6 million is abnormally high, including a large amount of non-recurring capital gain. Further, there is some reason to expect that private foundations will contract in the aggregate with a resulting tendency for total revenues to diminish. These data suggest that a 2 percent tax might be an appropriate amount to defray the cost of the private foundation audit program, and we would support a measure to reduce the tax from 4 percent to 2 percent.

Sincerely yours,
(Signed) WILLIAM E. SIMON.

That position was fortified by Assistant Secretary of the Treasury (Tax Policy) Frederic W. Hickman in written materials provided to the Subcommittee on Foundations on July 16, 1974.[20]

6. Conclusions and recommendations

Based upon the legislative history of the excise tax on private foundations, its impact on foundations and on charitable recipients, and upon the Treasury Department's recommendations, the level of the excise tax should be reduced from 4 to 2 percent. This reduction would produce revenues of approximately twice the amount expended annually by IRS in recent years for its compliance activities.[21] It would also produce a direct, dollar-for-dollar increase in the funds distributed annually by private foundations for charitable purposes. For each dollar the tax is decreased, there would be a corresponding dollar increase in the flow of funds from private foundations to the support of charitable activities. This result follows by reason of the operation of section 4942 of the Internal Revenue Code, also added by the Tax Reform Act of 1969. Section 4942 imposes penalty taxes on those foundations which fail to make annual qualifying distributions for charitable purposes in the amount and at the time prescribed by the statute. The amount which a private foundation is otherwise required to distribute for charitable purposes under section 4942 is reduced by the amount of, the excise tax which is imposed on the private foundation by section 4940.

The effect of these statutory provisions is such that the tax is paid entirely with funds which would otherwise flow currently to the support of medical research, scholarship programs, and other charitable operations. Consequently, it is the potential recipients of foundation support, rather than the foundations themselves, which bear the real burden of the excise tax.

For example, if a private foundation is required by section 4942 to distribute $500,000 for charitable purposes, and if its tax liability under section 4940 is $20,000, the amount which section 4942 requires the private foundation to distribute for charitable purposes is reduced to $480,000. If the rate of tax were reduced from 4 to 2 percent, the foundation's tax liability under section 4940 would be $10,000 and it would be required to distribute $490,000 for charitable purposes in order to avoid liability under section 4942.

A recent study concluded that data from 1970 information returns filed by private foundations indicate that the 4 percent excise tax has a greater potential impact on the grants of larger foundations than of smaller ones. The tax was the equivalent of 1.2 percent of payout for foundations with less than $200,000 in assets, 1.5 percent of payout for foundations with $200,000 to $1 million, 1.8 percent for those with $1 million to $10 million, and 3.3 percent for those with $10 million or more in assets.[22]

The Employee Retirement Income Security Act of 1974 (Public Law 93–406) created an Assistant Commissioner for Employee Benefit Plans and Exempt Organizations, thus centralizing the myriad functions of the Internal Revenue Service pertaining to those organizations within one office. It also authorized for this office, in addition to other monies appropriated, revenues received from 2 percent of the 4 percent excise tax. A reduction in the excise tax from 4 percent to 2 percent of net investment income would mean that all revenues derived from that

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tax would go for the purpose of paying the costs of IRS administration of exempt organizations, which was the position adopted by both the Senate Finance Committee and the full Senate in 1969.

What is most important, however, is the use to which the revenues from the excise tax will be put by the Internal Revenue Service. Two points are worth considering: what impact will the pension reform law have on IRS activities concerning exempt organizations, and what should the IRS be doing with regard to exempt organizations which it is not presently doing.

With regard to the first point, IRS Commissioner Alexander has stated. "We do not expect major changes in our activities of enforcing the exempt organizations provisions of the Internal Revenue Code." [23] Clearly, it is the intent of the new pension law provision to establish an Assistant Commissioner for Exempt Organizations that the attention paid to exempt organizations be upgraded and that the Service give more consideration to the basic policy objectives involved with tax exempt status.[24]

There is no doubt that the Internal Revenue Service is primarily a revenue-collecting agency, and that one of the measures of its effectiveness as a whole is the amount of money which it collects. The result in the exempt organization field is that neither Congress nor the public can assess the amount of public benefit derived from the tax exempt status accorded foundations and other organizations.

The extent of this failure on the part of IRS to keep certain basic policy issues in mind was highlighted during the June, 1974, hearings of the Subcommittee on Foundations. Commissioner Alexander was unable to respond to several basic questions which had been submitted to him more than 60 days in advance because the Service simply did not put information pertaining to those subjects into its computers. It must be emphasized that much of this information is being received by IRS on forms filed annually by foundations; it simply is not being analyzed.

Following is a list of information which the Subcommittee on Foundation believes IRS should be collecting, analyzing and making available to the public:

1. The number of private foundations which have come into or gone out of existence since 1969, and the number of organizations which have changed their status to or from private foundation status since 1969.

Comment: This information is necessary to assess the impact which the Tax Reform Act of 1969 has had on private foundations.

2. The number of Section 501(c)(3) organizations now registered with IRS which are classified as "public charities" under each of the clauses (i) through (v) of Section 170(b)(1)(A).

3. The number of these organizations which are "publicly supported" under clause (vi) of Section 170(b)(1)(A).

4. The number of Section 509(a)(2) organizations.

5. The number of Section 509(a)(3) organizations and a breakdown as to how many of these are operating and non-operating foundations as well as the asset value of these organizations.

6. The relationship of Section 509(a)(3) organizations to public charities and to Section 509(a)(2) organizations.

Comment: The information elicited from points 2, 3, 4, 5 and 6 is necessary for Congress to determine whether the basic policy objectives of the foundation provisions of the Tax Reform Act of 1969 are being met. It is essential to evaluate whether the exemptions from private foundation status allowed to certain organizations has had a meritorious effect or has simply created loopholes by which the intent of Congress can be avoided.

7. The impact which the minimum distribution requirements of Section 4942 has had on the amount of money going from private foundations to charitable recipients.

Comment: Section 4942 goes to the heart of congressional concerns about the needless accumulation of wealth by private foundations. By setting a minimum percentage of investment assets which a foundation must distribute to charitable recipients, Congress sought to assure that a reasonable amount of foundation income was paid out rather than held in foundation coffers.

8. A detailed analysis of the penalty taxes collected from private foundations under provisions of the Internal Revenue Code.

Comment: This information is needed to assess the degree of compliance on the part of foundations with the Tax Reform Act of 1969. For instance, some are "first-level" taxes which are assessed when a foundation violates a statutory provision, while "second-level" taxes are levied after a foundation has been told that it is in violation and has nevertheless failed to correct the abuse.

9. The fair market value of foundation assets.

Comment: This is essential information to determine the total impact which foundations can have on our society and to measure the adequacy of the charitable distributions of foundations.

10. Miscellaneous.

Comment: During the past year, the Subcommittee on Foundations has suggested that IRS place into its computers several line items from Form 990-PF, which is filed annually by all private foundations. IRS has estimated the first year cost for this additional information at $50,000 and the annual cost thereafter at $10,000.[25] The information concerned includes:

DESCRIPTION, REFERENCE AND COMMENTS

(1) Adjusted Net Income (before deductions); Part 1, line 13(C); Gives a better picture of current yield on foundation investments; (after deductions); line 25(C); Provides comparison with minimum investment return.

(2) Net Capital Gain; Part I, line 8 (B); Would provide some measure of how much capital gains are responsible for 4% tax yield, and some measure of 4942 and 4943 effects.

(3) Contributions, etc. Paid; Part I, line 23 (D) or line 23 (A); Excludes administrative expenses attributable to exempt purposes. Actually measures amounts paid to recipient organizations. The difference between this item and line 24(D) is the only way to obtain a figure for administrative expenses allocable to program.

(4) Minimum Investment Return; Part IX, line 6 or line 7; Valuable comparison with Adjusted Net Income.

(5) Distributable Amount; Part VIII, line 7; Valuable comparisons with Qualifying Distributions, Adjusted Net Income, Net Investment Income and Undistributed Income.

(6) Total Receipts as per books; Part I, line 13 (A); Gives overall picture of foundation receipts.

(7) Foundations making grants to individuals or expenditure responsibility grants; Part V N (1)(c) and (d); Total number of "Yes" answers to each of these questions would give some measure of the effect of TRA program restrictions.

(8) Organizations filing Form 4720 with Form 990-PF; Form 4720 actually filed; Identification of these organizations in data bank will provide a means for compiling information about penalty taxes, problems caused by TRA provisions and so forth, as needed from time to time.

With the authorization of revenues received from a 2 percent excise tax on foundation net investment income, it is imperative that the Internal Revenue Service upgrade its activities pertaining to charitable organizations and that it provide both Congress and the public with essential information which will fill in glaring gaps of the total foundation picture. Without this upgraded supervision of charitable organizations by IRS, there is no doubt that funds in an amount equal to the revenues from a 2 percent excise tax will be far in excess of IRS needs.[26]

B. MINIMUM DISTRIBUTION REQUIREMENTS APPLICABLE TO PRIVATE FOUNDATIONS

Section 4942 of the Internal Revenue Code requires that private foundations distribute to charity the greater of their current investment income or their "minimum investment return". The minimum investment return is a set percentage of the value of the foundation's assets. Subject to a phase-in rule for foundations in existence on May 26, 1969, the statute fixed the percentage at 6 percent initially, with provision for annual adjustment.

1. The statute

Section 4942(a), added by the Tax Reform Act of 1969, imposes a 15 percent excise tax on the "undistributed income" of private non-operating foundations.[27] A private foundation's undistributed income is the amount by which its adjusted net income or minimum investment return (whichever is greater) exceeds its charitable distributions and its investment income tax (imposed by section 4940) for the taxable year. Adjusted net income is gross income (including interest on state and municipal bonds, but excluding long-term capital gains and losses), less the expenses of producing that income and maintaining income-producing property.

The minimum investment return is determined by multiplying the value of the foundation's investment assets by the "applicable percentage" for the taxable year. Under section 4942(e)(3), the applicable percentage was set at 6 percent for 1970. The Secretary of the Treasury is directed to establish comparable percentages for subsequent years, taking into account money rates and investment yields. Transitional rules provided (1) that foundations in existence on May 26, 1969, for the years 1970 and 1971 were required to distribute only their adjusted net income, and (2) that for such foundations, the applicable percentage was to be phased in gradually—not to exceed 4½ percent, 5 percent, and 5½ percent for 1972, 1973, and 1974 respectively.

The following table depicts the applicable percentage rates for foundations since 1970:

[In percent]

Year	Foundations organized—	
	After May 26, 1969	Before May 27, 1969
1970	6.0	(1)
1971	6.0	(1)
1972	5.5	4.125
1973	5.25	4.375
1974	6.0	5.5

[1] Not applicable.

2. Determination of the applicable percentage

Pursuant to the direction to adjust the applicable percentage to reflect shifts in money rates and investment yields, using 6 percent for 1969 as a benchmark, the Secretary of the Treasury set the applicable percentage rates reflected in the table above. For taxable years beginning in 1975, the applicable percentage will be the same for all foundations. It could be set above the present 6 percent in money rates and investment yields.

3. Legislative history

a. *The Original Treasury Proposal.* A tax on an imputed "minimum investment re-

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turn" was first proposed in the 1965 Treasury Report on Private Foundations.[28] The report was prepared pursuant to a request of the Senate Committee on Finance and the House Committee on Ways and Means that the Treasury Department "examine the activities of private foundations for possible tax abuses and report its conclusions and recommendations to the committee."[29]

The report found that certain foundations were unduly deferring benefit to charity from their operations by accumulating their income, rather than distributing it currently for charitable purposes. The report also found that certain other foundations were giving rise to the same problem—deferral of benefit to charitable activities—by retaining or investing in assets producing little or no current income.

To deal with these problems, the report proposed, first, that private non-operating foundations be required to distribute net income "on a reasonably current basis."[30] Secondly, the Report proposed that, where actual income is below a reasonable rate of return for a diversified investment portfolio, non-operating foundations be required to distribute to charity a percentage of their investment asset value equal to a reasonable return. The report went on to state:

"The minimum level of charitable expenditures—i.e., the income equivalent—should be comparable to the yield on investment funds held by comparable organizations—such as universities. To provide for changing market conditions, the Secretary of the Treasury should be given regulatory authority to determine this rate on an annual basis."[31]

The report concluded that, based on then-existing market conditions, it would appear that a reasonable income equivalent would be in the range of 3 to 3½ percent.[32]

b. *1968 Johnson Administration Proposal.* Pursuant to the Revenue and Expenditure Control Act of 1968, the Treasury Department prepared a set of proposals and studies for major tax reform which were made available to the House and Senate committees on request in January, 1969, by the new Secretary of the Treasury. These proposals incorporated the recommendations of the 1965 Treasury report, including the minimum investment return.

The 1968 version, like that in the 1965 Treasury report, recommended that the Treasury Secretary be given authority to set a flexible applicable percentage "based on market conditions from time to time."[33] The 1968 proposal did not specifically recommend what the initial applicable percentage should be. It did, however, use a 5 percent figure in an example demonstrating the operation of the proposed applicable percentage. This example appears to have been the first mention of a 5 percent applicable percentage in connection with the minimum investment return concept.

c. *The Original Tax Reform Act Proposals.* The House Ways and Means Committee conducted tax reform hearings from mid-February through the end of April 1969, with extensive testimony on the recommendations of the 1965 Treasury report, and the Nixon administration's proposals. The administration proposed a 5 percent applicable percentage, Assistant Secretary Cohen stating:

"[O]ur requirement for current income distribution is somewhat more stringent than the private foundation report [1965 Treasury report] recommendations in that the foundations distribute a minimum of 5 percent of the capital value of the fund each year."[35]

The House Ways and Means Committee's tax reform bill (H.R. 13270), reported on August 1, 1969, included in section 101 (b) the 5 percent applicable percentage rate proposed by the administration. There was no debate in the House either on the minimum investment return concept or on the 5 percent initial level for the applicable percentage.

d. *The Peterson Commission Proposal.* The Senate Finance Committee heard testimony from Peter G. Peterson, then Chairman of the Commission on Foundations and Private Philanthropy, a private group established in early 1969 to conduct a comprehensive study of foundations.[36] Mr. Peterson testified that the Commission felt there was a need to encourage foundations to invest their assets in more productive property. He said the Commission had concluded that a reasonable rate of return on foundation assets (based on the 1959–69 experience of "balanced" mutual fund investments) would be approximately 10 percent. To that end, Mr. Peterson stated that the applicable percentage included in the House bill should be raised from 5 percent to between 6 and 8 percent. He then summarized how the Commission reached its 6–8 percent recommendation:

"Over the last 40 years the average rate of inflation has been 1.6 percent and closer to 2 percent over the last 10 years or so. Thus, if the objective were that one should permit a reasonable investor to earn enough to maintain the purchasing power of his assets—then one could require an annual payout to charity of from 6 percent to 8 percent."[37]

e. *Senate Floor Action.* The Senate Finance Committee rejected the Peterson Commission recommendation and reported H.R. 13270 on November 18, 1969, with the 5 percent applicable percentage included in the original House bill.

When H.R. 13270 came to the Senate floor, Senator Charles Percy of Illinois proposed an amendment to increase the applicable percentage to 6 percent, based on the Peterson Commission's recommendation but without a direct inflation adjustment as proposed by the Commission.[38] The Chairman of the Finance Committee, Senator Russell Long of Louisiana, noted that this proposal had been considered by the Finance Committee and rejected.[39]

During the debate, Senator Percy observed that a proposal to limit the life of private foundations to 40 years had been deleted from the Senate Finance Committee's bill earlier. An increase in the applicable percentage from 5 percent to 6 percent, he stated, would answer the "legitimate concerns" of those who desired the 40-year limitation.[40] Senator Carl Curtis of Nebraska, opposing the Percy amendment, also saw its relevance to the 40-year lifespan issue."

"Mr. CURTIS. * * * Mr. President, I daresay that most of those Senators—I respect their views; they are honest in their views—who voted for the 40-year life of foundations will vote for the Percy amendment, because it is an amendment to cut off the dog's tail an inch at a time."[41]

The Percy amendment was adopted by the Senate.[42] In the House-Senate Conference Committee on the Tax Reform Act of 1969, the House acceded to the Senate amendment, and the 6 percent applicable percentage was included in section 4942(e) (3), as enacted.

There is some concern in the foundation community that the move to acquire more fixed-income assets, especially at a time when the rate of inflation is so high, may be deleterious in the long run to foundation programs. For this reason, some foundations have begun to play the market more aggressively.[43]

While there are no studies of the effect which section 4942 has had on foundation payouts in general, there is evidence that, prior to 1970, a substantial number of foundations failed to pay out an amount approaching that which would be required by a 6 percent payout rate.[44]

4. Public comment

The Senate Subcommittee on Foundations has received written and oral testimony from several foundations objecting to the applicable percentage set by section 4942. While those who have commented on this section critically are not opposed to the minimum distribution concept, they have generally expressed the belief that the 6 percent ultimate applicable percentage requires an invasion of foundation corpus.[45] They have also made the contention that the 6 percent rate is unrealistic when compared to current market conditions and rates of return. They have also contended that it is difficult for foundations to buy stocks with higher rates of return because the demand for those stocks—and therefore their price—is so high. Finally, they argue that foundation managers choose the stocks they do because of such unpredictable variables as inflation, war, foreign trade balances, foreign exchange rates, and the cost of money.[46]

Several foundations have questioned the standards used by the Treasury Department in arriving at the applicable percentage, and others have cautioned that the need on the part of foundations to increase investment yields will force them to convert investment securities into bonds or other fixed assets at serious trading losses, substantial transaction costs, and causing a possible severe blow to the Nation's economy.[47]

While some foundations support a reduction in the applicable percentage from 6 to 5 percent, based upon the belief that the 6 percent rate is unrealistic or because that rate requires an invasion of foundation corpus, there is no evidence that the 5 percent rate is a proper one, or that it would not require an invasion of foundation corpus. Based on figures supplied by the Council on Foundations during hearings before the Ways and Means Committee in April, 1973, foundation assets will decline in constant dollars whether the payout rate is 6 percent or 5 percent.[48]

5. Conclusions and recommendations

What is most convincing about the minimum distribution requirements of section 4942 of the Internal Revenue Code is the lack of hard, factual data on the effect which it has had on money going from foundations to charitable recipients and on the impact which it has had on the foundations themselves. In the words of a recent statement made by the Ford Foundation:

"Past discussions on this subject have often lacked a hard base in statistical data about the actual rates of return achieved by all classes of investors over long stretches of time.[49]

It is essential that Congress have this information before it can evaluate the need for any change in section 4942. The needed information can, and should, be compiled by the Treasury Department so that it is available for review by Congress in the early Spring of 1975 and should include information on the impact which the minimum distribution requirement has had on the amount of money going to charitable purposes, the standards used by the Treasury Department in setting the applicable percentage, the rates of return achieved by foundation investments, and the rates of return achieved by investors of all classes.

There is one defect in section 4942 which can be corrected. By Treasury Information Release No. 1288 (April 24, 1974), the Treasury Department announced that Revenue Ruling 74–238 (1974–21 Int. Rev. Bull.) would increase the applicable percentage from 5.25 percent of 6.0 percent for foundations organized after May 25, 1969, and from 4.375 percent to 5.50 percent for foundations organized before May 27, 1969. There was no public hearing on this proposal. It should also be noted that this was the first year in which the Treasury Department increased the applicable percentage.

Although it may be that section 553 of the Administrative Procedure Act (P.L. 89–332), which requires that government agencies give notice to the public of a proposed change in a substantive rule or regulation and prescribes a period of time during which interested and affected parties may comment on the proposal, does not apply in this instance, the public should be granted an opportunity to comment.

Affording the public an opportunity to comment can only produce benefits for the Treasury Department. It may well be that an individual or organization is in the possession of factual data which suggest that the applicable percentage set by Treasury is either too low or too high. Treasury should have this date before making its final decision.

Accordingly, it is recommended that section 4942 be amended to give the public an opportunity to comment on proposed changes in the applicable percentage.

Several comments have been made to the Subcommittee regarding the lack of a definitive standard for establishing the applicable percentage.[50] The suggestion has been made that the substantial increase in the applicable percentage suggests that the standard used by the Treasury Department did not reflect the activity of "investment yields" but only the fluctuation of interest rates.

It is clear that whatever standard is used by Treasury, it must take into account the equity side of foundation investment policy, since foundations invest in equity securities. Although the Subcommitee on Foundations has yet to take testimony on a specific standard for determining the applicable percentage, an analogy can be found in the recently-enacted Employee Retirement Income Security Act of 1974. In determining an employee's accumulated contributions, the Secretary of the Treasury is empowered to adjust interest rate by comparing the long-term money rates and investment yields for a 10-year period ending at least 12 months prior to the year in which the adjustment would first apply. In commenting on this provision of the Act, the Senate Committee on Finance stated: [51]

"The Committee anticipates that the Treasury, in determining money rates and investment yields, will use a composite of a number of indicators. For example, one possible approach might be to give equal values to the dividend yields of the Dow Jones Industrial Average and the Standard and Poor's 500-Stock Average, and to the interest rates of Barron's or Moody's highest-rated bonds and United States Treasury long-term obligations. . . .

The adoption of a reasonable standard in the case of Section 4942 would seem both appropriate and wise.

C. OTHER RECOMMENDATIONS

During the June, 1974, hearings of the Subcommittee on Foundations, testimony was received from IRS Commissioner Alexander on the subject of declaratory judgments in the case of tax-exempt organizations.[52] The present delay in obtaining a court test of an adverse tax-exempt determination by IRS results in a loss of contributions to the appellant organization during the period of delay.

Accordingly, it is recommended that, if the IRS, after a reasonable period of time, fails to rule that an organization is tax exempt under 501(c)(3) of the Internal Revenue Code or withdraws such a ruling, the organization seeking exemption may petition the Tax Court for a declaratory judgment as to its tax exempt status. This procedure should apply both in the case of a final adverse determination by IRS and in the case of an interim determination or the failure to make such a determination. The latter instance is important in the case of an organization seeking an exemption as a public charity. If it gets such an interim determination and receives grants from a foundation, yet later loses its tax exempt status, the foundation donor may be subject to a penalty if the recipient organization is determined to have received an excessive amount of its support from that one foundation.[53]

FOOTNOTES

[1] 26 U.S.C. 4940. See also Hearings before the Committee on Finance on H.R. 13270 (Part 6), 91st Congress, 1st Session, (1969) at 5465 *et seq.* for a discussion of the role of income tax exemption for charitable purposes in American life; hereinafter referred to as Senate Hearings (1969).

[2] 26 U.S.C. 509.

[3] Treasury Department Report on Private Foundations, February 2, 1965.

[4] See Hearings before the House Committee on Ways and Means on the Subject of Tax Reform (Part 14), 91st Congress, 1st Session, (1969) at 19–20.

[5] See H. Rep. 91–413 (Part 1), 91st Congress, 1st Session (1969) at 19–20.

[6] See *Ibid.*, at 19.

[7] CONGRESSIONAL RECORD, vol. 115, pt. 17, pp. 22571–72.

[8] *Ibid.*

[9] See statement of Edwin S. Cohen, Assistant Secretary of the Treasury for Tax Policy, Department of the Treasury, in Senate Hearings (1969) at 30, *supra* Note 1.

[10] The Treasury Department opposed the decision to measure the tax by reference to asset value.

[11] See S. Rep. 91–552, 91st Congress, 1st Session, (1969), 27.

[12] CONGRESSIONAL RECORD, vol. 115, pt. 28, p. 37591.

[13] See H. Rept. 91–782, 91st Congress, 1st Session, (1969), 278.

[14-15] See Hearings before Subcommittee on Domestic Finance of the House Committee on Banking and Currency, *"Tax Exempt Foundations and Charitable Trusts: Their Compliance with the Provisions of Tax Reform Act of 1969,"* 93rd Congress, 1st Session, (1973) at 222. Figures on revenue yield and 1974 IRS costs were obtained from IRS.

[16] The following material is excerpted from the statement of IRS Commissioner Donald C. Alexander contained in Background Material for Senator Hartke, May 30, 1974, reprinted in Hearings before the Subcommittee on Foundations of the Committee on Finance, May/June 1974, 93rd Congress, 2nd Session, hereinafter referred to as the Subcommittee on Foundations Hearings, 1974.

[17] Boston, Manhattan, Baltimore, Philadelphia, Atlanta, Cincinnati, Cleveland, Detroit, Chicago, St. Louis, St. Paul, Austin, Dallas, Los Angeles, San Francisco, and Seattle.

[18] See Hearings before the Senate Subcommittee on Foundations of the Committee on Finance, *"The Role of Private Foundations in Today's Society and a Review of the Impact of Charitable Provisions of the Tax Reform Act of 1969 on the Support and Operations of Private Foundations,"* October 1 and 2, 1973, 93rd Congress, 1st Session, hereinafter referred to as The Subcommittee on Foundations Hearings, 1973.

[19] See Hearings before the House Ways and Means Committee on General Tax Reform (Part 14), April 9 and 10, 1973, 93rd Congress, 1st Session; House Subcommittee on Domestic Finance of the Committee on Banking and Currency, "Tax Exempt Foundations and Charitable Trusts: Their Compliance with the Provisions of the Tax Reform Act of 1969," April 5 and 6, 1973, 93d Congress, 1st Session.

[20] Reprinted in Subcommittee on Foundations Hearings, 1974, *supra* Note 16.

[21] Secretary Hickman's letter to Subcommittee on Foundations cited rough revenue estimates from the 4% tax for fiscal years 1974 and 1975 of $80 million.

[22] Labovitz, John R., "The Impact of the Private Foundation Provisions of the Tax Reform Act of 1969: Early Empirical Measurements," in the Journal of Legal Studies, Vol. 3, p. 77 (January, 1974).

[23] Excerpted from the statement of IRS Commissioner Donald C. Alexander contained in Background Material for Senator Hartke, May 30, 1974, reprinted in Subcommittee on Foundations Hearings, 1974.

[24] Supra, Note 16. See H. Rep. 93–779, 93rd Congress, 2nd Session (1974) at 102.

[25] See letter from Commissioner Alexander to Senator Vance Hartke, April 12, 1974, reprinted in Subcomittee on Foundations Hearings, 1974, *supra* Note 16.

[26] It is expected that the Internal Revenue Service will soon revise its audit practices and will provide the Subcommittee on Foundations with much of the information requested in its June, 1974, hearings.

[27] The term "non-operating" refers to grant-making foundations.

[28] *Op. Cit.*, note 3.

[29] Letter of Transmittal of Secretary Dillon, February 2, 1965, contained in "Written Statements by Interested Individuals and Organizations on Treasury Department Report on Private Foundations." 1965 committee print of the House Ways and Means Committee.

[30] *Id.* p. 26.

[31] *Id.* pp. 28–29.

[32] *Id.* p. 29.

[33] "Tax Reform Studies and Proposals of U.S. Treasury Department," p. 301 (1969) (Joint Committee Print of the House Ways and Means Committee and the Senate Finance Committee.)

[34] *Ibid.*

[35] House Ways and Means Committee Hearings on the Subject of Tax Reform, 91st Cong., 1st Sess. (1969), p. 5558.

[36] Because the Commission was just commencing its study in early 1969, Mr. Peterson did not testify in the House hearings, and the Ways and Means Committee did not consider the Commission's views in drafting H.R. 13270.

[37] Senate Hearings, supra note 1, at 6170.

[38] CONGRESSIONAL RECORD, vol. 115, pt. 28, p. 37488.

[39] *Id.*, p. 37493.

[40] *Id.* p. 37493.

[41] *Ibid.*

[42] *Id.*, p. 37495.

[43] Labovitz, *supra* note 22, at 87.

[44] *Id.*, at 93.

[45] Subcommittee on Foundations Hearings, 1973, supra note 18 at 184.

[46] House Ways and Means Committee hearings, 1973, supra, note 19 at 5879–80.

[47] See responses to Subcommittee on Foundations invitation for written comments on sections 4940 and 4942, July 1, 1974.

[48] *Ibid.*

[49] Labovitz, *supra* note 22, at 93–94.

[50] See *supra*, note 47.

[51] Report of the Committee on Finance, United States Senate, "Private Pension Plan Reform", Rep. No. 93–383, August 21, 1973.

[52] *Supra*, Note 16, Subcommittee on Foundations Hearings, 1974.

[53] 26 U.S.C. 4942, 4945.

ADDITIONAL VIEWS OF CARL T. CURTIS, SUBCOMMITTEE ON FOUNDATIONS, SENATE COMMITTEE ON FINANCE, OCTOBER 1, 1974

I believe that the tax on foundations should be reduced immediately and I concur in that recommendation in this report. I believe that the payout provisions must be liberalized and that it is important that it be done without delay. I favor such liberalization now.

CARL T. CURTIS.

Senator Fulbright, being unable to attend the hearings on which this statement is based, reserves judgment on its contents.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

The **PRESIDING OFFICER**. Under the previous order, the Senate will now proceed to the consideration of S. 4016, which will be stated by title.

The second assistant legislative clerk read as follows:

A bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.

The Senate resumed the consideration of the bill.

The **PRESIDING OFFICER**. Who yields time?

Mr. **ERVIN**. I yield myself such time as I may use.

Mr. President, if I wanted to prolong the cover-up of the Watergate affair, which has given agony to the American people for more than 2 years, I would vote for the motion to refer this bill to the Committee on the Judiciary. If that motion failed and I still wanted to assist in covering up and hiding from the American people the truth about the Watergate affair, I would vote for this substitute. Talk about a Pandora's box. What came out of Pandora's box cannot be compared to this substitute.

The Government Operations Committee reported a very narrow bill, a bill that is designed to do away with the agreement whereby one of former President Nixon's appointees, Mr. Sampson, entered into an alleged contract with the former President whereby all the tapes will be destroyed the very instant the former President dies, and whereby, even after the tapes would become the property of the Government under the agreement, by donation, the Administrator of the General Services Administration would have to destroy any tape which the former President ordered him to destroy.

The American people have been in agony since June 17, 1972 the darkest morning hours of that day—when five burglars were caught in the Watergate complex. A few days later, the news media made these things plain:

The first was that $114,000 of President Nixon's campaign funds had been deposited in the Miami bank account of one of the burglars, Bernard L. Barker. The second was that this burglar, Bernard L. Barker, withdrew thousands of dollars in cash from that account, in $100 bills, and the bank, under regulations, kept the serial numbers of these bills. The third was that Barker returned these $100 bills, less a discount of about $2,500, to the Finance Committee to Reelect President Nixon. The fourth was that 53 of these $100 bills were found in the actual possession of the four burglars from Miami at the very moment they were caught burglarizing the headquarters of the opposition political party in the Watergate complex.

President Nixon had sworn to perform his duties under the Constitution, and his main duty under the Constitution was to take care that the laws be faithfully executed. I insist that that constitutional obligation imposed upon President Nixon the duty to determine how it happened that four of the five burglars had his campaign funds in their possession at the time that they committed the act of burglary. If he, at that time, had acted with the forthrightness which his high office imposes upon its occupant, he would have called in Mr. Mitchell and Mr. Stans, to whom he had entrusted the management of his campaign and his campaign finances, and asked them how it happened that the burglars caught in the headquarters of the opposition political party had $5,300 of his campaign funds.

Did he do that? No. Let us see what he did.

We found out on June 16, 1973, that the so-called Watergate tapes existed. The Select Committee on Presidential Campaign Activities called on the President for the tapes, and he said, "I am not going to give them to you." So he impeded our work, although it came out later.

The President also wrote me, as chairman of that select committee, a letter in which he said, "These tapes are under my sole control and will so remain." When we subpenaed the secret servicemen who had charge of the tapes, Secretary of the Treasury Shultz sent us a letter—and a lawyer along with it. He said, in effect, "On order of the President, I have ordered these men not to tell your committee anything."

I did not want to cite some underlings for contempt of Congress for obeying the orders of the President, transmitted through their boss, the Secretary of the Treasury.

It appeared later that while these tapes—which were, according to the President's declaration to the committee, under his exclusive control—the entire conversation on the tape of June 20, 1972, between him and his chief of staff, Mr. Haldeman, had been intentionally and purposely obliterated. The experts said either five or nine separate efforts were made to do so.

We know from the notes of that conversation, which were made by Mr. Haldeman and introduced in the hearings before Judge Sirica with regard to this obliterated portion of the tape, that he and the President talked not about how the President was going to enforce the law, or about how he was going to take care that the laws be faithfully executed. The whole conversation on June 20 was, according to Mr. Haldeman's notes, about how they could mount a public relations matter that would distract the attention of the American people from the burglary.

Then, lo and behold, it came out later, when Mr. St. Clair said that the President had been withholding the tapes from him as a lawyer, that the President had had another conversation with Mr. Haldeman on June 23, 1972, just 6 days after the burglars were caught in the Watergate. He and Mr. Haldeman, on that occasion, discussed how they could get the CIA to induce the FBI not to investigate these checks, particularly $89,000 in Mexican checks, that had gone into Barker's bank account, and from whence the $5,300 found in the possession of the four burglars came.

Testimony taken before the select committee showed that Haldeman and Ehrlichman called Mr. Helms and General Walters, the Director and the Deputy Director of the CIA, to the White House and insinuated to them that the CIA should tell the FBI not to investigate these Mexican checks that financed the burglarizing of the Watergate because it might impinge on CIA operations in Mexico. Be it said to the credit of the Director and the Deputy Director of the CIA that they said that there was no CIA interest involved, notwithstanding the fact that John Dean, acting on the instructions of Haldeman and Ehrlichman, the two men closest to the President, tried for days at a time to get the Director and Deputy Director of the CIA to interfere in this matter. The Director of the CIA and the Deputy Director would not do it.

It occurred further that the President came before this Nation and showed a big stack of things that he was sending down to the House Judiciary Committee—the transcripts. There were only two of those transcripts that had any relationship whatever to anything that had happened between June 17, 1972, and the meetings in March 1973. One was that of September 15, where John Dean testified before the select committee that he was called in to the President's office after they thought they had inhibited the investigation by indicting several insignificant people, and after Mr. John W. Hushen, the public relations man of the Department of Justice, and Attorney General Kleindienst had issued statements that the Department of Justice had no evidence that anybody else was involved in the Watergate affair except these seven men.

Dean testified that on that occasion, the President called him in and praised him for his good work in containing the indictments to those seven insignificant men.

When the President sent down the tapes, he left out the most significant parts of the conversation between him and John Dean, especially the part of the conversation in which he told John Dean to keep a list of his enemies, and said in effect, "I shall use the Department of Justice, the Internal Revenue Service, and the other agencies of the Government to punish them after I am reelected." He left that out.

The only other tape during the cover-up operations of which a transcript was sent down was the one of February 28, 1973. Three portions of that were omitted. February 28 was the day on which John Dean said that he told the President that he, John Dean, was guilty of obstruction of justice for carrying out the orders he had received from the top people in the White House. The President assured him that he was not.

Three pieces of that February 28 tape were not transcribed and sent down here.

Just the other day, it came out that when Watergate started to unravel and Jeb Magruder started talking to the prosecutors, the President and Mr. Haldeman had another conversation.

Mr. Haldeman told the President that Magruder was talking to the prosecutors, and the President said this:

> Why, he is supposed to lie like hell for us.

Haldeman said:

> Well, I am afraid he is not doing it.

Then, the President called in Henry Peterson, in charge of the criminal division of the Justice Department, and tried to get him to promise him, the President, that Mr. Peterson would not grant John Dean any immunity. John Dean's lawyers had stated that they would not let him testify unless he was granted immunity.

They had several conversations. Henry Peterson would not make the promise that he would not grant immunity, but he did promise the President, on one of the transcripts, that he would not grant immunity without consulting the President again; and in a subsequent conversation the President let the cat out of the bag. He told Mr. Peterson:

> I hope that nobody would think that the reason I don't want Dean granted immunity is to keep him from testifying against Ehrlichman and Haldeman.

The whole Watergate matter could have been terminated a few days after June 17, but since that time we have had a cover-up operation. There has been a lot of deception about this matter.

Although the President would not let our committee hear the tapes, he let Mr. Haldeman hear the tapes, when Mr. Haldeman was subpenaed as a witness before the select committee.

When Mr. Haldeman gave the testimony he had submitted in advance to the select committee, his lawyer, Mr. Wilson, got up and said, "Mr. Haldeman wants to give some further testimony, but we do not know whether the committee will hear him. The White House lawyers claim this further testimony is covered by executive privilege, and the committee ought not to hear it."

I said, "What is the further testimony he wants to give?"

His lawyer said: "He wants to testify to his version of what the tapes say." He was referring to the tapes the President would not give the committee—"and that the President fought all the way to the Supreme Court to keep the courts from getting."

One of those was the tape of March 21.

I told Mr. Wilson, "I do not believe the lawyers for the White House are claiming in good faith that this is covered by executive privilege, because if they were, they would be down here to raise the point themselves. They are conspicuous by their absence." I said, "To be frank with you, in North Carolina language, I think there has been some 'kaniggling' going on."

He said, "Are you impugning my professional integrity?"

I said, "No, I am just giving you and the White House lawyers credit for being pretty smart in trying to bring in Mr. Haldeman's version of the tapes but not letting us have the tapes themselves. But nevertheless, we will hear him."

So Mr. Haldeman, who had been entrusted with the tapes that the President would not let the select committee have, undertook to detail to the Committee what he claimed the tapes said.

Haldeman's version coincided with John Dean's testimony pretty well down to the crucial point. That point was when he admitted that Dean told the President that Hunt was demanding—I think it was $120,000 more money—otherwise he was going to expose all the dirty tricks he had done for John Ehrlichman, the second man to President Nixon at the White House.

The Mr. Haldeman testified that the President said, "Well, there would be no trouble getting the money, but that would be wrong."

Well, when the grand jury got that tape, they indicted Haldeman for perjury. They indicted Haldeman for testifying falsely before the select committee on that point; and when the tape became available and was transcribed by the House Judiciary Committee, it showed that the President, instead of saying it would be wrong to pay this hush money to Hunt, had three or four times told them to go ahead and pay Hunt the hush money. It also showed that what he had talked about when he said "it was wrong" had no relationship whatsoever to the hush money; it related to the President's inquiry of Dean whether he could afford to give executive clemency to the men who had been convicted in the Watergate burglary. Dean told the President he could not, that it was politically impossible for him to do so, and that it would be a very unwise act from the political standpoint. Then the President said, talking about the proposal for executive clemency, "It would be wrong"—not morally wrong, but politically wrong.

So we not only have had all these efforts to cover up, to hide the truth from the American people, but also we have had attempts to prevent a congressional committee from knowing the truth. We have had the payment of hundreds of thousands of dollars of hush money, and still an effort is being made to cover up the truth.

Now, there was one way the truth could have been revealed. The grand jury named President Nixon as a coconspirator in this coverup operation, this obstruction of justice, which means that he could have been indicted. But President Ford, after making or authorizing the making of three statements indicating the contrary, suddenly, to the surprise and consternation of the country, granted President Nixon, I believe he said, "an absolute, full, and unconditional pardon."

We were asked yesterday why this bill goes back to 1969 and comes down to the President's resignation about these papers. Why, because that was the period for which he accepted the pardon for all the crimes he had committed or may have committed against the United States. That is the reason why we go back to that date in this bill.

I am not impugning the motives of President Ford in granting the pardon. He said he was moved by a merciful inclination.

But he had never read a little adage that I read many years ago: Mercy murders in pardoning those who kill.

Mercy in this case murdered justice and the pursuit of truth, because when President Ford granted that pardon he deprived the courts of this land of the jurisdiction which they would otherwise have had under the Constitution and laws of the United States to investigate directly by judicial proceedings the full story of Watergate and Mr. Nixon's involvement in that story.

That was the effect of the pardon. The select committee's death warrant had already been signed; it could not resume its investigation. The House Judiciary Committee stopped its impeachment proceedings after voting that the President ought to be impeached, because the President resigned. Then President Ford, for merciful reasons, prolonged the coverup operation. That is the effect of the pardon—to deprive the courts of the full capacity to investigate the truth.

Now this substitute, if adopted by the Senate, will show that the Senate, too, is going to aid and abet in hiding from the American people the whole truth about the Watergate affair.

I, for one, think the American people are entitled to know how a man they had entrusted with the Presidency, and how men the President had entrusted with his governmental and political power, acted in trying to prostitute the process and destroy the integrity of the process by which Presidents of the United States are nominated and elected, insofar as the Presidential election of 1972 was concerned.

Now, I said this is a narrow bill. All that the committee bill is designed to do is to protect for future use in the courts of the tapes and other documents which evidence criminal acts. The bill expressly provides that the Administrator of the General Services Administration will adopt regulations, and he will exclude the public from viewing these documents taken under his custody until he has separated them.

Nobody is going to get access to President Nixon's personal papers. Nobody is going to get access to anything relating to national security or anything relating to national defense. The only evidence that the bill permits access to as far as that is concerned, is as to criminal conspiracies. That very point was involved in the Supreme Court decision which has been cited. The Supreme Court decision said that the mere claim of confidentiality or executive privilege where no national security was involved, no military secrets were involved, and no diplomatic relations were involved had no validity and the tapes were required to be produced in court in order that due process of law might be done. So that is our objective.

The American people and the prosecutor are given the right ultimately to know what the truth is.

Now, I have never heard so many constitutional ghosts, which do not exist, conjured up before in my life. We are told that this is a bill of attainder prohibited by the Constitution.

A bill of attainder is a legislative act which adjudges someone guilty of a violation of the law, and not only does that but inflicts upon him legal penalties for his violation of the law.

This bill does not contain a word to the effect that Mr. Nixon is guilty of any violation of the law. It does not inflict any punishment on him. So it has no more relation to a bill attainder—if it is to be compared to a bill of attainder—than my style of pulchritude is to be compared to that of the Queen of Sheba.

Then we are told that this violates somebody's first amendment rights. Why, it does not do anything of the kind. What we are after is the exercise of first amendment rights in connection with criminal conspiracies. This bill does not keep anybody from talking—anybody. So it cannot interfere with freedom of speech.

The Supreme Court said it does not invade anybody's right of privacy, unless people have a private right to formulate criminal conspiracies. The Supreme Court exploded that idea when it handed down the 8-to-nothing decision requiring the President to produce these tapes.

Well, they say there is more than one way to kill a cat without choking it in butter. This substitute is an effort to kill the bill.

We are told, in the first place, that we offended in bringing the bill in without conducting any hearings. I would venture the assertion—I do not know the exact figure—that the American taxpayers have spent at least $10 million trying to investigate the Watergate against all of the efforts to cover up the truth of the matter. The select committee spent virtually all of $2 million. The House Committee spent several million; I do not know how many million the courts and the Special Prosecutor have spent.

The subject matter of the pending bill needs no further investigation. There have been more hearings held on this subject in the Senate select committee, in the House Judiciary Committee, and in the courts, than have been held on any subject on the face of the Earth since the morning stars first sang together for glory.

And yet we are told that our committee ought to have taken more evidence and held more hearings. Why, the select committee alone has about 25 or 26 volumes of printed evidence on Watergate. The House Judiciary Committee has more than that. The transcripts of the record in Judge Sirica's court add considerably more to the public record.

But after they criticize us for not holding some more hearings on the most investigated subject of all time, they offer a substitute of a much broader nature that would itself require hearings.

This substitute declares certain papers to be public papers. But it is worded so that it excludes the papers of President Nixon. It also proposes to take all of the papers of all of the Senators and all of the Congressmen, without any hearing being held on the subject, and make them public property.

Now, this is a serious question. There is not a scintilla of evidence that any Member of Congress, or Presidents Roosevelt, Truman, Kennedy, or Johnson had anything to do with the matter that the committee bill relates to, and that is the Watergate affair. Yet the substitute would have the Government confiscate the papers of Senators, Congressmen, and these former Presidents. It presents a much broader question than does the committee bill.

Now, how much is that going to cost the taxpayers if the courts hold that the papers of these other Presidents and of Senators and Congressmen were their private property?

I, as chairman of the Watergate select committee, received far more than 1 million letters and telegrams. Suppose I put in a claim for their value? A lot of people would pay a lot of money for them, although some would pay a whole lot more if they had never been written.

What is it going to cost?

Beside that question, a Senator or a Congressman is in a different position from the President in respect to official papers because most all of the President's official papers are executed in connection with the preformance of some official duty of his.

About the only official duty that we Senators have is to come over here on the floor of the Senate and try to have enacted wise legislation.

I and every Congressman and Senator have received hundreds and hundreds of letters written by private individuals in connection with some slight, small Government matter that would be very embarrassing to those people if they were released.

That would serve no purpose because most of these people who wrote us were not Presidents of the United States or John Ehrlichmans or H. R. Haldemans; they were just humble citizens. And yet all their letters would all be taken over.

If the courts were to hold that the papers of these other Presidents and the papers of Senators and Congressmen are their personal property—and a very good argument could be made to that point on account of the history in this matter—then $10, $11, or $12 million that has been spent thus far investigating the Watergate affair would be chickenfeed when compared with the cost that this substitute would impose upon the taxpayers.

Now, I said that if I were opposed to having the American people know the full truth about the Watergate affair, I would vote personally for the motion to send the bill to the Judiciary Committee.

I am a member of the Judiciary Committee. It took us 4 or 5 weeks to get a quorum on two occasions. Recently when we were considering important legislation, the rules of evidence bill, one member got up and walked out and we lost a quorum before we could reach decision on the bill.

So if we send this to the Senate Judiciary Committee, the chances of the committee's getting a quorum the remainder of this session are very small.

If the bill goes to the Judiciary Committee and we try to determine what all the Senators' and Representatives' papers are worth, it will be about the time that the last lingering echo of Gabriel's horn trembles into ultimate silence before the Judiciary Committee makes a report.

So, I say again, if I were in favor of continuing to hide from the American people the truth about Watergate, I would vote to send it to the Judiciary Committee. If that motion failed and I were still in favor of hiding the truth about the Watergate affair, particularly the full extent of the former President's involvement in it—and we know now that he was involved on what little tapes have been admitted, obtained—then I would vote for this substitute because there is a possibility that the House would never get around to consideration of the broader substitute.

But even if it did and, exercising intelligence, passed a narrow bill like the committee bill and sent it back over here in the waning days of the session, it would be very easy to mount a filibuster and put an end to this search for the truth.

For that reason, I urge the Senate to vote against the motion to recommit. I urge the Senate to vote against this substitute because our bill is very narrowly drawn. The only papers that would be taken from Mr. Nixon under it would be evidence relating to the criminal acts known as the Watergate affair, that is all—plus documents of great historic value. All the rest of the papers on this bill as amended yesterday will be returned to Mr. Nixon.

I read in the press that when the President undertook to take a tax deduction of hundreds of thousands of dollars on some of his papers, those papers included thousands of invitations he had received to attend various meetings and gatherings and thousands of letters declining the invitations.

Now, for what earthly reason should the taxpayers be required to take over those papers?

Should it not be restricted to those that deal with evidence of criminality and those with historical events and not matters of this kind?

I urge the Senate to vote against the motion to refer and to vote against the substitute and pass a forthright bill which deals with the problem that gave rise to the necessity for this bill.

This substitute reminds me of the man who had a friend who had a headache. Instead of giving him an aspirin tablet, he thought the best way to cure his headache was to shoot him through the head.

That is what the substitute proposes to do to legislation which is imperative if the American people and the courts are going to have the full truth about the Watergate affair.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum, the time for which will be equally divided by unanimous consent between the two sides.

The PRESIDING OFFICER. Is there objection? Without objection, the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, it is my understanding of the parliamentary arrangements in the Senate today that there will be a discussion of the several points that still remain for decision during the course of the morning and that, commencing at 1:30, there will be a vote on each of the proposals that will occur during the course of time before 1:30.

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. HRUSKA. May I say, Mr. President, by way of guidance for the Members, that it will be my intention to make a motion to refer the pending bill to the Committee on the Judiciary. If that motion fails, it is my intention to offer an amendment by way of a substitute. That substitute will be the text of a bill which has been introduced in the Senate, No. S. 4080. Then, presumably, if that amendment is rejected, the bill in its original form, or if the amendment is adopted as amended, will come up for a final vote. But those three votes will occur commencing at 1:30.

Therefore, Mr. President, at this time I formally move that the bill be referred to the Committee on the Judiciary.

Mr. President, a number of discussions have occurred on the floor of the Senate yesterday and today having to do with points that are very interesting, but they are not very relevant to the issues at hand here.

I think most of us are agreed that burglary, whether it is in Watergate or anyplace else, is an illegal act. Most of us—in fact, all of us—are agreed that obstruction of justice is a very wicked and criminal act; likewise, that perjury, when it is committed in regard to these or any other events, is a serious crime and federally punishable, and that conspiracy to do these things likewise is illegal and heavily punishable. They are against the law, they violate constitutional rights.

However, in the disposition of S. 4016, these are not particularly relevant issues. We have before us a measure that involves the matter of due process, the matter of proceeding in a constitutional way, with due reference to a number of rights which all citizens have—and officers and institutions as well.

Reference has been made to the pardon which the President issued to the former President. Let me suggest that that is a power which flows directly from the Constitution to the President. It is for him to utter and grant such a pardon on whatever terms he wishes and whatever conditions might be attached, and whatever he does in the realm of his conscience and of his best judgment. That is a prerogative of the President.

It is well settled that Congress has nothing to do with it. Congress is impotent to try to legislate any changes or modifications or limitations to the pardon or to any of the conditions attached to it.

Happily, the Chief Executive of this Nation will appear before a committee of the other body, at which time he will subject himself to questions on interrogatories and make a statement in explanation of the facts and the background of his constitutionally exercised power.

Reference has been made to the expense of applying the general law, such as that proposed in S. 4080, my bill, which will be general in character, and will apply to all Presidents from 1929 on, and to Members of Congress, with reference to preserving as public documents the papers of their office.

Mr. President, not a nickle of tax money would be devoted to the maintenance and to the preservation and the accessibility of the Presidential papers of former Presidents Hoover, Franklin D. Roosevelt, Truman, Eisenhower, Kennedy, or Johnson. Those papers are already property of the United States. They were donated to the United States without any expense whatever to the taxpayer.

I believe that the way S. 4080 is drafted will take due cognizance of the fact that those papers and their present custody and handling will be within the framework of that law, if it is enacted. If there is any respect in which the custody and the preservation of those papers is in contravention of the law, corrective steps can be taken.

As to the papers of Members of Congress, no expense will be involved as to any future papers that accumulate, after the enactment of this law, because those papers will not belong to the Members of Congress. They will be public property. Being so declared and having that status, it will not be necessary to pay one penny for the purpose of compensation which the law of eminent domain requires. The law of eminent domain will not apply to those papers in any way whatever, because they will be Government papers. So that is a factor which we can discard for the purpose of considering disposition of the pending bill.

Mr. President, it is suggested—in fact, the committee reporting the pending bill has written—that there is imminent danger that the papers will be destroyed, that they will not be taken care of properly, and that therefore, this bill, regardless of any lack of procedural care in its processing, should be passed so as to get the job done and prevent the destruction of these papers.

Mr. President, there could not be a more mistaken idea contained anywhere in the report than that idea. I outlined it yesterday on the floor of the Senate. I shall do so briefly again.

Those papers are still physically in the custody of the Government, in Washington. Physically, they are here. They have not been shipped anyplace. If and when they are shipped, pursuant to the agreement that was entered into by Mr. Nixon and the General Services Administration, they will be placed in a safe place under proper guard, and with due protection from all hazards. They will be available for access only with the application and the use of two keys, one of which will be in the possession and control of Mr. Nixon, the other of which will be in the possession and control of the authorized officer of the Federal Government, and neither one will be able to get into those without the other. There is ample opportunity for such access as will be necessary for official purposes, for either Mr. Nixon's purposes or for the Government's purposes.

General law, which is now in effect and which followed the decision of the Supreme Court in the case of United States against Nixon, has it that for any criminal prosecution, those papers are available. That is the law. It supersedes the constitutional privilege and right of the office of the President to Presidential confidentiality of records, so that is not an issue.

There is no necessity, Mr. President, for the hasty enactment of this bill, because there is no such thing as an imminent danger. It is not necessary that we go into the matter of enacting something hastily without a proper processing of this legislation.

Mr. President, yesterday we went into great detail on the matter of the several constitutional points and questions which should be very carefully canvassed by the Committee on the Judiciary, in my judgment, in the original instance and, by the Committee on Government Operations, hopefully—they did not do it the last time; I hope they will do it in legislation that will come before them in the future—these points partake of the nature of fundamental constitutional rights and they should be considered. I am confident that after a full consideration of them, the public will still have the right to know, within the confines and within the boundaries of constitutionally-permissible areas that they have a right to know. There are other constitutional privileges and rights which have to be equated, and the order of priority has to be equated and established in proper order with the right of the public to know.

Some of these considerations are the matter of executive privilege, Presidential confidentiality—not of Mr. Nixon, not of Mr. Ford, not of any individual—the confidentiality of the records of the Office of the Presidency. That law has been set out and confirmed by the case decided just recently by the Supreme Court, United States against Nixon. That is one of the things that is very, very much in the forefront. We should act in the light of the teaching of that case, because there is involved the running of an office in the proper way, the feeling of confidence of people who will be talking and negotiating and conferring and interviewing the occupant of the White House, whoever he is, with the assurance that whenever the communication is of that nature, it will not be thrown into the public arena for satisfying the urge and the pressures of the moment by way of emotion for the right of the public to know.

It has a right to know, Mr. President, but there are other rights which also must be taken into consideration.

A second constitutional point is that this is an unprecedented "taking" under the law of eminent domain of literary property. The fruit of the thinking and of the mental processes and of the beliefs of a President will be, for the first time, taken under a proceeding of eminent domain. That should be thoroughly considered.

Those first two privileges and rights that I mentioned form the basis for the next right that we discussed here yesterday in great detail. That is the right of privacy; not only the right of privacy of the occupant of the President's office, but the rights of privacy which should be accorded under the Constitution to the many individuals who will be in the White House or anyplace else, in conferences and in conversations and in negotiations, verbal or written or taped or filmed, between the President and these people.

So it is not only the right of privacy of an individual who occupies the office of the President, but likewise, the many hundreds and perhaps thousands, through the years, of all people who find their way to the President's presence.

Arguments founded on the bill of attainder were debated. The right of property was debated: Whose property is it?

There is no question, Mr. President, whose property these papers are, which S. 4016 is directed to. They are the property of Richard Nixon. The Attorney General of the United States has so ruled. To overturn that and to overcome that will be to reverse the decisions, the thinking, the practice, and the law of the Nation ever since 1786, and that is a long, long time. It certainly appears to partake of the nature of an ex post facto law.

What can be done by way of the taking of the papers should be determined, Mr. President. The limitations of the powers exercised here, its difficulties, should be examined in hearings and by testimony from authorities on the subject and serious study.

I have explained that there is not any imminent danger to the custody of the papers, or any destruction. That certainly is the fact. Injunctive proceedings are available to enjoin the destruction of the tapes. If we refer this bill to the Committee on the Judiciary and have an orderly treatment of it, we shall then avoid the infirmity that is suffered by the bill.

I submit to you, Mr. President, that that is the very nature of this bill. It is a bill introduced out of the passions and emotions of an unprecedented event, and this legislation and this event should be considered in the sweep of history. It should be considered in the light of the impact which will be made in future years by way of a precedent that we are formulating.

The infirmity of such a bill, Mr. President, is compounded here by the fact that this bill has been brought to the floor quickly without going through the regular legislative process and without an airing of even the most fundamental issues and the most obvious issues. No hearings were held at all—none.

The infirmity that attaches to this bill is the confusion of a power's validity with its cause. In short, the philosophy adopted here is that the end justifies the means. There are many people who want to have access to those papers, and they want to have them regardless of the rights and the obligations owed to the Federal Government, to the Congress, and by the courts in our system of government and residing in others.

I ask unanimous consent, Mr. President, that there be printed in the RECORD at this time the expression by Justice Jackson in the steel seizure case, which is to be found on page 18249 of the RECORD, and which was cited by this Senator in the debate yesterday. I shall not bother to read it now.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

> The opinions of judges, no less than executives and publicists, often suffer the infirmity of confusing the issue of a power's validity with the cause it is invoked to promote, of confounding the permanent executive office with its temporary occupant. The tendency is strong to emphasize transient results upon policies . . . and lose sight of enduring consequences upon the balanced structure of our Republic. *Youngstown Sheet Tube Co. v. Sawyer*, 343 U.S. 579, 634 (1952).

Mr. HRUSKA. Mr. President, it is for these reasons that I make the motion to commit the bill to the Committee on the Judiciary.

If the motion is not adopted, I wish to say that I was very gratified by the statement of the Senator from North Carolina that he would accord full hearings to the text of the amendment, and the substance of the amendment offered by Senator PERCY yesterday. I hope that he will join me, or at least will have no objection to referring that will together with S. 4080, jointly to the Committee on the Judiciary and the Committee on Government Operations, with the Committee on Government Operations having the primary obligation.

Mr. ERVIN. If the Senator will pardon me, I did not say I would hold hearings, because I am retiring at the end of the present session. I will be gone; I cannot possibly hold hearings before January. But Senator RIBICOFF said he would hold hearings.

Mr. HRUSKA. Yes. But I understood the Senator from North Carolina to say he was in sympathy with hearings being held on it.

Mr. ERVIN. I am because I want considered, first, how many millions of dollars it is going to cost if the Government contends that papers of all Senators and Representatives, President Hoover, President Roosevelt, President Truman, President Eisenhower, President Kennedy, and President Johnson are public property. That is what the Senator's substitute provides.

Mr. HRUSKA. Well, I would respectfully suggest a difference of opinion on that point, because my bill will center on this proposition only insofar as Members of Congress are concerned. It will declare that those papers will, from the enactment of the bill, be Government papers, public papers, and there will be no eminent domain.

Mr. ERVIN. Yes; the Senator's proposal provides that all the letters they write are to be Government papers.

Mr. HRUSKA. It will provide that if it is impracticable or burdensome, or if it is too expensive, they can be exempted.

Mr. ERVIN. And there cannot be any hearings on that, because we have to vote on the substitute without any hearings.

Mr. HRUSKA. That is an error that can readily be corrected. All the Senator has to do is call for hearings and include the very necessary element of public hearings in the text of the bill, S. 4016, and then we will be on solid ground.

Would the Senator go that far, to have that bill referred for hearings and also S. 4016?

Mr. ERVIN. Does the Senator mean the bill I am advocating that the Senate pass? I hope it will be passed long before January.

Here is the thing about it: If these papers are the property of Senators, then under section 2208 on page 8 of the Senator's substitute, they would all have to be compensated. And what, for example, of the far more than a million letters and telegrams I received as chairman of the Senate select committee? What are they worth?

Mr. HRUSKA. Mr. President, if that provision in my bill, S. 4080, is too burdensome, if it is not practicable, if it is too expensive, in the process of legislating that bill it can be either eliminated or modified to the extent of applying the provisions prospectively, and that would satisfy me.

Mr. ERVIN. If the Senator's substitute is adopted, it goes on with no chance for hearings, none whatever.

Mr. HRUSKA. Of course, the Percy amendment applied to the same thing; it is in the same category.

I would not dream of getting into a situation where there would not be the necessity for hearings, but it just occurred to me, Mr. President, that since there were no hearings on S. 4016, it would appear that the adoption of my amendment without hearings is equally legitimate and proper.

I see the Senator from Pennsylvania is present. He will want to take some of the time, which is now on a limited basis. I yield 5 minutes to the Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, I want to begin by saying that it is essential that we avoid, at all costs, the destruction of these papers. I would like to feel that papers of previous Presidents could equally be preserved. I recall, I believe, that the Adams family destroyed their papers; the widow of President Harding burned his papers; and certainly the agreement with the GSA should be legislatively modified to protect us against this destruction.

So, Mr. President, I want my position on this matter of Presidential papers clearly understood. I favor full disclosure, and said so last month. I do not favor the possible destruction of any Watergate-related material, as provided in the GSA agreement, and would support legislation to prevent any such unfortunate destruction. However, I deplore this legislative distortion of the Constitution no matter what lofty objectives are intended.

The Judiciary Committee ought to be given an opportunity to review the bill prior to Senate action and I regret the haste in which we are about to pass it.

There are a number of serious constitutional questions involved and a respect for the Constitution itself have impelled us to have hearings promptly and to report back to the Senate expeditiously. The rationale behind the bill is proper and its purposes, if constitutional, are warranted.

Our distinguished friend the eminent senior Senator from North Carolina is widely respected as not only an expert on the Constitution, but its personal protector and intimate friend. I have noted this before.

Knowing how much he values the Constitution, I have asked him to leave the original with the Government and carry with him in his heart only his sincere devotion and his acute regard.

We have heard the distinguished Senator from North Carolina speak impassionately on many an occasion on the constitutionality of various measures, and therefore it comes as something of a surprise to find the distinguished Senator at this time cavalierly ignoring at least six major constitutional questions.

I hate to think of his carrying with him a depleted, distorted, or ravished memory of the Constitution. I want him to be consistent with his long time advocacy—quite successful advocacy, I am glad to say—of the right of privacy.

I think that question exists, and could will be considered by the Judiciary Committee, of which he, the distinguished Senator from Nebraska (Mr. HRUSKA), and I are all members. This is a committee consisting of members who are versed in the Constitution, as distinguished from the Committee on Government Operations, which has eminently competent and able membership, but is not dedicated to this question, but rather the question of physical possession of documents in this instance.

The first question is, of course, that of separation of powers.

Mr. ERVIN. Mr. President, will the Senator yield to me, just to make a little observation at that point?

Mr. HUGH SCOTT. The Senator's observations are usually devastating to those who incautiously yield, but I will be glad to take the risk.

Mr. ERVIN. I would just like to tell the Senator that this bill I am advocating was unanimously reported by the Committee on Government Operations, and all of those who voted for it were lawyers except two—and pretty good lawyers, with the exception of myself.

Mr. HUGH SCOTT. That is the point I am making: not all of them are lawyers. Not all of them have customarily been expected to consider complex constitutional issues.

The Senator has fought vigorously for the doctrine of the separation of powers. He is aware that the ability of the Chief Executive was recognized in United States against Nixon to maintain in confidence those communications the disclosure of which would impair the function of the legislative branch.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HRUSKA. I yield 5 more minutes.

Mr. HUGH SCOTT. The letter from President Truman is especially cogent in support of this doctrine.

The question of eminent domain is one which the Judiciary Committee alone considered, so far as I am aware, in its legal aspects, and the execution of eminent domain here would seem to me to be unprecedented.

The first amendment rights are involved, the right to speak freely and candidly, which might be chilled if private conversations and communications are to be widely and indiscriminately published without court surveillance and approval.

The right to privacy, which the Senator from North Carolina (Mr. ERVIN) has so ably argued for during his service, his distinguished service, in the Senate, is involved because the forced publication leads to government invasion of thoughts and private conversations which they had expected to remain private; and I distinguish, of course, that from all matters involving the criminal and civil process.

I have said from the beginning that those matters ought to be made available; the courts have adjudicated these matters and no one now, I think, would argue otherwise.

The question of a bill of attainder is a very serious question since the action is directed against the papers of a single individual. We are showing no interest in releasing our own papers or in releasing the interesting documents of other Presidents which would relate, for example, to the Bay of Pigs, the Gulf of Tonkin resolution, the strange and curious case of the dog which did not bark in the night, and I refer to the Bobby Baker case where, by a straight party vote throughout in the committee and on the floor, a coverup was deliberately perpetrated, and disclosures were opposed by the very Senators who now argue for this measure in its present form. But then consistency is such a semiprecious stone or the hobgoblin of little minds, as Emerson noted, and so one does not expect consistency from ourselves when the purposes of proposed legislation would seem to interfere and impose an embarrassment to consistency.

Now, I cannot see why, if we are going to maintain a right of possession indefinitely and a right of property as to papers of one individual, we are so reluctant to give up ours. I will give mine up gladly. I was going to leave them to a university in a permanent library and without compensation, so far as I know. I will be dead and I will not be able to check that, Mr. President, but I have no idea or thought of compensation. I am simply going to leave the papers in the hope that somewhere, somehow I said something interesting sometime, or it may have contributed to history. I have some interesting documents from Presidents and princes and from paupers and politicians, and I have no desire to withhold this material from the views of those who believe that it would be historically useful.

I think it is rather amusing that Senators wish to invoke against others that which they do not invoke against themselves.

I think the fact that they do not want us to see the Bobby Baker case is rather interesting, or the Bay of Pigs or the Gulf of Tonkin. It seems that only the errors and mishaps and wrongdoings of an individual—undoubtedly correctly——

Mr. ERVIN. Mr. President, will the Senator yield to me?

Mr. HUGH SCOTT. I would again, at hazard to myself, pardon another interruption on the Senator's own time. I understand we are limited. That is all right.

Mr. ERVIN. If the Senator will introduce legislation to make public Bobby Baker's papers and the Bay of Pigs papers, I will cosponsor his bill.

Mr. HUGH SCOTT. But the Senator has already said he will not be here long enough to enable his committee or the Judiciary Committee to act on these matters. He has pleaded the shortage of time.

Mr. ERVIN. The Senator, under the Senate rules, can introduce such a bill and ask for its immediate consideration. If anybody objected, it would be on the calendar the next day, and I am going to be here tomorrow.

Mr. HUGH SCOTT. The distinguished Senator from North Carolina knows there are 1,001 ways in which legislation, which could be potentially embarrassing, will not be brought up. This legislation would require the consent of the Senators, and that would not be forthcoming.

Mr. ERVIN. Yes, I am getting an education on this by the motion to refer to the Judiciary Committee and also by the substitute.

Mr. HUGH SCOTT. I did not know that the Senator was capable of a further education, but I am delighted to find that he is and, therefore, if I can contribute some small job or tittle to the cerebrations of the distinguished Senator from North Carolina, let it be added to my memoirs, and let those also be donated freely and publicly to the public domain.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. HRUSKA. Mr. President, I yield 2 minutes.

Mr. HUGH SCOTT. Two minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. HUGH SCOTT. So, Mr. President, I summarize this way: The distinguished Senator from North Carolina naturally wants action on his bill, without hearings, without consideration, knowing well that his subject is a popular one, and knowing well that all of us share the desire to preserve and protect and defend the documentation here involved. I am distinctly against its destruction and will support any sort of legislation that will protect us in that regard.

At the same time, the Senator has obviously indicated that there must be—besides himself—many Senators who regard their right of privacy as superior to that of any former President; and who, second, do not want all Presidents treated equally.

My final vote will, I think, show my own true and dedicated views that this documentation must be kept available in the public domain and for public use, and their destruction must be avoided.

But this is a political measure brought at a political time for political purposes, and no amount of asseveration to the contrary will erase that motivation. So it is a motherhood issue. Most Senators are going to feel they have to vote for it because the prevention of the destruction of the papers is tied into a package of other matters. It is done without hearings, it is done without reference to the proper committee, and it is done, as I say, in a cavalier fashion because we, in the minority, are totally helpless to prevent this sort of thing.

We are rolled over as regularly as by the steamrollers along the highway, and we probably will be rolled over again. But I think it should be referred to the committee. with a time certain: bring it back, let us vote on it before the session is over, and I suspect that whatever comes out of the Judiciary Committee we will all be glad to vote for.

Mr. President, with my best wishes to the distinguished Senator from North Carolina, I regret that his copy of the Constitution, which returns with him to his own State, as he pursues other pursuits with dignity, charm, and humor, will be tattered and dogeared by this last assault.

Mr. ERVIN. Just one moment.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. I do, and then I shall yield to the Senator from Wisconsin.

If the constitutional views of my friends, the Senator from Pennsylvania and the Senator from Nebraska, prevail, the Constitution will be tattered and torn. I think it is a perfectly good instrument.

Now, on this letter of President Truman, as I recall, a subpena was issued to him after he left the office of the President by Congressman Velde of the House Un-American Activities Committee.

The subpena did not say what the committee wanted President Truman to testify about, but the Congressman issued statements to the press that he was going to cross-examine President Truman as to why he exercised his constitutional powers in the way he did rather than the way the Congressman thought he ought to have exercised them.

President Truman said he was not required to answer for the exercise of his constitutional powers.

This is an effort to reserve the record that a President made, which show an abuse of the Constitution and the failure to take care of the laws being faithfully executed. The tapes show criminal conspiracies on the part of his aides. Those are not constitutional acts.

Mr. HUGH SCOTT. Will the Senator yield for a clarification?

Mr. ERVIN. Yes, I would be glad to.

Mr. HUGH SCOTT. My comment is brief.

The Senator earlier said that he would gladly support a bill to make the Bobby Baker papers and information available. Does not the Senator recall that on every motion to uncover this coverup the Senator voted in favor of the coverup and against——

Mr. ERVIN. The Senator from Pennsylvania is stating—that is a——

Mr. HUGH SCOTT. Parliamentary language, please. [Laughter.]

Mr. ERVIN. There was a commentator who took handouts from the Republican National Committee, and he wrote a column to that effect.

The record shows I voted every time the question was up to have Bobby Baker investigated, and the only thing I voted against was an amendment to let one member of the committee determine what witnesses were to be summoned. It was a seven-man committee, and I voted against an amendment that would take the control of the committee out of the committee's hands and give it to a minority.

I voted to continue the investigation after it stopped, I voted to reopen it, and I never at any time voted against any proposition to keep Bobby Baker from being investigated.

He was investigated for 16 months and as a result of that investigation he was tried for a criminal offense, he was not only tried, he was sentenced to prison, and nobody gave him a pardon.

Mr. HUGH SCOTT. Finally, the Senator is admitting what I said, because the various items involved were the efforts of three minority members to persuade the four majority members to permit certain subpenas and the availability of certain information, including information held at the White House, and the Senator does say, while he attributes that to those Members of the minority, I was there, it was the movement of three Members, the whole minority, and the Senator rolled over us.

The PRESIDING OFFICER. Is the Senator from North Carolina yielding to the Senator from Pennsylvania?

Mr. HUGH SCOTT. That is all I have.

Mr. ERVIN. The resolution to investigate Bobby Baker was introduced by Senator John Williams of Delaware. I voted for it.

After the hearings had ceased, and there came some allegation of the connection between Bobby Baker and McCloskey, Democratic national chairman, as I recall, Senator MANSFIELD offered another resolution to reopen the investigation, and I voted for that.

After the investigation had been running for a year and the Committee on Ethics was set up, there was a motion to let that committee conduct the investigations. But the Ethics Committee was not organized, it did not have a staff, and I voted against that, to let it stay in the Rules Committee where it belonged.

There was another resolution to refer it to the Government Operations Committee for the Permanent Subcommittee on Investigations. Senator McCLELLAN, the chairman of that committee, stood on the floor of the Senate and opposed that proposal. He said that he had too much to do already. I voted with Senator McCLELLAN.

There was one amendment offered by Senator Curtis to compel the committee to call any witness that one member of the committee wanted called, even though the witness knew nothing about the matter investigated. I voted against that.

I also voted against the proposition to allow a minority of the committee to take control of the committee.

But I supported the investigation of Bobby Baker from the beginning to end.

The PRESIDING OFFICER. Who yields time?

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Wisconsin?

Mr. ERVIN. Yes, sir, I yield.

Mr. NELSON. Five minutes?

Mr. ERVIN. I yield the Senator 5 minutes, or more if he wants it.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. NELSON. Mr. President, the distinguished minority leader stated that this bill was drafted and introduced and is being considered and pushed for purely political reasons.

This bill was drafted in my office. It never occurred to me that we would need a bill to deal with this issue, and I do not think it occured to anybody in Congress that it would be necessary to propose legislation to take jurisdiction over the tapes and papers relating to former President Nixon's tenure.

On September 8, there was announced an agreement between former President Nixon, the White House, and the General Services Administration. That agreement provides, among other things, that when the former President dies, the tapes are to be destroyed. That provision creates the emergency.

If the former President died tomorrow, all the tapes would be destroyed under that agreement.

Therefore, it is necessary to take legislative action. It is necessary to take it quickly; accordingly, we drafted this legislation between September 8 and September 18, which is as rapidly as we could carefully put together a bill. The distinguished Senator from North Carolina joined in this effort. Then we introduced a bill on September 18 to deal with a specific emergency.

I might say that everybody was quite shocked when the agreement was announced between the White House, General Services Administration, and former President Nixon.

It is critically important for historical purposes that those tapes be preserved. It is equally important to preserve the papers which under the agreement, can be destroyed after 1977. It is imperative that this country understand what went on, what acts were committed by the former President and high and powerful officials acting in their official capacity.

This country must understand what they did if we are going to be forewarned about future events and if we are going to be prepared to adopt the measures and the legislation necessary to stop future Watergates.

That is an emergency situation, that is why that bill is before us.

The idea that other Members of Congress and other public officials are not prepared to disclose their own papers, because they are not prepared to add that amendment to this bill, is nonsense.

I was Governor of my State for 4 years. All of my papers went to the State Historical Society. We did not claim, ask, or even think of taking any deduction for a tax deduction, if in fact they were worth any deduction.

All the Governors in our State have, as a matter of practice, turned over all their papers. I might say that my papers include all the correspondence between me and my constituents on all official business while I was a Governor of our State.

The argument that we should now throw on top of this bill an amendment to include every public official is simply a proposal by those who do not want this bill passed.

The matter of dealing with the question of public papers is important. The

Government Operations Committee, in their executive markup, all the members agreed, including the current chairman of that committee and the one who probably will be the next chairman, that that will be a first order of business next year. And if we want an early order of business we will be on the floor, we will offer amendments to be sure that all papers are covered.

But the factor that is critical to remember here is that this Nixon-White House agreement was signed. It shocked everybody because if the President died tomorrow the tapes can be all destroyed.

Mr. ERVIN. Mr. President, will the Senator yield for a question?

Mr. NELSON. I yield to the Senator.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. ERVIN. I yield the Senator 5 more minutes.

Mr. NELSON. I thank the Senator.

Mr. ERVIN. This agreement contains a clause and this agreement was made by Mr. Sampson, the Administrator of General Services, and former President Nixon; was it not?

Mr. NELSON. Yes, that is correct.

Mr. ERVIN. And the agreement was made in secret?

Mr. NELSON. The Senator is correct.

Mr. ERVIN. And there were no hearings on it?

Mr. NELSON. That is correct.

Mr. ERVIN. And nobody knew anything about it until the agreement was announced.

Mr. NELSON. That is correct.

Mr. ERVIN. Section 8 of this agreement reads as follows:

> The tape recordings of conversations in the White House and the Executive Office Building which will be deposited pursuant to this instrument shall remain on deposit until September 1, 1979.

In other words, they are not to be used until September 1, 1979, by anybody.

Mr. Nixon said:

> I intend to and do hereby donate to the United States, such gift to be effective September 1, 1979, all of the tape recordings of conversations in the White House and Executive Office Building conditioned, however, on my continuing right of access as specified in paragraph 9 here of and on the further condition that such tapes shall be destroyed at the time of my death or on September 1, 1984, whichever event shall first occur.

I invite the Senator's attention to the next sentence:

> Subsequent to September 1, 1979 the Administrator shall destroy such tapes as I may direct.

Does this mean in plain English that the Administrator agreed that the former President would control these tapes until September 1, 1979?

Mr. NELSON. That is correct.

Mr. ERVIN. If the President died prior to that time, the tapes would all be destroyed. After that date arrives, September 1, 1979, when the donation became effective, the effect of the donation could be destroyed because it provided that after they became the property of the United States the Administrator would destroy any of the tapes that the President directed him to destroy.

Mr. NELSON. That is correct.

Mr. ERVIN. And this was the document giving President Nixon the right to have these tapes destroyed that required speedy action.

Mr. NELSON. That is correct. If there had been hearings and careful consideration, if there had been an opportunity for consideration of this, we would not have been required to introduce a bill in an emergency situation to preserve critically important historical documents. That urgency was not created by the Congress; it was created by an agreement signed between GSA and the former President.

Mr. ERVIN. And the man who made the agreement with the former President was a man who had been appointed to his office by the former President, was he not?

Mr. NELSON. That is correct.

Mr. ERVIN. The Scriptures tell us old Nicodemus traveled by night, and this agreement was made under that same kind of circumstances; was it not?

Mr. NELSON. Yes.

I might say to the Senator this might very well be an appropriate place in the RECORD to reprint again the whole substance of the agreement, unless it has been put into today's RECORD. Some people might be fooled by the arguments on the other side that this bill is unfair, that this is precipitous action, that this is action that is not necessary at this time; that we ought to send it back for extensive hearings.

They may not understand the urgency of the situation that if the President dies, the tapes will be destroyed.

Mr. President, I ask unanimous consent that the agreement reached, dated September 6, 1974, entitled "Text of a letter from Richard Nixon to Arthur Sampson, Administrator, General Services Administration," signed by Richard Nixon and signed and accepted by Arthur F. Sampson, Administrator of the General Services Administration, be printed in full in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEXT OF A LETTER FROM RICHARD NIXON TO ARTHUR F. SAMPSON, ADMINISTRATOR, GENERAL SERVICES ADMINISTRATION

SEPTEMBER 6, 1974.

HON. ARTHUR F. SAMPSON,
Administrator, General Services Administration, Washington, D.C.

DEAR MR. SAMPSON: In keeping with the tradition established by other former Presidents, it is my desire to donate to the United States, at a future date, a substantial portion of my Presidential materials which are of historical value to our Country. In donating these Presidential materials to the United States, it will be my desire that they be made available, with appropriate restrictions for research and study.

In the interim, so that my materials may be preserved, I offer to transfer to the Administrator of General Services (the "Administrator"), for deposit, pursuant to 44 U.S.C. Section 2101, *et seq.*, all of my Presidential historical materials as defined in 44 U.S.C. Section 2101 (hereinafter "Materials"), which are located within the metropolitan area of the District of Columbia, subject to the following:

1. The Administrator agrees to accept solely for the purpose of deposit the transfer of the Materials, and in so accepting the Materials agrees to abide by each of the terms and conditions contained herein.

2. In the event of my death prior to the expiration of the three-year time period established in paragraph 7A hereof, the terms and conditions contained herein shall be binding upon and inure to the benefit of the executor of my estate for the duration of said period.

3. I retain all legal and equitable title to the Materials, including all literary property rights.

4. The Materials shall, upon acceptance of this offer by the Administrator, be deposited temporarily in an existing facility belonging to the United States, located within the State of California near my present residence. The Materials shall remain deposited in the temporary California facility until such time as there may be established, with my approval, a permanent Presidential archival depository as provided for in 44 U.S.C. Section 2108.

5. The Administrator shall provide in such temporary depository and in any permanent Presidential archival depository reasonable office space for my personal use in accordance with 44 U.S.C. Section 2108(f). The Materials in their entirety shall be deposited within such office space in the manner described in paragraph 6 hereof.

6. Within both the temporary and any permanent Presidential archival depository, all of the Materials shall be placed within secure storage areas to which access can be gained only by use of two keys. One key, essential for access, shall be given to me alone as custodian of the Materials. The other key may be duplicated and entrusted by you to the Archivist of the United States or to members of his staff.

7. Access to the Materials within the secure areas, with the exception of recordings of conversations in the White House and the Executive Office Building which are governed by paragraphs 8 and 9 hereof, shall be as follows:

A. For a period of three years from the date of this instrument, I agree not to withdraw from deposit any originals of the Materials, except as provided in subparagraph B below and paragraph 10 herein. During said three-year period, I may make reproductions of any of the originals of the Materials and withdraw from deposit such reproductions for any use I may deem appropriate. Except as provided in subparagraph B below, access to the Materials shall be limited to myself, and to such persons as I may authorize from time to time in writing, the scope of such access to be set forth by me in each said written authorization. Any request for access to the Materials made to the Administrator, the Archivist of the United States or any member of their staffs be referred to me. After three years I shall have the right to withdraw from deposit without formality any or all of the Materials to which this paragraph applies and to retain such withdrawn Materials for any purpose or use I may deem appropriate, including but not limited to reproduction, examination, publication or display by myself or by anyone else I may approve.

B. In the event that production of the Materials or any portion thereof is demanded by a subpoena or other order directed to any official or employee of the United States, the recipient of the subpoena or order shall immediately notify me so that I may respond thereto, as the owner and custodian of the Materials, with sole right and power of access thereto and, if appropriate, assert any privilege or defense I may have. Prior to any such production, I shall inform the United States so it may inspect the subpoenaed materials and determine whether to object to its production on grounds of national security or any other privilege.

8. The tape recordings of conversations in the White House and Executive Office Building which will be deposited pursuant to this instrument shall remain on deposit until September 1, 1979. I intend to and do hereby donate to the United States, such gift to be effective September 1, 1979, all of the tape recordings of conversations in the White House and Executive Office Building conditioned however on my continuing right or access as specified in paragraph 9 hereof and on the further condition that such tapes shall be destroyed at the time of my death or on September 1, 1984, whichever event shall first occur. Subsequent to September 1, 1979 the Administrator shall destroy such tapes as I may direct. I impose this restriction as other Presidents have before me to guard against the possibility of the tapes being used to injure, embarrass, or harass any person and properly to safeguard the interests of the United States.

9. Access to recordings of conversations in the White House and Executive Office Building within the secure areas shall be restricted as follows:

A. I agree not to withdraw from deposit any originals of the Materials, except as provided in subparagraph B and paragraph 10 below, and no reproductions shall be made unless there is mutual agreement. Access to the tapes shall be limited to myself, and to such persons as I may authorize from time to time in writing, the scope of such access to be set forth by me in each said written authorization. No person may listen to such tapes without my written prior approval. I reserve to myself such literary use of the Information on the tapes.

B. In the event that production of the Materials or any portion thereof is demanded by a subpoena or other order directed to any official or employee of the United States, the recipient of the subpoena or order shall immediately notify me so that I may respond thereto, as the owner and custodian of the Materials, with sole right and power of access thereto and, if appropriate, assert any privilege or defense I may have. Prior to any such production, I shall inform the United States so it may inspect the subpoenaed materials and determine whether to object to its production on grounds of national security or any other privilege.

10. The Administrator shall arrange and be responsible for the reasonable protection of the Materials from loss, destruction or access by unauthorized persons, and may upon receipt of any appropriate written authorization from the Counsel to the President provide for a temporary re-deposit of certain of the Materials to a location other than the existing facility described in paragraph 4 herein, provided however that no dimunition of the Administrator's responsibility to protect and secure the Materials from loss, destruction, unauthorized copying or access by unauthorized persons is affected by said temporary re-deposit.

11. From time to time as I deem appropriate, I intend to donate to the United States certain portions of the Materials deposited with the Administrator pursuant to this agreement, such donations to be accompanied by appropriate restrictions as authorized by 44 U.S.C. Section 2107. However, prior to such donation, it will be necessary to review the Materials to determine which of them should be subject to restriction, and the nature of the restrictions to be imposed. This review will require a meticulous, thorough, time-consuming analysis. If necessary to fulfill this task, I will request that you designate certain members of the Archivist's staff to assist in this review under my direction.

If you determine that the terms and conditions set forth above are acceptable for the purpose of governing the establishment and maintenance of a depository of the Materials pursuant to 44 U.S.C. Section 2101 and for accepting the irrevocable gift of recordings of conversations after the specified five year period for purposes as contained in paragraph 8 herein, please indicate your acceptance by signing the enclosed copy of this letter and returning it to me. Upon your acceptance we both shall be bound by the terms of this agreement.

Sincerely,

(S) RICHARD NIXON.

Accepted by: Arthur F. Sampson, Administrator, General Services Administration, 9/7/74.

(S) ARTHUR F. SAMPSON.

Mr. ERVIN. Will the Senator yield for a question?

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. ERVIN. I yield the Senator an additional 5 minutes.

The PRESIDING OFFICER. The Senator is recognized for an additional 5 minutes.

Mr. ERVIN. I would like to ask the Senator if an argument cannot be made that the agreement is, in effect, an agreement to destroy evidence of criminal actions and, therefore, may constitute a conspiracy to obstruct justice.

Mr. NELSON. If, in fact, that was the agreement, it would—and I think that is the agreement.

Mr. President, constitutional questions have been raised. I think the point ought to be made absolutely clear that this bill does not address itself to the question of who owns these tapes and these papers. We do not attempt in this legislation to determine that, as a legislative matter.

Former President Nixon is entitled under the law to all the tapes and all the papers, or part of the tapes and part of the papers, or none of the tapes and none of the papers, as a matter of law, and that issue has to be settled, when raised before the Supreme Court.

This bill provides an expedited procedure to test any question of the invasion of anybody's rights. It allows the former President to raise executive privilege. It requires a three-judge circuit court to have the matter treated as a priority issue, and then appeal to the Supreme Court. This bill is neutral on the issue of who owns these tapes and papers.

It simply provides that they may not be destroyed, and it provides a method of protecting them. It provides the procedures for protecting the rights of privacy, and not interfering in any way with the criminal trials that are occurring.

It provides a procedure for setting up rules, to come to the Congress and be approved or disapproved by the Congress as to the question of access to the tapes and to the papers.

So it is a very carefully drafted bill that does not in any way attempt to abrogate anybody's rights, which we could not do by statute anyway.

Constitutional questions have been raised again, again, and again, on due process, ex post facto laws, bills of attainder. All these various questions have been raised here on the floor, asserting that this bill violates constitutional rights; it does not violate constitutional rights. It does not attempt to settle anybody's rights, the Government's or the former President's.

We asked the Library of Congress to brief carefully all of these issues. The American Law Division of the Library of Congress made an analysis of S. 4016, the Presidential Recordings and Materials Preservation Act. That opinion was placed in the RECORD yesterday.

Obviously, some of the Members did not read the RECORD yesterday, or the opinion.

Mr. President, I think it ought to be inserted again in this RECORD so there will be an opportunity for everybody who did not see it in yesterday's RECORD to see it in today's, and to see that all of these arguments are effectively and concisely refuted by the American Law Division of the Library of Congress.

Mr. President, I ask unanimous consent that this brief on these issues by the American Law Division be printed in the RECORD at this point.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., October 3, 1974.

To: Hon. Gaylord Nelson. Attn: Lew Paper.
From: American Law Division.
Subject: Analysis of S. 4016, Presidential Recordings and Materials Preservations Act.

At the request of your staff, we are sending the enclosed report analyzing the provisions of S. 4016.

VINCENT E. TREACY,
Legislative Attorney.

CONSTITUTIONAL QUESTIONS RAISED BY S. 4016, A BILL TO PROTECT AND PRESERVE TAPE RECORDINGS OF CONVERSATIONS OF FORMER PRESIDENT NIXON

"Presidential Recordings and Materials Preservation Act", S. 4016, 93d Congress, 2d Session, introduced on September 18, 1974, is designed to protect and preserve the tape recordings of conversations of former President Richard M. Nixon made during his tenure as President. To summarize briefly, the bill would direct the Administrator of General Services to obtain, or, as the case may be, retain, all of the tapes which meet the description set forth in the bill, and all the historical materials associated with the Nixon Presidency. Destruction of the tapes and historical materials would be prohibited, except as provided by Congress. The Administrator is to issue regulations governing access to the tape recordings and historical materials, including national security safeguards and curbs on pre-trial publicity.

The bill recognizes the possibility that the tapes and materials affected may be personal property and therefore authorizes just compensation to be paid in an amount adjudged by a Federal court of competent jurisdiction. The bill also establishes Federal court jurisdiction for challenges to the legal or constitutional validity of its provisions.

Numerous objections can be raised against the bill: 1) that it operates retroactively in possible violation of the *ex post facto* Clause of the Constitution; 2) that it applies to one named individual in violation of the Bill of Attainder Clause; 3) that it supersedes the Nixon-Sampson Agreement of September 6, 1974, in violation of the Obligation of Contracts Clause; 4) that it takes private property for a public use without due process or just compensation in violation of the Fifth Amendment.

Dealing with these issues in turn, we turn first to the problem of retroactivity. The Constitution provides, in Article I, Section 9, Clause 3, that no *ex post facto* law shall be passed by Congress. The Supreme Court held in an early case that this clause is applicable only to criminal or penal statutes, and is inapplicable to other kinds of retroactive legislation. *Calder* v. *Ball,* 3 Dall. (3 U.S.) 386, 393 (1798). This clause prohibits statutes which render criminal an act which was innocent at the time it occurred, or which increase the punishment for an act. The proposed bill does not provide criminal penalties, nor attach punishment to any past acts. It therefore does not appear to violate the *ex post facto* clause.

The second objection is to the specification of former President Nixon by name. Article I, Section 9, Clause 3, also provides that no Bill of Attainder may be enacted by Congress. This clause prohibits Congress from inflicting punishment on any person or upon an easily ascertainable group or class of persons. Under this clause, the Supreme Court has struck down statutes which barred Communists from holding office or employment with labor unions, *United States* v. *Brown,* 381 U.S. 437 (1965); which forbade use of appropriated funds to pay three allegedly subversive Government employees, *United States* v. *Lovett,* 328 U.S. 303 (1946); or which required attorneys, as a condition to the practice of law, to take an oath that they did not take part in the rebellion of the Confederacy during the Civil War, *Ex parte Garland,* 4 Wall (71 U.S.) 333 (1867).

As in the case of the *ex post facto* objections, because the proposed bill does not impose criminal penalties or other punishment, it would not appear to violate the Bill of Attainder Clause.

The third objection arises from the provision of Article I, Section 10, Clause 1, that no state shall pass any law impairing the obligation of contracts. By its terms, this clause does not prohibit the Congress, as distinguished from the states, from impairing the obligation of contracts. *Continental Bank* v. *Chicago, R.I. & P. Ry. Co.,* 294 U.S. 648, 680 (1935). From an early date, the Supreme Court has read this limitation into the Fifth Amendment, holding that Congress cannot pass a law that destroys or impairs the lawful private contracts of citizens. *Calder* v. *Bull,* 3 Dall (3 U.S.) 386, 388 (1798). This principle is limited, however, to acts which operate directly to impair contracts; Congress has authority to pass legislation pertinent to any of the powers conferred on it by the Constitution, even though the legislation operates collaterally or incidentally to impair or destroy the obligation of private contracts. *Continental Bank* v. *Chicago R.I. & P. Ry. Co.,* 294 U.S. 648, 680 (1935).

While the right to sue for the enforcement of contracts between individuals and corporations cannot be taken away, a different rule prevails with respect to contracts of sovereigns. Contracts between the nation and an individual are only binding on the conscience of the sovereign and have no pretensions to compulsive force. *Lynch* v. *United States,* 292 U.S. 571, 580–81 (1934), quoting Alexander Hamilton, *The Federalist,* No. 81. Thus, a law which takes away the right to sue the United States on a contract does not impair the obligation of contracts, since the United States may not be sued without its consent.

In the light of the above principles, the proposed bills would not impair the obligation of contracts with respect to the agreement entered into by Mr. Nixon and the General Services Administration. The bill would represent an action of Congress, within its inherent sovereign power of eminent domain, to protect and preserve materials in the public interest. Its effect on the Nixon-Sampson Agreement would be incidental and collateral, not direct. To the extent that property rights are embodied in that agreement, any objection must be grounded on the Fifth Amendment rather than on the Obligations of Contract Clause. It is therefore necessary to turn to the Fifth Amendments issues raised by the fourth objection to the bill.

A valid contract with the United States is property, and the rights against the United States arising out of such a contract are protected by the Fifth Amendment; the Due Process Clause prohibits the United States from annulling these rights unless such action falls within the Federal police power or some other paramount power, *Lynch* v. *United States,* (292 U.S. 571, 579 (1934)). Moreover, such property may not be taken without just compensation. Furthermore, there is strong, if not conclusive, legal support for the principle that the papers, tapes and other historical materials of a President are his personal property. See, *e.g.,* Legal Opinion of Attorney General Saxbe, Sept. 6, 1974, reprinted in Congressional Record, September 16, 1974, page. 31176.

Accordingly, it is important to determine if the provisions of S. 4016 afford adequate protection for whatever property rights that former President Nixon may have, whether these property rights are found in the papers themselves or in the Nixon-Sampson Agreement concerning storage and disposition of the papers.

In this respect, the proposed bill would appear to afford adequate protection to President Nixon's property rights. Provision is made for a judicial determination of his property rights, and funds are authorized to be appropriated to pay just compensation in the amount which a court of competent jurisdiction adjudges. By using the constitutional term "just compensation," the bill leaves no doubt that Mr. Nixon is to be accorded a full and fair compensation for the impairment of his property rights. To the extent that the Sampson-Nixon Agreement embodies contractual property rights running to Mr. Nixon, the just compensation provisions would apply to any impairment of those rights.

Finally, it would appear that the court proceedings provided in the bill would accord sufficient procedural due process. It can be assumed that the court determination of the amount of compensation due to Mr. Nixon would be made after full hearing on the evidence as to the value of the materials. Proposed amendments to the bill would direct the Administrator of General Services to issue regulations governing claims of privilege, such as the Executive or Presidential privilege established in *United States* v. *Nixon* (U.S. Sup. Ct. No. 73–1766, July 24, 1974). And the bill provides expedited treatment for all legal and constitutional challenges to its provisions, by expressly granting jurisdiction to the U.S. District Court for the District of Columbia.

Vincent E. Treacy,
Legislative Attorney, American Law Division.
October 3, 1974.

The PRESIDING OFFICER. The Senator's additional 5 minutes have expired.

Mr. NELSON. Then I do not have to yield back the remainder of my time.

Mr. HRUSKA. Mr. President, I yield 10 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I oppose the bill that is presently before the Senate. S. 4016 was reported by the Government Operations Committee several days after being introduced. No hearings were held, yet the bill was completely rewritten. In view of the serious constitutional implications contained in this bill, I urge that it be referred to the Judiciary Committee where hearings may be held on its various provisions.

RIGHT OF PRIVACY

Section 6 of S. 4016 would result in an abridgment of the constitutionally guaranteed right of privacy with respect to all persons whose conversations were the subject of the tape recordings to be condemned and made public by this bill.

The courts of the United States have recognized a right to privacy in the first, fourth, fifth, and ninth amendments to the Constitution.

The scope of this right of privacy and the effect upon this right by S. 4016 was succinctly stated in a memorandum placed in the Record of October 2, 1974, by the distinguished minority leader, Senator Hugh Scott:

In *Boyd* v. *United States,* supra, the Court gave a sweeping definition of the protection afforded under the combined coverage of the Fourth and Fifth Amendments which it derived from the discussion by Lord Camden in *Entick* v. *Carrington and Three Other King's Messengers,* 19 Howell's State Trials 1026 (1765):

"The principles laid down in this opinion affect the very essence of constitutional liberty and security. They reach farther than the concrete form of the case there before the court with its advantitious circumstances; *they apply to all invasions on the part of the government and its employes of the sanctity of a man's home and the privacies of life.* It is not the breaking of his doors, and the rummaging of his drawers, that constitutes the essence of the offense; but *it is the invasion of his indefeasible right of personal security, personal liberty and private property,* where that right has not been forfeited by his conviction of some public offense—it is the invasion of his sacred right which underlies and constitutes the essence of Lord Camden's judgment. Breaking into a house and opening boxes and drawers are circumstances of aggravation; but *any forcible and compulsory extortion of a man's own testimony or of his private papers to be used as evidence to convict him of crime or to forfeit his goods, is within the condemnation of that judgment.* In this regard the Fourth and Fifth Amendments run almost into each other." 116 U.S. at 630 (emphasis added).

The making public of the taped conversations of men who believed their confidences were secure would also be a "forcible and compulsory extortion of a man's own testimony", and equally abhorrent to the principles of the Fourth and Fifth Amendments.

The bill's forced disclosure of the tapes dictates another "invasion on the part of the government" into "the privacies of life." The essence of the passage quoted above is that the Fourth and Fifth Amendments protect privacy, and it is the unwarranted interference with that privacy which constitutes the gravamen of the offense, not the particular manner in which the invasion is accomplished or the form in which the privacy interest appears. It would be equally abhorrent for the Congress to order a general invasion of the privacy of the conversations of persons in the executive offices as it was for the King's Messengers, utilizing a general warrant to invade the privacy of a man's home.

EXECUTIVE PRIVILEGE

In United States against Nixon, the Supreme Court of the United States unanimously recognized the existence of a constitutionally based Executive privilege. The Court stated that Presidential communications were "presumptively privileged."

Mr. President, the Supreme Court has recognized the need for frank discussion which must not be inhibited due to a need for honest, frank, policymaking discussions. This need for executive privilege extends to both sitting Presidents and former Presidents. This was well stated in Senator Scott's memorandum:

C. FORMER PRESIDENTS' RIGHTS TO INVOKE EXECUTIVE PRIVILEGE

> The question may be raised whether a former President has the authority to invoke Executive Privilege for materials generated during his presidency, but the rationale behind Executive Privilege and the interest it serves compels the answers that a former President may indeed invoke Executive Privilege in the same manner as a sitting President. This is so because the public interest in the confidentiality of executive discussions requires that those discussions remain confidential indefinitely, not to be publicized as soon as the President leaves office, for if these discussions were to become public after the President leaves office, future discussions with future Presidents would ever after be chilled by the knowledge that within at least eight years those discussions could be public.

EMINENT DOMAIN

Mr. President, for private property to be taken by the Government under the power of eminent domain, the condemnation must be for a public use. I question the "public use" in taking custody of every piece of paper in former President Nixon's files accumulated during his entire Presidency. Senator Scott's memorandum identifies this problem:

> Clearly the most personal papers of former President Nixon would not be necessary for any legitimate public use, for Presidential "historical material," as defined by 44 U.S.C. § 2101, would include not only official papers, but Christmas cards, personal letters, personal diaries, etc. Therefore, because all tapes and all Presidential historical materials are condemned by S. 4016, it would seem that the power of eminent domain is being used here, at least in part, for other than a public use. This threatens the constitutionality of the whole bill despite the fact that the proposal contains the customary severability clause. To cure this deficiency it would appear that the condemnation of Presidential materials and tapes must be limited to those particular materials which are necessary for some specific reason.

Senator Hruska also addressed the issue of eminent domain in his memorandum placed in the Congressional Record on October 3, 1974:

> While it is clear that the Government can take real property and personal property, it is unclear whether it can take literary or intellectual property—the personal papers of an individual, his innermost thoughts. The extent and nature of this exercise of eminent domain appears to be unprecedented. A step by the Government to appropriate an individual's personal papers, his thoughts and ideas, contemplates not only a novel exercise of eminent domain but also an invasion of privacy and an infringement of the First Amendment.

IN CAMERA INSPECTION

Mr. President, S. 4016 violates the principle of in camera inspection required by the Supreme Court in the case of United States against Nixon. The Court recognized that the claim of Executive privilege might be defeated if the evidence contained in the documents sought to be kept secret was determined to be relevant to a judicial proceeding such as a criminal trial. However, this determination was to be made after an in camera inspection of the document in question.

S. 4016 would, in effect, reverse the constitutionally based requirement for in camera inspection enumerated in United States against Nixon by making all Presidential material, subpened or otherwise, available for public scrutiny.

Mr. President, in view of the serious constitutional problems raised by this bill, I strongly urge that S. 4016 be referred to the Senate Judiciary Committee for hearings and further study.

I would like to quote a statement which Senator Hruska made on the Senate floor yesterday:

> Each of us has taken an oath to uphold and support the Constitution. To be responsible legislators, we must examine a bill very carefully to determine that it passes constitutional muster. We cannot pass a bill with a number of constitutional issues unresolved and then expect the individuals affected to spend a great deal of time and money in court attempting to vindicate their rights. Such a course is not only unwise; it is irresponsible.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. HRUSKA. I yield the Senator 2 additional minutes.

Mr. THURMOND. Mr. President, I am amazed that a bill of this nature would be brought before the Senate. It looks like a personal vendetta against former President Richard Nixon.

When people went to the White House to talk to the President of the United States, during the time that President Nixon was President, such as the Shah of Iran, the Prime Minister of Great Britain, the Prime Minister of Egypt, and other people, certainly they felt that their conversations and their discussions were private.

They felt that what they were saying there was in the best interest of their country and ours in their relations. If they had known that what they were saying was later going to be made public, or was going to be published to the world, they would have realized that some of their statements might cause tremendous repercussions in the relations of their respective countries, not only with this country but with the various countries and nations of the world.

To me, it is reprehensible to say that we now have to expose every personal conversation, that we have to expose every discussion that the President of the United States had with the heads of the nations throughout the world, and that we have to expose every intimate conversation that the President had with his family or with his staff members.

I call my staff into my office to get their views, and they would not be free to talk if they felt that later, everything they said to me was going to be published to the world. Certainly, President Nixon's staff members would not have felt free to talk to him if they felt that everything they said and recommended was going to be made public to the entire world.

Mr. President, this bill should be referred to the Committee on the Judiciary, and I hope it will.

In closing, I ask unanimous consent that a letter to me, dated October 2, 1972, from Ruth Merkin of Yonkers, N.Y., follow my remarks in the Record. I feel it contains some thoughts that my colleagues should have the benefit of reading.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Yonkers, N.Y., *October 2, 1974.*

Hon. Strom Thurmond,
U. S. Senate, Washington, D.C.

Dear Sir: How far will injustice—indeed, outright illegality—be allowed to go in this country?

Several weeks ago a proper and legal agreement was reached between the Executive branch and our former President as to disposition of Richard Nixon's presidential documents. This agreement was made in full accordance with the law of 200 years of tradition. In addition, there is great wisdom in such an agreement in that the former President can make the best use of such documents for literary purposes, thereby adding immeasurably to the historical knowledge and wealth of our country.

Richard Nixon's presidency, in spite of the hate and insanity of our times, was among the greatest in our nation's history. His abilities as a writer are proven and to cripple him by denying ready and easy access to his own presidential documents is equivalent to deliberately and maliciously destroying our former President and leaving unwritten some of our country's greatest history by one uniquely qualified to do so. It is also the right of any individual to do what he sees fit with personal conversations and documents, a right that suddenly applies so strongly to anyone but President Nixon.

What is the supreme outrage, and both improper and illegal, is to attempt to retroactively nullify a proper and legal agreement through political, vendetta legislation. This is an outrage which must not be allowed to take place if we are to retain even the semblance of a nation governed by laws or a people of honor.

Sincerely yours,

Ruth Merkin.

The PRESIDING OFFICER. Who yields time?

The Senator from North Carolina is recognized.

Mr. ERVIN. Mr. President, I yield myself such time as I may use on this occasion.

This measure will not take the private papers of President Nixon, Mr. President. As amended, it provides that Mr. Sampson or his successor in the office of Administrator of the General Services Administration shall adopt regulations which will take into account, first, "the need to provide the public with the full truth at the earliest reasonable date of the abuses of governmental power popularly identified under the generic term 'Watergate'."

Then it says that he shall adopt a regulation under No. 6, "the need to prevent unrestricted access to tape recordings and other materials which are unrelated to the need identified in paragraph (1) above."

That says that there shall not be unrestricted access if the regulations apply to the provisions of the bill.

Then it is stated that the regulation shall provide for "the need to give Richard M. Nixon, or his heirs, for his sole custody and use, tape recordings and other materials which are unrelated to the need identified in paragraph (1) above, and are not otherwise of historical significance."

So there is going to be no unrestricted access. The only things they are going to keep would be the tapes relating to the abuses of governmental power known as the Watergate, and matters of historical significance.

I was very much intrigued by the argument of my good friend from South Carolina about the alleged proposal to make public the conversations between the President of the United States and the Shah of Araby, or somewhere.

Mr. THURMOND. Iran.

Mr. ERVIN. The Shah of Iran or Araby, or somewhere. None will be made public under those regulations, because they had no discussions of governmental abuse. They never discussed that with the President, I assume.

The thing I wonder is, why did the President want to tape those things? Why did he want to tape those conversations in which he said to Haldeman, "Magruder is supposed to lie like hell for us"?

Why did he tape those things where he told Dean to see that hush money was paid without delay to Hunt?

He did not tell the Shah of Iraq or Iran that he was taping the conversations. Nobody knew that he was taping the conversations except the President, Haldeman, Butterfield—who installed these tape machines at his direction—Higby, and the Secret Service men. Nobody else on earth knew about it.

In one of the tapes, the President instructed Haldeman, in the conversation where he said that "Magruder is supposed to lie like hell for us," not even to let Ehrlichman know about the tapes. So even Ehrlichman did not know.

We are not going to expose, under this bill, the conversations that occurred between the President and the Shah of Iran. They are not to be made public, because they have no relation to Watergate. I do not see why—Mr. Butterfield said that the President told him, when he told him to set up these tape recording machines, that he was bugging for history. Surely, we are not to have them destroyed now, when he had been bugging for history.

Nobody's right is affected by this bill, because it provides, as far as privacy is concerned, that the regulations of the Administrator shall take into account the following factors: The need to protect any party's opportunity to assert any legally or constitutionally based right which would prevent or otherwise limit access to the tape recordings and other materials.

That not only protects the Shah of Iraq or Iran, it protects the right of every one of the 220 million men, women, and children in the United States. There is no constitutional affront by the original bill given to anybody.

You know, the Government has not been held in too high esteem by the American people. If we pass the substitute which says that the Government is going to take over all of the papers, including all of the letters, of Senators and Representatives which they retain at the end of the term, some people are going to suspect that we are trying to pass a bill to allow all Senators and Congressmen to gouge the taxpayers under the power of eminent domain. I do not think that is going to help the standing of Congress in this country, especially at a time when taxpayers are already harassed by so many demands, without adding this demand to make it possible. If there is no other reason why the substitute ought to be defeated, it is that provision.

Mr. HRUSKA. Mr. President, I yield myself 5 minutes.

Mr. President, the argument is made and the view has been expressed that the imminent danger which is referred to in the committee's report, which imperils the whole Nation and the public, and the right of the public to know, and perhaps the political sensitivity of a lot of people who want to know, lies in the fact that if the President should die, the papers would be immediately destroyed. They would not be destroyed without the use of the key in the hands of the Government, the Administrator of the GSA, which would be necessary to gain control and access to those papers.

If that unhappy event were to occur, there would be ample time at that time to take such steps as would be necessary either by legislation or injunctive proceedings. But, Mr. President, if that were the sole objective of the bill, why not limit this measure to that danger, and then go about our business, in the regular way, of legislating the other provisions of the bill in an orderly process? It is very simple.

I propose, and shall send to the desk as soon as a copy of it is made, an amendment which would achieve that very purpose. It is very simple, Mr. President. We would strike the letter (a) on page 4, line 25, and strike subsection 3(b) and sections 5 and 6. Then the bill would provide and read that—

> None of the tape recordings, or other materials, referred to in section 2 above shall be destroyed except as may be provided by Congress.

Then all these other things which are provided in the bill in the present subsection 3(b) and in sections 5 and 6 would be deleted, and the imminent danger will be amply taken care of. In due time, I shall call up the amendment and we will see whether the objective of overcoming an imminent danger is the objective of this bill, or whether it goes farther than that, on the basis of certainly inadequate legislative processing.

It has been suggested that the agreement between Mr. Nixon and Mr. Sampson was worked out by the dark of the Moon, and with something wicked and ulterior about it.

Let me suggest, Mr. President, that we have before us a bill and a report that were also developed and processed by the dark of the Moon—the same dark of the same Moon—because they were developed in executive sessions of the Government Operations Committee, and it was not until Monday of this week that the Members of the Senate had access to the bill and to the report. And then there were a number of amendments to the bill offered by the sponsors just yesterday.

Is a document which was drafted and executed pursuant to the Presidential Papers Act of 1968—an agreement drawn pursuant to that Act between the General Services Administrator, who is the authorized representative of the government, and the principal, to wit, the former President, to be suspect because it was prepared, negotiated, and executed pursuant to the Presidential Papers Act? I cannot read that into the picture. I cannot do so at all.

It is not to be inferred that it was something secret. It was no more secret than the negotiations on the bill and the report by the Committee on Government Operations when they reported this legislation. It was not an agreement the Congress would have, under the present law, any right to get into or be consulted on.

We can get to the point. Let us put this agreement to the test of hearings. Let us see if the imminent danger cannot be removed, if such dangers exist. I do not believe there are any, but if there are, and that is what caused this legislation to be proposed, then here is a chance to correct them.

The issue, again, has been brought up that the ownership of the property is amply provided for, because there is an expedited procedure, exclusive jurisdiction in the District of Columbia, with rapid expedited appeal to the Supreme Court to litigate the question of ownership. There is no precedent to the contrary. These Presidential papers belong to the President.

All S. 4016 does, which is put so blandly and seductively in the language of those who speak to the point, is offer a polite invitation to the former President to be subjected to the terms of this bill. If he wishes to litigate it, he may do so. All it would take is several hundred thousand dollars and a lot of time and a lot of effort; to prove what? To afford the opportunity to try to disprove a situation about which there is no controversy, and that is that there is ownership in the former President.

There is no question about it. There is not a single precedent to the contrary, none. That is about as solid a situation as we can get.

The burden should be on Congress and it should meet its burden by refraining from interfering with that type of ownership without complying with and taking into consideration the other constitutional rights and objections which exist.

If I have any remaining time, I reserve it.

Mr. ERVIN. Mr. President, I yield myself such time as I may use.

This is a most peculiar document relating to tapes which, by all of the available testimony taken by the Senate Select Committee, by the House Judiciary Committee, and by the courts in the trials, and assembled by the Special Prosecutor, contain evidence of criminal acts.

Here is what it says:

> 6. Within both the temporary and any permanent Presidential archival depository, all of the Materials shall be placed within secure storage areas to which access can be gained only by use of two keys.

That is forever.

> One key, essential for access, shall be given to me alone as custodian of the Materials. The other key may be duplicated and entrusted by you to the Archivist of the United States or to members of his staff.

Just two keys, one of them held by our former President, who is to be the custodian of the documents until September 1, 1979, and the other key to be held by the Archivist of the United States, a subordinate of Mr. Sampson whose staff is under Mr. Sampson's direction. No one else; none of the 220 million men, women, and children of the United States, including the Special Prosecutor in the cases now going on, will have access to them.

My friend from Nebraska said it would not require the tapes to be destroyed. I read again. The former President shall be custodian of the tapes until September 1, 1979, with nobody else having access to them unless he is willing to give it to them, because it takes both keys to unlock the place where the tapes and materials are to be stored. Then it says:

> The tape recordings of conversations in the White House and Executive Office Building which will be deposited pursuant to this instrument shall remain on deposit until September 1, 1979. I intend to and do hereby donate to the United States, such gift to be effective September 1, 1979, all of the tape recordings of conversations in the White House and Executive Office Building conditioned however on my continuing right to access as specified in paragraph 9 hereof and on the further condition that such tapes shall be destroyed at the time of my death or on September 1, 1984, whichever event shall first occur.

Mr. President, the words "shall be destroyed" mean "shall be destroyed." The agreement requires that they be destroyed. If this document stands as a contract, if it has any validity at all, it is a contract between the United States and the former President, and therefore binding on the United States.

So let us see. The former President says he is to keep the title to them, he is custodian of them until September 1, 1979, and if he dies either before or after that date, then the tapes shall be destroyed. But it does not stop there. It says:

> Subsequent to September 1, 1979—

That is, after the donation to the United States, after retaining them in his custody until that time, and after they become the property of the United States—

> the Administrator shall destroy such tapes as I may direct.

In other words, the President is going to have their custody until he gives them to the United States. If he dies before that time the tapes shall be destroyed, and if he lives until that time when they become the property of the United States, the Administrator is required to destroy any and all tapes that the former President directs him to destroy.

My colleagues say that we are moving in haste, that we ought to have long hearings, reinvestigate the Watergate and provide for the taking of all papers of Senators and Congressmen at a cost of millions of dollars, in the taking of all the letters that they have retained during their term of office.

Mr. **HRUSKA**. Mr. President, I yield myself 3 minutes.

Because of the parliamentary arrangements made I would like to offer at this time, to be voted on in due order as specified in the unanimous-consent agreement, an amendment in the nature of a substitute to S. 4016.

Mr. President, that amendment is now at the desk, and I offer it in modified form. The modification consists of the insertion of certain words on page 3, line 9. After the word "deposited" insert the work "or to be deposited." Otherwise it would be in its printed form as at the desk.

I offer my amendment, Mr. President, because of my deep concerns for a number of provisions in S. 4016 which raise significant and substantial constitutional issues bearing on the Office of the Presidency of the United States. Before I describe my amendment, I want to reiterate several points which I stressed yesterday.

First of all, I support the proposition that all papers generated by a public official should be public property. No public official who prepares papers or for whom the papers are prepared at the taxpayers' expense should profit from the sale of those documents.

Second, I want to make it very clear that my opposition to S. 4016 should not be construed as opposing the telling of the full story about the Watergate break-in and cover-up. The Watergate story should be told.

I rise in opposition to this bill because I am a lawyer who is deeply troubled by the constitutionality of some of the measures contemplated by this bill. I firmly believe that this bill raises serious and fundamental constitutional issues. It is for this reason that I intend to ask that the bill be referred to the Committee on the Judiciary for a full hearing of all these constitutional issues and I must emphasize once again that these issues were not aired before the Committee on Government Operations. Not a single minute of hearings was held. My amendment in a humble way attempts to obviate some of these possibly constitutional deficiencies while at the same time preserving the papers of former President Nixon. The purposes underlying my amendment are basically threefold.

First, it provides that the papers and other recorded communications of our recent Presidents and other elected officials including Vice Presidents, Senators and Congressmen shall constitute public property.

A concern that has troubled many of my colleagues is the profiting that can result when an elected official sells the papers that he originated at a time he was serving the public and for which he was being compensated by the public. This is a concern that has reached new heights in some quarters by the resignation of Richard Nixon and the agreement he executed with the General Services Administrator. But it must be obvious to all that this concern is equally applicable to all other elected officials.

Another concern underlying the preservation of Presidential papers and recordings involves the pursuit of truth. Again though if we are to learn the actual circumstances, decisions, and thoughts underlying a matter important to the citizens the elected official serves then the papers and recorded communications of all elected officials should be preserved.

In order to satisfy these two concerns, the amendment I introduce makes all official communications of elected officials public property and requires that they be preserved and protected. This provision prevails notwithstanding any agreement executed by the elected official to the contrary. If it deprives any individual of any papers or recordings now considered to be private property without just compensation, the General Services Administrator is authorized to provide such compensation.

In the case of an elected official other than a President, the amendment grants an option to the official allowing him to donate his papers to a university, museum or library open to the public. If he chooses not to exercise the option, the papers remain public property and would be deposited in the National Archives system.

So my amendment does not require the deposit of the papers of a Senator or Congressman solely in the National Archives. A Senator or Congressman can deposit those papers in a university or library of his choosing. However, the transfer of these documents to the library or university can be at no pecuniary benefit to the Senator or Congressman.

Second, the amendment establishes standards for public access to the public communications. The standards established are similar to those prescribed by every President from Herbert Hoover on who donated his papers to the United States. For example, official communications that are properly classified; communications that might be used primarily to embarass, damage, injure or harass any living person; and communications the disclosure of which is likely to impair or prejudice an individual's right to a fair and impartial trial, could be withheld from public disclosure.

These standards are outlined in section 2207 of my amendment. All communications would be disclosed to the public unless they fall in one of the following categories—and I am reading now from my amendment:

> (1) communications which are specifically required by Executive order to be kept secret in the interest of the national defense or foreign policy or the disclosure of which would adversely affect the security of the United States or prejudice the conduct of foreign relations;
>
> (2) communications relating to investigations for law enforcement purposes except to the extent available by law to a party other than an agency;
>
> (3) communications which contain information or statements that might be used primarily to embarrass, damage, injure, or harass any living person;
>
> (4) communications made by or to the elected official in confidence, unless in the judgment of the Administrator of General Services or his designees the reason for the confidentiality no longer exists;
>
> (5) communications relating to the personal, family, and confidential business affairs of the elected official or of persons who have had correspondence with him, unless in the judgment of the Administrator of General Services or his designees the reason for the confidentiality no longer exists;
>
> (6) personnel and medical files and similar files the disclosure of which would constitute an unwarranted invasion of personal privacy; and

(7) communications the disclosure of which is likely to impair or prejudice an individual's right to a fair and impartial trial.

These standards are necessary to guard against the possibility of the papers or recordings being used to invade the privacy of individuals or to injure or harass any individuals and are necessary to safeguard properly the interests of the United States. The Administrator of GSA is instructed to review the records at reasonable intervals and to grant public access to any communications which, because of the passage of time or other circumstances, no longer require restriction.

The problem with S. 4016 is that it authorizes the Administrator of GSA to issue regulations governing the disclosure of President Nixon's papers but does not specifically prescribe a guideline for him to use in formulating these regulations. It is a delegation of nearly unlimited power. My amendment on the other hand, specifically states those standards which are to govern disclosure. In this respect it is parallel to the approach taken by the Congress in the Freedom of Information Act.

Third, the amendment provides for the maintenance of any records for use in any judicial proceeding. Consistent with the requirements of the Constitution, the bill preserves the right of the elected official to assert any privilege or defense to a subpena or motion to produce the records.

I believe that my amendment obviates some, if not most, of the constitutional objections to S. 4016. For example, with respect to the basic doctrine of separation of powers, the amendment preserves the privilege of the United States and the former President to maintain in confidence those communications the disclosure of which would hamper or impair the effective functioning of the executive branch. With respect to the right of privacy: the amendment expressly recognizes this right. Standard No. 6 exempts from disclosure those documents which would constitute an unwarranted invasion of privacy.

With respect to the first amendment to the Constitution, my amendment recognizes the value embodied in the first amendment by protecting from disclosure communications made by or to the elected official in confidence. Further, it protects from disclosure those communications which contain information or statements that might be used primarily to embarrass, damage, injure, or harass any living person.

Finally, the amendment obviates the issue centering around the bill of attainder clause because it applies not to a named individual but to all elected officials.

Mr. ERVIN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ERVIN. There is a motion pending to refer the original bill to the Judiciary Committee. Is it in order to offer an amendment while a motion is pending?

The PRESIDING OFFICER. The Senator is correct, it is not in order, except by unanimous consent.

Mr. HRUSKA. Mr. President, I did not offer an amendment. If the Senator will bear with me a little bit, I very carefully stated, and the record will so show, it is sent to the desk and it is offered pursuant to the arrangement made in the unanimous-consent agreement which we all understand. That unanimous-consent agreement is that we will vote on the motion to refer to the Judiciary Committee. If that fails then there will be an amendment in the nature of a substitute which I have offered, and offer, contingent upon the order in the unanimous-consent agreement, in its modified form.

If that fails, then we will have a vote, according to the unanimous-consent agreement, on any amendment to S. 4016, and then we will have a vote on final passage. It is in that order—and there will be no debate after the vote commences. Therefore, it is necessary that I place in the pipeline here the necessary documents to support that order that was agreed to.

Mr. ERVIN. I will say to my friend, the Senator from Nebraska, if he will ask unanimous consent to modify his own amendment by inserting at the places indicated the words "or to be deposited," I will have no objection to its being modified.

Mr. HRUSKA. I do not know, but the way I understand the laws and rules of the Senate, the offeror of an amendment can modify it at any time. But I am happy to have the consent of the Senator from North Carolina.

Mr. ERVIN. I am just raising the point that the motion to refer was pending; that this could not be done without unanimous consent. I am just trying to give the Senator unanimous consent to modify his own amendment.

Mr. HRUSKA. And I welcome it.

Mr. ERVIN. With reference to the other amendment, I would like to ask a question with respect to the unanimous-consent agreement. Am I at liberty to table the amendment?

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. HRUSKA. I have no objection to that. Any objection on my part would be futile because I am sure the rules provide for that. If the unanimous-consent agreement does not provide that, I would be agreeable to see that that is done.

Mr. ERVIN. That is with respect to the amendment just sent to the desk?

Mr. HRUSKA. That is right.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, may the Record show that in this sequence I have described that the necessary documents are on hand and that voting will proceed in the order mentioned. There is no further introduction of documents necessary on my part; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HRUSKA. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. I suggest the absence of a quorum, the time to be equally divided between the parties.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:10 P.M.

Mr. ERVIN. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:10 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:40 p.m., the Senate took a recess until 1:10 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Haskell).

PRESIDENTIAL RECORDINGS AND MATERIALS PRESERVATION ACT

The Senate continued with the consideration of the bill (S. 4016) to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes.

Mr. HRUSKA. Mr. President, I ask unanimous consent that Eric Hultman, a member of my staff, be allowed the privilege of the floor for the rest of the debate and vote on the pending measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HRUSKA. The manager of the bill on the other side agrees that the time is to be charged equally to the sides.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I yield to the Senator from Wisconsin (Mr. Nelson).

Mr. NELSON. Mr. President, I would like to summarize the evolution of and need for this legislation. The record must be absolutely clear on Congress' intent. Two weeks ago, I introduced S. 4016 with the cosponsorship of Senator Ervin and Senator Javits. The thrust of the legislation as originally written was simple: it required the Federal Government to take complete possession and control of the Nixon tapes.

With my support and the cooperation of my staff, the bill has been revised to include all the other Presidential materials of Mr. Nixon's tenure. The legislation protects Mr. Nixon's and every other individual's right to invoke any right or privilege to prevent disclosure of the materials. The revised legislation also requires the GSA to issue within 90 days regulations governing public access to tapes and materials bearing on the Watergate scandals. Congress will have 90 days to review the proposed regulations to insure that they account for some basic considerations. Among the basic considerations specified in the bill are the following:

The need to provide the American people with the full truth of the Watergate scandals at the earliest possible date;

The need to protect an individual's right to privacy and a fair trial;

The need to prevent general access to national security information;

The need to retain materials relating to the Watergate scandals and others of historical significance, such as papers and tapes bearing on important policy decisions, diplomatic negotiations, and records of the White House gift unit.

The need for this legislation is beyond question. For the first time in our Nation's history, a President resigned because of clear and overwhelming evidence that he had committed impeachable offenses. Mr. Nixon's resignation is merely an indication of the breadth of the Watergate tragedies. Already more than three dozen individuals have been indicted for the commission of statutory crimes. These crimes included wiretapping, buggings, and break-ins. They represented, in effect, a wholesale assault on our political system's most precious commodity—individual freedom.

It is vitally important that all evidence relating to those crimes be made available for use in judicial proceedings. A fair trial requires that the prosecutor and the defendant have access to all information bearing on the defendant's innocence or guilt.

It is equally important that the American people and their representatives in Congress learn the full truth about the Watergate scandals. In the last couple of years, we came dangerously close to losing those individual rights and liberties which are the bedrock of our constitutional system. Fortunately, the Watergate fires of abuse and repression were doused before they entirely consumed our constitutional freedoms. But our future is not secure. The sparks of repression and arbitrary power are always present. Someday, another President in another administration can again try to strip Americans of those fundamental freedoms guaranteed to every individual by our Constitution.

We cannot afford to take that risk. Congress must take action to correct the institutional and legal weaknesses which made the dangerous abuses of Watergate possible. But Congress cannot formulate such corrective measures unless it has all the facts relating to Watergate. And the American people may not urge or support such corrective measures unless they, too, have all the facts.

The Nixon tapes and papers no doubt provide information which will allow justice to be done in our courts. Those materials will also provide the people and the Congress with the information they need to prevent future Watergates.

The agreement negotiated between Mr. Nixon and the White House undercuts these important public policies and needs. It directs the destruction of the tapes by 1984 or upon Mr. Nixon's death, whichever event occurs first. The agreement also allows Mr. Nixon to control, and by 1977, destroy all other Presidential papers. Execution of the agreement would therefore deprive the courts, the American people, and the Congress of the information which they vitally need to preserve the integrity and viability of our constitutional system. Execution of the agreement would be nothing less than a coverup of the coverup.

S. 4016 is designed to deal with this emergency situation. It is simply a holding action which will preserve the Nixon tapes and papers. This bill is clearly constitutional; a report made by the Congressional Research Service and inserted in yesterday's RECORD reviewed and rejected every constitutional objection which can be made. And, in any event, the bill provides for an expeditious ruling by the Supreme Court of any legal or constitutional challenge to the bill.

I agree that broad legislation is needed to insure that the documents and materials of all public officials remain the property of the public. But we need not deal with that broad question now. We are faced with an emergency situation which requires immediate action by Congress. If we use S. 4016 to deal with the far larger issue of public ownership of a public official's papers and materials, we are inviting the bill's demise. And if we do not enact S. 4016 as reported out of committee, we are inviting the contempt of the American people. They are looking to their representatives in Congress to preserve the truth about Watergate. We dare not disappoint them.

I therefore urge the Senate to reject a motion for continued study, to reject the substitute amendment, and to pass S. 4016 as reported out of committee.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Under the same conditions, the time to be equally charged?

Mr. NELSON. Will the Senator from North Carolina yield?

Mr. ERVIN. Yes; I yield whatever time the Senator may need.

Mr. NELSON. I do not wish any time. I took notice of the absence of a quorum and the Chair asked me if it were under the same conditions. I do not know what the conditions are.

Mr. ERVIN. Yes; the time was to be charged equally to both sides. I assume that is still the condition.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

Mr. ERVIN. I yield myself whatever time I may need.

The last amendment the Senator from Nebraska said he may offer to the original bill is as follows:

> On page 4, line 25, delete the letter (a). Strike section 3(b) and sections 5 and 6.

This amendment reminds me of the story of the fisherman who went fishing and carried his frying pan along with him. He caught a little fish, and he decided that he would cook it, there on the bank of the stream. Se he took out his knife and started cleaning the fish.

The little fish resisted and wiggled considerably. The fisherman said:

> I do not see why you are struggling so hard; all I want to do is gut you.

This last amendment will gut the bill. It would just leave the tapes in the custody of the Administrator, subject to the agreement made between the Administrator and the former President. It would cut out the provisions of the bill which provide that the prosecutor should have access to the tapes, or that the courts will have jurisdiction to issue subpenas for tapes, and would deprive the Administrator of the power to issue any regulations which would give access to the court or to any parties who sought to subpena them for evidence.

It would, in fact, destroy the bill. I thought I had better make these observations, because under the unanimous-consent agreement, I may not have time to do it. That is a proper analysis of the effect of this last-proposed amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I suggest the absence of a quorum under the former conidtions.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I yield the Senator from Missouri as much time as he may require.

THE NEED FOR ACTION NOW TO PRESERVE PRESIDENTIAL RECORDINGS AND MATERIALS

Mr. SYMINGTON. Mr. President, as one who believes that it is definitely in the public interest to preserve Presidential tapes and documents, I support and endorse the creative and constructive legislative approach for that purpose in S. 4016.

The Committee on Government Operations bill provides for the Federal Government to maintain possession and control of former President Nixon's papers and documents.

Destruction of the tapes, a certainty under the agreement entered into between the GSA Administrator and the former President, would be avoided under this legislation. The Federal Government is to maintain custody of the memoranda, documents and papers and is to permit access as may be needed in the interest of the proper administration of justice and in the public's right to know the facts. At the same time, provision is made to protect national security interests and to protect certain rights of the former President.

The legislation provides for an expedited procedure under which ownership questions may be resolved, but does not itself determine the questions of title. If it is determined in the courts that the documents constitute the private property of former President Nixon, then because these papers are embued with the public interest, the Federal Government will pay appropriate compensation, and the custody taken by the Government will have been an exercise of the power of eminent domain.

In short, this bill seeks to set aside that portion of the agreement which the GSA Administrator has undertaken which would permit the destruction of tapes and documents, and it does so in a fair and eminently sensible way.

In this connection, let me quote former President Truman on the importance of preservation of Presidential records. Merle Miller's new book, Plain Speaking, quotes Mr. Truman in his discussion of libraries as stating:

> The worst thing in the world is when records are destroyed. The destruction of the Alexandrian Library and also the destruction of the great libraries in Rome. Those were terrible things, and one was done by the Moslems and the other by the Christians, but there's no difference between them when they're working for propaganda purposes.
>
> Now as for the Presidency, every piece of paper a President signs, every piece of paper he touches even has to be saved. You take Lincoln and Fillmore. Millard Fillmore's son burned all his father's papers because he was ashamed of his father, who had come from the very bottom line right to the top. And Robert Todd Lincoln burned about half to two-thirds of his father's papers for the same reason, because he was ashamed of him. A thing like that ought to be against the law.

I will vote against the motion to commit S. 4016 to the Judiciary Committee. I also will vote against the substitute which will be offered by Senator HRUSKA in the belief that permanent legislation of the character to cover public papers of all Presidents, Senators, and Congressmen will require hearings and further consideration. That is quite a different question than is presented under the unusual circumstances which have developed in the aftermath of Watergate.

I will vote for S. 4016 and urge its speedy enactment by the Congress.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum under the same conditions as stated before.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. A quorum call is in progress.

Mr. ERVIN. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I ask for the yeas and nays on the pending motion to refer the bill to the Committee on the Judiciary.

The yeas and nays were ordered.

Mr. ERVIN. I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the substitute amendment.

Mr. PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I ask for the yeas and nays on the substitute.

The yeas and nays were ordered.

Mr. ERVIN. There is an amendment to the pending bill which may be offered by the Senator from Nebraska, which, if it is called up, I shall move to lay on the table. I ask unanimous consent that it be in order to order the yeas and nays at this time on that motion to lay on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

Mr. ERVIN. I ask unanimous consent that it be in order at this time to order the yeas and nays on passage of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I ask for yeas and nays.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, will the Senator from North Carolina yield for a question?

Mr. ERVIN. I yield.

Mr. NELSON. What is the pending motion?

Mr. ERVIN. The pending motion is to refer the bill to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, if the Senator will yield, it was my understanding of the unanimous consent agreement yesterday that it would allow a minute or so for each side, prior to a vote, to identify the subject matter of the vote before the roll was called.

Mr. ROBERT C. BYRD. No, that was not the understanding, but any Senator has the right to ask the Chair to identify the question.

Mr. HRUSKA. Well, that is all right, but in the case of one motion, it is rather long and involved, and difficult to identify in that fashion.

Mr. ROBERT C. BYRD. Well, we can take care of that.

Mr. HUMPHREY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HASKELL). The hour of 1:30 having arrived, the question is on agreeing to the motion of the Senator from Nebraska (Mr. HRUSKA) to refer the bill to the Judiciary Committee.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. McGOVERN), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. CANNON), the Senator from Iowa (Mr. CLARK), and the Senator from Illinois (Mr. STEVENSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Texas (Mr. TOWER), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I further announce that the Senator from Florida (Mr. GURNEY) is absent to attend the funeral of a relative.

On this vote, the Senator from Kansas (Mr. DOLE) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from Ohio would vote "yea" and the Senator from Kansas would vote "nay."

On this vote, the Senator from New Mexico (Mr. DOMENICI) is paired with the Senator from Illinois (Mr. PERCY).

If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 15, nays 51, as follows:

[No. 451 Leg.]

YEAS—15

Bartlett
Curtis
Eastland
Fannin
Fong
Goldwater
Griffin
Helms
Hruska
McClure
Scott, Hugh
Scott, William L.
Stennis
Thurmond
Young

NAYS—51

Abourezk
Allen
Beall
Bentsen
Bible
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cranston
Ervin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Jackson
Javits
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevens
Symington
Tunney
Weicker
Williams

NOT VOTING—34

Aiken
Baker
Bayh
Bellmon
Bennett
Biden
Brock
Buckley
Cannon
Church
Clark
Cook
Cotton
Dole
Domenici
Dominick
Eagleton
Fulbright
Gravel
Gurney
Hansen
Hollings
Huddleston
Inouye
Johnston
Kennedy
McGovern
Packwood
Percy
Sparkman
Stevenson
Taft
Talmadge
Tower

So Mr. HRUSKA'S motion to refer was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the motion of Mr. HRUSKA was rejected.

Mr. ERVIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the unanimous-consent agreement, the question now occurs on the amendment in the nature of a substitute offered by the Senator from Nebraska (Mr. Hruska), being amendment No. 1955, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Iowa (Mr. Clark), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Massachusetts (Mr. Kennedy), the Senator from South Dakota (Mr. McGovern), the Senator from Alabama (Mr. Sparkman), the Senator from Illinois (Mr. Stevenson), the Senator from Missouri (Mr. Eagleton), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada (Mr. Cannon), the Senator from Iowa (Mr. Clark), and the Senator from Illinois (Mr. Stevenson) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. Aiken), the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Wyoming (Mr. Hansen), the Senator from Oregon (Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that the Senator from Florida (Mr. Gurney) is absent attending a funeral of a relative.

On this vote, the Senator from Kansas (Mr. Dole) is paired with the Senator from Ohio (Mr. Taft).

If present and voting, the Senator from Ohio would vote "yea" and the Senator from Kansas would vote "nay."

On this vote, the Senator from New Mexico (Mr. Domenici) is paired with the Senator from Illinois (Mr. Percy).

If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Illinois would vote "nay."

The result was announced—yeas 14, nays 52, as follows:

[No. 452 Leg.]

YEAS—14

Bartlett
Curtis
Eastland
Fannin
Fong
Goldwater
Griffin
Helms
Hruska
McClure
Scott, Hugh
Scott, William L.
Stennis
Thurmond

NAYS—52

Abourezk
Allen
Beall
Bentsen
Bible
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cranston
Ervin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Jackson
Javits
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevens
Symington
Tunney
Weicker
Williams
Young

NOT VOTING—34

Aiken
Baker
Bellmon
Bayh
Bennett
Biden
Brock
Buckley
Cannon
Church
Clark
Cook
Cotton
Dole
Domenici
Dominick
Eagleton
Fulbright
Gravel
Gurney
Hansen
Hollings
Huddleston
Inouye
Johnston
Kennedy
McGovern
Packwood
Percy
Sparkman
Stevenson
Taft
Talmadge
Tower

So Mr. Hruska's amendment in the nature of a substitute, as modified, was rejected.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment No. 1955 in the nature of a substitute, as modified, was rejected.

Mr. PASTORE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HRUSKA. Mr. President, I call up my amendment to the pending bill which is at the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. HRUSKA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Hruska's amendment is as follows:

> On page 4, line 25, delete the letter (a). Strike section 3(b) and sections 5 and 6.

Mr. PASTORE. May we have order?

Mr. HUGH SCOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUGH SCOTT. Is this the amendment which strikes from the bill everything except the provision against destruction of the papers?

The PRESIDING OFFICER. The Chair will state that the amendment strikes out section 3(b); it strikes out section 5 and section 6 in their entirety. As to what conclusion can be drawn from that has to be drawn by each Senator.

Mr. HUGH SCOTT. It is my understanding that it does strike out all the provisions except the provision guaranteeing against the destruction of the Presidential papers.

Is that right?

Mr. ERVIN. That is right. It guts the bill.

[Laughter.]

Mr. ERVIN. Mr. President, I move to table the amendment.

Mr. JAVITS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Delaware (Mr. Biden), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Iowa (Mr. Clark), the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Massachusetts (Mr. Kennedy), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Alabama (Mr. Sparkman), the Senator from Illinois (Mr. Stevenson), and the Senator from Georgia (Mr. Talmadge) are necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. Clark) and the Senator from Illinois (Mr. Stevenson) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. Aiken), the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Wyoming (Mr. Hansen), the Senator from Oregon (Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

I further announce that the Senator from Florida (Mr. Gurney) is absent attending the funeral of a relative.

On this vote, the Senator from Illinois (Mr. Percy) is paired with the Senator from Ohio (Mr. Taft).

If present and voting, the Senator from Illinois would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 49, nays 15, as follows:

[No. 453 Leg.]

YEAS—49

Abourezk
Allen
Beall
Bentsen
Bible
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cranston
Ervin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Jackson
Javits
Magnuson
Mansfield
Mathias
McClellan
McGee
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevens
Symington
Tunney
Weicker
Williams
Young

NAYS—15

Bartlett
Eastland
Fannin
Fong
Goldwater
Griffin
Helms
Hruska
Long
McClure
Metcalf
Scott, Hugh
Scott, William L.
Stennis
Thurmond

NOT VOTING—36

Aiken
Baker
Bayh
Bellmon
Bennett
Biden
Brock
Buckley
Cannon
Church
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Fulbright
Gravel
Gurney
Hansen
Hollings
Huddleston
Inouye
Johnston
Kennedy
McGovern
McIntyre
Packwood
Percy
Sparkman
Stevenson
Taft
Talmadge
Tower

So the motion to table Mr. HRUSKA'S amendment was agreed to.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. JAVITS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. HELMS). The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. HUGH SCOTT. Mr. President, it would have been better to remove the constitutional questions before final passage, but since the only course now available to us is the pending bill to prevent the destruction of the Presidential papers, I will support it.

The PRESIDING OFFICER. The Senate will be in order.

Mr. WILLIAM L. SCOTT. Mr. President, will there be further discussion of the bill at this time?

The PRESIDING OFFICER. The Chair advises that under the previous order, no debate is permitted.

The bill having been read a third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. McCLURE. Mr. President, on this vote, I have a pair with the Senator from Kansas (Mr. DOLE). If he were present, he would vote "yea". If I were at liberty to vote, I would vote "nay". I therefore withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from Iowa (Mr. CLARK), the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from South Dakota (Mr. McGOVERN), the Senator from New Hampshire (Mr. McINTYRE), the Senator from Alabama (Mr. SPARKMAN), the Senator from Illinois (Mr. STEVENSON), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Iowa (Mr. CLARK), the Senator from Missouri (Mr. EAGLETON), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Illinois (Mr. STEVENSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Tennessee (Mr. BROCK), the Senator from New York (Mr. BUCKLEY), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Wyoming (Mr. HANSEN), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. TAFT), and the Senator from Texas (Mr. TOWER), are necessarily absent.

I further announce that the Senator from Florida (Mr. GURNEY) is absent to attend the funeral of a relative.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

On this vote, the Senator from New Mexico (Mr. DOMENICI) is paired with the Senator from Ohio (Mr. TAFT).

If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Ohio would vote "nay."

The result was announced—yeas 56, nays 7, as follows:

[No. 454 Leg.]

YEAS—56

Abourezk
Allen
Beall
Bentsen
Bible
Brooke
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Cranston
Ervin
Fannin
Fong
Goldwater
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hughes
Humphrey
Jackson
Javits
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Symington
Tunney
Weicker
Williams
Young

NAYS—7

Bartlett
Eastland
Helms
Hruska
Scott,
William L.
Stennis
Thurmond

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

McClure, against.

NOT VOTING—36

Aiken
Baker
Bayh
Bellmon
Bennett
Biden
Brock
Buckley
Cannon
Church
Clark
Cook
Cotton
Curtis
Dole
Domenici
Dominick
Eagleton
Fulbright
Gravel
Gurney
Hansen
Hollings
Huddleston
Inouye
Johnston
Kennedy
McGovern
McIntyre
Packwood
Percy
Sparkman
Stevenson
Taft
Talmadge
Tower

So the bill (S. 4016) was passed.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. NELSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ERVIN. Mr. President, at this time, I wish to take the opportunity to express my appreciation of the outstanding contributions to the development of this very important legislation which the Senate has just passed by Eli Nobleman, counsel to the Senate Committee on Government Operations; Brian Conboy, special counsel to the minority of the Committee on Government Operations; W. P. Goodwin, counsel to the Committee on Government Operations; and Lewis Paper, legislative counsel to Senator GAYLORD NELSON, all of whose performance was indeed outstanding.

I wish also to express by deep appreciation to Senator NELSON, Senator PERCY, Senator JAVITS, and all of the members of the Committee on Government Operations for the very diligent effort they gave to the formulation of this legislation.

Mr. NELSON. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from North Carolina (Mr. ERVIN) in his commendation of the staff members who worked so hard in drafting, redrafting, and refining this bill. I particularly wish to congratulate Mr. Lew Paper of my staff, who originated the concept of this legislation, designed the original proposal, and has worked all these weeks in drafting what I believe to be a very sound legislative proposal.

Mr. WILLIAM L. SCOTT. Mr. President, I am one of the few Senators who voted "nay" on this resolution. I think it may well be a good resolution to make the papers of public officials such as the President public property. Nevertheless, I think it is very untimely.

In our State of Virginia, we have a law that if someone is the aggressor in a fist fight, if he knocks someone down he is guilty of simple assault and battery, but if he kicks him after he is down, that is aggravated assault, which is a felony in Virginia.

I think we have kicked a past President today.

Mr. HUGH SCOTT. Mr. President, as I earlier indicated I would, I voted for this bill on passage, which was the only course available to prevent the destruction of these papers, which must not be destroyed under any circumstances.

We could have accomplished the same thing by adopting the provision in the supplemental appropriation bill where the same preservation of papers is provided for until substantive legislation is passed, in which event to have this go over for a few days or even until we returned on November 12, notwithstanding what may have been said here, would not have resulted in any damage to the concept involved, namely, the preservation of the papers.

I do not know how these things will be handled in the process of informing the public, but I think it ought to appear that there was a very strong bipartisan consensus that these papers had to be preserved, and a very strong desire expressed throughout the debate that there should be no way by which the papers could be destroyed pending the final action by Congress. Therefore, I have joined in supporting the legislation on passage.

I do regret that we did not examine the constitutionality of the issue at all. There are at least six constitutional questions involved. But I would like to make the point that since we were completely overridden on those suggestions, if the act turns out to be unconstitutional, I hope the public will hold responsible those people who disregarded the possibility of unconstitutionality. I suspect many of them will be long gone, and allowing that they had never been around in the first place, and their votes must have been cast under misapprehension.

But be that as it may, the future will tell; or I might put it another way, and say Time will tell, and so, probably, will Newsweek. The question is whether Time and Newsweek can or will tell properly how it happened.

Mr. MANSFIELD. Mr. President, the Senate's efficient disposition of the measures dealing with public access to "Watergate" tapes and records and facts may be attributed to the outstanding efforts of the senior Senator from North Carolina (Mr. ERVIN), the distinguished chairman of the Senate Government Operations Committee. His immense skill, able advocacy, and energy were applied once more with the utmost devotion to an extremely urgent and important matter. We are indebted to him for the fairness and even-handedness with which he led the way for the outstanding success of these measures.

Joining Senator ERVIN to assure this success was the Senator from Wisconsin (Mr. NELSON). He, along with the ranking minority member of the committee, Senator PERCY, are to be commended for adding their leadership to the issues involved in these measures. As always, their views were presented with the highest degree of clarity. We are indebted to them for their contributions.

Notable, too, was the cooperation of the distinguished Senator from Nebraska (Mr. HRUSKA). It was indispensable. And the distinguished Senator from New York (Mr. JAVITS) deserves praise as well for his support.

It is with a deep sense of gratitude that I make these remarks and commend the Senate as a whole for an outstanding job.

Mr. President, to keep a commitment made to the distinguished Senator from Nebraska (Mr. HRUSKA), I ask unanimous consent that Calendar No. 1126, Senate Joint Resolution 240, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSUMER PRODUCT WARRANTIES-FEDERAL TRADE COMMISSION IMPROVEMENT ACT

Mr. MOSS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 356.

The PRESIDING OFFICER (Mr. HELMS) laid before the Senate the amendments of the House of Representatives to S. 356 to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes, as follows:

Strike out all after the enacting clause, and insert: That this Act may be cited as the "Consumer Product Warranties-Federal Trade Commission Improvements Act".

TITLE I—CONSUMER PRODUCT WARRANTIES

DEFINITIONS

SEC. 101. For the purposes of this title:

(1) The term "consumer product" means any tangible personal property which is distributed in commerce and which is normally used for personal, family, or household purposes (including any such property intended to be attached to or installed in any real property without regard to whether it is so attached or installed).

(2) The term "Commission" means the Federal Trade Commission.

(3) The term "consumer" means the first buyer at retail of any consumer product, any person to whom such product is transferred during the duration of a warranty (or service contract) applicable to the product, and any other person who is entitled by the terms of such warranty (or contract) or under applicable State law to enforce against the warrantor (or service contractor) the obligations of the warranty (or contract).

(4) The term "reasonable and necessary maintenance" consists of those operations (A) which the consumer reasonably can be expected to perform or have performed and (B) which are necessary to keep any consumer product performing its intended function and operating in the manner (if any) specified in the warranty.

(5) The term "remedy" means whichever the following actions the warrantor elects:

(A) repair,

(B) replacement, or

(C) refund;

except that the warrantor may not elect refund unless (i) the warrantor is unable to provide replacement and repair is not commercially practicable or cannot be timely made, or (ii) the consumer is willing to accept such refund.

(6) The term "replacement" means furnishing a new consumer product which is identical or reasonably equivalent to the warranted product.

(7) The term "refund" means refunding the actual purchase price (less depreciation based on actual use).

(8) The term "supplier" means any person engaged in the business of making a consumer product directly or indirectly available to consumers.

(9) The term "warrantor" means any supplier who gives or offers to give a warranty.

(10) The term "warranty" means—

(A)(i) any written affirmation of fact or written promise made at the time of sale by a supplier to a purchaser which relates to the nature of the material or workmanship and affirms or promises that such material or workmanship is defect free or will meet a specific level of performance over a specified period of time, or

(ii) any undertaking in writing in connection with the sale of a consumer product to refund, repair, replace, or take other remedial action with respect to such product in the event that such product fails to meet the specifications set forth in the undertaking,

which written affirmation, promise, or undertaking becomes part of the basis of the bargain between a supplier and the first buyer at retail of such product; or

(B) an implied warranty arising under State law.

(11) The term "service contract" means a contract in writing to perform, over a fixed period of time or for a specified duration, services relating to the maintenance or repair of a consumer product.

(12) The term "distributed in commerce" means sold in commerce, introduced or delivered for introduction into commerce, or held for sale or distribution after introduction into commerce.

(13) The term "commerce" means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(14) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, or American Samoa. The term "State law" includes a law of the United States applicable only to the District of Columbia or only to a territory or possession of the United States; and the term "Federal law" excludes any State law.

WARRANTY PROVISIONS

SEC. 102. (a) In order to improve the adequacy of information available to consumers, prevent deception, and improve competition in the marketing of consumer products, any supplier warranting a consumer product to a consumer in writing shall fully and conspicuously disclose in simple and readily understood language the terms and conditions of such warrantly pursuant to any rules issued by the Commission. Such rules may require inclusion in the written warranty of any of the following items among others:

(1) The clear identification of the names and addresses of the warrantors.

(2) The identity of the party or parties to whom the warranty is extended.

(3) The products or parts covered.

(4) A statement of what the warrantor will do in the event of a defect, malfunction, or failure to conform with such written warrantly—at whose expense—and for what period of time.

(5) A statement of what the consumer must do and expenses he must bear.

(6) Exceptions and exclusion from the terms of the warranty.

(7) The step-by-step procedure which the consumer should take in order to obtain performance of any obligation under the warranty, including the identification of any class of persons authorized to perform the obligations set forth in the warranty.

(8) Information respecting the availability of any informal dispute settlement procedure offered by the warrantor and a recital, where the procedure so provides, that the purchaser must resort to such procedure before pursuing any legal remedies in the courts.

(9) A brief, general description of the legal remedies available to the consumer.

(10) The time at which the warrantor will perform his obligations.

(11) The period of time within which, after

notice of a defect, malfunction, or failure to conform with the warranty, the warrantor will perform any obligations under the warranty.

(12) The characteristics or properties of the products, or parts thereof, that are not covered by the warranty.

(13) The elements of the warranty in words or phrases which would not mislead a reasonable, average consumer as to the nature or scope of the warranty.

(b)(1)(A) The Commission shall prescribe rules requiring that the terms of any warranty on a consumer product be made available to the consumer (or prospective consumer) prior to the sale of the product to him.

(B) The Commission may prescribe rules for determining the manner and form in which information with respect to any written warranty of a consumer product shall be clearly and conspicuously presented or displayed so as not to mislead the reasonable, average consumer, when such information is contained in advertising, labeling, point-of-sale material, or other representations in writing.

(2) Nothing in this title (other than paragraph (3) of this subsection) shall be deemed to authorize the Commission to prescribe the duration of warranties given or to require that a consumer product or any of its components be warranted.

(3) The Commission may prescribe rules for extending the period of time a written warranty or service contract is in effect to correspond with any period of time in excess of a reasonable period (not less than ten days) during which the consumer is deprived of the use of such consumer product by reason of failure of the product to conform with the warranty or by reason of the failure of the warrantor (or service contractor) to carry out such warranty (or service contract) within the period specified in the warranty (or contract).

(c) No warrantor of a consumer product may condition his warranty of such product on the consumer's using, in connection with such product, any article or service (other than a service provided without charge under the terms of the warranty) which is identified by brand, trade, or corporate name; except that the prohibition of this subsection may be waived by the Commission if—

(1) the warrantor satisfies the Commission that the warranted product will function properly only if the product or service so identified is used in connection with the warranted product, and

(2) the Commission finds that the waiver is in the public interest.

The Commission shall publish in the Federal Register for public comment all applications for waiver of the prohibition of this subsection, and shall publish in the Federal Register its decision, including the reasons therefor.

(d) The Commission may by rule devise detailed, substantive warranty provisions which warrantors may incorporate by reference in their warranties.

(e) The provisions of this section apply only to consumer products actually costing the consumer more than $5.

DESIGNATION OF WARRANTIES

SEC. 103. (a) Any supplier warranting a consumer product in writing shall clearly and conspicuously designate such warranty in the following, unless exempted from doing so by the Commission pursuant to subsection (c) of this section:

(1) If the written warranty incorporates the Federal minimum standards for warranty set forth in section 104 of this Act, then it shall be conspicuously designated a "full (statement of duration)" warranty or guaranty.

(2) If the written warranty does not incorporate the Federal minimum standards for warranty set forth in section 104 of this Act, then it shall be conspicuously designated a "limited" warranty or guaranty.

(b) Statements or representations similar to expressions of general policy concerning customer satisfaction which are not subject to any specific limitations are excluded from sections 102, 103, and 104 of this Act, but shall remain subject to the provisions of the Federal Trade Commission Act and requirements in section 110(c) of this Act.

(c) In addition to the authority given in section 102 of this Act pertaining to disclosure, the Commission may prescribe rules to define in detail the duties set forth in section 104(a) of this Act and their applicability to warrantors of different categories of consumer products with "full (statement of duration)" warranties, and to determine when a warranty in writing does not have to be designated either "full (statement of duration)" or "limited" in accordance with this section.

(d) The provisions of this section and section 104 apply only to consumer products actually costing the consumer more than $10.

FEDERAL MINIMUM STANDARDS FOR WARRANTY

SEC. 104. (a) In order for a supplier warranting a consumer product in writing to incorporate the Federal minimum standards for warranty—

(1) such supplier must as a minimum undertake the remedy, within a reasonable time and without charge, of such consumer product in the case of a defect, malfunction, or failure to conform with such written warranty;

(2) notwithstanding section 108(b), such supplier may not impose any limitation on the duration of any implied warranty on the product; and

(3) if the product (or component part thereof) contains a defect or malfunction after a reasonable number of attempts (determined under rules of the Commission) by the warrantor to remedy such defect or malfunction, such warrantor must permit the consumer to elect either a refund or replacement without charge of such product or part (as the case may be).

(b)(1) In fulfilling the duties under subsection (a) the warrantor shall not impose any duty other than notification upon any consumer as a condition of securing remedy of any consumer product which does not conform to the written warranty unless the warrantor can demonstrate that such a duty is reasonable.

(2) Notwithstanding paragraph (1), a warrantor may require, as a condition to replacement of, or refund for, any consumer product under subsection (a), that the replaced consumer product shall be made available to the supplier free and clear of liens and other encumbrances, except as otherwise provided by rule or order of the Commission in cases in which such a requirement would not be practicable.

(3) The duties under subsection (a) extend from the warrantor to each person who is a consumer with respect to the product.

(c) The performance of the duties under subsection (a) of this section shall not be required of the warrantor if he can show that damage (not resulting from defect or malfunction) while in the possession of the consumer, or unreasonable use (including failure to provide reasonable and necessary maintenance), caused any warranted consumer product to fail to conform to the written warranty.

(d) For purposes of this section and section 102(c), the term "without charge" means that the warrantor cannot assess the consumer for any costs the warrantor or his representatives incur in connection with the required remedy of a warranted consumer product. The obligation under subsection (a)(1)(A) to remedy without charge does not necessarily require the warrantor to compensate the consumer for incidental expenses; however, if any incidental expenses are incurred because the remedy is not made within a reasonable time or because the warrantor imposed an unreasonable duty upon the consumer as a condition of securing remedy, then the consumer shall be entitled to recover reasonable incidental expenses which are so incurred in any action against the warrantor.

(e) If a supplier designates a warranty applicable to a consumer product as a "full (statement of duration)" warranty, then the warranty on such product shall, for the purposes of any action under section 110(d) or under any State law, be deemed to incorporate at least the minimum requirements of this section.

FULL AND LIMITED WARRANTING OF A CONSUMER PRODUCT

SEC. 105. Nothing in this title shall prohibit the selling of a consumer product which has both full and limited warranties if such warranties are clearly and conspicuously differentiated.

SERVICE CONTRACTS

SEC. 106. Nothing in this title shall be construed to prevent a supplier from entering into a service contract with the consumer fully and conspicuously discloses in simple and readily understood language its terms and conditions. The Commission may prescribe by rule the manner and form in which the terms and conditions of service contracts shall be clearly and conspicuously disclosed.

DESIGNATION OF REPRESENTATIVES

SEC. 107. Nothing in this title shall be construed to prevent any warrantor from designating representatives to perform duties under the warranty: *Provided*, That such warrantor shall make reasonable arrangements for compensation of such designated representatives, but no such designation shall relieve the warrantor of his direct responsibilities to the consumer or make the representative a cowarrantor.

LIMITATION ON DISCLAIMER OF IMPLIED WARRANTIES

SEC. 108. (a) No supplier may disclaim or modify any implied warranty to a consumer with respect to a consumer product if (1) such supplier makes any express warranty in writing to the consumer with respect to such consumer product, or (2) at the time of sale, or within ninety days thereafter, such supplier enters into a service contract with the consumer which applies to such consumer product.

(b) For purposes of this title, implied warranties may be limited in duration to the duration of an express warranty of reasonable duration, if such limitation is conscionable and is set forth in clear and unmistakable language and prominently displayed on the face of the warranty.

(c) A disclaimer, modification, or limitation made in violation of this section shall be ineffective for purposes of any action under this title or under State law.

COMMISSION RULES

SEC. 109. Any rule prescribed under this title shall be prescribed in accordance with, and shall be subject to judicial review under, section 18 of the Federal Trade Commission Act (as amended by section 202 of this Act).

REMEDIES

SEC. 110. (a)(1) Congress hereby declares it to be its policy to encourage warrantors to establish procedures whereby consumer disputes are fairly and expeditiously settled through informal dispute settlement mechanisms.

(2) The Commission shall prescribe rules setting forth requirements for any informed dispute settlement procedure which is incorporated into the areas of a warranty to

which any provision of this title applies. Such rules shall provide for participation in such procedure by independent or governmental entities.

(3) One or more suppliers may establish an informal dispute settlement procedure which meets the requirements of the Commission's rules under paragraph (2). If—

(A) a supplier establishes a procedure which meets such requirements and he incorporates in a warranty a requirement that the consumer resort to such procedure before pursuing any legal remedy under this section respecting such warranty, and

(B) the Commission has not found, under paragraph (4), that such procedure or its implementation fails to comply with rules under paragraph (2),

then (i) the consumer may not commence a civil action (other than a class action) under subsection (d) of this section unless he initially resorts to such procedure; and (ii) a class of consumers may not proceed in a class action under subsection (d) except to the extent the court determines necessary to establish the representatives capacity of the named plaintiffs, unless the named plaintiffs (upon notifying the defendant that they are named plaintiffs in a class action with respect to a warranty obligation) initially resort to such procedure. In any civil action arising out of a warranty obligation and relating to a matter considered in such a procedure, any decision in such procedure shall be admissible in evidence. In the case of such a class action which is brought in a district court of the United States, the representative capacity of the named plaintiffs shall be established in the application of Rule 23 of the Federal Rules of Civil Procedure for the District Courts of the United States.

(4) The Commission on its own initiative may, or upon written complaint filed by any interested person shall, review the bona fide operation of any dispute settlement procedure resort to which is stated in the consumer product warranty to be a prerequisite to pursuing a legal remedy under this section. If the Commission finds that such procedure or its implementation fails to comply with the requirements of the rules under paragraph (2), the Commission may take appropriate remedial action under any authority it may have under this title or any other provision of law.

(b) It shall be a violation of section 5(a) (1) of the Federal Trade Commission Act (15 U.S.C. 45(a)(1)) for any person to fail to comply with any requirement imposed on such person by or pursuant to this title or to violate any prohibition contained in this title.

(c)(1) The district courts of the United States shall have jurisdiction of any action brought by the Commission to restrain (A) any supplier from making a deceptive warranty with respect to a consumer project, or (B) any person from failing to comply with any requirement imposed on such person by or pursuant to this title or from violating any prohibition contained in this title. Upon proper showing that, weighing the equities and considering the Commission's likelihood of ultimate success, such action would be in the public interest and after notice to the defendant, a temporary restraining order or preliminary injunction may be granted without bond. If a complaint under section 5 of the Federal Trade Commission Act is not filed within such period (not exceeding ten days) as may be specified by the court after the issuance of the temporary restraining order or preliminary injunction, the order or injunction shall be dissolved by the court and be of no further force and effect. Any such suit shall be brought in the district in which such person, partnership, or corporation resides or transacts business. Whenever it appears to the court that the ends of justice require that other persons should be parties in the action, the court may cause them to be summoned whether or not they reside in the district in which the court is held, and to that end process may be served in any district.

(2) For the purposes of this subsection, the term "deceptive warranty" means (A) a warranty (as defined in section 101(10)) which (i) contains an affirmation, promise, description, or representation which is either false or fraudulent, or which, in light of all of the circumstances would mislead a reasonable individual exercising due care; or (ii) fails to contain information that is necessary in light of all of the circumstances, to make the warranty not misleading to a reasonable individual exercising due care; or (B) a warranty (as so defined) created by the use of such terms as "guaranty" or "warranty", if the terms and conditions of such warranty so limit its scope and application as to deceive a reasonable individual.

(d)(1) Subject to subsections (a)(3) and (e), a consumer who is damaged by the failure of a supplier to comply with any obligation under this title, or under a warranty or service contract (as defined in section 101 (10) and (11)), may bring suit—

(A) in any court of competent jurisdiction in any State or the District of Columbia; or

(B) in an appropriate district court of the United States, subject to paragraph (3) of this subsection.

(2) If a consumer finally prevails in any action brought under paragraph (1) of this subsection, he may be allowed by the court to recover as part of the judgment a sum equal to the aggregate amount of cost and expenses (including attorneys' fees based on actual time expended) determined by the court to have been reasonably incurred by the plaintiff for or in connection with the institution and prosecution of such action, unless the court in its discretion shall determine that such an award of attorneys' fees would be inappropriate.

(3) No claim shall be cognizable in a suit brought under paragraph (1)(B) of this subsection—

(A) unless each individual claim exceeds the sum or value of $25;

(B) unless the matter in controversy exceeds the sum or value of $50,000 (exclusive of interests and costs) computed on the basis of all claims to be determined in this suit; and

(C) if action is brought as a class action, unless the number of named plaintiffs equals or exceeds one hundred.

(e) No action (other than a class action or an action respecting a warranty to which subsection (a)(3) applies) may be brought under subsection (d) for breach of any warranty or service contract, and a class of consumers may not proceed in a class action under such subsection with respect to such a breach except to the extent the court determines necessary to establish the representative capacity of the named plaintiffs, unless the person obligated under the warranty or service contract is afforded a reasonable opportunity to cure such breach. In the case of such a class action (other than a class action respecting a warranty to which subsection (a)(3) applies) brought under subsection (d) for breach of any warranty or service contract, such reasonable opportunity will be afforded by the named plaintiffs and they shall at that time notify the defendant that they are acting on behalf of the class. In the case of such a class action which is brought in a district court of the United States, the representative capacity of the named plaintiffs shall be established in the application of rule 23 of the Federal Rules of Civil Procedure for the District Courts of the United States.

(f) For purposes of this section, only the supplier actually making a written affirmation of fact, promise, or undertaking shall be deemed to have created a warranty described in section 101(10)(A), and any rights arising thereunder may be enforced under this section only against such supplier and no other person.

EFFECT ON OTHER LAWS

Sec. 111. (a)(1) Nothing contained in this title shall be construed to repeal, invalidate, or supersede the Federal Trade Commission Act (15 U.S.C. 41 et seq.) or any statute defined therein as an Antitrust Act.

(2) Nothing in this title shall be construed to repeal, invalidate, or supersede the Federal Seed Act (77 U.S.C. 1551–1611) and nothing in this title shall apply to seed for planting.

(b)(1) Nothing in this title shall invalidate or restrict any right or remedy of any consumer under State law.

(2) Nothing in this title shall affect the liability of, or impose liability on, any person for personal injury.

(c)(1) Except as provided in subsection (b) and in paragraph (2) of this subsection, a State requirement—

(A) which relates to labeling, disclosure, or other matters (i) respecting written warranties or performance thereunder and (ii) within the scope of an applicable requirement of sections 102, 103, and 104 (and rules implementing such sections), and

(B) which is not identical to a requirement of section 102, 103, or 104 (or a rule thereunder),

shall not be applicable to warranties complying with such sections (or rules thereunder).

(2) If, upon application of an appropriate State agency, the Commission determines (pursuant to rules issued in accordance with section 109) that any requirement of such State covering any transaction to which this title applies (A) affords protection to consumers greater than the requirements of this title and (B) does not unduly burden interstate commerce, then such State requirement shall be applicable (notwithstanding the provisions of paragraph (1) of this subsection) to the extent specified in such determination for as long as the State continues to administer and enforce effectively any such greater requirement.

(d) This title (other than section 102(c)) shall be inapplicable to any warranty the making or content of which is otherwise governed by Federal law. If only a portion of a written warranty is so governed by Federal law, the remaining portion shall be subject to this title.

EFFECTIVE DATE

Sec. 112. (a) Except as provided in subsection (b) of this section, this title shall take effect six months after the date of its enactment but shall not apply to consumer products manufactured prior to such date.

(b) Those requirements in this title which cannot be reasonably met without the promulgation of rules by the Commission shall take effect six months after the final publication of such rules; except that the Commission, for good cause shown, may provide designated classes of suppliers up to an additional six months to bring their written warranties into compliance with rules promulgated pursuant to this title.

(c) The Commission shall promulgate rules for initial implementation of this title as soon as possible after the date of enactment of this Act but in no event later than one year after the date of enactment of this Act.

TITLE II—FEDERAL TRADE COMMISSION IMPROVEMENTS

JURISDICTION OF COMMISSION

Sec. 201. (a) Section 5 of the Federal Trade Commission Act (15 U.S.C. 45) is amended by striking out "in commerce" wherever it appears and inserting in lieu thereof "in or affecting commerce".

(b) Subsections (a) and (b) of section 6 of the Federal Trade Commission Act (15 U.S.C. 46) are each amended by strking out "in commerce" and inserting in lieu thereof "in or whose business affects commerce".

(c) Section 12 of the Federal Trade Commission Act (15 U.S.C. 52) is amended by striking out "in commerce" wherever it appears and inserting in lieu thereof in subsection (a) "in or having an effect upon commerce," and in subsection (b) "in or affecting commerce".

RULEMAKING AUTHORITY

SEC. 202. (a) The Federal Trade Commission Act is amended by redesignating section 18 as section 19, and inserting after section 17 the following new section:

"RULEMAKING

"SEC. 18. (a)(1) The Commission shall have the power to issue (A) procedural, administrative, and advisory rules, and (B) rules defining with specificity acts or practices which are unfair or deceptive and which are within the scope of section 5(a)(1) of this Act. The Commission shall have no authority under this Act, other than its authority under this section, to prescribe rules.

"(2)(A) When issuing rules under paragraph (1)(B) of this subsection, the Commission shall proceed in accordance with section 553 of title 5, United States Code (not including any reference to sections 556 and 557), and shall also: (i) issue an order of proposed rulemaking stating with particularity the reason for the proposed rule; (ii) allow interested persons to comment on the proposed rule in writing and make all such comments publicly available; (iii) provide an opportunity for an informal hearing at which interested persons may comment orally on the proposed rule; and (iv) promulgate, if appropriate, a final rule together with a statement of basis and purpose based on the information and comments compiled in accordance with clauses (i), (ii), and (iii). A verbatim transcript of any oral hearing under clause (iii) shall be taken and such transcript shall be publicly available.

"(B) The Commission shall afford the following process for its hearings pursuant to subparagraph (A)(iii) of this paragraph:

"(i) Subject to clauses (ii) and (iii) of this subparagraph, a party is entitled to present his position by oral or documentary evidence and to submit rebuttal evidence, and to conduct such cross examination as may be required for a full and true disclosure of all disputed issues of material fact.

"(ii) The Commission may make such rules and rulings concerning proceedings in such hearings as may tend to avoid unnecessary costs or delay.

"(iii) When parties with the same or similar interests cannot agree upon a single representative, the Commission may make rules and rulings governing the manner in which such cross-examination is limited; but when any party has the same or similar interests with other parties but is unable to agree upon group representation with these parties, such party shall not be denied the opportunity to conduct cross-examination as to issues affecting his particular interests if he shows to the satisfaction of the Commission that he has made a good faith effort to reach agreement upon group representation with the other parties having same or similar interests and that there are substantial issues which are not adequately presented by the group representative.

"(C) The agency statement to accompany the adoption of a rule shall include, among other things, statements (i) as to extent of the acts and practices treated by the rule; (ii) as to the manner in which and extent to which such acts or practices are unfair or deceptive; and (iii) as to the economic impact of the rule, taking into account the impact on small business.

"(D) When any rule under this paragraph (2) is promulgated and becomes final a subsequent violation thereof shall constitute an unfair or deceptive act or practice in violation of section 5(a)(1) of this Act, unless the Commission otherwise expressly provides in the rule.

"(E) The term 'Commission' as used in this paragraph (2) includes anyone authorized to act in behalf of the Commission in any part of the conduct of the rulemaking process.

"(3)(A) Not later than sixty days after a rule to which paragraph (2) of this subsection applies is prescribed by the Commission, any person adversely affected by such rule (including a consumer or consumer organization) may file a petition with the United States Court of Appeals for the District of Columbia or for the circuit in which such person resides or has his principal place of business for a judicial review of such rule. Copies of the petition shall be forthwith transmitted by the clerk of the court to the Commission or other officer designated by it for that purpose. The Commission shall file in the court the record of the proceedings on which the Commission based its rule as provided in section 2112 of title 28, United States Code. For purposes of this section, the term 'record' means such rule. the transcript required by paragraph (2)(A) of any oral presentation, any written submission of interested parties, and any other information which the Commission considers relevant to such rule.

"(B) If the petitioner applies to the court for leave to adduce additional data, views, or arguments and shows to the satisfaction of the court that such data, views, or arguments are material and that there were reasonable grounds for the petitioner's failure to adduce such data, views, or arguments in the proceeding before the Commission, the court may order the Commission to provide additional opportunity for the oral presentation of data, views, or arguments and for written submissions. The Commission may modify its statement or make a new statement by reason of the additional data, views, or arguments so taken and shall file such modified or new statement, and its recommendations, if any, for the modification or setting aside of its original rule, with the return of such additional data, views, or arguments.

"(C) Upon the filing of the petition under subparagraph (A) of this paragraph, the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5, United States Code, and to grant appropriate relief, including interim relief, as provided in such chapter. The rule shall not be affirmed unless the Commission's action is supported by substantial evidence in the record taken as a whole.

"(D) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28, United States Code.

"(E) Remedies under this paragraph (3) are in addition to and not in lieu of any other remedies provided by law.

"(b)(1) In order to prevent unfair or deceptive acts or practices in or affecting commerce (including acts or practices which are unfair or deceptive to a consumer) by banks, each agency specified in paragraph(2) of this subsection shall establish a separate division of consumer affairs which shall receive and take appropriate action upon complaints with respect to such acts or practices by banks subject to its jurisdiction. The Board of Governors of the Federal Reserve System shall prescribe regulations to carry out the purposes of this section, including regulations defining with specificity such unfair or deceptive acts or practices. In carrying out its responsibilities under this subsection, the Board shall issue substantially similar regulations proscribing acts or practices of banks which are substantially similar to those proscribed by rules of the Commission within sixty days of the effective date of such Commission rules unless the Board finds that such acts or practices of banks are not unfair or deceptive to consumers or it finds that implementation of similar regulations with respect to banks would seriously conflict with essential monetary and payments systems policies of the Board, and publishes any such finding, and the reasons therefor, in the Federal Register.

"(2) Compliance with the requirements imposed under this subsection shall be enforced under section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks and banks operating under the code of law for the District of Columbia, by the division of consumer affairs established by the Comptroller of the Currency;

"(B) member banks of the Federal Reserve System (other than banks referred to in subparagraph (A)) by the division of consumer affairs established by the Board of Governors of the Federal Reserve System; and

"(C) banks insured by the Federal Deposit Insurance Corporation (other than banks referred to in subparagraph (A) or (B)), by the division of consumer affairs established by the Board of Directors of the Federal Deposit Insurance Corporation.

"(3) For the purpose of the exercise by any agency referred to in paragraph (2) of its powers under any Act referred to in that paragraph, a violation of any requirement imposed under this subsection shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in paragraph (2), each of the agencies referred to in that paragraph may exercise, for the purpose of enforcing compliance with any requirement imposed under this subsection, any other authority conferred on it by law.

"(4) The authority of the Board of Governors of the Federal Reserve System to issue regulations under this subsection does not impair the authority of any other agency designated in this subsection to make rules respecting its own procedures in enforcing compliance with requirements imposed under this subsection.

"(5) Each agency exercising authority under this subsection shall transmit to the Congress not later than March 15 of each year a detailed report on its activities under this paragraph during the preceding calendar year.

"(c)(1) Any person to whom a rule under subsection (a)(1)(B) of this section applies may petition the Commission for an exemption from the rule based on special circumstances. If the petitioner satisfies the Commission that special circumstances are applicable to him, the Commission shall grant the petitioner an exemption from such rule. Paragraphs (2)(A), (2)(B), and (2)(E) of subsection (a) of this section shall apply to petitions for exemptions under this subsection to the same extent as such paragraphs apply to rules under paragraphs (1)(B) of subsection (a).

"(2) For purposes of this subsection, the term 'special circumstances' means factors which are applicable to a particular petitioner (as distinguished from others subject to the rule) and which are so different or unique that applying the rule to the petitioner would result in significant hardship which would outweigh any public benefit resulting from application of the rule to the petitioner.

"(3) Neither the pendency of an application under this subsection for an exemption from a rule, nor the pendency of judicial proceedings to review the Commission's action under this subsection, shall stay the applicability of such rule.

"(4) Judicial review of the Commission's action or failure to act under paragraph (1) of this subsection shall be in accordance with chapter 7 of title 5, United States Code. The Commission's action shall not be affirmed unless it is supported by substantial evidence in the record taken as a whole (including any material evidence in the record of the rulemaking proceeding for the rule from which the exemption is sought)."

(b) Section 6(g) of the Federal Trade Commission Act (15 U.S.C. 46(g)) is amended to read as follows:

"(g) From time to time to classify corporations."

(c)(1) The amendments made by subsections (a) and (b) of this section shall not affect the validity of any rule which was promulgated under section 6(g) of the Federal Trade Commission Act prior to the date of enactment of this section. Any proposed rule under section 6(g) of such Act with respect to which presentation of data, views, and arguments was substantially completed before such date may be promulgated in the same manner and with the same validity as such rule could have been promulgated had this section not been enacted.

(2) If a rule described in paragraph (1) of this subsection is valid, any substantive change in the rule after it is promulgated shall be made in accordance with section 18 of the Federal Trade Commission Act (added by this section).

INVESTIGATIVE AUTHORITY

Sec. 203. (a)(1) Section 6(a) of the Federal Trade Commission Act is amended by striking out "corporation" and inserting "person, partnership, or corporation" and by striking out "corporations and to individuals, associations, and partnerships", and inserting in lieu thereof "persons, partnerships, and corporations".

(2) Section 6(b) of such Act is amended by striking out "corporations" where it first appears and inserting in lieu thereof "persons, partnerships, and corporations,", and by striking out "respective corporations" and inserting in lieu thereof "respective persons, partnerships, and corporations".

(3) The proviso at the end of section 6 of such Act is amended by striking out "any such corporation to the extent that such action is necessary to the investigation of any corporation, group of corporations," and inserting in lieu thereof "any person, partnership, or corporation to the extent that such action is necessary to the investigation of any person, partnership, or corporation, group of persons, partnerships, or corporations,".

(b)(1) The first paragraph of section 9 of such Act is amended by striking out "corporation" where it first appears and inserting in lieu thereof "person, partnership, or corporation".

(2) The third paragraph of section 9 of such Act is amended by striking out "corporation or other person" both places where it appears and inserting in each such place "person, partnership, or corporation".

(3) The fourth paragraph of section 9 of such Act is amended by striking out "person or corporation" and inserting in lieu thereof "person, partnership, or corporation".

(c)(1) The second paragraph of section 10 of such Act is amended by striking out "corporation" each place where it appears and inserting in lieu thereof in each such place "person, partnership, or corporation".

(2) The third paragraph of section 10 of such Act is amended by striking out "corporation" where it first appears and inserting in lieu thereof "persons, partnership, or corporation"; and by striking out "in the district where the corporation has its principal office or in any district in which it shall do business" and inserting in lieu thereof "in the case of a corporation or partnership in the district where the corporation or partnership has its principal office or in any district in which it shall do business, and in the case of any person in the district where such person resides or has his principal place of business".

REPRESENTATION

Sec. 204. (a) Section 5(m) of the Federal Trade Commission Act (15 U.S.C. 45(m)) is amended to read as follows:

"(m) For the purpose of enforcing the laws subject to its jurisdiction, the Commission shall have the power, with the concurrence of the Attorney General, to appear in any civil action in its own name and through its own legal representative."

(b) Section 16(b) of such Act is amended by striking out "after compliance with the requirements with section 5(m)" and insert in lieu thereof "with the concurrence of the Attornel General".

AUTHORIZATION OF APPROPRIATIONS

Sec. 205. There are authorized to be appropriated to carry out the functions, powers, and duties of the Federal Trade Commission not to exceed $41,000,000 for the fiscal year ending June 30, 1975; not to exceed $45,000,000 for the fiscal year ending June 30, 1976; and not to exceed $49,000,000 for the fiscal year ending June 30, 1977. For fiscal years ending after June 30, 1977, there may be appropriated only such sums as the Congress may hereafter authorize by law.

Amend the title so as to read: "An Act to provide minimum disclosure standards for written consumer product warranties against defect or malfunction; to define minimum Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; to authorize appropriations for the Federal Trade Commission for fiscal years 1975, 1976, and 1977; and for other purposes."

Mr. MOSS. Mr. President, I move that the Senate disagree to the amendments of the House of Representatives and request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. MOSS, and Mr. STEVENS conferees on the part of the Senate.

ORDER FOR THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE REPORTS UNTIL 6 P.M. TODAY

Mr. MANSFIELD. Mr. President, before calling up Calendar Nos. 1160 and 1161, I ask unanimous consent that the Committee on Interior and Insular Affairs be authorized to file reports until 6 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 420—AUTHORIZATION FOR PAYMENT OF SALARIES TO STAFF OF OFFICE OF THE VICE PRESIDENT

Mr. MANSFIELD. Mr. President. I send to the desk a resolution on behalf of the distinguished Republican leader and myself and ask for its immediate consideration.

The PRESIDING OFFICER. The Clerk will report.

The second assistant legislative clerk read as follows:

A resolution (S. Res. 420) to authorize payment of salaries to staff of office of the Vice President.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the resolution.

The Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, the reason for this resolution is that the Nation is still without a Vice President, and until that matter is settled we will have to operate on this basis to make sure there is at least a skeleton staff in existence.

The resolution (S. Res. 420) was agreed to, as follows:

Resolved, That the clerical and other assistants continued on the payroll of the Senate under authority of Senate Resolution 379, agreed to August 9, 1974, are hereby further continued on the payroll of the Senate, at their respective salaries in effect on the date this resolution is agreed to, for a period not to exceed ten days after the current Vice Presidential nominee is confirmed or not confirmed, such sums to be paid from the contingent fund of the Senate: *Provided,* That any such assistance continued on the payroll, while so continued, shall perform their duties for which employed and the Secretary of the Senate is hereby authorized and directed to remove from such payroll any such assistants who are not attending to the duties for which their services are continued.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Nos. 1160 and 1161.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONVEYANCE OF LAND TO THE NEW MEXICO STATE UNIVERSITY

The Senate proceeded to consider the bill (H.R. 5641) to authorize the conveyance of certain lands to the New Mexico State University, Las Cruces, N. Mex.

The bill was considered, ordered to a third reading, read the third time, and passed.

DESIGNATING OF LANDS IN THE FARALLON NATIONAL WILDLIFE REFUGE, AND POINT REYES NATIONAL SEASHORE

The Senate proceeded to consider the bill (H.R. 11013) to designate certain lands in the Farallon National Wildlife Refuge, Calif., as wilderness, to add certain lands to the Point Reyes National Seashore; and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, beginning with line 9, strike out:

Sec. 201. Section 2 of the Act of September 13, 1962 (76 Stat. 538), as amended (16 U.S.C. 459C 1), is further amended by including the following new subsection (c):

"(c) The Point Reyes National Seashore shall include, in addition to those lands hereinbefore described, such lands as are depicted on the map entitled 'Planning Map, Point Reyes National Seashore, Marin County, California', numbered 8530/30006A and dated February 1974, to which a legal description of such lands shall be attached. For the purposes of this subsection, there are authorized to be appropriated for the acquisition of lands such sums as may be necessary, but not to exceed $200,000."

And insert in lieu thereof:

Sec. 201. (Subsection (a) of section 2 of the Act of September 13, 1962 (76 Stat. 538), describing the boundaries of the Point Reyes National Seashore, California, is amended to read as follows:

"Sec. 2. (a) The area comprising that portion of the land and waters located on Point Reyes Peninsula, Marin County, California, which shall be known as the Point Reyes National Seashore, is described as the area within the boundaries generally depicted on the map entitled 'Boundary Map, Point Reyes National Seashore, Marin County, California', numbered 612-80,008-B, and dated August 1974, which shall be on file and available for public inspection in the office of the National Park Service, Department of the Interior.".

Sec. 202. The Secretary of the Interior shall, as soon as practicable after the date of enactment of this title, publish an amended description of the boundaries of the Point Reyes National Seashore in the Federal Register, and thereafter he shall take such action with regard to such amended description and the map referred to in section 201 of this title as is required in the second sentence of subsection (b) of section 4 of the Act of September 13, 1962, as amended.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

THE IMPENDING RECESS

Mr. HUGH SCOTT. Mr. President, will the distinguished majority leader further yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HUGH SCOTT. The indication has been given that we should be able to recess at the close of business Friday, October 11. May I inquire whether, if we can dispose of the bills that the majority leader has mentioned, plus a supplemental, if deemed feasible, plus the continuing resolution on foreign assistance, there exists a possibility or does there exist a possibility, that we may be able to leave somewhat earlier? I have been asked this question, so I repeat it.

Mr. MANSFIELD. Well, if all those bits and pieces which the distinguished Senator from Pennsylvania referred to are completed, I would say the chances are good. But, as of now, I would not bet on it.

Mr. HUGH SCOTT. I understand that if the continuing resolution is not passed, then I would express the hope that we will, if it is voted down, stay here until we get some kind of a continuing resolution to permit the Government to function in those agencies which are impaired or impeded by the failure to pass the resolution.

Mr. MANSFIELD. We will. We will stay in until that matter is disposed of because we have no choice, and the Senate should be made aware of the fact that if there is no continuing resolution, in view of the circumstances which have developed and the probabilities of the damage it may entail, the Senate will have no choice but to stay in session beyond Friday into the week following, if necessary, to dispose of that matter.

Mr. HUGH SCOTT. I thank the distinguished majority leader.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERSONNEL CAPTURED, KILLED, OR MISSING DURING INDOCHINA CONFLICT

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 81.

The PRESIDING OFFICER (Mr. Griffin) laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 81) relating to unaccounted for personnel captured, killed, or missing during the Indochina conflict, which were to strike out all after the resolving clause, and insert:

That it is the sense of Congress that it shall be the policy of the United States that the Government of the United States shall cease forthwith all consideration of aid, trade, diplomatic recognition, or accommodation with the Democratic Republic of North Vietnam or the Provisional Revolutionary Government (Viet Cong) until such time as the aforesaid agreements are complied with to the fullest extent.

Sec. 2. In order to maximize public concern for those who are still missing in action in Southeast Asia as well as to honor suitably the memory of those who served and died there, the Congress hereby authorizes and calls upon the President to—

(1) cooperate with and encourage local officials and civic leaders across the Nation to dedicate and suitably mark individual trees in local ceremonies as living commemoration to former residents who are still missing as a result of the fighting in Southeast Asia, as well as to all those who served and died there; and

(2) dedicate and suitably mark a national commemorative tree or national commemorative grove of trees at an appropriate location as a national living commemoration to all those who are still missing in Southeast Asia as well as to all those who served and died there.

Such ceremonies shall, to the extent possible, be coordinated for implementation upon Memorial Day next.

Strike out the preamble, and insert:

Whereas the Government of the Democratic Republic of North Vietnam and the Provisional Revolutionary Government (Viet Cong) have failed to live up to article 8, paragraph (b) and the protocol in article 10 of the January 27, 1973, agreements and the explanatory statement on the same article contained in the June 13, 1973, agreements, all of which relate to facilitating the location and care of graves of the dead, exhumation, and repatriation of the remains as well as to obtain information on those still considered missing in action; and

Whereas the Lao Patriotic Front (Pathet Lao) has failed to live up to its obligations under the agreement of September 14, 1973; and

Whereas the United States has ceased all military activity in South Vietnam, Cambodia, and Laos as of August 15, 1973: Now, therefore, be it

And amend the title so as to read: "Concurrent resolution expressing the sense of Congress with respect to the missing in action in Southeast Asia."

Mr. ROBERT C. BYRD. Mr. President, I have been asked to move, and I do move that the Senate disagree to the amendments of the House of Representatives and request a conference with the House of Representatives on the disagreeing votes of the two houses thereon; and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Fulbright, Mr. Sparkman, Mr. Mansfield, Mr. Aiken, and Mr. Case conferees on the part of the Senate.

THE NOMINATION OF PETER FLANIGAN AS AMBASSADOR TO SPAIN

Mr. ROBERT C. BYRD. Mr. President, paragraph 6 of rule XXXVIII of the Standing Rules of the Senate reads as follows:

6. Nominations neither confirmed nor rejected during the session at which they are made shall not be acted upon at any succeeding session without being again made to the Senate by the President; and if the Senate shall adjourn or take a recess for more than thirty days, all nominations pending and not finally acted upon at the time of taking such adjournment or recess shall be returned by the Secretary to the President, and shall not again be considered unless they shall again be made to the Senate by the President.

Mr. President, the nomination of Mr. Peter Flanigan has been submitted to the Senate by the President of the United States, the nomination being for an ambassadorship to Spain. The Committee on Foreign Relations as I understand it, has not completed its consideration of that nomination.

I merely wish to state for the record at this time that it will be my purpose and my intention to object to any unanimous-consent request to waive paragraph 6 of rule XXXVIII of the Standing Rules of the Senate with respect to the nomination of Mr. Flanigan—and that nomination only—if such request is made prior to the upcoming recess.

ORDERS FOR RECOGNITION OF SENATOR CURTIS, SENATOR McCLURE, AND SENATOR MANSFIELD ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, Mr. Curtis be recognized for not to exceed 15 minutes; Mr. McClure be recognized for not to exceed 15 minutes; and Mr. Mansfield be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the recognition of Senators under the orders previously entered, there be a period for the transaction of routine morning business on Monday next, not to extend beyond 15 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 4057—HAZARDOUS SUBSTANCES BILL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of routine morning business on Monday next, the Senate proceed to the consideration of the so-called hazardous substances bill, S. 4057.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES TO OCCUR AFTER 4 P.M. ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that if rollcall votes are ordered on Monday on any measure or motion, or other matter, such rollcall votes not occur prior to the hour of 4 o'clock p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. HUGH SCOTT. Mr. President, I rise to ask the majority leader to tell us the schedule for the rest of the day, expressing the hope that it will be minimal, and to inquire as to the program for next week, so that we may inform Senators, when does the recess begin and when does it end, and anything else he wishes to contribute that will reassure Senators that it is all right to go home at some time certain.

Mr. MANSFIELD. Mr. President, as the distinguished Republican leader knows, we have discussed this matter, and it is our intention, all vital legislation being passed, to recess on Friday, the 11th, and to come back on November 12 or 13.

In the meantime, we may have a supplemental appropriation bill. I am not so certain of that at the moment.

We will have to dispose of the continuing resolution one way or the other. I understand that the House of Representatives will not get to that until later next week, because of the piling up of legislation already agreed to for consideration, plus the continuing consideration of the House legislative reform proposals. So it all depends.

But as of now, it is anticipated that Calendar No. 1135, S. 4057, the so-called hazardous materials bill will be taken up on Monday; also Calendar No. 1136, S. 3957, the national emergencies bill; and also Calendar No. 1151, S. 2106, the limitation on the term of the Director of the FBI. Those three measures will be taken up on Monday if at all possible.

On Tuesday, under the agreement reached, unless it is changed in the meantime—and I do not anticipate it will be—we will take up a bill to amend the Communications Act of 1934, Calendar No. 1133, H.R. 12993. We have a time limitation on that.

We hope also that it will be possible on Tuesday or Wednesday to begin consideration of the so-called deepwater ports bill, Calendar No. 1153, S. 4076.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, OCTOBER 7, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Monday next.

The motion was agreed to; and at 2:47 p.m. the Senate adjourned until Monday, October 7, 1974, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate October 4, 1974:

DEPARTMENT OF JUSTICE

John A. Birknes, Jr., of Massachusetts, to be U.S. marshal for the district of Massachusetts for the term of 4 years.

DEPARTMENT OF DEFENSE

Will Hill Tankersley, of Alabama, to be Deputy Assistant Secretary of Defense for Reserve Affairs.

Harold L. Brownman, of Maryland, to be an Assistant Secretary of the Army.

H. Tyler Marcy, of Massachusetts, to be an Assistant Secretary of the Navy.

Gary Dean Penisten, of Connecticut, to be an Assistant Secretary of the Navy.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE AIR FORCE

The following officer under the provisions of title 10, United States Code, section 8066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Eugene F. Tighe, Jr., [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force under the provisions of chapters 35 and 837, title 10 of the United States Code:

To be major general

Maj. Gen. John J. Pesch, [redacted] FG, Air National Guard.

To be brigadier general

Brig. Gen. John T. Guice, [redacted] FG, Air National Guard.

The following officer under the provisions of title 10, United States Code, section 8066 to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 8066, in grade as follows:

To be lieutenant general

Maj. Gen. Howard M. Fish, [redacted] FR (major general, Regular Air Force), U.S. Air Force.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) and section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Samuel Vaughn Wilson, [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officer for reappointment to the active list of the Regular Army and Army of the United States with grade as indicated, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

To be brigadier general, Regular Army, and brigadier general, Army of the United States

Pearson White Brown, [redacted]

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Victor A. Armstrong
Wilbur F. Simlik
William G. Joslyn
William R. Quinn
Francis W. Vaught
Robert L. Nichols

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Nolan J. Beat
Edward A. Parnell
Thurman Owens
Edward B. Meyer
William J. White
Noah C. New
Harold L. Coffman
Maurice C. Ashely, Jr.

IN THE AIR FORCE, ARMY, NAVY AND MARINE CORPS

Air Force nominations beginning Maj. George R. Armitage, Jr., to be lieutenant colonel, and ending Maj. Daniel B. Jackson, to be lieutenant colonel, which nominations were received by the Senate August 23, 1974, and appeared in the Congressional Record on September 4, 1974.

Air Force nominations beginning Allan E. Aaronson, to be colonel, and ending William L. Williams, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on September 12, 1974.

Air force nominations beginning Peter J. Abadie, to be first lieutenant, and ending Harvey J. Ziegler, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 23, 1974.

Army nominations beginning Allan C. Ashcraft, to be colonel, and ending Archie J. Woodin, to be lieutenant colonel, which nominations were received by the Senate August 23, 1974, and appeared in the Congressional Record on September 4, 1974.

Army nominations beginning George C. Ackley, Jr., to be lieutenant colonel, and ending Marie Diaz Ramirez, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on September 4, 1974.

Navy nominations beginning Charles R. Adams, to be lieutenant (jg.), and ending Lt. (jg.) Michael R. Hargrave, for permanent grade of ensign, which nominations were received by the Senate August 23, 1974, and appeared in the Congressional Record on September 4, 1974.

Navy nominations beginning Dana M. Broach, to be ensign, and ending Delmar Herron, to be a permanent chief warrant officer, which nominations were received by the Senate August 29, 1974, and appeared in the Congressional Record on September 4, 1974.

Navy nominations beginning Michael R. Appleby, to be lieutenant, and ending Barbara Zulak, to be lieutenant, which nominations were received by the Senate August 29, 1974, and appeared in the Congressional Record on September 4, 1974.

Navy nominations beginning Winfred G. Aker, to be ensign, and ending Ernest W. Hunt, Jr., to be commander, which nominations were received by the Senate and appeared in the Congressional Record on September 16, 1974.

Navy nominations beginning Thomas Henry Abernathy, to be lieutenant, and ending Michael Thomas Zurfluh, to be lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 16, 1974.

Navy nominations beginning Robert U. Bregman, to be commander, and ending Wayne B. Goodermote, to be a permanent lieutenant and a temporary lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on September 23, 1974.

The nomination of Donald R. Navorska, U.S. Marine Corps, for reappointment to the grade of lieutenant colonel, which nomination was received by the Senate August 23, 1974, and appeared in the Congressional Record on September 4, 1974.

The nomination of John R. Bell, U.S. Marine Corps, for reappointment to the grade of captain, which nomination was received by the Senate August 23, 1974, and appeared in the Congressional Record on September 4, 1974.

The nomination of Maj. Jack T. Kline, U.S. Marine Corps, to be lieutenant colonel, which nomination was received by the Senate and appeared in the Congressional Record on September 17, 1974.

The nomination of William C. Shaver, U.S. Marine Corps, to be major, which nomination was received by the Senate and appeared in the Congressional Record on September 17, 1974.

HOUSE OF REPRESENTATIVES—*Friday, October 4, 1974*

CONFERENCE REPORT ON SOLAR ENERGY

Mr. TEAGUE (pursuant to an order of the House on October 3, 1974) filed the following conference report and statement on the bill (S. 3234) to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of solar energy as a viable source for our national energy needs, and for other purposes:

CONFERENCE REPORT (H. REPT. 93–1428)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3234) to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of solar energy as a viable source for our national energy needs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Solar Energy Research, Development, and Demonstration Act of 1974".

DECLARATION OF FINDINGS AND POLICY

SEC. 2. (a) The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of of energy;

(2) the current imbalance between domestic supply and demand for fuels and energy is likely to persist for some time;

(3) dependence on nonrenewable energy resources cannot be continued indefinitely, particularly at current rates of consumption;

(4) it is in the Nation's interest to expedite the long-term development of renewable and nonpolluting energy resources, such as solar energy;

(5) the various solar energy technologies are today at widely differing stages of development, with some already near the stage of commercial application and others still requiring basic research;

(6) the early development and export of viable equipment utilizing solar energy, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;

(7) the mass production and use of equipment utilizing solar energy will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;

(8) to date, the national effort in research, development, and demonstration activities relating to the utilization of solar energy has been extremely limited; therefore

(9) the urgency of the Nation's critical energy shortages and the need to make clean and renewable energy alternatives commercially viable require that the Nation undertake an intensive research, development, and demonstration program with an estimated Federal investment which may reach or exceed $1,000,000,000.

(b) The Congress declares that it is the policy of the Federal Government to—

(1) pursue a vigorous and viable program of research and resource assessment of solar energy as a major source of energy for our national needs; and

(2) provide for the development and demonstration of practicable means to employ solar energy on a commercial scale.

DEFINITIONS

SEC. 3. For the purposes of this Act—

(1) the term "solar energy" means energy which has recently originated in the Sun, including direct and and indirect solar radiation and intermediate solar energy forms such as wind, sea thermal gradients, products of photosynthetic processes, organic wastes, and others;

(2) the term "byproducts" includes, with respect to any solar energy technology or process, any solar energy products (including energy forms) other than those associated with or constituting the primary product of such technology or process;

(3) the term "isolation" means the rate at which solar energy is received at the surface of the Earth;

(4) the term "Project" means the Solar Energy Coordination and Management Project; and

(5) the term "Chairman" mean the Chairman of the Project.

SOLAR ENERGY COORDINATION AND MANAGEMENT PROJECT

SEC. 4. (a) There is hereby established the Solar Energy Coordination and Management Project.

(b) (1) The Project shall be composed of six members as follows:

(A) an Assistant Director of the National Science Foundation;

(B) an Assistant Secretary of Housing and Urban Development;

(C) a member of the Federal Power Commission;

(D) an Associate Administrator of the National Aeronautics and Space Administration;

(E) the General Manager of the Atomic Energy Commission; and

(F) a member to be designated by the President.

(2) The President shall designate one member of the Project to serve as Chairman of the Project.

(3) If the individual designated under paragraph (1) (F) is an officer or employee of the Federal Government, he shall receive no additional pay on account of his service as a member of the Project. If such individual is not an officer or empolyee of the Federal Government, he shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315) for each day (including traveltime) during which he is engaged in the actual performance of duties vested in the Project.

(c) The Project shall have overall responsibility for the provision of effective management and coordination with respect to a national solar energy research, development, and demonstration program, including—

(1) the determination and evaluation of the resource base, including its temporal and geographic characteristics;

(2) research and development on solar energy technologies; and

(3) the demonstration of appropriate solar energy technologies. (d) (1) The Project shall carry out its responsibilties under this section in cooperation with the following Federal agencies:

(A) the National Science Foundation, the responsibilities of which shall include research;

(B) the National Aeronautics and Space Administration, the responsibilities of which shall include the provision of management capability and the development of technologies;

(C) the Atomic Energy Commission, the responsibilities of which shall include the development of technologies;

(D) the Department of Housing and Urban Development, the responsibilities of which shall include fostering the utilization of solar energy for the heating and cooling of buildings, pursuant to the Solar Heating and Cooling Demonstration Act of 1974 (P.L. 93–409; 88 Stat. 1069), and

(E) the Federal Power Commission, the responsibilities of which shall include fostering the utilization of solar energy for the generation of electricity and for the production of synthetic fuels.

(2) Upon request of the Chairman, the head of any such agency is authorized to detail or assign, on a reimbursable basis or otherwise, any of the personnel of such agency to the Project to assist it in carrying out its responsibilities under this Act.

(e) The Project shall have exclusive authority with respect to the establishment or approval of programs or projects initiated under this Act, but the agency involved in any particular program or project shall be responsible for the operation and administration of such program or project.

(f) The National Aeronautics and Space Administration is authorized to undertake and carry out those programs assigned to it by the Project.

RESOURCE DETERMINATION AND ASSESSMENT

SEC. 5. (a) The Chairman shall initiate a solar energy resource determination and assessment program with the objective of making a regional and national appraisal of all solar energy resources, including data on insulation, wind, sea thermal gradients, and potentials for photosynthetic conversion. The program shall emphasize identification of promising areas for commercial exploitation and development. The specific goals shall include—

(1) the development of better methods for predicting the availability of all solar energy resources, over long time periods and by geographic location;

(2) the development of advanced meteorological, oceanographic, and other instruments, methodology, and procedures necessary to measure the quality and quantity of all solar resources on periodic basis;

(3) the development of activities, arrangements, and procedures for the collection, evaluation, and dissemination of information and data relating to solar energy resource assessment.

(b) The Chairman, acting through the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, and other appropriate agencies, shall—

(1) develop and carry out a general plan for inventorying all forms of solar energy resources associated with Federal lands and (where consistent with property rights) non-Federal lands;

(2) conduct regional surveys based upon such general plan, using innovative meteorological, oceanographic, and space-related techniques, in sufficient numbers to lead to a national inventory of solar energy resources in the United States;

(3) publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of solar energy resources; and

(4) make such recommendations for legislation as may appear to be necessary to establish policies for solar resources involving Federal lands and waters, consistent with known inventories of various resource types, with the state of technologies for solar energy development, and with evaluation of the environmental impacts of such development.

RESEARCH AND DEVELOPMENT

SEC. 6. (a) The Chairman shall initiate a research and development program for the purpose of resolving the major technical problems inhibiting commercial utilization of solar energy in the United States.

(b) In connection with or as a part of such program, the Chairman shall—

(1) conduct, encourage, and promote scientific research and studies to develop effective and economical processes and equipment for the purpose of utilizing solar energy in an acceptable manner for beneficial uses;

(2) carry out systems, economic, social, and environmental studies to provide a basis for research, development and demonstration planning and phasing; and

(3) perform or cause to be performed technology assessments relevant to the utilization of solar energy.

(c) The specific solar energy technologies to be addressed or dealt with in the program shall include—

(1) direct solar heat as a source for industrial processes, including the utilization of low-level heat for process and other industrial purposes;

(2) thermal energy conversion, and other methods, for the generation of electricity and the production of chemical fuels;

(3) the conversion of cellulose and other organic materials (including wastes) to useful energy or fuels;

(4) photovoltaic and other direct conversion processes;

(5) sea thermal gradient conversion;

(6) windpower conversion;

(7) solar heating and cooling of housing and of commercial and public buildings; and

(8) energy storage.

DEMONSTRATION

SEC. 7. (a) The Chairman is authorized to initiate a program to design and construct, in specific solar energy technologies (including, but not limited to, those listed in section (6)(c)), facilities or powerplants of sufficient size to demonstrate the technical and economic feasibility of utilizing the various forms of solar energy. The specific goals of such programs shall include—

(1) production of electricity from a number of powerplants, on the order of one to ten megawatts each;

(2) production of synthetic fuels in commercial quantities;

(3) large-scale utilization of solar energy in the form of direct heat;

(4) utilization of thermal and all other byproducts of the solar facilities;

(5) design and development of hybrid systems involving the concomitant utilization of solar and other energy sources; and

(6) the continuous operation of such plants and facilities for a period of time.

(b) For each of the technologies for which a successful and appropriate development program is completed, the Chairman shall make a determination to proceed to demonstration based on criteria including, but not necessarily limited to, the following:

(1) the technological feasibility of the project;

(2) the costs and benefits of the project, as determined by an economic assessment;

(3) the immediate and the potential uses of the solar energy utilized in the project;

(4) long-term national need for the technology;

(5) environmental impact;

(6) potential for technology transfer to other applications; and

(7) the nature and extent of Federal participation, if any, in the project.

(c) In carrying out his responsibilities under this section, the Chairman, acting through the appropriate Federal agencies, may provide for the establishment of one or more demonstration projects utilizing each form of solar energy, which shall include, as appropriate the specific research, development, pilot plant construction and operation, demonstration plant construction and operation, and other facilities and activities which may be necessary to show commercial viability of the specific solar technology.

(d) The Chairman, acting through the appropriate Federal agencies, is authorized to investigate and enter into agreements for the cooperative development of facilities to demonstrate solar technologies. The responsible Federal agency may consider—

(1) cooperative agreements with non-Federal entities for construction of facilities and equipment to demonstrate solar energy technologies; and

(2) cooperative agreements with other Federal agencies for the construction of facilities and equipment and operation of facilities to produce energy for direct Federal utilization.

(e) The Chairman, acting through appropriate Federal agencies is authorized to construct and operate demonstration projects without entering into cooperative agreements with respect to such projects, if the Chairman finds that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or any other significant factor of the specific demonstration project offers opportunities to make important contributions to the general knowledge of solar resources, the techniques of its development, or public confidence in the technology; and

(2) there is no opportunity for cooperative agreements with any non-Federal entity willing and able to cooperate in the demonstration project under subsection (d)(1), and there is no opportunity for cooperative agreements with other Federal agencies under subsection (d)(2).

(f) If the estimate of the Federal investment with respect to construction and operation costs of any demonstration project proposed to be established under this section exceeds $20,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

(g)(1) At the conclusion of any demonstration project established under this section, or as soon thereafter as may be practicable, the responsible Federal agencies shall, by sale, lease, or otherwise, dispose of all Federal property interests which they have acquired pursuant to this section in accordance with existing law and the terms of the cooperative agreements involved.

(2) The agency involved shall, under appropriate agreements or other arrangements, provide for the disposition of electricity, synthetic fuels, and other byproducts of the project administered by such agency.

SOLAR ENERGY TECHNOLOGY UTILIZATION

SEC. 8. (a)(1) In carrying out his functions under this Act the Chairman, utilizing the capabilities of the National Science Foundation, the National Aeronautics and Space Administration, the Department of Commerce, the Atomic Energy Commission, and other appropriate Federal agencies to the maximum extent possible, shall establish and operate a Solar Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data in all of the solar energy technologies referred to in section 7 (c) in a timely and accurate manner in support of the objectives of this Act.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing solar energy;

(C) general information on solar energy applications to be disseminated for popular consumption;

(D) physical and chemical properties of materials required for solar energy activities and equipment; and

(E) engineering performance data on equipment and devices utilizing solar energy.

(3) In accordance with regulations prescribed under section 12, the Chairman shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Chairman shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. He shall coordinate or merge this data bank with other Federal energy information data banks

as necessary to assure efficient and effective operation.

(b) In carrying out his functions under this Act the Chairman shall perform or cause to be performed studies and research on incentives to promote broader utilization and consumer acceptance of solar energy technologies.

(c) The Chairman shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of solar energy technology utilization with all other technology utilization programs within the Federal Government.

SCIENTIFIC AND TECHNICAL EDUCATION

SEC. 9. The Chairman, acting through the National Science Foundation, is authorized and directed to support programs of education in the sciences and engineering to provide the necessary trained personnel to perform the solar energy research, development, and demonstration activities required under this Act. Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

SOLAR ENERGY RESEARCH INSTITUTE

SEC. 10. (a) There is established a Solar Energy Research Institute, which shall perform such research, development, and related functions as the Chairman may determine to be necessary or appropriate in connection with the Project's activities under this Act or to be otherwise in furtherance of the purpose and objectives of this Act.

(b) The Institute may be located (as designated by the Chairman) at any new or existing Federal laboratory (including a non-Federal laboratory performing functions under a contract entered into with the Project or with any of the agencies represented in the Project as well as a laboratory whose personnel are Federal employees).

INTERNATIONAL COOPERATION

SEC. 11. (a) The Chairman, in furtherance of the objectives of this Act, is authorized to cooperate and participate jointly with other nations, especially those with agreements for scientific cooperation with the United States, in the following activities:

(1) interinstitutional, bilateral, or multilateral research projects in the field of solar energy; and

(2) agreements and programs which will facilitate the exchange of information and data relating to solar energy resource assessment and solar energy technologies.

(b) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this Act, international participation and cooperation in the development and maintenance of programs of education to carry out the policy set forth in section 9.

REGULATIONS

SEC. 12. The Chairman in consultation with the heads of the Federal agencies having functions under this Act and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this act promptly and efficiently. Each such officer or agency, in consultation with the Chairman, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this Act promptly and efficiently.

ANNUAL REPORTS

SEC. 13. The Chairman shall report, on an annual basis, to the President and the Congress all actions taken under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements, for the ensuing five years. The Chairman also shall recommend, as he deems appropriate, any legislation or reorganization which might further the purposes of this Act.

INFORMATION TO CONGRESS

SEC. 14. Notwithstanding any other provision of law, the Chairman (or the head of any agency which assumes the functions of the Project pursuant to section 16) shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this Act.

COMPREHENSIVE PROGRAM DEFINITION

SEC. 15. (a) The Chairman is authorized and directed to prepare a comprehensive program definition of an integrated effort and commitment for effectively developing solar energy resources. The Chairman, in preparing such program definition, shall utilize and consult with the appropriate Federal agencies, State and local government agencies, and private organizations.

(b) The Chairman shall transmit such comprehensive program definition to the President and to each House of the Congress. An interim report shall be transmitted not later than March 1, 1975. The comprehensive program definition shall be transmitted as soon as possible thereafter, but in any case not later than June 30, 1975.

TRANSFER OF FUNCTIONS

SEC. 16. Within sixty days after the effective date of the law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after the date of the enactment of this Act if the effective date of such law occurs prior to the date of the enactment of this Act), all of the authorities of the Project and all of the research and development functions (and other functions except those related to scientific and technical education) vested in Federal agencies under this Act along with related records, documents, personnel, obligations, and other items, to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such organization or agency.

AUTHORIZATION OF APPRORIATIONS

SEC. 17. To carry out the provisions of this Act, there are authorized to be appropriated—

(1) for the fiscal year ending June 30, 1976, $75,000,000;

(2) for subsequent fiscal years, only such sums as the Congress hereafter may authorize by law;

(3) such amounts as may be authorized for the construction of demonstrations pursuant to section 7(f) of this Act; and

(4) to the National Science Foundation for the fiscal year ending June 30, 1975, not to exceed $2,000,000 to be made available for use in the preparation of the comprehensive program definition under section 15.

And the House agree to the same.

That the House recede from its amendment to the title of the Senate bill.

OLIN E. TEAGUE,
MIKE MCCORMACK,
DON FUQUA,
JAMES W. SYMINGTON,
CHARLES A. MOSHER,
BARRY M. GOLDWATER, Jr.,
JOHN W. WYDLER,
Managers on the Part of the House.

HENRY M. JACKSON,
BENNETT J. JOHNSTON, Jr.,
FLOYD K. HASKELL,
PAUL FANNIN,
JAMES MCCLURE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3234) to authorize a vigorous Federal program of research, development, and demonstration to assure the utilization of solar energy as a viable source for our national energy needs, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

Senate bill

The Senate bill provided that this legislation may be cited as the "Solar Energy Research, Development, and Demonstration Act of 1974".

House amendment

The House amendment was the same as the Senate bill.

Conference substitute

The conference substitute is the same as the Senate bill.

FINDINGS AND POLICY

Senate bill

Section 2(a) of the Senate bill made the following findings: (1) dependence on nonrenewable energy resources cannot be continued indefinitely; (2) renewable energy resources, such as solar energy, should be developed; (3) research and development with respect to solar energy has been extremely limited; and (4) the Nation should undertake a 5-year, $1 billion research, development, and demonstration program with respect to energy alternatives.

Section 2(b) of the Senate bill provided that it is the policy of the Federal Government to (1) pursue a solar energy research and development program; and (2) develop and demonstrate methods for the commercial use of solar energy.

House amendment

Section 2 of the House amendment was essentially the same as section 2(a) of the Senate bill, except that the House amendment made the following additional findings: (1) society depends on an ample supply of energy; (2) the imbalance between the supply and demand for fuels and energy probably will persist; (3) solar energy technologies presently are at widely differing stages of development; (4) the United States balance of trade would be improved by the export of viable equipment utilizing solar energy; and (5) mass production and use of equipment utilizing solar energy would make the United States less dependent upon foreign energy sources.

Section 3 of the House amendment was essentially the same as section 2(b) of the Senate bill.

Conference substitute

The conference substitute is the same as the Senate bill, with the following changes:

1. The conference substitute incorporates the 5 findings of the House amendment which were not contained in the Senate bill.

2. The conference substitute changes the second finding made by the Senate bill in order to stress that development of renewable and nonpolluting energy resources should be expedited.

3. The conferees agree that the objective

of this legislation is to achieve, at the earliest possible date, the commercial viability of various applications of solar energy technology. They also agree that suggesting a specific time period, within which this goal could be reached for any particular technology or group of technologies, is premature. The conference substitute, therefore, omits reference to a 5-year period in the fourth finding made by the Senate bill.

Consistent with this, the conferees agree to alter the Senate language which estimated a need for a Federal investment of $1 billion over 5 years to carry out the provisions of this legislation. They agree that, while an outlay of this magnitude or more may well be required, it is too early to define the necessary level of expenditures. They therefore agree to qualify the $1 billion figure by stating that the financial needs of the program may "...reach or exceed..." that amount. The conferees agree that these changes from the Senate bill are not meant to contravene the intent of proceeding expeditiously toward achieving the purpose of the legislation.

DEFINITIONS

Senate bill

Section 3 of the Senate bill contained the following definitions:

1. The term "utilization of solar energy" was defined to mean various advanced technology applications of solar energy.

2. The term "Project" was defined to mean the Solar Energy Coordination and Management Project.

3. The term "Chairman" was defined to mean the Chairman of the Project.

House amendment

Section 4 of the House amendment contained the following definitions:

1. The term "solar energy" was defined to mean energy which has recently originated in the Sun, including direct and indirect solar radiation and various intermediate solar energy forms.

2. The term "byproduct" was defined to include, with respect to solar energy technologies and processes, any solar energy products other than those associated with or constituting the primary product of such technologies or processes.

3. The term "insolation" was defined to mean the rate at which solar energy is received at the surface of the earth. Such term covered both direct and scattered solar radiation.

4. The term "Project" was defined in the same manner as in the Senate bill.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute incorporates the definition of "Chairman" contained in the Senate bill.

COORDINATION AND MANAGEMENT PROJECT

Senate bill

Section 4(a) of the Senate bill established the Solar Energy Coordination and Management Project (hereinafter in this statement referred to as the "Project").

Section 4(b) provided that the Project would be composed of 6 members as follows: (1) an Assistant Director of the National Science Foundation (hereinafter in this statement referred to as "NSF"); (2) an Assistant Secretary of Housing and Urban Development (hereinafter in this statement referred to as "HUD"); (3) a member of the Federal Power Commission (hereinafter in this statement referred to as "FPC"); (4) an Associate Administrator of the National Aeronautics and Space Administration (hereinafter in this statement referred to as "NASA"); (5) the General Manager of the Atomic Energy Commission (hereinafter in this statement referred to as "AEC"); and (6) a member designated by the President.

Section 4(b) also provided that the President shall designate one member of the Project to serve as Chairman of the Project.

Section 4(c) provided that the Project shall be responsible for the management and coordination of a national solar energy research, development, and demonstration program.

House amendment

Section 5(a) of the House amendment was the same as section 4(a) of the Senate bill. Section 5(b) of the House amendment was essentially the same as section 4(b) of the Senate bill.

Section 5(c) of the House amendment was essentially the same as section 4(c) of the Senate bill, except that the House amendment provided that the solar energy research, development, and demonstration program shall include (1) determination and evaluation of the resource base; (2) research and development on solar energy technologies; and (3) demonstration of appropriate solar energy technologies.

Section 5(d) of the House amendment provided that the Project shall cooperate with NSF, NASA, AEC, HUD, and FPC, in carrying out its responsibilities under section 5. Such subsection also provided for the responsibilities of each such agency and authorized the head of each such agency to detail personnel to the Project.

Section 5(e) of the House amendment provided that the Project shall have overall authority with respect to programs and projects initiated under this legislation. The agencies involved, however, shall be responsible for the operation and administration of each such program or project.

Section 5(f) of the House amendment authorized NASA to undertake and carry out programs assigned to it by the Project.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute provides that if the member of the Project designated by the President is an officer or employee of the Federal Government, he shall receive no additional salary. If he is not an officer or employee of the Federal Government, he shall receive the daily equivalent of the annual rate of pay for level IV of the Executive Schedule for each day during which he serves as a member.

2. The conference substitute specifies that the responsibilities of HUD shall be carried out pursuant to the Solar Heating and Cooling Demonstration Act of 1974 (P.L. 93–409; 88 Stat. 1069).

3. The conference substitute provides that the responsibilities of NSF are altered with regard to overall funding. Presently, NSF is the lead agency for solar energy R&D. It is consistent with the intent of the conferees for appropriations to the Project to be made through NSF in fiscal year 1976 and beyond. The deletion of "basic and applied" in describing NSF research responsibilities is consistent with the conferees' desire to not change the character of NSF programs.

4. Section 5(c)(1) of the House amendment, as incorporated by the conference substitute, refers to a general survey of the solar resource base. It is anticipated that detailed assessments will be made in specific geographical areas, in addition to the general surveys, in conjunction with demonstrations.

The conferees intend that the Project should, whenever applicable, cooperate with and make use of the expertise of other Federal agencies not included as members of the Project, such as the Federal Energy Administration and the National Oceanic and Atmospheric Administration.

RESOURCE DETERMINATION AND ASSESSMENT

Senate bill

No provision.

House amendment

Section 6(a) of the House amendment required the Chairman to initiate a solar energy resource determination and assessment program. This program, which shall emphasize the identification of promising areas for commercial exploitation and development, shall have the following goals: (1) developing methods to predict the availability of solar energy resources; (2) developing instrumentation, methodology and procedures necessary to measure solar energy resources; (3) developing proposed agreements and programs with other countries with respect to solar energy resources assessment; and (4) developing arrangements for the flow of information and data with respect to solar energy resources assessment.

Section 6(b) of the House amendment required the Chairman, acting through NASA and the National Oceanic and Atmospheric Administration, to (1) develop a plan for inventorying solar energy resources associated with Federal lands and, to the extent consistent with property rights, with non-Federal lands; (2) conduct regional surveys leading to a national inventory of solar energy resources; (3) make available maps and reports developed from such surveys to encourage commercial development of solar energy resources; and (4) make recommendations for legislation with respect to Federal leasing policies for solar energy resources.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute omits the provision relating to developing proposed agreements and programs with other countries with respect to solar energy resources assessment, since provisions relating to international cooperation are contained in a new section added by the conference substitute.

The conference substitute also authorizes NSF to encourage international participation and cooperation in developing and maintaining programs of technical and scientific education.

RESEARCH AND DEVELOPMENT

Senate bill

Section 5 of the Senate bill provided that the Chairman shall initiate a research and development program to resolve technical problems with respect to commercial utilization of solar energy. Section 5 also provided that such program shall include (1) scientific research and studies to develop solar energy processes and equipment; (2) systems, economic, social, and environmental studies with respect to use of solar energy; (3) technical assessments with respect to use of solar energy; and (4) cooperation with other nations in interinstitutional, bilateral, or multilateral research projects with respect to solar energy.

Section 5 also provided that the program shall deal with specific solar energy technologies, including (1) direct solar heat as a source for industrial processes; (2) thermal energy conversion; (3) conversion of cellulose and other organic materials to useful energy or fuels; (4) photovoltaic and other direct conversion processes; (5) sea thermal power conversion; and (6) windpower conversion.

House amendment

Section 7(a) of the House amendment required the Chairman to initiate a research and development program to facilitate commercial utilization of solar energy resources. Section 7(b) provided for the conduct of (1) basic research in all aspects of solar energy resources; (2) various environmental and other studies to provide a basis for research and development planning and phasing; (3) technology assessments; and (4) development of means to use the solar energy resource base, with specific attention directed to (A) improving the capability to predict environmental impacts of solar energy resources development; (B) identifying social, legal, and economic problems associated with solar energy resources development; and (C) development of agreements with other countries to exchange information and support cooperative research.

Section 7(c) was essentially the same as those provisions of section 5 of the Senate bill which required the program to deal with specific solar energy technologies, except that the House amendment also included (1) solar heating and cooling of housing and of commercial and public buildings; and (2) energy storage.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute adopts the approach of the Senate bill with respect to the requirement of scientific research and studies to develop solar energy processes and equipment.

DEMONSTRATION

Senate bill

Section 6 of the Senate bill required the Chairman to (1) solicit proposals for demonstration plants with respect to each technology described in section 5(c) of the Senate bill; such proposals shall include a description of (A) the proposed plant or facility; (B) an economic assessment of costs and benefits of the project; (C) an assessment of uses of solar energy utilized in the project; and (D) the nature and extent of any anticipated Federal participation; (2) select proposals for demonstration, based upon (A) economic costs and feasibility; (B) national interest considerations with respect to the technology; (C) environmental impact; (D) potential for technology transfer to other applications; and (E) likelihood of success for commercial application; and (3) conduct feasibility studies for a full-scale demonstration program for each of the specific selected proposals.

Section 8(a) of the Senate bill provided that the Chairman, in cooperation with the AEC, may initiate small-scale demonstration programs involving a total Federal investment of not more than $20 million. Section 8(b) provided that the AEC shall be directly responsible for administering construction contracts and agreements with non-Federal participants in the small-scale demonstrations.

Section 8(c) authorized the AEC to enter into agreements with non-Federal utilities, industries, and governmental entities for the construction and operation of small-scale demonstration programs.

Section 8(d) provided that no agreement shall be entered into under section 8 unless the Chairman determines that (1) the nature of the resource, location, and facilities involved, offers an opportunity to contribute to the development of solar energy; (2) the potential non-Federal participants are willing and capable to make contributions toward the capital cost of the program; and (3) the development of benefits under the program is unlikely to be accomplished without Federal assistance.

Section 9(a) of the Senate bill provided that, after establishment of the Energy Research and Development Administration (hereinafter in this statement referred to as "ERDA"), the Administrator of ERDA shall administer contracts for the construction and operation of any demonstration programs authorized by the Congress. Section 9(b) provided that if, on the date of submission of the report required by section 7(b) of the Senate bill, ERDA has not been established, then the President shall designate an appropriate agency to carry out the functions of section 9(a).

House amendment

Section 8(a) of the House amendment authorized the Chairman to initiate a program to design and operate facilities or powerplants to demonstrate the feasibility of utilizing solar energy. Section 8(a) also established various goals of such program.

Section 8(b) authorized the Chairman to establish one or more demonstration projects utilizing each form of solar energy. The Chairman was given authority to obtain, through appropriate Federal agencies, plants and other real property used in any demonstration project.

Any agency designated by the Chairman to conduct a demonstration project shall provide for the disposal of electric energy and other byproducts of such project. Such disposition, to the maximum extent possible, shall be achieved through the sale of such electric energy or other byproducts.

Section 8(c) authorized the Chairman, acting through appropriate Federal agencies, to enter into agreements with non-Federal entities for the development of solar demonstration facilities.

Section 8(d) required the responsible Federal agencies, at the conclusion of the program established under section 8, to dispose of Federal property interests which have been acquired pursuant to such program. Such disposition shall be on such terms and conditions as the agency determines to be reasonable, or in accordance with the terms of any cooperative agreement which is involved.

Section 8(e) provided that preference shall be given to solar energy technologies with the best opportunity for commercial success and environmental acceptability in selecting technologies for demonstration.

Conference substitute

The conference substitute authorizes the Chairman to initiate a program to construct demonstration facilities or powerplants for the development and use of solar energy. The goals of such program include (1) production of electricity from a number of powerplants, ranging from 1 to 10 megawatts each; (2) production of synthetic fuels in commercial quantities; (3) use of solar energy in the form of direct heat; and (4) use of thermal and all other byproducts; (5) design and development of hybrid systems; and (6) continuous operation of the facilities or powerplants for a period of time.

The conference substitute provides that, with respect to each solar energy technology for which a development program is completed, the Chairman shall determine whether to proceed to demonstration. His determination shall be based, in part, upon consideration of the following criteria: (1) technological feasibility of the project; (2) costs and benefits of the project; (3) uses of the solar energy to be utilized in the project; (4) long-term national need for the technology involved in the project; (5) environmental impact; (6) potential of technology transfer to other applications; and (7) the nature and extent of any Federal participation in the project.

The conference substitute also provides that the Chairman, acting through the appropriate Federal agencies, may establish one or more demonstration projects utilizing each form of solar energy. The conference substitute authorizes the Chairman, acting through the appropriate Federal agencies, to investigate and enter into agreements for the cooperative development of facilities to demonstrate solar energy technologies. The responsible Federal agencies may consider (1) cooperative agreements with non-Federal entities; and (2) cooperative agreements with other Federal agencies for production of energy for direct Federal utilization.

The conference substitute also authorizes the Chairman, acting through the appropriate Federal agencies, to operate demonstration projects without entering into any cooperative agreements with respect to such projects, if the Chairman finds that (1) the nature of the resource, location, and facilities involved, offers an opportunity to contribute to the development of solar energy; and (2) there is no opportunity for agreements with non-Federal entities or with other Federal agencies.

The conference substitute provides that if the estimate of Federal investment in a demonstration project exceeds $20 million, then no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

The conference substitute also provides that, at the conclusion of a demonstration project, the responsible Federal agencies shall dispose of all Federal property interests in the project in a manner consistent with existing law and the terms of the cooperative agreements involved. The conference substitute also provides that the Federal agency involved shall dispose of electricity, synthetic fuels, and other byproducts of the project administered by such agency.

SOLAR ENEGRY TECHNOLOGY UTILIZATION

Senate bill

Section 10(a) of the Senate bill authorized and directed the Chairman to collect and disseminate information and data with respect to applications of solar energy developed under this legislation, including (1) technical information resulting from research and demonstration programs specified under sections 5, 6, and 8 of the Senate bill; and (2) general information on solar energy applications.

Section 10(b) provided that the Chairman shall encourage development of agreements and programs with other countries to exchange information relating to solar energy resource assessment.

Section 11 of the Senate bill provided that the Chairman shall take necessary steps to coordinate solar energy technology utilization with all other technology utilzation programs of the Federal Government.

House amendment

Section 11(a) of the House amendment required the Chairman to establish a Solar Energy Information Data Bank to collect and disseminate information and data with respect to solar energy technologies. The Chairman was required to provide retrieval and dissemination services for Federal, State, and local governmental organizations, universities and colleges, and the private sector. The Chairman was required to utilize the existing scientific and technical information data base of Federal agencies, and to coordinate or merge the data bank established under section 11(a) with other Federal energy information data banks as necessary to assure efficient operation.

Section 11(b) required the Chairman to establish a solar energy incentives task force. The functions of such task force are as follows: (1) report to the President and to the Congress with respect to programs to accelerate commercial application and consumer utilization of solar energy technology; (2) conduct a program of research and investigation concerning problems in developing and utilizing solar energy; and (3) carry on a program of research and investigation concerning social, legal, and common barriers to public acceptance and use of solar energy.

Section 11(c) required the Chairman to make arrangements to coordinate solar energy technology utilization with other Federal technology utilization programs.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute specifically requires the data bank to compile information and data on solar energy applications which would be appropriate for popular consumption.

2. The conference substitute omits the provision of the House amendment which required establishment of a solar energy incentives task force. In place of such provision, the conference substitute includes a

provision which requires the Chairman to perform studies and research on incentives to promote broader use and consumer acceptance of solar energy technologies.

SCIENTIFIC AND TECHNICAL EDUCATION

Senate bill

Section 12 of the Senate bill authorized the Chairman, acting through NSF, to support education programs to provide the necessary trained personnel to perform solar energy research, development, and demonstration activities required under this legislation. Section 12 provided that such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

House amendment

Section 9 of the House amendment provided that it is the policy of the Congress to encourage programs to provide trained personnel to carry out solar energy research, development, and demonstration activities. NSF was authorized to support educational programs designed to effectuate such policy. NSF was required to coordinate its activities with the Project or any permanent Federal organization or agency having jurisdiction over Federal research and development functions. NSF also was authorized to encourage, to the maximum extent possible and consistent with other objectives of this legislation, international participation and cooperation with respect to educational programs.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute authorizes and directs the Chairman to support such education programs, instead of allowing such support to be a matter of discretion.

SOLAR ENERGY RESEARCH INSTITUTE

Senate bill

Section 14 of the Senate bill established a Solar Energy Research Institute, which shall perform functions assigned to it by the Chairman. The Chairman may locate such Institute at any Federal laboratory or any non-Federal laboratory if such laboratory is under contract with the Project, or any Federal agency represented in the Project, if the personnel of such laboratory are Federal employees.

House amendment

Section 10 of the House amendment was the same as section 14 of the Senate bill.

Conference substitute

The conference substitute is the same as the Senate bill.

INTERNATIONAL COOPERATION

Senate bill

Section 5 of the Senate bill required the Chairman to seek cooperation with other nations regarding various solar energy research projects. Section 10(b) of the Senate bill required the Chairman to encourage agreements with other countries regarding exchange of information relating to solar energy resource assessment.

House amendment

Sections 6, 7, and 9 of the House amendment contained provisions relating to international cooperation which were similar to the provisions of the Senate bill.

Conference substitute

The conference substitute combined the provisions of the Senate and House versions into one single section specifically addressed to international cooperation. The conferees agree that the development of solar energy will be enhanced by cooperation with other nations in the research projects established by this legislation and in the mutual exchange of information and data.

REGULATIONS

Senate bill

No provision.

House amendment

Section 13 of the House amendment required the Chairman, together with Federal agencies with functions under this legislation and other appropriate officers and agencies, to prescribe such regulations as may be necessary or appropriate to carry out this legislation.

Conference substitute

The conference substitute is the same as the House amendment.

ANNUAL REPORTS

Senate bill

Section 13 of the Senate bill required the Chairman to report on an annual basis to the President and to the Congress with respect to (1) actions taken under this legislation; (2) actions planned for the ensuing year; and (3) to the extent practical, activities and funding requirements for the ensuing 5 years. The Chairman was required to recommend, as he deems appropriate, any legislation or reorganization which may further the purposes of this legislation.

House amendment

Section 12 of the House amendment required each Federal agency with functions under this legislation to report to the President and to the Congress with respect to the activities of such agency. The Chairman was required to transmit an annual special report to the President and to the Congress summarizing all activities under this legislation.

Conference substitute

The conference substitute is the same as the Senate bill.

INFORMATION TO CONGRESS

Senate bill

No provision.

House amendment

Section 15 of the House amendment required the Chairman, or any organization or agency which assumes the functions of the Project under section 14 of the House amendment, to inform the appropriate committees of the Congress with respect to activities under this legislation.

Conference substitute

The conference substitute is the same as the House amendment.

COMPREHENSIVE PROGRAM DEFINITION

Senate bill

Section 7 of the Senate bill required the Chairman to report to the President and to the Congress, no later than one year after the date of the enactment of this legislation, on the results of feasibility studies conducted under section 6(c) of the Senate bill. Such reports were required to contain, as appropriate, requests for authorization for the construction of demonstration plants to be pursued to full-scale application.

House amendment

Section 16(a) of the House amendment required the Chairman, in consultation with the Federal Energy Administration, NSF, HUD, FPC, NASA, AEC, other appropriate Federal agencies, State and local government agencies, and private organizations, to prepare a comprehensive program definition for the development of solar energy resources.

Section 16(b) required the Chairman to transmit interim reports to the President and to the Congress with respect to such program definition no later than December 31, 1974, and January 31, 1975. The completed program definition shall be transmitted no later than June 30, 1975.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute requires only one interim report, which shall be transmitted no later than March 1, 1975.

The conferees agree that the final report should be transmitted no later than June 30, 1975. They agree that the urgent need to develop an integrated solar energy research, development, and demonstration program warrants accelerating the completion of this program definition.

The conferees intend that the Project member agencies as well as the Federal Energy Administration, the National Oceanic and Atmospheric Administration, and any other appropriate agencies, should cooperate in the comprehensive program definition.

TRANSFER OF FUNCTIONS

Senate bill

Section 4(d) of the Senate bill provided that, within 60 days after the date of the enactment of legislation establishing ERDA, the functions and authorities of the Project shall be transferred to ERDA, vested in the Administrator of ERDA, and implemented through the Assistant Administrator for Solar, Geothermal, and Advanced Energy Systems.

House amendment

Section 14 of the House amendment provided that, upon the establishment of a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States, the authorities of the Project and the research, development, and other functions (other than those related to scientific and technical education) vested in Federal agencies under this legislation, shall be transferred to and vested in such permanent Federal organization or agency.

Conference substitute

The conference substitute is the same as the House amendment.

AUTHORIZATION OF APPROPRIATIONS

Senate bill

Section 15 of the Senate bill authorized to be appropriated (1) $100 million for fiscal year 1976; (2) such amounts as may be authorized by annual authorization measures in subsequent years; and (3) such amounts as may be authorized for construction of full-scale demonstrations under section 9(a) of the Senate bill.

House amendment

Section 17(a) of the House amendment authorized the appropriation of not more than $2 million to NSF for fiscal year 1975 for use in preparing the program definition under section 16 of the House amendment.

Section 17(b) authorized the appropriation of such sums as the Congress may hereafter authorize by law for fiscal years beginning after June 30, 1975.

Conference substitute

The conference substitute is the same as the Senate bill, with the following changes:

1. The conference substitute reduces the authorization of appropriations for fiscal year 1976 to $75 million.

2. The conference substitute includes the provision of the House amendment relating to the $2 million authorization of appropriations to NSF for fiscal year 1975 for use in preparing the program definition.

The conferees adopted the $75 million authorization of appropriations for fiscal year 1976 so as to be more in line with the projected budget figure under consideration by the Administration. The conferees agree that reducing the authorization of appropriations for fiscal year 1976 from the Senate figure of $100 million to $75 million is not meant to contravene the intent to supply adequate Federal financial resources for carrying out the vigorous program established by this legislation. It is the intent of the conferees that, if additional funds are needed to carry out the provisions of this legislation during fiscal year 1976, authorization of additional funds through the appropriate committees of the Congress would be warranted and in order. Results of the program definition should be a major consideration in determining the need for further funding.

It is the understanding of the conferees that authorizations for appropriations made by this legislation are separate from any authorizations made by the Solar Heating and Cooling Demonstration Act of 1974 (P.L. 93-490; 88 Stat. 1069).

Olin E. Teague,
Mike McCormack,
Don Fuqua,
J. W. Symington,
Charles A. Mosher,
Barry M. Goldwater, Jr.,
John W. Wydler,
Managers on the Part of the House.
Henry M. Jackson,
J. Bennett Johnston, Jr.,
Floyd K. Haskell,
Paul Fannin,
James McClure,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 11221

Mr. PATMAN (pursuant to an order of the House on October 3, 1974) filed the following conference report and statement on the bill (H.R. 11221) to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000:

Conference Report (H. Rept. No. 93–1429)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11221) to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

TITLE I—AMENDMENTS TO AND EXTENSIONS OF PROVISIONS OF LAW RELATING TO FEDERAL REGULATION OF DEPOSITORY INSTITUTIONS

FULL DEPOSIT INSURANCE FOR PUBLIC UNITS

Section 101. (a) The Federal Deposit Insurance Act is amended—

(1) in subsection (m) of section 3 (12 U.S.C. 1813(m)), by inserting immediately after "depositor" in the first sentence the following: "(other than a depositor referred to in the third sentence of this subsection)";

(2) in subsection (i) of section 7 (12 U.S.C. 1817(i)), by striking out "Trust" and inserting in lieu thereof the following: "Except with respect to trust funds which are owned by a depositor referred to in paragraph (2) of section 11(a) of this Act, trust"; and

(3) in subsection (a) of section 11 (12 US.C. 1821(a)), by inserting "(1)" immediately after "(a)", by striking out "The" in the last sentence and inserting in lieu thereof the following: "Except as provided in paragraph (2), the", and by inserting at the end of such subsection the following:

"(2)(A) Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of deposit insurance available for the account of any one depositor, in the case of a depositor who is—

"(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank;

"(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in such State;

"(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in the District of Columbia; or

"(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, of the Virgin Islands, of American Samoa, or of Guam, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing or depositing the same in time and savings deposits in an insured bank in the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, or Guam, respectively;

his deposit shall be insured in an amount not to exceed $100,000 per account.

"(b) The Corporation may limit the aggregate amount of funds that may be invested or deposited in time and savings deposits in any insured bank by any depositor referred to in subparagraph (A) of this paragraph on the basis of the size of any such bank in terms of its assets: *Provided, however,* such limitation may be exceeded by the pledging of acceptable securities to the depositor referred to in subparagraph (A) of this paragraph when and where required."

(b) Title IV of the National Housing Act is amended—

(1) in section 401(b) (12 U.S.C. 1724(b)), by striking out "Funds" in the third sentence and inserting in lieu thereof the following: "Except in the case of an insured member referred to in the preceding sentence, funds";

(2) in section 405(a) (12 U.S.C. 1728(a)), by inserting after "except that no member or investor" the following: "(other than a member or investor referred to in subsection (d))"; and

(3) by adding at the end of section 405 (12 U.S.C. 1728) the following new subsection:

"(d)(1) Notwithstanding any limitation in this subchapter or in any other provision of law relating to the amount of deposit insurance available for any one account, in the case of an insured member who is—

"(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing the same in an insured institution;

"(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in an insured institution in such State;

"(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing the same in an insured institution in the District of Columbia; or

"(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, or of the Virgin Islands, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in an insured institution in the Commonwealth of Puerto Rico or the Virgin Islands, respectively;

the account of such insured member shall be insured in an amount not to exceed $100,000 per account.

"(2) The Corporation may limit the aggregate amount of funds that may be invested in any insured institution by any insured member referred to in paragraph (1) of this subsection on the basis of the size of any such institution in terms of its assets."

(c) Subsection (c) of section 207 of the Federal Credit Union Act (12 U.S.C. 1787) is amended by—

(1) inserting "(1)" after "(c)",

(2) striking out "For the purposes of this subsection," and inserting in lieu thereof the following: "Subject to the provisions of paragraph (2), for the purposes of this subsection,", and

(3) adding at the end thereof the following:

"(2)(A) Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of insurance available for the account of any one depositor or member, in the case of a depositor or member who is—

"(i) an officer, employee, or agent of the United States having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title;

"(ii) an officer, employee, or agent of any State of the United States, or of any county, municipality, or public funds and lawfully investing the same in a credit union insured in accordance with this title in such State;

"(iii) an officer, employee, or agent of the District of Columbia having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title in the District of Columbia; or

"(iv) an officer, employee, or agent of the Commonwealth of Puerto Rico, of the Panama Canal Zone, or of any territory or possession of the United States, or of any county, municipality, or political subdivision thereof having official custody of public funds and lawfully investing the same in a credit union insured in accordance with this title in the Commonwealth of Puerto Rico, the Panama Canal Zone, or any such territory or possession, respectively;

his account shall be insured in an amount not to exceed $100,000 per account.

"(B) The Administrator may limit the aggregate amount of funds that may be invested or deposited in any credit union insured in accordance with this title by any depositor or member referred to in subparagraph (A) on the basis of the size of any such credit union in terms of its assets."

(d) Section 107(7) of the Federal Credit Union Act (12 U.S.C. 1757(7)) is amended by adding at the end thereof the following: "and to receive from an officer, employee, or agent of those nonmember units of Federal, State, or local governments and political subdivisions thereof enumerated in section 207 of this Act (12 U.S.C. 1787) and in the manner so prescribed payments on shares, share certificates, and share deposits;".

(e) Section 5 (b)(2) of the Home Owners' Loan Act of 1933 is amended by inserting immediately after "security," "may be surety as defined by the Board".

(f)(1) The Advisory Commission on Intergovernmental Relations (hereinafter referred to as the "Commission") shall conduct a study of the impact of this section on funds available for housing and on State and local bond markets.

(2) The Commission shall make a report to the Congress of the results of its study not later than two years after the date of enactment of this Act.

(3) There is authorized to be appropriated to the Commission such sums as may be necessary to carry out this subsection.

(g) This section and the amendments made by it shall take effect on the thirtieth day beginning after the date of enactment of this Act.

INCREASED CEILING ON DEPOSIT INSURANCE: FEDERAL DEPOSIT INSURANCE CORPORATION

Sec. 102 (a) The following provisions of the Federal Deposit Insurance Act are amended by striking out "$20,000" each place it appears therein and inserting in lieu thereof "$40,000":

(1) The first sentence of section 3(m) (12 U.S.C. 1813(m)).

(2) The first sentence of section 7(i) (12 U.S.C. 1817(i)).

(3) The last sentence of section 11(a) (12 U.S.C. 1821(a)).

(4) The fifth sentence of section 11(i) (12 U.S.C. 1821(i)).

(b) The amendments made by this section are not applicable to any claim arising out of the closing of a bank prior to the effective date of this section.

(c) The amendments made by this section shall take effect on the thirtieth day beginning after the date of the enactment of this Act.

INCREASED CEILING ON DEPOSIT INSURANCE: FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 103. (a) The following provisions of title IV of the National Housing Act are amended by striking out "$20,000" each place it appears therein and inserting in lieu thereof "$40,000":

(1) Section 401(b) (12 U.S.C. 1724(b)).

(2) Section 405(a) (12 U.S.C. 1728(a)).

(b) The amendments made by this section are not applicable to any claim arising out of a default, as defined in section 401(d) of the National Housing Act, where the appointment of a conservator, receiver, or other legal custodian as set forth in that section becomes effective prior to the effective date of this section.

(c) The amendments made by this section shall take effect on the thirtieth day beginning after the date of enactment of this Act.

INCREASED CEILING ON DEPOSIT INSURANCE: INSURED CREDIT UNIONS

SEC. 104. (a) The first sentence of section 207(c) of title II of the Federal Credit Union Act (12 U.S.C. 1787(c) is amended by striking out "$20,000" and inserting in lieu thereof "$40,000".

(b) The amendment made by this section is not applicable to any claim arising out of the closing of a credit union for liquidation on account of bankruptcy or insolvency pursuant to section 207 of title II of the Federal Credit Union Act (12 U.S.C. 1787) prior to the effective date of this section.

(c) The amendment made by this section shall take effect on the thirtieth day beginning after the date of enactment of this Act.

CONVERSION OF SAVINGS AND LOAN ASSOCIATIONS

SEC. 105. (a) Section 403(b) of the National Housing Act, as amended (12 U.S.C. 1726(b)), is amended by adding at the end thereof the following new sentence: "As used in this subsection the term 'reserves' shall, to such extent as the Corporation may provide, include capital stock and other items, as defined by the Corporation.".

(b) Section 12(i) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 781(i)), is amended to read as follows:

"(i) In respect of any securities issued by banks the deposits of which are insured in accordance with the Federal Deposit Insurance Act or institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation, the powers, functions, and duties vested in the Commission to administer and enforce sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16, (1) with respect to national banks and banks operating under the Code of Law for the District of Columbia are vested in the Comptroller of the Currency, (2) with respect to all other member banks of the Federal Reserve System are vested in the Board of Governors of the Federal Reserve System, (3) with respect to all other insured banks are vested in the Federal Deposit Insurance Corporation, and (4) with respect to institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation are vested in the Federal Home Loan Bank Board. The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Federal Home Loan Bank Board shall have the power to make such rules and regulations as may be necessary for the execution of the functions vested in them as provided in this subsection. In carrying out their responsibilities under this subsection, the agencies named in the first sentence of this subsection shall issue substantially similar regulations to regulations and rules issued by the Commission under sections 12, 13, 14(a), 14(c), 14(d), 14(f) and 16, unless they find that implementation of substantially similar regulations with respect to insured banks and insured institutions are not necessary or appropriate in the public interest or for protection of investors, and publish such findings, and the detailed reasons therefor, in the Federal Register. Such regulations of the above-named agencies, or the reasons for failure to publish such substantially similar regulations to those of the Commission, shall be published in the Federal Register within 120 days of the date of enactment of this subsection, and, thereafter, within 60 days of any changes made by the Commission in its relevant regulations and rules."

(c) Paragraph (5) of subsection (1) of section 407 of the National Housing Act, as amended (12 U.S.C. 1730(1)(5)), is amended by inserting after "disclosures" a comma and the following: "including proxy statements and the solicitation of proxies thereby,".

(d) Subsection (j) of section 402 of the National Housing Act, as amended (12 U.S.C. 1725(j)), is amended to read as follows:

"(j)(1) Except as otherwise provided in this subsection, until June 30, 1976, the Corporation shall not approve, under regulations adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933, by order or otherwise, a conversion from the mutual to stock form of organization involving or to involve an insured institution, except that this sentence shall not be deemed to limit now or hereafter the authority of the Corporation to approve conversions in supervisory cases. The Corporation may by rule, regulation, or otherwise and under such civil penalties (which may be cumulative to any other remedies) as it may prescribe take whatever action it deems necessary or appropriate to implement or enforce this subsection.

(2) The number of applications for conversion which the Corporation may approve pursuant to such regulations prior to such date shall be determined by the Corporation but shall not in any case be in excess of 1 percentum of the total number of all insured institutions in existence on the date of enactment, exclusive of the number of applications submitted for filing prior to May 22, 1973. *Provided,* That the Corporation shall process to final determination any application submitted for filing prior to May 22, 1973, pursuant to regulations in effect and adopted pursuant to this title or section 5 of the Home Owners' Loan Act of 1933: with further proviso that, with respect to a plan of conversion of any such applicant which, before May 22, 1973, has given written public notice to its accountholders of adoption of a plan of conversion or has obtained waiver forms from substantially all its new accountholders subsequent to the giving of such notice, such plan need not require payment for stock distributed to accountholders as of a record date prior to the date of such notice.

"(3) Notwithstanding any other provision of law, an insured institution converting in accordance with this subsection may retain its Federal charter. The Corporation shall not, however, permit the conversion of Federally chartered associations in States the laws of which do not authorize the operation of State chartered stock associations, except that the prohibition contained in this sentence shall not apply to the District of Columbia, the Commonwealth of Puerto Rico, or a State where all insured institutions domiciled therein are Federally chartered.

"(4) Any aggrieved person may obtain review of a final action of the Federal Home Loan Bank Board or the Corporation which approves, with or without conditions, or disapproves a plan of conversion pursuant to this subsection *only by complying* with the provisions of subsection (k) of section 408 of this title (12 U.S.C. 1730a(k)) within the time limit and in the manner therein prescribed, which provisions shall apply in all respects as if such final action were an order the review of which is therein provided for, except that such time limit shall commence upon publication of notice of such final action in the Federal Register or upon the giving of such general notice of such final action as is required by or approved under regulations of the Corporation, whichever is later.

"(5) The Corporation shall, at least annually and more often as circumstances require, render reports to the Congress on the exercise of its authority under this subsection.

"(6) In implementing the provisions of this subsection the Corporation shall regulate the approvals granted so as to achieve (A) as much geographical dispersion as practicable; (B) an equitable distribution with respect to the size of converting institutions; (C) an appropriate distribution between State chartered and Federally chartered institutions; (D) timeliness of filing; (E) flexibility to the extent possible in plans of conversion taking into account the characteristics of particular converting institutions; (F) the meeting of capital needs; and (G) such other reasonable results as it may consider necessary or appropriate in the public interest."

MORATORIUM ON CONVERSION OF FEDERAL DEPOSIT INSURANCE CORPORATION INSURED INSTITUTIONS

SEC. 106. Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by adding at the end thereof the following new subsection:

"(10) Until June 30, 1976, the responsible agency shall not grant any approval required by law which has the practical effect of permitting a conversion from the mutual to the stock form of organization, including approval of any application pending on the date of enactment of this subsection, except that this sentence shall not be deemed to limit now or hereafter the authority of the responsible agency to grant approvals in cases where the responsible agency finds that it must act in order to maintain the safety, soundness, and stability of an insured bank. The responsible agency may by rule, regulation, or otherwise and under such civil penalties (which shall be cumulative to any other remedies) as it may prescribe take whatever action it deems necessary or appropriate to implement or enforce this subsection."

EXTENSION OF FLEXIBLE REGULATION OF INTEREST RATES AUTHORITY

SEC. 107. Section 7 of the Act of September 21, 1966 (Public Law 89-597), is amended by striking out "December 31, 1974" and inserting in lieu thereof "December 31, 1975".

INCREASE DOLLARS LIMITATION ON THE COST FOR CONSTRUCTION OF FEDERAL RESERVE BANK BRANCH BUILDINGS

SEC. 108. The ninth paragraph of section 10 of the Federal Reserve Act, as amended (12 U.S.C. 522), is amended by striking out

"$60,000,000" and inserting in lieu thereof "$140,000,000".

PURCHASE OF UNITED STATES OBLIGATIONS BY FEDERAL RESERVE BANKS

SEC. 109. (a) Section 14(b) of the Federal Reserve Act, as amended (12 U.S.C. 355), is amended by striking out "November 1, 1973" and inserting in lieu thereof "November 1, 1975" and by striking out "October 31, 1973" and inserting in lieu thereof "October 31, 1975".

SUPERVISORY AUTHORITY OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM OVER BANK HOLDING COMPANIES AND THEIR NONBANKING SUBSIDIARIES

SEC. 110. Subsection (b) of section 8 of the Federal Deposit Insurance Act, as amended (12 U.S.C. 1818(b)), is amended by adding at the end thereof the following new paragraph:

"(3) This subsection and subsections (c), (d), (h), (i), (k), (l), (m), and (n) of this section shall apply to any bank holding company, and to any subsidiary (other than a bank) of a holding company, as those terms are defined in the Bank Holding Company Act of 1956, in the same manner as they apply to a State member insured bank."

INDEPENDENCE OF FINANCIAL REGULATORY AGENCIES

SEC. 111. No officer or agency of the United States shall have any authority to require the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, or the National Credit Union Administration to submit legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress if such recommendations, testimony, or comments to the Congress include a statement indicating that the views expressed therein are those of the agency submitting them and do not necessarily represent the views of the President.

INCREASE IN AUTHORITY OF THE TREASURY TO PURCHASE FEDERAL HOME LOAN BANK OBLIGATIONS

SEC. 112. Subsection (i) of section 11 of the Federal Home Loan Bank Act, as amended (12 U.S.C. 1431(i)), is amended as follows:

(1) In the fourth sentence of the first paragraph, strike out "subsection" both places it appears and insert in lieu thereof "paragraph".

(2) Strike out the second paragraph and insert in lieu thereof the following:

"In addition to obligations authorized to be purchased by the preceding paragraph, the Secretary of the Treasury is authorized to purchase any obligations issued pursuant to this section in amounts not to exceed $2,000,000,000. The authority provided in this paragraph shall expire August 10, 1975.

"Notwithstanding the foregoing, the authority provided in this subsection may be exercised during any calendar quarter beginning after the date of enactment of the Depository Institutions Amendments of 1974 only if the Secretary of the Treasury and the Chairman of the Federal Home Loan Bank Board certify to the Congress that (1) alternative means cannot be effectively employed to permit members of the Home Loan Bank System to continue to supply reasonable amounts of funds to the mortgage market, and (2) the ability to supply such funds is substantially impaired because of monetary stringency and a high level of interest rates. Any funds borrowed under this subsection shall be repaid by the Home Loan Banks at the earliest practicable date.".

AUTHORITY OF THE FEDERAL HOME LOAN MORTGAGE CORPORATION TO PURCHASE MORTGAGES FROM STATE INSURED INSTITUTIONS

SEC. 113. The first sentence of section 305 (a)(1) of the Federal Home Loan Mortgage Corporation Act is amended by inserting "or from any financial institution the deposits or accounts of which are insured under the laws of any State if the total amount of time and savings deposits held in all such institutions in that State is more than 20 per centum of the total amount of such deposits in all banks, building and loan, savings and loan, and homestead associations (including cooperative banks) in that State" immediately after "agency of the United States".

TECHNICAL AMENDMENT

SEC. 114. (a) Section 7(d)(2) of the Act of August 16, 1973 (Public Law 93–100), is amended by striking out "the Commonwealth of Puerto Rico,".

(b) The amendment made by subsection (a) applies with respect to any taxable year or other taxable period beginning on or after August 16, 1973.

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION SECONDARY RESERVE ADJUSTMENT

SEC. 115. Paragraph (1) of subsection (d) of section 404 of the National Housing Act, as amended (12 U.S.C. 1727), is amended by inserting "(A)" immediately after "(d)(1)" and by adding at the end thereof the following:

"(B)(i) As used in this subparagraph (B), 'minimum net reduction year' means a year in which, at the close of December 31, the aggregate of the primary reserve and secondary reserve equals or exceeds 1¼ per centum of the total amount of all accounts of insured members of all insured institutions, and 'beginning balance' means, with respect to each insured institution, the amount of such institution's pro rata share, if any, of the secondary reserve as of the close of December 31, 1973, plus any amount or amounts which, after such close, shall have been transferred to such institution under the last sentence of subsection (e) of this section.

"(ii) In May of each year succeeding each of the first ten minimum net reduction years occurring after December 31, 1973, the Corporation shall reduce the amount of each insured institution's pro rata share, if any, of the secondary reserve as of the preceding December 31 by making to the extent available, a cash refund to each such institution of the difference, if any, between such pro rata share and the applicable percentage of its beginning balance prescribed in the following table:

"Minimum net reduction year:	*Percent of beginning balance*
1	98.1818182
2	94.5454546
3	89.0909091
4	81.8181818
5	72.7272727
6	61.8181818
7	49.0909091
8	34.5454546
9	18.1818182
10	0.0000000".

CREDIT UNION MANAGEMENT: REASONABLE HEALTH AND ACCIDENT INSURANCE NOT CONSIDERED COMPENSATION

SEC. 116. Section 111 of the Federal Credit Union Act (12 U.S.C. 1761) is amended by striking the period at the end thereof and adding ": *Provided, however,* That reasonable health, accident, and similar insurance protection shall not be considered compensation under regulations promulgated by the Administrator.".

TITLE II—NATIONAL COMMISSION ON ELECTRONIC FUND TRANSFERS

ESTABLISHMENT

SEC. 201. There is established the National Commission on Electronic Fund Transfers (hereinafter referred to as the "Commission") which shall be an independent instrumentality of the United States.

MEMBERSHIP

SEC. 202. (a) The Commission shall be composed of twenty-six members as follows:

(1) the Chairman of the Board of Governors of the Federal Reserve System or his delegate;

(2) the Attorney General or his delegate;

(3) the Comptroller of the Currency or his delegate;

(4) the Chairman of the Federal Home Loan Bank Board or his delegate;

(5) the Administrator of the National Credit Union Administration or his delegate;

(6) the Chairman of the Board of Directors of the Federal Deposit Insurance Corporation or his delegate;

(7) the Chairman of the Federal Communications Commission or his delegate;

(8) the Postmaster General or his delegate;

(9) the Secretary of the Treasury or his delegate;

(10) the Chairman of the Federal Trade Commission or his delegate;

(11) two individuals, appointed by the President, one of whom is an official of a State agency which regulates banking, or similar financial institutions, and one of whom is an official of a State agency which regulates thrift or similar financial institutions;

(12) seven individuals, appointed by the President, who are officers or employees of, or who otherwise represent banking, thrift, or other business entities, including one representative each of commercial banks, mutual savings banks, savings and loan associations, credit unions, retailers, nonbanking institutions offering credit card services, and organizations providing interchange services for credit cards issued by banks;

(13) five individuals, appointed by the President, from private life who are not affiliated with, do not represent and have no substantial interest in any banking, thrift, or other financial institution, including but not limited to credit unions, retailers, and insurance companies;

(14) the Comptroller General of the United States or his delegate; and

(15) the Director of the Office of Technology Assessment.

(b) The Chairperson shall be designated by the President at the time of his appointment from among the members of the Commission and such selection shall be by and with the advice and consent of the Senate unless the appointee holds an office to which he was appointed by and with the advice and consent of the Senate.

(c) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

FUNCTIONS

SEC. 203. (a) The Commission shall conduct a thorough study and investigation and recommend appropriate administrative action and legislation necessary in connection with the possible development of public or private electronic fund transfer systems, taking into account, among other things—

(1) the need to preserve competition among the financial institutions and other business enterprises using such a system;

(2) the need to promote competition among financial institutions and to assure Government regulation and involvement or participation in a system competitive with the private sector be kept to a minimum;

(3) the need to prevent unfair or discriminatory practices by any financial institution or business enterprise using or desiring to use such a system;

(4) the need to afford maximum user and consumer convenience;

(5) the need to afford maximum user and consumer rights to privacy and confidentiality;

(6) the impact of such a system on economic and monetary policy;

(7) the implications of such a system on the availability of credit;

(8) the implications of such a system expanding internationally and into other forms of electronic communications; and

(9) the need to protect the legal rights of users and consumers.

(b) The Commission shall make an interim report within one year of its findings and recommendations and at such other times as it deems advisable and shall transmit to the President and to the Congress not later than two years after the date of enactment of this Act a final report of its findings and recommendations. Any such report shall include all hearing transcripts, staff studies, and other material used in preparation of the report. The interim and final reports shall be made available to the public upon transmittal. Sixty days after transmission of its final report the Commission shall cease to exist.

(c) The Commission shall not be required to obtain the clearance of any Federal agency prior to the transmittal of any interim or final report.

POWERS OF COMMISSION

SEC. 204. (a) The Commission may for the purpose of carrying out this Act hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem advisable. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(c) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d)(1) The Commission shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) If a person issued a subpena under paragraph (1) refuses to obey such subpena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The subpenas of the Commission shall be served in the manner provided for subpenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

ADMINISTRATION

SEC. 205. (a) The Commission—

(1) may appoint with the advice and consent of the Senate and fix the compensation of an Executive Director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) may procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $150 a day for individuals.

(b) The Comptroller General is authorized to make detailed audits of the books and records of the Commission, and shall report the results of any such audit to the Commission and to the Congress.

COMPENSATION

SEC. 206. (a) A member of the Commission who is an officer or employee of the United States shall serve as a member of the Commission without additional compensation, but shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

(b) A member of the Commission who is not otherwise an officer or employee of the United States shall be compensated at a rate of $150 per day when engaged in the performance of his duties as a member of the Commission, and shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Commission.

ASSISTANCE OF GOVERNMENT AGENCIES

SEC. 207. (a) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request, such data, reports, and other information as the Commission deems necessary to carry out its functions under this title.

(b) The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Commission may request to assist it in carrying out its functions.

AUTHORIZATION OF APPROPRIATIONS

SEC. 208. There are authorized to be appropriated without fiscal year limitations such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this title.

TITLE III—FAIR CREDIT BILLING

§ 301. Short title

This title may be cited as the "Fair Credit Billing Act".

§ 302. Declaration of purpose

The last sentence of section 102 of the Truth in Lending Act (15 U.S.C. 1601) is amended by striking out the period and inserting in lieu thereof a comma and the following: "and to protect the consumer against inaccurate and unfair credit billing and credit card practices."

§ 303. Definitions of creditor and open end credit plan

The first sentence of section 103(f) of the Truth in Lending Act (15 U.S.C. 1602(f)) is amended to read as follows: "The term 'creditor' refers only to creditors who regularly extend, or arrange for the extension of, credit which is payable by agreement in more than four installments or for which the payment of a finance charge is or may be required, whether in connection with loans, sales of property or services, or otherwise. For the purposes of the requirements imposed under Chapter 4 and sections 127(a)(6), 127(a)(7), 127(a)(8), 127(b)(1), 127(b)(2), 127(b)(3), 127(b)(9), and 127(b)(11) of Chapter 2 of this Title, the term 'creditor' shall also include card issuer whether or not the amount due is payable by agreement in more than four installments or the payment of a finance charge is or may be required, and the Board shall, by regulation, apply these requirements to such card issuers to the extent appropriate, even though the requirements are by their terms applicable only to creditors offering open end credit plans.

§ 304. Disclosure of fair credit billing rights

(a) Section 127(a) of the Truth in Lending Act (15 U.S.C. 1637(a)) is amended by adding at the end thereof a new paragraph as follows:

"(8) A statement, in a form prescribed by regulations of the Board of the protection provided by sections 161 and 170 to an obligor and the creditor's responsibilities under sections 162 and 170. With respect to each of two billing cycles per year, at semiannual intervals, the creditor shall transmit such statement to each obligor to whom the creditor is required to transmit a statement pursuant to section 127(b) for such billing cycle."

(b) Section 127(c) of such Act (15 U.S.C. 1637(c)) is amended to read:

"(c) In the case of any existing account under an open end consumer credit plan having an outstanding balance of more than $1 at or after the close of the creditor's first full billing cycle under the plan after the effective date of subsection (a) or any amendments thereto, the items described in subsection (a), to the extent applicable and not previously disclosed, shall be disclosed in a notice mailed or delivered to the obligor not later than the time of mailing the next statement required by subsection (b)."

§ 305. Disclosure of billing contact

Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end thereof a new paragraph as follows:

"(11) The address to be used by the creditor for the purpose of receiving billing inquiries from the obligor."

§ 306. Billing practices

The Truth in Lending Act (15 U.S.C. 1601–1665) is amended by adding at the end thereof a new chapter as follows:

"Chapter 4—CREDIT BILLING

"Sec.
"161. Correction of billing errors.
"162. Regulation of credit reports.
"163. Length of billing period.
"164. Prompt crediting of payments.
"165. Crediting excess payments.
"166 Prompt notification of returns.
"167. Use of cash discounts.
"168. Prohibition of tie-in services.
"169. Prohibition of offsets.
"170. Rights of credit card customers.
"171. Relation to State laws.

"§ 161. Correction of billing errors

"(a) If a creditor, within sixty days after having transmitted to an obligor a statement of the obligor's account in connection with an extension of consumer credit, receives at the address disclosed under *section 127*(b)(11) a written notice (other than notice on a payment stub or other payment medium supplied by the creditor if the creditor so stipulates with the disclosure required under section 127(a)(8)) from the obligor in which the obligor—

"(1) sets forth or otherwise enables the creditor to identify the name and account number (if any) of the obligor, "(2) indicates the obligor's belief that the statement contains a billing error and the amount of such billing error, and

"(3) sets forth the reasons for the obligor's belief (to the extent applicable) that the statement contains a billing error,

the creditor shall, unless the obligor has, after giving such written notice and before the expiration of the time limits herein specified, agreed that the statement was correct—

"(A) not later than thirty days after the receipt of the notice, send a written acknowledgement thereof to the obligor, unless the action required in subparagraph (B) is taken within such thirty-day period, and

"(B) not later than two complete billing cycles of the creditor (in no event later than ninety days) after the receipt of the notice and prior to taking any action to collect the amount, or any part thereof, indicated by the obligor under paragraph (2) either—

"(i) make appropriate corrections in the account of the obligor, including the crediting of any finance charges on amounts erroneously billed, and transmit to the obligor a notification of such corrections and the creditor's explanation of any change in the amount indicated by the obligor under paragraph (2) and, if any such change is made and the obligor so requests, copies of documentary evidence of the obligor's indebtedness; or

"(ii) send a written explanation or clarification to the obligor, after having conducted an investigation, setting forth to the extent applicable the reasons why the creditor believes the account of the obligor was correctly shown in the statement and, upon request of the obligor, provide copies of documentary evidence of the obligor's indebtedness. In the case of a billing error where the obligor alleges that the creditor's billing statement reflects goods not delivered to the obligor or his designee in accordance with the agreement made at the time of the transaction, a creditor may not construe such amount to be correctly shown unless he determines that such goods were actually delivered, mailed, or otherwise sent to the obligor and provides the obligor with a statement of such determination.

After complying with the provisions of this subsection with respect to an alleged billing error, a creditor has no further responsibility under this section if the obligor continues to make substantially the same allegation with respect to such error.

"(b) For the purpose of this section, a 'billing error' consists of any of the following:

"(1) A reflection on a statement of an extension of credit which was not made to the obligor or, if made, was not in the amount reflected on such statement.

"(2) A reflection on a statement of an extension of credit for which the obligor requests additional clarification including documentary evidence thereof.

"(3) A reflection on a statement of goods or services not accepted by the obligor or his designee or not delivered to the obligor or his designee in accordance with the agreement made at the time of a transaction.

"(4) The creditor's failure to reflect properly on a statement a payment made by the obligor or a credit issued to the obligor.

"(5) A computation error or similar error of an accounting nature of the creditor on a statement.

"(6) Any other error described in regulations of the Board.

"(c) For the purposes of this section, 'action to collect the amount, or any part thereof, indicated by an obligor under paragraph (2)' does not include the sending of statements of account to the obligor following written notice from the obligor as specified under subsection (a), if—

"(1) A reflection on a statement of an extension of because of the failure of the obligor to pay the amount indicated under paragraph (2) of subsection (a), and

"(2) the creditor indicates the payment of such amount is not required pending the creditor's compliance with this section.

Nothing in this section shall be construed to prohibit any action by a creditor to collect any amount which has not been indicated by the obligor to contain a billing error.

"(d) Pursuant to regulations of the Board, a creditor operating an open end consumer credit plan may not, prior to the sending of the written explanation or clarification required under paragraph (B) (ii), restrict or close an account with respect to which the obligor has indicated pursuant to subsection (a) that he believes such account to contain a billing error solely because of the obligor's failure to pay the amount indicated to be in error. Nothing in this subsection shall be deemed to prohibit a creditor from applying against the credit limit on the obligor's account the amount indicated to be in error.

"(e) Any creditor who fails to comply with the requirements of this section or section 162 forfeits any right to collect from the obligor the amount indicated by the obligor under paragraph (2) of subsection (a) of this section, and any finance charges thereon, except that the amount required to be forfeited under this subsection may not exceed $50.

"§ 162. Regulation of credit reports

"(a) After receiving a notice from an obligor as provided in section 161(a), a creditor or his agent may not directly or indirectly threaten to report to any person adversely on the obligor's credit rating or credit standing because of the obligor's failure to pay the amount indicated by the obligor under section 161(a) (2), and such amount may not be reported as delinquent to any third party until the creditor has met the requirements of section 161 and has allowed the obligor the same number of days (not less than ten) thereafter to make payment as is provided under the credit agreement with the obligor for the payment of undisputed amounts.

"(b) If a creditor receives a further written notice from an obligor that an amount is still in dispute within the time allowed for payment under subsection (a) of this section, a creditor may not report to any third party that the account of the obligor is delinquent because the obligor has failed to pay an amount which he has indicated under section 161(a) (2), unless the creditor also reports that the amount is in dispute and, at the same time, notifies the obligor of the name and address of each party to whom the creditor is reporting information concerning the delinquency.

"(c) A creditor shall report any subsequent resolution of any delinquencies reported pursuant to subsection (b) to the parties to whom such delinquencies were initially reported.

"§ 163. Length of billing period

"(a) If an open end consumer credit plan provides a time period within which an obligor may repay any portion of the credit extended without incurring an additional finance charge, such additional finance charge may not be imposed with respect to such portion of the credit extended for the billing cycle of which such period is a part unless a statement which includes the amount upon which the finance charge for that period is based was mailed at least fourteen days prior to the date specified in the statement by which payment must be made in order to avoid imposition of that finance charge.

"(b) Subsection (a) does not apply in any case where a creditor has been prevented, delayed, or hindered in making timely mailing or delivery of such periodic statement within the time period specified in such subsection because of an act of God, war, natural disaster, strike, or other excusable or justifiable cause, as determined under regulations of the Board.

"§ 164. Prompt crediting of payments

"Payments received from an obligor under an open end consumer credit plan by the creditor shall be posted promptly to the obligor's account as specified in regulations of the Board. Such regulations shall prevent a finance charge from being imposed on any obligor if the creditor has received the obligor's payments in readily identifiable form in the amount, manner, location, and time indicated by the creditor to avoid the imposition thereof.

"§ 165. Crediting excess payments

"Whenever an obligor transmits funds to a creditor in excess of the total balance due on an open end consumer credit account, the creditor shall promptly (1) upon request of the obligor refund the amount of the overpayment, or (2) credit such amount to the obligor's account.

"§ 166. Prompt notification of returns.

"With respect to any sales transaction where a credit card has been used to obtain credit, where the seller is a person other than the card issuer, and where the seller accepts or allows a return of the goods or forgiveness of a debit for services which were the subject of such sale, the seller shall promptly transmit to the credit card issuer a credit statement with respect thereto and the credit card issuer shall credit the account of the obligor for the amount of the transaction.

"§ 167. Use of cash discounts

"(a) With respect to a credit card which may be used for extensions of credit in sales transactions in which the seller is a person other than the card issuer, the card issuer may not, by contract or otherwise, prohibit any such seller from offering a discount to a cardholder to induce the cardholder to pay by cash, check, or similar means rather than use a credit card.

"(b) With respect to any sales transaction, any discount not in excess of 5 per centum offered by the seller for the purpose of inducing payment by cash, check, or other means not involving the use of a credit card shall not constitute a finance charge as determined under section 106, if such discount is offered to all prospective buyers and its availability is disclosed to all prospective buyers clearly and conspicuously in accordance with regulations of the Board.

"§ 168. Prohibition of tie-in services

"Notwithstanding any agreement to the contrary, a card issuer may not require a seller, as a condition to participating in a credit card plan, to open an account with or procure any other service from the card issuer or its subsidiary or agent.

"§ 169. Prohibition of offsets

"(a) A card issuer may not take any action to offset a cardholder's indebtedness arising in connection with a consumer credit transaction under the relevant credit card plan against funds of the cardholder held on deposit with the card issuer unless—

"(1) such action was previously authorized in writing by the cardholder in accordance with a credit plan whereby the cardholder agrees periodically to pay debts incurred in his open end credit account by permitting the card issuer periodically to deduct all or a portion of such debt from the cardholder's deposit account, and

"(2) such action with respect to any outstanding disputed amount not be taken by the card issuer upon request of the cardholder.

In the case of any credit card account in existence on the effective date of this section, the previous written authorization referred to in clause (1) shall not be required until the date (after such effective date) when such account is renewed, but in no case later than one year after such effective date. Such written authorization shall be deemed to exist if the card issuer has previously notified the cardholder that the use of his credit card account will subject any funds which the card issuer holds in deposit accounts of such cardholder to offset against any amounts due and payable on his credit card account which have not been paid in accordance with the terms of the agreement between the card issuer and the cardholder.

"(b) This section does not alter or affect the right under State law of a card issuer to attach or otherwise levy upon funds of a cardholder held on deposit with the card issuer if that remedy is constitutionally available to creditors generally.

"§ 170. Rights of credit card customers

"(a) Subject to the limitation contained in subsection (b), a card issuer who has issued a credit card to a cardholder pursuant to an open end consumer credit plan shall be subject to all claims (other than tort claims) and defenses arising out of any transaction in which the credit card is used as a method of payment or extension of credit if (1) the obligor has made a good faith attempt to obtain satisfactory resolution of a disagreement or problem relative to the transaction from the person honoring the credit card; (2) the amount of the initial transaction exceeds $50; and (3) the place where the initial transaction occurred was in the same State as the mailing address previously provided by the cardholder or was within 100 miles from such address, except that the limitations set forth in clauses (2) and (3) with respect to an obligor's right to assert claims and defenses against a card issuer shall not be applicable to any transaction in which the person honoring the credit card (A) is the same person as the card issuer, (B) is controlled by the card issuer, (C) is under direct or indirect common control with the card issuer, (D) is a franchised dealer in the card issuer's products or services, or (E) has obtained the order for such transaction through a mail solicitation made by or participated in by the card issuer in which the cardholder is solicited to enter into such transaction by using the credit card issued by the card issuer.

"(b) The amount of claims or defenses asserted by the cardholder may not exceed the amount of credit outstanding with respect to such transaction at the time the cardholder first notifies the card issuer or the person honoring the credit card of such claim or defense. For the purpose of determining the amount of credit outstanding in the preceding sentence, payments and credits to the cardholder's account are deemed to have been applied, in the order indicated, to the payment of: (1) late charges in the order of their entry to the account; (2) finance charges in order of their entry to the account; and (3) debits to the account other than those set forth above, in the order in which each debit entry to the account was made.

"§ 171. Relation to State laws

"(a) This chapter does not annul, alter, or affect, or exempt any person subject to the provisions of this chapter from complying with, the laws of any State with respect to credit billing practices, except to the extent that those laws are inconsistent with any provision of this chapter, and then only to the extent of the inconsistency. The Board is authorized to determine whether such inconsistencies exist. The Board may not determine that any State law is inconsistent with any provision of this chapter if the Board determines that such law gives greater protection to the consumer.

"(b) The Board shall by regulation exempt from the requirements of this chapter any class of credit transactions within any State if it determines that under the law of that State that class of transactions is subject to requirements substantially similar to those imposed under this chapter or that such law gives greater protection to the consumer, and that there is adequate provision for enforcement."

§ 307. Conforming amendments

(a) The table of chapters of the Truth in Lending Act is amended by adding immediately under item 3 the following:

"4. CREDIT BILLING .... 161"

(b) Section 111(d) of such Act (15 U.S.C. 1610(d)) is amended by striking out "and 130" and inserting in lieu thereof a comma and the following: "130, and 166".

(c) Section 121(a) of such Act (15 U.S.C. 1631(a)) is amended—

(1) by striking out "and upon whom a finance charge is or may be imposed"; and

(2) by inserting "or chapter 4" immediately after "this chapter".

(d) Section 121(b) of such Act (15 U.S.C. 1631(b)) is amended by inserting "or chapter 4" immediately after "this chapter".

(e) Section 122(a) of such Act (15 U.S.C. 1632(a)) is amended by inserting "or chapter 4" immediately after "this chapter".

(f) Section 122(b) of such Act (15 U.S.C. 1632(b)) is amended by inserting "or chapter 4" immediately after "this chapter".

§ 308. Effective date

This title takes effect upon the expiration of one year after the date of its enactment.

TITLE IV—AMENDMENTS TO THE TRUTH IN LENDING ACT

§ 401. Advertising; more-than-four-installment rule

(a) Chapter 3 of the Truth in Lending Act (15 U.S.C. 1661–1665) is amended by adding at the end thereof a new section as follows:

"§ 146. More-than-four-installment rule

"Any advertisement to aid, promote, or assist directly or indirectly the extension of consumer credit repayable in more than four installments shall, unless a finance charge is imposed, clearly and conspicuously state, in accordance with the regulations of the Board:

" 'THE COST OF CREDIT IS INCLUDED IN THE PRICE QUOTED FOR THE GOODS AND SERVICES.' "

(b) The table of sections of such chapter is amended by adding at the end thereof a new item as follows:

"146. More-than-four-installment rule.".

§ 402. Agricultural credit exemption

Section 104 of the Truth in Lending Act (15 U.S.C. 1603) is amended by adding at the end thereof a new paragraph as follows:

"(5) Credit transactions primarily for agricultural purposes in which the total amount to be financed exceeds $25,000."

§ 403. Administrative enforcement

(a) Section 108(a) of the Truth in Lending Act (15 U.S.C. 1607(a)) is amended by striking out paragraph (4) and by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(b) Section 108(a) of such Act (15 U.S.C. 1607(a)) is amended by adding at the end thereof a new paragraph as follows:

"(6) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association."

§ 404. Liens arising by operation of State law

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended—

(1) by striking out "is" the first time it law, is or will be"; and

(2) by inserting after "obligor" the second appears in the first sentence of subsection (a) and inserting in lieu thereof ", including any such interest arising by operation of time it appears in the first sentence of subsection (b) the following: ", including any such interest arising by operation of law,".

§ 405. Time limit for right of rescission

Section 125 of the Truth in Lending Act (15 U.S.C. 1635) is amended by adding at the end thereof a new subsection as follows:

"(f) An obligor's right of rescission shall expire three years after the date of consummation of the transaction or upon the sale of the property, whichever occurs earlier, notwithstanding the fact that the disclosures required under this section or any other material disclosures required under this chapter have not been delivered to the obligor."

§ 406. Good faith compliance

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(f) No provision of this section or section 112 imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason."

§ 407. Liability for multiple disclosures

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(g) The multiple failure to disclose to any person any information required under this chapter to be disclosed in connection with a single account under an open end consumer credit plan, other single consumer credit sale, consumer loan, or other extension of consumer credit, shall entitle the person to a single recovery under this section but continued failure to disclose after a recovery has been granted shall give rise to rights to additional recoveries."

§ 408. Civil liability

(a) Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended to read as follows:

"(a) Except as otherwise provided in this section, any creditor who fails to comply with any requirement imposed under this chapter or chapter 4 of this title with respect to any person is liable to such person in an amount equal to the sum of—

"(1) any actual damage sustained by such person as a result of the failure;

"(2)(A) in the case of an individual action twice the amount of any finance charge in connection with the transaction, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

"(B) in the case of a class action, such amount as the court may allow, except that as to each member of the class no minimum recovery shall be applicable, and the total recovery in such action shall not be more than the lesser of $100,000 or 1 per centum of the net worth of the creditor; and

"(3) in the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court.

In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional."

(b) Section 130(b) of such Act (15 U.S.C. 1640(b)) is amended by inserting after "this section" the first place it appears the following: "for any failure to comply with any requirement imposed under this chapter,".

(c) Section 130(c) of such Act (15 U.S.C. 1640(c)) is amended by striking out "chapter" and inserting in lieu thereof "title".

(d) Section 130 of such Act (15 U.S.C. 1640) is amended by adding at the end thereof a new subsection as follows:

"(h) A person may not take any action to offset any amount for which a creditor is potentially liable to such person under subsection (a)(2) against any amount owing to such creditor by such person, unless the amount of the creditor's liability to such person has been determined by judgment of a court of competent jurisdiction in an action to which such person was a party."

(e) The amendments made by sections 406, 407, and 408 shall apply in determining the liability of any person under chapter 2 or 4 of the Truth in Lending Act, unless prior to the date of enactment of this Act such liability has been determined by final judgment of a court of competent jurisdiction and no further review of such judgment may be had by appeal or otherwise.

§ 409. Full statement of closing costs

Section 121 of the Truth in Lending Act (15 U.S.C. 1631) is amended by adding at the end thereof a new subsection as follows:

"(c) For the purpose of subsection (a), the information required under this chapter shall include a full statement of closing costs to be incurred by the consumer, which shall be presented, in accordance with the regulations of the Board—

"(1) prior to the time when any downpayment is made, or

"(2) in the case of a consumer credit transaction involving real property, at the time the creditor makes a commitment with respect to the transaction.

The Board may provide by regulation that any portion of the information required to be disclosed by this section may be given in the form of estimates where the provider of such information is not in a position to know exact information."

§ 410. Business use of credit cards

(a) Chapter 2 of the Truth in Lending Act (15 U.S.C. 1631–1644) is amended by adding the following new section at the end thereof:

"§ 135. Business credit cards

"The exemption provided by section 104 (1) does not apply to the provisions of sections 132, 133, and 134, except that a card issuer and a business or other organization which provides credit cards issued by the same card issuer to ten or more of its employees may by contract agree as to liability of the business or other organization with respect to unauthorized use of such credit cards without regard to the provisions of section 133, but in no case may such business or other organization or card issuer impose liability upon any employee with respect to unauthorized use of such a credit card except in accordance with and subject to the limitations of section 133."

(b) The table of sections of such chapter is amended by adding at the end thereof a new item as follows:

"135. Business credit cards.".

§ 411. Identification of transaction.

Section 127(b)(2) of the Truth in Lending Act (15 U.S.C. 1637(b)(2)) is amended to read as follows:

"(2) The amount and date of each extension of credit during the period and a brief identification on or accompanying the statement of each extension of credit in a form prescribed by regulations of the Board sufficient to enable the obligor to identify the transaction, or relate it to copies of sales vouchers or similar instruments previously furnished."

§ 412. Exemption for State lending agencies

Section 125(e) of the Truth in Lending Act (15 U.S.C. 1635(e)) is amended by striking the period at the end thereof and adding the following: "or to a consumer credit transaction in which an agency of a State is the creditor."

§ 413. Liability of assignees

(a) Chapter 1 of the Truth in Lending Act (15 U.S.C. 1601–1613) is amended by adding at the end thereof a new section as follows:

"§ 115. Liability of assignees

"Except as otherwise specifically provided in this title, any civil action for a violation of this title which may be brought against the original creditor in any credit transaction may be maintained against any subsequent assignee of the original creditor where the violation from which the alleged liability arose is apparent on the face of the instrument assigned unless the assignment is involuntary."

(b) The analysis of such chapter is amended by adding at the end thereof a new item as follows:

"115. Liability of assignees.".

§ 414. Credit card fraud

Section 134 of the Truth in Lending Act (15 U.S.C. 1644) is amended to read as follows:

"§ 134. Fraudulent use of credit card

"(a) Whoever knowingly in a transaction affecting interstate or foreign commerce, uses or attempts or conspires to use any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card to obtain money, goods, services, or anything else of value which within any one-year period has a value of aggregating $1,000 or more; or

"(b) Whoever, with unlawful or fraudulent intent, transports or attempts or conspires to transport in interstate or foreign commerce a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

"(c) Whoever, with unlawful or fraudulent intent, uses any instrumentality of interstate or foreign commerce to sell or transport a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained; or

"(d) Whoever knowingly receives, conceals, uses, or transport money, goods, services, or anything else of value (except tickets for interstate or foreign transportation) which (1) within any one-year period has a value aggregating $1,000 or more, (2) has moved in or is part of, or which constitutes interstate or foreign commerce, and (3) has been obtained with a counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card; or

"(e) Whoever knowingly receives, conceals, uses, sells, or transports in interstate or foreign commerce one or more tickets for interstate or foreign transportation, which (1) within any one-year period have a value aggregating $500 or more, and (2) have been purchased or obtained with one or more counterfeited, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit cards; or

"(f) Whoever in a transaction affecting interstate or foreign commerce furnishes money, property, services, or anything else of value, which within any one-year period has a value aggregating $1,000 or more, through the use of any counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained credit card knowing the same to be counterfeit, fictitious, altered, forged, lost, stolen, or fraudulently obtained—

shall be fined not more than $10,000, or imprisoned not more than ten years, or both."

§ 415. Grace period for consumers

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended—

(1) by amending subsection (a)(1) to charge may be imposed, including the time read as follows:

"(1) The conditions under which a finance period (if any) within which any credit extended may be repaid without incurring a finance charge, except that the creditor may, at his election and without disclosure, impose no such finance charge if payment is received after the termination of such time period."; and

(2) by amending subsection (b)(10) to read as follows:

"(10) The date by which or the period (if any) within which, payment must be made to avoid additional finance charges, except that the creditor may, at his election and without disclosure, impose no such additional finance charge if payment is received after such date or the termination of such period."

§ 416. Effective date

This title takes effect upon the date of its enactment, except that sections 409 and 411 take effect upon the expiration of one year after the date of its enactment.

TITLE V—EQUAL CREDIT OPPORTUNITY

§ 501. Short title

This title may be cited as the "Equal Credit Opportunity Act".

§ 502. Findings and purpose

The Congress finds that there is a need to insure that the various financial institutions and other firms engaged in the extensions of credit exercise their responsibility to make credit available with fairness, impartiality, and without discrimination on the basis of sex or marital status. Economic stabilization would be enhanced and competition among the various financial institutions and other firms engaged in the extension of credit would be strengthened by an absence of discrimination on the basis of sex or marital status, as well as by the informed use of credit which Congress has heretofore sought to promote. It is the purpose of this Act to require that financial institutions and other firms engaged in the extension of credit make that credit equally available to all creditworthy customers without regard to sex or marital status.

§ 503. Amendment to the Consumer Credit Protection Act

The Consumer Credit Protection Act (Public Law 90–321), is amended by adding at the end thereof a new title VII:

"TITLE VII—EQUAL CREDIT OPPORTUNITY

"Sec.
"701. Prohibited discrimination.
"702. Definitions.
"703. Regulations.
"704. Administrative enforcement.
"705. Relation to State laws.
"706. Civil liability.
"707. Effective date.

"§ 701. Prohibited discrimination.

"(a) It shall be unlawful for any creditor to discriminate against any applicant on the basis of sex or marital status with respect to any aspect of a credit transaction.

"(b) An inquiry of marital status shall not constitute discrimination for purposes of this title if such inquiry is for the purpose of ascertaining the creditor's rights and remedies applicable to the particular extension of credit, and not to discriminate in a determination of creditworthiness.

"§ 702. Definitions

"(a) The definitions and rules of construction set forth in this section are applicable for the purposes of this title.

"(b) The term 'applicant' means any person who applies to a creditor directly for an extension, renewal, or continuation of credit, or applies to a creditor, indirectly by use of an existing credit plan for an amount exceeding a previously established credit limit.

"(c) The term 'Board' refers to the Board of Governors of the Federal Reserve System.

"(d) The term 'credit' means the right granted by a creditor to a debtor to defer payment of debt or to incur debts and defer its payment or to purchase property or services and defer payment therefor.

"(e) The term 'creditor' means any person who regularly extends, renews, or continues credit; any person who regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who participates in the decision to extend, renew, or continue credit.

"(f) The term 'person' means a natural person, a corporation, government or governmental subdivision or agency, trust, estate, partnership, cooperative, or association.

"(g) Any reference to any requirement imposed under this title or any provision thereof includes reference to the regulations of the Board under this title or the provision thereof in question.

"§ 703. Regulations

"The Board shall prescribe regulations to carry out the purposes of this title. These regulations may contain but are not limited to such classifications, differentiations, or other provision, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith. Such regulations shall be prescribed as soon as possible after the date of enactment of this Act, but in no event later than the effective date of this Act.

"§ 704. Administrative enforcement

"(a) Compliance with the requirements imposed under this title shall be enforced under:

"(1) Section 8 of the Federal Deposit Insurance Act, in the case of—

"(A) national banks, by the Comptroller of the Currency,

"(B) member banks of the Federal Reserve System (other than national banks), by the Board,

"(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), by the Board of Directors of the Federal Deposit Insurance Corporation.

"(2) Section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation), in the case of any institution subject to any of those provisions.

"(3) The Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal Credit Union.

"(4) The Acts to regulate commerce, by the Interstate Commerce Commission with respect to any common carrier subject to those Acts.

"(5) The Federal Aviation Act of 1958, by the Civil Aeronautics Board with respect to any air carrier or foreign air carrier subject to that Act.

"(6) The Packers and Stockyards Act, 1921 (except as provided in section 406 of that Act), by the Secretary of Agriculture with respect to any activities subject to that Act.

"(7) the Farm Credit Act of 1971, by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, and production credit association;

"(8) the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to brokers and dealers; and

"(9) the Small Business Investment Act of 1958, by the Small Business Administration, with respect to small business investment companies.

"(b) For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law. The exercise of the authorities of any of the agencies referred to in subsection (a) for the purpose of enforcing compliance with any requirement imposed under this title shall in no way preclude the exercise of such authorities for the purpose of enforcing compliance with any other provision of law not relating to the prohibition of discrimination on the basis of sex or marital status with respect to any aspect of a credit transaction.

"(c) Except to the extent that enforcement of the requirements imposed under this title is specifically committed to some other Government agency under subsection (a), the Federal Trade Commission shall enforce such requirements. For the purpose of the exercise by the Federal Trade Commission of its functions and powers under the Federal Trade Commission Act, a violation of any requirement imposed under this title shall be deemed a violation of a requirement imposed under that Act. All of the functions and powers of the Federal Trade Commission under the Federal Trade Commission Act are available to the Commission to enforce compliance by any person with the requirements imposed under this title, irrespective of whether that person is engaged in commerce or meets any other jurisdictional tests in the Federal Trade Commission Act.

"(d) The authority of the Board to issue regulations under this title does not impair the authority of any other agency designated in this section to make rules respecting its own procedures in enforcing compliance with requirements imposed under this title.

"§ 705. Relation to State laws

"(a) A request for the signature of both parties to a marriage for the purpose of creating a valid lien, passing clear title, waiving inchoate rights to property, or assigning earnings, shall not constitute discrimination under this title: *Provided, however,* That this provision shall not be construed to permit a creditor to take sex or marital status into account in connection with the evaluation of creditworthiness of any applicant.

"(b) Consideration or application of State property laws directly or indirectly affecting creditworthiness shall not constitute discrimination for purposes of this title.

"(c) Any provision of State law which prohibits the separate extension of consumer credit to each party to a marriage shall not apply in any case where each party to a marriage voluntarily applies for separate credit from the same creditor: *Provided,* That in any case where such a State law is so preempted, each party to the marriage shall be solely responsible for the debt so contracted.

"(d) When each party to a marriage separately and voluntarily applies for and obtains separate credit accounts with the same creditor, those accounts shall not be aggregated or otherwise combined for purposes of determining permissible finance charges or permissible loan ceilings under the laws of any State or of the United States.

"(e) Except as otherwise provided in this title, the applicant shall have the option of pursuing remedies under the provisions of this title in lieu of, but not in addition to, the remedies provided by the laws of any State or governmental subdivision relating to the prohibition of discrimination on the basis of sex or marital status with respect to any aspect of a credit transaction.

"§ 706. Civil liability

"(a) Any creditor who fails to comply with any requirement imposed under this title shall be liable to the aggrieved applicant in an amount equal to the sum of any actual damages sustained by such applicant acting either in an individual capacity or as a representative of a class.

"(b) Any creditor who fails to comply with any requirement imposed under this title shall be liable to the aggrieved applicant for punitive damages in an amount not greater than $10,000, as determined by the court, in addition to any actual damages provided in section 706(a): *Provided, however,* That in pursuing the recovery allowed under this subsection, the applicant may proceed only in an individual capacity and not as a representative of a class.

"(c) Section 706(b) notwithstanding, any creditor who fails to comply with any requirement imposed under this title may be liable for punitive damages in the case of a class action in such amount as the court may allow, except that as to each member of the class no minimum recovery shall be applicable, and the total recovery in such action shall not exceed the lesser of $100,000 or 1 percent of the net worth of the creditor. In determining the amount of award in any class action, the court shall consider, among other relevant factors, the amount of any actual damages awarded, the frequency and persistence of failures of compliance by the creditor, the resources of the creditor, the number of persons adversely affected, and the extent to which the creditor's failure of compliance was intentional.

"(d) When a creditor fails to comply with any requirement imposed under this title, an aggrieved applicant may institute a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other action.

"(e) In the case of any successful action to enforce the foregoing liability, the costs of the action, together with a reasonable attorney's fee as determined by the court shall be added to any damages awarded by the court under the provisions of subsections (a), (b), and (c) of this section.

"(f) No provision of this title imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

"(g) Without regard to the amount in controversy, any action under this title may be brought in any United States district court, or in any other court of competent jurisdiction, within one year from the date of the occurrence of the violation.

"§ 707. Effective date

"This title takes effect upon the expiration of one year after the date of its enactment.".

TITLE VI—DISPOSITION OF ABANDONED MONEY ORDERS AND TRAVELER'S CHECKS

FINDINGS

SEC. 601. The Congress finds and declares that—

(1) the books and records of banking and financial organizations and business associations engaged in issuing and selling money orders and traveler's checks do not, as a matter of business practice, show the last known addresses of purchasers of such instruments;

(2) a substantial majority of such purchasers reside in the States where such instruments are purchased;

(3) the States wherein the purchasers of money orders and traveler's checks reside should, as a matter of equity among the several States, be entitled to the proceeds of such instruments in the event of abandonment;

(4) it is a burden on interstate commerce that the proceeds of such instruments are not being distributed to the States entitled thereto; and

(5) the cost of maintaining and retrieving addresses of purchasers of money orders and traveler's checks is an additional burden on interstate commerce since it has been determined that most purchasers reside in the State of purchase of such instruments.

DEFINITIONS

SEC. 602. As used in this title—

(1) "banking organization" means any bank, trust company, savings bank, safe deposit company, or a private banker engaged in business in the United States;

(2) "business association" means any corporation (other than a public corporation), joint stock company, business trust, partnership, or any association for business purposes of two or more individuals; and

(3) "financial organization" means any savings and loan association, building and loan association, credit union, or investment company engaged in business in the United States.

STATE ENTITLED TO ESCHEAT OR TAKE CUSTODY

SEC. 603. Where any sum is payable on a money order, traveler's check, or other similar written instrument (other than a third party bank check) on which a banking or financial organization or a business association is directly liable—

(1) if the books and records of such banking or financial organization or business association show the State in which such money order, traveler's check, or similar written instrument was purchased, that State shall be entitled exclusively to escheat or take custody of the sum payable on such instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum;

(2) if the books and records of such banking or financial organization or business association do not show the State in which such money order, traveler's check, or similar written instrument was purchased, the State in which the banking or financial organization or business association has its principal place of business shall be entitled to escheat or take custody of the sum payable on such money order, traveler's check, or similar written instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum, until another State shall demonstrate by written evidence that it is the State of purchase; or

(3) if the books and records of such banking or financial organizations or business association show the State in which such money order, traveler's check, or similar written instrument was purchased and the laws of the State of purchase do not provide for the escheat or custodial taking of the sum payable on such instrument, the State in which the banking or financial organization or business association has its principal place of business shall be entitled to escheat or take custody of the sum payable on such money order, traveler's check, or similar written instrument, to the extent of that State's power under its own laws to escheat or take custody of such sum, subject to the right of the State of purchase to recover such sum from the State of principal place of business if and when the law of the State of purchase makes provision for escheat or custodial taking of such sum.

APPLICABILITY

SEC. 604. This title shall be applicable to sums payable on money orders, traveler's checks, and similar written instruments deemed abandoned on or after February 1, 1965, except to the extent that such sums have been paid over to a State prior to January 1, 1974.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the House bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the House bill, insert the following: "An Act to increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a National Commission on Electronic Fund Transfers, and for other purposes."

And the Senate agree to the same.

WRIGHT PATMAN,
FERNAND J. ST GERMAIN,
FRANK ANNUNZIO,
WILLIAM A. BARRETT,
JIM HANLEY,
WILLIAM R. COTTER,
JOHN J. MOAKLEY,
THOMAS L. ASHLEY,
WILLIAM B. WIDNALL,
JOHN H. ROUSSELOT,
CHALMERS P. WYLIE,
ANGELO D. RONCALLO,
MATTHEW J. RINALDO,
Managers on the Part of the House.

JOHN SPARKMAN,
THOMAS J. MCINTYRE,
WILLIAM PROXMIRE,
HARRISON A. WILLIAMS,
WALLACE F. BENNETT,
JOHN TOWER,
BILL BROCK,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11221) to provide full deposit insurance for public units and to increase deposit insurance from $20,000 to $50,000, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

The House bill provided for 100 percent insurance on the deposits of public funds of Federal, State and local governmental units in Federally insured banks, savings banks, savings and loan, building and loan, and homestead associations, cooperative banks, and credit unions. The Senate bill had no comparable provision. The Senate receded to the House bill with the following amendments: Time and savings deposits of public funds by Federal, State and local units in Federally insured depository institutions are fully insured up to the amount of $100,000 per account. Interest rate ceilings on such deposits are to be set by the appropriate financial supervisory agencies pursuant to regulations issued under the Act of September 21, 1966 (P.L. 89–597). A further amendment was incorporated into the public units deposit provision by the conferees in order to protect both Federal savings and loan associations and the public with regard to the application of state governmental unit deposit acts. It would provide that Federal savings and loan associations may act as a surety, as defined by the Federal Home Loan Bank Board and thus would enable public funds to be protected in New Jersey and other States in which similar laws now or hereafter exist. The Advisory Commission on Intergovernmental Relations is directed to conduct a study of the impact of this section and report its findings to the Congress not later than two years from the date of enactment. The conferees agreed to an effective date for this provision of 30 days after the date of enactment. The House bill provided for an increase in the present ceiling of $20,000 on Federal deposit insurance to $50,000 on accounts in commercial banks, mutual savings banks, savings and loan associations, and credit unions. The Senate bill provided for an increase from $20,000 to $25,000. The conferees agreed on an increase to $40,000, with the increase in ceiling limitation to become effective 30 days after the date of enactment.

The Senate bill amended section 402(a) of the National Housing Act to change the name of the Federal Savings and Loan Insurance Corporation (FSLIC) to the Federal Savings Insurance Corporation (FSIC). The House bill had no comparable provision. The Senate receded to the House.

The Senate bill extended until June 30, 1976, a moratorium on the conversion from the mutual to stock form of organization for (savings and loan associations), except for a limited number of test conversions as follows:

(1) Those associations which had filed an application for conversions prior to May 22, 1973.

(2) A total of not more than 23 associations for conversion in states where conversions are presently authorized.

(3) A limited number of conversions not in excess of 1 percentum of the number of insured institutions in any state which enacts authorized legislation subsequent to May 22, 1974. The House bill had no comparable provision. The House receded to the Senate with an amendment authorizing an absolute number of test conversions during the two-

year moratorium period expiring June 30, 1976, not in excess of 1 percent of the present number of all insured institutions. Financial regulatory agencies would also be required to issue regulations substantially similar to those issued by the SEC with respect to the functions of the Commission. The House accepted the Senate provisions with an amendment directing the Corporation to process to final determination the applications of those associations (having submitted) plans of conversion prior to May 22, 1973. Those associations (which had provided) written public notice to accountholders of adoption of a plan for conversion shall be permitted to proceed without the requirement of a payment for stock distribution to accountholders as of a record date prior to the date of such notice, and under regulations and procedures in effect at the time of submission wherever necessary. Such approvals shall be in addition to those approved under the 1 percent criterion. The House amendment specified that approvals shall be allocated geographically by size, by type of charter, by timeliness of filing, by need for capital, to achieve flexible regulation, and on other public interest considerations. The Board is required to report at least annually to the Congress so that close monitoring of the test results can be assured.

The Senate bill provided for a moratorium on the conversion of mutual savings banks to the stock form of organization until June 30, 1976, except in the cases where conversion approval is required to maintain the safety, soundness and stability of an insured mutual savings bank. In considering applications, the responsible agency shall take cognizance of any undue difficulties likely to be encountered by financial institutions in very small communities, such as those with populations under 4,000, in their efforts to comply with State statutes prohibiting interlocking directorates of financial institutions. The House had no comparable provision. The House receded to the Senate.

The Senate bill amended section 7 of the Act of September 21, 1966 (P.L. 89-597) extending the authority of financial regulatory agencies to establish (under Regulation Q) ceilings that may be paid by banks on time and savings deposits and by building and loan, savings and loans, homestead associations and cooperative banks and on deposits, shares, and withdrawable accounts until December 31, 1975. The Senate bill further directed the regulatory agencies to give due consideration to existing market interest rates to insure a fair and appropriate rate of interest on savings. The House bill had no comparable provision. The conferees agreed to an extension of Reg. Q to December 31, 1975 and deleted reference to market rate consideration.

The Senate bill amended section 10 of the Federal Reserve Act authorizing the expenditure by the Federal Reserve of an additional $80 million for the construction of branch banking facilities. The House bill had no comparable provision. The House receded to the Senate. The conferees expect, however, that the Federal Reserve will conform to the requirements imposed upon Federal agencies by the President to undertake such construction in a manner which is consistent with efforts to reduce inflationary pressures. The conferees unanimously recommended that the Federal Reserve avail itself of the safeguards imposed by the General Services Administration on most Federal building construction and the advantages of requiring competitive bidding be fully considered at such time as a decision is reached to proceed.

The Senate bill amended section 14(b) of the Federal Reserve Act renewing until October 31, 1975, the authority of Federal Reserve banks to purchase directly from the Treausry public debt obligations up to a limit of $5 billion outstanding at any time. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill amended section 8(b) of the Federal Deposit Insurance Act providing the Federal Reserve Board with additional authority by expanding the scope of existing cease and desist powers to cover parent holding companies and non-banking subsidiaries where action of a parent holding company or its non-financial institution constitute a serious threat to the safety, soundness, or stability of a subsidiary bank. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill amended section 407(e) of the National Housing Act to expand the Federal Home Loan Bank Board's cease and desist powers to cover parent holding companies and non-savings and loan subsidiaries. The House had no comparable provision. Due to the distinctions between the operations of the average savings and load holding company and the average bank holding company, the conferees concluded extensive further hearings are indicated. Accordingly, the Senate receded to the House.

The Senate bill prohibited any officer or agency of the United States from requiring the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, or the National Credit Union Administration to submit their legislative recommendations, testimony, and comments for approval, or review prior to their submission to the Congress provided such communications include a statement to the effect that the views expressed therein do not necessarily represent the views of the President. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill amended section 11 of the Federal Home Loan Bank Act increasing by $2 billion the authority of the Secretary of the Treasury to purchase Federal Home Loan Bank obligations, provided such authority were used only when: (1) the Home Loan Bank System cannot effectively employ alternative means in supplying funds to the mortgage market, and (2) the ability to supply such funds to housing is impaired by monetary stringency and rapidly rising interest rates. The House bill had no comparable provision. The House receded to the Senate provision, with an amendment to substitute the phrase "a high level of interest rates" for the phrase "rapidly rising interest rates" in the second criterion.

The Senate bill would prevent any Federal supervisory agency from exempting federally chartered financial institutions from complying with any State law or regulation which protects borrowers at those institutions. It also directed the Advisory Commission on Intergovernmental Relations to conduct a study on this issue and to report its findings to Congress by June 30, 1975. The House bill had no comparable provision. The Senate receded to the House.

The Senate bill amended section 305(a)(1) of the Federal Home Loan Mortgage Corporation Act authorizing the corporation to purchase mortgages from any State insured financial institution (in addition to mortgages from any federally insured institution as at present), or from any HUD-approved mortgagee or person approved by the Corporation pursuant to the borrowing authority of section 11(i) of the Federal Home Loan Bank Act. The House bill had no comparable provision. The House receded to the Senate with an amendment restricting this additional power to authorizing the corporation to purchase and make commitments to purchase residential mortgages from any financial institution the deposits of which are insured under the laws of any State if the total amount of time and savings deposits held in all such institutions in that State is more than 20 of the total amount of such deposits in all banks, building and loan, savings and loan, homestead associations and cooperative banks in that State.

The Senate bill contained a technical amendment striking the Commonwealth of Puerto Rico from Section 7(d)(2), definition of "State", of Public Law 93-100 which imposed a moratorium on interstate taxation of depository institutions. As a result, Puerto Rico would be treated as a "foreign country" in line with current Federal Reserve Board regulations. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill amended section 404 of the National Housing Act providing a rebate to savings and loan associations whose balances in the secondary reserve fund of the Federal Savings and Loan Insurance Corporation are excessive and would not be reduced within a reasonable time under the present premium repayment structure. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill amended section 111 of the Federal Credit Union Act providing for permissive authority to Federal Credit Unions to provide reasonable health, accident, and other similar insurance protection for their directors and committee members not to be considered compensation. Forty-five States now permit the offering of similar plans my State-chartered credit unions. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill established a National Commission on Electronic Funds Transfers composed of 20 members appointed by the President to study the electronic funds transfer system and report its findings and recommendations to Congress no later than two years after enactment. The House bill had no comparable provision. The House receded to the Senate with amendment increasing the membership of the Commission to 26 members to insure broad representation in view of the complex intertwined issues involved. The addition by the House of the Comptroller General and the Director of the Office of Technology insures congressional continuity and consideration of those public policy considerations likely to arise requiring an appropriate legislative response. The House amendment specified an additional function of the Commission to the effect that a thorough study and investigation should be made of the need to promote competition for financial institutions and to assure government regulation and involvement or participation in a system competitive with the private sector be kept to a minimum. The conferees, however, believe further that during the existence of the study commission that federal agencies involved in electronic funds transfers, as well as those engaged in such activity in the private sector, recognize that potential payments mechanisms are in an experimental stage with a number of significant public policy questions unresolved, and hence all such efforts are subject to change and modification.

The Senate bill amended the Truth-in-Lending Act for the purpose of protecting the consumer against unfair and inaccurate credit billing and credit card practices. The House bill contained no comparable provision. The conferees accepted the Senate provision with an amendment to redefine the term "creditor".

The Senate bill provided a series of basically technical amendments designed to improve the administration of the Truth in Lending Act. The House bill contained no comparable provisions. The conferees accepted the Senate provisions.

The Senate bill amended the Consumer Credit Protection Act to prohibit any creditor from discriminating against any applicant for credit on the basis of sex or marital status. The House bill contained no comparable provision. The conferees accepted the Senate provision with amendments to conform it more closely to the version of the "Equal Credit Opportunity Act" recently reported by the House Subcommittee on Consumer Affairs. The definition of the term "discriminate" was eliminated. The flexibility of the regulatory authority was broadened. It was made explicit that credit granted to an individual party to a marriage will be the sole responsibility of that party. The limitation on class action suits was further limited to the lesser of $100,000 or 1 percent of the net worth of the creditor to protect small business firms from catastrophic judgments. The effective date of the provision was extended from six months to one year to give the Federal Reserve Board sufficient time to issue regulations.

The Senate bill contained a provision allowing the proceeds of abandoned money orders and travelers' checks to escheat to the state in which they were purchased or, if the state of purchase is unknown, such proceeds would accrue to the state in which the issuing organization has its principal place of business. The House bill had no comparable provision. The House receded to the Senate.

The Senate bill contained a provision placing a limitation of $295 billion on Federal expenditures and net lending for the fiscal year 1975. The House bill had no comparable provision. The Senate receded to the House.

The conferees adopted as the title for H.R. 11221: "An act to increase deposit insurance from $20,000 to $40,000, to provide full insurance for public unit deposits of $100,000 per account, to establish a national commission on electronic fund transfers, and for other purposes."

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Managers on the Part of the Senate.

EXTENSIONS OF REMARKS

BALANCE THE BUDGET?

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, October 4, 1974

Mr. HARRY F. BYRD, JR. Mr. President, as the realization grows across the country that the huge deficits of the Federal Government are responsible for much of the inflation we are experiencing, discussion of ways to cut the budget is becoming widespread.

This is a healthy development. A national dialog on Federal spending is highly desirable.

I have advanced a number of proposals myself, and other ideas have been put forward by many of my colleagues and by officials of the executive branch.

Some members of the press also are making a contribution. A good example is an article by Howard Flieger on the editor's page of U.S. News & World Report, which appeared on September 16.

Mr. Flieger does a good job of explaining why budget cuts are essential, and he sets forth his candidates for reduction. I commend him for his effort, and in order to call his views to the attention of my colleagues, I ask unanimous consent that the text of his article, "Balance the Budget?" be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BALANCE THE BUDGET?

(By Howard Flieger)

President Ford has set a balanced federal budget as a primary target for next year. And, as a matter of fact, he has a fighting chance of achieving it.

So what?

The words "balanced budget" have an encouraging ring to them. But you have to be realistic about these things. Of 212 million Americans, relatively few understand the impact of the federal budget on the economy.

A federal deficit means simply that the Government is spending more than it is taking in. Keep that up and at some point there has to be a day of reckoning. Budget deficits add up to more inflation. Equate them with your household budget and you have to be a bit nervous about the day after tomorrow.

The point is that monetary policy with its attendant ills—high interest rates and a shortage of available funds—has carried the burden of fighting inflation so far. A balanced budget could lead to an easing of monetary policy and relieve the tight squeeze on credit that is making money scarce.

A few figures show the magnitude of the problem as the President and his advisers set out to get a handle on the amount of money spent by the Federal Government.

From fiscal years 1969 to 1975, budget expenditures will have risen at an annual rate of almost 9 per cent. If they continue to grow at this rate, federal outlays will more than double in 9 years and pass 1 trillion dollars by 1990. It is almost impossible to visualize that abundance of money flooding out of Washington every year.

It has become almost habitual for the Government to spend more money than it takes in. The last time the budget showed a surplus—more coming in than going out—was in the fiscal year 1969.

Washington wound up the fiscal year that ended last June with a deficit of 3.5 billion dollars. The way things have been going, the rise in spending from 1969 to the current fiscal year would be 121 billion, or 66 per cent.

Looking ahead to the next fiscal year, budget outlays in 1976 could be around 340 billion dollars if unchecked. The Administration hopes to hold spending to 330 billion.

Now look at what Government takes in. Revenue in 1974 rose by 32.6 billion dollars, or 14 per cent. Official estimates now call for a rise of more than 29 billion in 1975 to 294 billion, up 11 per cent.

If income could rise by another 11 per cent to about 326 billion in 1976, a budget balance could be achieved by cutting around 4 billion dollars from spending, or finding some way to take in an additional 4 billion.

But what to cut? That's the rub.

It is doubtful if any material paring would be done in such programs as Social Security, medicare, veterans' benefits, welfare, and so on.

If both the Administration and Congress were willing to take bit in teeth, there are ways to save money. For example:

Slow down public works—dams, flood control, harbor and highway construction.

Reduce the number of Government employes—both civilian and military.

Put off, or stretch out, the development and procurement of some new weapons.

Cut foreign aid even further.

If these are not enough, a near-balanced budget might be reached by raising taxes. Thought will have to be given to this proposal sooner or later, politically unsavory though it is to both parties.

Thus, Mr. Ford has a prospect of attaining his goal. It is, however, dependent on good business and a healthy economy that will keep tax receipts flowing into Washington.

If the economy runs into more serious trouble than it already is up against, you can forget all bets on a balanced budget.

THE VOTING RIGHTS ACT OF 1965—AN UNFAIR PIECE OF LEGISLATION

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, October 4, 1974

Mr. HARRY F. BYRD, JR. Mr. President, the Voting Rights Act of 1965, extended in 1970, is one of the most unfair pieces of legislation ever enacted by the Congress.

On the basis of a statistical formula it singled out six Southern States and placed their entire electoral process under direct supervision of the Federal Government. Virginia was among the States placed under Federal restrictions, even though there has never been proof of discrimination against any voter in Virginia.

Later, because of the arbitrary nature of the statistical formula, counties in Arizona, California, Hawaii, Idaho, and Wyoming came under the restrictions of the Voting Rights Act.

Now 40 towns and cities in New England, most of which have little or no minority population, are subject to the law.

The absurdity and unfairness of this situation, and of the Voting Rights Act itself, are well described in an editorial which appeared in the October 1 edition of the Richmond News Leader. The editor of the editorial page of the News Leader is Ross Mackenzie.

I ask unanimous consent that the text of the editorial, "Only Percentages Count," be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONLY PERCENTAGES COUNT

What do Sandwich, Massachusetts, Groton, Connecticut, and Richmond, Virginia, have in common? All three have fallen victim to the trigger clause of the 1965 Voting Rights Act.

Sandwich and Groton are among 40 towns and cities that unexpectedly have found themselves subject to the Voting Rights Act, despite a lack of evidence that they had discriminated against minority groups in voting practices. In fact, most of the 40 towns and cities have little or no minority populations. Nonetheless, the Voting Rights Act comes into play whenever fewer than one-half of eligible voters participate in a presidential election.

In tabulating election results for the 1968 presidential election, the Census Bureau routinely reported that the 40 towns had failed the 50-percent-or-more voting test. Because Massachusetts, New Hampshire, Maine, and Connecticut technically had been included in the coverage of the Voting Rights Act for having previously used literacy tests to determine eligibility for voting, the 40 towns and cities now must answer to the Justice Department. With the exception of a few counties in Arizona, California, Hawaii, Idaho, and Wyoming, and two counties in New York, provisions of the Act theretofore have been imposed only in Southern states.

The new localities to fall under the Voting Rights Act have some surprises in store. They will be unable to change any of their voting procedures, including the changing of a precinct line, without permission from the Justice Department. To become exempt from federal supervision, they must prove that they have been innocent of any discrimination against minority voters in the past decade—even if they have no minority voters. As Virginia officials could tell them, this will involve lengthy and expensive court proceedings. There will be interminable delays and frustrating setbacks.

But that is the way the Act was written, and its harshness falls equally upon the guilty and the innocent. The Act presumes that any evidence of past wrongdoing—no matter how far in the past it may be—proves current guilt, and the burden of proof of innocence falls not upon the accuser, but upon the accused. Apathy may be the reason that fewer than one-half of the voters went to the polls in the 40 New England towns, but a plea of apathy will not suffice: Only percentages count. And, no doubt, when the Roll is Called Up Yonder, the 40 towns, along with numerous other towns, cities, and states, will still be crying, "We wuz framed," to no avail.

SENATE—*Monday, October 7, 1974*

The Senate met at 12 noon and was called to order by Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, as we undertake the work of this new week, make us deeply conscious of Thy presence. We would pause before Thee with clean hands and pure hearts, beseeching Thee to keep us and guide us by Thy grace. As the times demand strong minds, great hearts, true faith, and willing hands, so wilt Thou consecrate us wholly to Thy service. Make us godly for man's sake and manly for God's sake. And may Thy kingdom be advanced through what we do.

We pray in His name who said, "Blessed are the pure in heart for they shall see God." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., October 7, 1974.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WILLIAM D. HATHAWAY, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. HATHAWAY thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, October 4, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESOLUTION COMMENDING INTERNATIONAL HOUSE

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Republican leader and myself, I send to the desk a resolution and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 421) was considered and agreed to, as follows:

Whereas, International House at 500 Riverside Drive, New York City was founded in 1924 to provide a residence and gathering center for graduate students from all countries and all races; and

Whereas, International House which was started for the humanitarian purpose of alleviating the loneliness of students in New York City has evolved into a global society in microcosm and, for 50 years, has served to provide students with an opportunity to learn to live with their peers from all nations; and

Whereas, 50,000 alumni of International House living in 130 countries have undergone this unique experiment in multinational human relations: Wherefore, be it

Resolved, That the Senate of the United States commends International House on the service which it performs on behalf of international understanding and world peace and extends warm congratulations to International House on the occasion of its golden jubilee anniversary.

SEC. 2. The Secretary of the Senate is directed to present a copy of this resolution to a representative of International House, at ceremonies in New York City, on November 9, 1974.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 1158, 1159, 1162, 1163, and 1165.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REFERRAL OF A BILL TO THE COURT OF CLAIMS

The resolution (S. Res. 90) to refer the bill (S. 1453) entitled "A bill for the relief of Thomas Raymond Pomaski" to the Chief Commissioner of the U.S. Court of Claims for a report thereon was considered and agreed to, as follows:

Resolved, That the bill (S. 1453) entitled "A bill for the relief of Thomas Raymond Pomaski" now pending in the Senate, together with all the accompanying papers, is hereby referred to the Chief Commissioner of the United States Court of Claims; and the Chief Commissioner shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equitably due from the United States to the claimant.

REFERRAL OF A BILL TO THE COURT OF CLAIMS

The resolution (S. Res. 344) to refer S. 3666 to the Court of Claims, was considered and agreed to, as follows:

Resolved, That S. 3666 entitled "A bill for the relief of Marlin Toy Products, Incorporated", together with all accompanying papers, is hereby referred to the Chief Commissioner of the Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code, for further proceedings in accordance with applicable law.

LAND CONVEYANCE TO STATE OF NEW YORK

The bill (H.R. 7954) to direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the State of New York and to provide for the conveyance of certain interests in such lands so as to permit such States, subject to certain conditions, to sell such land, was considered, ordered to a third reading, read the third time, and passed.

LAND CONVEYANCE TO LEE COUNTY, S.C., BOARD OF EDUCATION

The bill (H.R. 9054) to amend the act entitled "An act to authorize the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, S.C.," was considered, ordered to a third reading, read the third time, and passed.

VETERANS AND SURVIVORS PENSION ADJUSTMENT ACT OF 1974

The Senate proceeded to consider the bill (S. 4040) to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and dependency and indemnity compensation, to increase income limitations, and for other purposes, which had been reported from the Committee on Veterans' Affairs with amendments on page 5, in line 14, strike out the words "concerned, but whose death in such service was not in line of duty."." and insert in lieu thereof the word "concerned."."

On page 9, beginning at line 9, strike out the following language:

SEC. 8. (a) The Administrator of Veterans' Affairs shall carry out a thorough study and investigation of the economic needs and problems of veterans and their widows seventy-two years of age or older. The study shall include (1) a survey of the current income characteristics of veterans and their widows aged seventy two years or older, describing their income from all sources, and necessary expenditures for rent, food, medical care, and other items, (2) an evaluation of the adequacy of the veterans pension system for the needs of such veterans, and (3) information concerning the expected mortality rates of such veterans and their widows.

(b) The Administrator shall report to the Congress and the President not later than one hundred and twenty days after the convening of the first session of the Ninety-fourth Congress the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

And insert in lieu thereof the following new language:

SEC. 8. (a) The Administrator of Veterans' Affairs shall carry out an original study of the needs and problems of veterans and their widows seventy-two years of age or older. The study shall include (1) a profile of the current income characteristics of such veterans and their widows, describing the proportion and amount of income from all sources average necessary for all necessities such as rent, food, medical care, and other items; (2) an evaluation of the adequacy of the present veterans pension system to meet the needs of such veterans and widows; and (3) actuarial information concerning the present expected mortality rates of such veterans and their widows.

(b) The Administrator shall report to the Congress and the President not later than one hundred and twenty days after the convening of the first session of the Ninety-fourth Congress the results of the study carried out under this section together with any recommendations for legislative or administrative action to improve the present program of pension benefits for such veterans and widows.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans and Survivors Pension Adjustment Act of 1974".

SEC. 2. Section 521 of title 38, United States Code, is amended as follows:

(1) by amending subsection (b) to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $160. For each $1 of annual income in excess of $300 up to and including $500, the monthly rate shall be reduced 3 cents; for each $1 annual income in excess of $500 up to and including $900, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $900 up to and including $1,500, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,500 up to and including $1,900, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $1,900 up to and including $2,300, the monthly rate shall be reduced 7 cents; and for each $1 of annual income in excess of $2,300 up to and including $3,000, the monthly rate shall be reduced 8 cents; but in no event shall the monthly rate of pension be less than $5. No pension shall be paid if annual income exceeds $3,000.";

(2) by amending subsection (c) to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $172 for a veteran and one dependent, $177 for a veteran and two dependents, and $182 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $700, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $700 up to and including $1,800, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,800 up to and including $3,000, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $3,000 up to and including $3,500, the monthly rate shall be reduced 5 cents; for $1 of annual income in excess of $3,500 up to and including $3,800, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $3,800 up to and including $4,000, the monthly rate shall be reduced 7 cents; and for each $1 of annual income in excess of $4,000 up to and including $4,200, the monthly rate shall be reduced 8 cents. No pension shall be paid if annual income exceeds $4,200.";

(3) by amending subsection (d) by striking out "$110" and inserting in lieu thereof "$123"; and

(4) by amending subsection (e) by striking out "$44" and inserting in lieu thereof "$49".

SEC. 3. Section 541 of title 38, United States Code, is amended as follows:

(1) by amending subsection (b) to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $108. For each $1 of annual income in excess of $300 up to and including $600, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $600 up to and including $900, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $900 up to and including $2,100, the monthly rate shall be reduced 4 cents; and for each $1 of annual income in excess of $2,100 up to and including $3,000, the monthly rate shall be reduced 5 cents; but in no event shall the monthly rate of pension be less than $5. No pension shall be paid if annual income exceeds $3,000.";

(2) by amending subsection (c) to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $700 or less, the monthly rate of pension shall be $128. For each $1 of annual income in excess of $700 up to and including $1,100, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,100 up to and including $2,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $2,100 up to and including $3,000, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,000 up to and including $4,200, the monthly rate shall be reduced 4 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $4,200.";

(3) by amending subsection (d) by striking out "$18" and inserting in lieu thereof "$20"; and

(4) by adding at the end thereof the following new subsection:

"(f) As used in this section and section 542 of this title, the term 'veteran' includes a person who has completed at least two years of honorable active military, naval, or air service, as certified by the Secretary concerned.".

SEC. 4. Section 542 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a) by striking out "$44" and "$18" and inserting in lieu thereof "$49" and "$20", respectively; and

(2) by amending subsection (c) by striking out "$2,000" and inserting in lieu thereof "$2,400".

SEC. 5. Section 544 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$64".

SEC. 6. Section 4 of Public Law 90–275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,600 and $3,900, instead of $2,200 and $3,500 respectively.".

SEC. 7. Section 415 of title 38, United States Code, is amended as follows:

(1) by amending subsection (b) to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less, the monthly rate of dependency and indemnity compensation shall be $123. For each $1 of annual income in excess of $800 up to and including $1,000, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,000 up to and including $1,300, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,300 up to and including $1,600, the monthly rate shall be reduced 5 cents;

for each $1 of annual income in excess of $1,600 up to and including $1,800, the monthly rate shall be reduced 6 cents; for each $1 of annual income in excess of $1,800 up to and including $2,000, the monthly rate shall be reduced 7 cents; and for each $1 annual income in excess of $2,000 up to and including $3,000, the monthly rate shall be reduced 8 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than $4. No dependency and indemnity compensation shall be paid if annual income exceeds $3,000.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula.";

(2) by amending subsection (c) to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $86. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $1,100 up to and including $2,100, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $2,100 up to and including $2,500, the monthly rate shall be reduced 5 cents; and for each $1 of annual income in excess of $2,500 up to and including $3,000, the monthly rate shall be reduced 6 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than $4. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $3,000.";

(3) by amending subsection (d) to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $83. For each $1 of annual income in excess of $1,000 up to and including $1,100, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,100 up to and including $2,500, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $2,500 up to and including $3,500, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $3,500 up to and including $4,200, the monthly rate shall be reduced 4 cents; but in no event shall the monthly rate of dependency and indemnity compensation be less than $4. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $4,200."; and

(4) by amending subsection (h) by striking out "$55" and inserting in lieu thereof "$64".

SEC. 8. (a) The Administrator of Veterans' Affairs shall carry out an original study of the needs and problems of veterans and their widows seventy-two years of age or older. The study shall include (1) a profile of the current income characteristics of such veterans and their widows, describing the proportion and amount of income from all sources average necessary for all necessities such as rent, food, medical care, and other items; (2) an evaluation of the adequacy of the present veterans pension system to meet the needs of such veterans and widows; and (3) actuarial information concerning the present expected mortality rates of such veterans and their widows.

(b) The Administrator shall report to the Congress and the President not later than one hundred and twenty days after the convening of the first session of the Ninety-fourth Congress the results of the study carried out under this section together with any recommendations for legislative or administrative action to improve the present program of pension benefits for such veterans and widows.

SEC. 9. This Act shall take effect on January 1, 1975.

Mr. HARTKE. Mr. President, I rise in support of the passage of my bill, S. 4040, as reported, unanimously by the Senate Committee on Veterans' Affairs which I am priviledged to chair. S. 4040, the "Veterans and Survivors Pension Adjustment Act of 1974" which I introduced on September 24 would provide cost-of-living increases in the non-service-connected pension rates as well as the income limitations.

S. 4040 as reported would:

First, increase the maxium annual income limitations for eligible veterans and their survivors receiving pension by $400 and provide an average 12-percent increase in the rates of pensions;

Second, increase the maximum annual income limitations of "old law" pensioners by $400;

Third, increase the maximum annual income limitations by $400 for parents receiving dependency and indemnity compensation—DIC—and provide an average 12-percent increase in the rates for DIC;

Fourth, increase the allowances payable for those in receipt of pension in need of aid and attendance or who are deemed to be housebound by 12 percent;

Fifth, provide pension benefits for widows and children of certain veterans whose death occurred not in the line of duty but who had previous "honorable service";

Sixth, authorize a study by the Veterans' Administration of the economic situation in terms of income and needs of veterans age 72 or older to be submitted to the Congress not later than 120 days after the beginning of the 94th Congress; and

Seventh, provide that the act become effective on January 1, 1975.

Members of the Senate will recall that last fall I introduced and the Senate unanimously passed S. 275, which contained an increase in the income limits as well as an increase in the rates of pension. Unfortunately the increase in the income limitations which was opposed by the administration was dropped following House-Senate negotiations but we were able to secure a 10-percent increase in the rate of pension which was enacted as Public Law 93-177 effective on January 1 of this year.

My colleagues will also remember that at the request of the administration we have been examining their proposal for a total restructuring of the pension system.

While there is no disagreement with the announced principles of eliminating unequal treatment for similar circumstanced pensioners and of increasing assistance to the neediest, the actual proposals submitted by the Veterans' Administration would be unduly restrictive and unacceptable in operation. Few of the veterans or widows in need of pension could qualify under the new system. For example, the Veterans' Administration testified in hearings on October 3 that if the proposed reform were applied to the present population of veterans and widows receiving pension—they would be exempted under the VA proposal, however—approximately 40 percent would not be eligible for receipt of pension under the new system. There is other evidence to indicate that the number who would be ineligible may even be higher, ranging up to two-thirds of all current pensioners.

Accordingly and pursuant to my direction the committee staff has been investigating the VA proposal as well as various alternatives. Unfortunately, the Committee staff has had severe difficulties in obtaining accurate and timely data on the VA pension population caused primarily by an antiquated data processing and gathering capability together with inadequate analytical staffing in the Veterans' Administration.

There have been consistent delays in receiving requested information from the Veterans' Administration concerning their proposal and possible variations which have prevented further consideration this year by the committee.

In response to a request by the Committee the Congressional Research Service reviewed the Veterans' Administration's and Office of Management and Budget's analytical capacity in order to determine the nature of the problems and identify possible solutions. In summary the Congressional Research Service concluded that—

> The chief problems of the Administration in responding to Committee inquiries are:
>
> *Inadequate analytical staff* in the VA devoted to the VA pension reform effort (a potentially solvable problem).
>
> *Inadequate data* (only partly amenable to solution).
>
> *Competing computer "models"*, which are, by themselves, only partially capable of answering Committee concerns.
>
> *A tangled administrative structure* which now seems incapable of resolving these problems or of making timely responses to Committee inquiries.

It is clear that the committee would not be discharging its proper function or responsibilities if it proceeded with pension restructuring without being fully apprised of the outcome on pensioners both present and future. The committee expects that if the Veterans' Administration is truly committed to pension restructuring that they take a serious look at the aforementioned deficiencies and take immediate steps to correct them prior to the beginning of the 94th Congress. Such steps should include correcting existing deficiencies in the computer model as well as increasing the availability of analytical staffing, so that there would be at least one analyst working full time on such an important subject as the pension proposals are.

Thus, given the necessary delay in further consideration of any overall pension restructuring, together with the rapid increase in inflation, I wish to impress upon my colleagues the importance of enacting S. 4040.

Since January 1, 1974, when Public Law 93–177 (S. 275) went into effect, the cost of living as measured by the Consumer Price Index has increased as of August by 8 percent. At the current rate of inflation it is expected to reach at least 12 percent by December. Since the last time the income limitations were raised the Consumer Price Index has risen 22 percent. Obviously, an allowable limit of $2,600 in annual income for a single veteran and $3,800 for a couple is simply not worth what it was in 1971. The committee believes that veterans and their widows must be protected from the current inflationary spiral of swift action.

In testimony before the Subcommittee on Compensation and Pension so ably chaired by the senior Senator from Georgia(Mr. TALMADGE), administration officials testified that they could not support cost-of-living increases in the pension program. I find it difficult to understand such a position which fails to ameliorate the harsh effects of rapid inflation on the elderly who must live on fixed incomes.

Aggravating the effects of inflation is the fact that social security increases enacted this year will occasion decreases this coming January in pensions for 1.5 million veterans and survivors on the pension rolls. According to the Veterans' Administration 75,510 pensioners will fall off the rolls and the average loss of pension would be as follows:

Type of pensioner:	Monthly loss
Veteran alone	$11.58
Veteran with dependent	10.33
Widow alone	7.50
Widow with dependent	4.00

However, if we act favorably on S. 4040, no pensioners will be terminated, and 1.2 million veterans and their widows will receive increases in their pensions. The average increase in pension would be as follows:

Type of pensioner:	Monthly gain
Veteran alone	$10.79
Veteran with dependent	10.11
Widow alone	6.88
Widow with depenednt	12.47

I cannot stress to my colleagues with enough emphasis the critical nature of this cost-of-living increase in order to protect our veterans, and their survivors.

Mr. President, I would also ask unanimous consent that approximate excerpts from the committee's report to S. 4040 be inserted in the RECORD as this point.

There being no objection, the material was ordered to be printed as follows:

BACKGROUND AND DISCUSSION

Development of the Non-Service-Connected Pension System Prior to the 92d Congress

Pensions based on non-service-connected disability for death of a veteran date back to the Revolutionary War era. Prior to 1960, pensions were provided on the basis of a flat award if the veteran's income did not exceed a specified figure. Public Law 86–211 established a three-level system of pension payments based on need as principally determined by the veterans' income. The largest pensions were paid to those with the least income from other sources and as outside income increases the amount of pension is reduced. Under Public Law 86–211, most veterans then receiving pensions were entitled to higher benefits. Those who had been receiving pensions prior to the change were allowed to continue receiving benefits under the "old law" if they so desired. Presently, some 234,509 or about 10.3 percent of all pensioners continue to receive pension under the "old law."

In 1964, faced with a prospective increase in social security benefits, Congress amended the revised pension law by excluding 10 percent of all payments to an individual under public or private retirement, annuity, endowment, or similar plans or programs in determining the "annual income" of the veteran. Thus, in addition to a general rate increase, the 10-percent exclusion provided for in Public Law 88–664 assured that no individual pensioner would be adversely affected because of the contemplated social security increase. At that time Congress also created another exclusion, and provided that a wife's earned income would not be counted for determining a veteran's outside income and that a wife's unearned income would only be counted in excess of $1,200. This was done in order to provide that funds which went for the maintenance of the spouse were not counted as available to the veteran as annual income.

In 1967, Congress provided an average overall cost-of-living increase of 5.4 percent in Public Law 90–77. The following year in 1968, Congress in Public Law 90–275 again increased pension rates and also provided for a $200 increase in the income limitations which assured that there would be no pension loss because of the 13-percent increase in social security benefits that year. The same act also replaced the three-level system of pension rates with a multi-level increment system. Under the previous three-level system, a slight increase in outside income could result in a disproportionate decrease in a veteran's pension. The enactment of a twenty-plus increment system of $100 graduations permitted a more orderly and gradual reduction in monthly benefits because of a slight increase in outside income.

In 1970, in enacting Public Law 91–588, Congress provided that there would be no loss or reduction of pension because of a 15-percent increase in social security benefits. It raised the current maximum annual income limitations $300 and increased virtually all current law pensions through a raise in the rates payable.

Developments in the Non-Service-Connected Pension Program in the 92d Congress

Under earlier pension laws, despite increasing refinements, the structure of the pension system was such that small increases in outside annual income could result in a sharp drop in pension or being dropped from the pension rolls completely. The problem became particularly acute whenever there were increases in social security or other retirement benefits or other countable income under the current pension program. Whatever social security increases Congress enacted on the other. More importantly, the reduction in a veteran's pension was often greater than the increase in social security benefits which resulted in a loss of aggregate income for the veterans or his survivor. Congressional response to these problems over the years has generally been to adjust pensions and increase the maximum annual income limitations to accomplish a "pass along" of social security increases.

In 1971, in response to social security increases that year, Congress enacted Public Law 92–198 which not only increased the pension rates and the maximum annual income limitations but also adopted a new formula approach to the payment of pensions. Designed to prevent the net loss of *aggregate* income for any pensioner who remains in receipt of a pension who received an increase in outside income, the formula specified a maximum monthly rate for each group within designated income categories. Under the formula, each individual's monthly benefit is computed by reducing the maximum rate by a specified number of cents for each dollar by which the maximum income level for that group is exceeded.

For example, currently for a single veteran receiving a pension under section 521 of title 38, United States Code, the maximum monthly pension is $143 based on an annual income of $300 or less. This monthly amount is reduced by 3 cents for each dollar of annual income which exceeds $300 up to and including $800; by 4 cents for each dollar of income in excess $800 up to and including $1,300; by 5 cents for each dollar of income exceeding $1,300 up to and including $1,600; by 6 cents for each dollar of income exceeding $1,600 up to and including $2,200; by 7 cents for each dollar of income exceeding $2,200 up to and including $2,500; and by 8 cents for each dollar of income exceeding $2,500 up to and including $2,600. The minimum monthly rate is $28. No pension for a single veteran is paid if annual income exceeds $2,600.

In July 1972, Congress enacted Public Law 92–336 providing for a 20-percent increase in social security benefits. Approximately 784,000 veterans or 76.6 percent of all veterans currently receiving pensions also receive Old Age or Survivors benefits (OASI). The average benefits as of March 1974 were approximately $1,985. In addition, approximately 694,000 or 75.5 percent of survivors receive social security benefits averaging $1,681. Non-service-connected pensioners receiving OASI broken down by age and average benefits is shown in the following table:

TABLE 1.—NON-SERVICE-CONNECTED PENSIONERS WITH OLD AGE SURVIVORS INSURANCE

Veterans	Number with OASI [1]	Total caseload	Percent with OASI	Average OASI
Less than 65	251, 600	417, 800	60. 2	$2, 186
65 to 69	93, 200	99, 500	93. 7	1, 873
70 to 74	68, 400	74, 600	91. 7	1, 845
75 to 79	231, 700	260, 700	88. 9	1, 951
80 and over	139, 100	170, 600	81. 5	1, 829
Total veterans	784, 000	1, 023, 200	76. 6	1, 985
Survivors	694, 900	920, 600	75. 5	1, 681

[1] Source: 1 percent sample of AIQ's; March 1974.

Note: No age breakout is available for survivors.

Under the new pension formula devised earlier in the 92d Congress, no pensioner who in receipt of a pension who received a social security increase suffered an aggregate loss in income. Pension reductions were less than the social security increase so that veterans and their survivors had a net increase in total income approximating two-thirds of the social security increase. However, approximately 20,000 pensioners consisting of 14,200 veterans and 5,800 survivors were scheduled to be dropped from the pension rolls on January 1, 1973, the effective date of annual revision of entitlement to pension income. Concerned about the effect of social security amendments on pensioners, the Committee held hearings on September 12, 1972 to consider legislation which would ameliorate the adverse impact of social security increases on pensioners and to adjust for continuing inflation. Subsequently, the Committee unanimously ordered reported S. 4006 which would have increased maximum annual income limitations by $400 (the approximate amount of the average social security increase) and would have increased the base pension rates by about 8 percent.

The measure unanimously passed the Senate in the closing days of the session on October 11, 1972 but the House was unable to consider pension legislation prior to sine die adjournment.

Action in the 93d Congress

During the 93d Congress, the Committee has examined a number of approaches for adjusting the pension system. In testimony before the Subcommittee on Compensation and Pensions on June 18, 1973, representatives of the Veterans' Administration asserted that there were a number of "inconsistencies, inequities, and anomalies in the present pension system". They advocated that there be a thorough examination and complete revision of the system but did not offer any formal draft of legislation to accomplish this.

Subsequent to the hearings of June 18, the Senate and House committee staff members met with representatives of the Administration in an attempt to reduce the suggestions in the testimony to a more concrete form. At the meeting, it was obvious that there was a serious lack of pertinent data which would be required by Congress before it can make any rational determination of any proposed new pension system. In general, this information was not forthcoming during 1973, nor did the Committee receive a formal draft proposal, Accordingly, while agreeing to further investigate the entire pension system, the Committee concluded that action was needed on an immediate cost-of-living measure and introduced legislation (S. 275) to accomplish it.

S. 275 was ultimately enacted as Public Law 93–177 and provided for a 10-percent increase in the rates effective January 1, 1974.

In signing Public Law 93–177, on December 6, 1973, the President stated:

"While this is a step in the right direction, more can be done—and should be done. As I mentioned in my message to the Congress on national legislative goals on September 10, 1973, full reform of the Veterans' Administration pension program is necessary. The program is currently fraught with inconsistencies, inequities, and anomalies which cannot be corrected unless the entire framework of the program is restructured.

"This Administration regards the following principles as vital to a realistic and equitable VA pension program:

" 'VA penisoners should have some regularized way of receiving cost-of-living adjustments in VA pension payments tied to automatic increases now available to social security recipients.

" 'The VA pension program should be restructured to assure that additional income flows to the neediest pensioners. This objective would involve raising VA payments to those pensioners who receive less total income than adult welfare recipients under recent amendments to the Social Security Act. In addition, a family's total income should be considered in determining the amount of pension needed.

" 'Veterans and widows should be treated equally with regard to income and pension payments.' "

In his message on veterans of January 28, 1974, the President repeated the foregoing and stated that he would propose legislation.

On March 15, 1974, the Administration submitted a formal draft provision proposal. According to the Administration:

"The enclosed draft measure would (1) fill the gap between the resources available to a veteran and his dependents and a national minimum standard of need; (2) treat veterans and widows equally with regard to income and benefit amount; (3) eliminate the inequities arising from exclusions of income—consideration of family income as a whole; (4) contain an automatic cost-of-living adjustment working simultaneously with that applicable to social security and eliminate the lag in adjusting pension for increases in income; (5) provide benefits which guarantee a minimum income of $166 per month for a single person and $249 per month for a person with one dependent; (6) provide a hold-harmless provision to permit present recipients of pension to continue receiving benefits under the present provisions of law with a 4-percent rate increase and thereafter, automatic cost-of-living increases."

The full proposal is set forth in the Report under the section entitled "Agency Reports," *infra*.

On receipt of the Administration's formal request the Committee staff at the direction of Chairman Hartke, intensified its efforts to obtain relevant information from the VA with which to assess the full impact of this proposal.

It soon became apparent that the VA lacked basic, timely information in detail. Further it did not have adequate analytical staffing nor an advanced computer model necessary to make an adequate analysis of the Administration's own proposal, let alone possible variations being considered by the Committee. These inadequacies apparently continue. A series of six memoranda have been exchanged with the VA with delays in receiving information from the VA in each case with some information being as late as two months from the Committee's requested deadline. A reply is still to be received from the last memorandum dated August 9, 1974. From information that is currently available to the Committee, it is apparent that the actual proposals made by the VA would be unduly restrictive and unacceptable in operation. Few of the veterans or widows in need of pension could qualify under the new system submitted by the Veterans' Administration. For example, if the proposed pension system were applied to the present population of veterans and widows receiving VA pensions (which is not the VA proposal) almost one-half to two-thirds would be ineligible for receipt of pension under the new system. Accordingly, it is obvious that variations must be considered and additional information will be necessary before the Committee can proceed with any pension restructuring. Thus, additional consideration will be deferred until early next year.

Meanwhile, the Committee beileves that it is necessary to proceed with an interim cost-of-living measure in order to protect VA pensioners from the continuing toll of inflation. It should be noted, however, that this bill is thoroughly consistent with the Administration's own pension proposal to protect existing pensioners who could choose not to switch to any new system and instead elect to remain under the present system. Under the Administration proposal, a regular cost-of-living boost would be provided to all pensioners who so remain.

Current Pension Benefits and Characteristics of Pensioners

Under current law, a veteran may be eligible for pension benefits if:

(*a*) He served in the Armed Forces at least 90 days, including at least 1 day of service during wartime;

(*b*) His income does not exceed the limits specified in the law (currently, $2,600 if the veteran is single and $3,800 if he has a dependent);

(*c*) He is permanently and totally disabled (for the purposes of the pension law, veterans age 65 or older are defined as totally disabled); and

(*d*) His net worth is not excessive as determined by the Veterans' Administration.

Widows and children of deceased wartime veterans are also eligible for pension benefits if they are needed.

Currently, for a veteran without dependents the monthly pension rates range from $28 to $143 with a maximum limitation of $2,600 with respect to countable annual income. Rates of $39 to $164 are provided for veterans with dependents where annual countable income does not exceed $3,800. Widows with children are subject to the same income limitations as veterans alone but the pension rates vary from $21 to $96. The $3,800 annual income limitation for veterans with dependents also applies to widows with children. The rates for widows with one child range from $44 to $114. The applicable rate is increased by $18 per month for each child in excess of one.

Currently, there are 2.3 million pensioners of whom 1.3 million are veterans and the remainder are their survivors. The present cost of the non-service-connected pension program is approximately $2.7 billion a year. A significant number of pensioners have little or no other source of income other than their pension. The annual income of pensioners (other than their pensions and excludable income) is shown in the following table:

TABLE 2.—PENSIONERS UNDER CURRENT LAW BY INCOME OTHER THAN PENSIONS

Income range	Veteran alone		Veteran with dependents		Widow alone		Widow with children	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $100	80, 000	25. 1	67, 800	12. 1	102, 400	14. 8	10, 000	7. 0
$101 to $500	6, 200	1. 9	6, 700	1. 2	19, 700	2. 8	4, 600	3. 2
$501 to $1,000	19, 500	6. 1	17, 400	3. 1	41, 400	6. 0	16, 200	11. 3
$1,001 to $1,500	59, 300	18. 6	54, 500	9. 8	140, 800	20. 4	24, 100	16. 8
$1,501 to $2,000	57, 900	18. 1	92, 400	16. 6	149, 400	21. 6	31, 300	21. 8
$2,001 to $2,500	58, 600	18. 4	114, 700	20. 6	150, 200	21. 7	23, 300	16. 2
$2,501 to $3,000	36, 800	11. 5	117, 400	21. 0	86, 200	12. 5	12, 600	8. 8
$3,001 to $3,500	600	. 2	53, 300	9. 6	1, 500	. 2	11, 300	7. 9
$3,501 to $4,000	300	. 1	33, 900	6. 1	100	. 0	10, 300	7. 2
Total	319, 200	100. 0	558, 100	100. 0	691, 700	100. 0	143, 700	100. 0

The following table shows the distribution of all active compensation, dependency and indemnity compensation, pension and retirement cases for all wars and regular establishment as of June 1974.

TABLE 3.—ACTIVE COMPENSATION, DEPENDENCY AND INDEMNITY COMPENSATION, PENSION AND RETIREMENT CASES, ALL WARS AND REGULAR ESTABLISHMENT, MONTH OF JUNE 1974

Entitlement	Disability total cases	Death total cases	Death beneficiaries			
			Total	Widows	Children	Parents
Total	3,241,263	1,627,482	2,294,552	1,154,021	954,823	185,708
Service-connected	2,210,756	371,202	506,073	203,175	117,190	185,708
Compensation	2,210,756	99,279	112,869	239	54	112,576
Dependency and indemnity compensation		266,549	381,767	197,985	116,812	66,970
Dependency and indemnity compensation and compensation		5,374	11,437	4,951	324	6,162
Non-service-connected	1,030,046	1,256,245	1,788,443	950,827	837,616	
Public Law 86–211	902,082	1,149,700	1,680,315	845,633	834,682	
Prior law	127,964	106,545	108,128	105,194	2,934	
Special acts	51	35	36	19	17	
Retired emergency officers	408					
Retired reserve officers	2					
World War II	1,866,388	726,870	1,115,106	400,017	592,222	122,867
Service-connected	1,329,774	196,462	232,845	91,224	18,754	122,867
Compensation	1,329,774	79,426	89,228	120	17	89,091
Dependency and indemnity compensation		113,020	135,205	87,322	18,623	29,260
Dependency and indemnity compensation and compensation		4,016	8,412	3,782	114	4,516
Non-service-connected	536,614	530,408	882,261	308,793	573,468	
Public Law 86–211	526,127	527,044	878,484	305,463	573,021	
Prior law	10,487	3,364	3,777	3,330	447	
World War I	499,741	628,528	646,406	616,129	29,771	506
Service-connected	59,148	35,802	36,464	34,820	1,138	506
Compensation	59,148	464	472	64	2	406
Dependency and indemnity compensation		35,328	35,972	34,746	1,136	90
Dependency and indemnity compensation and compensation		10	20	10		10
Non-service-connected	440,184	592,726	609,942	581,309	28,633	
Public Law 86–211	324,777	512,063	528,395	500,720	27,675	
Prior law	115,407	80,663	81,547	80,589	958	
Special acts	1					
Retired emergency officers	408					
Korean conflict	285,993	130,204	290,098	45,125	219,332	25,641
Service-connected	240,406	39,246	52,999	17,541	9,817	25,641
Compensation	240,406	15,654	18,802	24	17	18,761
Dependency and indemnity compensation		22,609	32,075	16,640	9,756	5,679
Dependency and indemnity compensation and compensation		893	2,122	877	44	1,201
Non-service-connected	45,587	90,958	237,099	27,584	209,515	
Public Law 86–211	44,483	90,872	236,966	27,503	209,463	
Prior law	1,104	86	133	81	52	
Vietnam era	394,736	64,099	139,779	33,875	84,592	21,312
Service-connected	388,851	50,616	109,674	28,159	60,203	21,312
Compensation	388,851	20	30	8	9	13
Dependency and indemnity compensation		50,569	109,552	28,134	60,148	21,270
Dependency and indemnity compensation and compensation		27	92	17	46	29
Non-service-connected	5,885	13,483	30,105	5,716	24,389	
Public Law 86–211	5,885	13,483	30,105	5,716	24,389	
Regular establishment	192,607	48,797	73,807	31,177	27,248	15,382
Service-connected	192,555	48,784	73,794	31,164	27,248	15,382
Compensation	192,555	3,715	4,337	23	9	4,305
Dependency and indemnity compensation		44,731	68,666	30,876	27,119	10,671
Dependency and indemnity compensation and compensation		338	791	265	120	406
Special acts	50	13	13	13		
Retired reserve officers	2					
Spanish-American War	1,372	27,922	28,273	26,877	1,396	
Service-connected	9	278	283	261	22	
Compensation	9					
Dependency and indemnity compensation		278	283	261	22	
Non-service-connected	1,363	27,633	27,979	26,611	1,368	
Public Law 86–211	397	5,739	5,856	5,737	119	
Prior law	966	21,894	22,123	20,874	1,249	
Special acts		11	11	5	6	
Mexican Border Service	426	501	511	496	15	
Service-connected	13	2	2	2		
Compensation	13					
Dependency and indemnity compensation		2	2	2		
Non-service-connected	413	499	509	494	15	
Public Law 86–211	413	499	509	494	15	
Indian Wars		99	101	83	18	
Service-connected		1	1		1	
Dependency and indemnity compensation		1	1		1	
Non-service-connected		97	99	82	17	
Prior law		97	99	82	17	
Special acts		1	1	1		
Civil War		462	471	242	229	
Service-connected		11	11	4	7	
Dependency and indemnity compensation		11	11	4	7	
Non-service-connected		441	449	238	211	
Prior law		441	449	238	211	
Special acts		10	11		11	

PURPOSE OF BILL

Liberalization of Disability and Death Pensions

Given the foregoing, the Committee believes that an interim measure is immediately warranted while it continues to consider overall pension revision. S. 4040 as reported, provides for a $400 increase in the maximum annual income limitations and a 12-percent increase in pension rates. Approximately, 2.3 million veterans and widows would be affected with a Fiscal Year 1975 cost of $145.9 million. Adjusting the formula to reflect these increases, the Committee also wishes to point out the increased refinements in the formula which will produce a smaller impact for the veterans and widows who exceed the maximum annual income limitations. Currently, the *minimum* pension payment for veterans or widows ranges from $21 to $44 a month. Exceeding the maximum annual income limitations can thus mean a substantial reduction of pension income of up to $400 a year for a veteran or his widow. Under S. 4040, as reported, minimum payments would now reduce gradually to a figure of as low as $5 a month which should greatly reduce the impact for those who ultimately do drop from the pension rolls in the future.

The following tables illustrate the current rates payable to veterans and their survivors with typical examples of pensions payable under S. 4040, as reported, which incorporates increases both in the rates payable and the maximum annual income limitations:

TABLE 4.—VETERAN ALONE

Income not over—	Current rate	S. 4040 rate
$300	$143	$160
$400	140	157
$500	137	154
$600	134	150
$700	131	146
$800	128	142
$900	124	138
$1,000	120	133
$1,100	116	128
$1,200	112	123
$1,300	108	118
$1,400	103	113
$1,500	98	108
$1,600	93	102
$1,700	87	96
$1,800	81	90
$1,900	75	84
$2,000	69	77
$2,100	63	70
$2,200	$57	$63
$2,300	50	56
$2,400	43	48
$2,500	36	40
$2,600	28	32
$2,700		24
$2,800		16
$2,900		8
$3,000		5

TABLE 5.—VETERAN WITH DEPENDENT

Income not over—	Current rate	S. 4040 rate
$300	$154	$172
$400	154	172
$500	154	172
$600	152	170
$700	150	168
$800	148	165
$900	145	162
$1,000	142	159
$1,100	139	156
$1,200	136	153
$1,300	133	150
$1,400	130	147
$1,500	127	144
$1,600	124	141
$1,700	121	138

Table 5.—VETERAN WITH DEPENDENT—Continued

Income not over—	Current rate	S. 4040 rate
$1,800	$118	$135
$1,900	115	131
$2,000	112	127
$2,100	109	123
$2,200	106	119
$2,300	103	115
$2,400	100	111
$2,500	97	107
$2,600	94	103
$2,700	90	99
$2,800	86	95
$2,900	82	91
$3,000	78	87
$3,100	74	82
$3,200	70	77
$3,300	65	72
$3,400	60	67
$3,500	55	62
$3,600	50	56
$3,700	45	50
$3,800	39	44
$3,900		37
$4,000		30
$4,100		22
$1,200		14

TABLE 6.—WIDOW ALONE

Income not over—	Current rate	S. 4040 rate
$300	$96	$103
$400	95	107
$500	94	106
$600	93	105
$700	90	102
$800	87	99
$900	84	96
$1,000	81	92
$1,100	78	88
$1,200	75	84
$1,300	72	80
$1,400	69	76
$1,500	65	72
$1,600	61	68
$1,700	57	64
$1,800	53	60
$1,900	49	56
$2,000	45	52
$2,100	41	48
$2,200	37	43
$2,300	33	38
$2,400	29	33
$2,500	25	28
$2,600	21	23
$2,700		18
$2,800		13
$2,900		8
$3,000		5

TABLE 7.—WIDOW WITH 1 DEPENDENT

Income not over—	Current rate	S. 4040 rate
$300	$114	$128
$400	114	128
$500	114	128
$600	114	128
$700	114	128
$800	113	127
$900	112	126
$1,000	111	125
$1,100	110	124
$1,200	108	122
$1,300	106	120
$1,400	104	118
$1,500	102	116
$1,600	100	114
$1,700	98	112
$1,800	96	110
$1,900	94	108
$2,000	92	106
$2,100	90	104
$2,200	88	101
$2,300	86	98
$2,400	84	95
$2,500	82	92
$2,600	79	89
$2,700	76	86
$2,800	73	83
$2,900	70	80
$3,000	67	77
$3,100	64	73
$3,200	61	69
$3,300	58	65
$3,400	55	61
$3,500	51	57
$3,600	47	53
$3,700	44	49
$3,800	44	49
$3,900		49
$4,000		49
$4,100		49
$4,200		49

"Old Law" Pensions

Veterans and survivors receiving "old law" pensions under section 9(b) of the Veterans' Pension Act of 1959 who also in receipt of social security benefits suffered pension reductions in January 1973. To counter these reductions, the annual income limitations have been increased to $2,600 and $3,900 from the respective current levels of $2,200 and $3,500. The Veterans' Administration estimates that 27,465 "old law" pensioners will be affected by S. 4040, as reported, at a first year cost of $9.5 million.

Dependency and Indemnity Compensation

Dependency and indemnity compensation (DIC) is paid to needy parents of veterans who died of service-connected disabilities. S. 4040, as reported, also provides for a 12-percent increase in the DIC rates and a $400 increase in the annual income limitations which will affect 68,000 parents at a first year cost of $3.9 million.

The following tables illustrate the current rates payable to dependent parents with typical examples of dependency and indemnity compensation payable under S. 4040, as reported, which incorporates the increases both in the rates and the maximum annual income limitations:

TABLE 8.—1 PARENT

Income not over—	Current rate	S. 4040 rate
$800	$110	$123
$900	107	120
$1,000	104	117
$1,100	101	113
$1,200	97	109
$1,300	93	105
$1,400	89	100
$1,500	85	95
$1,600	80	90
$1,700	75	84
$1,800	69	78
$1,900	63	71
$2,000	57	64
$2,100	50	56
$2,200	43	48
$2,300	36	40
$2,400	28	32
$2,500	20	24
$2,600	12	16
$2,700		8
$2,800		4
$2,900		4
$3,000		4

TABLE 9.—2 PARENTS NOT TOGETHER

Income not over—	Current rate	S. 4040 rate
$800	$77	$86
$900	75	84
$1,000	73	82
$1,100	71	80
$1,200	68	76
$1,300	65	72
$1,400	62	68
$1,500	58	64
$1,600	54	60
$1,700	50	56
$1,800	46	52
$1,900	42	48
$2,000	38	44
$2,100	34	40
$2,200	30	35
$2,300	26	30
$2,400	21	25
$2,500	16	20
$2,600	11	14
$2,700		8
$2,800		4
$2,900		4
$3,000		4

TABLE 10.—2 PARENTS TOGETHER

Income not over—	Current rate	S. 4040 rate
$800	$74	$83
$900	74	83
$1,000	74	83
$1,100	73	82
$1,200	72	80
$1,300	70	78
$1,400	68	76
$1,500	66	74
$1,600	$64	$72
$1,700	62	70
$1,800	60	68
$1,900	58	66
$2,000	56	64
$2,100	54	62
$2,200	52	60
$2,300	50	58
$2,400	48	56
$2,500	46	54
$2,600	44	51
$2,700	42	48
$2,800	40	45
$2,900	38	42
$3,000	35	39
$3,100	32	36
$3,200	29	33
$3,300	26	30
$3,400	23	27
$3,500	20	24
$3,600	17	20
$3,700	14	16
$3,800	11	12
$3,900		8
$4,000		4
$4,100		4
$4,200		4

Technical Correction in Pension Entitlement

The reported bill would also make a technical amendment to current pension law to eliminate an inequitable and apparently unintended operation of the law.

At present, the survivors of career, *enlisted* personnel with honorable service who otherwise meet the service requirements of the law may qualify for pension benefits regardless of whether or not the serviceman's death was in "line of duty". Such benefits are not presently available to survivors of military officers whose death on active duty was not in "line of duty". The disparity arises because the enlisted man usually reenlists for several tours of duty and hence has prior qualifying periods of "honorable service" whereas the military officer is usually considered to serve continuously from the date of his commission.

In order to correct this obvious inequity, the Committee has incorporated the provisions of S. 2696, sponsored by the Honorable John Pastore of Rhode Island, into section 3 of S. 4040. The VA advises that the cost of this provision will be negligble.

Study of Pensioner's Needs, Age 72 and Older

The Committee continues to be concerned and receive complaints from elderly pensioners about the adequacy of the VA pension system, particularly for World War I veterans and their survivors. As has been the case with certain other VA benefit programs, the Committee has been hampered by a lack of current relevant information about pensioners over the age of 72. The VA does not routinely collect any annual income data about these pensioners. The acquisition of such information is essential for the Committee to assess the economic situation and needs of older veterans and their survivors.

S. 4040, as reported, directs the Administrator to carry out an original study of the needs and problems of veterans and their survivors, age 72 years and older. The Committee has specified that the study shall include (but is not limited to) a survey of the current income characteristics of such persons describing all income from all sources and necessary expenditures for rent, food, medical care, and other items. While the time within which the report must be completed probably precludes a survey of all pensioners affected, the Committee would expect the VA to conduct a statistical sampling of those affected which would provide detailed information. In addition, the VA could supplement this information with existing studies it has conducted, together with other available information on the elderly from other sources.

The study shall also include actuarial information as to the actual and projected mortality experience of such pensioners together with an evaluation of the adequacy of the veterans non-service pension program for their needs.

The study is to be submitted to the Congress and the President within 120 days after the beginning of the 94th Congress and shall include such legislative recommendations as are warranted to improve present program benefits for veterans and survivors as well as any administrative action, which may be taken or contemplated due to the findings of the study. The Committee believes that this information requested and the study will provide a more sound basis for legislative initiatives than presently exists.

SECTION-BY-SECTION ANALYSIS OF S. 4040, AS REPORTED

SECTION 1

This section provides that this Act may be cited as the "Veterans and Survivors Pension Adjustment Act of 1974".

SECTION 2

Clause 1 would increase the rates of pension and the annual income limitation for unmarried veterans under section 521(b). Currently, a veteran with no dependents receives a maximum monthly pension of $143 if his annual income is $300 or less, decreasing on a gradual scale to $28 with an annual income of $2,600. As amended, this section would provide a maximum monthly rate of $160 with an annual income of $300 or less, down to $5 for an annual income of $3,000.

Clause 2 would increase the rates of pension and the annual income limitation for a married veteran under section 521(c). Currently, the maximum monthly pension payable to a veteran with one dependent is $154, with two dependents, $159, and with three or more dependents, $164 based on an annual income of $500 or less. This decreases gradually to $39, $44, and $49, respectively, with an annual income of $3,800. As amended, this section would provide a veteran with one dependent, $172, with two dependents, $177, and with three dependents, $182 based on an income of $500 or less, ranging down to $14, $19, and $24, respectively, with an annual income of $4,200.

Clause 3 provides that the additional allowance payable to those veterans receiving pension who are in need of regular aid and attendance under section 521(d) will be increased from $110 per month to $123 per month.

Clause 4 provides that the additional allowance payable under section 521(e) for those veterans receiving pension who have a disability rated permanent and total, and which is rated 60 percent or more, or are permanently housebound but not eligible for an aid and attendance allowance will be increased from $44 per month to $49.

SECTION 3

Clause 1 would increase the rates of pension and the annual income limitation for a widow without a child under section 521(b). Currently, a widow without a dependent receives a maximum monthly pension of $96 if her annual income is $300 or less, decreasing on a graduated scale to $21 with an annual income of $2,600. As amended, this section would provide a maximum monthly rate of $108 with an annual income of $300, decreasing to $4 with an income of $3,000.

Clause 2 would increase the rates of pension and the annual income limitation for a widow with a dependent under section 541(c). Currently, a widow with one child receives a maximum monthly pension of $114 if her annual income is $700 or less, decreasing on a graduated basis to $44 with an annual income of $3,800. As amended, this section would provide a maximum monthly rate of $128 with an annual income of $700 or less, down to $49 with an annual income of $4,200.

Clause 3 would increase the allowance for each child in the case where there is a widow with more than one child under section 541 (d). Currently, a widow receives $18 per month for each additional child. As amended, this section would provide $20 of each additional child per month.

Clause 4 adds a new subsection (f) to section 541 to amend the definition of a "veteran" for the purposes of that section and section 542 to provide that survivors of a veteran who served at least two years of honorable military service and who meets the other service requirements of section 521(g) but whose death was not in the line of duty would be eligible for pension.

SECTION 4

Clause 1 would provide increases in the rates of pension for children when there is no widow under section 541(a). Currently, one child alone receives $44 per month, with the addition of $18 for each additional child. As amended, this section would provide $49 for the first child and $20 for each additional child.

Clause 2 would provide increases in the annual income limitation for a child under section 542(c). Currently, the annual income limitation is $2,000. As amended, this section would provide an annual income limitation of $2,400.

SECTION 5

This section would provide an increase in the allowance payable to widows who are in receipt of pension and in need of aid and attendance in section 544. Currently, the allowance is $55 per month. As amended, this section would provide an aid and attendance allowance of $64 per month.

SECTION 6

This section would amend section 4 of Public Law 90-275 (82 Stat. 68) to increase by $400 the maximum annual income limitations applicable under the prior pension program in effect on June 30, 1960: From $2,200 to $2,600 for a veteran without a dependent, or widow without a dependent, or a child alone; and from $3,500 to $3,900 for a veteran with a dependent, and for a widow with a dependent.

SECTION 7

Clause 1 would increase the rates of dependency and indemnity compensation (DIC) and annual income limitations for a sole surviving parent under section 415(b). Currently, a sole surviving parent receives a maximum monthly DIC payment of $110 if his income is less than $800 per annum, decreasing to $12 for an annual income of $2,600. As amended, this section would provide for a maximum monthly rate of $123 with an annual income of $800 or less, down to $4 for an annual income of $3,000.

Clause 2 would increase the rates of dependency and indemnity compensation (DIC) and the annual income limitations for two parents not living together under section 415(c). Currently, each of two parents who are not living together receives a maximum monthly DIC payment of $77 if annual income is $800 or less, decreasing on a graduated scale to $11 with an annual income of $2,600. As amended, this section would provide a maximum monthly rate of $86 with an annual income of $800 or less, down to $4 for an annual income of $3,000.

Clause 3 would increase the rates of dependency and indemnity compensation (DIC) and annual income limitation payable under section 415(d). Currently, if there are two parents who are living together, or if a parent is remarried and is living with his spouse, each parent receives a maximum monthly DIC payment of $74 if annual income is $1,000 or less, decreasing on a graduated scale to $11 with an annual income of $3,800. As amended, this section would provide a maximum monthly rate of $83 with an annual income of $1,000 or less, down to $4 for an annual income of $4,200.

Clause 4 would increase the allowance payable under section 415(h) to parents who are in receipt of dependency and indemnity compensation (DIC) and in need of aid and attendance. Currently, the allowance is $55 per month. As amended, this section would provide an aid and attendance allowance of $64 per month.

SECTION 8

Subsection (a) authorizes the Administrator of Veterans' Affairs to conduct a study of the needs and problems of veterans and their widows who are age 72 or older. Included in the study will be (1) a survey of the current income characteristics of such veterans; (2) an evaluation of the adequacy of the veterans pension program for their needs; and (3) an examination of the mortality rate for these individuals.

Subsection (b) provides that the study along with legislative or administrative recommendations shall be submitted to the Congress not later than 120 days after the convening of the 1st session of the 94th Congress.

SECTION 9

This section provides that the effective date of this Act shall be January 1, 1975.

COST ESTIMATES PURSUANT TO SECTION 252 OF THE LEGISLATIVE REORGANIZATION ACT OF 1970

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510, 91st Congress) the Committee, based on information supplied by the Veterans' Administration estimates that the Fiscal Year 1975 cost to be $145.9 million increasing to $294.5 million at the end of five years. An itemized breakdown of the cost of S. 4040, as reported, by categories of beneficiaries and in total for the first five years is shown in the following table:

I Current law, 12-percent increase $400 income limit increase:	
1974	$123.2
1975	249.0
1976	251.8
1977	254.3
1978	259.4
II Old law, $400 income limit increase:	
1974	9.5
1975	15.8
1976	12.9
1977	9.8
1978	6.8
III DIC parents, 12-percent increase $400 income limit increase:	
1974	3.9
1975	8.0
1976	8.1
1977	8.1
1978	8.3
IV Increase in children's rates:	
1974	1.0
1975	1.9
1976	1.9
1977	1.8
1978	1.8
V Increase in AID and attendance/house-bound rates:	
1974	8.3
1975	17.0
1976	17.5
1977	17.9
1978	18.2
VI Total cost:	
1974	145.9
1975	291.7
1976	292.2
1977	291.9
1978	294.5

NOTE.—January 1, 1975, effective dates assumed for all provisions.

TABULATION OF VOTES CAST IN COMMITTEE

Pursuant to section 133(b) of the Legislative Reorganization Act of 1946, as amended, the following is a tabulation of votes cast in person or by proxy of the Members of the Committee on Veterans' Affairs on a motion to report S 4040, with amendments, favorably to the Senate:

YEAS—9

Vance Hartke, Herman E. Talmadge, Harold E. Hughes, Jennings Randolph, Alan Cranston, Clifford P. Hansen, Strom Thurmond, Robert T. Stafford, James A. McClure.

NAYS—0

Mr. HARTKE. Mr. President, I urge the Senate to pass S. 4040, as reported.

Mr. McCLURE. Mr. President, I rise in favor of S. 4040, the 1974 veterans' pension bill. No one in these United States is hurt more by inflation than our older citizens, who often can no longer find employment and must live on savings, social security, and pensions.

Since January 1, 1974, when Public Law 93–177 gave all veteran pensioners a 10-percent cost-of-living increase, inflation has flashed by at a 1-percent-per-month rate. This bill would give a 12-percent cost-of-living increase, to cover the anticipated rate of inflation for 1974.

But perhaps of more importance is the effect of this year's 11 percent social security increase on veteran pensioners. Effective January 1, 1975, it would cause 75,510 pensioners to be dropped from the rolls by reason of having too large an income. It would also reduce the pitifully small pensions of nearly 1.5 million veterans and survivors. The action we are taking today in raising the income limits by $400 will counterattack these latest increases for our older fixed-income pensioners.

Early in the next Congress we will be examining proposals for a total reform of the nonservice-connected pension. It is my hope and anticipation that we will be able to restructure our present pension system to better care for our neediest veterans and their survivors.

I urge my colleagues to support S. 4040, the Veterans and Survivors Pension Adjustment Act of 1974.

Mr. THURMOND. Mr. President, I rise in support of S. 4040, the Veterans and Survivors Pension Adjustment Act.

As my colleagues know, the heaviest burden of inflation is borne by those citizens with fixed incomes. Particularly noticeable among this group are those persons receiving pensions. S. 4040 will do much to help alleviate this burden.

Mr. President, this bill provides an interim average cost-of-living increase of 12 percent and an increase of $400 in the annual income limitations.

On November 16, 1973, and again on November 29, 1973, I spoke at length on the need for a review of the pension program. This bill will provide veterans with an interim solution, while the Veterans' Affairs Committee continues to work on the pension question.

Mr. President, I urge my colleagues to support S. 4040.

Mr. MATHIAS. Mr. President, as a cosponsor of the bill we are considering today, S. 4040, I strongly urge my colleagues to join me in support of this much-needed measure and speed it toward enactment before the end of this legislative session.

This bill, the Veterans and Survivors Pension Adjustment Act of 1974, must be promptly enacted if we are to undo one of the most basic inequities currently built into the existing system of veterans' pensions. The inequity I refer to, Mr. President, springs from the fact that, under existing law, every time our veteran pensioners receive a cost-of-living increase under some other retirement source, such as social security, the money simply goes in one pocket and out the other—all courtesy of Uncle Sam. Since January 1 of this year, for example, social security benefits have been increased a total of 11 percent in order to keep pace with the rapidly rising cost of living. Social security beneficiaries who also receive veterans pensions, however, have seen their veterans pensions reduced by an almost equal sum over the same period of time.

In order to compensate for this loss, the Senate is now considering a long-overdue measure which will at least bring veterans pensions back in line with this year's soaring inflation, by providing a one-time increase of 12 percent across-the-board for all veterans pensions, and an increase of $400 in the maximum allowable income for VA pension eligibility.

Earlier this season, Mr. President, I cosponsored legislation, S. 2932, aimed at permanently restructuring the veterans pension system so that this type of annual readjustment would not be necessary. While this legislation was not acted upon by the Senate Committee on Veterans' Affairs in the current session, I have been assured by Chairman HARTKE that comprehensive veterans pension reform will be a top priority in the next session of Congress, and that hearings on this subject will be scheduled soon after we reconvene in January. I look forward to those deliberations so that we may finally resolve this perplexing problem once and for all.

But in the meantime, Mr. President, I am happy to join my colleagues in support of the pension readjustment measure before us today, and trust that it will be agreed to by the House and signed into law without further delay.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PROPOSED SUBJECTS FOR INCLUSION IN THE PRESIDENT'S ADDRESS BEFORE THE JOINT SESSION OF CONGRESS

Mr. MANSFIELD. Mr. President, I am delighted that the President of the United States will address a joint session of Congress tomorrow afternoon. I am very happy that it is just to be a business meeting, not for show, because the Diplomatic Corps, the Joint Chiefs of Staff, and the Supreme Court will not be there. It will be a working meeting between the President and Congress. This is as it should be in a matter of this kind.

There is no question that this Nation and the free world are facing an economic crisis at the present time. There is no question that the time for words is past and that the time for action is here.

It is my hope that tomorrow the President will give us the leadership we need and will show the initiative which is so necessary and so mandatory if we are to cope with inflation and recession.

There are statements in the press as to what the President will say. I do not know whether they are accurate. But I do think that the time is here for drastic action

I think it is time, for example, to inaugurate a policy of rationing gasoline immediately, not a time to impose a 10-cent, a 20-cent, or a 30-cent increase on the Federal gasoline tax, which now amounts to 4 cents a gallon. Such a procedure would be counterproductive, because the people who need their automobiles need gasoline to drive to work. They cannot afford to pay a tax of that nature. Therefore, the gain would be more than offset by the loss.

I would hope—and I say this once again, even though organized labor, the corporations, the administration, and evidently a majority in both Houses of Congress are against it—that the President would give the most serious consideration to mandatory wage, price, rent, and profit controls as needed.

I would hope, also, that the President would give consideration to the needs of big business, not in the way that Penn Central, Grumman, or Lockheed were handled, but through the reconstitution of a reconstruction finance corporation, to take care of the need of Pan American and TWA Airlines, both of which are in distress and both of which should be assisted, not through grants, not through subsidies from Congress, but through correcting inequities in postal rates, landing rights fees and the like and also on the basis of loans from a duly constituted Federal corporation, such as the one which was inaugurated in 1931 during the Hoover administration. It was terminated 3 or 4 years after the end of the second world war, despite the fact that during all that period it showed a sizable profit and attended to the distress of not only large corporations but also small corporations, farm corporations, small business, and the like.

These are things which I think ought to be done.

I find, also, that at the present time there is $185 billion in credit outstanding. It is easy to buy on credit, but you pay interest on that credit. I think that this credit has been stretched so far that this Nation is in grave danger of sinking, just on the basis of that one factor alone.

There are other matters which I would like to see done, but my time is running out. I hope that what the President does give us tomorrow is a drastic solution to a drastic problem which calls for immediate consideration.

Mr. HUGH SCOTT. Mr. President, the President meets tomorrow with Congress in a working session, as the distinguished majority leader has noted. The openness of this President is much to be commended. The fact that he will appear before a congressional committee this week, not to constitute a precedent but because of the unique situation in which the public's need to know is paramount, and the fact that he will appear in this working session are further evidence of his desire for the closest cooperation and of the desire of Congress to cooperate with him.

It will not exactly be a session of Jerry and the boys, but it will be a session of the President and Congress meeting with their sleeves rolled up, metaphorically, to get an important job done in the public interest.

I do not know what the President's recommendations will contain. He has reviewed various options with the distinguished majority leader, myself, and others. If he should request a surtax on individual incomes and corporate incomes, if he really wishes to ask the people of this country to make sacrifices, I shall support him, whether it be before or after election. He deserves to be supported. It is one way in which we can assert some discipline in this country. That would be one of the rather drastic recommendations.

If he determines to proceed by means of alleviating the investment tax credit in order to increase the flow of capital, it must be done so as to aid employment in this country and to serve the interests of labor and management alike.

Housing is in desperate straits. Housing starts are not much more than half of last year. It is essential that savings and loan associations be given an opportunity to increase the velocity of the flow of their capital, and they should not be discriminated against as respects other institutions. Neither should the other institutions be discriminated against in their favor.

There are many things that need to be done. They will not provide miracle solutions. They will not end our inflationary problems overnight. Our problems date back to the fact, among other facts, that we have been overspending in this country for about 40 years. They extend back, too, to the fact that we fought the Vietnam war almost entirely on the cuff. We did not pay as we went. We were irresponsible in doing that, in my opinion.

Therefore, I expect that the President will ask this Nation for sacrifice. I expect that he will pose suggestions, not all of which will meet with the approval of Congress. It is my view that Congress either must enact what the President proposes or they must enact what they believe to be better legislation. Otherwise, they will fail in their duty, in both Houses of Congress, and there should be no escaping that responsibility.

We are not going to jail this thief in the night called inflation unless we are willing, here in Congress, to provide the handcuffs, and unless the President is willing to use the handcuffs provided. I have confidence in Congress. I believe that it realizes the depth of the problem.

I know that pencils will be sharpened even before the speech to say that there is nothing in it. I know there will be much in it. There will be much of substance, of merit. There will be many challenges to us to join with the President in resolving these problems. There is a challenge to the President to work reasonably and cooperatively with us.

On that basis, knowing him as we do, and he knowing us as he does, we ought to make some definite progress in this most important commitment to the Nation to reduce the fearsome impact on our economy of the present maladjustment of our situation as between supply and demand, as between the special interests involved, as between the ancient rivalry of Congress and the President. These things have to be put aside, and we must procure results. The public will be satisfied with nothing less.

Mr. MANSFIELD. Will the Senator yield?

Mr. HUGH SCOTT. I am glad to yield.

Mr. MANSFIELD. Mr. President, I am in general accord with what the distinguished Republican leader has said. The causes of this inflation are many, but I think we can pinpoint the two main areas of concern. One was a war in Southeast Asia which cost us $140 billion and will cost us close to $350 billion before we get through paying for it, well toward the end of the first half of the next century.

The second is the petroleum boycott. I understand from statements made by Secretary of the Treasury Simon, and I believe by the distinguished Senator from Wisconsin (Mr. Nelson), as well, that we waste somewhere between 30 and 40 percent of our energy. There is no reason why we cannot begin to save some of that energy.

There is no reason why we cannot begin to ration gasoline equitably. There is no reason why we cannot begin to comply with the speed limit so that we can, in that manner, save additional gasoline.

It is really not going to call for sacrifice on our part; it is going to call for commonsense. I wonder if the administration and Congress, which must and, as far as I am concerned, will work together, have the commonsense needed to face up to this national problem which supersedes everything else and will for some time to come.

It is not a U.S. problem alone. It is not a free world problem alone, because if I read the public prints correctly, they are even feeling the inflation push in places like the Soviet Union. A cancer like this, once started, spreads and no one avoids it, either those who turn off or turn on the spigot, or those who are members of consuming nations.

I commend the distinguished Senator from Pennsylvania, and I hope that both the administration and the Congress will work together cooperatively to the end that this cancer can be arrested.

Mr. HUGH SCOTT. I thank the distinguished majority leader, and I echo what he said regarding the 79 percent of people in this country who drive to work. That kind of remedy would be counterproductive, simply to impose a 10-cent excise tax on gasoline. We have to have some restrictions on gasoline and crude oil, and it can be done without interfering with the right of people to get to their jobs, which is essential.

Mr. MANSFIELD. Mr. President, will the distinguished Senator from Idaho (Mr. McClure), who will be recognized shortly, yield to me briefly so that I may make a request and call up one bill?

Mr. McCLURE. Yes, I yield.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FORGIVING IS RARELY DIVINE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that an article on amnesty entitled, "Amnesty Has Always Been an Issue in Which Forgiving Is Rarely Divine," carried in the National Observer under date of October 12, 1974, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the National Observer, Oct. 12, 1974]

Amnesty Has Always Been an Issue In Which Forgiving Is Rarely Divine

(By Robert W. Merry)

In the spring of 1865, as the Civil War neared its end, a prominent Pennsylvania Democrat named Samuel McFarland wrote a letter to his President. "According to the rules of civilized warfare," he wrote to Abraham Lincoln, "the conquering party has a right to demand of the conquered "indemnity for the past and security for the future." McFarland advocated a policy of "unlimited confiscation and disfranchisement" toward the South, whose leaders, he added, deserved nothing less than to be "hung or banished."

The letter never reached the President; the deadly hand of John Wilkes Booth intervened before McFarland could mail it. But a month later, the author enclosed it with another letter, this one addressed to the new President. He was certain, McFarland wrote to Andrew Johnson, that Johnson knew better than the compassionate Lincoln how to deal with the defeated South and especially its leaders, who should "roam as vagabonds upon the earth . . . we did Cain, who imagined everyone who saw him would slay him."

A HOT POLITICAL ISSUE

Others, equally certain the new President would adopt a punitive stance toward the South, echoed McFarland's view. "We believe that Abraham Lincoln's work was done," an Ohio resident wrote to Johnson. "He was not the man to administer justice, he was always too merciful and kind." But then the new President made a decision that surprised and angered those who harbored the most bitterness toward the Confederacy. On May 29, 1865, he issued an amnesty proclamation, and the honeymoon was over.

Johnson's amnesty was anything but universal. It excluded 14 classes of persons from its provisions and required an oath of allegiance to the Union from those desiring pardon. But Johnson's proclamation, which signaled to the nation that he intended to approach Reconstruction with Lincolnesque compassion, set the stage for one of the most bitter political struggles in the nation's history.

Amnesty, as a currently popular saying goes, is as American as apple pie. But a historical review makes clear that amnesty has had considerably more detractors through the decades than America's favorite pastry. And only rarely has any President seen fit to grant anything approaching unconditional, universal amnesty.

Still, except for the rancor it generated following the Civil War, never in American history has amnesty been as hot a political item as it is today. "My impression," says Prof. Arthur S. Link of Princeton University, "is that we didn't normally have the terribly deep feelings on both sides of the issue . . . in the past."

That isn't surprising. The Civil War was unique in American history in terms of the bitterness Americans felt for each other. And the Vietnam War was the first time the country's leaders attempted to wage a foreign war in the face of substantial opposition at home.

PRECEDENTS SINCE 1794

But the amnesty issue has generated political heat at other times as well. Consider, for example, Woodrow Wilson's reply when he was asked about amnesty for Eugene V. Debs, the Socialist leader who was jailed during World War I for violating wartime sedition laws: "I will never consent to the pardon of this man. . . . Were I to consent to it, I should never be able to look into the faces of the mothers of this country who sent their boys to the other side. . . . This man was a traitor to his country." (Wilson's successor, Warren Harding, finally pardoned Debs and hundreds of other dissenters.)

The amnesty question, as James F. O'Neil will tell you, also kicked up some political dust following World War II. "The issue wasn't as controversial in those day as it is now," says O'Neil, the only surviving member of the three-man Presidential Amnesty Review Board created by Harry Truman in 1946. "But there were organizations at that time putting pressure on the White House and Congress, and I surmise that President Truman got exercised by this."

The Truman board eventually reviewed 15,805 individual cases and recommended amnesty for 1,523 draft evaders, That number was added to 1,518 ex-convicts who served at least a year in uniform and were granted amnesty by Truman when honorably discharged from the service.

Truman's case-by-case program was the last of 37 separate grants of amnesty issued by 15 Presidents since George Washington first used the President's Constitutional power "to grant reprieves and pardons." These grants have ranged from the Civil War amnesties, which affected millions, to James Madison's pardon of a band of Gulf Coast pirates who ravaged U.S. shipping but later joined the American effort during the War of 1812.

The word amnesty derives from the Greek *amnestia*, forgetfulness. It is a "class action" pardon that erases from a government's official memory acts that are technically illegal but toward whose perpetrators the government wishes to display compassion.

Washington's precedent-setting amnesty was granted to several thousand Pennsylvania farmers who had participated in the famous Whisky Rebellion of 1794. In explaining his action, the President eloquently summed up the spirit of the act. "Though I shall always think it a sacred duty to exercise with firmness and energy the Constitutional powers with which I am vested," he wrote, "yet it appears to me no less consistent with the public good . . . to mingle in the operations of Government every degree of moderation and tenderness which the national justice, dignity, and safety may permit."

COMPASSION VS. VENGEANCE

Sixty-eight years later, Abraham Lincoln had more in mind than moderation and tenderness when he offered a "full pardon" to most Southerners who would quit the rebel cause and sign an oath of loyalty to the Union. One of his major aims, historians agree, was to weaken the South's resolve to fight.

"Of course there was a certain amount of expediency in that move," says E. B. Long, associate professor of American studies at the University of Wyoming and author of several books on the Civil War era. "I happen to think Lincoln was the greatest American human being, but you can't take the soft, soapy, ultrahumanitarian view of everything he did. He had a war to win, for heaven's sake."

Nevertheless, adds Long, Lincoln's wartime moves were made in the context of his humanitarian plans for restoring the Union. Those plans called for what has become known as the "henceforth oath," meaning those who would renew their allegiance to the Union would not be punished. But the Radical Republicans favored the "ironclad oath," which would have excluded from the governmental process anyone who had supported the Confederate war effort in any way.

According to Professor Long, this was one of the issues at the root of the nation-wrenching debate on Reconstruction, and even in Lincoln's time opposition to his compassionate approach was brewing among hard-line Republicans in Congress. Later, after Johnson became President, the debate on how to deal with the defeated South became a power struggle between the executive and the politically potent Congress. But there is no doubt—in Long's view, at least—that the debate was also the product of some Radical Republicans' vindictive feelings toward the South.

Andrew Johnson harbored certain vindictive feelings of his own, though, and these gave an interesting twist to his postwar amnesty program. It excluded, for example, all Southerners whose net worth exceeded $20,000. "Johnson was a plebeian boy," says Long. "He represented the poor white, the small dirt farmer, the yeoman class of the South and North. And I think he wanted to get at the wealthy and make them crawl a little bit."

Johnson did permit the South's wealthy class to apply for individual pardons, though, and he spent long—some say enjoyable—hours passing judgment as the Southern aristocracy passed by to plead forgiveness. "As far as I know," says Long, "he never turned down a single petition."

Johnson issued another amnesty proclamation on Christmas Day of 1868 that was close to a universal grant of amnesty for Southerners. But by this time Congress had taken control of suffrage and office-holding under the Fourteenth Amendment, and Congress kept about 150,000 Southerners disfranchised. Not until 1872 did Congress remove the restriction for all but about 600 former Confederate, and the final restrictions weren't erased until 1898—33 years after cessation of hostilities.

During the Civil War, Lincoln issued pardons for deserters who would return to their units within 60 days and make up the time spent in resertion. Johnson issued a similar proclamation a year after the war ended. Draft evaders were not prosecuted to any significant extent, according to historian Long. "The draft laws were just too loose."

But the draft laws enacted 75 years later in the face of European turmoil were much stricter, and the number of known Selective Service violators during World War II approached 16,000 when Truman created his Presidential Amnesty Review Board in late 1946. More than 4,300 of these cases were Jehovah's Witnesses who refused both military service and alternate civilian service. The board rejected amnesty in these cases unless the subjects could meet the Government's definition of "minister" as someone whose service to his church was fulltime.

In addition, the board rejected amnesty for most persons who objected to participation in the war effort because of secular beliefs. "We have not felt justified," it reported, "in recommending those who . . . have set themselves up as wiser and more competent than society to determine their duty to come to the defense of the nation."

If such a test were applied today, says James O'Neil, the board's surviving member, most of those who refused to serve in Vietnam for secular philosophical reasons—such as the war's "immorality"—would never be pardoned. "But," the former national commander of the American Legion hastens to add, "I wouldn't want to set up the standards for deciding amnesty in the case of the Vietnam War."

That task will fall to Gerald Ford's new Presidential Clemency Board, which will administer the President's plan for granting amnesty to Vietnam War resisters who reaffirm their allegiance to the United States and serve up to 24 months in public service. For many of those eligible for that program, though, the conditions may be meaningless. At a recent conference of war resisters in Toronto, Canada, almost 60 delegates voted unanimously to reject Ford's amnesty offer, especially the "earned re-entry program." That was labeled "farcical, worthless, phony, unacceptable, and a total affront."

AT LAST, A PANACEA FOR OUR ECONOMY

Mr. MANSFIELD. Mr. President, I have an article from the National Observer of October 12, 1974, under "Observations," entitled "At Last, a Panacea for Our Economy," by Michael T. Malloy. It has to do with the huge extension of credit in this country. It is a most worthwhile article. I ask unanimous consent that it also be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AT LAST, A PANACEA FOR OUR ECONOMY

(By Michael T. Malloy)

The economic summitry of recent weeks churned up a tidal wage of conflicting advice on how to handle inflation, but no panacea.

I have the panacea.

Before unveiling it, though, let's look at what the economic summiteers were trying to do, why they gave conflicting advice, and what the areas are in which they actually did agree.

What they (and the rest of us) want is to check the rise in prices, reduce the rate of interest, and divert more credit toward building houses and expanding industrial production.

They (and the rest of us) disagree on how to do this because we don't want the cost to fall on our own pocketbooks. Business doesn't want profits hurt; labor doesn't want to sacrifice income. Also, traditional economists don't want the free market messed up by price controllers and mandatory allocation of credit. But liberals fear that the traditional free-market medicine, which means cutting Government programs and boosting unemployment, would hit hardest at the poor.

There is agreement, though, that we should all fight inflation together by showing restraint in the way we spend money and sometimes waste it. And a lot of economists and officials wish for something dramatic (another boring Presidential speech?) to get public phychology ready to make moderate sacrifices.

Okay, here is the panacea. Stamp out credit cards, sock it to the charge accounts, crack down on go now-pay later. Not overnight maybe, and not 100 per cent, but enough to push our buying habits back to where they were, say, a decade ago.

Prices? All that easy credit is added to the price of the stuff you buy, whether you use the credit or not. Merchants who accept

American Express cards have to keep prices high enough to cover that company's commissions or 3 to 6 per cent. Gas prices have to reflect credit-card service charges reported as high as 7 per cent, plus the cost of bad debts and administration. Take away all those hidden costs, and we might get a breather in the price rise.

Credit? Good people, we are $185 billion in hock for TV sets and airplane rides and other consumer stuff. We take out $14.5 billion in consumer loans every month, but took out only $6.9 billion in new mortgage loans in the month of June. Cut back on those consumer loans, even briefly, even partially, and there would be billions of dollars worth of credit sloshing around to bail out the housing industry and expand factories and create jobs and boost the supply of goods enough to stop inflation in its tracks.

Interest? If you turn billions of dollars worth of credit loose like that, interest rates just have to fall.

The cost? It wouldn't come out of your pocket. You might have to defer some purchases, but take away that credit card and you would have more money instead of less. Not just because you wouldn't be tempted to buy so much, but because you wouldn't be tempted to buy so much, but because you wouldn't have to pay as much for what you did buy. A $400 freezer costs about $440 if you pay for it over one year, $480 if you spread the payments over two years.

The free market? This panacea doesn't call for credit allocators or price controllers. It might even make it possible to get rid of the tax breaks and gimmicks by which the Government currently tries to shift money into productive investment.

The poor? Because they have the toughest time getting credit in the first place, they would be the least affected by a credit-card crunch. If it's true that they get finagled into paying exorbitant interest rates, they would save the most. And let's face it, the temptations of easy credit mean nothing but trouble for a lot of poor people.

Restraint? You betcha. Impluse buying would be a lot harder if you didn't have that little plastic card burning a hole in your pocket.

Psychology? Because it would affect our buying habits so directly, a credit-card crunch would do more than a million Presidential warnings to convince us that this inflation really is a serious business.

Well, nothing's perfect, and you could argue that a crackdown on consumer credit would cut spending so much that businessmen would have to cut production and lay off workers. But right now our problem is shortages, and when a credit-card crunch eased the shortages, we could ease the crunch. In the meantime, prices could be stabilized, interest rates lowered, young couples could afford mortgages again, the home builders could go back to work, industry could expand and create new jobs, the free-market system would be preserved, the sacrifices would be spread with reasonable fairness, and the basis would be laid for another era of prosperity. And all this could be done by putting money in your pocket, instead of taking it out.

Restriction on consumer credit was one of the tools that was used, successfully, to prevent inflation during World War II. The laws permitting it have lapsed, but they could be passed again. In the meantime, we noted recently [The Observer, Sept. 28, 1974] that a minister and his flock got together in Iowa to fight inflation by burning their credit cards. Anybody got a match?

NATIONAL EMERGENCIES ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1136, S. 3957, with the approval of the distinguished Senator from Idaho (Mr. McClure).

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3957) to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MATHIAS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "National Emergency Act".

TITLE I—TERMINATING EXISTING DECLARED EMERGENCIES

Sec. 101. (a) All powers and authorities possessed by the President, any other officer or employee of the Federal Government, or any Executive agency, as defined in section 105 of title 5, United States Code, as a result of the existence of any declaration of national emergency in effect immediately prior to one year after the date of enactment of this Act are terminated one year from the date of such enactment. Such termination shall not affect—

(1) any action taken or proceeding pending not finally concluded or determined on such date;

(2) any action or proceeding based on any act committed prior to such date; or

(3) any rights or duties that matured or penalties that were incurred prior to such date.

(b) For the purpose of this section, the words "any national emergency in effect" mean a general declaration of emergency made by the President pursuant to a statute authorizing him to declare a national emergency.

TITLE II—DECLARATIONS OF FUTURE NATIONAL EMERGENCIES

Sec. 201. (a) In the event the President finds that a proclamation of a national emergency is essential to the preservation, protection and defense of the Constitution or to the common defense, safety, or well-being of the territory or people of the United States, the President is authorized to proclaim the existence of a national emergency. Such proclamation shall immediately be transmitted to the Congress and published in the Federal Register.

(b) Any provisions of law conferring powers and authorities to be exercised during a national emergency shall be effective and remain in effect (1) only when the President (in accordance with subsection (a) of this section), specifically declares a national emergency, and (2) only in accordance with this Act. No law enacted after the date of enactment of this Act shall supersede this title unless it does so in specific terms, referring to this title, and declaring that the new law supersedes the provisions of this title.

Sec. 202. (a) Any national emergency declared by the President in accordance with this title shall terminate if—

(1) Congress terminates the emergency by concurrent resolution; or

(2) the President issues a proclamation terminating the emergency. At the end of each year following the declaration of an emergency which is still in effect, the President shall publish in the Federal Register and transmit to the Congress a notice stating that the emergency is still in effect. Any national emergency declared by the President shall be terminated on the date specified in any concurrent resolution referred to in clause (1) of this subsection, and any powers or authorities exercised by reason of said emergency shall cease to be exercised after such specified date, except that such termination shall not affect—

(A) any action taken or proceeding pending not finally concluded or determined on such date;

(B) any action or proceeding based on any act committed prior to such date; or

(C) any rights or duties that matured or penalties that were incurred prior to such date.

(b) Not later than six months after a national emergency is declared, and not later than the end of each six-month period thereafter that such emergency continues, each House of Congress shall meet to consider a vote on a concurrent resolution to determine whether that emergency shall be terminated.

(c) (1) A concurrent resolution to terminate or continue a national emergency declared by the President shall be referred to the appropriate committee of the House of Representatives or the Senate, as the case may be. One such concurrent resolution shall be reported out by such committee together with its recommendations within fifteen calendar days, unless such House shall otherwise determine by the yeas and nays.

(2) Any concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(3) Such a concurrent resolution passed by one House shall be referred to the appropriate committee of the other House and shall be reported out by such committee together with its recommendations within fifteen calendar days and shall thereupon become the pending business of such House and shall be voted upon within three calendar days, unless such House shall otherwise determine by yeas and nays.

(4) In the case of any disagreement between the two Houses of Congress with respect to a concurrent resolution passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such concurrent resolution within six calendar days after the legislation is referred to the committee of conference. Notwithstanding any rule in either House concerning the printing of conference reports in the Record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than six calendar days after the conference report is filed. In the event the confereees are unable to agree within 48 hours, they shall report back to their respective Houses in disagreement.

(5) Paragraphs (1)–(4) of this subsection, subsection (b) of this section, and section 602(b) of this Act are enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this subsection; and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—DECLARATIONS OF WAR BY CONGRESS

SEC. 301. Whenever Congress declares war, any provisions of law conferring powers and authorities to be exercised during time of war shall be effective from the date of such declaration.

TITLE IV—EXERCISE OF EMERGENCY POWERS AND AUTHORITIES

SEC. 401. When the President declares a national emergency no powers or authorities made available by statute for use in the event of an emergency shall be exercised unless and until the President specifies the provisions of law under which he proposes that he, or other officers will act. Such specification may be made either in the declaration of a national emergency, or by one or more contemporaneous or subsequent Executive orders published in the Federal Register and transmitted to the Congress.

TITLE V—ACCOUNTABILITY AND REPORTING REQUIREMENTS OF THE PRESIDENT

SEC. 501. (a) When the President declares a national emergency, or Congress declares war, the President shall be responsible for maintaining a file and index of all significant orders of the President, including Executive orders and proclamations, and each such Executive agency shall maintain a file and index of all rules and regulations, issued during such emergency or war issued pursuant to such declarations.

(b) All such significant orders of the President, including Executive orders, and such rules and regulations shall be transmitted to the Congress promptly under means to assure confidentiality where appropriate.

(c) When the President declares a national emergency or Congress declares war, the President shall transmit to Congress, within 30 days after the end of each 3-month period after such declaration, a report on the total expenditures incurred by the United States Government during such 3-month period which are directly attributable to the exercise of powers and authorities conferred by such declaration. Not later than 30 days after the termination of each such emergency or war, the President shall transmit a final report on all such expenditures.

TITLE VI—REPEAL AND CONTINUATION OF CERTAIN EMERGENCY POWER AND OTHER STATUTES

SEC. 601. (a) Section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481 (a)) is amended—

(1) at the end of paragraph (9), by striking out "; or" and inserting in lieu thereof a period; and

(2) by striking out paragraph (10).

(b) Section 2667(b) of title 10 of the United States Code is amended—

(1) by inserting "and" at the end of paragraph (3);

(2) by striking out paragraph (4); and

(3) by redesignating paragraph (5) as (4).

(c) The joint resolution entitled "Joint Resolution to authorize the temporary continuation of regulation of consumer credit", approved August 8, 1947 (12 U.S.C. 249), is repealed.

(d) Section 5(m) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831d(m)) is repealed.

(e) Section 1383 of title 18, United States Code, is repealed.

(f) Section 6 of the Act entitled "An Act to amend the Public Health Service Act in regard to certain matters of personnel and administration, and for other purposes", approved February 28, 1948, is amended by striking out subsections (b), (c), (d), (e), and (f) (42 U.S.C. 211b).

(g) Section 9 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1742) is repealed.

(h) This section shall not affect—

(1) any action taken or proceeding pending not finally concluded or determined at the time of repeal;

(2) any action or proceeding based on any act committed prior to repeal; or

(3) any rights or duties that matured or penalties that were incurred prior to repeal.

Sec. 602. (a) The provisions of this Act shall not apply to the following provisions of law, the powers and authorities conferred thereby, and actions taken, thereunder:

(1) Section 5(b) of the Act of October 6, 1917, as amended (12 U.S.C. 95 (a); 50 U.S.C. App. 5(b));

(2) Section 673 of title 10, United States Code;

(3) Act of April 28, 1942 (40 U.S.C. 278b);

(4) Act of June 30, 1949 (41 U.S.C. 252);

(5) Section 3477 of the Revised Statutes, as amended (31 U.S.C. 203);

(6) Section 3737 of the Revised Statutes, as amended (41 U.S.C. 15).

(b) Each committee of the House of Representatives and the Senate having jurisdiction with respect to any provision of law referred to in subsection (a)(1)–(6) of this section shall make a complete study and investigation concerning that provision of law and make a report, including any recommendations and proposed revisions it may have, to its respective House of Congress within 270 days after the date of enactment of this Act.

Mr. MATHIAS. Mr. President, I offer this amendment in behalf of my distinguished colleagues and cochairman of the Special Committee on National Emergencies and Delegated Emergency Powers (Mr. CHURCH), and in behalf of the members of the special committee—Mr. HART, Mr. CASE, Mr. PEARSON, Mr. PELL, Mr. STEVENSON, and Mr. HANSEN.

Very briefly, some of these are amendments which have been suggested in behalf of the President by the Office of Management and Budget. They make certain technical changes in the bill as it was originally approved by the Special Committee, and thereafter approved by the Committee on Government Operations. They have been cleared with the distinguished chairman of the Committee on Government Operations (Mr. ERVIN).

What they do is very simple. They extend the grace period provided in the bill from 9 months to a year.

They provide that while Congress can terminate a national emergency at any time by concurrent resolution, there will be no automatic termination after 6 months if there is no affirmative action. This has been replaced by a requirement for the Congress to meet every 6 months to consider whether to terminate an emergency. An expedited privileged procedure would assure consideration and a vote should the Congress so decide.

We have reduced the list of statutes to be repealed. In working with the other body, partially as a result of special committee studies, most of the provisions that have been deleted from our original list are to be taken care of in various deadwood projects by the Codification Committee of the House of Representatives.

There are six statutes which are to be exempted from the provisions of this act. These statutes include Trading With the Enemy Act, a Ready Reserve provision, purchasing contract lease and claims authorities believed by the executive branch to be absolutely essential for the operation of government. There is a requirement that the committees with jurisdiction over these provisions must make a study and report recommendations within 9 months about modifications or any other changes to be made.

Finally, the requirement for accounting of expenditures incurred under the authority of emergency powers statutes suggested by Senator MCCLELLAN has been included.

Mr. President, over 2 years ago, the Senate created the Special Committee on the Termination of the National Emergency to examine the state of national emergency the United States was operating under and to make recommendations of how to best terminate the emergency and to provide for a regular and consistent procedure by which future emergencies could be met.

Soon after the bipartisan committee composed of four Democrats and four Republicans, with cochairmen one from either party, began its work it was evident that there were four states of national emergency in force and not just one as many in the Congress had assumed. The national emergency declared by President Franklin D. Roosevelt in March 1933 to meet the problems of the Great Depression has not yet been terminated.

The national emergency declared by President Truman in December 1950, to better prosecute the Korean conflict, is still in force. The national emergency proclaimed by President Nixon on March 23, 1970, to handle the Post Office strike, and the August 15, 1971, national emergency to meet balance of payments and other international economic problems of that time are still in force.

A majority of the people of the United States have lived all of their lives under emergency Government. For four decades normal constitutional processes have not been the rule. The wars, emergencies, and crises of various kinds of the past 40 years, in addition to the growth of the executive branch bureaucracy under the leadership of strong Presidents, and the diminished role of the Congress in the making of policy—these factors have all contributed to the erosion of constitutional government.

There is no valid reason for emergency rule to continue. We are not at war anywhere in the world and there are no other conditions that requires the continued existence of a state of national emergency. Our Government would be strengthened by bringing to an end all states of national emergency now in existence, and this termination should take place as soon as possible.

One course of action that seemed at first to be the simplest solution; namely, to end the existing states of emergency forthwith and to repeal all emergency statutes was rejected by the special committee after intensive study, because it was clear that such drastic action could cause serious disruption of governmental processes. Some of the departments and agencies have used emergency authorities as basic everyday law. In the view of the special committee it would be unwise to abruptly halt these operations without providing a reasonable period of time to make a transition from emergency law to permanent law.

An example of this everyday use of emergency authority is the so-called section 5(b) of the Trading With the Enemy Act. This provision which dates back to World War I and 1917 has been in constant use as a means to regulate many aspects of foreign trade and international monetary controls. Partially because of the prospect that the states of national emergency would be terminated, the Treasury Department has already begun to adjust to doing its business without the broad open-ended authorities contained in the section 5(b) provisions. The special committee has taken into account the need for a period of time to make the adjustment with the least possible disarray. For almost 2 years the Treasury Department has been aware that the states of national emergency would be terminated. The germane committees are aware of the problem. The committees of Congress with assigned jurisdictions and the executive branch agencies should properly decide through the regular legislative process the provisions of any new or modified legislation. In order to assure an orderly transition, the special committee's view that a grace period of 1 year after date of enactment should be given to the executive branch has been incorporated in the legislation now before the Senate.

Section 602(a) of the bill now before the Senate contains six provisions of law which the executive branch has strongly urged continue in force. The special committee has concurred in this request. Section 602(b) would require the standing committees with jurisdiction over these statutes to study provisions and make a report to the Senate which would include recommendations and any proposed revisions. A similar process would be undertaken by the germane committees in the House. With the informed awareness now available to both the legislative and executive branches of provisions of law that have been used to meet emergency situations, it is reasonable to assume that some modifications will be made in some, if not all of the statutes contained in section 601 after further study in the coming 9 months by both the executive branch and the committees of the Congress. In the view of the special committee the most effective way to resolve this kind of outstanding issue can best be done by the two branches working through the regular legislative process. But the burden to remove these exceptions lies most heavily upon the Congress.

The special committee wanted to be certain that the executive branch of the U.S. Government would have the proper legal authority to act effectively to meet any future emergencies. To this end, the special committee asked every Department and agency of the executive branch and every standing committee of the Senate to evaluate the emergency powers statutes now in force as to their utility for use in any future emergency. This evaluation provides the basis for the repealer section of the National Emergencies Act, section 601. The statutes contained therein are considered obsolete by both the executive branch agencies and by the committees. There is no disagreement between the branches that these obsolete provisions should be repealed.

There are other statutes among the 470 statutes that the respective standing committees may wish to repeal or modify at some future time should they so decide. The special committee now has in the process of being printed by the Government Printing Office, a committee print in the form of a handbook for use by departments and agencies of the executive branch and the committees of Congress containing a listing of all statutes with the evaluation made of these statutes by the legislative and executive branches.

The special committee understands that the Department of Defense may have special problems with regard to officer appointments, promotions, distribution in grade, separation and retirements that may not be resolved by the Armed Services Committees of the Congress and the Department of Defense by the time the termination of the national emergencies takes effect. I am confident that the Congress would look sympathetically upon any request to meet any unresolved problem should there be any after the states of national emergency are terminated.

There is one statute the special committee believes strongly should be repealed; namely, 18 U.S.C. 1383 which gives the President, the Secretary of the Army, or any general the authority to declare any part or even conceivably all of the United States a military zone. People in such zones can be put in jail for a year for violating any "Executive order of the President."

At the present time, only a small portion of the 470 delegated emergency powers is being used. This is one significant proof that there is no longer an "emergency" that requires extraordinary delegations of power. In the view of the special committee, permitting this body of potentially authoritarian power to continue in force in the absence of a valid national emergency situation poses a hazard to democratic government.

It is important to understand how the present state of emergency rule has come about. The failure to place emergency rule under firm constitutional guidelines must be considered as a failure by all three branches to carry out their respective constitutional responsibilities. Aggressive Presidents, permissive Congresses, and a long series of successive crises, have all contributed to the erosion of the structure of divided powers, the bedrock of our constitutional system of government.

The studies undertaken by the special committee of how the four states of national emergency came into being, and how the over 470 emergency statutes became the law of the land, provide a disturbing explanation of the deterioration of the constitutional responsibility for lawmaking during the past four decades.

In the particular area of emergency powers statutes, the constitutionally prescribed roles of the legislative and executive branches have been reversed. The special committee's studies show that in far too many instances, the executive branch itself drafted the laws and cast them in such form as to give itself maximum flexibility. It is understandable that the executive branch, in drafting laws granting power to itself, did not provide either for oversight or for termination by Congress. It is also not surprising that most of these laws were passed in times of crisis, when because of the urgency, Congress acted hastily without real scrutiny, without thorough hearings, and without the deliberation that such legislation should have demanded. For these reasons, Congress has not exercised its responsibilities prudently; it has not even reserved for itself the means to take back its delegated powers.

Now in a time of relative world peace, Congress has the opportunity to draw back and reexamine how profligately we have dealt with war and other emergencies. Our sobering experience with the undeclared Korean and Vietnam wars heightens the necessity to understand the means available within the Constitution, to meet crisis situations affecting our national security.

The special committe has held extensive hearings seeking the views and advice of the country's most distinguished authorities on constitutional government in time of crisis. In addition to scholarly authorities in the fields of political science and the law, the special committee sought the counsel of all the former Attorneys General and two former Supreme Court Justices, as well as many distinguished lawyers.

The special committee has sought to obtain the views and opinions of each of the three branches about how to best meet the problem of emergency rule. The special committee thought it was particularly necessary to obtain not simply the present day perspective, but also the perspective of those who have served in successive administrations, Congresses, and courts over the past 41 years of emergency rule. It was particularly helpful to have views of those who have served as both Attorney General and Supreme Court Justice. We have the opinions, of course, of Justice Jackson in the most important Youngstown Steel case. We are fortunate to have a number of Attorneys General who have served in many capacities and not only in the executive branch. A number of this country's most distinguished law schools have on their faculties men who have served their Government in the executive branch or in the judiciary or as staff consultants to congressional committees. In the view of the special committee, this broad perspective over the four decades of emergency rule was absolutely vital in order to consider the problem in a context that of course would include the immediate concerns of the respective branches but also the test of history and considered reflection on the part of those who have been through the experience and could objectively judge. Many of these views and opinions are contained in the published hearings of the committee. Considerable valuable advice was given in study sessions at law schools or at private meetings held by members of the committee over the past 2 years.

On the basis of the suggestions and perspective gained from these hearings, and from two intensive staff studies of emergency power statutes and Executive orders, and upon the basis of the data, advice, and counsel supplied by the executive branch, the special committee, working with the executive branch at every step, drafted the legislation now before the Senate which would provide:

First. The termination of the present states of national emergency;

Second. The establishment of a regularized procedure for the use of delegated emergency power in future emergencies. The President could declare a national emergency and in his public proclamation would cite the specific statutory powers he requires to meet the emergency. A state of national emergency could be terminated at any time either by concurrent resolution or by a Presidential proclamation. The Congress would meet under a privileged expedited procedure by the end of 6 months to consider whether to continue a state of national emergency. If, by the end of 6-month intervals, Congress takes no action the state of national emergency would continue;

Third. A means of providing accountability for actions taken pursuant to emergency power statutes in any future emergency; and

Fourth. A listing of those statutes which both the executive branch and the respective standing committees of the Senate agree can be repealed because they are obsolete.

Fifth. A listing of six statutes which will continue in force until such time as the Congress might act to modify or repeal them.

The special committee has been careful to consider the needs of the executive branch to act promptly and effectively in a time of national emergency. From the outset, almost 2 years ago, we sought the advice of all the available former Attorneys General, former Supreme Court Justices including the late former Chief Justice Earl Warren. We have consulted with the departments and agencies led by a succession of Cabinet officers.

It is not surprising that there were, of course, different points of views on matters of detail. Understandably, officials in any present administration would like more flexibility rather than less. But over the past 2 years the executive branch and the special committee have worked together to resolve differences. The bill now before the Senate is the result of 2 years of joint effort. We have sought to provide means to permit the legislative and executive branches to carry out their constitutional responsibilities as well as possible and in accord with the means prescribed by the Constitution to the respective branches.

In general the record of cooperation over the past 2 years between the legislative and executive branch in working toward a legislative remedy has been exemplary. Every department and agency of the executive branch has cooperated with requests from the special committee for information in their areas of jurisdiction. This cooperation has been a model of how the two branches can work together. The special committee, for example, would be laboring through 87 volumes of the statutes at large to find out exactly what laws were involved, were it not for the assistance provided by the U.S. Air Force which had fortuitously put the United States Code into its LITE computer system located at a base in Colorado. The General Services Administration and particularly the Federal Register of the National Archives, provided invaluable help in bringing substance and understanding into the shadowy world of Executive orders issued pursuant to states of emergency. The Justice Department, largely through the counsel of Attorneys General themselves and the Office of Legal Counsel, have given expert advice to the special committee and we gratefuly acknowledge the importance of their assistance.

The Office of Management and Budget has helped the special committee by providing a detailed evaluation of the current utility of emergency statutes now in force. The executive branch's coordinated evaluation of these statutes and a parallel evaluation by the standing committees assisted the special committee greatly to prescribe a remedy in accord with the constitutional responsibility of Congress to make laws. The special committee urges the Congress to proceed forthwith to end the four existing states of national emergency, repeal certain laws that both the executive branch and the Congress believe obsolete, and to legislate a regular procedure to be used in the event of future national emergencies.

It has been an underlying premise of the special committee that the findings contained in the Youngstown Steel case of 1952, particularly the opinion of Justice Jackson, provide sound and pertinent guidelines for the governance of emergency powers. Justice Jackson, supporting the majority opinion that the "President's power must stem either from an act of Congress or from the Constitution itself," wrote:

> Emergency powers are consistent with free government only when their control is lodged elsewhere than in the Executive who exercises them. That is the safeguard that would be nullified by our adoption of the "inherent powers" formula. Nothing in my experience convinces me that such risks are warranted by any real necessity, although such powers would, of course, be an executive convenience.
>
> In the practical working of our government we already have evolved a technique within the framework of the Constitution by which normal executive powers may be considerably expanded to meet an emergency. Congress may and has granted extraordinary authorities which lie dormant in normal times but may be called into play by the Executive in war or upon proclamation of a national emergency. . . .
>
> In view of the ease, expedition and safety with which Congress can grant and has granted large emergency powers, certainly ample to embrace this crisis, I am quite unimpressed with the argument that we should affirm possession of them without statute. Such power either has no beginning or it has no end. If it exists, it need submit to no legal restraint. I am not alarmed that it would plunge us straightway into dictatorship, but it is at least a step in that wrong direction.
>
> But I have no illusion that any decision by this Court can keep power in the hands of Congress if it is not wise and timely in meeting its problems. A crisis that challenges the President equally, or perhaps primarily, challenges Congress. If not good law, there was worldly wisdom in the maxim attributed to Napoleon that "The tools belong to the man who can use them." We may say that power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers.
>
> With all its defects, delays and inconveniences, men have discovered no technique for long preserving free government except that the Executive be under the law, and that the law be made by parliamentary deliberations.

In our view, Congress should provide statutory guidelines to assure the full operation of constitutional processes in time of war or emergency. This is the best prescription to avoid any future exercise of arbitrary authoritarian power. For as the Youngstown case decided, where there is a statute, the Executive is obliged to use the statutory remedy; where there are no lawful statutory guidelines is to invite so-called inherent powers to come into play. There is without question a need, in view of the special committee, to provide the executive branch with an effective, workable method for dealing with future emergencies in accord with constitutional processes. The special committee has sought to do this in fulfillment of its mandate.

During the past year, the special committee requested the assistance of the majority and minority leaders in the preparation of guidelines for procedural actions to be taken on the part of the Senate in possible future emergencies. Because it is clear that if Congress is to fulfill its responsibilities to act in time of emergency, it must make preparations in advance to do so. The actions already taken by the leadership, in the view of the special committee, meet the needs that might reasonably be required by future emergencies.

Senator CHURCH, the cochairman of the special committee and I met with President Ford on August 22, to discuss the National Emergencies Act. He agreed in principle with the purposes contained therein. We were much encouraged by his understanding of and support for a solution to this most important question that confronts our constitutional system of government.

In addition, we have delayed action on this bill in order to permit the executive branch to give us some further suggestions. We thought many of the proposals were helpful to the overall purpose and have included them as perfecting amendments to the bill.

We believe that the National Emergencies Act, now before the Senate, if enacted, would remove one threat to constitutional government by placing the exercise of emergency powers under a regular and consistent procedure consistent with the constitutional responsibilities of the separate branches. We urge the Senate to vote affirmatively for this proposal to strengthen constitutional processes.

While it is important to stress that provisions of the National Emergency Act affect only those provisions of law which are specifically triggered by war or a state of national emergency, there are a number of other statutes not specifically cast in the form of emergency powers statutes, some of which are far-reaching in nature that are a part of the history of emergency rule. Some of these provisions have been referred to on pages 2 and 3 of the interim report of the Special Committee on National Emergencies and Delegated Emergency Powers in support of a recommended National Emergencies Act of September 24, 1974, Report No. 93–1170. It is the intention of the special committee in a final report to indicate those provisions of law that the regular standing committee should, in the view of the special committee, examine carefully and consider whether changes would be warranted in the light of the present situation.

The special committee wishes to stress that the six statutes contained in section 602 deserve the most careful consideration by the committees with jurisdiction over these provisions. I ask unanimous consent that the texts of these provisions be printed in the Record at this point in my remarks.

There being no objection, the statutes were ordered to be printed in the Record, as follows:

12 U.S.C. 95a. Regulation of Transactions in Foreign Exchange of Gold and Silver; Property Transfers; Vested Interests, Enforcement and Penalties

(1) *During the time of war or during any other period of national emergency declared by the President,* the President may, through any agency that he may designate, or otherwise, and under such rules and regulations as he may prescribe, by means of instructions, licenses, or otherwise—

(A) investigate, regulate, or prohibit any transactions in foreign exchange, transfers of credit or payments between, by, through or to any banking institution, and the importing, exporting, hoarding, melting, or earmarking of gold or silver coin or bullion, currency or securities, and

(B) investigate, regulate, direct and compel, nullify, void, prevent or prohibit, any acquisition holding, withholding, use, transfer withdrawal, transportation, importation or exportation of, or dealing in, or exercising any right, power, or privilege with respect to, or transactions involving, any property in which any foreign country or a national thereof has any interest,

by any person, or with respect to any property, subject to the jurisdiction of the United States; and any property or interest of any foreign country or national thereof shall vest, when, as, and upon the terms directed by the President, in such agency or person as may be designated from time to time by the President, and upon such terms and conditions as the President may prescribe such interest or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment or furtherance of these purposes; and the President shall, in the manner hereinabove provided, require any person to keep a full record of, and to furnish under oath, in the form of reports or otherwise, complete information relative to any act or transaction referred to in this section either before, during, or after the completion thereof, or relative to any interest in foreign property, or relative to any property in which any foreign country or any national thereof has or has had any interest, or as may be otherwise necessary to enforce the provisions of this section, and in any case in which a report could be required, the President may, in the manner hereinabove provided, require the production, or if necessary to the national security or defense, the seizure, of any books of account, records, contracts, letters, memoranda, or other papers, in the custody or control of such person; and the President may, in the manner hereinabove provided, take other and further measures not inconsistent herewith for the enforcement of this section.

(2) Any payment, conveyance, transfer, assignment, or delivery of property or interest therein, made to or for the account of the United States, or as otherwise directed, pursuant to this section or any rule, regulation, instruction, or direction issued hereunder shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect to anything done or omitted in good faith in connection with the administration of, or in pursuance of and in reliance on, this section, or any rule, regulation, instruction, or direction issued hereunder.

(3) As used in this section the term "United States" means the United States and any place subject to the jurisdiction thereof: *Provided, however,* That the foregoing shall not be construed as a limitation upon the power of the President, which is conferred, to prescribe from time to time, definitions, not inconsistent with the purposes of this section, for any or all of the terms used in this section. Whoever willfully violates any of the provisions of this section or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than $10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this section the term "person" means an individual, partnership, association, or corporation. (Oct. 6, 1917, ch. 106, § 5(b), 40 Stat. 415; Sept. 24, 1918, ch. 176, § 5, 40 Stat. 966; Mar 9, 1933, ch. 1 title I, § 2, 48 Stat. 1; May 7, 1940, ch. 185, § 1, 54 Stat. 179; Dec. 18, 1941, ch. 593, title III, § 301, 55 Stat. 839; Proc No. 2695, eff. July 4, 1946, 11 F.R. 7517, 69 Stat. 1352.)

Note—Trading With the Enemy Act of 1917

The Trading with the Enemy Act of 1917 has been amended frequently, and in the process its original purpose and effect have been altered significantly. The Act was originally intended to "define, regulate and punish trading with the enemy." 40 Stat. 415. Directed primarily to meeting the exigencies of World War I, its drafters intended the Act to remain on the books for future *war* situations. 55 Cong. Rec. 4908. Accordingly, when other war powers were terminated in 1921 an exception was made for the Act and it remained valid law. 41 Stat. 1359 (the Knox Resolution).

On March 5, 1933, President Roosevelt relied on Sec. 5(b) of the Trading with the Enemy Act as authority for his Proclamation 2039 which closed all banks for five days. This was clearly a time of financial crisis, not of war, and hence was not within the literal terms and purposes of the Act. Congress rectified the situation five days later when it ratified the President's proclamation and amended Sec. 5(b) to give the President the broad wartime powers of that section in times of declared national emergency as well. 48 Stat. 1. The desperate economic circumstances of the time dictated the passage of this sweeping change—after only eight hours of Congressional consideration.

Roosevelt relied on Section 5(b) again in 1939 when he restricted all transfers of currency and credit between the United States and German-occupied Denmark and Norway. Executive Order 8389. This action was subsequently approved and the President's exact powers clarified by Congress, resolving whatever questions may have remained about Congressional intentions to restrict the application of 48 Stat. 1 to either the economic emergency or to actual wars. 54 Stat. 179. This set the legal stage, then, to invoke presidential powers under the Trading with the Enemy Act in wartime or pursuant to *any* declaration of national peacetime emergency.

The next time these powers were invoked was during World War II (with a slight Congressional modification—see 55 Stat. 838). A major expansion of Presidential authority was effected with the imposition of consumer credit controls (Executive Order 8843) by interpreting "banking institutions" as used in Sec. 5(b) to include any person engaged in the business of making extensions of credit. Subsequent Congressional action has reaffirmed this power, too, in times of war or national emergency. 12 U.S.C. 249.

Another declaration of national emergency was made in Proclamation 2914 of December 16, 1950 during the Korean War. Trading with the Enemy Act powers were exercised pursuant to this proclamation throughout the war. Because the state of emergency so declared has never been terminated, however, this proclamation has continued to serve as the basis for invocation of powers under the Act. Most notably, President Johnson used Sec. 5(b) as authority for Executive Order 11837 of January 1, 1968, imposing controls over transfers of private capital to foreign countries. (On the validity of this action, see *Opinion of the Attorney General,* February 3, 1968.)

On August 15, 1971, President Nixon, in Proclamation 4074, declared an emergency concerning America's declining worldwide economic position. He imposed an import surcharge and devalued the dollar, among other things. One year later, when the Export Control Act lapsed for a month, he invoked Sec. 5(b) to regulate exports, basing his authority to do so both on his Proclamation 4074 and on President Truman's proclamation of 1950.

The current law, which has those accreted over a period of 50 years, gives the President a wide range of powers, but only in time of war or declared national emergency. Although the Korean war has ended, these powers are being exercised solely on the basis of the 1950 emergency; or, on the basis of the President's unilaterally designating as "emergencies" situations which have only the most tenuous relationship to the serious national crises for which the Trading with the Enemy Act was originally intended. The President, with the approval of Congress, has thus used as authority for extraordinary actions laws which have no real relationship whatsoever to existing circumstances. As a consequence, a "national emergency" is now a practical necessity in order to carry out what has become the regular and normal method of governmental action. What were intended by Congress as delegations of power to be used only in the most extreme situations and for the most limited durations have become everyday powers; and a state of "emergency" has become a permanent condition.

[Note]

DEPARTMENT OF JUSTICE,
May 21, 1973.

MEMORANDUM FOR THE SPECIAL COMMITTEE ON THE TERMINATION OF THE NATIONAL EMERGENCY

Re: Emergency power under § 5(b) of the Trading With the Enemy Act

During the course of hearings held by the Committee frequent mention has been made of the Trading with the Enemy Act ("the Act"). Section 5(b) of the Act has been the statutory foundation for control of domestic as well as international financial transactions and is not restricted to "trading with the enemy." Its use over the years provides an interesting study in the evolution of a statute as a result of continuing interplay between the Executive and Congress. Of all the emergency statutes under study by the Committee, it has the most complex and varied history. This paper does not make any recommendations or draw any conclusions but presents a short legal chronology of § 5(b) to assist the Committee in understanding its background and present status.

I. ORIGINAL ENACTMENT—WORLD WAR I

The Act was passed in 1917 to "define, regulate, and punish trading with the enemy." 40 Stat. 415. Section 5(b) gave the President power to regulate transactions in foreign exchange, the export or hoarding of gold or silver coin or bullion or currency and transfers of credit in any form "between the United States and any foreign country, whether enemy, ally of enemy, or otherwise." 40 Stat. 415 (1917) as amended by 40 Stat. 966 (1918). Section 5(b), at that time, exempted "transactions to be executed wholly within the United States," thus appearing to limit its use as a basis for domestic controls. It did not include a provision permitting use of the Act during periods of national emergency nor was its use restricted by its terms to the duration of the First World War or any specified term after the end of the War. A law passed in 1921 terminating certain war powers specifically exempted the Act from termination because of the large amount of property held under the Act by the Alien Property Custodian at that time. See Ellingwood, *The Legality of the National Bank Moratorium*, 27 Nw. U.L. Rev. 923, 925–26 (1933).

II. DEPRESSION BANKING EMERGENCY

Upon taking office in March 1933 President Roosevelt was pressed to deal promptly with a nationwide panic that threatened to drain the liquid resources of most of the banks in the country. *The Public Papers and Addresses of Franklin D. Roosevelt*, pp. 24–29 (1933) [hereinafter "Roosevelt Papers"]. He therefore invoked the "forgotten provisions" of § 5(b) on March 6, 1933 to declare a bank holiday and control the export of gold. Schlesinger, *The Coming of the New Deal* 4 (1959). The bank holiday proclamation noted that there had been "heavy and unwarranted withdrawals of gold and currency from our banking institutions for the purpose of hoarding" and that increasing speculation abroad in foreign exchange had resulted in severe drain on domestic gold supplies, thus creating a "national emergency." Therefore it was "in the best interests of all bank depositors that a period of respite be provided with a view to preventing further hoarding of coin, bullion or currency or speculation in foreign exchange." In order to prevent export or hoarding of bullion or currency a bank holiday was therefore proclaimed from March 6 through March 9, 1933. Executive Proclamation No. 2039. March 6, 1933, 48 Stat. (Part 2) 1698.

By invoking § 5(b) as authority, President Roosevelt was, of course, using that provision for a different purpose than the one for which it was enacted in 1917. However, as one writer noted, closing the banks was "one of the surest and quickest ways" to prevent transactions in foreign exchange and the exportation of gold and silver coin, bullion and currency. Section 5(b) had, as noted, given the President power to regulate such matters. Ellingwood, *The Legality of the National Bank Moratorium*, 27 Nw. U.L. Rev. 923, 925 (1933).

Congress was called into session within days of the Proclamation. Roosevelt Papers 17. As soon as Congress was convened on March 9, 1933, it approved the bank holiday by passing the so-called Emergency Banking Act or Bank Conservation Act. 48 Stat. 1, That Act provided that the actions and proclamations "heretofore or hereafter taken . . . or issued by the President of the United States . . . since March 4, 1933, pursuant to the authority conferred by subdivision (b) of section 5 of the Act of October 6, 1917, as amended, are hereby approved and confirmed." (48 Stat. 1; 12 U.S.C. 95b (1970)). Congress thus "spread its protective approval over executive acts the legality of which was uncertain." Ellingwood, *op. cit. supra* at 27 Nw. U.L. Rev. 929 (1933). Congress also amended Section 5(b) to provide, among other things, that "[d]uring time of war or during any other period of national emergency declared by the President, the President may . . . regulate, under such rules and regulations as he may prescribe . . . transfers of credit between or payments by banking institutions as defined by the President. . . ." 48 Stat. 1. In the enactment clause Congress declared "that a serious emergency exists." 48 Stat. 1. The exclusion of domestic transactions, formerly found in the Act, was deleted from § 5(b) at this time.

The legislative history of the Emergency Banking Act is short; only eight hours elapsed from the time the bill was introduced until it was signed into law. There were no committee reports. Indeed, the bill was not even in print at the time it was passed. 77 Cong. Rec. 76, 80 (1933); Schlesinger, *The Coming of the New Deal* 8.

The abbreviated history shows Congress recognized that the powers conferred on the President by the Act were great. In the debate preceding the bill's passage those supporting it made such remarks as:

". . . in time of storm there can only be one pilot. In my judgment, the House of Representatives realize that the pilot in this case must be the President of the United States, and they will steer their course by him (Rep. Goldsborough, 77 Cong. Rec. 81).

"It is a dictatorship over finance in the United States. It is complete control over the banking system in the United States. (Rep. McFadden, 77 Cong. Rec. 80).

"I realize that in time of peace we have perhaps never been called upon to vest such transcendent powers in the Executive as are provided for in this bill. . . . It is an emergency which can be adequately dealt with only by the strong arm of Executive power, and therefore I expect to vote for the bill, though it contains grants of powers which I never before thought I would approve in time of peace." (Sen. Connally, 77 Cong. Rec. 65).

The courts later upheld the validity of the bank holiday under the Act as amended, *E.g., Smith* v. *Witherow*, 102 F.2d 638, 641 (3d Cir., 1939); *Hardee* v. *Washington Loan & Trust Co.*, 91 F.2d 314 (D.C. Cir. 1937). Because of the prompt action taken by Congress in ratifying the March 6 proclamation, no judicial decisions were rendered on the question of whether the President's action, if taken alone, would have been lawful.

Subsequently in 1933–34, acting under § 5 (b), President Roosevelt issued a series of orders which prohibited the hoarding of gold and directed that all gold bullion certificates be deposited with the Federal Reserve Banks and which regulated transactions in foreign exchange:

(1) Executive Order 6073 of March 10, 1933, prohibited the export or removal of gold from the United States, except as authorized by the Secretary of the Treasury, and banks were prohibited from making transfers of foreign exchange except in connection with certain described transactions. This order did not specifically refer to a national emergency.

(2) Executive Order 6102 of April 5, 1933, generally required holders of gold coin, gold bullion, and gold certificates to surrender their holdings to Federal Reserve Banks. This Order stated "By virtue of the authority vested in me by Section 5(b) . . . as amended by Section 2 of the Act of March 9, 1933, . . . in which amendatory Act Congress declared that a serious emergency exists, I . . . do declare that said national emergency still continues to exist."

(3) Executive Order 6111 of April 20, 1933, authorized the Secretary of the Treasury to regulate transactions in foreign exchange and the export or withdrawal of currency from the United States. The emergency basis for E.O. 6111 was stated in the same language as the language of E.O. 6102, quoted immediately above.

(4) Executive Order 6260 of August 28, 1933, was issued to supplant Executive Orders 6102 and 6111. This order prohibited the holding or export of gold, except under license issued by the Secretary of the Treasury, and authorized the Secretary to regulate or prohibit transactions in foreign exchange. In E.O. 6260 the President stated "I . . . do declare that a period of national emergency exists." Executive Order 6260 was confirmed and amended by Presidents Eisenhower and Kennedy. 31 CFR Part 54. See 42 Op. A.G. No. 35, p. 9.

(5) Executive Order 6560 of January 15, 1934, authorized the Secretary of the Treasury to regulate transactions in foreign exchange, transfers of credit from American to foreign banks and export of currency or silver coin. This order is still on the books today. See 31 CFR Parts 127–128. In this Order, the President declared that "a period of national emergency continues to exist."

In January 1934 Congress ratified all acts which had been performed under the Emergency Banking Act. 48 Stat. 343 (1934); 12 U.S.C. 213 (1970).

III. WORLD WAR II ALIEN PROPERTY FREEZE

Following the invasion of Norway and Denmark by Germany in April 1940 President Roosevelt acted to protect funds of residents of these countries in the United States from withdrawal under duress by issuing an order freezing those assets except as authorized by the Secretary of the Treasury. Executive Order No. 8389 (April 10, 1940). The order referred to authority under § 5(b) but did not specifically mention the existence of a national emergency. The President had proclaimed a national emergency only months before in September 1933; Proclamation No. 2352 noted the neutrality of the United States in the war and stated:

"Whereas measures required at this time call for the exercise of only a limited number of the powers granted in a national emergency:

"Now, therefore, I . . . do proclaim that a national emergency exists in connection with and to the extent necessary for the proper observance, safeguarding, and enforcing of the neutrality of the United States and the strengthening of our national defense within the limits of peacetime authorizations."

Subsequently on May 7, 1940, Congress passed a resolution "to remove any doubt" that § 5(b) authorized certain aspects of the freeze order. The Report of the Senate Banking Committee noted that when Congress passed the Emergency Banking Act, "it intended to grant to the President all of the powers conferred upon him by section 5(b) of the Act of October 6, 1917, and to authorize him to exercise all of such powers not only in time of war, but during any other period of national emergency." S. Rep. No. 1496, 76th Cong., 3d Sess. 1 (1949). By joint resolution, Congress thus approved and confirmed the order and amended § 5(b) to clarify the President's freeze power over alien property. 54 Stat. 179 (1940). See *United States* v. *Von Clemm*, 136 F. 2d 968, 970 (2d Cir. 1934), *cert denied,* 320 U.S. 769 (1943) upholding the retroactive validity of the 1940 joint resolution of Congress).

The original freeze order was an amendment to Executive Order No. 6560 of January 1934 regulating foreign exchange and the export of coin and currency and the controls were somewhat similar to those exercised during the First World War and during the banking crises of 1933. This order, covering Norway and Denmark, was followed by similar executive orders after other nations were invaded or subjected to Axis domination. Eventually Germany, Japan and Italy were themselves covered in June and July 1941. The purpose of the orders was to keep the Axis from using billions of dollars of assets in the United States. Roosevelt Papers (1940 vol.), p. 133–34. Regulations issued by the Secretary of the Treasury, pursuant to a general delegation of Presidential authority under § 5(b) made in 1942, continue to this date to serve as the basis for blocking trade and financial transactions with North Korea, Cuba and North Vietnam. See 31 C.F.R. part 500 *et seq.*; Executive Order 9193, sec. 3, July 6, 1942, 7 Fed. Reg. 5205, and Executive Order 9989, Aug. 20, 1948, 13 Fed. Reg. 4891.

IV. CONSUMER CREDIT CONTROLS

Four months before the United States entered World War II, President Roosevelt issued Executive Order No. 8843, which directed the Federal Reserve Board to impose consumer installment credit controls as a measure to fight inflation. 6 Fed. Reg. 4035 (1941). The order was issued on August 9, 1941, under § 5(b) "in order, in the national emergency declared by me on May 27, 1941 to promote the national defense and protect the national economy. . . ." 6 Fed. Reg. 4035 (1941). On May 27, 1941, the President had issued Proclamation No. 2487 which proclaimed that "an unlimited national emergency confronts this country, which requires that its military, naval, air and civilian defense be put on the basis of readiness to repel any and all acts or threats of aggression directed toward any part of the Western Hemisphere."

In Executive Order 8843 the term "banking institution" as used in § 5(b), was defined to include any person engaged in the business of making extensions of credit whether as a vendor of consumer durable goods or otherwise. The Federal Reserve Board was authorized, in order to prevent evasion of the order, to regulate any other extension of installment credit, any credit for the purpose of purchasing or carrying any consumers' durable goods or any other extension of credit in the form of a loan (other than loans to businesses or agricultural enterprises). 6 Fed. Reg. 4036.

There was some suggestion at the time that the definition of banking institution to include vendors of "consumer durable goods" was beyond the power conferred by § 5(b). One writer noted that the President had "disclosed hitherto unsuspected potentialities" in § 5(b) by using this definition of banking institutions and that a clearer statutory basis would be desirable for such controls. *Note, Federal Regulation of Consumer Credit by Executive Order*. 41 Colum. L. Rev. 1287, 1289 (1941). See also *Price Control Bill, Hearings on H.R. 5479 before the House Banking and Currency Committee,* 77th Cong., 1st Sess., pp. 116–117 (1941). Nevertheless, the controls were accepted once the order was issued and never challenged in court. In December 1941 Congress passed the First War Powers Act (55 Stat. 839) which included a provision approving and ratifying actions which had been taken under § 5 (b), thus apparently approving Executive Order No. 8843.

After World War II, Congress on four occasions took legislative action concerning imposition by the Federal Reserve Board of consumer credit controls pursuant to § 5(b). The four actions by Congress are as follows:

(1) The Congress passed a joint resolution in 1947 which provided that after November 1, 1947, the Federal Reserve Board was not to exercise consumer-credit controls pursuant to Executive Order No. 8843. 61 Stat. 921, 12 U.S.C. 249. The joint resolution also provided that no "such consumer credit controls" could be exercised except during wartime or any national emergency thereafter declared by the President.

The legislation took this form because President Truman had decided to place the issue of the continuation of controls "in the laps of Congress" rather than rescind the controls himself by revoking the Executive order. 93 Cong. Rec. 9757. The legislative history of the 1947 resolution shows that Congress intended that the President have the power, if needed, to make such controls effective against the day after the resolution by declaring a new national emergency. See 98 Cong. Rec. 9753, 9758–59.

(2) On August 16, 1948, Congress changed its policy and authorized the Federal Reserve Board, "notwithstanding" the 1947 joint resolution, to exercise "consumer-credit controls in accordance with and to carry out the purposes of" Executive Order No. 8843. 62 Stat. 1291.

The legislative history of the 1948 act again affirms congressional intent that the President retain his authority under Executive Order No. 8843 to exercise consumer credit controls thereafter during time of war or national emergency. It also made clear that he could have reimposed them on his own without the 1948 resolution. The House report noted:

"When the Congress terminated the controls over consumer credit pursuant to the provision of [12 U.S.C. 249], it specifically provided that such termination did not affect the authority to reimpose such controls during the time of war or any national emergency declared by the President. The President has evidently not seen fit to use this authority to reinstate the regulation of consumer credit and henceforth the committee proposes in this joint resolution for congressional enactment of such powers for a temporary period with respect to consumer installment credit and at the same time reserve the authority to exercise consumer-credit controls thereafter during the time of war or declaration of any national emergency by the President H.R. Rep. No. 2455, 80th Cong. 2d Sess. 5–6 (1948).

The 1948 authority expired June 30, 1949.

(3) In § 601 of the Defense Production Act of 1950, using language patterned closely on that of the 1948 enactment, Congress again gave the Federal Reserve Board authority to exercise consumer credit controls under Executive Order No. 8843 "notwithstanding" the 1947 joint resolution. 64 Stat. 812.

(4) In June 1952, while extending other parts of the act, including § 602, Congress repealed § 601. 66 Stat. 305. Repealing § 601 appeared to restore the provisions of the 1947 joint resolution (12 U.S.C. 249) authorizing the impositions of consumer credit controls again during a war or a period of national emergency.

V. FOREIGN DIRECT INVESTMENT PROGRAM

Section 5(b) was also used as authority for the Foreign Direct Investment Program in 1968. Under E.O. 11387 of January 1, 1968, controls were imposed by President Johnson over transfers of capital to foreign countries by substantial investors in the United States. A formal opinion was issued by Attorney General Ramsey Clark upholding the program. The opinion reviews the history of § 5(b). It also discusses the continuation of the national emergency declared by President Truman in Proclamation 2914 of December 16, 1950, which referred to the hostilities in Korea and the world menace of the forces of communist aggression. 42 Op. A.G. No. 35. The order relies on the continuation of this emergency.

In March 2, 1973, a federal district court judge ruled orally that § 5(b) did not authorize an indictment charging a violation of the foreign direct investment program. The existence of a national emergency was not raised, however. An appeal is now being prepared. *United States* v. *Ryan*, Crim. No. 2038–78 (D.D.C. 1973). E.O. 11387 continues in effect today.

VI. EXPORT CONTROLS

Most recently, § 5(b) was used for a month in 1972 when it was invoked by President Nixon as authority for the regulation of exports. E.O. 11677 of August 1, 1972. Section 5(b) was used in this situation because the existing law authorizing export controls, the Export Administration Act of 1969, 83 Stat. 841, as amended by 86 Stat. 133, had expired. When export control legislation was re-enacted, E.O. 11677 was revoked by E.O. 11683 of August 29, 1972.

The executive order imposing controls recited the continued existence of the national emergencies declared by Proclamation No. 2914 of December 16, 1950, referred to above, and by Proclamation No. 4074 of August 15, 1971, which imposed a supplemental duty on imports for balance of payments purposes.

50 U.S.C. App. 5. Suspension of Provisions Relating to Ally of Enemy; Regulation of Transactions in Foreign Exchange of Gold or Silver, Property Transfers, Vested Interests, Enforcement and Penalties

(a) *The President, if he shall find it compatible with the safety of the United States and with the successful prosecution of the war, may, by proclamation, suspend the provisions of this Act* [sections 1 to 6, 7 to 39 and 41 to 44 of this Appendix] so far as they apply to an ally of an enemy, and he may revoke or renew such suspension from time to time; and the President may grant licenses, special or general, temporary or otherwise, and for such period of time and containing such provisions and conditions as he shall prescribe, to any person or class of persons to do business as provided in subsection (a) of section four hereof [section 4(a) of this Appendix], and to perform any act made unlawful without such license in section three hereof [section 3 of this Appendix] and to file and prosecute applications under subsection (b) of section ten hereof [section 10(b) of this Appendix]; and he may revoke or renew such licenses from time to time, if he shall be of opinion that such grant or revocation or renewal shall be compatible with the safety of the United States and with the successful prosecution of the war; and he may make such rules and regulations not inconsistent with law, as may be necessary and proper to carry out the provisions of this Act [sections 1 to 6, 7 to 39 and 41 to 44 of this Appendix]; and the President may exercise any power or authority conferred by this Act [said sections] through such officer or officers as he shall direct.

If the President shall have reasonable cause to believe that any act is about to be performed in violation of section three hereof [section 3 of this Appendix] he shall have authority to order the postponement of the performance of such act for a period not exceeding ninety days, pending investigation of the facts by him.

(b)(1) *During the time of war or during any other period of national emergency declared by the President,* the President may, through any agency that he may designate, or otherwise, and under such rules and regulations as he may prescribe, by means of instructions, licenses, or otherwise—

(A) investigate, regulate, or prohibit, any transactions in foreign exchange, transfers of credit or payments between, by, through, or to any banking institution, and the importing, exporting, hoarding, melting, or earmarking of gold or silver coin or bullion, currency or securities, and

(B) investigate, regulate, direct and compel, nullify, void, prevent or prohibit, any acquisition holding, withholding, use, transfer, withdrawal, transportation, importation or exportation of, or dealing in, or exercising any right, power, or privilege with respect to, or transactions involving any property in which any foreign country or a national thereof has any interest.

by any person, or with respect to any property, subject to the jurisdiction of the United States; and any property or interest of any foreign country or national thereof shall vest, when, as, and upon the terms, directed by the President, in such agency or person as may be designated from time to time by the President, and upon such terms and conditions as the President may prescribe such interest or property shall be held, used, administered, liquidated, sold, or otherwise dealt with in the interest of and for the benefit of the United States, and such designated agency or person may perform any and all acts incident to the accomplishment or furtherance of these purposes; and the President shall, in the manner hereinabove provided, require any person to keep a full record of, and to furnish under oath, in the form of reports or otherwise, complete information relative to any act or transaction referred to in this subdivision either before, during, or after the completion thereof, or relative to any interest in foreign property, or relative to any property in which any foreign country or any national thereof has or has had any interest, or as may be otherwise necessary to enforce the provisions of this subdivision, and in any case in which a report could be required, the President may, in the manner hereinabove provided, require the production, or if necessary to the national security or defense, the seizure, of any books of account, records, contracts, letters, memoranda, or other papers, in the custody or control of such person; and the President may, in the manner hereinabove provided, take other and further measures not inconsistent herewith for the enforcement of this subdivision.

(2) Any payment, conveyance, transfer, assignment, or delivery of property or interest therein, made to or for the account of the United States, or as otherwise directed, pursuant to this subdivision or any rule, regulation, instruction, or direction issued hereunder shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same; and no person shall be held liable in any court for or in respect to anything done or omitted in good faith in connection with the administration of, or in pursuance of and in reliance on, this subdivision, or any rule, regulation, instruction, or direction issued hereunder.

(3) As used in this subdivision the term "United States" means the United States and any place subject to the jurisdiction thereof: Provided, however, That the foregoing shall not be construed as a limitation upon the power of the President, which is hereby conferred, to prescribe from time to time, definitions, not inconsistent with the purposes of this subdivision, for any or all of the terms used in this subdivision. Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall upon conviction, be fined not more than $10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this subdivision the term "person" means an individual, partnership, association, or corporation. (Oct. 6, 1917, ch. 196, § 5, 40 Stat. 415; Sept. 24, 1918, ch. 176, § 5, 40, Stat. 966; Mar. 9, 1933, ch. 1, § 2, 48 Stat. 1; May 7, 1940, ch. 185, § 1, 54 Stat. 179; Dec. 18, 1941, ch. 598, title III, § 301, 55 Stat. 839; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352.)

[See 12 U.S.C. 95 and 95a. *Supra.*]

10 U.S.C. 673. READY RESERVE

(a) *In time of national emergency declared by the President after January 1, 1953, or when otherwise authorized by law,* an authority designated by the Secretary concerned may, without the consent of the persons concerned, order any unit, and any member not assigned to a unit organized to serve as a unit, in the Ready Reserve under the jurisdiction of that Secretary to active duty (other than for training) for not more than 24 consecutive months.

(b) To achieve fair treatment as between members in the Ready Reserve who are being considered for recall to duty without their consent, consideration shall be given to—

(1) the length and nature of previous service, to assure such sharing of exposure to hazards as the national security and military requirements will reasonably allow;

(2) family responsibilities; and

(3) employment necessary to maintain the national health, safety, or interest.

The Secretary of Defense shall prescribe such policies and procedures as he considers necessary to carry out this subsection. He shall report on those policies and procedures at least once a year to the Committees on Armed Services of the Senate and the House of Representatives.

(c) Not more than 1,000,000 members of the Ready Reserve may be on active duty (other than for training), without their consent, under this section at any one time. (Aug. 10, 1956, ch. 1041, 70A Stat. 28; Sept. 2, 1958, Pub. L. 85–861, §§ 1 (14), 33(a)(5), 72 Stat. 1441, 1564.)

NOTE—EXCERPT FROM HOUSE REPORT 1066, 82D CONG., 2D SESS. (1952)

NATIONAL EMERGENCY DECLARED BY THE PRESIDENT

In time of national emergency proclaimed by the President, or when otherwise authorized by law, any member of the Ready Reserve may be ordered to active duty without his consent for such period of time not to exceed 24 consecutive months, but no member could be ordered to active duty, under the committee amendment, until the Congress had determined the number of members needed for the national security. Members may be ordered as individuals or as units, but as in the previous subsection the committee has provided a safeguard against the ordering of individual members of units organized to serve as units. This provision would apply *only in a future national emergency proclaimed by the President* but would retain in effect the authority to order such members to active duty under section 21 of the UMTS Act with the limitations contained therein.

At present time all members of the Naval Reserve, Marine Corps Reserve, and the Coast Guard Reserve, may be ordered to active duty in time of Presidential emergency for the duration of the emergency and for 6 months thereafter. In addition, the President may, at any time, call out the National Guard and Air National Guard to enforce the laws of the United States, to quell insurrection, and in case of actual or threatened invasion. As far as the Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve are concerned, this subsection represents a substantial decrease in the number and the period of service of reservists liable to be ordered to active duty *in time of Presidential emergency.*

NOTE—EXCERPTS FROM HOUSE REPORT 1066, 82D CONG., 2D SESS. (1952)

THE READY RESERVE

The Ready Reserve defined by this section would contain those portions of the reserve components which would be most liable for active duty and which would be subject to call *in time of war, or national emergency declared by the President or the Congress, or when otherwise authorized by law.* The last phrase includes authority to order reservists to active duty pursuant to section 21 of the Universal Military Training and Service Act which is not affected by this bill.

Note, however, that under section 234(b), which authorizes the ordering of the Ready Reserve to active duty *in time of national emergency declared by the President,* the Congress must first determine the number of members who may be so ordered.

The Ready Reserve would be the only part of the reserve components which could be used *in a Presidential emergency* without further congressional action. At the present time, all of the Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve could be called to active service in a Presidential emergency. In addition, the entire National Guard and the entire Air National Guard is now callable by the President in case of threatened or actual invasion, insurrection, or to execute the Federal laws.

NOTE

Under this provision 1,000,000 men can be called to active duty. In addition the National Guard can be federalized in a national emergency, which adds several thousand men to the total. In time of national emergency, therefore, in addition to existing armed forces at least eight divisions of troops, over 100 squadrons of aircraft and 55 ships can be activated by order of the President.

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40 U.S.C. 278b. SAME; EXCEPTION OF CERTAIN VITAL LEASES DURING WAR OR EMERGENCY

The provisions of section 278a of this title shall not apply *during war or a national emergency declared by Congress or by the President* to such leases or renewals of existing leases of privately or publicly owned property as are certified by the Secretary of the Army or the Secretary of the Navy, or by such person or persons as he may designate, as covering premises for military, naval, or civilian purposes necessary for the prosecution of the war or vital in the national emergency. (Apr. 28, 1942, ch. 249, 56 Stat. 247.)

NOTE—EXCERPT FROM HOUSE REPORT 2029, 77TH CONG., 2D SESS. (1942)

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (S. 2212) to suspend during a national emergency declared by Congress or by the President the provisions of section 322 of the act of June 30, 1932, as amended, having considered the same, report favorably thereon with recommendation that it do pass with amendments.

The purpose of the proposed legislation is to render inapplicable to leases entered into by the Government for national defense purposes the present restrictions of section 322 of the act of June 30, 1932, as amended (40 U.S.C. 278A), that the annual rental of properties leased may not exceed 15 percent of the market value of the premises on the date of the lease, and the further restriction that alterations, improvements, and repairs may not be made in an amount in excess of 25 percent of the amount of the rent for the first year of the rental term, or for the entire rental term if the lease runs for less than 1 year.

Testimony given by witnesses from the War Department indicates that these restrictions are impracticable in connection with leases of premises for the establishment of information and filter centers as part of aircraft warning service installations, and also in many other types of national defense leases, as, for example, the leasing of properties for use as offices and warehouses, for storage or manufacturing purposes. Navy Department expressed concurrence in these observations.

The committee concurs in the view that all leases which are to be exempted from the provisions of section 322 of the act of June 30, 1932, as amended, should be certified by the Secretary of War or the Secretary of the Navy, or their authorized representatives, as covering premises for military, naval, or civilian purposes necessary for the prosecution of the war or vital in the national emergency. The bill, as introduced, was amended by the Senate by insertion of appropriate language to this effect. This language will require executive departments or establishments other than the War and Navy Departments to obtain a certificate from an authorized representative of the Secretary of War or the Secretary of the Navy to the effect that the lease in question is necessary for the *prosecution of the war or vital in the national emergency*. If no such certificate is obtained the existing restrictions which, in the judgment of the committee, are desirable where prosecution of the war effort is not involved, will be applicable.

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41 U.S.C. 252. PURCHASES AND CONTRACTS FOR PROPERTY

(a) Applicability of chapter; delegation of authortiy.

Executive agencies shall make purchases and contracts for property and services in accordance with the provisions of this chapter and implementing regulations of the Administrator; but this chapter does not apply—

(1) to the Department of Defense, the Coast Guard, and the National Aeronautics and Space Administration; or

(2) when this chapter is made inapplicable pursuant to section 474 of Title 40 or any other law, but when this chapter is made inapplicable by such provision of law, sections 5 and 8 of this title shall be applicable in the absence of authority conferred by statute to procure without advertising or without regard to said section 5 of this title.

(b) Small business concerns; share of business; advance publicity on negotiated purchases and contracts for property.

It is the declared policy of the Congress that a fair proportion of the total purchases and contracts for property and services for the Government shall be placed with small business concerns. Whenever it is proposed to make a contract or purchase in excess of $10,000 by negotiation and without advertising, pursuant to the authority of paragraph (7) or (8) of subsection (c) of this section, suitable advance publicity, as determined by the agency head with due regard to the type of property involved and other relevant considerations, shall be given for a period of at least fifteen days, wherever practicable, as determined by the agency head.

(c) Negotiated purchases and contracts for property; conditions.

All purchases and contracts for property and services shall be made by advertising, as provided in section 253 of this title, except that such purchases and contracts may be negotiated by the agency head without advertising if—

(1) determined to be necessary in the public interest *during the period of a national emergency declared by the President or by the Congress;*

(2) the public exigency will not admit of the delay incident to advertising;

(3) the aggregate amount involved does not exceed $2,500;

(4) for personal or professional services;

(5) for any service to be rendered by any university, college, or other educational institution;

(6) the property or services are to be procured and used outside the limits of the United States and its possessions;

(7) for medicines or medical property;

(8) for property purchased for authorized resale;

(9) for perishable or nonperishable subsistence supplies;

(10) for property or services for which it is impracticable to secure competition;

(11) the agency head determines that the purchase or contract is for experimental, developmental or research work, or for the manufacture or furnishing of property for experimentation, development, research, or test;

(12) for property or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract should not be publicly disclosed;

(13) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in special situations or in particular localities in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

(14) for property or services as to which the agency head determines that bid prices after advertising therefor are not reasonable (either as to all or as to some part of the requirements) or have not been independently arrived at in open competition: *Provided*, That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all or some of the bids received unless (A) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder and (B) the negotiated price is the lowest negotiated price offered by any responsible supplier; or

(15) otherwise authorized by law, except that section 254 of this title shall apply to purchases and contracts made without advertising under this paragraph.

(d) Bids in violation of antitrust laws.

If in the opinion of the agency head bids received after advertising evidence any violation of the antitrust laws he shall refer such bids to the Attorney General for appropriate action.

(e) Exceptions to section.

This section shall not be construed to (A) authorize the erection, repair, or furnishing of any public building or public improvement, but such authorization shall be required in the same manner as heretofore, or (B) permit any contract for the construction or repair of buildings, roads, sidewalks, sewers, mains, or similar items to be negotiated without advertising as required by section 253 of this title, unless such contract is to be performed outside the continental United States or unless negotiation of such contract is authorized by the provisions of paragraphs (1)—(3), (10)—(12), or (14) of subsection (c) of this section.

(f) Carriage of cargo; specification of container size.

No contract for the carriage of Government property in other than Government-owned cargo containers shall require carriage of such property in cargo containers of any stated length, height, or width. (June 30, 1949, ch. 288, title II, § 302, 63 Stat. 393; July 12, 1952, ch. 703, § 1 (m), 66 Stat. 594; Aug. 28, 1958, Pub. L. 85-800, §§ 1-3, 72 Stat. 966; Nov. 8, 1965, Pub. L. 89-343, §§ 1, 2, 79 Stat. 1303; Nov. 8, 1965, Pub. L. 89-348, § 1(2), 79 Stat. 1310; Mar. 16, 1968, Pub. L. 90-268, § 4, 82 Stat. 50.)

NOTE—EXCERPTS FROM HOUSE REPORT 670, 81ST CONG., 1ST SESS. (1949)

TITLE III. PROCUREMENT PROCEDURE

This title follows in structure, and is identical in language with, the Armed Services Procurement Act, with a few appropriate changes and omissions.

Section 301. Declaration of purpose—

This section states that the purpose of title III is to facilitate the procurement of supplies and services.

Section 302. Application and procurement methods—

* * * * *

(c) Initially, this subsection reaffirms the basic principle that purchases and contracts shall be made by advertising. Negotiation is made permissible in certain excepted cases, however, to provide flexibility in Government procurement.

(1) This paragraph would permit automatic and immediate transition from more rigid peacetime advertising procedures to a completely flexible system if the President or the Congress declares the existence of a national emergency.

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31 U.S.C. 203. ASSIGNMENTS OF CLAIMS; SET-OFF AGAINST ASSIGNEE

All transfers and assignments made of any claim upon the United States, or of any part or share thereof, or interest therein, whether absolute or conditional, and whatever may be the consideration therefor, and all powers of attorney, orders, or other authorities for receiving payment of any such claim, or of any part or share thereof, except as hereinafter provided, shall be absolutely null and void, unless they are freely made and executed in the presence of at least two attesting witnesses, after the allowance of such a claim, the ascertainment of the amount due, and the issuing of a warrant for the payment thereof. Such transfers, assignments and powers of attorney must recite the warrant for payment and must be acknowledged by the person making them before an officer having authority to take acknowledgements of deeds, and shall be certified by the officer; and it must appear by the certificate that the officer, at the time of the acknowledgement, read and fully explained the transfer, assignment, or warrant of attorney to the person acknowledging the same. The provisions of this section shall not apply to payments for rent of postoffice quarters made by postmasters to duly authorized agents of the lessors.

The provisions of the preceding paragraph shall not apply in any case in which the moneys due or to become due from the United States or from any agency or department thereof under a contract providing for payments aggregating $1,000 or more, are assigned to a bank, trust company, or other financing institution, including any Federal lending agency: *Provided*,

1. That in the case of any contract entered into prior to October 9, 1940, no claim shall be assigned without the consent of the head of the department or agency concerned;

2. That in the case of any contract entered into after October 9, 1940, no claim shall be assigned if it arises under a contract which forbids such assignment;

3. That unless otherwise expressly permitted by such contract any such assignment shall cover all amounts payable under such contract and not already paid, shall not be made to more than one party, and shall not be subject to further assignment, except that any such assignment may be made in one party as agent or trustee for two or more parties participating in such financing;

4. That in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of assignment with (a) the contracting officer or the head of his department or agency; (b) the surety or sureties upon the bond or bonds, if any, in connection with such contract; and (c) the disbursing officer, if any, designated in such contract to make payment.

Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to this section, shall constitute a valid assignment for all purposes.

In any case in which moneys due or to become due under any contract are or have been assigned pursuant to this section, no liability of any nature of the assignor to the United States or any department or agency thereof, whether arising form or independently of such contract, shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment.

Any contract of the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President, except any such contract under which full payment has been made, may, in time of war or national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner, provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under such contract shall not be subject to reduction or set-off, and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency, shall not be subject to reduction or set-off for any liability of any nature of the assignor to the United States or any department or agency thereof which arises independently of such contract, or hereafter for any liability of the assignor on account of (1) renegotiation under any renegotiation statute or under any statutory renegotiation article in the contract, (2) fines, (3) penalties (which term does not include amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract), or (4) taxes, social security contributions, or the withholding or nonwithholding of taxes or social security contributions, whether arising from or independently of such contract.

Except as herein otherwise provided, nothing in this section shall be deemed to affect or impair rights or obligations heretofore accrued. (R.S. § 3477; May 27, 1908, ch. 206, 35 Stat. 411; Oct. 9, 1940, ch. 779, § 1, 54 Stat. 1029; May 15, 1951, ch. 75, 65 Stat. 41.)

Note—Excerpt From Senate Report 217, 82d Cong., 1st Sess. (1951)

The purpose of this enactment was to encourage the participation of banks in the financing of Government contractors under the defense program of that time. It permitted contractors to assign to financing institutions moneys due or to become due under their Government contracts, and it assured the assignee banks that, when payments were made to them by the Government pursuant to such assignments, such payments would not be subject to reduction or set-off on account of any claims the Government might have against the contractor arising independently of the assigned contract.

Enactment of S. 988, with committee amendments, would make it clear that a bank or other financing institution taking an assignment of claims pursuant to the act would not be subject to later recovery by the Government of amounts previously paid to the bank as assignee, except, of course, that it would not prevent the Government from obtaining restitution of amounts which may have been paid as the result of fraud.

Second, the amendment would continue the provision of the present law that, if an assigned contract contains a "no set-off" clause, payments made by the Government to the assignee bank will not be subject to reduction or set-off because of any claims of the Government against the contractor which arise independently of the contract, but it would also be made clear that the assignee would be protected against set-off on account of claims of the Government against the contractor arising from renegotiation, fines, and penalties—claims which are ordinarily regarded as arising outside of the assigned contract. In any event, however, where the Government has claims against the contractor, the Government would be allowed to withhold, out of payments due to an assignee bank, any amounts in excess of the bank's interest in loans secured by such assignments.

Finally, the authority for including the "no set-off" clause in Government contracts, which is now restricted to the Departments of the Army, Navy, and Air Force, would be extended to contracts entered into by the General Services Administration, the Atomic Energy Commission, and such other agencies of the Government as the President may designate. However, authority for the inclusion of the clause would not be mandatory—it would be permissive in all cases at the discretion of the Government agencies concerned.

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41 U.S.C. 15. Transfers of Contracts; Assignment of Claims; Set-Off Against Assignee

No contract or order, or any interest therein, shall be transferred by the party to whom such contract or order is given to any other party, and any such transfer shall cause the annulment of the contract or order transferred, so far as the United States are concerned. All rights of action, however, for any breach of such contract by the contracting parties, are reserved to the United States.

The provisions of the preceding paragraph shall not apply in any case in which the moneys due or to become due from the United States or from any agency or department thereof, under a contract providing for payments aggregating $1,000 or more, are assigned to a bank, trust company, or other financing institution, including any Federal lending agency: Provided, 1. That in the case of any contract entered into prior to October 9, 1940, no claim shall be assigned without the consent of the head of the department or agency concerned; 2. That in the case of any contract entered into after October 9, 1940, no claim shall be assigned if it arises under a contract which forbids such assignment; 3. That unless otherwise expressly permitted by such contract any such assignment shall cover all amounts payable under such contract and not already paid, shall not be made to more than one party, and shall not be subject to further assignment, except that any such assignment may be made to one party as agent or trustee for two or more parties participating in such financing. 4. That in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of assignment with (a) the contracting officer or the head of his department or agency; (b) the surety or sureties upon the bond or bonds, if any, in connection with such contract; and (c) the disbursing officer, if any, designated in such contract to make payment.

Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to this section, shall constitute a valid assignment for all purposes.

In any case in which moneys due or to become due under any contract are or have been assigned pursuant to this section, no liability of any nature of the assignor to the United States or any department or agency thereof, whether arising from or independently of such contract, shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment.

Any contract of the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President, except any such contract under which full payment has been made, may, *in time of war or national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner,* provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under such contract shall not be subject to reduction or set-off, and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency, shall not be subject to reduction or set-off for any liability of any nature of the assignor to the United States or any department or agency thereof which arises independently of such contract, or hereafter for any liability of the assignor on account of (1) renegotiation under any renegotiation statute or under any statutory renegotiation article in the contract, (2) fines, (3) penalties (which term does not include amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract), or (4) taxes, social security contributions, or the withholding or nonwithholding of taxes or social security contributions, whether arising from or independently of such contract.

Except as herein otherwise provided, nothing in this section shall be deemed to affect or impair rights or obligations heretofore accrued. (R. S. § 3737; Oct. 9, 1940, ch. 779, § 1, 54 Stat. 1029; May 15, 1951, ch. 75, 65 Stat. 41.)

Note—Excerpt From Senate Report 217, 82d Cong., 1st Sess. (1951)

The Committee on Banking and Currency, to whom was referred the bill (S. 998) to facilitate the financing of defense contracts by banks and other financing institutions, to amend the Assignment of Claims Act of 1940, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

* * * * *

Enactment of S. 998, with committee amendments, would make it clear that a bank or other financing institution taking an assignment of claims pursuant to the act would not be subject to later recovery by the Government of amounts previously paid to the bank as assignee, except, of course, that it would not prevent the Government from obtaining restitution of amounts which may have been paid as the result of fraud.

Secondly, the amendment would continue the provision of the present law that, if an assigned contract contains a "no set-off" clause, payments made by the Government to the assignee bank will not be subject to reduction or set-off because of any claims of the Government against the contractor which arise independently of the contract, but it would also be made clear that the assignee would be protected against set-off on account of claims of the Government against the contractor arising from renegotiation, fines, and penalties—claims which are ordinarily regarded as arising outside of the assigned contract. In any event, however, where the Government has claims against the contractor, the Government would be allowed to withhold, out of payments due to an assignee bank, any amounts in excess of the bank's interest in loans secured by such assignments.

Finally, the authority for including the "no set-off" clause in Government contracts, which is now restricted to the Departments of the Army, Navy, and Air Force, would be extended to contracts entered into by the General Services Administration, the Atomic Energy Commission, and such other agencies of the Government as the President may designate. However, authority for the inclusion of the clause would not be mandatory—it would be permissive in all cases at the discretion of the Government agencies concerned.

Mr. ROTH. Mr. President, as a sponsor of the National Emergencies Act, I am pleased with the rapid consideration which the Senate is giving to this important legislation. I strongly urge its passage today.

This bill represents another effort by Congress to insure that Congress and the President share equally the responsibility for major national policy decisions. This bill, for the first time, will establish criteria under which a national emergency can be declared by the President and provides for its automatic termination unless extended by congressional action.

It also terminates four national emergencies which are still in effect. Most Americans do not know that since March 6, 1933, the United States has been in an official state of national emergency. The 1933 emergency was declared to deal with the Depression. In addition, three other national emergencies are concurrently in effect—the December 16, 1950 emergency in connection with the Korean war, the March 23, 1970 emergency to handle the Post Office strike, and the August 15, 1971 emergency to carry out certain currency restrictions to help our balance of payments.

Because Congress has been remiss in not terminating these emergencies, many outdated statutes designed to give the President wide-sweeping powers to meet the emergency situations of those times remain on the books. It is my understanding that in its almost 2 years of diligent work, the Special Committee on the Termination of the National Emergency compiled some 470 provisions of the United States Code which in some way or another delegate extraordinary powers to the President in times of war or national emergency.

It is important and essential that in such times, the President does have the powers needed to deal with the situation. But it is also essential that when the emergency is over, the emergency powers either terminate or are carefully reviewed to insure that they make sound and responsible permanent legislation.

In times of emergency, important legislation does not receive the time and attention which it would in normal times.

One provision that this bill would repeal gives the President, the Secretary of the Army, or any general the authority to declare any part or all of the United States a military zone, within which any act he designates may be punished as a crime. Such a sweeping provision represents a potential threat to American liberties and should certainly be struck from the books.

In my judgment, this bill devises a sensible way of insuring that rapid action can be taken to meet an emergency situation while safeguarding against the arbitrary and irresponsible use of such power by a future President. Under the bill, the President is authorized to declare a national emergency whenever he believes it "essential to the preservation, protection, and defense of the Constitution, and is essential to the common defense, safety, or well-being of the territory and people of the United States."

However, the emergency could be terminated by Congress by concurrent resolution and, if not, would expire at the end of 6 months unless explicity continued by Congress. Moreover, the President would be required during the emergency to keep a list of all Executive orders, promulgations, rules, et cetera, made with respect to the emergency and transmit the texts to Congress. This provision will provide a comprehensive overview of all extraordinary acts taken during an emergency and a measure of congressional oversight over such acts.

I believe that this bill strikes a careful balance between the need for the President to act in the case of war or another kind of national emergency and the requirements of shared powers and responsibilities between Congress and the President. I hope it will be passed today and speedily acted upon by the other House and signed into law by the President.

Mr. MATHIAS. Mr. President, I urge the adoption of the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3957

An act to terminate certain authorities with respect to national emergencies still in effect, and to provide for orderly implementation and termination of future national emergencies

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Emergencies Act".

TITLE I—TERMINATING EXISTING DECLARED EMERGENCIES

Sec. 101. (a) All powers and authorities possessed by the President, any other officer or employee of the Federal Government, or any Executive agency, as defined in section 105 of title 5, United States Code, as a result of the existence of any declaration of national emergency in effect immediately prior to one year after the date of enactment of this Act are terminated one year from the date of such enactment. Such termination shall not affect—

(1) any action taken or proceeding pending not finally concluded or determined on such date;

(2) any action or proceeding based on any act committed prior to such date; or

(3) any rights or duties that matured or penalties that were incurred prior to such date.

(b) For the purpose of this section, the words "any national emergency in effect" mean a general declaration of emergency made by the President pursuant to a statute authorizing him to declare a national emergency.

TITLE II—DECLARATION OF FUTURE NATIONAL EMERGENCIES

Sec. 201. (a) In the event the President finds that a proclamation of a national emergency is essential to the preservation, protection and defense of the Constitution or to the common defense, safety, or well-being of the territory or people of the United States, the President is authorized to proclaim the existence of a national emergency. Such proclamation shall immediately be transmitted to the Congress and published in the Federal Register.

(b) Any provisions of law conferring powers and authorities to be exercised during a national emergency shall be effective and remain in effect (1) only when the President (in accordance with subsection (a) of this section), specifically declares a national emergency, and (2) only in accordance with this Act. No law enacted after the date of enactment of this Act shall supersede this title unless it does so in specific terms, referring to this title, and declaring that the new law supersedes the provisions of this title.

Sec. 202. (a) Any national emergency declared by the President in accordance with this title shall terminate if—

(1) Congress terminates the emergency by concurrent resolution; or

(2) the President issues a proclamation terminating the emergency.

At the end of each year following the declaration of an emergency which is still in effect, the President shall publish in the Federal Register and transmit to the Congress a notice stating that the emergency is still in effect. Any national emergency declared by the President shall be terminated on the date specified in any concurrent resolution referred to in clause (1) of this subsection, and any powers or authorities exercised by reason of said emergency shall cease to be exercised after such specified date, except that such termination shall not affect—

(A) any action taken or proceeding pending not finally concluded or determined on such date;

(B) any action or proceeding based on any act committed prior to such date; or

(C) any rights or duties that matured or penalties that were incurred prior to such date.

(b) Not later than six months after a national emergency is declared, and not later than the end of each six-month period thereafter that such emergency continues, each House of Congress shall meet to consider a vote on a concurrent resolution to determine whether that emergency shall be terminated.

(c) (1) A concurrent resolution to terminate or continue a national emergency declared by the President shall be referred to the appropriate committee of the House of Representatives or the Senate, as the case may be. One such concurrent resolution shall be reported out by such committee together with its recommendations within fifteen calendar days, unless such House shall otherwise determine by the yeas and nays.

(2) Any concurrent resolution so reported shall become the pending business of the House in question (in the case of the Senate the time for debate shall be equally divided between the proponents and the opponents) and shall be voted on within three calendar days thereafter, unless such House shall otherwise determine by yeas and nays.

(3) Such a concurrent resolution passed by one House shall be referred to the appropriate committee of the other House and shall be reported out by such committee together with its recommendations within fifteen calendar days and shall thereupon become the pending business of such House and shall be voted upon within three calendar days, unless such House shall otherwise determine by yeas and nays.

(4) In the case of any disagreement between the two Houses of Congress with respect to a concurrent resolution passed by both Houses, conferees shall be promptly appointed and the committee of conference shall make and file a report with respect to such concurrent resolution within six calendar days after the legislation is referred to the committee of conference. Notwithstanding any rule in either House concerning the printing of conference reports in the Record or concerning any delay in the consideration of such reports, such report shall be acted on by both Houses not later than six calendar days after the conference is filed. In the event the conferees are unable to agree within forty-eight hours, they shall report back to their respective Houses in disagreement.

(5) Paragraphs (1)–(4) of this subsection, subsection (b) of this section, and section 602(b) of this Act are enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in the House in the case of resolutions described by this subsection; and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

TITLE III—DECLARATIONS OF WAR BY CONGRESS

Sec. 301. Whenever Congress declares war, any provisions of law conferring powers and authorities to be exercised during time of war shall be effective from the date of such declaration.

TITLE IV—EXERCISE OF EMERGENCY POWERS AND AUTHORITIES

Sec. 401. When the President declares a national emergency no powers or authorities made available by statute for use in the event of an emergency shall be exercised unless and until the President specifies the provisions of law under which he proposes that he, or other officers will act. Such specification may be made either in the declaration of a national emergency, or by one or more contemporaneous or subsequent Executive orders published in the Federal Register and transmitted to the Congress.

TITLE V—ACCOUNTABILITY AND REPORTING REQUIREMENTS OF THE PRESIDENT

Sec. 501. (a) When the President declares a national emergency, or Congress declares war, the President shall be responsible for maintaining a file and index of all significant orders of the President, including Executive orders and proclamations, and each such Executive agency shall maintain a file and index of all rules and regulations, issued during such emergency or war issued pursuant to such declarations.

(b) All such significant orders of the President, including Executive orders, and such rules and regulations shall be transmitted to the Congress promptly under means to assure confidentiality where appropriate.

(c) When the President declares a national emergency or Congress declares war, the President shall transmit to Congress, within thirty days after the end of each three-month period after such declaration, a report on the total expenditures incurred by the United States government during such three-month period which are directly attributable to the exercise of powers and authorities conferred by such declaration. Not later than thirty days after the termination of each such emergency or war, the President shall transmit a final report on all such expenditures.

TITLE VI—REPEAL AND CONTINUATION OF CERTAIN EMERGENCY POWER AND OTHER STATUTES

Sec. 601. (a) Section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481 (a)) is amended—

(1) at the end of paragraph (9), by striking out "; or" and inserting in lieu thereof a period; and

(2) by striking out paragraph (10).

(b) Section 2667(b) of title 10 of the United States Code is amended—

(1) by inserting "and" at the end of paragraph (3);

(2) by striking out paragraph (4); and

(3) by redesignating paragraph (5) as (4).

(c) The joint resolution entitled "Joint resolution to authorize the temporary continuation of regulation of consumer credit", approved August 8, 1947, (12 U.S.C. 249) is repealed.

(d) Section 5(m) of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831d(m)) is repealed.

(e) Section 1383 of title 18, United States Code, is repealed.

(f) Section 6 of the Act entitled "An Act to amend the Public Health Service Act in regard to certain matters of personnel and administration, and for other purposes", approved February 28, 1948, is amended by striking out subsections (b), (c), (d), (e), and (f) (42 U.S.C. 211b).

(g) Section 9 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1742) is repealed.

(h) This section shall not affect—

(1) any action taken or proceeding pending not finally concluded or determined at the time of repeal;

(2) any action or proceeding based on any act committed prior to repeal; or

(3) any rights or duties that matured or penalties that were incurred prior to repeal.

Sec. 602. (a) The provisions of this Act shall not apply to the following provisions of law, the powers and authorities conferred thereby, and actions taken, thereunder:

(1) Section 5(b) of the Act of October 6, 1917, as amended (12 U.S.C. 95(a); 50 U.S.C. App. 5(b));

(2) Section 673 of title 10, United States Code;

(3) Act of April 28, 1942 (40 U.S.C. 278b);

(4) Act of June 30, 1949 (41 U.S.C. 252);

(5) Section 3477 of the Revised Statutes, as amended (31 U.S.C. 203);

(6) Section 3737 of the Revised Statutes, as amended (41 U.S.C. 15).

(b) Each committee of the House of Representatives and the Senate having jurisdiction with respect to any provision of law referred to in subsection (a)(1)–(6) of this section shall make a complete study and investigation concerning that provision of law and make a report, including any recommendations and proposed revisions it may have, to its respective House of Congress within two hundred and seventy days after the date of enactment of this Act.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MATHIAS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. I thank the Senator from Idaho.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Nebraska (Mr. Curtis) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order of recognition be shifted, so that the Senator from Idaho may be recognized at this time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Under the previous order, the Senator from Idaho (Mr. McClure) was recognized for not to exceed 15 minutes.

WE CANNOT SPEND WHAT WE DO NOT HAVE

Mr. McCLURE. Mr. President, for many years economists, Congressmen, and just plain people have objected to deficit spending on the simple basis that you cannot spend what do do not have. The counter-argument has run: We can do it because we are doing it. They pointed to the fact that the economy was growing over the years of continual Federal overspending. Anybody who suggested that in the future there would be a time for reckoning was treated like a prophet of doom—a spoil sport who could not enjoy a good time and did not want anyone else to either.

Today the principle is staring us in the face. You still cannot spend what you do not have and we still cannot legislate away the facts of life. If we could, I might begin a new legislative career with a bill providing for the rounding off of pi to 3.0. I never did like that fraction.

We have to legislate within the facts of life which include simple ones which every child with a piggy-bank would understand. If you spend more than you have, you must borrow it. If you borrow it, that action itself will cost you money. Soon you are borrowing more at higher rates not to pay off the original debt itself, but the compounded interest on the debt. Why is something so simple lost on many of those responsible for our economy?

At the Economic Summit Conference many voices were raised to insist that the share of the Federal pie not be cut from the budget. What they were really worried about was recession—not inflation. What they fail to understand is that fair prices, decent wages, low interest rates, a broad range of consumer products, and high employment are the results, not the causes, of a healthy economy. They fail to understand that only a healthy economy can provide the budget surplus out of which may come those Federal funds necessary to help those who cannot help themselves. And the healthy economy itself is the effect, not the cause of a balanced budget, and the effect of a sound monetary policy.

There were some at the Summit Conference, specifically those who participated in the financial section of the conference, who did make the case for fiscal responsibility. And I think that it is important to emphasize that these were not people who in any way could be characterized as "special interest groups." Their conclusions, as expressed in prepared summary, read as follows:

> There was virtually unanimous opinion, that much greater reliance needs to be placed upon fiscal restraint, and that this should take the form of cuts in Federal expenditure.

Those conferees did not make specific suggestions as to where the cuts should come. This is, of course, the business of the Congress. But they were earnest enough about the importance of controlling spending to suggest that the Executive might for the short term be empowered to reduce spending up to 150 percent to achieve the desired cuts in Federal expenditures.

Now this does not mean that I am suggesting an immediate cessation of Government aid to those most in need. After all Congress is not just a spending machine. We are empowered with oversight responsibility as well as the devising of a delivery system which made some sort of sense. It is perfectly legitimate to object here that 100 or even 535 men cannot even know where the Government billions are spent, much less how. But it seems to me that we do not even pay any attention to the results when somebody else does the work for us.

For example, the GAO published a report on the administrative functions and their abuses in OEO which, had anyone bothered to read it, should have caused a major scandal in this country. (I would venture to suggest that concentration on some scandals to the obliteration of others is primarily a political decision.) Nevertheless, the malfunctioning of the system, even the blatant theft involved in OEO, caused no disturbance whatever, even on the part of those who most profess their concern with the problems of the poor. The purpose of OEO was not to initiate handouts, which merely perpetuate poverty, but to generate seed money for development, and increasingly to involve the private sector as programs progressed and became stable. An acceptable rate of generation for properly managed seed money is from $10 to $20 per dollar invested. OEO's return was 80 cents on the dollar. Seventy-five percent of that was Government cash, 85 percent of which went for staff salaries and administrative expenses. In addition, the GAO furnished example after example of people in the administration of the program who bought houses at enormous prices from members of their own families for OEO uses and even of employees who simply departed with the poor's money in their own pockets. How this helps the poor I am at a loss to understand. But the fact is that there were members of this very body who worked diligently to perpetuate this system so in opposition to even their own stated goals. I realize that this is just one example and that streamlining one program alone will not save the economy. But by providing a series of such examples, maybe we can show the American public how we ought to begin. Another area to consider would be Federal contracts. Just as cost-plus Government contracts must cease so should the Davis Bacon Act which governs wages paid under Government contracts. There is no sector of Government spending which cannot be cut down, streamlined, and improved.

One area alone should not be burdened with the solution of inflation, least of all the Defense Department. I wonder, Mr. President, if I am beginning to understand the thinking of those who want, in the name of beating inflation, to dismantle our defense system. It may be that their theory is that at the current rate of inflation there will be nothing left to defend.

An unfortunate tendency of Congress is to hasten its abdication of responsibility by the setting up of monstrous bureaucracies. The Congress knows perfectly well what happens next. Although the original purpose of these bureaucracies was to rectify an evil or provide a service, their main function shortly became self-preservation. Some perpetuate themselves by complicating the very problems they were established to resolve. Others are not content to serve those who seek out their assistance, but actively engage in ferreting out new clients. Those which actually get the job done then have to seek out whole new areas of responsibility. And now we have provided them with a legal services corporation which gives lawyers the encouragement and money to bring larger numbers of citizens under the control of more bureaucracies. We recently narrowly defeated an effort to create a superagency in the name of consumers. This agency would presumably have represented everybody in all areas, as it would have had "consumer responsibility" over all other agencies. It is obvious that the answer to the question who is a consumer is the counterquestion, who is not a consumer? Turning the country into a nation of bureaucrats is not the solution to inflation.

I would also like to point out something I expect to see foisted on us. Prior to 1969 the budget was computed under the administrative budget concept. This meant that trust funds, such as social security, were not reflected in the budget. In 1969 for the first time since the Eisenhower administration there was lip service given to the idea of a balanced budget. But the method chosen to accomplish this was neither a curtailing of spending nor an increase in taxes, but an accounting device. The budget went from a deficit of $27,800,000 to an apparent surplus of something over $3 million. But behind the fancy paperwork everything was the same. Now it will be interesting to see what happens when the social security fund cannot begin to make the payments required by the quantum jump in benefits. An admission of bankruptcy will have to be made before the expected run on general revenues occurs.

I have no doubt that the next suggestion will be to return to the administrative budget concept as a way, this time not of creating a budget surplus, but of reducing the deficit. However, elaborate accounting techniques will not save the economy. They will not replace sound fiscal and monetary policies.

I noted in the colloquy between the majority leader and the minority leader there were two areas to which the majority leader referred as causes of the current inflation. One was the war in Southeast Asia, and the second were the current oil price increases.

Mr. President, I would suggest, as I have in the past, that it does no good to seek scapegoats rather than confronting responsibility. The war in Southeast Asia was a creation of and supported by the Congress of the United States. The moneys that were spent were appropriated by the Congress of the United States.

Oil prices are the result of congressional action or, perhaps I should say, congressional inaction because of the facts that have been readily apparent to anyone who would be willing to listen for more years than Congress would care to confess, and the inaction of Congress in meeting the emergency energy crisis is the direct cause of the increase in oil prices.

Let us not be deceived that the Congress of the United States can escape responsibility by its failure to act. The responsibility for where we stand now still remains on the shoulders of the Congress of the United States.

The resulting inflation which racks this country is still squarely upon the Congress of the United States and if, as a matter of fact, we are to find a way out of this dilemma it will require affirmative action by Congress as well as by the Executive.

Mr. President, I think it is time for Congress to join with the administration and seek the affirmative and positive programs to work our way out of what is not necessarily an economic collapse but a serious economic problem.

Thank you, Mr. President. I yield back the remainder of my time.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask to be recognized now in place of the Senator from Nebraska.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield back the remainder of my time.

I understand from the acting Republican leader that the distinguished Senator from Nebraska would like to have his time yielded back, as well.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

APPROVAL OF BILL

A message from the President of the United States stated that on October 5, 1974, he approved and signed the bill (S. 3320) to extend the appropriation authorization for reporting of weather modification activities.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Hathaway) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON RESCISSIONS AND DEFERRALS FOR FISCAL 1975—MESSAGE FROM THE PRESIDENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a message from the President, received during adjournment, relative to additional rescissions and deferrals for the fiscal year 1975 be held at the desk, with the previous message from the President on the same subject, until both are disposed of together.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The message is as follows:

To the Congress of the United States:

I herewith report on additional rescissions and deferrals for the fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974. Proposed rescissions which accompany this message total $182 million and deferrals total $3,239 million.

Included in this second submission to the Congress under the new act are reports on actions concluded before the effective date of the act and thus are not subject, in the opinion of the Attorney General, to the provisions of the new act. I am reporting this additional information because I believe that it is appropriate to keep the Congress informed on the status of all funds withheld from obligation.

The attachment to this message lists the items reported and identifies those actions taken prior to the effective date of this act.

Failure to take the actions reported would result in $3.4 billion of additional budget authority becoming available for obligation. This would increase Federal spending in the current fiscal year by $12 million and in fiscal year 1976 by over $220 million. Additional spending would be even greater in 1977, the first year in which the new procedures for congressional review of the budget will be in effect.

These actions are essential both to assure efficient management of funds and to help keep Federal spending from rising beyond current estimates. These are essential steps to achieve the degree of fiscal restraint we need in order to curb inflation.

GERALD R. FORD.

THE WHITE HOUSE, *October 4, 1974.*

REPORT ON COMPARABILITY ADJUSTMENT FOR FEDERAL STATUTORY PAY SYSTEMS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. Hathaway) laid before the Senate a message from the President of the United States transmitting a report on the comparability adjustment ordered for the Federal statutory pay systems, which, with the accompanying report, was referred to the Committee on Post Office and Civil Service. The message is as follows:

To the Congress of the United States:

In accordance with the provisions of section 5305 of title 5, United States Code, hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1974.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have recommended a 5.52 percent average increase in Federal statutory pay rates. The Federal Employees Pay Council and other employee organizations have proposed an increase of 8.4 percent. The Advisory Committee on Federal Pay has agreed with the method used by the agent to arrive at the 5.52 percent, but has recommended that it be augmented by an additional 1.7 percent, producing a total increase of 7.22 percent. This additional 1.7 percent is based on a special study of pay increases that have occurred in the private sector since completion of the annual Bureau of Labor Statistics survey on which the agent's recommendation is based.

I have decided that I must choose the 5.52 percent increase, without the additional 1.7 percent. The Advisory Committee has made a forceful case for the additional amount, both in their report and in their meeting with me. However, I do not feel that in the context of our current economic situation, I should go beyond the clearly justified increase recommended by my agent. This increase gives full weight to full scale Bureau of Labor Statistics survey findings of this year in the same manner as last year.

The time lag between the annual BLS survey and the resulting pay adjustment has been an integral part of our Federal pay-setting system since the principle of pay comparability was first adopted. The overriding need of the nation at present is clearly to dampen the fires of inflation. To depart from past practice by the use of a special survey to support a higher increase than can be justified by normal methods does not seem to me to be the right thing to do at this time.

I have noted the Advisory Committee's recommendation that the results of the annual survey of private sector pay be made available by July 1 of each year rather than the present date of August 1. I am in full agreement that an earlier arrival of the survey results would be highly desirable, since it would provide more time for all the parties involved in the annual pay comparison to give thorough consideration to the very complex issues involved. Therefore, I shall see what can be done so that the survey results will reach my agent by July 1 of each year.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive order I have promulgated to put this pay increase into effect. Also transmitted herewith is a copy of an Executive order I have promulgated to increase basic pay and basic allowances for quarters and subsistence for members of the uniformed services, in accordance with section 1009 of title 37, United States Code, as added by Public Law 93-419 of September 19, 1974.

GERALD R. FORD.

THE WHITE HOUSE, *October 7, 1974.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives at 2:04 p.m., announced that the House had agreed to the concurrent resolution (H. Con. Res. 658) providing for a joint session of the two Houses on Tuesday, October 8, 1974, to receive a message from the President of the United States, in which it requests the concurrence of the Senate.

The message also announced that the House insists upon its amendments to the concurrent resolution (S. Con. Res. 81) relating to unaccounted for personnel captured, killed, or missing during the Indochina conflict, disagreed to by the

Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Zablocki, Mr. Morgan, Mr. Hays, Mr. Frelinghuysen, and Mr. du Pont were appointed managers of the conference on the part of the House.

The message further announced that the House insists upon its amendments to the bill (S. 3838) to authorize the regulation of interest rates payable on obligations issued by affiliates of certain depository institutions, and for other purposes, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Patman, Mr. St Germain, Mr. Annunzio, Mr. Barrett, Mr. Hanley, Mr. Cotter, Mr. Moakley, Mr. Ashley, Mr. Moorhead of Pennsylvania, Mr. Widnall, Mr. Rousselot, Mr. Johnson of Pennsylvania, Mr. Wylie, Mr. Roncallo of New York, and Mr. Rinaldo were appointed managers of the conference on the part of the House.

The message also announced that the House has passed, without amendment the following Senate bills:

S. 283. An act to declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif.;

S. 634. An act to declare that certain federally owned lands shall be held by the United States in trust for the Kootenai Tribe of Idaho, and for other purposes;

S. 1794. An act to amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office;

S. 2001. An act to redesignate the Alamorgordo Dam and Reservoir, N. Mex., and Sumner Dam and Lake Sumner, respectively; and

S. 2220. An act to repeal the "cooly trade" laws.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has affixed his signature to the following enrolled bills:

H.R. 3532. An act for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall;

H.R. 5641. An act to authorize the conveyance of certain lands to the New Mexico State University, Las Cruces, N. Mex.

H.R. 6202. An act for the relief of Thomas C. Johnson;

H.R. 6477. An act for the relief of Lucille de Saint Andre; and

H.R. 7135. An act to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damage to, or loss of, personal property incident to their service.

The enrolled bills were subsequently signed by the Acting President pro tempore (Mr. Hathaway).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hathaway) laid before the Senate the following letters, which were referred as indicated:

Supplemental Request for Appropriations for the U.S. Senate (S. Doc. 93–120)

A communication from the President of the United States transmitting a supplemental request for appropriations for the fiscal year 1975 for an increase in the amount of $1,796,805 for the U.S. Senate (with accompanying papers). Referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES FILED DURING THE ADJOURNMENT OF THE SENATE

Under the authority of the order of the Senate of October 4, 1974, the following reports of committees were submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S.J. Res. 237. A joint resolution to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project (Rept. No. 93–1236).

H.R. 3903. An act to direct the Secretary of the Interior to convey certain public land in the State of Michigan to the Wisconsin Michigan Power Co. (Rept. No. 93–1235).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

H.R. 13157. An act to provide for the establishment of the Clara Barton National Historic Site, Md.; John Day Fossil Beds National Monument, Oreg.; Knife River Indian Villages National Historic Site, N. Dak.; Springfield Armory National Historic Site, Mass.; Tuskegee Institute National Historic Site, Ala.; and Martin Van Buren National Historic Site, N.Y.; and for other purposes (Rept. No. 93–1233).

H.R. 14217. An act to provide for increases in appropriation ceilings and boundary changes in certain units of the National Park System, to authorize appropriations for additional costs of land acquisition for the National Park System, and for other purposes (Rept. No. 93–1232).

By Mr. FANNIN, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 7730. An act to authorize the Secretary of the Interior to purchase property located within the San Carlos Mineral Strip (Rept. 93–1234).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHILES, from the Committee on Government Operations, with an amendment:

S. 3514. A bill to distinguish Federal grant and cooperative agreement relationships from Federal procurement relationships, and for other purposes (Rept. No. 93–1239).

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—CONFERENCE REPORT (REPT. NO. 93–1237)

Mr. CANNON submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

CONSERVATION AND REHABILITATION PROGRAMS ON PUBLIC LANDS—CONFERENCE REPORT (REPT. NO. 93–1238)

Mr. MOSS submitted a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11537) to extend and expand the authority for carrying out conservation and rehabilitation programs on military reservations, and to authorize the implementation of such programs on certain public lands, which was ordered to be printed.

VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974—CONFERENCE REPORT (REPT. NO. 93–1240)

Mr. HARTKE submitted a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, which was ordered to be printed.

ELIMINATION OF ANNUITY REDUCTION FOR SURVIVING SPOUSE ANNUITY PURPOSES—CONFERENCE REPORT (REPT. NO. 93–1241)

Mr. McGEE submitted a report from the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity during periods when the annuitant is not married, which was ordered to be printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Kay McMurray, of Idaho, to be a member of the National Mediation Board.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate).

ORDER FOR STAR PRINT OF S. 4058

Mr. TUNNEY. Mr. President, on Monday I introduced S. 4058, a bill which was referred to the Committee on Commerce. In reviewing the copies of the bill which have been printed, I noted an error which should be corrected.

Mr. President, I ask unanimous consent that there be a star print of S. 4058 with the corrections I have noted incorporated therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CHILES (for himself, Mr. NUNN, Mr. DOMENICI, Mr. HUDDLESTON, and Mr. BARTLETT):

S. 4094. A bill to provide a tax credit or an exclusion from gross income for certain interest on savings received by individuals. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHILES (for himself, Mr. NUNN, Mr. DOMENICI, Mr. HUDDLESTON, and Mr. BARTLETT):

S. 4094. A bill to provide a tax credit or an exclusion from gross income for certain interest on savings received by individuals. Referred to the Committee on Finance.

INCENTIVES FOR SAVINGS URGENT FOR ECONOMY

Mr. CHILES. Mr. President, savings is the key to economic growth. Without substantial growth in savings there cannot be substantial growth in the economy.

But equally important, savings are important to people. Without savings, the future for people is awash. One of the most important things for every American is to have confidence that the money he earns will have value in the future and to know that it is worthwhile to save.

The bill we are introducing today will create additional new incentives for savings. It will provide a choice for people of a tax exemption or a tax credit on interest earned on savings up to $1,000. This way incentives for savings will be provided for people with less income as well as incentives for people with more income without giving the well-to-do all the breaks or draining the Federal treasury.

This bill is important because it does three things which are urgently needed now: First, it gives people in this country a strong financial incentive to save while inflation is pushing people in the opposite direction. It makes savings worthwhile for people. It assures that a real return on savings will be retained after taking account of the increases in cost of living brought on by inflation.

Second, by providing this incentive on deposits in savings institutions, this legislation will generate more savings in those financial institutions which provide money for mortgages and building credit. This will meet one of the most urgent problems in our country today, the need to increase the supply of credit to the construction sector for housing. Housing starts have almost come to a dead standstill. Something needs to be done now to bring the housing sector alive again. It is vital for employment; it is vital for growth; and it is vital for many businesses and banks in the construction industry.

Finally, this bill will help preserve the saving ethic in this country which has been part of our economic tradition. Preserving a sustained flow of income to savings is essential to the long run growth of our economy. If savings shrink, investment declines and the base of our economic future dwindles.

So, this one bill meets three urgent problems at once. I think it should be one of the pieces of the economic game plan we need so badly to tackle the twin ills of inflation and recession.

Over the last several months I have become increasingly concerned about the plight of the housing industry. It is just as clear as it can be that housing is in a crisis state. It is just as clear that housing is the quickest way we have to increase employment, spur growth and give the economy a shot in the arm. It has a strong ripple effect in the rest of the economy. By being a strong job sector, housing growth puts more money in people's pockets which means more tax revenues for the Government and more spending in other sectors which in turn adds to growth in the economy.

As concern for the economy has become broader, we have become more and more aware of how important a factor recession is in our overall economic outlook. With this being the case, the spurt to housing which added savings and credit would provide would be good policy for the economy as a whole.

But increased supply of credit for housing is absolutely crucial for the housing sector itself. In Florida housing starts are off 50 percent from last year. Housing is the hardest hit sector by tight money policies intended to attack inflation. In Florida, with a great influx of people from other States, housing is more important still in our State than it is in other States. In Florida something has to be done to stimulate the housing sector.

I think this bill is one of the best things that can be done to alleviate the serious situation in the housing sector. And it makes sense too for the homeowner, the saver, and the economy as a whole.

Mr. NUNN. Mr. President, virtually all sectors of our economy are suffering during the present economic crisis. The housing industry, so vital to our Nation's well being, is dying. It needs more than resuscitation, it needs a tremendous infusion of new capital to revive it.

With our economy buffeted by double-digit inflation and record high interest rates, housing starts have fallen to their lowest level since early 1967. In spite of Government efforts to bolster the sagging housing market, there seems to be no hope of an early recovery. It is not difficult to pinpoint the main reason for the drastic downturn in housing starts and building permits. We only have to look at what's happening to our Nation's savings and loan business to find the answer.

Savings and loan associations have long been the bulwark of our housing industry, providing the bulk of the funds needed to build and to finance homes for all Americans. Inflation and rising interest rates hit these associations especially hard. Indeed, housing and home finance have had to carry the heaviest burden in all of our post-war credit crunch periods. The flow of funds out of savings and loan associations continued up sharply in August. As a consequence, these associations have had to cut back on their mortgage loans and mortgage commitments. In many parts of the country, there simply is no money available for housing.

I believe the most effective way that we in Congress can help reverse this outflow of funds, and thereby help revive our housing industry, is to provide a tax incentive for savers. I am not talking about a tax incentive for savings associations themselves, but an incentive for private individuals to save—whether it be in a bank or in a savings and loan association.

Mr. President, this bill is not totally unique. Several bills relating to this subject have been introduced, and the House Ways and Means and Finance Committees are working a similar approach. Hopefully, the President will propose legislation embodying this concept in his economic message tomorrow. I believe, however, that this bill gives added emphasis to the plight of our savings and loan, banking, and housing industries. More importantly, this bill contains several innovations not found in earlier bills.

The bill provides that a taxpayer may exclude the first $1,000 in interest and dividends from savings invested in a bank or saving and loan institution.

The taxpayer may elect an alternative of taking a tax credit equal to one-third of all such interest or dividends up to a maximum credit of $260.

Even more important, Mr. President, is the "human effect" of this legislation. At present, the average Georgian and American has no real incentive to save. He sees his rich friends reaping the highest available interest rates based on large deposits. He sees his own hard earned savings being consumed by a rate of inflation twice that of his interest earned.

Thus, the most important effect of this bill will be to restore stability and equality to the hard earned savings of the middle income American.

The tax incentive provided by this bill gives the small saver a chance for the tax planning opportunities now enjoyed exclusively by wealthy individuals. A tax incentive would contribute toward the battle against higher prices. By encouraging our citizens to save more and spend less we would be taking the wind out of the inflationary spiral.

At first, we might think that a tax incentive would be self-defeating, that it would "cost" the Treasury something in lost revenue.

There is considerable difference of

opinion as to the possible revenue loss which might take place should this proposal become law. Many people feel that because of the severe depression now taking place in housing and construction, these tax incentives will stimulate economic activity great enough to offset any revenue loss. Whatever the result, a careful analysis will have to be made by the Treasury Department and any revenue loss must be offset by closing tax loopholes or by reducing excessive expenditures in our Federal budget.

However, estimates made available to me by the U.S. League of Savings Associations suggest that any revenue loss would be more than offset by restoring the health of the housing sector of the economy. A tax exclusion of $1,000 or an optional tax credit of $250, would attract more than $20 billion annually in additional deposits to savings and loan associations alone. This would finance more than 700,000 residences, including some 300,000 new homes. Experts say this much construction would generate 500,000 jobs in construction and supplier industries thereby wiping out the recent loss of jobs in these areas. They point out that the multiplier effect of building 300,000 additional houses would increase our GNP by almost $30 billion.

Mr. President, by acting promptly on such legislation, I believe that we can rejuvenate our ailing housing industry. Our tax incentive bill will also dampen inflation by stimulating savings. Furthermore, it will help us meet our national commitment to insure a decent home for all Americans.

I also point to the important fact that this legislation will assist our Nation's productivity efforts. Many businesses are unable to generate adequate capital through stocks and bonds in today's market. Businesses need capital for plant and equipment purchases to expand productivity. Such increased productivity will help end the growing shortages throughout our economy, and help drive down prices and control inflation.

Since many businesses and industries cannot secure adequate capital in the bond and stock market, they have had to turn more and more to commercial banking institutions to secure this capital. This has placed unprecedented demands on banks to make business loans. This bill stimulates savings in banking institutions as well as in savings and loan associations and recognizes the imporance of ensuring that banks have adequate funds to make these necessary loans to business and industry. Banks must themselves assign priorities for making loans for housing and for capital expansion in industries experiencing shortages.

Mr. President, I am also convinced of our urgent need to develop a coordinated Federal policy aimed at increasing our productivity, and I intend to introduce legislation later this week which will address possible solutions.

Recently, I had the opportunity to present a broad proposal on increasing our productivity in a White House meeting with the President's top economic advisers. I also emphasized the need for such a policy at a subsequent meeting with Alan Greenspan, the President's chief economic adviser. In addition, this subject was discussed at length with Secretary of Commerce Dent at the minisummit on business and industry in Pittsburgh, September 16.

A healthy rate of productivity growth means that the economy can support a steadily rising standard of living without necessarily forcing a major increase in prices. It also means this Nation's products are more competitive in world markets. A renewed emphasis on increasing the productivity of the American economy will provide an important weapon to be used in the battle against inflation.

From 1965 to 1970, America had only a 2-percent annual increase in productivity. Japan, however, had an increase of 13.2 percent annually while Germany had an increase of 5.7 percent. American productivity is not gaining but rather losing ground to our free world competitors.

The legislation I will introduce recommends a thorough review of existing laws and regulations to assess their impact on productivity. It will also encourage the delivery of research and development to those who need it most, and will focus on stimulating productivity growth at the State and local levels. All sectors of the economy must be enlisted in a national drive to increase productivity and my proposal will seek this end.

Being aware of the legislative timetable before us, I am hoping the President will provide support for such legislation by giving emphasis to the need for increasing productivity in his speech totomorrow.

Mr. HUDDLESTON. Mr. President, the outflow of funds from savings and loan institutions and banks has increased to a critical level. In August of this year, the outflow from federally insured savings and loans jumped to $1.24 billion which is the worst drain in over 4 years.

Needless to say, this outflow did not occur by coincidence at a time when new housing starts also slipped to a 4-year low. The August housing starts were down 15 percent from July and 45 percent from last year. The main problem in the housing industry is that there is not sufficient mortgage money. Since the bulk of this money comes from the savings and loan institutions, any significant outflow will naturally have an adverse effect on new housing starts.

The flight of capital to areas of higher earnings has affected banks as well. The interest rates on their savings accounts do not equal the return that may be obtained elsewhere. This leaves banks with insufficient funds to meet the demands for capital, which can have a detrimental effect on business.

Capital has a tendency to seek the level of highest returns and since there are other money markets which will give a higher return, capital moves to those markets. The sale of Treasury notes is an example of this concept in operation. When the Treasury offered notes at a $1,000 minimum in early August, there was a rush of small investors to snap up the obligations with a higher rate of return than they could earn in a savings and loan institution. This response forced the Treasury to make their next offering with a $10,000 minimum in order to forestall any further drain from savings and loan institutions or banks.

By offering the small investor a tax saving if he keeps his money in a savings account at a savings and loan institution or bank, we should be able to counterbalance the higher interest rates in other areas and thereby increase available funds for capital-starved sectors such as the housing industry or small businesses.

To encourage savings—and the placement of saved funds in banks and savings and loan institutions where they can be easily funneled in housing and productive enterprises—I am today joining in the introduction of this legislation which would provide a tax incentive to individuals to save. For those in a tax bracket below 50 percent, up to $1,000 in interest payments would be excluded from taxation; for those in the higher income brackets, there would be a tax credit of $1 for every $3 interest received, up to a limit of $260.

The bill, I believe, has a number of advantages. It would encourage savings. It would place savings in those institutions which provide capital for housing, expansion of productive capacity and other similar enterprises. It would provide a tax break for small investors. It would provide a greater incentive to those in the lower income brackets than to those in the higher ones. It would be less costly in terms of revenue loss than the straight-out exclusion proposals.

We continually hear that we have two problems—inflation and stagnation—in the economy. In a way, this legislation works toward the resolution of both problems. First, it will encourage savings by our citizens and thus tend to restrict inflationary spending. At the same time it should be a spur to the housing market, where capital is practically unavailable and it could provide for some needed industrial expansion. And, both of those should improve the employment outlook. Furthermore, it can help divert funds into those sectors of the economy which have been suffering and increase the availability of supplies which have been tight and fraught with price pressures.

Certainly this legislation represents no comprehensive attack on our problems. Certainly we will have to do more. But, repeatedly, the lack of capital is mentioned as one of the most pressing of our economic problems and this goes straight to the heart of that problem.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 32

At the request of Mr. KENNEDY, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 32, the National Science Policy and Priorities Act.

S. 3418

At the request of Mr. MANSFIELD, the Senator from Indiana (Mr. BAYH) and the Senator from Massachusetts (Mr.

BROOKE) were added as cosponsors of S. 3418, a bill to establish a Federal Privacy Board.

S. 3707

At the request of Mr. TUNNEY, the Senator from Maine (Mr. HATHAWAY) was added as a cosponsor of S. 3707, a bill to provide a tax credit for investments in savings accounts.

S. 3903

At the request of Mr. BROCK, the Senator from Texas (Mr. TOWER) and the Senator from Connecticut (Mr. RIBICOFF) were added as cosponsors of the bill (S. 3903) to extend the State and Local Fiscal Assistance Act of 1972 for 7 years.

S. 3908

At the request of Mr. TAFT, the Senator from Massachusetts (Mr. BROOKE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Oregon (Mr. HATFIELD), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 3908, a bill to revise and improve the program of supplemental security income established by title XVI of the Social Security Act, and for other purposes.

S. 3982

At the request of Mr. WEICKER, the Senator from California (Mr. CRANSTON) was added as a cosponsor of S. 3982, a bill to restrict the authority for inspections of tax returns and the disclosure of information contained therein, and for other purposes.

S. 3984

At the request of Mr. ABOUREZK, the Senator from Minnesota (Mr. MONDALE), the Senator from Tennessee (Mr. BROCK), the Senator from Alaska (Mr. STEVENS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 3984, a bill to designate the birthday of Susan B. Anthony as a legal public holiday.

SENATE CONCURRENT RESOLUTION 117—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO INFLATIONARY IMPACT OF FEDERAL EXPENDITURES

(Referred to the Committee on Government Operations.)

THE FEDERAL GOVERNMENT'S INFLATIONARY TRAVEL EXPENSES

Mr. ROTH. Mr. President, in this year of inflation and budget restraint, I was shocked to discover that employees in departments and agencies of the Federal Government are spending almost $2 billion a year on travel and transportation to out-of-town conferences, meetings, and other employee transportation. A close examination of the fine print in the U.S. Budget documents has revealed that the Federal Government will spend $1,926,615,000 on travel this year, after spending $1,843,251,000 and $1,787,804,000 over the past 2 years.

With inflation being fed by excessive Federal spending, and with the vital need to conserve energy, there is absolutely no justification for the Federal Government to spend such sums on travel expenses.

Nearly 99 percent of the travel expenses are spent by the executive branch of the Federal Government, with the legislative and judiciary branches accounting for approximately 1 percent of the total.

While I believe it is important for the Congress and the Federal courts to carefully review their travel budgets, the largest savings can be achieved in the Federal departments and agencies.

Therefore, I am today introducing legislation expressing the sense of the Congress that the Federal Government should take immediate steps to reduce Federal spending on travel and transportation by Federal employees by at least 25 percent.

A 25 percent reduction in Federal travel expenditures would save over $480 million in this year's budget and untold millions of dollars in energy costs. Despite the claims by proponents of more and more Federal spending that the Federal budget cannot be cut, a 25 percent cut in travel would save close to a half billion dollars without diminishing the effectiveness of any Federal program. While a certain amount of travel is necessary in the ordinary course of business, reductions in travel could be achieved by using the telephone, teletype and other modern means of communications. This legislation would still allow close to $1.5 billion for travel expenditures, which is not an insufficient sum.

Inflation and the need to conserve energy have caused millions of Americans to cut back or cancel their travel plans. Virtually every business and private organization has been forced to reduce its travel budget to save money and fuel. Yet the Federal Government has increased its travel budget nearly $100 million in the past year.

Since coming to the Congress in 1967, I have seen that the bigger the bureaucracy, the more money is wasted on superfluous expenses. This is certainly true in the case of travel expenditures.

The Department of Health, Education, and Welfare will spend a total of $77,949,000 this year on travel and transportation alone, which is $5 million more than the Transportation Department will spend on its own transportation expenses.

Within HEW, the Social Security Administration will spend $21,685,000 on travel expenses. Surely, the Social Security Administration could put this $21 million to better use by spending more of the money on our elderly than on out-of-town travel.

The Agriculture Department's total transportation budget exceeds $112 million, yet the State Department, which has embassies and offices throughout the world, will only spend $28 million on travel expenses.

The National Science Foundation will spend $1,950,000 and the Selective Service System, operating on only limited standby basis since the draft was eliminated, will spend $1 million on travel expenses this year.

One little-known Government unit, the National Capital Planning Commission, which is headquartered in Washington to plan the orderly development of the Nation's Capital, will spend $18,000 on travel expenses.

These are only a few examples of exorbitant travel budgets. Virtually every single Federal department, agency, commission, council, or board has similar travel accounts. These travel expenditures can, and must, be cut.

Last December the Senate agreed to my amendment expressing the sense of Congress that the Federal Government should immediately take steps to reduce the amount of fuel it consumes by one-third. During the period of January through March 1974, the energy savings amounted to an equivalent of 30 million barrels of oil or $240 million in reduced energy costs.

When I first proposed my amendment, I realized that a one-third reduction in Government fuel consumption called for initiative and sacrifices by all departments and agencies. Similarly, I realize that a 25-percent cut in Federal travel expenditures will cause inconveniences. But if the Federal Government expects the American people to cut energy consumption and sacrifice in the battle against inflation, the Federal Government must provide the leadership.

A 25-percent cut in travel expenditures will save $480 million, conserve fuel, and demonstrate to the American people that the Federal Government is serious in its efforts to lead this country through a very difficult period.

The concurrent resolution reads as follows:

S. CON. RES. 117

Resolved by the Senate (the House of Representatives concurring), It is the sense of Congress that—the President should take immediate steps to restrain the inflationary impact of Federal expenditures and to conserve the use of energy by ordering each department and agency of the Federal Government to reduce expenditures on the travel and transportation of persons by at least 25 percent.

SENATE RESOLUTION 422—SUBMISSION OF A RESOLUTION RELATING TO THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION AND CONTROL OF RAPE

(Referred to the Committee on the Judiciary.)

Mr. BENTSEN. Mr. President, I am introducing today a Sense of the Senate Resolution asking the Law Enforcement Assistance Administration to conduct a conference that will study the incidence of rape and ways in which the crime of forcible rape may be controlled and the victims of rape properly treated. The purpose of this conference will be to produce proposals for congressional and administrative action to improve the response of local law enforcement agencies to the growing rate of sexual assaults in this country.

The crime of forcible rape and other

assaults is on the rise throughout the Nation. The latest FBI uniform crime statistics show that the rate of rape has increased 9 percent from 1972 to 1973, a greater rate increase than for any other violent crime. The nationwide increase in the rate of rape is 9.7 percent, twice the average increase in crimes against the person. Women's groups and other concerned citizens are justifiably concerned about what is being done to control this vicious crime and to provide social, medical, and legal assistance to the thousands of women who will be sexually assaulted this year. The need for improved local police effort in this area is highlighted by the fact, well recognized among law enforcement officers, that rape is among the most underreported of serious crimes.

On September 10, the Senate passed the Mathias amendment to the Health Services Act, to create a National Center for the Control, Prevention and Treatment of Rape within the National Institute of Health. Once the Health Services Act is signed by the President our Nation will be on its way toward having its first and much needed Federal agency whose primary responsibility is for the prevention, control and treatment of rape. It would be optimistic, however, to anticipate that the National Rape Center will be in operation before the end of next summer. My immediate concern is for what we will be doing about the crime of rape this coming winter and spring. We expect to see the end of year-round daylight savings time at the end of this month. This winter, the sun will set hours earlier in cities and towns across the country, and women will spend increased hours in fear of sexual assault.

The Law Enforcement Assistance Administration is currently the only Federal agency authorized to make grants to State and local law enforcement agencies to help improve services to their communities. The resolution that I introduce today asks the LEAA to host a conference to be attended by representatives from law enforcement agencies, women's groups, citizens groups, and other appropriate organizations. The purpose of the meeting will be for LEAA to find out what the people feel is needed to improve local services for victims and for the protection of the female population from sexual assaults. Many women have expressed a feeling of isolation from the police because of the way women are treated by the male officers and the treatment they expect to receive upon reporting a rape.

Suggestions such as more female officers assigned to rape cases and more centers for the treatment of rape victims have been proposed by women and other involved citizens. A dialogue between the people whom they are protecting would allow LEAA to know where the fears are and where, in the view of the public, our law enforcement agencies can improve services to their communities. It is necessary, as well for citizen representatives to discover the obstacles that may exist to implementation of their proposed programs and policies.

LEAA will be asked to produce through this conference proposals for legislative and administrative action toward the solution of the rape problem. These proposals would be expected to indicate new actions that LEAA can take within its present authority, administration actions that would require legislative support and new authority that might be required from Congress for LEAA to accomplish its intended goals more effectively.

I am not suggesting that LEAA is capable of or should bear the full Federal responsibility for coordinating local efforts in controlling rape.

LEAA has the limited responsibility to make grants to States for law enforcement and criminal justice planning agencies and for State and local programs for improvement of law enforcement and criminal justice.

It also has a limited budget for discretionary grants for research and demonstration projects. There are many aspects to comprehensive rape treatment and control programs that would require assistance and direction that LEAA has neither the authority nor the staff capability to provide.

In the future we can expect to see the development of service centers that provide the whole range of services and treatment for rape victims and programs for comprehensive prevention and control of rape. Hopefully, the National Rape Center will encourage and coordinate this development. In the meantime, we are in a position to encourage LEAA to increase its encouragement of and assistance for local responses to the need for rape control and victim services within its current authority.

LEAA should also explore its need for new authority from the Congress to accomplish its legislated goals more effectively.

The increase in the rate of rape has been steady over the last 5 years with a brief levelling off between 1969 and 1970. Since 1968, the increase in the number of forcible rapes has been an alarming 62 percent. This is a national problem. The Southwest region, which includes the State of Texas, experienced a 5.8-percent increase in rapes per 100,000 inhabitants over the last year. The Western States reported almost as high a rate as that of Metropolitan New York City.

While the national average increase was 9 percent last year, the north-central region reported a 10.4-percent increase and the South experienced a 9.7-percent rise in the same period.

This problem is not confined just to the big cities. Large numbers of small towns and rural areas are reporting an increasing incidence of sexual assaults that was virtually nonexistent in previous years.

The FBI crime index shows that 24.3 of every 100,000 people were rape victims during 1973. This is a distortion of the true picture. The disturbing truth is that 47 of every 100,000 females were reported rape victims. Twice the rate in the crime index.

Of course, even these statistics cannot reflect a completely accurate picture of crime in the United States. Because of the widespread reluctance to report sexual assaults, the failure of some law enforcement agencies to submit crime reports to the FBI and the lack of any national figures for many crimes, such as sexual assaults on children, we have only an estimate of the actual incidence of any crime. What we do know is that the estimates that are available are probably much lower than the unknown real figures. This grim situation calls for immediate and decisive action by the LEAA.

I hesitate to introduce legislation to direct or to require the LEAA to take specific action because I believe that the first step is to produce proposals for action from the conference asked for in this resolution. An exchange of ideas between our law enforcement officers, LEAA, and those private citizens most concerned with the increasing problem of rape can be expected to result in constructive and beneficial proposals for action.

Every area of the country is affected by the growing and frightening incidence of rape on our streets. I urge all Members of the Senate to support this resolution in the interest of the safety and protection of our people.

I ask unanimous consent that the text of the resolution be printed in the Record at this point.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. Res. 422

Resolved,

Whereas the rate of forcible rape increased 9% from 1972 to 1973, nearly double the average increase in other violent crimes in the United States; and

Whereas it is well recognized that rape is one of the most under-reported of violent crimes due to the attendant embarrassment, fear and social pressures experienced by many victims, highlighting the need for an increased effort in rape control and treatment of rape victims; and

Whereas the Law Enforcement Assistance Administration is the only Federal agency authorized to make grants to State and local law enforcement agencies for the improvement of criminal justice systems and could therefore benefit from knowing the concerns and suggestions of private organizations representing women and other interested citizens to assist in improving local service, protection and treatment in rape cases: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Law Enforcement Assistance Administration conduct a Conference before December 31, 1974 composed of representatives of the Congress, law enforcement agencies, including police officers, private women's groups, including community rape task forces, and other appropriate organizations, to study the incidence of rape and the manner in which rape may be prevented and controlled and the victims of rape properly treated, with special emphasis upon improving local law enforcement programs designed to control rape and to treat the victims of rape;

And, that the Law Enforcement Assistance Administration report to the Congress, no later than 30-days after the convening of the 94th Congress on action that should and may be taken by the Congress or the Law Enforcement Assistance Administration to implement the suggestions emerging from the Conference.

AMENDMENTS SUBMITTED FOR PRINTING

HYDROELECTRIC PROJECT WITHIN SEQUOIA NATIONAL PARK—SENATE JOINT RESOLUTION 237

AMENDMENT NO. 1959

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY submitted an amendment intended to be proposed by him to the joint resolution (S.J. Res. 237) to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

BROADCAST LICENSE RENEWAL ACT—H.R. 12993

AMENDMENTS NOS. 1960 AND 1961

(Ordered to be printed and to lie on the table.)

Mr. METCALF. Mr. President, I am today submitting two amendments to H.R. 12993, the Broadcast License Renewal Act.

I ask unanimous consent that both amendments be printed at this point in the Record, together with certain other material I have had prepared in connection with the amendments.

There being no objection, the amendments and material were ordered to be printed in the Record, as follows:

At the appropriate place in the Act, insert the following:

(d) The Federal Communications Commission shall, not later than June 30, 1976, complete all proceedings and take such agency action as it deems appropriate in connection with its Inquiry into the Ownership of Broadcast Stations by Persons or Entities with Other Business Interests (F.C.C. Docket Numbered 18449).

At the end of the Act add the following language:

In applying its multiple ownership rules (presently embodied in 47 C.F.R. 73.35, 73.240, and 73.636), the Federal Communications Commission shall consider any bank, or mutual fund, or insurance company that in any manner owns, or that in any manner partially or wholly controls or exercises the voting rights of, more than 5 per centum of the outstanding voting stock of a corporate licensee which has more than fifty voting stockholders as having a controlling interest in such corporate licensee.

Excerpt From "Disclosure of Corporate Ownership"—Senate Document 93-62

(Introductory Statement by Senators Lee Metcalf and Edmund S. Muskie)

BANK BROADCAST COMPANY HOLDINGS

The list of holdings by banks in broadcast companies, as supplied by the FCC, is put in perspective by the Congressional Research Service, which has identified parent companies, stations owned by broadcast companies, those companies' total shares of stock, and the percentage of stock within the portfolios of principal banks, individually and collectively.

Broadcast companies, as the Library of Congress analysis shows, are often subsidiaries of companies that are now primarily engaged in broadcasting—Avco, Dun and Bradstreet, General Electric, Westinghouse, Schering-Plough Corporation, Kansas City Southern Industries, Kaiser Industries, Fuqua Industries, Pacific Southwest Airlines, Rust Craft Greeting Cards, Inc.

Voting rights of New York banks

The data in Part III show the substantial voting rights of a few New York banks in networks and major broadcast companies. This FCC data shows that, for example:

Chase Manhattan Bank has sole or partial voting rights to more than 14 percent of the stock in the Columbia Broadcasting System, as well as 4.5 percent of the stock in RCA Corporation, parent of the National Broadcasting Company;

Bankers Trust has voting rights to more than 10 percent of the stock in American Broadcasting Company, and 9.8 percent of the stock in Metromedia;

Bank of New York has voting rights to 12.7 percent of the stock in Pacific and Southern Broadcasting Company, which includes four TV and eight radio stations;

First National City Bank has voting rights to 7.1 percent of the stock in Capital Cities Broadcasting Corporation, which includes six TV and 11 radio stations;

Manufacturers Hanover Trust and U.S. Trust Company have voting rights amounting to from 3.4 percent to 11.1 percent of the stock in 14 broadcasting groups;

Eleven banks have voting rights to 38.1 percent of the common stock in CBS. Eight banks have voting rights to 34.1 of the common stock in ABC. Chase Manhattan and Bankers Trust together have voting rights to 19.8 percent of the stock in CBS, and 17.4 percent of the stock of ABC. A third New York bank, Bank of New York, has voting rights to 7.2 percent of the stock in ABC and 3.3 percent of the stock in CBS.

Part I of this report shows that these same banks have significant holdings—not all of them necessarily including voting rights—in a broad spectrum of the economy, including energy, transportation, manufacturing and retailing. Part II of this report shows that a few unnamed banks had sole voting rights within those same major categories and others. Now Part III shows how these few banks identified above have major voting positions in broadcasting as well.

Possibly, were he still with us, Ed Murrow would say: "This is the news."

FCC ownership rules

The FCC has several restrictions on ownership of broadcast companies. One is the duopoly rule, which prohibits ownership of two AM, FM, or TV stations which serve the same area. Another rule permits an investor—institutional or individual—to own up to 21 stations—seven AM, seven FM, and seven TV, provided that no more than five of the latter are VHF stations. Beyond those liberal provisions, no individual or bank was permitted until last year to own more than 1 percent of the stock of other broadcast companies with 50 or more stockholders. (Mutual funds have been permitted to own up to 3 percent since 1968.)

In 1972 the Commission raised the ownership limitations for banks from 1 percent to 5 percent. It raised the limit because so many banks were in violation of the Commission's 1 percent regulation that, to comply with it, 19 banks would have had to divest themselves of $976 million in stock in 25 companies.

Inadequate ownership reports

The FCC did not know that the banks were in gross violation of regulations until the banks told the Commission about it. The data submitted by the banks were based on a survey conducted among the 19 largest banks in April 1969. It took 3 years to get that material to and considered by the Commission. Then the Commission gave the banks 3 years more to get in compliance with the more lenient rules, which may be relaxed further before then. The Commission has before it now requests from insurance companies to raise their allowable holdings from 1 percent to 5 percent, and requests from the mutual funds to raise their allowable holdings from 3 percent to 10 percent.

The problem at the FCC is inadequate and misleading corporate disclosure to a Federal agency. As Commissioner Nicholas Johnson stated in his dissent in a related case later last year:

"The problem is that the Commission's ownership reports, for a variety of reasons, are not providing the relevant information on institutional holdings of broadcast stock. The Commission is often reduced to asking transferee applicants to ascertain from the institutional holders of their stock whether the institution is in violation of Commission rules, as a condition to Commission approval of the application in question. This inquiry is not always made * * *

"Somewhere in the foggy past there was an effort underway to revise the Commission's ownership reporting form. Perhaps that effort needs to be revived."

CATEGORY 1.—10 OR 11 MAJOR BANKS AS STOCKHOLDERS

CAPITAL CITIES BROADCASTING CORP.

[6,236,094 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Albany, N.Y.		WROW	WROW
Buffalo, N.Y.	WKBW	WKBW	
Detroit, Mich.		WJR	WJR
Durham, N.C.	WTVD		
Fresno, Calif.	KFSN		
Houston, Tex.	KTRK		
Los Angeles, Calif.		KPOL	KPOL
New Haven, Conn.	WTNH		
Paterson, N.J.		WPAT	WPAT
Philadelphia, Pa.	WPVI		
Providence, R.I.		WPRO	WPRO

	Number of shares held	Percent of total shares
Banks holding stock (11):		
Morgan Guaranty Trust	372, 500	6.0
Chase Manhattan	88, 136	1.4
Bankers Trust	242, 400	3.9
United States Trust	328, 588	5.3
First National City	443, 268	7.1
Mellon Bank & Trust	99, 600	1.6
Manufacturers Hanover Trust	36, 700	.6
First National Bank of Chicago	82, 630	1.3
Continental Illinois National	251, 814	4.0
Bank of America	74, 400	1.2
Bank of New York	75, 000	1.2
Total	2, 095, 036	33.6

COLUMBIA BROADCASTING SYSTEM, INC.

[Radio and television network—192 affiliated stations—27,654,823 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Boston		WEEI	WEEI
Chicago	WBBM	WBBM	WBBM
Los Angeles	KNXT	KNX	KNX
New York	WCBS	WCBS	WCBS
Philadelphia	WCAU	WCAU	WCAU
St. Louis	KMOX	KMOX	KMOX
San Francisco		KCBS	KCBS

	Number of shares held	Percent of total shares
Banks Holding Stock (11):		
Morgan Guaranty Trust	494, 115	1.8
Chase Manhattan	3, 897, 908	14.1
Bankers Trust	1, 587, 824	5.7
United States Trust	315, 324	1.1
First National City	576, 151	2.1
Mellon Bank and Trust	264, 589	1.0
First National Bank of Chicago	700, 507	2.5
Continental Illinois National	1, 140, 735	4.1
Bank of New York	914, 013	3.3
Old Colony Trust—Boston	171, 800	.6
Fidelity Bank—Philadelphia	467, 037	1.7
Total	10, 530, 003	38.1

THE TRAVELERS CORP. (BROADCAST-PLAZA, INC.)

[45,094,962 common shares—1,753,400 preferred shares]

	Broadcast stations owned by company TV	AM	FM
Location: Hartford, Conn	WTIC	WTIC	WTIC

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of total preferred
Banks holding stock (11):				
Morgan Guaranty	5,026,439	11.1	5,710	0.3
Chase Manhattan	2,912,611	6.5	9,916	.6
Bankers Trust	512,982	1.1	37,010	2.1
First National City	768,016	1.7	28,603	1.6
Manufacturers Hanover Trust	612,707	1.4	5,177	.3
Chemical Bank	638,200	1.4	8,237	.5
Northern Trust—Chicago	555,702	1.2	5,868	.3
Old Colony Trust—Chicago	602,624	1.3	18,984	1.1
Bank of New York			22,224	1.3
Girard Trust Bank			74,061	4.2
First Pennsylvania Bank & Trust			18,515	1.1
Total	11,629,281	25.8	234,305	13.4

WESTINGHOUSE ELECTRIC CORP. (WESTINGHOUSE BROADCASTING CO.)

[86,926,623 common shares—304,820 preferred shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Baltimore	WJZ		
Boston	WBZ	WBZ	WBZ
Chicago		WIND	
Fort Wayne, Ind		WOWO	
Los Angeles		KFWB	
New York		WINS	
Philadelphia	KYW	KYW	
Pittsburgh	KDKA	KDKA	KDKA
San Francisco	KPIX		

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of total preferred
Bank holding stock (10):				
Morgan Guaranty	3,381,646	3.8		
Chase Manhattan	2,276,795	2.6	1,716	0.6
Bankers Trust	1,791,797	2.1		
First National City	1,495,797	1.7		
Mellon Bank and Trust	1,349,874	1.6	5,140	1.7
Manufacturers Hanover Trust	423,734	.5		
Continental Illinois National	493,967	.6		
Chemical Bank	622,795	.7		
Bank of New York	495,555	.6		
Girard Trust	109,991	.1		
Total	12,441,951	14.3	6,856	2.3

CATEGORY 2.—7 OR 8 MAJOR BANKS AS STOCKHOLDERS

AMERICAN BROADCASTING COS., INC.

[Radio and television network—168 primary affiliates, 82 secondary affiliates—7,088,903 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Chicago	WLS	WLS	WDAI
Detroit	WXYZ	WXYZ	WRIF
Houston		KXYZ	KAUM
Los Angeles	KABC	KABC	KLOS
New York	WABC	WABC	WPLJ
Pittsburgh		KQV	WDVE
San Francisco	KGO	KGO	KSFX

	Number of shares held	Percent of total shares
Banks holding stock (8):		
Chase Manhattan	475,294	6.7
Bankers Trust	761,992	10.7
First National City	107,786	1.5
Mellon Bank & Trust	98,542	1.4
Manufacturers Hanover Trust	76,700	1.1
Chemical Bank	206,867	2.9
Bank of New York	513,400	7.2
Security Pacific National Bank	225,150	3.2
Total	2,465,731	34.8

DUN & BRADSTREET, INC. (CORINTHIAN BROADCASTING CORP.)

[12,867,269 common shares outstanding]

	Broadcast stations owned by company TV	AM	FM
Location:			
Fort Wayne, Ind	WANE		
Houston	KHOU		
Indianapolis	WISH		
Sacramento, Calif	KXTV		
Tulsa, Okla	KOTV		

	Number of shares held	Percent of total shares
Banks holding stock (8):		
Morgan Guaranty Trust	901,207	7.0
Bankers Trust	757,881	5.9
United States Trust	1,168,044	9.1
Manufacturers Hanover Trust	75,746	.6
Continental Illinois National	403,365	3.1
Northern Trust—Chicago	799,530	6.2
Harris Trust & Savings	193,850	1.5
Mercantile Safe Deposit & Trust—Baltimore	352,339	2.7
Total	4,651,962	36.2

TAFT BROADCASTING CO.

[3,706,838 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Birmingham, Ala	WBRC	WBRC	WBRC
Buffalo, N. Y	WGR	WGR	WGR
Cincinnati, Ohio	WKRC	WKFC	WKRC
Columbus, Ohio	WTVN	WTVN	WBUK
Kansas City, Mo	WDAF	WDAF	WDAF
Philadelphia, Pa	WTAF		
Scranton, Pa	WNEF		

	Number of shares held	Percent of total shares
Banks holding stock (8):		
Morgan Guaranty Trust	41,806	1.1
Chase Manhattan	124,984	3.4
Bankers trust	76,720	2.1
Chemical Bank	60,000	1.6
Continental Illinois National	56,700	1.5
Bank of America	70,814	1.9
Bank of New York	76,300	2.1
Wells Fargo Bank	41,860	1.1
Total	549,184	14.8

TIME, INC. (TIME-LIFE BROADCAST INC.)

[7,257,000 common shares outstanding]

	Broadcast stations owned by company TV	AM	FM
Location:			
Bakersfield, Calif	KERO		
Denver, Colo	KLZ		
Grand Rapids, Mich	WOOD		
Indianapolis	WFBM		
San Diego, Calif	KOGO		KOGO

	Number of shares held	Percent of total shares
Banks holding stock (7):		
Morgan Guaranty Trust	537,632	7.4
Chase Manhattan	398,073	5.5
First National City	167,932	2.3
Mellon Bank & Trust	208,000	2.9
Manufacturers Hanover Trust	229,395	3.2
Harris Trust & Savings	83,000	1.1
Bank of New York	79,200	1.1
Total	1,703,232	23.5

TIMES MIRROR CO. (TIMES HERALD PRINTING CO.)

[14,916,705 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:[1]			
Austin, Tex	KDFW		
Dallas, Tex	KTBC		

	Number of shares held	Percent of total shares
Banks holding stock (7):		
Morgan Guaranty Trust	654,048	4.4
Bankers Trust	719,564	4.8
United States Trust	621,165	4.2
Mellon Bank & Trust	775,800	5.2
Manufacturers Hanover Trust	15,180	.1
Bank of America	157,194	1.1
Bank of New York	7,500	(2)
Total	2,950,451	19.8

[1] Also 16 CATV systems in central Florida, southern California and eastern Long Island, N.Y.

[2] Less than 0.05 percent.

ZENITH RADIO CORP.

19,027,710 common shares]

	Broadcast stations owned by company TV	AM	FM
Location: Chicago	KS2XBR		WEFM

	Number of shares held	Percent of total shares
Banks holding stock (7):		
Chase Manhattan	245,634	1.3
First National City	229,210	1.2
First National Bank of Chicago	1,495,586	7.9
Continental Illinois National	647,200	3.4
Chemical Bank	204,400	1.1
Harris Trust & Savings	191,525	1.0
Bank of New York	479,510	2.5
Total	3,49 ,065	18.4

[1] Experimental.

CATEGORY 3.—5 OR 6 MAJOR BANKS AS STOCKHOLDERS

GENERAL TIRE & RUBBER CO. (RKO GENERAL)

[19,100,595 common shares—57,157 preferred shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Bethesda, Md. and Washington, D.C.		WGMS	WGMS
Boston Mass	WNAC	WRKO	WROR
Los Angeles	KHJ	KHJ	KHJ
Memphis	WHBQ	WHBQ	WHBQ
New York	WOR	WOR	WOR
San Francisco		KFRC	KFMS

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of total preferred
Banks Holding stock (6):				
Morgan Guaranty Trust	57,157	4.9		
Chase Manhattan	299,169	1.6		

CATEGORY 3.—5 OR 6 MAJOR BANKS AS STOCKHOLDERS—Continued

GENERAL TIRE & RUBBER CO. (RKO GENERAL)—Continued

[19,100,595 common shares—57,157 preferred shares]

	Broadcast stations owned by company		
	TV	AM	FM

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of tota preferred
First National City	183, 422	1. 0		
First National Bank of Chicago	679, 349	3. 6		
Continental Illinois National	181, 510	. 9	13, 000	22. 7
Bank of New York	1, 005, 923	5. 3	2, 376	4. 2
Total	3, 279, 957	17. 2	15, 376	26. 9

NEW YORK TIMES CO. (INTERSTATE BROADCASTING CO. INC.)

[10,336,710 class A stock—803,100 class B stock]

	Broadcast stations owned by company		
	TV	AM	FM
Location: New York, N.Y.		WQXR	WQXR

	Number of class A shares	Percent of total class A	Number of class B shares	Percent of total class B
Banks holding stock (5):				
Morgan Guaranty Trust	101, 200	1. 0		
Chase Manhattan	270, 150	2. 6		
First National City	460	0		
Manufacturers Hanover Trust	(1)			
Bank of New York	245, 700	2. 4	4, 000	0. 5
Total	617, 510	6. 0	4, 000	. 5

[1] Trusts (number of shares not stated).

NLT CORP. (WSM, INC.)

[17,077,850 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location: Nashville	WSM	WSM	WSM.

	Number of shares held	Percent of total shares
Banks holding stock (6):		
Morgan Guaranty Trust	174, 553	1. 0
Chase Manhattan	760, 973	4. 5
Bankers Trust	499, 873	2. 9
United States Trust	183, 004	1. 1
First National City	524, 601	3. 1
Bank of New York	633, 105	3. 7
Total	2, 776, 109	16. 3

PACIFIC SOUTHWEST AIRLINES (PSA BROADCASTING, INC.

[3,770,986 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Los Angeles			KPSA
Sacramento			KPSC
San Diego			KPSE
San Jose			KPSJ

	Number of shares held	Percent of total shares
Banks holding stock (6):		
Chase Manhattan	44, 800	1. 2
First National City	40, 150	1. 1
Mellon Bank & Trust	78, 700	2. 1
Manufacturers Hanover Trust	80, 100	2. 1
Wilmington Trust Co	49, 000	1. 3
First National Bank of Chicago	60, 400	1. 6
Total	353, 150	9. 4

ROLLINS, INC.

[12,097,649 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Charleston-Huntington, W. Va.	WCHS	WCHS	WCHS
Harvey-Chicago, Ill		WBEE	
Indianapolis		WGEE	WGEE
Mobile-Pensacola	WEAR		
Norfolk, Va		WRAP	
Plattsburgh, N.Y.-Burlington.	WPTZ		
Santa Monica-Los Angeles.		KDAY	
Wilmington, Delaware.		WAMS	

	Number of shares held	Percent of total shares
Banks holding stock (5):		
Bankers Trust	331, 725	2. 7
Wilmington Trust Co	109, 327	. 9
Northern Trust—Chicago	225, 950	1. 9
Bank of New York	290, 900	2. 4
Mercantile Safe Deposit & Trust, Baltimore	83, 740	. 7
Total	1, 041, 642	8. 6

SCHERING-PLOUGH CORP. (PLOUGH BROADCASTING CO. INC.)

[25,173,594 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Atlanta		WPLO	WPLO
Baltimore		WCAO	WCAO
Boston		WCOP	WCOP
Chicago		WJJD	WJJD
Memphis		WMPS	WMPS

	Number of shares held	Percent of total shares
Banks holding stock (6):		
Morgan Guaranty Trust	533, 170	2. 1
Bankers Trust	504, 879	2. 0
United States Trust	411, 130	1. 6
First National City	254, 800	1. 0
Manufacturers Hanover Trust	999, 794	4. 0
Harris Trust & Savings	260, 900	1. 0
Total	2, 964, 673	11. 8

CATEGORY 4.—3 OR 4 MAJOR BANKS AS STOCKHOLDERS

AVCO CORP. (AVCO BROADCASTING CORP.)

[11,472,767 common shares—5,217,726 preferred shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Cincinnati	WLWT	WLW	
Columbus, Ohio	WLWC		
Dayton, Ohio	WLWD		
Indianapolis	WLWI		
San Antonio	WOAI	WOAI	
San Francisco		KYA	KOIT
Washington, D.C		WWDC	WWDC
Wood River, Ill		WRTH	

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of total preferred
Banks holding stock:				
Morgan Guaranty Trust	131, 402	1. 1	110, 001	2. 1
First National City	63, 547	. 6		
Old Colony Trust	412, 500	3. 6	59, 400	1. 1
Total	607, 449	5. 3	169, 401	3, 2

BOSTON HERALD TRAVELER (WHDH, INC.)

[577,136 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location: Boston	WHDH	WHDH	WHDH

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	17, 133	3. 0
Old Colony Trust—Boston	9, 384	1. 6
Security Pacific National Bank	6, 653	1. 2
Total	33, 170	5. 8

COLUMBIA PICTURES INDUSTRIES, INC. (SCREEN GEMS, INC.)

[6,334,601 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
New Orleans	WVUE		
Newark, N.J	WNJV		
Salt Lake City	KCPX	KCPX	KCPX
San Juan, P.R	WAPA		
Aguadilla-Mayaguez, P.R	WOLE[1]		

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	66, 873	1. 1
Chemical Bank	92, 900	1. 5
Old Colony Trust—Boston	134, 035	2. 1
Bank of New York	418, 203	6. 6
Total	712, 011	11. 3

[1] 33.3 percent owned by WAPA–TV.

COMBINED COMMUNICATIONS CORP.

[2,143,382 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Oklahoma City	KOCO		
Phoenix, Ariz	KTAR	KTAR	KTAR
Yuma, Ariz	KBLU	KBLU	

	Number of shares held	Percent of total shares
Banks holding stock:		
Morgan Guaranty Trust	40, 000	1. 9
Harris Trust & Savings	193, 348	9. 0
Bank of New York	105, 821	4. 9
Total	339, 169	15. 8

GENERAL ELECTRIC CO. (GE BROADCASTING CO.)

[182,049,766 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Denver	KOA	KOA	KOA
Nashville, Tenn	WSIX	WSIX	WSIX
Schenectady, N.Y	WRGB	WGY	WGFM

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	6,480,132	3.6
United States Trust	2,309,912	1.3
Manufacturers Hanover Trust	2,101,643	1.2
Total	10,891,687	6.0

KANSAS CITY SOUTHERN INDUSTRIES, INC. (MID-AMERICA TELEVISION CO.)

[1,548,358 common shares—349,630 preferred shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Jefferson City, Mo	KRCG	KWOS	
LaSalle, Ill	WEEQ		
Peoria, Ill	WEEK		
Sedalia, Mo	KMOS		

	Number of common shares held	Percent of total common	Number of preferred shares held	Percent of total preferred
Banks holding stock:				
Morgan Guaranty Trust	24,500	1.6		
Chase Manhattan	61,750	4.0	2,800	0.8
First National City	32,728	2.1		
Total	118,978	7.7	2,800	.8

KNIGHT NEWSPAPERS, INC. (SUMMIT RADIO CORP. 45 PERCENT OWNED)

[10,004,098 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Akron, Ohio	WAKR	WAKR	WAKR
Dallas		KBOX	KBOX
Dayton, Ohio		WONE	WTUE
Denver		KLZ	KLZ

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	81,700	0.8
Manufacturers Hanover Trust	61,800	.6
Bank of New York	70,000	.7
Total	213,500	2.1

LIN BROADCASTING CORP.

[2,294,296 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Decatur, Ill	WAND		
Houston		KILT	KILT
Little Rock, Ark		KAAY	
Louisville, Ky		WAKY	
Philadelphia		WFIL	
Portsmouth-Norfolk-Newport News, Va	WAVY		
Shreveport, La		KEEL	KEEL
St. Louis		WIL	WIL

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	32,600	1.4
Bankers Trust	109,100	4.8
Bank of America	41,707	1.8
Bank of New York	35,000	1.5
Total	218,470	9.5

METROMEDIA, INC.

[5,756,165 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Baltimore		WCBM	
Cleveland		WHK	WMMS
Kansas City, Mo	KMBC		
Los Angeles	KTTV	KLAC	KMET
New York	WNEW	WNEW	WNEW
Oakland		KNEW	
Philadelphia		WIP	WMMR
San Francisco			KSAN
Washington, D.C	WTTG		WASH

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	566,141	9.8
Mellon Bank & Trust	473,000	8.2
Manufacturers Hanover Trust	65,988	1.1
Bank of New York	263,911	4.6
Total	1,369,040	23.8

MULTIMEDIA, INC. (MULTIMEDIA BROADCASTING CO.)

[2,407,573 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Asheville, N.C		WWNC	
Greenville, S.C	WFBC	WFBC	WFBC
Knoxville, Tenn	WBIR	WBIR	WBIR
Macon, Ga	WMAZ	WMAZ	WMAZ

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	54,050	2.2
Mellon Bank & Trust	50,000	2.1
Harris Trust & Savings	30,000	1.2
Total	134,050	5.6

RIDDER PUBLICATIONS, INC.

[8,236,431 common shares—79,500 preferred shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Aberdeen, S. Dak		KSDN	
Colorado Springs, Colo.		KSSS	
Minneapolis-St. Paul.	WCCO	WCCO	
Superior, Wis.-Duluth, Minn.	WDSM	WDSM [1]	

	Number common shares held	Percent of total common	Number preferred shares held	Percent of total preferred
Banks holding stock:				
First National City	120,000	1.5		
Manufacturers Hanover Trust			4,700	5.9
Bank of New York	596,265	7.2		
Total	716,265	8.7	4,700	5.9

[1] 53 percent owned.

RCA CORP. (NATIONAL BROADCASTING CO. (NBC)—219 AFFILIATES)

[74,352,168 common shares]

	Broadcast stations owned by company TV	AM	FM
Locations:			
Burbank, Calif	KNBC		
Chicago	WMAQ	WMAQ	WMAQ
Cleveland	WKYC	WKYC	WKYC
New York, N.Y	WNBC	WNBC	WNBC
Pittsburgh		WJAS	WJAS
San Francisco		KNBR	KNBR
Washington, D.C	WRC	WRC	WRC

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	3,309,683	4.5
Bankers Trust	761,992	1.0
Continental Illinois National	867,120	1.2
Total	4,938,795	6.7

SIGNAL COS.[1]

[19,156,743 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Los Angeles	KTLA	KMPC	
Portland, Oreg		KEX	
San Francisco		KSFO	
Seattle, Wash		KUI	

	Number of shares held	Percent of total shares
Banks holding stock:		
Morgan Guaranty Trust	718,200	3.7
United States Trust	212,227	1.1
Crocker National Bank	301,434	1.6
Total	1,231,861	6.4

[1] Golden West Broadcasters—50.1 percent ownership—Gene and Ina May Autry; 49.9 percent ownership—Signal Companies.

TRANSAMERICA CORP. (UNITED ARTISTS CORP.)

64,526,440 common shares

	Broadcast stations owned by company TV	AM	FM
Location:			
Lorain, Ohio	WUAB		
Philadelphia, Pa			WWSH
Ponce, P.R	WRIK		

	Number of shares held	Percent of total shares
Banks holding stock:		
Morgan Guaranty Trust	774,138	1.2
Bankers Trust	850,886	1.3
Mellon Bank & Trust	709,610	1.1
Total	2,334,634	3.6

TWENTIETH CENTURY FOX FILM CORP.

[8,561,815 common shares]

	Broadcast stations owned by company TV	AM	FM
Location:			
Minneapolis, Minn	KMSP		

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	203,470	2.4
Old Colony Trust—Boston	163,800	1.9
Bank of New York	361,109	4.2
Total	728,379	8.5

WOMETCO ENTERPRISES, INC. (WOMETCO SKYWAY BROADCASTING CO.)

[3,867,235 class A common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Ashville, N.C.	WLOS		WLOS
Bellingham, Wash.	KVOS		
Miami	WTVJ		

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	51,405	1.3
Bankers Trust	60,000	1.6
Old Colony Trust—Boston	64,832	1.7
Bank of New York	50,000	1.3
Total	226,237	5.9

CATEGORY 5.—1 OR 2 MAJOR BANKS AS STOCKHOLDERS

ADAMS-RUSSELL CO., INC. (AUROVIDEO, INC.)

[1,249,974 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:[1]			
Portland, Maine		WLOB	
Youngstown, Ohio	WYTV		

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	74,800	6.0

[1] Subsidiaries operate CATV systems (in Gardner, Fitchburg, and Leominster, Mass., Salamanca, N.Y., Paragould and Center Hill, Ark., and Caruthersville and Hayti, Mo.) and hold a franchise to operate a system in Lunenburg, Mass.

CHRIS-CRAFT INDUSTRIES, INC. (TELEVISION DIVISION)

[3,974,353 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Los Angeles	KCOP		
Portland, Oreg.	KPTV		

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	1,250	0.03
Bank of New York	152,901	3.90
Total	154,151	3.93

BANKERS SECURITIES CORP.

[426,881 common shares $1 par]

	Broadcast stations owned by company		
	TV	AM	FM
Location: New Orleans		WSMB	

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	2,076	0.5

Note: Stock is not publicly traded.

CITIZENS FINANCIAL CORP. (COMMUNICATIONS PROPERTIES, INC., 55 PERCENT CONTROLLED)

[2,354,935 shares common]

	Broadcast stations owned by company		
	TV	AM	FM
Location: Fort Worth, Tex.		KFJZ	KWXI

	Number of shares held	Percent of total shares
Banks holding stock: Bankers Trust Co	22,120	0.9

Note: Feb. 21, 1972, Communications Properties, Inc. acquired the Texas State Network, Inc., which supplies news and sports programing to 120 affiliated radio networks in Texas, Oklahoma, and New Mexico and the above radio stations in Fort Worth. Stock is not publicly traded.

COWLES COMMUNICATIONS INC.

[3,968,587 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Daytona Beach-Orlando, Fla.	WESH		
Des Moines, Iowa	KRNT	KRNT	KRNT
Memphis		WREC	WREC

	Number of shares held	Percent of total shares
Banks holding stock: Manufacturers Hanover Trust	45,300	1.1

COX BROADCASTING CORP.

[5,827,000 common shares[

	Broadcast stations owned by company		
	TV	AM	FM
Location:[1]			
Atlanta	WSB	WSB	WSB
Charlotte, N.C.	WSOC	WSOC	WSOC
Dayton, Ohio	WHIO	WHIO	WHIO
Miami		WIOD	WAIA
Pittsburgh	WIIC		
San Francisco-Oakland	KTVU		

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	114,000	2.0
Bank of New York	214,000	3.7
Total	328,000	5.7

[1] On July 21, 1972, company agreed in principle to acquire the operating assets of radio station KFI-AM in Los Angeles, subject to FCC approval.

DU ART FILM LABS, INC.

[164,385 shares (including treasurers' shares)]

	Broadcast stations owned by company		
	TV	AM	FM
Location: Aguadilla, P.R.	WOLE		

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	2,000	1.2

Note: Du Art Film Labs, Inc., and Western Broadcasting Corp, of Puerto Rico, each own 33.3 percent of station (according to "Broadcasting 1972 Yearbook").

SMALL BUSINESS INVESTMENT CORP. OF NEW YORK

[790,000 common shares]

	Broadcast stations owned by company[1]		
	TV	AM	FM
Location: Binghamton, N.Y.	WBJA		

	Number of shares held	Percent of total shares
Banks holding stock: Morgan Guaranty Trust	10,869	1.4

[1] Company owns about 36 percent of station.

DOWNE COMMUNICATIONS, INC. (BARTELL MEDIA CORP.—40 PERCENT OWNED)

[4,976,837 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Detroit			WDRQ
Milwaukee		WOKY	
Miami			WMYQ
New York		WADO	
San Diego		KCBQ	

	Number of shares held	Percent of total shares
Banks holding stock:		
Morgan Guaranty Trust	150,000	3.0
First National City	142,212	2.9
Total	292,212	5.9

FAIRCHILD INDUSTRIES, INC. (FAIRCHILD KLIF, INC. AND FAIRCHILD WPBC, INC.)

[4,545,253 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Dallas, Tex.		KLIF	
Richfield, Minn.		WPBC	WPBC

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	71,309	1.6

FUQUA INDUSTRIES, INC. (FUQUA COMMUNICATIONS, INC. AND MARTIN THEATERS OF GEORGIA)

[8,229,665 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Chattanooga, Tenn.	WTVC		
Columbus, Ga.	WTVM		
Evansville, Ind.	WTVW	WROZ	
Flint, Mich.		WTAC	

	Number of shares held	Percent of total shares
Banks holding stock: Chase Manhattan	606,638	7.4

GABLE INDUSTRIES, INC. (FUQUA TELEVISION, INC.—LICENSEE)

[1,666,578 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location: Augusta, Ga	WJBF[1]		

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	25,000	1.5

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[1] Broadcasting 1972 Yearbook lists Asa Stallworth, president of Fuqua Communications, Inc., as 100 percent owner of WJBF-TV.

GANNETT CO., INC. (WHEC, Inc.)

[19,433,936 common shares]

	Broadcast stations owned by company[1]		
	TV	AM	FM
Location: Rochester, N.Y	WHEC		

	Number of shares held	Percent of total shares
Banks holding stock: United States Trust	104,802	5.3

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[1] Company also owns and operates CATV facility in Geneva, N.Y.

GLOBETROTTER COMMUNICATIONS, INC.

[2,745,086 series A common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Chicago		WVON	
Cleveland		WIXY	WDOK

	Number of shares held	Percent of total shares
Banks holding stock: Continental Illinois National	70,171	2.6

ISC INDUSTRIES, INC. (INTERMEDIA, INC.[1])

[1,653,461 common shares]

		Broadcast stations owned by company	
	TV	AM	FM
Location:			
Houston			KLYX
Kansas City, Mo			KBEY
Mission, Kans		KBEA	
St. Joseph, Mo	KQTV		
St. Louis, Mo			KGRV

	Number of shares held	Percent of total shares
Banks holding stock: Bankers Trust	21,139	1.3

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[1] On July 6, 1972, ISC directors approved agreements in principle for sale of all radio and television properties of Intermedia Inc.

KAISER INDUSTRIES CORP.[1] (KAISER BROADCASING CORP.)

[25,891,797 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Boston-Cambridge	WKBG	WCAS	
Burlington, N.J.-Philadelphia, Pa	WKBS		
Cleveland, Ohio	WKBF		
Corona, Calif	KBSC		
Detroit	WKBD		
San Francisco	KBHK		

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	443,429	1.7
Bank of America	[2] 200,020	.8
Total	643,449	2.5

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[1] April 1972—company announced plan to sell its 3 radio stations during the current year. May 1972—company announced plan to sell UHF-TV station in Los Angeles area. Company & Field Enterprises, Inc., said they were negotiating to form a partnership that would own and operate 5 Kaiser Broadcasting Corp. UHF television stations in Boston, Cleveland, Detroit, Philadelphia, and San Francisco, and Field's UHF station WFLD in Chicago. The partnership would be owned by Kaiser Broadcasting & Field Communications Corp. (subsidiary of Field Enterprises).

[2] And trust.

LEE ENTERPRISES, INC.

[3,288,879 common shares]

	Broadcast stations owned by company[1]		
	TV	AM	FM
Location:			
Hannibal, Mo.-Quincy, Ill.	KHQA		
Huntington, W. Va	WSAZ		
Mankato, Minn	KEYC		KEYC
Mason City, Iowa	KGLO	KGLO	
Moline, Ill			WMDR
Quincy, Ill		WTAD	WTAD

	Number of shares held	Percent of total shares
Banks holding stock:		
Northern Trust—Chicago	37,200	1.1
Bank of New York	47,800	1.5
Total	85,000	2.6

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[1] Through affiliate, Journal-Star Printing Co., company owns 24.31 percent interest in radio stations KFAB-AM and FM in Omaha, Nebr.

MEDIA GENERAL, INC. (WFLA, INC.)

[3,360,810 class A and B common shares]

	Broadcast stations owned by company[1]		
	TV	AM	FM
Location: Tampa, Fla	WFLA	WFLA	WFLA

	Number of shares held	Percent of total shares
Banks holding stock:		
Mellon Bank & Trust	40,000	1.2
Manufacturers Hanover Trust	42,435	1.3
Total	82,435	2.5

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[1] Wholly-owned Cablevision of Fredericksburg, Inc., serves 2,000 CATV subscribers in the Fredericksburg, Va., area.

MEDIA HORIZONS, INC.

[1,187,645 (combined shares, including treasury stock)]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Dover, N.J		WRAN	
Newburgh, N.Y		WGNY	
Phoenix		KMEO	KMEO

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	55,500	4.7
United States Trust	40,000	3.4
Total	95,500	8.1

MEREDITH CORP. (BROADCASTING DIVISION)

[2,772,362 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Bay City-Saginaw-Flint, Mich	WNEM		
Kansas City, Mo	KCMO	KCMO	KFMU
Omaha	WOW	WOW	KFMX
Phoenix	KPHO	KPHO	
Syracuse, N.Y	WHEN	WHEN	

	Number of shares held	Percent of total shares
Banks holding stock: Bankers Trust	(1)	

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[1] Trusts (number of shares not stated).

OUTLET CO.

[1,332,440 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Orlando, Fla	WDBO	WDBO	WDBO
Providence, R.I	WJAR	WJAR	
San Antonio, Tex	KSAT		
Syracuse, N.Y	WNYS[1]		

	Number of shares held	Percent of total shares
Banks holding stock: Manufacturers Hanover Trust	11,951	0.9

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[1] 78-percent ownership.

PACIFIC & SOUTHERN BROADCASTING CO., INC. (PACIFIC & SOUTHERN CO., INC.)

[1,938,467 common shares

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Atlanta, Ga	WQXI	WQXI	
Cincinnati		WSAI	WSAI
Denver		KIMN	
Hackensack, N.J		WWDJ	
Hilo, Hawaii	KHAW		
Honolulu, Hawaii	KHON		
Los Angeles			KKDJ
Oregon City, Oreg		KYXI	
Smyrna, Ga			WQXI
Wailuku, Hawaii	KAII		

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	245,000	12.7

PUBLISHERS CO., INC. (PUBLISHERS BROADCASTING CORP.—PBC)

[918,510 combined shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Tallahassee, Fla		WONS	WBGM
Wheeling, W. Va		WKWK	WKWK

	Number of shares held	Percent of total shares
Banks holding stock:		
Bank of America	1,000	0.1
Bank of New York	14,129	1.5
Total	15,129	1.6

PUEBLO INTERNATIONAL, INC. (PUEBLO BROADCASTING CO., INC.)

[4,521,648 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location: San Juan, P.R		WJIT	WJIT

	Number of shares held	Percent of total shares
Banks holding stock:		
Morgan Guaranty Trust	224, 800	5.0
Manufacturers Hanover Trust	476, 300	10.5
Total	701, 100	15.5

RAHALL COMMUNICATIONS CORP.

[1,037,285 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Allentown, Pa		WKAP	
Beckley, W. Va		WWNR	
Indianapolis		WFBM	WFBM
St. Petersburg, Fla	WLCY	WLCY	WLCY

	Number of shares held	Percent of total shares
Banks holding stock:		
Chase Manhattan	150, 000	14.5
United States Trust	12, 500	1.2
Total	162, 500	15.7

REFAC TECHNOLOGY DEVELOPMENT CORP. (WK, INC.—LIQUIDATED IN 1970)

[1,371,125 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Wheeling, W. Va		WKWK	WKWK

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	43, 700	3.2

RUST CRAFT GREETING CARDS, INC. (RUST CRAFT BROADCASTING CO.)

[2,318,072 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Augusta, Ga	WRDW		
Buffalo, N.Y		WWOL	WWOL
Chattanooga, Tenn	WRCB		
Jacksonville, Fla	WJKS		
Philadelphia, Pa		WRCP	WRCP
Pittsburgh, Pa		WPIT	WPIT
Steubenville, Ohio-Wheeling, W. Va	WSTV	WSTV	WSTV
Rochester, N.Y	WROC	WROC	WROC
Tampa, Fla		WSOL	

	Number of shares held	Percent of total shares
Banks holding stock:		
United States Trust	24, 300	1.0
Mellon Bank & Trust	83, 816	3.6
Total	108, 116	4.6

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[1] Company purchased WKNX-TV, Saginaw, Mich., subject to FCC approval. Company also owns CATV franchises in Steubenville, Hamilton, Martins Ferry, Rayland, Yorkville, and Tiltonsville, Ohio and Moundsville, W. Va.

SONDERLING BROADCASTING CORP.

1,004,536 common shares

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Albany, N.Y	WAST		
Long Beach-Los Angeles		KFOX	KFOX
Louisville, Ky	WLKY		
Memphis, Tenn		WDIA	WAID
New York, N.Y		WWRL	
Oak Park-Chicago, Ill		WOPA	WGLD
Oakland-San Francisco		KDIA	
Washington, D.C		WOL	WMOD

	Number of shares held	Percent of total shares
Banks holding stock: Bank of New York	36, 400	3.6

STARR BROADCASTING GROUP, INC.

[496,761 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Bristol, Va	WCYB		
Camden, N.J		WCAM	
Detroit			WWWW
Fairway, Kans		KUDL	
Hilo, Hawaii	KHVO		
Honolulu	KHVH		
Houston		KYOK	
Kansas City, Kans			KUDL
Memphis		WLOK	
New Orleans, La		WBOK	
New York, N.Y			WNCN
North Little Rock, Ark.		KXLR	
Oakland, Calif		KABL	
San Francisco			KABL
Sioux Falls, S. Dak		KISD	
Wailuku, Hawaii	KMVI	KMVI	

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	8, 000	1.6
Manufacturers Hanover Trust	36, 500	7.3
Total	44, 500	8.9

STAUFFER PUBLICATIONS

[339,765 common shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Amarillo, Tex	KGNC	KGNC	KGNC
Arkansas City, Kans		KSOK	
Shawnee, Okla		KGFF	
Topeka, Kans	WIBW	WIBW	WIBW

	Number of shares held	Percent of total shares
Banks holding stock: Mellon Bank & Trust	3, 878	1.1

STORER BROADCASTING CO.

[4,223,002 common shares]

	Broadcast stations owned by company [1]		
	TV	AM	FM
Location:			
Atlanta	WAGA		
Boston	WSBK		
Cleveland	WJW	WJW	
Detroit	WJBK	WDEE	
Los Angeles		KGBS	KGBS
Miami		WGBS	
Milwaukee	WITI		
New York, N.Y		WHN	
Toledo, Ohio	WSPD	WSPD	

	Number of shares held	Percent of total shares
Banks holding stock:		
Bankers Trust	172, 300	4.1
Bank of New York	119, 700	2.8
Total	292, 000	6.9

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[1] Company also owns franchises and operates CATV systems in Calif.

WASHINGTON POST CO. (POST-NEWSWEEK STATIONS)

[4,013,500 class B shares]

	Broadcast stations owned by company		
	TV	AM	FM
Location:			
Cincinnati		WCKY	
Jacksonville, Fla	WJXT		
Miami	WPLG		
Washington, D.C	WTOP	WTOP	

	Number of shares held	Percent of total shares
Banks holding stock: Morgan Guaranty Trust	45, 000	1.0

DISCLOSURE OF CORPORATE OWNERSHIP (S.D. 93–62): PART III—HOLDINGS OF 25 LARGEST BANK TRUST DEPARTMENTS IN BROADCAST INDUSTRY AND ANALYSIS OF BANK STOCK HOLDINGS IN BROADCAST COMPANIES AS OF JULY 1972

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C., October 6, 1972.

HON LEE METCALF,
U.S. Senate,
Washington, D.C.

DEAR SENATOR METCALF: As discussed with Mr. Reinemer of your office and Mr. Kitzmiller and Mr. Ryan of the Commission's staff, I hereby transmit a list of the stockholdings of the 25 largest banks (by trust holdings) as shown by the Commission's ownership files as of July 5, 1972. Holdings of 1 percent or more must be reported. The number of shares shown is for common stock unless otherwise specified. [See list (Bank Holdings) referred to on p. 165–167.]

Should there be any questions concerning this matter, please do not hesitate to let me know.

Sincerely,

DEAN BURCH, *Chairman.*

SUBCOMMITTEE ON BUDGETING,
MANAGEMENT AND EXPENDITURES,
August 22, 1973.

Mr. DEAN BURCH,
Chairman, Federal Communications Commission, Washington, D.C.

DEAR MR. BURCH: On October 6, 1972, you sent Senator Metcalf a list of the stockholdings in broadcast companies of the 25 largest banks (by trust holdings) as shown by the Commission's ownership files as of July 5, 1972. We would appreciate clarification of two matters regarding the transmittal:

(1) Do the reported holdings include stock in which the banks have both partial and sole voting rights?

(2) Do the reported holdings exclude stock in which the banks do not have either sole or partial voting rights?

Very truly yours,

VIC REINEMER,
Staff Director.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D.C., September 12, 1973.
Hon. LEE METCALF,
U.S. Senate,
Washington, D.C.
(Attention: Vic Reinemer).

DEAR SENATOR METCALF: In your letter of August 22, 1973, you asked for clarification about the list of stockholdings in broadcast companies by the 25 largest banks. The two questions that you posed are:

(1) Do the reported holdings include stock in which the banks have both partial and sole voting rights?

(2) Do the reported holdings exclude stock in which the banks do not have either sole or partial voting rights?

Stock that is held by banks, in their trust departments, is attributed to the banks if they have any right, either partial or sole, to vote the stock. Holdings that the bank does not have the right to vote, either partial or sole, are not attributed to the bank. Thus the answer to both of your questions is yes,

I trust that the foregoing information satisfactorily answers your questions. If not, please do not hesitate to let me know.

Sincerely,

DEAN BURCH, *Chairman.*

The Oct. 6, 1972 transmittal from Chairman Burch to Senator Metcalf follows:

Bank holdings

[Broadcast Company and Number of Shares Held by Bank]

Morgan Guaranty Trust:	
Times Mirror	654,048
New York Times—Other	101,200
Dun & Bradstreet	901,207
Downe Communications	150,000
Westinghouse	3,381,646
CBS	494,115
GCC Communications of Philadelphia	531,400
Taft Broadcasting	41,806
Capital Cities Broadcasting	372,500
Small Business Investment Corporation	10,869
Travelers Insurance—Common	5,026,439
Travelers Insurance—Preferred	5,710
Post Newsweek	45,000
Combined Communications	40,000
Time-Life	537,632
Schering-Plough	533,170
NLT Corporation	174,553
Evening News-Detroit	7,600
Pueblo International Broadcasting	224,800
Golden West Broadcasting	718,200
RKO General	930,584
Avco Corp.—Common	131,402
Avco Corp.—Preferred	110,001
Transamerica	774,138
Kansas City Southern Industries	24,500
Providence Journal	160
Chase Manhattan Bank:	
RCA	3,309,683
ABC	475,294
Westinghouse—Common	2,276,795
Westinghouse—Preferred	1,716
CBS	3,897,908
Taft Broadcasting	124,984
Travelers Insurance—Common	2,912,611
Travelers Insurance—Preferred	9,916
Lin Broadcasting	32,600
Kaiser	443,429
Time-Life	398,073
Pacific SW Airlines	44,800
GE	6,480,132
New York Times—Other	270,150
Capital Cities	88,136
Fuqua Industries	606,638
RKO General	299,169
Zenith	245,634
Kansas City Southern Industries—Common	61,750
Kansas City Southern Industries—Preferred	2,800
Founders Corporation	4,500
NLT Corporation	760,973
Wometco	51,405
Twentieth Century Fox	203,470
Providence Journal	84
Multimedia	54,050
Media Horizons	54,500
Rahall	150,000
Bankers Trust Co.:	
Meredith Corp	(1)
Times Mirror Co	710,564
RCA	761,992
ABC	660,800
Dun & Bradstreet	757,881
Westinghouse	1,791,797
CBS	1,587,824
GCC Communications of Philadelphia	374,850
Transamerica	850,886
Taft Broadcasting	76,720
NLT Corporation	499,873
Capital Cities Broadcasting	242,400
Travelers Insurance—Common	512,982
Travelers Insurance—Preferred	37,010
Rollins	331,725
Schering-Plough	594,879
Starr Broadcasting	8,000
Columbia Pictures	66,873
Metromedia	566,141
Wometco	60,000
Lin Broadcasting	109,100
Cox Broadcasting	114,000
Warner Bros—7 Arts	39,800
Storer	172,300
ISC Industries	21,139
Boston Herald Traveler	17,133
Knight Newspapers	81,700
Citizens Financial Corp	22,120
Chris-Craft	1,250
Refac, Inc	43,700
United States Trust Co.:	
Times Mirror Co	621,165
Dun & Bradstreet	1,168,044
Capital Cities Broadcasting	328,588
Williams County Broadcasting	19
GE	2,309,912
Golden West Broadcasting	212,227
Schering-Plough	411,130
CBS	315,324
Media Horizons	40,000
Gannett Broadcasting	104,802
Rahall	12,500
NLT Corporation	183,004
Rust Craft	24,300
First National City Bank:	
Capitol Cities Broadcasting	443,268
Westinghouse	1,495,797
ABC	107,786
Travelers Insurance—Common	768,016
Travelers Insurance—Preferred	28,603
Devon Corp	21,740
RKO General	183,422
Kansas City Southern Industries	32,728
Pacific SW Airlines	40,150
Downe Communications	142,212
Avco	63,547
Time-Life	167,932
CBS	578,151
Ridder Publications	120,000
New York Times—Other	460
Schering-Plough	254,800
NLT Corporation	524,601
Zenith	229,210
BNA Corp	160,000
Mellon Bank and Trust:	
Westinghouse—Common	1,348,874
Westinghouse—Preferred	5,140
ABC	98,542
Capital Cities Broadcasting	99,600
Times Mirror Company	775,800
Stauffer Publications	3,878
Pacific SW Airlines	78,700
Media General Corp	40,000
Time-Life	208,000
CBS	264,589
Multimedia	50,000
Metromedia	473,000
Rust Craft	83,816
Transamerica	709,610
Manufacturers Hanover Trust Co.:	
Times Mirror Co	15,180
Pulitzer Co	43
Metromedia	65,988
New York Times	(1)
ABC	76,700
GE	2,101,643
Cowles Communications	45,300
Capital Cities Broadcasting	36,700
Dun & Bradstreet	75,746
Westinghouse	423,734
Travelers Insurance—Common	612,707
Travelers Insurance—Preferred	5,177
Schering-Plough	999,794
Starr Broadcasting	36,500
Time-Life	229,395
Outlet Co	11,951
Vermont Broadcasting	(1)
H & B American	254,600
Pacific SW Airlines	80,100
Knight Newspapers	61,800
Ridder Publications—Preferred	4,700
Media General Corp	42,435
Pueblo International Broadcasting	476,300
GCC Communications of Philadelphia	243,900
Bank of New York:	
ABC	513,400
Westinghouse	495,555
CBS	914,013
Taft Broadcasting	76,300
Wometco	50,000
Travelers Insurance	22,224
Fairchild Hiller	71,309
New York Times—Common	4,000
New York Times—Other	245,700
Time-Life	79,200
Columbia Pictures	418,203
Pacific & Southern	245,800
NLT Corporation	633,105
Storer	119,700
Metromedia	263,911
Capital Cities Broadcasting	75,000
Publishers Broadcasting	14,129
Adams-Russell	74,800
Bankers Securities Corp	2,076
Times Mirror Co	7,500
RKO General—Common	1,005,923
RKO General—Preferred	2,376
Sonderling Broadcasting	36,400
Lee Enterprises	47,800
Lin Broadcasting	35,000
Devon Corp	24,754
Combined Communications	105,821
Ridder Publications	596,265
Twentieth Century Fox	361,109
Gable Industries	25,000
Chris-Craft	152,901
Du Art Film Labs	2,000
Knight Newspapers	70,000
Rollins	290,900
Zenith	479,510
Cox	214,000
Wilmington Trust Co.:	
Pacific SW Airlines	49,000
Warner Bros.—7 Arts	52,100
Rollins	109,327
AVC Corp	12,000
Central Broadcasting Co	105
First National Bank of Chicago:	
CBS	700,507
Copley Press	26,136
Capital Cities Broadcasting	82,630
Zenith	1,495,586
RKO General	679,349
Harriscope	16,665
Pacific SW Airlines	60,400
Continental Illinois National Bank:	
Westinghouse	622,795
Dun & Bradstreet	403,365
Field Communications	(1)
Chicago Tribune	240
Globetrotter Communication	71,171
CBS	1,140,735
Taft Broadcasting	56,700
Capital Cities Broadcasting	251,814
RKO General—Common	181,510
RKO General—Preferred	13,000
RCA	867,120
Zenith	647,200

Chemical Bank:	
ABC	206, 867
Westinghouse	622, 795
Taft Broadcasting	60, 000
Travelers Insurance—Common	638, 200
Travelers Insurance—Preferred	8, 237
Columbia Pictures	92, 900
Zenith	204, 400
Warner Bros.—7 Arts	200, 000
Northern Trust—Chicago:	
Galesburg Printing	(1)
H & E Balaban Corp	[2] 360
Dun & Bradstreet	799, 530
Travelers Insurance—Common	555, 702
Travelers Insurance—Preferred	5, 868
Rollins	225, 950
Lee Enterprises	37, 200
Old Colony Trust—Boston:	
Avco Corp.—Common	412, 500
Avco Corp.—Preferred	59, 400
Guy Gannett Corp	(1)
Travelers Insurance—Common	602, 624
Travelers Insurance—Preferred	18, 984
Boston Herald Traveler	9, 384
Twentieth Century Fox	163, 800
CBS	171, 800
Columbia Pictures	134, 035
Wometco	64, 832
Harris Trust & Savings Bank:	
Combined Communications	193, 348
Dun & Bradstreet	193, 850
Zenith	191, 525
Schering-Plough	269, 900
Time-Life	83, 000
Multimedia	30, 000
Wirtz Corp	20, 492
Bank of America:	
Sierra Pacific Radio	(1)
Capital Cities Broadcasting	74, 400
Taft Broadcasting	70, 814
Times-Mirror Co	157, 194
Lin Broadcasting	41, 770
Publishers Broadcasting Co	1, 000
Cedar Rapids TV Co	167
Kaiser	[2] 200, 020
Geo Cameron Co	(3)
Cleveland Trust Co.:	
None.	
National Bank of Detroit:	
Lamar Life Insurance	23, 628
Girard Trust Bank:	
ABE Broadcasting	(4)
Westinghouse	109, 991
Times-News Publishing	1, 232
Travelers Insurance—Preferred	74, 061
First Pennsylvania Bank & Trust:	
Superior Tube Co	123, 640
Travelers Insurance—Preferred	18, 515
Merchantile Safe Deposit & Trust—Baltimore:	
A. S. Abell Co	[2] 8, 465
Dun & Bradstreet	352, 339
Rollins	83, 740
Security Pacific National Bank:	
ABC	225, 150
WABY, Inc	(3)
Earl C. Authony, Inc	(3)
Vindicator Printing Co	500
Boston Herald Traveler	6, 653
Crocker National Bank:	
KEYT, Inc	(1)
KTRB Broadcasting, Inc	2, 720
Hubbard Broadcasting	[2] 129, 000
Golden West Broadcasting	301, 434
Mid-Continent TV	4, 540
Fidelity Bank—Philadelphia:	
CBS	467, 037
Wells Fargo Bank:	
Fishers Blend Stations	(1)
Taft Broadcasting	41, 860
Copley Press	26, 136
Vindicator Printing Co	78

[1] Trusts.

[2] And trusts.

[3] Estate.

[4] Cotrustee.

CRS ANALYSIS OF FCC DATA ON BANK HOLDINGS IN BROADCAST COMPANIES

LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., January 9, 1973.

To: Hon. LEE METCALF (attention: Mr. Vic Reinemer).

From: Economics Division.

Subject: Banks holding stock in broadcast stations.

Attached are the tabulations on the ownership of leading firms in the broadcast industry, based on statistics submitted to you by the Federal Communications Commission. We have added information on total shares outstanding, computed percentages, and given subsidiary and parent company information, as well as the names of broadcast stations operated by these companies. Each sheet lists the name of a company that owns broadcast stations—TV, AM or FM radio. The subsidiary, if any, is in parentheses. Also included is the total number of the company's stock shares outstanding. These are common stock unless otherwise indicated and exclude treasury shares.

Individual broadcast stations are arranged according to the alphabetical order of the cities in which they are located. The individual stations and their location were obtained from the *Broadcasting Yearbook 1972* and *Standard and Poor's Corporation Descriptions*. The banks' stockholdings were taken from FCC records as of July 5, 1972, indicating the 25 largest banks (by trust holdings). The banks were required to report holdings of 1 percent or more, and many reported holdings of less than 1 percent as well. The order of the banks was taken from the FCC's list of the 25 largest banks. The companies are divided into groups according to the number of banks holding stock. The groups are broken down by companies with: one or two banks as stockholders; three or four banks; five or six banks; seven or eight banks, and ten or eleven banks.

KATHRYN KAYSER,
Research Assistant.

BROADCAST COMPANIES HAVING BANKS AS PRINCIPAL STOCKHOLDERS

10 or 11 banks as stockholders

Capital Cities Broadcasting Corporation.

Columbia Broadcasting System, Inc. (Radio and television network).

The Travelers Corporation (Broadcast-Plaza, Inc.).

Westinghouse Electric Corporation (Westinghouse Broadcasting Co.).

7 or 8 banks as stockholders

American Broadcasting Companies, Inc. (Radio and television network).

Dun and Bradstreet, Inc. (Corinthian Broadcasting Corp.).

Taft Broadcasting Company.

Time, Inc. (Time-Life Broadcast Inc.).

Times Mirror Company (Times Herald Printing Co.).

Zenith Radio Corporation.

5 to 6 banks as stockholders

General Tire and Rubber Company (RKO General).

New York Times Company (Interstate Broadcasting Co., Inc.).

NLT Corporation (WSM, Inc.).

Pacific Southwest Airlines (PSA Broadcasting, Inc.).

Rollins, Inc.

Schering-Plough Corporation (Plough Broadcasting Co., Inc.).

3 or 4 banks as stockholders

Avco Corporation (Avco Broadcasting Corp.).

Boston Herald Traveler (WHDH, Inc.).

Columbia Pictures Industries, Inc. (Screen Gems, Inc.)

Combined Communications Corporation.

General Electric Company (GE Broadcasting Co.).

Kansas City Southern Industries, Inc. (Mid-America Television Co.).

Knight Newspapers, Inc. (Summit Radio Corp.).

LIN Broadcasting Corporation.

Metromedia, Inc.

Multimedia, Inc. (Multimedia Broadcasting Co.).

Ridder Publications, Inc.

RCA Corporation (NBC—National Broadcasting Co.).

Signal Companies (Golden West Broadcasters).

Transamerica Corporation (United Artists Corp.).

Twentieth Century-Fox Film Corporation.

Wometco Enterprises, Inc. (Wometco Skyway Broadcasting Co.).

1 or 2 banks as stockholders

Adams-Russell Co., Inc. (Aurovideo, Inc.).

Bankers Securities Corporation.

Chris-Craft Industries, Inc. (Television Div.).

Citizens Financial Corp. (Communications Properties, Inc.).

Cowles Communications, Inc.

Cox Broadcasting Corp.

Downe Communications, Inc.

Du Art Film Labs.

Fairchild Industries, Inc. (Fairchild KLIF, Inc. and Fairchild WPBC, Inc.).

Fuqua Industries, Inc. (Fuqua Communications, Inc. and Martin Theaters of Ga.).

Gable Industries, Inc. (Fuqua Television, Inc.).

Gannett Company, Inc. (WHEC, Inc.).

Globetrotter Communications, Inc.

ISC Industries, Inc. (Intermedia, Inc.).

Kaiser Industries Corporation (Kaiser Broadcasting Corp.).

Lee Enterprises, Inc.

Media General, Inc. (WFLA, Inc.).

Media Horizons, Inc.

Meredith Corporation (Broadcasting Div.).

Outlet Company.

Pacific and Southern Broadcasting Co., Inc. (Pacific and Southern Co., Inc.).

Publishers Company, Inc. (Publishers Broadcasting Corp.).

Pueblo International, Inc. (Pueblo Broadcasting Co., Inc.).

Rahall Communications Corporation.

Refac Technology Development Corp. (WK, Inc.—liquidated in 1970).

Rust Craft Greeting Cards, Inc. (Rust Craft Broadcasting Co.).

Sonderling Broadcasting Corporation.

Small Business Investment Corporation of New York.

Starr Broadcasting Group, Inc.

Stauffer Publications.

Storer Broadcasting Company.

Washington Post Company (Post-Newsweek stations).

Broadcast companies for which stock data were not available

GCC Communications of Philadelphia.
Evening News—Detroit.
Providence Journal.
Founders Corporation.
Williams County Broadcasting.
Devon Corporation.
BNA Corporation.
Pulitzer Company.
Vermont Broadcasting.
Central Broadcasting Company.
Copley Press.
Harriscope.
Field Communications.
Chicago Tribune.
Galesburg Printing.
H & E Balaban Corporation.
Guy Gannett Corporation.
Wirtz Corporation.
Sierra Pacific Radio.
Cedar Rapids TV Company.
George Cameron Company.
Lamar Life Insurance.
ABE Broadcasting.
Times-News Publishing.
Superior Tube Co.
A. S. Abell Company.
WABY, Inc.

Earl C. Anthony, Inc.
Vindicator Printing Company.
KEYT, Inc.
KTRB Broadcasting, Inc.
Hubbard Broadcasting.
Mid-Continent TV (affiliate of Ridder Publications).
Fishers Blend Stations.

AMENDMENT TO SECTION 3 OF H.R. 12993: RE OWNERSHIP OF STOCK BY INSTITUTIONAL INVESTORS

In applying its multiple ownership rules (presently embodied in 47 C.F.R. 73.35, 73.240, and 73.636), the Federal Communications Commission shall consider any bank, or mutual fund, or insurance company that in any manner owns, or that in any manner partially or wholly controls or exercises the voting rights of, more than 5% (five per cent) of the outstanding voting stock of a corporate licensee which has more than 50 (fifty) voting stockholders as having a controlling interest in such corporate licensee.

AMENDMENT TO SECTION 3 OF H.R. 12993: RE CONGLOMERATE INQUIRY

(d) The Federal Communications Commission shall, not later than June 30, 1976, complete all proceedings and take such agency action as it deems appropriate in connection with its Inquiry into the Ownership of Broadcast Stations by Persons or Entities with Other Business Interests (F.C.C. Docket No. 18449).

Mr. President, a problem of increasing concern to all Americans is the concentration of economic power in the hands of a few. This problem is especially acute when it becomes applicable to the broadcast media. It is worth repeating a statement by Professor Robert M. Soldofsky in "Disclosure of Corporate Ownership," a report prepared by my Subcommittee on Budgeting, Managing and Expenditures and Senator Muskie's Subcommittee on Intergovernmental Relations:

"The potential implications of concentrated ownership by a group of financial institutions in the broadcasting and publishing industries are so great as to merit special attention. These problems would be potentially more intense if the same group of financial intermediaries held a signicant proportion of the outstanding voting stock of two or more large competing companies. Any direct or indirect efforts to limit the diversity, range of programing, or local originations of news and entertainment are a matter of highest national concern. The independence of newspapers, magazines, radio broadcasting, television, CATV, motion pictures, and other media that now exist or that might develop would be better safeguarded by a truly wide dispersion of stock holdings in "widely held" corporations."

The F.C.C. itself has recognized the importance of diversification of control by adopting rules restricting the maximum number of broadcast stations which any one entity can own. No entity may be licensed for more than 7 television (5 VHF and 2 UHF), 7 AM radio stations, and 7 FM radio stations.

In order to enforce these rules, the Commission had to define common ownership or control. In the case of widely held corporations, defined as those in which there are over 50 (fifty) voting stockholders, the Commission adopted a rule in 1953 which, as relevant here, provided that any stockholder holding more than 1% of the stock would be considered to have a controlling interest in the corporation. This prevented a person from gaining a controlling interest in several large corporations which in the aggregate had more licenses than the maximum permitted by law.

Then in 1969, the Commission amended its rules to acquiesce in the growing dominance of our economy by so-called institutional investors. It raised the benchmark for attributing control of a publicly-held corporation from 1% of its stock to 3% where the entity owning or controlling the stock was a mutual fund. This was a signal to other institutional investors to begin to deluge the Commission with requests for raising the benchmark applicable to them.

The American Bankers Association was first. In 1969, it petitioned the Commission to raise its benchmark to 10%. It pointed out that a survey of 19 banks showed that since 1953, their trust departments had acquired, and were still holding almost one billion dollars—$976,000,000—of broadcasting stock in violation of the 1% benchmark and F.C.C. rules. They argued that it would be a hardship on them to require divestiture of this stock acquired in violation of F.C.C. rules.

The F.C.C. did not quite give the banks all the relief they requested, only 90% of it. In 1972, it set the benchmark for bank ownership at 5%, so that only $84,000,000 of the nearly one billion dollars of misacquired stock would have to be divested. The F.C.C. then gave the banks three years to divest the stock.

That brought the mutual funds back. They were no longer satisfied with the 3% benchmark given them in 1969; nor did they merely seek to be put on a par with banks at the 5% benchmark. Rather, they requested the 10% benchmark. Even before the F.C.C. could act on that petition, along came the insurance industry. It petitioned the F.C.C. to raise its benchmark to 5%, so it could be on a par with banks.

The petitions of the mutual funds and the insurance industries are still pending at the F.C.C. But if past experience is any guide, the F.C.C. is likely to act favorably on them.

The "Disclosure of Corporate Ownership" report documented the widespread concentration of ownership of broadcast stock in bank trust departments, some of it in violation of existing Commission rules. The F.C.C. apparently lacks the will to resist the pressure of financial institutions to allow them to acquire more and more control over the broadcast media.

This is a matter of paramount concern. As I stated earlier, and as the F.C.C. has recognized, there is a great public interest in preserving diversity of ownership and diversity of programing and service. If the F.C.C. will not act to stop financial institutions and institutional investors from gobbling up control of the broadcast media, Congress must.

We must call a halt to the ever-escalating level of stock ownership which the F.C.C. allows before recognizing that a financial institution or institutional investor has control of a broadcasting company. Accordingly, I am proposing an amendment to H.R. 12993 which would limit the percent of stock a financial institution or institutional investor may own in a publicly held corporate broadcasting licensee before the institution is deemed to have control of the broadcasting corporation.

The limit which I propose is the one currently reflected in the F.C.C.'s rules—five percent (5%). I have chosen this figure deliberately so as to avoid imposing any hardship on any institution presently in compliance with F.C.C. rules. I would have preferred to roll back to earlier levels the level of stock ownership in broadcasters which financial institutions could acquire. But I realize this would impose a stock divestiture requirement on many institutions. In the current economic climate, this might work a hardship on those who had relied upon the rules in making stock acquisitions.

I would hope that in the future we will be able to reduce the level of permissible ownership of broadcast stocks by institutional investors. But for the moment we are at least obligated to prevent these financial giants gaining control over all of American broadcasting.

FCC CONGLOMERATE INQUIRY

My second amendment deals with the F.C.C.'s conglomerate inquiry. All that this amendment would require is that the F.C.C. conclude that inquiry by June 30, 1976, or some 20 months from now. A brief statement of the background of this proceeding will help put this amendment in perspective.

The Commission announced an inquiry into the effects of conglomerate ownership on broadcasting in February, 1969. Ten months later, in December, 1969, the Commission sent out a pilot questionnaire to six conglomerates. Two months later, in response to industry pressure, the Commission narrowed the scope of the questionnaire.

It was not until 18 months later, in August, 1971, that the Commission determined to go ahead with a further step. Even this step, however, was taken only after a leak to the press revealed that the responses to initial questionnaires had yielded information regarding certain abusive practices. Finally, in February, 1971, after much haggling over details and considerable delay in processing the questionnaire at OMB—at the time, the questionnaire required OMB approval and consultation with an industry advisory committee pursuant to the Federal Reports Act of 1942—the Commission sent the questionnaire to a sample of 31 conglomerates. The questionnaire's scope was subsequently narrowed—I might add with no opportunity for public comment—after objections from the industry.

About two years later, in February, 1973, the conglomerate task force submitted its report to the F.C.C. This report has not been made public and the F.C.C. has taken no action with regard to it.

The issue of conglomerate control of broadcasting is a serious one. I need not reemphasize the central role played by the broadcast media in disseminating information to the American public. Yet we know virtually nothing about the effect of such ownership on the content of news. Does the fact that large defense contractors, such as General Electric, Westinghouse, RCA Corporation, General Tire & Rubber, own broadcast properties influence the news? Apart from their effect on program content, what about the economic effort of such ownership?

These are clearly complicated questions affecting the entire structure of the broadcasting industry. We are entitled to some information on this problem. Yet after five years, the F.C.C. has yet to produce one single report or proposal for public comment. We have waited long enough. It is our duty to order the F.C.C. to act and act expeditiously.

Nonetheless, in view of the complexity of the issues, and the fact that there has not yet been any opportunity for public comment, we should not act precipitously. We must allow ample time for some public reflection and considered judgment. Accordingly, I have allowed the F.C.C. 20 months to act.

One may ask, "Why is this a legislative matter? Why should Congress intervene and why now?" These are legitimate questions; fortunately they are easily answered.

While we await information about the impact of conglomerate ownership, it is all around us. The F.C.C. has not declared a moratorium on conglomerate ownership; it continues while we wait.

Meanwhile our economy is exploding all around us. I do not expect that we will find the answer to "stagflation" in the conglomerate study. But surely we are entitled to know whether such ownership of broadcast media is having a negative impact, a positive impact, or is neutral with regard to the economy.

But at the moment, we know nothing. All I seek by this amendment is to prod the F.C.C. to give us the relevant information to perform our legislative tasks, even if it will not perform its regulatory tasks. We must act or there will likely be no action.

Mr. Chairman, our study, "Disclosure of Corporate Ownership" (Senate Document 93–62) includes a report from Dean Burch, then chairman of the F.C.C., on major bank holdings and voting rights in broadcast companies as of July 5, 1972. The document also includes a Congressional Research Service analyses of the F.C.C.'s material, and Senator Muskie's and my commentary. The degree of bank ownership of broadcast companies reported by Chairman Burch was similar to that reported to the F.C.C. by the banks themselves prior to the Commission's order to raise ownership limitations for banks from one per cent to five per cent. The F.C.C. noted in that order that, according to the American Bankers Association, 19 large banks were in violation of the one per cent rule to such an extent that compliance would require divestiture of $976 million worth of stock. A number of banks reported holdings in excess of three and five per cent of individual broadcast company's stock. In one instance a bank held more than 10 per cent.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Kenneth M. Link, Sr., of Missouri, to be U.S. marshal for the Eastern District of Missouri for the term of 4 years—reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Monday, October 14, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ADDITIONAL STATEMENTS

NO DEFEAT FOR CONSUMERS

Mr. ALLEN. Mr. President, an interesting and constructive editorial pointing out defects in the theory of the so-called, but misnamed, Consumer Protection Act appeared in the Washington Star on October 5, 1974. In the hope that this well-reasoned editorial might be of interest to my colleagues, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star-News, Oct. 5, 1974]

NO DEFEAT FOR CONSUMERS

It was unfortunate, for the imagery involved, that the bill to create a federal Consumer Protection Agency had to be defeated by a filibuster instead of on the demerits of the plan. But the consumers are lucky, we expect, that the measure died in the Senate, for this was one of those well-meant, simplistic proposals that could have brought more headaches than protection in the long run. It will be reborn, of course, in the next Congress, but at least some time is afforded to consider the issue apart from election-year pressures.

There is much more to it than meets the eye. This proposed new independent agency—to represent consumers' interests before other agencies and the courts—easily could become the fastest-growing arm of the federal bureaucracy. The proponents were willing to start rather small—with almost anything, in fact, to get it established. But the prospect, indeed the certainty, of growth was well known. Given the political difficulty of resisting anything that bears the label of consumerism (and this is the *cause celebre* of many activists), vast expansion of the agency's manpower and jurisdiction seems inevitable. Before long it could be trying to respond to every gripe in the country, and might very well become an administrative monstrosity.

Almost everything, as we've noted before, is consumer-related, and we doubt that the American public upon reflection will want to add another layer of bureaucracy large enough to deal with everyone's complaints. And who, indeed, is to define the consumers' interests, which often are in conflict? The head of this agency could emerge as the most powerful administrator in government, invested with authority to speak for everyone with one voice. And the difficulty of that was illustrated in the effort to pass the bill. Its advocates, to keep support lined up, had to exempt all labor affairs from coverage. Their concessions even included exemption of perishable commodities, reportedly to gain the vote of a New England senator concerned for the welfare of McIntosh apple growers.

Moreover, the duplication of effort by this superagency could be massive and costly. Most of the regulatory and protective agencies now in existence aren't doing all that badly in looking after the public interest, and Congress can deal with business fraud of various kinds, and threats to health and safety, through specific legislation. In fact, it already has done much of that; several dozen federal consumer protection programs now are in operation. And the country still has much cost to absorb in expensive new programs, such as environmental protection and health-care improvement, which aren't fully appreciated as yet.

The point is that such an all-inclusive proposition should not be accepted, unanalytically, simply because it carries the consumerist tag. For the average citizen, the ultimate cost of such an agency might outweigh any pocketbook benefits it would produce.

GRADUAL DEREGULATION OF NATURAL GAS

Mr. HUGH SCOTT. Mr President, I recently received an excellent letter from the Pennsylvania Chamber of Commerce. The letter outlines the reasons supporting the need for gradual deregulation of natural gas.

There is no question we must increase our domestic supplies of this valuable natural resource. In the past I have advocated gradual deregulation as a means to encourage increased exploration.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PENNSYLVANIA CHAMBER OF COMMERCE,
September 16, 1974.

HON. HUGH SCOTT,
Senate Office Building,
Washington, D.C.

DEAR SENATOR SCOTT: The serious natural gas shortage facing Pennsylvania consumers is the result of Federal controls over the wellhead price of natural gas. These prices are at artificially low levels and have simultaneously discouraged exploration for new supplies while greatly stimulating demand for existing supplies. The average field price for natural gas sold in the United States today is less than 25 cents per Mcf or per million Btu. This is the energy equivalent of a price of only $1.50 per barrel of crude oil—presently selling domestically for about $10.00 per barrel.

This low price level was a very significant contributing factor to the decline in the exploration and drilling activity in the United States which is now at less than one-half the 1956 level. Meanwhile, the demand for natural gas has more than doubled.

If this valuable resource is to be developed, Federal controls on the price of natural gas at the wellhead must be *removed*. Because the great bulk of our existing reserves is committed under long-term contracts at current low prices, the increase in the average price of natural gas to the consumer would occur on a gradual basis. Therefore, this makes natural gas the fuel which can not only make the greatest contribution to domestic energy self-sufficiently, but can do it with the least inflationary impact.

There are additional public interest reasons why new domestic natural gas supplies should be sharply increased. Natural gas is our cleanest fuel. It is virtually free of sulphur and particulates. It does not pollute land or water and offers the best hope for alleviating air pollution, especially in urban areas.

Natural gas is the most efficient form of energy. Delivered through a million-mile underground pipeline network, 93 percent of the gas produced at the wellhead is utilized directly by the consumer. This high efficiency is achieved because there is no need for downstream energy conversion as in the refining of crude oil and in transforming the primary energy of coal or oil into electricity. In addition to the energy losses in these conversion processes, each has its own environmental capital and time-lag problem.

The foregoing emphasizes the importance of increasing domestic supplies of natural gas so that it may make its proper contribution toward the achievement of domestic self-sufficiency of energy at the earliest possible date.

It is our understanding that within the next two weeks an amendment will be offered, in all probability to H.R. 10710, the Trade Reform Bill, which would decontrol the wellhead price of natural gas. In behalf of the Pennsylvania Chamber of Commerce, we urge you to support this important amendment which will enhance the gas supply for Pennsylvania businesses and will protect the jobs of our state's labor force.

Sincerely,

DONALD R. GILLIS,
Assistant Executive Director.

WASTEFUL SPENDING

Mr. HARRY F. BYRD, JR. Mr. President, last week I delivered four reports to the Senate on wasteful and inadequate Federal spending. Today I wish to continue this series of speeches, which will end with the scheduled adjournment on Friday.

It is essential that we examine closely the spending habits of the Federal Government, because the enormous deficits which the Government has been running are a major—if not the major—cause of inflation.

We will not get the cost of living under control until we get the cost of Government under control.

Last week I cited a number of examples of Federal spending which seemed to me inappropriate or wasteful, or both. Most of these examples were uncovered by research by my staff during the summer months.

Today I want to discuss one particular program which turned up during this research. It is funded by the National Endowment for the Arts, and the organization receiving the funds is Volunteer Lawyers for the Arts. The organization was granted $65,000 in fiscal years 1972–74 and is scheduled to receive an additional $25,000 in the current year, for a total of $90,000.

The budget justification for this funding states that the purpose is to provide "general support of VLA operations, including coordination of volunteer legal representation and class actions, research and commentary, assistance to and cooperation with affiliate organizations and correspondent attorneys in other areas, and production of VLA publications and seminars."

Upon investigation, it was learned that one class action in which the VLA was involved was a suit advocating the rezoning of the Soho district in New York so artists could have shops there.

In other words, taxpayers all across the country paid private attorneys to fight a New York zoning case. I think this is an outrageous use of the hard-earned money of the American wage earner who pays the taxes.

The VLA also acts as a national coordinator for groups of a similar nature starting up all over the country. The New York headquarters offers legal advice on procedure for establishing new organizations.

This means that the program, unless it is halted, is bound to get more expensive—and very likely more outrageous.

Mr. President, I recognize that the $90,000 paid to Volunteer Lawyers for the Arts is not a large sum in terms of our $305 billion budget.

But it is a wholly inappropriate use of tax funds.

Moreover, it is far from an isolated example. I outlined numerous examples of waste last week and shall continue to do so this week—and I am certain that the research done in my office barely scratched the surface of wasteful Federal spending.

If we are serious about getting Federal spending under control—and I submit that we must get serious, or face disastrous consequences—then we are going to have to trim the fat from the Federal budget.

The time to start is now.

A PETRODOLLAR TASK FORCE

Mr. HUMPHREY. Mr. President, the international financial system faces its greatest peril since the Republican depression of the thirties. The flow of capital to the oil exporting nations is occurring at a scale unprecedented in world history. Every day, we and the other oil importing nations send some $300 million to the Arab nations as oil revenue.

This flow of capital into a few hands has seriously raised the specter of a collapse in our fragile world financial system. The fabric of this system, based on modest capital flows and trust between bankers, is being seriously rendered by the massive flow of petrodollars—revenue earned by oil exporting nations which is being invested in the oil importing nations. We must develop a comprehensive, realistic alternative to the present financial system, an alternative which can effectively minimize the traumatic potential of hundreds of billions of petrodollars sloshing across national boundaries. It is also vitally important that we develop a national strategy to deal with the purchase of property in oil importing nations with petrodollars.

A first, necessary variable to deal with both of these challenges is information—we need to know where petrodollars are going, how they are being used, and who is using them. We cannot be expected to develop national and international strategies to deal with short and long term petrodollar flows in the absence of data on such flows.

For this reason, and also to stimulate the development of a forceful petrodollar strategy by the administration, I have urged President Ford to begin tracking petrodollars at once. As I note in my letter to him outlining the need for information on the flow of oil export earnings around the world, the full resources of the American intelligence community should, in particular, be utilized in this effort.

I urge President Ford to respond to my request and establish a Petrodollar Task Force as soon as possible. I can see no more important step that he or the Nation can take today to stem the deterioration in our world financial system.

Mr. President, I ask unanimous consent that my letter and an article from the Wall Street Journal be printed in the Record.

There being no objection, the letter and the article were ordered to be printed in the Record, as follows:

October 4, 1974.

The President,
White House,
Washington, D.C.

Dear Mr. President: I am deeply concerned, as I know you are, over the tremendous increase in the financial reserves of a handful of oil producing nations and their profound implications. This concentration of capital, and its flow in and out of world money markets on a moment's notice as so-called "petrodollars," pose serious threats to the stability and growth of the world economic system and to the well-being of people everywhere.

The most reliable estimate is that oil exporting nations will receive up to $80 billion in foreign exchange earnings this year, largely as a result of the oil cartel's extraordinary price increases. These earnings could reach $90 billion next year and, according to reliable sources, may total $500 billion by 1980—enough money to purchase every single share of stock on the New York exchange.

Capital movements of this magnitude—currently equal to our entire annual defense budget—are totally unprecedented in world history. On an annual basis, this movement is the equivalent of shipping seven Fort Knoxes to the oil exporting nations each year. If not controlled, such an enormous flow of funds will obviously create chaos and havoc around the world. It could force the closing of foreign exchange markets, cause the bankruptcy of corporations and even nations, prevent many food importing nations from feeding hundreds of millions of people, and result in a major world depression with mass starvation and untold human suffering.

The threat to our people and to the entire world from this drastic shift in world resources must not be allowed to materialize and its seriousness must not be underestimated.

There are, for example, indications already that petrodollars are financing the acquisition of real property by Arab nations in the more prosperous industrialized nations, including resort holdings in South Carolina, apartment buildings in New York City, and office buildings in Paris. Little of this capital appears to be returning to those nations which have been most crippled by the staggering rise in oil prices. Just as alarming are rumors that 15 billion petrodollars are sloshing around the world in a potentially very dangerous manner. Those funds, capable of being quickly shifted from one country to another in search of even higher returns and even greater security, are a clear and present threat to world economic stability.

With these facts in mind, it is absolutely imperative that oil importing and exporting nations jointly develop a long-term, comprehensive plan to minimize the destabilizing impact and economic damage to people of petrodollar movements. I believe that an essential first step is for the United States to mount an immediate emergency effort to track the flow of petrodollars around the world. It has been reported that we have lost track of as much as 40 percent of the petrodollars invested since January by the oil exporting nations. From $10 to $13 billion of the $25 to $28 billion in highly liquid OPEC nation assets cannot be accounted for at this time.

We cannot develop a realistic effort to minimize the impact of this capital flow until we have clearly identified the volume of these funds and how they are being used. Recent policy towards the OPEC nations reflects most clearly the urgent need for sound information on these flows and for a detailed analysis of their implications. At best, most of our information on petrodollar flow is based on educated guesses. Surely on a matter so vital to the national welfare, this is inadequate.

I believe that the Department of the Treasury, building on its expertise in gathering international capital flow information involving domestic corporations, should urgently expand its activities at once.

Specifically, I respectfully urge you to take the following steps now:

First, immediately create a Petrodollar Task Force as an adjunct to the Office of the Secretary of the Treasury and directly responsible to the Secretary. The Task Force would include the Secretary of the Treasury, the Secretary of State, the Secretary of Defense, the Secretary of Commerce, the Director of the Central Intelligence Agency, the Director of the Defense Intelligence Agency, the Chairman of the President's Council of Economic Advisors, and the Chairman of the Federal Reserve System. The Task Force staff would be under the direction of the Secretary of the Treasury and drawn from the various agencies represented on the Task Force.

Second, instruct the Secretary of the Treasury to direct the Task Force to gather specific, detailed data on the short run and long run use, transfer and investment of foreign exchange earnings by oil exporting nations throughout the world and to examine the implications of petrodollar flows for the United States and the world and consider appropriate action to deal with these implications.

Third, require that the Secretary of the Treasury direct the Task Force to report periodically on the status of petrodollar flows, the implications thereof, and recommendations for dealing with their effects, to you, and to the Congress.

Finally, I urge you to recommend that the Task Force fully utilize the tremendous information gathering resources of the American intelligence community, including the Central Intelligence Agency and the Defense Intelligence Agency.

In view of the long-term nature and critical importance of petrodollar flows, I will shortly introduce legislation to establish the Petrodollar Task Force as a permanent part of the Office of the Secretary of the Treasury. In the meantime, I respectfully urge you to immediately establish this much needed program by Executive Order.

Sincerely,

Hubert H. Humphrey.

[From the Wall Street Journal, Sept. 30, 1947]

The Outlook

(By Richard F. Janssen)

Vienna.—The offices of the Organization of Petroleum Exporting Countries are in an unremarkable modern building, seven stories of white panels that few passersby would see as an historic setting. For Europe, there's nothing remarkable either about the trolley cars clattering past, except that some of them carry bold red-and-yellow advertising signs that say, "Creditanstalt."

When they closet themselves here to map oil price increases, OPEC ministers probably don't notice that reminder of an antecedent Austrian bank which went down in history by collapsing back in 1931, spreading deeper depression across borders and ripening Germany for the rise of Hitler.

But the shuttling symbol does underscore President Ford's dramatically candid warning that quadrupled oil prices "run the risk of world-wide depression and threaten the breakdown of the world's order and safety." For if things are ever again to reach that point, the transmission of trouble would most likely be through oil's impact on the international banking system.

The basic link is clear enough, in that producer states are amassing money much faster than they can absorb it at home, and are keeping most of it in short term form abroad. OPEC's dozen countries will have a surplus estimated at some $55 billion by year end and at perhaps $1.2 trillion in a decade. Even innocent switching about of a small fraction could knock the props out from under many a long term loan.

With only about half the first year's load of extra OPEC oil money in circulation, there are already signs that the extra weight is bending the banking system into an awkward new shape.

One sign is the distrust among the practitioners of banking, a business which perhaps more than any other depends on confidence in oral promises and in pieces of paper. "When my phone would ring, I always used to think, this is probably a friend with whom I can do profitable business," recalls a Swiss foreign exchange dealer. "Now," he adds sadly, "I wonder if I should pick it up at all."

The connection with oil is not only that the massive money flows have ruled out any early return to fixed exchange rates, but that nervousness about them can cause sharp swings in floating rates. Slowness in realizing that oil money has washed out the price floor under the foreign currency they hold, many bankers say, in large part explains the joining losses some have taken.

Ever since such losses caused the abrupt closing of Germany's Herstatt Bank last June 26, many gun-shy managers of other banks have been lopping all but the "top name" banks from the list of those deemed trustworthy enough to contain their deposits. The process has been fairly gradual because money generally isn't moved out in big chunks until deposits reach maturity.

But to many bankers the process already has come to look like an inexorable one, and one quite likely to accelerate. Many medium and smaller banks will fail as "ruins" reach down to the grassroots level, they fear, particularly in Europe where anything like the FDIC is still mainly in the idea stage. Or they could come under the wings of the relatively few banks giant enough to command confidence.

The prospect of rapid growth through acquisitions is one which European banking executives might relish, but they don't. "We already stick out like sore thumbs," one notes. So the bigger the few big banks get in such countries as England and Germany, others agree, the more political pressure there will be to nationalize them.

This handicap for European banks could well result in more expansion abroad of the larger American banks. Recently, both First National City Bank and Marine Midland Bank have taken larger stakes in several European banks.

Another unsought OPEC impact on banking lies in the more rapid overall inflation brought by its oil price boosts. Less noticed so far, this could become more dangerous than the withdrawal problem, some bankers worry. A bank that's already reached its legal or judgemental limit in financing a corporation's inventory, for instance, can do no more if it suddenly takes 10% or 300% more credit to finance the same level of stocks at higher prices. "Our lending limits aren't indexed," sighs one American banker.

Unfortunately for many businesses, their own prices and costs aren't "indexed" so that they rise smoothly in line with overall inflation statistics, either. The resultant erosion of profitability is becoming so severe in Britain, the Bank of England in effect advises, that banks better be wary of granting loans that can never be big enough to save their corporate customers from bankruptcy anyway.

The thought that their own persistent oil price boosts are precipitating such consequences—and thus ultimately imperiling their own money abroad—is one that doesn't yet seem to swing much weight within OPEC. At this month's Friday the thirteenth session here, officials could quite precisely detail how the 3.5% increase taking effect tomorrow was designed to keep abreast of Western consumer price indexes, and talked of automatically extracting such cost of living bonuses from now on.

But the calculation that Western financial officials considered crucial—how much money it would add to the outside world's burden—is one that OPEC officials said they didn't even bother to make. Private oil men soon did, coming up with something around $4 billion a year, a sum bigger than the International Monetary Fund's entire "oil facility" for poor countries.

Perhaps President Ford's threateningly tough talk from afar will still sway OPEC members before it is too late. But if instead it continues to stiffen their stand, one hope may be for the bankers to bring their worries more humbly to OPEC's door. Especially if they take the trolley.

ENERGY POLICY OF SENATOR CHARLES McC. MATHIAS, JR.

Mr. BROOKE. Mr. President, in recent weeks the Federal Energy Administration has been conducting very thorough public hearings on the subject of Project Independence. These hearings, held in every region of the country, will serve as the foundation for our long-awaited national energy plan.

In this worthy effort, FEA has heard from hundreds of individuals representing every possible point of view on this crucial issue. But few individuals have exhibited the kind of solid grasp of our energy situation as exhibited by our colleague Senator Mathias in his testimony before FEA's Project Independence hearings in Philadelphia yesterday. I bring it to my colleagues' attention with the certainty that it will be more helpful in our continuing discussions on energy policy.

Mr. President, I ask unanimous consent that Senator Mathias' testimony be printed in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony of Senator Charles McC. Mathias, Jr., on Project Independence, Philadelphia, October 3, 1974

Administrator Sawhill, members of the Project Independence Panel, I thank you for this opportunity to provide my views on energy in general and Project Independence in particular. We are here today because energy is no longer in surplus and what energy is available comes at higher and higher cost to a market which is becoming increasingly competitive in allocating available supplies.

Let me say that for some time now I have used every available opportunity and forum to say to the American people that the energy crisis will have many forms and ramifications before it is spent, but the root cause of our difficulties will remain the same and will plague us for some time. Basically we live in a finite, interrelated world whose people are placing increasing pressure on dwindling resources.

I have yet to speak of energy without also speaking of the environment, the economy and foreign policy. The four are one.

There are many international ramifications associated with energy supply. I would like to express my hope for meaningful cooperation between consuming nations. If other nations can match steps we take in conserving energy, market price could be significantly affected. I think the Administration can take great pride in the increasingly favorable outlook for such an agreement among the oil consuming nations. The recent draft agreements reached by representatives of the major consuming nations at Camp David are a welcome break with past failures.

It is particularly important that we candidly emphasize the international aspects of our energy problem because the label we have given our efforts in this field, "Project Independence," would be naive if our thinking were limited to our own needs and our own resources. The United States should not and cannot achieve energy independence in the forseeable future at an acceptable cost. It makes as little sense as declaring ourselves self-sufficient in other commodities that we do not have and necessarily now import. Does anyone advocate coffee self-sufficiency or sugar self-sufficiency? Each are possible, but at what cost? We cannot be independent in a world which is so clearly interdependent. I urge energy planners to work within this framework.

There will be continued reliance on substantial crude oil imports from the Middle East, Africa, Canada, and Venezuela. We must be mindful, however, that such imports do pose problems of price and supply. We must develop systems for dealing with inflation and with balance of payments difficulties. Import levels must be monitored and controlled so that embargoes do not leave the United States defenseless.

The domestic aspects of energy are no less complex. The Congress and the Executive have responded over the last year to create a new Administration to deal with energy and a substantial new body of law to govern the mining, allocation and end-use of energy. There are further proposals by the Administration and by Members of Congress. Some enjoy widespread support, while others are surrounded by controversy. It is not my purpose to list the accomplishments of Congress, nor to discuss those issues where a broad concensus exists and the prospects for passage are strong. I would like to review the more controversial Administration proposals and counter-proposals which have been generated in the Congress.

There will be action on natural gas deregulation. It may come in the next few weeks, or be delayed until the new year. There are indications that the Administration's natural gas de-regulation proposal will be added to a trade bill on the Senate floor. I believe it is most appropriate that the Congress move expeditiously to reform regulation of natural gas. Natural gas demands have risen at twice the rate of total energy demand. Consumption of natural gas increased 172% from 1954 to 1972, and in 1972, natural gas accounted for one-third of the basic energy consumed in the United States. The Administration proposal to deregulate new natural gas and old gas as existing contracts expire clearly merits the attention of Congress. While I agree that government regulation of wellhead prices has been a primary reason for our current shortage, I am somewhat disturbed by the simplistic nature of this solution in what is by all odds one of our more complex industries. I am just as disturbed by the Magnuson-Stevenson Proposal, which has been to extend regulation to more activities but limit its effect to the large companies, and thus free smaller companies from all price regulation on new gas.

This would encourage the continued withholding of new gas from interstate markets by producers in the hope of higher rates in the future. We need to rid the system of cumbersome ratemaking and the ever present hope that Congress will de-regulate. Furthermore we should not favor the small over the large, or vice versa.

Efforts to break this logjam have been largely unsuccessful. The most recent was the Stevenson-Pearson proposal which would have left jurisdictions for old gas in the Federal Power Commission and conferred jurisdiction over new gas to the Federal Energy Administration. This pleases neither side and I would not anticipate it being favorably considered by Congress.

Let me suggest some steps which can be taken which would be in the best interests of all the citizens of the United States. First, the Administration must do its homework before advocating that higher prices bring on additional supply. As the OPEC cartel teaches us, supply sensitivity to price is a function of competition. Clearly, Americans prefer the freedom of choice that having a product available provides.

They do not, however, appreciate being asked to pay prices unjustified by cost or market conditions. This was the subject of a Government Accounting Office Report entitled, Domestic Crude Oil Pricing Policy and Related Production, which discussed the 1973 price hike for then flowing oil. It states that, "the increase was not tied to increased costs of production and that no detailed studies or analyses were made to justify the increase." The Congress must have more than wishful assertions that high prices will bring on increased supply.

The second corrective measure which must be undertaken relates to competition in the petroleum industry. We must recognize that the major oil companies are the major natural gas companies. We must recognize that as to oil production, the majors are integrated from the wellhead to the pump. We must further recognize on the natural gas side that there are increasing interrelationships between utilities and transportation entities and between transportation entities and producers in the field. It is not my purpose to detail the extent of the interrelationships other than to say that they are extensive and in many cases undesirable.

There is every reason to believe that the vertical integration existing in both oil and natural gas prevents new entries into production, refining and distribution. I am also concerned about the extent of horizontal concentration in the energy industry. With levels of concentration so great, it is wishful thinking to expect the consumers to be protected by market forces should regulation cease to exist on new gas, and on old gas as existing contracts expire. Under these circumstances, it is very likely that the large increased cost which consumers will have to bear in a short run because of deregulation of natural gas will be in vain; that new supplies will not be forthcoming commensurate with prices hikes. It is the responsibility of the Congress to ensure that any higher price will bring on significant additional quantities of fuel.

What should be done to remedy a market unresponsive to price fluctuations because of unacceptable levels of concentration? The remedy is not a windful profits tax, but rather a restructuring of the industry so that price does make a difference and Americans get what they pay for.

I am concerned that as of June 30, 1972, four companies controlled 92.3% of the uncommitted reserves on shore in Southern Louisiana, one hundred per cent of the Federal and state offshore land in the Texas Gulf and 80% in the Permian Pasin. I am also concerned about joint-lease acquisition through bidding combines, banking interlocks, joint ownership of pipelines and gathering systems, joint ownership and production from oil and gas leases, international-joint ventures, and vertical relationships between the producing, transporting, processing, and marketing sectors of the industry. I urge the Administration to consider proposals such as Senator Hart has made to the Commerce Committee during that Committee's consideration of the Stevenson/Pearson natural gas deregulation proposal. Senator Hart would address vertical integration. He would prohibit producers from controlling transportation, refining or marketing assets. He would prohibit any energy transportation company from controlling production, refining, or marketing assets. This would greatly facilitate market entry and would over time eliminate the present need for price controls and crude and product allocation.

Without this type of legislation I doubt that the consumer would be well served by deregulating natural gas. The critical question posed is whether we consider the present competitive situation with regard to energy acceptable and whether we would like to see a continuation of tendencies toward concentration continued and accelerated. It is entirely understandable that the Federal Energy Administration, faced with a directive by the President that self-sufficiency be obtained in a short order, work with the existing structure of industry without asking the larger question of whether the system is suitable for the future. I would hope that one of the goals of FEA would be to continually improve levels of competition in the industries which they oversee so that five or ten years from now we would find these industries more in keeping with America's commitment to free enterprise. Present tendencies, particularly in research and development emphasis, do not seem to foreshadow such goals.

I would also suggest that at the time we deregulate new natural gas we address the question of the tax advantages enjoyed by the oil and natural gas industries. While it was hardly acceptable to extend a 22% percentage depletion allowance to these industries in past times, it is even less so today.

Twenty-two percent of reserves greatly inflated in value represents a much larger deduction available to the companies. The Oil and Gas Energy Tax Act of 1974, reported by the House Ways and Means Committee on May 4, 1974, addresses this problem in a comprehensive and responsible fashion. This should be a part of any proposal to deregulate natural gas.

Coal, because of its great abundance, will be a critical element in efforts to improve the energy supply picture. There are, of course, serious environmental problems associated with the mining and burning of coal. I hope that you will recognize the cost that is associated with mining and burning coal under present technologies and the research that must be done to overcome these problems. The Congress has addressed the environmental effects associated with strip mining coal. The Surface Mining Reclamation Act of 1974, now in conference, is a workable, no-nonsense piece of legislation which ensures that strip mining will be conducted in a responsible manner. Since we are in the City of Philadelphia and the State of Pennsylvania, I would like to take this opportunity to commend Senator Schweiker for the leadership he displayed when this bill was discussed on the Senate floor.

He detailed the Pennsylvania experience in response to industry attempts to weaken the bill and was most helpful to those of us who are concerned with protecting America from the ravages of strip mining and at the same time providing workable legislation so that this activity can continue where appropriate and be a part of meeting America's energy needs.

There are proposals that the National Environmental Policy Act be amended to exempt energy-related projects from review. I question excluding significant and valuable centers of knowledge from participating in these most important public policy decisions. Environmentalists are blamed for delaying nuclear plants, but the facts do not bear this out. Commissioner Doub, of the Atomic Energy Commission, recently reported that of the 28 nuclear plants scheduled for 1973 operation, there were only four delays because of legal challenges, but of the 59 reported delays, 45 were for parts and labor. NEPA requires the Federal Government to fully assess major actions having significant effects of the environment, discuss and evaluate all alternatives, and seek to minimize the environmental effects before proceeding. Unfortunately, agencies have often done this only after a decision has been reached, thus making the environmental impact statement no more than a justification for previous planning.

By gutting NEPA, we reward agency dereliction. What is needed is a concerted effort to ensure that agencies meet responsibilities to protect the environment on schedule.

As to the more exotic methods of producing energy from traditional sources, we must be ever mindful of the environmental and economic effects this type of activity could have. We should be asking—and finding out—just how many BTU's are burned up in making a BTU available to produce goods and services we demand. Obviously, if it requires 11 BTU's to make just 10 BTU's available, we are going to lose the energy battle. No resource, whether it be oil shale or coal, is adequate unless it can be mined, processed, transported, and the land affected properly reclaimed, for less energy than can be derived from the actual resource. We must further recognize the tremendous strain that technologies such as oil shale, coal liquefaction and nuclear energy place on our land, air and water resources. All are finite and in increasingly short supply. Since they are interrelated, there are few examples where a strain on one does not have an adverse impact on the others. The impact of new energy producing processes such as I have mentioned will have a severe impact across the board. Water would seem to present the most acute problem.

All of these processes require tremendous quantities of water. In many places it is simply not available in sufficient supply, but we pay little attention to that hard fact in our planning.

The Senate has recently passed by an overwhelming vote S. 3221, the Energy Supply Act of 1974. I believe one reason for such strong support was that Senators realize there is little opportunity for the House to pass a companion measure and that there would be a later opportunity to amend the Outer Continental Shelf Lands Act which was the principle focus of S. 3221. Neither the Interior Committee nor the Administration, in proposals I have reviewed, adequately protects the interests of the public in general or the coastal states in particular. The Committee Report states that it is the purpose of S. 3221 to facilitate "rapid and responsible—as opposed to quick and dirty—development of the oil and gas resources of the outer continental shelf." I believe that S. 3221 is not the proper way to proceed.

I speak from my perspective as a United States Senator from the State of Maryland. The Maryland Department of Natural Resources is charged by state law to foster and promote exploration for oil and gas.

Going beyond that charter, all Marylanders recognize the importance of meaningful exploration on the outer continental shelf to determine if, in fact, significant oil and gas deposits exist which can be economically exploited. The Council of Environmental Quality Study is a good start in assessing the reserves and the economic and environmental effects associated with exploration and development of oil and natural gas. But coastal states, such as Maryland, are not adequately protected under present leasing procedures nor under S. 3221, I propose that the Outer Continental Shelf Lands Act be amended to separate exploration and development activities. Under the present system, a successful bidder acquires not only the right to explore for oil and gas. But he simultaneously obtains the right to produce the oil and gas if it is found. We should rather provide that exploration be conducted without any commitment to develop. Exploration would serve to show where and in what quantity oil and gas is located. At this point there should be an informed and deliberate decision for extracting the oil and gas in accordance with a production and development plan.

While the Federal Government may ultimately be correct in claiming that submerged lands seaward of the three-mile limit are part of the Federal domain, it is just as certain that the State has important interests to protect should there be development activitity in that area. Not only does a coastal state have an obvious concern for the oil spills and other such evenths that might occur in offshore waters under the jurisdiction of the Federal government, but also for social, economic and environmental impacts which will occur onshore and because of activities that will probably take place in state waters, such as the Chesapeake Bay. These impacts will be by far the most significant. The activities that I speak of would include fabrication plants and assembly yards of specialized equipment, depots for supplies and equipment which would be located near or on the waters of the state, which have a high recreational value. I would also note that there will be onshore transportation facilities and the refineries and allied petrochemical institutions would naturally follow successful oil or natural gas finds. I repeat that every one of these activities would be located within state jurisdiction.

Coastal states such as Maryland are in desperate need of production plans so that they might correctly assess the primary and secondary effects associated with these activities. It will be their responsibility to provide housing for workers and accommodations for such things as schools, hospitals, and supportive services.

I offered an amendment to the Energy Supply Act of 1974 which addresses in part the problems which I have detailed. This will allow the Governor of an adjacent coastal state to request up to a 3-year delay in order to provide for any adverse environmental or economic affect associated with offshore oil drilling production. There will be created by this amendment the National Coastal Resources Review Board which will consist of various federal officials and shall hear appeals from the Secretary of the Interior's determination as to whether the Governor's delay is warranted. I believe that the Senate acted in the best interests of the nation in accepting that amendment by a vote of 54 to 39, but I hope that it is recognized that this does not attack the root problems that are presented by S. 3221.

I would hope that next year we will have a coherent and comprehensive approach to present to the Interior Committee and that it will include separation of exploration and development and a provision along the lines of my amendment of this year.

There is a further point to consider in regard to the leasing of offshore lands. The amount of land available for leasing over a given period of time is critical to energy supply. Choosing an arbitrary figure without consideration of economic and environmental effects will be disasterous. If we sell too much, too soon we should anticipate a massive transfer of land from public to private control without adequate return to the public, production in environmentally unsuitable areas, a severe drain on oil company funds for land acquisition when they are needed for exploration and production, and continued mystery as to whether leased lands are being adequately developed. I hope that the Administration will provide detailed studies and rationale on the location and amount of land to be leased.

I would like to now discuss what the role of the Federal Energy Administration should be in the years ahead. There are many steps which FEA can take which would be tremendously important to the well-being of this Nation. I hope that you will urge upon the Congress a steep, progressive luxury tax on automobiles based on weight and horsepower. We must copy the European and Japanese systems in this regard and encourage small car production by taxing the big, inefficient cars. You have the figures, and they are compelling. Approximately, one-third of our energy requirements are associated with motor vehicles. We can save half by switching to smaller cars.

We must back mass transit, not allow it to be cut in half. There are two aspects to mass transit. More people can ride in existing mass transit systems with a tremendous fuel savings. A switch of half our urban commuters from private cars to buses would save over 500,000 barrels per day. But we also need to move expeditiously to provide more efficient and attractive forms of mass transit. That is the key to changing the ingrained psychological responses that seem to dictate that Americans will use the car when a bus is available, regardless of the cost.

You must urge the Department of Transportation to seize the initiative. DOT must go beyond its present role of only assisting States and local government to get the transit system they choose. They must also insure that the best system is obtained. This requires developing options, taking projects up through the pilot stage, and exhibiting some leadership. It entails a different approach to research and development than we see today. In 1973 DOT had a $70 million budget for R&D, though some $20 million was impounded. This year the budget has shrunk to $35 million and next year the administration has asked for only $25 million. Yes, in the short run money will be saved, but good transit systems will not be developed and that will cost the country considerably more.

We should also urge the Transportation Department to work in harmony with the Environmental Protection Agency in designing transportation control strategies in our major urban centers that not only reduce pollution but save energy. FEA, DOT, and EPA have a common purpose in this regard.

I hope that we will be effective advocates for returnable bottle legislation and for solid waste recovery proposals.

The time is coming when even the industries which now profit from disposable items will turn to the Government for help because the days when virgin materials are available at a reasonable cost are numbered. I hope that FEA will be sensitive to this developing crisis.

Finally, let me discuss energy research and development. I have touched upon R. & D. previously in discussing the question of competition in the energy industry. I would like to now address this subject in terms of environmental quality, indeed the quality of life. To date our principal efforts have been towards expanding fossil fuel and nuclear capacity. This fails to recognize the finite nature of the spaceship earth and the delicate equilibrium that exists between the many elements. All energy comes from the sun and is either transformed or reradiated. But our continued heavy use of fossil fuels jeopardizes the equilibrium that life depends on. The effects on world climate alone from additional quantities of carbon and sulfur dioxide and particulates should give us pause before proceeding to expand energy use by burning fossil fuel.

Nuclear energy seems attractive compared to expanded use of fossil fuels. I would suggest, however, that it is only attractive at present levels of use. The hundredfold increase projected may well raise intolerable dangers of nuclear accident, waste disposal, water use and theft.

Consequently I would hope that more attention would be given to energy conservation, which every responsible study I have reviewed indicates is the key to "Project Independence" and to harnessing the solar energy which now escapes our planet. Ocean thermal powerplants for instance are promising, but neglected. We must be innovative; this country cannot afford to be wedded to the past.

In conclusion, let me say that these are difficult times, but they are not impossible times. The test of whether we succeed will be whether we as a people can resolve to live within the limits of a finite world, mindful of our obligations to succeeding generations.

SENATOR SAM ERVIN AT THE BEGINNING OF THE INVESTIGATION OF THE WATERGATE AFFAIR

Mr. ROBERT C. BYRD. Mr. President, shortly before the Senate Select Committee on Presidential Campaign Activities began its investigation of the series of tragedies known collectively as the Watergate Affair; namely, on April 16, 1973, Time carried a cover story on the committee chairman Senator Sam Ervin, which merits preservation and which has never been printed in the Record. I ask unanimous consent that the cover story be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Letter From the Publisher

Cover Subject Sam Ervin is unlike most of the politicians that Correspondent Neil MacNeil has covered during his 24 years in Washington. "He has never been a publicity hound," says MacNeil; "he has never run a mimeograph to shoot off a daily barrage of press releases, hoping to get his name in print. Yet as a raconteur and one of Washington's hardest workers, he has always been well known to anyone dealing regularly with the Senate." Now, as chairman of the select Senate committee investigating the Watergate affair, Ervin is becoming equally familiar to the public. For this week's cover story on Ervin, written by Associate Editor Ed Magnuson, MacNeil met with the Senator in his Senate offices, at his hideaway in the Capitol and on his home territory in North Carolina. Fellow correspondents, meanwhile, retraced Ervin's early years in Morganton, N.C., and pored over 30 volumes of testimony from his Senate committee hearings.

MacNeil first began considering a cover story on Ervin last fall. "It was plain then that a constitutional crisis was brewing" he says. "As one of the constitutional experts in Congress, Ervin seemed the man most likely to do battle with the Administration's attempts to expand its authority." As our story points out, Ervin, with his customary vigor, is doing just that.

Defying Nixon's Reach for Power

The jowls jiggled. The eyebrows rolled up and down in waves. The forehead seemed seized by spasms. Yet the lips continuously courted a smile, suggesting an inner bemusement. The words tumbled out disarmingly, softened by the gentle Southern tones and the folksy idiom. But they conveyed a sense of moral outrage.

"Divine right went out with the American Revolution and doesn't belong to White House aides," the speaker said. "What meat do they eat that makes them grow so great? I am not willing to elevate them to a position above the great mass of the American people. I don't think we have any such thing as royalty or nobility that exempts them. I'm not going to let anybody come down at night like Nicodemus and whisper something in my ear that no one else can hear. That is not Executive privilege. It is Executive poppycock."

With those words, typically skittering from Shakespeare to the Bible, North Carolina's Democratic Senator Sam J. Ervin Jr. was stepping up the rapidly accelerating tempo in a showdown over secrecy between the U.S. Senate and President Nixon. If the President will not allow his aides to testify publicly and under oath before the Select Senate Committee on Presidential Campaign Activities, Ervin vows, he will seek to have them arrested.

That threat is not an idle one. Ervin, 76, is chairman of the select committee that is investigating attempts to interfere with last year's presidential campaign. That includes the break-in and wiretapping of Democratic National Committee headquarters in Washington's Watergate complex last June. In defying Sam Ervin on this matter, the President is in collision with the most formidable Senator that this proud body could choose to lead its cause. Charming yet fearless, Ervin is the Senate's foremost authority on the Constitution, a former state supreme court justice and one of the few legislators who prefer the hard work of personal research in quiet libraries to the hurly-burly of cloakroom arm-twisting. He has, in a sense, spent much of his career preparing for precisely this kind of fight.

The Ervin committee, which has full subpoena powers, also has solid legal grounds for contending that White House officials cannot spurn any such subpoenas. Since he hopes to begin televised hearings in about two weeks, the issue is reaching a climax. It could easily lead to the most fascinating Capitol Hill TV drama since the Army-McCarthy hearings of 1954.

MESS

The stakes go far beyond whatever may be discovered about Watergate. Already, the adverse implications of that affair have undermined the credibility of Richard Nixon as a leader devoted to rigid standards of old-fashioned morality, to a stern and equal application of law, to an open and accountable Administration. Until the Watergate mess is cleared up. Nixon's closest political and official associates—and the President himself—will be operating under the handicap of a widespread and bipartisan suspicion that they have something sinister to hide.

Serious charges have been made in testimony before Senate committees and a grand jury in Washington, in statements by FBI agents and convicted Watergate conspirators, and in press reports that have not been effectively rebutted. Officials of the President's reelection committee got suitcases full of cash from secret donors, including one who is under investigation for violating federal laws. They failed to keep the complete financial records required by law. The President's personal lawyer admitted paying a political saboteur, and his official lawyer recommended the hiring of one of the Watergate conspirators. The FBI was used to gather campaign information, and cooperated chummily with White House officials whom it should have been investigating.

Last week the Watergate affair claimed its highest-level casualty so far. Nixon reluctantly complied with the request by L. Patrick Gray III that his name be withdrawn from Senate consideration as permanent director of the FBI.

Ervin's dramatic drive to clarify all the murky mysteries surrounding Watergate is part of an even broader clash between two branches of Government. The White House and the Congress are locked in a struggle that goes to the very foundations of the Constitution. On a wide variety of fronts, Ervin is leading the challenge to the Executive Branch's expansion of power.

Beyond being the chief Watergate prober, Ervin is a key member of a special Senate subcommittee set up to investigate the President's excessive use of Executive privilege. The subcommittee, chaired by Maine's Senator Edmund Muskie, will begin hearings this week. Ervin is also chairman of the Senate's Judiciary Subcommittee on Constitutional Rights, which is trying to block Administration-supported attempts to force newsmen to reveal their confidential sources in judicial proceedings. He has proposed a "press shield" law that would protect newsmen who are subpoenaed at federal and state levels from having to reveal their sources or unpublished information, unless they had witnessed a crime or had personally received a confession. Ervin had modified his bill several times on the basis of testimony before his committee—an example of how open he is to reasoned arguments by witnesses.

In addition, Ervin is chairman of two Senate bodies—the Government Operations Committee and the Judiciary Subcommittee on the Separation of Powers—that are trying to prevent the President from impounding funds. Nixon is claiming the right to withhold funds that have been voted by Congress and thus in effect to determine Government priorities regardless of the express wish of congressional lawmakers. Last week Ervin introduced an amendment to an unrelated bill that would oblige the President to seek congressional approval before impounding any funds. The amendment passed, 70 to 24.

If the amendment is enacted, Nixon will veto it. The difficulty of overriding such a veto was convincingly demonstrated last week when Senators failed by four votes to muster the two-thirds vote necessary to overcome Nixon's veto of a $2.6 billion program to rehabilitate handicapped persons: the first such spending clash of the new congressional term.

Why, so late in his career, has the Senate turned to Sam Ervin to carry its banner in so many battles? Reports Time's congressional correspondent Neil MacNeil: "Sam Ervin has been called 'the last of the founding fathers'—and in a way it is true. For more than a dozen years, he has chaired hearing after hearing on constitutional rights and the erosion of the separation of powers. Those hearings were conducted in all but empty committee rooms. This was his vineyard, and he worked it alone. Now the Congress has at long last taken alarm. It has decided that it needs a constitutionalist—a man of great legal knowledge and judicial temperament—and in discovering that fact, it has discovered Sam Ervin."

Ervin is no brashly partisan Democrat seeking publicity by challenging the Republican President. Basically a shy if mirthful man, he has spent 19 years in the Senate without attracting much national attention. His press conference last week was only the third one that he has called in all of those years. In many ways, despite his party affiliation, he is Nixon's kind of Senator. He is probably even more tightfisted and fiscally conservative than the President. In interpreting the Constitution, he fully meets Nixon's standard of a "strict constructionist." Nixon recently called him "a great constitutional lawyer." No one is more eager than Ervin to go along with a central theme of Nixon's second inaugural address: "We have lived too long with the consequences of attempting to gather all power and responsibility in Washington."

It is precisely because he feels that his beloved Constitution is being trampled upon by the President in an unprecedented power grab that Ervin is leading the effort in Congress to regain its rights. He considers the Nixon Administration "the most oppressive" that he has known, not only in its arrogance toward Congress but in its snooping on individuals, its extension of police powers and its harassing of newsmen. Ervin sees all such activity as violating the Constitution which he calls "the finest thing to come out of the mind of man."

THIRST

Throughout Ervin's long career he has distrusted what he calls "the insatiable thirst for power of well-meaning men." As he sees it, "the Constitution was made to guard the people against the dangers of good intentions. There are men of all ages who mean to govern. They promise to be good masters, but they mean to be masters. The Constitution was written primarily to keep the Government from being masters of the American people."

Self-effacing and good-natured, although never a backslapper, Ervin was chosen by Senate Majority Leader Mike Mansfield to head the select committee because, Mansfield explained: "Sam is the only man we could have picked on either side who would have the respect of the Senate as a whole." Moreover, Ervin does not now have—and never has had—higher political ambitions. It is ironic that liberals, in particular, see Ervin as a heroic figure. Not too many years ago they were gnashing their teeth at his skillful legal arguments against civil rights laws.

Now Ervin has the broad support of not only the Senate's Democratic liberals but also its Democratic conservatives and many Republicans. Nixon's secretive handling of the Watergate affair has dismayed his strongest backers. Republican office holders feel that they are being needlessly tarred by Watergate and want the real culprits exposed. Also, many Congressmen disdain such intimate Nixon aides as John Ehrlichman, H. R. Haldeman and their assistants, who are often regarded by veteran politicians as arrogant, inexperienced and selfishly protective of the President. Noting that some members of the White House staff seem to be enmeshed in the Watergate affair, one Republican Senator said sarcastically: "It couldn't happen to a better bunch of guys."

In addition, Senators of both parties almost unanimously dispute Nixon's claim that Executive privilege protects his staff against congressional inquiry. That idea, unmentioned in the Constitution, rests on the doctrine of the separation of powers between the branches of Government. The thinking is that Congress cannot intrude upon the decision-making process of the Executive Branch and thus cannot demand to know the private advice that the President gets from his staff. Indeed, Presidents have traditionally demanded and been granted this privilege.

In his Watergate investigation, Sam Ervin is not trying to find out what White House aides may have told the President about some proper aspect of their official duties. He wants to know whether they took part in political activities that may have been illegal or improper or whether they know who did so. Yet Nixon has tried to ban any of his aides, even those no longer on his staff, from testifying before any congressional committee. Last week the Washington Post revealed that Nixon's chief counsel, John W. Dean III, had cited this privilege to avoid releasing travel documents to the General Accounting Office, which was trying to find out whether White House officials had made political campaign trips in Air Force planes without reimbursing the Government.

WRONG

The President will allow his staff members to respond to written questions from Ervin's committee. "But you cannot put a piece of paper under oath and cross-examine it," Ervin protested. Later, in a show of compromise, Nixon said that he would let some aides be questioned personally, but not under oath and not in public. Yet Ervin insists that, if the truth about Watergate is to emerge, the public—and not just a few Senators—has the right to "observe the demeanor of the witnesses and to judge their credibility."

The impasse between Ervin and Nixon seems to offer no avenue toward compromise. Nixon has said that he "would welcome" a court test on his decree of Executive privilege, adding: "Perhaps this is the time to have the highest court of this land make a definitive decision." It is hard to find a legal scholar who thinks that Nixon would win his case.

Harvard's Raoul Berger, a specialist in the history of Executive privilege, scoffs at the Nixon claims of broad staff immunity from questioning as "utterly ridiculous—it's Executive propaganda without historical precedent. Nixon is all wrong on this." Yale Law Professor Alexander Bickel agrees, noting that some subjects discussed with the President are protected by the doctrine, but individuals as such are not. Nixon's attempt to put all aides under the doctrine, says Bickel, "can't hold water."

Even a high Justice Department official conceded under heavy questioning by a House subcommittee last week that a White House aide could not claim Executive privilege if a committee asked about any "wrongdoing" by the aide. Deputy Assistant Attorney General Mary C. Lawton agreed, for example, that Dean, Nixon's counsel, would have to testify if he was accused of obstructing the FBI's inquiry into the Watergate crimes. At his unsuccessful nomination hearings to succeed J. Edgar Hoover as director of the FBI, Gray testified that Dean "probably had lied" to FBI agents. Dean was given more than 80 FBI reports on Watergate by Gray, even though he had recommended the employment of one of the convicted wiretappers, G. Gordon Liddy.

Presidential Press Secretary Ronald Ziegler stressed the Administration's willingness to cooperate with investigations by noting that Nixon had ordered his aides to appear if subpoenaed by the federal grand jury in Washington that is probing the Watergate affair. Yet the gesture was meaningless, since the President has no power to exempt his aides from any such subpoena. This also puts the White House in a new bind: if it responds to subpoenas from the Judicial Branch, why not from the Legislative Branch? Ervin fully intends to ask his committee to subpoena members of the White House staff if they do not respond voluntarily.

BIBLE COUNTRY

Ervin considers himself "a liberal in the true sense of the word," in the Jeffersonian sense that Government exists to make men free rather than to control them. That emphasis on individual liberty and responsibility—so often advocated by Richard Nixon—was common among Ervin's Scottish Presbyterian forebears. It is also a dominant view in the mountains around Morgantown, N.C. (pop. 14,000), where Ervin has spent nearly his entire life, except when away on official duties. It is Bible country, in which many lifelong residents still see card playing and dancing as evil, and tolerate only a thirst for moonshine liquor. Ervin, who drinks only moderately and spoils fine bourbon by mixing it with ginger ale, has a keen taste for the difference between good and bad home brew.

Ervin's father Sam Ervin Sr. was self-educated, sharp lawyer who passionately hated F.D.R. and the kind of centralized authority that Roosevelt seized. As early as age 15, "Little Sam" began visiting his father's one-room office across from the county courthouse to learn law the way Father had, by reading one dry legal text after another.

Sam went at 16 to the University of North Carolina, where he developed a lifelong fondness for poetry (favoring Tennyson, Kipling and Shakespeare) and a knack for memorizing it. Always a hearty laugher, especially at his own jokes, he was elected president of his senior class and chosen its "best egg."

Shortly before graduation day in 1917, Ervin enlisted as an infantry private in World War I. He was wounded in action twice in France and won the Silver Star for "conspicuous gallantry" and the Distinguished Service Cross.

After returning for brief law study at Chapel Hill, Ervin passed the North Carolina bar examination. But he decided that he needed more training and entered Harvard Law School as an advanced, third-year student. After earning his degree ('22), he then began an unusual career in which he never reached for opportunities but had them thrust upon him. While he was still at Harvard, some friends, without his knowledge, nominated him as a Democratic candidate for the North Carolina legislature. Although eager to begin his law practice, he grudgingly accepted and, to his surprise, won in his Republican district. Ervin's talent for the deft oratorical put-down surfaced in Raleigh. When the state legislature in 1925 was convulsed by a Bible-belt debate over whether to allow the teaching of evolution in public schools, Ervin helped prevent such a ban by ridiculing it. "Only one good thing can come of this," he protested. "The monkeys in the jungle will be pleased to know that the North Carolina legislature has absolved them from any responsibility for humanity in general and for the North Carolina legislature in particular."

After serving three scattered terms, Ervin left the legislature to devote full time to practicing law with his father. "It was from him that I got the feeling that the freedom of the individual—no matter how lowly he is—is fundamental," Ervin recalls. The elder Ervin was especially incensed at any hint of police brutality. Young Sam was reluctantly drawn away from law practice by a series of appointments that Governors or other officials persuaded him to accept: in 1935 as a county court judge, in 1937 as a superior court judge, in 1948 as a state supreme court judge.

During his six years on the North Carolina supreme court, Ervin gained a reputation for making sound judgments and writing clear, well-reasoned decisions. His aim, he says, was to "write decisions that didn't need interpretation," which are a rarity on many courts. Ervin is proudest of his role in the case of a black man who had been convicted of raping a white woman. Suspicious, Ervin pored over the trial's 1,200 pages of testimony, decided that the evidence was inconclusive, and had the man freed. The Senator still recalls what the relieved but resigned man said: "Boss, we never get off death row. We are on death row from the day we be here until the day we die."

TURMOIL

Ervin's judicial career was briefly interrupted in 1946, when he was urged to run for the congressional seat held by his younger brother Joseph, who, suffering from painful osteomyelitis, had committed suicide. Ervin agreed only on condition that he would not seek re-election; he preferred to stay in North Carolina. That preference was abandoned again in 1954, upon the death of one of the state's most colorful Senators, Clyde Hoey. Governor William Umstead insisted that a reluctant Ervin replace Hoey.

The new Senator arrived in Washington at a highly emotional time—and was sworn into office by Richard Nixon, then Vice President. The Senate was in turmoil over what to do about the rampaging anti-Communist antics of Wisconsin Senator Joseph McCarthy and the Supreme Court's Brown decision ordering the desegregation of public schools. Ervin soon became embroiled in both battles.

Senator after Senator timidly turned down the thankless task of serving on the committee that would consider whether McCarthy should be censured. Lyndon Johnson, then minority leader, turned to Ervin because of his background as a judge. Ervin served on the committee and wholeheartedly advocated censure after hearing the evidence. His first major speech on the Senate floor denounced McCarthy for his "fantastic and foul accusations." Ervin declared that McCarthy should be expelled because he was afflicted with either "moral incapacity" or "mental incapacity." After the Senate censured McCarthy, L.B.J. told Ervin: "You showed that you don't scare easily."

Nor did Ervin shy from carrying the banner of Southern states against school integration, expanded voting rights and opening public accommodations to blacks. His arguments were based on a higher intellectual plane than those of most Southern Senators, but this seemed a blind spot in his general devotion to individual rights. He held that the Supreme Court should never have taken up the Brown case, that it was legislating rather than interpreting. He could never see how federal law could force the owner of a hamburger stand to serve everyone, on the assumption that the seller was engaged in interstate commerce. In Ervin's view, busing white children from neighborhood schools deprives them of their rights in the vague hope of helping blacks. Ervin contended that the Government has no power to require such acts.

In a sense, Ervin has been consistent in his limited view of federal authority. Some of his scholarly critics complain that Ervin's Constitution seems to lack a 14th Amendment, which provides for due process and equal treatment under the law. Ervin now concedes that, under the 14th Amendment, a constitutional case can be made for dismantling dual school systems, but he still insists that it provides no power to compel schools to integrate.

In pursuing his independent course in the Senate, Ervin has deplored wiretapping by federal authorities but has shown little concern about it at state and local levels. He drew the wrath of Women's Liberationists by fighting the women's rights amendment to the Constitution, terming it the "unisex amendment" and contending that it would deprive women of such present legal benefits as exemption from the draft and freedom from prosecution for nonsupport of children. Despite this church-going constituency, he has fought attempts to permit prayer in public schools. The Constitution, he insists, has wisely erected a wall between church and state.

With little fanfare, Ervin has used his chairmanships to advance individual liberties. He inspired the revised Uniform Code of Military Justice, claiming that servicemen were subject to arbitrary discipline rather than justice. He pushed through a bill preventing any Indian tribal council from depriving an Indian of his constitutional rights. Ervin led a reform of the bail system, giving judges the power to release suspects too poor to pay bail but likely to appear for trial. He secured passage of a bill limiting the use of lie-detector tests in screening federal employees.

Ervin has exposed the widespread surveillance of antiwar groups, black militants and even Congressmen and Senators by the U.S. Army. Through committee hearings, he has attacked the compilation by various Government agencies of a wide range of personal computerized data on citizens. He has denounced the Nixon Administration's crime bill for Washington, D.C., which permits jailing people who are considered dangerous but have not been convicted of any crime, as "a blueprint for a police state."

Despite his blunt language when aroused, Ervin is a compassionate man who has conducted his many committee hearings with courtesy and respect for witnesses. The transcripts are replete with phrases like "I am very much impressed by your statement" or "I want to congratulate you on the very lucid manner in which you stated your views." That is partly why Ervin seems to be the ideal Senator to hold those potentially volatile hearings on the many ramifications of Watergate.

That reputation for fairness was tarnished two weeks ago, when Ervin was called away to attend the funeral of his youngest brother. In his absence, the investigation almost got out of hand. One of the convicted Watergate wiretappers, James W. McCord, Jr., began making sensational allegations of White House involvement. He talked to the committee's staff investigator, Samuel Dash, 48, and to the committee itself. Dash, trying to apply pressure on the six other convicted conspirators to also talk, unwisely called a press conference to reveal that McCord had "promised to tell everything he knows."

LEAKS

There were widespread leaks to newsmen about McCord's charges—all of which seemed to be based on hearsay and were so far unsubstantiated. One committee member, Connecticut Republican Lowell P. Weicker Jr., publicly demanded the resignation of Haldeman, the President's chief of staff. Weicker claimed that Haldeman "probably" knew about an operation of political sabotage against the Democrats that was far broader than the Watergate eavesdropping.

The resulting news stories gave Presidential Press Secretary Ziegler a choice opportunity last week to accuse the Ervin committee of "irresponsible leaks of tidal-wave proportions." Added Ziegler: "I would encourage the chairman to get his own disorganized house in order so that the investigation can go forward in a proper atmosphere of traditional fairness and due process."

Ervin, returning to Washington, moved to do just that. He protested that the leaks were coming not from his committee but from McCord's lawyers. Nevertheless, with the support of the committee's ranking Republican, Tennessee's Howard H. Baker Jr.,* Ervin ordered the committee not to hold any more closed-door hearings. Prospective witneses would talk only privately to the staff investigators until public hearings begin. And the chairman ordered the start of those hearings moved up so that they would begin after the Easter recess, which ends April 25.

Ervin and Baker took an even stronger step indirectly criticizing Weicker. They issued a short press release stating: "In the interests of fairness and justice, the committee wishes to state publicly that it has received no evidence of any nature linking Mr. Haldeman with any illegal activities in connection with the presidential campaign of 1972." The chastised Weicker, admitting "I know when I've been zinged," said he had no such evidence against Haldeman—but indicated that he still thought Haldeman ought to quit because "he is chief of staff—and I hold him responsible for what happened."

WATCHDOG

The Ervin orders to hurry up the start of the hearings seemed necessary to keep rumors from running wild, but it shortened the time for careful staff investigation into the exceedingly complex and clouded affair. A priority aim of the committee would seem to be to unravel the tangled role played by White House Counsel Dean. He had insisted on sitting in on FBI interviews with White House personnel, and had asked for all FBI reports, but more as a White House watchdog, it seemed, than in a search for truth.

Dean's role seems pivotal, and the Ervin committee may have a tough time finding out just what it was. Last week Press Secretary Ziegler refused to respond to a series of questions that TIME put to him about Dean and the President. Assuming that Nixon had no advance knowledge of the Watergate wiretapping, what did the President do when he heard about it? Did he summon his top aides and ask them about it? If not, why not? Did he rely entirely on Dean to conduct a White House investigation? What did Dean report? Was the President satisfied with whatever Dean told him, or did he question others? Does he feel that he now knows all about how Watergate happened and who was involved? If so, why does he not reveal all and spare himself the potential embarrassment of having the Ervin committee do so?

Those questions go, of course, to the heart of just how much Nixon can be hurt by the whole sordid affair. A survey conducted for the *Wall Street Journal* by a Princeton, N.J., polling firm disclosed last week that Watergate is arousing widespread concern and is seriously damaging the President and his party. Clearly, Nixon and his staff are going to have to face up to the consequences of Watergate and the manner in which the President's reelection campaign was conducted. It is not enough to issue indignant denials and then claim that aides can discuss the matter only in secret or behind the closed doors of grand jury rooms.

Ervin is not going to stand for that kind of evasion. For him, the Watergate investigation is a matter not just of high politics or powerful personalities but also of the most profound contitutional principles. In a far different context (a criminal case in which Ervin as a state supreme court justice argued to free a convicted man), he stated his first concern. "What may be the ultimate fate of the prisoner is of relatively minor importance in the sum of things," he wrote. "His role on life's stage, like ours, soon ends. But what happens to the law is of the gravest moment. The preservation unimpaired of our basic rules of procedure is an end far more desirable than that of hurrying a single sinner to what may be his merited doom."

The judicial Sam Ervin may well conclude, after a fair hearing that Nixon's top aides did not behave illegally or unethically in last fall's presidential campaign. If so, they have nothing to fear from his committee. But if they are not clean, they can expect no forgiveness for sins against the spirit of the Constitution from this persistent libertarian, who declares that "open and full disclosure of the governing process is essential to the operation of a free society." Mindful of the past, vigilant of the present and concerned about the future, Senator Sam Ervin warns: "Throughout history, rulers have invoked secrecy regarding their actions in order to enslave the citizenry."

The Hill Country Sayin's of Sam Ervin

"I have found that an apt story is worth an hour of arguments," says North Carolina's Sam Ervin. "A story that fits a point that you're trying to make sort of tends to arouse your audience, to get their attention if you're about to lose it. And a good story is a good way to relieve tension." Thus Ervin sums up his liberal use of hill-country anecdotes and other witticisms to make points in congressional debate or simply to amuse his friends. A sampling of the Senator's folksy stories on a variety of subjects.

ON DRINKING

A constituent of mine bought some moonshine liquor and gave a portion to a friend. Sometime thereafter my constituent asked his friend what he thought of the liquor. "Well, it was 'just right,' said the friend.

"What do you mean, 'just right'?" my constitutent retorted.

"I mean that if it had been any better, you wouldn't have given it to me," the friend replied. "And if it had been any worse, I couldn't have drunk it."

ON IGNORANCE

There is this man who is known as the most ignorant man in Burke County, North Carolina. Somebody once asked him if he knew what county he lived in, and he answered flat out, "Nope.' They asked him if he knew the name of the state, and he again answered, "Nope." Well, they then asked if he had ever heard of Jesus Christ. "No," he answered. Finally, they asked if he had ever heard of God. "I believe I have," he said. "Is his last name Damn?"

ON BIG WORDS

I once knew this preacher back home who liked to use words that he sometimes didn't quite understand. One time he brought in a visiting preacher, and after introducing him to the congregation he told him to preach loud, "because the agnostics in this church are not very good."

ON LAWYERS

There was a young lawyer who showed up at a revival meeting and was asked to deliver a prayer. Unprepared, he gave a prayer straight from his lawyer's heart: "Stir up much strife amongst the people, Lord," he prayed, "lest thy servant perish."

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*Besides Ervin, Baker and Weicker, the select committee consists of Democrats Herman E. Talmadge, Daniel K. Inouye and Joseph M. Montoya, and Republican Edward J. Gurney.

ON JURIES

One time when I was presiding over a murder trial in Burke County, they had special veniremen summoned in from another county to make sure that the accused got a fair hearing. I asked one of these jurors if he could be fair, and he answered: "I think he is guilty of murder in the first degree, and he ought to be sent to the gas chamber. But I can give him a fair trial."

ON POLITICS

People in public life are sometimes subject to the same embarrassment as that of a young man who was persuaded to become a candidate for the state legislature. His father tried to talk him out of it. "Son, don't go into politics. Before it's over, they'll accuse you of stealing a horse." Sure enough, the young man lost and went back home where his father recalled his horse-stealing prediction. "Pa, it was much worse than that," the young man lamented. "They dern near proved it on me."

ON SENATORS

Once a question was put to a Senate chaplain, Edward Everett Hale, "Doctor, when you pray, do you look at the tragic condition of the country and then pray that the Almightly will give the Senators the wisdom to find solutions?" The chaplain replied, "No, I do not look. I look at the Senators and pray for the country."

ON NEWSMEN AND THE PRESS

I am one of the few men in public life who doesn't complain much about his treatment at the hands of the press. The press takes me to task every once in a while, but they have always been very kind, not attributing my hypocrisy to bad movies. They have always attributed it to a lack of mental capacity.

THE RETIREMENT OF JOSEPH ALSOP

Mr. McGEE. Mr. President, it was with a sense of regret that I learned of the recently announced retirement plans of columnist Joseph Alsop.

The decision by Joe to retire at the end of this year will bring to a close a truly remarkable journalistic career which spanned more than four decades. The column appearing in the Washington Post announcing his decision was pure "Joe Alsop" as he closed his recollections of the past 40 years by offering us a piece of advice full of insight as we struggle to maintain our sense of balance in a rapidly changing international community. He noted:

> So I must close with a fervent prayer that this time the new bearings will be found so that the postwar period will not again merge into another prewar period. What happened last time does not have to be repeated; the past merely conveys a warning.

The journalism profession and the American public suffered a sad loss with the passing of Joe's brother, Stewart—a victim of cancer; and now, the other half of the Alsop journalism team is stepping down, ending an era and bringing with it a sense of nostalgia. It is one of the difficulties that the passage of time brings. One just does not become accustomed to these events.

Joseph Alsop has made many contributions not only to the journalism profession, but the profession of politics as well. I conclude my remarks by adding: Joe, you will be missed.

I ask unanimous consent that the Washington Post column of Joseph Alsop's retirement announcement be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

After 42 Years, a Decision To Retire

(By Joseph Alsop)

Rather soon—next New Year's Day to be precise—the series of reports that have been appearing in this space will come to an end at long last. It has been very, very long. I went to work as a reporter in July, 1932. I went to work as a columnist in November, 1937. When you are not awfully far off half a century in the same job, it is time to stop.

There is the heart of the matter, but old friends and friendly readers may wish to know a bit more. To begin with, it has not been an easy decision. Starting with my long-term employers, the Los Angeles Times and The Washington Post, a contrary decision has been vigorously urged; and it has been generously urged as well in the two cases named.

To go on, if you have been a reporter for 42 years-plus and have been doing a column for just under 37 years, it begins to seem downright unnatural to call a halt. But the plain truth is, alas, that the reporter's trade is for young men. Your feet, which do the legwork, are nine times more important than your head, which fits the facts into a coherent pattern.

The time spans already noted tell most of the rest of the story, although not all of it. Retirement, to be blunt and practical about it, always requires a man to cash in his savings. My savings, somewhat eccentrically, have gone into a much-loved house and garden and the house's endlessly pleasurable contents.

Long ago I concluded that I should probably do better buying the things I know about and could use and care for instead of all the conventional things that people put their savings into. Mercifully, this has turned out to be quite true. But leaving a house I designed myself, built myself and have enjoyed since the Truman times has also turned out to be a bit like a hermit crab abandoning its shell.

All the same, I long ago began to hear the voice of the barman (or is it the subway conductor?) in T. S. Eliot's "Waste Land"—the mysterious figure who calls out, "Hurry up, please, it's time." To be precise, the voice first called me when another Alsop brother, so long my partner, also vanished from the reportorial scene, leaving this city a sadder, poorer place.

By a chance that I count my great good fortune, my brother needed me when he lived. Only when he died, therefore, could I do just as I chose. And at that moment I felt not just the pain of loss and the decrepitude that is natural if you were born in 1910; I felt further a final failure of all the zest and gusto and eagerness to know what will happen next that are the impelling motives of any good reporter.

It was a problem my brother and I had already begun talking about in that last year of his life, when it was again my great good fortune to see so much more of him. Oddly, he who was doomed to die felt no loss of zest at all. He diagnosed my different feeling on the main grounds. "You belong to the past much more than I do," he said.

I am now sure that he was right. I was formed in the wonderful years of President Franklin Roosevelt, when this city was still a village, yet a village full of responsibility and hope. I reached maturity during the second great war. My heyday was the postwar period that extended from 1945 until just the other day.

The postwar period, as I believe, was a time for all Americans to be proud of. Great world-wide tasks of reconstruction were undertaken by this country. Other toilsome burdens were assumed, and costly wars were even fought in order to prevent the postwar period from merging into a prewar period. All the American leaders of that time remembered how the British and French had not done particularly well in this respect; and how the postwar period that began in 1918 almost instantly merged into a prewar period about 1930.

The great Americans of the postwar period were the leaders I followed. Theirs were the ideas I shared (and still share). But all that is over now, for the postwar period is clearly at an end; and we have to find new bearings.

So I must close with a fervent prayer that this time the new bearings will be found so that the postwar period will not again merge into another prewar period. What happened last time does not have to be repeated; the past merely conveys a warning. To this prayer, I must also add an explanation, however. As noted, I shall carry on as usual until the New Year. But I am writing this report today because my plans have begun to be discussed by a few people, and I do not like being beaten on my own story.

NEW ENGLAND REGIONAL COMMISSION PLANS FOR A QUALITY RAIL SYSTEM

Mr. McINTYRE. Mr. President, the New England Regional Commission has played an effective and beneficial role in shaping regional development in this six state area. The Commission is a constant source of information—coordinating business and governmental interest for the benefit of all.

In a recent meeting, the New England Regional Commission passed a resolution expressing their hope for a rail system to serve this area. I ask unanimous consent that the text of the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

New England Regional Commission Resolution

A Resolution of the New England Regional Commission Concerning the Preliminary and Final System Plans of the United States Railway Association

Whereas, the United States Railway Association has been empowered by law to plan for the restructuring of the railroads of the Northeast and Midwest; and

Whereas, the six states of New England are and will be directly and vitally influenced by this restructuring; and

Whereas, the United States Railway Association has suffered substantial delays in preparing its Preliminary System Plan; and

Whereas, the Commission has initiated the New England Regional Rail Project to enable the states of New England to work with the United States Railway Association in the development of the Preliminary and Final System Plans;

Now therefore be it resolved that the New England Regional Commission reaffirms its support for an extension of time in the calendar set for the United States Railway Association; and

Be it further resolved that the New England Regional Commission calls upon the United States Railway Association to ensure that the planning process fulfills the full requirements of Public Law 93–236; and

Be it further resolved that the New England Regional Commission calls upon the United States Railway Association to ensure that the Preliminary and Final System Plans fully reflect the goals set forth in Public Law 93–236, which require that the plan must effectuate goals including not only the creation of a financially self-sustaining rail system, but also;

1. Provide adequate rail transportation to meet the needs and requirements of the Region
2. Establish high-speed passenger service in the Boston to Washington corridor
3. Assure an ability to transport fossil fuels
4. Insure competition among the various transportation modes
5. Meet the standards of the Clean Air Act Amendment of 1970
6. Meet the requirements for energy efficiency in the transportation of passengers and freight
7. Minimize public losses and associated increases in unemployment and community benefit costs in areas in the Region presently served by rail service.

The New England Regional Commission further directs that copies of this Resolution be sent forthwith to the Board of Directors of the United States Railway Association, the Director of Rail Services Planning Office, the Public Counsel for the Interstate Commerce Commission, members of Congress representing New England and other interested parties.

This Resolution is effective immediately.

S. 32, NATIONAL SCIENCE POLICY AND PRIORITIES ACT

Mr. KENNEDY. Mr. President, S. 32, the National Science Policy and Priorities Act which I introduced in the 92d Congress was passed by the Senate in August 1972, with 82 Senators recorded for the bill and only 10 against. Since the House did not have time to act on the bill before adjournment, I reintroduced the bill at the start of the 93d Congress. Subsequently, the senior Senator from Colorado (Mr. Dominick) introduced a related bill, S. 1686, the Civilian Science and Techonology Policy Act. And later in the session, Senators Magnuson, Moss, and Tunney introduced S. 2495, the Technology Resources Survey and Applications Act.

Although there are many differences among them, these three bills all had in common the aim of improving the Nation's capability to formulate policy and priorities for science and technology.

In the course of consideration of these three bills, there were a number of highly significant developments in the Nation which affected the need for and character of such legislation. First was the abolition of the White House Office of Science and Technology by Reorganization Plan No. 1 of 1973. Second was the emergence of the energy crisis which imposed striking new priorities on the Nation's research and development programs. And third was the substantial reduction in unemployment of the Nation's scientists and engineers, who for the most part were able to find reemployment for their considerable talents.

During the course of these events the Committees on Aeronautical and Space Sciences and on Commerce held joint hearings on S. 2495, and unanimously reported out a significantly reshaped bill which provided for the establishment of a White House Council of Advisers on Science and Technology. Under a previous unanimous consent agreement, S. 2495 was then referred to the Committee on Labor and Public Welfare for further consideration.

Within the Labor Committee, the bill (S. 2495) was referred to the Subcommittee on the National Science Foundation, of which I am chairman. The bill has been given careful study within the subcommittee by both the majority and minority staff members. And this analysis has been conducted in relation to the ongoing study of S. 32 and S. 1686.

In carrying out this study the subcommittee staff has consulted, cooperated, and worked closely with the staffs of Senators Magnuson, Moss, and Tunney whose combined leadership was instrumental in bringing S. 2495 to unanimous joint reporting by the Commerce and Space Committee. These extensive discussions have led to agreement among Senators Magnuson, Moss, Tunney and myself that the most constructive course of legislative action would be to combine the three bills (S. 32, S. 1686, and S. 2495) into a single measure, the components of which would collectively provide the Nation with an effective framework for the formulation of national policy and priorities for science and technology.

The Senators concerned have reached agreement on the components of such legislation, and tomorrow the Subcommittee on the National Science Foundation will hold a hearing on S. 32, S. 1686, and S. 2495, with special focus on the proposed combination of these three bills which we have been developing.

I am hopeful that this course of action will lead to the enactment of improved legislation on national policy and priorities for science and technology. I also want to take this occasion to commend Senators Magnuson, Moss, and Tunney for their leadership in advancing the cause of a White House Council of Advisers on Science and Technology.

The combined bill, which I intend to bring before the subcommittee as soon after tomorrow's hearing as possible, will be in the form of an amendment in the nature of a substitute for S. 32. Senators Moss and Tunney are already cosponsors of S. 32.

Mr. President, at this time I ask unanimous consent that the Senator from Washington (Mr. Magnuson) be added as a cosponsor of S. 32, the National Science Policy and Priorities Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ECONOMIC SUMMIT

Mr. TOWER. Mr. President, while serving as the Senate Republican member of the Steering Committee for the Economic Summit Conference, I worked closely with our distinguished minority leader, Hugh Scott. As we are about to consider the recommendations for action that resulted from the conference, I think it appropriate that we review Senator Scott's opening statement. Therefore, I ask unanimous consent, Mr. President, that Senator Scott's statement to the Economic Summit on September 27, 1974, be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Senator Scott. Mr. President and Mr. Speaker, Senator Mansfield, Senator Tower, my colleagues, members of the government, distinguished members of this Conference:

We are modest in the presence of experts. Some of us are modest in the presence of the majority, and manifestly awed by the suggestion of solutions not heretofore proposed.

We are aware of the skepticism of those who report our doings. We have arrived at this economic summit and each of us has traveled here in good faith not to practice politics but to exhibit sensibility.

We are here at the behest of the President to chart our way toward those decisions which will be of supreme importance to our country and to the world.

The dimensions of our problems are global, their solution a matter of economic survival. We will pay into the future for the mistakes of the past, such as the war we fought on credit and for the economic aggressions of nations against nations.

We meet with representatives of the people to serve their best interests in our efforts to control the brutal inflation that affects all of us.

We must indeed move effectively to hold prices down, to find means to increase the supply of commodities, to contemplate and advance methods to increase productivity.

We must certainly stop the soaring prices of energy that threatens the economic stability of all nations, and bring an end to the rising unemployment that causes the cruel waste of human talent, loss of dignity to the individual and of service to community and country.

I strongly favor a program of public service jobs to ease the economic rigors through which we are going. We need to remedy the social injustices visited particularly upon our elderly, our poor, and others on fixed income.

These suffer most when the economy suffers. Their burden can be made lighter if we institute short-term and long-term programs to provide them such essential needs as energy.

The problem is critical and in the short-term I believe we must weigh carefully whether our government should embark upon new programs of direct assistance and to stabilize our financial institutions, the ramparts of our economy.

I am supporting and drafting for the Senate side legislation that would serve both to spur savings and ease the economic woes of the housing industry. One bill would provide for an exemption from federal taxes on interest up to $1,000 on savings accounts, and I deplore the recent report that the House Ways and Means Committee is not presently looking favorably upon this proposal.

I believe such legislation would encourage Americans to save, an essential step if we are to increase the availability of capital to keep our economy healthy and growing in years to come.

We will support tax reform as one way of bringing in more tax revenue through equitable and balanced programs and to provide U.S. leadership and full cooperation to other nations in a far-reaching program of energy research and development.

As the leading industrial nation in the world, the United States can and must provide the direction to avert what could be catastrophic to the world economy.

At home we must explore these new sources of energy which you have been discussing and make the fullest possible use of traditional but under-utilized resources without sacrifice to our environment.

Solar energy and thermal energy, for example, are relatively untapped resources, but our ancient and vast deep coal reserves must be tapped to meet accelerating demands.

We must expand intensive research into gasification and liquification processes to make the fullest possible use of coal.

We must develop, as quickly as possible, all feasible sources of alternative fuel.

We need to accept a prime concern of this economic summit as the conservation of our resources. We will need to practice austerity and discipline if we are to be fair to the citizens and to bring a balance to the economy.

I believe this economic summit should especially look to the needs of middle income persons. We all know that the middle income American family today endures great inequities and receives the least consideration at all levels of government.

He is always the "they" when we speak of what we are going to do for someone, but it is the "they" who rarely benefit in proportion.

Too many Americans, especially our young Americans, cannot afford to buy their first homes because of the unavailability of mortgages and because, of course, of high interest rates on those few that can be obtained.

Hospital costs are soaring and sending a child to college requires so much money that this traditional dream of parents is becoming a nightmare.

I have recently introduced legislation for the ninth year that would provide for middle income taxpayers to deduct up to $2,000 a year from their income taxes to help defray the costs of higher education.

Economic reforms and health care are also urgently needed and I support them.

I believe this summit can serve two extremely important purposes; First of all, we came here united by a common ideal, that of improving the lives of all Americans through a stabilized economy, one which will serve to help stabilize the world economy.

Second, this venture is one where we look for answers through learning from each other. Only by educating ourselves about the complexities of our economic problems can we hope to find the answers to them.

Thereafter, we can share more wisely this collective present wisdom for future needs, which is the supreme goal of the climb we are beginning to the summit.

Now here let me enter a modest dissent to something that has been said heretofore. In my view Congress has not been managed by the Executive Branch.

Not one cent—and, incidentally, yesterday Senator Mansfield and I passed a bill to lighten the weight of the penny.

Now, this is one of the major fiscal reforms we have adopted so far this year.

I commented at the time that a penny saved is a penny earned but a penny lightened is a penny spurned.

However, be the penny light or heavy, not one penny of government expenditures has been spent which was not first authorized and appropriated by a Congress, and this we need always to remember. If we have overspent, if we have lacked fiscal discipline, Congress has lacked fiscal discipline.

This Conference was called by the Executive at the request of the legislature. It was put together following a suggestion first made by my beloved colleague, Senator Mansfield, but called by the Executive at the request of the legislature and if solutions, perhaps emerging from this Conference are being presented by the Executive to the Congress, then it becomes the responsibility of the Congress either to enact these proposals or to enact better ones.

Failing that, the Congress becomes no more than a wailing wall. Congress has yet to respond to a number of Executive requests and these include actions on trade and health and energy. Congress has not yet brought to the floor of either House tax reform legislation. Congress will be judged by what it has done. Congress will also be judged by what it has not done.

The seven-point fiscal proposals of the Democratic Caucus deserve the careful consideration and will have the cooperation of the Executive and of the Congressional Minority. Even so, they are for the Congress self-fulfilling.

They can be enacted by the Congressional leadership and if workable that is the test, they should be prepared to meet.

Thank you, Mr. President.

INFLATION, HOUSING, AND ECONOMIC POLICY

Mr. ABOUREZK. Mr. President, one recurring but little publicized theme at last weekend's "economic summit" conference and the preliminary conferences which preceded it was the need to deal with inflation in the context of broader economic problems—unemployment, concentration of wealth and economic power, real or threatened shortages of materials, and misallocation of resources and priorities. Another recurring theme was the pressing need to undo the damage which inflation has already done to poor people and people on limited fixed incomes.

Also pointed out were the pressing housing needs of rural areas, and the fact that the traditional solutions of providing more credit will not, in themselves, do much to meet these needs.

I ask unanimous consent to have printed in the Record the statements submitted to the conference by two rural housing organizations which participated actively: the National Rural Housing Coalition and the Rural Housing Alliance. These recommendations have a great deal of merit and I hope they get the attention they deserve.

There being no objection, the statements were ordered to be printed in the Record, as follows:

National Rural Housing Coalition Statement on Inflation, Housing, and Economic Policy

NRHC views inflation as a symptom—and a serious one—of a broader set of economic problems. These include the persistence of poverty and near-poverty for millions of Americans; rates of unemployment that are unacceptable for the labor force as a whole, and alarming for many, particularly minorities and youth; the misallocation of resources and priorities, which has resulted in neglect of rural problems and rural areas and compounded the problems of our cities; and real or threatened shortages of food, fossil fuels, and other raw materials.

Inflation must be dealt with in the context of these problems. Otherwise, they are all too likely to be aggravated. The attempted reliance on monetary and fiscal policies in the recent past has done just this, without perceptible influence on inflation itself.

Housing has been a double victim of inflation. First, rising costs have priced a growing proportion of Americans—now the vast majority—out of the market for new housing. The median price of new housing rose from $23,400 in 1970 to $35,400 in June 1974, an increase of more than 50% (51.3%). Only about 12 million of the 55 million families in the U.S. have enough income to purchase new housing, even if the houses and financing for them were available. The situation of rural Americans is worse than even these figures imply: the median income of families living outside metro areas was $10,366 in 1973, compared to $12,961 for families within metro areas.

For the 85% of American families who cannot afford new housing, the situation is also bleak. Rents and sales prices of existing housing are rising. Skyrocketing costs of fuel and other utilities add to these burdens, which fall most heavily on poor people. In 1970, before the latest round of rent increases, HUD reported that households with incomes below $2,000 paid an average of 64% of their incomes for rent, compared with 20% for all families.

The situation of the elderly is particularly difficult. Many states have effectively recaptured recent increases in SSI payments. In 1971 elderly owners paid more than 8% of their incomes for property taxes alone, often being forced to skimp on utilities and maintenance. More than ½ of all low income elderly owners live in rural areas. Their problems are particularly severe, and programs to assist them are almost nonexistent. Moreover, rural elderly renters are far more likely to live in substandard housing than are those under 65: one elderly household in four lacks essential plumbing facilities.

Second, housing has been a victim of inflation because the impact of the federal government's monetary policies has fallen hardest on housing. We question the efficacy of raising interest rates to deal with inflation in any event: those who can afford it continue to borrow, and the higher cost of borrowing is passed on to consumers in the form of increased prices, and more inflation. But, for a policy that has not worked, housing has paid a heavy price: starts have fallen by more than 40% in the past year, and building permits in July 1974 were issued at a rate of barely 1 million units.

NRHC urges that the major purposes of the conference on housing and construction be (1) on how to deal with our critical housing problems, particularly those of rural and low income people, without contributing to further inflation and (2) on how to undo the damage which has already been done in housing. We would hope that the conferences on other subjects would take a similarly broad view, so that the September 27–28 gathering can be as fruitful as possible.

Specifically, this requires new and expanded programs and priorities in essential areas—housing, food, employment, for example. The cost of these programs can be offset either by tax increases, focused at upper income levels, or by cuts in other programs.

In other words, we should be looking at *how* we are spending, not just at *how much* we are spending. And we should look not only at what the federal government is doing, but at state and local goverments and at the private sector. If total investment is too high—and we are not yet convinced that this is so—then investment in such luxuries as second homes, luxury recreation and other facilities should be cut, not housing. If total federal spending is too high—and we are not yet convinced that this is so—then cuts should come in programs with no direct impact on providing Americans with opportunities to meet their basic needs, including shelter, food, education, employment, health care. If total housing subsidies are judged too high—and we are not convinced that this is so—then we should look first at cutting tax subsidies for the wealthy, not at eliminating or strangling programs for low and moderate income people. Four-fifths of all housing subsidies are tax subsidies, and they go predominantly to relatively affluent people.

We need a balanced housing program—balanced in terms of housing needs. This means priority for low income housing and for rural housing, and particularly, attention of the housing needs of the elderly. One-third of our housing stock is outside metro areas, for example; but two-thirds of our substandard housing. The Rural Housing Alliance has estimated a total need for roughly 30 million new housing units during this decade. Ten million units are needed outside metro areas. At least half of these require subsidy. This means a total rate of housing production of 3 million units annually, with 1 million in rural areas: 300,000 for low income people and 200,000 for moderate income people. Total production is less than half this level; subsidized production lags even further behind.

The first immediate step to take is to press vigorously for full use of all available housing subsidy programs. This means additional appropriations by the Congress, to fund the expansions authorized in the Housing and Urban Development Act of 1974. Perhaps more important, it requires commitment and affirmative action by the Departments of Agriculture and Housing and Urban Development to see that the existing programs are used to the fullest possible extent.

Concurrently, we urge the adoption of a credit allocation approach to provide the necessary construction and mortgage money so that housing production can be resumed at a more nearly adequate level. Particular attention should be paid here to meeting the proportionately larger credit needs in rural areas. We urge direct federal financing, at low rates of interest, as a major way of providing mortgage money and lowering total housing costs. Such loans, and similar investments, should be regarded as capital expenditures, and handled in a separate federal capital budget, so as to portray realistically their nature and cost.

Particularly in small towns and rural areas, housing costs can be further reduced by providing adequate public sewer and water systems, so that houses can be built at moderate densities, rather than requiring large lots, often of several acres.

We conclude by commenting briefly on some of the more general questions on the agenda:

A. Inflation is a major problem to the poor, especially those on fixed incomes. Primary attention should therefore be given to its impact on poor people.

B. The major cause of this inflation has been rising cost and scarcity of critical materials, especially food and fuel. Restrictive agricultural policies, the Russian wheat deal, the oil embargo and excessive profits, particularly in oil, have worsened an already difficult situation.

C. The federal budget should be increased, if necessary, to provide compensation for the impact of inflation on poor people. These increases could be more than offset by cuts in the defense budget and by selective tax increases, particularly on capital gains, accelerated depreciation, and inheritance.

Federal regulations, such as those which keep freight rates artificially high, could well be reviewed and reduced; we deplore the current tendency to single out environmental regulations as a culprit.

Statement on Rural Housing by the Rural Housing Alliance

The Rural Housing Alliance endorses the statement on inflation, housing and economic policy of the National Rural Housing Coalition and adds to that statement the following measures designed to counter unemployment.

Unemployment and underemployment is as great a threat to the Nation's economy as inflation. Unemployment and underemployment in rural areas can be sharply curtailed by an expansion of the rural housing industry. The need for better housing in rural areas is obvious. Approximately 60 percent of the bad housing in the United States exists in rural areas. The Farmers Home Administration estimates that the construction of one house provides 1.7 work years of on-site and off-site employment in the construction industry.

Recognizing these facts the Rural Housing Alliance suggests the following course of action:

1. Reduce the interest rate on Farmers Home Administration rural housing loans. Representative Wright Patman, recently asked Secretary of the Treasury, William E. Simon, what the interest rate on Farmers Home Administration homeownership loans would be if the rate was the one determined by the Secretary of the Treasury under Section 521 of the Housing Act of 1949, as amended. On August 7, Secretary Simon informed Representative Patman that the interest rate under the formula set by law would be $8\frac{1}{8}$ percent for fiscal 1975. The current rate is $9\frac{1}{2}$ percent. This should be reduced to $8\frac{1}{8}$ percent thereby allowing tens of thousands of poorly housed rural families who cannot afford the higher interest rate to obtain decent housing.

2. Increase the authorization for Farmers Home Administration insured housing loans for fiscal 1975 by $500 million. When the 1975 Budget was prepared the Administration, in estimating rural housing funds needed relied on a concept of making loans for the purchase of existing houses rather than the construction of new homes—a concept which has since been proved unworkable and has been discarded. Because of this faulty concept the Budget was based on an estimated average of $13,000 per loan. The loans actually made in fiscal 1975 averaged $18,000 and this level will be maintained, if not exceeded, in fiscal 1975. If Farmers Home is going to help 150,000 families obtain homeownership loans in fiscal 1975, the target set in the 1975 Budget, then an extra $500 million, over and above the amount provided in the Appropriation bill, is needed.

3. The crucial sections of the rural part of the 1974 Housing and Development Act need to be implemented promptly. The 1974 Act brings parity to rural areas by adding to the rural housing program several forms of housing assistance previously available only through the urban housing programs. For example, the bill authorizes rental supplements for FmHA financed rental and farm labor housing projects. In addition non-profit sponsors of both types of projects will be able to borrow initial operating expenses up to two percent of development costs. The ceiling on the size of rental housing projects has been removed. All of these provisions should be implemented promptly. This action will stimulate the construction of rental and farm labor housing and make such housing available to families who cannot now afford the rents. Another section of the 1975 housing act that is of considerable importance to rural areas is the one that authorizes FmHA to make grants to non-profit organizations to provide technical assistance in the development of low-income rural housing projects. Also authorized are seed loans to non-profit organizations to cover start-up costs. Both these new programs extend to rural areas the Section 106 assistance provided by HUD.

4. The staff of the Farmers Home Administration should be strengthened. The number of FmHA homeownership loans closed in fiscal 1974 dropped 20 percent below the 1973 level. One of the principal reasons for the decline was the extra burden that FmHA employees are now carrying in the making of small business loans and rural community facility loans authorized by the Rural Development Act of 1972. The size of the FmHA staff should be increased by 20 percent to partially compensate for the increased demand for FmHA services.

5. Farm labor housing grants should be increased. There are approximately one million farm workers in the United States, vast numbers of whom are ill-housed. Last year an FmHA survey cited a need for 130,000 farm labor housing units. At least $15 million should be provided for these grants in fiscal 1975.

6. Self-help housing technical assistance grants should be increeased. The self-help housing system, in which families build their own homes, enables families who could not afford a contractor-built house to obtain decent housing. The self-help housing program pays for itself because when people build their own houses the cost of construction is lower, and therefore the interest credits on the loans the families obtain for building materials are lower.

7. The rural community water and sewer grant funds should be utilized. Adequate water and sewer systems are essential to the development of rural housing. The grant funds already appropriated for this purpose plus those that will be made available through the 1975 Agricultural Appropriation bill should be promptly utilized.

WORLD HUNGER, HEALTH AND REFUGEE PROBLEMS

Mr. KENNEDY. Mr. President, much has been written and said in recent weeks and months about the world food crisis—about the short fall in America's crops this year, the Russian grain deals, and the need for world cooperation in establishing international grain reserves. But as crucial as these topics may be, Mr. President, too often as we review these future global food problems we loose sight of the very real and urgent food crisis of today.

Hunger, and the threat of famine and disease, are already tragic companions to millions of people throughout the world. The human suffering it brings is often more devastating and disruptive than the suffering of conflict and war. Hunger and disease not only leave proud people weak, but it stunts their lives and spirit, and saps the energy and capacity of whole nations to develop. And thus todays' hunger contributes to tomorrow's famine.

Mr. President, we often forget that advances in nutrition and sanitation have, far more than advances in medicine, contributed to the health and longevity of our lives. Food is the most fundamental commodity to sustain human life. So the threat of shortages is menacing—not only to the physical and mental health of the people involved, but also to the social and economic development of individual countries and entire regions of the world.

Despite the worldwide implications of famine and hunger in one area—despite the obvious moral imperatives, and the sometimes not so obvious political implications—our policymakers have yet to recognize that food, and the prevention of malnutrition and disease, are essential ingredients in building a structure for peace. The recent history of people problems around the world tells us that we ignore at our own peril the plight of people—the humanitarian needs and developmental requirements of millions in the Third World. Their neglect fosters instability, and breeds conflict and war, as serious as any arms race or imbalance of military power.

Mr. President, some of these implications of the growing food crisis around the globe—of the sharp increase in malnutrition in many areas of the world—were reviewed over the past weekend in a series of outstanding articles in the New York Times and the Boston Globe. As Harold Schmeck notes in the New York Times article, "malnutrition and its ultimate form—starvation—are the real causes of world concern over the teetering balance between food supplies and population across the globe."

The article contains an interview with Dr. Nevin Scrimshaw, head of the Department of Nutrition and Food Sciences at MIT, who has been a frequent consultant to the Subcommittee on Refugees, which I serve as chairman.

Dr. Scrimshaw's interview underscores testimony he gave, just 1 year ago, before a joint hearing of the Refugee Subcommittee and the Subcommittee on Health regarding world hunger, health and refugee problems. He notes that although real progress has been made against malnutrition over the past two decades, a sharp turn for the worse has occurred over the last year. Floods, droughts and other anomalies of weather have hurt crops in some of the world's main food producing regions, as well as in areas of the third world where food shortages can be least absorbed.

In countless countries, he describes how a deteriorating cycle of malnutrition has started: It begins with inflation, in both human population and in the cost of everything. This drives the poorest of the rural population off the land and into appalling city slums. Work is scarce and the government dole of food offers the only hope of survival. In this natural breeding ground for malnutrition, infants are further compromised because their mothers can't both breastfeed and look for work.

The grim implications of malnutrition on the future economic development of the third world are graphically clear in Dr. Scrimshaw's findings:

> In regions where malnutrition is common, laborers often have to be given tasks that take only two or three hours a day. Men and women can't work longer on the calories their meager diet provides. This lack of productivity tends to be self-perpetuating. The person who can work only a few hours a day can't earn enough to buy the food that would make a longer work day possible. Even when the malnutrition reflects primarily deprivation of certain specific nutrients, rather than overall lack of food, the loss of productivity can be drastic.

Thus, we have, Mr. President, the seeds of next year's hunger and starvation. And the vicious cycle continues, unless something is done soon to help.

I commend to the attention of all Senators the testimony of Dr. Scrimshaw, along with other experts, contained in part II of the continuing series of hearings on world hunger, health and refugee problems, conducted jointly by the Subcommittee on Refugees and Subcommittee on Health. Copies of the five parts already printed are available from the subcommittee office.

Mr. President, food shortages, even famine, are on the minds of people around the world—from the villages of South Asia and the desert of West Africa, to the United Nations Food and Agriculture Offices in Rome. Even in our own country, with a history of surplus, families are acutely aware of a growing food crisis. Some items were missing recently from our grocery shelves, and prices have skyrocketed for those that remain. And all evidence suggests that we are not confronted with a temporary emergency, but with a long-term problem, both domestically and overseas, which needs creative thinking on the part of all.

But as we take needed steps to remedy the problem here at home, we cannot neglect hungry people overseas. We no longer have unlimited surpluses to meet all their needs, but we must do what we can, with what we have.

Mr. President, I ask unanimous consent that two articles from the New York Times, as well as two related articles in the Boston Globe, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 6, 1974]

Malnutrition Is Up Sharply Among World's Children

(By Harold M. Schmeck, Jr.)

WASHINGTON, October 5.—In parts of rural Bangladesh, during relatively good times, villagers hope to eat one meal a day. This year, during the aftermath of the summer floods, many of them were eating only once every other day, sometimes only once in every three.

An authority on world malnutrition, Dr. Nevin S. Scrimshaw cited these grim figures recently to put in human terms the impact of hunger in 1974.

The consequence of prolonged hunger is malnutrition. It is widespread in the underdeveloped world. It appears to be getting worse. It hits children hardest, killing many and stunting the growth of many others both mentally and physically so that they are likely to be handicapped for life.

Since early this year, nutritionists say, there have been sharp increases in serious malnutrition among young children in many regions, notably Barbados, Guatemala, Bangladesh, Thailand and India.

There are no good global figures on malnutrition and never have been, but some experts estimate that a billion or more people suffer from it during at least part of the year. That means that almost a third of the human race are suffering today from hunger and its consequences.

Malnutrition and its ultimate form—starvation—are the real causes of world concern over the teetering balance between food supplies and population across the globe.

Real progress against malnutrition has been made during the last two decades. But some specialists, including Dr. Scrimshaw, head of the Department of Nutrition and Food Science at Massachusetts Institute of Technology, say there has been a sharp turn for the worse in recent months.

Among the underlying causes are bad weather, inflation in energy and food costs and the inexorable growth of world population. Rising petroleum prices have sent the costs of fertilizer and transportation up, too, blunting the promsie of the "green revolution."

HAZARDS OF WEATHER

Floods, droughts and other anomalies of weather have hurt crops in some of the world's main food producing regions and in other places where shortage can be least tolerated.

Nations that appear to be particularly hard hit include India, Pakistan, Bangladesh, the sub-Saharan countries of Africa, Indonesia and parts of several Latin-American countries.

It has been estimated that roughly 15 million children a year die before the age of 5 of the combined effects of infection and malnutrition. This annual toll represents a quarter of all the deaths in the world.

Some experts believe virtually all of the children born to poor parents in the underdeveloped nations have some degree of malnutrition at one time or another. For millions the malnutrition is severe.

The human tragedy of this is clear to anyone who has ever seen the staring, apathetic eyes, match-stick limbs and swollen belly of a seriously malnourished child. The whole social and economic cost is harder to grasp, but no less tragic.

In adults, malnutrition can ruin health and productivity; in a child it can all but foreclose the future. The world malnutrition covers many possible deficits, sometimes simply too little food of any kind, sometimes the lack of certain crucial nutrients. The results can vary too—anemia and apathy, or deformed bones, or stunting of growth in both mind and body. When prolonged and drastic enough, malnutrition becomes starvation—a word that needs no definition.

In regions where malnutrition is common, Dr. Scrimshaw observed during a recent interview, laborers often have to be given tasks that take only two or three hours a day. Men and women can't work longer on the calories their meager diet provides. This lack of productivity trends to be self-perpetuating. The person, who can work only a few hours a day can't earn enough to buy the food that would make a longer work day possible. Even when the malnutrition reflects primarily deprivation of certain specific nutrients rather than overall lack of food, the loss of productivity can be drastic.

EFFECTS ON EFFICIENCY

A field study in Indonesia last year, sponsored by the World Bank, showed a strong correlation between iron-deficiency anemia and reduced take-home pay among rubber tappers. The study, by scientists at M.I.T., showed a 38 per cent rise in income when the rubber workers were fed extra iron to correct the anemia.

Malnutrition is bad enough by itself, but it almost never occurs alone. The malnourished person is more likely than a * * * from infection—and the infection will probably be worse. Measles is not often a threat to well-nourished American children. In places such as Africa, where malnutrition is a common childhood experience, measles is a killer.

Furthermore, repeated bouts of infection can intensify and aggrevate malnutrition. When a malnourished infant develops diarrhea—often a combined effect of too many germs and too little food—the mother responds by withholding solid food. When the only alternative is a thin gruel of little nutritive value the malnutrition inevitably gets worse.

In many poverty-stricken regions of the world, infant diarrhea and respiratory infections in the young are among the leading over-all causes of death. Many experts agree that this toll is as high as it is primarily because of malnutrition.

While malnutrition can be disastrous at any age, health workers concerned with the problem are most alarmed about the effects on children and pregnant women. The alarm is over those who survive as much as over those who die.

The combined assault of poverty and its social deprivations along with the lack of good nutrition, both before and after birth, can leave a young child permanently handicapped virtually from the start of life. For at least 20 years, evidence has been accumulating that infants thus deprived may grow up with permanent mental as well as physical handicaps.

"INCREASING THREAT" FORESEEN

"The world is producing literally hundreds of thousands of children who will be at risk of poor mental development later on," said Dr. Myron Winick, who has done pioneering studies on the effects of malnutriton on the developing mind and brain.

"These are the very countries that are underdeveloped and can least afford to have many of their 20-year-olds retarded 20 years from now," he said. Dr. Winick is director of the Institute of Human Nutrition of Columbia University's College of Physicians and Surgeons.

The same worry has been expressed recently by many experts, including Dr. Scrimshaw of M.I.T.

"We will see an increasing threat to the population on which the developing countries will depend to bring them into the modern age," he said.

That is a factor of utmost concern to health scientists: Today's malnutrition may already be shackling tomorrow's generation of adults.

Part of the evidence for this lies in the way the human brain develops. There are two relatively distinct key periods in its growth. The first of these is a rapid multiplication of nerve cells coming during the second trimester of pregnancy—months three-through-six.

The second key phase extends through the first two years of a child's life. During this phase, according to Dr. Merrill S. Read, of the National Institute of Child Health and Human Development, comes major growth of the brain's non-nerve cells and of the intricate multiple connections between cells.

This latter phase is particularly important to human mental performance. Dr. Read said in a survey report on the effects of malnutrition on learning.

It had once been thought that the human fetus was almost entirely protected against malnutrition while still in the womb and that the infant could recover satisfactorily from even severe temporary lack of nourishment. Today, both of these views seem overly optimistic. A malnourished mother may not be able to give the fetus the optimum nutrition that it needs. The infant lacking proper food during early critical stages may never recover completely.

There are at least three ways in which early malnutrition can permanently stigmatize its victims, Drs. Read, Winick and others agree. Evidence from humans and animals shows that malnutrition at key times early in growth may affect the development of the brain so as to impair learning ability. The second and third factors appear to be as much social and behavioral as physical. The seriously malnourished baby tends to be apathetic, less demanding of attention from its mother—and therefore getting less. The result is likely to be further malnutrition and withdrawal into a bleak empty world of its own. It's a situation that tends to perpetuate itself among the survivors with later changes in personality and behavior that may interfere with learning and almost everything else.

Experiments with nonhuman primates have shown that severe malnutrition in the young results in emotional problems and difficulty in adapting to change later on.

From long studies of deprived children in Latin America and Cambridge, Mass., Dr. Ernesto Pollitt of M.I.T. has concluded that the victims of early malnutrition inhabit a world virtually separate from the more fortunate, and that food alone would hardly suffice to bridge the gap.

Yet, for millions, enough food seems to be getting more and more out of reach.

A SUMMARY OF CONDITIONS

In oversimplified summary, this is the picture several specialists have drawn recently:

In poor areas of the world, inflation in both human numbers and the cost of everything is driving rural people off the land and into appalling city slums. Work is scarce and government dole of food offers the only hope of survival. In this natural breeding ground for malnutrition, infants are further compromised because their mothers can't both breastfeed and look for work.

In city after city in counties where hunger is already a problem there seems to be a trend away form breast feeding. Nutritionists are concerned because they see evidence that it is reflected in serious malnutrition at the age when the baby is most likely to suffer irreparable damage. The reason is that the infants often get their substitute food under unsanitary conditions and the formula food itself is often watered down to save the family money.

"It's too dilute to do any good," one doctor said, "but it still looks white."

Some nutritionists say a major aggravation of the problem is the tendency of some poor mothers to abandon breast feeding in emulation of more prosperous women—but without the resources or knowledge to provide their babies with adequate substitute nutrition.

The result, all too commonly is a grave type of malnutrition called marasmus. It results from a prolonged deficit in total food—too few calories, too little protein, too little of everything else that is important in food.

Dr. Winick said marasmus in the very young is particularly dangerous because it hits during a stage of development when the risk of permanent brain damage is probably greatest. Dr. Joe Wray, a pediatrician who has worked in community health projects in many parts of the world as a field staff officer of the Rockefeller Foundation, says he has been appalled by the extent of urban malnutrition.

His most recent assignment was several years in Thailand. There he said, breast feeding was still the custom in rural families. Malnutrition was neither common nor often severe.

OVER HALF MALNOURISHED

Dr. Wray said that when he left Bangkok earlier this year, the drift away from breast feeding was so strong that most women were no longer doing it after the first six months. In the urban slums of that city, he said, well over half of the babies were malnourished and as many as 15 percent suffered from marasmus. He suspects that the same thing would be found in many of the other big cities of Asia.

Dr. F. James Levinson, director of M.I.T's International Nutrition Planning program, called the lack of breast feeding among the poor "a dreadful syndrome" that is having effects all over the world.

In the midst of all the evidence of malnutrition in various regions of the world, there are a few notable exceptions.

Dr. George Solimano, head of the nutrition programs under the Allende regime in Chile, said his country had made significant progress against infant malnutrition by intensive programs of giving milk supplements to poor women and children, together with a large-scale public health education program.

Dr. Solimano, who is now at M.I.T., said the program began before the Allende regime but was accentuated during his presidency. Infant and maternal death rates have declined in Chile in recent years, he said, partly under the impact of the long-term policy.

CHINA VISITORS IMPRESSED

Others familiar with the situation in Chile said the present regime was continuing to follow a strong nutrition policy under the drection of Dr. Fernando Monckenberg, an internationally known scientist.

Several nutritionists and experts in child health have been surprised and much impressed by the lack of visible malnutrition in mainland China. Evidence of severe and widespread malnutrition would not be easy to hide from the visitors' expert eyes. Many who have been to China believe she has indeed managed to provide adequate food for her 800 million people. Visitors to North Vietnam in recent years have reported much the same thing.

Decades ago, China and Indochina had the reputation of being the traditional home of periodic famines. Today, in much of the rest of Southeast Asia, malnutrition is widespread, some experts say.

As Lester R. Brown of the Overseas Development Council notes in a new book, "By Bread Alone," to be published this fall by Praeger, neither malnutrition nor famine is anything new to the human race. Millions died of famine in the Soviet Union during the early nineteen-thirties; millions died in Ireland during the potato famine of more than a century ago.

In 1943 floods destroyed the rice crop in West Bengal, India, causing a famine in which some two to four million died.

There have been smaller famines since World War II in various parts of the world and one case in which a large-scale threatened famine was avoided in India because of food and shipments made largely on American initiative.

Mr. Brown, who has devoted much time and energy to warning of world food problems, said India might have experienced one of the worst famines in history in the mid sixties had it not been for the nearly 10 million tons of food aid shipped in during two successive years.

INDIA'S NEED IS VAST

Observers say it appears that India may need several million tons of food aid this year, possibly as much as their annual needs for aid during the episode of the mid sixties. But this year one American nutritionist said, we don't have the surpluses to send them.

Some of the great famines of history have devastated whole countries or regions, threatening almost everyone when food supplies ran out. In his new book, Mr. Brown worries about subtly different famines that may confront today's world. The modern version, influenced by population pressure and rising prices, could affect primarily the poor, leaving the affluent, even in poor nations largely untouched.

"The modern version of famine does not usually confront the world with dramatic photographs such as those of the morning ritual of collecting bodies in Calcutta during the Bengal famine of 1943," he said, "but it is no less real in the human toll it takes. Reports in 1974 of rising rates of nutrition-related deaths in several poor countries underscore the need for closer attention to this ominous trend." In a recent conversation. Dr. Wray of the Rockefeller Foundation also underscored the ominous look of things today, particularly in the urban slums of major Asian cities.

[From the New York Times, Oct. 6, 1974]

TWO FORMS OF MALNUTRITION WORRY WORLD HEALTH EXPERTS

WASHINGTON, October 6.—Public health experts worried about the consequences of food shortages in several regions of the world are particularly concerned over two serious forms of malnutrition.

These are kwashiorkor and marasmus. Both are serious threats to the lives and future well-being of young children.

Kwashiorkor, marasmus and * * * shortage of protein. It is most likely to occur after weaning if the infant's solid food lacks enough good protein. This severe protein-deficiency malnutrition can occur even if the child's diet gives a close to adequate total of calories.

The other type, marasmus, tends to come earlier in life. It stems from an over-all lack of good food—protein and everything else. It is really partial starvation.

Kwashiorkor, Marasmus and mixtures of the two all stem from violations of the body's basic food economy. To maintain health, a person must consume enough protein to build and rebuild tissues and other vital body constituents. The person must also consume enough food—protein, carbohydrate or fat—to provide the * * * energy is measured in calories, which are really units of heat.

In short, the living body must maintain a balance in energy, protein and other nutrients, taking in as much of each as it uses in the processes of life. When outgo persistently exceeds intake, the body must start devouring its own substance.

A person cannot indulge in deficit financing of his body's basic nutritional budget for long without harm. Too little food brings hunger almost immediately and then malnutrition, if the shortage continues; ultimately, there is starvation and death.

Malnutrition can take many different forms and different degrees. A person may die of severe malnutrition without necessarily starving. Prolonged lack of just the nutrient vitamin C, for example, can result in death from scurvy even if the victim continues to get a reasonably abundant supply of other nutrients and calories.

The human body cannot make its own vitamin C, although the nutrient is widely available in citrus fruits, potatoes and tomatoes. When the human's supplies dwindle to the critical point, the deficit affects the whole body almost cell-by-cell. The vitamin is thought to play a role in electron transfer within cells. It facilitates the absorption of iron from food.

SUPPORTS CONNECTIVE TISSUE

On the larger scale, vitamin C helps maintain the integrity of connective tissues, bones and teeth. When the vitamin is lacking, capillaries are weakened and excessive bleeding is likely to result.

Yet all of these ill effects can be prevented, in the normal person, by about 60 milligrams of Vitamin C a day—a dose that is only about a fifth of the weight of a common aspirin tablet.

The vitamin C case is only one among many examples in the huge literature of nutrition. Comparable lack of Vitamin B-1 can lead to death from beriberi. Shortage of iron can cause anemia. Lack of iodine during a woman's pregnancy can put her baby at risk of cretinism—dwarfed in physical stature, seriously retarded mentally.

In its broadest of sense, malnutrition covers the whole gamut of problems from too much food-causing obesity and many concomitant health hazards—to starvation, the situation in which the food-deprived body consumes as much of its own substance as it can, then dies when it can do no more.

Experience of the Dutch during the severe famine they suffered in the final year of World War II showed that people began to die of starvation when they lost roughly a third of normal body weight. When the loss reached 40 percent, death was almost inevitable.

[From the Boston Globe, Oct. 6, 1974]

GRAIN TO FEED BILLION PEOPLE WASTED IN UNITED STATES

(By Robert Cooke)

Despite high prices and some shortages, American farmers are still producing enough food to feed a population twice the size of India's—and much of it seems wasted.

In the midst of such plenty, American tastes and food habits dictate that most of this food—primarily grain—be fed to animals so we can dine on meat, milk and eggs.

Food scientists point out that such uses—especially animal feeding—are very inefficient, since only about 10 percent of the food going into animals is returned as meat.

So, according to Dr. George Borgstrom, a Michigan State University nutrition specialist, America is now feeding 220 million people at home, but using enough food for 1.6 billion people to do the job.

While population figures are sometimes useful, Borgstrom said what really matters "in terms of food is the size of man's direct biosphere, including livestock."

On this basis, he explained, there may be 4 billion human inhabitants of this planet, but we are feeding the equivalent of 19 billion people. Of this total, 15 billion of Borgstrom's "population equivalents" are livestock, including poultry.

Thus India, he said, with three times the population of the United States, demands only half the protein America requires.

Other food scientists agree, at least generally, with Borgstrom's idea, although they dispute the figures to some degree.

"A lot of what he (Borgstrom) has to say is extremely valid," said Dr. Samuel A. Goldblith, professor of nutrition at MIT. "The conversion of protein to protein, of vegetable protein to animal protein, is often less than 10 percent efficient."

What this means is that for every 10 pounds of edible grain invested in feeding beef cattle, the return is less than one pound of meat. Efficiencies are a little better for swine, broiler chickens or egglaying hens.

Goldblith pointed out that the conversion of total feed to edible carcass, including fat, is about four percent efficient in cattle, 18 percent efficient in swine, 20 percent in broilers and up to 28 percent for laying hens.

In terms of edible protein production, Goldblith also noted that one acre of ground, in a year's time, will produce 500 pounds of soybean protein, or 100 pounds of milk protein, or only 60 pounds of beef.

"It's all a question of putting our protein through animals, which is inefficient," Goldblith said.

He noted that the average American directly consumes only about 180 pounds of grain per year. But because of his appetite for grain-fed meat and poultry, grain consumption in the U.S. averages about 1600 pounds per person in a year.

In Canada, even though incomes are generally lower, people average more than 1800 pounds of grain—which has been turned into meat—per year, plus about 150 pounds of grain consumed directly.

In Great Britain, France and West Germany, people eat 250 to 300 pounds of grain per year, plus another 800 pounds in the form of meat.

The average per person direct consumption of grain in India, however, is 320 pounds. Meat consumption—in grain equivalents—adds only another 20 pounds to this diet.

Goldblith added that a person in India averages only 6.1 grams of animal protein per day, while in the United States it's 70 grams.

Borgstrom, noting that the world's food problem "is more than a question of population," said protein consumption figures indicate that "one individual in the rich world represents 25 people (in the poor world) in terms of protein consumption."

In the past two years, too, he noted, the situation has grown even more extreme. Even greater amounts of meat are being produced in response to high prices, "but even our own poor can't afford to buy the meat we're producing." Instead, he added, people are turning to other protein sources, such as peanuts.

Peanut consumption was up 27 percent in the first four months of this year, Borgstrom noted. "Consequently, the price of peanut butter is almost up to the price of meat," he said.

The way the world's food is distributed also appears to work against a solution to the problems of have-not nations. Borgstrom pointed out that during the 1960s Great Britain, with its relatively small population, imported far more cereal grain than India. Ditto for West Germany and Italy.

And America's celebrated soybean crops, touted as a great contribution toward relieving world hunger, have gone mostly to Europe and Japan. Only two percent of America's exported soybeans have reached the really hungry world.

In addition, Borgstrom points out, American food distribution is often guided "by strategic interests." Great supplies of wheat have been sent to South Vietnam, Cambodia and Indonesia, while "so little is then left for the really needy world."

Compounding the problem, Borgstrom adds, is the fact that wheat—which is suitable for direct human consumption—is now being routinely fed to meat animals.

Basically, Borgstrom said, the problem boils down to the fact that, on a worldwide basis, the animals are in direct competition with man for consumption of grains and soya beans.

Another specialist at the California Institute of Technology, Dr. James Bonner, once put it like this:

"Right now, what we're doing is running the world's largest welfare system for indolent cows."

[From the Boston Globe, Oct. 6, 1974]

WEATHER TAKES A SLICE OF WORLD'S FOOD

(By Robert Cooke)

The farmer in India waits, watching, but the southwest monsoon rains don't come to dampen the dust of his parched, baking field.

An African nomad, his livestock dead, sees his family delivered to a fetid, disease-ripe shanty town, their only hope for survival. The grass is gone.

In the food-rich American Midwest, a farmer sadly scans the gentle hills where his wheat has been hammered to the ground by hail.

To the southeast, where rivers are swollen and sandbags are frantically filled, a young housewife boosts her children to the roof as the waters creep slowly higher, higher.

Separate and disconnected as these sad events may seem, there is one common denominator for disaster—blame the weather.

Scientists, alert to even the most subtle changes in weather patterns, report the weather—on a global scale—is changing, that temperatures are going down now after an abnormally warm 50-year interlude.

Research specialists report that a series of odd, unpleasant events have been happening around the world in recent years, ranging from the drought in Africa's sub-Sahara region to the dry spells in India, southern Asia, northern China and Central America.

While the rains in these areas slackened or disappeared, other zones—notably in the American Midwest, Italy and the Philippines—were awash in floods. New patterns of rainfall and temperature seem to be emerging.

Among the most outspoken scientists saying that climatic change is upon us is Dr. Reid Bryson, director of the Institute of Environmental Studies at the University of Wisconsin. Bryson contends that climatic change is occurring "right now," and that if it continues the whole human population will be affected, and a billion people may starve.

The famine to come, Bryson adds, will be the result of the present relatively balmy era when good crop yields have allowed population to burgeon. In India, for example, he says, the availability of food and medical care allowed the population to more than double in this century alone.

According to Bryson's calculations, the period from 1890 to 1945, when temperatures were unusually warm, may be merely a brief respite from what climatologists call the "little ice age" that began in the 16th century.

Records indicate that temperatures worldwide began rising after about 1890, peaking in the 1940s. They have been dropping ever since, and the total decline in mean temperatures has been about 2.7 degrees Fahrenheit.

While this may not seem like much, the difference is being seen in odd ways. For example:

—In America, the warmth-loving armadillo had expanded its range as far north as Nebraska. Now, apparently in response to lower temperatures, this armored creature is retreating south again.

—In Iceland, fishermen who had learned in previous decades to venture north are now staying south in traditional fishing grounds. Drift ice, too, is being seen for the first time in this century by ships heading for Iceland ports.

—In England, it's reported that the growing season is, on the average, about two weeks shorter now than it was in 1950.

New England, too, seems to be involved. Oddly warm winters here in the past few years contrast with the extra-severe winter weather in western portions of the nation. It is expected that rainfall will continue to increase in the western plains and Rocky Mountain areas, and floods along major rivers may result.

Bryson, contacted at his office in Madison, Wis., said most recent new information is adding confirmation to the idea that the world's temperature is going down. He added:

"New reports from Germany indicate that the North Atlantic Ocean is cooling off. Weather ships, which measure surface temperatures very precisely, find the temperature is down an average of one degree centigrade.

"This is significant, because the difference between the present time and an ice age is only about 6 degrees centigrade."

Bryson said the change has occurred over a period of 20 years, and the change "is clearly at the northern edge of the Gulf Stream. This means that the Gulf Stream has shifted southward.

"We've compared the amount of that shift with where the Gulf Stream was 18,000 years ago, and it turns out to be about one sixth of the distance," Bryson said.

That period—18,000 years ago—was near the end of the last ice age, when the Wisconsin glaciation covered much of North America with a huge slab of ice.

Bryson also noted that "the southward shift of the rain belts in Africa, in the same 20-year period, has occurred. Again, this is about one-sixth of the distance" that the weather system moved south in the last glaciation.

"That's only about one degree of latitude," Bryson explained, "but it is significant. Unfortunately, this kind of shift tends to suppress the monsoons, and this year the Indian monsoon was sort of a miserable failure."

In the eastern portion of the Indian subcontinent, notably in Bangladesh, the monsoon rains brought floods that caused disastrous crop failures.

"In central India, however," Bryson said, "only about three-fourths of the expected rain fell, and it arrived late, too. Parts of India had 30 percent of normal rainfall, other areas had 50 percent and some had 200 percent.

"Over most of the food-producing parts of India the monsoon was very erratic. The rains came in short showers instead of the normal steady rainfall, and the total was less."

With Asian crop losses and shortages in mind, added to less-than-anticipated yields in America, Bryson said "it looks like this is going to be another year when the world eats more than it produces. Once again we're going to be making up the deficit out of our food reserves."

He pointed out that the food shortfall on the Indian subcontinent, the amount needed to feed the people there, "is probably equal to the entire world reserves."

While few scientists dispute the facts and figures Bryson and others present as indicative of climatic change, there is some argument over whether the changes represent a long decline into another ice age, or whether they're just another small slump in a long series of ups and downs.

Dr. Michael McElroy, professor of atmospheric sciences at Harvard University, explained that "there's no doubt that the climate does change. We know we did have ice ages, and it has been a little warmer (than usual) in the last half century.

"Since about 1945," McElroy said, "we've been shifting toward cooler temperatures, but I don't think you can draw any conclusions from that. We don't have a good understanding yet of the factors that conrol climate."

Several factors capable of moving worldwide temperatures up or down have been suggested, however. These range from dust afloat in the air to carbon dioxide in the atmosphere, changes in the sun's energy output, the increasing size of the world's deserts, and changing currents in the seas.

The dust theory holds that particles in the atmosphere—put there by volcanoes, dust storms or industrial activity—act to reflect sunlight back into space before it can warm the ground. This increase to the planet's albedo—or reflectivity—would lead to cooler temperatures worldwide and would increase snowfall so even more sunlight would bounce back into space.

An opposite result is predicted from increased levels of carbon dioxide in the air. Scientists have shown that the amount of this gas is increasing slightly as man continues to burn fossil fuels.

Carbon dioxide allows sunlight to reach the earth, but then blocks infra-red radiation that tries to leave the earth. This effect is thought to lead to increasing temperatures and is known as the "greenhouse effect."

Scientists believe, indeed, that the planet Venus is the victim of a "runaway greenhouse effect."

Scientists believe, indeed, that the planet Venus is the victim of a "runaway greenhouse effect," in which the atmosphere absorbs so much energy that the surface temperature is above 500 degrees hot. All the substances that can be vaporized at those temperatures are in the atmosphere, and they keep the heat there.

Other scientists point out that the sun itself may vary the amount of energy it sends to Earth. Such variations might show up on this planet—and others—as ice ages or distinct warm spells.

Changing ocean currents, too, are thought capable of altering the amount of sea ice in arctic regions, again changing the amount of sunlight absorbed by the Earth. Elimination of reflective pack ice would allow arctic waters to absorb more heat, further changing the Earth's energy balance.

What happens in the weather, meteorologists explain, is largely controlled by the temperature differences between the equator and the poles. The greater the difference, the harder our atmosphere works to compensate.

This involves the flow of rising warm air from the equator northward. As it rises, this warm air drops much of its moisture in equatorial rain areas, then heads for polar regions. About a third of the way to the poles it descends toward the Earth's surface to create high pressure zones—where most of the Earth's major deserts are.

Some of this air flow moves back toward the equator—creating the well-known trade winds—and the rest flows on toward the cold poles. As it moves, however, it also carries much of the energy given to the flow by the spinning motion of the Earth itself. Thus the wind, as it approaches the poles, blows even stronger from the west to form the prevailing westerlies at low altitude and the fast jet streams at high altitude.

This flowing air eventually collides with the cold, heavy air extending outward from the poles. A mixture of the two is what meteorologists call the circumpolar vortex. This huge circular flow is disturbed by obstacles such as mountain ranges, which cause waves in the flow pattern. Thus changes in these flow patterns can be blamed for the changing weather, especially in the northern hemisphere.

Meteorologists report, then, that the greater the difference between the temperatures at the equator and the poles, the deeper more numerous are the waves that are created at this circumpolar vortex.

According to other scientists, the strange, cold winters seen in western areas of the United States in recent years—and New England's balmier winters—are caused by a southward projection of one of these waves over the central United States. It tends to draw cold air down along its western boundary, then pumps it back north again in the east.

What this amounts to, then, if the equator-to-pole pumps work harder, will be changing weather patterns—and perhaps more severe weather—in many areas of the world.

The effect, as a hungry world is seeing, will be felt first in the empty stomachs in India, Pakistan, the Middle East and Africa.

Mother Nature, unfortunately, seems to have her own swift, cruel methods for population control.

[From the Boston Globe, Oct. 6, 1974]

Hunger, Death Stalk Drought-Stricken Indian Village

(By Matthew V. Storin)

Palamau, India.—Bhangia, a 55-year-old mother of eight, was clutching what appeared to be a melon under her soiled aqua-colored sari.

When she met a foreigner she said nothing but extended her hand from inside the sari. In her palm were green stems with small purple heads.

A friend explained that she and Bhangia had been in the woods collecting grasses to feed their children. It was the only food they had.

The friend, Bindeshevari Devi, 40, lives in the village of Guri in Palamau district along the border between the states of Bihar and Madhya Pradesh. In Palamau they have suffered through drought for three years and 1974 has been worse than the others, farmers say.

Bhangia and Bindeshevari are from landless families. While farmers have property to sell or use as collateral on loans, the so-called "landless laborers" are the first to go hungry.

Bindeshevari says: "There is no work and I have no food grains to give to the children. When the fields don't provide enough food to the children, they just cry. Only for the love of the children we are moving in the forest collecting any kind of grass. But it is of no help really.

"As for us (adults), we would just prefer to die than to live in these conditions."

The people of Guri village claim that at least 15 people have died of starvation recently.

The villagers produce an elderly woman

blinded by cataracts. Her name is Panama Hira. "She is about 60 years old and has no money for care, no food and no one to take care of her," a man explains.

Palamau district is illusory to the uncareful eye. It is not a dustbowl. Generally the landscape is green, though a paler green than one sees in late summer India under good conditions. Occasionally the green is broken by a field of yellow.

A closer look reveals that the pale green fields are rice seedlings that were never transplanted. They will give no food this year. The yellow is corn (maize) which has withered from lack of water.

The farmers along a 10-mile stretch of road in Palamau, near Daltonganj, say they have not had a single crop.

Kaviraj Mistri, a 55-year-old farmer in Sankha village, says: "This is the worst drought we have ever had, worse than the drought in 1967. All crops have dried up. We made no transplants of kharif (spring) rice seedlings and the maize crop is a complete loss. There were 500 people in this village but half have left for another district in search of employment."

Mistri is better off than some:

"I just purchased maize, from the market. We manage to eat two meals usually, though sometimes we miss one. To purchase food we take money as loans against our land."

Mistri has seven children. He is pessimistic about the future:

"Whatever I had for property is already sold. I do not know how I will manage in the future." He says the government's "fair price shop" has grain only once every one and a half or two months.

Of a dozen farmers interviewed in Palamau district, not one remembers seeing a government relief worker.

Unlike the Punjab which has received considerable help from the central government, there is not a single tubewell (a mechanized pump well that pushes out water at high pressure) in Palamau. In the Punjab almost every farm has at least one.

The conventional wells that farmers have in Palamau have gone dry. Long trips are made to obtain drinking water from streams and other natural sources.

There is little other work in Palamau. The farmers can be seen sitting with their wives and children in circles and semicircles near their homes. Children are not sickly looking for the most part, although most do not seem to engage in active play.

One boy, caring for his little brother, appears to have occasional dizzy spells as they stand by the side of the road. But when his picture is going to be taken, the older boy smiles briefly.

In a group that gathers to talk with a newspaper reporter in Guri, the adults point out a four-year-old boy with no clothes. He is not ill, they insist, "but he is always hungry." He also smiles when a camera is pointed his way.

Several miles up the road teenage boys are playing soccer. It is the only physical exertion seen along this stretch of road.

Dewan Pandey, who lives in the village of Bhandar, is a farmer of rice and corn. "There is nothing. All have dried up," he says.

Pandey remarks with a trace of humor that the government has finally come up with a workable family planning scheme. "Now they have developed a test (incentive) for a small family due to the high prices, shortages and scarcities," he says.

Pandey has 20 grandchildren living in his household and it took the family just two months to consume the only wheat he could grow this year.

EASY ON THE WORMWOOD

Mr. ALLEN. Mr. President, I ask unanimous consent that the editorial "Easy on the Wormwood" which appeared in the Saturday, October 5, 1974, issue of the Washington Star-News be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EASY ON THE WORMWOOD

Our heart went out to Senator Hubert Humphrey in his recent bitter outburst against the rising price of hamburgers in the Senate cafeteria. It seemed only yesterday when something almost as basic as the Bill of Rights cost 60 cents.

Now it's 75. No wonder the senator sputters.

But how does the Senate's new, outrageous 75-cent hamburger, composed of 4 ounces of ground chuck, compare with hamburgers in the real world, the hamburgers ordinary mortals eat? Well, we set out to see.

East of the Capitol, along Pennsylvania Avenue SE, there is a string of restaurants and carryouts all within an easy walk of the outrageous Senate cafeteria—or, if one has checked with one's doctor first, an easy jog—and here's the hamburger picture there:

One of the biggest and most expensive Pennsylvania Avenue hamburgers is served at the Hawk and Dove—a 6-ounce job with cole slaw, french fries, lettuce and tomato. For $1.95.

The Penn-Dell carryout has a 4½-ounce burger with lettuce, tomato and mayonnaise for 90 cents.

The A & K Restaurant has what it describes as a half-pound "charburger" with french fries for $1.95.

Sherill's Restaurant serves a 4-ounce burger for 75 cents. We asked Dorothy Polito, the manager, what comes with it. "Mustard and ketchup," she said. "That's it."

Mr. Henry's basic 4-ouncer is kept from feeling lonely by a handful of potato chips—$1.35.

McDonald's, which has sold 14 billion of them, has priced its basic hamburger at 30 cents. It comes with ketchup, mustard, onions and a slice of pickle and weighs, they say, 96.8 grams. That's 3.39 ounces, more or less.

The Tune Inn Serves a 3½-ounce burger that comes with chips, tomato, lettuce and onion and costs $1. The Tune Inn is not exactly Cordon Bleu, but Joseph A. Nardelli, the owner, is proud of the dollar deal. "I'm talking about hamburger," he said. "I'm not talking about bread. I'm talking about meat."

At Mike Palm's, a 4-ounce burger with french fries, lettuce, tomato and slice of pickle costs $1.45

Conclusions:

1. Humphrey doesn't know when he's well off.
2. Times are tougher on the street.
3. The country is in terrible shape.

THE TRINITY UNITED METHODIST CHURCH, ALEXANDRIA, VA.

Mr. TALMADGE. Mr. President, a number of events are occurring these days to remind us of the approach of the Bicentennial and to add to the collected knowledge of our proud history.

A recently published book entitled "A Watermelon for God," which has just come to my attention, makes a major contribution to the history of the area around our Nation's capital.

This book, written by Dr. Fern C. Stukenbroeker, who holds a Ph. D. in history from Washington University in St. Louis, is a history of Trinity United Methodist Church of Alexandria, Va., and the city it has served for 200 years.

Trinity, one of the oldest Methodist churches in America, will celebrate its 200th anniversary in November. "A Watermelon for God" details not only the development of this church, but also the early history of Alexandria.

"A Watermelon for God" tells of the first Methodists in northern Virginia and Alexandria—probably as early as the late 1760's. The first documentary proof of Methodists in this town on the Potomac stems from October 1772, when two Methodist itinerants, Robert Williams and William Watters, passed through the town on their way from Maryland to Norfolk.

On November 20, 1774, the first Methodist society—a small group of some 12 members—was formed. This group, led by a 17-year-old preacher by the name of William Duke, was to grow over the years into the present congregation of 1,000 members. The church has had three buildings, the third and present edifice having been erected in 1942. The Reverend Lester D. Nave, a native of eastern Tennessee, is the present pastor.

In our Bicentennial we want to know of the men and women of colonial days—how they fought for freedom of religion, speech, the press, and assembly. We want to know not only the history of our Nation as a whole, but the individual chronicles of the various institutions, such as our churches, which played key roles in the early development of our Nation.

In Dr. Stukenbroeker's book you will find mention, for example, of General Lafayette at the head of an American Army coming through Alexandria in 1781. You will find an account of colonial militiamen, mobilized to defend their freedom against George III, going to church. You will find an account of the grief of Alexandrians over the death of our first President in 1799 and the memorial services held in his honor.

Most importantly, "A Watermelon for God" tells of the faith of hard-working Americans seeking to build a church in a new land of freedom.

We salute the Trinity United Methodist Church, 2 years older than the Nation. The story of its 200 years is a meaningful contribution to our Bicentennial celebration.

HENRY F. TRIONE, NOMINEE FOR REAPPOINTMENT TO THE BOARD OF THE NATIONAL CORPORATION FOR HOUSING PARTNERSHIPS

Mr. TUNNEY. Mr. President, Henry F. Trione, recently nominated for reappointment to the Board of the National Corporation for Housing Partnerships, is a nationally known figure in the mortgage banking industry.

He began his mortgage banking career in 1948 in Santa Rosa, Calif., when he established Sonoma Mortgage Corp. In 1968, with seven offices and corporate assets of some $400 million, the firm Trione presided over as president merged with the oldest bank in the West, Wells Fargo. Trione continued to head the mortgage banking activities as vice president and manager of the Sonoma Mortgage Division of Wells Fargo Bank. He was named senior vice president in 1970 and in 1973, when the division became a subsidiary of Wells Fargo & Co. under the name Wells Fargo Mortgage Co., Trione became chairman of the board.

He is currently a member of the boards of Masonite Corp. and Air Carrier Supply and serves as a member of the advisory committee of the Federal National Mortgage Association.

Trione played a major role in establishing Annadel Farms, Sonoma County, as one of the largest State parks in his native California.

He serves on the advisory committee of the State of California Department of Rehabilitation, is a member and past president of the Northern California Mortgage Bankers Association and a member and past director of the California Mortgage Bankers Association.

He resides in Sonoma County at Santa Rose where he is chairman of the board of Empire College of Commerce and Law.

Trione was instrumental in establishing the United Crusade for both Sonoma and Mendocino counties, as well as the Sonoma County Volunteer Bureau and the Sonoma County Sheltered Workshop for the handicapped.

In San Francisco, Trione is a member of the board of the San Francisco Opera Association.

Trione was born in Humboldt County in 1920. He was graduated in 1941 from the University of California, Berkeley. Prior to establishing Sonoma Mortgage Corp. he served as a lieutenant in the U.S. Navy.

I welcome and support Mr. Trione's renomination. I am sure he will be easily confirmed by the Senate and wish him every success as he resumes his excellent service on the Board of the National Corporation for Housing Partnerships.

THE SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES COMPLETES ITS TASK

Mr. ROBERT C. BYRD. Mr. President, the Senate Select Committee on Presidential Campaign Activities, which was created by Senate Resolution 60 on February 7, 1974, to investigate the series of tragedies known collectively as the Watergate affair, has completed its mission, and filed its final report and recommendations for legislation with the Senate. I ask unanimous consent that comments on its work which appeared in Time for July 22, 1974, Newsweek for July 22, 1974, and the New York Times for July 25, 1974, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Time magazine, July 22, 1974]

THE ERVIN COMMITTEE'S LAST HURRAH

The Senate Watergate committee passed quietly into history last week—and with it an extraordinary episode in congressional annals. Having accomplished its primary objective—to inform the U.S. public about the facts and dimensions of the Watergate case—the committee bequeathed the continuing investigation to a host of other legislative and judicial bodies. But before it expired, it issued one last broadside: a 350-page staff report alleging, among other things, that leftover campaign funds had been used by President Nixon's good friend C. G. ("Bebe") Rebozo to pay for various major improvements to the Nixon properties at Key Biscayne and for a pair of platinum-set diamond earrings that the President gave to Pat in 1972 for her 60th birthday.

Then, finally, on a warm summer day, the committee assembled for a closing ceremony in the marbled Old Senate Caucus Room. At the long table sat the Senators and key staff members, like a senior class on graduation day. Only four of the committee's seven members were present: Chairman Sam Ervin, Lowell P. Weicker, Jr., Joseph M. Montoya and Daniel K. Inouye. Vice Chairman Howard H. Baker Jr. was home in Tennessee; Herman E. Talmadge was busy elsewhere; and Edward J. Gurney was beset by troubles of his own.

Attention focused naturally on Sam Ervin, now serving the last of his 20 years in the Senate. Through some ten weeks of televised hearings last summer he had become, at the end of his career, a folk hero, a landmark of integrity. As TIME Correspondent Stanley Cloud observed last week: "Sam Ervin hadn't been discovered as a result of Watergate; he had simply been there waiting, as though his entire life had been a preparation for this final service."

After paying tribute to his colleagues and to the committee staff, Ervin was presented with a 10-lb. sausage by Committee Counsel Samuel Dash, in recognition of White House Press Secretary Ronald Ziegler's denunciation of the committee's special report on Rebozo as "warmed-over baloney." Then Sam Ervin delivered a short speech, quoting right and left from his favorite writings, and it was over.

WITHOUT DEMAGOGUERY

Whatever its weaknesses—excessive leaking and petty rivalries—the committee accomplished its basic task. After a year and a half of existence, it had spent about $2 million of the public's money, produced 13 volumes and 5,858 pages of testimony, and written a three-volume 2,217-page final report. Without engaging in demagoguery and without acting as prosecutor or persecutor, the committee had laid out the basic story of Watergate as clearly and fully as it could. Moreover, it had largely carried out this task in public, so that the American people would be able to make their own decisions about who was telling the truth and who was not.

The committee's special report on Bebe Rebozo's expenditures was not particularly important for the amounts of money involved. Compared with the abuses of power already documented in the Watergate affair, for example, the allegation that Rebozo spent $4,562.38 in leftover campaign funds for earrings for Pat Nixon would not ordinarily have been of much consequence. But it was perceived as a vivid symbol, calling immediately to mind a much younger Richard Nixon who bragged on television that his wife wore only a "respectable Republican cloth coat." Strategically, the allegation was also important to investigators because it helped them trace the means by which much of Nixon's campaign funds had apparently been "laundered."

The report alleges that the $4,532.38 portion of the $5,650 spent on the earrings was originally derived from campaign funds and that Bebe Rebozo attempted to disguise the money's source by transferring it in and out of four separate Florida bank accounts. The $4,562.38, the report charges, was part of $6,000 that Rebozo withdrew on April 15, 1969, from the Florida Nixon for President Committee account in the Key Biscayne Bank and Trust Company—which he heads—and immediately deposited in a trust account in the name of his lawyer, Thomas H. Wakefield.

NICE DISCOUNT

Then, on June 28, 1972, the report continues, Rebozo (or his lawyer) transferred $4,562.38 to another Wakefield trust account in the Key Biscayne bank, immediately transferred $5,000 from this account to still another Wakefield trust account in the First National Bank of Miami, and finally bought a $5,000 cashier's check payable to New York Jeweler Harry Winston—all in the same day.

The rest of the cost of the $5,650 earrrings was covered by two personal checks—one from Richard Nixon (for $560), the other from his personal secretary, Rose Mary Woods (for $90). The sale was apparently made by Winston's man in Washington, the late Don Carnavale, who was a close friend of Miss Woods. The earrings containing 20 diamonds, were delivered to a presidential aide, Lieut. Commander Alex Larzelere, and the bill was marked "Please send to Rose Mary Woods." The earrings were subsequently appraised by Carnavale at $9,000—indicating that Winston gave Nixon a nice discount.

Rebozo admitted to the committee that the $4,562.38 had originated from campaign funds, but maintained that it was a proper reimbursement to him of money he had spent on campaign costs. The Ervin committee saw the transaction differently. "This complex four-stage process of payment for this gift," declared its report, "concealed the fact that the funds originated from contributions to the 1968 campaign and were ultimately used by Rebozo on behalf of President Nixon."

The report also charges that Rebozo used various trust accounts (again in the name of Thomas Wakefield or his law firm) for the deposit and transfer of at least $20,000 in $100 bills, and that these funds were subsequently used to pay for part of the $45,621.15 in improvements to the Nixons' Key Biscayne properties. These improvements included a new swimming pool and accessories, a fireplace, a putting green and a billiard table.

Whether specific laws were violated in the alleged use of campaign funds for private purposes is subject to varying legal interpretations. But certainly such funds would be taxable, and there is no record that the committee could find showing that the President paid any income tax on them. Nor, according to the committee, is there any record that Rebozo filed a required U.S. gift tax return for 1969, 1970, 1971 or 1972 on any improvements of more than $3,000 that he may have made to Nixon properties from his own funds. The committee noted that the only record of a reimbursement to Rebozo by the President had been a check for $13,642.52, issued in August 1973 at a time when Rebozo's affairs were being actively investigated by the Internal Revenue Service as well as by the Watergate committee itself.

Indeed, Rebozo seems to have conducted his business affairs with consistent vagueness. When asked by the Watergate committee earlier this year whether he had ever been reimbursed for bills that he paid for improvements to the Nixon properties, he replied: "Yes, I say, usually, I'm not going to nitpick with the President. If there's something I think he should have, I might just go ahead and do it without even him knowing about it. He just doesn't concern himself at all with financial problems; never has."

The committee failed in what had been a primary purpose of the Rebozo investigation: to establish a definite link between Rebozo's expenditures on the President's behalf and the $100,000 campaign contribution from Billionaire Howard Hughes. The report alleges but does not prove that, contrary to Rebozo's sworn testimony, he did not leave the Hughes contribution intact in a safe-deposit box for three years before returning it to a Hughes representative in June 1973. As previouly reported, the President's former lawyer, Herbert Kalmbach, told the committee that Rebozo had told him that he gave part of the $100,000 to the President's brothers, Edward and F. Donald Nixon, to Miss Woods, and to "unnamed others."

SPECIAL ACCOUNT

The report contains some fascinating details about Rebozo's role as a part-time political fund raiser. In February 1969, according to a White House memorandum, Nixon asked Rebozo to solicit Billionaire J. Paul Getty in London for "major" campaign contributions—only a few months after he had completed his victorious campaign for the presidency. Getty subsequently contributed $125,000 to the 1972 Republican campaign. In early 1969, Rebozo established a special account in his Key Biscayne bank to pay for what he described as "Administration-connected costs"; this was the account from which the "earring" funds were withdrawn on June 23, 1972.

The special report on Rebozo and his friends was but one part of the complete report that the Senate Watergate committee issued. Within this exhaustive document, based on the testimony and other evidence, are 35 suggestions for governmental reform.

SPENDING CEILING

Among these would be the establishment of an office of "public attorney"—a sort of permanent version of the Special Watergate Prosecutor—who would prosecute criminal cases involving conflicts of interest within the Executive Branch. The committee favored setting up a nonpartisan election commission to enforce statutes governing campaign contributions and expenditures. It proposed that cash contributions by an individual be limited to $100; that total contributions by any person to a presidential candidate be limited to $6,000; and that the overall spending in any presidential campaign be limited to an amount equal to 12¢ for every citizen of voting age. (This would hold the 1976 campaign funds to approximately $17 million.)

At the closing ceremony last week, a reporter asked Sam Ervin why the committee had failed to state in its report any conclusions about the responsibility for the Watergate scandal. Ervin replied that it was possible to draw a picture of a horse in two ways. You could draw the picture of a horse, with a very good likeness. Or you could draw the picture and write under it, "This is a horse." Well, said Sam Ervin, "we just drew the picture."

[From Newsweek magazine, July 22, 1974]

SAM ERVIN'S LAST HARRUMPH

It has been a year and a half since the Senate Watergate committee began its task, and just over a year since the nation watched transfixed as former White House counsel John W. Dean III delivered his *j'accuse* to the wary senators. The committee has been reduced to somnolent murmuring for months, and not even a torrent of leaks about its long-overdue final report could rouse much interest in this season of impeachment. But when the three-volume, 2,299-page report finally emerged last week, it showed that Sam Ervin and his band still had a wallop left. In an exhaustive, 350-page section, the report provided the most damaging evidence yet that Richard Nixon had secretly and possibly illegally enhanced his personal wealth with political campaign contributions—and it suggested the existence of a "slush fund" of unknown size, managed by the President's longtime friend, C. G. (Bebe) Rebozo.

The report was otherwise a long retracing of the path that the committee had blazed a year ago in its probe of wrongdoing during the Presidential campaign of 1972. That period, the senators said, had been "characterized by corruption, fraud, and abuse of official power," but they refused to assign individual responsibility. "Some people draw a picture of a horse and then write 'horse' under it," chairman Ervin explained. "We just drew the horse." Still, the committee's conclusions showed through in its 37 specific legislative recommendations for preventing future abuses. The proposed legislation would rein in the President, subject the Justice Department to scrutiny and give Congress more authority over a runaway executive branch.

RADICAL RECOMMENDATION

The most radical recommendation was for a permanent office of public attorney, to be named by the judiciary and approved by the Senate. The attorney, the report suggests, "would not be only a 'special prosecutor' but an ombudsman," with access to executive records and a franchise to investigate any apparent misconduct by the Administration. Reflecting on the "plumbers" operation, the committee would ban intelligence gathering by the White House; it would also increase Congressional supervision of the FBI, IRS and CIA, while severely restricting all communication between the IRS and the White House. The committee offered a list of restrictions on dirty campaign tricks. And to the section on Rebozo, the committee attached a recommendation that Presidents and Vice Presidents be required to make full disclosure annually of all income and gifts.

It was in the unraveling of Rebozo's intricate financial ties to Mr. Nixon that the report covered new ground. The thrust of the charge was that, from 1968 to 1972, Rebozo had used a complex set of bank accounts in the name of his lawyer, Thomas H. Wakefield, to funnel more than $50,000 to the President's personal use—and the implication was that at least part of that sum may have come from the mysterious $100,000 cash gift of billionaire Howard Hughes. According to the report, Rebozo had deposited sizable funds—including at least $20,000 in $100 bills—in three trust accounts held by Wakefield. Out of those he paid $45,621.15 for improvements on Mr. Nixon's Key Biscayne properties, including a swimming pool, a fireplace and an Arnold Palmer putting green. There might have been more such expenditures, the report speculated, but Rebozo had refused to comply with subpoenas for his financial records.

Possibly the most damning single charge by committee investigators was that $4,562.38 in campaign funds had gone toward the purchase by Mr. Nixon of some platinum-and-diamond earrings for his wife's 60th birthday in 1972. Long before, money left over from the President's 1968 campaign had been deposited in the account of the Florida Nixon for President Committee, controlled by Rebozo, in Rebozo's Key Biscayne Bank & Trust Co. In 1969 Rebozo had transferred $6,000 from that account to another in his bank, the latter in Wakefield's name. There were some withdrawals that year, then none until June 28, 1972, the report charged, when Rebozo transferred the remaining balance—$4,562.38—to a trust account of Wakefield's law firm; then $5,000 was moved from there to a fourth account in First National Bank of Miami. Later that day, $5,000 was withdrawn in a cashier's check, payable to Harry Winston, the New York jeweler. Winston's records also show a $560 check from Mr. Nixon's Washington bank and a $90 check from his secretary, Rose Mary Woods, apparently to cover an unanticipated difference in the price of the earrings.

SWIMMING POOL

Rebozo conceded that the $4,562 came from camapign funds, the report said, but he maintained that the money was owed to him for his own undocumented expenditures during the campaign. But if Rebozo was making Mr. Nixon a gift totaling about $50,000, the report said, he failed to pay the necessary gift tax. While the transfer might have been a loan, the only record of reimbursement by the President noted in the report was a $13,642.52 check for the swimming pool—issued in mid-1973, when the committee was already probing the Hughes contribution. The Coopers & Lybrand audit of Mr. Nixon's finances last year reflected no such debt to Rebozo. The auditors, in fact, had not been told of the $45,621 worth of improvements on Key Biscayne, although the report said that Mr. Nixon knew that the improvements had been made and had met once with a contractor.

Even more potentially damaging was the report's suggestion that the $50,000 may have been only the tip of the iceberg. Only one month after the first Nixon Inauguration, the report disclosed, H. R. Haldeman write John Ehrlichman: "Bebe Rebozo has been asked by the President to contact J. Paul Getty in London regarding major contributions. . . The funds should go to some operating entity other than the [Republican] National Committee so that we retain full control of their use." That plan was later abandoned, but two months later Rebozo wrote to Herbert Kalmbach, the President's lawyer and fund raiser, about a fund he would maintain in Florida to "take care of frequent administration-connected costs." That fund began, Senate investigators suspect, with the relatively modest transfer of $6,000—but Wakefield and former Haldeman aide Laurence Higby have mentioned amounts between $200,000 and $400,000. Whatever the size, NEWSWEEK's Nicholas Horrock learned, committee investigators believe that secret donations may have come from individuals seeking government favors.

The mystery surrounding Rebozo's handling of the $100,000 gift from Hughes, the probers charge, was only deepened by an IRS investigation into the matter. The agency delayed its inquiry for months after learning of the fund, and then handled Rebozo gingerly. Only days before Mr. Nixon fired special Watergate prosecutor Archibald Cox, the IRS told Rebozo that Cox was investigating him; the same day, the report said, White House chief of staff Alexander Haig tried to stop Cox's investigation.

The IRS's leniency with Rebozo was in marked contrast to its investigation of Democratic Party chairman Lawrence O'Brien. It began, the report said, when Ehrlichman learned that O'Brien's public relations firm had received a retainer from a company owned by Howard Hughes. Although the IRS had finished a routine audit of O'Brien, Ehrlichman has testified that he prodded the agency into reopening the case. "I wanted them to turn up something and send O'Brien to jail before the election," Ehrlichman told the committee. When the then Treasury Secretary George Shultz and IRS Commissioner Johnnie M. Walters telephoned Ehrlichman to report that O'Brien was clean, Walters said, Ehrlichman raged at him. It "was my first crack at [Walters]," Ehrlichman said. "George wanted to stand between me and his commissioner and this was the first time I had a chance to tell the commissioner what a crappy job he had done."

There were also few surprises in the senators' individual reports. Most shunned the question of the President's role in the cover-up; only Sen. Edward Gurney, a Florida Republican, concluded that Mr. Nixon had no advance knowledge of the break-in and first learned of the cover-up in March 1973.

The report also contained a letter from Presidential counsel James St. Clair, replying to some of the charges and disparaging the rest. Mr. Nixon, he concluded, "never instructed C. G. Rebozo to raise and maintain funds to be expended on the President's personal behalf, nor, so far as he knows, was this ever done." Presidential spokesman Ron

Ziegler added that the Rebozo charges were so much "warmed-over baloney"—a phrase that led the jovial Ervin to brandish an 11-pound sausage at the committee's final session in the Senate Caucus Room. But the White House response begged the question of whether campaign money had actually been diverted to Mr. Nixon's private use—and the charge promised to be yet another factor in the growing case for the impeachment of Richard Nixon.

[From New York Times, July 29, 1974]

Watergate Reforms

Under the leadership of Senator Ervin of North Carolina, the Senate Watergate committee has concluded a year and a half of admirable work by agreeing upon a set of bipartisan recommendations for strengthening Federal law and creating new institutions of the Federal Government to lessen the risk of future scandals. In the present agony of impeachment the need for reform is obvious, and the means are now at hand.

The committee's most important proposal is for a permanent special prosecutor who would be chosen by a panel of three judges and serve a fixed five-year term. As the committee points out, the appointment of a special prosecutor proved necessary to cope with the present scandals and with the Teapot Dome scandal of fifty years ago because, in both instances, the Justice Department was too deeply compromised for the public to be certain that it would conduct a thorough inquiry.

President Nixon's dismissal of Archibald Cox and his attempt to abolish the office of special prosecutor last October demonstrated that such an officer has to have assured independence and must not be a Presidential appointee. The committee's recommendation deserves enactment by Congress; the only questionable aspect is whether the prosecutor should also serve, as the committee suggests, as an ombudsman for administrative complaints arising against all executive departments and agencies. Such a wide-ranging assignment might tend to entangle the special prosecutor in too many small disputes and distract him from dealing with rare but more substantive abuses.

The committee's second institutional innovation would be creation of a Federal Elections Commission, a proposal already approved by the Senate in this year's campaign reform bill. However, the House Administration committee has voted for a mockery of a commission with six of the seven seats occupied by members of Congress and Congressional appointees. The Watergate committee's report ought to reinforce pressure for a genuinely independent commission. Otherwise, it would be better to leave supervision where it now is—with the Controller-General—but shift legal enforcement from the Justice Department to the new Special Prosecutor.

In the only recommendation that divided the committee, the majority opposed public financing of Federal elections on both constitutional and practical grounds. Public financing has already been approved by the Senate and is essential to a thoroughgoing reform of the electoral system. On this issue, we believe that the committee dissenters, Senators Inouye of Hawaii and Montoya of New Mexico, have the better of the argument.

Among the laws that the committee would amend or enact are several to protect the integrity of political campaigns against various "dirty tricks." It would, for example, become a crime for anyone to obtain employment in any campaign for Federal office for the purpose of interfering with or spying upon the candidate. Those who financed such undercover agents would also become criminally liable.

In an effort to break the unhealthy practice of using the Justice Department as a political command post, the committee urges that all officials of that department, including the Attorney General, be placed under the restrictions against political activity imposed by the Hatch Act on ordinary civil servants. We think that this, too, is a practical and needed reform.

CUBAN REFUGEES IN THE UNITED STATES

Mr. KENNEDY. Mr. President, some 15 years ago, in 1959, the first Cuban refugees began arriving in the United States. In the years that followed, more than 500,000 Cubans left their homeland, and today are found in all parts of our country.

From the earliest days of the exodus from Cuba, the Judiciary Subcommittee on Refugees, which I serve as chairman, has closely followed the resettlement of the refugees from Cuba. The record tells a remarkable story of democracy in action, for which the refugees and America's citizens deserve high tribute. An article by Susan Jacoby in the September 29 issue of the New York Times magazine records part of this story, and I ask unanimous consent that Ms. Jacoby's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times magazine, Sept. 29, 1974]

Miami Si, Cuba No

(By Susan Jacoby)

Miami, Fla.—A 28-year-old college instructor sips strong, sweet Cuban coffee and speaks in a distant voice about the life he left behind in Havana at the age of 12. "My parents sent me out of Cuba alone because they were afraid I was already involved in the underground and would end up in prison. They were right. . . . I felt very passionately. But I followed my parents' wishes. I went to school in Michigan, found my present teaching job in Alabama. Now I want to return to my own culture—but for me 'the return' no longer means Havana. Miami is the capital of Cuban life in our new country. This has become the new Cuba on American soil."

The phrase "our new country" symbolizes a major turning point for many of the 650,000 Cubans who began fleeing Fidel Castro's regime more than 15 years ago: They are now focusing on a permanent future in the United States rather than the bittersweet dream of a return to their native land. The transition is most dramatic in Miami, where a thriving community of more than 350,000 Cubans is transforming the daily life and economy of southern Florida. Cars in the city's "Little Havana" section sport bright yellow bumper stickers proclaiming "Life Is Hell in Cuba's Jails," but most of the Cubans are more interested in launching new businesses than invasions of their homeland, more concerned about what happens to their children in the Miami public schools than the latest twist in Castro's road to true Communism.

The large number of refugees—which seemed to be an economic liability in the early sixties—proved to be one of the great strengths of the Cuban community. As the first refugees gained a financial foothold, they helped friends and relatives who were still struggling. The Cubans became noted for spending their consumer dollars and investing their profits in businesses owned by other Cubans. Outsiders called this behavior clannish, but the Cubans called it self-help. The refugees have done well in nearly every area of the country where they have settled in large numbers, but their hard-working entrepreneurial spirit was particularly well-suited to the real-estate boom that galvanized southern Florida's feverish economic growth during the mid-sixties.

The early refugees, who began arriving soon after Castro took power on Jan. 1, 1959, were utterly convinced that the regime would fall within a year or two and that they would be able to resume their old lives in Cuba. Today, most of those same refugees accept the likelihood that they will spend the rest of their lives in the United States. In part, the new attitude is the product of a progressive disillusionment that began with the abortive Bay of Pigs invasion in 1961 and may have ended with the shabby use of Cubans in the Watergate burglary. Within the increasingly sophisticated Cuban community in Miami, the dominant mood toward the Watergate plumbers was one of pity, pity that they were naive enough to believe they were aiding the cause of anti-Communism by doing dirty work for a corrupt Administration in Washington.

"It's another chapter in our American education," said one community leader with a bitter smile. "There was a time when a C.I.A. operative could come down here and recruit people off the street for any nasty job, just by saying it would help fight Communism. Anything for 'the return.' But most people know it just isn't going to happen in the foreseeable future. And they will think three times before they run to follow anyone waving the banner of 'the return.'"

The possibility of rapprochement with Cuba which seems even more likely now that Richard Nixon's well-known personal animosity toward Castro has been removed from the American political scene, is hastening the psychological transition for many refugees. Cubans have generally negative feelings toward the possibility of more normal relations between the U.S. and the Castro Government. On the one hand, normalized relations might facilitate easier contacts with relatives who were left behind; on the other, any form of recognition would reinforce the international legitimacy of the regime they detest. Regardless of how they view the prospect of rapprochement Cubans realize that an easing of the strain between Washington and Havana can only weaken the chances for Castro's fall and "the return."

Pessimism about the likelihood of change in Cuba is only partly responsible for the shifting attitudes of the refugees. The overwhelming economic success of people who were, for the most part, penniless and desperate upon arrival (yet who also had a respect for education, a work ethic and the expectation as well as the culture of middle-class achievement) is a powerful link between the Cubans and their new country. The speed of that success—within less than a generation—is virtually unprecedented in the history of large migrations to the United States.

Many of the refugees acknowledge that they would not return even if the Castro Government fell tomorrow. "We still call ourselves refugees," says Manolo Reboso, the Cuban Vice Mayor of Miami. "It is a way of reminding ourselves and others that we did not choose to leave our country. But 'refugee' is not really a proper word for us anymore. Look around the city. Go to a construction site and see Cuban workers, Cuban contractors, Cuban financial backers. See Cubans starting a live theater, helping to build a new public university. 'Refugee' implies poverty and fear and desperation—all true of this community 15 years ago, but not today."

Between 350,000 and 400,000 Cubans live in the Miami area. Spanish-speaking residents make up more than half the population of the city and one-third of Dade County, which includes the surrounding suburbs. "Little Havana" covers 600 square blocks inside the city, and there are dozens of Cuban neighborhoods in lower- and upper-middle-income suburbs. City officials say it is difficult to keep up-to-date population statistics, because the Latin community is growing continuously as refugees who originally settled in other parts of the country return to "the new Cuba."

The swift economic success of the refugees has transformed both Miami and the Cubans. "We have all changed so much—the former masters, the former servants," said an elegantly dressed doctor's wife who lives in one of the wealthiest sections of Little Havana. She had just received an invitation to a *quince*, the traditional coming-out party for middle-class Cuban girls on their 15th birthdays. The invitation came from her family's former butler. "He worked as a waiter for a while," she said, "and then he was able to get a small loan from a bank to start a catering service. He does some of the fanciest bar mitzvahs in Miami. Why would he go back? He was a servant in the old Cuba. My mother thinks it's terrible that I'm going to the party. But why not?"

The woman pointed out that she had changed as much as her former butler. Like most middle-class Cuban women, she never worked before she came to the United States. In Miami, she learned English and became a practical nurse while her husband was going through the tortuous process of trying to requalify as a doctor. Her husband now has a successful medical practice, but she continues to work three days a week.

"When your world turns upside down," she said, "you don't have money or your family to rely on, but only yourself. I never thought I would get over losing my country, my place in society there, but now I must admit that I would not like to start over a third time. To go back to the old life would be impossible, because we are different people."

Miami is filled with small-business men who were blue-collar-workers in Cuba and with newly made millionaires who were once small-business men. Horatio Alger stories are so common that no one is surprised by them. There are between 6,000 and 10,000 Cuban-owned businesses in the Miami area. (The lower estimate usually comes from Americans, the higher one from Cubans.) Officials for the Dade County Community Improvement Program estimate that the Cuban presence has created at least 100,000 new jobs that did not exist in Miami at the beginning of the sixties. The median income of Cuban families rose from $5,244 in 1967 to $8,091 in 1970.

The diversity of the Cuban community frequently comes as a surprise to outsiders, who tend to believe that everyone who left was a rich reactionary supporter of the ousted dictator Fulgencio Bastista. Only a small number of the refugees, most of whom fled immediately after Castro came to power, were associated with the Batista Government. They were extremely wealthy, and they had a good chunk of their money abroad long before the revolution.

By mid-1959, the exodus began to include members of the upper middle class whose property was being confiscated by the Castro Government. For the next two years, the refugees were largely well-to-do businessmen, executives, middle-level civil servants, doctors, lawyers and other professionals. This group also included many intellectuals who were opponents of the Batista regime but who became disillusioned when they learned Castro was a Communist. By 1962, small-businessmen, technicians, clerical workers and urban factory workers were arriving by the thousands.

The Cuban missile crisis in October, 1962, was directly responsible for a three-year hiatus in the refugee flow. It also ended the phase of migration characterized by refugees who were convinced they would be returning to Cuba within a year or two. When the "freedom flights" began shuttling between Havana and Miami in 1965, the Cuban community was flooded with new members who were pessimistic about the possibility of a return to their own country within the foreseeable future.

Until they were suspended by the Castro Government in the spring of 1973, the freedom flights brought an average of 3,500 Cubans a week. The post-1965 refugees took in a much broader spectrum of the Cuban population than the earlier arrivals; many of the new refugees were poor workers who had difficulty making a living both before and after the revolution. Yet the refugees of the early and late sixties had one thing in common: They all arrived without money.

When the first Cubans began arriving in Miami, many local residents expressed fears that the refugees would all become permanent welfare cases. The Roman Catholic Archdiocese of Miami provided the first financial assistance to the refugees—regardless of whether they were Catholics—but the Federal Government stepped in with emergency aid when it became clear that local institutions could not cope with the huge migration. Then there were complaints that foreigners were being kept in luxury while native Americans had to work for a living. "A cashier in a big supermarket told me she was appalled by the number of $100 bills carried by Cubans," wrote one reporter in a Miami newspaper.

Howard H. Palmatier, director of the Cuban Refugee Program funded by the U.S. Department of Health, Education and Welfare, says he still receives letters asking why "every Cuban receives $100 a week from the Government." In Florida, the maximum Federal welfare payment to refugees was $100 a month, regardless of the number of children. Palmatier says most Cuban families stopped receiving Government aid within 18 months to two years after their arrival here. The H.E.W. program is being phased out because the need for it no longer exists. Ten per cent of the Cubans are still receiving welfare payments, but most of them are in their 60's and 70's.

The first Cubans in Miami also had to contend with the public notion that their countrymen were unusually prone to violence. Miami had long been a center for refugees from various Cuban governments; at the time of the Castro takeover, local residents were alarmed by prominently displayed press reports of clashes on the streets between pro- and anti-Castro exiles. And The Miami Herald described a "pinch" caused by the new influx of refugees:

"Venezuelans, Ecuadorians, Colombians and others from South America are feeling a different kind of 'pinch' because of the trouble. 'It is hurting our professional and personal relations here' one said. 'Miamians look at every Latin American, never knowing his nationality, and say—there's another one of those troublemaking Cubans'."

When the first refugees arrived in Miami, the economy was in such a depressed state that sporadic outbursts of prejudice and hostility were less surprising than the more general acceptance and absorption of the newcomers. The area was suitable for the large migration only by virtue of its warm climate and location just 90 miles from Cuba. The southern Florida real-estate boom was still ahead in the sixties; in 1959, Miami had the highest rate of F.H.A. and V.A. mortgage foreclosures in the nation. The 10.5 per cent unemployment rate was higher than the national average, and the black community was particularly hard-hit by the shrinking job market. When the Cubans arrived, they were willing to work longer hours and for lower pay than most Americans; the refugees moved en masse into blue-collar and low-level white-collar jobs that were just beginning to open up to blacks. The role of the Cubans in the Miami job market of the early sixties contributed to a legacy of racial tension that hangs over black-Cuban relations in Miami today.

Because of the bleak economic situation in Miami, the Federal Government encouraged resettlement of several hundred thousand Cubans in areas of the country where they would be more likely to find jobs. Many returned to Miami in the mid-sixties after the job situation began to improve; some are just making the move back today.

Most Miami Cubans shrugged off the obstacles they faced and set about rebuilding their lives with an energy that amazed the American community. No area of the city offers a better demonstration of the resurgence of Cuban life than Southwest Eighth Street, which cuts through the heart of Little Havana. Known to generations of tourists as the beginning of the Tamiami Trail, the street is now marked *Calle Ocho* on local maps in recognition of its position as the cultural and commercial spine of the Cuban community.

Fifteen years ago, Eighth Street was a shabby row of small businesses struggling for survival in the midst of a deteriorating inner-city neighborhood. The Cubans who moved into the area—mainly because the rents were low—took jobs pumping gas, delivering groceries and scrubbing floors. As the years went by—and as Fidel Castro became more firmly entrenched—the Cubans began to buy the gas stations and grocery stores and office buildings where they had swept the floors. Like the rest of Cuban Miami, Eighth Street was developed on a piecemeal basis. The small businesses expanded to serve an area with rising real-estate values and a population with modest but rising incomes.

Eighth Street symbolizes not only the economic energy of the Cubans but the coexistence of Anglo and Latin cultures in Miami. It is a coexistence with many points of contact yet one in which the aggressive newcomers have lost none of their identity to a real or imaginary melting pot.

Without the Spanish-language signs in the store windows, it would be hard for a visitor to spot the differences between Eighth Street and any other American traffic artery. Every second block is adorned by a gas station or two, and Cuban management does not make Exxon and Gulf signs any more pleasing to the eye. An American city built for the automobile cannot be turned into a replica of Old Havana.

For anyone on foot, Eighth Street turns into *Calle Ocho*. The blocks are long, and the sidewalks are full of active street life that defies the automobile culture. Food is everywhere, and it is one of the main points of contact between Anglos and Cubans. Restaurants are big and brassy, or small and neighborly, and they are the best restaurants in Miami. Open-air fruit-and-vegetable stands flourish in spite of the choking traffic and the shops are packed with customers.

Every block on Eighth Street is lined with the achievements of men and women who arrived without any money. Each family has a different story, but hard work is the one common ingredient. Camilo Lopez, a modest man in his mid-50's who likes to discuss the quality of his workmanship rather than the $1-million volume of his sales, is the head of a family business specializing in handcrafted office furniture. The Lopezes were in the furniture business in Havana since 1923, but they left Cuba in 1961 with no money.

"Fortunately, my father had insisted that all of his sons know how to make furniture themselves," Lopez recalls. "When we came here, we were all able to find work as carpenters for other people. We dreamed of making our own furniture again, but we didn't know if it would ever be possible." One year after they arrived in Miami, the Lopezes began working on their own furniture at night in a rented room on Eighth Street. "We weren't making any profit," Lopez adds, "and we had to keep our regular jobs during the day to pay the rent on the place where we worked at night." Eventually, the family began making enough money from its own furniture to expand into a full-fledged store. Now all of the furniture is manufactured in a factory in suburban Coral Gables, and Camilo Muebles, Inc., has customers throughout the East.

Most younger Cubans, unlike the Lopezes, are still struggling to establish themselves in businesses and professions. Manuel and Julia Garcia, the 28-year-old owner of a small garment factory, are typical of the refugees who were too young to have had any useful job experience when they left Cuba.

Manuel arrived in Miami in 1963 when he was 17 years old; he quit school shortly afterward to take a job as a gas-station attendant. Then he went to work as a busboy for Harbor Island Spa, a large hotel in Miami Beach. "I thought I was going to go to school here, but my family needed money. Harbor Island had a hotel up north—I'd work winters here and follow the trade north in the summer. Eventually, I worked my way up to be maitre d'hôtel, and that job enabled me to save money from tips." The Garcias were married in 1966, and their only son was born in 1967. By working 18-hour days, Manuel managed to save enough money to start a clothing factory in 1971. He and his wife began the business with $5,000—part of it from their own savings and part of it from a bank loan—and eight sewing machines for eight seamstresses. The Garcias now employ 42 seamstresses, and they own all the machines. Miami now has hundreds of small clothing factories owned by people like the Garcias. Before the Cubans came, there was no significant garment industry in the area.

All of the Garcias' employes are Cuban women. They make $100 to $130 a week—somewhat lower salaries than in the garment factories of the North. However, the working conditions seem better than they do in the airless lofts of New York's Chinatown or far-flung Italian immigrant neighborhoods in Brooklyn—both prime locations for small garment shops in New York. Julia Garcia supervises the sewing and the women do careful work, but no one seems too busy to stop and laugh about family or neighborhood news. Manuel Garcia's desk is covered with invoices and new dress patterns, but it is also adorned by a glass with a single red rose.

"You have to remember that people at work, myself included, are human beings," he says. "It is easier to make a living here than it was in Cuba, but—how to explain?—sometimes I feel like a machine. You find time to go to a movie on Saturday night, and you're still worrying about what new problem will come up in the factory on Monday morning."

The factory runs mainly because the Garcias sacrifice most of what Americans would consider essential leisure time. Their 7-year-old son returns to the factory after school and stays there until his parents are able to leave for dinner. After dinner, Manuel and Julia frequently return to work until 1 or 1:30 A.M.

Like most Cubans their age, the Garcias do not view "the return" as a burning issue. "This is my second country," Manual says, "and sometimes I feel I have lived here all my life. This country gave me an opportunity when I was a boy with almost no skills. Sometimes I think if Cuba was normal, I would want to start a business there. But then I think about how hard it would be to start over again. And my wife and I both realize that our son is growing up American as well as Cuban."

The struggles of individual refugees have been greatly aided by the Cubans' importance in two key areas of the southern Florida economy: banking and construction. More than half of all new construction loans in Dade County are made to Cubans, and the building includes everything from modest four- and six-family apartments in the poorer sections of Little Havana to luxury condominiums on the oceanfront.

One-third of the bank employes in Dade County are Cubans, and they are well represented in executive suites as well as in tellers' cages. The first wholly Cuban-owned bank, the Continental National Bank of Miami, opened in May. (Former President Nixon's friend Charles G. [Bebe] Rebozo owns a bank on Key Biscayne. He, however, is not a refugee; he was born in Tampa to Cuban immigrant parents.)

Cuban stockholders and officers have played an important role in other Miami banks for several years. The Republic National Bank of Miami, for example, was founded in 1965, and a majority interest was obtained by Cuban stockholders two years later. They immediately began to orient the bank toward the Spanish-speaking community, which includes Puerto Ricans and new immigrants from South America as well as Cubans. Republic National's president and top officers are all Cubans, although the bank is now owned by a South American family.

Roberto Gonzalez Blanco, the bank's senior vice president, points out that it was difficult for Cubans to obtain even small loans from American banks during the early nineteen-sixties. American banks would lend money only to wealthy Cubans who had credit records and investments abroad before the revolution.

"Because we had so many Cubans in management," Blanco says, "we had ways of checking what people had done in Cuba. We took character references instead of credit references. We would give a $5,000 loan to a man who wasn't worth anything on paper. Some of those people who started with nothing are coming in here now with $1-million businesses behind them. We were willing to gamble on the ability of our own people to make good if someone would give them a first chance."

Cuban bankers have solid financial reasons for believing that a majority of their countrymen would stay in the United States, even if there were a change of government in Cuba. In banking circles, there is considerable talk about Cubans opening branches of their Miami businesses in Havana if the Government should change. The bankers also assume that the refugees would invest heavily in their native land if the present economic system were modified to encourage capitalist enterprises. "Some people would go back if Castro drops dead," said one banker, "but a lot of Cuban Americans would treat Cuban the way American Jews treat Israel. They'd send money and visit, but they wouldn't give up their lives here." Gonzalez Blanco says: "You have to be realistic and acknowledge that Cuba is a small island. With another Government, it still could not contain all the success our people have had in America."

For doctors, lawyers and other Cuban-trained professionals, life has been more difficult than for refugees who made a place for themselves in business. Even if they had known English—and many did not—refugess in the early sixties usually had to go through the long process of obtaining an American education before they could hope to practice their former professions in the United States. Some took blue-collar jobs; others found work related to their old professions. But many of the Cubans continued to work toward the day when they would be professionals again.

Last winter, Cuban professionals won a major victory when the Florida State Supreme Court handed down a complicated ruling that has resulted in special courses and bilingual qualifying examinations for lawyers, doctors and professionals in 25 other categories. The new laws which grew out of the court decision were largely the work of lobbying by the Cuban Confederation of University Professionals in Exile. Cuban leaders expect that the refresher courses and bilingual exams will enable thousands of professionals to resume their former jobs.

Cuban accomplishments are regarded with respect by the rest of the Miami community, but the "Latinization" of the area has been accompanied by strain between different ethnic and racial groups.

The old "violent" image has all but evaporated, largely because the press has become more objective in its coverage and because Miamians now know that the crime rate is much lower in predominantly Cuban neighborhoods than in either white or black American neighborhoods. However, many Cubans feel the local press still overplays any violent incident involving a refugee. Last March, two members of the militant *Frente de Liberación Nacional Cubano* (Cuban National Liberation Front) were severely injured when a homemade bomb blew up in their hands. The Maimi News printed a lengthy profile of an anonymous terrorist (written by one of the few Cuban reporters employed by the local news media) under the banner headline: "Terrorist May Be Your Neighbor." The profile, however, made no attempt to evaluate the numerical strength or political significance of the group within the Cuban community.

Although Cuban business acumen is admired, the refugees still encounter blunt discrimination if they do not speak English perfectly. Dade is officially a bilingual county—which means that public services are supposed to be available in both Spanish and English—but the ruling is frequently ignored. Maria Elena Duran, a Cuban staff member for the Dade County Community Relations Board had to take a physical examination when she went to work for the county government. She arrived at Jackson Memorial Hospital, the largest public hospital in Miami, and pretended she did not speak English. The nurse on duty told her: "Listen, this is an American hospital. You just go somewhere else."

Mr. Duran, who has lived in the United States since 1952, is the daughter of Carlos Prio Socarras, Cuba's last constitutional President. She is married to Alfredo Duran, the only Cuban member of the Dade County School Board. And she had just been appointed to the hospital board when the nurse tried to send her away for speaking Spanish. When she identified herself, she received an effusive apology and was taken to a Spanish-speaking doctor for her physical.

Discrimination against Spanish-speaking people is particularly ironic, since a majority of Cubans know enough English to give them a distinct advantage in the Miami job market. Americans have been slow to realize the disadvantage of not speaking Spanish in an increasingly bicultural community. Most large businesses are making a concerted effort to hire more Cuban employes in order to attract the lucrative business of Spanish-speaking customers. "If I have two people applying for a job," says an American bank officer, "and one of them is bilingual and the other isn't, whom do you think I'll hire? And the chances are 10 to 1 that the bilingual person will be a Cuban, not an American."

Miami blacks are especially ambivalent about the Cubans because they feel the refugee influx gave local employers a much-desired alternative to hiring black Americans, especially at the beginning of the sixties. "The Cubans didn't take jobs away from blacks," says Robert H. Simms, the black director of the country's Community Relations Board. "They did move into jobs that were just about to open to us. There isn't any question that the blacks would be farther ahead today if the Cubans hadn't come to Miami. However, the whole process was controlled not by blacks or Cubans but by white Americans."

Other blacks, possibly less well-informed than Simms, are also less tolerant. At a recent St. Patrick's Day party for the Miami press, an out-of-town journalist sat down at a table with several black radio and television reporters. When the reporter said she was in Miami to write about Cubans, the atmosphere became glacial. "They're the new Jews here, you know," said one woman, "but you won't write that. They've grabbed every good job for themselves. The only reason they came here was that Fidel wanted to help blacks on the island."

Many Cubans have equally negative attitudes toward blacks. Spanish-language radio stations, which regularly blare out "crime clock" that emphasize the race of the accused, exacerbate prejudice that is rooted in fears of black crime. Underlying tensions between Cubans and black Americans put the small minority of black Cuban refugees in a particularly uneasy position. "I think the white Cuban people became much more prejudiced against blacks since they came to America," said Lourdes Alfonso, a 16-year-old black Cuban student at Miami Senior High School. "When we came here, my Cuban neighbors, both whites and Negroes, would tell me, 'Don't walk in the black neighborhoods, they're full of drugs and crime.' "

In everyday conversations, Cubans constantly link blacks with drugs. Resolutely and proudly "straight" in their values, middle-class Cubans are fearful of any involvement with drugs, including marijuana, on the part of their children. Police and social-service agencies agree that drug usage is much less prevalent among Cuban teenagers than among Americans of the same age group.

The Cubans, however, do not like to talk about the fact that some members of their community play an extremely important role in the heroin traffic between Latin America and the United States. The refugees included most of the big-time drug dealers who grew rich in the cocaine traffic when Havana was a wide-open city. In a Pulitzer prize-winning series on the flow of heroin, Newsday reported that Cubans had largely replaced Italian Mafia members as controllers of the huge heroin traffic through Miami. And ordinary Cubans are just as sensitive as ordinary Italian Americans about the activities of their criminal minority. "We're just beginning to take a real part in American society," said one businessman. "The last thing we want or deserve is a Mafia image."

The growing economic power of the Cubans is leading them toward participation in American politics, an important facet of the community's psychological transition. Until the late sixties, Cubans were extremely reluctant to become American citizens. Applying for citizenship was tantamount to accepting the likelihood that they would never return to their own country. Between 1961 and 1973, only 43,472 Cubans in Florida became American citizens. During the past year, the rate of citizenship applications in Miami alone has jumped to more than 1,200 a month. The trend toward naturalization is reinforced by an even more significant figure: When American-born children are included, there are already 120,000 Cuban-American citizens in Miami.

Some Americans assume the Cubans will be a highly conservative political force. This belief is based on many factors: the bitterness of Cubans at the Kennedy Administration's role in the Bay of Pigs fiasco, the ultra-conservative tone of the city's Spanish-language newspapers and Cuban suspicion of any public programs that sound "socialist."

The first stirrings of Cuban involvement in local politics, however, do not lend support to the belief in extreme Cuban conservatism. Cuban voter registration, 80 per cent Republican six years ago, is now only 60 per cent Republican. There is a general feeling that the Republicans have been hurt by the Watergate fiasco within the Cuban community. "The Nixon Administration would have been happy to let those poor Cuban plumbers take the rap for the whole mess if they'd been able to cover up," said a disillusioned Cuban who voted for Nixon.

Miami's first and only elected Cuban official is Vice Mayor Manolo Reboso, who won a seat on the City Commission in 1972. Although the elections are nonpartisan, Reboso is an outspoken liberal Democrat. He is also a veteran of the Bay of Pigs invasion, and his campaign demonstrated that tensions between Miami ethnic and racial groups do not prevent alliances. Reboso endorsed Theodore Gibson, a black who was running for the Commission, and Gibson supported Reboso. They deliberately made appearances together in both Cuban and black neighborhoods. Reboso won in the black districts, as did Gibson in the Cuban ones.

The number of registered Cuban voters is low at 36,000, but Reboso expects it to increase dramatically in the next decade. "This is a step beyond citizenship for Cubans," he says. "Many older Cubans lived most of their lives in a society where the vote wasn't taken seriously. More people will be involved in politics here, because Cubans are beginning to see that economic power alone can't get you what you want. In this country, you have to move into the political process to assure your rights."

For Cubans who are looking toward a permanent future in this country rather than a return to the island, participation in the political process is only one aspect of the adjustment. With the struggle for economic survival nearly won, more and more Cubans—especially those under 40—are concerned with achieving a blend of cultural identities, a blend that does not submerge either their Cuban heritage or the new American influences.

The young refugees frequently quarrel with their parents over traditional Cuban social customs. Girls in their teens want to go out on dates without a *dueña* (chaperone), and many parents have given in to the extent of allowing them to go out with brothers and sisters instead of aunts and grandmothers as chaperones. Some young men and women, especially college students, have posed a more formidable challenge to the old way of life by moving into their own apartments. In pre-Castro Cuba, young men and women lived with their parents until they were married. One 24-year-old Cuban woman was astonished because her mother did not cry and rage at her when she announced her intention of renting an apartment. Three weeks after the daughter moved, her mother phoned and said she had decided the house was too big a responsibility. The mother and father moved into an apartment above their daughter.

At the same time, young Cubans tend to be more critical of "the American way of life" than their elders. They frequently hurt their parents by mocking the business ethic that has contributed so much to Cuban success in the United States. And they often shock thir parents when they adopt open American ways of criticizing the Government. When one Cuban college student called former President Nixon a "crook" after the Watergate burglary, his father struck him for the first time in his life. "How can you say something like that about the head of a country that took us in when we had nothing?" the father asked.

The young Cubans have one important trait in common with their parents: They reject the old "melting pot" ideal in spite of their easy adaptation to American ways of doing business. Cubans in their teens and 20's have been strongly influenced by the rise in black and ethnic consciousness among Americans. The tenacity of Cuban culture can be seen in many ways, from the Spanish literature classes in local high schools to the crowds packing the first live Cuban theater in Miami.

"I want to move back to Miami so my children will know they are Cuban as well as American," said the young college teacher from Alabama. "I don't want my children to forget Spanish the way immigrant children in America have always forgotten their native languages. But I feel it's possible to combine the two ways of life so that neither one will be lost. Maybe I'm optimistic but most Cubans are. How could we be otherwise, when we look back at how far we have come in this country?"

HARVEST FESTIVAL WEEK

Mr. PEARSON. Mr. President, I ask unanimous consent to have printed in the Record a statement by the distinguished Senator from Kansas (Mr. Dole).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY SENATOR DOLE

DAY OF BREAD

Tomorrow my colleagues will each receive an extraordinary gift—a simple loaf of bread, which for 6,000 years has served mankind as the symbol of all food. We chose to give bread as a token to mark the "Day of Bread", part of Harvest Festival Week and a series of international observances in which men of all nations, creed and color pause in the ritual of the harvest to take note of the abundance of nature and the Divine guidance of the universe.

Bread is especially important this year as the President of the United States acknowledges our responsibility as a nation to help feed not only those who are hungry and malnourished here at home, but also to share our bounty with those less fortunate throughout the world. Even with the difficulties encountered by farmers this year, we are still blessed with the second largest crop of wheat on record. Thus the complimentary loaf of bread each of you will receive, presented in behalf of the wheat growers, millers and bakers, stands as an object of special significance. They join me in the hope that you will break bread together as man has for centuries in a special act of universal brotherhood.

Bread is deeply rooted in the story of man and his civilization. Evidence of wheat, milling and baking has been found in the excavation of the ruins of prehistoric cities.

So important were wheat and its products that they engendered a sense of awe and reverence still reflected in the phase. "Give us this day . . ." Each autumn, after the harvest was done and the granaries stocked, ancient man paused to pay homage to the divine forces that brought him the blessings of abundance. Thus, the "Day of Bread" began as both a feast and a thanksgiving.

In token of such values and the role of bread as a hunger fighter over the centuries, the custom was revived in Europe more than two decades ago. It spread across the Continent, to the United States, to South America, Asia and Indochina. Here, the occasion is marked by proclamations, by ceremonial breakfasts, luncheons and banquets, by the sharing of bread with friends as well as the less fortunate.

That today's bread continues to serve as a cornerstone of recommended diet is demonstrated in the new, higher levels of enrichment with added B vitamins and iron. Man's oldest processed food emerges as a stronger "staff of line". We hope the leaflet accompanying the loaf adds to your understanding of the contribution foods make to your good health and the enjoyment of every meal.

QUALITY: THE KEY TO NATIONAL HEALTH INSURANCE

Mr. HUMPHREY. Mr. President, there is great concern in America today about the quality and cost of health care. This is a problem compounded by fragmentation in health programs and organizations, lack of coordination of services at State and local levels, duplication in facilities and services, uneconomical use of scarce health manpower, and rapidly escalating costs of health care.

Many of my colleagues in Congress are seeking a better health insurance system. I support these efforts wholeheartedly. I believe that good health care is a basic right of every American citizen. Without it, he cannot possibly exercise his inalienable rights of life, liberty, and the pursuit of happiness.

Also sharing these views is the Minnesota Health Security Action Council. I had the privilege of speaking to this fine organization on October 5, 1974, in St. Paul, Minn.

Mr. President, I ask unanimous consent that my address to that group be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

I am delighted to have the opportunity to speak with you tonight and to express my support, my respect, and my gratitude for the dedication you have shown in the fight for a sound comprehensive national health insurance program.

Organizations like yours are the backbone of the movement for national health insurance. Organizations like yours are essential if we are to have any hope of coming out of the current struggle for national health insurance with a sound and equitable program.

I have been greatly impressed not only by the efforts of local organizations such as yours in focusing public attention on the need for reform of our health system, but by your distinguished and most able national chairman, Leonard Woodcock.

Leonard addressed the House Ways and Means Committee during its hearings last spring and emphasized the need for a national health insurance program which would embrace universal coverage and availability. He also most ably stressed the need for comprehensive and high quality health care, public accountability, equitable financing, and strict cost controls for the national health insurance program.

I am sure all of us here agree with Mr. Woodcock's urgent plea that Congress adopt a program "which not only removes financial barriers to needed care, but one which also creates basic reforms in the health care system to increase its productivity without impairment of quality."

Mr. Woodcock's statement hits at the heart of the complex problem we are attempting to resolve through a national health insurance program.

This is a problem not merely of more dollars and cents to pay for health services.

This is a problem compounded by fragmentation in health programs and organizations, lack of coordination of services at state and local levels, duplication in facilities and services, uneconomical use of scarce health manpower, and rapidly escalating costs of health care.

Unless our national health insurance program addresses each and every one of these interrelated problems, we will fall far short of our ultimate goal—to provide every American with equal access to comprehensive and quality health care at the lowest possible cost.

For more than 30 years, Congress has been debating the need for a comprehensive national health insurance program.

I have been part of this struggle since my first year in the Senate. In 1949, I introduced one of the first comprehensive national health insurance proposals to be considered in the Senate.

During the last six months, we have moved closer than ever before to the realization of a national health insurance program. An enormous amount of testimony has been presented in public hearings before the Ways and Means Committee in the House and the Finance Committee in the Senate. The tone and content of this testimony are noticeably different from that presented in previous years. Much more attention has been devoted to the fine points of the legislation before these committees.

Scores of witnesses have detailed specific amendments which they would like to see incorporated in whatever national health insurance bill emerges from committee. And there are hints of an increased willingness to work out a compromise among opposing points of view as to what kind of program is best designed to meet the health needs of this country.

In mid-August, Chairman Wilbur Mills announced to the Ways and Means Committee members that experts from HEW were meeting with the Committee's staff to draft a new compromise proposal, containing elements from several of the national health insurance bills currently before the Committee. This move represented one of the first serious attempts to hammer out a compromise measure which would be designed to gain broad support among Committee members and pass both the House and Senate before adjournment of the 93rd Congress.

This initial attempt to find an acceptable middle ground ended in a stalemate. In mid-September, Ways and Means began consideration of a mammoth tax reform bill. The net result is that there probably will not be action on a national health insurance bill this year.

The climate in the Senate is difficult to assess right now. There have been persistent rumors that the Finance Committee might move ahead on its own by reporting a bill embodying the Catastrophic Health Insurance and Medical Assistance Reform Act, sponsored by Finance Chairman Russell Long and Senator Abraham Ribicoff. Whether or not there is any firm basis for these speculations, I cannot say at this point.

However, I would like to express my own feeling that, in the spirit of compromise, we may compromise too much and thus run the chance of losing ground on the ultimate path to a comprehensive program. Those of you who have worked so diligently in support of the Health Security program may agree with me that it might be wiser to wait until the next Congress and get a truly comprehensive measure enacted into law, rather than pass a limited approach which does little to correct deep-rooted problems in the delivery system.

I think it is much better to take one giant leap toward comprehensive national health insurance next Congress rather than a timid and reluctant step during this Congress.

Otherwise, we run the risk of halting our drive for the goal line and instead, being satisfied to have the goal post uprooted and permanently placed on our present yardline. That may be one way to claim a "victory," but I doubt very much that there will be any cheering.

One of the paramount issues which failed to be resolved during Congressional consideration of national health insurance this summer was the question of cost controls. HEW Secretary Caspar Weinberger admitted recently that rapidly increasing health care costs could well influence the eventual outcome of the Congressional debate over the various NHI bills.

Since health price controls were lifted in May of this year, health care costs have skyrocketed 50 per cent faster than the economy as a whole. The July Consumer Price Index showed doctor bills up 1.3 per cent and hospital charges up 1.4 per cent. Dentist bills went up 1.2 percent in July.

Figured on a yearly basis, hospital costs are increasing 17.7 per cent, as compared with 12.5 per cent for the economy as a whole. And physicians' fees are rising at the unprecedented rate of 19.1 per cent a year.

The staggering increases in the cost of medical care, and the failure of public and private health programs to keep up with them, has caused great hardship for millions of Americans. Health insurance today covers only 37 cents of each consumer dollar spent on medical and hospital care in the country. The remainder must come out of his or her pocket.

For some people this means making choices they should not be forced to make.

Will a senior citizen pay the light bill or go to the dentist?

Will a young mother buy her child new shoes or a check-up with the pediatrician?

Will a middle-aged father use up the money set aside for his son's education to have surgery to prevent a worsening of his heart condition?

But for the very poor, these may be no choices at all.

Adequate health care cannot be allowed to continue to be available on a "cash and carry" basis, limited in availability to those who can pay the price.

I believe that good health care is a basic right of Every American citizen. Without it, he cannot possibly exercise his inalienable rights of life, liberty, and the pursuit of happiness.

Public outrage over the cost of health care would seem both inevitable and justifiable. Even Secretary Weinberger has publicly warned health-care leaders that if they don't control their costs, government may be forced to do it for them.

It's not hard to imagine the American consumer wondering where in the world does all that money go? The American principle of free enterprise breaks down where the health system is concerned. It has often been said that in the health system, marketplace competition simply doesn't exist, and the analogy with the economy as a whole is not applicable.

Let me cite just one example: Hospital bed space.

Greater numbers of beds do not lead to a lower per bed cost passed on to the consumer. Indeed, just the reverse is true. Whether used or idle, the hospital bed involves constant upkeep expense and maintenance, expense which must be met in some way, even in the absence of consumer use and payment.

One of the long-run factors contributing to rising health care costs is the tendency of a predominantly nonprofit hospital industry to increase its capacity without regard to the demand for hospital services. Since 1963, the number of community hospitals has increased by about 3 percent, to 5,891 in 1973. The number of beds, however, has increased almost 30 percent. Although utilization of hospital services has steadily increased over time, the increase in the number of beds has more than kept pace.

The result was revealed in a recent study from the U.S. Comptroller General's Office. The study noted, for example, that in 1971, only about 40 per cent of the country's pediatric beds were occupied—36,021 out of a total of 89,420. When we consider that each of these units probably costs an average of $15,000 to build, we see hundreds of millions of dollars being spent on new facilities that went unused, and may never be used, if our declining population growth continues at its present rate.

Equally depressing are the utilization figures on cardiac care units and emergency rooms. In 1972, only about 3 per cent of the 416 hospitals equipped to perform open-heart surgery used their facilities more than four times a week. And of the 6,200 hospitals with emergency rooms, 3,744 or well over half, cared for less than 13 per cent of all emergency cases reported.

A large part of the increased costs of hospital care could obviously be cut if we ended overbuilding in the hospital community and avoided needless duplication of costly, under-utilized facilities. Pool purchasing of equipment and supplies could also save a great deal of money, as 24 hospitals in Boston have, to their credit, recognized. Just by pooling their laundry facilities, these 24 hospitals have cut their annual cleaning bills by over $1 million.

Another highly effective way to reduce hospital costs is to cut back on the number of persons who are admitted to hospitals even though they do not require in-patient acute care, and to reduce the length of hospitalization for persons who could be equally and more economically cared for on an out-patient basis, in their homes or in qualified nursing homes.

There are new concepts of care which are pointing the way towards significant reductions in hospital use with no loss in the quality of care. Two such examples are the ambulatory surgi-centers which perform a wide variety of surgical procedures on an out-patient basis; and day treatment centers which provide rehabilitative services and other sophisticated types of treatment without requiring the patient to spend the night in the facility. We need to promote these and other innovative methods of providing health care.

Unfortunately, many types of health insurance policies do not recognize these and other non-institutional types of care for purposes of reimbursement. Most objectionable, from my point of view, is that even federal programs such as Medicare and Medicaid discriminate against certain types of non-institutional health services such as home health care.

I call upon the private health insurance carriers and the Department of HEW to examine carefully the various kinds of health care that have provided themselves both more economical than hospital care and at least equally appropriate. Every effort should be made to remove obstacles in insurance contracts and federal regulations to fair reimbursement for quality health care alternatives to so-called "acute" care.

In closing, I would like once again to commend your organization for its dedication to the goal of high quality health care for every American. Hopefully, through your efforts and those of your fellow consumers, working together with public officials and health providers, we can develop a basis of understanding that can lay a solid foundation for the improvements so needed in our health system.

I am proud of you and your efforts to educate the American people about the need for comprehensive health care legislation.

Keep up the good work and keep the pressure on the House Ways and Means Committee and the Senate Finance Committee. With your help, we will enact a strong national health insurance bill in the next Congress.

The promise of a decisive advance toward a high quality comprehensive national health insurance system can and must be fulfilled. Together, we can and will make this promise a reality.

ANNOUNCEMENT OF POSITION ON VOTE BY SENATOR MOSS

Mr. MOSS. Mr. President, on Monday, September 30, 1974, the Senate considered House Joint Resolution 1131, making further continuing appropriations to foreign assistance for fiscal year 1975. On that date an amendment was introduced by the distinguished junior Senator from Missouri (Mr. EAGLETON) to reaffirm the statutory penalty which is applicable to any nation using American arms for other than the purposes for which they have been granted.

I was necessarily absent from the Senate when legislative vote No. 432 was taken on that amendment. I would like to announce that had I been present, I would have voted yea on that amendment.

AMERICAN MIA'S IN VIETNAM

Mr. MATHIAS. Mr. President, Liberty Lobby has raised a question about the validity of a trip I made to Europe in April of this year during the course of which I attempted to secure information about American MIA's in Vietnam.

This mission originated in a meeting I had in my Baltimore office on March 13, 1974, with Mrs. Virginia West, mother of a son missing in Vietnam and Maryland State Coordinator of the National League of Families of American Prisoners and Missing in Southeast Asia. Subsequently I also met with Col. Scott Albright, executive director of the League of Families and Mrs. Sara Frances Shay, secretary-treasurer of the league.

The burden of these meetings was that current efforts to get MIA information were not proving to be successful. Direct negotiations between the United States and North Vietnam were not fruitful. Conversations between the Secretary of State and members of the League of Families of MIA's had generated a suggestion that an appeal be made to a neutral nation, such as Sweden, which had been materially helpful in securing POW information. The league had written to Prime Minister Olaf Palme of Sweden appealing for such help, but had no response.

I was asked how I could help the league obtain any information about MIA's and particularly whether I could help contact Sweden. I agreed to go to Stockholm and speak personally with the Prime Minister. I also agreed to talk with Dr. Roger Gallopin the director of the International Red Cross in Geneva, Switzerland.

By letter on March 28, 1974 to Senator JAMES EASTLAND, chairman of the Senate Judiciary Committee, I requested authorization of the committee for this travel. It was authorized by a letter from Senator EASTLAND to the Secretary of State dated April 3, 1974.

Meanwhile, I had written to Secretary Kissinger seeking his approval for the mission and any advice he might offer. Gov. Linwood Holton, Assistant Secretary of State replied for the Secretary on April 11, 1974, and said in part:

> Many thanks for your note and your letter to the Secretary about your trip to Geneva and Stockholm on our MIA's. The Secretary and all of us concerned about this problem welcome your initiative and share the hope that it may help persuade North Vietnam to be more cooperative in accounting for our men.
>
> I understand Frank Sieverts has been in touch with you and your office to provide background briefing material and concerning arrangements for your trip. . ."
>
> Regarding a possible Swedish role in obtaining information on our MIA's, as you know this proposal comes from the National League of Families of American Prisoners and Missing in Southeast Asia. The League approached the Swedish Embassy here and wrote to Palme enclosing a list of MIA's on whom they asked he try to get information from North Vietnam. Although this is a private initiative by the families, we share their hope that it may result in some information on our men. We understand the families have asked you to follow up with Palme on their behalf, and of course we would have no objection to that. . .

On the same date Mr. Frank A. Sieverts, Special Assistant to the Secretary for POW and MIA Matters, who has been involved in the prisoner issue for several years wrote to a member of my staff as follows:

> Enclosed is a memorandum for the Senator, for his visits to Geneva and Stockholm, mainly providing background on the League of Families initiative with Palme. The Senator will also be getting Gov. Holton's reply to his letters.
>
> As I mentioned, the key point is that, although we have blessed this initiative, it is essential that it be described as a private project of the families—which it in fact is. To link it to the Administration would give Palme as well as North Vietnam grounds for turning it down. . .

The memorandum referred to states in part:

> The leaders of the National League of Families American Prisoners and Missing (Scott Albright, Director) met with Swedish Minister Leif Leifland in March to ask if Sweden would seek information from North Vietnam on American MIA's, similar to Sweden's efforts on behalf of our POW's in 1968–70. At that time Prime Minister Palme obtained new information on a number of Americans captured in North Vietnam. Following the meeting with Liefland, the families wrote to Palme enclosing a list of Americans still unaccounted for in North and South Vietnam, and Laos.
>
> The families have not yet had a reply from Palme, so your visit is opportune and timely. Albright has asked you to follow-up on behalf of the League to ask Palme to pursue this project with North Vietnam . . .
>
> From April 8–11 North Vietnam Premier Pham Van Dong made an "official" visit to Stockholm as Palme's guest. The families asked Leifland if Palme had raised the subject of our MIA's during that visit. Leifland said he didn't know. This would be something to follow up with Palme. Did he raise this with Pham Van Dong? What was the reaction? If not, why not? . . .
>
> The emphasis on the families is important because when Palme obtained information on our POW's in 1969, he did so specifically at the request of individual family members who had written to him. This time the request comes from the League of Families as a class action. Palme emphasized at the time he was acting for the families, not for the U.S. government. He sent the information directly to the families and gave us copies afterwards. This was the way he wanted to handle it for his own reasons—and additionally, it formed the rationale for

his approach to North Vietnam, on the theory that if it were government-to-government request, Hanoi would respond by saying the U.S. has direct relations with North Vietnam and should use its own channels to negotiate on this subject . . .

Overall there are over 1,100 Americans still missing in Indochina and another 1,200 declared dead whose bodies were never recovered. This includes Laos and Cambodia as well as North and South Vietnam. The families have provided separate lists because Palme would probably want first to try North Vietnam—if he agrees to pursue this at all . . .

All of the facts regarding the cost of the trip are being reported as required by law and will be published in the regular manner, in Senate reports.

I did visit Dr. Gallopin at the International Red Cross headquarters on April 19. I then proceeded to Stockholm and met with a number of Swedish Government officials including the Prime Minister, whom I saw for approximately an hour and a half on April 23. One of the officials at the Swedish Foreign Ministry with whom I consulted was Count Willy Wachtmeister who has since come to Washington as the Ambassador of Sweden.

On my return I met with Colonel Albright and Mrs. Shay in my office in Washington on April 25, 1974, and briefed them fully on my conversations.

I have previously publicly commented on the helpful attitudes and sympathetic reception on the part of both Prime Minister Palme and Dr. Gallopin.

This question was raised by Liberty Lobby in connection with their criticism of the Bilderberg meeting that I attended prior to the meetings in Geneva and Stockholm. The Bilderberg conferences are a well established series of international meetings that have been attended by President Ford, Secretary Kissinger; Senator JACKSON; Senator JAVITS; Gen. Andrew J. Goodpaster, Supreme Allied Commander; Gen. Alfred M. Gruenther, U.S. Army; Adm. Elmo Zumwalt, Chief of Naval Operations, and others from the fields of business, journalism, and academic life.

ANOTHER GIFT TO EGYPT

Mr. PROXMIRE. Mr. President, last Wednesday, October 2, 1974, I offered an amendment to the Foreign Assistance Act of 1974 that would instruct the President to make a full disclosure of all gifts over $50 made to foreign countries by U.S. Federal employees. My main concern in offering the foreign gifts reporting amendment was the snowballing, extravagant expenditure of taxpayers' money on gifts to foreign heads of state. International gift giving has quadrupled over the last 25 years and surely we must ask "What are we buying with these exorbitant gestures of détente?"

In my introductory remarks before the Senate last week, I pointed to the unprecedented gift of a VH3A Sikorsky VIP helicopter to the President of Egypt as typifying the level to which foreign gift-giving has soared. Today, in the Washington Post we learn that the U.S. Government is now transferring a $1 million tract of land to Egypt for the sole purpose of providing President Sadat with a site for his presidential mansion on the Nile River in Cairo. It was also revealed in the article that the $2 to $3 million Sikorsky helicopter, given by former President Nixon last July, is virtually useless to the Egyptian President.

This giveaway trend in our international diplomacy borders on the absurd and I feel that the American people should be told why their tax dollars are being squandered.

Mr. President, I ask unanimous consent that the article by Jim Hoagland in the October 7, 1974, Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SADAT GETS U.S. SITE FOR PALACE

(By Jim Hoagland)

CAIRO.—In another touch of personal diplomacy designed to please Egyptian President Anwar Sadat, the United States is quietly ceding property worth $1 million or more to Egypt so Sadat can build a mansion beside the Nile in Cairo.

The transfer of a 6,540-square yard plot of land owned by the American government here follows an American donation of $10 million in Egyptian pounds to Mrs. Sadat's favorite charity and former President Nixon's gift of a $2 million executive helicopter to the Egyptian leader.

In each of these cases, the Egyptians have made strong overtures for the items or funds, they desired and the United States has promptly acquiesced rather than risk offending the Sadat government.

In requesting the highly coveted plot of land, originally acquired by the United States as a site for the residence of the American ambassador, the Egyptian government has offered an equivalent site to be chosen by the American embassy here.

Egyptian officials declined to discuss the list of alternative properties they have provided to the embassy, but there are signs that none of them measures up to the American plot located in Cairo's fashionable Giza district. Warehouses, a closed movie theater and land in the distant suburb of Maadi are said to be among the properties offered.

A spokesman for the embassy said the property had been acquired some time ago and that the embassy could not provide an estimate of its value. Egyptian businessmen who deal in land around the Giza area say they would gladly pay $200 per square yard for such property, implying that it is worth considerably more than $1 million.

Egyptian-American diplomatic relations were restored in March after a break of seven years. U.S. Secretary of State Henry A. Kissinger has emphasized in recent gatherings with the Arab foreign ministers that personal relationships are important in his search for a Middle East peace settlement.

In theory, the Egyptian government, which stated its desire for the American-owned land on April 24, could nationalize the property. But Egypt is busily wooing American investors and de-emphasizing the history of land takeovers here.

Embassy officials are to hold final discussions with the Egyptians on the alternate sites this week, and the swap may be worked out while Kissinger is in Cairo for a two-day visit with Sadat.

The Egyptian president already has a palatial residence in Giza, near Cairo's biggest luxury hotel and the Soviet embassy. He also has the use of several of the palaces built for the monarchy before the 1952 revolution as residences. It is not clear why he has decided to construct a new residence now.

In fact, the president has suggested in public that he would like to retire in 1976.

The gift $2 million white-topped presidential helicopter has so far been useless to the Egyptian leader. He has no pilots trained to fly the sophisticated aircraft, which Mr. Nixon gave him on the spot after noticing Sadat's admiration for it during Mr. Nixon's Middle East tour in June.

There was no actual transfer of funds involved in the unusual donation of $10 million in Egyptian pounds to Mrs. Sadat's Fidelity and Hope Society this spring. Kissinger approved a reduction of the Egyptian debt to the United States in local currency by the $10 million amount after Egyptian Foreign Minister Ismail Fahmi suggested a contribution to the charity in January.

Selected congressional leaders reportedly have been briefed on the quiet transfers of the land and Egyptian funds and on the donation of the helicopter.

ORVILLE CROWDER

Mr. MATHIAS. Mr. President, I note with sorrow the passing of a dear friend of the outdoors, Orville Crowder. A son of Baltimore, he ardently combined an amateur's fascination with the learning and dedication of a professional, and was of material influence in efforts ranging from the preservation of the C. & O. Canal to invigorating an ornithological club in Baltimore. A special issue of the World Nature News describes his wide-ranging interests and accomplishments, and provides assurance that his goals will be pursued. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEATH CLAIMS ORVILLE CROWDER

Orville Wright Crowder, father of the World Nature Association, died on August 6, 1974, following a stroke, at the age of 70.

Orville was born on March 24, 1904, in Baltimore, Md., where he attended grade and high school, as well as college. A childhood interest in stamp collecting led in time to his operating a stamp business in Baltimore with his brother in the 1920's and 1930's. Philately was an interest that continued throughout his life.

This world traveler's wanderings began in the 1920's with a trip to the western United States. Out of this trip grew his great interest in mountains, mountaineering, and hiking. He eventually climbed to the highest point in every state of the union except Alaska and Hawaii. Pursuing these interests, he founded the Mountain Club of Maryland in 1924 and served as its first president. Active in the early years of the Appalachian Trail Conference, in 1937 he became the third person to hike the entire length of the trail, from Maine to Georgia.

Another deep interest was the C & O Canal. He served in various capacities in the Canal Level Walkers and the C & O Canal Association, and, as co-author of Section 1, he helped Thomas F. Hahn in writing Towpath Guide to the C & O Canal. He gave much assistance to the American Youth Hostels Association when the Potomac Area Council was establishing its chain of hostels along the canal. He also served as a member of the AYH's national board of directors.

Stemming from all this outdoor activity was Orville's avid interest in birds, wildflowers, astronomy, and other forms of natural history. A member of many natural history societies, he was a prime mover in reviving a dying bird club in Baltimore, in building it into the Maryland Ornithological Society (of which he was the second president), and organizing several of its chapters in various parts of the state.

His major work in nature tours began with a trip he led for friends in 1961. He had retired from the Martin Aviation Company—in which he had worked first in personnel, then in training—in the early 1950's. Following that retirement, he worked at various things, including a year with the National Park Service in Harpers Ferry. Then in 1960 he took a long-dreamed-of-trip to Europe to see birds, traveling extensively across the continent and forming valuable friendships. That was the trip that led a group of friends to ask for a similar tour. He led another to East Africa in 1963, and his full-time work in nature tours had begun. He formed Crowder Nature Tours, the first of the overseas nature tour organizations. Since then some 128 tours have taken participants to every corner of the world and every continent. Orville himself led, met briefly, or just joined almost every one of these. In addition, of course, there were his own extensive scouting trips. He went around the world eight times; twice one year. He eventually reached all but six countries in the world.

These trips were primarily bird-watching trips, and in the course of them Orville compiled a life list exceeding 4,000 species. His AOU area list stands at 630.

Over the years more than 900 persons took part in the Crowder tours. Orville was especially proud of the "repeaters." One participant has been on 33; others have taken part in almost as many.

As a result of the tours he conceived the idea of a world-wide nature organization that would bring together people interested in conservation problems. In April 1969 the World Nature Club was founded. It is now the World Nature Association, and it is committed to carrying out his plans to make it a strong force in the world in promoting an international exchange of natural history and conservation information and help. Having no family, Orville left his entire estate to the association to help it reach these goals.

About three years ago his health began to fail, and he experienced a series of minor strokes and, it would seem, two minor heart attacks. Nonetheless he looked forward to what he said would be his last Crowder Tour—to Russia and Siberia, followed by the Himalayas. That would give him a chance to get into Bhutan, one of the missing six countries. Ironically, his final stroke hit on Sunday, July 21, as he was going out his door, suitcase in hand. Orville's last trip of all came two weeks later.

Says WNA President Donald Messersmith, "This remarkable man has enriched the lives of many people. He started a whole new aspect of bird-watching. He was a true genius and a fantastic organizer. We shall try to carry on his work, but we'll miss him."

CROWDER MEMORIAL FUND ESTABLISHED

An Orville W. Crowder Memorial Fund is to be set up "in recognition of his contributions to the founding of the World Nature Association and his many other contributions, to the observation of birds and natural history throughout the world." The fund was voted by the WNA Board of Directors at its meeting in Harpers Ferry on September 7.

The purpose of the fund is to enable the WNA to carry on Orville Crowder's work and plans in world-wide conservation—such as the WNA Andean condor and New Hebrides park projects, natural history education and appreciation, and the like. He, himself, started the fund when he willed his entire estate to WNA. The board believes that persons who belong to organizations he has influenced, who are concerned about our natural heritage in nature throughout the world, who have seen new birds in new places, or who just agree with his aims will want to contribute so that his plans can be carried out.

Checks may be made payable to the World Nature Association, marked "Crowder Memorial Fund," and mailed to P.O. Box 673, Silver Spring, Md. 20901.

CROWDER HOUSE BECOMES WNA HEADQUARTERS, LIBRARY OPEN TO MEMBERS

WNA members are well aware that one of Orville Crowder's dreams was a headquarters building and world nature study center in Harpers Ferry, W. Va., on a lot he willed to the association. Ground-breaking plans have been announced in past newsletters, but have always had to be postponed. Rising costs, Orville's poor health during the last two years, and other complications forced delays. His death now causes still further delay.

At its meeting in September, the WNA Board of Directors established Orville's house on Washington Street in Harpers Ferry as the Crowder Memorial World Nature Study Center until such time as another building can be bought or erected. The board also appointed Herman Postlethwaite caretaker and manager. Mr. Postlethwaite is Orville's long-time friend and house mate, a former World Nature Club Board member, and a Crowder Nature Tour leader. He will continue to live in the house and serve without pay.

Orville's extensive collection of natural history books has become the WNA library, and Mr. Postlethwaite has already set up a reading room containing many Crowder mementos. Members who wish to use the library may write to Mr. Postlethwaite.

SUPPORT FOR RURAL WATER AND SEWER GRANTS

Mr. MOSS. Mr. President, one of the pressing problems facing rural communities today is the need to improve water and sewer systems. Congress recognized this need when it passed the Rural Development Act. Unfortunately, as one of his last acts in office, Mr. Nixon vetoed the agriculture appropriations on August 8, and thereby deprived rural communities of funds implementing the Rural Development Act.

The problem of expanding existing water and sewer systems in rural communities is particularly acute in my home State of Utah, which has begun to feel the impact of an expanding population accompanying the burst of new energy projects around the State. This is a problem shared by many Western States, from whose resources much of the growth in energy supply is going to come over the next two decades. It is essential, if we are to have orderly growth under adequate health safeguards, for rural communities to have sufficient funds to meet their water and sewer needs.

Mr. President, I ask unanimous consent that a resolution pertaining to this problem be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SUPPORT FOR RURAL WATER AND SEWER GRANTS

Whereas, rural counties have long identified water and sewer grants as a critical need to provide for rural development and to improve the quality of life in rural America,

Whereas, funds for rural water and sewer grants are an essential part of the Rural Development Act, the only federal program aimed primarily at solving problems for our rural citizens, and

Whereas, the Appropriation Bill containing $225 million in grant funds for this program has been vetoed and it will be necessary for the House, the Senate, and the President to approve another appropriation bill.

Now therefore, *be it resolved* that the County of Box Elder in the State of Utah hereby urges the Congress and the President of the United States to approve funds in the amount of $225 million for rural water and sewer grants to implement the Rural Development Act of 1972.

WHY ARE WE IN JOHANNESBURG?

Mr. KENNEDY. Mr. President, I would like to enter in the RECORD an article from the October issue of Esquire magazine by Tad Szulc.

In his usually expert manner, Mr. Szulc examines what appears to be new U.S. policy regarding Southern African defense interests.

Because of the vast implications of proposals to aline this country with the Republic of South Africa in matters affecting defense, I feel it is important for all Members of the Senate to have an opportunity to read this very important analysis.

For that reason, I request unanimous consent to print in the RECORD "Why Are We In Johannesburg?" by Tad Szulc, from the October issue of Esquire magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY ARE WE IN JOHANNESBURG?

(By Tad Szulc)

READY TO FIGHT FOR SOUTH AFRICA? AN EXCLUSIVE LOOK AT YOUR GOVERNMENT'S BRIGHT NEW IDEA

For well over a year, the North Atlantic Treaty Organization and the United States have been engaged in top secret contingency planning to extend their air and naval operational responsibilities to the vast strategic vacuum stretching from the South Atlantic to the Indian Ocean, covering the sea-lanes around South Africa's Cape of Good Hope and the approaches to the oil-rich Persian Gulf.

Steadily growing Soviet naval power in the area and the consequent need to protect vital tanker routes around the Cape are among the justifications for what may become in time, if it is pursued, the greatest shift in N.A.T.O.'s strategic objectives since its creation in 1949 as a deterrent to the Soviet threat in Europe.

But, as much as anything, the American interest—perhaps even more than NATO's—appears to relate to the security of southern Africa in the context of mounting dangers posed to "white supremacy" regimes by black liberation movements.

United States policy, as it quietly evolved under the Nixon Administration since 1970, was a "tilt" in favor of the Republic of South Africa, Rhodesia and the Portuguese territories of Angola and Mozambique—away from strong traditional support for self-determination by black populations. However, given the sensitivities of the black American community and church and liberal groups, the new policy was carefully concealed.

A secret White House document, a copy of which was obtained by Esquire, spells out the policy for southern Africa approved by the President in February, 1970. The key section of this document, a National Security Council Decision Memorandum (NISDOM), is based on the so-called Option 2 for African policy prepared by the N.S.C.'s Interdepartmental Group for Africa. After its adoption, Option 2 acquired the name "Tar Baby" in bureaucratic colloquial usage. This policy, known among White House and State Department officials as one of "communication" with South Africa, provides the rationale for the current military contingency planning for the defense of southern Africa. These plans follow earlier unpublicized decisions to relax unilaterally the long-standing United Nations arms embargo against South Africa and the United States embargo against Portugal in Africa, and other steps designed to help the white regimes preserve the status quo.

The guiding principles of American policy are: political stability and concurrent containment of Communist influences in Africa's southern cone; continued use of air and naval facilities in South Africa and the Portuguese colonies in support of United States naval presence in the Indian Ocean and other activities; easy access to South Africa's raw materials, notably uranium; and concern with orderly trading in her gold.

The United States maintains in South Africa a guided-missile tracking station and a N.A.S.A. space-tracking station. It enjoys overflight and aircraft-landing rights to support these stations and for general purposes. The Central Intelligence Agency and the South African secret services cooperate closely under the terms of a secret intelligence agreement, similar to United States intelligence accords with N.A.T.O. governments. The United States also has about one billion dollars in private investments in South Africa.

It is interesting to observe how startlingly wrong, in the light of subsequent events, was the premise upon which Tar Baby was constructed by Henry Kissinger's N.S.C. staff and recommended by him to Nixon. The following is the fundamental assumption of the 1970 NISDOM:

"The whites are here to stay and the only way that constructive change can come about is through them. There is no hope for the blacks to gain the political rights they seek through violence, which will only lead to chaos and increased opportunities for the Communists. We can, by selective relaxation of our stance toward the white regimes, encourage some modification of their current racial and colonial policies and through more substantial economic assistance to the black states [a total of about five million dollars annually in technical assistance to the black states] help to draw the two groups together and exert some influence on both for peaceful change. Our tangible interests form a basis for our contacts in the region, and these can be maintained at an acceptable political cost."

The Portuguese military coup last April overthrew the dictatorship at home when the leadership of the armed forces finally concluded that the thirteen-year colonial war against nationalist guerrillas in Africa could not be won and that Lisbon had to grant the rebels self-determination if not outright independence.

This, of course, was a complete victory for the nationalists and it demolished the Kissinger assumption that "there is no hope for the blacks to gain the political rights they seek through violence." It also could presage anti-American sentiment among these blacks.

Independence in Angola and Mozambique may mean, whenever it comes, the denial of their deepwater ports to the United States fleet. It may mean the loss of oil concessions held by American companies off the shore of Angola. And it certainly means the encirclement of South Africa and Rhodesia by a bloc of black states—most of which are likely to serve as a base for cross-border guerrilla operations in the two "white supremacy" countries. Until last April, Angola and Mozambique were a protective belt around South Africa and Rhodesia.

The central question arising at this time is whether the totally unexpected events in Portugal will hasten or deter military contingency planning for southern Africa by N.A.T.O. and the United States. South Africa and Rhodesia have obviously become more vulnerable to black pressure.

What is unclear is how Washington and/or N.A.T.O. interpret the new situation, although the military are known to believe that the "loss" of the Portuguese colonies is a strategic threat to the West. South Africa has been increasingly pressing for some form of defense alliance with the West; the decision facing the United States and its allies is whether to be drawn into possible military adventures in southern Africa after our experience in Vietnam.

The secret contingency planning for southern Africa and the Indian Ocean—being conducted at the Norfolk, Virginia, headquarters of SACLANT, the acronym for Supreme Allied Commander, Atlantic—concentrates on the development of air-naval task forces to operate in that immense maritime area. In a sense, it aims at finding a new role for N.A.T.O., whose statutory southern boundary is the Tropic of Cancer, at a time when the European situation is fairly stabilized.

The need to counteract the rising Soviet naval penetration in the Indian Ocean (including warship movements and access to bases in Somalia and Aden at the lower end of the Red Sea) and to protect the southern entrance to the Persian Gulf, as well as the sea routes used by the huge tankers serving European and American ports, is the justification for the SACLANT planning.

These studies parallel the United States' desire to establish a major air-and-naval base on the tiny British island of Diego Garcia, a speck of land in the Indian Ocean, to support the fleet there after the Navy's base rights for its small Middle East force in Bahrein in the Persian Gulf are phased out. If ports in Angola and Mozambique are closed to us in the future (they are too small for aircraft carriers, but adequate for smaller warships), the Navy will have no land-support points between the North Atlantic in the West and the Philippines in the East—a strategic nightmare. Except for aircraft from an occasional United States carrier plying these waters there are no facilities for aerial surveillance of Soviet ships.

For this reason the United States has been negotiating for Diego Garcia with Britain and eyeing with mounting interest the excellent South African naval bases, particularly Simonstown. Up to now, Washington has refused South African offers of its naval facilities because of the military embargo the United States still ostensibly maintains against the Pretoria regime and because black American sailors coming ashore are subject to South African racial-segregation laws. Except for medical emergencies, no United States warship has docked in South Africa since 1967, when shore leave for the crew of the aircraft carrier *F.D.R.* was canceled because of discriminatory practices.

But changed conditions may bring new decisions in Washington as well as in N.A.T.O. This is presumably why N.A.T.O.'s Defense Planning Committee issued a secret instruction in June, 1973, to SACLANT to undertake the contingency planning for the southern African region and why pressures are growing for military coordination with the South Africans. SACLANT was authorized to plan "outside the N.A.T.O. area."

The French navy conducted joint exercises with South African warships in April, 1974—thus far a purely bilateral affair—and it is known that one of the variants in SACLANT's secret planning contemplates joint air-naval task forces with South Africa for whatever emergency may arise in the future.

In June, 1974, the N.A.T.O. Ministerial Council, holding its annual meeting, took a major step toward the expansion of its interests beyond the region of its original responsibilities as defined in 1940. Under the old definition, N.A.T.O. was concerned with Europe, North America, the North Atlantic and the North Sea. N.A.T.O. fleets operated in the Mediterranean (Greece and Turkey, as well as Italy and France, belong to N.A.T.O.), but the Middle East was out-of-bounds as was everything south of the Tropic of Cancer.

But the Ottawa Declaration of June 19 introduced a whole new concept for N.A.T.O. planning. Its Article 11 said: "The allies . . . are finally resolved to keep each other fully informed and to strengthen the practice of frank and timely consultations by all means which may be appropriate on matters relating to their common interests as members of the alliance, bearing in mind that these interests can be affected by events in other areas of the world."

This, of course, is a carte blanche for N.A.T.O. to become involved wherever it wishes. It may mean the Middle East, or the Indian Ocean—or southern Africa. The uncertainty is whether the United States and some of its allies, encouraged by the license issued in Ottawa, may choose to regard South Africa's internal security in the face of black pressures as a justification for direct air or naval support, using SACLANT's contingency planning.

In such an event, Washington's Tar Baby, already at best an ambiguous policy, would be transformed into clear support for the white regimes as proposed in Option 1 (there were five options) of the N.S.C. study. Option 1, rejected by Kissinger as too extreme and politically untenable at home, recommended that since "the whites are in control and insurgent violence will not seriously threaten that control," the United States' "economic, scientific and strategic interests in the region . . . are worth preserving and expanding. The political costs of closer relations with the white states will not be excessive."

Among the "Operational Examples" in this option were the following: "Relax arms embargo against South Africa with liberal treatment of equipment which could serve either military or civilian purposes or which could serve the common defense"; "Authorize routine naval visits and use of airfields"; "Relax enforcement of sanctions against Rhodesia"; "Relax the unilateral U.S. embargo on the Portuguese territories to permit export of dual-purpose equipment" (dual purpose means use in metropolitan Portugal in the N.A.T.O. context as well as in Africa against the guerrillas); "Limit economic aid to the black states to regional and multi-donor programs"; and "Publicly discourage insurgent movements."

Tar Baby, the second option, as it developed in practice, achieved many of the notions incorporated in Option 1 of the N.S.C. Study Memorandum No. 39 (known bureaucratically as NISSOM-39). This policy's somewhat naive concept was that through the "selective relaxation of our stance toward the white regimes," the racist regimes would start treating her blacks more humanly. The idea was that if the U.S. persisted in this approach, it would work.

And this is how the Nixon-Kissinger policy acquired its name: the Tar Baby, of course, is the character in the "Uncle Remus" stories who by his stickiness catches Br'er Rabbit.

In hindsight, it can probably be argued that Tar Baby's stickiness may turn against its creators. It may well alienate the new independent regimes when they come into being in Angola and Mozambique as well as much of black Africa, where the basic policy has been to defuse Communist influence. And it is likely to find little favor with blacks and liberals at home.

A senior State Department official, thoroughly familiar with the African situation and personally opposed to Tar Baby, commented privately not long ago that the Nixon Administration's policy was "hypocritical and immoral" and "gave us the worst of both worlds."

He wistfully recalled the words of the late Adlai Stevenson addressing the U.N. Security Council on August 2, 1963: "All of us sitting here today know the melancholy truth about the racial policies of the government of South Africa. Our task now is to consider what further steps we can take to induce that government to remove the evil business of apartheid, not only from our agenda, but from the continent of Africa. . . . In the absence of an indication of change, the United States [will] not cooperate in matters which would lend support to South Africa's present racial policies. . . . The United States has adopted and is enforcing the policy of forbidding the sale to the South African government of arms and military equipment, whether from government or commercial sources, which could be used by that government to enforce apartheid either in South Africa or in the administration of South-West Africa. . . ."

But seven years later, in 1970, the whole moral and practical tone of American policy was changed. This is how the secret Option 8 states the "General Posture":

"We would maintain public opposition to racial repression but relax political isolation and economic restrictions on the white states. We would begin by modest indications of this relaxation, broadening the scope of our relations and contacts gradually and to some degree in response to tangible—albeit small and gradual—moderation of white policies. Without openly taking a position undermining the United Kingdom and the U.N. on Rhodesia, we would be more flexible in our attitude toward the Smith regime. We would take present Portuguese policies as suggesting further changes in the Portuguese territories. At the same time, we would take diplomatic steps to convince the black states of the area that their current liberation and majority-rule aspirations in the south are not attainable by violence and that their only hope for a peaceful and prosperous future lies in closer relations with white-dominated states. We would emphasize our belief that closer relations will help to bring change in the White states. . . .

"This option accepts, at least over a three-to-five year period, the prospect of unrequited U.S. initiatives toward the whites and some opposition from the blacks in order to develop an atmosphere conducive to change in white attitudes through persuasion and erosion. To encourage this change in white attitudes, we would indicate our willingness to accept political arrangements short of guaranteed progress toward majority rule, provided that they assured broadened political participation in some form by the whole population."

The document then recommends these "Operational Examples":

"Enforce arms embargo against South Africa but with liberal treatment of equipment which could serve either military or civilian purposes." (This wording differs from the "extreme" first option, but permits considerable latitude in providing a variety of useful military items.)

"Permit U.S. naval calls in South Africa with arrangements for nondiscrimination toward U.S. personnel in organized activity ashore; authorize routine use of airfields."

"Conduct selected exchange programs with South Africa, in all categories, including military."

"Without changing the U.S. legal position that South African occupancy of South-West Africa is illegal, we would play down the issue and encourage accommodation between South Africa and the U.N." (This is a reference to a U.N. decision that South Africa's mandate over South-West Africa, first granted by the League of Nations, has lapsed and that the territory should be given independence.)

"On Rhodesia, retain consulate; gradually relax sanctions (e.g., hardship exceptions for chrome) and consider eventual recognition." (American companies owning chrome mines in Rhodesia pressed the Administration to grant them an exception from the U.N. sanctions against Rhodesia following her 1965 Unilateral Declaration of Independence—U.D.I.—and imposition of minority white rule.)

"Continue arms embargo on Portuguese territories, but give more liberal treatment to exports of dual-purpose equipment."

"Toward African insurgent movements take public position that U.S. opposes use of force in racial confrontations. Continue humanitarian assistance to refugees."

Under this option, advantages accruing to the United States would preserve its "economic, scientific and strategic interests in the white states and would expand opportunities for profitable trade and investment."

The secret paper further observes that "U.S. diplomatic support and economic aid offer the black states an alternative to the recognized risk of mounting Communist influence."

It also notes that the proposed policy "would reduce a major irritant in our relations with Portugal, and afford the Caetano government opportunity for liberalization." Indeed, the Nixon policy did remove the "irritant"—Portugal bitterly complained in the past about the Africans policies of Presidents Kennedy and Johnson—but Premier Marcello Caetano was ousted by his own antiwar military commanders last April and chances are that Nixon's "tilt" will produce a wholly different irritant in Lisbon.

Curiously, however, the N.S.C. study also warned that Tar Baby could have negative consequences as well. It said:

"Relaxation of the U.S. stance toward white states could be taken by the whites as a vindication of their policies. Many black states, led by Zambia and Tanzania, probably would charge us with subordinating our professed ideals to material interests and tolerating white-regime policies.

"There is a serious question whether pro-Western leaders of the black states could continue to justify their stance to their populations if the U.S. officially declared its opposition to current liberation efforts. Radical and Communist states would be the beneficiaries.

"Unilateral U.S. relaxation of sanctions against Rhodesia would be a highly visible violation of our international obligations and would be damaging both to the U.S. and to the U.N.

"The current thrust of South African domestic policy does not involve any basic change in the racial-segregation system, which is anathema to the black states. There is virtually no evidence that change might be forthcoming in these South African policies as a result of any approach on our part.

"Requires extensive diplomatic and economic involvement in a situation in which the solution is extremely long-range and the outcome doubtful at best."

Despite these caveats, the Nixon Administration accepted most of the N.S.C. recommendations in Option 2 and, in some cases, even went beyond them. The paper containing the five options was presented by Kissinger to Nixon and the full National Security Council on December 19, 1969. In February, 1970, after consulting with Nixon, he ordered the drawing up of the NISDOM document—the Decision Memorandum—which was known as Tar Baby.

In the case of South Africa, the United States gave a most "liberal" interpretation to the relaxation of the arms embargo. In all the "grey areas," the benefit of the doubt was given the South Africans. Thus they were allowed to buy Bell helicopters here with the full knowledge in the United States Government that they would be used in police military operations along with choppers bought from France, which does not observe the U.N. embargo. The same thing occurred with twin-engined executive Learjets, which can be outfitted for reconnaissance and even certain combat or suppression missions. Herbicides and defoliants of the type used in Vietnam were also sold to South Africa.

Portugal benefited in the same manner. TAP, the Portuguese airline, was able to buy in the United States a number of Boeing 707 jet airliners. Although a commitment was signed that the jets would not be used for military purposes. TAP, which flies a regular route between Lisbon and Angola and Mozambique, regularly transported combat troops to Africa, according to C.I.A. reports.

Portuguese officers were trained in counterinsurgency at the U.S. Army's jungle-warfare school at Fort Gulick in the Panama Canal Zone and at Fort Benning, Georgia. Portuguese jets pilots received training in West Germany, the headquarters of the U.S. Air Force in Europe.

In the case of Rhodesia, the United States finally closed down its consulate in Salisbury only after Prime Minister Harold Wilson requested it in a sharply worded note to Nixon. The consulate was accredited to the British Crown. At the December 1969, N.S.C. meeting, Richard Helms, then C.I.A. director, had urged strongly that the consulate remain open because it served a crucial intelligence function. Later, William P. Rogers, then Secretary of State, claimed credit for the closing of the consulate as a gesture against white supremacists.

Economic aid to the black states rose at the same time in a less than spectacular manner. From a total of $155,000,000 in the fiscal year 1970, for all the black countries, it rose to $176,000,000 in 1971, dropped to $135,000,000 in 1974, and is planned to go up to $169,000,000 in 1975.

What is likely to happen next in United States and N.A.T.O. relations with South Africa and Rhodesia, now that Angola and Mozambique (where Rhodesian and South African units supported the Portuguese against the guerrillas) are gone as the protective buffer for the white regimes?

My own impression from Washington conversations is that SACLANT and the Pentagon planners will proceed with their contingency planning, perhaps with even greater urgency than before. Instability in the Persian Gulf, the Soviet naval activities in the Indian Ocean and the new "soft underbelly" in southern Africa (Angola and Mozambique) obviously provide a rationale for further strategic planning on a wide scale.

N.A.T.O. as a whole is unlikely to authorize a formal expansion below the Tropic of Cancer because of assured opposition by the British Labour government, now back in power (previously, the conservative government strongly favored a move to the south), as well as by the Scandinavian, Dutch and Belgian governments. Even the new Portuguese regime (Portugal belongs to N.A.T.O. and is headquarters of the IBERLANT Command) may have second thoughts about it.

But, significantly, a N.A.T.O. spokesman in Brussels said last May, in confirming that SACLANT was studying contingency plans for the Indian Ocean and the South Atlantic, that this imposed no commitment on any member nation to become engaged there.

In other words, this left the United States and any other interested N.A.T.O. member free not only to use SACLANT's plans but to become involved in whatever operations it deems necessary under its own flag. N.A.T.O., indeed, can be quite flexible, what with its operational traditions in the Mediterranean and the membership of Greece and Turkey, hardly North Atlantic powers.

Meanwhile, contacts between South Africa and the United States have intensified during 1974. Connie P. Mulder, Interior and Information Minister (and possibly the next Prime Minister), spent five days in Washington in January, conferring with Vice-President Ford, Congressional leaders and Vice Admiral Ray Peet, a top Pentagon planner whose responsibilities include the Indian Ocean.

In May, Admiral Hugo H. Biermann, chief of the South African Defense Forces, came to Washington after Secretary of State Kissinger overruled his African Bureau's recommendation to deny the Admiral his visa under the military-embargo policy. Biermann, an outspoken advocate of close defense ties with the United States, met with the Acting Secretary of the Navy, J. William Middendorf, and dined with seventeen admirals at the home of a Maryland Republican congressman. It was all part of South Africa's vigorous lobbying for a defense arrangement with the United States—and other N.A.T.O. members—in the name of Indian Ocean security.

An ambassador from a friendly black African country, hearing about these frantic activities, asked an American friend: "Do you Americans really want another Vietnam—in Africa?"

NOVEMBER 11 SHOULD BE VETERANS DAY

Mr. HRUSKA. Mr. President, the Senate will soon consider legislation (S. 4081) which has as its purpose the restoration of November 11 of each year as Veterans Day. This matter was favorably reported by the Judiciary Committee on October 3, 1974.

The desire for this bill has resulted from the confusion and resentment caused by passage of the Monday holiday law in 1968, Public Law 90-363. That legislation established a uniform holiday schedule and, among other things, moved the Federal celebration of Veterans Day from November 11 of each year to the fourth Monday in October.

In response to the widespread concern over this matter, a number of bills and resolutions have been introduced during the 93d Congress to return Veterans Day to November 11. Each of the following Senators introduced a bill for this purpose: Senators ALLEN, DOLE, CURTIS, MONTOYA, WILLIAM L. SCOTT, and THURMOND. All of these measures were referred to the Standing Subcommittee on Federal Charters, Holidays and Celebrations, of which I am chairman. Upon reporting this legislation, the full Judiciary Committee determined that a new bill should be drafted, listing each Senator who introduced his own bill as a cosponsor. In accordance with that decision. I have introduced the bill soon to be under consideration by the Senate.

The subcommittee held public hearings on June 3 and July 11 of this year, receiving testimony from 25 witnesses, including several Members of the House and Senate. The testimony indicated that although good results were anticipated from the Monday holiday law, a lack of nationwide uniformity in the celebration of Veterans Day has developed.

Since enactment of the Monday holiday law in 1968, 40 States have moved to restore the observance of Veterans Day to its traditional date of November 11. Two States had never changed their laws to conform to the Federal act.

It should be recognized that some groups and individuals would prefer for Veterans Day to remain a Monday holiday. Our hearings, however, indicated that such support is primarily commercial in nature.

Veterans organizations from across the country have written to the subcommittee and its members. They uniformly endorse legislation to restore the traditional date of Veterans Day. In addition, a vast majority of individual Americans have indicated an identical desire.

On balance, the Judiciary Committee determined that the overwhelming majority of Americans want November 11 to be the recognized date for this important event. Although a Monday observance of Veterans Day provides American families with an enjoyable 3-day weekend, the committee was convinced that a departure from the traditional commemoration has unfortunately resulted in a severe lessening of participation in Veterans Day events throughout the Nation. The committee concluded, therefore, that passage of this bill, bringing Federal law again into conformity with a vast majority of our States, would aid substantially in the preservation and furtherance of this event which is important to so many of our citizens.

I strongly urge my colleagues to support this important legislation.

THE GENOCIDE TREATY: A RESPONSE TO PAST TRAGEDIES

Mr. PROXMIRE. Mr. President, modern world history has witnessed several violent acts of genocide. In 1915, the Turks slaughtered 1,200,000 Armenian Christians. Meanwhile, many nations of the world looked on passively. In 1947, 1 million Moslems were destroyed in India. Once again world opinion was dominated by indifference.

During World War II, 6 million Jews in Europe were exterminated. Adolf Hitler, the mastermind of this policy justified his actions with the following statement made in April 1945:

> Natural instincts bid all living human beings not merely conquer their enemies but also destroy them. In former days it was the victor's perogative to destroy tribes, entire peoples.

It was exactly this "natural instinct" to "destroy—entire peoples" that shocked the nations and people of the world. In reaction to all of the past acts of genocide, the United Nations unanimous passed the Genocide Convention Accords of 1949. This document outlawed genocide as an international crime and yet allowed each country upon adoption to establish their own course of action in dealing with cases of internal genocide.

Today, 25 years later, 78 nations of the world have joined in ratification of the Genocide Treaty. The United States has yet to ratify this important human rights treaty. I urge my colleagues in this session of Congress, to ratify the genocide treaty without any further delay.

PRESERVING THE SEA-BASED DETERRENT

Mr. KENNEDY. Mr. President, preserving the American nuclear deterrent is one of the most important charges on our foreign and defense policy—indeed, it is critical to everything else we do. To that end, it is essential to face possible challenges to the ability of our sea-based deterrent to survive into the indefinite future. By extension, the doctrine of mutual assured destruction also requires that the Soviet sea-based deterrent remain viable, if the Soviet Union is to accept deterrence as the basic strategic relationship between our two nations.

Mr. Walter Slocombe, a former member of the National Security Council staff and a distinguished commentator on these issues, has proposed that certain limits be negotiated on antisubmarine warfare activities that could be directed against the Soviet and American sea-based deterrents. His views are included in an article appearing in the September 1974 issue of Arms Control Today. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRESERVING THE SEA-BASED DETERRENT

(By Walter Slocombe)

(NOTE.—The United States and the Soviet Union have increasingly come to rely on nuclear submarines carrying ballistic missiles (SSBNs) to deter strategic nuclear war, as increased missile accuracies make fixed, land-based missiles more vulnerable. Although there are presently no known effective means of detecting, continually tracking, and destroying submarine missile forces, the prospect of a breakthrough in antisubmarine warfare (ASW), demolishing their present invulnerability is always theoretically possible. Consequently, it can be argued, as long as the two nuclear superpowers continue to rely on strategic deterrence for their safety, it should be in both their interests to agree on arms control measures which would ensure against the vulnerability of their submarine forces, and thus prolong the life of their sea-based deterrent.—Ed.)

COMPLEXITIES

Arms control measures to limit antisubmarine warfare aimed at SSBNs, however, face obstacles formidable even by the standards of the arms control field. Submarine operations against merchant and naval shipping, and measures to protect against such attacks, are central *conventional* missions for all the major navies of the world. Moreover, the inter-relationship of strategic and tactical ASW is political as well as technical and military. The *strategic* submarine problem is essentially one between the two superpowers, but third countries cannot be ignored in the tactical submarine and antisubmarine field. Particularly in the case of the NATO navies, the tactical ASW capabilities of third countries taken together are substantial even in relation to the submarine forces of the superpowers.

ACTIVE TRAILING

Arms control may, however, be both more feasible and effective as a countermeasure to the one clear potential threat to patrolling missile submarines—"active trailing." High confidence detection and passive, *i.e.*, covert, trailing of submarines by "hunter-killer" attack submarines is feasible only if the hunter is no more than a few miles away—a range making counter-detection and evasion by the quarry relatively easy. The picture changes, however, if the hunter foregoes stealth for an unconcealed pursuit using a powerful active sonar, not merely listening to the emitted noise of the quarry SSBN, but sending out a strong signal of its own and detecting the echo. With a sufficient number of pursuant submarines trail, once established—presumably as the SSBN left harbor or passed through restricted waters—could be maintained even over a large force for an essentially indefinite period.

The active trail problem should therefore be a prime focus for both weapon system planning and arms control.

Arms control possibilities begin with a ban on active trailing of missile submarines, by a formal treaty creating a new rule of international law of the sea. In addition, there could be constraints (numerical or qualitative) on the development of the small, fast, but not particularly quiet, special purpose "hunter-killer" attack submarines necessary to make an active trailing program feasible on a massive scale. These measures could be supplemented by controls on operations and deployments. For example, acquiring initial trail could be made more difficult by barring foreign submarines from operating within several hundred miles of missile submarine bases.

A WAY AROUND COMPLEXITIES

Measures to ban active trailing not only address the most immediate threat but focus on an area where the interaction with tactical "conventional" ASW and, accordingly, third country forces would be minimal. Active trailing is of limited utility for wartime tactical ASW purposes, for the central concern of strategic ASW—the ability to destroy a large force at sea simultaneously—does not exist. In wartime, there is little point—and indeed, much danger—in delaying the attack once initial, overt contact has been made with a hostile submarine. Similarly, submarines designed to maintain active trailing of SSBNs are less suitable for tactical ASW, and are likely to be readily distinguishable from other types.

Moreover, limits on active trailing may be more negotiable than many arms control ideas. Verification problems, by definition, do not exist. Neither side seems to engage in active trailing now, nor to have under way any program to develop ASW submarines particularly configured to the tactic. Restrictions on operations, although much more complicated, would have the effect of excluding foreign submarines only from limited areas, generally close to the national territory of superpowers, and so would present far less serious difficulties than attempts to create large ocean sanctuaries.

Some precedent, however limited, for such a control on a particular peacetime tactic appears to be presented by the U.S.-Soviet agreement of 1972 dealing with avoidance of incidents at sea arising from mutual surveillance activities of the two navies.

NEED FOR PROMPT PROPOSALS

The uncertainties of the still-distant threat to missile carrying submarines makes most arms control analysis of what is desirable (even without concern for what is negotiable) extremely difficult in this area. It has even been argued that opening ASW up in the negotiating process would set off a "bargaining chip arms race" as each side sought to accumulate antisubmarine forces, purportedly so as to be able to negotiate them away later.

Nonetheless, neither side is yet committed to development of active trailing, despite its grave potential danger. This suggests the wisdom of prompt proposals in the area—during, not after, the effort to reach a new SALT agreement on offensive systems. Banning active trailing seems to be a step which combines considerable arms control effectiveness with relatively reduced negotiating difficulties. That combination is rare in the arms control field, and the opportunity presented should be taken up energetically.

PRESIDENT FORD TO OUTLINE ECONOMIC PROGRAM—SENATOR RANDOLPH AGAIN STRESSES NEED FOR ACTION

Mr. RANDOLPH. Mr. President, it is encouraging that President Ford will address a joint session of Congress on Tuesday afternoon to outline the administration's economic policies which he promised at the recent Conference on Inflation.

It is my sincere hope that the Chief Executive will recommend initiatives to strengthen the economy by halting the skyrocketing inflation and avoiding a worsening of the recession confronting our Nation today. More importantly, I am hopeful that his message will reflect the urgency of the economic conditions which were stressed at the summit conference.

It is my belief that the President took from those sessions a better understanding of how critical our economic problems are. I stated in the Senate on August 22, that bold and imaginative programs will be necessary if our Nation is to surmount this crisis. These programs must be action oriented and they must treat all citizens equitably.

If there is one point that came through loudly and clearly at the summit, it is the futility of trying to solve our current complex economic problems just by tight budget and tight money. This traditional and simplistic formula punishes working people and those on fixed incomes. Such a policy has pushed unemployment near the 6-percent level, with approximately 5.5 million Americans unable to secure jobs.

Inflation cannot be stopped by cutting back on production and investment. We cannot bring down prices by creating supply shortages. Yet, that is exactly what our present economic policy does.

We must not allow the momentum of the summit meeting to be slowed. Our economic and political freedoms are at stake. I believe we can reach a truly effective national consensus on what it takes to have this country moving again. The Congress will cooperate to produce equitable and balanced legislation to achieve these goals.

Mr. President, I have been working closely with other Senators in an effort to help determine the most effective and reasoned programs to solve our economic programs. I ask unanimous consent that my statement at the conference be printed in the RECORD together with a letter from Senator BAKER and me to the President urging him to launch an energy conservation crusade, and a letter from Senator HASKELL and me to our colleagues asking their assessment of recommendations to combat inflation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RANDOLPH STRESSES ECONOMY DEMANDS IMMEDIATE ACTION

The American economy is in a precarious situation which demands firm and immediate action. This conference provides us with an excellent opportunity to examine in detail both the causes of inflation and potential remedies.

In the past five years we have faced three critical domestic questions: energy, the environment and the economy. All are interrelated and must be dealt with simultaneously.

The paper I am presenting to this conference discusses three actions that can be implemented immediately. A sustained energy conservation effort combined with an intensified program to achieve energy self-sufficiency will pay great economic rewards. To call needed attention to the importance of energy savings, the President should issue a formal proclamation to revitalize energy conservation within the Federal Government and asking for the full cooperation of all citizens. The Congress promptly should enact pending measures to reduce energy consumption. Enforcement of anti-trust laws must be increased to promote competition and economic expansion. Government, through the Federal Reserve Board, also should adopt programs to channel credit to sectors of the economy which will further stimulate recovery from our perilous economic condition and to drastically curtail credit for purely speculative, nonproductive ventures.

We must firmly demonstrate our commitment to solving the problem of inflation and restore the confidence of the American people in our economy. Without such confidence and support we cannot succeed in returning stability to our country.

This Economic Summit Conference offers a unique opportunity to explore the causes of our perilous economic condition and possible corrective actions. Continued unchecked inflation constitutes an enormous threat to the economic and social fabric of the United States. Government actions in recent years have proved ineffective in slowing, much less halting, the inflationary spiral. Indeed, the rate of inflation continues to increase, bringing with it higher unemployment, a lower standard of living, and shaken citizen confidence in the ability of our institutions to cope with this situation.

The United States remains a strong nation—one with the imagination and resourcefulness to reverse the disastrous trends now taking shape. And yet, if we are to be successful in recovering from our economic troubles, we must first deal with the crisis in confidence of the American people. Contributing to the current state of our economy is the ominous lack of confidence in our institutions. People generally expect that things are going to get worse before they get better. This belief unfortunately, leads to self-fulfilling prophecy, creating upward pressure on prices and accelerating our demand for scarce resources. So serious is this question of citizen confidence that deliberate and firm action must be taken immediately. Such action should demonstrate the ability of the Government to deliver on its promises. As reflected by the diverse opinions of panel members at the mini summits, these current economic disruptions are not susceptible to easy solutions.

I hope that from this Economic Summit Conference will come a new determination to act at once to restore economic stability to the United States and, to the extent that we influence it, to the world at large.

As a concerned Government official who participated in the transportation mini-summit, I believe three initiatives can be undertaken immediately by the Administration, without the necessity of Congressional action, which would be helpful in restoring the confidence of the American people and bringing order to our economic system.

ENERGY CONSERVATION

Energy conservation could do much to reduce inflation. Since the Arab oil embargo, oil prices have skyrocketed and we are importing more of this expensive fuel than ever before. The high cost of foreign oil is ravaging our balance of payments and is a major contributing factor in our current double-digit inflation. In 1972 we sent $4.7 billion abroad for petroleum. This year it is estimated that we will spend $25 billion for foreign oil. This dependence is dangerous especially in view of our grave economic situation. Commerce Secretary Dent has estimated that we can save five million barrels of oil per day with a sensible, but not austere energy conservation program. We should return to the conservation measures which served us so well during the energy crisis last winter. Even with the lifting of the oil embargo and the return to a temporarily plentiful gasoline supply, the American people can expect new shortages of fuels this winter. Natural gas supplies will probably be insufficient to meet demand and supplies of certain fuel oils may become scarce. For some—particularly the elderly, the poor and the handicapped—this winter may force a choice between food or fuel when we are continually faced with rising fuel costs and tight supply.

The Senate recently recognized the continuing energy problem in passing The Federal-Aid Highway Amendments of 1974. This bill includes provisions making permanent the 55 M.P.H. speed limit and providing additional incentives for carpooling through grants to local government. These two programs were originally a response to the crisis of last winter.

Further, the Federal Energy Administration estimates that as much as ten percent can be shaved from industrial energy consumption by such conservation methods as lowering thermostats, cuts in use of lighting, fans and air compressors, and shifting peak electricity loads to off-hours. Even greater savings are possible over the long-term. Energy conservation policies should certainly be prominent in the Federal decision-making process because of the favorable impact on prices and inflation from a reduction in consumption of expensive foreign energy supplies.

The President should immediately launch an energy conservation crusade within the Federal Government and call on the citizens of our Nation to voluntarily accelerate efforts to reduce their consumption of fuels and energy. I suggest this effort could be undertaken with a formal Presidential proclamation. It is my firm conviction that the people of our Nation will respond affirmatively to proper and visible government leadership in this vital area.

Besides voluntary actions by the American consumer, the Congress must take the initiative and enact standby energy conservation legislation. The necessary authorities are contained in S. 3267, the Standby Energy Emergency Act, currently pending before the Senate and the House of Representatives. These provisions, which are supported by the Administration, should be moved separately through the Congress without waiting for enactment of S. 3267 as an omnibus measure.

A comprehensive program to conserve energy will not only aid in the fight against inflation but it will also lay the groundwork to ensure that we are prepared to confront energy shortages this winter should that occur. We have committed a grievous error by forgetting the fuels crunch which so disrupted our country last winter. That error must be rectified now and the President is in a position to take such action.

ANTI-TRUST ENFORCEMENT

Recent Congressional investigations indicate that competition is short-circuited in many major industries and does not function to guarantee consumers the best goods at the best prices. The head of the Antitrust Division of the Department of Justice recently estimated that $80 billion is lost every year as a result of anti-trust violations. And a 1969 Federal Trade Commission study concluded that, if monopolistic practices in certain industries could be restricted to 40% of the market, the remaining 60% of the industry could restore a competitive climate and thereby reduce prices by as much as 25%. Since World War II, there has been an increasing anti-competitive concentration of control in our major industries which the Justice Department seems powerless to prevent.

I recommend that a Presidential directive be issued to the Antitrust Division mandating more vigorous enforcement of the Clayton Act and the Sherman Anti-Trust Act. Such vigorous enforcement will help strengthen competition where it does exist and restore it where currently nonexistent. Competition is the cornerstone of our free enterprise economy and con contribute significantly to price stabilization with its attendant effect on the inflationary spiral.

CREDIT ALLOCATION

The Federal Reserve Board should immediately begin channeling credit to such priority sectors as housing and capital investment by industry, thus creating more jobs, more goods, and more real wealth. Both these areas are critical to the strengthening of our economy and are restricted by tight money and high interest rates. Mandatory credit allocation could serve as a stimulus for credit availability. Under the Credit Control Act of 1969 the President can authorize the Federal Reserve Board "to regulate and control any or all extensions of credit" whenever he determines "such action is necessary or appropriate for the purpose of preventing or controlling inflation generated by the extension of credit in excessive volumes." Implementation of mandatory credit allocation authority would lower the continuing upward pressure on interest rates while also reducing the current inequities to obtaining funds. Funds would be diverted from speculative investments in foreign securities and land to other sectors of the economy in need of capital. To implement this policy, it would be necessary for the Federal Reserve Board to establish supplemental reserve requirements for member banks which continue to make speculative investment loans. Such supplemental reserve requirements would not be placed against member banks whose lending policy satisfactorily meets current economic needs. This would permit a continuing policy of monetary restraint while aiding sectors of the economy currently being squeezed. The Federal Reserve Board recently endorsed a set of guidelines for credit allocation, but they are only advisory and are rather vague.

I fully understand that credit allocation presents very difficult decision-making problems, including priority uses of credit. But it is not difficult to make the judgment that speculative ventures such as land purchases for which there are no plans for development; loans for foreign investments; loans for purely financial activities such as acquisition of a company's own shares of stock; loans for luxury second homes; loans for the purchase of securities or commodities that are not essential to the conduct of business affairs; and loans for excessive inventory accumulation as a hedge against future inflation are non-essential and non-productive drains on the credit market. In my judgment there is no difficulty in determining that credit for the above purposes must have a susbtantially lower priority than a loan to a young family attempting to purchase a first home.

While initiating the recommendations made above, I do not believe, as some have suggested, that we should suspend or restrict enforcement of air and water pollution laws or health and safety laws to protect the workers of our Nation. The costs and price increases resulting from enforcement of the various environmental and safety laws have no serious impact on our current double-digit inflation rate as the following figures indicate:

1. The Brookings Institution estimates that environment and health and safety costs will boost inflation by four percentage points over the next 10 years or 0.4 percentage points a year, and
2. Chase Econometric Associates states that the annual inflation rate will be between 0.3 percent and 0.5 percent higher than without any environmental spending.

Our concerns for a clean environment and job safety should not be turned aside in an attempt to solve our current economic problems when other factors have contributed more significantly to the inflationary spiral. Our resolve to provide a better place to live for our citizens must not now take a back seat to inflation fighting.

As I indicated earlier, the three measures discussed above can be initiated without Congressional action and will alleviate the fears of many citizens that Government is unable to solve our economic ills. By requesting that the President take these actions, Congress, of course, does not intend to be derelict in its duty to legislate. We will be here after the November elections to act on proposals by the Administration and to develop our own programs to vigorously wage war on inflation.

Regarding the long-term fight against inflation, new economic programs and policies must be formulated. Such long-term goals as a balanced Federal budget, tax reform, improved monetary policy, resource planning and development, and long-range governmental economic policy should have priority consideration.

Tax reform, long-range Government economic planning and resources planning and development are essential. The adoption of a balanced tax reform package, including measures to offset the harm done by inflation to middle and lower income families, who have suffered the most, is imperative. The balanced program of tax reform must also include closing of tax loopholes.

Existing economic machinery, with its emphasis on the short-term variations in overall fiscal and monetary policy, is not adequate to solve the present economic problems. Inflation will not be ended until the capacity of primary manufacturing industries and material resource supplies are balanced with other dimensions of our economy. Thus, economic planning should be put on a longer-range basis, with the aid of long-range and consistent goals.

The energy shocks of last winter stimulated our determination to achieve energy self-sufficiency through Project Independence. We must strive for effective resource planning and development of alternative sources of energy. It is foolish to delay exploration of some of the promising alternative energy sources such as oil from shale and gas from coal. A Federal program of energy research and development is essential. Equally required is the ability to move scarce energy resources to where they can be utilized. An efficient and effective transportation system is necessary to achieve the mandatory goal of energy self-sufficiency.

Two other policies have been suggested for fighting inflation: Public service jobs and extended unemployment benefits. While I support such programs, I would call to your attention that these programs mean greater Federal expenditure while the President is asking that the budget be cut to under $300 billion.

To solve today's economic problems the key word is *action*. The Federal Government must take immediate action that is both decisive and firm to restore the confidence of the American people.

U.S. Senate,
Washington, D.C., September 30, 1974.
The President of the United States,
The White House, Washington, D.C.

Dear Mr. President: The economy of the United States is in a perilous condition. Your Conference on Inflation was an important initiative to help us understand the causes of inflation and to examine possible remedies. The rate of inflation is unacceptably high and cannot be permitted to continue. Immediate action by the Federal Government is needed as we begin to develop programs for long-term stabilization of the economy.

A major contributor to our economic disruption is the growing dependence on foreign oil supplies and the resulting heavy outflow of capital from this country. A reversal of this trend would pay immediate dividends by making money available for domestic investments.

The Arab oil embargo last winter demonstrated the precarious nature of our reliance on foreign energy sources. It also illustrated the resilience of the American people and their ability to adjust to changing conditions. We proved that energy consumption could be reduced without impairing our national economic health or causing personal hardship.

We now seem to possess plentiful supplies of petroleum, but at the expense of growing imports that are expected to contribute $25 billion to our balance of payments deficit this year. It is imperative, therefore, that the United States immediately adopt a policy of energy conservation at least comparable with that of last winter. We believe that the American people will respond positively to vigorous leadership in this area. Be assured that your commitment to energy conservation expressed on Saturday has our full support. You can, as our leader, utilize further the great prestige of your office in this effort. We urge you to immediately issue a Presidential Proclamation establishing an energy conservation crusade in the Federal Government and calling on industry and the citizens of the country to voluntarily decrease their energy use.

The Federal Government uses large quantities of energy and a stringent campaign to curtail this consumption would have a positive impact on the economy. Equally important, it would demonstrate the commitment of the Federal Government to permanent conservation and provide an example for the American people.

It is important to note that immediate energy savings equivalent to perhaps 2 million barrels of oil daily are possible. Through a concerted national energy conservation crusade these savings could be increased to some 5 million barrels per day compared to current import levels of 5.5 to 6.4 million barrels of crude oil and refined products. We have the opportunity and the means not only to reverse current trends toward increased reliance on foreign energy supplies but to decrease our dependence below present oil import levels.

Mr. President, we hope that you will move without delay to take this vital step toward economic recovery. We are ready to support this and other initiatives which you may take and which may require congressional action. Your intense desire to revitalize the American economy has been demonstrated, and we know of no better way to begin than by a vigorous and sustained program to reduce energy consumption.

With personal and official esteem, we are,
Truly,

Howard H. Baker, Jr.,
Ranking Minority Member.
Jennings Randolph,
Chairman.

October 8, 1974.

Dear Colleague: Continuing unchecked inflation coupled with necessary trends constitute a massive threat to the economic and social fabric of the United States. Government actions in recent years have proved ineffective in slowing, much less halting, the inflationary spiral. Indeed, the rate of inflation continues to increase, bringing with it higher unemployment, a lower standard of living, and shaken citizen confidence in the ability of our institutions to cope with this tragic situation.

The President's Conference on Inflation developed a full and varied discussion of the causes and cures of inflation. It was valuable in focusing attention on a dangerous condition and provided certain guidance.

There are actions that can be taken by the Executive Branch in the battle to halt inflation and restore economic stability. The Congress, too, has a responsibility to commit itself to positive programs with initiatives which reflect its assessment of what is needed to bring inflation under control.

We fully realize that all Senators are concerned over solutions to our economic problems. Thus, we would greatly appreciate knowing how you assess the economy and what you feel might realistically be done to bring some measure of order to the current chaotic situation. We are enclosing a memorandum discussing some of the causes of inflation and steps that could be taken to provide immediate benefits. It is not all-inclusive, but we believe that this material forms a basis for an exchange of views with our colleagues on strengthening the economy.

We will appreciate your sharing with us your reactions to our thoughts as well as other recommendations on how to combat inflation.

Please forward your responses to us at Room 4204, Dirksen Senate Office Building.

You have our personal and official esteem.
Truly,

Floyd K. Haskell.
Jennings Randolph.

General Problem Areas

As each of you is aware, there are many problems facing the Congress, the American people and the world concerning the status of the economy. Current economic disruptions are not susceptible to easy solutions as has been demonstrated by the diverse opinions of panel members at the mini-summits on the economy being held around the country. Some of the major disruptive issues raised at these conferences as well as by economists and commentators are set forth below:

1. *Tight Money.*—The Federal Reserve Board for the past several years has followed a course of action of restricting available credit by its discount rate policy and revenue requirements. The continuation of this policy will build high interest rates into the pricing structure of our economy and contribute to the wage-price spiral. The Administration and some leading economists argue such policy is necessary to fight demand-pull inflation. However, this credit policy has contributed to further troubles for the economy as evidenced by the downturn in housing.

2. *Housing Slump.*—Tight money and the attendent rising cost of mortgage borrowing have led to a serious decline in the housing market. Housing starts are down 31% for the first half of this year on top of the 13% decline from 1972 to 1973. This decline is attributable to the removal from the housing market of low and middle income families and young families because of the inflated cost of housing which includes the mortgage interest rate problems discussed above. The housing decline has also contributed to unemployment as reflected in the current 10.6% unemployment rate in the construction industry and the expected rise in unemployment among workers in the housing supply industries which have built up large inventories and now must cut back production because of the lack of demand.

3. *Unemployment.*—Our overall rate of unemployment is currently 5.4% with some economists predicting a rise to 6.5% by the end of the year and a climb to 7% in 1975. One of the most important factors to be remembered is that unemployment and attendent inflation most seriously affect low and middle income individuals.

4. *Wage-price spiral.*—Statistics on inflation show that prices rose 12% over the past year. The Wholesale Price Index was up 3.7% in July, a 44% annual rate. Buying power of workers wages have decreased as prices for food and gasoline have risen: Gasoline prices almost doubled, milk up 48%, bread up 54%, hamburger up 64%, and potatoes up 225%. The Administration contends this is a result of demand-pull inflation. Whereas, many leading economists, including Heller, Ackley, Duesenberry and Ms. Revlin, view the current problem as cost-push inflation brought about by the food price rise associated with poor weather, leap of fuel prices attributable to the oil embargo, escalation of raw materials prices, and increase in cost of American exports resulting from dollar devaluations. They also cite a leveling off in demand, as evidenced by high inventories, as support for their position. Until we reach a consensus on what type of inflation we are faced with, we cannot implement any meaningful economic policy with which economic stabilization can be achieved.

POSSIBLE POLICIES FOR STABILIZATION

Some of the problems that we must face as we proceed to the President's economic summit meeting have been set forth above. Before attending the summit, we would like to obtain your reaction to some alternative solutions to our current economic problems. Please indicate your support or rejection for these proposals and make any comments in the allocated space as you deem appropriate.

1. Allocation of Credit—

A. Mandatory Credit Allocation has been proposed as one means of stimulating credit availability in such high priority areas as housing, small business, farming and capital investments in manufacturing. Under this program, loan funds would be made available so that more jobs, more goods, and more real wealth can be generated. It would be diverted from speculative investments such as purely financial activities, purchase of securities and commodities other than in the normal course of business. The Federal Reserve Board would be required to establish supplemental reserve requirements for member banks and grant a credit against these reserves when high priority loans are made by member banks. Under this system the Federal Reserve Board would choose the combination of supplemental reserve requirements and credits necessary to channel the proper amount of funds into these national priority uses.

Support — Oppose —.

B. Voluntary Credit Allocation is another suggested alternative. Under this proposal an advisory committee to the Federal Reserve Board would be established to lay down national guidelines on bank loans. The purpose of the committee would be to limit total available credit and channel such credit into priority uses. The Federal Reserve Board on Monday endorsed a set of guidelines along this line, but they are only advisory and are rather vague.

Support — Oppose —.

2. Forced Savings—Under this proposal all taxpayers would be required to save a portion of their income by purchasing government obligations which would be repayable at 10 year intervals at the rate of interest then payable on other government obligations. This "forced savings" would apply to

both individuals (earning in excess of $13,000) and corporations. The percentage of income to be saved should be set at between 6 and 10%.

The money so collected would be made available to housing and business in the form of loans. The funds collected from individuals would be loaned to individuals seeking mortgages at a guaranteed rate of 7% (6½ and ½% to bank servicing loan). Savings of corporations would be loaned to other business for capital investments at guaranteed rates, through an agency similar to the Reconstruction Finance Corporation as operated during and after World War II. These funds would not be available to bail out financially distressed companies such as Penn Central, Lockheed, Pan Am. This corporation would determine priorities for such loans which would include plant expansion, modernization of facilities, and retooling.

Support — Oppose —.

3. Guaranteed Housing Loans—One proposal to provide additional low and middle income housing starts is for the government to expand and increase subsidies to mortgage lending institutions. It has been suggested that the government subsidize interest rates above 6% charged by mortgage lenders. 6% is not a magic figure, but it is believed that such rate would make home buying more attractive to young families who are presently priced out of the housing market. This subsidy would be given to lending institutions to compensate them for the difference between the 6% charged to the borrower and the cost of money to the lender. Such a subsidy program would probably be less expensive than any direct Federal program.

This proposal would only be concerned with housing but would tend to have some effect on overall interest rates.

Support — Oppose —.

4. Reduced Federal Expenditures—It is argued that a balanced Federal budget would do much to lessen the upward pressure on interest rates and thereby reduce the rate of inflation. Reduced Federal expenditures would also decrease demand thus reducing inflation if you subscribe to the current situation as being demand-pull inflation. If this period is described as cost-pull inflation, a reduction in Federal expenditures would tend to hurt low and middle income groups and create higher unemployment. Therefore whether you support such reduction depends on what type of inflation you view as present in our economy.

Support — Oppose —.

5. Tax Reform—Such actions as an excess profit tax, closing of tax loopholes and a reduction or elimination of foreign tax credits have been proposed.

Indicate which you support:

a. Excess Profit Tax

b. Closing of Tax Loopholes

c. Reduction or Elimination of Foreign Tax Credits.

d. Other (please specify).

Support — Oppose —.

6. Wage-Price Controls—This proposal would provide standby controls to freeze all wages and prices and hopefully would be administered to be an effective control against inflation.

Support — Oppose —.

7. Monitoring of Exports—The argument has been made that exports of manufactured goods and farm products can cause domestic shortages and further accentuate the wage-price spiral. A careful monitoring of our exports should be undertaken by the Department of Commerce.

Support —. Oppose —.

8. Anti-Trust Enforcement—Recent Congressional investigations indicate that competition is short-circuited in many major industries and does not function to guarantee consumers the best goods at the best prices. Since World War II, there has been increasing concentration of control in our major industries. The Justice Department seems powerless to prevent this anticompetitive concentration. Therefore, we need new, tough anti-trust laws and a directive for more vigorous enforcement to help strengthen competition where it does exist and restore it where it does not.

9. Oil Prices—Soaring worldwide oil prices have provided the biggest single blow our economy and the world economy have suffered. Monopoly oil prices set by the OPEC cartel have pulled up the prices of other fuels and together they impart a vicious cost-push to a world economy already ravaged by inflation. There is no reason for the United States to mimic these monopoly prices which have pushed the cost of a barrel of oil from $3-4 a year ago to $10-12 today for imported oil. We need domestic oil prices at these levels which provide inducements for exploration. The industry has stated that a $7-8 per barrel price for new oil would meet that need.

Support —. Oppose —.

CONCLUSION OF MORNING BUSINESS

Mr. **MANSFIELD**. Mr. President, is there further morning business?

The **ACTING PRESIDENT** pro tempore. Is there further morning business? If not, morning business is closed.

TRANSPORTATION SAFETY ACT OF 1974

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senate will now proceed to the consideration of Calendar No. 1135, S. 4057. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 4057) to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes.

The **ACTING PRESIDENT** pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **HARTKE**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER** (Mr. MANSFIELD). Without objection, it is so ordered.

Mr. **HARTKE**. Mr. President, S. 4057 is a comprehensive attempt to improve the safety record of all modes of commercial transportation and thereby reduce the staggering toll of lives, injuries, and property damage taken each year by accidents. The bill focuses on the transportation of hazardous materials, on the current and future Government initiatives in the rail safety area, and on the role of the National Transportation Safety Board in investigating accidents and recommending steps to avoid such accidents in the future.

Each year the number of accidents in commercial transportation and the toll those accidents take in terms of lives and property damage increase. Because ever increasing amounts of dangerous and lethal materials are transported by commercial carriers each year, the risk of huge disaster from such accidents looms ever larger.

With regard to hazardous materials, for example, in 1973 there were 6,014 incidents—accidental release of hazardous substances in the course of transportation. That figure is about 50 percent higher than the prior year's figure and it is likely that both were unrealistically low because there are clear indications that many such incidents go unreported. Some of these incidents are quiet and hard to see like the leakage of a small amount of radioactive materials that leads to a case of cancer many years later. Some of these incidents are of a spectacular nature like the recent explosion of a tank car carrying monomethylamine nitrate in Wenatchee, Wash. That explosion took 12 lives, injured 60 people, caused over $5 million worth of property damage.

In many more instances, tremendous disaster is averted solely by apparent luck. In one recent airplane flight to Baton Rouge, for example, there was an undetected leak of radioactive materials that exposed 159 passengers, 31 baggage handlers, and 12 crew to unsafe levels of radiation. While it is probably too early to say no damage was done, good fortune alone kept the incident from having more serious immediate results.

Much of the handling of hazardous materials is done in a way that encourages rather than discourages such incidents. Packages are often shoddy and unsuited for the materials they enclose. Where there are regulations, they often conflict as a package goes from mode to mode. Handlers are not well trained for the task and both the companies and the Government lack the enforcement manpower to insure that any adequate precautions are being taken. One recent FAA study, for example, discovered that fully 90 percent of all the shipments of hazardous materials by air were not in compliance with regulations and that a close study of 70 shipments turned up 240 violations. On the private side, only one private airline has a program for checking cargo with a geiger counter to detect unreported radioactive materials and to ferret out leaks.

In the area of surface transportation, the record is just as bad. The Department of Transportation's Office of Hazardous Materials indicates that at most 2 percent of the shipments of such materials are inspected and that at a minimum a 10-percent rate must be achieved in order to insure a good record of compliance.

All of these facts add up to an increasing accident rate, an increasing toll of lives and property damage, and an increasing risk of major catastrophe from the shipment of hazardous materials. The bill I am introducing aims at breaking that chain.

This bill acts to consolidate the regulatory authority over the transportation of hazardous materials and place within the purview of that authority those who make, repair, or test containers meant for the transportation of such materials. The bill takes the regulatory authority from the modal administrators and centralizes it under the Secretary of Transportation who can then promulgate the required regulations. He is also empowered to require special action from would-be shippers of materials that are extremely hazardous.

At the same time, the bill strengthens and standardizes throughout the modes the Secretary's inspection, information gathering, and enforcement powers to insure that the regulations he develops are implemented. It also provides a mechanism whereby people, including private citizens, industry groups, and other Government entities, can prod the Secretary into action to alleviate a dangerous condition should the Secretary fail to take the required steps.

Unfortunately, the shipment of hazardous materials is not the sole source of the rising tide of accidents in commercial transportation. Each year, the number and magnitude of accidents involving trains increase and this trend, too, must be reversed.

In 1973, for example, there were 24 percent more rail accidents than in 1972, and in the opening months of this year the number has been on the rise again. During the last decade the rail accident rate has increased substantially even though during the early years of the decade the number of railroad miles run decreased. Lately the number of railroad miles is increasing again and the rate of accidents is going up even faster. These accidents take a staggering toll. In 1973 alone, 1,913 people were killed and 17,718 people were injured.

As the Federal Government becomes more involved in the railroads through Amtrak and through interaction with the collapsing railroads of the Northeast and Midwest, it becomes imperative that it take a more active role in the safety area. To date, the Government's efforts have been rather lackadaisical, to say the least.

S. 4057 attempts to remedy this situation in two major ways. First, it requires that the Secretary of Transportation oversee a comprehensive study of the entire rail safety area. The study, which is to be completed no later than March 17, 1976, will give Congress the information that is necessary to develop new programs to enhance safe rail transportation.

The study is necessary because to date information gathering in this area has been too sporadic to build up sufficient hard data on which to base a comprehensive program. The lack of data is complicated by the financial collapse of some of the major railroads in this country and the fact that the Government has yet to come to a final decision on what role it will take in the attempted resurrection of those lines and the salvation of others. As a result, it is necessary to take a hard look at the alternatives facing the Government and the costs they will involve. At the same time, there is little information on the role of the States in the safety area and on the likelihood of significant Federal and State interaction. The proposed study will fill these gaps and will allow us to move off square one and take further positive steps toward reducing the toll of injuries, death, and property loss.

In the interim, this bill strengthens the Secretary of Transportation's power to enforce current regulations dealing with rail safety. It gives him the power to issue and seek enforcement of cease-and-desist orders so that he can take instant action should a dangerous situation arise that conventional methods cannot deal with. The bill also adds civil penalties to preexisting criminal penalties for failure to make required accident reports and that addition gives the Secretary the flexibility to enforce the reporting requirement with penalties tailored to the specific infractions.

Finally, the proposed bill sets up a mechanism for private petitions to prompt the Secretary to take action to alleviate rail hazards that have been left untouched. The petition mechanism is similar to that currently in force in the Consumer Product Safety Act in that it allows anyone—private citizens, unions, railroad companies, and even other government entities—to draw the Secretary's attention to a dangerous situation by petition and to request that he take appropriate action. A negative decision or failure to act could be appealed to a Federal court.

This provision is particularly important because it extends the information-gathering and enforcement power of the Secretary substantially by getting groups outside of the Department of Transportation directly involved in the process. It insures that the Secretary cannot overlook the rail safety area as has occurred in the past, that there is a mechanism for relating information to him at all times, and he will act on that information.

Title III of this bill deals with an area that is crucial to the first two and to the overall governmental effort aimed at reducing the number of accidents. That area is the investigation of accidents.

The National Transportation Safety Board is charged with the responsibility of investigating accidents in order to provide the Government with the kind of data it needs to fashion future programs aimed at reducing the number of accidents and the toll they take. This effort is vital because it assures a continuing evaluation of our regulatory scheme and recommends changes where they are needed. This bill strengthens the NTSB by making it an independent agency rather than a wing of the Department of Transportation, by expanding its investigatory mandate, and by insuring that the board members have the technical and scientific background necessary for the decisions they will be called on to make.

The restructuring of the NTSB is necessary for two reasons. The first is that it has turned out that many of its investigations involve other Government agencies. It is the committee's view that only an independent agency can be expected to be totally unbiased in the oversight role that the NTSB is mandated to perform.

The second reason is that I believe steps must be taken immediately to insulate the Board from political pressure and manipulation that would undercut its reputation and its effectiveness as well. As bizarre as it seems, only recently political pressure put into action a chain of events that threatened to seriously undercut the Board.

The problem, which is described at greater length in the committee report, centered around the fact that the Nixon administration brought pressure to bear on the Board to remove a career civil servant and replace him with a political favorite. That man, in turn, indicated that the White House was unhappy with the way the Board was operating and that it was his job to "straighten the Board out." As a result, he tried to interfere with investigations although he lacked the technical competence to get involved, and he generally cast a shadow on the Board's work.

It is my belief that an effective Board must be totally insulated from such pressure. An independent Board, headed by people with proven technical and scientific backgrounds will be able to continue and improve the NTSB's fine record to date and will preclude the repetition of incidents that cast doubts on the organization's integrity.

I believe that this bill goes far toward improving the Federal Government's role in the safety area and toward stemming the increasing tide of death, injury, and property damage. In addition, it sets the framework for a continuing Federal effort in this vital area, particularly as it relates to rail transportation and to the investigation of all forms of accidents. These steps are necessary and will be well rewarded in the lives that will be saved, the injuries that will be prevented, and the property that will be left whole.

Mr. President, I ask unanimous consent that Mr. Lynn Sutcliffe be granted the privilege of the floor during consideration of this measure.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BEALL. Mr. President, how much time do we have on this measure? Is there a time limitation?

The ACTING PRESIDENT pro tempore. There is no time limitation on this legislation.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. BEALL. I yield.

Mr. HARTKE. I ask unanimous consent that the following staff members be granted the privilege of the floor during the debate on S. 4057:

Edward Cohen, Lynn Sutcliffe, Bob Ginther, Tom Allison, Art Pankopf, Mal Sterrett, John Kirtland, David Clanton, and Joe Carter.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, it is so ordered.

Mr. BEALL. Mr. President, I rise in support of S. 4057, the "Transportation Safety Act of 1974."

S. 4057 is designed to improve the safety of the various transportation modes. It has the following three titles:

Title I, the Hazardous Materials Transportation Act, which seeks to consolidate and coordinate the enforcement and regulatory powers with respect to the movement of hazardous materials.

Title II, the Rail Safety Improvement Act of 1974 which is designed to improve railroad safety. In addition, this title also extends the time for the submission of the preliminary system and final system plans for reorganizing the railroads in the Northeast and Midwest regions of the Nation as required by Public Law 93-236, the "Northeast Region Rail Services Act of 1973."

Title III, the Independent Safety Board Act of 1974 which makes the National Transportation Safety Board an independent agency and expands the Board's authority in the surface transportation areas.

HAZARDOUS MATERIALS

According to the Department of Transportation's Office of Hazardous Materials, there are 250,000 daily shipments of hazardous materials. Annually, two billion tons of such materials are shipped in the Nation. A matter of particular concern is the shipment of radioactive materials on passenger aircraft.

Although such shipments are not permitted on passenger trains and buses, they are allowed on passenger planes. There have been some leaks and spills and this poses real danger to the passengers. Notwithstanding these dangers, the hearings indicated a lack of monitoring of such radioactive levels.

The amount of hazardous substances overall being shipped is increasing and so are the number of "instances" of the unintentional releases of hazardous substances during transportation. For example, in 1973 there were 6,014 such instances, up 37 percent from 1972. 1973 instances resulted in 20 fatalities, 435 injuries, and property damage estimated to be in excess of $4 million.

The hearings demonstrated the need to coordinate and consolidate existing authority in this hazardous material area and also the need for greater enforcement. With respect to enforcement, a Federal Aviation Administration study in 1974 found 90 percent of the shipments studied violated regulations. Similarly, the Department of Transportation in their testimony before our committee indicated that 75 percent of the hazardous materials shipped violated regulations.

RAILROAD SAFETY

In 1970 the Congress enacted the "Federal Railroad Safety Act." The act's purpose was to promote railroad safety. Railroad accidents in 1973 increased approximately 25 percent over the previous year, resulting in the death of 1,913 individuals and 17,718 injuries. It is my understanding that the 1974 accident rate is higher than the 1973 rate.

Mr. President, railroad safety is even more important today than when Congress addressed the problem in 1970. This is because of the increased utilization of the rails, for both freight and passenger service. It would appear that rail transportation is likely to continue to grow in the future, and this growth serves to underscore the necessity for action in the railroad safety area.

Railroad accidents are of particular concern where passengers are involved. In 1973 Amtrak experienced 11 accidents involving passenger trains; however, this figure has been exceeded in the first 3 months of this year. Total costs to Amtrak for accidents through the first 7 months of this year exceeded $3.5 million.

One of the primary causes of rail accidents is the deteriorating and deplorable condition of tracks and roadbeds in many areas of the country. The railroads and the Department of Transportation must increase their efforts to identify existing rail hazards and to make certain that they are corrected.

NTSB—INDEPENDENCE AND EXPANDED ROLE

Having introduced S. 3245, the National Transportation Safety Board Independence and Improvement Act of 1974, I strongly support title III of the bill. This title, like S. 3245, proposes to establish the National Transportation Safety Board—NTSB—as an independent agency and to extend the Board's present powers in the aviation areas to the surface transportation areas.

I am particularly pleased that title III, as reported, does not replace the five-member Board system with a single "safety czar" as earlier proposed. I believe that the extension of the Board's authority in the aviation area to cover the surface transportation modes is needed and desirable. In the area of aviation safety, the Safety Board has full authority to investigate accidents. It has the power to hold hearings, sign and issue subpenas, to impound evidence and other such legal requirements needed to determine the cause or causes of air accidents.

The same authority does not exist, or exists only in small part, for the Safety Board in the other modes of transportation for which the Board has been given the responsibility for accident prevention.

I am confident, Mr. President, that the inclusion of the provisions giving the Safety Board the legal authority to move into the problems, for example, of rail, pipeline, and highway safety, will pave the way for adequate allocation of the resources to accomplish what Congress initially intended—a reduction of accidents in all modes of transportation.

Mr. President, when I introduced my proposal I cited statistics that indicated the need for this expanded authority in the surface transportation area. I quote from my remarks at that time:

> That the Safety Board requires this authority to deal with accidents in the surface modes of transportation becomes abundantly clear when we examine the statistics involving transportation accidents and the role the Board has in its present manpower resources distribution.
>
> In 1973, more than 61,000 Americans lost their lives in transportation accidents. That is more than all the Americans who died in 10 years in the war in Vietnam.
>
> Of this 61,000 total, only 3-percent died in aviation accidents. Ninety-seven percent died in surface transportation accidents.
>
> Yet, the National Transportation Safety Board's resources are reversed. The NTSB budget is divided roughly on the basis of 85 percent for aviation and 15 percent for surface investigations.
>
> To be more specific, here are the actual numbers of 1973 dead:

Air carrier aviation	154
General aviation	1,494
Maritime	2,120
Pipeline accidents	70
Railroad	650
Grade crossing	1,116

> And, Mr. President, the most devastating statistic of all is represented by the 55,600 American lives lost in highway accidents which annually bring distress and huge financial loss in virtually every community in the Nation. That is a staggering figure.
>
> However, our emphasis in the field of safety continues to be in air transportation when it comes to congressional consideration of the Safety Board's role.
>
> During the hearings into the activities of the Safety Board, questioning on substantive matters went primarily to aviation. Little attention was focused on highway fatalities. In fact, the hearings had a tendency to place more of an emphasis on the role of the professional aviation staff in saving lives. While this is commendable, we also need to know why there are so few professionals involved in those areas where the loss of life could be termed catastrophic, as in the case of the tragic highway toll when compared to loss of life due to aviation causes.
>
> Unfortunately, this emphasis in the hearings simply underscores the imbalance now existing wherein we have 55,000 employees of the Federal Aviation Administration who have as their primary business safety and, on top of that, we have the National Transportation Safety Board which devotes 85 percent of its resources to its own aviation safety programs and those of the FAA.

Senator COTTON and I felt compelled to file individual views on this title, not because we did not strongly believe that the National Transportation Safety Board should be independent or that it should not have the expanded powers—indeed, I introduced legislation to provide just that myself—but because the committee used the report to raise "allegations concerning specifically named individuals." We believe that this does not represent the clear black and white picture as presented in the committee report and that the committee hearings represented a balanced view of this controversy. Also, when one reads the committee report, one would be led to believe that all the problems resulted from what the majority refers to as the "politicization" of the Board. Yet, there is little evidence to indicate any interference with the substantive safety functions of the Board.

I particularly want to call to the attention of the Senate the first full paragraph on page 30:

> The Committee believes the Board could and should perform to a greater extent than it has a safety advocate's role for the other modes of transportation. As the aforementioned summary indicates, the Board's resources have been divided between (1) its air activities and (2) its activities involving the four surface modes combined. If the Board were allowed to perform its oversight function, unfettered by any conflict of interest by nature of its position in the DOT and to make recommendations where changes are needed, the Committee believes the safety record of those other modes could be significantly improved.

This would lead one to conclude that the reason for the neglect of transportation modes other than aviation results from the failure to allow the Board to perform its function. This is unadulterated nonsense for as far as I can tell there was absolutely no testimony even alleging interference in the surface transportation areas. The real reason for neglect has been the imbalance with respect to the Board's resources, where 85 percent are devoted for aviation and 15 percent for surface investigations.

I became interested in this aspect because of my concern regarding the growing problem of gas explosions. There are two professional employees who work in this area for the National Transportation Safety Board, namely Mr. Barry Sweedler, and Mr. Hank Shepherd. I have studied their reports and I challenge anyone to find two public servants who are more dedicated and who are compiling an outstanding record of service in carrying out their mandate to protect the public from transportation accidents.

In the same paragraph previously quoted, the committee makes mention of the fact that the Board will be assigned a safety advocacy role. Given the small staffing in some of the surface transportation areas, such as a pipeline safety, I would hope that if such a large advocacy role was undertaken, that we would first make certain that professional staffs of the various surface transportation areas are adequate because I believe that the quality of the NTSB's recommendations will provide the strongest advocacy for changes in the safety area.

Mr. President, in closing, I urge the Senate to vote in favor of this bill.

Mr. McINTYRE. Mr. President, I want to congratulate the committee on their fine job of moving this much needed legislation through so quickly. Chairman of the subcommittee, the distinguished senior Senator from Indiana, Senator HARTKE and my good friend and colleague, Senator COTTON, along with Senator BEALL are to be praised. Their ability to respond to the public need has been exhibited time and time again through their fine work on the Commerce Committee.

Our Nation has come to realize that our railroads are a valuable asset which must be modernized in order to insure safe and efficient use. The Rail Reorganization Act offers a unique chance for the Northeast region to update and benefit from an adequate rail transportation system.

One reason for the success of this act so far has been the tremendously important role the public has played in the decision making process. Their advice and counsel with regard to rail needs and service will determine the structure of the final system plan. After issuance of the Secretary of Transportation's report last February, 3,800 interested citizens testified throughout the Northeast and Midwest region. This aroused public has been following closely the development of the final system plan.

Under the current provisions of the Rail Reorganization Act, the preliminary system plan was to be presented by the 29th of October this year. Under the provisions of the bill now before us we would grant a 120-day extension of time to USRA for preparation of the document. While it is generally recognized that an extension of time is necessary in order to develop a quality plan for rails in the Northeast corridor, public and congressional oversight during this process would best fulfill the spirit of the original Act. So, Mr. President with this in mind, I felt it desirable for USRA to present at this time information for public review and comment.

I have asked for the attention of the chairman of the subcommittee there and I would like to ask a few questions to clarify the record.

Is it the understanding of the Chairman that notwithstanding the 120-day extension which this bill would authorize, USRA has promised to issue an interim report in late October or early November?

Mr. HARTKE. That is my understanding; that is right.

Mr. McINTYRE. Is it the understanding of the Chairman that this report will be specific enough to stimulate meaningful public comment?

Mr. HARTKE. That is certainly my understanding and certainly my desire, too.

Mr. McINTYRE. Is it the understanding of the Chairman that with regard to specificity USRA has promised to address at least the following in their interim report:

First. The major industry structure alternatives under consideration;

Second. Identification of the central issues involved in restructuring the northeast rail industry;

Third. The status of USRA analyses with respect to achieving the eight goals enumerated in section 206(a) of the Rail Reorganization Act of 1973;

Fourth. The status of staff and consultant analyses of information gathered to date as well as a description of projects that must still be undertaken;

Fifth. An outline of the planning and decisionmaking timetable for designing the preliminary system plan and final system plan;

Sixth. An outline of the preliminary system plan;

Seventh. USRA financial assistance programs and the strategy for their employment; and

Eighth. An identification of those lines which will definitely be included in the final system plan.

Mr. HARTKE. That is my understanding. USRA will report on these matters, certainly to the extent that can be humanly done, by October 29 or as soon thereafter as possible.

Mr. McINTYRE. And further, is it the understanding of the chairman that if this extension legislation is enacted, the USRA will issue a preliminary system plan in February 1975, which will include an analysis of those elements to be included in the final system plan with USRA recommendations concerning continued operation, discontinuance of service or subsidization of all rail lines within their jurisdiction?

Mr. HARTKE. That certainly is my understanding; yes, sir.

Mr. McINTYRE. I want to thank the distinguished chairman of the subcommittee. The affected communities and rail users who are seeking to develop new facilities or expand current facilities along lines that are now designed as potentially excess will benefit from this specific rail line identification. Swift identification of lines which will definitely be included in the final system plan will facilitate the disbursement of funds for badly needed rehabilitation of lines in disrepair. This progress report and release of information will best serve the public and insure their full participation in the decisionmaking process.

Mr. HARTKE. I want to thank the Senator from New Hampshire, Senator McINTYRE, for bringing this matter out in debate. I think it has been very useful.

I think, in all fairness, it should be pointed out that the USRA was delayed in moving forward due to the fact that the appointments were delayed. There was a period of time of about 6 months in which we had anticipated that the appointments would come forward. The Senator may recall there was quite a good deal of apprehension early last year that we could not pass the legislation by the end of the year. They said it would be February, and then it would be at least March before the appointments were made.

Just to put the record straight, we did pass legislation; it was submitted to the administration. The White House then proceeded to delay making the nominations to the Senate, and it was impossible for them to operate until such time as they had been confirmed.

I do point out that they are in full operation now, and I am hopeful that from here on in there will be no more delays in meeting the timetable because it is urgent for this country to have a clear understanding of exactly what is going to happen as far as the Midwest and the Northeast rail systems are concerned.

No man in the Senate has been more helpful in this than the Senator from New Hampshire (Mr. McINTYRE). I appreciate his concern and suggestions here today.

Mr. McINTYRE. Mr. President, just let me say to the Senator, in closing, that we are all aware here of the diligence with which he has applied himself to this very difficult legislation. We in New Hampshire, in the Northeast, in New England are, of course, interested, and we wish the Senator every success as he monitors and guides this legislation so that we can get some benefits from it. I thank the Senator.

Mr. HATHAWAY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk proceeded to read the amendment.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

At page 35, line 13, strike "December 31, 1974" and insert in lieu thereof "April 1, 1975".

At page 36, line 11, strike "January 1, 1975" and insert in lieu thereof "April 1, 1975".

At page 36, line 12, strike the words "any person who has not previously been designated as Chairman" and insert after the word "designate", a comma and the words "with the advise and consent of the Senate a person".

The ACTING PRESIDENT pro tempore. Without objection the amendments will be considered en bloc.

Mr. HATHAWAY. The amendment which I have sent to the desk, Mr. President, strikes out language on page 36, section 303, which requires that on January 1, 1975, the President replace the current Chairman of the National Transportation Safety Board and name one of the others, someone else, as Chairman.

I certainly would not be in favor of having a new Chairman as called for in the bill. I do not think it appropriate, in effect, to remove an appointed official from his office by legislation.

I am advised that the distinguished floor manager, my good friend and colleague, the Senator from Indiana, is willing to accept my amendment, on behalf of the committee.

Mr. HARTKE. The Senator from Maine has correctly stated the proposition.

My colleague's amendment would indeed strike out language in the bill requiring that the President replace the current Chairman of the NTSB by naming another member Chairman.

In its place a requirement would be established to name a new Chairman of the Board by April 1, 1975, who would be subject to the advise and consent of the Senate. In addition the amendment would move back the date on which the Board is to become independent from January 1 to April 1.

I can accept this amendment because it reflects the spirit which we have tried to establish regarding the independence of the National Transportation Safety Board. Under the amendment, the President's choice of Chairman of the NTSB would be subject to advise and consent and would give the Senate an opportunity to closely examine the qualifications and the views on independence of a new chairman.

It is well known that the Board's independence has been very seriously compromised in the past by attempts of the executive branch to interfere in its activities. We wish to insure that in the future if such attempts are made the individual who is serving as chairman will forcefully resist such attempts.

I ask unanimous consent that at this point in the RECORD there be printed correspondence between the committee and the National Transportation Safety Board members which is illustrative of our concern about encroachments on the independence of the Board.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

NATIONAL TRANSPORTATION SAFETY BOARD, DEPARTMENT OF TRANSPORTATION,
Washington, D.C., May 10, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
Washington, D.C.

DEAR SENATOR MAGNUSON: This is in reply to your letter dated May 3, 1973, wherein certain allegations were made concerning the undersigned and Members of the National Transportation Safety Board.

Concerning the allegations set forth in your letter, I wish to first advise that the events you describe did not occur at a Board meeting on March 18, 1973, as alleged, nor at any other Board meeting prior to that date or since.

The only occurrences which I can recall that could possibly be interpreted in the manner alleged in your letter involved discussions concerning the location of the Safety Board within the Department of Transportation. The majority of the Board voted to include in the Board's Annual Report for 1971 information concerning its independent status. The majority of the Board expressed a view that its location in the Department could serve to create doubts as to its objectivity and integrity.

Later I was advised by the then Secretary of Transportation that he had received an inquiry from the Administration as to whether the discussions of the Board's location in the Department was a problem within the Safety Board. I advised the Secretary that the reference in the Annual Report did not reflect a serious disagreement within the Board, since all Members were convinced that there had been no infringement by the Department on the Board's substantive responsibilities. It was the appearance of a lack of independence that troubled some of the Board Members.

In mid-March 1973, a first draft of the Board's Annual Report for 1972 was before the Board. In anticipation of another discussion concerning the location of the Board within the Department, I sought to ascertain the current position of the Administration. During a courtesy call on the new Under Secretary I raised the issue. He said that he was not aware of a problem and I would be advised of the current position of the Administration. Later the Assistant Secretary for Administration for the Department, who serves as the Department's contact with the Administration on administrative matters, advised me that it was the position of the Administration that the Safety Board was properly located within the Department. It was suggested that I so advise the Republican Members of our Board and indicate that any action taken to the contrary in our Annual Report would be looked upon with disfavor and could result in the disciplining of the Republican Members.

I then transmitted this view to the Republican Members and also advised the Independent Member of the Administration's position on the location of the Board. Later I received another call from the Assistant Secretary advising me that there was no plan to effect any change either by legislation or reorganization and the reference to disciplining of Members should be ignored.

There were no references made to Board accident reports or recommendations in these discussions. I was not ordered to "cease issuing reports which could be construed as being critical of the Department or Executive Branch." I believe the reports and recommendations issued by our Board, prior to and following March of this year, clearly refute this allegation.

Concerning the substantive responsibilities of the Safety Board, I remain of the firm view that this Board is independent, that we report the facts and conditions as we see them, and make recommendations required in the interest of safety, irrespective of the fact that they are often critical of the Department and other government agencies. If an attempt was made to infringe on our independence in the performance of our substantive duties I would, as indicated in March 1971, speak to you and Members of the Committee. I did not consider the events described above as being infringement requiring such action.

Since, as indicated above, this matter was never discussed at a formal Board meeting and my discussions with Members of the Board were informal, I have no minutes, notes, memoranda, or other written matter summarizing or detailing these matters.

I trust the above will be of assistance to you in your investigation of this matter and I am prepared to discuss this personally with you at your convenience.

Sincerely yours,

JOHN H. REED,
Chairman.

NATIONAL TRANSPORTATION SAFETY BOARD,
Washington, D.C., May 9, 1973.

Hon. WARREN G. MAGNUSON, *Chairman,*
Hon. HOWARD W. CANNON, *Member,*
Committee on Commerce,
U.S. Senate,
Washington, D.C.

DEAR SENATORS MAGNUSON AND CANNON: This is in reply to your letter of May 4th, which I received this morning.

During the period March 16th through March 22nd, I was at home on leave and away from the office. However, I have no knowledge of any meeting in which Chairman Reed discussed with the Board members displeasure of the White House staff because of certain reports or recommendations adopted and made public periodically by the Board which were critical of the Department of Transportation and its Federal Aviation Administration.

Chairman Reed told me that he had direction involving the Republican members of the Board who were to be "disciplined" by the White House if our Annual Report for 1972 should contain information critical to the Federal Aviation Administration, or if it should contain a statement with respect to the independence of the Board.

My knowledge stems from a telephone call which Chairman Reed made to me at my home on the evening of March 23rd as nearly as I can recall. He told me at that time that he had received such information from the White House, and had passed it on to the Republican members for their guidance. He was giving the information to me because of our long friendship, and because he thought I should know it in view of the fact that I would be coming up for consideration for reappointment before long. As you may recall, I am an Independent.

I trust that this letter is responsive.

Sincerely,

L. M. THAYER,
Member.

NATIONAL TRANSPORTATION SAFETY BOARD,
Washington, D.C., May 10, 1973.

Hon. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MAGNUSON: This is in reply to your letter of May 4 which I received upon my return to Washington at noon today.

To my knowledge, as long as I have been a Member of the National Transportation Safety Board, there has never been any attempt made by either the Secretary of Transportation nor any others in the Department of Transportation to, in any way, influence our decisions concerning our reports or recommendations. Disagreement after the fact—yes, but pressures—no.

However, on March 22 when I was in Anaheim, California, Chairman Reed told me by phone, that "the Secretary was furious", that Members of the Board would consider including in our 1972 Annual Report a statement on our independence as it appeared in our 1971 Report. (I am enclosing a copy of this statement.) That the Secretary, I assumed Chairman Reed meant Secretary Brinegar, would be so concerned over such an innocuous statement seemed incredible to me and I so stated. The Chairman then said that Mr. Heffelfinger, Assistant Secretary for Administration, was also displeased, but that I should make my own decision. The word discipline was not used.

About a week later I learned that the White House felt that the inclusion of a statement on our independence would be a "slap at Secretary Volpe"—whereas Member Haley and I felt that the opposite would be true. Since then the matter has not been considered.

I trust that this letter will help clarify some rather serious allegations.

Sincerely,

(Mrs.) Isabel A. Burgess,
Member of the Board.

The Independence of the National Transportation Safety Board

Since the creation of the Safety Board by the Department of Transportation Act of 1966, its precise status as related to the Department of Transportation has been frequently misinterpreted and misunderstood. The Safety Board, in the performance of its statutory responsibilities, was intended to be an independent agency. It was, however, established "within the Department of Transportation" in an effort to provide for administrative efficiency and economy. This was not an unusual legislative procedure for such a small agency. The Civil Aeronautics Board was "within the Department of Commerce" for 18 years.

Unfortunately, since the inception of the Board, its status within the Department has been misunderstood by the media, the public, and other government agencies. Too often it has been assumed that the Board is not independent, but a subordinate part of the Department, despite the legislative history of the Act, which makes it clear that the Board is fully independent of the Department.

Although the Board is convinced that there has been no infringement upon the Board's independence by the Department, the appearance of a lack of independence, which is broadly accepted by the public is nearly as detrimental as would be actual infringement, because it serves to create doubts as to the objectivity, integrity and credibility of the Board. The Board has sought to clarify its status in the eyes of the public and to substantiate its independence by the manner in which it undertakes its statutory responsibilities. Nevertheless, there remains an element of doubt prompted by its inclusion within the organization of the Department of Transportation.

In light of the above, it is the view of the Safety Board that this problem should be given careful consideration and analysis looking toward an organizational solution which would remove any doubts as to its independence.

National Transportation
Safety Board,
Washington, D.C., May 9, 1973.

Hon. Warren G. Magnuson,
Chairman, Committee on Commerce, U.S. Senate, Washington, D.C.
Hon. Howard W. Cannon,
Chairman, Commerce Committee, Subcommittee on Aviation, U.S. Senate, Washington, D.C.

Dear Senators Magnuson and Cannon: I wish to acknowledge your letter of May 4 in which you set forth certain serious allegations concerning the conduct of Members of the National Transportation Safety Board in carrying out the Board's statutory responsibilities as established by Congress.

Since my swearing-in on June 8, 1972 as a Member of the National Transportation Safety Board, I have been present for and I have participated in the Board's work at all Board Meetings and Executive Sessions except on approximately four occasions when I was out of town on official business.

First, I can state categorically that at no time in this period have I received communications from the White House, from the Secretary of Transportation, from any official in the Department of Transportation or from any official in the Executive Department or from any private party that was intended or could be construed to intend to influence or bear on any decision or determination by me in my consideration of NTSB accident reports, special studies or any other matter coming before the Board. Secondly, I can further state categorically that I have no knowledge of any communication from the White House, Department of Transportation, any other Government agency or private party made to the Chairman of the Board, John Reed, or any other Member of the Board that was intended to or could be construed to intend to influence the writing or issuance of any accident report or special study.

Apart from the issuance and publication of aviation and surface accident reports and special studies, the NTSB is required by statute to submit an Annual Report to Congress concerning its policies, programs and activities. After some preliminary discussions, the Board considered a first draft of its 1972 Annual Report at a regularly scheduled Board Meeting during the month of March. Among the matters discussed was the possible desirability of including in this year's Report comments which were contained in the Board's 1971 Annual Report relating to the independent status of the NTSB and the numerous advantages of having the NTSB established as a separate entity completely apart from the DOT as compared with its present status as being "within the Department of Transportation" for housekeeping purposes. I should note that at the present time the draft of the Annual Report is being revised by our Aviation and Surface Bureaus and no action has been taken to date by the Board on the Report or any part of the Report.

Sometime in the afternoon of either March 15 or 16, Chairman Reed called me to his office and advised me that he had been informed by a DOT official that the Administration did not wish the matter of the Board's independent status in the DOT raised again in this year's Annual Report and that if any Republican Members of the Board supported the inclusion of such a proposal in the 1972 Annual Report that "those Republican Members will be disciplined."

Furthermore, Chairman Reed advised me that the DOT official had told him that the NTSB should avoid public statements that would be in disagreement with the policies and programs of the various agencies administered by the DOT and that the NTSB should avoid public criticism of the FAA and its programs. Chairman Reed was very careful to point out that this was a matter for my own consideration and that he had been requested to pass this information on to me. Our meeting lasted approximately four minutes. Chairman Reed has not brought these matters up for discussion with me at any subsequent time prior to the receipt of your letter of May 4.

In conclusion, I would like to note that I am the most recently appointed Member of the National Transportation Safety Board and in connection with the Board's independent status, it may be appropriate to recall questions asked of me by your Committee on May 23, 1972 at the Public Hearing on my nomination.

"Senator Pastore. In other words, your position is that this [NTSB] is an independent board and it is not subservient to any other agency of Government, that you act as an independent entity?

Mr. Haley. Yes, sir.

Senator Pastore. The question arose on this question of giving off-the-record reports to Government agencies about the activities with respect to safety which I understand several months ago was objected to by one of the agencies, namely, the FAA.

What is your reaction?

Mr. Haley. My reaction again, going back to my initial premise, is that the Board should act independently without restrictions or limitations.

Senator Pastore. Whether or not you should publish a report ought to be your independent judgment before you clear it with anybody any time, is that so?

Mr. Haley. Yes, sir."

I have to the best of my ability carried out my responsibilities as a Member of the Board in accordance with the Statute and with my testimony before your Committee. I believe my record will speak for itself.

I trust that my answers are responsive to the questions raised in your letter, and if you require any additional information, I will be happy to provide it.

Sincerely yours,

William R. Haley.

National Transportation
Safety Board,
Washington, D.C., May 9, 1973.

Hon. Warren G. Magnuson,
U.S. Senate,
Washington, D.C.

Dear Senator Magnuson: This is in reply to your letter of May 4, 1973.

I have no personal knowledge of the events set forth in your letter; nor have I attended any Board meetings, formal or informal, where such matters were discussed, prior to the receipt of your letter.

However, subsequently I was told by two Members of the Board that Chairman Reed in a private meeting some time during March 1973, advised the two Republican Members that a representative of the Department of Transportation, alleging to speak for the White House, had stated in the future there should be no public criticism of either the Department of Transportation or its components by the National Transportation Safety Board. For this reason, therefore, according to the Chairman, the section of the Board's 1971 Annual Report relating to its independent status was not to be included in the 1972 Annual Report as this constituted adverse criticism of the Department. The two Members were then advised that if they voted to include the section they would be disciplined.

During my tenure at the Board there has been no attempt, to my knowledge, by the Secretary of Transportation to influence or intrude upon any substantive decision, report, or recommendation of the Board.

Sincerely,

Francis H. McAdams.

Mr. HARTKE. The Senator is quite correct. We are prepared to accept his amendment.

Mr. BEALL. Mr. President, for the minority I second the endorsement of the Senator from Indiana as to the amendment offered by the Senator from Maine. I thought this was an unwise and rather unusual provision in the reported bill. I think it much more appropriate that it be handled in the manner suggested by the amendment of the Senator from Maine.

Mr. HATHAWAY. Mr. President, I want to extend my thanks to the Senator from Indiana and the Senator from Maryland for agreeing to the change in the bill.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The Senator from Ohio.

Mr. TAFT. Mr. President, I only had a chance of going over this bill very briefly. I am, however, disturbed by some aspect of it. I certainly concur with the committee in their belief that there is a great need for further regulation of the transportation of hazardous materials, and I think there has been a growing danger coming up in this regard.

I do notice, I think, that the bill divides hazardous materials into two categories, and I just wondered why there is a division of hazardous material in the two categories, and if there is any indication of a cost/benefit ratio of any kind with regard to the apparently lesser hazardous category that is handled separately.

Did the committee have any indication that the comparative economic aspects of the matter would be considered insofar as some categories or second category of hazardous substances are concerned?

Mr. HARTKE. Will the Senator yield?

Mr. TAFT. I am glad to yield.

Mr. HARTKE. I think the Senator from Ohio raises a question which is extremely important.

S. 4057 establishes two categories of materials to be regulated by the Secretary of Transportation. First, "hazardous materials" are substances which may pose an unreasonable risk to health and safety or property when transported in commerce. These materials include explosives, radioactive materials, etiologic agents, flammable liquids or solids, combustible liquids or solids, poisons, oxidizing or corrosives materials, and compressed gases.

The second category are "extremely hazardous materials." Such a material is a hazardous material, but it is unique because it either will result in catastrophic harm if it is involved in an accident or the risk that an accident will occur is greater than such a risk posed by a hazardous material. In short, an extremely hazardous material is one which, with respect to either the frequency of accident or the magnitude of the harm caused in the event of an accident, poses the most serious regulatory problem. While these distinctions are subtle, the legislation would allow the Secretary, in his discretion, to designate a material to be "extremely hazardous."

The significance of the designation of a hazardous material being classified as "extremely hazardous" is contained in section 106 of the bill. It provides that if the Secretary deems the material to be extremely hazardous, he may establish criteria for handling these materials. These criteria may include a minimum number of personnel who are needed to handle the materials; a minimum level of training and qualification for such personnel; requirements relating to the type of frequency of inspection; equipment required to be available and used for the detection, warning, and control of risks posed by such materials; specifications regarding the use of equipment and facilities used in the handling of transportation of such materials; and a system of monitoring safety assurance procedures for the transportation of such materials. Different criteria would be established for different hazardous materials depending upon the need and these are determinations for the Secretary to make.

Once a material has been designated as extremely hazardous, and the Secretary has established criteria for handling such materials, any person who transports or causes to be transported or shipped these materials must register with the Secretary. In his registration statement, such person must indicate that he is in compliance with all of the applicable criteria established by the Secretary for handling extremely hazardous materials.

It should be emphasized that the authority to designate a material as "extremely hazardous" is up to the Secretary. This provision is designed to give the Secretary the authority to take whatever precautions may be necessary in order to protect the public from the unique risks caused by such materials.

Let me site just one example to illustrate how this section might work. With the increasing presence of nuclear powerplants, there is a substantial amount of transportation of plutonium. Plutonium is an extreme example of an extremely hazardous material. In case of a plutonium spill, the effected area may be contaminated for literally hundreds of thousands of years. The inhalation of only one small particle of plutonium waste can result in cancer for the victim. Clearly, the Department of Transportation should exercise the strictest control over transporting such a material and section 106 would allow it to do so.

Mr. TAFT. I thank the Senator for this explanation.

I gather that even the lesser category in his opinion, and the opinion of the committee, constitutes a very great danger that would be called upon for the Secretary to act.

Mr. HARTKE. That is right.

The Senator may recall some of the plutonium scheduled to be shipped, for example, at the present time, through this area of the United States.

One of the counties in northern Virginia through its executive board intended to pass some type of regulation prohibiting the material to be shipped at all through their county.

In other words, there was no national legislation whatsoever that precautions should be made, therefore, their only reaction was to prohibit the shipment in its entirety.

Mr. TAFT. Were any estimates made as to some of the lesser risks, what the various costs might be of the additional safeguards?

Mr. HARTKE. No, in each case——

Mr. TAFT. How far down does it go? What risk is there? Suppose there are firecrackers involved.

Mr. HARTKE. I do not anticipate that. This is to be done by regulation by the Department of Transportation. I would say we could anticipate they will use proper precautions in establishing regulations and proper good judgment.

I do not feel that we want to get into the business of specifying what is hazardous and how it is to be handled because in the first place the items which appear from day to day change so radically it would be very difficult to specify in the legislation, not alone the items, but the related costs which could be attached to such a regulation.

Mr. TAFT. Moving to another area, the bill seems to me to imply the deterioration of rail safety, which the bill correctly labels a factor of deteriorating track conditions, has been caused by inadequate Government supervision and regulations.

In fact, it seems to me it has been caused by undercapitalization of the railroad industry, which is a factor of low railroad profits and perhaps poor management, but also I think overregulation, or certainly a major factor has been too much regulation.

As the Senator knows, I have at times called for a complete deregulation of the rail industry as far as the ICC is concerned.

The bill, in fact, paints the railroad as the villain. It seems to me it rather indicates they are trying to create accident-causing conditions.

Economic reality seems to me to be somewhat ignored. I do not know whether by more safety regulation alone, the ICC already had the kind of rules and regulations regarding rail safety, imposing another agency on that, we are not taking the ICC even out of it. Is it not going to make the situation worse rather than better?

Mr. HARTKE. Let me clarify the practice. In the first place, authority which was held by the ICC prior to passage of the Rail Safety Act did not deal with safety, it dealt with certain standards.

Now, the Department of Transportation, through the Federal Railroad Administrator, provides for the overall enforcement and regulation of the Railroad Safety Act.

But the fact still remains that these items are out of here. I do not think we are going to decide in this discussion today the question of regulation vis-a-vis deregulation or undercapitalization.

The fact remains that there is an awful lot of deferred maintenance on the railroads. That is the main cause of a lot of our trouble.

Mr. TAFT. And that comes from the economics of the situation, I take it.

Mr. HARTKE. That is an argument which is made, I think sincerely, and one which is being pursued.

I personally might have a difference of opinion on that, but the fact remains that it does create a safety hazard.

At this moment, the question is not what is the cause of the difficulty; what we are dealing with here is to provide for safety in view of the difficulty. Now, to get at the cause is one of the problems.

But here we are talking about making the basic assumption which I think is true, that there is a need for greater efforts in the field of safety, making the basic assumption that the deterioration of railroad safety is one which requires some attention.

Then we certainly ought to have people who are in a position to insure that safety is a prime consideration.

Mr. TAFT. But they will not have any responsibility for the economics of the situation.

Mr. HARTKE. I quite agree.

Mr. TAFT. The legislation, it seems to me, puts the rulemaking in one body. That does not require the other body or the same body to do anything about providing the wherewithal, so that something could be done about the problem.

Mr. HARTKE. That is true. There is no question about that. This does not deal with curing the problem, but it does deal with, at least trying to prevent the accident.

What we are talking about here are safety regulations. Pretty generally speaking, safety regulations throughout the United States should take prime consideration over costs.

Now, this is an argument in the discussion, again, that comes up practically in every type of regulation in the field of safety throughout the United States.

I am not trying to in any way minimize the fact that there may be additional costs involved.

In my home town in Indiana, in the field of Amtrak, just recently, let me say, the Senator from Ohio shared that problem in view of the fact that the railroad tracks in Indiana were closed down.

Mr. TAFT. I saw a picture of it in the newspaper the other day with weeds growing up between them.

Mr. HARTKE. We are not defending what is going on at the present time as far as safety is concerned. We are saying, in view of the facts, let us make sure we do everything we can to enforce and provide for a mechanism of enforcement and detection and inspection of those safety hazards which do exist.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. TAFT. I am glad to yield to the Senator.

Mr. BEALL. I want to agree with the Senator from Ohio, that there has been very serious undercapitalization of the rail industry in the United States, and we are all concerned about the economics of the rail industry. I also agree there has been a great deal of overregulation on the part of ICC and this has caused some of the difficulty the rail industry is facing today. But in this instance, I think we are talking about an agency that is going to search out hazards to the health of the people of the country and to become advocates of safety.

I think the fact that there are dangerous conditions on the railroads should be brought to the public's attention. There should be some mechanism so that we have the ability to do something about it—at least the troubles brought to the public's attention—and then some remedied action be taken.

Recently, the ICC has taken some action aimed at this problem. I refer to the 10-percent rate increase they authorized. In granting such increases, the ICC insisted that some of the revenue be used to repair and upgrade conditions that were substandard on some of the tracks of the railroads involved.

I think it is interesting to note that the Federal Railroad Administration has not really been using the money that Congress provided in conducting and enforcing regulations on the railroads.

It is interesting to note in the report also that there were only 12 FRA track inspectors for 300 million miles of railroad trackage in the country, and there were only 50 FRA inspectors for 1,700,000 freight cars and 25,000 locomotives in the country.

Mr. TAFT. Why should we not give more money and authority to the FRA rather than turning it over to a third agency, in effect, at the present time?

Mr. BEALL. We do increase the authorization for FRA, and provide for consolidation.

Mr. TAFT. How does this bill consolidate?

Mr. BEALL. It broadens the responsibility of the National Transportation Safety Board by increasing its powers in the surface transportation area, including rail.

Mr. TAFT. But not with the other regulatory functions.

Mr. HARTKE. I can understand what the Senator from Ohio is driving at, and I think it is a legitimate pursuit of the problem. We are not trying to say that we are dealing with all of the problems which are associated with the present circumstances dealing with the transportation of hazardous material and correcting them. We are dealing with one small segment of that operation. It basically deals with an independent agency to come in and make an assessment. Such an agency will not have any type of conflict of interest, either direct or indirect.

This agency is used to investigate in airline accidents, for example. It has proved of value in the past.

But there has sometimes been a conflict between the various interests of DOT and the NTSB. As the Senator from Maryland has indicated, what we are really doing is making sure, and trying to divide the lines of authority in such a manner in which we can ultimately hold them responsible by Congress. That has not been true in the past.

In addition to that, let me say about FRA that if they will come in and ask for more personnel, I would certainly be the first to support them. I am sure the Senator from Maryland would, too. But there is no way for us to go ahead and mandate, outside of specific legislation, how they are going to run the FRA. I do not think it is our proper role.

I do believe that they are undermanned. I think the net result is that we have more problems in the field of railroad activities than we should have. But that, in and of itself, is not the thrust of the legislation.

Mr. TAFT. Has the Department of Transportation taken a position with regard to this bill generally, and specifically with regard to the expansion of the authority of the National Transportation Safety Board?

Mr. HARTKE. The Department of Transportation generally favors the bill. They did not favor some of the parts of the report.

Mr. TAFT. I understood that. But is it not also true that they oppose the expansion of authority in the National Transportation Safety Board?

Mr. HARTKE. I did not hear the Senator.

Mr. TAFT. Is it not true that they oppose title 3 of the bill dealing with expansion of authority in the National Transportation Safety Board?

Mr. HARTKE. Yes. That is not something which is very difficult to understand. What we have done here is to create an independent agency and have given them oversight authority. Very few agencies want to have anyone else looking over their shoulder.

Mr. TAFT. I appreciate that. I think that is exactly what is wrong with the bill. I believe it does divide the authority in a very much troubled field. To me, it makes it really a bad principle that we are following.

It is the same kind of principle that was advocated in the Consumer Safety Act. I think these Government agencies such as the Rail Safety Board, and such as the ICC, should have as many responsibilities to the public generally as exist.

There is not any special category. We should not put them in a special category, a special cell, in which they do not have responsibility for looking at the things such as safety. The National Transportation Safety Board, as I understand it, was originally set up to do a specific type of research job. It was to do a research job in a very difficult area of airline accidents where you had really a detective job. Now it is being expanded, however, and it seems to me it is becoming like every other regulatory agency. It is just going into regulating, trying to prescribe in advance what rules have to be followed so that the accident is hopefully, avoided.

The agencies that ought to be doing that, in my opinion, are the operating agencies, the ones that control the general operation. I do not see how you can separate out safety from the general operation and the general economics of these industries.

Mr. HARTKE. But that is a fact. The Senator said you cannot separate out safety. Let me take the Senator to the field of transportation of nuclear materials. You might have a regulatory agency, in direct opposition to what the National Transportation Safety Board has recommended. For example, I refer to the Federal Railroad Administrator. The Senator should put himself in this position. They have gone out and issued a regulation, sent inspectors out, and an accident occurs. They find themselves in the unfortunate position of coming in and doing one of two things: Either saying that their regulation was wrong, or they inadequately inspected.

That is the very purpose of an oversight agency, to come in independently, make an investigation and make recommendations to the regulatory agency designed to prevent future accidents of a similar nature.

Mr. TAFT. But the Senator will have them making the rules, so they will be in the very position he is talking about.

Mr. HARTKE. No. They have no authority under the legislation to issue any type of operating regulation. They are not a regulatory agency. They have no regulating authority.

Mr. TAFT. They will not be making rules of safety for the various agencies under section 3?

Mr. HARTKE. No. They make no rules and regulations; they can only make recommendations.

Mr. TAFT. But they do take part in the rulemaking process?

Mr. HARTKE. They can participate, as any person may.

Mr. TAFT. They do not participate in the rules as to air safety today, do they?

Mr. HARTKE. They can participate as any individual can participate in rulemaking proceedings, but they have no ultimate authority to make regulations.

Mr. TAFT. Do you mean they can come in and file objections under the rulemaking power?

Mr. HARTKE. That is right. They can come in and make recommendations, and I certainly want them to do that.

Mr. TAFT. But they have more power than that under this bill, under section 3.

Mr. HARTKE. No.

Mr. TAFT. They have power to intervene, do they not?

Mr. HARTKE. To do what?

Mr. TAFT. They have power to intervene.

Mr. HARTKE. They have the power to intervene, that is right, as an intervenor would. But that still is nothing more than the authority which is given under the general rulemaking power for any other intervenor to come in. In other words, to intervene merely means in the rulemaking process that they can make their views known. The ultimate decision would still be with the regulatory authority.

Mr. TAFT. They are not given any power by that, then, because they can come in today and intervene, can they not?

Mr. HARTKE. The great power that they have is that their information is transmitted to Congress and, therefore, it becomes a matter of consideration. Their information is transmitted to the public, which is certainly ultimately very vitally concerned, and will become more concerned. Only by the grace of God have we not had really catastrophic death tolls in some of these accidents that have occurred which, in my judgment, could have been avoided. Thank goodness that some of the transportation explosions have occurred in less-populated areas of the cities, for example.

Mr. TAFT. As I said to the gentleman at the outset, I have no question but what there is a great need for additional regulation in these areas. I am concerned as to whether or not we are really vulcanizing the authority over them, and whether we are dealing with an area that is already under regulation, in which the overall regulation of the industry should not cover it without expanding the authority of some other existing agency.

The idea that we are going to solve our problems in Government in this country by setting up supervisory agencies to supervise other agencies that already have supervisory and general power and duty to protect the public, I think, is a mistaken one.

Mr. HARTKE. If it were a supervisory agency, I think I would agree with the Senator. The NTSB does not supervise these agencies. What it does is to come on with an independent, technical, competent group, and make an oversight investigation. That is what they are there for. They have been very helpful in the past. They have been very helpful in this legislation, by the way.

For example, we saw the airline pilots come in. They had been unable to convince the FAA regulatory authorities to deal with the problem of shipping hazardous materials, especially nuclear materials by air. They came in very much concerned. To a great extent, the National Transportation Safety Board was very helpful in making it possible for their complaint to come to public attention.

Mr. TAFT. I thank the Senator.

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). The bill is open to further amendment.

Mr. HARTKE. Mr. President, I know of no amendment to be submitted by any other Senator at this time, but I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

Mr. HARTKE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 54, line 1, delete all through page 55, line 15.

Mr. HARTKE. Mr. President, the purpose of this amendment simply is to correct a printing error. The provisions of title IV already appear in title II, on page 32.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HARTKE. Mr. President, I send another amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

Mr. HARTKE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 34, between lines 7 and 8, at the end of section 208 insert the following new subsection:

(d) Section 1(b) of the Act of March 4, 1907, as amended (45 U.S.C. 61(b)) is amended by adding at the end thereof the following new paragraph:

"(4) The term designated terminal means home terminal or away from home terminal of an employee.".

Mr. HARTKE. Mr. President, the purpose of this amendment is a technical clarification.

In 1969, the Congress passed Public Law 91–169, which amended the Hours of Service Law (45 U.S.C. 61). Since the enactment of this amendment, confusion has arisen as to what Congress meant as to the meaning of the term "designated terminal," and at the present time there are over 1,000 administrative law cases pending on the matter. This amendment will eliminate the confusion and permit the law to be clearly interpreted in the manner in which Congress originally intended.

Mr. BEALL. Mr. President, as a member of the Committee on Labor and Public Welfare, not as a member of the Committee on Commerce, I must ask the Senator whether he can give me a little more detailed explanation of the amendment and its impact, and also advise as to whether or not the chairman of the Committee on Labor and Public Welfare and the ranking minority member have been consulted about this amendment, because it appears to be a matter under the jurisdiction of that committee.

Mr. HARTKE. It has not been cleared with the Committee on Labor and Public Welfare, neither the chairman nor the ranking member.

The intent of the clarification is to give it the same intent that was originally intended in the hours of service law.

Mr. BEALL. What is the implication of the amendment?

Mr. HARTKE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays for final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON S. 4081

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when Calendar No. 1157, S. 4081, to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday, is called up, there be a time limitation of not to exceed 30 minutes on the bill prior to a final vote thereon, the time to be equally divided between and controlled by the distinguished Senator from Nebraska (Mr. HRUSKA) and the equally distinguished Senator from Maine (Mr. HATHAWAY).

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER (Mr. WILLIAM L. SCOTT). The Chair, on behalf of the President pro tempore, pursuant to Senate Concurrent Resolution 85, appoints the Senator from Delaware (Mr. BIDEN) and the Senator from Delaware (Mr. ROTH) to attend the Day of National Observance for the 200th anniversary of the First Continental Congress, to be held in Philadelphia, Pa., October 14, 1974, in lieu of Senators PASTORE and SCHWEIKER, resigned.

Mr. MANSFIELD. Mr. President, I think it is very appropriate that the two distinguished Senators from the first State in the Union have been so designated.

EXTENSION OF TIME FOR CONFERENCE COMMITTEE TO FILE ITS REPORT

Mr. HARTKE. Mr. President, I ask unanimous consent that the committee of conference on H.R. 8193, an act to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels, be granted permission to file their report prior to midnight, Monday, October 7, 1974.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TAFT). Without objection, it is so ordered.

TRANSPORTATION SAFETY ACT OF 1974

The Senate continued with the consideration of the bill (S. 4057) to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes.

Mr. BEALL. Mr. President, pursuant to our discussion of the amendment offered by the Senator from Indiana (Mr. HARTKE), I was not here in 1969 when the hours of service law was amended. Perhaps we can reach an agreement if the Senator from Indiana will outline the purpose of his amendment in the light of the legislative intent.

Mr. HARTKE. Mr. President, the amendments by Congress in 1969 to the hours of service law incorporated longstanding railroad industry terminology in the hopes that it would ease any problems of understanding and applying the law. However, we may have been overly optimistic. Last year, the Federal Government filed a lawsuit in the U.S. District Court for the Northern District of California seeking penalties against the Atchison, Topeka, and the Santa Fe Railroad for alleged violations under the new law. See *United States of America* v. *Atchison, Topeka, and Santa Fe Railway Co.*, 363 F. Supp. 644 (N.D. Cal. 1973), appeal docketed, No. 74–1061, 9th Cir. 1973. The defendant alleged that the words "designated terminal" which was contained in the legislation was not well recognized in the railroad industry. This comes as somewhat of a surprise to my committee in view of the previous testimony before both our committee and the Senate Finance Committee by labor and management representatives. For example, the Association of American Railroads attempted to amend H.R. 8449 in the Senate, and it offered the following:

> ### AMENDMENT OF PROVISIONS RELATING TO INTERIM REST PERIODS AT DESIGNATED TERMINALS
>
> The bills would be amended to provide that time on duty for hours of service purposes shall include interim periods available for rest at a place where reasonable facilities for food and rest are not available to employees, and that it shall include interim periods available for less than 4 hours' rest at a place where reasonable facilities for food and rest are available. Language carrying out such an amendment is attached hereto.
>
> The bills as introduced provide that time on duty shall include interim rest periods at "other than a designated terminal" and interim periods available for less than 4 hours' rest at a "designated terminal."
>
> The attached eliminates the terms "designated terminal" and "other than a designated terminal" and substitutes for them the concept of a place where reasonable facilities for food and rest are available to employees.
>
> The purpose of the amendment is to define the kind of place at which an interim rest period will—or will not—count as time on duty for hours of service purposes.
>
> ### REASONS FOR AMENDMENT
>
> There is need to define the kind of place at which a rest period of proper duration will not be counted as time on duty.
>
> Setting aside the question of how long a rest period should last, it would seem that any place where the essential physical requirements for a meaningful rest period are available will meet the demands of the law. Those requirements are reasonable facilities for food and rest for employees. Such facilities should be adequate and genuine.
>
> The term "designated terminal" has significance in relation to the provisions of collective bargaining agreements. It refers to certain terminals that are so identified in such agreements. It does not determine the question whether a given place is one at which suitable rest can be obtained. It is quite possible that reasonable facilities for food and rest are obtainable at places other than terminals that are "designated" in labor agreements. If so, rest periods of appropriate length at those places should be excluded from time on duty for hours of service purposes. (Hearings on S. 1938 before the Subcommittee on Surface Transportation of the Committee on Commerce, U.S. Senate, 91st Cong., 1st sess., Ser. No. 91–31 at p. 158.)

The president of the AAR testified:

> The term "designated terminal" is used in the bills to identify the kind of place at which interim rest periods of appropriate length may be excluded from duty time and is distinguished from "other than designated terminals" where all interim periods for rest are counted as time on duty.
>
> The term has significance in relation to the provisions of collective bargaining agreements and refers to terminals that are "designated" in such agreements. It does not determine the question whether a given place is one at which suitable rest can be obtained.
>
> Our view is that any place where reasonable facilities for food and rest are available to employees should qualify as the kind of place at which interim rest periods—of suitable length—should not count as time on duty. This concept should be substituted for the technical term "designated terminal." Food and rest are the essential physical requirements for a meaningful rest period, and may well be obtainable at places that are not "designated" in collective bargaining agreements. (Hearings on S. 1938, *supra*, at p. 138)

Also, during our consideration of the legislation, we were referred to various collective bargaining agreements using the term "designated terminal" and/or using the words "home terminal" and "away from home terminal." From a review of the agreements, we were satisfied that "designated terminal" was synonymous with "home terminal" and "away from home terminal." The hearings testimony shows that the words are used interchangeably.

To get directly to the point, this committee approved the terminology contained in H.R. 8449 and the words "designated terminal" used therein is intended to mean the same as "home terminal" and "away from home terminal."

In view of the trouble which this matter presents, I think it would be better that the amendment be withdrawn at this time, and if there is an imperative need for such legislation, it could be done on the House side.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn. The bill is open to further amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 15223 and that the bill be immediately considered.

The PRESIDING OFFICER (Mr. HATFIELD). If we may have the third reading first, then I will recognize the Senator.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Now the Chair recognizes the Senator from Indiana.

Mr. HARTKE. Mr. President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 15223, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill will be stated by title.

The second assistant legislative clerk read as follows:

> A bill (H.R. 15223) to amend the Federal Railroad Safety Act of 1970 and the Hazardous Materials Transportation Control Act of 1970 to authorize additional appropriations, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the bill.

Mr. HARTKE. Mr. President, I move to strike all after the enacting clause of H.R. 15223 and substitute in lieu thereof the text of S. 4057, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

Mr. HARTKE. Mr. President, I ask unanimous consent that the title of H.R. 15223 be amended to read as follows: "An act to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes."

The PRESIDING OFFICER. The Senator from Indiana is advised that we will have to have the bill passed before we can change the title. We will have to have the third reading of the bill, passage of the bill, before we change the title.

Mr. HARTKE. Let me explain to the Presiding Officer that under the previous order made by the Senate no rollcalls are authorized until 4 o'clock. What we wanted to do was to have a rollcall vote upon this measure.

The PRESIDING OFFICER. The Senator will please be informed that we cannot amend the title of the bill until after the bill is passed.

Mr. HARTKE. Mr. President, I asked that the House bill be considered. Has it been passed?

The PRESIDING OFFICER. No.

Mr. BEALL. Mr. President, I ask that the yeas and the nays be transferred to the House bill.

The PRESIDING OFFICER. The House bill, H.R. 15223?

Mr. BEALL. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. HARTKE. Mr. President, will the Chair please clarify the situation? What we want to do is to have a rollcall vote after 4 o'clock.

The PRESIDING OFFICER. That is correct; that is the agreement. Then the title can be amended after the passage of the bill.

The unanimous-consent agreement, as the Chair understands, was that no vote will occur until that hour. After that hour we can vote on the bill, and the Senator from Indiana can then amend the title of the bill.

Mr. HARTKE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARTKE. Has the text of S. 4057, as amended, been inserted in lieu of the text of the House bill?

The PRESIDING OFFICER. It has been substituted.

Does the Senator wish this matter to be laid aside until 4 o'clock?

Mr. HARTKE. Mr. President, I ask unanimous consent that this bill now be laid aside under the previous order of the Senate that no rollcall can be held until 4 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. BEALL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. There is no pending business.

TEN-YEAR TERM FOR FBI DIRECTOR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 1151, S. 2106; that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A bill (S. 2106) to amend title VI of the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a 10-year term for the appointment of Director of the Federal Bureau of Investigation.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATFIELD). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. Thomas Hart of the staff of the Committee on the Judiciary be allowed the privilege of the floor during the consideration of this bill, S. 2106.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Now pending is S. 2106.

Mr. ROBERT C. BYRD. Mr. President, I send an amendment to the desk and I ask it be stated by the clerk.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> Strike out the last sentence of the bill and insert in lieu thereof the following new sentence: "A director may not serve more than one ten-year term.".

Mr. ROBERT C. BYRD. Mr. President, the 10-year term for the FBI Director bill is the product of a growing concern in the Congress, and in the public at large, of the grave consequences flowing from abuse—abuse of the recent past and possible future abuse—of the Bureau by either political manipulation or autocratic control unchecked by either executive or legislative oversight. The former Acting FBI Director and Deputy Attorney General, William D. Ruckelshaus, testifying before the Senate Judiciary Committee on September 12, 1973 during his confirmation hearings to be Deputy Attorney General stated his concern:

> . . . I do think there needs to be a balance struck between the Director of the FBI being responsible to the executive branch and his being independent from any unreasonable or unjustifiable requests made of him by the President or anybody in the executive branch . . . (Ruckelshaus hearings, p. 100).

S. 2106 would aid in insulating the FBI Director from politically motivated manipulation from the executive branch by giving the office a tenure of 10 years and, at the same time, it would minimize the dangers of autocratic control of the Bureau by a Director who had built up a concentration of power over a long period of time by placing a limitation on the amount of years that one man could serve as Director of the FBI.

Until 1968, the Director of the Federal Bureau of Investigation was an appointee of the Attorney General. In 1968, the Congress passed Public Law 90-351, title VI, section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 which amended title 28, United States Code, section 532, making the Director of the Federal Bureau of Investigation a Presidential appointment subject to advice and consent of the Senate.

There was no provision in the 1968 statute as to the duration of the appointment of the FBI Director. It became apparent during the confirmation hearings on L. Patrick Gray to be FBI Director that if high executive branch officials could attempt to misuse the FBI by means of unjustified requests to an Acting Director who wished to be nominated as permanent Director, then the same tactics could be applied to an incumbent FBI Director who had no protection of a term of years for his position. Under the provisions of S. 2106, there is no limitation on the constitutional power of the President to remove the FBI Director from office within the 10-year term. The Director would be subject to dismissal by the President as are all purely executive officers.

However, the setting of a 10-year term of office by the Congress would, as a practical matter, preclude—at least inhibit—a President from arbitrarily dismissing an FBI Director for political reasons since confirmation of his successor by the Senate would be remote. The bill is a cautionary message to the President that whereas his power to remove a Director of the FBI is constitutionally unlimited, nevertheless, by virtue of its power to ratify the appointment of a successor, the Senate retains a large measure of influence over this removal power and will tolerate its exercise for good reason only.

Until this bill, Congress had not indicated its preference as to a term of years for the office of FBI Director under the 1968 statute. Without a limit on the duration of his term in office, a Director may hold his position for as long as he is able to maintain the confidence, or satisfy the wishes, or the whims of succeeding Presidents. Without a term of years, there is nothing to prevent the opposite result—a newly elected President naming a new FBI Director. During the hearings on S. 2106, FBI Director Clarence M. Kelley stated:

> I would not object to legislation setting a definite term since it might contribute toward countering the impression that an appointment of any Director was for political purposes. I also feel that the position of Di-

> rector should not necessarily change hands with each administration which will give the incumbent a greater sense of independence. (Hearings on S. 2106, March 18, 1974, p. 4)

The existing provisions governing appointment of the FBI Director do not strike a proper balance between the need for responsiveness to the broad policies of the executive branch and, at the same time, independence from any unreasonable or unjustifiable requests made by the Director's superiors. It is important to give the Director some degree of protection from dismissal without good reason, as well as to avoid an appointment of a new Director with each new President. During Mr. Ruckelshaus' confirmation hearings I discussed the effectiveness of S. 2106 in dealing with these problems. I would like to quote from those hearings:

> Mr. RUCKELSHAUS. I do think the Director himself, by the public posture he takes, can reinforce or reassure people in the country that he is acting independently of any unjustifiable pressure from the White House or from any place else in the executive branch, or in the society for that matter.
>
> Senator BYRD. Would legislation providing for a 10-year term strengthen his independence in this particular area?
>
> Mr. RUCKELSHAUS. Yes, I think it would.
>
> Senator BYRD. It would enable him to take a stronger posture of independence before the people?
>
> Mr. RUCKELSHAUS. Yes, I think it clearly would. . . .

I recognize that no institutional arrangement can guarantee with certainty that any official will exercise governmental authority with integrity and good judgment. Nevertheless, there are especially sensitive positions which require the greatest care on the part of Congress in creating an environment for the responsible use of power. It is the great value of the FBI as a criminal investigative agency, as well as its potential for infringing individual rights and serving partisan or personal ambitions, that makes the office of Director of the Federal Bureau of Investigation so unique.

The bill specifies that the term of the office of FBI Director shall be 10 years. Consideration was given to a shorter term—4 years, for example.

As a matter of fact, I introduced a bill that would make the tenure of office by the FBI Director 4 years. I also introduced a bill to make the tenure 7 years.

However, a term of less than 9 years would encourage political responsiveness on the part of the Director since he would probably be serving the same President who appointed him throughout his term as FBI Director. FBI Director Kelley addressed this issue during his testimony on S. 2106:

> I originally mentioned a term of nine years since I believed that period would minimize occasions when the appointments would coincide with a change in administrations. Whether the term is for nine years, or ten years, makes little difference to me as long as this consideration is taken into account. Either period would provide the incumbent a sufficient feeling of independence. (Hearings on S. 2106, p. 4)

As to reappointment, S. 2106 provides for the reappointment of a Director for one additional 10-year term, with reconfirmation by the Senate required. This second 10-year term is subject to different interpretations as to its effectiveness to achieve the goals of the bill. There are advantages to a second term.

I personally feel, after much reflection, that 20 years is too long a time for any one man to be Director of the Federal Bureau of Investigation. The potential danger of political manipulation in the later years of his first term, should a director want a second term badly enough, leads me to believe that a single 10-year term should be sufficient.

The bill as I introduced it, which is now before the Senate, provided for two 10-year terms. Originally, I thought that probably would be the wisest approach. But we conducted hearings on the bill, and in the light of the testimony of witnesses, I came to the conclusion, personally, that there should not be two 10-year terms; that, as a matter of fact, there should be only one 10-year term, without the possibility of reappointment. So I have offered the amendment to the bill which would limit the Director to one 10-year term.

This bill, Mr. President, presents the Senate with an opportunity to build another safeguard into our system of checks and balances. The FBI is an integral part of the Justice Department within the executive branch. The Director of the FBI is responsible to the Attorney General and to the President, as an executive department employee. But the FBI is a great organization, the activities of which have a profound effect upon the American people. The potential for abuse of the Bureau by high executive branch employees has been demonstrated in the recent past.

If there is one thing that must not happen again in this country, it would be the transition of the FBI into a political police force or into a politicized organization in any fashion.

This bill will aid in minimizing the danger of political manipulation of the Bureau and at the same time lessen the long-range danger of an individual becoming a law unto himself by retention of the directorship over a long period of time. The lessons of the last 2 years have been many, but one lesson that stands out in my mind is that safeguards within the system must be protected. Where there are no safeguards, they must be erected, and this bill erects safeguards.

After very careful consideration, as I say, and in the light of the testimony adduced in the hearings, after consulting with my colleague on the committee, Senator HART, and the majority leader, I have offered this amendment on behalf of myself, Mr. MANSFIELD, and Mr. HART, to limit the term to one term, and that would be a 10-year term.

So S. 2106, if it is amended, I believe will erect a valuable check upon the possible abuse of executive power in an area in which abuse is intolerable in our system of government.

I urge the adoption of the bill, and I, of course, urge the adoption of the amendment.

The bill, which I have offered on behalf of myself, Mr. MANSFIELD, and Mr. HART, would eliminate the provision for reappointment in the bill and would state that the Director may serve no more than one 10-year term.

As I have stated in my support of the bill, this is an amendment that would eliminate, in the future, the potential of an FBI Director using the later years of his first term as a means of assuring his reappointment to a second term.

I recognize that some Senators may feel that 20 years should be available to keep an outstanding man in the post for as long a time as possible. But we have many outstanding men in this country. We are not limited to the choice of one outstanding man. There certainly is more than one man in the country with the ability to head the FBI. Ten years is a long enough period of time for a Director to make his leadership felt, to put his philosophy into action, and to get his program into being. After that period, he may well become more concerned with his status quo than to continue to try to bring fresh insight and new vigor, new vision, new ideas to the position.

The political dangers of a possible appointment to a second 10-year term are quite real, and the benefits to the Bureau and to the country by continuing a Director for another 10 years would probably be marginal at best.

The elimination of a second 10-year term not only eliminates the fear of a Director using his office to secure his own reappointment, but it also assures that no Director would be able to hold the office for a long enough period of time as to make it a practical impossibility to avoid autocratic control, if he was so disposed, of the Bureau by an all-powerful Director.

So, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. HRUSKA. Mr. President, it is to be regretted that this Senator did not return to the city early enough to have been here earlier to hear the discussion on the amendment, which has just been handed me.

The amendment would achieve a very substantial amendment to the bill as approved in the committee. It would be very fine of the Senator from West Virginia if he could concisely and briefly explain the reason for the change between the time the bill was approved in committee and the time this amendment was submitted.

Mr. ROBERT C. BYRD. It had been my intention, may I say to the very distinguished Senator from Nebraska, to offer this amendment in committee. But, as the Senator will recall, when we met to discuss this bill, things were happening on the floor of the Senate. It was extremely difficult to get a quorum, in the first place. The quorum was about to slip away before I could even get the bill reported. I felt that it was important to get the bill out, get it on the calendar, and get enactment of it, if possible, before the recess. So I did not offer the amendment. If I had, there would have been some discussion of it, and I am afraid I would have lost the quorum and would not have had the bill reported. So I reported the bill.

As I stated—and as the distinguished

Senator has asked me to reiterate—the purpose in my offering this amendment, on behalf of myself, Mr. MANSFIELD, and Mr. HART, is to eliminate the possibility of a Director seeking to do favors; campaigning, if I may use the word, to be reappointed for a second 10-year term. I feel that if a Director is limited to 10 years, that is sufficient time. If he has his own philosophy and it is different from that of his predecessor, he has the time to develop it in one term; he has the time to organize the department in the way he sees fit; he has sufficient time to do a credible job. But it eliminates the possibility of an individual who wants to become all-powerful, who, although he may not have the inclination at the beginning, may develop the inclination, as time goes on, to become autocratic, and who might use that organization to the detriment of the American people.

If he is permitted to have a second term, I can understand that a Director possibly would want to ingratiate himself with a candidate running for President. The Director might do a little politicking on his own. This would not inure to the benefit of the FBI, nor would it inure to the benefit of the American people and to the protection of our constitutional liberties.

So I think that with the elimination of that possibility, we can be assured that we will not have that politicking, that seeking to favor or to serve any party or any particular individual, and we would place another guarantee around the individual liberties of the American people.

As I stated, also, I do not believe that we are so limited as to ability, competence, character, and integrity in this country that we have to depend upon any one man over a period of 20 years to head this very vital organization. There are many good men. I think the fact that he would have only one term would provide additional incentive for that man, in that one term, to give of his best and to give without any thought of maintaining the status quo as to his position, realizing that he could not serve a second term. He would do his best to set an enviable record during his period.

That is about the sum and substance of it.

Mr. HRUSKA. The Senator is very kind to favor me with an individual indoctrination course. I wish to say that considerations like those that he just voiced arose some 50 years ago, when the Office of the Comptroller General was created. There, likewise, we as a Congress—that was before my tenure in Congress—were confronted with the problem of what we could do with this very sensitive and powerful post of the Comptroller General in order to get the best service out of a man and yet not have him there too long; just long enough to have continuous service and for the Nation to be able to capitalize on the expertise and the wisdom he has formulated in the meantime.

The conclusion was a one-term Comptroller General for the term of 15 years.

Would the Senator consider at all the possibility, instead of 10 years, which is a relatively short time in as important a post as this, of making it 15 years instead of 10 years, with the thought in mind that during that time, there is the intervention of a change in the Presidency? Then, in the event the Director were not desirable or if he performed in a manner which would not meet the approval of the administration, he could be dismissed. Would that have any merit in the judgment of the Senator?

Mr. ROBERT C. BYRD. I do not say it does not have any merit; I think it does have merit. I think there are disadvantages which, to me, would prohibit my support of a 15-year term in preference to a 10-year term.

The Comptroller General of the United States is the head of the General Accounting Office, which is an arm of Congress.

Mr. HRUSKA. That is right.

Mr. ROBERT C. BYRD. I do not view the Comptroller General as being in this sensitive position, a position in which he can become an autocrat, a dictator, a position in which he can infringe upon the constitutional liberties of the American people.

The FBI Director is in an entirely different position. I just would not feel at ease with a Director who can foresee that he can be assured, unless the President should decide in the meantime to remove him, that for 15 years he will remain in this highly sensitive office. After what we have gone through, I feel very uneasy about this position. I think that 10 years is long enough, yet it is not too long; whereas, 15 years, I am afraid, would not be establishing the kind of protection that we are seeking to establish through the enactment of this bill.

Mr. HRUSKA. Of course, there is the other alternative, a third alternative, of a 10-year term with an additional 5 years, which would be subject to approval by Congress. Are there any specific reasons why the Senator would dismiss that as an alternative in favor of a flat 10-year term?

Mr. ROBERT C. BYRD. I have not dismissed it an an alternative. As a matter of fact, I have a fallback amendment which would provide for that in the event my first amendment is not adopted. However, I much prefer the 10-year term, because, as long as there is a second term, there can be the motive—the motive; I do not say that it will always influence the holder of the office—at least, there is the possibility that a Director, in the interest of getting himself reappointed, notwithstanding the fact that he would have to be reconfirmed by the Senate, would bend a little here or bend a little there in order to ingratiate himself to a President or to a candidate for the Presidency. If he has one shot and that is all, I think he is going to give his best and we eliminate entirely the possibility, in my judgment, of politicizing the Bureau for the purpose of preserving the Director's status and perpetuating him as Director of the organization.

Mr. HRUSKA. It would be very fine, indeed, if we could provide against every contingency, every conjecture that possibly might happen. I do not know that we can. There may be a motivation desire of a Director of the FBI to ingratiate himself to the President and constantly cater to the President and be subservient to the President, so that the President, who can dismiss him at any time, will be obligated to the Director and will not, therefore, dismiss him.

If we are going to look for the perfect solution, I doubt very much that we are going to find it. I do think it would be highly regrettable if we developed a very fine, first-class FBI Director who was doing a professional job with a high degree of integrity, if we were going to tell him, "Sorry, we are going to turn you out to pasture now; you have served ten years and the country is going to have to get along without you."

Then we place a new man in that position for 10 years, after which that same process will be repeated. This would be a waste of human resources.

As I say, I do not know that there is any perfect solution. I do not know whether we can find it. I think all those alternative forces have advantages and disadvantages.

Mr. ROBERT C. BYRD. I agree with the Senator that there is no perfect solution, but it is a little like what I have always heard was our guiding principle in the administration of justice. I do not know whether I state this correctly, but from the time I was a boy, I have always heard that it is better to let 10 criminals go free than to punish one innocent man. I think the chances of having an extremely competent man serve out his 10-year term and being unable to find a second competent, able, dedicated, patriotic, man to fill his shoes is a danger far less than going down the other road, in which we might have 10 competent men and then find one who would want to establish himself as a little dictator, who would be political in his actions in order to get reappointed.

I should rather err on the side of one term and the assurance that one man would only have one opportunity, that he would do his best, since he could not be reappointed, he would give his utmost, than to err on the other side of letting him have a second opportunity.

There are many men I would like to see President 3 terms or 4 terms or 5 terms. I say many—one comes along once in a while, perhaps. But to establish it as a rule that any man can succeed himself the third time, the fourth time, and the fifth time creates a danger that is many times greater than the possible benefits that might accrue from the one good man who might have served 3 terms.

Mr. HRUSKA. I thank the Senator for the courtesy and the patience of engaging in this colloquy. I feel the recital of these reasons and the feeble questions on the part of this Senator to try to draw them out might serve some purpose, either in consideration of this bill in the other body, or perhaps in conference if the bills are dissimilar enough to require a conference.

Mr. President, I do not oppose the imposition of a fixed term of office for the Director of the Federal Bureau of Investigation.

Establishing a fixed period of time for

the service of the Director will lend stability to that office and assure a degree of continuity to that superb organization. This legislation may also lessen the concern of some who fear that appointment of individuals for an unspecified time may be done for political purposes. The 10-year duration of office will provide the Director the opportunity to devise and implement policies of a long-range nature. It will lessen any potential for buildup of any political pressure as well as incentives for same.

However, the record should be made clear that the stability which we are attempting with this legislation will not interfere with the Presidential power of removal. This bill does not attempt to curtail this constitutional power of the Chief Executive. Should the President seek to remove a Director of the FBI, an executive officer, prior to the expiration of the 10-year term, he would be free to do so.

This Presidential constitutional removal power has been long recognized. In *Myers* v. *United States*, 272 U.S. 52 (1926), the Court addressing this question wrote:

> If there is any point in which the separation of legislative and executive powers ought to be maintained with great caution, it is that which relates to officers and offices ... the vesting of executive power in the President was essentially a grant of the power to execute the laws ... As he is charged specifically to take care that they be faithfully executed, the reasonable implication, even in the absence of express words, was that as part of this executive power he should select those who were to act for him under his direction in the execution of the laws. The further implication must be, in the absence of any express limitation respecting removals, that as his selection of administrative officers is essential to the execution of the laws by him, so must be his power of removing those for whom he cannot continue to be responsible.

This principle, enunciated in the *Myers* case, has been reaffirmed more recently in *Humphrey* v. *United States*, 295 U.S. 602 (1934) and *Wiener* v. *United States*, 357 U.S. 349 (1957).

There will result an improvement over the present undeterminate tenure. The bill should be approved.

Mr. ROBERT C. BYRD. May I say one final thing? I think it was the hearings that convinced me that one term is preferable to a situation in which there can be a second one. At first, I was wedded to the idea of two terms. I no longer feel that way about it after listening to Mr. Kelley, and to Mr. Ruckelshaus, and after listening to constitutional scholars, men who have followed the FBI and studied it over the years. I really think that in the interest of the constitutional liberties of the American people and a better operation of the FBI, one 10-year term is probably about the best we can do.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. WILLIAM L. SCOTT. Mr. President, I do not know the exact terminology of the Senator's amendment. I shall wish to propose an amendment, after the disposition of the pending amendment, to provide for a 4-year term with the right to appoint for additional 4-year terms. I believe in that way we would have congressional control, because the holder of the office would have to be subject to Senate confirmation every 4 years, and if the Senate did not feel that the man was suitable to serve an additional period of time, we could refuse to confirm the reappointment.

The Chief Executive would also have the right to determine whether the man should stay in office.

I shall not make my argument in favor of that proposal at this time, but I am thinking about the way to compose the amendment. The one I have at the desk, would merely strike out the word "ten" and insert the word "four," and then strike out the last sentence, saying "a director may be reappointed in accordance with subsection (a) of this section for only one additional term," not knowing that the distinguished Senator from West Virginia was going to change the last portion to make it only one 10-year term.

I wonder if the Senator could tell me the phraseology he used, so that I could write an appropriate amendment to at least give the Senate the opportunity to consider an alternative of 4 years with the right to be reappointed and reconfirmed for additional terms of 4 years.

Mr. ROBERT C. BYRD. Yes. The amendment which I have submitted on behalf of Mr. MANSFIELD, Mr. HART, and myself would strike out the last sentence of the bill, and insert in lieu thereof the following:

> A Director may not serve more than one ten-year term.

Mr. WILLIAM L. SCOTT. Then I take it that if I propose an amendment just striking out "ten" and putting in "four," I could also strike out the words which the Senator is now adding to the bill.

Mr. ROBERT C. BYRD. The Senator might wish to address that inquiry to the Chair. May I say, however, in the first place, that I have already indicated my reasons for coming around to the viewpoint that they should not be eligible for subsequent terms.

I have also stated that I originally felt, as the Senator does, that there should be two 4-year terms, but I conducted the hearings on this bill, and after hearing the advice of men whose advice I think should be weighed heavily, Mr. Kelly, Mr. Ruckelshaus, Professor Elliff of Brandeis University, and others. I came to the conclusion that in the first place there should not be a second term, and in the second place a four-year term would be too short a term, and could coincide very easily with the elections, and thus put the Director right in the middle of a political situation in his desire to be reappointed.

So I am opposed to the two 4-year-term idea.

Mr. WILLIAM L. SCOTT. I would say to the distinguished majority whip that I have listened with great interest to everything that he has said, and find myself in substantial agreement. We have a minor disagreement, and I do intend to offer my amendment for the consideration of the Senate. I will, at the appropriate time, ask for a rollcall vote.

Mr. ROBERT C. BYRD. I thank the distinguished Senator. I know he is trying to do what the rest of us are trying to do; it is just that we have this slight disagreement as to number and length of terms.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I am ready for the vote.

Mr. WILLIAM L. SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAM L. SCOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUCKLEY). Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk read the amendment, as follows:

> Mr. WILLIAM L. SCOTT offers the following amendment:
>
> In lieu of the language of the Robert C. Byrd amendment insert:
>
> The term of the director shall be for four years subject to reappointment and reconfirmation by the Senate.

Mr. WILLIAM L. SCOTT. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask that it be in order to ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WILLIAM L. SCOTT. Mr. President, I agree in general with what the distinguished Senator from West Virginia is attempting to do. I have reviewed the report and I commend the distinguished Senator for his action.

I note from the report that the purpose of the bill has two objectives. The first is to insulate the Director of the Federal Bureau of Investigation from undue pressure being exerted upon him from superiors in the executive branch.

Now, Mr. President, we have an old saying among lawyers that hard cases make bad law.

There has been suspicion and criticism of the role of the Director of the FBI in recent months and years and it may be that we are overreacting by providing for a 10-year term, and perhaps we are overreacting in our fear of the leadership of the President of the United States, whoever he may be at a given period.

We know that the Director of the FBI for a long period of time, J. Edgar Hoover, became somewhat legendary as the head of that Bureau.

There was criticism of Pat Gray when he was the Acting Director, and now we have a new gentleman, Clarence M. Kelley, about whom I have heard nothing but good reports.

I suspect that the fact that the Comptroller General of the United States, the head of the General Accounting Office, whose term is for a period of 15 years has something to do with the action that is being proposed now. Yet the positions are not similar.

Mr. President, my amendment would provide that the Director of the FBI would serve for a term of 4 years. He would be subject to reappointment and reconfirmation.

I believe we need to have the Director of the FBI under the executive branch and subject to general supervision of the President. I believe that we need to have general oversight exercised by Congress and his appointment and reappointment by and with the advise and consent of the Senate.

The Senate would have to pass every 4 years on how this man had accounted for his stewardship. In my opinion every public official should have to periodically account to the people or to their elected representatives for the type of performance he has given.

Other Justice Department officials have 4-year terms. The U.S. attorney is appointed for a 4-year term, the U.S. marshal is appointed for a 4-year term. Both are subject to reappointment and reconfirmation.

Mention has been made that we would have the term of the head of the FBI running concurrent with the Office of the President.

Yet, as I remember, the present Director of the FBI did not start his term of office at the same time as the President of the United States and he would not be out of office at the same time as the President of the United States; his term would, therefore be different.

I look at the second purpose of this bill as indicated in the report and note it is to protect against an FBI Director becoming too independent and unresponsive.

I think a 4-year term would guarantee that he would not be too independent and too unresponsive because every 4 years we would take a look at the incumbent. He would have to have the approval of both the President and the Senate to be renominated and reconfirmed.

I see no real incentive, when appointed for a single 10-year term for a man to do a good job, other than what might be inherent in that man himself. There would be no reward offered for him going a second mile and attempting to do an exceptionally good job. But if he is subject to reappointment and reconfirmation, at the end of 4 years, if we had the opportunity to review the performance that he has made in the office that he held and pass judgment upon him every 4 years, I believe there would be reason for him to go a bit further than he needs to go.

Mr. President, once again, I think that what the distinguished Senator from West Virginia is proposing is a good thing. I just believe that if the term is 4 years subject to reappointment, reconfirmation, the man could serve 4 years, 8 years, 12 years, 16 years, 20 years, he would do a better job. Mr. J. Edgar Hoover served roughly 50 years in the office.

That may be too long, but if the President and if the Senate wanted a man to serve for that period of time, under my proposal he could serve for that long.

I would hope that this amendment might be adopted, Mr. President.

The PRESIDING OFFICER. Who yields time?

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, we are not operating under a time agreement. I wonder if the distinguished Senator, and other Senators, would agree to time for a vote on the Senator's amendment. I do not wish to offer any tabling motion. I want him to have an up or down vote on his amendment. I wonder if we could agree to a vote on the amendment by Mr. Scott, of Virginia, immediately following the vote on the hazardous substance bill, which will occur at 4 o'clock today; and then immediately following the vote on the Scott amendment, if it is not agreed to, if we could agree to a vote on my amendment, up or down.

Mr. WILLIAM L. SCOTT. Mr. President, I am agreeable to that.

Let me just add, if the Senator will yield, I appreciate the consideration given to the Senator from Virginia by the distinguished Senator from West Virginia, and the assistance of the Parliamentarian, so that we could properly draft this amendment and bring it before the Senate for consideration.

Mr. ROBERT C. BYRD. I thank the Senator. I knew what he was trying to do, so I thought he was entitled to have a vote.

I ask unanimous consent that immediately following the vote on the hazardous substances bill, which will occur at 4 o'clock today, a vote occur on the adoption of the amendment offered by the Senator from Virginia (Mr. William L. Scott) to be immediately followed, if that amendment is not adopted, by a vote on the adoption of the amendment which I offered on behalf of Mr. Mansfield, Mr. Hart, and myself.

Mr. PROXMIRE. Will the Senator yield on that unanimous-consent request?

Mr. ROBERT C. BYRD. Yes.

Mr. PROXMIRE. Would that preclude the amendment I have, which the Senators knows about?

Mr. ROBERT C. BYRD. It would not preclude the Senator from offering his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank all the Senators.

Mr. PROXMIRE. Mr. President, will the Senator from West Virginia yield?

Mr. ROBERT C. BYRD. Would the Senator from Wisconsin allow the Senator from Nebraska to make a statement in connection with the pending amendment? Once we start voting, the Senator will not have that opportunity.

Mr. HRUSKA. How much time will be allowed?

Mr. ROBERT C. BYRD. The Senate has 7 minutes before we begin voting.

Mr. HRUSKA. That will more than suffice for my purposes.

Mr. President, I rise to oppose this amendment. In my judgment it would destroy the purposes of this bill.

This bill has two purposes: One is to eliminate undue pressure being exerted upon the Director from superiors in the executive branch; the other is to protect the FBI Director from becoming too independent and unresponsive.

It seems to me a 4-year term, with the necessity of reappointment, would make him dependent and totally responsive both to the President, who would have to appoint him, and also to the Senate which would have to confirm him. The idea in the bill was to furnish a stability and a duration of appointment that would render him independent and would render him responsive to the needs of the office and of the Nation, rather than responsive either to the President or to Congress.

Certainly, the 4-year term, with the reappointment for another 4 years, would give every motivation and every incentive to a director to want to placate and to want to ingratiate himself with the President, whoever he is, in order that he could survive another 4-year term.

I regret very much that I must disagree with my fine friend from Virginia but I do sincerely believe that it would destroy the purpose of the bill.

The bill has many safeguards. The President can discharge the Director any time he sees fit for any reason, or for no reason at all. That is under the Constitution. He has that power as to any officer or official of the executive branch of Government where that officer or official is devoting all of his efforts to duties within the executive branch.

It does not apply to the present Director.

I think it is a very well-balanced bill, well thought out, and has a splendid rationale. I think we ought to preserve it in its present form. For that reason, I intend to vote against the amendment. I do hope that this Senate will abide by that same type of judgment.

I yield back the remainder of my time.

Mr. ROBERT C. BYRD. Will the Senator yield?

Mr. HRUSKA. I yield.

Mr. ROBERT C. BYRD. I understood the Senator's opposition to the amendment to be speaking against the amendment by Mr. Scott and not against the amendment which I have offered.

Mr. HRUSKA. It pertains to the amendment offered by the Senator from Virginia, that is right.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. HRUSKA. I had been informed that your amendment had been adopted.

Mr. ROBERT C. BYRD. It has not been adopted. The vote on my amendment will follow immediately after the vote on the amendment by Mr. Scott, if the Scott amendment is not adopted.

Mr. HRUSKA. May I say, Mr. President, that if the amendment of the Senator from Virginia is adopted, I propose to vote against the bill.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. WILLIAM L. SCOTT. Mr. President, I appreciate the remarks of the distinguished Senator from Nebraska and the reasons he has stated.

Certainly, we would like for the Director to have a degree of independence. I believe that any tenure does give some independence. As the situation is today, the Director of the FBI serves entirely at the pleasure of the President and may be removed at any time. He is not given any term of office at all.

My proposal would provide a term of 4 years. He could serve a 4-year term and then be subject to reappointment and to reconfirmation.

In my opinion, in a democracy such as we have every public official should be subject to the will of the people, or their elected representatives. That is what the Director of the FBI would be. Every 4 years he would have to account for his stewardship. I am afraid that when we have 10-year terms, when a person cannot be reappointed, when he will serve only for 10 years, he could be quite arbitrary.

We have that in some of the lifetime appointments that we make to the bench.

I do not believe in arbitrariness in any public official. We are proud of our system of checks and balances in our Government. I believe that the President should be able to look at the record of the man for 4 years. I believe the Senate should look at that record after the completion of 4 years. Then if the President and if the Senate felt that the man had done a commendable job, he would not be precluded from serving 8 years, 12 years, 16 years, or any other number of years that the person occupying the office of Chief Executive of the country wanted him to serve, with the advice and consent of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I have an amendment which could possibly be adopted within 2 minutes, but I will not attempt to offer it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. President, I will not discuss further the amendment by Mr. William L. Scott. There was sufficient discussion earlier, and I think the distinguished Senator from Nebraska has covered it.

I want to state at this point that I shall vote against the amendment by the distinguished Senator from Virginia (Mr. William L. Scott), and I hope that the Senate will adopt the amendment I have offered on behalf of Mr. Mansfield, Mr. Hart, and myself.

Mr. SCHWEIKER. Mr. President, as a cosponsor of S. 2106, the bill introduced by the Senator from West Virginia (Mr. Robert C. Byrd) to provide for a 10-year term for the Director of the Federal Bureau of Investigation, I would like to express my strong support for this legislation.

This bill will create an independent FBI. Certainly no one can question the need for prompt action in this area. The case for an independent FBI has been fully documented, not only in hearings, but in headlines. The Watergate disclosures tarnished the FBI, and sharply diminished the traditional confidence which American citizens have had in the FBI. This legislation will go a long way toward restoring public confidence in the FBI.

I am particularly pleased to be a cosponsor of S. 2106, because it incorporates the essential points of my own bill, S. 1707. My bill would provide a 10-year term for the FBI Director, with the appointment subject to senatorial confirmation. My bill would also limit the eligibility of any Acting Director to be named Director, to avoid possible political pressure, and would establish the FBI as an independent agency, subject to congressional oversight. While S. 2106 does not specifically cover all of these points, I am confident that by limiting the FBI Director to a specified term, S. 2106 will clearly establish, for the first time, the independence of the FBI from political pressure.

I commend the Judiciary Committee for its prompt action on this bill, and I urge my colleagues to support this measure.

Mr. BROCK. Mr. President, I would like to say a few words in support of S. 2106, as introduced by the Senator from West Virginia. In April 1973, I introduced a similar bill, S. 1519, which would have established a 6-year term of office for the FBI Director. Although I feel my measure presents several advantages over S. 2106, I will not offer an amendment at this time.

The purpose of this legislation is clear and praiseworthy. It is designed to make the Director more accountable to Congress and less subject to misconduct which has occurred in the past. Former Acting Director Patrick Gray owed the highest allegiance to the President as witnessed by his willingness to accede to the requests of White House aides and withhold and destroy material evidence connected with the Watergate affair. Setting a fixed term of office with congressional approval for reappointment is a step in the right direction for increasing accountability while not jeopardizing the independence necessary for effective FBI operation.

I, personally, would favor a 6-year term with a provision that the Director can be reappointed with Senate approval. I feel that a fixed 10-year term is simply too long. I am not convinced that the term needs to be longer than that of a 2-term President. Improper influence could as easily occur with a 20-year term, depending on the individual involved. But the longer time span gives Congress fewer oversight powers and puts less accountability on the FBI Director.

Furthermore, a lengthy term of office increases the tendency of its occupant to become somewhat isolated, opinionated, or lethargic. Nor can I support the suggested amendment limiting the term to 10 years without the right of succession. This, too, will limit congressional oversight, something I feel is absolutely essential.

I am aware of Clarence Kelley's recommendation of a 9- or 10-year term. Because of the respect I hold for both him and the distinguished Senator from West Virginia, I will withhold amending S. 2106 at this time.

Mr. MATHIAS. Mr. President, I rise today in support of S. 2106, a bill to establish a 10-year term for the Director of the Federal Bureau of Investigation.

As a member of the Senate Judiciary Committee, I have given a great deal of attention to the FBI during recent years. Indeed, the hearings of our committee into the nomination of L. Patrick Gray to head the FBI were crucial in the eventual exposure of the entire Watergate scandal. Regrettably, those hearings also showed the involvement of this great Federal investigative agency in that affair. They raised questions about the operation of the Bureau, questions which today have not yet all been answered.

This legislation, however, is a step in the right direction.

At the time of the Judiciary Committee's second set of hearings on the nomination of a director of the FBI, that of Clarence Kelley, I felt that part of the problem that we faced as a committee was in determining exactly what the requirements of the position were so that we could determine whether the nominees met those requirements. In short, I felt then and I feel now that what is needed is a job description for the position of Director of the FBI.

Thanks to my colleague on the Judiciary Committee from West Virginia, Senator Robert C. Byrd, we will have here today, following the passage of this bill, the beginnings of such a job description. As a result of his efforts, Directors of the FBI must come before the Senate for confirmation.

We know that this is a part of their job. We also know, as a result of S. 2106, that the term of the job of Director of the FBI will be 10 years and no more. The Senator from West Virginia deserves our praise and thanks for these contributions.

My view is that even more in the way of a job description, if you will, is needed, not simply for the Director but for the Bureau as a whole. I believe that we need to have such a description spelled out in statutory form so that the limitations of the job, the limitations on what the Bureau can properly do, are quite clear.

I think that this is true with respect to wiretapping, as to which I have proposed legislation. I think that this is true with respect to other forms of surveillance and recordkeeping, as to which legislation has been considered by this Senate. I think this is true with respect to the dissemination of criminal justice records, as would be the case if legislation I have cosponsored were enacted. And, finally, I think that there are a number of areas which should be explored to see whether a job description is in order.

I offer these suggestions not in criticism of the Bureau or its present Director, whom I supported. I offer them in the belief that in a free society, it is best to have rules laid down in clear and precise language, in the form of laws which will bind all people.

Mr. HART. Mr. President, I rise in support of the amendment offered by the distinguished majority whip. Under his leadership, the Subcommittee on FBI Oversight, and the full committee have grappled with the vexing question of how long any one man or woman should be permitted to serve in the very sensitive post of FBI Director. I think the committee report states the pros and cons of each position which has been suggested, and one can find reasonable arguments for each as the best solution.

The argument for renewal—that is for a second possible term—is basically that the reconfirmation would lead a director to act carefully and responsibly in order to avoid any risk he will not be reconfirmed. But that is a two-edged sword. He must also worry that he is pleasing the President and will be reappointed.

And there is the possibility that the Bureau would be misused or manipulated with a view toward making Senators afraid to oppose reconfirmation. I do not believe the present director, Mr. Kelley would misuse the Bureau for such personal reasons as the desire to insure a second term. He is clearly a man of integrity and one who respects the institution of the FBI, too much for that.

But recent years have revealed too many instances in which political power was abused for personal reasons. The public looks to us to institute wiser safeguards which need not rest on the assumption that every office holder will be able to resist temptation.

On balance, I think the dangers of a possible renewal of tenure outweigh the advantages. Congressional oversight through reconfirmation hearings would be meaningful only if the initial appointment was for a much shorter period of, say 4 or 5 years. But as the report points out, the Director's job would then seem too much like just another cabinet post, and part of the President's political family, so to speak. I think the FBI Director's post should be given greater stature and autonomy than that.

The committee reported an initial tenure of 10 years for the first term. I had some reservations about that period originally. It seemed quite long. But I am satisfied that it would be useful to have a directorship run beyond the expected two-term service of the President who appoints him. And to a point, extended service will enable the Director to establish the reputation and respect which would facilitate his resistance to improper requests from his superiors or the White House.

Indeed it will make the latter think twice before seeking such cooperation in misusing the Bureau. Nor do I think this kind of independence, is incompatible with the Attorney General, acting for the President, being able to set overall policy for the Bureau in regard to legitimate national objectives.

If we are going to give the Director an initial term of 10 years, it is not meaningful to assume that on minor policy, difference would be sufficient to stop confirmation for a second term. If there has been a flagrant abuse or unwillingness to follow policy directives of the President, the White House would be free to remove him before then. But if the President, despite any adverse public criticism, renominates the director, then I do not believe the reconfirmation hearing would provide as useful an opportunity for oversight as would a new confirmation of a new Director. The Director would have no incentive except to "call them as he sees them."

As the report notes, a decade is surely enough for anyone to make his contribution and leave his mark upon the Bureau. At that point I think new blood and a fresh approach is a good idea in such a sensitive, and inherently controversial post. For the same reason, I would oppose a 5-year renewal term, as well as the full 10.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Do I correctly understand that the first vote will occur on H.R. 15223, the Transportation Safety Act of 1974?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. That immediately following that, there will be a vote on the amendment of the Senator from Virginia (Mr. WILLIAM L. SCOTT)?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. That immediately following that there will be a vote on the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD)?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. If the Scott amendment is defeated?

The PRESIDING OFFICER. That is correct.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a limitation of 15 minutes on the first vote and that other vote immediately following be confined to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR A CONFERENCE COMMITTEE TO FILE ITS REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the conference committee have until midnight tonight to file its report on S. 3044, the Federal Election Campaign Act amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSPORTATION SAFETY ACT OF 1974

The Senate continued with the consideration of the bill (H.R. 15223) to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes.

The PRESIDING OFFICER. The hour of 4 p.m., having arrived, under the previous order, the Senate will now vote on H.R. 15223, as amended. The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY) is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Kansas (Mr. DOLE) would each vote "yea."

I further announce that the Senator from Florida (Mr. GURNEY) is absent to attend the funeral of a relative.

The result was announced—yeas 69, nays 0, as follows:

[No. 455 Leg.]

YEAS—69

Abourezk
Allen
Bartlett
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cotton
Eagleton
Fannin
Fong
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson

Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—0

NOT VOTING—31

Aiken
Baker
Bayh
Bellmon
Bennett
Bible
Cannon
Church
Cook
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Goldwater
Gravel
Gurney
Hansen
Helms
Hollings
Hughes
Inouye
McGovern
Mondale
Nelson
Packwood
Percy
Stafford
Young

So the bill (H.R. 15223) was passed.

Mr. HARTKE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read: "An act to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes."

Mr. HARTKE. Mr. President, I ask unanimous consent that S. 4057 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that H.R. 15223, be printed in the RECORD as passed by the Senate and that it be printed for the use of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 15223

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Transportation Safety Act of 1974".

TITLE I—HAZARDOUS MATERIALS

SHORT TITLE

SEC. 101. This title may be cited as the "Hazardous Materials Transportation Act".

DECLARATION OF POLICY

SEC. 102. The Congress finds and declares that existing safeguards and enforcement mechanisms are insufficient to protect the Nation adequately against the risks to life and property which are inherent in the transportation of hazardous materials in commerce. It is therefore declared to be the policy of Congress in this Act to increase the regulatory and enforcement authority of the Secretary of Transportation with respect to all modes of such transportation.

DEFINITIONS

SEC. 103. As used in this Act, the term—

(1) "commerce" means commerce among the several States or with foreign nations or in or through any State or between any State and foreign nation;

(2) "extremely hazardous material" means that quantity and form of a hazardous material which the Secretary in his discretion determines poses (A) a risk of catastrophic harm, and it is foreseeable that an accident presenting such risk may occur; or (B) a risk of serious harm, and there is a significant likelihood that an accident presenting such risk will occur;

(3) "hazardous material" means a substance or material in a quantity and form which may pose an unreasonable risk to health and safety or property when transported in commerce;

(4) "Secretary" means the Secretary of Transportation, or his delegate;

(5) "serious harm" means death, serious illness, severe personal injury, or significant economic loss;

(6) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands;

(7) "transports" or "transportation" means any movement of property by any mode, and any loading, unloading or storage incidental thereto;

(8) "United States", when used in a geographical sense, means all of the States; when used in a governmental sense, the term means the Federal Government; and

(9) "vessel" has the meaning prescribed therefor in paragraph (1) of section 4472 of title 52 of the Revised Statutes, as amended (46 U.S.C. 170).

DESIGNATION OF HAZARDOUS MATERIALS

SEC. 104. Upon a finding that the transportation of a particular quantity and form of material in commerce may pose an unreasonable risk to health and safety or property, the Secretary shall designate such quantity and form of material or group or class of such materials as a hazardous material. The materials so designated may include, but are not limited to, explosives, radioactive materials, etiologic agents, flammable liquids or solids, combustible liquids or solids, poisons, oxidizing or corrosive materials, and compressed gases.

REGULATIONS GOVERNING TRANSPORTATION OF HAZARDOUS MATERIALS

SEC. 105. (a) GENERAL.—The Secretary is authorized to issue, in accordance with the provisions of section 553 of title 5, United States Code, and after opportunity for informal oral presentation, regulations for the safe transportation in commerce of hazardous materials. Such regulations shall be applicable to any person who transports or causes to be transported or shipped, a hazardous material, or who manufactures, fabricates, marks, maintains, reconditions, repairs, or tests a package or container which is represented, marked, certified or otherwise expected by such person to be used in the transportation in commerce of certain hazardous materials. Such regulations may govern any safety aspect of the transportation of hazardous materials which the Secretary deems necessary or appropriate, including, but not limited to, the packing, repacking, handling, labeling, marking, placarding and routing of hazardous materials, and the manufacture, fabrication, marking, maintenance, reconditioning, repairing, or testing of a package or container which is represented, marked, certified or otherwise expected by such person to be used in the transportation of certain hazardous materials.

(b) COOPERATION.—In addition to other applicable requirements, the Secretary shall consult and cooperate with representatives of the Interstate Commerce Commission and shall consider any relevant suggestions made by such Commission, before issuing any regulation with respect to the routing of hazardous materials. Such Commission shall cooperate with the Secretary in the implementation of any such regulation.

(c) REPRESENTATION.—No person may, by marking or otherwise, represent that a container or package for the transportation of hazardous materials is safe, certified, or in compliance with the requirements of this Act unless it meets the requirements of all applicable regulations issued under this Act.

EXTREMELY HAZARDOUS MATERIALS

SEC. 106. (a) DESIGNATION OF.—The Secretary is authorized to designate materials as extremely hazardous materials in accordance with the definition thereof in section 103(2) of this Act.

(b) CRITERIA.—The Secretary is authorized to establish criteria for handling extremely hazardous materials. Such criteria may include, but need not be limited to, a minimum number of personnel; a minimum level of training and qualification for such personnel; type and frequency of inspection; equipment to be used for detection, warning, and control of risks posed by such materials; specifications regarding the use of equipment and facilities used in the handling and transportation of such materials; and a system of monitoring safety assurance procedures for the transportation of such materials. The Secretary may revise such criteria as required.

(c) REGISTRATION.—On or before December 31 of each odd-numbered year, each person who transports or causes to be transported or shipped in commerce extremely hazardous materials and each person who manufactures, fabricates, marks, maintains, reconditions, repairs, or tests packages or containers which are represented, marked, certified, or otherwise expected by such person to be used in the transportation in commerce of certain extremely hazardous materials shall prepare and submit to the Secretary a registration statement which shall include, but need not be limited to, his name; principal place of business; the location of each activity handling extremely hazardous materials; a complete list of all extremely hazardous materials handled; and an averment that such person is in compliance with all applicable criteria established under subsection (b) of this section. The Secretary shall by regulation prescribe the form of such statement and the information required to be included. The Secretary shall make any registration statement filed pursuant to this subsection available for inspection by any person without charge, except to the extent that such information is a trade secret or other matter referred to in section 1905 of title 18, United States Code.

(d) REQUIREMENT.—No person required to file a registration statement under subsection (c) of this section may transport or cause to be transported or shipped extremely hazardous materials, or manufacture, fabricate, mark, maintain, recondition, repair, or test packages or containers for use in the transportation of extremely hazardous materials, unless he has on file a registration statement that has not been revoked or suspended by the Secretary.

(e) REVOCATION OR SUSPENSION.—After notice and an opportunity for a hearing, the Secretary shall revoke or suspend the registration statement of any registrant who fails to act in conformity with any applicable criteria established under subsection (b) of this section.

EXEMPTIONS FROM REQUIREMENTS

SEC. 107. The Secretary, in accordance with procedures to be prescribed by regulation hereunder, is authorized to issue or renew, to any person subject to the requirements of this Act, an exemption from the provisions of this Act, and from regulations issued under section 105 of this Act, if such person transports or causes to be transported or shipped hazardous materials in a manner so as to achieve a level of safety (1) which is equal to or exceeds that level of safety which would be required in the absence of such exemption; or (2) which would be consistent with the public interest and the policy of this Act in the event there is no existing level of safety established. The maximum period of an exemption issued or renewed under this section shall not exceed 2 years, but any such exemption may be renewed upon application to the Secretary. Each such person applying for such an exemption or renewal shall upon application provide a detailed safety analysis to justify the grant of such exemption. A notice of an application for issuance or renewal of such exemption shall be published in the Federal Register, and the Secretary shall afford access to the applicant's safety analysis and an opportunity for public comment. The Secretary is also authorized to exempt from any applicable provisions and regulations hereunder, in whole or in part, any vessel which is excluded under section 201(2) of the Act of July 10, 1972, as amended (46 U.S.C. 391a(2)). Except when the Secretary determines an emergency exists, exemptions or renewals granted pursuant to this section shall be the only means by which a person subject to the requirements of this Act may be exempted from or relieved of the obligation to meet any requirements imposed under this Act.

TRANSPORTATION OF RADIOACTIVE MATERIALS ON PASSENGER-CARRYING AIRCRAFT

SEC. 108. (a) GENERAL.—Within 90 days after the date of enactment of this section, the Secretary shall issue regulations, in accordance with this section and pursuant to section 105 of this Act, with respect to the transportation of radioactive materials on any passenger-carrying aircraft in air commerce, as defined in section 101(4) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1301(4)). Such regulations shall prohibit any transportation of radioactive materials on any such aircraft unless the radioactive materials involved are intended for use in, or incident to, research, or medical diagnosis or treatment, so long as such materials as prepared for and during transportation do not pose an unreasonable hazard to health and safety. The Secretary shall further establish effective procedures for monitoring and enforcing the provisions of such regulations.

(b) DEFINITION.—As used in this section, "radioactive materials" means any materials or combination of materials which spontaneously emit ionizing radiation. The term does not include materials in which (1) the estimated specific activity is not greater than 0.002 microcuries per gram of material; and (2) the radiation is distributed in an essentially uniform manner.

POWERS OF THE SECRETARY

SEC. 109. (a) GENERAL.—The Secretary is authorized, to the extent necessary to carry out his responsibilities under this Act, to conduct investigations, make reports, issue subpenas, conduct hearings, require the production of relevant documents, records, and property, take depositions, and conduct, directly or indirectly, research, development, demonstration, and training activities. The Secretary is further authorized to issue cease and desist orders to direct the termination of actions, or omissions to act, in violation of this Act, or regulations issued under this Act, and the district courts of the United States shall have jurisdiction to enforce such orders by appropriate means at the request of the Secretary or the Attorney General.

(b) RECORDS.—Each person subject to requirements under this Act shall establish and maintain such records, make such reports, and provide such information as the Secretary shall by order or regulation prescribe, and shall submit such reports and shall make such records and information available as the Secretary may request.

(c) INSPECTION.—Any officer or employee duly designated by the Secretary, upon presenting appropriate credentials to any person subject to requirements under this Act shall be allowed access to an property or facility, to determine whether such person has acted or is acting in compliance with the provisions of this Act and orders and regulations hereunder. Such officer or employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities and may test any feature thereof, and may examine, copy, and verify the correctness of any records or property. Each inspection shall be conducted with reasonable promptness and such person shall be notified of the results of such inspection.

PENALTIES

SEC. 110. (a) CIVIL.—(1) Any person (except an employee who acts without knowledge) who is determined by the Secretary to have violated a provision of this Act, or an order or regulation issued under this Act, shall be liable to the United States for a civil penalty of not more than $10,000 for each violation. Each day of a continuing violation is a separate violation. The amount of such civil penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

(2) Any person against whom a violation is found and a civil penalty assessed, under paragraph (1) of this subsection, may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty imposed, as provided in section 2112 of title 28, United States Code. The determinations of the Secretary shall be set aside if found to be unsupported by substantial evidence, as provided by section 706(2) of title 5, United States Code.

(3) The Secretary may, in his discretion, compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this section.

(4) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary, the Secretary (or at his request the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

(b) CRIMINAL.—A person is guilty of an offense if he knowingly violates a provision of this Act or a regulation issued under this Act. Upon conviction, such person shall be subject, for each offense, to a fine of not more than $25,000, imprisonment for a term not to exceed 5 years, or both.

SPECIFIC RELIEF

SEC. 111. (a) GENERAL.—The Secretary, or at his request the Attorney General, may bring an action in an appropriate district court of the United States for equitable relief to redress a violation by any person of a provision of this Act, or an order or regulation issued under this Act. Such district courts shall have jurisdiction to determine such actions and may grant such relief as is necessary or appropriate, including mandatory or prohibitive injunctive relief, interim equitable relief, and punitive damages.

(b) IMMINENT HAZARD.—If the Secretary has reason to believe that an imminent hazard exists, he may petition an appropriate district court of the United States, or upon his request the Attorney General shall so petition, for an order suspending or restricting the transportation of the hazardous or extremely hazardous material responsible for such imminent hazard, or for such other order as is necessary to eliminate or ameliorate such imminent hazard. As used in this subsection, an "imminent hazard" exists if there is substantial likelihood that serious harm will occur prior to the completion of an administrative hearing or other formal proceeding initiated to abate the risk of such harm.

(c) CITIZEN'S CIVIL ACTIONS.—(1) Except as provided in paragraph (2) of this subsection, any person may commence a civil action for mandatory or prohibitive injunctive relief, including interim equitable relief, whenever such action constitutes a case or controversy against any person who is alleged to be in violation of a provision of this Act, or an order or regulation issued under this Act. The district courts of the United States shall have jurisdiction over actions brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(2) No civil action may be commenced (A) prior to 60 days after the moving party has given notice of the alleged violation to the Secretary and to any alleged violator in such manner as the Secretary may by regulation require; or (B) if the Secretary, or at his request the Attorney General, has commenced and is diligently pursuing administrative or judicial proceedings with respect to such alleged violation.

(3) In any action under this subsection, the Secretary or the Attorney General may intervene as a matter of right.

(4) The court, in issuing any final order in any action brought under paragraph (1) of this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

(5) Nothing in this subsection shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any provision, order, or regulation or to seek any other relief.

(6) As used in this subsection, "person" includes a governmental entity.

(d) CITIZEN'S PETITIONS.—(1) Any interested person, including a safety organization or a governmental entity, may petition the Secretary to commence a proceeding to designate a material to be a hazardous or extremely hazardous material or for the issuance, amendment, or revocation of an order or regulation with respect to the quantity and form of a material alleged to be a hazardous or extremely hazardous material.

(2) Such a petition shall be filed with the Secretary and shall set forth (A) facts which it is claimed establish that an order or regulation with respect to a hazardous or extremely hazardous material or an amendment or revocation thereof is necessary, and (B) a brief description of the substance of the order or regulation or amendment thereof which it is claimed should be issued by the Secretary.

(3) The Secretary may hold a public hearing or may conduct such investigation or proceeding as he deems appropriate in order to determine whether or not such a petition should be granted.

(4) Within 120 days after the filing of such a petition, the Secretary shall either grant or deny the petition. If the Secretary grants such petition, he shall promptly commence the appropriate proceeding with respect to the subject thereof. If the Secretary denies such petition, he shall publish in the Federal Register his reasons for such denial.

(5)(A) If the Secretary denies a petition made under this subsection (or if he fails to grant or deny such petition within the 120-day period), the petitioner may commence a civil action in an appropriate district court of the United States to compel the Secretary to initiate a proceeding to take the action requested. Any such action shall be filed within 60 days after the Secretary's denial of the petition, or (if the Secretary fails to grant or deny the petition within 120 days after the petition is filed) within 60 days after the expiration of the 120-day period.

(B) If the petitioner can demonstrate to the satisfaction of the court, by a preponderance of evidence in a de novo proceeding before such court, that a material poses a hazard to health and safety or property, or that a material is extremely hazardous within the definition of such term in section 103(2) of this Act, and that the failure of the Secretary to act exposes the petitioners or other persons to an unreasonable risk of harm arising out of the transportation of such material in a particular quantity and form, the court shall order the Secretary to initiate the action requested by the petitioner.

(6) The remedies under this subsection shall be in addition to, and not in lieu of, other remedies provided by law.

RELATIONSHIP TO OTHER LAWS

Sec. 112. (a) General.—Except as provided in subsection (b) of this section, any requirement of a State or political subdivision inconsistent with any requirement set forth in this Act or a regulation issued under this Act, is preempted.

(b) State Laws.—Any requirement of a State or political subdivision thereof not consistent with any requirement set forth in this Act or regulation issued under this Act is not preempted if, upon the application of an appropriate State agency, the Secretary determines, in accordance with procedures to be prescribed by regulation, that such requirement affords an equal or greater level of protection to the public than is afforded by the requirements of this Act or regulations issued under this Act and does not burden interstate commerce. Such requirement shall not be preempted to the extent specified in such determination by the Secretary for so long as such State or political subdivision thereof continues to administer and enforce effectively such requirement.

(c) Other Federal Laws.—To the extent that hazardous materials are subject to regulation by other Federal laws, including the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) and the Consumer Product Safety Act (15 U.S.C. 2051 et seq.), the Secretary shall not regulate a hazardous or extremely hazardous material with respect to any risk to employees in their places of employment or to consumers of marketed products containing such material.

CONFORMING AMENDMENTS

Sec. 113. (a) Section 4472 of title 52 of the Revised Statutes, as amended (46 U.S.C. 170) is amended—

(1) by inserting, in the first sentence of paragraph (14) thereof, "criminal" before the word "penalty" and "or imprisoned not more than 5 years, or both" before the phrase "for each violation"; and

(2) by adding at the end thereof the following new parargaph:

"(17) (A) Any person who is determined by the Secretary to have violated any of the provisions of this section, or any regulations issued under this section, shall be liable to the United States for a civil penalty of not more than $10,000 for each day of each violation. The amount of such civil penalty shall be assessed by the Secretary by written notice. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require.

"(B) If the violation is committed by the owner, charterer, agent, master, or person in charge of a vessel, the vessel shall be liable for a civil penalty assessed under subparagraph (A) of this paragraph, and such vessel may be seized and proceeded against by way of libel in the appropriate district court of the United States.

"(C) Any person against whom a violation is found and a civil penalty assessed, under subparagraph (A) of this paragraph, may obtain review in the appropriate court of appeals of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The Secretary shall promptly file in such court a certified copy of the record upon which such violation was found and such penalty imposed, as provided in section 2112 of title 28, United States Code. The determinations of the Secretary shall be set aside if found to be unsupported by substantial evidence, as provided by section 706 (2)(e) of title 5, United States Code.

"(D) The Secretary may, in his discretion, compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this section.

"(E) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Secretary, the Secretary (or at his request the Attorney General) shall recover the amount assessed in any appropriate district court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.".

(b) (1) Section 6(f) (3) (A) of the Department of Transportation Act (49 U.S.C. 1655 (f) (3) (A)) is amended by striking the period at the end thereof and by inserting in lieu thereof "(other than subsection (e) (4)).".

(2) Section 6(f) (3) (B) of the Department of Transportation Act (49 U.S.C. 1655(f) (3) (B)) is amended by striking the period at the end thereof and by inserting in lieu thereof "(other than subsection (e) (4)).".

(c) Section 6(c) (1) of the Department of Transportation Act (49 U.S.C. 1655(c) (1)) is amended by inserting in the first sentence thereof after "aviation safety" and before "as set forth in" the following: "(other than those relating to the transportation, packaging, marking, or description of hazardous materials)".

(d) Section 901(a) (1) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1471 (a) (1)) is amended—

(1) by deleting "." at the end of the first sentence thereof and by inserting in lieu thereof: ", except that the amount of such civil penalty shall not exceed $10,000 for each such violation which relates to the transportation of hazardous materials."; and

(2) by deleting in the second sentence thereof ": *Provided*, That this" and by inserting in lieu thereof the following: ". The amount of any such civil penalty which relates to the transportation of hazardous materials shall be assessed by the Secretary, or his delegate, upon written notice upon a finding of violation by the Secretary. In determining the amount of such penalty, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, any history of prior offenses, ability to pay, effect on ability to continue to do business, and such other matters as justice may require. This".

(e) Section 902(h) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1472(h)) is amended to read as follows:

"HAZARDOUS MATERIALS

"(h) (1) In carrying out his responsibilities under this Act, the Secretary of Transportation may exercise the authority vested in him by section 105 of the Hazardous Materials Transportation Act to provide by regulation for the safe transportation of hazardous materials by air.

"(2) A person is guilty of an offense if he knowingly delivers or causes to be delivered to an air carrier or to the operator of a civil aircraft for transportation in air commerce, or if he recklessly causes the transportation in air commerce of, any shipment, baggage, or other property which contains a hazardous material, in violation of any rule, regulation, or requirement with respect to the transportation of hazardous materials issued by the Secretary of Transportation under this Act. Upon conviction, such person shall be subject, for each offense, to a fine of not more than $25,000, imprisonment for a term not to exceed 5 years, or both.".

(f) Subsection (6) of section 4472 of the Revised Statutes, as amended (46 U.S.C. 170 (6)), is amended—

(1) in paragraph (a) thereof, by inserting after "inflammable" and before "liquids" the following: "or combustible"; and by deleting the colon and the proviso in its entirety and by inserting in lieu thereof a period and the following two new sentences: "The provisions of this subsection shall apply to the transportation, carriage, conveyance, storage, stowing, or use on board any passenger vessel of any barrel, drum, or other package containing any inflammable or combustible liquid which has a lower flash point than that which is defined as safe pursuant to regulations establishing the defining flash-point criteria for flammable and combustible liquids. Such regulations shall be prescribed, and revised as necessary, by the Secretary of Transportation.".

(2) in paragraph (b) thereof, by inserting in clause (iv) thereof after "inflammable" and before "liquids" the following: "or combustible".

(g) Section 1114 of title 18, United States Code, is amended by deleting the words "or of" after the phrase "Department of Health, Education, and Welfare" and inserting in lieu thereof a comma and by inserting after the phrase "Department of Labor" the following: "or the Interstate Commerce Commission".

EFFECTIVE DATE

Sec. 114. (a) Except as provided in this section, the provisions of this Act shall take effect on the date of enactment.

(b) (1) Except as provided in paragraph (2) of this subsection, any order, determination, rule, regulation, permit, contract, certificate, license, or privilege issued, granted, or otherwise authorized or allowed, prior to the date of enactment of this Act, pursuant to any provision of law amended by this Act, shall continue in effect until repealed, terminated, withdrawn, amended, or modified by the Secretary or a court of competent jurisdiction.

(2) The Secretary shall take all steps necessary to bring orders, determinations, rules, and regulations into conformity with the purposes and provisions of this Act as soon as practicable, but in any event no permits, contracts, certificates, licenses, or privileges granted prior to the date of enactment of this Act, or renewed or extend thereafter, shall be of any effect more than 2 years after the date of enactment of this Act, unless there is full compliance with the purposes and provisions of this Act and regulations thereunder.

(c) Proceedings pending upon the date of enactment of this Act shall not be affected by the provisions of this Act and shall be completed as if this Act had not been enacted, unless the Secretary makes a determination that the public health and safety otherwise require.

AUTHORIZATION FOR APPROPRIATIONS

Sec. 115. There is authorized to be appropriated for the purposes of this Act, such sums as are necessary, not to exceed $7,000,000 for the fiscal year ending June 30, 1975, and not to exceed $10,000,000 for the fiscal year ending June 30, 1976.

TITLE II—RAIL SAFETY

SHORT TITLE

Sec. 201. This title may be cited as the "Rail Safety Improvement Act of 1974".

DECLARATION OF POLICY

Sec. 202. The Congress finds that more effective realization of the purposes of the Federal Railroad Safety Act of 1970 requires that Act to be amended to mandate comprehensive analysis and evaluation of the rail safety program, to increase the amount and percentage of available resources for inspection, investigation, and enforcement, to increase the enforcement powers of the Secretary of Transportation, and to authorize citizen's safety petitions.

COMPREHENSIVE RAILROAD SAFETY REPORT

Sec. 203. Section 211 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 440) is amended by adding at the end thereof the following new subsection:

"(c) Special Report.—The Secretary shall prepare and submit to the President and the Congress, not later than March 17, 1976, a comprehensive railroad safety report. Such report shall—

"(1) contain a description of the areas of railroad safety with respect to which Federal safety standards issued under this Act are in effect (as of June 30, 1975);

"(2) identify any area of railroad safety with respect to which Federal safety standards have been proposed but have not been issued under this Act (as of June 30, 1975);

"(3) identify any area of railroad safety with respect to which Federal safety standards have not been issued under this Act (as of June 30, 1975);

"(4) identify alternative and more cost-effective methods for inspection and enforcement of Federal safety standards, including mechanical and electronic inspection, and contain an evaluation of problems involved in implementing such alternatives, with specific attention to the need for cooperation with the railroad industry;

"(5) identify the areas of railroad safety listed in accordance with paragraphs (1) through (3) of this subsection which involve, or which may involve, State participation under section 206 of this Act;

"(6) contain a description of the railroad safety program which is in effect or planned in each State (as of June 30, 1975), including (A) State program development; (B) State plans to participate in program areas listed in accordance with paragraph (1) of this subsection, which are not covered by a State certification or agreement; (C) State interest in participating in each program area listed in accordance with paragraphs (2) and (3) of this subsection, following issuance of the applicable safety standards; (D) annual projections of each State agency's needs for personnel, equipment, and activities reasonably required to carry out its State program during each fiscal year from 1976 through 1980 together with estimates of the annual costs thereof separately stated as to projections under subparagraphs (B) and (C) of this paragraph; (E) the sources from which the State expects to draw the funds to finance such programs; and (F) the amount of State funds and of Federal financial assistance needed during each such fiscal year, by category;

"(7) contain a detailed analysis of (A) the number of safety inspectors needed (by industry and Government respectively) to maintain an adequate and reasonable railroad safety program and record; (B) the minimum training and other qualifications needed for each such inspector; (C) the present and projected availability of such personnel in comparison to the need therefor; (D) the salary levels of such personnel in relation to comparable pay scales maintained by industry, State governments, and the Federal Government;

"(8) evaluate alternative methods of allotting Federal funds among the States applying for Federal financial assistance, including recommendations, if needed, for a formula for such apportionment;

"(9) contain a discussion of other problems affecting cooperation among the States that relate to effective participation of State agencies in the nationwide railroad safety program; and

"(10) contain recommendations for any additional Federal and State legislation needed to further realization of the objectives of this Act.

Such report shall be prepared by the Secretary, directly or indirectly, after research, examination, study, and consultation with the national associations representing railroad employee unions, railroad management, cooperating State agencies, the national organization of State commissions, universities, and other persons having special expertise or experience with respect to railroad safety. Such report shall include, in an appendix, a statement of the views of the national associations representing railroad employee unions, of the carriers, and of the national organization of State commissions with respect to the content of such report in its final form.".

ACCIDENT REPORTS

Sec. 204. (a) Section 209(b) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 438 (b)) is amended by inserting after "for violation thereof" and before "in such amount" the following: "or for violation of section 2 of the Act of May 6, 1910 (45 U.S.C. 39), the Accident Reports Act".

(b) Section 2 of the Act of May 6, 1910 (45 U.S.C. 39), commonly referred to as the Accident Reports Act, is amended by adding at the end thereof the following new sentence: "In lieu of the foregoing, any such carrier may be required to pay a civil penalty pursuant to subsections (b) and (c) of section 209 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 438(b)).".

AUTHORIZATION FOR APPROPRIATIONS

Sec. 205. Section 212 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 441) is amended to read as follows:

"(a) There are authorized to be appropriated to carry out the provisions of this Act not to exceed $35,000,000 for the fiscal year ending June 30, 1975.

'(b) Amounts appropriated under subsection (a) of this section shall be available for expenditure as follows:

"(1) not to exceed $18,000,000 for the Office of Safety, including salaries and expenses for up to 350 safety inspectors and up to eighty clerical personnel;

"(2) not to exceed $3,500,000 to carry out the provisions of section 206(d) of this Act;

"(3) not to exceed $3,500,000 for the Federal Railroad Administration, for salaries and expenses not otherwise provided for; and

"(4) not to exceed $10,000,000 for conducting research and development activities under this Act.

ENFORCEMENT

Sec. 206. Section 208(a) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 437 (a)) is amended by adding at the end thereof the following new sentence: "The Secretary is further authorized to issue cease and desist orders to direct the termination of actions, or omissions to act, in violation of this Act or of any railroad safety rule, regulations, order, or standard issued under this Act, and the district courts of the United States shall have jurisdiction to enforce such orders by appropriate means.".

RAIL SAFETY PETITIONS

Sec. 207. Section 208 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 437) is amended by adding at the end thereof the following new subsection:

"(e) Citizen's Safety Petitions.—(1) Any interested person, including a safety organization or a governmental entity, may petition the Secretary to commence a proceeding for the issuance, amendment, or revocation of a railroad safety rule, regulation, order or standard under this Act.

"(2) Such a petition shall be filed with the Secretary and shall set forth (A) facts which it is claimed establish that a railroad safety rule, regulation, order, or standard, or an amendment or revocation thereof, is necessary, and (B) a brief description of the substance of the railroad safety rule, regulation, order, or standard or amendment thereof which it is claimed should be issued by the Secretary.

"(3) The Secretary may hold a public hearing or may conduct such investigation or proceeding as he deems appropriate in order to determine whether or not such petition should be granted.

"(4) Within 120 days after the filing of such a petition, the Secretary shall either grant or deny the petition. If the Secretary grants such petition, he shall promptly commence the appropriate proceeding with respect to the subject thereof. If the Secretary denies such petition, he shall publish in the Federal Register his reasons for such denial.

"(5)(A) If the Secretary denies a petition made under this subsection (or if he fails to grant or deny such petition within the 120-day period), the petitioner may commence a civil action in an appropriate district court of the United States to compel the Secretary to initiate a proceeding to take the action requested. Any such action shall be filed within 60 days after the Secretary's denial of the petition, or (if the Secretary fails to grant or deny the petition within 120 days after the petition is filed) within 60 days after the expiration of the 120-day period.

"(B) If such petitioner can demonstrate to the satisfaction of such court, by a preponderance of evidence in a de novo proceeding before such court, that there is a substantial risk of personal injury or property damage, and that the failure of the Secretary to grant a petition made under this subsection unreasonably exposes the petitioner or other persons to a risk of such harm, the court shall order the Secretary to initiate the action requested by the petitioner.

"(6) The remedies under this subsection shall be in addition to, and not in lieu of, other remedies provided by law.".

RAIL IMPROVEMENT AMENDMENTS

Sec. 208. (a) (1) Section 207(a)(1) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking "300" in the first sentence thereof and substituting therefor "420".

(2) Section 207(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking "420" in the first sentence thereof and substituting therefor "540".

(b) Section 214(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking "$26,000,000" and substituting therefor "$40,000,000".

(c) Section 402(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by inserting "(1)" before the first sentence thereof, redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively, and by adding the following new paragraph:

"(2) Rail properties qualified for rail service continuation subsidies pursuant to subsection (b) of this section are—

"(A) those rail properties of railroads in reorganization over which the final system plan does not designate rail service to be operated;

"(B) those rail properties in the region which have been or which are, subsequent to the date of enactment of this Act, purchased, leased, or operated by a State agency or a local or regional transportation authority or with respect to which a State, a political subdivision thereof, or a local or regional transportation authority has invested or invests subsequent to the date of enactment of this Act substantial sums for improvement or maintenance of rail service; and

"(C) those rail properties in the region with respect to which the Commission issues a certificate of abandonment effective on or after the date of enactment of this Act.".

(d) Section 1(b) of the Act of March 4, 1907, as amended (45 U.S.C. 61(b)), is amended by adding at the end thereof the following new paragraph:

"(4) The term designated terminal means home terminal or away from home terminal of an employee.".

TITLE III—INDEPENDENT SAFETY BOARD

SHORT TITLE

SEC. 301. This title may be cited as the "Independent Safety Board Act of 1974".

FINDINGS

SEC. 302. The Congress finds and declares that—

(1) The National Transportation Safety Board was established by statute in 1966 (Public Law 89-670; 80 Stat. 935) as an independent Government agency, located within the Department of Transportation, to promote transportation safety by conducting independent accident investigations and by formulating safety improvement recommendations.

(2) Proper conduct of the responsibilities assigned to this Board requires rigorous investigation of accidents involving transportation modes regulated by other agencies of Government; demands continual review, appraisal, and assessment of the operating practices and regulations of all such agencies; and calls for the making of conclusions and recommendations that may be critical of or adverse to any such agency or its officials. No Federal agency can properly perform such functions unless it is totally separate and independent from any other department, bureau, commission, or agency of the United States.

NATIONAL TRANSPORTATION SAFETY BOARD

SEC. 303. (a) ESTABLISHMENT.—The National Transportation Safety Board (hereinafter referred to as the "Board"), previously established within the Department of Transportation, shall be an independent agency of the United States, in accordance with this section, on April 1, 1975.

(b) ORGANIZATION.—(1) The Board shall consist of five members, including a Chairman. Members of the Board shall be appointed by the President, by and with the advice and consent of the Senate. No more than three members of the Board shall be of the same political party. The President shall appoint individuals to be members to the Board upon the basis of technical qualification and professional standing in the field of accident reconstruction, safety engineering, or transportation safety.

(2) The terms of office of members of the Board shall be 5 years, except as otherwise provided in this paragraph. Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term of office for which his predecessor was appointed shall be appointed for the remainder of that term. Upon the expiration of his term of office, a member shall continue to serve until his successor is appointed and shall have qualified. Present members of the National Transportation Safety Board shall continue to serve until the expiration of their current term of office. Any Member of the Board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(3) On or before April 1, 1975 (and thereafter as required), the President shall designate, with the advice and consent of the Senate, a person to serve as the Chairman of the National Transportation Safety Board (hereafter referred to as the "Chairman") and any other person to serve as Vice Chairman, both of whom shall serve as Chairman and Vice Chairman throughout their respective terms. The Chairman shall be the chief executive officer of the Board and shall exercise the executive and administrative functions of the Board with respect to the appointment and supervision of personnel employed by the Board; the distribution of business among such personnel and among any administrative units of the Board; and the use and expenditure of funds. The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman. The Chairman or acting Chairman shall be governed by the general policies established by the Board, including any decisions, findings, determinations, rules, regulations, and formal resolutions.

(4) Three members of the Board shall constitute a quorum for the transaction of any function of the Board.

(5) The Board shall establish and maintain distinct and appropriately staffed bureaus, divisions, or offices to investigate and report on accidents involving each of the following modes of transportation: (A) aviation; (B) marine and maritime; (C) highway and motor vehicle; (D) railroad and tracked vehicle; and (E) pipeline. The Board shall in addition establish and maintain an appropriately staffed bureau, division, or office to oversee efforts to insure the safe transportation of hazardous materials.

(c) GENERAL.—(1) The General Services Administration shall furnish the Board with such offices, equipment, supplies, and services as it is authorized to furnish to any other agency or instrumentality of the United States.

(2) The Board shall have a seal which shall be judicially recognized.

(3) Subject to the civil service and classification laws, the Board is authorized to select, appoint, employ, and fix compensation of such officers and employees, including investigators, attorneys, and administrative law judges, as shall be necessary to carry out its powers and duties under this Act.

GENERAL PROVISIONS

SEC. 304. (a) DUTIES OF BOARD.—The Board shall—

(1) investigate or cause to be investigated (in such detail as it shall prescribe), and determine the facts, conditions, and circumstances and the cause or probable cause or causes of any—

(A) aircraft accident which is within the scope of the functions, powers, and duties transferred from the Civil Aeronautics Board under section 6(d) of the Department of Transportation Act (49 U.S.C. 1655(d)) pursuant to title VII of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1441);

(B) marine casualty (excluding those involving only public vessels) which occurs on the navigable or territorial waters of the United States or which involves a vessel of United States registry, whenever the Board finds such an investigation would tend to promote safety of life at sea and be in the public interest. Nothing in this subparagraph shall be construed to eliminate or diminish any responsibility under any other Federal statute of the Secretary of the Department in which the Coast Guard is operating;

(C) accidents involving a motor carrier (as defined by the Secretary of Transportation in motor carrier safety regulations) in which there is a fatality or property damage in excess of $75,000;

(D) highway accidents, including railroad grade crossing accidents, other than those involving a motor carrier, that it selects in cooperation with the States;

(E) railroad accident in which there is a fatality or property damage in excess of $500,000;

(F) pipeline accident in which there is a fatality or property damage in excess of $100,000; and

(G) other accident which occurs in connection with the transportation of people or property which, in the judgment of the Board, is catastrophic, involves problems of a recurring character, or would otherwise carry out the policy of this Act.

In accidents which the Board is required to investigate under this paragraph, where there is not initial indication of Government misfeasance or nonfeasance, the Board may request the Secretary of Transportation to make investigations with regard to such accidents and to report to the Board the facts, conditions, and circumstances thereof. The Board thereafter, utilizing such reports, shall make its determination of probable cause under this section. The Secretary or his designees are authorized to make such investigations.

(2) report in writing on the facts, conditions, and circumstances of each accident investigated pursuant to paragraph (1) of this subsection and cause such reports to be made available to the public at reasonable cost and cause notice of the issuance and availability of such reports to be published in the Federal Register;

(3) issue periodic reports to the Congress, Federal, State, and local agencies concerned with transportation safety, and other interested persons recommending and advocating meaningful responses to reduce the likelihood of recurrence of transportation accidents similar to those investigated by the Board and proposing corrective steps to make the transportation of persons as safe and free from risk of injury as is possible, including steps to minimize human injuries from transportation accidents;

(4) advocate the cause of safety in transportation in accordance with section 305 of this Act;

(5) initiate and conduct special studies and special investigations on matters pertaining to safety in transportation, including human injury avoidance;

(6) assess and reassess techniques and methods of accident investigation and prepare and publish from time to time recommended procedures for accident investigations;

(7) establish by regulation requirements binding on persons reporting accidents subject to the Board's investigatory jurisdiction under this subsection;

(8) evaluate, assess the effectiveness, and publish the findings of the Board with respect to the transportation safety consciousness and efficacy in preventing accidents of other Government agencies;

(9) evaluate the adequacy of safeguards and procedures concerning the transportation of hazardous materials and the performance of other Government agencies charged with assuring the safe transportation of such materials; and

(10) review on appeal (A) the suspension, amendment, modification, revocation, or denial or any operating certificate or license issued by the Secretary of Transportation under sections 602, 609, or 611(c) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1422, 1429, or 1431(c)); and (B) the decisions of the Commandant of the Coast Guard, on appeals from the orders of any administrative law judge revoking, suspending,

or denying a license, certificate, document, or register in proceedings under section 4450 of the Revised Statutes, as amended (46 U.S.C. 239); the Act of July 15, 1954 (46 U.S.C. 239 (a) and (b)); or section 4 of the Great Lakes Pilotage Act (46 U.S.C. 216(b)).

(b) Powers of Board.—(1) The Board, or upon the authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Chairman, may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, administer such oaths, and require by subpena or otherwise the attendance and testimony of such witnesses and the production of such evidence as the Board or such employee deems advisable. Subpenas shall be issued under the signature of the Chairman, or his delegate, and may be served by any person designated by the Chairman. Witnesses summoned to appear before the Board shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. Such attendance of witnesses and production of evidence may be required from any place in the United States to any designated place of such hearing in the United States.

(2) Any employee of the Board, upon presenting appropriate credentials and a written notice of inspection authority, is authorized to enter any property wherein a transportation accident has occurred or wreckage from any such accident is located and do all things therein necessary for a proper investigation. The employee may inspect, at reasonable times, records, files, papers, processes, controls, and facilities relevant to the investigation of such accident. Each inspection shall be commenced and completed with reasonable promptness and the results of such inspection made available.

(3) In case of contumacy or refusal to obey a subpena, an order, or an inspection notice of the Board, or any duly designated employee thereof, by any person who resides, is found, or transacts business within the jurisdiction of any district court of the United States, such district court shall, upon the request of the Board, have jurisdiction to issue to such person an order requiring such person to comply forthwith. Failure to obey such an order is punishable by such court as a contempt of court.

(4) The Board is authorized to enter into, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the functions and the duties of the Board under this Act, with any government entity or any person.

(5) The Board is authorized to obtain, and shall be furnished with or without reimbursement, a copy of the report of the autopsy performed by State or local officials on any person who dies as a result of having been involved in a railroad, highway, or pipeline accident and, if necessary, the Board may order the autopsy or seek other tests of such persons as may be necessary to the investigation of the accident: *Provided*, That to the extent consistent with the need of the accident investigation, provisions of local law protecting religious beliefs with respect to autopsies shall be observed.

(6) At the Board's initiative, or upon the petition of any person, the Board is authorized to issue regulations to carry out the purposes of this Act and to amend or rescind such regulations at any time. The Board shall publish any regulations proposed under this Act in the Federal Register at least 60 days prior to the time when such regulations shall become final. If any person adversely affected by a proposed regulation files objections and requests a public hearing within 45 days of the date of publication of the proposed regulation, the Board shall grant such request. If such public hearing is held, final regulations shall not be promulgated by the Board until the conclusion of such hearing. All public hearings authorized by this paragraph shall consist of the oral and written presentation of data or arguments in accordance with such conditions or limitations as the Board may make applicable thereto.

(7) The Board is authorized to (A) use, on a reimbursable basis or otherwise, when appropriate, available services, equipment, personnel, and facilities of the Department of Transportation and of other civilian or military agencies and instrumentalities of the Federal Government; (B) confer with employees and use available services, records, and facilities of State, municipal, or local governments and agencies; (C) employ experts and consultants in accordance with section 3109 of title 5, United States Code; (D) appoint one or more advisory committees composed of qualified private citizens or officials of Federal, State, or local governments as it deems necessary or appropriate, in accordance with the Federal Advisory Committee Act (5 U.S.C. App. I); (E) accept voluntary and uncompensated services notwithstanding any other provision of law; (F) accept gifts or donations of money, or of property, real, personal, or mixed, tangible, or intangible; and (G) enter into contracts with public or private nonprofit entities for the conduct of studies related to any of its functions.

(8) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget estimate, or other budget information, legislative recommendation, prepared testimony for congressional hearings, or comment on legislation to the President or to the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No officer or agency of the United States shall have any authority to request or require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony for congressional hearings, or comments on legislation to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

(9) The Board is empowered to designate representatives to serve or assist on such committees as the Chairman determines to be necessary or appropriate to maintain effective liaison with other Federal and with State and local government agencies and with independent standard-setting bodies carrying out programs and activities related to transportation safety.

(10) The Board, or an employee of the Board duly designated by the Chairman, may conduct an inquiry to secure data with respect to any matter pertinent to transportation safety, upon publication of notice of such inquiry in the Federal Register, and may require, by special or general orders, Federal, State, and local government agencies and persons engaged in the transportation of people or property in commerce to submit written reports and answers to such requests and questions as are propounded with respect to any matter pertinent to the duties of the Board. Reports and answers required under this paragraph shall be submitted to the Board or such employee within such reasonable period of time and in such form as the Board may determine, and copies shall be made available for inspection by the public at any office of the Board.

(c) Use of Reports as Evidence.—No part of any report or reports of the Board relating to any accident or the investigation thereof, shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report or reports.

(d) Judicial Review.—Any order, affirmative or negative, issued by the Board under this Act shall be subject to review by the appropriate court of appeals of the United States or the United States Court of Appeals for the District of Columbia, upon petition filed within 60 days after the entry of such order, by any person disclosing a substantial interest in such order. Such review shall be conducted in accordance with the provisions of chapter 7 of title 5, United States Code, except as otherwise provided in this subsection.

SAFETY ADVOCACY

Sec. 305. (a) Federal Proceeding.—Whenever the Board determines that the result of any Federal department or agency proceeding which is subject to the provisions of section 553, 554, 556, or 557 of title 5, United States Code, or which is otherwise conducted on the record after opportunity for an agency hearing, may substantially affect aviation, marine, motor vehicle, railroad, or pipeline safety, the Board, or any duly designated employee of the Board acting on behalf of the Board, may as of right intervene as a party and participate in such proceeding, for the purpose of representing the interests of safety. The Board or such employee shall comply with statutes and rules of procedure of general applicability governing the timing of intervention or participation in such proceeding, shall comply with statutes and rules of procedures of general applicability governing the conduct thereof: *Provided*, That in the absence of statutes or rules of procedure authorizing such intervention, the Board or such employee shall have full opportunity to present to responsible officials of such Federal department or agency, orally or in writing, in an orderly manner and without causing undue delay, relevant information, briefs, and arguments.

(b) State or Local Proceeding.—The Board, or any duly designated employee of the Board, is authorized to intervene, or otherwise to participate, in any State or local agency or court proceeding, where the Board determines that the result of such proceeding may substantially affect an important interest of the public in trasportation safety, accident avoidance, or accident loss reduction and such intervention or participation has been requested in writing by (1) the Governor of a State or any official designated by him for such purpose; (2) an agency or official duly authorized by a State to represent the interests of safety before any State or local agency or court; or (3) the State or local agency or court conducting the proceeding.

ANNUAL REPORT

Sec. 306. The Board shall report to the Congress on July 1 of each year. Such report shall include—

(a) a statistical and analytical summary of the transportation accident investigations conducted and reviewed by the Board during the preceding 12 months;

(b) a survey and summary, in such detail as the Board deems advisable, of the recommendations made by the Board to reduce the likelihood of recurrence of such accidents together with the observed response to each such recommendation;

(c) a summary of the activity of the Board in advocating the cause of safety in transportation, including a detailed listing of the interventions and appearances made on behalf of the Board and the action, if any, taken in response to such intervention, participation, or appearance;

(d) an appraisal in detail of the accident investigation and accident prevention activities of other government agencies charged by Federal or State law with responsibility in this field;

(e) a biennial appraisal and critical evaluation and review, including recommendations for legislative and administrative action and change, with respect to—

(1) aviation accident investigation and aviation safety;

(2) marine accident investigation and marine safety;

(3) highway and motor vehicle accident investigation and motor vehicle safety;

(4) railroad accident investigation and railroad safety, including grade crossing accidents;

(5) pipeline accident investigation and pipeline safety; and

(6) the organization, management, and conduct of operations of the Board; and the performance of the Board's hazardous materials transportation and safety advocacy activities.

PUBLIC ACCESS TO INFORMATION

SEC. 307. (a) GENERAL.—Copies of any communication, document, investigation, or other report, or information received or sent by the Board, or any member or employee of the Board, shall be made available to the public upon identifiable request, and at reasonable cost, unless such information may not be publicly released pursuant to subsection (b) of this section. Nothing contained in this section shall be deemed to require the release of any information described by subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

(b) EXCEPTION.—The Board shall not disclose information obtained under this Act which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve confidentiality—

(1) upon request, to other Federal Government departments and agencies for official use;

(2) upon request, to any committee of Congress having jurisdiction over the subject matter to which the information relates;

(3) in any judicial proceeding under a court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect health and safety after notice and opportunity for comment in writing or for discussion in closed session within 15 days by the party to which the information pertains (if the delay resulting from such notice and opportunity for comment would not be detrimental to health and safety).

RESPONSE TO BOARD RECOMMENDATIONS

SEC. 308. Whenever the Board submits a recommendation regarding transportation safety to the Secretary of Transportation, the Secretary shall respond to such recommendation formally and in writing not later than 60 days after receipt thereof. The response to the Board by the Secretary shall indicate his intention to—

(1) initiate and conduct procedures for adopting such recommendation in full, pursuant to a proposed timetable, a copy of which shall be included;

(2) initiate and conduct procedures for adopting such recommendation in part, pursuant to a proposed timetable, a copy of which shall be included. Such response shall set forth in detail the reasons for the refusal to proceed as to the remainder of such recommendation; or

(3) refuse to initiate or conduct procedures for adopting such recommendation. Such response shall set forth in detail the reasons for such refusal.

The Board shall cause notice of the issuance of each such recommendation and receipt of a response thereto to be published in the Federal Register, and shall make copies thereof available to the public at reasonable cost.

CONFORMING AMENDMENTS

SEC. 309. The Department of Transportation Act is amended—

(1) by deleting section 5 thereof (49 U.S.C. 1654) in its entirety;

(2) by amending section 4(c) thereof (49 U.S.C. 1653(c)) by deleting "or the National Transportation Safety Board" in the first sentence thereof; and by deleting in the second sentence thereof ", the Administrators, or the National Transportation Safety Board," and by inserting in lieu thereof "or the Administrators."; and

(3) by amending section 4(d) thereof (49 U.S.C. 1653(d) by deleting ", the Administrators, and the National Transportation Safety Board" and by inserting in lieu thereof "and the Administrators".

AUTHORIZATION OF APPROPRIATIONS

SEC. 310. There are authorized to be appropriated for the purposes of this Act such sums as are necessary, not to exceed $14,000,000 for the fiscal year ending June 30, 1975; $16,000,000 for the fiscal year ending June 30, 1976; and $18,000,000 for the fiscal year ending June 30, 1977.

TITLE IV—REGIONAL RAIL REORGANIZATION

PLANNING DATES

SEC. 401. (a) Section 207(a)(1) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "300" in the first sentence thereof and substituting therefor the figure "420".

(b) Section 207(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "420" in the first sentence thereof and substituting therefor the figure "540".

ADMINISTRATIVE EXPENSES

SEC. 402. Section 214(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by striking the figure "$26,000,000" and substituting therefor the figure "$40,000,000".

QUALIFIED RAIL PROPERTIES

SEC. 403. Section 402(c) of the Regional Rail Reorganization Act of 1973 (87 Stat. 985) is amended by inserting "(1)" before the first sentence thereof, redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively, and by adding the following new paragraph:

"(2) Rail properties qualified for rail service continuation subsides pursuant to subsection (b) of this section are—

"(A) those rail properties of railroads in reorganization over which the final system plan does not designate rail service to be operated;

"(B) those rail properties in the region which have been or which are, subsequent to the date of enactment of this Act, purchased, leased, or operated by a State agency or a local or regional transportation authority with respect to which a State, a political subdivision thereof, or a local or regional transportation authority has invested or invests subsequent to the date of enactment of this Act substantial sum for improvement or maintenance of rail service; and

"(C) those rail properties in the region with respect to which the Commission issues a certificate of abandonment effective on or after the date of enactment of this Act.".

Amend the title so as to read: "An Act to regulate commerce by improving the protections afforded the public against risks connected with the transportation of hazardous materials, and for other purposes."

TEN-YEAR TERM FOR FBI DIRECTOR

The Senate continued with the consideration of the bill (S. 2106) to amend title VI of the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a 10-year term for the appointment of the Director of the Federal Bureau of Investigation.

The PRESIDING OFFICER. By the previous order, the Senate will proceed to vote on the amendment of the Senator from Virginia to the amendment of the Senator from West Virginia.

The yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from Virginia to the amendment of the Senator from West Virginia. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Wisconsin (Mr. NELSON), are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Vermont (Mr. STAFFORD), the Senator from North Dakota (Mr. YOUNG), and the Senator from Utah (Mr. BENNETT), are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY), is absent on official business.

I further announce that, if present and voting, the Senator from Illinois (Mr. PERCY), and the Senator from Kansas (Mr. DOLE), would each vote "nay."

I further announce that the Senator from Florida (Mr. GURNEY) is absent to attend the funeral of a relative.

The result was announced—yeas 4, nays 66, as follows:

[No. 456 Leg.]

YEAS—4

Brock
Fulbright
McClure
Scott,
  William L.

NAYS—66

Abourezk
Allen
Bartlett
Beall
Bentsen
Biden
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cotton
Curtis
Eagleton
Fannin
Fong
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph

Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NOT VOTING—30

Aiken
Baker
Bayh
Bellmon
Bennett
Bible
Cannon
Church
Cook
Cranston
Dole
Domenici
Dominick
Eastland
Ervin
Goldwater
Gravel
Gurney
Hansen
Helms
Hollings
Hughes
Inouye
McGovern
Mondale
Nelson
Packwood
Percy
Stafford
Young

So Mr. WILLIAM L. SCOTT's amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the Senator from West Virginia (Mr. ROBERT C. BYRD).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Mississippi (Mr. EASTLAND), the Senator from North Carolina (Mr. ERVIN), the Senator from Alaska (Mr. GRAVEL), the Senator from Iowa (Mr. HUGHES), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), and the Senator from Wisconsin (Mr. NELSON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. AIKEN), the Senator from Tennessee (Mr. BAKER), the Senator from Oklahoma (Mr. BELLMON), the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), the Senator from Kansas (Mr. DOLE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I also announce that the Senator from Illinois (Mr. PERCY), is absent on official business.

I further announce that the Senator from Florida (Mr. GURNEY), is absent to attend the funeral of a relative.

On this vote, the Senator from Kansas (Mr. DOLE) is paired with the Senator from Illinois (Mr. PERCY).

If present and voting, the Senator from Illinois would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 63, nays 8, as follows:

[No. 457 Leg.]

YEAS—63

Abourezk
Allen
Beall
Bentsen
Biden
Brooke
Burdick
Byrd, Robert C.
Case
Chiles
Clark
Cotton
Curtis
Eagleton
Fannin
Fong
Fulbright
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—8

Bartlett
Brock
Buckley
Byrd,
Harry F., Jr.
McClellan
Scott,
William L.
Stennis
Taft

NOT VOTING—29

Aiken
Baker
Bayh
Bellmon
Bennett
Bible
Cannon
Church
Cook
Cranston
Dole
Domenici
Dominick
Eastland
Ervin
Goldwater
Gravel
Gurney
Hansen
Helms
Hughes
Inouye
McGovern
Mondale
Nelson
Packwood
Percy
Stafford
Young

So Mr. ROBERT C. BYRD's amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the amendment to be offered by the distinguished Senator from Wisconsin (Mr. PROXMIRE) is laid before the Senate that there be a time limitation of 15 minutes to be equally divided between the sponsor of the amendment and the distinguished Senator from Nebraska (Mr. HRUSKA).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

I ask for the yeas and nays on the passage of the bill so that the Senators will know there will be another rollcall vote.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 1958

Mr. PROXMIRE. Mr. President, I call up my amendment No. 1958 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. 2. (a) Effective with respect to appointments to the office of the Administrator of the Social and Economic Statistics Administration, Department of Commerce, made on or after the date of enactment of this Act, any such appointment shall be made by the President, by and with the advice and consent of the Senate.

(b) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following:

"(100) Administrator of the Social and Economic Statistics Administration, Department of Commerce."

Amend the title to read as follows: "A Bill to amend ttile VI of the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a ten-year term for the appointment of the Director of the Federal Bureau of Investigation, and for other purposes.".

Mr. PROXMIRE. Mr. President, what this amendment does——

Mr. PASTORE. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, this amendment would provide that the appointment of the Administrator of the Social and Economic Statistics Administration in the Department of Commerce, made on or after the date of enactment—so it is prospective, not retrospective—be subject to the advice and consent of the Senate.

The Administrator of SESA is a very important post. At least 16 of the most important and sensitive statistics the Government produces are prepared by this agency. They are equaled in importance only by the unemployment figures and the Consumer and Wholesale Price Index.

The first reason, therefore, that this appointment should be with the advice and consent of the Senate is not only its fundamental and intrinsic importance but that its counterpart, the Commissioner of the Bureau of Labor Statistics is confirmed.

Second, the Administrator of SESA has under him the Census Bureau whose Director must be confirmed by the Senate. We now have the anomalous situation where the subordinate is confirmed but the boss is not.

The third, and most important reason why this post must be confirmed is the issue of the reliability and credibility of the Government statistics.

There is a credibility gap with respect to our statistics. This was caused by the appointment by President Nixon of wholly unqualified people to the post of Administrator of SESA and Director of the Census. Further, at the BLS, key professional personnel were fired, the public press conferences were eliminated, and ultimately the Commissioner himself, Mr. Geoffrey Moore, was sacked by the White House even though he had done a highly professional and honorable job.

Mr. President, we are now in a period when Government statistics with respect to unemployment, prices, the growth of the GNP, expenditures for new plant and equipment, and many others, are not only important in themselves but may be highly political and contentious issues.

We have just witnessed men at the highest levels of government committing criminal acts for the purpose of winning an election. These included burglary, bugging, breaking and entering, perjury and other acts.

But think how much simpler it might be to jigger the unemployment figures or the cost of living figures in a period in which there was a hotly contested election. It would be done without resorting to crime. While it is a crime for citizens to give false information to their Government, it is not a crime as yet for the Government to give false information to its citizens.

An election could be influenced or rigged without resorting to criminal acts merely by manipulating the crucial figures. The temptations are even greater than resorting to crimes and the consequences might well be more widespread.

For all these reasons we must have highly competent professionals in charge of the Government's statistics. And one way to help insure that is to make such appointments subject to the advice and consent of the Senate.

Mr. President, I do hope that the Senate will see fit, at long last, to make this man who has an extremely important, very sensitive post, subject to confirmation.

I think it would help greatly to provide the basis for credibility and the basis for appointing people to this position who are qualified.

The PRESIDING OFFICER. Who yields time?

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment. I do so on two grounds: One is that the amendment consists of a provision having to do with the domain and the jurisdiction of the Department of Commerce. If any such recommendation with reference to the Administrator of the Social and Economic Statistics Administration is to come before this body, it seems to me that under the spirit as well as the letter of the Senate rules that it ought to be processed by, and come to the floor from, the Senate Committee on Commerce.

It is an invasion of another committee's territory and jurisdiction.

If we are going to have orderly procedure, we are not serving that end by considering, adopting, and approving an amendment of this kind.

Second, the bill proper, S. 2160, portends to the amendment of title 6 of the Omnibus Crime Control and Safe Streets Act of 1968.

The amendment proposed by the Senator from Wisconsin is totally irrelevant, totally alien to the purposes of the bill, and in a totally different field altogether. There has not been consideration given to it, nor any opportunity to have Members of this body give it any consideration.

Because it is not germane and because it is alien to the purposes of the bill as processed by the Judiciary Committee, I also oppose it. It is on those two grounds that I oppose it.

Mr. McCLELLAN. Will the Senator from Wisconsin yield?

Mr. PROXMIRE. I yield.

Mr. McCLELLAN. Is there any bill of this nature pending in the Senate?

Mr. PROXMIRE. I introduced a bill which was referred to the Post Office and Civil Service Committee. It has been there about a year-and-a-half. I talked to the chairman of that committee, and it is my understanding that he has no objection to my offering it as an amendment here, and would not oppose the amendment.

Mr. McCLELLAN. Have any hearings been held on it? I am inclined to support it, but I do not like the idea of bypassing committees.

I think the Senator may well have an amendment that has merit, so far as its final objective. But it does occur to me that amendments of this nature, establishing an office and requiring an appointee to be confirmed, should have committee consideration.

Mr. PROXMIRE. May I say to my good friend from Arkansas that the committee has been too busy to hold hearings. They have been busy. They have had a lot of other things. They have indicated no opposition to this bill. It has been before them for some time.

We did hold hearings on the subject matter when the head of the Census Bureau who is under Mr. Failor came before that committee for confirmation. At that time, I pointed out that his superior was not confirmed and indicated that I thought he should be. We discussed the matter at that time and made a record on it.

Mr. President, under the circumstances, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ROBERT C. BYRD. Mr. President, I send to the desk a clarifying amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Robert C. Byrd's amendment is as follows:

> Immediately before the quotation marks at the end of the bill insert the following: "The provisions of subsection (a) and (c) of section 8335 of title 5, United States Code, shall apply to any individual appointed under this section.".

Mr. ROBERT C. BYRD. Mr. President, the purpose of this amendment would be to make clear that subsections (a) and (c) of section 8335 of title 5 of the United States Code would apply to anyone appointed under this bill.

The Federal mandatory retirement age is age 70. This bill does not intend to waive the application of that law to anyone appointed to the office of the Directorship of the FBI. If a person were to be confirmed at age 63 to this post, it might be argued that since the office under this legislation would carry a 10-year term, that that section of title V would have been waived by the enactment of this bill.

The amendment is merely to make it clear that the passage of this bill does not waive the mandatory retirement age for a Director who is appointed to the FBI.

I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HRUSKA. Mr. President, it is my understanding that the effect of this amendment is limited to the impact of this bill; that in subsections (a) and (c) of section 8335 of title 5 of the Code there is built in the right and privilege in the President to waive the age of retirement at reaching 70 years of age.

Do I correctly understand—and I address this question to the Senator from West Virginia—that the President's right to grant a waiver of mandatory retirement at the age of 70 is still preserved under that general statute?

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. HRUSKA. I thank the Senator.

I see no objection to the adoption of this amendment, and I shall favor it.

The PRESIDING OFFICER (Mr. Metzenbaum). The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Nebraska (Mr. Bible), the Senator from Nevada (Mr. Cannon), the Senator from Idaho (Mr. Church), the Senator from Mississippi (Mr. Eastland), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Iowa (Mr. Hughes), the Senator from Hawaii (Mr. Inouye), the Senator from South Dakota (Mr. McGovern), the Senator from Minnesota (Mr. Mondale), the Senator from Wisconsin (Mr. Nelson), and the Senator from California (Mr. Cranston) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Vermont (Mr. Aiken), the Senator from Tennessee (Mr. Baker), the Senator from Oklahoma (Mr. Bellmon), the Senator from Utah (Mr. Bennett), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from New Mexico (Mr. Domenici), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senator from North Carolina (Mr. Helms), the Senator from Oregon (Mr. Packwood), the Senator from Vermont (Mr. Stafford), and the Senator from North Dakota (Mr. Young), are necessarily absent.

I also announce that the Senator from Illinois (Mr. Percy) is absent on official business.

I further announce that, if present and voting, the Senator from New Mexico (Mr. Domenici), the Senator from Illinois (Mr. Percy), and the Senator from Kansas (Mr. Dole) would each vote "yea."

I further announce that the Senator from Florida (Mr. Gurney) is absent to attend the funeral of a relative.

The result was announced—yeas 70, nays 0, as follows:

[No. 458 Leg.]

YEAS—70

Abourezk
Allen
Bartlett
Beall
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cotton
Curtis
Eagleton
Fannin
Fong
Griffin
Hart
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Humphrey
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Metzenbaum
Montoya
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stennis
Stevens
Stevenson
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—0

NOT VOTING—30

Aiken
Baker
Bayh
Bellmon
Bennett
Bible
Cannon
Church
Cook
Cranston
Dole
Domenici
Dominick
Eastland
Ervin
Fulbright
Goldwater
Gravel
Gurney
Hansen
Helms
Hughes
Inouye
McGovern
Mondale
Nelson
Packwood
Percy
Stafford
Young

So the bill (S. 2106) was passed, as follows:

S. 2106

An act to amend title VI of the Omnibus Crime Control and Safe Streets Act of 1968 to provide for a 10-year term for the appointment of the Director of the Federal Bureau of Investigation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1101 of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting "(a)" after the section designation and by adding at the end thereof the following new section:

"(b) Effective with respect to any individual appointment by the President, by and with the advice and consent of the Senate, after June 1, 1973, the term of service of the Director of the Federal Bureau of Investigation shall be ten years. A Director may not serve more than one ten-year term. The provisions of subsections (a)-(c) of section 8335 of title 5, United States Code, shall apply to any individual appointed under this section.".

Mr. MOSS was recognized.

Mr. MOSS. I yield to the Senator from Wyoming without losing my right to the floor.

ELIMINATION OF ANNUITY REDUCTION FOR SURVIVING SPOUSE ANNUITY PURPOSES—CONFERENCE REPORT

Mr. McGEE. Mr. President, I submit a report of the committee of conference on S. 628, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Metzenbaum). The report will be stated by title.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report, which reads as follows:

Conference Report (S. Rept. No. 93-1241)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 8339 (j) of title 5, United States Code, is amended by adding at the end thereof the following: "An annuity which is reduced under this subsection or any similar prior provision of law shall, for each full month during which a retired employee or Member is not married, be recomputed and paid as if the annuity had not been so reduced. Upon remarriage of the retired employee or Member, the annuity shall be reduced by the same percentage reductions which were in effect at the time of retirement.".

Sec. 2. The amendment made by this Act shall apply to annuities which commence before, on, or after the date of enactment of this Act, but no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the date of enactment of this Act.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

Gale W. McGee,
Quentin Burdick,
Ted Stevens,
Managers on the Part of the Senate.

Thaddeus J. Dulski,
David N. Henderson,
Dominick V. Daniels,
Jerome R. Waldie,
Lawrence J. Hogan,
Managers on the Part of the House.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill, and the Senate disagreed to the House amendments.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment to the text of the bill. The committee of conference also recommends that the House recede from its amendment to the title of the bill.

The differences between the text of the Senate bill, the House amendment, and the amendment agreed to in conference are noted below.

ELIMINATION OF ANNUITY REDUCTION FOR SURVIVING SPOUSE ANNUITY PURPOSES

Senate bill

The first section of the Senate bill amended section 8339 (j) of title 5, United States Code, so as to eliminate for any month during which an annuitant is not married the reduction in annuity that a retiring employee or Member accepts upon retirement in order to provide survivor benefits for his or her spouse. If the annuitant subsequently remarried his or her annuity again would have been reduced in accordance with the percentage reductions specified in section 8339 (j).

House amendment

Subsection (e) of the first section of the House amendment repealed section 8339 (j) of title 5, United States Code. The effect of repealing section 8339 (j) would have been to eliminate from the law those provisions which now require a reduction in the annuity of a retiring employee or Member who desires to provide an annuity for his or her surviving spouse and those provisions which now permit a retiring employee or Member to deny his or her spouse entitlement to a survivor annuity. Thus, an automatic annuity would have been provided for a surviving spouse without any reduction in the retiring employee's annuity.

Subsection (b) of the first section of the House amendment amended section 8341 (a) of title 5 by eliminating the definitions of the terms "widow and widower" and substituting in lieu thereof a definition of the term "spouse". The effect of the House amendment would have been to require any surviving spouse of an employee, Member, or annuitant, including a spouse to whom an annuitant was married at the time of retirement, to have been married to the employee, Member, or annuitant for at least one year immediately before the death of the employee, Member, or annuitant, or to be the parent of issue by that marriage, in order to be eligible for entitlement to a survivor annuity.

The first section of the House bill also contained numerous conforming amendments to the retirement provisions of title 5 which were necessitated by the two substantive amendments discussed above.

Conference substitute

The conference substitute is substantially the same as the Senate bill in that it eliminates the annuity reduction for surviving spouse benefits only for months during which the annuitant is not married. However, the substitute provides that upon remarriage of the retired employee or Member, his or her annuity shall be reduced by the same percentage reductions which were in effect at the time of retirement. This provision takes cognizance of the fact that annuitants who retired prior to October 11, 1962, were subject to higher reduction rates for survivor annuity purposes. The conferees agreed that the annuity of a retiree who remarries after having his or her annuity restored to the full single-life rate should again be reduced by the same percentage formula that was in effect at the time of his or her retirement.

EFFECTIVE DATE

Senate bill

Section 2 of the Senate bill provided that the amendment made by the first section of the bill shall apply only with respect to monthly payments of annuities that are paid for any month commencing on or after the date of enactment of the Act. Thus, the amendment would be applicable to any annuity, regardless of its commencing date, but no increase in such annuity resulting from the application of the amendment would be paid for any month commencing prior to the date of enactment.

House amendment

Section 2 of the House amendment provided for the recomputation of annuities of present retirees and surviving spouses in accordance with the amendments made by the first section of the House amendment. In addition, annuities were provided for the spouses of retirees who did not have the opportunity or failed to provide annuities for their surviving spouses. Section 2 of the House amendment further provided that no annuity or annuity increase resulting from the application of that section shall be paid for any period before the date of enactment of the Act, or the commencing date of annuity, whichever is later.

Conference substitute

The conference substitute provides that the amendment made by the Act shall apply to any annuity, regardless of its commencing date, but no increase in such annuity resulting from the application of the amendment shall be paid for any month commencing prior to the date of enactment of the Act.

Gale W. McGee,
Quentin Burdick,
Ted Stevens,
Managers on the Part of the Senate.
Thaddeus J. Dulski,
David N. Henderson,
Dominick V. Daniels,
Jerome R. Waldie,
Lawrence J. Hogan,
Managers on the Part of the House.

Mr. McGEE. Mr. President, the disagreement over S. 628 arose when the House of Representatives amended the Senate-passed bill to eliminate entirely the reduction made in a retired Federal employee's annuity in order to provide for a surviving spouse. The original or Senate version of the bill simply provided for restoration of the single full life annuity in periods of nonmarriage, as, for instance, when the annuitant is preceded in death by a spouse, thus obviating the need for a surviving spouse benefit.

The difference in cost, in terms of the unfunded liability to the Civil Service Retirement Fund, was considerable. The House version, presented without benefit of hearings, would have added an estimated $5.8 billion to that liability, to be amortized over 30 years.

The conferees having met, the House managers have, as the statement of managers says, agreed to a substitute which is in essence the same as the Senate bill in that it eliminates the annuity reduction only for months during which the annuitant is not married. The language of the bill has been clarified, however, with regard to the level of reduction in circumstances where an annuitant subsequently remarries.

Mr. President, I move adoption of the conference report.

The motion was agreed to.

TIME LIMITATION AGREEMENT—CONFERENCE REPORT ON H.R. 11537

Mr. ROBERT C. BYRD. Mr. President, will the Senator from Utah yield to me for a unanimous-consent request, with the understanding that he retain his right to the floor?

Mr. MOSS. I yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from Utah is now calling up the conference report on H.R. 11537. The distinguished Senator from Idaho (Mr. McClure) has indicated that he will make a motion to recommit that conference report and will ask for the yeas and nays on such motion. I ask unanimous consent that, with the understanding that such vote will not occur until tomorrow, there be a time limitation on the conference report of 40 minutes, to be equally divided between Mr. McClure and Mr. Moss; a time limitation on any debatable motion or appeal of 10 minutes, to be equally divided in accordance with the usual form, and that the conference report be called up immediately following the close of routine morning business tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it may be in order at this time to order the yeas and nays, which I understand the Senator from Idaho is going to ask for on tomorrow. The Senators may be a little busy elsewhere in the morning at that hour.

I ask unanimous consent that it be in order at this time to order the yeas and nays on the motion to recommit which will be offered by the Senator from Idaho.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Does the Senator wish to have the yeas and nays on the adoption of his conference report also?

Mr. MOSS. I do not see the necessity of that on the conference report.

Mr. ROBERT C. BYRD. I thank the Senator.

ASSESSMENT OF THE CURRENT ECONOMIC SITUATION

Mr. MOSS. Mr. President, the deepening economic difficulties, the hopes aroused by summitry, and President Ford's soon-to-be-announced "new economic program" makes it important to assess the current economic situation in light of all the "talk."

At the outset, the areas of agreement should be determined. There seems to be almost total unanimity in four areas of discussion: First. Our economic crisis is a product of a decade of political and economic events and it is pure fantasy to expect any program to give immediate relief; second, some form of tax relief for those who have been hit hardest by inflation is required; third, an expanded public service program to offset possible increases in unemployment resulting from restrictive fiscal and monetary measures will be needed; and fourth, some sort of credit allocation system will be necessary to provide relief for the housing industry.

Policy decisions in the areas of agreement will most likely be inflationary unless fairly dramatic countermeasures are taken. So far no specific countermeasures have been proposed to offset these inflationary pressures, other than general statements about large budget cuts. Tomorrow the administration will present its specific proposals to this Congress and the Nation. It is fundamental for any viable economic program to adopt policies that will minimize any inflationary or recessionary consequences but yet yield widespread benefits to a maximum number of individuals and interest groups.

This goal can only be achieved by full-scale attack on prices, unemployment, interest rates, and energy shortages. If this goal is to be reached economic policy must transcend the areas of agreement. I believe that the following economic measures will be necessary if we are to have a viable anti-inflation counterrecession program: First. Selective wage, price, and profit control. Second. A vigorous antitrust policy and elimination of regulation which restrain competition. Third. A noninflationary reduction of interest rates. Fourth. A reemphasis of Project Independence and its coordination with the international energy situation.

Without question the most controversial measure is wage, price and profit controls. Presently, a small but distinct minority of economists support such controls. Senator Mansfield spoke out for controls at the Economic Summit Conference. His perceptiveness has been proven in the last week by a dramatic increase in unemployment, a crashing stock market, and an early frost that has cut short growing seasons for many key crops.

It is important to keep in mind the economic indicators that required the Nixon administration to impose controls in 1971—an unemployment rate of 6 percent and an inflation rate of 4 percent, certainly a moderate inflation rate compared to our current rate of 12 percent. Our present soaring unemployment rates are equally disturbing. Friday, October 4, the Labor Department announced that in September unemployment increased by 438,000 persons, pushing the unemployment rate from 5.4 percent to 5.8 percent. This is the largest one month increase since January, when the unemployment rate climbed to 5.2 percent due to the effects of the Arab oil embargo. Today there are over 5.3 million unemployed and this burden of unemployment falls disproportionately on the labor force. The construction industry's unemployment rate stands at 12.4 percent, the highest in 4 years. Blue collar workers are suffering almost 7 percent unemployment while unskilled workers' unemployment rate stands at over 10 percent. A recession is a full-fledged depression for the semiskilled and unskilled. Our efforts to reduce inflation are leading to enormous hardships for millions. An economic program must hold prices in check and reduce unemployment. This is why demands for controls will surely increase as unemployment climbs and inflationary pressures persist. There are several forces which will result in a continued upward pressure on prices. New wage demands of labor, likely increases in food prices because of the midwest drought, the recent high wholesale price increases which generally take 2 to 3 months to work into the Consumer Price Index, and indications that the price of imported oil will be increased, make any drop in the Consumer Price Index unlikely.

The probable increases in unemployment and inflation rates raise two critical questions: First. Will these economic pressures overcome the national distaste for wage-price-profit controls and bring a call for such controls; Second. Are controls effective in reducing inflation rates.

The first question is easier to answer than the second. It seems certain that economic realities will force the President to endorse controls sooner or later. The results of phase 2 demonstrate the short run effectiveness of controls. The long-run effects of controls are open to considerable controversy. But I believe to adopt controls now means fewer controls and duration of controls for a shorter time. If the economic crisis is permitted to deepen, controls will be required for many months and they will be widespread controls rather than selective controls.

Therefore, I propose serious consideration should be given to selective wage, price and profit controls embracing those sectors of the economy characterized by concentrated power, such as health care, and oil industries.

The above proposal is a consequence of the concentrations of private economic power which have enabled some sectors of the economy to insulate themselves from the influence of monetary and fiscal policies. Wage and price controls can deal with these market imperfections in the short term. In the long run the deregulation of the Government and vigorous antitrust action would eliminate many of the devices responsible for these concentrations of economic power. A list from the Economic Summit Conference of some 32 areas of actions provides direction for any attack against concentrations of economic power and the Government regulations that sustain prices at artificially high levels.

Therefore, I propose a call for vigorous antitrust action against monopolistic practices, the elimination of Government regulations that interfere with competition and lead to increased prices or otherwise give the economy an inflationary bias.

Much of the discussion at the Economic Summit Conference centered on interest rates. The business sector, labor, banking, industry, and the housing industry, all feel that high interest rates are at the heart of their economic problems. A policy should be developed which will reduce interest rates while minimizing the possible inflationary pressures of such action. Fundamental to any attempt at reducing interest rates is a reduction in the deficit. It is true that budget balancing will have little impact on inflation rates, but it will reduce pressures in the credit market and bring interest rates down. Balancing the budget should be achieved by cuts in the defense budget and by enacting revenue-raising tax reform. Four billion dollars in revenue could be raised through elimination of the oil depletion allowance and the interest charge deduction on consumer credit. An increase of the minimum tax and capital gains tax would yield another $2 billion. A surtax for families above a certain income-tax level could raise substantially more.

It is important also to develop a way in which the credit activities of certain Federal agencies; that is, Exim Bank, FHMA, et cetera, can be integrated into monetary and fiscal policy and overall debt management. Last year the debudgeted agencies had a total credit demand of $21 billion, or 31 percent of all credit and equity market activity. This illustrates the extent of Government credit activity in private financial markets. What is critical is that this activity is not well coordinated wth monetary and fiscal policy.

Therefore, I propose a reduction in interest rates to be achieved by balancing the budget through tax reform and defense cuts, adoption of a program to account for the credit activities of debudgeted agencies, and finally to endorse a 6-percent annual growth rate in the money supply.

In many quarters the "real economic threat" is the sudden and massive transfers of wealth to the oil-exporting countries. This phenomenon threatens the global economy and the very economic survival of some countries, for example, Italy and India. With this backdrop a program for the development of alternative sources of energy should receive emergency status. This should be joined by an allout program of energy conservation. A conservation program could depend on voluntary measures and on taxation designed to limit energy consumption. The possibilities of a tax break or energy stamp for the poor to offset the regressiveness of the rapid price increases of fuel should be examined. But, to be certain of equity, mandatory limits on consumption should be set.

The United States must be prepared to put forward specific plans for sharing its own fuel with those who will be affected even more severely by the necessity for energy conservation.

Therefore, I propose increased emphasis on Project Independence and the international energy crisis. We must actively seek cooperation and coordination of action of all energy deficient nations.

Mr. President, if we are to reduce unemployment and at the same time control inflation, the measures I have proposed are essential to any antiinflation counterrecession program.

Mr. President, I yield the floor.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATORS McCLURE, GRIFFIN, BUCKLEY, MANSFIELD, AND DESIGNATING A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, the following Senators be recognized, each for not to exceed 15 minutes, and in the order stated: Messrs. McClure, Griffin, Buckley, and Mansfield; after which there be a period for the transaction of routine morning business of not to exceed 10 minutes, with statements therein limited to 2 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR MOSS TOMORROW TO CALL UP THE CONFERENCE REPORT ON H.R. 11537

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the conclusion of routine morning business tomorrow, the Senator from Utah (Mr. Moss) be recognized for the purpose of calling up the conference report on H.R. 11537, in connection with which an agreement has already been entered into.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the conference report on H.R. 11537, the Senate proceed to the consideration of the communications legislation, H.R. 12993.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President,

I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR HARRY F. BYRD, JR., ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the name of Mr. HARRY F. BYRD, JR., be included among the list of those Senators for whom recognition is being granted tomorrow, and I would ask that Mr. BYRD's name follow the name of Mr. BUCKLEY.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Concurrent Resolution 658.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 658, which was read as follows:

H. CON. RES. 658

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, October 8, 1974, at 4 p.m. for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 658) was agreed to.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at the hour of 9 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 15 minutes, and in the order stated: Mr. MCCLURE, Mr. GRIFFIN, Mr. BUCKLEY, Mr. HARRY F. BYRD, JR., and Mr. MANSFIELD; after which there will be a period for the transaction of routine morning business for not to exceed 10 minutes, with statements limited therein to 2 minutes.

At the conclusion of routine morning business the Senate will proceed to the consideration of the conference report on H.R. 11537 under a time limitation agreement. There is a limitation on time for debate of 40 minutes to be equally divided. There is a limitation on debatable motions and appeals of 10 minutes each. The distinguished Senator from Idaho (Mr. MCCLURE) has already indicated that he will offer a motion to recommit the conference report. The yeas and nays have already been ordered on such motion to recommit. Hence a rollcall vote should occur tomorrow morning at around the hour of 10:30 a.m. give or take.

Mr. President, also on tomorrow, upon the disposition of that conference report, the Senate will proceed to the consideration of the bill H.R. 12993, a bill to amend the Communications Act. It is also possible that on tomorrow the conference report on the campaign reform bill will be called up; and certainly within the next day or so the Senate would hope to be in position to take up the conference report on the continuing resolution, and also the bill making supplemental appropriations.

So yea-and-nay votes are expected to occur daily.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjourment until 9 a.m. tomorrow.

The motion was agreed to; and at 5:36 p.m., the Senate adjourned until Tuesday, October 8, 1974, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate, October 7, 1974:

IN THE COAST GUARD

Marshall K. Phillips
Paul Nichiporuk
James I. Doughty
Kenneth A. Long
Henry Lohmann
Arthur E. Ladley, Jr.
Jack E. Coulter
Richard T. Brower
Raymond J. Copin
Verne E. Cox
Robert B. Bacon
Philip J. Danahy
Joseph A. McDonough, Jr.
William C. Nolan
George H. Wagner
Billy E. Richardson
Albert C. Tingley, Jr.
James A. Wilson
Beverly V. Billingslea
Nelson G. Emory
Richard K. Simonds
Joseph P. Dawley
Jack E. Buttermore
Rex R. Morgan
Victor R. Robillard
Arnold M. Danielsen
Robert T. Getman
Norman E. Fernald
Frank J. Diersen
Henry N. Helgesen
Gordon D. Hall
James C. Knight
Maynard J. Fontaine
Merrill K. Wood
David B. Flanagan
Henry Haugen
David L. Green
Charles B. Glass
William N. Spence
Kenneth W. Forslund
Irvin W. Lindemuth
James E. Ferguson
Joseph L. Coburn, Jr.
Leon T. Dankiewicz
Robert L. Cook
Leo Jordan
Howard M. Veillette
Arthur E. Gerken
Howard B. Thorsen
Robert E. Larson
Charles A. Biondo
Charles A. Millradt
Charles Leddy
Edward W. Murphy
Thomas C. Lutton
John J. Dirschel, Jr.
George E. Walton
William J. Bickford
Henry Suski
Richard L. Brown
Frederick F. Herzberg, Jr.
Herbert H. H. Kothe
James M. Fournier
Stephen J. Dasovich
Robert L. Johanson
Alan D. Breed
Kenneth R. Depperman
Edward F. Lewis
Edmund J. Spillane, Jr.
Robert H. Overton III
John M. Duke, Jr.
John W. Duenzl
Floyd D. Hunter
John B. Friel

IN THE NAVY

Capt. John J. O'Connor, Chaplain Corps, U.S. Navy, for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law.

IN THE MARINE CORPS

The following-named (Navy Enlisted Scientific Education Program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Dixon, Kenneth W.
Freisthler, William E.
McDonough, Richard F.
Parmenter, Mark T.
Wilkins, Charles F.

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Andrews, Robert M.
Clark, James R.
Ford, Barry M.
Graham, Richard A.
Hall, Robert M.

IN THE MARINE CORPS

The following-named (Naval Reserve Officer Training Corps) graduate for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Portman, Terrance M.

The following-named temporary disability retired officer for reappointment to the grade of chief warrant officer in the Marine Corps, subject to the qualifications therefor as provided by law:

Harmon, Tommy A., [redacted] USMC.

HOUSE OF REPRESENTATIVES—*Monday, October 7, 1974*

The House met at 12 o'clock noon.

Rev. T. Luther Jones, director, Department of Pastoral Care, Jackson Memorial Hospital, Miami, Fla., offered the following prayer:

Almighty God and Father of all mankind, we come together to embrace the opportunities and challenges of this day. We enter upon it in faith, praying that each endeavor undertaken may please Thee.

As we gather in this place where the laws of men are made, we ask that Thou wilt write Thy perfect law upon our hearts. Bless all of those assembled here, and give to them the desire to hear and obey Thy voice. Cause them to be instruments of Thy peace, to help heal the hurts of our Nation in these perilous days. Strengthen their hands, enlarge the vision, and illuminate their minds as they fulfill the trust which has been given to them. In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3532. An act for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall;

H.R. 5641. An act to authorize the conveyance of certain lands to the New Mexico State University, Las Cruces, N. Mex.;

H.R. 6202. An act for the relief of Thomas C. Johnson;

H.R. 6477. An act for the relief of Lucille de Saint Andre; and

H.R. 7135. An act to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damage to, or loss of, personal property incident to their service.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 11013. An act to designate certain lands in the Farallon National Wildlife Refuge, Calif., as wilderness; to add certain lands to the Point Reyes National Seashore; and for other purposes;

H.R. 13342. An act to amend the Farm Labor Contractor Registration Act of 1963 by extending its coverage and effectuating its enforcement; and

H.R. 14597. An act to increase the limit on dues for U.S. membership in the International Criminal Police Organization.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 356) entitled "An act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. MOSS, and Mr. STEVENS to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the concurrent resolution (S. Con. Res. 81) entitled "An act relating to unaccounted for personnel captured, killed, or missing during the Indochina conflict," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FULBRIGHT, Mr. SPARKMAN, Mr. MANSFIELD, Mr. AIKEN, and Mr. CASE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1534. An act for the relief of Dr. Lawrence Chin Bong Chan;

S. 2904. An act to improve judicial machinery by amending subsection (g) of section 1407, chapter 87, of title 28 of the United States Code, to exempt actions brought by the Securities and Exchange Commission under the Federal securities laws from the operation of that section, and for other purposes;

S. 3022. An act to amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of certain rivers for possible inclusion in the national wild and scenic rivers system; to amend the Lower Saint Croix River Act of 1972 (86 Stat. 1174), and for other purposes;

S. 3397. An act for the relief of Jose Ismarnardo Reyes-Morelos;

S. 3718. An act for the relief of Leah Maureen Anderson.

S. 4013. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein;

S. 4016. An act to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes;

S. 4073. An act to extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes; and

S.J. Res. 188. Joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

EMERGENCY TOBACCO PRICE SUPPORT INCREASE

The Clerk called the bill (H.R. 16056) to provide for emergency increases in the support level for the 1974 crop of Flue-cured tobacco.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CERTAIN FIRE DISTRICTS AND DEPARTMENTS IN THE STATE OF MISSOURI

The Clerk called the bill (H.R. 11847) for the relief of certain fire districts and departments in the State of Missouri to compensate them for expenses relating to a fire on Federal property.

There being no objection, the Clerk read the bill as follows:

H.R. 11847

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the following fire departments and fire districts in the State of Missouri the sum indicated thereafter:

(1) City of Berkeley Fire Department, the sum of $546.36.

(2) Black Jack Fire Protection District, the sum of $220.52.

(3) City of Brentwood Fire Department, the sum of $85.40.

(4) Chesterfield Fire Protection District, the sum of $90.28.

(5) City of Clayton Fire Department, the sum of $97.60.

(6) Community Fire Protection District, the sum of $11,250.51.

(7) Creve Coeur Fire Protection District, the sum of $1,843.58.

(8) Eureka Fire Protection District, the sum of $117.12.

(9) City of Ferguson Fire Department, the sum of $158.60.

(10) City of Hazelwood Fire Department, the sum of $183.00.

(11) City of Kirkwood Fire Department, the sum of $583.88.

(12) City of Ladue Fire Department, the sum of $87.84.

(13) Maryland Heights Fire Protection District, the sum of $2,492.60.

(14) Mehlville Fire Protection District, the sum of $214.72.

(15) Moline Fire Protection District, the sum of $48.80.

(16) Normandy Fire Protection District, the sum of $628.00.

(17) City of Olivette Fire Department, the sum of $484.24.

(18) Pattonville Fire Protection District, the sum of $390.40.

(19) Robertson Fire Protection District, the sum of $1,190.72.

(20) City of Rock Hill Fire Department, the sum of $213.24.

(21) City of Saint Charles Fire Department, the sum of $407.48.

(22) Saint Charles Township Fire Protection District, the sum of $6.00.

(23) City of Saint Louis Fire Department, the sum of $219.60.

(24) Spanish Lake Fire Protection District, the sum of $58.56.

(25) City of University City Fire Department, the sum of $412.92.

(26) City of Webster Groves Fire Department, the sum of $126.88.

(27) Wellston Fire Protection District, the sum of $975.80.

(28) West Overland Fire Protection District, the sum of $2,264.22.

The payment of each such sum shall be in full satisfaction of all losses and expenses incurred by each such fire district or department in connection with fighting the fire at the United States General Services Administration's Military Personnel Records Center in Overland, Missouri, from July 12 to July 16, 1973.

Mr. SYMINGTON. Mr. Speaker, I would like to make a few brief remarks to explain why I introduced this bill, H.R. 11847, and to urge my colleagues to vote in favor of it. As you know, this bill would compensate 28 St. Louis area fire districts for the losses they incurred while fighting the massive fire last summer at the Military Personnel Records Center in St. Louis County. I have available an itemized list of the expenses to be reimbursed by this bill and would be happy to provide this list to any of my colleagues who would like this information.

I would first like to bring your attention to the fact that the Fire Prevention and Control Act of 1974, recently approved by a House-Senate conference committee, contains a provision that would authorize Federal reimbursement to local fire districts for additional expenses they might incur fighting a fire on Federal property. This bill is not, of course, retroactive and therefore this private relief bill is necessary to apply the principle just agreed upon by Congress to the case of the Records Center fire.

I assure my colleagues that had the Records Center fire been a "typical" or "average" Federal fire, if such a tragedy can be said to exist, I would not have introduced the bill we are now considering. The fire lasted 4 days, it was battled by over 350 firemen from 43 different fire departments who used over 50 million gallons of water. The average damage from fires to all Federal buildings in the United States during the last 3 years for which figures are available—fiscal years 1970–72—has totaled $15 million. The damage from the Records Center fire alone comes to over $7 million. This does not include the most tragic element of the loss from this fire—the destruction of the service records of 20 million Americans veterans.

Perhaps the most compelling justification for Federal compensation for the cost of fighting this fire is the fact that negligence on the part of the Federal Government made the outbreak of such a massive fire much more likely and severely inhibited the courageous efforts of the local firefighters. The General Services Administration had received repeated recommendations from its own fire safety experts as early as 1963 that a sprinkler system should be installed. Yet in 1973 there were no sprinklers on the sixth floor, where the fire occurred. The sixth floor, which no longer exists, used to be the size of six football fields and had no fire walls or other forms of separation. The roof was a concrete shell 8 inches thick with no smoke vents, no smoke detectors, nor an early warning system. The records were stacked from floor to ceiling in cardboard boxes. The list of such abuses continues but I will not belabor the point. The Records Center has a history of less-than-adequate cooperation with the local fire authorities in their efforts to improve fire safety at the facility.

I might conclude by pointing out that the total sum of this bill is only $26,000. This represents the costs of equipment lost or damaged while fighting the fire and additional manpower expenses incurred as a direct result of fighting the fire. Only 28 of the 43 departments suffered such losses. The manpower expenses were computed at the very conservative rate of $2.44 per hour. I can assure you that no one is profiting from this bill at the expense of the Federal Treasury.

Since the responsibility for the fire clearly belongs to the Federal Government, since the fire was of such colossal proportions that it dwarfed the resources of the firefighters in the immediate area, and since the Records Center does not support the local fire district involved, I hope the House will recognize the justice to be served by this bill.

Thank you very much.

Mr. DANIELSON. Mr. Speaker, the bill H.R. 11847 would pay a total of $25,398.87 to the 28 fire departments and fire districts in Missouri which are listed in the bill. The amounts stated in the bill would be paid in full satisfaction of all losses and expenses incurred by each in connection with fighting a fire at the General Services Administration Military Personnel Records Center in Overland, Mo., in July 1973. The payments include $9,665.75 for equipment lost or damaged in fighting the fire and $15,733.12 for supplemental manpower expenses.

The General Services Administration in its report to the committee on the bill has stated it has no objection to the bill.

The fire at the Military Personnel Records Center began on July 12, 1973. The Center is located in a reinforced concrete warehouse type structure with six floors, containing an area of over 1.5 million gross square feet and is under the custody and control of the General Services Administration. When completed in 1956, it was considered one of the 20 largest buildings in the world.

The General Services Administration reports that within minutes after the discovery of the fire, elements of the Community Fire Protection District of St. Louis County responded. Because of the size of the building and the rapid spread of fire, additional district and local fire departments were called for assistance. By the afternoon of July 13, some firemen were able to enter the sixth floor to fight the fire from the interior. By daylight on July 14, the fire was contained to a small area on the sixth floor. The fire was considered extinguished on Monday, July 16, after the entire sixth floor was destroyed.

The Center is within the boundaries of the Community Fire Protection District but outside the boundaries of the other fire departments which responded to the fire. Previous to the fire in order to provide assistance in emergency conditions, all of the fire departments involved in extinguishing the blaze had entered into a mutual-aid agreement pursuant to Missouri law for the interchange of firefighting services.

The General Services Administration in its report stated that the extent and duration of the fire required utilization of firefighting resources beyond the capability of the community fire protection district and required utilization of the total resources of fire departments and districts who were signatories of the mutual aid agreement. Thus, the United States was able to benefit from this mutual aid agreement. If it had not been in existence, the fire service given the United States in this instance would have been available only on the basis of the voluntary cooperation of those fire departments and districts beyond the boundaries of the community fire protection district.

On the basis of the consideration of all of the facts of this case, including the nature and size of the fire and the unusual burden placed upon the area fire districts, it has been concluded that in this unique situation, relief to the degree provided in this bill is appropriate. It is relevant to note that since the records center is Federal property, it has never been subject to any fire district tax or levy. Nevertheless, as soon as the fire was reported, every piece of firefighting equipment from the community fire protection district responded immediately to fight the fire and save the records of millions of veterans. When assistance from the other 27 departments is included, a total of 200 firemen responded.

The committee has been advised that the records center has never been paid a fee or tax for the fire protection it received. Yet in this instance, the fire district in which it is situated suffered such unusual expense in fuel, man-hours, and loss or damage to its equipment that it faces a prospect of possibly seeking a bond issue to pay for its losses. This appears to be unjust to local taxpayers.

Information made available to the committee indicates the possibility that the records center was not in compliance with the existing fire codes of the city of Overland. Although at least part of the fourth floor of the building has a sprinkler system, the entire building is without the benefits of a required sprinkler system. Such a system could have helped to contain the recent blaze and minimize the loss of records.

It is recommended that the bill be considered favorably.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPEALING THE "COOLIE TRADE" LAWS

The Clerk called the bill (H.R. 778) to repeal the "coolie trade" laws.

There being no objection, the Clerk read the bill as follows:

H.R. 778

Be it enacted by the Senate and House of Representatievs of the United States of America in Congress assembled, That sections 2158–2163, Revised Statutes, and sections 1, 2, and 4 of the Act of March 3, 1875 (ch. 141, 18 Stat. 477) (8 U.S.C. 331–339), are hereby repealed.

Mr. MATSUNAGA. Mr. Speaker, I rise in support of H.R. 778, a bill which I introduced to repeal the "coolie trade" laws enacted by Congress in 1862 and 1875.

The repeal of these laws, long overdue, would represent an expression by the Congress that the circumstances which prompted the enactment of these laws no longer exist, because of a change in social, economic and political conditions.

Moreover, the word "coolie" carries a demeaning connotation to persons of Chinese ancestry—Americans and foreigners alike. To perpetuate these laws would constitute the deliberate continuation of such connotations.

On three separate occasions—in the 89th, 90th and 92d Congress—the House passed this legislation, only to see it die in the Senate. This year, I am pleased to report, the Senate has acted to pass an identical bill, so our action today will clear the bill for Presidential signature.

In summary, I urge swift, long-overdue and unanimous action by the House in repealing the obsolete, unnecessary and irritant coolie laws.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 2220) to repeal the coolie trade laws.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the Senate bill as follows:

S. 2220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections 2158–2163, Revised Statutes, and sections 1, 2, and 4 of the Act of March 3, 1875 (ch. 141, 18 Stat 477) (8 U.S.C. 331–339), are hereby repealed.

The Senate bill was ordered to be read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

A similar House bill (H.R. 778) was laid on the table.

GENERAL LEAVE

Mr. **DANIELSON.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks with respect to the legislation just passed, H.R. 778, S. 2220, and the previous bill H.R. 11847.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

TRANSFER OF RAILWAY EQUIPMENT IN HAWAII

The Clerk called the bill (H.R. 1355) to donate certain surplus railway equipment to the Hawaii Chapter of the National Railway Historical Society, Inc.

There being no objection, the Clerk read the bill as follows:

H.R. 1355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The Administrator of General Services shall donate to the Hawaii Chapter of the National Railway Historical Society, Incorporated, a Hawaii corporation, within thirty days after the date of enactment of this Act without monetary consideration, all right, title, and interest of the United States in and to surplus railway property consisting of one locomotive and twelve flatcars more particularly described in section 5 of this Act.

SEC. 2. The donation of the surplus property described in section 1 is subject to the following conditions:

(a) A railroad park and museum will be built in the State of Hawaii and open to the public within three years after the date of the enactment of this Act.

(b) After the park and museum mentioned in subsection (a) becomes open to the public, all property donated pursuant to this Act will be used for park or museum purposes in or in conjunction with such park and museum.

(c) All property donated pursuant to this Act shall be maintained in a reasonable state of repair, and (after the opening of the park and museum mentioned in subsection (a)) shall be available for public access without charge or with minimal charge.

(d) The Hawaii Chapter, as such, of the National Railway Historical Society, Incorporated, is of legal capacity, according to the law of the appropriate jurisdiction, to receive and hold title to the property donated pursuant to this Act.

SEC. 3. Upon failure of any condition in section 2 of this Act, except the condition in section 2(a), the Administrator of General Services, or his authorized delegate, may retake title and possession of any and all such donated property. In the event the condition in section 2(a) fails, the Administrator, or his authorized delegate, may retake title or possession unless the property conveyed is being used for other similar public purposes.

SEC. 4. Donation of property puruant to this Act shall be on an "as is" and "where is" basis, and without warranty of any kind.

SEC. 5. The surplus property donated pursuant to this Act comprises one 25-ton Cummins, 6 cylinder diesel engine locomotive, USA numbered 7750; and twelve wooden platformed railway flatcars, USA numbered 91816, 91899, 91868, 91903, 91872, 91912, 91876, 91915, 91932, 91878, 91920, and 91940.

Mr. **MATSUNAGA.** Mr. Speaker, H.R. 1355, a bill which I introduced and which is now before the House for consideration, makes a very modest proposal. It would, at no cost to the Government, provide an important and innovative historical, educational, and recreational facility for the residents of and visitors to my own State of Hawaii.

H.R. 1355 would permit the donation of some obsolete railroad equipment consisting of a locomotive and 12 flat cars, for use as a rolling museum on the island of Oahu. Oahu was importantly influenced by railroads, but does not now have a single operating railroad today.

This bill has been unanimously reported by the very distinguished Government Operations Committee, before whose Subcommittee on Government Activities I was privileged to testify in support of the bill. That subcommittee fully considered the bill, analyzed all possibilities for alternative courses of action, and, after weighing the relative social benefits, agreed without a single dissenting voice that H.R. 1355 offers the most socially beneficial course of available action. Concurrence with this action has been reported by six executive agencies.

I urge all of my colleagues to join with me now for the unanimous passage of this totally desirable legislation.

Mrs. **MINK.** Mr. Speaker, I rise in support of H.R. 1355, legislation directing the General Services Administration to transfer to the Hawaiian Railway Society, Inc., surplus railroad equipment owned by the Federal Government.

The equipment in question is located on the island of Oahu. It consists of 1 locomotive and 12 flatcars. It was formerly used by the Navy but declared surplus in 1971. The General Services Administration has screened other Federal agencies but none want this equipment.

Upon being donated to the nonprofit Hawaiian Railway Society, Inc., the locomotive and flatcars will be used as part of a public museum and park being created in cooperation with the parks department of the city and county of Honolulu, Hawaii.

The bill requires that the equipment be used for this purpose within 3 years after enactment. The Comptroller General has reported to the Congress that if not donated to the society, the equipment would probably have to be sold as scrap; he said this would be "an extremely poor return on the original investment." All Federal agencies involved are supporting this legislation.

As far as I know there is no opposition whatsoever to this bill. It has but one purpose: To benefit the public, both those who live in Hawaii and our thousands of visitors, through experiencing the nostalgia of a real locomotive at a public museum and park.

Members of the Hawaiian Railway Society, Inc., have dedicated great effort into this project, primarily because of their interest in and enjoyment of railroad history. They will have no financial gain, and indeed will be required to maintain the equipment in a reasonable state of repair and available to the public without charge.

I urge the approval of this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVANCE PAYMENT OF SUBSCRIPTION CHARGES FOR AUDIO PUBLICATIONS

The Clerk called the bill (H.R. 7072) to allow advance payment of subscription charges for publication for official use prepared for auditory as well as visual usage.

There being no objection, the Clerk read the bill as follows:

H.R. 7072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 12, 1930 (46 Stat. 580, 31 U.S.C. 530a), as amended, is hereby amended by adding at the end thereof the following new section:

"SEC. 2. For the purposes of this Act, the term 'other publications' shall include any publication printed, microfilmed, photocopied, or magnetically or otherwise recorded for auditory or visual usage."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOVERNMENT PRINTING OFFICE DISBURSING OFFICER

The Clerk called the Senate bill (S. 1794) to amend section 308 of title 44, United States Code, relating to the disbursing officer, deputy disbursing officer, and certifying officers and employees of the Government Printing Office.

There being no objection, the Clerk read the Senate bill as follows:

S. 1794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 308 of title 44, United States Code, is amended to read as follows:

"§ 308. Disbursing officer; deputy disbursing officer; certifying officers and employees

"(a) The Public Printer shall appoint from time to time a disbursing officer of the Government Printing Office (including the Office of the Superintendent of Documents) who shall be under the direction of the Public Printer. The disbursing officer shall (1) disburse moneys of the Government Printing Office only upon, and in strict accordance with, vouchers certified by the Public Printer or by an officer or employee of the Government Printing Office authorized in writing by the Public Printer to certify such vouchers, (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, certified, and approved, and (3) be held accountable accordingly. However, the disbursing officer shall not be held accountable or responsible for any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate, the responsibility for which, under subsection (c) of this section, is imposed upon a certifying officer or employee of the Government Printing Office.

"(b)(1) Upon the death, resignation, or separation from office of the disbursing officer, his accounts may be continued, and payments and collection may be made in his name, by any individual designated as a deputy disbursing officer by the Public Printer, for a period of time not to extend beyond the last day of the second month following the month in which the death, resignation, or separation occurred. Accounts and payments shall be allowed, audited, and settled, and checks signed in the name of the former disbursing officer by a deputy disbursing officer shall be honored in the same manner as if the former disbursing officer had continued in office.

"(2) A former disbursing officer of the Government Printing Office or his estate may not be subject to any legal liability or penalty for the official accounts or defaults of the deputy disbursing officer acting in the name or in the place of the former disbursing officer. Each deputy disbursing officer is responsible for accounts entrusted to him under paragraph (1) of this subsection, and the deputy disbursing officer is liable for any default occurring during his service under such paragraph.

"(c)(1) The Public Printer may designate in writing officers and employees of the Government Printing Office to certify vouchers for payment from appropriations and funds. Such officers and employees shall (A) be responsible for the existence and correctness of the facts recited in the certificate or other voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved, (B) be responsible and accountable for the correctness of the computations of certified vouchers, and (C) be accountable for, and required to make restitution to, the United States for the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved. However, the Comptroller General of the United States, may, at his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds that (i) the certification was based on the official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (ii) when the obligation was incurred in good faith, the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and the United States has received value for such payment. The Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by section 66 of title 49, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land grant deductions.

"(2) The liability of such certifying officers or employees shall be enforced in the same manner and to the same extent as provided by law with respect to the enforcement of the liability of disbursing and other accountable officers. Such certifying officers and employees shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.".

(b) Item 308 contained in the analysis of chapter 3 of such title 44 is amended to read as follows:

"308. Disbursing officer; deputy disbursing officer; certifying officers and employees.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARING THAT THE UNITED STATES HOLDS IN TRUST FOR THE BRIDGEPORT INDIAN COLONY CERTAIN LANDS IN MONO COUNTY, CALIF.

The Clerk called the bill (H.R. 3458) to declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif.

There being no objection, the Clerk read the bill as follows:

H.R. 3458

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the right, title, and interest of the United States in the following described public domain land located in Mono County, California, are hereby declared to be held by the United States in trust for the Bridgeport Indian Colony:

The southeast quarter of the northeast quarter of section 28, township 5 north, range 25 east, Mount Diablo base and meridian, Mono County, California, containing forty acres more or less.

Provided further, That said parcel shall be subject to the easement to the Bridgeport Public Utility District for a sewer main.

Mr. MATHIAS of California. Mr. Speaker, I am hopeful that my colleagues will join me in voting for the passage of H.R. 3458, the bill I introduced in behalf of the Bridgeport Indian Colony in Mono County, Calif. The bill would hold in trust 40 acres of public domain land now managed by the Bureau of Land Management. These 40 acres of public domain land are unoccupied and are well suited for the small band of Paiute Indians to establish permanent and decent homes.

The small Indian colony is living on land that has been the home of Paiute Indians since the 1800's. This land, however, was illegally and improperly taken from the ancestors of the Bridgeport Indians. A land patent for their 160-acre homesite was issued to a non-Indian in 1914 by the General Land Office, predecessor of the Bureau of Land Management. This was an illegal patent because it was issued in direct violation of an administrative requirement prohibiting the granting of patents on land occupied by Indians. The patentee signed an affidavit that the entire 160 acres were unoccupied and specifically that no Indians were living on the land. Historians have documented the continued presence of Paiute Indians in the Bridgeport area since 1862.

The Bridgeport Indians have been allowed to live on a small portion of the original 160 acres by several non-Indian heirs of the original patentee. In early 1968, however, one of the owners demanded that they vacate the site and initiated eviction proceedings. Legal intervention by the California Indian Legal Services kept the eviction proceedings in abeyance for some time. After learning that an attempt to solve the difficulty was pending before Congress, the owner agreed to cease the eviction proceedings so long as Congress worked toward a solution.

This small colony of approximately 60 Paiute Indians is in a grave situation. Most of them are living in totally substandard homes with no sanitation facilities and no inside running water. And, without congressional action, they will be forced to leave the land they have called home for more than 100 years.

The transfer of this land to the Bridgeport Indians would not cost the Federal Government any money because it is vacant public domain land administered by the Bureau of Land Management. The land is situated immediately adjacent to the town of Bridgeport and convenient hookups to utilities, water, and sewage are available. There is also an existing access road which contributes to making the land well suited for their housing needs.

I would like to point out that this legislation has the support of the Mono County Board of Supervisors and the townspeople of Bridgeport. The Senate passed a bill which is identical to H.R. 3458 on June 5, 1974.

For many years this small band of Indians has been living in an unstable and unpleasant situation and due to their poverty and lack of education, they have not been able to overcome the circumstances in which they have been placed. In their latest crisis, they have decided that now is the time for them to seek a better life for their families. With the passage of this bill these people can have the chance to improve their living conditions while maintaining their Indian heritage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HINSHAW. Mr. Secretary, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

DECLARING CERTAIN LANDS HELD IN TRUST FOR THE HUALAPAI INDIAN TRIBE

The Clerk called the bill (H.R. 7978) to declare that certain federally owned lands shall be held by the United States in trust for the Hualapai Indian Tribe, of the Hualapai Reservation, Ariz., and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 7978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 2 of this Act, the right, title, and interest of the United States in the lands in the State of Arizona set aside by Executive orders of

December 22, 1898, and May 14, 1900, for the purpose of the Hualapai Indian school reserve, which lands are described as follows:

Section 10, township 23 north, range 13 west, Arizona; northwest quarter of section 15 in township 23 north, of range 13 west, Gila and Salt River base and principal meridian, Arizona, are hereby declared to be held by the United States in trust for the Hualapai Indian Tribe of the Hualapai Reservation, Arizona, and shall be added to the Hualapai Indian Reservation established by Executive orders of January 4, 1883, June 2, 1911; and May 29, 1912.

SEC. 2. The lands described in section 1 shall be subject to the use of the Bureau of Indian Affairs, for the purpose of maintaining and using buildings thereon in connection with the operation of the Truxton Canon Agency, until such time as the Superintendent of the Agency has notified the Commissioner of Indian Affairs that the Agency's relocation at Peach Springs, on the seventy-four acre tract of land set up for the Agency's use by the Hualapai Tribe, has been completed and that the Bureau of Indian Affairs has no further use for the lands, or buildings located thereon, in connection with the operations of the Agency. At such time as the notice provided for herein is received by the Commissioner, title to the buildings and physical facilities located on the lands described in section 1 shall vest automatically in the Hualapai Indian Tribe free of any trust, and the use provided for herein shall be extinguished as a matter of law, and said lands shall be held free of said use in accordance with the provisions of section 1.

SEC. 3. The lands subject to this Act shall be administered in accordance with the laws and regulations applicable to Indian tribal lands.

With the following committee amendment:

Page 1, beginning on line 3, strike out all after the enacting clause and insert in lieu thereof the following:

That, subject to all valid existing rights-of-way, all of the right, title, and interest of the United States in and to the following described lands, containing 794.95 acres, more or less, and all federally owned buildings and improvements thereon are hereby declared to be held by the United States in trust for the Hualapai Indian Tribe of the Hualapai Reservation, Arizona, subject to the continued right of the United States to use such land, buildings, and improvements so long as needed for Indian agency and administrative purposes:

Northwest quarter, section 15, and all of section 10, township 23 north, range 13 west, Gila and Salt River base and meridian, Arizona, excepting a tract of land containing 5.05 acres, more or less, which is seven hundred thirty feet long and three hundred feet wide, lying along and adjacent to the southeasterly boundary line of the Atchison, Topeka, and Santa Fe Railway in the southeast quarter of section 10, township 23 north, range 13 west, Gila and Salt River base and meridian, and which tract is more particularly described in the Act of October 25, 1949 (63 Stat. 1205), as amended by the Act of June 23, 1970 (84 Stat. 2109).

SEC. 2. The lands subject to this Act shall be administered in accordance with the laws and regulations applicable to Indian tribal lands.

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which value of the title conveyed should or should not be set off against any claim against the United States determined by the Commission.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARING CERTAIN LAND HELD IN TRUST FOR THE SISSETON-WAHPETON SIOUX TRIBE

The Clerk called the bill (H.R. 8229) to declare that certain federally owned land is held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota.

There being no objection, the Clerk read the bill as follows:

H.R. 8229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to land on the Lake Traverse Indian Reservation in North and South Dakota is hereby declared to be held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe described as follows, to wit:

(1) the southeast quarter of the southeast quarter of section 16, township 123 north, range 53 west of the fifth principal meridian, county of Day, State of South Dakota, containing 40 acres, more or less, and

(2) the northwest quarter of the southeast quarter of section 4, township 123 north, range 51 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 40 acres, more or less, and

(3) the southwest quarter of the southwest quarter of the southwest quarter of section 15, township 126 north, range 52 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 10 acres, more or less, and

(4) lots 13, 14, 15, and 16 of block 26, original plat of the town of Sisseton, county of Roberts, State of South Dakota, containing of 0.24 acre, more or less.

This conveyance is subject to all valid existing rights-of-way of record.

With the following committee amendments:

Page 2, following line 16, add a new Section 2 as follows:

SEC. 2. This conveyance is subject to the right of the United States to use and improve such portions of tracts numbered 1 and 2 as the Secretary of the Interior may determine for so long as may be necessary, but in no event to exceed 3 years.

Page 2, following Section 2, add a new Section 3 as follows:

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SISSETON AND WAHPETON SIOUX TRIBE TO CONSOLIDATE LANDHOLDINGS

The Clerk called the bill (H.R. 8230) to authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 8230

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation or is delegated agent in the States of North Dakota and South Dakota, is authorized to acquire through purchase, gift, or exchange any lands or interest in lands within the boundaries of the Lake Traverse Reservation in North Dakota and South Dakota for the purpose of consolidating landholdings, eliminating fractionated heirship interests in Indian allotments, providing land for any tribal program for the improvement of the economy of the tribe and its members through the development of industry, recreational facilities, housing projects, and the general rehabilitation and enhancement of the total resource potential of the reservation. For the purchase of such lands or interests in lands the use of any funds available to the tribe from any source is authorized and title to any land acquired under the authority of this Act shall be taken in the name of the United States in trust for the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation in North Dakota and South Dakota; except that title to any lands or interests in lands acquired pursuant to this Act shall be examined by and be accepted by the Secretary of the Interior or his duly authorized representative in accordance with the general standards for acquisition of title to lands by the United States.

SEC. 2. (a) Notwithstanding any other provision of law, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its agent, is authorized to exchange or sell any tribal real property not needed or suitable for use by the tribe or so situated or located that it would be to the economic advantage of the tribe to sell or exchange the property; except that (1) any such sale shall be by competitive sealed bidding, and a preference shall be given to enrolled members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation to match the high bid; (2) the amount or exchange value received for the property shall not be less than the fair market value thereof as determined by the Secretary of the Interior or his duly authorized representative; (3) if lands involved in an exchange are not of equal value, the difference in value shall be paid in money; (4) any proceeds from the sale of land under this authority or money received to equalize an exchange shall be used exclusively for the purchase of other land on the reservation; (5) title to any land acquired by the tribe under this authority shall be taken in the name of the United States in trust for the tribe; and (6) if an enrolled member of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation acquires land from the tribe under this Act, title may be taken in the name of the United States in trust for the use and benefit of such member.

(b) All of the foregoing provisions of this Act shall be construed to be exclusive to resident United States citizens enrolled as members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation.

SEC. 3. All lands acquired by the tribe or by members thereof under the authority of this Act shall be exempt from State and local taxation.

SEC. 4. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust, and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State in which the land is located. For the purpose of the foreclosure or sale proceeding, the Sisseton and Wahpeton Sioux

Tribe of the Lake Traverse Reservation shall be regarded as vested with an unrestricted fee simple title to the land. The United States shall not be a necessary party to the foreclosure or sale proceeding, and any conveyance of the land pursuant to such proceeding shall divest the United States of title to the land. Title to any land redeemed or acquired by the tribe at such foreclosure or sale proceeding shall be taken in the name of the United States in trust for the tribe, and title to any land purchased by an individual member of the tribe at such proceeding may be taken in the name of the United States in trust for the use and benefit of the individual Indian purchaser.

Sec. 5. The Secretary of the Interior is authorized to take such action as may be necessary to carry out the purposes of this Act.

With the following committee amendments:

Page 1, strike out line 3 and insert in lieu thereof:

"That the Secretary of the Interior is authorized, at his discretion and upon the request of the Sisseton and Wahpeton Sioux Tribe of the Lake."

Page 1, line 4, strike out "delegated" and insert "designated".

Page 1, line 5, strike out "is authorized".

Page 1, line 10, strike out "allotments," and insert "trust lands,".

Page 2 strike out all of lines 11, 12, 13, 14 and 15 and insert "Dakota.".

Page 2, line 19, strike out "delegated" and insert "designated".

Page 2, line 19, following "authorized" insert "with the approval of the Secretary of the Interior".

Page 3, line 10, strike out "by" and insert "for".

Page 3, line 14, strike out "may" and insert "may, with the approval of the Secretary of the Interior,".

Page 3, strike out line 21 and insert in lieu thereof:

"Sec. 3. All lands acquired by the United States in trust for the tribe or members."

Page 4, line 14, strike out "may" and insert "may, with the approval of the Secretary of the Interior,".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARING CERTAIN LANDS HELD IN TRUST FOR THE KOOTENAI TRIBE OF IDAHO

The Clerk called the bill (H.R. 9105) to declare that certain federally owned lands shall be held by the United States in trust for the Kootenai Tribe of Idaho, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 9105

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to valid existing rights, all of the right, title, and interest of the United States in the following described tracts of land, and the improvements thereon, that were acquired and that are now administered by the Secretary of the Interior for the benefit of the Kootenai Tribe of Idaho, are hereby declared to be held by the United States in trust for said tribe:

Tract Numbered 1. Part of lot 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south and 20 rods west of the northeast corner of lot 3, section 20, thence west 20 rods, thence south 20 rods, thence east 20 rods, thence north 20 rods to place of beginning, containing 2.50 acres, more or less.

Tract Numbered 2. That part of lot numbered 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south of the northeast corner of lot 3, thence west 20 rods, thence south 20 rods, thence west 10 rods, thence south 40 rods, thence east 30 rods, thence north 60 rods, to place of beginning, containing 10.00 acres, more or less.

Sec. 2. The above described property shall be administered in accordance with the laws and regulations applicable to Indian tribal trust property.

With the following committee amendment:

Page 2, following line 17, insert a new section 3 to read as follows:

Sec. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which value of the title conveyed should or should not be set off against any claim against the United States determined by the Commission.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CONTINUED USE OF CERTAIN LANDS WITHIN THE SEQUOIA NATIONAL PARK BY PORTIONS OF AN EXISTING HYDROELECTRIC PROJECT

The Clerk called the joint resolution (H.J. Res. 444) to authorize the continued use of certain lands within the Sequoia National Park by portions of an existing hydroelectric project.

There being no objection, the Clerk read the joint resolution as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is hereby authorized to issue a permit to occupy and use lands of the United States within Sequoia National Park necessary for the continued operation, maintenance, and use of the hydroelectric project known as the Kameah Numbered 3 project of Southern California Edison Company.

Sec. 2. The term of such permit shall expire not later than the expiration of existing or future licenses granted by the Federal Power Commission to Southern California Edison Company for said Kaweah Numbered 3 project (Federal Power Commission Project Numbered 298) or any extension or renewal thereof, and the permit shall contain such other terms and conditions as the Secretary of the Interior shall deem necessary for the protection and utilization of Sequoia National Park.

Sec. 3. Such permit shall specifically recite that the privileges granted thereby are to be exercised in accordance with the Federal Power Act (16 U.S.C. 791 (a)–835(u)), and the rules and regulations thereunder which the Secretary of the Interior, after consultation with the Federal Power Commission, determines to be applicable.

With the following committee amendments:

Page 1, line 7, strike out "Kameah" and insert "Kaweah".

Page 2, strike out all of lines 1 through 5 and insert in lieu thereof the following: "than the expiration of the next renewal license granted by the Federal Power Commission to Southern California Edison Company for said Kaweah Numbered 3 project (Federal Power Commission Project Numbered 298) and the permit shall contain such other".

The committee amendments were agreed to.

Mr. TAYLOR of North Carolina. Mr. Speaker, House Joint Resolution 444 will permit the continued operation of a hydroelectric generating facility near Sequoia National Park. This facility, Kaweah No. 3 project, includes diversion structures and aqueducts located within Sequoia National Park.

Previous acts of Congress require that no use of lands within our national parks be made for power generating facilities without the specific approval of Congress. (The project affected here has been in existence since 1913, and has been allowed to continue by previous congressional action.)

House Joint Resolution 444 would allow continued operation of the existing facility for the term of the next Federal Power Commission license. This is expected to cover a period of from 20 to 30 years. At the end of this time, Congress will again be able to review the suitability of allowing this project to continue. During the time covered by this permit the Secretary of the Interior may impose such restrictions on the continued use of these lands as are necessary for the protection of park values in the area.

Mr. Speaker, I recommend that the House pass House Joint Resolution 444, as amended.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING MILITARY BAND RECORDINGS IN SUPPORT OF THE AMERICAN REVOLUTION BICENTENNIAL

The Clerk called the bill (H.R. 14401) to authorize military band recordings in support of the American Revolution Bicentennial.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HINSHAW. Mr. Speaker, reserving the right to object, I wonder if someone can tell me why the excess of any moneys over cost were deposited in the general fund as opposed to going into the Bicentennial fund?

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Texas.

Mr. FISHER. I thank the gentleman for yielding.

In response to the gentleman's inquiry, that is because the law requires that.

Mr. HINSHAW. The law requires that?

Mr. FISHER. That is correct.

Mr. HINSHAW. Could the gentleman tell me whether or not there were any similar provisions for funds going into the Kennedy Center?

Mr. FISHER. The answer to that is no.

Mr. HINSHAW. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 14401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the United States Army Band, United States Navy Band, United States Air Force Band, and United States Marine Band are authorized to participate in the production of a collection of recordings for commercial sale, in conjunction with the American Revolution Bicentennial.

SEC. 2. The Secretary of Defense or his designee may enter into such contract or contracts, under such terms as the Secretary or his designee may determine to be in the best interest of the Government, for the production and sale of the album authorized by section 1 of this Act. Sale of this album may be made (a) at such prices as the Secretary of Defense or his designee may determine, and (b) either through commercial sources or by the Government, or both through commercial sources and by the Government.

SEC. 3. Appropriations of the Department of Defense may be reimbursed from the proceeds of sales for expenses of production and sale of the album authorized by this Act.

With the following committee amendment:

In lines 3, 4 and 10 of the second page of H.R. 14401 delete the word "album" and substitute therefore in each instance the words "collection of recordings."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING THE AUTHORIZED NUMBER OF DEPUTY CHIEFS OF STAFF FOR THE ARMY STAFF

The Clerk called the bill (H.R. 14349) to amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RONCALIO of Wyoming. Mr. Speaker, I object. The gentleman from California (Mr. STARK) objects and I am conveying his objection.

Mr. FISHER. Mr. Speaker, if the gentleman will yield, there is some question about the measure that the gentleman would like to have information on.

Mr. RONCALIO of Wyoming. Mr. Speaker, I have no objection to the legislation, but I feel I must register the objection of a Member when that objection is conveyed to me. The gentleman from California (Mr. STARK) objects to this legislation being on the Consent Calendar and I feel it my duty to convey that.

The SPEAKER. Objection is heard. The bill will go over to the next Consent Calendar.

EXTENDING THE TIME LIMIT FOR THE AWARD OF CERTAIN MILITARY DECORATIONS

The Clerk called the bill (H.R. 15148) too extend the time limit for the award of certain military decorations.

There being no objection, the Clerk read the bill as follows:

H.R. 15148

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, a decoration or device in lieu of decoration which, prior to the date of enactment of this Act, has been authorized by Congress to be awarded to any person for an act, achievement, or service performed while on active duty in the Armed Forces of the United States, or while serving with such forces, may be awarded at any time not later than two years after the date of enactment of this Act for any such act or service performed between July 1, 1958, and March 28, 1973, inclusive, if written recommendation for the award of the decoration, or device in lieu of decoration, is made not later than one year subsequent to the date of enactment of this Act.

With the following committee amendment:

On line 11 of the bill, after the word "performed," insert the phrase "in direct support of military operations in Southeast Asia".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REDESIGNATING THE ALAMOGORDO DAM AND RESERVOIR, N. MEX., AS SUMNER DAM AND SUMNER LAKE, RESPECTIVELY

The Clerk called the Senate bill (S. 2001) to redesignate the Alamogordo Dam and Reservoir, N. Mex., as Sumner Dam and Lake Sumner, respectively.

There being no objection, the Clerk read the Senate bill as follows:

S. 2001

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Alamogordo Dam and Reservoir, New Mexico, referred to in the Act of August 11, 1939 (53 Stat. 1414), are redesignated as Sumner Dam and Lake Sumner, respectively. Any law, regulation, map, document, record, or other paper of the United States in which such dam or reservoir is referred to shall be held to refer to such dam as Sumner Dam or such reservoir as Lake Sumner.

Mr. JOHNSON of California. Mr. Speaker, I am happy to explain for the record the purposes and need for S. 2001—to redesignate the Alamogordo Dam and Reservoir as Sumner Dam and Lake Sumner, respectively.

This is an existing facility on the Pecos River near Fort Sumner, N. Mex., having been authorized by the Congress in 1939.

The authorizing legislation designated the dam as Alamogordo Dam and Reservoir in recognition of a nearby tributary known as Alamogordo Creek.

Over the years most visitors and tourists have assumed the facility was near the city of Alamogordo, N. Mex., a distance of almost 200 miles.

Such assumptions have caused confusion and inconvenience to the visiting public and have likewise become an affront to the fine little city of Fort Sumner, N. Mex., which is only a few miles removed from the dam and reservoir.

This legislation corrects this troublesome situation; it costs nothing; it is widely endorsed within the State and within the New Mexico delegation.

In short, Mr. Speaker, there is no reason why the measure should not be passed on the Consent Calendar.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAY ADJUSTMENTS FOR CERTAIN INDIVIDUALS ADVERSELY AFFECTED BY 1972 FEDERAL PAY COMPARABILITY ADJUSTMENT

The Clerk called the bill (H.R. 15067) to prevent reductions in pay for any officer or employee who would be adversely affected as a result of implementing Executive Order 11777.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I will ask the gentleman, is this Consent Calendar No. 119?

Mr. HENDERSON. Yes, Mr. Speaker.

Mr. GROSS. This does not deal with midshipmen?

Mr. HENDERSON. No, it does not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 15067

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That if an officer or employee, at any time during the period beginning on the first day of the first applicable pay period beginning on or after October 1, 1972, and ending on the first day of the first applicable pay period beginning on or after January 1, 1973, became subject to the General Schedule of title 5, United States Code, and his rate of basic pay was set above the minimum rate of the grade on the basis of a previously earned rate above such minimum rate, his rate of basic pay shall be adjusted retroactively to the date on which he became subject to the General Schedule on the basis of the rate of the appropriate grade of the General Schedule which corresponds numerically to the rate of the grade at which the pay of such officer or employee was set at the time he became subject to the General Schedule.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

That not withstanding the provisions of any other law or any regulation issued thereunder, no officer or employee of the United States shall have his pay reduced by reason of Executive Order 11777, dated April 12, 1974, relating to the effective date of the 1972 Federal pay comparability adjustment.

Sec. 2. The Civil Service Commission shall issue regulations necessary to implement this Act.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed and a motion to reconsider was laid on the table.

MAKING RESERVISTS ELIGIBLE FOR THE INCENTIVE AWARD PROGRAM

The Clerk called the bill (H.R. 871) to amend section 1124(c) of title 10, United States Code, to remove the restriction that a member of the armed forces must be on active duty to be eligible for the payment of a cash award for a suggestion, invention, or scientific achievement.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RONCALIO of Wyoming. Mr. Speaker, I am constrained to object to this legislation for the same reason as I stated on the previous legislation.

Mr. STRATTON. Mr. Speaker, will the gentleman reserve the right to object and will the gentleman yield?

Mr. RONCALIO of Wyoming. Mr. Speaker, I reserve the right to object and I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, it is surprising to me that these bills that are very minor and have come out of the committee unanimously should be held up now when we are all trying so hard to expedite the work of the House. This bill simply makes it possible to provide cash awards to members of the military Reserve units as well as to those on active duty.

If the gentleman from California feels so strongly about this matter that he wishes to object to it I would think he would want at least to be present on the floor to present those objections.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RONCALIO of Wyoming. Mr. Speaker, I object.

The SPEAKER. Objection is heard, the bill will go over to the next calendar.

CREDITING OF CERTAIN SERVICE FOR PURPOSES OF RESERVE RETIREMENT

The Clerk called the bill (H.R. 5056) to provide for crediting service as an aviation midshipman for purposes of retirement for nonregular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RONCALIO of Wyoming. Mr. Speaker, I make the same reservation of objection.

Mr. STRATTON. Mr. Speaker, will the gentleman reserve his right to object?

The SPEAKER. Is the gentleman from Wyoming asking that this bill be passed over without prejudice?

It takes three objectors to strike a bill from the Consent Calendar if a single objection had been made on a prior call of the calendar. The objection of the gentleman has no effect except to put the bill over.

Mr. RONCALIO of Wyoming. Mr. Speaker, I have no intention to strike the bill from the calendar. I merely want the bills to go over.

Mr. STRATTON. Mr. Speaker, I understood the gentleman was asking to reserve the right to object. I would like to know what the gentleman is doing.

The SPEAKER. The gentleman from New York can reserve the right to object to a unanimous consent request that the bill be passed over without prejudice.

Mr. STRATTON. I am simply asking if the gentleman would reserve an objection to the bill so we can explain the unexceptionable purpose of the bill.

The SPEAKER. If the gentleman wants to reserve an objection, he can, in order to explain the bill.

Mr. RONCALIO of Wyoming. Mr. Speaker, I reserve the right to object and I will object. Now I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, we ought to have regular order.

Mr. RONCALIO of Wyoming. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. STRATTON. I reserve the right to object, Mr. Speaker, that we let this bill go over without prejudice.

Mr. Speaker, this bill corrects an inequity which has existed for a long time.

Aviation midshipmen are not really midshipmen as we understand the term. This is a program that existed for about only 3 years just before and during the Korean war. These people had aviation training and then were ordered out to the fleet as aviators. One, at least, was killed in action and several others were injured.

By this bill we are simply correcting a long-standing inequity. It seems to me most unfair that someone who is not here can delay action on this urgent remedy to injustice.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I will be glad to yield to the distinguished majority whip.

Mr. McFALL. I appreciate the gentleman's statement. It is my bill and I appreciate the action of the Committee on Armed Services in bringing it to the floor. As the gentleman says, all it does is remedy an injustice done to these midshipmen through a technicality a long time ago.

I would hope we have an opportunity to pass this bill before the end of the year.

Mr. STRATTON. I thank the majority whip. This certainly is an injustice and the word "midshipmen" is very misleading. I think the gentleman from Iowa was trying to ask a question concerning that point. There is absolutely no parallel here with midshipmen in the Naval Academy or midshipmen in any other service. This word is a misnomer, the people covered by this bill were actually performing junior officer duties with the fleet and in one case a life was lost.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from Texas.

Mr. FISHER. I do not believe it has been indicated who is really making the objection.

Mr. STRATTON. I think the gentleman from Wyoming indicated it was the gentleman from California (Mr. STARK).

It seems to me this is a very beneficial bill and it should be passed. I certainly would hope that Mr. STARK were on the floor for this colloquy.

Mr. HUNT. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. I yield to the gentleman from New Jersey.

Mr. HUNT. This bill is simply a product of a misnomer in applying the word "midshipman." The men that this bill pertains to were labeled "midshipmen" and called to active duty. They served as flyers in combat during the Korean conflict. This is not somebody trying to slide something by. This rectifies an error made back in 1951 during the Korean conflict when these gentlemen were called up, required to perform duties as flyers in actual combat. One man was killed.

All we are doing by objecting to this bill is delaying something that was done improperly years ago. It is ridiculous to even try to object to it.

Mr. RONCALIO of Wyoming. Mr. Speaker, if procedures permit and the gentleman will yield, we may have a call of the House and if the gentleman from California is here, perhaps the objection would be removed.

CALL OF THE HOUSE

Mr. STRATTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 569]

Archer
Armstrong
Badillo
Bell
Biaggi
Bingham
Blackburn
Boggs
Brademas
Brasco
Brown, Mich.
Burke, Calif.
Burton, John
Butler
Carey, N.Y.
Carter
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Conable
Conte
Conyers
Corman
Cotter
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Dent
Derwinski
Dickinson
Diggs
Dingell
Donohue
Dorn
Drinan
Dulski
du Pont
Eckhardt
Esch
Eshleman
Findley
Fish
Flowers
Fraser
Frelinghuysen
Giaimo
Gilman
Grasso
Hammerschmidt
Hanna
Harrington
Hébert
Hosmer
Howard
Huber
Hudnut
Jarman
Johnson, Colo.
Jones, Okla.
Long, Md.
Lujan
Luken
McCloskey
McSpadden
Macdonald
Mallary
Maraziti
Mathias, Calif.
Mathis, Ga.
Michel, Ill.
Mills
Mink
Minshall, Ohio
Mitchell, N.Y.
Murphy, N.Y.
Nelsen
Obey
O'Brien
O'Hara
Pepper
Peyser
Poage
Podell
Powell, Ohio
Pritchard
Rarick
Reid
Reuss
Rhodes
Roberts
Rooney, N.Y.
Rousselot
Roy
Runnels
Ruppe
Ryan
Sandman
Satterfield
Scherle
Shoup
Shuster
Sikes
Skubitz
Smith, N.Y.
Snyder
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Sullivan
Symms
Taylor, Mo.
Teague
Thompson, N.J.
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Vander Veen
Waldie
Wampler
Ware
Whitehurst
Widnall
Wilson, Charles H., Calif.
Wyatt
Wydler
Young, S.C.

The **SPEAKER**. On this rollcall 301 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CREDITING OF CERTAIN SERVICE FOR PURPOSES OF RETIREMENT

The **SPEAKER**. The Clerk will rereport the bill.

The Clerk read as follows:

H.R. 5056 to provide for crediting service as an aviation midshipman for purposes of retirement for non-regular service under chapter 67 of title 10, United States Code, and for pay purposes under title 37, United States Code.

Mr. **STRATTON**. Mr. Speaker, if I may be heard, prior to the quorum call which was called, I was still reserving the right to object to the request that this bill, the 19th item on the calendar, be passed over without prejudice.

The **SPEAKER**. The Chair is trying to get the matter before the House.

The Clerk will rereport the bill.

The Clerk reread the bill.

The **SPEAKER**. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill as follows:

H.R. 5056

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1332(b) (7) of title 10, United States Code, is amended by inserting "aviation midshipman," immediately after "flight officer,".

Sec. 2. Section 205(a)(1) of title 37, United States Code, is amended by inserting "aviation midshipman," immediately after "flight officer,".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING TIME LIMIT FOR REIMBURSING EXPENSES OF MEMORIAL SERVICES FOR MILITARY DECEDENTS

The Clerk called the bill (H.R. 12860) to amend title 10 of the United States Code in order to clarify when claims must be presented for reimbursement of memorial service expenses in the case of members of the Armed Forces whose remains are not recovered.

There being no objection, the Clerk read the bill as follows:

H.R. 12860

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of section 1482(e) of title 10, United States Code, is amended by inserting immediately before "whichever is later." the following: "or the date the person who would have been designated under subsection (c) to direct disposition of the remains, if they had been recovered, receives notification that the member has been reported or determined to be dead under authority of chapter 10, title 37, United States Code (The Missing Persons Act).".

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISPOSAL OF EXCESS AND SURPLUS PROPERTY IN AMERICAN SAMOA, GUAM, AND THE TRUST TERRITORIES OF THE PACIFIC ISLANDS

The Clerk called the bill (H.R. 5264) to amend section 3(f) of the Federal Property Administrative Services Act of 1949, with respect to Guam.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(f) of the Federal Property Administrative Services Act of 1949 is amended by inserting after the words "Puerto Rico," the word "Guam,".

With the following committee amendment:

On the first page, strike out line 5 and insert the following: "Puerto Rico," the words "American Samoa, Guam, the Trust Territory of the Pacific Islands,".

The committee amendment was agreed to.

Mr. WON PAT. Mr. Speaker, my bill, H.R. 5264, which is now before the House under the Consent Calendar, would amend the Federal Property and Administrative Services Act of 1949 so as to make the territory of Guam, American Samoa, and the Trust Territory of the Pacific eligible to participate in the excess and surplus property programs of the Federal Government.

I would like to extend my deepest appreciation to Congressman Chet Holifield, chairman of the Committee on Government Operations; Congressman Jack Brooks, chairman of the Government Activities Subcommittee; and all the members of the Government Operations Committee for their support of my bill.

Passage of H.R. 5264 by the House will rectify the omission of Guam from the original provisions of the Federal Property and Administrative Services Act of 1949 and will also include American Samoa and the trust territory. Although Guam has been a part of the United States since 1898 and was a battleground during World War II and the only U.S. territory occupied by enemy forces, it did not become eligible for any Federal programs until the enactment of the Organic Act in 1950, a year after the Federal Surplus Property Act became law.

Until now, Guam, American Samoa and the trust territory have been treated under the act as "foreign areas," and thus have not been able to procure Federal excess and surplus property located either on the islands or in neighboring countries, where the United States has large quantities of surplus material dating back to the Second World War and the Korean and Vietnamese conflicts. As a result, considerable amounts of equipment and property, which could have been used beneficially by the American citizens and residents of these territories, have either been sold as scrap or allowed to stand idle and deteriorate.

At the present time, the Federal Government owns more than one-third of Guam's limited area of 214 square miles. Approval of H.R. 5264 would also make Guam eligible to obtain property within its boundaries for which the Federal Government no longer has any use.

In addition, a supply of excess and surplus equipment and materials would help alleviate some of the burdens borne by the Government of Guam in providing public facilities and services for an ever-increasing population. The increase is due to the large number of military personnel and their dependents stationed in Guam's military bases, and the influx of immigrants from nearby countries as the result of liberal Federal immigration laws.

I therefore urge my colleagues to give their approval to this bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 3(f) of the Federal Property and Administrative Services Act of 1949, with respect to American Samoa, Guam, and the Trust Territory of the Pacific Islands."

A motion to reconsider was laid on the table.

AMENDING THE ACT RELATING TO THE LUMBEE INDIANS OF NORTH CAROLINA

The Clerk called the bill (H.R. 12216) to amend the act relating to the Lumbee Indians of North Carolina.

There being no objection, the Clerk read the bill as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act relating to the Lumbee Indians of North Carolina", approved June 7, 1956 (70 Stat. 254, 255), is amended by striking out "Nothing in this Act shall make such Indians eligible for any services performed by the United States for Indians because of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Lumbee Indians.".

With the following committee amendment:

Strike out all after the enacting clause and insert:

That (a) the preamble of the Act entitled "An Act relating to the Lumbee Indians of North Carolina", approved June 7, 1956 (70 Stat. 254), is amended by striking out "Whereas by reason of tribal legend, coupled with a distinctive appearance and manner of speech and the frequent recurrence among them of family names such as Oxendine, Locklear, Chavis, Drinkwater, Bullard, Lowery, Sampson, and others, also found on the roster of the earliest English settlements, these Indians may, with considerable show of reason, trace their origin to an admixture of colonial blood with certain coastal tribes of Indians; and".

(b) Such Act of June 7, 1956, is further amended by:

(1) striking out the first section and inserting in lieu thereof the following:

"That the Indians who now reside in Robeson and adjoining counties of North Carolina, whose ancestors were originally found by the first white settlers on the Lumbee River in what is now Robeson County, North Carolina, and who claim descent from remnants of certain tribes of Indians originally inhabiting the coastal region of North Carolina, shall be, from and after the date of enactment of this Act, known and designated as Lumbee Indians of North Carolina, except as provided in section 2 of this Act, and shall continue to enjoy all rights, privileges, and immunities enjoyed by them as citizens of the State of North Carolina and of the United States before the date of enactment of this Act, and shall continue to be subject to all the obligations and duties of such citizens under the laws of the State of North Carolina and the United States. Nothing in this Act shall make such Indians—

"(a) eligible for any benefits or services provided by the United States for Indians based on Federal recognition of such Indians; or

"(b) subject to the restrictions of any Federal laws, or liable under any criminal laws, relating solely to Indians on Federal reservations;

except such Indians shall be eligible for all Federal benefits and services for which other nonfederally recognized Indian tribes are or may hereafter become eligible.",

(2) inserting the following new section 2 and renumbering section 2 as section 3:

"Sec. 2. Any Indian who resides in Robeson or an adjoining county of North Carolina, who will have reached the age of eighteen years on or before January 31, 1975, and who does not desire to be designated as a Lumbee Indian of North Carolina, must so elect by notifying the Secretary of the Interior on or before January 31, 1975. His election shall apply to all dependent members of his household who are less than eighteen years of age but shall not affect the choice of anyone else. Any such Indian who does not notify the Secretary by such date shall automatically be deemed a Lumbee Indian of North Carolina.".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DECLARING THE UNITED STATES HOLDS IN TRUST FOR THE BRIDGEPORT INDIAN COLONY CERTAIN LANDS IN MONO COUNTY, CALIF.

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to return to the consent calendar for further consideration of H.R. 3458 to declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. GROSS. Mr. Speaker, reserving the right to object——

The SPEAKER. The Chair wishes to understand the unanimous-consent request.

Does the gentleman from Washington (Mr. Meeds) ask unanimous consent to call up a Senate bill for consideration?

Mr. MEEDS. Mr. Speaker, that is the purpose of my asking unanimous-consent to return to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

The Clerk will read the title of the Senate bill.

The Clerk read the title of the Senate bill as follows:

To declare that the United States holds in trust for the Bridgeport Indian Colony certain lands in Mono County, Calif.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. HINSHAW. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Washington if the language in the Senate bill is identical to that in the House bill, H.R. 3458?

Mr. MEEDS. If the gentleman will yield, it is identical language.

Mr. HINSHAW. Has the gentleman discussed this with the gentleman from California (Mr. Johnson) and the gentleman from California (Mr. Mathias)?

Mr. MEEDS. If the gentleman will yield further, the answer is "Yes." It is their bill that is being passed. They are the sponsors and authors of the legislation. I have discussed it with them, and they are very desirous to have it passed.

Mr. HINSHAW. They are desirous to have the Senate bill substituted for the House bill?

Mr. MEEDS. I might say to the gentleman from California that this is a matter of comity with the Senate since it passed in the Senate first, and therefore will bear the Senate number.

Mr. HINSHAW. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER. The Chair would inquire of the gentleman from Washington whether it is the intention of the gentleman from Washington to substitute the language of certain other Senate bills, similar bills to House bills that were already passed in the Consent Calendar?

Mr. MEEDS. That is correct, Mr. Speaker. I am asking to substitute the language of S. 283 for that of H.R. 3458; the language of S. 1412 for that of H.R. 8229; the language of S. 1411 for that of H.R. 8230; and the language of S. 634 for that of H.R. 9105.

Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill, S. 283, to the bill H.R. 3458 previously passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There being no objection, the Clerk read the Senate bill as follows:

S. 283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all of the right, title, and interest of the United States in the following described public domain land located in Mono County, California, are hereby declared to be held by the United States in trust for the Bridgeport Indian Colony:

The southeast quarter of the northeast quarter of section 28, township 5 north, range 25 east, Mount Diablo base and meridian, Mono County, California, containing forty acres more or less.

Provided further, That said parcel shall be subject to the easement to the Bridgeport Public Utility District for a sewer main.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3458) was laid on the table.

DECLARING THAT CERTAIN FEDERALLY OWNED LAND IS HELD BY THE UNITED STATES IN TRUST FOR THE SISSETON-WAHPETON SIOUX TRIBE OF THE LAKE TRAVERSE INDIAN RESERVATION IN NORTH AND SOUTH DAKOTA

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to return to the consideration of H.R. 8229 on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MEEDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1412) to declare that certain federally owned lands are held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Indian Reservation in North and South Dakota, a bill similar to H.R. 8229 just passed on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

There being no objection, the Clerk read the Senate bill as follows:

S. 1412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all right, title, and interest of the United States in and to the following described lands on the Lake Traverse Indian Reservation in North and South Dakota is hereby declared, subject to all valid existing rights-of-way of record, to be held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe:

(1) The southeast quarter of the southeast quarter of section 16, township 123 north of range 53 west of the fifth principal meridian containing 40 acres formerly used as the Enemy Swim day school site.

(2) The northwest quarter of the southeast quarter of section 4, township 123 north of range 51 west of the fifth principal meridian, containing 40 acres, formerly used as the Big Coulee day school site.

(3) The southwest quarter of the southwest quarter of the southwest quarter of section 15, township 126 north of range 52 west of the fifth principal meridian, containing 10 acres, formerly used as the Long Hollow day school site.

(4) Lots thirteen, fourteen, fifteen, and sixteen of block twenty-six, original townsite of Sisseton, South Dakota, containing 0.24 acre, formerly used for Agency office and superintendent's quarters.

Sec. 2. This conveyance is subject to the right of the United States to use and improve such portions of tracts numbered 1 and 2 as the Secretary of the Interior may determine for so long as he deems necessary.

Sec. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

AMENDMENT OFFERED BY MR. MEEDS

Mr. MEEDS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Meeds: Strike out all after the enacting clause of S. 1412 and insert in lieu thereof the provisions of H.R. 8229, as passed, as follows:

That all right, title, and interest of the United States in and to land on the Lake Traverse Indian Reservation in North and South Dakota is hereby declared to be held by the United States in trust for the Sisseton-Wahpeton Sioux Tribe described as follows, to wit:

(1) the southeast quarter of the southeast quarter of section 16, township 123 north, range 53 west of the fifth principal meridian, county of Day, State of South Dakota, containing 40 acres, more or less, and

(2) the northwest quarter of the southeast quarter of section 4, township 123 north, range 51 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 40 acres, more or less, and

(3) the southwest quarter of the southwest quarter of the southwest quarter of section 15, township 126 north, range 52 west of the fifth principal meridian, county of Roberts, State of South Dakota, containing 10 acres, more or less, and

(4) lots 13, 14, 15, and 16 of block 26, original plat of the town of Sisseton, county of Roberts, State of South Dakota, containing 0.24 acre, more or less.

This conveyance is subject to all valid existing rights-of-way of record.

Sec. 2. This conveyance is subject to the right of the United States to use and improve such portions of tracts numbered 1 and 2 as the Secretary of the Interior may determine for so long as may be necessary, but in no event to exceed 3 years.

Sec. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

The amendment was agreed to.

The Senate bill, as amended, was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was on the table.

A similar House bill (H.R. 8229) was laid on the table.

AUTHORIZING THE SISSETON AND WAHPETON SIOUX TRIBE OF THE LAKE TRAVERSE RESERVATION TO CONSOLIDATE ITS LANDHOLDINGS IN NORTH DAKOTA AND SOUTH DAKOTA, AND FOR OTHER PURPOSES

Mr. MEEDS. Mr Speaker, I ask unanimous consent to return to the consideration of H.R. 8230 on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MEEDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1411) to authorize the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to consolidate its landholdings in North Dakota and South Dakota, and for other purposes, a bill similar to H.R. 8238 just passed on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

There being no objection, the Clerk read the Senate bill as follows:

S. 1411

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized, at his discretion and upon the request of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation or its delegated designated agent in the States of North Dakota and South Dakota, to acquire through purchase, gift, or exchange any lands or interest in lands within the boundaries of the Lake Traverse Reservation in North Dakota and South Dakota for the purpose of consolidating landholdings, eliminating fractional heirship interests in Indian trust lands, providing land for any tribal program for the improvement of the economy of the tribe and its members through the development of industry, recreational facilities, housing projects, and the general rehabilitation and enhancement of the total resource potential of the reservation. For the purchase of such lands or interests in lands the use of any funds available to the tribe from any source is authorized and title to any land acquired under the authority of this Act shall be taken in the name of the United States in trust for the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation in North Dakota and South Dakota.

Sec. 2. (a) Notwithstanding any other provision of law, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its designated agent, is authorized with the approval of the Secretary of the Interior to exchange or sell any tribal real property not needed or suitable for use by the tribe or so situated or located that it would be to the economic advantage of the tribe to sell or exchange the property; except that (1) any such sale shall be by competitive sealed bidding, and a preference shall be given to enrolled members of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation to match the high bid; (2) the amount or exchange value received for the property shall not be less than the fair market value thereof as determined by the Secretary of the Interior or his duly authorized representative; (3) if lands involved in an exchange are not of equal value, the difference in value shall be paid in money; (4) any proceeds from the sale of land under this authority or money received to equalize an exchange shall be used exclusively for the purchase of other land on the reservation; (5) title to any land acquired for the tribe under this authority shall be taken in the name of the United States in trust for the tribe; and (6) if an enrolled member of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation acquires land from the tribe under this Act, title may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of such member.

(b) All of the foregoing provisions of this Act shall be construed to be exclusive to resident United States citizens enrolled as members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation.

Sec. 3. All lands acquired by the United States in trust for the tribe or members thereof under the authority of this Act shall be exempt from State and local taxation.

Sec. 4. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust, and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State in which the land is located. For the purpose of the foreclosure or sale proceeding, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation shall be regarded as vested with an unrestricted fee simple title to the land, the United States shall not be a necessary party to the foreclosure or sale proceeding, and any conveyance of the land pursuant to such proceeding shall divest the United States of title to the land. Title to any land redeemed or acquired by the tribe at such foreclosure or sale proceeding shall be taken in the name of the United States in trust for the tribe, and title to any land purchased by an individual member of the tribe at such proceeding may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of the individual Indian purchaser.

Sec. 5. The Secretary of the Interior is authorized to take such action as may be necessary to carry out the purposes of this Act.

AMENDMENT OFFERED BY MR. MEEDS

Mr. MEEDS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Meeds: Strike out all after the enacting clause of S. 1411 and insert in lieu thereof the provisions of H.R. 8230, as passed, as follows:

That the Secretary of the Interior is authorized, at his discretion and upon the request of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation or its designated agent in the States of North Dakota and South Dakota, to acquire through purchase, gift, or exchange any lands or interest in lands within the boundaries of the Lake Traverse Reservation in North Dakota and South Dakota for the purpose of consolidating landholdings, eliminating fractionated heirship interests in Indian trust lands, providing land for any tribal program for the improvement of the economy of the tribe and its members through the development of industry, recreational facilities, housing projects, and the general rehabilitation and enhancement of the total resource potential of the reservation. For the purchase of such lands or interests in lands the use of any funds available to the tribe from any source is authorized and title to any land acquired under the authority of this Act shall be taken in the name of the United States in trust for the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation in North Dakota and South Dakota.

Sec. 2. (a) Notwithstanding any other provision of law, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation, acting through its governing body or its designated agent, is authorized with the approval of the Secretary of the Interior to exchange or sell any tribal real property not needed or suitable for use by the tribe or so situated or located that it would be to the economic advantage of the tribe to sell or exchange the property; except that (1) any such sale shall be competitive sealed bidding, and a preference shall be given to enrolled members of the Sisseton Wahpeton Sioux Tribe of the Lake Traverse Reservation to match the high bid; (2) the amount or exchange value received for the property shall not be less than fair market value as determined by the Secretary of the Interior or his duly authorized representative; (3) if lands involved in an exchange are not of equal value, the difference in value shall be paid in money; (4) any proceeds from the sale of land under this authority or money received to equalize an exchange shall be used exclusively for the purchase of other land on the reservation; (5) title to any land acquired for the tribe under this authority shall be taken in the name of the United States in trust for the tribe; and (6) if an enrolled member of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation acquires land from the tribe under this Act, title may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of such member.

(b) All of the foregoing provisions of this Act shall be construed to be exclusive to resident United States citizens enrolled as members of the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation.

SEC. 3. All lands acquired by the United States in trust for the tribe or members thereof under the authority of this Act shall be exempt from State and local taxation.

SEC. 4. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust, and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State in which the land is located. For the purpose of the foreclosure or sale proceeding, the Sisseton and Wahpeton Sioux Tribe of the Lake Traverse Reservation shall be regarded as vested with an unrestricted fee simple title to the land. The United States shall not be a necessary party to the foreclosure or sale proceeding, and any conveyance of the land pursuant to such proceeding shall divest the United States of title to the land. Title to any land redeemed or acquired by the tribe at such foreclosure or sale proceeding shall be taken in the name of the United States in trust for the tribe, and title to any land purchased by an individual member of the tribe at such proceeding may, with the approval of the Secretary of the Interior, be taken in the name of the United States in trust for the use and benefit of the individual Indian purchaser.

SEC. 5. The Secretary of the Interior is authorized to take such action as may be necessary to carry out the purposes of this Act.

The amendment was agreed to.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 8230) was laid on the table.

DECLARING THAT CERTAIN FEDERALLY OWNED LANDS SHALL BE HELD BY THE UNITED STATES IN TRUST FOR THE KOOTENAI TRIBE OF IDAHO, AND FOR OTHER PURPOSES

Mr. MEEDS. Mr. Speaker, I ask unanimous consent to return to the consideration of H.R. 9105, on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MEEDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 634) to declare that certain federally owned lands shall be held by the United States in trust for the Kootenai Tribe of Idaho, and for other purposes, a bill similar to H.R. 9105 just passed on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

There being no objection, the Clerk read the Senate bill as follows:

S. 634

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subject to valid existing rights, all of the right, title, and interest of the United States in the following described tracts of land, and the improvements thereon, that were acquired and that are now administered by the Secretary of the Interior for the benefit of the Kootenai Tribe of Idaho, are hereby declared to be held by the United States in trust for said tribe:

TRACT NUMBERED 1. Part of lot 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south and 20 rods west of the northeast corner of lot 3, section 20, thence west 20 rods, thence south 20 rods, thence east 20 rods, thence north 20 rods to place of beginning, containing 2.50 acres, more or less.

TRACT NUMBERED 2. That part of lot numbered 3 in section 20, township 62 north, range 1 east, Boise meridian, Boundary County, Idaho, described as follows: Beginning at a point 20 rods south of the northeast corner of lot 3, thence west 20 rods, thence south 20 rods, thence west 10 rods, thence south 40 rods, thence east 30 rods, thence north 60 rods, to place of beginning, containing 10.00 acres, more or less.

SEC. 2. The above-described property shall be administered in accordance with the laws and regulations applicable to Indian tribal trust property.

SEC. 3. The Indian Claims Commission is directed to determine in accordance with the provisions of the Act of August 13, 1946 (60 Stat. 1050), the extent to which value of the title conveyed should or should not be set off against any claim against the United States determined by the Commission.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 9105) was laid on the table.

GENERAL LEAVE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks immediately preceding passage of H.R. 1355.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On October 1, 1974:

H.R. 6395. An act to designate certain lands in the Okefenokee National Wildlife, Georgia, as wilderness;

H.R. 12000. An act to enable egg producers to establish, finance, and carry out a coordinated program of research, producer and consumer education, and promotion to improve, maintain, and develop markets for eggs, egg products, spent fowl, and products of spent fowl; and

H.R. 13595. An act to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard an end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes.

On October 4, 1974:

H.R. 5507. An act to authorize the conveyance to the city of Salem, Ill., of a statue of William Jennings Bryan.

On October 5, 1974:

H.R. 11559. An act to place certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes.

H.R. 15404. An act making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1975, and for other purposes; and

H.R. 16102. An act to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973 to exempt from its provisions the period from the last Sunday in October 1974, through the last Sunday in February 1975.

APPOINTMENT OF CONFEREES ON S. 3838, AUTHORIZING REGULATION OF OBLIGATIONS ISSUED BY FINANCIAL INSTITUTION HOLDING COMPANIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 3838) to authorize the regulation of interest rates payable on obligations issued by affiliates of certain depository institutions, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to a conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none and appoints the following conferees: Messrs. PATMAN, ST GERMAIN, ANNUNZIO, BARRETT, HANLEY, COTTER, MOAKLEY, ASHLEY, MOORHEAD of Pennsylvania, WIDNALL, ROUSSELOT, JOHNSON of Pennsylvania, WYLIE, RONCALLO of New York, and RINALDO.

PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 12628, VIETNAM ERA VETERANS' READJUSTMENT ASSISTANCE ACT OF 1974

Mr. HELSTOSKI. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill H.R. 12628 the Vietnam Era Veterans' Readjustment Assistance Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CONFERENCE REPORT ON S. 628, TO AMEND CHAPTER 83 OF TITLE 5, UNITED STATES CODE

Mr. HENDERSON (on behalf of Mr. DULSKI) filed the following conference report and statement on the Senate bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married:

CONFERENCE REPORT (H. REPT. No. 93-1431)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 8339(j) of title 5, United States Code, is amended by adding at the end thereof the following: "An annuity which is reduced under this subsection or any similar prior provision of law shall, for each full month during which a retired employee or Member is not married, be recomputed and paid as if the annuity had not been so reduced. Upon remarriage of the retired employee or Member, the annuity shall be reduced by the same percentage reductions which were in effect at the time of retirement.".

SEC. 2. The amendment made by this Act shall apply to annuities which commence before, on, or after the date of enactment of this Act, but no increase in annuity shall be paid for any period prior to the first day of the first month which begins on or after the date of enactment of this Act.

And the House agree to the same.

That the House recede from its amendment to the title of the bill.

THADDEUS J. DULSKI,
DAVID N. HENDERSON,
DOMINICK V. DANIELS,
JEROME R. WALDIE,
LAWRENCE J. HOGAN,
Managers on the Part of the House.

GALE W. MCGEE,
QUENTIN BURDICK,
TED STEVENS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 628) to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill, and the Senate disagreed to the House amendments.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment to the text of the bill. The committee of conference also recommends that the House recede from its amendment to the title of the bill.

The differences between the text of the Senate bill, the House amendment, and the amendment agreed to in conference are noted below.

ELIMINATION OF ANNUITY REDUCTION FOR SURVIVING SPOUSE ANNUITY PURPOSES

Senate bill

The first section of the Senate bill amended section 8339(j) of title 5, United States Code, so as to eliminate for any month during which an annuitant is not married the reduction in annuity that a retiring employee or Member accepts upon retirement in order to provide survivor benefits for his or her spouse. If the annuitant subsequently remarried, his or her annuity again would have been reduced in accordance with the percentage reductions specified in section 8339(j).

House amendment

Subsection (a) of the first section of the House amendment repealed section 8339(j) of title 5, United States Code. The effect of repealing section 8339(j) would have been to eliminate from the law those provisions which now require a reduction in the annuity of a retiring employee or Member who desires to provide an annuity for his or her surviving spouse and those provisions which now permit a retiring employee or Member to deny his or her spouse entitlement to a survivor annuity. Thus, an automatic annuity would have been provided for a surviving spouse without any reduction in the retiring employee's annuity.

Subsection (b) of the first section of the House amendment amended section 8341(a) of title 5 by eliminating the definitions of the terms "widow and widower" and substituting in lieu thereof a definition of the term "spouse". The effect of the House amendment would have been to require any surviving spouse of an employee, Member, or annuitant, including a spouse to whom an annuitant was married at the time of retirement, to have been married to the employee, Member, or annuitant for at least one year immediately before the death of the employee, Member, or annuitant, or to be the parent of issue by that marriage, in order to be eligible for entitlement to a survivor annuity.

The first section of the House bill also contained numerous conforming amendments to the retirement provisions of title 5 which were necessitated by the two substantive amendments discussed above.

Conference substitute

The conference substitute is substantially the same as the Senate bill in that it eliminates the annuity reduction for surviving spouse benefits only for months during which the annuitant is not married. However, the substitute provides that upon remarriage of the retired employee or Member, his or her annuity shall be reduced by the same percentage reductions which were in effect at the time of retirement. This provision takes cognizance of the fact that annuitants who retired prior to October 11, 1962, were subject to higher reduction rates for survivor annuity purposes. The conferees agreed that the annuity of a retiree who remarries after having his or her annuity restored to the full single-life rate should again be reduced by the same percentage formula that was in effect at the time of his or her retirement.

EFFECTIVE DATE

Senate bill

Section 2 of the Senate bill provided that the amendment made by the first section of the bill shall apply only with respect to monthly payments of annuities that are paid for any month commencing on or after the date of enactment of the Act. Thus, the amendment would be applicable to any annuity, regardless of its commencing date, but no increase in such annuity resulting from the application of the amendment would be paid for any month commencing prior to the date of enactment.

House amendment

Section 2 of the House amendment provided for the recomputation of annuities of present retirees and surviving spouses in accordance with the amendments made by the first section of the House amendment. In addition, annuities were provided for the spouses of retirees who did not have the opportunity or failed to provide annuities for their surviving spouses. Section 2 of the House amendment further provided that no annuity or annuity increase resulting from the application of that section shall be for any period before the date of enactment of the Act, or the commencing date of annuity, whichever is later.

Conference substitute

The conference substitute provides that the amendment made by the Act shall apply to any annuity, regardless of its commencing date, but no increase in such annuity resulting from the application of the amendment shall be paid for any month commencing prior to the date of enactment of the Act.

THADDEUS J. DULSKI,
DAVID N. HENDERSON,
DOMINICK V. DANIELS,
JEROME R. WALDIE,
LAWRENCE J. HOGAN,
Managers on the Part of the House.

GALE W. MCGEE,
QUENTIN BURDICK,
TED STEVENS,
Managers on the Part of the Senate.

APPOINTMENT OF CONFEREES ON SENATE CONCURRENT RESOLUTION 81, RELATING TO UNACCOUNTED-FOR-PERSONNEL CAPTURED, KILLED, OR MISSING DURING THE INDOCHINA CONFLICT

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 81) relating to unaccounted-for-personnel captured, killed, or missing during the Indochina conflict, with House amendments thereto, insist on the House amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Messrs. ZABLOCKI, MORGAN, HAYS, FRELINGHUYSEN, and DU PONT.

AMENDING EMERGENCY HIGHWAY ENERGY CONSERVATION ACT TO PERMIT HIGHER SPEED LIMITS

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO of Wyoming. Mr. Speaker, I have today introduced legislation to amend the Emergency Highway Energy Conservation Act to allow States to increase auto speed limits in their discretion to as high as 65 miles per hour on Interstate highways.

My reason for doing this is based upon the observation made 50 years ago by a Governor of Texas to a President of the United States when Texans were asked to drive 40 miles an hour across Texas. He said: "Mr. Roosevelt, you drive 40 miles an hour across the State of Texas, you ain't going to get where you're a goin!"

I say that asking people to drive 55 miles an hour across a State as large as Wyoming imposes a burden on them which is unfair and damaging. It accomplishes little for conservation. I think we ought to let the States set their own speed limits.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, D.C.,
October 4, 1974.

Hon. CARL ALBERT,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 3:40 P.M. on Friday, October 4, 1974, and said to contain a message from the President of the United States concerning the second submission of budget rescission and deferrals.

With kind regards, I am

Sincerely,

W. PAT JENNINGS,
By W. RAYMOND COLLEY.
Clerk, House of Representatives.

REPORT ON ADDITIONAL RESCISSIONS AND DEFERRALS FOR FISCAL YEAR 1975, AS REQUIRED BY CONGRESSIONAL BUDGET AND IMPOUNDMENT CONTROL ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 93-365)

The SPEAKER laid before the House the following message from the President of the United States; which was read and together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

I herewith report on additional rescissions and deferrals for the fiscal year 1975, as required by the Congressional Budget and Impoundment Control Act of 1974. Proposed rescissions which accompany this message total $182 million and deferrals total $3,239 million.

Included in this second submission to the Congress under the new act are reports on actions concluded before the effective date of the act and thus are not subject, in the opinion of the Attorney General, to the provisions of the new act. I am reporting this additional information because I believe that it is appropriate to keep the Congress informed on the status of all funds withheld from obligation.

The attachment to this message lists the items reported and identifies those actions taken prior to the effective date of this act.

Failure to take the actions reported would result in $3.4 billion of additional budget authority becoming available for obligation. This would increase Federal spending in the current fiscal year by $12 million and in fiscal year 1976 by over $220 million. Additional spending would be even greater in 1977, the first year in which the new procedures for congressional review of the budget will be in effect.

These actions are essential both to assure efficient management of funds and to help keep Federal spending from rising beyond current estimates. These are essential steps to achieve the degree of fiscal restraint we need in order to curb inflation.

GERALD R. FORD.
THE WHITE HOUSE, *October 4, 1974.*

REPORT ON COMPARABILITY ADJUSTMENT ORDERED FOR FEDERAL STATUTORY PAY SYSTEMS IN OCTOBER 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. 93-364)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

In accordance with the provisions of section 5305 of title 5, United States Code, I hereby report on the comparability adjustment I am ordering for the Federal statutory pay systems in October 1974.

The Director of the Office of Management and Budget and the Chairman of the United States Civil Service Commission, who serve jointly as my agent for Federal pay, have recommended a 5.52-percent average increase in Federal statutory pay rates. The Federal Employees Pay Council and other employee organizations have proposed an increase of 8.4 percent. The Advisory Committee on Federal Pay has agreed with the method used by the agent to arrive at the 5.52 percent, but has recommended that it be augmented by an additional 1.7 percent, producing a total increase of 7.22 percent. This additional 1.7 percent is based on a special study of pay increases that have occurred in the private sector since completion of the annual Bureau of Labor Statistics survey on which the agent's recommendation is based.

I have decided that I must choose the 5.52-percent increase, without the additional 1.7 percent. The Advisory Committee has made a forceful case for the additional amount, both in their report and in their meeting with me. However, I do not feel that in the context of our current economic situation, I should go beyond the clearly justified increase recommended by my agent. This increase gives full weight to full-scale Bureau of Labor Statistics survey findings of this year in the same manner as last year.

The time lag between the annual BLS survey and the resulting pay adjustment has been an integral part of our Federal pay-setting system since the principle of pay comparability was first adopted. The overriding need of the Nation at present is clearly to dampen the fires of inflation. To depart from past practice by the use of a special survey to support a higher increase than can be justified by normal methods does not seem to me to be the right thing to do at this time.

I have noted the Advisory Committee's recommendation that the results of the annual survey of private sector pay be made available by July 1 of each year rather than the present date of August 1. I am in full agreement that an earlier arrival of the survey results would be highly desirable, since it would provide more time for all the parties involved in the annual pay comparison to give thorough consideration to the very complex issues involved. Therefore, I shall see what can be done so that the survey results will reach my agent by July 1 of each year.

I am transmitting herewith the reports of my agent and the Advisory Committee, as well as a copy of the Executive order I have promulgated to put this pay increase into effect. Also transmitted herewith is a copy of an Executive order I have promulgated to increase basic pay and basic allowances for quarters and subsistence for members of the uniformed services, in accordance with section 1009 of title 37, United States Code, as added by Public Law 93-419 of September 19, 1974.

GERALD R. FORD.
THE WHITE HOUSE, *October 7, 1974.*

AUTHORIZATION FOR SPEAKER TO CALL RECESSES ON OCTOBER 8, 1974

Mr. McFALL. Mr. Speaker, I ask unanimous consent that on tomorrow, October 8, 1974, the Speaker be authorized to declare recesses subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PROVIDING FOR A JOINT SESSION OF THE CONGRESS ON OCTOBER 8, 1974

Mr. McFALL. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 658) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 658

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, October 8, 1974, at 4 p.m. for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions, to be determined by "non-record" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

CHANGES IN PER DIEM TRAVEL ALLOWANCES FOR GOVERNMENT EMPLOYEES

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 15903) to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of Government employees, and for other purposes, as amended.

The Clerk read as follows:

H.R. 15903

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Travel Expense Amendments Act of 1974".

SEC. 2. Section 5701(2) of title 5, United States Code, is amended to read as follows:

(2) "'Employee' means an individual employed in or under an agency including an individual employed intermittently in the Government service as an expert or consultant and paid on a daily when-actually-employed basis and an individual serving without pay or at one dollar a year;"

SEC. 3. Section 5702 of title 5, United States Code, is amended to read as follows:

"§ 5702. Per diem; employees traveling on official business

"(a) An employee while traveling on official business away from his designated post of duty is entitled to a per diem allowance for travel inside the continental United States at a rate not to exceed 35. For travel outside the continental United States, the per diem allowance shall be established by the Administrator of General Services, or his designee, for each locality where travel is to be performed. For travel consuming less than a full day, such rates may be allocated proportionately pursuant to regulations prescribed under section 5707 of this title.

"(b) An employee who, while traveling on official business away from his designated post of duty, becomes incapacitated by illness or injury not due to his own misconduct, is entitled to the per diem allowance and appropriate transportation expenses until such time as he can again travel, and to the per diem allowance and transportation expenses during return travel to his designated post of duty.

"(c) Under regulations prescribed under section 5707 of this title, the Administrator of General Services, or his designee, may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of official travel when the maximum per diem allowance would be less than these expenses, except that such reimbursement shall not exceed—

"(1) $50 per day for travel within the continental United States when the maximum per diem otherwise allowable is determined to be inadequate (A) due to the unusual circumstances of the travel assignment, or (B) for travel to high rate geographical areas designated as such in regulations prescribed under section 5707; or

"(2) $20 per day plus the locality per diem rate prescribed for travel outside the continental United States.

"(d) This section does not apply to a Justice or judge, except to the extent provided by section 456 of title 28.".

SEC. 4. Section 5703 of title 5, United States Code, is hereby repealed.

SEC. 5. Section 5704 of title 5, United States Code, is hereby amended to read as follows:

"§ 5704. Mileage and related allowances

"(a) Under regulations prescribed under section 5707 of this title, an employee who is engaged on official business for the Government is entitled to not in excess of—

"(1) 9 cents a mile for the use of a privately owned motorcycle; or

"(2) 18 cents a mile for the use of a privately owned automobile; or

"(3) 24 cents a mile for the use of a privately owned airplane;

instead of actual expenses of transportation when that mode of transportation is authorized or approved as more advantageous to the Government. A determination of advantage is not required when payment of a mileage basis is limited to the cost of travel by common carrier including per diem.

"(b) In addition to the mileage allowance authorized under subsection (a) of this section, the employee may be reimbursed for—

"(1) parking fees;

"(2) ferry fees;

"(3) bridge, road, and tunnel costs; and

"(4) airplane landing and tie-down fees.".

SEC. 6. Section 5707 of title 5, United States Code, is hereby amended to read as follows:

"§ 5707. Regulations and reports

"(a) The Administrator of General Services shall prescribe regulations necessary for the administration of this subchapter.

"(b) The Administrator of General Services, in consultation with the Comptroller General of the United States, the Secretary of Transportation, the Secretary of Defense, and representatives of organizations of employees of the Government, shall conduct periodic studies of the cost of travel and the operation of privately owned vehicles to employees while engaged on official business, and shall report the results of such studies to Congress at least once a year.".

SEC. 7. The seventh paragraph under the heading "Administrative Provisions" in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "$25" and "$40" and insert in lieu thereof "$35" and "$50", respectively.

SEC. 8. Item 5707 contained in the analysis of subchapter 1 of chapter 57 of title 5 is amended to read as follows:

"5707. Regulations and reports.".

The SPEAKER. Is a second demanded?

Mr. BUCHANAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. BROOKS. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, the present rates for per diem and mileage allowances for Government employees traveling on official business were established in 1969. Five years of inflation have now made those rates inadequate; and, in many cases, Government employees find themselves subsidizing the Federal Government out of their own pockets.

This bill would increase the maximum per-diem allowance from the present $25 per day up to $35 per day. The maximum could go to $50 per day for travel under unusual circumstances or travel to high cost localities.

It is not anticipated that the rate would go to the maximum at this time. The bill would provide that the actual rate be established by regulation by the Administrator of GSA. That rate would be uniform for all domestic Government travel. In the case of foreign travel, the rate would vary, depending upon conditions in each locality where travel is performed.

The bill also provides for an increase in the maximum mileage allowance for the use of privately-owned vehicles. The maximum rate for automobiles would be increased from 12 cents a mile to 18 cents a mile; for airplanes from 12 cents a mile to 24 cents a mile; and for motorcycles from 8 cents a mile to 9 cents a mile.

Again, it is not expected that the rate would be set at its maximum at this time. The current cost of operating an automobile, according to various Government studies, appears to be approximately 15 cents a mile. This bill would permit the rate to be increased up to 18 cents if continuing inflation requires it.

Under this legislation, if the rates were set at their expected level of $30 a day per diem, and 15 cents a mile for automobiles, the increased cost to the Goverment would be approximately $45 million per year for all Government travel. If the rates went up to their maximum level, the increase would be $80 million per year. It is certainly not desirable to increase Government expenditures, but we should not ask Government employees to fund official travel from their own pockets as they are presently doing. We cannot ignore the impact that inflation has had. Government travel costs should be kept in line by prohibiting all unnecessary travel, not by penalizing the civil servants of our Nation.

Mr. Speaker, the Government Operations Committee reported this legislation unanimously. I urge the House to enact it promptly to correct the current inequities in the present law.

Mr. BUCHANAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the distinguished chairman of the subcommittee has pointed out that the present per diem and mileage allowances for Federal employees were established in 1969. Since that time, we have had rapid inflation. We are now confronted with a situation in which Government employees are having to pay out of their salaries and out of their pockets for official travel, and this a clear inequity. It is not right, and we must correct it.

Our bill will provide some leeway to the General Services Administration, not only to meet the need now, but as inflation continues to cover them for some additional time. The General Services Administration has conducted a careful study of this situation.

I am quite confident that this is needed legislation, and I urge its adoption.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, the gentleman from Texas, Mr. Brooks, talks about inflation for the last 5 years. If seems to me that there was inflation for a good many years before that. Is that not true?

Mr. BUCHANAN. That certainly is true, I will say to the gentleman.

Mr. GROSS. Mr. Speaker, I wondered why the gentleman from Texas referred only to the inflation in the last 5 years. Of course, there has been inflation, but there was certainly inflation before that.

This again points up the business of spending beyond income and the generating of inflation. Inflation is now feeding upon itself. That is the necessity for this bill—and I agree that there is a necessity for it.

But, I see no evidence, certainly in this branch of Congress, and I fail to discover any in the other branch of Congress, with regard to doing something about inflation—something really drastic, the kind of treatment inflation has to have.

If we are going to eliminate inflation, slow it down, stop it, it is going to have to have some drastic treatment. We cannot resolve inflation with legislation of this kind. I say again, this is inflation feeding upon itself.

Mr. BUCHANAN. The gentleman is certainly correct in his statement that inflation has gone on much longer than 5 years, and it does continue. We need to do something about it, as the gentleman has indicated.

However, we need now to take care of Federal employees who are having to pay from their own salaries for conducting official business. I urge passage of this legislation.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. Brooks), that the House suspend the rules and pass the bill H.R. 15903, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3341) to revise certain provisions of title 5, United States Code, relating to per diem and mileage expenses of employees and other individuals traveling on official business, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill as follows:

S. 3341

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Travel Expense Amendments Act of 1974".

Sec. 2. (a) Section 5701 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (5);

(2) by striking out the period at the end of subparagraph (6) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(7) 'high cost locality' means any geographic location within the continental United States designated by regulations prescribed under section 5707 of this title.".

(b) Section 5702(c) of such title is amended to read as follows:

"(c) Under regulations prescribed under section 5707 of this title, the head of the agency concerned may prescribe conditions under which an employee may be reimbursed for the actual and necessary expenses of the trip, not to exceed an amount named in the travel authorization, when the per diem allowance would be less than those expenses due to—

"(1) the unusual circumstances of the travel assignment, in which case the amount named in the travel authorization may not exceed—

"(A) $50 for each day in a travel status inside the continental United States; or

"(B) the per diem allowance established under subsection (a) of this section plus $23 for each day in a travel status outside the continental United States; or

"(2) a travel assignment to a high cost locality, in which case the amount named in the travel authorization may not exceed the daily amount provided in those regulations for that locality."

(c) Section 5707 of such title is amended—

(1) by striking out "Director of the Bureau of the Budget" and inserting in lieu thereof "Administrator of General Services";

(2) by inserting the subsection designation "(a)" at the beginning of the text thereof; and

(3) by adding at the end thereof the following new subsection:

"(b) The regulations prescribed by the Administrator shall include the designation of any high cost locality with respect to which the Administrator determines that the per diem allowance established under section 5702(a) of this title would be less than the actual and necessary expenses incurred in traveling to that locality. The Administrator shall establish for each high cost locality, the daily amount (not to exceed $50 for each day) that may be paid under section 5702(c)(2) of this title in traveling to that locality."

Sec. 3. (a) Section 5702(a) of title 5, United States Code, is amended to read as follows:

"(a) An employee, while traveling on official business away from his designated post of duty, is entitled to a per diem allowance. For travel inside the continental United States, the per diem allowance shall be $35. For travel outside the continental United States, the per diem allowance may not exceed the rate established by the President or his designee for the locality where the travel is performed.".

(b) Section 5703(c) of such title is amended by striking out "the per diem allowance may not exceed—

"(1) the rate of $25" and inserting in lieu thereof "the per diem allowance shall be—

"(1) $35".

(c) Section 5703(d) of such title is amended—

(1) by striking out "much"; and

(2) by striking out "$40" and "$18" and inserting in lieu thereof "$50" and "$23", respectively.

(d) The seventh paragraph under the heading "Administrative Provisions" in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b), is amended by striking out "$25" and "$40" and inserting in lieu thereof "$35" and "$50", respectively.

Sec. 4. (a) Section 5704 of title 5, United States Code, is amended to read as follows:

"§ 5704. Mileage and related allowances

"(a) Except to the extent otherwise provided under this section, and under regulations prescribed under section 5707 of this title, an employee or other individual performing service for the Government, who is engaged on official business inside or outside his designated post of duty or place of service, is entitled to—

"(1) 9 cents a mile for the use of a privately owned motorcycle;

"(2) 16 cents a mile for the use of a privately owned automobile; or

"(3) 20 cents a mile for the use of a privately owned airplane;

instead of the actual expenses of transportation when that mode of transportation is authorized or approved as more advantageous to the Government. A determination af advantage is not required when payment on a mileage basis is limited to the cost of travel by common carrier including per diem.

"(b) In addition to the mileage allowance provided in accordance with the other provisions of this section, the employee or other individual performing service for the Government may be reimbursed for—

"(1) parking fees;

"(2) ferry fares;

"(3) bridge, road, and tunnel tolls; and

"(4) airplane landing and tiedown fees.

"(c)(1) The Administrator of General Services shall conduct a continuing investigation of the average, actual cost a mile, to the employee or other individual performing service for the Government who is engaged on official business inside or outside the designated post of duty or place of service, for the use of a privately owned motorcycle, automobile, and airplane. In conducting the investigation, the Administrator shall review and analyze the following:

"(A) depreciation of original vehicle cost;

"(B) gasoline and oil (excluding taxes);

"(C) maintenance, accessories, parts, and tires;

"(D) insurance; and

"(E) State and Federal taxes.

The Administrator, in conducting such investigation, shall meet at least once every 3 months with representatives of the General Accounting Office, the Department of Transportation, the Department of Defense, and organizations of employees of the Government of the United States, and allow them to make their views personally known to him with respect to such average, actual cost.

"(2) Not later than January 10 and July 10 of each year, the Administrator shall determine, based upon the results of his continuing investigation with respect to the 6 full calendar months preceding the month in which the determination is made, specific figures, each rounded to the nearest one-half cent, of the average, actual cost a mile during that period for the use of a privately owned motorcycle, automobile, and airplane. The Administrator shall report such figures to Congress not later than 5 days after he makes his determination. Each such report shall also include a detailed description of the factors utilized in conducting the investigation during such 6-month period. Each such report shall be printed in the Federal Register. The cent figures contained in paragraphs (1), (2), and (3) of subsection (a) of this section, or any adjustments previously made thereto and in effect under this subsection, shall be adjusted, as of the first day of the first month following the submission of that report, to the figures so determined and reported by the Administrator. Those figures shall not be less than the figures in effect under subsection (a) of this section immediately after enactment of the Travel Expense Amendments Act of 1974. Those reported figures shall also be included as of such day in the regulations prescribed under section 5707 of this title.

"(d) The Comptroller General shall from time to time review the continuing investigation of the Administrator and make reports to Congress with respect to his review as he considers appropriate.".

(b) The Administrator of General Services shall begin the continuous investigation referred to in subsection (a) of this section on that January 1 or July 1 which first occurs after the date of enactment of this Act.

SEC. 5. Section 506 of the Supplemental Appropriations Act (2 U.S.C. 58), is amended—

(1) by striking out of subsection (a)(8) "actual transportation expenses" and inserting in lieu thereof "travel expenses"; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(e) In accordance with regulations prescribed by the Committee on Rules and Administration, an employee in a Senator's office shall be reimbursed under this section for per diem and actual transportation expenses incurred, or actual travel expenses incurred, only for round trips made by the employee on official business by the nearest usual route between Washington, District of Columbia, and the home State of the Senator involved, and in traveling within that State (other than transportation expenses incurred by an employee assigned to a Senator's office within that State (1) while traveling in the general vicinity of such office, (2) pursuant to a change of assignment within such State, or (3) in commuting between home and office). However, an employee shall not be reimbursed for any per diem expenses or actual travel expenses (other than actual transportation expenses) for any travel occurring during the 120 days immediately before the date of any primary or general election (whether regular, special, or runoff) in which the Senator, in whose office the employee is employed, is a candidate for public office. Reimbursement of per diem and actual travel expenses shall not exceed the rates established in accordance with the seventh paragraph under the heading 'Administrative Provisions' in the Senate appropriation in the Legislative Branch Appropriation Act, 1957 (2 U.S.C. 68b). No payment shall be made under this section to or on behalf of a newly appointed employee to travel to his place of employment.".

SEC. 6. Any increases in expenses of per diem, travel, transportation, mileage, and subsistence incurred during fiscal year 1975 as the result of the enactment of this Act shall be absorbed by the departments, agencies, independent establishments, and other entities of the three branches of the United States Government and the government of the District of Columbia incurring such increases. No amounts shall be appropriated for fiscal year 1975 to pay for such increases.

SEC. 7. (a) Section 111(a) of title 38, United States Code, is amended by adding at the end thereof the following: "In no event shall the amount paid for expenses of travel or mileage allowance under this section in the case of any veteran with a service-connected disability be less than the amount paid therefor under section 5702 or 5704, as appropriate, of title 5 in the case of employees of the United States traveling on official business.".

(b) The amendment made by subsection (a) of this section shall become effective July 1, 1975.

MOTION OFFERED BY MR. BROOKS

Mr. BROOKS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROOKS moves to strike out all after the enacting clause of S. 3341 and insert in lieu thereof the provisions of H.R. 15903, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 15903) was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR MANAGERS TO HAVE UNTIL MIDNIGHT TO FILE CONFERENCE REPORT ON H.R. 8193, TO REQUIRE PERCENTAGE OF U.S. OIL IMPORTS BE CARRIED ON U.S.-FLAG VESSELS

Mr. DOWNING. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file the conference report on H.R. 8193, to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

ESTABLISHING A COMMISSION ON FEDERAL PAPERWORK

Mr. HOLIFIELD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 16424) to establish a Commission on Federal Paperwork, as amended.

The Clerk read as follows:

H.R. 16424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF PURPOSE

SECTION 1. (a) The Congress hereby finds that Federal information reporting requirements have placed an unprecedented paperwork burden upon private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments.

(b) The Congress hereby affirms that it is the policy of the Federal Government to minimize the information reporting burden, consistent with its needs for information to set policy and operate its lawful programs.

(c) The Congress hereby determines that a renewed effort is required to assure that this policy is fully implemented and that it is necessary to reexamine the policies and procedures of the Federal Government which have an impact on the paperwork burden for the purpose of ascertaining what changes are necessary and desirable in its information policies and practices.

ESTABLISHMENT OF THE COMMISSION

SEC. 2. To accomplish the purpose set forth in the first section of this Act, there is hereby established a Commission on Federal Paperwork (hereinafter referred to as the "Commission").

FUNCTIONS OF THE COMMISSION

SEC. 3. (a) The Commission shall study and investigate statutes, policies, rules, regulations, procedures, and practices of the Federal Government relating to information gathering, processing, and dissemination, and the management and control of these information activities. The Commission shall consider—

(1) the nature and extent of current Federal requirements for information from other public and private entities;

(2) the effect of existing statutes on the information requirements of the Federal Government and authorities of existing Federal agencies to collect information;

(3) the nature and extent of management and control over the determination of Federal information needs and the choice of information gathering, processing, and dissemination methods;

(4) the nature and extent to which Federal agencies cooperate with State and local governments and private agencies in collecting, processing, and disseminating information;

(5) the procedures used and the extent to which considerations of economy and efficiency impact upon Federal information activities, particularly as these matters relate to costs burdening the Federal Government and providers of information;

(6) the ways in which policies and practices relating to the maintenance of confidentiality of information impact upon Federal information activities; and

(7) such other matters as the Commission may decide affect Federal reporting requirements.

(b) The Commission shall ascertain what changes are possible and desirable in existing statutes, policies, rules, regulations, procedures, and practices relating to Federal information activities in order to—

(1) assure that necessary information is made available to Federal officials and those acting on behalf of Federal officials;

(2) minimize the burden imposed by Federal reporting requirements on private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments;

(3) guarantee appropriate standards of confidentiality for information held by private citizens or the Federal Government, and the release thereof;

(4) provide that information held by the Federal Government is processed and disseminated to maximize its usefulness to all Federal agencies and the public;

(5) reduce the duplication of information collected by the Federal Government and by State and local governments and other collectors of information; and

(6) reduce the costs of Federal paperwork.

(c) The Commission shall make a final report to the Congress and the President within two years of the date of the first meeting of the Commission. The final report shall contain a review of its findings and its recommendations for changes in statutes, policies, rules, regulations, procedures and practices. In the event Congress is not in session at the end of such two-year period, the final report shall be submitted to the Clerk of the House and the Secretary of the Senate. The Commission may make such interim reports and recommendations as it deems advisable.

(d) Upon submission of the Commission's final report, the Office of Management and Budget, in coordination with the executive agencies, shall take action to (1) formulate the views of the executive agencies on the recommendations of the Commission; (2) to the extent practicable within the limits of their authority and resources, carry out recommendations of the Commission in which they concur; and (3) propose legislation needed to carry out or to provide authority to carry out other recommendations of the Commission in which they concur. At least once every six months, the Office of Management and Budget shall report to the Congress and the President on the status of action taken or to be taken as provided herein. A final report shall be submitted within two years.

MEMBERSHIP OF THE COMMISSION

Sec. 4. (a) The Commission shall be composed of fourteen members, as follows:

(1) two Members of the Senate (who shall not be members of the same political party) appointed by the President of the Senate;

(2) two Members of the House of Representatives (who shall not be members of the same political party) appointed by the Speaker of the House of Representatives;

(3) the Director of the Office of Management and Budget and one other official or employee of the executive branch of the Federal Government appointed by the President of the United States;

(4) the Comptroller General of the United States;

(5) two from among officials of State and local governments (who shall not be members of the same political party) appointed by the President of the United States; and

(6) five from among persons in the private sector, including small business, labor, and other interested groups (no more than three of whom shall be of the same political party), appointed by the President of the United States.

(b) The Commission shall select a Chairman and a Vice Chairman from among its members.

(c) Seven members of the Commission shall constitute a quorum.

(d) Any vacancies in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

COMPENSATION OF MEMBERS OF THE COMMISSION

Sec. 5. (a) Except as provided in subsection (b), members of the Commission shall each receive as compensation the daily equivalent of the annual rate of basic pay in effect for grade GS–18 for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(b) Members of the Commission who are Members of Congress or who are full-time officers or employees of the United States shall receive no additional compensation for their service on the Commission.

(c) While away from their homes or regular places of business in the performance of service for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

POWERS OF THE COMMISSION

Sec. 6. (a) The Commission, or at its direction, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence and administer such oaths, as the Commission or such subcommittee or member may deem advisable. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such subcommittee or member.

(b)(1) The Commission may require by subpenas the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers and documents as the Commission may deem advisable. Subpenas may be issued under the signature of the Chairman or Vice Chairman and may be served by any person designated by the Chairman or Vice Chairman. The subpenas of the Commission shall be served in a manner provided for subpenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(2) If a person issued a subpena under paragraph (1) is guilty of contumacy or refuses to obey such subpena, any district court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may, upon application made by the Attorney General of the United States, order such person to appear before the Commission or a subcommittee or member thereof, to produce evidence or to give testimony touching the matter under inquiry. Any failure of any such person to obey any such order of the court may be punished by such court as a contempt thereof.

(3) Notwithstanding paragraphs (1) and (2), a person shall be excused from testifying or from producing such books, records, correspondence, memoranda, papers or documents or other evidence in obedience to a subpena if such person states in writing to the court ordering his attendance and testimony that the required testimony or evidence may tend to incriminate him or subject him to a criminal penalty.

(c) The Commission may appoint and fix the compensation of such personnel as it deems advisable without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not to exceed the maximum rate authorized by the General Schedule. In addition, the Commission may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for the maximum rate authorized by the General Schedule.

(d) The Commission is authorized to negotiate and enter into contracts with private organizations and educational institutions to carry out such studies and prepare such reports as the Commission determines are necessary in order to carry out its duties.

COOPERATION WITH FEDERAL AGENCIES

Sec. 7. (a) Each department, agency, and instrumentality of the Federal Government is authorized and directed to furnish to the Commission, upon request made by the Chairman, such data, reports, and other information not otherwise prohibited by law as the Commission deems necessary to carry out its functions under this Act.

(b) The head of each department or agency of the Federal Government is authorized to provide to the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman of the Commission. All such requests shall be made by the Chairman or Vice Chairman of the Commission.

TERMINATION OF THE COMMISSION

Sec. 8. One hundred and twenty days after the submission of the final report provided for in section 3 of this Act, the Commission shall cease to exist.

AUTHORIZATION OF APPROPRIATIONS

Sec. 9. There are hereby authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this Act

The SPEAKER. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill I am presenting today, H.R. 16424, is a concise straightforward measure to launch an attack on the burden which Federal paperwork imposes on our economy and productivity. It would establish a temporary commission to study all facets of the issue and report back within 2 years with a complete package of administrative and legislative recommendations. We have a heavy schedule before us in the closing days of this session of Congress. Since there are 12 bills being considered today on suspensions, I will be brief in my remarks.

It is not necessary for me to describe the paperwork burden. We can see it all around us. It is depicted more forcefully and eloquently in the volume and tone of mail we receive from our constituents every day than I could describe. The time has come to lift this heavy weight from the shoulders of our constituents, particularly the small businessman. Mr. Horton, the ranking member of the Committee on Government Operations, has sponsored this legislation along with Mr. Yatron and 120 colleagues. He will outline the provisions of the bill and its need.

The focus of this bill is to establish a commission similar to the highly successful Commission on Government Procurement. I had the honor to serve on that Commission as Vice Chairman alongside my distinguished colleague, the gentleman from New York (Mr. Horton). That Commission worked intensively on the problem of Government procurement. We held hearings, conducted studies, and drew on the best talents available, both in and outside of Government, to prepare our findings and recommendations. One recommendation, which was enacted into law just a few weeks ago, will save the taxpayer $100 million in the Department of Defense alone. A small investment in a 2-year commission can yield huge dividends.

Similar economies can be and must be found in the information-gathering programs of the Government. Like procurement, paperwork is a pervasive element in Government today. It is not confined to any single department or agency or group of them. It requires coordinated Government-wide study if the remedies are to be effective.

Let me reiterate that this will be a temporary commission. Its functions are to study and investigate, and not in any way to regulate or modify existing policies or statutory requirements. I believe that we owe it to our constituents to make this commitment today: to reducing the Federal reporting burden which we have imposed on them over the years.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I will be happy to yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

What are we asked to do here, set up another commission on paper shuffling?

Mr. HOLIFIELD. This is to set up a commission to reduce paper shuffling, one might say.

Mr. GROSS. The Commission is going to have to shuffle paper, is it not?

Mr. HOLIFIELD. To shuffle a little bit, but one bill that we passed just recently with respect to the Defense Department to end the shuffling of paper would, it is estimated, save $100 million a year. That is a great saving. That is as much saving as the cost of the committee would have been if it had lasted for the next 15 or 20 years.

Mr. GROSS. If the Department of Defense could do this, why cannot other departments and agencies of Government do it and remove the necessity for a brandnew commission at a taxpayer cost of $4 million?

Mr. HOLIFIELD. I might say that this is a different subject matter. It is for the elimination of the flood of paperwork which is emanating from small businessmen and others, and it has nothing to do with the Procurement Commission, which I gave as an example of the saving.

Mr. GROSS. Does this deal exclusively with production?

Mr. HOLIFIELD. This deals exclusively with eliminating the excess paperwork which has been burdening our people and our Government agencies. It has nothing to do with procurement. I mentioned that as an illustration of the saving which we made in the Department of Defense on procurement for 1 year alone.

Mr. GROSS. In other words, this is designed to remove the paper work required by the regulations, all the paper work necessary to answer the requirements of the regulations on small business? How will it do this?

Mr. HOLIFIELD. This is to make a study of all the requirements for reports that are now being made by Government agencies. We are trying to eliminate many of them or to consolidate them by compressing many reports into one, and it has to do with all the other extraneous paper work that we feel can be eliminated.

Witnesses from Government agencies, I might say, appeared before our committee and testified on this matter. They all testified that if they were given a Government-wide commission to study this, which would apply, then, to all the paper work caused by administrative regulations which are now part of the law, it would be a uniform way to approach the matter. The administration did approve this approach.

Mr. GROSS. Incidentally, the Congress could make a real contribution to this goal of less paper work and less paper shuffling by simply refusing to provide the bureaucrats with the ability to issue all kinds of regulations requiring answers from small business or any other business.

Mr. HOLIFIELD. The gentleman well knows how difficult it is for the Congress to do just what the gentleman said he hoped can be done, but I would like to see this done. We feel that this is the logical way to go about this, to get it done, and to save the money of our taxpayers.

Since I know the gentleman's great record for many years in saving money for the Government, I know that if he understands this as our committee understands it, he will be right in the forefront of those asking for it to be done.

Mr. GROSS. If I could believe it would result in any saving, that would help. I do know it is going to cost $4 million. Yes, if I had good reason to believe that it would result in economy, I could support it, but I am far from convinced of that at this stage.

Mr. HOLIFIELD. It is difficult to convince the gentleman, but I hope he will listen to the explanations that will be given by my colleague, the gentleman from New York (Mr. HORTON), and others on this matter, and I hope that he will support this as one of the culminating acts of his career to save money for the taxpayers.

Mr. RANDALL. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Missouri.

Mr. RANDALL. The gentleman from Iowa (Mr. GROSS) has made the point, that he is opposed to further concessions. Well, of course, we all deplore the setting up of one single additional commission. On the other hand take a look for a moment to see what the alternatives are.

One alternative is simply to go down into the well and make another speech and say we are against nonessential paperwork.

But that is not going to help much. The way we are proceeding, as difficult a way as it may be, is the only way we are ever going to find out how many areas of duplication there are, where they are, and how to get our hands on the way to eliminate them.

The gentleman from Iowa (Mr. GROSS) says the cost will be $4 million. This cost should be put in perspective with the savings that can be achieved. Someone has neglected to give us an estimate of how much can be saved. It is upward of, not millions, but billions; is that not true? I have heard it estimated that an amount of $30 billion may be saved.

Mr. HOLIFIELD. Mr. Speaker, this gentleman is not aware of that particular figure. It is very difficult to project how much will be saved. However, I think the gentleman is right in that it will be a huge sum.

Mr. RANDALL. I understand the man-hours have been estimated in the millions of man-hours; is that true?

Mr. HOLIFIELD. The gentleman is correct.

Mr. RANDALL. Then we could consider the figure of $4 million is just a little bit of seed money?

Mr. HOLIFIELD. The gentleman is correct.

Mr. STEED. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I will be happy to yield to the gentleman from Oklahoma.

Mr. STEED. Mr. Speaker, I want to pledge my support to the gentleman's bill. For the last 10 years, on the Subcommittee on Appropriations, we have tried to get the Bureau of the Budget to do something about this very same problem, and after a lot of studies and promises, no good ever came of it.

I remember on the last check we had, it took 24 sheets of paper to go to work for the Federal Government, and it takes 48 sheets to quit. Of course, a lot of this is just proliferated nonsense.

I believe that this could become probably the most important bill this Congress has passed during this session.

Mr. Speaker, I urge my colleagues to approve the bill.

Mr. HOLIFIELD. Mr. Speaker, I certainly thank the gentleman for his very valued support.

Mr. HORTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, Federal paperwork is a hidden debilitating tax. It costs the American public some $36 billion per year. Paperwork costs represent at least 6 percent of the Federal budget.

Of particular importance during this inflationary period is the way Federal paperwork limits productivity. OMB estimated in 1971 that the average small businessman had to spend 2½ weeks out of each year doing nothing more than filling out Federal forms. Paperwork constitutes the proverbial redtape of government.

It has been more than 30 years now since Congress has dealt comprehensively with managing the paperwork burden. The sum total of congressional and executive piecemeal efforts since the Federal Reports Act of 1942 have been to weaken or nullify policies and procedures which control Federal paperwork. The tremendous growth in Federal paperwork in recent years ought to be enough to convince anyone that we must change our policies and procedures if we are to bring Federal paperwork under control.

H.R. 16424 gives us the best opportunity to bring Federal paperwork under control. The Government Operations Committee reported the bill unanimously; 32 members of the committee are sosponsors of the bill. The bill is being cosponsored by 123 Members of the House. In the Senate an identical bill, S. 3911, has been introduced by Senators BENTSEN, McINTYRE, and PERCY, and I expect it will receive prompt approval. The administration, the Office of Management and Budget, the General Services Administration, the Small Business Administration, and the General Accounting Office have given their wholehearted support to the bill. The committee has received testimony or statements of support for the bill from the National Association of Manufacturers, the National Federation of Independent Business, and the National Small Business Association.

There have been no expressions of opposition to the bill.

My proposal to create a Commission on Federal Paperwork sprang from the discussions we had in hearings in Congressman YATRON's bill, H.R. 12181. His bill would have required the GAO to study some Federal reporting requirements. GAO testified they did not have the resources to make such a study and that it should be approached more comprehensively.

Convinced of the need for major effort to reduce Federal paperwork, I talked with the Comptroller General, the Office of Management and Budget, Congressmen HOLIFIELD and YATRON, and Senators BENTSEN, MCINTYRE, and PERCY, all of whom I knew were interested in trying to attack this problem. There seems to be a broad agreement that creating a commission similar to the very successful Commission on Government Procurement would be the best means to get a handle on the paperwork burden.

The commission approach has two principal advantages. First, it provides a focal point for a short-term, high-level effort to study, and make recommendations on complex problems. Second, it forces the consideration of the problem from a number of different perspectives—and certainly that is what is required when dealing with Federal paperwork. We have seen the advantages of the commission approach in the work of the Commission on Government Procurement. That Commission's work was of a very high quality and produced recommendations to the Congress and the President which had considerable momentum and important public support. The Commission on Federal Paperwork, I believe, would be equally successful in building a case for significant changes and creating the momentum to make the changes.

It has been suggested that what we ought to do is act rather than simply set up another study effort to look into Federal paperwork. I want to say as forcefully as I can that it is wrong to suppose that there will be any significant reduction in Federal paperwork without prior detailed analyses of Federal paperwork policies and practices. We cannot wish paperwork away.

The issues are too detailed and complex. Significant action will only result from informed study. While it is unfortunate that we need a commission to do this job, it is by far the best way to proceed.

The heart of the bill is section 3, the functions of the Commission. Basically, the Commission would, first, study and investigate statutes, policies, rules, regulations, procedures, and practices of the Federal Government relating to information-gathering, processing, and dissemination, and the management and control of these responsibilities; second, ascertain what changes are possible and desirable in existing statutes, policies, and practices; third, make a final report to the Congress and the President within 2 years containing a review of its findings and its recommendations for change. The Commission is given a broad mandate to look into all aspects of Federal information activities and all issues which impact upon Federal information activities. The Congress, the President, and the agencies would then, of course, be free to accept, modify or reject the recommendations of the Commission. The committee amendment requires the Office of Management and Budget to report regularly to the Congress for a period of 2 years on the implementation of administrative changes recommended by the Commission, and needed legislation to enact statutory changes.

Section 4 of the bill defines the membership of the 14-person commission as follows: Two each from the House, the Senate, and the executive branch. The OMB Director would be one of the executive branch commissioners. The Comptroller General would also serve on the commission. There would be two officials from State and local governments and five from among persons in the private sector representing various interested groups. The commission, under the terms of the bill, would be bipartisan. It would elect its own chairman and vice chairman.

Section 6 of the bill defines the powers of the commission. The bill grants the usual administrative authority.

Section 7 authorizes the cooperation of other Federal agencies with the commission. The General Services Administration is expected to provide administrative support to the commission.

Section 9 of the bill authorizes such sums as may be appropriated for the work of the commission. I would expect the total cost of the commission to be between $4 and $6 million. Of course, the Appropriations Committees, based on detailed planning documents, would make the final decisions as to what figure is most appropriate.

At a time when we must all be concerned about constraints on productivity and the costs of the Federal Government, it seems to me this bill represents our best hope for cutting redtape and saving substantial unnecessary expenditures on the part of both Government and the private sector. It has been more than 30 years now since the passage of the Federal Reports Act, the last time the Congress seriously addressed the problems of Federal paperwork. It is high time we make another intensive and comprehensive effort to bring Federal paperwork under control.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I would ask the gentleman from New York if I am correct that this Commission has no authority other than to report to the Congress?

Mr. HORTON. That is correct. I might point out this is just as we had it with the Procurement Commission. And the Congress in its good wisdom, I think, followed its recommendations and did enact two bills recommended by the Procurement Commission. The most important recommendation of the Government Procurement Commission was to establish the Office of Federal Procurement Policy as a central agency to look into all of the problems of the procurement process, and make recommendations and establish guidelines with regard to procurement rules and regulations. One of the bills enacted set up this Office, and I believe it is an important step forward. I believe if we can act on the recommendations of the Paperwork Commission as we did on the recommendations of the Procurement Commission, it would be an important step forward also. I do not know what they will recommend, but based on the experience we have had with the Procurement Commission, I believe the Paperwork Commission can be a success.

Mr. GROSS. They could start by recommending the elimination of two-thirds of the public relations people in Government; that would help get rid of several thousand warm bodies.

Mr. HORTON. That might very well be one of their recommendations.

Mr. GROSS. I do not think we need a commission to tell us that we have far too many public relations people floating around our bloated bureaucracy.

Mr. HORTON. I am certainly in accord with the concern of the gentleman from Iowa. I do feel this way, however, that the basic problem goes back, as I indicated, to the rules and regulations and the statutes over which the Congress has not exercised its good judgment in the last 30 years. This cannot be done by a committee of the Congress; we need a broader base to look at it from the outside. I think that with Members of the Congress on the Commission, and with people from outside Government, that they will have a broader perspective and its report will have broader support. This is just what we did with the Procurement Commission and the Hoover Commission, and so forth. I think we will save a lot of money by having a commission make this paperwork study.

Mr. GROSS. Mr. Speaker, I thank the gentleman from New York for yielding to me, and in conclusion let me say only this: that I am concerned about the fact that whenever a problem arises in the Federal Government we have to provide for a commission or a board, or an outfit with some other title to look into it.

We do not seem to have anyone in this Federal Government, or an accumulation of "someones" in the Federal Government who have the ability or whatever it takes to dig into these matters and do something about it with the money we are presently spending on the Federal Government; and all of the time the costs of the Federal Government continue to go up, despite the success the gentleman says he has had with procurement.

In the Department of Defense costs continue to go up in the Federal Government. Where are the savings that ought to accrue from this?

Mr. HORTON. I think the gentleman makes a very good point. But let me remind him that when we considered the Yatron bill, which required that the General Accounting Office make a study, they said, "We just do not have the wherewithal to do it."

The one similar case I am familiar with, where we had a complex problem with considerable detail involved, was the Procurement Commission, and I think that was very successful.

I do thank the gentleman from Iowa for his comments.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. LAGOMARSINO. I thank the gentleman for yielding.

I should like to associate myself with the gentleman's remarks, and with those of the gentleman from California. It seems to me that it is essential to have some agency responsible for making these recommendations so that we in the Congress will have the ammunition and the facts available to us on which to base legislation requiring paperwork reform to be done. It is very obvious that the various Federal agencies that are abusing this process now are not going to correct it themselves. They have a built-in self-interest in perpetuating mountains of paperwork.

I might point out one other thing, too, that has not been mentioned. We talk about all of the money that this reform will save if it is effective and successful—and I think it will be. I should like to point out that in addition this may well be the greatest ecology bill of the year. Think of all of the trees that will be saved if we can eliminate this paperwork.

Mr. HORTON. The gentleman has a good point. I thank him for his remarks.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. TALCOTT. I thank the gentleman for yielding.

First, I should like to commend the gentleman from New York and the rest of the committee for caring about the problem we are confronted with here. I should like to ask if he is familiar with the Joint Committee on Reduction of Nonessential Federal Expenditures?

Mr. HORTON. To some extent I am, yes.

Mr. TALCOTT. Will this committee overlap that?

Mr. HORTON. It would not.

Mr. TALCOTT. Can there be a Joint Committee on the Reduction of Nonessential Federal Expenditures, including paperwork, and consolidate all of the problems?

Mr. HORTON. I really think that the problem of paperwork is a broad enough subject so that it should receive independent attention. In other words, we should go at the paperwork problem alone.

The jurisdiction of the Joint Committee, I think, is broad enough. If we put the paperwork requirement on top of what they now do in the Joint Committee, I think it would be too much of a burden.

The SPEAKER. The time of the gentleman has expired.

Mr. HORTON. Mr. Speaker, I yield myself 2 additional minutes.

I think we really need to give specific attention to this paperwork problem, and have it analyzed comprehensively, and a report made with recommendations.

Mr. TALCOTT. But the gentleman does consider paperwork to be aimed at in the reduction of nonessential Federal expenditures; does he not?

Mr. HORTON. Yes; I certainly think it does encompass that, but I see no reason for conflict between the Commission and the joint committee. I am pleased the gentleman brought it up because I think it is important that we make the point there is no conflict between the work of the Commission and the joint committee.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

First, let me commend the chairman of the Committee on Government Operations, the gentleman from California (Mr. Holifield), and also the ranking Republican on the committee (Mr. Horton), the gentleman in the well, for bringing this legislation to the floor. Let me say I am pleased as a member of the Legislation and Military Operations Subcommittee of the Committee on Government Operations to have had a hand in its preparation for presentation on the floor, and to be one of the cosponsors of the legislation.

First, may I say to the gentleman from California (Mr. Talcott), in response to the colloquy which immediately preceded this one, that the undesirable expenditure for nonessential paperwork is not only a Government expenditure, but it is an uneconomic expenditure of time and effort and strain and difficulty by many, many businesses around the country, including many small businesses which can ill afford this burden.

It is exactly this burden which the Federal Government places upon them that is the reason many small businesses just never get off the ground. They are required by Government to do so many things and to keep so many records and to respond to so many inquiries that the result is that many small businesses just never make it. Perhaps, in this piece of legislation, we can make it possible for a new business to come into its chosen field of operation and compete with existing businesses and in this way help bring down through competition the prices of goods and services. If we do that, we will have done something that beneficially affects all of us as consumers in this time of inflation.

This piece of legislation can provide not only a good service to those a-borning businesses but also to the individual consumers of this society of ours, and I commend passage of this bill to all my colleagues and again commend my chairman and the gentleman in the well for bringing this legislation to the floor.

Mr. HORTON. Mr. Speaker, I thank the gentleman from Ohio for his comments.

I also thank him for his work on the subcommittee and the committee. The gentleman is also a member of the Intergovernmental Relations Committee that works with State and local governmental units.

This brings to mind another point that I think is important. In my testimony before the committee I put in the Record a letter from Assemblyman Charles B. Cook of the New York State Assembly in which he said:

> I am sure you are very aware of the problems facing small businesses through the increasing weight of forms and paperwork that must be filed for State and governmental agencies. One possible avenue of reducing this load is through standardization of State and Federal forms which serve duplicate purposes. Has your committee held hearings or published any reports on this problem? If so, could you forward those documents at your convenience? Thank you for your assistance.

In other words intergovernmental coordination of reporting requirements is another facet of the problem which I hope the Commission will look into.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I want to follow up briefly on the point made by the gentleman from Ohio (Mr. Brown).

One of the burdens that many small businesses have today and which in many instances causes add-on costs for products and services is the volume of paperwork created by the Federal Government which eventually imposes an additional cost on the consumers.

I hope this committee will ask many small businessmen to come in and tell the committee or the Commission exactly what is the add-on cost to services and products as a direct result of the tremendous volume of paperwork that is created by the Federal Government.

I think the gentleman from Ohio made an excellent point, that it is the small businessmen and also it is the middle-size businessmen who suffer most acutely because of this tremendous burden of Federal paperwork, and ultimately of course the consumer has to pay the price for it.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield at that point? I think I can make a contribution.

Mr. HORTON. I will yield to the gentleman, but before I do so I would like to say the Office of Management and Budget has estimated that the average small businessman must spend 2½ weeks per year just filling out Federal forms. I think the gentleman from California has a very good point and I hope the Commission will look specifically into that problem.

Mr. ROUSSELOT. I hope the Commission will also call on the Members of Congress so they can relate the problems their constituents have had with this burden of paperwork.

I compliment the gentleman from Ohio for bringing up the point.

Mr. BROWN of Ohio. Mr. Speaker, last weekend when the attention of the Nation and the media was focused on the economic summit, the Advisory Council on Government Relations was also meeting and Gov. Dan Evans of the State of Washington pointed out that the Conference of State Governors have indicated that the unnecessary paperwork required of State and local governments under Federal categorical grant programs—or even that which is required by block grants and even general revenue sharing—the States could get along with as much as 10 percent less money and accomplish the same things which are being accomplished now with so much of the money being wasted in paperwork. Certainly that would help cut down inflation by increasing the efficiency of government at all levels.

Mr. HOLIFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. Yatron), the original sponsor of this legislation.

Mr. YATRON. Mr. Speaker, as a former businessman, I have viewed the increasing Federal paperwork problem with growing concern for many years. In January of this year, when I introduced a paperwork bill, the magnitude of the Federal paperwork problem was greatly underscored by the tremendous public response received by that measure.

From all over the country and from virtually every major national organization and segment of the private sector, the problem of paperwork was brought to my attention with clarity and urgency.

Today, we have the opportunity to fully indicate to the entire U.S. business sector, that we are earnest in our concern over the paperwork burden, which is generated by countless Federal reporting requirements and forms, under many programs. Enactment of this bill would represent a meaningful and positive step, in beginning the long and difficult task ahead, in cutting the redtape of paperwork.

There are very compelling reasons why we must take positive action on this proposal before us today.

The measure would create a temporary Paperwork Commission. It would not create another bureaucracy and would not contribute to the already lethargic operation of Government. The commission would provide the necessary impetus and would set the much-needed machinery in motion to begin our national anti-Federal paperwork effort. And, this legislation would cost a mere drop in the bucket, when we consider the fact that Federal paperwork costs the Government and business $36 billion each year. I reiterate that Federal paperwork costs business and Government $36 billion every year. This represents a debilitating and shameful drain on the budget and on vitality of the private sector. When measuring a potential cost of $4 million against $36 billion, we can readily see what practical and worthwhile investment this legislation would be.

The Paperwork Commission created by this measure would be able to pinpoint major areas of significant savings in reducing paperwork. There can be no doubt, that it will pay for itself a thousandfold, following the first paper cutting recommendations.

Mr. Speaker, this legislation has received broad support. For example, the National Association of Manufacturers has given its support. And, the National Federation of Independent Business with its 375,000 members representing American small business, is solidly behind the bill. As a matter of fact we cannot afford not to pass this measure. I am pleased to have worked with Chairman HOLIFIELD and Mr. HORTON and others on this legislation.

I urge all of my House colleagues to consider the significance of the bill we now dicuss. It is a vitally needed piece of legislation. Its enactment will very clearly indicate to each and every American business—both large and small—that the Congress is going to attack the problem of the Federal paperwork burden.

Mr. HOLIFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. RANDALL).

Mr. RANDALL. Mr. Speaker, first may I say we are all indebted to the gentleman from Pennsylvania and to the gentleman from California.

When this measure was first proposed the whole thing was taken lightly. Our colleagues in a spirit of levity would say oh, well, go ahead, nothing much will happen to reduce paperwork. But something has happened. Something important is before us today.

This may very well be the most important bill we have yet to consider this session.

Originally known as the Federal Paperwork Burden Relief Act, the bill's objective is to reduce the Government paperwork burden which afflicts so many Americans, especially small businessmen.

The committee reported H.R. 16424. I am very proud to be a cosponsor with most of the other members of the Government Operations Committee. However I introduced a nearly identical bill, H.R. 16550.

The measure before us today attacks the paperwork problem by creating a high-level, bipartisan commission which will make recommendations to Congress and the President on ways to reduce the paperwork burden. The commission approach was approved because of the success of the Commission on Government Procurement which had a similar mandate.

Of course we deplore the fact that another commission had to be established to reduce Federal paperwork, but we cannot just wish paperwork away. Those who argue we ought to act rather than study should realize that successful reform will only result if Congress has an informed basis on which to act. I am confident the Commission's report will provide that basis. While it is unfortunate we have to call upon another commission, I believe it is the most rational way to proceed, given the seriousness and complexity of the problem.

We are fighting a determined enemy. Statistics are available which indicate that the dollar cost of Federal paperwork is estimated as high as $36 billion per year. It is said that more than 130 million man-hours are wasted annually on paperwork which is lost or grossly exceeds necessary requirements.

The paperwork burden is overwhelming, particularly for small business. Small businessmen, already operating on a narrow profit margin, have had to hire extra employees just to fill out Government forms.

There are many reasons for the tremendous paperwork burden but much of the problem is due to inattention. The last enactment to address itself to paperwork was the Federal Reports Act of 1942. That was more than 30 years ago. In the meantime, Government paperwork has gotten almost out of control. The present control mechanisms are in complete disarray.

Of course some minimum amount of paperwork is necessary but if we could reduce the amount of paperwork by just 10 percent, it would be a tremendous saving for the Government and for the taxpayer, a significant relief for small businessmen, and a real boost for our present hard-pressed and unhealthy economy. Every dollar spent by the private sector in completing Government forms and maintaining necessary records adds to the cost consumers must pay for goods and services, thereby fueling the fires of inflation. Perhaps the most beneficial and long-lasting result which could come from enactment of this bill would be the reduction of consumer prices and an increase in productivity.

Mr. Speaker, the time is now to start the fight to reduce unnecessary nonessential Federal paperwork. The battle can in the foreseeable future be won by the passage of this Federal paperwork relief bill.

Mr. HOLIFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I also want to commend the gentleman from Pennsylvania (Mr. YATRON) for taking the lead on this subject, together with the gentleman from New York (Mr. HORTON). I have high hopes that this will be a very meaningful piece of legislation.

The problem we face is that this resolution might result in another commission upon another commission. Let us hope that we not allow that to happen. I think we ought to point out to OMB that we are expecting strong, forceful recommendations, and that the Congress will be very disappointed if we do not get them.

The small business people of this country, particularly, need this help.

Mr. ICHORD. Mr. Speaker, I want to take this opportunity to commend to my colleagues passage of H.R. 16424, a bill which would establish a Commission on Federal Paperwork to examine the Federal information reporting requirements in order to assess the burden that such requirements have on private citizens, recipients of Federal assistance, businesses, governmental contractors, and State and local governments. As a cosponsor of this and other legislative measures designed to lessen the enormous expense and time consumption involved in meeting Federal reporting requirements, I fully believe that the establishment of such a commission is a necessary prelude to lessening the unreasonable burden that Federal paperwork imposes on the people of this Nation. There is little doubt that we have become a nation of paper shufflers. The Federal Government currently spends over $15 billion a year in processing paperwork which is $11 billion more per year than was expended for this same purpose in 1955. Additionally, in 1972 it cost the small business community alone $18 billion to handle an estimated 10 billion sheets of paper required in Federal reports. These figures clearly underscore the alarming proportions of the paperwork burden and point up the absurdity and reality of a governmental bureaucracy in Washington overstuffed with paper shufflers. In passing H.R. 16424 we have the opportunity to undertake a program designed to reverse this trend and obtain sound recommendations for lessening the Federal paperwork burden. Each year the citizens of this Nation are bombarded by an avalanche of paperwork required by the Federal Government which will cost them and the Government an ever-increasing amount of time and money in just meeting the demands of bureaucratic redtape. At a time when inflation is already eating away at the profits of the small businesses of this Nation, it seems a propitious time to rid ourselves of the expense of unnecessary and redundant paperwork and passage of the bill before us today marks the beginning of a sound remedy.

Mr. McKAY. Mr. Speaker, I wish to make a brief comment about H.R. 16424, Commission on Federal Paperwork, which is being voted on today. I certainly support the purpose of the bill—to find ways to reduce Federal paperwork. Over $15 billion a year is spent on Federal paperwork. There are over a million different Federal forms.

It is my concern, however, that providing for a 2-year study will delay taking necessary actions now. We know what actions must be taken now and these actions should not be delayed for 2 years. Paperwork is simply too costly to the Government and too burdensome on private citizens to continue delay.

I hope that enactment of this bill will not delay action next year on H.R. 16655, the Records Management Act. I believe that this act provides some workable solutions to relieve the paperwork burden.

Mr. HOLIFIELD. Mr. Speaker, I have no further requests for time.

Mr. HORTON. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion by the gentleman from California (Mr. HOLIFIELD) that the House suspend the rules and pass the bill H.R. 16424, as amended.

The question was taken.

Mr. RANDALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXIII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from Missouri withdraw his point of order that there is no quorum?

Mr. RANDALL. Mr. Speaker, I withdraw the point of order.

PARLIAMENTARY INQUIRY

Mr. RANDALL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANDALL. Mr. Speaker, I simply want a record vote. That is what I was seeking to do at the end of the day.

The SPEAKER. When the motion is before the House as unfinished business, the gentleman can object to the vote on the ground that a quorum is not present. However, whether a quorum is present at that time or not is a matter to be discovered then.

Mr. RANDALL. We will have an opportunity to raise a point of order at the end of the day?

The SPEAKER. If a quorum is present at that time, the gentleman cannot get a rollcall under that procedure.

Mr. RANDALL. I thank the Speaker.

PERMISSION FOR MANAGERS TO FILE A CONFERENCE REPORT ON S. 3044, ELECTION REFORM BILL

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the Senate bill (S. 3044) the election reform bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AMENDING THE INTERCOASTAL SHIPPING ACT OF 1933

Mr. CLARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13561) to amend the Intercoastal Shipping Act, 1933, as amended.

The Clerk read as follows:

A bill to amend the Intercoastal Shipping Act, 1933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 845b), is amended by changing the period to a comma at the end and adding the words: "and shall apply to the carriage, storage or handling of property for the United States, State or municipal governments, or for charitable purposes.".

SEC. 2. Section 6 of the Intercoastal Shipping Act, 1933, as amended (46 U.S.C. 846), is deleted.

The SPEAKER. Is a second demanded?

Mr. GOODLING. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. CLARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 13561. This bill would amend the Intercoastal Shipping Act, 1933, to correct a serious injustice in the present method of setting rates for the ocean carriage of Government and charitable cargo in our domestic offshore commerce. The bill would require these rates to meet the same statutory standards of reasonableness and fairness as presently apply to commercial cargo.

Mr. Speaker, this legislation is long overdue. The Federal Maritime Commission informed the Merchant Marine Subcommittee that a substantial amount of military cargo is being transported to Guam, Hawaii, and Puerto Rico at rate levels as far as 13 percent below commercial rates. This produces a grossly unfair situation in which these differentials must either be absorbed by the carriers or passed on to the shipping public in the form of higher transportation costs. In the final analysis, it is the consumer of the commercial cargo carried in these trades who gets hurt.

H.R. 13561 offers a sound solution to this problem. The bill would confer on the Federal Maritime Commission the same regulatory authority over rates charged for the carriage of Government and charitable cargo in our domestic offshore commerce as that Commission presently exercises over commercial rates in these trades. The same standards which presently determine commercial rates in our domestic offshore commerce would be applied in establishing fair and reasonable rates for the carriage of Government and charitable cargo. Furthermore, shippers of Government and charitable cargo would have the same standing before the Federal Maritime Commission as commercial shippers to protest the reasonableness and fairness of rates charged for the carriage of their cargo.

Mr. Speaker, this is a good bill which is supported by the administration and was unanimously reported from both the Merchant Marine Subcommittee and the Merchant Marine and Fisheries Committee. I strongly urge my colleagues to support it.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Do I understand that this would require a subsidy of $5 million?

Mr. CLARK. No, it does not. It does not give a subsidy of any kind.

Mr. GROSS. Well, what is the meaning of the language to be found on page 4 of the report accompanying the bill?

Mr. CLARK. Mr. Speaker, I think the gentleman is interested in the cost of this legislation.

Mr. GROSS. Yes, that is right.

Mr. CLARK. It is not possible to accurately estimate the cost to the Government of H.R. 13561, because such an estimate would depend largely on future tonnage requirements of the Department of Defense. In response to an inquiry from the Merchant Marine Subcommittee, the Military Sealift Command of the Department of the Navy testified that the transportation of its cargo in the domestic offshore commerce of the United States at commercial rate levels would result in an increased cost of approximately $5 million annually.

The Federal Maritime Commission testified that H.R. 13561 would entail no additional costs to that agency.

Mr. GROSS. Is the gentleman saying it would require a rate increase to cover $5 million?

Mr. CLARK. No; it would not.

Mr. GROSS. What is the meaning of the $5 million figure in the report, on page 4, at the bottom of page 4?

Mr. CLARK. The Defense Department has been saving $5 million annually, at the expense of commercial cargo. Now they are going to have to pay a fair rate for this transportation.

Mr. GROSS. In transporting cargoes?

Mr. CLARK. This is military cargo I am talking about.

Mr. GROSS. What do State and municipal governments or charitable purposes have to do with it? How are they related to this bill? How is that related?

Mr. CLARK. The Federal Maritime Commission, who regulates these matters, believes that if a steamship company wishes to assist a charity, it should make a monetary contribution like any other business. The transportation of charitable cargo at free or reduced rates could result in increased costs for commercial cargo, which is not fair to the commercial cargo. This is covered on page 3 of the report.

Mr. GROSS. I thank the gentleman.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Texas.

Mr. KAZEN. In a nutshell, is not the committee telling us that from now on the Department of Defense will not be able to work out an agreement with these carriers and they are going to have to pay a higher rate?

Mr. CLARK. They are going to have to pay the commercial rate.

Mr. KAZEN. Then the U.S. Government is going to have to pay the extra money; is that a fact?

Mr. CLARK. That is correct, but only the commercial rate like everyone else.

Mr. KAZEN. This does not mean they are going to lower the rate, does it, for commercial carriers?

Mr. CLARK. No; this does not.

Mr. KAZEN. Where are we? The U.S. Government is going to be out over $5 million, at least, and no benefit to the commercial people?

Mr. CLARK. That is not necessarily true.

Mr. LEGGETT. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from California.

Mr. LEGGETT. Is it not a fact that this particular segment of shipping has not been regulated by the Maritime Commission and, as a result, there has been no determination by the Commission of what is a compensatory rate to the shipping companies and, as a result, due to the fact that the Department of Defense is one of the biggest shipping entities around, they have been able to buy shipping below cost, dirt cheap, and, of course, it has been to the detriment of the shipping companies and, as a result, is it not a fact that the rates that the shipping companies have had to charge the private shippers has been that much more?

This bill is going to cost some money. But is it not a fact that many of the private shippers who are taxpayers are going to receive a lot of that money back in reduced shipping costs for regular shippers?

Mr. CLARK. That is correct.

Mr. KAZEN. If the gentleman will yield further, this is the question I asked the gentleman before: Would there be any advantage or any cut in rates to the private shippers as a result of this bill?

Mr. CLARK. No cut in rates.

Mr. LEGGETT. If the gentleman will yield and if I could respond to that, the rates are set for private shippers and negotiated for Government shipments. When the FMC is going to set a tariff, they go into what the overall base of the shipper is. If they are getting a compensatory rate from the Federal Government, it stands to reason that when they set the rate for the private shippers, they set a rate so that they are going to derive some benefits out of that action, but this is not all necessarily done in one simultaneous stroke. Therefore, in setting rates one has to speculate a little bit. We have found that the Government has driven ocean carriers and shipyards into the ground. We find now that the private shipyards of the country do not want to deal any longer with the Navy Department because the Navy Department has pressed for too hard a deal.

Here we have the same situation now with the shippers, where the Government has a big bargaining power and has just overreached the shipping companies' ability to bargain effectively. We find some of them are going out of business and selling off.

Mr. KAZEN. If the gentleman will yield further, I will ask him this question: Is there anything in the law that makes it mandatory for the shipping companies to take Navy business?

Mr. CLARK. Actually, no, but they have tremendous leverage. Everyone is in favor of this bill except the Defense Department, of course, the reason being they are using a sledge-hammer over the head of every U.S.-flag ocean carrier.

Mr. KAZEN. And at the same time saving the taxpayers some money.

Mr. CLARK. Actually, no.

Mr. LEGGETT. If the gentleman will yield, what good does it do to save the taxpayer money and at the same time hurt them by putting the shipping companies into bankruptcy?

Mr. Speaker, I rise in support of H.R. 13561 and concur fully in the remarks of the distinguished chairman of the Merchant Marine Subcommittee.

H.R. 13561 corrects a longstanding inequity and restores to our domestic offshore commerce a fundamental principle of sound transportation policy which requires that the burden of shipping costs fall on the user of the transportation. Recent studies by the Federal Maritime Commission reveal that the Military Sealift Command of the Department of the Navy has been shipping substantial volumes of military cargo to Hawaii, Guam, and Puerto Rico at rates which do not reflect full and true economic costs. This differential must be absorbed by someone. I submit that someone is the commercial rate payer, and ultimately the consumer, particularly those in the domestic offshore areas, who are forced to pick up a disproportionate share of the Pentagon's freight bill.

Mr. Speaker, I believe that H.R. 13561 offers a sound and reasonable solution to this problem. Government and charitable cargo rates will be required to meet the same statutory standards of reasonableness and fairness as presently apply to commercial cargo rates, and will be subject to economic regulation by the Federal Maritime Commission.

H.R. 13561 is a good bill and should be passed.

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 13561, a bill amending the Intercoastal Shipping Act of 1933 to extend the jurisdiction of the Federal Maritime Commission to the carriage of property for the United States, State or municipal governments, or for charitable purposes in trade between the continental United States and Alaska, Hawaii, Puerto Rico, and various possessions, the so-called domestic offshore trades.

At the present time, the carriage of governmental and charitable cargoes in these trades is not subject to regulation by virtue of section 6 of the Intercoastal Shipping Act of 1933. Section 6 permits the carriage of such cargo at free or reduced rates and has been interpreted as exempting such free or reduced rates from any economic regulation. This provision is similar to section 22 of the Interstate Commerce Act which authorized railroads to offer free or reduced rates in consideration for the lucrative land grants received from the Federal Government.

There is no logical reason why water carriers in domestic offshore transportation should be required to offer free or reduced rates for the carriage of Government cargoes. Indeed, evidence before the committee indicates that commercial shippers may be, in effect, subsidizing the carriage of Government cargoes through the payment of rates higher than would be the case if the Government were paying rates reflecting the full cost of providing the transportation service.

The bill as reported by the Committee on Merchant Marine and Fisheries does not prohibit the granting of free or reduced rates to governmental entities and charitable organizations, but rather makes it clear that the economic regulatory authority of the Federal Maritime Commission shall extend to these rates. At the present time these rates are merely filed with the FMC for informational purposes. Upon enactment of this legislation, the Commission will be in a position to review such rates under the appropriate provisions of the Intercoastal Shipping Act and the Shipping Act of 1916 to insure that commercial shippers do not bear a disproportionate share of the cost of providing transportation service.

Economic and efficient water transportation is, of course, fundamental to the welfare of Alaska, Hawaii, Puerto Rico, Guam, and our insular possessions. In certain of these trades, Government cargoes constitute a very large proportion of the total traffic moved. Regulation of rates and terms of carriage in these trades without taking into account the carriage of Government cargoes cannot help but produce a distorted picture.

It is not the intention of this legislation that Government shippers be denied certain economies of scale which may properly justify lower rates based upon the volume and type of cargoes being moved. Rather it is the purpose of the legislation that these rates be treated to the same scrutiny as those quoted for commercial shippers to insure that all shippers are treated fairly. The Government will, of course, have the same standing as commercial shippers to participate in rate investigations conducted by the Commission.

In summary, Mr. Speaker, this legislation merely places Government and charitable shippers on the same footing as commercial shippers before the Federal Maritime Commission. This is as it should be.

Mr. MATSUNAGA. Mr. Speaker, I am pleased to join in supporting the motion to suspend the rules and pass H.R. 13561, a bill to amend the Intercoastal Shipping Act by repealing section 6 of that act. It is identical to my bill, H.R. 13615.

Mr. Speaker, the Intercoastal Shipping Act regulates the ratemaking practices of U.S. common carriers operating between domestic ports. Of course, a great deal of this commerce takes place between other points in the United States and my State of Hawaii.

As the law now stands, the Federal Maritime Commission inspects and either approves or rejects all rate schedules involving within-country sailings—except cargoes shipped by Government units or for charitable purposes. This exception is permitted by section 6 of the Intercoastal Shipping Act.

The obvious and intended effect of this provision has been a reduction in the shipping rates charged to Government units, principally the Department of Defense. One negotiated contract involving DOD goods being shipped to Guam, called for rates 50 percent below those charged commercial shippers for the identical service.

The result of this preferential treatment is that Government cargo has not been shipped at rates reflecting full and true economic costs. Carriers compete for the business at the low rates because they cover out-of-pocket expenses and some excess. But it is clear that this is possible only so long as capital overhead costs are recovered by the carrier in the other, regulated portion of its trade. In other words, merchants and ultimately consumers in Hawaii and elsewhere either are picking up, or will pick up in the future, some share of the Pentagon's freight bill.

Mr. Speaker, I understand that repeal of section 6 of the Intercoastal Shipping Act will not mean an immediate cut of $2 million in Hawaii's annual commercial freight bill, which is the approximate underpayment by the Defense Department. But I am convinced that pressure for future rate increases cannot but be lessened if the carrier is realizing as much of a return from military cargo as it now receives for its regulated cargo.

Enactment of H.R. 13561 will put the burden of shipping costs where they should fall: on the user of the service. I therefore urge the overwhelming approval of this equitable bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. CLARK) that the House suspend the rules and pass the bill H.R. 13561, as amended.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Will the gentleman from Iowa withdraw his point of no quorum?

Mr. GROSS. Yes, Mr. Speaker, I do.

GENERAL LEAVE

Mr. CLARK. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on H.R. 13561, just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

TRANSFER OF MARRIAGE LICENSE FUNCTIONS IN THE CANAL ZONE

Mr. LEGGETT. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2348) to amend the Canal Zone Code to transfer the functions of the Clerk of the U.S. District Court for the District of the Canal Zone with respect to the issuance and recording of marriage licenses, and related activities, to the civil affairs director of the Canal Zone Government, and for other purposes, as amended.

The Clerk read as follows:

S. 2348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of title 8, Canal Zone Code (76A Stat. 672), is amended to read as follows:

"§ 4. Marriage license; application; waiting period; medical certificate or court order; fee; record; period of validity

"(a) A marriage may not be celebrated in the Canal Zone unless a license to marry has first been secured from the Governor, or his designee. If both parties to a proposed marriage are residents of the Republic of Panama and neither is a United States citizen, a license may not be issued in the Canal Zone unless the parties have previously obtained a license to marry from the proper authorities in the Republic of Panama. A marriage license may not be issued to a leper except upon a certificate of approval by the health director of the Canal Zone Government. A license when issued shall be accompanied by a marriage certificate to be executed by the person celebrating the marriage.

"(b) The application for a marriage license shall state—

"(1) the name, address, legal residence, age, and date of birth of each of the persons to be married;

"(2) the relationship, if any, of the persons, by consanguinity or affinity; and

"(3) if either person has been previously married, the date and place of each previous marriage, the name of each former spouse, and the manner in which each previous marriage has been terminated.

"(c) Except as provided by subsection (d) of this section, the Governor, or his designee, shall issue a marriage license, after application therefor, if—

"(1) the application for the license is in accordance with subsection (b) of this section, and is accompanied by the written consent when required by section 2 of this title; and

"(2) it appears to the satisfaction of the Governor, or his designee, from the sworn statements of the persons desiring to marry, or, if required by the Governor, or his designee, from the sworn statement of another person, that no legal impediment to the marriage is known to exist.

"(d) The Governor, or his designee, may not issue a marriage license until—

'(1) the application therefore remains on file, open to the public, in his office, for three days before license is issued; and

"(2) each of the persons desiring to be married has presented and filed with him either a medical certificate indicating that the examination required by subchapter II of this chapter has been made, or an order from the district court, as provided by that subchapter, directing him to issue the license.

"(e) The Governor shall prescribe the form of the application for a marriage license, of the marriage license, and of the marriage certificate.

"(f) The Governor, or his designee, shall collect a fee of $2 upon the issuance of a marriage license, and shall, keep a record of all licenses issued and of all applications for licenses, together with any written consent of parents or a parent or guardian or the health director accompanying the same.

"(g) A marriage license is valid for only thirty days, including the date it is issued.".

SEC. 2. Section 5 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

"§ 5. Who may celebrate a marriage; license to celebrate

"(a) A marriage may be celebrated in the Canal Zone only by a—

"(1) magistrate of the Canal Zone;

"(2) minister in good standing in any religious society or denomination who resides in the Canal Zone; or

"(3) minister in good standing in any religious society or denomination who resides in the Republic of Panama, if he has procured from the Governor, or his designee, a license authorizing the minister to celebrate marriages in the Canal Zone.

"(b) The Governor, or his designee, shall issue the license provided for by paragraph (3) of subsection (a) of this section upon the submission, by a minister referred to therein, of a written application, together with a duly authenticated copy of his authority to celebrate marriages in the Republic of Panama. The Governor, or his designee, shall be paid a fee of $5 for issuing and recording the license.".

SEC. 3. Section 6 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

"§ 6. Certifying, signing, return, and recording of license; marriage certificate

"(a) The judicial officer or minister celebrating a marriage shall—

"(1) certify upon the marriage license that he celebrated the marriage, giving his official title and the time when and place where the marriage was celebrated;

"(2) cause two persons who witnessed the marriage to sign their names on the marriage license as witnesses, each giving his place of residence;

"(3) at the time of the marriage, fill out and sign the marriage certificate accompanying the license and deliver it to one of the parties to the marriage; and

"(4) within thirty days after the date of the marriage, return the license, so certified and witnessed, to the office of the Governor, or his designee.

"(b) Upon return of a license as required by subsection (a) of this section, the Governor, or his designee, shall file it after making registry thereof in a book to be kept in his office for that purpose only. The registry must contain the Christian and surnames of the parties, the time of their marriage, and the name and title of the person who celebrated the marriage.".

SEC. 4. Section 8 of title 8, Canal Zone Code (76A Stat. 673), is amended to read as follows:

"§ 8. Acknowledgement and recording of declaration

"Declarations of marriage shall be acknowledged and recorded in the office of the Governor, or his designee.".

SEC. 5. Section 11 of title 8, Canal Zone Code (76A Stat. 674), is amended to read as follows:

"§ 11. Offenses and penalties

"(a) Whoever, being a judicial officer, minister qualified to celebrate marriages in the Canal Zone, or an officer or employee of the United States, violates section 4, 5, or 6 of this title, shall be fined not more than $100 or imprisoned in jail not more than thirty days, or both.

"(b) Whoever knowingly makes a false oath as to a material matter for the purpose of procuring or aiding another to procure a marriage license is guilty of perjury and shall be imprisoned in the penitentiary not more than ten years.

"(c) Whoever knowingly files with the Governor, or his designee, a written consent, any signature to which is a forgery, is guilty of uttering a forged instrument and shall be imprisoned in the penitentiary not more than fourteen years.

"(d) Whoever, not being qualified to celebrate marriages in the Canal Zone pursuant to this subchapter, celebrates what purports to be a marriage ceremony shall be imprisoned in the penitentiary not more than three years.".

SEC. 6. Section 34 of title 8, Canal Zone Code (76A Stat. 675), is amended to read as follows:

"§ 34. Marriage license, without medical certificate, because of pregnancy

If a female applicant for a marriage license makes an affidavit to the effect that marriage is necessary because she is with child and that the marriage will confer legitimacy on the unborn child, the district court may hear and determine on medical testimony the question of pregnancy and, on adjudging that pregnancy exists, shall order the Governor, or his designee, to issue the marriage license if all other requirements of the law regarding the issuance of marriage licenses are complied with, even though the clinical examination and laboratory tests reveal that one or both applicants have syphilis infection. In its order, the court shall provide that the applicant or applicants having syphilis infection shall be treated for the infection as provided by the regulations referred to in section 33 of this title. A copy of the order shall be filed with the Governor, or his designee, in lieu of the medical certificate.".

SEC. 7. Subsection (a) of section 36 of title 8, Canal Zone Code (76A Stat. 675), is amended to read as follows:

"(a) If an applicant has been refused a marriage license by the Governor, or his designee, because of failure to obtain a medical certificate, the applicant may elect to file a protest and take the procedure authorized by this section or to take any other procedure.".

SEC. 8. Item (4) of section 344 of title 3, Canal Zone Code (76A Stat. 62), repealed, and item (5), (6), (7), and (8) shall be redesignated (4), (5), (6), and (7) respectively.

SEC. 9. The analysis of chapter 1 of title 8, Canal Zone Code (76A Stat. 671), is amended by striking out in the item relating to section 5 "marriages;" and inserting in lieu thereof "a marriage;".

SEC. 10. All records of marriages in the custody of the clerk of the United States District Court for the District of the Canal Zone shall be transferred to the Governor, or his designee, within ninety days after the date of enactment of this Act.

SEC. 11. The amendments and repeals made by this Act shall become effective upon the expiration of ninety days after the date of enactment, except that section 10 shall become effective on the date of enactment.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **GOODLING**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. **LEGGETT**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the jurisdiction of the Committee on Merchant Marine and Fisheries includes the efficient operation of the Canal Zone Government as well as the Panama Canal. S. 2348 is legislation designed to modernize the jurisdictional arrangement for the administration of marriage licenses in the Canal Zone by transferring the functions associated with marriage license administration from the clerk of the U.S. District Court for the District of the Canal Zone to the Civil Affairs Director of the Canal Zone Government.

In most jurisdictions in the continental United States I believe most of us are familiar with the functions of the issuance, recording, granting, and certifying of licenses being in a bureau or office which is under the supervision of the executive of the particular city or municipality. Likewise, in the Canal Zone for which Congress, as you know, is the general legislature, the licensing section, Civil Affairs Bureau of the Canal Zone Government administers almost all licenses, including those for shipping agents, motor vehicles, motor vehicle operators, insurance corporations, foreign corporations, brokers, and other persons and matters. The District Court in the Canal Zone retains marriage license administration largely because it was invested with that duty before the present configuration of the Canal Zone Government came into effect. The disparate manner of jurisdiction which accrues to marriage license administration in the Canal Zone is an historical accident which could and perhaps should have been changed some years ago.

As I am sure my colleagues understand, licensing in general is not a matter which accrues generally as a function of the district courts. The other U.S. district court which has previously had marriage license administration as one of its functions was the District of Columbia court, which saw that duty detached from it in 1966. And so, although it has an additional burden which other U.S. district courts do not have, the court in the Canal Zone does have the same kind of heavy caseload, the plethora of administrative responsibilities associated with matters of justice, and the significant workload per judge that other U.S. district courts have.

The present situation has caused a proposal to arise to transfer the duties of administration of marriage licenses to the licensing section, Civil Affairs Bureau of the Canal Zone Government. In the licensing section it is believed that there are personnel who are more expert in the duties which are involved, who have administrative facilities superior to those of the court, and whose facilities are better known and more accessible to the public. Further, it appears that duties can be transferred to the benefit of the court without any increase in cost to the Canal Zone Government. Further, this proposal has strong backing from the Governor of the Canal Zone, the administrative office of the U.S. courts, and of course the Canal Zone District Court. And finally, the committee endorsed the transfer of functions cited in this bill by unanimous vote.

Mr. Speaker, the thrust of the legislation is the transfer of duties I have cited. S. 2348 also alters the requirement for information which is to appear on the application for a license, and also included some specific language to assist in the implementation of the transfer of duties.

Our committee made one modification from the bill as it was sent to us from the other body. As originally drafted the bill provided for transfer of functions to the office of the civil affairs director of the Canal Zone Government, an office which can be abolished by regulation since it is the creation of same. Upon advice of the Justice Department, the subcommittee and committee voted to amend S. 2348 to transfer the functions cited in this bill to the office of the Governor, which is of course a statutory office. The Governor can then by regulation redelegate the duties to the Civil Affairs Director. Members will note in connection with this set of amendments that line 2 of page 6 of the reported bill fails to insert "Governor" in lieu of "civil affairs director". This amendment was included in the report but omitted from the reported bill. An amendment to insert "Governor" in lieu of "civil affairs director" on page 6, line 2 of the bill is therefore part of my motion to suspend the rules, and appropriate copies of that amendment have already been submitted.

I and my colleagues who have heard the testimony on S. 2348 are convinced that this legislation is in the best interests of the people of the Canal Zone and the administration of justice there. I urge this chamber to pass this legislation.

The **SPEAKER** pro tempore. The Chair will make this statement to the gentleman from California:

Concerning the amendment, the Chair is advised that an amendment may not be offered from the floor under the procedures followed in suspension of the rules. The amendment must have been included in the motion to suspend the rules.

Mr. **LEGGETT**. Mr. Speaker, I am offering this amendment as part of the motion which was made to suspend the rules.

The **SPEAKER** pro tempore. The Chair will inform the gentleman that this is proper.

PARLIAMENTARY INQUIRY

Mr. **GROSS**. Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman will state his parliamentary inquiry.

Mr. **GROSS**. Mr. Speaker, does not the offering of the amendment come too late, since debate has started in the consideration of the bill under suspension?

The **SPEAKER** pro tempore. The Chair is informed that the amendment was included as a part of the original motion and, as such, would be proper under the procedure provided for under suspension of the rules.

Mr. **GROSS**. I thank the Speaker.

I will now inquire if the request was included in the original request to suspend the rules.

Mr. LEGGETT. Mr. Speaker, the answer is "Yes."

Mr. GROSS. Mr. Speaker, what is the gentleman proposing to do here? Is the gentleman proposing to take the issuance of marriage licenses in the Canal Zone from the Federal district court and place it in the hands of officials under the U.S. Governor of the Canal Zone?

Mr. LEGGETT. Yes. Mr. Speaker, it just so happens, as we know, that our court system is overworked nationally and it is overworked in the Canal Zone. The only place in the United States where a district court issues a license like this is in the Canal Zone. We used to do this in the District of Columbia.

We found that we could actually save the time of clerks and judges by taking that jurisdiction away and putting it in a separate division which is already established without any additional clerks and without any additional money and allow them to issue these marriage licenses.

So this bill is actually going to save us money, because it is going to get the licensing business in the place where it is supposed to be and allow the court clerks to devote their time actually to other business rather than creating another district court at some later time for the district of the Canal Zone.

Mr. GROSS. Mr. Speaker, this would in no way drive Americans, who are living in the Canal Zone, into the hands of Panamanian authorities for the purpose of obtaining a marriage license?

Mr. LEGGETT. The gentleman from Iowa is correct in being apprehensive, but I can assure the gentleman it is not necessary to be apprehensive.

Mr. GROSS. I was in hopes that I would not have to be apprehensive, and the answer the gentleman from California has provided gives me all the assurance I need.

I thank the gentleman.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2348, a bill to amend the Canal Zone Code to relieve the Clerk of the U.S. District Court for the District of the Canal Zone of responsibility for the issuance and recording of marriage licenses. These functions would be transerred to the Governor of the Canal Zone Government. The Governor will not actually attend to this function but will delegate it to the Civil Affairs Director. An additional, and welcome, feature of the bill is that it would abolish the present requirement that an applicant for a marriage license state his race and color.

At the present time, the district court in the Canal Zone is the only Federal court involved in the issuance and recording of marriage licenses. Lamentably, the criminal caseload of the court has increased in recent years to nearly 300 cases per year. The civil caseload has also increased. It would seem very desirable to free this court from those tasks not essential to the prompt and judicious hearing of the cases on its docket.

The Civil Affairs Bureau of the Canal Zone Government is well equipped to carry out the responsibilities of issuing and recording marriage licenses. The functions now directed by that office include the entire Licensing Section of the Canal Zone Government.

This bill should not result in any increased cost to the U.S. Government. It is a sound bill and I again urge my colleagues to join in its passage.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. LEGGETT), that the House suspend the rules and pass the Senate bill, S. 2348, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just passed, S. 2348.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL VISITOR CENTER

Mr. GRAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 17027) to amend the National Visitor Center Facilities Act of 1968.

The Clerk read as follows:

H.R. 17027

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 102(a)(2) of the National Visitor Center Facilities Act of 1968 (82 Stat. 43), as amended, is further amended by deleting the phrase, "contingent when such facilities are available for public use,".

SEC. 2. The National Visitor Center Facilities Act of 1968, as amended, is further amended by revising section 102(a)(3) to read as follows:

"(3) The Company, in consultation with the Secretary, shall construct all or part of a parking facility, including necessary approaches and ramps for adequate circulation, to accommodate automobiles, charter buses, and other transportation, as appropriate, in the air space northerly of and adjacent to the existing Union Station Building, and such structure shall be leased to the United States for a term not to exceed twenty-five years commencing upon a date to be mutually agreed upon.".

SEC. 3. Section 102(c) of the National Visitor Center Facilities Act of 1969 is amended by striking out "$8,680,000" and inserting in lieu thereof "$21,580,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. COCHRAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. BOLLING. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 570]

Addabbo
Andrews, N.C.
Archer
Armstrong
Bell
Biaggi
Blackburn
Blatnik
Boggs
Brademas
Brasco
Brown, Mich.
Burke, Calif.
Butler
Carey, N.Y.
Carter
Chappell
Chisholm
Clawson, Del
Cohen
Conable
Conte
Conyers
Cotter
Coughlin
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Dent
Diggs
Dorn
Drinan
Dulski
Eckhardt
Esch
Evins, Tenn.
Findley
Flowers
Foley
Fraser
Frelinghuysen
Frey
Fulton
Giaimo
Grasso
Griffiths
Hammerschmidt
Hanna
Hastings
Hébert
Heckler, Mass.
Holifield
Horton
Hosmer
Howard
Hudnut
Johnson, Colo.
Jones, Okla.
Kemp
Lujan
Luken
McCloskey
Macdonald
Mallary
Maraziti
Martin, Nebr.
Mathias, Calif.
Mathis, Ga.
Mills
Mink
Minshall, Ohio
Mitchell, N.Y.
Murphy, N.Y.
Nelsen
O'Hara
Patman
Pepper
Pike
Poage
Podell
Powell, Ohio
Pritchard
Rangel
Rarick
Reid
Rhodes
Riegle
Roberts
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, N.Y.
Rosenthal
Roy
Runnels
Scherle
Shoup
Shuster
Sikes
Snyder
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Sullivan
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Whitehurst
Widnall
Williams
Wyatt
Wydler
Young, Alaska
Young, S.C.
Zion

The SPEAKER pro tempore (Mr. McFALL). On this rollcall, 312 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

NATIONAL VISITOR CENTER

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. GRAY) for 20 minutes.

Mr. GRAY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker and Members of the House, I first want to apologize for having to bring back this legislation for further consideration; but I assure the Members that the reason we are here today is certainly beyond the control of this Member and certainly beyond the control of the entire Congress.

We are back today considering the National Visitor Center legislation because of two factors. One, Amtrak; and two, inflation.

Mr. Speaker we are here primarily because of a law suit filed this summer by Amtrak against the owners of the Union Station, the Baltimore & Ohio Railroad, Chesapeake & Ohio, and the Penn Central. They filed a law suit alleging that the owners of the Union Station were not proceeding to build an adequate train facility behind the Union Station when the existing station is preempted for Visitor Center use.

As a result of that suit, the Department of Transportation and Amtrak made certain requirements on traffic flow and other proposed improvements plus increased costs from inflation which are going to necessitate an additional $12.9 million authorization. I want to say to all my colleagues that never, certainly in my 20 years here, have I seen a project that has caused more consternation, more time-consuming effort than this one in trying to provide the weary traveler, the weary taxpayer, the weary foreign visitor who wants a place to park; who wants to find a hot meal; who wants to get information—never have we had so much trouble as we have had on this project.

The first bad luck started with the bankruptcy of the Penn-Central Railroad about 3½ years ago. This caused us to have to reevaluate the entire project and to run the entire gauntlet of going into bankruptcy courts to get approval of the B. & O. Railroad to buy out the interest of the Penn-Central Railroad.

But, the fact remains, my friends in the Congress, that we are 22 short months away from our 200th anniversary, our Bicentennial. The fact remains that this is the only ongoing Bicentenial project now under construction in the Nation's Capital. If we allow this to fail, if we do not see the completion of the National Visitor Center, we are going to have more than 40 million people converging on this city with no place to park, with no place to get information, who cannot really feel that they can take great pride in our country and in our 200th birthday.

We cannot—we must not—allow this project to remain stalled. Some of it on the drawing boards.

Mr. Speaker, I mention drawing boards because, if I can call to the attention of the Members this drawing, we can point out what we were doing before the Amtrak suit was filed, and what we propose now. This is the existing Union Station as we know it today. We were renovating this with all types of informational services such as a movie theater and everything that a visitor would want. That construction was being provided in the building now known as the Union Station.

The blue area is where the Baltimore & Ohio Railroad plans to build their own station with no taxpayer money at a cost of approximately $5 million.

The red shaded area is a parking garage we have under construction which we had scheduled to be finished within 15 months when Amtrak filed its suit and shut down construction.

Why do we need additional money? Amtrak in its suit alleged that when the Baltimore and Ohio Railroad moves out of the existing station into the new station, that it was not going to be adequate; that the road around the station was not adequate; that the size was not adequate; that the interior had no lounges, et cetera.

After over 100 hours of very serious negotiations on the part of the House Committee on Public Works, with the parties, we have in writing that B. & O. will expand the size of that station to 56,000 square feet. They will have more space for boarding the trains. There will be air conditioning. It will be a nice, modern station which we can all be proud of, and without the expenditure of a dime of the taxpayers' money.

But, in order to put this station immediately over the tracks behind the station, it requires some very sophisticated ramps. The sophisticated ramps would lead, coming in on the east side of the station, around the front. If a person is in an automobile or taxicab, he would be on the ground level, drop his passengers and go right on to the front of the station. If he is going to park for any extended period of time he would take the brown-shaded ramp and go up to the front of the parking garage into the second level and take an escalator to the center of the station, or down to the National Visitor Center.

If a person is in a bus—and we expect to have a bus terminal back here where there will be parking spaces for hundreds of buses, they would come in on the brown-shaded area and unload if they were going to the Visitor Center, or unload if they were going to the station, and then move on out, by the west ramp.

This plan will cost some extra money, but remember one thing, we are going to hear today my friend from Iowa say, "Mr. GRAY told us back in 1967 that this project would not cost the taxpayer a dime."

I did say that. We were talking about $16 million worth of work. But no one could perceive the bankruptcy of the Penn Central. At that time we did not even have Amtrak. We could not and did not foresee a lawsuit being filed that brought this project to a screeching halt. These are conditions beyond the control of Congress and that is a condition beyond the control of the taxpayers of this great country. But what we are faced with today is a big hole down there. This entire waiting room area has been dug out for these interpretive services. If we allow this project to falter by not voting for this legislation, we have been told by all parties concerned it will cost $15 to $20 million to restore Union Station to its original form.

We have one question to answer here today: Do we want to spend $12.9 million, which is in the budget, which is supported by the President, which is supported by the Secretary of the Interior, which is supported by all of the parties concerned, or do we want to spend $15 to $20 million to fill up a big hole and tear out all of these pilings and restore Union Station to its original form and have no place—I repeat, no place—to have 40 million people come and get information to enjoy this beautiful city for the Bicentennial in 1976 and millions of visitors each year thereafter.

Forget all of the extraneous arguments. That is a simple, hard fact.

I apologize. I did say $16 million would finish it. As I said, this matter was brought to us on conditions that we did not foresee and could not foresee. I reiterate, Amtrak was not in existence when the original National Visitors Center Facilities Act was passed in 1967 by Congress.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Iowa.

Mr. GROSS. What makes that an obligation of the taxpayers of this country?

Mr. GRAY. An obligation?

Mr. GROSS. Yes. What makes it an obligation of the taxpayers of this country?

Mr. GRAY. If my dear friend from Iowa—and he is my dear friend—will allow me to substitute the word "obligation" for the word "service," I could agree with that question.

The people want a service when they come here. It is not an obligation. They want the Visitors Center. In all of the 9 years I have worked on this, I have never had a single letter from one constituent who said, "I do not want a place to park when I come to Washington, I do not want a place for my children to get a hot meal or information about their Government."

It is not an obligation. It is a service we are trying to provide.

Mr. GROSS. Mr. Speaker, I suggest they go to the Committee on Public Works and attend the hearings that have taken place over many, many years. That will be good entertainment. They can get a hot meal in the cafeteria.

Mr. GRAY. My friend and I are both leaving this Congress in less than 3 months, and I can say to my friend from Iowa that this will not affect me and it will not affect him. But I would say that it will be a national disgrace if our constituents, whoever represents them, if our taxpayers in this country and our foreign visitors come to this Capital and are treated as shabbily as they have been treated this year, in 1974, and in the past.

We had a survey, and we found the average tourist plans to stay 7 days when he comes to Washington. We passed out a questionnaire and we found that he was in fact staying an average of only 2 days.

Why stay 2 days instead of 7? Because he could not find a place to park, that the father would drive around the mall while the mother and the children got out to try to see the sites.

How many of us have trouble getting our friends or employees in the Longworth and Rayburn cafeterias because of the hordes of people looking for a decent meal and they have to line up down there?

We will provide restaurants in here to take some of the pressure off existing facilities.

The SPEAKER. The time of the gentleman has expired.

Mr. GRAY. Mr. Speaker, I yield myself 2 additional minutes.

Do the Members realize that when their employees have to spend an extra 30 minutes to get a meal, that is 30 minutes lost of their time to the taxpayers and the Government?

Do the Members not realize that when one gets a ticket he leaves and goes home frustrated and says, "Never go to the Nation's Capital. You get the back of the hand instead of the front of the hand with a welcome handshake."

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. GRAY. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman yielding. The last time I was very much persuaded by the gentleman's comment that we needed this for the Bicentennial, and I was especially impressed—and the gentleman has already commented on this—by the suggestion that absolutely this would not cost more than $16 million. I am extremely disappointed, because I am very prone to listen to my colleague from Iowa (Mr. Gross) who has been pretty good on predictions of long-range costs—why do we have to go to $21 million?

Mr. GRAY. Two primary reasons. The Penn Central bankruptcy delayed this project for over 3 years. Inflation, second: Amtrak's suit.

I brought with me from home this morning—you may have seen it—a story about one of the power companies went out for bids 2 years ago and had a contract on a powerplant.

The cost of that powerplant has already increased, in 2 years, according to this report, to $84 million.

The taxpayer is not getting all the lumps. The Baltimore & Ohio Railroad—and the Members can read the report—in 1967 promised to build a $3 million train station. They are putting up $5 million of their own money today and the $16 million that I talked about is being borrowed by the railroads, making their total commitment $21 million.

They are borrowing this money at 7½ percent interest.

If the Members kill this today, I do not know how long it is going to be before we can get 7½ percent money.

Further, the contract we have now between the Secretary of the Interior and the railroads only requires a 5-percent return on the railroads' investment. That was negotiated in 1967. They have not asked that that be increased.

If the Members vote for this $12.9 million authorization at the end of 25 years the taxpayers of this country will benefit by owning the project. They will have the parking facilities, and they will have this railroad station ready to be used in 19 months from now. There will be no additional costs for the taxpayers for construction. Therefore, we are still laboring under 1967 interest rates.

If we allow this to fall and if we have at some future date to renegotiate this contract, we are going to be paying 12 or 15 percent interest instead of 5 to 7½ interest.

Mr. ROUSSELOT. If the gentleman will yield, I think this is where the general public begins to have a great deal of question about the credibility of the Congress. Congress promised that there would be no further cost and now we have come back and asked for an increase.

Mr. GRAY. My friend, the gentleman from California, is infinitely correct about the original promise, but this is a different plan. They are getting more.

If I could give an illustration, we were told the FBI building would cost $40 million, and it is up to $128 million.

The proposition I bring here today is for $12.9 million, which is based on the word of the contractor who is now building this facility. That is his estimate of what he can finish it for.

I can assure the Members that I will not be back here for more money because I am not running again. I am sure no one else will.

I agree with my friend, the gentleman from California. It is regretable, but as I said, this was brought on by conditions beyond our control.

Mr. ROUSSELOT. If the gentleman will yield further, it is also a matter of credibility.

Mr. GRAY. It is not a matter of credibility. It is a matter that Amtrak filed a suit and brought this project to a screeching halt. That is something we could not help. They are a semiprivate corporations like the Postal Service.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Speaker, I wish to commend the gentleman from Illinois. He has worked diligently, ardently, and earnestly in trying to reconcile the great differences that have arisen since the first authorization. Also, there is the fact that the Secretary of the Interior prepared the budget and all the agencies in the executive branch have come forward and fostered the proposition the gentleman is now bringing before the House.

Mr. GRAY. Mr. Speaker, I thank my distinguished colleague, the gentleman from Alabama, who has been so helpful to me and others in Congress.

I would like to say further that the President told me last Thursday night that this is a much needed project.

He said, "Let us see this thing through to completion." We cannot be disgraced by a big hole in the ground and no place to accommodate the millions of people who come to Washington each year.

Mr. BAKER. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Tennessee.

Mr. BAKER. Has the gentleman been apprised of what it would cost to build up this hole, if we do not vote the money?

Mr. GRAY. I am glad that my friend, the gentleman from Tennessee, asked that. The best estimate of the cost of restoring Union Station—and it is a national landmark; it must be restored; it cannot be torn down except by an act of Congress—would be between $15 million and $20 million.

So we have the option of finishing the project, a project that will be worth $100 million or more to the taxpayers at the end of the 25-year leasing-purchase contract—that is with the $12.9 million in this authorization—or spending $15 million to $20 million for nothing.

Mr. BAKER. Mr. Speaker, I appreciate the gentleman's comments.

Mr. GRAY. Mr. Speaker, I will ask unanimous consent to include a letter at this point in the Record from the Honorable James Clark, assistant Secretary of the Interior, who along with Secretary Rogers C. B. Morton has worked long and hard to resolve this very thorny issue. I want to publicly thank these two officials plus other Interior officials in the legal department and national parks service and visitors centers.

The letters follows:

U.S. Department of the Interior,
Washington, D.C., October 7, 1974.

Hon. Kenneth J. Gray,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Gray: It is my pleasure to advise you of Administration support for H.R. 17027, the bill recently reported by the Public Works Committee to amend legislation authorizing the construction of the National Visitor Center

No one is more familiar than you with the history of this project. Notwithstanding continuing disagreement between the owners of Union Station and AMTRAK, enactment of H.R. 17027 would (1) provide technical amendments which are a prerequisite to resumption of bank financing, and (2) authorize Federal funds in the amount of $12.9 million for renovation of the terminal building itself. Together with the parking garage now under construction, this facility will provide a much needed service to the millions of visitors expected in the Bicentennial year and beyond.

I urge your colleagues to favorably consider this investment in the future of the Nation's Capital city. The expense is justified both in terms of benefit to the taxpayers themselves and as an alternative to discontinuation of the project, which might well cost the responsible parties more than the amount provided for completion in 1976.

Sincerely,

James T. Clark,
Assistant Secretary—Management.

Mr. COCHRAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bill to authorize additional funds for the National Visitor Center.

As was pointed out by the gentleman from Illinois (Mr. Gray), this project is in peril. Work has stopped on the Center due to a railroad dispute over the new passenger terminal.

The Nation's Capital has no facility to handle the estimated 35 million visitors who are planning to attend the Bicentennial celebration in 1976. This project can help fill that need.

The legislation we are considering is a necessary part of the continuation of work on this Center. Because of the many parties involved, the Government, Amtrak, the B. & O. Railroad Co., and the two New York banks which are lending the money, it has indeed been a complex project, but after a long period of delay and necessary modifications, it is now underway. To halt the partially completed Visitor Center would not be in the best interest of the millions of Americans who need such a facility.

If we reject this measure today, Mr. Speaker, we will assure that the Visitor Center at Union Station will definitely die. We will have only a large hole in the ground to show for 7 years of effort. In my judgment, we must get the project back on track.

The project completion date has been delayed by at least a few months because of the work stoppage. I suggest that we should not delay it any longer. Congress must act in the best interests of the constituents, of course, not only those who visit Washington but those out in our congressional districts. I think we owe it to them to provide an adequate facility so they may better enjoy their visits to Washington.

Finally, Mr. Speaker, I want to personally congratulate the gentleman from Illinois (Mr. GRAY), who has devoted a tremendous amount of personal effort to keeping the project for the National Visitor Center alive under some very trying and difficult circumstances. The gentleman has been a very diligent and tireless negotiator with the parties involved in trying to resolve the differences. It now appears that with this legislation the completion of the center can become a reality and we can fulfill the mandate of the Congress which was stated several years ago.

Mr. Speaker, I would like to further say that without the gentleman from Illinois (Mr. GRAY) and his work on the project, there would be no project at all. Indeed, this project would have died long ago.

Mr. Speaker, I urge my colleagues to vote in support of this legislation.

Mr. Speaker, I yield 5 minutes to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Speaker, I am surprised that the gentleman from Illinois (Mr. GRAY) or some of the members of the committee who are out to rape the taxpayers again with this promotion have not brought in the drawings heretofore presented of this grandiose Visitor Center. I am surprised that there is now no picture today here showing that huge hole in the ground over in that place. It seems to me that somebody ought to put a couple of handles on it and just pull the hole in after them.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Illinois.

Mr. GRAY. Mr. Speaker, I suppose that the gentleman's statement was made somewhat in jest.

However, perhaps that "handle" he refers to means that they ought to pull me in and just shovel the dirt over me.

Mr. GROSS. No, Mr. Speaker. However, I am saying that if the gentleman wants to include himself in the hole over there, he can help himself. I imagine the gentleman can take a great deal of credit for this monstrosity that he assured us time after time would not cost the taxpayers a dime.

Let me go back and read a little history from the CONGRESSIONAL RECORD as of December 18, 1973, less than a year ago, when I said:

> * * * the promoters of this latest white elephant in the Nation's Capital have had to admit that the grandoise promises they tossed around so glibly in 1967 were little more than hot air.

And that is all they have been, "hot air."

I said further:

> They have discovered that the alleged and much-advertised 4,000 parking spaces for visitors will cost so much money that no one in his right mind will pay for them.

Last year they reduced the number of parking spaces from 4,000 to 2,500, in spite of the fact that the gentleman from Illinois stood here today and said we have got to have parking spaces, plenty of parking spaces to take care of the visitors. I understand this is now down to 1,200 parking spaces, not 4,000 parking spaces, but 1,200 parking spaces.

Next, the Department of the Interior reduced that to 1,850 at a cost of $16 million. Now the Department says that the $16 million will "buy only 250 to 800 parking spaces."

What to do? Well, the old sleight-of-hand trick, this time employing the guise of promoting clean air.

The sponsors now say that we cannot have all those cars parked at this so-called Visitor Center; they do not want to encourage cars. In 1967 and up to the present time they were encouraging all the automobiles they could get, because the revenue from parking was supposed to pay for this deal. Do you remember that statement in 1967? And again last year?

Now, they say they want to encourage mass transit. So, lo and behold, they propose to build a bus terminal instead of a parking garage or parking space over there.

The gentleman from Illinois (Mr. GRAY) on November 27, 1967, said this:

> The Washington Terminal Company, owned 50 percent each by the Pennsylvania Railroad and the Baltimore and Ohio Railroad, has agreed to spend approximately $19.5 million of their own money for this work. They will . . . construct a 4,000-car parking garage . . . at a cost not to exceed $11 million.

Well, where are they today?

Continuing, Mr. GRAY said:

> I believe that if anyone is fearful we are building a "white elephant" here, which will not be used, all he needs to do is look at the National Park Service statistics, which show that right now we need 13,000 parking spaces.

Not 4,000 parking spaces, but 13,000 parking spaces.

Continuing, Mr. GRAY said:

> The revenues, certainly, from parking alone should be around $2 million a year.

Where out of the wild blue yonder are those fantasies he dreamed up, that were dished out in 1967?

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman from Illinois.

Mr. GRAY. I thank my distinguished colleague, the gentleman from Iowa, for yielding to me.

Mr. GROSS. I am yielding to the gentleman, but I hope the gentleman can get me some more time.

Mr. GRAY. I will yield time to the gentleman.

Mr. Speaker, first of all let me say that the parking requirements have not changed at all. But let me explain by saying that when and if the Visitor Center fills up then we propose to have another service here to help handle that situation so that we can move the cars out to the R. F. K. Stadium where they do have ample parking facilities. But we do have to have a central place where the visitors can come because the average visitor does not know where he should go to find parking, and he does not know anything about the R. F. K. Stadium. So we will have a shuttle bus service from up around the Capitol down to downtown, and around the Mall, to Mount Vernon, and so forth, and by doing so we will be able to help get rid of some of the pollution that occurs between the Cherry Blossom Festival time and Labor Day, when we have some 50,000 cars on the streets. We want to park as many as we can at the Visitor Center, and the rest out at the R. F. K. Stadium.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. COCHRAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Iowa.

Mr. GROSS. I will ask the gentleman from Illinois, are all of these grandiose promises that are being made today going to turn out as well as they did before?

Mr. GRAY. If my friend will yield, they are not grandiose promises, because we park that many automobiles at R.F.K. Stadium for the Redskins games in the parking lot out there.

Mr. GROSS. You are going to transport visitors from here to there, all the way to and from Mt. Vernon, Arlington Cemetery, and perhaps even down at Williamsburg; is that right and at what cost?

Mr. GRAY. If the gentleman will yield further, we have a private enterprise system presently operating the shuttle service from around the Mall now, and we want to extend that service to up around the Visitors Center, around the Capitol, and other places where our visitors want to go. That service is already in operation, and it is a very successful operation.

Mr. GROSS. Mr. Speaker, to repeat, the gentleman from Illinois said:

> The revenues, certainly, from parking alone should be around two million dollars a year.

And again he said:

> We are talking about zero expenditures on the part of the Federal Government.

Zero expenditures, he said. That is a great big cipher—a great big goose egg—it means absolutely no expenditure.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Certainly, I will yield.

Mr. GRAY. As I explained to my colleagues, it is the administration, the gentleman's administration, that has asked for these additional improvements, these ramps and all.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. COCHRAN. Mr. Speaker, I yield 3 additional minutes to the gentelman from Iowa.

Mr. GROSS. Let me ask the gentleman about a statement on page 3 of the report accompanying the bill:

> Despite all these difficulties, one after the other has been resolved, and set aside.

I could argue with that, but I will not at this point.

> This legislation which the Committee now reports, along with the agreements worked out by the principals involved—will put the final capstone . . . .

And so on, and so forth, on this deal. Has the gentleman worked out those agreements?

Mr. GRAY. If the gentleman will yield, I will say I am glad the gentleman raised that question. We do have in body an agreement in principle.

Mr. GROSS. In principle. The gentleman has had agreements in principle before, and they were meaningless.

Mr. GRAY. Let me tell the gentleman what it is in principle. The banks cut off the money because Amtrak clouded the title, so we must satisfy the banks with this legislation before they will release the money. I could say to my colleagues that the president of a bank in New York informed us we must get the cloud off of the title, and we cannot get the cloud off of the title unless we pass this legislation, so it has raised the old question of, which came first, the chicken or the egg?

Mr. GROSS. Now the gentleman has the Federal taxpayer socked for how much—$29 million?

Mr. GRAY. $21 million. If this bill passes, the total would be $21 million.

Mr. GROSS. What about the $8 million the gentleman put in before?

Mr. GRAY. That is included—12.9 and 8.6.

Mr. GROSS. All right $21 million, and it was supposed to be a great big zero in terms of Federal expenditure.

Mr. GRAY. We have over $14 million worth of improvements.

Mr. GROSS. And the railroads were supposed to come in with another $16 million?

Mr. GRAY. They have.

Mr. GROSS. This was the promotion which the gentleman said got off to a bad start because somebody—I do not know who—picked a lousy architect to begin with?

Mr. GRAY. That is asserted.

Mr. GROSS. So we charge this "lousy selection" up to the poor, old backbroken taxpayers of this country.

Mr. GRAY. If the gentleman will yield further, let me say this is the only project that I know of in Washington that is being built exclusively for the taxpayers. We are spending $2 billion for bureaucracy in Washington, but nothing directly for the taxpayer, and the only project we have being built for him the gentleman from Iowa wants to call a white elephant.

Mr. GROSS. Of one thing we are absolutely certain at this point: that if this bill is enacted this boondoggle is going to cost the taxpayers—all of them in this country—millions of dollars when it was supposed to cost them nothing, according to the gentleman from Illinois.

I do not think this needs to be argued any further. I will only repeat that if the Members want to rape their taxpayers then go right ahead and vote for this boondoogle.

Mr. GRAY. Mr. Speaker, I yield myself 1 additional minute.

I certainly do not want to be argumentative with my friend—we can disagree without being disagreeable—but I resent the words "rape of the taxpayer," Mr. Speaker, because, as I said, this project is being built solely for the taxpayers of this country and the millions of people who want to come to this country from abroad. The improvements that are now projected—parking, the informational services—will all be for the taxpayers.

If we want to continue congestion, if we want to continue confusion on the part of the American people, if we want to say to 5 million young school kids who come here every year, "We do not have any place for you to go for a hot meal," that is the prerogative of the Congress, but I do not believe this Congress is going to allow this project to fail.

The President wants it; the Office of Management and Budget wants it; the Secretary of the Interior wants it; and the American people want it, so I urge adoption of the bill.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of H.R. 17027, a bill to provide for an increase in the authorization to $21.6 million for the National Visitor Center.

In less than 2 years, millions of American tourists are expected to arrive in Washington to celebrate the 200th anniversary of the United States.

I believe that it is imperative that we take the necessary actions now to assure that our Nation's Capital can adequately accommodate the estimated 40 to 50 million Americans, and the millions of foreign visitors in 1976.

Therefore, it is essential that they have a convenient, attractive, and informative focal point to become refreshed and oriented before embarking upon an inspiring visit of this great city. I am sure that few will argue that this city now lacks adequate parking, a centralized information center, or a convenient place to relax and refresh.

Naturally, I will agree that much confusion and controversy has clouded this worthwhile project. And granted much of the controversy over this issue is beyond the Federal control. However, I believe that we need to do everything within our power to help facilitate the completion of this National Visitor Center by the January 1, 1976, deadline.

The passage of this bill will not only authorize an additional $12.9 million to assist in building ramps, a parking garage, and renovation of Union Station; but it will also make some technical language changes in law to help alleviate part of the present financial and legal problems which have currently halted construction on this project.

Mr. Speaker, it would indeed be tragic if we were to renege on this very functional project after 7 years of hard labor, after spending nearly 3 million Federal dollars, and after countless hours of difficult negotiations by the capable Public Works Committee to resolve the present conflicts, just to throw millions of futile dollars to fill up the hole presently in the center of Union Station.

I trust that the representatives of these future tourists will not leave them stranded by denying to them adequate facilities when they arrive in 2 years, to join millions of others throughout the world in celebrating our Bicentennial.

I urge that my colleagues join me today in voting for this necessary piece of legislation and prevent any further delays on this project.

Mr. HARSHA. Mr. Speaker, I rise in opposition to H.R. 17027, a measure to authorize an additional $12.9 million for the National Visitor Center.

I do so reluctantly, as I join in supporting the objective of a Visitor Center worthy of the name in the Nation's Capital, particularly in view of the great influx of visitors expected to come to Washington for the Bicentennial.

Moreover, I am hesitant to oppose this additional authorization for a project on which my good friend from Illinois (Mr. GRAY) has expended an enormous amount of energy over several years.

The fact is, however, that this project is in deep trouble despite his best efforts, which makes this bill extremely ill-advised at this time.

Several highlights of the Visitor Center's development argue against this expansion of congressional commitment to the project, particularly at this time.

Originally, it was to cost a total of $16 million, financed entirely by private funds, at no cost to the taxpayer. Last year, however, we authorized $8.6 million in Federal support. Now the cost estimate has risen to $37 million, of which the Congress is being asked to put up a total more than $21 million.

At the same time, the scope of the project has been scaled down drastically. Parking space is to be reduced from the original 4,000 cars to 1,200. Plans to renovate the east wing of Union Station have been shelved.

In sum, the price goes up as the size of the project goes down.

Nevertheless, if we were absolutely assured that this $12.9 million addition would do the job, we might be justified in voting these funds—this much and no more. Unfortunately, that is not the case.

The Visitor Center project is embroiled in a legal controversy between Amtrak and the Chessie system which is endangering the private financing. The committee was confronted with the argument that the controversy had been resolved to the extent that the project would go forward if this additional Federal authorization were forthcoming.

Yet, within hours of the committee vote to report out this bill last Thursday, we received word that the agreement we based our action on was coming unstuck. Negotiations resumed Friday and were continuing as late as this morning.

At last Thursday's markup, we learned that the parties to the shaky agreement had scarcely been on speaking terms and the agreement to proceed had been achieved only by the diligent efforts of Ken Gray in a round of shuttle negotiations reminiscent of Henry Kissinger's Mideast diplomacy. So, we have absolutely no assurance that we can get the project back on the track just by throwing money at it.

Even if the dispute has been papered over temporarily in the interests of getting this bill through, we would only encourage further irresponsibility by voting these funds. We would face an open-ended commitment to pay the ransom any time the project is held hostage.

Many worthwhile Federal programs and projects, including public works, are being curtailed or delayed in the interests of holding down Federal spending to combat inflation. They include water resources projects—flood walls to protect lives and property sewer systems to eliminate pollution, water systems to provide clean water for our constitutents, rural housing, and so forth. To my mind they are entitled to far higher priority than this additional allocation for the Visitor Center. Until we have far greater assurance than at present that it can be built at reasonable cost, we should call a halt to further increases in Federal authorizations.

We have heard repeatedly that this project is for the Nation's Capital, for all the people, for our constituents when they visit Washington. We have heard much the same song when confronted with cost overruns on other major projects in the District of Columbia.

I am confident that my constituents would greatly prefer to see the Congress get on with the task of fighting inflation by reducing expenditures on programs large and small. Denial of this expansion is a good place to start.

For those constituents who do come to Washington, we would perform a far greater service by assuring that the project can and will be built at reasonable cost, on the basis of solid, enforceable contractual arrangements. The history of this project all the way from 1967 through last week demonstrates conclusively that we do not have that assurance. Accordingly this bill should be defeated.

Mr. COCHRAN. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. GRAY) that the House suspend the rules and pass the bill H.R. 17027.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

FORMER SPEAKERS OF THE HOUSE OF REPRESENTATIVES

Mr. GRAY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 17026) relating to former Speakers of the House of Representatives.

The Clerk read as follows:

H.R. 17026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the provisions of H. Res. 1238, Ninety-first Congress, as enacted into permanent law by the Supplemental Appropriations Act, 1971 (84 Stat. 1989), are hereby extended to, and made applicable with respect to, each former Speaker of the House of Representatives, as long as he determines there is need therefor, commencing at the expiration of his term of office as Representative in Congress.

(b) Subsection (a) shall not apply with respect to any former Speaker of the House of Representatives for any period during which such former Speaker holds, an appointive or elective office or position in or under the Federal Government or the government of the District of Columbia to which is attached a rate of pay other than a nominal rate or to any former Speaker separated from the service by reason of expulsion from the House.

The SPEAKER. Is a second demanded?

Mr. HARSHA. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. (Mr. McFALL). Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. GRAY) is recognized for 20 minutes.

Mr. GRAY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, H.R. 17026 is a very simple bill which allows former Speaker John W. McCormack, the only living former Speaker, to keep an office in the Federal Office Building named after him in Boston, Mass. He is still receiving a great deal of official correspondence. He must answer it.

The total amount authorized in the bill, if all funds were used, would be a small $32,500 per year.

We provide the wives of former Presidents with Secret Service protection. We provide Mrs. Eisenhower about $400,000 a year and Mrs. Johnson a like amount. So I think considering the importance of the office of Speaker and the fact that we have only one living former Speaker, that $32,000 is a very small amount for this office.

I hope out of respect for our former dear Speaker, this great American who has contributed so much to this Congress and our country as a congressman, majority leader and then Speaker, that no one will object to this bill. He continues to deserve our utmost respect.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding.

I have no objection to the appropriation to provide our former Speaker with office space but also I would like to ask about the former Speaker's papers. Will these papers be made available to the public?

Mr. GRAY. The former Speaker has told me all of his papers are available and in order and I think most of them have been given to various libraries, although I may stand corrected on that.

Mr. HINSHAW. Will the gentleman yield?

Mr. GRAY. I yield to the gentleman from California (Mr. HINSHAW).

Mr. GRAY. Mr. Speaker, I read an article just recently which stated that Secret Service protection is running in excess of $400,000 a year.

Mr. HINSHAW. Would this money equate to the same numbers of personnel and same types of personnel and same types of services we would now provide to former President Nixon?

Mr. GRAY. No. We allowed only a total two clerk hire. Any former Speaker may have no more than two assistants.

Mr. HINSHAW. I think the gentleman misunderstands me. Would the wife of any former President be given in excess of $200,000 which was authorized former President Nixon for the type of personnel and services we are authorizing to wives of former Presidents? Are we giving them the same type of thing we would be providing President Nixon?

Mr. GRAY. The answer is "No."

Mr. HINSHAW. The gentleman used $32,000 and he justified that with the amounts paid to the wives of former Presidents. Are we providing a greater amount of money and services and personnel to the wives of former Presidents than we are providing former President Nixon?

Mr. GRAY. I misunderstood the question. I am not on the Appropriations Committee and the Appropriations Committee funds these appropriations for the wives of former Presidents, so I yield to my friend, the gentleman from New York (Mr. ROBISON) who may be able to shed some light on this.

Mr. ROBISON of New York. Mr. Speaker, I appreciate the gentleman yielding.

My colleagues will remember the debate we had on this last week. We really did not get into the question of benefits payable to the wives of former Presidents.

Based on my understanding of the situation at the present time, the wives of former Presidents are paid $20,000 and then there is Secret Service protection for the wife until she remarries, if she does, and for her minor children.

The Secret Service protection is given for her until she remarries, if she should, and for her minor children; so there is, as far as I know, no clerical benefits or anything of that sort provided to a wife of a former President.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GRAY. I yield to the gentleman from Iowa.

Mr. GROSS. Why does the bill change from $16,250 in 1975 to $32,500, or double in the next year?

Mr. GRAY. I am happy my friend brought that up. That was for one-half year, because of the fiscal year authorization. We are just showing when this bill passes from this time on, it will be $16,000 until next June 30, so that is just half of the full calendar year.

Mr. GROSS. It does not do much good to ask questions on the record here, it seems; but would the gentleman think this is creating any kind of precedent?

Mr. GRAY. No; not at all. This is an extension. Former Speaker McCormack has been in this office for some time and it is really an extension of an existing law and the Appropriations Committee extended it last year. We felt the authorizing Committee on Public Works should extend it by law.

The SPEAKER. The time of the gentleman has expired.

Mr. GRAY. Mr. Speaker, I yield myself 1 additional minute and I am glad to yield to the gentleman from Iowa.

Mr. GROSS. The gentleman does not think this is establishing a precedent that the House will have to live with in the future?

Mr. GRAY. No.

Mr. GROSS. Why 5 years?

Mr. GRAY. That is required by the rules of the House to show what any bill is going to cost for a 5-year period.

Mr. GROSS. Why put it in a bill? Why authorize it for 5 years? Why not authorize it on an annual basis?

Mr. GRAY. I agree with the gentleman; but the rules of the House require it. We had no alternative but to put it in.

Mr. GROSS. Is this money used for rent or for the former Speaker's office in a Federal building or where is it?

Mr. GRAY. It is in the John W. McCormack Federal Building in Boston, Mass. It is primarily for the hiring of two clerks. We do have a small amount that will be reimbursed to the General Services Administration, which is by a public law. All offices in a Federal building, sitting Members or any agency of Government now pay rent to the GSA for the space they use. We passed that bill in 1972 in order to have some control over what it costs to house agencies in the various parts of the country. So, a few thousand dollars of the $32,500 authorized goes back to the Government coffers in rent.

Mr. HARSHA. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. Robison).

Mr. ROBISON of New York. Mr. Speaker, the bill before us provides certain benefits to each former Speaker of this House, for so long as any such individual—quoting from the bill—"determines there is need therefor."

The brief accompanying report tells us only that such benefits, as previously outlined by law, include taxpayer moneys to pay the salaries of up to two staff members, plus office space, stamps, stationery, telephone, and related office equipment.

The report also estimates the costs of such benefits to the taxpayers at $16,250 in this fiscal year and, then, $32,500 in each of the succeeding 5 fiscal years, for a possible 5 and about three-quarters years' total of $177,750.

Mr. Speaker, let me say I am not opposed to this bill, and I have the highest of regards for that very fine gentleman who is our only living former Speaker, just as I do for our distinguished present Speaker.

But I would point out—as one who was deeply involved in last week's debate over whether or not, or how much, to provide in the way of benefits under the comparable Former Presidents Act to Richard M. Nixon—that it is easy for this House to swing first one way and then the other, on matters of this sort. Having lost that debate rather resoundingly, I have no desire to reopen it. But, inasmuch as some segments of the news media highlighted with headlines and referred in rather scathing terms to the very idea of similar benefits to former President Nixon who, regardless of the nature of his departure from the political scene, did put in 6 years as our President during which time at least some portion of his service was meritorious, I have to wonder if the news media will even mention the existence, and probable passage, of this somewhat comparable measure.

Mr. HARSHA. Mr. Speaker, I rise in support of H.R. 17026, a bill to extend the use of Federal office space for former Speakers of the House of Representatives. This bill applies only to former Speakers who do not hold an appointive or elective office or position in or under the Federal Government or the government of the District of Columbia, or to any Speaker separated by reason of expulsion.

For 43 years, John McCormack, the only living former Speaker, served with dedication and great distinction in this body. I was privileged to serve during his stewardship, and his reputation as a great speaker lives on. I am sure we all are clearly aware of his many accomplishments.

He is currently housed in the Federal office building in Boston, where he is writing and gathering official documents.

It is fitting to allow a man who served this Nation for 43 years to use Federal office space and have the benefits of a small staff for administrative purposes.

I urge passage of this bill.

Mr. GRAY. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from Illinois (Mr. Gray) that the House suspend the rules and pass the bill H.R. 17026.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

EXTENDING PROHIBITION OF PIRACY OF SOUND RECORDINGS

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13364) to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes; as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of Public Law 92–140, which amended title 17 of the United States Code, is amended by striking out "and before January 1, 1975" from the second sentence of section 3 of such law.

Sec. 2. Section 104 of title 17 of the United States Code is amended by adding at the end thereof the following: "Any person who willfully and for profit shall infringe any copyright provided by subsection 1(f) of title 17 of the United States Code as amended, or who should knowingly and willfully aid or abet such infringement, shall be fined not more than $25,000 or imprisoned for not more than one year or both, for the first offense and shall be fined not more than $50,000 or imprisoned not more than two years, or both, for any subsequent offense.".

Sec. 3. Section 2318 of title 18 of the United States Code is amended to read as follows:

"§ 2318. Transportation, sale, or receipt of phonograph records bearing forged or counterfeit labels.

"Whoever knowingly and with fraudulent intent, transports, causes to be transported, receives, sells, or offers for sale in interstate or foreign commerce any phonograph record, disk, wire, tape, film, or other article on which sounds are recorded, to which or upon which is stamped, pasted, or affixed any forged or counterfeited label, knowing the label to have been falsely made, forged, or counterfeited shall be fined not more than $25,000 or imprisoned for not more than one year or both, for the first such offense, and shall be fined not more than $50,000 or imprisoned not more than two years, or both, for any subsequent offense.".

The SPEAKER pro tempore. Is a second demanded?

Mr. McCLORY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill would extend the provisions of existing law (Public Law 92–140, approved October 15, 1971), which now protect sound recordings against unauthorized duplication and piracy, and prescribes substantially increased new maximum penalties of fine and imprisonment for willful infringement of copyright in such recordings for profit.

Trade sources had estimated the annual volume of such piracy to be in excess of $100 million and the annual value of legitimate prerecorded tape sales at approximately $300 million.

NEED FOR THE BILL

Although creating a new and limited copyright in sound recordings, Public Law 92–140 simultaneously provided that the newly created right should automatically expire on December 31, 1974.

The purpose of inserting the automatic expiration clause in Public Law 92–140 was to provide a period for further consideration of alternative solutions, before resorting to permanent legislative enactment. This was done in the hope that by January 1, 1975, the protection of sound recordings would be part of an overall copyright law revision.

The provisions of H.R. 13364 are incorporated in section 506(a) of S. 13[illegible]6, the copyright law revision bill that has just passed the Senate and also in S. 3976 passed the same day—September 9. However, separate enactment of H.R. 13364 is needed to avoid a lapse of these important rights, for it is clear that copyright law revision cannot be completed by the House during the remainder of the 93d Congress and the rights involved are now scheduled to expire on December 31, 1974.

At the hearings, the Departments of State, Justice, and Commerce, and the Librarian of Congress indicated their support for the extension of the rights created by Public Law 92-140. The State Department and the Librarian based their support in part on the belief that our treaty obligations as a member of the Phonogram Convention requires enactment of this or similar implementing legislation to protect the owners of copyright in sound recordings.

THE COMMITTEE AMENDMENTS

Beside removing the expiration date in Public Law 92-140, H.R. 13364 would increase the penalty for infringing sound recordings willfully and for profit, and for knowingly and fraudulently transporting records carrying counterfeit labels (18 U.S.C. 2318). Present law punishes such behavior by a fine of not less than $100 or more than $1,000 or imprisonment of more than 1 year, or both. H.R. 13364 would impose a maximum imprisonment of 3 years or a maximum fine of $25,000 or both for a first offense and a maximum imprisonment of 7 years or a maximum fine of $50,000 for subsequent offenses.

The reason given in support of this very substantial proposed increase in penalties is that record piracy is so profitable that ordinary penalties fail to deter prospective offenders.

The committee recognizes the force of this argument and agrees that the economic penalties should be substantial. It accordingly adopts the provisions creating maximum fines of $25,000 and $50,000, for first and subsequent offenses respectively.

With respect to the penalty of imprisonment, however, the committee is reluctant to sanction the proposed maximums of 3 years and 7 years for what is essentially an economic offense. We believe that the present 1-year maximum imprisonment should be retained for cases involving a first offense. With respect to subsequent offenses, however, we believe this maximum may appropriately be doubled. The committee amendment thus provides a 2-year maximum.

Mr. Speaker, I move adoption of the committee's amendments en bloc.

Comparable penalties of S. 1400 and of the Brown Commission Report follow:

MEMORANDUM

To: Mr. Kastenmeier.
From: Herb Fuchs.
Subject: Comparative Penalties.
Date: June 3, 1974.

1. Present law (17 United States Code, Sec. 104); Imprisonment for not more than one year and a fine of not less than $100 nor more than $1,000, or both.

TABLE 2.—BROWN COMMISSION REPORT (SEC. 3002, SEC. 3201, AND SEC. 3301)

	Maximum imprisonment	Maximum fine
Class A felonies	30 yr	$10,000
Class B felonies	15 yr	10,000
Class C felonies	7 yr	5,000
Class A misdemeanors	1 yr	1,000
Class B misdemeanors	30 days	500

TABLE 3.—S. 1400 (H.R. 6046)

	Sec. 2301 maximum imprisonment recommended	Sec. 2201 maximum fine recommended
Class A felonies	Life or any term	$100,000
Class B felonies	30 yr	100,000
Class C felonies	15 yr	100,000
Class D felonies	7 yr	50,000
Class E felonies	3 yr	25,000
Class A misdemeanors	1 yr	10,000
Class B misdemeanors	6 mo	5,000
Class C misdemeanors	30 days	2,500
Infractions		500

4. H.R. 13364—First offense maximum of 3 years and $25,000 fine; subsequent offense 7 years and $50,000 fine.

I have no more requests for time.

Mr. McCLORY. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from Wisconsin (Mr. KASTENMEIER) has fairly stated the purport of this legislation.

It has the support of the administration. It is supported by the Department of State, the Department of Justice, and the Department of Commerce.

I am in strong support of the legislation.

The purpose of inserting the automatic expiration clause in 1971 was to provide a period for further consideration of alternative solutions to problems in this area, before resorting to more permanent legislative enactment. There was also the hope that by its expiration date of December 31, 1974, that protection of sound recordings would be part of an overall copyright law revision. It now appears questionable whether copyright revision can be enacted by both Houses of Congress during the present year. Therefore, it is important that this legislation be processed at this time.

Also, Mr. Speaker, it is important to note that in March of 1974, the United States became the eighth country to become a member of the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms. The seven other countries are: Fiji, Finland, France, Mexico, Sweden, United Kingdom, and Argentina. A key provision of this treaty provides that contracting countries will protect the nationals of other contracting countries against the making or importation of duplicate recordings without the consent of the producer, if the intent is to distribute them to the public. If the termination date of December 31, 1974, is not removed the United States would have no means of implementing its agreement to protect the producers of phonograms and in effect renounce the treaty.

I urge Members to support the passage of H.R. 13364.

Mr. McCLORY. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. RAILSBACK) at this time.

Mr. RAILSBACK. Mr. Speaker, I yield myself as much time as I may consume.

I rise in support of H.R. 13364, a bill to remove the expiration date of certain copyrights in sound recordings. This copyright is intended to protect against the unauthorized duplication and piracy of sound recordings. In 1971, Congress granted a limited copyright to protect against the piracy of recordings issued after February 15, 1972. This limited copyright will expire December 31, 1974, unless this legislation is enacted.

Existing law provides a maximum penalty of 1 year in prison and a $1,000 fine. H.R. 13364 increases the monetary fine for the first offense from $1,000 to $25,000 with the imprisonment penalty of 1 year remaining unchanged, and for subsequent offenses a maximum 2-year imprisonment, and a $50,000 fine. The most recent estimate for the last decade indicates an average of $300 million worth of pirated records and tapes are being made and sold throughout the world each year.

In testimony before the subcommittee in support of this legislation, the Department of Justice stated that their first acquaintance with sound recording copyright violations was, to say the least, both "astonishing" and "dismaying." The Department testified that the dimensions of the problems are "enormous." They stated that:

> The ease of entry, minimal capital and litle expertise is required, combined with the startling profit-to-cost ratio (it is estimated that the cost to a pirate of a tape album legitimately retailing for $6.00 is probably not much in excess of 50 cents) provides an attraction for the marginally intellectual and skilled . . . .

The pirate brings no creativity to his entry into this particular art form. To the contrary, the pirate feeds as a parasite upon the creativity, the productivity and the enterprise of others. The Department of Justice testified that the effect of the pirates' activity is anti-competitive in that:

> . . . to a substantial degree, he [the pirate] suppresses the creativity and the initiative of both artists and producers as he feeds like a vulture upon their creations. He is really a thief of major statute, not unlike the gun-wielding stickup man, the bomb-carrying hijacker and the pen-wielding embezzler. Yet, under present law, he is not dealt with in the same manner as those . . . criminals since the penalty he faces is on the same order as that imposed for petty larceny.

Mr. Speaker, the mild sanctions contained in the present law create an attitude on the part of the prosecutors and courts that mitigates the seriousness of the offense and this type of attitude militates the imposition of a lesser sentence. The present law, being a misdemeanor relegates this crime to the jurisdiction of the magistrates, who are by reason of their jurisdiction limited to minor offenses, attuned to—according to the Department of Justice—imposing 20- or 30-day suspended sentences and fines of a few hundred dollars, "at most."

Mr. Speaker, the real value of this legislation is not so much the increasing of the penalty, but the concern Congress is expressing by its enactment, for I hope the courts and the prosecutors will follow our lead and put the pirate on notice that the risk he undertakes is now a substantial one and that he can no longer poach upon the talents of America's artists.

I urge my colleagues to support the passage of this legislation.

Mr. KASTENMEIER. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. DRINAN).

Mr. DRINAN. Mr. Speaker, I thank the gentleman from Wisconsin for yielding, and I commend him and the gentleman from Illinois for explaining very well a very technical and complex area of the law.

For several reasons I found it necessary to dissent from the conclusion reached by the committee, both in the subcommittee and in the Committee on the Judiciary.

Mr. Speaker, in 1971 Congress enacted Public Law 92-140, which, for the first time in American history, gave a so-called "limited" copyright to sound recordings. Prior to the passage of that statute, copyright protection extended only to the musical, spoken, or other composition which was the subject of the recording, and not to the recording itself. In other words, if Roberta Flack recorded Leonard Cohen's "Hey, That's No Way To Say Goodbye," Mr. Cohen's song could be copyrighted, while Ms. Flack's recording could not.

The 1971 law changed that result. It provided a limited copyright for the recording, although the law left open the question to whom the protection ran: the record company, the vocalist or musicians who performed, or all of them. It was deemed a "limited" copyright because it extended only to unlawful duplication. It did not cover public broadcasting of the record. Thus the "pirate" who reproduced Ms. Flack's record for commercial purposes acted illegally, while the disc jockey who played it on the radio did not.

When this committee first considered that proposal in 1971, we included a provision limiting its life to 2 years, setting December 31, 1974, as the termination date. That restriction was imposed for at least two reasons: first, to give the committee the opportunity to revise totally the copyright law, which had remained basically untouched since 1909; and second, to evaluate the economic impact of this new exclusionary right, allowing the 2-year period as sufficient time to test its soundness.

When it became clear in early 1974 that complete revision of the copyright law would not be accomplished in this session of Congress, the recording industry, the prime force behind the original law, sought to extend its coverage. The bill which this committee now approves, H.R. 13364, is essentially the industry's proposal. On September 9, 1974, the Senate passed S. 3976, a bill similar to H.R. 13364, except that the Senate proposal contains substantially more severe criminal sanctions. It continues copyright protection for sound recordings; it removes the December 31 expiration date; and it increases the criminal penalties for infringement from misdemeanor to felony weight.

I cannot support this bill in its present form principally for three reasons: first, we have not adequately examined the impact of this measure on the competitive aspects of the recording industry, on consumer prices, and on artistic freedom; second, the criminal penalties in the bill are too severe; and third, the proposal does not contain an expiration date.

INADEQUATE CONSIDERATION OF ECONOMIC AND SOCIAL IMPACT

In considering the extension of Public Law 92-140, this committee did not examine sufficiently the implications of this statute. Our subcommittee conducted only 1 day of hearings. We heard only from the companies which presently control the sound recording market. No testimony was received from the so-called "pirates." No objective analyses were prepared to evaluate the truth of the contention that this law is necessary to insure creativity in the recording field. No inquiry was made of experts in the antitrust field, including the Justice Department and the Federal Trade Commission, to determine the anticompetitive effects of the law. Consumer groups were not asked to give their views on the industry price structure from the standpoint of the purchaser. And finally we did not hear from the artists themselves, many of whom, I am advised, are stifled and unfairly treated by the economic control exercised by the industry giants.

In short, this committee heard only from the big companies—the vested interests which fear that the expiration of the antipiracy law will loosen their monopolistic grip on the industry. Their lawyers wrote this law, their executives stand to benefit immensely by it, and we are now asked to place our approval on it. Such a one-sided presentation should repel every member of this body. I find it extremely difficult to support any measure which has been examined from such a limited perspective. My vote against this measure, like Senator HART's in 1971, is "for further study of the issue of piracy with a view toward clearer definition of the problem and a more precise remedy consistent with our constitutional authority."

The views of the opponents are no mystery. They testified against the bill in 1971 and they have written to us since that time. It is helpful to summarize their contentions. They argue, first, that the extension of this law perpetuates the anticompetitive nature of the recording industry, a point raised by Senator HART when he voted against the original bill in 1971. It is asserted that the three largest companies account for nearly 50 percent of total sales in the industry, and that, if the next two largest are included, the share of the market may climb as high as 85 percent. It is further said that the statute, if fully enforced with the new felony-weight penalties, would effectively prevent entrance of new firms into the market. Congress should seek to promote, not reward, diversification and easy entry into all industries.

It is next contended that the antipiracy law does not really benefit the artists and composers. Senator HART made the point 3 years ago:

> Vesting copyright protection in the record manufacturer may end the free ride of the pirate, but it may well restrict the widest dissemination of the artist's expression without adding to the compensation of the artist.

Because the companies hold unequal bargaining power, the creative people are at their mercy in the absence of true freedom of contract.

As a result the contractual arrangements largely benefit the corporations. It is said that the largest companies hold nearly all the major copyrights to sound recordings; some put the figure at 80 percent. Furthermore a vast number of contracts between the artist and the record company contains provision for recouping promotional costs from the artist's royalties. In these circumstances one must ask whether passage of H.R. 13364 is calculated to promote "the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries," as the Constitution requires.

Third, it is said that the consumer is adversely affected in at least two ways: first, the price of records and tapes is artificially high because of the concentrated nature of the industry; and second, the dominant firms in the industry can economically manufacture any given tape or record only in huge quantities. This production practice precludes catering to regional tastes and promoting new artists. It also prevents the re-release of limited editions of previous recordings.

Needless to say, I have no way of evaluating the truth of these assertions, pro or con, in the absence of the fact-gathering machinery of the subcommittee hearing. But that is precisely why this measure should be rejected or amended at this time. We have not obtained the necessary data which would assist us in deciding the soundness of this proposal. Rather we are relying for information on those who gain the most from its passage.

In rebuttal it is said that the opposition had plenty of opportunity to present its evidence, if any, to the subcommittee. If they desired to testify, it is said, they needed only to request an appearance. Putting aside the question whether all interested parties had adequate notice, or whether opposing views should have been solicited, it is somewhat ingenious to expect them to come forward. Testimony by "pirates" of their unlawful practices would have exposed them to criminal liability. Artists may well feel intimidated because their careers are in the hands of those advocating extension of the law. What we have here then is a law which, in seeking to suppress piracy, has in fact suppressed the truth.

EXCESSIVE CRIMINAL PENALTIES

But I do not rest on that ground alone. Other features of the bill are equally objectionable. The criminal sanctions in the proposal are much too severe. Originally violation of the law constituted a misdemeanor. Under H.R. 13364, infringement would be a felony: the first offense could be punished by 1 year in jail and a $25,000 fine. Subsequent offenses could be punished by 2 years in jail and a $50,000 fine. The maximum penalty under the present law would be a fine of $1,000 imprisonment for not more than 1 year.

The bill first submitted by the industry representatives called for 3 years in jail for a first offense, and 7 years for subsequent violations. That is the penalty structure of a similar bill, S. 3976, which passed the Senate on September 2, 1974. The recording companies seek the higher penalties in order to deter, they argue, the "pirates." They claim that the misdemeanor level sometimes does not stop the pirates from the infringing.

The facts to support the demand for more severe penalties are nowhere to be found in the testimony. The only foundation for the demand is a bold assertion that it is needed. The Justice Department provided little assistance. It too advocates the increase, but gives us no facts to support it. The Government could have presented statistics on the number of investigations, prosecutions, and convictions under the law. But it did not. In the absence of evidence which demonstrates that the present criminal sanctions are insufficient, I cannot support a call to increase them. It is interesting to note that revised copyright bill S. 1361, which also passed the Senate on September 9, contains significantly greater penalties for infringements of sound recording and movie copyrights than for any other kind of infringement.

ABSENCE OF EXPIRATION DATE

As noted above, the original law contained an expiration date so that Congress could reevaluate its impact after a period of time. H.R. 13364 does not have a comparable provision. If it passes in its present form, it will lock in the copyright protection which Congress in 1971 provided only conditionally. If such rights become vested, we may never be able to undo the damage if our later inquiries show that we were mistaken in granting such broad protection. It is appropriate it seems to me, to limit the copyright extension to 2 years, as the Senate bill does. In this manner we will preserve the option of modifying or eliminating the copyright in the future.

ALTERNATIVE PROPOSALS

Finally it is argued that no alternative has been advanced to replace the antipiracy law. Assuming the necessity for an option, we cannot expect substitute systems to be suggested when no call is made for them. If the persons from whom such ideas might come do not appear, or are not invited to testify, there is little point in wringing one's hands over their absence. Having created the conditions which discourage such testimony and having taken no steps to remedy that deficiency, the proponents of this law have no fair complaint that alternatives are lacking.

But viable alternatives are available. Assuming some copyright protection is necessary, we could limit its scope. We might, for example, give full protection for a recording until a certain number of sales — that is, 500,000 copies — are made, or until a period of time, say 1 year, expires. The exclusive copyright would then terminate.

Furthermore the Congress might consider a compulsory licensing arrangement. Since 1909, Federal law has imposed such a requirement on musical compositions in exchange for a statutory royalty. The copyright revision which passed the Senate continues that practice. There is no reason why a similar provision could not be made applicable to sound recordings. If we are going to require the author of a song, in exchange for royalty, to license it to whoever wants it, it seems appropriate to require the company which records it to do the same.

In addition it may be that Congress should consider enacting laws imposing strict liability upon wholesalers and retailers who distribute pirated tapes and records. If we are sincere in our desire to end the unlawful infringement, then we should apply pressure to the distribution points. A strong remedy against the outlets might well reduce the incidence of pirating, while allowing duplication through the compulsory licensing and statutory royalty arrangement.

CONCLUSION

In closing, it must be remembered that the bottom-line issue here is whether we are promoting the free expression of the artist so that the American consumer may experience that talent at the lowest possible cost.

Any law which does not meet that standard ought not to obtain our approval. "Thus, my vote nay," as Senator HART has said, "is not a vote for the pirate and against the artist or even against the record company. My vote nay is for the widest expression of ideas in a manner consistent with the constitutional grant of copyright authority." That, too, is the measure of my vote.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. KASTENMEIER) that the House suspend the rules and pass the bill H.R. 13364, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING PROCUREMENT OF OIL PORTRAIT AND MARBLE BUST OF FORMER CHIEF JUSTICE EARL WARREN

Mr. NEDZI. Mr. Speaker, I move to suspend the bills and pass the Senate joint resolution (S.J. Res. 123) authorizing the procurement of an oil portrait and marble bust of former Chief Justice Earl Warren.

The Clerk read as follows:

S.J. RES. 123

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Marshal of the Supreme Court of the United States, subject to the direction and approval of Chief Justice of the United States, is authorized and directed to procure an oil portrait and a marble bust, including pedestal, of the former Chief Justice Earl Warren and to cause them to be placed in the United States Supreme Court Building.

(b) There is authorized to be appropriated $25,000 to carry out the purposes of this joint resolution.

The SPEAKER pro tempore. Is a second demanded?

Mr. GROSS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan (Mr. NEDZI).

Mr. NEDZI. Mr. Speaker, the purpose of this Senate joint resolution is to authorize and direct the Marshal of the Supreme Court to procure an oil portrait and marble bust, with pedestal, of former Chief Justice Earl Warren and cause them to be placed in the U.S. Supreme Court building. In so doing, the Marshal would be subject to the direction and approval of the Chief Justice.

Twenty-five thousand dollars would be authorized for these purposes.

The Marshal of the Supreme Court is advised that this activity is traditional in the case of a former Chief Justice. The last legislation for such purposes was Public Law 85–20, relative to former Chief Justice Vinson, which was approved in 1957 and which authorized $10,000. The $25,000 figure which is included in Senate Joint Resolution 123 reflects the substantially increased costs in the last 17 years.

Both the Marshal and the Architect of the Capitol have confirmed that this amount should be sufficient to obtain the services of competent, if not renowned, artists. The Committee on House Administration is persuaded that this sum is not excessive and has unanimously approved this joint resolution.

Senate Joint Resolution 123 makes possible a fitting recognition of Earl Warren's great service to this country as Chief Justice. The committee and the Senate have unanimously endorsed these efforts, and it is my high honor to urge that the House do so as well.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, evidently portraits and busts and pedestals have suffered the fate of everything else, because 17 years ago they put these things together for Chief Justice Vinson for $15,000.

Mr. NEDZI. Mr. Speaker, if the gentleman will yield, the figure was $10,000.

Mr. GROSS. $10,000. So this is more than double that figure.

Mr. NEDZI. The gentleman from Iowa is an astute observer of the economy of this country.

Mr. GROSS. I try to keep track of a few dollars around here. I can understand these smaller amounts.

Mr. Speaker, will the gentleman tell me whether this can be done for all former Chief Justices?

Mr. NEDZI. Mr. Speaker, if the gentleman will yield further, my understanding is that we have done this for all Chief Justices. This is traditional.

Mr. GROSS. What about the space required? Is this going to require another building or an addition to put them in? Where do they maintain these items?

Mr. NEDZI. Mr. Speaker, there is no suggestion that another building is going to be required. The Supreme Court building is quite large, as the gentleman knows. They expect the bust to be located in the hall leading to the chamber. Other busts are located there, also.

Mr. GROSS. Mr. Speaker, may I ask the gentleman this:

Could we not forego this until we get out of this rocketing inflation? Is there no way we could do that?

Mr. NEDZI. Well, we have had bipartisan support for this move, and the consensus is that it would be most appropriate to do it at this time.

Mr. GROSS. The committee has no other deals of this kind on the front burner, does it?

Mr. NEDZI. I am not aware of any.

Mr. GROSS. Mr. Speaker, I would hope that we would not be confronted with many more of these things in the situation that exists today.

While there are larger amounts than $25,000 considered in this place, I cannot think of anything we could dispense with and defer at this time than a portrait, bust, and pedestal for a former Chief Justice of the Supreme Court. I think we could very well postpone this until a better day in the financial history of this country.

Mr. Speaker, I am not, however, going to make an all-out fight against this. I just think it is ill-advised at this time, and I think all other projects similar to it are equally ill-advised.

Mr. NEDZI. Mr. Speaker, I have no further request for time.

Mr. GROSS. Mr. Speaker, I have no further request for time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. NEDZI) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 123).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

AMENDING ACT OF JUNE 30, 1944, "TO PROVIDE FOR ESTABLISHMENT OF THE HARPERS FERRY NATIONAL MONUMENT"

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12972) to amend the act of June 30, 1944, an act "to provide for the establishment of the Harpers Ferry National Monument," and for other purposes, as amended.

The Clerk read as follows:

H.R. 12972

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 30, 1944 (58 Stat. 645; 16 U.S.C. 450 bb), an Act "To provide for the establishment of the Harpers Ferry National Monument", is amended as follows:

(1) In section 1, the first sentence is amended to read: "That, in order to carry out the purposes of this Act, the Secretary of the Interior is authorized to acquire lands or interests in lands, by donation, purchase with donated or appropriated funds, or exchange, within the boundaries as generally depicted on the drawing entitled 'Boundary Map, Harpers Ferry National Historical Park', numbered 385–40,000D and dated April 1974, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior: Provided, That after advising the Committees on Interior and Insular Affairs of the Congress of the United States, in writing, the Secretary may make minor revisions in the boundary, when necessary, by publication of a revised drawing or other boundary description in the Federal Register, but the total acreage shall not exceed two thousand acres: Provided further, That nothing herein shall be deemed to authorize the acquisition, without consent of the owner, of a fee simple interest in lands within the boundaries in which a less than fee interest has previously been acquired by the Secretary of the Interior."

(2) In section 3, delete the word "and" at the end of paragraph (1); change the period at the end of paragraph (2) to a semicolon and add "and"; and add the following new paragraph:

"(3) Provide, directly or by contract, subject to the provisions of the Act of June 7, 1974 (88 Stat. 192; U.S.C. 460 1–6a) an interpretive shuttle transportation service within, between, and among lands acquired for the purpose of this Act for such times and upon such terms as in his judgment will best accomplish the purposes of this Act."

(3) Revise section 4 to read as follows:

"In addition to such sums as have heretofore been appropriated, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not more than $1,300,000 for the acquisition of lands and interests in lands, and not more than $8,690,000 for development."

The **SPEAKER.** Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The **SPEAKER.** Without objection, a second will be considered as ordered.

There was no objection.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 12972 is intended primarily to relieve a severe visitor use problem at Harpers Ferry National Historical Park.

This area, first authorized in 1944, preserves the buildings and sites associated with John Brown's raid. This attempted rebellion by the firebrand abolitionist was one of the dramatic events that occurred as this country moved toward civil war.

The national historical park tells the story of this raid, and also of the importance of Harpers Ferry as a center of firearms manufacturing in the mid-19th century. Many of the buildings of that period have been restored, giving visitors an opportunity to experience the atmosphere of the village as it was a century ago.

The park is now receiving more than 1,000,000 visitors each year. This has led to severe crowding in the area, since the only available parking space is now practically within the historic village itself.

H.R. 12972 authorizes the acquisition of additional lands for the park. Although some of the land includes areas of historic or scenic significance, part of the property to be acquired will be used for a parking area and visitor contact facility. The bill further authorizes the Secretary of the Interior to provide a shuttle transportation system, so that visitors may have access to the historic area itself.

The bill also includes authorizations for funds needed to make further restorations of historic structures within the park. It will allow the improvements to be made which preserve this area while making it possible for more Americans to enjoy its rich historic and scenic qualities.

Mr. Speaker, I urge that the House now pass H.R. 12972, as amended.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, under this bill we are purchasing 470 acres of additional land at an additional cost of $1.8 million. We are providing $8.6 million for development purposes.

The money for development is to be used to restore the area, develop a transportation system, expand the designated facilities within the park, and expand the trail system within the area.

Mr. Speaker, according to the development schedule that was presented to the committee, no funds were provided for the shuttle system.

Is it the understanding of the chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR) that insofar as the shuttle system is concerned the park system is to submit to us a report of its progress, and a proposed shuttle system—that a charge should be made of those who use the shuttle system?

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. Mr. Speaker, I concur with each of the two statements the gentleman from Kansas has made. First of all, I think it would be well if the Department would submit a report to the Committee on Interior and Insular Affairs outlining the details of the shuttle bus system that is to be established.

This is a shuttle bus system to get people from their cars in the parking area to the various historic sites.

I agree with his statement that a reasonable fee should be charged for riding on the shuttle bus just as shuttle bus charges are made here in Washington in connection with the national parks.

Mr. SKUBITZ. I thank the chairman.

Mr. TAYLOR of North Carolina. Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 12972, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of the Senate bill (S. 605) to amend the act of June 30, 1944, an act "to provide for the establishment of the Harpers Ferry National Monument," and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 1 of the Act of June 30, 1944 (58 Stat. 645) an Act "To provide for the establishment of the Harpers Ferry National Monument" is amended to read as follows: "That, in order to carry out the purposes of this Act, the Secretary of the Interior is authorized to acquire lands or interests in lands, by donation, purchase with donated or appropriated funds, or exchange, within the boundaries as generally depicted on the drawing entitled 'Boundary Map, Harpers Ferry National Historical Park', numbered 385–40,000D and dated April 1974, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior: *Provided*, The Secretary may make minor revisions in the boundary from time to time, but the total acreage shall not exceed two thousand acres: *Provided further*, That nothing herein shall be deemed to authorize the acquisition without consent of the owner of a fee simple interest in lands within the boundaries in which a less than fee interest has previously been acquired by the Secretary of the Interior."

SEC. 2. Section 3 of the Act of June 30, 1944 (supra), is amended by striking the word "and" at the end of paragraph (1) thereof; by substituting "; and" for the period at the end of paragraph (2); and by adding the following new paragraph (3):

"(3) Provide, directly or by contract, an interpretive shuttle transportation service within, between, and among lands acquired for the purpose of this Act for such times and upon such terms as in his judgment will best accomplish the purposes of this Act."

SEC. 3. Section 4 of the Act of June 30, 1944 (supra), is amended to read as follows:

"SEC. 4 There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, but not to exceed $1,300,000 for land acquisition."

AMENDMENT OFFERED BY MR. TAYLOR OF NORTH CAROLINA

Mr. TAYLOR of North Carolina. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of North Carolina: Strike out all after the enacting clause of S. 605 and insert in lieu thereof the provisions of H.R. 12972, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12972) was laid on the table.

GENERAL LEAVE

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may revise and extend their remarks on the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

FEDERAL TRANSMISSION SYSTEM IN THE PACIFIC NORTHWEST

Mr. JOHNSON of California. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3362) to enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes.

The Clerk read as follows:

S. 3362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Federal Columbia River Transmission System Act".

FINDINGS

SEC. 2 (a) Congress finds that in order to enable the Secretary of the Interior to carry out the policies of Public Law 88–552 relating to the marketing of electric power from hydroelectric projects in the Pacific Northwest, Public Laws 89–448 and 89–561 relating to use of revenues of the Federal Columbia River Power System to provide financial assistance to reclamation projects in the Pacific Northwest, the treaty between the United States and Canada relating to the cooperative development of the resources of the Columbia River Basin, and other applicable law, it is desirable and appropriate that the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds be used to further the operation, maintenance, and further construction of the Federal transmission system in the Pacific Northwest.

(b) Other than as specifically provided herein, the present authority and duties of the Secretary of the Interior relating to the Federal Columbia River Power System shall not be affected by this Act. The authority and duties of the Administrator referred to herein are subject to the supervision and direction of the Secretary.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Administrator" means the Administrator, Bonneville Power Administration.

(b) The term "electric power" means electric peaking capacity or electric energy, or both.

(c) The term "major transmission facilities" means transmission facilities intended to be used to provide services not previously provided by the Bonneville Power Administration with its own facilities.

THE FEDERAL COLUMBIA RIVER TRANSMISSION SYSTEM

SEC. 4. The Secretary of the Interior, acting by and through the Administrator, shall operate and maintain the Federal transmission system within the Pacific Northwest and shall construct improvements, betterments, and additions to and replacements of such system within the Pacific Northwest as he determines are appropriate and required to:

(a) integrate and transmit the electric power from existing or additional Federal or non-Federal generating units;

(b) provide service to the Administrator's customers;

(c) provide interregional transmission facilities; or

(d) maintain the electric stability and electrical reliability of the Federal system: *Provided, however,* That the Administrator shall not construct any transmission facilities outside the Pacific Northwest, excepting customer service facilities within any contiguous areas, not in excess of seventy-five airline miles from said region, which are a part of the service area of a distribution cooperative which has (i) no generating facilities, and (ii) a distribution system from which it serves both within and without said region, nor shall he commence construction of any major transmisison facility within the Pacific Northwest, unless the expenditure of the funds for the initiation of such construction is specifically approved by Act of Congress.

CONGRESSIONAL APPROVAL OF EXPENDITURES

SEC. 5. (a) Unless specifically authorized by Act of Congress, the Administrator shall not expend funds made available under this Act, other than funds specifically appropriated by the Congress for such purpose, to acquire any operating transmission facility by condemnation: *Provided,* That this provision shall not restrict the acquisition of the right to cross such a facility by condemnation.

(b) At least sixty days prior to the time a request for approval or authority under section 4 or 5 of this Act is sent to Congress, the Administrator shall give notice of such request to entities in the Pacific Northwest with which the Administrator has power sales or exchange contracts or transmission contracts or which have a transmission interconnection with the Federal transmission system.

TRANSMISSION OF NON-FEDERAL POWER

SEC. 6. The Administrator shall make available to all utilities on a fair and nondiscriminatory basis, any capacity in the Federal transmission system which he determines to be in excess of the capacity required to transmit electric power generated or acquired by the United States.

ACQUISITION OF PROPERTY

SEC. 7. Subject to the provisions of section 5 of this Act the Administrator may purchase or lease or otherwise acquire and hold such real and personal property in the name of the United States as he deems necessary or appropriate to carry out his duties pursuant to law.

MARKETING AUTHORITY

Sec. 8. The Administrator is hereby designated as the marketing agent for all electric power generated by Federal generating plants in the Pacific Northwest, constructed by, under construction by, or presently authorized for construction by the Bureau of Reclamation or the United States Corps of Engineers except electric power required for the operation of each Federal project and except electric power from the Green Springs project of the Bureau of Reclamation.

RATES AND CHARGES

Sec. 9. Schedules of rates and charges for the sale, including dispositions to Federal agencies, of all electric power made available to the Administrator pursuant to section 8 of this Act or otherwise acquired, and for the transmission of non-Federal electric power over the Federal transmission system, shall become effective upon confirmation and approval thereof by the Federal Power Commission. Such rate schedules may be modified from time to time by the Secretary of the Interior, acting by and through the Administrator, subject to confirmation and approval by the Federal Power Commission, and shall be fixed and established (1) with a view to encouraging the widest possible diversified use of electric power at the lowest possible rates to consumers consistent with sound business principles, (2) having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric power, including the amortization of the capital investment allocated to power over a reasonable period of years and payments provided for in section 11(b)(9), and (3) at levels to produce such additional revenues as may be required, in the aggregate with all other revenues of the Administrator, to pay when due the principal of, premiums, discounts, and expenses in connection with the issuance of and interest on all bonds issued and outstanding pursuant to this Act, and amounts required to establish and maintain reserve and other funds and accounts established in connection therewith.

UNIFORM RATES

Sec. 10. The said schedules of rates and charges for transmission, the said schedules of rates and charges for the sale of electric power, or both such schedules, may provide, among other things, for uniform rates or rates uniform throughout prescribed transmission areas. The recovery of the cost of the Federal transmission system shall be equitably allocated between Federal and non-Federal power utilizing such system.

BONNEVILLE POWER ADMINISTRATION FUND

Sec. 11. (a) There is hereby established in the Treasury of the United States a Bonneville Power Administration fund (hereinafter referred to as the "fund"). The fund shall consist of (1) all receipts, collections, and recoveries of the Administrator in cash from all sources, including trust funds, (2) all proceeds derived from the sale of bonds by the Administrator, (3) any appropriations made by the Congress for the fund, and (4) the following funds which are hereby transferred to the Administrator: (i) all moneys in the special account in the Treasury established pursuant to Executive Order Numbered 8526 dated August 26, 1940, (ii) the unexpended balances in the continuing fund established by the provisions of section 11 of the Bonneville Project Act of August 20, 1937 (16 U.S.C. 831 et seq.), and (iii) the unexpended balances of funds appropriated or otherwise made available for the Bonneville Power Administration. All funds transferred hereunder shall be available for expenditure by the Secretary of the Interior, acting by and through the Administrator, as authorized in this Act and any other Act relating to the Federal Columbia River transmission system, subject to such limitations as may be prescribed by any applicable appropriation act effective during such period as may elapse between their transfer and the approval by the Congress of the first subsequent annual budget program of the Administrator.

(b) The Administrator may make expenditures from the fund, which shall have been included in his annual budget submitted to Congress, without further appropriation and without fiscal year limitation, but within such specific directives or limitations as may be included in appropriation acts, for any purpose necessary or appropriate to carry out the duties imposed upon the Administrator pursuant to law, including but not limited to—

(1) construction, acquisition, and replacement of (i) the transmission system, including facilities and structures appurtenant thereto, and (ii) additions, improvements, and betterments thereto (hereinafter in this Act referred to as "transmission system");

(2) operation, maintenance, repair, and relocation, to the extent such relocation is not provided for under subsection (1) above, of the transmission system;

(3) electrical research, development, experimentation, test, and investigation related to construction, operation, and maintenance of transmission systems and facilities;

(4) marketing of electric power;

(5) transmission over facilities of others and rental, lease, or lease-purchase of facilities;

(6) purchase of electric power (including the entitlement of electric plant capability) (i) on a short-term basis to meet temporary deficiencies in electric power which the Administrator is obligated by contract to supply, or ((ii) if such purchase has been heretofore authorized or is made with funds expressly appropriated for such purchase by the Congress, or (iii) if to be paid for with funds provided by other entities for such purpose under a trust or agency arrangement;

(7) defraying emergency expenses or insuring continuous operation;

(8) paying the interest on, premiums, discounts, and expenses, if any, in connection with the issuance of, and principal of all bonds issued under section 13(a) of this Act, including provision for and maintenance of reserve and other funds established in connection therewith;

(9) making such payments to the credit of the reclamation fund or other funds as are required by or pursuant to law to be made into such funds in connection with reclamation projects in the Pacific Northwest: *Provided,* That this clause shall not be construed as permitting the use of revenues for repayment of costs allocated to irrigation at any project except as otherwise expressly authorized by law;

(10) making payments to the credit of miscellaneous receipts of the Treasury for all unpaid costs required by or pursuant to law to be charged to and returned to the general fund of the Treasury for the repayment of the Federal investment in the Federal Columbia River Power System from electric power marketed by the Administrator; and

(11) acquiring such goods and services, and paying dues and membership fees in such professional, utility, industry, and other societies, associations, and institutes, together with expenses related to such memberships, including but not limited to the acquisitions and payments set forth in the general provisions of the annual appropriations Act for the Department of Interior, as the Administrator determines to be necessary or appropriate in carrying out the purposes of this Act.

(c) Moneys heretofore or hereafter appropriated shall be used only for the purposes for which appropriated, and moneys received by the Administrator in trust shall be used only for carrying out such trust. The provisions of the Government Corporation Control Act (31 U.S.C. 841 et seq.) shall be applicable to the Administrator in the same manner as they are applied to the wholly owned Government corporations named in section 101 of such Act (31 U.S.C. 846), but nothing in the proviso of section 850 of title 31, United States Code, shall be construed as affecting the powers granted in subsection (b)(11) of this section and in sections 2(f), 10(b), and 12(a) of the Bonneville Project Act (16 U.S.C. 832 et seq.).

(d) Notwithstanding the provisions of sections 105 and 106 of the Government Corporation Control Act, the financial transactions of the Administrator shall be audited by the Comptroller General at such times and to such extent as the Comptroller General deems necessary, and reports of the results of each such audit shall be made to the Congress within 6½ months following the end of the fiscal year covered by the audit.

INVESTMENT OF EXCESS FUNDS

Sec. 12. (a) If the Administrator determines that moneys in the fund are in excess of current needs he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States of America.

(b) With the approval of the Secretary of the Treasury, the Administrator may deposit moneys of the fund in any Federal Reserve bank or other depository for funds of the United States of America, or in such other banks and financial institutions and under such terms and conditions as the Administrator and the Secretary of the Treasury may mutually agree.

REVENUE BONDS

Sec. 13. (a) The Administrator is authorized to issue and sell to the Secretary of the Treasury from time to time in the name and for and on behalf of the Bonneville Power Administration bonds, notes, and other evidences of indebtedness (in this Act collectively referred to as "bonds") to assist in financing the construction, acquisition, and replacement of the transmission system, and to issue and sell bonds to refund such bonds. Such bonds shall be in such forms and denominations, bear such maturities, and be subject to such terms and conditions as may be prescribed by the Secretary of the Treasury taking into account terms and conditions prevailing in the market for similar bonds, the useful life of the facilities for which the bonds are issued, and financing practices of the utility industry. Refunding provisions may be prescribed by the Administrator. Such bonds shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities, plus an amount in the judgment of the Secretary of the Treasury to provide for a rate comparable to the rates prevailing in the market for similar bonds. The aggregate principal amount of any such bonds outstanding at any one time shall not exceed $1,250,000.

(b) The principal of, premiums, if any, and interest on such bonds shall be payable solely from the Administrator's net proceeds as hereinafter defined. "Net proceeds" shall mean for the purposes of this section the remainder of the Administrator's gross receipts from all sources after first deducting trust funds and the costs listed in section

11(b)(2) through 11(b)(7) and 11(b)(11), and shall include reserve or other funds created from such receipts.

(c) The Secretary of the Treasury shall purchase forthwith any bonds issued by the Administrator under this Act and for that purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force, and the purposes for which securities may be issued under the Second Liberty Bond Act, as now or hereafter in force, are extended to include any purchases of the bonds issued by the Administrator under this Act. The Secretary of the Treasury may, at any time, sell any of the bonds acquired by him under this Act. All redemptions, purchases, and sales by the Secretary of the Treasury of such bonds shall be treated as public debt transactions of the United States.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **DELLENBACK.** Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from California (Mr. JOHNSON) will be recognized for 20 minutes, and the gentleman from Oregon (Mr. DELLENBACK) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. JOHNSON).

Mr. **JOHNSON** of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have yielded myself this time to explain to the House and recommend approval of S. 3362—to enable the Secretary of the Interior to provide for the operation, maintenance, and continued construction of the Federal Transmission System in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes.

This legislation was recommended by the administration and has been carefully considered by the Committee on Interior and Insular Affairs.

My Subcommittee on Water and Power Resources held full and complete hearings on the measure during the first week in June of this year.

At that time representatives of the Department of the Interior presented a full and complete justification for the measure.

Spokesmen representing all sectors of the electric utility industry also appeared as witnesses.

I might say that rarely does one see the degree of unanimity that we found on this bill.

Spokesmen for the public power agencies were firmly in support as were representatives of the private power companies serving the States of Washington and Oregon.

Private power companies serving Idaho and Utah, while not opposing the bill, did express some concerns with peripheral aspects of it.

I believe the bill, as reported, together with the materials included in the committee report, have accommodated their position to a significant extent.

The bill was reported from subcommittee without a dissenting vote and was likewise unanimously approved by the full committee.

Following the reporting of the measure by the subcommittee, representations were made by certain public officials of private interests in the Pacific Northwest that this legislation should be amended to accomplish additional goals.

Basically, these interests sought to use the legislation to repeal or modify the long-standing principles governing ratesetting for public power—despite the fact that no hearings had been conducted on this issue.

These suggested amendments were rejected by the committee—I might add without prejudice—and recommended for careful consideration in the 94th Congress.

As manager of the bill in the Committee on Interior and Insular Affairs, I publicly conveyed our intention to go into this matter in the next Congress and I reiterate that intention at this time.

I would like to emphasize at the outset of these remarks that this legislation has no application anywhere else in the United States except the Pacific Northwest.

The Pacific Northwest has a statutory definition as being the drainage basin of the Columbia River and its tributaries plus 75 miles.

I am sure many of my colleagues will be interested to note that this legislation authorizes no action programs or facilities beyond those already authorized by existing legislation.

Neither does it appropriate any funds.

In this sense, the bill will not cost the taxpayers a single dollar.

In its simplest expression—the bill establishes a system of financing for the BPA through which it will be able, more effectively, to discharge the obligations imposed on it by law.

The BPA generates no power.

It is a power-marketing agency for the distribution of power generated at multipurpose hydroelectric projects constructed by the Corps of Engineers, Department of the Army, and the Bureau of Reclamation, Department of the Interior, within the Columbia River Drainage Basin.

Exercise of this function involves distribution of power to load centers through an extensive system of transmission lines and substations.

Bonneville disposes of the power from 26 generating projects, having a total installed capacity of almost 11,000,000 kilowatts.

This is approximately 60 percent of the entire electric generating capacity in the Pacific Northwest.

It operates more than 12,000 circuit miles of high voltage transmission lines and 330 substations.

The Federal Government has invested $1.3 billion in this system and this investment provides over 80 percent of the primary transmission system in the region.

Since the BPA already occupies such a dominant position in the distribution and marketing of electric power in the Pacific Northwest, it is inevitable that it must be involved in the planning for future power supplies.

Accordingly, BPA has taken the leadership role in developing coordinated plans for meeting future loads.

Under these highly sophisticated plans, specific generating plants would be sited at stated points—and would be constructed as needed by non-Federal power entities—both public and private.

BPA's role in the implementation of these future coordinated plans would continue to be—as in the past—the provision of the backbone transmission service.

To accomplish this in an effective and timely manner, BPA must have more flexibility for program implementation than is afforded by reliance on the Federal budgeting procedure.

In short, S. 3362 will provide that flexibility.

When this bill is enacted into law there will be created, in the Treasury, a BPA fund.

Into this fund will be paid all receipts, collections, previously appropriated funds, and the proceeds from the sale of revenue bonds to the Secretary of the Treasury.

The legislation authorizes the issuance and sale of such bonds and mandates the Secretary of the Treasury to purchase them.

Thereafter, the Administrator of BPA may proceed to expend such funds without further appropriation.

This authority is subject only to the requirement that expenditures "for major new facilities" may not be made without specific approval of the Congress.

It is anticipated that this approval will be signified by language in appropriations bills enacted pursuant to business-type budgets sent forward to the Congress, as provided by the Government Corporation Control Act.

As I pointed out earlier in these remarks, it is not necessary for these major new facilities to be authorized by legislative act inasmuch as the existing law conveys blanket authorization for facilities as required.

Mr. Speaker, this legislation is the culmination of one of the finest examples of combined Federal, local and private cooperation—in the interest of orderly and progressive economic growth—that it has been my privilege to observe.

With this law on the books this great region of our country will be in a position more nearly to realize its economic potential without further burdening the Federal budget.

I commend the people of the Pacific Northwest—my colleagues who represent that region—and the Department of the Interior for bringing this bill to us.

Needless to say, I strongly urge that all present join me in suspending the rules and passing the bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. MEEDS) for further comment on this legislation.

Mr. **MEEDS.** Mr. Speaker, I rise to indicate my very strong support for the legislation before us and to indicate that we in the Pacific Northwest feel that this is an absolutely essential piece of legislation if the BPA is to continue to market power and furnish transmission facilities for public, Federal and private users.

Mr. Speaker, I urge approval of S. 3362, which would allow the Bonneville Power Administration to finance transmission line construction to new generating facilities being developed in the Pacific Northwest.

The bill was developed in response to changing energy sources and increased demands for electricity in this growing region. Demand is outrunning the heavily developed hydroelectric system. Both public and private utilities are building thermal power generating facilities.

S. 3362, which has been developed in close cooperation with public and private utilities, various Federal agencies and the BPA, would allow the BPA to use its revenues from power sales to finance operations and a construction program. The agency would be allowed to sell bonds, based on revenues, to cover transmission construction to these new generating facilities. Congress will retain budget approval and oversight.

This is an attempt to pull together regional energy planning and distribution on a reliable, pay-as-you-go basis to assure the availability of electric power at reasonable rates into the foreseeable future.

The Pacific Northwest has had until recent years an adequate supply of cheap power. But a winter runoff shortage 2 years ago and increased demand make more planning imperative. The BPA has already undertaken a regional conservation program to best utilize power resources.

Although this is a regional energy program, the BPA should maintain the utmost cooperation and consultation with the State involved.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Washington (Mr. Foley).

Mr. FOLEY. Mr. Speaker, I strongly associate myself with the remarks of the gentleman from Washington (Mr. Meeds) and underscore his statement that this is critical to the needs of the Pacific Northwest for electric power generation and transmission which includes a broad range of public and private utilities which serve this area and which have cooperated effectively over the past 20 or 25 years, especially in providing needed services to the people and to the industries in that area.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Iowa.

Mr. GROSS. Does this bill in any way divert moneys that otherwise would go to the Federal Government for the purpose of retiring obligations of any kind?

Mr. MEEDS. No, it does not. It is an absolutely self-financing arrangement since revenue brought in by the transmission and sale of power from the Bonneville Power Administration is used.

Mr. GROSS. It provides for the issuance of $1,250,000,000 of revenue bonds. Is that correct?

Mr. MEEDS. That is the maximum.

Mr. GROSS. And the funds derived from the Bonneville Power Administration, the sale of power, will go to retire those bonds. Is that correct?

Mr. MEEDS. That is correct.

Mr. GROSS. What, for instance, is the difference in rates between the Pacific Northwest and this area around Washington, D.C. Does the gentleman have any idea?

Mr. MEEDS. It is substantially lower for hydroelectric power rates.

Mr. GROSS. It is substantially lower.

Mr. MEEDS. Yes.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Washington (Mr. Foley).

Mr. FOLEY. Mr. Speaker, I think one of the reasons that the rate is lower, I suggest to the gentleman from Iowa, is that a very large proportion of the capacity in the Pacific Northwest is hydroelectric in character and that has not been subject to the degree of escalation in costs experienced by the fossil fuel steamplants which largely provide power in this area.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Iowa.

Mr. GROSS. Are those hydroelectric generating plants paid for? They are Government financed.

Mr. MEEDS. They are in the process of being paid for by revenues produced in transmission of power and sale of power.

Mr. GROSS. Are they all timely in their payments to the Federal Government?

Mr. MEEDS. They are on schedule and in sound financial condition.

Mr. Speaker, I also want to commend and thank the chairman of the subcommittee, Mr. Johnson, for his careful and expeditious handling of much needed legislation. I urge its approval.

Mr. DELLENBACK. Mr. Speaker, I yield myself such time as I may consume.

Mr. SPEAKER, I am pleased to associate myself with the remarks of the distinguished chairman of our Water and Power Resources Subcommittee and to join in commending the administration and Secretary Morton for sending this excellent legislation to the Congress.

As a cosponsor of the House bill, H.R. 14168, I can assure my colleagues that this bill is timely; it is needed; it will do the job without expense to the American taxpayers; and without it, the power needs of the Pacific Northwest could remain unmet for years.

Simply put, the problem addressed by this bill is, as Hamlet put it, "the law's delay." Under its current legislative authority, the Bonneville Power Administration must come to the Congress with authorization and appropriation requests each time it must construct new transmission lines. The uncertainty of the Federal budgetary process and the delays inherent in the legislative system have oftentimes prevented BPA from meeting its projected construction schedule. And these delays have resulted in higher construction costs, denial of essential services to Northwest power customers and increased power costs to the ultimate consumers.

The bill establishes a businesslike financing mechanism that permits BPA to plan and complete its construction schedules for transmission lines in concert with the construction schedules of power generating facilities. And it does this without depriving the Congress of its oversight and fiscal control responsibilities. Receipts and expenditures of the Bonneville Power Administration will be audited annually by the General Accounting Office, and the Congress will receive annual reports on these audits.

Under this bill, the Administrator of the BPA is authorized to issue and sell bonds to the Secretary of the Treasury to finance construction of its transmission system. The maximum amount outstanding at any time is limited to $1.25 billion. The Secretary of the Treasury will set an interest rate comparable to that for bonds of a similar quality.

Debt service on the bonds is payable from Bonneville's net proceeds. Net proceeds are the amount remaining in the Bonneville fund after paying the operational, maintenance and other related costs. None of the net proceeds may be paid to the reclamation fund or to the miscellaneous receipts of the Treasury until the currently due debt service on the revenue bonds has been met.

While granting this financing flexibility, the bill also carefully spells out the limitations intended by the Congress to prohibit inefficient proliferation of power lines outside the BPA's mandated service area. It also guards against costly duplication of private transmission facilities and subjects to Federal Power Commission control the rates at which the power may be sold.

Mr. Speaker, this is an excellent bill, a timely bill and a bill that has the unanimous support of both the Water and Power Resources Subcommittee and the full Committee on Interior and Insular Affairs. It is an example of how well the legislative process can operate when the executive branch and the legislative branch work together to solve a problem. I am proud to have cosponsored this legislation and commend it to my colleagues as an accomplishment in which they, too, can take pride. Thank you.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from Iowa.

Mr. GROSS. What interest rate do those revenue bonds carry?

Mr. DELLENBACK. At the present time I cannot say. Under the terms of the bill the rate that will be paid will be the then current rate. The Secretary of the Treasury will at the time of sale of the bonds set an interest rate which is comparable to that for bonds of similar quality at that time.

Mr. GROSS. The market rate?

Mr. DELLENBACK. The market rate. At that time it is what will be paid for comparable Government bonds at that time.

Mr. GROSS. Is there a Government guarantee of $852 million worth of bonds?

Mr. DELLENBACK. They are sold directly to the Secretary of the Treasury and, as such, they will have a Government guarantee, that is correct, I will say to the gentleman from Iowa.

Mr. GROSS. And does the gentleman agree that the hydropower plants are timely in their payments to the Federal Government?

Mr. DELLENBACK. It is my understanding, I will say to the gentleman from Iowa, that they have been excellent all the way along on this. The record has been a good one and we have really no expectation that they will do anything but continue to be good. These things have been worked out and it is already in the project that the power reserve and resources will be capable of meeting the burdens of paying for these bonds as they come due.

Mr. GROSS. What is the date for Bonneville? That was constructed in 1937, was it not?

Mr. DELLENBACK. I think so.

Mr. GROSS. Is that paid out as yet?

Mr. DELLENBACK. It is not paid out as yet, I will say to the gentleman from Iowa; but it is in the process of being paid out and payment is being made in accordance with the projected schedules that have been set up.

Mr. GROSS. But the gentleman from Oregon knows the Federal Government needs all the money it can get and as soon as it can get it?

Mr. DELLENBACK. There is not any question about this. I would join my colleague, the gentleman from Iowa, in a real concern about the economic situation.

Mr. GROSS. I thank the gentleman from Oregon.

Mr. WYATT. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. I am glad to yield to my friend and colleague, the gentleman from Oregon (Mr. WYATT).

Mr. WYATT. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise in support, as a cosponsor, of this legislation. I can say that I have been watching the transmission system very closely during the 10 years I have served in this body, and I have seen very delicate balance and coordination worked out between the private power companies in the Northwest, between the public power agencies and between the Federal Government in the person of the Bonneville Power Administration. A very delicate balance has been worked out, and this bill prolongs that balance and looks into the future and provides an orderly method for financing the balance of the power needs of the area into the decade ahead.

Mr. Speaker, I commend the members of the subcommittee and full committee for doing great work on this bill and for providing the stability and the means for moving forward with this program in the future.

Mr. DELLENBACK. Mr. Speaker, I thank the gentleman for his comments. As one who has worked closely with my colleague from Oregon (Mr. WYATT) during the time I have been in the Congress, I am fully aware of how careful has been the attention which he has paid to Bonneville all the way through this period of time. His contributions to the development of power resources of the Northwest, including but not limited to Bonneville, have really been exceptional.

We very much appreciate the input he has made as the subcommittee and committee have considered this legislation; the strong support he has given to this legislation all the way through. We particularly appreciate his remarks today.

Mr. Speaker, there would be one further thing that I would take up with the chairman of the subcommittee, the gentleman from California (Mr. JOHNSON). I noticed that in the final environmental statement of the Bonneville Power Administration which was issued August 15 of this year, there is discussion of something which our subcommittee and full committee dealt with. That is conservation practices.

As was made clear in that environmental statement, the conservation questions are important in the minds of the Bonneville administrators, but they feel that they have little or no direct ability to encourage conservation practices through rates without potential changes in the law.

At the time this was discussed in full committee, the concept of conservation, there was discussion between the gentlemen from Oregon and the chairman of the subcommittee, and we talked in terms of expectations for the next session of Congress. I, for one, was very pleased at what the gentleman indicated was his hope and expectation, that there would be early consideration by the subcommittee of that issue.

We do not want that issue muddling up this very important piece of legislation. I wonder if there is anything further the chairman of the subcommittee might be able to tell us on that particular point at this time?

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from California.

Mr. JOHNSON of California. Mr. Speaker, I just want to say that what was said in the full committee is in the record, and will be the way we treat this matter when the Congress reconvenes in January, in the 94th Congress. Of course, we all have to get elected before we come back here, but if we are found in the same position as we are now, it is our purpose to go into that matter at that time and have a full discussion of that matter in separate legislation.

Mr. DELLENBACK. Mr. Speaker, I thank the chairman very much. I urge support of this legislation, and commend it to my colleagues. I hope it is passed unanimously at this time.

Mr. JOHNSON of California. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. JOHNSON) that the House suspend the rules and pass the Senate bill S. 3362.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR A PLAN FOR THE PRESERVATION, INTERPRETATION, DEVELOPMENT, AND USE OF THE HISTORIC, CULTURAL, AND ARCHITECTURAL RESOURCES OF THE LOWELL HISTORIC CANAL DISTRICT IN LOWELL, MASS.

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 14689) to provide for a plan for the preservation, interpretation, development, and use of the historic, cultural, and architectural resources of the Lowell Historic Canal District in Lowell, Mass., and for other purposes, as amended.

The Clerk read as follows:

H.R. 14689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of preserving and interpreting for the educational and inspirational benefit of present and future generations the unique and significant contribution to our national heritage of certain historic and cultural lands, waterways, and edifices in the city of Lowell, Massachusetts (the cradle of the industrial revolution in America as well as America's first planned industrial city) with emphasis on harnessing this unique urban environment for its educational value as well as for recreation, there is hereby established the Lowell Historic Canal District Commission (hereinafter referred to as the "Commission"), the purpose of which shall be to prepare a plan for the preservation, interpretation, development, and use, by public and private entities, of the historic, cultural, and architectural resources of the Lowell Historic Canal District in the city of Lowell, Massachusetts.

SEC. 2. (a) The Commission shall consist of nine members, as follows:

(1) the Secretary of the Interior, the Secretary of Housing and Urban Development, the Secretary of Transportation, and the Secretary of Commerce, all ex officio; and

(2) five members appointed by the Secretary of the Interior, one of whom shall be the Director of the National Park Service, two of whom shall be appointed from recommendations submitted by the mayor of the city of Lowell, and two of whom shall be appointed from recommendations submitted by the Governor of the Commonwealth of Massachusetts. The members appointed pursuant to this paragraph shall have knowledge and experience in one or more of the fields of history, architecture, the arts, recreation planning, city planning, or government.

(b) Each member of the Commission specified in paragraph (1) of subsection (a) and the Director of the National Park Service may designate an alternate official to serve in his stead. Members appointed pursuant to paragraph (2) of subsection (a) who are officers or employees of the Federal Government, the city of Lowell, or the Commonwealth of Massachusetts, shall serve without compensation as such. Other members, when engaged in activities of the Commission, shall be entitled to compensation at the rate of not to exceed $100 per diem. All members of the Commission shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Commission.

SEC. 3. (a) The Commission shall elect a Chairman from among its members. Financial and administrative services (including those relating to budgeting, accounting, financial reporting, personnel, and procurement) shall be provided for the Commission by the General Services Administration, for which payments shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator, General Services Administration: *Provided*, That the regulations of the Department of the Interior for the collection of indebtedness of personnel resulting from erroneous payments shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Secretary for the administrative control of funds shall apply to appropriations of the Commission: *And provided further*, That the Commission shall not be required to prescribe such regulations.

(b) The Commission shall have power to appoint and fix the compensation of such additional personnel as may be necessary to carry out its duties, without regard to the provisions of the civil service laws and the Classification Act of 1949.

(c) The Commission may also procure, without regard to the civil service laws and the Classification Act of 1949, temporary and intermittent services to the same extent as is authorized for the executive departments by section 15 of the Administrative Expenses Act of 1946, but at rates not to exceed $100 per diem for individuals.

(d) The members of the Commission specified in paragraph (1) of section 2(a) shall provide the Commission, on a reimbursable basis, with such facilities and services under their jurisdiction and control as may be needed by the Commission to carry out its duties, to the extent that such facilities and services are requested by the Commission and are otherwise available for that purpose. To the extent of available appropriations, the Commission may obtain, by purchase, rental, donation, or otherwise such additional property, facilities, and services as may be needed to carry out its duties. Upon the termination of the Commission all property, personal and real, and unexpended funds shall be transferred to the Department of the Interior.

SEC. 4. It shall be the duty of the Commission to prepare the plan referred to in the first section of this Act, and to submit the plan together with any recommendations for additional legislation, to the Congress not later than two years from the effective date of this Act. The plan for the Lowell Historic Canal District shall include considerations and recommendations, without limitation, regarding (1) the objectives to be achieved by the establishment, development, and operation of the area; (2) the types of use, both public and private, to be accommodated; (3) criteria for the design and appearance of buildings, facilities, open spaces, and other improvements; (4) a program for the staging of development; (5) the anticipated interpretive, cultural, and recreational programs and uses for the area; (6) the proposed ownership and operation of all structures, facilities, and lands; (7) areas where cooperative agreements may be anticipated; (8) estimates of costs, both public and private, of implementing the plan; and (9) procedures to be used in implementing and insuring continuing conformance to the plan.

SEC. 5. The Commission shall be dissolved (1) upon the termination, as determined by its members, of need for its continued existence for the implementation of the plan and the operation or coordination of the entity established by the plan, or (2) upon expiration of a two-year period commencing on the effective date of this Act, whereupon the completed plan has not been submitted to the Congress, whichever occurs first.

SEC. 6. It is contemplated that the plan to be developed may propose that the Commission may be authorized to—

(1) acquire lands and interests therein within the Lowell Historic Canal District by purchase, lease, donation, or exchange;

(2) hold, maintain, use, develop, or operate buildings, facilities, and any other properties;

(3) sell, lease, or otherwise dispose of real or personal property as necessary to carry out the plan;

(4) enter into and perform such contracts, leases, cooperative agreements, or other transactions with any agency or instrumentality of the United States, the Commonwealth of Massachusetts, and any governmental unit within its boundaries, or any person, firm, association, or corporation as may be necessary;

(5) establish (through covenants, regulations, agreements, or otherwise) such restrictions, standards, and requirements as are necessary to assure development, maintenance, use, and protection of the Lowell Historic Canal District in accordance with the plan; and

(6) borrow money from the Treasury of the United States in such amounts as may be authorized in appropriation Acts on the basis of obligations issued by the Commission in accordance with terms and conditions approved by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any such obligations of the Commission.

SEC. 7. Title to property of the Commission shall be in the name of the Commission, but it shall not be subject to any Federal, State, or municipal taxes.

SEC. 8. There are authorized to be appropriated not to exceed $150,000 for the preparation of the plan authorized by this Act.

The SPEAKER. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 14689, as reported by the Committee on Interior and Insular Affairs, would establish a nine-member commission to prepare a plan for the preservation and development of the historic and architectural resources of the historic canal district of Lowell, Massachusetts.

Lowell was an early example of a planned industrial community in the United States. During the first half of the 19th century, the great textile mills of Lowell marked it as an area of significant technical innovation. But also important was the social and cultural experiment that took place there, as the mill operators sought to develop a community that would attract the skilled labor they needed.

Now, Lowell is in need of a planned approach to saving what remains of this historic experiment. Further, the town itself needs a framework which can combine the needs of its present citizens with the effort to preserve its past.

H.R. 14689 will meet this need. It will require such a plan to be prepared and submitted to the Congress within 2 years. I want to point out that the bill as reported to the House does not commit the Federal Government to any action beyond the preparation of the plan. If the completed plan should recommend any Federal participation, it will be necessary for a future session of Congress to act to make that commitment.

Mr. Speaker, members of our committees have inspected this area this year. We have conducted hearings on this bill and we have amended it as necessary. I recommend that H.R. 14689 be considered favorably and passed by the House at this time.

(By unanimous consent, Mr. HAYS was allowed to speak out of order.)

CONFERENCE REPORT ON ELECTION REFORM TO BE HEARD WEDNESDAY, OCTOBER 9

Mr. HAYS. Mr. Speaker, I ask unanimous consent to call up the conference report on the election reform bill on Wednesday. The report will be filed at midnight tonight.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SKUBITZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I lend my support to the bill before us, H.R. 14689. This bill authorizes the study of the Lowell Historic Canal District in Lowell, Mass., and provides that a plan be prepared and submitted to the Congress within 2 years, with recommendations as to how to best preserve this area and provide for its use and enjoyment by the public.

Located by the falls of the Merrimack River, Lowell became the early hub of the textile industry of our country through the use of waterpower to drive the machinery. Many of the canals and some of the old buildings which were in use in the early days are still in existence and are continuing in operation.

Along with its historic significance, the restoration of this area can provide for significant recreational opportunities. The educational and interpretive possibilities for this project are also most challenging.

This legislation establishes a commission, which will be the body responsible for the development of the master plan to be submitted to the Congress. The State of Massachusetts has already committed a sum of nearly $10 million to assist in the implementation of the restoration and development work which is ultimately contemplated here.

This bill authorizes a sum of $150,000 to be available for the conduct of the study. It is important to note that the bill, as amended and reported by the committee, does not authorize any expenditure for the implementation of the plan. That would require a separate and future act of the Congress.

Mr. Speaker, I support this bill and urge my colleagues to vote for its passage.

Mr. CRONIN. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from Massachusetts.

Mr. CRONIN. I thank the gentleman for yielding.

Mr. Speaker, I join with the chairman of the subcommittee in favoring this particular piece of legislation. The city of Lowell is not only the first planned industrial city in the United States of America, but it is the only city left that has the canals and much of the working systems from the mills still intact.

Mr. Speaker, this is the first area that developed the capital that built the United States of America. The capital that came from these mills discovered oil in Pennsylvania, built the railroads west and developed the United States as the greatest industrial power the world has ever known.

Mr. Speaker, I rise in favor of this so that this study can get on with preserving this area for all time, so that the people of the United States, when they come to see where the governmental revolution began in Lexington and Concord can go a few miles up the Concord River to the city of Lowell and see where the industrial revolution became of age and also begin to understand how this economic system of ours works, so that we can once again regain some respect for the capitalistic system, so that we can once again show the world not only was the Government of the United States new and unique but the economic system of the United States was new and unique and, combined, it created a great world power. If we have future generations understand how this was put together, then the best age of America is still ahead of us.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. Yes; I yield to the gentleman from Iowa.

Mr. GROSS. What is the price tag on this?

Mr. SKUBITZ. $150,000 for the study.

Mr. GROSS. And that is a foot in the door, I suppose?

Mr. SKUBITZ. If the study does not show that it is a feasible plan, we will kill it.

Mr. GROSS. Has it ever been the case that any plan of this nature has been found to be unfeasible?

Mr. SKUBITZ. Not to my recollection.

Mr. GROSS. That is what I thought.

Mr. SKUBITZ. Is the gentleman asking me to give him the price of the project?

Mr. GROSS. Will this study or whatever it is, this feasibility study, also give us some information as to what has happened to New England industry? Since it was born there, what happened to this once illustrious industrial area or however anyone wants to describe it?

Mr. CRONIN. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. Yes; I yield to the gentleman from Massachusetts.

Mr. CRONIN. If the gentleman would allow me, I think one of the other unique aspects of this particular legislation is that it allows Federal, local, and State participation. The State of Massachusetts has already put up $9.7 million for the reconstruction of some of the canals. The $150,000 that the Federal Government will be putting up will be to study whether or not Federal involvement is feasible and what the Federal Government would do to fulfill that plan.

Mr. GROSS. If the gentleman from Kansas will yield further, the fiscal situation of this country being what it is, I hope there will not be any great rush to commit millions of dollars for this project.

Could we have just a little assurance that the committee is not going to break its figurative neck in that regard?

Mr. SKUBITZ. I want to advise my colleague, the gentleman from Iowa, that even though he will not be here 2 years from now when this report is submitted, I will send a copy to him. If he wants to comment, I will make sure they get into the Record.

Mr. GROSS. I will say to my good friend, the gentleman from Kansas, that wherever I am, I am going to be looking over his shoulder.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. Taylor) that the House suspend the rules and pass the bill H.R. 14689, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL LEGAL SECRETARIES' COURT OBSERVANCE WEEK

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the joint resolution, House Joint Resolution 898, authorizing the President to proclaim the second full week in October 1974, as "National Legal Secretaries' Court Observance Week."

The Clerk read as follows:

H.J. Res. 898

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the second full week in October, 1974, as "National Legal Secretaries' Court Observance Week", and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The SPEAKER. Is a second demanded?

Mr. WIGGINS. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, we have enacted this in previous years, and there was no opposition.

I urge approval of the bill.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WIGGINS. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. Spence).

Mr. SPENCE. Mr. Speaker, for the last few years I have had the privilege of introducing legislation which authorizes the President to proclaim a "Legal Secretaries' Court Observance Week" in October. Thanks to the assistance of many dedicated members of the association, as well as outstanding cooperation on the part of congressional leaders, my bill has been approved by Congress and enacted into law each year.

Congress has enthusiastically approved this legislation in the past in recognition of programs sponsored by the highly professional National Association of Legal Secretaries. NALS's "day-in-court" observance, during which legal secretaries participate in programs designed to give them a better understanding of the court system, is one of the most successful efforts of this fine organization. The NALS has shown that its members can substantially improve their efficiency, and thus make an even greater contribution to their employers and to the legal profession as a whole, through annual participation in the court observance programs.

Response to "Court Observance Week" has been outstanding, and reports from individual NALS chapters throughout the Nation has been especially gratifying to those of us in Congress who have followed this with such interest.

The local chapter of NALS provides an example of "day-in-court" type activities. Next week, the group will visit the Supreme Court on argument day, and then meet with Justice Thurgood Marshall in his chambers for a discussion of the cases which will have been heard. Later, they will be given a guided tour of the Supreme Court itself. While most chapters do not have such easy access to the Supreme Court, their programs are no less meaningful for their members.

Today, we have the opportunity once again to show our support for the court observance program, and for an organization which promotes excellence in an extremely important field. On behalf of the 17,000 members of the National Association of Legal Secretaries, I urge your favorable vote on House Joint Resolution 898.

Mr. GRAY. Mr. Speaker, will the gentleman from California yield?

Mr. WIGGINS. I yield to the gentleman from Illinois.

GENERAL LEAVE

Mr. GRAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 17026 and H.R. 17027.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. WIGGINS. Mr. Speaker, I yield such time as he may consume to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding. I would like to know whether this resolution carries a price tag.

Mr. WIGGINS. Absolutely not.

Mr. GROSS. What do national legal secretaries do on their National Legal Secretaries' Court Observance Week, anything special?

Mr. WIGGINS. I must confess that I do not know exactly what the organization intends to do during the observance week. I do have some familiarity, however, with what legal secretaries do.

Legal secretaries play an important role in the administration of justice in this country, and it is wholly appropriate to give some recognition to their activities.

Mr. GROSS. As long as it does not cost anything and as long as they stay within bounds, I have no objection.

Mr. Speaker, I thank the gentleman.

Mr. WIGGINS. Mr. Speaker, I have no request for time, and I urge passage of the joint resolution.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. Edwards) that the House suspend the rules and pass the joint resolution, House Joint Resolution 898, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 16424; H.R. 13561; and H.R. 17027.

COMMISSION ON FEDERAL PAPERWORK

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 16424, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. Holifield) that the House suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ECONOMIC REGULATION BY FEDERAL MARITIME COMMISSION OF GOVERNMENT AND CHARITABLE CARGO IN U.S. DOMESTIC OFFSHORE COMMERCE

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 13561, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Clark) that the House suspend the rules and pass the bill, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL VISITOR CENTER

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 17027.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. Gray) that the House suspend the rules and pass the bill, on which the yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 185, nays 175, answered "present" 1, not voting 73, as follows:

[Roll No. 571]

YEAS—185

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Annunzio
Arends
Ashley
Badillo
Barrett
Bevill
Biaggi
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brooks
Brown, Calif.
Broyhill, Va.
Buchanan
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Carney, Ohio
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cochran
Collins, Ill.
Conte
Corman
Cronin
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellums
Derwinski
Donohue
Downing
Edwards, Ala.
Edwards, Calif.
Erlenborn
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Froehlich
Fulton
Gettys
Gibbons
Ginn
Gonzalez
Gray
Green, Pa.
Griffiths
Gubser
Gude
Guyer
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Helstoski
Henderson
Hillis
Hogan
Holifield
Horton
Hungate
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jordan
Karth
Kastenmeier
Kluczynski
Koch
Leggett
Litton
Long, La.
McClory
McCormack
McEwen
McFall
McKinney
Macdonald
Madden
Mahon
Mann
Matsunaga
Meeds
Melcher
Metcalfe
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Neill
Parris
Passman
Patman
Patten
Perkins
Peyser
Pickle
Price, Ill.
Rangel
Rees
Reuss
Riegle
Rodino
Roe
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
St Germain
Sandman
Sarbanes
Schroeder
Seiberling
Sisk
Slack
Smith, N.Y.
Spence
Staggers
Stanton, James V.
Stark
Stephens
Stokes
Stratton
Stuckey
Studds
Symington
Thompson, N.J.
Treen
Udall
Van Deerlin
Vander Veen
Waggonner
Whalen
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Wright
Wyatt
Yates
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—175

Andrews, N.C.
Andrews, N. Dak.
Ashbrook
Aspin
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Biester
Bray
Brinkley
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Burgener
Burke, Fla.
Burleson, Tex.
Burton, John
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Clancy
Cleveland
Collier
Collins, Tex.
Conlan
Cotter
Coughlin
Crane
Culver
Daniel, Dan
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Drinan
Dulski
Duncan
du Pont
Eilberg
Esch
Eshleman
Fish
Fisher
Flynt
Foley
Frenzel
Frey
Fuqua
Gaydos
Gilman
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gunter
Haley
Harsha
Hastings
Heckler, Mass.
Heinz
Hicks
Holt
Huber
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Long, Md.
Lott
McCollister
McDade
McKay
McSpadden
Madigan
Martin, Nebr.
Martin, N.C.
Mayne
Mazzoli
Mezvinsky
Michel
Milford
Miller
Minish
Montgomery
Moorhead, Calif.
Mosher
Moss
Murtha
Myers
Nichols
O'Brien
O'Hara
Owens
Pettis
Pike
Price, Tex.
Quie
Quillen
Railsback
Randall
Regula
Rinaldo
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rousselot
Ruth
Sarasin
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shriver
Shuster
Skubitz
Smith, Iowa
Stanton, J. William
Steed
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Talcott
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Traxler
Vander Jagt
Vanik
Veysey
Vigorito
Walsh
Wampler
Ware
White
Winn
Wolff
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Zion

ANSWERED "PRESENT"—1

Ryan

NOT VOTING—73

Archer
Armstrong
Bell
Blackburn
Boggs
Brasco
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Carter
Clawson, Del
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Findley
Giaimo
Grasso
Hammerschmidt
Hanna
Hébert
Hinshaw
Holtzman
Hosmer
Howard
Hudnut
Johnson, Colo.
Jones, Okla.
Lujan
Luken
McCloskey
Mallary
Maraziti
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Nelsen
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Shoup
Sikes
Snyder
Steele
Steelman
Sullivan
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Ullman
Waldie
Whitehurst
Widnall
Wilson, Charles H., Calif.
Young, S.C.

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mrs. Boggs and Mr. Hébert for, with Mr. Jones of Oklahoma against.

Mr. Carter and Mr. Mitchell of New York for, with Mr. Maraziti against.

Mr. Taylor of Missouri and Mr. Widnall for, with Mr. Powell of Ohio against.

Mr. Dominick V. Daniels and Mr. Giaimo for, with Mr. Rarick against.

Mr. Teague and Mr. Sikes for, with Mr. Runnels against.

Mr. Blackburn and Mr. Bell for, with Mr. Symms against.

Mr. Hosmer and Mr. Nelsen for, with Mr. Snyder against.

Mr. Pepper and Mr. Hanna for, with Mr. Del Clawson against.

Mrs. Burke of California and Miss Holtzman for, with Mr. Mathis of Georgia against.

Mr. Howard and Mr. Rooney of New York for, with Mr. Towell of Nevada against.

Mr. Charles H. Wilson of California and Mr. Waldie for, with Mr. Lujan against.

Mr. Ullman and Mr. Whitehurst for, with Mr. Archer against.

Mr. Reid and Mr. Carey of New York for, with Mr. Steelman against.

Mr. Roberts and Mr. Diggs for, with Mr. Hinshaw against.

Mr. Preyer and Mrs. Sullivan for, with Mr. Conyers against.

Until further notice:

Mr. Eckhardt with Mr. Dorn.
Mr. Tiernan with Mrs. Grasso.
Mr. Luken with Mr. Hammerschmidt.
Mr. Mills with Mr. Minshall of Ohio.
Mr. Brown of Michigan with Mr. Hudnut.
Mr. Robert W. Daniels, Jr. with Mr. Pritchard.
Mr. Findley with Mr. Mathias of California.
Mr. Mallary with Mr. Roy.
Mr. Young of South Carolina with Mr. Steele.
Mr. Shoup with Mr. Cohen.
Mr. Conable with Mr. McCloskey.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 1131, FURTHER CONTINUING APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on Thursday of last week, I call up the conference report on the joint resolution (H.J. Res. 1131) making further continuing appropriations for the fiscal year ending June 30, 1975, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference and statement, see proceedings of the House of Representatives of October 3, 1974.)

The SPEAKER. The gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas for 30 minutes.

Mr. MAHON. Mr. Speaker, in late June we adopted a continuing resolution enabling the Government to operate agencies and departments for which appropriations had not been made for the current fiscal year. That continuing resolution expired on Monday, September 30.

Much of the Government has been running without any availability of funds for expenditure on a legal basis since that time. The Labor Department, the Department of Health, Education, and Welfare, the Department of Agriculture, the Environmental Protection Agency and the OEO programs have been without legal authority to incur obligations. This has been the situation.

It is planned, as the Members know, that on Friday the House will recess for 1 month. So, I submit that we have no alternative but to provide a further continuing resolution for the operation of much of the Government, involving hundreds of millions of dollars. Therefore, the major thrust of the measure before us today is the need for a further continuing resolution. We should not be writing new legislation in regard to extraneous subjects.

In the House and in the other body certain amendments were agreed to and in conference we did the best we could and eliminated some of these legislative provisions.

One issue which concerned the conferees greatly was the subject of assistance to Turkey. We felt that if we could resolve the problem involving Turkey, there would be no opportunity for a continuing resolution to be adopted that would be acceptable to the White House.

We made certain concessions in the House and in the Senate in the conference in an effort to get something that the House and Senate could live with and that would be acceptable to the administration. We agree that this settlement in conference is not exactly what the House may want; it is not exactly what the Senate may want and it is not, I am sure, wholly acceptable to the executive branch of the Government. But it is my feeling that if we can adopt the conference agreement, we will be able to have confidence that the bill will be approved by the President.

If we enact legislation that is not approved by the President, then it would appear that we would have to return to session after this week in the event of a veto. I do know that the President has told many of the Members on both sides of the aisle that the Eagleton amendment and the Rosenthal amendment were absolutely and wholly unacceptable to the administration.

But the question of aid to Turkey is not in the conference report. Although there was agreement in conference, it is outside of the conference report and under the rules there will be 1 hour to debate that matter.

The Turkey amendment agreed to in conference provides that if there is a good-faith effort and the President certifies that a good-faith effort is in progress toward the resolution of the problem in Cyprus as between Greece and Turkey, then the aid to Turkey would not have to be suspended. But I do not see the need of exploring this issue at great length at this moment. There will be ample opportunity later.

Mr. Speaker, I know of no controversy today in regard to what is contained in the conference report. Copies of the report have been printed in the RECORD and are available to Members in the Chamber as is the conference report itself. What we have been trying to do is pass a continuing resolution to provide essential operating authority for large and important segments of the Government and not write a foreign aid bill. That is a separate matter.

Mr. Speaker, I therefore reserve the balance of my time and hope that the gentleman from Michigan (Mr. CEDERBERG) would proceed. We can adopt the conference report promptly. As I said, the issue involving aid to Turkey is not in the conference report, and those who vote for the conference report will not be voting on that issue.

Mr. CEDERBERG. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, we are faced here today with the very practical problem and a very good example of why we should not try to write foreign policy legislation on a continuing resolution.

Continuing resolutions, by their very nature, are such that it is almost an impossibility to come to a kind of agreement that is necessary on very complicated subjects, such as those we are dealing with here today. We pass continuing resolutions mainly because it has not been possible for us to complete all of the appropriation bills in time and, as a result, we have to have these continuing resolutions. But to try to load them up—and this is what we said when we brought the continuing resolution to the Members before—leads only to many difficult problems, and difficult problems to the Members themselves, because it is hard to understand all of the details that are involved in each of these amendments to these continuing resolutions.

As the chairman of the committee stated, not only did we have amendments to the continuing resolution, but the Senate had several amendments. The conferees recognized the deadlines we are faced with. The first continuing resolution expired September 30. Until we pass this resolution which extends the date of the first continuing resolution, many Government agencies will be without spending authority. We are going to come back here in a month, and all of these complicated issues can be taken up in the proper order, on the legislative bills where they should be.

That is what we are asking to do today, to approve the conference report, the work we have done. The Members still will have plenty of time after the Congress reconvenes in November to discuss these issues and take any votes they want on them, but we are faced here today with a very serious deadline.

As I understand it, the major issue we are going to be faced with here this afternoon in the debate that will take place has to do with aid to Turkey, and whether or not aid should be denied to Turkey because of actions that were taken in Cyprus. We went through this issue before, and so did the other body. As a result, in the conference we came out with what I think is a suitable compromise. It was a compromise agreed upon by both the House and the Senate. It was a kind of compromise that the administration can live with. The Secretary of State and the President believe that if we adopt this language, it will be helpful to them in trying to bring about a settlement in Cyprus. After all, that is all we want. We want to do something in that area that will be helpful. If we go the way of the Senate action or the House action before, then what we have is a continuing festering problem here in the Cyprus area. I hope that the Members who have not had an opportunity will take a look at the language that was agreed upon in the conference, because I believe it is language that everyone can live with.

Maybe I should take the time just to compare what happened between the House and the Senate, although I know we are going to get into this a little bit later. In the House version the so-called Rosenthal amendment, adopted on the House floor, said: "None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services—whether for cash or by credit, guaranty, or any other means—to the Government of Turkey until the President certifies to the Congress that substantial progress has been made regarding military forces in Cyprus."

That is what we did. The Senate added this to it, as I understand it:

> Or for the transportation of any military equipment or supplies to any country which uses such defense articles or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act or any agreement entered into under such Acts.

The conference came up with a compromise that I think we in the House can live with, and one which I think personally is in the best interests of both the Turks and the Greeks if we are trying to bring people together to solve a very difficult situation.

The administration also says they can live with it.

The first part of the compromise is language from the Rosenthal amendment which is still in the bill, and was not before the conference. It says:

> None of the funds herein made available shall be obligated or expended for military assistance or for sales of defense articles and services, whether for cash or by credit guarantee or any other means.

The conference agreement would add:

> Or for the transportation of any military equipment or supplies to the government of Turkey, unless and until the President determines and certifies to the Congress that the government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act or—

Listen to this—

> or any agreement entered into under such Acts by making good-faith efforts to reach a negotiated settlement with respect to Cyprus.

That is what we want—a good-faith settlement.

Mr. MAHON. Mr Speaker, will the gentleman yield?

Mr. CEDERBERG. Yes, I yield to the gentleman from Texas.

Mr. MAHON. I would like to urge the Members to get before them a copy of this proviso and read it and study it. It is available in the conference report.

It is also available in the RECORD of October 3, on page 33698, in the second column. If Members will study the language which the conferees propose, I believe they will find it to be somewhat acceptable.

I thank the gentleman for yielding.

Mr. CEDERBERG. Mr. Speaker, I thank the gentleman for his remarks.

Let me just reiterate this: We cannot have a settlement in this area unless we have some good-faith efforts by both parties. This is what this is designed to do.

If the President finds that they are making good-faith efforts to reach a negotiated settlement, then we can deal, as we are now, with both of these countries.

Here is a situation which, as I see it, is a very practical matter. If we fail to allow latitude for negotiations, what incentive is there for good faith on the part of either one of the parties? Little or none.

I personally feel very strongly that the acceptance of this conference report is in the best interests of Greece and of Cyprus because without it, I believe fundamentally that we will not get a good-faith bargaining in that area.

We are faced with this very practical situation. The Turks are about 40 miles away from Cyprus; the Greeks are 300 miles away from Cyprus. There are roughly 40,000 Turkish troops on the Island of Cyprus and a very small number of Greek troops are there.

What incentive, then, is there for the Turks to enter into a good-faith negotiation in this area if we are just going to say that we are going to abandon the whole situation as far as they are concerned?

It just seems to me that if you look at this compromise language—and I plead with you as the chairman did to do so—I believe that it is something we can live with, and something that will bring about the kind of negotiations that will, we hope, result in a settlement in that area.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Speaker, quite clearly I disagree with my good friend and colleague, the gentleman from Michigan (Mr. CEDERBERG). I would characterize what happened in this situation as amounting to virtually a runaway conference. The conferees did not abide by the vote of a substantial majority of the Members of this body, nor, as a matter of fact, the substantial vote of a majority of the Members of the other body.

There will be adequate time to discuss this during the time of consideration of the motion offered by the gentleman from Texas. I merely want to state that I find nothing objectionable in the conference report as such, and my objections relate only to the amendments and motions that followed.

Therefore, Mr. Speaker, I will vote for the conference report and we will hopefully have an opportunity to discuss the larger issue at a later time.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. SARBANES).

Mr. SARBANES. Mr. Speaker, I would like to clarify the parliamentary situation, if I might.

It is my understanding that the first vote which will come will be on the adoption of the conference report. If the chairman of the committee will yield to a question, am I correct that the first vote that will take place will be on the conference report?

Mr. MAHON. Mr. Speaker, the gentleman is correct.

Mr. SARBANES. That vote will not carry with it the issue that has been raised here on the floor with respect to aid to Turkey?

Mr. MAHON. The gentleman is correct.

Mr. SARBANES. Mr. Speaker, subsequent to that vote, I understand the chairman of the committee will offer a motion to recede and concur in the amendment with respect to the Turkish aid proposition. Is that correct?

Mr. MAHON. The gentleman is correct.

Mr. SARBANES. I would like to say, Mr. Speaker, that I would then support a favorable vote on the conference report, which would enable us to get to the question of Turkish aid. On that issue, I intend to oppose the motion that will be offered by the chairman of the committee.

I hope the House will vote that motion down, because I think it is very clear that the so-called compromise is nothing but a subverting and an undercutting of the position which was adopted overwhelmingly by both Houses.

Mr. Speaker, if that motion is rejected, I will support a motion that will be offered by the gentleman from New York (Mr. ROSENTHAL), which I think will implement the judgment made by this House by a better than 3-to-1 margin and the judgment made by the Senate. That will be an amendment which I think is consistent with existing American law and which serves our national policy.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wish to say again that I believe we should have no problem securing acceptance of the conference report. To the best of my knowledge, there are no controversial matters contained in it. Although of course there is the Turkey matter which is outside the conference report.

In order to obtain agreement in conference between the House and the Senate and not become logjammed, the conferees did make certain agreements. It was a matter of give-and-take on both sides of the Capitol, between the House and Senate. Within the next couple of months certainly there will have to be some resolve with respect to the issues involved in foreign aid; that is, as to the levels of foreign aid, and whether or not there will have to be another continuing resolution. All of these matters will have to be resolved.

In this conference report we simply tried to get some workable provision with respect to Greece, Turkey, and Cyprus for a couple of months. The conferees felt it was incumbent upon the Turks and Greeks to negotiate in good faith. It seems to me that under the circumstances we can settle this problem by adopting the agreement of the conferees and send this matter to the White House. Then we could be sure that the Congress can recess. Later on in a more timely way the Congress can make a final determination regarding all the aspects involving foreign aid, including aid to Turkey, aid to Israel, aid to Greece, and so forth.

So, Mr. Speaker, I would hope that we would adopt the conference report and proceed to the other matter.

Mr. BINGHAM. Mr. Speaker, as we vote on the conference report on the continuing resolution today, it is important to note that this resolution makes no provision for continued expenditures to assist in the resettlement of refugees from the Soviet Union in Israel and elsewhere. This results from the fact that the continuing resolution provides for funding of programs at last year's level or at the level requested in the President's budget, whichever is lower. Since the President requested no funds for Soviet refugees, this important program—initiated by the Congress in 1972 through the State Department Authorization Act in 1972, 1973, and again this year—is not protected by the resolution before us.

This is to say the least a curious result, since it appears that the Congress in this resolution puts programs initiated by the Congress in an inferior category to programs requested by the President.

After I expressed concern over this situation when the continuing resolution first came before the House, the gentleman from Louisiana (Mr. PASSMAN) said that interim funding for this program could be taken care of by the President, using his authority to transfer up to $10 million of aid funds to refugee programs, as provided in the Migration and Refugee Assistance Act of 1962.

While this is technically possible, I am concerned that sufficient funds will not be transferred to keep the Soviet refugee aid program going, both in Israel and elsewhere.

I hope that it will be possible, soon after the Congress returns in November, for the necessary foreign assistance authorization, State Department authorization, and foreign assistance appropriations bills to be enacted, so that proper funding can continue uninterrupted for these Soviet refugee programs.

However, if that should prove not to be the case, and if a further continuing resolution should be required before the sine die adjournment of the Congress, then it will be essential for such Soviet refugee aid programs to be provided for in that continuing resolution. At that point, the President's transfer authority under the Migration and Refugee Assistance Act would clearly be inadequate to cope with the situation, since it cannot be wholly used up for this one purpose—there are competing demands and may well be others.

I will communicate with the chairman of the Appropriations Committee at that time, and also with the chairman of the Foreign Operations Subcommittee, to make sure that the appropriate and necessary language is inserted in the continuing resolution.

Now, I should like to comment on the matter of the language in the conference report calling for a cutoff of military aid and sales to Turkey unless the President finds that the Government of Turkey is making good-faith efforts to achieve a settlement on Cyprus, and of the substitute language that the gentleman from New York (Mr. ROSENTHAL) will propose, which requires a cutoff "until and unless the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such acts, and that substantial progress toward agreement has been made regarding military forces in Cyprus."

I have listened carefully to the debate and have concluded, not without considerable difficulty, to support the language agreed to by the conferees. This continuing resolution is not going to be the last word on this matter. If the more flexible language is adopted now, the parties may in the course of the next 6 to 8 weeks be able to make some real progress toward a peaceful solution of the Cyprus problem. The administration, noting the clear sentiment of the Congress on the subject of Turkey's misuse of American equipment, may be able to contribute to such a result. If this does not happen, and if Turkey continues intransigeant, then the Congress would still be able to impose a rigid cutoff of funds before the end of the year. Although I am deeply disturbed by Turkey's use of force in this situation, I believe that appropriate pressure should be brought upon the Turkish Government in stages, and not all at once in a seemingly irrevocable and perhaps doctrinaire way.

Mr. MAHON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 330, nays 25, not voting 79, as follows:

[Roll No. 572]

YEAS—330

Abdnor
Addabbo
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Bafalis
Barrett
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Collier
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Horton
Huber
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kazen
Kemp
King
Kluczynski
Kuykendall
Kyros
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Martin, Nebr.
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Neill
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitten
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—25

Abzug
Anderson, Calif.
Ashbrook
Baker
Bauman
Beard
Biaggi
Clancy
Collins, Tex.
Conlan
Crane
Gross
Holtzman
Kastenmeier
Ketchum
Koch
Lagomarsino
Landgrebe
Rarick
Rousselot
Shuster
Traxler
Wolff
Wydler
Zwach

NOT VOTING—79

Adams
Archer
Armstrong
Bell
Blackburn
Boggs
Brasco
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Carter
Clawson, Del

Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Findley
Giaimo
Grasso
Hammerschmidt
Hanna
Hays
Hébert
Hinshaw
Hosmer
Howard
Hudnut
Hunt
Johnson, Colo.
Jones, Okla.
Lujan
Luken
McCloskey
Mallary
Mann
Maraziti
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Montgomery
Nelsen
O'Hara
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Reid
Rhodes
Roberts
Roncalio, Wyo.
Rooney, N.Y.
Roy
Runnels
Ruppe
Shoup
Sikes
Snyder
Steele
Steelman
Stephens
Sullivan
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Ullman
Whitehurst
Widnall
Wiggins
Young, S.C.

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Tiernan.
Mr. Hébert with Mr. Reid.
Mrs. Boggs with Mr. Hanna.
Mr. Roberts with Mr. Roy.
Mr. Sikes with Mr. Dorn.
Mr. Teague with Mrs. Grasso.
Mrs. Sullivan with Mr. Jones of Oklahoma.
Mr. Pepper with Mr. Lujan.
Mr. Dominick V. Daniels with Mr. Findley.
Mr. Haye with Mr. Cohen.
Mr. Giaimo with Mr. Archer.
Mr. Howard with Mr. Hudnut.
Mr. Adams with Mr. Del Clawson.
Mr. Carey of New York with Mr. Bell.
Mrs. Burke of California with Mr. Hosmer.
Mr. Conyers with Mr. Eckhardt.
Mr. Preyer with Mr. Brown of Michigan.
Mr. Mann with Mr. Robert W. Daniel, Jr.
Mr. Diggs with Mr. Luken.
Mr. Mathis of Georgia with Mr. Hammerschmidt.
Mr. Montgomery with Mr. Blackburn.
Mr. O'Hara with Mr. Hinshaw.
Mr. Runnels with Mr. Conable.
Mr. Ullman with Mr. Hunt.
Mr. Stephens with Mr. Carter.
Mr. Mills with Mr. Mallary.
Mr. Maraziti with Mr. Snyder.
Mr. Mathias of California with Mr. Roncallo of New York.
Mr. McCloskey with Mr. Young of South Carolina.
Mr. Widnall with Mr. Minshall of Ohio.
Mr. Mitchell of New York with Mr. Ruppe.
Mr. Shoup with Mr. Nelsen.
Mr. Pritchard with Mr. Steele.
Mr. Steelman with Mr. Symms.
Mr. Taylor of Missouri with Mr. Wiggins.
Mr. Whitehurst with Mr. Towell of Nevada.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 3: On page 2, line 9, strike out: "to the Government of Turkey until the President certifies to the Congress that substantial progress toward agreement has been made regarding military forces in Cyprus" and insert "or for the transportation of any military equipment or supplies to any country which uses such defense articles or services in violation of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, or any agreement entered into under such Acts."

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert: "or for the transportation of any military equipment or supplies to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or any agreement entered into under such Acts by making good faith efforts to reach a negotiated settlement with respect to Cyprus."

The SPEAKER. The gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Speaker, I should just like to say a word and then I will yield to my colleague, the gentleman from New York (Mr. ROSENTHAL).

It is obvious that in this controversy about the situation in Cyprus involving Greece and Turkey the powerful U.S. Government is trying to be helpful in regard to a very serious situation.

The provision contained in the conference report expresses our concern over the situation in Cyprus and reflects, I believe, the intent of Congress. We are concerned about the Cyprus situation and the general Middle East situation and the threat of general war in the Middle East.

Under this conference agreement Turkey is required to make good faith attempts to reach a negotiated settlement with respect to Cyprus. It puts Turkey on notice that the United States is concerned and that military aid will be terminated if the President is not satisfied with these settlement efforts.

There will be those who will say, well, no effort is being made. I cannot accept this charge and I shall presently have more to say about the issues befor us.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. ROSENTHAL).

Mr. ROSENTHAL. Mr. Speaker, putting this in the kindest light I know of, I want to report to this body that in my judgment the conferees have done a serious disservice not only to this House, but to both Houses. I had always thought that conferences were intended to resolve problems, not create them.

With overwhelming majorities—in the House by a vote of 307 to 90 and in the Senate by a vote of 57 to 20—both Houses voted for their respective amendments covering the area we have under consideration. They would be denied proper representation by the actions of the conferees.

I am sure all the Members agree that the conferees' job and responsibility is to represent the views of their respective Houses, but in this case the conferees took language not only unrelated to that adopted by this House and the other body, but language which came directly from the executive branch. What we are left with is the perplexing question that if conferees represent the executive branch, who will represent the Members of both Houses?

Let us talk a little bit about what that accomplished. The amendment that was adopted by the conferees permit the President to continue the illegal military assistance to Turkey if the President certifies that Turkey is making in good faith efforts to resolve the difficulties. The President, in my opinion, is willing to certify that today so that he can continue the military assistance to Turkey. That action will allow no opportunity for the principals to begin negotiations toward a resolution of the situation in Cyprus.

The amendment that was adopted by this House on September 24, by a vote of 307 to 90 said that the President could renew military assistance if he certified that substantial progress toward agreement has been made regarding military forces in Cyprus. That would require Greece, Turkey, and Cyprus to begin some forward movement toward disposition of military forces on Cyprus, which is in fact the stumbling block to negotiations. Until there is some movement by Turkey—and obviously it is not going to come voluntarily as we have seen after 2½ months of instability—until there is some dispersal of those forces, no meaningful negotiations will take place.

If anyone tries to assert here on the floor this afternoon that meaningful negotiations are contemplated or are taking place, he is misinformed. The amendment agreed to by the conferees would permit the President unilaterally, without any participation by the parties, to certify that the Turks are making some good faith effort. It is a meaningless requirement but a dangerous one. It does violence to the will of the other body and of this House, and the conferees were way beyond the jurisdiction that they are permitted.

The situation in Cyprus is devastating today. There are 200,000 refugees. The Turks have 300 American tanks occupying 70 percent of the agricultural land. The economy is in disarray. The island is a total chaos, and we are to this day contributing to that situation by permitting American military assistance to keep flowing into that area. Until this Congress and this Government stops that, no improvement will be made.

Mr. Speaker, I urge defeat of the chairman's motion. I also include, for the information of my colleagues in both Houses, a letter I sent last week to Senator EAGLETON concerning our respective amendments:

SEPTEMBER 30, 1974.

Hon. THOMAS F. EAGLETON,
U.S. Senate, Washington, D.C.

DEAR SENATOR: I am happy to respond to the requests I have received for clarification of my intention in offering my amendment to H.J. Res. 1131 under which military assistance to Turkey would be suspended until the President certifies to the Congress that substantial progress toward agreement has been made regarding military forces in Cyprus.

In proposing this amendment, I was certainly aware that other provisions of law, specifically, Sec. 505 of the Foreign Assistance Act and Chapter I, Sec. 4 of the Foreign Military Sales Act require the cessation of military assistance when that assistance has been used for other than defensive purposes. It was not the intention of my amendment to abrogate these general provisions in law, which I regard as fully binding on the executive branch but rather to impose a further and specific condition, i.e., that even when the President came into conformance with these existing provisions of law by suspending aid to Turkey that he could not resume aid to that country even if he was convinced that Turkey would not use further aid for other than defensive purposes without further evidence (and certification to Congress) that the principals in the Cyprus dispute had actually made progress toward an agreement on military forces on that island.

The reason for this additional safeguard is that while the suspension of aid under the provisions cited is and must be based on the *past* misuse of U.S. aid under our law, these provisions allow, under some circumstances, a waiver by the President of these provisions. Under my amendment, ending the prohibition on aid to Turkey would require *future* actions by the principals involved on Cyprus i.e. substantial progress toward an agreement on military forces there. Without such agreement, aid to Turkish armed forces, which dominate the independent country to Cyprus today, even after a period of suspension (or use of the existing waiver authority), would serve to prevent, in my judgment, the maintenance of conditions conducive to an equitable and speedy negotiated settlement on Cyprus.

In addition, as I am sure you are aware, the restriction imposed by my amendment to H.J. Res. 1131 is a restriction on the use of appropriated funds under a continuing resolution pending the passage of normal authorization and appropriations legislation. It is my understanding, based on a discussion with the House legislative counsel, that during a period when a continuing resolution provides funding, that the authorization acts (in this case, the Foreign Assistance Act and the Foreign Military Sales Act) continue to apply to funds used under the continuing resolution as long as that resolution is in effect.

I hope that this letter makes clear my intentions in offering my amendment.

Sincerely,

BENJAMIN S. ROSENTHAL,
Chairman, Subcommittee on Europe.

Mr. CEDERBERG. Mr. Speaker, I yield 5 minutes to the gentleman from Delaware (Mr. DU PONT.

Mr. DU PONT. Mr. Speaker, I rise this afternoon to oppose the language that is being suggested by the gentleman from Texas. I do so not because of any pique; not because the agreement that has been reached is different from what the gentleman from New York and I proposed in the beginning; but because there are some very substantial drawbacks to the language as written.

There are basically three changes that have been made, and I think all of them have been bad. One of them is technically an error, and I do not know how any Member of the House could vote for the language because of this technicality.

Let me just read what the language proposed by the conference committee says: That no aid will be resumed "unless and until the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961"—now listen to this last language—"by making good faith efforts."

The Foreign Assistance Act of 1961 does not say anything about good faith efforts. It is impossible to be in compliance with it by making a good faith effort. It is kind of like being pregnant, you are or you are not in compliance. It is as simple as that, and efforts—good faith or otherwise—to the contrary have nothing to do with it.

I would say that that is a serious mistake in the language that has been adopted, and in the substitute that is going to be offered by the gentleman from New York (Mr. ROSENTHAL), that "by" is changed to the word "and," and that would correct this problem.

Second, I believe the language adopted by the conference makes the situation more difficult for the administration, because our original language talked in terms of an agreement "regarding military forces in Cyprus." Now that has been changed to read good faith efforts to reach a "negotiated settlement with respect to Cyprus."

That is very different than "regarding military forces." In other words, the language the conference wants us to adopt is of much wider scope. One has to satisfy Archbishop Makarios, one has to satisfy the Greeks, the Turks, the terrorists' organizations, the refugee organizations, and perhaps others. I think that is making it too difficult a standard.

The third point: Our language originally talked about "substantial progress," and that has been replaced by "good faith efforts," and good faith efforts, I think, are too low a standard to talk about when we are talking about a clear violation of the Foreign Assistance Act that was approved by this Congress some years ago.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. Yes, I yield to the gentleman from Michigan.

Mr. CEDERBERG. The gentleman says "substantial progress." No one knows in a negotiation situation how one can measure "substantial progress." Sometimes we do not make any progress in matters and we are negotiating in good faith, and all of a sudden one not only makes substantial progress but one makes immediate progress.

How does one know if he has made substantial progress until there is an agreement?

Mr. DU PONT. Both sets of language call for certification by the President. It is much easier for the President to say, "Well, the Turks are negotiating in good faith." You can negotiate in good faith for years and still not make substantial progress.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield further?

Mr. DU PONT. Yes, I yield to the gentleman.

Mr. CEDERBERG. One can negotiate for years and still make substantial progress. We have been doing that with many countries throughout the world. We are still negotiating and we hope we are making substantial progress.

Mr. DU PONT. We hope we are, but the fact is if we simply pave the way with good intentions, we are not getting anywhere.

Mr. CEDERBERG. I do not follow that reasoning at all. So far as being in compliance or not being in compliance, I admit we have a different problem here on both sides.

I did not see any resolutions there at that time for substantial progress or good faith. I do not know, maybe the gentleman introduced some in this situation and I did not see any.

Mr. DU PONT. No, the gentleman did not.

Mr. CEDERBERG. The same kind of compliance was involved, would the gentleman agree?

Mr. DU PONT. There is a very different standard when one talks about "substantial progress" as opposed to "good intentions," and that is basically the difference.

Mr. DENNIS. Mr. Speaker, will the gentleman yield?

Mr. DU PONT. I yield to the gentleman from Indiana.

Mr. DENNIS. We are discussing a very important matter here this afternoon, with some of the most senior Members of the House on the floor, and the House does not even bother to listen to anything anybody says. The House has been called to order six times, at least, this afternoon.

I want to ask the gentleman, does he think this is the way, in this performance here this afternoon, to run the foreign policy of the United States? Does he think this body ought to decide these problems here this afternoon that the administration is trying to deal with, and if so, on what basis?

The SPEAKER. The time of the gentleman from Delaware has expired.

Mr. CEDERBERG. Mr. Speaker, I yield 1 additional minute to the gentleman from Delaware.

Mr. DU PONT. I just want to reply to the statement made by the gentleman from Indiana and say that when the day comes that the Congress of the United States sits, and talks, and does nothing when an act that we passed, the Foreign Assistance Act of 1961, is clearly being violated, then I think the Congress is in a very sorry state.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I rise in opposition to the motion of the gentleman from Texas (Mr. MAHON) and will expect shortly to support the amendment to be offered by the gentleman from New York (Mr. ROSENTHAL).

Mr. Speaker, I take this position for three reasons. The first is that if we allow the language on the Turkish aid cutoff in the conference report to continue, we are endorsing a violation of the law. The Foreign Military Sales Act and the Foreign Assistance Act of 1961 expressly provide that if any recipient nation uses American-supplied weapons for aggressive purposes, that nation immediately becomes ineligible for further United States assistance.

American-supplied tanks, guns, ships, and airplanes have been used by the Government of Turkey to wound, bomb, and murder helpless civilians on the Island of Cyprus.

Such action is illegal and for us to refuse to halt U.S. military aid to Turkey is simply to say that we in the Congress of the United States, after 1 long year of Watergate and the defiance of the rule of law, do not believe in obeying the law.

Mr. Speaker, I have examined the Constitution of the United States with care and nowhere in it do I find that even the present Secretary of State is permitted to disobey the law, even when he finds it to his own convenience to do so.

Let me explain the second reason I oppose the motion of the gentleman from Texas (Mr. Mahon) and will support the amendment of the gentleman from New York (Mr. Rosenthal).

What the conference committee has done on this continuing resolution is to abandon the clearly expressed position of a majority of both Republicans and Democrats in both the House and the other body.

In the other body, the vote to halt U.S. military aid to nations, like Turkey, that violate the Foreign Assistance Act and Foreign Military Sales Act, an amendment offered by the distinguished junior Senator from Missouri, Senator Eagleton, was 57 to 20.

In the House, the vote on the Rosenthal-du Pont amendment to cut off U.S. military aid to Turkey was 307 to 90.

Mr. Speaker, is it not obvious that, in terms of the self-respect of this body, the House ought to go on record as insisting that a position adopted so overwhelming by both the House of Representatives and the Senate should be sustained?

The third reason, Mr. Speaker, that I oppose the Mahon amendment and support the Rosenthal amendment, subsequently to be offered, is that such a position is the one that makes sense in terms of American foreign policy.

Look at the disastrous results so far of American policy in the Cyprus situation. Greece has been compelled to withdraw its military forces from NATO as the price of the continued existence of the Government of Greece. U.S. policy has thereby contributed to a weakening of NATO in the Eastern Mediterranean.

Second, we have seen the helpless people of the Island of Cyprus suffer in many ways. There are now, in a nation of less than 700,000 people, some 200,000 refugees. If that percentage of the American population were to be left homeless with winter coming, Mr. Speaker, there would be 70 million refugees in the United States. This comparison tells you something of the magnitude of the wrong which the illegal use of American weapons by Turkish military forces, a use acquiesced in by our own Department of State, has brought to the people of this basically peasant country, Cyprus.

Mr. Speaker, another result of the folly of U.S. policy on Cyprus is to endanger the first civilian government in 7 years in Greece, after long years of rule by military juntas, juntas supported by the present Secretary of State.

In conclusion, Mr. Speaker, let me report to the House on a conversation I was privileged to have last Friday with our distinguished former Speaker, the Honorable John W. McCormack. Speaker McCormack, at his initiative, specifically authorized me to say during the debate today that he strongly supports the proposal to be offered by the gentleman from New York (Mr. Rosenthal) and that he opposes the language in the conference report.

Speaker McCormack said, "You can quote me as saying the following:"

> If I was a Member of the House, with my knowledge of the many decades, indeed, generations of friendship between the people of Greece and our country; knowing, as I know, how the courageous people of Greece were fighting on our side during World War II and how they held back the Nazis; and knowing, too, that we cannot disown our friends; and knowing of the long friendship between the people of Greece and the people of America, I would support, John, the position you are taking on this amendment.

Mr. Speaker, I hope that my colleagues on both sides of the aisle will overwhelmingly vote down the motion of the distinguished Chairman of the Committee on Appropriations, Mr. Mahon, and then, with an equally overwhelming bipartisan vote, agree to the amendment to be offered by the gentleman from New York (Mr. Rosenthal).

Mr. CEDERBERG. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we can debate this thing for a long time.

As I tried to say earlier, what we have before us here today is a continuing resolution, and I still maintain that this is not the place to write foreign policy.

My good friend, the gentleman from Delaware (Mr. du Pont) asked why the Congress should take so long. I do not know why the Congress should take so long. The gentleman is on the Committee on Foreign Affairs, which should handle this matter as part of its regular legislative business.

The gentleman is on the Committee on Foreign Affairs, and this matter of the authorization has been there for months. If we would have had an authorization, we could probably have had a foreign aid appropriation, and some action could have been taken.

Mr. Speaker, as I said here before, we are in the closing days before going into recess, and we can come back in November and we can take up all these issues. This is no time to be confronted with a complicated problem like this. A complicated problem like this should not be considered in a continuing resolution.

My good friend, the gentleman from Indiana (Mr. Brademas), refers to the former Speaker. Let me give the Members the thoughts of the current President of the United States, who is immediately involved and who has a responsibility in this area. He supports the legislation that we are about to vote on, the legislation that was agreed to in the conference.

He supports it for the simple reason that he is convinced that if we are going to get a settlement there, it is going to require an understanding on the part of all parties, the Turks, the Greeks, and ourselves, as we try to get them together to work out a solution.

Mr. Speaker, on the issue of whether or not nations are in violation of the so-called Foreign Assistance Act of 1961, I submit to the Members that there can be plenty of examples over the past years since 1961 where nations have probably not been in direct compliance with this law. But I have not heard many other Members make any remarks regarding that aspect.

I would suggest that on both sides in the Middle East conflict people were probably in conflict with or in violation of this very act that the gentleman from Indiana has referred to. I did not hear any Member come in with a resolution cutting off aid for Israel, cutting off aid for Egypt, or cutting off aid for Jordan or some of the other countries that were involved there.

I think it would have been unwise to do that then, and I think it is unwise to do so at this time.

We will have time when we come back in November to take up this very vital and important issue, and to give it the consideration it deserves on the appropriate legislation.

Who knows, the negotiations may come along well enough so that we may not need to be worried about the problem we are so concerned about now.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Speaker, I wonder if the gentleman could describe to me what the "good-faith" efforts would be.

Mr. CEDERBERG. A good-faith effort would be, I suppose, both sides sitting down and trying to work out something that is agreeable to both sides, just as in any other negotiation.

Mr. WOLFF. In other words, the gentleman would be willing to continue aid if both sides sat down and kept talking; is that right?

Mr. CEDERBERG. No. If they are talking in good faith, yes, hoping to bring about a solution.

The gentleman would be willing, I suppose, to proceed under what they call "substantial progress." How do we measure substantial progress? That is some of the same kind of semantics we are dealing with here.

Mr. WOLFF. Mr. Speaker, if the gentleman will yield further, I would say "substantial progress" would be the removal of some of the troops and some very definite move that might be made. It seems to me it is almost impossible to determine what "good faith" could be.

Mr. CEDERBERG. Mr. Speaker, I do not think it is any more difficult to determine what "good faith" is than it is to determine what "substantial progress" is.

Mr. MAHON. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. Abzug).

Ms. ABZUG. Mr. Speaker, I oppose the motion and I will support the Rosenthal amendment. It is outrageous that the conferees have seen fit to water down the language regarding aid to Turkey, after the strong vote in both Houses to cut off such aid until there is an end to the conflict in Cyprus.

It is illegal, under the Foreign Assistance Act of 1961, to continue military aid to any country using that aid for offensive purposes. Turkey has not denied that she invaded Cyprus using our weapons, and continues to maintain territory taken from Greek Cypriots. To comply with our own law, we must end this continuing violation.

Some Members profess fear that a stronger stand will upset Dr. Kissinger's "delicate negotiations" with the Turks. Perhaps we should be a little less delicate and a lot more forthright. Even the President has warned that all military aid to Turkey and to Greece will be cut off if the two countries go to war. It is in the best interests of the Turks to return to their original territory and withdraw their troops. Dr. Kissinger knows that he does not have the support of the American people and the Congress in continuing aid to Turkey. The Turks know it too. Therefore they cannot put much credence in his assurances in any case.

Let us say what we mean, and mean what we say. I support the amendment which would firmly cut off aid. Two hundred thousand refugees await this demonstration of our support for their return to their homes.

Mr. MAHON. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. SARBANES).

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. SARBANES. I yield to the gentleman from New York.

(Mr. BIAGGI asked and was given permission to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, I rise in opposition to the motion and insist that the language of the House-passed amendments cutting off aid to Turkey be included in the conference report to the continuing appropriations resolution. Unless the House sustains its earlier action in voting to cut off all aid to Turkey we run the grave risk of prolonging the terrible crisis on Cyprus.

Last week, both the House and the Senate passed, by convincing majorities, amendments to this resolution which explicitly provided for a total cutoff of aid to Turkey as a result of her aggressions against the island of Cyprus. Specifically, Turkey was found to be in violation of the Foreign Assistance Act which prohibits the aggressive use of U.S. military aid. Yet, despite this clear mandate by the Congress, the esteemed members of the conference committee chose to ignore these votes and instead listened to the desperate voices of the administration, who expressed disbelief that the Congress would try to dictate foreign policy to a seemingly omnipotent Henry Kissinger. The same Kissinger who remained silent as the Turks invaded Cyprus. As a result, the conference committee has reported out a watered down version of our earlier amendments which in reality amount to no more than a verbal slap on the wrist against Turkey.

What both the committee and the administration are ignoring is the fact that Congress took action to cut off aid to Turkey only after 10 weeks of inaction by both the administration and the Secretary of State to the crisis on Cyprus. The Nation and the world have witnessed with horror and disbelief the actions of Turkey in Cyprus; first her illegal invasion of Cyprus and her ruthless occupation of the country and her people.

The House and Senate in passing their respective aid cutoff amendments were unequivocably demonstrating their desire to see this conflict brought to an end and peace restored to Cyprus. Many of my colleagues apparently believed that in the absence of direction from the administration, a complete cutoff of aid to Turkey represented the only vehicle we have to convince the Turks to abandon their policies on Cyprus.

We did not then, nor should we now, fear to take strong actions to deal with Turkey's wanton disregard for the concept of international law and rights of humanity. Turkey continues to demonstrate her total hostility as an ally, and stands in violation of one of the most important pieces of legislation ever passed by Congress—the Foreign Assistance Act.

These past 2 months have represented a sorry chapter in the annals of U.S. foreign policy. We have allowed an unprovoked and illegal invasion by a nation using our military aid to go unnoticed. We have alienated millions of loyal Greek Americans who have become understandably embittered by the seeming betrayal of this Nation to their plight and the plight of the Greek Cypriot people.

Needless to say, we cannot afford a continuation of our present policies with respect to Cyprus. We in the Congress must maintain our determination and vigilance to the cause of peace in Cyprus as well as to the full adherence of every nation to the concept of international law. It is a challenge which only we seem to want to respond to, yet without passage of this amendment today, we will have failed to meet this challenge. Today's vote is critical, to the future of Cyprus, to the future of Greek-American friendship, and to the future of international law and justice. I urge your support today.

Mr. SARBANES. Mr. Speaker, I wish to point out to the Members of the House that there is a very fundamental question that must be decided this afternoon, and that is whether the House is going to insist that the law be complied with and be followed. That is the fundamental problem that is before us.

The fact of the matter is that the Foreign Assistance Act and the Foreign Military Sales Act, when they were developed by this body and by the other body and signed into law, included certain provisions as to how American military aid was to be used. In the wisdom of the Congress—and it was wisdom—we did not at that time give a blank check to any country with respect to the uses that could be made of such armaments. Other countries are not entitled to those armaments from the United States as a matter of right; they are given in order to serve certain important purposes.

Mr. Speaker, the Foreign Assistance Act requires, among other things, that a country receiving aid conforms to the purposes and principles of the Charter of the United Nations.

Second, that such defense articles will be utilized by such country for the maintenance of its own defensive strength, or the defensive strength of the free world.

The Foreign Military Sales Act sets out the purposes for which military sales by the United States are authorized as follows:

> Defense articles and defense services shall be sold by the United States Government under this Act to friendly countries solely for internal security, for legitimate self defense, to permit the recipient country to participate in regional or collective arrangements or measures consistent with the Charter of the United Nations, or otherwise to permit the recipient country to participate in collective measures requested by the United Nations for the purpose of maintaining or restoring international peace and security, or for the purpose of enabling foreign military forces in less developed friendly countries to construct public works and to engage in other activities helpful to the economic and social development of such friendly countries.

Those are the objectives in the legislation. Those are the purposes for which the aid is to be given, and they are worthy objectives.

Those purposes clearly have been violated in this instance.

The so-called compromise which the conferees have returned to the House is far less than this House adopted, far less than the Senate adopted. It really is an undercutting of the provisions adopted overwhelmingly by both Houses.

The language brought back to the House by the conferees provides that Turkey will be in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or any agreement entered into under such acts by making good faith efforts to reach a negotiated settlement. It in effect seeks to rewrite that basic legislation by substituting for the various requirements contained therein the negotiation language as the only condition to be met. I submit to this House that this effort to substitute this sole condition is not complying with the law. Is this body to be placed in the position of sanctioning those violations of law which have already taken place.

The Secretary of State, no matter how skillful, is not entitled to take the laws of this country into his own hands and to do with them as he will.

This House today is being asked a very important question, and that is whether it intends to uphold the law, to insist upon compliance with the legislation previously adopted.

Clearly with a question that fundamental we must consider it here and now when the opportunity to raise it is before us.

The administration has withdrawn from floor consideration in the other body the Foreign Assistance Act, and apparently intends to let that entire program rest upon the continuing resolution.

The time to act is now.

I hope the motion offered by the gentleman from Texas (Mr. MAHON) will be defeated, and the motion of the gentleman from New York (Mr. ROSENTHAL) will be adopted.

Mr. CEDERBERG. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Speaker, the gentleman from Maryland just said that what we have at stake here is insistence on compliance with the law. I think we can easily exaggerate the nature of the problem. In no case is anyone suggesting language that would make it possible for anyone to disregard the law or make it possible for the President to avoid the provisions of the Foreign Assistance Act.

What we are suggesting is a modification of the language passed by the House.

The language passed by the House did not say that there must be compliance with existing law—of course there must be. All that is involved is a change from the words "that until the President certifies to Congress that substantial progress toward agreement has been made regarding military forces on Cyprus," to a provision that says that "the President is to certify that the Government of Turkey is making good-faith efforts to reach a negotiated settlement."

The gentleman from Delaware says there is a significant difference because the language which he supports refers only to withdrawal of Turkish troops from Cyprus, whereas the conference committee refers to a negotiated settlement.

My answer to that charge is that it would be far easier to be in compliance with the proviso as originally passed by the House than it would be if there were reference to the necessity for good-faith efforts to reach a settlement. All that the Government of Turkey would have to do to be in compliance with the Rosenthal language would be to make a withdrawal of troops. There would be no requirement for a good-faith effort. There is no requirement for a negotiated settlement at all.

I might say that the House Committee on Foreign Affairs the day after the vote in the House overwhelmingly rejected the Rosenthal-duPont approach by a vote of 18 to 10, and adopted an approach almost identical to the language advocated by the conference committee.

So I do not think we should get too excited about the alleged abandonment of the position of the House. All that is being suggested is that there must be a reasonable effort on the part of the Turkish Government.

The necessity of good faith efforts by Turkey was not even discussed when the House debated this. Furthermore, in order to get substantial progress toward agreement, there might have to be concessions made by the Government of Greece as well as the Government of Turkey. In committee we felt that it was desirable to aim our language, such as it is, only at Turkey, and require that they make good-faith efforts to reach a settlement, not simply to withdraw their troops.

Mr. ROSENTHAL. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. ROSENTHAL. I thank the gentleman for yielding.

As of today is the Government of Turkey making good-faith efforts to reach a negotiated settlement?

Mr. FRELINGHUYSEN. I might say to the gentleman I am not the Secretary of State, nor is the gentleman from New York, and I would think that the only place where such a question could be answered is within the executive branch. I felt misgivings about having this kind of language, affecting our foreign policy, included in the continuing resolution. It is only being discussed here because the House Committee on Foreign Affairs has failed to act on a foreign assistance authorization bill.

Mr. ROSENTHAL. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. ROSENTHAL. Would the gentleman answer my question.

As of tonight is the Government of Turkey making good-faith efforts to reach a negotiated settlement?

Mr. FRELINGHUYSEN. Why does the gentleman ask such a ridiculous question? I do not have any access to highly classified information. I might say to the gentleman he might do me the courtesy of letting me finish my sentence, since he seeks to talk on my time.

I will say that I think it obvious that the Government of Turkey, the Government of Greece, and the Government of Cyprus all would like to get a settlement. It seems to me that it is the better part of wisdom to make that possible. We should encourage the participants to seek a negotiated settlement. We should not simply be aiming at one aspect—the withdrawal of Turkish troops from the Island of Cyprus. Even if that occurs, that is not going to lead to a settlement in itself, I might say to the gentleman.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Illinois.

Mr. ARENDS. I thank the gentleman for yielding.

I wish the gentleman would repeat for the benefit of the Members the action taken by the Committee on Foreign Affairs, again, for the benefit of those who might not have been listening, what action the Committee on Foreign Affairs took.

Mr. FRELINGHUYSEN. The Committee on Foreign Affairs, the day after the vote in the House on this language, approved an amendment which says that aid shall be suspended until the President determines and certifies to the Congress that the Government of Turkey is making a substantial good-faith effort to achieve a negotiated settlement with respect to Cyprus. The vote was 18 to 10.

I might say that the gentleman from New York (Mr. Rosenthal) and the gentleman from Delaware (Mr. du Pont) voted in opposition to this language, but they were in a minority in the committee, where presumably we are worried and concerned about the foreign policy implications of what we are doing.

Mr. ARENDS. If the gentleman will yield further, I will also say to the gentleman that I think he is completely correct, that the Rosenthal amendment has no place whatsoever in this particular conference report.

The SPEAKER. The time of the gentleman has expired.

Mr. MAHON. Mr. Speaker, I yield 2 minutes to the gentleman from Maine (Mr. Kyros).

Mr. KYROS. Mr. Speaker, I rise in strong support of the Rosenthal amendment. As an original sponsor of the resolution cutting off aid to Turkey, I was pleased to cast my vote for this amendment the first time the distinguished gentlemen from New York and Delaware offered it. Today, I am even a more ardent proponent, and urge its adoption by the full House of Representatives again. For several months now, we have patiently waited for diplomatic action to restore stability and peace to the eastern end of the Mediterranean—an area of great strategic value to us. Our waiting has brought little results, and our own U.S. policy has failed because we are still underwriting today the hostile invasion and occupation of Cyprus by a well-armed Turkish army—an army we all know is fully equipped by the United States. It is against our most fundamental national interests to have two NATO allies in open conflict with each other. Also, it is crucial to our security that our 6th Fleet be permitted free access to the lifelines in this end of the Mediterranean, and the Rosenthal amendment is key to this goal. In addition, the past record of events has demonstrated clearly that only a cut off of arms to Turkey will yield a concrete agreement. We must approve this amendment to give the State Department our unmistakable message that they must push for better negotiations with the parties involved—but not at gunpoint. Only after our vast shipment of arms and weapons has ended will real negotiations begin. The vote we take now will assist in bringing the parties to the conference table, the continued flow of arms will not accomplish this. I urge once more the adoption of this amendment.

Mr. CEDERBERG. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. Dennis).

Mr. DENNIS. Mr. Speaker, it seems to me that there may be something more fundamental involved here even than the proper interpretation of the rather general language of the Foreign Assistance Act, and something which is broader than the question presented by the Cyprus problem.

That is the question of the proper constitutional framework of, and the correct conduct of this Government. This is a matter which recurs here in this House quite frequently and which gives me concern. We have a constitutional framework in this country, a framework of our own Government, and the Department of Foreign Affairs, which is an exceedingly important and complicated department, is a department of the executive branch and it is under the jurisdiction of the President of the United States, basically.

We have our proper share here, of course, but we cannot basically run this Government by trying to second guess the Foreign Affairs Department of the Government every time that department deals with a popular political issue. We have tried it time and time again. When we get exercised about this group or that group in this country, a group which seems to have some political attraction for one reason or another, we get up here and orate about foreign affairs, and we do this particularly on appropriation bills where there is no time for adequate debate and which properly have nothing to do with such fundamental questions. It is not just about Cyprus that we do this. We do it with respect to Southeast Asia, and Israel, and foreign trade, and all over the lot. I would feel this way, believe me, if we were under a Democratic administration. I think we ought to give some concern to the constitutional symmetry and to the proper functioning of our own Government, and I do not think we can run this Government in this way.

Mr. MAHON. Mr. Speaker, I yield 4 minutes to the gentleman from Louisiana (Mr. PASSMAN).

Mr. PASSMAN. Mr. Speaker, if we cannot trust the President of the United States, who can we trust?

The President indicates that he cannot live with the Rosenthal amendment. Let us be realistic about this situation and see just where it may lead us. This measure is a continuing resolution covering appropriations and not a foreign policy bill. We must consider what may confront us, Mr. Speaker.

If we should adopt the Rosenthal amendment, in all probability the President will be forced to veto the bill. If aid is cut off from Turkey, we must take into account that Turkey could pull out of NATO, which could be very serious, but that takes on added importance in view of the recent action of Greece with regard to NATO. With Turkey and Greece out of NATO, the Soviet Union would have a free hand in that area and in the Middle East.

The possibility of the United States being able to participate effectively in negotiations on Cyprus would probably be negated by terminating aid to Turkey. I might point out that progress is being made in those negotiations.

Some of the Members in this House have been in touch with the President and some with the Secretary of State concerning this Turkey situation and those Members should get up and indicate that progress is being made.

Mr. Speaker, remember this, if we take this action, in all probability we would lose our influence with Turkey regarding the control of illegal heroin coming into the United States. The United States could also lose overflight rights and wartime basing rights in Turkey.

Why should Turkey be singled out for action of this type when Greece also is involved in the same situation? I know sometimes we let our emotions lead us astray. I also have some Greeks in my district and they are wonderful friends of mine and I do not want to lose their friendship, but we must be realistic and we must trust our President. After all, he does have the responsibility to conduct foreign affairs.

With the tolerance of the Speaker and the Members, let me read slowly the provision the committee brought back from conference. If we trust the President, every person in this House should vote for the amendment we adopted in conference.

The amendment reads as follows:

> SEC. 3. None of the funds herein made available shall be obligated or expended for military assistance, or for sales of defense articles and services (whether for cash or by credit, guaranty, or any other means) or for the transportation of any military equipment or supplies to the Government of Turkey unless and until the President determines and certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, or any agreement entered into under such Acts by making good faith efforts to reach a negotiated settlement with respect to Cyprus.

Why cannot we accept this proposition? We will be coming back in a few weeks from the congressional recess and we can consider this matter in connection with the proper measures. Maybe there will be a different atmosphere and we can legislate then without fear of losing votes back home.

I think we have a provision we can live with, both the Republicans and the Democrats. I think we have something that the President can live with and something that will bring about a negotiated settlement of the situation in Cyprus. I urge its adoption.

Mr. MAHON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have a very serious matter before us. Turkey has a common border with the Soviet Union of a 1,000 miles or more. Turkey is a very strong military country in the eastern Mediterranean area. We need the friendship of the people of Turkey and of the people of Greece and of the whole Mediterranean area. We do not want to do anything that would cause Turkey to withdraw from NATO. Such action would be very detrimental to the best interests of Greece, Turkey, Israel, and the entire eastern Mediterranean area and to the security of Western Europe. The eastern Mediterranean could become more or less a Soviet lake.

So it behooves us to use some degree of discretion in dealing with this problem.

Now, we talk about the Rosenthal amendment, which was adopted when this continuing resolution was before the House. It was adopted by the vote of 307 to 90; but in my judgment if we had voted on the language of the conference agreement at that time, instead of the Rosenthal amendment, it would have been passed by about the same number of votes. In other words, the Members of the House felt that it was their duty to show to the people of this country, including Greek Americans, and to the rest of the world that we were concerned about the situation in the Greek-Turkey-Cyprus area. We did not vote necessarily for every word in the Rosenthal amendment. What we in substance did was vote to express our concern and let Turkey know and let Greece know and let the people in Cyprus know of the concern of the United States. That was our objective. That is the reason for the vote in my opinion.

Today, as reported by the Conference Committee, we are voting on the Rosenthal amendment with a slight modification which was discussed with the appropriate officials of the executive branch. It was their feeling that they could somehow make do with this in their effort to help resolve the problem in Cyprus. One of the most important friends that Greece has, as everybody knows, is the United States. The only way, except for the use of military force, the only major way we have to be helpful to Greece is through our effort to influence Turkey.

If we can stay on talking terms with the Government of Turkey and use our good offices to help bring about an agreement that would enable the people of Turkey to work with the people of Greece in settling the issue in Cyprus, then we have done a great favor—we have done a great favor indeed for Greece. That, in my opinion, is the way that we can proceed to try to help the Greeks, but if we slap Turkey in the face, our influence with Turkey will be seriously damaged.

How can we help the people of Greece? By persuading the Turks that they ought to make a fair settlement of the issues. It seems to me that as a stopgap measure for a few weeks, we could afford to pass and approve the amendment which has been brought back in technical disagreement, let this matter go to the White House for the approval of the President, and go home with confidence that we have done about the best that could be done under the circumstances.

If we want to get this matter involved in a situation which could result in a veto by the President then we can fail to adopt the Conference Committee amendment. The White House has said it can and will endeavor to live with the Conference agreement. Why not live with this for a few weeks and then, when we return after the election, we can work our will through the Foreign Aid Authorization Bill which will have language in it, no doubt, dealing with this issue, and we may also have a final continuing resolution. I would like to hope that the House will express its will by a vote in favor of the position as settled in the conference between the House and Senate.

Therein, we show our concern; we put Turkey on notice; we let the country know that we are concerned about the matter and we give the Secretary of State and the President and those who negotiate an opportunity to work with Turkey rather than destroy the effort of our country to work with the Turkish people.

Therefore, I would plead with the Members of the House to again vote to show our concern; to again extend the warning to Turkey that this matter must be resolved in good faith; and vote for this amendment and give negotiators an opportunity to work effectively.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and the Speaker announced that the nays appeared to have it.

Mr. CEDERBERG. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Sergeant at Arms will notify the absent Members.

PARLIAMENTARY INQUIRY

Mr. MAHON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAHON. Mr. Speaker, are we to vote on the previous question?

The SPEAKER. The Chair understood that the previous question was ordered without objection.

The Chair put the question on the motion of the gentleman from Texas, and then declared that the nays had it. The gentleman from Michigan has objected to the motion on the ground that a quorum is not present. The Chair believes that a quorum is not present, that a rollcall is ordered, and that Members will record their vote by electronic device.

PARLIAMENTARY INQUIRY

Mr. ROSENTHAL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ROSENTHAL. Mr. Speaker, would the Chair entertain a unanimous-consent request to vacate that voice vote if someone made that request?

The SPEAKER. The gentleman from Texas, while in the well, moved the previous question. The Chair said, "Without objection, the previous question is ordered."

Then, the Chair put the question on the motion. There is a rollcall on the board. Those in favor of the motion offered by the gentleman from Texas will vote "yea"; those opposed, will vote "nay."

PARLIAMENTARY INQUIRY

Mr. MAHON. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAHON. Mr. Speaker, if those who wish to adopt the motion made by me, as chairman of the Appropriations Committee, with respect to Greece and Turkey; if they wish to approve the conference report with respect to this matter, they would vote "yea." If they wish to support Mr. ROSENTHAL, they would vote "no"?

The SPEAKER. The question pending is on the motion of the gentleman from Texas. Those in favor of it will vote "yea."

Mr. ROSENTHAL. Is this vote on the previous question?

The SPEAKER. The vote is on the motion.

The vote was taken by electronic device, and there were—yeas 69, nays 291, not voting 74, as follows:

[Roll No. 573]

YEAS—69

Anderson, Ill.
Arends
Biester
Bingham
Bowen
Bray
Breaux
Broomfield
Burleson, Tex.
Burlison, Mo.
Cederberg
Chamberlain
Collier
Davis, Wis.
de la Garza
Dennis
Dulski
Erlenborn
Evins, Tenn.
Fisher
Fountain
Frelinghuysen
Goodling
Green, Oreg.
Griffiths
Gubser
Hamilton
Hastings
Ichord
King
Lott
McEwen
McFall
Madigan
Mahon
Martin, Nebr.
Melcher
Michel
Montgomery
Myers
Passman
Pickle
Price, Tex.
Quie
Robison, N.Y.
Ruppe
Ryan
Schneebeli
Sebelius
Shriver
Shuster
Skubitz
Slack
Smith, N.Y.
Steed
Thornton
Treen
Veysey
Ware
White
Whitten
Wiggins
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Young, Fla.
Zablocki
Zwach

NAYS—291

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Blatnik
Boggs
Boland
Bolling
Brademas
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Collins, Ill.
Collins, Tex.
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fraser
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gray
Green, Pa.
Gross
Grover
Gude
Gunter
Guyer
Haley
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hungate
Hutchinson
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCollister
McCormack
McDade
McKay
McKinney
McSpadden
Macdonald
Madden
Mann
Martin, N.C.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Mezvinsky
Milford
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Patman
Patten
Perkins
Pettis
Peyser
Pike
Price, Ill.
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schroeder
Seiberling
Shipley
Sisk
Smith, Iowa
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Traxler
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Waldie
Walsh
Wampler
Whalen
Williams
Wilson, Bob
Wolff
Wright
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zion

NOT VOTING—74

Adams
Archer
Armstrong
Bell
Blackburn
Brasco
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Carter
Clawson, Del
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Findley
Giaimo
Grasso
Hammerschmidt
Hanna
Hansen, Idaho
Hays
Hébert
Hinshaw
Hosmer
Hudnut
Hunt
Johnson, Colo.
Jones, Okla.
Lujan
Luken
McCloskey
Mallary
Maraziti
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Nelsen
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Shoup
Sikes
Snyder
Steele
Steelman
Stratton
Stuckey
Symington
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Ullman
Whitehurst
Widnall
Young, S.C

So the motion was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Dorn.

Mr. Dominick V. Daniels with Mr. Eckhardt.

Mr. Sikes with Mr. Stuckey.

Mr. Stratton with Mr. Nelsen.

Mr. Adams with Mr. Minshall of Ohio.

Mr. Carey of New York with Mr. Mallary.

Mr. Giaimo with Mr. Widnall.

Mr. Mathis of Georgia with Mr. Hansen of Idaho.

Mr. Rooney of New York with Mr. Robert W. Daniel, Jr.

Mr. Roberts with Mr. Bell.

Mr. Hays with Mr. Cohen.

Mr. Conyers with Mr. Luken.

Mr. Reid with Mr. Conable.

Mr. Diggs with Mr. Tiernan.

Mr. Teague with Mr. Del Clawson.

Mr. Ullman with Mr. Archer.

Mr. Pepper with Mr. Carter.

Mr. Preyer with Mr. Findley.

Mr. Roy with Mr. Blackburn.

Mr. Symington with Mr. Hammerschmidt.

Mr. Hanna with Mr. Brown of Michigan.

Mrs. Grasso with Mrs. Burke of California.

Mr. Jones of Oklahoma with Mr. Hinshaw.

Mr. Mills with Mr. Hudnut.

Mr. Rarick with Mr. Hunt.

Mr. Runnels with Mr. Lujan.

Mr. Shoup with Mr. Maraziti.

Mr. Steele with Mr. Mathias of California.

Mr. Snyder with Mr. McCloskey.

Mr. Symms with Mr. Mitchell of New York.

Mr. Taylor of Missouri with Mr. Pritchard.

Mr. Whitehurst with Mr. Steelman.

Mr. Young of South Carolina with Mr. Towell of Nevada.

The result of the vote was announced as above recorded.

MOTION OFFERED BY MR ROSENTHAL

Mr. ROSENTHAL. Mr. Speaker. I offer a motion.

The Clerk read as follows:

Mr. ROSENTHAL moves that the House recede from its disagreement to Senate amendment numbered 3 and concur therein with an amendment as follows: In lieu of the matter proposed to be inserted by Senate amendment numbered 3, insert the following: "or for the transportation of any military equipment or supplies to Turkey until and unless the President certifies to the Congress that the Government of Turkey is in compliance with the Foreign Assistance Act of 1961, the Foreign Military Sales Act, and any agreement entered into under such Acts, and that substantial progress toward agreement has been made regarding military force in Cyprus."

The SPEAKER. The gentleman from New York is recognized for 1 hour.

Mr. ROSENTHAL. Mr. Speaker. I yield 30 minutes to the distinguished gentleman from Delaware (Mr. DU PONT), pending which I yield myself 5 minutes.

Mr. Speaker, I shall be brief, because we have been up and down this hill not only this afternoon, but previously, but I think it is obligatory on me that I say a few words.

Mr. Speaker, this amendment puts back essentially the same language that the House passed by a previous vote, and also adopts a part of the conferees' language.

In essence, in purpose it does exactly what the House previously wanted, and I think in that sense needs no further explanation.

Mr. Speaker, I merely want to comment briefly, if I might, on the substantive issue.

As all of the Members know, as I said earlier in debate, I spent 3 days in Athens and 3 days in Ankara less than 1 month ago. I talked with senior officials of both governments. My conclusion was that no negotiations could start until Turkey and Greece both understood that U.S. military equipment would cease being an insurmountable obstacle to negotiations. Both countries want to negotiate; both must negotiate but Greece cannot enter into negotiations as long as it faces, and as long as the Greek Cypriot community faces, overwhelming Turkish armed might on the island of Cyprus. Only the United States can stop the continued flow of equipment which so disrupts the political equilibrium as to render negotiations impossible.

To those who want to insure that the United States not become involved further in the Cyprus dispute, let me say that the best assurance would be for the military aid flow to Turkey to stop. As long as our aid continues, Greece cannot negotiate. No country could negotiate in these circumstances.

My amendment restates the House position taken on September 24. It reaffirms the law of this country which clearly says that aid must cease to an aggressor country. It allows the President to resume aid to Turkey only when the concerned parties, which includes Greece and the Greek Cypriot community, in the Cyprus dispute have made "substantial" progress toward agreement on military forces on Cyprus. This means that negotiations must start and progress must be made on the key question of removing the invader force. Until such progress is made the United States should not be, and must not be, in the position of aiding one principal in the dispute.

My amendment says: Obey the law and we will also do the very best thing we can to help the principals into negotiations. This amendment supposes no midnight phone calls, no shuttle diplomacy, and no heavy-handed diplomatic role for the United States. For by obeying our own laws, we will help others solve their problems.

The language of my amendment comes largely from the conferees own language with the important exception that we substitute the House-approved language for that of the State Department.

In conclusion, I ask my colleagues to reaffirm the rule of law which must apply to each person, lowly or exalted, in this land.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

I want to ask the gentleman in the well, Is this the same amendment that we adopted originally when the House was considering this bill?

Mr. ROSENTHAL. This contains exactly the same amendment. However, in the totality, it includes some of the language that the conferees added. They restated the law, but in essence it contains exactly the same language that we passed here when we said that all military assistance must stop until the President certifies that substantial progress has been made regarding military forces in Cyprus. This differs from the conferees language in that they wanted good-faith efforts toward a settlement. It is my view that if we terminate military aid to Turkey, then the parties, themselves, will take a move toward settlement.

Mr. SARBANES. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Maryland.

Mr. SARBANES. I thank the gentleman for yielding.

I want to commend the gentleman from New York for the motion that he has offered and the language that it contains. I think it carries out the view which this House has previously expressed. It makes very clear that the law must be complied with and also carries forward the House language previously adopted, 307 to 90, that there should be substantial progress toward agreement regarding military forces in Cyprus. I commend the gentleman from New York. I hope his motion offering the substitute language will be adopted.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. ROSENTHAL. I yield to the gentleman from Michigan, only for the purpose of asking one question.

Mr. CEDERBERG. I thank the gentleman for yielding.

The gentleman made a statement here about something to the effect that we should intrude into Cyprus regarding the equipment that is already there.

Mr. ROSENTHAL. No, no. I said we cannot intrude into negotiations. We have a responsibility for the U.S. military equipment that is involved in Cyprus now.

Mr. CEDERBERG. That is in Turkey now?

Mr. ROSENTHAL. No, that is on Cyprus.

Mr. CEDERBERG. Equipment on Cyprus. How does the gentleman propose that we intrude?

Mr. ROSENTHAL. No, no. The way we do it is the President determines that. That is his responsibility under the law.

Mr. CEDERBERG. But that does not remove any equipment from Cyprus?

Mr. ROSENTHAL. It will, perhaps, convince the Turkish Government that they ought to take some troops and equipment out of Cyprus. Besides, we had no choice in the matter. The law was violated. The President has a clear duty to abide by the law. He has failed to do that, and we have a responsibility.

Mr. CEDERBERG. I wanted to make it clear the gentleman is not suggesting that this aid cut-off take place and that we have the responsibility to go into Cyprus and take the equipment away from them?

Mr. ROSENTHAL. By no means. By no means.

The SPEAKER. The time of the gentleman has expired.

Mr. DU PONT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am not going to take very long. We all know what the issue is. We can bring it to a vote very quickly.

Let me say to my friends who have been worried about the effect of the action we have been taking in these amendments, this is a good amendment. The language is sensible, and I do not believe it is going to get us into any kind of trouble.

It says, first of all, that before military aid can resume, the President has to certify that the Foreign Assistance Act of 1961 has been complied with. Who can disagree with that? We passed the act here. We intended it to be complied with. It should be complied with.

Second, we say that there must be some substantial progress toward its agreement regarding military forces. That is a much narrower amendment than we were voting on a few moments ago, because it does not get into the whole Cypriot question; it only gets into the question of military forces.

I think this is an amendment which will strengthen the hand of the U.S. Government in negotiations. It will follow up on the announced congressional policy of the Foreign Assistance Act of 1961. I urge adoption of the amendment.

Mr. ROSENTHAL. Mr. Speaker, I yield 3 minutes for debate only to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. Mr. Speaker, there may be those who think that if this amendment is adopted into law many of the problems in the Middle East will disappear and a solution will be forthcoming.

I measure my words when I predict that this action will further complicate the situation. I measure my words when I state that this will tend to jeopardize the interests of the United States in the eastern Mediterranean. I measure my words when I say it will irritate one of the best friends the United States has and one of the most powerful friends the United States has in that part of the world, the Turks.

I want to warn that while the conference position has been decisively overturned, in my opinion what we are doing here will tend to jeopardize the best interests of the United States. Others, of course, have the right to their own views on this problem, but from my standpoint it is a mistake for us to accept this restrictive language. It would have been much better for us to have accepted the language agreed to by the conferees and let the Executive branch of the Government work with our friends in both Greece, and Turkey. We want to be helpful to them. We want to be helpful in settling the Cyprus problems. Mr. Speaker, the adoption of this amendment could gravely threaten NATO. If that happens it would cost us additional billions of dollars in our defense budget and would be hurtful otherwise. The amendment should be defeated.

We are playing with dynamite in this motion. I felt it incumbent upon me to make these remarks.

Mr. ROSENTHAL. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. Brademas).

Mr. BRADEMAS. Mr. Speaker, I thank my colleague, the gentleman from New York. I commend him and the Members of the House on both sides of the aisle for the very strong support that they gave on the last vote to the point of view that is represented by the gentleman from New York and others of us who have spoken on this matter.

The effect of the vote that we have just taken and I believe the effect of the vote that we shall in a moment take will be at least threefold.

In the first place that vote means that the House of Representatives is insistent on upholding the law of the land, is insistent that the U.S. Department of State obey the law of the land.

Second, this vote will do much to enhance the prospect of repairing the terrible breakdown in relationships and disruption of the long friendship between the people of the United States and the people of Greece which has been the result of U.S. siding in the Cyprus situation.

Finally, Mr. Speaker, this vote will, if it is promptly and imaginatively and creatively used by the distinguished Secretary of State, prove to be an effective weapon to get serious negotiations going between both Greece and Turkey with a view toward resolving the grievous wrongs that have been the consequence of his siding on Cyprus and toward establishing an enduring peace there.

Mr. KOCH. Mr. Speaker, 2 weeks ago on September 24, Congressmen Ben Rosenthal and Pierre du Pont offered an amendment to the continuing appropriations bill prohibiting funds for military assistance to Turkey until the President certified to Congress that a satisfactory agreement had been reached regarding military forces in Cyprus. That amendment was opposed by Chairman Mahon and nevertheless it carried overwhelmingly by a vote of 307 to 90.

On September 30 in the Senate an amendment along these same lines was offered by Senator Eagleton reaffirming the statutory penalty applicable to any nation using American arms for other than the purposes for which they have been granted. This amendment carried by a vote of 57 to 20. Subsequently, in the conference committee the conferees violated the intent of both Houses of Congress as expressed in these amendments by diluting their impact and effectively nullifying their intention, which is why I felt compelled to vote against the conference report.

Mr. Speaker, acceptance of the conference version without amending it would allow the administration to continue to violate the law by maintaining military aid to Turkey. My colleague from New York (Mr. Rosenthal) has just moved to amend the administration backed conference version of the Turkish aid cut-off to conform to the intention of the House as expressed 2 weeks ago. Certainly, this motion has my wholehearted support as it directs that all military aid to Turkey be suspended "until the President certifies that substantial progress toward agreement has been made regarding military forces in Cyprus."

We have the opportunity now to nullify this provision of the conference agreement and it is my hope that our vote today for the Rosenthal motion will be as resounding as it was 2 weeks ago for the Rosenthal/du Pont amendment.

The world is witnessing a tragedy in Cyprus and the United Nations, with the Arab/African bloc dominating its actions, is totally indifferent to the military takeover of more than 40 percent of the island of Cyprus by Turkish armed forces. There are more than 200,000 Greek Cypriot refugees now living in tents, who have been refused permission by the Turkish armed forces from crossing over what has been designated by that aggressor force as the "Attila Line," to return to their homes. Winter is approaching. It is criminal that the Security Council refuses to discuss the matter and vote sanctions against Turkey. It is heartbreaking that the United States is a part of that conspiracy of silence.

Mr. Speaker, those of us who are concerned with human rights must speak out and denounce the Turkish aggressor in every forum available to us whether it be in the House of Representatives, the Senate, the U.N. or in the very streets of our cities. Until the Turkish armed forces are removed from Cyprus and that island reverts to civilian democratic government, to be silent is to be a part of the conspiracy.

Mr. Speaker, I must also add that the conference report which I voted against was deficient in other areas as well. It eliminated moneys for assistance to Israel voted by the Senate. It also deleted Senate language cutting off funds for military assistance to Chile. The conference report must be amended. Let us send the conferees back to conference.

GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, at the request of the gentleman from New York I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this matter.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, I move the previous question on the motion.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. Rosenthal).

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANNUNZIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

Mr. ANNUNZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair believes there is a sufficient number to justify a count. The Chair will count.

Two hundred forty-eight Members are present, a quorum.

So the motion was agreed to.

A motion to reconsider was laid upon the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report and on the Senate amendments in disagreement and on the Rosenthal amendment.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDING THE NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT OF 1966

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11541) to amend the National Wildlife Refuge System Administration Act of 1966 in order to strengthen the standards under which the Secretary of the Interior may permit certain uses to be made of areas within the System and to require payment of the fair market value of rights-of-way or other interests granted in such areas in connection with such uses, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Strike out all after the enacting clause and insert: That this Act may be cited as the "National Wildlife Refuge System Administration Act Amendments of 1974".

Sec. 2. Section 4(d) of the Act of October 15, 1966 (80 Stat. 928, 16 U.S.C. 668dd(d)) is amended—

(1) by striking out "(1)" and inserting in lieu thereof "(A)";

(2) by inserting "(1)" immediately after "(d)";

(3) by amending paragraph (2) to read as follows:

"(B) subject to paragraph (2) of this subsection, permit the use of any area within the system for purposes such as, but not necessarily limited to, powerlines, telephone lines, canals, ditches, pipelines, and roads, including the construction, operation, and maintenance thereof, whenever he determines that (i) such use is compatible with the purposes for which the area is established, and (ii) after reviewing all reasonable alternatives to the use of such area, that such use is the most feasible and prudent alternative for such purpose"; and

(4) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, the Secretary of the Interior may not grant to any Federal, State, or local agency or to any private individual or organization any right-of-way, easement, or reservation in, over, across, through, or under any area within the system in connection with any use permitted by him under paragraph (1) (B) of this subsection unless the grantee pays to the Secretary the fair market value (determined by the Secretary as of the date of conveyance) of the right-of-way, easement, or reservation, If any Federal, State, or local agency is exempted from such payment by any other provision of Federal law, such agency shall otherwise compensate the Secretary by any other means agreeable to the Secretary, including, but not limited to, making other land available or the loan of equipment or personnel: *Provided*, That (1) any such compensation shall relate to, and be consistent with, the objectives of the National Wildlife Refuge System, and (2) the Secretary may waive such requirement for compensation if he finds such requirement impracticable or unnecessary. All sums received by the Secretary of the Interior pursuant to this paragraph shall, after payment of any necessary expenses incurred by him in administering this paragraph, be deposited into the Migratory Bird Conservation Fund and shall be available to carry out the provisions for land acquisition of the Migratory Bird Conservation Act (16 U.S.C. 715 et seq.) and the Migratory Bird Hunting Stamp Act (16 U.S.C. 718 et seq.)."

Sec. 3. (a) Any request for permission to use an area within the National Wildlife Refuge System which was filed with the Secretary of the Interior under section 4(d) (2) of the Act of October 15, 1966 (as in effect before the date of the enactment of this Act), and with respect to which the Secretary has not taken final action before such date of enactment shall be treated by the Secretary as having been filed with him pursuant to section 4(d) (1) (B) of the Act of October 16, 1966 (as added by this Act) on such date of enactment.

(b) Section 4(d) (2) of the Act of October 15, 1966 (as added by this Act), shall apply with respect to any right-of-way, easement, or reservation granted by the Secretary of the Interior on or after the date of the enactment of this Act, including any right-of-way, easement, or reservation granted on or after such date in connection with any use permitted by him pursuant to section 4(d) (2) of the Act of October 15, 1966 (as in effect before the date of the enactment of this Act).

Sec. 4. That section 401(e) of the Act of January 15, 1935 (16 U.S.C. 715s(e)), is amended to read as follows:

"(e) Any moneys remaining in the fund after all payments under this section are made for any fiscal year shall be transferred to the Migratory Bird Conservation Fund and shall be available for land acquisition under the provisions of the Migratory Bird Conservation Act (16 U.S.C. 715 et seq.): *Provided*, That the funds available for the management of the National Wildlife Refuge System or for enforcement of the Migratory Bird Treaty Act shall not be diminished by the amendments made to this subsection by the National Wildlife Refuge System Administration Act Amendments of 1974, unless by specific act of Congress.

Mr. DINGELL. Mr. Speaker, the National Wildlife Refuge System consists of wildlife refuges, wildlife ranges, game ranges, wildlife management areas, waterfowl production areas, and areas for the conservation and protection of endangered or threatened species of fish and wildlife. The System is composed of both public domain—85 percent—and acquired lands—15 percent. Many of the acquired lands are purchased with duck stamp receipts.

Mr. Speaker, under present law, the Secretary of the Interior is authorized to permit any area within the System to be used for any purpose such as, but not limited to, powerlines, telephone lines, canals, pipelines, and roads whenever he determines such areas to be compatible with the purposes for which these areas were established.

Mr. Speaker, H.R. 11541, as it passed the House, would amend present law to require the Secretary to determine, not only that the use to be permitted would be compatible with the purposes for which such area was established, but he must also determine that there is no feasible and prudent alternative to such use of such area.

Mr. Speaker, the new test that would be required to be met by the House-passed version of the bill is, in essence, the same test that is required to be met under the Federal-Aid Highway Act of 1968 concerning an application for use of an area within the System for highway purposes. However, under that act, the determination is made by the Secretary of Transportation. H.R. 11541, as it passed the House, would require a similar determination to be made by the Secretary of the Interior regardless of whether the use to which the land would be put was for a highway, canal, pipeline or any other purpose.

Mr. Speaker, H.R. 11541, as it was amended and passed by the Senate would retain the "compatibility test" included in the House-passed version of the bill which, incidentally, is the test that is applied under present law. However, with respect to the additional test contained in the House-passed version of the bill that would require the Secretary of the Interior to determine that "there is no prudent and feasible alternative to such use of such area"; the Senate-passed version of the bill would rewrite the test to provide that "after reviewing all reasonable alternatives to the use of such area, that such use is the most feasible and prudent alternative for such purpose."

Mr. Speaker, the Senate-passed version of the bill would, in effect, authorize the Secretary to permit a route through a unit of the system, such as for a pipeline, highway, et cetera, only after he has made a determination that the route meets the compatibility test and that the route, after studying all reasonable alternatives to the use of such area, is the most feasible and prudent alternative for such purpose.

Mr. Speaker, the Senate amendment to the bill seems to be reasonable under the circumstances, and I urge my colleagues to accept this change.

Mr. Speaker, another change in the bill made by the Senate has to do with the payment of fair market value for any right-of-way, easement, or reservation in, over, across, through, or under any area within the system in connection with any use permitted by the Secretary.

Under the House-passed version of the bill, no right-of-way easement, or reservation could be granted by the Secretary in connection with any permitted use unless the grantee paid fair market value of such use, as determined by the Secretary as of the date of the conveyance. All sums received by the Secretary for such uses would be required to be deposited in the migratory bird conservation fund and earmarked for land acquisition purposes under the Migratory Bird Conservation Act.

Mr. Speaker, the Senate-passed version of the bill retained the language of the House-passed bill that would require the payment of fair market value and the depositing of receipts therefrom into the migratory bird conservation fund, but it made one change with respect to the payment of fair market value for a permissive use as it is related to certain Federal, State, or local agencies. In this regard, the Senate amended the bill to provide that if any Federal, State, or local agency is exempted from paying for such use by any other provision of Federal law, then such agency would be required to otherwise compensate the Secretary for such use by any other means agreeable to the Secretary, such as but not limited to, making other land available or loaning equipment or personnel. Any compensation, other than by payment, would be required to relate to, and be consistent with, the objectives of the system and if the Secretary deemed, in his discretion, that such compensation would be impracticable or unnecessary in view of the circumstances, then he could waive the requirement for compensation.

Mr. Speaker, a good example of Federal law that exempts payment for rights-of-way of this type through a refuge are those obtained under the Federal Aid Highway System and the National System of Interstate and Defense Highways.

Finally, Mr. Speaker, the Senate amended the bill to add a provision relating to the Refuge Revenue Sharing Act that was included in the predecessor bill, H.R. 2286, but which was not included in H.R. 11541, as it passed the House. For the information of the Members, I would like to provide a brief background on this provision of the bill.

Under present law—16 United States Code 715s—all revenues received by the Secretary of the Interior from the sale or other disposition of animals, timber, hay, grass, or other products of the soil, minerals shells, sand, or gravel, from other privileges, or from leases from public accommodations or facilities incidental to, but not in conflict with, the basic purposes for which those areas of the National Wildlife System were established are required to be covered into a separate fund in the U.S. Treasury. At the end of each fiscal year, the Secretary is required to pay out of the net receipts in the fund—which funds are to be expended solely for the benefit of public schools and roads—as follows: First, to each county in which reserved public lands are situated, an amount equal to 25 percent of the net receipts from such reserved public lands in that particular area; and second, to each county in which lands are situated which have been acquired in fee, either three-fourths of 1 percent of the cost of the area, or 25 percent of the net receipts from such area, whichever is greater. All moneys remaining in the fund after payments to the counties are used by the Secretary for management of areas within the System and for enforcement of the Migratory Bird Treaty Act.

The Senate amended H.R. 11541 to provide that any excess receipts—after payment to counties—would be earmarked for the Migratory Bird Conservation Fund for land acquisition, the theory being that these funds would be used to replace lands that are being utilized for purposes other than for which they were intended. In the future, the Secretary would be required to obtain funds with which to manage the areas within the System and enforce the Migratory Bird Treaty Act through regular appropriation channels.

In fact, it was brought out by Interior witnesses at my subcommittee hearings on the predecessor legislation that by fiscal year 1977 revenue sharing to the counties will gradually increase—because of the requirement under present law of adjusting the cost of acquiring lands within the System at 5-year intervals—and the Department will have to resort to the appropriation process for such funds during fiscal year 1977. It is anticipated that after fiscal year 1976 there will be no excess receipts, which currently amount to approximately $1 million per year.

Mr. Speaker, I would like to make it clear—and this is consistent with the language in the Senate report—that in transferring these excess receipts to the Migratory Bird Conservation Fund, this action in no way negates or lessens the responsibility of the Department of the Interior to come forward and obtain through the regular appropriation process the funds that would be necessary for it to carry out its functions and responsibilities to enforce the Migratory Bird Treaty Act and to manage the National Wildlife Refuge System.

Mr. Speaker, I do not want the Members to think that I am advocating an increase in the sale and utilization of the various resources within the System as a way of obtaining additional revenues for this fund, but we have to find some permanent source—other than appropriations—for acquiring wildlife habitat in the future. The main source for such acquisitions at the present and, as a matter of fact, in the foreseeable future is from duck stamp sales which are running about $12 million per year. After fiscal year 1976, when three-fourths of such receipts will be used to pay off the loan under the Wetlands Accelerated Acquisition Act—which amounts to approximately $85 million at this time—there will only be about $3 to $4 million remaining to be used for acquisition purposes.

Mr. Speaker, in view of the present energy crisis and the demands being made upon these Federal areas, one of these days mineral receipts from refuges may run into the millions annually, and this would appear to be a good time to earmark this possible source of revenue for land acquisition. I congratulate the Senate for adding this provision to the bill.

Mr. Speaker, I think this is a good piece of legislation and one that is greatly needed. The House considered this legislation earlier in the year at which time it passed by Voice Vote under Suspension of the Rules. I ask the House once again to declare its support for this measure.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FREEDOM OF INFORMATION ACT AMENDMENTS

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I call up the conference report on the bill (H.R. 12471) to amend section 552 of title 5, United States Code, known as the Freedom of Information Act, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of September 25, 1974.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, since the text of the conference report has been printed with the amendment and also printed in the CONGRESSIONAL RECORD of Wednesday, September 25, 1974, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on March 14 of this year this important bill to make a number of needed procedural and substantive amendments to the Freedom of Information Act of 1966 was considered by the House and passed by the overwhelming vote of 383 to 8. A Senate version of the bill was considered by that body and passed on May 30 by a vote of 64 to 17. The Senate bill contained several amendments not previously considered by the House, two of which were of considerable significance. One dealt with the imposition of administrative sanctions against Government officials or employees for the improper withholding of information under the law and the second amendment tightens loopholes in the exemption dealing with law enforcement records. There were also a number of important differences in language between the two bills on amendments contained in both the House and Senate versions.

The conference committee met on four separate occasions to resolve differences between the House and Senate bills, reaching final agreement on August 21, except for minor technical changes in language that were resolved after the Labor Day congressional recess. Mr. Speaker, I will now indicate the major changes in the House bill that have resulted from the conference:

First, the conference version directs each Federal agency to issue regulations covering the direct costs of searching for and duplicating records requested under the Freedom of Information Act. It also provides that an agency may waive the fees if it determines that it would be in the public interest.

Second, the Senate bill contained a provision authorizing Federal courts—in Freedom of Information Act cases—to impose a sanction of up to 60-days suspension from employment against a Federal official or employee which the court found to have been responsible for withholding the requested records without "reasonable basis in law." This amendment, the most controversial part of the conference committee's deliberations, was opposed by many House conferees on the grounds that it gave the court such unusual disciplinary powers over Federal employees. After extensive discussion over 3 days of meetings, the conferees reached a reasonable compromise—if the court finds for the plaintiff and against the Government and awards attorney fees and court costs, and if the court makes a written finding that circumstances surrounding the withholding raise questions whether the Federal agency personnel acted "arbitrarily or capriciously," the Civil Service Commission must initiate a proceeding to determine whether or not disciplinary action is warranted against the responsible Federal official or employee. The Civil Service Commission would then investigate the circumstances, may hold hearings, and otherwise proceed in accordance with regular civil service procedures. The employee has full rights of due process and the right to appeal any adverse finding by the Commission. If the Commission's decision is against the Federal official or employee, it would submit its findings and disciplinary recommendations for suspension to the affected agency, which would then impose the suspension recommended by the Commission.

Mr. Speaker, there has been some misunderstanding about this sanction provision and I trust that this explanation will help clarify our intent. I seriously doubt that such procedures will actually be invoked except in unusual circumstances. Its inclusion in the law will make it crystal clear that Congress expects that this law be strictly adhered to by all Federal agency personnel and that withholding of Government records be only when clearly authorized by one of the nine exemptions contained in the freedom of information law.

Mr. Speaker, at this point in the Record, I would like to include a letter sent to all members of the conference committee by Mr. John A. McCart, operations director of the AFL–CIO Government Employees Council in which his organization—representing some 30 unions and 1.5 million Federal and postal employees—endorses the compromise sanction provisions contained in this bill:

GOVERNMENT EMPLOYEES
COUNCIL—AFL–CIO,
Washington, D.C., September 10, 1974.
Hon. William Moorhead,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Moorhead: Because of your membership on the conference committee on H.R. 12471 (Freedom of Information Act Amendments), we believe you will be interested in the views of our organization on the provision affecting Federal officers and employes in connection with alleged violations. Thirty AFL–CIO unions representing more than 1.5 million Federal and postal workers comprise the Council.

Our concern with the original language in the measure is that it permitted Federal courts to impose administrative penalties on employes where violations were confirmed by the courts. This arrangement would deprive postal and Federal employes of due process permitted under existing laws governing disciplinary actions. Moreover, the language could open lower level employes to court imposed discipline, even though they were acting in keeping with instructions from higher level officials.

Section A 4(f) of the measure agreed to by the conferees on August 21 is much less onerous. In cases where Federal courts find a violation exists and believe disciplinary action may be justified, the matter will be referred to the Civil Service Commission for processing through the employing agency. Under this procedure, we assume employes will be entitled to the appellate rights normally available in current statutes applicable to the Federal service.

The Council urges acceptance of the conference agreement of August 21.

Respectfully yours,
JOHN A. MCCART,
Operations Director.

TEXT OF M'CART LETTER

Finally, Mr. Speaker, another provision of the Senate bill, not previously considered by the House but included in the conference bill, is an amendment to section 552(b)(7), the exemption in the law dealing with law enforcement records. Under recent court decisions, the language of the present law has been interpreted as almost a blanket exemption against the disclosure of any "law enforcement files," even if they have longsince lost any requirement for secrecy.

The bill now contains modified language of the amendment sponsored by the Senator from Michigan, Mr. Hart, and adopted in that body by a vote of 51 to 33, which tightens up the loopholes of the seventh exemption by providing six specific areas of criteria under which agency withholding of information is permitted. Certain of these criteria were the subject of compromise language to accommodate unusual requirements of some agencies such as the Federal Bureau of Investigation.

Mr. Speaker, before yielding to other members of the committee, I would like to refer briefly to communications between the conference committee on this legislation and President Ford. During the meetings of the committee and only a few days after his swearing in, President Ford requested a delay in our proceedings to give him an opportunity to study the bill and agreements already reached by the conferees. We unanimously agreed to this request. On August 20, President Ford sent a letter to the conference committee setting forth his views in four major areas—sanctions, the in camera review language that was virtually identical in both House and Senate bills, the law enforcement exemption amendment, and the provision for discretionary award by the courts of attorney fees and court costs to successful Freedom of Information Act plaintiffs.

Mr. Speaker, the conferees seriously considered each of the points made by President Ford in his letter and have gone "more than halfway" to accommodate his views. We modified the sanction provision of the bill. We included language on the in camera review part of the conference report to clarify congressional intent along the lines he suggested. We modified two provisions of the law enforcement exemption language to meet points he raised. We had already acted to clarify our intent that corporate interests not be subsidized by the award of attorney fees and court costs in freedom of information cases. The conference committee made every effort to cooperate with the President in our consideration of this measure and feel that we have acted responsibly to deal with each of the questions he raised in his letter. I ask unanimous consent to insert in the Record at ths point the text of President Ford's letter to me, dated August 20, 1974, and the text of the responsive letter from Senator Kennedy and myself, dated September 23, 1974, which sets forth conference action on each of the major points he raised:

THE WHITE HOUSE,
Washington, D.C., August 20, 1974.
Hon. William S. Moorhead,
House of Representatives,
Washington, D.C.

Dear Bill: I appreciate the time you have given me to study the amendments to the Freedom of Information Act (H.R. 12471) presently before you, so that I could provide you my personal views on this bill.

I share your concerns for improving the Freedom of Information Act and agree that now, after eight years in existence, the time is ripe to reassess this profound and worthwhile legislation. Certainly, no other recent legislation more closely encompasses my objectives for open Government than the philosophy underlying the Freedom of Information Act.

Although many of the provisions that are now before you in Conference will be expensive in their implementation, I believe that most would more effectively assure to the public an open Executive branch. I have always felt that administrative burdens are not by themselves sufficient obstacles to prevent progress in Government, and I will therefore not comment on those aspects of the bill.

There are, however, more significant costs to Government that would be exacted by this bill—not in dollar terms, but relating more fundamentally to the way Government, and the Executive branch in particular, has and must function. In evaluating the costs, I must take care to avoid seriously impairing the Government we all seek to make more open. I am concerned with some of the provisions which are before you as well as some which I understand you may not have considered. I want to share my concerns with you so that we may accommodate our reservations in achieving a common objective.

A provision which appears in the Senate version of the bill but not in the House version requires a court, whenever its decision grants withheld documents to a complainant, to identify the employee responsible for the withholding and to determine whether the withholding was "without [a] reasonable basis in law" if the complainant so requests. If such a finding is made, the court is required to direct the agency to suspend that employee without pay or to take disciplinary or corrective action against him.

Although I have doubts about the appropriateness of diverting the direction of litigation from the disclosure of information to career-affecting disciplinary hearings about employee conduct, I am most concerned with the inhibiting effect upon the vigorous and effective conduct of official duties that this potential personal liability will have upon employees responsible for the exercise of these judgments. Neither the best interests of Government nor the public would be served by subjecting an employee to this kind of personal liability for the performance of his official duties. Any potential harm to successful complainants is more appropriately rectified by the award of attorney fees to him. Furthermore, placing in the judiciary the requirement to initially determine the appropriateness of an employee's conduct and to initiate discipline is both unprecedented and unwise. Judgments concerning employee discipline must, in the interests of both fairness and effective personnel management, be made initially by his supervisors and judicial involvement should then follow in the traditional form of review.

There are provisions in both bills which would place the burden of proof upon an agency to satisfy a court that a document classified because it concerns military or intelligence (including intelligence sources and methods) secrets and diplomatic relations is, in fact, properly classified, following an *in camera* inspection of the document by the court. If the court is not convinced that the agency has adequately carried the burden, the document will be disclosed. I simply cannot accept a provision that would risk exposure of our military or intelligence secrets and diplomatic relations because of a judicially perceived failure to satisfy a burden of proof. My great respect for the courts does not prevent me from observing that they do not ordinarily have the background and expertise to gauge the ramifications that a release of a document may have upon our national security.

The Constitution commits this responsibility and authority to the President. I understand that the purpose of this provision is to provide a means whereby improperly classified information may be detected and released to the public. This is an objective I can support as long as the means selected do not jeopardize our national security interests. I could accept a provision with an express presumption that the classification was proper and with *in camera* judicial review only after a review of the evidence did not indicate that the matter had been reasonably classified in the interests of our national security. Following this review, the court could then disclose the document if it finds the classification to have been arbitrary, capricious, or without a reasonable basis. It must also be clear that this procedure does not usurp my Constitutional responsibilities as Commander-in-Chief. I recognize that this provision is technically not before you in Conference, but the differing provisions of the bills afford, I believe, grounds to accommodate our mutual interests and concerns.

The Senate but not the House version amends the exemption concerning investigatory files compiled for law enforcement purposes. I am concerned with any provision which would reduce our ability to effectively deal with crime. This amendment could have that effect if the sources of information or the information itself are disclosed. These sources and the information by which they may be identified must be protected in order not to severely hamper our efforts to combat crime. I am, however, equally concerned that an individual's right to privacy would not be appropriately protected by requiring the disclosure of information contained in an investigatory file about him unless the invasion of individual privacy is *clearly unwarranted*. Although I intend to take action shortly to address more comprehensively my concerns with encroachments upon individual privacy, I believe now is the time to preclude the Freedom of Information Act from disclosing information harmful to the privacy of individuals. I urge that you strike the words "clearly unwarranted" from this provision.

Finally, while I sympathize with an individual who is effectively precluded from exercising his right under the Freedom of Information Act because of the substantial costs of litigation, I hope that the amendments will make it clear that corporate interests will not be subsidized in their attempts to increase their competitive position by using this Act. I also believe that the time limits for agency action are unnecessarily restrictive in that they fail to recognize several valid examples of where providing flexibility in several specific instances would permit more carefully considered decisions in special cases without compromising the principle of timely implementation of the Act.

Again, I appreciate your cooperation in affording me this time and I am hopeful that the negotiations between our respective staffs which have continued in the interim will be successful.

I have stated publicly and I reiterate here that I intend to go more than halfway to accommodate Congressional concerns. I have followed that commitment in this letter, and I have attempted where I cannot agree with certain provisions to explain my reasons and to offer a constructive alternative. Your acceptance of my suggestions will enable us to move forward with this progressive effort to make Government still more responsive to the People.

Sincerely,

GERALD R. FORD.

WASHINGTON, D.C.,
September 23, 1974.

Hon. GERALD R. FORD,
President of the United States, The White House, Washington, D.C.

DEAR MR. PRESIDENT: We were most pleased to receive your letter of August 20 and to know of your personal interest in the amendments to the Freedom of Information Act being considered by the House-Senate conference committee. And we appreciate your recognition of the fundamental purposes of this milestone law and the importance you attach to these amendments. They of course would provide support for your own policy of "Open government" which is so desperately needed to restore the public's confidence in our national government.

When we received your letter, all of the members of the conference committee agreed to your request for additional time to study the amendments and have given serious consideration and careful deliberations to your views on each of the major concerns you raised. The staffs of the two committees of jurisdiction have had several in-depth discussions with the responsible officials of your Administration. Individual Members have also discussed these points with Justice Department officials.

At our final conference session we were able to reopen discussion on each of the major issues raised in your letter. We believe that the ensuing conference actions on these matters were responsive to your concerns and were designed to accommodate further interests of the Executive Branch.

You expressed concern in your letter about the constitutionality and wisdom of court-imposed penalties against Federal employees who withhold information "without a reasonable basis in law." This provision has been substantially modified by conference action.

At our last conference meeting, after extensive debate and consideration, a compromise sponsored by Representative McCloskey and modified by Senate conferees was adopted. This compromise leaves to the Civil Service Commission the responsibility for initiating disciplinary proceedings against a government official or employee in appropriate circumstances—but only after a written finding by the court that there were "circumstances surrounding the withholding (that) raise questions whether agency personnel acted arbitrarily or capriciously with respect to the withholding." The actual disciplinary action recommended by the Commission, after completion of its standard proceedings, would actually be taken by the particular agency involved in the case.

We feel that this is a reasonable compromise that basically satisfies your objections to the original Senate language.

You expressed fear that the amendments afford inadequate protection to truly important national defense and foreign policy information subject to *in camera* inspection by Federal courts in freedom of information cases. We believe that these fears are unfounded, but the conference has nonetheless agreed to include additional explanatory language in the Statement of Managers making clear our intentions on this issue.

The legislative history of H.R. 12471 clearly shows that the *in camera* authority conferred upon the Federal courts in these amendments is *not mandatory, but permissive* in cases where normal proceedings in freedom of information cases in the courts do not make a clear-cut case for agency withholdings of requested records. These proceedings would include the present agency procedure of submitting an affidavit to the court in justification of the classification markings on requested documents in cases involving 552(b)(1) information.

The amendments in H.R. 12471 do not remove this right of the agency, nor do they change in any way other mechanisms available to the court during its consideration of the case. The court may still request additional information or corroborative evidence from the agency short of an *in camera* examination of the documents in question. Even when the *in camera* review authority is exercised by the court, it may call in the appropriate agency officials involved to discuss any portion of the information or affidavit furnished by the agency in the case.

The conferees have agreed to include language in the Statement of Managers that reiterates the discretionary nature of the *in camera* authority provided to the Federal courts under the Freedom of Information Act. We will also express our expectation that the courts give substantial weight to the agency affidavit submitted in support of the classification markings on any such documents in dispute.

Thus, Mr. President, we feel that the conference committee has made an effort to explain our intentions so as to respond to your objections on this important area of the amendments, operating as we must within the scope of the conference authority because of the virtually identical language in both the House and Senate versions on H.R. 12471.

The conference committee has also acted affirmatively to satisfy your major objections to the proposal amendment to subsection (b)(7) of the Freedom of Information Act, dealing with specific criteria for the withholding of Federal investigatory records in the law enforcement area.

The conference committee had already added an additional provision, not contained in the Senate-passed bill, which would permit withholding of information that would "endanger the life or physical safety of law enforcement personnel." This made it substantially identical to the language recommended by then Attorney General Richardson during Senate hearings on the bill and endorsed by the Administrative Law Section of the American Bar Association.

After reviewing the points made in your letter on this point, the conference committee also agreed to adopt language offered by Senator Hruska to permit the withholding of the *information* provided by a confidential source to a criminal law enforcement authority during the course of a criminal or "lawful national security intelligence investigation." The Federal agency may, in addition, withhold the identification of the confidenital source in *all* law enforcement investigations—civil as well as criminal.

To further respond to your suggestion on the withholding of information in law enforcement records involving personal privacy the conference committee agreed to strike the word "clearly" from the Senate-passed language.

You expressed concern that the amendments to the Freedom of Information Law authorizing the Federal courts to award attorney fees and litigation costs not be used to subsidize corporate interests who use the law to enhance their own competitive position.

The members of the conference committee completely share your concern in this connection, and the Statement of Managers will reflect mutual view that any award of fees and costs by the courts should not be automatic but should be based on presently prevailing judicial standards, such as the general public benefit arising from the release of the information sought, as opposed to a more narrow commercial benefit solely to the private litigant.

You also suggest that the time limits in the amendments may be unnecessarily restrictive. The conference adopted at its first meeting the Senate language allowing agencies an additional ten days to respond to a request or determine an appeal in unusual circumstances. Pursuant to your suggestion we included language from the Senate version making clear that a court can give an agency additional time to review requested materials in exceptional circumstances where the agency has exercised due diligence but still could not meet the statutory deadlines.

In conclusion, Mr. President, we appreciate your expression of cooperation with the Congress in our deliberations on the final version of this important legislation. In keeping with your willingness "to go more than halfway to accommodate Cohgressional concerns", we have given your suggestions in these five key areas of the bill renewed consideration and, we feel, have likewise gone "more than halfway" at this late stage.

We welcome your valuable input into our final deliberations and appreciate the fine cooperation and helpful suggestions made by various staff members and officials of the Executive branch. It is our hope that the fruits of these joint efforts will make it possible for the Senate and House to act promptly on the conference version of H.R. 12471 so that this valuable legislation will be enacted and can be signed into law before the end of the month.

With every good wish,

Sincerely,

EDWARD M. KENNEDY,
Chairman, Senate Confereees.
WILLIAM S. MOORHEAD,
Chairman, House Conferees.

Mr. Speaker, our committee has worked for more than 3 years in investigations, studies, legislative hearings, and careful drafting of this legislation to strengthen and improve the operation of the Freedom of Information Act. It has been passed by overwhelming votes in both the House and Senate. The conferees have labored hard and long to reconcile the differences between the two versions of the bill and have arrived at reasonable compromises on each of the major issues in dispute. We have a good bill. We have a fair and workable bill that will plug major loopholes in the present Freedom of Information Law.

In remarks soon after he took office, President Ford pledged to the American people an "open Government." Enactment of these amendments to the freedom of information law and their prompt signing into law will be the important first step toward the achievement of this badly needed objective of "open Government" and a restoration of the faith of the American public in the institution of government—faith that has been so seriously eroded over the last several years.

In conclusion, Mr. Speaker, I would like to call attention to the language of the statement of managers on page 15 of House Report No. 1320 which clarifies the intent of Congress with respect to the impact of this legislation on the Corporation for Public Broadcasting. The gentleman from California (Mr. VAN DEERLIN) raised such questions during a colloquy when the bill was debated last March. This language makes it clear that the definition of "agency" for purposes of Freedom of Information Act matters does not include the Corporation for Public Broadcasting.

I had sought assurance that CPB would follow the open government principles of the Freedom of Information Act in its information activities—even though they were not specifically covered by that act—so as to serve the public interest. I am pleased that CPB has reaffirmed that position in correspondence with me. At this point in the RECORD I include two letters from Mr. Henry Loomis, president of CPB, in which he sets forth such assurances:

CORPORATION FOR
PUBLIC BROADCASTING,
Washington, D.C., September 23, 1974.

Hon. WILLIAM S. MOORHEAD,
Chairman, Subcommittee on Foreign Operations and Government Information,
Washington, D.C.

DEAR MR. MOORHEAD: On behalf of the Board and Management of the Corporation for Public Broadcasting, I wish to congratulate you and the House Conferees on the Freedom of Information amendments (HR 12471) recently reported by the Conferees. We believe the amendments serve a very real public need and will, when implemented, reward the wisdom and dedication of the House Members in the Freedom of Information area. We are most encouraged by the recognition, in the Conference Reports, of CPB's unique status as a private, nonprofit corporation dedicated to the purposes set out in the Public Broadcasting Act of 1967.

The Conferees' generous and statesmanlike response to CPB's comments on the pending legislation prompt us to reaffirm CPB's traditional commitment to freedom of information principles, and to pledge fullest implementation of these principles in CPB's operations, consistent with its private status and constitutionally protected activities in the area of broadcast program support. You have our full assurance of CPB's continued dedication to the spirit of the Freedom of Information Act.

Sincerely,

HENRY LOOMIS.

CORPORATION FOR
PUBLIC BROADCASTING,
Washington, D.C.

Hon. WILLIAM MOORHEAD,
House of Representatives,
Washington, D.C.

DEAR MR. MOORHEAD: In my letter to you of September 23, it was my pleasure to reaffirm CPB's "fullest implementation of freedom of information principles in CPB's operations, consistent with its private status and constitutionally protected activities in the area of broadcast program support."

In order to add some specifics to that general commitment, I should like to describe current CPB practices regarding the dissemination of information relating to CPB activities, and regarding requests for information about CPB activities from the press and the public.

All of CPB's public information activities are coordinated by our Office of Public Affairs. The Office of Public Affairs is located at the Corporation for Public Broadcasting, 888 16th Street, N.W., Washington, D.C. 20006 Phone (202) 293–6160).

This office publishes the following informational documents relating to CPB activities:

(1) The Annual Report of the Corporation for Public Broadcasting which represents "a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments . . . [including] such recommendations as the Corporation determines appropriate", required by the Public Broadcasting Act of 1967, as amended, (47 U.S.C. 396(i)). This report is submitted to the President for transmittal to the Congress on or before the 31st day of December of each year. After transmittal to the Congress it is available to all who request it from the CPB Public Affairs Office.

(2) The CPB *Report*, a weekly newsletter containing reports of official CPB Board and Management actions and activities, as well as additional information of interest to public broadcasting stations, viewers, listeners, and citizens.

(3) Press releases, containing official reports and statements of the CPB Board and management. Such releases are issued from time to time as, in the opinion of the Public Information Office, they are required.

(4) CPB testimony before legislative, oversight, and appropriations committees and subcommittees of the U.S. Congress. These comprehensive statements on CPB activities, financial conditions, projects, and accomplishments are routinely duplicated for convenient public access by request to the Public Affairs Office. In addition, these statements, together with the transcripts of questions and answers before Congressional committees, are routinely published and available as Congressional documents.

(5) Technical studies, final grant reports, etc. From time to time, the Corporation commissions research and development or other projects that result in the presentation of reports, monographs, statistical compilations, and other written materials of interest to the public broadcasting community or the public at large. The availability of all these materials is noted in the CPB Annual Report, CPB *Reports*, or CPB press releases. Copies of these materials are available upon request at the Public Affairs Office (in limited numbers).

Requests for information or documents coming to CPB employees from the press, the general public or others not dealing with CPB in its business operations are routinely referred to the Public Affairs Office. It is the practice of the Corporation to provide information specifically requested in every instance in which furnishing such information will not:

(1) divulge confidential personnel information regarding individual employees without their consent; or

(2) divulge financial or trade secret data acquired from any person under a promise of confidence; or

(3) impair CPB ability to:

(a) conduct its activities free from the "extraneous interference and control" Congress sought to bar in authorizing establishment of CPB as a private nongovernment corporation [47 U.S.C. 396(a)(6)].

(b) "carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities." [47 U.S.C. 396(g)(1)(D)];

(c) avoid ". . . any direction, supervision, or control of educational broadcasting; or over the charter or bylaws of the Corporation; or over the curriculum, program of construction, or personnel of any educational institution, school system, or educational broadcasting station or system" by "any department, agency, officer, or employee of the U.S. . . ." [47 U.S.C. 398]; or

(d) conduct its activities as a private, "nonprofit corporation . . . which will not be an agency or establishment of the United States Government." [47 U.S.C. 396(b)]; or

(4) otherwise compromise the constitutionally protected activities of the Corporation, stations, or systems, in the broadcast program area.

I am sure you will recognize that CPB's practices regarding public access to CPB information are consistent with, and in a number of instances, actually exceed principles of access applicable to government agencies under the Freedom of Information Act and the amendments recently considered by House and Senate conferees. I stress again that CPB's voluntary commitment to freedom of information principles is a continuing one, limited only by the sensitive nature of some of its functions. I doubt that you will find another private corporation so committed to public understanding of its work and activities.

Sincerely,

HENRY LOOMIS.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, on a matter of such importance, particularly in the light of what we have gone through this year with respect to Watergate, I would hope we could have enough order so that all Members of the House who are interested in this can hear what the gentleman is saying.

If I may proceed just a little further, in my mind the whole conspiracy aspect of Watergate was made possible because of the abuses of the power of people in the executive branch to keep matters secret. The distinguished gentleman from Pennsylvania is talking about what the conferees have done to remedy this situation. I think we deserve to understand exactly what the conferees did.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the gentleman is entirely correct. That is the thrust of the legislation as passed by this body and passed by the other body and reported back through conference.

The other major change in the bill was tightening up loopholes on public access to law enforcement records, and I think the conferees have reached a very good compromise which we can endorse to all the Members of the House.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I now yield to the able gentleman from Arkansas (Mr. ALEXANDER), a member of our Foreign Operations and Government Information Subcommittee, who has made such a significant contribution to this legislation as a House conferee.

Mr. ALEXANDER. Mr. Speaker, I note that section 3 of this act requires each agency to file an annual report with the Speaker of the House and the President pro tempore of the Senate. These annual reports are to contain specific information as enumerated in the act. Following this enumeration there is a requirement that the "Attorney General shall submit an annual report on or before March 1 of each calendar year which shall include for the prior calendar year" certain information regarding litigation brought under the Freedom of Information Act, as well as a description of action taken by the Department of Justice to encourage compliance with the act.

Is it the intent of this section that the Department of Justice file two annual reports?

Mr. MOORHEAD of Pennsylvania. The answer is yes. The Department of Justice, as an agency, just as any other agency, is required to file an annual report containing specific activities of the Department of Justice in complying with the requests under the Freedom of Information Act; to wit, that additionally the Attorney General is required to file a second report dealing with the activities of the Department of Justice in its role as legal counsel to all of the other agencies under the Freedom of Information Act.

Mr. ALEXANDER. Mr. Speaker, truth is the foundation of democracy. Thomas Jefferson said:

> Whenever the people are well-informed, they can be trusted with their government, because whenever things get so far wrong to attract their notice, they can be relied on to set them right.

Our democracy is based on truth. Our Declaration of Independence declares that all men are created equal, and that we are endowed with the unalienable right of liberty; that to secure our liberty we established a representative democracy; and that our Government derives its powers from the consent of the governed.

But, the very survival of democracy depends on an informed citizenry. Therefore, if we are to survive as a free nation, we must not tolerate deception in government. If the basis of government is the consent of the governed from which it derives its just powers; then, clearly, unjust powers of government can also be consented to by the governed.

But, once the consent to unjust power is given, liberty can soon be replaced by tyranny. And, once tyranny is established, it no longer matters whether the governed consent, or not.

That's why government deception supported by official secrecy causes Americans to become frustrated, powerless, and dissatisfied with elected officials.

Our action here today in adopting the conference report on the Freedom of Information Act Amendments may prove to be one of the most significant steps we have taken in returning the U.S. Government to the hands of the American people. Unfortunately, our action did not come early enough to prevent the scandals which have rocked the Nation in the last year and which have rallied all people behind the cause of open government.

For although the people of this country have the power to go to the polls to record their wishes, they are denied the information with which to make wise decisions. Over the years, as our bureaucracy has expanded unchecked, a curtain of secrecy has fallen over its operations, a curtain only slightly less penetrable than the one which surrounds the Communist bloc.

Since the enactment of the first housekeeping statutes under George Washington for the purpose of allowing department heads to adopt regulations governing the custody, use, and preservation of official Government documents, the executive branch has become more and more effective in twisting these laws into an excuse for hiding information and documents from the American people.

Why do we have this secrecy in Government? In many instances, it appears that it is simpler for our Government officials to have a "secret" stamp on hand than to go to the trouble of digging up the information to answer a lot of questions. This same "secret" stamp makes it easier to hide the errors of judgment and the favors of politics which could be damaging to the men in control.

I have read reports of some pretty absurd uses of our information classification system. For instance, during the Korean war, the Department of Labor would not give out the details of the armed services purchase of peanut butter, contending that a clever enemy could deduce from these purchases the approximate number of men in the services. Yet at the same time the Department of Defense was releasing mimeographed sheets with a breakdown of the exact number of men in the Army, Navy, and Air Force.

Things have not improved much over the years, I am afraid, even though the passage of the 1967 Freedom of Information Act was a giant step in returning to the public access to their own public documents.

And although in the 1970's I am not really concerned with supplies of peanut butter, I am most concerned with the price and availability of the bread it is spread on and the effect that the sale of grain and wheat to Russia has had on its cost to the American consumer.

Now let me briefly outline the difficulties I have had in my unsuccessful efforts to obtain information on this deal.

In the fall of 1973, I began an extensive investigation of the transactions behind the Russian grain deal. As a Member of Congress and as a member of the Intergovernmental Relations Subcommittee of the Committee on Government Operations—the committee charged with the investigative powers of the House of Representatives—I sought information on the wheat subsidies paid to each exporting company since July 8, 1972. I also requested information on the status and background of the investigation being conducted by the Department of Justice on the alleged Kansas City Wheat Market price fixing by certain individuals or grain companies. I made my requests through communications with Secretary of Agriculture Earl Butz, ASCS Administrator Kenneth Frick, Acting Attorney General Robert Bork, FBI Director Clarence Kelley, the Commodity Exchange Authority, and Assistant Attorney General Henry E. Peterson.

In each case, I was told that the information I requested was either not available or that it could not be made available to me. I was told that the FBI could not release the details of the investigation and that we must rely on the FBI's judgment that there had not been any illegal activities connected with the sale.

The investigations were secret, but it was no secret that bread prices were higher and the American people were not ready to accept such a decision from the FBI without having access to the facts that would back up such a judgment.

As long as a man is informed, he can usually take action to insure that his other rights are not violated. If I, as a Member of Congress and the Government Operations Committee, who works daily with the bureaucracy, become frustrated when I am denied access to information vital to the public welfare, what about John Q. Citizen and his efforts to get the information he needs?

In conclusion, let me relate one more "horror" story. In 1971, a public interest group asked the Department of Agriculture for some information on pesticides. The Department told them they would have to be a little more specific as to what they wanted.

The group asked the Department for their index of files on pesticides so that they could specifically state the information needed. In response to this request, USDA not only denied them access to the index, stating that the index itself was a secret, but also restated their refusal to release the information on pesticides without the appropriate index number. Fortunately this particular group had the resources to go to court and sue for the information, which the court ordered released.

However, the case did not end here. Undaunted, USDA replied that they would be glad to release a copy of the information, but it would cost $91,000 and take a year and a half to get it together.

The group again went to court where USDA was told by the court to stop fooling around and release the information that was requested.

I shudder to think of the amount of time, energy, and money wasted in this process.

The enactment of these amendments to the Freedom of Information Act will put an end to the ridiculous delays, excuses, and bureaucratic runarounds which have denied U.S. citizens their "right to know" and made Americans a captive of their own Government.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from Iowa.

Mr. GROSS. Are the amendments adopted by the conference germane to the bill?

Mr. MOORHEAD of Pennsylvania. In my opinion they are.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD of Pennsylvania. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Can the gentleman tell us what happens to the provision in the bill where certain judges were permitted to make national security determinations?

Mr. MOORHEAD of Pennsylvania. Yes. The bill contains the requirement, which is in the House bill, that, where there is a stamp, a classification stamp, the court could go behind that, but we specified that the court should give great weight to an affidavit by the Department that this was properly classified. What we are trying to overrule is the situation described in the famous Mink case, where the court said to the Congress, no matter how frivolous or capricious the classification should be, that the court could not go behind it.

Mr. ERLENBORN. Mr. Speaker, I yield myself 5 minutes.

Mr. ERLENBORN. Mr. Speaker, I rise in support of the conference report on H.R. 12471, the Freedom of Information Act amendments.

Mr. Speaker, this bill passed with a rather overwhelming vote in the House, and there were only a few questions to be adjusted by the House and the Senate. These amendments to the Freedom of Information Act I think are those that all Members can support. We are acting at this time in a way that is consonant with the times, and that is making information more readily available from the Government to members of the general public.

One of the questions that was raised in the conference, and was most difficult to resolve, was the question of an amendment proposed by the other body. It was incorporated in the bill as passed by the other body and would have allowed a sanction to be imposed by the court against Government employees who are found to have refused to give information to someone who requested it without—and I quote—"a reasonable basis in the law."

I objected to this provision. I think it would have been an unconscionable burden on Government employees. I am happy to report that a compromise was adopted by the conference, one that I am not totally happy with, but I think it does improve the provision to the point where I can support the conference report.

As a matter of fact, the provision that is now in the bill is one that, in my judgment, could never result in the imposition of a sanction against a Federal employee.

The conferees agreed to change the test to that of an employee acting arbitrarily and capriciously rather than just without a reasonable basis in law. As a matter of fact, before the case ever gets to court, the employee who refuses to give information when a demand is made will have to have been supported by his superior. There will have to have been an administrative appeal within the agency.

In most agencies this would mean that the general counsel of the agency would support the decision of the employee, and then the case would have to be brought to court by the one who was seeking the information. The Attorney General or the general counsel of the agency would then have to make a decision at that point that the case is sufficiently meritorious to defend. Then possibly the court might find the agency to be wrong, but I think in that circumstance the court could hardly find that the employee who has been sustained all the way along the line had acted arbitrarily or capriciously. Therefore, though we do have a provision in here for a sanction, it is limited to a case where there is action which is found by the court to be arbitrary and capricious.

The court would not make a determination as to the sanction, but would then certify the matter to the Civil Service Commission. The Civil Service Commission would be required to institute a proceeding.

I find that rather interesting, by the way: Proceeding.

I asked the principal sponsor of the Senate provision, Senator KENNEDY of Massachusetts, what a proceeding was. He was unable in conference to define it. It is neither defined in the Civil Service law, nor is it defined in the Freedom of Information Act. What kind of proceeding is intended by the compromise of the conferees is really rather vague. Whether the employee would be entitled to counsel and whether there would have to be a public hearing are things which really are rather vague. However, because I expect this provision never to be utilized, I do not think it makes a great deal of difference.

Besides this provision, which was controversial, there are other noncontroversial provisions, some that I think are great advances in the law.

First of all, this does allow a court to review what could, and sometimes, I am sure, in the past, has been an arbitrary decision to classify a document for security reasons. This would not require the court to view the material, but would allow the court—and we make this clear in the conference report—allow the court to look at the affidavits from the affected agency, whether the Department of State or the Defense Department or other, and give great weight to these affidavits.

At that point only, if there was still a question remaining in the mind of the court, the court could conduct an in-camera inspection of the material and see whether it had been properly classified within the terms of the Executive order setting forth the procedure for classification.

The SPEAKER. The time of the gentleman has expired.

Mr. ERLENBORN. Mr. Speaker, I yield myself 1 additional minute.

Only then would the court have an opportunity to view the material and make a determination as to whether it had been properly classified.

In addition, for those who think that the law has not been applied as it ought to have been in the past, there is one further provision of the act which I think is very helpful. Those who have been denied information when they have made a demand under the law, and then go to court to prove that their demand was meritorious, the court can—is not required to, but can—award attorney's fees and court costs to the successful litigant.

I think that, on balance, the bill as reported by the conference is a good bill. I was happy to sign the conference report.

I hope that it will be adopted.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. ERLENBORN. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. HORTON).

Mr. HORTON. Mr. Speaker, I rise in support of the conference report on H.R. 12471, the Freedom of Information Act Amendments of 1974.

Before becoming ranking minority member of the Government Operations Committee, I was a member of the subcommittee which has jurisdiction over this legislation. In that capacity, I have studied for several years how the Freedom of Information Act works and how it can be improved.

Let me assure you that the measure before us today will strengthen the public's right to know what its Government is doing. By strengthening the public's right to know, we make democracy work better. That is an objective we should all support wholeheartedly.

H.R. 12471 eases public access to Government information in several constructive ways. It requires agencies to publish indexes of documents, respond more quickly to requests for data, and submit annual reports to the Congress on their performance under this act. It grants individuals access to material they can reasonably describe—rather than identify with particularity—more prompt resolution of lawsuits they file under the freedom of information law, and an award of attorney fees—at the courts' discretion—in cases in which they substantially prevail. In addition, this bill makes clear that courts have the discretion to examine in chambers all contested records—including classified material—before deciding whether it is properly exempt from public disclosure.

Mr. Speaker, my dedication to freedom of information remains firm. I think the conference report before us is an improvement over the present law in this area. I urge my colleagues to join me in supporting this legislation.

Mr. Speaker, I would like to ask the gentleman from Pennsylvania some questions about section 2 of this bill. Section 2(a) amends paragraph (1) of 5 U.S.C. 552(b) to exempt from the requirements of the Freedom of Information Act matters which are—

> (A) specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and (B) are in fact properly classified pursuant to such Executive order.

When coupled with section 552(a)(4)(B), as amended in this bill, this provision would permit a court to look behind the security classification given to a document by an agency to determine whether the document was properly classified. This provision is not intended to permit a court free rein to classify information as it wishes, is it?

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, if the gentleman will yield, it certainly is not.

First of all, a court could only determine whether the information was "properly classified pursuant to (an) Executive order." In other words, the judge would have to decide whether the document met the criteria of the President's order for classification—not whether he himself would have classified the document in accordance with his own ideas of what should be kept secret. Second, as we have said in the joint explanatory statement of the committee of conference:

> The conferees expect that Federal courts, in making de novo determinations in section 552(b)(1) cases under the Freedom of Information law, will accord substantial weight to an agency's affidavit concerning the details of the classified status of the disputed record.

Mr. HORTON. I would like to move now to section 2(b) of the bill. That section rewrites the subsection of the Freedom of Information Act which exempts certain law enforcement records from disclosure to the public. The new language exempts "investigatory records compiled for law enforcement purposes, but only to the extent that the production of such records would—among other things—disclose the identity of a confidential source and, in the case of a record compiled by a criminal law enforcement authority in the course of a criminal investigation, or by an agency conducting a lawful national security intelligence investigation, confidential information furnished only by the confidential source."

I would ask the gentleman two questions about this provision. First, with regard to the phrase "a lawful national security intelligence investigation," exactly what types of investigations does that encompass?

Mr. MOORHEAD of Pennsylvania. Let me quote to the gentleman from the joint explanatory statement of the committee on conference. That statement says:

> The term "intelligence" in (the) section (we are discussing) is intended to apply to positive intelligence-gathering activities, counter-intelligence activities, and background security investigations by governmental units which have authority to conduct such functions.

Mr. HORTON. So it would apply to more than just positive intelligence activities?

Mr. MOORHEAD of Pennsylvania. Yes. It would also apply to counter-intelligence activities and background security investigations.

Mr. HORTON. But it would not apply to investigations which were labeled "national security" but in reality had nothing to do with that subject matter?

Mr. MOORHEAD of Pennsylvania. No, it would not. The national security intelligence investigation must be "lawful" for information compiled in the course of it to be exempted from disclosure under the Freedom of Information Act.

Mr. HORTON. My second question is, this bill exempts from public disclosure confidential information furnished by a confidential source in the course of a criminal investigation if the records were compiled by "a criminal law enforcement authority" and the same kind of information given for a lawful national security intelligence investigation if the records were compiled by "an agency." By using the term "criminal law enforcement authority" in one place and "an agency" in another, does this provision mean that the two terms are mutually exclusive, and that as a result, confidential information compiled by a criminal law enforcement authority in the course of a national security investigation would not be exempt from public disclosure?

Mr. MOORHEAD of Pennsylvania. No. Again, let me quote from the statement of managers:

> By "an agency" the conferees intend to include criminal law enforcement authorities as well as other agencies.

All agencies—criminal law enforcement authorities as well as others—could properly withhold confidential information compiled for a lawful national security intelligence investigation.

Mr. HORTON. Mr. Speaker, I thank the gentleman for his lucid explanations and commend him for the interpretations of the bill which he has given.

I would like to make a separate point with regard to the conference report. Section (1)(b)(2) writes into the Freedom of Information Act a requirement that fees charged by agencies for performing services under the act "shall be limited to reasonable standard charges for document search and duplication and provide for recovery of only the direct costs of such search and duplication."

Some question has arisen as to the meaning in this provision of the term "document search." As the ranking minority House member of the committee of conference, I wish to express my opinion that this term means not just a search for documents, but also a search within documents to determine which specific portions are subject to public disclosure and which are exempt from the provisions of the act. It does not encompass a review by agency lawyers or policymaking or other personnel to determine general rules which they or other employees later follow in deciding which specific portions are exempt from disclosure.

Let me cite just one example of how the conferees, in my judgment, mean that this distinction should be applied. Suppose someone requested the FBI to provide all documents in its possession relating to investigations of the Communist Party of the United States. The FBI estimates that it has 2 million pages of such documents. The Bureau's lawyers would first have to review samples of this material to formulate guidelines for other personnel to use in applying the exemptions of the act to the entire group of papers. The Agency could not charge fees for this examination. Then the other personnel would search through the documents, page by page, to determine which portions could be made public and which could not. This action would be subject to fees under the act.

The FBI has estimated that the page-by-page search through the documents would consume 225 man-years. Even if each employee participating in the search was paid only $10,000 per year, the cost of responding to this one request would be more than $2 million. The committee report on the House bill estimated the cost of the entire bill as $100,000 per year; the report on the similar Senate bill estimated the cost as $40,000 annually. Surely, the committee on conference could not have intended that agency expenses in searching through documents to comply with requirements of the law not be reimbursable. If that were the case, the conferees would have written a bill which would entail expenditures for responding to one request more than 20 times greater than the annual expense of the more costly of the two similar bills they were reconciling.

Mr. Speaker, I thank the gentleman for this time and yield back to him.

Mr. ERLENBORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. THONE).

Mr. THONE. Mr. Speaker, I rise in support of the conference report on H.R. 12471. This bill amends the Freedom of Information Act of 1966 in several ways, all of them designed to increase the public's access to Government information. As one who has fought for openness in Government for many years, first in Nebraska and now in the Congress, I am proud to add my support to that of other Members advocating passage of this conference report.

Mr. Speaker, I would point in particular to provisions of this legislation which require agencies to respond to requests promptly and actually reimburse some successful plaintiffs who bring suit under the law. Section 1(c) of the measure provides that agencies must respond to requests for information within 10 days, and decide on appeals of decisions to withhold data within 20 additional days. These time limits could be extended only in unusual circumstances defined in the bill, and then only for 10 days. This provision will cure the unfortunate tendency which we have noted in some agencies to delay responding to citizen requests. Section 1(a) permits judges to assess attorney fees against the Government in cases in which complaints substantially prevail. This would surely discourage agencies from keeping matters secret unless they are quite convinced that withheld information would be within the law.

In these ways as in others, this bill represents a great step forward for freedom of information. I strongly support H.R. 12471.

Mr. THOMPSON of New Jersey. Mr. Speaker, as a cosponsor of the original bill that was acted upon earlier this session, I am pleased to support the conference report on H.R. 12471. In many ways it is a stronger and more comprehensive Freedom of Information measure than the bill we passed in March by an overwhelming 383 to 8 vote. I commend the House conferees for their insistence on the basic principles of the House version during the conference deliberations and for their wisdom in accepting several important provisions added by the other body. This is an important bill that will make the Freedom of Information law more effective, more workable, and vastly more meaningful in advancing the public's "right to know" about the affairs of our Federal Government.

During the debate on H.R. 12471 last March, I stated that—

> Government secrecy for the purposes of hiding wrongdoing, inept leadership, or bureaucratic errors undermines and can eventually destroy our system of representative government.

Since then, we have seen dramatic evidence of the effects of government secrecy, and the corruption it produced, as a result of disclosures during the impeachment proceedings of the Judiciary Committee. This legislation, when signed into law, will be the first major step forward in helping to restore the confidence of the American people in the institutions of government by purging the body politic of the secrecy excesses which marked the sordid Watergate coverup during the Nixon administration.

Mr. Speaker, I urge the House to adopt this conference report adding these significant strengthening amendments to the Freedom of Information Act.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I have no further requests for time.

Mr. ERLENBORN. Mr. Speaker, I have no further requests for time.

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANNUNZIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 349, nays 2, not voting 83, as follows:

[Roll No. 574]

YEAS—349

Abdnor
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Ill.
Collins, Tex.
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holifield
Holt
Holtzman
Horton
Howard
Huber
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mann
Martin, Nebr.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Hara
Owens
Parris
Passman
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Traxler
Treen
Udall
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NAYS—2

Burleson, Tex.
Landgrebe

NOT VOTING—83

Adams
Archer
Armstrong
Bell
Blackburn
Blatnik
Brasco
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Carter
Clawson, Del
Clay
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Evins, Tenn.
Findley
Giaimo
Grasso
Hammerschmidt
Hanna
Hansen, Idaho
Hays
Hébert
Hinshaw
Hosmer
Hudnut
Hunt
Johnson, Colo.
Jones, Okla.
King
Lujan
Luken
McCloskey
Mahon
Mallary
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Murtha
Nelsen
O'Neill
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Rees
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Shoup
Sikes
Snyder
Steele
Steelman
Stratton
Symington
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Ullman
Whitehurst
Widnall
Young, S.C.
Zwach

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Dorn.

Mr. Hébert with Mr. Blatnik.

Mr. Dominick V. Daniels with Mrs. Burke of California.

Mr. Sikes with Mr. Clay.

Mr. Stratton with Mr. Mahon.

Mr. Adams with Mr. Nelsen.

Mr. Carey of New York with Mr. Minshall of Ohio.

Mr. Giaimo with Mr. Hansen of Idaho.

Mr. Mathis of Georgia with Mr. Hosmer.

Mr. Roberts with Mr. Martin of North Carolina.

Mr. Hays with Mr. Maraziti.

Mr. Conyers with Mr. Luken.

Mr. Reid with Mr. Mallary.

Mr. Diggs with Mr. Tiernan.

Mr. Teague with Mr. Cohen.

Mr. Ullman with Mr. Brown of Michigan.

Mr. Pepper with Mr. King.

Mr. Preyer with Mr. Blackburn.

Mr. Roy with Mr. Hinshaw.

Mr. Hanna with Mr. Carter.

Mrs. Grasso with Mr. Bell.

Mr. Jones of Oklahoma with Mr. Conable.

Mr. Mills with Mr. Archer.

Mr. Rarick with Mr. Robert W. Daniel, Jr.

Mr. Runnels with Mr. Del Clawson.

Mr. Eckhardt with Mr. Findley.

Mr. Evins of Tennessee with Mr. Hammerschmidt.

Mr. Murtha with Mr. Hudnut.

Mr. Symington with Mr. Lujan.

Mr. O'Neill with Mr. Hunt.

Mr. Mitchell of New York with Mr. Mathias of California.

Mr. Steelman with Mr. McCloskey.

Mr. Pritchard with Mr. Powell of Ohio.

Mr. Shoup with Mr. Rees.

Mr. Widnall with Mr. Snyder.

Mr. Symms with Mr. Steele.

Mr. Taylor of Missouri with Mr. Zwach.

Mr. Whitehurst with Mr. Towell of Nevada.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Freedom of Information conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE REFORM AMENDMENTS OF 1974

Mr. BOLLING. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING).

The question was taken; and the Speaker announced that he was in doubt.

RECORDED VOTE

Mr. ANNUNZIO. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 121, not voting 102, as follows:

[Roll No. 575]

AYES—211

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Badillo
Bafalis
Beard
Bennett
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Breaux
Breckinridge
Brinkley
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Buchanan
Burgener
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Chisholm
Clancy
Clausen, Don H.
Cleveland
Cochran
Collins, Ill.
Conlan
Conte
Corman
Cotter
Coughlin
Cronin
Culver
de la Garza
Dellenback
Dellums
Denholm
Dennis
Donohue
Drinan
Duncan
du Pont
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Fascell
Flood
Flynt
Foley
Forsythe
Fraser
Frelinghuysen
Frenzel
Froehlich
Fuqua
Gettys
Gilman
Ginn
Gonzalez
Green, Pa.
Grover
Gubser
Gude
Gunter
Guyer
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Holtzman
Horton
Howard
Huber
Hungate
Hutchinson
Ichord
Jordan
Karth
Kazen
Kemp
Ketchum
Koch
Kyros
Lagomarsino
Landgrebe
Lehman
Lent
Litton
Long, La.
McClory
McCollister
McCormack
McDade
McSpadden
Madigan
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Milford
Miller
Minish
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Natcher
Obey
O'Brien
Owens
Parris
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Railsback
Randall
Rangel
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rose
Rosenthal
Roush
Roybal
Ruppe
Ruth
Sarasin
Sarbanes
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Studds
Talcott
Taylor, N.C.
Thomson, Wis.
Thone
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Whitten
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Ill.
Zablocki
Zion

NOES—121

Alexander
Annunzio
Arends
Ashbrook
Baker
Bauman
Bevill
Biaggi
Bowen
Brademas
Bray
Brooks
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Collier
Collins, Tex.
Crane
Daniel, Dan
Danielson
Davis, S.C.
Davis, Wis.
Delaney
Dent
Derwinski
Devine
Dickinson
Dingell
Downing
Dulski
Evans, Colo.
Fisher
Flowers
Fountain
Frey
Fulton
Gaydos
Gibbons
Goldwater
Goodling
Green, Oreg.
Gross
Haley
Hawkins
Henderson
Hicks
Hogan
Holifield
Holt
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kastenmeier
Kluczynski
Latta
Leggett
Long, Md.
Lott
McEwen
McFall
McKay
Macdonald
Martin, Nebr.
Mayne
Metcalfe
Michel
Mink
Montgomery
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Nedzi
Nichols
Nix
O'Hara
Price, Ill.
Price, Tex.
Quie
Quillen
Rooney, Pa.
Rostenkowski
Rousselot
Ryan
St Germain
Sandman
Satterfield
Scherle
Schneebeli
Shuster
Skubitz
Smith, N.Y.
Spence
Staggers
Stokes
Stubblefield
Stuckey
Sullivan
Thompson, N.J.
Thornton
Treen
Waggonner
Ware
Whalen
White
Williams
Young, Alaska
Young, Tex.

NOT VOTING—102

Adams
Archer
Armstrong
Barrett
Bell
Blackburn
Blatnik
Brasco
Brown, Mich.
Burke, Calif.
Carey, N.Y.
Carter
Clawson, Del
Clay
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Diggs
Dorn
Eckhardt
Edwards, Ala.
Evins, Tenn.
Findley
Fish
Ford
Giaimo
Grasso
Gray
Griffiths
Hammerschmidt
Hanna
Hansen, Idaho
Hays
Hébert
Hinshaw
Hosmer
Hudnut
Hunt
Johnson, Colo.
Jones, Okla.
King
Kuykendall
Landrum
Lujan
Luken
McCloskey
McKinney
Madden
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Murtha
Nelsen
O'Neill
Patman
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Rees
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Shoup
Sikes
Sisk
Slack
Snyder
Steele
Steelman
Stratton
Symington
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Traxler
Udall
Ullman
Veysey
Waldie
Whitehurst
Widnall
Wilson, Charles H., Calif.
Young, S.C.
Zwach

So the motion was agreed to.

The result of the vote was announced as above recorded.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the resolution House Resolution 988, with Mr. NATCHER in the chair.

The Clerk read the title of the resolution.

The CHAIRMAN. When the Committee rose on Thursday, October 3, 1974, there were pending the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN), the amendment offered as a substitute by the gentleman from Nebraska (Mr. MARTIN) for the Hansen amendment, the amendment offered by the gentleman from Florida (Mr. BENNETT) to the Hansen amendment, and the amendment offered by the gentlewoman from Missouri (Mrs. SULLIVAN) to the substitute amendment offered by the gentleman from Nebraska (Mr. MARTIN).

Mr. BOLLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the feelings of the Members who felt that it was not wise to go into the Committee of the Whole at this hour on the consideration of a resolution that is so far from completion. I know that other Members have the same desires that I have concerning the events that are going to take place later in the evening, and I know that they hope that they might be able to see them. I know the Members would like very much for this matter to go away; at least some of the Members would.

I only sought to go into the Committee of the Whole so that we might come to some kind of an arrangement as to how, in a reasonable time tomorrow or perhaps the next day, we might conclude the matter.

I would like to explain what my preference would be. I would like to see that the House is absolutely fair to every Member. One of the dilemmas we suffer from is the necessary tightness of the parliamentary procedure.

Mr. Chairman, I am going to make a unanimous-consent request—and it is a request that could never be turned into a motion—to schedule things in such a way that we will have a fair debate on everything, including the basic resolution. I doubt that that will prevail. That request cannot be made in the form of a motion.

I would seek a situation where we could continue in an orderly fashion to amend both the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN) and the substitute for that amendment in the nature of a substitute offered by the gentleman from Nebraska (Mr. MARTIN), but I cannot figure out any way to do it in such a way that it can be put in the form of a motion.

So I will make the unanimous-consent request which will do that and which will also provide for a reasonable amount of time to amend House Resolution 988, in the event that neither the Martin substitute nor the Hansen amendment in the nature of a substitute is adopted.

If that does not prevail then I will make a motion to limit the time on the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN) and all amendments thereto, to a certain number of hours; because I know that that can be made in a motion. I have been trying to figure out whether a time certain or a certain number of hours would give the least opportunity for that small number who wish to filibuster it. I have come to the conclusion that there is really very little choice, because an able parliamentarian can filibuster any closure approach.

What I would think would be the ideal situation would be to provide a unanimous consent request that we do this: That there be 2 hours of further debate on perfecting amendments to the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN); that upon the conclusion of that there be 2 hours of debate on perfecting amendments to the Martin substitute to the amendment in the nature of a substitute; and then upon the conclusion of that we vote on Martin as perfected versus Hansen as perfected. If then the vote comes on one as opposed to House Resolution 988, and House Resolution 988 does prevail, that then there be 5 hours of debate on amendments to House Resolution 988. At the end of which time, which I suspect would be some time early Wednesday evening, with some luck, we would then have a vote on the final matter.

This is an attempt by unanimous consent to structure things so that everybody gets a fair shot at their substitute or their amendment so that the House does not have to wonder what it is going to do.

I do not like late sessions any more than anybody else does.

With that I will pose my unanimous consent request, and be glad to yield to those who wish to object, or reserve the right to object.

Mr. GROSS. Mr. Chairman, reserving the right to object——

The CHAIRMAN. The gentleman from Iowa reserves the right to object.

Mr. DINGELL. Mr. Chairman, the same reservation of objection.

Mr. GIBBONS. Mr. Chairman, the same reservation of objection.

Mr. GROSS. Mr. Chairman, I would say to the gentleman from Missouri that I would be glad to expedite conclusion of debate if the House is ready for it by offering a preferential motion at this point to strike the enacting clause.

Mr. BOLLING. That is the kind of assistance that does not really come within my unanimous-consent request.

Mr. GROSS. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. DINGELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BOLLING. Mr. Chairman, I move that all debate on the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN), and all amendments thereto, conclude in 5 hours.

The CHAIRMAN. The question is on the motion.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BOLLING. Mr. Chairman, I demand a recorded vote.

PARLIAMENTARY INQUIRY

Mr. O'HARA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. O'HARA. Mr. Chairman, if the motion were to be agreed on, what effect would that have on amendments that have been printed in the RECORD under the rule?

The CHAIRMAN (Mr. NATCHER). The Chair will state that amendments printed in the RECORD would be protected.

Mr. O'HARA. A further parliamentary inquiry, Mr. Chairman. Would there be time for debate guaranteed to those amendments?

The CHAIRMAN (Mr. NATCHER). The Chair will state that the gentleman's statement is correct; they would be protected.

Mr. O'HARA. I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. DENNIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DENNIS. Mr. Chairman, what is the effect of this motion on amendments which are either pending or matters offered to the Martin substitute if any?

The Martin substitute being a substitute for the Hansen amendment, I am wondering if there is any effect on the Martin amendment, and if so, what it is.

The CHAIRMAN. The Chair would like to state to the gentleman from Indiana that the motion now pending on the floor is to limit debate on all amendments now pending or which would be offered to the Hansen amendment in the nature of a substitute and thus would include the Martin substitute.

Mr. YATES. Mr. Chairman, how many amendments are pending at the present time?

The CHAIRMAN. In answer to the gentleman from Illinois, the Chair will state there are eight amendments pending.

Mr. YATES. I thank the Chairman.

The CHAIRMAN. And there are a number in the record that are not at the desk.

PARLIAMENTARY INQUIRY

Mr. ASHBROOK. Mr. Chairman, I have a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASHBROOK. Mr. Chairman, it is my understanding that when time is limited under the rules of the House, the Chair normally recognizes those Members standing and allocates time. I pose the question to the Chair whether that would or would not be the procedure for as long as we would proceed, for as long as a period of 5 hours?

The CHAIRMAN (Mr. NATCHER). The Chair would like to advise the gentleman that those amendments pending and those that would be offered would, of course, be considered. As far as the Members standing on the request that is now before the committee, it would seem to the Chair that it would be premature to recognize the Members standing when there are a number of Members not present at this time who would like to be heard.

PARLIAMENTARY INQUIRY

Mr. THOMPSON of New Jersey. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. THOMPSON of New Jersey. Mr. Chairman, I did not understand the Chair's answer to the parliamentary inquiry by the gentleman from Michigan (Mr. O'HARA). Is it my understanding that notwithstanding that 5 hours under the gentleman's motion would dispose of the Hansen and Martin substitutes, in addition thereto for those amendments which have been printed in the

RECORD will there be time to debate them allowed?

The CHAIRMAN (Mr. NATCHER). The Chair would like to advise the gentleman from New Jersey that the proponents of all amendments printed in the RECORD that have not been reached during the 5-hour period will be recognized under the rules of the House for 5 minutes in support of their amendments. They would be protected.

Mr. THOMPSON of New Jersey. How about time in opposition?

The CHAIRMAN. And 5 minutes in opposition. The gentleman is correct.

PARLIAMENTARY INQUIRY

Mr. WHITTEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Mississippi will state it.

Mr. WHITTEN. Mr. Chairman, I think I know the answer to this, but the chairman of the regular Appropriations Subcommittee for Agriculture and Environmental Protection, Food and Drug, and the Federal Trade Commission—I came back Tuesday at noon with the understanding, I thought, with the leadership that the bill would be brought up. It has been delayed from last Tuesday at noon until now. I ask the question, if this agreement is entered into, is it controlling only on the Committee and not on the leadership of the House? As of now I have been assured that that bill will be brought up the first thing Thursday, so I ask the question whether anything we agree to here would in any way bind the leadership of the House, or is it limited to the Committee?

The CHAIRMAN (Mr. NATCHER). The Chair would like to inform the gentleman from Mississippi that the motion before the Committee now is for 5 hours of debate.

Mr. WHITTEN. Before the Committee?

The CHAIRMAN. Before the Committee. Any other matter concerning other legislation would be up to the leadership of the House.

Mr. WHITTEN. And they would not be controlled by this necessarily?

The CHAIRMAN. The scheduling of other business is a matter for the House and would not be controlled by these 5 hours.

PARLIAMENTARY INQUIRY

Mr. MARTIN of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Nebraska will state his parliamentary inquiry.

Mr. MARTIN of Nebraska. The motion that we have before us to limit debate to 5 hours on the Hansen substitute—would the completion of that 5 hours then cut off any further debate on the Martin substitute?

The CHAIRMAN. The Chair would like to advise the distinguished gentleman from Nebraska that the Martin substitute is included in the 5 hours that is now before the Committee at this time under this motion.

Mr. MARTIN of Nebraska. In view of the fact that the Hansen committee amendments are preferential to amendments to the Martin substitute, I have a preferential motion at the desk, Mr. Chairman.

PREFERENTIAL MOTION OFFERED BY MR. MARTIN OF NEBRASKA

Mr. MARTIN of Nebraska. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. MARTIN of Nebraska moves that the Committee rise and report the resolution H. Res. 988 to the House with the recommendation that the resolving clause be stricken out.

The CHAIRMAN. The Chair would like to ask the gentleman from Nebraska, is the gentleman opposed to this resolution?

Mr. MARTIN of Nebraska. I am, Mr. Chairman.

The CHAIRMAN. The gentleman qualifies to make the motion.

The gentleman from Nebraska is recognized for 5 minutes in support of his motion.

Mr. MARTIN of Nebraska. Mr. Chairman, the Committee debated House Resolution 988 and the two substitute resolutions for 4 legislative days last week. Under the parliamentary situation, amendments to the Hansen substitute are preferential to any amendments to the Martin substitute. As a consequence the Committee has not had an opportunity to discuss and consider amendments to the Martin substitute.

Now we have a motion made by the gentleman from Missouri to cut off all debate in 5 hours. The preferential status of the Hansen substitute would continue during that 5 hours, and hence it is very probable that there would not be any opportunity to debate nor to offer any amendments to the Martin substitute.

To me this is completely intolerable and completely unfair. I worked just as hard on this as a member of the select committee as did any other member of that committee for many, many months and weeks and weekends and, yes, even several night sessions, and I have been vitally interested in this type of legislation for many years, but with the tactics that are being used here in the Committee, when fair consideration is not being given to all resolutions before the Committee itself and under these circumstances, I intend now to vote in opposition to the reform amendments, the reform packages, and I intend to vote to strike the resolving clause, the motion which I have introduced.

Mr. BOLLING. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, I am deeply sorry that my friend and coworker on this matter has just felt compelled to make the speech he did. It is, of course, his right. He knows that this Member attempted to devise a technique that would assure that the proposal of the gentleman from Nebraska would be given full opportunity to be amended.

I would like to point out to the gentleman that there are noticed in the CONGRESSIONAL RECORD already, according to our count, 35 amendments to the Martin substitute.

There is also the possibility, if he desires, to protect himself in terms of the regular rule, which makes in order the 5 minutes for any amendment that has been noticed in the RECORD.

It is not impossible, in other words, for a variety of the proposals that perhaps the gentleman wishes to be considered as amendments to his substitute to be offered under the rules of the House, even if the motion to limit debate to 5 hours prevails and there is not any willingness to let the gentleman from Nebraska in because people insist on offering amendments to the Hansen proposal to the exclusion of amendments to the Martin proposal. The gentleman is still protected and the gentleman can protect himself further if the gentleman desires to; but to vote to strike this can only be interpreted by those who support it, by those who look at it from around the country, as a motion to not consider at this time and in the immediate future the question of reorganization.

There has been no attempt on the part of this individual or until this moment by any other member of the Select Committee to move in on and keep the House from having a totally fair debate.

The argument has been made in the past that the House had much more important work to do. Well, that just simply does not happen to be a fact. There is nothing pending from the Committee on Ways and Means on taxes, there is nothing pending on health insurance, there is nothing pending from any of the great economic committees that would deal with inflation. There are very important matters, such as the matter mentioned by my friend, the gentleman from Mississippi, which is scheduled for Thursday. One of the reasons that I sought to limit debate was to assure that we would not go beyond Wednesday in the consideration of this matter. If we limit debate on the Hansen amendment in the nature of a substitute to 5 hours we will still have time, unless there is a determined filibuster, if it is defeated, to deal with amendments to House Resolution 988 on Wednesday in an orderly manner.

It seems to me very clear that a vote on the motion to strike is a vote to postpone, perhaps indefinitely, this proposition of trying to devise a technique of reorganizing the House.

I have no idea whose substitute will carry. I have no idea what amendments will be adopted to whose substitute. I care what the end result is, but I care more that the House honor itself by proceeding in an orderly fashion to deal with this most difficult of all issues.

The CHAIRMAN. The question is on the motion offered by the gentleman from Nebraska (Mr. MARTIN) to strike the resolving clause.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARTIN of Nebraska. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 39, noes 295, not voting 100, as follows:

[Roll No. 576]

AYES—39

Alexander
Annunzio
Arends
Ashbrook
Burleson, Tex.
Byron
Clancy
Collins, Tex.
Daniel, Dan
Davis, S.C.
Delaney
Devine
Dickinson
Dingell
Dulski
Duncan
Fisher
Gibbons
Goodling
Griffiths
Gross
Holifield
Jarman
Landgrebe
Lott
Martin, Nebr.
Montgomery
Moss
Nichols
Quillen
Rousselot
Ruth
Satterfield
Schneebeli
Smith, N.Y.
Spence
Staggers
Steed
Stubblefield

NOES—295

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
Badillo
Bafalis
Baker
Bauman
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chappell
Chisholm
Clark
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Ill.
Conlan
Conte
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Donohue
Downing
Drinan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Goldwater
Gonzalez
Green, Oreg.
Green, Pa.
Grover
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hogan
Holt
Holtzman
Horton
Howard
Huber
Hungate
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kyros
Lagomarsino
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Michel
Milford
Miller
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
Owens
Parris
Patman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Price, Ill.
Price, Tex.
Quie
Railsback
Randall
Rangel
Regula
Reuss
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schroeder
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sisk
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Traxler
Treen
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
White
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOT VOTING—100

Adams
Archer
Armstrong
Barrett
Bell
Blackburn
Brasco
Brown, Mich.
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Carter
Chamberlain
Clawson, Del
Clay
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Evins, Tenn.
Findley
Fish
Giaimo
Grasso
Gray
Gubser
Hammerschmidt
Hanna
Hansen, Idaho
Hawkins
Hays
Hébert
Hinshaw
Hosmer
Hudnut
Hunt
Johnson, Colo.
Jones, Okla.
King
Kuykendall
Leggett
Lujan
Luken
McCloskey
McKinney
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mills
Minshall, Ohio
Mitchell, N.Y.
Murtha
Nelsen
O'Neill
Passman
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Rees
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Ryan
Shoup
Sikes
Skubitz
Slack
Snyder
Steele
Steelman
Stratton
Symington
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Udall
Ullman
Waldie
Whalen
Whitehurst
Widnall
Wright
Young, S.C.
Zwach

So the motion was rejected.

The result of the vote was announced as above recorded.

PARLIAMENTARY INQUIRY

Mr. BOLLING. Mr. Chairman, I wish to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BOLLING. Mr. Chairman, my understanding of the situation is that the question that is now pending is on the motion that I made to limit debate on the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN) and all amendments thereto.

My parliamentary inquiry is this: If that motion carries, my intention is to move that the Committee then rise.

Mr. Chairman, is there anything unparliamentary in that?

The CHAIRMAN. The gentleman's motion in that event would be in order.

PREFERENTIAL MOTION OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. DINGELL moves the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Michigan (Mr. DINGELL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DINGELL. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the preferential motion was rejected.

PARLIAMENTARY INQUIRY

Mr. DENT. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DENT. Mr. Chairman, as I understand the motion, the motion is to limit the time to 5 hours on the issue itself, the Hansen amendment and all amendments thereto; is that true?

The CHAIRMAN. The Chair will now state the question.

The gentleman from Missouri (Mr. BOLLING) moves that debate on the Hansen amendment in the nature of a substitute, and all amendments thereto be limited to 5 hours.

Mr. DENT. Mr. Chairman, my parliamentary inquiry is this, If that is the motion, is it not required under the rules of the House that all of those Members standing be counted in order to give them time within the 5 hours?

The CHAIRMAN. The Chair would like to advise the gentleman from Pennsylvania that the Chair is not required under the rules of the House to allocate time at this time. Under a 5-hour limitation, the Chair would proceed under the 5-minute rule. If time were allocated now it would be premature. There are Members on the floor who might desire to be recognized, and there are other Members who are not on the floor who might desire to be recognized. The Chair would proceed under the 5-minute rule.

Mr. DENT. Mr. Chairman, I would like to make this inquiry: Out of 435 Members, will someone tell me how, under the 5-minute rule, we are going to give 60 Members of this body preferred time on this debate?

The CHAIRMAN. The Chair would like to state to the gentleman from Pennsylvania that the motion now before the Committee provides for 5 hours.

RECORDED VOTE

The question is on the motion offered by the gentleman from Missouri (Mr. BOLLING) that all debate on the amendment in the nature of a substitute offered by the gentlewoman from Washington (Mrs. HANSEN), and all amendments thereto, be limited to 5 hours, on which a recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 274, noes 56, not voting 104, as follows:

[Roll No. 577]

AYES—274

Abdnor
Abzug
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Baker
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Camp
Cederberg
Chisholm
Clark
Clausen, Don H.
Cleveland
Cochran
Collier
Collins, Ill.
Conlan
Conte
Corman
Cotter

Coughlin
Culver
Danielson
Davis, Ga.
Davis, Wis.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Donohue
Downing
Drinan
Duncan
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Froehlich
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hanley
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hechler, W. Va.
Heckler, Mass.
Henderson
Hicks
Hillis
Hogan
Holt
Holtzman
Horton
Howard
Hungate
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kyros
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
McClory
McCollister
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Macdonald
Madden
Madigan
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Minish
Mink
Mitchell, Md.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
Owens
Parris
Patman
Patten
Perkins
Peyser
Pickle
Pike
Price, Ill.
Price, Tex.
Railsback
Randall
Rangel
Regula
Reuss
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Scherle
Schroeder
Sebelius
Seiberling
Shriver
Shuster
Smith, Iowa
Smith, N.Y.
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Traxler
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Ware
White
Whitten
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wyatt
Wylie
Wyman
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zion

NOES—56

Arends
Ashbrook
Bafalis
Bauman
Beard
Bray
Broomfield
Burleson, Tex.
Carney, Ohio
Casey, Tex.
Chappell
Clancy
Collins, Tex.
Crane
Cronin
Daniel, Dan
Davis, S.C.
Delaney
Dent
Derwinski
Devine
Dickinson
Dingell
Dulski
Fulton
Gibbons
Goldwater
Goodling
Griffiths
Gross
Heinz
Helstoski
Huber
Jarman
Lagomarsino
Landgrebe
Martin, Nebr.
Miller
Moss
Myers
Pettis
Quie
Quillen
Robinson, Va.
Rousselot
Satterfield
Schneebeli
Shipley
Spence
Staggers
Treen
Veysey
Waggonner
Wampler
Wydler
Young, Fla.

NOT VOTING—104

Adams
Alexander
Archer
Armstrong
Barrett
Bell
Blackburn
Brasco
Brown, Mich.
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Carter
Chamberlain
Clawson, Del
Clay
Cohen
Conable
Conyers
Daniel, Robert W., Jr.
Daniels, Dominick V.
Diggs
Dorn
Eckhardt
Evins, Tenn.
Findley
Fish
Fisher
Giaimo
Grasso
Gray
Hammerschmidt
Hanna
Hansen, Idaho
Hawkins
Hays
Hébert
Hinshaw
Holifield
Hosmer
Hudnut
Hunt
Johnson, Colo.
King
Kuykendall
Leggett
Lujan
Luken
McCloskey
McKinney
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mills
Minshall, Ohio
Mitchell, N.Y.
Murtha
Nelsen
Nichols
O'Neill
Passman
Pepper
Poage
Podell
Powell, Ohio
Preyer
Pritchard
Rarick
Rees
Reid
Rhodes
Roberts
Rooney, N.Y.
Roy
Runnels
Shoup
Sikes
Sisk
Skubitz
Slack
Snyder
Steele
Steelman
Stratton
Symington
Symms
Taylor, Mo.
Teague
Tiernan
Towell, Nev.
Udall
Ullman
Waldie
Whalen
Whitehurst
Widnall
Wright
Young, S.C.
Zwach

So the motion was agreed to.

The result of the vote was announced as above recorded.

Mr. BOLLING. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Natcher, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the resolution (H. Res. 988) to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending Rules X and XI of the Rules of the House of Representatives, had come to no resolution thereon.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO MEET THIS WEEK

Mr. MELCHER. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs and its subcommittees may meet this week at any time, notwithstanding that the Committee of the Whole House may be under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. GROSS. Mr. Speaker, reserving the right to object, I thought the pressure was on here to get right down with our noses to the grindstone and dispose of this bill. It cannot be done if committees are going to meet.

Mr. MELCHER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I am glad to yield to the gentleman from Montana.

Mr. MELCHER. There is some speculation based on consideration given by the leadership this week that the House may want to convene at 10 o'clock some morning this week. If so, some of our subcommittee and full committee work would have to come to a halt under the rules of the House. We are seeking to preclude that, because we have some important work before us.

Mr. GROSS. If that is the way the House wants to operate, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tomorrow when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Children of Members will not be permitted on the floor and the cooperation of all the Members is requested.

FORD ADMINISTRATION CRUCIFIES

(Mr. BURLISON of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURLISON of Missouri. Mr. Speaker, the Ford administration this weekend began its crucifixion of the American grain and soybean producer. It has, in effect, placed an embargo on grain exports by extracting a "voluntary agreement" from Continental Grain and Cook Industries to set aside an export contract for a $500 million grain sale. We can expect similar action to follow with respect to soybeans.

This all comes but slightly over a year after the disastrous embargo of June 13, 1973. In response to my questioning on their appearance before the Agriculture Subcommittee of the Committee on Appropriations in March, Secretary Butz, Assistant Secretary Yeutter and Foreign Agriculture Service Administrator Hume admitted it was a mistake and gave assurace that they would not permit a recurrence. Let us take a look at the documented record:

Part I—Hearings before Agriculture-Environmental and Consumer Protection Appropriations Committee for fiscal year 1975, page 78—

Mr. Burlison. Were you referring also in that statement to the decision to place export controls on soybeans?

Secretary Butz. Yes, sir; which again, I think, was an unfortunate decision. Except——

Mr. Burlison. Again a decision that you joined in with Mr. Shultz and publicly approved of?

Secretary Butz. That is correct. At that time I think we had to go through that instance to prove to ourselves we shouldn't do it again.

Mr. Burlison. I notice from your statement before the committee, your statement that was placed in the Record, that you said there are some in the country who seek to put limits on our exports, especially wheat and cotton. I take it from your last statement we learned a lesson in soybeans and you are not under any circumstances going to permit this administration to place any embargo on wheat or cotton?

Secretary Butz. You place more power on me than I am aware that I exercise.

Mr. Burlison. Are you going to come back next week and publicly acquiesce again?

Secretary Butz. No, sir. I am vigorously opposing——

Part II.—Hearings before Agriculture-Environmental and Consumer Protection Appropriations Committee for fiscal year 1975, page 706—

Mr. Hume. . . . on the basis of hindsight, however, I wouldn't have made the decision to place export controls on soybeans.

Mr. Burlison. You wouldn't?

Mr. Yeutter. I was going to add, Secretary Butz has said publicly on a number of occasions during the last 6, 8, 10 months that it was regrettable that it became necessary to impose export controls on soybeans. It was his hope we would never do that again on any commodity at any time in the future.

Mr. Burlison. He also said that in response to my questioning before this committee just a couple of weeks ago. I was hoping to find that those who gave the input to the Secretary were of the same opinion that that was a tragic mistake and certainly would not occur again.

Mr. Hume. I would agree with that.

Continuing with part II hearings on page 713:

Mr. Yeutter. . . . I would be happy to philosophize with you on the question because I feel very strongly on this issue. Just as strongly as Secretary Butz does.

I can talk with respect to how I will react to these kinds of problems once I shift over into this position as presently planned. That is, it should be obvious from the experience of 1973 that we simply cannot take actions of this nature without drastic adverse reverberations throughout the entire economy, not only in agriculture but in the whole economy of the United States. We will be paying dearly for a long time to come for the embargo placed on soybeans last year. We ought not do this again.

There are a multitude of similar examples of more recent vintage. Let me cite just two examples:

From Assistant Secretary Yeutter's address to the American Soybean Association on August 12, 1974, we find the following:

We are hearing talk again of export controls on soybeans and grains. I realize that our crops are not turning out as large as we had expected due to weather problems. I realize that inflation continues to be our most serious problem. However, we have learned our lesson on export controls . . . and we have learned that we cannot afford them.

We learned from last year's soybean embargo just how self-defeating export controls are. We didn't help our consumers with that embargo—but we certainly succeeded in scaring the daylights out of good customers around the world. The market had already adjusted for the scarcity of soybeans at that time; the price adjustments had already taken place; enough beans had been sold back to take care of this country's pressing needs. Then, after the market had already made all of these adjustments, the Government's heavy hand thudded down with the export embargo.

A similar statement is found in Assistant Secretary Yeutter's news release for the Champaign County Farm Day on August 17, 1974. Assistant Secretary of Agriculture Clayton K. Yeutter told a farmer gathering in Champaign County, Ill.:

The United States should not seriously consider export controls on grain. Export controls would penalize the American people in the long run. In the first place, they set a terrible precedent, our export controls on soybeans last year were no more defensible than the Arab oil embargo. Both embargoes cut people off from the opportunity to bid for vital economic necessities. In the second place, our consumers would get no benefit in terms of a lower cost of living; food prices would be forced down temporarily, but the prices of our imports would go up. Agriculture is our largest single export industry, providing a full quarter of our export earnings. Another export embargo would totally destroy the world's confidence in the United States as a reliable source of farm products. This would penalize our economy, our farmers, and our balance of trade for years to come.

Under the present farm program, our grain farmers get no Government subsidy. Their only hope is to sell their products in a free market for what it will bring. They have no protection against inflation. With fertilizer supplies skyrocketing and supplies diminishing, there were no export control to keep it here for the farmer. The same can be said for many other products, including farm machinery and farm trucks. Now he must suffer from a discriminatory policy which requires him to live with export controls on the products he sells. Why is it that consumers in the most prosperous country in the world cannot pay as much for our food products as the rest of the world is willing to pay for them?

With this decision and others that can be expected to follow, this administration has broken its word to the American farmer.

NEED TO REQUIRE MAKING EXPORT SALES PUBLIC INFORMATION WITHIN 24 HOURS

(Mr. SMITH of Iowa asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. SMITH of Iowa. Mr. Speaker, an attempt to rig U.S. corn prices to a lower level than their value in the world market would result in hoarding, gray markets, inefficient conversion to other forms and substitutes, less feed nutrients for users, and in general chaos in the food industry. The real culprit in the recent Russian deal is the Department of Agriculture's determination to keep high demand and low supplies secret at the same time they oppose a food reserves policy. The big Russian grain deal merely proves that world demand at present prices is even greater than had been revealed and again American producers and processors were the last to learn of the increase in demand.

The latest Russian grain sale was deliberately kept secret for at least 2 days and as a result the big grain companies could buy for the Russians at a lower price. Russia will not even give us information on their harvest prospects, so why should we keep their purchases secret so they can buy cheaper? The latest manipulation with some people able to trade on inside information last Thursday and Friday was not only predictable, but in fact was predicted in my testimony before both the House and Senate Agriculture Committees when testifying on the commodities control bill. I introduced H.R. 7852 18 months ago. It would require prompt reporting and making public immediately to protect against any person or firm gaining from inside information all sales to foreign customers. This would assure our producers and processors that they would not be at a disadvantage in estimating demand. The Department strongly opposed the provision and got enough support in the Agriculture Committee of Congress to stop it.

Such big deals based upon the Butz policy of secrecy and his failure to anticipate the obvious results in more people proposing export controls. However, export controls are not a solution to the problem and in fact would make matters even worse. Corn and wheat are world products. Customers denied grain here would buy grain or substitutes elsewhere and reship American grain or shift customers. If export controls were so stringent as to temporarily set prices in the United States below world prices, it would result in gray markets, hoarding and inefficient conversions to substitute forms. Export controls would be considered unfair and are the cruelest form of a producer tax. Enough of today's producers are large enough to and would withhold enough to cause real chaos in the food industry. Also, export controls would discourage needed shifts in acreage to crops in short supply and in the end producers, suppliers of inputs, and consumers would all be hurt. Also, it would result in earning less dollars to offset the huge deficit in the balance of payments and this would increase inflationary pressures on all people.

Also, corn has been selling too cheap in comparison to wheat and an attempt to prevent it from seeking its real value on a nutrient cost basis would prevent the shift in usage which would and should occur when neither is selling at a depressed price level.

If the 400-million bushel corn surplus of Government-controlled corn which was dumped shortly after the 1972 election for $1.25 per bushel had been retained in an insulated reserve, it could have filled orders now at $4 per bushel which we are now unable to fill. After paying expenses, our taxpayers would have made a profit of $800 million and earned foreign credits which would help fight inflation. My reserve bill passed the House in December 1971, but was opposed by Secretary Butz and the broiler industry. Had it passed, that dumping in 1972 could not have occurred and the reserve would have been eligible for release in the market year beginning last Monday.

In addition to keeping information of increased world demand secret, Secretary Butz issued two "interim" crop reports designed to make people conclude that supplies were greater than they are. The June 24 and July 25 reports were political reports not based upon scientifically gathered data and resulted in American producers receiving less for contracted grain. These deliberate attempts to overestimate U.S. crops also permitted foreign purchasers to contract at a lower price and caused domestic processors to delay tying down their needed supplies.

Secretary Butz' penchant for making U.S. grains policy out of his vest pocket and announcing production and demand changes—in shoot-from-the-hip reckless speeches, is not a satisfactory substitute for a national food policy with guidelines set by law wherein U.S. producers and consumers know what to expect as soon as anyone else.

Secretary Butz has not only shown he never did possess the minimum basic understanding necessary to be Secretary of Agriculture but he also has not learned from bad experiences.

While he has recently been promoting detoothing the co-ops, it is apparent that one of our principal hopes for restabilizing the export situation is for the co-ops to join in a massive barter deal where both sides need the articles bartered for. In addition, we need a reserve policy (H.R. 1186) and to require making export sales public information within 24 hours.

AMENDMENTS OFFERED BY MR. ZABLOCKI

(Mr. ZABLOCKI asked and was given permission to address the House for 1 minute to revise and extend his remarks and include extraneous matter.)

Mr. ZABLOCKI. Mr. Speaker, it is my intention to introduce amendments to the sections dealing with special oversight functions and the sections establishing the jurisdiction of the Committee on Foreign Affairs in the three proposals pending before the House.

The purpose of my amendments is to provide the Committee on Foreign Affairs with the special oversight function of reviewing and studying on a continuing basis the intelligence activities relating to foreign policy.

I insert the three amendments in the Record at this point:

Amendment to House Resolution 1248
Offered by Mr. Zablocki

Page 5, line 6, after "administration," insert the following: "intelligence activities relating to foreign policy,".

Page 63, line 10, after "administration," insert the following "intelligence activities relating to foreign policy,".

Amendment to House Resolution 1321
Offered by Mr. Zablocki

Page 11, line 24, after "administration." strike "foreign and military intelligence" and insert in lieu thereof the following: "intelligence activities relating to foreign policy,".

Page 26, line 22, after "administration," strike "foreign and military intelligence" and insert in ieu thereof the following: "intelligence activities relating to foreign policy,".

Amendment to House Resolution 988
Offered by Mr. Zablocki

Page 10, line 14, after "administration," strike "foreign and military intelligence, and insert in lieu thereof the following: "intelligence activities relating to foreign policy,".

Page 25, line 6, after "administration," strike: "foreign and military intelligence" and insert in lieu thereof the following: "intelligence activities relating to foreign policy,".

THE ANSWER TO INFLATION: CUT GOVERNMENT SPENDING, AND STOP INFLATING THE MONEY STOCK

The SPEAKER pro tempore (Mr. McFall). Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, I take this time today along with my distinguished colleagues to talk about the one principal cause of inflation: that is, excessive spending by the Federal Government—creating bigger and bigger deficits—year after year—which the Government then tries to make up by creating more money in circulation behind which stands no commensurate increase in national productivity. This is called, by the economists, monetizing the debt. It is called, by the people, inflation; either way its wreckless economic policy.

Despite the millions of words heard in the preliminary and final sessions of the Conference on Inflation—the President's Economic Summit Conference, and despite all the advice offered about other, more tangential reasons for inflation, the one clear fact which emerged and was reinforced was that controlling spending by the Government—and slowing the rate of increase in the money stock to sustain that spending—are essential to controlling inflation. In other words, the answer to inflation is to stop inflation the money supply.

For inflation to be controlled, it is Government spending which must be cut. Cutting the people's take-home pay—through higher taxes—and I understand the President will tomorrow recommend to a joint session of the Congress the imposition of a new 5-percent surtax on taxes on income over $15,000 per year, as well as possible new special taxes—is not the answer. In this period of all-time high interest rate and soaring costs, the people need an expansion in their take-home pay. It is the only way for them to make ends meet. To take more away from them, in the form of visible taxes—income taxes, surtaxes, excise taxes, et cetera—and in the form of hidden taxes—inflation's erosion of purchasing power—is to create even more pressures for wage boosts and profit boosts to sustain those wage increases. It is counterproductive; it is self-defeating of what the President and the Congress—and the people—want to accomplish.

Not only will these additional taxes cut take-home pay—either out of the paycheck directly or as one makes purchases or pays at the end of the tax year—but in that this approach apparently signals a continued policy of excessive Government spending, they will also add to the woes of inflation.

It can be argued that raising taxes will help control inflation, by raising additional revenues with which to cover a potential deficit; in other words, the larger the revenue, the smaller the deficit. To believe that takes a lot of faith—more than the statistics of the last several years can sustain. Federal revenue collections have increased markedly during the last 3 years. Did it reduce the debt? No, for Government spending continued to grow—actually outpacing increased revenue—and that spending created even larger deficits. A full one-fourth of the entire national debt—$133 billion of it—has been generated in the past 6 years. No, increased revenue does not reduce deficits, for the self-restraint which the administration and the Congress should exercise in trying to hold down spending is actually lessened when they know more money will be coming in.

One must keep one's eye on the figures being thrown around on the projected deficit for this fiscal year, for the accountants who figure these things for the administration are still using the "full employment budget" concept—a concept which projects deficits on the basis of how much total revenue would come in if the country were at full employment. It can come as a surprise to no one that we are not. As a matter of fact, unemployment—not employment—continues to climb upwardly.

One must also keep his eye on the breakdowns we are seeing as to what constitutes the Federal budget. The self-perpetuating Federal bureaucracy has devised an ingenious way to deter the Congress from cutting their budgets. I speak of the word "uncontrollable"—an expenditure which is supposedly "locked in" by the Congress. We hear, from these people, that Congress really cannot even touch nearly 74 percent of this fiscal year's budget, because those funds are uncontrollable; in short, that only 26 percent of the budget is subject to amendment. That is misleading.

We are told that the uncontrollables are those expenditures which Congress has to make, because they approved the levels of funding in prior Congresses. This is a real cop out.

There are, indeed, some expenditures which are uncontrollable, and generally speaking these are entitlements; for example, those programs from which various pension payments are made to individuals; in other words, the recipients are entitled to those funds because they have acted in reliance upon a commitment from the Congress. This is certainly, however, no 74 percent of the budget; rather, it is about 44 percent.

I am questioning, however, exactly how uncontrollable that other 30 percent really is. Some of it may rest upon work performed and obligations already made, but certainly not all of it.

Just because the Congress—with less stringent examination and during less inflationary times—passed a law saying, for example, that a certain program would be authorized for up to $100 million this fiscal year, does not mean that the Congress cannot now step back in—before obligations and commitments legally binding are made—and say: We will continue this program, but at a reduced level.

That this complete review of our Federal spending levels and policy is required is obvious to me—especially in light of the statistics on the size of Government today.

GOVERNMENT'S GROWTH IS TAKING EVER-INCREASING SHARES OF THE PEOPLE'S LIVELIHOOD

The proposed Federal budget for fiscal year 1975, forecasting expenditures of over $304 billion, exceeds the previous year's budget by a full $20 billion. In 1940 our Federal budget was only $10.1 billion.

It took this country 185 years to get to an annual Federal spending level of $100 billion, but it took only 9 more years to double that to the $200 billion level, and then only 4 more years to reach the $300 billion annual level.

The mushrooming national public debt will soon be at nearly $500 billion—half a trillion. It took us over 150 years after 1789 to reach the $200 billion debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion up to half a trillion.

The spiraling rate of inflation could be as high as 14 percent this year. Only a few years ago it averaged around 4 to 5 percent, a more manageable figure.

Look at the bureaucracy sustained by these massive expenditures. Between 1789 and 1974, the population of our country multiplied by 60 times; the bureaucracy multiplied by 8,170 times. Between 1930 and 1974, while the population grew 71 percent, the bureaucracy grew by 462 percent. In 1930, 1 of every 204 people was employed by Government; today, it is 1 of 77. And, in our work force of 88 million, 1 of every 6.5 employees is on a Government payroll of one form or another—Federal, State, or local.

The average amount of taxes the Federal Government will have to collect from every man, woman, and child in the Nation to meet expenses this year is $1,492 per person—or $5,968 for the average family of four. In 1940 it was $77 per person—or $308 for that average family of four.

And, recent analysis shows that the total sum of new funds which would be authorized by only 400 bills introduced this Congress would be in excess of $873 billion. And, nearly 15,000 bills have been introduced this Congress—and we still have months to go.

GOVERNMENT SPENDING MUST HAVE A LIMIT

Government spending—and the raising of revenue requisite to that spending—has a historical ceiling beyond which it invites either or both the collapse of the economic strength of a nation or the loss of political and economic freedom. The statistics prove the tendencies of Government to siphon off ever greater shares of the people's income for itself.

Government must realize that it cannot indefinitely tax the people at constantly increasing levels without destroying the people's ability to support themselves and their families.

The Congress has tried for nearly 200 years to control overall, total spending by controlling the overall level of appropriations as each individual appropriations bill came to the floor. These efforts—commendable though they may be and successful though some may have been on occasion—simply have not worked sufficiently. The figures which I have cited today—the level of spending, the national debt, the amount taken from each family in taxes, the cost of new programs being proposed—attest to the failure of this institution to hold the line adequately on spending. And, the Budget Reform Act, as enacted, will not be adequate either, for its ceilings are not mandatory or prospective.

The reason these efforts have not worked is that the intentions which underlay them are not directed at the one point where more effective control really could be exercised—at the level of revenue, of income.

We have for too long tried to control spending only where the money flows from the Treasury. In other words, we are trying to plug holes in the Treasury's dike or to heighten that dike, when, instead, we should be trying to control the level of water behind it.

It is always easier to control a problem at its source. The source here is the level of revenue raised by the Government from which programs are then funded. To deal with the question of expenditures alone is to work only with the result of our problem, spending, instead of its cause—too much being taken from the taxpayers with which to do that spending.

When an institution knows that it will have a known amount of dollars with which to work, it typically devises means of spending those dollars. It is human nature. Parkinson's law, thus, states that spending rises to meet income. That is a truth demonstrated by our national experience as a government. There is a more modern corollary to Parkinson's law which, however, more accurately describes the tendencies of Congress: present spending rises to slightly exceed present income in expectation that future increases in income will cover that spending. When an institution operates from those premises—and the Congress has operated from those premises for years—it means an ever-increasing amount of dollars being taken from the taxpayers.

Federal, State, and local tax collections have risen markedly, as percentages of national income, during the past half century. In 1929, such tax collections constituted only 13 percent of total national income; by 1950, it has risen to 26 percent; and by 1972 it had risen to 34 percent. The increase is even more dramatic when compared to total national personal income: 1930, 15 percent; 1950, 30 percent; and 1972, 43 percent. If present trends continue, by 1985, total Government's share of national personal income will have increased to 54 percent—54 cents out of every $1—more than half the people's earnings.

THE IMPACT OF SPENDING ON INFLATION

When Government issues more money, the value of each dollar we hold is decreased. If there is a level of national productivity of, for example, 1,000 units, and there are $1,000 in circulation, then each has a value of $1. Now, if Government increases the money supply by 100 the next year—without any commensurate increase in national productivity—that means we have $1,100 in circulation, but productivity still stands at 1,000. Thus, the value of each unit of money is decreased to about $0.9. That simply means that it takes more of those units of money today to buy what you could have bought last year. What cost $1 last year, now costs about $1.09. That is inflation.

What this also means is that—just to stay abreast of the increases in the costs of living—a wage earner must seek wage increases to match the inflation and a businessman must seek higher returns on investment with which to pay increased labor costs, to buy higher priced inventory, and to replace outdated equipment.

There has never been, in this country, a dramatic increase in money supply which has not been followed by a similar dramatic increase in prices. As more money is printed, prices go up, witness the attached graph charting the correlation between money stock and line of prices. It is that simple. And as deficits go up, so too does pressure on the Federal Reserve System—our central banks, so to speak—to issue the new money with which to cover a great share of the deficit.

The chart referred to follows:

INFLATION

Yearly increase in M[1]	Yearly increase in M[2]	Yearly increase in prices
	1967 BY MONTHS	
1.6	5.0	4.3
1.9	5.6	3.8
2.6	6.1	2.7
1.5	5.7	2.5
2.7	6.6	2.7
3.3	7.5	2.7
4.7	8.4	2.8
5.4	8.8	2.7
5.2	8.9	2.6
6.0	9.5	2.6
6.4	9.9	2.8
6.6	10.0	3.1
	1968 BY MONTHS	
7.1	10.0	3.4
6.5	9.6	3.7
6.2	9.3	3.9
7.1	9.5	4.0
7.2	9.0	4.1
7.2	8.6	4.2
7.1	8.2	4.3
7.0	8.2	4.3
6.9	8.2	4.4
6.8	8.3	4.6
7.6	9.0	4.8
7.8	9.3	4.7
	1969 BY MONTHS	
8.0	9.5	4.6
8.1	9.2	4.7
8.1	9.0	5.1
7.9	8.8	5.4
7.3	8.3	5.4
6.8	8.0	5.5
6.4	7.2	5.5
5.6	5.8	5.6
5.2	5.0	5.8
4.9	4.2	5.6
4.2	3.4	5.8
3.5	2.5	6.1
	1970 BY MONTHS	
3.8	2.2	6.2
3.0	1.5	6.3
3.4	1.9	6.1
3.9	2.5	6.0
4.1	2.9	6.2
4.0	3.0	6.0
4.0	4.0	5.9
5.0	5.5	5.7
5.5	6.4	5.6
5.4	7.0	5.9
5.5	7.4	5.6
6.0	8.3	5.5

Yearly increase in M^1	Yearly increase in M^2	Yearly increase in prices
1971 BY MONTHS		
5.3	9.1	5.2
6.7	11.2	4.8
6.7	12.1	4.6
6.7	12.3	4.3
7.4	12.9	4.4
8.0	13.3	4.5
8.5	13.0	4.4
7.9	12.2	4.4
7.3	11.5	4.0
7.1	11.4	3.6
6.8	11.4	3.5
6.6	11.3	3.4
1972 BY MONTHS		
6.4	11.2	3.4
6.5	10.8	3.7
6.7	10.3	3.5
6.6	9.9	3.4
5.7	9.5	3.2
5.4	9.3	2.9
5.8	9.7	3.0
6.0	10.1	2.9
6.5	10.5	3.3
6.8	10.5	3.4
7.2	10.4	3.5
8.3	10.8	3.4
1973 BY MONTHS		
8.2	10.4	3.7
7.4	9.7	3.9
6.3	9.0	4.7
6.2	9.0	5.1
6.9	9.1	5.5
7.4	9.2	5.9
--------	--------	5.7
--------	--------	7.5

Note: M^1 and M^2 are not seasonally adjusted.

Source: Federal Reserve Bulletin.

CUTTING THE BUDGET WILL CREATE MORE—NOT LESS—JOBS

We are also told that trimming the Federal budget, eliminating deficits, and curtailing new money supply will automatically produce higher unemployment. We are told that more unemployment is the logical consequence of coming to grips with the real causes of inflation—excessive Government spending with deficits and increased money supply.

Again, nothing could be further from the truth. During the last 5 years, the annual Federal budget increased from $184 billion to $304 billion, and we added another $100 billion to the deficit. Money supply increased proportionally. Did it—as is suggested by the proponents of big spending—produce more employment? No; quite to the contrary, unemployment shot from 3.4 percent to 5.3 percent nationally, and in some areas, like western New York, shot to 8.8 percent. Arguments for keeping up the level of spending, deficits, and new money supply are destroyed by these inescapable facts.

In addition, look what an increase in employment—not unemployment—would result from cutting the Federal budget and deficits. Senator WILLIAM PROXMIRE, the noted Wisconsin Democrat and vice chairman of the joint House-Senate Economic Committee, has analyzed that cutting $10 billion out of the budget this fiscal year and keeping it in the private sector's capital lending markets would result in as many as 500,000 more housing starts this year, producing an additional 1 million direct jobs and probably 2 million more in indirect, support jobs. Losses in Federal Government employment resulting from these budget cutbacks would be more than offset by these new jobs in the housing and construction trades industries.

We also hear proponents of increased Federal spending claim that the "multiplier effect" of Federal expenditures produces more jobs. This too is wrong.

Government has only one source for all its money—the taxpayer. That taxpayer either pays taxes directly in the form of individual income taxes or indirectly through higher prices for goods because of taxes on corporate earnings. A dollar spent by the Federal Government is one which was first taken out of the market.

Only a dollar spent which is not taken out of the market—a deficit dollar—could ever add to the Nation's work force in some kind of multiplier way. Yet, we could have a $10 billion deficit—for example's sake alone—from a $100 billion budget, instead of from a $300 billion budget, and still have the same effect, except that we would also be keeping the $200 billion difference in the private sector.

IS THERE AN ANSWER OUT OF THIS DILEMMA?

In light of the record before us, is there an answer out of this quagmire of Government spending and inflation? Yes, there are several, and they are all interrelated.

First, every Member of Congress should pledge himself to holding the line on spending—to such a degree that we will eliminate deficits, thereby lessening pressures on the Federal Reserve to issue the new money which makes all of us poorer in real purchasing power terms.

Second, We can move to institute a process—a procedure—binding on this Congress and the administration—to insure that the level of Federal revenue—in relation to the people's income—shall grow no higher than it is today. This is a Federal revenue limit proposed in the Fiscal Integrity Act, a bill which I first introduced on July 24, and which now has 43 House cosponsors.

Controlling deficit spending alone will not accomplish what we need to accomplish, for deficits can be eliminated by continuing to increase taxes to cover them. Of course, as I have indicated already, ever-increasing tax loads being borne by the people are among the reasons for the lack of national productivity we have today. Increased taxes is not the answer to controlling spending, for when taxes pass the one-fourth to one-third level—of the people's income—history shows that economic freedom is seriously impaired.

If we establish a Federal revenue and budget outlays ceiling—that Federal revenue simply cannot go over a fixed percentage of the people's income—except in times of congressionally declared national emergencies—we will have taken the most important step possible in halting the growth of Government in our daily lives and in stopping this rampant inflation which is destroying the economic fiber of the country.

Everyone who wants to control inflation should examine this proposed Fiscal Integrity Act in this light. My remarks in the October 2 CONGRESSIONAL RECORD deal with the need for it and its terms on a specific basis.

FIFTY WAYS TO FIGHT INFLATION

Mr. CRANE. Mr. Speaker, everyone looks to the Government to set a lead and an example in the fight against inflation. It is right that they should, because it is the actions of Government which figure most prominently amongst the causes of inflation. But there is a great deal that Government can do, in addition to behaving responsibly with taxpayers' money and to regulating any increases in the supply of money. A whole nest of tangling restrictions and regulations serve to keep prices up, even in cases where a free market would set lower prices.

The Davis-Bacon Act affords an excellent example. It was brought in in 1931 in response to the depression, and governs the wages paid under Government contracts. It is quite clearly an idea whose time is gone, for its main function nowadays is to keep the costs of Government construction artificially high. The General Accounting Office estimated that the effect of the Davis-Bacon Act was to increase the costs of Government construction by between 5 and 15 percent.

Now that our problem is not a depression but a raging inflation, there can no longer be any possible justification for an act such as this which guarantees continuous inflation in building. Not only Government contracts are involved, as we find so often with a "limited" Government intervention into the free market, the one intervention serves to distort the whole price pattern of the industry. This has happened in construction. The General Accounting Office says that federally financed projects have "obtained less construction per dollar" than private builders; but even private costs have been pushed up by the act. Whenever Government goes into the market paying higher rates than those currently existing, it can only act to exert upward pressure on prices throughout the whole sector.

The Davis-Bacon Act does just that. It forces other builders to compete for labor with the artificially high Federal rates. It builds inflation into the construction industry at a rate which economists have estimated to average about 12 percent.

The Associated Builders and Contractors have urged the suspension of the Davis-Bacon Act on the grounds that it "forces taxpayers to pay inflated prices for federally financed construction, restricts apprenticeship training, and prohibits multicraft training." Walter Heller, in an open letter to the President, has claimed that such acts as this one "make the Government an accomplice in many cost and price-propping actions," while Hendrik S. Houthakker has called in the Wall Street Journal for the act to be phased out because it is inflationary.

When such a battery of expert evidence supports the overwhelming weight of commonsense, we should be moving as rapidly as we can to repeal this outmoded and wasteful act. A simple cut in Government-financed construction is not enough, because the act overflows with its harmful effects into the private sector. It must be repealed. Government contracts, like all others, should be exposed to the full benefits of natural market forces. Experience has shown us many times that this is the only way to cut costs, to improve efficiency, and to keep prices down to the minimum.

We should be less concerned with the objections of articulate pressure groups, and more with the interests of ordinary American taxpayers. If we can, by repealing the Davis-Bacon Act, encourage lower prices for construction and increase employment in the industry, then we will have taken a giant step toward our goal of reversing the universal price rise which afflicts our society. We can give that lead for which people are looking. We can repeal the Davis-Bacon Act, together with all other legislation which regulates the wages paid under Government contracts. It will be not only a blow struck against inflation, but a blow struck for freedom.

Mr. LOTT. Mr. Speaker, inflationary times turn everyone's thoughts toward cutting down on luxuries. One particular luxury which we could well do without is the nonproductive cost which we impose on American business. If we are to play a full part in keeping prices down, then we must obviously do all we can to keep business costs to a minimum. Economists argue about so-called economic laws, but one which is beyond dispute is that if it costs a business more to produce goods, then the customers will have to pay higher prices in the stores.

The Occupational Safety and Health Act, which came into effect in 1971, was a clumsy and inept piece of legislation which has added significantly to the nonproductive costs of business. It was designed to achieve the very worthwhile objectives of cutting down work-related illness and injury. The trouble is that while all of us support those very commendable intentions, the act in question picked one of the worst ways of attempting to achieve them. What was supposed to insure safety at work for employees has turned out in fact to be a measure which works against the interests of both business and consumers.

Federal regulation through OSHA has produced business closures and layoffs, and has added to the costs of business in such a way that higher prices in the stores were inevitable. It provides a typical example of what happens when big government steps in to tackle a problem which could be managed much more easily at local level. The way the act was set up makes it impossible, for example, for a business to be told how its safety could be improved. The rule is that an OSHA inspector must issue a citation whenever he sees something which needs to be corrected. Any business which invites advice from OSHA is thereby insuring penalties against it rather than suggestions for improvement.

Another drawback of the act is that it sets up OSHA as prosecutor, judge, jury, and court of appeal. Only after the OSHA appeal procedure has been completed can the case be taken to the Federal courts; and even then the court confines itself only to the records of the OSHA Review Commission. Few businesses can afford the lengthy and costly appeal procedure; but the interesting thing is that of those who do manage it, the fine is reduced or eliminated in two cases out of three. This alone calls serious doubt onto the accuracy of OSHA's initial judgments.

The most inflationary aspect of OSHA, however, is undoubtedly the cost of complying with its regulations and standards. Many businesses, especially the smaller ones, simply cannot afford immediate replacement of outdated equipment. Yet OSHA can fine them out of business if they do not. Someone at some point has to ask the thousands of workers who have been thrown out of their jobs by OSHA what they think of its protection. Someone has to ask the American people, too, what they think of OSHA when they are paying inflated prices in the stores.

We could act surely and decisively against inflation if we did something to redress the injustice of the Occupational Safety and Health Act. The act itself is so bad that it might be better to scrap it altogether and replace it by a more sensible measure designed to secure similar objectives. At the very least we must allow for improvements to be recommended without instant and mandatory punishment, and we must replace the Review Commission by the Federal district courts. It is imperative, too, that we make OSHA more flexible, and more understanding of the cost problems faced by small businesses.

Safety at work is something we all want; but we should learn the lessons of this costly mistake and introduce our required standards in a way that will not act against business, worker, and consumer, as this act has done. If we can keep down the costs of business, we can keep down the prices in the stores, and play another small part in the war to conquer inflation before it conquers us.

GENERAL LEAVE

Mr. LOTT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of the special order today of the gentleman from New York (Mr. KEMP).

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

STEPS TO COMBAT INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. WHALEN) is recognized for 15 minutes.

Mr. WHALEN. Mr. Speaker, Americans are plagued with two seemingly incompatible economic ailments—hyperinflation and growing recession. The coexistence of these ills is analogous to the dusk which precedes sundown. For just as darkness inevitably follows bright sunshine, rapid price acceleration invariably is succeeded by declining production and expanding unemployment.

Clearly, as President Ford has noted, inflation is the Nation's "No. 1 enemy." During the 12-month period, September 1, 1973–August 31, 1974, the Consumer Price Index recorded an astounding 11.2-percent advance. Less perceptible has been the 2-percent decline in the real gross national product during the first two quarters of this year. Accompanying this drop in aggregate output has been a 1.0-percent rise in the jobless rate—from 4.8 to 5.8 percent of the civilian labor force.

In view of the economy's present ambivalence, what should Government do to combat surging prices? In developing programs, Federal policymakers, and the public they serve, must recognize three facts largely ignored during the recent summit.

First, inflation is not a way of life in the United States. During the first 5 years of the last decade the cost of living rose only 6.36 percent, reflecting an annual inflation rate of 1.27 percent. The present spiral was triggered in 1965 when the first of $130 billion was poured into Indochina. In the late 1960's, in an understandable effort to recapture buying power diminished by soaring defense expenditures, labor negotiated substantial wage increases. This led to the imposition of wage-price controls on August 15, 1971. The cooling effects intended by this action were negated by the concurrent implementation of expansionary fiscal and monetary efforts. The demand-pull, cost-push inflation, which began in 1965, was exacerbated in 1973–74 by international prosperity with its resulting demand pressures, global commodity scarcities, quadrupled fuel costs, devaluation of the dollar and other currencies, and a 50-percent increase in the world's money supply.

Second, Government's ability to solve inflation is quite limited. Indeed, many of the factors contributing to today's excessive prices—inflation abroad, crop failures, raw materials shortages, the high cost of oil—are beyond the reach of Federal actions. Thus, like the physician attending a heart attack victim, Government's principal role in treating inflationitis is preventing the patient from aggravating his condition. For both diseases, healing is effected primarily by nature and time.

Third, as implied earlier, inflation carries with it its own built-in remedy. Although bent, the law of supply and demand, especially in the long-run, has not been repealed. Due to inflation each citizen, between June 30, 1973, and June 30, 1974, experienced a $102 drop in real per capita income. This, in part, explains the 1 percent reduction in industrial production and the concomitant increase in unemployment during the past 13 months. Consumers simply are less able to buy—by approximately $22.5 billion since last year. This reduced purchasing power inevitably will exert a restraining influence on prices and interest rates.

As the disparity between price levels and spendable income grows, the more precipitous the decline in economic activity. In fact, by late 1975, it is my belief that unemployment (which should reach 7 percent) will replace inflation as "Public Enemy No. 1."

Thus, it is evident that a highly restrictive fiscal policy, involving deep spending cuts and/or tax increases, would further depress an already sagging economy. Resumption of wage-prices controls would treat the symptoms, not the causes of today's inflation and, therefore, only would defer the "day of reckoning."

The answer, consequently, lies in the exercise of moderate restraint by Government. These specific steps are recommended.

First, during fiscal year 1976 the growth of Federal expenditures should be restricted to 6 percent—contrasted with a 6 percent, 9 percent, and 13.8 percent advances in fiscal years 1973, 1974, and 1975, respectively. Assuming an 11 percent expansion in receipts—compared with 11.5 percent, 13.3 percent, and 11.3 percent during the past 3 fiscal years—income and expenditures will be balanced at $323 billion. Under these circumstances, the Federal Government's impact in the money and goods markets will be neutral—neither stimulative nor unduly suppressive.

Second, in fiscal year 1975 national defense will account for 29 percent of all Federal outlays, including transfer payments. Thus, the sheer size of military spending makes it the primary constriction target.

Third, to compensate for the growing jobless rate, a portion of fiscal year 1976's $323 billion budget should be allocated to a program of public employment.

Fourth, Federal Reserve authorities should permit a nominal 6 percent expansion of the money supply—the money stock grew 8.5 percent in 1972 and 6.3 percent in 1973.

Fifth, the Council on Wage and Price Stability should enforce its views by removing from the Federal bid list those firms whose price increases substantially exceed established guidelines.

Add to this prescription a dose of candor. Americans must be told economic truths by elected officials. They must know that Government cannot provide a quick answer. The cure for inflation will be slow and painful. This will involve pruning favorite Federal programs. Unemployment will rise. Living standards, at least temporarily, will continue to suffer. But if the country stays on the prescribed course, we can return to the more stable economic conditions which prevailed in the early 1960's.

THE FORGOTTEN SALESMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska (Mr. McCollister) is recognized for 10 minutes.

Mr. McCOLLISTER. Mr. Speaker, I speak today on behalf of a forgotten segment of our economy—the traveling salesmen of America and, in particular, the wholesale apparel salesmen who have voiced their needs so vividly. They are forgotten because the industry they represent has failed to recognize their contribution and the Federal Government has failed to protect their right to be justly rewarded for the contribution they make.

Since the days of the Yankee peddler, they have distributed the goods manufactured in this country through the length and breadth of the land. These are the men and women who keep the wheels of commerce turning and, at the risk of offending our ecologists, the smoke billowing from the chimneys of our highly industrialized economy. One of our greatest industrialized States, New York, claims the production and distribution of apparel as its No. 1 industry.

These forgotten men and women occupy a unique position in our economy. They have neither the benefits of organized labor, since this has been denied them by the National Labor Relations Board, nor do they have the status and security of management. They live in a limbo, forgotten by all branches of government. They are covered neither by workmen's compensation nor by unemployment insurance. They were even omitted from participation in social security until, by dint of their own efforts and the understanding of the late great Senator Walter George, then chairman of the Finance Committee, they were finally included under a statutory provision. Despite this inclusion, management has arbitrarily and capriciously refused to share their FICA tax burden, and our Government has done nothing to assist them.

As a practical matter, these men and women invest their own money in developing business for the firms they represent, yet they have no equity in the business. Working on commission, these salesmen pay their own expenses and completely subsidize their own sales, yet they are at the mercy of a manufacturer who may or may not ship the goods they sell. In the garment industry the national average for shipment of goods sold is under 80 percent.

The least-industrialized European countries, as well as all major European countries, have a respect for the commercial traveler unheard of in the United States. Laws protecting the salesmen were passed in 1790. Since then, Germany, France, Italy and the Netherlands have continually updated and refined their laws to meet the increasing needs of this vast battalion of commercial travelers to whom these countries grant so much recognition and protection.

The United States grants them little respect. And in the United States their protections are so few that they actually have reason to fear success. Being too successful can mean having their territories cut at management's whim or having their customers taken over by management as house accounts.

Again, in the United States, their protection is so flimsy they have reason to dread obtaining the much sought-after "hot" line—a line that brings an exceptionally large outpouring of orders from their customers. Large chains and department stores, working directly with management, may buy the firm's entire production, leaving nothing to ship to the small retail merchant. Commissions are not paid on undelivered goods.

These salesmen are major producers in our economy. They bear the cost of sales for the firms they represent. They face constantly rising costs in the goods and services they must buy in order to make their sales—automobiles, lodging, food and entertainment. You gentlemen are beseiged with complaints about the cost of gasoline, and most of your constituents drive 8 to 10,000 miles a year. These men drive about 40,000 miles a year and spend about 45 weeks on the road. Yet while their costs have risen, their commission rates have remained static for twenty years. Their only means of increasing their net income is to produce more sales. So they absorb the shock of inflation while acting as one of our last bulwarks against it.

I introduce for your consideration a bill to provide a measure of protection for these productive sales representative. I am not concerned with the lazy or marginally productive among them, for they will eliminate themselves from the potential rewards provided here. I do submit, however, that productive salesmen are entitled to indemnification for business they develop at their own expense and on their own initiative.

It is with great pleasure that I introduce legislation that will remedy this problem, entitled the Sales Representatives Protection Act. It is my hope that it will meet with speedy approval in the next Congress.

COMMENTS OF MIKE McCORMACK ON THE FIRST CONTINENTAL CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'Neill) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, it has been brought to my attention that the closing remarks of Congressman Mike McCormack, who served as chairman of the Committee on Arrangements for the 200th Anniversary of the First Continental Congress, were inadvertently omitted from the record of these proceedings in the September 25 Congressional Record. His remarks were inspirational and carried an important message for Members of Congress and the American public. I request permission that these comments be placed in the Record at this point.

CLOSING COMMENTS

(By Congressman Mike McCormack)

Thank you Mr. Cooke.

It may be appropriate, as we close this 200th anniversary ceremony, to recall that even with "the frailties of human nature" to which James Madison referred, the Congress and the House of Representatives has established a brilliant record of accomplishments in protecting and expanding freedom and human dignity; a record that is unique in the annals of history.

When Alexander Hamilton informed his British guest that, "here, Sir, the people govern", he could hardly have foreseen the remarkable progress that has been made here in the House of Representatives, giving meaning to his words.

This is a far better country, and indeed a far better world, for the accomplishments of the men who founded this Congress, and by their successors, who have, during the last 200 years, been dedicated to, as our founding fathers expressed it, "the great service of securing and perpetuating freedom."

Of course, no government of human beings can be free from error—let alone perfect—and the people of America have always been a daring, optimistic, generous people, willing to experiment—to try new ideas—to admit to mistakes, to laugh or cry together over successes or failures, and, learning from both, pick up the pieces and build for the future. It's been a great adventure—with a lot of ups and downs, but through it all we've kept—and expanded—our freedoms.

In 1787, the Northwest Ordinance excluded slavery in the new Northern States, and assured all new States equality with the original thirteen. That same year, the Constitution was adopted, and two years later, the Bill of Rights.

In 1801, the Alien Sedition Laws were repealed, thus protecting freedom of the Press.

In the 1860's the Morrill Act, extending higher education opportunities to average Americans, and the Homestead Act, making federal land available for individual citizens were enacted, and the 13th, 14th, and 15th Amendments, abolishing slavery and providing equal protection under the law, were ratified.

In 1919 Child Labor Laws were enacted and the next year suffrage for women was ratified.

The last forty years have witnessed a tide of significant legislation: The Social Security Act, the Fair Labor Standards Act, the G.I. Bill, Civil Rights Legislation, open housing, Equal Rights for Women, Aid to Education, the Repeal of the Emergency Detention Act, the Housing Bill, Medicare, the War Powers Act, and Environmental Protection and Consumer Protection Laws.

We have given generously of our manhood and our wealth to preserve peace and freedom, and help feed and uplift the rest of the world.

Most of this legislation has been passed here in this room by average and not so average Americans, and we, and all of our countrymen, can take justifible pride in the fact that this less-than-perfect government of less-than-perfect men and women has accomplished so much to keep faith with the aspirations and dreams of its founders; and to give deeper meaning to the first three words of the Constitution, "We the People".

Now, as we look to challenge of the future, let us dedicate ourselves to the commitment that it will be even brighter than the past, and that this chamber, and this House of Representatives will always be "the place where the people govern".

THE HONORABLE JOHN F. SHELLEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. PHILLIP BURTON) is recognized for 60 minutes.

Mr. PHILLIP BURTON. Mr. Speaker, during the Labor Day recess the distinguished former Member of the House, the Honorable John F. Shelley, died in San Francisco.

I have requested this special order today to honor his memory.

Jack Shelley died on Sunday, September 1. His 69th birthday would have been September 3. Jack Shelley's career was heaped high with honors but I suspect he treasured most his roots in organized labor and his long years of association with the cause of working men and women and their families.

Jack Shelley was first elected a delegate to the San Francisco Labor Council in 1933 and in 1937 was elected president of the labor council, the youngest man ever to hold that position. He later served as president of the California Federation of Labor—1947–50.

Jack Shelley was first elected to public office in 1938 with his election to the California State Senate, an office he held until 1946.

He was first elected to the Congress in a special election in 1949 to fill the vacancy created by the death of Congressman Richard Welch. Jack Shelley represented the people of San Francisco in this House until 1963 when he decided to seek the office of mayor of San Francisco. He was elected mayor and served in that capacity for one term when ill health caused him not to seek reelection.

Jack Shelley was a big man who loved people and who found real satisfaction in public service. He never lost sight of his beginnings with organized labor nor did his great love for the city of San Francisco and for her people ever wane.

John F. Shelley was a labor leader, a State legislator, a Member of the U.S. House of Representatives and Mayor of San Francisco but, to thousands of San Franciscans, Jack Shelley was the familiar name of a friend.

Jack Shelley will be missed by all who shared his concern for the well-being of working men and women and by all who shared abiding love for the city and for her people.

To his wife, Thelma, and to his children, Joan, Katie and Kevin; my wife, Sala, and I offer our most sincere and heartfelt sympathy.

Several pertinent newspaper articles follow:

[From the San Francisco Sun Reporter, Sept. 5, 1974]

MAYOR JOHN F. SHELLEY: A BOON TO MINORITIES

San Francisco and California lost a distinguished son last week with the death of former Mayor John F. Shelley. When the history of the thirty-year black struggle for full participation in the government is written, the name of Jack Shelley will stand out as a man from the ranks of labor, possessed of a deep compassion for working people and the racial minorities of San Francisco, who were his loyal supporters not only in the ranks of organized labor but also throughout his political career as State Senator, Congressman and Mayor of his native city.

During the four-year Shelley administration, racial minorities achieved, after more than two decades of struggle, their first appointment to the San Francisco Board of Supervisors, in the person of Supervisor Terry Francois. Under Shelley's administration racial minorities gained important breakthroughs on other city boards and commissions; most notably for our community was membership on the San Francisco Board of Permit Appeals, the Human Rights Commission, the Social Welfare Commission and an initial appointment to BART.

With the passing of Jack Shelley our community has lost a tried and true friend. We offer our sympathy and condolences to his widow, his children and the members of his family. We are sustained in our grief by recognition of the fact that for over six decades there lived amongst us a friend, neighbor, and great political leader whose humane acts have left an indelible imprint of enrichment upon our lives.

[From the San Francisco Examiner, Sept. 2, 1974]

SAN FRANCISCO MOURNS JACK SHELLEY

San Franciscans today mourned the death of John Francis (Jack) Shelley, who served the city for more than three decades as state senator, congressman and mayor.

Mr. Shelley, who would have been 69 tomorrow, died of cancer in St. Mary's Hospital here yesterday.

After completing his term as mayor, Mr. Shelley was appointed city lobbyist in Sacramento by his successor, Mayor Alioto.

He had been plagued by ill health during the past two years, undergoing four major operations—two of them last July. He entered the hospital for the last time Aug. 11.

A native of San Francisco's Mission district, Mr. Shelley first gained prominence as one of the state's outstanding labor leaders.

While studying for his law degree at the University of San Francisco he worked as a bakery wagon driver.

He became active in union affairs, was elected head of his local and, at 31, became the youngest man ever to be elected president of the San Francisco Labor Council.

In 1938 he was elected to the first of two terms in the state Senate and also served as president (1947–50) of the California Federation of Labor.

Mr. Shelley, a Democrat, first was elected to Congress in 1949 to succeed Richard Welch, a Republican who died in office. He easily won reelection to six more terms.

In 1963 he gave up his seat in Congress to run for mayor against Supervisor Harold Dobbs, winning election in a hard-fought campaign.

Of all his achievements in labor and politics, he was proudest of his election to the mayor's office.

"I've wanted to be mayor ever since I was a kid growing up in the Mission district," he said.

"I didn't want to be mayor so I could use City Hall to run for governor or some other job. I just wanted to be mayor of the city I was born in."

Mr. Shelley's mayoral term was marked by a period of turbulent change. There were civil rights demonstrations in which thousands took part. City Hall fiscal problems became increasingly complex.

But he did have his successes. He brought an end to a printers' strike marred by violent incidents and settled a dispute that jeopardized the 1964 opera season.

But the burdens of the office he cherished were heavy. Near the end of his term he was hospitalized at UC Medical Center for exhaustion brought on by overwork. For reasons of health he decided not to run again.

Mr. Shelley was the oldest of nine children born to Dennis Shelley, a San Francisco longshoreman who came here from Skibbereen, County Cork, and Mary Casey Shelley, born on Ricon Hill.

He attended Kate Kennedy School and St. Paul's Parochial school, graduated from Mission High School and enrolled at USF—then St. Ignatius College.

Mr. Shelley's first wife, the former Genevieve Giles, died in 1952. He and Thelma Smith were married in Washington the following year.

In addition to his wife he leaves two daughters, Joan, child of his first marriage, and Kathleen, and a son, Kevin; a sister, Marie, and a brother, Dan, retired San Francisco police captain.

The body will lie in state at St. Mary's Cathedral, Geary Boulevard and Gough Street, beginning at 4 p.m. tomorrow.

A rosary service will be recited at the cathedral at 8 p.m. tomorrow, with a funeral mass at 10 a.m. Wednesday, followed by interment in Holy Cross Cemetery.

The family expressed a preference for contributions to the Cancer and Heart Funds of St. Mary's Hospital.

[From the San Francisco Examiner, Sept. 2, 1974]

Shelley "A Friend of Working Man"

The death of former Mayor John Francis (Jack) Shelley yesterday brought expressions of sorrow from many friends and associates, including Mayor Alioto and former Mayor Elmer E. Robinson.

Alioto called a press conference Sunday afternoon in his City Hall office to eulogize Mr. Shelley.

"This is a very sad day for me," he said. "Jack and I were friends for years. He was a first-rate public servant and labor leader. He did so much for us that San Francisco is forever in his debt.

"His lasting contribution was in elevating the status of the ordinary working men and women. As a labor leader, state senator, congressman and mayor, he brought to the city recognition for the people who had to do the dirty work. He felt the city could better dispense with its lawyer than its street sweepers. He was a good man."

Robinson, who served as the city's mayor from 1948 to 1956, said:

"He loved his city as much as any man could and he devoted himself to helping it. I feel a deep personal loss as will everyone who knew him well. He suffered a lot in the last two years but I know that he was deep in his faith."

Daniel Del Carlo, secretary of the Construction and Building Trades Council, said of the former labor leader:

"He was a very dear friend. I had known him since he first came up in the labor movement. He went right to the top, and he served there and as a congressman and state senator with great distinction. Had he been well he would have served as mayor for another term and he would have served the public well. There are not many like him."

Wendell Phillips, longtime secretary of Mr. Shelley's old union, the bakery wagon drivers, said "his death comes as a terrible shock. We were close friends for over 40 years. He was a great guy. We're all going to miss him."

[From the San Francisco Chronicle, Sept. 2, 1974]

Former Mayor Shelley—Champion of the Workers

(By Charles Raudebaugh)

Mayor Joseph L. Alioto said when he heard of the death of former Mayor John Francis Shelley yesterday morning, "Jack Shelley . . . was a champion of the working people all his life . . ."

The tribute was borne out in Mr. Shelley's political career.

The son of an immigrant longshoreman, Mr. Shelley launched a long career in public office while serving as president of the San Francisco Labor Council.

He was a Democratic leader in the Legislature during two terms as a State Senator, beginning in 1938 and then served seven terms as United States Congressman from the Fifth District here before he was elected mayor by a landslide vote in 1963.

Illness forced him to step aside as a candidate for a second term as mayor but his successor, Mayor Joseph Alioto, made him San Francisco city lobbyist at Sacramento in 1968.

An impressive and glittering cross-section of San Francisco's rich and powerful jammed into the grand ballroom of the Fairmont Hotel for a testimonial dinner honoring him after his term as mayor.

A tall man with white hair and a warm smile, Mr. Shelley never pretended to be anything more than a Mission District bakery wagon driver.

"My father once said to me, 'Jack, the day you forget where you came from and the people you came from, you won't belong where you are'."

He learned trade unionism at the kitchen table from his father. There, he also learned to recognize and detest racial and religious discrimination.

"My father used to tell me of seeing signs that said, 'Help wanted but no Irish need apply,'" he recalled.

Mr. Shelley was born Sept. 3, 1905, at 150 South Park street. His father, Dennis, was from Skibbereen, County Cork, and his mother, Mary Casey, was born on Rincon Hill in San Francisco.

Mr. Shelley was the first-born of nine children; not all of them survived to adulthood. Two of his sisters died in his arms of tuberculosis—memories that left him with a strong determination to do what he could for working people and the poor.

He attended Kate Kennedy public elementary school and St. Paul's parochial grammar school in San Francisco and then, because he was tall and lanky, he was able to obtain a berth as a seaman.

He went to sea on and off until 1929, rising to the rank of first mate and acquiring a fluent knowledge of Spanish. He also was at home in the Tagalog dialect of the Philippines.

Another death in the family caused Mr. Shelley to take a shore job as driver of a bakery wagon.

Between sea trips he had been graduated from Mission High School in 1923. Subsequent interest in the bakery wagon drivers union sent him to night school at St. Ignatius College, now the University of San Francisco. He was graduated in 1932 with a degree in law but never practiced.

In 1937 he became the youngest president of the Labor Council in the council's history. He held that post until 1948 when he became president of the State Federation of Labor, a position he held for two years.

His career as an active trade unionist paralleled his career as a State Senator but his work in Sacramento was such that he drew strong support from downtown employers who might not ordinarily be expected to support a labor candidate.

This ability to win friends, and to keep discussion on the issues at hand, was a strong characteristic of Mr. Shelley.

He thus had strong bipartisan support when he ran for Congress at a special election in 1949 following the death of Representative Richard J. Welch, a Republican, and when he ran for mayor in 1963.

In Congress, Mr. Shelley was a member of the Merchant Marine and Fisheries Committee and then was moved to the powerful Committee on Appropriations, where he served for nine years.

He was national commander of the Coast Guard League in 1956 and 1957.

He fought for the preservation of private shipbuilding on the West Coast, the retention of Hunters Point shipyard when the Navy sought to shut it down, new airlines routes for San Francisco, money for urban renewal in Diamond Heights, Western Addition and the Golden Gateway, federal assistance for BART and medical care for the aged.

After his first year in office as mayor, he commented, "I feel like a mountain goat leaping from one crisis to another."

He complained that San Francisco's main problem was "too much action and not enough planning."

His first year was marked, among other things, by massive sit-ins over minority employment at the Sheraton-Palace Hotel and along Auto Row. Mayor Shelley played a key role in negotiating settlements there and keeping violence at a minimum.

There were other disputes, too, where his ability as a labor negotiator helped in finding solutions to city problems.

"I'm not afraid to take my lumps and I have some scars to prove I've taken them," he once commented.

Mr. Shelley appointed the city's first Human Rights Commission and saw it become a force in the fight for equality in educational training and job opportunity.

When violence broke out in Selma, Alabama, over the registration of blacks, Mr. Shelley called minority persecution there "a cancerous pocket of hatred, prejudice and persecution."

"My sympathies are with the people seeking the right to vote," he said. "I'd go down there and help them if I didn't have to stay here as mayor."

When there was rioting at Hunters Point in 1966 over the slaying of a young car theft suspect by a policeman, Mayor Shelley personally went into the heart of the troubled area. He was given credit for the quick settlement of the violent outbreak.

He said the violence was a measure of frustration over inability to get jobs and then had harsh criticism both of unions and employers.

"I fully realize that I am placing in jeopardy my entire public career, but the medieval practice of discrimination by labor unions is just as sorrowful and just as unfair as the archaic attitudes of members of employer groups.

"It is time to start curing the sickness."

Mr. Shelley's first wife, Genevieve Giles, died in 1952 after a long illness. A year later he married Thelma Smith, of Ontario, San Bernardina county, his secretary.

In addition to his wife, he is survived by a daughter, Joan-Marie Shelley, a teacher, and two children of his second marriage, Kathleen Patricia, born in 1954, and Kevin Francis, born in 1955.

Mr. Shelley also is survived by a sister, Marie Shelley, an office employee of Carpenters' Union Local 22, and a brother, Dan Shelley, a retired police captain.

[From the San Francisco Chronicle, Sept. 2, 1974]

Ex-Mayor John Shelley Is Dead

Former San Francisco Mayor John Francis Shelley, who would have been 69 tomorrow, died yesterday morning at St. Mary's Hospital.

He had been active as San Francisco's lobbyist, representing Mayor Joseph Alioto in Sacramento, until a checkup July 4 at St. Mary's Hospital led to surgery there for lung cancer July 11—and, since he was there, and evidently recovering well—prostate surgery July 29.

He was sent home August 9, but returned to the hospital two days later, weakened by what proved to be rapid spreading of the lung malignancy.

In years past, he had undergone successful heart and hip surgery at St. Mary's.

At his bedside when he died yesterday at 6:07 a.m. were his wife, Thelma, and his three children, Joan-Marie, Kathleen Patricia and Kevin Francis.

Mayor Alioto, who had visited the bedside of the former labor leader, assemblyman, congressman and mayor on Saturday, ordered city flags to half-staff, and said:

"Jack Shelley served the city faithfully and he served it well.

"He was a champion of working people all his life, and through his devoted advocacy he brought them a better life and more hopeful future.

"We will miss him. San Francisco will ever be in his debt."

Mr. Shelley's body will lie in state at St. Mary's Cathedral beginning at 4 p.m. tomorrow (Tuesday). The Rosary will be recited at the cathedral tomorrow at 8 p.m.

A Concelebrated Mass of Christian Burial will be held at the cathedral on Wednesday at 10 a.m., led by Bishop Mark J. Hurley of Santa Rosa, whose brother, Bishop Francis Hurley of Juneau, Alaska, will deliver the homily.

Wednesday's Funeral Mass will be followed by interment at Holy Cross Cemetery in Oakland.

According to Carew & English, in charge of arrangements, memorial donations may be made to the St. Mary's Hospital Heart and Cancer Funds.

[From the San Francisco Chronicle, Sept. 3, 1974]

Services for John Shelley

The body of former San Francisco Mayor John Shelley will lie in state at St. Mary's Cathedral beginning at 4 p.m. today (Tuesday).

Mr. Shelley, who would have been 69 yesterday, died Sunday at St. Mary's Hospital, where he had recently undergone surgery for lung cancer.

He was a Democratic leader in the Legislature during two terms as a state senator, beginning in 1938. He then served seven terms as U.S. Congressman from the Fifth District here.

Illness forced him to decline a second term as mayor, but his successor, Mayor Joseph L. Alioto, made him San Francisco city lobbyist at Sacramento in 1968.

At his bedside when he died early Sunday morning were his wife, Thelma, and his three children, Joan-Marie, Kathleen Patricia and Kevin Francis.

The Rosary will be recited at the cathedral at 8 p.m. today (Tuesday).

A Concelebrated Mass of Christian Burial will be held at the cathedral at 10 a.m. tomorrow (Wednesday), followed by interment at Holy Cross Cemetery in Colma.

Memorial donation may be made to the St. Mary's Hospital Heart and Cancer Funds.

Mayor Alioto, who had visited Mr. Shelley the day before he died, ordered city flags to be flown at half-staff.

[From the San Francisco Chronicle, Sept. 4, 1974]

John Shelley

John F. Shelley was mayor of San Francisco from 1964 to 1968, a time when the city was experiencing in a major way fresh urban problems we now take for granted. It is to his credit that he worked to keep the city budget in line, that he fought to preserve open space and that he courageously (and often unpopularly) sought increased minority participation in government and business.

He was a dedicated union man, a dedicated public servant, and his death Sunday leaves the city without one of its champions.

[From the New York Times, Sept. 2, 1974]

John F. Shelley, Labor Leader, Legislator, Coast Mayor, Dies

San Francisco, September 1.—John F. Shelley, who began his career as a labor leader and later served as a State Senator, United States Representative and Mayor of San Francisco, died today of lung cancer in St. Mary's Hospital. He would have been 69 years old Tuesday.

LEARNED LESSON EARLY

John Francis Shelley stood on the deck of a freighter in San Francisco Bay one day in the nineteen-twenties, sporting the spanking new uniform of a third mate and berating the stevedores who were loading the vessel. His shouts taught him a lesson that stayed with him through his career.

That night his father, a longshoreman born in County Cork, took him in hand. "The day you forget the people from where you came," the elder Shelley admonished the oldest of his nine offspring, "that is the day when you don't belong where you are."

The young man made the parental advice his motto and remembered it through top jobs in the labor movement of California, as a State Senator for six years, a member of Congress for 13 and as Mayor from 1964 to 1967 when ill health forced him to drop his bid for re-election.

The product of a tough working-class district and always mindful of that background, Jack Shelley acquired a deep-seated belief that "working it out instead of fighting it out" was the best policy when disagreement was encountered.

This attitude came in handy after his inauguration as Mayor in 1964, a time when the nation seemed headed for mutually destructive confrontations on many fronts. While he took a hand that year in settling a long printing strike and averted another walkout that threatened the start of the San Francisco Opera's season, his readiness to talk things over helped calm the water of racial conflict.

HIRING PRACTICES CITED

Discriminatory hiring practices triggered demonstrations in San Francisco just after Mr. Shelley took over as the first registered Democrat to win the Mayor's office there in half a century. He rejected demands that the demonstrators be faced with tough police action and instead negotiated with civil rights leader for a moratorium during which to talk things over.

Together with other big-city Mayors, Mr. Shelley soon found himself engaged in a battle with poverty groups and the Federal Office of Economic Opportunity over who was to administer antipoverty funds.

But his worst moments probably came in September, 1966, when jobless young blacks, angered by the fatal shooting of a car-theft suspect by a white policeman, engaged in two nights of rioting and looting. There were no further deaths and the disturbances hardly compared with those in some other cities, but they resulted in a call-up of the National Guard and dozens of injuries as well as many arrests.

Mayor Shelley went to the riot area to talk and again cautioned the police and National Guardsmen against excessive force. He also lobbied for Federal training funds, pleaded with business and * * * black workers and accused some of his former labor colleagues of having helped foster the disturbances by means of "medieval practices of discrimination."

Mr. Shelley also fought a losing battle against topless dancers who, he charged, were attracting "some characters not of the best type" to the city's gaudy nightclub strip. And, in a lighter moment in 1965, he saw to it that Princess Margaret of Great Britain and her husband, Lord Snowdon, got a cable car ride after she told him that "it doesn't look as if our security men will let us."

But after a medical check-up in September, 1967, the Mayor, who had suffered a heart attack more than 10 years before, was forced to cancel his bid for re-election and throw his support to Joseph L. Alioto instead.

Mr. Shelley had his first taste of politics in 1923 when he was elected student body president at Mission High School in San Francisco. Fifteen years later, at 31, he became the youngest man ever elected president of the San Francisco Labor Council.

WENT TO LAW SCHOOL

In between, he worked for 10 years as a merchant mariner and then put himself through law school by driving a bakery truck.

Mr. Shelley was elected in 1938 to the first of two terms in the State Senate and successfully contested a Congressional seat in the Fifth District in a special election in 1949. As a member of the Committee on Merchant Marine and Fisheries, he took a special interest in advancing the cause of the merchant marine.

He resigned his seat when he became Mayor of San Francisco.

Mr. Shelley's first wife, the former Genevieve Giles, died in 1952; their daughter, Joan, survives. Also surviving are his widow, the former Thelma Smith, and their children, Kathleen and Kevin.

[From the California AFL-CIO News]

John F. Shelley, S.F. Labor Leader, Mayor, Dies at 68

Funeral services were held this week for John F. Shelley, former San Francisco mayor and congressman who also served as president of the California State Federation of Labor from 1947 to 1950.

Mr. Shelley, who had recently undergone surgery for lung cancer, died at 68, just one day short of his 69th birthday.

"Jack Shelley was one of the most determined and effective fighters for workers' rights and human rights San Francisco has ever produced," John F. Henning, executive secretary-treasurer of the California AFL-CIO, said.

Among other things, Henning noted, "Jack Shelley fathered the legislation that created the state's disability insurance program in 1946, a program hailed by the press at the time "as the most forward and progressive legislation since the enactment of the workmen's compensation law 25 years earlier. And he pushed that bill through four legislative sessions until it was enacted.

"He displayed the same sort of drive and compassion throughout his service as congressman and mayor. We are all deeply saddened by his death," Henning said.

Mr. Shelley worked his way through the University of San Francisco Law School at night while working as a bakery wagon driver. He was elected as a delegate to the San Francisco Labor Council in 1933 and served as chairman of the Council's Organizing Committee in 1934–35.

In 1937 he was elected president of the Council and became the Council's first full-time employee a few months later.

In 1938 he defeated a former Assembly Speaker in a race for a San Francisco State Senate seat. He served in the State Senate from 1938 to 1946, where he fought for relief for jobless workers and stronger social insurance programs.

During World War II he volunteered for U.S. Navy duty but was asked to help organize the War Labor Board by President Roosevelt and served as the original AF of L member of that board. He also served on a number of other state and federal boards and commissions during his public life.

In 1947 he was elected president of the California State Federation of Labor, a position he held until 1950 when he went to Congress where he served seven terms before abandoning the seat to become Mayor of San Francisco.

Survivors include his wife, Thelma, and three children, Joan-Marie, Kathleen Patricia and Kevin Francis, who were all at his bedside when he died.

He was buried at Holy Cross Cemetery in Colma following a requiem mass at St. Mary's Cathedral, Wednesday.

The family requested that memorial donations be made to St. Mary's Hospital Heart and Cancer Funds in lieu of flowers.

John F. Shelley

(Eulogy by Bishop Francis Hurley, Bishop of Juneau, September 4, 1974)

"Let poverty be your portion for it leads to the land of the living."

The simple words of the patron of this city, St. Francis, might be the unspoken last words of the former Mayor of this city, John Francis Shelley.

One might wonder at first hearing, why these words—Let poverty be your portion—should be associated with Jack Shelley?

Jack was not materially poor. He lived in a comfortable though not pretentious home and enjoyed the comforts of his peers.

He was not lonely poor. He had the enviable wealth of the love of his family, the personal friendship of those who worked for him and numerous friends, personal and political, as is evidenced by all here today.

He was not talent poor—rich in oratorical skill, keen mind, clever debater, a great facility for languages.

Least of all was he personality poor as in election after election won his way into the hearts and votes of hundreds of thousands. The richness of that personality was appropriately signified Monday night before the football game at Candlestick Park where 52,000 people stood in respectful silence to honor his memory. In that moment I could not fight off the distraction of Jack having a good chuckle in noting that a good number of these people were from Oakland.

How paradoxical then to associate the concept of poverty with Jack Shelley. It can be done only if we understand the real meaning of poverty.

True poverty is found in the heart, in the spirit, it is a frame of mind, a mentality; it is intimately tied to love of God and love of neighbor.

For the Christian poverty is the ability to keep one's self free to respond to the appeals from people and the appeal from God; the ability to be free to respond to others before self.

Herein lies one of the dominant traits of John Francis Shelley. He kept himself free to respond to the needs of others.

This instinct to respond was inbred in Jack Shelley. It came to him from his family and, indeed is reflected in other members of his family. His family with its Irish culture and Catholic faith, imbued him with a sensitivity for others. This sensitivity was sharpened to a fine point when as a young man he rubbed shoulders with all types of people. He experienced the struggles of the wage earner as a bread truck driver, he lived among victims of discrimination, racial and religious, he knew the loneliness of the seaman, the frustrations of those with language barriers.

Through those years he heard their voices and responded not selfishly but by taking up their causes. But he realized that he had to be well equipped, so he armed himself with more education. At U.S.F., among the Jesuit Fathers for whom he retained great affection, he built on the foundaton of learning and faith that he received in his family and in St. John's Parish. As the occasion demanded he learned the language of other nations, the better to hear and the better to respond.

The record of Jack Shelley is much stronger in the memory of you here than can ever be captured in words—he traveled through the labor movement, through the State legislature to the Congress of the United States.

In Congress Jack Shelley forged a place of respect and power. His personal talents and concern for his constituents motivated him. His personality won him friends in both political parties and the accumulating years of seniority entrenched him as an effective legislator.

One of the great moments for Jack in Washington was the inauguration of John Kennedy, a close personal friend. The first person to visit the new President in his office was Jack Shelley and the President guided him through The White House.

One might be tempted to think that in Congress Jack Shelley reached the pinnacle of his political career; secure in the votes of his constituents, with accumulating seniority and key committee assignments; a personal friend and informal advisor to the President.

But the highwater mark of Jack's political career was not in Washington, D.C. On many a balmy evening at his home I listened to him as his thoughts were drawn west—drawn to California by the redwood house he had built near thhe Potomac River, drawn to the Bay Area by the pictures that adorned his house, drawn to San Francisco by the thoughts of the people. For him San Francisco was not Twin Peaks, the Bridges, Nob Hill, South of Market, the Mission—it was the people. He held himself free to respond to their voices. When they spoke he had rekindled a young man's dream of what for him was the pennacle of his political career, the Mayor of the City.

It was no mean decision. In the 60's the scourge of the cities of the country had already started. Turbulence and violence were rearing their ugly heads. Jack responded—on the streets with the people where he had started.

Jack had always dreamed of being Mayor but he was not a "dreamer." Toward the end of his first term he was confronted with a hard fact. The job had already taken its toll on his health. He was faced with the anguish of the thought that often confronts a leader: sometimes to lead it is necessary no longer to lead.

To a friend he confided: "It is my health that forces this decision. No one will believe me but it's the truth."

Those who knew Jack Shelley believe it. He was a man of decision and a man of courage—and because he always stayed close to people he was a realist. In the spirit of St. Francis, he put aside the cloak of office.

Such was the life of JOHN FRANCIS SHELLEY. He would be the first, with characteristic sweep of the hand and guffaw, to disclaim an identity with St. Francis but they did have in common a spirit—a spirit which challenged society to reach for higher goals.

Because Jack Shelley responded himself to that challenge he was ready also to respond to God's summons. For that reason we do not hesitate to commend him to God and His merciful ways.

We Catholics accept death in the light of The Resurrection of Christ, which is his promise of victory over the world. As we join his brother and sister and most particularly his wife and three children we do not sorrow as those who have no hope. Rather we know that neither life nor death can completely separate us from those we love.

The name of JOHN FRANCIS SHELLEY is now inseparably linked in history with the City of San Francisco. If we might presume to speak a last word on his behalf it might be the words of the Patron of our City, St. Francis:

"Let poverty be your portion for it leads to the land of the living."

Mr. ALBERT. Mr. Speaker, it was with great personal sadness that I noted the death of a distinguished former Member of this body and an old friend, John Shelley. John was a man of great conviction. He rose from the ranks of the American Labor movement to become president of the California American Federation of Labor, Congressman, and mayor of San Francisco. He represented the labor movement at a time when labor was regarded by many as the pariah of American society. He helped dispel this hatred and opened a dialog between labor and industry. He was an intellectual, he loved ideas and was receptive to them. He was easygoing, open, and frank. He called the shots as he saw them and he worked hard to make this country a fairer, more decent, and more humane place to live. John Shelley had a deep understanding of people and an extra measure of compassion and sensitivity. He used his talents for the betterment of others. He was hard working and outspoken and he left a legacy of fairness, honesty, professional objectivity, and dedicated service.

Mr. JOHNSON of California. Mr. Speaker, it is with great sadness that I rise today to pay final respects to a former colleague, who in his 69 years lived the way of life expressed so well by his father many, many years ago:

> The day you forget the people from where you came that is the day when you don't belong where you are.

John F. Shelley served in the House of Representatives for 13 years following distinguished service as a State senator in the California Legislature. While most of the tributes which have been paid to Jack Shelley emphasized his actions while mayor of the great city of San Francisco, I recall Jack best for his dedicated service in the House of Representatives and in the State senate. His great interests in merchant marine affairs, which led him to the House Committee on Merchant Marine and Fisheries, were natural since he was the son of a longshoreman and he himself served as a third mate in the merchant marine.

But even beyond this limited area, Jack Shelley was a dedicated, effective legislator with broad interests and deep concern for people. In championing the causes in which he believed never once did he exercise any unfair advantage which he might have held over his legislative opponents. He was always willing to sit down and listen to the other side, seeking to work out differences rather than fighting them out. This attitude in no way demonstrated any softness on the part of Jack Shelley for he was a tough, hard fighter.

We in the State of California are going to miss Jack. My wife, Albra, and I feel very deeply that we have not just lost a former colleague but we have lost a close, personal friend. May we express to his widow, Thelma, and their two children, Kevin and Katie, who we knew so well from numerous visits in their home when they were small, our deepest sympathies at this time.

Mr. ROYBAL. Mr. Speaker, as the House pauses today to honor the memory of a most distinguished former Member, I would like to express the deep loss shared by all those who had the privilege to know John F. Shelley. He was a hard and dedicated worker who will be remembered as a fighter for workers' rights.

Jack prepared himself for the outstanding career which was to follow by working his way through the University of San Francisco Law School. He was elected as a delegate to the San Francisco Labor Council in 1933 and in 1937 was elected president of the council. From 1938 to 1946 he served in the California State Senate, where he fought for relief for jobless workers and stronger social insurance programs. In 1947 he was elected president of the California State Federation of Labor, a position which he held until 1950 when he became a Member of Congress. He served in Congress for seven terms before leaving to become mayor of San Francisco.

John F. Shelley had, indeed, a most

noteworthy career. His great concern for workers' rights and human rights was repeatedly evidenced throughout his career, not only as a Congressman, but in all the high offices of trust for which the people chose him as their representative.

Jack will be sorely missed and we are all deeply saddened by his death.

Mr. MORGAN. Mr. Speaker, I would like to join with my colleagues in eulogizing former Congressman John F. Shelley. A Congressman for 13 years, John served on the House Committee on Merchant Marine and Fisheries, bringing to that committee the special knowledge he acquired during the many years he worked as a merchant mariner.

John never forgot his background—his father was a longshoreman born in County Cork—and he constantly and successfully worked to bring people together in a spirit of compromise. This attitude was especially useful during his service as mayor of San Francisco. His efforts to settle a printing strike, eliminate discriminatory hiring practices, and facilitate communication among all segments of society stand as testaments to his noble character.

Mr. Speaker, despite the fact that our congressional districts were at opposite ends of the country, John and I became good friends and shared many common interests. We both had offices in the Cannon Building and had many opportunities to discuss important national issues. He was a source of guidance and support on many occasions, and I shall always remember his steadfast interest in the welfare of American workers. I would like to extend my sympathies to his widow and children. I shall miss him very much.

Mr. SIKES. Mr. Speaker, I was saddened to learn of the death of my good friend and former colleague, the Honorable John F. Shelley of California.

I came to know John when he became a Member of this body in 1949, and I served with him until he resigned in 1964 to become mayor of San Francisco. We enjoyed a warm friendship and my respect for him grew each day.

Men like John Shelley always serve with distinction and leave an impressive record in the Congress. He was dedicated to the interests of his constituents and our Nation. He was a fearless champion for the legislation in which he believed.

He enjoyed a growing esteem during his service in Congress by those whom he served. This was further demonstrated in 1964 when he was elected mayor of his beloved San Francisco. He served in that post for 4 years and, upon leaving, remained active in public affairs by becoming an advocate of his city in the California Legislature.

But it was during his congressional career that I knew him best. He had come to the Congress with outstanding ability and a fine legal background. He had been a State senator, a candidate for Lieutenant Governor, a delegate to five Democratic Conventions. He served in the Coast Guard during World War II.

The public career of John F. Shelley should serve as a model for all who would serve their fellow man in public office. He loved his city, he loved his State, and he loved his Nation. He served each with honesty and dedication. No man can do more. He will be missed by all who knew him.

Mr. MINSHALL of Ohio. Mr. Speaker, I join my friends and colleagues in lamenting the death of former Congressman John F. Shelley. His distinguished career encompassed 6 years as a State senator, 13 years as a U.S. Representative, and 3 years as mayor, all in the service of his hometown of San Francisco.

Although we often disagreed on issues while he served in the House, I have always admired his integrity and dedication. He must have known the truth of Carl Sandburg's words:

> The republic is a dream.
> Nothing happens unless first a dream.

John Shelley had many dreams for his city. He tried to realize these dreams through avenues that he knew best. He was elected president of the San Francisco Labor Council in 1937, then president of the California American Federation of Labor in 1947.

He came to the House in 1949 after being elected to fill the vacancy caused by the death of Richard J. Welch. Having worked for 10 years as a merchant mariner earlier in his life, he became an active member of the Merchant Marine and Fisheries Committee and took special interest in advancing the cause of the merchant marine.

His real concern centered on labor problems, however. Therefore, in 1946 he resigned from Congress to serve as mayor of San Francisco. Through varied and sometimes violent confrontations, John helped to better the situation of the laborer in his city. Unfortunately, ill health forced him to abandon his bid for reelection in 1967.

Although San Francisco has been deprived of one of its finest crusaders, John Shelley will live long as a great example of a dedicated statesman.

Mr. CONTE. Mr. Speaker, I want to thank my colleague, the gentleman from California (Mr. PHILLIP BURTON), for arranging for this special order to pay tribute to the memory of a dedicated servant of the public, John F. Shelley.

It was my privilege to serve in the Congress with Jack Shelley and knew his intense devotion to the interests of the people of California's Fifth District, as well as the Nation. Prior to his 13 years of service here in the Congress he served as a State senator, and following his tenure in this body, he held the post of mayor of the city of San Francisco.

His contributions to his community, State, and country were many and I am thankful for this opportunity to note only some of them. At this time, I express my sincere condolences to Mrs. Thelma Shelley and the Shelley children.

Mr. LEGGETT. Mr. Speaker, I am greatly saddened by the recent death of our former colleague, Jack Shelley. Jack Shelley, as a State senator, Congressman, mayor, San Francisco lobbyist in Sacramento, and labor arbitrator, served the great city of San Francisco and the bay area most ably. He was also a close personal friend, and I am sure that many Members will miss his counsel.

Mr. Shelley was active in the labor movement in the thirties and throughout his years as a public servant. In 1937, during the years that the AFL and the CIO were engaged in numerous jurisdictional disputes, he urged that the labor movement unite. "United we stand; divided we fall," Shelley warned in those years. Throughout his long career, Shelley remained sensitive to the plight of the working man. Recently, Jack Shelley has served the public as a labor arbitrator, and has served the public well in that capacity.

As mayor of San Francisco, Jack Shelley showed the progressive and courageous leadership that he had demonstrated as a labor leader. He was sensitive to the civil rights issues that were so prominent in the middle sixties, and resisted pressures to meet the demonstrators' demands with police action. Instead, Jack Shelley called for a moratorium and was able to help resolve many of the demands.

Finally, in the Congress, Jack Shelley of San Francisco served his district well. He was a member on the Merchant Marine Committee in the House, on which committee I am also proud to serve. As a member of that committee he was active in promoting the interests of the people of the bay area, and of the country, and was a major force in the development of our fine merchant marine.

Jack Shelley was committed to the principle that the best way to resolve conflict is "working it out rather than fighting it out." I joint other Members of this body in paying tribute by affirming my belief in that same motto. Jack Shelley helped the country and his fair city of San Francisco to progress by working at California problems one by one and resolving them fairly. Let this Congress pay the highest tribute to Jack Shelley by working in that same spirit.

Mr. VANIK. Mr. Speaker, I was shocked to learn of the untimely passing of our former, distinguished colleague, the Honorable John F. Shelley.

It was my privilege to serve with Jack Shelley during the 84th to 88th Congress. He was a most effective Member of the Congress. His course was always clear and certain. He supported the public interest in every action. He had no private constituency of special interest. His view of America was ambitious and filled with hope.

When Jack Shelley left Washington to serve as mayor of San Francisco, it was Washington's loss. He served San Francisco with great honor and with great distinction. Programs which he initiated are dynamically moving forward in the city which he loved so much.

Mrs. Thelma Shelley and their children have suffered a great personal loss. We know their loss—we share their grief. Jack belonged to our House as well.

Mr. JOHN L. BURTON. Mr. Speaker, today we pay tribute to the memory of a man who has served his city, State, and Nation honorably and well. Jack Shelley's death on the eve of his 69th birthday, brought to a close a distinguished career of public service spanning more than 4 decades.

Jack Shelley was born in San Francisco and educated in her schools. His entire life was a love affair with the city of his birth. He served her and the working men and women she sheltered as a labor leader, president of the San Francisco Labor Council, and later president of the California Federation of Labor.

He represented San Francisco and the interests of her citizens in the State Senate. He went on to the Nation's Capitol where he represented her in the Halls of Congress. The capstone of his career was to return home to San Francisco and to be elected mayor until ill-health caused him not to seek reelection. Even then, his talents remained at her service as he became legislative representative for the city at the State capitol.

Jack Shelley earned a spot in the hearts of all San Franciscans and his death is a loss to those who shared his abiding love for the city. I extend to his wife, and to his children, my most sincere sympathy. They are in the thoughts of all who were privileged to know and admire Jack Shelley.

Mr. CORMAN. Mr. Speaker, it is with high personal regard for a good friend and a former colleague that I call the attention of the House to the tragic demise of the Honorable John F. Shelley, who served in this Chamber for 15 years, from 1949 to 1964, as Representative of the California Fifth District, embracing the city of San Francisco.

Although it was my pleasure to serve alongside this distinguished Member for only 4 years, I came to regard him with the greatest fondness and the utmost respect. He was a man of consumate ability and the broadest comprehension. And he was, perhaps, the most helpful veteran Member of the Congress that any freshman Member could ever hope to meet.

Jack Shelley was, among other things, a strong friend of labor throughout the course of his political career and even prior to that, if legend is correct in the matter. There is an old story that when he was only 6 years of age he joined his father in a Labor Day parade, up Market Street in San Francisco. The year was 1911, economic conditions were rocky, and the cause of labor was regarded as highly controversial in San Francisco. The working people lining the sidewalks broke into applause for the 6-year old friend of labor, and his father said, laughingly, "Who knows, maybe he'll lead them someday." The remark was indeed prophetic.

Convinced from his experience as a deckhand and a truckdriver that nonunion working conditions were frequently insufferable and degrading to the workingman, Jack Shelley became a union organizer, and before his 30th birthday he was chosen vice president of the Bakery Wagon Drivers Union, a local of the International Brotherhood of Teamsters.

He was accomplished at both organization and arbitration. He was also effective in attracting political support, and it was not surprising that politics should later have captured his complete attention.

He was an ardent supporter of Franklin D. Roosevelt in the campaigns of 1932 and 1936, and in 1938 was himself elected as a Democrat to a seat in the California State senate. Reelected in 1942, he served as floor leader through 1946, attracting statewide attention as author of the Shelley-Maloney Apprentice Training Act, often regarded as a model for labor-management relations. He was also noted for the passage of legislation regulating the policies of loan sharks, and laws amending the Unemployment Insurance Act to the advantage of the unemployed.

As a captain in the Coast Guard, he participated in World War II, after which he served for a time as National Commander of the Coast Guard League.

As president of the California Federation of Labor, Jack Shelley succeeded in obtaining an AFL endorsement for Harry Truman in the turbulent campaign of 1948, for which accomplishment he was named chairman of the California delegation to the National Democratic Convention of that year. As a delegate he joined the Truman forces in demanding creation of a permanent Fair Employment Practices Commission—which action split the party, leading to the Southern Rights defection and Truman's triumph on a clear-cut liberal platform, exactly to the liking of Jack Shelley.

For his performance in the party's behalf that year, Shelley was considered for the post of Secretary of Labor; but the nomination went instead to another man. Reward for outstanding service was nonetheless provided in the form of a congressional nomination, in 1949, to fill the seat of a Member who had died in office. Successful in this contest, Jack Shelley came to Washington where he was to remain through 1963.

As a Congressman, he was closely identified with liberal reform, from first to last, working hard on the fair deal programs of the Truman administration and their protection against attack in the Eisenhower years, preceding their revival under Kennedy and Johnson. He was an outstanding member of the Appropriations Committee, on which he served as a voice of liberal purpose and intent, at all times looking to promotion of programs in the interest of the worker and the underprivileged.

When I made his acquaintance in 1961, he was still furiously involved with national problems, but seriously considering the possibility of challenging conservative tradition in northern California. As a Republican stronghold. San Francisco had not acknowledged Democratic leadership since 1896, preceding the campaign of 1962 in which Jack Shelley abandoned his House seat to campaign for mayor on a liberal platform. The people responded with enthusiasm and Shelley was elected with a clear majority,

As mayor in a period of national unrest, he was effective in coping with civil rights controversies, and appealing to Federal authorities in matters involving minority training and employment. He was also vigorous, if less successful, in his campaign to establish an effective transportation system, irrespective of the wishes of the highway lobby and other interested parties unconcerned about the welfare of the people.

My association with Jack Shelley was always stimulating, and his vigorous friendliness and kindness of heart endeared him to everpone of his acquaintance.

He was one of the greatest of our kind, and is deserving this day of praise and adulation.

Mrs. SULLIVAN. Mr. Speaker, I certainly want to join in this tribute to a fine legislator, a conscientious public servant, and a warm friend to all of us who served with Jack Shelley in the House of Representatives before he became mayor of San Francisco.

I came to know Jack well during my first term in the House when we served together on the Committee on Merchant Marine and Fisheries. I benefitted greatly from his knowledge of maritime matters and never hesitated, then or later, to seek his counsel on issues coming before the committee.

A trip to San Francisco was always made more delightful for me in subsequent years whenever I could visit with Mayor Shelley. After he retired from that office, he always maintained his contacts as a good friend.

All of us privileged to know him during and after his outstanding career in public life will look back with many fond memories of a treasured friend and real gentleman.

Mr. ADDABBO. Mr. Speaker, I rise to join my colleagues in honoring the memory of our former colleague, the Honorable John F. Shelley of California.

I had the privilege of serving with the late Congressman Shelley in the House of Representatives. He was a dedicated and conscientious Member who distinguished himself as a Member of this Chamber.

I join his many friends and admirers in mourning his untimely passing and extending sympathies to his family.

GENERAL LEAVE

Mr. LONG of Louisiana. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and to include extraneous material on the special order today of the gentleman from California (Mr. PHILLIP BURTON).

The SPEAKER pro tempore (Mr. McFALL). Is their objection to the request of the gentleman from Louisiana?

There was no objection.

INTERNATIONAL PETRODOLLAR CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the Subcommittee on International Finance, of which I am chairman, has been holding hearings on the "International Petrodollar Crisis"—the international monetary and economic results of the fourfold increase in world oil prices and the accumulation of massive amounts of excess capital by the members of the Organization of Petroleum Exporting Countries—OPEC. While we have heard explanations of the situation and have been supplied with good data, we have as yet received no solutions which go to the heart of the matter.

In fact, the whole question of energy, petrodollars, oil prices, et cetera, is so complicated that it is easy to miss these facts of life:

OPEC is a monopoly and as a result controls supply and price. Monopoly means high prices and insecure supply. The problem in world oil is not oil company monopoly but oil country monopoly.

The idea of increasing oil demand pushing up against limited resources is a fantasy. World oil is in huge surplus as it has been for many years. High oil prices are not the result of scarcity but of price control by producers.

The OPEC cartel is very harmful to American interests.

The United States can take steps to undermine the OPEC oil monopoly or at least protect ourselves partly against it.

The Arab oil producers make no pretense about their continuing willingness to use their oil and new found wealth as political blackmail.

The Arab-Israeli conflict has nothing to do with the OPEC price of oil or control of production for purposes of maintaining price. Reduction of tensions in the Middle East does not mean a decline in oil prices.

The United States and other Western countries appear to be more interested in pacifying the Arab world than in assuring their own long-term economic health.

The world cannot afford to pay $100 billion per year, year after year, for imported oil.

Dealing with the huge financial flows resulting from higher oil prices is an unmanageable problem in the absence of a reduction in prices.

Reduction in demand for oil in the United States and elsewhere will not necessarily result in a reduction in price by OPEC; in fact reduction in demand may well serve to raise prices further.

The recycling of petrodollars means lending greater and greater amounts to less and less creditworthy risks. It appears that all of the recycling and financing schemes merely blot out the pain of the oil crisis on a temporary basis.

The Western world appears to be stuck with consuming much greater quantities of energy than it can prudently afford by any standard of monetary soundness.

A World Bank study estimates that by 1980 the accumulated reserves of OPEC countries will be $1.2 trillion by 1985. Others have estimated that by 1980 OPEC members will hold 70 percent of the world's total monetary reserves.

Paying for oil imports will be a heavy, if not ruinous, burden for most less developed countries. In spite of recycling and other financing schemes, many less developed countries will simply not get enough financing and will not be able to afford as much oil as they need. They will have to suffer reduced economic growth, higher unemployment and other severe economic ills. Even some of the weaker industrialized nations will suffer similarly.

Development of new energy sources will not be of any significance for at least 10 years and therefore cannot be counted upon as a short-term lever against OPEC prices.

The current price of Middle East oil is over seventy times the cost of production. Simply stated, this is price gouging.

Imported oil will cost the United States about $24 billion in 1974 compared with $8.5 billion in 1973. As a result of this massive transfer of funds, the U.S. trade balance is expected to show a net deficit for 1974, in spite of solid export gains.

There is not a shred of evidence that cooperation with the OPEC members will result in a reduction in the price of oil.

In view of these facts of life it is no wonder that the noted oil expert Walter J. Levy wrote—July 1974 Foreign Affairs:

> Today, governments are watching an erosion of the world's oil supply and financial systems, comparable in its potential for economic and political disaster to the Great Depression of the 1930's, as if they were hypnotized into inaction. The time is late, the need for action overwhelming.
>
> In sum, the short-to-medium term implications of the present situation are simply not bearable, either for the oil-importing countries—especially the nations already needy—or for the world economy as a whole. The fact is that the world economy—for the sake of everyone—cannot survive in a healthy or remotely healthy condition if cartel pricing and actual or threatened supply restraints of oil continue on the trends marked out by the new situation.

I think that the problem can be divided into three segments:

First. The OPEC cartel and its oil prices,

Second. The accumulation of excess oil revenues by OPEC members and the recycling of these revenues, and

Third. The security of supply of oil imports for the United States.

With regard to the recycling of excess oil revenues, I am pleased that progress has been made but afraid that we will put too much confidence in these recycling schemes. Felix G. Rohatyn writing in Business Week—August 10, 1974—said, and I think he is right:

> So many people are counting on recycling of oil funds to make the world monetarily right. Recycling means that money from the pockets of oil-consumers will somehow be lent back to them so that they can buy still more oil. This is a fantasy. Money will not be lent back to those countries that need it most, such as India and Italy, because their credit ratings are already so bad.

In my opinion the banking and monetary systems cannot accommodate the expected accumulation of excess oil revenues by members of OPEC.

So we seem to come back to the first fact of life—the OPEC cartel and its oil prices. The price of oil is set by a monopoly of sovereign states; and it appears that the only means of reducing the price of oil is to break up the cartel or to reduce its power sharply. As our "cooperation" approach has not worked, the only alternatives for the United States are to resist the cartel or to give in to it. Unfortunately for the United States and the rest of the world, we have so far chosen the latter course.

The following editorial in the September 14, 1974 Business Week speaks bluntly and eloquently on the price of oil:

> DRIVING OIL PRICES DOWN
>
> In the blizzard of ideas loosed by last week's economic pre-summit meeting, one obvious point was never mentioned. That is the urgent requirement to reduce the world price of crude oil. Such a reduction is essential to any strategy for fighting inflation.
>
> The fourfold price increase that the oil producers imposed last year has made inflation rates, already sizable, intolerable. It has destroyed traditional international monetary relationships and converted many governments, such as those of France, Italy, and Britain as well as of less developed countries, into poor credit risks. Last week's announcement that the oil producing nations planned to curtail production to insure that prices stay high only reinforces the need for drastic action, and soon. And only the U.S. can carry it out.
>
> Up to now, U.S. efforts to get oil prices reduced have been desultory. Secretary of State Henry Kissinger has avoided the problem for fear it might intrude on his peace-making endeavors. The State Dept., in fact, has avoided almost every international economic issue. The important post of Under Secretary for Economic Affairs, for example, has been vacant for months.
>
> As for Treasury, Secretary William Simon was simply bamboozled on his recent swing through the Mideast. He did not prevail on the Saudis to keep production up and lower prices. Nor did he persuade them to buy $5-billion to $10-billion worth of U.S. government securities, though they have indicated they will make some smaller purchases. In short, the oil producers have no intention of allowing economic or market conditions to set prices, and the Treasury's dream that such factors will drive oil prices down ought to be seen for what it is—sheer fantasy.
>
> Secretary Kissinger's persuasive negotiating powers should be brought to bear on the oil-producing countries to show them that continued high prices are not in their own best interest. Such prices, in fact, force the Western nations to play a gigantic, and dangerous, shell game.
>
> As the Arab countries pour billions of dollars into its banking system, the U.S. is expected to "recycle" these funds to deficit nations in the form of loans. The trouble is that when the deficit countries find themselves unable to pay back these loans, they will turn out to have been gifts. If the Arabs ever seek to take their money back, it won't be available.
>
> The blunt fact is that all talk of "recycling" the oil funds serves to obscure the real issue: There is no way that the world can keep on paying the Arabs upwards of $50-billion a year for their oil. Trying to do so threatens to destroy the entire international financial system.
>
> Some Europeans say that the operation of this shell game amounts to a de facto cut in oil prices. But such an arrangement fans inflation to intolerable rates, as well as imperiling international financial stability. If the oil producers would cut prices by 50%, the shell game could be avoided, and a true fight against inflation could be launched.

MORE ON WHITE COLLAR CORPORATE BOARDROOM CRIME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, last week U.S. Attorney General William B. Saxbe, addressing the Associated Industries of New York, said:

> Price fixers should go to prison. The man who evades taxes should go to prison. They are no better than the car thief or the burglar or the robber . . . It is about time that all of the federal judges begin realizing that . . . It is apparent we have two systems of criminal justice—separate and unequal.

The test, Mr. Speaker, is whether the Attorney General will pursue with the vigor it requires, an investigation of the Dairylea Cooperative, Inc., which has admitted to milk adulteration for a period of more than 5 years. For their offenses Dairylea was simply fined $150,000 by the New York State Department of Agriculture. Mr. Speaker, if the only punitive action taken against Dairylea Cooperative Inc. is an administrative civil fine and a minimal one at that, then we will be indeed witnessing two standards of justice—one for the street thief, and the other for the corporate thief. In this case a serious white collar crime is treated lightly with no criminal sanctions while someone engaging in a street crime quite correctly is pursued criminally.

I have discussed this case in the CONGRESSIONAL RECORD on September 25 and I regret to say that up to the present time, I know of no actual Federal action that has been taken in this matter. Notwithstanding any action taken by the State of New York, I believe that the Federal Government has a duty in this case to proceed because it does involve Federal price supports and interstate commerce, including the actual distribution of adulterated milk across State lines.

Last week, Mr. Speaker, I attended a breakfast of milk farmers who are concerned about failing income. The farmers asked the Congressmen representing the urban consumer to help them in their economic plight. I asked them how they could expect our assistance when those making this request represented some of the very farmers who had engaged in the Dairylea milk adulteration fraud. The response of Dairylea's president was that he would like to see a full investigation of the matter. I believe that we should take him at his word. It is in the interest of both milk farm producers and urban milk consumers to be working in tandem to make certain that the farmer does receive a fair price for his product, and equally important, that the consumer receives a fair shake particularly in terms of getting what he has paid for—fresh quality milk.

Since my statement of September 25 in which I inserted certain correspondence, I have had other correspondence which I am appending.

The correspondence follows:

DEPARTMENT OF JUSTICE,
Washington, D.C., October 1, 1974.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: The Attorney General has asked me to acknowledge and thank you for your correspondence of September 25, 1974, pertaining to the adulteration of thousands of gallons of milk by the Dairylea Cooperative of New York State.

Because of its specific nature, I have referred your request to Thomas E. Kauper, Assistant Attorney General, Antitrust Division, Department of Justice, Washington, D.C., and have asked that office to reply directly to you.

If I can be of additional assistance in this matter, please call upon me.

Sincerely,

W. VINCENT RAKESTRAW,
Assistant Attorney General.

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 1, 1974.

JOHN MURPHY ESQ.,
Criminal Division, Department of Justice,
Washington, D.C.

DEAR MR. MURPHY: I want to reiterate that which I pressed upon you today. And that is that the federal government cannot abdicate its responsibility in the Dairylea Co-op milk fraud by leaving the prosecution of that case to the State of New York. The State of New York had years within which to pursue this matter and failed to do so. It is now pursuing it because the *New York Times* brought it to public attention.

I believe that the federal government must investigate this matter and prosecute the individuals responsible for the illegal corporate acts. It was the federal government which prosecuted illegal action of corporate officers of General Electric years ago. This resulted in corporate officers being very careful to observe the law because they knew they could not hide behind the corporate veil. Apparently memories are short and a new lesson must be learned by those individuals who use the corporate board room to commit consumer fraud.

I wrote to Attorney General Saxbe on September 25 and basically stated that which I told you on the telephone and in this letter. I urge the Department of Justice to enter this matter. You indicated that unless there were a felony statute involved, there might only be a $500 fine and misdemeanor covering the matter. I think that the enormous fraud committed must be covered by some felony statute involving at least the mails or interstate commerce. If that were not so and a fraud of these dimensions could be committed subject simply to a misdemeanor charge and a $500 fine, then this country and its citizens are really in trouble.

I am enclosing the statement that I made on the Floor of the House which contains my correspondence with Attorney General Saxbe. I intend to pursue this matter as I hope you will.

Sincerely,

EDWARD I. KOCH.

(The following letter was sent to all members of the House Committee on Agriculture.)

HOUSE OF REPRESENTATIVES,
Washington, D.C., October 4, 1974.

DEAR COLLEAGUE: I would like to bring to your attention a scandalous situation involving Dairylea Cooperative Inc. The fraudulent practices engaged by that co-op for 5½ years involving the sale of adulterated milk are described in the statement that I made on the Floor on October 2, a copy of which I am enclosing.

On October 3, I attended a breakfast of Dairylea Cooperative Inc. representing the milk producers in the State of New York who are desirous of Congressional support to their plight. They say that they are losing money in the sale of milk and cheese and want adjustments and price supports. I pointed out to them that consumers, at least in the State of New York as a result of the milk adulteration, not only are very distressed with what took place but also have lost confidence in the farmer. It seems to me that those who are interested in the farmer and consumer have a commonality of interest, and that commonality requires that confidence be restored. That can only be done in my judgment by having a full scale investigation by your Committee, not only of the fraudulent practices engaged in by Dairylea Cooperative but also of such practices across the country. It is hardly likely that New York would be the only place where fraudulent practices have been perpetrated by milk processors against consumers. If the consumer believes that he or she is getting a fair shake in the market place then that consumer will be sympathetic to the plight of the farmer. But when the consumer believes that he or she is getting mulcted then understandably the consumer and the consumers' Representatives in Congress will oppose legislation which would further assist the farmer.

I would hope that you would do what you could in your Committee to initiate a full scale investigation into the possible consumer fraud taking place across the country using the Dairylea Cooperative case as your first order of business.

At the breakfast I was shocked to hear that the farmer is receiving less for his cheese products today, than at least parity. The farmers pitch at the breakfast was to raise the parity price from the current 80% (reduced in fact to 73% because of inflation) which puzzled me when I know that cheese which I paid $1 a pound for a year ago is now $2 a pound. The farmers with whom I spoke at the breakfast said the increase in price was going not to them but to the middlemen. If that is indeed the case, then that should be the subject of an investigation too. Indeed, I suggest that should you hold hearings on the fraudulent practices, that the same hearings include the question of what has happened to the consumer dollar paid to the retailer for the farmers' products. If you do that you will be establishing an alliance that should have always existed between the farmer and the urban consumer.

I would appreciate your comments on these issues.

Sincerely,

EDWARD I. KOCH.

OCTOBER 3, 1974.

Hon. EDWARD I. KOCH,
Federal Plaza,
New York, N.Y.

DEAR ED: In reply to your letter of September 25th I am writing to advise you that my office received the 3200 pages of testimony and exhibits from the New York State Department of Agriculture on May 31st, 1974. The case was immediately assigned to an Assistant Attorney General who has been working on the case ever since and also has been examining voluminous exhibits and documents.

The matter will be presented to the Albany County Grand Jury on October 10th and vigorously pursued.

Warm personal regards.

Sincerely,

LOUIS J. LEFKOWITZ.

HOUSE AGRICULTURE COMMITTEE ANNOUNCES IT WILL CONSIDER BURKE SEED BILL ON WEDNESDAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I have been informed by the House Agriculture Committee that they will consider my bill, H.R. 9468, on Wednesday, October 9.

This bill, as many of you know, would authorize the Secretary of Agriculture to distribute free seeds upon request to individuals for planting in home vegetable gardens.

I am pleased with the committee's decision to take this legislation up at the earliest possible time, and I am hopeful that the committee will take affirmative action on this measure which could prove to be so important to millions of American families hardpressed because of rising food costs.

With the dire predictions of coming food shortages by recognized experts, with the accelerating of prices for food far beyond the reach of the average family it is of the utmost importance that the U.S. Congress provide leadership in this vital area. There are hundreds of thousands of square footage of good soil in America that is being wasted. Yes, even in the urban areas of our country, good soil is standing idle. A back to the soil movement is needed at this time. My bill will help people help themselves. Its cost would be minimal. The fruits of labor would be tremendous. My bill will encourage home gardening. It will improve the garden seed business by bringing into the garden seed market thousands of new potential customers. It will provide good healthy outdoor exercise for our young, old, and middle-age groups. My bill will help the urban resident understand the problems of the farmer. It will bring rural America and urban America closer together.

We in America must take advantage of our God given soil. Nowhere in the world is there such a waste of good land for growing food as in America. We could learn a lesson from our friends in the Orient who use every available piece of land for growing food. Let us take this small step by passing this legislation while there is still time. Let us start to produce the food that will help feed the hungry. Let us prove to those in the years to come that we too did something worthy to be remembered. The U.S. Congress can show to the world it has a real concern in this area of food shortages and high prices.

I have transmitted the enclosed letter to each one of my colleagues serving on the House Agriculture Committee asking for support for this measure: I further ask unanimous consent to include a news article that appeared in this Sunday's edition of the New York Times entitled "Malnutrition Is Rising Among the Children."

House of Representatives,
Washington, D.C., October 7, 1974.

Dear Colleague: As you know, on Wednesday, October 9, the House Committee on Agriculture will be considering as its second order of business, H.R. 9468, the bill I introduced to authorize the Secretary of Agriculture to distribute seeds to the American public for use in home vegetable gardens.

In the past twelve months, the cost of living has skyrocketed. One of the major reasons for the high inflation has been the increased price of food. Food prices have jumped over 20% in the last year with even greater increases among many of the staple items which my bill would affect. Every day we hear in the news of food shortages and predictions of even greater shortages in the near future. I strongly believe that now is the time to enact my bill and allow the little man, whether urban or rural, to get a break in his food bill by growing his own vegetables. An investment of 6 million dollars in seeds can produce 380 million dollars of food.

Not only would my bill serve the interests of Americans living in a rural environment, but the citizens of the city would also be able to "reap the harvest" of my bill. The urban areas of this Nation have plenty of unused lots that can be converted to home gardens. My proposed legislation could act as a stimulus to "a back to the soil movement" where city, as well as rural people, could learn to appreciate the food we have on our table.

I have received thousands of letters from people from every section of our country endorsing my bill. Interest in the bill has resulted in extensive media coverage, not only from the press, but also in a series of radio and television interviews from all over the country.

I do not think that anyone will argue that homeowners and gardeners planting gardens and window boxes across the country will cause American agriculture sales to go into a tailspin. By making a consumer into a producer, my proposal would act to bridge the gap between city and town, farmer and laborer, consumer and producer.

If the energy crisis has taught us one thing, it has taught us that we must begin to reexamine our lifestyles and strive for a new level of self sufficiency in all things. All my bill is trying to do is to stimulate the American public, to educate the American public, to include the American public in a national effort to realize the importance of an adequate supply of food and to take steps to conserve, as well as more fully appreciate what we have on our table.

The investment in my program is low, but the dividends are tremendous. My bill can help draw people into the "spirit of independence," help form a bond between urban and rural people, while at the same time aid every American in the fight against higher food costs.

I hope you will want to join in this effort by supporting H.R. 9468 when it is before the Committee on Wednesday.

With warm regards, I am
Sincerely,
James A. Burke,
Member of Congress.

[From the New York Times, Oct. 6, 1974]

Malnutrition Is Up Sharply Among World's Children

(By Harold M. Schmeck, Jr.)

Washington, October 5.—In parts of rural Bangladesh, during relatively good times, villagers hope to eat one meal a day. This year, during the aftermath of the summer floods, many of them were eating only once every other day, sometimes only once in every three.

An authority on world malnutrition, Dr. Nevin S. Scrimshaw, cited these grim figures recently to put in human terms the impact of hunger in 1974.

The consequence of prolonged hunger is manutrition. It is widespread in the underdeveloped world. It appears to be getting worse. It hits children hardest, killing many and stunting the growth of many others both mentally and physically so that they are likely to be handicapped for life.

Since early this year, nutritionists say, there have been sharp increases in serious malnutrition among young children in many regions, notably Barbados, Guatemala, Bangladesh, Thailand and India.

There are no good global figures on malnutrition and never have been, but some experts estimate that a billion or more people suffer from it during at least part of the year. That means that almost a third of the human race are suffering today from hunger and its consequences.

Malnutrition and its ultimate form—starvation—are the real causes of world concern over the teetering balance between food supplies and population across the globe.

Real progress against malnutrition has been made during the last two decades. But some specialists, including Dr. Scrimshaw, head of the Department of Nutrition and Food Science at Massachusetts Institute of Technology, say there has been a sharp turn for the worse in recent months.

Among the underlying causes are bad weather, inflation in energy and food costs and the inexorable growth of world population. Rising petroleum prices have sent the costs of fertilizer and transportation up, too, blunting the promise of the "green revolution."

HAZARDS OF WEATHER

Floods, droughts and other anomalies of weather have hurt crops in some of the world's main food producing regions and in other places where shortage can be least tolerated.

Nations that appear to be particularly hard hit include India, Pakistan, Bangladesh, the sub-Saharan countries of Africa, Indonesia and parts of several Latin-American countries.

It has been estimated that roughly 15 million children a year die before the age of 5 of the combined effects of infection and malnutrition. This annual toll represents a quarter of all the deaths in the world.

Some experts believe virtually all of the children born to poor parents in the underdeveloped nations have some degree of malnutrition at one time or another. For millions the malnutrition is severe.

The human tragedy of this is clear to anyone who has ever seen the staring, apathetic eyes, match-stick limbs and swollen belly of a seriously malnourished child. The whole social and economic cost is harder to grasp, but no less tragic.

In adults, malnutrition can ruin health and productivity; in a child it can all but foreclose the future. The world malnutrition covers many possible deficits, sometimes simply too little food of any kind, sometimes the lack of certain crucial nutrients. The results can vary too—anemia and apathy, or deformed bones, or stunting of growth in both mind and body. When prolonged and drastic enough, malnutrition becomes starvation—a word that needs no definition.

In regions where malnutrition is common, Dr. Scrimshaw observed during a recent interview, laborers often have to be given tasks that take only two or three hours a day. Men and women can't work longer on the calories their meager diet provides. This lack of productivity tends to be self-perpetuating. The person who can work only a few hours a day can't earn enough to buy the food that would make a longer work day possible. Even when the malnutrition reflects primarily deprivation of certain specific nutrients rather than overall lack of food, the loss of productivity can be drastic.

EFFECTS ON EFFICIENCY

A field study in Indonesia last year, sponsored by the World Bank, showed a strong correlation between iron-deficiency anemia and reduced take-home pay among rubber tappers. The study, by scientists at M.I.T., showed a 38 percent rise in income when the rubber workers were fed extra iron to correct the anemia.

Malnutrition is bad enough by itself, but it almost never occurs alone. The malnourished person is more likely than a * * * from infection—and the infection will probably be worse. Measles is not often a threat to well-nourished American children. In places such as Africa, where malnutrition is a common childhood experience, measles is a killer.

Furthermore, repeated bouts of infection can intensify and aggravate malnutrition. When a malnourished infant develops diarrhea—often a combined effect of too many germs and too little food—the mother responds by withholding solid food. When the only alternative is a thin gruel of little nutritive value the malnutrition inevitably gets worse.

In many poverty-stricken regions of the world, infant diarrhea and respiratory infections in the young are among the leading overall causes of death. Many experts agree that this toll is as high as it is primarily because of malnutrition.

While malnutrition can be disastrous at any age, health workers concerned with the problem are most alarmed about the effects on children and pregnant women. The alarm is over those who survive as much as over those who die.

The combined assault of poverty and its social deprivations along with the lack of good nutrition, both before and after birth, can leave a young child permanently handicapped virtually from the start of life. For at least 20 years, evidence has been accumulating that infants thus deprived may grow up with permanent mental as well as physical handicaps.

"INCREASING THREAT" FORESEEN

"The world is producing literally hundreds of thousands of children who will be at risk of poor mental development later on," said Dr. Myron Winick, who has done pioneering studies on the effects of malnutrition on the developing mind and brain.

"These are the very countries that are underdeveloped and can least afford to have many of their 20-year-olds retarded 20 years from now," he said. Dr. Winick is director of the Institute of Human Nutrition of Columbia University's College of Physicians and Surgeons.

The same worry has been expressed recently by many experts, including Dr. Scrimshaw of M.I.T.

"We will see an increasing threat to the population on which the developing countries will depend to bring them into the modern age," he said.

That is a factor of utmost concern to health scientists: Today's malnutrition may already be shackling tomorrow's generation of adults.

Part of the evidence for this lies in the way the human brain develops. These are two relatively distinct key periods in its growth. The first of these is a rapid multiplication of nerve cells coming during the second trimester of pregnancy—months three-through-six.

The second key phase extends through the first two years of a child's life. During this phase, according to Dr. Merrill S. Read, of the National Institute of Child Health and Human Development, comes major growth of the brain's non-nerve cells and of the intricate multiple connections between cells.

This latter phase is particularly important to human mental performance. Dr. Reed said in a survey report on the effects of malnutrition on learning.

It had once been thought that the human fetus was almost entirely protected against malnutrition while still in the womb and that the infant could recover satisfactorily from even severe temporary lack of nourishment. Today, both of these views seem overly optimistic. A malnourished mother may not be able to give the fetus the optimum nutrition that it needs. The infant lacking proper food during early critical stages may never recover completely.

There are at least three ways in which early malnutrition can permanently stigmitize its victims, Drs. Read, Winick and others agree. Evidence from humans and animals shows that malnutrition at key times early in growth may affect the development of the brain so as to impair learning ability. The second and third factors appear to be as much social and behavioral as physical. The seriously malnourished baby tends to be apathetic, less demanding of attention from its mother—and therefore getting less. The result is likely to be further malnutrition and withdrawal into a bleak empty world of its own. It's a situation that tends to perpetuate itself among the survivors with later changes in personality and behavior that may interfere with learning and almost everything else.

Experiments with nonhuman primates have shown that severe malnutrition in the young results in emotional problems and difficulty in adapting to change later on.

From long studies of deprived children in Latin America and Cambridge, Mass., Dr. Ernesto Pollitt of M.I.T. has concluded that the victims of early malnutrition inhabit a world virtually separate from the more fortunate, and that food alone would hardly suffice to bridge the gap.

Yet, for millions, enough food seems to be getting more and more out of reach.

A SUMMARY OF CONDITIONS

In oversimplified summary, this is the picture several specialists have drawn recently:

In poor areas of the world, inflation in both human numbers and the cost of everything is driving rural people off the land and into appalling city slums. Work is scarce and government dole of food offers the only hope of survival. In this natural breeding ground for malnutrition, infants are further compromised because their mothers can't both breastfeed and look for work.

In city after city in countries where hunger is already a problem there seems to be a trend away from breast feeding. Nutritionists are concerned because they see evidence that it is reflected in serious malnutrition at the age when the baby is most likely to suffer irreparable damage. The reason is that the infants often get their substitute food under unsanitary conditions and the formula food itself is often watered down to save the family money.

"It's too dilute to do any good," one doctor said, "but it still looks white."

Some nutritionists say a major aggravation of the problem is the tendency of some poor mothers to abandon breast feeding in emulation of more prosperous women—but without the resources or knowledge to provide their babies with adequate substitute nutrition.

The result, all too commonly, is a grave type of malnutrition called marasmus. It results from a prolonged deficit in total food—too few calories, too little protein, too little of everything else that is important in food.

Dr. Winick said marasmus in the very young is particularly dangerous because it hits during a stage of development when the risk of permanent brain damage is probably greatest. Dr. Joe Wray, a pediatrician who has worked in community health projects in many parts of the world as a field staff officer of the Rockefeller Foundation, says he has been appalled by the extent of urban malnutrition.

His most recent assignment was several years in Thailand. There he said, breast feeding was still the custom in rural families. Malnutrition was neither common nor often severe.

OVER HALF MALNOURISHED

Dr. Wray said that when he left Bangkok earlier this year, the drift away from breast feeding was so strong that most women were no longer doing it after the first six months. In the urban slums of that city, he said, well over half of the babies were malnourished and as many as 15 per cent suffered from marasmus. He suspects that the same thing would be found in many of the other big cities of Asia.

Dr. F. James Levinson, director of M.I.T.'s International Nutrition Planning program, called the lack of breast feeding among the poor "a dreadful syndrome" that is having effects all over the world.

In the midst of all the evidence of malnutrition in various regions of the world, there are a few notable exceptions.

Dr. Georgio Solimano, head of the nutrition programs under the Allende regime in Chile, said his country had made significant progress against infant malnutrition by intensive programs of giving milk supplements to poor women and children, together with a large-scale public health education program.

Dr. Solimano, who is now at M.I.T., said the program began before the Allende regime but was accentuated during his presidency. Infant and maternal death rates have declined in Chile in recent years, he said, partly under the impact of the long-term policy.

CHINA VISITORS IMPRESSED

Others familiar with the situation in China said the present regime was continuing to follow a strong nutrition policy under the direction of Dr. Fernando Monckenberg, an internationally known scientist.

Several nutritionists and experts in child health have been surprised and much impressed by the lack of visible malnutrition in mainland China. Evidence of severe and widespread malnutrition would not be easy to hide from the visitors' expert eyes. Many who have been to China believe she has indeed managed to provide adequate food for her 800 million people. Visitors to North Vietnam in recent years have reported much the same thing.

Decades ago, China and Indochina had the reputation of being the traditional home of periodic famines. Today, in much of the rest of Southeast Asia, malnutrition is widespread, some experts say.

As Lester R. Brown of the Overseas Development Council notes in a new book, "By Bread Alone," to be published this fall by Praeger, neither malnutrition nor famine is anything new to the human race. Millions died of famine in the Soviet Union during the early nineteen-thirties; millions died in Ireland during the potato famine of more than a century ago.

In 1943 floods destroyed the rice crop in West Bengal, India, causing a famine in which some two to four million died.

There have been smaller famines since World War II in various parts of the world and one case in which a large-scale threatened famine was avoided in India because of food aid shipments made largely on American initiative.

Mr. Brown, who has devoted much time and energy to warning of world food problems, said India might have experienced one of the worst famines in history in the mid sixties had it not been for the nearly 10 million tons of food aid shipped in during two successive years.

INDIA'S NEED IS VAST

Observers say it appears that India may need several million tons of food aid this year, possibly as much as their annual needs for aid during the episode of the mid sixties. But this year, one American nutritionist said, we don't have the surpluses to send them.

Some of the great famines of history have devastated whole countries or regions, threatening almost everyone when food supplies ran out. In his new book, Mr. Brown worries about subtly different famines that may confront today's world. The modern version, influenced by population pressure and rising prices, could affect primarily the poor, leaving the affluent, even in poor nations, largely untouched.

"The modern version of famine does not usually confront the world with dramatic photographs such as those of the morning ritual of collecting bodies in Calcutta during the Bengal famine of 1943," he said, "but it is no less real in the human toll it takes.

Reports in 1974 of rising rates of nutrition-related deaths in several poor countries underscore the need for closer attention to this ominous trend." In a recent conversation, Dr. Wray of the Rockefeller Foundation also underscored the ominous look of things today, particularly in the urban slums of major Asian cities.

[From the New York Times, Oct. 6, 1974]

TWO FORMS OF MALNUTRITION WORRY WORLD HEALTH EXPERTS

WASHINGTON.—Public health experts worried about the consequences of food shortages in several regions of the world are particularly concerned over two serious forms of malnutrition.

These are kwashiorkor and marasmus. Both are serious threats to the lives and future well-being of young children.

Kwashiorkor, marasmus and serious shortage of protein. It is most likely to occur after weaning if the infant's solid food lacks enough good protein. This severe protein-deficiency malnutrition can occur even if the child's diet gives a close to adequate total of calories.

The other type, marasmus, tends to come earlier in life. It stems from an over-all lack of good food—protein and everything else. It is really partial starvation.

Kwashiorkor, Marasmus and mixtures of the two all stem from violations of the body's basic food economy. To maintain health, a person must consume enough protein to build and rebuild tissues and other vital body constituents. The person must also consume enough food—protein, carbohydrate or fat—to provide the * * * energy is measured in calories, which are really units of heat.

In short, the living body must maintain a balance in energy, protein and other nutrients, taking in as much of each as it uses in the processes of life. When outgo persistently exceeds intake, the body must start devouring its own substance.

A person cannot indulge in deficit financing of his body's basic nutritional budget for long without harm. Too little food brings hunger almost immediately and then malnutrition, if the shortage continues; ultimately, there is starvation and death.

Malnutrition can take many different forms and different degrees. A person may die of severe malnutrition without necessarily starving. Prolonged lack of just the nutrient vitamin C, for example, can result in death from scurvy even if the victim continues to get a reasonably abundant supply of other nutrients and calories.

The human body cannot make its own vitamin C, although the nutrient is widely available in citrus fruits, potatoes and tomatoes. When the human's supplies dwindle to the critical point, the deficit affects the whole body almost cell-by-cell. The vitamin is thought to play a role in electron transfer within cells. It facilitates the absorption of iron from food.

SUPPORTS CONNECTIVE TISSUE

On the larger scale, vitamin C helps maintain the integrity of connective tissues, bones and teeth. When the vitamin is lacking, capillaries are weakened and excessive bleeding is likely to result.

Yet all of these ill effects can be prevented, in the normal person, by about 60 milligrams Vitamin C a day—a dose like that is only about a fifth of the weight of a common aspirin tablet.

The vitamin C case is only one among many examples in the huge literature of nutrition. Comparable lack of Vitamin B-1 can lead to death from beriberi. Shortage of iron can cause anemia. Lack of iodine during a woman's pregnancy can put her baby at risk of cretinism—dwarfed in physical statute, seriously retarded mentally.

In its broadest of sense, malnutrition covers the whole gamut of problems from too much food—causing obesity and many concomitant health hazards—to starvation, the situation in which the food-deprived body consumes as much of its own substance as it can, then dies when it can do no more.

Experience of the Dutch during the severe famine they suffered in the final year of World War II showed that people began to die of starvation when they lost roughly a third of normal body weight. When the loss reached 40 per cent, death was almost inevitable.

CONGRESSMAN McFALL URGES PRESIDENT FORD TO PRESENT A FAIR AND BALANCED ECONOMIC RECOVERY PROGRAM

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. McFALL) is recognized for 30 minutes.

Mr. **McFALL**. Mr. Speaker, tomorrow President Ford will appear before the Congress to present his long-awaited economic policy recommendations.

The American people are no less eager than the Congress to hear the President's proposals for economic recovery in this Nation. It is against the backdrop of rising unemployment, deepening recession, rampant inflation, increasing apprehension, and economic instability that the President's recommendations come.

If we expect much from these recommendations, it is because we require so much to alleviate the immediate suffering and to set us on the path toward long-range economic recovery.

On this, the eve of the President's appearance, I would like to express my hope that whatever program he recommends will treat all Americans fairly and will recognize recession and its consequent unemployment as an economic menace equal to inflation. I would hope that the President makes an immediate and sharp break with the tried and failed economic policies of the past—policies that have brought us nothing but mounting unemployment and runaway inflation.

I take a particular interest in the President's presentation tomorrow because I was one of four Members of Congress appointed to serve on the Steering Committee for President Ford's Conference on Inflation. I participated with willingness and high hope in three of the preliminary sessions—both of the economists' meetings and the labor meeting—and I took part in the full, 2-day sessions of the President's Conference on Inflation itself.

At this point, I might register my reservation about the naming of that conference. I still feel that it should have been called a Summit Conference on the Economy to reflect the myriad economic difficulties that we face. More is involved than inflation alone, even as bad as inflation is.

The citizens are for the most part not economic experts, but they do have a sense of fair play—and this they have not been getting.

I ask nothing more than simple justice and fair play for all segments of our people. Americans will respond wholeheartedly to any economic recovery program that marks out a clear path toward recovery and incorporates the elements of fairness and shared burdens.

Unemployment for the past month went up to 5.8 percent—the highest figure in 2 years. In 1 month the number of unemployed persons increased by 440,000, bringing the number of jobless to 5.3 million.

It is for these jobless and others hit hardest by this economic crisis—pensioners, the elderly, the poor, everyone living on a fixed income, the middle- and lower-income persons—that I am asking for an economic recovery program that gives these groups immediate consideration and assistance.

I was most encouraged by the President's willingness to take this new approach and by his determination to unite the best thinking of business, labor and the academic worlds against our common economic problems.

The conference produced remarkable agreement on several points: that continuing and current policies of high interest rates, cosmetic reductions in the budget and higher unemployment would be disastrous, and areas in need of immediate attention include public service employment and more unemployment benefits for those thrown out of work, and balanced tax relief for the lower- and middle-income groups.

I want to praise the dedication of President Ford who attended most of the conference sessions and served personally as conference chairman.

I know that he listened well to all points of view, and I am confident that the policies he will recommend to the Congress tomorrow will be those he thinks best for the Nation and will carry the full commitment of the presidency. I am sure that Congress and the people will offer prompt support and assistance to any fair and equitable policy of economic recovery.

I would like to make several observations about the economy:

Simply calling for more of the old time religion—high interest rates, more unemployment, and a cosmetic reduction in the budget would be a disaster. High interest rates only channel scarce funds to speculative and unnecessary ventures. The overwhelming consensus of 30 participating economists, whose views spanned a broad range of economic philosophies, was that budget restrictions of $5 or $10 or even $20 billion could not ease inflation by more than a fraction of a percent, but would have devastating impact on unemployment.

It would be a fraud of the first magnitude if the President were to simply call for budget reductions as the solution to our problems. The Congress has held spending at virtually the same level requested by the administration these past 5 years, but we have still suffered the highest interest rates in our Nation's history. The problem is much more complex than merely cutting the budget.

I take this opportunity to call upon the President to present an innovative program including, but not limited to, the following:

1. BALANCED TAX REFORM

This should include relief for low- and middle-income persons and a closing of loopholes which benefit only the upper-bracket taxpayer. This should not include measures proposed by administration spokesmen for such things as a heavy consumer gasoline tax and even more tax breaks for big business and the non-salaried wealthy. The tax package could include a surcharge on upper income levels and an excess profits tax.

The House Ways and Means Committee is in the final stages of writing a tax package and that a serious push by the President could produce a meaningful bill tailored toward reform and low income relief. I want to stress that only a strong effort by the President could result in a tax bill this year since only a few weeks remain in the session.

2. LOWER INTEREST RATES AND CHANNELED CREDIT

This could be accomplished by some easing of the Federal Reserve policies and by the allocating of credit to priority needs such as food production and fertilizer, housing, utilities, and small business.

A preponderant theme at the summit conference was for a loosening of the Federal Reserve straitjacket on money supply. There was less of a consensus for credit allocation, but this is one action that could squash speculative spending both at home and abroad.

3. PUBLIC SERVICE EMPLOYMENT

The Congress would respond promptly and favorably to a Presidential program that would provide useful work for the unemployed and improve the level of local public services. Pilot programs already enacted upon congressional initiative have demonstrated their success and immediate impact. Increased unemployment benefits in areas of persistent high unemployment shoud be part of this package.

This was the only proposal that seemed to attract support from all sectors of the Inflation Conference—labor and business, banking and the consumer.

4. WAGE AND PRICE STABILITY

This could be fostered by a committed and effective use of the authority given the President's Wage and Price Stability Council, including jawboning and efforts to expose exorbitant wage demands and outrageous increases in administered prices by concentrated industries. Further legislation could grant the Council subpena power.

A Presidential commitment is required. Although the Congress enacted the authorizing legislation 8 days after the President asked for it, the Wage and Price Stability Council after 2 months still is not functioning.

5. ANTITRUST ENFORCEMENT

Our antitrust laws should be used by the administration to control administered increases on necessities manufactured by concentrated industries. If necessary, the Justice Department should act to break up the economic monsters.

Congressman PETER W. RODINO, JR., chairman of the House Judiciary Committee, told the Conference on Inflation about the effects of anticompetitive market structure. A Federal Trade Commission study shows that lack of competition alone costs food purchasers $2.6 billion a year. In food and other areas as well, RODINO said, "the equation of corporate interests with the public interest should cease."

Senator PHILIP HART, chairman of the Senate Subcommittee on Antitrust and Monopoly, has spoken eloquently with evidence about the structured oil and gas industry which does not respond to competitive economic forces but which seeks to hold down production and force prices up.

We should consider RODINO's recommendation that the price monitoring activity of the Wage and Price Stability Council be placed in the Department of Justice, which has the authority to act against increases which result from anticompetitive activity.

Presidential leadership is needed to promote procompetitive policies at the Federal, State, and local level. Above all, the Government must promote the public interest over corporate interests.

6. INCREASED FOOD PRODUCTION AND FOOD RESERVES

The Soviet attempt last week to buy half a billion dollars worth of precious grain underscores our own need for food and exposes the lax administration by the Agriculture Department. The President should be commended for putting a last minute stop on this sale.

Drought has exacerbated the consequences of the food scarcity program launched in 1972 by Secretary Butz. The result of this "administered food shortage" is higher prices in this Nation, less food to use in our foreign policy negotiations and outright starvation in the poorest nations that looked to the United States for sustenance in the last resort.

Congressman NEAL SMITH of Iowa has said that the Soviet attempt to buy more American grain "merely proves that world demand at present prices is even greater than has been revealed." He blamed the Agriculture Department for keeping secret about high demand and continuing to oppose a food reserves policy.

I think it is incredible after the experience of the Russian grain deal of 1972, that Secretary Butz should continue policies that almost let us fall into that trap again.

It would be so good today to have some of those reserves the Agriculture Department blithely trade away in 1972. We have no evidence that the Soviets need the wheat they are now seeking to purchase. We have no information about the Russian harvest prospects. If we had sufficient reserves and a sensible export policy, our food prices here at home would be lower and more stable and other nations would not be in a position to sabotage our interests. We need Presidential support for legislation requiring advance notice and immediate reporting on proposed export sales, and we must have a meaningful grain reserve policy.

7. ENERGY

The President should propose a coherent and comprehensive energy policy aimed at assuring a sufficient supply of energy for vital services, reasonable prices for the consumer, consideration for the environment, and a realistic policy toward oil exporting nations.

Instead of taxes on gasoline, there should be a program for voluntary conservation. The people are eager and willing to cooperate, given strong leadership and assurances that any sacrifices are equally shared.

Items in the President's energy package should include conservation and voluntary limits on energy use by all consumers; special attention to the needs of public utilities; assurances that consumers will not be required to pay higher rates in compensation for decreased usage of electricity; increased production from known energy deposits in our own Nation and increased exploration for new domestic sources, both without unduly sacrificing environmental considerations; a massive commitment to energy research aimed at improving secondary recovery techniques and harnessing solar, geothermal, and nuclear energy sources.

We must do a better job of using the energy available in this country. Perhaps the tax bill now pending in Congress could become the key to a constructive compromise which would provide for increased production of energy supplies and for greater—but not exorbitant—return to producers for their exploration and production efforts.

8. HOUSING

The President should give major attention to the housing industry which is already mired in the depths of a full-fledged depression. Housing starts have dropped by more than a million in the past 2 years, and unemployment in the housing construction trades exceeds 10 percent. Housing should be made a primary beneficiary of channeled credit and preferred treatment, so that this key industry can be assured of the funding it needs for recovery. Until it is resolved, the recession in the housing industry will present an additional and increasingly ominous threat to the rest of the economy.

Congressman WRIGHT PATMAN, chairman of the Banking and Currency Committee and the dean of the House of Representatives, has proposed bold new action to relieve the housing crisis. When he spoke to the Inflation Conference, he recommended legislation to inject $5 billion into the Government mortgage program in a manner that will provide for 150,000 to 200,000 new units of housing for low- and moderate-income families. In addition, he asked President Ford to direct the Federal Reserve to purchase significant amounts of private housing securities.

9. A CLEAR CALL TO THE AMERICAN PEOPLE

President Ford should use the full prestige of his office to make a clear call to the American people for universal but equitable sacrifice as part of a coordinated national recovery program. Only the President can make an effective request to the Nation to save on energy, to cut back on the purchase of luxury items, to increase productivity, and to create a spirit of self-help and cooperation in the name of the public good and the national well-being.

Polls not yet published have established the willingness of the people to help—if they can be assured that everyone will be treated equitably.

10. END OF OLDTIME RELIGION

All of the above recognizes that our present difficulties have been long in developing and will not be solved quickly. Neither will they be solved by maintaining the same course.

Our economic deliberations today must consider such varied forces as the oil embargo by the Middle East, the administration's policy of food scarcity followed by the drought which reduced food production, the Russian wheat deal, tax loopholes that have drained funds from the public treasury, administered prices by monopolistic industries, tight money policies, a determination by all segments of the population to achieve a fairer share of the abundance of America, essential expenditures for health and education and welfare, the lingering cost of the Vietnam conflict and our military outlays around the world, and the accumulated effects of the indifference of an administration that refused to recognize the mounting problems.

It is disheartening to hear ringing yet today the familiar refrain of oldtime religion, as it has been prescribed by administration spokesmen these past 5½ years: simply push up interest rates, increase unemployment, cut the budget, and all of our problems are solved.

This is not good enough for America. President Ford heard the evidence at the summit. He deserves great credit for embarking on this unprecedented endeavor and for listening so attentively. We hope the lesson was learned. I, for one, am confident that the President will come forth with a fair and balanced economic program. If he does so, the Congress and all Americans will gladly help.

COMMITTEE REFORM AMENDMENT TO BE OFFERED BY MR. BINGHAM

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Bingham) is recognized for 5 minutes.

Mr. **BINGHAM**. Mr. Speaker, at the appropriate time I intend to offer an amendment to the pending committee reform proposals that would extend the use of pairs to the Committee of the Whole. Even though record votes are now frequent in the Committee of the Whole, the Parliamentarian has ruled that pairs cannot be used. There seems to be no substantial reason why this should be so, and use of pairs in the Committee of the Whole would be a convenience to all Members.

Though the rules of the House now provide that pairs may be announced just once during the course of the legislative day, the Congressional Record does show pairs after each vote taken in the full House by the electronic recording system. Announcing pairs but once each day was recommended in the 1880's as a means of expediting the business of the House at a time when a call of the roll lasted 20 minutes. Expedition was also a principal reason for adopting the electronic voting system, and my amendment would further that practice. As the Members know, most pairs are no longer formally announced by the pair clerk; they are arranged by majority and minority clerks and inserted in the appropriate place in the Congressional Record. Under my amendment, no time would be lost; the pair clerks would simply repeat the process now used in the House for votes taken in the Committee of the Whole.

For proper reference, I include herewith the text of my amendment as it would pertain to House Resolution 988, the Hansen substitute, and the Martin substitute:

(1) An amendment offered by Mr. Bingham to an amendment in the nature of a substitute offered by Mrs. Hansen to House Resolution 988: On page 53, after line 2, insert the following:

"PAIRS IN COMMITTEE OF THE WHOLE

"Sec. 209. The first sentence of clause 2 of Rule VIII of the Rules of the House of Representatives is amended by inserting "by the House or Committee of the Whole" immediately before the first comma."

(2) An amendment offered by Mr. Bingham to an amendment in the nature of a substitute offered by Mr. Martin to House Resolution 988: On page 91, after line 20, insert the following:

"PAIRS IN COMMITTEE OF THE WHOLE

"Sec. 409. The first sentence of clause 2 of rule VIII of the Rules of the House of Representatives is amended by inserting "by the House or Committee of the Whole" immediately before the first comma."

(3) An amendment offered by Mr. Bingham to H. Res. 988: On page 90, after line 14, insert the following:

"PAIRS IN COMMITTEE OF THE WHOLE

"Sec. 409. The first sentence of clause 2 of Rule VIII of the Rules of the House of Representatives is amended by inserting "by the House or Committee of the Whole" immediately before the first comma."

TRIBUTE TO FIREMEN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. Brinkley) is recognized for 5 minutes.

Mr. **BRINKLEY**. Mr. Speaker, I rise to pay tribute to firemen of this great land. One public attitude toward these public servants might be that of toleration during the good days free of trouble, but when fire strikes and loved ones are saved, when the cost to firemen is injury or death, their importance is dramatically emphasized. They are good soldiers and I compare their lot through a paraphrase of a famous poem:

O it's fireman this, and fireman that,
  And fireman, go away;
But it's "Thank you, Mister fireman,"
  When there's trouble in the wind.

It has been well said that dissent is loud and gets attention, but gratitude is quiet and does not make the headlines. May we today express our ongoing appreciation to these "watchmen upon the walls" who contribute so much to our security and peace of mind not only in fighting even the worst holocaust but in rendering mouth to mouth resuscitation, or other forms of first aid and emergency assistance.

During my service as an Air Force pilot, I spent many, many hours on alert. That service was a heavy add-on burden that might be compared to the long hours of training and waiting which firemen undergo, only to be jolted awake in the small hours of morning to rush to the rescue, to throw out the life line.

Mr. Speaker, when the tax reform bill comes later this year we should translate this appreciation into tangible expressions. For example, should not meals consumed by firemen away from home and on duty be accorded the same tax treatment as those of salesmen away from home which are deductible?

I commend to the attention of my colleagues a very modest measure which I introduced a long time ago and which certainly should be passed this year:

A bill to amend the Internal Revenue Code of 1954 to provide a trade or business deduction to firemen for meals which they eat while at their post of duty overnight

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 162 of the Internal Revenue Code of 1954 (relating to deductions for trade or business expenses) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) Meal Expenses of Firemen.—

"(1) General rule.—Under regulations of the Secretary or his delegate, the deduction allowed by subsection (a) shall include all the ordinary and necessary expenses paid or incurred during the taxable year by a fireman for meals which he eats at his post of duty during any period of overnight duty.

"(2) Minimum deduction.—The deduction allowable by reason of paragraph (1) for the taxable year shall not be less than $5 multiplied by the number of the taxpayer's periods of overnight duty in such taxable year.

"(3) Definitions.—For purposes of this subsection:

"(A) The term 'fireman' means a person employed as a fireman by (or a member of volunteer fire company organized under the authority of) a State, territory, or possession of the United States, by a political subdivision of any of the foregoing, or by the District of Columbia.

"(B) The term 'period of overnight duty' means any period (i) during which a fireman is continuously on duty, and (ii) during which he is on duty overnight."

Sec. 2. The amendments made by this Act shall apply only with respect to taxable years beginning after the date of the enactment of this Act.

CHILD HEALTH DAY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. Brademas) is recognized for 5 minutes.

Mr. **BRADEMAS**. Mr. Speaker, I rise to remind my colleagues that today, Monday, October 7, is Child Health Day. Initiated by Congress in 1928, the first Monday in October has been set aside as a reminder of the enormity of our national responsibility to the health needs of one of our most vital resources—our children.

Unfortunately, Mr. Speaker, we have only begun to awaken public and congressional interest to the desperate need to expand health services for our Nation's children. Therefore, Mr. Speaker, let me take this occasion to briefly describe why we need a Child Health Day in order to reaffirm our commitment to the health needs of younger Americans.

First, children represent approximately 40 percent of America's population, and even a nominal investment in the early years of a child's life will secure enormous returns in terms of national productivity as these children mature and join the labor force.

Second, by providing preventive health services and early intervention, the possibility of avoiding some of the tremendous costs of adult health care will be significantly increased. Even a conservative estimate of the savings made possible through better preventive health care services for children would amount to millions of dollars annually.

However, Mr. Speaker, simply to describe the cold economic benefits derived from a greater commitment to the health of our children does not tell the whole story. There is also a much more human side. As Judith S. Helms, Executive Director of the National Council of Organizations for Children and Youth, recently outlined before the White House Conference on Inflation:

> America lags behind 14 other countries in the rate of infant mortality.
>
> 250,000 children each year are born with birth defects—a staggering 7% of all births.
>
> Birth defects have left 3 million retarded, 750,000 with hearing impairments, and 500,000 totally or partially blind. In total, there are 15 million Americans who have birth defects serious enough to drastically affect their daily lives.
>
> Five million American children go to bed hungry every night.
>
> 29% of children in the inner cities do not see a doctor during a given year and 43% aren't even immunized against polio.
>
> 30% of all low income children are presently suffering from some chronic condition and yet only 12% of these are under treatment.

Indeed, Mr. Speaker, I think it is not too much to say that we have a long way to go.

Mr. Speaker, allow me to close by saying that if we are truly dedicated to the health of our children, we must reaffirm our commitment more often than once a year, and replace declarations with action.

QUICK IMPLEMENTATION OF VA BILL URGED

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, the increased educational benefits contained in the VA bill which has been agreed upon in conference are sorely needed. I have directed a letter to the Administrator of Veterans' Affairs urging him to take all steps necessary to implement the bill as quickly as possible.

I ask permission to insert a copy of that letter into the RECORD at this point.

OCTOBER 7, 1974.

RICHARD L. ROUDEBUSH,
Administrator of Veterans' Affairs, Veterans' Administration Building, Washington, D.C.

DEAR DICK: Congratulations on your confirmation!

I am confident you will exert every effort to make the VA the effective organization it should be. I would like to offer one suggestion.

As I am sure you are aware, House and Senate conferees have reached agreement on a bill increasing veterans educational benefits and creating a loan program to supplement those benefits. I would like to urge you to immediately start taking the steps necessary to implement the bill, so there will be as little delay as possible in putting it into effect.

There have been times during the past few years when the Administrative agencies seemed to have required an extraordinary amount of time to put programs into operation. I'm referring to things such as the minimum wage bill, which caused so much confusion because the Department of Labor couldn't seem to get the necessary information out when it was needed.

The men and women trying to get an education through the GI bill programs are finding it more and more difficult to make ends meet, and their situation becomes increasingly worse as educational costs soar. The sooner we can get the higher benefit payments started, and make the loans available, the better off they will be.

Again, best wishes in your new position.

Sincerely,

J. EDWARD ROUSH,
Member of Congress.

SOCIAL WORKERS IN WYOMING

(Mr. RONCALIO of Wyoming asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, the Casper-Star Tribune recently published an article on the fifth annual conference of the Wyoming Human Resources Confederation, held at Evanston, Wyo., September 18–20.

The membership of this confederation—a broad range of professionals including social workers, psychologists, and medical practitioners—are all working for a more effective delivery of human services throughout the State of Wyoming.

The keynote speaker for the conference was Dr. James Bax, administrator of the Idaho Department of Environmental and Community Services. Dr. Bax stressed the importance of regional cooperation, especially through the Northwest interstate compact of human resources. Bax said:

> Through this compact, we can share our respective talent to make social services better.

I strongly endorse the idea of regional cooperation. It is only by working together that we can bring about a better quality of service for the people of our area. I salute the Wyoming Human Resources Confederation and their new president, Jerry Iekel, a psychiatric social worker from Newcastle, Wyo.

Mr. Speaker, the article follows:

[From the Casper-Star Tribune, Sept. 20, 1974]

SOCIAL WORKERS GET IDEAS

(By Bill Alexander)

EVANSTON.—Idaho's director of health and welfare explained some problems concerning social service agency consolidation here Wednesday.

Dr. James A. Bax, keynote speaker for the Wyoming Human Resources Confederation fifth annual conference, said, "I am not here to tell you how to run your government."

"I would like to give you some ideas to think about concerning your social services program, however," he added.

As background information Bax said six different people, all looking at social services, have six different ideas how to run the department.

The six ideas that Bax expressed were 1) strong federal funding, 2) planning, 3) accessibility, 4) consolidation of agencies, 5) strong state control, and 6) getting the poor people closer to the available money.

"One thing which needs to be more strongly stressed, Bax said, is the training we give our workers," Bax said.

Another thing, he said, "In no case where state social service agencies have been consolidated has the state given adequate move-up time to consolidation that I know of."

Bax told his audience of about 400 that consolidation of agencies theoretically meant millions of federal dollars to spend.

"Nowhere near the number of federal dollars that were expected have come through," he stated.

"There are other ways to obtain funding, however," Bax said, "like the money that is available from the HEW waivers."

"The main idea for consolidating state agencies is to have an adequate community-based organization," he said.

"Citizen input is more convenient this way, and a person in need of any social service help goes only to one place," Bax said.

However, Bax cautioned, organization of the department belongs to the department executive, not to the governor or someone else.

"A consolidated department should eliminate all divisions," he explained, "for example there should be no division of mental health or retardation and so on."

"There should be regional directors of a rural geographic area, so that the human resources confederation meets the needs of the people in that area," he said.

He ended his speech by stressing the importance of the Northwest Interstate Compact of Human Resources.

"The 12 northwest states have similar problems, Bax said. "We have 42 per cent of the nation's land mass, but only six per cent of the population and representation in the House of Representatives."

Through the compact, we can share our respective talent to make social services better, Bax said.

"You in Wyoming are doing good things with the hospital," he said, "and you can share these ideas with the rest of us."

"You can also learn from other states like Utah and Washington concerning the development work they've done in human resources," he said.

The three-day meeting ends Friday.

INTERNATIONAL DAY OF BREAD

(Mr. SEBELIUS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, tomorrow, October 8, is the International Day of Bread. To help celebrate this special day as part of Harvest Festival Week, I again plan to distribute a complimentary loaf of bread to each of my colleagues. This complimentary loaf of bread is in behalf of the wheat growers, millers, and bakers.

I would like to ask that my colleagues join with us in breaking bread in thanksgiving and in committing our resources to world peace, understanding, and a better tomorrow for all of mankind.

Harvest Festival Week has become a traditional time for the people of the world to come together in spirit and express thanksgiving for the annual harvest in their native lands. To fully understand the significance of this event, I am submitting the following article, "The World Has a Day To Remember" and commend it to the attention of my colleagues:

The World Has a Day To Remember

Before recorded time, the family of man paused each autumn for rites of joy and gratitude for the bounty of Nature. Spontaneous ceremonies marked the completion of his harvest from field, farm, forest . . . from lakes, streams and seas.

This compelling impulse became part of tribal or religious custom beyond the reach of human memory. You still find Harvest Festivals—whether for grapes that make wine, grains for bread, or fish or meat for the larder—celebrated by most people of the world.

Following the Egyptians and those before them, the Greeks incarnated the concept in a goddess, Demeter, and paid her homage. The Romans called her Ceres, for whom cereals were named. Bread came to symbolize all food and the dependence of man upon the soil, the rain, the sun, the seasons and the labor of agriculture.

Bread thus signifies the reaping of all crops, of meat, milk and food itself, a meaning expressed in prayer. "Give Us This Day . . ." The thought gains greater import every day as governments around the world become increasingly concerned with problems of feeding the hungry and malnourished, at home and abroad.

In token of such values, the tradition was revived in West Germany in the early 1950's as a "Day of Bread." The observance spread to other countries of the Continent, to the Americas and the Far East. The President of the United States, the Governors of the 50 States, and the Mayors of scores of cities annually proclaim a "Day of Bread" on the first Tuesday of "Harvest Festival" Week, usually the first full week of October. Deeply rooted in the legacy of all mankind, the occasion has won acceptance as a contribution to human understanding, person-to-person, around the world, a means of national communication transcending boundaries of country, creed, or politics.

CONFERENCE REPORT ON S. 3044

Mr. HAYS submitted the following conference report and statement on the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns:

Conference Report (H. Rept. 93–1438)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the Senate bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Federal Election Campaign Act Amendments of 1974".

TITLE I—CRIMINAL CODE AMENDMENTS

LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 101. (a) Section 608 of title 18, United States Code, relating to limitations on contributions and expenditures is amended by striking out subsections (b) and (c) and inserting in lieu thereof the following:

"(b)(1) Except as otherwise provided by paragraphs (2) and (3), no person shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $1,000.

"(2) No political committee (other than a principal campaign committee) shall make contributions to any candidate with respect to any election for Federal office which, in the aggregate, exceed $5,000. Contributions by the national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States shall not exceed the limitation imposed by the preceding sentence with respect to any other candidate for Federal office. For purposes of this paragraph, the term 'political committee' means an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 for a period of not less than 6 months which has received contributions from more than 50 persons and, except for any State political party organization, has made contributions to 5 or more candidates for Federal office.

"(3) No individual shall make contributions aggregating more than $25,000 in any calendar year. For purposes of this paragraph, any contribution made in a year other than the calendar year in which the election is held with respect to which such contribution was made, is considered to be made during the calendar year in which such election is held.

"(4) For purposes of this subsection—

"(A) contributions to a named candidate made to any political committee authorized by such candidate, in writing, to accept contributions on his behalf shall be considered to be contributions made to such candidate; and

"(B) contributions made to or for the benefit of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be contributions made to or for the benefit of the candidate of such party for election to the office of President of the United States.

"(5) The limitations imposed by paragraphs (1) and (2) of this subsection shall apply separately with respect to each election, except that all elections held in any calendar year for the office of President of the United States (except a general election for such office) shall be considered to be ohe election.

"(6) For purposes of the limitations imposed by this section, all contributions made by a person, either directly or indirectly, on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate. The intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.

"(c)(1) No candidate shall make expenditures in excess of—

"(A) $10,000,000, in the case of a candidate for nomination for election to the office of President of the United States, except that the aggregate of expenditures under this subparagraph in any one State shall not exceed twice the expenditure limitation applicable to such State to a candidate for nomination for election to the office of Senator, Delegate, or Resident Commissioner, as the case may be;

"(B) $20,000,000, in the case of a candidate for election to the office of President of the United States;

"(C) in the case of any campaign for nomination for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 8 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $100,000;

"(D) in the case of any campaign for election by a candidate for the office of Senator or by a candidate for the office of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 12 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $150,000;

"(E) $70,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Representative in any other State, Delegate from the District of Columbia, or Resident Commissioner; or

"(F) $15,000, in the case of any campaign for nomination for election, or for election, by a candidate for the office of Delegate from Guam or the Virgin Islands.

"(2) For purposes of this subsection—

"(A) expenditures made by or on behalf of any candidate nominated by a political party for election to the office of Vice President of the United States shall be considered to be expenditures made by or on behalf of the candidate of such party for election to the office of President of the United States; and

"(B) an expenditure is made on behalf of a candidate, including a Vice Presidential candidate, if it is made by—

"(i) an authorized committee or any other agent of the candidate for the purposes of making any expenditure; or

"(ii) any person authorized or requested by the candidate, an authorized committee of the candidate, or an agent of the candidate, to make the expenditure.

"(3) The limitations imposed by subparagraphs (C), (D), (E), and (F) of paragraph (1) of this subsection shall apply separately with respect to each election.

"(4) The Commission shall prescribe rules under which any expenditure by a candidate for Presidential nomination for use in 2 or more States shall be attributed to such candidate's expenditure limitation in each such State, based on the voting age population in such State which can reasonably be expected to be influenced by such expenditure.

"(d)(1) At the beginning of each calendar year (commencing in 1976), as there become available necessary data from the Bureau of Labor Statistics of the Department of Labor, the Secretary of Labor shall certify to the Commission and publish in the Federal Register the per centum difference between the price index for the 12 months preceding the beginning of such calendar year and the price index for the base period. Each limitation established by subsection (c) and subsection (f) shall be increased by such per centum difference. Each amount so increased shall be the amount in effect for such calendar year.

"(2) For purposes of paragraph (1)—

"(A) the term 'price index' means the average over a calendar year of the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

"(B) the term 'base period' means the calendar year 1974.

"(e)(1) No person may make any expenditure (other than an expenditure made by or on behalf of a candidate within the meaning of subsection (c)(2)(B)) relative to a clearly identified candidate during a calender year which, when added to all other expenditures made by such person during the year advocating the election or defeat of such candidate, exceeds $1,000.

"(2) For purposes of paragraph (1)—

"(A) 'clearly identified' means—

"(i) the candidate's name appears;

"(ii) a photograph or drawing of the candidate appears; or

"(iii) the identity of the candidate is apparent by unambiguous reference; and

"(B) 'expenditure' does not include any payment made or incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610, would not constitute an expenditure by such corporation or labor organization.

"(f)(1) Notwithstanding any other provision of law with respect to limitations on expenditures or limitations on contributions, the national committee of a political party and a State committee of a political party, including any subordinate committee of a State committee, may make expenditures in connection with the general election campaign of candidates for Federal office, subject to the limitations contained in paragraphs (2) and (3) of this subsection.

"(2) The national committee of a political party may not make any expenditure in connection with the general election campaign of any candidate for President of the United States who is affiliated with such party which exceeds an amount equal to 2 cents multiplied by the voting age population of the United States (as certified under subsection (g)). Any expenditure under this paragraph shall be in addition to any expenditure by a national committee of a political party serving as the principal campaign committee of a candidate for the office of President of the United States.

"(3) The national committee of a political party, or a State committee of a political party, including any subordinate committee of a State committee, may not make any expenditure in connection with the general election campaign of a candidate for Federal office in a State who is affiliated with such party which exceeds—

"(A) in the case of a candidate for election to the office of Senator, or of Representative from a State which is entitled to only one Representative, the greater of—

"(i) 2 cents multiplied by the voting age population of the State (as certified under subsection (g)); or

"(ii) $20,000; and

"(B) in the case of a candidate for election to the office of Representative, Delegate, or Resident Commissioner in any other State, $10,000.

"(g) During the first week of January 1975, and every subsequent year, the Secretary of Commerce shall certify to the Commission and publish in the Federal Register an estimate of the voting age population of the United States, of each State, and of each congressional district as of the first day of July next preceding the date of certification. The term 'voting age population' means resident population, 18 years of age or older.

"(h) No candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. No officer or employee of a political committee shall knowingly accept a contribution made for the benefit or use of a candidate, or knowingly make any expenditure on behalf of a candidate, in violation of any limitation imposed on contributions and expenditures under this section.

"(i) Any person who violates any provision of this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.".

(b)(1) Section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, is amended to read as follows:

"(a)(1) No candidate may make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaigns during any calendar year for nomination for election, or for election, to Federal office in excess of, in the aggregate—

"(A) $50,000, in the case of a candidate for the office of President or Vice President of the United States;

"(B) $35,000, in the case of a candidate for the office of Senator or for the office of Representative from a State which is entitled to only one Representative; or

"(C) $25,000, in the case of a candidate for the office of Representative, or Delegate or Resident Commissioner, in any other State.

For purposes of this paragraph, any expenditure made in a year other than the calendar year in which the election is held with respect to which such expenditure was made is considered to be made during the calendar year in which such election is held.".

(2) Such section 608(a) is amended by adding at the end thereof the following new paragraphs:

"(3) No candidate or his immediate family may make loans or advances from their personal funds in connection with his campaign for nomination for election, or for election, to Federal office unless such loan or advance is evidenced by a written instrument fully disclosing the terms and conditions of such loan or advance.

"(4) For purposes of this subsection, any such loan or advance shall be included in computing the total amount of such expenditures only to the extent of the balance of such loan or advance outstanding and unpaid.".

(c)(1) Notwithstanding section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds, any individual may satisfy or discharge, out of his personal funds or the personal funds of his immediate family, any debt or obligation which is outstanding on the date of the enactment of this Act and which was incurred by him or on his behalf by any political committee in connection with any campaign ending before the close of December 31, 1972, for election to Federal office.

(2) For purposes of this subsection—

(A) the terms "election", "Federal office", and "political committee" have the meanings given them by section 591 of title 18, United States Code; and

(B) the term "immediate family" has the meaning given it by section 608(a)(2) of title 18, United States Code.

(d)(1) The first paragraph of section 613 of title 18, United States Code, relating to contributions by certain foreign agents, is amended—

(A) by striking out "an agent of a foreign principal" and inserting in lieu thereof "a foreign national"; and

(B) by striking out ", either for or on behalf of such foreign principal or otherwise in his capacity as agent of such foreign principal,".

(2) The second paragraph of such section 613 is amended by striking out "agent of a foreign principal or from such foreign principal" and inserting in lieu thereof "foreign national".

(3) The fourth paragraph of such section 613 is amended to read as follows:

"As used in this section, the term 'foreign national' means—

"(1) a foreign principal, as such term is defined by section 1(b) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 611(b)), except that the term 'foreign national' shall not include any individual who is a citizen of the United States; or

"(2) an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20)).".

(4)(A) The heading of such section 613 is amended by striking out "agents of foreign principals" and inserting in lieu thereof "foreign nationals".

(B) The table of sections for chapter 29 of title 18, United States Code, is amended by striking out the item relating to section 613 and inserting in lieu thereof the following:

"613. Contributions by foreign nationals.".

(e) (1) The second paragraph of section 610 of title 18, United States Code, relating to penalties for violating prohibitions against contributions or expenditures by national banks, corporations, or labor organizations, is amended—

(A) by striking out "$5,000" and inserting in lieu thereof "$25,000"; and

(B) by striking out "$10,000" and inserting in lieu thereof "$50,000".

(2) Section 611 of title 18, United States Code (as amended by section 103 of this Act), relating to contributions by firms or individuals contracting with the United States, is amended in the first paragraph thereof by striking out "$5,000" and inserting in lieu thereof "$25,000".

(3) The third paragraph of section 613 of title 18, United States Code (as amended by subsection (d) of this section), relating to contributions by foreign nationals, is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(f)(1) Chapter 29 of title 18, United States Code, relating to elections and political activities, is amended by adding at the end thereof the following new sections:

"§ 614. Prohibition of contributions in name of another

"(a) No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution; and no person shall knowingly accept a contribution made by one person in the name of another person.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 615. Limitation on contributions of currency

"(a) No person shall make contributions of currency of the United States or currency of any foreign country to or for the benefit of any candidate which, in the aggregate, exceed $100, with respect to any campaign of such candidate for nomination for election, or for election, to Federal office.

"(b) Any person who violates this section shall be fined not more than $25,000 or imprisoned not more than one year, or both.

"§ 616. Acceptance of excessive honorariums

"Whoever, while an elected or appointed officer or employee of any branch of the Federal Government—

"(1) accepts any honorarium of more than $1,000 (excluding amounts accepted for actual travel and subsistence expenses) for any appearance, speech, or article; or

"(2) accepts honorariums (not prohibited by paragraph (1) of this section) aggregating more than $15,000 in any calendar year;
shall be fined not less than $1,000 nor more than $5,000.

"§ 617. Fraudulent misrepresentation of campaign authority

"Whoever, being a candidate for Federal office or an employee or agent of such a candidate—

"(1) fraudulently misrepresents himself or any committee or organization under his control as speaking or writing or otherwise acting for or on behalf of any other candidate or political party or employee or agent thereof on a matter which is damaging to such other candidate or political party or employee or agent thereof; or

"(2) willfully and knowingly participates in or conspires to participate in any plan, scheme, or design to violate paragraph (1);
shall, for each such offense, be fined not more than $25,000 or imprisoned not more than one year, or both.".

(2) Section 591 of title 18, United States Code, relating to definitions, is amended by striking out the matter preceding paragraph (a) and inserting in lieu thereof the following:

"Except as otherwise specifically provided, when used in this section and in sections 597, 599, 600, 602, 608, 610, 611, 614, 615, and 617 of this title—".

(3) The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end thereof the following new items:

"614. Prohibition of contributions in name of another.
"615. Limitation on contributions of currency.
"616. Acceptance of excessive honorariums.
"617. Fraudulent misrepresentation of campaign authority.".

(4) Title III of the Federal Election Campaign Act of 1971 is amended by striking out section 310, relating to prohibition of contributions in the name of another.

CHANGES IN CRIMINAL CODE DEFINITIONS

SEC. 102. (a) Paragraph (a) of section 591 of title 18, United States Code, relating to the definition of election, is amended—

(1) by inserting "or" before "(4)"; and

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States".

(b) Paragraph (2) of such section 591, relating to the definition of political committee, is amended to read as follows:

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;".

(c) Paragraph (e) of such section 591, relating to the definition of contribution, is amended to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business, which shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance thereof that each endorser or guarantor bears to the total number of endorsers or guarantors), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) does not include—

"(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

"(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

"(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate, or

"(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising.
to the extent that the cumulative value of activities by any person on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;".

(d) Paragraph (f) of such section 591 relating to the definition of expenditure, is amended to read as follows:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business), made for the purpose of influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, express or implied, whether or not legally enforceable, to make any expenditure; and

"(3) means the transfer of funds by a political committee to another political committee; but

"(4) does not include—

"(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(B) nonpartisan activity designed to encourage individuals to register to vote or to vote;

"(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office.

"(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

"(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising;

"(H) any costs incurred by a candidate in connection with the solicitation of contributions by such candidate, except that this clause shall not apply with respect to costs incurred by a candidate in excess of an amount equal to 20 percent of the expenditure limitation applicable to such candidate under section 608(c) of this title; or

"(I) any costs incurred by a political committee (as such term is defined by section 608(b)(2) of this title) with respect to the solicitation of contributions to such political committee or to any general political fund controlled by such political committee, except that this clause shall not apply to exempt costs incurred with respect to the solicitation of contributions to any such political committee made through broadcasting stations, newspapers, magazines, outdoor advertising facilities, and other similar types of general public political advertising;
to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (D) or (E) does not exceed $500 with respect to any election;".

(e) Section 591 of title 18, United States Code, relating to definitions, is amended—

(1) by striking out "and" at the end of paragraph (g);

(2) by striking out the period at the end of paragraph (h) and inserting in lieu thereof a semicolon; and

(3) by adding at the end thereof the following new paragraphs:

"(i) 'political party' means any association, committee, or organization which nominates a candidate for election to any Federal office whose name appears on the election ballot as the candidate of such association, committee or organization

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Federal Election Commission;

"(k) 'national committee' means the organization which, by virtue of the bylaws of the political party, is responsible for the day-to-day operations of such political party at the national level, as determined by the Federal Election Commission established under section 310(a) of the Federal Election Campaign Act of 1971; and

"(l) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1) of the Federal Election Campaign Act of 1971.".

POLITICAL FUNDS OF CORPORATIONS OR LABOR ORGANIZATIONS

SEC. 103. Section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, is amended by adding at the end thereof the following new paragraphs:

"This section does not prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corporation or labor organization for the purpose of influencing the nomination for election, or election, of any person to Federal office, unless the provisions of section 610 of this title prohibit or make unlawful the establishment or administration of, or the solicitation of contributions to, such fund.

"For purposes of this section, the term 'labor organization' has the meaning given it by section 610 of this title.".

EFFECT ON STATE LAW

SEC. 104. (a) The provisions of chapter 29 of title 18, United States Code, relating to elections and political activities, supersede and preempt any provision of State law with respect to election to Federal office.

(b) For purposes of this section, the terms "election", "Federal office", and "State" have the meanings given them by section 591 of title 18, United States Code.

TITLE II—AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

CHANGES IN DEFINITIONS FOR REPORTING AND DISCLOSURE

SEC. 201. (a) Section 301 of the Federal Election Campaign Act of 1971, relating to definitions, is amended—

(1) by inserting "and title IV of this Act" after "title";

(2) by striking out ", and (5) the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" in paragraph (a), and by inserting "and" before "(4)" in such paragraph;

(3) by amending paragraph (d) to read as follows:

"(d) 'political committee' means any committee, club, association, or other group of persons which receives contributions or makes expenditures during a calendar year in an aggregate amount exceeding $1,000;";

(4) by amending paragraph (e) to read as follows:

"(e) 'contribution'—

"(1) means a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of—

"(A) influencing the nomination for election, or election, of any person to Federal office or for the purpose of influencing the results of a primary held for the selection of delegates to a national nominating convention of a political party, or

"(B) influencing the result of an election held for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make a contribution for such purposes;

"(3) means funds received by a political committee which are transferred to such committee from another political committee or other source;

"(4) means the payment, by any person other than a candidate or a political committee, of compensation for the personal services of another person which are rendered to such candidate or political committee without charge for any such purpose; but

"(5) does not include—

"(A) the value of services provided without compensation by individuals who volunteer a portion or all of their time on behalf of a candidate or political committee;

"(B) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities;

"(C) the sale of any food or beverage by a vendor for use in a candidate's campaign at a charge less than the normal comparable charge, if such charge for use in a candidate's campaign is at least equal to the cost of such food or beverage to the vendor;

"(D) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate;

"(E) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

"(F) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;

to the extent that the cumulative value of activities by any individual on behalf of any candidate under each of clauses (B), (C), and (D) does not exceed $500 with respect to any election;";

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice-presidential elector; or

"(B) influencing the results of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President of the United States;

"(2) means a contract, promise, or agreement, expressed or implied, whether or not legally enforceable, to make any expenditure;

"(3) means the transfer of funds by a political committee to another political committee; but

"(4) does not include—

"(A) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate,

"(B) nonpartisan activity designed to encourage individuals to register to vote or to vote,

"(C) any communication by any membership organization or corporation to its members or stockholders, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any person to Federal office;

"(D) the use of real or personal property and the cost of invitations, food, and beverages, voluntarily provided by an individual to a candidate in rendering voluntary personal services on the individual's residential premises for candidate-related activities if the cumulative value of such activities by such individual on behalf of any candidate do not exceed $500 with respect to any election;

"(E) any unreimbursed payment for travel expenses made by an individual who on his own behalf volunteers his personal services to a candidate if the cumulative amount for such individual incurred with respect to such candidate does not exceed $500 with respect to any election;

"(F) any communication by any person which is not made for the purpose of influencing the nomination for election, or election, of any person to Federal office; or

"(G) the payment by a State or local committee of a political party of the costs of preparation, display, or mailing or other distribution incurred by such committee with respect to a printed slate card or sample ballot, or other printed listing, of 3 or more candidates for any public office for which an election is held in the State in which such committee is organized, except that this clause shall not apply in the case of costs incurred by such committee with respect to a display of any such listing made on broadcasting stations, or in newspapers, magazines or other similar types of general public political advertising; or

"(H) any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization;":

(6) by striking "and" at the end of paragraph (h);

(7) by striking the period at the end of paragraph (i) and inserting in lieu thereof a semicolon; and

(8) by adding at the end thereof the following new paragraphs:

"(j) 'identification' means—

"(1) in the case of an individual, his full name and the full address of his principal place of residence; and

"(2) in the case of any other person, the full name and address of such person;

"(k) 'national committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission;

"(l) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of such political party at the State level, as determined by the Commission;

"(m) 'political party' means an association, committee, or organization which nominates a candidate for election to any Federal office, whose name appears on the election ballot as the candidate of such association, committee, or organization; and

"(n) 'principal campaign committee' means the principal campaign committee designated by a candidate under section 302(f)(1).".

(b)(1) Section 401 of the Federal Election Campaign Act of 1971, relating to extension of credit by regulated industries, is amended by striking out "(as such term is defined in section 301(c) of the Federal Election Campaign Act of 1971)".

(2) Section 402 of the Federal Election Campaign Act of 1971, relating to prohibition against use of certain Federal funds for elec-

tion activities, is amended by striking out the last sentence.

ORGANIZATION OF POLITICAL COMMITTEES; PRINCIPAL CAMPAIGN COMMITTEE

SEC. 202. (a)(1) Section 302(b) of the Federal Election Campaign Act of 1971, relating to reports of contributions in excess of $10, is amended by striking out ", the name and address (occupation and principal place of business, if any)" and inserting in lieu thereof "of the contribution and the identification".

(2) Section 302(c) of such Act, relating to detailed accounts, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (2) and (4) and inserting in lieu thereof in each such paragraph "identification".

(3) Section 302(c) of such Act is further amended by striking out the semicolon at the end of paragraph (2) and inserting in lieu thereof "and, if a person's contributions aggregate more than $100, the account shall include occupation, and the principal place of business (if any);".

(b) Section 302(f) of such Act is amended to read as follows:

"(f)(1) Each individual who is a candidate for Federal office (other than the office of Vice President of the United States) shall designate a political committee to serve as his principal campaign committee. No political committee may be designated as the principal campaign committee of more than one candidate, except that the candidate for the office of President of the United States nominated by a political party may designate the national committee of such political party as his principal campaign committee. Except as provided in the preceding sentence, no political committee which supports more than one candidate may be designated as a principal campaign committee.

"(2) Notwithstanding any other provision of this title, each report or statement of contributions received or expenditures made by a political committee (other than a principal campaign committee) which is required to be filed with the Commission under this title shall be filed instead with the principal campaign committee for the candidate on whose behalf such contributions are accepted or such expenditures are made.

"(3) It shall be the duty of each principal campaign committee to receive all reports and statements required to be filed with it under paragraph (2) of this subsection and to compile and file such reports and statements, together with its own reports and statements, with the Commission in accordance with the provisions of this title.".

REGISTRATION OF POLITICAL COMMITTEES; STATEMENTS

SEC. 203. Section 303 of the Federal Election Campaign Act of 1971, relating to registration of political committees and statements, is amended by adding at the end thereof the following new subsection:

"(e) In the case of a political committee which is not a principal campaign committee, reports and notifications required under this section to be filed with the Commission shall be filed instead with the appropriate principal campaign committee.".

REPORTS BY POLITICAL COMMITTEES AND CANDIDATES

SEC. 204. (a) Section 304(a) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended—

(1) by striking out the second and third sentences and inserting in lieu thereof the following:

"The reports referred to in the preceding sentence shall be filed as follows:

"(A)(1) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the tenth day before the date on which such election is held and shall be complete as of the fifteenth day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the twelfth day before the date of such election.

"(ii) Such reports shall be filed not later than the thirtieth day after the date of such election and shall be complete as of the twentieth day after the date of such election.

"(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

"(C) Such reports shall be filed not later than the tenth day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph.

"(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the fifteenth day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt."; and

(2) by striking out "Each" at the beginning of the first sentence of such section 304(a) and inserting in lieu thereof "(1) Except as provided by paragraph (2), each", and by adding at the end thereof the following new paragraphs:

"(2) Each treasurer of a political committee which is not a principal campaign committee shall file the reports required under this section with the appropriate principal campaign committee.

"(3) Upon a request made by a presidential candidate or a political committee which operates in more than one State, or upon its own motion, the Commission may waive the reporting dates set forth in paragraph (1) (other than the reporting date set forth in paragrajh (1)(B)), and require instead that such candidate or political committee file reports not less frequently than monthly. The Commission may not require a presidential candidate or a political committee operating in more than one State to file more more 12 reports (not counting any report referred to in paragraph (1)(B)) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, such candidate or committee may obtain judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

(b)(1) Section 304(b)(5) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "lender and endorsers" and inserting in lieu thereof "lender, endorsers, and guarantors".

(2) Section 304(b)(8) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate".

(3) Section 304(b) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by striking out "full name and mailing address (occupation and the principal place of business, if any)" in paragraphs (9) and (10) and inserting in lieu thereof in each such paragraph "identification".

(4) Section 304(b)(11) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon at the end thereof the following: ", together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate".

(5) Section 304(b)(12) of the Federal Election Campaign Act of 1971, relating to reports by political committees and candidates, is amended by inserting immediately before the semicolon a comma and the following: ", together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration thereof".

(c) Such section 304 is amended by adding at the end thereof the following new subsections:

"(d) This section does not require a Member of the Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to such recording services furnished during the calendar year before the year in which the Member's term expires.

"(e) Every person (other than a political committee or candidate) who makes contributions or expenditures, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 within a calendar year shall file with the Commission a statement containing the information required by this section. Statements required by this subsection shall be filed on the dates on which reports by political committees are filed but need not be cumulative.".

(d) The heading for such section 304 is amended to read as follows:

"REPORTS"

(e) Notwithstanding the amendment to section 304 of the Federal Election Campaign Act of 1971, relating to the time for filing reports, made by the foregoing provisions of this section, nothing in this Act shall be construed to waive the report required to be filed by the thirty-first day of January of 1975 under the provisions of such section 304, as in effect on the date of the enactment of this Act.

CAMPAIGN ADVERTISEMENTS

SEC. 205. (a) Section 305 of the Federal Election Campaign Act of 1971, relating to reports by others than political committees, is amended to read as follows:

"REQUIREMENTS RELATING TO CAMPAIGN ADVERTISING

"SEC. 305. (a) No person who sells space in a newspaper or magazine to a candidate, or to the agent of a candidate, for use in connection with such candidate's campaign, may charge any amount for such space which exceeds the amount charged for comparable use of such space for other purposes.

"(b) Each political committee shall include on the face or front page of all literature and advertisements soliciting contributions the following notice:

"'A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.' ".

(b) Title I of the Federal Election Campaign Act of 1971 is repealed.

WAIVER OF REPORTING REQUIREMENTS

SEC. 206. Section 306(b) of the Federal Election Campaign Act of 1971 (as so redesignated by section 207 of this Act), relating to formal requirements respecting reports and statements, is amended to read as follows:

"(b) The Commission may, by a rule of general applicability which is published in the Federal Register not less than 30 days before its effective date, relieve—

"(1) any category of candidates of the obligation to comply personally with the reporting requirements of section 304, if it determines that such action is consistent with the purposes of this Act; and

"(2) any category of political committees of the obligation to comply with the reporting requirements of such section if such committees—

"(A) primarily support persons seeking State or local office; and

"(B) do not operate in more than one State or do not operate on a statewide basis.".

FORMAL REQUIREMENTS FOR REPORTS AND STATEMENTS

SEC. 207. Section 306 of the Federal Election Campaign Act of 1971, relating to formal requirements respecting reports and statements, is amended by striking out subsection (a); by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively; and by adding at the end thereof the following new subsection:

'(d) If a report or statement required by section 303, 304(a)(1)(A)(ii), 304(a)(1)(B), 304(a)(1)(C), or 304(e) of this title to be filed by a treasurer of a political committee or by a candidate or by any other person, is delivered by registered or certified mail, to the Commission or principal campaign committee with which it is required to be filed, the United States postmark stamped on the cover of the envelope or other container in which such report or statement is so mailed shall be deemed to be the date of filing.".

REPORTS BY CERTAIN ORGANIZATIONS; FEDERAL ELECTION COMMISSION; CAMPAIGN DEPOSITORIES

SEC. 208. (a) Title III of the Federal Election Campaign Act of 1971, relating to disclosure of Federal campaign funds, is amended by redesignating sections 308 and 309 as sections 316 and 317, respectively; by redesignating section 311 as section 321; and by inserting immediately after section 307 the following new sections:

"REPORTS BY CERTAIN PERSONS

"SEC. 308. Any person (other than an individual) who expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or who publishes or broadcasts to the public any material referring to a candidate (by name, description, or other reference) advocating the election or defeat of such candidate, setting forth the candidate's position on any public issue, his voting record, or other official acts (in the case of a candidate who holds or has held Federal office), or otherwise designed to influence individuals to cast their votes for or against such candidate or to withhold their votes from such candidate shall file reports with the Commission as if such person were a political committee. The reports filed by such person shall set forth the source of the funds used in carrying out any activity described in the preceding sentence in the same detail as if the funds were contributions within the meaning of section 301(e), and payments of such funds in the same detail as if they were expenditures within the meaning of section 301(f). The provisions of this section do not apply to any publication or broadcast of the United States Government or to any news story, commentary, or editorial distributed through the facilities of a broadcasting station or a bona fide newspaper, magazine, or other periodical publication. A news story, commentary, or editorial is not considered to be distributed through a bona fide newspaper, magazine, or other periodical publication if—

"(1) such publication is primarily for distribution to individuals affiliated by membership or stock ownership with the person (other than an individual) distributing it or causing it to be distributed, and not primarily for purchase by the public at newsstands or by paid subscription; or

"(2) the news story, commentary, or editorial is distributed by a person (other than an individual) who devotes a substantial part of his activities to attempting to influence the outcome of elections, or to influence public opinion with respect to matters of national or State policy or concern.

"CAMPAIGN DEPOSITORIES

"SEC. 309. (a)(1) Each candidate shall designate one or more national or State banks as his campaign depositories. The principal campaign committee of such candidate, and any other political committee authorized by him to receive contributions or to make expenditures on his behalf, shall maintain a checking account at a depository designated by the candidate and shall deposit any contributions received by such committee into such account. A candidate shall deposit any payment received by him under chapter 95 or chapter 97 of the Internal Revenue Code of 1954 in the account maintained by his principal campaign committee. No expenditure may be made by any such committee on behalf of a candidate or to influence his election except by check drawn on such account, other than petty cash expenditures as provided in subsection (b).

"(2) The treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or to make expenditures on his behalf) shall designate one or more national or State banks as campaign depositories of such committee, and shall maintain a checking account for the committee at each such depository. All contributions received by such committee shall be deposited in such accounts. No expenditure may be made by such committee except by check drawn on such accounts, other than petty cash evpenditures as provided in subsection (b).

"(b) A political committee may maintain a petty cash fund out of which it may make expenditures not in excess of $100 to any person in connection with a single purchase or transaction. A record of petty cash disbursements shall be kept in accordance with requirements established by the Commission, and such statements and reports thereof shall be furnished to the Commission as it may require.

"(c) A candidate for nomination for election, or for election, to the office of President of the United States may establish one such depository in each State, which shall be considered as his campaign depository for such State by his principal campaign committee and any other political committee authorized by him to receive contributions or to make expenditures on his behalf in such State, under rules prescribed by the Commission. The campaign depository of the candidate of a political party for election to the office of Vice President of the United States shall be the campaign depository designated by the candidate of such party for election to the office of President of the United States.

"FEDERAL ELECTION COMMISSION

"SEC. 310. (a)(1) There is established a commission to be known as the Federal Election Commission. The Commission is composed of the Secretary of the Senate and the Clerk of the House of Representatives ex officio and without the right to vote, and 6 members appointed as follows:

"(A) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President pro tempore of the Senate upon the recommendations of the majority leader of the Senate and the minority leader of the Senate;

"(B) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the Speaker of the House of Representatives, upon the recommendations of the majority leader of the House and the minority leader of the House; and

"(C) 2 shall be appointed, with the confirmation of a majority of both Houses of the Congress, by the President of the United States.

A member appointed under subparagraph (A), (B), or (C) shall not be affiliated with the same political party as the other member appointed under such paragraph.

"(2) Members of the Commission shall serve for terms of 6 years, except that of the members first appointed—

"(A) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending on the April 30 first occurring more than 6 months after the date on which he is appointed;

"(B) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 1 year after the April 30 on which the term of the member referred to in subparagraph (A) of this paragraph ends;

"(C) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 2 years thereafter;

"(D) one of the members appointed under paragraph (1)(A) shall be appointed for a term ending 3 years thereafter;

"(E) one of the members appointed under paragraph (1)(B) shall be appointed for a term ending 4 years thereafter; and

"(F) one of the members appointed under paragraph (1)(C) shall be appointed for a term ending 5 years thereafter.

An individual appointed to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the member he succeeds. Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.

"(3) Members shall be chosen on the basis of their maturity, experience, integrity, synpartiality, and good judgment and shall be chosen from among individuals who, at the time of their appointment, are not elected or appointed officers or employees in the executive, legislative, or judicial branch of the Government of the United States.

"(4) Members of the Commission (other than the Secretary of the Senate and the Clerk of the House of Representatives) shall receive compensation equivalent to the compensation paid at level IV of the Executive Schedule (5 U.S.C. 5315).

"(5) The Commission shall elect a chairman and a vice chairman from among its members (other than the Secretary of the Senate and the Clerk of the House of Representatives) for a term of one year. No member may serve as chairman more often than once during any term of office to which he is appointed. The chairman and the vice chairman shall not be affiliated with the same political party. The vice chairman shall act as chairman in the absence or disability of the chairman, or in the event of a vacancy in such office.

"(b) The Commission shall administer, seek to obtain compliance with, and formulate policy with respect to this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code. The Commission has primary jurisdiction with respect to the civil enforcement of such provisions.

"(c) All decisions of the Commission with respect to the exercise of its duties and powers under the provisions of this title shall be made by a majority vote of the members of the Commission. A member of the Commission may not delegate to any person his vote or any decisionmaking authority or duty vested in the Commission by the provisions of this title.

"(d) The Commission shall meet at least once each month and also at the call of any member.

"(e) The Commission shall prepare written rules for the conduct of its activities, shall have an official seal which shall be judicially noticed, and shall have its principal office in or near the District of Columbia (but it may meet or exercise any of its powers anywhere in the United States).

"(f) (1) The Commission shall have a staff director and a general counsel who shall be appointed by the Commission. The staff director shall be paid at a rate not to exceed the rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315). The general counsel shall be paid at a rate not to exceed the rate of basic pay in effect for level V of the Executive Schedule (5 U.S.C. 5316). With the approval of the Commission, the staff director may appoint and fix the pay of such additional personnel as he considers desirable.

"(2) With the approval of the Commission, the staff director may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-15 of the General Schedule (5 U.S.C. 5332).

"(3) In carrying out its responsibilities under this Act, the Commission shall, to the fullest extent practicable, avail itself of the assistance, including personnel and facilities, of other agencies and departments of the United States Government. The heads of such agencies and departments may make available to the Commission such personnel, facilities, and other assistance, with or without reimbursement, as the Commission may request.

"POWERS OF COMMISSION

"SEC. 311. (a) The Commission has the power—

"(1) to require, by special or general orders, any person to submit in writing such reports and answers to questions as the Commission may prescribe; and such submission shall be made within such a reasonable period of time and under oath or otherwise as the Commission may determine;

"(2) to administer oaths or affirmations;

"(3) to require by subpena, signed by the chairman or the vice chairman, the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

"(4) in any proceeding or investigation, to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths and, in such instances, to compel testimony and the production of evidence in the same manner as authorized under paragraph (3) of this subsection;

"(5) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States;

"(6) to initiate (through civil proceedings for injunctive, declaratory, or other appropriate relief), defend, or appeal any civil action in the name of the Commission for the purpose of enforcing the provisions of this Act through its general counsel;

"(7) to render advisory opinions under section 313;

"(8) to make, amend, and repeal such rules, pursuant to the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act;

"(9) to formulate general policy with respect to the administration of this Act and sections 608, 610, 611, 613, 614, 615, 616, and 617 of title 18, United States Code;

"(10) to develop prescribed forms under section 311(a)(1); and

"(11) to conduct investigations and hearings expeditiously, to encourage voluntary compliance, and to report apparent violations to the appropriate law enforcement authorities.

"(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

"(c) No person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

"(d)(1) Whenever the Commission submits any budget estimate or request to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy of such estimate or request to the Congress.

"(2) Whenever the Commission submits any legislative recommendations, or testimony, or comments on legislation, requested by the Congress or by any Member of the Congress, to the President of the United States or the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress or to the Member requesting the same. No officer or agency of the United States shall have any authority to require the Commission to submit its legislative recommendations, testimony, or comments on legislation, to any office or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

"REPORTS

"SEC. 312. The Commission shall transmit reports to the President of the United States and to each House of the Congress no later than March 31 of each year. Each such report shall contain a detailed statement with respect to the activities of the Commission in carrying out its duties under this title, together with recommendations for such legislative or other action as the Commission considers appropriate.

"ADVISORY OPINIONS

"SEC. 313. (a) Upon written request to the Commission by any individual holding Federal office, any candidate for Federal office, or any political committee, the Commission shall render an advisory opinion, in writing, within a reasonable time with respect to whether any specific transaction or activity by such individual, candidate, or political committee would constitute a violation of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code.

"(b) Notwithstanding any other provision of law, any person with respect to whom an advisory opinion is rendered under subsection (a) who acts in good faith in accordance with the provisions and findings of such advisory opinion shall be presumed to be in compliance with the provision of this Act, of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, with respect to which such advisory opinion is rendered.

"(c) Any request made under subsection (a) shall be made public by the Commission. The Commission shall, before rendering an advisory opinion with respect to such request, provide any interested party with an opportunity to transmit written comments to the Commission with respect to such request.

"ENFORCEMENT

"SEC. 314. (a)(1)(A) Any person who believes a violation of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred may file a complaint with the Commission.

"(B) In any case in which the Clerk of the House of Representatives or the Secretary of the Senate (who receive reports and statements as custodian for the Commission) has reason to believe a violation of this Act or section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, has occurred, he shall refer such apparent violation to the Commission.

"(2) The Commission, upon receiving any complaint under paragraph (1)(B), or a referral under paragraph (1)(B), or if it has reason to believe that any person has committed a violation of any such provision, shall notify the person involved of such apparent violation and shall—

"(A) report such apparent violation to the Attorney General; or

"(B) make an investigation of such apparent violation.

"(3) Any investigation under paragraph (2)(B) shall be conducted expeditiously and shall include an investigation of reports and statements filed by any complainant under this title, if such complainant is a candidate. Any notification of investigation made under paragraph (2) shall not be made public by the Commission or by any other person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

"(4) The Commission shall, at the request of any person who receives notice of an apparent violation under paragraph (2), conduct a hearing with respect to such apparent violation.

"(5) If the Commission determines, after investigation, that there is reason to believe that any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of this Act, it may endeavor to correct such violation by informal methods of conference, conciliation, and persuasion. If the Commission fails to correct the violation through informal methods, it may institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business. Upon a proper showing that such a person has engaged or is about to engage in such acts or practices, the court shall grant a permanent or temporary injunction, restraining order, or other order.

"(6) The Commission shall refer apparent violations to the appropriate law enforcement authorities to the extent that violations of provisions of chapter 29 of title 18, United States Code, are involved, or if the Commission is unable to correct apparent violations of this Act under the authority given it by paragraph (5), or if the Commission determines that any such referral is appropriate.

"(7) Whenever in the judgment of the Commission, after affording due notice and an opportunity for a hearing, any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this

Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, upon request by the Commission the Attorney General on behalf of the United States shall institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order in the district court of the United States for the district in which the person is found, resides, or transacts business. Upon a proper showing that such person has engaged or is about to engage in such acts or practices, a permanent or temporary injunction, restraining order, or other order shall be granted without bond by such court.

"(8) In any action brought under paragraph (5) or (7) of this subsection, subpenas for witnesses who are required to attend a United States district court may run into any other district.

"(9) Any party aggrieved by an order granted under paragraph (5) or (7) of this subsection may, at any time within 60 days after the date of entry thereof, file a petition with the United States court of appeals for the circuit in which such order was issued for judicial review of such order.

"(10) The judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or upon section 315).

"(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

"JUDICIAL REVIEW

"SEC. 315. (a) The Commission, the national committee of any political party, or any individual eligible to vote in any election for the office of President of the United States may institute such actions in the appropriate district court of the United States, including actions for declaratory judgment, as may be appropriate to construe the constitutionality of any provision of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code. The district court immediately shall certify all questions of constitutionality of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

"(b) Notwithstanding any other provision of law, any decision on a matter certified under subsection (a) shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal shall be brought no later than 20 days after the decision of the court of appeals.

"(c) It shall be the duty of the court of appeals and of the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of any matter certified under subsection (a).".

(b) Until the appointment and qualification of all the members of the Federal Election Commission and its general counsel and until the transfer provided for in this subsection, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 as such titles existed on the day before the date of enactment of this Act. Upon the appointment of all the members of the Commission and its general counsel, the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall meet with the Commission and arrange for the transfer, within 30 days after the date on which all such members and the general counsel are appointed, of copies of all appropriate records, documents, memorandums, and other papers associated with carrying out their responsibilities under title I and title III of the Federal Election Campaign Act of 1971 and chapter 95 of the Internal Revenue Code of 1954.

(c) Title III of the Federal Election Campaign Act of 1971 is amended—

(1) by amending section 301(g), relating to definitions, to read as follows:

"'(g) Commission' means the Federal Election Commission;";

(2) by striking out "supervisory officer" in section 302(d) and inserting in lieu thereof "Commission";

(3) by amending section 303, relating to registration of political committees; statements,

(A) by striking out "supervisory officer" each time it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" in the second sentence of subsection (a) of such section and inserting in lieu thereof "it";

(4) by amending section 304, relating to reports by political committees and candidates,

(A) by striking out "appropriate supervisory officer" and "him" in the first sentence thereof and inserting in lieu thereof "Commission" and "it", respectively; and

(B) by striking out "supervisory officer" where it appears in paragraphs (12) and (13) of subsection (b) and inserting in lieu thereof "Commission";

(5) by striking out "supervisory officer" each place it appears in section 306, relating to formal requirements respecting reports and statements, and inserting in lieu thereof "Commission";

(6) by striking out "Comptroller General of the United States" and "he" in section 307, relating to reports on convention financing, and inserting in lieu thereof "Federal Election Commission" and "it", respectively;

(7) by amending the heading for section 316 (as redesignated by subsection (a) of this section), relating to duties of the supervisory officer, to read as follows: "DUTIES";

(8) by striking out "supervisory officer" in section 316(a) (as redesignated by subsection (a) of this section) the first time it appears and inserting in lieu thereof "Commission";

(9) by amending section 316(a) (as redesignated by subsection (a) of this section)—

(A) by striking out "him" in paragraph (1) and inserting in lieu thereof "it"; and

(B) by striking out "him" in paragraph (4) and inserting in lieu thereof "it"; and

(10) by amending subsection (c) of section 316 (as redesignated by subsection (a) of this section)—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission" and striking out "his" in the second sentence of such subsection and inserting in lieu thereof "its"; and

(B) by striking out the last sentence thereof; and

(11) by striking out "a supervisory officer" in section 317(a) of such Act (as redesignated by subsection (a) of this Act) and inserting in lieu thereof "the Commission."

DUTIES AND REGULATIONS

SEC. 209. (a) (1) Section 316(a) of the Federal Election Campaign Act of 1971 (as redesignated and amended by section 208(a) of this Act), relating to duties of the Commission, is amended by striking out paragraphs (6), (7), (8), (9), and (10), and by redesignating paragraphs (11), (12), and (13) as paragraphs (8), (9), and (10), respectively, and by inserting immediately after paragraph (5) the following new paragraphs:

"(6) to compile and maintain a cumulative index of reports and statements filed with it, which shall be published in the Federal Register at regular intervals and which shall be available for purchase directly or by mail for a reasonable price;

"(7) to prepare and publish from time to time special reports listing those candidates for whom reports were filed as required by this title and those candidates for whom such reports were not filed as so required;".

(2) Notwithstanding section 308(a) (7) of the Federal Election Campaign Act of 1971 (relating to an annual report by the supervisory officer), as in effect on the day before the effective date of the amendments made by paragraph (1) of this subsection, no such annual report shall be required with respect to any calendar year beginning after December 31, 1972.

(b) (1) Section 316(a) (10) of the Federal Election Campaign Act of 1971 (as so redesignated by subsection (a) of this section), relating to the prescription of rules and regulations, is amended by inserting before the period at the end thereof the following: ", in accordance with the provisions of subsection (c)".

(2) Such section 316 is amended—

(A) by striking out subsection (b) and subsection (d); by redesignating subsection (c) as subsection (b); and

(B) by adding at the end thereof the following new subsections:

"(c) (1) The Commission, before prescribing any rule or regulation under this section, shall transmit a statement with respect to such rule or regulation to the Senate or the House of Representatives, as the case may be, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If the appropriate body of the Congress which receives a statement from the Commission under this subsection does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. In the case of any rule or regulation proposed to deal with reports or statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such a candidate both the Senate and the House of Representatives shall have the power to disapprove such proposed rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved under this paragraph.

"(3) If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, it shall transmit such statement to the Senate. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of Representative, Delegate or Resident Commissioner, and by political committees supporting such candidate, it shall transmit such statement to the House of Representatives. If the Commission proposes to prescribe any rule or regulation dealing with reports or statements required to be filed under this title by a candidate for the office of President of the United States, and by political committees supporting such candidate it shall transmit such statement to the House of Representatives and the Senate.

"(4) For the purposes of this subsection, the term 'legislative days' does not include, with respect to statements transmitted to the Senate, any calendar day on which the Senate is not in session, and with respect to statements transmitted to the House of Representatives, any calendar day on which the House of Representatives is not in session, and with respect to statements transmitted to both such bodies, any calendar day on which both Houses of the Congress are not in session.

"(d)(1) The Commission shall prescribe suitable rules and regulations to carry out the provisions of this title, including such rules and regulations as may be necessary to require that—

"(A) reports and statements required to be filed under this title by a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress of the United States, and by political committees supporting such candidate, shall be received by the Clerk of the House of Representatives as custodian for the Commission;

"(B) reports and statements required to be filed under this title by a candidate for the office of Senator, and by political committees supporting such candidate, shall be received by the Secretary of the Senate as custodian for the Commission; and

"(C) the Clerk of the House of Representatives and the Secretary of the Senate, as custodians for the Commission, each shall make the reports and statements received by him available for public inspection and copying in accordance with paragraph (4) of subsection (a), and preserve such reports and statements in accordance with paragraph (5) of subsection (a).

"(2) It shall be the duty of the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Commission in carrying out its duties under this Act and to furnish such services and facilities as may be required in accordance with this section.".

MISCELLANEOUS PROVISIONS

Sec. 210. Title III of the Federal Election Campaign Act of 1971 is amended by inserting immediately after section 317 (as so redesignated by section 208(a) of this Act) the following new sections:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"Sec. 318. Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of Federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as a holder of Federal office, may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, or may be used for any other lawful purpose. To the extent any such contribution, amount contributed, or expenditure thereof is not otherwise required to be disclosed under the provisions of this title, such contribution, amount contributed, or expenditure shall be fully disclosed in accordance with rules promulgated by the Commission. The Commission is authorized to prescribe such rules as may be necessary to carry out the provisions of this section.

"PROHIBITION OF FRANKED SOLICITATIONS

"Sec. 319. No Senator, Representative, Resident Commissioner, or Delegate shall make any solicitations of funds by a mailing under the frank under section 3210 of title 39, United States Code.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 320. There are authorized to be appropriated to the Commission for the purpose of carrying out its functions under chapters 95 and 96 of the Internal Revenue Code of 1954, not to exceed $5,000,000 for the fiscal year ending June 30, 1975.".

TITLE III—GENERAL PROVISIONS

EFFECT ON STATE LAW

Sec. 301. Section 403 of the Federal Election Campaign Act of 1971, relating to effect on State law, is amended to read as follows:

"EFFECT ON STATE LAW

"Sec. 403. The provisions of this Act, and of rules prescribed under this Act, supersede and preempt any provision of State law with respect to election to Federal office.".

PERIOD OF LIMITATIONS; ENFORCEMENT

Sec. 302. Title IV of the Federal Election Campaign Act of 1971, relating to general provisions, is amended by redesignating section 406 as section 408 and by inserting immediately after section 405 the following new sections:

"PERIOD OF LIMITATIONS

"Sec. 406. (a) No person shall be prosecuted, tried, or punished for any violation of title III of this Act or of section 608, 610, 611, 613, 614, 615, 616, or 617 of title 18, United States Code, unless the indictment is found or the information is instituted within 3 years after the date of the violation.

"(b) Notwithstanding any other provision of law—

"(1) the period of limitation referred to in subsection (a) shall apply with respect to violations referred to in such subsection committed before, on, or after the effective date of this section; and

"(2) no criminal proceeding shall be instituted against any person for any act or omission which was a violation of any provision of title III of this Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on December 31, 1974, if such act or omission does not constitute a violation of any such provision, as amended by the Federal Election Campaign Act Amendments of 1974.

Nothing in this subsection shall affect any proceeding pending in any court of the United States on the effective date of this section.

"ADDITIONAL ENFORCEMENT AUTHORITY

"Sec. 407.(a) In any case in which the Commission, after notice and opportunity for a hearing on the record in accordance with the section 554 of Title 5, United States Code, makes a finding that a person who, while a candidate for Federal office, failed to file a report required by title III of this Act, and such finding is made before the expiration of the time within which the failure to file such report may be prosecuted as a violation of such title III, such person shall be disqualified from becoming a candidate in any future election for Federal office for a period of time beginning on the date of such finding and ending one year after the expiration of the term of the Federal office for which such person was a candidate.

"(b) Any finding by the Commission under subsection (a) shall be subject to judicial review in accordance with the provisions of chapter 7 of title 5, United States Code.".

TITLE IV—AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

POLITICAL ACTIVITIES BY STATE AND LOCAL OFFICERS AND EMPLOYEES

Sec. 401. (a) Section 1502 (a)(3) of title 5, United States Code (relating to influencing elections, taking part in political campaigns, prohibitions, exceptions), is amended to read as follows:

"(3) be a candidate for elective office.".

(b)(1) Section 1503 of title 5, United States Code, relating to nonpartisan political activity, is amended to read as follows:

"§ 1503. Nonpartisan candidacies permitted

"Section 1502(a)(3) of this title does not prohibit any State or local officer or employee from being a candidate in any election if none of the candidates is to be nominated or elected at such election as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected.".

(2) The table of sections for chapter 15 of title 5, United States Code, is amended by striking out the item relating to section 1503 and inserting in lieu thereof the following new item:

"1503. Nonpartisan candidacies permitted.".

(c) Section 1501 of title 5, United States Code, relating to definitions, is amended—

(1) by striking out paragraph (5);

(2) in paragraph (3) thereof, by inserting "and" immediately after "Federal Reserve System;" and

(3) in paragraph (4) thereof, by striking out "; and" and inserting in lieu thereof a period.

REPEAL OF COMMUNICATIONS MEDIA EXPENDITURE LIMITATIONS

Sec. 402. (a) Section 315 of the Communications Act of 1934 (relating to candidates for public office; facilities; rules) is amended by striking out subsections (c), (d), and (e), and by redesignating subsections (f) and (g) as subsections (c) and (d), respectively.

(b) Section 315(c) of such Act (as so redesignated by subsection (a) of this subsection), relating to definitions, is amended to read as follows:

"(c) For purposes of this section—

"(1) the term 'broadcasting station' includes a community antenna television system; and

"(2) the terms 'license' and 'station license' when used with respect to a community antenna television system mean the operator of such system.".

APPROPRIATIONS TO CAMPAIGN FUND

Sec. 403. (a) Section 9006(a) of the Internal Revenue Code of 1954 (relating to establishment of campaign fund) is amended—

(1) by striking out "as provided by appropriation Acts" and inserting in lieu thereof "from time to time"; and

(2) by adding at the end thereof the following new sentence: "There is appropriated to the fund for each fiscal year, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to the amounts so designated during each fiscal year, which shall remain available to the fund without fiscal year limitation.".

(b) In addition to the amounts appropriated to the Presidential Election Campaign Fund established under section 9006 of the Internal Revenue Code of 1954 (relating to payments to eligible candidates) by the last sentence of subsection (a) of such section (as amended by subsection (a) of such section), there is appropriated to such fund an amount equal to the sum of the amounts designated for payment under section 6096 of such Code (relating to designation by individuals to the Presidential Election Campaign Fund) before January 1, 1975, not otherwise taken into account under the provisions of such section 9006, as amended by this section.

ENTITLEMENTS OF ELIGIBLE CANDIDATES TO PAYMENTS FROM PRESIDENTIAL ELECTION CAMPAIGN FUND

Sec. 404. (a) Subsection (a)(1) of section 9004 of the Internal Revenue Code of 1954 (relating to entitlement of eligible candidates to payments) is amended to read as follows:

"(1) The eligible candidates of each major party in a presidential election shall be entitled to equal payments under section 9006 in an amount which, in the aggregate, shall not exceed the expenditure limitations applicable to such candidates under section 608 (c)(1)(B) of title 18, United States Code."

(b)(1) Subsection (a)(2)(A) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(2) The first sentence of subsection (a) (3) of section 9004 of such Code (relating to entitlement of eligible candidates to payments) is amended by striking out "computed" and inserting in lieu thereof "allowed".

(c)(1) Section 9002(3) of the Internal Revenue Code of 1954 (relating to the definition of "Comptroller General") is amended to read as follows:

(3) The third sentence of section 9002(11) Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.".

(2) Section 9002(1) of such Code (relating to the definition of "authorized committee") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(3) The third sentence of section 9002(11) of such Code (relating to the definition of "qualified campaign expense") is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(4) Section 9003(a) of such Code (relating to condition for eligibility for payments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in leu thereof "it".

(5) Section 9003(b) of such Code (relating to major parties) and section 9003(c) of such Code (relating to minor and new parties) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(6) The heading for section 9005 of such Code (relating to certification by Comptroller General) is amended by striking out "COMPTROLLER GENERAL" and inserting in lieu thereof "COMMISSION".

(7) Section 9005(b) of such Code (relating to finality of certifications and determinations) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

(8) Section 9006(c) of such Code (relating to payments from the fund) and section 9006(d) of such Code (relating to insufficient amounts in fund) each are amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(9) Section 9007(a) of such Code (relating to examinations and audits) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(10) Section 9007(b) of such Code (relating to repayments) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(11) Section 9007(c) of such Code (relating to notification) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(12) Section 9009(a) of such Code (relating to reports) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

(13) Section 9009(b) of such Code (relating to regulations, etc.) is amended—

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "he" and inserting in lieu thereof "it"; and

(C) by striking out "him" and inserting in lieu thereof "it".

(14) The heading for section 9010 of such Code (relating to participation by Comptroller General in judicial proceedings) is amended by striking out "COMPTROLLER GENERAL" and inserting in lieu thereof "COMMISSION".

(15) Section 9010(a) of such Code (relating to appearance by counsel) is amended—

(A) by striking out "Comptroller General" and inserting in lieu thereof "Commission";

(B) by striking out "his" and inserting in lieu thereof "its"; and

(C) by striking out "he" each place it appears therein and inserting in lieu thereof "it".

(16) Section 9010(b) of such Code (relating to recovery of certain payments) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(17) Section 9010(c) of such Code (relating to declaratory and injunctive relief) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(18) Section 9010(d) of such Code (relating to appeal) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission" and by striking out "he" and inserting in lieu thereof "it".

(19) The heading for subsection (a) of section 9011 of such Code (relating to review of certification, determination, or other action by the Comptroller General) is amended by striking out "COMPTROLLER GENERAL" and inserting in lieu thereof "COMMISSION".

(20) Section 9011(a) of such Code, as amended by paragraph (19) (relating to review of certification, determination, or other action by the Commission) is amended by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission".

(21) Section 9011(b) of such Code (relating to suits to implement chapter) is amended by striking out "Comptroller General" and inserting in lieu thereof "Commission".

(22) Section 9012(d)(1) of such Code (relating to false statements, etc.) is amended—

(A) by striking out "Comptroller General" each place it appears therein and inserting in lieu thereof "Commission"; and

(B) by striking out "him" and inserting in lieu thereof "it".

CERTIFICATION FOR PAYMENTS BY COMMISSION

SEC. 405. (a) Section 9005(a) of the Internal Revenue Code of 1954 (relating to initial certifications for eligibility for payments) is amended to read as follows:

"(a) INITIAL CERTIFICATION.—Not later than 10 days after the candidates of a political party for President and Vice President of the United States have met all applicable conditions for eligibility to receive payments under this chapter set forth in section 9003, the Commission shall certify to the Secretary for payment to such eligible candidates under section 9006 payment in full of amounts to which such candidates are entitled under section 9004.".

(b) Section 9003(a) of such Code (relating to general conditions for eligibility for payments) is amended—

(1) by striking out "with respect to which payment is sought" in paragraph (1) and inserting in lieu thereof "of such candidates";

(2) by inserting "and" at the end of paragraph (2);

(3) by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period; and

(4) by striking out paragraph (4).

FINANCING OF PRESIDENTIAL NOMINATING CONVENTIONS

SEC. 406. (a) Chapter 95 of subtitle H of the Internal Revenue Code of 1954 (relating to the presidential election campaign fund) is amended by striking out section 9008 (relating to information on proposed expenses) and inserting in lieu thereof the following new section:

"SEC. 9008. PAYMENTS FOR PRESIDENTIAL NOMINATING CONVENTIONS.

"(a) ESTABLISHMENT OF ACCOUNTS.—The Secretary shall maintain in the fund, in addition to any account which he maintains under section 9006(a), a separate account for the national committee of each major party and minor party. The Secretary shall deposit in each such account an amount equal to the amount which each such committee may receive under subsection (b). Such deposits shall be drawn from amounts designated by individuals under section 6096 and shall be made before any transfer is made to any account for any eligible candidate under section 9006(a).

"(b) ENTITLEMENT TO PAYMENTS FROM THE FUND.—

"(1) MAJOR PARTIES.—Subject to the provisions of this section, the national committee of a major party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed $2,000,000.

"(2) MINOR PARTIES.—Subject to the provisions of this section, the national committee of a minor party shall be entitled to payments under paragraph (3), with respect to any presidential nominating convention, in amounts which, in the aggregate, shall not exceed an amount which bears the same ratio to the amount the national committee of a major party is entitled to receive under paragraph (1) as the number of popular votes received by the candidate for President of the minor party, as such candidate, in the preceding presidential election bears to the average number of popular votes received by the candidates for President of the United States of the major parties in the preceding presidential election.

"(3) PAYMENTS.—Upon receipt of certification from the Commission under subsection (g), the Secretary shall make payments from the appropriate account maintained under subsection (a) to the national committee of a major party or minor party which elects to receive its entitlement under this subsection. Such payments shall be available for use by such committee in accordance with the provisions of subsection (c).

"(4) LIMITATION.—Payments to the national committee of a major party or minor party under this subsection from the account designated for such committee shall be limited to the amounts in such account at the time of payment.

"(5) ADJUSTMENT OF ENTITLEMENTS.—The entitlements established by this subsection shall be adjusted in the same manner as expenditure limitations established by section 608(c) and section 608(f) of title 18, United States Code, are adjusted pursuant to the provisions of section 608(d) of such title.

"(c) USE OF FUNDS.—No part of any payment made under subsection (b) shall be used to defray the expenses of any candidate or delegate who is participating in any presidential nominating convention. Such payments shall be used only—

"(1) to defray expenses incurred with respect to a presidential nominating convention (including the payment of deposits) by or on behalf of the national committee receiving such payments; or

"(2) to repay loans the proceeds of which were used to defray such expenses, or otherwise to restore funds (other than contributions to defray such expenses received by such committee) used to defray such expenses.

"(d) LIMITATION OF EXPENDITURES.—

"(1) MAJOR PARTIES.—Except as provided by paragraph (3), the national committee of a major party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of payments to which such committee is entitled under subsection (b)(1).

"(2) MINOR PARTIES.—Except as provided by paragraph (3), the national committee of a minor party may not make expenditures with respect to a presidential nominating convention which, in the aggregate, exceed the amount of the entitlement of the national committee of a major party under subsection (b)(1).

"(3) EXCEPTION.—The Commission may authorize the national committee of a major party or minor party to make expenditures which, in the aggregate, exceed the limitation established by paragraph (1) or paragraph (2) of this subsection. Such authorization shall be based upon a determination by the Commission that, due to extraordinary and unforeseen circumstances, such expenditures are necessary to assure the effective operation of the presidential nominating convention by such committee.

"(e) AVAILABILITY OF PAYMENTS.—The national committee of a major party or minor party may receive payments under subsection (b)(3) beginning on July 1 of the calendar year immediately preceding the calendar year in which a presidential nominating convention of the political party involved is held.

"(f) TRANSFER TO THE FUND.—If, after the close of a presidential nominating convention and after the national committee of the political party involved has been paid the amount which it is entitled to receive under this section, there are moneys remaining in the account of such national committee, the Secretary shall transfer the moneys so remaining to the fund.

"(g) CERTIFICATION BY COMMISSION.—Any major party or minor party may file a statement with the Commission in such form and manner and at such times as it may require, designating the national committee of such party. Such statement shall include the information required by section 303(b) of the Federal Election Campaign Act of 1971, together with such additional information as the Commission may require. Upon receipt of a statement filed under the preceding sentences, the Commission promptly shall verify such statement according to such procedures and criteria as it may establish and shall certify to the Secretary for payment in full to any such committee of amounts to which such committee may be entitled under subsection (b). Such certifications shall be subject to an examination and audit which the Commission shall conduct no later than December 31 of the calendar year in which the presidential nominating convention involved is held.

"(h) REPAYMENTS.—The Commission shall have the same authority to require repayments from the national committee of a major party or a minor party as it has with respect to repayments from any eligible candidate under section 9007(b). The provisions of section 9007(c) and section 9007(d) shall apply with respect to any repayment required by the Commission under this subsection.".

(b)(1) Section 9009(a) of such Code (relating to reports) is amended by striking out "and" in paragraph (2) thereof; by striking out the period at the end of paragraph (3) thereof and inserting in lieu thereof "; and"; and by adding at the end thereof the following new paragraphs:

"(4) the expenses incurred by the national committee of a major party or minor party with respect to a presidential nominating convention;

"(5) the amounts certified by it under section 9008(g) for payment to each such committee; and

"(6) the amount of payments, if any, required from such committees under section 9008(h), and the reasons for each such payment.".

(2) The heading for section 9012(a) of such Code (relating to excess campaign expenses) is amended by striking out "CAMPAIGN".

(3) Section 9012(a)(1) of such Code (relating to excess expenses) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to incur expenses with respect to a presidential nominating convention in excess of the expenditure limitation applicable with respect to such committee under section 9008(d), unless the incurring of such expenses is authorized by the Commission under section 9008(d)(3).".

(4) Section 9012(c) of such Code (relating to unlawful use of payments) is amended by redesignating paragraph (2) as paragraph (3) and by inserting immediately after paragraph (1) the following new paragraph:

"(2) It shall be unlawful for the national committee of a major party or minor party which receives any payment under section 9008(b)(3) to use, or authorize the use of, such payment for any purpose other than a purpose authorized by section 9008(c).".

(5) Section 9012(e)(1) of such Code (relating to kickbacks and illegal payments) is amended by adding at the end thereof the following new sentence: "It shall be unlawful for the national committee of a major party or minor party knowingly and willfully to give or accept any kickback or any illegal payment in connection with any expense incurred by such committee with respect to a presidential nominating convention.".

(6) Section 9012(e)(3) of such Code (relating to kickbacks and illegal payments) is amended by inserting immediately after "their authorized committees" the following: ", or in connection with any expense incurred by the national committee of a major party or minor party with respect to a presidential nominating convention.".

(c) The table of sections for chapter 95 of subtitle II of such Code (relating to the presidential election campaign fund) is amended by striking out the item relating to section 9008 and inserting in lieu thereof the following new item:

"Sec. 9008. Payments for presidential nominating conventions.".

(d) Section 276 of such Code (relating to certain indirect contributions to political parties) is amended by striking out subsection (c) and by redesignating subsection (d) as subsection (c).

TAX RETURN BY POLITICAL COMMITTEES

SEC. 407. Section 6012(a) of the Internal Revenue Code of 1954 (relating to persons required to make returns of income) is amended by adding at the end thereof the following new sentence: "The Secretary or his delegate shall, by regulation, exempt from the requirement of making returns under this section any political committee (as defined in section 301(d) of the Federal Election Campaign Act of 1971) having no gross income for the taxable year.".

PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

SEC. 408. (a) The analysis of subtitles at the beginning of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"Subtitle H. Financing of presidential election campaigns.".

(b) The analysis of chapters at the beginning of subtitle H of such Code is amended by striking out the item relating to chapter 96 and inserting in lieu thereof the following:

"Chapter 96. Presidential Primary Matching Payment Account.".

(c) Subtitle H of such Code is amended by striking out chapter 96, relating to Presidential Election Campaign Fund Advisory Board, and inserting in lieu thereof the following new chapter:

"CHAPTER 96—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

"Sec. 9031. Short title.
"Sec. 9032. Definitions.
"Sec. 9033. Eligibility for payment.
"Sec. 9034. Entitlement of eligible candidates to payments.
"Sec. 9035. Qualified campaign expense limitation.
"Sec. 9036. Certification by Commission.
"Sec. 9037. Payments to eligible candidates.
"Sec. 9038. Examinations and audits; repayments.
"Sec. 9039. Reports to Congress; regulations.
"Sec. 9040. Participation of Commission in judicial proceedings.
"Sec. 9041. Judicial review.
"Sec. 9042. Criminal penalties.

"SEC. 9031. SHORT TITLE.

"This chapter may be cited as the 'Presidential Primary Matching Payment Account Act'.

"SEC. 9032. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he (A) takes the action necessary under the law of a State to qualify himself for nomination for election, (B) receives contributions or incurs qualified campaign expenses, or (C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.

"(4) Except as provided by section 9034(a), the term 'contribution'—

"(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made, for the purpose of influencing the result of a primary election, "(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose,

"(C) means funds received by a political committee which are transferred to that committee from another committee, and

"(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge, but

"(E) does not include—

"(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate, or

"(ii) payments under section 9637.

"(5) The term 'matching payment account' means the Presidential Primary Matching Payment Account established under section 9037(a).

"(6) The term 'matching payment period' means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, ending on the earlier of (A) the date such party nominates its candidate for the office of President of the United States, or (B) the last day of the last national convention held by a major party during such calendar year.

"(7) The term 'primary election' means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

"(8) The term 'political committee' means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

"(9) The term 'qualified campaign expense' means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

"(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election, and

"(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

"(10) The term 'State' means each State of the United States and the District of Columbia.

"Sec. 9033. Eligibility for Payments.

'(a) Conditions.—To be eligible to receive payments under section 9037, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Commission any records, books, and other information it may request, and

"(3) agree to an audit and examination by the Commission under section 9038 and to pay any amounts required to be paid under such section

"(b) Expenses Limitation; Declaration of Intent; Minimum Contributions.—To be eligible to receive payments under section 9037, a candidate shall certify to the Commission that—

"(1) the candidate and his authorized committees will not incur qualified campaign expenses in excess of the limitation on such expenses under section 9035,

"(2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

"(3) the candidate has received matching contributions which in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

"(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed $250.

"Sec. 9034. Entitlement of Eligible Candidates to Payments.

"(a) In General.—Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the presidential election with respect to which such candidate is seeking nomination, or by his authorized committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term 'contribution' means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).

"(b) Limitations.—The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9035. Qualified Campaign Expense Limitation.

"No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable under section 608(c)(1)(A) of title 18, United States Code.

"Sec. 9036. Certification by Commission.

"(a) Initial Certifications.—Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Commission shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9037.

"(b) Finality of Determinations.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 9038 and judicial review under section 9041.

"Sec. 9037. Payments to Eligible Candidates.

"(a) Establishment of Account.—The Secretary shall maintain in the Presidential Election Campaign Fund established by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that amounts for payments under section 9006(c) and for payments under section 9008(b)(3) are available for such payments.

"(b) Payments From the Matching Payment Account.—Upon receipt of a certification from the Commission under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Commission from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

"Sec. 9038. Examinations and Audits; Repayments.

"(a) Examinations and Audits.—After each matching payment period, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committees who received payments under section 9037.

"(b) Repayments.—

"(1) If the Commission determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, it shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

"(2) If the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

"(A) to defray the qualified campaign expenses with respect to which such payment was made, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses,

it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

"(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

"(c) Notification.—No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

"(d) Deposit of Repayments.—All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

"Sec. 9039. Reports to Congress; Regulations.

"(a) Reports.—The Commission shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees,

"(2) the amounts certified by it under section 9036 for payment to each eligible candidate, and

"(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) Regulations, Etc.—The Commission is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information which it determines to be necessary to carry out its responsibilities under this chapter.

"(c) Review of Regulations.—

"(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule of regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"Sec. 9040. Participation by Commission in Judicial Proceedings.

"(a) Appearance by Counsel.—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) Recovery of Certain Payments.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

"(c) Injunctive Relief.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

"(d) Appeal.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"Sec. 9041. Judicial Review.

"(a) Review of Agency Action by the Commission.—Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) Review Procedures.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"SEC. 9042. CRIMINAL PENALTIES.

"(a) Excess Campaign Expenses.—Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(b) Unlawful Use of Payments.—

"(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(A) to defray qualified campaign expenses, or

"(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(c) False Statements, Etc.—

"(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this chapter, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d) Kickbacks and Legal Payments.—

"(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committees, who receives payments under section 9037.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.".

REVIEW OF REGULATIONS

Sec. 409. (a) Section 9009 of the Internal Revenue Code of 1954 (relating to reports to Congress; regulations) is amended by adding at the end thereof the following new subsection:

"(c) Review of Regulations.—

"(1) The Commission, before prescribing any rule or regulation under subsection (b), shall transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.".

(b) Section 9009(b) of such Code (relating to regulations, etc.) is amended by inserting "in accordance with the provisions of subsection (c)" immediately after "regulations".

EFFECTIVE DATES

Sec. 410. (a) Except as provided by subsection (b) and subsection (c), the foregoing provisions of this Act shall become effective January 1, 1975.

(b) Section 104 and the amendment made by section 301 shall become effective on the date of the enactment of this Act.

(c)(1) The amendments made by sections 403(a), 404, 405, 406, 408, and 409 shall apply with respect to taxable years beginning after December 31, 1974.

(2) The amendment made by section 407 shall apply with respect to taxable years beginning after December 31, 1971.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the Senate bill.

Wayne L. Hays,
Frank Thompson, Jr.,
John H. Dent,
John Brademas,
Ed Jones,
Robert H. Mollohan,
Dawson Mathis,
William L. Dickinson,
Samuel L. Devine,
John Ware,
Bill Frenzel,
Managers on the Part of the House.

Howard W. Cannon,
Claiborne Pell,
John O. Pastore,
Russell B. Long,
Edward M. Kennnedy,
Dick Clark,
Hugh Scott,
Wallace F. Bennett,
Robert P. Griffin,
Ted Stevens,
Charles McC. Mathias, Jr.,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments struck out all of the Senate bill after the enacting clause and inserted a substitute text and provided a new title for the Senate bill, and the Senate disagreed to the House amendments.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill, and also recede from its disagreement to the House amendment to the title of the Senate bill.

The differences between the text of the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill, the House amendment, and the conference substitute provide that this legislation may be cited as the "Federal Election Campaign Act Amendments of 1974".

CRIMINAL CODE AMENDMENTS

Limitations on contributions and expenditures

A. Contributions

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 615, relating to limitations on contributions.

Section 615(a)(1) provided that no individual may make contributions to a candidate with respect to his campaign for election which, in the aggregate, exceed $3,000.

Section 615(a)(2) provided that no person (other than an individual) may make contributions to a candidate with respect to his campaign for election which, in the aggregate, exceed $6,000.

Section 615(b)(1) provided that a candidate may not accept contributions from an individual which, in the aggregate, exceed $3,000, or from any person (other than an individual) which, in the aggregate, exceed $6,000.

Section 615(b)(3) provided that an officer or employee of a political committee or a political party may not accept any contribution which a candidate is prohibited from accepting by section 615(b)(1).

Section 615(d)(1) provided that no individual may make contributions during a calendar year which, in the aggregate, exceed $25,000.

Section 615(d)(2) provided that any contribution to a campaign of a candidate in a year other than the calendar year in which the election to which such campaign relates is held shall be considered, for purposes of section 615(d)(1), to be made during the calendar year in which such election is held.

Section 615(c)(2) provided that contributions made to a candidate of a political party for the office of Vice President shall be considered to be made to the candidate of such party for the office of President.

Section 615(c)(3) defined the term "campaign" to include all primary, primary runoff, and general election campaigns related to a specific general election, and all primary, primary runoff, and special election campaigns related to a specific special election.

Section 615(c)(1) provided that, for purposes of the contribution limitations established by section 615, all contributions made by a person directly or indirectly to a candidate, including any earmarked or otherwise encumbered contributions, shall be considered contributions from such person to such candidate.

House amendment

Section 101(a) of the House amendment amended section 608 of title 18, United States Code, by inserting a new subsection (b).

Subsection (b)(1) provided that, except as otherwise provided by the new subsection (b), no person may make contributions exceeding $1,000 to any candidate for Federal office in any election.

Subsection (b)(2) provided that no political committee (other than the principal campaign committee of a candidate) may make contributions exceeding $5,000 to any candidate for Federal office in any election.

Subsection (b)(2) also defined the term "political committee" to mean, for purposes of subsection (b)(2), an organization registered as a political committee under section 303 of the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") for at least 6 months which has received contributions from more than 50 persons and has made contributions to at least 5 candidates for Federal office. Subsection (b)(2) also provided that State political party organizations shall not be required to make contributions to at least 5 candidates for Federal office in order to be considered political committees for purposes of subsection (b)(2).

Subsection (b)(3) provided that no individual may make contributions exceeding $25,000 in any calendar year.

Subsection (b)(4) provided that, for purposes of subsection (b), the following rules shall apply: (1) if a contribution is made to a political committee authorized in writing by a candidate to accept contributions on his behalf, then such contribution shall be considered to be a contribution to such candidate; and (2) any contribution to the candidate of a political party for the office of Vice President shall be considered to be a contribution to the candidate of such party for the office of President.

Subsection (b)(5) provided that limitations imposed by subsection (b)(1) and subsection (b)(2) shall apply separately to each election.

Subsection (b)(6) provided that all contributions from a person to a particular candidate shall be treated as contributions from such person to such candidate, even if such contributions are made indirectly, are earmarked, or are directed through any intermediary or conduit. It should be noted that the provisions of subsection (b)(6) were not intended to apply to contributions from separate segregated funds maintained by corporations or labor organizations, because donors to such funds must relinquish control of their donation to the corporation or labor organization and such donors may not earmark or direct such donations to any specific candidate or political committee.

Subsection (b)(6) required any person acting as an intermediary or conduit to report to the supervisory officer the source of the contribution and the intended recipient of the contribution. Such person also shall report such contribution to the intended recipient.

It was the understanding of the Committee on House Administration (hereinafter in this statement referred to as the "House committee") that the following rule would apply with respect to the application of the contribution limitations established by subsection (b): if a person exercises any direct or indirect control over the making of a contribution, then such contribution shall count toward the limitation imposed with respect to such person under subsection (b), but it will not count toward such a person's contribution limitation when it is demonstrated that such person exercised no direct or indirect control over the making of the contribution involved.

A similar question was raised in the House committee regarding the possibility of circumventing the limit on contributions by political committees where a national committee of a political organization may contribute the maximum allowable amount to a candidate and a State or local sub-unit or subsidiary of that committee may also contribute to the same candidate. It was the intent of the House committee to allow the maximum contribution from each level of the organization if the decision or judgment to make such contributions is independently exercised within the separate levels of the organization. However, if the subsidiary or sub-unit organizations are under the control or direction of the parent organization with respect to their contributions to specific candidates, then the organizations acting in concert would constitute one political committee for the purpose of the contribution limits included in the House amendment.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. With respect to the provision of the House amendment which prohibited any individual from making contributions in any calendar year exceeding $25,000, the conference substitute adopts the approach of the Senate bill which provided that any contribution to a campaign of a candidate in a year other than the calendar year in which the election to which such campaign relates is held shall be considered to be made during the calendar year in which such election is held.

2. The conference substitute adopts the provision of the Senate bill relating to the acceptance of illegal contributions by candidates and by officers or employees of political committees. Existing law prohibits a candidate or political committee from accepting an illegal contribution or authorizing an illegal expenditure. The conference substitute combines the prohibitions contained in existing law with those contained in the Senate bill and provides that no candidate or political committee may knowingly accept any contribution, or knowingly make any expenditure, in violation of the limits imposed by this legislation. The conference substitute also provides that no officer or employee of a political committee may knowingly accept a contribution made for the benefit of a candidate, or knowingly make any expenditure on behalf of the candidate, in violation of the limits imposed by this legislation.

The conferees agree with the analysis of the House report (as set forth in the statement relating to the House amendment) regarding the rule for application of contribution limitations and regarding the possibility of circumventing such limitations.

B. Expenditures

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 614, relating to limitation on expenditures generally.

Section 614(a)(1) provided that no candidate may make expenditures in his campaign for nomination for election, or for election, to Federal office, which exceed the limitation established by section 504 of the Act if such candidate were receiving payments under title V of the Act.

Section 504 of the Act was added by section 101 of the Senate bill. Section 504(a)(1) provided that no candidate (other than a candidate for the office of President) who receives payments under title V with respect to his primary election campaign may make expenditures with respect to such campaign in excess of the greater of (1) 8 cents multiplied by the voting age population of the geographical area in which the election for such nomination is held; (2) $125,000, if the Federal office sought is that of Senator or Representative from a State with only one Representative; or (3) $90,000, if the Federal office sought is that of Representative from a State with more than one Representative.

Section 504(a)(2) provided that no candidate for nomination for the office of President may make expenditures in any State in which he is a candidate in a primary election which exceed 2 times the amount which a candidate for nomination for the office of Senator may spend in such State. No candidate for nomination for the office of President may make expenditures throughout the United States which exceed an amount equal to 10 cents multiplied by the voting age population of the United States.

Section 504(b) provided that no candidate who receives payments under title V with respect to his general election campaign may make expenditures with respect to such campaign in excess of the greater of (1) 12 cents multiplied by the voting age population of the geographical area in which such election is held; (2) $175,000, if the Federal office sought is that of Senator or Representative from a State with only one Representative; or (3) $90,000, if the Federal office sought is that of Representative from a State with more than one Representative.

Section 504(c) provided that no candidate who is unopposed in a general election may make expenditures with respect to his campaign which exceed 10 percent of the limitation in section 504(b).

Section 504(d) provided that the Federal Election Commission (hereinafter in this statement referred to as the "Commission") shall prescribe rules under which expenditures by a candidate for nomination for election to the office of President for use in 2 or more States shall be attributed to the expenditure limitation of such candidate in each State.

Section 504(e)(1) provided that expenditures made on behalf of a candidate shall be considered to be made by such candidate.

Section 504(e)(2) provided that expenditures made by a candidate of a political party for the office of Vice President shall be considered to be made by the candidate of such party for the office of President.

Section 504(e)(3) provided that an expenditure is made on behalf of a candidate if it is made by (1) an authorized committee or other agent of a candidate for the purposes of making expenditures; (2) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or an agent of a candidate; or (3) a national or State committee of a political party with respect to a primary or general election campaign of a candidate, if such expenditure exceeds the limitations of section 614(b) of title 18, United States Code, relating to limitation on expenditures generally. If any such expenditure does not exceed such limitations, it shall not be considered to be an expenditure made on behalf of such candidate.

Section 614(a)(2) was identical to section 504(e)(1) of the Act. Section 614(a)(3) was identical to section 504(e)(2) of the Act. Section 614(a)(4) provided that an expenditure is made on behalf of a candidate if it is made by (1) an authorized committee or other agent of a candidate for the purpose of making expenditures; or (2) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or agent of a candidate. Section 614(a)(5) was identical to section 504(d) of the Act.

Section 614(b)(1) provided that a national committee or State committee of a political party may make expenditures with respect to general election campaigns of candidates for Federal office.

Section 614(b)(2) provided that a national committee of a political party may not make expenditures for the candidate of such party for the office of President which exceed an amount equal to 2 cents multiplied by the voting age population of the United States.

Section 614(b)(3) provided that a national committee or a State committee of a political party may not make expenditures for a candidate in a general election for Federal office which exceed (1) if the office involved is that of Senator or Representative in a State with only one Representative, the greater of (A) 2 cents multiplied by the voting age population of the State involved; or (B) $20,000; and (2) if the office involved is that of Representative in a State with more than one Representative, $10,000.

Section 614(b)(4) defined the term "voting age population" as the voting age population certified for the year involved under section 504(g) of the Act. Section 614(b)(4) also provided that the approval by a national committee of a political party of an expenditure by a candidate of such party for the office of President, as required by section 316 of the Act, shall not be considered an expenditure by such national committee.

Section 504(g) of the Act, as added by section 101 of the Senate bill, provided that, beginning in January 1975 and annually thereafter, the Secretary of Commerce shall certify to the Commission an estimate of the voting age population of the United States, of each State, and of each congressional district. The term "voting age population" was defined to mean resident population, 18 years of age or older.

Section 504(h) of the Act, as added by section 101 of the Senate bill, provided that the Commission shall, upon receiving certification from the Secretary of Commerce under section 504(g) and from the Secretary of Labor under section 504(f)(2), publish in the Federal Register the applicable expenditure limitations in effect for the calendar year for the United States, each State, and each congressional district.

Section 504(i) of the Act, as added by section 101 of the Senate bill, provided that, in the case of a House candidate from a new district or from a district with new boundaries, the Commission shall determine the amount of payments to which such candidate is entitled and shall determine whether such candidate is a major party or a minor party candidate, based upon the number of votes cast in the preceding general election for the office involved by voters residing within the area encompassed in the new or altered congressional district.

House amendment

Section 101(a) of the House amendment amended section 608 of title 18, United States Code, by inserting a new subsection (c).

The new subsection (c) established the following expenditure limitations: (1) a candidate for nomination for election to the office of President may not make expenditures exceeding $10,000,000; (2) a candidate for election to the office of President may not make expenditures exceeding $20,000,000; (3) a candidate for the office of Senator may not make expenditures which exceed the greater of (A) 5 cents multiplied by the population of the State involved; or (B) $75,000; (4) a candidate for the office of Representative, Delegate from the District of Columbia, or Resident Commissioner, may not make expenditures exceeding $60,000; and (5) a candidate for the office of Delegate from Guam or the Virgin Islands may not make expenditures exceeding $15,000.

Subsection (c) also provided that, for purposes of such subsection, the following rules shall apply: (1) any expenditure made by the candidate of a political party for the office of Vice President shall be considered to be an expenditure made by the candidate of such party for the office of President; (2) any expenditure made on behalf of a candidate by his principal campaign committee shall be deemed to have been made by such candidate; and (3) the population of a geographical area shall be the population according to the most recent decennial census.

Subsection (c) also provided that the expenditure limitations applied by subsection (c) to candidates for the office of Senator, Representative, Delegate, and Resident Commissioner, shall apply separately to each election. It also provided that, for purposes of the $10,000,000 expenditure limit on candidates for nomination to the office of President, all Presidential primary elections are considered one election.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute increases the expenditure limitation applicable to candidates for the office of Representative, Delegate from the District of Columbia, and Resident Commissioner, from $60,000 to $70,000.

2. The conference substitute adopts the provision of the Senate bill which provided that an expenditure is made on behalf of a candidate if it is made by (A) an authorized committee or other agent of a candidate for the purpose of making expenditures; or (B) any person authorized or requested to make an expenditure by a candidate, an authorized committee of a candidate, or an agent of a candidate. This change conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

3. The conference substitute adopts the approach taken by the Senate bill with respect to expenditures applicable to candidates for the office of Senator or Representative from a State with only one Representative. In a primary election, such candidates may make expenditures which do not exceed the greater of (A) 8 cents multiplied by the voting age population of the State in which the election is held; or (B) $100,000 (the conference substitute reduces the floor of $125,000 which was contained in the Senate bill).

In a general election, such candidates may make expenditures which do not exceed the greater of (A) 12 cents multiplied by the voting age population of the State in which the election is held; or (B) $150,000 (the conference substitute reduces the floor of $175,000 which was contained in the Senate bill).

4. The conference substitute adopts the provision of the Senate bill which provided that no candidate for nomination for the office of President may make expenditures in any State in which he is a candidate in a primary election which exceed 2 times the amount which a candidate for the office of Senator may make in such State.

5. The conference substitute adopts the provision of the Senate bill which provided that the Commission shall prescribe rules under which expenditures by a candidate for nomination for election to the office of President for use in 2 or more States shall be attributed to the expenditure limitation of such candidate in each State.

6. The conference substitute adopts the provision of the Senate bill which provided that national committees and State committees of political parties may make expenditures with respect to general election campaigns of candidates for Federal office. The expenditure limitations made applicable to such committees by the Senate bill are adopted by the conference substitute.

C. Cost-of-Living Adjustments

Senate bill

Section 504(f) of the Act, as added by section 101 of the Senate bill, provided that at the beginning of each calendar year (commencing in 1975) the Secretary of Labor shall certify to the Commission the percentage difference between the price index for the most recent calendar year and the price index for the base period. The expenditure limitations established by section 504(a) and section 504 (b) shall be changed by such percentage difference.

Section 504(f) defined the term "price index" as the average over a calendar year of the Consumer Price Index (all items—United States city average), and the term "base period" as calendar year 1973.

House amendment

Section 608(d) of title 18, United States Code, as added by section 101(a) of the House amendment, was the same as section 504(f) of the Act, as added by the Senate bill, with the following differences: (1) certification was required to be made to the Comptroller General, and not to the Commission; and (2) the percentage difference would be taken into account only if it required an increase in expenditure limitations established by section 608(c) of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment, except that certification is required to be made to the Commission.

D. Other Expenditure Limitations

Senate bill

Section 614(c) of title 18, United States Code, as added by section 304(a) of the Senate bill, provided that no person may make expenditures (other than an expenditure permitted under section 614(a)(4)) advocating the election or defeat of a clearly identified candidate during a calendar year which exceed $1,000.

Section 614(c) also contained definitions of terms used in such subsection. The term "clearly identified" was defined to mean (1) the candidate's name appears; (2) a photograph or drawing of the candidate appears; or (3) the identity of the candidate is apparent by unambiguous reference. The term "person" did not include a national committee or State committee of a political party. The term "expenditure" did not include any payment made by a corporation or labor organization which, under the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization.

House amendment

Section 608(e) of title 18, United States Code, as added by section 101(a) of the House amendment, was the same as section 614(c), as added by section 304(a) of the Senate bill, except that the provision added by the House amendment did not define the terms "person" and "expenditure".

Conference substitute

The conference substitute is the same as the Senate bill, except that the definition of person is omitted.

E. Expenditures From Personal Funds

Senate bill

Section 302(a)(1) of the Senate bill amended section 608(a)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, to provide that no candidate may make expenditures from his personal funds or the personal funds of his immediate family with respect to his campaigns for nomination for election, and for election, to Federal office which exceed during any calendar year (1) $50,000 in the case of a candidate for the office of President or Vice President; (2) $35,000 in the case of a candidate for the office of Senator; or (3) $25,000 in the case of a candidate for the office of Representative, Delegate, or Resident Commissioner.

Section 302(a)(2) of the Senate bill amended section 608(a) of title 18, United States Code, by adding at the end thereof a new paragraph (3) and paragraph (4). Paragraph (3) provided that no candidate or his immediate family may make loans or advances from their personal funds with respect to his campaigns for Federal office unless such loan or advance is evidenced by a written instrument disclosing the terms and conditions of such loan or advance. Paragraph (4) provided that any such loan or advance shall be included in computing expenditures under section 608(a) only to the extent of the balance of such loan or advance outstanding and unpaid.

House amendment

Section 101(b) of the House amendment amended section 608(a)(1) of title 18, United States Code, to provide that no candidate may make expenditures from his personal funds or the personal funds of his immediate family with respect to his campaign for nomination for election, or for election, to Federal office, which exceed $25,000.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute permits candidates for the office of Representative from States with only one Representative to make expenditures of up to $35,000 from their personal funds or the funds of their immediate families. Under the conference substitute the limitation on the expenditure of personal funds and immediate family funds by a candidate applies to the entire campaign period during any calendar year, beginning with the primary election campaign running through any primary runoff campaign and the general election campaign. In determining the amount of such funds used in connection with the candidate's efforts to obtain election to Federal office during any calendar year all funds spent in calendar years other than the calendar year in which such campaigns are conducted are taken into account.

It is the intent of the conferees that members of the immediate family of any candidate shall be subject to the contribution limitations established by this legislation. If a candidate for the office of Senator, for example, already is in a position to exercise control over funds of a member of his immediate family before he becomes a candidate, then he could draw upon these funds up to the limit of $35,000. If, however, the candidate did not have access to or control over such funds at the time he became a candidate, the immediate family member would not be permitted to grant access or control to the candidate in amounts up to $35,000, if the immediate family member intends that such amounts are to be used in the campaign of the candidate. The immediate family member would be permitted merely to make contributions to the candidate in amounts not greater than $1,000 for each election involved.

F. Discharge of certain campaign debts

Senate bill

Section 302(d) of the Senate bill provided that, notwithstanding the provisions of section 608 of title 18, United States Code, any individual may satisfy out of his personal funds or the personal funds of his immediate family any debt or obligation outstanding on the date of the enactment of this legislation and incurred by him with respect to any campaign for election to Federal office ending before January 1, 1973. The term "immediate family" was defined by reference to the definition of such term contained in section 608.

House amendment

Section 101(c) of the House amendment was the same as section 302(d) of the Senate bill, with the following differences: (1) the House Amendment, instead of making an exception to the provisions of section 608 of title 18, United States Code, generally, made the exception apply specifically to the provisions of section 608(a)(1) of title 18, United States Code, relating to limitations on expenditures from personal funds; and (2) the House amendment defined the terms "election", "Federal office", and "political committee" by reference to the definitions of such terms contained in section 591 of title 18, United States Code.

Conference substitute

The conference substitute is the same as the House amendment.

G. Contributions by Foreign Nationals

Senate bill

Section 615(b)(2) of title 18, United States Code, as added by section 304(a) of the Senate bill, provided that no candidate may knowingly solicit or accept a contribution (1) from a foreign national; or (2) which is made in violation of section 613 of title 18, United States Code, relating to contributions by agents of foreign principals. The term "foreign national" was defined to mean a foreign principal, as such term is defined by the Foreign Agents Registration Act of 1938, or an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence, as defined by the Immigration and Nationality Act.

House amendment

Section 101(d) of the House amendment amended section 613 of title 18, United States Code, relating to contributions by certain foreign agents, in order to make such section apply directly to foreign nationals instead of applying to agents of foreign principals. The term "foreign national" was defined in the same manner as in the Senate bill.

Conference substitute

The conference substitute is the same as the House amendment.

H. Amount of Criminal Fines

Senate bill

Section 302(b) of the Senate bill amended section 608 of title 18, United States Code, relating to limitations on contributions and expenditures out of candidates' personal and family funds, by increasing the fine for violation of such section from a maximum of $1,000 to a maximum of $25,000, and by increasing the prison term from a maximum of one year to a maximum of 5 years.

The penalty for violation of section 614 of title 18, United States Code, as added by section 304(a) of the Senate bill, was a fine of $25,000, or imprisonment for not more than 5 years, or both. If a candidate was convicted of violating section 614 because of an expenditure made on his behalf by a political committee, then the treasurer of such political committee or any other person authorizing such expenditure was punishable by a fine of not more than $25,000, or imprisonment for not more than 5 years, or both, if such person knew or had reason to know that such expenditure was in violation of section 614.

The penalty for violation of section 615 of title 18, United States Code, as added by section 304(a) of the Senate bill, was a fine of not more than $25,000, or imprisonment for not more than 5 years, or both.

House amendment

Section 101(e)(1) of the House amendment amended section 608 of title 18, United States Code, relating to limitations on contributions and expenditures, to increase the criminal fine which may be imposed under such section from $1,000 to $25,000.

Section 101(e)(2) amended section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations, to (1) increase the criminal fine which may be imposed under such section against corporations or labor organizations from $5,000 to $25,000; and (2) increase the criminal fine which may be imposed under such section against officers or directors committing willful violations from $10,000 to $50,000. It was the desire of the House committee that the increased penalties of section 610, together with the existing prison penalties of such section, shall be enforced rigorously against officers and directors of corporations and labor organizations to the extent such officers and directors are responsible for violations of such section.

Section 101(e)(3) amended section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Section 101(e)(4) amended section 613 of title 18, United States Code (as amended by section 101(d)), relating to contributions by foreign nationals, to increase the criminal fine which may be imposed under such section from $5,000 to $25,000.

Conference substitute

The conference substitute is the same as the House amendment.

I. Prohibition of Certain Contributions

Senate bill

Section 211 of the Senate bill amended section 310 of the Act, relating to prohibition of contributions in the name of another, to provide that no person may knowingly permit his name to be used to effect any contribution which is prohibited by such section.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 614, relating to prohibition of contributions in the name of another. Section 614 was the same as section 310 of the Act (which was repealed by section 101(f)(4) of the House amendment), except that the criminal fine was increased from a maximum of $1,000 to a maximum of $25,000.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute adopts that portion of the Senate bill which provided that no person may knowingly permit his name to be used to effect any prohibited contribution.

J. Contributions of Currency

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 616, relating to form of contributions. Section 616 prohibited contributions to any candidate or political committee in excess of $100 in a calendar year unless such contributions are made by written instrument identifying the person making such contribution. Violation of section 616 is punishable by a fine of not more than $1,000, imprisonment for not more than one year, or both.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 615, relating to limitation on contributions of currency. Section 615 provided that no person may make contributions of currency of the United States or currency of any foreign country exceeding $100 to any candidate for Federal office in any election. Violation of section 615 is punishable by a fine of not more than $25,000, imprisonment for not more than one year, or both.

Conference substitute

The conference substitute is the same as the House amendment.

K. Conversion of Contributions

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 617, which prohibited the embezzlement or conversion of political contributions.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Honorariums

Senate bill

No provision.

House amendment

Section 101(f)(1) of the House amendment amended chapter 29 of title 18, United States Code, by inserting a new section 616, relating to acceptance of excessive honorariums. Section 616 provided that any elected or appointed officer or employee of any branch of the Federal Government who accepts any single honorarium exceeding $1,000, or who accepts honorariums exceeding $10,000 in a calendar year, shall be fined not less than $1,000 nor more than $5,000.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute prohibits honorariums exceeding $15,000 in a calendar year, thus increasing by $5,000 the figure contained in the House amendment.

Voting Fraud

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 618, relating to voting fraud. Section 618 prohibited any person in a Federal election from (1) casting a ballot in the name of another person; (2) casting a ballot if he is not qualified to vote; (3) forging or altering a ballot; (4) miscounting votes; (5) tampering with a voting machine; or (6) committing any other act (or failing to carry out a duty required by law), with the intent of causing an inaccurate counting of votes in any election.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Disclosure of Election Results

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 619, which made it unlawful to make public information with respect to votes cast for the office of Presidential and Vice-Presidential elector before midnight, eastern standard time, of the day on which the election is held.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Fraudulent Misrepresentation of Campaign Authority

Senate bill

Section 304(a) of the Senate bill amended chapter 29 of title 18, United States Code, by inserting a new section 620, which made it unlawful for any candidate, or any agent or employee of a candidate, to fraudulently misrepresent himself as speaking or otherwise acting for or on behalf of any other candidate or political party on a matter which is damaging to such other candidate or political party. Violation of the provisions was made punishable by a $50,000 fine or 5 years in prison, or both.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that the conference substitute reduces the fine from $50,000 to $25,000 and reduces the prison term from 5 years to 1 year.

Applicability of Definitions

Senate bill

Section 304(b) of the Senate bill amended section 591 of title 18, United States Code, relating to definitions, to make such section applicable to the new sections 614 through 620, which were added by section 304(a) of the Senate bill.

House amendment

Section 101(f)(2) of the House amendment amended section 591 of title 18, United States Code, relating to definitions, to clarify that the manner in which terms are defined in such section applies to the use of such terms in such section, and to make such section applicable to the new sections 614, 615, and 616, which were added by section 101(f)(1) of the House amendment.

Conference substitute

The conference substitute is essentially the same as the House amendment.

Changes in Definitions

A. Election

Senate bill

Section 301(a) of the Senate bill amended section 591(a) of title 18, United States Code, relating to the definition of election, to indicate that such terms does not include the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

B. Political Committee

Senate bill

Section 301(b) of the Senate bill amended section 591(d) of title 18, United States Code, relating to the definition of political committee, to read that such term means (1) any committee or other group of persons which receives contributions or makes expenditures during a calendar year exceeding $1,000; (2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party; whether or not any such entity receives contributions or makes expenditures during a calendar year exceeding $1,000; and (3) any committee, association, or organization administering a separate segregated fund described in section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 102(a) of the House amendment amended section 591(d) of title 18, United States Code, relating to the definition of political committee, to provide that such term shall be extended to include any individual, committee, association, or organization which commits any act for the purpose of influencing the outcome of any election for Federal office, except that such acts shall not include certain communications which are excluded from the definition of expenditure under section 591(f), as amended by the House amendment. Such communications include news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purposes of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Conference substitute

The conference substitute is the same as that portion of the Senate bill which provided that the term "political committee" means any committee or other group of persons which receives contributions or makes expenditures during a calendar year exceeding $1,000.

C. Contribution

Senate bill

Section 301(c) of the Senate bill amended section 591(e) of title 18, United States Code, relating to the definition of contribution, in the following ways: (1) to indicate that the term includes assessments, fees, or membership dues, connected with subscriptions; (2) to provide that such term does not apply to any transaction in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States; (3) to provide that such term applies to financing the operations of a political committee, and to the payment of any debt or obligation of a candidate or a political committee; (4) to eliminate the applicability of such term to contracts, promises, or agreements to make a contribution; and (5) to clarify that such term includes funds received by a political committee which are transferred to such committee from another political committee.

House amendment

Section 102(b) of the House amendment amended section 591(e)(1) of title 18, United States Code, relating to the definition of contribution, to provide that a loan of money by a national or State bank shall be considered a loan by each endorser of such loan, in that proportion of the unpaid balance of such loan which each endorser bears to the total number of endorsers.

Section 102(c) of the House amendment amended section 591(e) of title 18, United States Code, relating to the definition of contributions; (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverage by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor, to the extent that such accumulated charges do not exceed $500; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute adopts that portion of the Senate bill which deleted from the term "contribution" any transaction in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

The purpose of the provision exempting slatecards is intended to allow State and local parties to educate the general public as to the identity of the candidates of the party. It is the intention of the conferees that the slatecard exemption applies only to lists containing the names of all candidates of a party within the State, displayed with equal prominence.

D. Expenditure

Senate bill

Section 301(d) of the Senate bill amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, to provide that such term means (1) a purchase, loan (other than a loan of money by a national or State bank), or other described payment of money or anything of value made for the purpose of (A) influencing the nomination for election, or election, of any person to Federal office; (B) influencing the result of a Presidential primary election; (C) financing a political committee; or (D) paying any debt or obligation of a candidate or a political committee; and (2) the transfer of funds by a political committee to another political committee.

The amendment made by section 301(d) of the Senate bill provided that the term "expenditure" does not include the value of services rendered by volunteer workers on behalf of a candidate.

House amendment

Section 102(d) of the House amendment amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, to provide that the following activities shall not be considered to be expenditures: (1) any news story, commentary, or editorial of any broadcasting station, newspaper, or other periodical publication, unless such facilities are owned or controlled by a political party, political committee, or candidate; (2) nonpartisan get-out-the-vote activity; (3) communications by a membership organization or corporation to its members or stockholders, if such membership organization or a corporation is not organized primarily to influence the outcome of elections for Federal office; (4) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that cumulative value of such use does not exceed $500; (5) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18, as added by the House amendment and (9) any costs incurred by a multicandidate committee which has been registered under the Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Conference substitute

The conference substitute is the same as the House amendment, except that the 25 percent exemption for fundraising costs is reduced to 20 percent and that portion of the Senate bill is retained which deleted the reference to transactions in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

E. Political Party

Senate bill

Section 301(c) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (i), relating to the definition of political party. Such term was defined to mean any association or other organization which nominates a candidate for election to Federal office whose name appears on the election ballot as the candidate of such association or other organization.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

F. State Committee

Senate bill

Section 301(e) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (j), relating to the definition of State committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the State level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

G. National Committee

Senate bill

Section 301(e) of the Senate bill amended section 591 of title 18, United States Code, by inserting a new paragraph (k), relating to the definition of national committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the national level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

H. Principal Campaign Committee

Senate bill

No provision.

House amendment

Section 102(e) of the House amendment amended section 591 of title 18, United States Code, by inserting a new paragraph (i), relating to the definition of principal campaign committee. Such term was defined to mean the principal campaign committee designated by a candidate under section 302(f)(1) of the Act, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

Political Funds

Senate bill

Section 303 of the Senate bill amended section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, to provide that such section shall not prohibit the establishment or maintenance of a separate segregated campaign fund by a corporation or a labor organization unless such establishment or maintenance is prohibited under section 610 of title 18, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 103 of the House amendment was the same as section 303 of the Senate bill, except that the amendment to section 611 of title 18, United States Code, relating to contributions by firms or individuals contracting with the United States, made by the House amendment contained a definition of the term "labor organization". Such term was defined by reference to the definition of such term contained in section 610 of title 18, United States Code.

A question was raised in the House committee during the consideration of the amendment to section 611 as to whether doctors receiving payments under the so-called Medicare and Medicaid programs are prohibited from making political contributions as government contractors. The House committee was of the opinion that nothing in the existing section 611, nor in the amendment thereto included in the House amendments, would prohibit a doctor from making a political contribution solely because he was receiving payments for medical services rendered to patients under either the Medicare or Medicaid program. Under the Medicare program the basic contractual relationship is between the Federal Government and the individual receiving the medical services. The individual receiving the medical services may be reimbursed directly by the Federal Government for amounts paid for such services, or he may assign his claim against the Federal Government to the doctor who rendered the services, but in the latter case the doctor merely stands in the shoes of the claimant for payment. This relationship is not altered by the fact that a Federal agency may retain a right to audit the accounts of a medical practitioner to protect the Federal Government against fraudulent claims for medical services.

Under so-called Medicaid programs, it is true that doctors may have specific contractual agreements to render medical services, but such agreements are with State agencies and not with the Federal Government. Medicaid programs are administered by State agencies using Federal funds. The House committee did not believe that section 611 prohibiting political contributions by government contractors has any application to doctors rendering medical services pursuant to a contract with a State agency.

A separate question was raised in the House committee concerning the application of section 610 of title 18, relating to prohibitions against political contributions by corporations, banks, and labor organizations, as to whether a professional corporation composed of doctors, lawyers, architects, engineers, etc., would be prohibited from making political contributions. Whether or not a professional association is a corporation is a matter determined under State law. If, under State law, such an association is a corporation, it would be prohibited from making a political contribution as a corporation. However, nothing in existing law, nor in the amendments in the House amendment prohibit an individual member of any corporation from making a political contribution as an individual. Existing law also permits corporations to establish a separate segregated fund to be utilized for political purposes so long as contributions to such fund are voluntary and not secured by force or job discrimination or financial reprisals, or threat thereof, or by money obtained in any commercial transaction.

Conference substitute

The conference substitute is the same as the House amendment.

The conferees agree with the analysis of the House report (as set forth in the statement relating to the House amendment) regarding political contributions by doctors and professional corporations.

Effect on State law

Senate bill

No provision.

House amendment

Section 104 of the House amendment provided that chapter 29 of title 18, United States Code, relating to elections and political activities, supersedes and preempts provisions of State law.

Conference substitute

The provisions of the conference substitute make it clear that the Federal law occupies the field with respect to criminal sanctions relating to limitations on campaign expenditures, the sources of campaign funds used in Federal races, the conduct of Federal campaigns, and similar offenses, but does not affect the States' rights to prohibit false registration, voting fraud, theft of ballots, and similar offenses under State law.

AMENDMENTS TO FEDERAL ELECTION CAMPAIGN ACT OF 1971

Principal campaign committees

A. Designation

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 310, relating to central campaign committees. Section 310(a) provided that each candidate shall designate one political committee as his central campaign committee. A candidate for nomination for election, or for election, to the office of President, also may designate State campaign committees in States in which he is a candidate.

Section 310(b) provided that no political committee may be designated as the central campaign committee of more than one candidate, except that a political committee described in section 301(d)(2) of the Act, as added by the Senate bill, may be designated as the central campaign committee of more than one candidate in a general election campaign. The central campaign committee and each State campaign committee of a candidate of a political party for the office of President shall be considered the central campaign committee and the State campaign committee of the candidate of such party for the office of Vice President.

House amendment

Section 201 of the House amendment amended section 302 of the Act by striking out subsection (f), relating to notices with respect to fund solicitation and annual reports by supervisory officers, and by inserting in lieu thereof a new subsection (f), relating to principal campaign committees.

Subsection (f)(1) required that candidates for Federal office (other than candidates for the office of Vice President) designate a political committee as their principal campaign committee. No political committee which supports more than one candidate may be designated as a principal campaign committee. Subsection (f)(1) also provided that no political committee may be designated as the principal campaign committee of more than one candidate, except that the Presidential candidate of a political party may, after he is nominated, designate the national committee of his political party as his principal campaign committee.

Conference substitute

Although the conference substitute is the same as the House amendment with respect to principal campaign committees, the conference substitute retains the provision of the Act deleted by the House amendment relating to notices with respect to fund solicitation. This provision requires political committees to have a notice on material soliciting contributions which states that copies of their reports filed under the Act are available for purchase from the Commission.

B. Expenditures on Behalf of Candidate

Senate bill

No provision.

House amendment

Section 302(f)(2) of the Act, as added by the House amendment, provided that, except in the case of expenditures which may be made under section 608(e) of title 18, United States Code, relating to expenditures of not more than $1,000 in a calendar year made with respect to a clearly identified candidate, only the principal campaign committee of a candidate may make expenditures on behalf of such candidate.

Conference substitute

The conference substitute, like the Senate bill, permits authorized political committees other than the principal campaign committee to make expenditures on behalf of a candidate.

C. Reports

Senate bill

Section 310(c)(1) of the Act, as added by the Senate bill, provided that political committees, other than central campaign committees and State campaign committees, shall file required reports with the appropriate central campaign committee and not with the Commission. Any report filed with a central campaign committee shall be considered to have been filed with the Commission at the time it was filed with the central campaign committee.

Section 310(c)(2) provided that the Commission may require a political committee operating in a State on behalf of a candidate who has designated a State campaign committee for such State, to file required reports with such State campaign committee and not with the central campaign committee of such candidate.

Section 310(c)(3) provided that the Commission may require any political committee to file any report directly with the Commission.

Section 310(d) provided that each central campaign committee and State campaign committee shall consolidate reports filed with it by other political committees and furnish such reports, together with its own required reports, to the Commission.

House amendment

Section 302(f)(3) of the Act, as added by the House amendment, provided that political committees receiving contributions on behalf of a candidate shall report such contributions to the principal campaign committee of such candidate, instead of to the supervisory officer.

Subsection (f)(4) provided that the principal campaign committee shall compile and file reports which such committee receives from other political committees supporting the candidate involved, together with its own reports and statements, with the supervisory officer.

Conference substitute

The conference substitute follows the House amendment generally. Since the conference substitute permits expenditures to be made by other authorized political committees, it provides that political committees authorized to make expenditures with respect to a candidate must file reports relating to those expenditures with the principal campaign committee rather than with the Commission.

D. Definition of Political Committee

Senate bill

No provision.

House amendment

Section 302(f)(5) of the Act, as added by the House amendment, provided that, for purposes of subsection (f)(1) and subsection (f)(3), the term "political committee" does not include political committees supporting more than one candidate, except for the national committee of a political party designated by a Presidential candidate as his principal campaign committee. Therefore, a candidate may not designate a multicandidate political committee as his principal campaign committee and multicandidate political committees shall continue to report directly to the supervisory officer under applicable provisions of the Act.

Conference substitute

Because of the conference substitute provisions permitting expenditures to be made for a candidate by political committees other than his principal campaign committee, the provision of the House amendment requiring multicandidate committees to report directly to the supervisory authority rather than to the principal campaign committee is not included in the conference substitute.

Campaign depositories

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 311, relating to campaign depositories.

Section 311 provided that each candidate shall designate one or more national or State banks as his campaign depositories. Contributions received by or on behalf of a candidate shall be deposited in one of his campaign depositories. Expenditures, other than petty cash expenditures, made on behalf of a candidate shall be made by check from an account at one of the campaign depositories of such candidate.

Section 311 also provided that the treasurer of each political committee (other than a political committee authorized by a candidate to receive contributions or make expenditures on his behalf) shall designate one or more national or State banks as the campaign depositories of such political committee. Contributions received by such political committee shall be deposited in one of its campaign depositories. Expenditures, other than petty cash expenditures, made by such political committee shall be made by check from an account at one of its campaign depositories.

Section 311 also provided that political committees may maintain petty cash funds from which expenditures not in excess of $100 may be made in connection with a single purchase or transaction. Records of petty cash disbursements shall be kept in accordance with requirements established by the Commission.

Section 311 also provided that a candidate for nomination for election, or for election, to the office of President may establish one campaign depository in each State. The campaign depository of a candidate of a political party for the office of President shall be considered the campaign depository of the candidate of such political party for the office of Vice President.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Registration Requirements

Senate bill

Section 203(a) of the Senate bill amended section 303 of the Act (relating to registration of political committees: statements) by inserting a new subsection (a). The new section 303(a) provided that each candidate, within 10 days after becoming a candidate, shall file with the Commission a registration statement, which shall include (1) the identification of the candidate and any person he has authorized to receive contributions or make expenditures on his behalf; (2) the identification of his campaign depositories and the identification of each individual authorized to make any expenditure or withdrawal from accounts at such depositories; and (3) such additional relevant information as the Commission may require.

Section 303(b) of the Act (as so redesignated by the Senate bill) was amended by the Senate bill in the following ways: (1) the first sentence, relating to certain reporting requirements of political committees, was struck out: and (2) a new sentence was added which provided that the treasurer of each political committee shall file with the Commission a statement of organization within 10 days after such political committee is organized.

Section 303(c) of the Act (as so redesignated by the Senate bill) was amended by the Senate bill in the following ways: (1) it was made clear by the Senate bill that statements of organization shall be in such form as the Commission shall prescribe; (2) paragraph (3) was amended to provide that the statement of organization shall include information with respect to the geographical area or political jurisdiction within which the political committee will operate, and a general description of the authority and activities of such political committee; and (3) paragraph (9) was amended to provide that the statement of organization shall include the name and address of campaign depositories used by the political committee involved, and the identification of each individual authorized to make withdrawals or payments from accounts at such depositories.

House amendment

Section 202 of the House amendment amended section 303 of the Act, relating to registration of political committees and statements, by adding at the end thereof a new subsection (e) which provided that reports and notifications of political committees (other than principal campaign committees and multicandidate political committees) required to be filed under section 303 shall be filed with the appropriate principal campaign committee.

Conference substitute

The conference substitute is the same as the House amendment, except that multicandidate committees report to the appropriate principal campaign committee.

Reports by political committees and candidates

A. Filing Dates

Senate bill

Section 204(a) of the Senate bill made the following changes in section 304 of the Act, relating to reports by political committees and candidates:

1. The provisions of section 304 were clarified in order to indicate that such provisions apply to campaigns for nomination for election, as well as to campaigns for election.

2. The amendment made by the Senate bill established the following reporting dates: (A) the tenth day of April, July, and October of each year; (B) the tenth day before an election; (C) the tenth day of December in the year of an election; and (D) the last day of January of each year. In years in which no election is held, candidates may file reports on the twentieth day of April, July, and August, instead of on the tenth day of each such month.

3. The requirement that contributions of $5,000 or more received after the last report before an election must be reported within 48 hours after receipt, was eliminated by the amendment made by the Senate bill.

4. If the identity of an anonymous contributor becomes known, such identity shall be reported to the Commission.

5. The Commission may, upon request by a Presidential candidate or upon its own motion, waive reporting dates (other than January 31) and require that Presidential candidates report not less frequently than monthly. If the Commission acts upon its own motion, then the Presidential candidate involved is entitled to judicial review of the decision.

House amendment

Section 203(a) of the House amendment amended section 304(a) of the Act, relating to filing dates for reports of receipts and expenditures by political committees and candidates, to provide for the following new filing requirements:

1. In a calendar year in which an individual is a candidate for Federal office and an election is held for the particular Federal office which such individual is seeking, reports of receipts and expenditures must be filed 10 days before such election. Such reports shall be complete as of the fifteenth day before such election. Reports filed by registered or certified mail must be postmarked by the twelfth day before such election. In addition, such reports must be filed 30 days after the date of such election and be complete as of the twentieth day after the date of such election.

2. In other calendar years, reports of receipts and expenditures must be filed after the close of the calendar year and no later than January 31 of the following calendar year, and must be complete as of the close of the calendar year for which filed.

3. In addition to reports required to be filed in an election year or in any other calendar year, reports of receipts and expenditures must be filed for any calendar quarter in which the candidate or committee reporting received contributions exceeding $1,000 or made expenditures exceeding $1,000. In any case in which such a quarterly report would coincide with the annual report which is required for nonelection years, the amendment made by section 203(a) provided that the quarterly report be filed in accordance with provisions governing the filing of annual reports.

The amendment made by section 203(a) also provided that when the last day for filing a quarterly report occurs within 10 days of an election, then the quarterly report requirement shall be waived and superseded by the required election report. Such amendment also provided that any contribution exceeding $1,000 which is received after the fifteenth day before an election but more than 48 hours before an election, shall be reported no later than 48 hours after its receipt.

Such amendment also provided that treasurers of political committees which are not principal campaign committees or multicandidate committees shall file reports required by section 304 of the Act with the appropriate principal campaign committee, instead of with the supervisory officer.

Conference substitute

The conference substitute follows the House amendment generally, but includes that provision of the Senate bill permitting monthly reporting in the case of presidential candidates and political committees supporting candidates in more than one State. The maximum number of reports in addition to the final report for the calendar year is increased in the conference substitute from 11 to 12 in order to permit the Commission to require such candidates and committees to file the report due 10 days before the date of the general election even if such candidates and committees are reporting on a monthly basis.

B. Reporting of Loans

Senate bill

Section 204(b)(2) of the Senate bill amended section 304(b)(5) of the Act, relating to the reporting of loans, to provide that information with respect to the guarantors of loans shall be included in reports, as well as information with respect to lenders and endorsers.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

C. Reporting of Debts and Obligations

Senate bill

Section 204(c) of the Senate bill amended section 304(b)(12) of the Act, relating to the reporting of debts and obligations, to provide that reports filed with the Commission must include a statement with respect to the circumstances and conditions under which any debt or obligation is extinguished.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. The conferees expect that this reporting requirement will eliminate the practice of reporting the expenditure of the proceeds of a loan as an "expenditure" two times—once when the funds are spent and again when the loan is paid off.

D. Reporting of Earmarked Contributions

Senate bill

Section 204(d) of the Senate bill added a new paragraph (13) to section 304(b) of the Act. Such paragraph provided that reports filed with the Commission shall contain such information as the Commission may require with respect to earmarked contributions or other special funds.

House amendment

No provision. See section 608(b)(6) of title 18, United States Code, as added by section 101(a) of the House amendment, which required the reporting of earmarked contributions.

Conference substitute

The conference substitute is the same as the House amendment.

E. Contribution and Expenditure Information

Senate bill

No provision.

House amendment

Section 203(b) of the House amendment amended section 304(b) of the Act, relating to information required to be reported, to provide that, in addition to reporting total receipts and total expenditures, each report must show total receipts less transfers between political committees which support the same candidate and do not support any other candidate and total expenditures less such transfers. In some cases the total receipts and expenditures reported have presented a distorted picture because, under the Act, transfers of funds between committees are counted as contributions and expenditures. This amendment provided that where such transfers occur between single candidate committees supporting the same candidate the report must also show total receipts less such transfers and total expenditures less such transfers.

Conference substitute

The conference substitute is the same as the House amendment.

F. Cumulative Reports

Senate bill

Section 204(c) of the Senate bill amended section 304(c) of the Act (1) to eliminate the option of reporting only the amounts of the previous reporting period when there has been a change in the amounts of items since the last report; and (2) to provide that the Commission may require cumulative reports with respect to periods other than the calendar year.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

G. Exempted Transactions

Senate bill

Section 204(f) of the Senate bill amended section 304 of the Act by inserting a new subsection (d). Such subsection provided that Members of the Congress are not required to report as contributions or expenditures certain services furnished before the first day of January of the year before the year during which the term of the Member expires. Such services are (1) those furnished by the Senate Recording Studio; (2) those furnished by the House Recording Studio; (3) those furnished by employees whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives; and (4) those paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill, except that here the Senate bill provided that certain photographic, matting, and recording studio services, if reportable under the Act, were only reportable to the extent utilized in the calendar year before the expiration of a Member's term; the conference substitute provides only for the reporting during that year of recording studio services to the extent that they are reportable under the Act.

Campaign advertisements

Senate bill

Sections 204(f) and 205 of the Senate bill amended title III of the Act by striking out section 305, relating to reports by other than political committees, and by inserting the provisions of section 305 as a new section 304 (e). Section 205 of the Senate bill amended title III of the Act by inserting a new section 305, relating to requirements relating to campaign advertising.

Section 305(a) of the Act required that persons seeking to publish political advertisements must furnish to the publisher their identification and the identification of any person authorizing the political advertisement.

Section 305(b) required that each published political advertisement contain a statement of the identification of any person authorizing such political advertisement.

Section 305(c) required that publishers maintain records with respect to the publication of political advertisements. Section 304(d) provided that persons selling newspaper or magazine space to candidates may not charge rates which exceed rates for comparable space used for other purposes.

Section 305(e) required political committees to print on all literature and advertisements soliciting contributions a notice with respect to reports of such political committees filed with the Commission. Section 305(f) defined the terms "political advertisement" and "published".

House amendment

No provision.

Conference substitute

The conference substitute, like the Senate bill, continues the provision of existing law prohibiting newspapers or magazines from charging a rate for political advertising which is higher than the rate charged for any comparable use of the newspaper or magazine for other purposes.

Waiver of reporting requirements

Senate bill

Section 206 of the Senate bill amended section 306(c) of the Act, relating to waiver of certain reporting requirements, to provide that the Commission may relieve any category of candidates from personally complying with the filing requirements of section 304(a) through section 304(c) of the Act, and that the Commission may relieve any category of political committees from complying with such provisions if such political committees primarily support persons seeking State office and do not operate in more than one State or do not operate on a statewide basis.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Determination of date of filing

Senate bill

No provision.

House amendment

Section 204 of the House amendment amended section 306 of the Act, relating to formal requirements respecting reports and statements, by adding at the end thereof a new subsection (e) which provided that if a report or statement required to be filed by a candidate or committee relating to contributions or expenditures or registration of a committee is delivered by registered or certified mail, then the United States postmark stamped on the envelope containing such report shall be deemed to be the date of filing.

Conference substitute

The conference substitute is the same as the House amendment.

Duties of supervisory officer

A. Cumulative index

Senate bill

Section 208 of the Senate bill amended section 308(a)(6) of the Act, relating to duties of the supervisory officer, to provide that it shall be a duty of the Commission to compile and maintain a cumulative index of statements and reports filed with the Commission.

House amendment

The amendment made by section 205(a)(1) of the House amendment, which amended section 308(a)(6) of the Act, was essentially the same as the amendment made by section 208 of the Senate bill, with the following differences: (1) the amendment made by the Senate bill required the index to be published monthly, whereas the amendment made by the House amendment provided for publications at regular intervals; and (2) the amendment made by the Senate bill contained detailed requirements for identification of reports by the name of the candidate or committee, the dates of the reports, and the number of pages in the reports; these requirements were not specifically contained in the amendment made by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

B. Special reports

Senate bill

No provision.

House amendment

Section 205(a)(1) of the House amendment amended section 308 (a) of the Act, relating to duties of the supervisory officer, by inserting a new paragraph (7), which required the preparation of special reports listing candidates for whom reports were filed as required by title III of the Act and candidates for whom such reports were not filed as so required.

Conference substitute

The conference substitute is the same as the House amendment.

C. Elimination of Certain Duties

Senate bill

No provision.

House amendment

Section 205(a)(1) of the House amendment amended section 308(a) of the Act in order to eliminate the following duties of the supervisory officer: (1) the duty to compile and maintain a current list of statements relating to each candidate; (2) the duty to prepare and publish an annual report regarding contributions to and expenditures by candidates and political committees; (3) the duty to prepare special reports comparing totals and categories of contributions and expenditures; (4) the duty to prepare such other reports as the supervisory officer may deem appropriate; and (5) the duty to assure wide dissemination of statistics, summaries, and reports prepared under the Act.

Conference substitute

The conference substitute is the same as the House amendment.

D. Annual Report for 1973

Senate bill

No provision.

House amendment

Section 205(a)(2) of the House amendment provided that the annual report which the supervisory officer is required to file under section 308(a)(7) of the Act (which is eliminated by the amendment made by section 205(a)) shall not be filed with respect to any calendar year beginning after December 31, 1972.

Conference substitute

The conference substitute is the same as the House amendment.

E. Review of Regulations

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the Act by adding a new subsection (b), which required the supervisory officer, before prescribing any rule or regulation under section 308, to transmit a statement regarding such rule or regulation to the Senate or the House of Representatives, as the case may be. The new subsection (b) provided that such statement shall explain and justify the proposed rule or regulation.

Subsection (b) also provided that if the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of Representative, Delegate, or Resident Commissioner, he shall transmit such statement to the House of Representatives. If the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of Senator he shall transmit such statement to the Senate. If the supervisory officer proposes to prescribe any rule or regulation with respect to candidates for the office of President, he shall transmit such statement to the Senate and to the House of Representatives.

If either House which receives a statement from the supervisory officer disapproves the proposed rule or regulation within 30 legislative days after it is received, then the supervisory officer may not prescribe such rule or regulation. In the case of a proposed rule or regulation with respect to candidates for the office of President, if only one of the two Houses disapproves the proposed rule or regulation, such disapproval by one House is sufficient to prevent prescription of the rule or regulation.

Subsection (b) also defined the term "legislative days". With respect to statements transmitted to the Senate, such term does not include any calendar day on which the Senate is not in session. With respect to statement transmitted to the House, such term does not include any calendar day on which the House is not in session. With respect to statements transmitted to both Houses, such term does not include any calendar day on which both Houses of the Congress are not in session.

It should be noted that it was the intent of the members of the House committee that the Senate and the House of Representatives, in reviewing proposed rules and regulations under section 308(b) of the Act and under sections 9009(c) and 9039(c) of the Internal Revenue Code of 1954, as added by the House amendment, shall strive to achieve uniformity in such rules and regulations.

Conference substitute

The conference substitute is the same as the House amendment.

F. Custodial Receipt of Reports

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the Act by inserting a new subsection (c). Such subsection provided that the supervisory officer shall prescribe rules to carry out title III of the Act, including rules to require that (1) reports required to be filed by candidates for the office of Representative, Delegate, or Resident Commissioner, shall be filed with the Clerk of the House of Representatives as custodian for the Board of Supervisory Officers (hereinafter in this statement referred to as the "Board"); (2) reports required to be filed by candidates for the office of Senator shall be filed with the Secretary of the Senate as custodian for the Board; and (3) the Clerk of the House of Representatives and the Secretary of the Senate shall be required to (A) make such reports available for public inspection; and (B) preserve such reports.

Subsection (c) also required the Clerk of the House of Representatives and the Secretary of the Senate to cooperate with the Board in carrying out its duties under the Act.

Conference substitute

The conference substitute is the same as the House amendment.

G. Cooperation With State Officials

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of Act by striking out subsection (b), which required the supervisory officer to develop procedures in cooperation with State election officials to permit filing of Federal reports to comply with State requirements.

Conference substitute

The conference substitute is the same as the House amendment.

H. National Clearinghouse

Senate bill

No provision.

House amendment

Section 205(b) of the House amendment amended section 308 of the Act by striking out subsection (c), which required the Comptroller General to serve as a national clearinghouse for information regarding the administration of elections.

Conference substitute

The conference substitute is the same as the Senate bill, which retained the clearinghouse function, but it is vested in the Commission.

Changes in definitions

A. Applicability to Title IV

Senate bill

No provision.

House amendment

Section 206(a) of the House amendment amended section 301 of the Act, relating to definitions, to provide that definitions contained in such section applied to title IV of the Act as well as to title III of the Act.

Conference substitute

The conference substitute is the same as the House amendment.

B. Election

Senate bill

Section 202(a)(1) of the Senate bill amended section 301(a) of the Act, relating to the definition of election, in the same manner that section 301(a) of the Senate bill amended section 591(a) of title 18, United States Code, relating to the definition of election. The amendment made by section 202(a)(1) provided that such term does not include the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

C. Political committee

Senate bill

Section 202(a)(2) of the Senate bill amended section 301(d) of the Act, relating to the definition of political committee, in the same manner that section 301(b) of the Senate bill amended section 591(d) of title 18, United States Code, relating to the definition of political committee. The amendment made by section 202(a)(2) provided that such term means (1) any committee or other group of persons which receives contributions or makes expenditures during a calendar year exceeding $1,000; (2) any national committee, association, or organization of a political party, any State affiliate or subsidiary of a national political party, and any State committee of a political party, whether or not any such entity receives contributions or makes expenditures during a calendar year exceeding $1,000; and (3) any committee, association, or organization administering a separate segregated fund described in section 610 of title 18, United States Code, relating to contributions or expenditures by national banks, corporations, or labor organizations.

House amendment

Section 206(b) of the House amendment amended section 301(d) of the Act, relating to the definition of political committee, in the same manner that section 102(a) of the House amendment amended section 591(d) of title 18, United States Code, relating to the definition of political committee. This amendment extended the definition of political committee to include any individual, committee, association, or organization which commits any act for the purpose of influencing the outcome of any election for Federal office, except that communications which are excluded from the definition of expenditure under section 301(f)(4), as added by the House amendment, are excluded. Such communications included news stories and editorials distributed through the public media facilities (unless such facilities are owned or controlled by a political party or committee, or by a candidate), communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office), and any other communication which is not made for the purpose of influencing an election to Federal office.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally. A provision of the House amendment extended the duty to register as a political committee to any person committing any act to influence the outcome of any election. This provision is recast as a new section 308 of the Act, which will require any organization which expends any funds or commits any act directed to the public for the purpose of influencing the outcome of an election, or which publishes or broadcasts to the public material intended to influence public opinion with respect to candidates for Federal office, to register with the Commission as a political committee and report the source and amount of its funds and of its expenditures. Since these organizations use their resources for political purposes, often having a direct and substantial effect on the outcome of Federal elections, it would be inappropriate to permit these organizations to conceal the interests they represent solely because the organizations are able to avoid reporting and disclosure under the technical definitions of political committee, contribution, and expenditure. The conference substitute does not apply to individuals acting on their own behalf or to news stories, commentaries, and editorials published in bona fide newspapers, magazines, or other periodical publications.

D. Contribution

Senate bill

Section 202(a)(3) through section 202(a)(6) of the Senate bill amended section 301(e) of the Act, relating to the definition of contribution, in the same manner that section 301(c) of the Senate bill amended section 591(e) of title 18, United States Code, relating to the definition of contribution, except that the amendment made by section 202(a)(4) of the Senate bill provided that the term "contribution" shall not include payments made or obligations incurred by a corporation or labor organization which, under 610 of title 18, United States Code, would not constitute a contribution by such corporation or labor organization. The amendments made by section 202(a)(3) through section 202(a)(6) amended section 301(e) in the following ways: (1) to indicate that the term includes assessments, fees, or membership dues, connected with subscriptions; (2) to provide that such term does not apply to any transaction in connection with the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States; (3) to provide that such term applies to financing the operations of a political committee, and to the payment of any debt or obligation of a candidate or a political committee; (4) to eliminate the applicability of such term to contracts, promises, or agreements to make a contribution; and (5) to clarify that such term includes funds received by a political committee which are transferred to such committee from another political committee.

House amendment

Section 206(c) of the House amendment amended section 301(e)(5) of the Act, relating to an exception to the definition of contribution, in the same manner that section 102(b) of the House amendment amended section 591(e)(5) of title 18, United States Code, relating to an exception to the definition of contributions. Under this amendment, the following activities are not considered contributions: (1) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (2) the sale of food or beverages by a vendor to a candidate at a reduced charge if such charge is at least equal to the cost of such food or beverage to the vendor, to the extent that such accumulated charges do not exceed $500; (3) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; and (4) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally except that the provisions including membership fees and payments to finance the operations of a political committee or pay the debts of a committee or candidate are omitted and the provisions of the House amendment relating to exceptions from the definition of contribution are included.

E. Expenditure

Senate bill

Section 202(a)(7) of the Senate bill amended section 301(f) of the Act, relating to the definition of expenditure, in the same manner that section 301(d) of the Senate bill amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, with the following differences: (1) the amendment made by section 202(a)(7) of the Senate bill did not exclude loans of money by a national or State bank from the definition of expenditure; and (2) the amendment made by section 202(a)(7) of the Senate bill did exclude from the definition of expenditure payments made or obligations incurred by a corporation or labor organization which, under section 610 of title 18, United States Code, would not constitute an expenditure by such corporation or labor organization. The amendment made by section 202(a)(7) provided that such term means (1) a purchase, loan, or other described payment of money or anything of value made for the purpose of (A) influencing the nomination for election, or election, of any person to Federal office; (B) influencing the result of a Presidential primary election; (C) financing a political committee; or (D) paying any debt or obligation of a candidate or a political committee; and (2) the transfer of funds by a political committee to another political committee.

The amendment made by section 202(a)(7) of the Senate bill provided that the term "expenditure" does not include the value of services rendered by volunteer workers on behalf of a candidate.

House amendment

Section 206(d) of the House amendment amended section 301(f) of the Act, relating to the definition of expenditure, in the same manner that section 102(c) of the House amendment amended section 591(f) of title 18, United States Code, relating to the definition of expenditure, except that the amendment made by this section did not establish an exception for costs incurred by a candidate or political committee with respect to the solicitation of contributions by the candidate or political committee. Under this amendment, the following activities are not considered expenditures: (1) any news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, or periodical publication (unless such facilities are owned or controlled by a political party or committee, or by a candidate); (2) nonpartisan get-out-the-vote activity; (3) communications by a membership organization to its members (unless it is organized primarily for the purpose of influencing an election to Federal office); (4) the use of property by an individual who owns or leases such property with respect to the rendering of voluntary services by such individual on his residential premises for candidate-related activities, including the cost of invitations and food and beverages, to the extent that the cumulative value of such use does not exceed $500; (5) the travel expenses of an individual rendering voluntary services to a candidate, to the extent that the cumulative total of such expenses does not exceed $500; (6) communications which are not made to influence the outcome of elections for Federal office; (7) the payment by a State or local committee of a political party of the costs of preparation or distribution of any printed slate card or other printed listing of 3 or more candidates for public office who are candidates in the State in which such committee is located, but this exclusion does not apply to payment of costs for the display of any such printed listing through public media facilities (other than newspapers) or on outdoor advertising facilities such as billboards; (8) the costs of a candidate (including his principal campaign committee) with respect to his solicitation of contributions, except that this exception does not apply to costs which exceed 25 percent of the expenditure limitation applicable to such candidate under section 608(c) of title 18, as added by the House amendment; and (9) any costs incurred by a multicandidate committee which has been registered under the Act as a political committee for at least 6 months, has received contributions from at least 50 persons, and (except for State political party organizations) has made contributions to at least 5 candidates, in connection with soliciting contributions to itself or to a general political fund controlled by it, but this exclusion does not exempt costs of soliciting contributions through any public media facilities.

Conference substitute

The conference substitute follows the provisions of the Senate bill generally except that it omits payments to finance a political committee or pay debts of a committee or candidate and includes the exemptions of the House amendment with a modification. Although the definition of expenditure contained in section 591 of title 18, United States Code, as amended by this legislation, contains an exception for certain amounts spent solely in connection with fund raising activities, that exception is not contained in the definition of expenditure which relates to reporting and disclosure. Under the conference substitute a candidate or political committee must report all expenditures to the Commission but, to the extent provided in section 591(f) of title 18, United States Code, those expenditures used in raising funds are not counted against expenditure limits contained in that title. Nothing in this provision of the conference substitute is intended to require multicandidate committees to allocate among candidates amounts spent for fund raising activities, or to relieve such committees of reporting the expenditure of such amounts.

F. Identification

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (j), relating to the definition of identification. Such term was defined to mean (1) in the case of an individual, his name and the address of his principal place of residence; and (2) in the case of any other person, the name and address of such person.

Section 202(b) of the Senate bill amended section 302(b) of the Act, relating to reports of contributions in excess of $10, and section 302(c) of the Act, relating to detailed accounts, by inserting the term "identification" to clarify the nature of information which must be provided under each such subsection.

Section 204(b)(1) of the Senate bill amended section 304(b)(9) and 304(b)(10) of the Act, relating to reports by political committees and candidates, by inserting the term "identification" to clarify the nature of information which must be provided under each such paragraph. Use of the new term eliminated the requirement that information with respect to occupation and principal place of business must be provided.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

G. National Committee

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (k), relating to the definition of national committee. Such term was defined to mean the organization which is responsible for the day-to-day operations of a political party at the national level, as determined by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

H. Political Party

Senate bill

Section 202(a)(10) of the Senate bill amended section 301 of the Act, relating to definitions, by inserting a new paragraph (l), relating to the definition of political party. Such term was defined to mean any association or other organization which nominates a candidate for election to Federal office whose name appears on the election ballot as the candidate of such association or other organization.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

I. Supervisory Officer; Principal Campaign Committee; Board

Senate bill

No provision.

House amendment

Section 206(e) of the House amendment amended section 301(g) of the Act, relating to the definition of supervisory officer, to provide that such term means the Board of Supervisory Officers established by section 308(a)(1) of the Act, as added by the House amendment.

Section 206(f) of the House amendment amended section 301 of the Act, relating to definitions, by adding two new paragraphs. The new paragraph (j) defined the term "principal campaign committee" to mean the principal campaign committee designated by a candidate under section 302(f)(1) of the Act, as added by the House amendment.

The new paragraph (k) defined the term "Board" to mean the Board of Supervisory Officers established by section 308(a)(1) of the Act, as added by the House amendment.

Conference substitute

The conference substitute adds to the definitions contained in section 301 of the Act a definition of Commission, which relates to the Federal Election Commission established under the conference substitute, and the definition of principal campaign committee as in the House amendment.

Contribution information

Senate bill

Section 202(b)(3) of the Senate bill amended section 302(c) of the Act, relating to detailed accounts, to provide that if a person's contributions aggregate more than $100, then the treasurer of a political committee receiving such contributions shall furnish an account of the occupation and principal place of business of such person.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Federal election commission

A. Establishment; composition

Senate bill

Section 207(a) of the Senate bill amended title III of the Act by inserting a new section 308, relating to Federal Election Commission. The new section 308(a)(1) established the Federal Election Commission.

Section 308(a)(2) provided that the Commission shall be composed of 7 members appointed by the President by and with the advice and consent of the Senate. Of the 7 members (1) 2 shall be chosen from individuals recommended by the President pro tempore of the Senate, upon recommendation of the majority leader of the Senate and the minority leader of the Senate; and (2) 2 shall be chosen from individuals recommended by the Speaker of the House of Representatives, upon recommendation of the majority leader of the House and the minority leader of the House. The individuals chosen upon recommendation of the President pro tempore shall not be affiliated with the same political party. The same rule shall apply with respect to individuals chosen upon recommendation of the Speaker of the House. Of the 3 remaining members to be appointed by the President, no more than 2 may be affiliated with the same political party. The Comptroller General shall be a member of the Commission, in addition to the 7 other members, but he shall serve without the right to vote.

Members of the Commission, other than the Comptroller General, shall serve for terms of 7 years, except that section 308(a)(3) provided for staggering the terms of the initial members appointed to the Commission. Section 308(a)(4) provided that members shall be appointed on the basis of maturity, experience, and other similar factors, and that members may be reappointed only once.

Section 308(a)(5) provided that an individual appointed to fill a vacancy shall be appointed only for the unexpired term of the member he succeeds. Vacancies shall be filled in the same manner in which the office originally was filled.

Section 308(a)(6) provided that the Commission shall elect a chairman and vice chairman.

Section 308(b) provided that a vacancy shall not impair the exercise of powers of the Commission, and that 4 members shall constitute a quorum. Section 308(c) provided that the Commission shall have an official seal which shall be judicially noticed. Section 308(e) provided that the principal office of the Commission shall be at or near the District of Columbia, but that the Commission may meet or exercise its powers in any State.

Section 308(j) provided that section 7324 of title 5, United States Code (relating to influencing elections: taking part in political campaigns; prohibitions; exceptions) shall apply to members of the Commission.

House amendment

Section 207(a) of the House amendment amended title III of the Act by inserting a new section 308, relating to Board of Supervisory Officers.

The new section 308(a)(1) established the Board of Supervisory Officers and provided that the Board shall be composed of (1) the Clerk of the House of Representatives, who shall serve without the right to vote; (2) the Secretary of the Senate, who shall serve without the right to vote; (3) 2 individuals appointed by the President of the Senate, upon recommendation of the majority leader of the Senate and the minority leader of the Senate; and (4) 2 individuals appointed by the Speaker of the House of Representatives, upon recommendation of the majority leader of the House and the minority leader of the House.

The appointed members were required to be chosen, on the basis of their maturity, experience, integrity, impartiality, and good judgment, from among individuals who are not officers or employees in the executive, legislative, or judicial branch of the Federal Government (including elected and appointed officials). They serve for terms of 4 years, except that one of the members first appointed by the President of the Senate will be appointed for a term of 1 year and one will be appointed for a term of 3 years, and one of the members first appointed by the Speaker of the House will be appointed for a term of 2 years.

Section 308 also provided that the Board shall supervise administration of, seek to obtain compliance with, and formulate overall policy concerning, title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code. Members of the Board shall alternate in serving as chairman. Decisions of the Board shall be made by majority vote and no member of the Board may delegate to any person his vote or any decisionmaking authority or duty. Section 308 provided that the Board shall meet once per month and at the call of any member of the Board.

Conference substitute

The conference substitute provides for the establishment of a Federal Election Commission to administer, seek to obtain compliance with, and formulate policy with respect to the Act and certain provisions of chapter 29 of title 18, United States Code, relating to offenses in connection with Federal election campaigns. The Commission is composed of the Secretary of the Senate and the Clerk of the House, both of whom serve without additional compensation and without the right to vote, and 6 other members. Of the other members, 2 are appointed by the President pro tempore of the Senate, 2 are appointed by the Speaker of the House of Representatives, and 2 are appointed by the President. All 6 are subject to confirmation by both Houses of the Congress. The appointed members serve terms of 6 years each. The terms are staggered so that one member's term expires on April 30 of each year. The 2 members appointed by each appointing officer may not be affiliated with the same political party.

The Commission elects a chairman and vice chairman from among its members for terms of 1 year each on a rotating basis. Members of the Commission must be chosen on the basis of their personal qualifications and no member may be appointed to the Commission who at the time of taking office as such a member is an elected or appointed official of any branch of the United States Government.

B. Staff Director; General Counsel; Staff

Senate bill

Section 308(f) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall appoint a General Counsel and an Executive Director to serve at the pleasure of the Commission. The Commission may, by rule or order, delegate duties and functions to the Executive Director, except that the Commission may not delegate to the Executive Director the making of rules with respect to elections.

Section 308(g) provided that the Chairman of the Commission shall appoint and fix the compensation of personnel necessary to fulfill the duties of the Commission. Section 308(h) provided that the Commission may obtain the services of experts and consultants under section 3109 of title 5, United States Code (relating to employment of experts and consultants; temporary or intermittent).

Section 308(i) provided that the Commission shall seek the assistance of the General Accounting Office and the Department of Justice in carrying out its responsibilities under the Act. Such subsection also provided that the Comptroller General and the Attorney General may make available to the Commission, with or without reimbursement, personnel, facilities, and other assistance.

Section 207(b)(2) of the Senate bill amended section 5315 of title 5, United States Code, to provide that the General Counsel and Executive Director of the Commission shall be compensated under level IV of the Executive Schedule.

House amendment

Section 308(f) of the Act, as added by section 207(a) of the House amendment, provided that the Board shall appoint a Staff Director (whose rate of pay shall be the rate for level IV of the Executive Schedule, currently $38,000) and a General Counsel (whose rate of pay shall be the rate for level V of the Executive Schedule, currently $36,000). The Staff Director, with the approval of the Board, may appoint and fix the pay of additional personnel. At least 30 percent of such personnel shall be selected as follows: (1) one-half recommended by the minority leader of the Senate; and (2) one-half recommended by the minority leader of the House of Representatives. The Staff Director, with the approval of the Board, also may obtain temporary and intermittent services as provided by section 3109(b) of title 5, United States Code.

Conference substitute

The conference substitute is the same as the House amendment except that the provisions relating to minority staffing are omitted.

C. Budget Requests; Legislative Recommendations

Senate bill

Section 308(k) of the Act, as added by section 207(a) of the Senate bill, provided that whenever the Commission transmits any budget request to the President or to the Office of Management and Budget, it also shall transmit a copy of such request to the Congress.

Section 308(k) also provided that whenever the Commission transmits to the President or to the Office of Management and Budget any legislative recommendations or comments on legislation requested by the Congress or by any Member of the Congress, it also shall transmit a copy of such recommendations or comments to the Congress or to the Member of the Congress making such request. No officer or agency of the United States shall have authority to require the Commission to submit legislative recommendations or comments on legislation to such officer or agency for approval before the Commission transmits such recommendations or comments to the Congress.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

D. Powers

Senate bill

Section 309(a) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission has the power to (1) require any person to submit in writing such reports or answers as the Commission may require; (2) administer oaths; (3) require by subpena, signed by the Chairman or Vice Chairman of the Commission, the attendance and testimony of witnesses and the production of documentary evidence; (4) order testimony to be taken by deposition in any proceeding or investigation; (5) pay the same witness fees and mileage expenses paid by courts of the United States; (6) initiate, prosecute, defend, or appeal any civil or criminal action in the name of the Commission in order to enforce the Act and sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code; (7) delegate any of its functions or powers (other than the power to issue subpenas) to any officer or employee of the Commission; and (8) prescribe rules.

Section 309(b) provided that district courts of the United States may enforce subpenas issued by the Commission. Section 309(c) provided that no person shall be subject to civil liability to any person (other than the Commission or the United States) for disclosing information at the request of the Commission.

House amendment

Section 309(a) of the Act, as added by section 207(a) of the House amendment, provided that the Board shall have the power to (1) formulate general policy regarding the administration of title I of the Act, title III of the Act, and sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code; (2) oversee the development of prescribed forms required under title III of the Act; (3) review rules and regulations prescribed under title I of the Act or title III of the Act, to assure that such rules and regulations are consistent with the appropriate statutory provisions and that such rules and regulations are sufficiently uniform; (4) render advisory opinions under the new section 313 of the Act, as added by section 208 of the House amendment; (5) carry out investigations and hearings, to encourage voluntary compliance with Federal election law provisions, and to report apparent violations to the appropriate law enforcement authorities; (6) administer oaths or affirmations; (7) issue subpenas, signed by the Chairman of the Board, to require the testimony of witnesses and the production of documentary evidence relevant to any investigation or hearing conducted by the Board; and (8) pay the same witness fees and mileage expenses paid by courts of the United States.

Section 309 also provided that appropriate district courts of the United States shall have the power to issue orders enforcing subpenas issued by the Board.

Conference substitute

The conference substitute generally follows the provisions of the House amendment.

E. Reports

Senate bill

Section 308(d) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall, at the close of each fiscal year, report to the Congress and to the President with respect to (1) actions it has taken; (2) the names, salaries, and duties of individuals employed by the Commission; and (3) money disbursed by the Commission. Section 308(d) also provided that the Commission may make such further reports and recommendations as may appear desirable.

House amendment

Section 310 of the Act, as added by section 207(a) of the House amendment, provided that the Board shall transmit annual reports to the President and each House of the Congress, which shall describe the activities of the Board and recommend any legislative or other action the Board considers appropriate.

Conference substitute

The conference substitute is the same as the House amendment.

F. Investigations and Hearings

Senate bill

Section 309(d) of the Act, as added by section 207(a) of the Senate bill, provided that the Commission shall be the primary civil and criminal enforcement agency for violation of the provisions of the Act and sections 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, and 618 of title 18, United States Code. Violations of any such provision shall be prosecuted by the Attorney General or personnel of the Department of Justice only after the Commission is consulted and consents to such prosecution.

Section 309(e) of the Act established procedures for the imposition of civil penalties. The Commission shall have the power to assess a civil penalty of not more than $10,000 against any person who violates the Act or section 602, 608, 610, 611, 612, 613, 614, 615, 616, 617, or 618 of title 18, United States Code. Such penalty may be assessed only after the person involved is given an opportunity for a hearing and the Commission has determined, through a decision which incorporates findings of fact, that a violation did occur.

Section 309(e) also provided that, if a person fails to pay a civil penalty, the Commission shall file a petition for enforcement in any appropriate district court of the United States. The district court may determine de novo all questions of law, but the findings of fact made by the Commission shall be conclusive, to the extent they are supported by substantial evidence.

House amendment

Section 207(b)(1) of the House amendment amended section 311(c) of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by striking out paragraph (1) and inserting a new paragraph (1). The new paragraph (1) provided that if any person who believes a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, has occurred may file a complaint with the Board. If the Clerk of the House of Representatives, the Secretary of the Senate or any other person receiving reports and statements as custodian for the Board, has reason to believe that any such violation has occurred, then he shall refer such apparent violation to the Board.

Paragraph (1) also provided that if the Board receives a complaint or referral, or if the Board has reason to believe that any person has committed a violation, then the Board shall notify the person involved and shall either report the apparent violation to the Attorney General of the United States or make an investigation of the apparent violation. If the complainant involved is a candidate for Federal office, then any investigation conducted by the Board shall include an investigation of reports and statements filed by the complainant. The Board may not disclose any notification or investigation unless it receives written permission to do so by the person notified or under investigation. Such person also may request the Board to conduct a hearing regarding the apparent violation.

Paragraph (1) also provided that the Board seek to correct apparent violations through informal methods of conference, conciliation, and persuasion, and that the Board must refer apparent violations to law enforcement authorities if the Board considers it appropriate or if the Board fails to correct the violations.

Paragraph (1) also provided that if the Board concludes, after affording notice and opportunity for a hearing, that a person has committed or is about to commit any violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, then the Attorney General shall bring a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order.

Conference substitute

The conference substitute generally follows the provisions of the House amendment with two modifications. First, the Commission is given power to bring civil actions in Federal district courts to enforce the provisions of the Act where its informal methods of obtaining compliance fail to correct violations. Second, the Commission is given primary jurisdiction for the enforcement of the provisions of the Act. Thus, any person must exhaust his administrative remedies with respect to violations under this Act. The primary jurisdiction of the Commission to enforce the provisions of the Act is not intended to interfere in any way with the activities of the Attorney General or Department of Jutsice personnel in performing their duties under the laws of the United States.

G. Report by Attorney General

Senate bill

No provision.

House amendment

Section 207(b)(2) of the House amendment amended section 311 of the Act (as so redesignated by section 207(a)(1)), relating to duties of the supervisory officer, by adding a new subsection (d) which required the Attorney General to report to the Board regarding apparent violations referred to the Attorney General by the Board. The reports were required to be made no later than 2 months after referral and on a monthly basis thereafter until there is a final disposition of the apparent violation. The new subsection (d) also provided that the Board may publish reports on the status of referrals made by the Board to the Attorney General.

Conference substitute

The conference substitute is the same as the House amendment.

H. Salaries

Senate bill

Section 207(b)(1) of the Senate bill amended section 5314 of title 5, United States Code, to provide that members of the Commission shall be compensated under level III of the Executive Schedule.

House amendment

Section 308(a)(1)(iv) of the Act, as added by section 207(a) of the House amendment, provided that members of Board (other than the Clerk of the House of Representatives and the Secretary of the Senate) shall receive compensation at a rate equivalent to the rate of compensation paid under level IV of the Executive Schedule.

Conference substitute

The conference substitute is the same as the House amendment.

I. Transition

Senate bill

Section 207(c) of the Senate bill provided that the Comptroller General, the Secretary of the Senate, and the Clerk of the House of Representatives shall continue to carry out their responsibilities under title I of the Act and title III of the Act until the appointment and qualification of members of the Commission and the General Counsel of the Commission. Upon such appointment, the Comptroller General, the Secretary of the Senate, and the Clerk of the House shall meet with the Commission to arrange the transfer, within 30 days after such appointment, of appropriate documents and records.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

J. Conforming and Technical Changes

Senate bill

Section 207(d) of the Senate bill made conforming and technical amendments to title III of the Act required by the provisions of the Senate bill establishing the Commission.

House amendment

Section 206(e) of the House amendment, which amended section 301(g) of the Act, relating to the definition of supervisory officer, to provide that such term means the Board, eliminated any necessity for conforming or technical amendments to title III of the Act.

Conference substitute

The conference substitute is the same as the Senate bill.

K. Judicial Review

Senate bill

Section 214 of the Senate bill amended title IV of the Act by inserting a new section 407, relating to judicial review. Section 407 authorized the Commission, the national committee of any political party, and any individual eligible to vote in any election for the office of President to bring any appropriate action in the appropriate district court of the United States to implement or construe any provision of the Act or of chapter 29 of title 18, United States Code. The district court was required to certify all questions of constitutionality to the United States court of appeals for the circuit involved, which was required to hear the matter sitting en banc.

Section 407 also provided that any decision on a matter certified to a circuit court shall be reviewable by appeal directly to the Supreme Court of the United States. Such appeal must be brought within 20 days after the decision of the court of appeals. The court of appeals and the Supreme Court shall advance on the docket and expedite the disposition of any matter certified to the circuit court.

House amendment

The amendment made by section 207(c) of the House amendment was the same as the amendment made by section 214 of the Senate bill, with the following differences: (1) the amendment made by the House amendment was to title III of the Act, inserting a new section 315; and (2) section 315 was made applicable to sections 608, 610, 611, 613, 614, 615, and 616 of title 18, United States Code, and not to chapter 29 of title 18, United States Code.

Conference substitute

The conference substitute generally follows the House amendment and makes it clear that these special judicial review provisions are available only for actions directed at determining the constitutionality of provisions of the Act and of provisions of title 18, United States Code, related to the activities regulated by the Act.

Judicial review of agency action

Senate bill

Section 209 of the Senate bill amended title III of the Act by inserting a new section 313, relating to judicial review. Section 313(a) provided that an agency action of the Commission shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition by an interested person.

Section 313(b) provided that the Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, may institute such actions as may be appropriate to implement the provisions of the Act. Section 313(c) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to agency action by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Financial assistance to States

Senate bill

Section 210 of the Senate bill amended section 309 of the Act, relating to statements filed with State officers, by inserting a new subsection (c). Such subsection authorized the appropriation of $500,000 to the Commission during each fiscal year, to be made available to the States by the Commission to assist the States in carrying out their responsibilities under section 309.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Statements filed with State officers

Senate bill

Section 210 of the Senate bill amended section 309(a)(1) of the Act, relating to statements filed with State officers, to provide that a candidate for the office of President or Vice President is required to file statements in each State in which he is a candidate or in which substantial expenditures are made by him or on his behalf.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Regulation of certain campaign activities

A. Approval of Certain Expenditures

Senate bill

Section 316 of the Act, as added by section 212 of the Senate bill, provided that the national committee of a political party shall approve each expenditure in excess of $1,000 made by the candidate of such party for the office of President or Vice President. Each national committee approving expenditures was required to register under section 303 of the Act and to report each such expenditure, together with the identity of each person requesting approval of the national committee for the making of expenditures. Section 316 also provided that no political party may have more than one national committee.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

B. Certain Uses of Contributions

Senate bill

Section 317 of the Act, as added by section 212 of the Senate bill, provided that excess contributions received by a candidate and moneys received by an individual holding Federal office for the purpose of supporting the activities of such individual as a holder of Federal office, may be used by such candidate or individual to defray ordinary and necessary expenses incurred in connection with his duties as a holder of Federal office, or may be contributed by him to any organization described in section 170(c) of the Internal Revenue Code of 1954, relating to the definition of charitable contribution, or for any other lawful purpose.

Section 317 also provided that any such contributions, amounts contributed, or expenditures shall be fully disclosed by the candidate or individual holding Federal office, in accordance with rules prescribed by the Commission.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill. The provisions of this section do not affect any rule of the Senate or of the House of Representatives limiting the use of funds received as political contributions nor do they have any effect on the Federal tax treatment of any such contributions used by a candidate for personal purposes.

C. Suspension of Use of Frank

Senate bill

Section 318 of the Act, as added by section 212 of the Senate bill, provided that no Senator, Representative, Delegate, or Resident Commissioner may make any mass mailing of a newsletter or mailing with a simplified form of address under the frank during the 60-day period immediately before an election in which he is a candidate.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill. It is noted by the conferees that such provisions are similar to provisions in existing law.

D. Prohibition of Franked Solicitations

Senate bill

Section 319 of the Act, as added by section 212 of the Senate bill, provided that no Senator, Representative, Delegate, or Resident Commissioner may make any solicitation of funds by a mailing under the frank.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

Authorization of appropriations

Senate bill

Section 320 of the Act, as added by section 212 of the Senate bill, authorized to be appropriated to the Commission for the purposes of carrying out its functions under title III of the Act, title V of the Act (as added by the Senate bill), and chapter 29 of title 18, United States Code, not to exceed $5,000,000 for fiscal year 1974, and not to exceed $5,000,000 for each fiscal year thereafter.

House amendment

Section 316 of the Act, as added by section 207(c) of the House amendment, provided that, notwithstanding any other provision of law, such sums as may be necessary may be appropriated to the Board to enable the Board to carry out its duties under the Act.

Conference substitute

The conference substitute authorizes an appropriation of $5,000,000 for fiscal year 1975.

Penalties

Senate bill

Section 212 of the Senate bill amended title III of the Act by striking out section 311, relating to penalty for violations, and by inserting a new section 321, relating to penalty for violations.

Section 321(a) provided that violation of any provision of title III of the Act is a misdemeanor punishable by a fine of not more than $10,000, imprisonment for not more than one year, or both.

Section 321(b) provided that violation of any such provision with knowledge or reason to know that the act committed or omitted is a violation of title III of the Act is punishable by a fine of not more than $100,000, imprisonment for not more than 5 years, or both.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill, but like the House amendment retains the penalty contained in existing law.

Advisory Opinions

Senate bill

Section 309(f) of the Act, as added by section 207(a) of the Senate bill, provided that, upon application by any individual holding Federal office, any candidate, or any political committee, the Commission shall provide an advisory opinion, within a reasonable time, with respect to whether a transaction or activity may constitute a violation of any provision of the Act or of title 18, United States Code, over which the Commission has primary jurisdiction.

House amendment

Section 208 of the House amendment amended title III of the Act by inserting a new section 313, relating to advisory opinions. The new section 313 provided for the rendering of advisory opinions by the Board. Section 313 provided that if an individual holding Federal office, a candidate, or a political committee, makes a written request to the Board, then the Board shall render a written advisory opinion regarding whether any activity of the individual, candidate, or political committee would constitute a violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 or title 18, United States Code.

The new section 313 also provided that if a person acts in good faith in compliance with an advisory opinion rendered at his request, then the person shall be presumed to be in compliance with the statutory provision regarding which the advisory opinion is rendered. Section 313 also provided that any request for an advisory opinion shall be made public by the Board. The Board was required to provide interested parties with an opportunity to furnish written comments to the Board concerning any request before the Board renders an advisory opinion regarding the request.

Conference substitute

The conference substitute is the same as the House amendment, except that it is extended to Commission function under chapters 95 and 96 of the Internal Revenue Code of 1954.

GENERAL PROVISIONS

Effect on State Law

Senate bill

Section 213 of the Senate bill amended section 403 of the Act, relating to effect on State law, to provide that the provisions of the Act preempt any provision of State law with respect to campaigns for election to Federal office.

House amendment

Section 301 of the House amendment amended section 403 of the Act, relating to effect on State law, in essentially the same manner as the amendment made by section 213 of the Senate bill.

Conference substitute

The conference substitute is the same as the House amendment.

The conference substitute follows the House amendment. It is clear that the Federal law occupies the field with respect to reporting and disclosure of political contributions to and expenditures by Federal candidates and political committees, but does not affect State laws as to the manner of qualifying as a candidate, or the dates and places of elections.

Period of limitations

Senate bill

No provision.

House amendment

Section 406 of the Act, as added by section 302 of the House amendment, provided that no criminal action may be brought against a person for violation of title I of the Act, title III of the Act, or section 608, 610, 611, 613, 614, 615, or 616 of title 18, United States Code, unless such action is brought before the expiration of 3 years after the date of such violation. Under existing law the period of limitations is 5 years.

Section 406 also provided that (1) the new period of limitations shall apply to violations committed before, on, or after the effective date of such section; (2) no person shall be prosecuted, tried, or punished for any violation of title I of the Act, title III of the Act, or section 608, 610, 611, or 613 of title 18, United States Code, as in effect on the day before the effective date of this legislation, if the act or omission constituting such violation does not constitute a violation of any such provision as amended by this legislation; and (3) section 406 shall not affect any proceeding pending in any court of the United States on the effective date of section 406.

Conference substitute

The conference substitute is generally the same as the House amendment, but it provides that no criminal proceedings are to be instituted after December 31, 1974, for violations of the old law which do not constitute violations of the law as amended by the conference substitute.

Enforcement

Senate bill

No provision.

House amendment

Section 407 of the Act, as added by section 302 of the House amendment, provided that if the Board finds, after notice and opportunity for a hearing on the record, that a candidate failed to file a report required by title III of the Act, then the candidate shall be disqualified from becoming a candidate in any future Federal election for a period beginning on the date of the finding and ending one year after the expiration of the term of the Federal office for which the person was a candidate. Any such finding would be reviewable by the courts under chapter 7 of title 5, United States Code, in the same manner as in the case of any other final agency action under the administrative procedures provisions of title 5 of the United States Code.

It was the intent of the members of the House committee that the enforcement mechanism of section 407 shall not be applied in any case in which the candidate involved demonstrates that he did not receive timely notice from the Board advising him of an approaching filing date regarding reports he is required to file under title III of the Act.

Conference substitute

The conference substitute is the same as the House amendment.

AMENDMENTS TO OTHER LAWS; EFFECTIVE DATES

Political activities by state and local officers and employees

Senate bill

No provision.

House amendment

Section 401 of the House amendment amended section 1502 of title 5, United States Code (relating to influencing elections: taking part in political campaigns; prohibitions; exceptions) to provide that State and local officers and employees may take an active part in political management and in political campaigns, except that they may not be candidates for elective office.

Conference substitute

The conference substitute is the same as the House amendment.

It is the intent of the conferees that any State law regulating the political activities of State and local officers and employees is not preempted or superseded by the amendments to title 5, United States Code, made by this legislation.

Campaign contributions

A. Repeal of Certain Provisions

Senate bill

Section 201(e) of the Senate bill repealed title I of the Act, relating to campaign communications.

House amendment

Section 402 of the House amendment amended title I of the Act, relating to campaign communications, by striking out section 104, relating to limitations of expenditures for use of communications media.

Under the amendment made by this section, a candidate is no longer restricted with respect to expenditures for use of communications media. The House amendment, however, established overall limitations on campaign expenditures, but left the candidate free to decide the purpose for which such expenditures will be made. The House committee also noted that, on November 14, 1973, the United States District Court for the District of Columbia decided, in the case of *American Civil Liberties Union* v. *Jennings* (366 F. 2d 1041), that the requirement of section 104(b) of the Act that a candidate certify that certain media advertising (newspapers, magazines, and billboards) did not violate the expenditure limitations repealed by this section was an unconstitutional prior restraint upon publication in violation of First Amendment rights.

Conference substitute

The conference substitute is the same as the Senate bill.

B. Availability of Broadcast Facilities

Senate bill

Section 201(a) of the Senate bill amended section 315(a) of the Communications Act of 1934, relating to facilities for candidates for public office, by inserting a new paragraph (2) and paragraph (3).

Paragraph (2) provided that a licensee may meet the equal broadcast time requirements of section 315(a) with respect to a candidate seeking equal broadcast time if (1) the licensee makes available without charge to such candidate at least 5 minutes of broadcast time; (2) the licensee notifies such candidate of the availability of such time at least 15 days before the election involved; and (3) the broadcast will cover, in whole or in part, the geographical area in which such election is held.

Paragraph (3) provided that a candidate could not make use of broadcast time offered to him under paragraph (2) unless he notified the licensee of his acceptance within 48 hours after receipt of the offer.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

C. Charges for Use of Facilities

Senate bill

Section 201(b) of the Senate bill amended section 315(b) of the Communications Act of 1934, relating to facilities for candidates for public office, to provide that rules established by section 315(b) governing charges made by broadcasting stations shall apply whether the candidate himself uses the facilities of the station, or such facilities are used by other persons on behalf of the candidate.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

D. Expenditure Certifications

Senate bill

Section 201(c)(1) of the Senate bill amended section 315(c) of the Communications Act of 1934, relating to facilities for candidates for public office, to provide that the expenditure limitations applicable to such subsection shall be those in effect under section 504 of the Act, as added by the Senate bill, or under section 614 of title 18, United States Code, as added by the Senate bill.

Section 201(c)(2) of the Senate bill amended section 315(d) of such Act to provide that if a State imposes an expenditure limitation with respect to candidates for public office (other than Federal office), then a station licensee may not make a charge for the use of his facilities by or on behalf of any such candidate unless such candidate certifies to such station licensee that payment of the charge will not violate the expenditure limitation established by the State.

House amendment

Section 402(c) of the House amendment amended section 315 of the Communications Act of 1934, relating to facilities for candidates for public office, by striking out subsections (c), (d), and (e). The effect of the amendment was to eliminate the requirement that licensees of broadcasting stations obtain certification from a candidate that his purchase of air time on the station involved does not exceed his expenditure limitations under title I of the Act or under any provision of State law.

Conference substitute

The conference substitute is the same as the House amendment.

E. Political Advertisements on Radio

Senate bill

Section 201(d) of the Senate bill amended section 317 of the Communications Act of 1934, relating to announcement of payment for broadcast, to provide that (1) a political broadcast soliciting funds shall include an announcement (the time for which shall be made available without charge by the licensee) that reports of the candidate involved filed with the Commission are available from the Commission; and (2) station licensees shall maintain records of political advertisements which are broadcast by such licensees.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Automatic transfers to campaign fund

Senate bill

No provision.

House amendment

Section 403 of the House amendment amended section 9006(a) of the Internal Revenue Code of 1954 (hereinafter in this statement referred to as the "Code"), relating to establishment of campaign fund, to provide that the Secretary of the Treasury (hereinafter in this statement referred to as the "Secretary") shall automatically transfer to the Presidential Election Campaign Fund, out of amounts in the general fund of the Treasury not otherwise appropriated, an amount equal to amounts designated under section 6096 of the Code, relating to designation of income tax payments to the Presidential Election Campaign Fund.

Conference substitute

The conference substitute is the same as the House amendment.

The conference substitute also provides that there is appropriated to the Presidential Election Campaign Fund all amounts designated by taxpayers for payment under section 6096 of the Code, relating to designation by individuals to the Presidential Election Campaign Fund, before January 1, 1975, to the extent that such amounts are not otherwise taken into account under the provisions of section 9006 of the Code, relating to payments to eligible candidates, as amended by this legislation.

Entitlement to payments from presidential election campaign fund

Senate bill

No provision.

House amendment

Section 404 of the House amendment amended section 9004(a)(1) of the Code, relating to entitlement of eligible candidates to payments to provide that eligible candidates of each major party in a Presidential election shall be entitled to equal payments in an amount not to exceed $20,000,000. The amendment eliminated the formula under which candidates of a major party would receive 15 cents multiplied by the number of residents of the United States who are 18 years of age or older.

Conference substitute

The conference substitute is the same as the House amendment.

Definition of authorized committee

Senate bill

No provision.

House amendment

Section 404(c) of the House amendment amended section 9002(1) of the Code, relating to the definition of "authorized committee", to provide that such term means, with respect to candidates for President or Vice President, the political committee designated under section 302(f)(1) of the Act, as added by the House amendment, by the candidate for President as his principal campaign committee. Section 404(c) also contained technical conforming amendments to various sections of the Code made necessary by the change made to the definition of "authorized committee".

Conference substitute

The conference substitute omits the provisions of the House amendment. This omission conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

The conference substitute also amends section 9002(3) of the Code, relating to the definition of "Comptroller General", by eliminating such definition and inserting a new definition, relating to the Federal Election Commission established by section 310(a)(1) of the Act, as amended by this legislation. The conference substitute also contains technical conforming amendments to various sections of the Code made necessary by the decision of the conferees to substitute the Commission for the Comptroller General with respect to administration of the Code political financing provisions.

The conference substitute also repeals chapter 96 of the Code, relating to Presidential Election Campaign Fund Advisory Board. It is the opinion of the conferees that the Commission will be in a position to perform those functions which were assigned to such Board under chapter 96.

Certification for payment by Commission

Senate bill

No provision.

House amendment

Section 405 of the House amendment amended section 9005(a) of the Code relating to initial certifications for eligibility for payments, to provide that, not later than

10 days after candidates of a political party have established their eligibility to receive payments, the Comptroller General shall certify to the Secretary payment in full of the candidates entitlements. The amendment, together with the amendment made by section 406(a) of the House amendment, eliminated the procedure under which candidates were required to submit records of expenses and proposed expenses in order to obtain certification from the Comptroller General for payments. Section 406(a) of the House amendment amended chapter 95 of subtitle H of the Code, relating to the Presidential election campaign fund, by striking out section 9008, relating to information on proposed expenses.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

Financing of Presidential nominating conventions

Senate bill

No provision.

House amendment

Section 406(a) of the House amendment amended chapter 95 of subtitle H of the Code, relating to the Presidential election campaign fund, by inserting a new section 9008, relating to payments for Presidential nominating conventions.

A. Establishment of accounts.—Section 9008(a) provided that the Secretary shall maintain in the Presidential Election Campaign Fund a separate account for the national committee of a major political party or a minor political party. The Secretary shall deposit in each account each national committee's entitlement under section 9008. These deposits shall be drawn from amounts designated under section 6096 of the Code, relating to designation of income tax payments to the Presidential election campaign fund, and the deposits shall be made before any transfer of funds to the account of any eligible candidate under section 9006(a) of the Code, relating to establishment of campaign fund.

B. Entitlement to payments.—Section 9008(b) provided that the national committee of a major party is entitled to payments not to exceed $2,000,000. The national committee of a minor party is entitled to payments not to exceed an amount which bears the same ratio to the entitlement of the national committee of a major party as the number of votes received by the candidate for President of the minor party in the preceding Presidential election bears to the average number of votes received by candidates for President of the major parties in the election. The national committee of a minor party could use additional private funds in the operation of a Presidential nominating convention, but only to the extent that the total expenditure (counting both public and private funds) does not exceed $2,000,000. A major party electing to receive its $2,000,000 entitlement could not use any additional private funds. The only exception to the $2,000,000 limitation would be an instance in which the Presidential Election Campaign Advisory Board permitted the expenditure of private funds under section 9008(d).

C. Use of funds.—Section 9008(c) provided that no part of payments made under section 9008 may be used to defray expenses of any candidate or delegate participating in any Presidential nominating convention. The payments are to be used only to (1) defray expenses incurred with respect to a Presidential nominating convention (including payment of deposits) by the national committee; or (2) repay loans which were used to defray such expenses.

D. Limitation of expenditures.—Section 9008(d) provided that the national committee of a major party or a minor party may not make expenditures which exceed the amount of the entitlement of the national committee of a major party under section 9008. Notwithstanding this limitation, the national committee of a major party or minor party may make expenditures from private sources in excess of this limitation if such expenditures are authorized by the Presidential Election Campaign Advisory Board. Before making any authorization, such Board shall determine that extraordinary and unforeseen circumstances have made necessary such expenditures to assure effective operation of the Presidential nominating convention. It was the intent of the House committee that such Board shall make authorizations only in cases in which events of a catastrophic nature overwhelmingly imperil the operation of a Presidential nominating convention.

E. Other provisions.—

1. Payments to the national committee of major parties and minor parties under section 9008 may be made beginning on July 1 of the calendar year before the calendar year in which the Presidential nominating convention is held.

2. If, after each national committee has been paid the amount to which it is entitled, there are moneys remaining in national committee accounts, then such moneys shall be transferred to the Presidential Election Campaign Fund.

3. In order to qualify for payments, any major party or minor party may file a statement with the Comptroller General designating the national committee of the party. After the Comptroller General verifies the statement he shall certify to the Secretary payment in full of the entitlement of the national committee. Payments shall be subject to examination and audit, which the Comptroller General shall conduct before the close of the calendar year in which the nominating convention is held.

4. The Comptroller General may require repayments from the national committee of a major party or minor party in the same manner as he may require repayments from candidates under section 9007(b) of the Code, relating to repayments.

F. Conforming amendments.—Section 406(b) of the House amendment amended section 9009(a) of the Code, relating to reports, to require that reports of the Comptroller General include the following information: (1) expenses incurred by the national committee of a major party or minor party with respect to a Presidential nominating convention; (2) amounts certified by the Comptroller General for payment to such national committees; and (3) the amount of repayments required from such national committees, and the reason for any repayments.

Section 406(b) also amended section 9012(a)(1) of the Code, relating to excess campaign expenses, to make it unlawful for the national committee of a major party or minor party to incur convention expenses in excess of the applicable expenditure limitation, unless such expenses are authorized by the Presidential Election Campaign Fund Advisory Board.

Section 406(b) also amended section 9012(c) of the Code, relating to unlawful use of payments, to make it unlawful for the national committee of a major party or minor party to use payments for any purpose which is not authorized by section 9008(c), relating to use of funds.

Section 406(b) also amended section 9012(e)(1) of the Code, relating to kickbacks and illegal payments, to make it unlawful for the national committee of a major party or minor party to give or accept any kickback or other illegal payment in connection with any convention expense incurred by with national committee.

Conference substitute

The conference substitute is the same as the House amendment, except for the following changes:

1. The conference substitute eliminates the role of the Comptroller General and the Presidential Election Advisory Board, and substitutes the Commission.

2. The conference substitute provides that the $2,000,000 payments limit and expenditure limit shall be subject to cost-of-living adjustments in the same manner as the expenditure limitations contained in title 18, United States Code, as amended by this legislation.

Participation in the convention financing program of this legislation is optional. The provisions of this legislation do not require the national committee of a major party or a minor party to seek to qualify for payments.

If the national committee of a major party chooses to participate and qualifies for payments, it will be limited to payments aggregating $2,000,000. If such national committee chooses not to participate in the financing program, it still will be subject to the $2,000,000 spending limitation.

If the national committee of a minor party chooses to participate and qualifies for payments, it will be entitled to payments in amounts based on the voting strength of the minor party. If the national committee of a minor party participates in the financing program, it still could use additional private funds in the operation of a Presidential nominating convention, but only to the extent that the total expenditure (counting both public and private funds) does not exceed $2,000,000.

If the national committee of a minor party chooses not to participate in the financing program, it still will be subject to the $2,000,000 spending limitation.

Advertising in convention programs

Senate bill

No provision.

House amendment

Section 406(d) of the House amendment amended section 276 of the Code, relating to certain indirect contributions to political parties, by striking out subsection (c), relating to advertising in a convention program of a national political convention. The effect of the amendment was to eliminate any income tax deduction for any amount paid for advertising in a convention program.

Conference substitute

The conference substitute is the same as the House amendment.

Tax returns by political committees

Senate bill

No provision.

House amendment

Section 407 of the House amendment amended section 6012(a) of the Code, relating to persons required to make returns of income, to provide that any political committee which has no gross income for a taxable year shall be exempt from the requirement of making a return for such taxable year.

Conference substitute

The conference substitute is the same as the House amendment.

Public financing of Federal election campaigns

A. In General

Senate bill

Section 101 of the Senate bill amended the Act by inserting a new title V. Title V provided that public financing would be available on a matching basis to all candidates for Federal office in primary election campaigns, and that complete public financing (up to the expenditure limitations established by the Senate bill) would be available to all candidates of major parties in general election campaigns, with proportionate amounts available to all candidates of minor parties and other parties.

House amendment

Section 408 of the House amendment amended subtitle H of the Code by inserting a new chapter 97, relating to Presidential primary matching payment account. Chapter 97 provided that public financing would be available on a matching basis to all candidates for the office of President in primary election campaigns.

Conference substitute

The conference substitute is the same as the House amendment.

B. Short Title

Senate bill

No provision.

House amendment

Section 9031 of the Code, as added by section 408(c) of the House amendment, provided that chapter 97 of the Code may be cited as the "Presidential Primary Matching Payment Account Act".

Conference substitute

The conference substitute is the same as the House amendment.

C. Definitions

Senate bill

Section 501 of the Act, as added by section 101 of the Senate bill, contained the following definitions:

1. The terms "candidate", "Commission", "contribution", "expenditure", "national committee", "political committee", "political party", and "State" were given the same meanings as given them by section 301 of the Act.

2. The term "authorized committee" was defined to mean the central campaign committee of a candidate designated under section 310 of the Act, relating to central campaign committees, as added by the Senate bill, or any political committee authorized in writing to receive contributions or make expenditures for a candidate.

3. The term "Federal office" was defined to mean the office of President, Senator, or Representative.

4. The term "Representative" was defined to mean a Member of the House of Representatives, the Resident Commissioner from the Commonwealth of Puerto Rico, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

5. The term "general election" was defined to mean any regularly scheduled or special election held to elect a candidate to Federal office or to elect Presidential and Vice-Presidential electors.

6. The term "primary election" was defined to mean (A) an election, including a runoff election, held for the nomination of a candidate by a political party for election to Federal office; (B) a convention or caucus of a political party to nominate a candidate; (C) a convention, caucus, or election held to select delegates to a national nominating convention of a political party; and (D) an election held for expression of a preference for nomination of persons for election to the office of President.

7. The term "eligible candidate" was defined to mean a candidate who is eligible under section 502 of the Act, relating to eligibility for payments, as added by the Senate bill, for payments under title V of the Act, as added by the Senate bill.

8. The term "major party" was defined to mean (A) a political party whose candidate for the Federal office involved in the preceding general election for such office received (as the candidate of such party) at least 25 percent of the votes cast in such election; or (B) if only one political party qualifies as a major party under the provisions of (A), the political party whose candidate for the Federal office involved in the preceding general election for such office received (as a candidate of such party) the second greatest number of votes cast in such election, if (i) such number is equal to at least 15 percent of the votes cast in such election; and (ii) in a State which registers voters by political party, the registration of such political party in such State or district is equal to at least 15 percent of the total number of voters registered in such State or district.

9. The term "minor party" was defined to mean a political party whose candidate for the Federal office involved in the preceding general election for such office received (as a candidate of such party) at least 5 percent but less than 25 percent of the votes cast in such election.

10. The term "fund" was defined to mean the Federal Election Campaign Fund established by section 506(a) of the Act, relating to payments to eligible candidates, as added by the Senate bill.

House amendment

Section 9032 of the Code, as added by section 408(c) of the House amendment, contained the following definitions:

1. The term "authorized committee" was defined to mean the political committee designated under section 302(f)(1) of the Act, as added by the House amendment, by the candidate of a political party for President as his principal campaign committee.

2. The term "candidate" was defined to mean an individual who seeks nomination for election to the office of President. An individual shall be considered to be seeking the nomination if he (A) takes actions necessary under State law to qualify for nomination; (B) receives contributions or incurs qualified campaign expenses; or (C) gives his consent for any other person to receive contributions or incur qualified campaign expenses on his behalf.

3. The term "Comptroller General" was defined to mean the Comptroller General of the United States.

4. The term "contribution" was defined to mean (A) a gift, subscription, loan, advance, or deposit of money or anything of value made for the purpose of influencing the result of a primary election, if payment is made on or after the beginning of the calendar year preceding the calendar year of the Presidential election with respect to which such primary election is held; (B) a contract, promise, or agreement to make a contribution; (C) a transfer of funds between political committees; (D) payment by any person, other than a candidate or his authorized committee, of compensation for personal services of another person which are rendered to the candidate or committee without charge. Such term did not include the value of personal services rendered on a voluntary basis by persons who receive no compensation for such services, or any payments made under section 9037, relating to payments to eligible candidates, as added by the House amendment.

5. The term "matching payment account" was defined to mean the Presidential Primary Matching Payment Account established under section 9037(a), relating to establishment of account, as added by the House amendment.

6. The term "matching payment period" was defined to mean the period beginning with the beginning of the calendar year in which a general election for the office of President is held and ending on the date which the party whose nomination a candidate seeks nominates its candidate for such office.

7. The term "primary election" was defined to mean an election, including a runoff election or a nominating convention or caucus held by a political party, for selection of delegates to a national nominating convention of a political party, or for expression of a preference for nomination of persons for election to the office of President.

8. The term "political committee" was defined to mean any individual, committee, association, or organization which accepts contributions or incurs qualified campaign expenses for the purpose of influencing the nomination for election of one or more individuals to be President.

9. The term "qualified campaign expense" was defined to mean a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value incurred by a candidate or his authorized committee in connection with his campaign for nomination for election, neither the incurring nor payment of which violates any Federal or State law.

10. The term "State" was defined to mean each State of the United States and the District of Columbia.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute defines the term "authorized committee" to mean any political committee authorized in writing by candidates for the office of President or Vice President to make expenditures on behalf of such candidates. The conference substitute requires such authorization to be addressed to the chairman of such political committee, with a copy filed with the Commission. Any withdrawal of such authorization also must be in writing, addressed to the chairman, and filed with the Commission.

This change conforms with the decision of the conferees to permit authorized committees, as well as the principal campaign committee, to make expenditures on behalf of a candidate.

2. The conference substitute omits the definition of "Comptroller General" and inserts a definition of the Federal Election Commission established by section 310(a)(1) of the Act, as amended by this legislation. This change conforms with the decision of the conferees to substitute the Commission for the Comptroller General with respect to administration of the Code political financing provisions.

3. The conference substitute provides that, with respect to political parties which do not nominate their candidates for the office of President by holding national conventions, the end of the matching payment period shall be the earlier of (A) the date such parties nominate their candidate; or (B) the last day of the last nominating convention held by a major party during the calendar year of the general election for the office of President.

D. Eligibility for Payments

Senate bill

Section 502(a) of the Act, relating to eligibility for payments, as added by section 101 of the Senate bill, provided that, to be eligible to receive payments under title V of the Act, a candidate shall agree (1) to obtain and furnish to the Commission evidence with respect to his campaign expenditures and contributions; (2) to keep records, books, and other information; (3) to submit to an audit and examination by the Commission; and (4) to furnish statements of expenditures and proposed expenditures under section 508 of the Act, relating to information of expenditures and proposed expenditures, as added by the Senate bill.

Section 502(b) provided that every candidate shall certify to the Commission that (1) he and his authorized committees will not make expenditures in excess of the limitations established by section 504 of the Act, relating to expenditure limitations, as added by the Senate bill; and (2) no contributions will be accepted by him or his authorized committees in violation of section 615(b) of title 18, United States Code, relating to limitations on contributions, as added by the Senate bill.

Section 502(c)(1) provided that, to be eligible to receive payments for use in connection with his primary election campaign, a candidate shall certify to the Commission that (1) he is seeking nomination for election as a Representative and he has received contributions of more than $10,000; (2) he is seeking nomination for election to the Senate and he has received contributions equal to the lesser of (A) 20 percent of the maximum he may spend under section 504(a)(1) of the Act, relating to expenditure limitations, as added by the Senate bill; or (B) $125,000; or (3) he is seeking nomination for election to the office of President and he has received contributions of more than $250,000, with not less than $5,000 in matchable contributions having been received from residents of each of at least 20 States.

Section 502(c)(2) provided that, to be eligible to receive payments for use in connection with his primary runoff election campaign, a candidate shall certify to the Commission that he is seeking nomination for election as a Representative or as a Senator, and that he is a candidate for such nomination in a primary runoff election.

Section 502(d) provided that, to be eligible to receive payments for use in connection with his general election campaign, a candidate shall certify to the Commission that (1) he is the nominee of a major party or a minor party; or (2) in the case of any other candidate, he is seeking election to Federal office and he has received contributions in a total amount not less than the amount of contributions required to be received under section 502(c) for the Federal office involved.

Section 502(e) provided that, in determining the amount of contributions received by a candidate for purposes of section 502(c) and section 502(d)(2), the following rules shall apply: (1) no contributions in the form of subscriptions, loans, advances, deposits, products, or services, shall be taken into account; (2) in the case of a candidate for nomination for election to the office of President, no contributions in excess of $250 from any person shall be taken into account; and (3) in the case of any other candidate, no contributions in excess of $100 from any person shall be taken into account.

House amendment

Section 9033(a) of the Code, as added by section 408(c) of the House amendment, required that a candidate seeking to become eligible for payments shall in writing (1) furnish to the Comptroller General evidence of qualified campaign expenses; (2) agree to keep and furnish to the Comptroller General records, books, and other information; and (3) agree to an audit and examination by the Comptroller General, and agree to make repayments required under section 9038 of the Code, relating to examinations and audits, repayments, as added by the House amendment.

Section 9033(b) required that a candidate seeking to become eligible for payments shall certify to the Comptroller General that (1) the candidate and his authorized committee will not incur qualified campaign expenses in excess of the limit imposed by section 9035 of the Code, relating to qualified campaign expense limitation, as added by the House amendment; (2) the candidate is seeking nomination by a political party for election to the office of President; (3) the candidate and his authorized committee have received contributions which exceed $5,000 from residents of each of at least 20 States; and (4) the aggregate of contributions certified with respect to any one such resident does not exceed $250.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

S. Entitlement to Payments

Senate bill

Section 503(a) of the Act, relating to entitlement to payments, as added by section 101 of the Senate bill, provided that every eligible candidate is entitled to payments in connection with his primary election campaign in an amount equal to the amount of contributions received by such candidate, except that no contributions in the form of subscriptions, loans, advances, deposits, products, or services, shall be taken into account.

For purposes of section 503(a), the following rules shall apply: (1) in the case of a candidate for nomination for election to the office of President, no contributions in excess of $250 from any person shall be taken into account; and (2) in the case of any other candidate, no contributions in excess of $100 from any person shall be taken into account.

Section 503(b)(1) provided that every eligible candidate nominated by a major party is entitled to receive payments for use in connection with his general election campaign in an amount equal to the amount of expenditures such candidate may make in connection with such campaign under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill.

Section 503(b)(2) provided that every eligible candidate nominated by a minor party is entitled to receive payments for use in connection with his general election campaign in an amount equal to the greater of (1) an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by the candidate of such minor party in the preceding general election bears to the average number of votes received by major party candidates in such election; or (2) an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by such eligible candidate (other than votes he received as the candidate of a major party) in the preceding general election bears to the average number of votes received by major party candidates in such election.

Section 503(b)(3) provided that candidates, other than major party or minor party candidates, eligible under section 502(d)(2) of the Act, relating to eligibility for payments, as added by the Senate bill, shall receive payments in amounts determined as follows: If any such candidate received, in the preceding general election for the Federal office involved, 5 percent or more of the total number of votes cast, he is entitled to receive payments for use in his general election campaign in an amount (not in excess of the applicable expenditure limitation under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill) equal to an amount having the same ratio to the amount of payments to which a major party candidate is entitled as the total number of votes received by such eligible candidate in the preceding general election for the Federal office involved bears to the average number of votes received by major party candidates in such election. Section 503(b)(3) also provided that the foregoing formula shall not apply in determining the entitlement of any candidate who was the candidate of a major party or minor party in the preceding general election for the Federal office involved.

Section 503(b)(4) provided that an eligible candidate nominated by a minor party or whose entitlement is determined under section 502(d)(2) of the Act, relating to eligibility for payments, as added by the Senate bill, and who receives at least 5 percent of the total number of votes in the current election, is entitled to payments under section 506 of the Act, relating to payments to eligible candidates, as added by the Senate bill, for expenditures made or incurred in connection with his general election campaign in an amount (not in excess of the applicable expenditure limitation under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill) equal to (1) an amount having the same ratio to the amount of payments to which a major party candidate was or would have been entitled to receive, as the total number of votes received by such eligible candidate in such election bears to the average number of votes received by major party candidates in such election, reduced by (2) any amount paid to such eligible candidate under section 506 before such election.

Section 503(b)(5) provided that, in applying the provisions of section 503 to a candidate for election to the office of President the following rules shall apply: (1) votes cast for electors affiliated with a political party shall be considered as cast for the candidate of such party for the office of President; and (2) votes cast for electors publicly pledged to cast their electoral votes for a candidate shall be considered as cast for such candidate.

Section 503(c) provided that no candidate is entitled to payments in excess of the expenditure limitation applicable to him for the election campaign involved under section 504 of the Act, relating to expenditure limitations, as added by the Senate bill.

House amendment

Section 9034(a) of the Code, as added by section 408(c) of the House amendment, provided that every eligible candidate is entitled to payments in an amount equal to contributions received by the candidate and his authorized committee on or after the beginning of the calendar year before the calendar year of the Presidential election with respect to which the candidate is seeking nomination. Contributions from any one person will qualify for matching only to the extent that such contributions do not aggregate more than $250.

For purposes of section 9033(b) of the Code (relating to expense limitation; declaration of intent; minimum contributions), as added by the House amendment, and section 9034(a), the term "contribution" was defined to mean a gift of money made by a written instrument which identifies the person making the contribution. Such term did not include a subscription, loan, advance, or deposit of money, or anything described in section 9032(4)(B), (C), or (D) of the Code, relating to the definition of contribution, as added by the House amendment.

Section 9034(b) provided that payments under section 9034(a) may not exceed 50 percent of the expenditure limitation for Presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment.

Conference substitute

The conference substitute is the same as the House amendment.

With respect to candidates who elect to receive matching payments, all contributions (including those needed to meet the threshold requirements of $5,000 in each of 20 States) received on or after January 1 of the year preceding the year in which the Presidential election is held will be matched with payments from checkoff funds under the financing program. A candidate may not receive matching payments for any contributions not raised on or after January 1 of the year preceding the year in which the Presidential election is held, and such contributions may not be applied by such candidate to meet threshold requirements.

F. Limitation on Qualified Campaign Expenses

Senate bill

No provision.

House amendment

Section 9035 of the Code, as added by section 408(c) of the House amendment, prohibited any candidate from incurring qualified campaign expenses in excess of the expenditure limitation for Presidential primaries established by section 608(c)(1)(A) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment.

The conference substitute is the same as the House amendment.

G. Certification Procedures

Senate bill

Section 505 of the Act, as added by section 101 of the Senate bill, provided that the Commission, on the basis of records furnished by each eligible candidate and before an examination and audit conducted by the Commission, shall certify from time to time to the Secretary for payment to each candidate the amount to which such candidate is entitled.

Section 505 also provided that certifications and all determinations made by the Commission under title V of the Act shall be final, except to the extent they are subject to examination and audit by the Commission and to judicial review under section 313 of the Act, as added by the Senate bill.

House amendment

Section 9036(a) of the Code, as added by section 408(c) of the House amendment, provided that, not later than 10 days after a candidate establishes his eligibility for payments, the Comptroller General shall certify to the Secretary payment in full to the candidate of amounts to which he is entitled.

Section 9036(b) provided that such certification and all determinations of the Comptroller General under chapter 97 of the Code are final and conclusive, except to the extent they are subject to examination and audit by the Comptroller General and to judicial review.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

The conference substitute provides that the Commission shall make such additional certifications as may be necessary to assure that candidates will receive payments for matchable contributions under section 9037 of the Code.

H. Payments to Eligible Candidates

Senate bill

Senate 506(a) of the Act, as added by section 101 of the Senate bill, established within the Treasury of the United States a fund to be known as the Federal Election Campaign Fund. Section 506(a) also authorized the appropriation of funds in amounts equal to amounts designated under section 6096 of the Code, relating to designation by individuals of income tax payments to Presidential Election Campaign Fund, not previously taken into account for purposes of section 506(a), together with such additional funds as may be necessary to carry out title V of the Act.

Section 506(b) provided that the Secretary shall, upon receipt of certification from the Commission, pay the amount certified to the candidate involved.

Section 506(c)(1) provided that, if the Secretary determines that amounts in such Fund are not sufficient to pay entitlements of all candidates, then he shall reduce the amount to which each candidate is entitled by a percentage equal to the percentage obtained by dividing (1) the amount of moneys in such Fund at the time of such determination by (2) the total amount which all eligible candidates are entitled to receive. The Secretary was required to make further reductions if additional candidates become eligible after such determination.

Section 506(c)(2) provided that if, as a result of reductions in the amount of entitlement, a candidate has received payments in excess of his entitlement, then such candidate is liable for repayment to such Fund of the amount of such excess.

Section 506(d) provided that no payment shall be made under title V of the Act to any candidate in connection with any election held before January 1, 1976.

House amendment

Section 9037(a) of the Code, as added by section 408(c) of the House amendment, required the Secretary to establish in the Presidential Election Campaign Fund a separate account to be known as the Presidential Primary Matching Payment Account (hereinafter in this statement referred to as the "matching payment account"). The Secretary was required to deposit into the matching payment account, for use by eligible candidates, amounts available after the Secretary determines that amounts for payments to candidates in the general election for the office of President and amounts for payments to national committees of major parties and minor parties for Presidential nominating conventions, are available for such payments.

Section 9037(b) required the Secretary to transfer certified amounts to candidates during the matching payment period. In making transfers to candidates of the same political party, the Secretary was required to seek an equitable distribution of funds, taking into account the sequence in which certifications are received. Transfers to candidates of the same political party may not exceed 45 percent of the total amount available in the matching payment account, and transfers to any candidate may not exceed 25 percent of the total amount available in the matching payment account.

Conference substitute

The conference substitute is the same as the House amendment, except that the percentage limitations on transfer to candidates and political parties are ommitted.

I. Examination and Audits; Repayments

Senate bill

Section 507(a) of the Act, as added by section 101 of the Senate bill, required the Commission to conduct an examination and audit of the campaign expenditures of every candidate receiving payments under title V of the Act after each Federal election.

Section 507(b)(1) provided that if the Commission determines that a candidate received payments in excess of his entitlement, then the candidate shall be required to repay the excess amount. Section 507(b)(1) also provided that if the Commission determines that payments made to a candidate were not used to make expenditures in connection with the election campaign of such candidate, such candidate shall be required to pay an amount equal to the unexpended portion of such payments to the Secretary. The Commission, in making such determination, was required to consider amounts received as contributions to have been expended before any amounts received under title V of the Act are expended.

Section 507(b)(2) provided that if the Commission determines that a candidate has used payments for any purpose other than to defray campaign expenses or to repay loans or restore funds which were used to defray campaign expenses, then the candidate shall be required to repay the amount involved.

Section 507(b)(3) provided that no payments shall be required from a candidate under section 507(b) in excess of payments received by such candidate under section 506 of the Act, relating to payments to eligible candidates, as added by the Senate bill.

Section 507(c) provided that the Commission may not make a notification of a required repayment by a candidate with respect to any election campaign more than 18 months after the day of the election involved.

Section 507(d) required the Secretary to deposit repayments received by him under section 507(b) in such Fund.

House amendment

Section 9038 of the Code, as added by section 408(c) of the House amendment, was the same as section 507 of the Act, as added by the Senate bill, with the following differences:

1. The responsibility for administering section 9038 was given to the Comptroller General, and not to the Commission.
2. The Comptroller General was required to conduct examinations and audits at the end of each matching payment period, and not after each Federal election.
3. Section 9038(a) specifically required examinations and audits of the authorized committee of each candidate, together with examinations and audits of each candidate.
4. With respect to the repayment by candidates of unexpended portions of payments section 9038(b)(3) provided that payments to a candidate from the matching payment account may be retained to pay qualified campaign expenses for a period not exceeding 6 months after the close of the matching payment period. After a candidate has liquidated all obligations, that portion of any balance remaining in his account which bears the same ratio to the total balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's account, shall be repaid by the candidate to the matching payment account.
5. Section 9038 did not contain a provision that no payments shall be required from a candidate in excess of payments received by such candidate.
6. Section 9038(c) provided that notifications of required repayments could not be made more than 3 years after the end of the matching payment period involved.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

J. Information on Expenditures

Senate bill

Section 508(a) of the Act, as added by section 101 of the Senate bill, provided that every candidate shall, from time to time, furnish to the Commission a detailed statement of (1) campaign expenditures incurred by him and his authorized committees before the date of the statement; and (2) campaign expenditures which he and his authorized committees propose to incur on or after the date of the statement.

Section 508(b) provided that the Commission shall prepare and make available for public inspection summaries of statements received under section 508(a).

House amendment

No provision. Section 9036(a) of the Code, relating to initial certifications, as added by the House amendment, which required immediate certification of payment in full to candidates of all amounts to which they are entitled, made unnecessary any provision comparable to section 508 of the Act, as added by the Senate bill.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

K. Reports to the Congress

Senate bill

Section 509(a) of the Act, as added by section 101 of the Senate bill, required the Commission, after the close of each calendar year, to transmit a report to each House of the Congress setting forth (1) campaign expenses of every candidate and authorized committee; (2) the amount of payments certified by the Commission; and (3) the amount of repayments required from every candidate, and the reason for any repayments.

Section 509(b) authorized the Commission to (1) conduct examinations and audits, in addition to examinations and audits required under sections 505 and 507 of the Act, as added by the Senate bill; (2) conduct investigations; and (3) require the keeping and submission of books, records, and information.

House Amendment

Section 9039(a) and section 9039(b) of the Code, as added by section 408(c) of the House amendment, were the same as section 509 of the Act, as added by the Senate bill, with the following differences:

1. Section 9039(a) placed the reporting requirements on the Comptroller General, and not on the Commission.

2. Section 9039(a) required reports after each matching payment period, and not at the close of each calendar year.

3. Section 9039(b), in addition to authority granted by section 509(b) of the Act, as added by the Senate bill, gave the Comptroller General authority to prescribe rules and regulations. It should be noted that section 309(a)(8) of the Act, as added by section 207(a) of the Senate bill, gave the Commission general authority to prescribe rules to carry out all provisions of the Act.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

L. Review of Regulations

Senate bill

No provision.

House amendment

Section 9039(c) of the Code, as added by section 408(c) of the House amendment, provided that the Comptroller General, before prescribing any rule or regulation, shall transmit the proposed rule or regulation, together with a detailed explanation and justification, to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House of Representatives. If either committee does not disapprove the proposed rule or regulation no later than 30 legislative days after receipt of the proposed rule or regulation, then the Comptroller General is authorized to prescribe such rule or regulation. Section 9039(c) prohibited the prescription of any rule or regulation which is disapproved by either committee.

Section 9039(c) also provided that the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

2. The conference substitute provides that proposed rules and regulations shall be transmitted to the Senate and to the House of Representatives, instead of to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House. This change conforms to the amendment to section 308 of the Act made by section 205(b) of the House amendment, which is adopted by the conference substitute.

M. Participation in Judicial Proceedings

Senate bill

Section 510 of the Act, as added by section 101 of the Senate bill, provided that the Commission may initiate civil proceedings in any district court of the United States to seek recovery of amounts determined to be payable to the Secretary under title V of the Act.

House amendment

Section 9040(a) of the Code, as added by section 408(c) of the House amendment, authorized the Comptroller General to appear in and defend against any action brought under section 9040 of the Code.

Section 9040(b) authorized the Comptroller General to bring actions in the district courts of the United States for recovery of repayments required as a result of examinations and audits conducted by the Comptroller General.

Section 9040(c) authorized the Comptroller General to petition the courts of the United States for injunctive relief to implement the provisions of chapter 97 of the Code, as added by the House amendment.

Section 9040(d) authorized the Comptroller General to appeal any action in which he appears.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

N. Judicial Review

Senate bill

Section 313 of the Act, as added by section 209 of the Senate bill, provided for judicial review of the actions of the Commission under the provisions of the Act. Section 313(a) provided that an agency action of the Commission shall be subject to review by the United States Court of Appeals for the District of Columbia upon petition by an interested person.

Section 313(b) provided that the Commission, the national committee of any political party, and individuals eligible to vote in an election for Federal office, may institute such actions as may be appropriate to implement the provisions of the Act. Section 313(c) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to agency action by the Commission.

House amendment

Section 9041(a) of the Code, as added by section 408(c) of the House amendment, provided that any agency action of the Comptroller General under chapter 97 of the Code, as added by the House amendment, is subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed no later than 30 days after the agency action involved.

Section 9041(b) provided that chapter 7 of title 5, United States Code, relating to judicial review, shall apply to any agency action by the Comptroller General. The term "agency action" was given the same meaning given it by section 551(13) of title 5, United States Code.

Conference substitute

The conference substitute is the same as the House amendment, except that the conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

O. Criminal Penalties

Senate bill

Section 511 of the Act, as added by section 101 of the Senate bill, provided that violation of any provision of title V of the Act shall be punishable by a fine of not more than $50,000, or imprisonment for not more than 5 years, or both.

House amendment

Section 9042(a) of the Code, as added by section 408(c) of the House amendment, provided that any person who incurs qualified campaign expenses in excess of the expenditure limitation for Presidential primaries established by section 608(c)(1) of title 18, United States Code, relating to limitations on contributions and expenditures, as added by the House amendment, shall be fined not more than $25,000 or imprisoned not more than 5 years, or both. Section 9042(a) also provided that any officer or member of a political committee who knowingly consents to an expenditure which violates such limitation shall be fined not more than $25,000 or imprisoned not more than 5 years, or both.

Section 9042(b) made it unlawful for any person who receives a payment from the matching payment account, or to whom a portion of such payment is transferred, to use such payment for any purpose other than to defray qualified campaign expenses or to repay loans or restore funds which were used to defray qualified campaign expenses. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(c) made it unlawful for any person to refuse to furnish information which may be required under chapter 97 of the Code, as added by the House amendment, or to furnish false information. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

Section 9042(d) made it unlawful for any person to give or accept any kickback or other illegal payment in connection with any qualified campaign expense of a candidate or authorized committee. Any person who violates this provision shall be fined not more than $10,000 or imprisoned not more than 5 years, or both. Section 9042(d) also provided that any person who accepts any kickback or other illegal payment shall pay to the Secretary for deposit in the matching payment account an amount equal to 125 percent of the kickback or other illegal payment received.

Conference substitute

The conference substitute is the same as the House amendment.

P. Relationship To Other Federal Election Laws

Senate bill

Section 512 of the Act, as added by section 101 of the Senate bill, provided that the Commission shall consult with the Secretary of the Senate, the Clerk of the House of Representatives, the Federal Communications Commission, and other Federal officers charged with administering Federal election laws, in order to develop consistency and coordination in the administration of such laws. Section 512 also required the Commission to use, whenever possible, the same or comparable data as that used in the administration such other Federal election laws.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Review of regulations

Senate bill

No provision.

House amendment

Section 409 of the House amendment amended section 9009 of the Code (relating to reports to Congress; regulations) to establish a procedure for the review of regulations by congressional committees identical to the procedures established by the new section 9039(c) of the Code, relating to review of regulations, as added by section 408(c) of the House amendment.

Conference substitute

The conference substitute is the same as the House amendment, with the following changes:

1. The conference substitute eliminates the role of the Comptroller General and substitutes the Commission.

2. The conference substitute provides that proposed rules and regulations shall be transmitted to the Senate and to the House of Representatives, instead of to the Committee on Rules and Administration of the Senate and the Committee on House Administration of the House. This change conforms to the amendment to section 308 of the Act made by section 205(b) of the House amendment, which is adopted by the conference substitute.

Effective dates

Senate bill

No provision. Section 506(d) of the Act, as added by section 101 of the Senate bill, provided that no payment shall be made under title V of the Act before January 1, 1976.

House amendment

Section 410(a) of the House amendment provided that the provisions of this legislation (other than amendments to the Code) shall take effect 30 days after the date of the enactment of this legislation.

Section 410(b)(1) of the House amendment provided that amendments to the Code made by sections 403, 404, 405, 406, 408, and 409 of the House amendment shall apply with respect to taxable years beginning after December 31, 1973.

Section 410(b)(2) of the House amendment provided that the amendment made by section 407 of the House amendment shall apply with respect to taxable years beginning after December 31, 1971.

Conference substitute

The conference substitute provides for the following effective dates:

1. Section 104 of this legislation, relating to effect on State law, and the amendment made by section 301 of this legislation, relating to effect on State law are effective on the date of the enactment of this legislation. Except as already noted with respect to State laws regulating political activities of State and local employees, all State and local laws relating to criminal offenses referred to in chapter 29 of title 18, United States Code, and to registration, reporting, and disclosure requirements for Federal elections are preempted and superseded by Federal law immediately upon enactment of this legislation.

2. The amendment made by section 407 of this legislation, relating to tax returns by political committees, is made to apply with respect to taxable years beginning after December 31, 1971. This provision incorporates the provision of the House amendment.

3. The remaining provisions of this legislation are effective January 1, 1975. Although the conference substitute makes the provisions relating to political convention financing and Presidential election financing effective on January 1, 1975, moneys designated for deposit in the Presidential Election Campaign Fund before January 1, 1975, are appropriated for distribution to national committees and candidates in accordance with the provisions of this legislation.

OTHER PROVISIONS

Disclosure of financial interests

Senate bill

Title IV of the Senate bill established requirements for the disclosure of financial interests by certain Federal officers and employees.

Section 401(a) of the Senate bill required that reports shall be filed with the Commission by the following individuals: (1) any candidate for Federal office who does not occupy any Federal office at the time he becomes a candidate; (2) each Member of the Congress; (3) each officer and employee of the United States, including any member of the uniformed service, with an annual salary of at least $25,000; (4) each officer and employee of the United States performing duties of a type generally performed by an individual occupying grade GS-16 of the General Schedule or any higher grade or position; (5) the President; and (6) the Vice President. Individuals in the first category described above shall file reports within one month after becoming a candidate. Individuals in the other categories shall file annual reports.

Each report shall contain a statement of (1) taxes paid by the individual, or by the individual and his spouse filing jointly, for the preceding calendar year; (2) the amount and source of each item of income (other than gifts received from his spouse or his immediate family) received by the individual which exceeds $100 in amount or value, including honorariums and income in the form of goods or services; (3) the amount of each asset held by the individual worth more than $1,000, and the amount of each liability of more than $1,000 owed by the individual ; (4) any securities transactions by the individual in amounts in excess of $1,000; (5) any commodities transactions by the individual in amounts in excess of $1,000; and (6) any purchase or sale of real property (other than his personal residence) by the individual if the value of the property involved exceeds $1,000.

Section 401(b) provided that annual reports shall be filed no later than May 15 of each year. Any person who, before such date, ceases to hold an office or position requiring him to file a report, shall file such report on the last day he holds such office or position, or within 3 months after such day, as the Commission may prescribe.

Section 401(c) authorized the Commission to prescribe rules governing the form of reports and provided that the Commission may allow the grouping of items of income and other related items.

Section 401(d) provided that any person who willfully fails to file a report or who willfully and knowingly files a false report shall be fined not more than $2,000, or imprisoned not more than 5 years, or both.

Section 401(c) provided that reports filed under section 401 shall be maintained by the Commission as public records.

Section 401(f) provided that an individual shall be considered to be in one of the categories described above with respect to a given calendar year if he holds the office or position involved for more than 6 months during such calendar year.

Section 401(g) contained the following definitions:

1. The term "income" was defined to mean gross income as defined in section 61 of the Code, relating to the definition of gross income.

2. The term "security" was given the same meaning as given it by section 2 of the Securities Act of 1933, relating to definitions.

3. The term "commodity" was given the same meaning as given it by section 2 of the Commodity Exchange Act, relating to definitions.

4. The term "transactions in securities or commodities" was defined to mean any acquisition, holding, or disposition involving any security or commodity.

5. The term "Member of Congress" was defined to mean a Senator, Representative, Resident Commissioner, or Delegate.

6. The term "officer" was given the same meaning as given it by section 2104 of title 5, United States Code, relating to the definition of officer.

7. The term "employee" was given the same meaning as given it by section 2105 of title 5, United States Code, relating to the definition of employee.

8. The term "uniformed service" was defined to mean (1) any of the Armed Forces; (2) the commissioned corps of the Public Health Service; or (3) the commissioned corps of the National Oceanic and Atmospheric Administration.

9. The term "immediate family" was defined to mean the child, parent, grandparent, brother, or sister of an individual, and the spouses of such persons.

Section 401(i) provided that the first report required under section 401 shall be due 30 days after the date of the enactment of this legislation, and shall be filed with the Comptroller General.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Amendment to Administrative Procedure Act

Senate bill

Section 401(h) of the Senate bill amended section 554 of title 5, United States Code, relating to adjudications, by inserting a new subsection (f). The new subsection (f) provided that written communications stating the circumstances of oral communications made to an agency with respect to an adjudication subject to section 554 by any person who is not an officer or employee of such agency, shall be made part of the public record of the adjudication involved. This rule shall not apply to communications to any officer, employee, or agent of the agency who is performing the investigative or prosecutorial functions of such agency with respect to the adjudication involved.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Simultaneous poll closing time

Senate bill

Section 501 of the Senate bill provided that on every national election day, beginning in 1976, the closing time of polling places in the several States shall be 11 p.m. in the eastern time zone, with simultaneous closing times in each of the other time zones. Section 501 also required that each polling place shall be open at least 12 hours.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Federal election day

Senate bill

Section 502 of the Senate bill amended section 6103(a) of title 5, United States Code, relating to holidays, to make the national election day (beginning in 1976) a legal public holiday. The amendment designated the first Wednesday next after the first Monday in November as the national election day.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

Review of income tax returns

Senate bill

Section 503(a) of the Senate bill provided that on or before July 1 of each year the Comptroller General shall obtain from the Internal Revenue Service the income tax returns of Members of the Congress, and each officer or employee of the executive, judicial, or legislative branch of the Federal Government, for the 5 previous years. The Comptroller General was required to inspect and audit such returns.

Section 506(b) required the Comptroller General to report the results of each such inspection and audit to the Internal Revenue Service, and to provide a copy of each such report to the individual involved.

Section 503(c) required the Internal Revenue Service to assist the Comptroller General in carrying out section 503.

House amendment

No provision.

Conference substitute

The conference substitute omits the provisions of the Senate bill.

WAYNE L. HAYS,
FRANK THOMPSON, JR.,
JOHN H. DENT,
JOHN BRADEMAS,
ED JONES,
ROBERT H. MOLLOHAN,
DAWSON MATHIS,
WILLIAM L. DICKINSON,
SAMUEL L. DEVINE,
JOHN WARE,
BILL FRENZEL,
Managers on the Part of the House.

HOWARD W. CANNON,
CLAIBORNE PELL,
JOHN O. PASTORE,
RUSSELL B. LONG,
EDWARD M. KENNEDY,
DICK CLARK,
HUGH SCOTT,
WALLACE F. BENNETT,
ROBERT P. GRIFFIN,
TED STEVENS,
CHARLES McC. MATHIAS, JR.,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 8193

Mrs. SULLIVAN submitted the following conference report and statement on the bill (H.R. 8193) to require that a percentage of U.S. oil imports be carried on U.S.-flag vessels:

CONFERENCE REPORT (H. REPT. NO. 93–1437)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8193) to require that a percentage of United States oil imports be carried on United States-flag vessels, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Energy Transportation Security Act of 1974".

SEC. 2. Section 901 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241), is amended by adding at the end thereof the following new subsection:

"(d)(1) The Secretary of Commerce shall take such steps as are necessary to assure that a quantity equal to 20 per centum of the gross tonnage of all oil transported in bulk on ocean vessels (whether transported directly from the original point of production or indirectly from such point to and from any intermediate points used for storage, refining, processing, packaging, unloading, or reloading of oil) for import into the United States shall be transported on privately owned United States-flag commercial vessels (to the extent that such vessels are available at fair and reasonable rates for such vessels), and to insure fair and reasonable participation of such vessels in such transportation from all geographical areas in which such oil is produced or refined or both. With respect to any period beginning after June 30, 1975, the quantity of such oil required to be transported on privately owned United States-flag commercial vessels shall be equal to 25 per centum of the gross tonnage of all oil transported in bulk on ocean vessels for import into the United States, and for any period beginning after June 30, 1977, such quantity shall be equal to 30 per centum of such gross tonnage: *Provided*, That (1) the Secretary of Commerce finds and determines 6 months prior thereto, in the exercise of his sole discretion, that the tonnage of privately owned United States-flag commercial vessels, including vessels on order and scheduled to be ready for commercial service by such date, will be adequate to carry such quantity; and (2) in the event that such tonnage is not found to be adequate to carry such quantity, there shall be carried on such vessels the basic 20 per centum requirement together with any excess over such requirement, but not to exceed the applicable per centum requirement, for which such Secretary finds that adequate tonnage will be available.

"(2) The Secretary of Commerce may by rule establish a system of reasonable classification of persons and imports subject to the provisions of this subsection, and such Secretary shall treat all persons in the same such classification in substantially the same manner. If any person alleges (A) that he has been incorrectly classified under any such rule; (B) that there is no reasonable basis in fact for any such classification; or (C) that as a consequence of any agency action, he is or may be treated substantially differently from any other persons in the same classification, such person may request, and, upon a reasonable showing, obtain, a hearing in accordance with section 554 of title 5, United States Code. Upon an agency decision, such person may request judicial review in the United States Court of Appeals for the District of Columbia. The scope of such review shall be governed by section 706 of title 5, United States Code, including the contention that the action of the agency was unsupported by substantial evidence.

"(3) The Secretary of Commerce is authorized to grant credits toward the fulfillment of the requirements of paragraph (1) of this subsection in the case of oil transported by privately owned United States-flag commercial vessels, over 100,000 deadweight tons, between foreign ports until such time as an oil discharge facility, capable of discharging fully laden vessels of over 200,000 deadweight tons, is in operation on any coast of the United States: *Provided*, That the Secretary of Commerce shall take all reasonable steps to assure that the authority provided in this paragraph not encourage, directly or indirectly, the construction, operation, or maintenance of a fleet of privately owned United States-flag commercial vessels different in numbers, types, or sizes than the fleet that would otherwise result.

"(4) As used in this subsection—

"(A) 'oil' means crude oil and the following products refined or derived from crude oil: unfinished fuels, gasoline, kerosene, aviation fuels, naphtha, cracking stocks, distillate heating oil, diesel oil, and residual oils;

"(B) 'privately owned United States-flag commercial vessels' are vessels of United States registry (or if at any time documented under the laws of any foreign nation, then documented under the laws of the United States for not less than the three previous years), built in the United States, and are not beyond their economic lives (as determined by the Secretary of Commerce), and with respect to which the owner or lessee thereof has entered into a capital construction fund agreement with such Secretary pursuant to which such vessel shall be replaced at the end of its economic life; and such agreement includes a mandatory deposit schedule to finance such replacement; and

"(C) 'United States' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico.

"(5) Each department, agency, or other instrumentality of the United States which is affected by any obligation imposed under this subsection, and any officer or employee thereof, shall take all appropriate action to assure compliance with such obligation and with regulations which shall be issued by the Secretary of Commerce to implement and enforce the provisions of this subsection. Each citizen of the United States and each person subject to the jurisdiction of the United States shall comply with such obligation and any applicable regulations issued by such Secretary under this subsection.

"(6) The Secretary of Commerce shall review, evaluate, and report annually to the Congress and the President on the implementation of the provisions of this subsection and the effectiveness of such provision together with his recommendations concerning such requirements. Each such report shall include, but not be limited to, a study of (1) the adequacy and availability of construction and reconstruction facilities in the United States for the vessels needed to meet the provisions of paragraph (1) of this subsection, and (2) the reasonableness of the prices charged and delivery dates for the construction and reconstruction of such vessels.

"(7) The requirements of paragraph (1) may be temporarily waived by the President upon determination that an emergency exists justifying such a waiver in the national interest."

SEC. 3. The provisions of this Act shall not apply to any refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 30,000 barrels per day: *Pro-*

vided, That the total quantity of such oil imported by or for such refiner does not in any year exceed the rated refining capacity of such refiner. Furthermore, in awarding contracts under this chapter, preference shall be given to persons who are citizens of the United States and who have the support, financial and otherwise, of the domestic communities primarily interested. Not later than March 1, 1975, and annually thereafter the Secretary shall submit to Congress a detailed report (1) describing the actions that have been taken pursuant to this Act to assure, insofar as possible, that direct and adequate service is provided by United States-flag commercial vessels to each range of ports referred to in this section and (2) including any recommendations for additional legislation that may be necessary to achieve the purposes of this section."

SEC. 4. License fees payable pursuant to Presidential proclamation for imports of oil imported into the United States shall be reduced by 15 cents per barrel of oil other than residual fuel oil and shall be reduced by 42 cents per barrel for residual fuel oil for a period of 5 years from the date of enactment of this Act if the Secretary of the Treasury determines—

(a) such oil is transported by privately owned United States-flag commercial vessels; and

(b) the amount resulting from the nonpayment of such license fees is passed on to the ultimate consumers of such oil in whatever form it is when ultimately consumed.

SEC. 5. Section 809 of the Merchant Marine Act, 1936 (46 U.S.C. 1213), is amended to read as follows: "Contracts under this chapter shall be entered into so as to equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes, and Pacific ports of the United States. In order to assure equitable treatment for each range of ports referred to in the preceding sentence, and to the extent that subsidy contracts are approved by the Secretary of Commerce, not less than 10 per centum of the funds appropriated or otherwise made available for the foreign-trade requirements of the United States pursuant to this Act or any law authorizing funds for the purposes of such Act shall be allocated for the foreign-trade requirements of each such port range.

SEC. 6. Any self-propelled vessel of more than 70,000 deadweight tons, designed for the carriage of oil in bulk, documented under the laws of the United States, the construction of which is contracted for after December 31, 1975, shall be constructed and operated using the best available pollution prevention technology.

If engaged in the carriage of oil in bulk to United States west coast ports situated on internal waters or straits, a self-propelled vessel of more than 20,000 deadweight tons, documented under the laws of the United States, the construction of which is contracted for after December 31, 1974, shall be equipped with a segregated ballast capacity determined appropriate by the Secretary of the Department in which the Coast Guard is operating, which shall be achieved in part by fitting, throughout the cargo length, a double bottom.

And the Senate agree to the same.

That the House recede from its disagreement to the Senate amendment to the title of the bill and agree to the same.

LEONOR K. SULLIVAN,
FRANK M. CLARK,
THOMAS N. DOWNING,
JAMES R. GROVER,
GEO. A. GOODLING,
Managers on the Part of the House.
WARREN G. MAGNUSON,
RUSSELL B. LONG,
ERNEST F. HOLLINGS,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8193) to require that a percentage of United States oil imports be carried on United States-flag vessels, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE OF THE ACT

The House bill provides that it is an Act "To require that a percentage of United States oil imports be carried on United States-flag vessels," whereas the title of the Senate amendment provides that it is an Act "To regulate commerce and strengthen national security by requiring that a percentage of the oil imported into the United States be transported on United States-flag vessels." The conferees agreed to the title in the Senate amendment.

OIL IMPORT REQUIREMENTS

The House bill amends section 901(b)(1) of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1241(b)(1)). Section 2 of the Senate amendment adds a new subsection (d) to section 901 of the Merchant Marine Act, 1936, as amended, generally containing most of the provisions set forth in the House bill. The conferees agreed to the Senate approach as it avoids certain provisions in section 901(b)(1) that should be applicable to the Government-generated cargoes subject to that section, but which should not be applicable to the oil imports covered by the Energy Transportation Security Act.

Acceptance of the Senate approach by the conferees, generally required the following technical amendments:

a. The House bill directs the "appropriate agency or agencies" to implement the provisions of the bill. Section 2 of the Senate amendment would direct the "Secretary of Commerce" in this regard. The conferees accepted the Senate language, as this was the clear intent of the House bill.

b. The conferees accepted the language in section 2 of the Senate amendment that the Secretary of Commerce shall "take such steps as are necessary to assure that", in lieu of the language in the House bill which provided "also take such steps as may be necessary and practicable to assure that".

c. The House bill applies to "at least 20 per centum of the gross tonnage", whereas section 2 of the Senate amendment applies to "a quantity equal to 20 per centum of the gross tonnage". The conferees accepted the language in the Senate amendment, as the intent of both the House and Senate that the stated percentages are to be implemented as the amount of imported oil to be subject to the provisions of the Act.

d. The House bill applies to "all liquid petroleum and liquid petroleum products carried in bulk referred to as crude oil, unfinished fuels, gasoline, kerosene, aviation fuels, naphtha, cracking stocks, distillate heating oil, diesel oil, and residual oils imported into the United States on ocean vessels". Section 2 of the Senate amendment applies to "all oil transported on ocean vessels . . . for import into the United States". Proposed section 901(d)(4)(A) set forth in section 2 of the Senate amendment defines "oil" in accordance with the language of the House bill. The conferees accepted the language in the Senate amendment, but inserted the clarifying words "in bulk" from the House bill, after the words "of all oil transported".

e. The House bill includes "movements (i) directly from original point of production and (ii) from such original point to intermediate points for transshipment or refinement and ultimate delivery into the United States", whereas section 2 of the Senate amendment speaks in terms of "(whether transported directly from the original point of production or indirectly from such point to and from any intermediate points used for storage, refining, processing, packaging, unloading, or reloading of oil)". The conferees accepted the language in the Senate amendment.

f. The House bill requires that such oil "shall be transported on privately owned United States flag commercial vessels to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels", whereas section 2 of the Senate amendment provides: "shall be transported on privately owned United States-flag commercial vessels (to the extent that such vessels are available at fair and reasonable rates for such vessels)". The conferees accepted the language in the Senate amendment.

g. The House bill requires that the Act be implemented "in such manner as will insure fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographical areas", whereas section 2 of the Senate amendment provides "and to insure fair and reasonable participation of such vessels in such transportation from all geographical areas in which such oil is produced or refined or both". In both instances, the intent is the same, i.e., the creation of a broadly representative fleet capable of carrying a designated percentage of all our oil imports from all sources. It is anticipated that the Secretary of Commerce will give serious consideration to utilizing the barrel-mile concept commented on in both the House and Senate reports in implementing this provision. The conferees accepted the language in the Senate amendment.

h. The House bill requires "*Provided,* That the quantity required so to be carried in United States-flag commercial vessels shall be at least 25 per centum after June 30, 1975, and at least 30 per centum after June 30, 1977", whereas the Senate amendment provides "With respect to any period beginning after June 30, 1975, the quantity of such oil required to be transported on privately owned United States-flag commercial vessels shall be equal to 25 per centum of the gross tonnage of all oil transported on ocean vessels for import into the United States, and for any period beginning after June 30, 1977, such quantity shall be equal to 30 per centum of such gross tonnage". The conferees accepted the language in the Senate amendment, but inserted the clarifying words "in bulk" from the House bill, after the words "of all oil transported".

i. The increases contemplated by the Act are contingent upon certain findings. The House bill provides "if the Secretary of Commerce shall on December 31 preceding each such date determine that United States tonnage existing or on order and scheduled to be delivered by such date would be adequate to carry such quantity", whereas the Senate amendment specifies "*Provided,* That (1) the Secretary of Commerce finds and determines six months prior thereto, in the exercise of his sole discretion, that the tonnage of privately owned United States-flag commercial vessels, including vessels on order and scheduled to be ready for commercial service by such date, will be adequate to carry such quantity; and (2) in the event that such tonnage is not found to be adequate to carry such quantity, there shall be carried on such vessels the basic 20 per centum requirement together with any excess over such requirement, but not to exceed the applicable per centum requirement, for which such Secretary finds that adequate tonnage will be available." The conferees accepted the language in the Senate amendment as it clarifies the intent of the Congress.

j. Both the House and Senate bills generally provide that the Secretary of Commerce may by rule establish a system of reasonable classification of persons and imports subject to the provisions of the Act, and for a system of judicial review for persons aggrieved. The conferees accepted the language contained in section 2 of the Senate amendment, but added the following language from the House bill: "including the contention that the action of the agency was unsupported by substantial evidence," in order to insure review as provided in section 706(2)(E) of title 5 of the United States Code.

k. The House bill provides "That the provisions of this section shall not apply to refineries whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 30,000 barrels per day", whereas section 3 of the Senate amendment provides that "The provisions of this Act shall not apply to any refiner whose total refinery capacity (including the refinery capacity of any person who controls, is controlled by, or is under common control with such refiner) does not exceed 30,000 barrels per day: *Provided,* That the total quantity of such oil imported by or for such refiner does not in any year exceed the rated refining capacity of such refiner." The conferees accepted the language of the Senate amendment since it clarifies the intent of the Congress.

l. The House bill and the Senate amendment speak in terms of the "United States". Section 2 of the Senate bill goes on to define the term "United States" in proposed section 901(d)(4)(C). The conferees accepted the Senate definition.

m. The House bill does not contain the provisions set forth in section 2 of the Senate amendment as proposed section 901(d)(5) and section 901(d)(6). However, as the House bill amends section 901(b)(1), existing section 901(b)(2) would apply: "(2) Every department or agency having responsibility under this subsection shall administer its programs with respect to this subsection under regulations issued by the Secretary of Commerce. The Secretary of Commerce shall review such administration and shall annually report to the Congress with respect thereto." The conferees accepted the more explicit Senate language.

In addition to the above technical amendments, the conferees reached agreement on the following:

1. The House bill does not contain a provision such as proposed section 901(d)(3) set forth in section 2 of the Senate amendment. This provision authorizes the Secretary of Commerce to grant credits towards the fulfillment of the requirements of the Act in the case of oil transported by privately owned United States-flag commercial vessels, over 100,000 DWT, between foreign ports, until such time as an oil discharge facility, capable of discharging fully laden vessels of over 200,000 DWT is in operation on any coast of the United States. The conferees accepted this amendment as there are currently no port facilities in the United States capable of discharging fully-laden Very and Ultra Large Crude Carriers of the type now being constructed. The conferees wish to emphasize that in this instance the Secretary's authority terminates as soon as the first oil discharge facility, capable of discharging fully laden vessels of over 200,000 DWT, is in operation on any of our coasts, and such credit for foreign-to-foreign movements is to be available only to the extent that the percentage cargo preference requirements of the Act are not met without such credits by available United States-flag vessels.

2. The House bill amends section 901(b)(1), which provides that "the term 'privately owned United States-flag commercial vessels' shall not be deemed to include any vessel which, subsequent to the date of enactment of this amendment, shall have been either (a) built outside the United States, (b) rebuilt outside the United States, or (c) documented under any foreign registry, until such vessel shall have been documented under the laws of the United States for a period of three years."

The Senate amendment defines "privately owned United States-flag commercial vessels" in section 2, as proposed section 901(d)(4)(B). The Senate amendment requirements for a vessel to qualify are much more stringent than the House bill.

There are four basic differences between the House bill and the Senate amendment:

a. The Senate amendment requires that such vessels be constructed in the United States, whereas the House bill does not. The conferees agreed to the Senate amendment as the generation of business for domestic shipyards, and the employment opportunities and balance of payments benefits resulting therefrom, are important secondary benefits of H.R. 8193.

b. The Senate amendment requires that such vessels be not more than 20 years old or which have been reconstructed and are not beyond their economic lives (as determined by the Secretary of Commerce), whereas the House bill contains no such restrictions. While the conferees are in agreement with the basic objective of creating a modern expanded fleet of United States-flag vessels, it was concluded that the 20 year requirement could be arbitrary and not in the best interests of the Act. Therefore, the conferees amended this provision in proposed section 901(d)(4)(B), after the words "built in the United States", and prior to the proviso, to read as follows: "and are not beyond their economic lives (as determined by the Secretary of Commerce), and with respect to which the owner or lessee thereof has entered into a Capital Construction Fund Agreement with such Secretary pursuant to which such vessel shall be replaced at the end of its economic life, and such agreement includes a mandatory deposit schedule to finance such replacement:". Age would be only one factor to be considered by the Secretary in this regard. For example, whether the U.S. Coast Guard would certificate a vessel would be another such factor. The determination as to whether a vessel is within its economic life would be within the discretion of the Secretary of Commerce based on the factors he sees fit to consider.

c. The Senate amendment requires the owner or lessee of the vessel to enter into a Capital Construction Fund Agreement with the Secretary of Commerce to finance replacement vessels, whereas the House bill does not. The conferees agreed to the requirement of a Capital Construction Fund Agreement with a mandatory deposit schedule for a vessel to qualify under this Act. As in the case of vessels receiving construction subsidy and operating subsidy under the Merchant Marine Act of 1936, it is only reasonable that these vessels securing a preference be required to comply with obligations for vessel replacement. It is contemplated that this Act will not be used to phase out construction and operating subsidy programs for tankers. Tankers heretofore or hereafter built with construction-differential subsidy, and operated with operating-differential subsidy, or both, qualify as privately owned United States-flag commercial vessels for the carriage of petroleum imports under this Act. The conferees agreed to this Senate amendment, as further amended in conference and set forth in item "b", above. This provision would insure the replacement of such privately owned United States-flag commercial vessels at the end of their economic life as determined by the Secretary of Commerce.

d. The Senate amendment requires that vessels in excess of 20,000 DWT, contracted for after December 31, 1974, or delivered after December 31, 1978, shall be constructed and operated with the best available pollution prevention technology, and shall be equipped with a segregated ballast capacity determined appropriate by the Secretary of Transportation which shall be achieved in part by fitting, throughout the cargo length, a double bottom of a minimum height of one-fifteenth of the beam or such other appropriate height as determined by the Secretary of Transportation. The House bill contains no such requirements. The conferees agreed to the deletion of the proviso set forth in proposed section 901(d)(4)(B), containing these requirements. These matters are now set forth in section 7, renumbered section 6, of the bill, and discussed below.

3. The Senate amendment provides in proposed section 901(d)(7), set forth in section 2, that "The requirements of paragraph (1) may be waived by the President upon determining that an emergency exists justifying a temporary waiver of such requirements. Any such waiver shall not exceed 180 days unless authorized by law." The House bill would amend section 901(b)(1) which provides "That the provisions of this subsection may be waived whenever the Congress, by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901(b)(1) and so notifies the appropriate agency or agencies".

The conferees further amended this Senate amendment to read as follows:

"(7) The requirements of paragraph (1) may be temporarily waived by the President upon determination that an emergency exists justifying such a waiver in the national interest."

It should be noted that the waiver provision agreed upon by the conferees is more restrictive than the provision that would apply to the House bill. The conferees gave serious consideration to establishing a specific time limitation, but concluded that such an approach was not feasible. It is the intent of the conferees that the temporary duration of the waiver referred to in the provision is to exactly coincide with the duration of the emergency which triggered the waiver.

4. Section 4 of the Senate amendment provides for the remission of certain import fees where United States-flag vessels are used to transport the oil, and the saving is passed on to the American consumer. The House bill did not contain a comparable provision. The conferees agreed to this Senate amendment.

OTHER REQUIREMENTS

1. Section 5 of the Senate amendment would amend section 809 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1213), to generally require that 10 percent of construction and operating subsidy funds, as well as research and other funds, be allotted to serve the foreign trade requirements of ports on each of the four seacoasts. The House bill does not contain a comparable provision.

This provision was added by the Senate in recognition of unique problems confronting the Great Lakes. The condition of United States-flag service on the Great Lakes has long been of grave concern to Members of both the House of Representatives and the Senate. However, the conferees could not agree to legislation that would require 10 percent of subsidy funds to be allocated to the Great Lakes, with no assurance that it could ever be effectively utilized. Such a procedure could seriously disadvantage existing United States-flag services. Therefore, the conferees agreed on the following language:

"SEC. 5. Section 809 of the Merchant Marine Act, 1936 (46 U.S.C. 1213), is amended to read as follows: "Contracts under this chapter shall be entered into so as to equitably serve, insofar as possible, the foreign-trade requirements of the Atlantic, Gulf, Great Lakes and Pacific ports of the United States. In order to assure equitable treatment for each range of ports referred to in the preceding sentence, and to the extent that subsidy contracts are approved by the Secretary of Commerce, not less than 10 per centum of the funds appropriated or otherwise made available for the foreign-trade requirements of the United States pursuant to this Act or any other law authorizing funds for the purposes of such Act shall be allocated for the foreign-trade requirements of each such port range. Furthermore, in awarding contracts under this chapter, preference shall be given to persons who are citizens of the United States and who have the support, financial and otherwise, of the domestic communities primarily interested. Not later than March 1, 1975, and annually thereafter the Secretary shall submit to Congress a detailed report (1) describing the actions that have been taken pursuant to this Act to assure, insofar as possible, that direct and adequate service is provided by United States-flag commercial vessels to each range of ports referred to in this section and (2) including any recommendations for additional legislation that may be necessary to achieve the purpose of this section."

The insertion of the phrase "to the extent that subsidy contracts are approved by the Secretary of Commerce" will insure that if reliable proposals for United States-flag service to the Great Lakes are submitted and approved and contracts executed, the funds to support such services will be made available.

The reporting requirement inserted by the conferees should insure that the Great Lakes receive greater attention by the Secretary of Commerce than they have in the past.

2. Section 6 of the Senate amendment would generally permit foreign-flag cruise vessels to extend from 24 to 48 hours the length of time they could call at United States ports. The House bill does not contain a comparable provision.

The conferees rejected this Senate amendment.

3. Section 7 of the Senate bill provides that the same safety and pollution prevention requirements and standards shall be applicable to all privately-owned United States-flag commercial vessels employed in the transportation of oil either in the foreign commerce of the United States or between ports of the United States. The House bill does not contain a comparable provision. The legislative history of the Senate bill is clear that double bottoms were contemplated in this regard.

The conferees could not reach agreement on the effectiveness of double bottoms. Therefore, it was concluded that a pilot project should be instituted so that the effectiveness of double bottoms can be better evaluated. The conferees reached agreement on substituting the following provision for the proviso to proposed section 901(d)(4)(B), set forth in section 2 of the Senate amendment and section 7 of the Senate amendment:

"SEC. 6. Any self-propelled vessel of more than 70,000 deadweight tons, designed for the carriage of oil in bulk, documented under the laws of the United States, the construction of which is contracted for after December 31, 1975, shall be constructed and operated using the best available pollution prevention technology. If engaged in the carriage of oil in bulk to United States west coast ports situated on internal waters or straits, a self-propelled vessel of more than 20,000 deadweight tons, documented under the laws of the United States, the construction of which is contracted for after December 31, 1974, shall be equipped with a segregated ballast capacity determined appropriate by the Secretary of the Department in which the Coast Guard is operating, which shall be achieved in part by fitting, throughout the cargo length, a double bottom."

The committee of conference views this new section 6 as accomplishing two objectives. The first sentence establishes an antipollution construction standard for general applicability to all self-propelled vessels in excess of 70,000 deadweight tons designed for the carriage of oil in bulk and documented in the United States, including vessels qualifying for cargo under this Act. All U.S. vessels of that category, if contracted for after December 31, 1975, must be constructed using the best available pollution prevention technology. It is the conferees' intention that the Coast Guard, in deciding on the best available pollution prevention technology, would follow the procedures and criteria contained in the Ports and Waterways Safety Act of 1972 (P.L. 92-340).

In addition, the second sentence of section 6 carries out the conferees' desire to establish a pilot project to evaluate, by actual practice, the pros and cons of double bottom tankers. If a self-propelled vessel of more than 20,000 deadweight tons, documented under the laws of the United States and contracted for after December 31, 1974, is engaged in the transport of oil in bulk to the United States west coast ports located on straits or internal waters, such vessels must be equipped with a segregated ballast capability to be accomplished in part by a double bottom fitted throughout the cargo length of the vessel. The actual size and configuration of the double bottom is to be determined by the United States Coast Guard, which possesses the technical expertise in this regard.

The term "internal waters" is interpreted to mean all waters on the landward side of the baseline by which the territorial sea is measured. The formula for this measurement is contained in the Convention on the Territorial Sea and the Contiguous Zone. (15 UST 1606; TIAS 5639). The term "straits" was included because of disagreement between the various agencies of Federal Government as to whether the Strait of Juan de Fuca, where considerable tanker traffic is expected, is considered to be internal waters.

LEONOR K. SULLIVAN,
FRANK M. CLARK,
THOMAS N. DOWNING,
JAMES R. GROVER, JR.,
GEO. A. GOODLING,
Managers on the Part of the House.

WARREN G. MAGNUSON,
RUSSELL B. LONG,
ERNEST F. HOLLINGS,
DANIEL K. INOUYE,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 12628

Mr. DORN submitted the following conference report and statement on the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 93-1435)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the amendments of the Senate to the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowances paid to eligible veterans and other persons; to make improvements in the educational assistance programs; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate to the text of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

That this Act may be cited as the "Vietnam Era Veterans' Readjustment Assistance Act of 1974".

TITLE I—VOCATIONAL REHABILITATION AND EDUCATIONAL AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

SEC 101. Chapter 31 of title 38, United States Code, is amended as follows:

(1) by inserting in section 1501(2) a comma and "all appropriate individualized tutorial assistance," after "counseling";

(2) by striking out in section 1502(a) all after "if such disability" and inserting in lieu thereof "arose out of service during World War II or thereafter."; and

(3) by amending the table contained in section 1504(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of training	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	*$201*	*$249*	*$293*	*$21*
Three-quarter-time	*151*	*188*	*221*	*17*
Half-time	*100*	*125*	*147*	*11*
Farm cooperative, apprentice, or other on-the-job training				
Full-time	*175*	*212*	*245*	*17".*

SEC. 102. Chapter 34 of title 38, United States Code, is amended as follows:

(1) by striking out in the last sentence of section 1677(b) "$220" and inserting in lieu thereof "$260";

(2) by amending the table contained in section 1682(a)(1) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Type of program	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	*$270*	*$321*	*$366*	*$22*
Three-quarter-time	*203*	*240*	*275*	*17*
Half-time	*135*	*160*	*182*	*11*
Cooperative	*217*	*255*	*289*	*17";*

(3) by striking out in section 1682(b) "$220" and inserting in lieu thereof "$260";

(4) by amending the table contained in section 1682(c)(2) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two.
Full-time	$217	$255	$289	$17
Three-quarter-time	168	191	218	10
Half-time	109	128	145	9";

and

(5) by striking out in section 1696(b) "$220" and inserting in lieu thereof "$260".

SEC. 103. Chapter 35 of title 38, United States Code, is amended as follows:

(1) by amending section 1732(a)(1) to read as follows:

"(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate prescribed in section 1682(a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.";

(2) by striking out in section 1732(a)(2) all after and including "of (A)" and inserting in lieu thereof "prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.";

(3) by striking out in section 1732(b) "$177" and inserting in lieu thereof "$209"; and

(4) by amending section 1742(a) to read as follows:

"(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on behalf of such person a special training allowance computed at the basic rate of $260 per month. If the charges for tuition and fees applicable to any such course are more than $82 per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed $82 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $8.69 that the special training allowance paid exceeds the basic monthly allowance.".

SEC. 104. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by striking out in section 1786(a)(2) "$220" and inserting in lieu thereof "$260";

(2) by amending the table contained in paragraph (1) of section 1787(b) to read as follows:

"Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$189	$212	$232	$9
Second 6 months	142	164	184	9
Third 6 months	95	117	137	9
Fourth and any succeeding 6-month periods	47	70	90	9";

and

(3) by amending section 1787(b)(2) to read as follows:

"(2) The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.".

SEC. 105. (a) The Administrator shall carry out directly a thorough study and investigation of the administrative difficulties and opportunities for abuse that would be occasioned by enactment of some form of variable tuition assistance allowance program, with reference to such difficulties and abuses experienced by the Veterans' Administration after the end of World War II in carrying out the provisions of Veterans' Regulation Numbered 1(a), relating to the payment of tuition and related expenses for veterans of World War II pursuing a program of education or training under the Servicemen's Readjustment Act of 1944, and to any such difficulties and abuses presently being experienced by the Veterans' Administration in carrying out existing tuition assistance programs under title 38, United States Code, including chapter 31 vocational rehabilitation, correspondence courses, flight training and PREP, and of ways in which any such difficulties and abuses could be avoided or minimized through legislative or administrative action so as to ensure an expeditious, orderly, and effective implementation of any tuition assistance allowance program.

(b) In carrying out the study and investigation required by subsection (a), the Administrator shall consult with and solicit the views and suggestions of interested veterans' organizations, educational groups and associations, persons receiving assistance under chapters 31, 34, 35 and 36 of title 38, United States Code, other Federal departments and agencies, and other interested parties.

(c) The Administrator shall report to the Congress and the President not later than one year after the date of enactment of this Act on the results of the study and investigation carried out under this section, including any recommendations for legislative or administrative action.

TITLE II—EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

SEC. 201. Section 1652(a)(3) of title 38, United States Code, is amended by striking out the period at the end of such section and inserting in lieu thereof "unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).".

SEC. 202. Section 1661 of title 38, United States Code, is amended by—

(1) inserting in subsection (a) before the period at the end thereof "plus an additional number of months, not exceeding nine, as may be utilized in pursuit of a program of education leading to a standard undergraduate college degree"; and

(2) striking out in subsection (c) "subsection (b)" and inserting in lieu thereof "subsections (a) and (b)".

SEC. 202. Section 1661 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character"; and

(3) by amending subsection (d) to read as follows:

"(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any course (other than one offered pursuant to subchapter V or subchapter VI of this chapter) which does not lead to a standard college degree and which is offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title.".

SEC. 204. Section 1682 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has 'already qualified,' a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veteran's field of employment during and since the period of such veteran's active military service.

"(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate prescribed in the table in subsection (a)(1) or in subsection (c)(2) of this section, whichever is applicable.

"(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661(a) of this title.".

SEC. 205. Section 1685 of title 38, United States Code, is amended as follows:

(1) by striking out in subsection (a) all of that portion of the second sentence preceding "during a semester" and inserting in lieu thereof "Such work-study allowance shall be paid in the amount of $625 in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating two hundred and fifty hours";

(2) by striking out the last sentence of subsection (a) and inserting in lieu thereof the following: "An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid $250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours."; and

(3) by striking out in subsection (c) "(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)".

SEC. 206. Section 1692(b) of title 38, United States Code, is amended as follows:

(1) by striking out "$50" and inserting in lieu thereof "$60";

(2) by striking out "nine months" and inserting in lieu thereof "twelve months"; and

(3) by striking out "$450" and inserting in lieu thereof "$720".

SEC. 207. Section 1723 of title 38, United States Code, is amended as follows:

(1) by amending subsection (a)(2) to read as follows:

"(2) any sales or sales management course which does not provide specialized training within a specific vocational field, or in any other course with a vocational objective, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons who completed such course over the preceding two-year period, and who are not unavailable for employment, have been employed in the occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty); or";

(2) by inserting in subsection (a)(3) "(or the advertising for which he finds contains significant avocational or recreational themes)" after "character";

(3) by striking out in subsection (c) "any course of institutional on-farm training,"; and

(4) by striking out in subsection (d) "to be pursued below the college level" and inserting in lieu thereof "not leading to a standard college degree".

SEC. 208. Section 1732 of title 38, United States Code, is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c)(1) An eligible person who is enrolled in an educational institution for a 'farm cooperative' program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

"(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

"(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

"(C) a half-time basis (a minimum of five clock hours per week), shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

"(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682(c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents.".

SEC. 209. Section 1780(a)(2) is amended by inserting "(or customary vacation periods connected therewith)" after "holidays".

SEC. 210. Chapter 36 of title 38, United States Code, is amended as follows:

(1) by amending section 1774(b) to read as follows:

"(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

"Total salary cost reimbursable under this section	Allowable for administrative expense
$5,000 or less	$550.
Over $5,000 but not exceeding $10,000	$1,000.
Over $10,000 but not exceeding $35,000	$1,000 for the first $10,000 plus $925 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$6,050.
Over $40,000 but not exceeding $75,000	$6,050 for the first $40,000 plus $800 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$12,000.
Over $80,000	$12,000 for the first $80,000 plus $700 for each additional $5,000 or fraction thereof.";

and

(2) by amending section 1784(b) to read as follows:

"(b) The Administrator may pay to any educational institution, or to any joint apprenticeship training committee acting as a training establishment, furnishing education or training under either this chapter or chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution or joint apprenticeship training committee is required to submit to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under this chapter or chapter 34 or 35 of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by such educational institution or joint apprenticeship training committee that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran enrollment plus eligible person enrollment in such educational institution or joint apprenticeship training committee during such calendar year, establish such other date as representative of the peak enrollment as may be justified for such educational institution or joint apprenticeship training committee. The reporting fee shall be paid to such educational institution or joint apprenticeship training committee as soon as feasible after the end of the calendar year for which it is applicable.".

SEC. 211. Section 1788(a) of title 38, United States Code, is amended as follows:

(1) by striking out in clause (1) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree.";

(2) by striking out in clause (2) "below the college level" and inserting in lieu thereof a comma and "not leading to a standard college degree,";

(3) by striking out in clause (6) "below the college level" and inserting in lieu thereof "not leading to a standard college degree"; and

(4) by adding at the end of such subsection the following:

"Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter *or* one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.".

SEC. 212. (a) Chapter 36 of title 38, United States Code, is amended by inserting at the end thereof the following new section:

"§ 1796. Limitation on certain advertising, sales, and enrollment practices

"(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

"(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

"(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.".

(b) The table of sections at the beginning of chapter 36 of such title is amended by inserting

"1796. Limitation on certain advertising, sales, and enrollment practices."

below

"1795. Limitation on period of assistance under two or more programs".

SEC. 213. (a) Subchapter II of chapter 3 of title 38, United States Code, is amended by adding at the end thereof the following new sections:

"§ 219. Evaluation and data collection

"(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

"(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, and categorized expenditures attributable thereto, under all programs carried out under this title.

"(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

"§ 220. Coordination of other Federal programs affecting veterans and their dependents

"The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title.".

"(b) The table of sections at the beginning of chapter 3 of such title is amended by adding

"219. Evaluation and data collection.
"220. Coordination of other Federal programs affecting veterans and their dependents."

below

"218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.".

SEC. 214. Subchapter IV of chapter 3 of title 38, United States Code, is amended as follows:

(1) by inserting in section 241 "in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons)" after "outreach services";

(2) by inserting in clause (2) "to eligible veterans and eligible dependents" after "information" the first time it appears;

(3) by striking out in section 242(b) "may implement such special telephone service" and inserting in lieu thereof "shall establish and carry out all possible programs and services, including special telephone facilities,";

(4) redesignating sections 243 and 244 as 244 and 245, respectively, and adding the following new section after section 242:

"§ 243. Veterans' representatives

"(a)(1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

"(2) In selecting and appointing veterans' representatives under this subsection preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

"(3) The functions of such veterans' representatives shall be to—

"(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

"(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

"(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

"(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

"(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as 'V.C.I. institutions');

"(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

"(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

"(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

"(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

"(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

"(b) The Administrator shall establish rules and procedures to guide veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that the activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title."; and

(5) amending section 244 (as redesignated by clause (4) of this subsection) of such title by—

(A) striking out "may" and inserting in lieu thereof "shall"; and

(B) inserting "and provide for" after "conduct" in paragraph (5).

(b) The table of sections at the beginning of such chapter is amended by striking out

"243. Utilization of other agencies.
"244. Report to Congress."

and inserting in lieu thereof

"243. Veterans' representatives.
"244. Utilization of other agencies.
"245. Report to Congress.".

TITLE III—VETERANS AND DEPENDENTS EDUCATION LOAN PROGRAM

SEC. 301. (a) Chapter 36 of title 38, United States Code, is amended by adding at the end thereof the following new subchapter:

"Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

"§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

"(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteran or person satisfies the requirements set forth in subsection (c) of this section.

"(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

"(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

"(B) The term 'total amount of financial resources' of any veteran or person for any year means the total of the following:

"(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

"(ii) The amount of cash assets of the veteran or person.

"(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

"(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

"(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

"(C) The term 'actual cost of attendance' means, subject to such regulations as the Administrator may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

"(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed $270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 of subchapter II of chapter 35, respectively, of this title, but not in excess of $600 in any one regular academic year.

"(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

"(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and predetermined professional or vocational objective;

"(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

"(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

"(d) Any agreement between the Administrator and a veteran or person under this subchapter—

"(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

"(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

"(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than a rate determined by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of loans made under this subchapter, except that no interest shall accrue prior to the beginning date of repayment; and

"(4) shall provide that the loan shall be made without security and without endorsement.

"(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter, he shall declare an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

"(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

"(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and default rate at each educational institution along with a comparison of the collective default experience and default rate at all such institutions.

"§ 1799. Revolving fund; insurance

"(a) There is hereby established in the Treasury of the United States a revolving fund to be known as the 'Veterans' Administration Education Loan Fund' (hereinafter in this section referred to as the 'Fund').

"(b) The Fund shall be available to the Administrator, without fiscal year limitation, for the making of loans under this subchapter.

"(c) There shall be deposited in the Fund (1) by transfer from current and future appropriations for readjustment benefits such amounts as may be necessary to establish and supplement the Fund in order to meet the requirements of the Fund, and (2) all collections of fees and principal and interest (including overpayments declared under section 1798(e) of this title) on loans made under this subchapter.

"(d) The Administrator shall determine annually whether there has developed in the Fund a surplus which, in his judgment, is more than necessary to meet the needs of the Fund, and such surplus, if any, shall be deemed to have been appropriated for readjustment benefits.

"(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter; and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

"SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

"1798. Eligibility for loans; amount and conditions of loans; interest rate on loans.

"1799. Revolving fund; insurance.".

SEC. 302. (a) Subchapter IV of chapter 34 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 1686. Education loans

"Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.".

(b) The table of sections at the beginning of such chapter is amended by inserting

"1686. Education loans."

below

"1685. Veteran-student services.".

SEC. 303. (a) Subchapter IV of Chapter 35 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 1737. Education loans

"Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title."

(b) The table of sections at the beginning of such chapter is amended by inserting

"1737. Education loans."

below

"1736. Specialized vocational training courses.".

TITLE IV—VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

SEC. 401. Chapter 41 of title 38, United States Code, is amended as follows:

(a) Section 2001 is amended by redesignating paragraph (2) as paragraph (3) and adding after paragraph (1) a new paragraph (2) as follows:

"(2) The term 'eligible person' means—

"(A) the spouse of any person who died of a service-connected disability.

"(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

"(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.".

(b) Section 2002 is amended by (1) inserting "and eligible persons" after "eligible veterans" and (2) inserting "and persons" after "such veterans".

(c) Section 2003 is amended by—

(1) striking out in the first sentence "250,000 veterans" and inserting in lieu thereof "250,000 veterans and eligible persons";

(2) striking out in the fourth sentence "veterans'" and inserting in lieu thereof "veterans' and eligible persons'";

(3) inserting in clauses (1), (2), (4), (5), and (6) of the fifth sentence "and eligible persons" after "eligible veterans" each time the latter term appears in such clauses;

(4) inserting in clause (3) of the fifth sentence "or an eligible person's" after "eligible veteran's"; and

(5) inserting in clause (4) of the fifth sentence "and persons" after "such veterans".

(d) Section 2005 is amended by inserting "and eligible persons" after "eligible veterans".

(e) The last sentence of section 2006(a) is amended by striking out "veterans" and inserting in lieu thereof "eligible veterans and elegible persons".

(f) Section 2007 is amended by—

(1) inserting in subsection (a)(1) "and each eligible person" after "active duty,";

(2) redesignating subsection (b) as subsection (c) and inserting the following new subsection (b):

"(b) The Secretary of Labor shall establish definitive performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section."; and

(3) striking out in the second sentence of subsection (c) (as redesignated by clause (2) of this subsection) "and other eligible veterans" and inserting in lieu thereof "other eligible veterans, and eligible persons".

SEC. 402. Chapter 42 of title 38, United States Code, is amended as follows:

(1) by inserting in the first sentence of sec-

tion 2012(a) "in the amount of $10,000 or more" after "contract" where it first appears, by striking out ", in employing persons to carry out such contract," in such sentence, and by striking out "give special emphasis to the employment of" and inserting in lieu thereof "take affirmative action to employ and advance in employment" in such sentence;

(2) by striking out in the third sentence of section 2012(a) "The" and inserting in lieu thereof "In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the"; and

(3) by striking out in the first sentence of section 2012(b) "giving special emphasis in employment to" and inserting in lieu thereof "the employment of".

SEC. 403. (a) Chapter 42 of title 38, United States Code, is amended by adding at the end thereof the following new section:

"§ 2014. Employment within the Federal Government

"(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

"(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS-5, as specified in subchapter II of chapter 51 of title 5, and subsequent career-conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

"(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93-112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions, and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

"(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

"(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93-112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

"(f) Notwithstanding section 2011 of this title, the terms 'veteran' and 'disabled veteran' as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.".

(b) The table of sections at the beginning of such chapter is amended by adding at the end thereof

"2014. Employment within the Federal Government.".

SEC. 404. (a) Part III of title 38, United States Code, is amended by adding at the end thereof a new chapter as follows:

"Chapter 43—Veterans' Reemployment Rights

"Sec.
"2021. Right to reemployment of inducted persons; benefits protected.
"2022. Enforcement procedures.
"2023. Reemployment by the United States, territory, possession, or the District of Columbia.
"2024. Rights of persons who enlist or are called to active duty; Reserves.
"2025. Assistance in obtaining reemployment.
"2026. Prior rights for reemployment.

"§ 2021. Right to reemployment of inducted persons; benefits protected

"(a) In the case of any person who is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service), and (2) makes application for reemployment within ninety days after such person is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

"(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

"(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;

"(B) if such position was in the employ of a State, or political subdivision thereof, or a private employer, such person shall—

"(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

"(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

"(b)(1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

"(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment, or reemployment.

"(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment of any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

"(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

"§ 2022. Enforcement procedures

"If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021 (a), (b)(1), or (b)(3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

"§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

"(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

"(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

"(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term 'agency in the executive branch of the Government' means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the United States Postal Service and the Postal Rate Commission).

"(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 3304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

"(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

"§ 2024. Rights of persons who enlist or are called to active duty; Reserves

"(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all of the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise, performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

"(b)(1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided for by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

"(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b)(1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this subsection shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

"(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

"(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the

Armed Forces of the United States. Upon such employee's release for a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

"(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted to return to such employee's position in accordance with the provisions of subsection (d) of this section.

"(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 206, 301, 309, 402, or 1002 of title 37, is considered inactive duty training.

"§ 2025. Assistance in obtaining reemployment

"The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

"§ 2026. Prior rights for reemployment

"In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.".

(b) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part III of such title are each amended by adding at the end thereof

"43. Veterans' Reemployment Rights__ 2021".

SEC. 405. Section 9 of the Military Selective Service Act is amended by—

(1) repealing subsections (b) through (h); and

(2) redesignating subsections (i) and (j) as subsections (b) and (c), respectively.

TITLE V—EFFECTIVE DATES

SEC. 501. Title I of this Act shall become effective on September 1, 1974.

SEC. 502. Title III of this Act shall become effective on January 1, 1975, except that eligible persons shall, upon application, be entitled (and all such persons shall be notified by the Administrator of Veterans' Affairs of such entitlement) to a loan under the new subchapter III of chapter 36 of title 38, United States Code, as added by section 301 of this Act, the terms of which take into account the full amount of the actual cost of attendance (as defined in section 1798(b)(2)(C) of such title) which such persons incurred for the academic year beginning on or about September 1, 1974.

SEC. 503. Titles II and IV of this Act shall become effective on the date of their enactment.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate to the title of the bill, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to amend title 38, United States Code, to increase vocational rehabilitation subsistence allowances, educational and training assistance allowances, and special allowances paid to eligible veterans and persons under chapters 31, 34, and 35 of such title; to improve and expand the special programs for educationally disadvantaged veterans and servicemen under chapter 34 of such title; to improve and expand the veteran-student services program; to establish an education loan program for veterans and persons eligible for benefits under chapter 34 or 35 of such title; to make other improvements in the educational assistance program and in the administration of educational benefits; to promote the employment of veterans and the wives and widows of certain veterans by improving and expanding the provisions governing the operation of the Veterans Employment Service, by increasing the employment of veterans by Federal contractors and subcontractors, and by providing for an action plan for the employment of disabled and Vietnam era veterans within the Federal Government; to codify and expand veterans reemployment rights; and for other purposes."

And the Senate agree to the same.

WM. J. BRYAN DORN,
OLIN E. TEAGUE,
JAMES A. HALEY,
THADDEUS J. DULSKI,
HENRY HELSTOSKI,
JOHN PAUL HAMMERSCHMIDT,
MARGARET M. HECKLER,
JOHN M. ZWACH,
CHALMERS WYLIE,
Managers on the Part of the House.

VANCE HARTKE,
H. E. TALMADGE,
JENNINGS RANDOLPH,
HAROLD E. HUGHES,
ALAN CRANSTON,
CLIFFORD P. HANSEN,
STROM THURMOND,
ROBERT T. STAFFORD,
JAMES A. MCCLURE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the text of the bill (H.R. 12628) to amend title 38, United States Code, to increase the rates of vocational rehabilitation, educational assistance, and special training allowanecs paid to eligible veterans and other persons; to make improvements in the educational assistance programs and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment was a substitute for the Senate amendment to the text of the House bill which struck out all of the House bill after the enacting clause and inserted a substitute text and made a title amendment.

The Senate recedes from its disagreement to the amendment of the House to the amendment of the Senate with an amendment which is a substitute for both the House and the Senate amendments and with a title amendment. The substitute amendment differs from the substitute amendment contained in the previous conference report on this bill (Sen. Rep. No. 93–1107; H. Rep. No. 93–1303), against which a point of order was sustained in the House of Representatives, in the following respects: (1) the percentage increase of the vocational rehabilitation subsistence allowance and the apprenticeship/on-the-job training allowance is 18.2 percent rather than 22.7 percent; (2) the new education loan program is limited to $600 per academic year, is financed as an entitlement from the readjustment benefits account rather than from the NSLI Trust Fund and becomes effective on January 7, 1975, rather than November 1, 1974; and (3) extends the nine additional months of GI bill entitlement only for pursuit of undergraduate college education. The differences between the House amendment, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I. VOCATIONAL REHABILITATION AND EDUCATIONAL, AND TRAINING ASSISTANCE ALLOWANCE RATE ADJUSTMENTS

Both the House amendment and the Senate amendment liberalize eligibility requirements for disabled Vietnam era and post-

Korean conflict veterans to receive training under the vocational rehabilitation program in chapter 31 so as to provide all post-Korean conflict veterans equal treatment for purposes of these benefits with veterans of service during World War II and the Korean conflict. The conference agreement provides for this liberalization of chapter 31 benefits—made available to any veteran with a 10-percent compensable service-connected disability or higher—for any veteran of World War II service or later service.

The House amendment provides for increasing the rates of monthly educational assistance and training allowances by 22.7 percent for eligible veterans and dependents under chapters 34 and 35 and an 18.2 percent increase for the vocational rehabilitation subsistence allowance under chapter 31 and the apprenticeship/on-the-job training monthly training assistance allowance. (This would increase the monthly educational assistance allowance for a single veteran with no dependents from $220 to $270 for full-time institutional study.) The Senate amendment provides for an increase in these rates of 18.2 percent and includes as an integral part of the rate increase package a partial tuition assistance allowance program, under which an additional allowance of up to $720 per school year would be paid to eligible veterans and persons under chapters 34 and 35, the VA paying according to the following formula: 80 percent of a school's yearly tuition charges up to $1,000 after excluding the first $100 of tuition. (The basic monthly educational assistance allowance for a single veteran with no dependents under the Senate amendment is increased from $220 to $260 for full-time institutional study plus the tuition assistance allowance entitlement, as appropriate, which would average out to approximately $31 more per average veteran per month—a total educational assistance average payment of $291 per month.)

The conference agreement provides for an increase in the monthly educational assistance allowances of 22.7 percent, an increase for the single veteran with no dependents of from $220 to $270 for full-time institutional study, and an increase of 18.2 percent in the monthly vocational rehabilitation subsistence and training assistance allowances. The conference did not approve the tuition assistance allowance portion of the Senate amendment, after the most extensive and careful consideration. The conferees instead substituted a provision (section 105) directing the Veterans' Administration to carry out a thorough study, and to report to the Congress and the President within 12 months, on the opportunities for abuse and administrative difficulties arising from a tuition assistance program if one were to be enacted. Various interested organizations and agencies would be consulted and their views solicited as part of the study process. The study would draw its context from the findings of abuses in connection with the World War II GI bill program and from an investigation of these problems as presently being experienced under GI bill tuition assistance programs such as chapter 31 vocational rehabilitation; correspondence courses, flight training, and PREP, and would include recommendations by the Veterans' Administration as to legislative or administrative ways in which any such abuses and difficulties could be prevented or mitigated under present or future programs.

TITLE II. EDUCATIONAL ASSISTANCE PROGRAM ADJUSTMENTS

Both the Senate and House amendments clarify and liberalize the circumstances under which service-connected disabled veterans training under the vocational rehabilitation program in chapter 31 may qualify for individualized tutorial assistance. The conference agreement contains this provision.

Both the Senate and House amendments (the Senate amendment amending the section 1661(a) entitlement provision and the House amendment amending the definition of "active duty" in section 1652(a)(3) in order to provide greater clarity) permit the initial six months of active duty training by Reserve and National Guard members to be counted for entitlement for educational assistance under chapter 34 if such members subsequently serve on active duty for 12 or more consecutive months. The conference agreement contains this provision.

The Senate amendment extends the maximum entitlement to educational assistance for eligible veterans from 36 to 45 months. The House amendment contains no comparable provision. The House recedes with an amendment providing up to nine months of additional entitlement for an eligible veteran to use in pursuing a program of education leading to a standard undergraduate college degree.

The Senate amendment extends to 10 years the current 8-year delimiting date for veterans and chapter 35 eligible dependents to complete their programs of education (and exclude in computing such delimiting date the period of time that such veteran-civilians were held as prisoners of war during the Vietnam conflict). The conference agreement does not contain such a provision since the conferees in the course of the prior conference (in connection with which the House bill also contained this provision) decided to separate this agreed-upon item and proceeded to pass S. 3705 in early July, which was enacted as Public Law 93-337 (July 10, 1974).

Both the Senate and the House amendments clarify and strengthen certain administrative provisions governing the chapters 34 and 35 educational assistance program in order to prevent and mitigate against abuses by requiring that courses with vocational objectives must demonstrate a 50-percent placement record over the preceding two-year period in the occupational category ("specific" occupational category in the Senate amendment) for which the course was designed to provide training; by prohibiting enrollment in courses which utilize significant avocational or recreational themes in their advertising; and by providing that not more than 85 percent of eligible students enrolled in proprietary below-college level courses may be wholly or partially subsidized by the Veterans' Administration or the institution. The House amendment additionally clarifies that the 50-percent placement requirement does not apply where it is clear that the individual graduate is not available for employment or trained during active duty. The Senate recedes. The conferees note that situations in which a graduate could be regarded as not available for employment would include a graduate who becomes disabled, is continuing schooling, is pregnant, or undergoes a change in marital status which compels the graduate to forgo a new career. In addition, a graduate who unreasonably refuses to cooperate by seeking employment should not be counted in determining whether the placement percentage has been attained. Such a lack of cooperation can include unreasonable demands as to job location, remuneration, or working conditions. (The "reasonableness" of graduate cooperation should be tested, in part, against normal expectations created by the nature of the training offered by the institution and the advertising, sales, or enrollment practices which it utilizes.)

The conferees also note that the purpose of the modification excluding active duty servicemen's training from the computation of the placement rate is merely to avoid imposing an unreasonable requirement on such vocational institutions to follow such servicemen throughout their period of military service—which might be a matter of several years—in order to determine whether appropriate job placement had been secured following release from active duty. On the other hand, the conferees do not intend by this modification to manifest any less concern about the quality of training which active duty servicemen obtain under the GI bill, and the conferees continue to expect, as expressed in connection with consideration of Public Law 92-540 in 1972, that the base education officers and education program of the Defense Department will generally continue adequately to counsel active duty servicemen and to monitor closely the utilization by such servicemen of their GI bill entitlements.

The conference agreement decision to drop the word "specific" in modification of the term "occupational category" is intended to permit the Veterans' Administration somewhat more latitude in writing regulations to carry out this requirement. The conference has been made aware that use of the Dictionary of Titles is in some cases obsolete or unduly restrictive. Accordingly, as defined by VA regulations, closely related employment obtained by course graduates could also qualify in determining placement figures. In providing for this flexibility, however, the conferees stress that it is still their intention that this requirement be interpreted in light of the very specific discussion and examples contained in the Senate committee report (No. 93-907) on pages 64 through 72.

The conferees are aware of the inherent difficulties in locating all course graduates and intend that a statistically valid and reliable sample approved and verified by the Veterans' Administration will satisfy the requirement of this section without necessitating that the institution secure information about each course graduate. The conferees would also anticipate that, in implementing the placement requirement under this section, the Veterans' Administration will allow schools a reasonable period of time to collect and submit the required data.

Both the Senate and House amendments authorize up to six months of refresher training for veterans with current GI bill eligibility in order to update knowledge and skills in light of the technological advances occurring in their fields of employment during and since the period of their active military service. The conference agreement contains this provision.

Both the Senate and House amendments liberalize the veteran-student services program by raising the maximum work-study allowance from $250 to $625, commensurately increasing the maximum number of hours a veteran-student may work (from 100 to 250 hours), removing any statutory ceiling on the number of veterans permitted to participate in this program, and limiting to $250 the amount of the work-study educational assistance allowance which may be paid to a participating veteran in advance. The conference agreement contains this provision.

Both the Senate and House amendments liberalize the tutorial assistance program by extending the maximum assistance period from 9 to 12 months and increasing the maximum monthly tutorial assistance allowance from $50 to $60. The conference agreement contains this provision.

Both the Senate and House amendments liberalize permissible absences from courses not leading to a standard college degree by excluding customary vacation period established by institutions in connection with Federal or State legal holidays. The conference agreement contains this provision.

In this connection, the conferees note that in numerous places in conference report, as in the Senate and House amendments, the words "below the college level" are deleted and "leading to a standard college degree" inserted instead. These changes are made with the clear understanding on the part of the conferees that this stylistic change in terminology makes no substantive alteration in the scope and applicability of all of the sections being so modified.

Both the Senate and House amendments extend to eligible dependents under chapter 35 eligibility for farm cooperative training under the same terms and conditions as apply to eligible veterans under chapter 34. The conference agreement contains this provision.

Both the Senate and House amendments increase the allowance payable by the Administrator for the administrative expenses incurred by State approving agencies in administering educational benefits under title 38. The conference agreement contains this provision.

Both the Senate and House amendments permit any joint apprenticeship training committee which acts as a training establishment to receive the annual reporting fee of $3 for each eligible veteran or person enrolled in educational assistance programs in return for furnishing the VA with required reports and certificates of enrollment, attendance, and terminations regarding such eligible veterans. The conference agreement contains this provision.

Both the Senate and House amendments permit an educational institution offering courses not leading to a standard college degree to measure such courses on a quarter- or semester-hour basis provided certain specific measurements of the academic, laboratory, and shop portions of such courses meet minimum requirements and that in no event shall such course be considered a full-time course when less than a minimum number of hours (18 in the Senate amendment and 22 in the House amendment) of attendance per week is required. The Senate recedes.

The Senate amendment repeals the current 48-month limitation on any person training under more than one VA educational assistance program. The House amendment contains no comparable provision. The Senate recedes.

Both the Senate and House amendments provide that the Administrator shall not approve the enrollment of any eligible veteran or dependent in any course offered by an institution which utilizes erroneous, deceptive, or misleading advertising, sales, or enrollment practices of any type, and only the Senate amendment provides that a final cease and desist order entered by the Federal Trade Commission shall be conclusive as to disapproval of such a course for GI bill enrollment purposes. The Senate recedes.

The Senate amendment provides for a new subchapter under which the Administrator is directed to measure and evaluate all programs authorized by title 38 with respect to their effectiveness, impact, and structure and mechanisms for service delivery, and to collect, collate, and analyze on a continuing basis, full data regarding the operation of all such programs and to make available to the public the results of his findings. The House amendment contains a similar provision, embodying the essence of the Senate provision, although somewhat revising and condensing the language in order to provide for greater focus and more specificity. The Senate recedes.

The conferees wish to stress that in the House amendment's more condensed new section 219 (evaluation and data collection), as added in section 213 of the conference report, the requirement in subsection (c) of the original Senate provision, that, whenever feasible, the Administrator should arrange to obtain the specific views of program beneficiaries and program participants with respect to evaluations of such programs, was deleted as unnecessary. The conferees believe that the Administrator already possesses inherent authority to do this, and that it would be desirable for him to exercise that authority. The conferees also believe that the most effective evaluations are those conducted by fully independent personnel.

The Senate amendment clarifies and strengthens the Administrator's functions and responsibilities under the VA outreach program provisions to include a greater use of telephone and mobile facilities and peer-group contact, as well as providing for certain stress on bilingual services in certain areas and providing explicit contract authority with respect to certain outreach activities. House amendment contains comparable provisions, but eliminates the requirement that contract authority be exercised for outreach activities, and any statutory specification of mobile facilities. The Senate recedes.

The conferees do not intend by the deletion of specific statutory reference to the use of "mobile" facilities to indicate in any way their disapproval of or lack of support for the appropriate use of such facilities as mobile vans and wish to stress, moreover, their belief that these vans, which hitherto have generally been employed only in rural areas, could serve as useful a purpose in urban areas with high population concentrations.

Both the Senate and House amendments establish a veterans representative (Vet Rep) program to provide for a full-time VA employee at, or in connection with, each educational institution where at least 500 GI bill trainees are enrolled, to serve as a liaison between the VA and the institution and to identify and resolve various problems with respect to VA benefits, especially educational assistance, for veterans attending each such institution. The conference agreement contains this provision.

In adopting this provision, the conferees were keenly aware of the concerns which have been expressed to members of both bodies about the implementation of this program which has already been undertaken administratively by the VA, and of the assurances received from the Office of Management and Budget, the White House, and the VA with respect to the intended operation of this program. Of specific concern is the understanding, most recently embodied in the Senate Appropriations Committee report (No. 93–1056) on H.R. 15572, the Fiscal Year 1975 HUD-Space-Science-Veterans Appropriations Act, that VA regional offices, with the concurrence of the Chief Benefits Director, will have considerable flexibility in the assignment of these new Vet Reps in terms of particular campus needs. This same flexibility is provided for in the conference report. In those instances where a Vet Rep can perform more effectively in terms of carrying out the special responsibilities of liaison with the campus veterans, assignment of the Vet Reps to regional offices should be carried out in order to improve the capacity of those offices to provide effective services. At the same time, the conferees wish to call attention to the conference report provision which is intended to avoid any situation in which an educational institution might be in any way compelled to accept such an on-campus assignment by the VA (new section 243(a)(4) provides that the "inappropriateness of assignment of veterans' representatives to a particular educational institution" shall be grounds for reallocation of such Vet Reps to other educational institutions or to the regional office). The conferees expect that such assignment matters will be resolved amicably in close consultation and coordination with individual institutions, GI bill trainees at such institutions, and other interested parties.

The Senate amendment establishes an Inter-Agency Advisory Committee on Veterans Services to be composed of the heads of various Federal departments and agencies (with the Administrator as Chairman) to promote maximum feasible effectiveness and coordination of and interrelationship among all Federal programs affecting veterans and dependents, and to make recommendations to the President and the Congress regarding the annual budget and the development, coordination, and improvement of Federal programs and laws affecting veterans and their dependents. The House amendment provides that the Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all Federal programs and activities affecting veterans and seek to achieve the maximum coordination of their programs with the programs carried out by the Veterans' Administration. The Senate recedes. The conferees expect the Administrator to specify in his annual report the results of this new process.

TITLE III. VETERANS AND DEPENDENTS EDUCATION LOAN PROGRAM

The Senate amendment authorizes supplementary assistance to veterans and eligible dependents by direct loans to them from the VA (utilizing the National Service Life Insurance (NSLI) Trust Fund) of up to $2,000 a year to cover educational costs not otherwise provided for in title 38 or other Federal loan or grant programs. The House bill contains no comparable provision. The conference agreement provides for such a supplementary loan program, reducing the maximum yearly loan to $600, increasing the maximum amount of the loan fee which the Administrator may charge for such loans, directing the Administrator to collect any delinquent amounts in loan principal and interest payments in the same manner as any other debt due the United States, directing the Administrator to report to the Congress annually on the default experience at each institution, financing the revolving fund from current and future readjustment benefits appropriations, utilizing the same entitlement theory and methodogy as applies to the VA loan guarantee revolving fund under section 1824 of title 38, rather than from the NSLI trust fund, and making the program effective on January 1, 1975, rather than on September 1, 1974 (as in the Senate amendment). A slight revision was also made in the section 1798(d)(3) provision setting the procedure for establishing the loan interest rate. The new language is drawn directly from the applicable provisions of the Higher Education Act regarding the Federally Insured Student Loan (FISL) program and the conferees intend that the interest rate on the new veterans' and dependents education loan certainly should be closely coordinated with the FISL rate and in no event should exceed that rate.

The conferees are concerned that excessive default rates at certain institutions might jeopardize the success of the program, and both Committees will closely monitor default experience and expect the Administrator to do so as well. In this connection, the conferees direct the Administrator to utilize his new authority under new section 1796, added to title 38 by section 212 of the conference report, with respect to deceptive and misleading advertising, to take affirmative steps to prevent any questionable sales or enrollment practices utilizing advertising about the availability of the new loan program as a promotional technique. The Administrator should, in this regard and as part of fulfilling his notification requirement under section

502 of the conference report, promulgate in regulations a model loan description which shall be used by institutions in their advertising if they wish to refer to the loan availability.

TITLE IV. VETERANS, WIVES, AND WIDOWS EMPLOYMENT ASSISTANCE AND PREFERENCE AND VETERANS' REEMPLOYMENT RIGHTS

Both the Senate and House amendments extend chapter 41 benefits (job counseling, training, and placement services) to wives and widows eligible for educational assistance benefits under chapter 35. The conference agreement contains this provision.

Both the Senate and House amendments expand and strengthen the administrative controls which the Secretary of Labor is directed to establish under chapter 41 in order to ensure that eligible veterans, wives, and widows are promptly placed in a satisfactory job or job-training opportunity or receive some other specific form of employment assistance, and require the Secretary to publish standards for determining compliance by State Public Employment Service agencies with the provisions of chapters 41 and 42. The conference agreement contains this provision.

The Senate amendment clarifies and strengthens existing law requiring that Federal contractors and all of their subcontractors take particular actions in addition to job listing in order to give "special emphasis" to the employment of qualified service-connected disabled and Vietnam era veterans. The House amendment provides further clarification in this provision by making clear the intention of the Congress that affirmative action is to be taken by all Federal contractors and all of their subcontractors with respect to their employment practices in order to promote the greatest possible employment and advancement in employment of qualified service-connected disabled veterans and veterans of the Vietnam era. The Senate recedes. It is the conferees' objective in making this clarification to ensure that the goals of the program, as spelled out above, will be achieved according to an orderly and effective timetable, backed up by an effective compliance mechanism. The affirmative action requirement does not necessarily mean, however, that specific numerical or percentage goals and timetables will be made applicable to contractors and subcontractors at this time and with respect to this provision. For example, in carrying out the purposes of this provision, it may prove advantageous to await experience in administering the program before providing for the imposition of any such goals and timetables. The Congress will be vigilant to ensure that the purposes and goals of this affirmative action program are vigoriously pursued by the Labor Department.

Both the Senate and House amendments include a provision stating that it is the policy of the United States to promote maximum employment and job advancement opportunities within the Federal Government for qualified service-connected disabled and Vietnam era veterans, and providing for special Federal appointment authority and other mechanisms to carry out such policy. The conference agreement contains this provision.

Both the Senate and House amendments provide for the codification into title 38 of existing law on veterans' reemployment rights, and further extends such rights to veterans who were employed by States or their political subdivisions. The conference agreement contains this provision.

TITLE V. EFFECTIVE DATES

The Senate amendment makes the provisions in titles II and IV of the Senate amendment effective on the date of enactment (improvements in GI bill provisions and in employment assistance) the new loan program in title III effective on September 1, 1974, and the rate increases and other provisions of title I effective on July 1, 1974. The House amendment makes all amendments effective on the date of enactment except that the rate increase will be effective on September 1, 1974, and the new loan program will be effective November 1, 1974 (except that veterans or dependents eligible for such loan entitlement on or after November 1, 1974, shall be entitled to a loan amount reflective of the full amount of their tuition and all other costs of attendance which they incurred for the academic year beginning on or about September 1, 1974. The Senate recedes with an amendment making the effective date of the title III new loan program effective on January 1, 1975, subject to the same proviso with respect to previously incurred expenses.

TITLE AMENDMENT

Both the Senate and House amendments amend the title of the bill to reflect the provisions in the respective amendments. The conference agreement amends the title to reflect the provisions in the conference report.

CHANGES IN EXISTING LAW MADE BY H.R. 12628 AS AGREED TO IN CONFERENCE

For the information of the Members of Congress, changes in existing law made by the bill (H.R. 12628) as agreed to in conference, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 38—UNITED STATES CODE

* * * * *

PART III. READJUSTMENT AND RELATED BENEFITS

Chapter	Sec.
31. Vocational Rehabilitation	1501
34. Veterans Educational Assistance	1650
35. War Orphans' and Widows' Educational Assistance	1700
36. Administration of Educational Benefits	1770
37. Home, Farm, and Business Loans	1801
39. Automobiles and Adaptive Equipment for Certain Disabled Veterans and Members of the Armed Forces	1901
41. Job Counseling, Training, and Placement Service for Veterans	2001
42. Employment and Training of Disabled and Vietnam Era Veterans	2011
43. Veterans' Reemployment Rights	*2021*

CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

* * * * *

SUBCHAPTER II—ADMINISTRATOR OF VETERANS' AFFAIRS

Sec.
210. Appointment and general authority of Administrator; Deputy Administrator.
211. Decisions by Administrator; opinions of Attorney General.
212. Delegation of authority and assignment of duties.
213. Contracts and personal services.
214. Report to the Congress.
215. Publication of laws relating to veterans.
216. Research by Administrator; indemnification of contractors.
217. Studies of rehabilitation of disabled persons.
218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.
219. Evaluation and data collection.
220. Coordination of other Federal programs affecting veterans and their dependents.

SUBCHAPTER IV—VETERANS OUTREACH SERVICES PROGRAM

Sec.
240. Purpose; definitions.
241. Outreach services.
242. Veterans assistance offices.
243. Veterans' representatives.
[243.] *244.* Utilization of other agencies.
[244.] *245.* Report to Congress.

* * * * *

Subchapter II—Administrator of Veterans' Affairs

* * * * *

§ 219. Evaluation and data collection

(a) The Administrator, pursuant to general standards which he shall prescribe in regulations, shall measure and evaluate on a continuing basis the impact of all programs authorized under this title, in order to determine their effectiveness in achieving stated goals in general, and in achieving such goals in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services. Such information as the Administrator may deem necessary for purposes of such evaluations shall be made available to him, upon request, by all departments, agencies, and instrumentalities of the executive branch.

(b) In carrying out this section, the Administrator shall collect, collate, and analyze on a continuing basis full statistical data regarding participation (including the duration thereof), provision of services, categories of beneficiaries, planning and construction of facilities, acquisition of real property, proposed excessing of land, accretion and attrition of personnel, was categorized expenditures attributable thereto, under all programs carried out under this title.

(c) The Administrator shall make available to the public and on a regular basis provide to the appropriate committees of the Congress copies of all completed evaluative research studies and summaries of evaluations of program impact and effectiveness carried out, and tabulations and analyses of all data collected, under this section.

§ 220. Coordination of other Federal programs affecting veterans and their dependents

The Administrator shall seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch and shall seek to achieve the maximum feasible coordination of such programs with programs carried out under this title.

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Subchapter IV—Veterans Outreach Services Program

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§ 241. Outreach services

The Administrator shall provide the following outreach services *in carrying out the purposes of this subchapter (including the provision, to the maximum feasible extent, of such services, in areas where a significant number of eligible veterans and eligible dependents speak a language other than English as their principal language, in the principal language of such persons)*:

(1) by letter advise each veteran at the time of his discharge or release from active military, naval, or air service, or as soon as possible thereafter, of all benefits and services under laws administered by the Veterans' Administration for which the veteran may be eligible and, in carrying out this paragraph, the Administrator shall insure, through the utilization of veteran-student services under section 1685 of this title, that contact, in person or by telephone, is made with those veterans who, on the basis of their military service records, do not have a

high school education or equivalent at the time of discharge or release;

(2) distribute full information *to eligible veterans and eligible dependents* regarding all benefits and services to which they may be entitled under laws administered by the Veterans' Administration and may, to the extent feasible, distribute information on other governmental programs (including manpower and training programs) which he determines would be beneficial to veterans; and

(3) provide, to the maximum extent possible, aid and assistance (including personal interviews) to members of the Armed Forces, veterans, and eligible dependents in respect to clauses (1) and (2) above and in the preparation and presentation of claims under laws administered by the Veterans' Administration.

§ 242. Veterans assistance offices

(a) The Administrator shall establish and maintain veterans assistance offices at such places throughout the United States and its territories and possessions, and the Commonwealth of Puerto Rico, as he determines to be necessary to carry out the purposes of this subchapter, with due regard for the geographical distribution of veterans recently discharged or released from active military, naval, or air service, the special needs of educationally disadvantaged veterans (including their need for accessibility of outreach services), and the necessity of providing appropriate outreach services in less populated areas.

(b) The Administrator [may implement such special telephone service] *shall establish and carry out all possible programs and services, including special telephone facilities,* as may be necessary to make the outreach services provided for under this subchapter as widely available as possible.

§ 243. Veterans' representatives

(a)(1) Except as otherwise provided in paragraph (4) of this subsection, the Administrator shall assign, with appropriate clerical/secretarial support, to each educational institution (as defined in section 1652(c) except for correspondence schools) where at least five hundred persons are enrolled under chapters 31, 34, 35, and 36 of this title such number of full-time veterans' representatives as will provide at least one such veterans' representative per each five hundred such persons so enrolled at each such institution; and the Administrator shall also assign to other such veterans' representatives responsibility for carrying out the functions set forth in paragraph (3) of this subsection with respect to groups of institutions with less than five hundred such persons so enrolled, on the basis of such proportion of such veterans' representatives' time to such persons so enrolled as he deems appropriate to be adequate to perform such functions at such institutions.

(2) In selecting and appointing veterans' representatives under this subsection, preference shall be given to veterans of the Vietnam era with experience in veterans affairs' counseling, outreach, and other related veterans' services.

(3) The functions of such veterans' representatives shall be to—

(A) answer all inquiries related to Veterans' Administration educational assistance and other benefits, and take all necessary action to resolve such inquiries expeditiously, especially those relating to payments of educational assistance benefits;

(B) assure correctness and proper handling of applications, completion of certifications of attendance, and submission of all necessary information (including changes in status or program affecting payments) in support of benefit claims submitted;

(C) maintain active liaison, communication, and cooperation with the officials of the educational institution to which assigned, in order to alert veterans to changes in law and Veterans' Administration policies or procedures;

(D) supervise and expeditiously resolve all difficulties relating to the delivery of advance educational assistance payments authorized under this title;

(E) coordinate Veterans' Administration matters with, and provide appropriate briefings to, all on-campus veterans' groups, working particularly closely with veterans' coordinators at educational institutions receiving veterans' cost-of-instruction payments under section 420 of the Higher Education Act of 1965, as amended (hereinafter referred to as "V.C.I. institutions");

(F) provide necessary guidance and support to veteran-student services personnel assigned to the campus under section 1685 of this title;

(G) where such functions are not being adequately carried out by existing programs at such institutions (i) provide appropriate motivational and other counseling to veterans (informing them of all available benefits and services, as provided for under section 241 of this title) and (ii) carry out outreach activities under this subchapter; and

(H) carry out such other activities as may be assigned by the director of the Veterans' Administration regional office, established under section 230 of this title.

(4) Based on the extent to which the functions set forth in paragraph (3) of this subsection are being adequately carried out at a particular educational institution or in consideration of other factors indicating the inappropriateness of assignment of veterans' representatives to a particular educational institution, the director of the appropriate Veterans' Administration regional office shall, notwithstanding the formula set forth in paragraph (1) of this subsection, either reallocate such veterans' representatives to other educational institutions in such region where he determines that such additional veterans' representatives are necessary, or, with the approval of the chief benefits officer of the Veterans' Administration, assign such veterans' representatives to carry out such functions or related activities at the regional office in question, with special responsibility for one or more than one particular educational institution.

(5) The functions of a veterans' representative assigned under this subsection shall be carried out in such a way as to complement and not interfere with the statutory responsibilities and duties of persons carrying out veterans affairs' functions at V.C.I. institutions.

(b) The Administrator shall establish rules suring that activities of veterans' representatives in carrying out their functions under this section. Such rules and procedures shall contain provisions directed especially to assuring that activities of veterans' representatives carried out under this section complement, and do not interfere with, the established responsibilities of representatives recognized by the Administrator under section 3402 of this title.

[§ 243.] *§ 244.* Utilization of other agencies

In carrying out the purposes of this subchapter, the Administrator [may] *shall*—

(1) arrange with the Secretary of Labor for the State employment services to match the particular qualifications of an eligible veteran or eligible dependent with an appropriate job or job training opportunity, to include where possible, arrangements for outstationing the State employment personnel who provide such assistance at appropriate facilities of the Veterans' Administration;

(2) cooperate with and use the services of any Federal department or agency or any State or local governmental agency or recognized national or other organization;

(3) where appropriate, make referrals to any Federal department or agency or State or local governmental unit or recognized national or other organization;

(4) at his discretion, furnish available space and office facilities for the use of authorized representatives of such governmental unit or other organization providing services; and

(5) conduct *and provide for* studies in consultation with appropriate Federal departments and agencies to determine the most effective program design to carry out the purposes of this subchapter.

[§ 244.] *§ 245.* Report to Congress

The Administrator shall include in the annual report to the Congress required by section 214 of this title a report on the activities carried out under this subchapter, each report to include an appraisal of the effectiveness of the programs authorized herein and recommendations for the improvement or more effective administration of such programs.

CHAPTER 31—VOCATIONAL REHABILITATION

* * * * *

§ 1501. Definitions

For the purposes of this chapter—

(1) The term "World War II" means the period beginning on September 16, 1940, and ending on July 25, 1947.

(2) The term "vocational rehabilitation" means training (including educational and vocational counseling, *all appropriate individualized tutorial assistance*, and other necessary incidental services) for the purpose of restoring employability to the extent consistent with the degree of disablement, lost by virtue of a handicap due to service-connected disability.

§ 1502. Basic entitlement

(a) Every veteran who is in need of vocational rehabilitation on account of a service-connected disability which is, or but for the receipt of retirement pay would be, compensable under chapter 11 of this title shall be furnished such vocational rehabilitation as may be prescribed by the Administrator, [if such disability—] *arose out of service during World War II or thereafter.*

[(1) arose out of service during World War II or the Korean conflict; or

[(2) arose out of service (*A*) after World War II, and before the Korean conflict, or (*B*) after the Korean conflict, and is raised for compensation purposes as 30 per centum or more, or if less than 30 per centum, is clearly shown to have caused a pronounced employment handicap.]

(b) Unless a longer period is prescribed by the Administrator, no course of vocational rehabilitation may exceed four years. If the veteran has pursued an educational or training program under chapter 33 (prior to its repeal), 34, 35, or 36 of this title, such program shall be utilized to the fullest extent practical in determining the character and duration of the vocational rehabilitation to be furnished him under this chapter.

(c) Vocational rehabilitation may not be afforded outside of a State to a veteran on account of post-World War II service if the veteran, at the time of such service, was not a citizen of the United States.

(d) Veterans pursuing a program of vocational rehabilitation training under the provisions of this chapter shall also be eligible, where feasible, to perform veteran-student services pursuant to section 1685 of this title and for advance subsistence allowance payments as provided by section 1780 of this title.

§ 1504. Subsistence allowances

(a) While pursuing a course of vocational rehabilitation training and for two months after his employability is determined, each veteran shall be paid a subsistence allowance as prescribed in this section.

(b) The subsistence allowance of a veteran-trainee is to be determined in accordance with the following table, and shall be the monthly amount shown in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the appropriate type of training as specified in column I:

Column I	Column II	Column III	Column IV	Column V
Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$170	$212	$248	$18
Three-quarter-time	128	159	187	14
Half-time	85	106	124	9
Farm cooperative, apprentice, or other on-job training: Full-time	148	179	207	14

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Type of training	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	*$201*	*$249*	*$293*	*$21*
Three-quarter-time	*151*	*188*	*221*	*17*
Half-time	*100*	*125*	*147*	*11*
Farm cooperative, apprentice, or other on-the-job training:				
Full-time	*175*	*212*	*245*	*17*

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

* * * * *

SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

Sec.
1681. Educational assistance allowance.
1682. Computation of educational assistance allowances.
1683. Approval of courses.
1684. Apprenticeship or other on-job training; correspondence courses.
1685. Veteran-student services.
1686. Education loans.

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SUBCHAPTER I—PURPOSE—DEFINITIONS

* * * * *

§ 1652. Definitions

For the purposes of this chapter—

(a)(1) The term "eligible veteran" means any veteran who (A) served on active duty for a period of more than 180 days any part of which occurred after January 31, 1955, and who was discharged or released therefrom under conditions other than dishonorable or (B) was discharged or released from active duty after such date for a service-connected disability.

(2) The requirement of discharge or release, prescribed in paragraph (1)(A), shall be waived in the case of any individual who served more than one hundred and eighty days in an active-duty status for so long as he continues on active duty without a break therein.

(3) For purposes of paragraph (1)(A) and section 1661(a), the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve[.] *unless at some time subsequent to the completion of such period of active duty for training such individual served on active duty for a consecutive period of one year or more (not including any service as a cadet or midshipman at one of the service academies).*

(b) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational professional, or vocational objective. Such term also means any curriculum of unit courses or subjects pursued at an educational institution which fulfill requirements for the attainment of more than one predetermined and identified educational, professional, or vocational objective if all the objectives pursued are generally recognized as being reasonably related to a single career field. Such term also means any unit course or subject, or combination of courses or subjects, pursued by an eligible veteran at an educational institution, required by the Administrator of the Small Business Administration as condition to obtaining financial assistance under the provisions of 402(a) of the Economic Opportunity Act of 1964 (42 U.S.C. 2902(a)).

(c) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or other institution furnishing education for adults.

(d) The term "dependent" means—

(1) a child of an eligible veteran;

(2) a dependent parent of an eligible veteran; and

(3) the wife of an eligible veteran.

(e) For the purposes of this chapter and chapter 36 of this title, the term "training establishment" means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, United States Code, or any agency of the Federal Government authorized to supervise such training.

SUBCHAPTER II—ELIGIBILITY AND ENTITLEMENT

§ 1661. Eligibilty; entitlement; duration

Entitlement

(a) Except as provided in subsection (c) and in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter or chapter 36 for a period of one and one-half months (or the equivalent thereof in part-time educational assistance) for each month or fraction thereof of his service on active duty after January 31, 1955. If an eligible veteran has served a period of 18 months or more on active duty January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of 36 months (or the equivalent thereof in part-time educational assistance) plus an additional number of months, not exceeding nine, as may be utilized in pursuit of a program of education leading to a standard undergraduate college degree.

Entitlement Limitations

(b) Whenever the period of entitlement under this section of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester, such period shall be extended to the termination of such unexpired quarter or semester. In educational institutions not operated on the quarter or semester system, whenever the period of eligibility ends after a major portion of the course is completed such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period.

(c) Except as provided in [subsection] *subsections (a) and (b)* and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of thirty-six months.

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SUBCHAPTER III—ENROLLMENT

* * * * *

§ 1673. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible veteran in—

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, *or in any other course with a vocational objective,* unless the eligible veteran or the institution offering such course submits justification showing that at least one-half of the persons [completing] *who completed* such course over the preceding two-year period, *and who are not unavailable for employment,* have been employed in the [sales or sales management field] *occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty)*; or

(3) any type of course which the Administrator finds to be avocational or recreational in character *(or the advertising for which he finds contains significant avocational or recreational themes)* unless the veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) Except as provided in section 1677 of this title, the Administrator shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

(c) The Administrator shall not approve the enrollment of an eligible veteran in any course to be pursued by open circuit television (except as herein provided) or radio. The Administrator may approve the enrollment of an eligible veteran in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit television, if the major portion of the course requires conventional classroom or laboratory attendance.

(d) The Administration shall not approve the enrollment of any eligible veteran, not already enrolled, in any **[**nonaccredited**]** course **[**below the college level**]** (*other than one offered pursuant to subchapter V or subchapter VI of this chapter*) *which does not lead to a standard college degree and which is* offered by a proprietary profit or proprietary nonprofit educational institution for any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this title.

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§ 1677. Flight training

(a) The Administrator may approve the pursuit by an eligible veteran of flight training where such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation or where generally recognized as ancillary to the pursuit of a vocational endsaver other than aviation, subject to the following conditions:

(1) the eligible veteran must possess a valid private pilot's license and meet the medical requirements necessary for a commercial pilot's license; and

(2) the flight school courses must meet the Federal Aviation Administration standards and he approved both by the Agency and the appropriate State approving agency.

(b) Each eligible veteran who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of subsection (a) hereof, shall be paid an educational assistance allowance to be computed at the rate of 90 per centum of the established charges for tuition and fees which similarly circumstanced nonveterans enrolled in the same flight course are required to pay. Such allowance shall be paid monthly upon receipt of a certification as required by section 1681(c) of this title. In each such case the eligible veteran's period of entitlement shall be charged with one month for each **[**$220**]** *$260* which is paid to the veteran as an educational assistance allowance for such course.

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SUBCHAPTER IV—PAYMENTS TO ELIGIBLE VETERANS; VETERAN-STUDENT SERVICES

* * * * *

Flight Training

§ 1632. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), or (c) of this section, or section 1677 or 1787 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the applicable type of program as shown in column I:

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$220	$261	$298	$18
Three-quarter-time	165	196	224	14
Half-time	110	131	149	9
Cooperative	177	208	236	14

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Type of program	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	*$270*	*$320*	*$366*	*$22*
Three-quarter-time	*203*	*240*	*275*	*17*
Half-time	*135*	*160*	*182*	*11*
Cooperative	*217*	*255*	*289*	*71*

(2) A "cooperative" program, other than a "farm cooperative" program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

(b) The educational assistance allowance of an individual pursuing a program education—

(1) while on active duty, or

(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) **[**$220**]** *$260* per month for a full-time course, whichever is the lesser.

(c)(1) An eligible veteran who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any 3-month period),

(B) a three-quarter-time basis (a minimum of 7 clock hours per week), or

(C) a half-time basis (a minimum of 5 clock hours per week) shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the veteran is enrolled.

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	Column V
Basis Type of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$177	$208	$236	$14
Three-quarter-time	133	156	177	11
Half-time	89	104	118	7

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Basis	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	*$217*	*$255*	*$284*	*$17*
Three-quarter-time	*163*	*191*	*218*	*13*
Half-time	*109*	*128*	*145*	*9*

(d) (1) Notwithstanding the prohibition in section 1671 of this title prohibiting enrollment of an eligible veteran in a program of education in which such veteran has "already qualified," a veteran shall be allowed up to six months of educational assistance (or the equivalent thereof in part-time assistance) for the pursuit of refresher training to permit such veteran to update such veteran's knowledge and skills and to be instructed in the technological advances which have occurred in such veterans' field of employment during and since the period of such veteran's active military service.

(2) A veteran pursuing refresher training under this subsection shall be paid an educational assistance allowance based upon the rate *prescribed in the* table in subsection (a) (1) or in subsection (c) (2) of this section, whichever is applicable.

(3) The educational assistance allowance paid under the authority of this subsection shall be charged against the period of entitlement the veteran has earned pursuant to section 1661 (a) of this title.

* * * * *

§ 1685. Veteran-student services

(a) Veteran-students utilized under the authority of subsection (b) of this section shall be paid an additional educational assistance allowance (hereafter referred to as "work-study allowance"). Such work-study allowance shall be paid [in advance] in the amount of [$250] *$625* in return for such veteran-student's agreement to perform services, during or between periods of enrollment, aggregating [one] *two* hundred *and fifty* hours during a semester or other applicable enrollment period, required in connection with (1) the outreach services program under subchapter IV of chapter 3 of this title as carried out under the supervision of a Veterans' Administration employee, (2) the preparation and processing of necessary papers and other documents at educational institutions or regional offices or facilities of the Veterans' Administration, (3) the provision of hospital and domiciliary care and medical treatment under chapter 17 of this title, or (4) any other activity of the Veterans' Administration as the Administrator shall determine appropriate. [Advances of lesser amounts may be made in return for agreements to perform services for periods of less than one hundred hours, the amount of such advance to bear the same ratio to the number of hours of work agreed to be performed as $250 bears to one hundred hours] *An agreement may be entered into for the performance of services for periods of less than two hundred and fifty hours, in which case the amount of the work-study allowance to be paid shall bear the same ratio to the number of hours of work agreed to be performed at $625 bears to two hundred and fifty hours. In the case of any agreement providing for the performance of services for one hundred hours or more, the veteran student shall be paid $250 in advance, and in the case of any agreement for the performance of services for less than one hundred hours, the amount of the advance payment shall bear the same ratio to the number of hours of work agreed to be performed as $625 bears to two hundred and fifty hours.*

(b) Notwithstanding any other provision of law, the Administrator shall utilize, in connection with the activities specified in subsection (a) of this section, the services of veteran-students who are pursuing full-time programs of education or training under chapters 31 and 34 of this title. In carrying out this section, the Administrator, wherever feasible, shall give priority to veterans with disabilities rated at 30 per centum or more for purposes of chaper 11 of this title.

(c) The Administrator shall determine the number of veterans whose services the Veterans' Administration can effectively utilize [(not to exceed eight hundred man-years or their equivalent in man-hours during any fiscal year)] and the types of services that such veterans may be required to perform, on the basis of a survey, which he shall conduct annually, of each Veterans' Administration regional office in order to determine the numbers of veteran-students whose services can effectively be utilized during an enrollment period in each geographical area where Veterans' Administration activities are conducted, and shall determine which veteran-students shall be offered agreements under this section in accordance with regulations which he shall prescribe, including as criteria (1) the need of the veterans to augment his educational assistance or subsistence allowance; (2) the availability to the veteran of transportation to the place where his services are to be performed; (3) the motivation of the veteran; and (4) in the case of a disabled veteran pursuing a course of vocational rehabilitation under chapter 31 of this title, the compatibility of the work assignment to the veteran's physical condition.

(d) While performing the services authorized by this section, veteran-students shall be deemed employees of the United States for the purposes of the benefits of chapter 81 of title 5 but not for the purposes of laws administered by the Civil Service Commission.

§ 1686. Education loans

Any eligible veteran shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

Subchapter V—Special Assistance for the Educationally Disadvantaged

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§1692. Special supplementary assistance

(a) In the case of any eligible veteran who—

(1) is enrolled in and pursuing a post-secondary course of education on a half-time or more basis at an educational institution; and

(2) has a deficiency in a subject required as a part of, or which is a prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education,

the Administrator may approve individualized tutorial assistance for such veteran if such assistance is necessary for the veteran to complete such program successfully.

(b) The Administrator shall pay to an eligible veteran receiving tutorial assistance pursuant to subsection (a) of this section, in addition to the educational assistance allowance provided in section 1682 of this title, the cost of such tutorial assistance in an amount not to exceed [$50] *$60* per month, for a maximum of [nine] *twelve* months, or until a maximum of [$450] *$720* is utilized, upon certification by the educational institution that—

(1) the individualized tutorial assistance is essential to correct a deficiency of the eligible veteran in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

(2) the tutor chosen to perform such assistance is qualified; and

(3) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

* * * * *

§ 1696. Payment of educational assistance allowance

(a) The Administrator shall, under such regulations as he shall prescribe after consultation with the Secretary of Defense, pay the educational assistance allowance as computed in subsection (b) of this section to an eligible person enrolled in and pursuing (1) a course or courses offered by an educational institution (other than by correspondence) and required to receive a secondary school diploma, or (2) any deficiency, remedial, or refresher course or courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment.

(b) The educational assistance allowance of an eligible person pursuing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or similar program to have, or (2) [$220] *$260* per month for a full-time course, whichever is the lesser. Where it is determined that there is no same program, the Administrator shall establish appropriate rates for tuition and fees designed to allow reimbursement for reasonable costs for the education or training institution.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement earned pursuant to section 1661(a) of this title.

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CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE

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SUBCHAPTER IV—PAYMENTS TO ELIGIBLE PERSONS

Sec.
1731. Educational assistance allowance.
1732. Computation of educational assistance allowance.
1733. Special assistance for the educationally disadvantaged.
1734. Apprenticeship or other on-job training; correspondence courses.
1735. Approval of courses.
1736. Specialized vocational training courses.
1737. Education loans.

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SUBCHAPTER III—PROGRAM OF EDUCATION

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§ 1723. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible person in—

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, *or in any other course with a vocational objective,* unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons [completing] *who completed* such course over the preceding two-year period, *and who are not unavailable for employment,* have been employed in the [sales or sales management field] *occupational category for which the course was designed to provide training (but in computing the number of persons who completed such course over any such two-year period, there shall not be included the number of persons who completed such course with assistance under this title while serving on active duty)*; or

(3) any type of course which the Administrator finds to be avocational or recreational in character (*or the advertising for which he finds contains significant avocational or recreational themes*) unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in [any course of institutional on-farm training,] any course to be pursued by correspondence (except as provided in section 1786 of this title), open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines (except as herein provided). The Administrator may approve the enrollment of an eligible person in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. The Administrator may approve the enrollment at an educational institution which is not located in a State or in the Republic of the Philippines if such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any eligible person in a foreign educational institution if he finds that such enrollment is not in the best interest of the eligible person or the Government.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education (except as provided in section 1733 of this title), but this subsection shall not prevent the enrollment of an eligible person in a course [to be pursued below the college level] *not leading to a standard college degree* if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

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SUBCHAPTER IV—PAYMENTS TO ELIGIBLE PERSONS

§ 1731. Educational assistance allowance

(a) The Administrator shall, in accordance with the provisions of section 1780 of this title, pay to the parent or guardian of each eligible person who is pursuing a program of education under this chapter, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) No educational assistance allowance shall be paid on behalf of an eligible person enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

(1) from the eligible person a certification as to his actual attendance during such period; and

(2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, that he was enrolled in and pursuing a course of education during such period.

§ 1732. Computation of educational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate [of (A) $220 per month if pursued on a full-time basis, (B) $165 per month if pursued on a three-quarter-time basis, and (C) $110 per month if pursued on a half-time basis.] *prescribed in section 1682 (a)(1) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of an institutional program by an eligible veteran with no dependents.*

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate [of (A) the established charges for tuition and fees which the institution requires other individuals enrolled in the same program to pay, or (B) $220 per month for a full-time course, whichever is the lesser.] *prescribed in section 1682(b)(2) of this title for less-than-half-time pursuit of an institutional program by an eligible veteran.*

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of [$177] *$209* per month.

(c)(1) An eligible person who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within forty-four weeks of any period of twelve consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of ten clock hours per week or four hundred and forty clock hours in such year prescheduled to provide not less than eighty clock hours in any three-month period),

(B) a three-quarter-time basis (a minimum of seven clock hours per week), or

(C) a half-time basis (a minimum of five clock hours per week),

shall be eligible to receive an educational assistance allowance at the appropriate rate provided in paragraph (2) of this subsection, if such eligible person is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator. In computing the foregoing clock hour requirements there shall be included the time involved in field trips and individual and group instruction sponsored and conducted by the educational institution through a duly authorized instructor of such institution in which the person is enrolled.

(2) The monthly educational assistance allowance to be paid on behalf of an eligible person pursuing a farm cooperative program under this chapter shall be computed at the rate prescribed in section 1682 (c)(2) of this title for full-time, three-quarter-time, or half-time pursuit, as appropriate, of a farm cooperative program by an eligible veteran with no dependents.

[c]*(d)* If a program of education is pursued by an eligible person at an institution located in the Republic of the Philippines, the educational assistance allowance computed for such person under this section shall be paid at a rate in Philippine pesos equivalent to $0.50 for each dollar.

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§ 1737. Education loans

Any eligible person shall be entitled to an education loan (if the program of education is pursued in a State) in such amount and on such terms and conditions as provided in sections 1798 and 1799 of this title.

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SUBCHAPTER V—SPECIAL RESTORATIVE TRAINING

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§ 1792. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on [his] behalf *of such person* a special training allowance computed at the basic rate of [220] *$260* per month. If the charges for tuition and fees applicable to any such course are more than [$69] *$82* per calendar month, the basic monthly allowance may be increased by the amount that such charges exceed [$69] *$83* a month, upon election by the [parents] *parent* or guardian of the eligible person to have such person's period of entitlement reduced by one day for each [$7.35] *$8.69* that the special training allowance paid exceeds the basic monthly allowance.

(b) No payments of a special training allowance shall be made for the same period for which the payment of an educational assistance allowance is made or for any period during which the training is pursued on less than a full-time basis.

(c) Full-time training for the purpose of this section shall be determined by the Administrator with respect to the capacities of the individual trainee.

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CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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SUBCHAPTER II—MISCELLANEOUS PROVISIONS

Sec.
1780. Payment of educational or subsistence assistance allowances.
1781. Limitation of educational assistance.
1782. Control by agencies of the United States.
1783. Conflicting interests.
1784. Reports by institutions; reporting fee.
1785. Overpayments to eligible person or veterans.
1786. Correspondence courses.
1787. Apprenticeship or other on-job training.
1788. Measurement of courses.
1789. Period of operation for approval.
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Subchapter III—Education Loans to Eligible Veterans and Eligible Persons

1798. Eligibility for loans; amount and conditions of loans; interest rates on loans.
1799. Revolving fund; insurance.

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SUBCHAPTER I—STATE APPROVING AGENCIES

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§ 1774. Reimbursement of expenses

(a) The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under this chapter and chapters 34 and 35, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with chapters 34 and 35. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters 34 and 35.

(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	[Allowance] *Allowable* for administrative expense
$5,000 or less	[$500.] *$550.*
Over $5,000 but not exceeding $10,000	[$900.] *$1,000.*
Over $10,000 but not exceeding $35,000	[$900] *$1,000* for the first $10,000 plus [$800] *$925* for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	[$5,250.] *$6050.*
Over $40,000 but not exceeding $75,000	[$5,250] *$6,050* for the first $40,000 plus [$700] *$800* for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	[$10,450.] *$12,000.*
Over $80,000	[$10,450] *$12,000* for the first $80,000 plus [$600] *$700* for each additional $5,000 or fraction thereof.

SUBCHAPTER II—MISCELLANEOUS PROVISIONS

§ 1780. Payment of educational assistance or subsistence allowances

Period for Which Payment May be Made

(a) Payment of educational assistance or subsistence allowances to eligible veterans or eligible persons pursuing a program of education or training, other than a program by correspondence or a program of flight training, in an educational institution under chapter 31, 34, or 35 of this title shall be paid as provided in this section and, as applicable, in section 1504, 1682, 1691, or 1732 of this title. Such payments shall be paid only for the period of such veterans' or persons' enrollment, but no amount shall be paid—

(1) to any eligible veteran or eligible person enrolled in a course which leads to a standard college degree for any period when such veteran or person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter or of chapter 34 or 35 of this title; or

(2) to any eligible veteran or eligible person enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1787 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays (*or customary vacation periods connected therewith*) established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

Notwithstanding the foregoing, the Administrator may, subject to such regulations as he shall prescribe, continue to pay allowances to eligible veterans and eligible persons enrolled in courses set forth in clause (1) or (2) of this subsection during periods when the schools are temporarily closed under an established policy based upon an Executive order of the President or due to an emergency situation, and such periods shall not be counted as absences for the purposes of clause (2).

Correspondence Training Certifications

(b) No educational assistance allowance shall be paid to an eligible veteran or wife or widow enrolled in and pursuing a program of education exclusively by correspondence until the Administrator shall have received—

(1) from the eligible veteran or wife or widow a certificate as to the number of lessons actually completed by the veteran or wife or widow and serviced by the educational institution; and

(2) from the training establishment a certification or an endorsement on the veteran's or wife's or widow's certificate, as to the number of lessons completed by the veteran or wife or widow and serviced by the institution.

Apprenticeship and Other On-Job Training

(c) No training assistance allowance shall be paid to an eligible veteran or eligible person enrolled in and pursuing a program of apprenticeship or other on-job training until the Administrator shall have received—

(1) from such veteran or person a certification as to his actual attendance during such period; and

(2) from the training establishment a certification, or an endorsement on the veteran's or person's certificate, that such veteran or person was enrolled in and pursuing a program of apprenticeship or other on-job training during such period.

Advance Payment of Initial Educational Assistance or Subsistence Allowance

(d)(1) The educational assistance or subsistence allowance advance payment provided for in this subsection is based upon a finding by the Congress that eligible veterans and eligible persons need additional funds at the beginning of a school term to meet the expenses of books, travel, deposits, and payment for living quarters, the initial installment of tuition, and the other special expenses which are concentrated at the beginning of a school term.

(2) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, an eligible veteran or eligible person shall be paid an educational assistance allowance or subsistence allowance, as appropriate, advance payment. Such advance payment shall be made in an amount equivalent to the allowance for the month or fraction thereof in which pursuit of the program will commence, plus the allowance for the succeeding month. In the case of a serviceman on active duty, who is pursuing a program of education (other than under subchapter VI of chapter 34), the advance payment shall be in a lump sum based upon the amount payable for the entire quarter, semester, or term, as applicable. In no event shall an advance payment be made under this subsection to a veteran or person intending to pursue a program of education on less than a half-time basis. The application for advance payment, to be made on a form prescribed by the Administrator, shall—

(A) in the case of an initial enrollment of a veteran or person in an educational institution, contain information showing that the veteran or person (i) is eligible for educational benefits, (ii) has been accepted by the institution, and (iii) has notified the institution of his intention to attend that institution; and

(B) in the case of a re-enrollment of a veteran or person, contain information showing that the veteran or person (i) is eligible to continue his program of education or training and (ii) intends to re-enroll in the same institution,

and, in either case, shall also state the number of semester or clock-hours to be pursued by such veterans or person.

(3) Subject to the provisions of this subsection, and under regulations which the Administrator shall prescribe, a person eligible for education or training under the provisions of subchapter VI of chapter 34 of this title shall be entitled to lump-sum educational assistance allowance advance payment. Such advance payment shall in no event be made earlier than thirty days prior to the date on which pursuit of the person's program of education or training is to commence. The application for the advance payment, to be made on a form prescribed by the Administrator, shall, in addition to the information prescribed in paragraph (2)(A), specify—

(A) that the program to be pursued has been approved;

(B) the anticipated cost and the number of Carnegie, clock, or semester hours to be pursued; and

(C) where the program to be pursued is other than a high school credit course, the need of the person to pursue the course or courses to be taken.

(4) For purposes of the Administrator's determination whether any veteran or person is eligible for an advance payment under this section, the information submitted by the institution, the veteran or person, shall establish his eligibility unless there is evidence in his file in the processing office establishing that he is not eligible for such advance payment.

(5) The advance payment authorized by paragraphs (2) and (3) of this subsection shall, in the case of an eligible veteran or eligible person, be (A) drawn in favor of the veteran or person; (B) mailed to the educational institution listed on the application form for temporary care and delivery to the veteran or person by such institution; and (C) delivered to the veteran or person upon his registration at such institution, but in no event shall such delivery be made earlier than thirty days before the program of education is to commence.

(6) Upon delivery of the advance payment pursuant to paragraph (5) of this subsection, the institution shall submit to the Administrator a certification of such delivery. If such delivery is not affected within thirty days after commencement of the program of education in question, such institution shall return such payment to the Administrator forthwith.

Prepayment of Subsequent Educational Assistance or Subsistence Allowance

(e) Except as provided in subsection (g) of this section, subsequent payments of educational assistance or subsistence allowance to an eligible veteran or eligible person shall be prepaid each month, subject to such reports and proof of enrollment in and satisfactory pursuit of such programs as the Administrator may require. The Administrator may withhold the final payment for a period of enrollment until such proof is received and the amount of the final payment appropriately adjusted.

Recovery of Erroneous Payments

(f) If an eligible veteran or eligible person fails to enroll in or pursue a course for which an educational assistance or subsistence allowance advance payment is made, the amount of such payment and any amount of subsequent payments which, in whole or in part, are due to erroneous information required to be furnished under subsection (d) (2) and (3) of this section, shall become an overpayment and shall constitute a liability of such veteran or person to the United States and may be recovered, unless waived pursuant to section 3102 of this title, from any benefit otherwise due him under any law administered by the Veterans' Administration or may be recovered in the same manner as any other debt due the United States.

Payments for Less Than Half-Time Training

(g) Payment of educational assistance allowance in the case of any eligible veteran or eligible person pursuing a program of education on less than a half-time basis (except as provided by subsection (d)(3) of this section) shall be made in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that such veteran or person has enrolled in and is pursuing a program at such institution. Such lump sum payment shall be computed at the rate provided in section 1682(b) or 1732(a)(2) of this title, as applicable.

Determination of Enrollment, Pursuit, and Attendance

(h) The Administrator may, pursuant to regulations which he shall prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or training or course by an eligible veteran or eligible person for any period for which he receives an educational assistance or subsistence allowance under this chapter for pursuing such program or course.

* * * * *

§ 1784. Reports by institutions; reporting fee

(a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person or veteran enrolled therein under chapter 34, 35, or 36.

(b) The Administrator may pay to any educational institution, *or to any joint apprenticeship training committee acting as a training establishment,* furnishing education *or training* under either *this chapter or* chapter 34[.] *or* 35[.] [or 36] of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution *or joint apprenticeship training committee* is required to [report] *submit* to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans or eligible persons enrolled under [chapters] *this chapter or chapter* 34[.] *or* 35[, and] of this title, or $4 in the case of those eligible veterans and eligible persons whose educational assistance checks are directed in care of each institution for temporary custody and delivery and are delivered at the time of registration as provided under section 1780(d)(5) of this title, on October 31 of that year; except that the Administrator may, where it is established by [the] *such* educational institution *or joint apprenticeship training committee* that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran *enrollment* plus eligible person enrollment in such *educational* institution *or joint apprenticeship training committee* during such calendar year, establish such other date as representative of the peak enrollment as may be justified for [that] *such educational* institution *or joint apprenticeship training committee.* The reporting fee shall be paid to [the] *such* educational institution *or joint apprenticeship training committee* as soon as feasible after the end of the calendar year for which it is applicable.

* * * * *

§ 1786. Correspondence courses

(a)(1) Each eligible veteran (as defined in section 1652(a) (1) and (2) of this title) and each eligible wife or widow (as defined in section 1701(a)(1) (B), (C), or (D) of this title) who enters into an enrollment agreement to pursue a program of education exclusively by correspondence shall be paid an educational assistance allowance computed at the rate of 90 per centum of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veteran or wife or widow. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the veteran or wife or widow, whichever is the lesser. Such allowance shall be paid quarterly on a prorata basis for the lessons completed by the veteran or wife or widow and serviced by the institution.

(2) The period of entitlement of any veteran or wife or widow who is pursuing any program of education exclusively by correspondence shall be charged with one month for each [$220] *$260* which is paid to the veteran or wife or widow as an educational assistance allowance for such course.

(b) The enrollment agreement shall fully disclose the obligation of both the institution and the veteran or wife or widow and shall prominently display the provisions for affirmance, termination, refunds, and the conditions under which payment of the allowance is made by the Administrator to the veteran or wife or widow. A copy of the enrollment agreement shall be furnished to each such veteran or wife or widow at the time such veteran or wife or widow signs such agreement.

No such agreement shall be effective unless such veteran or wife or widow shall, after the expiration of ten days after the enrollment agreement is signed, have signed and submitted to the Administrator a written statement, with a signed copy to the institution, specifically affirming the enrollment agreement. In the event the veteran or wife or widow at any time notifies the institution of his intention not to affirm the agreement in accordance with the preceding sentence, the institution, without imposing any penalty or charging any fee shall promptly make a full refund of all amounts paid.

(c) In the event veteran or wife or widow elects to terminate his enrollment under an affirmed enrollment agreement, the institution (other than one subject to the provisions of section 1776 of this title) may charge the veteran or wife or widow a registration or similar fee not in excess of 10 per centum of the tuition for the course, or $50, whichever is less. Where the veteran or wife or widow elects to terminate the agreement after completion of one or more but less than 25 per centum of the total number of lessons comprising the course, the institution may retain such registration or similar fee plus 25 per centum of the tuition for the course. Where the veteran or wife or widow elects to terminate the agreement after completion of 25 per centum but less than 50 per centum of the lessons comprising the course, the institution may retain the full registration or similar fee plus 50 per centum of the course tuition. If 50 per centum or more of the lessons are completed, no refund of tuition is required.

§ 1787. Apprenticeship or other on-job training

(a) An eligible veteran (as defined in section 1652(a)(1) of this title) or an eligible person (as defined in section 1701(a) of this title) shall be paid a training assistance allowance as prescribed by subsection (b) of this section while pursuing a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, or

(2) program of other on-job training approved under provisions of section 1777 of this title.

subject to the conditions and limitations of chapters 34 and 35 with respect to educational assistance.

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

Column I	Column II	Column III	Column IV	Column V
Periods of training	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	$160	$179	$196	$8
Second 6 months	120	139	156	8
Third 6 months	80	99	116	8
Fourth and any succeeding 6-month periods	40	59	76	8

Column I	*Column II*	*Column III*	*Column IV*	*Column V*
Type of training	*No dependents*	*One dependent*	*Two dependents*	*More than two dependents*
				The amount in column IV, plus the following for each dependent in excess of two:
First 6 months	*$189*	*$212*	*$232*	*$9*
Second 6 months	*142*	*164*	*184*	*9*
Third 6 months	*95*	*117*	*137*	*9*
Fourth and any succeeding 6-month periods	*47*	*70*	*90*	*9*

(2, The monthly training assistance allowance of an eligible person pursuing a program described under subsection (a) shall be [(A) $160 during the first six-month period, (B) $120 during the second six-month period, **(C) $80 during the third six-month, and (D)** $40 during the fourth and any suceeding six-month period.] *computed at the rate prescribed in paragraph (1) of this subsection for an eligible veteran with no dependents pursuing such a course.*

(3) In any month in which an eligible veteran or person pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b) (1) or (2) of this section, as applicable, shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred

and twenty hours rounded off to the nearest eight hours.

(c) For the purpose of this chapter, the terms "program of apprenticeship" and "program of other on-job training" shall have the same meaning as "program of education"; and the term "training assistance allowance" shall have the same meaning as "educational assistance allowance" as set forth in chapters 34 and 35 of this title.

§ 1788. Measurement of courses

(a) For the purposes of this chapter and chapters 34 and 35 of this title—

(1) an institutional trade or technical course offered on a clock-hour basis [below the college level], *not leading to a standard college degree,* involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis [below the college level], *not leading to a standard college degree,* in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when (A) a minimum of four units per year is required or (B) an individual is pursuing a program of education leading to an accredited high school diploma at a rate which, if continued, would result in receipt of such a diploma in four ordinary school years. For the purpose of subclause (A) of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof (including such hours for which no credit is granted but which are required to be taken to correct an educational deficiency and which the educational institution considers to be quarter or semester hours for other administrative purposes), for which credit is granted toward a standard college degree, is required, except that where such college or university certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course;

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran or person is required to work the number of hours constituting the standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining; and

(6) an institutional course offered as part of a program of education [below the college level] *not leading to a standard college degree* under section 1691(a)(2) or 1696(a)(2) of this title shall be considered a full-time course on the basis of measurement criteria provided in clause (2), (3), or (4) as determined by the educational institution.

Notwithstanding the provisions of clause (1) or (2) of this subsection, an educational institution offering courses not leading to a standard college degree may measure such courses on a quarter- or semester-hour basis (with full time measured on the same basis as provided by clause (4) of this subsection); but (A) the academic portions of such courses must require outside preparation and be measured on not less than one quarter or one semester hour for each fifty minutes net of instruction per week or quarter or semester; (B) the laboratory portions of such courses must be measured on not less than one quarter or one semester hour for each two hours of attendance per week per quarter or semester; and (C) the shop portions of such courses must be measured on not less than one quarter or one semester hour for each three hours of attendance per week per quarter or semester. In no event shall such course be considered a full-time course when less than twenty-two hours per week of attendance is required.

* * * * *

§ 1796. Limitation on certain advertising, sales, and enrollment practices

(a) The Administrator shall not approve the enrollment of an eligible veteran or eligible person in any course offered by an institution which utilizes advertising, sales, or enrollment practices of any type which are erroneous, deceptive, or misleading either by actual statement, omission, or intimation.

(b) The Administrator shall, pursuant to section 1794 of this title, enter into an agreement with the Federal Trade Commission to utilize, where appropriate, its services and facilities, consistent with its available resources, in carrying out investigations and making his determinations under subsection (a) of this section. Such agreement shall provide that cases arising under subsection (a) of this section or any similar matters with respect to any of the requirements of this chapter or chapters 34 and 35 of this title shall be referred to the Federal Trade Commission which in its discretion will conduct an investigation and make preliminary findings. The findings and results of any such investigations shall be referred to the Administrator who shall take appropriate action in such cases within ninety days after such referral.

(c) Not later than sixty days after the end of each fiscal year, the Administrator shall report to Congress on the nature and disposition of all cases arising under this section.

SUBCHAPTER III—EDUCATION LOANS TO ELIGIBLE VETERANS AND ELIGIBLE PERSONS

§ 1798. Eligibility for loans; amount and conditions of loans; interest rate on loans

(a) Each eligible veteran and eligible person shall be entitled to a loan under this subchapter in an amount determined under, and subject to the conditions specified in, subsection (b)(1) of this section if the veteral or person satisfies the requirements set forth in subsection (c) of this section.

(b)(1) Subject to paragraph (3) of this subsection, the amount of the loan to which an eligible veteran or eligible person shall be entitled under this subchapter for any academic year shall be equal to the amount needed by such veteran or person to pursue a program of education at the institution at which he is enrolled, as determined under paragraph (2) of this subsection.

(2)(A) The amount needed by a veteran or person to pursue a program of education at an institution for any academic year shall be determined by subtracting (i) the total amount of financial resources (as defined in subparagraph (B) of this paragraph) available to the veteran or person which may be reasonably expected to be expended by such veteran or person for educational purposes in any year from (ii) the actual cost of attendance (as defined in subparagraph (C) of this paragraph) at the institution in which such veteran or person is enrolled.

(B) The term "total amount of financial resources" of any veteran or person for any year means the total of the following:

(i) The annual adjusted effective income of the veteran or person less Federal income tax paid or payable by such veteran or person with respect to such income.

(ii) The amount of cash assets of the veteran or person.

(iii) The amount of financial assistance received by the veteran or person under the provisions of title IV of the Higher Education Act of 1965, as amended.

(iv) Educational assistance received by the veteran or person under this title other than under this subchapter.

(v) Financial assistance received by the veteran or person under any scholarship or grant program other than those specified in clauses (iii) and (iv).

(C) The term "actual cost of attendance" means, subject to such regulations as the Administartor may provide, the actual per-student charges for tuition, fees, room and board (or expenses related to reasonable commuting), books, and an allowance for such other expenses as the Administrator determines by regulation to be reasonably related to attendance at the institution at which the veteran or person is enrolled.

(3) The aggregate of the amounts any veteran or person may borrow under this subchapter may not exceed $270 multiplied by the number of months such veteran or person is entitled to receive educational assistance under section 1661 or subchapter II of chapter 35, respectively, of this title, but not in excess of $600 in any one regular academic year.

(c) An eligible veteran or person shall be entitled to a loan under this subchapter if such veteran or person—

(1) is in attendance at an educational institution on at least a half-time basis and (A) is enrolled in a course leading to a standard college degree, or (B) is enrolled in a course, the completion of which requires six months or longer, leading to an identified and predetermined professional or vocational objective;

(2) has sought and is unable to obtain a loan, in the full amount needed by such veteran or person, as determined under subsection (b) of this section, under a student loan program insured pursuant to the provisions of part B of title IV of the Higher Education Act of 1965, as amended, or any successor authority; and

(3) enters into an agreement with the Administrator meeting the requirements of subsection (d) of this section.

No loan shall be made under this subchapter to an eligible veteran or person pursuing a program of correspondence, flight, apprentice or other on-job, or PREP training.

(d) Any agreement between the Administrator and a veteran or person under this subchapter—

(1) shall include a note or other written obligation which provides for repayment to the Administrator of the principal amount of, and payment of interest on, the loan in installments over a period beginning nine months after the date on which the borrower ceases to be at least a half-time student and ending ten years and nine months after such date;

(2) shall include provision for acceleration of repayment of all or any part of the loan, without penalty, at the option of the borrower;

(3) shall provide that the loan shall bear interest, on the unpaid balance of the loan, at a rate prescribed by the Administrator, with the concurrence of the Secretary of the Treasury, but at a rate not less than a rate determined by the Secretary, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturity of loans made under this subchapter, except that no interest shall accrue prior to the beginning date of repayment; and

(4) shall provide that the loan shall be made without security and without endorsement.

(e)(1) Except as provided in paragraph (2) of this subsection, whenever the Administrator determines that a default has occurred on any loan made under this subchapter he shall decline an overpayment, and such overpayment shall be recovered from the veteran or person concerned in the same manner as any other debt due the United States.

(2) If a veteran or person who has received a loan under this section dies or becomes permanently and totally disabled, then the Administrator shall discharge the veteran's or person's liability on such loan by repaying the amount owed on such loan.

(3) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than one year after the date of enactment of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 and annually thereafter, a separate report specifying the default experience and rate at each educational institution along with a comparison of the collective default experience and rate at all such institutions.

§ 1799. Revolving fund; insurance

(a) There is hereby established in the Treasury of the United States a revolving fund to be known as the "Veterans' Administration Education Loan Fund" (hereinafter in this section referred to as the "Fund").

(b) The Fund shall be available to the Administrator, without fiscal year limitation, for the making of loans under this subchapter.

(c) There shall be deposited in the Fund (1) by transfer from current and future appropriations for readjustment benefits such amounts as may be necessary to establish and supplement the Fund in order to meet the requirements of the Fund, and (2) all collections of fees and principal and interest (including overpayments declared under section 1798(e) of this title) on loans made under this subchapter.

(d) The Administrator shall determine annually whether there has developed in the Fund a surplus which, in his judgment, is more than necessary to meet the needs of the Fund, and such surplus, if any, shall be deemed to have been appropriated for readjustment benefits.

(e) A fee shall be collected from each veteran or person obtaining a loan made under this subchapter for the purpose of insuring against defaults on loans made under this subchapter; and no loan shall be made under this subchapter until the fee payable with respect to such loan has been collected and remitted to the Administrator. The amount of the fee shall be established from time to time by the Administrator, but shall in no event exceed 3 per centum of the total loan amount. The amount of the fee may be included in the loan to the veteran or person and paid from the proceeds thereof.

CHAPTER 41—JOB COUNSELING, TRAINING, AND PLACEMENT SERVICE FOR VETERANS

* * * * *

§ 2001. Definitions

For the purposes of this chapter—

(1) The term "eligible veteran" means a person who served in the active military, naval, or air service and who was discharged or released therefrom with other than a dishonorable discharge.

(2) The term "eligible person" means—

(A) the spouse of any person who died of a service-connected disability,

(B) the spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter, is listed, pursuant to section 556 of title 37 and, regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or

(C) the spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a veteran who died while a disability so evaluated was in existence.

[(2)] *(3)* The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, and may include, to the extent determined necessary and feasible, American Samoa, the Virgin Island, and the Trust Territory of the Pacific Islands.

§ 2002. Purpose

The Congress declares as its intent and purpose that there shall be an effective (1) job and job training counseling service program, (2) employment placement service program, and (3) job training placement service program for eligible veterans *and eligible persons* and that, to this end policies shall be promulgated and administered through a Veterans Employment Service within the Department of Labor, so as to provide such veterans *and persons* the maximum of employment and training opportunities through existing programs, coordination and merger of programs and implementation of new programs.

§ 2003. Assignment of veterans' employment representative

The Secretary of Labor shall assign to each State a representative of the Veterans' Employment Service to serve as the veterans' employment representative, and shall further assign to each State one assistant veterans' employment representative per each 250,000 *eligible* veterans *and eligible persons* of the State veterans population, and such additional assistant veterans' employment representatives as he shall determine, based on the data collected pursuant to section 2007 of this title, to be necessary to assist the veterans' employment representative to carry out effectively in that State the purposes of this chapter. Each veterans' employment representative and assistant veterans' employment representative shall be an eligible veteran who at the time of appointment shall have been a bona fide resident of the State for at least two years and who shall be appointed in accordance with the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 of subchapter III of chapter 53 of such title, relating to classification and general schedule pay rates. Each such veterans' employment representative and assistant veteran' employment representative shall be attached to the staff of the public employment service in the State to which they have been assigned. They shall be administratively responsible to the Secretary of Labor for the execution of the Secretary's veterans' *and eligible persons'* counseling and placement policies through the public employment service and in cooperation with manpower and training programs administered by the Secretary in the State. In cooperation with the public employment service staff and the staffs of each such other program in the State, the veterans' employment representative and his assistants shall—

(1) be functionally responsible for the supervision of the registration of eligible veterans *and eligible persons* in local employment offices for suitable types of employment and training and for counseling and placement of eligible veterans *and eligible persons* in employment and job training programs;

(2) engage in job development and job advancement activities for eligible veterans *and eligible persons,* including maximum coordination with appropriate officials of the Veterans' Administration in that agency's carrying out of its responsibilities under subchapter IV of chapter 3 of this title and in the conduct of job fairs, job marts, and other special programs to match eligible veterans *and eligible persons* with appropriate job and job training opportunities;

(3) assist in securing and maintaining current information as to the various types of available employment and training opportunities, including maximum use of electronic data processing and telecommunications systems and the matching of an eligible veteran's *or an eligible person's* particular qualifications with an available job or on-job training or apprenticeship opportunity which is commensurate with those qualifications;

(4) promote the interest of employers and labor unions in employing eligible veterans *and eligible persons* and in conducting on-job training and apprenticeship programs for such veterans *and persons;*

(5) maintain regular contact with employers, labor unions, training programs and veterans' organizations with a view to keeping them advised of eligible veterans *and eligible persons* available for employment and training and to keeping eligible veterans *and eligible persons* advised of opportunities for employment and training; and

(6) assist in every possible way in improving working conditions and the advancement of employment of eligible veterans *and eligible persons.*

* * * * *

§ 2005. Cooperation of Federal agencies

All Federal agencies shall furnish the Secretary of Labor such records, statistics, or information as he may deem necessary or appropriate in administering the provisions of this chapter, and shall otherwise cooperate with the Secretary in providing continuous employment and training opportunities for eligible veterans *and eligible persons.*

§ 2006. Estimate of funds for administration; authorization of appropriations

(a) The Secretary of Labor shall estimate the funds necessary for the proper and efficient administration of this chapter. Such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget for the Department of Labor. Estimated funds necessary for proper counseling, placement, and training services to *eligible* veterans *and eligible persons* provided by the various State public employment service agencies shall be separately identified in the budgets of those agencies as approved by the Department of Labor.

(b) There are authorized to be appropriated such sums as may be necessary for the proper and efficient administration of this chapter.

(c) In the event that the regular appropriations Act making appropriations for administrative expenses for the Department of Labor with respect to any fiscal year does not specify an amount for the purposes specified in subsection (b) of this section for that fiscal year, then of the amounts appropriated in such Act there shall be available only for the purposes specified in subsection (b) of this section such amount as was set forth in the budget estimate submitted pursuant to subsection (a) of this section.

(d) Any funds made available pursuant to subsections (b) and (c) of this section shall not be available for any purpose other than those specified in such subsections, except with the approval of the Secretary of Labor based on a demonstrated lack of need for such funds for such purposes.

§ 2007. Administrative controls; annual report

(a) The Secretary of Labor shall establish administrative controls for the following purposes:

(1) To insure that each eligible veteran, especially those veterans who have been recently discharged or released from active duty, *and each eligible person* who requests assistance under this chapter shall promptly be placed in a satisfactory job or job training opportunity or receive some other specific form of assistance designed to enhance his employment prospects substantially, such as individual job development or employment counseling services.

(2) To determine whether or not the employment service agencies in each State have committed the necessary staff to insure that the provisions of this chapter are carried out; and to arrange for necessary corrective action where staff resources have been determined by the Secretary of Labor to be inadequate.

(b) The Secretary of Labor shall establish definite performance standards for determining compliance by the State public employment service agencies with the provisions of this chapter and chapter 42 of this title. A full report as to the extent and reasons for any noncompliance by any such State agency during any fiscal year, together with the agency's plan for corrective action during the succeeding year, shall be included in the annual report of the Secretary of Labor required by subsection (c) of this section.

[(b)] *(c)* The Secretary of Labor shall report annually to the Congress on the success of the Department of Labor and its affiliated State employment service agencies in carrying out the provisions of this chapter. The report shall include, by State, the number of recently discharged or released eligible veterans, veterans with service-connected disabilities, [and] other eligible [veterans] *veterans, and eligible persons* who requested assistance through the public employment service and, of these, the number placed in suitable employment or job training opportunities, or who were otherwise assisted, with separate reference to occupational training under appropriate Federal law. The report shall include any determination by the Secretary under section 2001 or 2006 of this title and a statement of the reasons for such determination.

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CHAPTER 42—EMPLOYMENT AND TRAINING OF DISABLED AND VIETNAM ERA VETERANS

Sec.
2011. Definitions.
2012. Veterans' employment emphasis under Federal contracts.
2013. Eligibility requirements for veterans under certain Federal manpower training programs.
2014. Employment within the Federal Government.

* * * * *

§ 2012. Veterans' employment emphasis under Federal contracts

(a) Any contract *in the amount of $10,000 or more* entered into by any department or agency for the procurement of personal property and non-personal services (including construction) for the United States, shall contain a provision requiring that [, in employing persons to carry out such contract,] the party contracting with the United States shall [give special emphasis to the employment of] *take affirmative action to employ and advance in employment* qualified disabled veterans and veterans of the Vietnam era. The provisions of this section shall apply to any subcontract entered into by a prime contractor in carrying out any contract for the procurement of personal property and non-personal services (including construction) for the United States. [The] *In addition to requiring affirmative action to employ such veterans under such contracts and subcontracts and in order to promote the implementation of such requirement, the* President shall implement the provisions of this section by promulgating regulations within 60 days after the date of enactment of this section, which regulations shall require that (1) each such contractor undertake in such contract to list immediately with the appropriate local employment service office all of its suitable employment openings, and (2) each such local office shall give such veterans priority in referral to such employment openings.

(b) If any disabled veteran or veteran of the Vietnam era believes any contractor has failed or refuses to comply with the provisions of his contract with the United States, relating to [giving special emphasis in] *the* employment [to] *of* veterans, such veteran may file a complaint with the Veterans' Employment Service of the Department of Labor. Such complaint shall be promptly referred to the Secretary who shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of such contract and the laws and regulations applicable thereto.

* * * * *

§ 2014. Employment within the Federal Government.

(a) It is the policy of the United States and the purpose of this section to promote the maximum of employment and job advancement opportunities within the Federal Government for qualified disabled veterans and veterans of the Vietnam era.

(b) To further this policy, veterans of the Vietnam era shall be eligible, in accordance with regulations which the Civil Service Commission shall prescribe, for veterans readjustment appointments up to and including the level GS–5, as specified in subchapter II of chapter 51 of title 5, and subsequent career conditional appointments, under the terms and conditions specified in Executive Order Numbered 11521 (March 26, 1970), except that in applying the one-year period of eligibility specified in section 2(a) of such order to a veteran or disabled veteran who enrolls, within one year following separation from the Armed Forces or following release from hospitalization or treatment immediately following separation from the Armed Forces, in a program of education (as defined in section 1652 of this title) on more than a half-time basis (as defined in section 1788 of this title), the time spent in such program of education (including customary periods of vacation and permissible absences) shall not be counted. The eligibility of such a veteran for a readjustment appointment shall continue for not less than six months after such veteran first ceases to be enrolled therein on more than a half-time basis. No veterans readjustment appointment may be made under authority of this subsection after June 30, 1978.

(c) Each department, agency, and instrumentality in the executive branch shall include in its affirmative action plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality as required by section 501(b) of Public Law 93–112 (87 Stat. 391), a separate specification of plans (in accordance with regulations which the Civil Service Commission shall prescribe in consultation with the Administrator, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, consistent with the purposes, provisions and priorities of such Act) to promote and carry out such affirmative action with respect to disabled veterans in order to achieve the purpose of this section.

(d) The Civil Service Commission shall be responsible for the review and evaluation of the implementation of this section and the activities of each such department, agency, and instrumentality to carry out the purpose and provisions of this section. The Commission shall periodically obtain and publish (on at least a semiannual basis) reports on such implementation and activities from each such department, agency, and instrumentality, including specification of the use and extent of appointments made under subsection (b) of this section and the results of the plans required under subsection (c) thereof.

(e) The Civil Service Commission shall submit to the Congress annually a report on activities carried out under this section, except that, with respect to subsection (c) of this section, the Commission may include a report of such activities separately in the report required to be submitted by section 501(d) of such Public Law 93–112, regarding the employment of handicapped individuals by each department, agency, and instrumentality.

(f) Notwithstanding section 2011 of this title, the terms "veteran" and "disabled veteran" as used in this section shall have the meaning provided for under generally applicable civil service law and regulations.

Chapter 43—Veterans' Reemployment Rights

Sec.
2021. Right to reemployment of inducted persons; benefits protected.
2022. Enforcement procedures.
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2024. Rights of persons who enlist or are called to active duty; Reserves.
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§ 2021. Right to reemployment of inducted persons; benefits protected.

(a) In any case in which any person is inducted into the Armed Forces of the United States under the Military Selective Service Act (or under any prior or subsequent corresponding law) for training and service and who leaves a position (other than a temporary position) in the employ of any employer in order to perform such training and service, and (1) receives a certificate described in section 9(a) of the Military Selective Service Act (relating to the satisfactory completion of military service) and (2) makes application for reemployment within ninety days after such person is relieved from such training and service from hospitalization continuing after discharge for a period of not more than one year—

(A) if such position was in the employ of the United States Government, its territories, or possessions, or political subdivisions there-

of, or the District of Columbia, such person shall—

(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay, or

(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of the employer, be offered employment and, if such person so requests, be employed in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case;

(B) if such position was in the employ of a State or political subdivision thereof or a private employer, such person shall—

(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service, but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be offered employment and, if such person so requests, be employed by such employer or his successor in interest in such other position the duties of which such person is qualified to perform as will provide such person like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such person's case,

unless the employer's circumstances have so changed as to make it impossible or unreasonable to do so. Nothing in this chapter shall excuse noncompliance with any statute or ordinance of a State or political subdivision thereof establishing greater or additional rights or protections than the rights and protections established pursuant to this chapter.

(b)(1) Any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section shall be considered as having been on furlough or leave of absence during such person's period of training and service in the Armed Forces, shall be so restored or reemployed without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration or reemployment.

(2) It is hereby declared to be the sense of the Congress that any person who is restored to or employed in a position in accordance with the provisions of clause (A) or (B) of subsection (a) of this section should be so restored or reemployed in such manner as to give such person such status in his employment as he would have enjoyed if such person had continued in such employment continuously from the time of such person's entering the Armed Forces until the time of such person's restoration to such employment or reemployment.

(3) Any person who holds a position described in clause (A) or (B) of subsection (a) of this section shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a Reserve component of the Armed Forces.

(c) The rights granted by subsections (a) and (b) of this section to persons who left the employ of a State or political subdivision thereof and were inducted into the Armed Forces shall not diminish any rights such persons may have pursuant to any statute or ordinance of such State or political subdivision establishing greater or additional rights or protections.

§ 2022. Enforcement procedures

If any employer, who is a private employer or a State or political subdivision thereof, fails or refuses to comply with the provisions of section 2021(a), or (b)(1), (b)(3), or section 2024, the district court of the United States for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, shall have the power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action. Any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions.

The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States attorney or comparable official for any district in which such private employer maintains a place of business, or in which such State or political subdivision thereof exercises authority or carries out its functions, by any person claiming to be entitled to the benefits provided for in such provisions, such United States attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition, or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions. No fees or court costs shall be taxed against any person who may apply for such benefits. In any such action only the employer shall be deemed a necessary party respondent. No State statute of limitations shall apply to any proceedings under this chapter.

§ 2023. Reemployment by the United States, territory, possession, or the District of Columbia

(a) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by any territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored or reemployed by any such agency or the successor to its functions, or by such territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed, immediately before entering the Armed Forces, by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

(1) such agency is no longer in existence and its functions have not been transferred to any other agency; or

(2) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to or employed in positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be reemployed under the last sentence of subsection (b) of this section. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules, regulations, and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by such person through other employment, unemployment compensation, or readjustment allowances. Any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits provided for in such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this chapter, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government (including the States Postal Service and the Postal Rate Commission).

(b) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a), and who was employed, immediately before entering the Armed Forces, in the legislative branch of the Government, shall be so restored or employed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces. In any case in which it is not possible for any such person to be restored to or employed in a position in the legislative branch of the Government and such person is otherwise eligible to acquire a status for transfer to a position in the competitive service in accordance with section 304(c) of title 5, the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be offered employment and, if such person so requests, be employed in such position by the agency in which such position exists.

(c) Any person who is entitled to be restored to or employed in a position in accordance with the provisions of clause (A) of section 2021(a) and who was employed, immediately before entering the Armed Forces, in the judicial branch of the Government, shall be so restored or reemployed by the officer who appointed such person to the position which such person held immediately before entering the Armed Forces.

§ 2024. Rights of persons who enlist or are called to active duty; Reserves

(a) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment, enlists in the Armed Forces of the United States (other than in a Reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such person's service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by such person after August 1, 1961, does not exceed five years, and if the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

(b) (1) Any person who, after entering the employment on the basis of which such person claims restoration or reemployment enters upon active duty (other than for the purpose of determining physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon such person's relief from active duty under honorable conditions be entitled to all of the reemployment rights and benefits provided by this chapter in the case of persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which such person was unable to obtain orders relieving such person from active duty).

(2) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under subsection (b) (1) of this section extended by such member's period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component. With respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended, the provisions of this sub-section shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

(c) Any member of a Reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (1) such member's release from such active duty for training after satisfactory service, or (2) such member's discharge from hospitalization incident to such active duty for training, or one year after such member's scheduled release from such training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this chapter for persons inducted under the provisions of the Military Selective Service Act (or prior or subsequent legislation providing for the involuntary induction of persons into the Armed Forces), except that (A) any person restored to or employed in a position in accordance with the provisions of this subsection shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights by this subsection shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under those provisions of title 5 relating to veterans and other preference eligibles.

(d) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall upon request be granted a leave of absence by such person's employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon such employee's release from a period of such active duty for training or inactive duty training, or upon such employee's discharge from hospitalization incident to that training, such employee shall be permitted to return to such employee's position with such seniority, status, pay, and vacation as such employee would have had if such employee had not been absent for such purposes. Such employee shall report for work at the beginning of the next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following such employee's release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If such an employee is hospitalized incident to active duty for training or inactive duty training, such employee shall be required to report for work at the beginning of the next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after such employee's release from active duty for training or inactive duty training, whichever is earlier. If an employee covered by this subsection is not qualified to perform the duties of such employee's position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, such employee shall be offered employment and, if such person so requests, be employed by that employer or his successor in interest in such other position the duties of which such employee is qualified to perform as will provide such employee like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in such employee's case.

(e) Any employee not covered by subsection (c) of this section who holds a position described in clause (A) or (B) of section 2021(a) shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering, or determining, by a preinduction or other examination, physical fitness to enter the Armed Forces. Upon such employee's rejection, upon completion of such employee's preinduction or other examination, or upon such employee's discharge from hospitalization incident to such rejection or examination, such employee shall be permitted return to such employee's position in accordance with the provisions of subsection (d) of this section.

(f) For the purposes of subsections (c) and (d) of this section, full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, is considered active duty for training; and for the purpose of subsection (d) of this section, inactive duty training performed by that member under section 502 of title 32 or section 206, 301, 309, 402, or 1002 of title 37, is considered inactive duty training.

§ 2025. Assistance in obtaining reemployment

The Secretary of Labor, through the Office of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions or reemployment of persons who have satisfactorily completed any period of active duty in the Armed Forces or the Public Health Service. In rendering such aid, the Secretary shall use existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.

§ 2026. Prior rights for reemployment

In any case in which two or more persons who are entitled to be restored to or employed in a position under the provisions of this chapter or of any other law relating to similar reemployment benefits left the same position in order to enter the Armed Forces, the person who left such position first shall have the prior right to be restored thereto or reemployed on the basis thereof, without prejudice to the reemployment rights of the other person or persons to be restored or reemployed.

MILITARY SELECTIVE SERVICE ACT

(Public law 92–129)

* * * * *

Sec. 9. Reemployment.—(a) Any person inducted into the armed forces under this title for training and service, who, in the judgment of those in authority over him, satisfactorily completes his period of training and service under section 4(b) shall be entitle to a certificate to that effect upon the completion of such period of training and service, which shall include a record of any special proficiency or merit attained. In addition, each such person who is inducted into the armed forces under this title for training and service shall be given a physical examination at the beginning of such training and service, and upon the completion of his period of training and service under this title, each such person shall be given another physical examination and, upon his written request, shall be given a statement nof physical condition by the Secretary concerned: *Provided*, That such statement shall not contain any reference to mental or other conditions which in the judgment of the Secretary concerned would prove injurious to the physical or mental health of the person to whom it pertains: *Provided further*, That, if upon completion of training and service under this title, such person continues on active duty without an interruption of more than seventy-two hours as a member of the Armed Forces of the United States, a physical examination upon completion of such training and service shall not be required unless it is requested by such person, or the medical authorities of the Armed Force concerned determine that the physical examination is warranted.

[(b) In the case of any such person who, in order to perform such training and service, has left or leaves a position (other than a temporary position) in the employ of any employer and who (1) receives such certificate, and (2) makes application for reemployment within ninety days after he is relieved from such training and service or from hospitalization continuing after discharge for a period of not more than one year—

[(A) if such position was in the employ of the United States Government, its Territories, or possessions, or political subdivisions thereof, or the District of Columbia, such person shall—

[(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case;

[(B) if such position was in the employ of a private employer, such person shall—

[(i) if still qualified to perform the duties of such position, be restored by such employer or his successor in interest to such position or to a position of like seniority, status, and pay; or

[(ii) if not qualified to perform the duties of such position, by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of such employer or his successor in interest, be restored by such employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

unless the employers' circumstances have so changed as to make it impossible or unreasonable to do so;

[(C) if such position was in the employ of any State or political subdivision thereof, it is hereby declared to be the sense of the Congress that such person should—

[(i) if still qualified to perform the duties of such position, be restored to such position or to a position of like seniority, status, and pay or;

[(ii) if not qualified to perform the duties of such position by reason of disability sustained during such service but qualified to perform the duties of any other position in the employ of the employer, be restored to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(c)(1) Any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) shall be considered as having been on furlough or leave of absence during his period of training and service in the armed forces, shall be so restored without loss of seniority, shall be entitled to participate in insurance or other benefits offered by the employer pursuant to established rules and practices relating to employees on furlough or leave of absence in effect with the employer at the time such person was inducted into such forces, and shall not be discharged from such position without cause within one year after such restoration.

[(2) It is hereby declared to be the sense of the Congress that any person who is restored to a position in accordance with the provisions of paragraph (A) or (B) of subsection (b) should be so restored in such manner as to give him such status in his employment as he would have enjoyed if he had continued in such employment continuously from the time of his entering the armed forces until the time of his restoration to such employment.

[(3) Any person who holds a position described in paragraph (A) or (B) of subsection (b) shall not be denied retention in employment or any promotion or other incident or advantage of employment because of any obligation as a member of a reserve component of the Armed Forces of the United States.

[(d) In case any private employer fails or refuses to comply with the provisions of subsection (b), subsection (c)(1), subsection (c)(3), or subsection (g) of the district court of the United States for the district in which such private employer maintains a place of business shall have power, upon the filing of a motion, petition, or other appropriate pleading by the person entitled to the benefits of such provisions, specifically to require such employer to comply with such provisions and to compensate such person for any loss of wages or benefits suffered by reason of such employer's unlawful action: *Provided*, That any such compensation shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions. The court shall order speedy hearing in any such case and shall advance it on the calendar. Upon application to the United States Attorney or comparable official for the district in which such private employer maintains a place of business, by any person claiming to be entitled to the benefits of such provisions, such United States Attorney or official, if reasonably satisfied that the person so applying is entitled to such benefits, shall appear and act as attorney for such person in the amicable adjustment of the claim or in the filing of any motion, petition or other appropriate pleading and the prosecution thereof specifically to require such employer to comply with such provisions: *Provided*, That no fees or court costs shall be taxed against any person who may apply for such benefits: *Provided further*, That only the employer shall be deemed a necessary party respondent to any such action.

[(e)(1) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, by any agency in the executive branch of the Government or by any Territory or possession, or political subdivision thereof, or by the District of Columbia, shall be so restored by such agency or the successor to its functions, or by such Territory, possession, political subdivision, or the District of Columbia. In any case in which, upon appeal of any person who was employed immediately before entering the armed forces by any agency in the executive branch of the Government or by the District of Columbia, the United States Civil Service Commission finds that—

[(A) such agency is no longer in existence and its functions have not been transferred to any other agency; or

[(B) for any reason it is not feasible for such person to be restored to employment by such agency or by the District of Columbia,

the Commission shall determine whether or not there is a position in any other agency in the executive branch of the Government or in the government of the District of Columbia for which such person is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists or by the government of the District of Columbia, as the case may be. The Commission is authorized and directed to issue regulations giving full force and effect to the provisions of this section insofar as they relate to persons entitled to be restored to positions in the executive branch of the Government or in the government of the District of Columbia, including persons entitled to be restored under the last sentence of paragraph (2) of this subsection. The agencies in the executive branch of the Government and the government of the District of Columbia shall comply with such rules and regulations and orders issued by the Commission pursuant to this subsection. The Commission is authorized and directed whenever it finds, upon appeal of the person concerned, that any agency in the executive branch of the Government or the government of the District of Columbia has failed or refuses to comply with the provisions of this section, to issue an order specifically requiring such agency or the government of the District of Columbia to comply with such provisions and to compensate such person for any loss of salary or wages suffered by reason of failure to comply with such provisions, less any amounts received by him through other employment, unemployment compensation, or readjustment allowances: *Provided*, That any such compensation ordered to be paid by the Commission shall be in addition to and shall not be deemed to diminish any of the benefits of such provisions, and shall be paid by the head of the agency concerned or by the government of the District of Columbia out of appropriations currently available for salary and expenses of such agency or government, and such appropriations shall be available for such purpose. As used in this paragraph, the term "agency in the executive branch of the Government" means any department, independent establishment, agency, or corporation in the executive branch of the United States Government.

[(2) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b), and who was employed, immediately before entering the armerd forces, in the legislative branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces. In any case in which it is not possible for any such person to be restored to a position in the legislative branch of the Government and he is otherwise eligible to acquire a status for transfer to a position in the classified (competitive) civil service in accordance with section 2(b) of the Act of November 26, 1940 (54 Stat. 1212), the United States Civil Service Commission shall, upon appeal of such person, determine whether or not there is a position in the executive branch of the Government for which he is qualified and which is either vacant or held by a person having a temporary appointment thereto. In any case in which the Commission determines that there is such a position, such person shall be restored to such position by the agency in which such position exists.

[(3) Any person who is entitled to be restored to a position in accordance with the provisions of paragraph (A) of subsection (b) and who was employed, immediately before entering the armed forces, in the judicial branch of the Government, shall be so restored by the officer who appointed him to the position which he held immediately before entering the armed forces.

[(f) In any case in which two or more persons who are entitled to be restored to a position under the provisions of this section or of any other law relating to similar reemployment benefits left the same position in order to enter the armed forces, the person who left such position first shall have the prior right to be restored thereto, without prejudice to the reemployment rights of the other person or persons to be restored.

[(g)(1) Any person who, after entering the employment to which he claims restoration, enlists in the Armed Forces of the United States (other than in a reserve component) shall be entitled upon release from service under honorable conditions to all the reemployment rights and other benefits provided for by this section in the case of persons inducted under the provisions of this title, if the total of his service performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any service, additional or otherwise performed by him after August 1, 1961, does not exceed five years, provided that the service in excess of four years after August 1, 1961, is at the request and for the convenience of the Federal Government (plus in each case any period of additional service imposed pursuant to law).

[(2) (A) Any person who, after entering the employment to which he claims restoration enters upon active duty (other than for the purpose of determining his physical fitness and other than for training), whether or not voluntarily, in the Armed Forces of the United States or the Public Health Service in response to an order or call to active duty shall, upon his relief from active duty under honorable conditions, be entitled to all of the reemployment rights and benefits provided by this section in the case of persons inducted under the provisions of this title, if the total of such active duty performed between June 24, 1948, and August 1, 1961, did not exceed four years, and the total of any such active duty, additional or otherwise, performed after August 1, 1961, does not exceed four years (plus in each case any additional period in which he was unable to obtain orders relieving him from active duty).

[(B) Any member of a Reserve component of the Armed Forces of the United States who voluntarily or involuntarily enters upon active duty (other than for the purpose of determining his physical fitness and other than for training) or whose active duty is voluntarily or involuntarily extended during a period when the President is authorized to order units of the Ready Reserve or members of a Reserve component to active duty shall have the service limitation governing eligibility for reemployment rights under paragraph (2) (A) of this subsection extended by his period of such active duty, but not to exceed that period of active duty to which the President is authorized to order units of the Ready Reserve or members of a Reserve component: *Provided*, That with respect to a member who voluntarily enters upon active duty or whose active duty is voluntarily extended the provisions of this paragraph shall apply only when such additional active duty is at the request and for the convenience of the Federal Government.

[(3) Any member of a reserve component of the Armed Forces of the United States who is ordered to an initial period of active duty for training of not less than three consecutive months shall, upon application for reemployment within thirty-one days after (A) his release from that active duty for training after satisfactory service, or (B) his discharge from hospitalization incident to that active duty for training, or one year after his scheduled release from the training, whichever is earlier, be entitled to all reemployment rights and benefits provided by this section for persons inducted under the provisions of this title, except that (A) any person restored to a position in accordance with the provisions of this paragraph shall not be discharged from such position without cause within six months after that restoration, and (B) no reemployment rights granted by this paragraph shall entitle any person to retention, preference, or displacement rights over any veteran with a superior claim under the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 and the following).

[(4) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall upon request be granted a leave of absence by his employer for the period required to perform active duty for training or inactive duty training in the Armed Forces of the United States. Upon his release from a period of such active duty for training or inactive duty training, or upon his discharge from hospitalization incident to that training, such employee shall be permitted to return to his position with such seniority, status, pay, and vacation as he would have had if he had not been absent for such purposes. He shall report for work at the beginning of his next regularly scheduled working period after expiration of the last calendar day necessary to travel from the place of training to the place of employment following his release, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control. Failure to report for work at such next regularly scheduled working period shall make the employee subject to the conduct rules of the employer pertaining to explanations and discipline with respect to absence from scheduled work. If that employee is hospitalized incident to active duty for training or inactive duty training, he shall be required to report for work at the beginning of his next regularly scheduled work period after expiration of the time necessary to travel from the place of discharge from hospitalization to the place of employment, or within a reasonable time thereafter if delayed return is due to factors beyond the employee's control, or within one year after his release from active duty for training or inactive duty training, whichever is earlier. If any employee covered by this paragraph is not qualified to perform the duties of his position by reason of disability sustained during active duty for training or inactive duty training, but is qualified to perform the duties of any other position in the employ of the employer or his successor in interest, he shall be restored by that employer or his successor in interest to such other position the duties of which he is qualified to perform as will provide him like seniority, status, and pay, or the nearest approximation thereof consistent with the circumstances in his case.

[(5) Any employee not covered by paragraph (3) of this subsection who holds a position described in paragraph (A) or (B) of subsection (b) of this section shall be considered as having been on leave of absence during the period required to report for the purpose of being inducted into, entering or determining by a preinduction or other examination his physical fitness, to enter the Armed Forces of the United States. Upon his rejection, upon completion of his preinduction or other examination, or upon his discharge from hospitalization incident to that rejection or examination, such employee shall be permitted to return to his position in accordance with the provisions of paragraph (4) of this subsection.

[(6) For the purposes of paragraphs (3) and (4), full-time training or other full-time duty performed by a member of the National Guard under section 316, 503, 504, or 505 of title 32, United States Code, is considered active duty for training; and for the purpose of paragraph (4), inactive duty training performed by that member under section 502 of title 32, or section 301 of title 37, United States Code, is considered inactive duty training.

[(h) The Secretary of Labor, through the Bureau of Veterans' Reemployment Rights, shall render aid in the replacement in their former positions of persons who have satisfactorily completed any period of active duty in the armed forces of the United States or the Public Health Service. In rendering such aid, the Secretary shall use the then existing Federal and State agencies engaged in similar or related activities and shall utilize the assistance of volunteers.]

[(i)](*b*) Right to vote; Poll Tax.—Any person inducted into the armed forces for training and service under this title shall, during the period of such service, be permitted to vote in person or by absentee ballot in any general, special, or primary election occurring in the State of which he is a resident, whether he is within or outside such State at the time of such election, if under the laws of such State he is otherwise entitled to vote in such election; but nothing in this subsection shall be construed to require granting to any such person a leave of absence or furlough for longer than one day in order to permit him to vote in person in any such election. No person inducted into, or enlisted in, the armed forces for training and service under this title shall, during the period of such service, as a condition of voting in any election for President, Vice President, electors for President or Vice President, or for Senator or Member of the House of Representatives, be required to pay any poll tax or other tax or make any other payment to any State or political subdivision thereof.

[(j)](*c*) Reports of separation.—The Secretaries of Army, Navy, Air Force, or Transportation shall furnish to the Selective Service System hereafter established a report of separation for each person separated from active duty.

Wm. J. Bryan Dorn,
Olin E. Teague,
James A. Haley,
Thaddeus J. Dulski,
Henry Helstoski,
John Paul Hammerschmidt,
Margaret M. Heckler,
John M. Zwach,
Chalmers P. Wylie,
Managers on the Part of the House.

Vance Hartke,
H. E. Talmadge,
Jennings Randolph,
Harold E. Hughes,
Alan Cranston,
Clifford P. Hansen,
Strom Thurmond,
Robert T. Stafford,
James A. McClure,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. Adams, for October 7 and 8, on account of official business.

To Mr. Carter (at the request of Mr. Arends), on account of illness in family.

To Mr. de la Garza, for Tuesday, October 8 through October 11, 1974, on account of official business.

To Mr. Hosmer, for today and tomorrow, on account of official business.

To Mr. Moss (at the request of Mr. O'Neill), from the close of business on Thursday, October 10, until the close of business on Friday, October 11, on account of official business.

To Mr. Pepper (at the request of Mr. O'Neill), for today, on account of official business.

To Mr. Pritchard (at the request of Mr. Arends), for the week of October 7, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Gray, for 60 minutes, on October 8, 1974; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Lott) to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 60 minutes, today.

Mr. Whalen, for 15 minutes, today.

Mr. McCollister, for 10 minutes, today.

(The following Members (at the request of Mr. Long of Louisiana) to revise and extend their remarks and include extraneous material:)

Mr. O'Neill, for 5 minutes, today.

Mr. Phillip Burton, for 60 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Koch, for 5 minutes, today.

Mr. Burke of Massachusetts, for 5 minutes, today.

Mr. McFall, for 30 minutes, today.

Mr. Bingham, for 5 minutes, today.

Mr. Brinkley, for 5 minutes, today.

Mr. Brademas, for 5 minutes, today.

Mr. Owens, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Matsunaga, his remarks immediately prior to the passage of H.R. 778, S. 2220 and H.R. 1355 on the Consent Calendar today.

Mr. Taylor of North Carolina, to revise and extend his remarks immediately before the passage of House Joint Resolution 444 in the House today.

(The following Members (at the request of Mr. Lott), and to include extraneous matter:)

Mr. Wyman in two instances.

Mr. Derwinski in three instances.

Mr. Frey.

Mr. Landgrebe in two instances.

Mr. Bray in two instances.

Mr. Kemp in two instances.

Mr. Conte.

Mr. Martin of North Carolina.

Mr. Gilman in five instances.

Mrs. Heckler of Massachusetts.

Mr. Huber.

Mr. Collins of Texas in three instances.

Mr. Frenzel.

Mr. Lent.

Mr. Martin of Nebraska.

(The following Members (at the request of Mr. Long of Louisiana) and to include extraneous matter:)

Mr. Drinan.

Mr. Corman in five instances.

Mr. Symington in two instances.

Mr. Charles Wilson of Texas.

Mr. Rooney of New York.

Mr. Bolling.

Mr. Annunzio in six instances.

Mr. Charles H. Wilson of California.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Anderson of California in five instances.

Mr. Dingell in three instances.

Mr. Carey of New York.

Mr. Rodino.

Mr. Murtha.

Mr. Hawkins in two instances.

Mr. Eilberg in two instances.

Mr. Jones of Tennessee in two instances.

Mr. Koch in five instances.

Mr. Fisher in three instances.

Mr. Vigorito in three instances.

Mr. Biaggi in five instances.

Mr. Dulski in five instances.

Mr. Riegle in two instances.

Mr. Owens in five instances.

Mr. Kazen.

Mr. Litton.

Mr. Vanik.

Mr. McCormack in two instances.

Mr. Moorhead of Pennsylvania.

SENATE BILLS AND A JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1534. An act for the relief of Dr. Lawrence Chin Bong Chan, to the Committee on the Judiciary.

S. 2904. An act to improve judicial machinery by amending subsection (g) of section 1407, chapter 87, of title 28 of the United States Code, to exempt actions brought by the Securities and Exchange Commission under the Federal securities laws from the operation of that section, and for other purposes, to the Committee on the Judiciary.

S. 3022. An act to amend the Wild and Scenic Rivers Act (82 Stat. 906), as amended, to designate segments of certain rivers for possible inclusion in the national wild and scenic rivers system; to amend the Lower Saint Croix River Act of 1972 (86 Stat. 1174), and for other purposes, to the Committee on Interior and Insular Affairs.

S. 3397. An act for the relief of Jose Ismarnardo Reyes-Morelos, to the Committee on the Judiciary.

S. 3718. An act for the relief of Leah Maureen Anderson, to the Committee on the Judiciary.

S. 4013. An act to amend the Act incorporating the American Legion so as to redefine eligibility for membership therein, to the Committee on the Judiciary.

S. 4016. An act to protect and preserve tape recordings of conversations involving former President Richard M. Nixon and made during his tenure as President, and for other purposes, to the Committee on House Administration.

S. 4073. An act to extend certain authorizations under the Federal Water Pollution Control Act, as amended, and for other purposes, to the Committee on Public Works.

S.J. Res. 188. Joint resolution to authorize the President to declare by proclamation Aleksandr I. Solzhenitsyn an honorary citizen of the United States, to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3532. An act for the relief of Donald L. Tyndall, Bruce Edward Tyndall, Kimberly Fay Tyndall, and Lisa Michele Tyndall;

H.R. 5641. An act to authorize the conveyance of certain lands to the new Mexico State University, Las Cruces, N. Mex.;

H.R. 6202. An act for the relief of Thomas C. Johnson;

H.R. 6477. An act for the relief of Lucille de Saint Andre; and

H.R. 7135. An act to amend the Military Personnel and Civilian Employees' Claims Act of 1964, as amended, with respect to the settlement of claims against the United States by members of the uniformed services and civilian officers and employees for damage to, or loss of, personal property incident to their service.

ADJOURNMENT

Mr. LONG of Louisiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 22 minutes p.m.) the House adjourned until tomorrow, Tuesday, October 8, 1974, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2832. A letter from the Deputy Administrator of General Services, transmitting the statistical supplement to the stockpile report for the 6 months ended June 30, 1974, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act [50 U.S.C. 98c]; to the Committee on Armed Services.

2833. A letter from the Secretary of Health, Education, and Welfare, transmitting the annual report of the National Institute on Alcohol Abuse and Alcoholism for fiscal year 1973, pursuant to section 102(1) of Public Law 91–616 [42 U.S.C. 4552(1)]; to the Committee on Interstate and Foreign Commerce.

2834. A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide a penalty for failure of a convicted person to surrender himself to the Attorney General; to the Committee on the Judiciary.

2835. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens under the authority contained in section 13(b) of the act of September 11, 1957, pursuant to section 13(c) of the act [8 U.S.C. 1255(c)]; to the Committee on the Judiciary.

2836. A letter from the Chairman, the Renegotiation Board, transmitting tables showing Board determinations of excessive profits in fiscal years 1969, 1970, and 1971; to the Committee on Ways and Means.

2837. A letter from the Deputy Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend sections 611 and 627 of title 28, United States Code, relating to the retirement of the Director and Deputy Director of the Administrative Office of the U.S. Courts and the Director of the Federal Judicial Center; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on Oct. 3, 1974, the following reports were filed on Oct. 4, 1974*]

Mr. TEAGUE: Committee of conference. Conference report on S. 3234 (Rept. No. 93–1428). Ordered to be printed.

Mr. PATMAN: Committee of conference. Conference report on H.R. 11221 (Rept. No. 93–1429). Ordered to be printed.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 14689. A bill to provide for a plan for the preservation, interpretation, development, and use of the historic, cultural, and architectural resources of the Lowell Historic Canal District in Lowell, Mass., and for other purposes; with amendment (Rept. No. 93–1430). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted Monday, Oct. 7, 1974*]

Mr. DULSKI: Committee of conference. Conference report on S. 628 (Rept. No. 93-1431). Ordered to be printed.

Mr. FRASER: Committee on Foreign Affairs. H.R. 16982. A bill to authorize U.S. payment for fiscal year 1975 to the United Nations for expenses of the United Nations peacekeeping forces in the Middle East and the United Nations Force in Cyprus (Rept. No. 93-1432). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRASER: Committee on Foreign Affairs. House Resolution 1399. Resolution expressing the sense of the House of Representatives with respect to the world food situation; with amendment (Rept. No. 93-1433). Referred to the House Calendar.

Mr. PRICE of Illinois: Joint Committee on Atomic Energy. H.R. 16609. A bill to amend Public Law 93-276 to increase the authorization for appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; with amendment (Rept. No. 93-1434). Referred to the Committee of the Whole House on the State of the Union.

Mr. DORN: Committee of conference. Conference report on H.R. 12628 (Rept. No. 93-1435). Ordered to be printed.

Mr. DIGGS: Committee on the District of Columbia. H.R. 16925. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to provide for a People's Counsel at the Public Service Commission, to make technical amendments to the act relating to police and firemen's salaries, and for other purposes; with amendment (Rept. No. 93-1436). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee of conference. Conference report on H.R. 8193 (Rept. No. 93-1437). Ordered to be printed.

Mr. HAYS: Committee of conference. Conference report on S. 3044 (Rept. No. 93-1438). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER (for himself, Mr. Rogers, and Mr. Stephens):

H.R. 17089. A bill to further the purposes of the Wilderness Act by designating certain lands for inclusion in the National Wilderness Preservation System, to provide for study of certain additional lands for such inclusion, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BRINKLEY:

H.R. 17090. A bill to increase the availability of reasonably priced mortgage credit for home purchases; to the Committee on Banking and Currency.

By Mr. BURKE of Massachusetts:

H.R. 17091. A bill to provide for public ownership of certain documents of elected public officials; to the Committee on House Administration.

By Mr. DENT:

H.R. 17092. A bill to amend the Fair Labor Standards Act of 1938, to require prenotification to affected employees and communities of dislocation of business concerns, to provide assistance (including retraining) to employees who suffer employment loss through the dislocation of business concerns, to business concerns threatened with dislocation, and to affected communities, to prevent Federal support for unjustified dislocation, and for other purposes; to the Committee on Education and Labor.

By Mr. DEVINE:

H.R. 17093. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. FASCELL:

H.R. 17094. A bill to amend the Federal Aviation Act of 1958 to deal with discriminatory and unfair competitive practices in international air transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FRASER (for himself and Mrs. Grasso):

H.R. 17095. A bill to limit the medicare inpatient hospital deductible; to the Committee on Ways and Means.

By Mr. GUDE:

H.R. 17096. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the establishment of standards for a grading system by which retail purchasers may determine the relative nutritional value of different foods, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HANRAHAN:

H.R. 17097. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes; to the Committee on Agriculture.

By Mrs. HECKLER of Massachusetts:

H.R. 17098. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the tax imposed on interest on savings; to the Committee on Ways and Means.

By Mr. KETCHUM:

H.R. 17099. A bill to provide for reimbursement of medical treatment facilities for emergency medical treatment of a lifepreserving nature which is given to certain aliens unlawfully in the United States; to the Committee on the Judiciary.

By Mr. KYROS (for himself and Mr. Broyhill of North Carolina):

H.R. 17100. A bill to amend the act of August 24, 1966, for purposes of prohibiting the shipment in interstate commerce of dogs intended to be used to fight other dogs for purposes of sport, wagering, or entertainment; to the Committee on Agriculture.

By Mr. McDADE:

H.R. 17101. A bill to amend title IV of the Higher Education Act of 1965; to the Committee on Education and Labor.

H.R. 17102. A bill to place a limitation on expenditures and net lending for the fiscal year ending June 30, 1975; to the Committee on Government Operations.

H.R. 17103. A bill to repeal the foreign tax credit allowed corporations; to the Committee on Ways and Means.

By Mr. MARTIN of North Carolina:

H.R. 17104. A bill to provide that Federal expenditure shall not exceed Federal revenues, except in time of war or grave national emergency declared by the Congress, and to provide for systematic reduction of the public debt; to the Committee on Ways and Means.

By Mr. O'BRIEN:

H.R. 17105. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.R. 17106. A bill to establish a temporary program whereby the Secretary of Agriculture shall obtain feed for dairy cattle and sell such feed to dairymen at a reduced rate if the parity price for milk falls below a specified level; to the Committee on Agriculture.

By Mr. RINALDO:

H.R. 17107. A bill to exclude from gross income the first $1,000 of interest received from savings account deposits in home lending institutions; to the Committee on Ways and Means.

By Mr. RONCALIO of Wyoming:

H.R. 17108. A bill to amend the Emergency Highway Energy Conservation Act to provide for a national highway speed limit of 65 miles per hour; to the Committee on Public Works.

By Mr. STAGGERS:

H.R. 17109. A bill to amend the Regional Rail Reorganization Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT:

H.R. 17110. A bill to establish a National Foreign Investment Control Commission to prohibit or restrict foreign ownership control or management control, through direct purchase, in whole or in part; from acquiring securities of certain domestic issuers of securities; from acquiring certain domestic issuers of securities, by merger, tender offer, or any other means; control of certain domestic corporations or industries, real estate, or other natural resources deemed to be vital to the economic security and national defense of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE:

H.R. 17111. A bill to amend the Second Liberty Bond Act to provide a cost-of-living adjustment for savings and bonds and savings certificates which mature in 10 years; to the Committee on Ways and Means.

By Mr. WYDLER:

H.R. 17112. A bill to amend the Federal Aviation Act of 1958 to provide that State and local governments may regulate aircraft noise; to the Committee on Interstate and Foreign Commerce.

H.R. 17113. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income $500 of interest on savings in the case of an individual taxpayer; to the Committee on Ways and Means.

By Mr. BREAUX (for himself, Mrs. Chisholm, Mr. Davis of South Carolina, Mr. Long of Louisiana, Mr. Lott, and Mr. Montgomery):

H.R. 17114. A bill to impose quantitative limitations on the importation of shrimp into the United States during calendar years 1974 and 1975, and to impose a duty on imported shrimp; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 17115. A bill to help preserve the separation of powers and to further the constitutional prerogatives of Congress by providing for congressional review of Executive agreements; to the Committee on Rules

By Mr. GILMAN:

H.R. 17116. A bill to provide for public ownership of certain documents of elected public officials; to the Committee on House Administration.

By Mr. GUDE (for himself, Mr. Stokes, and Mr. Biester):

H.R. 17117. A bill to amend title 39, United States Code, to require the Postal Service to consult with agencies of State and local governments with respect to the construction of certain Postal Service facilities, to establish hearing procedures with respect to proposals for such construction, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HEINZ (for himself, Mr. Eshleman, Mr. Pritchard, and Mr. Winn):

H.R. 17118. A bill to reform consent decree procedures, to increase penalties for violation of the Sherman Act, and to revise the Expediting Act as it pertains to Appellate Review; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 17119. A bill to establish an Office of the Public Tax Counsel to advise and represent persons in proceedings before the Tax Court or with respect to any claim for a refund or credit of certain taxes; to the Committee on Ways and Means.

By Mr. LITTON (for himself, Mr. Gunter, Mr. Brown of California, Mr. Luken, Mr. Hudnut, Mr. Sarbanes, Mr. Hawkins, Mr. Bowen, and Mr. Mann):

H.R. 17120. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. McCOLLISTER:

H.R. 17121. A bill to provide indemnification in certain instances by business firms to sales representatives for the unjustified termination of their jobs, and for other purposes; to the Committee on the Judiciary.

By Mr. OWENS:

H.R. 17122. A bill to amend the act of August 28, 1954, to establish a new commodity set-aside program for purposes of providing a reserve of food commodities to be used whenever there is a shortage of such commodities; to the Committee on Agriculture.

By Mr. RANDALL:

H.R. 17123. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.R. 17124. A bill to amend the Employment Act of 1946 with respect to stability of the general price level; to the Committee on Government Operations.

By Mr. WYMAN:

H.R. 17125. A bill to provide for emergency relief for small business concerns in connection with fixed price Government contracts; to the Committee on the Judiciary.

By Mr. HAMILTON:

H.R. 17126. A bill to amend part B of title XI of the Social Security Act to make certain reforms in the program of review of professional medical services provided under the Social Security Act, and to protect the confidentiality of medical records; to the Committee on Ways and Means.

By Mr. RUPPE:

H.J. Res. 1157. Joint resolution to require the Watergate Special Prosecution Force to make available to the public a report on all information it has concerning Richard M. Nixon in offenses against the United States; to the Committee on the Judiciary.

By Mr. FREY:

H. Res. 1413. Resolution expressing the concern of the House of Representatives with respect to the financial situation of U.S.-flag carriers engaged in international air transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. JONES of Tennessee (for himself, Mr. Stubblefield, Mr. Bergland, Mr. Bowen, Mr. Brown of California, and Mr. Zwach):

H. Res. 1414. Resolution expressing the sense of the House of Representatives that the Secretary of Agriculture should set the dairy support level at 90 percent of parity for the remainder of the 1974–1975 marketing year; to the Committee on Agriculture.

By Ms. JORDAN:

H. Res. 1415. Resolution expressing the sense of the House of Representatives that the Law Enforcement Assistance Administration conduct a conference on improving law enforcement efforts to control and prevent rape; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

544. By the SPEAKER: Memorial of the Legislature of the State of California, relative to the crisis of Cyprus; to the Committee on Foreign Affairs.

545. Also, memorial of the Legislature of the State of California, relative to transportation for handicapped persons; to the Committee on Interstate and Foreign Commerce.

546. Also, memorial of the Legislature of the State of California, relative to rail passenger travel, to the Committee on Interstate and Foreign Commerce.

547. Also, memorial of the Legislature of the State of California, relative to low-flying aircraft; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. THOMSON of Wisconsin:

H.R. 17127. A bill for the relief of Otto J. Thomas; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 17128. A bill for the relief of Marta Lidia Corletto Padro; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

531. The SPEAKER presented a petition of the National Association of State Budget Officers, Jackson Hole, Wyo., relative to conflicting Federal fiscal and program policies, which was referred to the Committee on Government Operations.

EXTENSIONS OF REMARKS

CHILD HEALTH DAY

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. KOCH. Mr. Speaker, today, the first Monday in October, has been designated as Child Health Day. America's children are our greatest resource. Providing adequate preventive health services for them is the best investment we have in the future.

I would like to append for the information of our colleagues the speech delivered by Judith Helms, executive director of the National Council of Organizations for Children and Youth on September 19 before the White House Conference on Inflation.

Spend Money To Save Money

The Washington economic talk these days all centers around cutting government spending to alleviate inflation. Where can we afford cuts? Where is our budget inflated? Each interest group vies for its own programs. Should the health of our nation's most valuable resource—our children—be included in this discussion? In both humanitarian and economic terms, the answer is an emphatic NO!

First, let's look at the present situation:

1. America has the honor of lagging behind 14 other countries in the rate of infant mortality.

2. 250,000 children each year are born with birth defects—a staggering 7% of all births.

3. Birth defects have left 3 million retarded, 750,000 with hearing impairments and 500,000 totally or partially blind. In total, there are 15 million Americans who have a birth defect serious enough to drastically affect their daily lives.

4. Five million American children go to bed hungry every night.

5. 29% of children in the inner cities do not see a doctor during a given year and 43% aren't even immunized against polio.

6. 30% of all low income children are presently suffering from some chronic condition and yet only 12% of these are under treatment.

Even more discouraging, at least 50% of infants mortalities are preventable with current technology and at least 60% of handicapping conditions can be corrected or prevented if treated before age 18.

And what is the government presently doing to alleviate this appalling situation? Tragically little.

1. Children represent 40% of the population and receive only 10¢ out of every health service dollar.

2. HEW is currently spending about 14% of its total budget on children.

Despite huge cutbacks in human services over the past 6 years, inflation continues to run rampant.

Why should cutting social programs produce different results now?

What effect is inflation having on the health of American children? With only a small percentage of the health care needs of children being financed by government or covered by private health insurance, the major financial burden falls to the individual. Hardest hit are the working poor. Twenty-four per cent of America's families earn less than $10,000 a year and have almost no discretionary buying power. All their spending is for necessities. With health costs rising faster than other segments of the economy, many low-income families have been priced out of the health care market. Families simply cannot afford medical check-ups for infants, immunizations and screening. Pregnant women cannot afford vitally important prenatal examinations which might prevent birth defects and death. The essential component of health care for children is prevention and yet the low-income family cannot afford this "luxury."

The poor spent between 40% and 70% of their budget on food. Prices for food staples for the poor are rising faster than for the rich. The price of a hamburger has risen 3 times as much as the price of steak. In 2 years the price of beans has risen 256% and the price of rice has risen 114%. The poor can no longer afford an adequate diet for their children and malnutrition is on the rise. We all know that poor nutrition means poor health and less chance of success in school. If we are ever to break the vicious cycle of poverty in America, we must have healthy children.

Senator Mondale's recent hearings on the American family demonstrated that the overriding problem facing American families today is inflation. If families cannot hold together economically, they fall apart and children suffer.

For years now, we seem to have been going at the problems of health care totally backwards. First, we covered burials under

Social Security, and then, years later we added Medicaid and Medicare for the poor and elderly. Now we are talking about catastrophic insurance. One essential element has been ignored. Prevention—the foundation of an effective health care system is still lacking.

Prevention is the one element of a health care system which at a reasonable cost could have a dramatic effect on costly medical bills and lost lives. The lack of commitment on the part of our government to provide comprehensive preventive services for children is one of the major causes of inflation in health care today. Indeed, the federal effort over the past several years to cut preventive programs for all Americans is a major cause of the serious financial condition we now face. We have seen time and time again that budget cuts that save a little over the short run but cost a lot over the long run, simply do not make good economic sense.

Good health care through early detection and intervention is one of the best investments this government can make. Not only is it socially responsible and humane, but it is cost-effective. A comprehensive program of prevention could save billions of dollars and millions of lives.

Let me give you a few examples:

1. Research has now clearly indicated the correlation between malnutrition of the pregnant woman and mental retardation. Compare the cost of a supplemental feeding program with the $500 thousand that it costs to care for a severely retarded person.

2. A rubella vaccine costs $1. In 1964 a rubella epidemic claimed 30,000 lives and 20,000 children were born with birth defects. Compare the $50,000 it would have cost to vaccinate all those pregnant women to the $140 million a year it is now costing to care for their children.

3. It has been estimated that 10% of all Indian children have middle-ear infections and that 25% of these children suffer a hearing loss. Consider the subsequent costs of hearing aids, speech therapy, and special education.

4. The American Academy of Pediatrics estimates that by 1980 1.2 million children will have cases of rheumatic fever.

It costs $22 thousand to treat each case, yet each case is preventable, since rheumatic fever is the result of a streptococcal infection inadequately treated.

5. It costs 17¢ to immunize a child against diphtheria and $15,000 for the treatment.

6. There are presently 400 to 600 thousand children suffering from lead poisoning. The cost of treatment is $500 million.

And let's look at this chart for a minute. Birth defects are the second largest killer in America next to heart disease. And we all know about our government's efforts in the area of heart disease, cancer and stroke. And in terms of lost income, birth defects each year mean a loss of potential income of $80 billion.

The message is really quite simple. We cannot afford not to provide preventive services to our nation's children.

The best example of a cost-effective care program can be found in the Maternal and Child Health programs which through federal funds provide health care to low-income women and children. Although modestly funded, MCH programs have given dramatic proof of what occurs when children receive comprehensive care.

From 1968 to 1970 registration in the Children and Youth and Maternal and Infant Care Projects of the MCH programs doubled, yet the percentage needing hospitalization decreased from 7.7% to 4.7%. The length of the average hospital stay decreased from 6.7 days to 5.3 days. Hospitalization is the most expensive component of health care. A decrease in hospitalization means a dramatic decrease in medical costs.

During the same 1968–70 period, the annual cost of treating a child in this program decreased from $201 to $148 while the national average for an individual was $350 and rising.

Throughout the country, M&I projects have made dramatic inroads in decreasing infant mortality. In Providence, Rhode Island, in one year, the rate of infant mortality for the M&I population fell from 47 deaths per thousand to 25 deaths per thousand while in more affluent areas the rate increased.

In Baltimore, comprehensive care and an effective outreach system reduced the incidence of rheumatic fever by 60% whereas in nearby areas without such a program the disease increased by 20%.

In HEW's five year health plan, prevention is listed as a major priority. For both social and economic reasons, this is entirely sound. Yet, if indeed this is HEW's objective, its present policies need serious re-examination and alteration.

National health insurance will certainly be a means of implementing health objectives for the future. Yet HEW's proposal limits preventive services to 6 years of age as though this were some magic number. In addition, it says nothing about outreach and vital support services to assure access to care. It also charges both co-insurance and deductibles for preventive services.

These charges and limitations are false economies. Charges are a deterrent to use of the service. We clearly do not want to discourage utilization of a service which will save lives and money. HEW studies show that elimination of charges encourages proper use of a facility and does not lead to over utilization. Of all the legislative proposals pending, only the Health Security Act properly addresses this issue by eliminating all charges and by providing supportive services such as psychological, physiotherapy, nutrition, social work, health education, as well as emergency and non-emergency transportation where needed to obtain access to covered services.

The one existing program we have which concentrates on prevention and has clearly demonstrated its cost effectiveness is the Maternal and Child Health Program. If HEW is truly interested in prevention, if this Administration honestly wants to halt the rampant inflation of health costs, and thus the skyrocketing costs of raising a family, why then has it moved to destroy the one program which has clearly saved substantial amounts of money and kept healthy the few persons involved?

The Administration not only did not ask for any increase in MCH this year—and with inflation over 10% no increase represents a cutback—but in addition, through re-organization and decreasing of staff, it has moved to undermine this program. Although the MCH program provides a model for effective delivery of services, no mention is made of the MCH program in the CHIP Proposal. We know that paying bills does not assure medical care, yet HEW ignores this fact by assuming that its limited approach to prevention will eliminate the need of the MCH programs.

We all need to make sacrifices in the fight against inflation. But shouldn't those sacrifices be made where they will do the least damage? It is the low and middle income families who are the primary victims of inflation. Should they be hit hardest by our efforts to control inflation?

Prevention is the best medicine we have to combat inflation in America. A small investment in the health of our children early in life will reap enormous returns in lives saved, earning power saved, and expensive treatment of disabling conditions eliminated.

Children represent 40% of our population, 5% of our budget, and 100% of our future. To falsely economize on their health, education and welfare will only cost untold agony and billions of dollars.

Preventive health care services would reap huge savings by avoiding expensive care in a child's later years.

Millions of dollars can be saved by providing programs for juvenile delinquency prevention, foster care, and adoption systems which would avoid the huge economic and psychological costs of institutionalizing children.

Providing adequate primary education to poor children as well as child care facilities, would substantially reduce the welfare rolls over both the long and short run, and begin to break up the poverty cycle.

Inflation will not be halted until the federal budget recognizes the need to spend money on programs that save money. There is no question that millions—quite possibly billions—of dollars can be saved by providing preventive programs to children, and indeed to Americans of all ages.

TRIBUTE TO THE LATE HONORABLE JOHN F. SHELLEY

HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. ROONEY of New York. Mr. Speaker, during the past Labor Day recess a good and longtime friend and distinguished colleague of ours, the Honorable John F. Shelley, of California, passed away. Jack served his constituents in San Francisco faithfully and well during his 16 years here in the House. I am sure that all of us who knew him are deeply shocked and saddened by his passing. His public service, experience, courage, and character will be long remembered.

The public career of Jack Shelley was a long and varied one. It involved all levels of government from local through State and Federal and through it all there ran a deep and constant theme of honesty, integrity, and a genuine and sincere interest in the public good. The people of San Francisco certainly recognized these characteristics in Jack for they elected him to numerous and important positions of public trust over a 30-year career of public service.

Mr. Speaker, Jack Shelley started his career in 1937 when, at the age of 31, he was elected president of the San Francisco Labor Council. It should be pointed out that he was the youngest man ever to hold that most responsible position. His political career began the following year when he was elected to the California State Senate for the first of two terms. In 1949 he was elected to this House of Representatives from the 5th Congressional District of California and continued to be reelected and to represent the bay area for seven more terms.

With a keen insight into the future of his city, Jack Shelley ran for mayor of the city of San Francisco in 1963 by predicting that San Francisco's destiny was to be the "hub of America's future."

Mr. Speaker, having known Jack as I did and having known of his great desire to serve the people of his native city, I always felt that the only thing that could keep him out of elective office would be illness and so it was that because of an injury he decided not to seek reelection in 1967. In 1969, however, he accepted the position of lobbyist for the city of San Francisco in Sacramento, a post, ironically, that he had created 24 years earlier.

Along with all those who knew Jack and worked with him and admired him, I will miss him very much. To his lovely wife, Thelma, and his three children, Joan, Kathleen, and Kevin, Mrs. Rooney and I extend our deepest sympathy.

HIGH SCHOOL ATHLETIC PROGRAM

HON. WILLIAM L. DICKINSON

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DICKINSON. Mr. Speaker, confronted with numerous problems both at home and abroad, many of those serving in the Congress probably are not aware that high school athletics face extinction as a result of ruthless scheduling by the professional football leagues and TV networks.

High school athletic programs, for the most part, are financed by football gate receipts. Without this revenue many of the sports, like track, baseball, golf, tennis, and wrestling, cannot be financed and become nonexistent. And all of these activities figure prominently in the Nation's overall physical fitness program.

The vast majority of high school football games are played on Friday night. However, in many areas the same stadium is used by more than one school and many games are played on Thursday night. But many of these games are being played while a pro game is being televised. This has resulted in a drastic drop in attendance at high school games. Consequently, the overall high school athletic program is being curtailed due to lack of finances.

The pro leagues pled "not guilty." They maintain the high school season does not start until mid-September and, starting at that time, pro games are played on Sunday and Monday night. That is not true.

The National Federation of High School Associations say schools in 19 States start their football season the first week of September. These States are: Alabama, Georgia, Louisiana, Mississippi, Tennessee, Washington, Wyoming, New Hampshire, New Mexico, Virginia, Ohio, Colorado, Texas, Wisconsin, Michigan, North Carolina, South Carolina, Kentucky, and Arkansas. Some of these States even begin play on the last Friday night in August.

So, the pro league cannot say when one of their games, whether exhibition or regular season, is televised on a Thursday or Friday, beginning the last week of September, they are not in conflict with the high schools. And if they play on these days the TV networks, eager to snare a hunk of the entertainment dollar, will be on the air.

In 1973, the National Football League had televised games August 31 and September 6, both involving the champion Miami Dolphins. These two games resulted in a loss of 10,000 to 15,000 admissions to Lanier High School in Montgomery, Ala., while hundreds of other schools were being clipped.

It will be more of the same again this year, with the new World Football League and the NFL both playing games in conflict with high school contests.

I am sure you will agree the pro leagues should be content to play their games on Sunday, Monday, Tuesday, and Wednesday and let the high schools and colleges have the 3 remaining days.

TED NOWAK LEADS ACTIVE RETIREMENT LIFE

HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DULSKI. Mr. Speaker, Ted Nowak of Boston, N.Y., still holds the record for long-distance walking that he established 46 years ago.

I have known him for over 40 years, and I am constantly amazed by his vigor and zest. Ted Nowak is a perfect example of how an active life in retirement keeps a man youthful.

As part of my remarks, I am inserting a story that appeared in the September 30, 1974, Buffalo Courier-Express:

RECORDHOLDING WALKER STEPS LIVELY AT 69

Ted Nowak, the record holding long distance walker, disproves a popular cliche.

The cliche runs something like this: an athlete achieves a moment of fame or glory early in his or her career. The rest of the athlete's life becomes a futile attempt to recapture that golden moment.

End of story, end of life.

But even though Ted Nowak, who just turned 69, had that golden moment 46 years ago, his story and life have been, and continue to be, rich.

Nowak was most recently cited by the Bicycle Institute of America for "significant and lasting contributions to the safety and enjoyment of bicycling for more than twenty years."

During an interview at his 42-acre farm in Boston last week, Nowak talked little about his early experiences as a long distance walker.

His scrap books are filled with names and photos of people he has dealt with since his record breaking walk from downtown Buffalo to Olean and back again in May of 1928.

STORY OFTEN RETOLD

The story of the walk has been retold often. The man or woman who wants to break Nowak's record will be in for quite a stroll. All he or she will have to do is walk 148 miles in less than 29 hours and 29 minutes.

And the distance has to be covered without a rest period, or stop of any kind.

Nowak's walking talents led indirectly to his 40-year-long interest in bike racing.

Nowak said he began his career as a bicycle race promoter back in the '30s when he competed in the games, held Friday and Saturday nights at the 106th and 74th armories.

The popular weekly events attracted the track and field athletes and bicycle racers from all over the world, according to Nowak.

When admission prices rose and the promoters decided to stick to strictly local people, attendance dropped off.

Some of the bicycle riders approached Nowak, who agreed in 1935 to run bicycle races in Humboldt Park to promote the oil company he then worked for. The races were a success, according to Nowak.

When he moved to the Town of Boston 25 years ago, Nowak joined the Patchen Volunteer Fire Company, which was having trouble drawing people to its picnics. Nowak's answer: run bicycle races.

"That really drew them," said Nowak. He started with 10 mile races, and later extended the course to 50 miles. Then in 1972, Nowak presented his biggest bicycle race to date.

He bid for and won the right to host the U.S. Olympic team's 100 mile final qualifying race. The people of Boston opened their homes to bike riders from all over the U.S.

"It was the biggest event ever in the history of the Town of Boston," Nowak said. "After the race I got letters from the riders, and they claimed they were treated better here than anywhere else in the country. The people of Boston really went all out for those boys."

The success of the Olympic race was one of the factors that led the Boston Chamber of Commerce to name Ted Nowak Man of the Year in 1973. Just last month he received a letter of congratulations from Sen. Edmund Muskie for that honor. "I don't know where he heard about it," said Nowak.

Nowak has that letter in a frame on the wall of his den in the 143-year-old farm house in which he lives. The walls of his den are covered with framed signatures of celebrities he has known. Each signature has a story behind it.

"I used to give Harry Truman tips on walking, and we had chats a half dozen times. He sent me an autographed copy of his book. "The Man from Missouri" in 1970.

Nowak said he met the late President Truman several times while in Washington, D.C.

Nowak pointed out letters from Edward and Robert Kennedy, Mrs. Lyndon Johnson, Gov. Ronald Reagan, and many other dignitaries.

"And look at this baseball," said Nowak, taking a glass dome from his mantlepiece. "This is one of the balls the Yankees gave my friend Joe McCarthy when he retired," as a manager. "The ball has all the signatures of the players, and when McCarthy gave me the ball, he signed it too."

Nowak went outside to the acre of land he farms every year and said he hasn't held any bike races since the Olympic trials, but he's just taking a temporary rest. He intends to run more bike competitions in the future.

He walks at least two miles a day over the rugged hills of his property, and claims this is one of the reasons he doesn't feel "all pooped out."

THANKS TO PRESIDENT FORD THE WHEAT DEAL WILL NOT BE REPEATED

HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. HUBER. Mr. Speaker, it was with considerable pleasure that I learned over the weekend that President Ford had been able to persuade certain of our grain dealers that large sales of corn and wheat to the U.S.S.R. were not in our best interest. This is indeed a victory for the consumer and the housewife. The reserve supplies of food are very low the world over, and the United States should not have to pay for the ineptness of Soviet agriculture. If the Soviet Union needs further capital to improve its agriculture, let it reduce its swollen defense budget. Perhaps it might also want to increase the amount of private acreage farmed by the peasants, which already supplies a disproportionate amount of their food as opposed to its state and collective farms.

If we are to continue to export food, it should be done very carefully and selectively, bearing in mind not only humanitarian concepts, but who our friends are. Certainly, some of the wheat farming interests will protest this action by the executive branch, but I think that none of us wants the price of bread for our supper table decided again in the Kremlin.

WILMINGTON MOURNS THE PASSING OF EDWARD FIMBRES, A DISTINGUISHED PUBLIC SERVANT

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. ANDERSON of California. Mr. Speaker, I was saddened ot learn that on June 7, 1974, the community of Wilmington lost one of its distinguished public servants in the passing of Edward Fimbres.

Edward Fimbres will surely be missed by this southern California community. For he was indeed a most remarkable young man. A nearly totally physically handicapped person for most of his 43 years, Ed unselfishly devoted himself to serve his community and fellow man.

His leadership in the community partially stemmed from his ability to resolve conflicts between people and various segments in the community, not only by facilitating better communications, but also by his gift to recognize and bring out the good in individuals and situations.

His vast experiences with youth, minorities, and the community began early in his life from experiences gained in the east Los Angeles area in which he was born and raised.

Shortly after he graduated from East Los Angeles College, where he served as student body president, he joined the staff at La Casa de San Gabriel, a settlement house serving that area's Spanish-speaking community. He started with the Catholic Youth Organization as a volunteer worker, while attending college, and joined the staff full time in 1956 as the boy's group worker at Santa Maria Center on the eastside. With the receipt of a Cardinal McIntyre scholarship in 1957, Ed did graduate work in social welfare at the Catholic University of America in Washington, D.C.

Since 1958 he has been actively involved with the CYO's Mahar House in the harbor community of Wilmington; and for the past 10 years served as the branch executive.

During his many years of tireless devotion to the youth, minorities, and the community, Ed has served on numerous community and State organizations including: the Harbor Welfare Planning Council, the Wilmington Coordinating Council, the Advisory Boards of Wilmington Junior High School and Banning High School, and the California State Association of Settlements and Neighborhood Centers. Furthermore, he served as an adviser to the municipal courts of San Pedro, and served as an adviser to former Chief of Police Thomas Reddin.

It is, therefore, fitting that his outstanding achievements should earn him the "Outstanding Citizen of the Year" for Wilmington in 1966, and the "Outstanding Young Man of America" in 1967 awarded by the U.S. Chamber of Commerce.

Mr. Speaker, the many friends and neighbors of Edward Fimbres will honor his memory at a function sponsored by the Wilmington community on October 11. I know that they will deeply miss this outstanding individual; but I am certain that the many accomplishments and achievements that he brought about in this fine community will remain a living memorial to him.

My wife, Lee, joins me in expressing our sympathies to his wife, Judith; and their 3-year old son, Antonio; and our trust that the people of this community will long remember the deeds of its devoted public servant, Edward Fimbres.

CALIFORNIA WANTS NDEA III ADEQUATELY FUNDED

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. BROWN of California. Mr. Speaker, California educators are concerned about the gradual shutdown of funds for title III of the National Defense Education Act as evidenced by the reduction to $15 million for fiscal 1975 in H.R. 16900. They have repeatedly stated that this is a very valuable program benefiting the classroom instruction of all students through the purchase of modern audiovisual materials and equipment.

As J. Graham Sullivan, deputy superintendent of the Los Angeles City Unified School District, phrased it:

> NDEA III has produced significant results with only a little money. It is one of the best federal programs for two reasons: it serves all students, not a few targeted pupils, problems, or areas; and it has resulted in one of the most successful cooperative relationships between federal, state, and local agencies.

Richard M. Clowes, superintendent of Los Angeles County schools, says:

> NDEA III has been a stimulus for improving education in California and a catalyst for experimentation and research.

But the potential of NDEA III to continue to improve the quality of instruction in the classroom has been severely eroded in the past 2 years. In fiscal 1974, the program's appropriation was reduced to $28.5 from $50 million in fiscal 1973. California's allotment fell to $2.2 million in fiscal 1974. If Congress approves the 15 million in H.R. 16900, California's portion will drop to $1.2 million—about one-third of what it was only 2 years ago.

As the funding has declined, the need has increased. In a recent survey, California schools reported they need $18.5 million in NDEA III funds in fiscal 1975. That money would go to the direct benefit of youngsters in the form of modern instructional methods. Without it, the educational needs of these children—particularly in the area of audiovisual equipment to improve reading skills—would be forsaken. This need not happen if NDEA III is adequately funded.

LIBERTY WEEK

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DERWINSKI. Mr. Speaker, I wish to insert into the RECORD a proclamation by my good friend, the great mayor of the city of Cleveland, Ralph Perk, reminding the Members of the 87th anniversary of the dedication of the official symbol of freedom, the Statue of Liberty. I commend Mayor Perk for recognizing October 22-28, as Liberty Week as a time for all Americans, native born and immigrant, to appreciate the liberties inherent to the rights of self-government that are so often taken for granted.

May I also remind the Members that during this week, we also commemorate the anniversary of the 1956 Hungarian Revolution against tyranny. The Hungarian people still do not enjoy the basic freedoms that are ours as American citizens.

I hope the Members will ponder the significance of Mayor Perk's proclamation and realize that other nationalities, especially those under Soviet domination, cannot hope for freedoms that we enjoy, and again a reminder that we must not take our liberties for granted.

The proclamation follows:

> LIBERTY WEEK
>
> On October 28, this nation will mark the 87th anniversary of the dedication of the Statue of Liberty, a symbol, not only of the friendship which prevails between the United States and France, but of hope and of liberty.
>
> Millions of American immigrants and their kin are grateful for the liberties which are presently theirs in the United States of America, the country of their choice.
>
> Millions of Americans are grieved for their kinsmen and for persons of the same nationality or of other nationalities who are held in bondage and imprisoned for their beliefs. All good Americans long for the day when these freedom loving people will once again enjoy liberties which are basic to the rights of self-government and to the dignity of human beings.
>
> Now, therefore, I, Ralph J. Perk, Mayor of the City of Cleveland, do hereby proclaim the week of October 22-28 as "Liberty Week". I

call upon all civic, church, fraternal, veteran, and patriotic national organizations to hold meetings, rallies, and services to re-dedicate themselves to the spirit of liberty and thus to give support to freedom loving people abroad.

WALL STREET JOURNAL AGREES, HOUSE WASTING TIME ON COMMITTEE REFORM WHILE INFLATION SPIRALS AND ECONOMY BURNS

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DINGELL. Mr. Speaker, the priority of legislation is totally out of balance. It is time the House return to its sanity and get about the pressing business of the day. We should halt consideration of House Resolution 988 and the various so-called committee reform amendments on which we have wasted so much time.

I do not believe the public is so concerned about what House committee lives or dies at this time while the fires of inflation are burning our feet.

If the House had spent as much time discussing our Nation's economic woes and ways we could control inflation as the House has spent jawing on House Resolution 988 and the committee reform amendments for the past several days, we Members might be on the way to finding cures for our problems.

While we ask the American workingman and woman to increase productivity, how about a little productivity by the House on meaningful legislation. I note there are over 100 House bills ready for floor consideration. I note there are about one dozen House and Senate conferences either underway or conference reports ready for our consideration. Yet the bickering over whose so-called committee reform plan does what to whom continues while congressional productivity gains a new low.

House committee meetings have been canceled or postponed both this week and all of last week for the most part.

Mr. Speaker, let us get on with the priority legislation. The American public is ready for action, not in-House disputes which do not put bread on the Nation's tables.

The Wall Street Journal on its editorial page last Friday, October 4, 1974, summed up this so-called reform donnybrook quite well and it deserves the attention of the Congress:

[From the Wall Street Journal, Oct. 4, 1974]

Bulging at the Seams

If there is anything that distinguishes the 93rd Congress, it is an unerring sense of priorities; while other folks worry about inflation, the actuarial flaws of Social Security and other small matters, the House this week debated something really important: the size and makeup of congressional staffs.

We won't go into all the intricacies of this monumental struggle—we wouldn't even if we could understand them—except that they are related to an overall reorganization drive aimed at cutting Wilbur Mills down to size. This plan, backed by Richard Bolling of Missouri, would, among many other things, increase the size of basic committee staffs to 30 members from 12.

We're not sure how this titanic intramural battle will finally turn out but it is easy to develop sympathy with those Congressmen who think maybe there already are enough staffers writing bills for the nation. "The place is bursting at the seams now," declared Wayne Hays of Ohio at one point of the debate.

Phil Landrum of Georgia exploded similarly about all the time being spent on something that has nothing to do with "the nation's prime problem."

But maybe that isn't quite right. It could be that Congress' priorities have increasingly come to be dictated by the congressional staff. That may account for why they have so little relationship to the nation's priorities. And maybe that *is* one of the nation's prime problems.

FUTURE WATER POLICIES

HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. JONES of Alabama. Mr. Speaker, the National Waterways Conference recently had its 1974 annual meeting at Memphis, Tenn., on September 18–20. The keynote address at this convention was delivered by my respected colleague and good friend, Ray Roberts of Texas. As the first chairman of our new Water Resources Subcommittee, he has done an outstanding job on the difficult and important problems over which that subcommittee has jurisdiction. His leadership has been invaluable in the consideration and passage of many significant pieces of legislation during this Congress.

I think that my fellow Members will find his speech informative and thought-provoking and I commend it to their attention:

Address by Congressman Ray Roberts

Ladies and Gentlemen, I appreciate having the opportunity to speak with you on this final day of your 1974 annual meeting. Our Public Works Committee has had many years of pleasant and productive association with your organization and its members. Your President, Bill Hull, and your Executive Vice President, Harry Cook, have been particularly helpful to us in furnishing valuable and needed information concerning the Nation's waterways.

I am especially pleased to have this chance to speak with you because the subject which I am addressing—our water policies for the future—is one in which I am particularly interested as Chairman of the Water Resources Subcommittee of the House Public Works Committee.

Too often we have taken our water resources for granted. Blessed as we are with an abundant supply of water, we have tended to use it wastefully and inefficiently. When our population was smaller and our country less settled, we could afford this luxury. But that time has passed. With our present and projected populations, and the need of a technological society, we can no longer treat this precious resource lightly.

Water is unlike many of the other resources we use in that it is an essential resource—essential to life itself. Man can survive without oil or gasoline or coal, or the metals and other minerals which make our lives more comfortable. But in the absence of water, life cannot be maintained.

Water, of course, serves many purposes other than simple survival, although this particular purpose gives it a basic and special quality. Throughout history water has played a dominant role in the shaping and development of civilization through its use and availability for irrigation, domestic use, commerce and transportation, and as a fishery.

In our own country, the use and management of our water resources have played a vital role in the Nation's development. The use and development of our rivers for the transportation of people and goods provided the primary means by which we carried on the commerce of a growing nation and opened up new areas of the country for development. The use of our waterways for commerce continues to be a key factor in our economic and commercial health, with our inland waterways system carrying over 300 billion ton-miles of freight a year.

Later, Federal involvement in water resources development encompassed the control of destructive floodwaters to prevent damages to our communities and loss of life. As we grow more sophisticated in our treatment of this valuable resource, we began to develop it and conserve it to serve a variety of related purposes. We used it to generate hydro-electric power, to irrigate arid lands, to provide supplies of clean water for our industries and municipalities, to provide water-based recreational activities for our increasing population, and to preserve and enhance our fish and wildlife resources.

Now we think in terms of serving the water-related needs of entire basins or regions. Perhaps the best example of this, as far as completed projects go, is the McClellan-Kerr Arkansas River navigation project. I was pleased to meet the son of the architect of this great project. This project is the largest civil works project ever undertaken by the Corps of Engineers. It provides a 448 mile long channel from the Mississippi River to Catoosa, Oklahoma. In addition, it provides flood control, hydro-electric power generation, and recreation. But most important, it has opened up an entire region of the country to development through the provision of these features. This project offers a unique challenge—the opportunity to plan the development of the region in such a way as to preserve and enhance the overall quality of life. This involves achieving a balance between economic growth, influx of population, recreational opportunities, environmental protection and enhancement, and the other amenities which make for an enjoyable and meaningful life.

While we have made substantial progress in the wise management and use of our water and related resources, there is much yet to be done. In fact, many of us are convinced that this Nation faces a water crisis which will dwarf the energy crisis we have just been through unless we begin now to plan for our future water needs. On a gross quantity basis the total amount of water available in our country is ample for foreseeable needs. The problem is that the water is not always where it is needed, in the quantities in which it is needed. Studies which Resources for the Future prepared for the Commission on Population Growth and the American Future provide a very disturbing look at the future water supplies and water requirements in this country. These studies indicate that even with low population and economic growth, water deficiencies can be expected in 8 of the 22 water regions in the United States by 1980 if sufficient water storage facilities are not developed. By the year 2020, deficiencies will exist in 12 regions under low growth assumptions and in 16 under high growth assumptions. Moreover, in a number of these regions, the projected water needs are greater than can be met by construction of storage facilities alone, and other solutions will have to be found.

It is clear that something must be done, and done while we still have the luxury of time in which to do it. The total water supplies of the Nation are adequate to meet our needs for a very long time. The projected water shortages are regional in nature. The key, then, lies in proper planning for the use and conservation of our water.

Adequate storage facilities must be planned and built where the problem can be solved or alleviated in this manner. Achieving and maintaining a high degree of water quality is, of course, critical. Water quantity and water quality are inseparable, and it is essential that the quality of our waters be considered and treated as an integral part of the overall water and related resources picture. This will require the effective implementation of sections 208 and 209 of the Federal Water Pollution Control Act. Section 208 provides for areawide waste treatment management plans which include treatment works necessary to meet the needs of the area, and regulation of activities in the area which would contribute to the pollutant load of the area. Section 209 directs the preparation, by the Water Resources Council, of so-called "Level B", or comprehensive, plans for all river basins in the United States. These two sections recognize that water quality is one aspect of water and related resources development and must be so treated.

But we cannot and must not limit ourselves to traditional approaches, because the problem we face is not a traditional one. Interregional transfers of water must be considered. The Arkansas River project has the potential for being particularly instructive in this regard, for it could well result in significant relocations of population and economic activities into the region.

Augmentation of water supplies through such means as weather modification, desalinization, and reduction in water use must also be considered.

I cannot over-emphasize the importance of planning now for future needs, so that we are not caught short with a water crisis in the same way that we have been caught short by the energy crisis.

The early Romans found it feasible to build great aqueducts across the North African desert to move water.

The time approaches when planning for the movement of the troublesome and destructive oversupply of Great Lakes water to the arid west must begin.

Water supply is but one of our future water resources needs. The development of our water resources for all of the purposes which they can serve will become increasingly important. One important area, and one with which you are all intimately familiar, is that of water-based transportation. Water transportation is an extremely efficient means of transportation, offering savings in energy, transportation costs, and the ultimate cost of goods to consumers. It has helped this nation grow to its present position of world eminence and will continue to play a vital role in our productivity and well-being.

Much has been accomplished in the development of our waterways, but much needs to be done. Existing systems must be upgraded so that they can handle more traffic and larger cargoes, and we must think in terms of connecting these existing systems so that we can have a truly comprehensive and efficient waterways system.

Water transportation also offers many environmental advantages such as those realized through energy savings, and it is time that more emphasis is placed on the environmental advantages of water-based transportation as opposed to environmental disadvantages. I believe that the years to come will see a greatly increased use of and dependence upon our nation's waterways as a sound and efficient means of transporting goods.

Before I close I would also like to take the opportunity to point out some of the steps we took in this year's water resources development act to improve the future performance of our water resources program. We have undertaken a new two-step authorization procedure for large water resource development projects. These large projects are now authorized only through the first phase of advanced engineering and design. This will give us a chance to reexamine these projects just prior to construction after all the details have been worked out and after the project formulation has been reviewed to insure its consistency with the needs which exist at the time of construction. While some fear that this new procedure would serve to delay the implementation of needed projects, in fact it should have just the opposite effect. With final congressional approval based on the most up-to-date information, including detailed knowledge of the effects of the project on the environment, we can expect to avoid the costly and time-consuming litigation which has tied up so many projects.

Also, when a number of these projects complete the preliminary advanced engineering and design, there will be a ready backlog of projects ready to move forward when and where needed. And, finally, since these projects will come back for review just prior to construction, we will be sure that what is being authorized is needed, up-to-date, and capable of meeting existing and future needs.

We have provided for planning assistance to the states so that the federal and state governments can coordinate their water resources program and insure maximum benefits and avoid unnecessary and wasteful duplication. We have directed that consideration be given to non-structural alternatives in the consideration of flood control projects and provided a minimum federal share of 80 percent to insure that these non-structural approaches will stand on the same footing as the structural approaches. And, perhaps most important, we have directed the President to study the principles and standards used in the formulation and evaluation of water resources projects, and federal and non-federal cost-sharing for such projects, and to report to the Congress with his recommendations on these matters. This will provide the Congress with the information it needs to examine these very important subjects and to make those changes which it determines to be advisable and necessary to the functioning of our water resources program.

Our abundant water resources have served our nation well. There is no reason why they should not continue to do so, but we must manage this precious resource wisely for present and coming generations and plan now for our future needs. Given the support of groups such as yours, I am sure that we will be able to meet and overcome this challenge.

SENATE RESOLUTION 394

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. WAMPLER. Mr. Speaker, on September 19, 1974, the Senate passed Senate Resolution 394, disapproving the President's plan to postpone Federal employees' pay adjustments from October 1, 1974, until January 1, 1975.

Thousands of my constituents now living on fixed incomes will benefit from this increase. Since the effective date of the Federal Coal Mine and Safety Act, coal miners from the Ninth District of Virginia who developed black lung disease have contacted me for assistance in securing black lung benefits. I have always tried to assist these miners or their dependents in every way possible, both by making inquiries in their behalf and through the legislative process. I have never cast any vote in Congress which has resulted in any delay or loss of black lung benefits to these miners.

The Federal Pay Comparability Act, passed by the House on October 14, 1969, and subsequently signed into law, provided that Federal pay rates be comparable with private enterprise pay rates for the same level of work. Special benefits to coal miners, known as black lung benefits, are paid on a level equal to the mid-level civil service grade GS–2, and the miners will therefore benefit from this pay adjustment.

The 5.52 percent pay increase, effective October 1, 1974, will be reflected in monthly benefit checks on November 1, 1974, and will increase black lung monthly benefits on the following scale:

Number of persons	Current amount	Plus 5.52 percent
Miner himself	$177.60	$187.40
1 dependent	266.40	281.10
2 dependents	310.80	327.95
3 or more dependents	355.20	374.80

I am very pleased that the Senate has taken this action which will allow this increase in monthly benefits to those miners suffering from black lung disease. This increase will help to ease the difficulties these disabled miners face from living on fixed incomes while struggling with the increasing cost of living.

THE END OF A LIBERAL SUPERSTITION

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. LANDGREBE. Mr. Speaker, an article appeared in the October 1974 issue of Vanguard, the magazine of the Non-Commissioned Officers Association, entitled, "The Demise of a Crime Theory?" I want to place this article in the RECORD, for it is a brief discussion of the liberal superstition that poverty causes crime. Hopefully, that superstition will soon fade, together with a host of other liberal dogmas, and this country and this Congress can return once again to sanity.

The article follows:

THE DEMISE OF A CRIME THEORY?

Poverty breeds crime! Poverty is the root cause of crime! Eliminate abject poverty and crime will cease to exist!

The phrases set forth above have been repeated so often by sociologists and presented with such extreme frequency by the liberal media that the average citizen is disposed to duly accept them as truisms or scientific fact. However, "Mr. Average Citizen" has never unreservedly accepted the pronouncements of the alleged experts and now the "experts" are themselves experiencing many nagging doubts. Their questioning is based on examination of circumstances in Sweden, Great Britain and the United States.

The Swedish welfare state has, in a manner of speaking, eliminated poverty. At least slums do not exist and a reasonably comfortable existence is available to all its citizens. However, the crime rate in Sweden has gone up nearly 100% in just 15 years and continues to increase at a rapid rate. Its juvenile delinquency is the highest in Western Europe. Also, in Great Britain the statistics are almost the same. Two decades previous, the British firmly announced that if they could eradicate slums and poverty they would virtually do away with crime and delinquency. Through typical, laudable, British determination, poverty is nearing total elimination, housing is vastly improved and extensive public services are available to all. The result is the British have more crime than ever.

In today's affluent society, the United States continues to experience upsurges in its frightful crime rate. However, during the despicable poverty of the Great Depression of the 1930s, no such surge of crime was experienced. Further, the lower ranks of married enlisted servicemen have, until very recent history, been remunerated on a "poverty" level scale. It would be ludricious to suggest these fine men turned to crime to support their families. To the contrary, they took part-time jobs and/or their spouses sought full or part-time employment.

Consequently, it appears that the time has now come for us to abandon the "poverty breeds crime" theory. In its place, it is suggested that the "crime is the better choice" theory be substituted. Without benefit of formal education or honest labor, an individual can make more money as a criminal than as a working person.

The young criminal is well aware of the profits to be made through crime and of his slim chances of being caught and fairly punished. He also knows it is highly unlikely he will be jailed for his first arrest. Further, he quickly learns that most second arrests are met with a wrist-slap. And, as he advances in his chosen profession, he becomes so very much aware of the "do-gooders" that feel a criminal should be treated better by society than the honest people that he victimizes.

Crime will be drastically reduced only when chances of the criminal being caught and appropriately punished are high and the profits from a life of crime are low. It really should be clear by now that the acceptance of crime invites repetition and recruits new criminals.

AUTHOR'S NOTE.—Nothing in this is intended to be interpreted as my recommending the perpetuation of poverty. My personal opinion is that poverty is in and of itself an evil and every effort should be made to eradicate it in as short a time period as possible. However, it is my contention that its elimination will simply not solve the crime problem.

THE 93D CONGRESS

HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mrs. HECKLER of Massachusetts. Mr. Speaker, as we approach the conclusion of this session of Congress, a look at the record reveals, I believe, that progress has been made on many of the vital problems confronting our Nation. I submit for inclusion in the RECORD my newsletter to constituents entitled "The 93d Congress: A Summing Up" which highlights some of those accomplishments:

THE 93D CONGRESS: A SUMMING UP

INFLATION

Nothing has hurt the American consumer more over recent years than wildfire inflation, especially in prices for food and fuel.

A key first step in fighting this fire is controlling and reducing federal spending. And Congress has now given itself the tools to keep a tighter grip on the nation's purse strings—the Budget Control Act. In addition, we have created a new cost-of-living monitoring task force—weaknesses in the economy must be spotted before they develop into crises.

Following my food price hearings earlier this year in Natick, I have introduced legislation I believe will assure all Americans adequate supplies of food at reasonably stable prices. My bill automatically imposes limits on food exports during times of rapid price rises.

I also fought a $2-million loan guarantee program for cattle producers. The government has no business subsidizing loans for livestock producers when meat prices are sky high for the American consumer.

VIETNAM VETERANS

My bill to increase educational benefits for Vietnam veterans to a level equal to those received by World War II veterans is awaiting final action. I have battled for this position in both the House Veterans Affairs Committee and the House-Senate Conference Committee, and am confident this long-overdue proposal will soon be enacted.

PRIVACY

The Fourth Amendment guarantees all people the right 'to be secure in their persons, houses, papers and effects," and Watergate symbolizes the need for new laws to ensure that guarantee. Thus, I have joined members from both parties in introducing bills to protect individuals from unwarranted government snooping, and to tighten rules on the use of Social Security numbers and other "private" information.

HOUSING AND COMMUNITY DEVELOPMENT

As a member of the coveted Housing Subcommittee, I am pleased to report that the new housing law will provide desperately needed money to cities and towns in the 10th Congressional District.

The law provides $11.1-billion in grants, loans and guarantees to local governments for a wide variety of housing and community development needs. And the local government, not Washington, will decide how the money is to be spent.

Also in the new housing law is my provision to prohibit discrimination against women in granting mortgage credit.

ENERGY

Progress has been made in the effort to make America less reliant on foreign oil. But much remains to be done before we claim victory for "Project Independence."

I strongly supported bills approved by Congress to step up research in sources of energy other than oil. Solar energy, geothermal, coal gasification are just a few of the exciting possibilities.

I recently discussed the unique energy problems of Massachusetts with Federal Energy Administrator John Sawhill (left), and continue to work jointly with other members of the state's delegation seeking a greater allocation of domestic oil at domestic prices for our region. We in New England for too long have been the forgotten stepchildren of the big oil companies. They sell us far too little petroleum at far too high a price, forcing us to import 70 percent of our oil with prices up to three times higher than other regions of the country.

SENIOR CITIZENS

My proposal for a special $800-million loan program for construction of elderly housing by non-profit and public agencies is included in the new Housing and Community Development Law.

Also, this Congress approved an escalator for Social Security payments to insure that those who have contributed to the system over the years can keep up with inflation.

And the 93rd Congress adopted many of the recommendations of the White House Conference on Aging. The Older Americans Act will provide a wide range of services to our senior citizens.

PENSION REFORM

One of the truly noteworthy accomplishments of this Congress is the Pension Reform Act. For the first time there are federal standards to guarantee a worker at least part of his pension. It's estimated that up to 35-million workers will benefit.

. . . AND A CONCLUDING NOTE

Those of you who viewed the Judiciary Committee meetings saw that Congress by-and-large is made up of competent, dedicated men and women. Despite some disappointments, I believe we have made progress. There is much unfinished business, however. A dynamic society constantly provides new challenges. And we face a full agenda when Congress returns to Washington for a rare post-election session.

We need more action on the economy, with adequate safeguards to help those we suffer most from the twin-evils of inflation and unemployment. Some form of national health insurance is mandatory to help families with medical costs and catastrophic illnesses. Tax reform and reform of our campaign laws remain important priorities.

INFLATION AND WELFARE

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. COLLINS of Texas. Mr. Speaker, I just read an excellent report on inflation. It emphasized the impact of welfare. I want to share with you some of the more important paragraphs in this David L. Babson Co., letter which was written by David T. Wendell. Wendell's statement makes sense to me. Here are some key points:

The present inflation did not pop up suddenly in 1971 and become reactivated with the easing of controls in 1973. It was born way back in the middle 1930's, when big new social programs were launched, when labor unions were granted anti-trust exemptions, when the discipline fostered by the link between gold and money creation was abandoned, when deficit spending became an accepted fiscal practice, when government policies began to favor borrowers over savers and consumers over producers.

The second big wave of inflation got under way in the middle 1960's, the Congress—with relatively little fanfare or public debate—put the economy inexorably on the road toward becoming a full-fledged welfare system. In the eight years which have followed, federal support payments to individuals have more than tripled from $42 billion to $134 billion.

This rise of $92 billion accounted for two-thirds of the growth in total federal outlays during the same period. The mounting welfare burden is also a major reason why the national debt has climbed $95 billion, or 36%, since 1966.

In the past eight years, borrowing by government—federal, state and local combined—has pre-empted *nearly two-fifths* of all nonconsumer credit demands. This has helped create a faster rate of monetary expansion, thus fueling the speed-up of inflation.

It seems hard to believe, but total government spending has grown to a size that equals 40% of our national income. And next year, these outlays will exceed *half a trillion dollars.*

Let's convert this big number into terms everyone can visualize. Back in 1950, government outlays averaged $1,650 for every American family of four. By 1965, the figure had reached $3,750. But next year, *it will top $9,000.* This accepted rate of "exponential growth" has been eight times as fast as the much-feared population rise.

At present, over 50 million adults, or nearly two out of every five, receive some form of regular federal assistance—money, rent, clothing, health services, food stamps, the list keeps growing. These payments are no longer limited—as during the 1930's—to those who are disabled, aged, handicapped or temporarily down on their luck. Benefits are also being given to permanent nonworkers, habitual jobshirkers and even to people who work full time as well.

Many other areas of the budget also need fat cut out. But the only long-term inflation cure would be for Congress to start resisting the continually rising demands from a block of 50 million recipients, all of voting age. Yet Congress has already linked nearly half of future welfare spending to the rise in the Consumer Price Index.

Fast inflation will also continue to distort the true economic progress of most companies. From 1966 to 1973, for example, total corporate profits—as determined by historic-cost accounting procedures—increased by 46%. But adjusted for the rising cost of replacing inventories and equipment, they show a drop of 34%. And when this profit trend is measured in constant dollars, the drop widens to 50%.

This 50% decline in real earnings took place over a seven-year period in which total industrial production expanded by 28%. It's an important reason why so many stocks are selling at four, five or six times earnings and at yields of 13%, 14%, or 15%. So it should be a cause for national concern. Yet we doubt that more than a few public officials have even heard of the problem.

In time, businessmen, accountants, regulatory agencies and tax legislators will recognize that one year's dollar can no longer be considered equal to another year's dollar in determining capital replacement costs. So major changes will be needed to prevent companies from paying income taxes on phantom profits and thus dissipating their real capital.

HEYDAY OF THE COLUMNISTS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. FISHER. Mr. Speaker, under leave to extend my remarks I include an article written by O. R. Strackbein, a highly qualified authority on the subject he discusses. The article follows:

Heyday of the Columnists

(By O. R. Strackbein)

The newspaper columnist has proliferated across the face of the journalistic world in this country, much like an epidemic outbreak. Some columnists today have hundreds of outlets in newspapers throughout the country. These are the syndicated writers whose readers may number in the millions.

The columnists are at once commentators, analysts, critics, interpreters and boosters or detractors. Their range of subjects is universal, although some of them are specialists, such as sports-writers or financial commentators, music or dramatic critics.

The uninhibited versatility of the leading columnists is indeed a source of unbounded wonder in the beholder. How any individual, be he a writer, a research director for an encyclopedia or the cataloguer for the Library of Congress, could be possessed of so immeasurable a store of knowledge, not to mention instant pre-judgment, must be left to the columnist himself. His volubility being what it is, he could possibly formulate an explanation very convincingly without explaining.

These writers come before the public three or four times each week. In each column they feed what passes as their own judgments to their readers in pre-digested dosages. A large metropolitan newspaper may provide its readers each day with three to five such columns in addition to its editorials. To the extent that readers look to these opinion merchants they become as drug addicts dependent for their mental nurture on these sources. The columnists thus come to do the thinking for their readers. The latter are then relieved of the sometimes exacting task of forming their own opinions and become slaves rather than independent citizens.

Behold the columnists! Who are they? What qualifications have lifted them to the dais of speakership and arbiters of human affairs?

What chronicle of achievement has catapulted them to the seat of opinion-masters and tutors of the body politic?

Examine their names, one by one, and pose the question of renown that marked them for thought leadership. A few did graduate from the active world in the past generation: Raymond Moley had been Assistant Secretary of State; General Hugh S. Johnson had been administrator of the National Recovery Administration, and Calvin Coolidge, before them, had been President of the United States. Walter Lippman had attended the Versailles Peace Conference and had written some books notable for their insight. Run over the remainder of the list and the result would be much the same as the experience that fastened the "Who-Who" sobriquet on a British Cabinet in mid-Nineteenth Century. When the aging Duke of Wellington, hero of Waterloo, who himself had served as Prime Minister, was told the names of the members of a new Cabinet he asked after each name: Who? And the Cabinet became known as the "Who-Who" Cabinet!

When a new columnist, without notice, without nomination, without pride of announcement, appears, as from nowhere, to be read from this day forth, the first question prompted by the readers is likely to be: Who is he? Who will know his record of distinction that prepared him for his suddenly high station in the world of opinion-making?

He simply starts writing. His subjects will vary in some correlation with the varying news of the day. Seldom does he hesitate to plunge into the most intractable problem of the times and offers solemn pronouncements with little room for anything but the outright positive in his comments. Thus may he make a bold thrust that seems to round up total reality in one sentence, such as "in just four months he has become the single most influential Republican (or Democrat) in the country". Who is to take the trouble of proving him wrong? Who will be in a position to offer statistical or other evidence to the contrary? He has spoken boldly, as a master, unafraid. No pussy-footer he! No namby-pamby, weasel-words from his arsenal! He never cuts at anything; he slashes or bruises. He never slinks or flanks; he strikes head-on.

He is not unlike the lawyer who hopes to gain sufficient fame to justify the higher fees he would be delighted to enjoy; but the lawyer must make his way through a thicket of thistles in the form of adversaries, who contest every step of his way. This need the columnist does not face since he has no face-to-face adversary to contest him. In a sense he has, to be sure, the jury of readers to convince, but he is not open to assault minute by minute. He has freedom of the press as a shield. If he fires the ire of his readers he can, if he has the sublety and the deftness, retreat without an instant overruling by an alert bench.

He is more closely related to the politician; but, again, with an exception. The latter must go before the electorate for confirmation from time to time; not so the columnist. Like the politician, however, he is likely to have followers in the form of readers whose political philosophy matches his own, more or less.

He learns what it is that pleases these faithful adherents and takes care to give them what warms their hearts. At the same time he delivers hailstones and brim on the heretics, who obviously deserve both. His exemption from the electoral processes permits him to become somewhat independent and even irresponsible. Indeed once he has enthroned himself as a pundit he may undertake some opinion-moulding and therefore event-shaping endeavors of his own. Even his boss may give him his head within prudent limits.

He devises approaches to public officials of note, and national leaders in other fields, designed to make acquaintances that will not only pay off as sources of information where information is closely held but in other respects. He may establish mutually profitable alliances with the great and near-great. Such symbiosis must, of course, be guarded with solid discretion, or it may come apart.

Judicious liaisons may open the way to precious leaks, the more precious for being exclusive. Each party can scratch the other's back.

A columnist who has nothing to attack is like a mustard that can be eaten by the spoonful. The diner eats much more of it, but does not remember having eaten any of it.

A columnist who boasts of outlets by the hundreds of newspapers will be sought after with possibly impure intent, much as a beautiful demimonde by those whose interest can be promoted or thought to be capable of promotion by her. He can easily become hard to get. Indeed, he can have it both ways. Not only may he have sufficient self-assurance to exact—not, of course, his price: that sounds entirely too crude (only corrupt politicians do that) but rather his terms. He has more than one string to his bow. He is in the position of the monarch who can both bestow or take away, one as easily as the other, and, taking, also reproach and possibly even slander, or commit to the tower of oblivion.

To be sure, reputable columnists would never be guilty of such disasters to human decency but the potential is of the kind to which our Founding Fathers were hypersensitive in other fields. When they wrote the Constitution they undertook as best they knew how to make our government proof against sin and corruption. They built into our governmental structure the system of checks and balances supported by the separation of powers.

Our forefathers did not trust man to walk the straight and narrow path if he was possessed of much power and at the same time, and by the very reason of his power, could conceal or feel quite confident that he could conceal what he did not wish the public to know. The separation of powers made the use of checks and balances easier to invoke. The holder of one power would guard it jealously against infringement by some ambitious empire-builder from another branch or department.

Had newspapers and columnists been so ubiquitous and conscious of power as they are today we may be sure that they would have attracted as much attention as the structure of the government itself when our Constitution was debated and written. The checks and balances would have been extended in a form thought to be proof against abuse, to the "fourth estate". However, there was no real occasion in that day to take such precautions with respect to the press—no more so than to say anything about nuclear explosives, smallpox vaccine or birth control.

So it came about that the press escaped with a blessing rather than a caution or prescription for restraint. When the idea is put forward in all seriousness that in the possession of vast power the men of the press are subject to the same temptations as the men of government, the press, and its parallel, radio and television, brittle with a ferocity worthy of the weakest position. The columnists are the first line of defense. They set up a chatter of alarm surely the jungle cannot hope to equal.

The columnist has a range that can be described only as formidable. He really need not shout to be heard. His verbal shouting in print may be and in fact is really silent; but his echoes stutter into great distances, from city to city and reverberate again the next day and then again and again, as he sees fit, even into foreign lands. He can always come back to the same attack and repeat it with suitable variations.

Columnists, of course, are not reporters, although they may have won their Mexican spurs (noted for their long spikes) through the foot-wearying treks of the reporter. No; they are no longer reporters. They are the brighter ones who wish to be heard, who wish to do something beyond acting as photographers of events. They are bent on putting their particular imprimature on events. As news reporters they would or should be bound to withhold their own opinions lest they be accused of coloring the news; as columnists they are no longer bound by the precept of avoiding bias. Their function is no longer reporting or informing the public but interpretation. The reporter, if he is pure, tells his readers what happened, not why it happened or why it should not have happened. The columnists have cast off these shackles. Now, more and more, the reporters clamor for similar liberties, and their reportorial function suffers. The public is cheated to the degree that reporters desert their fidelity to fact and stray into the forbidden field.

Newspapers justify their extraneous activity beyond news dissemination by the very sinfulness of the wielders of power and pursuers of greed outside of their own ranks. Precisely because great power has it superhuman temptations and at the same time has the advantage of an extraordinary leeway to conceal its lapses and evil deeds from the public, newspapers saw a spot for themselves beyond reporting the news. It would be a hallowed public service to smell out and expose corruption among the knaves.

No one ever questioned such an activity as unbecoming a newspaper. It was good that some protected tracker and snooper should pull the concealing cover off miscreants who bilk the taxpayer.

At least that is the rationale; for even though we have the police power of the state and the courts to detect and bring to the bar of justice the evil-doers in officialdom, these, it is alleged, do not overcome the facilities of concealment and conspiracy enjoyed by the wielders of power. Even the police force is sometimes overcome by the forces of corruption. Who then is to expose this self-perpetuating ring of evil and shame?

The newspapers volunteered without being asked. It seemed logical that someone should guard the guards if these were themselves corrupted. No one nominated the newspapers. No one proposed a vote. No one suggested a set of by-laws. They simply slid into a vacuum after the manner of squatters, and ultimately stood on squatters' rights. They moved into a vacuum under the protection of the First Amendment, as if it had been a charter, which it was not; and set up an operation that was destined to become, in some instances, as powerful as the very government itself. In England Lord Northcliffe, wielder of the London Times and the Daily Mail, was able to shiver the Cabinet with its seemingly unshakable power, to its very boots.

In this country no newspaper has attained the eminence of the London Times as it was in World War I; but a combination of newspapers nevertheless may wield great power. If such a combination is in concert with radio and television in point of political philosophy, the London Times that was, may look to its laurels.

Newspapers have bowed to the obvious dictates of fairness to some degree, by employing a scattering of countervailing writers as columnists. While one newspaper, the New York Times, did indeed open what it calls the op-ed page to nonjournalistic leaders who express opinions diametrically opposed to the position of the editorial page itself, the transformation is not complete. In any case, the noble departure by the Times (New York) still leaves the remainder of that newspaper to the devastating invasion of activism in the form of interpretative articles, investigative forays, headline writers, copy-editors, positioning overlords, omitters and abbreviators.

A function of the columnists that has escaped the law-makers is their de facto activity as lobbyists. In this activity they carry an advantage over the registered lobbyist. They can outpace the registered variety of lobbyist by the multiplier-effect of their outpourings. The defined lobbyist goes before a Congressional Committee and has his day in court so to speak.

The newspapers may or may not give wings to his words, at their pleasure. After one appearance he may be silent for months while the columnist may come back to his kill several times a week, if he elects to do so.

To be sure, the lobbyist may issue press releases, but once more he is immediately in the hands of the press and other media. If they like him he may flourish; if not, he may wither on the vine without benefit of vintage. Also, he faces opponents, much as he does the attorney. These opponents will urge the same committees of Congress to do the opposite of the particular lobbyist's bidding. When the newspapers were less monopolistic than they are today, they would jump into the fray often on opposite sides. Thus was achieved some semblance of balance.

Notoriously, the columnist was under no need to register as a lobbyist even though his purpose, no less than that of the acknowledged lobbyist, was and is to influence legislation. This exemption represents a bizarre effect of the First Amendment, because the lobbyist assumes the coloration of a mouse vis-a-vis the press. He will hardly by challenging the exemption, antagonize a columnist or news-writer if he hopes to survive.

Lobbyists know and have no need to be told that newspapers and columnists are (1) either to be made into a friend, (2) in no event to be antagonized or (3) be left alone in an attitude of benevolent neutrality or ever readiness to esteem. They (the lobbyists) must become masters of repression of any animadversion they might feel toward their liaison with the public, which is to say, the media of communication.

The position of the columnist as an unregistered lobbyist is therefore secure. No one other than his employer has power to remove him or to discipline him.

That there is indeed a need for a guard to guard the guard may be conceded in view of the ease of concealment of malfeasance by the centers of power. Whether the press is the appropriate instrumentality to act in that capacity is another question, especially when it itself is a center of power. Should it be recognized as the most suitable instrument, it should be provided with rules and regulations, such as govern the exercise of other uses of conferred power in any country that acknowledges popular sovereignty.

As it is, the columnists and other sources of investigation with intent to expose, are freebooters without license, without prescribed functions, or obligation of performance and without rules of procedure. All aspects of their conduct are self-determined, including invasion of privacy, betrayal of confidence, instigation of gossip and whatever else may occur to the prober as likely to promote his private, unlicensed intent. Each such would-be righter of wrong is drawn and guided by his own motives, unfenced, answering to no schedule, degree of thoroughness, or regard for the rights of his quarry.

It may be an admirable goal he or his employer pursues; but there is no obligation on the prober's shoulders to finish an undertaking, or even to undertake an investigation in the first place if he is not so minded. Therefore the plea that the newspapers, with their columnists, act as restraints on corruption has little to sustain it. Why otherwise would there still be so much corruption if the newspapers are as effective as they seem to consider themselves? They are as capable of winking as anyone else and do not answer to anyone for winking if they wish to wink or for failing to probe if they are not so inclined. The possibility of favoritism is uninhibited, and so is the blackmail potential. Not that temptations in these fields are frequently exploited. They are simply not proscribed by an enforceable set of rules having the sanction of law.

In many respects the activities of the watchdog, especially if zeal fires his character, are not readily distinguishable from those of the vigilantes of our history. They too, according to their self-justification, were aghast at the failure of law enforcement and excused their raids and extra-legal visitations on their victims by the laxity of the sheriffs, deputies and courts. Columnists would be outraged to find themselves ranged among vigilantes; but even broader lines of distinction separating cognate activities sometimes escape detection. The self-righteousness of each is surely of the same species. The vigilantes would be with us today had they been allowed to escape by running for cover in a privileged sanctuary such as shields the columnists.

Columnists are free to violate the decencies that hold society together and make human relations tolerable or even pleasant. They do so and in the process increase the number of subscribers; the indication being that the peddling of tales of weakness about the strong, venality among the righteous, of cruelty in the kindly, prurience in the pure and similar human lapses, fills with glee the people who read such accounts.

The bearing of tidings about tainted morals among the great has a market value without enhancing the stature of the buyers; but the columnist who deals in such merchandise, like the peddler of obscenities, knows where the riches lie that are within the reach of his odd bag of talents. His employer probably knows it better than the columnist himself.

The safety of his sanctuary does not enhance his caution, and he may become a little reckless at times in a field wherein recklessness is seldom punished.

CHANCELLOR AARON BROWN SERVED PUBLIC IN A VARIETY OF WAYS

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. JONES of Tennessee. Mr. Speaker, I would like to take this opportunity to honor Chancellor Aaron C. Brown of Paris, Tenn. Chancellor Brown was originally appointed by Gov. Buford Ellington and has been elected to the post twice since then. While serving as a State Senator in 1968, he was instrumental in passing a bill which repealed Tennessee's old "Monkey Law," a law which had, since the famed Scopes trial, prevented the instruction of the evolution theory in Tennessee's schools.

Aaron Brown, in view of his many accomplishments, is indeed a credit to Tennessee.

Following is the text of an article on the Chancellor recently printed in the Paris, Tenn. Post-Intelligencer:

Chancellor Aaron Brown Served Public In a Variety of Ways

Aaron C. Brown, Chancellor, and "Big A" to his many friends. He got the nickname early in life when asked in school how to spell his name. He answered: "Big A", little a, r-o-n," and since that time "Big A" or simply "A", he has been.

"A" was born in Murray, Ky., Oct 16, 1911, and moved to Paris when he was fourteen. His father, the late Ed Brown, came from Browns Grove, Ky., where he had his first business. He later expanded to four in Tennessee. Minnie Cothan Brown, the chancellor's mother, was from Waverly, Tenn.

Aaron attended Grove High School where he played football, went to Columbia Military Academy and subsequently took his law degree at Cumberland Law School, graduating in 1935, and was licensed to practice law in 1936. He has maintained his practice here since that time with the exception of service in the Navy during World War II.

His busy life has precluded many hobbies, but he did enjoy golf and tennis until a few years ago. However, since his primary interest is in the law he has both vocation and avocation in that field. He is quite happy with this situation, and fortunate that he finds relaxation in his work.

In addition to being Chancellor, his other credentials, honors and records of public service are impressive. They include being chairman of the local Draft Board of 1946, quitting when he was named Clerk and Master of Chancery Court by the late Chancellor Wayne Cox, and served in that capacity until 1953. Aaron was president of the sixth and last Tennessee Constitutional Convention in 1965. This position is one of which he was especially proud and got much satisfaction from its accomplishments. A former Mayor of Paris, he served four years as the City's Chief executive from 1954 to 1959.

He was elected state senator in 1968. While in the Senate he supported and helped pass a bill which did away with Tennessee's old so-called "Monkey Law." The senator also worked for, and saw passed, a bill to raise Workmen's Compensation medical payments from $1,200–$1,500 to $5,000, which he says was badly needed to give an injured working man a decent sum for medical payments.

He was also instrumental in getting $75,000 appropriated for starting a Tennessee Fine Arts Commission. He has a continuing interest in the commission, feeling strongly that the arts should be available to all, and not just the wealthy. He feels the commission will accomplish this aim.

Originally appointed Chancellor by the late Governor Buford Ellington, he has since been elected twice to this prestigious judicial post.

Aaron holds membership in the American, Tennessee and Paris Bar Associations, and is also a member of the American Judicature Society, the American and Tennessee Trial Lawyers Associations. Further, he has been commander of VFW Post 1889 and president of the Paris Lions Club. The chancellor is president-elect of the Tennessee Judicial Conference and will take office next year.

The charming Mrs. Brown is the former Vera Bell, a native of Camden, and they have two sons, Aaron Jr. and Gerald. Aaron took pre-law at the University of Arizona, studied at the Sorboone in Paris and received his law degree at the University of Tennessee. He practiced law for five years, now serves as a federal magistrate in Memphis. Gerald took fine arts at the Memphis Academy, later took a master's degree in fine arts at Columbia University in New York. He presently serves as a court officer in Nashville and will soon be with the Tennessee Fine Arts Commission. Both sons have one child, making the Browns double grandparents.

"Big A", chancellor, senator, mayor, father, grandfather and man of many accomplishments is a credit to his state, district and town. By all means this gentleman is very sincere and an interesting personality.

LENT BACKS CUTOFF OF TURKISH AID

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. LENT. Mr. Speaker, I was pleased today to support the Rosenthal amendment to House Joint Resolution 1131, and join with a majority of my colleagues in urging that the United States immediately cutoff all U.S. economic and military aid to Turkey.

As the distinguished gentleman from Indiana (Mr. Brademas) has so clearly pointed out in the past, the Government of Turkey, in violation of the provisions of the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, has used materials furnished by the United States for purposes directly contrary to the objectives of these acts. The proper application of the sanctions expressly provided for under the law requires immediate halt of aid to Turkey.

Violation of the intent and purposes of U.S. aid to Turkey has been evident beyond question. I was appalled by the barbarism of the Turkish Government and the Turkish armies when, using American-supplied armaments, they slaughtered thousands of innocent Greek Cypriots. This carnage is a disgrace to every principle of international law and every precept of human decency.

I have joined with my colleagues in sponsoring legislation expressing the sense of the Congress that U.S. aid and military sales to Turkey be stopped until all Turkish armed forces have been withdrawn from Cyprus and have supported other efforts to see that this is done. All our efforts to date seem to have been for naught.

The Rosenthal amendment will put our resources out of reach of the Turkish Government. It will implement the clear intent of our existing law. Perhaps it will also be a small step down the long road to rebuilding the shattered confidence of the people of Greece in the Government of the United States.

TURKISH INVASION OF CYPRUS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. EILBERG. Mr. Speaker, the Turkish invasion of Cyprus is a continuing fact which profoundly disturbs a great many people in this country.

At this time I enter into the Record a speech made about this tragedy by Judge Gregory G. Lagakos, of Philadelphia:

Speech by Judge Gregory G. Lagakos

Ladies and Gentlemen: I am certain that all of us as Americans, are interested in seeing to it that the United States exerts its influence in order to assist all parties to attain a fair, just and equitable solution to the crisis in Cyprus. This would ensure to the best interests of America and to the free world.

The war in Cyprus must end—and the Turkish army of invasion—some 40,000 soldiers, must get out of Cyprus. The entire world can now see that this Army has been sent to conquer Cyprus—not to protect it.

And very recently an editorial in the New York Times, captioned "Intolerable Conquest" stated: "The United States and its allies cannot condone Turkey's military conquest of the Northern third of Cyprus in flagrant violation of NATO pledges, reiterated by Ankara at Ottawa less than two months ago. To accept Turkey's aggression as a fait accompli would be to invite an endless period of bloodshed on the island—and to risk collapse of the Western security system in the Eastern Mediterranean."

My friends it is obvious that what Turkey has set out to do is to impose unilaterally and by force a "solution" it has long advocated: partition of the island, partition under whatever name it may be called, such as a powerless paper structure called "Federation." This "solution" is unacceptable to a half million Greek Cypriots and to nine million mainland Greeks. It cannot possibly work.

Whatever border lines Turkey may draw across Cyprus, by way of defending its territorial grab will surely become one of the most explosive frontiers on earth.

But it is not merely because of the Cyprus situation itself that Turkey must not be allowed to get by with its conquest. The fact is that Turkey's action has plunged the North Atlantic Treaty Organization, in which America and the free world have such active interests—into the worst internal crisis since its creation twenty-five years ago. NATO's

Southern flank has disintegrated and the Western world with all our allies risks the loss of Greece—and no one wants to see this. Only an initiative led wholeheartedly by the United States, has any chance of getting the Turks to talk seriously about withdrawal.

We believe, taking into account the right of all peoples to self-determination, and of the fundamental right of every nation to be free from military aggression—and to be free from the presence of occupational troops of foreign powers, the following—That—

1. The settlement of the Cyprus question depends upon the right of the Cypriot people to determine their own destiny.

2. All foreign troops involved in Cyprus should be withdrawn immediately—so that the United Nations may be permitted to restore peace to that island nation.

3. That the Greek and Turkish population of Cyprus should be guaranteed a safe return to their homes and property—in effect a restoration of the status quo prior to the Turkish invasion.

4. The United States should initiate a prompt international program of economic aid, to relieve the suffering of the war inflicted Cypriot people. According to United States Senator Edward Kennedy, Chairman of the Senate Sub-Committee on Refugees, there are now already over 150,000 Greek Cypriot refugees. In proportion to our population this would be the same as if 50 million Americans were driven from their homes.

5. That all military, economic and other aid to Turkey, whose military forces have unlawfully seized and now occupy more than 40% of the nation of Cyprus, in violation of six United Nations Resolutions—and in violation of the Military Assistance Act of the United States Congress, be immediately suspended, until the Government of Turkey has withdrawn all of its armed forces from Cyprus. House Resolution 1319, signed and co-sponsored by over 135 members of the United States House of Representatives supports this view.

My friends—In World War I and in World War II Greece fought shoulder to shoulder with America and the Allies. On the other hand Turkey, in World War I fought with the Axis—and against the Allies—and in World War II she refused to assist America and the Allies—and chose to remain neutral.

Now I ask you—who is the proven loyal ally of America? Need anything else be said!

FIGHTING INFLATION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. HAWKINS. Mr. Speaker, I think we are all aware that various segments of our society are seriously examining ways in which our Nation can defeat the crippling inroads that inflation is making upon our economy. As you know, I have introduced with Congressman HENRY RUESS the Equal Opportunity and Full Employment Act of 1976, which I believe has the potential for great promise in significantly resolving the devastating effects unemployment is causing today. This act is also one of a number of bills I will be introducing, as part of an overall plan to gradually reduce the great strains that inflation continues to visit upon us.

I would like to insert in the CONGRESSIONAL RECORD today, another view, quite different from my own approach, concerning ways in which our economy can be retooled for growth. The view entitled, "Does Anybody Care?" is that of Mr. Frederic W. West, president of Bethlehem Steel Corp., Mr. West, a highly respected member of the corporate sector, delivered the following speech at Town Hall, Los Angeles, Calif. on September 10, 1974.

Mr. West's ideas deserve our special attention because of his recognition—and mine—that until inflation is finally conquered, we must make unique provisions for certain groups that are experiencing crucial economic hardships and because of his acknowledgement that productive public service employment can significantly fight inflation.

The article follows:

DOES ANYBODY CARE?

(By Frederic W. West, Jr.)

Stewart Cort, who retired as chairman of my company at the end of July, addressed Town Hall three years ago, almost to the day. You might recall that he borrowed his theme from Thomas Jefferson, quoting Jefferson's appeal to the people to "unite in common efforts for the common good."

It was good advice in 1801; it was good advice in 1971; it's good advice today. And thinking about my own talk, I decided to follow Mr. Cort's lead and look to one of our Founding Fathers for inspiration. It makes even more sense today, with the Bicentennial drawing closer.

So I've borrowed my theme from George Washington. Not *President* Washington, but *General* Washington, before he became president; in fact, before the patriots declared independence in my old home town of Philadelphia.

The words I have in mind are from one of Washington's messages to the Continental Congress. The General was near the end of his rope. His army was ill-equipped, unpaid and mutinous. They'd taken one beating after another. Things looked grim, and Washington asked, "Does anybody care?"

I'm sure you remember that question if you saw the play or movie version of "1776." They wrote a song about it, "Does Anybody Care?"

Nearly two hundred years have gone by. Our problems are different than they were in 1776, but they're just as serious. And Washington's question still applies: Does anybody care?

Does anybody care about some of the things that are going on? I mean things that are pushing our economy in exactly the wrong direction.

For example, does anybody care about inflation—the kind of double-digit inflation that's been causing so much trouble?

The answer is "yes," just as it was in 1776. We care about inflation. As President Ford said last month, it's "domestic Public Enemy No. 1."

The President is determined to subdue inflation. We all are. What bothers me is the kind of medicine some people are prescribing. I'm talking about the kind of medicine that has a lot of *political* appeal; medicine that's designed to win votes.

For example, there's the idea of reducing personal income taxes. Well, I'd say that cutting income taxes to stop inflation is like pouring gasoline on a fire!

In fact, I've seen strong evidence that most Americans know the score. A recent opinion survey showed that 68% of the public realize that a general tax cut wouldn't help; that it'd only push prices skyward.

And yet some people are still hung up on economic ideas that date back to the Depression. I mean stimulating demand; pump-priming They can't seem to understand that what we need today isn't more *demand;* it's more *supply*.

But some of the same people who are demanding a cut in personal income taxes want an increase in *business* taxes. They want to beef up the demand, and at the same time put a damper on our ability to meet that demand.

They're trying to wipe out most of the incentives for capital investment. They're gunning for what editorials in an eastern paper keep calling "outrageous tax breaks." They're talking about such things as the investment tax credit, and our existing system of depreciation.

Inflation is running strong, and our economy is plagued by shortages. At a time like this, the *Last thing* to do is stop business from investing in new capacity and better productivity.

Stimulating *consumtion* adds fuel to the fires of inflation. It aggravates shortages. But encouraging *business investment* dampens inflation while providing the capacity to relieve shortages.

This is pretty obvious. It's basic. It's nothing but common sense. And yet some people refuse to face the facts. They're pushing proposals that can only worsen the situation.

Do they care? Does anybody care?

Does anybody care about one of the really critical problems facing this country?

NEEDED: MORE CAPITAL INVESTMENT

I'm talking about capital formation. I'm talking about the need to encourage savings and capital investment.

It's not a very sexy subject. It isn't likely to excite the voters. It certainly isn't likely to get sympathetic attention from the news media. But I can't think of any other subject that's more vital to the future prosperity of our country.

Too little business investment would mean continued shortages, higher prices, more inflation, more unemployment, lower productivity, and less ability to compete with the other nations of the world.

Reginald Jones, the chairman and chief executive officer of General Electric Company, testified before a Congressional subcommittee back in May. He pointed out that total private investment over the last dozen years was $1½ trillion. (1)

That sounds like a lot of money, until you figure out how much it *should* have been. Relatively speaking, private investment in the U.S.A. lagged for behind other industrialized countries—and especially Japan. I mean as a percentage of Gross National Product. Over the past three years, Japan invested an average of 40% of GNP in new fixed investments. The figure for West Germany was about 26%. Here in the U.S. it was 14 to 15%. (2)

A much higher rate of private investment is why other countries have been able to chalk up big gains in productivity, while ours has been nearly as flat as a pancake. Lack of investment makes it harder for us to compete in world markets.

But Mr. Jones said, and I agree with him completley, that our worst problems are still ahead of us. He said that the $1½ trillion of private investment over the past twelve years, as inadequate as it was, has to grow to about $4½ trillion over the next dozen years.

In 1974 dollars, we'll have to increase capital spending by 70%, and that's a tall enough order. But in *current* or inflated dollars the picture is a lot worse. We'll have to *triple* our capital spending in the period ending in 1985.

And right there you have a powerful reason for getting inflation under control. It cheapens the dollars we set aside through depreciation, and drives our capital costs right through the roof!

Even if we can hold inflation down to a reasonable level, we've still got a big job ahead of us.

Where is all that money coming from? I mean to relieve shortages; to provide employment for all the young people coming into the labor market; and to provide more independence and less reliance on foreign sources of oil and minerals. And, to pay the bill for pollution control, which could add up to $100 billion over the next ten years.

The energy industries alone will require as much as a trillion dollars in capital spending over the decade. And my industry, steel, is looking at average capital spending of $3½ billion a year. That's what it'll cost to meet predictable customer demand for steel products—if we can do it.

Another thing we want to produce is jobs. And the private sector has been doing it remarkably well, creating more than 2½ million new jobs in each of the last two years. But the capital requirements to keep on creating jobs are staggering. (3)

Where's all that money coming from? Does anybody care?

RETAINED EARNINGS MUST IMPROVE

Mr. Jones testified strongly in favor of tax reforms that encourage savings and investment. So did Arthur Burns, and so did Treasury Secretary Simon. Their ideas aren't just "pro-business." They're "pro-American." (4)

There's no getting away from it. Depreciation won't help. Depreciation can't even do the job it's supposed to—replace worn out capacity. So earnings have to fill that gap as well as provide funds for *more* capacity.

A big part of the funds for capital projects has to come from *retained earnings*, and that's why we've got to win better public understanding of the crucial need for improved business profits.

Total corporate retained earnings—that's profits after taxes and payment of dividends—were $29 billion in 1972. In that same year, business investment in new plant and equipment—job-producing investment—was $88 billion, or about *three times* retained earnings.

Last year, when retained earnings rose to nearly $43 billion, investments in new plant and equipment hit $100 billion, and that's 2½ times retained earnings. (5)

Obviously, retained earnings didn't *begin* to keep step with capital needs. And it's getting worse, as inflation drives our capital costs up faster than our earnings. No wonder we're in a vicious capital bind!

There's only one possible conclusion: business earnings have to improve. They have to improve dramatically, if we hope to generate the dollars to meet the capital demands.

A lot of people paint a rosy picture of business profits. The critics call them "excessive." And even a lot of businessmen seem happy about them, although they really don't have anything to be happy about. Because the fact is that profits haven't been anywhere near what they ought to be. Early last month Arthur Burns told the Joint Economic Committee that corporate profits are "dangerously low."

As both he and Secretary Simon have been saying, a big portion of corporate net income these days represents nothing but an increase in the value of inventories. These so-called "inventory profits" aren't *real* profits. They don't provide money for new investment. You sell the hay in the barn for higher prices, and then you have to turn around and *pay* higher prices to replace it!

When you correct for inventory profits and for inflation, corporate profits last year were one-third *lower* than in 1966! (6)

A lot of people are aware of all this. It's right there on the record. The question is: does anybody care?

As businessmen, we've got to improve our earnings so we can pump more dollars into capital projects.

At the same time, we've got to improve our profitability—our rates of return—to attract dollars from the investment community.

And we've got to convince the decisionmakers in government of the need for tax policies that make more dollars available for capital spending.

All this has to be done along with an all-out effort to get inflation under control, and that means keeping government spending as low as possible.

CONTROLLING GOVERNMENT SPENDING

The people of this country ought to know the high cost of turning more jobs over to the government. For example, back in 1900, spending by all levels of government—Federal, state, and local—was about 10% of total national income. Today it's 40%! (7)

Right now, 14 million people work for all levels of government. And I mean 14 million *civilian* employees. I'm not including the armed forces. About 2.8 million people are employed by the *Federal* government, at a total cost of $38 billion this year. (8)

But let's not blame the government for government employment. Most of the blame fairly belongs to us, the people, for asking the government to take on more and more jobs.

We demand environmental protection, and now the EPA has 9,000 employees. We demand more product safety, and now the Consumer Product Safety Commission has 800 people on the payroll, and they're asking for a 25% increase. We demand better energy management, and now the Federal Energy Administration has 3,400 employees. (9)

There's one law we *can't* repeal, and it's Parkinson's Law, that bureaucracies grow like a cancer.

The so-called "human resource" programs (for income support, education, housing, health, and so forth) accounted for about $110 billion in fiscal 1973. That's 45% of the Federal budget! (10)

Now, I'm not knocking all those agencies and programs. We all know how much good they do. The problem is that we seem to concentrate single-mindedly on the good they can do, and we don't give a thought to *how much they cost!*

But now we're paying the piper. The high cost of government is the biggest single cause of inflation.

Let's think twice before demanding more services from the government. Let's think twice about how much all those programs are needed, and how cost-efficient they are, and how much we're willing to spend on them.

In my opinion, controlling government spending—at all levels of government—is our first priority in fighting inflation. Here are some other ideas that I think are very important:

First, let's not support a general income tax cut. It would only add fuel to the fires of inflation.

Second, as long as certain groups are suffering hardships, let's help them out selectively. I'm skeptical about ideas such as "indexing." There are lots of things you can't "index." And the universal use of automatic escalators to ease the impact of higher prices can weaken our will to fight inflation, so let's hold it down to those cases where it's clearly the only practical solution.

Third, if fighting inflation causes a temporary increase in unemployment, let's push for temporary public jobs. I mean jobs that are productive; that accomplish something that's really worthwhile.

Fourth, to broaden employment in the private sector, and alleviate product shortages, we need a big upsurge in capital spending. Federal tax policies should encourage business to invest, and let us keep enough of our earnings to do it!

We've got to fight proposals to increase business taxes. We've got to preserve the meager incentives to investment we already have.

Beyond that, we need an effective capital recovery system, including *at least* the existing investment tax credit and rapid depreciation. In fact, both of those provisions need improvements to increase corporate cash flow enough to provide a lot more dollars for capital programs.

Fifth, we've got to coax more savings dollars into private investment. At the very least, we can't allow the treatment of capital gains to get any worse than it is. Here again, we need improvements, certainly to the extent of protecting long-term gains from erosion because of inflation.

Finally, every business manager has to do his utmost to improve profits and profitability.

We've got to control our costs better. We've got to work harder at improving productivity. We've got to increase our output to meet the needs of the marketplace. And we've got to keep our prices as low and as competitive as we possibly can.

PREACHING THE GOSPEL

Add it all up and it's obvious that we've got a big job to do. But it won't get done unless we get a lot more public support than we have today.

I wish I could say that the business community is doing a good job of winning public support and understanding, but I can't. In spite of all the things *some* companies are doing; in spite of all the things that the NAM and the Chamber of Commerce and other associations are doing, we aren't getting that support.

A couple of months ago, the NAM asked 400 member companies what they're doing about economic education; that is, what they're doing to generate better understanding of the economic facts of life, by teachers, students, their own employees, and the public at large.

I've been told that so far only about 100 of the companies had anything positive to report. If we all had the same approach to selling our products, we'd go down the drain in a hurry.

Preaching the gospel in the annual report simply isn't enough. And having the chairman or president speak to a couple business-oriented groups doesn't help much.

Let's practice what we preach.

In the final analysis, it takes personal salesmanship to get our story across. Nowhere near enough companies have high-priority programs to get spokesmen out in front of uncommitted or even downright skeptical audiences.

A couple months ago, one of our people called 30 or 40 large, national corporations. He asked whether they actively encourage invitations to furnish speakers to non-business audiences. Less than half of them do. Some of them said they don't want to be bothered; that they try to discourage requests for speakers.

That's a shame. We're in a buyer's market when it comes to public understanding of private business enterprise, and this certainly isn't the time to lay low. That's why my company started a speaking program. We're encouraging our people to get out and speak up in their own communities, here in L.A., for example. We're working hard at it, and we're making progress. We've filled 40 or 50 engagements in the last couple of months, and we have a lot more lined up. It's well worth the effort because, with sympathetic public understanding, business can overcome the economic problems that are causing a lot of grief for us and for the whole country.

The question is—do we care enough to do the job that's got to be done? And unless I miss my guess, your answer is a loud and strong "yes!"

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INFLATION AND THE WALL STREET JOURNAL

HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. LANDGREBE. Mr. Speaker, an article on inflation appeared on the front page of the September 23 edition of the Wall Street Journal that contained some very good and very important information about the current inflation caused by the deficit spending of this Congress. I would like to insert in the RECORD excerpts from the article by Mr. John O'Riley in order to call them to the attention of my colleagues in Congress. If inflation is really public enemy No. 1, then I believe that this Congress ought to show a greater concern and responsibility for the type of laws it enacts and the amount of funds it authorizes and appropriates.

The excerpts follow:

THE OUTLOOK

Inflation.

Why can't it be stopped in a hurry? It is on this point that the public is most befuddled and misled. The answer lies in the fact that it wasn't launched in a hurry. The prime force behind it has been long abuilding. It has been the pouring forth of a flood of new money, new buying power. This happens when the federal government spends more money than it takes in. When it does this, new money in effect must be printed up to cover the difference between income and outgo.

The table below traces the federal budget record back to 1965. "Surplus" means more mony coming in than going out. "Deficit" denotes a bigger outgo. The figures cover fiscal years. Add six ciphers to each, making them represent billions of dollars.

Surplus and deficits

Year:	*Surplus*	*Deficit*
1965	------	$1,600
1966	------	3,800
		8,700
1968	------	25,200
1969	$3,200	------
1970	------	2,800
1971	------	23,000
1972	------	23,200
1973	------	14,300
1974	------	3,500

That largely empty column down the middle of the table tells the story. In only one year out of ten was there a surplus. Over the decade, the federal government spent $102.9 billion more than it took in. That's money. In four fiscal years alone, 1968 and 1971 through 1973, outgo exceeded income by more than $85 billion.

If this is bad, why has it been going on? Well, it has been politically popular. No Congressman has ever lost votes by getting more federal money spent in his home state or home town. Stepped up federal spending helps many people immediately. And, as it continues, it spreads more buying power through the entire public's pockets.

And make no mistake about the vast growth over the past decade in the amount of spending money in consumer hands. With all the attention focused on rising prices, the rising tide of this abundant money in pursuit of things to be bought gets little notice. But it's there. And, naturally, pushing prices up.

The table below gives two official Department of Commerce yardsticks for measuring the income surge. One is the nation's median family income and the other is per-capita disposable (after taxes) personal income.

Consumer spending power

Year:	(1)	(2)
1965	$6,957	$2,436
1966	7,500	2,604
1967	7,933	2,749
1968	8,632	2,945
1969	9,433	3,130
1970	9,867	3,376
1971	10,285	3,605
1972	11,116	3,843
1973	12,051	4,295

[1] Median family income.

[2] Per capita disposable (after taxes) personal income.

What the tables add up to is:

The Median Family Income: Up 73%.

Per-Cap. Dis. Pers. Income: Up 76%.

But hasn't all this income been outrun by the rise in prices? No—and this is almost never noted—the prices have trailed the income. Here is the record on both wholesale and consumer prices as reflected in Labor Department indices, taking 1967 as 100.

The price climb record

Year:	*Wholesale Prices*	*Consumer Prices*
1965	96.6	94.5
1966	99.8	97.2
1967	100.0	100.0
1968	102.5	104.2
1969	106.5	109.8
1970	110.4	116.3
1971	113.9	121.3
1972	119.1	125.3
1973	134.7	133.1

The climbs mirrored in these tables:

Wholesale Prices: Up 39%.

Consumer Prices: Up 40%.

The thought that somebody can wave a magic wand to bring back the prices of yesteryear while leaving the incomes untouched is mere dreaming. There is no sudden halt to the price climb in sight. And the runup may be far from over.

Those who would lead the public to think otherwise are guilty of deception.—John O'Riley.

THE HOUSTON POLICE DEPARTMENT'S OPERATIONS INFORMATION

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CHARLES WILSON of Texas. Mr. Speaker, in the spirit of openness and candor that we Americans have recently experienced, I would like to share the news of an innovative police-youth program Operation Information, which has met with encouraging success in Texas. This program, a drug prevention and awareness program, began officially June 1, 1974, was started by two young officers of the Houston Police Department, one black and one white—one a 10-year veteran of the force and the other a 2-year veteran—one a drummer who quit to work with kids through policing—and both possessing a keen ability to relate to youngsters.

These two patrolmen, Herb Armand and Ron Mitchison, are personally responsible for conceptualizing, instigating and developing Operation Information, which has evolved into a 2½-hour informal presentation to scouting groups concerning the dangers of getting "hooked" through experimentation with drugs. The program includes a film, demonstration of the canine squad's ability to "sniff out" packaged drugs, a talk by a 15-year-old former addict, and a question-answer session.

I would like to add my admiration and sincere words of praise to Officers Mitchison and Armand, two dedicated professionals with a commitment to improving the quality of life for young people in the Houston area. I believe theirs is a workable idea that might be adopted beneficially in other jurisdictions.

Intending to appeal visually as well as intellectually to the assembled Boy Scouts, Armand and Mitchison, on their own time and using their own funds, designed a "uniform" to wear in their work with teenagers, one that would provide assistance in breaking down natural barriers of hostility of youth toward symbols of authority. This uniform, simple in nature, is a blue jumpsuit with identifying Houston Police Department shoulder patch, nameplate, and baseball cap with the HPD emblem. It has now been adopted as the official Houston Police Department athletic uniform. Conspicuously absent on this jumpsuit is the traditional police badge and gun.

I would also like to point out that the standard HPD workweek is 40 hours, with no provision for overtime, yet these two outstanding policemen, Mitchison and Armand, have regularly been turning in 84 hour weeks—due to what one might term dedication, or love of the job.

In a recent conversation with Lt. Ken Garnett, supervising officer of police-community relations, HPD, I understand that the department is "buried-under" with requests for the Armand-Mitchison drug prevention program. In fact, Lt. Ken Garnett refers to the two policemen as his ideal "stereo-type cops," explaining that in his opinion the two men approach perfection in their performance of the police role. He is understandably proud of their success, having been the first to give the go-ahead to the youth-oriented vision of his two creative patrolmen.

The popularity of Operation Information with Boy Scouts was ascertained recently when the Sam Houston Council requested Armand and Mitchison to appear before the National Boy Scout Jamboree which Houston will host, and which 10,000 scouts from across the Nation are expected to attend.

I feel what these officers have accomplished in a short period is exceptional work and it is timely in dealing with a real stumbling block which confronts the young generation. Drugs are altogether too prevalent and easy to acquire in the youth culture. It makes sense that an informed youngster will make a more intelligent decision when confronted with this temptation of marihuana, or barbiturates, or amphetamines, and that armed with the facts, this individual is also likely to be a constructive influence on his friends. Like the growing ripple in a pond, the strong effect that Officers Armand and Mitchison have already achieved in the Houston community is inestimable.

Another important mission to which these officers have made a positive contribution is that of bettering the image of the police. Numerous studies in recent years have pointed the fact that the police department's capacity to deal with crime depends to a large extent upon its relationship with the citizenry. In truth, the policeman is a community friend rather than antagonist, although some groups in our society have developed the latter view of a man in blue.

To negate possible hostility or lack of confidence, the 1967 President's Commission on Law Enforcement and Administration of Justice expressed the belief that a police-community relations program is one of the most important functions of any police department—"one that is a long-range, full-scale effort to acquaint the police and the community with each other's problems and to stimulate action aimed at solving those problem."

A 1971 report of the Advisory Commission on Intergovernmental Relations stated that a workable partnership between police and community residents is necessary to effectively prevent crime and recommended—

> That local governments substantially increase their efforts to involve citizens in the law enforcement and criminal justice process through the establishment of police-community relations machinery and programs.

As recently as 1973, the National Advisory Commission on Criminal Justice Standards and Goals strongly urged bilateral communication with the public.

In my judgment, Officers Armand and Mitchison are making certain of such communication in an exceptional and effective manner—for the police agency they represent—to the public that they serve—and dedicated to the future of a generation on the "grow."

I am pleased to share this program of the Houston Police Department under the able leadership of Chief Carrol M. Lynn, and would cite it as an outstanding example of the fine work being performed by the Houston Police-Community Relations Division.

FOLLY OF THE DICKEY-LINCOLN HYDROELECTRIC PROJECT

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CONTE. Mr. Speaker, the attorney general of Maine, Jon A. Lund, has written one of the strongest and clearest statements of the folly of the Dickey-Lincoln hydroelectric project.

The attorney general points out the devastating effect this project would have on the State of Maine. That is, the destruction of 88,000 acres of key forest land and one of the best trout fishing and canoeing areas in the United States. Also he notes the fact that this project would increase, rather than decrease, the flooding of the St. John River Valley.

Mr. Speaker, Attorney General Lund also raises serious doubts as to the validity of the benefit cost ratio and the estimated $513.9 million cost of the project. Mr. Lund echoes what I have been saying all along: That the 3¼ percent interest rate which this cost is based on is totally unrealistic and the actual cost is somewhere above $1 billion. Mr. Lund also stresses that the 2½ hours peaking power capacity of Dickey-Lincoln would be totally inadequate to meet peaking power demands.

Attorney General Lund has contacted President Ford and urged the President to defer this year's $800,000 appropriation for Dickey-Lincoln. I have made a similar request to the President.

I submit Attorney General Lund's statement for the RECORD and strongly commend it to the attention of my colleagues:

ST. JOHN BASIN STATEMENT

(By Jon A. Lund)

My name is Jon A. Lund. I am attorney general of the State of Maine.

I believe there are several matters which must be considered at the earliest stages of the St. John River Basin study. Right now, the St. John River Basin is at a critical crossroads. In the next few years major decisions will be made that will have far-reaching effects on water resources and related land development in this basin.

Obviously the overriding decision will be the determination to proceed, or not to proceed with the Dickey-Lincoln hydroelectric project. The Corps' announcement for this meeting appears to assume that Dickey-Lincoln will be built. The map attached to the announcement includes the Dickey-Lincoln lakes as if they were already an accomplished fact. This is unwise. Serious questions are being raised about the Dickey-Lincoln project by many responsible people. It may be built. It may not. I am concerned that the assumption that it will be built may cause other matters—like protecting the St. John Valley from floods—to be deferred in the hope that Dickey-Lincoln will solve all the problems.

But on the present evidence, I believe that Dickey-Lincoln will create many problems, and at great cost, for little compensating gain.

FLOOD CONTROL

There is no question that action is needed to control flooding and protect the residents of the St. John River Valley. Dickey-Lincoln would not affect that problem until sometime in the 1980's. Quicker action is needed. It has been suggested that Fort Kent could be protected by a system of dikes costing approximately $2 million. Coincidentally, $2 million is about the sum of money which the Corps of Engineers suggests is needed to complete the study of the Dickey-Lincoln project. This money should be spent to give the residents of Fort Kent protection from floods now rather than promised protection from floods ten years from now. Further, the protection from the big dams may be illusory. As one writer recently noted: "Dams or not, the river will always freeze and ice jams will form. Other streams enter the St. John below Dickey. Fort Kent would get better flood protection from the dikes and small flood control dams long proposed by the Army Corps of Engineers . . . at a fraction of the cost, and much more quickly.

A study of the Tennessee Valley Authority also found that despite its vast system of dams, substantial additional water resource management efforts were needed to effectively reduce flood dangers.

So dams alone will not stop floods. The North Atlantic Regional Water Resources study notes that dams ("structures") on the St. John may reduce flood damage by only about 20%.

For real protection, the State and Federal Governments might consider moving the town to a safer area if that option would be acceptable to the residents of Fort Kent.

I understand that about 50 residences would have to be moved to accomplish this objective. This would be a difficult solution for the 50 families who would have to leave their present homesites—but it would be less traumatic and less costly to move them than to move the 238 families who are to lose their homes to Dickey-Lincoln and the thousands who may be displaced by transmission lines.

Further, it has been suggested by some that careless timber harvesting practices have contributed to the increased flooding of the St. John River Valley in recent years. If this is the case, then the answer is more careful timber harvesting practices to preserve the ability of the ground to absorb the waters. But the immediate effect of Dickey-Lincoln would be just the reverse—a massive timber cut to harvest as much wood from the area as possible before the dam is built and the area is flooded. In effect, a vast scorched earth, clear cutting operation will be undertaken. Further, huge amounts of the current soil structure will be uprooted from the area to provide the substance of the dams. Thus, in the immediate future, if the Dickey-Lincoln project proceeds, more, not less, flooding is the prospect for the St. John River Valley as the absorption capacity of the land is compromised by preparations for the dams.

ENVIRONMENTAL AND RECREATIONAL IMPACT

If any of Maine's private power companies proposed a conventional power plant whose emissions would destroy 88,000 acres of timberland and whose effluents would corrupt 64 miles of river, they would be scorned out of the State. Yet this is the destructive impact, though by different means, which is openly advocated for the Dickey-Lincoln project.

The recreational losses occasioned by the Dickey-Lincoln project will be substantial:

Destruction of one of the best trout streams in the United States and loss of an area which, in the spring, is considered one of the best white water canoeing areas anywhere.

Destruction of wintering areas for 2,200 deer and the attendant disruption of the enjoyment of perhaps as many as 30,000 hunter days a year in the area.

A certain and substantial increase in siltation and algae content of the St. John River occasioned by the massive earthmoving activities which the dam requires and the subsequent decay of all greenery in 88,000 acres covered by the lake, and

Loss of yet another portion of the last great wilderness in the Northeastern United States.

In return, what recreational values are proposed to be gained? A huge flat water lake—a recreational value important to the wide dry areas of our country in the Midwest and Southwest—but of little incremental value in a State like Maine.

Gentlemen—Maine does not need another flowage lake. The State now has upwards of 3,500 lakes, and many of them are natural bodies with clear water and rocky or sandy shores where you can spit from the high water mark to the low water mark.

The Maine lake most comparable to Dickey-Lincoln is Flagstaff Lake, also a flowage lake, controlled by Central Maine Power Company. This lake, though in an area of the State far more accessible than Dickey-Lincoln is used little, if at all, for recreational purposes. Flagstaff Lake covers 20,300 acres, but currently only about 26 camps dot its shores and one has to look long and hard to find boats cutting its surface.

With Dickey-Lincoln, Maine would be trading unique and attractive hunting, fishing and canoeing resources for just one more flat water lake. And, I would point out that this is not the only area in the country where the Corps of Engineers appears to be favoring such flat water lakes as a recreational "benefit" while destroying other equally important recreational values. As one recent examination of corps activities noted:

"More and more frequently the corps is using the flat-water benefits to justify its dam building activities. These dams often destroy areas affording a great variety of natural less energy-intensive forms of recreation in order to substitute high energy-intensive flat-water recreation like motor boating and water skiing. The corps wants to construct a large lake on the Savannah River right between two already existing large reservoirs which it built some years ago. This $178 million Richard B. Russell Dam (formerly called Trotters Shoals) would eliminate a fine scenic stretch of the Savannah and would substitute more flat-water recreation which is already super-abundant in the area.

"In the Tocks Island Dam on the Delaware, now being strongly pushed by the corps, the largest category of benefits comes from flat-water recreation. It is ironic that the corps can propose the destruction of an area which offers substantial and varied recreation opportunities in its natural condition and use as the primary justification the creation of recreational benefits of a very dubious value since the reservoir will have huge mudflats and is likely to become eutropic.

"The corps is proceeding with the $200 million new Melones Dam on the Stanislaus River which will destroy California's most popular white-water recreation area. Thousands of kayakers, hikers, and other visitors come to the river each year, making it one of California's most valuable natural resources. Despite the destruction of an area offering tremendous opportunities for recreation in its natural condition, the corps is using flat-water recreation benefits to justify the project."

The picture painted in this report is strikingly similar to what is proposed for Maine. And Northern Aroostook may have even less to gain than other areas. One careful study has found the existing high quality recreational resources of the upper St. John watershed substantially under utilized. If that is the case, then new recreational facilities may not significantly increase recreational uses in the area unless other demand restricting factors, like transportation services, are also dealt with.

That same study, assessing the potential impact of Dickey-Lincoln, noted that: "The type of recreationist will be much less 'woods oriented' and the intensity of development will be much greater."

And also: "The relative importance of hunting would be decreased due to the reduction of favorable food and cover habitat and the increased number of people in the area."

This last observation is particularly important looking to the future. Hunting is a treasured way of life for many Mainers, but development is closing out many hunting opportunities in the southern part of our State. As development covers hunting areas, and pressure increases, as it is, to severely limit hunting in and around populated areas, the North woods will be increasingly important as the last place in Maine where people can hunt freely. To spur more intensive use of these areas could spell the beginning of the end for the hunting tradition which Mainers of many generations have enjoyed.

Even the recreational value of the proposed lake must be subject to question. First, that lake will not be ours to control. The Corps will retain control of all lands up to 300 feet back from the high water line. Thus, recreational uses, if any, will be dictated by decision makers in Washington and elsewhere who may care little for Maine's concern and who may be easily influenced by powerful out-of-state interests to develop or not develop as they see fit.

Further, while the lake behind the Dickey Dam is proposed to be 86,000 acres full, it will drop to 55,000 acres during low stream flows when there is peaking power demand. Some have suggested that the drop to this level will most likely occur in the winter. But it would seem that such drops are most likely to occur near the end of hot, dry summers when the St. John flow is low and peaking power demand for air conditioners in the teeming metropolitan areas to the south is highest. When that occurs in August or September, this great recreational resource will be surrounded by a 31,000 acre mosquito breeding mudflat, a recreational resource likely to deter all but the hardiest adventurers. This same mudflat, exposed to the sun day after day, could draw significant moisture out of the woodland bordering the lake, substantially increasing the forest fire hazard at the high risk time of the year for forest fires.

The impact of the transmission lines must also be considered. The Corps of Engineers estimates that approximately 400 miles of transmission lines would need to be cut through Maine and neighboring states to provide power for Boston. This estimate is derived by assuming that the transmission lines would follow a straight line from Dickey-Lincoln to Boston; an assumption of uncertain validity considering the problems of right-of-way location.

Consider the impact of a transmission line of this size. It is similar to stringing a transmission line from Boston to Washington, D.C. or to the Pennsylvania coal fields. The line would go through much forest land in northern Maine; it would also cut through valuable lands in the most developed areas of southern Maine and the States below us, with the attendant disruption of homes and business and adverse scenic and environmental impact. Assuming the lines can be constructed in a straight 400 mile line with a 300 foot right-of-way about 15,000 acres of land will be consumed. As this is a Federal system, all tax revenue from those lands will be lost to the local communities—a factor not considered in the Corps' economic analysis.

EFFECT ON FORESTRY

According to figures provided by the United States Government, each acre of forest yields about one-half cord of wood each year, and each cord is worth about $200 to the economy of the State of Maine. For 88,000 acres that is a value of about $8.8 million a year. Maine's Bureau of Forestry estimates the investment value of these lands, for forest products alone, is $44,545,600. Further, the timber lands provide permanent jobs to the people of the region clearing the timber and working it into marketable products.

Beyond the direct loss of about 88,000 acres of key forest land, another 200,000 acres of forest lands would be rendered inaccessible to Maine citizens by the lakes covering and rendering unusable existing transportation routes. In the future, unless expensive transportation connectors were built across the Dickey-Lincoln lakes, these forest lands would only be valuable for use by Canadian labor and industry. They would have been ceded to Canada. If the economic value of these lands is added to the loss in the Dickey-Lincoln lakes, the total economic loss to the State of Maine could approach $30 million a year. The loss of total investment value in forest products could be $150 million.

Replacing the loss of permanent jobs in the woodcutting, lumber and paper industries, would be a brief surge in temporary jobs incident to constructing the dams, but almost no increases in permanent employment. Thus, for a brief period the area would have a boom in employment, only to be followed by a bust driving employment levels down lower than now because of the lost timber resources once the dam is completed.

It is argued that Maine and the Nation have vast timber resources and can afford to give up these 80,000 or 280,000 acres, but such arguments are very shortsighted. We all know that in the past few years the prices of lumber and raw material for paper products have skyrocketed. Timber, like our other natural resources, is becoming a more limited and valuable resource as demand grows and development destroys timber lands in other States.

As the energy crisis escalates, some of the alternatives to wood products which have been popular in the past few years are going to become more expensive and less available, increasing even further the already great demand for wood products. Further, in Maine and in other states with forest areas there is a growing demand for wood as a basic energy source—a demand likely to continue through the era of high fossil fuel prices. Thus, the forestry resources we propose to destroy today are likely to be many times more valuable when considered as they may be needed ten years in the future when the Dickey-Lincoln dams are proposed to be complete. The timberlands, if responsibly managed, can provide permanent jobs for people of the State of Maine and provide wood products and energy for everyone. Once covered or cut off by the dam, this resource will be lost forever.

BENEFITS AND COSTS

Thus the losses to the State of Maine from dedication of the water resources of the St. John River to the Dickey-Lincoln project will be substantial. In return, what would we gain? The Corps of Engineers recognizes that the power output of 830 megawatts "may be small in the total power picture." The corps further states that: "An individual plant, regardless of type, rarely contributes significantly to the energy requirements of an area nor does it materially affect the cost to the individual consumer." This is particularly true for the Dickey-Lincoln project as it relates to Maine. Of the 830 megawatt output for the project, 725 megawatts is intended for distribution outside of the State of Maine. Maine again is being called on to sacrifice its environment to meet the energy needs of our neighbors to the south.

Under Federal law there is even serious question as to whether the remaining 105 megawatts of power which the corps indicates may go to Maine will really be used in

Maine. The Flood Control Act of 1944 which is the basic authorizing document for Corps of Engineers electric power projects states rather specifically: "Preference in the sale of such power and energy shall be given to public bodies and cooperatives." The utilities in Maine which would be eligible to receive power under this provision, produced in 1973 only about 161,000,000 kilowatt hours of power, less than 3.5% of the state's total requirement. The rest was produced by private utilities. These small public utilities cannot begin to absorb the 105 megawatts capacity superficially available to Maine.

Before any of Maine's private utilities could receive this power from Dickey-Lincoln, the public utilities in other states, even outside of New England, could be given opportunities to use the power. In marketing projections, the corps has indicated: "It will not be known how much power—if any—will be available to private utilities" until marketing plans are finalized by the Interior Department, and the Interior Department does not begin work until a project is underway.

To a question from a Congressman from another New England state: "Why should a significant portion of the project output be reserved for a small number of so-called preferred customers in Maine? Shouldn't the entire energy output be available to all New England consumers?" The corps responded in a Washington hearing:

"At the present only 12.6 percent of the installed capacity is contemplated for use in the state of Maine. Under legislative marketing directives, however, all the power output of the project is made available to preference customers regardless of location. Sound marketing practice would dictate such sales and, therefore, would tend to sales with least cost, that is, least transmission distances. Maine under this condition would appear to have a greater preference. However, *should the so-called preference customers of Maine be unable to assimilate all the allocated energy it will of course be available to all other customers of the New England region.*" (Emphasis added.)

So Maine's prospects of gaining much energy from Dickey-Lincoln are weak at best.

The estimated cost of this project, at 1974 dollars, is $513.9 million, based on such factors as an assumed 3¼ percent interest rate. With the federal government's well known penchant for cost overruns. the ultimate cost of this project is likely to be considerably greater. The Corps of Engineers itself has admitted that when cost estimates are based on more realistic interest rates (6⅝ percent) the true cost of the project, even in their eyes, is likely to be around $839 million.

Let's compare that to the cost and output of some existing plants in Maine. The Corps of Engineers $513 million projected cost is four times the projected cost of Central Maine Power's new station on Cousins Island, but Dickey-Lincoln only has 16% of the total capacity of the new Cousins Island plant. The projected 1974 cost is twice that of the Maine Yankee Nuclear plant at Wiscasset, but the project output is only 13% of the capacity of Maine Yankee—and this is at the plant capacity. Because of the long transmission lines to get most of this power to its ultimate use, the true power output of Dickey-Lincoln in terms of energy provided where it is needed is really 10% less than announced.

Other factors in the cost equation are similarly unrealistic. The equation totally fails to take into account the loss of forestry resources though this may cost Maine $8 to $30 million annually.

It also totally fails to consider tax losses local communities will face from tax exempt transmission line rights-of-way.

Further, the cost equation assumes some increased recreational values, to the tune of about $1.25 million a year when, to say the least, it is likely that the project will have a negative effect on the unique recreational uses of the area.

Nor does there appear to be such a critical need for this project as the supporters of it would have us believe. The Corps of Engineers cites the conclusions of the national power survey as the basis for their assumption that the peaking power capacity of Dickey-Lincoln is necessary to provide adequate power for New England. This survey states that New England will need a peak demand capacity of 22,100 megawatts in 1980 and 30,200 megawatts in 1985. Interestingly, the March, 1974, New England load and capacity report from New England Power Planning (NEPLAN) indicates that total power plant capacity now planned for New England in 1980 is 27,837 megawatts and for 1984, 35,635 megawatts. This plan includes neither Dickey-Lincoln nor 800 megawatts of capacity planned by consumer owned systems.

Based on the National Power Survey, we thus have a planned surplus of nearly 5,000 megawatts without Dickey-Lincoln. With such a surplus, we can afford to be somewhat careful with our dollars and with our environment as new power capacity is developed. Further, Dickey-Lincoln has another critical flaw in filling an important role in New England power needs. The assumption is that it will operate to provide peaking power capacity for about 2½ hours a day. This is totally inadequate to meet peaking power demands which, in the midsummer, spread for a period of six to eight hours from mid-morning to late afternoon.

To meet the peak for the rest of this wider period, when Dickey-Lincoln could not operate without quickly draining its lake, other conventional and nuclear power plants to provide peaking capacity would be necessary. As these other power sources would be needed anyway, Dickey-Lincoln becomes really superfluous.

If we determine more hydroelectric power really is needed, there are other options with lower cost and equal or greater energy benefit for Maine compared to the Dickey-Lincoln project. These options include adding to our capacity at other hydroelectric stations. It is my understanding that a total of 450 megawatts of capacity could be added to Maine's hydroelectric based power supplies for a total cost of approximately $140 million by Maine's present utility companies. These projects would provide the citizens of Maine with four times the power which they are projected to receive from Dickey-Lincoln without the vast environmental, recreational and economic impact which Dickey is likely to have, or the preference clause which could cut Maine's Dickey-Lincoln entitlement severely.

ONE MAN'S VIEW OF THE CYPRUS CRISIS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. BIAGGI. Mr. Speaker, the continuing crisis on Cyprus represents more than another world crisis. It also represents one of the most unfortunate periods for U.S. foreign policy in recent memory. As a result of our failings, millions of previously friendly and loyal Greek Americans have become disillusioned and embittered. They point to the fact that the U.S. Government is seemingly favoring Turkey in this dispute, even though Turkey in direct violation of the Foreign Assistance Act, and numerous international agreements, unleashed its forces in an unprovoked invasion of Cyprus, and has illegally occupied the nation and her people.

I have received numerous letters and telegrams from Greek Americans who expressed their strong disagreement with the actions of the U.S. Government in the Cyprus crisis. I would like to insert one of the most articulate of these written to President Ford by Mr. Nicholas Syragakis of the Bronx. Mr. Syragakis paints a bleak picture of the future consequences of continued U.S. failure to respond to the Cyprus crisis. I hope all of my colleagues will take the time to look over this letter and will keep these views in mind, for they are shared and deeply held by millions more Greek Americans across this Nation.

The letter follows:

> As you can see from the title of my letter, the subject matter has to do with the Cyprus Tragedy and not with the No. 1 domestic priority which is inflation.
>
> As an American citizen, I believe it is my duty to expound my thoughts concerning some of the problems and the consequences of the de-facto partition of Cyprus brought about by the recent Turkish invasion of the Island.
>
> You will agree, Mr. President, that the main victims of this tragedy are the Greek Cypriots. The mainland Greeks have been humiliated, thanks to the foresight of our State Department. The Turkish Cypriots have also suffered in the past but this was mainly due to their self-imposed isolation which was always dictated by the directives from Ankara.
>
> Mr. President, the Western World has been suprised and shocked by such recent outcries of: Kissinger, the murderer, Kissinger, the assassin and Kissinger the gangster. One might ask, Mr. President, why are such outcries coming from our best friends and allies? Upon reflection, the answer is very simple: We have "allowed" an army with a past history of genocide and unsurpassed barbarism to invade a helpless, civilized, island nation. Mankind has hardly forgotten, Mr. President, that in 1915 and 1922 the Turkish army slaughtered over two million Armenians. Through numerous accounts in the Western press, we see again that history is repeating itself. . . The Turkish invaders are re-enacting their genocidal rituals in Cyprus, but this time, Mr. President, there is one marked distinction, the weapon of the Turks is not the scimitar, but sorry to say, the American built Phantom jet and the Patton tank. Yes, Mr. President, in 1974 Turkish piracy and bestiality, reinforced with American supplied Napalm bombs are re-enacting the nightmare of the Armenian massacres.
>
> Mr. President, the "infallible" Mr. Henry Kissinger has unleashed the barbarous Turk not against the Russian but against the friendly and hospitable Greek Cypriot. The cries of "assassin" are not without foundation and justification. The Soviet Siberian troops that fought the S.S. in East Prussia in 1945, were more civilized and disciplined than the present day Turkish invaders. Turkish cruelty and barbarism will always remain unexcelled.
>
> The Secretary of State has unleashed a wild tiger in Cyprus and unless this tiger is "caged" and taken off the island "on time" many bloodbaths will result.
>
> We have closed our eyes, Mr. President, to the "heroic" exploits of the Turkish para-

troopers, who upon landing in Cyprus opened their automatic weapons upon helpless women and children, or the "regular" Turkish infantry that landed in the beaches of Kyrenia, unopposed and carried out a thorough and systematic job of looting, rape, and the killing of able bodied men. The Turkish piloted American planes brought their share of destruction on civilian and "military" installations.

While this drama was going on, Dr. Kissinger cautioned "calm and restraint" on Greece. Now, we clearly see the aggressive designs of Turkey to partition the Island and allow the 17% Turkish minority to occupy one third of the Northern part of Cyprus. We are further told that this northern part of the Island contains up to 80% of the Island's wealth and resources.

Yes, Mr. President, we are "urging" the Greeks to go to "Geneva" to ratify what Ankara has conquered by force. Well, according to Dr. Kissinger's strategy this makes a lot of sense, since, even though such a policy is morally wrong, it "serves" our national interest. Incidentally, Prince Metternich espoused the same foreign policy towards Greece. When he was asked about the plight of the Greeks under the Turkish yoke, he accommodated the Turks by giving his famous reply: Let them stew . . . the Detente must not be upset . . . What a glorious analogy!

Dr. Kissinger's policy of non interference and appeasement of the Turks in Cyprus is morally wrong because the Turks are using their NATO American supplied weapons to commit aggression. Such a policy is parallel to the Nazi philosophy that might is right. It is a sad irony, that Dr. Kissinger, a "victim" himself of Nazi Germany should espouse and profess respect for might over righteousness.

It is true that the "telephone diplomacy" of Dr. Kissinger has so far prevented an "open" war between Greece and Turkey. But on the other hand our "well timed" declarations for "more" autonomy for the Turkish Cypriot minority encouraged the mainland Turkish aggressors to complete their sinister design and cause a de-facto partition of the Island.

Yes, Mr. President, Dr. Kissinger truly acted as the "honest" and "impartial" broker. You will agree with me, Mr. President, that Dr. Kissinger does not have the "unquestioned" backing of the American people, at least as far as his "handling" of the Cyprus crisis is concerned.

Mr. President, it is time that we stopped kidding ourselves and return to a foreign policy based on morality and integrity. As an American, I am proud to point out that your predecessors, Harry S. Truman and Dwight D. Eisenhower, through their historic, and decisive actions proved beyond any doubt, that America's foreign policy is based on the principle that right is might and that no foreign policy can succeed unless it is morally just.

It is my sincere belief, Mr. President, that unless you take matters into your own hands the Cyprus tragedy will become not only the Waterloo of NATO but will also bring about the end of America's influence in the Eastern Mediterranean. If we allow the Cyprus cancer to grow, if we continue to appease the Turks, and allow their aggression and expansion to take hold in Cyprus, we will be planting the seeds of an American Watergate in the Eastern Mediterranean.

What is needed, Mr. President, is a reaffirmation, to the World, by word and deed, that America's foreign policy is and will always be moralistic. Let us, therefore, join the U.N. in telling the Turkish aggressors to take out their army from Cyprus. Mr. President, your predecessor, Lyndon Johnson did it alone in 1964 and 1967. You can annul the Turkish military adventure in Cyprus now, before the present state of affairs completely alienates the mainland Greeks and forces the Greek Cypriots to lose all rationale.

The Turkish Cypriot minority can choose their own form of government, but they have no right to confiscate any portion of the Island that does not belong to them. The Greek Cypriots will never tolerate annexation or confiscation of their houses and farms by the Turks. It does not serve our national interest. Mr. President, to allow or sanction Turkish plans to occupy one third of Cyprus to "house" 17% of the Turkish Cypriot (farm) population.

It is immoral and detrimental to our national interest to punish the innocent and the weak and to support and appease the strong and the wicked.

Dr. Kissinger is pursuing a policy of "sadism" towards the Greek Cypriots but unfortunately, Mr. President, Dr. Kissinger seems to be very misinformed regarding the Greek Cypriot temperament and will to fight. It seems to me, Mr. President, that the present course of the U.S. foreign policy is parallel to that pursued by British colonialism and regrettably, I must say, to that of the Nazis, and for this reason it is doomed to total failure. It will take great courage, Mr. President, on your part to tell the Secretary of State, Dr. Kissinger, that he has made a great and tragic mistake to allow the Invasion of Cyprus by an army, which according to the standards of any Western nation is barbarous and cruel.

It is remarkable that the late President Lyndon Johnson foresaw the present tragic consequences of Turkish invasion and thus gave the Turks enough of a strong warning. This same warning, should go out to Turkey, immediately, through the U.N. for it is my belief, Mr. President, that Greece and the Greek Cypriots will not agree to go to Geneva under the present circumstances.

It is imperative, Mr. President, that you take things into your own hands. . . . Dr. Kissinger is not infallible. Your predecessor had to resign because of a "tragic error" which he neglected to admit on time . . .

It seems to me, Mr. President, that Dr. Kissinger has now two choices: One is for him to openly admit his gross miscalculation in handling U.S. policy in Cyprus and condemn the Turkish invasion and aggression. If this apology does not succeed . . . then he should consider resigning. . . . Such a courageous act will make things easier for you, Mr. President. . . . If Dr. Kissinger were to exercise any of the above options, it will represent a clear message to Turkey that the U.S. will not tolerate their present military occupation of Cyprus. The above suggestion might sound "naive" Mr. President but it is my sincere conviction that if you do not stop our Turkish friends soon, the consequences will be disastrous for the security of the Eastern Mediterranean.

It takes courage to admit one's mistake. It is better to face our mistakes now than let the present tragedy in Cyprus explode into an incurable cancer. Mr. Nixon would have still been in the White House had he the courage to admit his mistake and uncover the unjust, on time. By the same token America will hold its hegemony in the world and the Eastern Mediterranean if it musters the courage to force the Turkish army out out of Cyprus, without much delay.

A settlement by force and blackmail can never succeed in Cyprus. The Turkish plan to partition the Island by force will never succeed.

We all recall the bloodbaths caused by the Nazi occupation of Crete. The Greek Cypriots are just as freedom loving and will no doubt fight to the last man until the Turkish invaders are driven off their lands.

The Turkish minority in Cyprus comprises only 17% of the population. Turkish allegations of mistreatment by the Greek majority are historically unfounded. The Greek people and Greek Cypriots have proven their friendship and ability to live side by side with the Turks. There are Turkish minorities on the Islands of Kos and Rhodes in the Dodecanese Islands enjoying the blessings of Greek citizenship and hospitality. There is the large Turkish minority in Greek Thrace. Can any historian, including Dr. Kissinger, put forth any claim that these Turks ever suffered any discrimination under Greek rule? On the contrary, Mr. President, it is always the Greek minorities that suffer under Turkish rule as exemplified by the Turkish riots in Istanbul and Ismir in 1955. Incidentally those riots had the blessing of the Turkish police.

History has shown that the Cypriots, both Greek and Turkish have lived side by side for many centuries. The seeds of suspicion and mistrust came when the British, unable to hold on to their colonial rule in Cyprus instigated the Turkish minority to oppose Cypriot independence. The aim of the Turkish government to partition the Island has also caused further friction between the two ethnic communities.

The Turks, like the Russians, respect strength, and a strong and stern warning must come from you, Mr. President. The same stern warning given by the impeccable Dwight D. Eisenhower to our allies, France, England and Israel when they "invaded" Nasser's Egypt. In 1956 Nasser, besides nationalizing the Suez Canal, showed a great deal of belligerency towards the West and U.S.A., and yet we were forced to "side" with Egypt in order to protect its independence and territorial integrity. Ike's action then, proved to the whole world that the U.S.A. respects and upholds the territorial integrity of any nation, even when the victim nation is belligerent to us.

We must show no impartiality to the Greeks or the Turks. Some members of NATO might argue that Turkish geography is of more strategic value to that of Greece, but they are "overestimating" Turkish reliance as a trusted friend and ally.

Allow me, Mr. President, to conclude with the following Greek proverb "One might befriend the Turk, but he should always 'carry' a stick with him, just in case!" In plain English, Mr. President the Turks cannot be trusted in war or in peace. . . . Turkey proved that to the Allies in both World Wars.

Respectfully yours,

NICHOLAS SYRAGAKIS.

PACOIMA SKILLS CENTER

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CORMAN. Mr. Speaker, 12 years ago the Federal Government enacted the Manpower Development Training Act of 1962, offering our unemployed and underemployed citizens a chance for dignity, self-respect and economic security through the acquisition of marketable, vocational skills.

Programs set up across the Nation under the MDTA have succeeded, beyond expectations, in bringing thousands of disadvantaged citizens into the mainstream of our economy. The effectiveness and efficiency of such skills center programs is exemplified in my own congressional district in the San Fernando Valley area of Los Angeles.

In the last 2 years alone, the Pacoima Skills Center has trained well over 800 adults and found jobs for 93 percent of them. The cost effectiveness of programs such as the one in Pacoima demonstrates the economical and efficient manner in which business, education and private citizens can work together to help solve an urgent national problem that Government efforts alone have been unable to resolve.

Although the Pacoima Skills Center has only 184 authorized training slots, they have consistently been able to train two to three students per slot each year and to find gainful employment for better than 90 percent of them.

The responsibility of dealing almost exclusively with unemployed and underemployed people, training them in skills such as machine operation, multiclerical work, welding, nursing, and landscaping, and at the same time maintaining a mandated 90-percent participation rate, an 80-percent completion rate and an 80-percent employment rate can be a difficult job. However, the statistical successes show effective accountability to this mandated task.

Not only have Pacoima Skills Center's statistical successes paid off for companies which gain workers, for the community which gains productive citizens, for business which gains a paying customer and for Government which saves on welfare and gains taxpayers, but less tangible benefits are realized such as forgone crime, more stable family structures and improved quality of life for those adults who complete their training at the Pacoima Center.

A new funding procedure under the auspices of the Comprehensive Employment Training Act, CETA, will assume the funding responsibilities for manpower programs such as the one in Pacoima, previously funded under MDTA. All indications suggest the effectiveness of such programs will be even greater under the new act.

With the changes made possible by CETA, Skills Centers will be able to improve the services of what have already proven to be very successful programs—programs designed to meet the needs of the individual in an ever-changing world.

A TRIBUTE TO MOUNT CARMEL GUILD AND ITS STAFF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. RODINO. Mr. Speaker, as you may know, an extremely sophisticated constellation of health services for the physically and mentally impaired has been constructively and compassionately responding to the day-to-day needs of New Jersey's citizens for over four decades. And, for a few brief moments today, I would like to direct our attention to the critical work performed by Newark's Mount Carmel Guild.

Mount Carmel Guild is a nonsectarian, nonprofit health care agency of the Roman Catholic Archdiocese of Newark, N.J. Through its multiservice center headquarters and its satellite centers throughout Essex, Bergen, Hudson, and Union Counties, programs to aid the socially, emotionally, and educationally deprived have brought new hope and opportunities into the lives of our elderly, our multihandicapped, our mentally disturbed, our young children, our youth, and our poor.

The guild continuously devotes its service to answering our human needs through effective and responsive programs.

According to the Guild's projected goals—

> The need for a blind man to read a book. The need to conquer addiction to narcotics. The need to hear, to speak, to learn. The need to overcome physical and mental handicaps. The need to work. The need for a decent place to live. The need for dignity. The need to be needed.

The guild's accomplishments are generated by the leadership, inspiration, and commitment of Rev. Monsignor Joseph Dooling, archdiocesan director, and by the sensitivity and expertise of the guild staff. A short time ago, I received a letter from a woman in New Jersey who was so impressed with the dedication of one of the social workers at Mount Carmel Guild, she felt it essential that I be made aware of this individual's special service to the people of the Newark community.

After reading her letter, I firmly agree that the work of Mrs. Mary Letchford deserves the highest recognition. I am therefore inserting this letter into today's RECORD to share with all my colleagues the invaluable contributions of this inspiring, courageous, and selfless woman.

The letter follows:

LYNDHURST, N.J.,
August 10, 1974.

DEAR CONGRESSMAN RODINO: I am sending you this letter so that I may introduce to you a woman who so clearly should be recognized for all the good she does.

Her name is Mary Letchford. She resides in the town of Lyndhurst, New Jersey. Her job is a "Social Worker" for the Mount Carmel Guild in Newark. She is a very modest woman who is always doing. Mrs. Letchford is known to ask only that a frown be replaced by a smile. Her job is literally her life. Mary Letchford lets nothing stand in her way. She shows no partiality to anyone regardless of race or creed. No one gets turned away. You may call her at anytime either at her office or at her home. If she can't help you, which is not very often, she refers you to the right person who can. Mary Letchford usually has the answers herself. She feels the Lord put her on this earth for a purpose and she is only trying to help others find their way.

Mrs. Letchford works with drug addicts. Aside from her daily job, she puts in two evenings on her own time and is known to hardly ever take a vacation. Though it may not be known to everyone, Mary Letchford states everyone can be helped. She started New Jersey's first Drug Rehabilitation program and is known to many people locally. She works very hard also with the alcoholics, with the disabled and with the retarded and also with families which are in need. No one is ever turned away. To know her is to love her. Anyone who knows "Mary" may well be known to call her their other "Mom". She follows up on all that contact her. She not only cares about the person who needs the help, she sees that the rest of the family, especially little ones, are doing what is best for them.

There is so much still unsaid and so much more I could say about her that I would have to go on and on, but I feel she deserves so much more. She has a wonderful husband, Jim, who is as kind as she and many times Mr. Letchford gets involved right along with his wife. They themselves are proud parents of two fine boys who married lovely girls and are grandparents of ten grandchildren.

I would appreciate it if you would inquire yourself about all the good this woman does and give her some recognition to the people in our government, and bestow upon her an honor for all the wonders she performs. I speak not only for myself, ask those wonderful people who work with her at the Guild, those she contacts and anyone she has helped—including school children who had book reports to do on any of many various subjects.

As long as God gives her life, Mary Letchford goes forth, day after day—night after night—phone call after phone call.

She asks nothing of you, but you leave Mrs. Letchford with something she gives you, a feeling you've never known or felt in your entire life.

Very truly yours,
(Mrs.) MARY ANN NORTON.

P.S. I would also like to add if I may, that she also helps prisoners, especially those just released who have nowhere to go. Mrs. Letchford gets them a place to eat and sleep and helps them find employment so they can once again be a part of the community!

BILL INTRODUCED TO AMEND FEDERAL AVIATION ACT

HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. FREY. Mr. Speaker, I have introduced a bill to amend the Federal Aviation Act of 1958. This bill is designed to provide relief from the discriminatory and unfair competitive practices to which our U.S. international air carriers have become subjected in their competition with foreign air carriers.

My bill would guarantee an equality of competitive opportunity for U.S.-flag air carriers in international air transportation.

Just recently the Civil Aeronautics Board issued a survey report on how U.S. air carriers are placed at a competitive or cost disadvantage in international air transportation marketplaces.

Here are just a few examples of this discrimination.

Pan American and all other international airlines must pay the Australian Government $4,200 to land a Boeing 747 at Sydney airport. Yet, Australia's Qantas Airways and the other international air carriers pay only $271 to land a 747 at the San Francisco airport. These excessively high fees paid to the Australian Government not only pay for the facilities and services they receive at Sydney, but for maintaining airports they do not use in places like Perth and Brisbane.

When an Italian businessman must come to the United States, his government requires him to fly Alitalia—Italy's national airlines. On the other hand, when an American businessman goes to Italy, the U.S. Government places no such restriction on his air travel arrangements.

Another example of the discrimination against our flag carriers is that a country may tax the gross sales of the U.S.-flag carriers but collect taxes only on the net income of its own national airlines. Or it may exempt its own carrier from customs charges, while charging duty on support equipment imported by U.S. carriers.

But not all the discriminatory practices involve other governments, many originate from our own Government. For example:

Foreign airlines spend less for the airplanes they fly than do American carriers because foreign buyers are able to finance the purchase of American-built aircraft through loans from the Export-Import Bank at interest levels far below the commercial rate, while those lower interest rate loans are not available to our carriers because they are not classified as foreign buyers.

Another example of our own unfair practices is that the U.S. Postal Service pays much higher rates to foreign carriers than to U.S. airlines for the transportation of international mail. The United States, as a member of the Universal Postal Union, pays as much as $1.73 per ton-mile to foreign airline carriers to transport U.S. mail, while it only pays 31 cents per ton-mile to U.S. carriers. I am told that foreign airlines carriage of mail is used only where no U.S. carrier serve a particular foreign destination, but still there is a wide disparity of rates paid the foreign carriers and our own.

While there is no law requiring Americans to fly U.S.-flag carriers, and there should not be, we do not spend anywhere near the amount of money to help the U.S. airlines promote their services as the foreign governments spend enticing Americans to fly their own lines.

Mr. Speaker, because of these discriminatory practices against our international carriers, I believe Congress must take immediate corrective action.

My bill would direct all relevant Government agencies to review different forms of discrimination and unfair competitive practices to which the U.S. air carriers are subject and to eliminate such practices.

It would also assign specific responsibility to the Civil Aeronautics Board to annually report to Congress on actions taken in this area.

In addition to my efforts and those of my colleagues, I was glad to learn of the administration's proposal, announced by the Secretary of Transportation last week. This seven-action plan, if implemented, could save Pan American, alone, $150 million in fiscal year 1975.

His plan involves actions such as: Carriers agreeing on overseas route rearrangements and possible mergers, adjusting international mail rates to reflect today's higher costs, increase fares to bring them in line with today's costs—especially in light of the fact that foreign fuel prices have tripled in the last year alone—establish and enforce a program to eliminate illegal ticket discounting, and encourage all Americans to fly a U.S.-flag carrier when traveling overseas.

This plan is a positive step, but we need more.

I am introducing a resolution expressing the concern of the House of Representatives with the financial difficulties of our U.S.-flag carriers engaged in international air transportation.

It is my belief that this resolution will express our agreement on the problem and our desire to arrive at a just solution. But we need more than just words, we need action.

ISSUES AND STANDS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. MURTHA. Mr. Speaker, citizens are always concerned about where their Representative stands on certain issues faced by our Nation, and by groups and individuals within our Nation.

For the convenience of the citizens of the 12th Congressional District and interested congressional observers, I have prepared the following capsule comments on some issues, and I am pleased to present my stand in these areas for the public interest. I will attempt to publicize these so the people know the philosophy of their Congressman.

SENIOR CITIZENS

A top priority of Congress must be stretching the income of senior citizens.

Inflation has already forced too many of our elderly into virtual poverty situations.

I have voted for legislation to increase housing for the elderly and improve their transportation.

But we must do more. I have sponsored legislation to allow more outside income to be earned by senior citizens without a drop in social security benefits.

Senior citizens must be a top priority of Congress.

SMALL BUSINESSMEN

Every time a small business closes, the community loses a valuable resource.

I was pleased to vote for the first major overhaul of the Small Business Act in a decade. Now law, this bill will increase funding for hard-pressed small businessmen.

I was also pleased to sponsor a small business workshop—the first of its kind ever held in the 12th Congressional District to help small businessmen secure aid.

The small businessman is the lifeblood of our community. As a small businessman myself, I know the problems and plan to work for their elimination in Congress.

FARMERS

Inflation may eventually destroy the small farmer if we do not act. Prices for farm equipment and supplies have skyrocketed out of sight in the last year.

On another front I have cosponsored a bill to help keep young people on the family farms by offering them low-cost loans. Also, I cosponsored legislation to raise research funds for increasing our farm crop output.

When a farm suffers, the entire community suffers. We must maintain our small independent farms and help our farmers to earn a decent living.

WORKINGMAN

The working men and women of our nation have in many ways been the hardest hit by double-digit inflation.

I voted to increase the minimum wage. I have cosponsored legislation to increase the standard income tax deduction to put more money in the pockets of the working man.

On the House floor I voted for worker safety.

The working man and woman are the keys to our economy. Their employment must be high and their income sufficient.

AGAINST INFLATION

Double-digit inflation must be controlled.

Just as inflation is the result of many years of policy decisions, it will not disappear overnight. But we must take positive action to control it.

I voted to cut $6.1 billion from this year's budget. I was also proud to cosponsor the bill adopted by President Ford calling for an Economic Summit Conference.

Inflation must be controlled. Prices must return to normal. And the people must have sufficient income to meet their family needs.

PENSION REFORM

In 1973, 19,000 workers lost their pensions because retirement funds were inadequately guarded.

In 1974, Congress responded by passing one of the most important bills of recent years—the pension reform bill.

This bill will protect some 30 million workers in private industry from losing their pensions.

It will prevent unfair exclusion of workers, establish fiscal standards for all plans, and require regular audits to insure people their pensions.

Congress acting for the people is what Government is all about to me. I believe we must continue to reevaluate our policies until all the daily needs of the citizens are met.

PROTEST AGAINST NEO-NAZI PROGRAM ON PUBLIC TELEVISION STATION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. EILBERG. Mr. Speaker, recently the public television station which serves my district in Philadelphia, WHYY-TV—channel 12—presented a program produced by the National Socialist White People's Party, a neo-Nazi organization which attracts the worst elements of our society.

There can be no question about our constitutional system, of this group's right to make its views known in public, nor can there be any question of the station right—and perhaps responsibility—to make time available to it.

However, it should be the station's responsibility to make sure the programs it presents do not contain lies nor statements which degenerate a group of people because of their religion or race.

I have been a consistent and firm supporter of public broadcasting and have helped to raise money for WHYY and will continue to do so, but I believe this time a serious mistake has been made and that it must not happen again.

At this time I enter into the RECORD a statement released by the Anti-Defamation League of B'nai B'rith about this matter.

ANTI-DEFAMATION LEAGUE
OF B'NAI B'RITH,
Philadelphia, Pa., September 12, 1974.

The Anti-Defamation League of B'nai B'rith today deplored as a "disservice to community unity" the WHYY–TV (Channel 12—Philadelphia-Wilmington) tristate telecast last evening, September 11th, of its "Take 12" segment presented by the National Socialist White People's Party, and called its presentation "a glaring example of irresponsible broadcasting, and evidence of callousness and insensitivity to deep-rooted Jewish and Black fears and concerns."

S. Regen Ginsburg, Esq., Chairman of the Metropolitan Philadelphia Advisory Board of the Anti-Defamation League of B'nai B'rith, said here, "The Anti-Defamation League had been aware of the scheduled broadcast, but had withheld public criticism prior to the airing because of ADL's principled opposition to censorship.

"Out of its respect for the principle of free speech, the Anti-Defamation League lifted no finger in advance," Mr. Ginsburg underscored. "But now that the program is over and done, we must say that while there is free speech, the management of WHYY–TV has a responsibility to the community not to permit its facility to be used to abuse the democratic process. Its telecast of the National Socialist White People's Party presentation last evening over Channel 12 was not in the public interest nor the implementation or exercise of free speech. It was rather an abuse of free speech.

"Our opposition," Mr. Ginsburg pointed out, "is to WHYY–TV's allowing its federal franchise to be used as a public springboard for an organization which advocates the annihilation of 'Jews and the deportation of all Black citizens back to Africa.' There is no more constitutional obligation to broadcast these provocative incitements than there is to air false advertising or blatant pornography or obscenity.

"We should guard against any temptation to exaggerate the importance of the National Socialist White People's Party on the national scene, or to depict it as a clear and present danger to the continued existence of the United States as a democratic republic. But," Mr. Ginsburg cautioned, "we would be foolish indeed were we to minimize the potential for trouble, disorder and even violence which confronts any community such as this tristate area in the Delaware Valley, in which a unit of the Nazi party is active."

As part of its activities, Mr. Ginsburg reported, the Anti-Defamation League combats anti-Semitism in all its forms through research, exposure of the problem to public opinion, and through long-range educational programming. Included in this ongoing concern, the Anti-Defamation League has inevitably concerned itself with anti-Semitic organizations, publications and activities, and with extremist, violence-prone organizations that pose a threat to democratic institutions in the United States, and therefore, to the security of the Jewish community.

The National Socialist White People's Party—which is headquartered in Arlington, Virginia, a suburb of Washington, D.C.—is the direct successor to the American Nazi Party, which was founded in 1958 by the late George Lincoln Rockwell, who was assassinated in 1967 by a party dissident. In other words, the National Socialist White People's Party is the American Nazi Party with only the name changed. Its emblem is the swastika. It admires and preaches the doctrines and the philosophy of Adolf Hitler. Its goal is to bring about a Nazi form of government in the United States.

The so-called "fuehrer"—the leader—of the National Socialist White People's Party is Matt Koehl, now in his mid-30's, whose activity as a peddler of gutter-level anti-Jewish and anti-Negro literature dates back to 1952 when he started distributing anti-Semitic hate sheets while a high school student in Milwaukee.

Even earlier, at age 13, he disrupted classes by adamantly defending Adolf Hitler. For more than 20 years, Koehl has been continuously involved in anti-Jewish, racist and pro-Nazi activity. He succeeded to the leadership of the American Nazi Party after Rockwell was assassinated.

In the National Socialist White People's Party small headquarters building in Arlington, the American flag often flies side-by-side with the Nazi swastika, and the small lobby of the building is decorated with large pictures of Adolph Hitler, Rockwell and Koehl himself.

Despite some ten years of effort prior to his assassination in 1967, Rockwell was never able to build his American Nazi Party into anything resembling a mass movement, and the American Nazi Party under his leadership was essentially a small band of drifters, thugs, criminals and troublemakers who hardly constitute a threat to the American republic. The American Nazi Party and Rockwell were, rather, a nuisance at the local police precinct level and a source of potential concern because of Rockwell's flair for publicity and his skill at conceiving attention-getting activities that brought him and his party notoriety in the press and on radio and television far out of proportion to their numbers or their importance.

Under Rockwell, the American Nazi Party never mobilized more than a few hundred supporters around the country—a few dozen at best in Arlington, and small clumps of supporters and units in a few cities elsewhere around the country. The only time that Rockwell reached anything resembling a mass audience was in the year or so immediately prior to his death, when he managed to get invitations to address students and student bodies at colleges and universities around the country.

Koehl lacks the charisma and the flair for publicity and notoriety that marked Rockwell's leadership of the party until 1967. Koehl, however, is a hard worker and a good organizer, and since assuming command of the home-grown Nazis, he has managed to bring about the formation of some new—and very small—units of the National Socialist White People's Party, most of them numbering only a few young thugs and near-hoodlums whose fanatical tendencies have been inflamed by the Hitler ideology.

"White Power," the official monthly newspaper of the National Socialist White People's Party, is a shrill hate sheet loaded with anti-Jewish and anti-Black content—often of an inflammatory nature. The front-page headline on the May 1972 issue, in railroad scare type, reads: "Kill Black Pigs!" On page 3, the headline reads: "Jews Whip Up Nigger Crime Rampage." The masthead carries the inevitable swastika.

Members received an "insiders" newsletter called "NS Bulletin." Through "White Power," the National Socialist White People's Party offers an array of anti-Jewish and anti-Black books, pamphlets, leaflets and other items, several of them praising Adolph Hitler and Nazism. "Other Items" offered for sale include a swastika flag for $19.95, pictures ("suitable for framing") of Adolph Hitler, Rockwell and Koehl, a wall poster of Hitler, described as being of "heroic dimensions," as well as swastika armbands, swastika stickers, and similar items.

The National Socialist White People's Party and its newspaper have, in fact, called on readers to arm themselves. One issue of "White Power" carried a picture of an automatic pistol with the caption reading, "Every White Man Needs One." Earlier, the Nazi paper, which has long preached that racial warfare in America is inevitable, had advertised pistols, rifles and chemical mace under the heading, "Negro Control Equipment."

"Such propaganda as contained in 'White Power' is of obvious concern to local police authorities and federal law enforcement agencies," the ADL Chairman pointed out. "These agencies for many years have indicated ongoing concern with the activities of the American Nazi Party, the National Socialist White People's Party and like-minded organizations which preach hatred, advocate un-American ideologies and which create a climate in which violence and disorder can and do take place.

"We must expose these hate merchants for what they are—the Nazi peddlers of raucous, reviling rantings bent only on breeding dissension, fright, frustration and escalating racial and religious tensions.

"Neither this tristate area in the Delaware Valley nor America at large needs these merchants of hate," Mr. Ginsburg asserted. "Their messages do speak for themselves—and their meaning is unmistakable: the inculcating of racial and religious antagonisms and the polarizing of our citizenry. In a climate of ideological ferment, when problems tend to breed hostilities, and when the voices of extremism vie for the minds, the hearts, the time and effort of our youth and adults alike, the National Socialist White People's Party seeks to ape the Hitlerite tactics of that master Nazi hate peddler, Julius Streicher, to foment strife and conflict in our community.

"The Anti-Defamation League of B'nai B'rith has always clearly understood that the protection of Jews too is indivisible," Mr. Ginsburg concluded, "and that a threat to the safety and security of Jews anywhere is a threat to Jews everywhere, whether as it is today in the Soviet Union, in South America, in the Middle East, among other places, or here in the Delaware Valley. Voices of discord and dissent, of provocation and threat, of anti-Semitism and racism—whether by way of the 'dial-a-hate message' or the National Socialist White People's Party leaflets—add nothing to the comity of our community or to the feelings of individual security. Instead, they serve to rend us apart, to pit neighbor against neighbor, group against group."

RKO CHOOSES CLIFFORD EVANS AS VICE PRESIDENT OF WASHINGTON NEWS BUREAU

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. JONES of Tennessee. Mr. Speaker, Clifford Evans, a friend of mine and a well-respected journalist here on the Hill, has been named vice president of RKO General Broadcasting's Washington News Bureau. I know my colleagues want to join me in congratulating Cliff on his new assignment and in congratulating Bruce Johnson, president of RKO General Radio, and Robert Glaser, president of RKO General Television, on a sound selection.

Cliff, who joined RKO General Broadcasting in 1963, has brought honor and credit to his profession. Following a stint as director and moderator of their "Ladies of the Press" program, he became director of their Washington News Bureau in 1966. In this capacity he has combined intelligence, drive, and personality in a successful effort to master the complex Washington news scene. As our Government has become massive but remote, Cliff has managed to report its actions with clarity and understanding to millions of listeners from coast to coast.

A varied background in many phases of news gathering contributes to Cliff's continually superb performance. He gained valuable experience in the print media on the staffs of the New York Herald Tribune, World-Telegram, and the New York Post. Having been the city of New York's director of television and motion pictures, he has an understanding of the problems of Government from the inside. He also served as an associate producer and special reporter on the "Today" television program.

Cliff's outstanding performance has been noted many times in the past. He is the recipient of such awards as the United Nations Award for Best News Coverage, the Human Relations Award, and the Newspaper Guild Award for Radio Journalism. Without doubt, Cliff has proven himself worthy to be vice president of RKO General Broadcasting's Washington News Bureau.

RKO General will benefit from having Clifford Evans in a top position. The Government also will benefit from his in-depth coverage and criticism; but, the greatest beneficiary will be his listeners, including those of WHBQ in Memphis, Tenn., an RKO General station.

FLOOD CONTROL DISTRICT'S 25TH ANNIVERSARY TRIBUTE TO SENATOR SPESSARD HOLLAND

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. ROGERS. Mr. Speaker, the central and southern flood control project recently celebrated its 25th anniversary. In commemoration of this event, on August 15, 1974, the Executive Committee of the Water Users Association of Florida met in West Palm Beach and unanimously adopted a tribute to former Senator Spessard A. Holland for his outstanding role in the development of the central and southern Florida flood control project. I would like to share this tribute with my colleagues:

A TRIBUTE TO THE LATE FORMER SENATOR SPESSARD A. HOLLAND ON THE 25TH ANNIVERSARY OF THE CENTRAL AND SOUTHERN FLORIDA FLOOD CONTROL PROJECT

It is appropriate, as this great project marks its twenty-fifth anniversary, that we pay tribute to the man who more than any other individual contributed to its founding and construction, Senator Spessard A. Holland.

It was this great Floridian's love of the unusual beauties nature had given his state, coupled with his desire to provide the people with a sound economic base that enabled him to see the far reaching multiple benefits of this water management project. The flood prevention aspects were clear cut to everyone following the disasters of the late forties. However, Holland envisioned the preservation of a vast portion of the true Everglades of Florida, a dependable water supply for the domestic needs of the fast growing urban areas, water for agriculture to supply increasingly needed foods and fibre, and at the same time provide his beloved Everglades National Park a dependable supply of fresh water.

Senator Holland stood firm in his faith of the potentials of the project during the trying times of criticism from most segments of the news media, conservation organizations and many other governmental agencies. When it would have been so much easier, as many did, to yield to these pressures he gave the District's board and staff his full faith and support. His colleagues in the U.S. Senate, with the exception of two or three who were attempting to ride the high tide of emotional environmentalism to national prominence, showed their confidence in the integrity and knowledge of Senator Holland by backing his position on this controversial project. Their confidence in his judgment will never be more fully vindicated than it was by the performance of the project this Spring and Summer. Faced with a depleted water supply, the culmination of five years of deficient rainfall, the project's work supplemented the domestic, industrial and agricultural water needs of south Florida preventing a catastrophe. Incredibly, within a few days' time, the situation was reversed and these same works prevented millions of dollars in flood damages from torrential rains. A truly magnificent performance! Current events accentuate the noble qualities of this fine gentleman; he would not let political expedience interfere with sound judgment and most of all his personal conduct preserved the integrity of his character and of the offices he held. It is most fitting that we pay tribute to Spessard Holland on this occasion.

THE HEALTH OF OUR CHILDREN

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. KOCH. Mr. Speaker, traditionally—by Presidential proclamation, the first Monday in October is proclaimed Child Health Day. This year, Child Health Day falls on October 7. There is no more important or worthier group of Americans to focus on than our young people. This country must be made to realize that the health needs of our children are simply not being met—that the young of all economic and social backgrounds are suffering from a wide range of deficiencies and handicapping conditions which, with prompt care and attention, could have been avoided.

Children represent 40 percent of America's population and 100 percent of her future. A small investment in the health of our children early in life will secure enormous returns in lives saved and earning power generated. In addition, preventive health services and early intervention would reap huge savings by avoiding expensive care in a child's later years. Millions—quite possibly billions—of dollars can be saved by providing prevention health services.

In both humanitarian and economic terms, the health of America's children must not be included in today's budget-cutting discussions. Let us take just a glimpse at the present situation.

First. Due to inadequate maternal, prenatal, and postnatal care, more than 200,000 American children each year are born with birth defects, a staggering 7 percent of all births.

Second. America lags behind 14 other westernized countries in the rate of infant mortality.

Third. Birth defects have left 2.9 million retarded, 750,000 with hearing impairments, and 500,000 totally or partially blind. In total, there are 15 million Americans who have been left with birth defects serious enough to drastically affect their daily lives and the lives of their families.

Fourth. Action is urgently needed to reverse the alarming trend of declining immunization levels. At least half of infant mortalities are preventable with current technology and at least 60 percent of handicapping conditions can be corrected or prevented if treated before the child reaches 18 years of age.

Fifth. Surveys show that up to 10 million of the nearly 14 million 1- to 4-year-olds are unprotected against one or more preventable diseases.

Sixth. A rubella vaccine costs $1. It costs 17 cents to immunize a child against diphtheria. Compare these preventive expenses to the huge costs needed for treatment.

We have seen time and time again that saving a little money in the short run often will cost a lot over the long run. This simply does not make good economic sense. Prevention is one element of a health care system which, at a reasonable cost, could have a dramatic effect on costly medical bills and lost lives. Good health care, through early detection and intervention, is one of the best investments Government can make. Not only is it socially responsible and humane, but it is cost-effective.

The message is really quite simple. Children are America's greatest natural resource and thus comprehensive health care, children's most vital need, must hold a high priority. In more ways than one, America cannot afford not to provide preventive services to her children and youth.

OPINIONS ON INFLATION

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. BOLLING. Mr. Speaker, the following article appeared in the St. Louis Post-Dispatch of Sunday, October 6, 1974. It describes very well the problems faced by all of us who must help develop promptly an economic policy which can be put into action in the current emergency:

Diverse Opinions on Cause, Treatment of Inflation

(By William H. Kester)

Reading about the recent round of summit meetings on inflation reminds me of John Godfrey Saxe's poem about the six blind men of Hindustan.

Each felt a different part of an elephant and so the animal was described in six ways: To one, the side felt like a wall; to another, the tusks like a spear; the trunk, a snake; the leg, a tree; the ear, a fan; and the tail, a rope.

And so it is with the anatomy of inflation. Descriptions of its origins and prescriptions for its solution differ, depending on the persuasion of the economist, businessman or congressman.

The monetarist says inflation has been caused by too much money, but the wage earner, having lost about 5 per cent of his purchasing power in the last year, would not agree.

Some observers blame the current inflation on excessive federal government spending and huge deficits of recent years.

Others say we are in a demand-pull inflationary period while many point to rising costs as the reason for increasing prices.

Still others put a large part of the blame on the Arabs for hiking the price of oil four fold and on crop failures or shortages here and abroad.

And a decline in competition is causing some of the exorbitant price increases, advocates of more antitrust activity say.

None was surprised to learn from the summit meetings that the American economy has many facets. And so an effective inflation program will require adjustments on each of the sides—or at least on the more important ones—so they fit.

Because the wage and price control program of the last few years failed miserably to control inflation, few have had the fortitude to recommend its reactivation.

Yet, the fault was not with the ineffectiveness of the wage and price controls, but rather with monetary policy. This view has been stated by David Laidler of the University of Manchester in the current issue of the American Economic Review. Commenting on the 1974 Economic Report of the President, Laidler said "The thrust of the effects of monetary policy during 1972 and 1973 was in the opposite direction to that of wage and price controls, and it is hardly to be wondered at that the anti-inflation policy failed."

This view is a familiar one to those who read the reports of the St. Louis Federal Reserve Bank and the speeches of its officials, Darryl R. Francis, president of the St. Louis Fed, has called for a slower rate of growth in the nation's money supply to reduce inflation and interest rates.

In July, he told the House Banking and Currency Committee that the money supply growth should be reduced gradually to 2 or 3 per cent a year from much higher rates earlier this year and the last three years.

But the tight money policy advocated by monetarists was not able to slow inflation in 1970. It continued despite a substantial increase in unemployment.

As Laidler pointed out, the effects of a tight money policy are not felt immediately, but only after a period of about two years. In addition, in 1970 there were no wage or price controls to reinforce monetary policy and wage rates continued to advance despite rising unemployment.

And monetary policy was eased quickly when the adverse effects of a recession became apparent.

Monetary policy has contributed substantially to inflation, the record shows. The consumer price index rose at an average annual rate of 1.7 per cent in the decade ended in 1965, then accelerated to a 4.1 per cent rate until 1972. It increased 8.8 per cent last year and at an annual rate of 12.8 per cent in the first eight months this year.

This acceleration in inflation has followed increasingly faster rates of growth in the nation's money stock. It rose at an average annual rate of 2.1 per cent in the decade ended in 1964, then accelerated to an average of 5.3 per cent in the 1964–71 period and at about 7 per cent since 1971. However, in the last few months, the Federal Reserve System has slowed the growth of money as part of its anti-inflation program.

Because part of the deficits of the federal government are monetized by the Federal Reserve system, they have been a source of inflationary pressure, Francis has pointed out. Treasury securities were purchased by the Fed to maintain interest rates during periods the Treasury was selling securities. But such purchases by the Fed were not fully offset by subsequent sales and, as a result, money growth accelerated.

In the last 12 years, the Federal Reserve System added about 50 billion dollars of Treasury securities to its portfolio, or more than half of the 90 billion dollar increase in federal government debt in the hands of the public.

The increase in federal debt, thus, has played an important part in contributing to inflationary pressures.

Some firms have been able to hike prices substantially since price controls were removed because demand is high and, in some cases, exceeds the available domestic supply. This is apparent in the steel industry, where prices have been increased about one-third since April, as steel mills continue to operate close to capacity rates, despite a slump of about 20 percent in automobile production.

The validity of the demand-pull thesis of inflation is reflected in the sharp increase in profits of some firms. But over-all, corporate profits do not indicate that prices are being hiked because of large demands. In the second quarter this year, profits adjusted to exclude inventory gains declined 2.1 billion dollars to 105.6 billions.

To the businessman faced with increasing labor and material costs, price increases are a matter of economic survival. Unit labor costs increased at a 13.6 percent annual rate in the first half of 1974, much faster than the 7.4 percent increase last year or the 2.9 percent average annual advance in the three previous years.

Wholesale prices of industrial commodities—an indicator of material costs—advanced at an annual rate of 34.7 percent in the first eight months this year, compared with a 10.7 percent rise in 1973 and about 3 percent a year in the previous three years.

To the businessman, cost-push inflation obviously is a reality.

To blame part of the recent inflation on the Arabs and on Russian crop failures overlooks a basic economic principle. In a stable over-all price level, increases in prices of some products must be offset by reduced prices in others. Thus, if oil prices were increased, some other prices would have declined, if total demand equalled the supply of goods and services. The increase in the general price level is merely an indicator that demand did exceed supply.

While the elimination of monopoly profits is desirable for the economic welfare of the nation, it would do little to offset or slow inflation. In any case, elimination of monopoly profits would be a one-shot move to a lower price level. And the legal processes in achieving that goal would take years, if not decades.

The amount of monopoly profit in the U.S. economy is a matter of dispute. Harvard economist Hendrik S. Houthakker claims the price level would be 5 to 10 percent lower if the federal laws and regulations that benefit special interests were eliminated. For example, Interstate Commerce Commission regulations are said to add 20 percent to shipping rates.

But the Chamber of Commerce of the United States says the claim that monopoly is costing the country 60 billion dollars a year is unsubstantiated. On the contrary, it said, the advantage to the economy from large scale operations in concentrated industries is estimated at between 35 and 75 billion dollars annually.

In the dispute over inflation, the poet Saxe seems to have some relevance. Commenting on the blind men, he said "Though each was partly in the right/And all were in the wrong/So oft in theologic wars/The disputants, I ween, Rail on in utter ignorance/Of what each other mean/And prate about an elephant/Not one of them has seen.

IS ALEXANDER HAIG THE RIGHT MAN TO COMMAND NATO?

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DRINAN. Mr. Speaker, I was greatly dismayed to hear of President Ford's recent appointment of General Haig as supreme commander of NATO forces in Europe. As all of us know, General Haig was one of Richard Nixon's top aides during his administration and became White House Chief of Staff after the resignation of H. R. Haldeman in April, 1973. In this capacity at the White House, Haig was intimately involved with illegal wiretapping and the coverup of evidence during the Watergate investigations. While the extent of General Haig's responsibility for illegal acts committed by the Nixon administration has never been determined, I am shocked that such an individual could be sent to command all NATO forces without so much as a congressional investigation into his activities at the White House. In the October 5 issue of the New Republic, Walter Pincus describes the unresolved questions still hanging over General Haig. I commend this provocative article to all of my colleagues:

A Con Man for Europe?—Alexander Haig

(By Walter Pincus)

Critics of Gen. Alexander Haig, Jr. have asked Sen. John Stennis to hold hearings before his Armed Services Committee on the former White House staff chief's appointment by President Ford to be supreme allied commander in Europe. The NATO post, unlike that of army chief of staff which Haig turned down, does not require Senate confirmation—at least that is what Department of Defense lawyers have ruled. But this is a major appointment, and if there are doubts they should be exposed to the light and dispelled or validated. A Senate committee hearing would give Haig an opportunity to answer questions about the role he has played in the Nixon White House.

If such hearings ever come about, the senators who would cross-examine the general had better bone up on their man. Three earlier Haig appearances—before the Senate Foreign Relations Committee on the Nixon so-called "national security" wiretaps, before Judge John Sirica's inquiry into the missing and erased White House tapes, and at the trial of Daniel Ellsberg— show that Haig has a highly selective and disciplined memory and is adroit at devising a version of events that, in those instances, neatly served the Nixon administration by providing less than the whole truth.

On July 30, 1974 Haig testified under oath before Sen. Fulbright's committee. With not much enthusiasm, the committee had agreed to look into Henry Kissinger's part in the 1969–1971 wiretapping of White House aides, government officials and newsmen. The day of Haig's appearance, the House Judiciary Committee gave final approval to the three impeachment articles, one of which referred to wiretapping as an example of Mr. Nixon's abuse of power. After reviewing more than 100 FBI wiretap reports that had been sent to the White House, the committee majority found the wiretapping had been used to gain domestic political intelligence and not merely information relevant to national security. Haig said he had no individual responsibility for the wiretaps: "I never viewed myself as anything but an extension of Dr. Kissinger . . . I would never presume to do anything in this area that I had not discussed with him or had specific authority for."

FBI records list Haig as the requestor of taps on 12 of the 17 individuals concerned. In 10 of these cases Haig is recorded as citing the "highest authority" as the initiator. When asked by the Senate committee whether that meant the President, Haig fudged, perhaps aware of the House Judiciary Committee's accusation and the implications of that in any possible impeachment trial. He said he only received orders to tap four individuals directly from the President on one occasion, May 2, 1970, at the time of the Cambodian invasion. Haig gratuitously added that he believed that Kissinger was with the President "or had just left him" when Mr. Nixon called. Haig also testified that "all other names that I ever conveyed were names given to me by Henry." He was just the errand boy.

When the senators got down to specific names, Haig again danced away from responsibility. The first four who had been tapped were National Security Council staff members Morton Halperin, Daniel Davidson and Helmut Sonnenfeldt, along with Gen. Robert E. Pursley of the Pentagon. Though Haig is listed on the records as the one who brought the four names to the FBI on May 10, 1969, Haig said he "did not consider that I was bringing any names over then. I was confirming a program that had already been approved at the highest level by the Director [J. Edgar Hoover] . . . I think quite frankly those names came from the Director because they expressed, they represented his concern regarding a number of people on Henry's staff." That statement is supported both by Kissinger and, to a degree, by other facts. FBI records turned up by Fulbright investigators showed the Halperin tap began May 9, 1969—three days before the Attorney General authorized the tap and one day before Haig is supposed to have asked for it. Where the new Haig/Kissinger version of events gets thin is when it comes to Gen. Pursley. Haig and Kissinger knew Pursley was aware of the secret Cambodian bombing. Hoover was not. So Pursley was substituted by Haig, and the FBI records confirm that. The fourth man Hoover originally wanted to tap, London Sunday Times correspondent Henry Brandon, was subsequently tapped beginning May 29, 1969. And though Haig's name was on the request for that tap, as well as one initiated two months later on then White House speechwriter William Safire, Haig swore he did not ask for them. "They are . . . puzzling to me," he testified.

Both Haig and Kissinger blanked out on the May 13, 1970 taps on the phones of Anthony Lake and Winston Lord, Kissinger's past and present personal assistants. Kissinger said he did not remember requesting them and Haig, who is listed in the FBI records as bringing the names to the bureau, also could not recall doing so—but he added that if he had, Kissinger would have given him the names.

Haig also was asked why the taps on Lake and Halperin were kept on well after they had left government and were working for Democratic candidates. Brandon's tap also lasted almost the entire 21 months of the program. The House Judiciary Committee noted that 32 Hoover reports on Brandon went to the White House, that they reported on "the personal life of [Brandon] and others, and on the activities, both personal and political, of persons in Congress." Haig explained that Hoover had suspicions about Brandon and that Brandon was "prolific." Asked whether "prolific" meant Brandon was dealing with leaks of information, Haig implicated Hoover by saying the former FBI director "felt these were significant reports." To Haig, however, "some of them were hardly that." So if errors had been committed, it was Henry's fault—or Hoover's.

According to former FBI Assistant Director William Sullivan, Haig came to the bureau on eight or more occasions to read wiretap logs before they went to the White House. Haig was asked by the senators whether anyone, other than Mr. Hoover, might be using the taps for political information. Haig responded with an example designed to close off the questioning. He recalled being called to the bureau by an "excited" Sullivan to look at a specific report. "I felt it did not involve a national security matter but rather a criminal matter, and I told Henry about it. I suppose that could have been used effectively. It has not been. And that was a very inviting thing to do if you were thinking in terms of partisan exploitation. It has never been divulged, but it was a fairly significant thing and would be even today. I am sure a report went to the President on that because I felt that the bureau savored it."

That answer, implying that some Democrat had been overheard plotting a criminal act (though the information was never used—why not?) was enough to still any further questions on that subject. Haig was never asked what the tap involved. A recent check with the House Judiciary Committee, which had access to all FBI reports from the same wiretap program, failed to turn up any indication that such a report of "a criminal matter" was ever made.

The senators pressed Haig about his role in a 1969 Nixon White House effort to counter facts in an upcoming Clark Clifford *Life* magazine article which was learned of through the tap on Halperin's home phone. A White House memo at that time suggested Haig be contacted to get a "preliminary scheme" put together. Haig said he was not "aware of that use of this information." Haig was not asked why that particular memo, as supplied by the White House to the Senate Watergate Committee, had been doctored so as to exclude any reference to him.

Haig's testimony differed in several respects from Kissinger's. The most interesting difference was over the question of what national security value was derived from the taps on Halperin and Lake when they were working for Democratic candidates. Kissinger testified he received no reports after May 1970 except for one involving a still-employed assistant. Haig, on the other hand, said he had an "impression" that Kissinger *had* learned something, but he cautioned, "I cannot speak for Henry. . . ."

Haig's involvement in the tapping program, now that the impeachment issue has been shelved, needs clarification, as well as another aspect of his activities stemming from that program.

In April 1973, Haig, then army vice chief of staff, appeared in uniform at the trial of Daniel Ellsberg. He was to counter the testimony of Halperin, who had appeared on behalf of Ellsberg. Outstanding at the time of Haig's appearance was the trial judge's order that the government turn over any wiretaps on Ellsberg and those of his consultants, of whom Halperin was one. Haig had not only reviewed the Halperin tap when he, Haig, was on Kissinger's staff, but he also was probably aware of Ellsberg's calls picked up from the tapped Halperin phone. Furthermore the Halperin tap at that time had to have been on his mind. Just two months earlier, in February 1973, *Time* magazine published a report on the tapping program, which the White House falsely denied. One month later the taps were again front-page news when acting FBI Director L. Patrick Gray was asked about them in his confirmation hearing.

On the stand at the Ellsberg trial, Haig coolly attempted to discredit Halperin's prior testimony by stating the former NSC aide never had access to the most sensitive information on the Vietnam negotiations. This was not the first time Haig had shown interest in the Ellsberg case. In December 1971 he sent a memo to Ehrlichman citing information he had received that Ellsberg planned to use his trial as a political event. Haig wondered "if it wouldn't be the better part of wisdom to seek to have the trial delayed until after November" and the presidential election.

During Judge Sirica's inquiry on December 5 and 6, 1973 into the missing White House tapes and the 18-minute gap on the conversation between Mr. Nixon and Mr. Haldeman, Haig testified on how the tapes had been handled. His assistant had immediate charge of their security, but Haig controlled the key to the vault. Haig's initial testimony supported stories put forward on how the erasure took place. At first, under friendly questioning from White House lawyer Leonard Garment, Haig recalled that he learned of Rose Mary Woods' "accidental" erasure around midday, October 1, 1973. In later cross-examination Haig changed his story: the accident "probably occurred during the morning" of October 1. Testimony from technicians proved that the machine that did the erasure did not reach Miss Woods until the early afternoon of October 1, thus throwing Haig's testimony in doubt.

How much was Haig involved in efforts to keep the tapes from becoming public? And in what way were his actions just "an extension of Richard Nixon"? Less than a month after Haig replaced Haldeman as White House chief of staff, Haig, according to a June 4, 1973 White House tape, was urging the President to attack former White House counsel John Dean, calling Dean a "son-of-a-bitch" and agreeing that Haldeman could handle any problem associated with the famed March 21, 1973 conversation between Dean and the President.

In late September 1973, it was Haig who arranged for Miss Woods to go to Camp David to type up transcripts of the tapes, assisted by Nixon aide Steve Bull. When Bull was unable to locate two of the subpoenaed conversations, it was Haig to whom he passed on that information.

Early the following month it was Haig who went to Sen. Stennis to ask that Stennis serve as a verifier of the tapes, in a plan that eventually led to the dismissal of Special

Prosecutor Archibald Cox. Haig, according to Stennis aides, never told the Mississippi senator that any tapes were missing. In November 1973, at the height of the White House campaign to have Mr. Nixon overcome his critics by telling the "truth" with "operation candor," it was Haig who took responsibility for withholding from the President the news that there was a gap on one tape. Mr. Nixon assured GOP governors that day there were no more bombshells coming. It was also Haig who suggested to a group of congressmen that former Attorney General Elliot Richardson may have been drinking during negotiations that led up to the Cox firing. And in early 1974, it was Haig who gave Sen. Hugh Scott and others a selective version of the March 21 Nixon-Dean conversation that Haig claimed proved the President's innocence.

In 1971 then CIA Director Richard Helms asked the American people to recognize that in the case of some high-ranking government officials such as those associated with CIA, "the nation must to a degree take it on faith that we too are honorable men devoted to her service." Is Haig, too, to be taken on faith, by the Congress, by the public, by NATO? It would be better to have a full accounting from him of his past conduct. The Senate Armed Services Committe has the responsibility to order that accounting.

OCTOBER 7—"CHILD HEALTH DAY"

HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CAREY of New York. Mr. Speaker, today, October 7, is Child Health Day—an important event for all of us.

In this Nation where children represent 40 percent of our population and all our hopes for the future, it is fitting that we all give pause and reflect on the importance of such a day.

Despite the fact that we as a nation pride ourselves on the medical strides we have made—we still fall short of insuring that every child born in America has an equal chance for survival, growth, and ultimately the chance to contribute to the betterment of society.

It is shocking to realize that there are up to 10 million of our nearly 14 million children ages 1–4 who are not protected from preventable diseases. They are not protected despite the fact that it costs only 17 cents to immunize a child against diphtheria or $1 to protect a child against rubella.

It is equally jolting to realize that this year alone we will see 200,000 American children born with birth defects.

Good health care for our children is essential. There is no way to cut corners to save a little money in children's health care matters and still insure every American child a decent, healthy, and productive life. We must, therefore, maintain the important goal of insuring that every child is afforded the best possible health care and that we as a nation are committed to solving the health problems in childhood which have still not been conquered.

On this first Monday in October which has been set aside by Presidential proclamation for Child Health Day, let us give thanks for the health of our own children and again publicly voice our commitment to insuring the best of health for every child so that one day the tragedies of birth defects, high infant mortality and other heartaches will no longer touch families in our country or in any land around the world.

REGIONAL PLANNING RESPONSIBILITIES OF THE PROPOSED URBAN AFFAIRS COMMITTEE

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. BADILLO. Mr. Speaker, my colleagues are aware of my intention to offer an amendment to House Resolution 988 to create a standing Committee on Urban Affairs in the House. This committee would be responsible for undertaking a regional approach to problems and concerns of urban and suburban areas, the need for which was pointed out in an article by Erie County executive Edward V. Regan which I inserted in the CONGRESSIONAL RECORD on August 20, 1974.

Mr. Regan said in part:

> The counties of the nation are seriously hindered in doing their jobs by the lack of a single, rational federal policy addressed to the problems of modern urban/suburban—that is, regional—government. The federal government simply isn't sure which local governments are supposed to perform which functions. Consequently, federal monies are handed out haphazardly and problems are attacked from all directions at once, resulting in more sound and fury than progress. . . . Whenever "urban" problems are mentioned, the discussion centers around the city and the mayor. Yet, the urban area has spread far beyond the city's boundaries. Urban problems are really metropolitan problems. In many areas, the voters have moved out to the suburbs and political clout has moved along with them. . . . The federal government talks about cities out of force of habit while it really has no idea which local governments are supposed to solve which problems.

Mr. Regan has accurately assessed the confusion in Federal policy and activities affecting local units of government. I advised the Erie County executive of my proposal to establish an Urban Affairs Committee in the House with the responsibility for a comprehensive overview of regional concerns, and I was pleased to receive his endorsement of the amendment in a letter in which he reaffirmed the need for change in the Government's urban and metropolitan policy. I include Mr. Regan's letter at this point in the RECORD:

> COUNTY OF ERIE,
> *October 2, 1974.*
>
> Hon. HERMAN F. BADILLO,
> *Member of Congress, House of Representatives Washington, D.C.*
>
> DEAR REPRESENTATIVE BADILLO: Thank you very much for inserting a copy of my article in the Washington Post. I very much appreciate your kind remarks.
>
> There is no question that the Federal government needs a clear, consistent urban and metropolitan policy. Last weekend I attended a conference in Washington sponsored by the Office for Management and Budget and the National Academy for Public Administration where this whole topic was explored in depth by top Federal and local government officials. There were many tales told of misdirected funds, wasted energies and of the enormous intergovernmental barriers thwarting our mutual task of improving the quality of life for our citizens. These conferences will continue during the coming months and it is hoped that some form of national metropolitan policy can be agreed upon by the conferees.
>
> This clearly is a subject for Congress to closely monitor. Policy is gradually being set but the policy-determining voice of Congress is not being heard. I strongly urge you to pursue your goal and I hope I may be of some assistance in helping you succeed.
>
> Sincerely,
>
> EDWARD V. REGAN,
> *County Executive.*

Mr. Speaker, I have concluded that a standing committee charged with regional planning might well develop imaginative legislative proposals in areas such as housing, mass transit, and environmental protection, but that it need not have exclusive jurisdiction over subjects assigned to other standing committees under the pending reform plans we are debating in the House.

Consequently, I have revised the wording of my amendment to that effect and insert it in the RECORD at this point for clarification:

> AMENDMENT TO HOUSE RESOLUTION 988
> OFFERED BY MR. BADILLO
>
> Page 20, after line 6, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):
>
> "(u) Committee on Urban Affairs, the legislative jurisdiction of which shall include—
>
> "(1) Public and private housing.
>
> "(2) Urban development.
>
> "(3) Urban mass transportation.
>
> "(4) Relocation assistance.
>
> "(5) Regional planning for urban affairs, including environmental protection, economic development, residential patterns, and other matters which have a related or simultaneous impact on a large metropolitan center and adjoining suburbs or nearby cities and towns.
>
> In addition to its legislative jurisdiction under the preceding provision of this paragraph (and its general oversight functions under clause 2(b)(1)), the committee shall have the special oversight functions provided for in clause 3(g) with respect to urban planning and the impact of government programs on major urban centers.
>
> Page 25, add a new section beginning on line 17:
>
> "(g) The Committee on Urban Affairs shall have the function of reviewing and studying, on a continuing basis, all laws, programs, and Government activities having a substantial impact on major urban centers.

REALISTIC FULL EMPLOYMENT CAN STOP INFLATION

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. HAWKINS. Mr. Speaker, since one of America's greatest enemies, presently, is the killing effects inflation is having on all of our people, I would like to insert my latest district newsletter into the CONGRESSIONAL RECORD. I believe that the articles in the newsletter are paricularly pertinent to our struggle against inflation, because the newsletter theme deals with some realistic solutions to the inflationary spiral. A major feature in the newsletter is the Equal Opportunity and Full Employment Act of 1976, introduced in the House by Congressman HENRY REUSS and me. The article on the Full Employment Act definitively explains the act, and can be a useful explanatory guide to my honorable colleagues in the House and their constituents.

The newsletter follows:

NEWSLETTER OF CONGRESSMAN AUGUSTUS F. GUS HAWKINS

COST OF LIVING TIED TO WORLD FOOD CRISIS

When the average American discusses the cost of living crisis, any key to this discussion is the price of food. Exorbitant meat prices have caused a drastic reduction in the dinner table appearance of steak, rib roasts and other choice meat cuts; high priced milk, cheese, eggs and related dairy products are cautiously purchased; and bread prices which are still not stabilized, necessitate some degree of conservatism in their purchase.

Prices have risen some 5.8 percent per year since 1969; all predictions are that this rate will probably continue for the next five years. This means that the 1969 dollar, which bought 100 cents of goods and services in that year, now buys 75 cents worth today, and in 1979 will probably only buy 57 cents worth. The dollar then in 1979 will only be worth a little more than half of what it was worth in 1969. (Food for a family of four now costs about $54.40 per week, in 1979 the price will be approximately $80.50 per week).

Adding to these very serious matters, some food experts are quietly discussing the coming world food crisis. (Some experts say that the crisis is already here!) What apparently is happening—is that the great producers of world food supplies, which includes the United States, are realizing that they are facing a greater world demand for food than they are capable of delivering. The world competition for food, is causing shortages of certain foods, and the resultant drastic increase in food prices.

World markets for example are waiting to see if the predicted bumper United States wheat crop reaches its expectations. If the United States crop comes in at 2.2 billion bushels, 30 percent more than the record 1.7 billion bushels in 1973, then the United States will have available wheat to export. If the United States crop does not reach its expected high levels, severe competition for United States wheat will not only be felt here at home, but in famine-ridden Asia and Africa, in the Soviet Union, and other grain eating nations. (And bread could reach the 1973 prediction of one dollar a loaf in American supermarkets.)

The American family will once more experience the effects of world competition for domestically produced food products, including shortages and higher prices; therein lies the great dilemma, and the end is not in sight.

CONGRESSMEN AUGUSTUS F. HAWKINS AND H. REUSS INTRODUCE FULL EMPLOYMENT BILL

Sixty members of the House of Representatives have joined Congressmen Augustus F. Hawkins and Henry Reuss in sponsoring a comprehensive, Federal job guarantee bill which will reduce inflationary shortages and bottlenecks, help fight inflation and eventually raise the number of paid jobs in America to an estimated figure of over 120 million within a period of five years.

Among the major cosponsors of this measure, "The Equal Opportunity and Full Employment Act of 1976", H.R. 15476, are three chairmen of important congressional committees: Congressman Wright Patman (Tex.), Banking and Currency Committee and Joint Economic Committee; Congressman Carl Perkins (Ky.), Education and Labor Committee; and Congressman Peter Rodino (N.J.), Judiciary Committee.

The bill has been referred to the Education and Labor Committee's Subcommittee on Equal Opportunity. Mr. Hawkins, Chairman of the Equal Opportunity Subcommittee plans preliminary hearings on the measure this Fall. These hearings will cover issues of full employment and the emergent concerns regarding public service employment.

The essence of the bill is a government guarantee of individual job rights.

This personal right of every adult American to guaranteed employment as stated in the bill, is protected by eight major provisions:

(1) a clear definition of full employment as useful and rewarding employment for all adult Americans able and willing to work.

(2) the creation of local Reservoirs of Public Service and Private Employment Projects.

(3) the creation of a Job Guarantee Office able to fund public and private work projects.

(4) a Standby Job Corps in which qualified job seekers may be temporarily placed.

(5) a requirement the President annually submit to the Congress, a nationwide Full Employment and Production Program to assure an adequate demand for labor.

(6) an expanded role for the Congressional Joint Economic Committee in reviewing the Full Employment and Production appropriations.

(7) a newly formed National Commission for Full Employment Policy Studies, would study and evaluate full employment machinery in order to promote the maintenance of genuine full employment.

(8) the opportunity for an appeal to an appropriate U.S. District Court by any person who feels deprived of his or her job rights.

A major impact of the new bill would be to sharply reduce the extent of substandard wages throughout the country. This is the single largest step that could be taken to eliminate poverty. It would tend to improve the wages, salaries, working conditions, work schedules, career opportunities and productivity of the vast majority of all employed people—blue collar and white collar, technical and professional.

In 1972, almost 97 million people worked for pay during that year. The growth rate for the period 1944-72 has been approximately 1.5 million a year.

Under the Equal Opportunity and Full Employment Act of 1976, this growth rate would probably double—and in 5 to 7 years the total number of job holders per year could reach 120 million.

This would mean providing full and part-time productive jobs not only for most of the officially unemployed, but also for many able people now on welfare and for still larger numbers of women, older people, younger people and ethnic minorities who are underemployed, non-employed or not even included in the so-called "labor force."

HAWKINS PUSHES FOR FULL EMPLOYMENT AT URBAN LEAGUE CONFERENCE

Following is a condensed version of remarks included in a speech to the National Urban Conference in San Francisco, July 29, 1974 ... the introductory remarks are omitted:

The disinclination of liberals to concentrate on a limited number of issues at a time results in frustration and fruitless efforts.

Under currently existing economic conditions and irrational policies, we are forced into unifying our efforts behind a basic, comprehensive, and unifying program such as full employment and full production.

Such policy is, in the words of Leon Keyserling, (the) "essential underpinning for all other economic and social goals ... redistribution of income, reduction of poverty ... (meeting) our domestic needs in ... housing ... medical services education ... social security ... transportation, etc."

Full employment, however, does not mean "tolerable levels of unemployment" whether 2%, 6%, or any other percentage.

With the introduction of H.R. 15476, we defined full employment as a situation under which there are useful and rewarding employment opportunities for all adult Americans able and willing to work.

Thus full employment is defined as a human right to be lawfully enforced and safeguarded as we would free speech or freedom of religion.

We must reject a trade off of jobs for so-called price stability.

Any thought that by creating more poverty, filth, disease, crime and unemployment we will solve our economic problems is unsound economics and bad morality.

We must look more deeply for the causes of inflation. Such major contributors, for example, as high interest rates, monopolistic price fixing, and decreasing productivity ... are seldom touched on by those obsessed with the notion of fighting inflation by creating unemployment.

H.R. 15476 provides machinery for translating the job guarantee into reality. Jobs in the private sector are encouraged but when suitable opportunities are not provided, public works and public service jobs must be made available ... or the job applicant must be placed in a standby Job Corps until permanently employed.

Thus, the government is obligated to save human beings from economic disaster through comprehensive economic planning in no less ways than protecting the banks, saving the railroads, and helping corporate giants.

Under H.R. 15476 both the President and Congress are obligated as a joint responsibility to insure full employment. The President in his economic reports is required to submit a detailed analysis of economic trends and recommendations to deal with them and to undertake necessary policies. In turn Congress must review and monitor the reports and economic conditions. If there is disagreement between the Congress and the President, then congressional action must be instituted.

While H.R. 15476 involves monetary and fiscal policies, price stability, balance of payments, and business promotion as factors of economic planning . . . we have chosen to emphasize the human aspects as a strategical move in order to ensure the bill being referred to a favorable committee, the Education and Labor Committee specifically.

What remains now is to mobilize public support. The target date for enactment is 1976. Field hearings are planned in all regions of the country throughout 1975. Formation of a National Citizens Committee is contemplated.

Fundamental to success is our adaptability to the dynamics and demands of coalition politics. That is, the building of a broad base of support representing not merely minorities but middle America as well.

Successful coalitions were put together during the early New Deal days and in the Kennedy-Johnson era. An outstanding example was the March on Washington in

1963 which resulted in winning the Civil Rights Act. We must now revive the spirit and sense of direction that these efforts achieved.

Full employment is comprehensive and broad enough to attract support not only from ghettos and barrios, from the fields, factories, and mines, but from Middle America as well.

From small farmers and businessmen, professionals, and hard hats, from citizens weary of crime, rising prices, insecurity, and social instability.

The Noisemakers who preach hatred and separatism should no longer be allowed to divert us into fruitless action. Let us leave to them the headlines while we concentrate on getting results.

THE WORKINGWOMAN—A NEW RELEVANCY

Within the short span of ten years, the question of women's equal employment rights has moved from almost total obscurity to great prominence in American society. Ironically, this accelerated vigor has come directly out of the Civil Rights struggle. When the Congress passed Title VII of the Civil Rights Act of 1964, employers could no longer legally discriminate in employment because of race, color, religion, national origin—or sex!

But passing laws, and changing long instituted patterns of discriminatory behavior are two different things.

The President's 1973 Economic Report examined 200 job categories for the years 1950–1970; with rare exception, despite the significant increase of women in the labor force, most of the typically "masculine" professions and trades still employed few women.

The Report further indicated that of the 32 million working women—12% were found typing, 6% cooking, cleaning or working in private homes, 4% keeping books, 4% teaching elementary schools and 3% waiting tables. In terms of corporate positions, only a paltry 3% of women in the labor market were represented as managers or administrators. (A ratio of 600 males to every female!)

Even the Congress, which should be in the forefront of developing female leadership, has an extremely conservative record in terms of its female representation—the 16 women Representatives make up 3% of its total membership of 435 members.

There are of course other factors, which further complicate this problem. In spite of male antagonism to the working women, more women are working than ever before. In 1920, 23% of American women were working; in 1974, the figure ranges from 40–45%. "Work" for women however, generally means menial, low paying and dead-end jobs. It also means being presently paid, for full-time employment, at a rate of some 57% of the earnings of the average man. (In 1955, the median earnings of full-time employed women were 64% of the earnings of men!)

Even the definition of "work" has caused problems for women. In 1963, when Congress passed the Equal Pay Act, its goal was to direct employers and labor organizations to legally recognize and act upon the concept of equal pay for equal work. The law was immediately challenged in the Nation's courts; the issue was the question of defining "equal work." The courts have generally ruled in favor of the working woman, by taking the position that specific jobs need not be identical, but that they must be substantially equal in skill, effort and responsibility in order to satisfy the requirements of the Equal Pay Act.

All of the myths about working women notwithstanding—women are a formidable factor in the economic life of the country, as the following factors indicate:

Women average about the same time for sick leave as men

Women are 51% of the population and 40–45% of the work force

Women work because they must (either to support single family units or supplement family income)

Seventy-five percent of the adult female population will be gainfully employed at some point in their lives

Women's absentee rates are the same as men's

Obviously women need to be (and want to be) hired on the basis of ability, training and qualification, and besides—it's profitable!

HIRING THE UNEMPLOYED THROUGH PUBLIC SERVICE EMPLOYMENT

A few months ago, when Mr. Nixon was still President, he predicted that there would be no recession in the United States in 1974, and that the economy as a whole would prosper. Quite a rosy picture!

I would like to have believed this prediction; but since even the ex-President's most trusted lieutenants hedged their bets, I think most Americans tended to ignore the former Administration's rhetoric and watched the Nation's economy. To their dismay, the econnomy worsened with each passing week.

Unemployment will continue to increase this year. The major dispute centers around the extent of the increase. The jobless rate was 4.9 percent in 1973; it is 5.5 percent now, and will probably rise to 6.0 percent or more before the year is completed. (In the 1971 recession it was 5.9 percent.) Even if 4 percent unemployment were "full" employment, which definitely is not true, obviously we are in severe trouble now. So much so, that several government economists want to push the 4 percent unemployment rate to 4.6 percent as the "full" employment guideline.

Some critics sarcastically observed that since the ex-President was unable to produce "full" employment, he wanted to redefine it. At any rate, unemployment is still rising and it appears that this condition will continue throughout most of 1974.

Another most interesting question is—Are we in a period of recession? If we agree that a recession is a period of at least six months of actual decline in the real level of productive activity—then we are in a recession.

The former President's Council of Economic Advisors has predicted a $102 billion dollar gain in the Gross National Product for 1974. The G.N.P. in 1973 was $1,390 billion dollars. The predicted gain is more apparent than real, since real growth for 1974 will be about 1 percent, and 7 percent in inflation, as compared to 1973, when real growth was 6 percent and the inflation rate was 5.3 percent.

The obvious conclusion is that solid real growth, which undergirds economic expansion, new jobs and profits, is definitely receding, at a rate more rapid than the former Administration wanted to admit, and is a significant turning point for concern when one examines American economics of 1973 as against predictions for 1974.

An examination of where this deplorable situation is going to lead the average working American is exasperating. It is exasperating because there is no present relief in sight in the upward spiraling of the cost of living. Prices have continued to out-pace the pay envelope. Recent U.S. Department of Labor Statistics indicate that even wage increases for 1973 were not much of a leveler in the inflationary spiral; wage increases just could not keep up with galloping inflation. Real hourly earnings fell 1.9 percent and real average weekly earnings dropped 1.5 percent.

There are some solutions if the new Administration moves quickly. In fact, it is imperative that remedies be instituted now, to ward off the disaster that appears to be coming.

For example, Congress needs to reconsider its posture on Public Service Employment; the Comprehensive Manpower Act passed in 1973, needs to have its limit of 200,000 public service jobs increased to at least the 1.5 million figure which my Public Services Bill contained.

If this increase was to occur, then exasperated public officials would not be faced with resolving major unemployment crises in their communities, with the small Federal allocation of public service jobs awarded their cities in 1974. (Some cities with unemployment at the 12.9 percent figure, have had as little as a dozen public service jobs to provide "employment" for their rising jobless populations.)

Additionally, employment problems are always more severe for Blacks, other non-Whites, youth and women; the unemployment rate for Blacks in some cities in 1973 for example, tended to be 50 percent higher than the average for White workers.

Presently there is about $620 million available for the nationwide public service employment programs; the optimum number of unemployed persons who will receive training assistance from these funds is approximately 95,000. (A small number, considering the unemployment rate!)

Public service employment would help revitalize the economy of many local communities; it would also serve to assist local communities resolve manpower and service problems in such vital fields as health, education, sanitation, crime prevention, community development and environmental control.

It is certainly not too late to rectify the dangers inherent unbridled unemployment; Congress and the new Administration need to act now.

JOBS! JOBS! JOBS!

EMPLOYMENT, JULY 1974[1]

	Number of persons (millions)	Percent
Total employed	86.3	
Total unemployed	4.9	5.3
Married men		2.6
Household heads		3.0
White workers		4.8
Adult men		3.5
Adult women		5.2
Teenagers		16.2
Black adults		9.4
Black teenagers		35.3

[1] U.S. Department of Labor Bulletin 74-416.

NIXON YEARS RUINOUS TO ECONOMY

In comparison to four previous presidential administrations (see accompanying chart developed by noted economist, Leon Keyserling), the Nixon Administration's economic policies have been ruinous to the Nation's growth.

Mr. Keyserling recently completed a study which graphically depicts the downward turn of the country's economy under Nixonomics. Overall, the country's best years in recent times, were under the Truman Administration, where employment was high, the average annual growth was high and inflation was low. Keyserling notes as an example that "the record under the Truman Administration completely refutes the guiding practice of the Nixon Administration, with high unemployment, stagnation, and recessions deliberately contrived in a futile effort to contain roaring inflation."

U.S. ECONOMIC PERFORMANCE, UNDER VARIOUS NATIONAL ADMINISTRATIONS WITH VARIOUS APPROACHES TO NATIONAL ECONOMIC POLICY [1]

[In percent]

	Real average annual economic growth rate	Average annual unemployment (full time)	Unemployment		Average annual inflation	Inflation rate (C-P-I)		Average annual surplus or deficit, Federal budget (fiscal years, billions)
			First year	Last year		First year	Last year	
Truman, 1947-53 [2]	4.9	4.0	3.9	2.9	3.0	7.8	0.8	+$2.4
Eisenhower, 1953-61	2.4	5.1	2.9	6.7	1.4	.5	1.2	-2.3
Kennedy-Johnson, 1961-69	4.8	4.7	6.7	3.5	2.6	1.1	5.4	-6.4
Nixon, 1969 to 1st quarter 1974	3.0	5.0	3.5	[3] 5.2	5.6	5.9	[4] 13.3	[5] -10.8

[1] To allow for momentum effects of policies, the first year of one administration is also treated as the last year of the preceeding administration.

[2] 1946-47 not included because greatly affected by transition from World War II.

[3] 1st quarter 1974.

[4] December 1973-March 1974 (annual rate).

[5] 1969-74. 1974 estimated.

Source: Economic Reports of the President, and Economic Indicators.

PRICE OF POTATOES RISES 225 PERCENT IN 5 YEARS

In the first quarter of 1974, prices rose at an annual rate of 14.2%. In the second quarter of 1974, prices rose 10.9%.

The GNP (Gross National Product), which reflects the nation's total output of goods and services, declined 1.2% in the second quarter of 1974; it declined at the rate of 7% in the first quarter. Some experts say that a recession exists when the GNP declines for two consecutive quarters.

Commerce Secretary Dent states that the country is experiencing an "energy related spasm", not a recession.

Economic Counsel Kenneth Rush observes that the two quarter GNP decline is a "fluke".

However the wise economists define our present declining economic circumstances, the average American worker cannot make an average profit of 20% on his investments (as five American banks recently reported), because the average American has very little to invest in other than his mortgaged house, and his overly financed automobile.

His major investment is in his good health—and the good health of his family.

His main concern is survival, and when he checks his average expenses for daily survival these days—the quality and manner of his survival is a highly debatable subject.

How high have prices risen—in just the ordinary things needed by most families to live in minimal comfort?

Here are some price increases (by percent) in everyday items, which reflects the beginning of Ex-President Nixon's administration (1969) to the present:

Percent rise from 1969-74

Item:	*Percent*
Bread, white	54
Hamburger	64
Frying Chicken	35
Milk, fresh	48
Potatoes	225
Tomatoes, canned	42
Property Taxes	37
Domestic Services	52
Baby-sitter services	46
Boy's dungarees	42
Drycleaning	26
Auto repairs	40
Local transit fares	32
Plane fares, coach	38
Indoor movie admission	41
Cigarettes, king filter	31
Drawing short will	62
Physician, office visit	39

GOODBY TO NO. 44

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CHARLES H. WILSON of California. Mr. Speaker, just mention the name Jerry West and one automatically thinks of basketball greatness. Many a Los Angeles Laker playoff game was settled by the final clutch shot of Jerry West. He was a living example of what the ancient Greeks defined as excellence: "Grace under pressure."

In announcing his retirement as a player October 3, Jerry said he felt he no longer could play the game he wanted to play. He went on to state very wisely something that is true for every person:

> If you sacrifice your standards, you're not being honest with yourself.

West spans the era of exciting NCAA playoffs in the late 1950's as a West Virginia University star, to the Minnesota Lakers which later moved to Los Angeles, to the basketball of today with young budding players such as Bill Walton and Moses Malone. West's former teammates included superstars Wilt Chamberlain and Elgin Baylor.

Commonly referred affectionately as "Zeke from Cabin Creek," Jerry West left his mark on the record books: Third highest scorer in the NBA with 25,192 points; NBA high single game scoring record for a guard with 63 points; the 1969-70 individual scoring champion with a 31.2 average; most career points in playoff history, 4,457; and the single season mark of 562 in 18 playoffs in 1970. Thus, quite appropriately, the Lakers retired jersey No. 44.

Mr. Speaker, I know I speak for my colleagues in the House of Representatives in commending Jerry West for his contribution to basketball, and we wish him well in the years ahead with the excellent Laker organization.

THE REAL CAUSE OF INFLATION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. CRANE. Mr. Speaker, if we are sincere in our concern over inflation and in our desire to reverse the trend of the recent past it is essential that we understand its cause.

Unfortunately, Americans tend to misunderstand the economic facts of life and part of the reason is that men in public life tend to simplify and distort such realities in an effort to provide voters and potential voters with benefits the Nation cannot afford at the same time that they are told that the economy is sound.

Thus, we increase benefits to a variety of special interest groups—teachers, veterans, farmers, welfare recipients, businessmen, workers, et cetera—by spending money we do not have, resulting in the creation of artificial dollars which lower the value of the existing currency. Inflation is caused by Government's artificially increasing the supply of money in order to cover the deficits in spending.

In an article concerning "The Cause Of Inflation," Anthony Harrigan, executive vice president of the United States Industrial Council, notes:

> Runaway inflation is something that all Americans can understand. They don't need any high-flown economic analysis to tell them that their dollars are buying less, that their savings are worth less. But the American peolpe need a better understanding of the cause of inflation. It is excessive government spending.

Mr. Harrigan's prescription for the current inflation is the following:

> The American people must demand that the Congress adopt, as a permanent rule, that federal expenditures shall not exceed federal revenues. If that rule isn't adopted, the American standard of living will deteriorate until it is on a par with the wretched, dependent nations of the world.

In a thoughtful essay in the Wall Street Journal, Prof. David Meiselman of the department of economics at Virginia Polytechnic Institute and State University, ties the current inflation to the artificial increase in the money supply.

Dr. Meiselman declares:

> The increase in the ratio of money to output has been the result of sharp increases in money rather than decreases in output.

His prescription includes a system of freely floating rates in a free market rather than fixed exchange rates. He writes:

> The system of freely floating rates is a free market in foreign exchange with the well known merits of other free markets, but the added virtue that it breaks the link between the balance of payments and the stock of money. Under floating rates there is no central bank price fixing or other intervention in foreign exchange markets . . . Inflation abroad need not be imported, nor can inflation-creating money be exported if other countries are unwilling to monetize balance of payments deficits.

I wish to share these two important analyses of our current economic difficulties with my colleagues. These pieces—"The Cause Of Inflation" by Anthony Harrigan and "International Inflation Tied To Fixed Monetary Exchange Rates," by David Meiselman in the Wall Street Journal of September 13, 1974, are inserted into the RECORD at this time:

THE CAUSE OF INFLATION

(By Anthony Harrigan)

Runaway inflation is something that all Americans can understand. They don't need any high-flown economic analysis to tell them that their dollars are buying less, that their savings are worth less.

But the American people need a better understanding of the cause of inflation. It is excessive Government spending.

Thus curbing inflation means reducing government spending, eliminating wasteful federal and state programs, postponing prestige projects, and generally tightening the nation's belt.

It won't be easy or painless to deal effectively with inflation. The "now" generation will have to learn to make do without things it has learned to expect. Communities will have to set aside plans for programs and projects they very much desire. The American people, in other words, will have to learn to "take their medicine."

The country is in trouble because many Americans have been ignorant about how their economy works. They have demanded things before they could afford to obtain them. They have lived beyond their means. They have called on Big Government to meet all sorts of demands irrespective of the public's inability to pay for what was wanted. Americans have placed unreasoning faith in Big Government to solve their problems and guarantee perpetual prosperity. Now the nation has arrived at a day of reckoning.

Sen. Harry F. Byrd Jr. of Virginia has rightly said: "Massive deficits in the federal budget are the chief cause of inflation." He has pointed out that "the high deflicts which the government has been running have pushed the national debt up to $475 billion." Government borrowing, he noted, makes it extremely difficult for the average citizen to get funds to buy a house or a company to acquire money for expansion.

One of the roads out of the inflationary morass is expansion of manufacturing facilities which can turn out more goods at lower prices. But business finds money for expansion difficult to obtain. With government spending on the rise, prices go up. And up. And up.

Yet the liberal-union coalition in Congress persists in pushing for expanded federal programs. Sen. Byrd has pointed out that the Senate approved a bill that included "an increase of one billion dollars (from $3 billion to $4 billion) for food stamps, a program which has increased a hundredfold in cost since its inception in 1966." Is it any wonder, therefore, that food prices are going up and that working Americans find themselves in a bind?

The country also continues to waste about $10 billion a year on foreign aid. Most recently, Congress approved a new contribution of $1.5 billion by the United States for the International Development Association—for the same countries which have squandered scores of billions of dollars in U.S. taxpayer funds since the end of World War II. Then there are those who want the government to subsidize trade with the Soviet Union. They want the government to borrow money from the American people at 8½% and lend it to the Soviets at 6½%. The spenders just never quit trying to give away taxpayer dollars!

With billions being distributed in handouts in every form—from food stamps to foreign aid—it is no wonder that inflation is going like a house afire. In this situation, the hope of the country lies in the renewed common sense of the people—in their determination to support officeholders who vote to restrain government spending.

The United States, once and for all, must reject the political patent medicine of federal economic controls, more printing press money and massive deficit spending. The American people must demand that the Congress adopt, as a permanent rule, that federal expenditures shall not exceed federal revenues. If that rule isn't adopted, the American standard of living will deteriorate until it is on a par with the wretched, dependent nations of the world.

[From the Wall Street Journal, Sept. 13, 1974]

INTERNATIONAL INFLATION TIED TO FIXED MONETARY EXCHANGE RATES

(By David I. Meiselman)

The world-wide acceleration of inflation since 1973 resulted primarily from a speedup in the pace of monetary expansion throughout the world rather than from declines in output stemming from such oft cited events as the disappearance of anchovies off the coast of Peru or the operations of the OPEC oil cartel. To be sure, there was some reduction in the output of petroleum and chicken feed, which explains why these prices increased relative to other prices. Also, real GNP fell in the first quarter of 1974. But aggregate ouput in the United States and throughout the world is now higher than it was in early 1973 despite isolated examples of reductions in supplies of a handful of products. Thus the increase in the ratio of money to output has been the result of sharp increases in money rather than decreases in output. In the U.S. since 1971 both the narrow M–1 and the broad M–2 measures of money have been rising at the fastest rates since World War II. Not surprisingly, prices have also been rising at the fastest pace since 1946. Since Federal Reserve actions determined the quantity of money, the Fed rather than the fish in Peru is primarily to blame for our inflation woes.

Freed from foreign constraints by the 1968 two-tier gold arrangement and the 1972 closing of the gold window, the Fed has erred on the side of excessive monetary ease ever since.

For the nine major OECD advanced economies I have surveyed [in a study of the current inflation I presented at the recently held Conference on World-Wide Inflation sponsored by the American Enterprise Institute] which include Canada, Germany, Japan and Great Britain, over the three years of 1971 through 1973 the nominal quantity of money increased a staggering 56%, mainly as a direct result of their last ditch efforts to retard appreciation of their own exchange rates (the depreciation of the U.S. dollar) and to prevent the collapse of the Bretton Woods pseudo-fixed exchange rates system. They failed at both. To prevent the rise in the price of their own currencies relative to the dollar, foreign central banks purchased a huge volume of new money. Large German and Japanese surpluses required large-scale expansion of the volume of Deutsche marks and yens.

The episode was another illustration of the general proposition that countries with fixed exchange rates cannot effectively determine their own money supplies and thereby their price levels. The quantity of money typically becomes a by-product of the balance of payments, a small tail indeed to be wagging a large dog, especially for countries such as the United States where exports and imports are each only a small 8% of GNP. Through these and related mechanisms, the fixed rate system in recent years had become an engine of inflation, especially since deficit countries never effectively deflated, partly because they were able to borrow newly created reserves from the International Monetary Fund. In order areas, such as during the world-wide economic collapse of the early 1930's, adherence to fixed rates caused deflation by requiring monetary contraction by deficit countries. Deflation appears to have been ruled out by world-wide adherence to full employment policies which conflict with the tendency for monetary restriction to lead first to reductions in employment and output before later price reductions.

It was not until fixed rates and heavy central bank intervention were abandoned early in 1973 that these countries could gain control over their money. The subsequent events holds out promise for a slowing of inflation outside the U.S., but do not guarantee it. As we have seen, U.S. monetary independence has been used to hasten rather than slow inflation. The average annual rate of monetary expansion of 26% in the fourth quarter if 1972 was brought down to 5% by the fourth quarter of 1973. Countries such as Germany and Holland were actually able to reduce their money stocks, at least temporarily.

The system of freely floating rates is a free market in foreign exchange with the well known merits of other free markets, but with the added virtue that it breaks the link between the balance of payments and the stock of money. Under floating rates there is no central bank price fixing or other intervention in foreign exchange markets, no balance of payments surpluses and deficits and thereby no need for central banks to increase money in response to surpluses or to reduce money in response to deficits. Inflation abroad need not be imported, nor can inflation-creating money be exported if other countries are unwilling to monetize balance of payments deficits.

Only under floating rates can countries pursue independent monetary policies, including these leading to generally stable price levels. Proposals to use fiscal policy, tax and government expenditure tools under fixed rates to achieve internal stability and external balance are deficient because they lack long-term effects and their short-run impacts are either too undependable or too weak. Proposals for direct controls over capital movements or trade are essentially disguised devaluations with many undesirable side effects which impair personal freedom and reduce economic efficiency. Moreover, under fixed rates disturbances from abroad tend to be magnified rather than buffered, in part because they are generally amplified by the link to domestic money.

* * * * *

For post-Vietnam United States there are special hazards and dubious rewards to be derived from a special role as the world's monetary policeman, including the necessity to enforce rules of the fixed rate system of deficit countries, most of whom would regard the required deflation and economic slowdown as excessively harsh and unacceptable means to achieve balance of payments equilibrium. Conflicts with domestic policies and the diffusion of world economic and political power make it unlikely that the U.S. or any other country can ever be the 20th Century counterpart of the 19th Century Bank of England.

* * * * *

To become the world's central bank and maintain convertibility, the U.S. must effectively go through a large devaluation in order to accumulate the necessary foreign exchange to ensure the viability and credibility of the system. . . . the devaluation would lead to more U.S. inflation as we traded goods for foreign exchange. The alternative route is the current exchange rate but with unilateral U.S. monetary restriction and deflation. Neither would seem to be acceptable.

A return to fixed rates would renew the series of periodic speculative runs against world currencies which played an important role in the inflationary increase in the world money supply in the decade before the demise of the fixed rate system in 1973. Surplus countries would again be required to monetize speculative inflows to prevent appreciation and deficit countries would again beg and borrow newly created reserves to prevent or forestall devaluation.

MEDICAL CARE FOR THE YOUNG

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. YOUNG of Georgia. Mr. Speaker, since 1928, the first Monday in October has been recognized as Child Health Day. Today might be the occasion for speechmaking, were it not for the paucity of national commitment to the simple humanitarian proposition that the health of our children is a national priority.

For example, the 92d Congress passed the National Sickle Cell Anemia Research Act, authorizing the appropriation of up to $115 million over a 3-year period. To date, not 1 cent has been appropriated under this act.

Another example of such neglect was brought to light recently in an excellent article by Michael Edwards, appearing in the September 28 issue of The Nation.

THE CHILDREN ARE STILL WAITING

(By Michael D. Edwards)

WASHINGTON.—On January 2, 1968, President Johnson signed into law legislation requiring free preventive medical care for millions of poor children who seldom—if ever—see a doctor. Today, almost seven years later, most of those children are still waiting for the program to be put into effect. A poor child has only half the chance of a more affluent youngster to reach his first birthday. Children of poverty have five times more mental illness, seven times more visual impairments, six times more hearing defects, and three times more heart disease than do their more fortunate counterparts. They are America's forgotten children—the victims of a society which applauds rhetoric, but is slow to act.

Nowhere has this been more evident than in this program which mandates free screening, diagnosis and treatment for some 13 million children under Medicaid. It is a case study of how creative ideas and noble intentions are written into law, then lost in the bureaucracy, discovered again, and still not implemented.

The idea behind the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT) dates back to 1966, when Wilbur Cohen, then Under Secretary of Health, Education, and Welfare, began to push a simple concept: that it is far better for children to visit the doctor before they get sick. In that way, a potentially serious illness can be caught in its early stages.

While not fully committed to the necessity of bringing free medical care to disadvantaged youngsters, but convinced that the Cohen proposal could cut down welfare and Medicaid expenditures, President Johnson included references to such a program in a message to Congress on February 8, 1967. An economy-minded House Ways and Means Committee moved forward on the idea and added a provision to the Social Security Amendments of 1967, stipulating that to be eligible for Medicaid funds, the states had to provide preventive medical care for all eligible children under the age of 21.

The bill cleared Congress on December 15. And on January 2, 1968, President Johnson signed the measure—committing the federal government to assuring that free medical care would begin for these children by July 1, 1969.

But from then on, the Department of Health, Education, and Welfare, which is responsible for overseeing the program, moved about as fast as the Washington Monument. The eighteen-month interval between when the bill was enacted and when it was to be fully operational presumably gave even the slowest HEW employee time to draft the regulations under which the program was to operate. But July came and went; the regulations never appeared.

But for the persistence of the National Welfare Rights Organization (NWRO) and the late Rep. William F. Ryan of New York, the program might have quietly disappeared then and there, along with other dust-covered sections of the Social Security Act.

Their efforts apparently yielded some success in December 1970—three years after the law was passed and a year and a half after the stipulated starting date—when HEW Secretary Elliot Richardson announced that his department had finally drafted regulations "which would require state Medicaid agencies to spearhead the comprehensive planning necessary" to implement the nationwide program of preventive medical care for needy children.

Published in the *Federal Register* on December 11, 1970, these draft regulations were accompanied by a notice that interested parties had thirty days in which to comment. Presumably, following that deadline, the regulations would go into effect.

They didn't. It was only after another year had elapsed and NWRO had filed suit in federal court to force HEW to move that the department promulgated final regulations implementing the program—effective February 4, 1972.

That should have done it. Some 13 million poor children should have begun receiving the medical attention they needed and deserved. But, in keeping with the history of this program, it did not happen. Concerned by the very evident reluctance of both HEW and the states to live up to the law, the Congress directed that a financial penalty had to be imposed on those jurisdictions which did not meet the statutory requirements by July 1, 1974.

As might be expected, HEW did not meet this deadline. In fact, it was not until August 2 that the department even issued the regulations under which the penalty could be assessed. And federal officials candidly concede that, even under the best of circumstances, they will not be in a position to levy the fine and force full compliance until next year. And the best of circumstances clearly do not exist.

First, there is HEW's basic lack of resolve to carry out the law of the land. Not only has the department failed to see the necessity to meet Congressionally imposed deadlines; it has steadfastly refused to commit the resources essential to implement the program even when appropirate regulations had been issued.

Perhaps most indicative of this is the fact that the majority of officials responsible for administering the program have resigned. Now, there are only four people at HEW in Washington to administer a program which by HEW's own estimates should be reaching at least 13 million children. Nor is the situation any better in the field. There is an average of one staff member in each of the department's ten regional offices to oversee the performance by the states in this matter.

Moreover, even if the program had the eighty-to-100 staff slots it needs even to begin to carry out the law, the manner in which HEW has structured the program virtually prevents it from living up to its obligations to the country's poor.

The first obligation is to provide quality medical care. Yet the HEW regulations make almost no mention of the quality of care. The second obligation must be to identify the children who are to receive this care and to bring it to them. It simply is not sufficient to write a letter each year to each welfare family, letting them know that the program exists. There must be a dedicated and continuing effort to find these children and provide them with the services. And third, there must be an effort to establish the appropriate programs without penalizing the youngsters who should be benefiting from them. As the present penalty provision stands, states might find it economically more advantageous to take the 1 per cent penalty than to spend the money necessary to live up to the EPSDT guidelines. The only ones to lose in this situation are the children. Moreover, it is far easier for a state to be in compliance with the regulations under which the penalty can be assessed than it is to fulfill the language of the law itself. In other words, states might not be subject to the 1 per cent penalty, yet continue to violate the Medicaid law.

Congress had an answer to this when it first passed the EPSDT program in 1967—that any state that failed to provide these essential services would be denied any federal Medicaid money whatsoever. But no one at HEW or in the Congress proposes to use this remedy.

What this comes down to is a question of commitment and action. Each day that the government fails to make this program function is another day of sickness and suffering for the children of poverty. Harlem Rep. Charles Rangel put it this way: "One of the greatest tragedies in government is when it gives lip service to disadvantaged Americans, then promptly forgets them. We have seen this sham too often in the past and are now, unfortunately, witnessing it again."

And the children keep on waiting.

IT IS TIME WE STOPPED GIVING FERTILIZER TO SOUTH VIETNAM

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. LITTON. Mr. Speaker, I am convinced that the State Department is trying to pull the wool over the eyes of consumers, producers, and Congress by using "the back door approach" to giving massive amounts of fertilizer to South Vietnam at a time when we have fertilizer shortages in America and Congress has been trying to reduce economic aid to South Vietnam.

Recently, I revealed that the State Department through its AID program had given $66 million worth of fertilizer to South Vietnam in the past 3 months and an additional $10 million for shipping it there. The State Department refuted my statement by saying the fertilizer was not given to South Vietnam, but instead was sold to them.

Mr. Speaker, let me explain how fertilizer is allegedly sold to South Vietnam. First, it is bought by our State Department AID program and then it is sold to Vietnam importers who pay for it in South Vietnam currency called piasters which are in turn deposited in the National Bank of South Vietnam. These piasters are then spent, under mutual agreement of AID and the Government of South Vietnam on various South Vietnamese programs.

Mr. Speaker, you can call it a sale if you like, but it still amounts to a massive giveaway of fertilizer at a time when we have a fertilizer shortage in America. American taxpayers pay for it with their tax money, American consumers pay again through higher food prices, and American farmers pay through increased fertilizer costs and decreased food production.

AID has informed me that of the 185,000 tons of fertilizer shipped to South Vietnam under this program, 79,000 tons were purchased from other countries. An additional $25 million worth is to be given to South Vietnam in the next 3 months. If just half this much is given in the following 6 months, this will mean that 10 percent of our entire AID program for all the countries of the world will have been used up in giving fertilizer to South Vietnam.

Mr. Speaker, I have also been advised there will probably be a moratorium against such AID-financed American fertilizer giveaway programs next spring during the spring planting season in the United States; however, the Vietnamese planting season is such that they will not be needing it then. AID officials advised the members of the House Agriculture Committee earlier this year when such fertilizer giveaways were banned, but they did not advise us when the program was reinstated.

Mr. Speaker, as you know, Congress has time and again this year voted to whittle down the tremendously big economic and military aid to South Vietnam. The minute we turn our backs the State Department starts giving them something else; this time it is fertilizer which is in very short supply in America.

Today the House wisely voted in favor of House Joint Resolution 1131, the continuing resolution conference report, which provides funding authority for fiscal 1975 appropriations which have not yet been signed into law. I say wisely because included in this report is a Senate-added amendment which limits the amount of foreign assistance funds that can be used to procure fertilizers for and to provide fertilizers to South Vietnam. The limit established is $85,000,000 which is in excess of the $76,000,000 already spent, but substantially below that which the State Department apparently planned to spend in this area. Thus, it appears we have, through the passage of this continuing resolution, stopped the ill-advised giveaway of fertilizer—a product in short supply in America— to South Vietnam—a country which has already received billions in aid from the United States.

GRANDFATHER CLAUSE FOR THE HANSEN SUBSTITUTE

HON. MIKE McCORMACK

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. McCORMACK. Mr. Speaker, I hereby give notice that at the appropriate time during the debate of the Hansen substitute to House Resolution 988, I shall submit the following amendment:

Amendments to the Hansen Substitute Offered by Mr. McCormack

Page 14, after line 4, insert the following new paragraph (and redesignate the succeeding paragraphs accordingly):

"(c) No Member may serve on more than one standing committee at any time; except that service on the Committee on the Budget, the Committee on the District of Columbia, the Committee on House Administration; the Committee on Merchant Marine and Fisheries, the Committee on Small Business, the Committee on Standards of Official Conduct, or the Committee on Veterans' Affairs shall not be taken into account in applying this requirement. The prohibition contained in this paragraph shall not apply to any Member serving on two or more committees in the Ninety-third Congress so as to prevent him or her from retaining membership on such committees in the Ninety-fourth and subsequent Congresses.

Mr. McCORMACK. Mr. Speaker, I think there is great wisdom in limiting membership to only one major committee in the House. However, I believe that this provision would cause too much dislocation for acceptance by those who are currently serving on more than one committee, and who have developed seniority on these committees and expertise in their subject material.

The "Grandfather clause" which I propose will solve that problem by allowing all Members presently sitting in Congress to retain their present committee assignments, but limiting new Members in the 94th Congress to one major committee. If the Hansen substitute is defeated, with or without this amendment, I shall submit a similar amendment to House Resolution 988.

PRE-MED SCHOLAR: "A" IS FOR ALMOST

HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. VAN DEERLIN. Mr. Speaker, the next Congress almost certainly will take up comprehensive national health legislation. Americans are spending $94 billion a year on medical care—a tab which comes out to $441 for every one of us, man, woman, and child. The average billing for a single day's hospital stay has reached $110.

The need to help relieve families from this financial load, and from the threat of financial disaster from extended illness, is clear and compelling. And yet the hope that we can accomplish this quickly through new legislation may be an illusion. The dark cloud on the horizon is our likely inability to provide the vast increase in doctors that will be necessary to make a truly national health program work.

It is not that countless of our brightest youngsters are not able and eager to undergo medical training. It is that too many of them are still denied the opportunity.

A case in point is Stephen Solo, of San Diego, Calif. Although Stephen completed pre-med courses at San Diego State University with a 3.97-grade average, competed in sports and took part in extracurricular activities on a large scale, he was unable to gain admission to any of several medical schools to which he applied.

A prime reason is the fact that there are simply too many applicants for the number of admission slots available. Clearly, in view of the acknowledged shortage of physicians, steps should be taken to expand our medical school facilities. A major thrust in medical training would seem a necessary prelude to any legislation for expanded national health insurance. The case of Stephen Soldo demonstrates the need for such action, and I insert in the Appendix of the Record an account of his plight as reported recently in the San Diego Evening Tribune:

Pre-Med Scholar: "A" Is For Almost

(By Bob Dorn)

For four years Stephen Soldo has been preparing for medical school.

He chewed his way through San Diego State as a pre-med major and wound up with a 3.97 grade average in all his subjects. Of the 46 courses he took at State he got an A in all but one, where he slipped to a B in a freshmen English honors class.

When he graduated last spring he was State's salutatorian, the second highest grade getter in his class of 5,800, and he gave the commencement address for the rest of the seniors.

But Soldo wasn't just the grade point maniac medical schools say don't necessarily make good doctors.

For two years he worked at Palomar Hospital because he wanted to get practical experience in health care before entering medical school.

He picked up a little extra money and relaxation twice a month playing clarinet, flute and saxophone for weddings along with a guitarist friend.

He had been a runner and football player in high school. He didn't attempt to play for State intercollegiately, but stayed in good enough shape to run a 52-second 440-yard dash in intramurals, a time fast enough to win most high school dual track and field meets.

His was the kind of record to bring to mind the Jack Armstrong and Horatio Alger myths, but it wasn't good enough for the seven medical schools he applied to.

UCSD rejected his application without even granting him an interview. So did the University of California at Davis. Soldo wasn't admitted to UC Irvine, UC San Francisco, UCLA, the University of Colorado and Pennsylvania State University either.

The best news he got came a few months ago when UCLA told him he had been placed on the waiting list.

"He happens to have turned out to be an average applicant," says Judy Blick, of the admissions office at UCSD Medical School. "There are probably another 500 in the same category he is."

The criteria for admission to medical school are a smorgasbord of course work evaluation and consideration of a candidate's grade average, outside activities, medical related work experience, aptitude test scores, letters of recommendation and the less tangible qualities of motivation and personality he displays.

Competition for positions has become ferocious.

In the UC system of five medical schools, there were fully 40 for every opening this year. Nationally, the Assn. of American Medical Colleges estimates there are 25 applications for every opening.

Candidates routinely apply to many schools in trying to maximize their chances for admission, and the number of actual applicants for that reason is lower than the total number of applications.

The association estimates there are 3 applicants for every opening nationwide. Last year there were a total of 14,124 medical school openings.

The association says there were 40,506 applicants competing for them.

One doctor on the admissions committee at UC Irvine says schools are giving serious consideration to admitting by lottery candidates who get past the early cuts.

"We could fill our class with 4.0 students. In fact we could get any profile we wanted," says UC San Francisco's Mary Pat McKinney.

If that's true, and at the same time more and more critics of the American medical system are saying that there are simply not enough doctors to handle health needs, then why aren't we educating more medical school applicants?

Admissions officers say the answer is simple. Money.

It costs an estimated $16,000 to $20,000 per year to educate a medical student, more than any other postgraduate discipline.

Does Stephen Soldo deserve to get into medical school?

Probably.—

"There is nothing bad in his file, nothing at all." says UCSD's spokesman.

UC Davis' Peter Storandt concedes others have been admitted to Davis who possessed no better qualifications.

Soldo is the victim of a combination of circumstances which ultimately amount to an injustice. And pre-med advisors and medical school admissions officers say there are more cases like his, though perhaps not as extreme.

For one thing, he does not come from a prestigious undergraduate university.

All the medical admissions officers contacted said their schools have no system which weigh grades according to the university that grants them.

But they believe individual doctors on admissions committees may inevitably keep score. "Maybe somebody'll say, 'Wow, a 3.5 at Harvard.' But it's not formalized in the institutional process," says UCSF's McKinney.

Mrs. Jean Parks, advisor to UCSD's premed undergraduates is more definite on the subject and believes grade weighing is an informal reality that is not openly discussed.

Some schools do far better at placing their undergraduates than others. UCSD's Blick says 75 per cent of Stanford University's undergraduates are pre-med students and 75 per cent of them get admitted to medical school.

That may be reflected in UCSD's roster of the 260 medical students enrolled last year—45 were from Stanford. In contrast, only six graduated from San Diego State.

Another reality in the 1970s is affirmative action. Admissions officers say there are no quotas calling for admission of a set number of minority group members, but the schools are under moral pressure and could lose federal grants if they fail to do what they can to balance their enrollments ethnically.

UC Davis and UCSD spokesmen say it is not enough for a candidate to be black or brown. Those who are admitted to the schools have to meet admission requirements.

But Davis sets aside 16 positions a year for students who can demonstrate economic and educational disadvantages. Storandt says the facts in California are that those who fall into the category are more than likely members of a minority.

That policy has resulted in a white backlash law suit against Davis by an applicant who regards his rejection as a case of reverse discrimination.

Personal beliefs about what makes a good doctor also come into play when an M.D. sitting on an admissions committee must come to a judgment.

One member of UCSD's admissions committee says he is less sympathetic to reliable, proven strivers than to students who, after an indifferent first two years of undergraduate study, suddenly turn on in a blaze of belated dedication.

A curious sort of reversal of priorities may have been at work in Soldo's case which also indicates the subjectivity of decision making—Soldo may have been too good, on paper, at least.

Davis' Storandt says schools might tend to assume an obviously qualified candidate will get into another school. "The judgment might be, 'Well, it looks like he's not our type, but he'll get in somewhere,'" he says.

Despite the subjective quirks in the admissions process, there are some concrete problems that may explain Soldo's plight.

Of all his qualifications, his score of 572 on the Medical College Aptitude Test (MCAT) is the least impressive. It is above the generally recognized minimum requirements, but below the average scores of entering classes at most schools.

The MCATs at UCSD are more important than at other schools—the 96 first-year students admitted this fall averaged scores of 620 on the test, and Blick says Soldo's 4.0 grade point average couldn't offset his MCAT score.

But that doesn't explain why he failed to get into other schools where MCAT averages are less holy. Beyond that, his scores in the science and math sections, the ones which the medical schools are really interested in according to UCSD's Parks, are well above average.

Another problem is that San Diego State's pre-med program is not as advanced as some others in the state.

There are three advisors to handle counseling of hopeful doctors and that is about all that the program consists of. The advisors are all full time faculty with full teaching loads and they get no additional pay or time for counseling.

"We don't even know how many pre-meds we have," says Dr. Harry Plymale. He says record keeping and follow up work to see how State applicants are faring in getting into medical school would involve at least a half-time position.

"It's been catch as catch can because of the lack of secretarial help and an office."

Soldo says he managed to see an advisor just twice in the four years he was at State, and he couldn't even remember the man's name when asked.

Dr. Carol Barnett, another premed advisor at State, says there are a lot of people who apply to medical schools without even talking to an advisor.

At UCSD, and other schools, undergraduates go through mock interviews and are drilled on the MCAT scores. Soldo found out only after he took the MCAT that there are pamphlets available to students designed to raise their potential to score highly.

Dr. Barnett is putting together a general information pamphlet on the process of applying to medical school now. It is the first time any written advice has been produced for State's unnumbered and unknown premeds.

"It will contain the kinds of things we say when students come in to us, but which take me two hours to explain."

And Barnett has been trying to contact State graduates who have been through medical school interviews to determine what questions are commonly asked.

Several admissions officers at the medical schools said they have the impression that Soldo could have used more counseling than he got.

Meanwhile, Soldo still has some hope of becoming a doctor. He can reapply for next fall, even though most people at the medical schools make clear that the rate of acceptance of second-time applicants is low.

He says he's going to retake the MCAT's—he was sick at the time he took the test and he might be able to raise his score on the second try.

He's also applying to 15 schools this time—perhaps lessening the chance of being turned down because of assumptions that someone else will take him.

It's been a costly experience—$175 worth in test and application fees, not to mention trips to the Bay Area, Irvine and Los Angeles for interviews.

And of course there is the pain of four years of diligence gone, apparently, for nothing. Because he was never told why he was rejected (the standard procedure is to send a form letter) Soldo doesn't even know why he lost.

"I wish I knew what it was, if there was some flaw in my personality. Or if they just hated me in interviews. I just don't know."

Are there more Stephen Soldos out there?

"I'm sure there are," UCSD's Judy Blick says.

ITALIANS AND JEWS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues in the Congress an article written in the September 29 edition of the New York Sunday News entitled "Italians and Jews."

Much has been said about ethnicity and the ability of ethnics to get along with each other.

I know that my colleagues will enjoy reading this article and will be especially pleased to note, not only that these two great ethnic groups do get along, but that they have been able to assimilate so successfully into our American mainstream.

The article follows:

ITALIANS AND JEWS

New York is the Italian-Jewish city. Italians and Jews dominate its population, its politics and its thinking. To insult Italians and Jews, then, is to insult New York.

When I was asked to write something in my high school yearbook after the words "suppressed desire," I filled in "to be Italian." People asked me why and I said, "All Jews aspire to be Italian."

I didn't really mean it, but I've always felt a special kinship for Italians. In the 12 years since I wrote those words, I've made a special point of mentioning this feeling to other Jews. An amazing number have agreed. More recently, I've been talking to Italians about Jews. Their feelings are just as strong—a lot of Italians have spent half their lives wishing they were Jewish. I tell you: an extraordinary romance has been going on.

It's easy to see why. For one thing, we look the same: Jewish-Roman noses, heavy beards, curly hair, swarthy skin. Every time I'm mistaken for someone, he turns out to be Italian. Every time an Italian is mistaken for someone, he turns out to be me. The Jewish actor James Caan played Sonny Corleone in "The Godfather." The Italian actor Sal Mineo starred in "Exodus." There may not exist even a quintessential Jewish or Italian look. I know a guy who looks like Marcello Mastroianni; his name is Kenny Mandelbaum.

We talk the same: with our hands. Our family gatherings are the same—the wedding scene in "The Godfather" could have been a Jewish wedding with Italian subtitles. Our men aren't afraid to kiss their sons. And, oh, those Jewish/Italian mothers: possessive, image-making, emotional. Abraham, eat your dinner. Mangia! Listen, plenty of Jewish mothers cried over Baby Lenore DeMartino. There is really only one significant difference between the Jewish and Italian mother. While everyone knows the Jewish mother is in charge, only the Italian mother knows she is the boss.

Now I don't want to hear about any difference in religion, politics or culture. Italians are just like Jews, except less neurotic.

One reason we are in the same boat is that we practically came off the same boat. Italian immigration reached its peak in the years 1901–14 and Jewish immigration in the years 1905–14. Upon arriving, both groups underwent the same cathartic introduction to the melting pot. This is neither surprising nor particularly blameworthy under the circumstances. Having been persecuted for years themselves ("Irish need not apply"), they were merely getting in some licks of their own. Getting ahead in American cities at that time meant trench warfare between immigrant groups.

Because they had arrived first, were fair-skinned and spoke English, the Irish found assimilation easier than their successors would. They gained leaverage in some useful places—Tammany Hall, the unions and the police force, for openers—and were not about to give it up.

"The Irish were authority figures in the ghetto," says Hyman Berman, chairman of the urban studies program at the University of Minnesota and an expert on ethnicity in the labor movement. "You know the typical scene of the Irish policeman taking apples off the merchant's cart? Well, they took more than apples. Remember, the police were viewed in Eastern European terms as oppressive figures. They were the agents of the czar."

To Italians, the puritanical influence of Irish-Americans on the Catholic Church was horrifying, especially since Italians were accustomed to running the church themselves. "The Irish definition was that Sunday was almost a Protestant Lord's Day," says Berman. "To Italians, it was looked upon more as a day of recreation."

There was little religious antagonism between Italian and Jew. "Italians were often easy-going Catholics," says Al Eisenberg, a carpenter who grew up with Italians on the lower East Side and in the Bronx during the 1920s and 1930s. "They didn't impose an iron hand on nonbelievers. Unity between Italians and Jews was possible on this basis."

Forced to live in the same or adjoining neighborhoods (Little Italy and the lower East Side, Bensonhurst and Borough Park), Italians and Jews developed a social harmony that is one of the most underrated phenomena of American ethnicity. Writing about the "new immigration" (1881–1924) in "Jew and Italian," Dr. Rudolf Glanz points out, "A truthful copy of the existing situation was provided by the American stage which presented Jew, Irish and Italian confrontations without ever performing a clash between a Jew and an Italian."

If you talk with older Italians and Jews, the same words keep coming back to describe their mutuality: "warmth," "hospitality," "compassion," "suffering," "family life," "the ability to laugh and cry easily." Interestingly, misconceptions fortified their friendship. Italians saw in Jews a monolithic organizational genius, capable of surmounting any barrier. In 1907, the newspaper Bolletino della Serra told Italians, "We must organize our forces as the Jews do, persist in exhausting that which constitutes gain for our race over the Anglo-Saxon race." Jewish failure was an alien notion to Italians. Jews saw Italians as happy and guilt-free. The idea of Italian neuroses seemed like a contradiction to them. So Jews and Italians not only got along, but intermarried.

Together, these thrifty and industrious newcomers became peddlers, printers, shoemakers, butchers, bakers, tailors, musicians and criminals. Organized crime was never an exclusively Italian domain. Until World War II, in fact, Jews controlled the narcotics trade. The word smack, for heroin, comes from the Yiddish *shmek*, for smell. After the war, there ensued an orderly transfer of power from Jew to Italian. Not that Jews are out of crime. Oh, no. The myth is that the Italians do the dirty work while the Jews keep the books. The reality is that there have been an extra-ordinary number of Jewish hit-men.

Perhaps the most notable instance of early Italo-Jewish unity was the labor movement. Among the founders of the Amalgamated Clothing Workers of America in 1914 were Italians and Jews who felt they had been mistreated by older immigrant groups in the garment workers union. Today, by no coincidence, the co-general managers of the United Garment Workers Union New York Joint Board are Louis Hollander, a Jew, and Vincent LaCapria, an Italian.

The simplest explanation for why Italians and Jews have stayed together is that they haven't moved. Italians and Jews are the foremost American urbanites. Indeed, history may record that they were the last people to voluntarily remain in the American city.

Italians have stayed put because they are at heart community-oriented. In Italy, the concept of nationality is superimposed on one's stronger village identity. When they immigrate Italians join their former neighbors wherever they happen to have settled, and then attempt to recreate the conditions that were familiar to them in Italy. New York's Little Italy is a much better replica of turn-of-the-century Italy than, say, Naples of today.

Historically, the Jewish experience is heavily urban; there are few words in classical Yiddish for wild flowers or birds. My own feeling is that Jews live in apartments to avoid nature. I mean, what are you going to do with a tree? First, you gotta plant it, then you gotta take care of it, and if it dies, *oy vay!*

"Family structure is also very important," says Channel Seven reporter Rose Ann Scamardella, who still lives in the same Carroll Garden section of Brooklyn where her mother and grandmother were born. "If you're Jewish or Italian, it's important to stay close to your family."

A friend of mine who attended a largely Italian and Jewish high school in Brooklyn during the late 1940s remembers one pattern of behavior among Italians: "After they graduated from high school, the Italian girls went right out and got jobs. Their mothers would take them to work on the subway and be waiting for them when they got home. I used to think this was ridiculous, but in retrospect who is to say it was so bad?"

The good family life—and by association, the good community life—is in part an Italian-Jewish defense against the outside world. Says writer Nicholas Pileggi: "The Southern Italian who came to America—and probably 95% of all Italian immigrants are from south of Naples—had been dominated for hundreds of years by foreign powers, including northern Italians. They were essentially colonials who were suspicious of government and outsiders. So they kept to themselves, held their own court and created their own laws. An Italian in Little Italy once told me, 'Nobody ever came to me with a piece of paper to sign, and I came out ahead.'

"The Jews in the *shtetl* didn't go to outside government either, because that meant the Cossacks. After centuries of programs, they came to view outsiders as people who would tell them what they couldn't do—like wear a yarmulka on Saturday."

So it is hardly surprising that many Italians and Jews view the world with suspicion. When an aunt of Pileggi's calls him from Pennsylvania, she begins the conversation with "Che fu?", which in dialect means, "What's the problem?" It is not a conscious form of negativism, but rather something she just inherited. Like, "Hymie, why don't you ever call your poor mother?"

There is no city where Jews and Italians have remained and come to dominate as New York. Don't be fooled by the prominence of a few Irish in high places—they are leaving New York by the thousands. In fact, there are probably fewer than 500,000 Irish residents left. The Jewish population, however, is relatively stable, and the Italian population is increasing by about 25,000 a year because of immigration.

Census figures are misleading because they don't measure religion and record nationality only for the first and second generations. Intermarriage further confounds the situation. And there is no tougher city in which to take a census than New York. So the following is educated guesswork. The 1,836,000 number that has been the "official" Jewish population since 1963 may be a little high. There are probably between 1.6 and two million Italians. As the city's dominant white ethnic groups, Jews and Italians comprise more than 40% of the population and cast better than 50% of the votes in a given election.

They are the last remnants of the traditional New Yorker—the New Yorker of dese guys, dem guys, woik and Brooklyn. And traditional New York is back in power, if the results of the last mayoral election are any indication. Almost every major candidate who survived to the November election was Jewish or Italian.

Superficially, the mutual conservatism of Jewish and Italian New Yorkers seems startling. After all, haven't Jews flocked to the Democratic and Liberal parties and haven't Italians become Republicans and Conservatives in greater numbers than most Catholics? The explanation is that urban Jews who vote their fears bear little resemblance to their suburban siblings who don't. The evidence is overwhelming. Item: Italians and Jews fight side by side against integration in Canarsie; the Italian-American Civil Rights League chapter there is more than 40% Jewish. Item: Joe Colombo and Meir Kahane get together. Item: the votes of Italian and Jewish City Council members—pressured by Orthodox Jews and the Catholic hierarchy—killed the gay rights bill.

Moreover, there is evidence that this is not an isolated phenomenon. Recently, an Italian organization called the Columbian Coalition joined forces with the Anti-Defamation League of B'nai B'rith, a Jewish group with a previously liberal tradition, to fight what both bodies perceive as "reverse" racial bias. They have gone to court to protect quotas in hiring and education which, they feel, promote blacks and Puerto Ricans over Italians and Jews.

At the core of this political unity is a strikingly similar ethic—more joyful than the Protestant one to be sure, but no less diligent. This ethic may translate politically into contempt for those who don't work or seem to downgrade performance, like welfare clients, criminals and the adherents of quota systems. It matters not that the Jewish ethic is derived from a Talmudic love of scholarship or that the Italian ethic has applied mainly to manual labor. In the first place, this difference is overrated: there are many Jewish cab drivers and Italian professionals. Secondly, woik is woik.

When my family visited Europe years ago, I can remember thinking proudly to myself that while other people might be there for pleasure, it was my father's legal work that got *us* there. An Italian may brag about having worked a 16-hour day not because he just put in eight hours of overtime, but because he accomplished the physical feat of pulling his load for 16 hours. While John J. Sirica was bending over his books in Waterbury, Conn., his father, an immigrant from Valentino in southern Italy, implored him to "be somebody." What kind of stereotype does that sound like?

On a recent trip out West, I nearly forgot about Italo-Jewish unity. Then I returned to a New York subway station and got to looking at a poster. It was the advertisement that reads, "You don't have to be Jewish to love Levy's real Jewish rye." On it is a heavily set, Mediterranean-looking woman standing with her hands clasped, her head tilted, and a great big smile on her face. She is fixing a salami and rye sandwich. This woman is supposed to be Italian. She is a dead ringer for Golda.

HONOR PIONEER PRIEST

HON. ABRAHAM KAZEN, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. KAZEN. Mr. Speaker, one of the communities in my congressional district will honor a great man on next Sunday, October 13, when the "Memorial Homecoming of the Reverend Leopold Moczygemba, patriarch of American Polonia" is observed at Panna Maria, Tex., the community he founded December 24, 1854.

Reinterment near a historic oak tree near the entrance of St. Mary's Church will honor a man whose dedication to his God and his own people marked his service not only in south Texas but in many States through his pioneering efforts to serve immigrants from his native Poland.

The Reverend Moczygemba, born October 28, 1824, in Wielka Pluznica, Poland, first came to Texas in August 1852, as a Conventual Franciscan missionary to serve the German settlers at New Braunfels, Tex.

He and four other Conventual—German—Franciscans accepted the invitation of Bishop J. M. Odin, first Bishop of Texas, to minister to the growing number of German settlers in the new State.

Being only 28 years of age and coming from a homeland that was under the rule of the Kingdom of Prussia, Father Leopold wrote glowing letters to his relatives in Silesia—now part of Poland—about the land of freedom and opportunity.

As a result, about 100 families in Silesian Poland, including Father Leopold's four brothers and two cousins, sold their possessions and boarded a vessel headed for Texas in October 1854.

After 9 weeks at sea and 3 weeks by foot and oxcart from Galveston, his kinsmen arrived at a site above the confluence of the Cibolo and San Antonio Rivers on December 24, 1854.

Under a historic oak tree, Father Leopold and the almost 600 colonists offered Christmas Midnight Mass of Thanksgiving, and named their new village, Panna Maria, which thus became the oldest Polish settlement in the United States.

Father Leopold established the Immaculate Conception—St. Mary's Parish, the oldest Polish Church in America, at Panna Maria and served as pastor until October 1856.

He then was appointed superior of the Conventual Franciscan Missionaries in Texas, 1856–58.

After a trip to Rome and to the Franciscan Monastery at Oggersheim, Bavaria, where he continued his education, he returned to America as the First Commissary General of the Conventual Franciscans, 1858–66, during which he founded the order's first motherhouse in the United States at Syracuse, N.Y.

During this time he organized parishes for German settlers in Syracuse and Utica, N.Y., as well as receiving areas for immigrants.

He returned to Rome as a confessor at the First Vatican Council in 1869, and came back to America to continue assisting and organizing immigrants of Polish, German, Slavic, and Italian origin.

In 1873 Father Leopold Moczygemba organized and served as chairman of the First Polish Convention in the United States in 1873, in recognition of his many efforts in behalf of immigrants from New York to Missouri and Nebraska, from Tennessee to Michigan and Wisconsin.

He was a founder of the Polish Roman Catholic Union in 1875 in Milwaukee, Wis., and elected the first president for the first three terms. This organization still exists today and is a viable testament to Father Leopold Moczygemba's ability to structure sound, worthwhile organizations that served newly franchised Americans.

He opened the first Polish Parochial School in 1868 at St. Stanislaus Parish in Milwaukee, Wis.

During his service, Father Leopold Moczygemba established parishes, founded schools and fraternal organizations to assist persons of Latin, Polish, German, Italian, Czech, Slavic and Spanish origin, since this remarkable man was fluent in all of these languages, as well as English.

On March 14, 1884, the Reverend Leopold Moczygemba obtained permission for establishment of a college and seminary in Detroit, which he named after Sts. Cyril and Methodius, the Apostles to the Slavic peoples.

The excellent institution, now located at Orchard Lake, Mich., is still another monument to this great man.

He served temporarily as a Resurrectionist, then again a Conventual Franciscan, as well as a parish priest when failing health prevented him from fulfilling the requirements of this order.

He died February 23, 1891, as priest of the Detroit Archdiocese, and was buried February 25, 1891, in Mount Elliott Cemetery in Detroit.

This past summer, the remains of this wonderful person were disintered and moved to San Antonio, Tex., awaiting reinterment in Panna Maria.

Prior to the reinterment, the Floresville Deanery of 20 parishes will hold a mass observing the centennial of the Archdiocese of San Antonio, with Archbishop Francis Furey as celebrant. The reinterment ceremony at 4 p.m. will be officiated by Archbishop Furey, with the Reverend Henry Moczygemba of Runge and the Reverend John Yanta of San Antonio, corrolary descendants of the Reverend Leopold Moczygemba, as co-celebrants. Two priests from Poland and members of the Polish American Priests Association will participate, as will several choirs. The service will be in English and Polish.

The Reverend Bernard Goebel, pastor of St. Mary's, initiated the reinterment effort almost 3 years ago.

Cardinal Kroll and Archbishop Furey of San Antonio gave their blessing to this reinterment, citing the need for the Reverend Leopold Moczygemba-organized institutions which brought relief to more than half a million immigrants from many countries as these people settled in America, the "Land of the Free."

Few people in our history devoted such energies in seeking relief for the newly-arrived immigrants as did this remarkable man, whose place in history should try to designate him as an "American."

He loved freedom, extolled the virtues of our great Nation, and served to secure the many tens of thousands of immigrants as solid citizens in their new home.

REGULATION OF VITAMINS AND MINERALS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. OWENS. Mr. Speaker, on September 24, 1974, the Senate overwhelmingly passed S. 2801, introduced by Senator PROXMIRE, as an amendment to the Health Professions Educational Assistance Act of 1974. That amendment is identical to H.R. 10115 which I introduced on the floor of the House on September 6, 1973.

The Food and Drug Administration has attempted, for several years to regulate safe vitamins and minerals as dangerous drugs without evidence that those materials are, in fact, dangerous. At the present, their regulations have been postponed, and H.R. 10115 and S. 2801, in essence, prohibit the Food and Drug Administration's proposed regulations from going into effect. They do not take away the proper authority of the FDA to regulate vitamins and minerals as food.

On August 7, the Public Health and Environment Subcommittee, after months of hearings on various proposals regarding the FDA's proposed regulations, reported out their own bill, known as the Kyros "compromise" bill, H.R. 16317. This bill does not adequately reflect the various bills, similar to H.R. 10115, which have been introduced and cosponsored by over half the Members of the House. During the August recess, I wrote to my constituents who had shown their interest in this legislation concerning the Kyros bill and subsequent events concerning the FDA regulations. I included in this letter a questionnaire. The response has been tremendous. Over 20 percent have responded, which is greater than any previous questionnaire response.

The message in their responses is clear. It shows without doubt that my constituents are not satisfied with the Kyros "compromise bill," and, in fact, would rather that no bill be passed at all.

Mr. Speaker, I believe that the Senate action and the response to my poll prove that a stronger position should be taken on this issue. Within the next few weeks the Interstate and Foreign Commerce Committee will be discussing the Kyros bill. I plan to urge committee members to accept the wording of the Proxmire-Owens bill, as a substitute and, if necessary, to offer my bill as an amendment. A copy of the letter and questionnaire, with tabulated results follows.

House of Representatives,
Washington, D.C., August 21, 1974.

Dear Friend: In the past two weeks, the introduction of a Subcommittee bill and a U.S. Circuit Court of Appeals ruling present two significant occurrences concerning the proposed FDA vitamin and mineral regulations. I am a sponsor, as you may know, of H.R. 10115, one of the major bills to prohibit the FDA regulations from going into effect. Since you have shown your interest in this issue in the past, I would like to bring you up to date on these events and also ask for your opinions. I would appreciate it if you would read the following summaries, fill out the enclosed questionnaire, and return it before the end of the Congressional recess, September 11, so I can better understand your views on the subject. I will also know how, if at all, I could best proceed.

On August 7, the Public Health and Environmental Subcommittee, after holding hearings on the various proposed pieces of legislation to prohibit the vitamin regulations from going into effect, reported out a bill, H.R. 16317, sponsored by Congressman Kyros and nine of the ten other members of the Subcommittee. This has been called a "compromise" bill by some, and a "Radical departure" from the purpose of the various bills by others. I will briefly outline the major provisions included in this bill, as described by the Subcommittee and the opposition's opinion, so you can evaluate the situation.

The bill states that: (1) The Secretary of Health, Education and Welfare may not limit the potency of any vitamin or mineral in dietary supplement tablets, capsules, or liquids. (2) The Secretary may not limit the combination of vitamins, minerals, and other food ingredients contained in the product. This applies to the provision which limits the combination of essential nutrients which could be sold as supplements and prohibits the combination the "nonessential" nutrients such as bioflavonoids and others. (3) In the past, the FDA has said that the listing of nonessential nutrients with other ingredients on a label was fraudulent. This bill allows the listing of all ingredients actually present in the product; however, the nonessential ingredients may only be listed as a part of the total ingredients listed, not as a part of the title. (4) It provides that certain vitamins which have been declared unsafe in large dosages, may be classified as drugs on the basis of their potencies and their combination may be limited. It does provide that potentially unsafe amounts, when effective for drug use, can be available for the use of physicians in the treatment of specific conditions. (5) Finally, it adds new provisions which direct the FDA to coordinate vitamin and mineral advertising control with the Federal Commission, whereas the FTC has had this power in the past.

Opponents of this bill, including the National Health Federation, have stated that they feel this bill will dismantle the Health Foods and Food Supplement Industry more surely than FDA's new vitamin regulations. This is partly due to the fact that while the bill prohibits the Secretary from limiting the potency of vitamins in some forms, it does not cover all areas, for instance dietary aids in powder form. They are also concerned with the FDA being given rights over advertising. Allowing the FDA to monitor advertising, they fear, will reinstitute many of the problems health food store owners have had in the past in the sale of books and magazines concerning vitamins.

The second major event which has taken place is a U.S. Circuit Court of Appeals ruling to postpone and send back for rehearing the FDA regulations. This is considered a major victory by opponents of the regulations. The ruling gives the FDA the right to set "standards of identity" for dietary supplements, but takes away for the time being its right to control over-the-counter sales of vitamins that exceed the government's recommended dosages. Obviously, this does not resolve the issue, but by sending it back for further hearings, it is hoped that the FDA will relax the proposed regulations. Without Congressional action, this ruling will delay enforcement of the proposed FDA rules six months or longer.

There are now two options open for Congressional opponents to the FDA regulations. First, we can attempt to pass a bill and create new guidelines for the FDA, before the hearings. Or, we can wait for the FDA hearings and see what new regulations are suggested.

I am hopeful that this has explained the new developments adequately. If you require additional information, please let me know. Since I am committed to having these regulations changed, I would like to follow the feelings of those in Utah interested in this issue. Again, I would appreciate your filling in the enclosed questionnaire and sending it back to my Washington office in the immediate future.

With all best wishes,
Sincerely,

Wayne Owens.

Questionnaire

1. Do you feel that H.R. 16317 accomplishes the objectives which you advocated and is a suitable piece of legislation?

Yes 7.0 percent. No 93.0 percent.

2. Would you rather see H.R. 16317 passed than no bill at all?

Yes 21.6 percent. No. 78.4 percent.

3. Which bill would you rather see passed, H.R. 10115, which I sponsored, (identical to H.R. 10093, sponsored by Congressman Hosmer) or H.R. 16317?

H.R. 10115 95.6 percent. H.R. 16317 4.4 percent.

4. Do you think that a bill should be passed this session, or should the Congress wait until the FDA proposed new regulations?

Pass a bill 62.4 percent, wait until hearings 37.6 percent.

5. Do you believe that the FDA should have the power to regulate vitamin advertising?

Yes 1.8 percent. No 98.2 percent.

AMENDMENT TO HOUSE RESOLUTION 988

HON. DAVE MARTIN

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. MARTIN of Nebraska. Mr. Speaker, I submit the following amendment for the Record:

Amendment to House Resolution 988

Page 39, line 19, strike out "No Member" and insert "From and after the beginning of the Ninety-fifth Congress, no Member".

Page 88, lines 18 and 19, strike out "at the beginning of the Ninety-fourth Congress" and insert "at the beginning of a Congress".

Page 88, line 22, strike out "in the Ninety-third Congress" and insert "in the preceding Congress".

AMENDMENTS TO COMMITTEE REFORM LEGISLATION

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. DINGELL. Mr. Speaker, pursuant to permission previously granted, I insert into the Record amendments which I plan to offer to the Committee Reform Amendments of 1974: House Resolution 988, House Resolution 1248, and House Resolution 1321.

Amendment to House Resolution 1321, as Reported by Mr. Dingell

On page 75, immediately following line 13, insert the following new section and redesignate ensuing sections accordingly:

"APPROPRIATIONS BILLS

"Sec. 401. Rule XXI, Clause 2 of the Rules of the House of Representatives is amended to read as follows:

" 'No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law, or indirectly changing the application of existing law, be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill: *Provided,* That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law or the House Members of any such commission having jurisdiction of the subject matter of such amendment, which amendment being germane to the subject matter of the bill shall retrench expenditures.'

"Rule XXI of the Rules of the House of Representatives is further amended by inserting the following new clause, and renumbering ensuing clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose shall not contain any directive or limitation with respect to such appropriation which, if such directive or limitation were included in the accompanying bill, would be out of order under Clause 2 of this Rule.' "

Amendment to House Resolution 1248, as Reported by Mr. Dingell

On page 37, immediately following line 20, insert the following new section and redesignate ensuing sections accordingly:

"APPROPRIATIONS BILLS

"Sec. 201. Rule XXI, Clause 2 of the Rules of the House of Representatives is amended to read as follows:

" '2. No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law, or indirectly changing the application of existing law, be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill: *Provided*, That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law or the House Members of any such commission having jurisdiction of the subject matter of such amendment, which amendment being germane to the subject matter of the bill shall retrench expenditures.'

"Rule XXI of the Rules of the House of Representatives is further amended by inserting the following new clause, and renumbering ensuing clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose shall not contain any directive or limitation with respect to such appropriation which, if such directive or limitation were included in the accompanying bill would be out of order under Clause 2 of this Rule.' "

Amendment to House Resolution 988, as Reported by Mr. Dingell

On page 73, immediately following line 13, insert the following new section and redesignate ensuing sections accordingly.

"APPROPRIATIONS BILLS

"Sec. 401. Rule XXI, Clause 2 of the Rules of the House of Representatives is amended to read as follows:

" '2. No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law, unless in continuation of appropriations for such public works and objects as are already in progress. Nor shall any provision in any such bill or amendment thereto changing existing law, or indirectly changing the application of existing law, be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill: *Provided*, That it shall be in order further to amend such bill upon the report of the committee or any joint commission authorized by law or the House Members of any such commission having jurisdiction of the subject matter of such amendment, which amendment being germane to the subject matter of the bill shall retrench expenditures.'

"Rule XXI of the Rules of the House of Representatives is further amended by inserting the following new clause, and renumbering ensuing clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose shall not contain any directive or limitation with respect to such appropriation which, if such directive or limitation were included in the accompanying bill, would be out of order under Clause 2 of this Rule.' "

Amendment to House Resolution 1321, as Reported by Mr. Dingell

Page 75, immediately following line 13, insert the following new section and redesignate ensuing sections accordingly:

"APPROPRIATIONS BILLS

"Sec. 401. Rule XXI of the Rules of the House of Representatives is amended by inserting the following new Clause, and renumbering ensuing Clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose—

" '(a) shall not contain any directive or limitation with respect to such appropriation unless such directive or limitation is set forth in the accompanying bill, and

" '(b) shall contain a concise statement describing fully the effect of any provision of the accompanying bill which directly or indirectly changes the application of existing law.' "

Amendment to House Resolution 988, as Reported by Mr. Dingell

Page 73, immediately following line 13, insert the following new section and redesignate ensuing sections accordingly:

"APPROPRIATIONS BILLS

"Sec. 401. Rule XXI of the Rules of the House of Representatives is amended by inserting the following new Clause, and renumbering ensuing Clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose—

" '(a) shall not contain any directive or limitation with respect to such appropriation unless such directive or limitation is set forth in the accompanying bill, and

" '(b) shall contain a concise statement describing fully the effect of any provision of the accompanying bill which directly or indirectly changes the application of existing law.' "

Amendment to House Resolution 1248, as Reported by Mr. Dingell

Page 37, immediately following line 20, insert the following new section and redesignate ensuing sections accordingly:

"APPROPRIATIONS BILLS

"Sec. 201. Rule XXI of the Rules of the House of Representatives is amended by inserting the following new Clause, and renumbering ensuing Clauses accordingly:

" '3. A committee report accompanying any bill making an appropriation for any purpose—

" '(a) shall not contain any directive or limitation with respect to such appropriation unless such directive or limitation is set forth in the accompanying bill, and

" '(b) shall contain a concise statement describing fully the effect of any provision of the accompanying bill which directly or indirectly changes the application of existing law.' "

HIGH SCHOOL STUDENTS AND "CLOSE UP" PROGRAM

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. RIEGLE. Mr. Speaker, over the past 2 years, we all have become aware of the growing apprehension of our constituents toward government, politics, and politicians. The people have felt betrayed by many of their elected officials. Their uncertainty and lack of trust was reflected in the low voter turnout in the recent primary elections across the country. One of the most potentially dangerous aspects of their feeling, Mr. Speaker, is the influence it has undoubtedly had on our young people.

If all they hear and see about them is negative feelings toward public officials and their government, this country is in serious trouble. Apathy is a most difficult illness to cure.

I have had the opportunity to be involved with a great program this year, Mr. Speaker. The program is Close Up. The purpose is to acquaint thousands of high school students with their government, and the people who comprise it. Close Up presents government as a living unit, one in which we all play a part.

I see a tremendous future for Close Up in my home State of Michigan as well as nationwide. There is no substitute for an educational experience which brings all the economic and social elements of a community together, encourages them to question and learn about themselves as well as their government.

The following letters, Mr. Speaker, are being submitted as an example of the tremendous enthusiasm Close Up has generated in the Detroit metropolitan area:

Detroit Public Schools,
Detroit, Mich., June 3, 1974.

Close Up Office,
Washington, D.C.

Dear Sir: We want to thank you for involving us in the close-up program. We appreciate your concern and hospitality.

The program exceeded our expectation as to its value, adding to our experience a full and enriching cultural rarity—one that we shall always cherish.

We believe that its effectiveness will be borne out in the lives of those who participate for we were inspired to become involved in government. Certainly we are already heralding our enthusiasm to the community.

We say thank you again for such an enriching experience. We feel that the program should be continued.

Sincerely yours,

Gloria Green.
Harry Givens.
Jodie Hollaway.

Detroit Public Schools,
Detroit, Mich., June 19, 1974.

Mr. Max Berry,
Executive Director, CloseUp Foundation,
Washington, D.C.

Dear Mr. Berry: I am writing to express my belated thanks to the CloseUp Foundation for providing the fellowships which enabled representatives from my school to participate in CloseUp last month.

While the long-range impact of CloseUp on the Detroit community is difficult to assess, the immediate results are already appearing. Both teachers and students are becoming more politically "aware"; I must admit that before participating in the program I was somewhat naive politically. Another benefit of the program is that many of our schools' students who had little previous social contacts outside their immediate communities have become a little more sensitive and tolerant in dealing with others.

No doubt you are aware of the plans already being made by Detroit teachers for a "bigger and better" program next year. With the Foundation's assistance, our community's schools will more fully participate in Close-Up in 1975.

Again, thanks for your generous aid this year.

Sincerely.

William G. Yagerlener,
Social Studies Department.
Ladywood High School,
Livonia, Mich., May 31, 1974.

Mr. Steve Janger,
Director of Special Program Close Up,
Washington, D.C.

Dear Mr. Janger: Mary, Brenda and I are still in a daze as we try to collect all our thoughts and impressions of the recent experiences we had in the Close Up Program in Washington, D.C. One sentence summarizes it all—"Close Up is a superb way of observing government in action and learning at first-hand what it is all about."

Your program achieves its purpose because of the dedication of people like you and Bill Kincaide, and also your fine staff who believe in giving their best to this project.

I think that everyone who participated in Close Up with us marveled at the organization and the planning that went into the crowded 18-hour day, involved in achieving our goals.

Our participation in this informal approach to our American government, supplemented by every kind of dialogue, formal seminars and opportunities for informal questioning of speakers has been a life-time education that no textbook could ever provide.

The small discussion-group workshops at the end of the day were a splendid way of promoting free and informal talk guided by a trained staff member who skillfully led the group to relate the day's experiences. Sessions at meals and in the student rooms brought out many excellent questions and answers for many of our less-informed, but eager to learn youngsters.

All in all, this was a "never to be forgotten week" for each participant of the Detroit Close Up Program. You and all on your staff are to be congratulated on the excellent organization and cooperation of all concerned.

Thank you, for giving me and our Ladywood High School an opportunity to be on your program.

Here is hoping that our city of Detroit will again be selected by the Close Up Board for another opportunity to participate in this new and relevant learning experience.

Sincerely and gratefully,
Sister Mary Petronia, C.S.S.F.
Brenda Mitchell,
Participant, L.H.S.
Mary Kennedy,
Participant, L.H.S.

Cabrini High School,
Allen Park, Mich., July 25, 1974.

Close Up,
Washington, D.C.

Dear Close Up Staff: We wish to express sincere thanks and appreciation for the opportunity you gave us the week of May 12–18 in Washington, D.C. The many new ideas we gained in learning the operation of our Federal government would not have made such a long-lasting effect without the guidance and organization of the Close Up staff.

Two major lessons were learned during our stay: to take a more active part and get involved in our government. But, an even greater lesson was learned: that is, to have an open mind towards all people and accept them for what they are, and not as we have personally stereotyped them. Without the fellowships we received, we would never have had the opportunity to experience such a week of new concepts.

We hope you will be able to consider Detroit as a future Close Up group. What we learned in Washington could not have been reproduced in a regular classroom situation. We would like to compliment you on your wonderful staff who were not only leaders but friends. Thank you for this marvelous opportunity.

Sincerely yours,
Marie Adamczyk,
Junior, Cabrini High School.
Susan Arnold,
Junior, Cabrini High School.

St. Andrew High School,
June 14, 1974.

Mr. Steve Janger,
Washington, D.C.

Dear Mr. Janger: As a first time participant in the Close Up program I can honestly say that I have never had a more educationally exciting experience in my life. I am truly impressed by the efforts of the staff and the cooperation of the speakers in Washington, D.C. The skill with which the whole program was handled makes it by far the best kind of trip for anyone even remotely interested in the functions of government.

I think I was most impressed by the fact that the students and teachers were not only observers but also participants. They had a chance to really become involved. Executive, legislative, and judicial branches of the government come alive when one is allowed to observe and question in person rather than through a textbook or the mass media. I believe that the Close Up experience gave the participants the feeling that they too could have an influence on the government.

A very important side benefit of the program is the community spirit built up among the teachers and students. We were pulled out of our own little worlds and became acquainted with others from the Detroit area. I think the benefits of getting to know these people who share common interests are obvious. The extended period during which we learned from one another will surely have lasting value.

Special thanks to you and your entire staff for your genuine interest in every one of us. My students and I want you to know that our school, Saint Andrew High School, and the city of Detroit have benefited greatly because we had the great fortune to be participants in your Close Up program. I sincerely hope that we will be given the chance to join you in Washington, D.C. again in the very near future and expose many more of our students to the Close Up experience.

Sincerely,
Norman Kotarski, *Teacher.*

CITY COUNCIL OF ROLLING HILLS, CALIF., URGES APPROVAL OF LONG-RANGE MASS TRANSIT PROGRAM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. ANDERSON of California. Mr. Speaker, to properly provide rapid transit in those areas which presently are not adequately served by modern, efficient mass transportation, long-range legislation is desperately needed.

The House of Representatives has passed such a proposal, H.R. 12859, which would authorize $11.3 billion in Federal funds over a 6-year period to help localities construct new rapid transit systems. The Senate, however, has not adopted a long-range program, but has, instead, passed a short-term, 2-year measure.

Obviously, if we are serious about conserving energy by encouraging motorists to switch to mass transit, we must establish a meaningful program which provides proper funding and which allows a community to plan over a period of years. For that reason, community leaders in the Los Angeles area favor measures such as the bill H.R. 12859.

In an effort to meet the needs of areas, such as Los Angeles, which require a Federal commitment to help purchase and construct a mass transportation network, the House-Senate conferees, who met to hammer out transit legislation, agreed to the long-range program similar to that passed by the House in H.R. 12859. I certainly endorse and applaud this proposal, and I commend the conference committee for taking this approach.

Mr. Speaker, to illustrate the local concern for a 6-year program, as opposed to the short-term proposal, at this time I place in the Record a resolution adopted by the City Council of Rolling Hills, Calif., urging the approval of H.R. 12859:

Resolution No. 325

A resolution of the City Council of the City of Rolling Hills regarding the provision of adequate public transportation services

Whereas, the City of Rolling Hills, along with other cities and the County of Los Angeles, regard the provision of adequate public transportation services as one of the major problems confronting our region; and

Whereas, the City of Rolling Hills along with other cities is working to plan for such transit and to raise the local share of funds to finance it; and

Whereas, HR 12859 as amended and passed by the United States House of Representatives provides a satisfactory formula for allocation of funds to the Los Angeles area and provides funding for a six-year period; and

Whereas, S. 386 is limited to funding for only two years, making planning difficult, if not impossible; and

Whereas, both bills are now before the United States Senate for consideration,

Now, therefore be it resolved that the City Council of the City of Rolling Hills endorses the passage of HR 12859 as more in keeping with our needs.

And be it further resolved that a copy of this resolution be sent to Congressmen Alphonzo Bell, Glenn M. Anderson, Charles H. Wilson, James C. Corman, and D. M. Clawson of California; to Congressman John A. Blatnick, Chairman of the House Public Works Committee; to California Senators Alan Cranston and John V. Tunney; and to Senator Warren Magnuson, Chairman of the Senate Commerce Committee and Senator Vance Hartke, Chairman of the Senate Sub-Committee on Surface Transportation; together with a covering letter expressing our concern that this legislation be passed before the present Congress adjourns.

THE TANK SHORTAGE

HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. RARICK. Mr. Speaker, the American people being constantly advised about the tremendous costs of national defense must be shocked to learn that we cannot build tanks to fulfill our national defense needs.

One of the major contributors to the tank shortage seems to be foreign aid and the other, production problems. Foreign aid—we are giving them away faster than we can meet our national needs. On the production lag, foundries are going out of business because of the new environmental and health laws, making their operation unprofitable, if permissible.

There is little wonder why we are unable to arm our own military and why "national defense" costs are so high—we are arming the rest of the world. Just today, this body voted for the military assistance program to provide $550 million in taxpayers' money to fund foreign military establishments. Additionally, it should be noted some $300 million in military credit to Israel was extended under this act.

Perhaps as a byproduct of détente and all the new agreements with the Soviets and Red Chinese, our diplomats can arrange to buy some Communist tanks or have our tanks built behind the Iron Curtain so the defense industry will not run into the present environmental and occupational deterrents. I include in the Record a related news clipping:

[From the Washington Post, Oct. 6, 1974]

Army Finds Tanks Cannot Be Built Fast Enough

(By Michael Getler)

The Army says it needs more tanks and is running into problems getting them built fast enough.

According to Army statistics, the service, with 8,350 tanks, is 1,650 short of the number authorized. And about 40 percent of its vehicles are the older and less effective M-48 rather than the latest M-60, the Army's front-line weapon.

The problem is twofold, according to Pentagon military and civilian officials.

The number of companies able to manufacture the huge castings for tank turrets and hulls has dropped sharply in recent years, and those that remain prefer more profitable and less demanding commercial orders. The Navy has a similar problem trying to find shipyards for military work.

Since the October, 1973, Arab-Israeli war, the United States has sold Israel about 450 tanks out of the Army's stockpile, and more are expected to be sent within the next several months.

In August, it was reported that several dozen U.S. M-60 tanks—which cost about $300,000 each—began arriving in Ethiopia.

Army officers are not openly challenging administration policy in Israel or when it comes to bringing in cash through the overseas sales.

Both policies, however, have produced considerable but quiet concern within the Army in light of the production problems.

And top civilian Pentagon officials have called public attention to the problem.

In a recent speech to defense industry executives, Defense Secretary James R. Schlesinger said the famed American industrial arsenal was now "performing less impressively in its traditional role."

One reason, he said, is "the dramatic decline in defense procurement." In addition, he said, "environmental programs and higher standards of health for industrial workers have eliminated reserve capacity, increased prices and slowed reaction times—problems reflected in such diverse products as forgings, castings and propellants."

Army officers say that because foundry work is essentially a "dirty business" with respect to new environmental and health laws, a lot of firms have gone out of business.

"In some instances," Schlesinger told the industrialists, "because defense demands are currently low, we find ourselves reduced to a single supplier of vital military goods—with considerable uncertainty as to whether we can generate enough orders to keep that one producer in production.'

"While the Soviets produce thousands of tanks a year," he said, "we are struggling to build to an annual rate of some 800."

The effort to step up tank production and modernize the force grew out of the October War in the Mideast, when thousands of tanks were thrown into battle by both sides and hundreds were destroyed within the first four days.

For the United States, the war dramatized the enormous tank production of the Soviet Union, which has equipped most of the Arab armies and those of Eastern Europe with thousands of these vehicles in addition to maintaining huge stockpiles of its own, estimated at about 12,000 medium and heavy tanks.

It also showed how fast tanks can be chewed up on the battle field by new anti-tank missiles. A third lesson was that the United States had a very tank-hungry customer on its hands in Israel.

Before the war, the only tank production line in the United States, operated by Chrysler Corp., in a government-owned plant in Detroit, was turning out the minimum number of 30 new M-60 tanks a month. After the war, Schlesinger, in the new military budget, sought to double production to 60 a month. The Marines were also scheduled to start getting about 10 M-60s a month beginning this year off that same line.

But there is only one company currently willing to provide the big castings for the tanks—Blaw Knox in East Chicago, Ind.—and so far the Army has been able to expand production in Detroit only to about 40 tanks a month.

Pentagon officers are hoping that the East Chicago firm can turn out still more castings, but they are also searching—both in the United States and overseas—for a second company to take on some of the business.

The Soviet Union, with its vast land mass, has always relied heavily on tanks, and the United States and its NATO allies have never attempted to match the Communist-bloc arsenal tank-for-tank.

In the critical battleground of northern and central Europe, the Soviets and Warsaw Pact allies have an estimated 17,000 tanks of all types. The NATO allies perhaps 6,500, but with 4,000-5,000 more stockpiled in reserve.

However, Western tanks—U.S., British and German—are viewed as generally superior to their Soviet counterparts. The United States also has an edge in other forms of anti-tank weaponry such as missiles. The Pentagon has also doubled efforts in this field but critics of still higher tank production tend to call for even more emphasis on the anti-tank missile field as more efficient than still higher rates of more expensive tank production.

FRANK ROBINSON—FIRST BLACK MANAGER IN MAJOR LEAGUE BASEBALL

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. STOKES. Mr. Speaker, I wish to direct the attention of my colleagues to the fact that sports history was made today in Cleveland, Ohio, as Frank Robinson was named manager of the Cleveland Indians baseball team.

Robinson, a 21-year veteran of the basepaths, richly deserves the honor of becoming the first black manager in major league baseball history. The time was long overdue for a black player to be accorded this distinction, and Robinson is unquestionably the most qualified man for the job.

Frank Robinson began his illustrious baseball career with the Cincinnati Reds when he was drafted out of high school in 1953. In the late 1950's and early 1960's he was a perennial All-Star and a respected leader to his teammates. He was traded to Baltimore in 1965, and in 1966 led the Orioles to the world championship over the Los Angeles Dodgers. His exceptional talent coupled with his remarkable winning spirit soon catapulted the young black man from West Oakland, Calif., to an unprecedented height of success as the first winner of the Most Valuable Player Award in both leagues. Among the numerous other laurels Frank Robinson earned were the Baseball Writers of America Most Valuable Player Award, the Clark Griffith Award, and the Rogers Hornsby Award.

But Frank Robinson has long been recognized as being more than just one of the game's greatest players. He has also proven himself in the dugout, as an outstanding motivator of men. Frank Robinson managed the Santurce Cangrejeros of the Puerto Rican League for five consecutive winters since 1968. The team prospered so well under Robinson's direction that they are now virtually a major league team with a rating higher than triple-A. In Robinson's first season with the Cangrejeros the team won the league pennant and Robinson was named Manager of the Year. In 1971 Frank led the team to victory over the New York Yankees in an exhibition game.

The Cleveland Indians recently obtained Frank Robinson on waivers from the California Angels, for whom at the age of 39 he continued to be invaluable on the playing field, commanding a salary of $173,000 a year. With due recognition for his prowess at the plate, Cleveland has signed Frank as a player manager who will continue to serve as a designated hitter. Robinson thus becomes the first playing manager in the major leagues in the last two decades. The last of that line was Cleveland's Lou Boudreau, who in 1948 led the Indians to the world championship. Frank Robinson is no stranger to the category of "firsts." Another proof of his unqualified success is that the first black manager in the major leagues is now the highest paid manager in the history of baseball.

I find it especially gratifying that the Cleveland Indians have named the first black manager in major league ball. Cleveland was also the first American League team to sign a black player, Lary Doby, who recently returned to the team in a coaching capacity.

I expect only great things to come from Frank Robinson's association with the Indians. I know his leadership will be a positive encouraging influence not only to the team, but to all our citizens. This is a great day for baseball, a great day for our city, and a great day for Americans. I know my colleagues join me in congratulating both the management of the Cleveland Indians and Frank Robinson today, and in wishing them every success.

THE CHILDREN ARE STILL WAITING

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. BINGHAM. Mr. Speaker, today is Child Health Day, a symbolic reminder to the Nation of the importance of meeting the health needs of our children which dates back to 1928. Every year since then the President has issued a proclamation setting aside the first Monday in October as Child Health Day and urging all Americans to pay attention to children's illnesses and handicaps which can and must be treated or prevented.

This occasion is just as appropriate today as it was 46 years ago because this Nation's children still suffer an intolerable lack of good health care. The National Council of Organizations for Children and Youth has drawn up the following list of indications of the current state of our children's health:

First. Due to inadequate maternal, prenatal, and postnatal care, more than 200,000 American children each year are born with birth defects, a staggering 7 percent of all births.

Second. America lags behind 14 other Westernized countries in the rate of infant mortality.

Third. Birth defects have left 2.9 million retarded, 750,000 with hearing impairments, and 500,000 totally or partially blind. In total, there are 15 million Americans who have been left with birth defects serious enough to drastically affect their daily lives and the lives of their families.

Fourth. Action is urgently needed to reverse the alarming trend of declining immunization levels. At least half of infant mortalities are preventable with current technology and at least 60 percent of handicapping conditions can be corrected or prevented if treated before the child reaches 18 years of age.

Fifth. Surveys show that up to 10 million of the nearly 14 million 1- to 4-year-olds are unprotected against one or more preventable diseases.

Sixth. A rubella vaccine costs $1. It costs 17 cents to immunize a child against diphtheria. Compare these preventive expenses to the huge costs needed for treatment.

These alarming facts are not the only source of concern about the adequacy of efforts to keep our children healthy. Michael Edwards, writing in the September 28, 1974, issue of the Nation magazine, has described the appalling unwillingness of HEW to implement one health program for children which could well change some of the discouraging statistics about child health. I hope Child Health Day 1974 will be the beginning of a new awareness of the need for better health care for our children and a new determination to act. The article referred to above follows:

[From the Nation, Sept. 28, 1974]

The Children Are Still Waiting

(By Michael D. Edwards)

WASHINGTON.—On January 2, 1968, President Johnson signed into law legislation requiring free preventive medical care for millions of poor children who seldom—if ever—see a doctor. Today, almost seven years later, most of those children are still waiting for the program to be put into effect. A poor child has only half the chance of a more affluent youngster to reach his first birthday. Children of poverty have five times more mental illness, seven times more visual impairments, six times more hearing defects, and three times more heart disease than do their more fortunate counterparts. They are America's forgotten children—the victims of a society which applauds rhetoric, but is slow to act.

Nowhere has this been more evident than in this program which mandates free screening, diagnosis and treatment for some 13 million children under Medicaid. It is a case study of how creative ideas and noble intentions are written into law, then lost in the bureaucracy, discovered again, and still not implemented.

The idea behind the Early and Periodic Screening, Diagnosis, and Treatment Program (EPSDT) dates back to 1966, when Wilbur Cohen, then Under Secretary of Health, Education, and Welfare, began to push a simple concept: that it is far better for children to visit the doctor before they get sick. In that way, a potentially serious illness can be caught in its early stages.

While not fully committed to the necessity of bringing free medical care to disadvantaged youngsters, but convinced that the Cohen proposal could cut down welfare and Medicaid expenditures, President Johnson included references to such a program in a message to Congress on February 8, 1967. An economy-minded House Ways and Means Committee moved forward on the idea and added a provision to the Social Security Amendments of 1967, stipulating that to be eligible for Medicaid funds, the states had to provide preventive medical care for all eligible children under the age of 21.

The bill cleared Congress on December 15. And on January 2, 1968, President Johnson signed the measure—committing the federal government to assuring that free medical care would begin for these children by July 1, 1969.

But from then on, the Department of Health, Education, and Welfare, which is responsible for overseeing the program, moved about as fast as the Washington Monument. The eighteen-month interval between when the bill was enacted and when it was to be fully operational presumably gave even the slowest HEW employee time to draft the regulations under which the program was to operate. But July came and went; the regulations never appeared.

But for the persistence of the National Welfare Rights Organization (NWRO) and the late Rep. William F. Ryan of New York, the program might have quietly disappeared then and there, along with other dust-covered sections of the Social Security Act.

Their efforts apparently yielded some success in December 1970—three years after the law was passed and a year and a half after Secretary Elliot Richardson announced that his department had finally drafted regulations "which would require state Medicaid agencies to spearhead the comprehensive planning necessary" to implement the nationwide program of preventive medical care for needy children.

Published in the *Federal Register* on December 11, 1970, these draft regulations were accompanied by a notice that interested parties had thirty days in which to comment. Presumably, following that deadline, the regulations would go into effect.

They didn't. It was only after another year had elapsed and NWRO had filed suit in federal court to force HEW to move that the department promulgated final regulations implementing the program—effective February 4, 1972.

That should have done it. Some 13 million poor children should have begun the medical attention they needed and deserved. But, in keeping with the history of this program, it did not happen. Concerned by the very evident reluctance of both HEW and the states to live up to the law, the Congress directed that a financial penalty had to be imposed on those jurisdictions which did not meet the statutory requirements by July 1, 1974.

As might be expected, HEW did not meet this deadline. In fact, it was not until August 2 that the department even issued the regulations under which the penalty could be assessed. And federal officials candidly concede that, even under the best of circumstances, they will not be in a position to levy the fine and force full compliance until next year. And the best of circumstances clearly do not exist.

First, there is HEW's basic lack of resolve to carry out the law of the land. Not only has the department failed to see the necessity to meet Congressionally imposed deadlines; it has steadfastly refused to commit the resources essential to implement the program even when appropriate regulations had been issued.

Perhaps most indicative of this is the fact that the majority of officials responsible for administering the program have resigned. Now, there are only four people at HEW in Washington to administer a program which by HEW's own estimates should be reaching at least 13 million children. Nor is the situation any better in the field. There is an average of one staff member in each of the department's ten regional offices to oversee the performance by the states in this matter.

Moreover, even if the program had the eighty-to-100 staff slots it needs even to begin to carry out the law, the manner in which HEW has structured the program virtually prevents it from living up to its obligations to the country's poor.

The first obligation is to provide quality medical care. Yet the HEW regulations make almost no mention of the quality of care. The second obligation must be to identify the children who are to receive this care and to bring it to them. It simply is not sufficient to write a letter each year to each welfare family, letting them know that the program exists. There must be a dedicated and continuing effort to find these children and provide them with the services. And third, there must be an effort to establish the appropriate programs without penalizing the youngsters who should be benefiting from them. As the present penalty provision stands, states might find it economically more advantageous to take the 1 per cent penalty than to spend the money necessary to live up to the EPSDT guidelines. The only ones who lose in this situation are the children. Moreover, it is far easier for a state to be in compliance with the regulations under which the penalty can be assessed than it is to fulfill the language of the law itself. In other words, states might not be subject to the 1 per cent penalty, yet continue to violate the Medicaid law.

Congress had an answer to this when it first passed the EPSDT program in 1967—that any state that failed to provide these essential services would be denied any federal Medicaid money whatsoever. But no one at HEW or in the Congress proposes to use this remedy.

What this comes down to is a question of commitment and action. Each day that the government fails to make this program function is another day of sickness and suffering for the children of poverty. Harlem Rep. Charles Rangel put it this way: "One of the greatest tragedies in government is when it gives lip service to disadvantaged Americans, then promptly forgets them. We have seen this sham often in the past and are now, unfortunately, witnessing it again."

And the children keep on waiting.

GILMAN CONDEMNS SUPERMARKET FOOD REPRICING

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. GILMAN. Mr. Speaker, the Department of Agriculture has predicted that 1974 retail food prices will average at least 15 percent above last year's prices. A recent survey shows that since January 1, in 13 major cities, the prices at the beginning of September were up and rising at an average of 11 percent over the prior 8-month period.

Further burdening our exasperated shoppers, many food chains and independent markets in my congressional district are actively engaged in the practice of superimposing higher price tags on food items as many as three or four times. The original price, which should be based on the wholesale cost of the item, plus a fair markup, is being increased whenever the price of that particular product increases in the wholesale market. This practice is unjust because the price of the item on the shelf should be based only on its cost to the market at the time of purchase and not on what the identical item costs at a later date. By continually adding price tag upon price tag, food markets are reaping heavy profits daily from helpless consumers, most of whom can barely afford to provide their families with adequate nutritional meals.

The notable exception is the recent policy of Safeway Stores, affecting all of its 2,396 retail stores throughout the country, which has discontinued the unfair practice of remarking food items, including meat once it is placed on the shelf.

In response to the numerous complaints I have received in recent weeks from my wife, housewives and husbands alike, and the elderly living on fixed incomes, I have made several visits to food markets in my district to observe firsthand these price tags or stickers placed over former prices. In some cases the new price or prices, which may have considerable variation, are slapped on in such a haphazard manner, the victimized consumer is confronted with the added chore of trying to figure out what the actual price of the article is.

On September 24, the attorney general of the State of New York, Louis J. Lefkowitz, conducted the first in a series of hearings with supermarket chain executives to discuss spiraling food prices and especially the problems of double and triple pricing. As a result of complaints received and observations I have made, I have comunicated my concern to the attorney general giving my wholehearted endorsement of actions he may undertake to halt these inequitable and unscrupulous practices, as well as offering assistance on the Federal level.

Accordingly, I have introduced legislation amending the Federal Trade Commission Act to prohibit any increase in the price of certain consumer commodities by any retailer once a price has been placed by the retailer on the commodity, that is, foods, drugs, cosmetics, or any other articles which are distributed for sale by retail stores.

While this measure will not end inflation in the food industry, it is designed to give overtaxed housewives some leeway in their shrinking food budgets. It is time we put a stop to this unconscionable profiteering in the marketplace.

FEDERAL ELECTIONS AND U.S. TAXPAYERS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, October 7, 1974

Mr. VANIK. Mr. Speaker, the American Legion magazine for October 1974, carries a "pro" and "con" statement on whether the U.S. taxpayers should finance Federal elections. My two distinguished colleagues Representative GERRY STUDDS of Massachusetts and my colleague from the Cleveland area, Representative JAMES V. STANTON in their opposing views have provided the American public with a stimulating debate on this vital issue.

My colleagues have presented a thoughtful, hard-hitting and clear-cut discussion of this issue which I direct to the attention of every Member of the House of Representatives.

The article is as follows:

SHOULD THE U.S. TAXPAYER FINANCE FEDERAL ELECTIONS

YES

(By Representative GERRY E. STUDDS, Democrat of Massachusetts)

The most obvious benefit derived from the long series of revelations known collectively as the Watergate Affair is the growing national awareness of the corroding effect of big money on the American political process. Will Rogers often said that the United States has the best government that money can buy. Congress now has the opportunity—through the passage of a program for public financing of federal election campaigns—to shut off the underground rivers of private funds that pollute our national politics at every level.

Over $500 million were expended in pursuit of public office in 1972. The necessity for obtaining funds ample to conduct a modern campaign creates pressures on actual and would-be office holders that can only be eliminated by passage of public financing legislation.

Many citizens object to the concept of using tax money to pay for the campaigns of candidates with whom they may disagree. Federal campaign financing would not be paying the cost of electing any particular candidate. It would defray the cost of the electoral process itself. I believe the price we have paid in the past for corrupt and inefficient leadership is far higher than the $75 million annual price tag of public financing.

Corruption in government is not a new phenomenon. In fact, many contend that few major pieces of legislation move through the House or the Senate, and few major administrative decisions are taken, that do not bear at least the partial brand of large campaign contributors with a private interest in the outcome. The combined financial weight of these contributors—who come from all parts of the ideological system in which the influence of every citizen could be determined only by his voice and by his vote, and not by the thickness of his wallet.

The events of the past year indicate clearly that limits on total campaign spending and on individual contributions are not enough, and that neither are provisions which merely call for full disclosure of contributions. After April 7 of last year, the United States had an ample full disclosure law, but—as a recent report by the General Accounting Office has made clear—vast amounts of contributions were made and duly reported after this date. Even when disclosure is made, it will never be enough, because a donor will never disclose what he wants in return for his money. More than 20 major corporations have been convicted in the past year of breaking campaign financing laws. The stiffest penalty assessed was a $5,000 fine.

Many members of Congress do not find the idea of facing an opponent whose financial resources are equal to their own very appealing. My strongest hope is that public pressure will continue to build on these representatives of the people to make immediate and positive action on campaign financing reform unavoidable.

NO

(By Representative JAMES V. STANTON, Democrat of Ohio)

Because I'm a member in good standing of the reform wing of the Democratic party, I seem to startle people when I tell them I'm against public financing of political campaigns. They ask how I can say such a thing. They pledge themselves to the saving of my soul, by explaining how their plan will cleanse the political system. "Good" money from the taxpayers will drive out "bad" money from the special interests.

Well, I might be a reformer, but I'm also a politician, and I think I know how the system works. You'll never flush it clean with money—not even "good" money, which is doomed to get dirty while circulating with the "bad." In my opinion, real reform has to start by facing up to a cold fact—that you can't wash money just by piping it through the public treasury.

The people are weak when they have to bribe politicians to behave, by offering them their tax money. It would be better for them to deal with politicians from a position of strength, which is what we politicians respect. And nothing would make the people stronger than to create in the government a *permanent* Office of Special Prosecutor (à la Cox and Jaworski) with no ties to the White House or to Congress. *This* is the reform we ought to aim for. We ought to stay on target, and not get diverted from it by schemes that hold no more promise than Prohibition.

We need a Special Prosecutor because no reform law is going to be worth the paper it's written on unless it's enforceable. To make it enforceable, we need some self-starting, self-propelled, free-wheeling enforcement machinery, having no place in its driver's seat for those of us who are being policed.

Do you know how the present system works? The politicians police themselves. Election laws are enforced by the Clerk of the House, Secretary of the Senate and a Justice Department steeped in politics. You don't have to be a genius, do you, to figure out why there were so few prosecutions until Jaworski got into the act?

But even if we had a good enforcement system to fit it in with, public financing, in my opinion, would poison our political process, killing some of the good that's in it. For example, it would kill the two-party system that gives us substantial unity in this country—a politics of consensus rather than factionalism. A sure handout from Uncle Sam is enough to encourage nearly everyone on the fringe to form his own party or to run for office. How would you like to help support the Ku Klux Klan party, or a candidate tied to a religion? It's in the Soviet Union, not here, that we find ideology entwined with the state, and subsidized by it.

I say let's have reform. *For sure*. But let's be practical—and let's do it the American way.